UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 93^{d} CONGRESS
SECOND SESSION

14 1976 JUN

VOLUME 120—PART 12

MAY 20, 1974 TO MAY 28, 1974

(PAGES 15261 TO 16590)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1974

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

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SENATE—*Monday, May 20, 1974*

The Senate met at 8 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, whose love never forgets, never forsakes, and never fails, draw near to us as we draw near to Thee. Stay with us hour by hour for we put our trust in Thee. Grant us fidelity to Thee and courage at every moment to obey the promptings of Thy Spirit. Keep us strong and true in success or failure, in prosperity or adversity, in pain or pleasure. Beyond these turbulent and tragic times may we see the glimmering light of a new day when hearts are pure, motives are honorable, attitudes are friendly, and all work is service in Thy kingdom.

We pray in His name who is the Way, the Truth, and the Life. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, May 16, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

U.S. ARMY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

FEDERAL TRADE COMMISSION

The second assistant legislative clerk read the nomination of Stephen A. Nye, of California, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 20, 1970.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Air Force, in the Army, and in the Navy, which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 770, 811, 812, 813, 814, 815, and 822.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL OLYMPIC COMMISSION ACT OF 1974

The Senate proceeded to consider the bill (S. 1018) to create a National Commission on the Olympic Games to review the question of U.S. participation in the Olympic games and to evaluate and formulate recommendations concerning such participation, which had been reported from the Committee on Commerce with amendments. The amendments of the Committee on Commerce are as follows:

On page 1, line 4, after the word "of", strike out "1973" and insert "1974"; on page 3, line 7, after "Sec. 4.", strike out:

> The Commission shall be composed of nine members who shall be appointed by the President of the United States. Such members shall be selected with the purpose of assuring objective consideration of all viewpoints. No more than two members of the Commission at any one time shall be an officer or director, past or present, of the United States Olympic Committee, or of any other national athletic association or federation.

And insert:

> The Commission shall be composed of nine members, including not less than two amateur athletes who competed in the 1972 Olympic games as representatives of the United States, who shall be appointed by the President of the United States. In designating the members, the President shall give appropriate consideration to the representation of women and minority groups within the United States. No more than two members of the Commission may be or at any time have been officers or directors of the United States Olympic Committee, or of any national athletic association, federation, or union.

On page 5, line 11, after "Sec. 7.", strike out:

> The Commission shall submit to the President and to the Congress a final report of its findings and recommendations not later than August 1, 1974.

And insert:

The Commission shall submit to the President and Congress a final report of its findings and recommendations not later than December 31, 1974, or 180 days after all of the members of the Commission have been appointed, whichever is later.

And, on page 7, line 5, after "Sec. 12.", strike out:

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

And insert:

There is authorized to be appropriated to carry out the purpose of this Act, the sum of $750,000 to remain available until expended.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Olympic Commission Act of 1974".

SEC. 2. The Congress hereby finds and declares that—

(1) serious problems have risen in the conduct of the Olympic games, both summer and winter, which have led to widespread and continuing criticism of certain aspects of the games and the manner in which the United States administers its preparation for and participation in the games;

(2) the participation of the United States in the Olympic games has a substantial effect on commerce between the United States and other nations, and such participation involves many issues relating to the area of amateur sports which have a substantial and continuing effect on interstate commerce, such as jurisdiction over various areas of amateur sports and training and development of amateur athletics;

(3) an evaluation is required of the form of organization and the means by which the United States can participate most effectively in the Olympic games and provide leadership in accomplishing action to assure that future games will be organized and conducted in a manner which will contribute to the achievement of the high ideals of the games and promote international friendship and good will through athletic competition between individuals; and

(4) the establishment of a National Commission on the Olympic Games would provide an effective means of determining constructive action toward accomplishing these goals and preparing specific legislative proposals which would command broad public support.

SEC. 3. There is hereby established a National Commission on the Olympic Games (hereinafter referred to as "the Commission").

SEC. 4. The Commission shall be composed of nine members, including not less than two amateur athletes who competed in the 1972 Olympic games as representatives of the United States, who shall be appointed by the President of the United States. In designating the members, the President shall give appropriate consideration to the representation of women and minority groups within the United States. No more than two members of the Commission may be or at any time have been officers or directors of the United States Olympic Committee, or of any national athletic association, federation, or union.

SEC. 5. The President shall designate a Chairman from among the members of the Commission. Any vacancy on the Commission shall not affect its powers and shall be promptly filled.

SEC. 6. The Commission shall review the participation of the United States in the Olympic games, and, if it recommends that such participation should be continued, shall also recommend the form of organization by means of which the United States should participate in the Olympic movement and shall present specific proposals for any legislation required to implement its recommendations. In formulating its legislative recommendations, the Commission shall take into account—

(1) the objectives of the modern Olympic movement and the extent to which those objectives are being met;

(2) the manner in which the Olympic games are administered, with particular attention to the views of those who participate in those games as athletes, coaches, officials, or otherwise, or who have attended such games in any other capacity;

(3) the role which the United States Olympic Committee has played in international sports and the manner in which the United States' participation in the Olympic games has been organized and administered by that Committee;

(4) the policies which would assure the selection on a fair and equitable basis of the best-qualified athletes, coaches, managers, trainers, and other officials and which would provide the maximum opportunity for persons to develop their athletic skills and participate in international athletic competition; and

(5) the arrangements which will best protect the interests of the individual athletes during the period of their training for, travel to, and participation in the games.

SEC. 7. The Commission shall submit to the President and Congress a final report of its findings and recommendations not later than December 31, 1974, or 180 days after all of the members of the Commission have been appointed, whichever is later.

SEC. 8. Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title;

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals; and

(3) hold such hearings, sit and act at such times and places, and administer such oaths, as the Commission or any subcommittee or any three of the members thereof may deem advisable.

SEC. 9. Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman, such data, reports, and other information as the Commission deems necessary to carry out its functions under this title. The Commission is further authorized to request from any public or private organization or agency and from the United States Olympic Committee any information deemed necessary to carry out its functions.

SEC. 10. Five members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

SEC. 11. Members of the Commission shall receive $100 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

SEC. 12. There is authorized to be appropriated to carry out the purpose of this Act, the sum of $750,000 to remain available until expended.

SEC. 13. The Commission shall cease to exist thirty days after the submission of its final report.

The amendments were agreed to.

Mr. TUNNEY. Mr. President, today the Senate is considering S. 1018, a bill which would create a National Commission on the Olympic Games.

After the tragedies of the 1972 Olympic games in Munich which culminated in the assassination of the 11 Israeli athletes, the Senate overwhelmingly adopted legislation which I introduced to create such a Commission. This legislation, however, was not acted upon by the House prior to the conclusion of the session in 1972.

After extensive conversations with athletes, administrators, and athletic organizations, I reintroduced this measure in February of 1973, because of the widely held belief that the need for review remains imperative to the interests of millions of aspiring young Americans. Extensive hearings were held on this measure and it has received unanimous support from the major amateur sports groups. S. 1018 was reported without objection from the Senate Commerce and Foreign Relations Committees.

As we all know, the Olympic ideal of peace and friendship through sporting competition was permanently bloodstained by the assassination of the 11 Israeli athletes in Munich. Yet, the entire Olympiad was a chaos of administrative bungling, inflexibility, and petty nationalism. U.S. athletes were hamstrung by these inefficiencies, and they and athletes from around the world were unfairly treated by officials who clearly were more interested in politics than in fair and impartial judging of the various competitions.

As a result of problems such as these, many have called for the abolition of the games altogether. I remain steadfast in the belief that we can achieve the Olympic ideal. But we must not allow the memory of the Munich Olympics to fade. Indeed, the recollection of the tragic events in Munich should strengthen our resolve to insure that future Olympics will more nearly approach that ideal, and that the U.S. effort is the best we can make, both as a country and individually.

Clearly, the time, energy, and efforts of the individual competitors, in many cases amounting to a virtual lifetime of work, should not be wasted, corrupted, and overshadowed by events irrelevant to the competition itself. In order to meet these goals, S. 1018 provides an Olympic Commission to be composed of nine members appointed by the President. It would review all facets of U.S. participation in the Olympics and make recommendations to the President and to Congress concerning the future of our Olympic effort. If continued participation is recommended, the Commission is to formulate specific proposals governing such participation.

The Commission is to evaluate the role of the U.S. Olympic Committee—USOC—in international sports and in administration of the U.S. Olympic program. The Commission is further instructed to consider the objectives of the

Olympics, the administration of the games, policies concerning selection and development of Olympic participation, and arrangements which will protect the best interests of the athletes in training for, traveling to, and competing in the games.

The membership of the Commission would be limited to insure that a majority of the Commission will be able to consider objectively all of the conflicting viewpoints and claims which will be presented and to create recommendations without preconceptions about any particular alternative. To assure that is the case, no more than two past or present officers or directors of the USOC or any other national sports groups will be allowed to serve on the Commission. Also to insure that there is representation of the most affected group it is mandated that no less than two amateur athletes who competed in the 1972 games as representatives of the United States shall serve on the Commission. The President is also requested to provide adequate representation of women and minority groups on the Commission. It is also my hope that the President will appoint members of the general public who have shown a particular interest in the Olympics or amateur sports. I believe that there should be at least one member with a legal background who can deal with the many legal intricacies involved in Olympic issues. Such breadth and diversity of membership will go a long way in guaranteeing that the Commission's deliberations will be successful.

The bill provides for an appropriation from general revenues. Cost of this Commission should not exceed $750,000. The pay of the members of the Commission is set at $100 a day in addition to reimbursement for expenses incurred.

I would like to elaborate briefly on the specific factors to be considered. The first and most important would be a thorough evaluation of the structure and policies of the USOC. The USOC is presently charged with exclusive jurisdiction over all matters relating to the Olympics in the United States by the terms of its Federal charter. Much of the criticism of the U.S. effort in past Olympics has centered on the role of the USOC. Many organizations, such as the recently formed Committee for a Better Olympics, have committed themselves to seeking restructuring of the USOC.

Indeed, the USOC itself has taken some steps toward internal reorganization. Last year, it appointed several well-known Olympic athletes to its board of directors and executive board. Such self-corrective action is a commendable step toward the broad reform which will be required if we are going to improve our Olympic program. It became clear through the hearings held on this bill, however, that more sweeping action is needed. And it was the consensus that the additional reform required could not come from within the USOC, but must come from a representative and independent Commission.

The Commission is also directed to review the selection process of athletes, coaches, and officials for the Olympic team. The selection process has been marred in the past by jurisdictional disputes, political factors, and personal friendships. If we are to compete in the Olympics, we must commit ourselves to selection of the best athletes, coaches, and officials. Anything else is a betrayal of the competitors and the American public, which regards the Olympic team as its national representatives.

Development and training programs for athletes must also be considered. The haphazard approach of the past is clearly inadequate. The efforts of the vast millions of our young people in amateur sports all too often pale before the concerted efforts of other nations to develop and train their athletes. We ask too much of our athletes if we ask them alone to sacrifice time, employment opportunities, and families to train for Olympic competition.

The Commission should further consider arrangements for training and participation in the Olympics by those selected to compete. Athletes should not be subjected to administrative harassment and inflexibility as they have been too many times in the past.

Finally, we must review areas over which the United States does not have direct control. A good example is the conduct of awards ceremonies, which has been criticized for excessive nationalism. The International Olympic Committee controls this and many other policies. Although the United States cannot unilaterally change such policies, we can make a comprehensive evaluation and framework for future action by American representatives within the IOC.

It is essential that Congress take immediate action on the Olympic question. Although 1976 seems distant, it is a relatively short time if we are to act effectively before the next Olympics. It is for that reason that I have proposed a deadline of December 31, 1974, for the Commission's report to the Congress and the President. This date is approximately 14 months before the 1976 Winter Olympics. In the limited time available, I submit that my proposal provides the most effective way to generate a comprehensive and reasonable evaluation of our Olympic program.

U.S. Olympian Ken Moore eloquently summarized his conception of the Olympic ideal in the September 18 issue of Sports Illustrated:

> In Mexico and here the village had been a refuge, admittedly imperfect, from a larger seedier world in which individuals and governments refused to adhere to any human code. For 2 weeks every 4 years we direct our kind of fanaticism into the essentially absurd activities of running and swimming and being beautiful on a balance beam. Yet even in the rage of competition we keep from hurting each other.

That ideal was severely damaged in Munich. We can resurrect it if we act now. If we delay, we risk further deterioration and possible destruction of the Olympics as a means of promoting that ideal. We risk further national discord over the conduct of our Olympic program. And most important, we risk further waste of the dedicated efforts of those who take part in the Olympic games.

We cannot afford further delay. Conflict between the AAU and the NCAA over player participation in the United States-Russian basketball series, and in the swimming competition with Red China, demonstrate the need for immediate action. If we do not act, we can count on this organizational rivalry to hamstring our efforts to prepare for the 1976 games. The creation of the National Olympic Commission which I have proposed is the first and most effective step which we can take to reform our Olympic program. I strongly urge the Senate to take that step by passing this bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RESOLUTIONS ABOUT TO BE CONSIDERED

Mr. McCLURE. Mr. President, I am concerned that the resolutions we are about to consider may be misunderstood by those not familiar with American constitutional requirements. The Constitution wisely requires consent of two-thirds of the Senate to adopt or alter a treaty. A sense of the Senate resolution regarding treaties has no legal weight.

Although they are not binding, I believe it would be a serious mistake to let these resolutions pass without expressing my strong reservations. American sovereignty was gained at a very high cost. It should not be given away lightly.

Support for these resolutions seems to be based more on wishful thinking than on realistic assessment of how best to protect our just national interest in a sometimes hostile world. Rather than automatically endorsing moves toward greater dependence on the International Court of Justice, we should first seek answers to some fundamental questions. Can the Court be depended upon to be an impartial, dispassionate judicial body, or will it inevitably reflect the ideological, cultural, and political factionalism that divides today's world?

Is the record of the Court such that each nation—whether popular or unpopular—can have complete confidence that its rights will be safeguarded? The concept of the "rule of law" is nearly sacred to Americans, but good law is far more than a set of arbitrary regulations.

It develops from accepted customs and values held in common. To what extent do the various nations hold values in common? How much does a jurist raised in the English common law tradition have in common with a jurist from Mongolia, or Laos, or Zaire? To us in the West, the term "law" implies a whole tradition of safeguards, rights and impartial proceedings.

If its court comes to be dominated by a combination of Marxists and representatives of small non-Western countries, can anyone predict what the rule of law will mean?

In light of these unanswered questions, the wisdom of retaining the Connolly reservation is increasingly obvious.

INTERNATIONAL COURT OF JUSTICE—TERRITORIAL DISPUTES

The Senate proceeded to consider the resolution (S. Res. 74) expressing the sense of the Senate with respect to access to the International Court of Justice, which had been reported from the Committee on Foreign Relations with an amendment, to strike out all after the word *"Resolved"* and insert:

That it is the sense of the Senate that the President is requested to direct the Secretary of State forthwith to seek to submit to the International Court of Justice for binding decisions as many as possible of those outstanding territorial disputes involving the United States, where such disputes cannot be resolved by negotiation.

Sec. 2. It is further the sense of the Senate that the President should direct the Secretary of State to consider submitting to the International Court of Justice as many as possible of the approximately 28 territorial disputes involving our country and a number of close allies over desolate and largely uninhabited islands in the Caribbean Sea and the Pacific Ocean.

Sec. 3. It is further the sense of the Senate that the President should direct the Secretary of State to make a full written report to the Senate and to its Committee on Foreign Relations within one year after the adoption of this resolution, and a report for each of the five years thereafter, of actions taken and progress achieved in submitting such disputes to the Court.

Sec. 4. The Secretary of the Senate is instructed to transmit a copy of this resolution to the President of the United States with the request that the President report to the Senate in due course what actions he has taken pursuant to this expression of advice.

The resolution, as amended, was agreed to.

The preamble was amended.

The resolution, as amended, with its amended preamble, reads as follows:

Whereas the adjudication of disputes which affect neither the national security nor the vital interests of the parties concerned is one of the most practical and immediate ways to develop and strengthen an international judicial system;

Whereas the International Court of Justice must be used by parties to the statute of the Court if it is to fulfill its purpose;

Whereas the submission of cases to the International Court of Justice for the binding settlement of disputes between states is not a provocative gesture but rather a step toward international peace through law; and

Whereas the United States has contributed greatly to the development of international law and seeks an ordered world under law: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President is requested to direct the Secretary of State forthwith to seek to submit to the International Court of Justice for binding decisions as many as possible of those outstanding territorial disputes involving the United States, where such disputes cannot be resolved by negotiation.

Sec. 2. It is further the sense of the Senate that the President should direct the Secretary of State to consider submitting to the International Court of Justice as many as possible of the approximately 28 territorial disputes involving our country and a number of close allies over desolate and largely uninhabited islands in the Caribbean Sea and the Pacific Ocean.

Sec. 3. It is further the sense of the Senate that the President should direct the Secretary of State to make a full written report to the Senate and to its Committee on Foreign Relations within one year after the adoption of this resolution, and a report for each of the five years thereafter, of actions taken and progress achieved in submitting such disputes to the Court.

Sec. 4. The Secretary of the Senate is instructed to transmit a copy of this resolution to the President of the United States with the request that the President report to the Senate in due course what actions he has taken pursuant to this expression of advice.

ADJUDICATION OF DISPUTES ARISING OUT OF THE INTERPRETATION OR APPLICATION OF INTERNATIONAL AGREEMENTS

The Senate proceeded to consider the resolution (S. Res. 75), expressing the sense of the Senate with respect to the adjudication of disputes arising out of the interpretation or application of international agreements which had been reported from the Committee on Foreign Relations with an amendment, on page 2, after line 10, insert a new section, as follows:

Sec. 2. The Secretary of the Senate is instructed to transmit a copy of this resolution to the President of the United States with the request that the President report to the Senate in due course what action he has taken pursuant to this expression of advice.

The resolution, as amended, was agreed to.

The preamble was agreed to.

The resolution, as amended, with its preamble reads at follows:

Whereas the United States is committed to the universal rule of law; and

Whereas the effective rule of law requires that provision be made for an agreed third party to settle disputes as to the interpretation of treaties and other international agreements; and

Whereas the absence of such provisions has often resulted in prolonged and acrimonious disputes as to the meaning of these treaties or other international agreements or the existence of a violation of the obligations incurred under them: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United States endeavor to include, in all future treaties and other international agreements to which the United States shall be a party or which shall be negotiated subsequent to the adoption of this resolution, operative clauses providing that any dispute arising from the interpretation or application of these treaties and international agreements which is not settled by agreement between or among the States concerned shall be subject to the jurisdiction of the International Court of Justice or other appropriate body.

Sec. 2. The Secretary of the Senate is instructed to transmit a copy of this resolution to the President of the United States with the request that the President report to the Senate in due course what action he has taken pursuant to this expression of advice.

ESTABLISHMENT OF REGIONAL COURTS WITHIN INTERNATIONAL COURT OF JUSTICE

The Senate proceeded to consider the resolution (S. Res. 76), expressing the sense of the Senate with respect to establishing regional courts within the International Court of Justice, increasing the categories of parties which may request advisory opinions from the International Court of Justice, selecting judges of the International Court of Justice and having the International Court of Justice consider cases outside The Hague which had been reported from the Committee on Foreign Relations with an amendment, to strike out all after the word *"Resolved"* and insert:

That it is the sense of the Senate that the President should instruct the Secretary of State to give favorable consideration to making use of the various chambers of the International Court of Justice, including chambers convened to resolve regional disputes, where such disputes cannot be resolved by negotiation.

Sec. 2. It is further the sense of the Senate that the President should take all appropriate measures to attempt to expand the range of international bodies eligible to request advisory opinions of the Court, giving special attention to attempting to extend eligibility to regional organizations as well as any two or more states jointly seeking an advisory opinion on any legal questions relating to a dispute between them.

Sec. 3. It is further the sense of the Senate that the President should undertake appropriate steps to improve, within the existing provisions of the statute, the process whereby persons are nominated and elected to serve as judges of the International Court of Justice.

Sec. 4. It is further the sense of the Senate that the President should undertake all appropriate steps to encourage the International Court of Justice, from time to time, to sit and exercise its functions outside The Hague at places more convenient to the various parties to the Statute of the International Court of Justice.

Sec. 5. The Secretary of the Senate is instructed to transmit a copy of this resolution to the President of the United States with the request that the President report to the Senate in due course what action he has taken pursuant to this expression of advice.

The resolution, as amended was agreed to.

The preamble was amended.

The resolution, as amended, with its amended preamble, reads as follows:

Whereas it is desirable for the International Court of Justice to be increasingly accessible and responsive to the need of the world community;

Whereas the International Court of Justice has been inadequately utilized in the settlement of international disputes;

Whereas states and regional agencies are now precluded from seeking advisory opinions of the International Court of Justice and the availability of such advisory opinions would facilitate the peaceful settlement of international disputes;

Whereas the effective role of law requires the election of impartial judges of high moral character and recognized competence in international law;

Whereas the Charter of the United Nations recognizes the importance of the contribution of Members to the maintenance of international peace and security and to the other purposes of the organization; and

Whereas paragraph 1 of article 22 of the Statute of the International Court of Justice provides that the establishment of the Court at The Hague shall not prevent the Court from sitting elsewhere: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should instruct the

Secretary of State to give favorable consideration to making use of the various chambers of the International Court of Justice, including chambers convened to resolve regional disputes, where such disputes cannot be resolved by negotiation.

Sec. 2. It is further the sense of the Senate that the President should take all appropriate measures to attempt to expand the range of international bodies eligible to request advisory opinions of the Court, giving special attention to attempting to extend eligibility to regional organizations as well as any two or more states jointly seeking an advisory opinion on any legal questions relating to a dispute between them.

Sec. 3. It is further the sense of the Senate that the President should undertake appropriate steps to improve, within the existing provisions of the statute, the process whereby persons are nominated and elected to serve as judges of the International Court of Justice.

Sec. 4. It is further the sense of the Senate that the President should undertake all appropriate steps to encourage the International Court of Justice, from time to time, to sit and exercise its functions outside The Hague at places more convenient to the various parties to the Statute of the International Court of Justice.

Sec. 5. The Secretary of the Senate is instructed to transmit a copy of this resolution to the President of the United States with the request that the President report to the Senate in due course what action he has taken pursuant to this expression of advice.

The title was amended, so as to read: "Resolution expressing the sense of the Senate with respect to encouraging the use of the various chambers of the International Court of Justice, increasing the categories of parties which may request advisory opinions from the International Court of Justice, selecting judges of the International Court of Justice, and having the International Court of Justice consider cases outside The Hague."

INTERNATIONAL COURT OF JUSTICE—USE OF CHAPTER VI OF U.N. CHARTER

The Senate proceeded to consider the resolution (S. Res. 77), expressing the sense of the Senate with respect to the jurisdiction of the International Court of Justice which had been reported from the Committee on Foreign Relations with an amendment, to strike out all after the word "*Resolved*" and insert:

That it is the sense of the Senate that the President should direct the Secretary of State to encourage the maximum possible use of the procedures outlined in chapter VI of the Charter of the United Nations, relating to the pacific settlement of international disputes, whose continuance is likely to endanger the maintenance of international peace and security, particularly those procedures providing for the reference of legal disputes to the International Court of Justice.

Sec. 2. The Secretary of the Senate is instructed to transmit a copy of this resolution to the President of the United States with the request that the President report to the Senate in due course what action he has taken pursuant to this expression of advice.

The resolution, as amended, was agreed to.

The preamble was amended.

The title was amended, so as to read: "Resolution expressing the sense of the Senate with respect to referring international disputes to the International Court of Justice."

The resolution, as amended, with its amended preamble, reads as follows:

Whereas peace between nations will be placed on a sounder foundation when they agree to follow scrupulously the terms and spirit of chapter VI of the Charter of the United Nations referring to the pacific settlement of international disputes;

Whereas paragraph 1 of article 33 of chapter VI of the Charter of the United Nations provides that "the parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, shall, first of all, seek a solution by negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice";

Whereas paragraph 3 of article 36 of chapter VI of the Charter of the United Nations provides that "legal disputes should as a general rule be referred by the parties to the International Court of Justice in accordance with the provisions of the Statute of the Court"; and

Whereas the United States is a party to the Statute of the International Court of Justice and is dedicated to the principles by which it was founded and is guided: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should direct the Secretary of State to encourage the maximum possible use of the procedures outlined in chapter VI of the Charter of the United Nations, relating to the pacific settlement of international disputes, whose continuance is likely to endanger the maintenance of international peace and security, particularly those procedures provides for the reference of legal disputes to the International Court of Justice.

Sec. 2. The Secretary of the Senate is instructed to transmit a copy of this resolution to the President of the United States with the request that the President report to the Senate in due course what action he has taken pursuant to this expression of advice.

ACCESS TO INTERNATIONAL COURT OF JUSTICE

The Senate proceeded to consider the resolution (S. Res. 78) expressing sense of the Senate with respect to access to the International Court of Justice which had been reported from the Committee on Foreign Relations with an amendment, to strike out all after the word "*Resolved*" and insert:

That it is the sense of the Senate that the President should direct the Secretary of State to undertake a study examining and appraising the various ways of granting direct and indirect access to the International Court of Justice and other international tribunals to individuals, corporations, nongovernmental organizations, intergovernmental organizations, regional organizations, and other natural or legal persons, in cases concerning questions of international law arising within the scope of activities directly pursued by such natural and legal persons.

Sec. 2. It is further the sense of the Senate that such a study should include an examination of the feasibility of establishing a special committee of the General Assembly of the United Nations, similar to the committee used for review of decisions of the Administrative Tribunal of the United Nations, with authority to request from the International Court of Justice advisory opinions on behalf of those natural and legal persons referred to in the first section, concerning questions of international law arising within the scope of activities directly pursued by such persons.

Sec. 3. It is further the sense of the Senate that such a study should be submitted to the Senate and to its Committee on Foreign Relations within one year after this resolution is agreed to.

Sec. 4., The Secretary of the Senate is instructed to transmit a copy of this resolution to the President of the United States with the request that the President report to the Senate in due course what action he has taken pursuant to this expression of advice.

The resolution, as amended, was agreed to.

The preamble was amended.

The resolution, as amended, with its amended preamble, reads as follows:

Whereas in an increasingly interdependent world a growing number of international entities other than nation-states influence the course of world events;

Whereas the peaceful adjudication of international disputes to which they are a party should be available to such international entities, including individuals, corporations, nongovernmental organizations, intergovernmental organizations, regional organizations, and other natural or legal persons;

Whereas article 11 of the Statute of the United Nations Administrative Tribunal establishes a procedure whereby upon written application by an individual in respect of whom a judgment has been rendered by the tribunal, a special committee may request an advisory opinion from the International Court of Justice concerning that judgment;

Whereas article XII of the Statute of the Administrative Tribunal of the International Labor Organization provides for certain appellate procedures whereby a judgment affecting an individual rendered by the tribunal can be annulled or reversed by the International Court of Justice; and

Whereas there are still other precedents for according entities other than states and public international organizations access to international tribunals: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should direct the Secretary of State to undertake a study examining and appraising the various ways of granting direct and indirect access to the International Court of Justice and other international tribunals to individuals, corporations, nongovernmental organizations, intergovernmental organizations, regional organizations, and other natural or legal persons, in cases concerning questions of international law arising within the scope of activities directly pursued by such natural and legal persons.

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Sec. 3. It is further the sense of the Senate that such a study should be submitted to the Senate and to its Committee on Foreign Relations within one year after this resolution is agreed to.

Sec. 4. The Secretary of the Senate is instructed to transmit a copy of this resolution

to the President of the United States with the request that the President report to the Senate in due course what action he has taken pursuant to this expression of advice.

Mr. TAFT. Mr. President, the action taken by the Senate today in adopting Senate Resolutions 74–78 is a very constructive step in reaffirming the peaceful disposition of international disputes and controversies. The resolutions introduced by myself and the Senator from California (Mr. CRANSTON) were reported unanimously by the Foreign Relations Committee and have the support of the State Department and the administration.

Resolution 74 directs the Secretary of State to submit to the World Court as many as possible of the pending territorial disputes involving the United States.

Resolution 75 recommends inclusion in future treaties operative clauses providing that disputes arising under such treaties, which are not settled by negotiation, be submitted to the court.

Resolution 76 directs the Secretary of State to give favorable consideration to making use of the various chambers of the court, particularly convening of chambers to resolve regional disputes. The resolution also directs the President to: first, take all appropriate measures to attempt to expand the range of international bodies eligible to request advisory opinions of the court; second, to seek to improve the process whereby judges are nominated and elected; and third, to encourage the court to exercise its functions outside The Hague from time to time.

Resolution 77 requests the President to direct the Secretary of State to encourage the maximum use of the procedures for the settlement of international disputes outlined in Chapter IV of the Charter of the United Nations, particularly those procedures providing for the reference of legal disputes to the court.

Resolution 78 requests the Secretary of State to undertake a study examining the various ways of granting direct and indirect access to the court and other international tribunals to individuals, corporations, nongovernmental organizations, intergovernmental organizations, regional organizations, and other natural or legal persons. The study undertaken by this resolution also is to include the feasibility of establishing a special committee of the United Nations General Assembly with authority to request from the court advisory opinions on behalf of these groups.

Each resolution requires that the President report to the Senate in due course what action he has taken pursuant to these resolutions and Resolutions 74 and 78 require the Secretary of State to report to the Foreign Relations Committee as to appropriate action required by such resolutions.

Mr. President, the continuation of armed conflict in Southeast Asia, the war in the Middle East, and controversies elsewhere offer fresh evidence of the need for more effective use of international law and peacekeeping procedures. Just as we must have order and justice under law to prevent violence domestically, so must we have order and justice under law in the world to settle international differences that could lead to future wars. The resolutions, however, do not go to the question of expanding compulsory jurisdiction of the court or to matters of domestic concern.

Passage of these five resolutions will help to promote interest in the court and reaffirm the Senate's interest in long-range peaceful alternatives to international confrontation and violence. I am hopeful that the President and the Secretary of State will act expeditiously and affirmatively on them.

AMENDMENT OF THE MIGRATORY BIRD TREATY ACT

The bill (H.R. 10942) to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), as amended, to extend and adapt its provisions to the convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, concluded at the city of Tokyo, March 4, 1972, was considered, ordered to a third reading, read the third time, and passed.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum with the time to be taken out of both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EDUCATION AMENDMENTS OF 1974

Mr. MANSFIELD. Mr. President, what is the pending business?

The ACTING PRESIDENT pro tempore. There is no pending business. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 1539, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1539) to amend and extend certain acts relating to elementary and secondary education programs, and for other purposes.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Maryland (Mr. MATHIAS) is recognized to call up his amendment, on which there is an hour and a half for debate.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time to be charged against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I ask unanimous consent that Michael Francis and Victor Murphy of my staff be allowed the privilege of the floor during the consideration of the Mathias amendment during the pending business of the Senate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

Mr. MATHIAS. Mr. President, will the Senator withhold the request?

Mr. STAFFORD. Yes, I withdraw the request.

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Maryland is recognized. How much time does the Senator yield? The Senator's amendment has not been reported.

Mr. MATHIAS. Mr. President, may I inquire whether the time for the quorum call just had was taken from the time on the amendment?

The ACTING PRESIDENT pro tempore. The time was equally divided and the time was running.

Mr. MATHIAS. How much time was used?

The ACTING PRESIDENT pro tempore. Each side used 10 minutes. The Senator from Maryland has 35 minutes remaining and the Senator from Rhode Island has 35 minutes remaining.

Mr. MATHIAS. Mr. President, I call up my amendment No. 1305, and I yield myself 10 minutes after the amendment is stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 362, beginning with line 9 strike out through line 25, and insert in lieu thereof the following:

STATE ENTITLEMENTS

SEC. 604. (a) Section 611 of the Education of the Handicapped Act is amended to read as follows:

"GRANTS TO STATES FOR EDUCATION OF HANDICAPPED CHILDREN

"(a) The Commissioner shall, in accordance with the provisions of this part, make payments to States for the purpose of assisting the States in the initiation, expansion, and improvement of programs and projects for the education of handicapped children at preschool, elementary school, and secondary school levels in order to provide full educational opportunities to all handicapped children.

"(b) (1) Subject to the provisions of section 612, the maximum amount of the grant to which a State shall be entitled under this part shall be equal to—

"(A) the number of children in average daily attendance as determined by the Commissioner in the public elementary and secondary schools in that State in the most recent fiscal year for which satisfactory data are available;

multiplied by—

"(B) $15.

"(2) For the purpose of this subsection, the term 'State' does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(c)(1) The jurisdictions to which this subsection applies are the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(2) Each jurisdiction to which this section applies shall, for each fiscal year ending prior to July 1, 1978, be entitled to a grant in an amount equal to an amount determined by the Commissioner, in accordance with criteria established by regulations, needed to initiate, expand, or improve programs and projects for the education of handicapped children at the preschool, elementary school, and secondary school levels, in that jurisdiction, except that the aggregate of the amount to which such jurisdictions are so entitled for any fiscal year shall not exceed an amount equal to 2 per centum of the aggregate of the amounts to which all States are entitled under subsection (b) of this section for that fiscal year. If the aggregate of the amounts, determined by the Commissioner pursuant to the preceding sentence, to be so needed for any fiscal year exceeds an amount equal to such 2 per centum limitation, entitlement of each such jurisdiction shall be reduced proportionately until such aggregate does not exceed such 2 per centum limitation.

"(d) The Commissioner is authorized to make payments to the Secretary of the Interior according to the need for such assistance for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior and the terms upon which payments for such purposes shall be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commisioner determines will best carry out the purposes of this part. The amount of such payment for any fiscal year shall not exceed 1 per centum of the aggregate amounts to which States are entitled under subsection (b) of this section for that fiscal year.".

(b) Section 612 of such Act is amended to read as follows:

"ALLOCATIONS OF APPROPRIATIONS

"SEC. 612. (a) Sums appropriated for any fiscal year ending prior to July 1, 1978, shall be made available to States and allocated to each State, on the basis of unsatisfied entitlements under section 611, in an amount equal to the amount it received from the appropriation for this part for the fiscal year 1974.

"(b) Any sums appropriated to carry out this part for any fiscal year which remain after allocations under subsection (a) of this section shall be made to States in accordance with entitlement created under section 611 (to the extent that such entitlements are unsatisfied) ratably reduced.

"(c) In the event that funds become available for making payments under this part for any fiscal year after allocations have been made under subsection (a) and (b) for that year the amounts reduced under subsection (b) shall be increased on the same basis as they were reduced.".

(c) Section 613(a) of such Act is amended by striking out "desires to receive grants" in the first sentence of such subsection and inserting in lieu thereof "is entitled to receive payments".

On page 123, in the Table of Contents, amend item 604 to read as follows:

"Sec. 604. State Entitlements.".

The ACTING PRESIDENT pro tempore. The Senator from Maryland may proceed.

Mr. MATHIAS. Mr. President, I ask unanimous consent that Michael Smith of my staff be permitted on the floor during the debate on this amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, last Monday, on behalf of the distinguished Senator from Minnesota (Mr. HUMPHREY), the distinguished Senator from Montana (Mr. MANSFIELD), the distinguished Senator from Maryland (Mr. BEALL), and the distinguished Senator from Ohio (Mr. METZENBAUM), I submitted amendment No. 1305 to S. 1539 which had the primary purpose of providing critically needed financial assistance to States for the education of handicapped children.

At this point I want to pay particular tribute to several Members of the Senate who have worked in this field for many years, most particularly the distinguished Senator from West Virginia (Mr. RANDOLPH) and the distinguished Senator from New Jersey (Mr. WILLIAMS). Their leadership in this field, I think, is not only unchallenged but unchallengeable, and they have expressed the original interest of the Senate in the field of trying to help provide means by which the handicapped can achieve their full potential.

There has been other interest in the Senate, and evidence of that is the fact that since this amendment No. 1305 was introduced, it has been cosponsored by the Senator from Florida, Mr. CHILES; the Senator from Kansas, Mr. DOLE; the Senator from New Jersey, Mr. CASE; the Senator from South Dakota, Mr. MCGOVERN; the Senator from Oregon, Mr. HATFIELD; the Senator from Indiana, Mr. HARTKE; the Senator from Connecticut, Mr. RIBICOFF; the Senator from Michigan, Mr. HART; the Senator from New Mexico, Mr. MONTOYA; the Senator from Texas, Mr. TOWER; and the Senator from Iowa, Mr. CLARK.

Mr. President, I commend the distinguished chairman and members of the Education Subcommittee and members of the Labor and Public Welfare Committee for including a section in S. 1539 which reaffirms the national goal of equal educational opportunity as a matter of high priority. The key provision of section 3 of this bill before us today "declares it to be the policy of the United States of America that every citizen is entitled to an education to meet his or her full potential without financial barriers and limited only by the desire to learn and ability to absorb such education." During last week, Mr. President, when debate on the education bill was most highly charged, it is significant that no Member of this body ever saw fit to challenge this statement of national policy.

The reason, in my judgment, was not because of an oversight, but rather because each Member of the U.S. Senate, regardless of ideology, regardless of geography, regardless of where he stands on the political spectrum, equally believes in and accepts this profound and fundamental statement of policy, for which we are indebted to the subcommittee. I think it indicates that no other concept is as widely accepted by the citizens of our country as the concept of equal educational opportunity. I think, unfortunately, our Nation is still a long way from achieving that most desirable goal.

If, however, we believe in the basic premise that equal educational opportunities must be provided to all handicapped children, then our Nation is a long way from achieving that most desirable goal.

The amendment we shall vote on today represents an important step toward achieving equality of educational opportunity for 7 million handicapped children in the United States. Mr. President, the most compelling argument in support of my amendment can be found in the committee report on S. 1539. I quote:

> There are 7 million (1 million of preschool age) deaf, blind, retarded, speech-impaired, motor-impaired, emotionally disturbed, or other health-impaired children in the United States who require special education programs. Although these children represent approximately 10 percent of the school age population (a conservative estimate), and although the number of children receiving special help has grown from 2.1 million to nearly 3 million in the past 5 years, current data indicates that less than 40 percent are receiving an adequate education—

Which, I might interpolate, Mr. President, means that 60 percent are not receiving an adequate education.

Continuing the quotation:

> It is the committee's belief that good education programs are an investment rather than merely an expenditure of funds, for even the most severely handicapped child can be made less dependent through education. It costs taxpayers about $250,000 to support a totally dependent person over his lifetime in an institution. Given the opportunity, these children can become self-sufficient, productive members of society, rather than remaining dependent on society. Therefore, from both a humanitarian and an economic standpoint, it is obvious that an adequate education must be made available now for all handicapped children.

And again interpolating, Mr. President, I think that considerations not only of compassion but of sheer, hard dollars and cents should move us to support this amendment.

Continuing the quotation:

> The inability of the States to provide for more than 40% of these handicapped children and the higher cost of education for the severely handicapped places a critical responsibility on the federal government to share costs with states and local communities and be the catalytic agent which stimulates activity for the handicapped. The committee feels a strong responsibility to see that these individuals receive the educational services they need, and it is satisfied that the bureau of education for the handicapped is the agency which should provide and coordinate these services. Every handicapped child has a right to an education, and legislation which provides specific research funds, support of graduate training programs, demonstrations, exemplary projects, and grants-in-aid to the states to develop their own priorities in improving educational services to handicapped children is vitally important.

On April 9, 1974, Judge John Raine, Jr., in the circuit court for Baltimore County, Md., decreed in the case of the Maryland Association for retarded children against Maryland—a class action suit on behalf of all retarded children to require the State to provide a free public education for all—that "it is the established policy of the State of Maryland to provide a free education to all persons between the ages of 5 and 20 years, and this includes children with handicaps, and particularly mentally retarded children, regardless of how severely and profoundly retarded they may be." In my introductory remarks on this amendment; which are contained in the Monday, May 13 Record, I cited a number of facts about the situation in Maryland which led the court to rule as it did. But as I pointed out at that time, the set of conditions found in Maryland are replicated throughout this country in most States. For example:

Numbers of children with variety of handicaps must find education outside the public schools because there are no appropriate public school programs made available for them;

Children who are deemed to be too retarded or handicapped for admission to public school programs for the moderately retarded are frequently referred to as "severely" and "profoundly" retarded . . .";

Private day schools are not available for most severely and profoundly retarded children. Accordingly, the principal alternatives open to most such children are day care or institutionalization.

Mr. President, I know from firsthand experience that there are a number of dedicated teachers and administrators of programs for handicapped children in Maryland who have labored diligently over the years with little recognition and without critically needed financial support in behalf of handicapped children. Most recently, a week ago today, in fact, I visited with the principals, teachers, and students at the Concord School for Handicapped Children in Montgomery County, Md. I was deeply impressed and moved by the work being performed at that school. My one regret is that millions of other handicapped children in America are not receiving the same services as those children at the Concord school.

The national dimensions of the problem are gripping. According to the U.S. Office of Education, there are an estimated 7 million handicapped children in America. Of these 7 million, 6 million are school-aged and 1 million are preschoolers. Unfortunately, just about half of the school-aged handicapped children are receiving the special education services they need, and virtually none of the 1 million preschoolers are being served. I know that in my State of Maryland, only 60 percent of our handicapped children are receiving the required educational services. Moreover, figures reported in Compact, a publication of the education commission of the States, indicate that 35 States were providing less service than Maryland; 13 States were providing more service; 2 other States were providing an equal percentage; 12 States were reported as providing less than 30 percent of their children with services; 11 States provided between 30 percent and 40 percent, and 14 fell within the 50 to 60 percent range.

So it is clear that my State of Maryland does not stand alone. Across this Nation, however, increasingly active parents, lawyers, and even educators are going to court to seek relief from the exclusion and inappropriate education of handicapped children. And, I would point out, the courts are increasingly substantiating the right of handicapped children to an appropriate education with full rights of notice of due process in relation to their selection, placement, and retention in education programs. Mr. President, at this point I shall read a letter I received last week from one of the attorneys who represented the Maryland Association of Retarded Citizens in the Maryland case. Mr. Ralph J. Moore, a Bethesda, Md., attorney, succinctly sets forth the case for my amendment. The letter reads, and I quote:

> Dear Senator Mathias:
>
> I understand that you have offered an amendment to the bill to renew the elementary and Secondary Education Act, to provide a substantial increase in the funding for the provisions in the act dealing with the education of handicapped children. As these children have suffered from great neglect in the past, such funding is urgently needed, and therefore I hope your amendment is approved by the Senate and becomes part of the law.
>
> I am one of the attorneys representing the Maryland Association for Retarded Citizens and other plaintiffs in right-to-education cases now pending in State and Federal courts in Maryland, in which the State court recently ruled that all handicapped children are entitled to free educational programs. The plaintiffs in these actions include children with visual handicaps, hearing impairments, cerebral palsy, all degrees of mental retardation, emotional handicaps and combinations of disabilities affecting learning. In one way or another, as a result of inadequate funding and tardy recognition that all children should receive appropriate education, these plaintiffs, and many other children like them, have been denied free educational programs suited to their needs.
>
> The situation in Maryland is paralleled in many other States. It has given rise to a great many lawsuits and legislative proposals to establish the right of *all* children to appropriate education, regardless of the character or severity of any handicaps they may have. This activity has produced a revolution in attitudes toward the educational rights of retarded and otherwise handicapped children. However, recognition that each child is entitled to education will mean little if adequate funding is not available to insure that programs are suitable.
>
> Therefore, I hope your amendment to the ESEA is approved, and know that many other parents of handicapped children in Maryland share my view.

Mr. President, under the leadership of the distinguished chairman of the Subcommittee on the Handicapped, Senator Randolph, with the strong personal support of the Senator from Vermont, Mr. Stafford, the Federal effort in behalf of handicapped children has resulted in a steady growth in educational opportunities for thousands of young children. I know that the chairman of the full committee, Senator Williams, and the ranking Republican, Senator Javits, stand in the forefront in the continuing struggle to provide long overdue justice of the million of handicapped young Americans. And without question, the Nation owes them a deep debt of gratitude for their special, strenuous efforts.

The ACTING PRESIDENT pro tempore. The Senator's 10 minutes have expired.

Mr. MATHIAS. Mr. President, would the Senator from West Virginia like to proceed at this time?

Mr. RANDOLPH. Mr. President, I think the explanation by the able Senator from Maryland (Mr. Mathias) might take a considerable time. I have explained my reason for leaving the Chamber on account of being chairman of a committee hearing, but I would want to accommodate myself to my colleague, if he would give us some thought as to the time required for further explanation of the amendment.

Mr. MATHIAS. I might take 2 more minutes to explain the mechanics of the amendment, and then defer to our distinguished chairman.

Sadly, however—and I know that each of those gentlemen will agree with me—America stands far short of the goal of providing equality of educational opportunity for her handicapped children. Millions are still not being adequately served; either because they are too young or tōo old for public schools; or because they have been excluded from public schools; or they drop out of school on their own or are withdrawn by their parents out of sheer frustration with the educational system.

Education is the right of all children. The principle of education for all is based on the philosophical premise of democracy that each person is valuable in his or her own right and should be afforded an equal opportunity to develop to full potential. Unquestionably, progress has been made for some children in some communities, but in the main, we have failed a significant portion of the handicapped children.

I hasten to point out that it would be unfair and untrue to contend that our State and local education programs are neglecting handicapped children. During the school year 1972–73, for instance, State and local expenditures and education of the handicapped amounted to an estimated $2.4 billion. During that same period, the Federal share—which includes funds spent under the Education of Handicapped Act, ESEA titles I and III, Headstart, vocational education, the Higher Education Act, Federal schools for the deaf, research, and instructional support—reached $315 million or only 12 percent of the total annual special education expenditures of $2.7 billion. Some experts contend that the 12-percent figure is misleading since it includes moneys spent for research, teacher training, and special projects—not just classroom services.

But the sad fact is that, large though those amounts may be, where the handicapped are concerned, these funds are simply insufficient to meet the needs, particularly in the face of the increasing legal requirements of service to all handicapped children. A closer examination of the 1972–73 expenditures reveals that the Federal special education expenditures represented only 5 percent of the total Federal education budget. We must, in the name of justice and decency, do more.

I note, with great interest, the recognition of this fact on the part of the Department of Health, Education, and Welfare. During recent testimony before a committee of the other body, Mr. Charles M. Cooke, Jr., HEW Deputy Assistant Secretary for Education Legislation, stated:

> The Nation is becoming more sensitive to the Educational Needs of the Handicapped. Rapidly changing community attitudes about the State's responsibility to provide adequate services to educate the Handicapped—as indicated by the great number of States which have passed laws mandating such services in the past few years and the growing number of court cases on the rights of the handicapped to an education—are sure signs of this increased concern.

Mr. President, the principal effect of my amendment will be the continuation of the present dominant role of the States and local educational agencies in education with the Federal role being that of building the capacity of our educational system to address the special needs of the handicapped. The fact that the overwhelming majority of the States now have laws on the books mandating the provision of special education services to all handicapped children underscores the preeminent role of the States in this area, notwithstanding the fact that many are unable to put their money where their laws are.

Mr. President, my amendment will do the following:

In the spirit of section 3 of S. 1539, which "declares it to be the policy of the United States of America that every citizen is entitled to an education * * *" and I stress "entitled," my amendment changes part B of the Education of the Handicapped Act to state that the maximum amount of the grant to which a State shall be entitled under part B shall be equal to the number of children in average daily attendance within the public schools as determined by the Commissioner of the Office of Education in the most recent fiscal year for which satisfactory data are available, multiplied by 15.

The approach to be followed in my amendment supports the developing trend toward normalization, and mainstreaming, and will underscore the interlocking nature of special education with regular education. Additionally, my amendment avoids the danger of providing an incentive for schools to indulge in the extremely discriminatory, degrading, and negative practice of labeling children as "mentally retarded" or "emotionally disturbed" in order to obtain more Federal dollars, since the formula in my amendment is based on regular school attendance rather than the number of handicapped enrolled. Mr. President, the importance of avoiding discriminatory labeling, which my amendment accomplishes, cannot be stressed too strongly.

As one noted educator pointed out in his testimony on education for the handicapped legislation before a House committee recently:

> Many parents, especially minority group members, would resist the discriminatory labeling of their children.

He went on to point out the danger that:

> Hard-to-teach minority children in the rural and urban slums of America (under mandatory labeling requirements) are far more likely to be labeled mentally retarded than white children in suburbs.

My amendment's funding formula will insure that unfair categorization does not take place; that benefits can be provided for all handicapped children without penalties for minority and poor children.

Moreover, accurate calculations can be made with respect to the cost of part B because the formula will be calculated on a per pupil basis, as illustrated by the chart I introduced in the Record on Monday.

Additionally, school enrollment projections through 1980 indicate a gradual decline in total population figures. This means, therefore, that there would be a corresponding gradual but natural reduction in the Federal financial role which State and local programs should be able to gradually assume.

This amendment supports the Education of the Handicapped Act with respect to its focus on the initiation, expansion, and improvement of programs for the handicapped at the preschool, elementary, and secondary levels, to provide full educational opportunity to all handicapped children

Mr. President, since my proposal amends the Education of the Handicapped Act, States will still be required:

First, to assure that the funds provided under my amendment must be used to meet the special needs of handicapped children;

Second, assure the participation of handicapped children enrolled in private elementary and secondary schools;

Third, guarantee that the control and administration of funds and title to property will rest with a public agency;

Fourth, provide assurance that these funds are used to supplement and, when possible, to increase the level of State, local and private funds, but that in no case may Federal funds be used to supplant funds from non-Federal sources;

Fifth, assure that procedures have been established for at least annual evaluation of the effectiveness of the programs;

Sixth, provide that sole responsibility for administering or supervising the State's plan will rest with the State educational agency;

Seventh, provide for the making of reports that the commissioner may require and the maintenance of accessible records;

Eighth, guarantee that fiscal control and fund accounting procedures will be adopted;

Ninth, provide that funds available under this part will not be available to handicapped children who are eligible for assistance under title I of ESEA;

Tenth, assure that there are procedures for acquiring and disseminating information to teachers and administrators about programs for the handicapped; and

Eleventh, include a statement in their State plans which insures that all education programs for the handicapped in the State will be coordinated by the persons in charge of special education programs for handicapped children in the State educational agency.

Additionally, the requirements for public disclosure of the State plan by the State educational agency, with notice and opportunity for hearings and judicial review of actions taken by the commission of education regarding the State plans are untouched by my amendment.

I would also point out that the amendments added to the Education of the Handicapped Act by the committee will take on added significance if my amendment is adopted. With my amendment, States will truly be able to "provide full educational opportunity to all handicapped children," as the committee amendment suggests.

My amendment will enable States to identify, locate, evaluate, as well as establish realistic and meaningful goals and timetables for providing full training and educational opportunities for all handicapped children—particularly those presently excluded from schools—as outlined in the committee amendments to the bill before us today.

Mr. President, I commend the committee for adopting the amendment establishing the goal of full educational opportunity for all handicapped children. Reaching that goal, however, will be as difficult as abolishing poverty, or cleaning up the air we breathe, or solving the crisis in energy that we face, unless and until we begin to provide the means for reaching those great goals. Our failure to provide the "means" literally promises a denial of justice to handicapped children this year. Why must the Congress withhold desperately needed financial support? Why should the Congress stand idly by while court action is heaped upon court action? Why should we leave it up to the judicial branch to affirm the Constitution? The committee report states flatly: "Every handicapped child has a right to an education." My amendment, if adopted, will affirm that right.

I recognize that there is considerable interest in another bill for handicapped children now pending in a subcommittee of the Labor and Public Welfare Committee. That bill, S. 6, must be reviewed as the total vehicle for insuring the rights of handicapped children. My amendment is neither in competition with that bill, nor is it designed to supplant the need for such legislation. The Mathias amendment is offered as a means of meeting a growing emergency and as a necessary first step in the eventual construction of a vehicle which will truly bring about the necessary reforms and improvements in the educational system with regards to handicapped children.

Mr. President, I would add a brief observation about the cost of my amendment. The issue is the cost of my amendment compared to what? There is little doubt that my amendment will enable the 50 States to initiate and expand services to handicapped children on a scale sought after by parents and educators for many years. The first article of the American faith holds that all men and women should have an equal chance to make as much of themselves as they can, to go as far as their innate abilities and energies and interests can take them. Every American, we have believed, should be the arbiter of his or her own fate and the architect of his or her own future—people should be free to find and fulfill themselves. Undergirding our commitment to equity and equal opportunity, we tell ourselves, is the fundamental belief that every person in our society has an intrinsic value. My amendment grows out of that belief. Failure to provide these funds may mean that somebody's child will be consigned to a life of perpetual dependency. And we shall pay for that. Failure to make this investment, this year, only means that we shall continue to pay billions annually for dependency related programs. Make this investment today, and they will show a profit—not only in terms of citizens tomorrow who will earn income and pay taxes, but also in the fulfillment of human potential. Mr. President, to provide a normal child with an enriched and meaningful life and to deny this to an exceptional child is inconsistent with the values of our society.

When historians in the future write about the prebicentennial period in America, I hope that they will describe this era as a time when the Congress of the United States acted to bring justice and equal educational opportunities in a meaningful way to 7 million deserving children.

The ACTING PRESIDENT pro tempore. The time of the Senator from Maryland has expired.

Mr. MATHIAS. Mr. President, at this point I defer to the distinguished Senator from West Virginia.

The ACTING PRESIDENT pro tempore. How much time does the Senator from West Virginia yield himself?

Mr. RANDOLPH. Mr. President, the time is divided, as I understand it. Is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. RANDOLPH. Mr. President, I yield myself such time as I may require.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia is recognized.

Mr. RANDOLPH. Mr. President, I commend the able Senator from Maryland on focusing the attention of the Chamber, at the beginning of this final day of the consideration of the pending legislation, on the improvement of educational programs in the primary and secondary school systems of the United States. I think that members of the Committee on Labor and Public Welfare, presided over by the knowledgeable Senator from New Jersey (Mr. WILLIAMS) and with the assistance of the equally knowledgeable ranking minority member of the committee, the distinguished Senator from New York (Mr. JAVITS), have been constant in their application to the problems that come before the committee.

In a new sense, because of a situation which has to do with certain court cases, notably in the State of Maryland, I would take this opportunity to embrace in my commendation, as chairman of the Subcommittee on Handicapped of the parent committee, the diligent Senator from Vermont (Mr. STAFFORD) and all the members of our subcommittee.

I return to my first statement, to which the Senator from Maryland has called our attention in focusing that attention on the need for adequate educational facilities for projects and programs for handicapped children in this country.

During the past 2 years there have been 36 court cases in 24 States on the right to education for all handicapped children. When we were considering this matter 14 months ago, most of these court cases were just being decided. So that is a new element I emphasize, which makes it very understandable that the problem be met constructively here today.

I think it is important to point out that earlier, in the Senate bill, on the subject of education for the handicapped, we had worked on this measure independently. However, when we could not get the support—and this is not a criticism—of the House on separate legislation for the handicapped, we included in the pending measure, S. 1539, the program for education of the handicapped as title VI. That is the title to which the amendment of the Senator from Maryland will address itself.

I am only relating this background, as it were, to bring us to the present moment and to reinforce what the Senator from Maryland has said. Faced with the condition before us at this time, and understanding the problem as it comes to the Senator from Maryland because of the impact in his State and which he now brings to the Senate, I think it will be helpful as we work our way through the process in the next few minutes, to relate the events which have occurred.

As I have said there have been 36 court cases in 24 States on the right to education for all handicapped children; 38 court cases in 25 States on the right of these children to due process; and eight court cases in six States on the right of treatment for all children who need it. In those cases which have been decided, judgments have been rendered—as they should be—in favor of the handicapped child.

Several States, like our State of West Virginia, have passed laws requiring appropriate education for all handicapped children.

Understanding parents, dedicated special educators and advocates have turned to judicial and legislative bodies for an affirmation of the constitutional rights of handicapped children.

As a result of these activities, new demands have been placed on the States for their limited funds for education. I know, for example, that in our State of West Virginia, I have had a telegram from Daniel B. Taylor, State superintendent of schools, in which he points out the need for more funds and affirms his support for the approach of the Senator from Maryland, mentioning him properly by name. I ask unanimous consent that the telegram be printed in the RECORD at this point.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

CHARLESTON, W. VA., *May 13, 1974.*
Senator JENNINGS RANDOLPH,
Capitol Hill, D.C.:

Senator Mathias plans to offer an amendment to S–1539 on Monday, May 20, 1974, to provide additional funds for handicapped children. There is a need for more funds for the handicapped in our State. Hope you can lend your support.

DANIEL B. TAYLOR,
State Supt. of Schools.

Mr. RANDOLPH. There is a great need to assist the States if, as decreed, in most cases, the States must begin immediately to provide educational services to those handicapped children who have been heretofore excluded from, or deprived of such services.

With the additional funds authorized by this amendment we can assist the States in meeting the fiscal burden at this time, through the unique Federal-State relationship already established by the administration of the present program in the Education of the Handicapped Act, the funds will be made available for handicapped children not presently being served.

It is my sincere hope that in the very near future the Federal role in providing education to handicapped children will be more clearly defined. I think this will come about as a result of the action that will be taken in this Chamber upon the pending amendment or amendments thereto. It will also come about when S. 6, which has been discussed by the Senator from Maryland, the Education for All Handicapped Children Act, comes to fruition.

Mr. President, I am grateful for the privilege of discussing this matter. And for the opportunity of emphasizing as it should be emphasized that we have a large segment of our society which is embraced within the term handicapped children, and those children must not be left on the sidelines. They must be in the mainstream of the educational process, through training, through facilities, through projects, and through programs—yes, Mr. President, hopefully not only informative but inspiring programs—which will help this group, to become constructive, worthwhile citizens.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. PELL. Mr. President, I yield the Senator from New Jersey 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from New Jersey is recognized for 5 minutes.

Mr. WILLIAMS. Mr. President, what is the time situation?

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island has 23 minutes remaining. The Senator from Maryland has 19 minutes.

Mr. WILLIAMS. Mr. President, I am extremely pleased that the Senator from Maryland has provided this opportunity to bring before the Senate and all of our colleagues a problem which has been of deep concern for a long time. It was in response to this concern that I introduced S. 6, the Education for All Handicapped Children Act, in the beginning of this Congress. It has been precisely for this reason that the Subcommittee on the Handicapped, chaired with such broad understanding, compassion, and great ability by the Senator from West Virginia, a subcommittee of the Labor and Public Welfare Committee has held 8 days of hearings on this legislation in many parts of the country.

I said at the outset in introducing S. 5, and I repeat it now with even firmer conviction, that we must recognize our responsibility to provide education for all children which meets their unique needs. The denial of the right to education and to equal opportunity within this Nation for handicapped children—whether it be outright exclusion from school, the failure to provide an education which meets the needs of a single handicapped child, or the refusal to recognize the handicapped child's right to grow—is a travesty of justice and a denial of equal protection of the law.

Certainly this whole thought was magnificently stated by the Senator from West Virginia, in response to this particular need that is so widespread in our country.

The facts cited in the Senator from Maryland's remarks are unfortunately too true. The adequacy of educational services to handicapped children not only vary from State to State, and within a State, but they vary by the type of disability among children within those States. And despite the fact that almost all States have enacted mandatory legislation providing educational services for handicapped children, the actual implementation of that legislation falls far short of the words of those statutes. Full implementation of these laws is most often hampered by lack of funds. But adding to these problems is lack of trained personnel, adequate facilities, and appropriate programs for children already in school.

I believe, Mr. President, that a simple legislative mandate, with greatly increased funds alone will not solve these problems. Testimony from the committee's hearings on S. 5, letters from parents and from advocates for these programs all support the fact that without clear protection for the rights of handicapped children and a clear commitment on the part of the States to carry out this policy, this legislation remains only a paper mandate.

Throwing money at this problem will not meet all of the needs handicapped children and their parents face in finding educational programs. We must insure to parents and their children that they have behind them a policy that handicapped children have a right to education, and that educational agencies have a responsibility to provide a free and appropriate education for each individual child. It would be a derogation of our duty as Senators and as a deliberative body to promise funds without also the assurance that these funds will in fact reach their destination: The children. We must insure that these funds in fact protect the rights of handicapped children to be educated together with their peers, and not be educated in a seperate educational system. And we have a responsibility to insure that these funds will be targeted on areas of need within the State, and that they are delivered to the States only after a commitment to a right to education policy. Mr. President, we must have those guarantees or we will be back here some years from now saying precisely the same things to each other.

S. 6, the bill before my committee, was developed with these problems in mind. Recognizing the expense that is involved in educating handicapped children, the bill does provide funding of 75 percent of excess costs to the States to assist in providing this education. But it also requires the States to have a right to education policy. It will only pay for those children who in fact are in school, and are receiving educational services. It provides that handicapped children will be educated with their peers, and that they will be provided an individualized program drawn up to suit their needs. The bill also provides that parents have a right of access to records, to an impartial hearing and to an independent evaluation of their child.

I believe that this legislation is the right way to insure that we deliver on our promise to handicapped children. The Senator from Maryland and I have discussed S. 6, which has been cosponsored by 26 of my colleagues here in the Senate. As I have discussed with the Senator from Maryland, the committee has set a timetable for this legislation, and will be closing the hearing record in early June and intends to move this legislation to the Senate floor by the end of July. It is in light of this timetable, and in light of the testimony we have taken on S. 6 that I comment on the amendment that has been proposed by the Senator from Maryland. The committee has spent a good deal of time in hearings discussing the provisions of S. 6 with handicapped individuals, with parents, with Governors, State legislators and State departments of education. While there can be no question that the States can utilize any additional money possible to assist in providing services, the testimony from parents who have fought this battle over and over again lead me to one conclusion: We must provide more than funds if we are to insure to these parents that they will not continue to be faced by administrators saying: We are providing all that we must under the law.

I must say that I have been very encouraged by the support for the Mathias amendment and for the need for action. I say this because I also believe that we must move. I know that Maryland has been faced in the last month with a State court decision that has ordered the State to provide education for all handicapped children. I know that the State of Pennsylvania and the District of Columbia have been faced with similar suits. But, Mr. President, I also know that many States have had a policy of the right to education which has not been implemented, and I know, Mr. President, that there are many other States who have not provided a right to education for handicapped children, and that it may take many more years of court suits to reach the time when all States in fact provide a right to education. Money alone will not change that situation. It is for children within those States who are far behind the State of Maryland and the State of Pennsylvania and the District of Columbia that I say the policy of the Congress of the United States must be clear. We must act in a way that will protect the rights of handicapped children.

S. 6 and companion legislation in the House is designed for that very goal, and I say to my colleagues today that we will move on that legislation in the next 2 months.

I do know, however, Mr. President, that a number of States are under order right now to provide full and appropriate educational services to all handicapped children.

While I have many serious questions about the Senator's amendment, I will support that amendment as an emergency measure for a single year only. As I have discussed with the Senator from Maryland, providing more than $600 million without an adequate distribution formula for targeting funds within the State, and with no clear assurances that these funds will reach the target population troubles me a great deal. I understand that my colleague from Vermont (Mr. STAFFORD) will propose an amendment to the Senator's amendment incorporating many of the procedural protections which we insisted be included when S. 6 was first drafted. I am happy to join the Senator from Vermont in this amendment. I believe that these protections will help to insure that the funds will in fact be spent in a way which will protect the rights of handicapped children to an appropriate education.

Those protections include that the State must provide procedures to insure that: First, all handicapped children would be educated with their peers who are not handicapped, and that separate classes, or other removal of the child from the regular educational environment would only occur if the nature or severity of the handicap is such that education in the regular environment cannot be achieved satisfactorily.

Second, that procedures are established to protect the rights of handicapped children and their parents or guardian in decisions relating to identification, evaluation and education placement of handicapped children. Such procedures must include prior notice, the opportunity for an impartial hearing, the opportunity to obtain an independent educational evaluation of the child, and procedures to protect the rights of the child when the parents or guardian are unknown, unavailable, or the child is the ward of the State.

Finally, the State must establish procedures to assure that testing and evaluation procedures and materials for the purposes of classification and placement of handicapped children will be selected and administered so as not to be racially or culturally discriminatory.

Mr. President, I believe that these are minimal guarantees that are necessary for the distribution of funds under the Mathias proposal.

Mr. President, I reiterate my statement that this emergency or interim funding is welcome and accepted. The timetable for movement of S. 6 out of committee has been set, and my colleagues will have the opportunity to vote on that comprehensive legislation within this year. With the enactment of S. 6, we will be able to take pride and no longer have to rely on interim measures to meet this tragic problem.

Mr. President, I yield the floor.

Mr. STAFFORD. Mr. President, I have an unprinted amendment to the Mathias amendment at the desk. I realize that it cannot be considered without unanimous consent. At this time, I ask unanimous consent that my amendment to the Mathias amendment may be considered at this time.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Vermont? The Chair hears none, and it is so ordered.

The clerk will state the amendment.

The legislative clerk read as follows:

On page 5, between lines 2 and 3, insert the following:

"(d) Sec. 613(a) of such is further amended by (1) striking out the word 'and' at the end of paragraph (10), (2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof a semicolon, and (3) by adding at the end thereof the following two paragraphs:

"(12) (A) establish a goal of providing the opportunity to free appropriate public education to all handicapped children, and (B) provide for a procedure to assure that funds expended under this part are used to accomplish the goal set forth in (A) of this paragraph and priority in the utilization of funds under this part will be given to handicapped children who are not receiving education; and

"(13) provide procedures for insuring that handicapped children and their parents or guardians are guaranteed procedural safeguards in decisions regarding identification, evaluation and educational placement of handicapped children including, but not limited to (A) (i) prior notice to parents or guardian of the child when the local or State educational agency proposes to change the educational placement of the child, (ii) an opportunity for the parents or guardian to obtain an impartial due process hearing, examine all relevant records with respect to the classification or educational placement of the child, and obtain an independent educational evaluation of the child, (iii) procedures to protect the rights of the child when the parents or guardian are not known, unavailable or the child is a ward of the State, including the assignment of an individual (not to be an employee of the State or local educational agency involved in the education or care of children), to act as a surrogate for the parents or guardian, and (iv) provision to insure that the decisions rendered in the impartial due process hearing required by this paragraph shall be binding on all parties subject only to appropriate administrative or judicial appeal; and (B) procedures to insure that, to the maximum extent apppropriate, handicapped children, including children in public or private institutions or other care facilities, are educated with children who are not handicapped, and that special classes, separate schooling, or other removal of handicapped children from the regular education environment occurs only when the nature or severity of the handicap is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily; and (C) procedures to insure that testing and evaluation materials and procedures utilized for the purposes of classification and placement of handicapped children will be selected and administered so as not to be racially or culturally discriminatory.".

On page 1, line 2, strike out the word "Section", and insert in lieu thereof the following: "Effective for Fiscal Year 1975 only, section".

On page 4, line 4, strike out the word "Section," and insert in lieu thereof the following: "Effective for Fiscal Year 1975 only, section".

On page 4, line 23, strike out the word "Section", and insert in lieu thereof the following: "Effective for Fiscal Year 1975 only, section".

On page 5, between lines 2 and 3, insert the following:

"(d) (1) Section 611(a) of the Education of the Handicapped Act is amended by inserting before the period the following: "in order to provide full educational opportunity to all handicapped children".

"(2) Subsection (b) of section 611 of the Education of the Handicapped Act is amended to read as follows:

"(b) For the purpose of making grants under this part, there are authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1976, $110,000,000 for the fiscal year ending June 30, 1977, and $120,000,000 for the fiscal year ending June 30, 1978.".

"(3) The amendment made by subsection (d) shall become effective and shall be deemed to have been enacted on July 1, 1975.

Mr. STAFFORD. Mr. President, how much time is there available on this side?

The ACTING PRESIDENT pro tempore. Twenty minutes on the amendment with 10 minutes per side. The Senator from Vermont has 10 minutes.

Mr. STAFFORD. I thank the Presiding Officer.

Mr. President, I offer this amendment to the amendment of the distinguished Senator from Maryland (Mr. MATHIAS) on behalf of myself, the distinguished Senator from West Virginia (Mr. RANDOLPH), and the distinguished Senator from New Jersey (Mr. WILLIAMS).

If I understand the Senator from Maryland correctly, his amendment is aimed at the most laudable objective of insuring the right to an education for all handicapped children. However, the distinguished Senator and I have discussed the need for further guarantees being attached to his amendment, the better to achieve the overall objective of his proposal.

Very briefly, my amendment would do the following:

First, require that all of the States shall establish a goal of an appropriate public education to all of their handicapped children and procedures for the accomplishment of this goal.

Second, provide specific due process guarantees for the children served and their parents in all matters relevant to identification, evaluation, and placement.

Third, provide assurances that priority in the use of funds made available under the Mathias provision will be afforded those children not yet served.

Fourth, prohibit the classification of children to promote racial or cultural discrimination.

Fifth, require that all handicapped children be educated in the least restrictive environment.

Sixth, limit the period covered by the amendment of the distinguished Senator from Maryland to 1 year.

Mr. President, throughout the Nation the State legislatures are passing legislation mandating the education of all handicapped children, responding to the truly alarming fact that over 50 percent of the Nation's handicapped children do not yet have available to them an appropriate public education. Another characteristic of the trend in State legislation is the inclusion of very precise provisions designed to insure the due process rights of handicapped children in all matters relevant to identification, classification, labeling, and evaluation for purposes of education programing.

Moreover, in a number of court cases brought around the country aimed at ending the exclusion or inappropriate education of handicapped children—my distinguished cosponsors commented on this matter earlier—the courts have handed down decisions, based largely upon the equal protection clause, ordering that all handicapped children be brought into the public education system and further ordering very specific guarantees in matters of due process. I refer my colleagues to *Mills* v. *the D. of C. Board of Education,* 348 F. Supp. 866 (D.D.C. 1972) and *Pennsylvania Association for Retarded Children* v. *Commonwealth of Pennsylvania,* 344 F. Supp. 1257 (E.D. Pa. 1971) and 343 F. Supp. 279 (E.D. Pa. 1972).

Finally, I cite the fact that the Civil Rights Division of the U.S. Department of Justice is becoming increasingly involved in matters relevant to the protection of the rights of handicapped children.

Mr. President, State legislatures, the Nation's courts, parents, and advocates are not only concerned that more moneys be made available for the special education of these highly vulnerable young Americans. We are concerned that all children be educated and not just some, that money coming from public treasuries be in fact used for these children and be used properly to promote their education, that children not be improperly labeled within the educational contexts, that parents, and, where appropriate, the children themselves, have right to participation when crucial educational decisions affecting their entire lives are made; we are concerned that these children not be locked into a rigid educational placement when it has become inappropriate, and we are deeply concerned that labeling not be used as a tool of racial or cultural discrimination. We are concerned that children with handicapping conditions be educated in the most normal possible and least restrictive setting, for how else will they adapt to the world beyond the educational environment, and how else will the nonhandicapped adapt to them?

My amendment, therefore, simply attaches guarantees to Mr. MATHIAS' amendment which conform to the court decrees, conform to the actions in the State legislatures, conform to the positions being taken by parents and advocates, and conform to the position being taken by many of us in both Houses of the Congress on this matter.

Mr. President, I urge the adoption of my amendment. It has been discussed with the chairman of the Education Subcommittee, the chairman of the Handicapped Subcommittee, and the chairman of the full Committee on Labor and Public Welfare. We hope that the Senator from Maryland will accept the amendment.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. MATHIAS. Mr. President, I am very happy to accept this amendment. I have discussed it with the Senator from Vermont, the Senator from New Jersey, and the Senator from New York. I believe it is an improvement to the original amendment, and I commend it to the favorable judgment of the Senate.

Mr. STAFFORD. I thank the Senator from Maryland.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. STAFFORD. I yield.

Mr. JAVITS. Mr. President, I congratulate my colleagues on this concurrence in a feasible plan with respect to this amendment. I am particularly gratified, as the author of a measure called the bill of rights for the mentally retarded. I like very much the amendment of Senator Stafford, which uses as its body the amendment of Senator Mathias, because it does proceed along those lines and specifies, in the field of education, the concept of the rights of the mentally retarded, this being the direction of the courts, as we now know from the decisions of the Supreme Court.

It is most admirable work by all parties, and I congratulate them. I urge the Senate to accept the amendment, as amended.

Indeed, I hope that a rollcall vote will not be necessary, as there seems to be no opposition whatever to this plan of procedure.

Mr. STAFFORD. I thank the distinguished Senator for his remarks.

Mr. President, I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Vermont to the amendment of the Senator from Maryland.

Mr. Stafford's amendment to Mr. Mathias' amendment was agreed to.

The ACTING PRESIDENT pro tempore. The question now recurs on the amendment of the Senator from Maryland (Mr. Mathias). Who yields time?

Mr. MATHIAS. Mr. President, I believe that the distinguished Senator from New Jersey (Mr. Williams) and the distinguished Senator from Vermont, in their discussion of this amendment, have said it all. What we are attempting to do is to make good on a promise to the children of America that handicapped children have the same right of education as all others.

EDUCATION FOR THE HANDICAPPED

Mr. HUMPHREY. Mr. President, I support the amendment to S. 1539, offered by Senator Mathias. What this amendment proposes is an interim solution on an emergency basis to the needs of the handicapped children in this country. It is not a panacea. It is not a substitute for thoroughly-worked-out legislation over the long term of the kind represented by S. 6, of which I am a cosponsor. It is a short-term solution for an immediate need.

The funds available at present for teaching handicapped children are deplorably low. As a result we lack the trained teachers, the appropriately designed programs, and the physical facilities necessary to offer them an opportunity to learn to participate more fully in American society. This failing has been clearly recognized in recent court decisions—including two in the State of Minnesota—which have ordered the States to provide equal opportunity to those who are handicapped, and assessed the present efforts of the States as denying these children the rights of an equal education.

I should note that Minnesota was evaluated by a Rand Corp. study as one of the leading States in its efforts for the handicapped.

The fact remains, however, that our entire national effort has been deficient.

What this measure provides is a shot in the arm to bring State levels up to what the courts have demanded of them. Since it is a national problem, I believe it requires a national response. It should no longer be a matter for each State to struggle to resolve in response to court decisions.

Over the past few years Federal authorizations for financial assistance for education the handicapped have been barely adequate, and the appropriations have been abysmal—usually amounting to only about 17 to 18 percent of the authorizations.

The education amendments of 1974, S. 1539, seem to request that since appropriations have generally been inexcusably low, we should reduce the authorizations. This is entirely the wrong approach. In light of the numerous court cases, it is also entirely impractical. What we need is to indicate the clear intention of the Senate that the amount of money provided to educate our handicapped children be increased, and that the challenge of educating the handicapped should be taken seriously. This requires a major increase in both the authorization and the appropriation.

Mr. President, I would like to reiterate one or two of the points which Senator Mathias has made about this amendment.

There is no danger that States will simply "redefine" their handicapped in order to increas their allocation of Federal money, because the amount of money each State receives is determined on the basis of their entire student population. These funds cannot be used to supplant State funds for educating the handicapped, because there is already a maintenance of effort requirement in the law this would amend. Further, there is a definition of "handicapped" in the legislation being amended, so that these funds cannot be used as a general grant of aid to the States for educational purposes.

I would like to stress that this bill is not a substitute for S. 6, the Education for All Handicapped Children Act, which I fully support. S. 6 provides for far larger an authorization than does this amendment. S. 6 requires that all handicapped children be served, and encourages deinstitutionalization and efforts to place handicapped children in as normal an environment as possible. It will also include a provision dealing with the excess cost of teaching handicapped children.

All of these things are extremely important and valuable, and I am in full agreement with the need to bring S. 6 to the floor and pass it. But many of these measures are also extremely complex, and require a considerable amount of time to work out in adequate detail. There may well be some difficulties in bringing this measure to the floor in time for final action this year. And I do not feel we can wait any longer to initiate a serious effort to educate the handicapped. We have already waited too long. The courts are now confirming that we have waited too long, and this, at least, should impel us to act now.

We have learned a great deal about how to help the handicapped in recent years. We know more about how to teach them, more about the kinds of facilities they need, more about the nature of their handicaps—whether mental or physical—and how to help them overcome or make the best of their handicaps. But the special training required for teachers, the special tests required to discover and evaluate particular handicaps, and the often complex facilities required for the needs of the handicapped are all costly. We need to provide funds now for the coming year.

State planning groups are not going to totally ignore the provisions of further pending legislation which will provide their future funding. This amendment provides funds for only 1 year. But it gives the States a chance to get their programs started. The expansion, development, and perfection of these programs can come next year. But the time for procrastination is past. We do not need more postponements.

We are proposing this amendment in order to support a principle about which I feel strongly. All of our children, including those afflicted with any impairment to their physical and mental abilities, have an equal right to share in the best education, and the best quality of life, which this country can make possible for them. Handicapped children, if given the proper education, and equality of treatment in all other respects, can and do become productive, self-supporting and well-adjusted citizens. The cost of rehabilitation is more than repaid in the savings when the handicapped are motivated to leave institutions and become self-supporting and productive citizens. Their own lives are brighter, and all society benefits from their contributions.

I ask that my colleagues keep these principles and benefits in mind, and support this amendment.

Mr. MATHIAS. Mr. President, the widespread support for guaranteeing the right of handicapped children to be educated is evidenced by many communications from action organizations and from thoughtful persons. Because such support for my amendment 1305 is additional reason for its enactment into law, I submit some examples of them for the Record. Each letter and telegram constitutes an eloquent endorsement of the amendment.

There being no objection the communications were ordered to be printed in the Record, as follows:

Maryland Association for
Retarded Citizens, Inc.,
May 16, 1974.

Senator Charles McC. Mathias, Jr.,
Senate Office Building,
Washington, D.C.

Dear Senator Mathias: I urge that you make every effort to increase funds available for special education in the Elementary and Secondary Education Act. The handicapped students in Maryland, who have never been afforded equal education opportunities, need such support.

Thank you for your interest and assistance.

Sincerely yours,

Carlyle B. Storm,
President.

Montgomery County Coalition
for the Handicapped,
Rockville, Md., May 13, 1974.

Senator Charles McC. Mathias, Jr.,
Russell Senate Office Building,
Washington, D.C.:

Our Coalition representing seventeen organizations fully supports your amendment to provide fifteen dollars per registered elementary and secondary child, this money to be used for Special Education.

Sincerely,

Harold Blank,
Coordinator.

2000 First Maryland Building,
Baltimore, Md., May 15, 1974.

Re: Amendments to Elementary and Secondary Education Act.

Hon. Charles McC. Mathias,
U.S. Senate Office Building, Washington, D.C.

Dear Senator Mathias: I was pleased to learn recently of your sponsorship of amendments to the Elementary and Secondary Education Act. My understanding is that your proposal would increase the authorization for appropriations for the Special Education provisions of the Act.

My wholehearted support for your proposal arises largely, I must admit, from the fact that I am the father of a severely retarded little girl who was a plaintiff in the *MARC* educational suit in this State and who died during the trial of that case. Her death, however, does not diminish my strong belief in the need and the right of such children to an educational program suited to their needs.

As co-counsel in *MARC vs. Maryland, et al,* I became familiar with the nearly unanimous expert opinion that, with appropriate educational programs, nearly all retarded children can achieve self-sufficiency, and all such children can achieve at least some degree of improvement.

Your proposal, while calling for the expenditure of additional dollars now, will permit many more children to contribute to our economy as wage earners and taxpayers. More importantly, in our society, I would hope, it will help many children to live their lives with dignity and free of shame.

I remain eager, both as a concerned citizen and as one personally involved with mental retardation, to assist you in any way possible in your attempt to help these children.

Yours very truly,

Albert S. Barr, III.

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10 Light Street,
Baltimore, Md., May 14, 1974.

Re: Amendments to Extension of Elementary and Secondary Education Act—Increased Aid for Special Education

Hon. J. Glenn Beall, Jr.,
U.S. Senate, U.S. Senate Office Building,
Washington, D.C.

Hon. Charles McC. Mathias,
U.S. Senate, U.S. Senate Office Building,
Washington, D.C.

Gentlemen: I understand that Mac is in the process of offering an amendment to the Bill to extend the Elementary and Secondary Education Act to provide increased authorization for appropriations for that part of the Bill which deals with special education and aid for education of the handicapped.

I am writing to express my most vigorous support for this increased appropriation and to ask that Senator Bell join Senator Mathias in exerting every effort to assure passage of this increased appropriation authorization.

With a number of other parents of retarded children, I have, over the last two years, participated in litigation against State and County educational authorities in Maryland seeking to obtain judicial declarations of right to equal access to publicly funded educational programs for the retarded in Maryland. In the course of that experience, it has become crystal clear that the "technology" is available, that the means of educating and training competent teachers are available, and that the will is available to deal with the educational problems of the handicapped and retarded, but the money is critically lacking at all levels. I am completely convinced that unless the Congress can act to increase appropriations, much of the success which was won in the case of *MARC, et al vs. Maryland, et al,* will be severely diluted by a critical shortage of funds for the Maryland State Board of Education. We have a large number of competent people in the Maryland State Department of Education and at the local level, however, but they obviously cannot act without sufficient funds.

Frankly, gentlemen, I believe that our society's neglect of the educational needs of the handicapped has gone on far too many years, and I ask each of you to exert every effort toward passage of the amendment.

If there is anything further that I can do, as a citizen and father of a retarded son, please let me know.

Very truly yours,

J. Snowden Stanley, Jr.

Baltimore, Md.,
May 14, 1974.

Hon. Charles McC. Mathias, Jr.,
U.S. Senate,
Old Senate Office Building,
Washington, D.C.:

Delighted you have introduced legislation to help support special education funding financing of this program as single most critical need of education in Maryland today.

James A. Sensenvaugh,
Superintendent of Schools.

Rockville, Md., *May 13, 1974.*

Hon. Charles McC. Mathias, Jr.,
Senate Office Building,
Washington, D.C.

Dear Senator Mathias: I am writing to you about the Elementary and Secondary Education Act, Title IV, to which I understand you are introducing an amendment to authorize funds for children in special education. I have worked with special education children for a number of years, and believe there is an urgent need for funds to educate these "special" children, who have been inadequately dealt with for so long, who have such pressing needs, and whose needs are not now being satisfactorily met.

I commend your introduction of the amendment, and hope you will continue to work toward meeting the needs of these youngsters.

Very truly yours,

Marilyn Greenspan.

Board of Education
of Allegany County,
Cumberland, Md., May 2, 1974.

Hon. Charles McC. Mathias, Jr.,
Old Senate Office Building,
Washington, D.C.

My Dear Senator Mathias: I understand that you and other members of the Senate Education Subcommittee may be considering supplementary provisions for Bill S. 1539. If additions are made to the bill, I ask you to consider the pressing need for federal financial participation in providing classroom services to handicapped children. The State of Maryland is committed under the newly passed senate Bill 649 to provide educational services when appropriate to all handicapped children from birth to age twenty. Such an obligation will place a huge financial burden on this state and particularly on the less affluent counties.

Under existing aid from the state and federal government, many counties, including Allegany, have not been able to provide all of the special education services that are needed.

In your present study, I would appreciate your considering the feasibility of the federal government's providing an across-the-board sum of fifteen dollars for each pupil based on school enrollment in order to allow special services to reach more handicapped children.

Thank you for your continuing support of public education.

Very truly yours,

Wayne W. Hill,
Superintendent of Schools.

Baltimore City Public Schools,
Baltimore, Md., May 3, 1974.

Hon. Charles McC. Mathias, Jr.,
U.S. Senate, Old Senate Office Building,
Washington, D.C.

Dear Senator Mathias: This letter is a follow-up to the telephone call to your office made on May 1, 1974, in support of a certain amendment to S. 1539.

Specifically, the amendment would provide aid for handicapped children equal to $15 times the total school system enrollment. Additionally, such funds would be restricted to expenditures for programs for the handicapped.

We reaffirm our support for this amendment.

Sincerely yours,

Roland N. Patterson,
Superintendent.

Board of Education of Wicomico
County,
Salisbury, Md., May 1, 1974.

Hon. Charles McC. Mathias, Jr.,
U.S. Senate, Old Senate Office Building,
Washington, D.C.

Dear Senator Mathias: I would like to indicate support for the amendment to Senate Bill 1539 regarding Federal aid for the handicapped. It is my understanding that this would provide $15.00 times school enrollment for use with handicapped programs.

With the emphasis and push by Court decisions and legislative amendments, this would be most helpful.

Your consideration of this matter would be deeply appreciated.

Respectfully yours,

Royd A. Mahaffey,
County Superintendent.

BOARD OF EDUCATION OF FREDERICK COUNTY,
Frederick, Md., May 1, 1974.
Hon. CHARLES McC. MATHIAS, JR.,
U.S. Senate, Old Senate Office Building, Washington, D.C.

DEAR SENATOR MATHIAS: This letter is written in support of the amendment to Senate Bill 1539—Federal Aid for the Handicapped. Enactment of this legislation would provide federal aid toward programs offered to youngsters with disabilities. I am sure you are aware that Frederick County has a tremendous investment in special facilities for the handicapped and has programs throughout the system. Because of the needs of the children classes are small; therefore the per pupil cost is quite high.

I am not too familiar with the details of SB 1539, but I do know that if additional funds are made available for special programs we could use local money to expand these programs and/or provide other kinds of instruction.

Your help in promoting this legislation will be appreciated.

Best personal regards!

Sincerely yours,
JOHN L. CARNOCHAN, Jr.,
Superintendent.

THE HOWARD COUNTY PUBLIC SCHOOL SYTEM,
Clarksville, Md., April 30, 1974.
Hon. CHARLES McC. MATHIAS, JR.,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MATHIAS: We have been following with interest the progress of the Education Amendments Act of 1974 through the Congress. The version now before the Senate (S. 1539) is the current focal point of that interest.

I am writing this letter with particular attention to education of handicapped children. As you know, significant progress has been made in recent years in this area. Much remains to be done if the State and the local school systems are to approach fulfillment of their obligations to handicapped children. Because of the specialized services and facilities required, it is necessary to sharply increase the ratio of adults to pupils in these learning programs. Obviously, costs have increased significantly in relation to those required for the regular school programs.

Thus, the proposed amendment to S. 1539 which we understand would yield $15 per child in the total enrollment of the local school systems would indeed be a boon to further progress in this field. We would appreciate greatly your support for such an amendment.

Very best wishes!

Sincerely yours,
THOMAS W. PYLES,
Assistant Superintendent, Administration and Finance.

CHEVY CHASE, MD.,
MAY 12, 1974.
Senator CHARLES MATHIAS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MATHIAS: It is our understanding that you are planning to propose an amendment to S1539, the Elementary and Secondary Education Act, that would substantially increase the amount of Federal aid for special education programs in public schools across the nation.

We wish to advise you that as parents of a handicapped child we support your initiative and interest in this area. We believe Federal aid for special education must be increased to meet the pressing need, and this increase should be carried out as soon as possible. An expansion of Federal aid is especially necessary for Maryland, which must widen its public school services for the handicapped this coming fall in response to the recent court suit by the Maryland Association for Retarded Citizens and to the passage last year of the Special Education Act in the state legislature.

Our only caveat in this matter is that we would ask your assurance that your amendment would not jeopardize the ultimate passage of S6, with its far more massive program of Federal aid for special education.

Sincerely,
Mr. and Mrs. ROBERT E. STEARNS

BOARD OF EDUCATION OF CAROLINE COUNTY,
Denton, Md., May 1, 1974.
Hon. CHARLES McC. MATHIAS, Jr.,
Senate Office Building,
Annapolis, Md.

DEAR SIR: Your support of the amendment which provides $15.00 per student enrolled in a school system on Senate Bill No. 1539 Aide to the Handicapped will be greatly appreciated.

It is imperative that we have federal support if we are to do what should be done for our handicapped students.

Thank you!

Very truly yours,
WILBUR S. HOOPENGARDNER,
Superintendent of Schools.

BALTIMORE, MD., *May 14, 1974.*
Hon. CHARLES McC. MATHIAS JR.,
Old Senate Office Bldg.,
Washington, D.C.

Your proposed amendment to S. 1539 to provide seven hundred million dollars for the education of handicapped children addresses itself to a critical state need. You have my full support for early passage.

JEROME FRAMPTON,
President, Maryland State Board of Education.

CUMBERLAND, MD., *May 14, 1974.*
Hon. CHARLES MATHIAS,
Senate Office Building,
Washington, D.C.:

SENATOR MATHIAS: Your support and proposed legislation for handicapped children appreciated, Federal aid for handicapped vital to Allegheny County Maryland, board of education endorsed your legislation and encourages your continued interest and support.

WAYNE W. HILL,
Superintendent of Schools, Board of Education of Allegheny County.

OAKLAND, MD., *May 13, 1974.*
CHAS. McC. MATHIAS, JR.,
Senate Office Building,
Capitol Hill, D.C.

DEAR SENATOR MATHIAS: We support your efforts to amend SB1539 to increase per pupil aid to the handicapped. Our plans include about doubling in programming in next three years with forty additional severely retarded students in FY–1975.

Thanks,
DR. WM. H. BUSTER,
Supt. of Schools, Garrett Co. Md.

CAMBRIDGE, MD., *May 13, 1974.*
Hon. CHARLES McC. MATHIAS, Jr.
Old Senate Office Building,
Capitol Hill, D.C.

DEAR SENATOR MATHIAS: Thank you for introducing SB1539 Dorchester County also supports your efforts to have this bill amended. We feel that this amendment would provide for additional services to the students of the county. As you know the MARC suit and proposed Maryland State Department of Education special education by-law will require additional funds to provide much needed programs for handicapped children. Your support of these programs is greatly appreciated.

Best personal wishes.

JOSEPH L. SCHILLING,
Superintendent of Schools.

ELKTON, MD., *May 13, 1974.*
Hon. CHARLES McC. MATHIAS, JR.,
Old Senate Office Building,
Capitol Hill, D.C.

DEAR SENATOR MATHIAS: Your past support of legislation and programs in the area of education has been greatly appreciated. Your current amendment to Senate bill 1539 would contribute immeasurably in helping the Cecil Co. Public Schools meet the handicapped learners.

The results of the recent court trial as well as new legislation in Md. dictates that our special education programs be increased. The needs of handicapped learners mandate a meaningful education program for all. We wholeheartedly support your interest and endeavors in this area.

WALTER J. FINN,
Superintendent of Schools.

DENTON, MD., *May 13, 1974.*
Senator McC. MATHIAS, Jr.,
U.S. Senate,
Old Senate Office Building,
Capitol Hill, D.C.:

Appreciate initiation of amendment to SB1539 raising support for handicapped children from 65 million to 700 million. Small counties such as Caroline County are always pushed in trying to carry out bylaws and those programs which do so much good for less than able students. We urge your continued support.

FRED G. USILTON,
Assistant Superintendent, Board of Education, Caroline County.

LEXINGTON PARK, MD., *May 13, 1974.*
Hon. CHARLES MATHIAS, Jr.,
Capitol Hill, D.C.

DEAR SENATOR MATHIAS: the Board of Education of Saint Marys County is deeply appreciative of your support of the amendment to the Senate Bill No. 1539 which will increase Maryland's Funding for Handicapped Children. These additional Federal funds if made available would enable us to substantially improve our basic special educational programing and would help us meet the legal requirements being established by the MARC Court suit.

Respectfully submitted,
ROBERT E. KING, JR.,
Superintendent of Schools.

UPPER MARLBORO, MD., *May 13, 1974.*
Senator CHARLES MATHIAS, Jr.,
Old Senate Office Building,
Capitol Hill, D.C.:

In the recent decade the State of Maryland has been in the forefront of educational programs for its handicapped children. Recent legislation passed in 1973 Legislature (106–D of article 77 public schools laws of Maryland) provides that all children 0 to 20 shall have the advantage of programs of education regardless of the nature and severity of their handicaps.

Your bill to provide special Federal funds for the handicapped is essential for the maintenance of high quality programs for handicapped children in the Prince Georges County schools. Congressional support for aid to the handicapped has been less than the local needs require. Bills such as yours are an encouraging sign and we are most honored that a Maryland legislator is taking the leadership.

With kindest regards,
CARL W. HASSEL,
Superintendent of Schools.

Columbia, Md.,
May 13, 1974.

Senator Charles McC. Mathias, Jr.,
Capitol Hill, D.C.:

Understand your amendment to S. 1539, title 6, part B, due introduction Monday with midweek vote. Should fill a need. Especially important in Howard County with pressures of continuing growth. Our special education program now 1600 pupils of 22,000 total enrollment. Waiting lists some areas as numbers increase. Grateful for your understanding and assistance in this difficult learning area.

M. Thomas Goedeke,
Superintendent, Howard County Department of Education.

LaPlata, Md.,
May 13, 1974.

Senator McC. Mathias,
Capitol Hill, D.C.:

Thank you for amending part B, title 6, Aid to Handicapped Children. Your introduction of this bill will be of tremendous educational value to the handicapped children of Charles County. The State of Maryland just enacted a law mandating that full educational services be provided for handicapped children. Recent court cases also mandate these services. Charles County is struggling to finance the needs of existing services and this legislation you are introducing will not only help with the existing but will allow the development of new programs to better meet the needs of handicapped children in our county.

Jesse L. Starkey,
Supt. of Charles County Schools.

Frederick, Md.,
May 14, 1974.

Hon. Charles McC. Mathias, Jr.,
Senate Office Bldg.,
Capitol Hill, D.C.:

Thank you for your understanding and concern for the handicapped child. State and local resources allocated to Frederick County Public Schools have not been adequate to meet the needs of the handicapped child. With the introduction of your amendment to title 6, part B, funding an additional allocation of resources for the handicapped, Frederick County will be better able to: serve the multi and physically handicapped needs, provide programs for students K–12 who have emotional or behavioral adjustment problems, and provide an early intervention program for students who have handicapping conditions.

John E. Tritt,
Director, Administrative Services,
Board of Education.

Washington, D.C., *May 14, 1974.*

Senator Charles Mathias,
Capitol Hill, D.C.:

We support your efforts to improve public education for handicapped children.

Lawrence Levinson,
President, Md. Society of Autistic Children.

Silver Spring, Md., *May 14, 1974.*

Senator C. Mathias,
Capitol Hill, D.C.:

Heartily endorse your efforts for increased funds for special education.

J. Falatto,
President, Cerebral Palsy Assn., Montgomery County.

Aberdeen, Md., *May 13, 1974.*

Hon. Charles Mathias,
Senate Office Building,
Capitol Hill, D.C.:

Your introduction of amendment on handicapped children is very much appreciated. Handicapped children in this school system needed additional special services which we are unable to provide due to limited fiscal resources. Your provisions of $15 per pupil will do much to assist us with this problem.

A. A. Roberty,
Superintendent of Schools, Board of Education of Harford County.

Westminster, Md., *May 13, 1974.*

Senator Charles Mathias,
Capitol Hill, D.C.:

Appreciation for your amendment, S. 1539. Handicapped Carroll County supports amendment providing increased basic funding allowing implementation MARC decision and Maryland bylaws.

George E. Thomas,
Superintendent of Schools.

Chestertown, Md., *May 13, 1974.*

Senator Charles Mathias,
Senate Office Building,
Capitol Hill, D.C.:

Appreciate your sponsorship of special education amendment S. 1539 funding provided. Would be major assistance for Kent County in providing for handicapped children.

Dr. Richard Holler,
Superintendent of Schools.

Prince Frederick, Md., *May 13, 1974.*

Senator Charles Mathias,
Capitol Hill, D.C.:

Thanks for amendment to Senate bill 1539. This is necessary to carry out the mandate for education of all handicapped children.

Ralph E. Wachter,
Calvert County Schools.

Annapolis, Md., *May 13, 1974.*

Senator Charles Mathias,
Capitol Hill, D.C.

Dear Senator Mathias: Thank you for responding to our urgent need for assistance in funding programs for handicapped children. Your amendment to Senate bill 1539 could mean as much as $1.2 million aid to the approximately 3,000 youngsters in the public schools of Anne Arundel County who have been identified to be in need of special educational services.

Edward J. Anderson,
Superintendent.

Mr. KENNEDY. Mr. President, I rise in support of Mr. Mathias' amendment to the Elementary and Secondary Education Act Amendments of 1974, which would provide $632 million in emergency, stop-gap funds to meet the needs of handicapped children. Aid would go primarily to those States in which a commitment has been made to provide fully equivalent free, public education to handicapped children.

There are two major reasons why immediate action should be taken on this amendment:

First, there have been several recent court rulings as a result of class action suits on behalf of handicapped groups ordering that States take whatever action may be necessary to provide free public education to all handicapped children. In addition, in several States, such as Massachusetts, laws have been passed calling for the implementation of programs to offer all handicapped children an opportunity for a full and comprehensive education.

Second, in addition to the short time left before schools must act to provide enhanced educational programs for handicapped children, Mr. Mathias' amendment is an assurance to States which have made a commitment to much broader educational opportunities for handicapped children that the Federal Government stands ready to assist in that endeavor. And because of Government assurance, the bill may also act as an incentive for other States which have not already implemented similar programs.

However, although I strongly endorse the Mathias amendment, none of us should look to this amendment as a substitute for S. 6, which is a far more comprehensive and far-reaching education package on behalf of handicapped children introduced by Mr. Williams. I know that both Mr. Williams and Mr. Randolph have worked closely with Mr. Mathias to see that this amendment complements S. 6.

The Education for All Handicapped Children Act, of which I am a cosponsor, provides more rehabilitational and educational opportunities to handicapped children than any other legislation. Too often, handicaps are not defined for funding purposes and this leads to one group receiving the bulk of funds while other groups are left with virtually no funds at all to carry out their programs. For example, in the 1971–72 school year, while 57 percent of all trainable mentally retarded children in this country received educational opportunities, only 14 percent of all hard of hearing children were provided for and S. 6 sees to it that all handicaps are included in the funding process.

Another very important aspect of S. 6 is its assurance of the protection of the rights of handicapped children and this will insure that children are not mislabeled or otherwise placed in programs which would not fulfill their particular needs through poor testing, misinterpretation of the handicap or exclusion from any program as untreatable.

Finally, what is foremost in the minds of those of us who support S. 6 is that it be enacted into law in its entirety in the very near future. However, the immediate need is to insure funds now so that the States can meet the requirements of court orders and State laws by the coming school year. And, unfortunately, it does not appear that S. 6 can be passed in time.

It is because of the emergency which exists now that we must support the Mathias amendment, not because it is a substitute for S. 6. If this legislation had been introduced with the intention of taking the place of S. 6, I would not be able to support it. However, many assurances have been given to the contrary—that this is strictly to meet the emergency needs of the States before the next school year begins.

Therefore, I am glad to give my support to this amendment.

Mr. BEALL. Mr. President, I am pleased to cosponsor and support this amendment with Senator Mathias. This amendment would provide Federal aid for classroom services and therapies for the education of handicapped children. This aid would be in the amount of $700 million to be distributed nationally by $15 per enrolled pupil based on total enrollment.

Certainly no group has been discriminated against more in their efforts to obtain an education and the extent and delivery of these services has been far from adequate. In fact, in 1972, according to Dr. Edwin Martin of the Bureau of Education of the Handicapped, it was estimated that less than 3 million of the 7 million handicapped children are receiving adequate services and one-half a million are receiving no services at all.

Compared to the average cost of education for a "normal" youngster, the cost for education of the handicapped child is expensive. In testimony before the House Education Subcommittee this year on H.R. 70, legislation that would create a Federal aid program for handicapped children, Maryland officials stated that the State should spend another $35 million to give a good education to the 40 percent of the handicapped children who do not get one now. In fact, at this time Maryland fails to meet the needs of an estimated 110,000 children, 12½ percent of the school-age population.

However, the percentage of handicapped children in Maryland receiving special education services should increase significantly, particularly in view of the recent ruling by Baltimore County Judge John E. Raine, Jr., in which he stated that all retarded and handicapped children in Maryland are entitled to an education at public expense. This suit further places the responsibility on the State department of education and State mental retardation administration to educate the mentally retarded and points up the State's obligation to find the funds to do this. In addition, the State now must establish standards for educating retarded children and begin enforcing them by September 1975.

While there is comprehensive legislation that could, if enacted, aid Maryland and the other States, I believe that in view of this highly significant court decision, as well as legislation passed by the State in this area, that it is imperative that we enact this amendment, as an interim 1-year measure, so that we can assist all States in reaching these important goals which have been established.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement in support of the Mathias amendment by the distinguished Senator from New Mexico (Mr. MONTOYA).

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR MONTOYA

I am pleased to join the distinguished Senator from Maryland, Mr. Mathias, and others in co-sponsoring this amendment which ensures that the concept of equal educational opportunity which we all espouse is extended to the often neglected handicapped children of America.

The Senator from Maryland is to be commended for bringing to the attention of the Senate the dire need to assist the various states who are striving to comply with court decrees compelling state education departments to provide the seven million handicapped children of this country with the opportunity of an equal education.

Mr. President, the debate here today has highlighted the lack of adequate facilities, equipment and teachers needed if the 40 percent of the handicapped children not now receiving special education are to be served. I know that a serious effort is being made by many states to provide a meaningful education for handicapped students, but because this effort is falling short I believe that it is incumbent on the federal government to supplement the efforts of these states.

Mr. President, many times before state and federal ventures have been successful in alleviating major problems which have beset this country. The amendment of the Senator from Maryland provides us with an excellent opportunity for a state-federal venture aimed at improving and expanding education programs for the handicapped so as to provide them with a truly equal educational opportunity.

I urge the adoption of this amendment.

Mr. MATHIAS. Mr. President, I yield back the remainder of my time.

Mr. WILLIAMS. Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I ask unanimous consent that after action is taken on the Mathias amendment, there may be a quorum call, without the time being charged to either side.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the amendment of the Senator from Maryland, as amended.

The amendment, as amended, was agreed to.

Mr. MATHIAS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METCALF. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STAFFORD). Without objection, it is so ordered.

AMENDMENT NO. 1345

Mr. METCALF. Mr. President, I ask unanimous consent that, notwithstanding the previous order, I may be permitted to call up at this time my amendment No. 1345.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. METCALF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 206, line 15, strike out "60" and insert in lieu thereof "65".

On page 206, line 21, strike out "54" and insert "63".

Mr. METCALF. Mr. President, on Thursday I placed in the RECORD an explanation of the amendment. The amendment is merely a change that was necessitated by the so-called McGovern amendment and other amendments so that we can have equity up and down the line. The amendment would merely change the formula so that other class A or category A children would be treated equitably under the McGovern amendment, as well as the way the Committee on Appropriations is acting today.

I have discussed the amendment with the managers of the bill on the majority side and the minority side. I am informed they are prepared to accept the amendment.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. METCALF. I am delighted to yield.

Mr. JAVITS. Mr. President, I am advised that this amendment is acceptable to the manager of the bill on the majority side, the Senator from Rhode Island (Mr. PELL), to the chairman of the committee (Mr. WILLIAMS), and that it is acceptable to the administration. For all those reasons I urge the adoption of the amendment by the Senate.

Mr. METCALF. Mr. President, as I have stated, there is a complete explanation of the amendment in the RECORD of last Thursday. Inasmuch as the amendment is acceptable on all sides I ask that the amendment be agreed to.

The PRESIDING OFFICER (Mr. WILLIAMS). Is all time yielded back?

Mr. METCALF. I yield back the remainder of my time.

Mr. JAVITS. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PELL). Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I have an amendment at the desk, and I ask unanimous consent that it be stated and that this procedure not in any way affect the designated order of procedure.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read the amendment, as follows:

On page 125, line 22, strike out "and limited" and all that follows down through the end of line 23 and insert in lieu thereof a period.

Mr. WILLIAMS. Mr. President, I am offering an amendment which would delete language on page 125 relating to our national policy with respect to equality of educational opportunity. The language proposed to be deleted relates to limitations on ability to learn and desire to learn. It is feared by some that this language would be unfair to handicapped children who do have severe limitations. Therefore, in order to clear up any ambiguity, I am proposing that this language be stricken from the bill.

Mr. JAVITS. Mr. President, it is essentially a technical amendment, but one which is necessary to the bill, and I hope it will be accepted.

Mr. WILLIAMS. Mr. President, I yield back my time.

Mr. JAVITS. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from New Jersey (Mr. WILLIAMS).

The amendment was agreed to.

Mr. JAVITS. Mr. President, I ask unanimous consent that there may be a quorum call without the time being charged.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WILLIAMS). Without objection, it is so ordered.

The Senate will receive a message from the President of the United States.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. METCALF) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (S. 2957) relating to the activities of the Overseas Private Investment Corporation with amendments in which it requests the concurrence of the Senate.

ORDER FOR RECOGNITION OF SENATOR BARTLETT TOMORROW AND SENATOR PROXMIRE WEDNESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders have been recognized under the standing order, Mr. BARTLETT be recognized for not to exceed 15 minutes, and that Mr. PROXMIRE be recognized for not to exceed 15 minutes the first thing after the two leaders have been recognized on Wednesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

EDUCATION AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 1539) to amend and extend certain acts, relating to elementary and secondary education programs and for other purposes.

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. PELL. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time be equally divided, and be taken from the time on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent to take up certain technical amendments out of order at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I send to the desk certain technical amendments, and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments will be stated.

The assistant legislative clerk proceeded to read the amendments.

Mr. PELL's amendments are as follows:

On page 186, line 14, strike out "1977" and insert in lieu thereof "1978".

On page 190, lines 21 and 22, strike out "this subsection, the Commissioner shall determine" and insert in lieu thereof "clause (2) of the preceding sentence with respect to a local educational agency for any fiscal year, the Commissioner shall include".

On page 224, line 10, strike out "(A)" and insert in lieu thereof "(B)".

On page 242, line 21, strike out the end quotation mark and the period the second time it appears.

On page 257, line 8, strike out "and 409" and insert in lieu thereof "409, and 410".

On page 334, between lines 4 and 5, insert the following:

(b) The amendments made by this section shall be effective with respect to payments made on and after October 1, 1973.

Mr. PELL. Mr. President, these amendments change section numbers, reflect the inclusion of Indian youngsters in impacted aid, and insert missing effective dates. They have been suggested by the legislative counsel, and have been cleared with the minority.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Rhode Island.

Mr. DOMINICK. Mr. President, we have no objection. These are worthwhile amendments.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent that the amendment of the Senator from Florida (Mr. CHILES), which is No. 7 on the whip notice, be called up out of order at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1344

Mr. CHILES. Mr. President, I call up my amendment No. 1344 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

At the end of the bill, add the following new title:

"TITLE IX—NEIGHBORHOOD SCHOOLS AND PRIZE SCHOOLS PROGRAM

"PART A—NEIGHBORHOOD SCHOOLS PROGRAM

"SHORT TITLE

"SEC. 901. That this part may be cited as the "Neighborhood School Act of 1974.'

"DECLARATION OF POLICY

"SEC. 902. (a) It is the policy of the United States to encourage the concept of the neighborhood school so that students are assigned to a public elementary or secondary school solely on the basis of residence within the geographic zone which that school serves.

"(b) It is further the policy of the United States that no student may be denied attendance at the neighborhood school serving the geographic zone in which he resides on the basis of race, creed, color, religion, or national origin.

"MINORITY GROUP TRANSFER AUTHORIZED

"SEC. 903. (a) It is also provided that any student has the right to transfer and be provided transportation out of the neighborhood public elementary or secondary school serving the geographic zone in which he resides if such a student is a member of a minority group and that minority group constitutes at least 50 per centum of the students enrolled in that school.

"(b) For the purpose of this section—

"(1) 'minority group' means any individuals who are Negro, American Indian, Spanish-surnamed American, Portuguese, or Oriental and, as determined by the Secretary pursuant to regulations, combinations of any such individuals;

"(2) 'Spanish-surnamed American' means an individual of Mexican, Puerto Rican, Cuban, or Spanish origin or ancestry.

"AUTHORIZATION AND LIMITATION

"SEC. 904. (a) Federal funds shall be made available under the Elementary and Secondary Education Act of 1965 or any other provision of law to pay the cost of the assignment or transportation of students in accordance with the provisions contained in section 903(a) of the Act.

"(b) Nothwithstanding any other provision of law no officer or employee of any department or agency of the Federal Government shall order or require the assignment or transportation of students inconsistent with the policy set forth in this part.

"PART B—PRIZE SCHOOLS PROGRAM

"SHORT TITLE

"SEC. 931. This part may be cited as the 'Elementary and Secondary Education Systems Act of 1974'.

"STATEMENT OF PURPOSE

"SEC. 932. It is the purpose of this part to strengthen the concept of the neighborhood school through a program of financial assistance for use in meeting the special needs of educationally disadvantaged children in such schools and for establishing such schools as educational and cultural centers for a better community.

"DURATION OF ASSISTANCE

"SEC. 933. The Commissioner shall, in accordance with the provisions of this part, make payments to State educational agencies for grants to local educational agencies for the period beginning July 1, 1973, and ending June 30, 1978.

"BASIC GRANTS AMOUNT AND ELIGIBILITY

"SEC. 934. (a) There is authorized to be appropriated for each fiscal year for the purpose of this subsection an amount equal to not more than 3 per centum of the amount appropriated for such year for payments to States under section 938, other than payments under such section to jurisdictions excluded from the term 'State', by this subsection. The Commissioner shall allot the amount appropriated pursuant to this subsection among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands, according to their respective need for such payments. The grants which a local educational agency shall be eligible to receive pursuant to this subsection shall be allotted as the Commissioner determines will best carry out the purposes of this part.

"(b) (1) In any case in which the Commissioner determines that saisfactory data are available, the maximum grant which a local educational agency shall be eligible to receive under this part for any fiscal year shall be an amount equal to the Federal percentage (established pursuant to subsection (d)) multiplied by the average per pupil expenditure in that State or, if greater in the United States, and multiplied by the number of children enrolled in the neighborhood schools of such agency who are age five to seventeen years, inclusive.

"(2) In any other case, the maximum grant for any other local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in any county in which the school district in which the particular agency is located which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children enrolled in such neighborhood schools and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria of the Commissioner.

"(c) For the purpose of this subsection and section 935, the term 'neighborhood schools' means any public elementary or secondary school in which—

"(1) not less than 75 per centum of the children enrolled in such school are assigned to that school on the basis of residence within a specified geographic area which that school serves and not more than 25 per centum are assigned to such school on the basis of voluntary request by the parents or guardians of such children or by reason of an order of a court of competent jurisdiction; and

"(2) (A) not less than 40 per centum of the children enrolled in such school are (i) in families having an annual income of less than the low-income factor, (ii) in families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, or (iii) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted for the purpose of a grant to a State agency, or being supported in foster homes with public funds; or

"(B) not less than 40 per centum of the children enrolled in such school are members of a minority group.

"(d) For the purpose of this section, the 'Federal percentage' is 65 per centum and the 'low-income factor' is $4,000 for the fiscal year ending June 30, 1974, and shall be increased by the Commissioner to an amount in excess of $4,000 reflecting an increase in the cost of living factor as determined by the Commissioner after consulting with the Secretary of Labor.

"(e) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (d)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are now available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination. When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) to the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

"(f) For the purpose of this section, 'the average per pupil expenditure' in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available), of all local educational agencies in the States, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provide free public education during such preceding year.

"(g) For the purpose of this section, the term 'State' does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"USES OF FUNDS

"SEC. 935. Funds available for grants under this part shall be used only in neighborhood schools for programs and projects designed to meet the special educational needs of educationally deprived children and new or innovative school and community educational and recreational programs designed to strengthen community involvement in a more effective use of the neighborhood schools including—

"(1) remedial and other services to meet the special needs of children attending the neighborhood schools, but especially the educationally disadvantaged children;

"(2) the provision for additonal professional or other staff personnel with a special emphasis on recruiting parents and other local community members to assist in achieving the educational goals of such schools;

"(3) comprehensive guidance, counseling, and other personal services for educationally disadvantaged children;

"(4) development and employment of new instructional techniques which appear likely to succeed in meeting the needs of such children;

"(5) career education programs using neighborhood people both in and outside the school whenever found in the interest of the educational goals of such schools;

"(6) innovative school-community educational and recreational programs designed to stimulate further community interest and involvement with the education process;

"(7) provision for using the school for tutoring for remedial students, after normal school hours, and for furnishing such professional and other community staff as will contribute to the success of such an effort;

"(8) provisions for professional staff home consultations with the parents and students, where feasible and desirable;

"(9) special administrative activities such as rescheduling teachers or students, and furnishing information on programs of such schools to parents and other members of the community served by that school; and

"(10) appropriate planning and evaluation programs.

"APPLICATIONS

"SEC. 936. (a) A local educational agency may receive grants under this part for any fiscal year only upon application approved by the appropriate State educational agency, upon its determination consistent with such basic criteria as the Commissioner may establish—

"(1) that programs and activities for which assistance is sought will be administered by or under the direct supervision of the applicant;

"(2) that such assistance will be expended only in neighborhood schools and describe with particularity the programs and activities for which such assistance is sought;

"(3) that policies and procedures will be established to assure the Federal funds made available under this title for any fiscal year (A) will not be commingled with State funds, and (B) will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be available for the purposes described in section 935, and in no case supplant such funds;

"(4) that effective procedures will be adopted for evaluating at least annually the effectiveness of programs and activities assisted under this title;

"(5) reasonable reports will be furnished in such form and containing such information as the Commissioner may reasonably require and such records will be kept and access furnished thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

"(b) The State educational agency shall not finally disapprove, in whole or in part, any application for funds under this part without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

"ASSURANCES FROM THE STATE

"SEC. 937. (a) Any State desiring to participate under this part shall submit through the State educational agency to the Commissioner an application, in such detail and accompanied by such information as the Commissioner deems necessary, which provides satisfactory assurance—

"(1) that payments under this part will be used only for programs and activities in neighborhood schools which have been approved by the State educational agency pursuant to section 6 and which meet the applicable requirements of that section and that such agency will, in all other respects comply with the provisions of this title;

"(2) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursements of, and accounting for, Federal funds paid to the State (including such funds paid by the State to local educational agencies) under this part; and

"(3) that the State educational agency will make to the Commissioner (A) periodic reports (includnig the results of objective measurements required by section 6(a)(4) evaluating the effectiveness of payments under this Act and of particular programs assisted under it, and (B) such other reports as may be reasonably necessary to enable the Commissioner to perform his duties under this Act (including such reports as he may require to determine the amounts which the local educational agencies of that State are eligible to receive for any fiscal year), and assurance that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

"(b) The Commissioner shall approve an application which meets the requirements specified in subsection (a), and he shall not finally disapprove an application except after reasonable notice and opportunity for a hearing to the State educational agency.

"PAYMENTS

"SEC. 938. (a)(1) The Commissioner shall, subject to the provisions of section 939, pay to each State, in advance or otherwise, the amount which that State and the local educational agencies of that State are eligible to receive under this part. Such payment shall take into account the extent, if any, to which any previous payment to such State educational agency under this part (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to that agency.

"(2) From the funds paid to it pursuant to paragraph (1), each State education agency shall distribute to each local educational agency of that State which has submitted an application approved pursuant to section 936 the amount for which such application has been approved, except that this amount shall not exceed the maximum amount determined for that agency pursuant to section 934.

"(b) The Commissioner is authorized to pay to each State amounts equal to the amounts expended by it for the proper and efficient performance of its duties under this part (including technical assistance for the measurements and evaluations), except that the total of such payments in any fiscal year shall not exceed—

"(1) 1 per centum of the total maximum grants for State and local educational agencies of the State as determined for that year; or

"(2) $150,000 or $25,000 in the case of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands,

whichever is the greater.

"(c)(1) No payments shall be made under this part for any fiscal year to a State which has taken into consideration payments under this part in determining the eligibility of any local educational agency in the State for State aid, or the amount of that aid, with respect to the free public education of children during that year or the preceding fiscal year.

"(2) No payments shall be made under this part to any local educational agency for any fiscal year unless the State educational agency finds that the combined fiscal effort (as determined in accordance with regulations of the Commissioner) of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year.

"ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

"SEC. 939. If the sums appropriated for any fiscal year for making payments provided in this part are not sufficient to pay in full the total amount which all local educational agencies are eligible to receive under this part for such year, allocations shall be made to local agencies on the basis of computations in accordance with section 4(b) as ratably reduced. In case additional funds become available for making payments under this part for that year, such reduced amounts shall be increased on the same basis that they were reduced. In order to permit the most effective use of all appropriations made to carry out this part, the Commissioner may set dates by which (1) State educational agencies must certify him the amounts for which the applications of educational agencies have been or will be approved by the State. If the maximum grant a local educational agency would receive (after any ratable reduction which may have been required under the first sentence of this section) is more than an amount which the State educational agency determines, in accordance with regulations prescribed by the Commissioner, such agency will use, the excess amount shall be made available first to educational agencies in that State. Determinations of the educational agencies to which such excess amounts shall be made available shall be made by the State educational agency in furtherance of the purposes of this part in accordance with criteria prescribed by the Commissioner which are designed to assure that such excess amounts will be made available to other eligible educational agencies with the greatest need. In the event excess amounts remain after carrying out the preceding two sentences of this section, such excess amounts shall be distributed among the other States as the Commissioner shall prescribe for use by local educational agencies in such States for the purposes of this Act in such manner as the respective State educational agencies shall prescribe.

"WITHHOLDING

"SEC. 940. Whenever the Commissioner, after giving reasonable notice and opportunity for hearing to a grant recipient under this part, finds—

"(1) that the program or activity for which such grant was made has been so changed that it no longer complies with the provisions of this Act; or

"(2) that in the operation of the program or activity there is failure to comply substantially with any such provision,

the Commissioner shall notify such recipient of his findings and no further payments may be made to such recipient by the Commissioner until he is satisfied that such noncompliance has been, or will promptly be, corrected. The Commissioner may authorize the continuance of payments with respect to any programs or activities pursuant to this Act which are being carried out by such recipient and which are not involved in the noncompliance.

"JUDICIAL REVIEW

"SEC. 941. (a) If any State or local educational agency is dissatisfied with the Commissioners' final action with respect to the approval of its application submitted under section 937, or with his final action under section 930, such State or local educational agency may within sixty days after notice of such action file with the United States court of appeals for the circuit for which such agency is located a petition for review of that action. A copy of that petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner shall file promptly in the court the record of proceedings on which he based his action, as provided for in section 2112 of title 28, United States Code.

"(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"PROHIBITIONS AND LIMITATIONS

"SEC. 942. Nothing contained in this part shall be construed to authorize the making of any payment under this part for the construction of facilities as a place of worship or religious instruction.

"ADMINISTRATION

"SEC. 943. Unless otherwise specifically inconsistent with the provisions of this part the provisions of the General Education Program Act shall apply to the program authorized by this title.

"DEFINITIONS

"SEC. 944. As used in this part—

"(1) the term 'minority group' means persons who are Negro, American Indian, Spanish surnamed American, Portuguese, or Oriental; and

"(2) the term 'Spanish surnamed American' means persons of Mexican, Puerto Rican, Cuban, or Spanish origin or ancestor.".

On page 124, in the table of contents, after title VIII add the following:

TITLE IX—NEIGHBORHOOD SCHOOLS AND PRIZE SCHOOLS PROGRAM

"PART A—NEIGHBORHOOD SCHOOLS PROGRAM

"Sec. 901. Short title.
"Sec. 902. Declaration of policy.
"Sec. 903. Minority group transfer authorized.
"Sec. 904. Authorization and limitation.

"PART B—PRIZE SCHOOLS PROGRAM

"Sec. 931. Short title.
"Sec. 932. Statement of purpose.
"Sec. 933. Duration of assistance.
"Sec. 934. Basic grants amount and eligibility.
"Sec. 935. Use of funds.
"Sec. 936. Applications.
"Sec. 937. Assurances from the State.
"Sec. 938. Payments.
"Sec. 939. Adjustments where necessitated by appropriations.

"Sec. 940. Withholding.
"Sec. 941. Judicial review.
"Sec. 942. Prohibitions and limitations.
"Sec. 943. Administration.
"Sec. 944. Definitions.".

Mr. CHILES. Mr. President, I am calling up my amendment to S. 1539 which would add an additional title to the education bill, title IX.

I have raised this proposal in the past and I believe there is increasing support for it at this time. Basically the amendment has three main parts:

First, it declares it the policy of the United States to encourage the concept of the neighborhood school so that students are assigned to a public elementary or secondary school solely on the basis of residence within the geographic zone which that school serves.

Second, it provides that any student has the right to transfer and be provided transportation out of the neighborhood public elementary or secondary school serving the geographic zone in which he resides if the student is a member of a minority group and that minority group constitutes at least 50 percent of the students enrolled in the school.

Third, the "prize school program."

We have been debating various busing amendments these past few days in an effort to accomplish a goal I believe we all share—that is to provide equal educational opportunity for all our children. I am convinced we can best do this by improving and enriching our present facilities and programs, strengthening the concept of the neighborhood school through a program of financial assistance for use in meeting the special needs of educationally disadvantaged children, and establishing educational and cultural centers for a better community. And this is exactly what my prize schools program would do.

My amendment is a financial assist to help protect the concept of neighborhood schools. I cannot support a neighborhood school system if the kind of education that neighborhood schools offers is far below standard. If we are going to protect this traditional concept of our public education system, we must improve it. We must be able to offer these children in these areas a real choice—my amendment would allow students the right to transfer and be provided transportation out of their neighborhood school if they are members of a minority race and that race constitutes a majority in the neighborhood school. But no student would be denied school on the basis of race, color, religion, or national origin.

The assistance this bill offers would be used in meeting the special needs of educationally disadvantaged children. This disadvantaged school is further defined as one where not less than 40 percent of the children are in families with an annual income less than $4,000. My amendment would provide that schools considered disadvantaged would receive a Federal payment equal to the amount of 65 percent of the average per pupil expenditure in the State or in the United States, whichever is higher, times the enrollment of students in the particular school. These special funds are to be used only in disadvantaged schools, only for programs and projects designed to meet the special educational needs of educationally deprived children and for new or innovative school and community educational recreational programs. The program builds upon the assumption that money poured into schools has some relationship between the two. Disadvantaged children attend disadvantaged schools where there is often neither sufficient funds for equipment and facilities and little or no funds for recreational and cultural "extras," which help turn the school into a "prize" school that has the possibility of serving as a true center for the community—a vehicle for drawing people together, because they are pround of what they have, rather than something to be ashamed of and something that divides the community

One of my primary reasons for introducing this amendment to provide for a means of strengthening community involvement in a more effective use of the neighborhood schools. Particularly in disadvantaged neighborhoods, school facilities are in use a mere 6 or 7 hours a day. The buildings, as well as equipment in the school—if it is properly equipped—remain dormant for much of the day—in fact, much of the year. Schools are unused at night or on weekends, basketball courts remain dark and unused at night: Library doors are closed—the money my bill provides is especially directed toward remedial and other services to meet the special needs of the educationally disadvantaged children. It would allow the hiring of additional professional or other staff personnel with special emphasis on recruiting parents and other local community members to assist in achieving the educational goals of such schools.

Funds provided in my bill would be available for comprehensive guidance, counseling, and other personal services for educationally disadvantaged children, development and employment of new instructional techniques, career education programs, and school-community educational recreational programs designed to stimulate further community interest and involvement with the education process. It would also include provisions for professional staff home consultations with parents and students where necessary, special administrative activities, and evaluation programs.

Funds provided through this proposal would be expended only in disadvantaged schools for the programs and activities for which such assistance is sought. I have tried to build in provisions to assure that such funds will not be mixed with State funds and will be used as intended—that is, to increase the level of money available for the purposes I have described. The Commissioner of Education would be authorized to see that a good evaluation is made annually to assure the effectiveness of programs and activities encouraged through the program. The Commissioner could terminate further payments if he finds that the program or activity for which the grant was made has been changed as to no longer comply with the act's provisions.

Mr. President, we are faced today with a situation in which many children choose to attend a school a good distance from home, because the level of instruction, the quality of education offered at his neighborhood school is low.

The amendment I am calling up today is designed to meet the child's needs where they are. The parent and child and teacher could remain closer to each other, the child would not have to spend so much time getting to and from school; leaving more time for his homework and extracurricular activities; and most of all, children would be allowed to attend their neighborhood school if they chose to. That choice would be made more real, more practical by the upgrading of that disadvantaged neighborhood school.

Briefly, Mr. President, I believe my amendment is a practical, just, and efficient method for obtaining the best possible educational opportunity for all of our children.

I hope my colleagues will join me in supporting this kind of approach.

Mr PELL. Mr. President, I have had the opportunity to study the amendment of the Senator from Florida. I cannot cavil with this amendment in that it is an imaginative approach to quality education. However, while nobody can argue with the intent, the cost, in light of the appropriations history, on title I and other education law is just unreal. Let us put some money into title I so that we can really say that we have given them a chance to work, and then we can provide additional funds.

I do not like to be on record as voting against more money for education, but I believe that this type of amendment would be misleading, and I believe I could not support it at this time.

I would be more than willing to have a hearing on this matter within the time limits of a possible impeachment trial or Senate emergency and would give the Senator from Florida that assurance if that met with his approval, but if he presses the amendment to a vote, I could not support it.

I should like to get the reaction of my colleagues, from the minority side of the committee.

Mr. JAVITS. Mr. President, I agree with the Senator. I will certainly join in giving a hearing to this matter. Another point I should like to make—and I am sure the Senator is aware of it—is that the unanimous-consent agreement for today is subject to a provision that it will not be in order to offer further busing amendments. This seems to me, at least in part, to provide for transportation. Because of the notice given to all Members respecting busing amendments, and so forth, I would not, naturally, wish to make any point of order against it, but I think, in view of the fact that it is something which is what I could not carry right now anyhow, I would be constrained to do that as one of the managers of the bill on this side.

But I hope very much that the Senator may find it congenial, as we are known in the Senate for keeping our word on hearings and taking it very seriously and trying to work with Members when they have an interesting concept, of trying to do something with it. We have a good standing with the Senate on that sore. I hope very much therefore that the Senator may see fit to accept the manager's suggestion.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. PELL. I yield.

Mr. DOMINICK. I thank the distinguished Senator from Rhode Island for yielding.

As a strong proponent of the neighborhood school system, I can well understand what the Senator from Florida is trying to do. But do I correctly understand that this would cost approximately $2.5 billion?

Mr. CHILES. I think that if the specific formula set forth in the amendment is followed, the price tag would be up to $2.5 billion. The Senator is correct.

Mr. DOMINICK. I do not see how we can add $2.5 billion to a bill which already has an enormous amount of money in it and expect to get by without it being vetoed, perhaps not for this reason but for a combination of a whole series of reasons.

I would much rather see us go forward and try to get some expression of what kind of appropriation might be obtained for a proposal of this kind and with districts, if any, are really going to need this kind of funding.

There are neighborhood school districts in our various States now which are well able to take care of the necessary amount of money from their local people, in order to be able to fund a quality type of education; and even though they might fit within this distinction, they still would be eligible for a grant. That seems to me sort of unnecessary.

So I would go along with the distinguished chairman and the ranking minority member of the committee, hoping that we could have hearings later, and try to get a much better feel for this proposal and the need for it in selected areas.

It is similar to some extent, if I may say so, to former Senator Murphy's original proposal to try to concentrate funds in areas where we have a great proportion of low-income kids or disadvantaged kids. For that reason—although that is not in the bill at the moment, I understand that that kind of proposal is going to be raised again later today—I would think that the Senator from Florida would be well advised to take the commitment that we are going to have hearings as soon as reasonably possible on this concept.

Mr. CHILES. I thank the Senator from Colorado, the Senator from Rhode Island, and the Senator from New York for their remarks.

When we start talking about the price tag on this proposal, I think the Senator from Colorado would agree with me that if we can find a way to preserve the neighborhood school system at the same time we provide an equal educational opportunity for every child, so that we do not have some kind of separate but unequal school system, or if we do not even have a separate school system—if we could find a fair way to do that, the American people would rather pay the cost of that than any other title I or title III. We see that in the tremendous discombobulation people have been through in the whole question of the neighborhood schools and busing.

The attempt of this amendment is to get around to saying whether you are or are not going to bus. Busing is a tool that could be used for education. It is not the cure-all. It has not provided quality education, as we see, where it has been used; but it has been used by the courts to provide equal education, in the belief that that was the only way to bring it about, because we were not taking care of the disadvantaged students. They were not given the right equipment. They were not given the best teachers. They were continually allowed to run down.

The thrust of this amendment is take the opposite tack—that we are going to try to make a prize school out of the disadvantaged school.

I do not know what the Senator's experience has been in Colorado, but in my State, in many areas, we closed the disadvantaged school. It was easier to close that school than to bus white children into the black neighborhood. So we not only closed the school when we did that; we closed the community center. We allowed the neighborhood to deteriorate much further. That school, dilapidated as it was, served in many instances as more than a school. It was also the community center.

The thrust of this amendment would be to turn that school into a prize community center, so that they would have not only a very good school, with a lower teacher ratio, the best teachers, and the best equipment, but also, the school would be open for community projects and could be something from which the neighborhood could build.

I believe that is the best tax dollar we could spend. I think many mothers are going to say, when they see that kind of school in the white neighborhood, "Why can't my child go to that school? I want my kid to go to that school."

That is the thrust of what the Senator from Florida is attempting to do, and I am delighted with the expression that hearings can be held on the concept. There is no magic in the number of dollars; there is no magic in the language of the bill. I think there is something to be gained in trying to say that there are ways other than whether we are going to fight in the area of busing or not busing, to try to take care of children and allow them to get an education in their neighborhood. That is such a basic concept with white and black parents, that they want their children to be able to have a quality education where they live, where they can participate, and where they can have something to say, that I think this concept should be one of the highest priorities for the committee. On the basis of the assurances that have been received, I will withdraw my amendment.

Mr. DOMINICK. Before the Senator does that, will he yield to me?

Mr. CHILES. I yield.

Mr. DOMINICK. I sympathize completely with the objective of the Senator from Florida. I do not think any of us here would not want our constituents to have the right to have their kids go to the neighborhood school, provided there was equal education. The question is, How do we get equal education?

In Oklahoma, for example, they have put in a voluntary busing scheme which has worked very well. I am not sure that Oklahoma in this particular area—either Oklahoma City or Tulsa—needs more money. In other words, the system is working very well now in that area. In our area, it is not working well, and we have a very difficult busing situation facing us this fall which, as I have said before, may create so much antagonism that many people will simply take their children out of school.

So I am sympathetic with the Senator's objective. I hope we can have hearings on this matter which will get us down to the situation of what type of schools and in what locality we need this kind of Federal assistance.

Mr. CHILES. I thank the Senator from Colorado. Mr. President, I withdraw my amendment.

Mr. PELL. I thank the Senator from Florida very much, indeed.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, without the time being charged to either side.

Mr. ROBERT C. BYRD. Mr. President, we are going to be in a real time crunch today. I reserve the right to object.

I ask unanimous consent that the time remaining to Mr. Chiles on his amendment be reserved to my control.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Now, if the Senator would like to put in a quorum call and charge it against that time, he may do it.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, with the time to be charged to that reserved to the assistant majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Haskell). Without objection, it is so ordered.

Under the previous order, the Senator from Massachusetts (Mr. Kennedy) is recognized to call up an amendment on behalf of himself and the Senator from New York (Mr. Javits), and the Senator from Michigan (Mr. Hart), on which there is to be an hour and a half debate, with 1 hour of that time controlled by the Senator from Arkansas (Mr. McClellan) and 30 minutes to be controlled by the Senator from Massachusetts (Mr. Kennedy).

Mr. JAVITS. Mr. President, may the Record show that an additional cosponsor is the Senator from Massachusetts (Mr. Brooke)?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent that I be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I yield myself such time as I may use.

The PRESIDING OFFICER. Would the Senator call up his amendment?

Mr. KENNEDY. I call up the amendment. I send an amendment to the desk on behalf of myself, the Senator from Massachusetts (Mr. Brooke), the Senator from Michigan (Mr Hart), the Senator from New York (Mr. Javits) and a bipartisan group of the following 23 other cosponsors:

Mr. Mathias, Mr. Schweiker, Mr. Buckley, Mr. Case, Mr. Beall, Mr. McIntyre, Mr. Kennedy, Mr. Eagleton.

Mr. Williams, Mr. Clark, Mr. Hathaway, Mr. Pell, Mr. Nelson, Mr. Bayh, Mr. Humphrey, Mr. Abourezk.

Mr. Metzenbaum, Mr. Cranston, Mr. Magnuson, Mr. McGovern, Mr. Tunney, Mr. Jackson, and Mr. McGee.

I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 131, at the end of line 15, insert the following:

"(2) (A) Such title I is amended by inserting after part B the following:

"'Part C—Special Grants

"'Eligibility and Maximum Amount of Special Grants

"'Sec. 131. (a) Each local educational agency in a State which is eligible for a grant under this title for any fiscal year shall be entitled to an additional grant for that fiscal year if it meets the requirements of subsection (b). The amount of such grant shall be determined in accordance with subsection (c).

"'(b) (1) A local educational agency shall be entitled to a grant under this part for any fiscal year if the school district of such agency is located in a county in which—

"'(A) the number of children described in paragraph (2) for such year amounts to at least 200 per centum of the average number of such children in all counties in the State in which such agency is located for that fiscal year; or

"'(B) the number of children so described in the such county for such year is 10,000 and amounts to 5 per centum of the total number of children in such county.

"'(2) For the purposes of paragraph (1), the children counted with respect to a local educational agency shall be these children in the such county who are—

"'(A) in families having an annual income of $3,000 or less; or

"'(B) in families receiving an annual income in excess of $3,000 from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; or

"'(C) living in institutions for neglected or delinquent children or being supported in foster homes with public funds.

In determining the number of children under clause (C) in the preceding sentence, children in institutions operated by the United States and children counted for the purpose of a grant to a State agency under section 104 shall not be included.

"'(3) (A) Determinations with respect to numbers of children in any county under paragraph (2) shall be made by the Commissioner on the basis of the most recent satisfactory data available to him.

"'(B) (i) The number of children determined with respect to one or more counties shall be allocated, for the purposes of paragraph (2) among the local educational agencies with school districts located in such county or counties by the Commissioner.

"'(ii) In any case where—

"'(I) two or more local educational agencies serve, in whole or in part, the same geographical area; or

"'(II) a local educational agency provides free public education for a substantial number of children who reside in the school district of another local educational agency,

the Commissioner may allocate the number of children determined under this subsection among such agenices in such a manner as will best achieve the purposes of this subsection.

"'(C) (i) For the purposes of paragraph (2), the Commissioner shall determine the number of children from families have an annual income of $3,000 or less of the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this subsection.

"'(ii) For the purposes of this subsection, the Secretary of Health, Education, and Welfare shall determine the number of children from families receiving an annual income in excess of $3,000 from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act and the number of children living in institutions for neglected or delinquent children or being supported in foster homes with public funds, on the basis of caseload data for the month of January of the preceding fiscal year, or to the extent that such data are not available to him before April 1 of the calendar year in which the determination is made, then on the basis of the most recent data available to him at the time of such determination. For the purposes of this subsection, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

"'(c) The amount of the grant to which a local educational agency shall be entitled for any fiscal year shall be—

"'(A) the number of children determined with respect to such agency under subsection (b); multiplied by—

"'(B) 50 per centum of the average per pupil expenditure of all the local educational agencies in the State in which such agency is located.

"'(d) Notwithstanding any other provision of this section, no entitlement payments for any fiscal year under this part to the local educational agencies in a single State shall exceed 15 per centum of the aggregate entitlement payments of all local educational agencies in that year.

"'(e) (1) The aggregate of the amounts to which local educational agencies are entitled under this part for any fiscal year shall not exceed $75,000,000. If, for any fiscal year, such amounts, without the limitation in the preceding sentence, exceed $75,000,000, each of the entitlements created under this part shall be reduced ratably until such amounts do not exceed such limitation.

"'(2) For the purpose of making entitlement payments under this part there are authorized to be appropriated not in excess of $75,000,000 for the fiscal year ending June 30, 1974, and for each of the four succeeding fiscal years.

"'(f) for the purposes of this section, the term—

"'(1) "State" means the fifty States and the District of Columbia; and

"'(2) "children" includes all children aged five through seventeen, inclusive.'."

Redesignate the succeeding subparagraphs of paragraph (2) accordingly.

On page 154, between lines 11 and 12, insert the following:

"(4) Redesignate part C (as redesignated by paragraph (2) of this subsection), and all references thereto as part D."

Redesignate the succeeding paragraphs of this subsection accordingly.

On page 120, in the Table of Contents, after item "(a) (1)" in title I, insert the following:

"(2) Amendment relating to Special Grants.".

Redesignate the succeeding items in section 101 (a) of the Table of Contents accordingly.

Mr. KENNEDY. Mr. President, the amendment I am proposing at this time for myself, Senator Brooke, Senator Hart, Senator Javits, and a bipartisan group of 10 other Senators attempts to balance the action taken here last week with regard to title I.

This amendment does not in any way affect the formula allocation of title I funds as determined by this body with the adoption of the McClellan amendment. No State will receive a dime less than it would as the bill currently has been amended by the amendment of the Senator from Arkansas.

However, this amendment is an effort to prevent the elimination of special grants of assistance to those urban rural schools serving high concentrations of children from low-income families.

Essentially, this amendment would reinstate part C of the title I program as reported by the committee in S. 1539 with two major exceptions:

First, the program would be funded through a separate $75 million authorization and thus will not detract in any way from the title I allocations adopted a week ago.

Second, no State may receive more than 15 percent of the total funds appropriated.

Thus, the amendment recognizes the greater educational costs resulting from the concentration of disadvantaged children in school districts and seeks to meet that particular need. It is basically a reinstatement of the so-called Murphy amendment which was adopted in 1970.

As a result of the actions taken here last week, it has an added benefit. Many States were disadvantaged by the McClellan amendment, with the possibility of losing up to 15 percent of their title I funds from a year ago. All of those States will receive some additional funds as a result of this amendment which alleviate in part their situation. In addition, many States which on the whole benefited from the shift to the McClellan amendment have counties and school districts within those counties which actually lost money. Virtually all of those districts and counties also will benefit as a result of the adoption of this amendment.

I am having distributed a brief fact sheet to every desk which includes a chart showing the total additional funds which would be directed to the various States if this amendment were adopted.

I would emphasize that the negative effect of the adoption of the McClellan amendment was its impact on counties where there is a high concentration of low-income youngsters and where the costs of instruction and cost of living are highest. This amendment essentially directs assistance to those areas.

Obviously, it is a vital program from the point of view of Massachusetts but particularly of our largest cities which are those facing the greatest challenge in meeting the educational needs of their students. Similar situations face most other large cities. In fact, of the 100 largest cities, 35 not only lost money compared with the committee bill following adoption of the McClellan amendment but they actually will receive less funds next year than they do this year.

Those schools with a high concentration of low-income families clearly have a more difficult time in providing additional materials, resources and attention to enable disadvantage children to obtain an adequate education.

These schools in Massachusetts and in other States, and the list I might add includes many densely populated counties in all sections of the country—South, Midwest, and West as well as the East.

The underlying equity of this amendment is its recognition that it costs more to live and more to educate children in certain areas than in others. In a Department of Labor study comparing living expenses, it was found that Boston was 22 percent more expensive than Atlanta, 28 percent more expensive than Dallas, 18 percent more expensive than Orlando, Fla., 23 percent more expensive than Denver, Colo., and even 7 percent more expensive than New York City. It is not merely the high cost of food, but the highest cost of shelter, which includes major heating costs as well as higher rent.

To insure that it is clear to all that I am not talking about just one part of the country, let me emphasize that in Kentucky, Bell, Floyd, Harlan, Jefferson, and and Pike Counties all lost funds under the McClellan amendment. Those counties would receive nearly $375,000 under our amendment. Five other counties would receive an additional $150,000 as well.

North Carolina, where 10 counties lost money under the McClellan amendment, all 10 would receive funds under our amendment and three others would as well. North Carolina would receive $933,495 under this amendment.

Or Mississippi which benefited as a whole under the McClellan amendment had two counties which lost funds as a result of the impact of that amendment—Holms and Sunflower. Under our amendment, both counties would receive additional funds, and the State as a whole would receive an additional $516,568.

Thus, no State would have a cent taken away from its allotment under the title I formula adopted last week. However, States and particularly those counties within State which have highest concentrations of low-income children would benefit from our amendment.

In addition to the separate authorization provided by this amendment, it differs in another important respect from the provision reported by the committee. This amendment would limit any State to 15 percent of the total amount appropriated. Only one State, New York, is affected, and the additional moneys are added to the overall sum available for distribution to the other States.

I believe that this amendment, particularly in view of the action taken by the Senate a week ago, is not only reasonable and equitable but it is in the interests of providing quality education to the disadvantaged. There simply is incontrovertible educational evident that it is more difficult, requiring more resources and more money to educate large concentrations of disadvantaged children. This amendment recognizes this fact and seeks to respond.

I urge its adoption.

I ask unanimous consent that a chart showing the breakdown of funds each State would receive and a list of countries within each State which would benefit be printed in the RECORD.

There being no objection, the chart and list were ordered to be printed in the RECORD, as follows:

State allocations under amended part C—Special grants for urban and rural schools serving high concentrations of children from low-income families—Title I, ESEA

State:	*Amount*
Alabama	$619,959
Alaska	163,195
Arizona	525,785
Arkansas	392,430
California	11,250,000
Colorado	769,986
Connecticut	1,521,882
Florida	1,848,380
Georgia	781,038
Hawaii	397,933
Idaho	115,560
Illinois	6,252,789
Indiana	845,805
Iowa	449,045
Kansas	502,081
Kentucky	554,975
Louisiana	1,161,913
Maine	129,819
Maryland	1,465,973
Massachusetts	2,678,868
Michigan	4,671,128
Minnesota	1,080,239
Mississippi	516,568
Missouri	979,587
Montana	138,896
Nebraska	277,308
Nevada	109,747
New Hampshire	121,206
New Jersey	4,477,658
New Mexico	278,862
New York	11,250,000
North Carolina	933,495
North Dakota	71,020
Ohio	2,394,526
Oklahoma	412,549
Oregon	570,222
Pennsylvania	4,359,459
Rhode Island	404,232
South Carolina	533,934
South Dakota	118,936
Tennessee	647,614
Texas	2,933,201
Utah	304,517
Vermont	41,651
Virginia	1,119,862
Washington	1,280,190
West Virginia	378,820
Wisconsin	$1,004,624
Wyoming	57,850
District of Columbia	1,104,660
Total	75,000,000

Alabama: Dallas, Jefferson, Mobile, Montgomery.

Alaska: Anchorage, Bethel, Wade Hampton.

Arizona: Maricopa, Pima.

Arkansas: Crittenden, Jefferson, Mississippi, Phillips, Pulaski, St. Francis.

California: Alameda, Contra Costa, Fresno, Kern, Los Angeles, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, Santa Clara, Tulare, Ventura.

Colorado: Adams, Arapahoe, Denver, El Paso, Jefferson, Pueblo, Weld.

Connecticut: Fairfield, Hartford, New Haven.

Delaware.

District of Columbia.

Florida: Broward, Dade, Duval, Escambia, Hillsborough, Orange, Palm Beach, Pinellas, Polk.

Georgia: Bibb, Burke, Chatham, Cobb, De Kalb, Dougherty, Fulton, Lowndes, Muscogee, Richmond.

Hawaii: Honolulu.

Idaho: Ada, Bannock, Bingham, Bonneville, Canyon, Kootenai, Twin Falls.

Illinois: Cook, St. Clair.

Indiana: Allen, Delaware, Lake, Madison, Marion, St. Joseph, Vanderburgh, Vigo.

Iowa: Black Hawk, Dubuque, Linn, Polk, Pottawattamie, Scott, Wapello, Woodbury.

Kansas: Johnson, Montgomery, Saline, Sedgwick, Shawnee Wyandotte.

Kentucky: Bell, Christian, Clay, Fayette, Floyd, Harlan, Jefferson, Kenton, Knox, Pike.

Louisiana: Caddo, East Baton Rouge, Jefferson, Orleans, St. Landry.

Maine: Aroostook, Cumberland.

Maryland: Prince Georges, Baltimore City.

Massachusetts: Bristal, Essex, Hampden, Middlesex, Suffolk, Worcester.

Michigan: Genesee, Kent, Macomb, Oakland, Saginaw, Wayne.

Minnesota: Anoka, Hennepin, Ramsey, St. Louis, Stearns.

Mississippi: Bolivar, Coahoma, Harrison, Hinds, Holmes, Leflore, Sunflower, Washington.

Missouri: Butler, Dunklin, Greene, Jackson, New Madrid, Pemiscot, St. Louis, St. Louis City.

Montana: Big Horn, Cascade, Flathead, Glacier, Missoula, Silver Bow, Yellowstone.

Nebraska: Cedar, Douglas, Hall, Knox, Lancaster, Sarpy, Scotts Bluff.

Nevada: Clark, Washoe.

New Hampshire: Hillsborough, Rockingham.

New Jersey: Camden, Essex, Hudson, Mercer, Middlesex, Monmouth, Passaic, Union.

New Mexico: Bernalillo, McKinley, San Juan.

New York: Bronx, Erie, Kings, Monroe, Nassau, New York, Onondaga, Queens, Suffolk, Westchester.

North Carolina: Columbus, Cumberland, Durham, Edgecombe, Forsyth, Guilford, Halifax, Mecklenburg, Nash, Pitt, Robeson, Wake, Wayne.

North Dakota: Burleigh, Cass, Grand Forks, Rolette.

Ohio: Cuyahoga, Franklin, Hamilton, Lucas, Mahoning, Montgomery, Summit.

Oklahoma: Comanche, Muskogee, Oklahoma, Tulsa.

Oregon: Clackamas, Lane, Marion, Multnomah.

Pennsylvania: Allegheny, Delaware, Philadelphia.

Rhode Island: Providence.

South Carolina: Charleston, Florence, Greenville, Orangeburg, Richland, Sumter.

South Dakota: Brown, Charles Mix, Minnehaha, Pennington, Shannon, Todd.

Tennessee: Davidson, Hamilton, Knox, Shelby.

Texas: Bell, Bexar, Cameron, Dallas, El Paso, Galveston, Harris, Hidalgo, Jefferson, Lubbock, McLennan, Nueces, Roberts, Tarrant, Travis, Webb.

Utah: Salt Lake, San Juan, Utah, Weber.

Vermont: Chittenden.

Virginia: Fairfax, Pittsylvania, Chesapeake City, Hampton City, Newport News City, Norfolk City, Portsmouth City, Richmond City, Roanoke City, Virginia Beach City.

Washington: King, Pierce, Snohomish, Spokane, Yakima.

West Virginia: Cabell, Fayette, Kanawha, Logan, McDowell, Mingo, Raleigh.

Wisconsin: Brown, Dane, Milwaukee, Racine.

Wyoming: Fremont, Laramie, Natrona.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator such time as he may require.

Mr. JAVITS. Mr. President, coming from one of the States which was very, very materially disadvantaged by the adoption of the McClellan formula last week, notwithstanding the unbelievable problems of poverty in my State, this is some small measure of justice which can be rendered in respect of a very serious diminution, which for my State runs over $30 million a year.

Of course, this is an effort to respond to what seemed to be the main argument made against part C, to wit, that one State, New York, received $25.9 million. In response a limitation has been put on, a limitation that no State may receive more than 15 percent as in other education bills. This seems to be a suitable ceiling.

I might point out in that regard, Mr. President, I think it is a very serious point—that in a number of States—eight States, to be exact, there is an unbelievable windfall in the McClellan formula in the sense that each of those States benefits by receiving far in excess of 150 percent over the allocation received before, and the formula is worked out so that it gets very lopsided on that score.

For example one State, the State of Florida, will get in fiscal year 1975 213 percent of its fiscal 1974 allocation. That is certainly an objective that the Senate ought to think about very seriously, and which will undoubtedly be very troublesome; $34 million is involved in the excess over 150 percent of the ceiling, and we have never fixed 150 percent here. The highest we have gone is 120 percent.

As to this particular matter, the easy comparison is New York. However, over the weekend there developed, as published in the Washington Star-News, a comparison with Washington, D.C., which is very significant in showing the impact of the denial which was represented by the wiping out of part C as accomplished by the McClellan amendment. Washington is an urban community. Indeed, the Senator from Massachusetts (Mr. Brooke), an eloquent spokesman on these general issues, was born and bred here. It does not have representation in this body, but it has a great concentration of poor people. It has suffered a deficit under the McClellan formula of about $1.25 million. It would get, because of the concentration of poor in this community, about $1.1 million under the part C formula, a not insignificant benefit.

It is very interesting that the wealthy counties around Washington, like Montgomery County, Md., and Fairfax County, Va., gain appreciably under the McClellan amendment. They may not need it, but they gain, and the District of Columbia, which is hungry and dry for education for the poor, loses.

I might point out that a similar thing happens elsewhere in the following: Cook County, Chicago, Ill.; Lake County, Ind.; Polk County, Iowa; Jefferson County, Ky.; Hennepin County, Minn., which contains its big cities; interestingly enough Sunflower County, Miss.; Pemiscot County, Mo.; Robeson County, N.C.; Cleveland, Ohio; Philadelphia, Pa.; Pennington County, S. Dak.; Hampton City, Va.; Raleigh County, W. Va.; and so on.

This part C amendment will help somewhat to make up for these very serious deprivations. The ceiling affects two of the largest States, New York and California. Under this amendment, New York would get 40 percent less part C funds than it would get under the committee bill. I do not think anybody who wants to bear down on New York could do any worse, so far as we are concerned. Nonetheless, we feel that a very important principle is at stake and that we ought to proceed in this way. That is the reason why I cosponsored the amendment.

The last point I should like to make is this: The National Advisory Council of the Education of Disadvantaged Children speaks directly to this justification for special funds to deal with concentration in these urban and rural areas. These are its words, and I think they are very important. They were uttered when this provision was first enacted.

> The success with these children (title I) in sum—

that is, the children in this amendment——

> requires a concentration of services on a limited number of children.

The report from the Committee on Labor and Public Welfare in the 91st Congress, when we first enacted this particular part C approach, said:

> In urban areas where large numbers of low-income families are concentrated in small neighborhoods and in rural areas where the lack of local resources have prevented schools from modernizing, educational deprivation is such a serious problem that a greater amount of money is needed to make opportunities available for these children to reach minimum achievement levels.

It went on to note that—

> In the largest 15 cities in the nation the dropout rate varies from 46% to 21%. However, within those cities the dropout rate in schools serving large numbers of children from low income families is as high as 70%.

In 1969, the Senate was convinced that this was so. There was no "battle of the charts." There was an acknowledgement that this modest aspect of title I—about 4 percent of the appropriation—was needed. The situation has not changed today. Part C is still needed.

Perhaps it should be less modest than we ask, maybe it should not be a separate authorization but should "come off the top" as is now in the law. But that is not the question before us—we are only seeking here to keep part C from being omitted from the bill.

I might add that we are seeking it through this amendment, not some substitute supported by the foes of part C, who would smother it with sudden solicitude. Part C is one henhouse which needs no rescuing by the foxes.

I ask unanimous consent that the portions dealing with part C from Senate Report 91–634 be printed at this point in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Special Grants for Urban and Rural Schools Serving the Highest Concentrations of Children From Low-Income Families

The committee heard testimony which indicated that the cost of providing compensatory education in school attendance areas with the highest concentrations of children from low-income families is much greater than providing such education where the concentrations are not as great. In urban areas where large numbers of low-income families are concentrated in small neighborhoods and in rural areas where the lack of local resources have prevented schools from modernizing, educational deprivation is such a serious problem that a greater amount of money is needed to make opportunities available for these children to reach minimum achievement levels.

Children from low income families begin school with a disadvantage. Standardized test scores given to first graders indicate that children from minority groups score on the average 15 percent lower than other children. These children, starting behind, fall still further and further behind as they progress through school. By the time they reach the sixth grade the average student from a minority group is two grades behind other students, and by the time he reaches the twelfth grade evidence indicates that he is four grades behind.

In the largest 15 cities in the nation the dropout rate varies from 46 percent to 21 percent. However within those cities the dropout rate in schools serving large numbers of children from low income families is as high as 70 percent.

The evidence from rural areas indicates that the need for special attention to schools serving children from low income families in rural areas is just as great as in the urban areas. The average level of education in rural areas is about 9 years of education whereas in urban areas it is 11 years. This average does not include computation of the average level of education for migrant children who seldom complete elementary school. Nearly twice as many urban children attend college as children from rural areas. There are still about 10,000 one room schools in this country, many of which are isolated from the mainstream of progress in improving the quality of education.

In order to deal with this situation, the committee recommends that additional grants be made available for services in schools with the highest concentrations of children from low-income families on the basis of the new entitlements in part C of title I. Part C entitlements become operative only to the extent that the appropriations for title I are in excess of $1,396,975,000, and then only with respect to 15 percent of that excess. Under the provisions of subsection (a) of section 131 two types of eligibility for special grants are created:

(1) The first type of eligibility (section 131(a)(1)) is based strictly on data relating to numbers of children from low-income fam-

ilies in the school district of a local educational agency. If (a) the percent of children from low-income families in the school district constitutes at least 20 percent of the total number of children in the school district, or (b) the number of children from low-income families in the school district of a local educational agency is at least 5,000, and that number constitutes at least 5 percent of the number of children in the school district, a local educational agency is eligible for an additional grant under part C of title I.

(2) The second type of eligibility (section 131(a)(2)) is in those cases where a local educational agency is not eligible under the eligibility standards under (1) above, but which is eligible for a basic grant under part A of title I. If the State educational agency of the State in which that local educational agency is located, determines, in accordance with standards and criteria established by the Commissioner of Education by regulation, that such local educational agency has an urgent need for financial assistance to meet special educational needs of educationally deprived children in its school district that local educational agency becomes eligible for an entitlement. The bill provides that this second type of eligibility is available only in instances where the local educational agency fails by a very small amount to meet the number of percentage requirement in (1) or there may be cases where sparsity of population, distance or other unusual circumstances create an especially urgent need for additional title I funds. In those cases the State may be authorized by the Commissioner to establish eligibility.

Subject to the 15 percent limitation, the amount of the additional grant to any local educational agency, under part C, in the case of eligibility established under paragraph (1) above, for fiscal year 1970, is equal to 30 percent of the grant which that local educational agency is eligible to receive under party A of title I. During any subsequent fiscal year, the maximum amount for which a local educational agency is eligible under part C is an amount equal to 40 percent of its entitlement under part A.

The total amount granted under part C may not be in excess of 15 percent of that part of any appropriation for title I which is in excess of $1,396,975,000. This limitation is provided for in two amendments to title I: (1) The second sentence of section 131(b) (1), and (2) of paragraph (3) of section 144. Intention of the Committee, with respect to those two provisions, is to limit the maximum entitlements under the paragraph (1) eligibilty to 15 percent of that part of the entitlements for all parts of title I which is in excess of $1,396,975,000 and to limit allocations of appropriations on the basis of part C eligibilty (including both paragraph (1) and paragraph (2) eligibilities) to 15 percent of any appropriation for title I which is in excess of that figure.

In the case of grants under paragraph (2) there is no specific amount set by the legislation, except that no local educational agency may receive more under paragraph (2) than it would have received if it had been eligible under paragraph W. It is expected that the Commissioner in drawing up criteria for part C will establish guidelines for deciding the amount of these additional grants. The bill limits the maximum amount which may be granted under the second type of eligibilty to the amount the local educational agency would receive under the first type of eligibility. In no case will the the total amount granted for paragraph (2) eligibilty be in excess of 3 percent of the total amount granted under paragraph (1) for fiscal year 1970, or 5 percent of such amount in any subsequent fiscal year.

Section 132 of part C limits the use of the special grants to preschool and elementary school projects except in cases when a local educational agency can show that there is an especially urgent need for secondary school projects and that there is evidence that the use of the additional grant in secondary school projects would be at least as effective in meeting the special educational needs of educationally deprived children as it would be if the grant were used in elementary school projects.

The committee believes that title I funds should be focussed on the early years of education. This requirement in part C was adopted by the committee on the basis of growing evidence which indicates that the early years of education are of paramount importance in a child's development. Reports based on the experience of classroom teachers and other observers indicate that in general it is extremely difficult to reach the level of achievement at the secondary level if the quality of education at the elementary level has been poor.

Experience under other Federal programs, such as the Job Corps, attest to the difficulty and the great expense of remedial education compared to the expense of education to prevent the need for remedial education. The committee believes that a focus on educational deficiencies at the preschool and elementary years, the preventive approach, is more likely to be effective and less expensive than expenditures for compensatory education at the secondary level.

The bill also requires local educational agencies to concentrate the use of funds available under part C on areas within the school district having the highest concentration of children from low income families. The Commissioner is expected to develop criteria for implementing this requirement. One of the criticisms most frequently stated with regard to title I is that local educational agencies too often spread title I funds too thinly to get maximum results.

Commenting on the need for concentration of title I funds, the Fourth Annual Report of the National Advisory Council of the Education of Disadvantaged Children concluded: "Success with these children (Title I), in sum, requires a concentration of services on a limited number of children."

The Council urged the "adherence to the principles of concentrating funds where the need is the greatest so that a limited number of dollars can have a genuine impact rather than being dissipated in laudable but inconclusive evidence."

The bill also requires the submission of a detailed and objective plan for the use of funds under part C. Beginning with fiscal year 1971 local school districts must develop a comprehensive plan for meeting special educational needs of children to be served under part C. Included within the comprehensive plan must be detailed provisions setting forth specific objectives to be achieved under the program. Those provisions must assure effective use of all funds under title I and set forth the criteria and procedures, including objective measurements, of educational achievement, that will be used to evaluate, at least annually, the extent to which those objectives are met.

The committee notes that the Commissioner is given more explicit administrative direction authority under the new part C of title I than is explicit in the cast of part A of title I. This explicitness is not intended to be construed to limit the direction and approval authority which is implicit in sections 105, 106, and 107 of present law.

The committee wishes to make clear that the authority set forth in the proposed sections 132 and 141(a)(12) is intended to be a direction to administrators at all levels to look to specific educational needs of the educationally deprived children to be served and to plan and operate projects designed specifically to meet those needs. It is also noted that the Commissioner has considerable control of the distribution of part C funds within counties. It is expected that a special effort will be made to target part C funds on areas with the highest concentration of children from low-income families. In no case will funds available to a local educational agency under part A be supplanted by funds available to that agency under part C.

Section 131(c) excludes Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands from being entitled to grants under part C of title I. Moreover, the language of part C does not specifically include authority for payments to the Department of the Interior for projects to meet the needs of Indian children in schools operated by that Department. That exclusion and the omission are not intended to preclude the outlying areas and Indian children from participating under part C. It is intended that they be continued in the same manner as has been the case under part A, since they are unique and the provisions of subsection (a) of section (3) cannot appropriately be applied to them.

Under present law the outlying areas and the Department of Interior receive funds under special authorization of appropriations in the first sentence of section 103(a)(1) (A). The amount of that authorization is equal to not in excess of three percent of the amount paid to the States under section 107(a) (section 143, as redesignated) which will include payments based on entitlements under part C. Therefore it is expected that the Commissioner will determine the portion of the appropriation for such purposes which is attributable to payments to the States, and designate such portion to be granted under the special standards required for part C.

The committee notes that the third sentence of section 103(a)(1)(A) gives the Commissioner adequate authority to set standards and requirements for the use of title I funds in the outlying areas and by the Department of the Interior.

SPECIAL INCENTIVE GRANTS

I hope very much that the Senate will agree to the amendment.

Mr. McCLELLAN. Mr. President, has the Senator modified the amendment?

Mr. JAVITS. I will, when the Senator has concluded his remarks.

Mr. McCLELLAN. Mr. President, at the outset I should like to observe that it is not my purpose to do an injustice to any State or community. If we can find a better formula or a more equitable program for the distribution of its funds, that should be done.

When the bill was reported, a study indicated to me that it was not as equitable as it should be. Therefore, I undertook to amend it, together with the cosponsorship of 32 other Senators. We were successful in that effort. I think that what is involved today in the amendment now pending was a part of and was involved in the amendment that the Senate passed last Thursday by a vote of 56 to 36. However there are some modifications in this amendment to the original part C provisions of the bill.

I am hoping that another modification will be made.

I may say that in my judgment the basic formula in this amendment—in this provision of the bill—is not equitable. There should be a better formula, one that takes into account a broader scope and would reach and be of assistance to the education of a greater number of poor children than this one does.

Under this formula, as I pointed out a few days ago, there are counties in my State of Arkansas which have 43 percent of their families classified as poor. Their children are from poor families under this formula. Yet they do not get one dime of this money. In the original bill, all this money would come out of title I appropriations. This provision makes another authorization of $75 million, which would be a line item in addition to the regular provisions of the bill. Thus, the Appropriations Committee would have an opportunity to pass on this authorization individually and specifically as it makes appropriations.

I am hopeful that if this amendment should be agreed to and goes to conference, attention will be given to working out a better formula.

I have had some conferences, and it is my understanding that there will be a modification of the amendment. When the modification is made, it will be my position to oppose the amendment, because this formula, in my judgment, is not equitable even with the revision. I cannot vote for the amendment with this formula in; but when the modification is made, and I understand it will be made, I will withhold the offering of the substitute amendment which I am having prepared. It would revise this formula somewhat and would make a broader distribution of the $75 million involved in the authorization.

If the modification is made, then I expect to withhold the substitute amendment and let this matter go to conference. I might say that the amendment which I did offer as a substitute amendment would increase partially the benefits under this amendment, and extend it to some 35 States. In other words, 35 States would get more money than they would under the present amendment. That would be the effect of the substitute amendment.

But I realize that this amendment, if it is adopted, has to go to conference. There is nothing in the House bill about it. If the modification that I have suggested is made, I am going to vote against the amendment, but at the same time it does give the proponents of the amendment a chance; and I am not unalterably opposed to some adjustment in this field; I have just felt that this particular formula is not right, that a better formula can be devised, and greater equity could be done.

So, for the moment, I shall yield the floor, Mr. President, and withhold offering the amendment at this time.

Mr. PELL. Mr. President, I agree with the Senator from Arkansas that this has been a most complicated formula to work out in a fair manner for all the States. As the shepherd of this bill, I am more aware than most of the problems on this formula. We explained problems in the subcommittee, where with some pushing and pulling we tried to work out a formula. However the Senate as a whole was not satisfied with that formula, and worked its will.

I strongly support the amendment of the Senator from Massachusetts, the Senator from New York, the Senator from Minnesota, and several more of us is an excellent one. But I think that the modification suggested by the Senator from Arkansas, if it would assure his support—not his support, because he will vote against it, but more facile passage of the bill—would be a good one to accept.

Also, as we know, the good will of the Appropriations Committee will be necessary when the time comes to fund this as a line item. So my request to the principal sponsors of the amendment would be to modify it along the line suggested by the Senator from Arkansas.

Mr. KENNEDY. Mr. President, I yield myself such time as I may need.

Directing my remarks to the request of the chairman of the committee, I think it is important that the Senate understand that this is not a new program. This program has been in effect since 1970. As a matter of fact, it has been a program that did not have the 15 percent per State restriction on it. It has had the support of every Commissioner of Education since 1965. The present Commissioner of Education and Jimmy Allen and the previous Commissioners have approved it, and the various reports that have been completed have indicated that targeting funds to areas with the high concentration of low-income children can best meet the educational needs of disadvantaged children. The latest such recommendation has come in the 1974 report of the National Advisory Council of the Education of Disadvantaged Children.

So Congress, having in mind the interests of the young people, has tried to direct special grants to these areas of high concentration.

It has been followed with the recognition that if we are going to do something about educating children, we ought to put the money where the children are and where they are facing the most critical educational barriers, and that is what this amendment is directed toward doing.

We have modified the amendment to put on a 15-percent restriction on the amount any State may receive. I deplore that kind of modification, because once again, rather than putting the money where the need is, we find this rather arbitrary cutoff which works to the disadvantage of States that have large numbers of disadvantaged children who would be eligible to participate in the program.

So I was reluctant to put a 15-percent limitation on it in the first place. I think if we are really interested in doing something about the education of these disadvantaged children, we ought to face up to it and be willing to do it. As I pointed out in my earlier comments, this does not take away from the States which benefited from the McClellan amendment.

Now we have a suggestion that the limitation be made 12 percent under the formula.

This obviously affects two States, California and New York, most dramatically, and of course I would not willingly make that kind of an adjustment, and I regret very much having to direct this kind of proposal to the attention of the Senator from New York. It puts him in an extremely difficult position, recognizing that perhaps, by accepting a 12-percent limitation, the overall program may be approved which at least will meet the needs of a portion of his State's disadvantaged children. I, of course, would not be willing to modify the amendment without his understanding and support. As I say, it is with the greatest reluctance that we make this request.

Mr. JAVITS. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from New York?

Mr. KENNEDY. Yes; I yield the Senator from New York such time as he may require.

Mr. JAVITS. Mr. President, I have been very much depressed about this whole matter. I think it is not the Senate at its best when, in a matter of this character on education, the appeal is to the cupidity of every State. That is most regrettable. I argued that in respect of the basic formula, and feel it very strongly. This is another example of the same thing.

I wish that the Senator from Arkansas (Mr. McCLELLAN) did not feel he had to insist upon even this small amount of change, but he does. Considering the vote on the McClellan amendment, which was much more widely supported than I had anticipated; considering the amount involved; considering that this is one of the few provisions of the bill where some effort can be made to readjust this disparity, and that if it does not help us the way it should, it will help others to a modest extent; therefore, strictly understanding the realities of the situation and not at all in accord with justice—I do not think it represents justice on the part of the Senate at all to be legislating on the basis of who gets the most money out of the pot—but, as I say, based strictly on the realities, I will concur with the Senator from Massachusetts (Mr. KENNEDY) on the modification.

We have also talked with the Senator from California (Mr. CRANSTON), who is a member of our committee, and he feels the same way I do; with deep regret and a feeling of a real sense of injustice, but nonetheless with an appreciation of the realities, he concurs.

Mr. KENNEDY. Mr. President, I ask unanimous consent to modify my amendment to change the 15 percent to 12 percent.

The PRESIDING OFFICER. Is there objection? Without objection, the amendment will be so modified.

Mr. KENNEDY. I am prepared to yield back the remainder of my time.

Mr. McCLELLAN. Mr. President, just one point. I believe that the Senator from Massachusetts made a statement to the effect that his was an old formula. I believe, as to this formula that is in this amendment, in this provision, part C, that this year is the first time this formula has been used. I think the Senator was in error in stating that it had been in effect several years.

Mr. KENNEDY. Mr. President, the Senator is correct if he is talking about raising the low income eligibility definition to $3,000, but I think I was correct in saying we have had a special impact program since 1970. I ask unanimous consent that sections of the debate in 1970 on this matter appear in the record.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

Mr. Murphy. Mr. President, as initially introduced, S. 2625 would have provided additional assistance to school districts where—

The number of disadvantaged title I children was double the national rate of low-income children; or

The number of title I children was 5,000 or more.

These tests were modified in committee so that to the urban test of 5,000 or more title I youngsters was added the requirement that the number had to constitute at least 5 percent of the total children in the school district.

The rural test—double the national average of title I youngsters—which would have been 31 percent, was changed so as to now require that the number of title I children is at least 20 percent of the total children in the school district. To take care of those cases where local educational agencies miss qualifying under the formula by a relatively small number of children, a total of 3 percent for the first year and 5 percent for the second and succeeding years of all sums made available under this program is set aside. The initial bill provided for 3 percent initially and 4 percent for succeeding years. An amendment by Senator Prouty raises the 4 percent to 5 percent. Under this relief provision, a local educational agency which narrowly misses qualifying under the above formula may receive a grant under this part of the State educational agency determines in accordance with the standards and criteria established by the Commissioner of Education, that such local educational agency has an urgent need for financial assistance to meet the special educational needs of educationally deprived children.

I have written various requirements into this part C program; namely, that funds under this part will be used solely in preschool programs or elementary schools serving the highest concentration of children from low-income families. The rationale for this requirement was adopted by the committee as noted in the committee's discussion of this requirement:

"The Committee believes that Title I funds should be focused on the early years of education. This requirement in Part C was adopted by the Committee on the basis of growing evidence which indicates that the early years of education are of paramount importance in a child's development. Reports based on the experience of classroom teachers and other observers indicate that in general it is extremely difficult to reach the level of achievement at the secondary level if the quality of education at the elementary level has been poor.

"Experience under other federal programs, such as the Job Corps, attest to the difficulty and the great expense of remedial education compared to the expense of education to prevent the need for remedial education. The committee believes that a focus on educational deficiences at the pre-school and elementary years, the preventive approach, is more likely to be effective and less expensive than expenditures for compensatory education at the secondary level."

In addition, local educational agencies are required to use these additional funds in schools within the district having the greatest need. That is, in those schools having the highest concentration of children from low-income families. One of the criticisms voiced frequently regarding title I funds is that the district is spreading such funds too thinly to get maximum results. Commenting on the need for concentration of the title I funds, the fourth annual report of the National Advisory Council of the Education of Disadvantaged children concluded:

"Success with these children (Title I), in sum, requires a concentration of services on a limited number of children."

The Council urged the "adherence to the principles of concentrating funds where the need is the greatest so that a limited number of dollars can have a genuine impact rather than being dissipated in laudable but inconclusive evidence."

Similarly, Mr. President, California's title I evaluation report for 1967–68 says:

"Characteristic of the most successful programs was their concentration of services on a limited number of objectives and a limited number of specifically identified children."

The recent California title I evaluations report for 1968–69 says that the importance of concentrating services comes out louder and clearer from an examination of the individual school districts' reports. I quote:

"The most successful programs are those that concentrated services on a limited number of objectives and a limited number of specifically identified children. These projects focused on a few activities, adequately funded. However, there are still widespread cases of ineffective projects which attempted to carry out too many, often unrelated, activities with insufficient funds and scattered the activities over too many children so that the concentration of services was inadequate to improve student achievement level significantly."

I also believe it is important to point out the important requirements spelled out in section 141(a)(12). This requires school districts desiring to take advantage of the part C add-on to—after the first year—develop a comprehensive plan for meeting the specific educational needs of educationally deprived children. Included within the comprehensive plan must be provisions spelling out the specific objectives of the program, provisions assuring the effective use of all funds under title I, and provisions setting forth the criteria and procedures, including objective measures of educational achievements, that will be used to evaluate at least annually the extent to which the objectives of the plan are met.

Mr. President, these are similar to the requirements that are demanded of all dropout prevention programs in this country. I believe the dropout prevention program is demonstrating to the country that it is possible to have accountability in education. Each of the dropout projects must spell out its objectives. Each of the dropout projects is required to have an intensive inhouse evaluation. Each of the dropout projects is subjected to an "educational audit" by an outside organization to make certain that it achieves the objectives that it has established. It is this kind of practical hard-headed, no-nonsense approach that I hope will be employed in the new part C program.

While the new part C program as reported is not precisely as I would like, I do believe that it is a most significant new program which will bring additional and needed assistance to certain districts in dire need of assistance. While I believe that the formula as originally introduced was probably as good as any formula can be, a compromise was necessary, if the Urban and Rural Education Act were to be enacted. I was disappointed particularly with the 15-percent limitation adopted by the committee. When the committee enlarged the number of eligible districts by using the 20-percent rural test rather than double the national average, or 31 percent, as in the original measure, the effect was to expand the program. Thus, the adoption of the 15-percent limitation will probably preclude the funding of the full entitlement of eligible districts. This runs contrary to the thrust of the program.

That a crisis exists and that the Urban and Rural Education Act is needed can be seen by the fact that some school districts have been forced to consider closing school or reducing programs.

S. 2625 has been endorsed by educators and education organizations all over the country. Among the groups endorsing it were the National Education Association, the American Federation of Teachers, the National School Board Association, and the Research Council on the Great Cities Program for School Improvement.

In addition, Mr. President, letters urging enactment of the proposal were received from superintendents of schools from all across the country. I am particularly grateful for the strong support given the measure by educators and others from California, including Dr. Max Rafferty, superintendent of public instruction and director of education, Dr. Wilson Riles, director of California's Department of Compensatory Education, Superintendent Jack P. Crowther of Los Angeles, Superintendent Robert E. Jenkins of San Francisco, Acting Superintendent Spencer D. Benbow of Oakland, Assistant Superintendent Bluford F. Minor of San Diego, and Superintendent Ralph W. Hornbeck of Pasadena, and others.

Also, Mr. President, Secretary of Health, Education, and Welfare Robert Finch and Commissioner of Education Allen both eloquently pointed out the importance of dealing with the educational crisis. Secretary Finch told the Education Subcommittee:

"One of our greatest concerns is to find better ways to meet the educational crisis in the cities. School people and broad members across the country are frightened by what they are calling the "Youngstown's phenomenon"—the complete shutdown of their schools for lack of funds. Cities like Philadelphia, Chicago, Baltimore, Los Angeles and Detroit, to name a few, are facing severe financial crises. Some, like Baltimore, have made most strenuous efforts to obtain additional resources, and still finding their needs to be far beyond their capabilities. . . .

"The core cities contain the highest concentration of the poor and educationally deprived and are experiencing mounting difficulties in finding adequate resources to support their school system. Providing quality education for the disadvantaged children in our cities and in rural areas is apparent not only for the sake of poverty's children but also for the sake of all children of increasingly urbanized America. This problem is among the most important priorities in our search for improved ways to respond to the need of America's schools and school children."

Similar notes of urgency were sounded over and over again in testimony. I believe that a two-pronged attack on the educational deficiencies in both urban and rural America of the new part C program is most desirable. The chamber of commerce in a study, entitled, "Rural Poverty and Regional Progress in Urban Society," also advocated a twin approach. The report said:

"Better education for potential or incoming migrants both at the place of origin—the rural south—and the place of destination—the central city—is necessary to maximize human resources and reduce poverty nationally. An inferior education for impoverished children in rural and urban areas is economically costly to the nation. Education expands life's opportunities. In today's economy, education, jobs and material well-being are inextricably related. The better a man's education, the better his pay and the better his standard of living. To maximize productive human reosurces, this nation must offer full and fair educational opportunities to all its residents."

The Nation is a mobile one. One-half of our population changes and one million youngsters cross State lines yearly. Educational deficiencies in one area, in one State, are not only a handicap for the particular State community, but they also produce problems for other areas. Our cities today offer ample evidence of this truth. I believe it is imperative that additional resources be provided to these urban and rural districts having large numbers or a high concentration of low-income children. The tax bases of all too many of our core cities and rural areas simply do not have the resources to launch the required effort to eliminate or reduce the gross educational inequities between regions and between impoverished urban and rural areas and affluent suburban communities.

Mr. President, I believe that the new part C program is a needed response to the education crisis that exists in school districts having large numbers or high percentages of educationally disadvantaged children, and I believe that the program is essential to the Nation's efforts to provide equal educational opportunities to all citizens. This will not be an easy job, but I am convinced that we can do it.

Mr. President, there has been great discussion in our newspapers and magazines, over our radio and television networks, on the educational crisis that exists. I believe that the Urban and Rural Education Act, which has been incorporated as a new part C to title I, is a needed response to these educational distress signals.

Mr. President, I would like to ask unanimous consent that the letters which I have received from educators and educational organizations supporting this measure be printed in the RECORD. This, of course, is in addition to the text of my statement of July 15, 1969, when I introduced S. 2625, the Urban and Rural Education Act of 1969.

Mr. McCLELLAN. The Senator is correct as the program, but not this formula.

Mr. KENNEDY. I think I am correct in saying that since 1970 we have had a special program for highly concentrated disadvantaged children. Now that has been effectively eliminated. So I think that I was correct in stating that we did have a program that was targeted for disadvantaged children, and that has been eliminated. The Senator is correct in saying that the previous formula had a base income of $2,000, and that has been raised to $3,000. To that extent, the formula has been altered and changed. I am glad to clarify that point for the RECORD. What I was stressing was that the targeted program for disadvantaged children has been in law since 1970. It has been eliminated so that we are attempting to reinstitute that.

Mr. President, I ask unanimous consent that an excerpt from the defining eligibility be provided for the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

COMMITTEE REPORT EXPLANATION

(P. 28 of Com. Rpt.)

PART C—SPECIAL GRANTS FOR URBAN AND RURAL SCHOOLS SERVING AREAS WITH THE HIGHEST CONCENTRATIONS OF CHILDREN FROM LOW-INCOME FAMILIES

Under existing law, grants for urban and rural school districts are available to local educational agencies with at least 5,000 poor children (provided the 5,000 is five percent of all school-age children in the district) or where at least 20 percent of the population aged 5–17 is educationally disadvantaged. Other districts may apply for these funds if the State educational agency, in concurrence with the Commissioner, believes there is an urgent need for additional monies. This category of grants is normally concentrated at the elementary level, although exceptions may be made under certain conditions. Grants of $60,686,125 were made in fiscal year 1973 under this part.

Part C has failed to meet its original expectations for a number of reasons. The poverty concentration level required or eligibility for the program it too low to offer a limited number of grants of substantial size. Instead, $10 and $15 grants are being made by the Office of Education, grants which probably cost a school district more than to apply for than they receive. In addition, the existing law requires the use of current-year data for allocations under this part. Therefore, no grants can be made to any school district unless the data from every school district has been received by the Office of Education. Delays in data submission occur, and the Office of Education annually races the expiration of the fiscal year to get grants made under part C before funds revert to the Treasury. The combination of late and little grants has made them of minimal use to school districts in developing concentrated compensatory education programs.

Existing law relates eligibility for part C to the number of children counted for eligibility under part A. The Committee's new formula counts all Orshansky poverty level children and all children on AFDC rolls. Use of these counts in part C would exacerbate its problems of diffusion rather than concentration of grants.

Therefore, the Committee adopted a new basis for eligibility for part C—those children counted by the Census from families with incomes below $3,000, plus those receiving AFDC payments in excess of that figure. This is a significantly lower figure than the number of children counted under the Committee formula for part A.

In order to assure substantially increased concentration of part C funds, the Committee bill limits eligibility to counties with twice the State average number of poor children and those enrolling at least 10,000 such children (when that number amounts to five percent of the total number of children). The amount of the grant is determined by multiplying the total number of such children in the county by 50 percent of the average per pupil expenditure in the States. In order to assure timely receipt of part C grants, the Committee bill provides for the use of data from the preceding fiscal year for the purpose of calculating grant amounts.

The result of the changes made by the Committee bill is to limit the number of part C grants so they will be most effective, while assuring that those districts receiving part C grants will receive amounts sufficient for them to make a significant educational difference. Recipients of part C funds under the Committee's revised criteria will be limited to urban areas enrolling large numbers of poor children and to those rural areas with extremely high concentrations of poverty. These were the areas this part was initially intended to benefit.

Mr. BROOKE. Mr. President, the amendment now pending before the Senate would restore a vital part of title I to the Elementary and Secondary Education Act. Part C concentrates funds in those rural and urban schools where there is the largest concentration of children from low-income families. The school districts receiving these funds are among some of the poorest in the Nation, yet educating children from low-income families is one of the most expensive tasks in elementary and secondary education.

Part C was deleted by the McClellan amendment as adopted. Part C, however, now differs from the provisions for part C as originally written in S. 1539 in two very important respects:

First, the authorization of $75 million for this authorization part is separate and distinct from the other parts of title I. It is drafted along the same lines as the Dominick amendment, already accepted by Mr. McCLELLAN, which restored part B of title I.

Second, no State may receive more than 12 percent of the total amount appropriated for part C. The result of this is that the funds which New York would receive under the provisions of S. 1539 are reduced and the funds which every other State receives are thereby raised.

The effect of this amendment is that every State would receive additional title I funds. These funds would be distinct from and in addition to the funds a State would receive under title I, part A and title I, part B. As a result of the adoption of the McClellan amendment, many local school districts lost funds—including many school districts within States which as a whole were advantaged by the McClellan amendment. The funds which would be distributed under part C will help in part to offset these losses.

Part C will also be even more necessary when it is realized that there will be a great dispersion of title I funds as a result of the new title I distribution formula. The new formula distributes title I funds according to the Orshansky poverty-level children. The change from the old formula will mean that the number of eligible children will increase from 5 million to 7.7 million. Part C concentrating money where the greatest number of low-income children are, is therefore needed as a complement to part A even more under the new title I formula than under the old.

Thus although part C is not one of the largest sections of this bill in terms of the amounts appropriated—accounting for only about 4 percent of all the title I authorization—it can be crucial in helping to determine the quality of education offered in urban and rural schools districts with high concentrations of low-income children.

I realize that there were very well justified criticisms of part C as it existed prior to the changes dictated by this amendment. Had these changes not been made, Congress would surely have been justified in discontinuing this program. Until now part C has fallen short of its promise because of wasteful small grants in amounts as low as $10 or $15, use of inadequate data and inadequate concentration on the poor children who are supposed to be served by part C.

These shortcomings in existing law, however, have now been corrected in the committee bill and in this amendment. The number of part C grants are limited and the effect is concentrated. Data and statistics will be the same as are used for other parts of the Elementary and Secondary Education Act. No longer will part C grants be too small in size or too late in coming to local education agencies to be of any real use.

There is no question that these funds are needed by the school districts in question. There is no question that the funds are to be distributed in an equitable manner. Every State would receive additional funds under this act—funds which would be concentrated in the areas of greatest need.

Part C would benefit a greater number of States than benefited under the Dominick amendment which was accepted last week. I would hope that the distinguished Senator from Arkansas will see fit to accept this amendment now that changes and reforms have been made and I hope that the Senate adopts this vitally needed measure.

Mr. MATHIAS. Mr. President, the amendment, offered by the distinguished Senators from Massachusetts, of which I am a cosponsor must be accepted if we are to insure the effectiveness of title I in those areas most heavily impacted with disadvantaged children. The purpose of title I has been, and continues to be under S. 1539:

> To provide financial assistance . . . to local educational agencies serving areas with concentrations of children from low-income families to expand and improve their educational programs by various means . . . which contribute particularly to meeting the special educational needs of educationally deprived children. (Title I, Sec. 101, Declaration of Policy)

Since title I was first enacted in 1965, the appropriations for the program have not been sufficient to meet the needs of all the eligible children. Despite title I's overall success in many areas, the ability of title I to carry out its mission has therefore been limited by inadequate funds.

It has been argued, and I agree, that if title I is to increase its effectiveness under these conditions, there must be a "critical massing" of funds in those local educational agencies with the greatest needs. This amendment would restore part C of title I as a separate program for the purpose of such concentration of funds in the hard pressed urban and rural areas of the country.

The amendment singles out as eligible those local school districts where the concentration of disadvantaged children numbers twice the percentage of the State average, or where they number 10,000, which is not less than 5 percent of all the children in the county. This will allow a flow of funds to these districts above and beyond the regular title I program to help defray the excessive costs of providing special services to great numbers of educationally disadvantaged children.

An important point to recognize in the structure of this amendment is that both the most rural and the most urban school districts will be eligible for assistance. Thus, the rural areas that tend to be the poorest would receive additional funds, and the urban areas that tend to be the most hard pressed with high costs and low-tax-base would also receive additional assistance. For example, in my own State, Baltimore City would receive over $1 million in additional funds for the purpose of title I.

In addition, I want to stress that the complaints made against part C as being "too little, too late" would no longer be justified under this new approach. The Senate committee has provided not only for higher concentration, but for the use of the previous year's data as well. These important changes will enable the Office of Education to get part C funds to the eligible school districts the same time they receive their grants under the bulk of title I.

In sum, I urge the adoption of this amendment as a necessary and vital complement to the title I program in achieving its goal of helping to provide truly equal educational opportunities in the elementary and secondary schools throughout the Nation.

Mr. BAYH. Mr. President, as a cosponsor of the Kennedy-Brooke amendment to create a new part C of title I of the Elementary and Secondary Education Act, I urge its adoption.

Earlier I cosponsored the McClellan amendment, which eliminated part C from the committee bill while revising the part A formula. At that time I was troubled by the impact of eliminating part C aid on counties which have high concentrations of children from low-income families. Eight counties in my own State of Indiana would have benefited from the committee's version of part C. But it seemed to me that the inequities in the distribution of these funds throughout the entire Nation would have been so great that I could not in good conscience support it as it stood.

Now, however, the amendment we are voting on today successfully disposes of those inequities. It insures that no State unfairly will receive part C funds far in excess of its proportional share of children from low-income families. Nor does it permit the absurd situation in which one of America's wealthiest counties would have received as much or more part C funds than half of all the States.

I am especially pleased by the separate authorization feature of the amendment. By establishing a separate $75 million fund for part C purposes, over and above other title I funding, we prevent the siphoning off of desperately needed aid from school districts which may have large numbers of poor children but do not meet the definitions for "concentrations" of poor. As a result, every State but one that was previously entitled to part C funds will receive an increase over what was contemplated in S. 1539, and no local education agency will receive less part A funding than it is now scheduled to receive under the McClellan amendment. In Indiana, the eight counties which qualify for part C funding will receive 118 percent of the amount they would have received under the original committee version.

This increase in part C funds for Indiana, from the original $717,009 to $845,805, does not come at the expense of the funds apportioned under part A. The following eight counties in Indiana will gain directly from passage of this amendment: Allen, Delaware, Lake, Madison, Marion, St. Joseph, Vanderburgh, and Vigo. While final figures for each county are not available, in every instance more part C funds will be available for these counties in fiscal 1975 than during fiscal 1974.

In my judgment, Mr. President, this revision of part C is a farsighted and statesmanlike way to deal with the very real problems which the original legislation attempted to address. The two revisions it makes in the part C provisions of S. 1539—separate authorization and limitation on the amount of funds that any one State can receive—complement the excellent provision in the committee version that mandates the Office of Education to use data from the preceding year for determining a county's eligibility, thus enabling the Office of Education to make awards early enough in the school year for the money to be of greatest possible assistance.

I congratulate the authors of this amendment and urge my colleagues to join me in supporting it.

Mr. KENNEDY. Mr. President, I am prepared to yield back the remainder of my time.

Mr. McCLELLAN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Haskell). All the time has been yielded back on this amendment.

The question is on agreeing to the amendment as modified of the Senator from Massachusetts (Mr. Kennedy).

The amendment, as modified, was agreed to.

Mr. JAVITS. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. KENNEDY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico (Mr. Domenici) is recognized to call up his amendment on which there is 15 minutes.

Mr. PELL. Mr. President, I ask unanimous consent that the order for recognition of Senators be changed and that the Senator from Illinois (Mr. Percy) be recognized at this time for the purpose of calling up his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. Under the previous order, the Senator from Illinois (Mr. Percy) is recognized to call up his amendment on which there is 20 minutes for debate.

AMENDMENT NO. 1340

Mr. PERCY. Mr. President, I call up my amendment, No. 1340, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page, 238, line 22, after the word "amount" insert "(i)".
>
> On page 238, line 24, insert the following: "and (ii) not less than 15 per centum shall be expended for programs or projects designed to meet the special educational needs of female children".
>
> On page 240, between lines 3 and 4, insert the following new section:

"(d) Notwithstanding any other provisions in this section, no funds may be used for any purpose described in subsection (c) of this section which contributes to sex discrimination.".

On page 241, line 21, before the semicolon insert a comma and the following: "and to the extent that such materials and services are free from sex bias".

On page 358, between lines 22 and 23, insert the following new section:

"WOMEN'S EQUAL EDUCATIONAL OPPORTUNITY PROGRAM

"Sec. 535. (a) The Congress finds that sex discrimination in education is detrimental to the welfare of the Nation since it limits the potential of all citizens and that women in particular are prevented by the existence of such practice from realizing their full potential. The Congress therefore finds that the welfare of the United States would be promoted by the elimination of sex discrimination from public education and by the use of federally supported education programs to assist in the development of improved educational opportunities for women insuring women equal educational opportunity.

"(b) (1) Section 203(a) (4) of the Elementary and Secondary Education Act of 1965 is amended by inserting after the word 'used' a comma and the following: 'including criteria designed to preclude sex bias,'.

"(2) Section 203(a) of such Act is amended—

"(A) by striking out the word 'and' at the end of clause (6);

"(B) by redesignating clause (7), and all references thereto, as clause (8); and

"(C) by inserting immediately after clause (6) the following new clause:

"'(7) provides assurances that Federal funds made available under this title for any fiscal year shall be used, on a priority basis and where possible, in the acquisition of non-sex-biased library resources, textbooks, and other instructional materials; and'.

"(3) Section 303(b) (3) of such Act is amended—

"(A) by striking out in subclause (J) the word 'and';

"(B) by redesignating subclause '(K)', and all references thereto, as subclause '(L)'; and

"(C) by inserting after subclause (J) the following new subclause:

"'(K) demonstration projects designed to promote new approaches to expand educational opportunities for women, including the provision of comprehensive physical education programs and sports activities for women; and'.

"(4) Section 306 of such Act is amended by inserting '(1)' immediately after the subsection designation '(b)' and by inserting after subsection (b) of such section the following new paragraph:

"'(2) Not less than 15 per centum of the funds granted pursuant to this section in any fiscal year shall be used for programs or projects designed to meet the special educational needs of female children.'.

"(5) Section 503 of such Act is amended—

"(A) by striking out the word and at the end of clause (11);

"(B) by striking out the period at the end of clause (12) and inserting in lieu thereof a semicolon and the word 'and'; and

"(C) by adding at the end thereof the following new clause:

"'(13) programs and other activities to promote equal educational opportunities for women, including public information activities to increase the awareness of educational personnel and the public concerning problems incident to sex discrimination and the elimination, reduction, or prevention of sex discrimination in education.'.

"(6) Section 505 of such Act is amended by adding at the end thereof the following new sentence: 'In using the 5 per centum of the funds appropriated pursuant to section 501 for any fiscal year, for grants to State educational agencies to pay part of the cost of experimental projects for developing State leadership, the Commissioner shall give priority consideration to projects designed to increase the proportion of women serving in leadership positions and to promote equal educational opportunities for women.'.

"(7) Section 521(a) of such Act is amended by inserting after the word 'districts' the following: '(giving priority consideration to such agencies interested in increasing the proportion of women serving in leadership positions and in promoting equal educational opportunities for women)'.

"(c) (1) Section 404(a) (1) of the General Education Provisions Act is amended by inserting before the semicolon a comma and the following: 'including activities designed to improve the status of women in postsecondary education';

"(2) Section 404(a) of such Act is amended—

"(A) by striking out the semicolon at the end of clause (6); and

"(B) by adding at the end thereof the following: 'including the creation of innovative administrative and educational practices that respond to the special needs of persons who have or have had responsibilities of caring for dependents;'.

"(3) Section 405(b) (2) of such Act is amended by inserting after the phrase 'including career education' a comma and the following: 'and programs designed to meet the needs of women,'.

"(d) Section 105(a) (3) (A) of the Higher Education Act of 1965 is amended by inserting after the word 'programs' a comma and the following: 'including programs designed to improve the status of women'.

"(e) (1) Section 121 of the Vocational Education Act of 1963 is amended—

"(A) by striking out the period at the end of the clause and inserting in lieu thereof a comma; and

"(B) by adding: 'and which are designed to encourage the training of students of both sexes for occupations dominated by the other sex.'.

"(2) Section 123(a) (6) of such Act is amended—

"(A) by inserting immediately after subclause (D) the following new subclause:

"'(E) due consideration will be given to the need to insure the training of students of both sexes for occupations traditionally dominated by the other sex,';

"(B) by redesignating subclauses '(E)', '(F)', and '(G)' as subclauses '(F)', '(G)', and '(H)', respectively; and

"(C) by striking out 'and (D)' in subclause (F) (as redesignated by paragraph (2)) and inserting in lieu thereof '(D), and (E)'.

"(3) Section 132 of such Act is amended—

"(A) by striking out the word 'and' at the end of clause (5);

"(B) by redesignating clause '(6)' as clause '(7)'; and

"(C) by inserting after clause (5) the following new clause:

"'(6) experimental, developmental, and pilot programs designed to encourage the participation of students of both sexes in fields traditionally dominated by the other sex and to insure the elimination of sex bias in vocational education; and'.

"(4) Section 143(a) (2) of such Act is amended by inserting after the word 'broaden' a comma and the following: 'including the elimination of barriers based on sex.'.

"(5) Section 161(b) (1) is amended—

"(A) by striking out subclause (E); and

"(B) by inserting in lieu thereof a new subclause:

"'(E) are designated for all persons, male and female, who may have use for skills relating to the establishment and the maintenance of the home, and'.

"(6) (A) Section 191(c) (1) (A) of such Act is amended by inserting after the word 'fields' the following: 'and for increasing awareness of the changing role of women in the world of work'.

"(B) Section 191(c) (2) of such Act is amended by inserting immediately before the world 'designed' the following: 'free of sex biases and'.".

On page 358, line 24, strike out "Sec. 535." and insert in lieu thereof "Sec. 536.".

On page 123, in the table of contents, redesignate item "Sec. 535." as item "Sec. 536." and insert in lieu thereof the following:

"Sec. 535. Women's equal educational opportunity program."

Mr. PERCY. Mr. President, I first introduced this amendment as the Women's Equal Educational Opportunity Act, S. 2959, in February of this year. Briefly, my amendment would modify existing educational statutes to expand the permissible uses of Federal grants to include those programs specifically directed at providing equal educational opportunities for women. In addition, it requires States applying for Federal funds to submit plans for programs and activities designed to eliminate sex biases in education.

It is quite appropriate that this amendment be brought up at this particular time. The Foreign Relations Committee is having at this moment a meeting with a delegation of parliamentarians from the Soviet Union, and one of those members is Mrs. Z. P. Pukhova. She is a member of the Presidium of the Supreme Soviet of the U.S.S.R., a key executive in the textile industry, and the general manager of one of the major textile factories in the Soviet Union in the city of Ivanova.

It is quite appropriate because we do not have a single woman member in this particular body. It is also appropriate because the Senate and House adopted, and it is now a matter of law, a provision in our foreign aid bill S. 2335 which gives emphasis and priority to programs which will be designed to increase the educational and vocational opportunities for women in countries abroad. Moreover, having passed the Equal Rights Amendment, although it has not yet been ratified by all the necessary States, it is time that in every single piece of legislation we put through the Senate and the House, we take a look at the legislation to see what we can do to remove the subtle and sometimes not so subtle discrimination that exists against women in this country, particularly where Federal programs are concerned.

I was, therefore, delighted to see S. 1539 includes a women's education equity provision. I commend the Senate Labor and Public Welfare Committee, its Education Subcommittee, Representative Mink, the original sponsor of the women's education equity bill, and, particularly, the senior Senator from Minnesota, sponsor of the provision in the Senate. The Senator from Minnesota has exhibited once again his continuing concern for human rights.

Mr. MONDALE. Mr. President. I thank the Senator from Illinois for his kind comments. I also appreciate the Senator's adding his support as cosponsor to the women's education equity provision. I am very much aware of the Senator's fine amendment.

Using a different but complementary approach, the Senator's amendment, like the women's education equity provision, would attack the problem of sex discrimination in education. While the women's education equity provision would create a new program to support a wide range of projects and activities designed to eliminate sex descrimination, the amendment of the Senator from Illinois would modify existing law to maximize the commitment of existing Federal programs and resources to insure equal opportunities for women in education.

Mr. PERCY. The Senator from Minnesota has properly interpreted my amendment. In the interest of eliminating sex discrimination from education, I had intended to add my amendment to S. 1539. However, I understand that conference on this bill will be lengthy and difficult. Since the House unfortunately did not see fit to incorporate the women's education equity provision in H.R. 69, the addition of my amendment to S. 1539 at this time might complicate and confuse discussion on this issue. I, therefore, call up my amendment at this time mainly to focus attention on the fact that sex discrimination in education is robbing more than half of the citizens of this country of their full potential.

Mr. MONDALE. I commend the Senator from Illinois for his consideration of the conferees. I am sure the other conferees appreciate it also. Late this year, the Education Subcommittee will be considering both the Vocational Education Act and the Higher Education Act. I can assure the Senator that I and my colleagues will do what we can to give the Senator's amendment every consideration at that time. I—and I am sure others on the subcommittee—would welcome the Senator's testimony on this amendment at that time. I look forward to working further with the Senator in furtherance of the removal of sex biases from education and will lend him whatever support I can.

Mr. President, I would like to call to the attention of my colleagues a provision of this bill which has significant implications for the many women who are victims of sex discrimination by our educational system.

This provision, known as the Women's Educational Equity Act, was adopted by the Subcommittee on Education and the full Labor and Public Welfare Committee as an amendment to the Elementary and Secondary Education Act. It is included in the bill before you as section 409 and also as a separate title in the event that the consolidation including section 409 is not fully acceptable to the conference committee on S. 1539.

The Women's Educational Equity Act was first introduced in the House of Representatives by Representative PATSY MINK. I introduced it in the Senate, and last fall I chaired two hearings of the Education Subcommittee on the bill. A broad coalition of education and women's organizations has indicated its support of the bill. Among those who testified in the Senate in its favor are the American Association of State Colleges and Universities, American Council on Education, American Federation of Teachers, American Personnel and Guidance Association, Association of American Colleges, Business and Professional Women's Clubs, Interstate Commissions on the Status of Women, National Council of Administrative Women in Education, National Council of Jewish Women, National Education Association, National Organization for Women, National Student Lobby, National Women's Political Caucus, Women's Educational Equity League, and the Women's Lobby.

The Women's Educational Equity Act is a logical and necessary extension of the enactment of title IX of the Education Amendments of 1972, which prohibited sex discrimination in education.

I am extremely distressed at the inexcusable delay of the Department of Health, Education, and Welfare in issuing guidelines and therefore providing for enforcement of title IX. A year and a half after the enactment of title IX, all HEW has to show us is the latest draft of the proposed regulations. I fully appreciate the complexities and the controversy involved in this matter. Yet with every day's delay we are telling another group of women that they have no recourse against the sex discrimination which stands between them and their right to develop as individuals to their fullest educational potential.

The widespread and immediate need for equity in our educational system was fully documented in the hearings before the subcommittee. Perhaps the most convincing documentation of all came from the November 1972 "Report of the Commissioner's Task Force on the Impact of Office of Education Programs on Women," and the response of HEW to this report. I ask unanimous consent that the portion of the Senate committee report on S. 1539 dealing with women's educational equity—and including references to the Commissioner's report—be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SECTION 409—WOMEN'S EDUCATIONAL EQUITY

The purpose of the legislation is to encourage and support programs to eliminate sex discrimination in education.

Need for Women's Educational Equity Act

The November, 1972 "Report of the Commissioner's Task Force on the Impact of Office of Education Programs on Women" documents widespread sex discrimination in Federally supported education programs. According to this report:

"Chiefly because the agency has not been concerned about the use of funds to deny women equal opportunity, OE and NIE funds do directly support discriminatory practices of all kinds. In some cases these are sins of commission—unequal pay for equal work, for instance. In others, they are sins of omission—for example, the failure to recruit women actively in predominantly male training programs."

Federal funds have been used to develop "an extremely sex biased career guidance test as part of the career education effort of the National Institute of Education."

"An ERIC search for research materials on sex discrimination produced only 12 items, none containing any empirical results. Too much of our information on sex discrimination is piecemeal, anecdotal or out of date."

"Men overwhelmingly dominate the administration of Office of Education and National Institute of Education funded projects. Most recent data showed that there are no female directors in the 27 Educational Leadership projects funded under the Education Professions Development Act."

The Committee also received further evidence of the lack of input by women into Federal education policies. The Department of Health, Education, and Welfare told the Subcommittee on Education that the Advisory Committee on the Rights and Responsibilities of Women "advises the Secretary concerning policies, programs and other activities of the Department relating to the status of women.", and that the Advisory Council on Women's Educational Programs authorized by the bill was therefore unnecessary.

However, a member of that Council, Barbara G. Kilberg, testified on November 9 that the Council had never been consulted by Department officials about the position to be taken on the "Women's Educational Equity Act."

In January, the Committee received a copy of a communication from the Secretary's Committee to the Acting Assistant Secretary for Education stating that: "the Committee members (are) very concerned that the Department support every effort to eliminate sex discrimination in education . . . the Committee supports the provisions of the Women's Educational Equity Act of 1973 as a means of eliminating such discrimination."

The task force report and witnesses who testified before the Subcommittee also presented extensive evidence of sex discrimination in administration, operation, research, curriculum and other phases of education.

In the school year 1970–71, for example, 67 percent of all public school teachers were women. But women constituted only 31 percent of department heads, 15 percent of principals and 0.6 percent of superintendents. Only two chief State school officers are women. Only 4 percent of the directors of Title I programs under the Elementary and Secondary Education Act are women; and one out of 56 State vocational education directors is a woman. Harold Howe II, former U.S. Commissioner of Education, told the Subcommittee "Women are seriously underrepresented on school committees and boards and are thus denied access to power over public schools."

Mr. Howe also testified that "the materials used in schools for instruction, guidance and testing, perpetuate the image of women as limited in their options and as headed for subservient positions." Arvonne Fraser, president of the Women's Equity Action League, reported on a study of elementary school textbooks. According to this study, in these books: "girls are pictured quietly watching boys play, or in domestic activities like cooking, cleaning the house or sewing. Often girls are teased by boys for their stupidity when they make mistakes. Men are illustrated in a variety of occupations, 147 in all. Women are shown in only 26 occupations, most of them more extensions of household labor."

Witnesses testified to the inadequacy of research into the incidence, causes and implications of sex discrimination in education. Ann Scott of the National Organization for Women, noted that "there never has been a formalized program of research on women's educational status undertaken by the Federal Government . . . Such research needs to be done, particularly on the question of whether or not the educational facilities of this country are as available to women as to men, to girls as to boys."

Tennis star Billie Jean King told the Subcommittee that physical education opportunities and resources for girls and women lag far behind those available to boys and men.

In addition, a number of witnesses expressed deep concern that guidelines for Title IX of the Education Amendments of 1972, which outlaws sex discrimination in education, have not yet been issued. They suggested that this indicates a lack of commitment on the part of HEW to their implementation.

The Committee concluded that a more vigorous and focused Federal role should be taken in eliminating the widespread sex discrimination in education; and that the Women's Educational Equity Act, by providing support for affirmative action programs, would enhance the prospects of full implementation of Title IX.

Mr. MONDALE. Mr. President, the committee included the Women's Educational Equity Act in S. 1539 because we know that our educational institutions and the persons who run them cannot be expected to change overnight; and cannot be expected to make significant changes without some guidelines and some financial support. The purpose of the educational equity provision is to provide a wide variety of concerned individuals, agencies, and institutions on all levels of education with the wherewithal to end sex discrimination.

Specifically, the bill authorizes the Commissioner to make grants and enter into contracts aimed at achieving educational equity through development of new educational materials; preservice and inservice training; research and development; guidance and counseling; programs for underemployed and unemployed women; and improvement of educational administration, and vocational, career and physical education programs.

The bill would also create, within the Office of Education, an Advisory Council on Women's Programs. The council would help to oversee the program and make recommendations for improvement of educational equity by HEW. Another important provision of the bill is the requirement that the Commissioner conduct a "national, comprehensive review of sex discrimination in education, to be submitted to the Council not later than a year after the date of enactment" of the legislation.

In conclusion, I would like to make clear that Congress has already established its position on the question of sex discrimination in education—and this type of discrimination is against the law. The Women's Educational Equity Act can help to make that policy—which is now only a statement of purpose—a reality.

Mr. PERCY. Mr. President, I very much appreciate the comments of the Senator from Minnesota (Mr. MONDALE) who has been a leader in this field. I also note with pleasure that the Senator from New York (Mr. JAVITS), the ranking minority member on the Committee on Labor and Public Welfare, has provided great leadership in this field.

I would like to ask him this question: Is it true that sex discrimination, in his judgment, continues in this country in the field of education? It is our obligation, particularly when Federal funds are involved, to root out discrimination and find ways whereby opportunities can be offered to women to advance their capabilities so that we may advance the strength of the Nation thereby.

Does the distinguished Senator feel that if this amendment is withdrawn at this time that it could be appropriately added either to the vocational education bill or the bill on higher education later so that it would not complicate the conference on this extraordinarily difficult bill that we have before us today?

Mr. JAVITS. Mr. President, I simply believe that this amendment should be given every appropriate consideration with regard to the other bill which will be pending before us and which we will be considering.

I am extremely sympathetic to the concept of outreach on the positive side and in dealing with sex discrimination. The law now forbids sex discrimination in the Civil Rights Act of 1964 and in title IX of Public Law 92–380, but it is a far cry from actually doing something about it except in a negative way, that is, through litigation, and so forth, and then it is corrected. We have had extraordinary success in cases, but it is a different thing to develop the makeup of compensatory techniques and procedures in support of the amendment for righting a situation which has gone on for decades insofar as women are concerned.

It is that which is the significant part of the Senator's amendment.

I can assure the Senator of my great sympathy with the objective and the fact that his practical ideas incorporated in his amendment will receive very thoughtful consideration, with the greatest sympathy for inclusion in the appropriate bills to which I have referred, if I can possibly influence our committee, and I believe I can.

Mr. PERCY. Mr. President, I deeply appreciate that reassurance from the senior Senator from New York. His influence is very great indeed, and his voice is a strong one that has always spoken out for equal rights—particularly when it is so consistent with our abilities and desires to develop to the fullest the human resources of this country.

If we do not fully develop the resources that the women of this country provide, it not only negates their opportunities in life, but it also negates the strength of the country.

I have had the great pleasure of meeting with representatives of women's groups, and I ask unanimous consent to have printed in the RECORD the names and associations of some of the women with whom I have met and who have provided inspiration and technical assistance to the Senator from Illinois in this field.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Olya Margolin, National Council of Jewish Women.

Jane McMichael, Women's Political Caucus.

Dr. Eleanor Dolan, National Council of Administrative Women in Education.

Ellen McCartney, American Association of University Women.

Judy Stafford, National Association of Business and Professional Women.

Arvonne Fraser, WEAL (Women's Equity Action League).

Margaret Dunkel, American Association of Colleges, Project on the Status of Women.

Nancy Schlossberg, American Council on Education.

Wendy Lowe, National Student Lobby.

Dr. Ann Scott, National Organization for Women.

Sandra Match, National Association of Social Workers.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. PERCY. Mr. President, will the Senator yield me 1 minute?

Mr. JAVITS. I yield 1 minute on the bill.

Mr. PERCY. I also wish to commend Ms. Ellen Hoffman of Senator MONDALE's staff who, together with Ms. Hannah McCormack and Ms. Julia Block of my staff, have provided assistance to me in this effort.

Mr. PERCY. Mr. President, with the assurance I have received, I withdraw my amendment. I thank the distinguished Senator from Minnesota and the distinguished senior Senator from New York for their cooperation and support.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. JAVITS. Mr. President, at the request of Senator DOMENICI, communicated to me through the minority staff in the Senate, I ask unanimous consent that the order for his amendment, which he advises us will not be called up, be vacated.

The PRESIDING OFFICER. Without objection, the order is vacated.

Mr. JAVITS. The reason is that we should not constantly revert to this amendment on our list.

AMENDMENT NO. 1301

The PRESIDING OFFICER. Under the previous order, the Senator from Virginia (Mr. WILLIAM L. SCOTT) is recognized to call up his amendment, on which there is a limit of 1 hour of debate.

Mr. WILLIAM L. SCOTT. Mr. President, I call up my amendment No. 1301.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the end of the bill add the following new title:

"TITLE IX—CLARIFICATION OF FEDERAL JURISDICTION

"CLARIFICATION OF FEDERAL JURISDICTION WITH RESPECT TO PUBLIC SCHOOLS

"SEC. 901. Notwithstanding any other provisions of law, including any other provision of this Act or any Act amended by this Act, no court created by Act of Congress and having general jurisdiction, original or appellate, with respect to cases or controversies arising under the laws or Constitution of the United States, shall have any jurisdiction to hear or decide cases or controversies involving the public elementary or secondary schools of a local or State educational agency. The jurisdiction terminated by this Act shall be vested in the course of the several States and, with respect to such cases and controversies arising in the District of Columbia or in any other territory or possession of the United States, in the Federal courts of an essentially local jurisdiction in such District, territory, or possession. In each such case or controversy, there is vested in the Supreme Court of the United States appellate jurisdiction by writ of certiorari to the highest State or territorial court exercising jurisdiction over such case or controversy.".

On page 124, in the table of contents after title VIII, insert the following new title:

"TITLE IX—CLARIFICATION OF FEDERAL JURISDICTION

"Sec. 901. Clarification of Federal jurisdiction with respect to public schools.".

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that my staff assistant, Mr. James Carty, be permitted the privilege of the floor during the discussion of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. WILLIAM L. SCOTT. I yield.

Mr. JAVITS. Mr. President, I would like to hear the Senator's description of his amendment, but I wish now to give notice on this, and I make the parliamentary inquiry as to whether the amendment comes under the terms of that part of the unanimous-consent agreement which reads "offer further busing amendments."

Mr. WILLIAM L. SCOTT. I assure the distinguished Senator from New York that I did make inquiry of the Parliamentarian with regard to this matter, informally, and was assured that it did not. If the Senator cares to raise the question at this time, that is his right.

Mr. JAVITS. I suggest to my colleague that I am not raising it. I only state I wish to reserve my right to raise it, after hearing a description of his amendment.

Mr. President, I ask that this 1 minute be charged to the opposition.

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that the name of the junior Senator from North Carolina (Mr. HELMS) be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAM L. SCOTT. Mr. President, a brief explanation of this amendment and a copy of it should be on the desk of each Senator. I would, however, like to offer some further explanation. The purpose of the amendment is to clarify or to transfer jurisdiction of all issues and controversies involving the public elementary and secondary schools from the Federal courts to the courts of general jurisdiction of the various States. Under the amendment, there would be the right of appeal to the highest courts of each State in the manner provided by State law and ultimately to the Supreme Court of the United States by writ of certiorari from the highest State or territorial court exercising jurisdiction over such case or controversy.

Mr. President, in considering this matter I believe we should reflect for a moment on the nature of our public school system. As I view it, public education is an outgrowth of the training children receive in the home. Each Member of this body desires quality education for children. All of us are interested in their welfare. We may have some differences of opinion about this, but I believe the schools are essentially local in nature. I feel they should be controlled generally by the localities.

There are numerous issues and controversies which might arise relating to public schools. The one that most people are concerned about today relates to the busing of children.

This is the question raised by the distinguished Senator from New York. But there are such things as employment contracts of teachers, labor disputes between school board and employees, what school an individual student should attend, allocation of funds, local, State and Federal; various tort actions or contract differences which might arise between school authorities, parents or teachers. It seems to me that decisions made on any subject involving the local school would be more palatable to the people of a given locality if made by judges they know. State courts are closer to the people because officials of courts of general jurisdiction within the State live among the people. They serve generally for a period of years subject to reappointment or reelection as contrasted by the life tenure enjoyed by the Federal judiciary. Federal judges and Federal courts may be many miles removed from the locality of an individual school where a cause of action arose. Of course, we realize that having decisions made at the State level on a number of the controversies which develop from time to time would be a reversal of the policy of recent years of having decisions determined at the Federal level.

Mr. President, the question could arise that State judges would not be as sensitive to the civil rights of students or teachers. Yet, under article 7 of our Federal Constitution, the supremacy clause provides:

> This Constitution, and the laws of the United States . . . shall be the supreme law of the land; and the judges of every State shall be bound thereby, anything in the constitution or laws of any State to the contrary notwithstanding.

The same article provides that judicial officers both of the United States and of the several States shall be bound by oath or affirmation to support the Constitution, and of course they take the same oath to faithfully perform their duties and support the Constitution that we take as Members of this body. Without my amendment, cases which might be brought under the "Federal question" and "diversity" jurisdiction in Federal courts which do not involve the requisite jurisdictional amount must be brought in State courts.

Litigants, on their own, may bring cases in State courts which could be brought in Federal courts, excepting only a few classes of cases in which Congress has made Federal jurisdiction exclusive.

Mr. President, my amendment does not restrict the appellate jurisdiction of the Supreme Court, even though cases and controverseries involving the public schools would be decided initially by State courts. One issue over which the State courts would have initial jurisdiction is the question of busing which we have discussed to a considerable extent during consideration of this bill. Let me comment briefly on this issue. When people are considering the purchase of a home within which to raise their families, they consider the location of schools, churches, and shopping centers as well as the general neighborhood. Children make friends within this neighborhood, and it seems reasonable for them to attend school with their friends. We could say that when parents buy a home they purchase an environment within which to raise their families. When children are taken from this neighborhood into strange areas, emotional problems and hostilities may develop. Children also may be less alert in arriving at their destination and have less time during the day to devote to the learning process. It seems reasonable to concentrate on quality education for children rather than attempt to use them as pawns to solve social problems for which they have no degree of responsibility.

Mr. President, I see a number of Senators in the Chamber. I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. There is not a sufficient second.

Mr. WILLIAM L. SCOTT. Mr. President, I shall renew my request when we have a sufficient number of Senators in the Chamber.

Mr. President, I recall our colleague, the distinguished Senator from Massachusetts (Mr. BROOKE), expressed the fear that the antibusing legislation we were considering last week—

> Would encourage the development of two nations within our country—one white and the other black.

The Richmond Times-Dispatch, one of Virginia's leading newspapers commented editorially on Saturday regarding Senator BROOKE's concern. It stated that—

> While the Senator diagnoses the disease, he and his liberal colleagues fail to see that their medicine—more busing—is killing the patient. In cities like Richmond, unrealistic busing orders and racial quotas are feeding the cancer that is eroding the vitality of the central city.

The editorial indicates that unwarranted busing is bringing about a return to segregation by causing whites to move to the suburbs while blacks remain in the city. Mr. President, I ask unanimous consent that the entire editorial of Saturday, May 18, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BROOKE'S CONCERN

Just prior to the Senate's 47 to 46 rejection of strong anti-busing legislation Wednesday, Senator Edward W. Brooke, R-Mass., expressed the fear that such legislation "would encourage the development of two nations within our country—one white and the other black."

The concern of that distinguished senator ought to be shared by other thoughtful Americans. It is not healthy that so many of the nation's urban areas are becoming divided into two camps: the poor, the elderly and the black in the core city; the affluent, the young and the white in the surrounding suburbs.

But while Senator Brooke diagnoses the disease, he and his liberal colleagues fail to see that their medicine—more busing—is killing the patient. In cities like Richmond, unrealistic busing orders and racial quotas are feeding the cancer that is eroding the vitality of the central city. The obsession with race in assigning pupils is driving from the city and its schools many of the families the city needs to retain in order to maintain a desirable racial and socio-economic diversity.

Schools that had begun desegregating under more moderate plans in the aftermath of the *Brown* decision 20 years ago have rapidly resegregated in recent years as a direct result of cross-city busing. Some buses in Richmond now haul children all the way across town to attend schools that are virtually the same in racial composition as their neighborhood schools. In just four years, Richmond has lost more than one-half of its white enrollment because of massive busing, and a system that was once fairly equally divided between the races is now on the road to being a one-race system.

By zeroing in too harshly on the public schools, which are but one segment of society, busing has increased the segregation existing in urban society generally. That is one good reason all Americans who favor racial harmony and cooperation, whatever their political ideology otherwise, ought to support steps to lessen punitive busing plans and to promote thereby genuine racial togetherness. Let enough senators experience the tragedy in their own cities, we suppose, and that one-vote anti-antibusing majority will be transformed into a lopsided antibusing vote one day.

Mr. WILLIAM L. SCOTT. Mr. President, as you know, the Constitution provides in addition to the Supreme Court, judicial power

> Shall be vested . . . in such inferior courts as the Congress may from time to time ordain and establish.

This is the concept included in my amendment and its intention is to clarify the jurisdiction of Federal courts with regard to cases and controversies involving the public schools. It provides that neither the Federal district courts nor the circuit courts of appeal shall have any jurisdiction to hear or decide cases and controversies involving the public schools, but that jurisdiction with respect to such cases and controversies shall be vested in the courts of general jurisdiction of the respective States with the right of appeal to the highest State courts and by certiorari to the Supreme Court of the United States; thereby retaining Federal supremacy.

Mr. President, there are many Supreme Court decisions that intend to retain integration but with a minimum of busing. The Swann case in North Carolina appears to be such a case. Many of our busing problems in Virginia were brought about by the trial courts, not the Supreme Court. These trial judges, with life tenure, appear to be so separated from the general population that they forget that ultimate power or sovereignty under our system resides in the people of the country. All polls show that people do not want busing of children for the purpose of bringing about a racial balance in the public schools.

The purpose of the amendment before us is to insure that cases dealing with such a vital local issue as neighborhood schools be heard by judges attuned to the problems and the needs of our communities.

A few days ago I had printed in the RECORD a brief memorandum prepared at my request by the Library of Congress on this point. It did cite authorities and support the constitutionality of my amendment.

In fact there is no doubt of the power of the Congress to enact such legislation, and not only to set up a Federal judicial system below the Supreme Court, but also to fix the jurisdiction of such courts.

The First Congress exercised the power granted by the Constitution when it enacted the Judiciary Act of 1789 (1 Stat. 73). However, it did not grant to the Federal courts the full judicial power of the United States. Jurisdictional amount requirements kept many litigants from Federal courts and sent them instead to State courts to adjudicate Federal claims. The 1789 act contained no grant of "Federal question" jurisdiction, so that suits arising, in the words of article III, section 2, "under this Constitution, the laws of the United States, and treaties * * *," except where otherwise specifically and narrowly provided for, were required to be brought in the State courts until 1876 (78 Stat. 479). A clause barring diversity jurisdiction, where diversity had been created by the assignment of choices in action, kept in State courts cases which the Constitution would have permitted Congress to assign to Federal courts.

My amendment is identical with a bill introduced more than a year ago, S. 287, and referred to the Committee on the Judiciary. It was discussed in a hearing held in February of this year by the Subcommittee on Constitutional Rights of the Judiciary Committee. It is my understanding that the chairman of that subcommittee, the distinguished senior Senator from North Carolina (Mr. ERVIN) who conducted the hearings, does support this amendment.

In a case involving the "assignee clause," the Supreme Court first announced the doctrine that Congress controlled much of its jurisdiction and all of that of the lower Federal courts. In the words of Mr. Justice Chase:

> The notion has frequently been entertained, that the Federal courts derive their judicial power immediately from the Constitution, but the political truth is, that the disposal of the judicial power, except in a few specified instances, belongs to Congress. If Congress has given the power to this court, we possess it, not otherwise; and if Congress has not given the power to us, or to any other court, it still remains at the legislative disposal. Besides, Congress is not bound, and it would, perhaps, be inexpedient to enlarge the jursidiction of the Federal Courts to every subject, in every form, which the Constitution might warrant.

Turner v. *Bank of North America*, 4 Dall (4 U.S.) 8, 10 (1799). And in *Cary* v. *Curtis*, 3 How. (44 U.S.) 236, 245 (1845).

It was stated:

> The judicial power of the United States, although it has its origins in the Constitution is—except in enumerated instances, applicable exclusively to this court—dependent for its distribution and organization, and for the modes of its exercise, entirely upon the action of Congress, who possess the sole power of creating the tribunals—inferior to the Supreme Court—for the exercise of the judicial power, and of investing them with jurisdiction either limited, concurrent, or exclusive, and of withholding jurisdiction from them in the exact degrees and character which to Congress may seem proper for the public good.

For similar expressions, see, for instance, *Sheldon* v. *Sill*, 3 How. (49 U.S.) 441 (1850); *Plaquemines Tropical Fruit Co.* v. *Henderson*, 170 U.S. 511 (1898); *Kline* v. *Burke Const. Co.*, 260 U.S. 266 (1922); *Lockerty* v. *Phillips*, 319 U.S. 182 (1943); *South Carolina* v. *Katzenbach*, 383 U.S. 301, 331–332(1966).

Mr. President, my presentation has emphasized the question of busing because this is a controversy of special interest today. Once again, public opinion polls indicate that the vast majority of the people of every section of the country are opposed to the busing of children to obtain a racial balance. They want their children to attend a neighborhood school, but I hasten to add, Mr. President, that the amendment does not mention the word busing at all. It transfers those cases and controversies now heard by Federal courts to the State courts and retains the present status of those now heard by State courts. Torts and contracts, controversies regarding funding, civil rights, labor disputes, all issues and controversies would be decided by judges sworn to uphold our Federal Constitution and laws as well as the Constitution and laws of their respective States—judges closer to the people, living among them, serving for terms rather than for life and retaining the ultimate right to petition the Supreme Court for certiorari preserving Federal supremacy. I believe, Mr. President, this would tend to alleviate some of the controversies which now tend to divide the Nation.

Mr. President, I reserve the remainder of my time.

Mr. PELL. Mr. President, I yield myself such time as I may require.

This is a far-reaching and significant amendment. What it does, in essence, as the Senator from Virginia has pointed out, is to remove jurisdiction from the Federal courts to State courts not only in civil rights cases but also in many other types of cases involving our schools. To me this would not be an advisable process. I could not accept this amendment and would urge my colleagues to vote against it.

I yield the floor.

The PRESIDING OFFICER. Who yields time? Does any Senator yield time?

Mr. WILLIAM L. SCOTT. Mr. President, I have no requests for time. Unless some Senator cares to speak on the amendment, I am willing to yield back my time if the floor manager agrees to yield back his time.

Mr. PELL. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Both sides yield back the remainder of their time. The question is on the amendment of the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, would the Senator withhold his request for the yeas and nays?

Mr. WILLIAM L. SCOTT. Mr. President, I am glad to withhold my request, provided the leadership gives me assurance that we will have the yeas and nays.

Mr. MANSFIELD. Absolutely.

Mr. WILLIAM L. SCOTT. Mr. President, I withhold my request for the yeas and nays.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield me a minute or two?

Mr. PELL. I yield.

Mr. ROBERT C. BYRD. May I say, in the presence of the distinguished Senator from Virginia, I am as opposed to forced busing to achieve an arbitrary racial balance as he is. I do not think it is required by the Constitution or by the 1954 decision. I do not think the Constitution requires that children be bused like guinea pigs for miles just to achieve an arbitrary racial balance. I do not think white parents or black parents want it. I think that such money could be better used for improving the educational facilities for all children and increasing teachers' salaries.

However, I am disturbed that this amendment is being brought up today because, in my judgment—in my own personal judgment—and in accordance with the agreement that was entered into a few days ago, no "so-called busing" amendments would be called up today, and this amendment could be construed as fitting into the category of amendments that were to be prohibited today, under the agreement.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield on the last point?

Mr. ROBERT C. BYRD. If I may continue briefly, I will then yield.

I have listened to the Senator's presentation of his amendment. I would say 90 percent of his eloquent arguments dealt with busing and integration and so on. He mentioned the Swann case. He talked about busing. As to the substance of what he said, I personally do not have any disagreement with it, but I do feel that this is a busing amendment regardless of how it is clothed, how it is prettied up with fancy words, and all of that, and I would imagine that the Parliamentarian would probably uphold it——

Mr. WILLIAM L. SCOTT. Mr. President——

Mr. ROBERT C. BYRD. If I may just continue.

Mr. WILLIAM L. SCOTT. All right.

Mr. ROBERT C. BYRD. I know the distinguished Senator has probably drawn his amendment so broadly as to make it impossible to sustain a point of order against it, but I must say that, as one who was somewhat instrumental in getting the agreement that was finally entered into, I am afraid that while this amendment in the letter of it may abide by the agreement, the spirit of the amendment is such that we are really contravening the agreement that was entered into by Senators, some of whom probably are not here today and who did not feel, based on the agreement, that there would be any such amendment called up.

I want to state that for the RECORD. I personally would have to support a point of order if it were raised against his amendment, even though I favor some parts of his amendment.

Now I yield to the distinguished Senator.

Mr. WILLIAM L. SCOTT. I appreciate the distinguished Senator's yielding.

I would remind the distinguished Senator, however, that we had a gathering slightly on the other side of the center aisle, in which I made the statement, in front of the distinguished majority whip and the distinguished majority leader, that I intended to bring up such an amendment as this and asked if I would be prevented from doing so. Both Senators assured me I would not be.

Going further, wanting to protect myself, I did confer informally with the Parliamentarian in advance so that I would not be prevented at this later date from bringing up this amendment. I was assured it was such a broad statement—the word "busing" is not mentioned——

Mr. ROBERT C. BYRD. I understand.

Mr. WILLIAM L. SCOTT. It relates to teachers' contracts, it relates to management and labor, it relates to tort actions that might be brought against school districts, it relates to all cases and controversies involving the public schools.

At this present moment we are more concerned about busing than any other case or controversy. That is why it comes to each of our minds today, whereas at another period of time it might not come to our minds.

If the distinguished Senator does have reservations, certainly he is within his rights to raise a question with the Parliamentarian as to whether it is proper to bring it up at this time.

Mr. ROBERT C. BYRD. I will not raise such a point. I am simply saying I am disturbed about such an amendment.

I wish to make a couple of points. No. 1, the Senator says he raised this question in my presence. I have absolutely no recollection of it. No. 2——

Mr. WILLIAM L. SCOTT. Well, the Senator——

Mr. ROBERT C. BYRD. If the Senator will permit, I am not disputing his word. He may be able to refresh my recollection. In any event, I had absolutely no knowledge of the basic content of this amendment. If I acquiesced in it, I did not have any knowledge that it would go to the heart of busing, or I would have been compelled on my honor at least to raise the question at that time.

Mr. WILLIAM L. SCOTT. If the distinguished Senator will think back, we were where the Senator from Kentucky (Mr. COOK) is standing at the present time. There were about six or eight Senators present at that time. This was before the original unanimous-consent request was made by the distinguished Senator. The distinguished majority leader was standing beside the distinguished majority whip——

Mr. ROBERT C. BYRD. The majority whip saw that little huddle of conversation going on over there, but it was a huddle quite a time before I joined it. I joined it later, but I had no recollection of any discussion of the content of the Senator's amendment. I would have no reason to say otherwise——

Mr. WILLIAM L. SCOTT. I do not question the integrity of the distinguished Senator, and I assume he does not question mine.

Mr. ROBERT C. BYRD. I do not in the least.

Mr. WILLIAM L. SCOTT. The fact is that it did occur, and I am not sure at what point the distinguished majority whip arrived at the group. I recall the distinguished majority leader saying "No, no, Bill," and saying I could do this. But more than the gentleman's agreement is the informal decision of our Parliamentarian, because, of course, I wanted to protect my right to bring it up at the proper time, but did not want to bring it up at the time the busing amendments were ordered if it was not necessary. That is why it was brought up at the time it was.

Mr. ROBERT C. BYRD. But I would not want the RECORD to imply for one moment that the Senator cleared the contents or the substance of this amendment with me. I knew nothing about it. I joined in the huddle at a later point.

I want the Senator to know that I did not agree that anything that would go to the heart of busing would be allowed to come in. I feel somewhat concerned, under the circumstances, because the Senator from Michigan (Mr. HART) is not here today. I am sure he would have been disturbed had he known what the thrust of this amendment would be.

But for the RECORD, I may say that I had no knowledge of the basic substance of this amendment. While the Parliamentarian may uphold it, I think, in spirit, at least, it contravenes the agreement that was entered into. But I do not place any blame on the able Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, let me add the words I used in asking the group before the unanimous consent question came up. I said, "I have an amendment which would transfer the jurisdiction of all issues in controversy from the Federal to the State courts. Would that be affected by this proposed agreement?"

I was assured that it would not be.

I remember distinctly that the distinguished majority leader nodded his head, and called me Bill, and said that it would not be affected. I thought the distinguished majority whip was present at that time. If he says he was not, I am sure he was not.

Mr. ROBERT C. BYRD. I cannot recall being present. I would have to say this for the majority leader. I do not think that either he or I would have, for that matter, realized at that time that the Senator's amendment goes to the heart of busing to such an extent as I now realize it does.

I am sure that the Senator has worded the amendment so broadly that the Parliamentarian will uphold it. I have no fault to find with the Senator whatsoever—not any. But I must say for the record that I am concerned, in view of our understanding that no busing amendments would be in order today.

I have said that I listened to the distinguished Senator explain his amendment, and 90 percent of what he has said has been about busing. I think that the spirit of the amendment is not entirely what some of our people thought we were going to entertain by way of amendments today.

Mr. WILLIAM L. SCOTT. Mr. President, if the distinguished Senator from West Virginia will yield for just one moment further, I may say that I can understand his position as the assistant leader on his side. I can understand that he at no time would want to mislead any Senators who look to him for guidance or leadership. On the other hand, I as an individual Senator must protect my own rights. It was for that reason that I did make the inquiry from the two sources I have just mentioned. I think each of us tries to do his job in the best way he knows how.

Mr. ROBERT C. BYRD. Mr. President, the Senator has done what he thought was right. He has acted within his rights. He has not been devious about it in any way. He has not attempted to pull the wool over anybody's eyes. Everything he has done has been on top of the table. I find no fault with him. I simply state that the amendment, at least, in my judgment, does not appear to be in accord with what various Senators thought was the agreement.

Mr. WILLIAM L. SCOTT. If I may have just 30 seconds more, I may say that I sent a "Dear Colleague" letter to every Member of the Senate on May 10. Another one is on the desk of every Senator today. So, as the distinguished Senator from West Virginia says, it was all above board.

Mr. ROBERT C. BYRD. It was above board, but if I may say, I do not read "Dear Colleague" letters.

The PRESIDING OFFICER. Who yields time?

Mr. COOK. Mr. President, I should like to make an inquiry of the Senator from Virginia. I have an amendment I have gone over with the manager of the bill, and he has indicated that he will accept it. I do not wish to infringe on the time of the Senator from Virginia, but I am wondering if he would mind if I were to call up my amendment and discuss it; then he might renew his motion at any time when there is no other business on the floor of the Senate.

Mr. WILLIAM L. SCOTT. I have yielded back my time. My only reservation was that we have a rollcall vote.

Mr. MANSFIELD. Mr. President, I wish to assure the Senator that there will be a rollcall vote.

Mr. President, I ask unanimous consent that the amendment to be offered by the distinguished Senator from Kentucky (Mr. COOK) be in order at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kentucky is recognized.

Mr. COOK. Mr. President, I call up my amendment No. 1299 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. COOK. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 214, line 24, insert the following:

"EXTENSION OF AUTHORITY TO RESTORE SCHOOL BUILDINGS FOLLOWING A NATIONAL DISASTER

"SEC. 204. (a) Section 16(a) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), is amended by inserting before the last sentence thereof the following new sentence: 'For the purpose of the preceding sentence, the phrase "cost of construction incident to the restoration or replacement of the school facilities" includes such additional amounts as the Commissioner may approve in order to assure that the facilities, as restored or replaced, will afford maximum protection against personal injuries resulting from a disaster.'."

On page 215, line 4, strike out "204" and insert in lieu thereof "205".

Mr. COOK. Mr. President, I shall take a short period to explain the intent of the amendment.

Last month, in the wake of the destruction wrought by tornadoes which hit Kentucky and 10 other States, I introduced proposed legislation aimed at strengthening one of the important components of our current Federal disaster relief effort—school reconstruction legislation.

The bill at that time, which is now embodied in this amendment, amends the language of Public Law 88–815, relating to the restoration or replacement of school facilities to provide that additional moneys might be spent in order to insure reasonable and adequate emergency protection in the case of future disasters.

The Commissioner of Education is given the authority to approve additional expenditures "in order to assure that the facilities, as restored or replaced, will afford maximum protection against personal injuries resulting from a disaster."

I have been advised that the administration is opposed to this amendment, purely and simply because of the phrase "protection against personal injuries."

If the Federal Government is going to be involved in any way in the allocation of funds for the construction of school facilities, then it must take into consideration what, in fact, can happen to the schools. Fortunately, apparently, although we had to go through the destruction, the good Lord was more aware of the need for protection of the children than the administration downtown because at least this event occurred after school hours. Consequently, many of the schools which were almost totally destroyed, did not have any children in them.

The amendment does not allocate any specific sums; it merely provides that the Commissioner shall take into consideration that in the event of a national disaster, causing a tremendous amount of damage to public schools, he may request additional Federal funds to rebuild the public schools, taking into consideration that the schools had been built on slabs, and that there is no protection against tornadoes or destruction of any kind, they are not furnished additional protection that is built into the side of an elevation differential, so that there can be a particular area of the school where children may really be brought together and kept at least in a higher degree of safety than they are in many schools. As they now sit out on top of a hill, with nothing around them, with no basement and no other type of protection whatsoever.

This is what we are aiming at. This is what we want the Commissioner to take into consideration. This is the aim of the amendment. I did want to specifically explain, because the senior Senator from New York is not here, that it is the position of the administration that they are opposed to this amendment because it calls for the Commissioner to take into consideration, in the construction of schools destroyed by a disaster, the maximum protection against personal injury to the students.

I urge that the amendment be agreed to, and yield the floor.

Mr. PELL. Mr. President, as I understand the amendment offered by the Senator from Kentucky, he would amend section 16 of Public Law 815, 81st Congress, which authorizes construction in disaster areas, to make additional services available together with the construction assistance when a disaster has either destroyed or seriously damaged a school facility.

I have no problem with the amendment of the Senator from Kentucky and will recommend that the Senate agree to the amendment.

However, I might point out that the Committee on Public Works has revised the disaster relief program and has made public schools eligible for participation in the disaster relief program. It may well be that the provision of that act may be of greater applicability than the disaster relief provisions in Public Law 815.

Mr. COOK. Mr. President, I do not disagree with the Senator from Rhode Island. I only wish to add the point that, having taken into consideration the provisions in the disaster relief bill, it calls exclusively for funds for reconstruction. It does not take into consideration the safety of the children in that reconstruction. So, in the future, we face the rather technical aspect that one could ask for funds for reconstruction, but not for funds to add to, over and above the reconstruction of facilities or the consideration of facilities affording greater protection of the students.

That is what brought this on, and I am delighted to have the discussion with the Senator from Rhode Island relative to the disaster relief bill, and also delighted that he is in favor of the amendment.

Mr. PELL. Mr. President, I understand that the amendment has been cleared with the minority side. I recommend that the amendment be accepted, and yield back the remainder of my time.

Mr. COOK. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Abourezk). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Kentucky (Mr. Cook).

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on the amendment by the Senator from Virginia (Mr. William L. Scott) not occur until the hour of 4:15 p.m. today, at which time the rollcall votes on amendments are to begin.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill is open to further amendment.

Mr. PELL. Mr. President, I suggest the absence of a quorum, with the time to be charged against the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Abourezk). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Tennessee (Mr. Brock) be recognized at this time to call up his amendment without prejudice to the distinguished Senator from North Carolina (Mr. Helms).

The PRESIDING OFFICER. Without objection, it is so ordered, and the Senator from Tennessee is recognized.

AMENDMENT NO. 1334

Mr. BROCK. Mr. President, I call up my amendment (No. 1334) and ask that it be stated.

The PRESIDING OFFICER. The amendment (No. 1334) and ask that it be stated.

The amendment will be stated.

The assistant legislative clerk read as follows:

On page 130, line 24, insert the following:

POLICY OF THE UNITED STATES WITH RESPECT TO CAREER EDUCATION PROGRAMS FOR DISADVANTAGED CHILDREN

SEC. 6. It is the intent of the Congress to encourage the use of title I funds for appropriate career education programs for disadvantaged children.

Mr. BROCK. Mr. President, I hasten to point out that this amendment does not direct anyone to do anything but is merely an intention on the part of Congress that career education be considered part and parcel of the total educational process.

I happen to believe that career education offers so much in terms of broadening the option range for students that we need to establish a clear record of congressional support.

Career education requires a concept that integrates academic learning experiences with occupational and vocational learning activities for the purpose of preparing individuals to enter, progress, and find satisfaction in chosen fields of endeavor.

It allows for assistance in making decisions on short-range and long-range vocational goals, whether or not the attainment of such goals requires more or less formal education, more or less experience and training, or more or less physical or mental skills on the part of the individual.

Career education permits the adjustment of goals, in that opportunities would be continually present to change the chosen field of work.

The purpose of the amendment is to emphasize the tremendous value of this kind of education both to the individual people affected and to the country itself as these individuals whose lives are made better by career education make their own contributions to America's strength.

This amendment expresses the sense of Congress that the States should strive to assure the continued vitality of career education.

Career education, in sum and substance, provides for an occupational awareness. It equips the individual to investigate, explore, and select the occupations and career fields which are most suitable for his own talent and interest.

It provides the instruction services necessary for the student to enter useful employment and to advance his own career.

It helps the student recognize the need to make a strong commitment to a career. It is important to show young people the relevance of their education.

It is also important to make them aware of available career alternatives. There is presently in too many colleges no relevance and no relationship between education and occupation. Young people are just not aware of the occupational opportunities available to them.

The purpose of education is to prepare young people for later life, but this is not being done at present. Career education would improve immeasurably the total education experience for the student.

It is something that should be supported. It is something that should be sponsored and should be encouraged by Congress. I would hope that the leadership on the committee would be prepared to lend their support to this amendment.

Mr. PELL. Mr. President, I have had a chance to look at the amendment. The thrust of its provisions is already, in effect, in the law; but, as the Senator from Tennessee believes, his amendment would give an added push to its administration and direction. It is a direction that needs to be gone into, and I would recommend that we accept the amendment of the Senator from Tennessee.

Mr. BROCK. I thank the Senator. I think the law is clear in its present attempt, but I also feel that the law is not being implemented as Congress intended it should be and that is why I would like to place a little more emphasis on it by this amendment.

I appreciate the Senator's report.

Mr. DOMINICK. Mr. President, I think the Senator from Tennessee has a good amendment. For a long time I have advocated that we have a computer bank for vocational type training which is needed in the country and which can then be passed on through the educational system so that we can do something about it, particularly with high school students, and make their education much more relevant to what they will be doing, whether they drop out or graduate.

Putting in this kind of amendment will give more emphasis to it. The amendment is a worthwhile one and I congratulate the Senator from Tennessee.

Mr. BROCK. I thank the Senator from Colorado very much.

Mr. JAVITS. Mr. President, the administration's position on this amendment is one of nonopposition. They are not opposed to it. The administration feels as follows, "There are more appropriate vehicles for placing emphasis on career education than title I."

Mr. President, I have no objection to the amendment's being accepted.

Mr. PELL. Mr. President, I yield back the remainder of my time.

Mr. BROCK. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Nunn). All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Tennessee (Mr. Brock) No. 1334.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum with the time to be equally charged on the bill.

The PRESIDING OFFICER. The Clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. At what point in the consideration of amendments reserved for a vote in accordance with the unanimous-consent request later this afternoon, will a motion to table be in order?

The PRESIDING OFFICER. Immediately prior to the vote.

Mr. JAVITS. I thank the Chair.

Mr. TOWER. Mr. President, I ask unanimous consent that during the consideration of this measure Mike Butler and Gary Lieber of my staff be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. TOWER. Mr. President, I suggest the absence of a quorum and I ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1295

Mr. HELMS. Mr. President, I call up my Amendment No. 1295.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 126, line 7, after the word "citizens", insert a comma and the following: "including a group representing nonpublic primary and secondary educational institutions proportional to the number of pupils enrolled in nonpublic educational institutions nationwide.".
>
> On page 127, between lines 16 and 17, insert the following:
>
> "(I) The contribution of nonpublic primary and secondary education in providing alternate educational experiences for pupils and a variety of options for parents in guiding their children's development.".

Mr. HELMS. Mr. President, the purpose of the amendment that I am now offering is to insure that the 1977 White House Conference on Education actively considers the role of nonpublic education in American life, and that nonpublic educators participate fully in the deliberations.

We all know that nonpublic education has played an important role in the history of the United States. While we are all proud of the role which public education has played in the development of our Nation, we must not forget that nonpublic education preceded the public educator's role, and that even today it offers a vigorous alternative for parents who seek other options for their children. In fact, one of the most interesting phenomena in education today is the resurgence of private education at the elementary and secondary levels; while one of the most distressing is the increasing financial precariousness of nonpublic education.

It is all too easy for the educational establishment to think of education today entirely in terms of public education, particularly at the lower grade levels. In 1973, enrollment from kindergarten to eighth grade was 89.1 percent public, and 10.9 percent nonpublic. From ninth through twelfth grade, it was 92.3 percent public and 7.7 percent nonpublic. At college level, it was 76.1 percent public, and 23.9 percent nonpublic. These figures are from the U.S. Department of Commerce, Current Population Reports, series P–20, No. 261.

Although the majority of pupils in the United States are enrolled in public schools, it is clear that a significant minority are enrolled in nonpublic education. Out of some 59 million students, nearly 8 million are in nonpublic schools. What is especially worthy of note is the rise in recent years in the number of nonchurch affiliated nonpublic schools. Competition is good in any field, and I applaud the variety which nonpublic education offers.

Mr. President, the present bill lying before us proposes to set up a White House Conference on Education in 1977. It is intended—

> To stimulate a national assessment of the condition, needs, and goals of education, and to obtain from a broadly representative group of citizens a report of findings and recommendations with respect to such assessment.

Mr. President, I believe that there is a need to make the intent of Congress clear on what we mean by "a broadly representative group of citizens." At the last White House Conference held in 1965, nonpublic schools were seriously underrepresented. I have a list of the delegates to the 1965 National Conference. Out of 709 delegates, only 10 represented nonpublic primary and secondary schools; and of those 10, only 2, so far as I can ascertain, came from nonpublic schools that were not church affiliated. I think it is difficult to imagine that the voice of nonpublic education was adequately heard in 1965.

At the college level, nonpublic education had a better representation: There were 75 delegates from such schools. But many of these came from prestigious schools such as Harvard, Bennington, and Radcliffe where participation in such conferences is a matter of course. The less well-organized schools either were not invited or were unable to come. Even so, the number represented is only a bit over 10 percent of the delegates, while the school population at nonpublic colleges is about 24 percent of the total.

Mr. President, I ask unanimous consent that the list of delegates to the 1965 White House Conference on Education be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. HELMS. It is for this reason that I am proposing that the following words be added after "broadly representative group of citizens" on page 126, line 7:

> Including a group representing non-public primary and secondary educational institutions proportional to the number of pupils enrolled in non-public educational institutions nationwide.

Mr. President, I want to bring to the attention of the Senate the fact that this language inserted where I have indicated refers only to the conference itself; it does not refer to the makeup of the National Conference Committee, whose makeup is specified on page 128. My language amends only the Conference itself. I think that the Senate has to make its intention clear that nonpublic education is not to be underrepresented at the Conference.

My amendment also adds a ninth paragraph to the items which are specified for special consideration at the conference. It would be paragraph I, page 128, between lines 16 and 17, providing for the consideration of:

> The contribution of non-public primary and secondary education in providing alternate educational experiences for pupils and a variety of options for parents in guiding their children's development.

I think that this paragraph is self-explanatory and will be of immense value in guiding the overall assessment of education in this country.

EXHIBIT 1

ALPHABETICAL LIST OF PARTICIPANTS, THE WHITE HOUSE CONFERENCE ON EDUCATION

This list includes all those on the program and all those invitees who registered by 4 p.m. Tuesday.

It does not include: observers, working press, Conference staff members, pages, or college interns.

Mr. Hale Aarnes, 1317 N 1st Street, Fargo, North Dakota.

Mr. Leon Abramson, Staff, House Education and Labor Committee, Rayburn Building, Washington, D.C.

Dr. Donald C. Agnew, Southern Association of Colleges & Schools, 795 Peachtree St. N. E., Atlanta, Ga.

Hon. Angel O. Alfard, Secretary of Education, Department of Education, Hato Rey, P. R. 00900.

Dr. Wendell Allen, Asst. Superintendent for Teacher Education and Certification, Dept. Public Instruction, P. O. Box 500, Olympia, Wash. 98501.

Mrs. Ethan Allen, Lawrence, Kans.

Mr. Dwight W. Allen, Stanford University, Stanford, Cal.

Ms. Mary P. Allen, % Carl Elliott, P. O. Box 1049, Jasper, Ala.

Hon. James E. Allen, Jr., Commissioner of Education, State Education Department, Albany, N. Y. 12201.

Mr. Lloyd A. Ambrosen, Maryland School for the Deaf, Frederick, Md.

Mr. Paul Amenta, 80 Cedarwood Drive, New Britain, Conn.

Mr. Don Anderson, Staff, House Education and Labor Committee, Rayburn Building, Washington, D.C.

Florence Anderson, Carnegie Corporation, 589 5th Av., New York, N. Y.

Miss Reba Anderson, Hutchinson Jr. College, Hutchinson, Kans.

Hon. Glenn Andrews, House of Representatives, Washington, D.C.

Sister M. Annunciata, OP, Catholic U. of America, 620 Michigan Ave., N.E., Washington, D.C. 20017.

Brother E. Anthony, FSC NCEA, 1785 Mass. Ave., N.W., Washington, D.C. 20036.

Msgr. Kenneth Applegate, Superintendent of Catholic Schools, S. Sixth Street, Columbus, Ohio.

* * * * *

Mr. Walter M. Arnold, 1301 S. Scott Street, Apt. 026, Arlington, Va. 20202.

Dr. George Arnstein, 2001 N. Adams St. Arlington, Va.

Mr. John Artichoker, Supt., Northern Cheyenne Agency, Lake Deer, Mont. 99043.

Mr. Charles Atheaton, The Commission of Fine Arts Building, 7000 Interior Dept., Washington, D.C.

Sister M. Austin, CPPS, St. Anthony School, 6495 Glen Carlyn Rd., Falls Church, Va. 22041.

Mr. Perly F. Aver, Exec. Sec., Council of Southern Mountains, Berea, Ky.

Hon. William M. Ayres, House of Representatives, Washington, D.C.

Dr. Augusto Babonis, Dean, School of Education, University of Puerto Rico, Rio Piedras, P.R.

Mr. Hollis D. Bach, Director of Employment and placement, Post Office Department, Washington, D.C.

Dr. Stephen K. Bailey, 416 Hillsboro Parkway, Syracuse, N.Y.

Mr. George Baird, Director, Greater Cleveland Educational Research Council, Cleveland, Ohio.

Mr. Robert Baker, Detroit Federation of Teachers, 8830 Puritan Avenue, Detroit, Michigan.

Dr. Edward C. Banfield, Harvard University, Boston, Mass.

Mr. Melvin Barnes, Supt of Schools, Portland, Oreg.

Mr. Albert Barouh, 1138 Roxbury Drive, Westbury Li., N.Y.

Mr. St. John, Barrett, Civil Rights Division, Department of Justice, Washington, D.C.

Mr. John Barry, Principal, Vineland High School, Vineland, N.J.

Dr. Colman Barry, President, St. Johns University, Collegeville, Minn.

Mr. Robbins W. Barstow, Jr., Dir. of Professional Development, Connecticut Education Association, Hartford, Conn.

Hon. Lynn M. Bartlett, Superintendent of Public Instruction, State Department of Public Instruction, Lansing, Mich. 48902.

Hon. D. F. Bartlett, U.S. Senate Office Building, Washington, D.C.

Dr. Richard Batchelder, President-elect, National Education Association, Housemaster, Barry Hse., Newton High School, Newtonville, Mass.

Judge David L. Gazelon, Circuit Court, Washington, D.C.

Mr. Fred Beckman, Payette High School, Payette Idaho.

Msgr. A. W. Behrens, National Catholic Education Assoc., 1785 Massachusetts NW., Washington, D.C.

Hon. Alphonzo Pell, House of Representatives, Washington, D.C.

Hon. T. H. Bell, Superintendent of Public Instruction, State Department of Public Instruction, Salt Lake City, Utah, 84114.

Mr. Wilmer V. Bell, Director of Adult Educ., Baltimore City Schools, Baltimore, Md.

Mr. Daniel Bell, Professor of Sociology, Columbia University, New York 27, N.Y.

Mr. Lerone Bennett, Senior Editor, Ebony Magazine, Johnson Publishing Co., Chicago, Ill.

Mr. William Benton, 342 Madison Ave, New York, N.Y.

Mr. Charles Beton, President, Encyclopaedia Britannica Films Inc., Wilmette, Ill.

Mr. Joseph H. Bertotti, General Electric Co., Crontonville, P.O. Box 151, Ossining, N.Y.

Rev. Leo N. Bieaster, Principal, Bishop Modeyitt H.S., 22nd & Market Streets, Harrisburg, Pa.

Committee

Mr. Max Birmbaum, director, Education & Training, Amer. Jewish Committee, 165 East 56th St., New York, N.Y.

Mr. Charles E. Bish, Nat. Education Assn., 1201 16th St. NW., Washington, D.C. 20036.

Mr. William Bishop, Supt. of School, Englewood, Colo.

Mr. Robert Blackburn, Dean of Faculty, Swiner College, Mount Carroll, Ill.

Dr. Leonard S. Blackman, Teachers College, Columbia University, New York, N.Y. 10027.

Mrs. Martha F. Blakeslee, Joint Graduate, Consortium, 1903 N St. NW., Washington, D.C.

Mr. L. Wayne Bledsoe, 3610 Barry Ave., Fort Smith, Ark.

Mr. Charles Blitzer, director, Division of Education, Smithsonian Institution, Washington, D.C.

Miss Kathryn Bloom, 301 G Street SW., Apt. 513, Washington, D.C. 20024.

Dr. Edward Bloustein, president, Bennington College, Bennington, Vt., 05201.

Mr. John T. Blue, 6310 Glenoak Drive, Norfolk, Va.

Mr. Lassor Blumenthal, 280 Ninth Avenue, New York, N.Y.

Mr. Samuel J. Borowsky, National Council for Jewish Education, 101 Fifth Avenue, New York, N.Y.

Mr. Forbes Bottomley, superintendent of schools, Seattle, Wash.

Hon. Albert Boutwell, Mayor, City Hall, Birmingham, Ala. 35203.

Mr. Charles R. Bowen, director of education projects, IBM Corporation, Armonk, N.Y. 10504.

Mrs. Joan Bowers, Human Relations Commission, City Bldg., Third and Walnut Streets, Evansville, Ind.

Dr. Jim Bowers, vice president, Austin College, Sherman, Tex.

Mr. Albert H. Bowker, chancellor, the City University of New York, New York, N.Y.

Dr. Frank Bowles, 477 Madison Avenue, New York 22, N.Y.

Mr. Norman J. Boyan, Stanford University, Stanford, Cal.

Hon. John Brademas, House of Representatives, Washington, D.C.

Mr. Thomas W. Braden, chairman, State Board of Education, Oceanside, Cal. 92054.

Mr. Herman Branson, physics department, Howard University, Washington, D.C.

Mr. Paul W. Briggs, superintendent of schools, Cleveland, Ohio 44114.

Mr. David Brinkley, Natl. Broadcasting Co., Washington, D.C.

Mr. Peter Broderick, Box 2003, Providence, R.I.

Dr. J. T. Brooks, Exec. Sec. Am. Teachers, Assoc., 145 Ashby Street NW., Atlanta, Ga.

Mr. J. Deton Brooks, Jr., Suite 522, 1 North Wacker Drive, Chicago, Ill. 60606.

Mr. Charles E. Brown, Supt., Newton School System, Newtonville, Mass. 02160.

Mr. Brown Frank Brown, principal, Melbourne High School, 1050 Babcock Street, Melbourne, Fla.

Hon. Edmund J. Brown, Governor of California, Sacramento, Calif.

Hon. Samuel A. Brownell, Supt. of Schools, Detroit, Mich.

Hon. Louis Bruno, superintendent of public instruction, office of the State Superintendent of Public Instruction, Olympia, Wash. 98501.

Dr. Mary I. Bunting, president, Radcliffe College, Cambridge, Mass.

Mr. Lowell A. Burkett, American Vocational Association, 1510 H St., NW., Washington, D.C.

Mr. Victor Bussie, 429 Government St., P.O. Box 50, Baton Rouge, La. 70822.

Mr. George Butler, Director of Div. of Educ. & Community Relations PCEEO, room 2209, Labor Department Bldg., Washington, D.C.

Dr. Broadus N. Butler, 1427 Hamlin Street NE., Washington, D.C.

Dr. Victor Butterfield, president, Wesleyan University, Middletown, Conn.

Dr. Alexander Calandra, Dept. of Physics, Washington University, St. Louis, Mo.

Hugh Calkins, Esq., 1750 Union Commerce Bldg., Cleveland 14, Ohio.

Mr. Allen Calvin, Ladera Professional Center, Menlo Park, Calif.

Dr. Roald Campbell, dean, Grad. Sch. of Educ., University of Chicago, Chicago, Ill.

Mr. Clifford J. Campbell, 2004 NE. Craner, Portland, Oreg.

Mr. William Cannon, Bureau of the Budget, Executive Office Bldg., Washington, D.C.

Mr. Frank Caplan, president and treasurer, Creative Playthings Inc., P.O. Box 1100, Princeton, N.J.

Hon. Hugh L. Carey, House of Representatives, Washington, D.C.

Mr. William D. Carey, Executive Assistant Director, Bureau of the Budget, Executive Office Bldg., Washington, D.C. 20503.

Mr. Ben E. Carmichael, superintendent of schools, Chattanooga, Tenn., 37409.

Mr. William G. Carr, secretary, National Education Association of the United States, 1201 16th Street NW., Washington, D.C. 20036.

Mr. Thomas V. Carr, Director, President's Commission on White House Fellows, Executive Office Building, Washington, D.C.

Mr. Douglas C. Carter, the Governors School of North Carolina, Salem College, Winston-Salem, N.C.

John P. Carter, executive secretary, Natl. Assoc. of Episcopal Schools, Airlie Foundation, Warrenton, Va.

Hon. Clifford P. Case, Senate Office Building, Washington, D.C.

Hon. Francis A. Castles, superintendent of schools, division of schools, Balboa Heights, Canal Zone.

Mr. Weston A. Cate, Box 567, Montpelier, Vt.

Hon. Douglass Cater, special assistant to the President, The White House, Washington, D.C.

Hon. Anthony J. Celebrezze, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20202.

Mr. John Chaffee, Jr., 58 Michael Road, Randolph, Mass.

Ms. Ruth Chandler, Aberdeen High School, Aberdeen, Idaho.

Sister Marie Charles, MHSH, Mission Helpers of the Sacred Heart, 2206 Kentmere Parkway, Wilmington, Del. 19806.

Dr. Henry Chauncey, Educational Testing Service, Princeton, N.J.

Hon. Joseph S. Clark, United States Senate, Washington, D.C.

Dr. Harold F. Clark, professor of economics, Trinity University, 718 Ridgepont Ave., San Antonio, Texas.

Dr. Kenneth B. Clark, professor, dept. of psychology, City College of New York, New York, N.Y.

Mr. David Clift, American Library Association, 50 East Huron Drive, Chicago, Ill. 60611.

Mr. Adam Clymer, National Press Bldg., Washington, D.C.

Mrs. Dick Coburn, P.O. Box 188, Avondale, Colorado.

Sister Josephina Cocannon, dept. of education, Boston College, Boston, Mass. 02167.

Ms. Ruth Cockerhan, 423 Canal Street, New Orleans, La.

Mr. Charles H. Cogen, President, American Federation of Teachers, 716 N. Rush Street, Chicago, Ill., 60611.

Hon. Wilbur J. Cohen, Undersecretary, Department of Health, Education, and Welfare, Washington, D.C. 20202.

Mr. Eli Cohen, National Committee on Youth Employment, 145 East 32nd Street, New York City, N.Y.

Mr. Francis J. Colligan, Bureau of Educational and Cultural Affairs, Department of State, Washington, D.C.

Hon. Leroy Collins, Under Secretary of Commerce, Department of Commerce, Washington, D.C. 20230.

Hon. William G. Colman, Executive Director, Advisory Commission on Intergovernmental Relations, Washington, D.C. 20575

Hon. James B. Conant, President Emeritus, Harvard University, A study of American Education, Princeton, New Jersey 08540

Mr. Forrest E. Conner, Executive Secretary, American Association of School Administrators, 1201 16th Street NW., Washington, D.C. 20036

Frances P. Conner, Teachers College, Columbia University, New York 27, N.Y.

Mr. Jack T. Conway, Deputy Director, Office of Economic Opportunity, 1200 19th Street NW., Washington, D.C.

Dr. Paul Cooke, Director of Programs, Model School Division, Public Schools, Washington, D.C.

Sister Corita, Chairman, Department of Art, Immaculate Heart College, Los Angeles, Calif.

Mrs. Vivian Couzzens, teacher, Bancroft Elementary School, 18th and Newton Streets NW., Washington, D.C.

Marion Cranmore, Burns Park School, 1414 Wells St., Ann Arbor, Mich.

Dr. Lawrence Cremin, 202 Junipero Sorra Blvd., Stanford, Calif.

Hon. Emilio Q. Daddario, U.S. House of Representatives, Washington, D.C.

John T. Dailey, George Washington University School of Education, Washington, D.C. 20006

Mr. Charles U. Daly, Vice President, University of Chicago, Chicago, Ill. 60637

Mrs. Louise M. Dargans, House Education and Labor Committee, House of Representatives, Washington, D.C.

Dr. David D. Darland, 341 D. St. SW., Washington, D.C.

Mr. Frederick Dashiell, 602 S. View Terrace, Alexandria, Va.

Mr. Don Davies, Executive Secretary, National Committee on Teacher Education and Professional Standards, 1201 16th St. NW., Washington, D.C.

Dr. Howard A. Dawson, 5628 Massachusetts Ave., Washington, D.C.

Sister Raymond DeJesus, FSE, Diocesean Sisters College, 72 Church St., Putnam, Conn. 06260.

Hon. Leornard J. DeLavo, Superintendent of Public Instruction, State Department of Education, Santa Fe, N. Mex. 87501.

Dr. Edward L. DeJnozka, Department of Education, Charlotte Amalie, St. Thomas, U.S. Virgin Islands 00802.

Dr. C. L. Dennard, Principal, Carver Vocational High School, Atlanta, Ga.

Dr. Lawrence Derthick, 5470 Sanger Ave., Alexandria, Va.

Mr. Philip H. Des Marais, Acting Assistant Secretary for Legislation, Department of Health, Education, and Welfare, Washington, D.C. 20201.

Dr. Harold C. Deutsch, head, Department of History, University of Minnesota, Minneapolis, Minn.

Mr. Martin Deutsch, Department of Psychiatry, New York Medical College, 23 E. 105th St.

* * * * *

Mr. John Doar, assistant attorney general of the United States, Civil Rights Division, Washington, D.C. 20930.

Mr. Frederick J. Dockstader, Director, Museum of American Indian, Broadway at 155th St., New York City, N. Y.

Hon. William J. Dodd, Superintendent of Public Education, State Department of Education, Baton Rogue, La., 70804.

Mrs. W. H. Dodge, 3363 Maple Drive, Ypsilanti, Mich.

Dr. Marion Donaldson, Supt., Amphitheater School District, Phoenix, Arizona.

Mr. John D. Donognue, 40 Mavden Parkway, South Burlington, Vt

Mr. Hedley Donovan, Editor-in-Chief, Time Inc., Time & Life Bldg., 20 Rockefeller Ctr., New York, N. Y.

Dr. Adron Doran, Pres., Morehead State College, Morehead, Kentucky.

Mr. Albert Dorne, 680 Fifth Ave., New York, N. Y.

Hon. William J. Driver, Administrator of Veterans Affairs, Veterans Admin. Bldg., Washington, D.C., 20420.

Dr. Lee A. Dubridge, Pres., California Institute of Technology, Pasadena, Cal.

Mr. C. J. Duckworth, President, American Teachers Association, 145 Ashby Street NW., Atlanta, Ga.

Hon. Robert D. Duncan, House of Representatives, Washington, D.C.

Mr. Sam Duncan, President, Livingston College, Salisbury, N.C.

Mr. Donald W. Dunnan, Supt. of Schools, St. Paul, Minn.

Mrs. Louise Echols, Gainesville High School, Gainesville, Florida.

Mr. James R. Echols, Cultural Affairs Adviser, United States Information Agency, Washington, D.C.

L. L. Ecker-Racz, Advisory Commission on Intergovernmental Relations, 1701 Penn. Ave., Washington, D.C. 20575.

Hon. J. W. Edgar, Commissioner of Education, Texas Education Agency, Austin, Tex. 76711.

Dr. Alfred C. Edwards, President, Holt, Rhinehart and Winston, Inc., 383 Madison Avenue, New York, N.Y.

Mr. John H. Eklund, 1012 14th St. NW., Suite 1206, Washington, D.C.

Hon. Buford Ellington, Director, Office of Emergency Planning, Executive Office Bldg. Annex, Washington, D.C. 20504.

Mr. Ralph Ellison, 730 Riverside Drive, New York 31, N.Y.

Sister Mary Elsa, OSF, 620 Michigan Ave. N.E., Washington, D.C. 20017.

Dr. Willard S. Elsbree, Teachers College, Columbia University, New York, N.Y.

Dr. Harold Enarson, Academic V. P., Univ. of New Mexico, Albuquerque, New Mexico.

Hon. D. F. Engelking, Superintendent of Public Instruction, State Department of Education, Boise, Idaho 83702.

Mr. Benjamin R. Epstein, Anti-defamation League, 315 Lexington Avenue, New York, N.Y. 10016.

Mr. Samuel B. Ethridge, Commission on Professional Rights and Responsibilities, 1201 16th Street NW., Washington, D.C.

Dr. Alvin C. Eurich, President, Aspen Institute, Aspen, Colo.

Brother Leonard Fabian, FSC, St. Joseph H.S., 1840. Mayfair Ave., Westchester, Ill. 61370.

Mr. J. Crockett Farnell, Supt., Hillsborough Co. Schls., P.O. Box 3408, Tampa, Fla.

* * * * *

Mr. Warren T. Farrell, 61 Lindbergh Parkway, Waldwick, N.J.

Dr. Wilda Faust, 1201 16th St., Washington, D.C.

Dr. David Fellman, Pres. American Assn. of University Professors, Dept. of Political Science, Univ. of Wisconsin, Madison, Wisc.

Dr. Fred Feltman, 41 Stonegate Road, Portola Valley Calif.

Mr. John J. Ferdian Jr., Boonsboro High School, Boonsboro, Md.

Miss Barbara Finberg, Carnegia Corporation, 509 Fifth Ave., New York, N.Y., 10017.

Dr. James Finn, Director, Instructional Technology & Media, Project, Univ. of So. Calif., Los Angeles, Calif.

Dr. John N. Fischer, President, Teachers College, Columbia University, New York, N.Y.

Mr. Joel Fleishman, Assistant to the President, Yale University, New Haven, Conn.

Mr. Ralph C. N. Flynt, 2201 Woodmont Rd., Belle Haven, Alexandria, Va. 22307.

Hon. Marion S. Folson, 106 Oak Lane, Rochester, N.Y.

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Mr. Whitney Young, Executive Secretary, National Urban League, New York, N.Y.

Dr. Jerrold Zacharias, 32 Clifton Street, Belmont, Mass.

Mr. HELMS. Mr. President, I reserve the remainder of my time.

Mr. PELL. Mr. President, I think the Senator's amendment, No. 1295, includes an important segment of our educational community, the nonpublic sector, in the deliberations of the White House Conference on Education. However, I would note that the amendment, as it is now drafted would require proportional representation of nonpublic educators. This kind of earmarking is something that the committee attempted to avoid, since if you mandate one group's participation, you must mandate all.

Would the Senator agree to modify his amendment to avoid such earmarking? If he would do so, I would support his amendment.

Mr. HELMS. I thank the distinguished Senator for his suggestion and I send to the desk a modification.

Mr. PELL. Mr. President, I ask unanimous consent that it be considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask that the modified amendment be stated.

The PRESIDING OFFICER. The amendment will be stated as modified.

The assistant legislative clerk read as follows:

On page 126, lines 6 and 7, strike the phrase 'broadly represented group of citizens', and insert the following: 'from a group of citizens broadly representative of all aspects of education, between public and nonpublic.'

On page 127, between lines 16 and 17, insert the following:

"(I) The contribution of nonpublic primary and secondary education in profor pupils and a variety of options for parents in guiding their children's development.".

Mr. JAVITS. Mr. President, will the Senator yield to me on the time in opposition?

Mr. PELL. I yield.

Mr. JAVITS. I am agreeable to this amendment. Certainly, I want to see the nonpublic elements of education considered. However, I cannot refrain from spreading on the record one thing that does trouble me, so that it may appear on the record and that we are not heedless of it, and that is that there have been many charges over the years that there were created nonpublic education facilities in various jurisdictions which were created simply for the purpose of avoiding the desegregation decisions of the U.S. Supreme Court. They were called "academies" or by other fancy names. I would like it very clear as a matter of legislative record that when we speak of nonpublic school participants, we are speaking of those which are lawful under the courts and the laws of the United States, and not those in some twilight zone or subject to some litigation. That can be left in the good judgment of the people who will be organizing the conference, but I thought it needed to be said because of the practical situation we have found to exist from time to time.

I have no objection to the adoption of the amendment, but I did wish to put that caveat in the RECORD.

Mr. HELMS. I am willing to yield back my time.

Mr. PELL. I yield back our time.

Mr. DOMINICK. Mr. President, will the Senator from North Carolina yield to me first?

Mr. HELMS. I am delighted to yield to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I merely wish to say that I had the honor of having as a roommate for 4 years the head of the Independent School Association. I am sure he would be most appreciative of this amendment as it has been revised in order to get the input for this group of very skilled educators on the conference.

I congratulate the Senator from North Carolina.

Mr. HELMS. I thank the Senator from Colorado.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HELMS. I yield back the remainder of my time.

Mr. PELL. I yield back the remainder of my time.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Mr. President, the Senator from North Carolina (Mr. HELMS) has three amendments. I would not want to see him give up his time unwittingly. Would the Parliamentarian rule?

The PRESIDING OFFICER. The Senator will be given his time.

The question is on agreeing to the amendment.

The amendment was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, will the Senator from North Carolina yield to me briefly?

Mr. HELMS. I am delighted to yield.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination reported unanimously earlier today by the Committee on the Judiciary.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of Robert E. Hauberg, of Mississippi, to be U.S. attorney for the southern district of Mississippi.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

DEPARTMENT OF STATE AND U.S. INFORMATION AGENCY AUTHORIZATIONS

Mr. MANSFIELD. Mr. President, out of order I ask unanimous consent that the Senate turn to the consideration of Calendar No. 804, S. 3473.

The PRESIDING OFFICER. The bill will be stated by title.

The bill was read by title, as follows:

A bill (S. 3473) to authorize appropriations for the Department of State and the U.S. Information Agency, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 3473

A bill to authorize appropriations for the Department of State and the United States Information Agency, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State Department/USIA Authorization Act, Fiscal Year 1975".

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 2. (a) There are authorized to be appropriated for the Department of State for fiscal year 1975, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for the "Administration of Foreign Affairs", $370,045,000;

(2) for "International Organizations and Conferences", $229,604,000;

(3) for "International Commissions", $17,832,000;

(4) for "Educational Exchange", $65,014,000; and

(5) for "Migration and Refugee Assistance," $9,420,000.

(b) There are authorized to be appropriated for the United States Information Agency for fiscal year 1975, to carry out international informational activities and programs under the United States Information and Educational Exchange Act of 1948, the Mutual Education and Cultural Exchange Act of 1941, and Reorganization Plan Numbered 8 of 1953, and other purposes authorized by law, the following amounts:

(1) for "Salaries and Expenses" and "Salaries and Expenses (special foreign currency program)", $226,839,000, except that so much of such amount as may be appropriated for "Salaries and Expenses (special foreign currency program)" may be appropriated without fiscal year limitation;

(2) for "Special International Exhibitions", $6,770,000; and

(3) for "Acquisition and Construction of Radio Facilities", $4,400,000.

(c) In addition to amounts otherwise authorized, there are authorized to be appropriated to the Secretary of State for the fiscal year 1975 not to exceed $50,000,000 to carry out the provisions of section 101(b) of the Foreign Relations Authorization Act of 1972, relating to Soviet refugee assistance.

(d) In addition to amounts authorized in subsections (a) and (b) of this section, there are authorized to be appropriated for fiscal year 1975 for the Department of State and for the United States Information Agency such additional amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law which arise subsequent to the date of enactment of this Act.

(e) Amounts appropriated under subsection (a) and clauses (2) and (3) of subsection (b) of this section are authorized to remain available until expended.

TRANSFER OF FUNDS

SEC. 3. (a) Whenever the President determines it to be necessary, funds made available under any clause of subsection (a) or (b) of section 2 may be transferred to, and consolidated with, the funds made available under any other such clause, and may be used for any of the purposes for which funds to which the transfer was made may be used. However, the funds made available under any such clause shall not be decreased by a total of more than 5 percent, and no such clause shall be increased by a total of more than 5 percent, as the result of transfer made under this subsection.

(b) The President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate not less than fifteen days before he intends to transfer and consolidate any funds under subsection (a) of this section, a report setting forth that clause of subsections (a) or (b) of section 2 under which the funds are made available and from which the transfer is to be made, the amount intended to be transferred, a full explanation of how each such amount is to be expended, and the reasons why he deems each such transfer necessary.

REPEAL OF THE FORMOSA RESOLUTION

SEC. 4. The joint resolution entitled "Joint resolution authorizing the President to employ the Armed Forces of the United States for protecting the security of Formosa, the Pescadores and related possessions and territories of that area", approved January 29, 1955 (69 Stat. 7; Public Law 84–4), and known as the Formosa Resolution, is repealed.

PUBLICATION OF POLITICAL CONTRIBUTIONS OF CERTAIN NOMINEES

SEC. 5. (a) Section 6 of the Department of State Appropriations Authorization Act of 1973 is amended by inserting after the first sentence the following new sentence: "The Chairman of the Committee on Foreign Relations of the Senate shall have printed in the Congressional Record each such report."

(b) The amendment made by subsection (a) of this section shall only apply with respect to reports filed on and after the date of enactment of this Act.

TRAVEL EXPENSES OF STUDENT-DEPENDENTS OF GOVERNMENT EMPLOYEES

SEC. 6. Section 5924(4)(B) of title 5, United States Code, is amended by inserting in the first sentence, after the words "not to exceed one", the word "annual".

ASSIGNMENT OF FOREIGN SERVICE OFFICERS TO PUBLIC ORGANIZATIONS

SEC. 7. (a) Part II of title V of the Foreign Service Act of 1946 is amended by adding after section 575 thereof the following new section:

"ASSIGNMENTS TO PUBLIC ORGANIZATIONS

"SEC. 576. (a) Except as otherwise provided in subsection (c) of this section, each Foreign Service officer shall, between his eighth and fifteenth years of service as such an officer, be assigned in the continental United States for significant duty with State or local government, public schools, community colleges, or other public organizations designated by the Secretary. Such assignment shall be for a period of not less than twenty-two consecutive months or more than twenty-six consecutive months. The Foreign Service officer shall be entitled to state a preference with respect to the type of public organization to which he would like to be assigned but may not state a preference with respect to the geographical location to which he would like to be assigned.

"(b) A Foreign Service officer on assignment under this section shall be deemed to be on detail to a regular work assignment in the Service, and the officer remains an employee of the Department while so assigned. However, any period of time an officer assigned under this section shall not be included as part of any period that the officer has remained in a class for purposes of determining whether he is to be selected out under section 633 of this Act, or regulations promulgated pursuant thereto. The salary of the officer shall be paid from appropriations made available for the payment of salaries of officers and employees of the Service.

"(c) The Secretary may exempt a Foreign Service officer from assignment under this section if the Secretary determines in writing, the reasons, that it is in the interest of the United States not to so assign that officer. Such determination, including the reasons, shall be promptly transmitted to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives.

"(d) Any period of time that a Foreign Service officer serves on an assignment under this section shall also be considered as a period of time that the officer was assigned for duty in the continental United States for purposes of section 572 of this Act.

"(e) For the purpose of this section—

"(1) 'State' means—

"(A) a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States; and

"(B) an instrumentality or authority of a State or States as defined in subparagraph (A) of this paragraph (1) and a Federal-State authority or instrumentality; and

"(2) 'local government' means—

"(A) any political subdivision, instrumentality, or authority of a State or States as defined in subparagraph (A) of paragraph (1); and

"(B) any general or special purpose agency of such a political subdivision, instrumentality, or authority."

(b) The amendment made by subsection (a) of this section shall apply only to a Foreign Service officer who completes his eighth year of service as such an officer on or after the date of enactment of this Act.

AUTHORITY AND RESPONSIBILITY OF AMBASSADORS

SEC. 8. The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended, is further amended by adding at the end thereof the following new section:

"SEC. 16. (a) The United States Ambassador to a foreign country shall have full responsibility under the President for the direction, coordination, and supervision of all United States Government officers and employees in that country, except for personnel under the command of a United States area military commander.

"(b) The Ambassador shall keep himself fully and currently informed with respect to all activitists and operations of the United States Government within that country. He shall insure that all Government officers and employees in that country, except for personnel under the command of a United States area military commander, comply fully with his directives.

"(c) Any department or agency having officers or employees in a country shall keep the United States Ambassador to that country fully and currently informed with respect to all activities and operations of its officers and employees in that country. The department or agency shall also insure that all of its officers and employees, except for personnel under the command of a United States area military commander, comply fully with all applicable directives of the Ambassador."

REORGANIZATION OF FOREIGN AFFAIRS LEGISLATION

SEC. 9. (a) The Act of August 1, 1956, as amended by section 8 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 17. Proposed legislation by the executive branch requesting authorizations of appropriations relating to foreign affairs (other than proposed legislation requesting authorizations for emergency, supplemental, or deficiency appropriations) shall be submitted for the ensuing fiscal year and shall be submitted as—

"(1) a proposed bill or joint resolution authorizing appropriations for the conduct of foreign affairs, which shall include separate ennumerations of requested authorizations for—

"(A) the administration of foreign affairs, including separate enumerations for the administration of foreign affairs by the Department of State, the Arms Control and Disarmament Agency, and Foreign Service buildings;

"(B) international organizations, conferences, and commissions;

"(C) information and cultural exchanges, including separate enumerations of authorizations for the United States Information Agency, educational exchanges, and the Board for International Broadcasting; and

"(D) any other program or activity with respect to foreign affairs which is not a program or activity providing foreign economic or military assistance, and is made available or is to be made available under a law within the jurisdiction of the Committee on Foreign Relations and the Committee on Foreign Affairs;

"(2) a proposed bill or joint resolution authorizing appropriations for foreign economic assistance, which shall include separate enumerations of requested authorizations for—

"(A) each program and activity involving bilateral assistance;

"(B) each program and activity involving multilateral assistance;

"(C) the Peace Corps;

"(D) migration and refugee assistance; and

"(E) any other program or activity providing foreign economic assistance, and is made available or is to be made available under such a law; and

"(3) a proposed bill or joint resolution authorizing appropriations for foreign military assistance, which shall include separate enumerations of requested authorizations for—

"(A) military loan and grant assistance;

"(B) military credit sales and guaranties;

"(C) security supporting assistance; and

"(D) any other program or activity providing foreign military assistance, and is made available or is to be made available under such a law."

(b) The amendment made by subsection (a) of this section applies with respect to fiscal year 1976 and each fiscal year thereafter.

MILITARY BASE AGREEMENTS

SEC. 10. The Act of August 1, 1956, as amended by sections 8 and 9 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 18. (a) No funds may be obligated or expended under any provision of law to carry out any agreement entered into, on or after the date of enactment of this section, between the United States Government and the government of any foreign country (1) providing for the establishment of a major military installation at which units of the Armed Forces of the United States are to be assigned to duty, (2) renewing, or extending the duration of, any such agreement, or (3) making changes which significantly alter the terms of such agreement, unless the Congress approves that agreement by law, or, if a treaty, the Senate advises and consents to that treaty.

"(b) For purposes of this section, 'a major military installation' means an installation with an assigned, authorized, or detailed personnel strength in excess of five hundred."

DIEGO GARCIA AGREEMENT

SEC. 11. The Act of August 1, 1956, as amended by sections 8, 9, and 10 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 19. Commencing thirty days after the date of enactment of this section, no steps shall be taken to implement any agreement signed on or after January 1, 1974, by the United States and the United Kingdom, relating to the establishment or maintenance by the United States of any military base on Diego Garcia, until the agreement is submitted to the Congress and approved by law."

INTERNATIONAL MATERIALS BUREAU

SEC. 12. (a) The Act entitled "An Act to strengthen and improve the organization and administration of the Department of State, and for other purposes", approved May 26, 1949, as amended, is further amended by adding at the end thereof the following new section:

"SEC. 6. (a) There is established within the Department of State an International Materials Bureau, to be headed by a Director. The Director shall be appointed by the Secretary of State.

"(b) The Bureau shall be responsible for continuously reviewing (1) the supply, demand, and price, throughout the world, of basic raw and processed materials (including agricultural commodities), and (2) the effect of United States Government programs and policies (including tax policy) in creating or alleviating, or assisting in creating or alleviating, shortages of such materials. In conducting such review, the Bureau shall obtain information with respect to—

"(A) the supply, demand, and price of each such material in each major importing, exporting, and producing country and region of the world in order to understand long-term and short-term trends in the supply, demand, and price of such materials;

"(B) projected imports and exports of such materials on a country-by-country basis;

"(C) unusual patterns or changes in connection with the purchase or sale of such materials;

"(D) a list of such materials in short supply and an estimate of the amount of shortage;

"(E) international geological, geophysical, and political conditions which may affect the supply of such materials; and

"(F) other matters that the Bureau considers appropriate in carrying out this section.

"(c) In conducting its review, the Bureau shall utilize the most advanced technology available, such as the Earth Resources Conservation System.

"(d) Not later than fifteen days after the end of each month, the Bureau shall submit a report to the President and the Congress, with separate copies to the Committee on Foreign Relations of the Senate and the Office of Technology Assessment, for such month with respect to the matters reviewed by it in accordance with subsection (b).

"(e) Not later than sixty days after the end of each year, the Bureau shall submit a report to the President and the Congress, with separate copies to the Committee on Foreign Relations of the Senate and the Office of Technology Assessment, on its activities for such year. Such report shall also include projections regarding the supply, demand, and price of each such material for the five years following such year, based upon the information obtained by the Bureau in making its review under subsection (b), and such recommendations as the Bureau considers appropriate, including recommended changes in the policies and programs of the United States Government or international, foreign, and domestic entities which changes would tend to increase the supply of, or decrease the demand for, or the price of, such materials.

"(f)(1) The Secretary shall appoint an Advisory Committee of fifteen eminent members to advise the Director with respect to the functions of the Bureau under this section. The Committee shall select its own Chairman and Vice Chairman.

"(2) Each member of the Committee who is appointed from private life shall receive $125 per diem (including traveltime) for each day he is engaged in the actual performance of his duties as a member of the Committee. A member of the Committee who is in the legislative, executive, or judicial branch of the United States Government shall serve without additional compensation. All members of the Committee shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

"(3) The Director shall provide such information, staff, and administrative assistance as may be necessary for the Committee to carry out its duties."

(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

"(98) Director, International Materials Bureau, Department of State."

ANNUAL UNITED STATES INFORMATION AGENCY REPORTS TO CONGRESS

SEC. 13. Section 1003 of the United States Information and Educational Exchange Act of 1948 is amended to read as follows:

"SEC. 1008. The Secretary shall submit to the Congress annual reports of expenditures made and activities carried on under authority of this Act, including appraisals and measurements, where feasible, as to the effectiveness of the several programs in each country where conducted."

REVIEW OF POLICY TOWARD CUBA

SEC. 14. It is the sense of the Congress that the time has come for the President and the Congress to review United States policy toward Cuba and to develop and formulate a new policy respecting Cuba to include—

(1) recognition of the traditional friendship of the people of the United States and the people of Cuba;

(2) the security of the Americas;

(3) the work of the Organization of American States; and

(4) the aspirations of the peoples of the Americas respecting self-determination and individual human rights.

FUTURE OF UNITED STATES ASSISTANCE TO SOUTH VIETNAM

SEC. 15. (a) It is the sense of the Congress that it has the right to determine ultimately the financial commitments of the United States and to determine periodically whether such commitments are in the national interest.

(b) The Secretary of State is directed to submit to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives, within one hundred and twenty days of the enactment of this Act, a detailed plan for future United States economic and military assistance to the Government of South Vietnam, including a specific timetable for the phased reduction of such assistance to the point when the United States will cease to be the principal source of funds and material for South Vietnam's self-defense and economic viability.

REDUCTION OF CERTAIN PERSONNEL ASSIGNED ABROAD

SEC. 16. (a) The total number of personnel of the executive branch of the United States Government (other than personnel of the Department of State, the United States Information Agency, the Central Intelligence Agency, and the Department of Defense, and volunteers carrying out the Peace Corps Act) who were present in foreign countries on January 1, 1974, and who were citizens or nationals of the United States, shall be reduced by 2 percent by June 30, 1975.

(b) The total number of personnel of the Department of Defense assigned or detailed to military attaché activities or to military assistance advisory groups or military aid missions, who were present in foreign countries on January 1, 1974, and who were citizens or nationals of the United States, shall be reduced by 10 percent by June 30, 1975.

PRIOR AUTHORIZATION REQUIRED

SEC. 17. Subsection (a) of section 15 of the Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, is amended to read as follows:

"(a)(1) Notwithstanding any provision of law enacted before the date of enactment of the State Department/USIA Authorization Act, Fiscal Year 1975, no money appropriated to the Department of State under any law shall be available for obligation or expenditure with respect to any fiscal year commencing on or after July 1, 1972—

"(A) unless the appropriation thereof has been authorized by law enacted on or after February 7, 1972; or

"(B) in excess of an amount prescribed by law enacted on or after such date.

"(2) To the extent that legislation enacted after the making of an appropriation to the Department of State authorizes the obligation or expenditure thereof, the limitation contained in paragraph (1) shall have no effect.

"(3) The provisions of this section—

"(A) shall not be superseded except by a provision of law enacted after February 7, 1972, which specifically repeals, modifies, or supersedes the provisions of this section; and

"(B) shall not apply to, or affect in any manner, permanent appropriations, trust funds, and other similar accounts administered by the Department as authorized by law."

LIMITATION ON PAYMENTS

SEC. 18. There are authorized to be appropriated funds for payment prior to January 1, 1975, of United States expenses of membership in the United Nations Educational, Scientific, and Cultural Organization, the International Civil Aviation Organization, and the World Health Organization notwithstanding that such payments are in excess of 25 percent of the total annual assessment of such organizations.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HUGH SCOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VISIT TO THE SENATE BY U.S.S.R. SUPREME SOVIET DELEGATION

Mr. HUGH SCOTT. Mr. President, we are particularly honored today to have with us a very distinguished high level delegation from the Supreme Soviet of the U.S.S.R. The delegation is headed by Mr. B. N. Ponomarev. Mr. Ponomarev is the alternate member of the Politburo of the Central Committee of the CPSU, chairman, Committee on Foreign Relations, Soviet of Nationalities, Supreme Soviet of the U.S.S.R.

Accompanying him are V. M. Kovun, member of the Presidium of the Supreme Soviet of the U.S.S.R., chairman, executive committee, Vinnitsa Regional Soviet of People's Deputees; Mrs. Z. P. Pukhova, member of the Presidium of the Supreme Soviet of the U.S.S.R., manager textile factory, city of Ivanovo; Mr. G. A. Zhukov, who is known to many Americans through his great career in journalism; and he is also a member of the Committee on Foreign Relations, Soviet of Nationalities, Supreme Soviet of the U.S.S.R. member of the Committee of the U.S.S.R. Parliamentary Group, political observer of the newspaper "Pravada;" Mr. L. M. Zamyatin, member of the Committee on Legislative Initiatives, Soviet of Nationalities, Supreme Soviet of the U.S.S.R. director general of TASS—telegraph Agency of the Soviet Union; Mr. B. I. Stukalin, member of the Supreme Soviet of the U.S.S.R. chairman, State Committee of the U.S.S.R. Council of Ministers on Publishing, Poligraphic Industry and Book Sales; Mr. L. N. Tolkunov, member of the Committee on Foreign Relations, Soviet of Nationalities, Supreme Soviet of the USSR, vice chairman, Parliamentary Group of the U.S.S.R. editor-in-chief of the newspaper "Izvestia." Mr. A. B. Chakovsky, member of the Committee on Foreign Relations, Soviet of Nationalities, Supreme Soviet of the U.S.S.R. editor-in-chief of the newspaper "Literary Gazette"; and accompanying them and present elsewhere than on the floor are very prominent members of the staff, including the members of the All-Union Trade-Industrial Chamber, and of the Department of International Relations, and the Soviet Committees on the UNESCO, the Academy of Science, the Institute of World Economy and International Relations, interpreters, administrators, correspondents, senior fellows of Soviet organizations.

Mr. President, we are indeed greatly honored by the presence of this delegation, and the members of the Committee on Foreign Relations of the Senate have had a very interesting discussion today, which will be followed by a luncheon and other activities during the stay of our friends and colleagues of the Soviet Union.

RECESS

I therefore ask unanimous consent that the Senate stand in recess for 5 minutes so that Senators may have an opportunity to make the acquaintance of our parliamentary colleagues.

There being no objection, at 12:33 p.m. the Senate took a recess until 12:38 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. NUNN).

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 775) to amend the Public Health Service Act to provide for the establishment of a National Institute on Aging.

The President pro tempore subsequently signed the enrolled bill.

EDUCATION AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 1539) to amend and extend certain acts, relating to elementary and secondary education programs and for other purposes.

ORDER OF BUSINESS

Mr. WEICKER. I ask unanimous consent that the yeas and nays may be ordered on my amendment No. 1342 to S. 1539.

The PRESIDING OFFICER. Is there objection to asking for the yeas and nays?

Without objection, it is so ordered.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, in compliance with the promise made to the distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT), I ask unanimous consent that the yeas and nays on his amendment may be ordered.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Is there a sufficient second?

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, if the Senator will yield to me, as I shall probably move to table that amendment, does the Senator want the yeas and nays ordered on that motion now?

Mr. MANSFIELD. Yes, indeed.

Mr. JAVITS. Mr. President, I ask unanimous consent that the yeas and nays may be ordered on a motion to table the Scott amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Is there a sufficient second?

The yeas and nays were ordered.

Mr. HELMS obtained the floor.

Mr. WEICKER. Mr. President, will the Senator yield?

Mr. HELMS. Mr. President, I yield to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I ask unanimous consent that during the debate on my amendment No. 1342, Jeff Baker, Bob Dotchin, A. Searle Field, and Tim Keeney of my staff be permitted access to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. I thank the Senator from North Carolina.

Mr. HELMS. Mr. President, I call up my amendment No. 1292 and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read the amendment, as follows:

> Beginning on page 258, line 20, strike out all through page 261, line 3.

Mr. HELMS. Mr. President, this amendment simply strikes section 404 in its entirety, which purports to provide education for the use of the metric system of measurement. Section 404 authorizes a total of $30 million over 3 years to encourage educational agencies and institutions to prepare students to use the metric system of measurement with ease and facility.

I call attention to an item in the New York Times headed "House Again Bars U.S. Metric System." This article appeared in the May 7 edition of that newspaper, and I ask unanimous consent that it be printed in full at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. Mr. President, as Members of this body are no doubt aware, the future of the use of the metric system in the United States remains as cloudy as ever. For 100 years people have been saying that a changeover to metric was inevitable, and for 100 years nothing has happened. The only thing that has happened recently is that the House of Representatives resoundingly rejected the metric conversion bill on May 7 by a vote of 240 to 153. So it is clear that we will not have even a so-called "voluntary" conversion, as that bill proposed. Section 404 is therefore superfluous.

I also find it ironic that one of the principal objections in the House to the metric conversion bill was that the enormous cost of conversion was put right on the back of the American consumer and workingman. At the very least these costs could be several billion dollars, but estimates put forward in the House went as high as $100 billion. These costs were put on the back of the poor man, because no one could figure out an equitable way to compensate those who must buy new tools, new machines, new signs and labels, as well as carry the cost of double inventories during the changeover period. I agree that there is no equitable way to compensate for these costs, but my conclusion is that this inequity is a sound reason to avoid unnecessary changeover.

Nevertheless, here we have a thumping defeat for metric in the House because there is no equitable way to compensate ordinary people for the costs incurred; yet here, tucked into the education bill, we find $30 million authorized over 3 years to compensate the educational establishment for the cost of thinking up ways of teaching the transition.

With all of the increasing amounts of Federal money that has been pumped into American education over the years, one would think that American education would be greatly resilient, alert to change, and creative in thinking up new techniques without any more prodding from the Federal purse. Yet this bill is asking us to single out educators as the only class that needs compensation to changeover to metric. We cannot give the blue collar worker compensation, but somehow we must compensate the educational bureaucracy. Private enterprise is supposed to adapt to the new system and absorb all the costs and headaches, but the educational system supposedly needs a handout to do the same.

In my opinion, we would be far more likely to come up with a workable metric conversion program in education if each State simply experimented on its own, according to the needs of the locality. Indeed, California and Maryland have already announced that they intend to begin teaching the metric system without any pump-priming from Washington. Why should we reward the sluggards who lack the initiative to work out programs without help?

The congressional "findings" proposed in S. 1539 state, on the one hand, that "increased use of such metric system in the United States is inevitable, and such a metric system will become the dominant system of weights and measures in the United States," while, on the other hand, the $30 million program is said to be necessary "if the American people are to adapt to the use of the metric system of weights and measures." On the one hand it is inevitable, but on the other hand, the American people must be pushed.

Frankly, I think that the thing to do is to let nature take its course. Where the metric system is useful and economic, it will be adopted. Where our traditional systems are satisfactory and changeover is difficult, they will be restrained. I do not see why Americans need a $30 million program to make them "adapt." Any good mechanic can use the metric system right now, even without this program. Any teenager who ever stripped a used Volkswagen and put it back together doubtless needs no special educational program either. It is only the educators who are so ponderous that they need $30 million worth of programs to tell us how to think.

Under these circumstances, I can see section 404 only as a frivolous proposal. The House bill has no such provision, and I think it should be stricken from our version.

Mr. President, the distinguished manager of the bill and I have a disagreement about this amendment; he understands his side of it and I understand my side of it. I withhold the remainder of my time awaiting discussion of it.

Exhibit 1

House Again Bars U.S. Metric System

(By Richard D. Lyons)

Washington, May 7.—The House of Representatives rejected today an attempt to pull the American system of weights and measures up into the 19th century by again defeating legislation to adopt the metric system—a bill stalled in Congress for over 100 years.

Failure to pass the metric conversion bill, by a vote of 240 to 153, came only a day before the Department of Agriculture is to start using the global standard of measurement in its regular crop reports.

Many Federal agencies, ranging from the Defense Department to the Department of Health, Education and Welfare, already employ the metric system as a standard of measurement for science, medicine and technology.

Several Representatives familiar with the behind-the-scenes maneuvering over the bill said it had failed to pass because of legitimate concerns over the national cost of conversion, and intense lobbying by "an obscure coalition," as one put it, of small business and labor groups to gain Federal loans and grants for companies and workers that would have cost the Treasury billions of dollars.

Foremost among the critics of the bill, as he has been for over a decade, was representative H. R. Gross, Republican of Iowa, who at first stated, and then began shouting his objections that adoption would cost "$60-billion to $100-billion."

Referring to a study by the Commerce Department endorsing adoption despite a conversion cost of several billion dollars, Mr. Gross said the "document is a blueprint of how to deceive the American people and Congress."

A QUICK QUERY

At one point, Mr. Gross demanded that Representative John W. Davis, the Georgia Democrat who at that moment was speaking in favor of the bill, "converted two inches into metric, quicklike."

Mr. Davis, replied, "about 50 millimeters," thought about it a moment, then said he was wrong—he was actually right—to roars of laughter from both proponents and opponents.

Representative John B. Anderson, Republican of Illinois, got another round of guffaws when he said failure to pass the measure would place the United States with "Trinidad, South Yemen and Tobago," as countries that have not converted to the metric system.

The bill's wording said it would "declare a national policy of converting to the metric system in the United States, and to establish a national metric conversion board to coordinate the voluntary conversion to the metric system over a period of 10 years."

The bill's floor manager, Representative Olin E. Teague, Democrat of Texas, stressed that "there wasn't a dime in the bill," except for the board's expenses, which have been estimated to cost $14-million during the first five years.

VOLUNTARY MEASURE

Mr. Teague emphasized that "this bill is completely voluntary," meaning that strictly speaking, no one would be forced to do anything. The theory has been that once conversion started on a voluntary basis, competitive forces would almost demand that private companies fall into line and convert from the foot-pound-gallon system, as some already have.

Briefly, the metric system would substitute liters for quarts, kilograms for pounds, kilometers for miles, milimeters for inches, meters for yards, hectares for acres, and quintals for bushels as has been done in virtually every industrialized nation. There are, for instance, 39.37 inches in a meter.

But the bill's critics, primarily Representative Spark M. Matsunaga, Democrat of Hawaii, demanded amendments allowing Federal reimbursement for workers who would be retrained in the use of the metric system, and even payment for new tools with metric measurements.

"Boondoggle," yelled representative Robert McClory, Republican of Illinois. He insisted that such payments would mean "Federal handouts for everything" and that the best policy for conversion would be "let the costs fall where they lie."

Again Mr. Gross demanded an answer to the question of who would pay for conversion.

Representative Stanford E. Parris, Republican of Virginia, replied that "the people who are going to pay are the people who ultimately pay, the consumers."

Mr. Anderson, Representative Barry Goldwater Jr., Republican of California, and Representative James W. Symington, Democrat of Missouri, then rose to defend the bill stating that American businesses, and ultimately American workers, would be hurt by foreign competition if the nation did not convert.

Many of those voting against the bill did so because it was called to the House floor under a procedure that barred amendments, and they wanted the reimbursement amendments.

In 1821 the then Secretary of State John Quincy Adams suggested to Congress the adoption of "the new French system of weight and measure." Congress legalized use of the metric system in 1866 and adopted a three-year study of conversion. But in 1869 moves to convert were installed, as they have been scores of times since then.

Mr. PELL. Mr. President, as the Senator from North Carolina has pointed out, we have talked about this amendment and we do disagree. We have to agree to disagree.

The basic bill that would move us into the metric system was introduced by me about 10 years ago. It has been moving along fairly slowly, although the Senate did pass it in the previous Congress. My own view is that it will increase our exports and increase our balance of payments, and that it is to our advantage to be on the metric system.

We had a 3-year study made by the Department of Commerce and the conclusion it came to, in a comprehensive eight- or nine-volume report, was very much along the same lines.

The automobile industry, Henry Ford particularly, have come to the conclusion that by going to the metric system they will be able to meet the competition from abroad and invade the foreign markets. As of now the only countries that enjoy with us the old-fashioned English system are a few countries in Africa and Trinidad, Tabago, Yemen. The British had the good sense to leave their so-called English system a few years ago. I have conferred with the chairman of their Education Committee, who is a relative of mine, who told me that their claims were relatively mild, their costs have been very mild, and their industrial health is prospering every day. There is no other nation in the world other than ours which is holding to this old-fashioned line. As a result, we are continuing to lose many foreign markets. So I believe that the sooner we adopt this method, the better off we will be. For that reason, the provision was included in the bill.

Mr. President, I ask unanimous consent to have printed in the Record an editorial published in the Washington Post the day before yesterday in respect to metric conversion.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Metric Conversion

Plantagenet Palliser harbored an overriding ambition. The hero of Anthony Trollope's political novels of the Victorian era (Palliser becomes Prime Minister and Duke of Omnium in the fifth of the series) hoped to introduce a great monetary reform by which the penny would contain five farthings and the shilling 10 pennies. "It was thought," wrote Trollope, "that if this could be accomplished, the arithmetic of the whole world would be so simplified that henceforward the name of Palliser would be blessed by all schoolboys, clerks, shopkeepers, and financiers. But the difficulties were so great that Mr. Palliser's hair was already grey from toil, and his shoulders bent by the burden imposed upon them." His assistants, the novelist tells us, "were near to madness under the pressure of the five-farthing penny."

Well, poor Plantagenet Palliser need no longer turn in his grave. Blessed, no doubt, by schoolboys, clerks, shopkeepers and financiers (to say nothing of foreign tourists), the shilling now has 10 pennies and the pound ten shillings. Great Britain, moreover, is well on the way to complete metric conversion of weights and measures as well.

Which is, as American school children must surely know, what George Washington, Thomas Jefferson, James Madison and other founders of this republic advocated at the time Congress passed the Coinage Act in 1792, giving us a neat 100 cents for the dollar. In 1866, Congress made it at least "lawful throughout the United States of America to employ the weights and measures of the metric system." But to this day Congress has refused to simplify "the arithmetic of the whole world," being unwilling to forego the colonial legacy of Britain's old 16 ounces for the pound, two pints for the quart, 12 inches for the foot, and 1,760 yards for the mile. Just the other day, the House once again defeated metric common sense, leaving this country, as Rep. John Anderson (R-Ill.) pointed out, in league only with Trinidad, Tabago, Yemen and less than a dozen other countries which still measure the modern world with ancient yardsticks.

This last defeat of orderly metric conversion, to be sure, was only a matter of procedure. Rep. Olin Teague (D-Tex.), whose Science and Astronautics Committee had unanimously favored a voluntary metric conversion plan, maneuvered its defeat rather than pay a huge federal ransom for it. The issue is no longer whether we buy our milk in liters and figure our distances in kilometers. We must inevitably join a metric world. Americans already buy most prescription drugs in grams, build 100-meter Olympic swimming pools, and are beginning to post road signs which tell distances in both miles and kilometers. The issue, as Sen. Claiborn Pell (D-R.I.) put it, is "whether we have costly and chaotic conversion rather than coordinated comprehensive conversion."

Under the defeated House bill, which was similar to the Senate proposal sponsored by Sen. Pell, coordinated and comprehensive conversion is to take place within 10 years. The conversion is to be guided by a National Metric Conversion Board, funded to encourage and assist industry and to educate the public in the use of the metric system. The bill would have let "change-over costs lie where they fall." And this is what organized labor objects to. The AFL–CIO insists that the federal government pay for the new metric tools and for retraining in the metric arithmetic. The labor unions have proposed, for instance, that garage mechanics be paid up to $4,000 for new socket wrenches and measuring tapes, although mechanics repairing foreign cars already use tools that are calibrated in centimeter and milimeters. The building trades demand funds to train apprentices in measuring metered bricks and lumber, although these apprentices seem to have no trouble in figuring that 50 cents equal half a dollar. The claim is that conversion would cost workers and small businesses $40 to $60 billion.

The fact is that over 10 years plumbers carpenters and such are likely to buy new tools anyway. Most large firms, such as General Motors, Ford, Caterpillar Tractor and others, have either already begun conversion the better to compete in foreign markets, or plan to do so. They are willing to assume the full cost of worker-owned tools. The real fear on the part of labor seems to be that adoption of the metric system will speed the standardization of a good many products and may lead to increased imports of foreign products. The country as a whole, however, should surely welcome a greater measure of industrial standardization (it will make repairs and replacement of parts a great deal easier and less expensive) and favor expansion of world trade.

In short, the attitude of labor toward coordinated, metric conversion reminds us somewhat of the attempts of those legendary French workers who fought the introduction of machines by clogging the wheels with their wooden shoes, or *sabots*. Sabotage, as we all know, did not much delay the march of industralization which, in turn, raised labor's standard of living. Since we are eventually going to have to join the rest of the world in this matter, in any case, it seems to us only logical to face up to it in a coordinated and comprehensive fashion, as Sen. Pell suggests.

Mr. HELMS. Mr. President, the distinguished manager of the bill is eloquent, as always, but I think I must reiterate a couple of points that I made earlier.

I find it ironic that one of the principal objections in the House to the metric conversion bill was that the enormous cost of conversion was put right on the back of the American consumer and workingman. At the very least these costs could be several billion dollars, but estimates put forward in the House went as high as $100 billion. These costs were put on the back of the poor man, because no one could figure out an equitable way to compensate those who must buy new tools, new machines, new signs, and labels, as well as carry the cost of double inventories during the changeover period. I agree that there is no equitable way to compensate for these costs, but my conclusion is that this inequity is a sound reason to avoid unnecessary changeover.

My first thought was to let the question on this amendment be by voice vote. But because of the seriousness of it, I want to ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that I may withdraw my request for the yeas and nays on amendment No. 1292.

The PRESIDING OFFICER. Without objection, the request for the yeas and nays is withdrawn.

Mr. HELMS. Mr. President, I call up my amendment No. 1291.

The PRESIDING OFFICER. What does the Senator wish to do with the pending amendment?

Mr. HELMS. We ought to proceed with it and put it to a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment, No. 1292 (putting the question).

The noes appear to have it.

Mr. ROBERT C. BYRD. Mr. President, may we hear the request again?

The PRESIDING OFFICER. The question is on agreeing to the Helms amendment, No. 1292. On this question, the yeas and nays have not been ordered.

The question is on agreeing to the amendment. (Putting the question.)

The amendment was rejected.

Mr. HELMS. Mr. President, I now call up amendment No. 1291.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 384, beginning with line 1, strike out through line 8 on page 388 and insert in lieu thereof the following:

"TITLE VIII—PUBLIC SCHOOL JURISDICTION PROVISIONS

"SHORT TITLE

"Sec. 801. This title may be cited as the 'Public School Jurisdiction Act of 1974'.

"FINDINGS

"Sec. 802. (a) The Congress finds that—

"(1) the Supreme Court has repeatedly ruled that the maintenance of dual school systems in which students are assigned to schools solely on the basis of race, color, or national origin denies to those students the equal protection of the laws guaranteed by the fourteenth amendment;

"(2) these and related court rulings have imposed upon public school agencies the burden of eliminating the vestiges of dual school systems and of establishing all school systems upon a unitary basis;

"(3) the lack of appropriate statutory definition of a unitary school system has left the courts without objective standards in enforcing the equal protection of the laws in regard to pupil assignment with a resulting lack of uniformity in enforcement and regulatory requirements;

"(4) the courts have been overburdened with the complexity and length of the litigation and continuing judicial process for effective enforcement of the fourteenth amendment and the Civil Rights Act of 1964, and other related statutes.

"(b) For the foregoing reasons, it is necessary and proper that the Congress, pursuant to the powers granted to it by the Constitution of the United States, including, but not limited to section 5 of the fourteenth amendment, take action to enhance the enforcement of court determinations under the Civil Rights Act of 1964, to make court enforcement uniform by setting standards and definitions relative to a unitary school system, and to relieve the congestion of court calendars by providing for the orderly release of continuing Federal jurisdiction over desegregated public schools.

"DEFINITIONS

"Sec. 803. Section 401 of the Civil Rights Act of 1964 is amended by adding at the end thereof the following:

"'(e) "Local educational agency" means any local educational agency as defined by section 801(f) of the Elementary and Secondary Education Act of 1965.

"'(f) "State educational agency" means a State educational agency as defined by section 801(k) of the Elementary and Secondary Education Act of 1965.

"'(g) "Unitary school system" means any public school system in which—

"'(1) the local educational agency has complied with an order of any court of the United States based on racial enrollment criteria for the public schools of that agency, or is in compliance with any specific plan or published guideline authorized or approved by the Commissioner of Education with respect to such enrollment criteria; or

"'(2) the presently used procedure for assignment of children and teachers in the elementary and secondary schools of the local educational agency has been found by any court of the United States to be in compliance with the Constitution and laws of the United States against a charge that the schools of such agency were segregated; or

"'(3) the assignment of children to elementary and secondary schools of that agency is by attendance zones which are or have been found by any court of the United States (A) to have been originally established with reasonable geographical divisions without intent to discriminate between areas on the basis of race, color, or national origin, and (B) to have not thereafter been altered except to accord with and meet conditions caused by population increases or decreases in the area served, granting to such agency the right to reasonable educational discretion in the creation or elimination of neighborhood school zones in geographically contiguous areas without regard to the racial composition of the affected residential area; or

"'(4) not less than two-thirds of the schools of a local educational agency have a racial composition of the student body of each school which shall contain a percentage of majority students which is not less than one-third of the percentage of majority students in the school population taken as a whole, and a percentage of minority students which is not less than one-third of the percentage of minority students in the school population taken as a whole.'.

"TERMINATION OF FEDERAL JURISDICTION

"Sec. 804. Title IV of the Civil Rights Act of 1964 is amended by adding at the end thereof the following new section:

"'ORDERLY TERMINATION OF FEDERAL JURISDICTION OVER STATE EDUCATIONAL AGENCIES

"'Sec. 411. (a) The continuing applicability of any order of any district court or court of appeals of the United States requiring the desegregation of the public elementary and secondary schools of a local educational agency shall terminate upon a determination by jury in the issuing court or by a court having review jurisdiction thereover that such schools of the defendant local educational agency are and have been a unitary school system as defined in section 401 of the Civil Rights Act of 1964 for a period of not less than a full school year since their establishment or following any voluntary or required organization thereof.

"'(b) No district court or court of appeals of the United States shall have original, continuing, or pendent jurisdiction to issue in any case or controversy, in law or in equity, any writ, process, rule, decree, order or command directing, forbidding, or changing (A) the assignment or transportation of any student or students to any public elementary or secondary school made, provided, or proposed pursuant to the determination and direction of the State or local educational agency operating or having supervisory powers over the operation of such schools, or (B) the employment, assignment, reassignment, transfer, or retention of any member of the teaching or administrative staff of any such school, or (C) any appropriation or expenditure of any funds for the construction, maintenance, equipment, or operation of any such school, or (D) the accreditation of any such school by any public or private agency, or its inclusion in any published list or directory of accredited schools, if such school is, or is part of, a unitary public school system as defined in section 401(g) of the Civil Rights Act of 1964, and has been so for the period specified in subsection (a) of this section.

"'(c) The provisions of this section shall apply with respect to any civil case or controversy now pending or here after brought in or removed to any court of the United States for or with respect to desegregation of the public elementary and secondary schools of the local educational agency or for or with respect to the appropriation or expenditure of funds for the construction, equipment, maintenance, operation, or support thereof.

"'(d) On application therefor by any local educational agency, or by the parent of any student enrolled in any school operated by such agency, or by any State educational agency or any State officer having supervisory authority over the public elementary and secondary schools of such local educational agency, any prior judgment, decree, or order of any district court of the United States or of any court of appeals of the United States related to, providing for, or concerning the assignment or transportation of students in or to the public elementary and secondary schools of such local educational agency, as a means to end or prevent or correct the effects of segregation of students in the schools of such agency on the basis of race, color, or national origin, shall be reopened by such court and the court shall thereupon promptly submit to jury determination as a question of fact whether or not the public elementary and secondary schools of such agency are, and have been, for the period specified in subsection (a) of this section, a unitary school system as defined in section 401 of the Civil Rights Act of 1964. Such application shall be made by a motion in the cause in the case or controversy and in the court in which such judgment, decree, or order has been requested or was entered. Such application shall be heard and the determination thereby prayed shall be made within twelve months from the date on which the application was filed. The filing of any such application shall stay the enforcement of any existing order pending final determination of the issue thereby raised.

"'(e) Nothing contained in this section shall limit the right of a local educational agency to change or alter its administrative or financial policies following the termination of Federal jurisdiction by reason of this section: *Provided, however*, That—

"'(i) no such change thereafter made shall be for the purpose of discriminating against any class of students or employees on the basis of race, color, or national origin, and

"'(ii) no student shall be denied the right to continue thereafter to attend the school to which such student was assigned prior to such change and to be furnished the necessary transportation therefor.

"'(f) Nothing contained in this section shall limit the existing jurisdiction of the courts of any State with respect to the public elementary and secondary schools of that State, nor limit or affect the established review jurisdiction of the Supreme Court of the United States over decisions of the highest courts of the several States.'.

"SEVERABILITY

"SEC. 805. If any provision of this Act or of any amendment made by this Act, or the application of any such provision to any person or circumstances is held invalid, the remainder of the provisions of this Act and of the amendments made by this Act and the application of such provision to other persons or circumstances shall not be affected thereby.".

On page 124, in the table of contents, strike out title VIII and item "Sec. 801." through "Sec. 806." and insert in lieu thereof the following:

"TITLE VIII—PUBLIC SCHOOL JURISDICTION PROVISIONS

"Sec. 801. Short title.
"Sec. 802. Findings.
"Sec. 803. Definitions.
"Sec. 804. Termination of Federal jurisdiction.
"Sec. 805. Severability.".

Mr. HELMS. Mr. President, my present intent is to ask for the yeas and nays on this amendment, but I observe that a sufficient number of Senators is not in the Chamber to order them.

Mr. President, a few days ago, when we were discussing the so-called antibusing amendments, there was a great deal of debate about the impact of busing to achieve racial balance on our educational system. There is no doubt that busing is one of the most disruptive tools ever introduced into the toolkit of the courts.

But let us admit frankly that busing is only a symptom of a deeper problem, a problem that goes to the heart of the American sense of equity and the American tradition of personal freedom. And that problem is the vague and indefinite role which the courts have assigned to themselves in dealing with social problems. Under cover of judicial decisions, the courts have used the doctrine of equity under the law to assume a role which is both legislative and executive in nature. And while equity has an honored and important place in our judicial tradition in overcoming an imbalance of justice in particular worthy cases, I do not think that our tradition ever contemplated the use of equity for broad and compelling social decisions.

The result in the educational field is that the courts have assumed continuing and indefinite jurisdiction over many of the key operational decisions of our schools. These decisions have been taken out of the hands of the competent local officials and taken over by judges who, all too often, know nothing about the educational process or the social implications of the orders of their courts.

Now I think there is agreement that the thrust of the Brown decision was that the State must be color-blind in the operation of its school systems: the dual school system must be abandoned, and a unitary school system set up. But later decisions of the U.S. Supreme Court developed the theory that even though race must not be a factor in State action under the Constitution, the doctrine of equity required affirmative action in regard to race as a remedy where State action was race-related in the past. The contradiction between the decision of Brown and the subsequent doctrine of affirmative action was apparently resolved on the grounds that affirmative action was a temporary suspension of constitutional rights. In other words, one's constitutional right not to be discriminated against on the basis of race could be suspended temporarily while remedies were applied. This was the doctrine of Swann, and I have spelled it out in more detail in the lengthy statement I made in introducing my bill (S. 2336) originally.

But there are two observations to be made about this temporary suspension of constitutional rights. First, by its very nature, a temporary suspension cannot last indefinitely. Rights long delayed are rights denied. At some point the unitary school system desired by the courts must be presumed to have been achieved. Second, once the unitary school system has been achieved, the courts have no right under the Constitution or under equity to demand affirmative action based upon racial quotas or goals.

Now I realize that this last point is hard to grasp for some of the more avid proponents of school desegregation and I respect their sincerity. But even the Supreme Court in Swann carefully distinguished between the constitutional remedies required by equity and the desirability of school desegregation as public policy. Indeed, the Court said that it had no power under the Constitution to enforce school desegregation as a public policy once a unitary school system was achieved. The Court specifically said that even changing neighborhoods and changing racial mixtures of the school enrollment which resulted from demographic changes were beyond its reach.

So let us distinguish between affirmative action to achieve a unitary school system and school desegregation as public policy. Frankly, there is no constitutional right to have certain set racial ratios, even ratios that reflect the overall composition of the school district, in a given school. Any school jurisdiction that believes that uniform ratios throughout its system make for good public policy should be entitled to operate their schools in that manner if their constituencies approve; but, by the same token, once a unitary system has been established, a school system ought to be able to use a neighborhood system, or any other nonracial system of pupil assignment that may be desired.

A recent article in the Washington Post gave a good example of this in announcing the reorganization of six schools in the predominantly white northwest area of the District of Columbia. It is well known that enrollment in these schools had drastically declined in recent years as parents chose private schools or moved out of the District. The Post article said that first priority in pupil assignment would be given to those children living in the neighborhood. One school is to become exclusively a school for the arts. And busing of black children from Anacostia will stop next year. Mr. President, I say that if a neighborhood school system is good for Washington, D.C., it is good for any of the 50 States, North or South.

Mr. President, I ask unanimous consent that the article, from the Washington Post of Monday, May 13, 1974, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. My amendment is based upon the broad reservoir of good will which exists between the two races and desire of most parents to have stability and convenience in the public educational system. It gives a statutory definition of a "unitary school system," but it does it without imposing on the jurisdiction of the courts. In essence, the definition says that a unitary school system is one that has been declared a unitary school system by the courts, or one that has been operating under a court or HEW-ordered affirmative action plan intended to bring about a unitary school system. And since the suspension of constitutional rights inherent in an affirmative action plan must necessarily be of limited duration, Congress exercises its prerogative to limit that suspension to a reasonable—and I emphasize the word "reasonable"—administrative unit; namely, 1 school year. It should also be noted that compliance with the court order for a school year must be certified by the issuing court.

The definition is weighted in favor of Federal court determinations; a "unitary school system" is one which—

First. Has complied with any court order based on racial enrollment criteria, or with published HEW plans or guidelines; or

Second. Has a pupil assignment procedure that a U.S. court has found to be in compliance with constitutional requirements for that school system; or

Third. Has assignment by attendance zones found by a U.S. court to have been established without intent to discriminate and not altered except without regard to racial composition of the residential area; or

Fourth. Has a control group consisting of two-thirds of its schools in which each school meets minimum standards of racial composition; an individual school in the control group which would have to have at least one-third of the percentage of minority students in the school population as a whole.

If the issuing court determines that the school system has been in compliance with the statutory definition for the required period of time—and any school official or parent can ask the court to make the determination—then the system is released from Federal jurisdiction under the terms of this amendment. Control goes back to the people and the local officials. The matter cannot be reopened in Federal courts, although the State courts, with appeal up to the U.S. Supreme Court, remain available.

Mr. President, my proposal would relieve parents and local schools of the burden of uncertainty which comes with continuing and indefinite jurisdiction of the Federal courts. I have received letters from all over the country from school and civic officials supporting my plan—from the North, the Midwest, the West, and the Southwest, as well as the South. It is a plan which Senators from every State of the Union can agree upon. It is a plan which all who are concerned about civil rights and individual liberties can support in good faith. Mr. President, I ask unanimous consent that the letters I have just mentioned be printed in the RECORD at the conclusion of my remarks, as well as my statement from the RECORD of August 3, 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 2 and 3.)

Mr. HELMS. Mr. President, I reserve the remainder of my time.

EXHIBIT 1

SIX SCHOOLS IN NW WILL BE MERGED

(By Bart Barnes)

Six of the city's elementary schools west of Rock Creek Park will merge next year in an effort to remain open and viable in the face of declining enrollments and continuing flight to private schools.

The six schools—Fillmore, Hyde, Key, Mann, Hardy and Stoddert—all are located in the southern section of ward three south of Massachusetts Avenue NW. They are in an area predominantly white and affluent, where over the last few years the public schools have waged a continuing struggle to attract enough students to remain open.

What they propose for next year is to hold elementary classes in four of the six schools, make one of the remaining two a center for music, art, science and math, and the other an intermediate school.

Dr. James T. Guines, associate school superintendent said the central school administration has approved the merger and that he expects it to go into effect in the fall. A few details remain to be worked out, he said.

In essence, the merger plan is the result of long hours of discussion and negotiation among parents, teachers and principals at all of the six schools. Those discussions and negotiations took place after school administration officials invited parents in the area to devise a plan to strengthen public education in their neighborhood by reorganizing the schools.

Under the plan, Fillmore School at 35th and S Streets NW, which now has an enrollment of 117, would be closed as an elementary school next year. It would become a center for music and arts, science and mathematics with courses and programs available to children from each of the other five schools.

Hardy, at Foxhall Road and Volta Place NW, would become an intermediate school for grades 5, 6 and 7 and in subsequent years grades 8 and possibly 9.

Enrollment at any of the schools would be open first to children living in the school district. Places not taken by children living within the boundaries of the six schools would be declared open to any child living in the city.

The total enrollment of all six schools is 709 but there is space for at least 900. Of the 709 enrolled, 211 are bused in daily from Anacostia under a program begun in 1967 to alleviate overcrowding in the Far Southeast section of the city.

School officials have told the Northwest parents that the busing program probably will not continue more than a year of 18 months more since the Anacostia schools are no longer overcrowded.

It was the impending cancellation of the busing program that provided the immediate spark of the reorganization since some of the schools were heavily dependent on bused-in children to remain operating.

At Hardy, for example, 40 per cent of the students this year were bused from Anacostia while at Fillmore the figure was 70 per cent.

Parents at Fillmore launched an ambitious campaign earlier in the year to recruit additional students, and although there was some limited success it was felt that eventually the school would have to close as an elementary school.

Fillmore students, like those in the younger grades at Hardy will be assigned to other schools in the district. Parent-Teacher Associations of all six schools say they plan to continue to recruit additional students for their schools and are planning a mass rally May 22 to encourage parents to enroll their children in the public schools.

EXHIBIT 2

THE STATE OF NORTH DAKOTA,
DEPARTMENT OF PUBLIC INSTRUCTION,
Bismarck, N. Dak., August 24, 1973.

Hon. JESSE HELMS,
U.S. Senate, Committee on Agriculture and Forestry, Washington, D.C.

DEAR SENATOR HELMS: We have considered the material describing the Public School Jurisdiction Act of 1973 (S. 2336) which you introduced on August 3 and arrived at the conclusion that it appears to offer a solution to the turmoil brought about by the court-ordered desegregation.

At the present time there seems to be no legislation to guide the courts in this respect other than the varying interpretations given to the fourteenth amendment.

Also, as indicated in the summary, the decisions by the courts in our opinion seem to be quite narrow while press interpretations seem broad. Now this is only our humble evaluation of the situation.

We believe your legislation is good in its proposing four definitions of a unitary school system. This should eliminate the need for court-ordered processes.

From our point of view, the research is good, the justification well stated, and the legislation clear. I think the bill is worthy of support.

Yours sincerely,
M. F. PETERSON, *Superintendent.*

CITY OF POMPANO BEACH,
Pompano Beach, Fla., August 24, 1973.

Hon. JESSE HELMS,
U.S. Senator, Senate Office Building,
Washington, D.C.

DEAR SENATOR HELMS: We have received the packet of material describing the Public School Jurisdiction Act of 1973 (S. 2336) and I have reviewed this bill. You have my wholehearted support, as well as that of the majority of the citizens in our City, in our County and in our State. They would like to see a bill of this kind passed by Congress, so that we can emerge from the muck and mire and the cost of trying to live up to what is known as the unitary school system.

Best of luck in your fight—wish I could aid you personally.

Sincerely yours,
WILLIAM J. ALSDORF, *Mayor.*

STATE OF SOUTH CAROLINA,
DEPARTMENT OF EDUCATION,
Columbia, September 19, 1973.

Hon. JESSE HELMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HELMS: I am pleased to respond to your request that I review and comment on the Public School Jurisdiction Act of 1973 (S. 2336) which you introduced on August 3. Members of my legal research staff have studied the Act and report that it is legally sound and will withstand any legal challenge. They also note its merit in providing relief of the tremendous burden upon the federal courts.

From an administrator's standpoint, the proposed act addresses a fundamental question that has developed in the wake of Civil Rights litigation in the Southeast: At what point and by what measure will a political subdivision be judged to have erased all vestiges of *de jure* segregation? I recognize that the proposed act has universal application to cases arising out of both *de jure* and *de facto* segregation but it is the former that presents unique problems to us. I appreciate your efforts to legally define a "unitary school system" with all its implications for resolving administrative and program problems within the system of public education.

Sincerely yours,

Cyril B. Busbee,
State Superintendent of Education.

Office of the Governor,
Phoenix, Ariz., August 29, 1793.

Hon. Jesse Helms,
U.S. Senate,
Washington, D.C.

Dear Senator Helms: Thank you so much for sending me the packet of materials describing the Public School Jurisdiction Act of 1973. A member of my staff has reviewed the proposed legislation and I am advised that it has much merit.

I share your deep concern over the recent trend of court decisions which seem to directly encroach upon the traditional notion of local control over education. The damage which these decisions may have caused to our young people is as yet still undetermined but I am persuaded that when the final statistics are in, they will horrify even the most committed social planner. We simply cannot afford to sacrifice the health of our young people and our communities at large for the sake of some sterile, artificial concept of racial balance.

It is for these reasons that I wish to express my support for S 2336 and am today urging that Arizona's Congressional Delegation join me in that support. I believe that your legislation represents an effective response to our current dilemma.

Again, thank you for sending the information to me and please accept my best wishes and continued support in this endeavor.

Yours sincerely,

Jack Williams.

Fresno Unified School District,
Fresno, Calif., September 11, 1973.

Hon. Jesse Helms,
Senate Office Building,
Washington, D.C.

Dear Senator Helms: On August 14, 1973, you addressed a communication to the Honorable Ted Wills, Mayor of the City of Fresno, including information relating to the Public Schools Jurisdiction Act of 1973 sponsored by you. Mayor Wills forwarded that communication and the material to me for my review and response.

I am very grateful to Mayor Wills for forwarding this material to me, because I am pleased and excited about the proposed legislation. I have studied the material carefully and discussed it with my associates. We are of the opinion that this is the best effort yet to bring order to the unfortunate chaos of segregation, desegregation, and integration efforts. I urge you to move with dispatch in securing passage of this very important appropriate and necessary legislation.

For your information, I am enclosing a copy of a letter which I have directed to Senators Tunney and Cranston, and to my own Congressman, Bernie Sisk, and a personal friend, Del Clawson, Again, best wishes.

Sincerely,

Arnold Finch, *Superintendent.*

State of Delaware,
Department of Public Instruction,
Dover, Del., August 20, 1973.

Hon. Jesse Helms,
U.S. Senate,
Washington, D.C.

Dear Senator Helms: I am writing this letter in response to yours of August 8, 1973 in which you presented a packet of materials describing the Public School Jurisdiction Act of 1973 (S. 2336) and invited my comment of support as the case may be. Several members of our staff have reviewed your proposal and have pointed out to me instances in which such a law would have been of service to the Delaware school system.

In your own research you may have come across the classic case from our own State. In a Civil Action No. 1816–1822 under the heading of "Evans vs Buchanan" in the United States District Court for the District of Delaware, we had a ruling on June 26, 1961 relating to the desegregation of our schools. (Until that time Delaware was not only segregated but was unique among the officially segregated states in that we had two series of school boards and school districts throughout the State.) In your discussion of S. 2336 you point out the courts have permitted cases to stand open or to be reopened. In the case of "Evans vs Buchanan" the court reserved the right to reopen and thus on about July 27, 1971 attorneys did file to reopen for the purpose of adding parties plaintiff and parties defendant. We are now in preparation in behalf of the State of Delaware to defend ourselves in this newly opened case.

Our case is similar to those referred to in your speech before the Congress in that housing characteristics in the Wilmington School District have changed since 1961. In fact, they have changed even more, recently. In 1965 to '67 following the enactment of the Civil Rights Act all Delaware school districts were found in compliance with the new federal Act and thus moved forward thinking that the situation was settled for all of our State.

It would appear that had the Public School Jurisdiction Act been a fact during the past several years in Delaware we would not now again be in a disruption, the cause of which we do not fully comprehend. It can be a bit embarrassing to think as a school official you have done everything the law or the court is requiring and are in compliance and then be served with a reopened suit.

I take this opportunity to give my endorsement to the proposals you are making and in turn invite you or members of your staff to inquire further through my office into our own situation if that will be of benefit to you. You may, of course, wish to make further inquiry through our own Senior Senator William Roth or our Junior Senator Joseph Biden.

Sincerely yours,

Kenneth C. Madden,
State Superintendent.

City of Sheboygan, Wis.,
August 22, 1973.

Hon. Jesse Helms,
U.S. Senate,
Washington, D.C.

Dear Senator Helms: Roger Schneider is no longer the Mayor of Sheboygan as of April, 1973, but I would be more than happy to answer your letter, being the newly elected Mayor of Sheboygan.

I agree with the legislation you have introduced. We do not have a racial problem of any sort in Sheboygan but the day may come when we will, but either way, I feel to bus for the sake of racial equality is wrong. We as cities are losing local control and I am totally against that. Bussing disrupts families, no matter what color, and also disrupts the students.

Let us return to grass roots control of local government. I am sure we are all responsible community leaders who will do what is best for all people.

Respectfully,

Richard W. Suscha, *Mayor.*

City of Texas City,
August 24, 1973.

Hon. Jesse Helms,
U.S. Senate,
Washington, D.C.

Dear Senator: I want to thank you for your letter of August 14, 1973, and enclosures concerning the Public School Jurisdiction Act of 1973 (S. 2336) and I have read it with great interest.

I am entirely in accord with this legislation and sincerely hope that Congress will speedily enact it.

Thank you very much for allowing me the privilege of reviewing this material and expressing my views.

Sincerely,

Emmett F. Lowry, *Mayor.*

Office of Superintendent, Public Instruction, Johnston County,
Smithfield, N.C., August 15, 1973.

Hon. Jesse Helms,
U.S. Senate,
Washington, D.C.

Dear Senator Helms: I wish to thank you for your letter dated August 8 and the copy of the bill you introduced in the Senate on August 3.

This bill appears to have great merit, especially for the states outside the south.

An area in which you can be of valuable assistance to our school system and many others in North Carolina is in reference to the problem which I wrote your office several weeks ago. In brief the problem is this. Congress appropriates funds for schools such as ESAP and then HEW sets up their own rules and regulations in such a manner that it is extremely tedious and difficult to obtain the money appropriated. The officials in the Atlanta Office and apparently in the Washington Office resort to extreme methods designed to turn down applications to the extent of going back from six to eight years and charging that someone was treated unfairly when they have no evidence to support their charge and also enter into the employment of personnel quotas that are difficult to meet. Also, they wish to determine the membership of various classes on strict racial ratio without reference to sound educational planning. Local control and local planning along the line of sound educational planning is extremely difficult when one makes an effort to comply with their guidelines.

Sincerely yours,

E. S. Simpson, *Superintendent.*

City of Wilmington, N.C.,
September 12, 1973.

Hon. Jesse Helms,
U.S. Senator, Committee on Aeronautical and Space Sciences, Washington, D.C.

Dear Senator Helms: Your letter describing the Public School Jurisdiction Act of 1973 (S. 2336) appears to be a vast improvement and I am very happy that you introduced this on August 23rd. It should prove most helpful to children, teachers, and parents and if you will advise us of any particular way we may support this, we will be happy to do so.

Your effort in this vital area is most appreciated by most people and we look forward to better days as a result.

With best wishes, I am,

Sincerely,

John C. Symmes, *Councilman*.

City of Durham, N.C.,
September 4, 1973.

Hon. Jesse Helms,
U.S. Senate,
Washington, D.C.

Dear Senator Helms: I have your letter of August 14, 1973, requesting that I review the proposed Public School Jurisdiction Act of 1973 (S. 2336). I have read the materials and believe that the proposed legislation has a great deal of merit.

As the father of five children, I am more concerned about them being uprooted from a school situation movement than I am about integration. If your legislation can once and for all stabilize the movement of children, then I would be enthusiastic for it.

Sincerely,

James R. Hawkins, *Mayor*.

Commonwealth of Virginia,
Office of the Governor,
Richmond, August 23, 1973.

Hon. Jesse Helms,
U.S. Senate,
Washington, D.C.

Dear Senator Helms: Your letter describing the Public School Jurisdiction Act of 1973 arrived in my absence from Richmond. I appreciate your thoughtfulness in bringing this proposed legislation to my attention.

Certainly, legislation which would alleviate the frustrations and time-consuming problems of parents and school administrators alike would be of great benefit to everyone. The resolution of such problems would also help us, in Virginia, to realize our Constitutional mandate for quality education for our total school population. Of course, a desegregated school system must not be allowed to return to a segregated status.

Best wishes.

Cordially,

Linwood Holton.

The City of Hampton, Va.,
August 28, 1973.

Hon. Jesse Helms,
U.S. Senate,
Washington, D.C.

Dear Senator Helms: Thank you for your letter of August 15, 1973, with enclosed copies of your proposed bill dealing with the subject of busing of the public school children.

The issue of busing has occupied our attention here at Hampton as well as in practically every other community in Virginia, and it is certainly one of the great challenges of our day which will be solved only through the application of the best thinking of many to the problem.

I commend you on your efforts, together with my good friend Bill Scott of Virginia, in this regard.

Yours very truly,

David N. Mantague, *Mayor*.

City of Vallejo, Calif.,
August 29, 1973.

Hon. Jesse Helms,
U.S. Senate,
Washington, D.C.

Dear Senator Helms: I have read the material you sent on the Public School Jurisdiction act of 1973 (S. 2336).

I favor local jurisdiction in school operation. Neither ethnic people or Caucasians are happy with enforced busing. People purchase homes near schools so their children will be within walking distance of a school for safety reasons. A Mother does not feel comfortable with her children bussed across town.

I believe that if neighborhoods are integrated as they are today, the schools will be integrated in the same proportion as the neighborhood.

Good teachers teach the same curriculum no matter what the class composition is.

Mandatory regulations are breaking down the public school system by arbitrary demands not desired by the citizenry and we are breaking down the foundation of America, happy families, by required bussing causing anxiety in the homes and frustration.

I certainly believe your Bill S–2336 is a good bill and a step forward in the highly controversial matter of busing.

Sincerely,

Florence E. Douglas, *Mayor*.

State of Arkansas,
Office of the Governor,
Little Rock, August 16, 1973.

Hon. Jesse Helms,
U.S. Senate,
Washington, D.C.

Dear Senator Helms: Thank you for your letter of August 8 with the enclosed packet describing the Public School Jurisdiction Act of 1973 (S. 2336). Obviously, a great deal of talent and hard work have gone into this piece of legislation, and I look forward to a report on it from my Department of Education. I appreciate the opportunity to study your proposal and respond with suggestions.

Kindest regards.

Sincerely,

Dale Bumpers.

State of California,
Governor's Office,
Sacramento, September 11, 1973.

Hon. Jesse Helms,
U.S. Senate,
Washington, D.C.

Dear Senator Helms: Thank you for giving me the opportunity to review your proposed Public School Jurisdiction Act of 1973 (S. 2336).

As you know, I strongly advocate the principle of local autonomy, which I believe your proposal emphasizes. I look forward to studying it carefully to consider its effect on the people of the State of California.

Best regards.

Sincerely,

Ronald Reagan,
Governor.

Exhibit 3

[From Congressional Record, Aug. 3, 1973]

Statements on Introduced Bills and Joint Resolutions

By Mr. HELMS (for himself, Mr. Eastland, Mr. Scott of Virginia, Mr. Allen, and Mr. Thurmond):

S. 2336. A bill to provide objective definitions of unitary school systems for uniform court enforcement of the Civil Rights Act, and to relieve the congestion of court calendars by providing for the orderly release of continuing Federal jurisdiction over desegregated schools, and for other purposes. Referred to the Committee on the Judiciary.

PUBLIC SCHOOL JURISDICTION ACT OF 1973

Mr. Helms. Mr. President, I send to the desk a bill designed to restore local jurisdiction over public schools in an orderly and rapid manner. I ask unanimous consent that the text of the bill be printed in the Record at the conclusion of my remarks.

The Presiding Officer. Without objection it is so ordered.

(See exhibit 1.)

Mr. Helms. I also ask unanimous consent that the names of the distinguished Senator from Mississippi (Mr. Eastland) and the distinguished Senator from Virginia (Mr. Scott) be added as cosponsors of this bill.

The Presiding Officer. Without objection, it is so ordered.

I. THE NATURE OF THE PROBLEM

Mr. Helms. Mr. President, in framing a remedy for the problem of educational disruption through court orders to achieve racial balance, we must focus precisely upon the nature of the problem, the restraints of the Constitution as currently interpreted by the Supreme Court, and the practical effects of the solutions proposed. Moreover, we want a remedy that will work, and work now.

A further complication is that such a remedy must be universally applicable in cases arising both out of de jure and de facto segregation. Since the Denver decision it may be assumed that court orders will now be issued in geographic areas where it had formerly been assumed that segregated schools were the result of de facto situations. The mere absence in the past of legislation or regulations requiring the separation of students by race no longer protects school systems outside the South from assault through the courts. It is urgent therefore that both North and South join in framing a remedy.

Nor can a legislative remedy deal directly with the desire of most people for neighborhood and community schools, and their distaste for court-imposed busing and other mandatory assignment plans and integration devices. I believe that any attempt to restrict the hands of the courts would ultimately be set aside, even though I disagree with the basic premise the courts are using. It would be deeply disappointing to pass a bill providing relief against busing for racial balance, only to have it thrown out by the courts.

Finally, our remedy must be a solution that can be supported in good conscience by all men of good will, whatever their political persuasion. We must not forget that the ultimate aim of relief legislation is to promote good community relations and a wholesome atmosphere for sound education. The research report by Harvard sociologist David J. Armor, "The Evidence on Busing" in the Public Interest, No. 28 Summer 1972, and the subsequent discussions clearly demonstrate that the sociology of mandatory integration without freedom of choice has proven to be either erroneous or much more complex than formerly imagined. It does nothing to improve relationships between the races or academic achievement; in fact the evidence is that it engenders hostility and lowers self-esteem and achievement. Until our Constitutional interpretation can be brought into line with reality, we must take legislative steps to foreclose the harm being done to the children.

If such steps are to survive a court test, they must not violate the internal logic of the current mythology attributed to the Fourteenth Amendment. We must focus the issue more narrowly upon what the courts have decided, not upon what we think they have decided, or what we would like them to decide. Changing judicial thinking is a process of years, even if a constitutional amendment were passed overnight. The only ready remedy is one written within the grammar of recent court decisions. And contrary to the popular impression, the major court decisions—although sweeping in their effects—have been quite narrowly defined.

II. AFFIRMATIVE ACTION TO ACHIEVE RACIAL BALANCE

Although "busing" gets the headlines, there are many other techniques also prescribed by courts to achieve what is commonly called "a racial balance." These other techniques are just as disruptive—some even more so—of the organic patterns of community development.

These techniques include pairing of schools, reorganization of junior and senior high schools, building of new schools, gerrymandering of attendance zones, and other devices apparently intended to create a racial balance in each school. Yet the common impression that the courts have required a racial balance as an end in itself is misleading. On the contrary, the U.S. Supreme Court has never required that a school system must have a racial balance for its own sake. In specific situations, however, the Court has upheld orders that are weighted heavily on the side of accomplishing in each school of the system a racial distribution that approximates the racial balance of the locality.

Such orders have been generally issued by the lower courts under their equity powers, usually in the form of decrees or orders of a continuing quality which retain jurisdiction in the courts without limit of time or circumstances. Civil rights cases and in particular school cases have created a special form of constitutional interpretation. Until such cases came to the courts, the Constitution was viewed as a prohibitory instrument forbidding discrimination under "State action." The lower Federal courts, in particular, have devised an affirmative or "compensatory" interpretation of the Constitution on the ground that preexisting deprivation of constitutional rights must be affirmatively adjusted to a given point of defined equality before the normal constitutional limits can be restored.

In effect, then, when the Supreme Court is upholding a lower court order that requires some affirmative action—in the form of busing, pairing, zoning, et cetera—it is requiring the school authorities to demonstrate that the State is no longer encouraging segregation. In order to prove that the past practices which resulted in segregation and are now declared unconstitutional have been abandoned, the school authorities must take steps to achieve the uniform racial distribution that presumably would have resulted had it not been for past State action. In short, the Court does not hold that it is the Consitution that requires a uniform racial distribution; it is the doctrine of equity that requires busing and similar artificial steps to achieve racial balance until a supposedly normal state of constitutional rights can be restored.

For example, in approving the district court's formula for a racial balance of 71 percent to 29 percent, the Supreme Court in Swann against Charlotte-Mecklenburg Board of Education, specifically called it "a useful starting point in shaping a remedy to correct past Constitutional violations." It was a starting point, not an end in itself. The Supreme Court found that—

"In sum, the very limited use made of mathematical ratios was within the equitable remedial discretion of the district court."

These are subtle distinctions which are of no comfort to parents who find their children's lives disrupted and their educational achievement threatened by the instability and social chaos which so frequently follows such court orders. I strongly dissent from the fine-spun constitutional theory that invents momentous new doctrines of affirmative action out of whole cloth. Yet we must use as our starting point the fact that these theories are the prevailing law and that there is little hope that they will be overturned in the near future. Our legislative remedy must be framed out of the same distinctions.

III. THE REQUIREMENT FOR A UNITARY SCHOOL SYSTEM

If racial balance is not the end sought by present constitutional interpretation, then what is that end? In judicial language, the requirement is that a State, under a recent interpretation of the 14th amendment, must convert any dual school system into a unitary school system. The Supreme Court has emphasized this over and over.

In the pivotal Green decision, the Court said:

"The transition to a unitary, nonracial system of public education was and is the ultimate end to be brought about." [391] US 430 at 436; 20 Law Ed 2nd 716 at 722; 88SCt 1689 at 1693]

Referring back to Brown II, the Court's opinion in Green was very specific:

"School boards such as the respondent then operating state-compelled dual systems were nevertheless clearly charged with the affirmative duty to take whatever steps might be necessary to convert to a unitary system in which racial discrimination would be eliminated *root* and *branch*." [391 US 430 at 437; 20 Law Ed 2nd 716 at 723; 88SCt 1689 at 1664]

Unfortunately, the phrase "a unitary system" has never been defined. Yet we can deduce the Court's concept from the way it was handled in the Swann opinion. There we find that "the objective today remains to eliminate from the public schools all vestiges of State-imposed segregation." Over and over again, Swann deals with the problem of racial composition strictly in accord with whether or not the pattern was State-imposed.

"The constant theme and thrust of every holding from *Brown I* to date is that state-enforced separation of races in public schools is discrimination that violates the Equal Protection Clause. The remedy commanded was to dismantle dual school systems." [402 US 1 at 22; 28 Law Ed 2nd at 570; 91SCt 1267 at 1279]

And again, the Court narrowly defined its mission to include only State-sanctioned discrimination in schools, not discrimination which might arise from other factors:

"We are concerned in these cases with the elimination of the discrimination inherent in the dual school systems, not with the myriad factors of human existence which can cause discrimination in a multitude of ways on racial, religious, or ethnic grounds. The target of the cases from *Brown I* to the present was the dual school system. The elimination of racial discrimination in public schools is a large task and one that should not be retarded by efforts to achieve broader purposes lying beyond the jurisdiction of school authorities. One vehicle can carry only a limited amount of baggage. It would not serve the important objective of *Brown I* to seek to use school desegregation cases for purposes beyond their scope, although desegregation of schools ultimately will have impact on other forms of discrimination." [402 U.S. 1 at 22; 28 Law Ed 2nd at 570; 91SCt 1267 at 1279]

Finally, the Court came as close as it ever has done to defining a unitary school system when it said:

"Our objective in dealing with the issues presented by these cases is to see that school authorities exclude no pupil of a racial minority from any school, directly or indirectly, on account of race; it does not and cannot embrace all the problems of racial prejudice, even when those problems contribute to disproportionate racial concentrations in some schools." [402 U.S. 1 at 23; Law Ed 2nd at 570; 91SCt 1267 at 1279.]

We may conclude that a unitary school system is one in which the school authorities exclude no pupils of a racial minority from any school, directly or indirectly, on account of race. At the same time, the Court recognizes that a unitary school system might include disproportionate racial concentrations in some schools, so long as those disproportionate concentrations are not caused by action on the part of school authorities with intent to segregate. State discriminatory actions are proscribed; other factors which result in racial imbalance in the schools are beyond the scope of the Court's activity. In fact, the Court said specifically:

"The Constitutional command to desegregate schools does not mean that every school in every community must always reflect the racial composition of the school system as a whole." [402 U.S. 1 at 24; 28 Law Ed 2nd 554 at 24; 91SCt 1267 at 1280.]

In fact, the Court tells us that "absent a constitutional violation, there would be no basis for judicially ordering assignment of students on a racial basis."

To summarize these important distinctions, we may say that the Supreme Court holds it unconstitutional to assign pupils on the basis of race; however, when a court finds a situation where pupils have been assigned on the basis of race, then equity requires that this "Constitutional violation" be compensated by pupil assignment on a racial basis. Yet this compensatory action is obviously of limited duration. Compensation cannot go on forever; nor can a sound theory of the Constitution endure a permanent suspension of the Constitutional right not to be assigned on a racial basis.

The Court itself calls this suspension an "Interim period" Referring to remedial altering of school zones in Swann, it said:

"As an interim corrective measure this cannot be said to be beyond the broad remedial powers of a Court" [402 U.S. 1 at page 27; 28 Law Ed 2nd 554 at page 573; 91SCt 1267 at 1282].

Noting the burdens which court orders impose—burdens the Court itself admits may be "administratively awkward, inconvenient and even bizarre"—the Court says—

"But all awkwardness and inconvenience cannot be avoided in the interim period when remedial adjustments are being made to eliminate the dual school system" [402 U.S.] page 28; Law Ed 554 at page 575; 91SCt 1267 at 1282].

It follows therefore that Congress is at liberty to impose a legislative definition of a normal interim period. Moreover, the situation which the courts are seeking to remedy is in constant flux. School authorities, pupils, and families come and go. The inherent logic of the Supreme Court's argument demands that the extraordinary suspension of constitutional rights come to an end within a reasonable length of time. The Court itself accepted its own logic. In the remarkable concluding paragraphs of Swann, the Court had this to say:

"At some point, these school authorities and others like them should have achieved full compliance with this Court's decision in *Brown I*. The systems will then be "unitary" in the sense required by our decisions in *Green* and *Alexander*.

"It does not follow that the communities served by such systems will remain demographically stable, for in a growing, mobile society, few will do so. Neither school authorities nor district courts are constitutionally required to make year-by-year adjustments of the racial composition of student bodies once the affirmative duty to desegregate has been accomplished and racial discrimination through official action is eliminated from the system. This does not mean that Federal courts are without power to deal with future problems; but in the absence of a showing that either the school authorities or some other agency of the State has deliberately attempted to fix or alter demographic patterns to affect the racial composition of the schools, further intervention by a district court should not be necessary. [402 US 1 at 31; 28 Law Ed 2nd 554 at 575; 91 SCt 1267 at 1283].

Working strictly within the constraints of the Court's reasoning, we can see therefore that there can and must be an end to pupil assignments on the basis of race. There can and must be an end to busing, pairing, zoning, and so forth. A return to neighborhood schools is not only desirable, but feasible under current court decisions. The only question is when.

IV. THE DURATION OF COURT JURISDICTION

Thus neither school authorities nor district courts are required to adjust the racial composition of student bodies once the affirmative duty to desegregate has been accomplished and racial discrimination through official action has been eliminated from the system. The suspension of the constitutional right of pupils not to be assigned to a school on the basis of race is of limited, but indefinite duration. Since the Supreme Court itself has admitted that the suspension of rights is of limited duration, it is entirely proper for the Congress of the United States to pass legislation setting a definite time limit during which the courts can suspend these rights.

I believe that a great majority of school systems have by this time become desegregated under the terms of the original orders to the Federal courts, by compliance with the guidelines issued by the Commissioner of Education, or remain in a form historically instituted without reference to racial separation either by law or collusive drawing of attendance zones. Current problems before the courts accordingly are, in possibly a majority of cases, directed against resegregation caused by population shifts occurring subsequent to prior school desegregation. Quite frequently it is argued that the actions of school authorities, although possibly taken today without regard to race, are tainted by the vestiges of past actions. In the forefront of such actions are those which attempt to overcome the increasing concentration of blacks in inner city areas by overriding political boundaries existing between different school systems as in the cases of Richmond and Detroit where massive busing into suburbs has been directed.

Yet in every case, the orders are different, the standards are different, and the burdens to be borne and the levels of compliance are different. The length of time the school systems remain under court jurisdiction is entirely at the discretion of the court. Every court commands the establishment of a unitary system, but the level of compliance varies. There are two difficulties. First, unitary is indefinite both in quantum and period of time. Second, the equitable doctrine of continuing jurisdiction over an existing decree permits the courts to change preexisting orders from time to time in order to correct situations which have changed after an initial determination and local compliance.

It is within the power of Congress to statutorily define the unitary concept, to fix its effective period, and to terminate continuing district court jurisdiction, provided only that in so doing the Congress does not specifically or by implication permit the restoration of a school system based on racial separation.

V. THE REMEDY

The Public School Jurisdiction Act provides the required remedy. It defines a "unitary school system" with the constraints of current practices.

First of all, it accepts the work of any Federal court that has approved a desegregation plan to achieve a unitary system. If the Court has said that such and such a plan will bring a system into compliance, then the Public School Jurisdiction Act agrees that it is a plan which will bring about compliance. In the same way, the Public School Jurisdiction Act also accepts compliance with any specific plan or generally published guideline authorized or approved by the Commissioner of Education. Both accomplish the same end and should have equal standing in the light of the numerous court references to such guidelines as indicative of the meaning of the term "desegregated school."

Thus, this first definition does not negate any plan currently in effect. It makes every court order and every HEW pupil assignment plan part of the definition of "unitary school system." There are some activists who say that present plans do not go far enough. Yet, present plans must go at least as far as the Supreme Court itself has gone.

Those who want to go further are not arguing law, but questions of policy.

The Public School Jurisdiction Act's second definition of a unitary school system accepts the decision of any court of the United States upholding a pupil assignment plan as in compliance with the laws and Constitution of the United States. Thus, any school system which has successfully defended itself against the charge of unconstitutional actions is, on the face of it, a unitary school system. This is really a corollary of the first definition. A court decides whether a school system is unitary or not.

The Public School Jurisdiction Act's third definition of a unitary school system also involves a court test. Here, if a court decided that attendance zones were originally established with reasonable geographical divisions without the intent to discriminate—and no changes had been made except for reasonable educational discretion—then such a school system is a unitary school system. Such a finding is a reasonable defense against demands that school attendance zones be altered within a system, or that the system be merged with adjacent systems in other political jurisdictions.

The Public School Jurisdiction Act's fourth definition recognizes that many courts under a plea of equity have tried to fashion some formula for the overall racial composition of student bodies as evidence of the school authorities' affirmative acton. Up to now, this has been left to the decision of the individual judge, with no guidelines for him to follow. The courts have acted variously with respect to their racial ratio requirements, which, despite Federal assistance legislation to the contrary, is being used by the Federal courts and to some extent as well by the Department of Health, Education, and Welfare as a target for the requirements of busing and the other techniques. Most courts have differed in the extent to which they view an approximation of local racial ratios as being required and the extent to which it will be applied across the board to all public schools in the system or be compromised to lessen the amount of change required.

In fact, in Swann, the Supreme Court was at pains to point out that it approved the district court's order only because that order was not to be interpreted as a "fixed mathematical racial balance." The Court said:

"If we were to read the holding of the District Court to require, as a matter of substantive Constitutional right, any particular degree of racial balance or mixing, that approach would be disapproved and we would be obliged to reverse. The Constitutional command to desegregate schools does not mean that every school in every community must always reflect the racial composition of the school system as a whole." [402 US 1 at 24; 28 Law Ed 2nd 554 at 571; 91SCt 1267 at 1280]

Indeed, the Supreme Court quoted approvingly from the district court's own explanation as follows:

"This court [the District Court] has not ruled and does not rule that "racial balance" is required under the Constitution; nor that all-black schools in all cities are unlawful; nor that all school boards must bus children or violate the Constitution; *nor that the particular order entered in this case would be correct in other circumstances not before this court.*" (Emphasis in original) [402 US 1 at 24 (n. 9); 28 Law Ed 2nd 554 at 571 (n. 9); 91SCt 1267 at 1280 (n. 3)]

Although the Supreme Court thus holds that there does not have to be a rigid mathematical formula, there are still no guidelines for a lower court to follow in fashioning a remedy in equity. The Public School Jurisdiction Act has a formula under which Congress sets up the parameters. It provides for the kind of flexibility which the Supreme Court demanded in Swann, keeping in mind that the Court only approved a—

". . . very limited use made of mathematical ratios . . . within the equitable remedial discretion of the District Court." [402 US 1 at 25; 28 Law Ed 2nd 554 at 572; 91SCt 1267 at 1280]

These limitations must be borne in mind. Basically, the formula would provide that a control group of not less than two-thirds of the schools of a local educational agency would have to meet certain standards of racial composition in enrollment if the school system does not otherwise qualify as a unitary school system. These standards would be based upon the ratio of whites and blacks in the school system: an individual school in the control group would have to have at least one-third of the percentage of majority students in the school population as a whole, and one-third of the percentage of minority students in the school population taken as a whole.

All in all these are not definitions which I endorse for their substance; I endorse them because they will work within the system as it is now constituted. They provide definitions of a unitary school system so that judges will have an objective standard of justice, nor do they upset current legislation or court orders on the subject.

The other aspect of definition is to put a limitation on the duration of the suspension of the constitutional rights of students not to be assigned to schools on the basis of race. As I have already pointed out, it is unhealthy for constitutional rights to be suspended indefinitely. Congress can put a reasonable limitation on the length of time required to demonstrate that a dual school has been abandoned. It would be highly suspect if Congress were to put severe limitations on the so-called remedies available to courts in equity. It might be charged that due process of law or equal protection was being abridged by statute. But a reasonable time limitation violates neither. The courts would still have all the powers that they now have to order desegregation plans, to order busing, pairing, and so forth. The power to order the organizational disruption that we now have in our school systems would not be abated. The only difference would be that it could not go on forever.

The Public School Jurisdiction Act sets a limitation of 1 full school year. This would apply either to schools on a 9-month plan or on a 12-month plan. It assumes that the school authorities are acting in good faith and that they actually do what they are ordered to do. One year is a significant administrative unit in a school system, as pupils normally move from one grade to another in that year's time. The courts will see to it that the assignment plan is comprehensive enough to compensate for past unconstitutional practices; the year's duration under the court's jurisdiction will see to it that a constitutional assignment plan is actually in operation.

It must be remembered that the Supreme Court has said that the Constitution itself does not command proportional racial composition of student bodies; once a violation has been corrected, the Constitution is indifferent to assignment methods, so long as school authorities do not make assignments on the basis of race. School authorities are not required to make pupil assignment adjustments for discrimination that may result from other factors in society, once the affirmative duty to desegregate has been accomplished. This means that the neighborhood school—favored by the overwhelming majority of Americans of both races—can return once the violations have been corrected.

During the space of a school year, the dislocations of student bodies and teachers would have to be endured. There is no way within the present grammar of the court decisions that this can be evaded where the schools have been found to be operating dual systems. But it would be endurable because the end would be in sight.

Moreover, many school systems have already met and have been meeting the definition of a unitary school system for 1, 2, 3, or 4 years. Under the Public School Jurisdiction Act, they could pass the test immediately. What counts as far as meeting the constitutional test is the actual time served under court orders without regard to the passage of the Public School Jurisdiction Act. A statute cannot affect the constitutionality of an action.

At the end of a full school year, the school authorities, State officials, or any parent can apply to have the case reopened so that the judge involved can submit the case to a jury to make a determination that the school system has met the statutory definition of a unitary school system for a full school year. The determination is narrowly limited to questions of fact, that is, whether the plan decreed by the court has in fact been followed. The judge would have no opportunity to reassess the case itself or to consider new data.

Upon reopening of the case, enforcement of the judge's court order is stayed until the final determination has been made. This would ensure prompt actions by the Court so that any affected parties could make a timely appeal if desired.

Once the determination was made that the school authorities had been operating a unitary school system for the required length of time, then the system would be released from Federal district or appeals court jurisdiction in matters relating to segregation and allied problems. The matters could not be raised again in the Federal courts.

Nevertheless, the full system of State courts remains open to plaintiffs who allege that their constitutional rights have been abridged by some action of the school authorities, including appeal to the U.S. Supreme Court.

Thus it is clear that due process and equal protection are carefully preserved by the Public School Jurisdiction Act. Every school system may be brought into Federal court at least once, and that court will have the opportunity to apply the full range of so-called remedies that it perceives to be necessary. The unitary school system which the U.S. Supreme Court says is constitutionally required will have been established, and it will have actually been put into operation. If further State-directed discrimination occurs, the full range of State courts is available for redress. The United States Constitution would assure this, but for the sake of clarity, the Public School Jurisdiction Act spells it out.

Finally, the Public School Jurisdiction Act provides a specific exemption to preserve the right of any student who feels he has secured particular advantages under any current assignment plan. I think we can be sure that most parents will wish their children to attend school under a neighborhood school plan if one is offered. There may be some who are being transported to schools outside their neighborhood where they feel they have special advantages.

If there are such, they can be allowed to continue to be transported to those schools if they so choose. They have this right not by constitutional protection, but in the interests of good educational policy and sound community relations. Thus, under the Public School Jurisdiction Act, no child would lose what he or his parent perceives to be an advantage from the current system.

The Public School Jurisdiction Act preserves the interests of all those concerned. It maintains current court holdings, decrees, and HEW plans. It preserves all constitutional rights under the present mode of interpretation. It provides for the orderly termination of Federal court jurisdiction so that standards are uniform throughout the Nation. It provides for the early restoration of local control over attendance plans. And it safeguards the interests of those who feel they have obtained advantages under the present situation.

But most of all, it will bring about the rebuilding of a wholesome educational atmosphere and constructive community relations. The best society is the society that has the maximum of free choice and evolves from the myriad decisions of each citizen over the years, and over the generations. To destroy that organic development is to destroy the very fabric of a healthy society. The destruction has been imposed upon us by the courts, and it is time for Congress to begin rebuilding.

Exhibit 1

S. 2336

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public School Jurisdiction Act of 1973."

Sec. 2. (a) The Congress finds that—

"(1) The Supreme Court has repeatedly ruled that the maintenance of dual school systems in which students are assigned to schools solely on the basis of race, color, or national origin denies to those students the equal protection of the laws guaranteed by the fourteenth amendment;

"(2) These and related court rulings have imposed upon public school agencies the burden of eliminating the vestiges of dual school systems and of establishing all school systems upon a unitary basis;

"(3) The lack of appropriate statutory definition of a unitary school system has left the courts without objective standards in enforcing the equal protection of the laws in regard to pupil assignment, with a resulting lack of uniformity in enforcement and regulatory requirements;

"(4) The Courts have been overburdened with the complexity and length of the litigation and continuing judicial process for effective enforcement of the fourteenth amendment and the Civil Rights Act of 1964, and other related statutes.

"(b) For the foregoing reasons, it is necessary and proper that the Congress, pursuant to the powers granted to it by the Constitution of the United States, including, but not limited to, section 5 of the fourteenth amendment, take action to enhance the enforcement of court determinations under the Civil Rights Act of 1964, to make court enforcement uniform by setting standards and definitions relative to a unitary school system, and to relieve the congestion of court calendars by providing for the orderly release of continuing Federal jurisdiction over desegregated public schools.

Sec. 3. Section 401 of the Civil Rights Act of 1964 is amended by adding at the end thereof the following:

"(e) 'local educational agency' means any local educational agency as defined by section 801(f) of the Elementary and Secondary Education Act of 1965.

"(f) 'State educational agency' means a State educational agency as defined by section 801(k) of the Elementary and Secondary Education Act of 1965.

"(g) 'unitary school system' means any public school system in which—

"(1) the local educational agency has complied with an order of any court of the United States based on racial enrollment criteria for the public schools of that agency, or is in compliance with any specific plan or published guideline authorized or approved by the Commissioner of Education with respect to such enrollment criteria; or

"(2) the presently used procedure for assignment of children and teachers in the elementary and secondary schools of the local educational agency has been found by any court of the United States to be in compliance with the Constitution and laws of the United States against a charge that the schools of such agency were segregated; or

"(3) the assignment of children to elementary and secondary schools of that agency is by attendance zones which are or have been found by any court of the United States (a) to have been originally established with reasonable geographical divisions without intent to discriminate between areas on the basis of race, color, or national origin, and (b) to have not thereafter been altered except to accord with and meet conditions caused by population increases or decreases in the area served, granting to such agency the right to reasonable educational discretion in the creation or elimination of neighborhood school zones in geographically contiguous areas without regard to the racial composition of the affected residential area;

"(4) not less than two-thirds of the schools of a local educational agency have a racial composition of the student body of each school which shall contain a percentage of majority students which is not less than one-third of the percentage of majority students in the school population taken as a whole, and a percentage of minority students which is not less than one-third of the percentage of minority students in the school population taken as a whole."

Sec. 4. Title IV of the Civil Rights Act of 1964 is amended by adding at the end thereof the following new section:

"ORDERLY TERMINATION OF FEDERAL JURISDICTION OVER STATE EDUCATIONAL AGENCIES

"Sec. 411. (a) The continuing applicability of any order of any District Court or Court of Appeals of the United States requiring the desegregation of the public elementary and secondary schools of a local educational agency shall terminate upon a determination by jury in the issuing court or by a court having review jurisdiction thereover that such schools of the defendant local educational agency are and have been a unitary school system as defined in Section 401 of the Civil Rights Act of 1964 for a period of not less than a full school year since their establishment or following any voluntary or required organization thereof.

"(b) No District Court or Court of Appeals of the United States shall have original, continuing, or pendent jurisdiction to issue in any case or controversy, in law or in equity, any writ, process, rule, decree, order or command directing, forbidding or changing (A) the assignment or transportation of any student or students to any public elementary or secondary school made, provided or proposed pursuant to the determination and direction of the State or local educational agency operating or having supervisory powers over the operation of such school, or (B) the employment, assignment, reassignment, transfer or retention of any member of the teaching or administrative staff of any such school, or (C) any appropriation or expenditure of any funds for the construction, maintenance, equipment or operation of any such school, or (D) the accreditation of any such school by any public or private agency, or its inclusion in any published list or directory of accredited schools, if such school is, or is part of, a unitary public school system as defined in Section 401(g) of the Civil Rights Act of 1964, and has been so for the period specified in Paragraph (a) of this Section.

"(c) The provisions of this section shall apply with respect to any civil case or controversy now pending or hereafter brought in or removed to any court of the United States for or with respect to the desegregation of the public elementary and secondary schools of the local educational agency or for or with respect to the appropriation or expenditure of funds for the construction, equipment, maintenance, operation or support thereof.

"(d) On application therefor by any local educational agency, or by the parent of any student enrolled in any school operated by such agency, or by any State educational agency or any State officer having supervisory authority over the public elementary and secondary schools of such local educational agency, any prior judgment, decree or order of any District Court of the United States or of any Court of Appeals of the United States related to, providing for, or concerning the assignment or transportation of students in or to the public elementary and secondary schools of such local educational agency, as a means to end or prevent or correct the effects of segregation of students in the schools of such agency on the basis of race, color, or national origin, shall be reopened by such court and the court shall thereupon promptly submit to jury determination as a question of fact whether or not the public elementary and secondary schools of such agency are and have been, for the period specified in Paragraph (a) of this Section, a unitary school system as defined in Section 401 of the Civil Rights Act of 1964. Such application shall be made by a motion in the cause in the case or controversy and in the court in which such judgment, decree or order has been requested or was entered. Such application shall be heard and the determination thereby prayed shall be made within twelve (12) months from the date on which the application was filed. The filing of any such application shall stay the enforcement of any existing order pending final determination of the issue thereby raised.

"(e) Nothing contained in this section shall limit the right of a local educational agency to change or alter its administrative or financial policies following the termination of federal jurisdiction by reason of this section, provided however,

"(i) No such change thereafter made shall be for the purpose of discriminating against any class of students or employees on the basis of race, color, or national origin, and

"(ii) No student shall be denied the right to continue thereafter to attend the school to which such student was assigned prior to such change and to be furnished the necessary transportation therefor.

"(f) Nothing contained in this section shall limit the existing jurisdiction of the courts of any State with respect to the public elementary and secondary schools of that State, nor limit or affect the established review jurisdiction of the Supreme Court of the United States over decisions of the highest courts of the several States."

Sec. 5. If any provision of this Act or of any amendment made by this Act, or the application of any such provision to any person or circumstances is held invalid, the remainder of the provisions of this Act and of the amendments made by this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

Questions and Answers on the Proposed Public School Jurisdiction Act of 1973

1. What does the Public School Jurisdiction Act do?

The Public School Jurisdiction Act provides a statutory basis for a public school system to meet its Constitutional obligations to establish or maintain a unitary school system under currently acceptable definitions within a reasonable period of time. Once these obligations have been met, no Federal court will henceforth have jurisdiction over that system for the purpose of desegregation.

2. Who decides that the obligation has been met?

The same court issuing an order submits it to a jury for determination as a question of fact, or the appropriate Appeals Court thereof.

3. What definitions are used?

The definitions are essentially those in current use:

A unitary school system is:

(1) Any system that is under a court-ordered plan—i.e., all current court determinations qualify. Similarly, any system complying with an HEW-approved plan is a unitary system for the purposes of this Act.

(2) Any system that has been found by a Federal court to be in compliance with the U.S. Constitution and laws—i.e., any system that has successfully defended itself against charges of discrimination.

(3) Any system that has been found by a Federal court to have set up its geographic attendance zones without the intent to discriminate, and not to have altered them except to meet increases or decreases in population.

(4) In addition, a formula is proposed as a benchmark for integration plans. A unitary system would be one in which not less than two-thirds of the schools each have a percentage of each race which is not less than one-third of their percentage, respectively, in the school population taken as a whole.

4. How can we be sure that a school system won't go back to discrimination once it is released from Federal jurisdiction?

Because the Supreme Court has held that discrimination violates the U.S. Constitution and laws. Furthermore, the Public School Jurisdiction Act forbids any changes in pupil assignment for the purpose of discrimination.

5. What redress is there if a school system lapses into discrimination?

Plaintiffs have the full apparatus of the State courts, with final appeal to the Supreme Court of the United States.

6. Doesn't the termination of Federal jurisdiction unconstitutionally restrict the right of due process?

No. Every student or parent in every public school system has had or will have the right to bring his system into the Federal courts at least once if it is not a unitary system under the definitions of the Public School Jurisdiction Act. The Public School Jurisdiction Act simply imposes a reasonable limitation upon the jurisdiction of the lower Federal Courts. A plaintiff will always have the full range of State Courts open to him, including appeal to the U.S. Supreme Court.

7. Will the Public School Jurisdiction Act be upheld by the Supreme Court?

Yes. The Public School Jurisdiction Act takes as its starting point HEW and court orders currently in effect. It is wholly within the power of Congress to provide a reasonable statutory basis for enforcement under the enforcement section of the Fourteenth Amendment. Due process is not denied because the avenue of the State court is left open, with appeal to the U.S. Supreme Court, as well as original jurisdiction in the first instance with the Federal courts. Furthermore, the Public School Jurisdiction Act does not allow reversion for the purpose of discrimination. If racial balance occurs as a result of shifting population patterns, or as a result of the free choice of parents, the School Board is not responsible under the Constitution. The Supreme Court in the *Green* case refused to rule against freedom of choice plans as such. The Public School Jurisdiction Act purges the State of the taint of past actions in operating a dual system, eliminating the need for indefinite "compensatory action" for past actions under the dual system.

8. Why does the bill require that a unitary plan be in effect "for one full school year"?

Because some systems operate on a nine-month basis, and others operate on a twelve-month basis. Specification of a calendar year would cut across equitable planning for each.

9. Is "one full school year" sufficient to create a presumption that the vestiges of a dual system have been eliminated?

Yes. Yes, Congress can create whatever legal presumption it feels is administratively convenient and reasonable. Congress created such a presumption in the Voting Rights Act of 1964 when it set up Federal jurisdiction over voter registration and elections for one year longer than the quadrennial Presidential elections. School administration, however, changes with the annual influx of new students, and one year is an appropriate administrative unit.

10. Does the Public School Jurisdiction Act outlaw busing?

No. The Public School Jurisdiction Act approves whatever integration plans are currently imposed by court order, including those which require busing. Once a school system has met the definition of a unitary system, it can employ any pupil assignment method it chooses, so long as it does not do so for the purpose of discriminating. The issue of busing will then revert to a local issue, a matter to be decided between the school board members and their constituency.

11. Does the Public School Jurisdiction Act permit "freedom of choice" assignment plans?

The Public School Jurisdiction Act permits any assignment plan which is not adopted for the purpose of discrimination. In the Green case, the Supreme Court specifically refused to rule against freedom of choice plans as such. Presumably, some would be permitted, others would not.

12. Will the Public School Jurisdiction Act "roll back" the gains of the civil rights movement?

No. In so far as the civil rights movement has made real progress in the hearts of the people, to the same extent will progress be retained under the Public School Jurisdiction Act. In the long run, the Public School Jurisdiction Act represents real progress because it places the states in a neutral position as regards school assignment. Reforms which are freely accepted by the people represent a more solid accomplishment. Discrimination remains outlawed by the Fourteenth Amendment; the Public School Jurisdiction Act merely regulates the widely varying interpretations of what discrimination consists.

13. Will the Public School Jurisdiction Act permit children now attending superior schools under busing to be sent back to the inferior schools they formerly attended?

No. A special clause safeguards the right of any child to receive transportation and assignment to the school he now attends despite any assignment plan that might be subsequently adopted by the School Board. Whether this option is exercised is up to the parent.

14. Will the Public School Jurisdiction Act apply with equal effect in the North as well as in the South?

Yes. The Public School Jurisdiction Act addresses itself both to *de jure* and *de facto* situations. If a Federal court finds that discrimination through State action has occurred in the North, then the judge can issue appropriate orders setting up a unitary school system under the statutory definitions. When that judge or an appeals court finds that a unitary school system has been in effect for one year, the situation reverts back to school board control.

15. How soon will the Public School Jurisdiction Act bring relief to bused children and their parents?

As soon as the court finds that the school system has been a unitary school system for one full school year. For school systems that have already been under court orders for

more than a year, this finding could take place on the day that the Act is signed into law. Actual relief would follow just as soon as the local school board adopted an appropriate school assignment plan of its own choosing. The speed with which this is done is a matter of local concern and local constituencies.

16. How can we be sure that a court issuing an order will act to end its own jurisdiction in a case?

Application to end jurisdiction can be made by any state authority or local educational agency, or any affected citizen. Under the law, the judge must reopen the order and submit it to a jury to make the determination whether the system has been a unitary system for the required period of time. This is a simple question of fact, amounting to whether or not the schools have complied with the judge's own order for a school year. If the determination is adverse, the question may be taken to the appropriate appeals court.

17. Will the Public School Jurisdiction Act achieve desegregation?

The Public School Jurisdiction Act does not address itself to the problem of desegregation. The Public School Jurisdiction Act addresses itself to the problem outlined in the *Swann* case by Chief Justice Burger:

"The constant theme and thrust of every holding from *Brown I* to date is that State-enforced separation of races in public schools is discrimination that violates the Equal Protection Clause. The remedy commanded was to dismantle dual school systems.

"We are concerned in these cases with the elimination of the discrimination inherent in the dual school systems, not with myriad factors of human existence which can cause discrimination in a multitude of ways on racial, religious, or ethnic grounds. The target of the cases from *Brown I* to the present was the dual school system. The elimination of racial discrimination in public schools is a large task and one that should not be retarded by efforts to achieve broader purposes lying beyond the jurisdiction of school authorities. One vehicle can carry only a limited amount of baggage . . .

"Our objective in dealing with the issues presented by these cases is to see that school authorities exclude no pupil of a racial minority from any school, directly or indirectly, on account of race; it does not and cannot embrace all the problems of racial prejudice, even when those problems contribute to disproportionate racial concentrations in some schools." [402 US 1 at page 22]

The Public School Jurisdiction Act provides objective criteria for the elimination of dual school systems, thereby insulating present State action that does not discriminate from the taint of past State action that did.

18. Does the Public School Jurisdiction Act restrict the remedies available to a plaintiff whose rights have been abused under the Fourteenth Amendment?

No. The remedies would be exactly the same as at present.

19. Would the Public School Jurisdiction Act eliminate busing across boundary lines of political subdivisions?

Yes, except in a rare case where it might be proved in court that a political boundary line was drawn for the purpose of segregating schools. Most communities doubtless could show that their boundaries are historic and were drawn for reasons not associated with an intent to segregate the schools. The fact that segregation occurred along boundary lines for other reasons would be irrelevant to the Constitutional duty to eliminate dual systems.

20. Would the Public School Jurisdiction Act preserve the neighborhood school?

After jurisdiction is returned to the public school agency, the public school system can do as it pleases, so long as it does not discriminate. Given the generally prevailing sentiments of most people, black or white, the Public School Jurisdiction Act would create a positive environment which would gradually eliminate school desegregation jurisdiction in the Federal courts, return control of the school systems to State and local authorities and eliminate the great bulk of cross-zone racial balance busing. Experience seems to indicate that public dissatisfaction with busing is as characteristic of the black community as of the white. The neighborhood school assignment system seems to be the preferred choice of the great majority of American families. In terms of educational improvement, a shift to such a basis would eliminate the major burden of busing expense which deprives students of the greater educational opportunities available in terms of improved physical plant and equipment, and special teaching assistance which the saving of such busing costs could make possible.

Mr. JAVITS. Mr. President, I yield myself 10 minutes.

This amendment must be opposed. It has many defects; I shall deal only with the most fatal of those defects.

For one thing, it is obviously an effort to betray the whole busing business, because it relates, as Senators will note, specifically at page 7, lines 3 to 16, to reopening of decrees dealing with busing. That is obviously its main thrust. The same is true at page 8, lines 9 to 12. We shall handle that in a proper way at the proper time.

Similarly, at page 5, line 24, to page 6, line 4, it deals with transportation, and so on, all of which involves busing, and is tied up with the limitation of the unanimous-consent agreement.

Mr. President, on the merits this amendment is critically based on a section of the statute which it seeks to revise, section 401 of the Civil Rights Act of 1964. It is very important to point that out, because that is the section which deals with discrimination, education programs of less quality, et cetera. The amendment, on pages 3, 4, and 5, amends that particular section, and then, in the operative clauses respecting the nonapplicability of court decrees, simply picks up section 401(g) of the Civil Rights Act. It does not say "as amended by this amendment," but that is the effect of it.

So what is introduced now is a totally new factor which is, in my judgment, flatly unconstitutional, in respect to desegregation of public schools, for it is conditioned, according to Senator HELMS' amendment, on the material contained on page 4, line 19, to page 5, line 2, and it sets a numerical standard by which a school shall be considered desegregated.

This is absolutely and flatly against the cases of the U.S. Supreme Court on this issue: That numerical standard is that:

> . . . not less than two-thirds of the schools of a local educational agency have a racial composition of the student body of each school which shall contain a percentage of majority students which is not less than one-third of the percentage of majority students in the school population taken as a whole, and a percentage of minority students which is not less than one-third of the percentage of minority students in the school population taken as a whole.

By the way, there are a lot of other qualifications for a unitary school system but it is separated from them by the word "or" and not by the word "and." So an effort is being made to substitute a definite number standard, a numerous clausus if you will, Mr. President, for the present definition, as decided by the cases which seek substantially to bring about segregation in the school system.

So this amendment can speak about a unitary school system as long as it wishes, but it does not change anything in the amendment itself, as directed in the unitary school system and by its own definition, to which the rest of the amendment refers. That definition is flatly unconstitutional by endeavoring to fix and set a number to determine the issue, which the court has just not gone along with. They may have used such relationships as indexes of what is and what is not a segregated school system, but this would make it absolutely standard.

Then, to lock it in further, it is interesting to me to read how an effort is made to get aboard this self-determined definition of a unitary school system which, as I say, is an unconstitutional definition, that is, by leaving the determination not to a jury of the issuing court.

Now, Mr. President, that takes into account all kinds of local feelings on this subject, which in many cases are unfavorable, yet that is not the law of the land as determined by the Constitution.

I find it difficult to see how such a question can be left to a jury alone, as if it were a coroner's jury, without being left to the court. It seems to me that this is a fatal defect because the court is determined to reopen any existing decree. If there is an application to submit a question of fact to a jury to determine, it might return a question of fact when we consider the very clear and specified number which makes or unmakes a dual school system according to the amendment itself.

This is nothing but another attempt to betray the whole desegregation of the schools issue and to endeavor to get rid of busing as a tool in that regard—under any guise. I believe therefore that it runs counter to the position—certainly to the position of the committee taken on the bill and to the action of the Senate already taken on this very broad issue.

For all those reasons, Mr. President, I would propose to move at an appropriate time under the unanimous-consent agreement to table the amendment.

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Rhode Island yield me 2 minutes?

Mr. PELL. I yield 2 minutes to the Senator from West Virginia.

The PRESIDING OFFICER (Mr. ALLEN). The Senator from West Virginia is recognized for 2 minutes.

Mr. ROBERT C. BYRD. Mr. President, I would hope we would not have to reach a vote on this amendment or on any tabling motion. I am a strong advocate of the idea of doing away with forced busing to achieve racial balance in the schools. I am much opposed to forced busing for that purpose alone. I do not think the Constitution requires it. It is a waste of the taxpayers' money. Black and white parents alike oppose it. The money spent for forced busing would be better spent on upgrading educational facilities and increasing teachers' salaries. And it creates a serious drain upon our limited gasoline supplies.

But I do not believe, Mr. President, that this amendment is in order under the agreement. I know that my distinguished friend from North Carolina will realize the spirit in which I say this, but I have looked the amendment over. In every section and subsection of the amendment, there is a very clear reference to busing, or to the assignment of pupils, or to the Civil Rights Act. Every section, with the exception of the severability clause and possibly subsection (f) of section 411, I think, clearly is an amendment that deals with busing or school assignments or some facet of integration.

We entered into an agreement last Thursday that there would be no more so-called busing amendments.

We have gone up the hill on busing last week, and I have marched with my friend from North Carolina and stood by his side. As he rammed the flag down the cannon's barrel, I stood by his side, and we were defeated on a very close vote.

Under the agreement, there were to be no more so-called busing amendments offered to the bill. Several Senators who entered into the agreement are not here today. I am constrained to believe that they will feel we did not live up to the agreement if we have a vote on this amendment.

I am therefore just hoping that the Senator, who has made a fine case for his amendment and a very fine statement for it, would withdraw it and offer it some other day to some other bill.

I am constrained to think that I am going to have to raise a point of order myself on the amendment if he does not withdraw it. I do not want to be forced into that position, but I am one who helped to work out the agreement, and I feel that we have to honor our agreements here.

What I say is no reflection on the distinguished Senator from North Carolina. He is an honorable and fair and decent man. He did not work up the agreement. He was given consent in the agreement to call up three amendments. I personally have not had the opportunity to look at this amendment until now. I am saying to him that I do not see how the Parliamentarian can possibly do anything other than sustain a point of order against the amendment.

I say that, in all kindness and with great respect for my friend from North Carolina, I would have to raise a point of order against the amendment.

Mr. JAVITS. Mr. President, if the Senator will yield for a clarification of one or two points, I had not intended to raise this question but it seems to me it does need to be raised. It relates to the terms of the unanimous-consent agreement. It will be noted on page 2 of the calendar of business where the unanimous-consent agreement is repeated that, "It will not be in order to offer further busing amendments." If the Senator will refer back to the previous unanimous-consent agreement, he will find that it says with relation to busing where it dealt in the affirmative that we would not discuss busing at a given time—we used the term "so-called busing."

Mr. ROBERT C. BYRD. "So-called busing"—that is right.

Mr. JAVITS. My distinct recollection is that the Senator used exactly the same term in the unanimous-consent request. That is important, because we were dealing with a generic class of amendments in a negative way of the same kind. We had dealt with it in the proper way.

Mr. ROBERT C. BYRD. Yes.

Mr. JAVITS. That is very supportive of a very honorable position because I know the Senator's feeling and his voting record on this subject which the Senator has now taken.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. JAVITS. Will the Senator agree with me?

Mr. ROBERT C. BYRD. Yes, I do indeed. I would have to say, with all due deference to my dear friend from North Carolina, the State in which I was born, that this amendment violates the terms of the agreement both in letter and in spirit, and I say nothing by way of reflection on the Senator. He has acted in the utmost good faith.

Mr. HELMS. Mr. President, I know exactly what the——

The PRESIDING OFFICER. Who yields time?

Mr. HELMS. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 3 minutes.

Mr. HELMS. Mr. President, I understand exactly what the distinguished Senator from West Virginia is saying. As he well knows, I sat in on the determination of the unanimous-consent agreement. If he will check the RECORD, he will see that there were three busing amendments that I did not call up. I think he will agree that I am not a man to break his agreement.

Mr. ROBERT C. BYRD. I agree with my friend absolutely.

Mr. HELMS. The point is, Mr. President, that I did check with the Parliamentarian prior to the busing amendment limitation, and it was my understanding at that time that this amendment is not a busing amendment in the frame of reference of the unanimous-consent agreement. Certainly, it was not intended to be simply a busing amendment, even though busing is indeed a part of the travail that exists all over this country as a result of Federal meddling in the local schools of the country. There are many, many other aspects of Federal control of our schools which bother me and to which this amendment addresses itself.

I will put this bargain to the distinguished majority whip: that we have a quorum call, to permit the Parliamentarian to complete his study of the amendment, and if the Parliamentarian now believes that it is indeed a busing amendment, I will withdraw it, because I have no intention whatever of violating any agreement that I participated in or which the Senate entered into.

I say again that this amendment is not by intent merely a busing amendment; and had it been declared a busing amendment, I would have called it up in the time allotted to me last week during the period when busing amendments were permitted.

So, with that bargain with the distinguished majority whip, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. If the Senator will withhold his suggestion for 1 minute, what I am concerned about here is that, while the Senator may not interpret the amendment strictly as a "busing" amendment, I think the agreement was entered into in the spirit of an understanding that no "so-called busing" amendments would be called up today.

Mr. HELMS. That is correct. The Senator is absolutely correct. It is simply a matter of definition. I want at all times to do what is right and fair.

Mr. ROBERT C. BYRD. For example, the Senator from Michigan (Mr. HART), who entered into the agreement, would have objected had he known the contents of this amendment. The thrust of the amendment is such that those Senators who felt that there would be no votes on so-called amendments today did not comprehend anything like this amendment.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HELMS. That the time, as the distinguished majority whip said earlier, be charged to nobody.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 8 minutes remaining.

Mr. HELMS. I thank the Chair.

Mr. President, there is some confusion about the understanding as to what is a proper amendment to call up. Frankly, I think it is proper to call up anything at any legislation that may have the remotest chance of putting an end to the tyranny of Federal judges and HEW bureaucrats over the schoolchildren of this country and their parents.

I recognize that there are others in the Senate who feel otherwise, who wish to continue this burden and this—if the Senate will forgive me—absurdity of forced busing that is being perpetrated day after day, with a considerable waste of money, a waste of millions of gallons of gasoline, and all the other dreary aspects of Federal control of our schools. But since there is a question about whether this is a busing amendment, let me emphasize that I did not intend it solely as a busing amendment as such, under the terms of the agreement which was entered into. As I said earlier, the bitter fruits of Federal control of schools speak for themselves—unhappily so and depressingly so.

Let me say, Mr. President, that as long as I am a Member of the Senate, I am going to oppose forced busing of schoolchildren. I think it is unwise, I think it is improper, and I think it is a usurpation of the rights of local government; and it is a terrible burden that is cast upon the most innocent of our citizens, the children.

Thus, in deference to my good friend, the distinguished majority whip, I shall not ask for the yeas and nays. I shall not even put the Parliamentarian on the spot in determining whether this is indeed a busing amendment under the conditions of the unanimous-consent agreement.

But I will say, Mr. President, that I have learned something about unanimous-consent agreements, and with all respect and affection for the leadership, I must say I will listen more attentively hereafter. I serve notice that this amendment will be back as well as any other amendment that I may devise to put an end to forced busing of schoolchildren.

I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me?

Mr. HATHAWAY. I yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I wish to express appreciation to the distinguished Senator from North Carolina for having withdrawn the amendment. I know how deeply he feels about the subject and I can assure him that when he offers the amendment at another time on another day and to a proper vehicle I will support his idea. I cannot say "the amendment" because I have not read it word for word, but again I reiterate that insofar as his opposition to forced busing is concerned I am with him 100 percent.

But the Senate did enter into this agreement, which reads as follows: "that no so-called busing amendments be in order." That appears in the Record of May 16, 1974, at page 15204.

I believe that under established busing terminology, that would embrace the Senator's amendment. I think he now recognizes that and I want to express the appreciation of the joint leadership that he has withdrawn the amendment, thus avoiding the raising of a point of order or the making of a motion to table by the distinguished Senator from New York (Mr. Javits), and thereby saving the time of the Senate.

May I say further with respect to what the Senator has said about unanimous-consent agreements, they are sometimes very, very difficult to obtain, especially on controversial matters such as the bill before the Senate, and, in addition, they can be very complex. I want to assure the Senator that anything I can ever do to protect his rights, as I would those of any other Senator, I shall do.

Again, I thank the able Senator for withdrawing the amendment.

Mr. HELMS. I thank the distinguished majority whip for his customary gracious remarks. No one could have been more cooperative with this freshman Senator than he has been to me. I hope he is ever mindful of my gratitude to him. He does an exceedingly difficult job masterfully, always with grace and thoughtfulness.

Of course, I am disappointed that the misunderstanding developed on this amendment. I had done all I could to make sure it was clear for calling up at this time. I though it was clearly understood. But one swallow does not make a summer, and we will be back again, and again, and again, until we put an end to the cruel manifestation of Federal tyranny imposed upon the little schoolchildren of America.

Mr. President, I reserve the remainder of my time.

Mr. JAVITS. Mr. President, I yield myself 1 minute to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Mr. President, my parliamentary inquiry is as follows:

The unanimous-consent agreement uses the word "further" in respect of busing amendments—"to offer further busing amendments." Reference to the Record shows that when the Senator from West Virginia (Mr. Robert C. Byrd) made the unanimous consent he spoke of "so-called busing amendments."

Mr. President, would it be appropriate for the remainder of the debate to assume that the word "further" which is carried over from the previous unanimous consent, in which the words were used "so-called busing amendments," means for the purpose of this debate, under this unanimous consent "so-called busing amendments?"

The PRESIDING OFFICER. Yes. The Senator is correct. The word carries through as originally intended in the unanimous consent.

Mr. JAVITS. I thank the Chair. I appreciate very much how difficult this was for the Senator from West Virginia and how much it underwrites the integrity he tries to bring to the leadership.

Mr. ROBERT C. BYRD. I thank the distinguished Senator. The distinguished Senator did call attention, did he not, I say to the distinguished Senator from New York—he did reiterate that the phraseology "so-called busing amendments" was carried through into the agreement?

Mr. JAVITS. Yes, that is what the Chair ruled.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. President, I ask unanimous consent that it be in order for the distinguished Senator from Texas to call up his amendment without prejudice to the distinguished Senator from Connecticut (Mr. Weicker).

Mr. TOWER. Is that agreeable?

Mr. WEICKER. It is agreeable. The Senator has discussed the matter with me.

AMENDMENT NO. 1343

Mr. TOWER. Mr. President, I call up my Amendment No. 1343.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 358, between lines 22 and 23, insert the following new section:

"PROVISION RELATING TO SEX DISCRIMINATION

"Sec. 535. Section 901(a) of the Education Amendments of 1972 is amended by—

"(1) striking out the word 'and' at the end of paragraph (4) of such section;

"(2) striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon and the word 'and'; and

"(3) adding at the end thereof the following new paragraph:

" '(6) this section shall not apply to intercollegiate athletic programs.'."

On page 358, line 24, strike out "Sec. 535." and insert in lieu thereof "Sec. 536."

On page 123, in the table of contents, redesignate "Sec. 535." as "Sec. 536." and insert immediately after the item "Sec. 534." the following:

"Sec. 535. Provision relating to sex discrimination.".

Mr. TOWER. Mr. President, I send to the desk a modification of my amendment. It is my understanding I do not have to get consent to modify it.

The PRESIDING OFFICER. The amendment will be so modified. The Senator will send the modification to the desk.

The amendment, as modified, is as follows:

On page 358, between lines 22 and 23, insert the following new section:

PROVISION RELATING TO SEX DISCRIMINATION

Sec. 535. Section 901(a) of the Education Amendments of 1972 is amended by—

(1) striking out the word "and" at the end of paragraph (4) of such section;

(2) striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon and the word "and"; and

(3) adding at the end thereof the following new paragraph:

"(6) this section shall not apply to an intercollegiate athletic activity to the extent that such activity does or may provide gross receipts or donations to the institution necessary to support that activity."

On page 358, line 24, strike out "Sec. 535." and insert in lieu thereof "Sec. 536."

On page 123, in the Table of Contents, redesignate "Sec. 535." as "Sec. 536." and insert immediately after the item "Sec. 534." the following:

"Sec. 535. Provision relating to sex discrimination.".

Mr. TOWER. Mr. President, in the printed version of my amendment, on page 2, line 3, it is stated:

"This section shall not apply to intercollegiate athletic programs."

I have modified the amendment to provide:

"This section shall not apply to an intercollegiate athletic to the extent that such activity does or may provide gross receipts or donations to the institution necessary to support that activity."

That is the only change in the printed version and I think that meets some objection that might have been made against the printed version.

Mr. President, my concern is for intercollegiate athletics, including both men's and women's sports. At most colleges and universities, intercollegiate athletics are funded in whole or in part by monies raised, for example, through the sales of tickets to men's football or basketball games and through fund-raising campaigns for general, scholarship or other specific purposes. As I understand it, at some schools other sports are also substantial revenue-producers: ice hockey at Colorado and Ohio State, wrestling, perhaps, at Iowa, Iowa State, Oklahoma, Oklahoma State, and Lehigh, and so forth. In these cases, impairment of the financial base of the revenue-producing activity threatens not only the continued viability of that activity, but the viability of the entire athletic program.

The prospect of such impairment becomes especially significant at present when there is a most substantial demand for upgrading women's athletic opportunities in our institutions of higher education. Although some progress has been and is being made to satisfy that demand, I think that it must be recognized that efforts to date have fallen far short of attaining the optimum goal of equal opportunity—in the context of demonstrated interest—for men and women in intercollegiate athletics. That being the case, new demands will be made in the future on the pool of athletic funds to finance expanded intercollegiate sports opportunities for women. Consequently, the women in our colleges and universities have as great a stake in a strong financial base for their individual school's sports program as do the men.

It has been the apparent failure of our colleges and universities to provide equal athletic opportunities for women that has attracted the attention of the Department of Health, Education, and Welfare. HEW has interpreted title IX of the Education Amendment of 1972 to provide it with the authority to promulgate rules governing sex discrimination in intercollegiate athletics. Because, according to my recollection and detailed, recent investigation, I do not believe that Congress intended title IX to extend to intercollegiate athletics, I would like to call upon the Senate Committee on Labor and Public Welfare to conduct hearings on this vitally important matter to determine what Federal legislation, if any, is necessary to assure equal intercollegiate athletic opportunities for women. I would like to digress one moment to observe that the Congress should be writing such legislation, for Congress has by far the better resources to define the problem, determine what progress is being made, and determine whether substantive legislation or the vestment of monitoring authority in HEW is the better course.

Grave concern has been expressed that the HEW rules will undercut revenue-raising sports programs and damage the overall sports program of the institution. Were HEW, in its laudable zeal to guarantee equal athletic opportunities to women, to promulgate rules which damaged the financial base of intercollegiate sports, it will have thrown out the baby with the bath water. The amendment which I have proposed will, if enacted, prevent any such result. The amendment will except only those sports which provide gross revenues and only to the extent that the revenues are necessary to support such revenue-producing athletic activities. This, of course, in no way grants HEW the authority to tell a school how much it can spend on a revenue-producing sport. However, if a court should hold that HEW has the authority to promulgate rules affecting intercollegiate athletics, HEW would be free under title IX to prescribe rules for all but the very narrow class of revenue-producing sports. Nonrevenue-producing sports are usually financed by the surplus over that amount necessary to pay for the revenue-producing activity or activities, and HEW would then be able to insist that that surplus be reasonably distributed to assure that equal opportunities are provided women in intercollegiate sports.

I want to emphasize that one of the prime reasons for my wanting to preserve the revenue base of intercollegiate activities is that it will provide the resources for expanding women's activities in intercollegiate sports. I have a vested interest because I have a daughter who is a potential varsity tennis player, and I would like to see that she gets the opportunity.

I hope the amendment will be adopted.

Mr. President, at this point I would like to modify my amendment to include a proposal made to me by the Senator from Minnesota (Mr. MONDALE). In adding this modification at his suggestion and request, which I think is a reasonable modification, may I say it is not intended to confer on HEW any authority it does not already have under the act.

I send the modification to the desk, but I will read it in full at this time:

At the appropriate place in the amendment insert "a" after the section designation of "Section 535", and add after that subsection the following new subsection.

(b) The Commissioner shall prepare and publish, not later than 30 days after the date of enactment of this Act, proposed regulations implementing the provisions of title IX of the Education Amendments of 1972 relating to the prohibition of sex discrimination in federally assisted education programs.

I think that this is a reasonable modification, and I therefore wish to modify my amendment as indicated.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. TOWER. Mr. President, it is my understanding that with this modification my amendment is acceptable to both sides and therefore can be disposed of by voice vote.

The PRESIDING OFFICER. Who yields time?

Mr. HATHAWAY. Mr. President, the committee position on this amendment is that it is a clarifying amendment, as modified by the Senator, and we are willing to accept it.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. TOWER. Mr. President, I did not know we were under controlled time, but I yield it back.

Mr. JAVITS. Mr. President, we have reviewed the amendment on the minority side, and it is acceptable to us.

Mr. TOWER. I thank my distinguished friends from Maine and New York.

The PRESIDING OFFICER. All time on the amendment is yielded back. The question is on agreeing to the amendment offered by the Senator from Texas, as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. At this time, in accordance with the previous order, the Chair lays before the Senate amendment No. 1342 by the distinguished Senator from Connecticut (Mr. WEICKER), which will become the pending business. Debate is limited to 1 hour, to be equally divided between the manager of the bill and the distinguished Senator from Connecticut.

The amendment is as follows:

At the end of the bill, add the following new title:

"TITLE IX—QUALITY SCHOOL AID ASSISTANCE

"STATEMENT OF PURPOSE

"SEC. 901. In order to provide increased resources for the improvement of equality of educational opportunity in the public elementary and secondary schools of the States it is the purpose of this part to make unconditional grants to States.

"AUTHORIZATION OF APPROPRIATIONS

"SEC 902. (a) There are authorized to be appropriated for the purpose of carrying out this Act $2,500,000,000 for the fiscal year ending June 30, 1974, and for each of the four succeeding fiscal years. Funds appropriated pursuant to the preceding sentence shall remain available for obligation and expenditure during the fiscal year succeeding the fiscal year for which they are appropriated.

"(b) Funds appropriated pursuant to this part shall be in addition to any other authorization of appropriations for financial assistance to public elementary and secondary schools.

"ALLOTMENT

"SEC. 903. (a) From the funds appropriated pursuant to section 902, the Commissioner shall allot not less than 3 per centum among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs. From the remainder of such sums the Commissioner shall allot to each State an amount which bears the same ratio to the number of children in each such State—

"(1) who are aged five to seventeen, inclusive; and

"(2) (A) who are enrolled in the public elementary and secondary schools of the local educational agencies, and

"(B) enrolled in such schools of the State educational agency of such State;

bears to the number of such children in all States. For the purposes of this subsection, the term 'State' does not include Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Commissioner determines will not be required, for the period such allotment is available, for carrying out the purposes of this Act shall be available for reallotment from time to time, on such dates during such period as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Commissioner estimates will be needed in such State and will be used for such period for carrying out applications approved under this Act, and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

"USES OF FUNDS

"SEC. 904. Grants made under this part may be used in accordance with applications approved under section 905 to improve quality of educational opportunities in the public elementary and secondary schools of local educational agencies and of such schools operated by State educational agencies.

"APPLICATIONS

"SEC. 905. (a) A grant under this part may be made to any State educational agency upon application to the Commissioner at such time, in such manner, and containing and accompanied by such information as the Commissioner deems necessary. Each such application shall—

"(1) provide that the programs and activities for which assistance under this part is sought will be administered by or under the supervision of the applicant;

"(2) describe with particularity the programs and activities for which such assistance is sought;

"(3) provide procedures for submitting applications by local educational agencies within that State for grants under this part, for approval by the State educational agency, including appropriate procedures to assure that the State educational agency concerned will not disapprove any application of any such local educational agency without notice and an opportunity for a hearing;

"(4) provide for making such reasonable reports in such form and containing such information as the Commissioner may reasonably require to carry out his functions under this part, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

"(b) Applications for grants under this part may be approved by the Commissioner only if—

"(1) the application meets the requirements set forth in subsection (a); and

"(2) the application is consistent with objectives criteria established by the Commissioner for the purpose of achieving an equitable distribution under this part within such State. Such criteria shall be based upon a consideration of—

"(A) the number of children aged five to seventeen, inclusive, who are enrolled in the public elementary and secondary schools of the local educational agencies within each such State; and

"(B) the relative need of the local educational agencies within the State for assistance under this part.

"(c) Amendments of applications shall, except as the Commissioner may otherwise provide, be subject to approval in the same manner as the original applications.

"PAYMENTS

"SEC. 906. (a)(1) From the amounts allotted to each State under section 903, tne Commissioner shall pay to that State an amount equal to the cost of carrying out the application of that State.

"(2) From the funds paid to it pursuant to paragraph (1), each State educational agency shall distribute to each local educational agency of that State which has submitted an application approved pursuant to section 905(a)(3) the amount for which such application has been approved, except that this amount shall not exceed the maximum amount determined for that agency pursuant to section 905(b)(2).

"(b)(1) The Commissioner is authorized to pay to each State amounts equal to the amounts expended by it for the proper and efficient performance of its duties under this part (including technical assistance for the measurements and evaluations), except that the total of such payments in any fiscal year shall not exceed—

"(A) 1 per centum of the total maximum grants for State and local educational agencies of the State as determined for that year; or

"(B) $150,000 or $25,000 in the case of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands;

whichever is greater.

"(2) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

"WITHHOLDING

"SEC. 907. Whenever the Commissioner, after giving reasonable notice and opportunity for hearing to a grant recipient under this part, finds—

"(1) that the program or activity for which such grant was made has been so changed that it no longer complies with the provisions of this Act; or

"(2) that in the operation of the program or activity there is failure to comply substantially with any such provision;

the Commissioner shall notify such recipient of his findings and no further payments may be made to such recipient by the Commissioner until he is satified that such noncompliance has been, or will promptly be, corrected. The Commissioner may authorize the continuance of payments with respect to any programs or activities pursuant to this Act which are being carried out by such recipient and which are not involved in the noncompliance.

"JUDICIAL REVIEW

"SEC. 908. (a) If any State or local educational agency is dissatisfied with the Commissioner's final action with respect to the approval of its application submitted under section 905, or with his final action under section 907, such State or local educational agency may within 60 days after notice of such action file with the United States court of appeals for the circuit for which such agency is located a petition for review of that action. A copy of that petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner shall file promptly in the court the record of the proceedings on which he based his action, as provided for in section 2112 of title 28, United States Code.

"(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"ADMINISTRATION

"SEC. 909. Unless otherwise inconsistent with the provisions of this part the provisions of the General Education Provisions Act shall apply to the program authorized by this Act."

On page 123, in the Table of Contents after title VIII add the following:

"TITLE IX—QUALITY SCHOOL AID ASSISTANCE

"Sec. 901. Statement of purpose.
"Sec. 902. Authorization of appropriations.
"Sec. 903. Allotment.
"Sec. 904. Uses of funds.
"Sec. 905. Applications.
"Sec. 906. Payments.
"Sec. 907. Withholding.
"Sec. 908. Judicial review.
"Sec. 909. Administration.".

Mr. WEICKER. Mr. President, first I ask unanimous consent that the distinguished Senator from Colorado (Mr. HASKELL) be added as a cosponsor of my amendment No. 1342.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I also at this time would like to propose a technical modification to my amendment, on page 5, between lines 18 and 19, to insert the following:

> The Commissioner shall not disapprove an application without first affording the State educational authority notice and opportunity for a hearing.

This is just in the nature of a technical modification.

The PRESIDING OFFICER. Is there objection to the modification? The Chair hears none, and the amendment will be so modified.

Mr. WEICKER. Mr. President, Congress has recognized that all children enrolled in public schools are entitled to equality of educational opportunity.

I know that my colleagues and the American people need no new evidence that this principle is far from realized.

And therefore, I believe that Congress should take a new and positive step toward bringing equality of educational opportunity closer to reality. I submit that Congress should authorize an additional $2.5 billion a year in grants to States to improve equality of educational opportunity in public elementary and secondary schools, allotted to the States on the basis of the proportion of the State's public school enrollment to the national total.

The $2.5 billion a year of new funds would be made available to the States to distribute to local school districts for the purpose of improving equality of educational opportunity, allotted to the local districts on the basis of criteria of enrollment and relative need.

This $2.5 billion authorization represents roughly the combined amount of title I and impact aid funds to be authorized in S. 1539, the ESEA legislation. Thus the amendment roughly doubles the amount of Federal compensatory education funds available to the States and local school districts, but under a revenue-sharing approach not tied to title I on impact aid provisions.

The State educational agency would apply to the Commissioner of Education for grants under a comprehensive plan of proposed programs, procedures, and reports, consistent with the objectives of the enacting legislation and general guidelines established by the Commissioner.

The application of the State educational agency will be approved by the

Commissioner on the basis of the comprehensive plan, which must further meet objective criteria for equitable state-wide distribution to local educational agencies. These criteria are to be developed by the Commissioner, based on consideration of the public elementary and secondary school enrollment in the State, and relative need of local school districts within the State.

The Commissioner is authorized to withhold grant assistance for noncompliance with provisions of the act. Procedures for disapproval by the State educational agency of local agency applications include notice and opportunity of hearing. Likewise, State educational agencies would, under a modification I now propose to the amendment, be entitled to notice and opportunities for hearing in the case of disapproval by the Commissioner of a State's application for assistance. There also exists provision for State and local educational agencies to file for judicial review of any action of the Commissioner.

I will emphasize now that this is in no way a "busing" amendment. However, its genesis can be traced to the emotional "busing" issue.

As you know, this matter in varying forms has been under debate in the Senate for the past week and is also under specific review by the Supreme Court of the United States in the Detroit school case.

I think the time is long past when we should be wasting our energies debating each other regarding equality of educational opportunities for all Americans. The fact is that though substantial progress has been made, much is still undone.

All sides of the argument agree that inequality of educational opportunity exists in our country. All sides concur in their desire to see such inequality eliminated. But there is where the agreement ends and the shouting begins.

On the one hand you have those persons who would restrict the remedies which a court may apply to an unconstitutional situation, and on the other hand you have those who feel that the independence of the judiciary must be preserved.

Now let us get it straight that nobody I know is for busing as the solution to inequality of educational opportunity in the United States.

Let us also get it straight that separate is not equal and we're not going to live with inequality of educational opportunity in the United States.

There are three alternatives, as I see it. We can pass a constitutional amendment against busing. The pro of that is that it does away with busing, if such an amendment could be passed.

The con is that it does nothing to create equality of educational opportunity. I think the use of the Constitution as a legislative tool for every "hot" issue will eventually render that document worthless.

The second alternative is that we can pass legislation prohibiting the courts from hearing or ruling on busing cases as a remedy.

Again, the pro is that it may do away with busing.

The con does nothing to create equality of educational opportunity.

Second, I think it violates the checks and balances as between the judicial and legislative branches of the Government. Remember, if we can legislatively limit the court's authority over busing today, we can do the same with the writ of habeas corpus tomorrow. That would involve all of us. In other words, the principle that is involved has to be removed from the emotional issue of this time. The principle has to last throughout all time. This principle is that the Court has to have within its power the ability to order those remedies which in fact would bring to Americans as a whole whatever rights are theirs, whatever rights have been denied to them.

The third is to devise legislative solutions to improve equality of educational opportunities, such as this amendment seeks to accomplish.

On the pro side, this is a positive step to improve equality of educational opportunity in school districts which do or do not have forced busing.

Second, it may reduce conditions which demand a judicial solution such as busing.

There is a con side. It is expensive. Also, I am saying this is a positive step, but only one step. Comprehensive programs for superior public housing, recreation, and so forth, are certainly necessary to achieve equality of educational and life opportunity.

With this in mind, I am offering a revenue-sharing proposal for $12.5 billion in new educational aid after 5 years, specifically geared to creating equality of education opportunity. In and of itself, this proposal is not unusual. Any one of us could come into the Chamber and advocate that we are going to spend more money on this program, and that is rather painless. But I make no bones about the fact that the result of this program is going to cause a little pain, if indeed the solution suggested is worth anything. So I am making it clear now that whoever votes for this legislation will commit himself to bring to being a 1.5 percent surtax on all personal and corporate income taxes to produce at least $12.5 billion. The 1.5 percent surtax would raise roughly the needed revenues to meet the $2.5 billion a year authorized in the amendment.

What are we talking about here, insofar as the impact of corporate and personal income taxes is concerned? Total revenues raised by the surtax individual and corporate income tax revenue would be $2.6 billion. What is the impact on taxpayers in a family of four, with a $10,000 income? They would pay $13.58 in taxes per year. A single, individual taxpayer, earning $10,000, would pay an additional $22.95 per year. A family having a median income of $26,614 would pay $19.62 per year.

I realize that the House of Representatives has the power to raise revenues. I cannot include a surtax in my amendment, and it is not included. But there is a commitment on the part of each Senator that voting or making a legislative history, which is going on right now, is almost as good.

If we truly believe in what we say about equality of educational opportunity, then we must make the commitment; and our commitment means something only if we bite the bullet and pay for it with more than emotional rhetoric.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. MONDALE. I think the Senator from Connecticut makes a good point. If we look at the appropriations for education at the Federal level, I think about 4 years ago Federal contributions to local and elementary education in this country approximated 8 percent of the cost of educating children. Today I think that has slipped to about 6 percent, and it is dropping.

Every time we appropriate, it seems that education is the poor third or fourth cousin. If we look at appropriations for authorized education bills, except possibly for impacted aid, we usually appropriate about a third of the amount authorized.

Title I for example, carries authority for over $5 billion. We, in fact, are appropriating only about $1.8 billion. So the impact of title I each year becomes less and less and less.

I do not know why it is that with all the competing demands for Federal money, we seem to assume education should be the lowest rated priority. Because if there is any hope for the delivery of equal opportunity in education, which ought to be at the heart of the basic American commitment, it seems to me, among other things, it demands higher priorities for education.

This is giving the children the best chance to achieve their own potential—to become good parents, to become good citizens, to pay their taxes, to stay off welfare, to avoid committing crimes; and then to produce their own families which, in the next generation, will do the same.

I think that is the best investment we could make. In our committee, the now defunct Select Committee on Equal Educational opportunity, we have made a study of money spent on economies. We had a team of top economists, including Henry Levin, of Stanford, who concluded that there is a public return of $6 for every dollar spent. It is the best money we spend.

I do not know of a cheaper way of educating children. All our efforts to do it in a cheaper way have failed, and will fail. Education is expensive. If we want good teachers, we must pay them. If we want decent facilities, we must pay for them. When we deal with some children, whom I call children of a cheated background, who come to school with tremendous handicaps that they have accumulated through no fault of their own, it is frightfully expensive to give them a chance. Yet it is still the best investment we can make.

I do not know what position I will take on the pending amendment. I have a general aid proposal of my own. But I think the point the Senator from Connecticut makes is very strong. I hope that in the not too distant future we can develop a strong, new coalition in the

Senate to do for education what we did a few years ago in the nutrition field. When I came to the Senate, we were doing practically nothing for old people—or young children—who had nothing to eat. Over the years, we developed a coalition to bring them food, in sums up to a billion dollars. Over the years, we have begun food programs and other programs, including food stamps, at a cost of more than $4 billion.

Meanwhile education has been standing still—especially in view of inflation—and at great cost to this country. I commend the Senator for his statement.

Mr. WEICKER. I thank the distinguished Senator from Minnesota.

I would say this: I, in no wise, have the background or expertise of the distinguished Senator from Minnesota in the legislative field as it relates to education. Admittedly there might be aspects that fall short, as far as my amendment is concerned.

I have already said it is not just a matter of money. Obviously principles and programs are involved. But I do know that everyone will have a choice, in this legislation, in that they can opt for inequality of educational opportunity or can opt for taxes which might improve conditions which influence busing. But one option that is no longer available is doing nothing, on the one hand, or telling the courts what they can or cannot do. That is not a solution for anything. The Senator from Minnesota knows that as well as I do.

What I have tried to do is confront the Senate as well as the American people with the fact that there is no cheap way to really improve equality of educational opportunity.

I have proposed a legislative alternative to busing which says, "OK, let us get in here, now, and see what we can do by the route of additional compensatory funds, while at the same time admitting that obviously there are other factors involved, that the program is wrapped up in the question of housing and other aspects as well."

I am sure this must come to pass. I am sure that the Court would love it if they did not have to rule on a single case. I am sorry to say that, as far as the administration is concerned, the only thing I have heard is a lot of rhetoric trying to steam up the American people that they ought to be against busing. I wish they would tell me how that will educate one single child in this country that is already being deprived.

It may sound strange to stand on this floor and advocate taxes, but I am tired of Members on both sides standing here and saying, "We are going to have housing, we are going to have transportation, we are going to have education," and then saying, "No new taxes; we will get it all out of the Defense budget."

I do not see any way of doing what needs to be done in all these fields unless we raise the taxes to do it. That is the point of this amendment as much as anything else: To say that this body has the guts to face the problem, and one aspect of the problem is to make sure that we have the money to assure that each child will have the educational opportunity.

Mr. MONDALE. I guess if I were to object, it would be on the basis that, though taxes would be raised in certain areas, when you look at the situation of the low-income and many middle-income families today, they are being tortured. I know that the Senator from Connecticut understands this. Inflation is a dreadful burden, but more than that, their taxes have been raised dramatically in recent years, in ways they may not directly notice, through the payroll taxes. It comes out of their paycheck, and there are no deductions or exemptions, no adjustments for the size of the family. This average family is trying to make a go of it, and trying to do its job to help its children have a chance. That is a very important part of the child's education, too.

So I would hope that if we decide to raise taxes, we would reorder priorities, and try to raise taxes in a way that did not increase the burden upon these families who are already having such a desperate time trying to make it.

Mr. WEICKER. Mr. President, I do not think anyone is trying to burden the American taxpayer any more than necessary. But concerning this great burning issue of busing—let me put it this way: I do not think we can have equality of educational opportunity for all American schoolchildren with our prejudices and our wallets intact. I do not see how we can do it. I think anyone who says we can is not telling the truth. But unfortunately, all we have had is a great deal of rhetoric geared to steaming up rather than solving the problem, as far as the administration is concerned.

Everybody will have a choice, now, either to allow conditions of inferior schools within school districts to continue to exist, or to pay such taxes as would help to change those conditions to promote equality of educational opportunity.

The amendment does not call for legislative interference with court-ordered busing. But it would assure that students who are bused are not bused to inferior schools with inferior teachers and opportunities. It would also tend to reduce those conditions which influence court-ordered busing.

Let me emphasize again that this is not a "separate but equal" amendment. It is rather one positive step to improve, but not necessarily achieve, equality of educational opportunity.

The only thing that is no longer available is doing nothing or telling the courts what they can or cannot do.

We are warned something is going to be done. I would prefer we do it ourselves, and in the more natural way of having schools that by their excellence attract students of all colors and backgrounds.

What we cannot have, I repeat, is equality for all American schoolchildren with our prejudices and wallets intact.

I yield the floor to the distinguished floor manager of the bill.

Mr. HATHAWAY. Mr. President, I yield myself such time as I may require.

I have looked over the amendment which the Senator from Connecticut has submitted, and find some shortcomings in it. Although I agree with the Senator that some kind of general aid should be supported which can go to elementary and secondary schools throughout the country, I think that we should make this a matter of extensive hearings. I understand, through the statements that the Senator from Minnesota has just made and from word that has come to me about the attitude of both the chairman of the full committee and the chairman of the subcommittee, that such hearings will be held next year. I would hope that the Senator from Connecticut would consider, at least, withdrawing his amendment, so that we could hold extensive hearings on this matter.

As the Senator from Minnesota has pointed out, we are not getting enough money now to fund title I to the extent that it ought to be funded. That, as the Senator from Connecticut knows, is a program designed to help the educationally disadvantaged. I think until such time as we are able to take care of the educationally disadvantaged, we should withhold funds for just general purposes, although I agree with the Senator from Connecticut that such funds are necessary.

From reading the amendment which the Senator has proposed, it seems to me that there is no provision here for money to go to nonpublic schools. Am I correct in that assumption?

I understand that that is correct.

Also, the formula, of course, is based on the number of schoolchildren throughout the United States, which would mean that the wealthier schools would get just as much money as the poorer ones. Certainly, at this stage of financing of schools throughout the country, I think the focus of attention should be on those school districts where, because of the tax base, they are not able to raise enough money to provide an adequate education for the students in those districts.

As I mentioned earlier, until we can build the level of financing up high enough to take care of the poorer school districts where we have a considerable number of disadvantaged children, we should postpone consideration of any kind of a general aid program.

Mr. WEICKER. Mr. President, will the Senator from Maine yield for a response?

Mr. HATHAWAY. Yes, I am happy to yield to the Senator from Connecticut.

Mr. WEICKER. I do have to point out that while the amendment, as drafted, uses as a basis for a formula the total school population that which goes to the State, the money is then apportioned on the basis of need and on the basis of situations that exist at the local level, so it is a combination of the two. The need factor, in other words, enters into the formula as the State distributes the grants to local educational agencies.

Mr. HATHAWAY. But the need factor is determined by the State itself.

Mr. WEICKER. That is right.

Mr. HATHAWAY. So that we could get some States——

Mr. WEICKER. Along with the Commissioner of Education.

Mr. HATHAWAY [continuing]. That also, yes, but no mandate on the Commissioner of Education to distribute the money in accordance with need. Need is just one factor. What he might decide was adequate may be, in our opinion, grossly inadequate. Now we have State income levels and a formula for determining just which school districts are the neediest.

I would hate to see that left up to the discretion of any commissioner of education, whether he was State or Federal.

So I would simply ask the Senator from Connecticut if he would consider withdrawing his amendment at this time and submitting it to the committee as a bill for consideration along with other bills that have been submitted to the committee on this question of general aid to elementary and secondary schools.

Mr. WEICKER. I would say to the distinguished Senator from Maine, and I do not like to put myself in opposition to him, as I know of the very sound work he has done in the committee, as indeed have his other colleagues, but the fact is, the point I am trying to make is that much is embodied in the statement accompanying the legislation as in the legislation itself. We sit here and wring our hands over this busing issue and, really, the only ones to suffer—we are making such slow progress—are the schoolchildren themselves.

No one wants to get into an unpleasant solution to the problem. No one is willing to go ahead and face up to it. I happen to think that, yes, there are some Members of this body that know the time has come that, with complete candor, we must do what we say we will do, insofar as these issues are concerned. There are Senators within this body who will stand up and say, yes, there is no such thing as a cheap price for equality. But that is what we are confronted with. We are talking about catching up with equality, equality that is still denied. By anyone's definition of "with all deliberate speed," we are going at this thing too slowly. We should arrive at a positive resolution of the problem, rather than dumping the matter in the courts and getting mad at the courts when we do not like what they are doing. If we wait on the administration, they will be demagoging the busing issue to death in hopes of garnering votes.

But I am telling the Senator from Maine, who is as much concerned as I am as to the number of children 20 years later who are still in the situation of inequality, that one thing we have to do ahead of anything else is to establish the fact that we mean business. We will take some unpopularity on our shoulders—some of us have already done that—and it will be tough on everyone.

No one likes taxes. No one likes to advocate taxes. But no one likes busing, apparently, either.

So what I am trying to do is to say that there has to be another solution other than doing nothing or just sitting there and disparaging the courts.

With some reticence, as I recognize the fine record of the distinguished Senator from Maine and the majority of the members of the committee—both Republicans and Democrats, I must ask for a vote on this amendment, as I have asked for it, because if no one else will show any guts around here, at least let the Senate vote on it in some form.

We should not follow the usual course of advocating more money and then going back to our constituents to say, "We did the job as a matter of principle." Rather we should be able to say "Now we advocated more money but I also advocated the taxes in order to raise the money to pay for it." I think, with all due respect to the distinguished Senator from Maine and the committee, I should like to allow this amendment to go to a vote.

The PRESIDING OFFICER (Mr. BARTLETT). Who yields time?

Mr. HATHAWAY. Mr. President, I yield back the remainder of my time.

Mr. WEICKER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has now been yielded back. The vote will follow the Scott amendment after 4:15 p.m. today.

The bill is open to further amendment.

Mr. HATHAWAY. Mr. President, I suggest the absence of a quorum with both sides to share equally on the bill.

The PRESIDING OFFICER. On whose time?

Mr. HATHAWAY. Both sides to share equally on the bill.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that I may call up an amendment at this time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment will be stated.

The assistant legislative clerk read as follows:

On page 271, line 5, strike out "16" and insert in lieu thereof "17";

On page 271, line 8, strike out "16" and insert in lieu thereof "17".

Mr. HATHAWAY. Mr. President, this is a perfecting amendment which I have discussed with the chairman of the subcommittee and the ranking minority member. I do not believe there is any controversy with respect to it.

Mr. JAVITS. Mr. President, what is this all about?

Mr. HATHAWAY. I understood that the staff had communicated to the Senator from New York what the purpose of this amendment is. If that is not true, I will go through the explanation.

Section 407 establishes an Office of Career Education within the U.S. Office of Education whose purpose it is to develop programs of career education across the country so that every child or youth may, by the time he or she leaves the formal education system, be prepared to fully participate in the society in which he or she is to live and work.

The purpose of this amendment is to effect a technical change upgrading the Director of the Office of Career Education from a GS-16 to a GS-17 as is consistent with the intent of the committee. You will notice in our report that, because career education cuts across all ages, all levels, and all areas of education, the Director is to report only to the Commissioner of Education and not to or through any other unit head of the Office. Moreover, as the report indicates, this position was to be comparable with other such offices reporting directly to the Commissioner, such as the Director of Teacher Corps or the right to read program—positions already established at grade 17 of the general schedule. Further, the position is comparable to the Director of the Office of Consumer Education, also created under title IV, the Special Projects Act, of this bill.

Finally, I should like to say that we expect the Director of this Office to be a national leader in this new field of education and to be able to deal competently with and to work collaboratively with leaders of elementary and secondary education, the State departments of education, community and junior colleges, 4-year institutions of higher education, the graduate and professional schools, business and industry, labor, and community groups as well. To attract a man of such high ability and stature, I feel that it is most necessary that he be installed at least at this grade level. In conclusion, I should point out that the official currently in charge of the limited career education programs now underway at USOE is already installed at the proposed level.

I hope that my colleagues will accept this amendment as one which will strengthen our efforts to bring this important reform to American education.

The PRESIDING OFFICER. Who yields time?

Mr. PELL. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I gather that the purpose of this amendment is to upgrade certain positions in the Office of Career Education. The administration objects to the entire provision for specifying grade levels, and putting a director in charge of this office.

There is a pending amendment by the ranking minority member of the subcommittee to strike out the whole sentence. I feel that I would have to contest the Hathaway amendment now before us unless it were agreed—and I ask that as a parliamentary inquiry—that notwithstanding the amendment, an amendment would be in order to strike the whole sentence, which I understand that one or more of our Members may desire to do. I am not sure, but I want to be sure that his rights are preserved.

Mr. HATHAWAY. I have no objection to that. I understand that the Senator from Colorado is going to make a motion to strike not only this section but many other sections as well.

The PRESIDING OFFICER. If the amendment proposed by the Senator from Maine amends just a part of that sentence, a motion to strike the whole sentence would be in order.

Mr. JAVITS. I have no objection to the amendment, for that reason.

Mr. HATHAWAY. I thank the Senator from New York.

Mr. PELL. Mr. President, to my mind, this is a pro forma amendment making the pay of the Director of the Office of Career Education equal to that of people in similar offices of the Office of Education. I urge that the amendment be accepted.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HATHAWAY. I yield back the remainder of my time.

Mr. DOMINICK. Mr. President, I wonder whether I could have a few minutes.

Mr. JAVITS. I yield to the Senator.

Mr. DOMINICK. I say to the Senator from Maine that one of the amendments I have would strike this out totally, and I agreed not to bring up that amendment by virtue of the acceptance of the consolidation amendment. So I am in somewhat of a bind.

I think the Senator from Maine is making a mistake, on the ground that we are creating another bureaucracy here which is probably not needed at all. If we start trying to organize the HEW—which I think is unorganized, anyhow—we are really going to get ourselves in trouble.

One of the big objections the administration has had from the very beginning has been the creation of all the bureaucracies within this bill. Although, unfortunately, I was not in the Chamber when the Senator from Maine presented his amendment, I gathered that it would raise the level to GS–17 instead of GS–16, which means that it would be even higher in the bureaucracy than it would have been to begin with. So, as a matter of principle, I find myself in a difficult spot, because otherwise I would be substituting my amendment to try to knock out the whole thing.

Mr. HATHAWAY. I say to the Senator from Colorado that the bill already specifies that this Director would be a GS–16. This was an inadvertence on my part in the committee for not specifying GS–17, because the others to which the Senator from Colorado has objection are all at level GS–17. This amendment simply corrects that oversight in the subcommittee and the full committee. The Director of the Teacher Corps, the Director of the right to read program, the Director of the Office of Consumer, Education—all are at grade level GS–17. I understand that the Senator from Colorado objects to all of them, but this is just to put the Director of this program at the same level as the others. They may all be knocked out by the amendment of the Senator from Colorado; but if they are going to be knocked out, I want mine at the same level as the others that are knocked out. If they are going to survive, I want mine at the same level.

Mr. DOMINICK. Am I correct in saying that the Senator from Maine is just putting this on the same level as the others in the bureaucracy?

Mr. HATHAWAY. That is correct.

Mr. DOMINICK. Reserving my right, so far as the conference is concerned, to still urge the House to maintain its position, I have no objection to the Senator's amendment.

Mr. HATHAWAY. I thank the Senator from Colorado.

The PRESIDING OFFICER. Is all time yielded back?

Mr. JAVITS. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine.

The amendment was agreed to.

The bill is open to further amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, without the time being charged.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MONDALE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. MONDALE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On page 154, between lines 18 and 19, insert the following new part:

"(5) Notwithstanding any other provision of this Act—

"(A) the dollar amount for the computation of the maximum amount of a special incentive grant under part B of such title I shall be $1 except as provided in clause (E) of this paragraph;

"(B) the aggregate amounts to which States are entitled under that part for any fiscal year shall not exceed $50,000,000 without regard to any other authorization for such part;

"(C) entitlements created under that part shall be considered only with respect to appropriations for such title I in excess of $1,396,975,000;

"(D) for the purposes of section 144 of such title I entitlements created under part B of such title I shall be treated in the same manner as entitlements under subpart 1 of part A of such title for the second sentence of such section 144, but only to the extent that appropriations for any fiscal year exceed $1,396,975,000; and

"(E) (1) in addition to the amount provided for in clause (A), an additional amount of 50 cents shall be computed under such part B; and

"(2) The aggregate amounts to which States are entitled under that part for any fiscal year, in addition to amount specified in clause (B) of this paragraph, shall not exceed $25,000,000; and

"(3) for the purpose of this clause there are authorized to be appropriated not to exceed $25,000,000 for the fiscal year ending June 30, 1974, and each of the four succeeding fiscal years."

On page 120, in the Table of Contents, add after item 101(a)(4), the following:

"(5) Amendment with respect to incentive grants.".

Mr. MONDALE. Mr. President, this is the amendment which I have discussed with the distinguished manager of the bill, the Senator from Rhode Island (Mr. Pell), the Senator from New York (Mr. Javits), the Senator from Colorado (Mr. Dominick), and the Senator from Arkansas (Mr. McClellan).

TITLE I PART B

This is a simple amendment. It would simply restore part B of title I to the status it has in present law, while retaining the additional authority authorized in the part B amendment offered by Senator Dominick and agreed to by the Senate last week.

Mr. President, part B is a small but very important part of our title I effort. It provides special incentive grants to States which make high efforts in support of public education.

States which exceed the national effort index—presently 4.07 percent—in financing public education are eligible for special incentive grants. The national effort index is determined by the ratio of non-Federal expenditures for elementary and secondary education to total personal income in the United States. For each 100th of a percent by which a State surpasses the national effort, it may receive a maximum of $1 per eligible title I student. No State may receive a special incentive grant in excess of 15 percent of the total amount available for grants under part B. In fiscal year 1973, special incentive grants totaling $18,014,274 were made to States.

During the 3 years part B has been funded, 28 different States have received grants. In 1972, 22 States received a total of $7.3 million under this program; in 1973, 21 States received $18 million; in 1974, 26 States received $17.9 million.

The distinguished Senator from Colorado (Mr. Dominick), has been a forceful and creative leader on behalf of part B of title I for many years, and I am pleased that he is the joint sponsor of this amendment.

Senator Dominick sponsored an amendment in committee this year, which was adopted, increasing the repayment rate from $1 to $1.50 per each 100th of a percent by which a State's effort exceeds the national effort. Last week he amended the McClellan amendment to title I, which originally deleted part B entirely, to provide a separate line item authorization of $75 million for this program.

My only purpose in offering this amendment today is to assure part B the automatic appropriation status at the $1 rate and $50 million authorization it has under current law. My amendment would also maintain the more generous and realistic payment rate the Senator from Colorado has fought for throughout consideration of this bill, by retaining a separate line item appropriation each year at the rate of 50 cents with a separate authorization of $25 million.

Mr. President, what this does is to build on the Dominick amendment. For many years, the Senator from Colorado (Mr. DOMINICK) has been leading the fight to reward States which make efforts above the national average from their own State and local resources, the idea being when such a State goes out of the way to make such an effort they should receive some reward for doing so.

Early in the deliberations on this bill, the Senator from Colorado successfully had adopted an amendment for $75 million in authority under his formula, which would require an appropriation, and he did so because the part B formula was knocked out as a result of the adoption of the McClellan amendment.

My amendment would restore the old part B formula and then continue that part of the Dominick amendment needed to get up to the $1.50 per title I student in those States authorized under the Dominick formula, for incentive grants.

Since such a modest amount is involved I hope that the committee might accept the amendment.

Mr. PELL. Mr. President, am I correct in saying that the Senator from Arkansas (Mr. McCLELLAN) has accepted it?

Mr. MONDALE. I have discussed it with the Senator from Arkansas (Mr. McCLELLAN) in light of the fact that it affects his amendment, and he said he has no objection to the amendment, and I am authorized to make that representation to my colleagues.

Mr. PELL. What is the view of the Senator from Colorado?

Mr. DOMINICK. Mr. President, I wish to clarify the RECORD. I appreciate the comments made by the Senator from Minnesota. If this amendment is adopted, am I correct in saying that each State will have at least as much taken off the top as they had last year?

Mr. MONDALE. The Senator is correct, provided a State's effort index remains the same in relation to the national effort index.

Mr. DOMINICK And in addition, the Senator is keeping the additional 50 cents reflecting inflation in the authorization level so that if the Committee on Appropriations sees fit they can also refund that 50 cents?

Mr. MONDALE. The Senator is correct. In that way we retain the Dominick initiative and the ability to fund the remainder.

Mr. DOMINICK. I thank the Senator. I think that this is a good amendment and I am happy to go along with him on this change in the proposal I originally introduced.

Mr. JAVITS. Mr. President, there had been heretofore maintained in this bill a complete balance between part B and part C. They both came off the top. Now, the Senator is changing that with respect to part B; that is, the incentive for high expenditures on education by the States. He is not changing it with respect to part C. Obviously, he cannot because he probably cannot get the agreement of the chairman of the Committee on Appropriations for that purpose.

In conference there will be a strong push to put both amendments on the same level because this is a matter open to conference with the other body, and that would result in some change different from the situation now in respect to part C. I have little doubt that an effort will be made to conform B and C. I wanted to notify the mover of the amendment as to that. I have no objection to the amendment, per se.

Mr. MONDALE. I thank the Senator.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MONDALE. I yield back my time.

Mr. PELL. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is agreeing to the amendment.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MONDALE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. Mr. President, I ask unanimous consent that Nancy Polisky be granted privileges of the floor during the consideration of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. Mr President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator ask unanimous consent that the time be equally distributed?

Mr. MONDALE. I ask unanimous consent that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The amendment of the Senator from Missouri will be stated.

The assistant legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 378, following line 14, insert the following new subsection:

"(c)(1) The Office shall be headed by a Director who shall be placed in grade 17 of the General Schedule set forth in section 5332 of title 5, United States Code.

"(2) In addition to the position created by subparagraph (1), there are created for the purpose of assisting in carrying out the provisions of this section, three positions to be placed in grade 16 of such General Schedule.

"(3) The positions created by this subsection shall be in addition to the number of positions placed in the appropriate grade under section 5108 of title 5, United States Code.

Mr. EAGLETON. Mr. President, section 706 of title VII of the bill establishes in the Office of Education an Office of Reading Improvement to administer this newly authorized reading improvement program and to coordinate all other Federal education programs relating to the teaching of reading.

The amendment which I now offer specifies that the Office shall be headed by a Director compensated at the level of GS–17. In addition, the Office is authorized to have three positions at the GS–16 level, in addition to those already assigned to the Office of Education.

The Right to Read Office, which will be superseded by this new Office, is now head by a Director at the GS–17 level. We are not upgrading the positions, merely insuring the continuation of the status of the Office.

Although I am reluctant, as has been the committee in the past, to legislate organizational structure of the Office of Education, I believe that it is necessary in this instance to assure that the reading improvement program has the necessary top level leadership and sufficient staff to coordinate the Federal reading commitment. Establishing the structure in the legislation will prevent personnel freezes and other changes in hiring practices from eroding the importance of this new office.

Mr. President, I am hopeful that the Senate will accept this amendment, which is cosponsored by the Senator from Maryland (Mr. BEALL) in addition to myself, he being the sponsor of the other reading legislation considered by the committee.

Mr. PELL. Mr. President, I think there is a great deal of merit in keeping the rank of the top man here at the present grade.

I am a little concerned with the provision of paragraph (2), providing that there shall be three positions at grade 16 below him. I think that we are really getting into the nitty-gritty, which could lead to specifying that there shall be so many typewriters. I would hope we would give favorable consideration to the other portion of the amendment, but not have paragraph (2).

Mr. EAGLETON. Mr. President, I ask unanimous consent that subsection (2) be deleted from the amendment.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. The amendment is so modified.

Mr. PELL. Mr. President, with that modification, I would recommend to my colleagues on the minority side that it be accepted.

Mr. DOMINICK. Mr. President, I may suggest to the Senator from Missouri that, as one who has been interested in the right to read and the principal cosponsor of it, I can understand what he is trying to do. He does the same thing, as I understand it, as what we just did a few minutes ago. We raised the level of the Director of Career Education from 16 to 17.

Personally, I do not think we ought to be messing around with the bureaucracy at all, trying to tell them how to run their lives. However, I will not object, because I told the chairman of the committee I would not as long as the consolidation amendment went through. So I will not object, but I still think we are making a mistake in trying to organize the HEW, which as I said before is not organizable to begin with.

Mr. EAGLETON. I thank the Senator from Colorado. I share somewhat his reluctance to do it by legislation, but I thought it was necessary, to prevent the downgrading of this office, to merely continue the same grade, which is 17.

Mr. JAVITS. Mr. President, in view of the fact that that office is provided for and in view of what we did with the other office in the amendment of the Senator from Maine (Mr. HATHAWAY), I cannot see how we could do less on this one, and I do not object.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. PELL. Mr. President, I yield back my time.

Mr. EAGLETON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Missouri, as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. EAGLETON. Mr. President, we have heard a great deal from officials of the Office of Education about "accountability." By that they mean the need to assure that education programs are responsive to the people they are intended to serve. If the term "accountability" is taken to mean the necessity for the Office of Education to be responsive to the Congress which authorizes its activities and appropriates the funds necessary to conduct them, however, it is all too clear that the Office of Education has never heard the word "accountability" and does not comprehend its meaning.

The status of the library and related programs of the Office of Education is a prime example. The school library program is a case in point. Beginning in fiscal year 1975, the administration has proposed what it calls "consolidated education grants," which would include a "support services priority." Under the so-called support services priority, the administration claims—

> School officials would have greater flexibility in allocating Federal funds to those services which need to be strengthened—whether this be the school library, the audio-visual program, or the assistance of curriculum specialists from the State Department of Education.

S. 1539 provides for three types of consolidation, rather than just one as proposed by the administration. But without waiting to see how Congress approaches the subject of consolidation, the Office of Education has gone ahead and planned to decimate the staffing of its Division of Library programs. USOE plans for fiscal year 1975 include elimination of the entire staff now carrying out the school library program. The 1975 budget states that the proposed consolidation "would provide for continuation of activities currently provided under the programs proposed for consolidation" including ESEA title II, the school library program. Yet at the same time, the fiscal year 1975 budget calls for elimination of all the title II staff. "Continuation of activities" in the area of school library programs is imposible, I submit, if all the staff responsible for administering these activities is summarily eliminated.

The other library programs, too, would be severely curtailed by the staffing plans of the Office of Education. The public library construction staff is to be eliminated, as are over a third of the staff administering the college library resources, training, and demonstration programs authorized by title II of the Higher Education Act.

This apparent lack of understanding as to the importance of the library unit in the U.S. Office of Education is incomprehensible to me, but it has a history that goes back several years. On January 7, 1972, Dr. S. P. Marland, Jr., who was then Commissioner of Education, wrote to me outlining what he called his efforts "to strengthen the visibility and importance of libraries and educational technology activities within the Office of Education." I ask that his letter be made a part of the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXHIBIT A

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
OFFICE OF EDUCATION,
Washington, D.C., January 7, 1972.

Hon. THOMAS F. EAGLETON,
U.S. Senate,
Washington, D.G.

DEAR SENATOR EAGLETON: This will report on progress of our efforts to strengthen the visibility and importance of libraries and educational technology activities within the Office of Education. Since our discussion on November 19, I have sought the views of representatives of the library and educational technology communities. As a result, we have made additional program modifications which are responsive to concerns expressed by some of the affected groups.

We now plan to establish a new Bureau of Libraries and Learning Resources which will have the capacity to work effectively in the following three major areas:

COMMUNITY LIBRARY AND INFORMATION SERVICES

The Bureau will focus on improving the availability of information and learning materials to communities in order to enhance the educational opportunities of residents, assist in solution of community problems, and further life-long learning. Major emphasis will be placed on new uses of print and non-print materials and utilization of media in providing services. The library programs authorized by the Library Services and Construction Act and library demonstrations funded under the Cooperative Research Act will be assigned to the Bureau to support this initiative.

SCHOOL LEARNING RESOURCES

The Bureau will strengthen the use of print and nonprint materials and media, and the use of instructional resources in elementary, secondary, and post-secondary schools. To carry out this mission, it will administer the School Library Resources program, Title II of the Elementary and Secondary Education Act and the instructional equipment program authorized under Title III of the National Defense Education Act. The Bureau will also have responsibility for parallel library resources and instructional equipment programs for higher education authorized under Title II and Title VI of the Higher Education Act. These programs are all complementary.

LIBRARY AND MEDIA PERSONNEL DEVELOPMENT

The Bureau will strengthen the capability of library and media personnel in applying and using media and resource materials in learning environments of various kinds. Although the new National Center for Educational Technology will have primary responsibility for technology training, the new Bureau will participate in one aspect of the program: training of media specialist professionals for libraries and instructional resource centers. The librarian training program funded under Title II–B of the Higher Education Act and funds from the Education Professions Development Act will support the Bureau's personnel development.

We believe the establishment of the Bureau will provide a new national focus for libraries and learning resources in the educational process. It will concentrate authority and financial responsibility for libraries and learning resources of all kinds previously scattered throughout the Office of Education. The transfer of ESEA Title II and NDEA Title III programs from the Deputy Commissioner for School Systems to the new Bureau under the Deputy Commissioner for Higher Education will not alter these programs either in terms of staffing or their existing relationships with state departments of education.

The telecommunications and instructional television programming functions of the present Bureau of Libraries and Educational Technology are scheduled for transfer to the Deputy Commissioner for Development to form the nucleus of a new National Center for Educational Technology. This new center will focus on broad initiatives in technology and how new technologies can be applied to achieving educational renewal and reform. The Center will administer the ETV facilities program as well as the Sesame Street and Electric Company programs, and the bulk of media specialist training under EPDA. The National Center and the Bureau of Libraries and Learning Resources will coordinate on programs of mutual interest.

In conclusion, I am convinced that these steps will strengthen our capacity for new leadership in expanding the uses and benefits of libraries and educational technology. I believe from discussions with constituency representatives that these plans amply meet the concerns they had expressed earlier. We are grateful to you for the constructive role you played in encouraging this accommodation, which we now intend to implement.

Sincerely,

S. P. MARLAND, Jr.,
U.S. Commissioner of Education.

Mr. EAGLETON. Mr. President, what Commissioner Marland promised was indeed done—and then it was undone by his successor, Dr. John R. Ottina. Accordingly, on September 28, 1973, a letter was addressed to the then Commissioner of Education by me and my colleagues, Messrs. PELL, WILLIAMS, RANDOLPH, KENNEDY, MONDALE, CRANSTON, HATHAWAY, and STAFFORD. We wrote to express our concern at hearing reports that the Bureau of Librarians and Learning Resources was to be dismantled by the Office of Education and reduced to the lesser level of a division and made subordinate to the higher education activities of the Office of Education notwithstanding its responsibilities for elementary and secondary education and for public and other libraries as well as those in institutions of higher education.

In that letter, Mr. President, we nine Senators of both parties asked that no action be taken until "complete information on its implications has been developed and provided to Congress and to affected parties." I ask that our letter be included in my remarks at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., September 28, 1973.
Hon. JOHN R. OTTINA,
Commissioner, U.S. Office of Education, Washington, D.C.

DEAR MR. COMMISSIONER: It has been brought to our attention that the Office of Education intends to dismantle the Bureau of Libraries and Learning Resources, and to place the duties formerly performed within the Bureau in a new division of institutional support under higher education.

We are deeply concerned to learn that the Office of Education is considering terminating the Bureau. We believe it is vital to retain a separate structure to insure the efficient administration of the program now within the Bureau.

We are further concerned that the Office of Education has not provided the Congress with a comprehensive analysis of the pros and cons of retaining the Bureau as it exists, and of the specific reasons for the proposal to terminate it.

Any decision on the future of the Bureau should be made only after complete information on its implications has been developed and provided to Congress and to affected parties.

We thank you for your serious consideration of these points and urge that you immediately provide Congress with the documentation required to fully understand the implications of the proposed change prior to taking any action.

Very truly yours,
Claiborne Pell, Harrison A. Williams, Jr., Thomas F. Eagleton, Jennings Randolph, Edward M. Kennedy, Walter F. Mondale, Alan Cranston, William D. Hathaway, Robert T. Stafford.

Mr. EAGLETON. Mr. President, no response to this letter was received by me, and as far as I know no other Senator has received the information sought by nine members of the Subcommittee on Education. Now we are advised that the Bureau has been downgraded to a division under the Bureau of Postsecondary Education, and that almost half the staff is to be eliminated in fiscal year 1975.

This administration has repeatedly sought to terminate some of the programs of the Office of Education that aid libraries and to reduce the scope of others. Again and again, Congress has rejected these proposals. Both the authorizing legislation and the appropriations actions have been very clear and specific with respect to these programs. But this has not deterred the Office of Education. Its leadership insists on utterly disregarding the will of Congress and ignoring its administrative duty to comply with the mandates given it by Congress.

Moreover, these actions have been taken in a high handed and discourteous manner. Promises made to Senators by one official are not kept by his successor. The case of the Bureau of Libraries and Learning Resources is perhaps a small example, but it is an all-too-characteristic one, of the flagrant disregard for, and disrespect to, the Congress of the United States by officials who have sworn solemnly to uphold the Constitution and execute the laws.

S. 1539 comes to grips with this problem, Mr. President, by providing statutory authority for the Bureau of Libraries and Learning Resources (title V, section 508 on page 324). In light of this administration's record of dismal disregard if not outright hostility toward the library programs, Congress has no choice but to provide such statutory authority. In closing, I want to reaffirm my wholehearted support for the library programs, and for the statutory authority this bill provides to assure their effective administration so that all Americans will have access to library service of high quality.

I ask unanimous consent that the justification of appropriations estimates for the Committee on Appropriations, fiscal year 1975, be inserted in the RECORD.

There being no objection, the justification was ordered to be printed in the RECORD, as follows:

JUSTIFICATIONS OF APPROPRIATION ESTIMATES FOR COMMITTEE ON APPROPRIATIONS, FISCAL YEAR 1975, U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SALARIES AND EXPENSES—OFFICE OF EDUCATION

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	1974	1975	Increase or decrease
Office of Institutional Development and International Education:			
Division of Library programs:			
Public libraries:			
Services	9	9	
Interlibrary cooperation	2	2	
Construction	2		−2
School libraries	9		−9
College libraries:			
Resources	7	5	−2
Training	5	3	−2
Research	4	2	−2
Undergraduate instructional equipment	2	1	−1
Equipment and minor remodeling	1		−1
Division of International Education:			
International activities	25	25	
Language training and area studies	9	9	
Fulbright-Hays	11	11	
Foreign visitors	4	4	
Ethnic heritage	5	2	−3
Educational activities overseas	4	4	
Total	575	611	+36

The Bureau of Postsecondary Education is responsible for Federally supported postsecondary education programs for both students and institutions and also includes international programs. The fiscal year 1975 request includes a net increase of 36 positions for this bureau, primarily made up of increases for the Basic Opportunity Grants program and decreases for library and facilities programs. The fiscal year 1974 figures for this bureau include 52 positions for the Guaranteed Student Loan program included in the fiscal year 1974 supplemental request, which is discussed in greater detail in the accompanying special analysis.

Major objectives of this bureau include:

Full-funding of the Basic Educational Opportunity Grants program, which will result in funding for the first time support for all four classes. In the previous two years support was limited to first-year full-time and second-year full-time students;

Termination of support for the Incentive Grants and Veterans Cost of Instruction programs;

A phase out of library, Higher Education Facilities, and University Community Services programs;

Increased support for the advanced/developed portion of the Developing Institutions program and continued support for the basic program; and

Increased support for review and operation of the Cooperative Education program.

	1974 base		1975 estimate		Increase or decrease	
	Positions	Amount	Positions	Amount	Positions	Amount
Program administration	3,063	$86,461,000	2,949	$101,484,000	−114	+$15,023,000

NARRATIVE

Program purpose

Authorized under Sec. 400(c) of the General Education Provisions Act, this activity provides for salaries and expenses necessary to enable the Commissioner to carry out the purpose and duties of the Office of Education. The major duties of the Office are to collect statistics showing the condition and progress of education in the United States, to disseminate such information, to aid in the establishment and maintenance of efficient school systems, and otherwise promote the cause of education throughout the country.

Plans for fiscal year 1975

The budget request for program administration for fiscal year 1975, although incorporating a request for an increase of $15,023,000, represents a net decrease of 114 positions. The increase is primarily made up of a charge for rent, $3,953,000 which is included in our budget for the first time this year, a $2,464,000 net increase in ADP to continue improving management of the Guaranteed Student Loan Program, and $9,255,000 to annualize personnel costs for authorized positions funded for only part of FY 1974.

Some 300 fewer positions are needed for categorical programs that are being folded in to the Consolidated Education Grants programs, and about 150 fewer are needed for positions associated with programs for which decreased support is requested. To offset these decreases the Office is requesting that about 350 of the positions be reprogrammed to areas for which increases are requested and to provide technical assistance in the implementation of Grants Consolidation. Detailed descriptions of these changes, follow for each major organization unit. The organizational units are those resulting from a reorganization of the Office of Education completed in fiscal year 1974.

Accomplishments in fiscal year 1974

During 1974 the Office of Education was reorganized to create a more flexible, efficient and effective organization.

The reorganization was prompted by changes occurring in several programs after implementation of the Education Amendments of 1972 and by the need to streamline the Office generally. After the establishment of the Office of Assistant Secretary of Education and the National Institute of Education, several units under the Deputy for External Relations and the Deputy for Development were transferred to those new offices. The legislative creation of the Office of Indian Education, the Bureau of Occupational and Adult Education, the Basic Opportunity Grants Program, and the placement of the Teacher Corps in the immediate Office of the Commissioner further pointed up the need to shift some units, disperse the functions of others, and make the operations of the Office more efficient.

A major effort is proposed in a fiscal year 1974 supplemental request to strengthen and improve the administration of the Guaranteed Student Loan program. The supplemental request to support 250 new positions and related expenses has been included in the fiscal year 1974 column of this budget justification.

OFFICE OF THE COMMISSIONER

	1974	1975	Increase or decrease
Immediate office	25	25	
Right to read	24	26	+2
Teacher Corps	32	32	
Office of Public Affairs	48	48	
Regional liaison staff	7	7	
Total	136	138	+2

In addition to providing central direction of program objectives to maintain coordinated and cohesive management, this Office also includes the Right to Read program, the Teacher Corps and the Office of Public Affairs. With the reorganization of the Office of Education, coordination of the ten regional offices has been transferred to the Office of the Commissioner and will be under the Executive Deputy Commissioner. For fiscal year 1975 an increase of two positions is requested for the Right to Read program, which has as objectives for the coming year:

To eliminate functional illiteracy in the country to the extent that by 1980, nearly all of the population over 16 years old will be functionally literate;

To encourage educational institutions, governmental agencies and private organizations to improve and expand their activities relating to reading; and

To develop an adult literacy television program.

The Office of Public Affairs will support a general program dissemination effort, for which the budget requests $500,000. Planned projects include, among others, a film on changing attitudes about, and new opportunities for women and minorities in the field of education, a series of radio and television spots on student financial aid, and distribution of selected films.

The Teacher Corps will continue at last year's level.

REGIONAL OFFICES

	1974	1975	Increase or decrease
Regional commissioners and staff	158	158	
School systems:			
Office of Director	26	26	
Title I, ESEA program	11		−11
Emergency school assistance and civil rights	147	119	−28
School assistance in federally affected areas	33	33	
Postsecondary education:			
Office of Director	22	25	+3
Higher education facilities	24	21	−3
Basic opportunity grants	49	65	+16
TRIO programs	35	35	
Insured loan program	265	337	+72
Library programs	12	2	−10
Occupational and adult education:			
Office of the Director	21		−21
Vocational education	26		−26
Adult education	15		−15
Development programs	24	24	
Consolidated education programs		28	+28
Total	868	873	+5

Coordination of activities of the ten regional offices is now under the Executive Deputy Commissioner in the Office of the Commissioner. A net increase of five positions is requested for fiscal year 1975. The total decreases requested, 114 positions, correspond to programs proposed for inclusion in the Education Grants consolidation program (Title I of ESEA, School library programs, and Occupational and adult education programs) and to programs for which decreased support is requested. Increases requested are to support technical assistance for Grants Consolidation and to strengthen areas in Postsecondary Education for the Basic Opportunity Grants Program and the insured Loan program. The fiscal year 1975 request for the regional offices anticipates a new consolidated education grant legislative program for Vocational and Adult Education, and reflects a corresponding decrease of 62 positions. In the event that this new legislation is not enacted, positions for 1975 will be requested to support existing legislative authorities for which funds will be requested.

The 1974 positions for the regions include 180 positions requested in the 1974 supplemental request for the Guaranteed Student Loan program.

BUREAU OF POSTSECONDARY EDUCATION

	1974	1975	Increase or decrease
Immediate office	33	38	+5
College and University Unit	6	7	+1
Community College Staff	6	7	+1
Accreditation and Institutional Eligibility Staff	20	23	+3
Consolidated education programs		4	+4
Office of Student Assistance: Immediate office	10	12	+2
Division of Basic Grants: Basic opportunity grants	58	110	+52
Division of Insured Loans:			
Insured loans	134	134	
Student loan insurance fund	25	25	
Reserve fund advances	1	1	
Division of Student Support and Special Programs:			
Supplementary educational opportunity grants and work-study	32	32	
Student loans	26	26	
Loans to institutions	3	3	
Teacher cancellations	2	2	
Talent search	5	5	
Special services in college	5	5	
Upward Bound	4	4	
Educational opportunity centers	5	5	
Incentive grants	6		−6
Veterans cost of instruction	7		−7
Office of Institutional Development and International Education:			
Immediate office	10	12	+2
Division of Institutional Development: Developing institutions	37	40	+3
Division of Training and Facilities:			
State administration and planning	4		−4
Construction (HEFA III)	15	13	−2
Construction (community colleges and technical institutes)	1	1	
Construction (other undergraduates)	2	2	
College teacher fellowships	3	3	
Training programs (EPDA, pt. E)	2	2	
Institute programs (EPDA, pt. E)	1	1	
Land-grant colleges	1		−1
Cooperative education	4	14	+10
University community services	8	3	−5

BUREAU OF SCHOOL SYSTEMS

Immediate office	47	97	+50
Consolidated education programs		58	+58
Office of Equal Educational Opportunities:			
Immediate office	5	4	−1
Division of Program Operations	34	24	−10
Division of Program Development	26	19	−7
Office of Compensatory Educational Programs:			
Immediate office	7	7	
Division of Education for the Disadvantaged:			
Title I	62		−62
Migrant	10		−10
Division of Follow-Through	31	31	
Division of Bilingual Education	40	40	
Office of State and Local Educational Programs: Immediate office	6	6	
Division of Supplementary Centers and Services			
State plans	26		−26
Discretionary grants			
Division of State Assistance (title V)	27		−27
Division of Technology and Environmental Education: Environmental education	4		−4
National Center for Educational Technology:			
Immediate office	21	21	
Education broadcasting facilities			
Emergency school assistance/educational TV			
"Sesame Street" (title III)			
Division of Drug Education—Nutrition and Health Programs:			
Drug education	12		−12
Nutrition and health	6		−6
Division of School Assistance in Federally Affected Areas	54	54	
Office of Programs for the Handicapped:			
Immediate office	30	30	
Division of Innovation and Development	16	16	
Division of Personnel Preparation	31	31	
Division of Educational Services	54	39	−15
Total	549	477	−72

SUPPLEMENTAL FACTSHEET AND SPECIAL ANALYSES

PROGRAM ADMINISTRATION—POSITION INCREASES AND DECREASES, FISCAL YEAR 1975

	1974	1975	Increase or decrease
Decreases from fiscal year 1974 level:			
Categorical programs included in the consolidated education grants program:			
			Change
Elementary and secondary education:			
Disadvantaged: Educationally deprived children			−83
Handicapped: Grants to States			−15
Support services:			
School library resources			−9
Educational equipment			−1
Strengthening State departments of education			−27
Innovation:			
Supplementary services			−26
Dropout prevention			−4
Nutrition and health			−6
Environmental education			−4
Subtotal, Elementary and Secondary Education			−375
Vocational education			−97
Adult education			−49
Subtotal, consolidated education grants program			−321
Programs phased out or with decreased support:			
Drug-abuse education			[1] −12
Emergency school aid			[2] −60
Education professions development			[2] −26
Incentive grants for State scholarships			[1] −6
Higher education construction			[2] −5
University community services			[1] −5
Aid to land-grant colleges			[1] −1
State postsecondary education commissions			[1] −4
Veterans cost of instruction			[1] −7
Ethnic heritage studies			[1] −3
Library programs			[1] −19
Career education and education professions development support positions			[2] −1
Subtotal, phased out and decreased support positions			−149
Total, decreases			−470

[1] Phased out.

[2] Decreased support.

ORDER FOR ADJOURNMENT TO 9:45 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:45 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. ROBERT. C. BYRD. Mr. President, later today I will have the names of four Senators who wish to participate in a colloquy tomorrow, so I ask unanimous consent at this time that, following the remarks of Mr. BARTLETT on tomorrow, for which an order has already been entered, there be a 15-minute order for each of four Senators whose names I will announce later today when I have them at hand.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. Is the Senator able to tell us what will be on for tomorrow or the rest of the week?

Mr. ROBERT C. BYRD. I am sorry, may I say to the distinguished Senator, I am not able at this point to state that.

Mr. JAVITS. I thank the Senator.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, it appears that all amendments that have been anticipated, with the exception of the Bentsen amendment, have been disposed of.

Under the agreement, Mr. BENTSEN was to have been recognized at any time after 3:30 p.m. today to call up his amendment. It is my further understanding that he is coming in on the plane and will not be here until 3:30 p.m.

I, therefore, respectfully ask unanimous consent that the Senate now stand in recess awaiting the call of the Chair with the understanding that the recess not extend between the hour of 3:30 p.m. today and that the time for the recess be charged equally against both sides on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 2:44 p.m., the Senate took a recess subject to the call of the Chair.

The Senate reassembled at 3:22 p.m. when called to order by the Presiding Officer (Mr. BARTLETT).

EDUCATION AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 1539) to amend and extend certain acts, relating to elementary and secondary education programs and for other purposes.

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 368, after line 24, add the following:

"(4) to provide financial assistance to promote literacy among youth and adults."

On page 382, between lines 2 and 3, insert the following new section:

"READING ACADEMIES

"SEC. 711. (a) The Commissioner is authorized to make grants to and to enter into contracts with State and local educational agencies, institutions of higher education, community organizations and other nonprofit organizations, having the capacity to furnish reading assistance and instruction to youths and adults who do not otherwise receive such assistance and instruction.

"(b) Grants made and contracts entered into under this section shall contain provisions to assure that such reading assist and instruction will be provided in appropriate facilities to be known as 'reading academies'.

On page 382, line 4, strike out "Sec. 711" and insert in lieu thereof "Sec. 712".

On page 382, line 10, strike out "Sec. 712." and insert in lieu thereof "Sec. 723.".

On page 383, after line 23, insert the following:

(h) There is authorized to be appropriated to carry out the provisions of section 711, relating to reading academies, $10,000,000 for the fiscal year ending June 30, 1975, $15,000,000 for the fiscal year ending June 30, 1976, $20,000,000 for the fiscal year ending June 30, 1977, and $25,000,000 for the fiscal year ending June 30, 1978.

Mr. KENNEDY. Mr. President, the amendment is offered on behalf of myself and the Senator from Missouri (Mr. EAGLETON) as primary sponsors, as well as Senator WILLIAMS and Senator MOSS.

Mr. President, what is the time situation now?

The PRESIDING OFFICER. Ten minutes to a side.

Mr. KENNEDY. Mr. President, at 3:30 do we start with the Bentsen amendment?

The PRESIDING OFFICER. Not before 3:30.

Mr. KENNEDY. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, this amendment we offer today simply adds a second front to the attack on illiteracy provided for in this legislation. S. 1539 as reported from the Labor and Public Welfare Committee, now contains the national reading improvement program as title VII, which aims at improving literacy within the schools, while this amendment targets attention on youth, particularly dropouts and adults.

This program was a compromise between bills introduced originally by Senator EAGLETON and myself and by Senators BEALL and DOMINICK. I believe the provisions of title VII represent the first firm evidence of a congressional commitment to insure that the next generation of young people leaving our schools will be able to read adequately to compete in and contribute to our society.

However, the current bill does not emphasize the need to expand our efforts in promoting literacy among youths and adults. Therefore, I am introducing this amendment for myself, Senator EAGLETON, Senator WILLIAMS, and Senator Moss to provide a new focus for the right to read program on the hundreds of thousands of young people who have dropped out of school without the ability to read and to those adults who have not acquired the basic skills of literacy.

It was estimated by the Office of Education that 90 percent of the 700,000 students who drop out of school annually are classified as poor readers. OE also estimated that more than 50 percent of unemployed youths in urban areas cannot read at all.

These statistics, when added to the knowledge that nearly 19 million adult citizens are either totally or functionally illiterate, represents a sad commentary on our past educational efforts. It also represents a vast reservoir of human resources which has been wasted.

Five years ago, then Commissioner of Education James Allen addressed this challenge in a thoughtful and determined way. He knew what the obstacles were. He knew what resources had to be expended to overcome those obstacles. And he felt that we were capable of mobilizing those resources to end illiteracy in this Nation by 1980.

Five years later, instead of the promise of $200 million a year, this administration actually requested only $1.5 million in fiscal year 1971, $1.75 million in fiscal year 1972, and $12 million in the following 3 fiscal years. Thus, in 5 years, the total resources committed by the administration to the right to read program has been less than $40 million.

If it were not so tragic, the contract between the goal of removing illiteracy by 1980 and the level of expenditures of this administration in pursuit of that goal would be absurd.

The amendment I am proposing would permit the establishment of reading academies across the country in community centers, churches, libraries, union halls, industrial plants, and other facilities designed to attract young people and adults not being served by traditional educational institutions.

Not only would these academies be designed to provide a setting for instruction for these individuals, but it would provide a central point for the training of volunteer tutors to carry the program forward.

It is my understanding the VISTA already is in contact with the right to read office indicating its desire, once the academies are in operation, to have VISTA volunteers participate in the effort to promote literacy. Also, the AFL–CIO has indicated a willingness to explore ways in which its members can participate in this campaign as well.

I believe this amendment not only is compatible with the national reading improvement program as reported by the committee, but it complements that effort in a way that improves our chances of reaching the goal of promoting full literacy in America.

There is $10 million authorized for fiscal year 1975, $15 million for fiscal year 1976, $20 million for fiscal year 1977, and $25 million for fiscal year 1978.

Mr. President, I have had a chance to review this matter with the chairman of the committee, as well as the Senator from Colorado (Mr. DOMINICK). I think he is familiar with it and has been extremely interested in the program, as has the Senator from Maryland (Mr. BEALL), and I hope it will be accepted.

Mr. PELL. Mr. President, I have great respect for the proposer of the amendment. The proposal has a broad range of support.

My enthusiasm is with respect to another $60 million in the bill is not so great. However, we recommend it be added to the measure and we hope our colleagues will agree to it.

Mr. EAGLETON. Mr. President, I am very pleased to join with Senator KENNEDY in offering this amendment to the national reading improvement program title of the bill.

Although the legislation focuses on the early elementary grades, aiming at a preventive rather than a remedial approach, there is certainly a great need to assist young people and adults who have reading deficiencies. The facts presented during the hearings of the Education Subcommittee on reading programs were startling; for instance, 90 percent of the annual 700,000 elementary and secondary school dropouts are classified as poor readers; a Harris poll reported that 11 million Americans cannot read well enough to obtain a driver's license; and the U.S. Office of Education estimates that some 18½ million adults are functional illiterates.

I believe adoption of this amendment will provide the necessary incentive to the public and private sector as well to establish reading and literacy programs.

The Right to Read Office has heartily endorsed this concept, and is now working with a number of large corporations to set up academies for their employees. Xerox has instituted such an academy, and I understand that it is very successful. This amendment will allow other segments of the society to participate in a similar program to make a concerted effort to eliminate illiteracy in the country.

Mr. KENNEDY. Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Rhode Island yield back his time?

Mr. PELL. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 1312

Mr. BENTSEN. Mr. President, I call up my amendment No. 1312 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 358, between lines 22 and 23, insert the following new section:

"EQUALIZATION INCENTIVE GRANTS TO STATES

"SEC. 535. (a) The Congress finds that the Federal Government has an obligation to provide incentives for each State to assist them in equalizing the resources available within that State so that an opportunity to obtain an education appropriate to individual need will be available to all children regardless of their place of residence within the State. It is, therefore, the purpose of this section to provide financial assistance in the form of incentives to the States to encourage them to equalize educational opportunity.

"(b) The Commissioner is authorized to make grants to States in accordance with the provisions of this section. Incentive grants received under his section may be used to improve the quality of elementary and secondary education among the local educational agencies within each State, in such areas as the State deems vital.

"(c)(1) A State is eligible to receive a grant under this section only if the State educational agency provides assurance that—

"(A) the quality of education provided to a child within that State is not the result of the wealth of the school district of the local educational agency in which the child attends schools, but reflects the wealth of the State as a whole;

"(B) amounts commensurate with their needs are expended on children with greater educational needs, including, but not limited to, educationally disadvantaged, gifted, talented, handicapped, and vocational education students; and

"(C) amounts commensurate with the education costs are expended in local educational agencies within the State with greater costs, including costs attributable to sparsity of population, high density of population, and high living costs.

"(2) The Commissioner is authorized to establish general guidelines for defining the principles set forth in clauses (A), (B), and (C) of section 534 (a)(1) and in this subsection. No guidelines established under this paragraph shall be based upon a formula requiring a mathematical equality of educational expenditures among school districts.

"(d) Any State desiring to receive a grant under this section shall submit an application to the Commissioner at such time in such manner, and accompanied by such information as the Commissioner may reasonably require. Each such application shall—

"(1)(A) describe the State equalization program that meets the requirements of subsection (c);

"(B) describe, in the case of a State equalization program already in effect, a description of that program which meets the requirements of subsection (c);

"(2) provide assurances that the State will make substantial progress to carry out the State equalization program;

"(3) provide for making periodic reports to the Commissioner evaluating the effectiveness of the State equalization program assisted under this section and such other reports as the Commissioner may reasonably require to perform his functions under this section.

"(e) The Commissioner shall approve an application which—

"(1) meets the requirements of subsection (d), and

"(2) contains provisions that demonstrate that the State does not equalize by removing existing funds from wealthy educational agencies within that State in order to carry out its State equalization program.

The Commissioner shall not finally disapprove an application of a State except after reasonable notice and opportunity for a hearing to a State.

"(f) Whenever the Commissioner, after reasonable notice and opportunity for a hearing to any State, finds that there is a failure to meet the requirements of this section, the Commissioner shall notify the State until he is satisfied that the requirements that further payment will not be made to the State until he is satisfied that the requirements have been met.

"(g) Unless inconsistent with the purposes of this section, the General Education Provisions Act shall apply to the equalization incentive grant program authorized by this section.

"(h)(1) There are authorized to be appropriated to carry out the provisions of this section $50,000,000 for the fiscal year ending June 30, 1976, $75,000,000 for the fiscal year ending June 30, 1977, and $100,000,000 for the fiscal year ending June 30, 1978.

"(2) No State may receive more than 10 per centum of the funds available for making grants under this section for any fiscal year. Funds appropriated to carry out the provisions of this section shall remain available for the succeeding fiscal year after the year in which they were appropriated."

On page 358, line 24, strike out "SEC. 535." and insert in lieu thereof "SEC. 536.".

On page 123, in the Table of Contents, redesignate item "Sec. 535." as "Sec. 536." and insert immediately after item "Sec. 534." the following:

"Sec. 535. Equalization incentive grants to States.".

Mr. BENTSEN. Mr. President, I ask unanimous consent that my staff member, Ron Katz, may be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I send a modification of the amendment to the desk and I ask unanimous consent that further reading of the modification of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

The amendment, as modified, is as follows:

Intended to be proposed by Mr. BENTSEN as a modification of his amendment No. 1312 to S. 1539, a bill to amend and extend certain Acts relating to elementary and secondary education programs, and for other purposes, viz:

On page 4, delete the dash following the word "which" on line 4, delete the quotation marks on line 5 and the number "(1)" on line 5. Beginning with the word "meets" on line 5, insert the rest of that sentence up through the letter "(d)" to follow the word "which" on line 4.

On page 4, delete the word "and" on line 6 and further delete all of lines 7 through 10.

Mr. BENTSEN. Mr. President, the reason for the modification is that the administration has objected to my amendment on the grounds that it would prohibit States that want to redistribute funds from wealthier school districts to some of the poorer ones in trying to achieve equal educational opportunity.

I think they have made a good point so I have modified my amendment so that there is more flexibility for the States. I understand now there are about 4 States using that procedure and some 10 States locked up in court cases where it may be that some of the wealthier school districts will later have to carry the burden of the poorer school districts.

Mr. President, the amendment at the desk would establish a program to provide incentive grants to the States which adopt statewide plans to equalize educational opportunity by increasing aid to poorer school districts.

The problems of school finance have occupied educators and the courts for several years now, and they culimated in a Supreme Court opinion that affected my own State of Texas. In San Antonio School District against Rodriquez, the Supreme Court, on a narrow 5-to-4 vote, ruled that inequalities in educational support among school districts in San Antonio did not constitute a violation of the equal protection clause in the Constitution.

However, Mr. Justice Stewart, in concurring, noted that our present method of financing public education within the States are "chaotic and unjust". The Rodriquez decision by no means stilled the debate on school finance, and some State courts have ruled that the tax system with their States is a violation of either State or Federal constitutional principles.

Despite the Rodriquez decision, several States have undertaken plans to overhaul their plans for providing aid to schools in order to bring more fairness in the distribution of State funds. These States include, among others, California, Colorado, Florida, Illinois, Kansas, Maine, Michigan, Minnesota, Montana, North Dakota, Utah, and Wisconsin. Some States have moved in recognition that there is an inherent unfairness to poor school districts when the variations in taxing abilities of individual school districts within a State have ranged as high as 84 to 1 in Texas, 52 to 1 in Louisiana, and 30 to 1 in Michigan.

This year's Elementary and Secondary Education Act takes note of the public policy decision of many States to move toward an equalization of school district expenditures. Section 534 of the bill provides up to $1 million per State in planning funds to assist States in developing a plan which works in the direction of greater equity in school financing. My amendment, in a new section following this one, is a logical next step in that it provides incentives for States which establish and maintain plans to equalize educational opportunity through State plans to finance education more equitably.

It should be clear, Mr. President, that my amendment does not mandate equalization plans. It is not punitive. It does not compel States to participate. However, it offers incentives to and rewards those States which move to adopt statewide plans for school financing, which adopt general criteria assuring that State wealth, not local school district wealth, will determine educational quality; that children with greater educational needs, such as the handicapped, receive funds commensurate with their needs; that take into account the higher costs of educating children in areas with higher living costs and other factors contributing to increased educational expenditures.

The amendment purposefully does not require a mathematical equality of spending for education among school districts. That would be counterproductive, since many State equalization plans do not provide for such a procedure. In fact, some plans use a so-called "foundation" approach, in which a State merely guarantees a certain level of per pupil expenditure among school districts, but leaves the districts free above that level to provide for themselves.

The aim of this amendment, then, is not to compel equal spending, but to move the States in a direction in which they adopt statewide policies to insure that make substantial progress toward a more equitable distribution of funds.

It would have been possible to draw the amendment with very precise language detailing the need for mathematical equality in spending and compelling the States to comply, but even the committee recognized the difficulty of such a task. Not only would such an amendment run counter to the Rodriquez decision, it would nullify the efforts of several States, which, by a variety of methods, have sought to upgrade their financial aid plans to provide greater equity in funding.

No single plan for equalization need be the only model a State can follow. In a field as complicated as this one, variety of efforts should be welcomed.

The amendment provides no funds until fiscal 1976, to give the States more time to develop their plans. In fiscal 1976, $50 million would be authorized, in fiscal 1977, $75 million; in fiscal 1978, $100 million. No State could receive more than 10 percent of the funds in a given fiscal year.

I believe this amendment can provide a change in policy direction and a recognition by the Federal Government that there are glaring inequities in school finance that must be corrected.

I hope that the managers of the bill will accept this amendment and carry it to the conference.

I hope the managers of the bill will accept this amendment as it has been modified and carry it to conference. I withhold the remainder of my time.

Mr. President, I believe that the amendment of the Senator from Texas has some merit and should be adopted.

The field of equalization of State expenditures for education, so that a child's education is not dependent on the wealth of the school district in which he lives, is a highly complex one. The Subcommittee on Education heard testimony on the subject of equalization, and witnesses differed as to the best means of achieving what all agreed was a desired result.

For this reason, the committee decided against including any wide-scale equalization program in S. 1539. Instead, up to $1 million per State is authorized by the committee bill, to assist States in drawing up plans to equalize their expenditures according to their individual situations.

The Senator's amendment proposes an incentive for the States to take the next step and implement such plans. The administration has expressed concern that the amendment's requirement that funds for poorer districts not be taken from wealthier districts would require States to assume a greater role in education funding, which some States are reluctant to do. This may be true. However, as I understand the Senator's amendment, it is an incentive to equalize, not a punishment for those that choose alternative routes of school finance.

The Senator's amendment adds $225 million to the total cost of the bill. I am highly reluctant to increase the cost of the bill by such a substantial amount. However, I feel that the principle of equalization is important, and for that reason I would support the amendment.

I ask unanimous consent to insert in the RECORD at this point a discussion of the equalization in the in the impacted areas program provision contained in the committee bill.

EXPLANATION OF SECTION 5(D) OF PUBLIC LAW 874, 81ST CONGRESS

Mr. President, I have received an inquiry from Joe W. Fleming, Esq., concerning the meaning of a certain phraseology in the proposed section 5(d) of Public Law 874, 81st Congress, in S. 1539. By way of explanation, I would say that existing law, in section 5(d) (2) of such Public Law 874, 81st Congress, prohibits Public Law 874 payments to any local educational agency in any State which takes such payments into consideration in its program of State aid for free public education or which distributes State aid money in such a manner that any local educational agency receives less money in State aid than it would receive were such local educational agency not receiving Public Law 874 payments.

This language was adopted in 1968 to prevent the States from substituting Federal funds for State funds in State aid programs.

In recent years States have been adopting State programs of aid for free public education which are designed to achieve equalized expenditures among local educational agencies. The prohibition in section 5(d) (2) of Public Law 874, 81st Congress, has, in some instances, resulted in windfalls for local educational agencies receiving Public Law 874 payments. For this reason the committee is recommending a very narrow exception to the existing rule under such section 5(d) (2). Under that recommendation a State may, in its State aid program, take into consideration Public Law 874 payments for two purposes—

First, in determining the relative financial resources available to local educational agencies in that State; and

Second, in determining the relative financial need of such agencies for the provision of free public education.

A State could be eligible for the exemption only if—

One, the State presently has in effect a program of State aid for free public education which is designed to equalize expenditures for free public education among the local educational agencies of the State; and

Two, such program was adopted after 1972.

In Mr. Fleming's letter, the question of State aid programs adopted prior to June 30, 1972, was posed. My understanding of the problem is: What is the interpretation of the word "adopted." After reviewing the situation, I have come to the conclusion that any State aid equalization program which complies with existing law and which is revised to take advantage of the exemption created in the committee language would have to be revised extensively. Such revision would be so extensive that it would constitute the adoption of a substantially different State aid program from that which complies with existing law. Such a revision would in effect constitute the adoption of a new State aid program within the meaning of the new language. I hope that this explanation for the record and for the purposes of legislative history clarifies this point.

I ask unanimous consent that the letter from Mr. Fleming be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FLEMING AND KREVOR,
Washington, D.C., April 10, 1974.

Hon. CLAIBORNE PELL,
Chairman, Subcommittee on Education, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR SENATOR PELL: I am writing on behalf of the Education Commission of the States, which our firm represents, to seek clarification of language in S. 1539, as reported by the Committee on Labor and Public Welfare, pertaining to the treatment of payments under Public Law 874 under state equalization programs. As you are aware, ECS has been active in encouraging and assisting the reform of school finance systems in the states. The current prohibition in Section 5(d)2 of P.L. 874 has posed an impediment to the formulation of equalization programs by the states. Testimony on this issue was presented on behalf of ECS by State Representative Tom Jenson of Tennessee and Governor Calvin L. Rampton of Utah during the hearings on S. 1539.

In response, the Committee included in S. 1539, as reported, a modification of Section 5(d)2 of Public Law 874 to permit states to take into account payments under Public Law 874 to local educational agencies in establishing the financial resources and need of such agencies for state aid under equalization programs. The language in the Committee bill allows impact aid funds to be so regarded by state law "if the state has in effect a program of state aid for free public education for any fiscal year, which program was adopted after June 30, 1972, and is designed to equalize expenditures for free public education among the local educational agencies of that state. . . ."

The reference to June 30, 1972 is apparently derived from Section 11 of Public Law 93–150 which was enacted in 1972 to accommodate the states of Kansas and North Dakota, which had enacted new school finance laws. At least two other state equalization plans, adopted since June 30, 1972, take into account impact aid payments in determining local educational agency resources and computing state aid. Both of these would be covered by the Committee bill.

The language in the Committee bill does, however, pose a problem for states which adopted equalization programs prior to June 30, 1972. Because of the present prohibition in Section 5(d)2 these plans do not recognize impact aid payments as resources of local educational agencies with the effect that impacted districts generally receive disproportionately high state aid to the prejudice of other districts in the state. The state of Minnesota, which totally revised its school finance system in 1971, is a good example.

If the term "adopted" in Section 5(d)2, as it would be revised by the Committee bill, is construed to foreclose modifications to equalization plans adopted prior to June 30, 1972, it is patently unfair to states which have been leaders in school finance reform. If, on the other hand, "adopted" is intended by the Committee to cover any amendment of a state school finance system which is designed to move toward equalized expenditures (as defined in the bill), the effect is far more equitable and rational. This interpretation would permit states to amend existing equalization plans to iron out the disequalizing effects created by Section 5(d)2 as it currently exists.

It would be very helpful to have an indication of the Committee's view on this issue.

Sincerely yours,
JOE W. FLEMING.

Mr. DOMINICK. Mr. President, will the Senator from Rhode Island give me a little time?

Mr. PELL. Yes, I yield the Senator from Colorado such time as he may require.

Mr. DOMINICK. I am not sure, after listening as carefully as I could to the Senator from Texas, that I am going to go along with this amendment. We had three amendments on equalization which were offered by our colleagues, the Senator from Minnesota (Mr. MONDALE), the Senator from Rhode Island (Mr. PELL), and the Senator from New York (Mr. JAVITS), which is a pretty wide distribution of talents around the country, and we decided not to adopt any of them. We were not sufficiently convinced that we understood the particular requirements of particular States. So we put in section 534.

One of the things the Senator from Texas said was that, in effect, we make this a statewide school district. This is, in effect, what the Serrano case in California held, and that has been a total disaster in California and elsewhere. The effect of it is that if one district had the ability to go ahead and pay more taxes than another district either because of the economic level or because of industry located there, it is not allowed to do it. It has to take that money and equalize it down.

Well, equalization of education down is what I would hate to see, and equalization of education up is what the Senator from Texas just eliminated.

I do not see why we should spend $225 million, which is the aggregate amount over 3 years, for equalization plans when we do not know how many States want to come into it; we do not know how many States really want to go forward with an equalization plan, and we are not any longer under a mandate of the Supreme Court to equalize taxes all the way through.

Mr. BENTSEN. Mr. President, will the Senator yield?

Mr. DOMINICK. I am happy to yield.

Mr. BENTSEN. I would agree with the distinguished Senator from Colorado if we were talking about equalizing down. I do not think that is what it is. In the *Serrano* case, the judge, in talking about it, said that California had been unjust in school finance, but he suggested four or five different methods by which the problem could be rectified.

I have written my amendment to include sufficient flexibility. The amendment does not require only a single approach to school finance. We have given the Commissioner some discretion to determine whether the State has adopted a statewide strategy toward equalization. I share the concern stated by the Senator from Colorado.

Mr. DOMINICK. Well, one of the things which the *Serrano* case held was that a district could not tax more or get more taxes because of increased values in one district than it could in another; therefore, if there is a higher assessed valuation in a district because of economics or property or industry, that district cannot put the same mil levy on that property and therefore raise more money for that district.

Mr. BENTSEN. Mr. President, I could not agree more with the Senator. In fact, a recent law review article notes:

> It will require the fine hand of restraint, so that Congress does not go too far as to leave too little flexibility with State legislatures in their efforts to revise these schemes.

That is what I have done with this amendment. I have tried to provide flexibility, so that judgment can be exercised to meet some of the problems that the Senator has discussed.

Mr. DOMINICK. I have great respect for the Senator from Texas, whether we play tennis together or debate on the floor of the Senate. All I can say is that I do not see why we need $225 million, starting in 1976, when we have already got section 534 which does provide some carrot in order to get the States to go forward with an equalization plan. What more does the Senator from Texas do other than give them more money than we have already spent?

Mr. BENTSEN. Mr. President, what the bill provides under section 534, as I understand it, is that the States should have a maximum of $1 million for planning. In this day and time, I am not sure that is enough to get their attention, in all candor.

In my amendment, we get beyond planning. We are talking about the process itself and rewards for performance. I recognize the Senator's great concern for fiscal responsibility, and that is what we are trying to do. No money is authorized for this program in fiscal 1975. We do not start until fiscal 1976. Then we start with $50 million, then $100 million, and then $225 million over a period of those 3 years, or actually it is over 4 years. I think that will provide the additional incentive that we need to get the States to act.

About 77.5 percent State-aid funds as of a 1968–69 survey, are allocated on the basis of an equalization process. What we are trying to do is to bring more of that to pass and to provide incentives to get the other States to take similar action.

Mr. DOMINICK. Let me ask the Senator from Texas the question which I know will probably strike a chord in his heart. My State has already done this. It already has an equalization program and spends money from its own funds. Why should our State be required to be different from other States?

Mr. BENTSEN. Under this amendment, Colorado could qualify for a part of that incentive, so long as it continues to maintain the efforts it has already started.

Mr. DOMINICK. We have been studying that for some time. We have done it. Because of the low tax base, the State is providing some 50 percent of education funds. As a matter of fact, it is a little less now.

Would not the Senator from Texas accomplish the same purpose if he raised the authorization level in section 534 by a little—maybe to $30 million, instead of the $225 million he has in his proposal, which does not go into effect until later?

Mr. BENTSEN. I do not believe so, because the Senator is talking about money to be spent on planning. In my amendment we are giving the money for distribution as a reward incentive to those States that have taken action.

Mr. DOMINICK. Then, as I understand it, the Senator is providing Federal funds to the local school districts in terms of grant money, while the States put in an equalization program without reference to the number of pupils, and without implementing a program on an individual pupil or student basis.

Mr. BENTSEN. The Senator is correct, except that funds go to the States which have initiated their own programs. There are certain criteria States have to meet, which are in the amendment.

Mr. DOMINICK. The Senator immediately gets into the religion problem.

Mr. BENTSEN. I have tried to follow the judgments of many commentators who have said that we should not draw too fine a line in trying to define an adequate State equalization plan.

The **PRESIDING OFFICER.** The time of the Senator from Colorado on the amendment has expired. The Senator from Texas has 4 minutes remaining.

Mr. DOMINICK. Mr. President, will the Senator from New York give me 10 minutes on the bill?

Mr. JAVITS. We have 2 hours on the bill. I will yield the Senator 10 minutes.

Mr. DOMINICK. My problem is this: I think we are getting down to what maybe all of us would like to do, which is to provide a general Federal grant to the States to use the money for educational purposes and for whatever other purposes they want to use it; or perhaps what school administrators or school boards would like, which has been ruled, over and over again, to be unconstitutional.

It has been ruled to be unconstitutional because by doing that you have: First, State constitutional provisions and second, Federal constitutional provisions against it. I do not see that we have avoided these problems in the way we have done before by approaching the matter on a pupil basis. We are allowing a larger grant of Federal money that we know nothing about to go through the school districts.

Mr. BENTSEN. I am not going to try to anticipate. The Senator from Texas has not tried to anticipate every detail or every situation that might arise. I think that is a part of the strength of this amendment—that we give such an exercise of discretion and judgment to the commissioner. We are following the recommendation of the court in the Serrano case, who recommended a number of different possible solutions.

Mr. President, will the Senator yield, so that I might suggest the absence of a quorum?

Mr. DOMINICK. Mr. President, I am glad to yield.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** On whose time?

Mr. BENTSEN. I ask that the time be charged to the time on the bill.

Mr. DOMINICK. I ask unanimous consent that the time be charged to neither side.

The **PRESIDING OFFICER.** Is there objection to the unanimous-consent request of the Senator from Colorado?

Mr. KENNEDY. Mr. President, I wonder if the Senator will withhold his suggestion of the absence of a quorum. I have an amendment that I think the chairman might accept.

Mr. BENTSEN. Mr. President, may I have my amendment laid to one side for the consideration of the amendment of the Senator from Massachusetts, with the understanding that I will be recognized at the conclusion of his remarks?

The **PRESIDING OFFICER.** Is there objection? The Chair hears none, and it is so ordered.

The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I send to the desk an amendment and ask its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

> On page 353, line 15, after "education" insert ", Indian organizations and Indian tribes."
>
> On page 353, line 19, after "programs." insert the following: "Priority shall be given to Indian institutions and organizations.".
>
> On page 353, line 22, after "education" insert ", Indian organizations and Indian tribes".

The **PRESIDING OFFICER.** The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I yield myself 4 minutes.

In the proposed legislation is a provision for the education of Indian teachers. It is a rather modest authorization for some $2 million.

In the draft of the program—the way in which it was drafted—a number of Indian-sponsored, nonprofit groups would be excluded. They have been extremely active in the development of teacher-training for Indians. They are the ones who have recruited Indians and made contracts and arrangements with teacher colleges and universities and, I really think, have been most effective in working out recruitment and programs for Indian teacher training.

Through a technical drafting error, the bill would exclude a number of Indian organizations, including the Coalition of Indian Controlled School Boards, the National Indian Education Association, and the United Southeastern Tribes, which have also become participants in the program. All this amendment would do would be to make those organizations eligible for participation in the program. They would, of course, participate with other groups in sharing whatever resources were available, but it would make them eligible to be sponsoring organizations.

This amendment is supported by all the various Indian groups, and I am hopeful that the chairman of the committee will be able to accept the amendment and take it to conference.

Mr. PELL. Mr. President, I think this is a proper amendment, and fills in something omitted in committee. I am very conscious of the work the Senator from Massachusetts has done, following the work of his brother, in helping those who really are our first citizens, the Indians. I believe the amendment should be accepted by my colleagues, and I am prepared to yield back the remainder of my time. Do I correctly understand it has been cleared with the minority?

Mr. KENNEDY. The Senator is correct.

Mr. PELL. I yield back the remainder of my time.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BARTLETT). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BENTSEN. From the time on the bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent that consideration of the amendment of the Senator from Texas be temporarily laid aside, so that I might engage in a colloquy with the Senator from Kansas.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I would like to say to the distinguished floor manager (Mr. PELL) that I am basically very pleased with the title II impact aid provisions of this bill, as they relate to the State of Kansas, and wish to commend the Education Subcommittee for the manner in which it approached this important area.

I do, however, have a few items of concern with respect to "equalization programs," or State treatment of Federal impact aid funds, and hope that they might be clarified without amendment for the purpose of legislative history.

The first of these—of which the distinguished subcommittee chairman is already aware by way of a letter to him from Joseph C. Harder, chairman of the Kansas State Senate's Education Committee—is with the phrase "and is designed to equalize expenditures for free public education among local education agencies of that State," as found in section 203(a)(2) of the bill on page 209 at lines 17 to 19.

The reason for questioning this phrase is that it might be overly restrictive in its interpretation and could result in some comprehensive State school finance equalization programs not qualifying as such, under Federal standards. For example, the expenditures of two school districts with substantial differences in local resources might be equalized under a certain type of program or legislative mandate, but the local effort of the low-resource district might remain much greater than that of the high-resource district.

The result of the latter situation would be to exclude the existing State plan—which permitted the variation—from coverage by the relevant provision in the bill which, I think, purports to include such programs. That is, the school district equalization act in Kansas was designed to equalize both expenditures per pupil within enrollment categories and local effort. However, with low-wealth-per-pupil districts having a greater proportion of their general fund budgets financed from general State aid than do districts with a high wealth per pupil, "expenditures—among the local educational agencies"—of the State would not, technically speaking, be "equalized" by any means.

I certainly do not want Kansas' equalization program to be in noncompliance with section 5(d)(2)—of Public Law 81-874—provisions, by reason of the foregoing discrepancy, and therefore prohibited from considering impact aid funds in determining amounts of State aid to local agencies. I do not feel that the committee would want this to happen either, and accordingly ask that some explanation be made to preclude it.

It appears that the best way to handle this particular contingency would be to delete the said phrase altogether, but perhaps the distinguished floor manager has some other suggestion. I know he has reviewed the Kansas Equalization Act—through testimony before the subcommittee by State Senator Harder, so I would like to ask directly: Is it his impression that Kansas could, under the present language of the bill, consider impact aid funds as local resources?

Mr. PELL. I thank the distinguished Senator from Kansas for his special interest in this matter, and am happy to respond to his inquiries. The language in the bill at the location which he has designated requires only that States have plans which are "designed to" equalize expenditures among school districts, in order to come within the scope of the Public Law 874 exemption. It does not require complete equalization to be effectuated, and there is no intention on the part of the committee to penalize all school districts in a State because of the failures or excesses of one or more of them.

Mr. DOLE. I thank the distinguished floor manager for his response, and bring his attention to a second and similar "interpretation" problem, which could very well arise with the next following subsection—lines 11-13 on page 210—requiring the Commissioner of Education to define by regulation what the terms "State aid" and "equalize expenditures" are to mean as used within the subsection. It seems to me that it would be extremely difficult for him, after analyzing the myriad of State laws enacted for equalization purposes, to come up with one definition with which every present State program would be in conformity.

In other words, many States—Kansas included—could conceivably be forced to alter their school finance plans as a result of such proposed regulation, even though their equalization systems might be working quite fairly and effectively. I notice in the committee's report that it, too, recognized the need for flexibility in this area, in order to respond to the unique situations in the various States, and was itself reluctant to rigidly define the said terms in this legislation.

I question the propriety, however, of expecting the Commissioner to come up with a formula by regulation which we ourselves are unwilling or unable to accomplish by statute. Problems would inevitably arise, I think, which could not be adequately reconciled.

It seems to me that a more advisable approach on this matter initially might be to grant the Commissioner the latitude he needs by requiring him only to determine individually whether or not a State has an "equalization program," taking into account the major aspects relating to both expenditures and local effort. At the same time we could instruct him to review all State programs to establish the feasibility of drafting a single Federal standard or "definition."

In this way we could effect a better transition toward eventual uniformity in "equalization" criteria, and allow States to make adjustments, if necessary, over a somewhat gradual period, based on suggestions and guidelines which come out of those feasibility studies. Perhaps the necessary guidelines for "equalization" criteria under section 203 could be developed in the same manner as stipulated in section 534. But what would be the committee's response to this notion?

Mr. PELL. Section 5(d)(2) does not require the States to install equalization plans. That provision merely creates an exception to the general prohibition against States penalizing 874 districts. The exception is made in order to permit the States to take 874 payments into consideration in determining relative need and relative resources.

I think it ought to be made clear that, under existing permanent law, States may not take any 874 payments into consideration. We are not attempting to define "equalize expenditures." We are only attempting to create an exception designed to eliminate "windfalls" for 874 recipient school districts.

With regard to the Senator's suggestion regarding possible guidelines in this area, I would say that there is no explicit connection between the exception with respect to equalization under Public Law 874, and assistance under section 534 of this bill, to enable States to develop equalization programs. However, the coincidence in language and intent is such that the two provisions, when read together, are intended to encourage State equalization programs.

Mr. DOLE. I understand, and again thank the distinguished Senator for his explanation. I would finally like to inquire as to the retroactive or strictly prospective intent of the "assistance to States for equalization plans" set out in that latter section 534. As presently worded, the provision seems to contemplate reimbursement of the costs of developing only future such plans. This would, of course, be discriminatory and unfair to States like Kansas which have already taken the initiative, and gone to considerable expense, to construct their own respective equalization programs in advance of this legislation.

I would just like to insure, therefore, that the committee meant for that section to apply to any State plan, regardless of when adopted, so long as it is consistent with the principles expounded therein. I think many of my colleagues from other States, which, like Kansas, have "pioneered" in this area, would feel as I do that such compensation for past efforts is certainly deserving, and I hope that we can have that assurance.

Mr. PELL. The Senator is correct. There is no provision for retroactive reimbursement for equalization plans.

Mr. DOLE. In that case, I would like to send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 355, line 24, after the words "pursuant to," insert the following: "or which meets the requirements of,"

Mr. DOLE. Mr. President, this amendment, very simply, will allow States which already have equalization plans in effect to apply, under the provisions of section 534 of this bill, for reimbursement of the costs sustained in developing such plans—just as many States which have yet to adopt theirs.

My proposal will involve only a very few States, of which Kansas is one, and I wonder whether the committee would agree to such an amendment?

Mr. PELL. That is absolutely agreeable. I think the Senator's amendment is a fair one, for there are only about three States involved which have already taken action. I see no reason for them to be omitted, and recommend approval of the amendment of the Senator from Kansas.

Mr. DOLE. Mr. President, before acting on my amendment, I wish to thank the distinguished subcommittee chairman again for his participation in this discussion, and to point out once more the importance of the "equalization" portion of this bill to the State of Kansas. For, if I interpret his responses correctly, it will mean that the State may indeed receive the some $8 million in impact aid funds to which it is entitled. At the same time, of course, it means that Kansas taxpayers will be saved this additional tax burden.

This whole matter became one of great concern to Kansas when, under pressure of a court order to equalize expenditures in the State, it last year adopted its current equalization program. The new power equalization formula met the specifications of the court mandate, but was in conflict with the applicable provisions of the Federal impact aid law, which at that time prohibited the consideration of such payments in determining the level of State assistance to a federally-impacted school district.

As a result, the State was declared ineligible for the aforementioned $8 million in Federal aid. We were finally able to receive those Federal payments only after the Senate approved an amendment which I had offered to the school lunch bill. However, that amendment waived the requirements of the Federal law—thereby allowing the State to receive the said funds—just for 1974.

I very much appreciated the support given that latter amendment, both by my colleagues in the Senate and later by the House conferees. Since its passage, I have been working again with the Senate—as well as with the House—Education Committees to insure that language be included in the elementary and secondary education bill to avoid the problem of impact aid eligibility arising in future years. I feel that now, for the most part, that goal has been achieved.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Rhode Island yield back the remainder of his time?

Mr. PELL. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BARTLETT). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from Texas. The Senator has 4 minutes remaining.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the unanimous-consent agreement temporarily laying aside my amendment be vacated, and I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BENTSEN. From the time on the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. Mr. President, I have an amendment to the amendment of the Senator from Texas.

The PRESIDING OFFICER. That amendment would not be in order until all the time of the Senator from Texas has been exhausted.

Mr. BENTSEN. Mr. President, I send to the desk a further modification of my amendment, as follows:

> On page 5, after line 8, insert the following: "In making distribution under this section the Commissioner shall consider an equitable geographical distribution."

The PRESIDING OFFICER. The amendment will be so modified.

The question is on agreeing to the amendment, as modified, of the Senator from Texas (Mr. BENTSEN). Does the Senator yield back the remainder of his time?

Mr. BENTSEN. Mr. President, let me summarize my amendment for the benefit of Senators who may not have been present during the debate.

Basically, the amendment is an incentive program; it gives incentives to States which develop plans to finance education more equitably through a statewide strategy to help those school districts in need with greater State aid.

It is carefully worded and based on testimony before the Congress, on criteria that are not restrictive but which give general guidelines to the States in upgrading State financing programs for education. It attempts to attack one of the most basic problems in educational inequality—the inability of poor school districts with inadequate tax bases to provide the quality of education their children deserve.

As an incentive program, it does not punish States which do not participate. It encourages them to develop plans and rewards them if the plans are approved. It establishes a Federal policy saying that school district wealth should not be the gage of support for the education of schools within that district. It allows the States to utilize a variety of approaches to equalization and does not mandate any one approach. And it does not allow the Federal Government to require a mathematical equality of spending in school districts by the States. Indeed, such a requirement would be counterproductive, for school districts with high densities of population, with high living costs, and even with very sparse population densities have different educational needs which must be taken into account. The amendment directs that this be done.

I believe it is a step long overdue. This Government should be on record encouraging the States to provide more equitably for their poorer school districts. I do not believe the ideas in this amendment can do much to set such a policy direction in the States. I urge that it be done now, and I hope my colleagues will support my efforts in this regard.

Mr. HRUSKA. Mr. President, I rise to speak in favor of the amendment offered by the distinguished senior Senator from Texas.

I agree completely with his finding that many institutions of higher education have fallen short of the goal of equal opportunity in intercollegiate athletics. The Senator is correct, that we must expect new demands on available athletic funds to expand intercollegiate athletic activities for women. But, as the distinguished Senator has pointed out, any rules promulgated by the Department of Health, Education, and Welfare which undermine the financial base of intercollegiate sports would be like throwing the baby out with the bath water.

Many of my constituents are seriously concerned, Mr. President, about the scope and force of the regulations which the Department of Health, Education, and Welfare plans to issue shortly in draft. Two who have commented command special respect not only in Nebraska but throughout the Nation.

Athletic director Bob Devaney of the University of Nebraska put the matter in his customary direct fashion:

> So far our Women's Athletic Department does not wish to go in for a high-powered program. But if this law [i.e. regulation] goes through, they could be pushed by outside pressures to forgo their present thoughts of a limited and reasonable program.

President Durward B. Varner of the University of Nebraska wrote to me on March 28, 1974, to state his concerns. I ask unanimous consent that the text of his letter be included at this point in the RECORD.

There being no objection, the letter was ordered printed in the RECORD, as follows:

THE UNIVERSITY OF NEBRASKA,
Lincoln, Nebr., March 28, 1974.

Hon. ROMAN L. HRUSKA,
U.S. Senator,
Washington, D.C.

DEAR SENATOR HRUSKA: During the past several days I have had a number of contacts in my office expressing consternation at the prospect that the Department of Health, Education and Welfare is in the process of establishing an interpretation of Title IX relative to intercollegiate athletics for women. Bob Devaney has spoken directly to me, and I have had contacts from a variety of other sources.

Our people are unanimous in their view that the regulations which are in process of being shaped in the Department of Health, Education and Welfare would be unreasonable and almost impossible to implement. The cost would be prohibitive and there are grave doubts about the degree of interest on the part of women in participating in the whole range of intercollegiate athletics which are now provided for men.

I am sure you have heard of this situation, and I will not belabor the issue. I am writing to respectfully urge that you take what action is available to you to cause HEW to reconsider its proposed guidelines and, better yet, to have a revision in Title IX as now drawn.

If there are any specifics on which I can provide information, don't hesitate to write me.

Yours truly,
D. B. VARNER, *President.*

Mr. HRUSKA. Of course, Mr. President, the Tower amendment does not answer all questions which have arisen in the wake of title IX of the Higher Education Act and the Department of Health, Education, and Welfare efforts to draft regulations. It does forestall what could become at worst financial chaos in intercollegiate athletics and at best a period of great confusion and uncertainty about the proper use of athletic revenues. In either case, we would not have the climate which each higher education institution needs for a careful appraisal of its proper responsibilities for assuring equal athletic opportunities for women and the most effective ways of meeting those responsibilities.

Mr. BENTSEN. Mr. President, I yield back the remainder of my time and ask for consideration of the amendment.

The PRESIDING OFFICER. All time on this amendment has been yielded back.

The question is on agreeing to the amendment as modified of the Senator from Texas (Mr. BENTSEN).

The amendment as modified was agreed to.

Mr. JAVITS. Mr. President, a parliamentary inquiry. Will the time to present amendments of all kinds expire at 4:15 p.m. today?

The PRESIDING OFFICER. Under the agreement, the time will expire for the introduction of amendments at 6 p.m.

Mr. JAVITS. Six p.m. Amendments may be introduced before that time then? I wish to give notice that I may possibly have an amendment respecting a ceiling on the receipt of allocations from title I of the act but I will temporarily withhold the amendment so that the chairman of the Appropriations Committee may look into the question. I just wanted to be sure that it could be submitted before the time for the final vote should I decide to present it.

Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO 9:15 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until 9:15 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS BEALL, AIKEN, AND BARTLETT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, after the two leaders or their designees are recognized tomorrow, the distinguished Senator from Maryland (Mr. BEALL) be recognized for not to exceed 15 minutes; that he be followed by the distinguished Senator from Vermont (Mr. AIKEN) for not to exceed 15 minutes; and that he be followed by the distinguished Senator from Oklahoma (Mr. BARTLETT) for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the colloquy which is to be divided among four Senators tomorrow, for which the order has already been entered, I be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 2835) to rename the first Civilian Conservation Corps Center located near Franklin, N.C., and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, has there been any morning business today?

The PRESIDING OFFICER. There has not been.

Mr. ROBERT C. BYRD. I ask unanimous consent that there now be a period for the transaction of routine morning business of not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following letter, which was referred as indicated:

AUDIT REPORT OF FUTURE FARMERS OF AMERICA

A letter from the Chairman, Board of Directors, Future Farmers of America, transmitting, pursuant to law, an audit report of that organization, for fiscal year ended June 30, 1973 (with an accompanying report). Referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations, without amendment, and reported adversely:

S. 1485. A bill to establish an International Commerce Service within the Department of Commerce (Rept. No. 93-859).

By Mr. SPARKMAN, from the Committee on Foreign Relations, with amendments, and without recommendation:

S. 1486. A bill to authorize the Secretary of Commerce to engage in certain export expansion activities, and for related purposes (Rept. No. 93-860).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Robert E. Hauberg, of Mississippi, to be U.S. attorney for the southern district of Mississippi.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. TOWER:

S. 3513. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Nueces River Project, Texas, and for other purposes. Referred to the Committe on Interior and **Insular Affairs.**

By Mr. CHILES (for himself, Mr. Roth, Mr. Muskie, Mr. Gurney, and Mr. Brock):

S. 3514. A bill to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes. Referred to the Committee on Government Operations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHILES (for himself, Mr. Roth, Mr. Muskie, Mr. Gurney, and Mr. Brock):

S. 3514. A bill to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes. Referred to the Committee on Government Operations.

FEDERAL GRANT AND COOPERATIVE AGREEMENT ACT OF 1974

Mr. CHILES. Mr. President, I am today introducing on behalf of myself, the Senator from Delaware (Mr. Roth), the Senator from Maine (Mr. Muskie), the Senator from Florida (Mr. Gurney), and the Senator from Tennessee (Mr. Brock), a bill to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships and for other purposes.

BILL PROVISIONS

This legislation would implement two key recommendations made by the Commission on Government Procurement after its 2½-year study:

First, establish Government-wide standards for selection of appropriate legal instruments to achieve uniformity in the use by the executive agencies of such instruments, a clear definition of the relationships they reflect, and a better understanding of the responsibilities of the parties; and

Second, require a study of Federal/non-Federal relationships in the Federal assistance programs and the feasibility of developing a comprehensive system of guidance for the use of grant and cooperative agreements in carrying out such programs.

NEED FOR THE LEGISLATION

Federal grant-type activities have become a vast and complex collection of assistance programs, functioning with little central guidance in a variety of ways that are often characterized as being consistent only in their inconsistency. Similar programs or projects are often left to "do their own thing," in their own way, in a manner that can only lead to confusion, frustration, and uncertainty.

The Commission on Government Procurement report outlined several major causes for this disarray. They were:

Confusion of grant-type assistance relationships and transactions with procurement relationships and transactions;

Failure to recognize that there is more than one kind of grant-type relationship or transaction, and

Lack of Government-wide guidance for Federal grant-type relationships and transactions.

The present situation gives Congress only a skimpy, confused, unfocused picture of programs which disbursed $40 billion of taxpayers' money to State and local governments in fiscal year 1971, which is projected to grow to $52 billion in fiscal year 1975, nearly equalling funds spent on contract for procurement. These grant-type program disbursements have been growing at an annual rate of 17 percent for the past 5 years.

FEDERAL-AID EXPENDITURES BY AGENCY

[In millions of dollars]

Agency	1973 actual	1974 estimate	1975 estimate
Funds appropriated to the President	1,103.1	1,080.5	718.4
Department of:			
Agriculture	4,332.5	5,542.7	6,324.5
Commerce	261.1	262.6	311.8
Defense—Military	53.4	42.3	42.7
Defense—Civil	3.0	3.0	3.0
Health, Education, and Welfare	18,219.6	20,083.7	20,587.3
Housing and Urban Development	2,970.5	3,289.2	3,684.0
Interior	408.2	484.9	573.2
Justice	526.3	707.7	747.2
Labor	2,878.1	2,585.4	2,580.6
State	6.3	8.3	8.5
Transportation	5,272.4	5,239.8	5,656.5
Treasury	6,822.6	6,351.7	6,384.0
Environmental Protection Agency	745.1	2,085.1	3,470.9
District of Columbia	181.5	190.0	231.5
Washington Metropolitan Area Transit Authority	75.8	182.9	184.4
Other	102.9	152.9	222.9
Total expenditures for Federal grants	43,962.5	48,293.0	51,731.5

Source: "The Budget For Fiscal Year 1975," special analyses, table N-1, p. 205.

The need for a study for developing a Government-wide system for guidance for Federal assistance programs is analogous to the need for the Office of Federal Procurement Policy for procurement. The primary concern is to get a "handle" on the entire process for Federal assistance and to provide guidance and uniformity where there is none.

The complexity of the situation is found even in the terminology and the practices of the executive agencies involved in the process of awarding grants. In fact, grants and contracts are often used interchangeably with agencies and among agencies for the same type of project.

According to the Commission on Government Procurement report, some agencies admit that they use grants instead of contracts to avoid certain requirements, such as advance payment justifications. Some agencies use more grants in June to obligate funds before the end of the fiscal year because grants are quicker to process than contracts. Some program officials who have responsibility for negotiating and administering grants, but not contracts, tend to shift to contracts when they are busy in order to place the workload elsewhere. These practices may give Federal agencies administrative discretion not intended by Congress.

Confusion even exists as far as Federal statutes are concerned. Enabling and appropriation statutes for grant programs cause confusion. As a group they lack consistency in requirements, terminology, level of detail and emphasis. Agencies are often left to their own devices in attempting to spell out essential details.

The statutes are inconsistent in specifying the circumstances under which they require the use of grants. Most agencies generally prefer to use grants for transactions that require minimal agency participation during the performance as in the case of the Office of Education in its grants for construction of educational facilities; USDA in its grants for water and sewer planning; and Law Enforcement Assistance Administration, LEAA, in its grants for information system demonstration projects. These are only some of the examples, Mr. President.

Because of uncertainty as to what the roles and responsibilities of the agencies and the recipients should be; because agencies are, many times, confused over the exact meaning of essential terms in this area; and because the Federal Government spends over $100 billion a year through contracts, grants, and similar arrangements, this legislation is badly needed. Those who are knowledgeable in this area agree that order has to come, that clear definitions have to be spelled out, that this Federal guidance will be an asset to all concerned: Executive agencies, State and local governments, other recipients, and the taxpayer.

I would urge my colleagues to join in supporting and cosponsoring this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3514

A bill to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Grant and Cooperative Agreement Act of 1974".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) there is a need to distinguish Federal assistance relationships from Federal procurement relationships and thereby to standardize usage and clarify the meaning of the legal instruments which reflect such relationships;

(2) uncertainty as to the meaning of such terms as "contract", "grant", and "cooperative agreement" causes operational inconsistencies, confusion, inefficiency, and waste for recipients of awards as well as for executive agencies; and

(3) the Commission on Government Procurement has documented these findings and concluded that a reduction of the existing confusions, inconsistencies, and inefficiencies is feasible and necessary.

(b) The purposes of this Act are—

(1) to characterize Federal/non-Federal relationships in the acquisition of property and services and in the furnishing of assistance by the Federal Government;

(2) to establish Government-wide standards for selection of appropriate legal instruments to achieve uniformity in the use by the executive agencies of such instruments, a clear definition of the relationships they reflect, and a better understanding of the responsibilities of the parties; and

(3) to require a study of Federal/non-Federal relationships in Federal assistance programs and the feasibility of developing a comprehensive system of guidance for the use of grant and cooperative agreements in carrying out such programs.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "State government" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, any agency or instrumentality of a State, and any multi-State, regional or other interstate entity;

(2) "local government" means any unit of government within a State, a county, municipality, city, town, township, local public authority, special district, intrastate district, council of governments, sponsor group representative organization, other intrastate government entities, and any other instrumentality of a local government;

(3) "other recipient" means any person other than a State or local government who is an authorized recipient of Federal funds and includes any charitable or educational institution;

(4) "executive agency" means any executive department as defined in section 101 of title 5, United States Code, a military department as defined in section 102 of title 5, United States Code, an independent establishment as defined in section 104 of title 5, United States Code (except that it shall not include the General Accounting Office), a wholly-owned Government corporation, the United States Postal Service, and the Postal Rate Commission; and

(5) "grant or cooperative agreement" excludes direct payments, subsidies, loans, loan guarantees, or insurance.

USE OF CONTRACTS

SEC. 4. Each executive agency shall use a procurement contract as the legal instrument reflecting a relationship between the Federal Government and a State or local government or other recipient—

(1) whenever the principal purpose of the agreement is the acquisition, by purchase, lease, or barter, of property or services for the direct benefit or use of the Federal Government; or

(2) whenever an executive agency determines in a specific instance that the use of a contract is appropriate to acquire property or services intended for ultimate public use.

USE OF GRANT AGREEMENTS

SEC. 5. Each executive agency shall use a grant agreement as the legal instrument reflecting a relationship between the Federal Government and a State or local government or other recipient—

(1) whenever the principal purpose of the relationship is the transfer of money, property, services, or anything of value to the State or local government or other recipient in order to accomplish a public purpose authorized by Federal statute, rather than the acquisition, by purchase, lease or barter, of property or services for the direct benefit or use of the Federal Government: and

(2) whenever no substantial involvement is anticipated between the executive agency, acting for the Federal Government, and the State or local government or other recipient during performance of the contemplated activity.

USE OF COOPERATIVE AGREEMENTS

SEC. 6. Each executive agency shall use a cooperative agreement as the legal instrument reflecting a relationship between the Federal Government and a State or local government or other recipient—

(1) whenever the principal purpose of the relationship is the transfer of money, property, services, or anything of value to the State or local government or other recipient to accomplish a public purpose authorized by Federal statute, and not the acquisition, by purchase, lease or barter, of property or services for the direct benefit or use of the Federal Government; and

(2) whenever substantial involvement is anticipated between the executive agency, acting for the Federal Government, and the State or local government or other recipient during performance of the contemplated activity.

AUTHORIZATIONS

SEC. 7. (a) Notwithstanding any other provision of law, each executive agency authorized by law to enter into contracts, grant or cooperative agreements, or similar arrangements shall use contracts, grant agreements, or cooperative agreements as required by this Act.

(b) The authority to enter into grant or cooperative agreements shall include the discretionary authority, when it is deemed by the head of an executive agency to be in furtherance of the objectives of such agency, to vest in State or local governments or other recipients, without further obligation to the Federal Government or on such other terms and conditions as the agency deems appropriate, title to equipment or other tangible personal property purchased with such grant or cooperative agreement funds.

STUDY OF FEDERAL ASSISTANCE PROGRAMS

SEC. 8. The Director of the Office of Management and Budget, in cooperation with the executive agencies, shall undertake a study to develop a better understanding of alternative means of implementing Federal assistance programs, and to determine the feasibility of developing a comprehensive system of guidance for Federal assistance programs. Such study shall include a thorough consideration of the findings and recommendations of the Commission on Government Procurement relating to the feasibility of developing such a system. The Director shall consult with representatives of the executive agencies, the Congress, the General Accounting Office, State and local governments, other recipients and other interested members of the public. The results of the study, together with recommendations for administrative or statutory changes, shall be reported to the Committees on Government Operations of the Senate and House of Representatives at the earliest practicable date but in no event later than two years after the date of enactment of this Act.

REPEALS

SEC. 9. (a) The Act entitled "An Act to authorize the expenditure of funds through grants for support of scientific research, and for other purposes", approved September 6, 1958 (72 Stat. 1793; 42 U.S.C. 1891, 1892, and 1893), is repealed, effective one year after the date of enactment of this Act.

(b) Nothing in this Act shall be construed to render void or voidable any contract, grant, cooperative agreement, or other arrangement entered into up to one year after the date of enactment of this Act.

ADDITIONAL COSPONSORS OF BILLS

S. 1844

At the request of Mr. ABOUREZK, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor to S. 1844, the American Folklife Preservation Act.

At the request of Mr. JAVITS, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 2665, a bill to authorize the Fourth Replenishment of the International Development Association.

S. 2877

At the request of Mr. TOWER, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 2877, the Meeting House Preservation Act.

S. 2901

At the request of Mr. ALLEN, the Senator from New York (Mr. BUCKLEY) and the Senator from Alabama (Mr. SPARKMAN) were added as cosponsors of S. 2901, a bill to change the date of Veterans' Day from the 4th Monday in October to November 11.

S. 3207

At the request of Mr. KENNEDY, the

Senator from Ohio (Mr. Metzenbaum) was added as a cosponsor of S. 3207, to amend the Sugar Act of 1948 to terminate the quota for South Africa.

S. 3330

At the request of Mr. Hartke, the Senator from Texas (Mr. Tower) and the Senator from Alaska (Mr. Stevens) were added as cosponsors of S. 3330, a bill to provide severance pay for noncommissioned officers.

S. 3339

At the request of Mr. Humphrey, the Senator from Illinois (Mr. Stevenson) and the Senator from Michigan (Mr. Hart) were added as cosponsors of S. 3339, a bill to amend the program of supplemental security income for the aged, blind, and disabled—established by title XVI of the Social Security Act—to provide for cost-of-living increases in the benefits provided thereunder.

S. 3434

At the request of Mr. Hugh Scott, the Senator from North Dakota (Mr. Young), the Senators from Utah (Mr. Bennett and Mr. Moss), the Senator from Indiana (Mr. Bayh), the Senator from Montana (Mr. Metcalf), the Senator from Kentucky (Mr. Huddleston), and the Senator from California (Mr. Tunney) were added as cosponsors of S. 3434, to establish university coal research laboratories and to establish energy resources fellowships.

S. 3458

At the request of Mr. McGovern, the Senator from Washington (Mr. Magnuson) and the Senator from Kentucky (Mr. Cook) were added as cosponsors of S. 3458, a bill to amend the Agriculture and Consumer Protection Act of 1973, the Food Stamp Act of 1964, and for other purposes.

S. 3459

At the request of Mr. McGovern, the Senator from Maine (Mr. Hathaway), the Senator from Pennsylvania (Mr. Schweiker), the Senator from Washington (Mr. Magnuson), and the Senator from Kentucky (Mr. Cook) were added as cosponsors of S. 3459, a bill to amend the National School Lunch and Child Nutrition Acts to increase the level of Federal assistance for child nutrition programs, and for other purposes.

S. 3490

At the request of Mr. McClure, the Senator from New Mexico (Mr. Domenici) was added as a cosponsor of S. 3490, a bill providing that funds apportioned for forest highways under Sec. 202(a), title 23, United States Code, remain available until expended.

SENATE RESOLUTION 327—SUBMISSION OF A RESOLUTION EXTENDING THE TIME FOR THE FILING OF THE FINAL REPORT OF THE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVTIES

(Ordered placed on the Calendar.)

Mr. ERVIN. Mr. President, I ask unanimous consent that I may be permitted to submit at this time a resolution. I ask unanimous consent that it be placed on the Calendar until it is called up in order.

The PRESIDING OFFICER. Without objection, the resolution will be placed on the Calendar.

Mr. ERVIN. Mr. President, I ask unanimous consent that the text of the resolution be printed at this point in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

S. Res. 327

Resolved, That Section 5 of Senate Resolution 60, which was adopted February 7, 1973, is hereby amended to read as follows: "The Select Committee shall make a final report of the results of the investigation and study conducted by it pursuant to this resolution, together with its findings and such legislative proposals as it deems necessary or desirable, to the Senate at the earliest practicable date, but no later than June 30, 1974. The Select Committee may also submit to the Senate such interim reports as it considers appropriate. After submission of its final report, the Select Committee shall have three calendar months to close its affairs, and on the expiration of such three calendar months shall cease to exist: Provided, however, in case the judicial action brought by the Select Committee against the President to obtain specified taped recordings of conversations in which the President and his former aide, John W. Dean, participated is not finally adjudicated before the expiration of such three calendar months, the Select Committee shall continue in existence thereafter until thirty days subsequent to the occurrence of one of these alternative events, namely, the judicial action is finally adjudicated adversely to the Select Committee, or the specified taped recordings are actually received by the Select Committee pursuant to the final adjudication of such judicial action or otherwise. In case the last event occurs, the Select Committee is empowered to report to the Senate an addendum to its final report setting forth findings and legislative recommendations based on what the taped recordings disclose."

SENATE RESOLUTION 328—SUBMISSION OF A RESOLUTION TO INCREASE THE SUMS ALLOTTED TO THE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES

(Referred to the Committee on Rules and Administration.)

Mr. ERVIN. Mr. President, I ask unanimous consent that the text of a resolution I have submitted, and which will be referred to the Committee on Rules and Administration, be printed in the Record for the information of the Senate.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

S. Res. 328

Resolved, That section 6 of Senate Resolution 60, which was adopted February 7, 1973, is hereby amended to read as follows: "The expenses of the select committee during the full period specified in section 5 of the resolution as amended shall not exceed $2,000,000, of which amount not to exceed $70,000 shall be available for the procurement of the services of individual consultants or organizations thereof. Such expenses shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the select committee."

ADDITIONAL COSPONSOR OF A RESOLUTION

Senate Resolution 324

At the request of Mr. Humphrey, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of Senate Resolution 324, relating to the condemnation of terrorist acts.

MILITARY PROCURMENT AUTHORIZATIONS, 1975—AMENDMENT

AMENDMENT NO. 1346

(Ordered to be printed and to lie on the table.)

Mr. McGOVERN submitted an amendment intended to be proposed by him to the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty and duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1194

At the request of Mr. Gurney, the Senator from Utah (Mr. Bennett), the Senator from New York (Mr. Buckley), the Senator from Kansas (Mr. Dole), the Senator from South Carolina (Mr. Thurmond), and the Senator from Tennessee (Mr. Brock) were added as cosponsors of Amendment No. 1194 to the bill (H.R. 10710) to amend the Trade Reform Act for cooperation in locating personnel missing in action as a result of hostilities in Indochina.

AMENDMENT NO. 1305

At the request of Mr. Mathias, the Senator from Utah (Mr. Moss), the Senator from Kentucky (Mr. Cook), the Senator from Tennessee (Mr. Brock), and the Senator from Massachusetts (Mr. Kennedy) were added as cosponsors of Amendment No. 1305 intended to be proposed to S. 1539, the Education Amendments of 1974.

AMENDMENT NO. 1326

At the request of Mr. Ribicoff, the Senator from Rhode Island (Mr. Pastore) was added as a cosponsor of amendment No. 1326 to the bill (H.R. 8217) to repeal the oil depletion allowance.

AMENDMENT NO. 1331

At the request of Mr. Domenici, the Senator from North Dakota (Mr. Young) and the Senator from California (Mr. Tunney) were added as cosponsors of Amendment No. 1331 to the bill (S. 3267) to provide standby emergency authority to assure that the essential energy needs of the United States are met.

ANNOUNCEMENT OF HEARINGS BY DISTRICT OF COLUMBIA COMMITTEE

Mr. EAGLETON. Mr. President, the Senate Committee on the District of Columbia, on Wednesday, June 5, 1974, at 9:30 a.m., in room 6226, Dirksen Senate Office Building, will hold public hearings on the following bills:

S. 3475 and S. 3478, relating to payment of defense counsel for indigent defendants;

S. 3474, to amend the District of Columbia unemployment compensation law;

S. 3476, to remove requirement that race be listed on marriage licenses; and

S. 3477, extension of fare subsidy for schoolchildren.

Anyone wishing to present testimony on any of these bills should contact Robert Harris, staff director of the District of Columbia Committee, room 6222, Dirksen Senate Office Building, by the close of business on Friday, May 31, 1974.

ANNOUNCEMENT OF HEARINGS ON S. 2008, S. 1029, S. 1772, AND S. 2587

Mr. WILLIAMS. Mr. President, I wish to announce that the Subcommittee on Labor of the Committee on Labor and Public Welfare will hold hearings in Minneapolis, Minn., on Friday, June 14, 1974, and in Washington, D.C., on Tuesday, June 18; Wednesday, June 19; and Thursday, June 20, 1974, on S. 2008, S. 1029, S. 1772, and S. 2587. S. 2008, which I introduced with Senator Javits, will provide minimum Federal standards for State workers' compensation programs. S. 1029, introduced by Senator Taft, S. 1772, introduced by Senator Sparkman, and S. 2587, introduced by Senator Humphrey, all will provide compensation for various respiratory diseases.

The hearings in Washington will be held in room 4232, Dirksen Office Building, at 9:30 a.m. If there are any questions, please contact Donald Elisburg, counsel, Subcommittee on Labor, extension 3674.

NOTICE OF HEARINGS BY SENATE INDIAN AFFAIRS SUBCOMMITTEE

Mr. JACKSON. Mr. President, the Senate Indian Affairs Subcommittee will hold hearings in Mobridge, S. Dak., on May 25, 1974, on the subject of jurisdiction and in Vermillion, S. Dak., on May 28 on the subject of the way Indians are depicted in the educational curriculum of public schools and colleges.

In addition, testimony will be heard from the Devils Lake Sioux Tribe regarding S. 598, providing for the transfer of lands to that tribe, and S. 3455, providing for greater land management flexibility for the Devils Lake Sioux Tribe.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Norwood Carlton Tilley, Jr., of North Caroline, to be U.S. Attorney for the Middle District of North Carolina for the term of 4 years, vice William L. Osteen, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Monday, May 27, 1974, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Otis L. Packwood, of Montana, to be U.S. attorney for the district of Montana for the term of 4 years, reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Monday, May 27, 1974, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARINGS ON FOOD RETAILING AND PROCESSING PRACTICES

Mr. HUMPHREY. Mr. President, the Subcommittee on Consumer Economics of the Joint Economic Committee, which I am privileged to chair, will hold a hearing on May 21 on food processing and retailing practices that unnecessarily increase the price or lower the quality of food to the consumer.

In the past year increased farm prices have been blamed almost exclusively for rising retail food prices. Yet, when farm prices fall, as they have in the last 2 months, retail prices are slow to follow, and rarely fall by the same amount.

Why is the farm-retail price spread for meats and other items so slow to respond to declines in farm prices?

What is the effect of domination by three or four processing firms in the cereal, soup, or canned fruits and vegetable industries on consumer prices?

Is there adequate competition among retail food stores, or do a very few chains dominate in metropolitan areas?

How is food quality affected by the current structure of food manufacturing and marketing?

We expect our witnesses to explore these and other questions as the subcommittee launches a continuing investigation into retail food quality and prices.

The following witnesses have been invited to testify:

Tuesday, May 21, room 6202, Dirksen Senate Office Building, 10 a.m.

Don Paarlberg—Director, Office of Agricultural Economics, U.S. Department of Agriculture.

Russell Parker—Bureau of Economics, Federal Trade Commission.

James Hightower and Susan DeMarco—Agribusiness accountability project.

ADDITIONAL STATEMENTS

CHURCH, STATE, AND FREEMASONRY

Mr. ROBERT C. BYRD. Mr. President, on October 16, 1973, our colleague, Senator Sam J. Ervin, Jr., made an address before the Supreme Council, 33d degree of the Ancient and Accepted Scottish Rite of Freemasonry in Washington, D.C., bearing the title "Church, State, and Freemasonry." After his address, the Supreme Council conferred upon him the Dignity of the Grand Cross of the Court of Honour.

Senator Ervin's speech merits wide dissemination. As a consequence, I ask unanimous consent that it be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Church, State, and Freemasonry

This evening I would like to explore with you what Freemasonry in America affirms respecting religion and civil government. In discussing religion, I will present the teaching of the Symbolic Degrees of Freemasonry and the Scottish Rite, which are based on faith in a Supreme Being, rather than the teachings of the York Rite, which are founded on faith in a particular religion, i.e., Christianity.

Freemasonry bases its affirmation concerning religion upon its observations of the universe and man, and the revelations of the holy writings upon its altars.

Freemasonry looks at the universe and beholds with wonder the life-giving sun which rises in the east in the morn, travels across the sky by day, and sets in the west at eventide; the galaxies of stars which twinkle in the infinite heavens; the clouds which bring the soil-refreshing rain; the majestic mountains with hills at their knees; the rivers, which water pleasant valleys and fertile plains and run endlessly to the sea; the tall trees, which lift leafy arms heavenward to pray; the arbutus and dogwood, which brighten springtime, and the marigolds and roses, which ornament summer; the glory of the leaves and ripened crops of autumn; the crystal snowflakes, which descend so gently in winter; and the other beautiful things which adorn the earth.

Freemasonry notes with awe the order and regularity of the processes of life and nature as the tide ebbs and flows, as the harvest succeeds the seed time, and as the heavenly bodies move in their orbits without mishap, in conformity with natural laws.

Freemasonry observes with reverence that despite the feet of clay on which he makes his earthly rounds, man is endowed with the capacity to obey conscience, exercise reason, study holy writings, and aspire to righteous conduct in obedience to spiritual laws.

On the basis of these things, and the revelations of the holy writings upon its altars, Freemasonry affirms with complete conviction that the universe and man are not the haphazard products of blind atoms wandering aimlessly about in chaos, but, on the contrary, are the creations of God, the Architect and Master Builder of the Universe, conforming to designs first traced upon the divine trestleboard.

For these reasons, Freemasonry requires every man who seeks admittance to its Lodges, whether prince or peasant, to confess his faith in God.

Further than this, however, Freemasonry does not go. While theocratic in faith and philosophy, it does not attempt to define or limit any Freemason's conception of the divine. It leaves to each the freedom to fashion his own theology. As a consequence, men of all religions kneel in Brotherly Love at the altars of Freemasonry.

While it is founded on faith in God, Freemasonry is not a religion, and does not seek to supplant or control religious institutions.

Freemasonry is interested in man and all that pertains to man. Hence, it is interested in the problems of society. But it is not in any sense a political party and does not participate as a fraternity in any political movements. Moreover, it accords to every Freemason absolute independence of action as a citizen in all the affairs of State.

Freemasonry is ancient, patient and wise, and recognizes that the betterment of society is dependent entirely on the ministrations of good men. As a consequence, Freemasonry accepts as its sole collective task the making of good Freemasons, knowing, as it does, that good Freemasons are good men who acquit themselves well in all relationships and responsibilities.

To this end, Freemasonry admits to its Lodges men of faith from all walks of life, seats them around its altars, and teaches them by allegory, precept and symbol the love which makes them brothers and the truth which makes them free.

While it is neither a religion nor a political institution, Freemasonry is dedicated to the principle that the minds and spirits of men of right ought to be free from civil and ecclesiastical tyranny, and for this reason cherishes the system of government established by the Constitution of the United States.

It is not strange that this should be so. The Constitution was in substantial part conceived by the minds and drafted by the hands of George Washington, Benjamin Franklin and other Freemasons who were delegates from the original States in the Convention of 1787. Besides, the institutions of government the Constitution creates and the basic freedoms the Constitution secures have been nourished throughout all succeeding generations by Freemasons past numbering.

Freemasonry has been taught by bitter experience in many nations and many generations the everlasting truth that political freedom cannot exist in any land where religion controls civil government and that religious freedom cannot survive in any land where civil government dominates religion.

As a consequence, Freemasonry esteems most highly the words of the First Amendment which decree that government "shall make no law respecting an establishment of religion or prohibiting the free exercise thereof."

These words were designed to enshrine in the Constitution of the United States for the benefit of all Americans of all generations the principles enunciated in the historic Statute of Virginia for Religious Liberty, which was drafted by Thomas Jefferson and piloted through the Virginia Legislature of 1785 by James Madison.

The Statute of Virginia for Religious Liberty proclaims that "Almighty God hath created the mind free" and declares that fidelity to the following principles is essential to keep it so:

That "no man shall be compelled to frequent or support any religious worship, place or ministry whatsoever" or suffer any civil penalties "on account of his religious opinions or beliefs."

That "all men shall be free to profess and by argument to maintain their opinion in matters of religion, and that the same shall in no wise diminish, enlarge, or affect their civil capacities."

That "to compel a man to furnish contributions of money for the propagation of opinions in which he disbelieves is sinful and tyrannical."

The Supreme Court rightly has ruled on many occasions that the Religious Clauses of the First Amendment incorporate in the Constitution of the United States the principles enshrined in the Statute of Virginia for Religious Liberty. This is conclusively demonstrated by the following interpretations placed by it on these Clauses:

The "establishment of religion" clause of the First Amendment means at least this: Neither a State nor the Federal Government can set up a church. Neither can pass laws which aid one religion, aid all religions, or prefer one religion over another. Neither can force nor influence a person to go to or remain away from church against his will or force him to profess a belief or disbelief in any religion. No person can be punished for entertaining or professing religious beliefs or disbeliefs, for church attendance or nonattendance. No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion. Neither a State nor the Federal Government can, openly or secretly, participate in the affairs of any religious organizations or groups and vice versa. In the words of Jefferson, the clause against establishment of religion by law was intended to create "a wall of separation between Church and State." (*Everson* v. *Board of Education* (1947), 330 U.S. 1, 15–16.)

The Free Exercise Clause of the First Amendment "was intended to allow everyone under the jurisdiction of the United States to entertain such notions respecting his relations to his Maker and the duties they impose as may be approved by his judgment and conscience, and to exhibit his sentiments in such form of worship as he may think proper, not injurious to the equal rights of others, and to prohibit legislation for the support of any religious tenets, or the modes of worship of any sect." (*Davis* v. *Beason* (1890), U.S. 333, 342.)

When all is said, Justice Robert H. Jackson was certainly right when he stated:

"This freedom [i.e., religious freedom] was first in the Bill of Rights because it was first in the forefathers' minds; it was set forth in absolute terms, and its strength is its rigidity. It was intended not only to keep the states' hands out of religion, but to keep religion's hands off the state and, above all, to keep bitter religious controversy out of public life by denying to every denomination an advantage from getting control of public policy or the public purse." (*Everson* v. *Board of Education* (1947), 330 U.S. 1, 26–27.)

In conclusion, it seems not amiss to observe that the Religious Clauses of the First Amendment are in complete harmony with this Biblical injunction: "Render therefore unto Caesar the things which are Caesar's; and unto God the things which are God's."

As an American and a Freemason, I pray: So mote it ever be.

WORLDWIDE INVESTMENTS NECESSARY TO MEET ENERGY NEEDS

Mr. BARTLETT. Mr. President, on Monday, April 29, 1974, the Washington Post printed an article which credited to Representative Aspin the charge that 12 major oil companies' plan to invest $536 million in the Middle East this year runs completely counter to the Nixon administration's goal of national energy independence by 1980.

I have no idea if the Post was correctly representing the views of Congressman ASPIN, but I would like to point out that there is no basis, in my opinion, for any claim that these investments are counter to the Nixon administration's goal of national energy independence by 1980. In fact, our efforts to achieve energy self-sufficiency in the United States depend upon a delicate balance of petroleum investments worldwide.

Even with the proper commitment by Congress toward incentives that are needed to achieve domestic self-sufficiency, we will need to import crude oil for many years. And whether those imports will be at reasonable prices will depend on political decisions by OPEC and on whether a balance between worldwide supply and demand is maintained.

The article fails to mention that in 1973 more than 85 percent of the increase in profits of the 30 largest oil companies resulted from profits realized outside the United States. The 30 major multinational oil companies, from a study by the Chase Manhattan Bank, earned in 1973 $4.354 billion in the United States and $7.368 billion in the rest of the world. Compared to 1972 that was only a 19.1 percent increase domestically and a substantial 130 percent increase in profits from the rest of the world.

Much of the profit from foreign operations is being reinvested in domestic operations. Over the past 5 years expenditures domestically by the "Chase study group" of companies have exceeded domestic profits by 80.6 percent. The same companies expended on foreign investments 47.7 percent more than their foreign profits. It can readily be seen that the ratio of expenditures to profits demonstrates that investments by the major petroleum companies is favorable to increasing domestic production. It can be said that profits from foreign operations are to a significant extent subsidizing domestic investments.

Whether or not world prices can be stabilized and possibly reduced will depend to a great extent upon the ability of our American major and multinational oil companies to earn sufficient capital to continue their role in helping to increase domestic production and to provide a major share of the capital and expertise needed to keep the supply of oil worldwide up to the demand.

Make no mistake, it has been to our benefit in the past, and will be in the future, to have American oil companies in the forefront of foreign oil and gas production activities.

I agree that a commitment by Congress and our multinational oil companies toward increasing domestic energy supplies has the highest priority, but it would be shortsighted to contend that significant investments by the American oil companies in the Middle East are not to this country's advantage.

INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. PELL. Mr. President, I have the following compelling reasons for supporting S. 2665 authorizing U.S. participation in the fourth replenishment of the International Development Association, an affiliate of the World Bank:

Man in the final quarter of the 20th century is at a crossroad of decision that can determine his continued survival, that is, whether he will follow the road of international collaboration or of narrow nationalism in seeking solutions to global problems no one nation can successfully resolve on its own.

A vote for IDA is a vote for the first road.

There can be no lasting stability in an individual country nor in the world as a whole where a large mass of the population is afflicted by poverty, frustration and despair.

IDA through its lending authority and policies is geared to help the poorest countries ameliorate and eventually eliminate these afflictions that bear the dragon seeds of violence.

U.S. foreign assistance can be extended more objectively and effectively through sound, practical multilateral institutions.

IDA is such an institution.

IDA is not a giveaway program of hard-earned U.S. tax dollars.

Its so-called soft loans—long-term credits at low interest rates—are for well-evaluated, economically justifiable projects in areas most directly affecting people-agriculture, education, transportation and energy.

When high prices and unemployment at home combine with increased domestic needs, people ask why help those abroad? Aside from traditional U.S. humanitarian generosity and the self-interest of a have nation in world stability, foreign aid helps stimulate U.S. business.

Approximately 60 percent of our contribution to IDA, for instance, will return directly to the United States through procurement or local expenditures. Harder to specify are the additional returns to U.S. business because of recipient countries increased ability to grow and trade.

Oil rich countries must and are getting organized to help disadvantaged countries, who are also the ones worst hit by the rise in the cost of petroleum products. Given the magnitude of the need, this fact does not justify no or less help from the industrialized countries.

It does not justify the U.S. abandonment of a successful institution like IDA, that was essentially a U.S. initiative.

I hope that the Senate will give IDA its solid support in the passage of S. 2665. There is every reason for doing so: reasons of self-interest, trade and economics, humanitarian tradition, world stability, and human survival.

TO THE REPUBLIC—WHERE IS IT?

Mr. HELMS. Mr. President, this past Wednesday evening, I had the honor and pleasure to serve as the speaker at a testimonial dinner honoring one of America's great teachers and constitutional authorities, former dean of the Notre Dame Law School, Clarence Manion.

Not only has Clarence Manion served as a dedicated public servant for several Presidents, but also he has been a successful and well-respected attorney. His radio program, the Manion Forum, has been heard on several hundred radio stations for more than 20 years.

When I describe Dean Manion as a teacher, I mean more than his classroom duties. For, in a much larger sense, Dean Manion has been a teacher to the Nation. As such, he has helped keep alive the miracle of America. He has held high the truth that freedom's survival depends on man's willingness to live by principle, honesty, sacrifice, personal responsibility, and most of all, with faith in our Creator.

On Wednesday evening, Dean Manion spoke of the need in this Nation for a rededication to the principles and goals set out in the Declaration of Independence—the 200th anniversary of the signing of which this country will celebrate in 1976.

Mr. President, we could not rededicate ourselves to a more noble political document than our own Declaration of Independence. And I cannot remember when I have heard a more cogent and forceful reminder of the lasting value of this great declaration than I did on Wednesday evening in Dean Manion's remarks.

Mr. President, so that the Members of this body may have the benefit of this outstanding teacher's wisdom, I ask unanimous consent that Dean Manion's address, entitled "To the Republic—Where Is it?" be printed in the Record at the conclusion of my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

To the Republic—Where Is It?

(By Dean Clarence Manion)

This will be the first speech I ever made in response to a subpoena. I wasn't asked to come here tonight; I was ordered to come. Nor was I promised immunity in exchange for this testimony at my own testimonial. Neither do I have access to the Fifth Amendment.

I don't know what Judge Sirica would think of such a witness, but I want to assure him and everybody else that I did not break into the Mayflower! I have been brought in, and any plans or secrets of the Liberals that I have in my possession came from the public domain, namely, the newspapers.

But next—and more seriously this time—let me say that while I do not deserve it, and tried my best to prevent it, I am nevertheless overjoyed by this beautiful tribute. My gratitude for it is so deep that I dare not trust my notoriously weak emotional restraints by trying adequately to express that gratitude now to Phyllis Schlafly, Senator Helms and all of the wonderful men and women in the great patriotic organizations and publications who conceived, sponsored and produced this memorable occasion.

So permit me to detour around a possible crack-up by simply expressing the hope that the Good Lord will richly bless all of these unselfish sponsors and all of you, too, my dear friends, for this comforting manifestation of your great charity. From my long experience with Him, I am sure that He will do just that.

During this dinner I have been making a person to person visual canvass of this remarkable audience. My conclusion now is that, by and large, we have here tonight the most distinguished, learned, heat-tempered, case-hardened group of patriotic Conservatives ever assembled in this country. No doubt the reporter whom I observed identifying each of you as you arrived has now gone back to his press room convinced that here tonight there has just arrived, and most appropriately in the Mayflower, mind you, the vanguard of the long awaited "Seven Days in May." He will probably report that each of you arrived armed with a big "piece of the rock"—the Plymouth Rock, of course.

Your conservative learning and experience emancipates me from a chronic obligation that I habitually assume on the radio in trying to convert at least a part of the listeners to an appreciation of some facet of conservatism as the saving grace of American freedom. Fortunately, all here tonight understand that sweet mystery of life as well as I do. So, at long last, I am free to say a few, although not entirely unrelated, words about something else.

To me, the stubborn persistence of the Manion Forum through the years invariably recalls the outstanding, enduring character described in Carlyle's dramatic story of the French Revolution, the mercurial but dedicated Abbe Sieyes.

The Abbe was the only clergyman who turned up in the first French Revolutionary assembly in 1789. He joined the revolutionary movement with an iron-clad determination to draw up a strong constitution for the New Free France modeled on the one that had just been adopted in America. For ten turbulent, frustrating years, the Abbe kept his long nose to that rough grindstone—straight through the ruthless reign of terror while the busy guillotine was washing the streets of Paris with the blood of hundreds of his fellow revolutionary leaders, and right up to 1799 when Napoleon Bonaparte quieted everything down with his long promised blast of grape-shot.

Many, many years later, a very young Frenchman asked the aged Abbe Sieyes to tell him all that he had accomplished during the big revolution. Replied the Abbe, "I survived."

I am more than ever convinced now, at this perilous point in time, so to speak, that it is critically important for learned and concerned conservatives to give studious attention to this critical key concept called "Survival."

For instance, there is a great debate going on now about the moral propriety of employing extraordinary methods for keeping a sick human being alive beyond the point when all hope of his or her recovery is gone. Now, let's face it; similar questions are currently plaguing many conservatives about the hope of reviving what often appears to be the moribund conservative cause. Their question is, "Can the conservative cause survive?" And, beyond that, under our presently depressed and demoralized political circumstances, should it any longer survive?

But let me quickly submit that this is not the basic question. The basic question is can and should the American Republic survive? Has our unique system of constitutional government, which was designed for our federated nationally independent country, now outlived its usefulness? This basic question tells us exactly what the conservative cause is all about. The fact is that what we conservatives have always been and still are trying to conserve is the National Independence and Constitutional Government of the United States of America.

We have sometimes allowed ourselves and others to forget that political conservatives are the real, authentic American conservationists. Political conservatives are dedicated to the preservation of the truly basic, irreplaceable resources of this country, namely, its moral, spiritual and legal resources. Patriotic Americans who are seriously interested in preserving the basic national resources implicit in our traditional climate of freedom with its safe environment of law and order, should quit listening to Ralph Nader and start reading the American Declaration of Independence. There—in our official declaration of national purpose—is where our basic store of these indispensible resources are enshrined.

Fortunately, unlike the Constitution of the United States, the Declaration of Independence has not had to suffer the slings and arrows of recent Supreme Court misconstructions. The American Civil Liberties Union has not sought—not yet, at least—to get Federal Court injunctions against the public reading or schoolroom explanations of the great Declaration. This is only because little if any of that is now being done. Nevertheless, in their recent decisions, Federal judges have openly invited the A.C.L.U. to present, on behalf of its atheistic clientele, such injunctive petitions when and if such reading, recitation or study of the Declaration becomes popular.

Unlike the Constitution, the Declaration is not what the judges say it is. On the contrary, it is the unchanging voice of self-evident truth speaking with the first breath of new life of "the Republic for which it stands." So, in our search for the Republic, that remarkable Nation under God which the flag represents and which we all saluted so proudly at the outset of this dinner, we must turn to the Declaration which preceded our Federal Constitution, and which so conclusively rationalized all of the principles, purposes and procedures of our entire constitutional system.

At its outset the Declaration states that we trace our title to our national independence to Almighty God Himself. Then, before we are ten lines deep into the document, we find that "We hold these truths to be self-evident: (1) That all men are created;".

Please pause here to note that expressly this holding is not advanced as a logical conclusion. Deliberately, no evidence is offered to support it. For the members of the Continental Congress, no evidence was needed. They all joined in the Declaration unanimously. They knew that Almighty God exists—not merely as a matter of their great religious faith but as an obvious matter of fact. Everyone of them believed these self-evident truths as confidently as he knew that he was alive when he subscribed to them. Thus our Declaration of Independence was, and remains today, one of the most profound acts of religious faith in all history.

The signers went on to declare that all men are "created equal"—equal in the sight of God, their Creator, that is, and therefore equal before the law of the new land that they had brought into existence then and there. All men are thus equal before God and before the civil law, and they are otherwise unequal, different, that is, in every conceivable way. The Declaration does not say that all men are born equal, because obviously they are not. Our Creator gives each of us a special, different personality that is apparent from our looks and actions and is finally certified by your fingerprint, your God-given individuating trade mark which distinguishes you and each of us from every other person who now lives or who has ever lived on the face of the earth.

This is the vital point and place where Abbe Sieyes' French constitution-makers cracked upon their man-made, atheistic rock called "liberty, equality and fraternity." Our God-fearing political ancestors went the French Revolutionaries one better: they insured the success of our constitutional system by latching it into eternal God-made truth.

If all men were identical, if they had been geared like the lower animals—to do the same thing under the same circumstances at the very same time—and had been left without the individual incentives, ambitions and aptitudes that have collectively pulled human civilization steadily forward, no one would have ever made "two blades of grass grow where one grew before." That being so, the human race would have starved to death thousands of years ago.

The Declaration goes on to say that all men are endowed, not by the civil government but by God himself, with "certain unalienable rights" and that the one over-riding purpose of all civil government is to secure and protect each person's God-given life and liberty while that person is making his particular contribution to the general good by using his personal talents to provide for his own welfare.

The Declaration makes it clear that civil government is never our master. On the contrary, such government is merely man's agent for the protection of God's gifts. All of this makes our Declaration of Independence the greatest theo-political document ever published in the world. It is the most perfect orientation of man to his God, to his government, and to his fellow man to be found anywhere in all literature outside of Holy Writ.

It speaks eloquently and directly to the point of all our present political discouragements and disconsolations, but, apparently nobody is listening to the Declaration of Independence. And, unfortunately, the people who are most completely deafened to its voice are a majority of the Justices of the United States Supreme Court.

In the beginning of our history, Supreme Court Justices were continuously construing the letter of the Constitution in the spirit of the Declaration of Independence, and said so. But, unfortunately, our recent generation of Justices have short memories. They remember and rely entirely and without question upon the ruling of Tom Clark, Hugo Black, Earl Warren, Arthur Goldberg and William O. Douglas. They apparently have no official recollection of Justices Marshall, Moody, Brewer, Hughes and Cardoza, or of their periodic face-to-face castigations by Felix Frankfurter.

And so, fifteen years ago, while the Federal Trade Commission wasn't looking, the errant Justices climaxed their insulated wisdom by gratuitously merging the first eight amendments into the 14th Amendment, and thus effectively wiped out the basic separation of powers between the States and the Federal Government that the Founding Fathers had used as the warp and woof of our Federal system.

Since that time, our Supreme Court picks up the entire Constitution only when and where, if ever, the 14th Amendment leaves off. Thus, and right while the Congress and the Presidency have been making Brownie points about the sacredness of the separation of their respective powers, the Supreme Court and its deputy District Federal Judges have taken over the administrative supervision of state insane asylums, state prison reform, state school busing, state abortion and pornography laws, and, among other things, state legislative, school and Congressional districting. At the same time, Federal judicial over-site has blanketed and preempted the whole field of state crime and punishment.

Over the Manion Forum microphone a few weeks ago, the able Attorney General of Indiana, Theodore Sendak, complained and cited numerous examples to show that in the last few years the Federal courts have decided that they are to legislate. They now make new laws instead of deciding cases and controversies under existing laws. He said that by the current use of so-called equity powers, the Federal courts have carried their jurisdiction to the point where they are now all three branches of government in one.

The remedy that our Chief Justice Burger proposes for the resulting over-crowded and conjested Federal Court dockets is more Federal judges. To the layman it appears that if we could get the Federal judges out of state schools, insane asylums and prisons, we might find ourselves with more of them than we need.

One hundred and twenty-five years ago, in deciding for the Supreme Court of the United States that the Federal courts should not intervene in state political controversies, the Court's distinguished Justice Woodbury said this:

"If the people in the distribution of powers under the Constitution should ever think of making (Federal) judges supreme arbiters in political controversies when not selected by nor frequently amenable to the people, they (the people) will dethrone themselves and lose one of their own invaluable birthrights; building up in this way slowly but surely a new sovereign power in the republic in most respects irresponsible and unchangeable for life—and one more dangerous than the worst elective oligarchy in the worst of times." (Luther V. Borden, 7 Howard 51–53–1849)

Not as slowly, but just as surely, as Justice Woodbury prophesied, the separation of powers, which for so long constitutionally characterized our Republican form of government, has been wiped out by the new consolidated power of the Barons of the Federal Bench.

But the most significant result of its gratuitous consolidation of the First Amendment with the 14th came when the Court held that the First Amendment's "no religious establishment" clause was now suddenly an indissoluble part of the 14th Amendment and thus now and forevermore a restriction upon the States. Consequently, henceforth the States could not any longer permit students in its public schools voluntarily to say together, out loud:

"Almighty God, we acknowledge our dependence upon Thee and we beg Thy blessings upon us, our parents, our teachers and our country." (Engle v. Vitale, 370 U.S. 421, 1962) That was in 1962. Since then, under the prodding of professional atheists, the absolute divorce of God from the Government of the States and of the United States has been affirmed every time that a case in point could manage to get itself before the Supreme Court for decision.

The irony of this contrived, official anti-God twist in the Supreme Court's version of our constitutional history is disclosed in the Congressional Record. The Court has insisted that this ruthless separation of God from government was written into the First Amendment by Congress. However, the Congressional Record reveals that on September 24, 1789, the very same day on which it approved the First Amendment, Congress called upon President Washington to proclaim a National Day of Thanksgiving and Prayer to Almighty God.

Wasn't the Supreme Court able to find the record of that Congressional call in 1962, or did it ignore it?

Back in 1917, Vice President Tom Marshall suddenly interrupted and cooled down a heated Senate debate on the pressing needs of the Nation. Said Marshall: "All this country needs is a good five-cent cigar." If Marshall came back to look us over today, he would probably say that all this country needs now is a good exorcist! Old-timers like Marshall would undoubtedly see a lot of deviltry in our American way of life and strife today. The kidnappings, burglaries and blackmail merely headline the constantly rising currents of crime, cruelty, amorality and wide-spreading popular fear.

For the first time in a hundred years, Congress is challenging the right of the President to complete his term of office. The easy excuse is to blame all of the turmoil on the stubborn iniquity of Richard Nixon, but in the perspective of our troubles, that explanation doesn't stand up. Mr. Nixon's publicized deficiencies are among the effects rather than the causes of our troubles.

Vice President Marshall would undoubtedly say that our present plethora of troubles is a Divine judgment that we have brought upon ourselves. He would read the Declaration of Independence and then look at the present anti-God decisions of the United States Supreme Court. He would want to know how resounding was the roar of protest from the Bar, the State judges, the colleges, the churches, when these no-prayer, anti-God decisions were announced?

Was it popular ignorance or popular apathy that accommodated our people to this new proclamation of neutrality for our Government in the battle between God and the devil? He would ask what kind of a face will this put upon our upcoming celebration—or will it be a cremation—of the Declaration of Independence on July 4, 1976? He would remember that John Adams, who signed the Declaration of Independence, wrote to his wife the next day that the great event should be solemnized by future generations with pomp, parade and bonfires from one end of the country to another with acts of devotion to God Almighty from this time forward forevermore.

Marshall would have missed what President Coolidge said about the Declaration on its 150th anniversary in 1926, but he probably heard about that, too. Listen to it:

"There is a finality about its self-evident truths that is exceedingly restful . . . No advance, no progress can be made beyond these propositions. If anyone undertakes to deny these truths, the only direction in which he can proceed historically is backward to the time when there were no rights of the individual . . . These principles have their source and roots in religious convictions. Unless the faith of the American people in these religious convictions is to endure, the principles of the Declaration of Independence will perish."

Now, at this point, we would be forced to tell Marshall the hard truth. During the last eight years Presidents Johnson and Nixon have appointed three commissions which have spent millions of dollars doing nothing about the upcoming 200th anniversary of the Declaration. Are they afraid that they may be enjoined or arrested or something if this precious, priceless document is publicized?

Remember that it is the 200th anniversary of the Declaration of Independence that we are to celebrate in 1976. We are not celebrating our national independence itself—that was not confirmed until 1783. We will be celebrating the survival of the American Republic as it is defined and previewed in this prospectus for our constitutional government.

I thus hope and pray that political conservatives will move at once and en masse to occupy the disgraceful vacuum that now surrounds this upcoming bicentennial. Let all conservatives who aspire to be President, Senator, Congressman, Governor or State Legislator, adopt the Declaration of Independence as the base and bottom of their platform, with the Ten Commandments next. This is the key to the survival of the conservative cause, and for the Republic for which we stand.

God and Country—one and inseparable—then, now and forever.

SENATOR GOLDWATER ON AIRSHIPS

Mr. BARTLETT. Mr. President, on May 13, the distinguished ranking minority member of the Aeronautical and Space Sciences Committee addressed the 36th annual meeting of the Aviation/Space Writers Association in Washington, D.C. His subject was "Airships?"

The Senator from Arizona said that transportation problems in the United States may shortly become so critical that the Nation will have to look at dirigible-type airships to help ease the crunch.

Moreover, he told his audience some of the thoughts that occurred to him in the wake of the energy crisis and the shortage of boxcars and transportation problems that are afflicting a growing and more demanding population. This speech raises an important question for the future of the Nation and I commend it to my colleagues.

Mr. President, I ask unanimous consent that the remarks of the distinguished Senator from Arizona be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Airships?

Thank you for inviting me to speak before the 36th Annual meeting of the Aviation/Space Writers Association. It is a great feeling to be among so many friends.

Over the past 36 years there has been a lot to write about:

Aviation played a decisive role in a global war.

Routine air travel was established across the oceans and around the world.

The sound barrier was broken and supersonic flight became routine.

And man set foot on the moon.

The advancement in technology has been staggering and the benefit to mankind incalculable. The writing professions have been an integral and necessary part of this saga.

This morning, I would like to share a few thoughts with you concerning airships.

During the past year, there has been renewed interest in blimps, dirigibles and hybrids. It might be called a lighter-than-air-boom. Articles have appeared in large circulation magazines and in specialized professional and trade magazines. The term "Helium Horse" was coined.

A growing awareness of ecological and energy problems in transportation may be partly responsible for this resurgence. A sentimental journey by Americans back to the decade of the 1930's may have contributed. And, then, there is man's natural desire to find better ways of doing things.

At the outset, we must recognize technical problems which are generally common to lighter-than-air vehicles: First, there is the basic problem of mooring a neutrally buoyant vehicle. Second, ballasting requirements during load transfers. Third, the fact the aerodynamic thrust is small—compared to potential gust loading—and is generally not vectorable for adequate station-keeping.

Let us have a look at some of the apparent advantages of airships as compared to conventional aircraft:

1. Outsized and heavy payloads can be lifted.
2. Less pollution resulting from lower power requirements.
3. Public annoyance reduced through low noise levels.
4. Stay aloft for extended periods of time.
5. Operate where there are no airports.
6. Hover for extended periods of time especially in a hybrid mode combining static and dynamic lift.
7. Safety resulting from sizeable mass and slow speeds. The foregoing characteristics suggest some intriguing applications.

The Navy could certainly use airships for improved anti-submarine capability. Airships have a much better station-keeping ability than the conventional aircraft now used for submarine detection. Moreover, the airship could overtake or outdistance existing nuclear submarines, which most naval surface vessels are unable to do.

The Air Force might use a fleet of airships as a launching platform for intercontinental ballistic missiles with the obvious advantages of dispersal and station-keeping.

The civilian economy might be helped by the ability of the airship to carry huge and outsized payloads. Entire homes and buildings might be moved from factory to construction sites. Whole tree farming could become a reality. Heavy machinery for oil well drilling could be lifted to remote areas.

Within the past few days, the Navy let a contract for $85,000 to the All American Engineering Company of Wilmington, Delaware, to study a concept known as the Aerocrane.

Aerocrane is a hybrid vehicle which looks like a spherical balloon with four rotors attached 90 degrees apart. The balloon part of Aerocrane has a diameter of 150 ft. Each rotor is 112 ft. long. On each roter there is a turbo-prop engine developing 1250 horsepower.

The entire vehicle turns at 10 revolutions per minute with a tip speed of 196 ft. per second. Forward operational speed would be a maximum of about 52 miles an hour. Favorable weather conditions are required.

Aerocrane is said to combine the advantage of static and dynamic lift, and the small version would be able to lift a 50-ton sling load. A later stretch version would be able to lift as much as 200 tons.

The Navy believes a vehicle like Aerocrane could help with small craft and aircraft salvage, ship repair, submarine rescue operations, amphibious assault, and harbor improvement. Navy planners have to take into account political instability in much of the world, which can make the future availability of a specific port questionable.

Since 1972 Aerospace Developments, Ltd. of London has been working on a giant airship under contract to the Shell Oil Company.

When I say giant, I mean an airship 1800 feet long, 300 feet in diameter, and with a 100 million cubic feet capacity. (I don't know who started the rumor that the British think small.)

The purpose of this vehicle would be to transport natural gas in a gaseous state.

I understand that Shell Oil Company is satisfied with the economics of this airship. As you no doubt know, the cost of a liquid natural gas tanker is approximately $100 million. The cost of a liquid natural gas plant is upwards of $450 million. When you combine the ship and the plant costs Shell believes the airship will show a savings of at least 30%.

Nationalization, the threat of nationalization, and political instability are making the oil companies reluctant to make capital investments where these conditions exist. A giant natural gas airship is a neat solution.

Shell's determination is simply demonstrated by its instructions to Aerospace Developments. These instructions say in effect: Keep going until you run into a technical problem you can't solve.

In 1973, there were 40 nuclear power plants in operation. According to one industry estimate, there will be 150 units in 1980, and the curve will rise to 1000 units by the year 2000.

In the past, nuclear power plants had to be located near large bodies of water for cooling purposes. With improved cooling tower technology, nuclear power plants can now be located away from lakes or rivers.

But, there is a transportation problem. Components in the 50–400 ton range must be moved from the factory to the plant site.

Where the components can be barged by water all is fine, but what happens if the plant site is inland?

It is a fact that Combustion Engineering of Hartford, Connecticut, has entered into an agreement with a large aerospace company to jointly study the airship as a way of moving large nuclear plant components.

Clearly, commercial markets for airships can be identified—markets where there is a need to move large, bulky cargo.

There may be another market—one that is hard to identify. But, ask yourself this question:

How many of the things we manufacture are limited by constraints which we take for granted?

I don't mean to tell this audience about the weight and size limitations of air cargo.

But let's take a look at the more mundane surface transport constraints.

If you are moving cargo on a railroad, you are limited by the size of a flatcar which is 89 ft. 4 in. long by 10 ft. 8 in. wide.

Moreover, your railroad flatcar has to go through underpasses that are 22 ft. high by 16 ft wide. But that's not all. Your cargo will have to pass through railroad tunnels that have a vertical wall height of 15 ft. 7/8 in. to which you can add 6 ft. at the arch center.

If you're moving cargo by truck you are going to be confronted by 14 ft. underpasses near cities and 16 ft. underpasses in outlying areas. Moreover, you'll find width constraints averaging 12 ft. depending upon the areas.

Nearly everything that flies from an airport is subject to the same constraints.

It doesn't take much imagination to see what might happen to the economy, if the weight and size constraints built into our surface transportation system were removed.

There are only two ways to get around the underpass and tunnel problem: barge and aircraft.

Further, ask yourself this question: How are we going to build houses, pipelines, power plants, office buildings, ten or fifty years from now?

I don't think we will be building houses by stacking lumber, nails, pipe, and siding at the building site—and, then putting it all together piece by piece.

Again, part of the answer has to be aviation.

While airships have been enjoying renewed interest especially in the past year, it behooves the prudent to cast a wary eye.

Airships have both technical and political problems.

The technical problems involve first of all economics which don't appear to be fully understood today, or at least, not by me. For example, I have heard cost per ton mile figures ranging on the low side from one cent to 45 cents on the high side. There seems to be a very definite need to refine economics of airship transportation.

On the engineering side, there are problems concerning materials, attitude control, and landing.

When the Hindenburg landed at Lakehurst, New Jersey, on May 6, 1937, a ground crew of 230 men was needed—most of them to handle mooring lines. I doubt that this method of landing would be acceptable in 1974, because of the huge cost involved—not to mention consternation among the next of kin.

And the bureaucrats who administer the Occupational Safety and Health Act would have a field day.

On the political side, or if you prefer, the P R side, there are two factors that stand out:

First, the poor reputation of dirigibles resulting from what might be called the Hindenburg syndrome.

Second, what might be termed the "giggle factor"—which means what happens to you when you mention dirigibles to those who think they won't work.

The picture of the Hindenburg going up in flames is firmly etched in the memory of anyone old enough to have seen the newspaper pictures. It was a terrible disaster, but as you know, it resulted from the fact that the Germans had to use hydrogen for lift.

Detractors of lighter-than-air technology point out that the zeppelin had great difficulty in operating in foul weather. They correctly point out that success of the zeppelins was as much a result of the high quality of the skippers as of the craft's essential air worthiness.

But, let us look at the other side of the coin:

The zeppelin's skipper had no on-board weather radar.

He couldn't take advantage of space-age weather forecasting.

His airship was under-powered.

He had to have a crew continually adjusting and repairing his craft.

He was denied the safety of helium.

With modern materials, avionics, and propulsion—unknown in the zeppelin days—I believe a dirigible could be built that would be at least as safe as existing fixed-wing aircraft. Economics is the driving consideration.

The "giggle factor" is harder to counter, because it is based on a gut reaction.

I can understand why some people feel that blimps are ludicrous. They are big, and they are slow.

To some extent, the "giggle factor" is abetted by those who have a romantic interest in lighter-than-air. Some exaggerated claims, backed by skimpy technical information, have been made for dirigibles.

For example, I don't see the United States government or private industry financing a R & D effort in airships to take passengers on moonlight cruises up the Amazon River. On the other hand, the romantics have proposed that large airships could be used to take entire hospitals to disaster areas. That strikes me as an idea worth considering.

If passenger airships ever come about, I believe it will be an adaptation of an airship developed for other purposes.

Meanwhile, let's not kick the romantics around. The tremendous strides made in aviation is partly attributable to their dreams—without their dreams it might never have happened.

Airships deserve a second look for the promise they hold in meeting real transportation needs. If our national aeronautical R & D effort is to merit public support, part of the effort must be devoted to meeting the discernable everyday needs of people.

If our Nation has a chronic boxcar shortage, what can aviation do about it?

If better and more efficient methods of distributing goods are needed, how can aviation help?

A clue in solving our transportation problems may be found in looking at the total system. What are the choke points? What are the artificially created constraints? What needs to be done to overcome them?

In the overall picture, airships are likely to be only a part of the future aeronautical R & D required by the Nation. To meet our future needs:

We must push advanced propulsion.

We must build modern aeronautical research facilities.

We must pursue research in supersonic and hypersonic aircraft.

We must put as much emphasis on performance as we do on pollution and noise.

The economic and spiritual well-being of the Nation demand that we push the frontiers of knowledge and technology. Through our renewed commitment to doing a better job, we can assure a healthy aerospace industry.

Most important of all, we can provide a better and fuller life for all Americans.

Thank you.

FORESTRY RESEARCH

Mr. HASKELL. Mr. President, the Rocky Mountain West has long contributed an important part in the development of the United States. The mountain west has a vast amount of natural resources—timber, energy sources, and minerals—which it has shared with the Nation. It is now apparent that these resources are going to play an even greater role in our Nation's growth and development. It is also quite apparent that the increased development of these natural resources is going to create many new social, legal, ecological, and economic problems for this region.

A key to dealing with these problems is knowledge—knowledge of the consequences of the development so that public officials can make sound, responsible decisions to maintain a high-quality environment.

In 1972, 10 Western institutions—nine universities and the Rocky Mountain Forest and Range Experiment Station—USDA—formed the Eisenhower Consortium for Western Environmental Forestry Research. The consortium gathers a broad spectrum of research talent and expertise to find solutions for these man-environment problems and share this knowledge with commissions, planning boards, and agency administrators in the Rocky Mountain region.

The Forest Service is requesting $800,000 for fiscal year 1975 to provide funds for the Eisenhower consortium's research. I support this request because it will mean much to the orderly development of the Rocky Mountain West.

Mr. President, I ask unanimous consent that a statement by the Eisenhower consortium on their program be printed in the Record for the consideration of all Senators.

There being no objection, the statement was ordered to be printed in the Record, as follows:

A Program of Western Environmental Forestry Research

Forestry is one of our nation's most basic industries and has contributed materially to our countries development. We must prepare now for even greater contributions to the nation's welfare than ever before. Housing materials, fiber, paper products and forest based recreational and residential services are increasingly demanded to meet the needs of our growing population, to meet world market demands (including our own needs for foreign exchange) and to provide a human release valve for an increasingly complex mode of living.

The Rocky Mountain West has contributed its share to the nation's development. Because the region is such a vast storehouse of natural resources—timber, minerals, recreation and energy sources—it is very apparent that it is now going to be called upon by the entire nation to contribute an increasing share. The inevitability of rapid growth and development in this region is equally apparent. Moreover, this development must be planned and accommodated under quite different conditions than those which have obtained in the past. Physical constraints imposed by fragile environments coupled with legal and social constraints imposed by environmental concerns dictate new approaches to resource management and development.

The planned massive energy production facilities and more complete exploitation of the extensive natural resources promise a further surge of population. Localities that are now rural and thinly populated will become industrialized and urbanized. Consequently, an additional wave of new building and sharply increased demands for renewable resources and outdoor recreational opportunities are in prospect.

The impacts of ever-increasing numbers of people on the fragile western environments can be disastrous unless methods of controlling and mitigating these impacts are developed. Land in the West is slow to recover from disturbance because of short, cool growing seasons and generally limited rainfall. Soils are thin and unstable in many localities. Thus, heavy use can result in accelerated erosion, heavy sedimentation and contamination of waterways, sharp reductions in fish and wildlife populations, and destruction of the esthetic and amenity values of the open spaces of the West.

Energetic attempts are being made to plan land use and land management to minimize and control effects of increased activities and new developments, but the process is seriously hindered by lack of information of effects on vegetation, soils, water and air quality, wildlife and fish population and distribution, esthetic quality, and amenity values of open land. Main sources of impacts are residential and industrial developments, recreational sites and activities, transportation systems and resource exploitation.

Planners and decisionmakers need specific information on environmental and socioeconomic effects of current and prospective activities to determine the available alternatives and to choose those that will optimize benefits to society and minimize both adverse environmental effects and economic costs. Therefore, we propose a program of research to:

1. Determine the environmental, ecologic, and socioeconomic effects of new and expanded residential and industrial developments, recreational sites and acivities, and transportation systems.

2. Develop methods and techniques for monitoring and controlling changes in environmental and ecologic factors, for managing use of natural environments, and for reducing adverse consequences.

3. Analyze constraints of current laws and institutional arrangements on maintenance of a high-quality environment, and identify and evaluate needs for new legislation and modified or additional institutional arrangements.

4. Improve methods for achieving broad public understanding of man's interrrelationships with, and needs for, products and experiences from forests and associated wild lands.

Progress toward timely solution of environmental problems of the central and southern Rockies and the adjacent high plains requires an array of scientific and technical disciplines and research skills not found in sufficient quantity in any one institution. Therefore, nine universities in the region and the Forest Service, through the Rocky Mountain Forest and Range Experiment Station, in 1972 formed the Eisenhower Consortium for Western Environmental Forestry Research to mobilize and coordinate the array of research experience and skills available in these institutions. The universities are: University of Wyoming, University of Colorado, Colorado State University, University of New Mexico, New Mexico State University, University of Arizona, Arizona State University, Northern Arizona University, and Texas Tech University. The consortium is able to coordinate regionwide, multidisciplinary research on regional problems. This capability has been demonstrated in the consortium's first two years of research, which has made outstanding progress with very limited funds.

Currently, the consortium has been joined by the Institute of Ecology in a natural resource problem assessment of the entire Rocky Mountain West, mobilizing the efforts of more than 200 experts from industry and Federal and State agencies, as well as universities. The National Science Foundation and the Environmental Protection Agency are helping fund this problem assessment project. We estimate that a minimum of $4 million annually will be required for the program, and we propose its implementation over a 5-year period.

Protection of soil and water quality is fundamental not only to maintenance of productivity for commodities but also to preservation of recreational esthetic, and amenity values. Soil loss is an irreversible change of the ecosystem; plants and animals are fewer in species and number and smaller in size than in the undamaged system. Thus, soil loss makes an area less attractive, less useful, and less productive. Eroding soil also carries with it organic material and mineral elements, so that aquatic life suffers from excessive sediment, reduced oxygen, and sometimes harmful levels of mineral elements. The same constituents also mar the attractiveness of the watercourses for recreational activities and reduce the usefulness of the water for irrigation, industry, and human consumption. The results are reduced revenues from recreation, hunting, fishing, and commodity production, and increased costs of water use.

The research planned for initial implemenation will be aimed at determining: the intensities and modifications of land use and management practices permissible without inducing soil erosion; the water quality-water yield effects of recreation and residual developments and of various land uses; and the recreation carrying capacity in terms of impact on the land, the limiting effect of human interactions on the recreational experience, and in relation to demands for outdoor recreation.

The Rocky Mountain Forest and Range Experiment Station and the nine universities mentioned earlier are already cooperating in a number of exploratory studies aimed at environmental problems in the central and southern Rockies and adjacent high plains. An additional $800,000 is needed as a first increment to the current effort to mount an effective attack on these problems. Approximately one-half of new funds allocated to the program will be used to support research by the Rocky Mountain Forest and Range Experiment Station and one-half will support complementary research by the participating universities.

NORTH CAROLINA JOURNALIST HONORED FOR REPORTING ON NEW RIVER

Mr. ERVIN. Mr. President, as the Senate knows, I have introduced legislation in this Congress to save the New River in North Carolina from the destruction which would be wrought by the "Blue Ridge Power Project." The bill, S. 2439, which would designate a segment of the New River as a potential component of the national wild and scenic rivers system, was favorably reported to the Senate by the Interior Committee on May 2, 1974.

Thus, I am especially proud that Mr. Charles Osolin, Washington correspondent for the Winston-Salem Journal, has been presented with an Edward J. Meeman Conservation Award for his coverage of the controversy over the "Blue Ridge Power Project" on the New River. The Meeman Conservation Awards, sponsored annually by the Scripps-Howard Foundation for reporting on conservation issues, were presented on April 30, 1974, in New York City. Mr. Osolin's award was presented by Matt Meyer, president of the foundation, who said:

> Your hard-hitting, in-depth reporting, and then your eloquent editorial comment, must have great impact and will eventually save the New River from harmful exploitation.

Mr. President, I wish to add to this citation my personal congratulations to Mr. Osolin, and commend him for his outstanding efforts in awakening the people of North Carolina to the grave consequences which now threaten the New River.

INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. TAFT. Mr. President, my support for S. 2665, the IDA replenishment bill, is based on something more than reading the bill, the committee report and the extensive hearing record before us. It is based on personal involvement in the formulation of the proposal, and personal observation of what IDA is doing in the field.

I served as one of the congressional advisors on the U.S. delegation accompanying Secretary Shultz to the Nairobi Meeting of the World Bank last September, where this IDA agreement was negotiated. We were consulted as the discussion proceeded, and it was clear to me and the other congressional Members that our negotiators came away with a very favorable outcome from the standpoint of the United States.

I and the other congressional delegates also had an excellent opportunity en route to and during the Nairobi meeting to see what our funding for IDA translates into in terms of actual projects.

In Senegal, the delegation saw IDA helping to rehabilitate the Port of Dakar and the railroad network on which most goods move through to the interior. Without such improvements, sound development of the countryside away from the major cities cannot take place and the poverty that grips those rural areas will go on and on.

In Kenya we saw the pioneering work done by IDA in financing small tea farmers, helping them with credit and technical assistance to become independent owners, instead of plantation workers. And we also observed the small livestock cooperative on which for the first time herdsmen would be enabled to build adequate facilities for feeding and disease control, and to get credit to purchase improved breeding stock.

The hard work, the results, and the pride of these people were gratifying to observe, but none of this would have taken place except for the role played by IDA. These herders near a small town in Kenya knew that. And they knew, I might add, that the United States was an important part of making IDA money available.

We are an important part of the IDA process. We are, in fact, an indispensable part of IDA. This replenishment cannot come into effect without U.S. participation. The U.S. share, reduced from 40 percent in the past to 33⅓ percent proposed, along with a stretchedout payment schedule would seem to be an equitable and feasible commitment at this time. Our target, of course, should be an even lower share. I therefore urge most strongly that the Senate give full endorsement to S. 2665.

DR. EDWARD ELSON IN MANHATTAN, KANS.

Mr. DOLE. Mr. President, it is always an honor and a privilege to have a Senate colleague or one who is closely associated with the Senate as a guest in the State of Kansas. This was especially true on May 5 when Dr. Edward Elson, the Chaplain of the Senate, preached the inaugural sermon in the Grace Long Memorial Pulpit Series at the First Presbyterian Church in Manhattan, Kans.

Dr. Elson's reputation as a minister, scholar, and wise observer of contemporary events extends far beyond the Senate Chamber and his own congregation in Washington, so it was not surprising to learn that he had been invited to Manhattan to preach at this important service. The Senator from Kansas was in the congregation that morning and wishes to share the insight and message of Dr. Elson's sermon with the entire Senate. It was a most timely, uplifting, and thoughtful message which merits widespread attention and prayerful reflection in this time of challenge to ourselves and our institutions.

Therefore, I ask unanimous consent that the text of Dr. Elson's sermon be printed in the RECORD.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

TURBULENCE IN THE BIG ROOM

[A Sermon by Edward L. R. Elson, D.D., S.T.D., Chaplain, U.S. Senate]

OPENING REMARKS

It is a great honor to be here today as the first preacher in the Grace Long Memorial Pulpit series. I trust that in the future this annual event may be a high point in the Church year.

I am happy to be back again in this State which gave to the Nation and the world my friend and parishioner, Dwight D. Eisenhower. We also appreciate the great career of Senator Carlson, a leader of the Senate Prayer Breakfast Group and the primary influence in establishing the annual National Prayer Breakfast first attended by President Eisenhower and now an established program for the President and the leaders of our government.

I am pleased to note that Senator Carlson's successor, Senator Robert Dole, a thoroughly competent, hard-working Senator is in the congregation this morning. Senator Dole was wounded while serving as a soldier in the 75th Infantry Division in World War II. The 75th Infantry Division was unique because it was the first all teen-age division of draftees—the average age on activation being nineteen years plus. Although while in Europe I served with another organization I have always cherished the memory of being the first division chaplain when the division came into being at Ft. Leonard Wood.

It is a special source of happiness to be the guest of your distinguished pastor, Rev. John Graham, who entered the ministry from membership in The National Presbyterian Church of Washington and is the most versatile and effective representative of the thirty-one young people to go into the ministry from that congregation since 1946.

"TURBULENCE IN THE BIG ROOM"

"Thou hast set my feet in a large room." Psalm 31:8.

We do not know what time it is. We are not certain where we are in human history. We put a date at the top of our letters but we are not sure of what it means. We do not even know whether it is the last century of a departing civilization or the first century of a new civilization. Change is the only certainty.

Some time ago I stood in the Explorers Hall of the National Geographic Society and looked at a miniature of our cosmos. Yonder were the great constellations—Jupiter, Saturn, and vast galaxies millions of light years away from the tiny ball called Earth—just a wee bit of a golf ball beside an enormous basketball. Yet this tiny globe is the home of man, and our western heritage has said man is God's highest creation.

Today man makes his home on this little orb, but he voyages in space ships to the vast regions beyond and returns to tell us of the incomparable wonder that yet remains in the beyond. Yet with all his new knowledge and his ability to travel, to see, to hear, to know, man himself is lonely, fearful, contentious, anxious and unsure. Vexed and disconsolate, modern man roams about in this big universe where he has not yet learned to be at home. In this vast, incomparable, wall-less, dimensionless arena there is turbulence, ferment and a scramble for values. In the uncertainty new idols are erected, synthetic gods arise, finite values take on infinite meanings, and men reject half-truths because the other half is not yet known. Max Picard, looking at the scene, says "The missing element is overwhelmingly present." The missing element is a sense of the transcendent and eternal.

Now this is not the first time men have been baffled, bereft and lonely. Many times in human history, in the face of new discoveries, new theories, unfamiliar data, men have felt bewildered, lonely and unsure and have had to go on "believing where they could not prove", as Longfellow's hymn says.

Such a state the psalmist sings about in the 31st Psalm when he says, "Thou hast set my feet in a large room". All sorts of insecurities and uncertainties overwhelmed him—thrones toppled—

False gods had arisen. There were people who felt God had abandoned them. While wrestling with great, dark, furtive powers, the author kept his affirmations. Listen to his song:

"In Thee, O Lord, do I seek refuge.
Incline thine ear to me.
Take me out of the net that is hidden from me.
Into Thy hands I commit my spirit;
Thou hast set my feet in a large room."

How did the writer get into this large room, this bewildering vastness? He affirms that God put him there. That's how he got there. And this is the Psalm Jesus of Nazareth quoted on a cross in the dark hour of his own agony and in the darker hour of world history, when lingering between life and death He found himself in the wall-less room.

Doesn't this give us a clue as to how we can live in this physical universe which seems so incomprehensibly boundless, wall-less, immeasurable, with neither bottom nor top nor sides, where it is so easy to be lonely and powerless? Man has to live in it. If he is to live in it he must make some choices.

Looking at this big room a man can say of it that it is a vast, impersonal, mindless, spirit-less universe where man is caught and controlled by the vast relentless, impersonal forces of nature. Looking at it he can say that man is just a few dollars worth of chemicals, blended into the universe in an undefinable, impersonal way.

A man who makes this kind of choice inevitably must feel unsupported by any transcendent power beyond himself. Moreover, he will never be able adequately to explain or account for what we describe as self-consciousness—awareness—creativity—or self-criticism—which will remain to baffle him. That is one hypothesis from which a man may begin.

The older theologians used to say that if you find a watch ticking away, you conclude that someone must have made it, wound it up and set it going. So you conclude that in this universe with its law and order there must have been a mind, and a mind reposes in a Person. This Creative Person, spelled with capital letters, guides this world in these tumultuous, turbulent, revolutionary days.

Thus a man may choose the God hypothesis and say there is a creative, personal spirit or energy at the center of things which is vital, transcendent and eternal. He can acknowledge the reality of traffic between the seen and the unseen, the inter-action between the visible and the invisible, and that in this communion there is life and growth. If he chooses the God hypothesis he affirms that God is know-able and that prayer is a reality. In this choice he is supported by the data of history. For the record of the mystics saints, prophets and seers, and the person of Jesus validate this hypothesis. Only as a man takes into account these realities is he really an educated man. Only thus does he understand himself. He will learn too that the theistic premise is more likely to integrate and reinforce his personality and give him the plus factor of the transcendent.

In Jean Paul Sartre's "Speech of the Dead Christ from the Building of the World" he describes the terrible vision of a world without God as "finiteness chewing its own cud". The dimension of the infinite, supernatural and eternal is conspicuously absent. It is this missing element that the psalmist puts in life and keeps in life when he says, "Thou has put my feet in a large room". It is God who has put us in this big room, a room without walls or barriers, only open spaces, with vast incredible, incomprehensible possibilities for good or ill. But it is God who put us in this space and time. Then let us get into this big room, get all the way into it, get in with both feet. Don't leave part of yourself in another room, another space and time with its outmoded forms and patterns.

Glibly people talk about a world in revolution. What we do not recognize is that there are some real and there are some false revolutions. There is the authentic revolution, creative and constructive, and some lesser backlash disturbances some folks think are revolutions.

The view which one has of reality determines whether or not he has a sick mind or a well mind. The sick mind is one that will not face reality, which avoids looking at the whole scene as it is, runs from it and tries to escape. The healthy mind admits what it sees, defines the problems, analyzes the issues and brings all possible energies and resources to solving the problems. When somebody writes an editorial saying "America is sick", I wonder what he sees—where is his sense of history, of the transcendent, the eternal? Problems do not make people sick, surmounting problems makes them healthy. This is the difference between real and false revolutions. Most of the problems in our world today are problems of progress. Our problems are not problems of decay but of dynamic change, and we need to get in with the right kind of revolution as we live in this big room.

An old college friend, Dr. John Furbay, points out that living in this big room with its revolutionary complexities is like living in a house while remodeling it. When you look at the blueprint you see where you are going, what is happening, you have a vision of the finished product. Thus you do not mind the noise, the disorder, the dirt. You are working on solutions, you are a builder. People are always miserable when they see only the dirt. You can live either way in this big room which is our world in our time. You can see the authentic revolution moving toward the coming of a better world, or you can get tangled in the phony revolution and tiny side shows where everything is destructive, where you know all the things that are wrong, where you see only the dirt and debris and not the blueprint. Or you can recognize the turbulence for what it is—the dynamism of a God-released creativity.

Look at our Nation today and its anguish of soul. For some part of each day for 36 days I sat in the Watergate hearings, held in the Caucus Room just above my office. (By the way, both the Chairman, Sen. Ervin and the Vice Chairman, Sen. Baker, are Presbyterian Elders.)

My conviction is that nothing in recent history so confirms that we are a "nation under God" as what is now encompassed by the word "Watergate".

America is troubled because we are aware of God and truth and righteousness. If we did not know in our heart of hearts what is right we would not be troubled by what is wrong. It is precisely because deep in the American consciousness there is a profound sense of righteousness that we are agonizing over what is wrong. Deep in the American soul there is an awareness of God, of truth, and a fixed point of moral reference. This is a deep awareness of God, of right and wrong mediated by many denominations.

It is demonstrably clear that if a man lies or cheats, or steals or bears false witness, covets his neighbor's power or wealth he destroys his personality as surely as bullets destroy the body. "The Ten Commandments will not budge", said Oliver Wendell Holmes. Break them and you break yourself—and if unrepentant and unredeemed you not only destroy yourself but your country and your culture.

"To be under God" as a nation means not only to be under his sovereignty and his guidance, but in the process of history to be under his judgment.

When the painful, cleansing redemptive process is over we will know that our Constitution and our Form of Government works. We will have better election laws and a citizenry which gives primacy to the character of a candidate rather than the party to which he belongs or the platform on which he stands.

Think of the revolution in communications such as radio, television, motion pictures, and the meaning of disseminating the printed word, which have multiplied explosively within a generation or two. The people of the world have been made immediately aware of one another. The whole world is a neighborhood. That is one of the features of living in this big room today.

Some time ago I was strolling through the Rotunda of the Capitol when stopped by two attractively dressed women who said, "You are Dr. Elson, aren't you?" . . . . "We are from New Zealand and we want to thank you for the funeral service you conducted for President Eisenhower. We saw and heard it by Telstar". That single event was heard and seen by more people than any other funeral in the history of the world because, of course, there were more radios and television sets than before. The communications revolution emphasizes what it means for humanity to live in this one big room.

Take the explosion in knowledge abetted by the spread in communications and computer. We are told that if all the knowledge developed in the physical sciences throughout history up to 1900 were given the weight of one unit, another unit had been developed by 1940, and that now scientific knowledge is doubling about every 15 years. Of all the genuine scientists who have lived in the world it is reported that 90% are living today. Although we have more knowledge about life and the physical universe, the challenge of the revolution in knowledge is in the interpretation and use of it.

Look at the revolution in health and life expectancy. This is the first generation to be devoid of epidemics such as flu, diphtheria, smallpox, scarlet fever, mumps, measles, and tuberculosis.

Look at the differences in life expectancy. A young man today can expect to live 50 percent longer than his grandfather. The American Geriatrics Society has predicted that by the end of the century an American may look forward to a life expectancy of 120 years with Social Security beginning at 105 if you choose to retire. That's part of the creative, constructive revolution.

Think of this—the authentic revolution in my life-time. For 15 years of my early life I lived in one house, which went through the metamorphosis from kerosene lamps, to gas light, to modern electricity with all the gadgets—and for heat went through the stages of a fireplace in every room to central hot air distributed and controlled in every area of the house.

Look at transportation. I remember delivering milk from a horse-drawn wagon to a small town route, of pitching hay upon a horse-drawn hay ladder, of working with a hand-hoe, of spreading fertilizer by hand-fork, of helping milk by hand 18 head of cows. Now that farm has a big gas tank and a stable not full of horses, but machinery.

As a boy riding the railroad trains into Pittsburgh, trains which ran about every 30 minutes, I was always fascinated by the horse-drawn trolley waiting for the train at the 30th Street Station. Passengers got off the train and got on the trolley. The horse pulled the trolley up the grade to the crest of the hill. Then the single crew man unhitched the horse, put the horse on the platform, and the car coasted with man and horse back down the hill for the next train. Now the hill has almost been removed and the people zip up in something like a tube.

Think of the revolution in transportation.

Some time ago I preached at both morning church services in Washington, then had Sunday dinner at home. Then, I took a jet to Las Vegas—for some very proper appointments. Upon arrival I settled in a comfortable room where I slept for 3 hours, then I dressed, went to the Convention hall and spoke to 5,000 people at the Kiwanis convention about religion in American life—all on one Sunday.

That's what we do in this world of revolutionary change where God has put us in a big room.

Take the problem of poverty. Poverty is always relative.

Since government officials have only in recent years defined poverty in terms of so many dollars per year, a lot of people are suddenly realizing they grew up in poverty but didn't know it. Some of our greatest leaders today, by their own present definitions, grew up in poverty—but they didn't know it. Indeed they were rich in proportion to the fewness of their wants. They didn't have television and radio and high pressure advertising to tell them what other people had.

Poverty is relative—always relative. Poverty in the United States is affluence in Peru or India. Viewed against the whole world some in the United States are only less affluent than others because the whole nation is affluent. We are the first generation with too much food and we are working on the problem of distribution. That is the authentic revolution because we are working on it. It is true that a lot of people need to be fed better, clothed better, housed better, educated better—but it is coming.

Again, consider the problem of crime. Some people think they are leading a revolution by ganging up on policemen—calling them "pigs," making the custodians of our safety accursed, and the law-breakers the heroes. They are not in the real revolution. There is no great eagerness to help or build or heal in these efforts, only to break down, destroy, injure, kill. The real revolution is with those who strive for better laws, improved correctional methods, more emphatic enforcement. Do you know more teen-agers were lost last year in New York State on drugs than were killed in Vietnam? We are going to have a revolution here that is real—because some of the horrors of drugs will so shock young people they, in their idealism and energy, will rise up and solve them.

Look at the problem of pollution—a real anxiety. How did we get it? Because of progress. We are busy on it! We had better work on it if we are to live in this big room. The biggest amount of polluting is done by individuals. One state last year spent $50 million on one super highway keeping it clean. We will solve much of it when we learn never to throw anything down which someone else must pick up.

Look at religion and the Church. There has been more creative discontent and constructive renewal in the last 10 years than in the preceding 400. Good Pope John XXIII opened the windows to let in the fresh air and with it came a tornado—like Pentecost "the mighty rushing wind" of energy of creativity, of dynamic change which is transforming everything from the Vatican to the Quaker Meeting.

According to the Gallup Poll, 97% of Americans still believe in God. Young people may not have as much enthusiasm for institutions as their parents but they are very religious. My son took the Confirmation course three times and every time deferred Confirmation. But he gets up every morning at 4:30 to pray. Thirty years ago 10% of the colleges had religious departments, now only 10% of all colleges and universities are without religious studies. It's not the absence of religion, it's the freakish, simplistic, irrational, volatile, uncritical, pneumatic religious expressions which make some of us worry. The Church is the most relevant institution of man—it deals with birth, baptism, marriage, home, death—destiny.

Look at how the God-directed authentic revolution has liberated and lifted woman. Now she does everything man does and one thing man doesn't—she still has the babies. At long last nearly every vocation and form of work is open to her somewhere in the world.

We even have Page girls in the United States Senate. A few years ago our denomination for the first time elected a woman Moderator—its highest officer. And recently for the first time in 200 years a highly educated, fully qualified, authentically ordained woman clergyman of a respectable denomination, at my invitation, offered the convening prayer in the United States Senate. The real revoluation is all about us.

Look at the problem of civil rights. The reason there is so much noise about it is that we are doing so much. Most of us have too much guilt.

We sometimes forget that white men have been slaves throughout history—Rome, Babylon, Egypt, Syria. "In Africa there is not a single record of a white man making a slave out of a black man". You will find that sentence in the official school book which children use as a text in Nigeria. The book goes on to say that white slave traders did not leave their ships. Black slave traders captured blacks and sold them.

Never forget we were the second nation to abolish slavery—the British were first. Perhaps we need a little credit and less blame. Although we did not grant full civil rights when slavery went out legally, we are doing it now. We are not through. Look at the progress of the last 100 years—more especially the last 20 years. Percentage-wise there are more blacks in U.S. colleges and universities than all persons in college in England, Germany and Italy combined, and more blacks in U.S. colleges than in all Africa. We are not through. The authentic revolution goes on.

Look at the problem of war.

The revolution in science produced the atomic bomb and the bomb has made wars obsolete. The balance of terror has at least averted war on a world basis.

But we still have little wars—people get killed just as dead—and little wars are expensive too. Even little wars will become more obsolete as we learn how to use other forms of equivalent power for military power in the implementation of foreign policy and in guiding the destiny of the nations. We are simply going to have to find alternate ways to solve conflicts if we are to live in this big room into which God has brought us. And even here we have promise—frustrations can be worked out in such world organizations as the United Nations.

We have many irritating revolutions—much turbulence because we do not see the big revolution. We do not comprehend the true revolution, because a sense of the transcendence and eternal has gone out of life. We tend to see only the little here and now. We do not see the distant scene, take the long view. The world is better than the phony, destructive revolutionaries say.

You can choose to live in this big room into which God has brought us and flail away in all directions against everything and everybody—or you can see God in the movement of history, believe in His providence, get on with His task.

Our troubles in America are troubles of success, not failure. And the reason we have trouble in America is because the authentic revolution has gotten hold of us. It was first set loose in America on a large scale. It came out of many forces—at the pinacle and convergence of the renaissance, the industrial revolution, the Judean-Christian heritage—primarily cataclysmic 16th century Protestant Reformation saying man is the highest creation, the most valued entity in the universe, he is created by God to be free and every man not equally endowed is equally free under God for maximum growth and well-being. The Declaration of Independence announced it. The Constitution and our institutions confirm and sustain it.

You can try to live in this big room without God—without the infinite or eternal—the transcent—or you can believe it is God who has put us in the big room—and go on with Him.

That's the way Jesus lived in it. And when He died on a cross He quoted this psalm:

"Into Thy hands I commit my spirit;
Thou has set my feet in a large room."

If He could live that way and die that way, isn't that the clue for us?

THE NATIONAL COMMISSION FOR INDUSTRIAL PEACE

Mr. KENNEDY. Mr. President, I always have held the highest regard for the leaders of the American labor movement and the leaders of our business community. Their interaction has meant the growth of the finest work force in the world and the most productive economic machine in the world.

Recently, a report was filed by the National Commission for Industrial Peace which included these leaders. The Commission chairman was David L. Cole. The members included I. W. Abel, president of the United Steelworkers of America; Stephen B. Bechtel, Jr., president of Bechtel Corp.; Frank Fitzsimmons, president of International Brotherhood of Teamsters; Edward W. Carter, chairman of the board, Broadway Hale Stores, Inc.; Paul Hall, president of Seafarers' International Union of North America; R. Heath Larry, vice chairman of the board, United States Steel Corp.; George Meany, president of American Federation of Labor and Congress of Industrial Organizations; James M. Roche, member of the board and chief executive officer of General Motors Corp.; Leonard Woodstock, president of International Union United Automobile, Aerospace and Agricultural Implement Workers of America; and Walter B. Wriston, chairman of First National City Bank.

These Commission members named by executive order a year ago, filed a report recently which I believe deserves the attention of all of us since it focuses on the future of labor-management relations. Their summary of the current situation and their recommendations deserve our attention and I believe our support.

Mr. President, I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE NATIONAL COMMISSION FOR INDUSTRIAL PEACE REPORT AND RECOMMENDATIONS

NATIONAL COMMISSION
FOR INDUSTRIAL PEACE,
Washington, D.C., May 3, 1974.

DEAR MR. PRESIDENT: We submit herewith the report of the National Commission for Industrial Peace which was created under your Executive Order 11710 of April 4, 1973.

In broad terms, this Commission was asked to explore methods for the reconciliation of labor-management disputes in the public interest and to make recommendations to you concerning these and related matters. The Commission was also told to establish additional labor-management-public advisory panels with respect to particular sectors of the economy.

It is now approximately one year since this Commission was established, and it seems to its members, including Government officials who are serving as the *ex officio* members, that it is now timely to submit our report and recommendations.

This report and its recommendations reflect the thinking of the Commission members. The members discussed the substance of this report before it was drafted, and they all had the draft for review for some weeks. It was agreed that they would transmit any suggestions or criticisms to the Chairman. Mr. Wriston has asked that it be noted that because of his unfamiliarity with the subject matter he is not joining in this report.

There has been relatively little exception taken to the report as drafted, and any members who would like to do so have been and still are free to express their disagreement or exceptions. We did not take a vote as such, preferring to proceed by discussion and consensus, which has clearly been reached.

Respectfully,
DAVID L. COLE, *Chairman.*

MEMBER NATIONAL COMMISSION FOR INDUSTRIAL PEACE

Chairman: David L. Cole.

LABOR

I. W. Abel, President of United Steelworkers of America.

Frank Fitzsimmons, President of International Brotherhood of Teamsters.

Paul Hall, President of Seafarers' International Union of North America.

George Meany, President of American Federation of Labor and Congress of Industrial Organizations.

Leonard Woodcock, President of International Union United Automobile, Aerospace and Agricultural Implement Workers of America.

MANAGEMENT

Stephen D. Bechtel, Jr., President of Bechtel Corporation.

Edward W. Carter, Chairman of the Board, Broadway-Hale Stores, Inc.

R. Heath Larry, Vice Chairman of the Board, United States Steel Corp.

James M. Roche, Member of the Board & Chief Executive Officer of General Motors Corporation.

Walter B. Wriston, Chairman of First National City Bank.

EX OFFICO

Honorable George P. Shultz, Secretary of the Treasury.

Honorable Peter J. Brennan, Secretary of Labor.

Honorable Frederick B. Dent, Secretary of Commerce.

Honorable John T. Dunlop, Director of the Cost of Living Council.

Honorable W. J. Usery, Jr., Director of the Federal Mediation and Conciliation Service.

THE CREATION, FUNCTIONS, AND ACTIVITIES OF THIS COMMISSION

The National Commission for Industrial Peace was created by the President's Executive Order 11710 of April 4, 1973, a copy of which is appended to this report. The functions of the Commission are set forth in Section 3(a) of the Executive Order. In summary, they are to explore methods by which labor and management may best reconcile their differences through the collective bargaining process consistent with the public interest; to investigate how the Government may be most helpful; to encourage the parties to develop procedures to facilitate constructive bargaining and the resolution of disputes in the public interest; and to make recommendations to the President concerning these and related matters. The Commission was also told to establish additional labor-management-public panels with respect to particular sectors.

From the outset we regarded ourselves as a temporary or ad hoc body to look into the matters referred to us by the Executive Order, and we assumed that we were to confine ourselves to the private sector.

We thought it appropriate to engage in discussions with labor and management representatives in a number of important or basic industries. Because of traditional animosities and the hesitancy of many representatives to appear to be too conciliatory with the other side, we found that the discussions were generally more free and productive when we would speak to them separately and informally. In order to put them at ease many of these discussions were off the record, and this will explain why we refrain from giving the details of specific discussions. Nevertheless, we observed and learned a good deal in the course of such meetings, much of which confirmed impressions we already had.

Some of our explorations of the subjects assigned to us were with joint labor and management groups. We had such discussions, obviously, with the major representatives of management and the union in the steel industry, Messrs. R. Heath Larry and I. W. Abel, who are members of this Commission. We also met with labor-management committees in the railroad industry, which have been meeting for some time on a more or less regular basis to consider matters which they hope to clear up or correct before their next negotiations.

Because it is necessary to have the leadership of labor and industry overcome the force of old habits and attitudes which developed in the years when there were bitter struggles over the right to organize and be recognized, we deemed it helpful to present papers or to participate in symposiums or conferences in which labor-management relations were being reexamined and analyzed. Our purpose was largely of a missionary or educational nature—to encourage the parties to open their minds to more rational and constructive approaches to the settlement of labor disputes than their customary reliance on economic strife.

In some instances we suggested that the parties give serious thought to setting up a standing committee to engage in discussions of problems well in advance of negotiations, with the view of avoiding crisis or deadline bargaining. It is our thought that such joint committees can also investigate and collate data and facts without which negotiations become more difficult as the contract expiration date approaches. In at least one industry we found that a serious source of friction is a badly bogged down grievance procedure. We urged their joint committee, as a necessary first step to work on ways to make more expeditious and effective the procedures they have set up for handling grievances. We pointed out that such a course has had beneficial effects in other industries in improving the relationship as a whole.

In connection with possible decontrols under the Cost of Living Program, one of our members has obtained assurances in some instances from the parties that they will give serious attention to the setting up of joint committees as a means of avoiding or settling obstinate labor disputes, with such committees to include a mutually acceptable neutral as chairman.

We have solicited the possible assistance of several outstanding labor relations experts who would be willing to act as chairmen on such joint committees if selected by both labor and management.

A new factor was introduced by the energy crisis. This was of sufficient impact on labor relations for the President to announce on January 5, 1974 the appointment of W. J. Usery, Jr. as his special assistant to handle the unusual labor difficulties caused by this shortage. He was also asked to take responsibility for the coordination of all mediation and labor relations activities involving the public and private sectors of the economy, including the transportation industries, and to submit recommendations for the systematic development of long-range governmental programs to promote labor-management peace in all sectors. As one of our members, Mr. Usery has followed closely the activities of our Commission, and he continues to serve as the Director of the Federal Mediation and Conciliation Service.

We believe that the time has arrived for our functions to be turned over to one of the permanent government agencies or branches. We have refrained from building up a staff or organization of any substantial size to develop and administer programs of the kind we have been trying to initiate. It would be sheer waste to duplicate an existing agency active in the same field which has the facilities and competence to perform these functions. We are of the opinion that the Federal Mediation and Conciliation Service is such an agency, and we shall have some recommendations on this subject in the succeeding parts of this report.

OBSERVATIONS OF THE COMMISSION

In Section 3(a) of Executive Order 11710 specified tasks are assigned to this Commission. This section proceeds on the assumption that the collective bargaining process will not be disturbed and will continue as the primary means of resolving labor disputes. This is in keeping with our declared national labor policy.

Studies and programs of the kind contemplated by this Executive Order have been undertaken or engaged in a number of times in the past 15 or 20 years. Some have been under Government auspices, and some have been set up by private non-profit organizations. In connection with the drafting of this report we have reviewed a number of such studies or programs. Those who have participated in these have generally been recognized as highly qualified in the field of labor relations. Some of these programs have been conducted on a tripartite basis, and the others solely by public or neutral experts.

We are confining our analysis to four of these programs, in each of which two or more of the members of our Commission played active parts. Chronologically, the first was the study set up by Secretary of Labor James P. Mitchell to seek improvement in labor-management relations and the strengthening of collective bargaining in the atomic energy field. A report was filed on January 31, 1957 in which a rather full analysis was made of collective bargaining and our national labor policy, most of which is definitely relevant and applicable to the work of our Commission. That committee consisted of five neutrals.

Next in point of time was that conducted under the auspices of the Committee for Economic Development by an independent study group which resulted in a thoughtful report entitled *The Public Interest in National Labor Policy*. This was published in 1961. Again, the study group was all-neutral in composition.

About a year later, in May, 1962, *Free and Responsible Collective Bargaining and Industrial Peace*, a report by the President's advisory committee on labor-management policy, was issued. This advisory committee was tripartite.

The fourth program we desire to mention is that conducted by the American Arbitration Association through its labor-management advisory committee: This program was started in 1971, having been inspired by publicly expressed views of our member, George Meany, President of the AFL–CIO, that the time had come for labor and management to give serious consideration to the use of voluntary arbitration as an alternative to the strike in contract negotiations. He predicated this on the heavy cost and other burdens of strikes and emphasized that it is in the mutual interest of the parties as well as to their individual benefit to agree on a substitute procedure of this kind. This advisory committee is composed of representatives of labor, industry and the public.

The American Arbitration Association program sought to induce in labor and industry a willingness to employ third party assistance when they reach impasse in their direct negotiations. Progress was slow, but there was some encouragement. When President Nixon issued his Executive Order on April 4, 1973, however, it was deemed wise to suspend the activity of the American Arbitration Association committee in deference to our Commission, although it was made clear that it might be reactivated. If it is, we shall assume that there will be no sense of rivalry between the American Arbitration Association and the governmental agency which hereafter administers the national labor relations program on which our Commission has been working.

The approach of the American Arbitration Association as a nongovernmental agency may differ from that of the government agency and it may well be advantageous to have different approaches to programs which have as their objective the improvement of collective bargaining and the promotion of industrial peace. For many years both the Federal Mediation and Conciliation Service and the American Arbitration Association have been administering separate labor arbitration programs. This has not prevented them from cooperating in conferences and other undertakings designed to better meet the needs of the parties who engage in arbitration and to enhance the general acceptance of arbitration.

We shall recommend, in fact, that nongovernmental organizations like the American Arbitration Association be encouraged to conduct programs the purpose of which is to promote constructive and responsible means of resolving labor disputes.

Our review of the above four studies or programs showed that in fundamental principles they are very much alike. In all four there is unqualified acceptance of our national labor policy of relying on collective bargaining as the primary means of resolving labor disputes, and of giving great latitude to the parties in this process. The belief is indicated that better assurance to the public and satisfaction to the parties can be attained under a program in which the parties themselves play the active and determining part. It is also clear that all the experts consider this type of program as most consistent or congruous with our declared national labor policy.

There has been a growing emphasis on the factor of the public interest and of the need of those who engage in collective bargaining to accept this responsibility along with the freedom given them in the manner in which they conduct themselves in collective bargaining.

Despite the dislocations and burdens suffered because of interruptions of operations caused by labor disputes, there has been a surprising amount of understanding and patience. Except on a rare ad hoc basis, in time of peace, strikes or lockouts in private industry have not been legally prohibited. We have brought pressure to bear through mediation and super mediation, we have made all sorts of appeals, we have compelled or induced parties to postpone the shutdown of industries for a moderate period of time, but we have relied basically on the process of collective bargining to end the shutdown or the threat of shutdown.

There is confidence that free collective bargaining will keep improving with the maturing of the labor-management relationships, that it will become more effective as the means of resolving disputes, and that it will become more responsible in the process.

This is so despite the intensity of the conflicts in the more primitive periods when labor was trying to organize and gain recognition, and the fact that habits of suspicion and hostility became strongly ingrained. Such habits are not quickly changed, but we must continue to encourage the respective leadership to do so.

In the Atomic Energy Labor-Management Report, President Eisenhower is quoted with approval for his statement in 1956 that:

"If the government impatiently charges into every major dispute, the negotiations between the parties will become a pointless farce while everyone waits to see what the government will do."

This report also calls attention to President Eisenhower's reference in 1955 to negotiations "without government's unwarranted interference," and his belief that underlying our national labor policy is the assumption "that labor organizations and management will both develop the highest standards of integrity, responsibility and concern for the national welfare."

Six years later, when he received the report of his advisory committee on labor-management policy, President Kennedy called attention to the fact that the public, labor, and management representatives unanimously agreed that collective bargaining is an essential element of economic democracy and this was "a mark of our progress as a Nation when contrasted with the disagreements on this subject in the not too distant past." He continued by declaring:

"The fact that all agree on the necessity that collective bargaining be responsible and responsive to the public, or common, interest is a symbol of the maturity of the parties to the collective bargaining relationship."

Our Commission finds itself substantially in accord with the essentials of the four studies referred to above. Their thoughts are basically similar to those which we think are still in order. The changes are only in degree or emphasis because of some new developments.

As we see it, there are five propositions which we should all endorse: (1) Collective bargaining should be the primary means of resolving labor-management disputes; (2) Government must not add any laws which impose compulsory arbitration or any other statutory form of coercion on the parties which might dictate to them the substance of their wages or other contract terms; on the contrary, attention should be given to the the advisability of cutting down some of the present statutory involvement of Government in certain types of labor-management disputes; (3) Government's principal function should be to make available to the parties improved mediation services, as well as services for gathering pertinent facts for them; (4) The parties must understand that the public interest is a factor entitled to serious consideration, meaning that collective bargaining must be responsible as well as free, which in turn means that the parties must understand that they may not disregard the effect on the public of the quality of their settlements, let alone the impact of interferences with essential production and services; and (5) Government should conduct periodic national labor-management conferences so that those who engage in labor negotiations may be well informed of the current political and economic circumstances and outlook and therefore better comprehend the context in which they are functioning.

We suggest that the prevention mediation and dispute resolution activities of the Federal Mediation and Conciliation Service be expanded by improving its professional force so that more effective service can be provided in this type of activity.

We regard our missionary efforts among labor and management representatives to induce them to accept more rational and peaceful means of settling their differences, as well as the establishment of joint standing committees with a neutral chairman, to be in the nature of preventive mediation. These activities could be added to those conducted by the Federal Mediation and Conciliation Service in its preventive mediation and dispute settlement programs. This would strengthen these programs and help give them greater scope and effectiveness.

The Federal Mediation and Conciliation Service could improve its services in critical or major industry disputes by reactivating the national advisory labor-management panel called for by the law, and by using this panel as a roster of topflight mediators who would be sent in to set up the efforts of the professional mediators or to reflect the public concern by raising the particular mediation to a higher level. Such prestigious citizens would not be expected to serve as professional mediators, but they could be of great help in selected cases.

We also believe the Federal Mediation and Conciliation Service would do well to set up labor-management advisory panels in its regions. The regional panels, like the national panel, would not only be advisory. They would provide a roster of influential citizens who could be enlisted in important labor disputes of concern to the regions or communities to serve as special mediators or as members of a super mediation panel.

It is gratifying to observe that there seems to be a declining amount of adherence to the proposition that collective bargaining can function effectively only by relying on the strike and lockout techniques. Parties are becoming more receptive to third party assistance, at least for fact-finding or mediation purposes. They find they need no longer regard each other as mortal enemies, that in many respects their individual interests and their mutual interests overlap or coalesce.

We are convinced, however, that by and large both sides oppose any form of legal compulsion as to how they should determine the provisions to be included in their collective bargaining agreements. In fact, if compulsory arbitration became a matter of law, there could well be a strong protest reaction that would set back rather than promote industrial peace.

This would be unfortunate in light of recent developments. Considering the complicated current economic environment as well as that of the past year or two, a gratifying sense of moderation and responsibility has been exhibited. Major industries like trucking and automobiles have worked out important agreements without strikes, and we are pleased that industry and labor representatives in these industries are represented on our Commission.

The strong antagonisms of former years seems to be in the process of being attenuated as the parties learn to deal with each other on a collective basis.

Authoritative and respected leadership now speak more freely of employing means other than shutdowns to resolve differences that arise in negotiations. Three outstanding leaders of labor, who are members of our Commission, Messrs. Meany, Abel and Hall, as well as a number of others, are urging labor organizations to give favorable consideration to voluntary arbitration. They emphasize the costs and burdens of strikes. They also point out the mutual benefit of cooperating with their industry by assuring it of uninterrupted operations or production in the face of increasingly difficult competitive conditions internationally as well as domestically.

We found an appreciative reaction to these thoughts on the part of many leaders of industry. The experiment in the steel industry is being watched closely. Thus far it has worked very well. It could easily become a pattern to be followed in other important industries.

We take no exception to Government's efforts to induce labor and management to develop or accept more effective programs for the peaceful settlement of disputes as they are likely to arise. Quite the contrary, we regard this as a constructive contribution which may expedite rather than impair collective bargaining.

This is to be distinguished, however, from any statutory method by which a given dispute must be decided or concluded, particularly since, as stated above, we are confining our considerations to the private sector. Such a course would reflect a lack of confidence in collective bargaining and in the people who engage in this process, and would be likely to set back the voluntary approach which we regard as far more promising and desirable at this time.

There will be a number of important and difficult negotiations during this year. Millions of employees, some in our most critical industries, will be affected by these negotiations. In such a period we must bear in mind that our best hope for peaceful settlements lies in the ability of the parties to arrive at agreement. We must not look for relief or protection through some miracle formula or technique. There is no substitute in our kind of society for a procedure under which the parties persuade themselves to compose their own differences. As was pointed out in the 1961 Committee for Economic Development Report:

"We must therefore be exceedingly careful not to introduce procedures in our eagerness to provide protection for the public welfare, which will in themselves interfere with the parties' ability to arrive at voluntary agreement. Experience has shown that, at both the state and federal levels, the very existence of legal procedures that can be invoked when the parties fail to agree in collective bargaining tends to promote such failures."[1]

It will contribute toward the effectiveness of collective bargaining to eliminate known sources of friction which are impediments to voluntary agreement. As we have said, a badly functioning grievance procedure, with the sense of injustice this engenders, is one such source of friction.

In the course of discussions within our Commission, it was argued by some of our labor members that some parts of the Labor-Management Reporting and Disclosure Act of 1959 constitute another such source. The point was made that Title I of this law, commonly known as the Landrum-Griffin Act, and the manner in which it has been interpreted and applied has served as a hindrance to responsible labor leadership and consequently to effective collecting bargaining.

This contention has been advanced by labor representatives and has been the subject of debate many times since the enactment of this statute in 1959. It is argued that unions and their officers have been attacked in legal proceedings so many times that they have tended to become shy and not to exercise the leadership and general responsibility necessary in this controversial area, thus making it possible for minorities to impose their wills on majorities and for relatively small numbers of dissidents to prevent settlements and cause unwarranted turmoil.

The other side of the argument is, of course, that this law was an outgrowth of excesses and irregularities engaged in by some union officials, in disregard of the rights of their members.

In a tripartite study made in 1969 by lawyers conversant with the construction industry, some of who represent labor and some management, it was declared that this law has served as an impediment to responsible collective bargaining and recommended that a comprehensive review be made of experience under this Act with a view of seeing whether legislative changes may not be in order.

No such changes have been made nor are we aware of such a comprehensive review objectively made since 1969, when this well informed legal committee made its recommendations.

Considering the sensitive nature of the process of collective bargaining and the promise implicit in the position currently being taken by some of the most authoritative leaders of labor in their efforts to minimize reliance on the strike, we are of the opinion that the 1969 recommendation of the tripartite lawyer's committee is particularly timely and apt at this time, and we join in and review their recommendation.

RECOMMENDATIONS

We offer the following recommendations:

(1) That the functions of this Commission, as set forth in Executive Order 11710, together with the programs in which it has participated, be transferred to the Federal Mediation and Conciliation Service, and made part of the preventive mediation activities of the Federal Mediation and Conciliation Service.

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[1] *The Public Interest in National Labor Policy,* Committee on Economic Development, New York, 1961, p. 99.

(2) That the Federal Mediation and Conciliation Service be given all the financial and other support necessary to enlarge and elevate the standing of its professional and mediation staff to develop and administer these additional functions.

(3) That the Federal Mediation and Conciliation Service activate on both the national and regional levels labor-management panels of the kind suggested in the Taft-Hartley Act, and that the members of these panels serve not only in an advisory capacity but also as rosters of citizens qualified to complement or step up the mediation efforts of the professional mediators in important disputes in which there is a good deal of public interest.

(4) That the Federal Mediation and Conciliation Service encourage non-governmental organizations to institute or continue programs which have as their purpose the improvement of collective bargaining and the promotion of non-punitive means of resolving labor disputes.

(5) That we reaffirm our confidence in collective bargaining as the most desirable means of resolving differences that arise between management and labor.

(6) That the President call attention with approval to the trend we have observed of responsible labor and management leadership seeking on a voluntary basis to find rational and peaceful means of resolving the differences that arise during negotiations, instead of relying primarily on economic strife.

(7) That Government refrain from imposing by any additional statutes compulsory arbitration or any other form of coercive action designed to determine the substance of wage and other contract provisions on labor and management engaged in negotiations, or to restrict the course which such parties may elect to follow.

(8) That Government concentrate its efforts mainly on the improvement and expansion of its mediation services, and on making available to labor and management the data and fact gathering facilities of its various departments or agencies with the view of narrowing the areas in which negotiating parties may face difficult issues; that, consistent with the underlying objective, all possible steps be taken to enhance the influence and responsibility of major leadership of both industry and labor in order that they may thereby play a more effective and constructive part in the labor relations program under discussion.

(9) That Government conduct periodic labor-management conferences to discuss the economic conditions and outlook as well as other matters of importance which have a bearing on or which may be affected by collective bargaining.

(10) That an objective and comprehensive review and examination be made of parts of the Labor-Management Reporting and Disclosure Act of 1959, particularly Title I thereof, to ascertain the effect it has had on the ability of labor organizations to engage in responsible and constructive labor relations, including the manner in which it has been interpreted and administered, to determine whether any changes are indicated for the purpose of improving the process of collective bargaining.

The National Commission for Industrial Peace has the following members:

Chairman: David L. Cole.

LABOR

I. W. Abel, President of United Steelworkers of America.

Frank Fitzsimmons, President of International Brotherhood of Teamsters.

Paul Hall, President of Seafarers' International Union of North America.

George Meany, President of American Federation of Labor and Congress of Industrial Organizations.

Leonard Woodcock, President of International Union United Automobile, Aerospace and Agricultural Implement Workers of America.

MANAGEMENT

Stephen D. Bechtel, Jr., President of Bechtel Corporation.

Edward W. Carter, Chairman of the Board, Broadway-Hale Stores, Inc.

R. Heath Larry, Vice Chairman of the Board, United States Steel Corp.

James M. Roche, Member of the Board & Chief Executive Officer of General Motors Corporation.

Walter B. Wriston, Chairman of First National City Bank.

EX OFFICIO

Honorable George P. Schultz, Secretary of the Treasury.

Honorable Peter J. Brennan, Secretary of Labor.

Honorable Frederick B. Dent, Secretary of Commerce.

Honorable John T. Dunlop, Director of the Cost of Living Council.

Honorable W. J. Usery, Jr., Director of the Federal Mediation and Conciliation Service.

Respectfully submitted:

DAVID L. COLE,
Chairman, The National Commission for Industrial Peace.

Dated: May 3, 1974.

NATIONAL COMMISSION FOR INDUSTRIAL PEACE—THE PRESIDENT, EXECUTIVE ORDER 11710, APRIL 4, 1973

By virtue of the authority vested in me as President of the United States and pursuant to the Economic Stabilization Act of 1970, as amended, the Federal Advisory Committee Act, and section 301 of title 3 of the United States Code, it is hereby ordered as follows:

Section 1. There is hereby established a National Commission for Industrial Peace (hereinafter referred to as the Commission).

Sec. 2. The Commission shall consist of a Chairman to be appointed by the President, and such members representing labor, management, and the public at large as the President may, from time to time, appoint.

Sec. 3. (a) The Commission shall explore methods by which labor and management may best reconcile their differences through the collective bargaining process consistent with the public interest in the outcome of negotiations; investigate means by which the Government may be most helpful in achieving this goal; encourage labor and management representatives in particular industries or sectors to develop and implement procedures to facilitate resolution of disputes and constructive bargaining in the public interest; and make recommendations to the President concerning these and related matters.

(b) The Commission shall establish additional labor-management, public advisory panels with respect to particular sectors of the economy to provide special expertise to the Commission and to develop programs in these particular sectors.

(c) The Commission shall convene at the call of the Chairman or the President or the President's designee.

SEC. 4. The Department of Labor, the Department of Commerce, and the Cost of Living Council, to the extent permitted by law, shall provide support and technical assistance for the Commission; and the Department of Labor shall perform such other functions with respect to the Commission as may be required by the provisions of the Federal Advisory Committee Act (Public Law 92–463; 86 Stat. 770).

Sec. 5. To assist the Commission, the Secretary of Labor, the Secretary of Commerce, the Chairman and the Director of the Cost of Living Council, and the Director of the Federal Mediation and Conciliation Service shall be *ex offico* members available to the Commission for advice and consultation.

Sec. 6. The President's Advisory Committee on Labor-Management Policy is hereby abolished and Executive Order No. 10918 of February 16, 1961, is revoked.

RICHARD NIXON.

THE PRESIDENT, EXECUTIVE ORDER 11729

Amending Executive Order No. 11710 of April 4, 1973, Relative to the National Commission for Industrial Peace.

By virtue of the authority vested in me as President of the United States of America and pursuant to the Economic Stabilization Act of 1970, as amended, the Federal Advisory Committee Act (Public Law 92–463; 86 Stat. 770), and section 301 of title 3 of the United States Code, section 4 of Executive Order No. 11710[1] of April 4, 1973, is amended to read as follows:

"Sec. 4. The Department of Labor, the Department of Commerce, and the Cost of Living Council, to the extent permitted by law, shall provide support and technical assistance for the Commission. The Cost of Living Council shall perform such other functions with respect to the Commission as may be required by the provisions of the Federal Advisory Committee Act (Public Law 92–463; 86 Stat. 770)."

(Signed) RICHARD NIXON.

The White House, July 12, 1973.

(FR Doc. 73–14658 Filed 7–13–73; 12:22 pm)

A MATTER OF SURVIVAL FOR THE HAVASUPAI

Mr. GOLDWATER. Mr. President, the Sierra Club National Board of Directors meeting on May 4 and 5 in Claremont, Calif., revealed anew its ingrown antagonism toward an ancient American Indian people. The Sierra Club once again reaffirmed its total opposition to the steps essential to the survival of the Havasupai Indians, the first inhabitants of the Grand Canyon and its southern rim plateau.

At odds with much of its own membership, the national officers remain adamant in their position that no land—not a single acre—should be returned from National Park and Monument or National Forest status to the Havasupai Tribe, which over a thousand years ago, long before the first white man set foot in the area, was farming in its permanent Canyon-bottom village and spending the winters hunting game and gathering food on the lands of the south rim.

The opposition of the Sierra Club to the needs of the Havasupai people is so intense that they would even banish this diminishing tribe to a permanent lifetime of isolation in the bowels of a small corner of the Grand Canyon. Havasu Canyon, where about 320 tribal members attempt to subsist on a mere 518 acres, is accessible only by an 8-mile horseback ride down a steep trail into the Canyon bottom. At its widest the Havasupai Reservation is about a quarter mile. The only open space is up. The walls of the Canyon rise at least 2,400 feet, nearly straight upwards. Yet, the Sierra Club is using its full powers to prevent the tribe from restoring to its Reservation the one trail that man and horse can negotiate into and out of the Havasupai Village.

Mr. President, it is easy to understand

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[1] 38 FR 9071; Apr. 10, 1973.

why the Havasupai people, speaking through their tribal chairman, Oscar Paya, believe that professional conservationists show more concern for rock and sagebrush than for the human beings who have lived in the area more than 1,000 years, and have not disturbed it. The Havasupai people feel far more deeply for the beauty of this land than the Sunday hiker or professional environmentalist ever can. In Oscar Paya's words:

> This land is part of us and we live on it. We are human beings with the right to survive.

Mr. President, this is what is at stake. It is the survival of the Havasupai. It is an opportunity to preserve their heritage as best they can against the invading ways of the outside world. It is a question of granting the tribe at least some of its traditional homelands, especially the cemeteries and sacred places, the areas most used and best known, whose possession as reservation lands may avert the disappearance of a people.

Mr. President, I cannot understand the persistent and unmovable resistance of the Sierra Club to the needs of this fine people. I cannot comprehend the vast ignorance and fundamental lack of understanding of the history and culture of the Havasupai which characterize a majority of the national leaders of the Sierra Club. The only explanation, in my opinion, is the unfortunate fact that the Sierra Club has become a closed society, a self-centered, selfish group, who care for nothing but ideas which they themselves originate and which fit only their personal conceptions of the way of life everyone else should be compelled to live.

My statement does not apply to all, or even a majority, of the individual members of the Sierra Club. I readily admit and welcome the sincere openings which several individuals and local chapters of the Sierra Club have made toward the Havasupai Indians. For example, on December 29 through 31 of last year, a group of Sierra Club people representing the Prescott, Phoenix, and Tucson chapters of the club made a special trip to Havasu Canyon to speak with tribal people and see at first hand for themselves the problems the Havasupai have in being restricted to the canyon bottom.

The State chairwoman, however, refused to come. The southwestern representative of the club also refused the tribal invitation. A former southwestern representative of the club, who still is a regular visitor to Capitol Hill on behalf of the club's programs, would not go and apparently has never been to the tribe's village.

After the club members who did make the visit had left the canyon, they went back to their local groups and discussed their visits. It is interesting that, as a result, the Prescott and Phoenix chapters then passed resolutions supporting return to the Havasupai people of at least those lands which have been continuously used and occupied by the tribe since the creation of its reservation in 1882.

At the State Sierra Club meeting on January 26 of this year, the Arizona executive committee of the club adopted a resolution for the first time moving toward the tribe's desire for the return of some of its historic lands. This resolution was hedged in qualifications, but it was a distinct change from earlier positions, and revealed what would happen if governing officers of the club would be willing to cast off their cloak of superiority and visit the Havasupai people on their home grounds, where one can learn the truth about tribal life and tribal attitudes toward land use.

Another member of the Sierra Club, who is free of the parochial shackles binding a majority of the national Board of Directors, is Alvin Josephy, Jr., a senior editor of American Heritage. Mr. Josephy is contributing the full weight of his reputation as an historian of American Indian Affairs to the cause of the Havasupai.

Unfortunately, the Sierra Club at its national level has not caught up with the growing movement of its own membership toward the Havasupai people. The club officials who actively control matters and who are seen as regular visitors to congressional committees, closed congressional policymaking meetings, and the anterooms and hallways of the Capitol and congressional office buildings, remain prisoners of their own self-centered world.

Dead set in their own assurance that they know best, through non-Indian eyes, what is good for the Indians, they insist that the Havasupais give up their historic desires and cultural ties to specific lands and instead accept other areas, unconnected with their Canyon Reservation, to which the Sierra Club would intern them.

Mr. President, the Sierra Club would play a cruel hoax on the Havasupai people. The club would perpetuate a terrible system under which the Indians now lose all their children after the third grade. If the Havasupai could build homes and live on the rim, families would not have to be separated for long periods as they are now when primary schoolchildren must board at distant Indian or public schools and cannot travel and retravel the grueling 10-hour trip to and from the Canyon village.

In the words of Dr. Alfonso Ortiz, editor of the Southwest Volumes, Handbook of North American Indians, the forced practice of "confining their families to living within the canyon year-round, in effect, precludes parents and children from seeing one another at all during the long periods in the school year when it is not safe to attempt to enter or leave the canyon, because of the snow. Parents of such children should be permitted to reestablish their homes on the plateau so that during this academic year they and their children can be accessible to one another for school holidays and during emergencies."

Mr. President, the only reason the Sierra Club appears to have for rejecting the pleas of the Havasupais is that they do not trust the Indian's ability to care for the land. The Sierra Club conception of the Havasupai seems to be that the Indians will carelessly destroy the land and the natural habitat of wildlife.

Mr. President, this is a prejudiced view of a wonderful Indian people. It is a view that has been concisely rebutted by the closing words of an excellent television commentary on the Havasupais by the CBS production, "60 Minutes."

> You might wonder why all this fuss, this demand by less than 500 Americans for a few more acres of grazing land, when there are so many more burning issues we could be talking about? Well, perhaps we might just pause as we go hell-bent to preserve the bighorn sheep and other endangered fauna and flora and think about preserving some endangered people—who, by the way, had no trouble preserving their environment in this land for many, many centuries.

Mr. President, last year I introduced legislation, S. 1296, sponsored by one-fourth of the Senate, including both the majority and the minority leaders, which would have restored immediately to the Havasupai Indians a large portion of the lands they desired to have returned. This proposal met with a massive, nationwide campaign of opposition by the Sierra Club, which succeeded in pressuring the Senate Interior Committee into drastically altering my proposal.

Then, in a subcommittee of the House Interior Committee, a further amendment was accepted which would completely gut the aspirations of the tribe. This amendment, proposing economic projects rather than an expansion of reservation lands, is identical to an idea first put forth several months ago by two individuals who presented a Sierra Club plan for the Grand Canyon at public meetings held at my home in Arizona.

Mr. President, if the national Sierra Club wins its way there will be no Havasupai people. The Havasupai will disappear—so that the Sierra Club can brag that it has won another power play.

We, all of us in Congress, must not allow this to happen. There is yet an opportunity to save this people, the original inhabitants of the Grand Canyon, when the full House Committee on Interior and Insular Affairs meets to mark up my amended bill soon; and I implore my friends across the Hill who are also friends of the American Indians, to correct the bill and insert language which will be proposed for the immediate expansion of the Havasupai Reservation.

Mr. President, I ask unanimous consent that recent endorsements supporting the cause of the Havasupais by the National Education Association, the League of Women Voters, Dr. Alfonzo Ortiz, and Alvin Josephy, Jr., be printed in the Record. I hope Members of Congress will take the opportunity to read these objective materials.

Following these documents, I also ask that a copy of a White House press release announcing President Nixon's support of immediate enlargement of the Havasupai Reservation appear in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Exhibit A

National Education Association,
Washington, D.C., April 29, 1974.

Hon. James A. Haley,
Committee on Interior and Insular Affairs, Longworth House Office Building, Washington, D.C.

Dear Congressman Haley: The First American Task Force of the National Education

Association supports the effort of the Havasupai tribe to increase their land base.

Land has long been an intrical part of Indian life. The spiritual sense that the land presents is the foundation upon which is built the essence of life. To encroach upon the right of Indian people not to seek the restoration of the land loss is a strike at the basic freedom we all hold sacred.

The Havasupai must gain tribal trust title to the land now in question.

With tribal trust title restored, the education process of the children would be enhanced. There would be no long trips to attend school or separation from parental guidance. The important cultural training, so necessary in the development of the child's self concept would be assured. The educational impact of an increased land base and trust title will be the ability for the children to retain those tribal identities so necessary in survival of Indian culture.

Sincerely,

LLOYD M. ELM, *Chairman,*
First American Task Force.

EXHIBIT B

THE LEAGUE OF WOMEN
VOTERS OF THE UNITED STATES,
May 6, 1974.

WASHINGTON, D.C.—The League of Women Voters of the United States today urged Congress to amend a bill (S. 1296) so that the Havasupai Indian Tribe can get trust title to 251,000 acres of land crucial to the survival of the tribe.

In letters to Representative James A. Haley, Chairman of the House Committee on Interior and Insular Affairs, and Representative Craig Hosmer, ranking minority member of the committee, the League pointed out that the 425-member tribe occupies only 518.6 acres on the reservation because the remainder, with its undependable water supply, is uninhabitable. The small acreage on which the Havasupai live has also contributed to health and educational problems of the tribe.

In response to those who fear that the Havasupai might abuse and exploit the land they are seeking, the League noted the land use plan provided for in their proposed amendment, which would put the land in trust.

The letter concluded: "Moreover, the Havasupai and other Indian tribes were this country's first land use planners. Traditionally, Indians set aside areas for living, hunting and grazing, raising crops and for worship. The Havasupai have taken care of the land for 1,200 years. It is inconceivable that they would initiate projects that would destroy the land which is their home and which they revere so much."

THE LEAGUE OF WOMEN VOTERS OF
THE UNITED STATES,
Washington, D.C., May 3, 1974.

Hon. JAMES A. HALEY,
Chairman, Committee on Interior and Insular Affairs, U.S. House of Representatives, Washington, D.C.

DEAR MR. HALEY: The League of Women Voters of the United States wholeheartedly supports the Havasupai Indian Tribe in their efforts to increase their land base so that they can improve and stabilize the socio-economic status of their members. Tribal members have been petitioning members of this Committee and the Congress to amend S. 1296 so that they can get trust title to the 251,000 acres of land for which they now have limited use under the permit issued by the National Park Service.

Land has always been and continues to be a key issue in Indian-federal government relations. The Havasupai Indian Tribe's situation re-emphasizes how crucial a land base is to the survival of Indian tribes. Members of the Committee have heard how the 425 member tribe occupies only 518.6 acres on the reservation because the remainder, with its undependable water supply, is uninhabitable. Already tribal members have been forced to live in outlying towns because there is simply no room in the Canyon to hold them.

Other problems which plague the Havasupai and are in part attributable to the fact that they live in such a confined space are summarized below:

Indian Health Service personnel have attributed some of the major health problems of the Havasupai people to the fact that the canyon is an unhealthful place to live: for example, in some instances people and horses must use the same water.

The isolation of the Canyon reservation means that critically ill persons must be transported out by a helicopter which reportedly will not come to Supai Village after sunset.

The inaccessibility of the reservation and the lack of school facilities beyond the primary grades means that the children must spend 9 months out of the year at the BIA boarding school 350 miles away. If the Havasupai people were allowed to live on the plateau, their children would be able to go to the schools in nearby towns.

It has been proposed that the Havasupai be given not less than 100,000 acres of the permit land in permanent use status. However, the Havasupai have made it clear that this provision is not adequate. Under this status the tribe would still be vulnerable to arbitrary rules, regulations and maladministration. Restrictions currently placed on the permit land prohibit the Havasupai from building homes which they sorely need on the plateau. They can only use the land for grazing purposes. The Havasupai need all 251,000 acres because only a relatively small portion of the rough and rocky terrain is suitable for agricultural uses. Beyond these specific concerns, the Havasupai need a guarantee—which they would have under the condition of trust—that their lands will not be alienated in the future. Under the permanent use status they certainly could be.

The League of Women Voters understands the need to preserve this country's dwindling natural resources. We are deeply concerned about land use and environmental issues ourselves. Those who fear that the Havasupai might abuse and exploit the plateau if it were put into trust for them should note that the Havasupai included language in their proposed amendment providing for a comprehensive land use plan. Moreover, the Havasupai and other Indian tribes were this country's first land use planners. Traditionally, Indians set aside areas for living, hunting and grazing, raising crops and for worship. The Havasupai have taken care of the land for 1200 years. It is inconceivable that they would initiate projects that would destroy the land which is their home and which they revere so much.

Sincerely,

LUCY WILSON BENSON,
President.
MARTHA S. GREENAWALT,
Human Resources Chairman.
RUTH L. SIMS,
Action Chairman.

HAVASUPAI LAND AND S. 1296

Dr. Alfonso Ortiz, associate professor of anthropology, Princeton University and editor, Southwest Volumes, "Handbook of North American Indians."

The Havasupai tribe should be granted trust title to 251,000 acres it presently uses and occupies under federal permit. The actions of the federal government confining the people to Havasu Canyon have had a variety of tragic consequences for them, the major ones of which I should like to enumerate.

First, it is no longer possible for all of the Havasupai to live in the Canyon itself; there simply is not enough living space or agricultural land. For this reason there are already more than 100 Havasupai tribal members living out of the Canyon in towns adjacent to the reservation, only waiting for the day that they can be permitted to rejoin the rest of the Tribe and re-establish their community on the plateau lands. The restriction of the Havasupai to the stark isolation of the Canyon bottom and this separation of families and clans are seriously disrupting a complex web of kinship ties and economic networks.

The stark isolation of the Canyon itself poses very special problems in obtaining health services. Confining the aged and the infirm of the reservation to the Canyon puts their very lives in unnecessary jeopardy. Tribal members tell of instances in recent years when adults and children have died because they could not be gotten out of the Canyon and to medical help on time. Nor would it be at all realistic to expect the old and infirm to relocate in off-reservation towns, since they may have no close relatives to care for them there, and no income to draw upon. Again, the most humane and just alternative would be to give the Tribe trust title to the canyon-top land so that those who need to do so as well as those who wish to do so, can continue to exercise the option of living within convenient, year-round access to modern medical and other facilities.

Yet another consideration is the fact that, at the age of 10, Havasupai children have to be sent to a boarding school 300 miles away from the Canyon to continue their education. Thus, confining their families to living within the Canyon year-round, in effect, precludes parents and children from seeing one another at all during the long periods in the school year when it is not safe to attempt to enter or leave the Canyon, because of the snow. Parents of such children should be permitted to reestablish their homes on the plateau so that during this academic year they and their children can be accessible to one another for school holidays and during emergencies.

Many other considerations could be cited, some economic, some political, and some social, but in the end the most persuasive reason for granting the Havasupais trust title to the use area is the simple one that it is their traditional homeland—land to which their aboriginal rights have never been extinguished. They feel their identity as a people bound up with that area, and there are sacred places there, places to which they believe they must have unrestricted access for individual and tribal well-being. Beyond these general considerations, the Havasupais have, through the centuries, evolved a complex and responsible pattern of everyday usage of the area in question, from gathering medicinal plants and herbs to grazing stock and making their homes and raising their families. It is therefore difficult for them to imagine not having these everyday use rights protected by title, rights which have never resulted in any despoilation of the land. For this reason alone, in the name of simple justice, they should be granted trust title to the 251,000 acres.

EXHIBIT D

THE GRAND CANYON BILL: AN APPEAL FOR JUSTICE

(By Alvin M. Josephy, Jr.)

Senior Editor, American Heritage, Author of The Patriot Chiefs and The Indian Heritage of America, formerly Consultant to the Department of Interior on conservation issues.

In its consideration of S. 1296, the 93rd Congress has a priceless opportunity to afford simple justice to the Havasupai Indians of Arizona, who are now confined to the bottom of the Grand Canyon, and to grant them the opportunity to enjoy their full rights as citizens. This is their last best chance.

The tragic history of the Havasupai people, since the creation of the Grand Canyon National Park in 1919, should provide sufficient testimony to the Congress on the need for prompt remedial action—action long overdue. Assigned to a 518-acre reservation on the Canyon bottom in 1882, the Tribe has, for more than 65 years, used and occupied an additional 251,000 acres of land under annual federal permit. Most of this is the surrounding plateau land, a small part of the Tribe's ancient homeland, where the bones of their ancestors lie and still the sacred land of their religion. Over the years, the National Park Service has driven the Havasupai off the plateau, burning down their homes to force them into the Canyon and, as late as 1952, hauling them off the plateau in trucks. Today, only Havasupai livestock are free to live on the Havasupai permit lands on the plateau. Today, down in the Canyon, the Havasupai people face extinction from disease, poverty, and the eventual collapse of their society, their culture and their religion.

The Havasupai are appealing to Congress for trust title to their permit lands so that they may be free of the dangers of Park Service administration and may once again resume a secure and decent life on the plateau. There are even a few vacant homes still up there that have not been burned down and, for years, their Havasupai owners have been waiting for the day it will be safe to return. Surely, we can afford to honor their request.

The conditions imposed on the Havasupai by the United States today have no parallel anywhere in our Nation. While American Indians were once restricted to their reservations by force of arms, today they come and go in freedom and enjoy trust title to their lands. The Havasupai, by fact of their banishment to the bottom of an almost-inaccessible canyon by the Park Service, are not really free, do not have the full enjoyment of their land, and ultimately are denied their right to be Indian, the right to continue their existence as a people.

It has been suggested that there be a study of Havasupai land needs. That is like studying navigation while the ship is sinking. There is no need for a study. As recently as 1972, the Department of Interior recommended that the Havasupai be granted trust title to their permit lands, confirming repeated recommendations of federal officials throughout this century. If, as some Members of Congress agree, this is the Havasupai's last real chance to get trust title, then a study is merely an euphemism for betrayal.

It has been proposed by some that the remedy for the Havasupai is to grant them a permanent, rather than an annual, permit to their land. No society—American or foreign, Indian or non-Indian—can sustain itself and provide for the future on the basis of a permit. Surely, such a notion must run contrary to the entire concept of our democracy.

As an historian of American Indian affairs, as an active advocate of rational conservation measures, and as a citizen, I wholeheartedly support the Havasupai.

EXHIBIT E

STATEMENT BY THE PRESIDENT

I am pleased to announce my support of a major enlargement of the Havasupai Indian Reservation in the Grand Canyon. Ousted from lands on the canyon rim almost a century ago, the Havasupai Tribe lives isolated on two small tracts at the bottom of the canyon. The tribe has patiently appealed for the restoration of a land base on the rim. This addition would return historic and religious sites, ancient burial grounds, and life-sustaining springs to the Havasupai. In addition to its historic and religious claims, the tribe needs this land to relieve overcrowding on the reservation and to provide a better economic base.

The land which the tribe seeks lies within the national park and forest systems. When Senators Goldwater and Fannin introduced a bill to enlarge the reservation early in this Congress, the Departments of Interior and Agriculture took the position that a year should be devoted to studying the question. However, after consultation with Secretary Morton, Secretary Butz, Commissioner Thompson, the Arizona delegation, and receiving representations of the tribe, I have concluded that the Havasupais have waited long enough. The House Interior Committee will take up the bill early next week and Congressman Steiger will offer this plan as an amendment to the bill at that time.

Therefore, I am recommending first that sufficient acreage to meet the tribe's economic and cultural needs, up to 251,000 acres of national park and forest lands, be held in trust for the Havasupai Tribe; second, that the tribe and the National Park Service conduct a joint study of the area held in trust and develop a Master Plan for its management, and, third, that the Secretary of the Interior be given a right of access over the lands deleted from the Grand Canyon National Park and held in trust for the Havasupai, in order that he may continue to administer the matchless resources of that park. This plan, which would be due a year after enactment of the legislation, would preserve the area's scenic and environmental values, with special provisions for environmentally sensitive uses. During the interim, the National Park and Forest Services would administer the area so as to protect the status quo: that is, no development would be permitted, and use could not exceed present levels. What I am proposing, in short, is instant trust status for the land which the Havasupais have claimed and one year later a determination by both the tribe and the Secretary of the Interior as to how the values which originally led to the inclusion of the area in national parks and forests can be maintained under Indian ownership.

I note that the acreage to be placed in trust for the tribe does not include a corridor along the Colorado River. This corridor is under scrutiny by the Department of the Interior for possible wilderness designation, and today's recommendation would not affect the outcome of that decision-making process.

With the environmental protections built into the recommendation I am making today, I believe that transfer of park and forest lands into trust for the Havasupais would protect the integrity of the area. We must remember that the conservation record of the American Indian, stretching over the thousands of years he has inhabited this continent, is virtually unblemished.

THE VICE PRESIDENT AND PRIVACY

Mr. ERVIN. Mr. President, last Thursday, May 9, Vice President GERALD FORD addressed the 1974 National Computer Conference in Chicago on the Right to Privacy.

The Vice President heads the Domestic Council Committee on the Right to Privacy which in a few weeks will publish the administration's program to safeguard this very important constitutional and personal right. I was gratified that the Vice President was chosen to head this committee. For the first time this gives needed visibility to congressional efforts to ensure that individual rights are not trampled and forgotten in the zeal for administrative efficiency and convenience. His leadership gives this effort the requisite symbolic importance it deserves.

It is, of course, too early to tell what the Vice President's program will be. I must admit to a certain sense of caution since the committee is composed entirely of the heads of Government departments where privacy most needs to be recognized and protected. But I am hopeful that through Mr. FORD's leadership the committee will take an active and aggressive stand on the threats to personal privacy from within as well as without the Federal Government.

There are, as my colleagues in both Houses know, a number of privacy bills currently under consideration in Congress. In the Senate these are the criminal justice data bank privacy legislation, S. 2963 and S. 2964, introduced by Senator HRUSKA and myself, the Army surveillance bill, S. 2318, the Bayh bill to impose privacy protections on Federal computer systems, S. 2542, and Senator GOLDWATER's omnibus privacy bill, S. 2810 and amendment 994, as well as another version of this proposal introduced by Senator PERCY and myself. I am hopeful that Mr. FORD's committee will support this legislation publicly and endeavor to educate the various Government departments on the need for them.

Already the Privacy Committee has discovered how vigilant it must be to prevent Government agencies from pursuing their data bank ideas in total ignorance of privacy considerations. In his speech, Mr. FORD makes reference to a GSA-Agriculture proposal called FedNet which would initiate a possible national data bank. That idea was firmly rejected almost 10 years ago. Unfortunately, some officials in GSA were unaware of the implications of their computer network. I am pleased that Mr. FORD is concerned with FedNet. So am I. Senators HRUSKA and GOLDWATER and I wrote to GSA last week informing the agency of our position that the FedNet idea should not proceed without a full public airing in Congress. Similar expressions of concern have been voiced by Members of the House. I look forward to working with Mr. FORD and my other colleagues on the FedNet problem.

I also welcome cooperation with Mr. FORD on other privacy problems. This is a subject which transcends party and ideology. The Vice President has written asking for my assistance and that of the Constitutional Rights Subcommittee in developing an effective privacy program. I can assure him that I stand ready to provide whatever help I can in our mutual efforts.

Mr. President, I ask unanimous consent that the Vice President's speech of May 9 be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY VICE PRESIDENT GERALD R. FORD AT THE NATIONAL COMPUTER CONFERENCE, CHICAGO, ILL., MAY 9, 1974

I thank you for this opportunity to address the 1974 National Computer Conference and Exposition.

The invitation extended by the American Federation of Information Processing Societies was timely. I am learning about computer technology and data processing from the viewpoint of my new responsibilities as Chairman of the Domestic Council Committee on the Right of Privacy.

I am aware that the notion of leaving the protection of individual privacy to Government officials has been compared to asking the fox to protect the chicken coop. But five months ago—when the most intense investigation ever focused on a nominee for the

Vice Presidency was directed at me—I awakened to the privacy issue in a very real and personal sense. I was one of the chickens.

On a previous visit to Chicago, I had occasion to refer to some foxes who passed themselves off as elephants in the 1972 election. I am speaking of some characters in the CREEP organization and CREEP's invasion of the privacy of political opponents. This made me more aware of what could happen to our sacred right to privacy. I deplore such violations of traditional standards of honesty and decency in our political life.

I told President Nixon of my concerns, and he appointed me chairman of the Committee on the Right of Privacy. I welcome the challenge.

I know that there have been previous commitments, previous studies, and previous recommendations to deal by legislation with privacy problems. It is too early to forecast the outcome. I realize that too many findings have been ignored and too little actually done. The time has come for action. I will do all in my power to get results.

My first act as chairman involved complaints about an Executive Order of the President that permitted the Department of Agriculture to review the income tax returns of farmers to obtain data for statistical purposes. The President asked me to look into the matter. I immediately discussed the Executive Order with Secretary Butz and recommended that it be withdrawn. The President accepted my recommendation.

Let me tell you about the development of the Committee that I head. I wanted to chair this Committee with a staff of our own selection. I asked my former law partner, Philip Buchen—a distinguished advocate of personal freedom—to come to Washington as the Committee's Executive Director.

Interagency task forces were formed to make recommendations. Contributions have come also from the Congress, State governments, industry, citizens' groups, private individuals, academic experts, and some Federal agencies not represented on the Committee. We wish to invite our hosts, the American Federation of Information Processing Societies, and all constituent groups to become involved.

Today I would like to cite an example of a development that concerns our committee. The Government's General Services Administration has distributed specifications for bids on centers throughout the country for a massive new computer network. It would have the potential to store comprehensive data on individuals and institutions.

The contemplated system, known as FEDNET, would link Federal agencies in a network that would allow GSA to obtain personal information from the files on many Federal departments. It is portrayed as the largest single government purchase of civilian data communication equipment in history.

I am concerned that Federal protection of individual privacy is not yet developed to the degree necessary to prevent FEDNET from being used to probe into the lives of individuals.

Before building a nuclear reactor, we design the safeguards for its use. We also require environmental impact statements specifying the anticipated effect of the reactor's operation on the environment. Prior to approving a vast computer network affecting personal lives, we need a comparable privacy impact statement. We must also consider the fall-out hazards of FEDNET to traditional freedoms.

I can today make known that the Privacy Committee staff is proceeding with a project to develop recommendations for assuring that personal privacy rights are given systematic and careful consideration in the planning, coordination, and procurement of Federal data processing and data communications systems.

Our objective is to formulate an action plan by June 30. An interagency task force has been given the assignment.

Assignments have also been made for other task forces to work on problems involving:

Social security numbers;

Protection of personal privacy interests of consumers;

Preserving confidentiality of personal records used for statistical and research purposes;

Ways of notifying people of their rights with respect to various types of information they are asked to provide to Federal agencies;

Mailing list practices of the Federal government; and

Legislative proposals aimed at protecting the personal privacy interests of individuals on whom Federal records are maintained.

In addition, staff work and outside research are under way or planned on problems such as:

Development of basic legal concepts for articulating privacy rights;

Confidentiality of personal tax returns submitted to the I.R.S.;

Personal privacy rights of Federal employees;

Types of personal information that should not be collected;

Administrative procedures that would enable individuals to know about, and to correct errors in personal data files maintained by Federal agencies; and

Means for limiting the range and volume of personal data collected by the Federal Government.

In dealing with troublesome privacy problems, let us not, however, scapegoat the computer itself as a Frankenstein's monster. But let us be aware of the implications posed to freedom and privacy emerging from the ways we use computers to collect and disseminate personal information.

A concerned involvement by all who use computers is the only way to produce standards and policies that will do the job. It is up to us to assure that information is not fed into the computer unless it is relevant.

Even if it is relevant, there is still a need for discretion. A determination must be made if the social harm done from some data outweighs its usefulness. The decisionmaking process is activated by demands of people on the Government and business for instant credit and instant services. How can we offer service to people without doing disservice to their privacy?

Computer technology has made privacy an issue of urgent national significance. It is not the technology that concerns me but its abuse. I am also confident that technology capable of designing such intricate systems can also design measures to assure security.

There is no mention of the "right of personal privacy," as such, in the United States Constitution. But, as far back as 1928, Justice Brandeis expressed the idea that the right of individual privacy is broadly protected by the Constitution. For example, illegal searches and seizures are explicitly forbidden in the Constitution. Moreover, the general right to privacy certainly can be regarded as one of the unenumerated rights that the Ninth Amendment reserves to the people.

There will evolve a more comprehensive body of law on privacy from issues to come before the courts. But much can be done through executive and administrative actions—both in government and in business—to meet the growing public desire for protection of each individual's right of privacy.

Sensitivity was shown by planners of this conference to the right of privacy as affected by personal data collection and processing. I am pleased that five of your scheduled work sessions concentrated on privacy problems. I wish my time had permitted me to attend these sessions, including the meeting on Humanization of Information Systems.

The need to humanize information systems best expresses how we should approach the privacy issue.

People feel threatened by big information systems just as they are troubled by the growth of big government, big business, big unions, and by big institutions generally. Anxiety is experienced because big systems and big organizations seem inhuman in that they appear not to respect a person as an individual but treat him as just another in a broad category of persons.

As one processor of mail for a large organization said: "The saddest thing of all is reading letters that begin, 'Dear Computer, I know there are no humans there.'"

For 25 years I served in the Congress and watched the social planners. One huge program after another was enacted. Rigid categorical standards were applied to people with a sweeping brush. We began the programming of people before computers were invented.

It is my conviction that the time has come to show greater respect for individual differences and to cease programming people as though they were objects.

We are approaching the celebration of this country's bicentennial. A major commitment we should all make for America's third century is to work together to humanize the operations of our computers, our institutions, and our government. As Theodore Roosevelt put it very simply 70 years ago: "The government is us; we are the government, you and I."

THE TRIUMPH OF GOLD

Mr. GOLDWATER. Mr. President, in all of the years I have served in the U.S. Senate, I cannot recall any experience more exciting or interesting than the day after Donald McLaughlin, probably one of the world's leading experts, testified before the Banking and Currency Committee, of which I was then a member. It was an interesting debate because both sides presented their arguments in a highly intelligent and understandable way and one could find points that both made. I, however, having long believed that gold is the sweat of man and the only logical basis for money, agreed with Dr. McLaughlin, not so much for his arguments on the gold standard, but the fact that as long as 2,000 years ago, arguments were made in favor of fiat money as part of a planned and regulated society. In spite of the proof of centuries that fiat money never works but only brings disaster, our country and the other countries of the world are now engaged in this destructive and demonstratedly ridiculous approach. Dr. McLaughlin has made another cogent argument in favor of gold as a standard for our money, and it appears in a paper, "The Triumph of Gold," printed by the Committee for Monetary Research and Education, Inc. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the tract was ordered to be printed in the RECORD, as follows:

The Triumph of Gold

(By Dr. Donald H. McLaughlin *)

In the monetary world today a sharp confrontation exists between the advocates of fiat or authoritarian money and those who insist that sound money must be based on gold. The conflict is not new. More than 2,000 years ago, Plato argued in favor of fiat money as a part of his planned and regulated society, while Aristotle advocated metallic money as the most suitable, if not the only reliable instrument of free trade. This basic disagreement still persists and now is at a stage when decisions will have to be made that are certain to have far-reaching consequences for many years to come. Even though monetary policies are only one factor in the interplay of forces that shape the economy and social order of the times, it is not too much to say that, if stable money that inspires and deserves confidence is not regained, the system we call free enterprise, and the personal freedoms that go with it will be seriously endangered.

Fiat money is the type of money most nations use today—money that derives its value simply from the edict of a government that a certificate issued by it is legal tender which must be accepted when offered in payment of a claim or debt. Until a few years ago, our bills stated that they were "redeemable in lawful money"—which most readers of the Constitution would assume to be gold or silver coins. Today, the fine print on the greenback simply states "This note is legal tender for all debts public and private."—And on the reverse side, in somewhat larger type, the notes of the Federal Reserve now proclaim somewhat gratuitously: "In God We Trust." The change was scarcely noticed by the general public, for the government had already repudiated its pledge by denying citizens the right to claim gold for their dollars or even to own gold. The repudiation was made complete and our currency became no more than fiat money internationally as well as domestically when on August 15, 1971 the gold window was closed and dollars held by foreign central banks could no longer on demand be converted into gold.

In a monetary system based on gold, currencies were redeemable in gold at a stated rate and a government had to preserve a reasonable balance, both domestically and internationally, between its income and expenditures if confidence was to be maintained in its monetary bills. If a government created too much paper money, a concerned citizen could express his distrust by demanding gold for the certificates he held. Gold was the standard,—the *numeraire* to use a term recently introduced by the French. It provided a base to which all currencies could be related and which no single nation could modify to suit its varying fortunes.

The well-ordered system, which developed during the 19th century, was disrupted by the overwhelming disaster of the first World War with its unparalleled losses of property and life. The gold standard was one of the casualties, not because of its shortcomings, but simply as a consequence of the disruption of rational economic relations. When national survival is at stake, no sacrifice is too great, including the confiscation of wealth. Since inflation is a more subtle means of confiscation than excessive taxes or the out-right taking of property, all governments resorted to it as the most easily tolerated device for meeting the financial demands of the desperate conflict. The discipline imposed by gold would have made such practices impossible—and hence, under the stresses of war, the gold standard was abandoned.

In the case of Germany, the heavy losses and the defeat in World War I, intensified by the harsh terms of the Treaty of Versailles, resulted in 1923 in virtually a complete repudiation of the currency, and all holders of claims expressed in the old marks lost these claims almost in their entirety.

Even the victors were not spared. England, with an impractical devotion to the ideal that debts should be paid in money of the same quality as that in which they were incurred, tried to restore the old gold standard with the gold content of the pound sterling unchanged in spite of the heavy losses the Empire had suffered and the huge claims, at home and abroad, against the remaining assets. The honesty of the attempt might be admired, but not the common sense of those who urged it. Of course, it didn't work.

Eventually the pound sterling had to be devalued, as it was in 1931, when its gold content was reduced. In 1934, the same course was followed by the United States by changing the definition of the dollar from 23.22 grains of pure gold to 13.71 grains, the equivalent of increasing the dollars per ounce of gold from $20.6718 to $35.00. These moves, however, were delayed too long and their benefits were lessened by many restrictions placed on the disciplinary power that gold formerly had over politicians and money managers. Among them was the denial of the freedom that individual citizens had possessed in the past to own gold and to convert their paper dollars into gold. And the change came too late to check the severity of the depression to which the ill-advised effort to preserve the old gold content of the pound and the dollar at their pre-war level had undoubtedly contributed.

Then came the next disaster, the second World War, which again was financed to a major degree by expansion of the money supply and inflation. In the pre-war period, however, and in the turmoil that followed, so much gold had accumulated in the United States that the gold backing of the dollar at the time of the Bretton Woods conference (1944) seemed a solid basis on which to build the new monetary system. Gold reserves with the dollar valued at 1/35 of an ounce of gold had reached $22 billion in 1941 and continued to rise to a peak of $24 billion in September 1949.

Since the late 1940's, however, the United States has persistently followed international and domestic policies that have resulted in a succession of deficits which in one way or another had to be financed through expansion of the money supply with the inevitable inflation that accompanies this procedure. The continuation of practices of this sort, after the extreme urgencies of the war had passed, is hard to defend. There is a difference between an inflation forced on a nation by a major calamity and one created by deficits that could be avoided.

At Bretton Woods the dollar was recognized as a key currency redeemable in gold, if presented by central banks, though not if presented by individuals. With the large quantity of gold then held by the United States, there seemed no reason to fear repudiation of this pledge. Within fifteen years, however, even this vast stock of gold proved inadequate to finance the accumulation of claims in dollars resulting from persistent deficits in international payments. To some degree, these deficits arose from worthy efforts such as the Marshall Plan, but in the main they were the result of unwise decisions to indulge in practices involving expenditures far in excess of the revenues of the government. The result was a diminution of the gold stock of the United States to a low of 276 million ounces ($9.66 billion at $35 per ounce of gold) accompanied and followed by a rapid build-up of short-term claims in dollars in foreign hands, when our government became reluctant to honor the pledge to redeem them in gold.

For a period of seven years that ended close to the Ides of March in 1968, the United States Treasury in conjunction with several other major governments attempted to keep the "price" of gold on the London Market from rising by selling gold from their reserves at the official rate of $35 per ounce, a procedure that eventually reduced the monetary gold stocks by 2.3 billion dollars or about 5 per cent. At the present market price of gold (January 1974), the loss would be over 9 billion dollars. All in all, the attempt by means of the London gold pool to prevent an increase in the price of gold was one of the greatest misguided speculations in history. The buyers of gold were castigated as "speculators"—but the real culprits were the officials of governments and banks who used the gold entrusted to them in this futile attempt to preserve the value of their depreciating currencies. This ended in March 1968 with the abrupt statement that the central banks had an adequate supply of gold and no longer would sell or buy gold except in intergovernmental transactions.

On that weekend, the gold miners in the United States were notified that their one customer, the Treasury, which heretofore had taken the entire output at a fixed price, would no longer do so. The miners were told that they had the privilege of exporting or selling to anyone with a license to buy gold at whatever price such a restricted market might command. As was to be expected, there followed a busy ten days or so, but with U.S. consumption of gold for non-monetary purposes more than four times the annual U.S. production, there was no lack of customers. For the next two years, the market price remained close to the official rate, while a large part of the newly acquired gold in private hands outside the United States was being sold. After mid-1971, however, the price began to rise and reached $141 on January 24, 1974.

At first, the United States continued to maintain the fiction that the dollars held abroad by central banks were redeemable in gold at $35 per ounce, but as the claims mounted it became more and more apparent that the pledge could not be met. In spite of a certain amount of bravado in statements to the effect that it was the dollar that gave value to gold, uneasiness on the part of our creditors became more and more acute as the number of dollars in their balances increased while the dollar declined in purchasing power. Central banks for a time politely refrained from attempting to convert their dollars into gold though there were signs that a line was forming at the gold window. However, before the run really started, the window was abruptly shut by President Nixon, on August 15, 1971, with appropriate self-serving explanations, and the pretense that dollars were convertible into gold ended. The dollar had become a fiat currency internationally as well as domestically.

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* Dr. Donald H. McLaughlin, the Chairman of the Executive Committee of Homestake Mining Co., is—and has been for many years—one of the best-known mining experts in the United States. He received his Ph.D. from Harvard, and honorary degrees from five American institutions of higher learning including an L.L.D. from the University of California. He taught at Harvard from 1925 to 1941, and then became Dean of the College of Mining and subsequently Dean of the College of Engineering of the University of California. For the past thirty years Dr. McLaughlin has been associated with Homestake Mining, first as President and later on as Chairman of the Board. He is a director of a number of corporations including the International Nickel Company of Canada, Western Air Lines and the Wells Fargo Bank. For 15 years, Dr. McLaughlin was a Regent of the University of California and for ten years a member of the Board of the National Science Foundation. He is the recipient of many honors, and a member and sometime officer of several professional associations.

Meanwhile, the leading money managers of Europe and the United States, with the cooperation of the IMF, had created a new device known as Special Drawing Rights (SDRs), to serve as a means of settlement of international balances. It is a strange hybrid that in simplest terms can be described as a form of fiat money on an international scale, since the adherents of the plan are obligated to accept this bookkeeping entry (with certain limitations) in settlement of claims ensuing from international transactions. So, we now have an international monetary system in which the national reserves consist of gold, foreign exchange (principally dollars) and SDRs.

With practically all currencies depreciating in value—and the dollar is by no means the weakest—a strange fluidity exists in which individual currencies sink at unequal rates. The term "floating currencies" is really a misnomer when all currencies are sinking in terms of their purchasing power. Instead of a "dirty float", when the market is manipulated by government intervention, the term "dirty sink" might be more appropriate.

To preserve a measure of respectability for the dollar and the SDRs both continue to be defined in terms of gold, although on a different basis. But since neither of these forms of fiat money is redeemable in gold, these *de jure* ties to gold do no more than provide a means of determining their relative official status. The lack of a tie to gold in a *de facto* sense, that the market had all too clearly revealed by valuing gold at 3–4 times the official "price," was formally recognized in November 1973, when the central banks that had been members of the "gold pool" abandoned their agreement to buy and sell gold only among themselves at the official rate.

As might be expected under Gresham's Law, which states that bad money drives good money out of circulation, the central banks are holding on to their gold reserves most tenaciously and balances are being settled in the less desired forms of money. None appears to be eager to avail itself of the new right to sell gold at the current market price and the rumors occasionally spread in Washington that the Treasury would soon sell part of its gold in the market do not seem to be taken seriously. Indeed, it seems more probable that, when balances between central banks are again settled in gold, it will be at negotiated rates at or above the market quotation of the currencies in terms of gold. When this occurs, gold will in fact become the *numeraire* and again serve as the standard by which all currencies are measured. This rather simple procedure may well prove to be more powerful than the pronouncements of international committees and may provide the means for the gradual restoration of gold to its traditional function in the monetary system. The coinage of gold in units of specified content is another way to contribute to this end, and the circulation of coins of this sort, such as the Kruger Rand, is likely to increase as the futile restrictions on ownership of gold are removed.

With the current disarray in the monetary system, the dominance of gold as the one element that commands highest confidence among monetary units is becoming more and more apparent. The power of gold is too great to allow any nation to "demonetize" it. The rise of the market price of gold in currencies reveals their weakness and their relative rates of deterioration rather than any change in the persistent worth of gold. (Europeans remember only too clearly that the price of gold in German marks in 1923 approached infinity, and it is still no less in that now discredited paper.)

In such ways, gold may gradually assume more and more of its traditional functions as money and changes of the sort are likely to contribute far more toward the attainment of an orderly monetary system than the long drawn out debates of technicians, enmeshed in the futility of trying to give validity to a system of fiat currencies or other devices, with no common base, each reflecting the special interests of the issuing nation or agency. In the end, the deterioration of the fiat currencies, including the SDRs and the like, may so clearly demonstrate the dominance of gold that the money managers assembled in their august committees will have the relatively easy assignment of formalizing a *fait accompli*.

Toward the end of 1973 and in early 1974, the dollar strengthened in relation to the pound sterling, as a result of the turmoil in England, and to the yen and currencies of other countries that are more seriously handicapped by the shortage of oil. The dollar's strength, however, is deceptive for it is merely sinking, in terms of purchasing power, less rapidly than the other currencies. The real problems are still with us; and they are: (1) the achievement of reasonable balance in international transactions, (2) the reduction of the immense overhang of debt and particularly of foreign claims in dollars, and (3) the control of inflation, not only in the United States but in other major nations.

Stable money can not be regained until these ends are met, and it is here that the wise use of gold is of critical importance.

The achievement of complete balance in trade and other dealings between nations may be an unrealistic ideal, but efforts to attain it are beneficial. Neither nations nor men are created equal. They differ widely in material resources and in the characteristics of their inhabitants that enable each country to prosper or languish at its distinctive rate. The differences are particularly sharp in this highly technical and scientific age. These differences, however, stimulate trade, and trade involves negotiation and availability of acceptable means of exchange. Today, with fluctuating exchange rates without a base for common reference, another troublesome variable must be kept in mind in the settlement of balances and particularly in planning for the future. If gold were again allowed to function freely as the world's common money, against which all currencies would be measured and compared, trade between nations would be on a far more secure basis. The benefits to be obtained from use of gold in this respect are so clear that in spite of the artificial intricacies created by bankers and politicians, aided and abetted by some economists, gold may gradually resume its traditional function in world trade without the benefit or hindrance of the high priests of monetary ritual. Perhaps, however, even they will be enlightened enough to support this desirable development by eventually recognizing gold as the world's monetary standard of measurement and making more intelligent use of this essential and relatively simple concept.

The huge build-up of debt—both governmental and private, and both domestic and international—is one of the most troublesome and threatening results of monetary practices that have prevailed in the last few decades. The over-hang of debt could, of course, be eliminated by a disaster such as the extreme inflation in Germany in the twenties. Or it could be reduced to a tolerable burden by a substantial write-down in the gold content of the dollar with corresponding changes in other currencies and utilization of the increase in the book-value of monetary reserves of gold to reduce the debt, particularly the eighty billions or more of dollars held abroad.

This procedure, supplemented by conversion of a portion of the remaining short term dollar claims to long term debt at a low rate of interest, was proposed by Jacques Reuff some twelve years ago. Under conditions which then prevailed, he advocated a reduction of 50 per cent in the gold content of the dollar—corresponding to a change from $35 per ounce of gold to $70. With the gold reserves and the obligations in dollars that existed in 1962, a substantial portion of the foreign claims in dollars could have been settled by acceptance of half of the original commitment in gold with enough of the remaining debt converted into long term bonds to reduce it to a tolerable magnitude.

Today, the same procedures could still be used. In the meantime, however, the dollars in foreign hands have more than tripled and the quantity of gold in the reserves of the United States has declined by about 35 per cent. To be at all effective, the reduction of the gold content of the dollar would now have to be at least fourfold. With the current world price of gold of above $140 per ounce, this would not seem as unrealistic as it did twelve years ago. With an increase of this order, amounting to some $30 billion in book value of the gold reserves of the United States, this amount could then be devoted to liquidation of the foreign short-term debt and still leave $10 billion in the Treasury at the new rate for gold. A settlement of this sort would amount to acceptance of a quarter of the quantity of gold that our creditors could have expected under the original pledge of our government to convert dollars into gold. Payment of a third of the debt in bullion and a somewhat larger fraction met by bonds expressed in dollars at this reduced gold content might be a settlement that would be acceptable. Perhaps, a still greater write-up in gold reserves in terms of the dollar and other major currencies would be more realistic with repayment of a larger portion of the dollar debts in gold and a reduced dependence on long-term dollar bonds. In the end, a settlement of claims even at ten cents in gold on the dollar might be preferred by our creditors to further exposure to repudiation of their claims through inflation.

To check inflation by the conventional means of slowing down the economy, curtailing expenditures and accepting a higher degree of unemployment—in other words creating and living with a depression for a while—is neither socially or politically possible these days. No government that tries it is likely to survive—and indeed our system of reasonably free enterprise itself might not endure under such conditions.

The difficult task confronting the capitalistic world, and especially the United States, is to stop inflation—not merely to slow it down—without creating deflationary chaos. This can not be achieved, however, without restraining the extravagant national habits and policies that have led to persistent deficits and their financing by enlarging the money supply. The transition could be best accomplished without sudden imposition of intolerable conditions by a drastic revaluation of gold with restoration of convertibility and utilization of the additional book values thus created for the reduction of debt. This, in my judgment, is the best and perhaps the only mechanism by which the necessary time could be achieved for the gradual changes by which the monetary and economic order might be restored without extreme disturbances that could endanger the freedoms we cherish.

Even an amateur concerned about inflation and monetary problems must be impressed with their complexities. But it may be that he is less hampered by them than the experts, who are masters of technical details but who fail to appreciate the basic simplicities arising from the acceptance of gold as the world's common monetary commodity. Whether or not gold will be employed in this traditional way—and, if employed, will be used wisely and successfully—depends upon the degree to which our leaders and the electorate desire stable money, and the willingness of our people to forego certain of the easy ways of life and chronic overconsumption that make continued inflation and all its evils a certainty. Prices will rise as long as the supply of money increases faster than the supply of goods and services, as it has in the United States for the past twenty years; and when deficits have to be financed, the money supply will be increased as long as there is no effective control on governments and central banks. Inflation can only be stopped by making it impossible for governments to issue paper money without restraint. And the only effective restraint is to tie the supply of money to gold—but this can not be accomplished with any hope of success without a reduction in the gold content of the dollar adequate to offset its decline in purchasing power since convertibility into gold was suspended.

As so often in history, fiat money has been tried and found wanting. It might work domestically if our fiscal affairs and monetary policies were so handled that a reasonable balance between income and expenditure could be maintained and persistent deficits avoided. The experience of the past forty years, however, discourages any hope that this is ever likely to be attained under a system of fiat money, especially in a democratic society.

On the international scale, the success of any scheme of fiat money without the discipline of gold seems even less likely in view of the ambitions of the competing nations, each eager to secure special advantages. How, under these circumstances, can it be expected that SDRs or any other bookkeeping device with not even the credit of a powerful national economy behind it, would command the respect necessary to enforce stern decisions when emergencies had to be faced? Possession of gold is the only sure base of international monetary power.

Today, the Triumph of Gold is being revealed by the dismal record of a system that for nearly four decades has been dominated by the concept of fiat money. With each recurring crisis, the currencies sink lower in terms of the market appraisals of the value of gold. Each time, the cracks in the monetary structure are papered over, but the cracks continue to widen. It is late, but not too late, to save the structure from collapsing. However, it is not likely to be preserved until gold is again recognized as the common money of the world and is allowed to exert its unique strength in its traditional way.

DR. FRANCIS H. HORN—A DISTINGUISHED EDUCATOR

Mr. PELL. Mr. President, recently a noted educator and able public servant, Dr. Francis H. Horn, was honored at a dinner upon his retirement at the age of 65, as president of Albertus Magnus College in New Haven, Conn.

Many tributes were voiced at the dinner by those who have had the advantage of knowing him and being associated with this exceptional man as his distinguished career developed.

As an introduction to Dr. Horn, I would briefly like to note that he is a native of Toledo, Ohio, with an A.B. from Dartmouth College, an M.A. from the University of Virginia, and an M.A. and Ph. D. from Yale University. His honorary degrees are too numerous to mention here.

He has held the presidencies of Pratt Institute, the University of Rhode Island, and the Commission on Independent Colleges and Universities of the State of New York, as well as the latest post from which he now retires.

As chairman of the Senate Subcommittee on Education, the Smithsonian Subcommittee, and the Special Subcommittee on Arts and Humanities, I admire Dr. Horn's accomplishments and outstanding service to education. I salute him for his achievements, which I now have the opportunity of bringing to the attention of my colleagues.

In 1958 Dr. Horn accepted the presidency of the University of Rhode Island. My own work and his have been closely related many times. I have always found him to be a person of great resourcefulness, a man for many seasons, intrepid and challenging in his educational concepts and in the intelligence and wisdom of his approach to life.

I value his friendship. His wide-ranging interests include oceanography, arts and humanities, libraries, and foreign affairs. We have often discussed these subjects together to my own benefit.

Rhode Island—thanks in great part to Dr. Horn—was blessed with an early start in the vital and growing field of oceanography. As president of the University of Rhode Island and a member of the New England Board of Higher Education, he was instrumental in having the university designated as the principal center for graduate studies in oceanography among New England's State universities.

He was also instrumental in establishing the Graduate Library School at the university.

Because of his pioneering work in oceanography, I was better able to bring together the ideas and people to formulate legislation for establishment of the sea grant college program. This program is proving to be highly effective in the development of our marine resources and aquaculture, just as the land grant college program spurred the development of agriculture and mineral resources.

Mr. President, Dr. William R. Ferrante, acting president of the University of Rhode Island paid fitting tribute to Dr. Horn at the testimonial dinner. Dr. Ferrante said in part:

> I have many fond memories of Fran. I learned to respect his intellect and his ideals. I admire his clear insights, his vision and his courage. But, most of all—after a year of sitting behind the president's desk—I have come to regard with some awe his energy, his capacity for work and above all his accomplishments as president of the University of Rhode Island.
>
> Fran Horn's energies at the University of Rhode Island were well spent. The University will always bear his mark. It is a better institution because of him.
>
> During his nine years at Kingston, 61 buildings were constructed or remodeled. Undergraduate enrollment doubled. The number of graduate students more than tripled, and faculty research—the hallmark of the American university of the 1960's—soared 430%. It was his vision which helped change a small struggling marine laboratory into the center for one of the foremost marine science programs in the world. During Fran's tenure, the State's appropriation to URI increased by 400%.

I would like also to quote briefly from Dr. Horn's own remarks at the testimonial, for they demonstrate the warmth of his character. He said in part:

> The satisfactions of the presidency are commensurate with the burdens. Surely one of the greatest of these satisfactions springs from the privilege of constantly working with young people and of rejoicing in the achievements of the graduates of the institution he has headed, especially of those whose lives he has touched in some specific way. But perhaps even greater satisfaction springs from the privilege of working with his administrative and faculty colleagues and of assisting them in their career advancement. In this respect, I am especially proud of the many associates whom I first appointed to major administrative posts who are now college or university presidents or slated to become presidents. Here tonight are four such presidents, including two speakers, and four others are scattered from Ohio to Idaho. Three others among the speakers I first appointed to major administrative posts and they will become presidents some day. . . . Thus, just as the work of a great teacher is continued by his students, so I feel that I will have some influence on higher education through these former associates and other toilers in the academic vineyards.

In his retirement, I know that Dr. Horn will continue guiding and helping and inspiring others, and that he will continue contributing actively to the betterment of our world. I wish him well.

THE NATIONAL DAY OF HUMILIATION, FASTING, AND PRAYER

Mr. HATFIELD. Mr. President, on Tuesday, April 30, a number of Senators spoke on the floor during a 2-hour colloquy regarding the National Day of Humiliation, Fasting, and Prayer, the day recognized by Senate Joint Resolution 183. This was passed by the Senate last December 20, but no action was taken by the House Judiciary Committee, which has been preoccupied with other matters.

As the sponsor of this resolution, I was gratified by the reaction of people around the country to it. Thousands of people organized observances on the State, the local, and the church level. Telephones in my office here have been ringing for weeks as various groups and individuals called to ask what they could do to help, or to let our office know what observances were planned in their locality.

Because the House did not act, the day did not have any official sanction from the Government. In many ways, the outpouring of support for observing the day means even more to all of us involved in its sponsorship. Certainly there needs to be no official Government edict to call the people to repent and to confess their sins—people should feel like doing this and believe in it. The support and the widespread acceptance of this day, therefore, means even more, for it came as an act from the heart. The resolution simply served as a catalyst around which thousands of Americans could rally.

I did not come to the Senate on April 30, and was unable to share my thoughts with my colleagues who spoke on that day. Instead, at the request of Dr. Louis Evans, pastor of the National Presbyterian Church, I participated in a moving service to mark the day. Highlighting the observance was a litany for our

Nation read by Dr. Evans and an eloquent prayer composed by the Reverend Herbert Meza. Also included in the memorable service was an explanation of the origin of the Apostles' Creed which I found very moving.

I ask unanimous consent that the litany delivered by Dr. Evans, the prayer composed by the Reverend Meza and the explanation of the Apostles' Creed be printed, along with my own remarks at the service, in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SERVICE OF REPENTANCE, PRAYER, AND MEDITATION AT NATIONAL PRESBYTERIAN CHURCH

CALL TO WORSHIP: ELDER WENDELL MORGAN

Leader: "God so loved the world that He gave his only begotten Son, that whoever believes in Him should not perish but have eternal life."

People: "God was in Christ reconciling the world to himself—not counting their sins against them—and has commissioned us with the message of reconciliation."

Leader: "The kingdom of the world has become the kingdom of our Lord and his Christ, and He will reign forever and ever."

People: "At the name of Jesus every knee shall bow and every tongue confess that Jesus Christ is Lord to the glory of God the Father."

Leader: "In the name of the Father, and of the Son, and of the Holy Spirit."

People: "Amen."

PRAYER OF CONFESSION

Leader and people: "Almighty God: you love us, but we have not loved you; you call but we have not listened. We walk away from neighbors in need, wrapped up in our own concerns. We have gone along with evil, with prejudice, warfare and greed. God our Father help us to face up to ourselves, so that as you move toward us in mercy, we may repent, turn to you, and receive forgiveness; through Jesus Christ our Lord. Amen."

ASSURANCE OF PARDON

Leader: "Who is in a position to condemn? Only Christ, and Christ died for us, Christ rose for us, Christ reigns in power for us, Christ prays for us.

If a person is in Christ they become a new being altogether—the past is finished and gone, everything has become fresh and new."

Friends: believe the good news of the gospel.

People: "In Jesus Christ we are forgiven."

PRAYER FOR THE NATION: DR. HERBERT MEZA

Hymn No. 152, "When I Survey The Wondrous Cross," Hamburg.

SCRIPTURE AND AFFIRMATION OF FAITH: DR. LOUIS EVANS

Leader: 'Of his own free will, he gave himself up, and took the nature of a servant, being born in the likeness of men. He was humble and walked the path of obedience to death—his death on the cross."

People: "By this we know love, that he laid down his life for us; and we ought to lay down our lives for our brothers and sisters."

LITANY FOR THE NATION: MS. JOAN SALMON

Leader: Mighty God: the earth is yours and nations are your people. Take away our pride and bring to mind your goodness, so that, living together in this land, we may enjoy your gifts and be thankful.

People: For clouded mountains, fields and woodland; for shoreline and running streams; for all that makes our nation good and lovely; we thank you, God.

Leader: For farms and villages where food is gathered to feed our people; we thank you God.

People: For cities where men talk and work together in factories, shops, or schools to shape those things we need for living; we thank you God.

Leader: For explorers, planners, statesmen; for prophets who speak out, and for silent faithful people; for all who love our land and guard freedom; we thank you, God.

People: For vision to see your purpose hidden in our nation's history, and courage to seek it in brother-love exchanged; we thank you, God.

Leader: O God: your justice is like rock, and your mercy like pure flowing water. Judge and forgive us. If we have turned from you, return us to your way; for without you we are lost people.

From brassy patriotism and a blind trust in power; deliver us, O God.

People: From public deceptions that weaken trust; from self-seeking in high political places; deliver us, O God.

Leader: From divisions among us of class or race; from wealth that will not share, and poverty that feeds on food of bitterness; deliver us, O God.

People: From neglecting rights; from overlooking the hurt, the imprisoned, and the needy among us; deliver us, O God.

Leader: From a lack of concern for other lands and peoples; from narrowness of national purpose; from failure to welcome the peace you promised on earth; deliver us, O God.

People: Eternal God: before you nations rise and fall; they grow strong or wither by your design. Help us to repent our country's wrong, and to choose your right in reunion and renewal.

Leader: Give us a glimpse of the Holy City you are bringing to earth, where death and pain and crying will be gone away; and nations gather in the light of your presence. Great God, renew this nation.

People: Teach us peace, so that we may plow up battlefields and pound weapons into building tools, and learn to talk across old boundaries as brothers in your love. Great God, renew this nation.

Leader: Talk sense to us, so that we may wisely end all prejudice, and may put a stop to cruelty, which divides or wounds the human family. Great God, renew this nation.

People: Draw us together as one people who do your will, so that our land may be a light to nations, leading the way to your promised kingdom, which is coming among us. Great God, renew this nation.

Leader & People: Great God, eternal Lord: long years ago you gave our fathers this land as a home for free men. Show us there is no law or liberty apart from you; and let us serve you modestly, as devoted people; through Jesus Christ our Lord. Amen.

Hymn No. 419 "O God of Earth and Altar," Llangloffan.

ACT OF REDEDICATION: DR. CARL PRITCHELL

Leader: Jesus said: Blessed are the poor in spirit for theirs is the kindom of heaven.

People: Thank you God for your Son Jesus, who, though he was rich, became poor to live among us. By his weakness we are made strong, and by his poverty, rich. We commit ourselves to struggle against the arrogance of power that tempts us and hardens our hearts. Forgive us our preoccupation with hero roles; forgive us for the pride of thinking we are a model for all people. Help us to become masters of ourselves so that we may be servants to others.

Leader: Jesus said: Blessed are those who mourn for they shall be comforted.

People: Thank you God for Jesus Christ who on the cross faced evil death and desertion. We have not mourned the stark contrast between affluence and poverty. We commit ourselves not to run from hard realities or to insulate ourselves from the suffering and death that surrounds us. Confirm our faith that victory comes from facing evil and not from sweeping it under the rug.

Leader: Jesus said: Blessed are the gentle for they shall inherit the earth.

People: Thank you God for Jesus Christ our Master, who did not call us slaves but your true sons. We commit ourselves to receive all people in the Spirit through which Jesus has received us. Help us to see His face in every brother and sister.

Leader: Jesus said: Blessed are those who hunger and thirst for what is right; they shall be satisfied.

People: Thank you God for Jesus Christ who overturned man made rules, yet living your law in perfect love. Forgive us when we have privatized our faith and felt that as a nation we were immune from judgement. We commit ourselves to struggle against injustice even when we discover that we are the oppressors. Save us from a "high standard of living" that mortgages the future. Give us freedom to live with your Spirit in justice, mercy and peace.

Leader: Jesus said: Blessed are the merciful for they shall have mercy shown them.

People: Thank you God for your Son Jesus, who gave his life for sinners; who on the cross forgave sin we thought unforgiveable. We commit ourselves to forgive those who have hurt us and to reach out to them in love. Disturb our peace when we use self-righteousness as a weapon.

Leader: Jesus said: Blessed are the pure in heart for they shall see God.

People: Thank you God for Jesus Christ whose words and deeds were pure. We commit ourselves to seek thy will that our hearts may be pure. We will no longer accept self-centeredness as the normal standard of living just because the world says so. Lead us away from the cynicism that accepts evil because "everybody does it". We will no longer tabulate our virtues. Deliver us O God from a divided heart.

Leader: Jesus said: Blessed are the peacemakers; they shall be called sons of God.

People: Thank you God for Jesus Christ who has broken down the dividing walls of hate to make one family on earth. We promise not to accept false peace based on oppression but to seek true peace based on openness and truthful relationships. We resolve not to be ruled by fear, gossip or prejudice.

Leader: Jesus said: Blessed are those who are persecuted in the cause of right; theirs is the kingdom of heaven.

People: Thank you God for Jesus Christ who was persecuted for what he said and did; who took the cross upon himself for our sake. We promise not to be silent in the face of evil but to risk ourselves for what is right. Help us to stand with him in justice and love, and follow where he leads, even to a cross.

Leader: Jesus said: I am the Way the Truth and the Life.

People: O God we rededicate our lives to you. We offer you our hearts, our minds and our wills. Give us the courage to change those things which can be changed, the serenity to accept those things which cannot be changed, and the wisdom to know the one from the other. Thy will be done on earth as it is in heaven. Amen.

PRAYER FOR THE NATION

(By Reverend Herbert Meza)

Almighty God, in whom we trust, and by whose guidance and grace this nation has understood itself to have been preserved, hear our prayers.

With grateful hearts we acknowledge that if a sparrow cannot fall without your notice, neither can a republic rise. Our ascendancy, among the families of mankind, bears the imprimatur of your providence, our present decline the marks of your judgment. So we come, on this day, to explore the fabric and texture of that judgment. Deliver our petitions and prose from being a mere gesture to convention and forbid that your name may merely be inserted here as so much holy spice, without conviction. Rather remind us that only the truth can make us free and that it must come above every privilege, private or executive.

Thus hear our confessions.

Our country now stands as the self-proclaimed leader of the unhumiliated world over against the vast majority of earth's humiliated people. We are blind in understanding the oppressed and the wretched of the earth. Our vaunted experience of virtually unbroken success, our alabaster cities undimmed by human tears, our movement into the strange joys of corporate capitalism have cut us from the rest of the world. O God, forgive us and make us sensitive.

Our fears in international affairs have made us reactionaries. The enemies of our enemy have become our friends . . . and we have made strange associations. We have been driven by our arrogance to insist that there is an American solution for every world problem and thus we have become more imperialistic than imploring at the price of becoming impoverished.

We have placed our trust in spears and swords, which is a practicality placed upon us by a world in which diplomacy is suspect unless it carries a big stick. But the sticks are so big now that we need new words, or old words made new, by recommitment, by example and by deeds. Forgive us for reducing international statesmanship to the level of power politics.

At home we have lost our way, also. Our devotion to partisan politics has taken precedence over our devotion to truth. We have played fast and loose with law and order in the service of national defense. Teach us that if we are to have an order strong enough to resist assaults from without, it must be strong enough to resist corruption from within. Can there be a cure for social and national disorders without some awareness of spiritual bankruptcy.

Prophets and visionaries have received little encouragement from us. People who live by conscience have been made the enemies, and we cannot even understand those who place conscience above state, so that we are willing to grant amnesty to the Hoffas and the Calleys but not to decent Americans who could not bring themselves to kill in the name of national honor.

O God, teach us that the lonely conscience of one man is still the last citadel of freedom. Grant that we may know the difference between principle and politics lest we prostitute one for the other and end up in perversity.

Therefore, give tongue to those who plead for the weak and the oppressed, who whisper hope to the despairing, who work for justice in our common life. We pray for men who know how to hold power without being corrupted by it, who value purity of mind above popularity of the masses, who value sacrifice above personal gain and the Ten Commandments over the Fifth Amendment. Above all, let each of us write our own Declaration of Independence, so that in pulpits and in pews, we may be free from partisans and patrons. Remind those of us who serve you that we have been bought by the blood of Christ, that we have been set free to serve the nation by a higher law, which was signed at Calvary. Let that now be written in our hearts til we are led captive by His Love and in that captivity find our true selfhood.

We pray in the name of one who never held a public office, but who loves the public and even the publicans, Jesus Christ our Lord. Amen.

Statement on the Apostles' Creed by the Rev. Louis T. Evans, Jr., Pastor

The origin of the Apostles' Creed by which we are about to confess our faith is unclear but evidently it grew through the Second and Third Centuries until it came to this form which we know today. This was during a time when to be a Christian was very costly; in fact many Christians, brought before the Roman courts and told to "curse Christ and swear by the fortunes of Caesar," were baptized in their own blood. One such occasion was the witness and death of Justin, called the Martyr, in A.D. 165. Since the time of Nero most probably, Christianity of itself was a crime worthy of death and many a Christian had to choose between his loyalty to Christ and his fealty to Caesar. Political and popular attitudes demanded that citizens give up all other loyalties that would conflict with the desire of the State. Christians refused to do so and they were brought before the magistrates and prefects of the Roman Government who according to the *lex romanum* could not convict without direct statement of belief from the defendant.

Justin was brought before the Roman prefect Rusticus, who said to Justin: "Do those doctrines please you, miserable man?"

Justin said: "Yes, for the belief in accordance with which I follow them is right."

The prefect Rusticus said: "What belief do you mean?"

Justin said: "That which we religiously profess concerning the God of the Christians, in whom we believe, one God, existing from the beginning, Maker and Artificer of the whole creation, seen and unseen; and concerning our Lord Jesus Christ, the Son of God, who hath also been proclaimed aforetime by the prophets as about to come to the race of men for herald of salvation and for master of true disciples. And I, being but a man, regard what I say to be of little worth in comparison of His Infinite God-head, but there is a power in prophecy, and that I acknowledge; therein hath proclamation been made aforetime of Him of whom I just spoke as the Son of God. For I know that from the beginning the prophets foretold His coming among men."

Being then asked where Christians met, Justin responded in very generalized answer, and when asked to be more specific, said simply "His own house." Rusticus said: "To come to the point then, are you a Christian?" Justin said, "Yes, I am a Christian."

The prefect Rusticus said to Chariton: "Tell me further, Chariton, are you also a Christian?" Chariton said: "I am a Christian by God's command." The prefect Rusticus said to Chariton: "What do you say, Chariton?" Chariton said: "I am a Christian by God's gift." Rusticus said to Euelpistus: "And what are you?"

Euelpistus, a slave of Caesar answered: "I also am a Christian, freed by Christ, and share by the grace of Christ in the same hope." The prefect Rusticus said to Hierax: "Are you also a Christian?" Hierax said: "Yes, I am a Christian, for I worship and adore the same God." the prefect Rusticus said: "Did Justin make you Christians?" Hierax said: "I was, and shall ever be, a Christian." A man called Paeon stood up and said: "I also am a Christian." The prefect Rusticus said: "Who taught you?" Paeon said: "I received from my parents this good confession." Euelpistus said: "I listened indeed gladly to the words of Justin, but I too received Christianity from my parents." The prefect Rusticus said: "Where are your parents?" Euelpistus said: "In Cappadocia." Rusticus said to Hierax: "Where are your parents?" He answered, saying: "Our, true father is Christ, and our mother our faith in Him. My earthly parents are dead, and I was dragged away from Iconium in Phrygia before coming hither." The prefect Rusticus said to Liberian: "And what do you say? Are you a Christian? Are you a unbeliever like the rest?" Liberian said: "I also am a Christian; for I am a believer and adore the only true God."

Rusticus, evidently bored by this tedium, came to the point: "Let us now come to the pressing matter in hand. Agree together and sacrifice with one accord to the gods." Justin said: "No one who is rightly minded turns from true belief to false." The prefect Rusticus said: "If you do not obey ye shall be punished without mercy."

Justin said: "If we are punished for the sake of our Lord Jesus Christ we hope to be saved, for this shall be our salvation and confidence before the more terrible judgment-seat of our Lord and Saviour which shall judge the whole world." So also said the other martyrs: "Do what you will. For we are Christians and offer no sacrifice to idols."

Rusticus the prefect gave sentence: "Let those who will not sacrifice to the gods and yield to the command of the Emperor be scourged and led away to be beheaded in accordance with the laws."

The holy martyrs went out glorifying God to the customary place and were beheaded, and fulfilled their testimony by the confession of their Saviour.

Let us rise and so confess our faith:

THE APOSTLES' CREED

I believe in God the Father Almightly, Maker of heaven and earth. And in Jesus Christ his only Son our Lord; who was conceived by the Holy Ghost, born of the Virgin Mary, suffered under Pontius Pilate, was crucified, dead, and buried; he descended into hell; the third day he rose again from the dead; he ascended into heaven, and sitteth on the right hand of God the Father Almighty; from thence he shall come to judge the quick and the dead. I believe in the Holy Ghost; the holy catholic church; the communion of saints; the foregiveness of sins; the resurrection of the body; and the life everlasting. Amen.

The National Day of Humiliation, Fasting and Prayer

(By Senator Mark O. Hatfield)

Today we are gathered together in a service of prayer and meditation to ask God's forgiveness for our past, assured of His pardon and grace that will give us the strength to go forward in His name. By our presence here today we are saying to ourselves that we have examined our own lives and the life of this nation and have found them both incomplete. We have realized that it is much easier to think that we merit God's blessings than to admit that we, as a nation, stand in need of His forgiveness. There is a great tendency in our own personal lives, as well as in our corporate life as a people, to refuse to acknowledge error, preferring instead to rationalize our own mistakes by implying that "Everyone does it," or that "the end justifies the means," all of which leaves us morally bankrupt. This is especially true for those of us in public life where human fallibility is equated with weakness. The greater the power and fame one possesses, the greater the urge to self-vindication. The result can only be a self-righteousness that blinds us to our mistakes. Thus, any means to sustain that power becomes acceptable, and force becomes its own justification. Right and wrong are then defined by those in power. It is out of this context that corruption in both high and low places comes. Whenever right and wrong are defined by those in power, abuse of that power will soon follow. Error is not tolerated in such a condition, and confession of error is viewed with contempt.

In sharp contrast to our own world which seems to say, "might is right," is the picture of the humble servant of Jesus Christ. In the person of Jesus, God revealed to man characteristics of true power—the power of weakness and humility, not of force and arrogance. Jesus Christ came, not to be served, but to serve. The picture of the Lord of the Universe washing the disciples' feet is a difficult one for us to understand in a nation and world that sees strength as synonymous with pride and stiff-necked defiance.

As the wealthiest nation on earth, we are inclined to use our power to satisfy our own national needs. As we become richer, the less affluent nations of the world, from which we extract our natural resources, become increasingly poorer. The exploitation of the poor countries, even though not totally without benefits for those countries, is demanded by the consumption of products they do not enjoy. Although we as Americans compose only 6% of the world's population, we consume 40% of the world's resources. Much of that consumption is the result of our style of life which is based on convenience and disposability. We are bombarded with claims that Brand X will make us look better, feel better, smell better; or allow us to do it quicker and easier; or leave us with no mess to clean up afterwards; or all three. When Brand X is used up, we are told to simply throw it away and buy a new one. The supply, we are led to believe, is endless.

In theological terms we can view this consumptive-disposability-convenience mindset as a lack of stewardship. The book of *Genesis* tells us that God created the world, and it was good. Man was given the job as the caretaker of Creation. However, we have failed miserably in that task and are in need of God's forgiveness and redirection. In our own desire for material goods, we have polluted our sky and waterways, creating an ecological imbalance that threatens the life of our planet. The unrestricted use of our natural resources has created in us a tremendous appetite of consumption which sacrifices the beauty of the land in order to satisfy its own desires. Yet, we must begin to understand that we are a part of the Creation ourselves, and to do injustice to the earth in search of material wealth is to destroy a part of ourselves and does offense to the Creator.

Our consumption of resources and pursuit of wealth shape our definition of security. We need to protect what we have, and protect the right to get what we need. We call this protecting our "security." When our wealth and possessions begin to come at the expense of others, this accentuates the need for our "defense." So, the forces of materialism find a comfortable alliance with the forces of militarism—in both individuals and nations. Saint James speaks of the causes of war in similar terms; when he says:

"What causes wars, and what causes fighting among you? Is it not your passions that are at war in your members? You desire and do not have; so you kill. And you covet and cannot obtain; so you fight and wage war. You ask and do not receive, because you ask wrongly, to spend it on your passions. Unfaithful creatures! Do you know that friendship with the world is enmity with God?"

Thus when a nation lives in idolatry of its wealth and power, there will be jealousy, suspicions, hatred, and war. Violence is an inevitable result and this brutalization is daily increasing in our world. We are beset with the psychology of war, we are over laden with the means of war, we are addicted with the ways of war, and we are enslaved in a belief in war. Alexander Solzhenitsyn has observed:

"Violence is brazenly and victoriously striding across the whole world. There was a time when violence was a means of last resort. Now it is a method of communication."

Our lack of stewardship can also be seen in the wasting of human resources—the lives of millions of people in our nation and the world. Two-thirds of the world's deaths are the result of hunger or disease related to hunger. In our own country there are still hundreds of thousands who are hungry and ill-nourished, forced to live in the squalor of institutionalized poverty. The child who knows only the pangs of hunger is chained to a life of mere subsistence, unable to fully develop his potential as a child of God. His soul is not free to know the job of existence if his stomach continually cries for nourishment. The racism that is too much a part of our daily lives is an all-consuming fire that, if allowed to grow, will envelop the hearts of individuals and nations, and destroy us all. Love fulfills and completes, while hatred only consumes all into waste.

We are in need of God's grace to show us a new direction. This is what repentance means—turning around; beginning anew. Repentance must be both on the personal *and* national level, remembering that the Old Testament prophets—Amos, Hosea, Isaiah, not simply individuals to repentance. These prophets understood the corporate nature of sin and saw the need for a national confession that would cleanse the country's soul and allow it to return to God's standard of justice. Yet our corporate confession must not stop as we walk away from this church today. Alike in thought and deed, what we do must reflect what we say. Otherwise, the words of God become a heavy burden on our soul:

"I hate, I despise your feasts, and I take no delight in your solemn assemblies ... Take away from me the noise of your songs; to the melody of your harps I will not listen. But let justice roll down like waters, and righteousness like an ever-flowing stream." (Amos 5:21–24)

Often we have contented ourselves with only words of repentance. God demands more of us than just words. A poet expressed this beautifully when he said:

LISTEN, CHRISTIAN

(By Bob Roland)

I was hungry
and you formed a humanities club
and discussed my hunger.
Thank you.

I was imprisoned
and you crept off quietly
to your chapel in the cellar
and prayed for my release.

I was naked,
and in your mind
you debated the morality
of my appearance.

I was sick
and you knelt
and thanked God
for your health.

I was homeless
and you preached to me
about the spiritual shelter
of the love of God.

I was lonely
and you left me alone
to pray for me.

Christian,
You seem so holy;
so close to God.
But I'm still very hungry,
and lonely,
and cold . . .

In repentance our hearts are opened to the gift of grace which gives us strength to begin again. We see ourselves as we truly are—men and women made in the image of God and called to participate in His plan for Creation here on this earth. We are able to recognize that our own purposes and wills are not necessarily our Father's. This realization saves us from self-righteous pride that manifests itself in extreme nationalism. God's forgiveness opens our eyes to see our own failings without our feeling the need to justify them. Thus we can relate to others in freedom and love because we know that we, too; have first been loved. Others are no longer seen as threats to us, but people infinitely valuable in the sight of God. We are able to approach the rest of God's creation as its humble servant, not its master, because God's grace gives us the assurance of genuine security, and it is no longer necessary to fasten our ultimate and exclusive hopes on weapons of "national security." In repentance we acknowledge our past wrongs, both sins of commission and omission. Our self righteous pretentions cannot endure. As a world leader, our nation can turn from its idolatry of force to the example of a servant leader where nationalism is not a cover for the abuse and arrogance of power. Our leadership in the world could then be defined by sacrificial giving marked by humility rather than paternalism.

Is all this possible? The world may regard this new approach as unrealistic, impractical, for the world operates from a love of power; we must begin to demonstrate once again the power of love. This road will not be easy, for often concrete choices on matters of decision are filled with half-truths and ambiguity. But the ambiguity of existence must not paralyze our actions. We must say to the world that there is another way. There is an alternative to hatred and violence. There is an alternative to materialism and waste. As the old Jewish proverb teaches us:

"God gives you the task. He does not ask that you succeed, but he does ask that you not lay it aside."

It is my prayer today that through repentance we may receive strength to begin once more in faith and commitment to God, so that we can bring to the world a reconciliation permitting the Holy Spirit and the love of God to flow through our lives, with visions of hope and love for all time.

WORLD FOOD ACTION PROGRAM

Mr. KENNEDY. Mr. President, last week, the distinguished Senator from Minnesota (Mr. HUMPHREY) offered a proposal for a world food action program "to lead the world back from the precipice of famine." We should all compliment him on this farsighted effort. His program outlines several specific steps which can be taken to form an emergency relief operation that will begin alleviating the needs and suffering of people in the hardest hit poor countries.

A World Food Conference is scheduled to begin in Rome this November. I am hopeful that some international plan of action will emerge from it, dealing with the growing problem of providing the world's poor with the most basic of their human needs—food, itself.

But, Mr. President, "later this year" or "early next year" may be too late. In the meantime, many thousands of people may cross that thin line separating life at meager subsistence levels from either death or life that is permanently damaged by the debilitating effects of malnutrition. Therefore, I urge my colleagues to familiarize themselves with Senator HUMPHREY's proposal. It demands our attention, our concern, and our immediate action.

Mr. President, I ask unanimous consent to print in the RECORD the text of two editorials, one from the May 13 New York Times and the other from the Washington Post of May 9, 1974, concerning Senator HUMPHREY's call for a world food action program.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From The New York Times, May 14, 1974]

. . . AND TO THE HUNGRY

Senator Humphrey has posed a moral challenge to well-fed—and frequently overfed—Americans with his recent call for generous United States contributions to a broad new world food action program.

Responding to the threat of widespread starvation that has been sharply increased by worldwide shortages and soaring prices of basic commodities, the Senator proposes: Resumption of large-scale food aid by the United States and other food-exporting nations; establishment of national and international food reserves; expansion of fertilizer distribution and production, and stepped up aid to agricultural development, including the pending contribution to I.D.A.

Although Mr. Humphrey's plan for action merely elaborates on promises already advanced by Secretary of State Kissinger at the recent special United Nations session, it faces stiff resistance within the Nixon Administration and from a people who have just begun to see some hope for relief from soaring food prices. The day is gone when Americans had food to burn, when overseas aid was a convenient way to unload embarrassing surpluses. Even with record harvests due, a new giveaway program on the scale contemplated by the Senator would put fresh pressure on domestic prices and would compete with potential cash sales to more affluent foreign buyers.

There will be those who will seek refuge from responsibility in the heartless suggestion of Agriculture Secretary Earl L. Butz that "hunger is relative—if your larder is empty, you cut back some." For one billion already undernourished people in the thirty poorest countries, cutting back means sinking from acute malnutrition into starvation, or diverting to food purchases scarce resources that are desperately needed to help develop food self-sufficiency.

The cost to Americans of helping these nations through the current crisis would be trivial in comparison. For example, Senator Humphrey estimates that a decision by Americans to eat one less hamburger a week would make some 10 mililon tons of grain available for food assistance, twice India's expected import requirements for the coming year. The fertilizer Americans lavish on lawns and other non-agricultural luxuries would make up Asia's anticipated fertilizer deficit, helping Asians to feed themselves.

The primary responsibility for overcoming food shortages and for curbing the runaway population growth that vastly compounds the food problem lies with the stricken nations themselves. This does not mitigate the moral obligation of the more fortunate, including the newly-rich oil states, to extend emergency relief. Population control at best requires years to take effect; and while that is an essential element in the solution, the United States in the meanwhile cannot shirk the food-supply role to which it is committed by virtue of its vast resources and its tradition of humanitarian leadership.

[From The Washington Post, May 11, 1974]

A Response to the World Food Crisis

A billion people in the poorest countries face hunger and privation or worse because, in large though not exclusive part, of the oil cartel's decision last winter to quadruple the price of oil. But until now there has been no specific and implementable proposal on how to start coping with the massive human and political dislocations which the food shortages involve. The United Nations took a whack at the problem a week or so ago but proved unequal to the task. The U.S. government has made some hopeful noises but has done almost nothing. Sen. Hubert Humphrey (D-Minn.), whose farm savvy, internationalist outlook and conscience qualify him uniquely, has now come along to point a feasible way.

Mr. Humphrey would have this country join at once with other grain exporters (Canada, Australia) to provide expanded food aid at easy terms to the countries in most extreme duress. Statutory authority already exists for the President to buy food from American farmers for aid but resistance is strong in the Agriculture and Treasury Departments and in the Office of Management and Budget. Secretary of State Kissinger, alert to the devastating foreign policy consequences of the appearance of indifference to mass starvation, pledged last month "a major effort to increase the quantity of food aid over the level we provided last year." In effect to provide Dr. Kissinger the political support he needs to honor the pledge, Sen. Humphrey has introduced a food aid resolution in the Senate. It deserves broad bipartisan backing.

Sen. Humphrey has also accepted responsibility for shaping legislation and organizing support for American participation in a world food reserve program. Such a project, which is to be tackled at the World Food Conference scheduled in Rome next November, would make food stocks regularly available to help ease threats of famine anywhere in the world. In 1972–73 the Nixon administration unwisely allowed commercial export sales to all but wipe out the reserves it had maintained, and used for relief, in earlier years. A chance to rebuild reserves may be arriving this year, since huge crops are expected and prices are falling in anticipation of them. American farmers, of course, deserve fair and stable prices. The trick is to match their legitimate economic interest with U.S. political and moral interests in helping establish a global food reserve plan.

Fertilizer is the third of the four points in the Humphrey "food action program." American fertilizer exports were quietly embargoed last fall to assure enough supplies for the expanded domestic acreage then being put under the plow. This meant frenzy and hardship to countries which had counted on American fertilizer. But something can be done: expand fertilizer production, aid poor countries to increase production at existing facilities, induce the oil countries to develop new supplies from their natural gas.

Finally, the slow vital work of increasing food production in the poor countries must be intensified. One key move here is early Senate approval of new funds for the International Development Association, the World Bank branch which offers special help, especially in agriculture, to the poorest of the poor. After the food shock of the last few years, can there be left a single country which does not recognize the folly of failing to exploit its own farm potential to the hilt?

Too often, proposals to ease world hunger set goals which, however justified in terms of need and suffering, are politically out of the question. But everything Mr. Humphrey suggests is, though difficult, politically within reach. In the most immediate category, expanded food aid could be arranged in a matter of weeks. That the United States has the means, moreover, is beyond debate. The three million tons of fertilizer Americans put on lawns and the like would more than cover South Asia's whole fertilizer deficit. If Americans ate one less hamburger a week, the grain "save" would amount in a year to 10 million tons, roughly enough to feed a subsistence diet to 50 million people. It is Sen. Humphrey's conviction that the American people are prepared to respond generously to the world food crisis, if the facts about it and the political and moral choices posed by it are properly laid out before them. We are sure he is right.

EXPERIENCES AS A POW IN VIETNAM

Mr. DOMENICI. Mr. President, at a time when Americans are hearing newscast after newscast, every day and every evening, how our Nation lacks moral leadership and how drastically our national reputation has fallen, I urge my colleagues to read a statement about a great number of brave American men who personify the very best of America.

For that purpose I offer for the Record a recent speech by Adm. James E. Stockdale, one of our American POW's released early last year after 7½ years of confinement in North Vietnam. Admiral Stockdale's words serve to remind us that America was defended by courageous men whose moral foundation and whose steadfast leadership sustained them and provided their determination to defend our country and system unwaveringly under the most wretched circumstances imaginable.

Mr. President, I hope these words will also serve to remind us again that we cannot—and we must not—abandon our efforts to obtain a full and accurate accounting of some 1,300 American men who still remain missing in Southeast Asia.

I request unanimous consent that Admiral Stockdale's speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Experiences as a POW in Vietnam

(By Rear Adm. James B. Stockdale, U.S. Navy)

Last February, when I first touched foot on American soil, I was asked to make a few remarks on behalf of the ex-POW's who were embarked in the airplane with me. An ancient verse came to mind that best summarized my relief at dropping the mantle of leadership and responsibility I had held during 7½ years of imprisonment, four of them in solitary. These lines are attributed to Homer; I remember them well because of their modern ring: "Nothing is so sweet as to return from sea and listen to the raindrops on the rooftops of home."

Well, I was dreaming. I had forgotten that an old sea captain's job does not end when he anchors in homeport.

My wife Sybil and I have a private joke. Before I returned she was advised by a Navy psychiatrist: "The fellow will probably make a quick readjustment to modern society if you will remember one rule for the first few months: Don't put him in decisionmaking situations." Well, the reality of my postconfinement simply did not allow such an environment. In the past year I have probably made more important decisions than in any like period in my life.

Today I find myself truly back home. I am back with old friends, back in my native Middle West, and I have decided that this is my last public speech as an ex-POW. I have no ambition to become a professional exprisoner. As soon as I finish today, I am going down to my farm in Knox County for a couple of days, then to Colorado to spend the weekend with my second son who is in college there, then back to San Diego. Next week I hope to check out of the hospital, and, hopefully, I will be ready for a good seagoing job.

Incidentally, before we were released by the North Vietnamese, I had occasion to be approached by other prisoners who were thinking about their careers. We were all more or less pessimistic about our future utility to our services. Not with any malice; it was just that we had been used to living that stoic life and faced up to the fact that there was a good chance that our service careers had been overcome by time.

We came home to find that the service was devoted to giving us every chance to regain that time. I am informed, as our

Navy ex-POW's duty assignments are made, and their orders are good, that each man has been given the personal attention his devotion to duty deserves.

As a theme for this audience, I will address the subject of how a group of middle Americans—average American guys who have chosen military life as a profession—survived in a POW situation and returned home with honor.

The conditions under which American POW's existed have changed radically since World War II. It is no longer a matter of simply being shot into your parachute, going to a reasonable pleasant "Hogan Heroes" prison camp, and sweating out the end of the war. At least it was not that way in Vietnam. In Vietnam the American POW did not suddenly find himself on the war's sidelines. Rather, he found himself on one of the major battlefronts—the propaganda battlefront.

Our enemy in Vietnam hoped to win his war with propaganda. It was his main weapon. Our captors told us they never expected to defeat us on the battlefield, but did believe they could defeat us on the propaganda front.

Unlike the World War II POW, who was considered a liability, a drain on enemy resources and manpower, the American POW in Vietnam was considered a prime political asset. The enemy believed that sooner or later every one of us could be broken to his will and used as ammunition on the propaganda front. Some of us might take more breaking than others, but all of us could be broken.

Thus, for Americans who became POW's in Vietnam, capture meant not that we had been neutralized, but that a different kind of war had begun—a war of extortion.

For the sane man there is always an element of fear involved when he is captured in war. In Vietnam the enemy capitalized on this fear to an extreme degree. We were told we must live by sets of rules and regulations no normal American could possibly live by. When we violated these rules and regulations, we gave our captors what they considered sufficient moral justification for punishing us—binding up in ropes, locking us in stocks for days and weeks on end, locking us in torture cuffs for weeks at a time, and beating us to bloody pulps. As we reached our various breaking points, we were "allowed" to apologize for our transgressions and to atone for them by "confessing our crimes" and condemning our government.

At this point you may be asking the question, Had the POW's received any training to prepare themselves for possible capture? The answer is yes, and it was based on two things that I have come to respect very, very much.

One was on the taking of physical abuse. I think if you were to prepare yourself to be a prisoner of war, and I cannot imagine anybody going about that methodically, one should include a course of familiarization with pain. For what it is worth, I learned the merits of men having taken the physical abuse of body contact as in sports.

It is a very important experience; you have to practice hurting. There is no question about it.

Second, survival school was based on taking mental harassment. Also, I came out of prison being very happy about the merits of plebe year at the Naval Academy. I hope we do not ever dilute those things. You have to practice being hazed. You have to learn to take a bunch of junk and accept it with a sense of humor.

On the subject of education, beyond the scope of survival school, there is always the question: Do we need to start giving a sort of counterpropaganda course? Should we go into the political indoctrination business?

I am not very enthusiastic about that. I think the best preparation for an American officer who may be subjected to political imprisonment is a broad, liberal education that gives the man at least enough historical perspective to realize that those who excelled in life before him were, in the last essence, committed to play a role. He learns that though it is interesting to speculate about the heavens and the earth and the areas under the earth and so forth, when it comes right down to it, men are more or less obliged to play certain roles, and they do not necessarily have to commit themselves on issues that do not affect that role.

Now, how does the average American—which is what the POW is—deal with his world? On a day to day basis, the POW must somehow communicate with his fellows. Together they must establish a viable set of rules and regulations to live by. We were military men. We knew we were in a combat situation and that the essential element of survival and success in a combat situation is military discipline. That meant isolated though we were from each other, we could not afford to live in a democracy. We had no choice but to live in a strictly disciplined military organization—if you will, a military dictatorship.

Our captors knew this as well as we did. Several members of Hanoi's Central Committee had spent long periods in confinement as political prisoners. They felt that we too were political prisoners. They held as their highest priority the prevention of a prisoner organization because they knew an organized body of prisoners could beat their system. If they were to get what they wanted from us, they had to isolate every American who showed a spark of leadership. They did so. They plunged many of us into a dark solitary confinement that lasted, in some cases, for years.

For us the Code of Conduct became the ground we walked on. I am not aware that any POW was able, in the face of severe punishment and torture, to adhere strictly to name, rank, and serial number, as the heroes always did in the old-fashioned war movies, but I saw a lot of Americans do better. I saw men scoff at the threats and return to torture 10 and 15 times. I saw men perform in ways no one would have ever thought to put in a movie, and because they did perform that way, we were able to establish communication, organization, a chain of command and effective combat unit. We lost some battles, but I believe we won the war.

In fact, I am not so sure we lost many battles. Unless you have been there, it is difficult to imagine the grievous insult to the spirit that comes from breaking under torture and saying something the torturer wants you to say. For example, "My government is conducting a criminal war. I am a war criminal. I bomb churches, schools, and pagodas." Does that sound silly to you? It does to me. But I and many others were tortured in ropes for that statement. The reason it was important to take torture for that statement was to establish the credibility of our defiance—for personal credibility—so that the enemy would know that they must pay a high price to get us into public if they ever could. Needless to say, in a POW situation, viable leadership is not possible without example. In a unit with good communication, almost everyone knows what everyone else is doing or not doing most of the time.

In short, what I am saying is that we communicated. Most of the time most of us knew what was happening to those Americans around us. POW's risked military interrogation, pain, and public humiliation to stay in touch with each other, to maintain group integrity, to retain combat effectiveness.

We built a successful military organization and in doing so created a counter culture. It was a society of intense loyalty—loyalty of men one to another, of rigid military authoritarianism that would have warmed the cockles of the heart of Frederick the Great, of status—with such unlikely items as years in solitary, numbers of times tortured, and months in irons as status symbols.

Most men need some kind of personal philosophy to endure what the Vietnam POW's endured. For many it is religion; for many it is patriotic cause; for some it is simply a question of doing their jobs even though the result—confinement as a POW—may not seem necessarily fair. For myself, it seemed that becoming a POW somewhere, someday, was a risk I accepted when I entered the Naval Academy. I think it is fair to say that most POW's—including, certainly, certainly, those who did not attend service academies—felt the same way. They accepted this as a risk they undertook when they took their oath as officers. To be sure, very few sat around bemoaning their fate, asking the heavens, "Why me?"

As POW's who were treated not as POW's but as common criminals, we sailed uncharted waters. The Code of Conduct was the star that guided us, although several of us are making recommendations for its modification, particularly in the area of a prisoner's legal status. The Code did not provide for our day to day existence; we wrote the laws we had to live by. We established means for determining seniority. We wrote criteria and provided mechanisms for relieving men of command for good and sufficient cause—and we used those mechanisms. We set a line of resistance we thought was within the capability of each POW to hold, and we ruled that no man would cross that line without significant torture. Thus, in effect, we ordered men to torture. This was what I remembered when I finally made the extremely difficult decision to prefer charges in two cases. I think that I was justified. I also think that the Secretary of the Navy's action was justified. We each served our proper function in this.

From what I have said here today, I think you can realize that as we prison leaders developed this organization, this unity, this mutual trust and confidence, the loyalty that permitted us to ask a guy to give his all sometimes, we acquired a couple of things. We acquired a lot of close friends, but in addition we acquired constituency. Now life has to make sense to that constituency. And that constituency comes home and says to itself: You spoke with force of law, and at great personal pain and inconvenience I obeyed that law, and now I come home and no one seems interested in whether everybody obeyed it, or not.

What kind of a deal is that? This is not a personal gruge thing at all. I hope you all understand that.

I'm too closely involved to be objective on some of these issues. I'm often asked how I feel about amnesty. It is a complicated question; I appreciate and understand it. Thank goodness I'm not going to have to decide it. I don't resent amnesty—not personally—I simply don't have a position on the subject.

A couple of final comments: Self-discipline was vital to self-respect, which in turn is vital to survival and meaningful participation in a POW organization. Self-indulgence is fatal. Daily ritual seems essential to mental and spiritual health. I would do 400 pushups a day, even when I had leg irons on, and would feel guilty when I failed to do them. This ritual paid valuable dividends in self-respect, and, incidentally, I learned yesterday at Mayo Clinic that it also paid physical dividends.

I thank God for the other Americans I was imprisoned with. The respect one develops for others in a POW situation is really indescribable. I think it might be best illustrated with a story of something that happened once when I was in solitary and under extremely close surveillance. I was in dire need of a morale boost when two other POW's, Dave Hatcher and Jerry Coffee, sent me a note at great risk to themselves. I opened it and found written the complete poem, "Invictus."

> "Out of the night that covers me,
> Black as the Pit from pole to pole,
> I thank whatever gods may be
> For my unconquerable soul."

In our effort to survive and return with honor, we drew on the totality of our American heritage. We hope we added something to that heritage. God forbid that it should ever happen to other Americans—to your sons and grandsons and mine—but if it does, we hope our experience will help to guide them and will give them the heart and hope they will need.

Biographic Summary

RADM James B. Stockdale, U.S. Navy, is a graduate of the U.S. Naval Academy and before entering flight training served 3 years in destroyers. His operational expertise was in attack carrier operations, and, when shot down over North Vietnam in 1965, he was in command of Carrier Air Wing 16 aboard the *U.S.S. Oriskany*. Admiral Stockdale is currently serving as Commander, Antisubmarine Warfare Wing Pacific.

PROBLEM OF CAPITAL SHORTAGES CONFRONTING CORPORATE AMERICA

Mr. BENTSEN. Mr. President, I am deeply concerned about the very real problems many of our basic industries are encountering in raising adequate capital to finance modernization of facilities, increase productive capacity, and create new employment opportunities.

In the period 1962 through 1973, all U.S. business fixed investment spending totaled over $1 trillion. I have seen a projection, adjusted for inflation, that estimates in the coming 12 years, we will have to raise and invest a staggering $3 trillion in new plant and equipment to attain a 4-percent average annual growth in real gross national product through 1985.

Part of the explanation for the relentless inflation we are experiencing can be attributed to the long-run shortages of capacity in many of our primary industries—steel, aluminum, paper products, chemicals, refining, and the rest. These industries are the traditional backbone of our economic success. Their well-being is essential to our overall employment picture, our ability to compete in international markets, and for high productivity payoffs which are so important to achieving a higher standard of living.

U.S. business faces very substantial financing problems in view of the long-term downtrend in return on investment, the weak condition of our equity markets, the already heavy burden of corporate debt, the rising costs of credit, and the ravages of inflation.

Mr. Lynn Townsend, chairman and chief executive officer of the Chrysler Corp., has recently addressed many of the serious problems of capital shortages confronting corporate America. I share Mr. Townsend's concern that we need to pay careful attention the long-term continued growth of this country's basic manufacturing capability, and I ask unanimous consent that his comments be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Remarks by Lynn Townsend

I appreciate the opportunity to participate in this meeting, and to add some of my thoughts about a problem I believe is of growing importance and increasing immediacy—the critical shortage of equity capital for basic industry in the United States.

I recognize that sounding one more alarm, raising one more critical issue, during these times of seemingly constant crises, is at best a thankless job. But I also recognize that we have to begin to resolve this country's serious equity problem now if we are to avoid serious consequences in the near future.

Unless corporate America and the securities industry wake up to the critical nature of each other's problems, they will one day soon find that third parties, that are less knowledgeable, will be attempting solutions that are less attractive.

In my judgment, this equity capital problem has the potential of being as serious for the United States as the energy crisis we are currently experiencing. I would urge everyone with any interest in this problem to contribute to its solution before we reach the same kind of crunch that we have with energy.

For its part the securities industry will have to face up to the huge capital needs of corporate America, work to improve both the incentives for capital formation and allocation, and the mechanics of the capital markets so that these capital needs will be met. At the same time, corporate America has to take a more active interest in the significant changes taking place in the securities industry. Corporate America should also begin to speak out and to educate the public on the critical need for adequate profits if we are to maintain our competitive position in the world and the strength of our free enterprise system.

The need for equity capital has reached the critical stage in many segments of the economy. Today I would like to address specifically the needs of the basic industries, which are the ones I know best—steel, aluminum, paper products, machinery, chemicals, automobiles, and the rest. These industries are the backbone of our economy. Their health is absolutely essential to the nation's health, to the strength of our national defense and to the well-being of a large percentage of the work force.

Several financial forecasters have recently added up the total capital for plant and equipment that corporate America needs to stay healthy over the next ten years. They came up with a figure of about $2 trillion, counting the effects of inflation. This is about three times what corporations needed in the past decade. Even if we eliminate the effects of inflation over the next ten years, they need about twice that of the last ten.

This huge need comes from all sides. Our industrial plant is old, while that of our competition overseas, rebuilt after the ravages of war, is relatively modern. If basic industry in the United States is going to survive as a first class power in the face of that competition, it is imperative that outmoded, inefficient plant and equipment be replaced with the latest technology, and very soon.

Ecological requirements will force costly modifications and new equipment. Large amounts will be required to reach our goal of self-sufficiency in energy. And finally, we have to expand and modernize if we are to absorb the 1.6 million people added to the work force each year.

One of the tragic aspects of inflation is that it can obscure the real facts about capital expenditures by manufacturers. Even though the dollar amounts of capital expenditures in this country rose from 1966 through 1972, if we discount for inflation and use constant dollars, the purchases of new plant and equipment actually declined. This decline in the real volume of capital expenditures has flown directly in the face of a 25 percent increase in manufacturing output. With the prospect of a low return on new investment, especially during price controls, many manufacturers were simply unwilling to make sufficient investments in new capital projects. As a result, the critical need for immediate new capital expenditures has been compounded.

There are four main sources of the capital that corporate America needs in the years ahead. Depreciation charges will throw off cash. Business will reinvest earnings. The capital structure will take on debt. And companies will issue new equity. However, there are deep-seated problems associated with each of these four sources.

First—The current level of depreciation charges is not adequate to provide the funds needed to replace plant and equipment in this period of inflation.

When depreciation is based on cost, profits are higher than if the depreciation were based either on replacement value or on the price levels in effect each year. These artificially high profits then result in high taxes—and less cash for reinvestment. In the basic industries of the country, this inflationary impact is even more severe because many of their facilities provide long years of useful service. During that longer period inflation can push replacement costs to extreme levels. In the steel industry, for example, the net book value of plant, property, and equipment is about $14 billion, but the replacement cost at today's prices would approach $78 billion.

Second—Retained earnings as a source of funds is a function of the absolute level of earnings and the dividend payouts. I will have more to say about earnings later, but it is possible that the low level of stock prices will have an effect on future payout percentages. Shareholders have been taking out about 40 percent of earnings in the form of dividends. They have been content to have the company reinvest the remaining 60 percent because their share values would be enhanced by the earnings. However, if these values continue to be depressed, we may see dividend payouts substantially higher than 40 percent, forcing corporations to finance even more of their needs externally.

Third—We are now at the unfortunate point where many a corporate treasurer has reached his debt capacity. He notes that over the last decade the debt to equity ratio of the 425 Standard and Poors Industrials has increased from about 25 percent to over 40 percent. He worries that high interest rates will combine with his high level of debt to create fixed charges that will be difficult to live with, especially during a recession. More recently, he notes a growing reluctance on the part of bond buyers in these inflationary times to make long-term commitments even at these high interest rates.

Fourth—We are left with new issues of equity as the source of the balance of needed funds, and that's where the basic industries are dangerously bogged down. It is extremely difficult today for them to float large issues of equity. In some cases it is impossible, except at prices that are not acceptable either to management or to the shareholders of the company. There has been a substantial decline in the amount of new equity capital which you investment bankers have raised for industrial corporations through the sale of new issues of common stock in the last few years. In 1972, you raised about $8.1 billion. In 1973, you sold only $2.3 billion in new industrial equity issues. During the first quarter of 1974 this trend continued, and industrial companies across the country raised only a few hundred million.

Part of the equity problem can be traced to basic deficiencies in the functioning of the capital markets, which are an essential element in our competitive free enterprise system. These markets, which have been the most productive in the world, depend on the willingness of people to save out of their incomes, and to invest these savings at risk, in the hope of a reasonable return.

When the system is working, these markets accumulate capital from millions of people, and allocate it to those sectors of the economy that can put it to productive use. These millions of investors, sharing in the ownership of American business, have become an immeasurable and invaluable source of strength for this country.

The problem now is that many investors are understandably confused by a valuation system in the stock market that results in the aggregate market value of the stock of McDonald's, the hamburger chain, almost equaling the aggregate market value of the stock of United States Steel. They are puzzled by the fact that the stock of Avon Products is valued about $800 million higher than the entire stock of the Aluminum Company of America. They are also disturbed by some long-term trends in the market. The market value of the stock of the five largest steel companies, for example, currently equals that of the five largest cosmetic companies—about $5 billion. Back in 1960 those steel companies were valued at $9 billion while the cosmetics companies were valued at $1.7 billion.

This kind of aberration, combined with other complex factors including the capital gains tax, the attractive alternative of high interest rates on debt instruments, and failures and scandal on Wall Street, shakes the confidence of the investor, especially the individual. The New York Stock Exchange reports that the number of shareholders in the United States dropped by 800,000 in each of the last two years. When you consider that it will take some time to erase the memory of the losses taken during the last year or two, you cannot reasonably expect an early return of the individual to the market to solve any of the problems of the securities industry or the basic industries of the country.

This brings us to the institutional investor who has had significant cash flows and has accounted for most of the volume on the New York Stock Exchange. A major share of these institutional holdings is, of course, in the pension funds of American industry. These funds are swelled year after year by massive corporate contributions, over $10 billion annually. The officers of many corporations in the basic industries find it more than a little ironic that the managers of their pension funds invest very little of these large contributions in the stock of companies in the basic industries and a great deal of it in the high multiple stocks.

Under these conditions, the managers of many companies in our basic industries face a critical problem. How do they keep their companies growing and financially sound when their stock is valued so low that it is difficult or impossible to sell more shares?

The low valuation placed on the equity of the basic industries in the United States is essentially the result of a downward trend in profit returns for basic industries over the past 20 years. In the early 1950s, non-financial corporations earned about 23 percent before taxes on total capital. By the early 1960s these earnings had declined to about 18 percent, and the recent figure is around 13 percent.

If we adjust those earnings to reflect depreciation charges based on inflated replacement costs, the 23 percent drops to 20, the 18 becomes 12, and the 13 percent falls to nine percent.

There are many reasons for the low profitability of the basic industries. Since they are characterized by a relatively few large, visible companies, the government has for many years found it easy and politically expedient to continually put downward pressure on the prices of their products. This is nothing new. The confrontation between President Kennedy and U.S. Steel, remember, was 12 years ago. The stock price of U.S. Steel dropped significantly as a result of that confrontation, and it has never fully recovered.

Inflation has also treated the basic industries extra harshly, since many are labor-intensive. More recently, the fact that the basic industries are large users of higher priced raw materials has increased the squeeze on profits.

A more insidious cause of the low returns on investment in the basic industries is a prevailing attitude that bigness is bad and that profit is evil. Unfortunately, many influential members of our society have this attitude, including many in the legislative and executive branches of government. This may explain the frequency with which government and industry find themselves in adversary positions instead of working constructively together to improve the economic health of the country. It is always interesting for me to observe that our Chrysler subsidiaries overseas are able to work much more closely with their governments in the interest of strengthening their economic positions than we are with our government here. If we are to have any hope of solving our economic problems in this country, we will have to reverse our attitudes and gain that same constructive approach.

While I have no desire to sound like an alarmist, I am firmly convinced that there will be severe adverse effects on our total economic system if the capital markets are not able to supply to corporate America the equity capital that it needs, at prices that are acceptable. The repercussions will reach not only the shareholders and management, but also employees, the supplier companies, and the public at large.

For one thing, the role of government in business would certainly be enlarged. Government has already taken a financial interest in railroads and aircraft. Other industries could follow—those considered politically essential for strategic reasons, those with large numbers of employees, or those which are about to flee to overseas locations.

Companies that find the path to growth blocked by the capital markets will increasingly sell out to larger companies. Environmental improvements could be postponed or put aside, and our national goal of self-sufficiency in energy would be much harder to achieve.

As American industry finds it more and more difficult to make the capital investments necessary to improve its productivity, the United States will tend to become less and less competitive in world markets. In a few years, this country could descend from the relatively self-sufficient industrial power that has been its great strength to become one large service industry for the rest of the world, heavily dependent on other countries for its basic products.

Such a development would lead to a decrease in the growth of the GNP, a continuing deterioration of rates of return, and of stock prices, and to a sharp drop in the number of available jobs.

It is also worthy of attention that the combination of large holdings of U.S. dollars by foreigners, depressed stock values in our basic industries, and the devaluations of the dollar could very well lead foreign interests to take over more of our companies. I have always been in favor of foreign participation in the U.S. stock market. But I am still concerned when I see that one oil producing country alone could buy 100 percent of the stock of one of our largest U.S. companies each month, with the added revenue resulting from its recent oil price increases alone.

It is obvious that none of these results would be acceptable to business, to government, or to the general public. It is equally obvious that action should be commenced immediately to prevent them.

One step currently under consideration is Senate Bill 2842, the Bentsen Bill. This bill would reduce capital gains taxes and would establish parameters for investment by pension funds in individual companies. The simple fact that such a bill has been drafted is an encouraging recognition of the seriousness of the problem. Other important legislation is also being considered.

These legislative steps might reasonably be interpreted as the vanguard of increased government regulation of the capital markets. Perhaps such regulation, to some degree, is necessary, just as a degree of regulation was necessary in the automobile industry. No single automobile manufacturer, for example, could have risked the cost of unilateral introduction of seat belts or emissions controls.

However, some degree of government regulation has a very strong tendency to become a steadily increasing degree of regulation. And the more serious a problem becomes before the government moves in, the more restrictive the solution is likely to be.

Since basic industry's capital crisis results from a low level of profitability, we are going to have to direct our attention to profits. The first step is to convince Washington to get off the backs of these vital industries and let them earn enough on their investment to attract the money they need.

We need a significant change in attitude by both the public and the government. We need a better understanding of the function of profit in a free, capitalistic society. And we need a clear understanding of the relationship between capital formation and new job formation.

In addition to this new respect for profits, we will need increased incentives for saving, capital formation, and risk-taking. We need support for the concept of incentives to encourage investment in the country's future. Eliminating all or at least part of the double taxation of dividends would certainly help. Reducing the capital gains tax by any one of the various means currently being considered would be an obvious step in the right direction. The critical point is that these incentives will ultimately benefit all Americans, directly and indirectly, both through new jobs and through a stronger national economy.

We also need to get at the heart of the current surge of inflation by curbing overly expensive monetary and fiscal policies. The lower interest rates that would eventually result from halting inflation would have wide-reaching beneficial effects on corporate America and on the equity markets.

We don't have all that much time to solve these problems. Basic American industry is already losing its competitive position to Europe and Japan, and if we fail to respond quickly and effectively, this power base shift will accelerate. We must restore the strength and balance of our capital markets, and encourage responsible, long-term approaches to the continued growth of this country's basic manufacturing capability. Most important, we must start now.

Mr. THURMOND. Mr. President, a recent editorial in the State newspaper of Columbia, S.C., clearly defined the commitment of the United States to continue material support to South Vietnam.

This country withdrew its manpower commitment to that beleaguered nation more than a year ago on the premise that material support would be continued. It was to be the means of insuring self-determination for the South Vietnamese.

Now, we are on the threshold of discontinuing, by an act of this Congress, the military supplies which could insure the future of South Vietnam as a free nation. The recent narrow vote in this body would, indeed, deny the continuation of those necessary supplies for this fiscal year.

The elimination of this support subjects that small nation to grave danger. The North Vietnamese have continued their buildup of arms and sophisticated weaponry. They have also continued infiltration into the South since the so-called cease-fire in January 1973.

Mr. President, the violence against South Vietnam continues and that nation which we supported at such a costly price in human life for more than a decade needs help to defend itself. The editorial to which I referred makes that point so well.

Mr. President, I ask unanimous consent that the editorial entitled, "Anti-Vietnam Crowd Propagandizes Senate," which appeared in The State newspaper, Columbia, S.C., May 13, 1974, be printed in the Congressional Record at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Anti-Vietnam Crowd Propagandizes Senate

The vote in the U.S. Senate, 43 to 38, to prevent a $266 million resupply of ammunition to South Vietnam is a danger signal that this nation's commitments to Saigon are being undermined.

Those commitments are to a fair chance for South Vietnam to survive as a free country, to give it the capability of defending itself and to develop economically. More than 50,000 American lives, and more than $130 billion have been expended on those objectives. Today, the South Vietnamese have the capability to go it alone almost within their reach.

But while Americans have been preoccupied with their own problems—Watergate, inflation, an energy crisis—pro-Hanoi activists have mounted a sustained drive in the Senate to abandon South Vietnam.

The American Security Council reported the activity: "Jane Fonda and Tom Hayden set up shop in Congress and openly lobby for the abandonment of South Vietnam. A three-week anti-Vietnam seminar is organized in a committee hearing room of the U.S. House of Representatives. Remnants of the 'Vietnam Veterans Against the War' invade and briefly seize the information offices of the South Vietnamese Embassy in Washington. 'Study groups' composed of articulate and well-known propagandists against U.S. policy in Indochina, visit Vietnam and return with shocking new tales of torture and imprisonment of tens of thousands of innocent 'political prisoners.'"

The propaganda campaign's effectiveness showed in the Senate vote. It is safe to say now that the real battleground for South Vietnam is not in the rice paddies halfway 'round the world, but in Washington, D.C.

For its part, the American Security Council sent a six-member private and non-partisan fact-finding mission to Vietnam to assess the situation there. The group included two retired U.S. ambassadors. Their report sharply contradicts the anti-Vietnam propaganda and contends the Saigon government is viable, its defense forces are effective, and that with U.S. support in the next two years the South Vietnamese "will have a better than even chance to endure and to prosper in the years to come."

Abandonment of the South Vietnamese by the United States now would be tantamount to surrendering that nation to Hanoi, and surrendering American credibility and principles to the demands of a handful of critics and activists. The United States must not turn her back on a friend and ally.

NATIONAL SCIENCE FOUNDATION AUTHORIZATION FOR FISCAL YEAR 1975

Mr. KENNEDY. Mr. President, S.3344, the National Science Foundation Authorization Act of 1975 unanimously approved by the Senate, provides the Foundation with an authorization of $834.8 million for fiscal year 1975, an increase of $188.5 million over the Foundation's operating budget in fiscal 1974, and $46.6 million more than the amount requested by the administration.

The scientific research support by the NSF extends the frontiers of science and provides the new knowledge that is essential if the United States is to conquer not only technological problems, but also the social and economic challenges that confront this Nation. The National Science Foundation is the only Federal agency charged with the responsibility of maintaining the health of U.S. science. Its grants, contracts, and facility support are designed to meet diversified scientific needs and to be responsive in identifying problems of national concern. Equally significant are the Foundation's science education programs which are designed not only to improve the effectiveness of science education at all academic levels, but to enhance scientific literacy and provide the scientific and technical manpower so vital to our country's future.

The authorization contained in the bill will permit the Foundation to continue to provide essential support for basic research in the science disciplines, for research focused problems of national concern, for initiatives aimed at solving our energy crisis, and to maintain an adequate level for science education and institutional science support necessary to sustain the science education and research roles of academic institutions. It is the largest authorization in the Foundation's history, and is a reflection of the growing recognition that the research supported by NSF is an essential part of our effort to solve the problems which confront us as a nation. The scientific community is making its voice heard in virtually every agency and office of government—and that voice must be strong if the Nation is to reap the benefits of our increasingly complex technology.

One of the single most important elements in the bill is the Foundation's expanded role in energy research and technology. Approximately one-third of the proposed authorization is directed to this effort—pushing forward our basic knowledge and applying the results of that research to the introduction of new energy sources which hold enormous potential in our effort to free this Nation from its dependence on dwindling fossil fuel supplies. The Foundation has extensive capabilities in this area, and its full participation in the formulation of public policy and the national effort to develop new energy sources is essential if that effort is to meet with success.

S. 3344 includes $252.6 million for energy-related research. The programs authorized will build, to a large degree, upon existing NSF research programs. During the second session of the 92d Congress, for example, the Congress increased significantly the level of support for energy-related efforts to permit the Foundation to augment significantly its support of energy and related technology, particularly in solar, geothermal, and other nonconventional energy sources. It is especially important that the NSF continues and expands its efforts in the energy area at this time, in view of this Nation's acute need for alternative energy sources and the unique capabilities of the Foundation to foster this kind of research.

The National Science Foundation is calling on experts from government, industry, and universities in its broad-scale energy research undertaking. It is sponsoring research dealing with conservation, conversion, production, and transmission, as well as with issues of environmental quality and the impact of energy production on the ecology and economies of various regions.

NSF has a major responsibility for the development of solar and geothermal energy. Its programs are designed to bring solar and geothermal energy sources into wide-scale application as quickly as possible. For example, as part of the solar energy program, four schools have been outfitted with experimental solar systems which went into operation in March of this year. They will provide important initial information on the systems' performance and on their acceptability to the public, and more data has come from these experimental collectors than all the data that have been collected in laboratory experiments thus far.

The Foundation's solar energy research is a broad effort which focuses on advancing the technology for solar, thermal conversion, wind energy conversion, bioconversion to fuels and ocean thermal and photovoltaic conversion, as well as the heating and cooling of buildings. Through these technologies, solar energy can be used to generate electric power, to provide space heating and cooling, and to produce renewable supplies of clean hydrocarbon fuel. It is estimated that, with widespread application of these technologies, solar energy could meet 30 percent of the Nation's energy needs as we move into the next century. In the case of heating and cooling of buildings, the estimates are that 25 to 50 percent of the total energy needs of the Nation could be satisfied in that same period with solar energy applications.

S. 3344 gives the Director of the NSF the responsibility for the planning, coordination, and direction of the Federal Government's solar energy research programs. The Foundation is uniquely qualified to carry out these responsibilities because of its long experience in this field, dating back to 1950, and because of the perspective that the Director of the Foundation has as the President's Science Adviser. Another important consideration in assigning this total Federal coordinating responsibility to the Director of NSF is the Foundation's operating mode, which requires that it utilize the capabilities of other Federal agencies, the academic community, and industry to carry out its programs. It has already established an effective means for coordinating these activities through the Interagency Panel on Terrestrial Applications of Solar Energy. The Atomic Energy Commission, NASA, the National Bureau of Standards, HUD, Department of Interior, and other involved Federal agencies are members of the panel, which is chaired by NSF.

Also included in the authorization is a 25-percent increase in research support in the science disciplines, establishing the most vigorous program of fundamental research in the Foundation's history. This basic research program, aimed at assuring adequate fundamental understanding of science, provides the undergirding for advanced research as well as for applied and developmental work. It provides support for all fields of science. It is an investment in discovery and innovation. It may lead to new sources of energy; to advances which will create new industries and transform old ones; to increased understanding of the principles that govern the physical, life, and social sciences—understanding which is essential if we are to enhance the quality of life.

And underlying these efforts must be a continued investment in science education and in support for graduate students and faculty members in the science disciplines in our colleges and universities. The training of men and women in the most advanced techniques and concepts of basic science is essential to the development of new technology—technology we will need to insure our continued progress as a nation. Moreover, our need for trained scientists is as great now as it has ever been, and covers the whole range of science disciplines. We are looking to our scientists for guidance in finding solutions to air and water pollution control problems; for improved designs for mass transportation systems; for more effective utilization and delivery of health services; and for methods of allocating our scarce resources as fairly and effectively as possible. There is no significant unemployment of Ph. D. scientists in the United States today, in any discipline. In fact, in the field of engineering there is a growing shortage, with current unemployment levels estimated at about one-half of 1 percent, on a scale where 3 percent is considered full employment.

The authorization in S. 3344 also recognizes that inflation has affected the cost of scientific research and equipment even more than it has affected the cost of food, housing, and fuel. This is as true for applied research aimed at meeting our immediate needs, as it is for basic research from which benefits may only be reaped by future generations. Since fiscal 1967 there has been a 22 percent decline in constant dollars in the amount of Federal support for scientific research. This has worked a particular hardship on NSF and academic science and represents an inconsistent posture on the part of the Federal Government in its treatment of research and development support. Federal agencies with inhouse laboratories have been able to compensate for inflation by means of salary, instrument, and facility budget allowances. NSF has no in-house research capability, and the authorization, including the increases it makes over the administration's request, is designed to take into account the escalating costs of operating academic research laboratories, so that the Nation's capacity to produce quality scientific research will not be severely hampered.

For despite the increases requested by the administration for NSF's energy related research and for increased support for basic research in the science disciplines, other NSF programs were requested for funding at close to, or below, fiscal 1974 levels. To offset increases in these areas, the Office of Management and Budget reduced other parts of the Foundation's budget by a total of $19.8 million. Therefore, after a comparison of the line item requests for fiscal 1975 that the Foundation submitted to OMB, and based on testimony received by the Special Subcommittee on the National Science Foundation, S. 3344 restores most of the cuts and, in certain critical areas, provides increased funding. It adds $46.6 million to the administration's request.

For example, in the area of science education, the budget cuts would have been detrimental to the continuation of some of the Foundation's important and widely respected programs. As a result, the authorization increases funding in all areas related to science education by a total of $24.9 million and, in addition, includes language to require the Foundation to adhere to a stated minimum in certain of these programs.

The bill also authorizes an additional $11.8 million for the RANN program to be used in nonenergy-related areas. One area of special concern to the Nation is the improvement of the earthquake engineering program, designed to find practical engineering methods for constructing earthquake resistant structure. Solutions of this nature are absolutely essential if this Nation hopes to minimize the loss of life and property that accompanies earthquakes, especially in light of the recent population increases in earthquake-prone sections of the country.

To continue an orderly replacement program for outdated research vessels and to provide for increasing fuel costs, S. 3344 authorizes a $9.9 million increase in the oceanographic facilities and support element of the national and special research programs, including an $8 million minimum for ship construction and conversion.

S. 3344 also includes a $3 million authorization for intergovernmental science and research utilization, a $2 million increase over the amount requested by the administration. For the past several years this program, to make the benefits of science and technology more widely available, has remained constant and the authorization provided will move this program out of the experimental phase.

For education programs, S. 3344 also provides increased funding. The Foundation's request for institutional improvement for science was $3 million, $7 million below the fiscal 1974 legislative minimum established for this activity, and would have resulted in the elimination of the institutional grants for science program. This program has provided flexible funds for more than 600 colleges and universities in all regions of the country. NSF had requested $7 million for this program, but the funds were denied by OMB. The program has provided assistance to many small colleges and universities that would otherwise not receive NSF funding, and S. 3344 establishes a minimum of $12 million for the institutional improvement for science programs.

S. 3344 also authorizes $17 million for graduate student support. There has been a sharp reduction in the level of graduate student support since fiscal 1971, when the Foundation's budget included $30 million for this program. This year the budget request was less than $13 million. Such a reduction would be an overreaction to temporary imbalances in the supply-demand ratio for scientists and engineers, at a time when it is essential that bright young people continue to flow into scientific and technological careers in order to maintain the vitality and strength of U.S. science. To achieve this goal, S. 3344 establishes a minimum of $17 million for graduate student support.

For science education improvement the Foundation requested $61.4 million, an amount $6.1 million below the legislative minimum established for this program in fiscal 1974. However, the effective reduction of the program on a comparable basis with fiscal 1974 is $11.1 million, since $5 million of the fiscal 1975 request represents a new effort for energy manpower resources. This decrease in science education support reflects an imbalance in the Foundation's nonenergy support activities. To correct this imbalance, S. 3344 establishes a $71 million minimum for science education improvement to be used to expand its science education program for ethnic minorities and women, to maintain strong support for programs designed to improve the quality and effectiveness of science teachers at the elementary and secondary school levels, to continue the faculty fellowships program, to assist small academic institutions, and to stimulate outstanding high school students to pursue careers in science and to provide undergraduate students the opportunity to participate in productive research.

The following is a brief summary of the programs included in the National Science Foundation Authorization Act:

First, scientific research project support, $363,700,000. This is the core research support activity of the Foundation. It includes research in all fields of science—physicial, environmental, biological, materials and social sciences, and engineering. The research is conducted mainly through academic institutions and nonprofit research institutions, and includes multidirectional research in the science disciplines to find answers to fundamental questions already identified, as well as research to develop new basic knowledge that will be needed to help solve unknown barriers to technological progress.

Second, national and special research

programs, $94,700,000. These are major research programs that involve research dealing with global environmental issues, requiring coordinated efforts on a national or international scale to address special science problem areas. Two of the programs, Science and Technology Policy Research and Energy R. & D. Policy Research directly support the Director of the NSF in his role as the President's Science Adviser.

Third, National Research Centers, $52,500,000. These include the National Astronomy and Ionosphere Center at Arecibo, Kitt Peak National Observatory, Cerro Tololo Inter-American Observatory, National Center for Atmospheric Research, and National Radio Astronomy Observatory. They are centers which have been established to meet national needs for research in specific areas of science. These areas of research require facilities, equipment, staffing and operation support beyond the capabilities of separate institutions and which cannot appropriately be provided to a single institution.

Fourth, science information activities, $5,000,000. This program provides support for projects to develop and improve information systems and services to promote the dissemination of scientific information and to help scientists and others obtain and use the results of world wide scientific research.

Fifth, international cooperative scientific activities. This program enables the NSF to provide support for 17 bilateral research and exchange programs, through which U.S. and foreign scientists are provided opportunities to do research on scientific problems whose solutions may be accelerated through collaborative efforts.

Sixth, research applied to National needs, $160,700,000. This program includes support for five major program areas: Energy research and technology; environmental systems and resources; advanced technology applications; social systems and human resources; and exploratory research and problem assessment. It is designed to focus U.S. scientific and technical resources on selected problems of national importance, with the objective of contributing to their practical solution.

Seventh, intergovernmental science and research utilization, $3,000,000. This program assists State, regional and local governmental agencies in making the benefits of science and technology more widely available within their regions. It plays a significant role in the understanding and analysis of the implication of various science and technology policies.

Eighth, institutional improvement for science, $12,000,000. This program assists universities, colleges and independent non-profit research institutions in exploring methods and techniques for improving their academic science programs and their management capabilities to enhance the effectiveness of Federal funds provided for them.

Ninth, graduate student support, $17,000,000. This includes graduate fellowships designed to insure that the Nation's most talented science students have an opportunity to pursue science careers in disciplines of their choice. It also provides post-doctoral fellowships and science manpower training.

Tenth, science education improvement, $71,000,000. This activity provides support for programs to increase educational efficiency, help provide the essential number and variety of trained scientists and engineers, and provide science training that will enable the non-scientists to function confidently in our science and technology intensive society. It focuses on the development of courses that provide science training, providing to a broader range of students a basic understanding of how science works, experiments to improve the structure of education through the application of advanced technology, and activities to improve the understanding by the public or the roles, potentials and limitations of science and technology.

Eleventh, planning and policy studies, $2,700,000. These studies provide the factual data and analytical basis for decisions leading to the development and improvement of policies and plans for the advancement and utilization of science.

Twelfth, program development and management, $39,500,000. These funds are used to provide for the operation and management costs of the preceding 11 programs.

In addition, the bill authorizes the appropriations of $5,000,000 to be paid in excess foreign currencies, for expenses which the NSF incurs in its activities abroad.

The National Science Foundation operates no laboratories or scientific facilities of its own. Through grants and contracts it supports programs of scientific research and education in thousands of universities, research institutes and other organizations in all of the 50 States.

These programs represent an essential investment in this Nation's future, and no expenditure has a wider implication for the health, welfare, and safety of the American people. Measured by any standard, American science has for decades sustained a level of productivity unmatched in the history of modern science.

It is the responsibility of the National Science Foundation to see that our scientists receive the financial support they need to carry forward promising research. As the only Federal agency with a direct mandate to strengthen science and education science, the NSF is called on to perform a critically important and unique function, and the authorization contained in S. 3344 will enable it to meet that responsibility.

SPESSARD L. HOLLAND NATIONAL SEASHORE PARK

Mr. GURNEY. Mr. President, I am pleased to announce that the House Interior and Insular Affairs Committee, Subcommittee on National Parks and Recreation, will be holding hearings this morning on a proposal to establish the Spessard L. Holland National Seashore Park, in my home State of Florida.

I have long been a supporter of this proposal—S. 333; H.R. 5773—which I first introduced on April 19, 1971. So that my colleagues here in the Senate may acquaint themselves further with what the establishment of the Spessard L. Holland National Seashore Park would entail, I request that copy of my testimony before the House committee be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

> Mr. Chairman: I am pleased to testify before this committee today on behalf of H.R. 5773, which would establish the Spessard L. Holland National Seashore Park in my home State of Florida.
>
> Mr. Chairman, for over 40 years, Spessard Lindsey Holland of Bartow, Florida, served the citizens of the State, most notably as a prime mover behind legislation to preserve Florida's natural environment. He wrote legislation that created one of the country's largest national parks—the Everglades National Park. I think it is fitting that a park section in Florida be named after this distinguished statesman and defender of the environment.
>
> On April 19, 1971, I introduced a bill which would establish the Canaveral National Seashore Park in the State of Florida. This same parcel of land I proposed as the Spessard L. Holland National Seashore Park on January 11, 1973 at the beginning of the 93d Congress.
>
> Mr. Chairman, one of the national goals of this administration has been to restore and enhance our natural environment and, as President Nixon announced in his January, 1971 state of the Union address, "to expand the Nation's parks, recreation areas and open spaces in a way that truly brings parks to the people."
>
> Since the President's address in 1971, there have been no additional national parks established in the State of Florida and only a few areas established under the land and water conservation fund grants and bureau of outdoor recreation grants.
>
> Mr. Chairman, in essence what I am saying is that central Florida is a portion of my State now possessed of a great many people in search of a national park. South Florida has the Biscayne National Park; north Florida has the Gulf Islands National Park, both beautiful areas, but there is no national park in central Florida.
>
> Mr. Chairman, the east central area of Florida, the section of my State which would find this National Seashore Park most accessible, has experienced a spectacular growth in the past 20 years. This 7-county area comprised of Brevard, Volusia, Orange, Indian River, Lake, Osceola, and Seminole Counties, has ballooned from a population of 229,333 in 1950 to 650,962 in 1960 to 1,147,900 in 1970. In other words, the population of this region has approximately doubled every ten years and now comprises nearly one-fifth of the total population of Florida.
>
> The parcel of property involved is an idyllic one, teaming with indigenous wildlife. For instance, the adjacent Merritt Island Wildlife refuge has had 265 bird species identified within its boundaries.
>
> The areas to be included within this proposal for the national seashore park is an 18-mile stretch of beachfront. There are approximately 35,000 acres involved of which some 24,421 acres have recently been turned over to the Department of Interior for Management. This transfer of lands was necessary to secure the area for the establishment of the park.
>
> So far, I have spoken only of the growth of the resident population. This area already provides a strong tourist lure in the space effort at the NASA complex located at Cape

Canaveral. In excess of one million visitors visited the installation during the past year. However, the east central region has become a tourist mecca with the opening of Walt Disney World in October of 1971. It is conservatively estimated that 10,000,000 have visited this attraction during its first year of operation and this has steadily grown since then. Last year, 1973, an estimated 25,000,000 people visited Florida, each for an average of two weeks. The forecast predicts nothing but an increase because of the recent opening of Walt Disney World and other attractions such as Seaworld in the Orlando area.

All of this growth in the area is beginning to exert enormous pressures on the remaining parcels of land which are as yet undeveloped, particularly beachfront property. Speculators and land values can hardly be blamed for eyeing unspoiled ranks of dunes abutting the sea with spectacles fitted with glasses of increasing pinkish hues. Underdeveloped beachfront and quiet lagoon property has recently been undergoing a rapid transition from untouched or agricultural to urban or subdivision.

The area to be included within the proposed Spessard L. Holland National Seashore Park is easily a 40 to 50 mile reach of both the Orlando Area and the Disney World complex at Kissimmee. A highway proposal, still in the planning stage, has been proposed the length of Kissimmee to the National seashore and a scenic highway to further facilitate projected traffic between these two points. The intense "growing pains" of this area of Florida make comparative reservation of a sizeable beachfront park for recreational purposes, such as I have proposed in S. 333, whose companion measure was introduced in the house by Congressman Chappell.

Mr. Chairman, this area is idyllic in many ways. There is good fishing for the sport fisherman and both the breaker and wave actions zones, and in the lagoons behind the barrier dunes. The beach itself is in excellent condition, and in fact, is described by scientists as an example of a "prograding" beach—one which is in a condition of steadily augmenting itself. The temperature of both air and water meander annually in a gentle fluctuating between a temperature of 60 and 80 degrees.

This entire area is also rich in archeological and historical landmarks. There has been continuous habitation in the Cape Canaveral area for at least several thousand years. There are numerous mounds with shells and bones left in middens as refuse from aboriginal meals. The shallow and treacherous waters abutting the Cape frequently grounded and sank ships from the Spanish explorers onwards resulting in shipwrecked survivors who frequently had to deal with hostile native populations once they conquered the raging seas and were cast ashore.

Florida was a British colony under terms of the Treaty of Paris signed in 1763; following the end of the American Revolution, Florida was returned to Spain. Under Spanish control once more, large land grants encouraged the establishment of cotton and sugar plantations. In 1821, with the ratification of the Adams-Onis Treaty, the area came under jurisdiction of the United States.

After the Seminole war, what is generally considered to be the first citrus grove in Florida was established on Merritt Island, just south of the proposed national seashore. The cape itself, during the Civil War, was the dividing line separating two Union blockading fleets. And, of course, in the present day, the Canaveral seashore, a portion of which would be comprised within the NASA Reservation, would provide an excellent vantage point for the launching of the "big birds" during future space shots.

Mr. Chairman, I am delighted that the subcommittee is holding these hearings, especially in light of recent hearings held in July of 1973, on my proposal, S. 333, by the Senate Interior Committee. I am pleased to have had the opportunity to bring to the attention of the distinguished members of this committee the above arguments for the establishment of the Spessard L. Holland National Seashore Park and I urge favorable action by this comittee to insure the acquisition of this significant portion of our national and historical heritage that will be willed to the future generations of our country.

Thank you, Mr. Chairman.

SENATOR ERVIN HONORED

Mr. STENNIS. Mr. President, on May 10, 1974, the Cox Broadcasting Co., which owns television station WSOC in Charlotte, N.C., honored our colleague, Senator Sam J. Ervin, Jr., at a reception in Charlotte, N.C. The Senator's hometown newspaper, the News Herald, of Marganton, N.C., commented upon this reception in an editorial entitled "Senator Honored At Big Shindig" which appeared in its issue for May 13, 1974.

I ask unanimous consent that a copy of this article be printed in the body of the Record.

There being no objection, the article was ordered printed as follows:

Senator Honored At Big Shindig

Senator Sam J. Ervin Jr. was at his lightsome best when he told the crowd that if he had known he would be treated so well when he retired, he might have considered retiring earlier.

The statement came in informal remarks delivered at the Charlotte civic center Friday night at a big cocktail buffet given in the Senator's honor by Cox Broadcasting Company which owns WSOC-TV-AM-FM.

Between 800 and 1,000 persons were present for the showing of excerpts from a one-hour documentary prepared by the staff of WSOC-TV entitled, "Sam J. Ervin Jr., Constitutionalist," and for the unveiling and presentation of a portrait of the Senator by portrait artist Marshall Bouldin III of Lauramar Plantation at Clarksdale, Miss.

Bouldin is considered one of the nation's foremost portrait painters and has distinguished himself as being one of the few living artists to have portraits hanging in the White House.

The portrait presentation was made by Clifford M. Kirtland Jr., president of Cox Broadcasting Company, and the emcee was Freeman R. Jones, vice president of Cox Broadcasting and general manager of WSOC-TV. It was announced that the full documentary will be shown on channel 9 Thursday night a 8 o'clock.

Senator Ervin's family and kin attended along with a sizable delegation of Burke Countians. Present also were people from throughout the state, as well as Washingtonians. There was, admittedly, a measure of curiosity as to who would be on hand following an advance item in the Raleigh News and Observer's "Under the Dome" which said that "About 1,500 prominent Tar Heels—(that word "prominent" stirs curiosity)—have been invited to the gathering at Charlotte's new civic center."

Then the following sentence was the tantalizer: "The event will be closed to the news media. Only those named on the guest list will be admitted."

It was, we repeat, quite an event. To use an expression long circulated in the hill country, WSOC put the big pot in the little pot for this buffet affair. And there was no doubt that it was in honor of Senator Ervin. However, the Senator himself was giving the credit to his staff, to his family and to everybody else and when he was greeted by admirers from around the state, he thanked them for attending, as if they were doing him an honor by so doing.

It was an altogether delightful affair and a deserved honor for our own Morganton-born Senator who will be returning home with the end of his term next January. It never ceases to amaze his neighbors that Senator Sam has become a nationally known name and figure by just being himself, without departing from his characteristics of a lifetime as known by his home town.

In the buffet program presented as a salute to "Sam J. Ervin Jr., Constitutionalist," these excerpts were printed, setting forth well the attitude of those who have recognized his service to the nation.

"The name Sam Ervin has become synonymous with the Constitution of the United States. His twenty-year career in the United States Senate has been punctuated by constitutional principles. Recognized throughout the country as the foremost authority on the document that established the foundation for our government, the senator from the Tar Heel State has defended the rights it guarantees each of us. His battleground has been the senate floor and his weapons were the Bill of Rights and constitutional pronouncements.

"Now Senator Sam is leaving the senate. But he leaves behind him a legacy of truth and justice that has firmly established him as one of the most dynamic statesmen in the history of our country. Future generations are sure to find his name ranked among the great patriots and dedicated leaders who have perpetuated and strengthened our form of government . . ."

That's well said, but his neighbors have known the truth of the tribute for years: It's fine that others have made the discovery that Senator Sam is a statesman and will be so acknowledged in the nation's history.

DEPARTMENT OF HEW "MEETING" POLICY

Mr. GURNEY. Mr. President, some months ago the Department of Health, Education, and Welfare issued a policy statement that those institutes which received grants or Federal funds from the Department were not to hold meetings at locations which were considered to be resort areas.

When this matter was called to my attention earlier this month, I protested such a policy as it almost automatically ruled out the State of Florida as a meeting site for such institutes.

I contacted the Secretary of the Department of Health, Education, and Welfare—Secretary Weinberger—on this matter, asking that he clarify this policy and correct the erroneous impression that the Department prohibited any such meeting from being held in Florida.

On May 9, Secretary Weinberger responded advising me that the policy issued by the Department only cautioned meeting sponsors to avoid holding in-season meetings at resort areas which might give the impression that Federal funds were being used to finance holidays or junkets for employees. Secretary Weinberger continued in his letter that the policy by the Department did not attempt to prohibit the selection of such areas as meeting sites when justified. However, in order to avoid any future misinterpretation, the policy has been clarified to state that no particular location is prohibited as a meeting site when that location is determined to be best suited for the purpose of the meeting.

Mr. President, I certainly agree with Secretary Weinberger that Federal funds should not be used to finance holidays or junkets for employees, especially in light of Congress determination to curb Federal spending. However, I do not think it is the proper judgment of that Department to prejudge such locations simply because of their known leisure-related surroundings.

I am most pleased that the Department has clarified this policy and I commend Secretary Weinberger for his diligence in assuring that the Department guard against any misuse of Federal funds.

CHATTOOGA RIVER INCLUDED IN WILD AND SCENIC RIVERS SYSTEM

Mr. TALMADGE. Mr. President, on May 10, the President signed into public law, H.R. 9492, a bill to include the Chattooga River in the Wild and Scenic Rivers System.

This represents the culmination of years of work, dedication, and perseverance by many people. Perhaps the foremost advocate of preserving the beauty and wild nature of the Chattooga is Mrs. Ezra Wilson of Homer, Ga.

Rarely in my years of public service have I seen a person whose love for one of God's rich natural blessings exceeds that of Mrs. Wilson for the Chattooga.

I would be remiss if I did not pay special tribute to Mrs. Wilson. She richly deserves recognition and appreciation from all of us who have benefited from her efforts.

PHILADELPHIA FLYERS WIN STANLEY CUP

Mr. HUGH SCOTT. Mr. President, I rise to honor a professional team which yesterday performed with the kind of sportsmanship and skill not often seen in tense sporting competition even in the "city of brotherly love." I stand to salute the Philadelphia Flyers who Sunday skated away with Hockey's Stanley Cup, defeating the tough Boston Bruins. In the interest of not agitating my Massachusetts' colleagues, I will refrain from repeating the agonizing play by play account of yesterday's championship match. Rather, allow me to echo the words of today's Philadelphia Inquirer which accurately described the victory:

> It was sheer skill that payed off yesterday. It wasn't fisticuffs, it was hockey, and it was beautiful.

I am confident this admirable championship season of the "Broad Street Bullies," will spark other Pennsylvania professional teams to similar world championships. It has been a long time coming, but well worth the wait.

Congratulations.

I ask unanimous consent that the editorial from today's Inquirer be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

THE FLYERS: ALL HAIL!

The editor of The Inquirer recalls another Sunday afternoon, very early in his career, when he went into the office to write an editorial saluting the Philadelphia Phillies for winning the National League pennant. He was not a Philadelphian then, but that was an event celebrated across the land.

That was 1950. Has it been that long since our town has had a winner in professional sports?

No, not really. Our basketball team did it in 1956 and 1967, the Eagles won the championship in their league in 1960, and the fledging Atoms got professional soccer off to a smashing start by coming out on top of the heap last year.

But it has been a while, sports fans, since Philadelphia has had the kind of thrill the Flyers gave us yesterday in winning the Stanley Cup.

All hail, then, to Ed Snider. To Fred Shero. To Bobby Clarke, Bernie Parent, Dave Shultz, Ed Van Impe and all the rest of these great hockey players. And, of course, to Kate Smith.

They call them the Broad Street Bullies, and this is admittedly a tough team in a tough game. But that was sheer skill which paid off yesterday. It wasn't fisticuffs, it was hockey, and it was beautiful. The Flyers simply outskated, outgoaltended, and out scored those Bruins from Boston, the former class of the league.

Let's hear it then, for the Flyers. They are the class and pride of Philadelphia today, and we honor them for it. Cheers!

POLITICAL PRISONERS

Mr. ABOUREZK. Mr. President, in the last decade the world has witnessed an alarming increase in the policy of political imprisonment and the practice of torture. Amnesty International, a respected internation nongovernmental organization concerned with political prisoners and prisoners of conscience, estimates that such prisoners exist and are tortured in over 60 countries. Torture and imprisonment of political prisoners is not limited to any particular ideology; it has become the major instrument of all forms of political oppression. Primarily, it is used against political dissenters and instills fear in others who may be considering dissent.

While no government admits using torture, it is amply evident. In speaking to refugees and others who have experienced the wrath of such an inhuman experience—many of whom still have the paralysis and indelible scars to prove their stories—it is obvious that government involvement, though disguised, is there nonetheless.

Mr. President, I believe that it should be the duty of us all to speak out forthrightly in calling for action in defense of international standards of human rights when they are violated. We in the Congress have the additional responsibility of insuring that the United States in no way encourages the violation of human rights through the implementation of our foreign policy or in connection with our foreign aid. Furthermore, I believe that it is the duty of this country to foster in the policy of friendly governments a deep and continuing concern for the fundamental human rights of every human being.

Coleman McCarthy, in an article in the Washington Post, recently provided an eloquent account of the status of political prisoners and the efforts by Amnesty International to come to their aid in countries around the world. He notes that no one knows for certain how many prisoners there are, what the conditions of the prisons may be or how the sentences are set.

There continues to be a lot of unknowns about the plight of these people, but articles such as this can do a great deal to insure that they are not forgotten.

Mr. President, I ask unanimous consent that Mr. McCarthy's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

AIDING POLITICAL PRISONERS

(By Colman McCarthy)

News reports in recent weeks have told about the release of political prisoners in Portugal and Mozambique. In Lisbon, days after a half-century of dictatorship was ended by a coup, 99 political prisoners were released from jail, with thousands of relatives and friends joyously greeting them. In Laurenco Marques, 550 political prisoners, mostly blacks, were freed. One news story told of a man who "had been in Machava (prison) for 10 years for political activity. He could scarely believe he was free."

As encouraging as these scenes are, they are exceptions to a harsh rule that still prevails elsewhere among nations of five continents. Political imprisonment and torture are still relied on by large numbers of world governments as a prime way of silencing dissent. Unlike other criminals, political prisoners often may not be jailed for what they actually do but simply for what they think. The list of nonviolent political "crime" includes advocating national or cultural autonomy, practicing a minority religion, attempting to organize a political party in opposition to the one in power, performing actions the government or army considers insulting, refusing military service on grounds of conscience, organizing peaceful public rallies directed at changing governmental policy. In the United States, it is generally acknowledged that such government lawlessness exists in Russia and China, but in fact it persists, in one or another form, in all parts of the globe: The Communist world is not free, for sure, but jails in "the free world" can be just as brutal. Freedom to dissent—to think as one chooses—exists only in a few countries; when human rights collide with entrenched power, power seldom loses.

Aside from occasional moments of joy, as witnessed in Portugal and Mozambique, the work of releasing political prisoners is slow and demanding. But it is not entirely hopeless. Since May 1961, one group has persistently been at work: Amnesty International. With its influence and stature growing, Amnesty International recently received the unaimous support of the United Nations for its resolution to abolish torture. Realistically, it is unlikely that this new U.N. resolution will mean a sudden end to torture by means of tiger cages, electroshock, flogging, starvation or whatever. Such resolutions have been approved before and hailed by the jailers, and then totally ignored. But with this recognition from the U.N., Amnesty International is now less able to be dismissed by those goverments which resent or resist its persistence.

To many of the governments that detain and torture citizens for what they say or think. Amnesty's methods must seem trifling; polite letters to authorities, picketing embassies, letters-to-the-editor, informal visits of inquiry or persuasion by lawyers, publicity or news stories. Yet, Amnesty's record of peaceful picklocking is impressive. During 1972, 842 prisoners were released and the causes of 1,580 new prisoners were taken up, respective increases of 15 per cent and 25 per cent over 1971. In the past two years, about $200,000 were dispensed to aid prisoners and their families. In the United States, some 70 groups are now at work on behalf of 200 prisoners in 37 countries; worldwide, more than 32,000 AI members are at work in 62 countries. Despite the indifference they would feign, oppressing governments are fully aware of the organization's work, though in comically different ways. State newspapers in Brazil, AI reports, have called its officials "instruments of Communist terrorism," while a Soviet pamphleteer said the "Amnesty International organization was founded in the first place to carry out anti-Soviet propaganda . . ." (Amnesty International's headquarters in this country is: 200 West 72d St., New York, N.Y. 10023).

The work of releasing prisoners is ongoing. One group in Portugal is released and then somewhere else in the world another group is jailed. Recent reports from South Korea stated that students, clergymen and intellectuals are being imprisoned for peacefully challenging President Park Chung Hee. In January, he announced an "emergency measure" outlawing criticism of the constitution; the press was forbidden to discuss it. As for those he is jailing Park eloquently expressed the classic thought of oppressors (quoted in the New York Times, Feb. 14, 1974): It is self-evident what they are aiming at by agitating the people with talk of democracy and freedoms."

Because many Americans are active in Amnesty International, it was encouraging that last year in the foreign aid bill all American "public safety advisers" (a term used by the Agency for International Development) to other governments were called home; previously it was an obvious conflict for the United States to condemn torture abroad while continuing to give aid and advice to foreign police forces that were engaged in torture. For now this conflict appears to be resolved, although it is only the minimum of what should be done. In a March report from the subcommittee on International Organization and Movements of the House Foreign Affairs Committee, the dismal record of the U.S. government was noted. "The human rights factor is not accorded the high priority it deserves in our country's foreign policy . . . Unfortunately, the prevailing attitude has the U.S. embracing governments which practice torture and unabashedly violate almost every human rights guarantee pronounced by the world community. Through foreign aid and occasional intervention—both covert and overt—the U.S. supports those governments.

Our relations with the present governments of South Vietnam, Spain, Portugal, the Soviet Union, Brazil, Indonesia, Greece, the Philippines and Chile exemplify how we have disregarded human rights for the sake of other assumed interests. In blunter language, what the report means is that when it comes to making a choice in terms of lining up "power politics" and our supposed larger "security interests" we all too often find ourselves on the side of the world's tyrants at the expense of their victims. If official policy occasionally is strained by the brutality of another country, considerations of the investments of American corporations within that land is often enough to keep U.S. support intact. "International incidents" are to be avoided.

The work of releasing prisoners is one of unknowns: no one knows for certain how many there are, what the conditions of the prisons may be or how the sentences are set. The only certainty is that the work of Amnesty International has a meaning. A statement of a prisoner released from Chi Hoa national prison in Saigon in December 1972 offers a powerful testament: "We could always tell when international protests were taking place. The food rations increased and the beatings inside the prison got less. Letters from abroad were translated and passed around from cell to cell, but when the letters stopped, the dirty food and the repression started again."

THE TRAGEDY AT MAALOT

Mr. SCHWEIKER. Mr. President, yesterday's senseless massacre of Israeli high school students saddens and outrages people everywhere. If through their vicious acts the Palestinian terrorists intend to win a role in the Middle East peace negotiations, they have failed. The full weight of world opinion must be brought down—and brought down hard—on these madmen.

I was pleased to cosponsor the Senate-passed resolution urging the United Nations to bring strong sanctions against the Arab guerillas through the U.N. member nations which harbor them. It is imperative that the Security Council do this.

The U.N.'s failure to censure the Arab terrorists after their attack at Kiryat Shemona, April 11, while censuring the Israeli's for their reprisal to the attack, did nothing to prevent the ensuing tragedy at Maalot. The U.N. must take decisive action in the wake of yesterday's outrage if it does not want to forfeit its claim to being the keeper of world peace.

A TRIBUTE TO DR. LEON SULLIVAN

Mr. HUMPHREY. Mr. President, Dr. Leon Howard Sullivan is a warm friend and outstanding civil rights leader for whom I have great respect. Reverend Sullivan's dedicated service to his family, his church, his community, and to the underprivileged throughout the United States is a special inspiration to all who are concerned with the improvement of the quality of human existence.

Dr. Sullivan's zealous and continuing support for the poor led to his creation of the highly successful Opportunities Industrialization Centers of America, which have trained and placed over 150,000 unskilled and disadvantaged people since their beginning in 1964.

A recent article in the Wall Street Journal paid tribute to Reverend Sullivan's selfless and consistently outstanding service to America.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, May 17, 1974]

THE WORK ETHICS: LEON SULLIVAN PUSHES JOB TRAINING AS KEY TO BLACKS' SUCCESS—PHILADELPHIA MINISTER GAINS INFLUENCE AS HIS PROGRAM SPREADS ACROSS NATION

(By Thomas J. Bray)

PHILADELPHIA.—Leon Howard Sullivan leans his six-foot, five-inch frame forward in the pulpit, gazes sternly out over his congregation and launches into his weekly sermon.

"God likes to stir people's nests from time to time." (Scattered amens.) "God stirred America's nest in the '60s during the civil-rights movement." (More amens; his voice rises.) "God stirred President Nixon's nest, and little Mitchells and Deans fell out." (Laughter, "right-ons.") "And God's stirring your nest—because he wants you to stand on your own two feet." (Loud chorus of amens and approval.)

It's an old theme—God helps those who help themselves—but one on which Leon Sullivan is well qualified to preach. As founder and national director of the Opportunities Industrialization Centers of America, Mr. Sullivan has made a career out of self-help for blacks and other minorities. The OIC program began 10 years ago in an abandoned police station in the North Philadelphia slums and has since grown into a network of more than 100 job-training centers across the nation. Over 150,000 disadvantaged and unskilled workers have been trained and placed in jobs ranging from brickworking to court reporting, and labor experts praise the OIC as one of the most successful and efficient manpower programs going.

AN INFLUENTIAL LEADER

The OIC program has helped make the 51-year-old Mr. Sullivan one of the more influential black leaders in the U.S. "He comes as close as any man to being my idol," says Jesse Jackson, the charismatic Chicago civil-rights leader and onetime aide to Martin Luther King. Politicians of both parties regularly beat a path to Mr. Sullivan's door, and the businessmen who have lent their support read like a Who's Who of American industry. In 1971, Mr. Sullivan became the first black director of General Motors.

The OIC hasn't been Mr. Sullivan's only contribution to the black cause. He was a key—if youthful—organizer of the 1943 equal-rights march on Washington. In the 1950s, as pastor of Philadelphia's Zion Baptist Church—the largest church in Philadelphia, white or black—Mr. Sullivan pioneered the business-boycott techniques later adopted and expanded upon by the civil-rights movement. "It was one of the stellar contributions to the movement," Chicago's Mr. Jackson says.

But is was the OIC program that brought Mr. Sullivan to national attention. He had begun his Philadelphia OIC in early 1964 with less than $750,000, most of it raised privately; Mr. Sullivan mortgaged his own home to help meet start-up costs. The federal government, desperate for new ideas and programs that might help dampen growing inner-city tensions, was quick to embrace the OIC concept, however. Several million dollars in federal funds flowed into OIC coffers in 1965; by 1970, the sum had risen to $13.5 million, and in the current fiscal year, it is expected to reach about $23 million.

A GROWING CHAIN

The result has been a steadily growing chain of job-training centers modeled along the lines of the Philadelphia OIC. But the OICs haven't been without problems. A number of them are little more than shells, floundering for lack of local leadership or suffering from mismanagement. Others have been closed in the wake of revenue sharing, which gives city halls a veto power over financing. Federal cutbacks in manpower spending have also hurt; the OIC, which now is almost entirely financed by the federal government, started this fiscal year expecting to receive $32 million in funds from Washington but has been cut back twice to the current $23 million level. But, as one staffer puts it, "The most impressive thing is that the OIC still exists at all."

In any case, the ups and downs of Mr. Sullivan's operations tell much about minority efforts to implement the gains of the civil-rights movement of the 1960s. Mr. Sullivan's career is also a remarkable story in its own right.

INTEGRATING LUNCHROOMS

That career started in Charleston, W. Va., where Leon Sullivan was born in a dirt alley to a mother who was an elevator operator and a father who was a janitor. He was raised mainly by his grandmother, and it was apparent fairly early that young Leon had brains, ambition and zeal. He was a good student, a good athlete—and a constant pest to white lunchroom owners who tried to deny him service. "I tried to integrate every place that said blacks couldn't enter," he recalls. "I couldn't understand why my people put up with it." Occasionally, he was successful: one establishment served him a Coke after he recited the Declaration of Independence from memory.

Mr. Sullivan won an athletic scholarship to West Virginia State College, and when an injury put an end to his football and basketball career, he worked his way through school in a steel mill. He also picked up a little extra cash as an itinerant preacher. In person, he is soft-spoken, almost shy, but his pulpit style is in the best tradition of fire-and-brimstone Baptist revivalism.

Soon after graduation, Mr. Sullivan encountered a flamboyant Harlem minister (later to be a controversial Congressman), Adam Clayton Powell, who was in West Virginia on a speaking engagement. Mr. Powell, impressed by the youth, invited him to New York, where he helped organize the wartime civil-rights march on Washington and entered prestigious Union Theological Seminary for his doctorate in divinity. For several years, he also served as assistant pastor of Mr. Powell's powerful Abyssinian Baptist Church.

In 1950, Mr. Sullivan came to Philadelphia as pastor of Zion Baptist, which then had a congregation of about 600. (It now is about 6,000.)

"There was a big problem with gangs," Mr. Sullivan recalls, "so I did a lot of youth work, organizing basketball leagues and things like that. But then I began to realize that a big reason for juvenile delinquency was unemployment. So I contacted every large company in Philadelphia—about 300 of them—and asked them to at least give job interviews to some of the kids. I wasn't asking them necessarily to hire all the kids, just to take a look at them. I heard back from 10 companies, and two said they would."

Outraged by the lack of response from the business establishment, Mr. Sullivan called a meeting of Philadelphia's 400 or so black clergy. He emerged with their backing for a massive business boycott. Boycott tactics had been tried before, notably by Harlem's Mr. Powell, but they were usually applied on a limited scale, such as demanding a few jobs as checkout clerks at local stores within the black community.

The Philadelphia boycott was designed to pressure companies on a citywide basis, starting with such vulnerable concerns as bakers and soft-drink bottlers. Blacks constituted about 20% of the city's population, and Mr. Sullivan estimates that at one point the boycotts involved nearly a half-million consumers. "After a while, all you had to do was show your face at a company" and more jobs would become available, he recalls. Between 1959 and 1962, he figures, several thousand jobs were opened up for blacks.

Other observers recall the boycotts as being less successful for the number of jobs they opened up than for the sense of pride and organization they instilled in the black community. Mr. Sullivan shared the spotlight with the boycott's other organizers, but he was clearly the leader. His reputation was solidified when Martin Luther King asked him to go to Atlanta to help organize the boycotts there.

At the same time, however, Mr. Sullivan was moving beyond the protest tactics of the civil-rights movement. "Jobs were becoming available," he says, "but our people couldn't do them."

The result was the OIC. At first, Mr. Sullivan thought the solution lay in mobilizing the savings of the black community to form companies that would train and employ other blacks. "I got the idea from Jesus feeding the 5,000 with loaves and fishes," he says, referring to a Biblical story that emphasizes the Christian concept of sharing. Mr. Sullivan asked members of his congregation to set aside $10 a month for 36 months—the 10–36 Plan, he called it—to form the seed capital for his ventures. More practical heads, however, persuaded Mr. Sullivan to separate the investment and job-training aspects of his program.

From the start, the OIC didn't claim any startling new concepts in training as such. But it was soon apparent to the OIC staff that enrollees needed something more than training in skills. "The transition from unemployed to employed can be a lot for some of these people to grasp," a Philadelphia OIC staffer says. "Our feedback was that many people were losing their jobs not because their technical training wasn't adequate but because of personal problems and attitudes."

A feeder program was quickly established to acquaint the trainees, about half of whom are welfare recipients ranging in age from 21 to 40, with the realities of the largely white workaday world. The students learn such rudiments as how to apply for a job, how to take employment tests, how to accept criticism from their future bosses—and how to make complaints of their own. Punctuality, courtesy and social amenities are stressed; gum, chewing and wearing hats indoors are out, good diction is in. One classroom is lined with mirrors to make students aware of their dress and grooming. "Basically," says Lorraine Lockett, an instructor, "we teach them to conform."

The applicants also take refresher courses in basic math, reading and oral communication during the feeder program. When the enrollees are judged ready—usually in two to five weeks—they are sent to the job-training centers. The Philadelphia program, for example, offers 14 courses ranging from keypunch operator to auto mechanic; there are four centers around the city. Close continuing contact with employers and careful follow-up work with trainees have produced a relatively high job-retention rate; more than 50% of the trainees are still on the same job six months later. (And a good many others move on to other jobs, it is believed.)

"That shapes up just as well as most company-run training programs," says a Labor Department official in Philadelphia who monitors the OIC program here. Adds a labor expert with an old-line civil-rights organization: "The OIC may not place its people at the highest level, but it is definitely productive—unlike most government programs that are supposed to deal with the hard-core unemployed." The OIC also says it does the job more cheaply—for about $1,500 a trainee, compared with about $3,500 in most federally financed programs.

For the enrollees, however, there can be financial problems. No stipends are paid in the OIC program, making it difficult for many to attend classes regularly but ensuring that those who do tend to be fairly well-motivated. For various reasons, about a third of the enrollees drop out during the feeder program or during actual job training.

At about the same time that Mr. Sullivan was beginning the OIC program in the mid-1960's he was also forming Zion Investment Association, an investment company in which parishoners provided most of the capital. (This was an outgrowth of his old 10–36 Plan.) ZIA bought some garden apartments, built a new shopping center in North Philadelphia and started several companies that supply parts to the aerospace and automotive industries. Assets now are about $5 million, and ZIA has more than 8,000 stockholders.

But like the OIC, Zion Investment Association has had its share of problems. ZIA has stubbed its toe badly on several investments, notably a garment-manufacturing operation that attempted to double as a job-training program. The aerospace company lost $500,000 last year, and the automotive-parts concern has been hurt, like other auto suppliers, by the energy crisis. Mr. Sullivan got a chilly reception recently when he approached John Bunting, chairman of First Pennsylvania Corp., Philadelphia's biggest bank, to ask for financing for shopping centers in other cities. "I told him we only back successes," says Mr. Bunting, whose bank had nonetheless been a heavy lender to earlier ZIA ventures.

Mr. Sullivan contends that ZIA eventually will turn the corner; one of his priorities is to help ZIA become a self-sustaining, dividend-paying enterprise. "It won't be easy," Mr. Sullivan says, "but it has to succeed so minorities can see that they can manage businesses, too."

Another of his goals is to cajole General Motors, of which he is a director, to assign more dealerships to blacks, promote more blacks to executive positions and train more black mechanics.

And, always, there's Mr. Sullivan's church, which burned down in 1971 but has been rebuilt on a larger, more modern scale, complete with a day-car center, classrooms for adult education and a gym for the basketball league that Mr. Sullivan organized nearly two decades ago.

It is from his modest church salary that Mr. Sullivan receives his only compensation, aside from some lecture and directorship fees; his clothes tend to be wrinkled and a little threadbare. He recently moved to a comfortable but modest home in a predominantly white suburb in order to be closer to the Quaker school that his three children attend. The move drew the predictable hate mail and telephone calls.

Mr. Sullivan continues to put in long hours, and he makes substantial demands on his congregation. At one recent service, offerings were asked separately for the Girl Scouts, and the church mortgage fund, missionary work and the general church fund.

He doesn't plan to let up, either. One ambitious project he is planning: to use the resources and manpower of his church, he OIC and ZIA to rehabilitate large chunks of the black ghetto in Philadelphia.

WINNING ESSAY OF WILLIAM A. WECHSLER OF THE LOOMIS SCHOOL, HARTFORD, CONN.

Mr. RIBICOFF. Mr. President, recently a number of private preparatory schools in Connecticut held a competition among their student bodies to pick the best essay. The schools involved were Loomis, Kingswood Academy, Suffield Academy, Avon Old Farms, and Westminster.

The winner of the competition was William A. Wechsler of Hartford, Conn., and Loomis School.

In light of the high quality of Mr. Wechsler's essay and its timeliness, I ask that his essay, entitled, "The Doctrine of the Separation of Powers and Judicial Review of Impeachment," be printed in the Record.

There being no objection, the essay was ordered to be printed in the Record, as follows:

The Doctrine of the Separation of Powers and Judicial Review of Impeachment

(By William A. Wechsler)

Today Americans are in the midst of a great social revolution, when old ideas, conventions, institutions, and restraints are everywhere being challenged. Exacerbating this is a constitutional crisis stemming from an increase and possible abuse of executive power.[1] Thus it becomes important to pause and consider, once again, the origins and subsequent development of the "Magna Carta" of our republic, the Constitution of the United States. This document, the culmination of great political wisdom and experience, represents the political origin of our people. A unique origin in that this nation was born neither by accident nor force, but from choice and reflection. Perhaps that is why we look to it so frequently in times of strife for insight, guidance, and inspiration.

The Founding Fathers, meeting in turbulent times not far different from our own, sought to construct a government designed to "secure justice and ensure domestic tranquillity . . ." by the recognition of certain "unalienable rights," through a federated republic predicated on the belief that men were not angels and that power invited abuse.[2] Through what has come to be known as "the doctrine of the separation of powers," these men attempted to safeguard the rights of the citizenry by setting one governmental function against another. In the ensuing operation of this government, numerous controversies have from time to time arisen concerning the expansion of power by one branch over the others. Since the balance of power between branches is neither clear nor constant, one cannot but agree with Justice Oliver Wendell Holmes in his dissenting opinion in *Springer* v. *Phillipine Islands* when he said: "The great ordinances of the Constitution do not establish and divide fields of black and white."[3]

As we prepare for the possible impeachment proceedings against President Richard M. Nixon,[4] a clearer understanding of the historical implications of both the doctrine of the separation of powers, and the impeachment procedure itself, is essential. For in the end, only the American people can make the Constitution work—and in order to make it work, we must understand it. As Madison said long ago, "the country cannot trust to 'parchment barriers' to halt the encroaching spirit of power. The Constitution will continue to live only to the degree that it embodies the spirit of the American people."[5]

I. THE DEVELOPMENT OF THE DOCTRINE

Sir Edward Gladstone once commented upon the Constitution of the United States in this way: "It is the most wonderful work ever struck off at a given time by the brain and purpose of man." However, this Minerva-like origin is quite misleading, for the document drafted in 1787 was more than the Framers' own invention. The system drawn up by the Founding Fathers was more a codification by practical statesmen of doctrines which history and experience showed had worked well. The Framers recognized that since "power tends to corrupt, and absolute power corrupts absolutely,"[5A] it must be dispersed throughout the governmental fabric in some effective manner. The Framers struck upon the device known as the separation of powers, in order to control power and passion. It was intended to guard against the various passions to which the elected branches of government are most susceptible: the House of Representatives, the passion of envy; the Presidency, the passion of ambition, and the Senate, the passion of avarice. Thus the Founding Fathers sought to restrain men's passions by means of the passions themselves.

The concept of a separation of powers can be traced from Aristotle,[6] who first conceived of trichotomy in government, Polybius,[7] who advocated a "reciprocal antagonism of organs," and Bodin,[8] who was first to realize the advantages of a functional separation within the framework of a centralized power, to the more celebrated philosophical predecessors of the Constitution, Locke and Montesquieu.

Lock saw the three-fold classification of functions, legislative, executive, and federative, as naturally suggesting a two-fold classification of departments: the first function under one head, and the second and third sub-heads under the second. Locke defined the legislative power as that which "has a right to direct how the forces of the Commonwealth shall be imply'd for preserving the community and the members of it."[9] "The executive power," he maintained, "should see to the execution of the laws that are made, and see that they remain in force."[10] In the third place, he saw the existence of another power in every Commonwealth which "one may call natural because it is that which answers to the power every man had before he entered into society. . . . This, therefore, contains the power of war and peace, leagues and alliances, and all the transactions with all persons and communities without the Commonwealth, and may be called Federative if one pleases."[11] Within this context, Locke voiced the need to separate these functions among the organs of government. This was the precursor of sentiment to be echoed in the Philadelphia Convention of 1787. Locke purported that as it was too great a human temptation for men to grasp at power for their own advantage, contrary to the good of society and government, it was necessary, in a well ordered Commonwealth, to break up their power to legislate.[12]

Montesquieu's observations were somewhat closer to the form the Founding Fathers adopted.[13] He was the first to recognize the necessity of separating the judicial from the legislative and executive branches. He was also the first to conceive of government being exercised by three distinct but interlocking departments. He explained how any government would function under such conditions this way:

"These three powers should naturally form a state of repose or inaction. But as there is a necessity for movement in the course of human affairs, they are forced to move, but still to move in concert."[14]

One reason that Montesquieu's doctrine became lodged in the American popular mind was the persuasiveness of the following statement rationalizing a separation:

"The political liberty of the subject is a tranquility of mind arising from the opinion each person has of his safety. In order to have this liberty, it is requisite the government be so constituted as one man need not be afraid of another. When the legislative and executive powers are united in the same person, or in the same body of magistracy, there can be then no liberty, because apprehensions may arise, lest the same monarch or senate should enact tyrannical laws, to execute them in a tyrannical manner.[15]

He also stressed the need for a strong, independent judiciary, asserting that if the legislative and judicial elements were combined, "the life and liberty of a subject would be exposed to arbitrary control; for the judge would be then the legislator."[16] He added that if the judiciary joined with the executive power, the judge might behave with "all the violence of an oppressor."[17] Monesquieu's conclusion is noteworthy, particularly in light of the provision for impeachment:

"Miserable indeed would be the case were the same man, or the same body, whether the nobles or of the people, to exercise those three powers, that of enacting laws, that of executing the public resolutions, and that of judging the crimes or differences of individuals."[18]

One can thus draw the conclusion that the doctrine of the separation of powers helps to ensure liberty through a "tranquility of mind." Furthermore, one could cite the hypothesis that concentrated power is by nature tyrannical.

During the Constitutional Convention, informed American opinion, for the most part, favored the principle of a separation of powers between legislative, executive, and judicial governmental bodies. Left and Right Wing alike united in thinking of the doctrine, in one form or another, as a cardinal principle of government.[19] Thomas Jefferson, commonly thought of as a "friend of the people" joined so skeptical a democrat as John Adams in advocating such a separation. Jefferson's thought on the subject can be found in scattered writings. At one point he had this to say:

"The concentrating of these (the three powers) in the same hands is precisely the definition of a despotic government. It will be no alleviation that these powers will be exercised by a plurality of hands, and not by a single one. 173 despots would surely be as oppressive as one. . . . An elective despotism was not the government we fought for, but one which should not only be founded on free principles, but in which the powers of government would be divided and balanced among several bodies of magistracy, as that no one could transcend their legal limits, without being effectively checked and restrained by the others."[20]

The implication of Jefferson's statement, that the government must be more than founded on liberty, that indeed it must espouse liberty, is of major consequence. For the doctrine, a manifestation of this "espousal of liberty" is the means through which the nation has been spared "tyrannical laws" and allowed to develop a "tranquility of mind."[21] Any breakdown in this balanced system could result in a loss of confidence by the American people, and open the way to a usurpation of their freedom.

John Adams went further than Jefferson in that he espoused not only a separation of governmental powers, but extended the concept to include a separation within the legislative branch:

"But shall the whole power of legislation rest in one assembly? Most of the foregoing reasons apply equally to prove that legislative power ought to be more complex—to which we may add, that if the legislative power is wholly in one assembly, and the executive in another, or in a single person, these two powers will oppose and encroach upon each other, until the contest shall end in war, and the whole power, legislative and executive, be usurped by the strongest."[22]

Adams later went on to assert that the judiciary could not mediate under such a system and that a better balance would be maintained by allowing for encroachments and interactions between the several branches.[23]

James Wilson, philosopher, historian, and politician, was most succinct in his summation of how the proposed government was to operate:

"The independency of each power consists in this, that its proceedings and the motives, views, and principles which produce those proceedings, should be free from the remotest influence, direct or indirect, of either of the other two powers. . . . (Their dependency) consists in that the proceedings of each, when they come forth into action and are ready to affect the whole, are liable to be controlled by one or both of the others. . . . . The important conclusion to be drawn from the premises, which we have established, is, that, in government, the perfection of the whole depends on the balance of the parts, and the balance of the parts consists in the independent exercise of their separate powers, and, when their powers are separately exercised, then in their mutual influence and operation on one another, each part acts and is acted upon, supports and is

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Footnotes at end of article.

supported, regulates and is regulated by the rest."[24]

Certainly in theory, Wilson's observations make considerable sense. Their application, as we shall see in the impeachment process, is decidedly more complex.

James Madison had the task of "selling" the Constitution to the Virginia Ratification Convention. As the "informed and influential opinion of the time believed firmly in the principle [the separation of powers],"[25] Madison had to demonstrate that the final draft clearly contained provisions for it. He indicated how the powers, legislative, executive and judicial, were to be divided—each to one of the three independent agencies of government. He stressed that no department ought to control "the appointment, tenure, or emoluments of another,"[26] and that "each department ought to have its inviolable sphere of action."[27] He also asserted that the separation of powers could work only if there were some flexibility of "blending" to it.

Madison's expression of the need for blending reaches into a "twighlight zone" of separation. It is obvious that the government could not function with a total separation. But in the course of "blending," what is to insure against encroachments? The Founding Fathers solution is vague at best. It might read something like this: give each branch the incentive, and power to resist the encroachments of the other, and there *will be* no room for abuse. However theoretically foolproof, practically the question still remains: what is to ensure against encroachments?

The final draft of the Constitution contained a number of provisions for "blending." Congress might, for example, in certain cases of vacancy, provide by law for succession to the Presidency. It might create inferior judicial tribunals. It ruled the District of Columbia. The House impeaches, and the Senate tries impeachments. The President shares both the right to make treaties, and the power of appointment with the Senate. The President can convene Congress, has limited veto over Congress, and is charged with the duty of informing Congress of the "State of the Nation." His deputy, the Vice-President, presides over the Senate with a tie-breaking vote. From the very beginning of the government, the intermingling or blending was meant to provide the essential checks and balances which ensured the maintenance of the separation. This blending assured that no power had complete control over its own function, and therefore could not attempt to expand into the domain of another department. The most dramatic example of a built-in safeguard designed to secure a separation, while itself being the result of "blending," is the power of impeachment, for it is here that the legislative branch, acting as the judiciary, can try the President, the Vice-President, or any other civil officer of the United States.[28] In light of the allegations against President Richard M. Nixon and the complexities involved in an impeachment and trial, the future of the doctrine of the separation of powers, the Constitution, and perhaps the Republic as we know it, are at stake.

II. IMPEACHMENT

Article II, Section 4 of the Constitution of the United States reads as follows:

"The President, Vice-President and all Civil Officers of the United States, shall be removed from Office on Impeachment for, and conviction of, Treason, Bribery, or other high Crimes and Misdemeanors."

Despite the extensive and exhausting discussion on the subject, many questions remain as to the scope of the power to impeach conferred on the legislative branch by the Constitution. For instance, does the Constitution allow for the interpretation of Vice-President Gerald Ford, who as a Congressman had this to say in April of 1970:

"What, then, is an impeachable offense? The only honest answer is that an impeachable offense is whatever a majority of the House of Representatives considers it to be at a given moment in history; conviction results from whatever offense or offenses two-thirds of the other body considers to be sufficiently serious to require removal of the accused from office . . . . . there are few fixed principles among the handful of precedents."[29]

It appears to some that this claim to an illimitable power is foreign to American ears just as it is foreign to a Constitution drafted to circumscribe power.[30] Consider the words of James Irdell, mastermind of the North Carolina ratification convention:

"It was, of course, to be considered how to impose restrictions on the legislature . . . (to) guard against the abuse of unlimited power, which was not to be trusted without the most imminent danger, to any man or body of men on earth. We had not been sickened and disgusted for years with the high and almost impious language from Great Britain, of the omnipotent power of the British Parliament, but, had severely smarted under its effects. We . . . . . should have been guilty of . . . . the grossest folly, if in the same moment when we spurned at the insolent despotism of Great Britain, we had established a despotic power ourselves."[31]

For folly it would indeed be if the Framers had, in their quest for liberty, established a despotic legislature. Other issues remain unresolved. Did the founders intend to confer unlimited power to impeach? Do the words "high crimes and misdemeanors" connote punishable by general criminal law? Does the Constitution contemplate that impeachment shall be a criminal proceeding in any sense? Criminal or not, do the words "high crimes and misdemeanors" have ascertainable limits? If they have such limits, is an impeachment and conviction reviewable by the Courts?[32] Certainly impeachment is too important an issue in the Constitutional scheme of things to be left to the politicians. The Records of the Constitutional Convention illuminate the path which led to the impeachment clause, and thus provide for the resolution of these and other issues.

Addressing myself to the first of these questions, the evidence of the Convention suggests that the Framers were not granting an illimitable power for Congress to impeach. Initially, impeachment was to be based upon "malpractice, or neglect of duty."[33] In the Committee on Detail, it became "treason, bribery, or corruption,"[34] and was, by the Committee of Eleven, reduced to "treason, or bribery."[35] George Mason of Virginia thought the grounds too limited, and urged the inclusion of "or maladministration." Madison objected on the grounds that "so vague a term will be equivalent to a tenure during the pleasure of the Senate." Following further debate, where there was overwhelming opposition to Mason's proposal, the amendment was withdrawn. Madison then substituted "other high crimes and misdemeanors against the State."[36] Here is conclusive proof that the term "high crimes and misdemeanors" was not meant to be synonymous with "maladministration," and designed to grant the Senate illimitable power in this regard.

Another unanswered question mentioned above is: does the Constitution draw a distinction between "impeachable offenses" and conduct punishable by general criminal law? As there is no federal criminal code concerning impeachment, we are left without standards. One thing is clear—as Jefferson noted, the Founding Fathers did not intend for partisan passions to give rise to political executions through impeachment.[37] Therefore, barring no alternative, one may infer that the Framers intended for the Congress to enact a complete code of impeachable offenses. In the absence of such a code, Congress cannot be assumed to have a right to pass ex post facto laws—in fact, Article I, Section 9 of the Constitution specifically prohibits Congress from passing such laws. Clearly then, in regard to impeachment, the Framers meant to confer a limited power on Congress. (Earlier in the Convention's proceedings, the term "high crimes and misdemeanors" had been rejected in another context because it "had a technical meaning too limited.")

It can also be inferred that impeachment was only for "great crimes," or "great misdemeanors," by Governor Johnston's remarks in the North Carolina Ratification convention: "Impeachment is a mode of trial pointed out for *great* misdemeanors against the republic." The sentiments of Johnston filled with caution, were echoed by such eminent Founding Fathers as James Wilson, Alexander Hamilton, and James Iredell.[38] Perhaps the Founders feared the same abuse of impeachment as British Solicitor General, later Lord Chancellor, Somers, who stated in Parliament in 1691, "The power of Impeachment ought to be, like Goliath's sword, kept in the temple, and not used but on great occasions." Perhaps the most threatening prophecy came from Charles Pinckney who warned that Congress "under the influence of heat and faction," would "throw (the President) out of office."[39] His prediction almost came to fruition, when in 1867, the Congress brought impeachment proceedings against Andrew Johnson in what has been termed "one of the most disgraceful episodes in our history."[40]

Following the Civil War and the assassination of Lincoln, Andrew Johnson, as President, initiated a series of programs designed to bring the country back together, including "rebel suffrage."[41] A hostile Congress, filled with Radical Republicans, passed an "Act regulating the tenure of certain offices," which became law (over the President's veto) on March 2, 1867. One of those offices was that of the then Secretary of War, Edwin Stanton, an outspoken critic of Johnson's reconstruction efforts. After a year of "putting up" with the clearly unconstitutional act, Johnson removed Secretary Stanton from office for subverting Presidential policies. Three days later, the House of Representatives voted 126 to 47 to impeach the President.[42] Ten of the eleven articles of impeachment related to the firing of Stanton. The other was a charge against Johnson's delivering "with a loud voice, certain intemperate, inflammatory and scandalous harangues, and did therein utter loud threats and bitter menaces as well against Congress as the laws of the United States enacted thereby."[43]

Senator Sumner, in impeachment debate, revealed the political motive for prosecution:

"Andrew Johnson is the impersonation of the tyrannical Slave Power. In him it lives again . . . and he gathers about him . . . partisans of slavery, North and South. . . . With the President at their head, they are entrenched in the Executive Mansion. Not to dislodge them is to leave the country a prey to one of the most hateful tyrannies in history."[44]

Johnson's counsel called the impeachment articles passed by the Congress "bills of attainder" and referred to them as "ex post facto laws." A bill of attainder is a legislative act which inflicts punishment without a judicial trial. In front of Parliament, it meant the granting to each member of a "law unto himself." The members of Parliament would pass laws to act upon an impending case. Impeachment without Constitutional justification is indeed such a "bill of attainder." The Johnson trial is not the only impeachment proceeding in American history to wreak of political motives, producing what could be called "ex post facto laws." The impeachment of the insane Judge Pick-

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Footnotes at end of article.

ering in 1804 became a "political football."[45] Vice President Gerald Ford described the impeachment of Judge Ritter in 1936 as follows:

"Judge Ritter was a transplanted conservative Colorado Republican appointed to the Federal bench in solidly Democratic Florida by President Coolidge. He was convicted by a coalition of liberal Republicans, new deal Democrats, and Farm-Labor and Progressive Party Senators in what might be called the north-western strategy of that era."[46]

In summary, I have attempted to show that: a) the power to impeach is limited, b) impeachment is neither a criminal process nor void of criminal implications, c) the words "high crimes and misdemeanors" have ascertainable, but as yet legally undefined limits, and, d) the legislative branch has chosen to define no limits and seen fit to make impeachment articles "bills of attainder." In the words of Alexander Hamilton, "Limitations of this kind (specified exceptions to legislative authority) can be preserved in practice no other way than through the medium of courts of justice, whose duty it must be to declare all acts contrary to the manifest tenor of the Constitution (bills of attainder and ex post facto laws), void.[47] Impeachment is a perfect example of what was earlier referred to as the "twilight zone" of the separation of powers. It should be subject to judicial review. Whether or not one accepts the forementioned conclusions about impeachment, the fact that it is to date a vague, undefined provision, makes judicial review both a natural and appropriate recourse.

III. JUDICIAL REVIEW

In the midst of the present confrontation, when a partisan legislative branch confronts an agitated, obstinate executive, and questions of such magnitude as those which have already arisen come forth, judicial review becomes a distinct possibility. The reason for this is that the present confrontation is likely to produce a stalemate over the scope of the Houses' inquiry rights. If the legislative branch is able to indict and convict a President for other than those grounds specifically spelled out in the Constitution, then the legislature will have assumed the power to direct the President, interpret the Constitution, and legislate—clearly an undue concentration of power, a legislative tyranny. Action beyond the limits of impeachment constitutes an arbitrary extension of Constitutionally prescribed powers and subjects that extension to judicial review.

Legal precedent for the review of such an "arbitrary extension of power" stretches from the Constitutional Convention to our own day. John Marshall in the Virginia ratification had this to say:

"To what quarter will you look for infringement on the Constitution if . . . not . . . to the judiciary?"[48]

In *Marbury* v. *Madison*, Chief Justice Marshall had this to say:

"It is emphatically the province and duty of this judicial department to say what the law is."[49]

And in 1951, concurring in *Youngston Sheet and Tool Co.* v. *Sawyer*, Justice Jackson maintained that:

"The judiciary may, as this case proves, have to intervene in determining where authority lies as between the democratic forces in our scheme of government."[50]

The Court has itself left open the issue of judicial review of impeachment, when in *Powell* v. *McCormack*, it called for the reconsideration of the Senate's "sole power to try" impeachments.

At issue in *Powell* v. *McCormack* were Article I, Section 2, which describes the three qualifications which a Representative must meet, and Article I, Section 5, which provides that "Each House shall be the judge of the . . . qualifications of its own members." Congressman Adam Clayton Powell brought suit against Speaker McCormack, having been removed by a vote of the House for having "wrongfully diverted House funds."[51] The thrust of the Court's decision could be paraphrased as follows: The power to "judge" does not permit the Senate to add to Constitutional qualifications. Commenting in the decision, Raoul Berger, author of the book *Impeachment* remarked:

. . . Like the three qualifications of Article I, Section 2 (age, residence, and citizenship) to which exclusion is limited, impeachment, by Article II, Section 4, is confined to three grounds, "treason, bribery, or other high crimes and misdemeanors," which circumscribes the Senate's "sole power to try impeachments." The "sole power to try impeachments" does not enlarge these three grounds. For the "power to try" is limited by the power to "convict," and by the express terms of Article II, Section 4, only "on impeachment for, and conviction of, treason, bribery, or other high crimes and misdemeanors" may the President be removed.

A threshold question whether a misconstruction of "treason," for example, is the equivalent of adding a fourth category, as was "misconduct" in Powell. Let us test the analogy. The Senate may convict for "treason" by Article III, Section 3, "treason is defined as levying war against the United States or giving aid and comfort to its enemies." Suppose that the Senate convicts the President of treason on the ground that he attempted to subvert the Constitution, a favorite formula of Parliament. Whether this is labelled as a "construction" or a "factual determination," it plainly amounts to an attempt to add an omitted category to the Constitutional definition.[52]

Clearly, then, judicial review, the maintenance of the separation of powers, and the enforcement of the Constitution is judiciable.

In light of the possible impeachment proceedings against President Richard M. Nixon, the nation must tread a wary path. Note the words of Alexander Hamilton, who cautioned against "the awful discretion which a court of impeachment must necessarily have, to doom, to honor, or to infamy, the most confidential and the most distinguished character of the community."[53] A judicial review of impeachment, establishing an interpretation of "high crimes and misdemeanors" would be most helpful in securing precedent for any future impeachment proceedings, and make impeachment the equitable safeguard it was meant to be. To clarify confusions resulting from the blending of powers, the Founding Fathers implicitly incorporated, and subsequent judicial decisions have explicitly encouraged, judicial review.

As Montesquieu inferred, "political liberty is contingent on a tranquility of mind, arising from the opinion each person has of his safety."[54] Checking either a legislative or executive "tyranny" will perhaps once again create an environment where "Justice," Domestic tranquility," and the "Blessings of Liberty" can survive and prosper.

In answer to the question of what the separation of powers means, as with other Constitutional questions, scholars have expounded various and conflicting remedies. If these remedies are inadequate, then our understanding of the nation's purpose and objective is inadequate. Whatever the Constitution is or might have been intended, it represents our political origin as a nation. In times of trouble, turmoil, and confusion, and surely that would characterize our society today, we must return to that origin and try to comprehend the meaning of that fountainhead of our political being, if we are to know where we are, what we stand for, and where we are headed.

FOOTNOTES

[1] "The imperial presidency, created by wars abroad, has made a bold bid for power at home. The belief of the Nixon Administration in its own virtue, compounded by its conviction that the republic has been in mortal danger from internal enemies, has produced an unprecedented attempt to transform the presidency of the Constitution into a plebiscitary presidency." Reprinted from Arthur Schlesinger Jr.'s article, "The Runaway Presidency," appearing on page 44 in the September 1973 issue of the *Atlantic Monthly*. (Hereinafter cited as "The Runaway Presidency.")

[2] Alexander Hamilton, John Jay, and James Madison, *The Federalist No. 51*, at 337 (Modern Lib. ed. 1937). (Hereinafter cited as *The Federalist*).

[3] 277 U.S. 189, 205 (cited from *Youngston Sheet & Tube Co.* v. *Sawyer* at 343 U.S. 1951).

[4] David M. Alpern and Richard M. Smith, "All About Impeachment," *Newsweek*, March 25, 1974, pp. 28–35.

[5] At 55, Schlesinger, "The Runaway Presidency."

[5a] Lord Acton, *Essays on Freedom and Power*, 364 (Boston 1948). Cited from Arthur Vanderbilt, *The Doctrine of the Separation of Powers and Its Present-Day Significance*, (Lincoln, 1963), p. 38. (Hereinafter referred to as *The Doctrine of the Separation of Powers*).

[6] *The Doctrine of the Separation of Powers*, p. 38.

[7] *Ibid.*, p. 39 (see note 121). (Polybius maintained that a truly just government could be founded when major political organs represented different classes, and in resulting competition each organ would act as a balance and check against the others).

[8] *Ibid.*, at 40.

[9] John Locke, *Two Treaties of Government*, cited from *The Classical American Doctrine of the Separation of Powers*, by Malcolm Sharpe, University of Chicago Law Review, Vol. 2, 1934–1935 at 388. (Hereinafter cited as *The Classical American Doctrine of The Separation of Powers*).

[10] *Ibid.*, at 389.

[11] *Ibid.*

[12] *Ibid.*

[13] Cited from Montesquieu, *Spirit of the Laws*, 1748 (Paris), appearing in *The Classical American Doctrine of the Separation of Powers* at 390.

[14] *Ibid.*, at 391.

[15] *Ibid.*, at 392.

[16] *Ibid.*

[17] *Ibid.*

[18] *Ibid.*

[19] *Ibid.*, at 396.

[20] *Jefferson's Works* (Ford ed.-Boston 1892) 223–224.

[21] Supra, note 15.

[22] *The Classical American Doctrine of The Separation of Powers*, at 398.

[23] *Ibid.*

[24] *Ibid.*, at 415.

[25] "The speculations of Aristotle, Locke, Montesquieu, Blackstone, Jefferson, and John Adams had done their work. The experience of the colonies, the young states, and the Confederation, and the adoption of state constitutions providing for the separation of powers had helped to make the principle a familiar axiom of government. The informed and influential opinion of the time believed firmly in the principle." Quoted, *Ibid.*, at 407.

[26] *Ibid.*, at 418.

[27] *Ibid.*

[28] The Constitution of the United States, Article 2, Section 4.

[29] 116 Congressional Record, 3133–14, April 15, 1970. Cited from the *New York Times*, March 10, 1974, at 1.

[30] Raoul Berger, *Impeachment for "High Crimes and Misdemeanors,"* from the University of Southern California Law Review, Vol. 44 at 395. (Hereinafter referred to as *Impeachment*).

[31] *Ibid.*, see #2.

[32] *Ibid.*

[33] Max Farrand, The Records of the Federal Convention of 1787 (New Haven, 1913). Cited from Dumbauld, *The Constitution of*

the United States at pp. 214–244 (see notes 109–126) (Norman, 1964).

[34] *Ibid.*

[35] *Ibid.*

[36] *Ibid.*

[37] *Impeachment* at 421.

[38] *Ibid.*, at 428.

[39] *Ibid.*, at 436, see #205.

[40] S. Morrison, *The Oxford History of the American People* 721 (1965), cited from *Impeachment* at 458.

[41] Irving Brant, *Impeachment: Trials & Errors* (New York, 1973). (Hereinafter cited as *Impeachment: Trials & Errors*).

[42] *Ibid.*

[43] *The Proceedings in the Trial of Andrew Johnson* (Washington, 1868).

[44] *Impeachment: Trials & Errors* at 138.

[45] *Ibid.*, at 144.

[46] Supra #29.

[47] The Constitution of the United States, Article I, Section 9.

[48] *Youngston Sheet & Tube Co.* v. *Sawyer*, supra #3.

[49] Mr. Chief Justice Marshall, expressing the opinion of the Court in *Marbury* v. *Madison*. Cited from *Constitutional Rights and Liberties: Cases and Materials* (St. Paul, 1970).

[50] 343 U.S. 1959, supra #48.

[51] *Impeachment* at 444.

[52] *Ibid.*, at 445.

[53] *The Federalist Papers No. 69* at 445.

[54] Supra, #15.

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A SOVIET FAMILY'S WISH TO EMIGRATE TO ISRAEL

Mr. TUNNEY. Mr. President, once again I would like to call attention to the problems of Soviet Jews who wish to emigrate to Israel. The case which I present today represents one of the most anguishing in the history of the Soviet Jews' fight for basic freedom. Isaac, Irma, Elenora, and Victoria Poltinikov have been subjected to persistent harassment by the Soviet Government. Since the Poltinikovs' situation is deteriorating rapidly, I would like to present their full story. Mr. President, I request unanimous consent to have printed in the RECORD a history of the Poltinikov case prepared by the National Conference on Soviet Jewry.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE TWO AND A HALF YEAR STRUGGLE OF A RUSSIAN JEWISH FAMILY TO OBTAIN PERMISSION TO EMIGRATE FROM RUSSIA TO ISRAEL

Colonel Isaak Poltinikov (Soviet Army, retired), now 53 years old, is one of the Soviet Union's foremost ophthalmologists, and, until his retirement in January 1971, he was chief ophthalmologist of the Red Army Medical Corps in Siberia. He had fought through World War II, had been wounded twice, and had received numerous decorations for valor.

For two and a half years now, Dr. Poltinikov and his family have been seeking to obtain permission to emigrate from the Soviet Union to Israel. Dr. Poltinikov applied for permission for himself and his family to migrate to Israel in June of 1972. Victoria Poltinikov, the first member of the family to submit an application for an exit permit, had filed for her permit in October of 1971. Since they first applied for permission to leave, he and the members of his family have been subjected to all kinds of persecution and harassment and humiliation.

Dr. Poltinikov's decision to migrate to Israel was based in part on the economic and social iniquities to which he and his family were subjected as Jews, in part on a growing sense of identification with Israel and the Jewish people.

In 1965, his wife Irma, a prominent cardiologist and diagnostician, had been subjected to such continuous harassment and persecution at the research center where she worked that she finally collapsed with a severe heart attack.

After Dr. Poltinikov's retirement from the army in January 1971, he was appointed Professor of Ophthalmology at the University of Novosibirsk. Before he could assume the position, the appointment was cancelled by higher instruction—he was told it was on the order of the Ministry of Health. It was abundantly clear, even without having it in writing, that the appointment had been cancelled because he was Jewish.

When the director of a Moscow research institute specializing in the development of equipment used in ophthalmology tried to arrange for Dr. Poltinikov's assignment to his center, this effort also fell through.

On the heels of this, the Poltinikov family asked permission to move to Kiev where Mrs. Poltinikov's aged parents resided, so that they could help to look after them. The family was refused permission to come to Kiev with the brutally frank explanation: "You have the right to move here, but we're not going to give you permission because we have enough Jews here without you."

Three days after filing her application, Victoria, then a junior research worker at the Novosibirsk TB research institute, was summarily dismissed from her position after being compelled to attend a meeting at which her fellow workers heaped abuse and vilification on her without letup for five hours.

Dr. Poltinikov's application resulted in the same kind of organized abuse by his fellow workers, in constant shadowing by the secret police, in the censorship and confiscation of his personal mail and the cutting off of his telephone and finally, in November 1972, in the deprivation of his rank of colonel and the cancellation of his military pension—which at that time was the family's sole means of support.

When he first applied for a permit, Dr. Poltinikov was told by the chief of the Novosibirsk Emigration Office, Colonel Gorbunov: "You must understand—you are too valuable a specialist to let you go." When he was turned down with this explanation, Dr. Poltinikov told the authorities in charge of the emigration office that he would from that point on refuse to work as an ophthalmologist because he did not consider himself to be a slave. It was at this point that he was deprived of his rank and pension. Since that time Dr. Poltinikov has received a succession of some nine or ten refusals from the ministry in charge of emigration. In November 1972, the Soviet authorities, perhaps in a moment of weakness, did grant exit permits to Dr. Poltinikov's younger daughter Eleonora, to her husband, and to Mrs. Poltinikov's aged father. But they have so far not budged an inch from their repeated refusals to grant exit permits to Dr. Poltinikov, his wife Irma, and his older daughter Victoria.

Here is a brief chronology of the developments since that time.

December 1972: Three weeks after Eleonora's arrival in Israel, Dr. and Mrs. Poltinikov and Victoria were again refused permission to emigrate to Israel, this time on the grounds that "they had no close relatives in Israel."

On the heels of this, Mrs. Poltinikov and Victoria were arrested in Moscow while attempting to present a petition to the Supreme Soviet. They were originally sentenced to six months of corrective labor, but after widespread publicity and protests in the United States and other countries, the sentence was reduced to 15 days' imprisonment. While they were in prison, Mrs. Poltinikov, whose heart had been weakened by her 1965 attack, suffered a complete collapse, while Victoria's latent tuberculosis again became active.

While his wife and daughter were in prison, Dr. Poltinikov received another turndown from the emigration authorities, this time with the explanation that they could not let him go because he—an ophthalmologist!—had had access to army secrets. By this time the family was penniless, living in a cold and unfurnished apartment—unfurnished, because everything had been sold to stave off starvation.

March 1973: Mrs. Poltinikov's father, who had left the country with Eleonora in November 1972, died at the home of relatives in Switzerland. Prior to his death, the relatives with whom he was staying sent many telegrams to the Emigration Office in Novosibirsk asking that his only daughter Irma (Mrs. Poltinikov) be permitted to visit him. All of these requests were refused by the Soviet authorities.

On receiving news of the grandfather's death, the Poltinikov family went on a hunger strike in Novosibirsk, demanding immediate permission to go to Switzerland for the funeral. When this request was refused, Dr. Poltinikov sent back all of his military awards to the government, with an explanatory telegram informing them that he could not keep awards that were bestowed by murderers. When they learned of the hunger strike by the Poltinikov family in Novosibirsk, Eleonora, who was then in London, embarked on a hunger strike outside the Soviet Embassy, while her husband who was at that time visiting America, embarked on a parallel strike outside the Soviet Embassy in Washington.

After fasting for six days, Mrs. Poltinikov, who was diabetic in addition to having a frail heart, was close to death. When Dr. Poltinikov called for an ambulance, the family was visited instead by a KGB car. KGB officers told them that there would be no medical help for Mrs. Poltinikov unless the entire family abandoned their hunger strike.

In London and Washington, the hunger strikes of Eleonora and her husband brought some tentative results. Senator Jackson made a speech about the plight of the Poltinikov family on the floor of the Senate, and the State Department addressed two official communications to the Soviet government urging that the Poltinikov family be permitted to leave for Israel. There was no answer to either communication.

A few days after the State Department's second communication, the Poltinikov family was handed another in the succession of refusals.

June 1973: The chief of the All-Union Emigration Office, General Verein, told the Poltinikovs that he saw no practical reason for keeping them in the Soviet Union since it was obvious that a physician couldn't possibly have any secrets. "Be quiet for two or three months," he said, "and you'll get out." When they asked the general whether it would not at least be possible to give immediate permission to Victoria, he replied that the Soviet government did not want to give the family still another excuse "to scream about the inhuman separation of parents and children."

The Poltinikov family waited for three months quietly, in accordance with the suggestion of General Verein. At the end of the third month there came another refusal.

September 1973: Victoria Poltinikov was arrested for a second time, in consequence of her participation in a meeting commemorating the terrible massacre of Jews which took place in Babi Yar, a suburb of Kiev, immediately after the Nazi occupation. Her criminal act this time was that she tried to light the commemorative candles that had been placed near the memorial. No charge was placed against Victoria, but she was brought to Moscow by the KGB, stripped and searched twice (a harassment ordinarily inflicted only on those who have been convicted of crimes), and then returned to Novosibirsk by freight train.

October 1973: Victoria was called to the KGB office in Novosibirsk. She was warned that if she did not cease her activities, she might wind up in prison. The KGB hinted to her that she might be permitted to leave if she behaved herself, and by way of reinforcing the hint, they permitted her to file an application for an exit permit separate from that of her family.

One month later Victoria was informed that her application had been refused.

February 1974: The KGB embarked on a series of new harassments against the Poltinikov family. Dr. Poltinikov was invited by summons to come to the KGB office. The letter summoning him wound up with the warning that if he did not come voluntarily, he would be taken by force. He sent a reply to the KGB informing them that he refused to do anything under threats. Then he received an invitation to come to the Emigration Office for the purpose of discussing his latest application. When he came there, he was seized by KGB agents. The examination lasted a few hours. The KGB officers told Dr. Poltinikov that he and his family were guilty of seeking to create an anti-Soviet atmosphere in the West and of distributing slanderous information about the USSR. He was told that if his family didn't stop their agitation, they would be placed on trial for conducting anti-Soviet activities. Dr. Poltinikov replied that his family would abandon their campaign the minute they received permission to leave, but they would not do so if they did not receive permission to leave because what was involved was the elementary human right to leave the country for a country of their choice.

From the KGB office, Dr. Poltinikov was taken to the militia station. The commander of the militia told him that if he and his daughter did not start working within 15 days, they would be tried for parasitism and sentenced to two years in prison. When they attempted to find jobs, however, they discovered that a blanket instruction had been sent to various offices in the city health department that the Poltinikovs were not to be employed in any position.

For the moment, they have been able to get around the threatened charge of parasitism thanks to the initiative of some American friends. Dr. Poltinikov has been taken on as a "consultant" by an ophthalmological institute in Detroit, while Mrs. Poltinikov and Victoria have been appointed consultants to two American clinics. The Soviet authorities were notified of their appointments as consultants by the American institutes involved. The letters of notification also contained requests that they be permitted to leave the Soviet Union. This permission again was not granted—but the proof that they had assured sources of income in return for certain duties they were performing made it legally impossible for the Soviet authorities to charge them with parasitism.

This is where the matter stands today.

POSTSCRIPTS.—Eleonora had a long telephone conversation with her parents on the evening of Wednesday, April 17. The Poltinikovs are being harassed with repeated demands that they visit the KGB and the police. The authorities do not recognize their employment as consultants by American institutions because this makes no contribution to Soviet socialism. They threaten to charge all of them with parasitism—including Mrs. Poltinikov, whose official papers describe her as an invalid! Mrs. Poltinikov was on the verge of an emotional breakdown, and screamed over the phone that the Soviet authorities were trying to kill them by attrition.

April 25–26: Mrs. Poltinikov suffered third heart attack.

THE SECOND ANNIVERSARY OF CAMEROON'S CONSTITUTION

Mr. HARTKE. Mr. President, today marks the second anniversary of the new Constitution of the United Republic of Cameroon.

The President of Cameroon, Ahmadou Ahidjo, addressing his nation in 1972, said:

> Thus, ladies and gentlemen, history is calling us from the heights and sounding one of those calls that she only rarely addresses to men. Those who are remembered by history are those who have perceived the way it was going and have heeded its call. . . .

Since that memorable address, the United Republic of Cameroon has steadily progressed into a viable force on the African Continent.

It was on this date in 1972 that 6 million inhabitants of Cameroon voted by a record of 98 percent in a nationwide referendum to change from a federal to a unitary system of government having one president, one parliament of 120 members, and one government.

The people of this dynamic and democratic bilingual West African country which became independent in 1960, had passed through several colonial governments to achieve their independence. They were ruled by the Germans from 1884 until 1918, when after the defeat of the Germans by a combined British and French force, the territory fell under the administration of the French and the British for approximately 40 years. In 1960, Cameroon gained her independence. This was followed in October 1961, by the unification of the French-speaking and British-speaking sectors of Cameroon and subsequently a federal system of government was adopted having one federal government with one federal assembly represented by members from both sectors and each sector maintaining its own regional government and assembly.

The referendum, therefore, on May 20, 1972, was to usher in a unitary system of government and to concretize and promote the aspirations of the people for total unity, peace, and economic prosperity under the consistent leadership of President Ahmadou Ahidjo.

This 183,000 square miles of territory within 14 years of achieving independence, has been able to build for itself a strong, progressive, and peaceful nation in spite of the diversity of its peoples and the world economic and social instability.

The people believe strongly in the policy of nonalinement and in the interdependence of nations for peaceful coexistence.

Mr. President, it is with a great deal of pleasure that I offer to the Government and people of the Cameroon congratulations on this day.

A NEW LOOK AT CHINA

Mr. HANSEN. Mr. President, an outstanding Wyoming educator, Dr. Everett Lantz, has just returned from what appears to have been a very enlightening trip to the People's Republic of China.

Upon his return he described his impressions regarding that country's life, culture, and education in a paper entitled "A New Look at China: Prepare for a New World Power."

Observations and insights such as Dr. Lantz' help us to visualize how far this powerful and complex society has developed. The Chinese compare their progress not with the so-called developed nations of the world but with what they had accomplished previously.

At the conclusion of his paper Dr. Lantz makes the important observation that for the first time in many generations, this great mass of humanity is united with a strong sense of national purpose.

Mr. President, I ask unanimous consent that this paper be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A NEW LOOK AT CHINA: PREPARE FOR A NEW WORLD POWER

(By Everett D. Lantz)

Traveling in the People's Republic of China is no relaxing vacation. It is a kaleidoscope of impressions offering distorted images—a riddle wrapped in mystery. The Chinese operate on different wavelengths than the traditional western mind. Mine was a western view of a powerful and complex society.

I am not a China expert, but I was there in March, 1974. I looked, listened, and felt something of life, culture, and education in this vibrant land.

China is a sea of people dressed alike (Mao uniforms), highly organized, service oriented, and living at a basic level. A nation of more than 800 million people, who traditionally lived on the brink of dire poverty and fear, has met basic needs for food, shelter, clothing, protection, education, and medical care. All of this has been achieved since the Cultural Revolution started only a quarter century ago.

There can be no serious doubt that China is developing an effective social order, with much of the ancient public anarchy grinding to a halt. There is evidence of a continuing movement toward law and order, improved education, and increased economic productivity. New housing, new industrial plants, reconstruction in education, and basic staples in marketplaces are impressive sights. The Chinese social system would be oppressive to most Americans, but it is not ours to use or to tolerate.

There is no single summary tip for future travelers to China, but one should be prepared to see a proud people, inclined to be robots, who firmly believe that life for them is better than it was before the Cultural Revolution, and that it will continue to improve. This is an admirable attitude, but it is purchased with a high price of freedom and loss of individualism.

Physical comforts are adequate, but they are not considered important in a culture where society supersedes the individual. The new Cultural Revolution is designed to cleanse the individual of false ideology and to glorify the state. "Carry the Struggle to Criticize Lin Piao and Confucius Through to the End," declares the *Peking Review*, February 8, 1974. Mao Tse-Tung declared that "No political party can possibly lead a great revolutionary movement to victory unless it possesses revolutionary theory and a knowledge of history and has a profound grasp of the practical movement." This well-oiled machine appears to be in tune with Chairman Mao's basic philosophy of promoting a "permanent revolution."

Members of our small party of American educators visiting the People's Republic of China in 1974 were warmly welcomed in each institution by members of a local Revolutionary Committee. Briefing sessions were provided by the chairman or his deputy. Differences between the old and the new were always stressed, usually starting and ending with praise for Chairman Mao's inspiring leadership.

Revolutionary Committees, consisting of 17–25 members, appeared to consist of young and old members coming from the proletariat. Leaders are picked because of their knowledge and loyalty to the party. Cadres, active group leaders, are oriented to grassroot activities, always moving away from bureaucracy. The Cultural Revolution is designed to move back to the people. Leaders must mingle with the people, spending a portion of each year in labor on the farm or factory. Intellectuals must work and participate with laborers in order to feel their concerns. In this way, theory and practice, according to Maoism, will be one. There must be a continuing revolution.

EDUCATION

During the brief stay in the People's Republic of China, I visited nursery schools, kindergartens, primary schools, middle schools (high schools), and universities. I was graciously received by members of each institution's Revolutionary Committee. Briefing sessions were well organized and precisely presented, always accompanied with hot tea and cigarettes. This short treatise on education in China is based on notes taken during briefings and actual observations of students, teachers, staff, facilities, and programs.

Student life appears to be interesting, very different and carefully organized. They consider it an impossibility to expose the majority to higher education. This is one reason the People's Republic of China is building what they call "red and expert" colleges, something similar to "folk high schools" designed for the masses. These institutions provide general cultural and ideological education on a part-time basis. The ideological concept comes from the "Great Leap Forward" Period, 1958-1960, which encouraged the doctrine of "combining education with labor."

A dynamic educational reformation is underway, much has been accomplished but more is promised. Mao's philosophy is the foundation of this movement. Education, according to Mao, must serve proletarian politics. Revolution based on a class struggle is the heart of his teaching. Formal education is designed to perpetuate struggle moving toward progress. This political component, Dialectic Materialism is expected to create and maintain desired attitudes, skills, behavioral patterns and values needed to perpetuate cultural revolution.

Education, according to Mao, also needs to be deeply concerned with productivity. An important task for education then is to enhance the skills, information, and knowledge of each individual in order to bolster the gross national product. Feeding, housing, and clothing people are major goals. Schools are directed to carry their proportion of these demanding societal tasks. Individuals who entertain self-centered rather than societal-centered activities are of no value in new China's scheme for the good life.

Schools are geared to prepare students for production rather than for further studies. Work and school are combined at every level of training. Integration of theory with practice is the basic principle. Students must participate in manual labor so that they may better understand information contained in books. Middle schools are terminal for most of the student population. Only a small fraction of secondary school graduates gain admission to universities. Selection for higher education, if it does occur, comes after a minimum of two years' labor or military service.

Integrating practical work experience with formal schooling to develop work skills along with fostering positive attitudes toward labor is the goal of education. Universities are closely linked with farms and factories in a collaborative relationship, particularly in the area of practical research.

To bridge the gap between intellectuals and workers, students are required to spend considerable time in productive work involving manual labor. This exercise is expected to help students identify with labors. Further, it is expected to stop any tendency to look down upon manual efforts. University professors and all others connected with instruction are required to participate in manual labor. By going to rural areas for productive labor, youth attempting to become educated learn from peasants by identifying with them, thus overcoming many shortcomings of young intellectuals.

Peasants, workers, and soldiers are regarded as vanguards of the Chinese Revolution. Educational programs are expected to be designed and administered to enrich the core of the revolutionary masses—peasants, workers, and soldiers.

Administration, leadership, and control have shifted professionals to the laboring masses. Revolutionary Committees are now in charge of China's schools. New institutions for learning are emerging from Mao's philosophy.

Academic proficiency is not the only criterion for promoting students. Achievement is measured in terms of political commitment, attitude, behavior, and productive capability rather than marks made on examinations. Examinations, when given, are often administered within the framework of actual work performance. There are no failures based on academic achievement. Diplomas or degrees are not awarded upon completion of a program of studies.

Pre-Cultural Revolution teaching methods and materials have been eliminated. In their place, new techniques, methods, and materials have been or are in the process of being developed. Proletarian experiences are always integrated in the new materials. Part-time teachers with work experience on farm or factory may be seen in every school.

A summary of educational practices in the People's Republic of China in 1974 should include the following salient points.

Education is controlled by Revolutionary Committees. Each school has a committee and a "Responsible Person" who is the highest authority.

Their school system is characterized by an emphasis on combining theory and practice, stressing manual labor. Various technical schools, emphasizing different productive occupations, have been created. This concept is further enhanced by spare-time schooling for selected individuals engaged in full-time work assignments and through stressing vocational training at all levels.

Half-time work and half-time study schools provide opportunities for students to participate in higher education activities while taking part in the labor force. These schools hope to solve financial burdens through students' providing needed manual labor for selected communes.

"Red and Expert" schools are responsible for offering both academic and career education. These schools emphasize "red" first and "expert" second. The idea, however, is that one must be both politically correct and productively proficient concurrently.

Working class people and their children are given first preference for educational opportunities. The system is multi-track with abundant opportunities for students to switch tracks. It appears to be a very flexible system that is likely to change at any time.

They oppose the idea of estimating individual ability before attempting to teach and compulsory formal education. Perhaps the most obvious observation is that political ends and educational ends are identical.

GREAT WALL AND MING TOMBS

Friday, March 22, is a landmark in my experiences. This is the day that I first saw the Great Wall of China. It is indeed a record of tremendous effort, ingenuity, and engineering skill.

Climbing this mighty fortification let me relive part of China's Golden Age. This monument to ancient battles, winding through the mountains of northern China, is approximately 1,500 miles long, 23 feet high, 22 feet wide, and was started in about 214 B.C. It truly is one of the "Seven Wonders of the World."

Chairman Mao's terse statement, "He who does not climb the Great Wall to the steep peak is not a true man," holds greater credence for me now. I wish all Americans could have the privilege of seeing this magnificent tower that should be dedicated to fear and greed.

Halfway between Peking and the "Great Wall" may be found the Ming Tombs. Thirteen Ming Dynasty Emperors built their tombs in a mountain valley northwest of Peking. Only one of these tombs is excavated and open to the public. Plans have been made, however, to excavate others.

Near the remains of Emperor Ting Ling, lie those of his two wives with several treasure boxes which were buried with them in accordance with ancient Chinese customs. These Treasures are on display in the Imperial Palace in Peking. The craftsmanship of these treasures is impressive.

MACHIAO AGRICULTURE COMMUNE

The "responsible person" of Machiao Commune located north of Peking said, "I extend my welcome to friends from America." He then gave a brief overview of the institution.

We were told that Machiao was one of ten people's communes in the area, organized in September, 1958; it has a population of 36,300 people, 8,021 families and 299 hectares of land.

Their main crops are rice, cotton, vegetables, fruits, and herbs. Other important production activities are dairy cattle, swine, chickens, ducks, boat construction, steel mill and numerous repair shops.

The leader claimed 15 years of successful operation in this commune. In 1973, they produced 12½ tons of grain per hectare, an increase of 3 times over that of 1957. Also they had a good harvest of other crops and commodities; for example, last year they produced 49,000 pigs.

Although Machiao is a labor-intensive institution, mechanization is encouraged. Land is irrigated with electric pumps. They have 43 riding tractors (something like John Deere and Fordson), 122 walking tractors, cultivators, and they are trying to mechanize rice planting.

Education, medicine, culture, welfare, recreation, and the arts are provided. Services in these areas appear to be important in this commune.

Health facilities and services consist of a small two-story frame hospital at the commune level, seven clinics at the productive brigade level, and bare-foot doctors at the production team level. This arrangement is supplemented by mobile medical teams.

Medical care is provided for an annual fee of 3 yuans, half paid by the patient and the balance paid by the commune. The sick, disabled, and aged people, without support from relatives, receive free medical care, housing, food, clothing, and burial. These are the "five guarantees" promised by the Revolution.

Machiao operates 28 primary and 3 secondary schools. The Revolutionary Committee decides on the location, size, level, and construction of school facilities. It is also responsible for recruiting, employing, compensating, training, and maintaining teachers located within the commune. Teachers are paid a fixed wage and do not share in possible commune profits.

There are 1000 family living quarters in the main unit with an average household income of 900 grams. Family units have small plots for private use. Produce from the private garden is non-marketable and is meant for family consumption.

One day per week is given to political instruction and discussion. There is some public entertainment one evening each week, usually Sunday. The central living area of this commune had a public sound system emitting loud music, frequently interrupted by announcements, prevailing during my entire visit.

Self-reliance is emphasized in each commune. The basis of self-reliance seems to imply a difference in growth and income.

Distribution of profits are based on the principle, "To each according to his work." Work is measured in terms of work points designed to measure strength, skill, and motivation of each worker. Work points are determed each month at a public meeting. Each worker suggests his own work points, and this is accepted or rejected by the group; accumulated points determine an individual's share in profits created by the production team. Those who accumulate more points earn more. Perhaps Chinese Communism has a built-in incentive mechanism.

INDUSTRIALIZATION

New China has developed a vigorous industrial outlook. This drive has permitted them to move toward self-sufficiency and a degree of technological autonomy. The rate of industrial growth appears to be high. A policy based on "agriculture as the foundation and industry as the leading factor" was adopted by the Communist Party.

Industrialization has expanded essentially on two fronts: first, expansion of large, capital-intensive, state-operated modern industrial plants that are largely urban centered; second, expansion of small industries that are labor intensive in production technology and located chiefly in rural areas. The Chinese policy of developing industry on two fronts is known as "walking on two legs."

Industries have been established to serve both economic and social objectives. Some plants, we were told, have been established specifically to provide employment for physically handicapped so that they may live productive and useful lives.

Industrial enterprises are operated by Revolutionary Committees. Politics are in command of all production in the People's Republic of China. They claim that this arrangement permits maximum creativity from both labors and professionals. Members of revolutionary committees invariably point out technological innovations developed by laborers and engineers working together in the post-cultural revolution period—innovations, according to the Chinese, that serve both economic and social ends.

Government in China controls the labor market in that individuals are not free to choose their occupation or their place of residence. Equal pay for equal work and narrowing the urban-rural income gap has moderated the heavy migration to urban centers.

At the Shanghai Thermoelectric Plant, I learned something about their struggle to industrialize. This plant had three large steam boilers and three powerful electric generators. Unit number one, built in Switzerland, was originally believed to be an outright gift from Soviet Government.

After a valiant and successful effort by the Chinese people to install and operate this badly needed electrical equipment, Khrushchev demanded exorbitant payment for a gift. This alleged breach of faith has not fostered friendship between these powerful nations. Peaceful relations between the People's Republic of China and the Soviet Union appear unlikely in the immediate future.

PUTU DISTRICT CHILDREN'S PALACE

Visiting a Chinese Children's Palace, similar to a pioneer palace in the Soviet Union, is an eye opener. Young people, with red kerchiefs identifying them as "Little Red Soldiers," welcomed our party with customary applause. Nowhere have I observed a greeting with warmer feeling. A boy suddenly emerged from the crowd and took my hand. With a slight nudge and smile, he made me understand that here was my guide. We were equal in understanding each other's language, but we certainly communicated. Wang, age 10, and I became friends during my stay at the Putu District Children's Palace.

These are after-school and vacation institutions designed for children 7 to 14 years, operated to develop physical, moral and mental stamina.

Youngsters have opportunities for participation and instruction in many exciting activities. Outdoors there was a popular obstacle course, basketball court, and adequate play space and equipment.

Inside, I saw instruction in violin, both western and Chinese, accordion, piano, harmonia, flute, drawing, painting, sewing, knitting, weaving, dancing, ballet, and gymnastics.

Table tennis is obviously a favorite activity. I saw a large room filled with 25 ping-pong tables and many players. An invitation to bat a few balls was accepted. Fortunately, I stopped before my talent in this game showed through the veneer.

Older boys and girls were assembling electric motors, building model boats, automobiles, and air planes, cutting and styling hair, and receiving first-aid instruction.

These young people treated our party with a fine puppet show and an interesting auditorium program. After the state-puppet show, the girls and boys came into the audience to demonstrate their act and displayed equipment and techniques. They appeared to be happy children and pleased with our applause.

The auditorium session was a song and dance program performed by girls, age 12–13 years. This was a most interesting event that excited approximately 1500 enthusiastic young people and me.

These colorfully costumed young dancers performed the following numbers:

1. Chorus "We Will Be Happy After The Harvest"
2. Solo "If I Am Good I Can Become a Member of The Pioneers"
3. Chorus "The Pretty Apple" Presented by eight pretty girls with very red-painted cheeks, blue blouses, bright red trousers, and deep red scarfs.
4. Chorus "We Cut Cloth To Make Clothing"
5. Chorus "We Miss Our Friends In Taiwan Province"
6. Chorus "Soldiers Are Like Beautiful Flowers"
7. Chorus "The Red Flower Is Flying" Very loud marching music emerged—then dancing girls—a very lively dance.
8. Chorus "Goodbye To American Friends"

I agree with Dr. Urie Bronfenbrenner, noted Child Development specialist, Cornell University, who said, "Chinese kids are getting more from society." The Chinese have solved some of the most destructive problems of American society.

It was time for me to go. Wang, my 10-year old escort, may have been told to take my hand, but I don't believe he was told to pull this six-foot American down so he could give a loving hug. I was deeply touched. The Chinese are doing something with their children that on the surface looks impressive.

CULTURAL ACTIVITIES

Life in new China is impregnated with Mao's thoughts. Propaganda teams have firmly instilled the principle of struggle, criticize, and transform society. Movies, opera and ballet make this point quite clear. I saw their newly released film, "Fiery Years." This is a vivid story about so-called reactionaries, who in 1962 created anti-communist and anti-China currents. In a vain attempt to sabotage the Chinese Navy, "self-styled friends" pushed defective steel on China at high cost instead of the special alloy steel contracted for building China's fighting ships. The plot was discovered by loyal workers and the Navy was saved. The film ends with a dramatic scene of Chinese fighting ships plowing the mighty ocean waves. Thus was carried out Chairman Mao's policy of "maintaining independence and keeping the initiative in our hands and relying on our own efforts."

Another propaganda treat was the "Red Detachment of Women," a modern revolutionary dance. The story told by China's best ballet dancers describes formation and maturing of a revolutionary armed force, the Red Women's Company.

An enslaved peasant girl, Wu Ching-hua, flees from the landlord. She is captured by the oppressive landlord and severly beaten. Regarded as dead, she is left in a grave of cocoanut palms.

Wu is found by a member of the Revolutionary Party and shown the way to the Red Army headquarters. She reaches the base and is welcomed by soldiers and villagers who express deep concern for her well-being. Wu angrily denounces the crimes of the landlord. The army commander approves her plea to join the army.

The ballet ends with the red army liberating the village and killing the landlord, thus encouraging all to wage the continuing revolution.

IDEOLOGY

China's goal is the new Maoist man with Dialectic Materialism paving the way. Their aim is to reduce everything—agriculture, technology, government, housing, love, etc.—to a science. The instrument for this planned utopia is class struggle, a continuing revolution.

An autocratic regime prevails over the People's Republic of China. This is the history of China, but the form has changed. Authoritarianism has been their way of life. Perhaps the most striking feature of Chinese life, before the Revolution, was obedience to filial piety. Only one short step away lurks obedience to the party and to the society.

Perpetuating change is serious business that must be approached with complete dedication. According to Chairman Mao, "A revolution is not a dinner party. . . . A revolution is an insurrection, an act of violence by which one class overthrows another."

The Revolution has fostered integration of theoretical knowledge with practical experience. Education, therefore, is designed to train successors to the cause of the proletariat. To create a working class of intellectuals is the intent. Another important task for education is criticism of "revisionism." But, how does a prudent Chinese distinguish a revisionist from a revolutionist? to a science. The instrument for this planned This is determined in China by "whether or not the person is willing and able to integrate with peasants and workers."

A continued effort must be made to improve society. Society must strive to root out sin by exposing and educating. Evil cannot be dispelled, however, unless the truth is known. New China's leaders believe they have the truth. "If you know the truth, it will make you free." One who has the truth cannot permit compromise because compromise is an error. Mao teaches that he is certain of the truth.

Members of the Chinese Communist Party have been given the truth. They now have the responsibility of spreading the truth. The "new trinity" in China is Marx, Lenin, and Mao. Loyal citizens must foster a program of continuing education that spreads Mao's truth—an educational plan that stresses the new idea by pointing out errors and by removing, through recanting, all false doctrine.

Why the present turmoil, "cultural revolution," in the People's Republic of China? By criticizing Lin Piao through repudiating Confucianism, the Chinese plan to strengthen the party will in turn increase economic production.

Criticism of Confucius is an important part in criticizing Lin Piao's alleged revisionism. Confucius' teaching, "revive states that have been extinguished, restore families whose lines of succession have been broken, and call to office those who have retired to obscurity," is employed in relation to Lin Piao's alleged attempt to "liberate politically." Lin Piao's statements that tend to support Confucius' filial philosophy is considered to be a serious sin against society.

When a new truth is discovered, it is announced through bright red banners, loudspeakers, the Peking Review, Hsinhua, the Revisionist, other publications, and mass rallies. The people are given the truth as revealed by the Central Committee of the Communist Party in China.

IMPRESSIONS

China, over 800 million people, is on the move. Their living standards and general economy have reached only a basic level. Others should be aware, however, of a glowing promise. The man on the street is not comparing his progress with so-called developed nations. He compares his circumstances with what he had before. Many Chinese believe they have a good life, and that there is hope of doing better. This is substantiated by the fact that stores in the places I visited, were amply filled with vegetables, fruits, fish, meat, poultry, canned foods, clothing, household goods, bicycles, watches, and radios. I did not see toys or the usual luxury items for sale.

An important observation is the fact that for the first time in many generations, this great mass is united. New China has a strong sense of national purpose. This is a powerful and important force in a world where oceans, mountains, great walls, and armies do guarantee peace or freedom.

DISTRICT OF COLUMBIA RECONSTRUCTION AND CLEANUP

Mr. HUMPHREY. Mr. President, the problem of rebuilding and cleaning up the city of Washington, D.C., is one of continuing concern. I have written to the chairman of the District of Columbia Subcommittee of the Senate Appropriations Committee, Senator BAYH, about the priorities and needs of the city as I see them for the coming fiscal year, and requesting that a statement of my views be considered during the present hearings before that subcommittee.

Mr. President, I ask unanimous consent that my statement submitted to the subcommittee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUBERT H. HUMPHREY

Mr. Chairman, I would like to call the attention of the Subcommittee to the deplorable conditions of the streets and vacant lots in Washington, D.C., and to the continued failure to take the necessary initiatives to rebuild the areas of the city damaged or destroyed in the civil disturbances of 1968.

Many streets and vacant lots in this city at present are covered with trash, refuse and broken glass. The streets give every indication that no sustained effort is made to prevent people from randomly disposing of their trash or to clean up this litter. It is difficult to conceive that in Washington, D.C., a large city of great importance, we cannot take the necessary measures against offenders or institute sufficiently systematic street-cleaning to reduce the present levels of litter. The vacant lots in the city seem to have become unauthorized trash depots. This is another area where significant preventive and corrective action should be taken immediately, in order that we can restore the cleanliness at once of large portions of the commercial and residential sectors of the city.

Many of the city's streets, in addition to being littered, are almost impassable due to potholes. Even main roads are often badly pitted. Such conditions are not only annoying to those whose cars are mildly damaged; they are a hazard which could easily cause accidents. Such a situation requires immediate remedy.

I was encouraged by the recent Committee report on the Fiscal 1974 Supplemental Appropriations bill (H.R. 14013), where the Committee has instructed the Director of the Department of Environmental Services, of the Government of the District of Columbia, to prepare a plan which would begin to turn this city around on these elements of basic cleanliness, and prepare for action for a clean-up campaign.

At my request, I have received information from the Department of Environmental Services that they are in the process of drafting such a proposal and that they hope to take aggressive action against this growing blight. I understand that they will be expanding considerably on their street-cleaning operations, and that they are considering adopting a practice which has been standard fare in other large cities in this country for years—the device of forbidding parking on alternate sides of the streets on specified nights in order to give street-cleaners the opportunity to do their work.

I understand that some residents in the past have objected to the implementation of such a procedure. However, I believe most people do prefer cleanliness, in the interest of promoting the general welfare of the city.

I understand further that there will be an expansion of trash gathering services. This will presumably include the more widespread placement of receptacles for trash, and more regular collections at residents. It is deplorable that there are buildings in the cities where the trash is only rarely collected, where it just fills up the basements or the back yards.

With respect to the vacant lots, there will have to be a truly massive effort to clean up and patrol the tens of thousands of lots in the cities which have been obliterated with refuse. I understand that additional efforts will be undertaken both to patrol and clean these areas. However, I believe there should also be stringent enforcement procedures and regulations to discourage further littering.

If all of this effort is coordinated with a public education program, as planned, I have some hope that the city may begin to look more like a Nation's Capital in the foreseeable future. I would urge that at such time as the Department issues a final report, this Subcommittee examine the proposals thoroughly to determine if they are sufficiently rigorous, and then provide for the funding required to carry out these plans.

It seems shameful that the capital of such a great Nation as ours should be left derelict. Not only have we been unable to maintain basic cleanliness on our streets, but we have been unable to restore areas damaged by civil disturbances which are now more than a full six years behind us. With the 200th anniversary of our Nation fast approaching, it now appears that none of the projects, presently under consideration, for economically and physically restoring devatated areas of the city can realistically be completed by 1976. The present Administration indicated that the restoration of the capital city was a serious priority in 1968. One shudders to think what might have happened had they thought it of little importance. Things are now largely as they were six years ago. Little financial investment has been made in restoration. Little social effort has been made to organize, inspire and coordinate the vast human resources of the city for revitalization. There have been several paper plans, but no Presidential promotion of the pragmatic efforts needed to get the city moving again. The promises of 1969 have been forgotten.

The problems of cleanliness and reconstruction in Washington are not independent. The failure in both has resulted from a failure of executive leadership. Hopefully the newly-won self-rule for the city will enable the city's own leaders to begin taking the initiatives on this issue. But there will still be the need for generous support by Congress and the White House. I have no doubt that this Subcommittee will do everything possible to assist and spur action in the city.

HEARINGS ON NATIONAL HEALTH INSURANCE

Mr. RIBICOFF. Mr. President, on May 21, the Senate Finance Committee will commence hearings on national health insurance.

In designing a workable piece of legislation to assure high quality health care at a price people can afford, we must ask ourselves a number of questions.

First, what is the scope of the problem?

Second, what is the capability of the Federal Government to solve that problem?

And third, what are the taxpayers willing and able to afford?

Recently a number of Connecticut newspapers have editorialized on this important issue.

I ask unanimous consent that these editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New Haven Register, May 7, 1974]

Middle Ground Health Proposal

The Ribicoff-Long bill deserves consideration as a compromise measure that could emerge as the best of the three proposals for national health insurance. The Ribicoff-Long plan seems to provide adequate protection against the dominant cause of concern, catastrophic illness. It would retain the machinery of the private insurance industry, with its competitive efficiencies, and avert the need to build a new, costly, cumbersome federal bureaucracy.

The Nixon Administration bill would continue private insurance companies as agents for administering a program that would cover more ground than the Ribicoff-Long plan. The latter concentrates on better protection against catastrophic illness or accident and the need to provide sound health insurance to low-income groups.

The Kennedy bill puts the entire burden on national health coverage—administration, underwriting and regulation—on the federal government. In opposing this approach, Ribicoff declares:

"We simply do not have the administrative capacity to administer and pay claims for over 200 million Americans, deal with 7,000 hospitals, over 320,000 doctors and countless other segments of the health industry."

The Connecticut senator would give the private insurance companies three years to design a model system for assuring coverage at reasonable rates. If the insurance companies can do the job, they should be allowed to do so.

A strong point of the Ribicoff-Long bill is that it addresses itself to the area of real need. It would keep the government from getting into an area where it shouldn't be—and this could save taxpayers billions of dollars every year. The estimated cost of the Long-Ribicoff bill is $8.8 billion, the Nixon and Kennedy-Mills bills reportedly would cost between $30 and $40 billion in either private insurance premiums or new taxes.

There is no need for the government to extend its health protection function to areas that are taken care of. Today, for half the employes covered under group health insurance, the employer pays 100 per cent of the premiums. For an additional quarter, the employer pays at least 75 per cent of the premiums. Employers overall pay approximately 80 per cent of the total premiums paid for all plans; employes contribute 20 per cent. Why shift these costs to the taxpayers?

Today, most Americans have private health insurance of one form or another. Eighty-four per cent of those with incomes between $7,000 and $9,000 have insurance. And 90 per cent of those with incomes over $10,000 have insurance.

A major problem to be dealt with by national health insurance is that of catastrophic costs. Most Americans do not have insurance to cover the castastrophic costs that can bankrupt almost any family quickly. The government has a legitimate role in making sure that everyone in America has protection against these financial disasters. This is the special objective of the Ribicoff-Long bill. The second part of the problem, insurance for the poor, also is dealt with by the bill.

The Ribicoff-Long proposal could well be the alternative legislation that can get the country moving on national health insurance.

[From the Bridgeport Telegram, May 1, 1974]

Health Coverage

Seeking to find the much needed middle ground in one vital area of national health insurance, Senator Abraham Ribicoff has proposed that private insurance companies be allowed three years to design a model system for assuring coverage at reasonable rates.

Mr. Ribicoff and Senator Russell Long are co-sponsors of a health care bill which is considered one of the best proposals put forth. The two other major bills have been developed by Senator Edward M. Kennedy and Representative Wilbur Mills and by the Nixon Administration.

The Kennedy-Mills plan places the entire burden of national health coverage on the federal government.

The plan of President Richard M. Nixon specifies that the coverage be written by private carriers.

Mr. Ribicoff recognizes the potential for problems if the federal government undertakes this mammoth job. At the same time he wants assurance that the insurance companies are capable of meeting the challenge.

Naturally, it would be far better to have the insurance industry involved. There must, however, be strict rules regarding this participation and every effort made to keep premiums to an absolute minimum.

It is clear that the fundamental question of offering national health insurance has been decided. The debate now concerns financing and the form it should take.

The Ribicoff-Long measure would impose the least immediate pressure on taxpayers, about $8.9 billion. The cost of the other plans range between $30 billion and $40 billion.

The overriding need, we feel, is to provide coverage, at reasonable cost, to prevent a family from being wiped out financially because of illness. While the Ribicoff-Long bill is less ambitious in scope than Kennedy-Mills it strikes at the priority need. We would like to see Congress move in this direction.

[From the London Day, Apr. 30, 1974]

Toward Realistic Health Protection

(By William L. Safire)

The need for common sense health protection capable of meeting the cost of catastrophic illness, in-depth care for the poor and all-round basic coverage for everybody has been recognized for many years. No plan has mustered wide support in Congress for a variety of reasons, ranging from the cry of "socialized medicine" to the contention that less than a comprehensive plan would be worse than no plan at all. Now a realistic compromise appears in the offing which could bring about solid legislation this session of Congress.

Three basic plans have been offered. The Nixon administration proposal calls for federal payment to insurance companies to provide comprehensive coverage. A bill introduced by Sen. Edward M. Kennedy and Rep. Wilbur D. Mills would provide that the federal government itself handle the entire burden of national health coverage—administration, underwriting and regulation.

The third measure, which is a good compromise, is sponsored by Sen. Abe Ribicoff of Connecticut and Sen. Russell B. Long of Louisiana. It would give the insurance companies three years to set up a model system for assuring coverage at a reasonable rate. This is especially important to Connecticut. inasmuch as insurance companies headquartered here already underwrite 30 per cent of the nation's private commercial health insurance. They have an idea of the scope of the problem and they know how to administer programs.

The key to the compromise and the strength of the Ribicoff-Long proposal rests in the fact that 170 million Americans already have health insurance. What the public needs is protection for those hit by catastrophic illness which can wipe out savings in a few weeks' time. We also must find a way to provide basic coverage for the poor, too many of them now actually don't get timely treatment. These are the situations any national health insurance plan must concentrate on; they are the situations the Ribicoff-Long bill would relieve.

In testimony before the House Ways and Means Committee last Thursday, Ribicoff pointed out that there is a middle ground and that it should rely on the expertise and capability of the insurance industry.

Certainly there is no need to duplicate the private systems which now cover 134 million Americans. But there is a crying need for the kind of protection which only the national government could sponsor through the private insurance companies—catastrophic situations and care for the poor, both of which can be provided by very low cost if the burden is assumed by the feds.

Senators Ribicoff and Long appear to have a reasonable plan which will meet needs recognized for many years but still avoid creating a bureaucratic and costly monster.

[From the New Britain Herald, Apr. 29, 1974]

Three-Year Test

Smart politicians know it is best to put off a decision when it doesn't really have to be made. Shrewd lawmakers recognize when the time is not ripe for a far-reaching legislative commitment. Senator Abraham Ribicoff's mastery of these factors underlie the genius of his proposed compromise in the field of national health insurance.

As the Senator has said himself, a consensus is beginning to build on what such insurance should consist of (and to a lesser degree on costs) among sponsors of the three major health bills Congress is considering—the Kennedy-Mills bill, the Nixon Administration bill, and the Long-Ribicoff bill. The major difference between the administration bill and the Kennedy-Mills bill is over how to pay for the program.

The Kennedy-Mills bill puts the entire burden of national health coverage on the federal government, while the administration bill requires that private insurance companies underwrite the essential coverage. Senator Ribicoff proposes that private insurance companies be given three years to design a model system for assuring coverage at reasonable rates. If they can "do the job of providing basic coverage, they should be allowed to do so," says the former Health, Education, and Welfare Secretary. "If they cannot, an alternative will surely be devised."

Drawing on the past history of the Medicare program and on his own executive experience in the area, Senator Ribicoff carries a lot of weight when he warns the House Ways and Means Committee: "Imposing a giant new federal program would only disillusion many by promising more than it can deliver. We simply do not have the administrative capacity to administer and pay claims for over 200 million Americans. In other words the tent is not big enough yet to accommodate the whole camel, just the nose.

The Ribicoff approach seems to provide a solid middle ground between a federalized health care delivery system which should only be a last resort, and mandatory private coverage with all its inequities and loopholes. We commend the proposed trial period to all congressmen who want to see a health insurance bill passed this year.

CHILDREN OF SOUTH VIETNAM TARGETS OF POLITICAL TERRORISM

Mr. TUNNEY. Mr. President, on the occasion of the Nation's mourning for the 16 children killed in a senseless massacre at Maalot, Israel, I would like to take this opportunity to deplore the fact that the children of South Vietnam are also the targets of political terrorism.

On March 9, 1974, units of the army of North Vietnam shelled the yard of an elementary schoolhouse in the province of Cai Lay. Twenty-three children died and 40 others were injured.

Only a few days before the Maalot incident, the Songphu Community Primary School in Vinh Long Province was shelled while the children were at recess. Five children died instantly. Three others died later at the hospital. At this time, nine children remain in serious condition.

Mr. President, there is simply no excuse for the dreadful use of innocent children as pawns in political disputes. It is my most sincere hope that the tragedy in Israel will not hinder successful conclusion of disengagement negotiations and that the Cai Lay and Vinh Long Province attacks will no longer be allowed to delay progress in the Paris negotiations between the parties in South Vietnam.

PRESIDENTIAL RESIGNATION

Mr. PEARSON. Mr. President, last week Mr. Alf M. Landon issued a statement on the question of Presidential resignation which I thought was extremely well done. Mr. Landon strongly states the case against resignation at this time and argues effectively that this whole matter can only be satisfactorily resolved through the constitutional provisions of impeachment which bring all relevant evidence to bear and provides the President the hearing that our democratic processes require.

Mr. President, I ask unanimous consent that this statement by Mr. Landon be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ALF M. LANDON

There has not been a time like this in all history. Within the last 90 days there have been changes of government in England, France, Germany, Israel, Portugal, Canada and Iceland.

In the great United States of America—the keystone of popular government in the world—impeachment proceedings have started against the President. This is only the second time in our history that such action has been taken.

There is a simultaneous widespread call for Mr. Nixon's resignation. This smacks too much of those embarrassing moments in America's history when, as in the cases of Aaron Burr and Andrew Johnson, the pressure of public opinion was excessively whipped up against a Vice President and a President of the United States.

Therefore, I believe the best way to settle all the questions involved in President Nixon's official conduct in this critical sordid Watergate matter, and to the complete satisfaction of the American public, is by the thorough house-cleaning that the congressional impeachment proceedings can furnish.

The alternative—the President's resignation—does not resolve the many ambiguities that exist in the published tapes and the Senate Investigating Committee's record. Resignation sweeps under the rug too many unanswered questions. Impeachment by the Congress that follows the constitutional provisions is the best way for our country. That alone gives the President his day in court, accorded to him under the American way that every accused person must be proven guilty beyond a reasonable doubt.

Any other course destroys a fundamental principle of democratic processes of infinitely greater importance. In other words, how the trial of a president in office is conducted will leave a legacy affecting the citizenry that will long outlive present concerns.

THE WORLD AWAITS THE U.S. CROP

Mr. HUMPHREY. Mr. President, the May 19 issue of the New York Times included an important article, "American Grain Crop: A Life or Death Matter."

The article quotes Lester Brown of the Overseas Development Council, as indicating that at least 80 percent of the world's severe malnutrition is located in two areas: the Indian subcontinent and parts of Africa, and in particular the Sahel.

It is clear that not only the level of production in the United States is of critical importance, but also the degree of response. Secretary Butz feels that additional food can probably be provided for the needy, but thus far no positive steps have been taken by the Department of Agriculture in that direction.

This may well be a critical harvest for the entire world, and it may be up to Secretary Kissinger to see that the administration takes early steps to meet these humanitarian requirements.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMERICAN GRAIN CROP: A LIFE OR DEATH MATTER

(By Edwin L. Dale, Jr.)

WASHINGTON.—Farmers in the American Southwest last week had already begun the harvest of what will almost surely be a record crop of winter wheat by the time the combines finish in North Dakota. In the Midwest, farmers were planting a massive acreage of corn and soybeans.

A growing number of statesmen, international economists and Washington diplomatic officials have their eyes on what is happening in Oklahoma and Iowa. It is something new for them.

One important reason for their interest was illustrated last week by the latest, and perhaps direst, account of the creeping problem of world malnutrition, if not starvation. Henry R. Labouisse, executive director of the United Nations Children's Fund told his board of directors that between 400 million and 500 million children in the world will suffer from severe malnutrition.

One way or another, the success this year of the American farmers could well determine whether the problem cited by Mr. Labouisse gets worse or better. Troubling as it may be in some ways to the Administration and others, the United States is more than ever the "breadbasket of the world." But, where once America had food surpluses to give away to the starving, now there are none. What will be available for Europe and Japan, who can pay, as well as to the hungry of India and Mali, who probably can't, must come from what the fields produce this year.

A starting point in examining the problem must be those undernourished children. Where are they?

Lester R. Brown, of the Overseas Development Council in Washington, says that "at least 80 per cent and perhaps more" of the world's severe malnutrition, which includes adults, is in two geographical areas:

The Indian subcontinent, which includes about 750 million people in India, Pakistan and Bangladesh, not all of whom, of course, are malnourished.

Sub-Sahara Africa, particularly the Sahel countries of West Africa plus Ethiopia, where the problem has been severe and prolonged by drought.

In addition, according to Mr. Brown and others, there are pockets of serious malnutrition in less developed countries that have a record of general economic progress. Examples are in the northeastern part of Brazil and among the landless laborers of Mexico.

What, then, should the United States do and what is the United States likely to do about the problem?

The first step taken was the decision in early 1973 by the Nixon Administration to cease holding farm acreage out of production. The decision came as surpluses disappeared under a deluge of export demand, partly caused by big sales of wheat to the Soviet Union, and as prices began their steep rise in late 1972. It is this decision that, with any luck from the weather, will bring record crops in 1974. In the case of wheat, for example, the crop is now officially projected at slightly more than 2.1 million bushels, up 24 per cent from last year's record crop of 1.7 million bushels.

THE PROBLEM OF PAYMENT

But a more agonizing decision lies ahead. Countries in which much of the malnutrition exists are extremely poor in foreign exchange, often because of the explosion in oil prices. If they decide they simply must buy more food, can they pay for it?

If they cannot, they can request help from the United States through the 20-year-old Food Aid Program, which began as a way of getting rid of surpluses. With the surpluses gone, the program now operates on the modest scale of $1-billion a year, which can finance only a fraction of the nation's record agricultural exports. But if India, for example, is granted a huge request for help, the net effect will be to increase the total demand in the United States market. This, in turn, could start domestic food prices soaring all over again.

Although it is only beginning to be reflected in the grocery stores, prices of the main farm crops have dropped in anticipation of the enormous crops. Wheat, for example, which topped $5 a bushel last winter, was below $3.50 last week.

Secretary of Agriculture Earl L. Butz says that the difficult choice could arise, but he believes that this year's crops are likely to be so large that additional food aid can be given without undue pressure on prices. The evidence supports Mr. Butz to some degree. For example, the latest crop report indicates that Kansas alone this year will produce as much wheat as Australia.

But Mr. Butz also said in a recent interview: "Food tugs at your heartstrings. I am positive that our body politic is not going to permit starvation any place on earth, no matter what people may think about other aspects of foreign aid."

But even he, a relative optimist on what America can do, concedes two points: The problem is going to get worse unless the world population explosion is brought under control; the United States cannot do the whole job of feeding the hungry. Other affluent nations, not only food exporters, must help, with grain or money.

That may include, ironically, the Soviet Union, which may again be building stocks after the disastrous 1972 harvest. The United States has welcomed a contribution of $50-million by Saudi Arabia, a grain importer, to the relatively modest world food program of the United Nations Food and Agriculture Organization.

The worsening food situation is particularly depressing in light of the high hopes frequently expressed a few years ago that the "green revolution" and its much higher yields of wheat and rice would end famine. India, for example, was confident of self-sufficiency. The Green Revolution still helps, but it has encountered its own problems, among them the world fertilizer shortage.

In any case, it is probable that the United States will be called upon this year for more food aid, and one of those pressing for the aid will be Secretary of State Kissinger. Even he, supposedly a man who doesn't care much for economics, has begun, according to good authority, to read crop reports.

REPEAL OF PERCENTAGE DEPLETION ALLOWANCE

Mr. RIBICOFF. Mr. President, I am pleased to note the growing support for the repeal of the oil depletion allowance. Clearly, the time has come to eliminate this wasteful and inefficient subsidy to the oil companies and to require these companies to pay their fair share of taxes.

On May 14, Senators Magnuson, Jackson, and I introduced amendment 1326 to H.R. 8217 which would repeal the oil depletion subsidy effective January 1, 1974.

Since that time a number of Senators have joined with us in our effort. They are Senators Humphrey, Kennedy, Mondale, Bayh, Clark, Hart, Muskie, Metzenbaum, Pastore, and Case.

I know that many of these Senators have offered a comprehensive package of reforms in the Senate which will be brought up as amendments to H.R. 8217.

I am supportive of much of their work.

The Kennedy-Mondale tax cut proposal is, in my judgment, a measure which is urgently needed not only to provide a needed fiscal boost to the economy, but to help the beleaguered taxpayers of this country in their never-ending battle with inflation.

I also fully support the efforts of Senators Humphrey, Bayh, Clark, Hart, Kennedy, Mondale, Muskie, and Metzenbaum to strengthen the minimum tax and to repeal the Domestic International Sales Corporation—DISC—system of tax incentives for exports.

While it is difficult to assess priorities in tax reform, it is clear that one of the most important steps needed to restore equity in our tax system is repeal of the oil depletion allowance. Senator Humphrey has taken a leading role in the effort to remove this glaring tax loophole from the lawbooks and I am sure that with his support we can begin to restore equity to our tax system.

I ask unanimous consent that the cosponsors of the Ribicoff-Magnuson amendment to the oil depletion allowance be printed in the Record:

There being no objection, the list of cosponsors was ordered to be printed in the Record, as follows:

Cosponsoring Senators

Mr. Ribicoff, Mr. Magnuson, Mr. Jackson, Mr. Humphrey, Mr. Bayh, Mr. Clark, Mr. Hart, Mr. Kennedy, Mr. Mondale, Mr. Muskie, Mr. Metzenbaum, Mr. Pastore, and Mr. Case.

HISTORICAL PROCEDURES AND PRECEDENTS OF SENATE IMPEACHMENT TRIALS

Mr. TUNNEY. Mr. President, John H. Averill, an outstanding journalist for the Los Angeles Times, has written a carefully researched article on the historical procedures and precedents of Senate impeachment trials.

While no one can predict with certaintly the result of the present impeachment inquiry in the House of Representatives, I believe my colleagues will find Mr. Averill's article of great interest.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

How To Impeach? Hazy Guidance From the Past: Congress Searches for Proceedings of 1868

(By John H. Averill)

Washington.—Precisely at 1 p.m., the chief justice of the United States took over the unfamiliar chair of the president of the Senate with this declaration:

"Senators, I attend the Senate in obedience to your notice for the purpose of joining with you in forming a court of impeachment for the trial of the President of the United States and I am now ready to take the oath."

Those were the words of Salmon P. Chase on March 5, 1868, as he began presiding, as prescribed by the Constitution, over the nation's only presidential impeachment trial.

Chase presided over the Senate for 41 days in the months of March, April and May as a committee of seven House members sought to convict President Andrew Johnson of 11 charges of "high crimes and misdemeanors."

After seven days of procedural wrangling and 34 days of actual trial, the House committee failed by one vote to muster the two-thirds Senate majority needed for conviction and Johnson was acquitted.

Today, with another presidential impeachment looming, the records of the Johnson trial are in demand as members of Congress grope for guidelines.

However, the Johnson trial leaves much uncharted as an impeachment road map for 1974.

Indeed, the impeachment process has been employed so rarely—there have been only 12 Senate trials, the most recent in 1936—that the guidelines that exist are frequently ambiguous and sometimes wrong, in the view of legal authorities.

Yet, it was the Johnson trial in 1868 that produced most of the ground rules on which the Senate relies for the mechanics of an impeachment trial.

Among these is the oath to which Chief Justice Chase referred when he first took over the Senate gavel in the Johnson trial.

With Samuel Nelson, senior associate justice of the Supreme Court administering the oath, Chase gave this vow:

"I do solemnly swear that in all things appertaining to the trial of impeachment of Andrew Johnson, President of the United States, I will do impartial justice according to the Constitution and the laws: So help me God."

Then one by one, in further accordance with the newly adopted Senate rules. Chase administered the same oath to each member of the Senate, who would sit as jurors in the presidential trial.

Again, as stipulated by the rules, the Senate's sergeant-at-arms at the time, George T. Brown, delivered this somber admonition at the opening of each trial session:

"Hear ye! Hear ye! Hear ye! All persons are commanded to keep silence, on pain of imprisonment, while the House of Representatives is exhibiting to the Senate of the United States articles of impeachment against Andrew Johnson, President of the United States."

The same words, except for the name and title of the person being impeached, exist today in the second of the Senate's 26 rules governing an impeachment trial.

These 26 rules cover 11 pages of the 924-page "Senate manual—containing the standing rules, orders, laws and resolutions affecting the business of the United States Senate."

As a further guide to a presidential impeachment, the Senate has a three-volume, 1,640-page set of the transcript, memoranda and other details of the Andrew Johnson trial.

In contrast, the House of Representatives has few formal rules governing its role in the impeachment process. The House relies on precedents established by the English Parliament, on which the U.S. impeachment procedure is based, and by Congress itself in past impeachments. These precedents, which have not been officially updated since 1907, take up 727 pages of volume 3 of "Hinds" Precedents of the House of Representatives."

In writing the Constitution in 1787, the Founding Fathers borrowed from the British system, under which the House of Commons, acting as the "grand inquest of the nation," initiated and prosecuted impeachments, while the House of Lords tried the cases in the dual roles of jurors and judges.

Thus the Constitution vests the House with "the sole power of impeachment" and the Senate with "the sole power to try all impeachments."

Unlike the British practice, which in the past permitted Parliament to impeach anyone, including private citizens, and impose penalties up to death, Congress may impeach only "civil officers of the United States." And the penalty shall not exceed removal from office and disqualification to hold any federal office in the future.

Since the Constitution went into effect in 1789, the House has undertaken many impeachment inquiries, such as the abortive one in 1970 against Supreme Court Justice William O. Douglas.

But the House has impeached only 13 federal officials—one President, one Cabinet officer, one senator and 10 judges. Of these, all but one resulted in Senate trials. The exception was Mark H. Delahay, a federal judge who resigned in 1873 after the House voted to impeach him but before the charges or articles of impeachment were prepared. The case was then dropped.

Of the 12 impeachments that went to trial in the Senate, two cases were dismissed, six resulted in acquittal and four, all involving judges, ended in conviction.

Impeachment is not equivalent to removal from office. Impeachment by the House is a first step and is equivalent to a formal accusation or an indictment. Removal requires conviction by a two-thirds majority vote in the Senate.

However, an impeachment is comparable to a court proceeding in only a very general way.

This is because an impeachment is essentially a political action. Since the Constitution does not spell out details of how an impeachment should be conducted, the ground rules are whatever a simple majority in the House or Senate wants them to be. They can even be changed in the course of an impeachment trial, as happened at times during the Johnson trial.

In contrast, court proceedings are bound by rigid rules of evidence and by centuries of binding precedents. Furthermore, a conviction in any court can be appealed to a higher court. There is no appeal from an impeachment conviction.

With the chief justice presiding in a presidential trial, he would try to make the proceedings conform as closely as possible to a courtroom pattern.

Yet, as Chief Justice Chase learned in 1868, the Senate is supreme and he was overruled several times on the admissibility of evidence. On one occasion, after he agreed to permit testimony by key witnesses called by the President's lawyers and the Senate reversed him, Chase complained bitterly in a letter to a friend.

Describing himself as "greatly disappointed and pained" by the Senate action, Chase said "the vote, I fear, indicated a purpose which, if carried into effect, will not satisfy the American people, unless they are prepared to admit that Congress is above the Constitution."

While it would be hazardous to draw many parallels between the Andrew Johnson trial and the one that could engulf President Nixon, a look at what happened in the Johnson proceedings can be instructive.

Today's political atmosphere is not as poisonous as that in 1868.

Then, the Civil War had ended barely three years earlier. The South was imbittered, prostrate, under military occupation by Northern armies and mostly unrepresented in Congress.

The North and the Republican majorities that controlled the House and the Senate were split over how to treat the conquered South.

Johnson was detested by the Radical Republican bloc in the North that had spearheaded the movement to abolish slavery and was determined to award full civil rights to Southern blacks.

Johnson, a Southern Democrat in a Republican administration, was a political accident. Because as a Tennessee senator, Johnson had been the only Southerner in the State to remain loyal to the Union, President Abraham Lincoln had picked him as his vice presidential running mate on the Republican ticket in 1864.

Succeeding to the Presidency after Lincoln's assassination, Johnson sought to carry out Lincoln's reconstruction policy of treating the South with moderation and compassion.

That policy was scorned by the Radical Republicans even while Lincoln was alive. But Lincoln was a strong leader, a gifted politician with a superb sense of humor and timing. Jackson lacked those assets and his stubborn and often angry defiance of his congressional critics led them to seek his downfall.

An initial attempt to impeach Johnson failed when the House, by a vote of 108 to 57, killed an impeachment resolution by its Judiciary Committee on Dec. 7, 1867.

But on the following Feb. 21, Johnson took the step that made impeachment inevitable. He fired Secretary of War Edwin M. Stanton, an ally of the Radical Republicans, for insubordination.

Stanton's friends contended the firing was illegal under the Tenure of Office Act, which Congress had enacted by overriding a Johnson veto on March 2, 1867. Among other things, that act prohibited without approval of the Senate the firing of any Cabinet officer who had been confirmed by the Senate.

Johnson insisted the act was an unconstitutional infringement on his presidential prerogative—a position that was affirmed by the Supreme Court several years later.

But on the day Stanton was fired, Rep. John Covode (R-Pa.) arose in the House with these words:

"I rise to a privileged question. I offer the following resolution: 'Resolved, that Andrew Johnson, President of the United States, be impeached of high crimes and misdemeanors.' "

The resolution was promptly referred to the House Reconstruction Committee, headed by Rep. Thaddeus Stevens (R-Pa.), an ailing leader of the Radical Republicans.

Unlike today's House Judiciary Committee, which has been considering impeachment resolutions against President Nixon since last October, the Stevens committee met the following day, a Saturday, for "hardly an hour," according to one critic, and approved the Covode resolution.

On the following Monday, the House voted 126 to 45 to impeach President Johnson.

House Speaker Schuyler Colfax (R-Ind.), who himself was the subject of an unsuccessful impeachment inquiry when he was Vice President in 1873, appointed Stevens and Rep. John A. Bingham (R-Ohio) to advise the Senate of the House action.

On Feb. 25, only four days after the Stanton firing, the two-man House committee appeared before the Senate and delivered this message:

"Mr. President, by order of the House of Representatives we appear at the bar of the Senate, and in the name of the House of Representatives, and of all the people of the United States, we do impeach Andrew Johnson, President of the United States, of high crimes and misdemeanors in office; and we do further inform the Senate that the House of Representatives will in due time exhibit particular articles of impeachment against him, and make good the same; and in their name we do demand that the Senate take order for the appearances of the said Andrew Johnson to answer to said impeachment."

In response, the Senate named a special seven-man committee to draft rules for the conduct of the impeachment trial.

Meanwhile, a special House committee was at work preparing articles of impeachment and on Feb. 29 it submitted nine articles, all dealing with the Stanton firing, to the House.

In the angry debate that ensued, Rep. Albert G. Burr (D-Ill.) tore into the Republicans advocating impeachment with words that were to prove prophetic.

"Go on with your project of impeachment," Burr declared. "Pass your articles here by a party vote, under whip and spur. Carry them to the bar of the Senate and sustain them there by a party vote, and the time will come when reflection will secure your condemnation by the American people."

Burr's prophecy has found wide concurrence among historians. They have taken the view that the charges against Johnson were flimsy ones that did not justify impeachment and that the trial was a miscarriage of justice save for the fact that Johnson was acquitted.

In the 1868 House debate on the articles of impeachment, Republican speakers were harsh in replying to their Democratic critics, who were pro-Johnson.

Rep. Harry P. H. Bromwill (R-Ill.) said at one point:

"This worship of the one-man power at the White House has become with the Democratic Party almost a fetish worship—a superstition as unmanly and degrading as that of the benighted Africans (Southern blacks) they so much despise . . .

"It is right in considering this impeachment, when we have found one fact well established showing malfeasance with malice aforethought, to consider in aggravation of the case the many malfeasances and usurpations which have heretofore marked the line of Andrew Johnson's presidential career."

Then there were the remarks of Thaddeus Stevens in the second and final day of House debate when he persuaded the House to add still another article of impeachment. It was a catchall article, cataloging all the major complaints against Johnson and designed to make the strongest possible case against him.

"If my article be inserted," Stevens said, "what chance has Andrew Johnson to escape, even if all the rest of the articles should fail? Unfortunate man, thus surrounded, hampered, tangled in the meshes of his own wickedness—unfortunate, unhappy man, behold your doom."

The Stevens article was overwhelmingly approved, along with still another offered on the floor, as the House voted to present the Senate with 11 articles of impeachment.

To prosecute the case, the House elected a seven-man committee, headed by Ohio's Bingham, to act as House managers of impeachment. During the trial they were addressed as "Mr. Manager. . . ."

Although it is traditional that the official being impeached be present for his Senate trial, the rules declare that if he fails to appear "the trial shall proceed, nevertheless, as upon a plea of not guilty."

President Johnson chose not to make a single appearance during his trial. Instead, he was represented by a panel of distinguished lawyers, whom Raoul Berger, the Harvard authority on impeachment, described as "as valiant a group of advocates as can be found in the annals of the American bar."

They included Benjamin R. Curtis of Massachusetts, who had resigned from the U.S. Supreme Court after writing one of the two dissents in the Dred Scott case; Henry Stanbery of Kentucky, who resigned as attorney general to defend the President, and William M. Evarts of New York, who was to become secretary of state in 1877 under President Rutherford B. Hayes.

Being counsel for the President was not a popular role in the violently anti-Johnson atmosphere on Capitol Hill at the time.

In his book "Impeachment: The Constitutional Problems," Berger wrote that the House managers "indulged in vituperation without restraint by the Senate; yet defense counsel, who must have felt themselves in the midst of a pack of wolves, never lost their composure, never departed from measured, reasoned advocacy."

When the defense lawyers made their initial appearance in the Senate, Stanbery asked that the defense be given 40 days to prepare their case.

But the Senate was in little mood for delay and gave the President 10 days to file his answers to the articles of impeachment. On March 23 he submitted detailed responses, challenging the legality of the Tenure of Office Act he was accused of violating, and the trial was set to begin on March 30.

For the members of the Senate, the trial placed them in the unfamiliar role of being muzzled. All the arguments, motions, examination and cross-examination of witnesses were handled by the House managers and the defense lawyers.

If a senator wished to ask a question he had to put it in writing and submit it to the chief justice, who would read it.

However, demonstrating how little its character has changed, the Senate spent three days before the trial debating, sometimes acrimoniously, how to allocate seats in the Senate gallery to the public.

The Senate eventually decide to issue 1,000 tickets a day, most of them to be distributed by members of the Senate and House. Since the galleries contained just 866 seats, compared to 616 now, the aisles were often jammed and the sergeant-at-arms was almost fired for failing to keep order.

Another major seating problem that would occur now would be how to accommodate members of the entire House. During the Johnson trial the entire House membership attended each trial session. Since the membership then numbered 193 compared to 435 today, they were able to be seated in the rear of the Senate chamber. There were then 54 senators; today there are 100.

Yet another problem to be decided in another presidential trial would be the question of the voting rights of the chief justice.

On at least one occasion, Chief Justice Chase voted to break a tie on a question involving trial procedure. There was an immediate effort to revise Senate rules to prevent the chief justice from voting. But no decision was reached and the precedent of his voting was left.

However, Senate Minority Whip Robert C. Byrd (D-W. Va.), an authority on Senate rules, and the current Senate parliamentarian, Dr. Floyd M. Riddick, take the view that the chief justice should not vote.

"I see no grounds for the chief justice to have the right to vote," Byrd said.

Riddick said it would be a matter the Senate would have to decide.

If there is an impeachment and if the Senate fails to reach a verdict before the end of the 94th Congress, the trial would resume in the new Congress, according to Senate Majority Leader Mike Mansfield. He said newly elected senators would be provided with transcripts of the proceedings to date.

From a dramatic standpoint, the Johnson trial reached its climax on May 16, 1868, when the Senate agreed to begin voting on the articles of impeachment.

Believing the 11th article to be the strongest charge against the President, the House managers persuaded the Senate to vote on that first.

As the secretary of the Senate called the roll, the chief justice would pose this question to each senator as his name was called:

"Mr. Senator . . . how say you? Is the respondent, Andrew Johnson, President of the United States, guilty, or not guilty, of a high misdemeanor, as charged in this article of impeachment?"

Thirty-five senators replied "guilty" and 19 "not guilty." Since this was one vote shy of the two-thirds majority required for conviction, the President was acquitted on that article.

The senator credited by history for saving the President was Edmund G. Ross (R-Kan.), one of seven Republicans who voted for acquittal.

Ross, whose vote earned him a chapter in the late John F. Kennedy's book, "Profiles in Courage," stood out from the others because he was the lone senator whose position remained unknown until the last.

Following their defeat on Article 11, the anti-Johnson forces obtained a 10-day recess in an effort to change votes.

But when the Senate reconvened on May 26 and voted on two other articles, the result was identical with the earlier vote, 35 to 19. The Johnson foes then threw in the towel and the trial ended with the President acquitted.

A TRIBUTE TO EARL WILSON ON HIS 68TH BIRTHDAY

Mr. HARTKE. Mr. President, recently, I received a letter from a dear friend and advisor, Leon Charney, concerning the approaching 68th birthday of columnist Earl Wilson.

Mr. President, I would like to share Mr. Charney's thoughts with my colleagues, and ask unanimous consent that the text of his letter to me be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

May 15, 1974.

Hon. Vance Hartke,
U.S. Senate, Russell Senate Office Building,
Washington, D.C.

Dear Senator Hartke: On May 20th, Earl Wilson, one of America's most famous syndicated columnists, will celebrate his 68th birthday. As one who has had the privilege of advising you from time to time on immigration matters, I have had the occasion to meet Earl Wilson and to know of his abiding concern for human rights.

Although Earl Wilson may be known to most people for his "It Happened Last Night" column which focuses on the doings of people in show business, the American people should be aware of his humaneness and his willingness to help those who are deprived or persecuted.

This past January, Earl Wilson asked me for an interview. We talked about the plight of oppressed people. Following our conversation, Mr. Wilson took fully one-half of his regular column to make the public aware of the tragic problem of three Russian dissidents in danger of losing their freedom.

As a direct result of this and many prior writings, Mr. Wilson has been instrumental in alleviating the despair and suffering of oppressed human beings.

In the American tradition, he has selflessly and unhesitatingly lent his name, effort and column to alert millions of his readers to the tragic problem of people who are denied their basic rights. Because of the concern and courage of people in private life like Earl Wilson, and people in Congress such as yourself, many of these people are living in freedom today.

In view of the fact that Mr. Wilson's mother, Mrs. Cloe Wilson, lives in Fort Wayne, Indiana, and because of your deep personal involvement in international human justice, I believe that it would be most appropriate for you to pay tribute to this man on the floor of the Senate so that his devotion to his fellow man can be recorded permanently and serve as a lasting testimonial.

Sincerely yours,

Leon Charney.

A NEW STATUTORY BASIS FOR FEDERAL PROCURMENT

Mr. CHILES Mr. President, ever since the distinguished chairman of the Government Operations Committee (Mr. Ervin) decided last year to create a new ad hoc Subcommittee on Federal Procurement, we have been attempting to direct our attention on the most important and critical Federal procurement reforms that were recommended by the Congressional Commission on Government Procurement.

The No. 1 priority item for attention was the creation of the central office of Federal procurement policy. Legislation to create this office (S. 2510) has now passed the Senate and I anticipate under the leadership of Congressman Chet Holifield in the House, we will see this office established by law this year.

Among the other high priority areas for procurement reform that will be the high payoff measures is the need to provide a new modernized and consolidated procurement statute to replace the current statutory fragmentation that exists.

The basic problem is that procurement law is presently split between the Armed Services Procurement Act and the Federal Property Administrative Services Act, a division that no longer serves the needs of the Federal Government, the individual agencies, or the American taxpayer. The need to provide such a new statutory baseline for procurement was one of the Commission's most important and urgent reforms.

At a recent subcommittee meeting, Senator Roth, the ranking minority member, Senator Nunn, Senator Huddleston, Senator Brock, and myself agreed that our intention this year should include moving a new procurement statute. A draft is now being prepared and we expect to be holding hearings after introducing the bill in cooperation with the Armed Services Committee.

In advance of direct legislative action, I would like to submit for the information of my colleagues an excellent article describing some of the current problems that exist under the Armed Services Procurement Act.

The article, which discusses not only the present status but also the history and evolution of the Armed Services Procurement Act of 1947, was written by Mr. Robert B. Hall, currently Assistant Director of the General Accounting Office Procurement and Systems Acquisition Division. In addition to his long and distinguished career with the General Accounting Office, Mr. Hall also serves as the study leader for one of the procurement commission's most important and controversial study areas, acquisition of major systems.

Mr. President, in anticipation of future Senate action on the procurement statutes, I ask unanimous consent that Mr. Hall's article be printed in full in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Armed Services Procurement Act of 1947 Should Be Reformed

(By Robert B. Hall)

GAO has consistently taken the position that the preferred method of Government procurement should be on the basis of formal advertising because it is considered to be the method best designed to obtain the most advantageous contract for the Government and to give all interested parties an opportunity to compete for the Government's business on an equal basis. The Armed Services Procurement Act of 1947 reflects this preference. In the following article, the author takes issue with this concept as applied to much of defense and space procurement and develops his personal view as to the desirability of changes in the law.

The opinions expressed in this article are those of the author and do not represent official GAO positions.

Formally advertised procurement pervades the whole structure of the Armed Services Procurement Act of 1947.[1] It is, in fact, mandatory and the only procurement method formally recognized in the act. The reigning inference is that formally advertised procurement is universally applicable and the "one best way."

This procurement method, most everyone will agree, is very efficient in its proper arena: the buying of low-technology, standard items. It has enhanced full and free competition and has saved money for the taxpayers. But for acquiring complex products, including major weapon and space systems, it has little or no relevance. As indicated in the Secretary of Defense Posture Statement for fiscal year 1970: * * * The complexity of most military products is such that formal advertisement procedures simply cannot be made to work in the vast majority of cases * * *. It is the substance, rather than the form, of competition which should be of principal concern to the Congress and the public * * *.

Procurement methods (acquisition strategies) for advanced technology devices have departed markedly—of necessity—from the formal advertising method. The statute does not recognize these more relevant methods. Rather, it discriminates against them by loading on unnecessarily burdensome (and ineffectual) requirements.

Even in the minority of procurement spending where formal advertising is used,

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a substantial amount involves two-step procurement actions which embody competitive negotiation in the first step.

Patently, formally advertised procurement is out of touch with the real world. Regulation and practice are disjoined. Since practice must respond to fundamental changes in the environment, clearly it is the act that should be reformed. A viable statute recognizes and deals with prevailing conditions.

The purpose of this article is to propose certain major reforms to the act. In thrust they are not new; procurement literature of the past 10 to 15 years has emphasized the need for this kind of modernization.

The article first points out the widespread impact of this important act on nearly all Government procurement and much of industry. Next, the history of the act is described to help explain how its relevancy has withered away. The suggested reforms, summarized immediately below, are then discussed in detail. In the conclusion, methods of bringing about and implementing the reforms are laid out.

This article does not contend that the Armed Services Procurement Act is at the root of all procurement problems. Rather, that an act which reflects the best policy for today's needs might also improve understanding and encourage progress in other areas—a sort of chain reaction may set in.

In brief, the proposed reforms to the act are:

1. Eliminate the fiction of formal advertising as the dominant procurement method, and the need for reciting the "17 exceptions" (it seems ludicrous to contract for 85 percent or more of DOD's needs on an "exception" basis).
2. Recognize acceptable procurement methods in actual use and prescribe the criteria for their application.
3. Include a statement of current congressional policy on "competition" based on a broader definition of the term, emphasizing the substance of competition rather than its precise form.
4. Clarify the "competitive range" and the parameters within which discussions should and should not be conducted—especially when factors other than price are crucial.
5. Illustrate the "other factors" and when they become more dominant than price.
6. Improve communication with the Congress concerning procurement actions and the degree and scale of competition.
7. Raise the formal advertising exemption from $2,500 (1958) to $5,000, or higher, and provide minimal policy guidance over some 7 million small procurements per year.
8. Delete the stereotyped and pointless paperwork connected with preparation of "Determinations and Findings" now required when using certain exceptions to formal advertising and contract types.

THE ACT'S IMPACT

The Armed Services Procurement Act directly applies to three agencies: the Department of Defense, the National Aeronautics and Space Administration and the Coast Guard. The procurement regulations in these three agencies are quite voluminous and implement the act and other statutes. In the DOD, the implementing document is called the Armed Services Procurement Regulation (ASPR). NASA has the NASA procurement regulations (NASA PRs). In all other executive agencies, the Federal Procurement Regulations (FPR) govern the procurement practices. The FPRs and NASA PRs are influenced by and for the most part patterned after the Armed Services Procurement Regulation. This is understandable since the title III procurement procedure of the Federal Property and Administrative Services Act[2] is patterned directly after (our friend) the Armed Services Procurement Act.

This means that the Armed Services Procurement Act directly or indirectly governs almost all Federal procurement, which exceeds $50 billion annually, and influences the actions of some 100,000 people in the Government who participate in the award and administration of contracts. In addition, the act and its implementing regulations have a direct impact on thousands of private companies in virtually every major industry in the United States.

BRIEF HISTORY OF THE ACT[3]

Perhaps the history of the Armed Services Procurement Act can best be summed up as a compromise reached in 1947 between two extremes. The one extreme was the historical preference for formal advertising which existed in this country up until the time of World War II. The other extreme was the almost universal use of negotiation during World War II. This latter extreme extended to a prohibition during the war against the use of formal advertising unless the agency was especially authorized by the War Production Board.[4] The act simply combined these two extremes and permitted the Defense Department sufficient leeway to go in either direction. The act said nothing about obtaining competition through means other than formal advertising. Negotiation was and still is defined in the act as "make without formal advertising."

HISTORICAL PREFERENCE FOR FORMAL ADVERTISING

The historical preference for formal advertising dates back to the early 1800's. A literal interpretation of the first Federal statute, in 1809, indicated that contracting officers had a choice between two equally available methods of procurement, "open purchases" or "advertising for proposals." This meant that items could be purchased in the open market in the manner of ordinary commercial transactions and negotiations used (negotiation is designed to give scope to normal purchasing practices and permits innovations in procedures).

However, in 1829 the Attorney General interpreted the original statute as requiring advertising except where public exigencies necessitated immediate contract performance. Thus, groundwork was laid for using formally advertised bidding as a foundation for the competitive bidding system in the Federal Government. In 1842, a statute was passed requiring advertised bidding for stationery supplies and printing. In 1860, a landmark statute was passed requiring advertising for supplies and services by all departments of the Government. It was incorporated in 1874 in section 3709 of the Revised Statutes, and with certain exceptions continued to regulate military procurement up until World War II.

THE 17 EXCEPTIONS

The first legislative exceptions to formal advertising were for "public exigency" (fires and floods) and "personal services." Through the 1800's and up until World War II, eight additional exceptions were added in order to exempt procurements such as medical supplies (1845), purchases outside the United States (1845), perishable goods (1847), purchases for national emergencies (1864), small purchases (1892), and a catchall type exception (number 10) to be used where it was deemed impractical to secure competition through formal advertising (1901) (present DOD regulations contain 17 illustrative conditions under which exception 10 may be used).

Throughout most of this period, U.S. weaponry was relatively simple and it was obtained primarily through in-house development and production—the so-called arsenal system. Also, up to this point the basic consideration in the minds of the Congress in emphasizing the formal advertising procedure had been the prevention of favoritism.

During World War II the greater part of the national defense needs were obtained from private industry through negotiation. Several lessons were learned from this wartime experience.

The first lesson was that negotiated procurement, with flexibility for bargaining contract types and terms, far from leading to higher prices or the concentration of procurement in the hands of larger and more favored producers, more often led, on the contrary, to a wider distribution of suppliers and to lower costs.

A second lesson was that the military services had demonstrated an ability to use with judgment and common sense the broad procurement powers granted.

The third lesson was that to compel a return to the inflexible procedures of formal advertising would mean that supplying the needs of the military would soon revert to a relatively small group of professional Government suppliers, with the consequent loss of know-how and industrial capacity, and of a broad mobilization base. Perhaps the outstanding lesson of the war was that industrial power is a critical factor of no less value than trained manpower and that true national defense is impossible except on the foundation of a powerful, broadly based industrial structure.[5]

World War II experience showed also that additional exceptions to the formal advertising rule were needed, and exceptions 11 through 16 were added. The new exceptions related to such things as research and development work, secret purchases, and technical equipment requiring standardization. The 17th exception simply permitted the use of negotiation where otherwise provided by law, as in the case of a 1926 Aircraft Production Act.

The 17 exceptions are so all encompassing as to permit the use of negotiating authority under almost any conceivable circumstances. In fact, the 15th, not mentioned above, permits negotiation when advertising is unsuccessful. In order to use negotiating authority under many of the exceptions, the agency must prepare written determinations and findings. In the case of some of the exceptions, such determinations have to be made by the agency head.

Passage of the 1947 act combined the first 10 exceptions legislated over the previous 100 years with those exceptions developed from World War II experience. The 1947 act also unified procurement authority throughout the Department of Defense, provided small business opportunity to secure military contracts, gave finality to decisions of a department head, authorized joint procurement between the departments, and repealed archaic and unnecessary procurement statutes.[6]

PUBLIC LAW 87–653 AMENDMENTS

Several minor amendments and one major one have been made to the act since 1947. The major one involved Public Law 87–653, enacted in 1962. This law, which restated the longstanding preference for formal advertising, required agency written determinations to clearly illustrate that this method could not be used when negotiating through many of the 17 exceptions. It also required the agency, when negotiating, to solicit proposals from the maximum number of qualified companies consistent with the nature and requirements of the procurements and to hold discussions with those concerns whose proposals were in a competitive range.

Additionally, where competition is lacking, Public Law 87–653 requires the agency to obtain certified cost or pricing data from the contractor and to provide rights in the contract for reducing the price if defective data was submitted and relied upon in negotiations.

EXPERIENCE UNDER THE ACT

Twenty years of experience under the act in DOD reveals that formally advertised procurement has ranged from a low of about 10 to a high of about 17 percent. However, a

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significant portion of this amount represents a two-step procurement procedure under which competitive negotiation is used in the first step to obtain acceptable technical proposals and advertised bidding is used in the second step.

The use of negotiation on the other hand, both in DOD and NASA, has become the customary way of doing business with private industry. Within the broad framework of "negotiated procurement" varying amounts of technical and price competition have been obtained over the years, and more often a combination of both. This has been averaging in DOD, according to published statistics, about one-third of all procurement. The balance, about one-half, represents single-source procurement.

In NASA, advertising accounts for about 2 percent, competitive negotiations about 65 percent, and single-source procurement about 33 percent.

ACT SHOULD RECOGNIZE ACCEPTED METHODS OF PROCUREMENT AND A BROADER FRAMEWORK FOR COMPETITION

As presently written, the act gives primary recognition to only one method of procurement—formal advertising. The general tenor of the act is that the agency shall use the formally advertised method of procurement and that any other method of procurement is to be performed through an "exception" process. This fetish for the use of formal advertising and the resulting pressures it brings to bear can cause this method to be used in inappropriate situations. Such inappropriate use sometimes complicates the procurement, leads to protests, and in fact may endanger success of procurement actions and increase ultimate cost to the taxpayer. Furthermore, it promotes the distorted notion that anything less than a formally advertised procurement is bad per se.

LIMITATIONS OF FORMAL ADVERTISING PRECLUDE ITS USE AS A PRIMARY TOOL FOR COMPETITIVE PROCUREMENT

The major disadvantage of formal advertising as a primary tool for competitive procurement is its limited application to defense and space activities. It cannot be used for classified material—or where there are no fixed specifications—or to enlist specific sources whose existing know-how or facilities are crucial to the success of the procurement—or to obtain new knowledge or techniques in order to avoid early obsolescence—or to permit early start of procurement and great speed of delivery.[7]

Foundation for use has gradually disappeared. Probably the most significant factor in modern times to limiting the use of formal advertising is the fact that the very foundation for its use has gradually disappeared as it has become increasingly difficult to precisely define what is being procured. An absolute requirement for formal advertising is that the Government must be able to accurately specify its exact needs in detail so that all offerors will have a complete understanding of what is required and can compete on an equal basis. In order to be considered "responsive," each offeror's proposal must conform to these specifications in every respect. Any time that aspects of these detailed specifications are incomplete or defective, the Government is exposed to a claim from the contractor to whom the advertised contract was awarded.

The kind of technical data and manpower skills needed for great specificity in procurement did generally exist within the Government during the 1800's and early 1900's when the weapons for the national defense were less sophisticated in nature and were largely produced in-house, with the assistance of Government laboratories. During the past 40 years, however, weapons have reached a high degree of sophistication, with speed of delivery a critical factor, and there has been a trend toward almost complete reliance on industry for their development and production.

As a result, the military services are no longer able to assume responsibility for complete engineering of their equipment. This point was one among many raised by a recognized authority in connection with an evaluation of formal advertising during a congressional hearing. He observed that too many new kinds of items and vast new technologies and the need for standby manufacturing competence had brought about a military-industry partnership with the military providing funding and overall direction. Today, in order to prepare the adequate, complete, and realistic specifications necessary for formal advertising, the Government would have to duplicate industry's engineering competence. He indicated this would be highly impractical in view of the gigantic cost of such duplication, the lack of available manpower skills, and the resultant retardation of the defense effort.[8]

Technical barriers. Even where engineering competence still exists in certain areas with varying capabilities to specify Government's needs for purposes of formal advertising, other obstacles exist in the present day procurement environment.

1. The design of the item must remain stable during an extended period of time which overlaps a similar period when the Government's need for the item is sufficient to attract other companies into the field—a not too frequent occurrence in today's defense and space procurement environment.

2. The difficulty and expense, estimated at several hundred million dollars annually, of obtaining and maintaining up-to-date, unrestricted, and complete technical data and drawings.

3. The difficulty in having the Government act as an intermediary in transferring technical know-how, drawings, and data to a company that has never produced the item.[9]

4. The problem of inducing contractors to submit fixed-price bids in formal advertising on untested sets of drawings and specifications when there "is little or no comprehension of the pitfalls which may be hidden in the drawings and specifications."[10]

5. The questionable value of such data in view of the different manufacturing processes in industry.

Competition limited to price. Another serious problem with formal advertising is that competition is limited to price alone and procurement officials must accept the lowest (apparent) bid price—since the burden of not doing so is fraught with difficulty. There are many cases where the low bidder's capabilities are suspect on account of inadequate financing, technical ability, quality and incompetent management. However, it is difficult for a procurement official to disqualify this company because of the lack of conclusive evidence or records.[11]

In much of defense and space procurement, factors other than price play a major and sometimes a more dominant role in making competitive awards. These factors include: the past experience, ability, and reputation of the company; the quality and reliability required to be built into the product; the later cost of operating and maintaining it; and the life of the product itself. Injecting such considerations into the rigid advertised procurement process is difficult if not impossible.

Awards may be based on few or only one bid. Advertised procurement may also result in only a few bid responses with award made on something less than a truly competitive basis. In this connection a Rand Corp. study prepared in 1966 of formally advertised procurement showed that, of some 2,300 procurements, 45 percent resulted in three bids or less, 32 percent resulted in two bids or less, and 8 percent resulted in only one bid. Rand concluded that the indiscriminate use of this method of procurement can lead to acceptance of price higher than those desirable or obtainable.

Rigidity limits exercise of judgment. The rigid procedures built into formal advertising many years ago to avoid favoritism in the letting of contracts have also done much to limit its application in the present day procurement environment. Formal advertising is so mechanized that the buyer can exercise little judgment or responsibility or otherwise influence the contract award; whereas, major contract awards today in DOD and NASA require maximum exercise of judgment and responsibility by "professionals."

Industry, with its even greater amount of procurement than that of the Government, would naturally have the same fear of favoritism in the letting of the contract. However, "the solution for business was not to retain an outmoded and impractical technique such as advertised bidding—but to improve the negotiation process by establishing a force of higher calibre personnel who were required to use judgment and accept responsibility * * *."[11]

Limits development of individual's competence. Finally, it must be observed that formal advertising is a creation of the Government and that, during its 150 years' history, this method has not been adopted on any widespread basis by private industry. It was explained to a congressional committee as follows, "* * * industry seems to have learned from management research and study that the fuller utilization of the individual's competence is important * * * ." and "Industry strives to attain this by job analysis, personnel training and development, increased responsibility, improved organization, and management control techniques. The very spirit of the advertising system, with its rigidity, is in opposition to this concept * * *."[12]

OTHER METHODS OF PROCUREMENT PLAY A MORE VITAL ROLE IN DEFENSE AND SPACE ACTIVITIES

It seems reasonable that the Armed Services Procurement Act should clearly recognize other commonly accepted methods of procurement (e.g., competitive negotiation and single-source negotiation) and prescribe general criteria for their use.[13] Competitive negotiation could be further defined in the law to distinguish between those procurements that primarily involve price competition and those that involve an overall technical and business/management competition as well, including such factors as design approach, scientific skill of personnel to be assigned to the project, facilities, cost control, past performance, and management capabilities.

These other forms of competition have been used more extensively than formal advertising and they play a more vital role in satisfying needs of the Defense Department and NASA. For example, the act exempts the procurement of research and development from the requirement for formal advertising, yet the competition obtained in some of these procurements, particularly where source selection is being made for new weapons, is more intense than many competitions under formal advertising. The winner of these competitions may ultimately become a single-source supplier for follow-on procurement under a program lasting as long as 10 years. Under the present act, however, these large and violent competitions are considered exceptions to the formal advertising rule.

The one basic fundamental difference between formal advertising and negotiation is that, in negotiation, the procurement offi-

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Footnotes at end of article.

cial may question and explore the soundness of the proposal; whereas, in formal advertisement, the lowest bid must be accepted without discussions. Negotiation does not, as some think, necessarily imply a reduction in competition or the number of companies invited to bid. Rather:

It enables exploration of the proposers' cost data in order to elminate unnecessary costs based on misunderstood requirements.

It elicits technical contributions to achieve a desired end result or even a sounder kind of counterproposal.

It permits the controlling factor(s) to influence the award (i.e., technical competence, support of mobilization plans, employing existing facilities, economies of standardization).

It enables development of a more competent, more stable corps of professional procurement personnel "* * * through utilization of more individual initiative and ability and by encouraging careers for able personnel through maximizing their opportunities for contributions."[14]

ONE APPROACH TO SPELLING OUT CRITERIA FOR SELECTING PREFERRED PROCUREMENT METHOD

It is fair to say that there is no single method of procurement in DOD and NASA, but rather several methods, each being not only acceptable, but preferred in certain circumstances. Thus, a way must be found to bridge the gap between this reality and the Armed Services Procurement Act which statutorily provides for one method—the least applicable one—while others are buried in the "exception" process.

The following illustration explores but one approach to the problem. (Other approaches would have to be considered as well, and perhaps a final solution would lie in some combination of the best parts of several.)

In the case of formally advertised procurement, there are already fairly well established criteria in procurement procedures and regulations. We know, for example, that we are generally talking about low-technology, standard items or services and that:

There must be well defined and fairly detailed specifications or purchase descriptions not restricted by security or proprietary design which permit all bidders to compete on an equal basis. (This means that the item not only must have been fully developed, but also previously manufactured in at least a comparable configuration.)

There must be a known production base that will provide a number of suppliers willing and able to compete for the item. (This means that a civilian product or conventional military item is involved.)

There must be sufficient cost experience to permit entering into a firm fixed-price contract and the selection of the successful bidder on the basis of *price alone*.

There must be sufficient time to perform the administrative procedures required for formal advertising.

There must be sufficient amount of purchase to warrant use of formal advertising (exception in law is now stated at $2,500).

Professional and personal services must not be involved.

The item must not be for authorized resale (since customer preferences have to be considered here).

The item must not be of a subsistence nature (since perishable and seasonal factors generally preclude advertising).

If criteria along the lines of the above were adopted, it could be preceded by a statement generally as follows: "All purchases of any contracts for property and services within the U.S. shall be made by formal advertising when they meet the following criteria." After including such criteria, the law could then state that: "Whenever the agency finds that one or more of the above-mentioned criteria are not present, and they cannot be satisfied by use of the two-step formal advertising procedure,[15] purchases of property and services will be made through the competitive negotiation method of procurement (as defined elsewhere in the act)."

The competitive negotiation method would thereafter prevail and generally would involve procurement of high-technology, nonstandard items or services except where it was determined by the agency to be in the best interest of the Government to purchase the property or service from a single or sole source. Some suggested criteria for the latter would be:

A public exigency (requiring immediate contract performance) precludes soliciting other sources.

A sole source of supply or service.

A company has already established itself in a preeminent position and it is impracticable for reasons of time, money, and mission objectives to compete the item with other potential sources.

A follow-on procurement—unless additional capacity is needed or it is technically feasible and economically desirable to establish other sources.

Most single-source procurement would normally fall under the last-mentioned criterion, and regulations could illustrate its application. There are many reasons, as discussed in the next section, why timely and effective procurement dictates returning to an established source or to the developer of the item who would normally have been selected on a competitive basis.

ANOTHER APPROACH SUGGESTED BY SENATE BILL 500

Another approach to revision of the 1947 act can be found in one feature of a bill (S. 500) on which the Senate Armed Services Committee held extensive hearings in 1959. This bill, known as the "Saltonstall bill," provided that competitive negotiation be given equal status with formal advertising (rather than authorized through the 17 exceptions). It also provided for a third method, "negotiation," which was to continue to be authorized through the 17 exceptions. Other features of the bill were somewhat controversial at the time, and, although the bill was considered by many to be courageous and constructive in nature, it was not acted upon.[16]

One fear expressed at the hearings on S. 500 was that competitive negotiation, if given equal status under law, might replace advertised bidding in situations where this method was still appropriate. Another fear was that the minimum requirement of two proposals stated in the bill, for competitive negotiation, might become the standard and qualified companies excluded from participation in Government procurement.[17]

SOME ADVANTAGES OF ESTABLISHING ACCEPTABLE METHODS OF PROCUREMENT, AND CRITERIA FOR THEIR USE

The use of some criteria to guide procurement personnel in selecting the most effective procurement method seems to have several advantages over the present procedure of operating principally by exceptions to one legally accepted method. One of the more important advantages would be to develop a competitive bidding system within the Federal Government not founded solely on rigid and outdated formal advertising procedures.

Another advantage, however, would be to strengthen the use of the advertised method of procurement by clearly setting out in a positive way the conditions when its use is in the best interest of the Government. In other words, it would help to ensure use of formal advertising in circumstances best suited for it.

Perhaps an even more important benefit would be to formally recognize the competitive negotiation method of procurement and encourage its use where formal advertising is neither practical nor feasible.

Today, almost full reliance is being placed on private industry for the development of complex military items in an environment of rapidly changing technology. A national policy reflected in law that these procurements would be awarded in fully competitive atmospheres (even though formal advertising could not be used) would ensure that industry has a clear incentive to seek out better technical and economical solutions to military requirements.

Also, in redefining accepted methods of procurement in the act, a stigma could be removed from the use of single-source negotiation. This method may not only be the preferred one but, in fact, the only practical alternative to meeting the Government's needs under certain conditions. For example, once a company has won a major weapon system design competition, the major investment in time and money to finally get into production would ordinarily make it unbusinesslike to establish another company as a supplier unless mass production is required.

Other reasons for follow-on procurement with an already established source include (1) the need for special, otherwise unobtainable, services from the developer of the item, (2) the avoidance of unacceptable delays in the procurement, (3) the assurance of quality, maintainability, and reliability of the product and safety of the people using it, (4) the need for absolute interchangeability of parts, and (5) the economies of standardization.

A further situation would be when one company has developed and produced an item at its own expense and the item best satisfies the Government's particular need. This recognizes another form of competition—the so-called indirect competition that takes place within industry. In this competition a particular company, rather than waiting for or relying on a Government development contract, takes the initiative to become preeminent in its field and develops a technical approach to fulfilling an agency's need. To compete this procurement with other companies would mean duplication of development and substantial delay of procurement and production—and inhibition of entrepreneurial efforts.

ELIMINATION FROM THE ACT OF THE 17 EXCEPTIONS TO FORMAL ADVERTISING

By developing sound criteria for the use of the basic methods of procurement and various forms of competition there is serious question as to the need for and the benefits to be derived from administration of the present 17 exceptions in law. They were developed over the past 150 years as exceptions to the general rule that formal advertising was generally applicable to procurement situations. As indicated, conditions have changed and this rule is no longer applicable.

It is well known that the exceptions have forced the agencies into the use of stereotyped findings and determinations or the costly and time-consuming preparation of findings and determinations which serve no practical purpose and prolong the procurement process. It is also clear that the exceptions have been abused over the years and that the exceptions do not truly reveal the nature of the procurement situation or the extent of competition obtained.

For example, restricted advertising for unilateral small business set-asides, balance of payment situations, R. & D. procurements from $2,500 up to $100,000, and labor surplus area awards have, at one time or another, been classified under exception I, "national emergency, declared by the Congress or the President." The purpose of putting the many R. & D. awards under this exception, even

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Footnotes at end of article.

though there is a separate exception for research and development work, has been to eliminate the needless, paperwork otherwise required up through top secretarial levels to justify not using formal advertising.[18]

In addition, small business awards, even though the advertising is restricted to small companies, are frequently highly competitive They could be recognized as such, rather than recorded as negotiation exceptions

The exceptions in general, and particularly number 10 (advertised competition impracticable), cover such a wide range that the average procurement man is simply faced with the problem of choosing the right exception, and perhaps the easiest one from an administrative viewpoint, and then going through the usual stereotyped justification requirements By creating so many of these exceptions in law, the Congress may have accomplished the one thing it sought not to do—develop on environment for noncompetitive procurement A reappraisal of the need for the 17 exceptions seems overdue

REPORTING TO THE CONGRESS UNDER THE ACT SHOULD BE REVISED

The agency sends reports to the Congress on the use of exceptions and the nature of the procurement actions entered into. The requirements for these reports stem from the act or separate agreement with congressional committees. Such reporting requirements need to be revised—irrespective of other revisions made to the Armed Services Procurement Act.

Reporting requirements, especially to the Congress, build up pressure and result in establishment of goals that procurement people must meet down through the chain of command. In other words, poor reporting requirements can lead to poor procurements. At the present time, goals are used throughout the Department of Defense for formal advertising, although this method of procurement may not be the best indicator of progress for the particular items being purchased at some procurement centers. As other forms of competition and methods of procurement may be more applicable to the circumstances, poor procurement and increased cost may result.

Another reason for revising the reporting requirements is that there is widespread misunderstanding between the Congress and the agencies as to what is meant by the statistics being reported on competition. Often the agency may mean that a competitive price was established under a so-called threat of competition when only one bid was received—or that other forms of competition were present. The Congress, on the other hand, tends to construe these statistics as meaning that at least two companies and probably many more were actively contending for the contract—strictly on a price basis.

ACT IMPOSES UNNECESSARY REQUIREMENTS ON TYPES OF CONTRACTS

Present law requires the agency to make special determinations for the use of cost-plus-a-fixed-fee and incentive types of contracts, showing that these contract types are likely to be less costly or that it is impractical to procure except under such a contract type. The requirement under the act for special determinations for use of types of contracts has, as in the case of the 17 exceptions, simply created costly and time-consuming paperwork and stereo-typed comments, without serving any really useful purpose. Since these contract types cannot be used in formal advertising, the requirement to justify their use further illustrates how this method of procurement pervades the statute.

In the late 1950's the pendulum swung too far in favor of the use of cost-type contracts. More recently, the pendulum has swung the other way to fixed-price contracts, perhaps too far. These actions were influenced administratively rather than by statute.

There have been attacks from some quarters on the use of incentive-type contracts since they were first put into widespread use in the 1950's. Perhaps some of these attacks stemmed from a fear that incentive contracts were thought of as some kind of panacea. Incentive contracts have had problems—inflated target costs and some poor structuring and misapplication of performance and delivery incentives. These problems may be reduced with additional experience, guidance, and training.[19]

Certainly, no one can rationally question the objective of the incentive contract to achieve better contract performance, particularly in areas crucial to success of the procurement program. It has the further advantage over cost-type contracts of forcing the contracting parties to clearly define their objectives at the outset. A limitation placed in the Armed Services Procurement Act of 1947, in a different procurement environment and before widespread use was ever made of incentive contracts, does not seem pertinent today.

For many years regulations have prescribed considerable criteria for the use of types of contracts, and these regulations were recently refined due to concern that fixed-price contracts were being overused in high risk areas. It is doubtful that legislation should cover this area except to prohibit, as it does, contract types contrary to the public interest.

RAISE THE DOLLAR AMOUNT AND PROVIDE LEGISLATIVE COVERAGE FOR SMALL PURCHASES

Current law provides exemption authority from the requirement for formal advertising of small purchases in amounts up to $2,500 (advertised bidding procedures are expensive). This amount has been in law since 1958 but economic trends since then indicate that it should be at least $5,000 or perhaps higher. In addition, present law contains no coverage or guidance in connection with the making of such procurements.

About 7 million of these actions take place annually in DOD alone totaling several billion dollars. To avoid misunderstandings and improve the procurement process, the Congress should consider including some general guidance in the act dealing with these procurements. For example, the law could provide a basic policy statement on minimum and simple competitive procedures to be followed and require the agency to periodically streamline its small purchase operations based on bi- or tri-annual studies of industry practices and modern management techniques.

CLARIFICATION SHOULD BE MADE OF COMPETITIVE RANGE IN NEGOTIATED PROCUREMENT AND WHEN DISCUSSIONS ARE REQUIRED

There is some confusion as to what constitutes a competitive range under negotiated procurement, when discussions should and should not be held with those offerors within the competitive range, and how to conduct such discussions in such a way as not to violate the prohibition against auction techniques or violate another requirement to reject late or modified proposals. In these circumstances, it appears that the procurement official can do no right—or wrong.

The act, by amendment in 1962, requires oral or written discussions with all offerors in a competitive range in negotiated procurement except where adequate competition or prior cost experience without such discussions. (This exception language in the law apparently had in mind only production sometimes be available.) The exception is permitted only if offerors are notified that the award may be made without discussion.

The act does not define a competitive range, or the factors to be considered in the range, other than price. Nor does the act or related regulations contain criteria as to the type of areas in which oral and written discussions are expected once a competitive range has been established.

On the other side of the fence, there is an absolute prohibition in the Armed Services Procurement Regulation against using auction techniques (ASPR 3–805.1(b)). The regulation also provides that late proposals or modifications received during the negotiating process should be rejected unless they are of extreme importance to the Government or only one other proposal was received (AS PR 3–506). These provisions are designed to operate against the contractor who submits something less than an adequate proposal in order to "buy a ticket to the ball game" as well as against the contractor who at the last moment, when full competitive opportunity has been afforded, slashes his price when he believes another company may be receiving the award.

In order to get the maximum benefits from competitive negotiation, but avoid undermining the competitive process, there seems to be a need for establishing basic criteria:

Clarifying the term in the act "price and other factors considered" and the circumstances in which the "other factors" tend to dominate.

Defining a competitive range both in the early and later procurement stages.

Describing when discussions should and should not be conducted with those concerns in the competitive range.

Describing the type of areas in which discussions should be held and their extent.

For example, at some reasonable point after development and initial production, competitive range could relate primarily to price since there would normally be sufficient pricing and cost experience to either avoid discussions or confine them to price. When there is sufficient experience to permit entering into a firm fixed-price type of contract, discussions may be avoided altogether.

The lack of any discussions is not inconsistent with negotiated procurement and may at times be in the Government's best interest. It is desirable for contractors to come forth with their best prices on the basis that the lowest price may be accepted without discussions. Otherwise, contractors have been known to hold back their best prices preferring to wait until they were at the bargaining table to discuss their final offers. This sometimes leads to repetitive rounds of negotiation and the danger that auction techniques will be used or a competitor's information disclosed, both of which are unethical and prohibited.[20]

The situation is different, however, in the earlier stages of the competitive process of selecting R. & D. sources for new weapons or space vehicles. In such cases, factors in determining competitive range would emphasize the technical aspects but include business/management factors as well. More extensive discussions would ordinarily take place with those concerns in the final running after the field had been narrowed down and would concentrate on critical areas of the proposals.[21]

SOME THOUGHTS ON HOW TO BRING ABOUT REFORM OF THE ARMED SERVICES PROCUREMENT ACT

Defenders of the Armed Services Procurement Act say that over the years the agencies have adjusted to its provisions; that these provisions have not proved themselves inadequate; and that a new act would bring about the loss of a body of court decisions and Comptroller General decisions interpreting the present law. It is also candidly admitted that the agency has sufficient flexibility under the present act to conduct procurement in almost any manner it sees fit.

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In addition, there is an "overriding fear" that congressional review and revision of the act would result in more restrictive legislation and, therefore, loss of existing flexibility.

Although historically the GAO has strongly supported provisions of the act, in recent years under the present Comptroller General it has not taken an official position on the need for change. A forward step was taken in June 1968 when the Comptroller General testified before the Senate Subcommittee on Antitrust and Monopoly Legislation on "Competition in Defense Procurement." His statement to the subcommittee recognized that three basic methods of procurement in the Defense Department had evolved over the years; namely, formal advertising, competitive negotiation, and single-source negotiation. He said, "Each of these methods, when used in appropriate situations, is an acceptable method of procurement."

To sum up, it seems clear that the act discriminates against, and has helped to create widespread congressional and public misapprehension over, perfectly normal and effective procurement methods. These methods are most widely used only in the DOD and NASA but also in our own private lives, in commercial and industrial practice, and in nearly all advanced civilizations of the world.

To bring about reforms in the Armed Services Procurement Act that would recognize accepted methods of procurement based on a much broader definition of competition would probably require a combination of many things to happen. Some examples follow:

1. Resolving the basic policy issue of whether the Government is going to let the "fear of favoritism," etc., be the overriding factor in dictating procurement procedures or let the needs of the procurements themselves dictate the procedures. A policy in favor of the latter would mean relying more on professionally trained personnel (with backgrounds in engineering, procurement, and logistics) and fully utilizing their backgrounds in acquiring items "competitively"—not at the lowest initial cost—but at the lowest ultimate cost including consideration of quality, simplicity of design, ease of maintenance, and operating costs over the life of the item. It would mean also relying on the integrity of procurement disciplines, the integrity of review processes, and the integrity of the people themselves to curb favoritism. To help accomplish this would probably require more visibility of contracting relationships between the military and industry and promoting the career development and professional identification of procurement personnel to a much greater extent than ever before.[22]

2. More information needs to be furnished to the Congress in a convincing and an understanding way on DOD's current procurement practices. When problem areas are exposed, they need to be dealt with in proper perspective. GAO can play an effective role here.

3. More constructive industry participation at congressional hearings, particularly those involving new legislation and policy. Since industry is so directly affected by the Government's procurement process and contracting practices its (professional) views need to be considered more often in congressional hearings.

4. More forums for discussion among members of the legislative branch, the executive agencies, industry, and educational institutions. An example of this would be the action of the current president of the National Contract Management Association to invite members of the GAO and others of the legislative branch into the organization as participating members.[23]

5. More positive leadership within the agencies for change and for providing a continuing educational program for the important committees of the Congress having cognizance over procurement matters. This includes providing in-house facilities and staff to perform this function and to conduct research and testing of new procurement techniques—and, in general, making efforts to improve the procurement system.

6. Establishing the Commission on Government Procurement. A bill was reintroduced in the House of Representatives on January 3, 1969. It will, if it is established, provide a broad forum for considering improvements to the Armed Services Procurement Act and other procurement statutes.[24]

7. Discussions of the benefits of competition should point out also the dangers of excessive competition—which could weaken Government and industry (1) by wasting key national resources through oversolicitation of expensive technical proposals, (2) by encouraging buy-ins that could put a company out of business or induce it to cut corners affecting the quality or safety features of military and space equipment, (3) by eliminating needed services from the developer of the product, (4) by causing unacceptable and costly delays in procurement, and (5) by impairing the reliability of an item or the system in which it functions.

8. Stressing on the other hand the need for optimum competition and consideration of a prequalification of bidders for high-technology items—so that where appropriate only qualified companies will be solicited but with ample public notice and equal opportunity to become qualified.[25]

9. Insuring the practicality and effectiveness of any proposed legislation to reform the act by subjecting it (1) to a trial run of several hundred procurements in each military department, the Defense Supply Agency, and NASA, and (2) to intensive hearings during which the best procurement minds in Government and industry could offer suggestions and approaches.

10. Demonstrate effective preplanning of proposed procurements in other than extremely urgent situations—particularly when establishing "new sources." Such preplanning, among other things, would outline the strategy under which competition would be obtained initially and to the extent practicable during the life of the item. This planning document would, in effect, select from various alternatives the one which provides the most effective and practicable means of obtaining competition for the particular item under the expected procurement environment. A comprehensive Advance Procurement Planning Guide issued by the Navy in 1967 and a revised and more extensive requirement for advance procurement planning placed in the Armed Services Procurement Regulation in the same year represent major steps in this direction.

11. Establishing separate policies and regulations applicable to substantially different procurement arenas:

Small purchases.
Low technology, standard items.
High technology, nonstandard items.

Present statutes and their single set of implementing regulations are oriented primarily toward procurement of unsophisticated items.

In an attempt to deal with all procurement situations, the regulations have become so voluminous and complex over the years that no one procurement official, or private company (particularly a small one), can reasonably expect to be knowledgeable of them or keep up with the continuous changes. It might be much more useful to publish a separate set of regulations tailored specially to each major procurement arena: (1) Small purchase operations, (2) standard or conventional items for which there is a civilian production base, and (3) highly sophisticated, complex hardware or weapons systems.

A separate set of regulations developed for each of these distinctly different procurement arenas ought to be considered for the sake of simplicity and utility. And instead of different sets of regulations in Federal agencies (DOD, GSA, NASA, AEC) there could be a uniform set for use throughout the Government to achieve the much needed uniformity in Government contracting. This will provide also regular channels to coordinate Government procurement practices and to automatically extend use of sound regulations developed by one agency to other agencies.

FOOTNOTES

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[1] Now 10 U.S.C. 2301–2314.

[2] 41 U.S.C. 251 et seq.

[3] History based largely on series of white papers submitted in hearings by DOD officials during part I of a procurement study in 1960 by the Senate Armed Services Committee (A Study of Military Procurement Policies and Practices as Required by Section 4(a) of Public Law 86–89, Amending the Renegotiation Act of 1951).

[4] Part I (p. 52) of hearings mentioned in footnote 3.

[5] "Our Legal System of Defense Procurement," by F. Trowbridge vom Baur, formerly General Counsel of the Navy Department, a paper included in 1959 Senate Armed Services hearings on Senate bill 500 (p. 506).

[6] Navy Contract Law, Second Edition, Chapter 3, Procurement by Negotiation, prepared by General Counsel of the Navy Department.

[7] Paper included in 1959 Senate Armed Services hearings on S. 500 entitled "Background Leading to Present Law and Practice" by Helge Holst, then treasurer, Arthur D. Little, Inc.

[8] "How Procurement is Accomplished Today" by B. Edelman, Western Electric Co., Inc., presented during 1959 Senate Armed Services hearings on S. 500.

[9] This issue is raised in a special paper prepared by G. R. Hall and R. E. Johnson of Rand Corp. entitled "Competition in the Procurement of Military Hard Goods." The paper was presented June 17, 1968, in hearings conducted by the Senate Subcommittee on Antitrust and Monopoly on "Competition in Defense Procurement." The paper pointed out that a great deal more information is needed by a new supplier than just drawings; e.g., "operation sheets and machine instructions sheets; machine-loading control data; treatment data; tools, jigs, and fiixture data; product, process or assembly data; and plant layout, machine tools, and work station data. * * * To sum up, it appears that engineering drawings and specifications are underlying data rights often fail to provide access to technology sufficient to support competitive manufacturing."

[10] From statement presented by Prof. Ralph C. Nash, Jr., associate dean, National Law Center, The George Washington University, on Sept. 10, 1968, before the same subcommittee mentioned in footnote 9. He also said:

> Many experts in Government procurement will privately state that advertised procurement is not an effective way to obtain competition in these situations. However, there is a great fear of forthrightly stating this proposition before Congress because of the continual congressional statements which seem to indicate that advertised procurement is sacrosanct. It is time to recognize that Congress desires competition in the procurement process but that such competition should be obtained in the most effective way, depending on the product being procured. This subcommittee would make a substantial contribution to the procurement process if it sponsored legislation which clearly stated this proposition. Open and public competition may be fine for buying pencils and paper, but it is an archaic technique for buying technical products.

[11] Paper presented at 1959 Senate Armed Services hearings on S. 500 entitled "How Procurement is Accomplished Today" by B. Edelman, Western Electric Co., Inc.

[12] See footnote 11 on p. 10.

[13] Statement of Robert B. Chapman III, executive vice president, Aircraft Armaments, Inc., during 1959 Senate Armed Services hearings on S. 500, included the following: "It is recommended that revised legislation clearly establish the conditions under which each method of procurement is preferable, rather than state a preference for one method over the others * * *."

"The mere recognition that there are more than two methods of procurement is not enough. To be fully recognized and accepted, legislation would be required which would establish and identify these methods—along with general criteria for their use." Views of Col. William W. Thybony, former Chairman, ASPR Committee, The Government Contractor's Communique, dated Nov. 11, 1968.

[14] See footnote 11 on p. 10.

[15] See discussion on these procedures in early part of article under "Experience Under the Act."

[16] See "Report on Procurement of the Committee on Armed Services, U.S. Senate, 86th Cong., 2d sess., S. Rept. 1900, additional views of Senator Saltonstall (p. 30).

[17] For further information on this bill see "Hearings Before a Subcommittee of the Committee on Armed Services, U.S. Senate, 86th Cong., 1st sess., on S. 500 Amending Title 10, United States Code, with respect to procurement procedures of the Armed Services." These are the richest hearings the writer was privileged to read. Yet the Senate report (identified in footnote 16), which purportedly covered hearings in both sessions, ignored these hearings completely.

[18] This was done with knowledge of the Armed Services committees. The situation has been somewhat alleviated by amendment to the act permitting below-secretarial delegations of determining and findings for R. & D. procurements under $100,000.

[19] DOD and NASA are currently improving their incentive contracting guides.

[20] Headquarters Naval Material Command, Procurement Newsletter, "Let's Discuss Discussions," by George W. Markey, Jr., Assistant to the General Counsel (March-April 1968).

[21] For further elaboration, see paper entitled "Government Selection of Contractors for Research and Development," by Paul A. Barron, Deputy Director of Procurement, NASA, contained in the Proceedings Manual of 1968 Conference on U.S. Government Research and Development Contracts, Nov. 7–8, Washington, D.C.

[22] Based on trends in industry, it appears that raising the career development level of procurement personnel and giving them wider experience, more authority, responsibility, and opportunity to make real contributions to the procurement process would probably in the long run bring about the greatest savings in Government procurement costs. DOD initiated a departmentwide program in 1966.

[23] Another example would be the hearings conducted by Senator Hart on "Competition in Defense Procurement," before the Subcommittee on Antitrust and Monopoly of the Committee on Judiciary, U.S. Senate, 90th Cong., 2d sess., June 17 and 21, and Sept. 10, 1968.

[24] Supported by the Comptroller General in various statements presented to congressional committees. For example, see H. Rept. 890, 90th Cong., 1st sess., and Comptroller General's concluding remarks in hearings referred to in footnote 23.

[25] Proposed by Prof. Ralph Nash, George Washington University, in a statement presented to Senate Antitrust and Monopoly Subcommittee on June 21, 1968 (hearings identified in footnote 23). Prequalification of bidders also supported by Col. William Thybony, former Chairman, ASPR Committee.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, it was over a generation ago that President Truman first brought the International Convention on Genocide before this body for ratification. At the time, the United States was at a new height in world prominence. We were deeply concerned about global problems and global solutions. We recognized that only international understanding and cooperation could solve the conflicts and disputes that existed between the nations. Our concern in this area was reflected in our efforts in support of the United Nations.

The first step toward achieving the goals that we sought was the laying down of the principles that would be our guide. The next step was the transformation of these principles into concrete, international law. The first move in this direction was the drafting of the International Convention on the Prevention and Punishment of the Crime of Genocide. The United States played a leading role in the introduction of this document in the United Nations. And it was largely due to our support of the treaty that it passed the General Assembly unanimously.

Since that time, Mr. President, many political observers have seen a tendency toward isolationism in this country. Many claim that we are ignoring the problems of the other nations of the world and thus denying our place in the international arena. I hope this is not true. I hope that we will always live up to our responsibilities as a world power. But many look upon what we have not done as proof of our growing isolationism. And one of the things that we have not done is to ratify the Genocide Convention.

In these times of great domestic problems, we must not allow ourselves to forget or to ignore the apparently less pressing global problems. I call on my colleagues in the Senate to act with speed on the ratification of this important international treaty.

SMALL BUSINESS WEEK, 1974

Mr. BIBLE. Mr. President, the week of May 19 has been designated as "Small Business Week" by a proclamation signed by President Richard M. Nixon, following a practice going back to 1965.

The proclamation looks back into history and quotes the remarks of the Frenchman de Tocqueville, who visited our country in the 1830's and marveled at the "innumerable multitude of small undertakings." This reference recalls similar comments by Sir Edmund Burke to the English Parliament 200 years ago about business enterprise among the American colonists:

> The spirit by which (their enterprises) have been exercised ought. . . (to raise) your esteem and admiration. . . (There is) no sea which is not vexed by their fisheries; no climate that is not witness to their toils. Neither the perseverance of Holland or the activities of France nor the dexterous and firm sagacity of English enterprise ever carried (such hearty industry to the extent to which it has been pushed by this recent people. . . .

Thus, Small Business Week has accomplished an initial purpose by reminding us of one of the foundations of the economic and political success of our country.

A second objective of Small Business Week is served by alerting us to the necessity of preserving this venturesome spirit—and the institutions of freedom of opportunity, fair competition, and small business which encourage it—so they can continue to serve the Nation.

Some three decades ago, President Franklin D. Roosevelt recognized that problems existed in this respect and went so far as to state his impression that "private enterprise had ceased to be free enterprise." In 1938, the Temporary National Economic Committee was created as a part of "a program to preserve private enterprise."

Two years later, the Senate created its first special committee to study the problems of small business, and the House of Representatives followed suit in 1941. These were the predecessors of the present Select Committees on Small Business.

It has been pointed out by a senior member of our committee, the Senator from Wisconsin (Mr. Nelson) that concentration and bigness in the economy have become a greater problem in recent years than in the 1930's: the number of mergers in all industries rose from 1,361 to 4,040 last year, peaking in 1969 and 1970 at 6,132 and 5,173 respectively.

It is a matter of some concern that the 200 largest manufacturing corporations have, in the last 25 years, increased their share of manufacturing assets from 47 to 60 percent, and that by 1970 the top 102 corporations controlled about 48 percent of U.S. manufacturing assets and 53 percent of profits in this vital sector of the economy.

Small Business Week also serves as a reminder that governmental policies also have a major impact on whether small businesses can continue to survive. In recent years Federal, State, and local governments have added substantially to the burdens of business in the areas of taxes, reporting, and compliance with regulatory standards.

The observance of Small Business Week once each year has a fortunate effect in bringing together those inside and outside of government who are disturbed by these problems and working hard to find solutions in behalf of the hard-working small business men and women, and their employees who make up fully half of the work force in this country.

During the past 10 years, we have seen an increasing number of small business organizations of national scope such as the National Small Business Association, National Federation of Independent Business, and the National Business League, as well as such excellent regional groups as the Smaller Business Association of New England, the Smaller Manufacturers Council of Pittsburgh, the

Independent Business Association of Wisconsin, and the Council of Smaller Enterprises of Cleveland come to Washington for the week's activities. It has been encouraging to see this list grow in size over the years.

We are looking forward this week to the presentations which these associations will make on legislative, administrative and other small business problem areas. Our own committee will mark these proceedings on Tuesday, May 21, with a public hearing on problems experienced by small firms supplying goods and services to the Federal Government. On Wednesday, May 22, the Small Business Administration—the independent agency created to assist and represent America's 8.5 million commercial business firms—will conduct the annual subcontractor conference. That will be the occasion for recognizing the subcontractor of the year and other successful small business contracting firms, many of which may have benefited from SBA procurement, management or financial assistance.

In my opinion, Small Business Week this year will have an additional dimension which, perhaps, it has not had as strongly in past years. During the past 12 months, our country has seemed to enter a new economic era. Instead of our accustomed circumstances as a land of abundance, we have come face to face with scarcities of energy and materials, lack of capacity in basic industries, and shortages of capital and skilled labor. If our citizens are to retain their standards of living and if our country is to keep its position in the world, we will need all of our heralded American ingenuity in solving these problems in the years ahead.

In doing this, Small Business Week can remind us that the best guide to the future is the success of the past. We need to preserve the economic institutions which provide maximum freedom, flexibility and personal incentive, that is, the market mechanism, free enterprise, small business and competition.

As we enter Small Business Week, 1974, we take pleasure in participating in and observing its activities as a living laboratory for fashioning the techniques that we hope can preserve our cherished economic institutions of the past and apply them to our problems of the future.

I commend all of those who have been planning for and will be participating in the meetings and discussions of Small Business Week, 1974, and hope their resolve and their hands will be strengthened in this endeavor.

I ask unanimous consent that the President's proclamation on Small Business Week be printed in the RECORD for the interest of all concerned.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

SMALL BUSINESS WEEK, 1974, BY THE PRESIDENT OF THE UNITED STATES OF AMERICA, A PROCLAMATION

The history of America is in large measure the history of independent enterprise. From the earliest days of our history, the trader and the merchant, pushing westward, laid the foundations for what has become the world's greatest economic achievement. "What most astonishes me," wrote de Tocqueville of our young Nation in the 1830's "is Given these dramatic changes in our innot so much the marvelous grandeur of some undertaking as the innumerable multitude of small ones."

It is upon the foundation established by those small undertakings that the most dynamic society known to man has been built. And today America's small businesses continue to thrive.

Nineteen out of every twenty firms are considered small business. They provide approximately 35 million jobs and contribute more than $476 billion annually to the gross national product.

The pioneering spirit that underlies our success as a Nation will continue to flourish for as long as the small businessman remains the mainstay of our economy and our society.

Now, therefore, I, Richard Nixon, President of the United States of America, do hereby designate the week beginning May 19, 1974, as Small Business Week. I ask all Americans to share with me during this week a deep pride in the many accomplishments of our Nation's small businessmen and women, and in the invaluable contribution they have made to our free way of life.

In witness whereof, I have hereunto set my hand this fourth day of April, in the year of our Lord nineteen hundred seventy-four, and of the Independence of the United States of America the one hundred ninety-eighth.

RICHARD NIXON.

COMMISSION ON UNITED STATES-LATIN AMERICAN RELATIONS

Mr. CHILES. Mr. President, I was pleased to go to New York last week to a dinner at the Center for Inter-American Relations to launch the newly formed Commission on United States-Latin American Relations. This Commission of 23 accomplished Americans chaired by Sol Linowitz, former U.S. Ambassador to the OAS, will meet frequently over the next several months. They will seek to reassess U.S. relations with Latin America and to publish a report of their findings and recommendations, focusing especially on feasible U.S. policy actions.

I am pleased to see that a Commission of this type has been formed to seriously consider different opportunities and alternatives for improving U.S. relations with Latin America. This I hope will be a way of providing some fresh thinking for the Government as well as providing a means of focusing attention on the need for a renewed relationship with Latin America and generating the kind of public understanding and support this area of our foreign policy requires.

Sol Linowitz gave an excellent presentation the other night at the Center for Inter-American Relations in New York which I ask unanimous consent to have printed in the RECORD along with a list of the members of the Commission on United States-Latin American Relations.

I wish the Commission well in its work and look forward to the results which I expect will be useful to the Congress in making decisions relating to U.S. policy toward Latin America.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY SOL M. LINOWITZ, CHAIRMAN, COMMISSION ON UNITED STATES-LATIN AMERICAN RELATIONS, TUESDAY, MAY 14, 1974

I am pleased to welcome my distinguished colleagues on the Commission on United States-Latin American Relations and the eminent guests who have joined us on this occasion to launch the work of the Commission.

I want first to express my appreciation to the Center for Inter-American Relations for its stimulus and sponsorship of the project we are undertaking and to the Ford Foundation, the Rockefeller Brothers Fund, and the Clark Foundation for their financial assistance. Although this Commission will be wholly independent in its operations and will make its findings and recommendations directly to the American people, the fact is that we could not have undertaken this project without the generous support of the Center and these three Foundations.

When I was asked to assume chairmanship of this Commission, I thought about it very carefully before saying yes. I know only too well—as do all of you—that over the years we have had study upon study setting forth the policy needs and proposed approaches to United States relations with the countries of Latin America. We also know all too well how many of these reports and recommendations have gathered dust on crowded bookshelves, disappointing both those who labored over the reports and those who expected that perhaps this time words might be translated into action.

The real question, therefore, is why a new commission at this point, once again to study and report on United States-Latin American relations. It is my own conviction—in the words of Ecclesiastes—that "to all things there is an appointed time"—and that this is "the appointed time to re-evaluate and reassess relationships in this hemisphere, taking into account the changing realities in the world which are affecting political and economic conditions in the United States and Latin America."

Let us just step back for a moment and see what these new realities are.

In the first place, it is all too clear that we are living in a world in which international relations as we have experienced them in the past are drastically changing. No longer do security and military considerations dominate our thinking as they did during the past 35 years. And the Cold War affected not only our attitude toward the Communist world but it also accounted for much of our relationship with the developing nations of the Third World. For to a substantial extent the Third World was, in effect, the battlefield on which superpowers flexed their muscles or shadow-boxed for positions of influence. While some attention was paid to economic and social development, clearly this was a secondary concern, viewed by many as a form of immunization against Communism. But today we have begun to recognize our interdependence in our global environment; and this is displacing security in its narrow sense as the raison d'etre for America's foreign policy.

Today we have come to understand that there are other important centers of power in the world besides the superpowers. We know that transnational forces including the multinational corporation have become important actors on the international scene. And we know, too, that the line between domestic and foreign policy has become increasingly blurred and that our interests abroad are now inextricably intertwined with our interests at home.

Today when we think of security we must think not only of military and political power, but also of oil and copper and bauxite. We must think of the implications for our own future of the urgent prospect of world famine due to the scarcity of food and fertilizer. Recognizing that Latin America has the fastest growing population in the world, we must think of the impact of the population problem on this planet—that next year 4 billion people will dwell on this earth; that by the turn of the century there will be 8 billion or more.

ternational system—detente, multipolarity, transnationalism, scarcity of raw materials and foodstuffs, population growth—it is both pressing and timely to re-examine relationships between the United States and Latin America against the backdrop of this changed world picture.

At the same time, we recognize that great changes have been taking place within various countries and regions of Latin America. Rapid urbanization and mass communications have produced political awareness among people not yet participating in the economic growth of their countries. As a result, governments face increasing demands to provide jobs and services. To meet these internal demands, Latin Americans seek freer access to United States and other developed nation markets for their manufactured and semi-manufactured products and their raw material exports. They seek higher and more stable prices for these commodities. And they seek better access to both capital and technology. In their search for helpful responses to these needs, the Latin American countries have become increasingly active participants in the world community beyond the confines of our hemisphere. Our policies must be much more mindful than in the past of these developments. They must listen with understanding to the voices of identity, of nationalism, of outrage at lingering dependency now coming from Latin America.

Not long ago Secretary of State Henry Kissinger voiced his recognition of these changes both within Latin America and in its place in the world picture. Following a call for a new dialogue first voiced here in this room, Secretary Kissinger said at the General Assembly of the OAS in Atlanta last month: "Industrialization and modern communications have transformed economic and social life. A new generation is molding strengthened institutions. A sense of regional and national identity has acquired new force. A commitment to modernization has become fundamental."

What the Commission faces today is the complex and difficult task of determining how the United States can and should respond to this diversity and change in Latin America. Will we be ready to discard myths and stereotypes and try to work out a framework for policy consistent with a realistic assessment of our common and diverse interests and values? How should the United States today seek to relate to these countries of the Caribbean, Central America and South America? In what way should we try to differentiate our Latin American policies from policies toward other developing nations? To what extent and in which areas should we attempt to relate to and deal with Latin America on a regional basis? To what extent should we develop relationships on a bilateral basis? What should be the United States Government's attitude toward internal political developments? What part should the United States play in the economic and social development of the region and the particular countries? Through what mechanism and channels can this be done effectively without increasing real or perceived dependency? What should be the United States Government's involvement in the protection, promotion or regulation of United States corporations operating in Latin America? How can we advance mutual interests by closer coordination on international trade and monetary matters?

These and a number of other questions are among those to which this Commission will undertake to address itself in the course of its deliberations over the next several months. While there will be divergences among us on these and other matters, of one thing I am clear: We will approach this assignment recognizing that there are no simplistic answers or instant solutions to these problems, many of which have been festering for so many years. Nor do we expect to be able to deal with the whole sweep of relationships. Although we hope to undertake a fairly comprehensive review of United States-Latin American relations, we will obviously be able to focus attention only on a limited number of critical issues—issues that are current, contentious and most susceptible to feasible policy action. And I am sure we will come to recognize the wisdom of the nameless philosopher who said: "There is no problem, no matter how complicated, which—when looked at in the right way—does not become more complicated."

Already experts in various professional fields are at work on analytical papers to be presented to the Commission dealing with specific topics of significance. As we proceed we will be seeking alternative and diverse points of view from both North Americans and Latin Americans. We will invite all sides of the political spectrum to present their perspectives and positions.

Our goal will be to complete a concise and useful report by September. We hope that our report will be widely disseminated throughout the country and will stimulate discussion and consideration both within the Government and among citizens groups and in the media. We hope that the Executive Branch will find our report worthwhile; and it is my hope that the Senate Foreign Relations Committee and the House Foreign Affairs Committee might consider it deserving of public hearings so that more members of Congress may be encouraged to familiarize themselves with programs affecting United States-Latin American relations.

Our hope is that the report will help develop an effective constituency in this country to provide the support needed to assure the adoption and implementation of its recommendations. If we are able to succeed in generating this interest and support, I believe that our report can be a real instrument for change.

Let me add just one more comment about the spirit in which we undertake this effort: Quite clearly we will not be trying to prescribe for Latin America. Today Latin Americans are rightfully insistent upon building their own structures and finding their own solutions—they want to achieve not a better United States way of life but a better Colombian or Brazilian or Jamaican way of life. In viewing their problems and the way we can cooperate with them most effectively, we can only approach them with modesty and humility. For if with all of our wealth and know-how, we continue to have such major difficulties in dealing with our own urban and rural blight; if with all of our technological and scientific knowledge, people in this country still go hungry; and if with all of our commitments to democratic institutions there are still among us—even in high places—those who resort to undemocratic means—then we should have some sense of the effort that will be required in Latin America as it seeks to achieve its own goals.

I hope that from the work of this Commission will come a helpful contribution towards a better understanding of how we can work together toward the achievement of those goals and how in our mutual interest we can cooperate most effectively to advance the prospects for developing the kind of hemisphere we want—one in which men can live together in freedom and in dignity, free from war and free from want.

MEMBERS OF THE COMMISSION ON U.S.-LATIN AMERICAN RELATIONS

Sol M. Linowitz (Chairman), Senior Partner, Coudert Bros., Former U.S. Ambassador to OAS.

Michael Blumenthal, Chairman, Bendix Corporation, Former Special Trade Representative.

Harrison Brown, Professor of Science and Government, California Institute of Technology, Foreign Secretary, National Academy of Science.

G. A. Costanzo, Vice Chairman, First National City Bank.

Albert Fishlow, Chairman, Department of Economic, University of California (Berkeley).

George Harrar, Former President, Rockefeller Foundation.

Rita Hauser, Attorney, Former U.S. Representative to the UN Human Rights Commission.

Alexander Heard, Chancellor, Vanderbilt University.

Henry J. Heinz II, Chairman, H. J. Heinz Company, Chairman, Agribusiness Council, Inc.

Andrew Heiskell, Chairman, Time, Inc.

Father Theodore Hesburgh, President, University of Notre Dame, Chairman, Overseas Development Council.

Lee Hills, Chairman, Knight Newspapers, Inc.

Samuel C. Huntington, Professor of Government, Harvard University, Co-editor *Foreign Policy*.

Nicholas Katzenbach, General Counsel, IBM, Former Under Secretary of State.

Thomas Messer, Director, Guggenheim Museum.

Charles A. Meyer, Vice President, Sears, Roebuck & Company, Former Assistant Secretary of State for Inter-American Affairs.

Arturo Morales-Carrion, President, University of Puerto Rico, Former Deputy Assistant Secretary of State for Inter-American Affairs.

Peter G. Peterson, Chairman, Lehman Bros., Former Secretary of Commerce.

Elliot L. Richardson, Distinguished Fellow, Woodrow Wilson International Center for Scholars.

William D. Rogers, Attorney, Former Deputy Coordinator of the Alliance for Progress.

Nathaniel Samuels, Senior Partner, Kuhn Loeb & Co., Former Under Secretary of State for Economic Affairs.

Kalman Silvert, Program Advisor, Latin American Division, Ford Foundation.

Clifton Wharton, Jr., President, Michigan State University.

HOSPITAL EMERGENCY ROOMS

Mr. JAVITS. Mr. President, as Congress debates the various legislative proposals for a program of national health insurance, there is at least one concern shared by all participants—adequate coverage for the medically indigent.

In New York State alone voluntary hospitals anticipate a $60 million loss this year in their emergency room and outpatient departments due to nonreimbursable services to the medically indigent. Sister Evelyn M. Schneider, executive director of St. Vincent's Hospital and Medical Center of New York, has said that—

> St. Vincent's suffered a deficit of $2.5 million in emergency-room and outpatient services in the last two years and that the viability of the hospital was threatened.

I am concerned that a curtailment of operations in this area would impact most severely on the segment of the population least able to make alternative arrangements for their health needs.

The executive vice president of the Hospital Association of New York, George B. Allen, has stated that—

> Reduction of outpatient services would inevitably compel greater use of the more costly inpatient facilities, thus raising the costs for all patients and their carriers.

Efforts are now underway in the State Legislature of New York to require medical insurers—private and public—to underwrite a portion of the operational costs of these vital services. I believe the long-term requirements of our health care delivery system can only be met by a national commitment to a comprehensive health insurance program for all based on an equitable sharing of the financial requirements.

Mr. President, I ask unanimous consent to have a recent editorial from the New York Times highlighting this critical problem printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times]

HOSPITAL EMERGENCY

The State Senate is considering a bill that would require medical insurers to underwrite part of the losses sustained by voluntary hospitals in the operation of their emergency and outpatient facilities. Since it appears that Federal law will not permit charging of such costs to Medicaid, the task would essentially fall to Blue Cross.

The arguments for a prorated subsidy of ambulatory and emergency services are persuasive. The hospitals' deficits are expected to run to $60 million this year. Since approximately half of the outpatients are classified as "working poor"—unable to pay for much of the clinics' services but ineligible for Medicaid, the hospitals are saddled with a major part of the cost. Without aid, the hospitals have two equally unsatisfactory options: To reduce or discontinue ambulatory services, thus placing an inordinate burden on the municipal hospitals and leaving wide areas of the city inadequately covered; or they could admit more of the ambulatory cases to inpatient care in order to collect insurance, thus wastefully increasing overall costs.

Apart from the predictable clash of interests between the hospitals and the private insurers, the issue underscores the unsatisfactory nature of the existing financing of health services. The aid that would be procided to the hospitals by the bill is clearly needed; yet it is also obvious that such subsidies are merely a temporary mending tape that cannot hold together the creaking structure of this or any other state's health services. Nothing short of an effective National Health Insurance can do that job.

SMALL BUSINESS WEEK

Mr. CRANSTON. Mr. President, May 19 to 25 marks the annual observance of National Small Business Week to highlight the accomplishments of the Nation's small businessmen and women and the vital contributions they have made to the American way of life. During this week the Small Business Administration will hold its sixth annual subcontracting conference and awards luncheon here in Washington. The theme is "Small Business Problems in Today's Environment." At this presentation the subcontractor of the year and the small businessmen of the year will be honored.

There are presently 8½ million small businesses in the country and an estimated 870,000 in California. Opportunity is the byword for small business in America. Small, free, independent, enterprise is the heritage of our past and the lifeblood of our future.

It is, therefore, very appropriate that we recognize small businesses and the small businessman and women through the observance of Small Business Week.

I ask unanimous consent Mr. President, to have my article from the May 15, 1974, issue of Forbes magazine entitled "The Preservation of Small Business Is the Preservation of Our Independence," printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Forbes Magazine, May 15, 1974]

THE PRESERVATION OF SMALL BUSINESS IS THE PRESERVATION OF OUR INDEPENDENCE

(By Senator Alan Cranston)

Americans like to think of the U.S. economy in terms of large corporations. But Alan Cranston, senator from California and chairman of the Senate Banking Subcommittee on Small Business, argues that small businesses still come close to being the bedrock of the U.S. economy.

By small, Cranston means businesses with less than $1 million a year in sales and under 500 employees. Such businesses generate 40% of the U.S. gross national product, provide something like 40 million jobs, employing roughly half the entire U.S. civilian work force, and altogether number 10.5 million or so separate enterprises.

"In fact, 97% of all businesses are small businesses," says Cranston, who quit the real estate firm his father founded to go into politics in 1958. "Outside of farming, the bulk of small businesses operate in service industries. Retail comes next, then manufacturing, but not too much of that because manufacturing requires pretty heavy investment."

Cranston doesn't claim that, by the yardsticks familiar in bigger businesses, small business is especially efficient. "Economic efficiency means in this instance giving people what people want." Small businessmen willingly work long hours for what would be considered sweatshop wages in any other industry, and, even at that, most small businesses are inherently marginal enterprises that are inordinately vulnerable to any economic downturn. "They fail," says Cranston, "predominantly because of lack of capital and lack of proper management guidance." These are the deficiencies that the Small Business Administration—over which Cranston's committee has jurisdiction—is supposed to be trying to correct.

Says Cranston: "There are an awful lot of Americans who want to be independent, want to be able to make their own decisions and are willing to take some risks in return for that. They take risks, they earn less and they keep at it under very difficult circumstances. They have sort of the American pioneering individualistic spirit. Instead of letting such people get lost in the bureaucracy of some big enterprise, I think we should continue to provide these Americans with such opportunities."

Any consumer who has ever dealt with a plumber, a television repairman, or an auto mechanic may imagine that the small businessman resembles the highway robber more than he does the pioneer. Moreover, several generations of American literary observers, from Sinclair Lewis with his Babbitt to William Faulkner with his rapacious Snopes family, have tended to suggest that small business represents the free enterprise system at its most mean-spirited—self-interested, immoral, penny-pinching, sharp-dealing, corrupt, rapacious and largely immune to any sense of public responsibility. Great Atlantic & Pacific Tea Co. can be embarrassed, and has been, by being found out charging higher prices in ghetto neighborhoods than it does elsewhere, but small businessmen can and do profiteer in such fashion with impunity.

For all its faults, Cranston argues, small business does what big business cannot do: give personalized service. "It's in the service industries that small business is very predominant—shoe shine, barber shop, beauty shop, shoe repair and so forth, and I doubt that big business can handle these operations. People get fed up with the mass-production, chain approach. Small businesses provide better service and more individual attention. They give people what they want. That's why they survive."

Small business provides jobs on a vast scale. The average small business, Cranston figures, has six employees. More likely than not, those employees are neither highly skilled nor well educated and might be hard put to find employment elsewhere. Cranston complains, for instance, that 10,000 people lost their jobs last year when 1,800 small businesses went bankrupt because $48 million of the Small Business Administration's direct loan funds were frozen. "Not even counting the cost in human suffering," Cranston says, "this is bad economics."

"Since virtually all that loan money would have been paid back, its impoundment is no real saving to the taxpayer. By contrast, those 10,000 people who were thrown out of work could have collected more than $54 million in unemployment compensation payments, part of which is tax money. And if each of those 10,000 people normally pays only $500 a year in income taxes, their forced unemployment means a reduction of $5 million in tax revenues."

In short, the care and feeding of small business is in part a highly productive and economically efficient alternative to welfare.

"I think the preservation of small business is very much the preservation of our independence," Cranston says, "just as I think the maintenance of government at the local level is vital to our survival. You can get *at* your local city government, and the same goes for small business."

To assure its survival, Cranston these days is sponsoring a bill to help small businessmen hurt by the energy crisis to refinance their loans. He would also like to see small business protected against big-business competition, through more vigorous prosecution of the antitrust laws.

But Cranston is hardly doctrinaire. He was also a prime mover in winning $250 million in government-guaranteed loans for one of the U.S.' largest business enterprises—ailing Lockheed Aircraft Corp.—and he did so for much the same reason that he favors the protection of small business. "At no risk to the Government, those loans kept in business a company that provided 30,000 jobs in California, as well as a tremendous number of small business subcontractors. They also enabled Lockheed to diversify into a civilian kind of enterprise—the L-1011. I think it was a healthy thing to do at that time, for small business and for big business."

Cranston thus comes close to agreeing with Irving Kristol (p. 74) that sheer efficiency should not be and cannot be the sole guide to which businesses are allowed to survive and which not. Adam Smith's "unseen hand, he would argue, needs considerable holding."

B-1 BOMBER STUDY

Mr. McGOVERN. Mr. President, under the auspices of Members of Congress for Peace Through Law, Congressman SEIBERLING and I have prepared and are releasing today a comprehensive study of the proposed new strategic bomber designated the B-1.

The B-1 program has been plagued by performance underruns and cost overruns. Official program cost estimates have increased by an astounding $5.6 billion since 1970. When armaments, a probable new tanker requirement, and operating and maintenance costs are added, the B–1 program promises to be the most expensive weapons system in history.

Yet it will provide an aircraft that represents only marginal and largely meaningless improvements over existing bombers. And it is for a role that is entirely secondary—one of insurance against the exceedingly remote risk that both our submarine-launched missiles and our intercontinental ballistic missiles might simultaneously fail. Considering that missiles have flight times of 30 minutes or less, while the B–1 would take 8 hours to travel the same distance, it is likely that any nuclear war would be over before the bomber even got a good start on its mission.

Mr. President, I ask unanimous consent that the report I have described be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

MEMBERS OF CONGRESS FOR PEACE THROUGH LAW

REPORT ON THE B–1 BOMBER PROGRAM

(A research paper* prepared by Senator GEORGE S. MCGOVERN and Congressman JOHN F. SEIBERLING)

CONCLUSIONS

1. Strategic nuclear bombardment by aircraft now plays only a marginal role in U.S. deterrent or war-fighting posture. Bombers protect only against a massive failure or destruction of thousands of nuclear warheads which are based in hardened silos or under the oceans, and which can be delivered on target in about one-twelfth the time required for a manned aircraft to travel the same distance.

2. Both the nature and the size of the planned strategic bomber force are based on preparations for a counterforce role which is wholly implausible—the premise that bombers would be useful in striking Soviet ICBMs on the ground after a nuclear war is already underway.

3. Bombers do have utility in complicating still further the enormous defensive or counterforce problems which any adversary would have to solve to attain a first strike posture. But a force designed expressly for this purpose would be much smaller and less complex than the B–1.

4. The B–1 has only slight advantages over the later model B–52s, and almost none that are likely to be relevant to its mission. The high altitude supersonic capability has no real relevance and could actually detract from the ability to penetrate at low altitudes. If Soviet defenses were massively upgraded, the most important countermeasures for U.S. bombers would lie in electronic countermeasures, decoys, stand-off missiles, and other technology which can be applied to the B–52 as well as to the B–1.

5. There is no time urgency for a production decision on the B–1 by late 1976. The existing force of B–52Gs and Hs and FB–111s can be operational through the 1980s. In fact, the B–1 is planned as an addition to, not as a replacement of, those forces. As such, it would represent in the 1980s an unnecessary increase from the present 21 million pound payload of U.S. strategic bombers to nearly 52 million pounds.

6. Because of costs and risks, manned strategic bombers can have no sustained role in conventional wars except against targets—such as those in South Vietnam—which are almost entirely undefended. The U.S. lost 15 B–52s to Soviet SA–2s in 11 days of bombing North Vietnam in 1972. 90 days of bombing at the same loss rate would have wiped out the entire B–52 force assigned to Southeast Asia. If B–1s, which are vulnerable to SA–3s, had been used, the loss of 15 would have represented nearly $1 billion worth of airplanes shot down—by missiles costing about $50,000 apiece.

7. Between 1970 and 1974 the cost of the B–1 program has gone from $9.4 billion to $15 billion—an overrun of $5.6 billion, before the first prototype has even flown. The projected cost of each aircraft has doubled. And the $15 billion figure excludes such added costs as a new tanker, armaments, decoy missiles, and operation and maintenance, which will push the total up to a minimum of $35.5 billion and possibly up to $70 billion if costs continue to rise proportionately. And as costs have been going up, performance characteristics have been going down.

8. The last complete cost-effectiveness study of the B–1 was made in 1966. Rising costs and declining performance make the results of those eariler studies almost meaningless.

9. With the B–58 in mothballs, the B–70 in a museum, and the B–1 in trouble, the history of strategic bomber development programs gives scant reason for confidence in the ability of the Air Force to evaluate independently the various strategic bomber options.

10. In the current economic context, the B–1 program makes inflationary pressures still more severe and, because it is intensive in costly materials and technology, it is an extremely inefficient method of providing jobs. The B–1 now employs 25,650 people directly; the fiscal 1975 B–1 request, if devoted exclusively to payroll, could produce 50,000 jobs at $10,000 a year. Almost any kind of public investment would create more jobs for the same money. For long term job stability, B–1 workers would be better served through conversion programs which could shift skills and facilities now devoted to the B–1 to such civilian needs as transportation.

RECOMMENDATIONS

I. The B–1 development program should be scaled down and rescheduled to a timetable which would set the production decision no sooner than 1980.

II. Programs should be developed to assist in the conversion to such priorities as public transportation, housing, and new energy sources, of workers and facilities who would be displaced by a decision to reschedule the B–1 program.

III. A new and comprehensive cost-effectiveness study of various strategic bomber options should be undertaken immediately, under the following conditions:

A. As recommended by the General Accounting Office, assumptions and methodology should be reviewed in advance by the Armed Services and Appropriations Committees of both the House and the Senate.

B. The study should include not only a comparison of various options, but an assessment of the strategic practicality and plausibility of the nuclear mission profiles planned for strategic bombers in the 1980s and beyond.

C. To assure an independent assessment, personnel who have worked for the Department of Defense or on military contracts in private industry in the prior three years should make up no more than one-half of the expert manpower employed on the cost-effectiveness study. The special capabilities lodged in the Office of Technology Assessment should be given consideration in preparing the study.

D. The study should include cost-effectiveness comparisons for:

a. The B–1 bomber,

b. A redesigned version of the B–1 bomber with the supersonic capability excluded,

c. The existing B–52G and H/FB–111 combination,

d. The FB–111G,

e. The B52–I,

f. Various designs of a strategic aircraft/missile combination designed exclusively for launching missiles from beyond the reach of the adversary's defensive systems, and

g. The option of excluding manned strategic aircraft entirely, and relying on improvements in SLBM and ICBM systems as necessary as insurance against failure or degradation of those systems.

SECTION I—INTRODUCTION TO THE B–1

(A) *Characteristics*

The B–1 is a proposed new intercontinental strategic bomber designed to be phased into the U.S. Air Force in the early 1980's, to replace a portion of the existing force of B–52's as they are retired.

With a length of 143.3 feet and a gross weight slightly under 400,000 pounds, the B–1 is comparable in size to the Boeing 707 commercial aircraft—relatively small for an intercontinental strategic bomber. Yet it is designed to carry a maximum payload of 75,000 pounds internally, plus another 40,000 pounds externally, for a total approaching two and one-half times the payload of the B–52. However, because of payload for fuel tradeoffs, the B–1 is not expected to carry substantially more than the B–52 on typical missions—10 to 12 nuclear weapons.

In addition to gravity bombs, the B–1 will be designed to carry nuclear-tipped standoff missiles (SRAM) with a range of 70 to 100 miles, so it can attack from outside terminal defenses. The Air Force is studying whether it should also carry armed decoy missiles such as the subsonic cruise armed decoy (SCAD). But that system, designed for the B–52, would require major modifications if it were to be included in the B–1 arsenal.

The new bomber will have a variable geometry, or swing wing design, so the wings can be swept back for supersonic flight at high altitudes and swept forward for takeoff and landing and for flying at reduced speeds at low altitudes. It will be manned by a crew of four, and will have an unrefueled range of approximately 6,000 miles, boosted to 10,000 miles with one refueling.

The Air Force claims two major advantages for the B–1 over the B–52. First, it will have a better survivability before and during launch. It will be a "harder target" on the ground, which means that an explosion would have to strike closer in order to destroy it prior to takeoff. It will also take off much more rapidly—in as little as four minutes according to ambitious estimates, compared to roughly fifteen minutes for B–52's on ground alert. It will be able to take off from shorter and narrower runways, permitting wider dispersal on bases in the United States. It will be painted white to reflect thermal energy from nuclear blasts.

Second, the B–1 is expected to have an improved ability to penetrate Soviet defenses. It will have a smaller radar cross-section and infra-red signature, which will make detection more difficult. At low altitudes, between 200 and 1,000 feet off the surface, it will travel at slightly higher speeds than the B–52, although still less than the speed of sound. Aside from SCAD, it will carry the full range of penetration aids, including electronic countermeasures which are now being incorporated into the later series B–52's.

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*This research report will be circulated to the Committee, the Steering Committee, and to all MCPL Members for their use and individual endorsement.

(*B*) *Development history*

The concept of a new manned bomber has been under active consideration since well before the last of 744 B-52's rolled off the production lines in 1961. In that year recommendations were received for a Subsonic Low Altitude Bomber (SLAB), followed by the Extended Range Strike Aircraft (ERSA), the Low Altitude Manned Penetrator (LAMP), the Advanced Manned Precision Strike System (AMPSS), and the Advanced Manned Strategic Aircraft (AMSA) in 1962 through 1965.

With the advent of high speed, high altitude surface to air missiles, these studies generally recognized low-level flight to avoid radar detection as the one feasible method of penetrating hostile airspace. The major exception was a costly failure. The XB-70 "Valkyrie" was terminated in 1966 after two flying prototypes had been built and $1.4 billion had been spent. The B-70 was designed for high altitude supersonic penetration. And the essential lesson was that aircraft flying even at twice the speed of sound or more cannot outrun SAM's flying at up to 11,000 knots.

By the same token, the most advanced bomber in the present force, the FB-111, was designed and built to penetrate at low altitudes. The FB-111 is the bomber version of the TFX built by General Dynamics, and it is the one aircraft in that multipurpose program that is fully operational. It is a swing wing aircraft which flies at 2.2 times the speed of sound at high altitudes and slightly over the speed of sound at sea level. It entered the Strategic Air Command inventory in October of 1969, but because its range and payload are limited (the range is 3,300 nautical miles without refueling; that can be extended with external tanks, but at the expense of payload), the Air Force does not regard the FB-111 as the answer to the strategic bomber requirement.

The B-1 itself is the outgrowth of the AMSA studies of the mid-1960's, and it, too, is designed for low altitude penetration. Like the FB-111, however, it also incorporates the high altitude, supersonic features of the B-70. Originally it was expected to be supersonic at low altitudes as well, but that feature was deemed infeasible and excessively costly before the advanced research and development program was underway.

The development program for the B-1 was approved in June of 1970. It has proceeded on the basis of three flying prototypes and 27 test engines, with the first flight originally scheduled for April of 1974 and the production decision for July of 1975. The prime research and development contract was awarded to Rockwell International (formerly North American Rockwell). General Electric is building the engines, and Boeing is designing the integration system for the avionics. Smaller but nonetheless sizeable B-1 subcontracts are held by nearly 70 divisions of these companies or separate companies in seventeen states.

As recently modified, the total research and development program for the B-1 will cost $3.5 billion in "then year" dollars. Counting earlier ASMA studies, roughly $1.6 billion in current dollars had been approved through fiscal 1974.

By mid-1973 the B-1 development program had encountered serious schedule slippages and management problems. In August of that year, in response to congressional concern, Secretary of the Air Force John McLucas appointed a task force headed by Dr. Raymond Bisplinghoff, Deputy Director of the National Science Foundation, to review the program. Based on the task force's conclusions, the B-1 development effort now includes a "pre-production" phase involving funding a fourth and possibly a fifth aircraft out of development funds and postponing the production decision until November of 1976. The task force also projected increased costs and possible deviations from performance standards, based primarily on an increase in the B-1's gross takeoff weight from 360,000 pounds to 395,000 pounds.

(*c*) *Force levels*

If the B-1 is produced, it would enter the force in the early 1980's, replacing initially the 80 B-52D's which are now being modified to extend their operational life into that period. These are the oldest B-52's presently in service.

While the general impression may be to the contrary, the B-1 would not initially replace the latest model B-52's, the G and H models, which are presently organized into 17 squadrons with 255 assigned aircraft, nor will it replace the four squadrons of FB-111 bombers with 66 assigned aircraft. Both can remain operational at least through the 1980's.

Hence, based on the projected buy of 244 B-1's organized into 14 squadrons, the B-1 is an additive rather than a follow-on and represents a dramatic increase in the payload of the U.S. strategic bomber force. The following table compares maximum payloads for the existing force with those of the force of the mid-1980's.

STRATEGIC BOMBER PAYLOAD

Aircraft	Payload per aircraft (pounds)		Total payload
	Internal	External	
1974:			
B-52D,F,G,H (397)[1]	31,000	20,000	20,247,000
FB-111 (66)	4,400	4,200	567,600
Total			20,814,600
1984:			
B-52G, H (255)	31,000	20,000	13,005,000
FB-111 (66)	4,400	4,200	567,600
B-1 (244)	75,000	40,000	38,060,000
Total			51,632,000

[1] 120 B-52D's and 22 B-52F's are included even though these aircraft have been operational almost entirely in conventional roles or in training. They are not capable of low altitude penetration, and their nuclear role would be limited to targets other than the Soviet Union. The payload of present strategic aircraft oriented toward the Soviet Union is about 13,500,000 pounds.

The table demonstrates that under current plans, with the B-1 entering the force well before the B-52G's and H's and the FB-111's are phased out, the B-1 represents far more than a replacement of existing capability. It would increase the overall maximum payload capacity of U.S. strategic bomber forces by two and one-half times, from about 21 million to nearly 52 million pounds of bombs.

SECTION II—NUCLEAR STRATEGY

(*A*) *Forces for deterrence*

It is impossible to make a valid assessment of the strategic bomber program without considering the country's overall strategic posture. Bombers share a purpose with other offensive systems—sea-launched and intercontinental ballistic missiles. And the need for and the timing of massive expenditures on a new strategic aircraft obviously depend on the reliability of those other systems in meeting the overall objective of deterring nuclear war.

It is also important to note that for all practical purposes the exclusive function of nuclear weapons and delivery systems is deterrence. Within the constraints of both arms control agreements and technology, it is impossible for either the United States or the Soviet Union to prevent their own destruction if nuclear war does occur. A small proportion of the weapons already in the Soviet arsenal could wipe out most of American population and industry within a matter of minutes, and the reverse is also true. A full scale nuclear exchange would render both countries and much of the rest of the world uninhabitable.

Hence, the mission of U.S. nuclear forces is not so much to fight a nuclear war as to prevent one. And prevention means demonstrating to any potential attacker that we could—and would—absorb a first strike and deliver a society-destroying blow in return. It is a matter of convincing the leaders of the Soviet Union, in particular, that they can never hope to win or even gain the slightest advantage through a nuclear strike against the United States or its allies.

Since deterrence is as much a mental as a physical process, it is impossible to calculate with any degree of precision the size and nature of the nuclear force necessary to accomplish the mission. Just twenty-six warheads could, for example, strike every city in the United States with 500,000 or more people. Some 160 individual missiles could strike every community of 50,000 or more. It is hard to imagine a provocation which would cause a rational American President to accept damage of that kind, and it is similarly hard to imagine a Soviet leader accepting the assured destruction of that country's ten, twenty, or 100 largest cities.

But there is one practical measurement of how much is enough, and that is the number of targets big enough to be worth attacking. Once the adversary's major counter of population and industry have been accounted for, it probably does not add much, if anything, to deterrence to be able to strike rural communities or agricultural regions. In the case of the Soviet Union, some 34 percent of the population and 62 percent of the industrial capacity is concentrated in 200 cities, all of which could be destroyed by a slightly larger number of weapons equivalent to a one megaton blast. Doubling the number of warheads would destroy only another six percent of the Soviet population and another ten percent of industrial capacity.

But a Soviet leader who would not be deterred by our ability to destroy more than a third of his population and two thirds of his industry would probably not be much impressed by the incremental ability to destroy a few percentage points more. Therefore, 300 to 400 missiles or bombs or their equivalent would seem to provide all that it is possible to accomplish in fulfilling the strategy of deterrence. Beyond that figure additional warheads must be counted as redundant or as insurance. In all likelihood even fewer would suffice.

On this basis it is clear that both the United States and the Soviet Union have built massive overkill into their nuclear forces. In mid-1974, the United States operational force will include 7,940 force loadings—bombs and separately targetable missile warheads. Through the continuing deployment of multiple independently-targetable re-entry vehicles (MIRV's) on both land and sea based missiles, we are building toward a total of 10,000 force loadings by 1976. The Soviet Union will have 2,600 force loadings in mid-1974, and they have also begun testing MIRV's. The following table compares existing forces for both sides.

UNITED STATES AND U.S.S.R. STRATEGIC FORCE LEVELS (MID-1974)

	United States	U.S.S.R.
ICBM launchers	1,054	1,575
SLBM launchers	656	660
Intercontinental bombers	596	140
Total force loadings[1]	7,940	2,600

[1] The force loadings total includes independently-targetable warheads and bombs; as opposed to the number of launchers, it is a measure of how many separate targets the force can strike.

(B) Assured destruction, the Triad and SALT

But deterrence requires more than numbers. The potential adversary must also be convinced that the warheads could actually be delivered on target—that adequate numbers could survive a surprise first strike, and that the warheads would penetrate defenses and inflict unacceptable damage.

To make this guarantee the United States has not only considerable numerical overkill, but three different delivery systems—1054 intercontinental ballistic missile launchers, 656 sea-launched ballistic missiles, and 496 intercontinental bombers (comparable figures for the Soviet Union are 1575 ICBM's, 660 SLBM's, and 140 bombers). Each of the three systems—each leg of the "triad"—has more warheads than there are major Soviet targets. Each creates its own challenge to counterforce or defensive technology. ("Counterforce" means generally destroying a weapon before it can be launched or fired—hitting ICBM's in their silos, for example, or destroying bombers on the ground. Defensive systems are those, such as surface to air missiles or ABM's, designed to intercept weapons on their way to target.) Therefore, each leg of the triad insures against any failure or degradation of the other two.

While it was limited in scope, the 1972 Strategic Arms Limitation Agreement with the Soviet Union marked an important step in determining how much of this insurance will be necessary in the future. Whether or not the concern has been justified by the state of ABM technology, the possibility that the Soviet Union might build an antiballistic missile shield to intercept our ICBM's and SLBM's has been a major rationale for additions to the U.S. nuclear force. Our own development and deployment of MIRV's was, for example, justified primarily by the system's ability to overwhelm ABM defenses. And the threat of a Soviet ABM has also been used to strengthen the case for a new bomber. While SLBM's have a somewhat flatter trajectory and would thus be more difficult to intercept, both they and ICBM's involve warheads following ballistic trajectories into the atmosphere; similar ABM technology would apply against both. A low-flying aircraft armed with gravity bombs and short-range missiles creates an entirely different set of problems for the defense.

But through the SALT I agreement, both the United States and the Soviet Union have foresworn active ABM defenses. Both have agreed, in essence, to remain vulnerable at least to ballistic missiles which cannot be countered prior to launch. And if the threat of a Soviet ABM made the unique flight characteristics of bombers more urgent, the SALT I agreement makes them much less so.

(C) The precise bomber role

It is undisputed that with the development first of intercontinental ballistic missiles in the 1950's and then of sea-launched ballistic missiles in the 1960's, the long-range bomber has been displaced as the leading edge of the U.S. nuclear arsenal. It is, in fact, the least equal of the three legs of the triad, if for but one reason: while even an advanced aircraft such as the B–1 would take four hours to fly 6,000 miles, at supersonic speeds all the way, ICBM's and SLBM's have flight times of 30 minutes or less. If nuclear war did occur, there could be eight successive nuclear missile salvos—four on each side and each answering the one before—before the B–1 could be in a position to do any damage. The war would be over before it could get into the action.

The position of the strategic aircraft has been further eroded by comparative costs. Delivery of nuclear warheads by ballistic missiles costs far less than their delivery by manned aircraft.

Defenders of the B–1 program have attempted to sustain a primary nuclear war mission for bombers with the contention that it would have an important counterforce role. The thesis is that in initiating nuclear war the Soviet Union may fire some of its missiles at military targets—including ICBM and SLBM launchers—and that others would be held back for a possible later attack against American population and industrial centers. American bombers, it is argued, would be uniquely capable of flying over the Soviet Union before the attack on population comes, to spot and strike ICBM's which have not yet been fired. This scenario is central to the case for bombers, and even more so to the case for a bomber force of the size contemplated. It means that payload requirements are set not according to the number of soft population and industrial targets we need to cover for deterrence, but the number of hardened military targets—ICBM silos—to be covered for damage limitation.

But for several reasons, the counterforce scenario is wholly unrealistic. While flying at altitudes of under 1,000 feet to escape detection, and at high subsonic speeds, the crews would simply not be able to see enough to distinguish between loaded and empty missile silos. Further, if the Soviet Union did adopt such a scenario, they would likely fire their most accurate missiles—their ICBM's—in the first round against hardened military targets, and hold back SLBM's which, because they are less accurate, are better suited for striking population and industry. The B–1 would not be useful against SLBM's. Finally, and most decisive, there is hardly any reason to believe that Soviet commanders—knowing that the B–1's were on their way to attack retained ICBM's—would continue to retain them for the necessary four to six hours. Indeed, any professed capability to degrade their weapons in less than total war is probably the best way to guarantee that nuclear war, if it comes, will in fact be total.

It seems clear, therefore, that aside from political steps such as placing them on airborne alert as shows of force, the mission of manned aircraft in the nuclear context is secondary. They are maintained to complicate enemy defensive problems, and to discourage defensive efforts against missiles because the costs of defending against all systems would be too high. And they would be counted upon to deter attack—to be in a position to actually strike Soviet targets—only in the exceedingly unlikely event that the adversary discovered a way to (a) destroy all or nearly all ICBM's and SLBM's simultaneously before they could be launched, or (b) intercept thousands of incoming ballistic missile warheads from both ICBM's and submarines.

The latter would, of course, involve a violation of the Strategic Arms Limitation Agreement, and even then the better—and less expensive—response might be to simply add more ballistic missiles to overwhelm interceptors. The former—prelaunch destruction of both ICBM's and SLBM's—would involve solving enormous and seemingly insoluble problems of coordination, of tracking and attacking 41 nearly silent submarines hidden in a minimum of three million square miles of ocean, and of hitting more than 1,000 hardened missile silos with pinpoint accuracy. Even then the Soviet Union could never be sure that we would not adopt a "launch on warning" strategy, under which our missiles would be fired as soon as theirs were sighted.

All of this does not lead to a hard conclusion that bombers do not have an important role to play in U.S. nuclear strategy. Their presence can and does insure against the unknown—against, for example, any breakthrough in antiballistic missile or counterforce technology, possibly in the laser field, which could disarm ICBM's and SLBM's. In one sense they help to insure compliance with the SALT I agreement on ABM's, by nullifying the strategic worth to the Soviet Union of any violation. For what it's worth, they can be launched and recalled in times of crisis, such as the 1973 crisis in the Middle East, in order to actively demonstrate national will.

Perhaps the most significant contribution of the manned bomber lies in its protection of ICBM forces against a counterforce attack. In effect, it is physically impossible for any adversary to attack both bombers and missiles on the ground at the same time.

Our ICBM's cannot be attacked by Soviet submarine launched missiles because those forces are not accurate enough to score direct hits on hardened missile silos. However, bombers on the ground are much softer targets, and Soviet SLBM's could, in theory, destroy them there in a surprise attack, if they were fired from close enough to the U.S. coast and on sufficiently flat trajectories to avoid detection before it was too late to scramble the bomber force. That is why U.S. bombers are stationed inland, and why the faster launch time and satellite basing planned for the B–1 are deemed useful.

So if the Soviet Union found a way to neutralize our nuclear-armed submarines and wanted to launch a first strike, they would have to strike U.S. ICBM's with their own ICBM's and U.S. bombers with their SLBM's. But there is no way to coordinate such an attack. Once fired, their ICBM's would be detected about 20 minutes before striking their targets—ample time to put the bombers in the air. If, on the other hand, they struck our bombers first, the nuclear detonations on SAC bases would give us enough assured notice that a nuclear war was underway to warrant launching our ICBM's.

In effect, through this "box phenomenon" we know that under any first strike strategy the other side would adopt, the prelaunch survival of either our strategic bombers or our ICBM's would be fairly well assured. The bomber gives us the assurance that our ICBM's will be available without any need to place them in a destabilizing and dengerous launch on warning posture. In the absence of Soviet ABM's and a Soviet ability to track and attack submarines, the concept of a Soviet first strike is beyond the realm of possibility anyway, unless a suicidal madman were in charge. But the presence of bombers does serve to solidify the impossibility.

So the strategic bomber is not completely without utility in today's nuclear context. In an age of overkill capacity on both land based and sea based missiles, any reliance on bombers to play a primary deterrent or nuclear war fighting role is exceedingly remote. But given the options presented to the Congress, that fact bears less on whether bombers should be retained than on whether and when enormous sums should be invested to expand and upgrade bomber forces.

(D) The bomber operating environment

Both proponents and opponents of a new U.S. intercontinental bomber have cited Soviet bomber programs in support of their respective positions. Opponents of the B–1 have noted that the Soviet Union has a small and aging intercontinental bomber fleet made up of 100 turboprop Bear aircraft and 45 jet powered Bisons, both of which are older and substantially less advanced than our B–52's. Proponents of the B–1 point to the Soviet development of a newer bomber, designated Backfire, which is expected to have swing wings and a supersonic capability. However, despite regular annual assertions that the Backfire was nearly operational, it is still not deployed. And in any case the Backfire would require two refuelings to attack the United States. It is far more likely directed elsewhere.

Attempts to relate U.S. bomber programs to Soviet bomber programs are nothing new Indeed, there is some evidence that the original production of B–52's was increased by half because U.S. analysts in 1955 miscounted the number of bombers in the Soviet fleet, when the bombers were being flown in circles as a defensive tactic. Like the "missile gap" of the 1960's, there were alarms sounded about a "bomber gap" in a decade before.

But whether they help to either make or break the case for a new U.S. bomber, such comparisons are largely irrelevant. We do not send our bombers into battle against their bombers; we send our bombers against their bomber *defenses*. And the critical question is whether a substantial proportion of the U.S. intercontinental bomber force would be able to survive a counterforce attack, overcome defenses, and actually deliver warheads on target.

As of mid-1974 the Soviet Union had approximately 2,600 fighter-interceptor aircraft of varying capabilities, down from 2,800 the year before. They have also retained a relatively constant force of about 9,800 surface to air missiles, although in that case in particular the numbers are deceptive. During the brief period after World War II when the United States enjoyed a nuclear monopoly, the Soviet Union had an overwhelming incentive to build defenses, concentrating on the one method of delivering nuclear weapons—high flying bombers—which then existed. The great majority of the Soviet SAM's inspired during that period and in the force today would have no capability against modern strategic aircraft and tactics.

As noted previously, the key to penetrating these defenses is to fly at low altitudes to escape detection. A strategic bomber cannot outfly a SAM or air to air missiles, nor can it outmaneuver a fighter-interceptor built for high maneuverability and high speed over short distances. But all of those defenses are nullified if the attacking bomber cannot be detected. And ground-based radars such as those in the Soviet Union, while they can detect high-flying aircraft from hundreds of miles away, cannot spot low altitude bombers unless or until they come within 25 to 35 miles of the station.

And interception between the time of detection and the time over target is still an extremely difficult matter, even after the planes are spotted. Only about 40 percent of today's Soviet fighter-interceptors are modern versions, and even they could not separate the bomber from radar ground echoes; they would have to get below and behind the bomber to lock on. Under such conditions their range would be sharply limited and their maneuverability would be greatly reduced because of the denser air and reduced room at low altitudes. Meanwhile, the 1,200 to 1,500 Soviet SAM's which have some low altitude capability, principally SA–3's, are also subject to range limitations because they depend on ground radars to identify targets. Even at subsonic speeds, a low flying bomber would pass through the effective range of these missiles within about three minutes, which is probably far too little time for launch.

Further, both manned and missile interceptors can be countered by a series of measures, ranging from course variations to chaff and highly sophisticated electronic countermeasures (ECM) that would jam enemy radar. Standoff missiles such as the short range attack missile (SRAM) and Hound Dog can also be used to blind the defense by knocking out radars. The Quail decoy presently in the U.S. force is equipped to look like the B–52 to Soviet radars, and another program now in development, the subsonic cruise armed decoy (SCAD), would combine the same features with a longer range and a small nuclear warhead.

In sum, the Air Force today has justifiably high confidence that our bombers can penetrate Soviet air defenses.

Those defenses could, of course, be strengthened over a period of several years, if the Soviet Union chose to apply a great deal of money and time to the project. Specifically, we know from U.S. developments that an over-the-horizon radar can be constructed, and the U.S. is developing an airborne warning and control system which, according to the Air Force, would be capable of spotting our own B–1 flying at low altitudes. In combination with these systems, it is theoretically possible to construct an effective "look down-shoot down" capability using advanced interceptor aircraft and air to air missiles.

However, there is no indication that the Soviet Union is working on such a capability. Given their agreement in SALT to remain vulnerable to U.S. ballistic missiles, it seems highly improbable that they would undertake a massive and costly effort to defend against U.S. bombers. And even if they did, countermeasures already in force or in the development stage would probably still assure that a sizeable number of bombers would get through.

SECTION III—CONVENTIONAL ROLES

(*A*) *Prior experience*

The one obvious attribute strategic bombers have that missiles do not is the fact that they can be employed in conventional wars. At least publicly, no one has suggested replacing nuclear warheads on ICBM's or SLBM's with conventional bombs and launching them against, say, insurgents operating in Cambodia or in the Philippines. For one thing, it would be outlandishly expensive. But B–52's armed with conventional bombs were used throughout the Vietnam conflict, and they inflicted massive damage. Hundreds of conventional bombs were used to literally demolish target boxes the size of several football fields. In their one planned penetration of North Vietnamese airspace in late 1972, "Operation Linebacker," B–52's flew some 730 sorties and were credited with knocking out four-fifths of North Vietnam's electric power capacity and one-fourth of its petroleum supplies in a space of just eleven days.

The strategic bomber is unquestionably a formidable conventional weapon. But the discussion cannot end there. With specific reference to the B–1, the real question is, if the B–1 program cannot stand on its primary nuclear mission, is its incremental value in possible non-nuclear conflicts sufficient to warrant its enormous costs?

First, it must be noted that since World War II the United States has only once used heavy strategic bombers over defended targets in a conventional war. In Korea, the high altitude tactical bombing environment was so hostile due to Soviet-manufactured anti-aircraft weapons and MIG fighters that neither our first-line strategic bomber of that era, the B–47, nor its predecessor, the B–36, were used. The aging B–50 was employed, but it was restricted to night missions because daylight losses became prohibitive. Throughout Vietnam, up until "Operation Linebacker," B–52 missions were restricted to undefended areas in South Vietnam, in this case because North Vietnam was defended with Soviet SA–2 surface to air missiles. And when B–52's were finally ordered north, 15 were shot down and many more were disabled in only 11 days of bombing.

(*B*) *Economic and risks*

The experience of "Operation Linebacker" does not suggest that strategic bombers cannot perform their nuclear mission. The SA–2 is by no means a primitive missile; on the contrary, it is most effective against high flying aircraft, and the B–52's attacking North Vietnam were coming in at high altitudes, using few or none of the countermeasures which would be employed in nuclear war. Further, although 15 bombers were shot down, the loss rate was only about three percent. In a nuclear war there would be just one mission, not repeated sorties in which our aircraft would be repeatedly exposed to attack. Considering the incredible destructive power in every aircraft, a 97 percent penetration rate in a nuclear war would be very high indeed.

But the experience does suggest that if for economic reasons alone, it makes little sense to rely in conventional wars upon bombers that are designed for long range nuclear missions. Because they are built for long range, high payload operations, they will inevitably be less maneuverable and more vulnerable than their contemporaries in the fighter-bomber class. So if the B–1 will be highly capable compared to today's strategic bombers, it will nonetheless be cumbersome compared to even today's fighters and fighter-bombers, let alone more advanced tactical aircraft that will be in the force in the same time frame as the B–1.

Further, in conventional war, the prudent strategy is to increase the number of aircraft the defense must intercept, not to concentrate more and more offensive power in a single extremely expensive aircraft which can be knocked out by a single surface to air missile. The wise strategist wants to increase the number of targets, not cut them down.

The economic and vulnerability arguments can both be best made through some comparison.

Had B–52's flown continuously over North Vietnam at the same loss rate experienced in "Operation Linebacker," we would have lost the entire B–52 force assigned to Southeast Asia in about 90 days time.

Alternatively, had 15 B–1's been shot down over North Vietnam, we would have lost nearly $1 billion worth of airplanes in eleven days.

A SA–2 Guideline missile site such as those used in North Vietnam represents an initial investment of around $6 million, including six missiles and launchers plus the radar complex. But the launchers can be reloaded indefinitely, with missiles costing $70 to $80,000. In Vietnam those missiles were knocking out B–52's that cost $8 to $10 million apiece—more than 100 times as much.

The B–1 could have avoided the SA–2 missiles, since they are designed to intercept at high altitudes. But the low altitude SA–3 could be at least as effective against the B–1 as the SA–2 was against the B–52. And SA–3's cost less—$40 to $50,000. The current estimated B–1 cost, $61.5 million—is 1,230 times as much as the SA–3. Even counting site costs and assuming relatively low kill ratios, the economics come down hard on the side of the defense.

Further, by the time the B–1 is operational it is possible to envision a small, cheap surface to air missile that could be fired by hand and still be very effective against low flying bombers.

So it is clear that when posed against probable conventional defenses, and when compared to other aircraft which are being designed and built exclusively for tactical missions, the long range strategic bomber is at an overwhelming disadvantage in a conventional war environment—except in rare cases when it would be sent against undefended targets. If these strategic bombers are deemed essential to the deterrence of a nuclear war which could completely destroy America in a matter of minutes—and that, after all, is their main justification—that surely no responsible commander would suggest risking them in a conventional conflict such as Vietnam.

(*C*) *What wars?*

If B–1 advocates still base their case on its conventional utility, it is also pertinent to ask what specific conventional wars they have in mind.

As noted previously, the B–1 represents a dramatic increase, from 21 million pounds to nearly 52 million pounds, in the payload of the U.S. strategic bomber force in the 1980's. It is in the conventional war context that this figure becomes especially relevant because conventional missions are usually not intercontinental, so fuel for payload tradeoffs do not apply. To the extent that B-1's would be assigned to conventional wars, nearly all of the added payload capacity—two and one-half times that of the B-52—could be devoted to weaponry.

The magnitude of that payload capacity is indicated by the fact that flying just one mission a day, the U.S. strategic bomber force programmed for the mid-1980's could drop in just one week as many pounds of conventional bombs as we dropped on Japan throughout World War II. It would take about four months, again with just one mission a day, to drop as many pounds as we dropped in all theaters in World War II and Korea combined. Just one mission by the entire force could unload, in conventional bombs, an explosive force two and one-half times as great as the atomic bombs which destroyed Hiroshima and Nagasaki.

Combined with fixed wing tactical aircraft and helicopter gunships, the force of some 120 B-52's operating in Vietnam provided massive damage to the undefended areas over which it could be in that country. It churned up vast areas which may never be truly restored to their original condition. Even if we are planning future Vietnam-type conflicts—and policymakers of all shades of opinion profess that we are not—there should be no need for such a vast escalation in bomber payload capacity for use against primitive targets. At the very least it is not so compelling a need as to justify the cost of the B-1.

SECTION IV—COSTS AND PRIORITIES

(A) *Rising costs*

Even at original cost estimates the B-1 bomber promised to be the most expensive weapons system ever built.

In mid-1970, when B-1 engineering development began, the total program cost was estimated at $9.4 billion, broken down at $2 billion for research and development and $7.4 billion for production. That was doubtless too low because inflation was not included. But it was the official estimate upon which Congress based its decision to proceed. In 1969 the Defense Department had calculated the cost for each aircraft at $25 to $30 million, and the mid-1970 estimate was on the high end of that range—at $29.2 million.

Since then costs have risen astronomically. As of April, 1974, the research and development estimate was $3.5 billion, up 75 percent over 1970, and the production figure was $11.5 billion, up 55.4 percent. Since 1970 *the total research and development and procurement figure has risen by $5.6 billion*—and that with the system still only about halfway through the research and development stage.

For the sake of rough comparison, just the $5.6 billion cost overrun to date on the B-1 would have been nearly enough to fund the entire Poseidon conversion program for 31 nuclear submarines. It is more than the total estimated program cost for the F-14A carrier-based aircraft. It would buy 560 highly sophisticated F-15 supersonic fighters—more than twice as many F-15's as the planned buy of B-1's, just for the B-1 cost overrun. It would buy 1,860 A-10A close air support aircraft, or it would buy five nuclear-powered aircraft carriers.

On a per unit basis, the B-1 costs have more than doubled since 1970. The current figure is $61.5 million. By comparison, the first U.S. nuclear bomber—the B-29 which dropped atomic bombs on Hiroshima and Nagasaki in 1945—cost about $700,000. Each B-1 will cost about 88 times as much. The latest model B-52's cost about $10 million, or less than one-sixth as much as the B-1.

But the B-1 program cost is deceptive because it does not include armaments, support, or operation and maintenance costs. Some of these will, of course, be incurred whether or not the B-1 is built, so long as the United States retains a strategic bomber fleet of any kind. But they will be substantially higher for the B-1. For example, existing KC-135 tankers could probably service the B-52 force through the 1980's and beyond; the B-1 will require a new tanker that can offload more fuel and—if they are to mean anything—that can match both the B-1's quick takeoff capabilities and hardened airframe for survival. As a supersonic aircraft, the B-1 will carry and consume a great deal more fuel than the B-52. A new tanker fleet could cost as much as $8.5 billion.

In addition, a SCAD designed for the B-52 would not work on the B-1, and a B-1 SCAD would be more difficult to build because it would have to match the smaller B-1 configuration. A new SCAD would likely cost in the range of $2 billion, over and above the cost of the B-52 model. Based on a 20 year operational life span, operations and maintenance would probably add at least another $10 billion. Although it is admittedly a rough figure, these additions, which leave out the basic armaments such as SRAM and gravity bombs and which do not account for new armaments such as the Long Range Attack Missile, nonetheless push the total system cost to $35.5 billion. And that accepts today's estimates of procurement costs, assuming no more overruns.

The likely costs can also be calculated in another way. In mid-1970 there was an attempt to arrive at a total strategic bomber systems cost by adding up the official Air Force estimates for the B-1 and all related systems and operating costs for a twenty year period. That analysis produced a total of $43.9 billion. If the other costs included in that analysis have escalated at the same rate as B-1 research and development and production costs, the comparable figure today would be close to $70 billion.

It must also be noted that there are currently some unusual conditions with respect to materials which could cause B-1 costs to soar still more. In particular, higher fuel prices have brought great inflation in the cost of producing aluminum and titanium. Each B-1 bomber contains 27,000 pounds of titanium and 54,000 pounds of aluminum, or 6.1 million pounds and 13.2 million pounds respectively for the entire fleet. It takes eight kilowatt hours to produce a pound of aluminum, and 20 kilowatt hours for a pound of titanium. These metals are both in short supply, and prices are rising rapidly due to higher energy costs.

(B) *Contract problems*

Rising B-1 costs have been accompanied by delays in the development process and also by declining expectations on performance.

The Air Force originally projected the initial operating capability for the B-1 at mid-1976. That was when the first production models would have entered the force. Although the program was fully funded by the Congress, that date had slipped by two full years by 1970. Now it has been put off nearly three years more, to March of 1981—almost five years later than originally projected, even though the Congress has been funding the program at the maximum levels that could be used by the contractors.

As to capabilities, it was apparent even in 1970 that capability was being traded in to keep the price down. Between 1969 and 1970 there was a cutback of 25 percent of the B-1's internal capacity for SRAM and SCAD missiles, and the low altitude supersonic capability was dropped completely. Further, the size of the avionics package had been greatly reduced, by an amount that should have produced a savings of $5 to $6 million for each aircraft. Yet even then the estimated price per aircraft was $29.2 million, at the very top of the $25 to $30 million range which was the official 1969 estimate.

The study of the B-1 begun last August and headed by Deputy Director Bisplinghoff of the National Science Foundation, while its recommendations were directed principally to the program's management, also had some significant findings on the aircraft's probable performance. The most serious potential difficulties come from a projected increase in gross takeoff weight, from the original estimate of 360,000 pounds up to at least 395,000 pounds. The weight increase in turn affects such other performance characteristics as the distance required for takeoff and landing, the range and rate of fuel consumption at various speeds and altitudes, the maximum altitude, and potential payload.

The Bisplinghoff report specifically:

"Did not attempt to comment on the acceptabilities of the reduced performance values since this judgment must rest with the Air Force."

And the Department of Defense is expressing confidence that the B-1 would be operationally effective against the full target spectrum.

This does not, however, square with the calculations supplied by Major General Douglas Nelson, the former B-1 System Program Director, to the Senate Armed Services Committee in April of 1973. He said in part:

"Based on analyses, the B-1 design has the flexibility to accept a weight increase up to the point that takeoff gross weight reaches 395,000 lbs. Beyond this point, additional fuel could not be added to offset the range degradation caused by the increased aircraft weight. We can achieve our full maximum distance of (deleted) miles of which (deleted) miles are at low altitude with a gross takeoff weight of 389,772 pounds."

So the gross takeoff weight of the B-1 is already projected at more than the level calculated for maximum range. It is, in fact, at the very top of the acceptable limits. Obviously there are real grounds for doubt about the ability of the B-1 to perform its mission as advertised.

Nor should the Bisplinghoff report be taken as the ultimate in critical technical analysis of the B-1 program. As noted, its scope was limited, and there is also cause for concern about its perspective. Of the 31 members of the task force besides the chairman, 25 were officials of private defense contractors such as General Dynamics, Boeing, Grumman, and McDonnell, including at least two companies which have sizeable B-1 research and development contracts. Five more were officials of the National Aeronautics and Space Administration. Only one came from the private sector—James A. McDivitt, a senior vice president of the Consumers Power Company (and Brigadier General, United States Air Force, Retired). And the primary task force recommendation in terms of management was that two more prototypes be included in the research and development part of the program, bringing the total back up to the five that the Air Force originally wanted. This does not suggest that the study was not an honest evaluation, but simply that its limitations must be recognized.

The B-1 program has also been reviewed recently by the General Accounting Office. The April 17, 1974, report of that agency noted that no comprehensive cost-effectiveness study for an advanced bomber has been made since 1966. It is clear that since that time, and since 1968 when the basic design decisions for the B-1 were made, B-1 costs have gone up sharply and B-1 effectiveness has gone significantly down. It seems likely that a current cost-effectiveness study comparing the B-1 to possible alternative designs would lead to conclusions at variance with the studies of eight years ago.

(C) *Time urgency*

The B-1 program as presented to the Congress is more than a plan to buy a given number of aircraft at a certain price. It is a plan to buy them over a relatively certain period of time—specifically, so they can enter the force at the beginning of the 1980's.

Survival is obviously the first of all national priorities. If it is possible to perceive a risk to national survival which (a) will be posed in that certain time frame of the 1980's, (b) could not be countered by existing nuclear forces, and (c) could be countered by the B-1, then no one would question the wisdom of going ahead with all due speed, regardless of the cost. Complex systems such as the B-1 do have long lead times, and production decisions must be made well in advance of the time when the new system is required in the active forces.

But in the case of the B-1 program, the overriding question to be asked is whether there is any risk that the U.S. deterrent—counting not only bombers but SLBM's and ICBM's, and accounting for any improvements in those other systems scheduled in the interim—will fail or be seriously degraded by the early 1980's. And while it is not ordinarily wise to make categorial statements about defense policy, this is a case where a categorical statement can probably be made in complete confidence. There is no such risk. On the contrary, we should be able to proceed on the assurance that both bombers and missiles will be able to reach and destroy their targets through the mid-1980's and beyond.

As noted, active missile defenses are ruled out on both sides by the Strategic Arms Limitation Agreement. The United States is nonetheless already compensating for active missile defenses by deploying MIRV's. And long lead times apply to the Soviet Union as well as to the United States—any violation of the SALT agreement would necessarily be detected well in advance, giving the United States ample time to take whatever additional countermeasures might be necessary.

Where counterforce attacks on SLBM's are concerned, our Polaris/Poseidon submarines cannot be detected, let alone destroyed, and they are expected to remain invulnerable well beyond the 1980's. The U.S. is substantially ahead of the Soviet Union in antisubmarine warfare technology; according to the Trident programs coordinator Rear Admiral R. Y. Kaufman, testifying before the Senate Armed Services Committee in June of 1973:

"Right now we don't think we have a big problem. The Soviets aren't a match for us in ASW. However, if you ask us what will happen in 30 years, our foresight isn't too good."

And the U.S. is nonetheless moving ahead with the Trident submarine program, including as the first step, placing Trident missiles in existing submarines and thereby extending their area of deployment from three million to fourteen million square miles.

Neither is a counterforce attack on U.S. ICBM's significant risk for the 1980's, the Soviet MIRV testing program notwithstanding. Assuming the Soviet MIRV's were sufficiently accurate to destroy hardened U.S. Minuteman silos, they would still have to be fired in phases in order to avoid the problem of having the blast from one warhead disarm, destroy or disrupt the flight path of the one adjacent to it. Under such an attack, the Soviets can be assured that most of our ICBM's would still get off.

More important to the prelaunch survivability of Minuteman, we can be quite certain that the "box phenomenon" described in Section II of this report will continue to be effective in protecting both our missiles and our bombers because bombers and missiles cannot both be attacked before launch and we know that existing strategic bombers will be able to penetrate in the 1980's time frame. On Soviet air defenses, Major General William Evans, assistant deputy Air Force Chief of Staff for Research and Development, supplied the following information to the Senate Armed Services Committee in 1973:

"The most likely solution to the Soviets (deleted). There is no indication that they are developing a 'look down-shoot down' capability. It is estimated, however, that they desire such a capability and could achieve it in the late 1970's . . .

"This would pose a threat to bombers penetrating at low level. However, high penetration speeds, countermeasures, and counter tactics would decrease the significance of this threat."

Read closely, this does not suggest that the Soviet Union is building or even planning to build a defense capability that could intercept existing B-52 and FB-111 bombers. On the contrary, the only evidence given is speculation about Soviet desires—hardly a strong justification for a multibillion dollar military program. And it speculates a foolish Soviet desire since, having agreed to remain vulnerable to SLBM's and ICBM's, it would not make such sense for them to spend billions of rubles to defend against bombers.

Finally, it is worth noting that the bomber force the U.S. will have assigned to nuclear roles without the B-1 into and through the 1980's will be no smaller than the bomber force we have now. The 22 B-52F's are used mostly for training, and they have a limited nuclear delivery capability because they are not equipped to fly at low altitudes. The 120 B-52D's have nearly all been assigned to Southeast Asia, and their capabilities are similar to those of the B-52F. So we have been operating with 255 B-52G's and H's and 66 FB-111's—all of which can be operational through the 1980's—without sensing any fundamental weakness in our overall deterrent.

In sum, there is no real time urgency for having a new bomber in the force early in the 1980's. On the contrary, the outlook underscores one very significant benefit of the "triad" which is too often neglected. By supplying the assurance that the entire deterrent will not fail if one or even two legs are temporarily degraded, it should be seen as allowing a more deliberate approach to the development of new nuclear weaponry—an opportunity to wait somewhat longer, and to see more, on the development threat, and to fully evaluate all possible alternatives for meeting it. In light of the rising costs and doubtful performance of the B-1, it is a case where a moderate approach of that kind is obviously warranted.

(D) *Economic context*

If the B-1 is not a time urgent project, then it is fair to place it in an economic context and to compare it with other public needs which are competing for finite national resources during the proposed development period. The Congress and the American people may not want to explore all of the technical details of a complex and controversial military program. But they certainly can make judgments about what they want government to accomplish, and on whether they want the B-1 more than other results the same money could buy.

One primary alternative to the B-1 would be to lessen, rather than worsen, the highest and most persistent peacetime inflation in American history.

Military procurement spending is inherently inflationary in times of chronic deficits because it creates demand in the marketplace without creating any offsetting supply. For an admittedly oversimplified example, if a worker makes $200 a week building refrigerators, his salary amounts to $200 more in demand in the economy each week. But the economy gets around $200 worth of refrigerators as well, to make up for the added buying power. The salary of a worker on the B-1 contract also creates more demand, but the product obviously does not go on the public market. So the B-1 worker's salary simply bids up the price of the other consumer goods—like refrigerators—that can be bought and sold in the marketplace.

Since much of the current inflation is a consequence of rising energy prices, the B-1 adds to inflation in another way. It uses specialized materials—titanium, magnesium, aluminum, and others—which take vast amounts of energy to produce. So it contributes in particular to the energy shortage and to rising prices for fuels.

Hence, one option would be to minimize the B-1 program and reduce the deficit. The overall impact on the economy would not be great, but it would at least be in the right direction—toward less inflation rather than more.

With reference again to the energy crisis, the Administration has recommended a five year, $10 billion program to develop new sources of energy and to achieve independence from foreign fuel supplies by 1980. Savings from the B-1 program alone in the same period could pay for that energy program. Or they could be used to double it.

Gasoline shortages have focused new attention on mass transit and rail transportation as energy-efficient methods of moving people and goods. But large public investments are required. The annual savings brought by a decision to forego production of the B-1 would, under the likely production schedule, be enough to make up the entire $2 billion yearly investment deficit of the nation's railroads. The $61.5 million cost of each B-1 bomber could buy 2,460 boxcars—or 1,662 modern air-conditioned buses. The fiscal 1975 B-1 request of $499 million could pay for 1,660 mass transit rail cars, enough to supply about four medium-sizes cities. Or part of it could be used to free the $375 million for urban transit that has been impounded. Over time, all of these investments would help to conserve fuels, rather than increase fuel consumption. They would help stem rather than stimulate inflationary pressures.

The question is whether national needs such as these are as compelling and as time urgent as the need to have the B-1 bomber operating in the early 1980's.

Inflation is not the only economic concern. In recent years we have had the unique experience of suffering record inflation and rising unemployment at the same time. And the B-1 project does provide jobs. Some jobs would be lost if the program were ended or curtailed.

Of course the job impact of a decision to reduce the program now would be far less than it would be if the program were cut once the contractor and subcontractors had geared up for full production. By that time many more workers will have become dependent on the B-1, and the economic pressures to continue will be that much greater.

But beyond that, military procurement, particularly on sophisticated programs such as the B-1, is a very inefficient method of providing employment. Compared to other kinds of enterprise, a greater proportion of the military procurement investment goes for such items as costly materials and fuels, and less goes directly for payroll. Using the prime contractor's own estimates, for example, the B-1 research and development program is employing 25,650 people directly. But if the funds requested for the B-1 in fiscal 1975 were invested entirely in payroll it could produce 50,000 jobs at an average annual salary of $10,000 a year—nearly twice as many. Or it could create more than 100,000 public service jobs at the minimum wage. Any kind of more job-intensive public investment—including housing, transit construction, and others—would produce some net increase in employment for the same amount of money.

Any threat to the workers who have already grown dependent on the B-1 contract should be taken as a matter of concern to the national policymakers who created the dependence. To the maximum extent possible, any decision to reduce the program should be accompanied by steps to counteract the adverse local economic impact and the loss of jobs. In this context it is significant that three of the states most heavily dependent on the B-1 program—California Washington and Ohio—all have urgent needs in the public transit field. It is possible that workers and facilities now devoted to the B-1 could be productively employed to help meet those pressing requirements in a civilian sector. Over the long term this is a far more promising course for workers who are now or may become dependent on the B-1 contract only to have it cancelled because it is deemed not worth the enormous investment.

In summary, considering its impact on inflation and on the employment outlook, the B-1 compares poorly with alternative high priority uses of the same funds.

SECTION V—THE B-1 AND ALTERNATIVES

(A) *Strategic air options*

Various alternative approaches to the manned strategic aircraft role were considered in the course of arriving at the basic B-1 design. However, a number of additional options have surfaced since the B-1 development decision was made in 1968. There has also been additional time to evaluate the developing threat. Further, the dramatic changes in cost and performance expectations should stimulate a reevaluation of the B-1 even in comparison to alternatives which were considered and rejected six years ago.

The following are brief descriptions of various strategic air options:

(1) No Manned Strategic Aircraft:

Clearly the lowest cost option would be to conclude that the development of advanced intercontinental and sea based systems has rendered the entire concept of a strategic bomber obsolete. This would involve deactivating all of the existing 27 squadrons of strategic bombers, and would save in the range of $700 to $800 million annually in operations, maintenance and personnel costs.

While this could also be the highest risk option, the rationale for such an approach has been strengthened substantially by the SALT I agreement. The strongest element of the case for retaining strategic bombers has been the fact that as compared to ballistic missiles they pose an entirely different set of problems for the defense—if it were possible for the Soviet Union to design an antiballistic missile that would be wholly effective against both ICBM's and SLBM's, it still would not work against bombers and the U.S. deterrent would therefore still be assured. The force of this argument falls considerably if we can be assured that there will be no Soviet ABM.

Assuming compliance with the SALT I agreement, the major risk of this "diad" posture would be in the realm of counterforce—the risk that the Soviet Union could find a way to threaten the prelaunch survivability of both Polaris/Poseidon submarines and ICBM's. Bombers help assure that this could not be done.

(2) The B-52/FB-111 Combination:

Even against greatly improved Soviet defenses, the existing combination of B-52G and H models and FB-111's will remain a highly potent force through the 1980's. It is not true that these latest model B-52's represent the technology of the 1950's; in reality it would have been logical to give them a new numerical designation because they differ so sharply from the earlier members of the B-52 series. For example, their low level flight capabilities are not the result of later modifications, but were designed into the original production aircraft. Other substantial improvements have been made since. And a $3 billion program for further modernization is now underway, including the same electro-optical viewing system (EVS) that will go into the B-1, using television and infra-red sensors to allow sustained flight at an altitude of 300 feet or less. Most important, these models, based on the Air Force's average annual flight times, will not exceed the 12,000 to 13,000 range of flying hours until 1990. Their operational lifetime should extend at least that long.

The newer FB-111, meanwhile, although it is limited in range and payload, can still strike at least 75 percent of the strategic targets in the Soviet Union if it is refueled just prior to its descent to low altitudes. It can fly slightly faster than the B-1. The models currently in the force can carry six SRAM missiles, so the payload limitation is significant only to the extent that the FB-111 cannot fly around and hit as many separate targets as the B-1 or B-52—and it is questionable whether in a nuclear war context any strategic bomber would want to remain exposed to defenses long enough to strike more than a few targets.

In addition, far too much is made of the special penetrating characteristics of the B-1 aircraft, as opposed to the penetration aids which the B-52 can also carry. There are basically three special B-1 aircraft features—a slightly higher speed at low altitudes, a smaller radar cross-section, and a smaller infra-red signature. But if the aircraft is detected and defensive systems can be locked on, the higher speed of the B-1 will not help it outrun a surface to air or air to air missile that can fly 20 times as fast, or even a manned interceptor that could fly twice as fast at low altitudes. Nor are the radar cross-section and infra-red signatures likely to be decisive improvements. It may be somewhat more difficult, but if the Soviets can build warning and control systems and a look down-shoot down capability that would operate effectively against the B-52 it would probably work just as well against the B-1. They can be made smaller, but neither the radar or infra-red signature can be made to disappear. It is admitted that our own proposed AWACS system could spot the B-1, and it is claimed, under what has now become the major rationale for that system as a means for conventional battlefield control, that it could even pick out smaller tactical aircraft or troop movements on the ground. And no technological monopoly lasts very long.

If the Soviet Union should greatly upgrade its air defenses, therefore, by far the most important steps to assure that we can continue to penetrate lies not in the characteristics of the airframe but in such devices as SRAM, SCAD, decoys, chaff, and other electronic countermeasures which can avoid, confuse or suppress defenses. All of those same devices can be applied to the B-52; many can also be used on the FB-111.

As to prelaunch survivability, the takeoff characteristics for the FB-111 are similar to those contemplated for the B-1, and the reaction time of B-52's and KC-135 tankers is also being improved through quick-starting devices, satellite warning and communications systems, rebasing, and alert-dedicated runways. With these changes, there should not be a significant difference between the B-1 and B-52 in terms of capability to survive an SLBM attack. In fact, the quick reaction time of the B-1 is not necessarily required for protection against SLBM's on inland bases, but would rather permit it to be based closer to the U.S. coastline.

Various mixes of weapons could be employed. But the B-52G and H and FB-111 combination could carry, for example, a total of 2,826 SRAM missiles with nuclear warheads in the medium kiloton range, plus 2,430 SCAD decoys on the B-52's—certainly an ample force for a bomber deterrent.

(3) Stretched FB-111:

The builder of the FB-111, General Dynamics, has suggested that this aircraft could be redesigned to make it a true intercontinental bomber. The proposal, the FB-111G, would have somewhat more range and payload, and it could still retain the FB-111A's speed advantages over the B-1—the limited supersonic capability at low altitudes. The contractor has estimated the cost for 210 FB-111G's at about $3 billion, or $15 million for each aircraft. The Air Force set it higher, at $17.8 million per aircraft or $3.7 billion for the program.

Despite obvious cost advantages, the Air Force has studied and rejected this option, on the principal grounds that the FB-111G would be less cost effective than the B-1 on the basis of weapons spaces, the cost per target destroyed and the cost to the adversary of countering the system. However, the validity of those ground rules is highly dependent on the extremely implausible counterforce scenario described earlier in this report, under which the role of bombers would be to attack retained ICBM's after one or more counterforce exchanges have already occurred. If the bomber is considered more realistically as insurance against failure or degradation of ICBM's or SLBM's—as a means of sustaining assured destruction against soft targets—then the total payload of the force could be much less than is contemplated for the B-1 and the comparative cost-effectiveness of the FB-111G should rise accordingly.

(4) The B-52I:

The builder of the B-52, Boeing, has come up with another alternative—fitting the B-52G's and H's with the newer and larger engine which is now used on the C-5. The aircraft would be redesignated the B-52I. The change would reduce the B-52's dependence on tanker support, shorten its takeoff time and distance, and slightly improve performance in some other respects. It would not significantly extend the lifetime of the airframe, but neither, according to Boeing's engineers, would it shorten the period over which the B-52 can be expected to perform satisfactorily. Costs for this modification have been estimated at between $2 and $3.3 billion, including the cost of the new engines. The major benefit would be greater prelaunch survivability plus—as compared to the stretched FB-111 option—retention of the much higher B-52 range and payload, including room for more penetration devices in the event that Soviet defenses are upgraded.

(5) Redesign of the B-1:

It would also be possible to make cost-saving changes in the design of the B-1. A primary candidate for exclusion would be the feature of supersonic flight at high altitude.

Since any strategic aircraft must penetrate at low altitudes, where the B-1 is subsonic, the high altitude supersonic capability is not relevant anyway to the problem of penetrating Soviet defenses. In fact, the supersonic capability is the one reason for having a swing wing on the aircraft, and that, as opposed to a fixed wing, could actually detract from stability at low altitudes, at the same time limiting the payload that can be carried externally. Further, there is some indication that an aircraft shifting from high altitude supersonic flight to low altitude subsonic would leave an infra-red afterglow that would almost guarantee its detection.

Dropping the supersonic capability would, of course, increase the time required for the aircraft to complete its mission, since it is now contemplated that a portion flown outside of the range of Soviet radars would be supersonic. But supersonic flight requires drastically more fuel, which detracts from payload. Further, when missiles can cover the distance in 30 minutes, the difference between the flight time of ten hours at high subsonic speeds and eight hours with some supersonic flight hardly seems likely to have a serious bearing on the bomber's role in nuclear war.

Eliminating the supersonic flight capability could, therefore, cut several billions of dollars from the cost of the program, without any serious reduction in the B-1's important performance characteristics.

(6) Standoff Aircraft:

Another option recommended by the authors of this report several years ago would be to forego the gravity bombing approach and initiate work on an aircraft/missile system capable of attacking targets in the interior of the Soviet Union without having to penetrate defenses.

The SRAM is a step in this direction, since it can be launched from 70 to 100 miles away from the target and eliminates the need to penetrate terminal defenses. The Hound Dog missile now operational on the B-52 has a longer range and a larger warhead than SRAM, but it is a relatively slow cruise missile which could be intercepted by advanced defenses, and it must still be launched from within Soviet airspace. The optimum concept would be a high speed ballistic missile which could be launched from outside the range of Soviet radars, thereby eliminating the need for the entire range of costly flight characteristics needed if the aircraft itself is required to penetrate.

Under the general designation M-X, the Air Force does have conceptual studies of a long range air launched missile underway, although it has not as yet been described as an alternative to a penetrating bomber. Several approaches are possible, using either the commercial Boeing 747 or Lockheed's C-5 as the launch platform and arming it with existing Minuteman missiles, a smaller missile weighing about 47,000 pounds and with a range of around 6,000 miles, or a still smaller missile designed to penetrate from just beyond the range of Soviet radars. The latter approach would mean, of course, that each aircraft could carry more effective payload because it would reduce the amount of fuel required to propel each warhead toward its target. Depending on missile development costs, such a system could probably be acquired for around $10 million, for targeting flexibility and payload similar to that of the strategic bomber fleet the Air Force now plans for the 1980's.

The need for such a system in the 1980's would depend almost entirely on whether the adversary greatly upgrades bomber defenses. If they do not, then the B-52/FB-111 combination should serve through the 1980's; if they do upgrade defenses, then the cost-effectiveness of the standoff system should compare very favorably with the B-1 or any other aircraft built to penetrate defenses. In either case, the standoff approach seems most promising for the longer range future, when the B-52's and FB-111's ultimately do have to be retired.

(B) Weighing alternatives

The most recent General Accounting Office review of strategic manned bomber programs concludes that there is time to undertake a thorough new cost-effectiveness study of the B-1 bomber before the currently scheduled production decision in late 1976. The Air Force has agreed. However, the Air Force rejected the agency's recommendation that the assumptions and methodology of the study be reviewed by the Armed Services and Appropriations Committees of the House and the Senate.

In fact, the assumptions and methodology will likley dictate the outcome of the study. It is possible to assume precise ranges of Soviet defenses, or to establish specific mission profiles, which would exactly fit the B-1 and no other option.

A good example is the most recent internal comparison between the B-1 and the FB-111G. It was based primarily on the target coverage required for a counterforce scenario in which the bomber would be used against Soviet ICBM's. Under those ground rules the FB-111G came off a poor second. But the operating assumption itself was not and has not been evaluated on a realistic basis. As this study suggests, it has little to recommend it. Yet it is a decisive factor in weighing both the nature and the size of an American strategic bomber force.

Since the B-52, we have had the B-70 in an air museum, the B-58 in mothballs, and the B-1 experiencing both unprecedented cost overruns and performance underruns. That history does not inspire great confidence in the ability of the Air Force to provide an objective analysis. At the very least it reflects an entrenched desire to have a certain aircraft—the B-1—and a disturbing tendency to shape all the studies accordingly.

The Bipslinghoff study was not an exception to this tendency, first of all because its scope was sharply limited and also because the task force was dominated by experts who should not be expected to take a contentious point of view on the program itself.

Considering both the economic and the strategic stakes involved, therefore, the approach to date does not provide a sound basis for congressional decisions. Based on costly experience, there is ample reason for Congress to insist on a role in defining the assumptions used in any further cost-effectiveness studies, and on assurances that all options are fully, and fairly, and independently considered. Otherwise the country could well spend billions of dollars for the wrong system, with resulting losses not only in funds but in the added security the right system could buy.

U.S. MILITARY WEATHER MODIFICATION ACTIVITIES IN SOUTHEAST ASIA

Mr. PELL. Mr. President, yesterday, the Subcommittee on Oceans and International Environment of the Committee on Foreign Relations released with the permission of the Department of Defense, the complete uncensored text of its top secret hearing on the U.S. military weather modification activities in Southeast Asia.

The transcript of this hearing confirms that rainmaking techniques were extensively used against enemy supply lines and forces in Southeast Asia.

The declassification of the hearing, which I requested as chairman of the subcommittee, marks the first time that a hearing classified as top secret has been made public in its entirety. I commend Secretary Schlesinger and the Defense Department for agreeing to this unprecedented action and ask unanimous consent that there be inserted in the RECORD a copy of my letter to Secretary Schlesinger. I believe the disclosure is very much in the interest of our country and the American people.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 16, 1974.

Hon. JAMES R. SCHLESINGER,
Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: Please accept my congratulations on the Defense Department's decision to declassify in its entirety the transcripts of the hearings on military weather modification conducted on March 20, 1974 by the Subcommittee on Oceans and International Environment of the Foreign Relations Committee.

This full and open disclosure, I believe, is in the very best interests of our country, and should serve also to eliminate baseless suspicions and allegations that were nurtured by the secrecy surrounding this issue.

I really am very glad that you have moved ahead this way, and hope you will continue to declassify information when it is so clearly in our national interest.

Ever sincerely,

CLAIBORNE PELL.

Mr. PELL. Mr. President, there are several important conclusions to be drawn from the information released by the Foreign Relations Committee.

Firstly, it is clear that the decision to proceed with the rainmaking operations in Southeast Asia was made without adequate consideration of the broad, long-range implications of moving into a whole new area of weaponry. Never before had an armed force attempted to harness the natural forces of the weather as a weapon against an enemy. Both the unprecedented nature of the undertaking, and what it might mean in future warfare, were not given the consideration they deserved.

Second, the hearing transcripts reveal that, even after the weather modification activities had been ended, and a National Security Council Interagency panel was directed in 1972 to formulate U.S. policy on military weather modification activities, the panel was denied information which it sought on the classified projects in Southeast Asia. Obviously that denial of information hampered NSC efforts to fulfill its policy review mission.

The United States still does not have a national policy governing offensive military uses of weather modification or other geophysical modification techniques.

The Senate on July 11, 1973, 10 months ago, adopted by a vote of 82 to 10 my resolution (S. Res. 71) urging that the U.S. Government seek to negotiate a treaty prohibiting the use of environmental or geophysical activity as a weapon of war.

I believe the information made public today clearly demonstrates the need for a well-considered national policy in this area. There should be broad public participation in the formulation of this policy, and with the information released today, the public and the Congress is in a better position to participate in this policy formulation. My own view is that we should not open the Pandora's box of harnessing nature, of changing weather or developing techniques to create typhoons or earthquakes with devastating effects upon foes and neutrals alike. I believe this new kind of weaponry should be eschewed by developed, so-called civilized nations.

It is time for the United States to take the lead in developing some form of international controls over such activities. As I have stated on numerous occasions, the failure of the administration to formulate a well-reasoned national policy on the military uses of weather modification can only lead to the development of vastly more dangerous techniques whose consequences may be unknown or may cause irreparable damage to our global environment.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a fact sheet prepared by the Foreign Relations Committee staff.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HIGHLIGHTS OF DEPARTMENT OF DEFENSE CLASSIFIED BRIEFING ON SOUTHEAST ASIA RAINMAKING MARCH 20, 1974

PROGRAM

A classified (TOP SECRET) rainmaking program was conducted by the 7th Air Force in Southeast Asia (North Vietnam, South Vietnam, Laos, and Cambodia) from 1967 to 1972 which employed air dropped silver and lead iodide seeding units to increase normal monsoon rainfall.

OBJECTIVES

The objective of the program was to increase rainfall sufficiently in carefully selected areas to deny the enemy the use of roads by (1) softening road surfaces; (2) causing landslides along roadways; (3) washing out river crossings; and (4) maintaining saturated soil conditions beyond the normal time span.

COST AND NUMBER OF SORTIES

The cost of this program was $3.6 million per year for 6 years. (page 93) The following chart is a list per year of the total number of sorties and units of lead or silver iodide expended.

SORTIES—SEEDING UNITS

Year	Sorties flown	Units expended
1967	591	[1] 6,570
1968	734	7,420
1969	528	9,457
1970	277	8,312
1971	333	11,288
1972	139	[2] 4,362
Total	2,602	47,409

[1] Including 1,017 over North Vietnam.

[2] Laos, Cambodia, and South Vietnam.

SEEDING UNITS AND TECHNIQUE

"The seeding units used to seed were developed at the Naval Weapons Center, China Lake, California, and are not classified. The seeding units and technique are identical to those used in publicized rainmaking projects—for example, Philippines, Okinawa, Texas—and the STORMFURY research project.

The seeding units consist of a 40mm aluminum photo flash type cartridge case with primer and a candle assembly. The candle assembly includes a plastic container 3 inches long with the seeding material and necessary delayed firing mechanism to ignite the free falling container. The silver iodide or lead iodide is produced as the chemical mixture burns.

The burning time is about 36 seconds for the most commonly used type. The unit drops about 3,000 feet during its functional burn. The units are dropped inside the cloud in the active updrafts at intervals of approximately ½ mile.

The release is normally controlled by the pilot flying the aircraft who can best determine the location of the updrafts. Two types of aircraft were used—the WC-130 weather reconnaissance aircraft and the RF-4C reconnaissance aircraft. The WC-130 carried pods containing 104 units each on both sides of the aircraft fuselage just forward of the paratroop jump door. The RF-4C carried a total of 104 units in the photo cartridge compartments. Typically these aircraft could influence an average of 4-5 clouds or groups of clouds per day during the southwest monsoon.

The technique requires that specific individual clouds be seeded. Their growth is related to atmospheric conditions and the amount of seeding so that when the seeding ends, the thunderstorm created acts like any other storm and is short-lived because the seeding materials either rain out, disperse, or decompose."

RESULTS OF PROJECT

"The results of the project cannot be precisely quantified. This is due to the lack of sufficient ground stations to report. However, the Defense Intelligence Agency, using empirical and theoretical techniques based on units expended and the physical properties of the air mass seeded, estimated that rainfall was increased in limited areas up to 30 percent above that predicted for the existing conditions. Sensor recordings and other information following seeding indicated enemy difficulties from heavy rainwall."

REPORTING PROCEDURE

"Periodic reports were prepared by the Joint Staff and submitted through the chairman, Joint Chiefs of Staff to the Secretary of Defense. In order to conduct the operation approximately 1400 personnel had to be given access to project information over a 6-year period.

These people were briefed into the project and then debriefed when they no longer required a clearance."

DECLASSIFICATION OF SECRETARY LAIRD'S LETTER

On January 28, 1974, former Secretary Laird sent a classified (SECRET) letter to Senator Fulbright correcting a statement that he made on this subject in open hearings on April 18, 1972. This letter and related communications have been declassified as part of the hearings.

NSC PANEL DENIED ACCESS TO INFORMATION

In 1972, a National Security Council interagency panel under the Chairmanship of Herman Pollack of the State Department was convened to study the problems of weather modification and to formulate American policy. This panel actively sought and was denied information concerning the classified weather modification projects in Southeast Asia.

BASICS OF NATIONAL HEALTH INSURANCE—PART I

Mr. HANSEN. Mr. President, tomorrow the Senate Finance Committee will begin hearings on national health insurance. This is a landmark occasion, as national health insurance is one of the most important issues before the Congress in this generation. I say this because the legislation that finally is passed by the Congress will have profound and far-reaching effects upon not only the nature of medical care in our country, but also upon the very nature of American life. At issue here, more than simple health insurance, is the role of government in American life, issues of moral and social responsibility, and cultural values.

This is a time for wise and judicious consideration of the issues. It is a time for mature, sincere, and dedicated study. It is not a time for political expediency and exploitation of the people with bright promises that in reality will have no substance.

We must think seriously about health care in America, or we may end up duplicating the blunders of past years, thus creating far more problems than we solve.

During the hearings, may I suggest that we listen carefully to what the experts say. Who are the experts on health care in our Nation today? Are they politicians? Are they labor leaders? Are the experts on health care delivery government administrators? To get a clear picture of the far-reaching, varied, and intricate facets of the health delivery system and how a Government program ought to spur it along or change it, we must, in my opinion, listen to the real experts—the members of the health care delivery professions. It seems logical that they are the most qualified, and we must place trust in their professional judgment. We must be able to count on their support for the success of any national health insurance program, for they will administer it. Now is the time to listen to them and consider seriously their advice.

It would be well to remember that the professional representation of health care in this country has succeeded in delivering to the American people the finest and most advanced medical care in the world in the history of time.

Many speak of a health care crisis of unprecedented proportions. I see elements of inequity and of need for improvement, but I fail to see the "crisis" spoken of by some politicians. The life expectancy of Americans has steadily increased and the infant mortality has steadily decreased. America boasts a record number of hospitals, nursing homes, physicians, and auxiliary medical personnel. Nine out of 10 Americans are covered by some kind of private medical insurance; 90 percent have hospital expense coverage. Never in history has there been such a wealth of knowledge and understanding as now. Artificial kidneys, heart surgery, brain surgery, artificial lungs, emergency treatment: all demonstrate the unparalleled quality of modern American medicine.

It is not realistic to compare our health care system with utopia. In such a complex and intricate society, inequities and problems do exist. As Winston Churchill put it:

> Democracy is the worst system ever invented, except for all the rest.

This must not be interpreted to say that we must not work for change. That is why we are holding hearings. Our purpose, then, would seem to be to find the way to improve and remove some of the imbalances and abuses of the present system.

With 90 percent of Americans in possession of hospital expense coverage, and 85 percent with confidence in obtaining good medical care, I see no reason to duplicate existing coverage or do away with what we have developed to substitute for it a massive governmental bureaucracy system that is untried in a country such as ours and with which we have no experience in administering.

I say, in sharp contrast to what many ambitious men are saying these days, that Americans do not want to replace the present system with a new one; they do not want to hand over the reins to the Government. But they do want help in bringing about positive change to improve the system. Let me quote from a Gallup poll of 1971 and 1972:

Table 1: Personal Confidence in Ability to Obtain Good Health Care.

Question: All things considered, how much confidence do you have in being able to get good medical care for you and your family when you need it—a great deal of confidence, a fair amount, not so much, or none at all?

NATIONAL

[In percent]

Great deal, 45; Fair amount, 39; Not so much, 11; None, 3; Don't know, 2.

Table 2: Public Ranking of Top Five Problems in American Health Care.

Question: There is a lot of talk nowadays about a national crisis in the health and medical area. People have suggested a number of reasons for this crisis. Please look this card over carefully and tell me which two or three of the items you, yourself, think are likely to be most responsible for the crisis.

NATIONAL

1. Shortage of doctors;
2. Costly and complicated insurance;
3. Unnecessary treatment raises costs;
4. Insurance too limited;
5. Doctors refuse house calls;
6. Poor living conditions;
7. High cost of Medical treatment; and
8. Inadequate hospital staff.

Table 3: Public Confidence.

Question: I'm going to name a number of groups which will have a lot of influence over the kinds of health policies and programs that will be enacted into law by Congress. As I name each group, please tell me how much trust and confidence you, yourself, have in it when it comes to proposing policies which are fair and workable—a great deal, a fair amount, not so much, or none at all?

NATIONAL

[In Percent]

Doctor's Organizations, plus 74; minus 18; Health Insurance Companies, plus 69; minus 24; Hospital Administrators, plus 65; minus 26; Federal Health Officials, plus 58; minus 30; Labor Unions, plus 44; minus 41.

Official evaluation of these surveys concluded the following:

1. Most Americans have considerable confidence at present that they can obtain good medical care when they or their families need it, but they recognize serious problems in the health care system that require basic changes.

2. The two specific problems identified most frequently by the public are the shortage of physicians, and complicated and costly health insurance. The most pervasive, overarching concern is that these and other component problems are driving costs up so high that the basic availability of medical care to certain groups of people—especially the poor and the elderly—is threatened.

3. In these circumstances, the people look to the federal government to provide adequate remedies. But they feel that the government should rely on the expertise of experienced professionals—doctors, health insurance officials, and hospital administrators foremost among them—in formulating fair and workable policies.

4. Some form of national health insurance is essential, in the public's view, and the federal government must assume principal responsibility for creating the program.

5. The public does not identify the reorganization of existing health care facilities, or the alteration of traditional medical practice, as among the most important steps to improve American health care. Moreover, a solid majority of citizens asserts a preference for personal care—for knowing their own doctor, and having him know and be willing to come to them—as the cornerstone of a good health care system. Even the potential advantages of better preventive care, probable lower cost, and more comprehensive treatment—heralded by the proponents of health maintenance organizations—are viewed skeptically by most of the people, who fear that they may be forced to sacrifice the still more central value of personal attention by one doctor whom they know and trust.

6. Despite frequent, and presumably expert, assertions to the contrary, and despite a recent abundance of crisis rhetoric, the American people continue to place a high degree of confidence in their institutions—government and private—involved in health care. (Stephen P. Strickland, U.S. Health Care: What's Wrong and What's Right, Potomac Associates, 1972.)

The concerns of the American people, if I read them right, fall into three areas: First, cost of medical care, second, availability of medical care and insurance, and third, quality of medical care and patient satisfaction.

COST

The cost of medical care is the first consideration. Too many pocketbooks are feeling the burden of heavy medical bills. Catastrophic illness has the potential to bankrupt thousands of families and individuals every year. The high cost of medical care is becoming increasingly frustrating to the American citizen.

How can medical costs be checked? What is the best method to hold costs down?

Here we must be very careful, for as we, in our enthusiasm to give every American medical care at a cost he can easily afford, we may increase the demand for such care two or three times—without at the same time increasing the supply. This can have no other effect than to cause medical prices to skyrocket beyond present trends.

Some will say, "Hold costs down by governmental ceilings or freezes." I ask if this approach is consistent with the American system of free enterprise and the free market? I submit that it is not. Is it a step toward socialistic government?

And furthermore, they will not work. This is adequately shown by our recent experience with wage and price controls. While having a certain short-term and temporary beneficial effect upon health prices, the wage and price controls, besides discouraging capital investments, reducing buying power of workers, causing shortages and distortions in the economy, have alienated the majority of the American people—especially those of the health care professions, who found themselves under the threat of holding down prices as their costs rose with the rest of the economy, which was being decontrolled.

We must realize that medical care as we enjoy it today is a highly technical and sophisticated commodity. It has not come easily. No other society in history has enjoyed medical care on a par with ours. It is an evidence of the progress of American science and technology. We would be naive to expect it to be cheap. It is a luxury that we must pay the price for. I would be less than candid if I said that I could foresee a lessening of the prices that we pay for medical care.

Physicians earn an average of $42,700 per year. This is comparable to the salaries of many business executives, lawyers, and bankers. Instead of the average 40-hour week a physician works on the average 54 hours a week. And stack on top of that the intense mental and emotional pressures of medical practice, the years spent in preparation and none of the work benefits such as life insurance or medical insurance enjoyed by the average union worker.

If we expect to continue enjoying the extraordinary advantages of highest quality medical care, we must compensate well our health care professionals. Anything less will promote mediocrity.

AVAILABILITY

The greatest deficiency of the present system is one of inequity of availability of medical care. Many of those who need and deserve it the most are unable to procure it either because of financial disadvantage or geographical separation from health care facilities. Many of the insurance policies are complex, imbalanced, and, in short, inadequate.

This, in my view, must be a primary goal of a national health policy: to equalize the availability and benefits of health insurance so that everyone can procure a reasonable policy at an expense they can afford.

If we can remove the financial and geographical barriers to health care for most Americans, a primary problem will be solved. Such a system must be based on sound moral and social philosophy, however. It must be done in a manner to help Americans procure the desired benefits, but never in a way that would abrogate their personal responsibility of taking care of themselves to the maximum extent possible. The way to help the underprivileged is not to do it for them, but to help them do it themselves.

The idea of giving every American free medical benefits, or buying for him his medical insurance policy, is fundamentally at cross-purposes to the larger goal of improving his life condition. To propose an approach that does not encourage traits of self-reliance is to defeat the intended purpose. Dependence upon the Government, the suppression of individuality, incentive, and dignity—in short, the ethic of getting something for nothing is encouraged by such sweeping promises.

I suggest that our guide be: Help each citizen to procure adequate medical care at a cost that he can afford, but never purchase it for him or restrict his choice to a single governmental policy.

In our anxiety to provide equal benefits for all, we must not open the doors for a few who would take advantage of and abuse their privileges at the expense of the many. This danger is aptly illustrated by the fact that now only a small percentage—10 to 15 percent—of consumers receiving health care make over 50 percent of the visits recorded. Furthermore, these patients frequently have no treatable medical problems.

QUALITY

Quality of medical care is what we all expect and what we will insist on preserving. Along this line, it would seem to me well to look at the results of national health insurance as represented by foreign experiments.

In Britain, for example, a country which has had socialized medicine since 1949, the effect has been to create a "brain drain" of thousands of the most competent physicians to Canada and the United States, where working conditions are better. British doctors resent poor pay, low-grade health facilities, and intense work schedules. Physicians there have increasingly taken on the mantle of Government employees.

A growing number of people have bucked the government system and have changed to private, nongovernment physicians and insurers. The membership of the British United Provident Association, a voluntary organization for building facilities and financing health care, grew from 80,000 members in 1947 to 1,500,000 members in 1963.

The out-of-pocket expenditures have remained small, but the actual expenditure on health care, reflected by taxes, has been higher, so much that government expenditures for health now compete with other expenditures in the political arena. British physicians are increasingly underpaid, almost no new hospitals have been built, and out-of-pocket deductible payments are getting larger and larger.

Health care in Britain is available to all whenever they want it. But overutilization abuse is widespread, health clinic lines are long, and the care is of obviously mediocre quality.

Clearly, the British National Health Service has not solved all the problems it set out to. Nor has the system produced the successful results that some would claim flow automatically from a national health care system.

A group of five medical leaders, government officials, and educators were invited in 1970 to tour the Russian medical system by the U.S.S.R. Ministry of Health.

This is how Dr. Russell B. Roth, M.D., a member of the group, describes medical care in Russia:

> If one focuses purely on the plans, the organizational diagrams, and the itemizations of available facilities and personnel, it is impressive. When one inspects the facilities in person, the impression changes.
>
> How does the Russian medical care compare with America?
>
> My answer is that Russian medical care delivery is so organized as to make it reasonably available to anyone feeling need of it. It has been planned with a commendable emphasis on prevention of disease. The quality of care delivered, however, is, for the most part, mediocre, and the facilities in which it is delivered are grossly substandard by American criteria.
>
> It is interesting to contemplate the effect of the things which American medical care critics would like to accomplish:
>
> Eliminate fee for service—which Russia has done;
>
> Centralize control over institutions, regulating construction—which Russia has done;
>
> Centralize planning—which Russia has obviously done, although it would be unfair to imply that consumer representation prevails under the Russian method;
>
> It seems fair to say that Russia has greater deficiencies in quality medical care for all of its people than we do, although there is some possibility that "quality" care is being confused with "luxury" care. These deficiencies have not been corrected by elimination of fee-for-service of the profit motive in medical practice. They have not been corrected by centralized controls or group practice patterns.

We must ask ourselves if the benefits of a nationalized, comprehensive health insurance system outweigh the disadvantages. If we want health care for all, mandated and financed by the Government, we must pay the price for it, and that price could be mediocre and lower-quality medical care.

We must not be misled by promises of a utopian medical care delivery system. Such promises are often made only in the interest of political expediency and popularity. We must not lead the American people into false expectations, which when not met, will only promote disillusionment and discontent.

In the interest of providing a basis for formulation and implementation of a national health insurance policy, I ask unanimous consent to print a set of basic principles from which we could work.

There being no objection, the material was ordered to be printed in the Record, as follows:

Basic Principles of Health Care Insurance—Criteria for Evaluating Proposed Legislation

1. The Federal Government must not remove the freedom of every physician and every patient to choose where and how they will give or receive health care.

2. The Federal Government must not take over ownership of the various elements of the health care system in letter or intent.

3. Neither the Federal Government, nor any of its agents, should make any medical judgments in a patient's care; this function is reserved solely to the responsible physician and his peers.

4. The Federal Government should not make community policy, but should offer financial, technical support, and information and guidelines based on local planning to support local policy formulation.

5. The system must reaffirm the traditional American values of hard work, self-reliance, and responsibility to provide for one's own self what one can. It must encourage people to be responsible for their own health care. The way to help the poor is not to do it for them, but to help them do it themselves.

6. The system must not destroy the incentive to improve one's condition by work, diligence, and positive application.

7. The system must affirm the intrinsic dignity of the individual, and be such that individuals are encouraged to develop to their fullest capacity as human beings. Abrogation of personal responsibility to the government does not promote character development.

8. The health care system should be voluntary to all.

9. Sufficient and adequate medical care should be available to all those who need it and are willing to work for it. For those unable to procure it, society should help out.

10. Assistance from the government should be based upon financial need, and should never be given except when the individual or family, through no fault of their own, is unable to purchase health care on their own.

11. The system should build upon the strengths of the present system; it should encourage healthy competition between providers; it should promote private enterprise, individuality, and inventiveness in providing health care.

12. The system must recognize the immutable law of supply and demand as controlling costs of services. It is inevitable that costs will rise when the demand exceeds the supply. As long as demand increases faster than supply, costs will increase.

13. The system should embody positive incentives to private associations, groups, or individuals to formulate and implement positive and effective cost, quality, and utilization controls.

14. The system should concentrate on primary and chronic health care that will serve the largest portion of society that is disabled.

15. The system should place high priority and emphasis on preventive health care measures that will encourage individual personal and community health care habits.

16. It must be recognized that the "roots" of the health care problems in America lie in the realm of moral and spiritual values. Whatever system is implemented must preserve these values and build upon them. The system should foster cultural and social values that encourage individual mental, emotional, and spiritual good health.

17. The health care system should embody built-in incentives and motivations encouraging private responsibility for the poor, old, and disabled. After all, private individuals are responsible to help those of their own family and their neighbor.

CONGRESSMEN WILLIAM COHEN AND WAYNE OWENS ON "FACE THE NATION"

Mr. PERCY. Mr. President, yesterday on the CBS program, Face the Nation, Congressman William Cohen, Republican of Maine, and Congressman Wayne Owens, Democrat of Utah, were interviewed. Both of these gentlemen are members of the House Judiciary Committee which is now conducting an inquiry into the possible grounds for the impeachment of the President.

The task they face is a very grave one, requiring the most thoughtful and conscientious approach to the questions which they must resolve. Once again, the Nation has witnessed that the members of this committee are equal to the task. We can be confident that whatever the conclusion reached by that committee, it will be the result of an inquiry conducted in the best tradition of the Nation and the Congress, as demonstrated by these two men.

I have not traveled in Mr. Owens' congressional district but I have in Bill Cohen's. His constituents have every reason to be proud of the sound judgment, integrity, decency, and judicial temperament, he has exercised throughout this very trying period in our Nation's history. They can be proud of the studied approach he takes with respect to each issue and the leadership he has demonstrated in fulfilling his constitutional duty.

Mr. President, I ask unanimous consent that the transcript of the interview be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

Transcript of Face the Nation

(As broadcast over the CBS Television Network and the CBS Radio Network Sunday, May 19, 1974, Washington, D.C. Guests: Representative William S. Cohen, Republican of Maine; Representatives Wayne Owens, Democrat of Utah. Reporters George Herman, CBS News; James Naughton, the New York Times; Jed Duval, CBS News.)

HERMAN. Congressman Owens, Congressman Cohen, the President's lawyer, James St. Clair, has complained about what he's called unfair leaks from the House Judiciary Committee, and he's asked that all future meetings be fully open to the press and to the public. Is he right? Should continuing leaks cause your sessions to be open for full and broadcast coverage, Mr. Owens?

Representative OWENS. Well, I think the leaks indicate quite clearly the impossibility where you've got 38 politicians in one committee to keep all the evidence secret, and I think they underline the importance of making those hearings opening—opening those hearings, so I think that we ought to open those hearings. I think we're going to have to go into executive session when we have confidential materials which might tend to defame someone or which might ruin the possibility of getting a fair trial for the Watergate defendants, but other than that, I think that we're going to have to move to open them, and should.

HERMAN. Mr. Cohen.

Representative COHEN. I would share that view. I think that if there is a lesson of Watergate, the image of the legal profession has not been exactly enhanced as a result of the Watergate revelations. And I think the same is true with respect to our committee. It's a deplorable act on the part of any committee member to disclose and reveal information which we have pledged to keep confidential, and we certainly are not enhancing our image in doing this. But I should also point out that while it appears to have come from the committee, that's not altogether conclusive. If one will take a look at the March 21, 1973, transcript page 71–A, you'll find a discussion that takes place in the White House about how leaks can be sprung from the grand jury to the public. And also I'd point out that while I deplore the act of releasing this information, it should be noted that it's somewhat inconsistent if not hypocritical on the part of the White House to complain with moral outrage about selective leaking when there has appeared to be some selective editing.

ANNOUNCER. From CBS News, Washington, a spontaneous and unrehearsed news interview on Face the Nation with two members of the House Judiciary Committee, Representative Wayne Owens, Democrat of Utah, and Representative William S. Cohen, Republican of Maine. They will be questioned by CBS News Correspondent Jed Duval, James Naughton, Congressional Correspondent of the New York Times, and CBS News Correspondent George Herman.

HERMAN. Mr. Cohen, if I read you rightly, you are saying it is unfair to blame all the leaks on the committee and you are hinting that some of the things may have been leaked at the instigation of the White House?

Representative COHEN. I'm not suggesting that, Mr. Herman. I'm simply saying my own suspicions, my own inclination, would lead me to believe it did come from the committee, but we happen to be living in a time in which there is a great deal of cynicism, and on my part as well, and I do think that reading through the transcripts one could come to other conclusions. I'm not suggesting that that happened, but it could have happened that way, so I don't think we should be quick to cast blame on any particular member, or committee staff member or anyone else.

NAUGHTON. Mr. Cohen, you spoke of hypocrisy on the part of the White House in this situation. Why do you think they have demanded that the hearings be made public?

Representative COHEN. I think I stated, Mr. Naughton, that it's at least inconsistent, and perhaps contradictory, and even an element of hypocrisy involved, in that there has been a selective editing of material which I think is quite relevant to the scope of the Judiciary Committee's inquiry. It's been very clear for some time that the committee was investigating alleged abuses of federal agencies to harass, intimidate, or even terrorize private citizens for political reasons or for personal animosity—out of personal animosity. I think it was in error for the White House to have deleted that from the transcript.

DUVAL. Do you gentlemen—do you want to answer that?

Representative OWENS. Well, I was just going to say that it very clearly is a tactic on the part of the White House to try to, I think, degrade the committee, when in fact it is the first leaks that have ever come of any substance whatever in the entire seven or eight months. The committee staff has been completely responsible in that, and while we deplore those leaks, obviously they shouldn't be allowed under the tactics of White House lawyers and press men to indicate that the committee has not been responsible in its handling of confidential materials, because it has.

DUVAL. Do you two agree with what Mr. St. Clair said last week, that the sessions that have already been held could have been public?

Representative OWENS. Almost completely could have been held public, indicating I think a much better course of action, which would be for the committee to hear only in private those matters which could have been—which came to us in confidentiality, but letting the other materials be held. I hate to be in the position of agreeing with Mr. St. Clair, because of what I think his motivation is in raising that point, but I think that's accurate. Most of it is public.

HERMAN. What happens next? If there are others who agree with you that the hearings should be made public, when is the next nexus, when is the next point when this can happen?

Representative COHEN. I think there are two points to be made. One is that the reason it went into a confidential session or executive session was to protect the premature dissemination of information that might prejudice the President's case before the public, and before the committee and the Congress. Secondly, to prevent the dissemination of information to the detriment and prejudice of those people who are standing trial or will stand trial in September—Mr. Ehrlichman, Haldeman, and others. Now that the President's counsel, speaking for the President, has called for public hearings that eliminates the first consideration, but we still have the problem of how to cope with and deal with the difficulty of preventing the distribution of information that would prove detrimental, in my opinion, to the defendants to stand trial in September. If we can resolve that issue, either by excluding a public consideration of the grand jury information, and we did represent to Judge Sirica that that material will be kept confidential—if we can resolve that problem, we can go public immediately.

HERMAN. But in the meanwhile you have to stay in secret session?

Representative COHEN. Yes.

Representative OWENS. But most of those materials, even those that we have received in confidentiality that we have been exposed to, could basically have been made public. I don't think that those grand jury materials would tend to prejudice the case against those defendants; they are not sensational matters; they are basically—they are uncontested testimony in that sense—but they are not prejudicial, most of it. But there is also a House rule which says that any materials which tend to defame or degrade must not be made public. That's the third factor in why we must first review some of those materials which came to us in confidentiality in private, but you could do that, say, by having executive sessions which may take up ten percent of the time, where the other 90 percent could be open to the press. Now when it will happen, that will depend on how soon the committee is allowed to meet in a meeting to consider that, but I think that the chances of it happening are really quite good.

NAUGHTON. Well, when is that going to happen? Has either of you gentlemen spoken to the chairman and urged him to open hearings soon? We have no indication at this point that the hearings will be open this coming week.

Representative COHEN. There was an indication in our last meeting—considerable debate and discussion over the issue of the leaking to the press and the harm that that was causing to the committee's image, as well as to the rights of the President. My feeling is that there is enough sentiment on the committee that as soon as we can resolve the issue about the grand jury material—I would differ somewhat from Mr. Owens on that—I think that it is rather essential that we do whatever we can to preserve and protect the rights of those defendants. I think they have been jeopardized somewhat already by the dissemination of the transcripts—

Representative OWENS. Quite clearly, Bill, we have to protect their constitutional rights to a fair trial, but my point has been that the materials that we've heard from the grand jury, I don't think are anything of a sensational nature so that they might prejudice a jury, but they do have to be heard first in private, I agree on that.

Representative COHEN. It's not necessarily sensational that might be prejudicial—I think there is a difference there.

DUVAL. Let's get to what we would be hearing, if this was open, that is to say, after these three or four closed sessions, do you two feel as if you know less than a careful reader of newspapers? Do you know more?

Representative COHEN. Mr. Duval, as far as the committee—what it has heard to date, is simply a chronological review of much of the material that has been gathered by the Senate Select Committee. That has been buttressed and corroborated by other materials from grand jury hearings, also from hearings before the Senate Armed Services Committee, but almost all of the material has already been a matter of public record so there is no harm in my opinion of disclosing that, from that point of view.

Representative OWENS. The committee has done an excellent job in compiling it, and it's been very educational. It has brought together a lot of the tangential and pieces of information, and evidence that all of us get out of the newspaper, but in terms of substantive additions to our knowledge, there hasn't been a great deal.

DUVAL. Do you think then that if someone had read the transcripts carefully and has been keeping up with the papers—the more thorough accounts over the last year or so, would know as much as you do now?

Representative OWENS. They probably know 90 percent.

HERMAN. But doesn't Mr. St. Clair have a valid point to a certain extent? Has anything favorable to the President been leaked? Hasn't only unfavorable material been leaked to the press during these hearings?

Representative OWENS. Well, there are only two conversations, Mr. Herman, which have been leaked, and they both are conversations which are harmful to the President—there's no question about it—the September 15 transcript, whereby materials were deleted from the White House transcript, materials very relevant, very relevant to the Watergate investigation, not just to the question of agency abuse, but to the Watergate, because Mr. Williams, who was representing the defendants in the Watergate trial, and because the materials dealt with the Watergate directly—

HERMAN. The June 30th transcript.

Represenative OWENS. I'm sorry—of course—

Herman. And there is also a third story which is not a transcript that has been published but an account which the staff has developed about the use of milk money, and this was also leaked in the period at some length in the Washington Post, so there have been a number of leaks, all of them unfavorable to the President. Now, is there not some malicious force at work here? Or inimical to the President?

Represenative Owens. I wouldn't accuse it of being a devilish force, but it is impossible virtually to keep them secret. Hence, the importance I think—

Herman. Once it goes from the staff to the membership?

Representative Owens. That appears to be the problem, George, because the staff has done an incredibly good job, but I pointed out earlier we are 38 politicians—it's very difficut—you step outside the room—you have 40 reporters—you step outside the room to blow your nose—you have 40 reporters there who want to see the handkerchief. And it's almost impossible, it's almost impossible to—you are very clever at interviewing—and it's almost impossible to keep secrets.

Representative Cohen. Let me add there is also some very positive information that has been considered by the committee, exonerating information in my opinion, that the committee has listented to, so I think for that reason—

Herman. That hasn't been leaked?

Representative Cohen. That has not been leaked. It's a matter of public record already, as a matter of fact. It is already out in the transcripts, so I think that for purposes of at least of presenting the correct image to the public, that we are trying to be fair, and impartial, nonpartisan, and above all engaging in search for the truth, I think it's important that we do go public as soon as possible, as soon as we can resolve the issue about grand jury material and other executive session material that has been presented to the committee.

Representative Owens. But the committee cannot afford, if I may comment further on that—the committee cannot afford to allow that which is basically the charge by the White House that there are selective leaks detrimental to the President, to obscure the real issue which is that the White House, on the one hand, is saying that we have to get this over with, we've given you all the evidence—on the other hand, is withholding evidence from us. That is our real problem now. There are areas where we don't have the evidence, where the White House is withholding it, where absolutely we need it. One week ago today, I think, the President said in Oklahoma, I have given the Judiciary Committee all the evidence and it's now up to them to make a decision. And that simply isn't true. That is White House hypocrisy.

Naughton. Mr. Owens, let me ask this—without asking you to leak anything from what you've heard in your closed sessions, you've now had four days of closed hearings, you've heard several tapes, you've seen a number of documents or parts of documents, and grand jury testimony—has there been anything in that period, in those hearings, that would tend either to implicate or to exonerate the President in an impeachable offense?

Representative Owens. Well, each member makes his own decision on how he will comment on the evidence as it has come to him piecemeal, but I refuse, as a matter of seeing how I judge my responsibilities, as a member of the Judiciary Committee, to comment on the evidence piecemeal. At the appropriate time when we have all the evidence, I will comment on that. There are very significant matters that have been presented to the committee, but beyond that I simply don't think it is wise, I don't think it's pertinent, I don't think it's consistent with the objectivity required of this committee to comment at this time as to what the evidence at this point shows.

Representative Cohen. And I would echo that view very strenuously. I think it would be improper, highly improper, for 38 lawyers to cast a judgment based upon a fragmentary presentation of the evidence. I think also I should point out that the information that has been turned over to the committee through the edited transcripts is entirely inadequate for this committee to measure up to its high responsibility in making a judgment of this magnitude. It is replete with deletions, omissions for expletives, irrelevancies, inaudibles—all of which create a great deal of ambiguity which has to be resolved if we are going to seriously meet this issue.

Naughton. Can you ever make that judgment, then, if you don't get that additional material?

Representative Cohen. As far as this committee is concerned, I believe we're going to go forward; we're going to establish the need for the information. By making it public, we can then demonstrate to the public the absolute essentialness of bringing that material to bear before the committee, so I think that as far as we're concerned, we have to go with what we have. We will go on record as when the information furnished us by the White House is inadequate; we will further go on record by issuing subpoenas, and to the extent that those subpoenas are not complied with, I think that that consequence lies with the White House.

Herman. Do you have any sniff or any faint hint that there are some further thunderbolts, some more earth-shakers to come out of this anywhere that have not been made public so far?

Representative Cohen. I have no such information.

Representative Owens. I think it is very clear that we haven't gotten to the bottom of it, underlining again the importance of getting the original tapes, because there are many deletions. In the few tapes that we have, we see the White House transcripts are inaccurate. But I think—I feel quite clearly that we do not have the whole story, and the whole story lies within the grasp of the President. He has the power to either prove his innocence or to prove his guilt of impeachable offenses, and hence the absolute necessity for us to get those tapes.

Representative Cohen. Could I just elaborate on the transcripts, as to why they are inadequate. We have had briefings by counsel and counsel has represented to us that much of the information that has been omitted as being inaudible would in fact be audible on our equipment, and I think that our experience to date by listening to the various tapes that we have, and amplified with our very sophisticated equipment, have demonstrated that fact. In addition, the so-called expletives that have been deleted, some of those expletives that have been deleted, some of those expletives give great character and colorization to the statement that has been made, the intent and the intensity of the statement. Others are simply obscenities of no relevance to anyone else. Thirdly, there are materials that have been omitted as being irrelevant to our considerations. Well, that's a purely subjective reasoning on the part of the White House, and I think that the September 15 tape demonstrates why we cannot accept that, and finally, there are portions missing from the transcripts with no indication that words are missing, not from any malevolent motive, but simply because they do have inadequate equipment at the White House. That's why we cannot accept it.

Duval. If members of any ethnic or racial minorities in this country could hear those tapes, would they be insulted?

Representative Cohen. Not to my—to what I have listened to to date, there have been no racial or ethnic slurs.

Representative Owens. Nor have I heard any, and bear in mind, we've only heard three tape conversations.

Naughton. Mr. Cohen, you spoke of the absolute necessity of getting the tapes. The last time you were refused tapes by the White House in response to a subpoena, the committee sent a very mild letter to the White House, citing the President's non-compliance with that subpoena. You were the only Republican on the committee who joined in sending that letter. Do you have any reason to believe that there has been a change of attitude among your colleagues in the minority on the committee, that more of them will support that sort of action in the future?

Representative Cohen. Mr. Naghton, I think it's quite clear from what has happened since that evening when the 20 to 18 vote did occur, many of the members—Republican members—were not satisfied with the edited transcripts. They had different reasons. Some felt that a letter was not the appropriate response; some felt that the letter was premature, we should at least read the transcripts, but I think many were also dissatisfied. I think the evidence of that has been clearly demonstrated with the recent subpoena vote, and that's a 37 to one vote on one of those subpoenas, which would indicate also—and the wording of that subpoena is that we want tapes—not transcripts, but tapes, and the reason for that is, after the committee members have had an opportunity to listen to the tapes, it can be proved, I think, both beneficial to the White House as well as detrimental, that we're in a better position to analyze again what was said, the context, how it was said, the inflection and so forth, mean a great deal to this committee, and I as a member of that committee feel that if I am going to make a proper decision, I want to make that decision based upon the best possible evidence and not upon second or third best, and I think other members share that view.

Herman. How long is it going to take you? I gather there is hours and hours of listening ahead of you, both to Mr. Doar and the tapes—and Mr. Jenner and the tapes.

Representative Cohen. As long as necessary.

Herman. Any idea how long? Is it slipping—is the schedule slipping back a bit?

Representative Cohen. I think it is slipping somewhat. We've taken great pains in going through this material, very laboriously, as a matter of fact, and as the press correctly reports, almost in a dull fashion. I think you would find it fairly dull, even if you were allowed inside, because it's simply again a recitation of facts, chronologically, in order to put this in the total perspective.

Herman. Let me ask you a question about that, that has come up. Why is it better to have Mr. Doar read it to you out loud than to have him submit it to you in a document, and you can study it at your own leisure?

Representative Cohen. Well, I think that I would be satisfied with that myself, Mr. Herman, but apparently there is a fear that the committee would not disciplined as such to go ahead in an organized fashion to complete its investigation. That's one of the reasons that I've heard. I frankly would be most satisfied to read it all on my own, and then make recommendations for the calling of witnesses or the taking of testimony.

Representative Owens. But it's also very helpful to have Mr. Doar and Mr. Jenner outline the supporting documentation—those parts of that supporting documentation which they believe is the most relevant and the most meaningful to us, which is—it is good discipline for us to do it together. I approve of that approach.

Naughton. Aren't you gentlemen to some extent putty in the hands of your own staff?

Don't you spend so much time following their guidance, examining evidence that they present to you without having a chance to see additional materials, that you are in effect running a risk of being led to a conclusion by them?

Representative Owens. I think you have to understand that we have many obligations and that we need expert help; we need lawyers to help us filter through the evidence. We received over a hundred thousand pieces of—documents and pieces of information from the Ervin Committee, for example. That's been compiled now, and put together, and the committee is being very sensitive to not drawing conclusions for us, but to having compiled the evidence in a meaningful way—

Herman. The committee staff.

Representative Owens. The committee staff—I'm sorry—have compiled the evidence in a meaningful way, and are trying to present it as best we can, but they understand, and we understand very clearly, that the ultimate responsibility is upon our shoulders, but we're like the man—the lawyer who does his own case; we'd have a fool for a client if we were not to use good expert lawyers to assist us, we would be in a very sorry situation. We have an excellent staff, and they understand quite fully that we have to make the decisions, and we have to make the decisions on what is relevant, for that matter.

Duval. I think both of you have said—tell me if I'm wrong, but I think you have both said that in the end you're going to vote your conscience.

Representative Cohen. That's correct.

Representative Owens. I believe every member of the House will do that——

Representative Cohen. Based upon the facts and the evidence that's disclosed to the committee.

Duval. You'll have to at one time put aside pressure from constituents, pressure from editorials, pressure from everywhere.

Representative Cohen. And that's the theory. Now, we're naive to believe that politics isn't going to have some part of it, but I think basically most of the members will vote their conscience.

Duval. But you're both taking polls at home, to see how your constituents feel, are you not?

Representative Cohen. My polling to date is several months old at this point, has been in terms of voter approval of my performance in Congress. A very good friend of mine who happens to be running for governor, Mr. Richardson, is taking a poll on his gubernatorial aspirations, and asked if I would like to have some questions included, and I said certainly, and dealing with my approval—record, now the public perceives my job in Congress. It is not based on how I'm going to vote this matter.

Represenative Owens. I have not asked my constituents to tell me what they think I ought to do. I have asked my constituents questions which are aimed at trying to see if they understand the impeachment proceeding.

Duval. Well, which do vote in the very end, should it come to it, whether you might lose your job if you voted your conscience?

Representative Owens. I think the Edmund Burke statement that a representative must—owes his constituents not just his industry but his judgment has to hold true there, and I think that our constituents will expect us to vote our judgment on what the evidence requires and our consciences on what we ought to do.

Herman. But you do have one question in your poll, Mr. Owens, saying, I've stated that if the hard evidence clearly indicates the President has obstructed justice by covering up serious wrongdoing by subordinates or that he committed other offenses of a very grave nature, that I will vote for a bill of impeachment; do you agree with that decision? And your answer was 85 percent yes, 12 percent no.

Representative Owens. That's the standard that I have set in trying to explain impeachment to my people and that indicates, I think, that an overwhelming majority of people understand that standard. That's the point of that question.

Representative Cohen. I'd also just add that the high court of history is going to sit in judgment on each of us and measure whether we met up to our responsibilities, and I think that we have to put aside our own political future in reaching this kind of decision which will affect this country—it will affect the world at large in my opinion and it's going to affect also our children's time as well as our own, and I think that we have to put aside our own parochial interests in terms of whether we'll win an election or lose an election, and simply act for the benefit of the country.

Naughton. May I ask both gentlemen briefly, because I think you both acknowledged in the past there's a risk that you're focusing too narrowly in this inquiry—the common verdict of many people who've read the transcripts put out by the White House is that they have an amoral tone. Is amorality an impeachable offense?

Representative Owens. It is not an impeachable offense. I think nobody can avoid being repulsed initially by those transcripts—the public transcripts—but we have to prove a very serious offense against the public interest, or you can't impeach the President. You can't impeach him for bad language.

Representative Cohen. I would share that view, that we're talking about as far as impeachable offenses is not confined in my opinion to indictable offenses, but rather a very serious abuse of power—granted power—or a usurpation of power not granted, and the emphasis has to be on substantiality and not triviality. It has to be a very gross abuse of power, and that's what we're about to determine.

Herman. Thank you very much, Mr. Cohen and Mr. Owens, for being with us today on Face the Nation.

Representative Cohen. Thank you.

Representative Owens. Thank you.

Announcer. Today on FACE THE NATION, Rep. Wayne Owens, Democrat of Utah, and Rep. William S. Cohen, Republican of Maine, were interviewed by CBS News Correspondent Jed Duval, James Naughton, Congressional Correspondent of the New York Times, and CBS News Correspondent George Herman. Next week, another prominent figure in the news will Face the Nation.

PRINCIPLES OF CONSTITUTIONAL JUSTICE

Mr. PERCY. Mr. President, a very thoughtful and thought-provoking letter from Sol Linowitz appeared in the May 11 issue of the New York Times. Because of the pertinence of the matters he raises, I ask unanimous consent that the letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

To Understand Our Constitution

To the Editor:

Of all the people I know concerned about Watergate, those who are most sanguine about the chances for an orderly and decisive end to the crisis are those who seem to know the Constitution best. They are optimistic, I think, because they understand that the Constitution was framed in large measure to deal with precisely the sort of crisis we are now enduring.

Yet the fact is that all too many in this country have failed to recognize this. And this, in turn, suggests that we have to think much more seriously about how we can convey a better understanding of what our Constitutional processes and freedoms are all about and how they are supposed to operate.

One way to begin, I think, would be to have every high school, college and university add to its curriculum a course in "Principles of Constitutional Justice." The object of the course would be to make available to every student attending high school and college the fundamental principles of our Constituional and judicial system, and to suggest the tone and climate of our legal structure. Such a course could give our students a feel for the meaning of basic rights, for the right way and wrong way of judging evidence, of sifting truth from untruth, of measuring liability of guilt, of making up one's mind.

Such a course could, with broad strokes, trace the need for law in society and especially the forces and circumstances which shaped the particular provisions of our Constitution. It could try to impart a true understanding of those things which are the flesh and bones of our pattern of justice—freedom of speech, of religion, of press; the right to be secure in our homes against unreasonable searches and seizures: the right to a jury to trial in all criminal prosecutions; the right to counsel; the right of *habeas corpus;* the guarantees against double jeopardy, self-incrimination, *ex post facto* laws and bills of attainder, and the right to due process of law.

I recognize, of course, that most high schools and colleges today do offer courses in government, political science, American history and ethics where the interested student may learn of some of these things. My suggestion is, however, for something quite different—for an organized, systematic, coordinated presentation in one course made available to all students. For I believe there is a place—a vital place—in our structure of education for exposure of all students to time-tested principles of justice so that as many as possible may understand how rights are granted or acquired, how justice is administered and what makes law and order and justice secure in a republic.

Such an approach in the wake of Watergate might bring to the American people—and especially to our young people—a far better understanding of our Constitution and a sense of confidence that we live under one of the most extraordinary and effective charters of government ever devised by man in the name of liberty and justice.

Sol M. Linowitz.

Washington, *April 24, 1974.*

SALT AND STRATEGIES

Mr. MATHIAS. Mr. President, the most important negotiations now underway are the SALT talks between the United States and the Soviet Union. We are engaged in these crucial negotiations to obtain equitable treaties and agreements for limitations of and reductions of our respective strategic nuclear weapons systems in order to reduce the possibility of nuclear war. If a nuclear war between the United States and the Soviet Union did break out, it could result in a nuclear holocaust which would end civilized life on the Earth.

The chief negotiator at SALT I, Ambassador Gerard Smith, deserves much of the credit for the ABM Treaty which is regarded by all those concerned with our national security affairs as a model of an equitable agreement. It is my belief that the good work done by Ambassador Smith will be a foundation for future agreements, hopefully this year, but certainly, within the next few years.

Ambassador Smith recently wrote a thoughtful paper on SALT and new proposals for changes in our nuclear strategy. From his paper, entitled "SALT and Strategies," I quote a portion of his conclusions, because they go to the heart of key issues we here in the Senate will have to vote upon in the coming weeks.

The new strategy seems an improper mixing of quite separate matters. It suggests that if the Soviets agree to "essential equivalence" of strategic forces, the United States would forego giving the President additional options and a substantial counterforce capability. But where is the logic in saying that we need such a capability now but would settle for "assured destruction" in the event of a SALT II agreement. Either we will maintain "essential equivalence" by agreement or by unilateral action. A counterforce capability is needed by the United States or not needed whether or not there is an offensive weapons limitation treaty. The threat to go for it if the U.S.S.R. does not accept our idea of a reasonable SALT II agreement seems out of place. We might well get wedded to this apparently dangerous doctrine and pursue it even under conditions of a SALT II agreement. It would be ironic if the United States adopted a counterforce doctrine, because it was engaged in negotiations looking to strategic arms limitations. Unless the case for the new strategy can be made much more persuasive the earlier Nixon position against developing this capability appears to be wiser.

In conclusion, SALT I was a good start on strategic arms control. The ABM Treaty is a solid bar to what could have been a massive and tremendously expensive and potentially destabilizing competition for defense against strategic missiles and not deploying more offensive missiles. It should be continued even if SALT II does not result in a treaty limiting offensive weapons.

The U.S. force of offensive weapons is sufficiently strong and present modernization programs sufficiently effective so that there need be no rush to negotiate an offensive weapons treaty nor to become precommitted to new strategic programs if SALT II does not succeed by a given date. Arbitrary timetables could lead to improvident arrangements. Indeed I would urge that if the 5-year freeze arrangement lapses, this should not lead to alarms or a sense of crisis. The search for strategic balance acceptable to the two sides according to each one's perceptions should persist. The United States should have appropriate nuclear strategic concepts and targeting doctrine contributing to stability, restraint, and reduction of risk of war independent of the state of negotiations for strategic arms limitations.

Because of the importance of Ambassador Gerard Smith's article to our understanding of SALT and new proposals for changes in our nuclear strategies, I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SALT AND STRATEGIES

I

This paper considers three aspects of strategic arms control. First the arrangements negotiated with the U.S.S.R. in 1972, then the prospects for a SALT II agreement and finally the impact of the new U.S. targeting policy on strategic arms control.

The ABM Treaty was a very substantial achievement, the interim freeze on offensive weapons was not quite as good as initial publicity suggested, but not nearly as bad as its critics maintain. There is a reasonable prospect for a SALT II agreement or agreements, but this prospect is somewhat clouded by the change now being developed in U.S. strategic targeting policy.

My general thesis is that the central purpose of strategic arms control should be to lessen the risk of nuclear war—and not, as many believe, to reduce the financial burdens of the strategic arms competition or to advance "détente." This central purpose was advanced in SALT I by the ABM Treaty and the associated 1971 agreements to reduce the risks of accidental war, and to modernize the Moscow-Washington communications link (Hot Line).

It can be further advanced by a SALT II agreement which converts the temporary 1972 interim freeze on offensive weapons into an equitable long-term treaty. But current developments in U.S. nuclear targeting policy appear to go in a somewhat different direction.

II

From the vantage point of some twenty months later, the strategic arms limitations agreed upon with the Soviet Union in 1972 appear to have been useful in reducing the risk of war.

The two nations agreed by treaty that each of them could have no more than two ABM sites of 100 missiles each, one for capital defense and one for ICBM defense. Both sides appear satisfied with this arrangement. Neither has started to build to the limit permitted by the treaty. This restraint in itself is a factor for stability.

Each nation agreed—not by treaty, but by a five-year interim freeze agreement—not to start construction of new ICBM silos and not to deploy submarine launched ballistic missiles above agreed numbers unless it decommissioned an equal number of "older type" ICBMs commissioned before 1964. If full conversion from these older land-based missiles to sea-based missiles takes place (over 200 ICBMs decommissioned) the Soviet Union can have 950 SLBMs on 62 modern submarines by 1977. The U.S.S.R. is proceeding with a missile submarine construction program consistent with the agreement.

What criticism there has been of SALT I relates to this interim freeze agreement, which critics claim is unfavorable to the U.S. Some believe that the agreement does no more than reflect what likely would have happened in the absence of the agreement. To that extent it is neither good nor bad, but neutral. And usually critics tend to overlook the provision requiring Soviet ICBMs to be decommissioned as new SLBMs become operational beyond 740.

Both sides continue to improve the quality of their offensive strategic forces and the U.S. is adding large numbers of warheads by MIRVing ICBMs and SLBMs. The U.S. has also accelerated its program for Trident, the new missile submarine construction program. Even so the first submarine of this class will be commissioned after the freeze period of five years has elapsed. The U.S.S.R. is conducting major tests of MIRV systems (almost five years after first predictions that they would soon do so) and presumably will deploy some very large yield MIRVed missiles before the freeze ends. The existence, if not the scope of these Soviet programs should not cause surprise to the Administration since Chairman Brezhnev told President Nixon in Moscow in May 1972 that the U.S.S.R. intended to go right ahead with its strategic force modernization plans.

Why were ABMs limited by treaty and offensive missiles only covered by an "interim agreement" permitting additional construction of existing weapons systems, new systems to be started and existing systems to be improved? I think it was owing to a number of considerations, among them the then U.S. monopoly of MIRV systems, U.S. progress in deploying ABMs, and Soviet unwillingness to agree on defining an equal aggregate limit on central strategic systems (ICBMs, SLBMs and heavy bombers) in a way acceptable to the U.S.

Neither side considered it timely or feasible to bring MIRVs under control in an initial agreement. The U.S. considered its MIRV lead as a compensating factor for the Soviet ICBM lead—the U.S.S.R. probably did not want to freeze a U.S. advantage in a type of weapon technology in which it was well behind.

The Soviet Union claimed that American advantages in other respects warranted its having more of the central systems than the U.S. The U.S. could deliver nuclear weapons against the U.S.S.R. from non-central systems located on bases in Europe and the Western Pacific; the U.S.S.R. had no such forward bases from which to strike the U.S. The U.S. also has bases for strategic ballistic missile submarines close to the U.S.S.R.; the U.S.S.R. did not deploy such submarines, for example, in Cuba. The U.S. allies, Britain and France, target submarine launched missiles against the U.S.S.R.; the U.S.S.R. has no allies with such capability.

The U.S. said that these conditions were not relevant to a balance of the strategic forces of the two countries and that other asymmetries (in medium bombers, IR/MRBMs and seaborne cruise missiles) which favored the U.S.S.R. weighed heavily in the strategic equation. The U.S.S.R. then pressed for a separate ABM treaty first proposing to leave for later a treaty covering strategic offensive forces. The U.S. would not agree. (Incidentally, these differing positions represented a reversal of earlier positions where the U.S. had favored ABM controls as a matter of urgency and the U.S.S.R. had insisted on offensive weapons controls at the same time.) The SALT negotiations were deadlocked on this issue for about a year until the Nixon-Brezhnev agreement of May 1971 to seek first an AMB treaty and later on a treaty covering strategic offensive forces. In the meantime there would simply be an interim agreement on "certain measures" to freeze offensive forces approximately at their then levels.

U.S. leaders had forcefully criticized Soviet ICBM deployments for several years. When this May 1971 agreement was reached, the U.S.S.R. evidently believed that these "certain measures" would only cover ICBMs. The U.S.S.R. may also have calculated that by that time they had enough ICBMs.

But after May 1971, the U.S. continued to press strongly for constraints on SLBMs. About a month before the Moscow summit meeting of May 1972, the U.S.S.R. finally agreed in general to "certain measures" covering SLBMs on condition that they could continue an SLBM modernization program.

Both sides recognized that the interim agreement was a device to permit an ABM treaty to precede an offensive systems treaty. This partial separation of treaty arrangements for defensive and offensive weapons systems probably was necessary to start the process of controlling strategic arms while maintaining the U.S. view as to the strategic inseparability of offensive and defensive considerations. The U.S. position against a completely separate ABM treaty was that until it knew what the likely Soviet offensive threat would be, it would not agree to limits on its ABMs.

The U.S. has not incurred the billions of dollars required by the full Safeguard program or even the four site program for defense of ICBM fields. The difficult penetration problem posed for U.S. deterrent forces by the prospective Soviet nationwide ABM force has disappeared. The so-called SAM upgrade danger is no longer a major concern. The future deterrent value of each U.S. warhead has increased substantially. Reflecting the rationale leading to ABM limitation, the Administration is moving to reduce strategic antiaircraft defenses. If a country has foresworn any significant defense against missiles it is difficult to make a case for defense against aircraft.

Very little attention has been given to the significant qualitative limitations contained in the ABM Treaty. In effect any deployment of modernized ABM systems is ruled out if they involve techniques other than launchers, missiles and radar. Allowed radars also are qualitatively limited. In another important, though little noted, development the legitimacy of national means of verification has been codified by the treaty which expressly bases its verification on such means and rules out interference therewith.

It may be well to recall that the freeze only affects two kinds of strategic systems—ICBMs and SLBMs. The U.S. intercontinental bomber force (which is much larger and more effective than the U.S.S.R.'s) is unaffected, and a new U.S. heavy bomber, the B-1, is under development. The U.S. is free to deploy airborne ICBMs and an R&D program is underway. ICBMs on surface ships—considered seriously in the past—are also beyond the control of the freeze, as are strategic cruise missiles for which a development program has been started. Such programs may or may not be needed. But their availability does not suggest that the U.S. has been unduly shackled by the interim freeze.

In fact the interim agreement placed no constraints on actual U.S. programs. The U.S. had no plans to increase numbers of ICBMs, or within the next five years SLBM submarines; the U.S. was free to continue its MIRV and SRAM programs and to move with its Trident and B-1 programs. If the U.S. had thought it lacked in missile throw-weight to carry out force missions or to present sufficient psychological thrust, the present ICBM force throw-weight could be increased two or three times and still be consistent with the interim agreement. One might conclude that the U.S. made this agreement precisely because its ongoing improvement programs were unaffected by it and it had no new strategic missile launcher construction programs which the agreement would constrain.

It may not be surprising that the U.S. pressed for (and obtained) a longer term for this interim agreement than the U.S.S.R. initially wanted. The main advantage to the U.S. in the interim agreement, beside easing the way for the ABM Treaty, was to put some limit, albeit a high one, on the Soviet missile launcher construction program, the end of which was uncertain before the agreement. The United States obtained a degree of certainty that it did not previously have as to the upper limits of both the Soviet ICBM and SLBM programs, both by establishing ceilings and by requiring destruction of over 200 older ICBMs if the U.S.S.R. wanted to reach the SLBM ceiling. Especially important at the time was the added assurance that launchers for Soviet very large missiles would be limited to a number substantially lower than earlier U.S. estimates.

There has been criticism that the U.S.S.R. gained psychological advantage from the interim agreement's freezing the then existing Soviet ICBM numerical advantage and from the provision that during the period up to 1977 it could build up to 62 modern missile submarines (if it reduced its ICBMs by a substantial number) while the U.S. SLBM fleet during the five years was limited to 44 submarines. But even if the U.S. had not agreed to the freeze, it could not have deployed additional modern SLBM submarines before 1977.

And for the post-1977 period, the U.S. is mounting a major new sea-based force of 10 Trident submarines which could be additional to the existing 41 submarines and development of a second new SLBM submarine program is projected in the DOD FY '75 budget request.

Psychological nuclear advantage or disadvantage is not easy to pin down. The U.S. labored under a psychological nuclear disadvantage in the period just after the Sputnik in 1957 and in the days of the alleged missile gap in 1960. In retrospect it seems fair to say that the facts did not warrant the belief. In calculating psychological nuclear advantage and disadvantage it is important to be somewhat agnostic. A hypochondriac may be well physically but be a sick man. It should be possible to make the case for substantial appropriations to keep U.S. strategic forces up to date without artificially creating a psychological disadvantage by "poor-mouthing" the immense and still rapidly increasing U.S. strategic capabilities.

But there is natural concern in the U.S. as to what the U.S.S.R. is up to in continuing to enlarge its ICBM force's capability beyond what we conceive to be needed for deterrence. The Soviets are well aware that U.S. officials have been concerned on this score for some years. Perhaps a purpose of these deployments is to keep the U.S. guessing and thus, in the Soviet mind, to keep the U.S. in a less aggressive posture than the U.S.S.R. calculates it might otherwise be. The U.S.S.R. may also be practicing the art of bargaining chipmanship estimating that the U.S. may pay a substantial price to get some relief from the prospect of the U.S.S.R.'s mounting a major threat to American ICBMs. Or the Soviet political leadership may have made some temporary concessions to their military chiefs in return for their acceptance of the SALT I agreements. But the alternative remains that they have in mind a definite strategic mission or a drive for "superiority" unless conditions are changed by what they consider a suitable treaty. While there may be differences of opinion as to whether, and if so what, the appropriate American reaction to the Soviet ICBM moves should be, there are no grounds for American complacency in the face of these Soviet ICBM developments. But it should be kept in mind that no matter what the throw-weight or accuracy of the Soviet ICBM force, it does not offer a threat to the overall U.S. strategic forces whose deterrent effect should persist.

The main benefit of SALT I was to foreclose a costly, dangerous, and probably meaningless competition in ABMs. The "measures" affecting offensive weapons are less significant; for the U.S. there are no real constraints on its freedom of action. But the ABM benefit has real effect in foreclosing a potential instability that might have increased the risk of nuclear war. The aggregate missile launcher freeze approximately reflected the deployment situation at the time of the agreement.

III

What are the prospects for a SALT II agreement? The prospects are shaped, in part, by the legacy of SALT I. That legacy is:

First, it proved that important strategic arms limitations, both quantitative and qualitative, can be negotiated by the U.S.S.R. and the U.S., to wit, the ABM Treaty.

Second, it left the offensive weapons competition in good measure qualitatively uncontrolled.

The June 1973 Nixon-Brezhnev agreement recorded a commitment of the two countries to use their best efforts to reach a SALT II agreement this year, either another intermediate type of arrangement or hopefully a comprehensive treaty covering offensive strategic weapons. There is no justification for undue speed in negotiation nor for excessive U.S. strategic budgets to pressure the Soviets. We should try to work out an agreement, regardless of how long it takes, which has a good prospect of continuing in force indefinitely. If this is not feasible another interim agreement to "hold the situation" may be useful.

First the U.S. should try to get a limit or limits on the aggregate number of central offensive strategic systems, ICBMs, SLBMs and intercontinental bombers. It would be good, if, in addition, equitable and verifiable qualitative controls notably on MIRVs, throw-weight and accuracy were negotiable, but a SALT II agreement equitably limiting launcher numbers would be meaningful. Even though such limits would be at high levels, the fact that the sides had agreed to force numbers should have some stabilizing effect.

The central obstacle to agreeing on numbers is the difficulty of agreeing on what constitutes "essential equivalence." As mentioned earlier, the U.S.S.R. argues that the United States has certain advantages from forward basing certain weapon systems and from its allies' strategic nuclear capabilities. It says these advantages would make an agreement unfair which restricted them to the same aggregate number of ICBMs, SLBMs and intercontinental bombers. Assume the situation were reversed and the U.S.S.R. had fighter bombers say at Goose Bay, Canada, on airfields in Southern Mexico, attack aircraft carriers in the Caribbean and near Alaska, the U.S.S.R.'s two oldest allies had programmed nine SLBM submarine and were under no inhibition against increasing their strategic forces, and if the U.S. did not have forward-based fighter bombers and did not have allies with submarine launched ballistic missiles targeted on the U.S.S.R., would the United States then consider itself in a position of equality if it were limited to the same aggregate number of SLBMs, ICBMs and intercontinental bombers as the Soviet Union?

But the picture is more complicated. The U.S.S.R. also has advantages, e.g., IR/MRBMs targeted on Western Europe, a large medium bomber force targeted on U.S. allies and capable of one-way missions against the U.S., and a fleet of cruise missile submarines.

An important asymmetry is that the U.S. strategic programs and policies are public knowledge while the Soviets never publicize their strategic programs and policies except in very general terms. But even here the advantage may not lie entirely in one direction. The U.S.S.R. must calculate that U.S. declaratory policy and U.S. actual policy probably differ. They must be strengthened in this belief by statements such as the following which appears in the Annual Defense Department report for FY '75:

"Although several targeting options including military only and military plus urban industrial variations have been a part of U.S. strategic doctrine for quite some time, the concept that has dominated our rhetoric for most of the era since World War II has been massive retaliation against cities or what is called assured destruction."

Reaching agreement on what constitutes equivalence under these conditions of asymmetry will be an extremely difficult matter even assuming that both sides see serious advantage in reaching agreement. In view of the fact that U.S. submarine bases at Holy Loch, Scotland and Rota, Spain, are a wasting asset—both because they will not be as necessary when Tridents are commissioned and because rights to them may be terminated even sooner by host countries—a concession about them if matched by a Soviet counter concession might help to reach agreement. Under present circumstances perhaps the best that could be worked out may be some arrangement reviewable, say at five-year intervals. If the circumstances obtaining at the start of the agreement change, appropriate changes would have to be negotiated.

Assuming that agreement could be reached on essentially equivalent numbers of central strategic systems, a strong case can be made for significant mutual reductions. But I should not be surprised if the U.S.S.R. continues to take the position it took in SALT I that reductions in strategic forces should be left for the future—that a first treaty limiting offensive arms should aim for the presumably less difficult goal of limitation at approximately present levels. On this score the Nixon-Brezhnev agreement of June 1973 spoke of "more complete limitations of strategic offensive arms, as well as their *subsequent reduction. . . .*" (Emphasis added.) In a press conference last June Secretary Kissinger said that the U.S. would make proposals for initial limitations to be followed by ultimate reductions. A reduction program appeals to the U.S. for several reasons. Equality could be reached less painfully if the Soviets reduced the aggregate number of launchers to the U.S. level than if the U.S. built up to an equal level permitted by a treaty. Some programs involving U.S. reduction of its large bomber fleet in return for Soviet missile reduction may be negotiable and substantially reduced strategic forces on both sides would continue to be militarily and psychologically sufficient while probably constituting a somewhat more stable relationship between the countries.

It is said by many that MIRV control is the key to success in SALT and the U.S. should stretch its ingenuity to try to develop a verifiable control arrangement to this end. The only national means (not on-site inspection) to verify MIRV controls of which I am aware is to check on missile testing. A MIRV test ban would have been much less difficult in 1969 than now since both sides had not tested sufficiently to deploy a reliable MIRV system. A U.S. Arms Control Agency proposal to this effect was not adopted by the U.S. Government. But there is no evidence that the U.S.S.R. would have accepted such a proposal. The U.S. MIRV ban at SALT I included on-site inspection and would have permitted the U.S. to continue MIRV production, conditions that, whether so intended or not, may have made the proposal unacceptable. In any event the U.S.S.R. showed no interest. Both the U.S. and the U.S.S.R. have stated their intention to try to reach agreed qualitative limitations in SALT II. MIRV control of some sort should be a leading candidate, perhaps tied into some limitation on missile throw-weight.

It bears repeating that no amount of Soviet MIRVing can threaten the integrity of the overall U.S. strategic forces of SLBMs, bombers and fixed-based ICBMs. Even if the U.S.S.R. could after a number of years mount a serious threat to the U.S. ICBMs in the face of certain retaliation by SLBMs and bombers, this element of the threat alone should not negate the U.S. deterrent posture. The Defense Department report FY 75 seems to reflect this fact in its explicit acceptance for the first time of the position that the three U.S. strategic forces need not each provide an independent assured destruction capability. Testifying before the Senate Foreign Relations Committee recently, Secretary Schlesinger in the curious language of the modern weapon bureaucrat said "in my posture statement there is a switch away from what I will call the canonical logic of the Triad," and that "to some extent, I think the rationale of the Triad was a rationalization." The Triad of forces will be continued but the concept of three independent retaliatory capabilities apparently is being shelved. It may be worth noting that this Triad concept had never been official doctrine, but had been used to good effect as an argument at appropriation time. Is it too much to hope that downgrading of the three independent forces aspect of this concept may perhaps foreshadow a reduction in reliance of fixed ICBMs and their ultimate replacement with some type of sea-based missiles?

Another, and somewhat limited possibility, for SALT II might be for the sides to agree not to construct the second ABM site permitted by the ABM Treaty of 1972. Present U.S. congressional non-support for such a deployment would make such an agreement seem relatively costless. To my mind, an even better provision would be for both sides to agree upon a complete ABM ban. In 1971 in SALT when the U.S. delegation was instructed to take soundings, the U.S.S.R. showed some apparent interest in such a ban. On this score there have been no reports that the Soviets have moved to increase their existing Moscow ABM deployment beyond the 64 launchers and two modern radars there when SALT I was signed despite the higher deployment levels allowed.

I do not believe that proposals for antisubmarine warfare controls to strengthen SLBM survivability are urgent or sufficiently well thought through, realistic, or in the U.S. interest at this time. Antisubmarine forces have another role as part of the general purpose forces of the sides and are not readily separable for strategic arms control purposes.

In summary, SALT II is a more difficult negotiation than SALT I. It may well take longer than the 2½ years of SALT I. 1974 should not be considered a deadline because of the "best efforts" general agreement of President Nixon and Chairman Brezhnev in June 1973. Qualitative limitations are essential fully to control strategic arms competition, but they may not be negotiable in this round. The apparent U.S. foreshadowing of a move to place less reliance on ICBMs may make agreement somewhat less difficult to reach. To the extent that these weapons have inherent vulnerability, this lessened dependence should make for greater stability in a crisis.

IV

Limiting offensive strategic arms is a difficult enough task. It may be more difficult if a strategy contemplating the possibility of limited strategic nuclear war is at the same time being adopted and weapons therefore are being deployed by the two sides.

A new element has been brought into SALT II. The United States is said to be changing its nuclear strategic concept and targeting procedures from a second-strike assured destruction policy to put more emphasis on a counterforce potential, for use in either a first (but not disarming) or in a retaliatory second-strike.

Before discussing this proposed change, and expressing doubts as to its wisdom, let me say that there is no more difficult dilemma, both moral and technical, for officials responsible for national and allied security than this matter of planning nuclear strategy. It does violence to reason to program nuclear forces for a use that would end both the enemy's and one's own societies. All American Presidents and Secretaries of Defense since the war have wrestled with this horrible dilemma. They are well aware of the claims that if a strategy would make nuclear weapons' use somewhat less catastrophic, it would at the same time make that use somewhat less unlikely. They all have searched their minds for some rational use of nuclear weapons if deterrence were to fail. I believe they all have felt the prick of conscience at using the threat of holocaust as the main deterrent to aggression. They all have worried that its apparent effectiveness would diminsh as U.S. superiority lessened. John Foster Dulles, shortly before his death 15 years ago, advised U.S. military chiefs that the day of the "massive retaliation" strategy was passing and that they must work on new strategic concepts and new weapons systems. The question now is whether the new U.S. targeting concept and new weapons research and development to implement it go in the right direction and are timely.

Right at the start it should be clear that the U.S. at no time has had an exclusively "city busting" strategy. It is absurd to believe that U.S. missile and bomber forces with many thousands of warheads (nearly 8000 force loadings by July '74) have all been targeted on a few hundred built-up areas; it is also fair to surmise that most warheads already are targeted on important military centers, presumably including ICBM silo launchers. But that targeting presumably was in contemplation of a general nuclear war. Secretary Schlesinger now argues that we additionally need a limited strategic nuclear war capability to round out the spectrum of deterrence and to deter aggression and dispel any Soviet illusion that they can obtain nuclear superiority.

In assessing a different targeting doctrine, it is necessary to formulate a rational prediction of what a limited nuclear war involving strategic weapons would involve. One scenario considered is an enemy first strike which destroys a substantial number of U.S. ICBMs. Parenthetically this would cause millions of American casualties by radioactive fallout from the ground bursts required to destroy missile silos.

The idea is that the President then should have the option to destroy enemy ICBM silos. And for this purpose, the U.S. should have, not necessarily more, but more accurate and larger yield missiles than at present, as well as the command and control improvement already authorized.

If a less than all-out reaction to such an attack should be planned, would it not be sensible to target enemy military centers, airfields, storage sites, communication centers, etc., all of which can now be selectively destroyed with present U.S. weapon systems rather than to to strike ICBMs? If a massive conventional force attack was launched against our European allies, would a counter attack on Soviet ICBMs be logical?

Would there be added security for the United States to have more and better silo-killer missiles? Will the situation be better if both sides develop such capabilities? Are they not likely in that event to replace fixed-based ICBMs with less vulnerable sea-based systems? Would the U.S. be better advised—as recently hinted at by Arms Control Agency Director Fred Iklé and proposed by the Federation of American Scientists—to start taking this ultimate now, rather than going through the intermediate and costly phase of building up a silo-killer capability with an ICBM system which is gradually becoming more vulnerable?

As we move away from the concept that the ICBM force alone must have the potential to withstand a first strike and to retaliate by inflicting intolerable damage on the U.S.S.R., we gain confidence that neither side can achieve a disarming first-strike capability. Both Secretary Schlesinger and Air Force Chief of Staff Brown have recently so stated. Secretary Schlesinger's assurance was categorical: "There is just no possibility that a high confidence disarming first strike is attainable for either side, *even against the ICBM components of the strategic forces on both sides* and certainly not against both sets of forces, SLBMs and ICBMs," (Emphasis added.) Our concern now is that the U.S.S.R. could be modernizing its ICBM force and achieving a counterforce first-strike capability which at least for psychological reasons we should match—presumably not just the capability but the first-strike strategy as well. A second strike against empty ICBM silos does not seem sensible. It is not clear that such a state of affairs would be in the U.S. security interest.

The time is past when any sane leader could consider nuclear war of any sort as anything but a potentially terminal event for his nation. Wars have a dynamism of their own, and nuclear war, no matter how started, is most likely to end in the mutual destruction of both sides. Is it possible to develop forces and a strategy for their use against the possibility of an insane enemy leader? If both sides plan for that contingency, a tense and uncertain strategic balance may well develop.

Entering a "counterforce" race with the Soviets would also be a waste of resources that are in short supply. Certainly U.S. strategic forces should be kept up to date for their deterrent mission, but I question whether the security of the United States would be increased by entering into or even by "winning" a "counterforce" race. If we have available additional resources for defense purposes, a more urgent claim seems to be for modernization of general purpose forces—especially air and naval forces.

And before setting out on a counterforce race, it would be well to keep in mind that the logic arguing for a greater counterforce potential may very well drive the nation toward a launch-on-warning doctrine, hardsite ABM defense of ICBMs and eventually to a nationwide fallout shelter program. For the U.S. to be prepared for a limited nuclear war of counterforce without protecting its population from radiation, will not appear to the Soviets as a "real" American policy, but merely another "rhetorical" position. It will hardly demonstrate determination of U.S. leaders to keep a tougher will than potential enemy leaders.

In programming new offensive systems and in planning how to target them, we should keep in mind that the prize benefit of SALT I was the ABM Treaty. It would be a severe loss if as a result of moving to counterforce concepts, we concluded that ABMs were again needed and the treaty were denounced.

The question of a changed U.S. nuclear targeting policy and developing new weapons to implement it, understandably generates emotion and confusion—especially as the purpose for the change is as yet unclear. The motives cited seem a mixture of presidential wishes to have a rational strategic role for nuclear weapons, an attempt to deter the U.S.S.R. from deploying a large counterforce capability and an attempt to influence the U.S.S.R. to adopt U.S. ideas as to what a fair SALT II agreement would be. Secretary Schlesinger, speaking of the change in strategy, said at a press conference on January 10, 1974, "This intersects with the issue . . . (of) our position at SALT, but it is quite distinct from that position." The overall impression from this and other statements about the relation of the change of targeting policy to SALT, and to our strategic force structure is that clarification is still needed.

The Administration may be interested not so much in giving the President options other than to strike cities—some of which he already admittedly possesses—but in trying to deter the U.S.S.R. from deploying large numbers of high-yield MIRVed ICBMs, which could threaten the U.S. ICBM force, by starting to develop a U.S. capability to destroy the U.S.S.R. ICBM force. This weapons development move would be a signal to the U.S.S.R. in the guise of a "bargaining chip," a "hedge" or an "insurance policy." As I understand it, the U.S. may be saying to the Soviet Union, if you are to have a large counterforce capability which can threaten to destroy our entire ICBM force, we are going to have a similar capability, not because we see a military need for such, but because it is necessary for our concept of equivalence. Not only must one have equivalence in number of launchers, but equivalence of strategies—or at least weapons capabilities to implement equivalent strategies. It seems clear that this could place a very heavy burden on the strategic arms control negotiations as well as risking undermining any negotiated "equivalence." It also seems to place much too high a value on fixed ICBMs and would argue for maintenance rather than their reduction or elimination.

Another possible interpretation of the new strategy is that it is an effort to get the U.S.S.R. interested in solving in SALT the question of ICBM vulnerability—by foreshadowing a day when the entire Soviet ICBM system will be destructible by a part of the U.S. strategic force.

Whatever its purpose the open-ended nature of the new strategy is reflected in the following extract from the Defense Department Report FY '75:

"Not only must our strategic force structure contain a reserve for threatening urban-industrial targets, the ability to execute a number of options, and the command-control necessary to evaluate attacks and order the appropriate responses; it must also exhibit sufficient and dynamic countervailing power so that no potential opponent or combination of opponents can labor under any illusion about the feasibility of gaining diplomatic or military advantage over the United States."

The new strategy seems an improper mixing of quite separate matters. It suggests that if the Soviets agree to "essential equivalence" of strategic forces, the U.S. would forego giving the President additional options and a substantial counterforce capability. But where is the logic in saying that we need such a capability now but would settle for "assured destruction" in the event of a SALT II agreement. Either we will maintain "essential equivalence" by agreement or by unilateral action. A counterforce capability is needed by the U.S. or not needed whether or not there is an offensive weapons limitation treaty. The threat to go for it if the U.S.S.R. does not accept our idea of a reasonable SALT II agreement seems out of place. We might well get wedded to this apparently dangerous doctrine and pursue it even under conditions of a SALT II agreement. It would be ironic if the U.S. adopted a counterforce doctrine because it was engaged in negotiations looking to strategic arms limitations. Unless the case for the new strategy can be made much more persuasive, the earlier Nixon position against developing his capability appears to be wiser.

In conclusion, SALT I was a good start on strategic arms control. The ABM Treaty is a solid bar to what could have been a massive and tremendously expensive and potentially destabilizing competition for defense against strategic missiles and not deploying more offensive missiles. It should be continued even if SALT II does not result in a treaty limiting offensive weapons.

The U.S. force of offensive weapons is sufficiently strong and present modernization programs sufficiently effective so that there need be no rush to negotiate an offensive weapons treaty nor to become precommitted to new strategic programs if SALT II does not succeed by a given date. Arbitrary timetables could lead to improvident arrangements. Indeed I would urge that if the five-year freeze arrangement lapses, this should not lead to alarms or a sense of crisis. The search for strategic balance acceptable to the two sides according to each's perceptions should persist. The U.S. should have appropriate nuclear strategic concepts snd targeting doctrine contributing to stability, restraint and reduction of risk of war independent of the state of negotiations for strategic arms limitations.

THE PRESIDENT SIGNS A BILL TO COMBAT ALCOHOLISM

Mr. PERCY. Mr. President, last week President Nixon signed into law S. 1125, the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1973. This measure authorizes the expenditure of more than $400 million during the next 3 years to combat alcoholism in this country. These funds will be money well spent.

The seriousness of the alcohol problem in the United States is claiming increasing governmental and public attention. In a cover story on April 22, 1974, Time magazine offered these alarming facts:

From 1960 to 1970, per capita consumption of alcohol in this country increased 26 percent. We now consume an average of 2.6 gallons of straight alcohol per adult per year.

About 1 in 10 of the 95 million Americans who drink is now either an alcoholic or a problem drinker.

Alcoholism ranks behind only heart disease and cancer as one of the Nation's most serious health problems.

At least half of the annual 55,500 traffic fatalities in the United States are alcohol related.

In 1968, the Supreme Court findings in Powell against Texas provided much-needed impetus to efforts to view alcoholism as a problem for medical and rehabilitative treatment rather than for criminal justice. The majority of the Justices agreed that an alcoholic is powerless to change his condition through a simple act of will. Five of the nine Justices agreed that alcoholism is a disease, that an alcoholic drinks involuntarily, and that an alcoholic who is homeless cannot be convicted for his public intoxication. This opinion in effect denied the responsibility of the courts for dealing with the symptoms of alcoholism and challenged our society to deal with alcoholism through extra-legal means. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1973 provide another significant step toward that goal.

I wrote to President Nixon urging him to sign S. 1125, and I commend him for doing so. I would now urge the administration to develop a budget request reflecting the new authority. Further, I encourage the Senate and House Appropriations Committees to respond with appropriations figures for fiscal year 1975 that will allow the Federal Government to deal effectively with the increasingly critical problem of alcoholism.

COMPARISON OF CONFERENCE REPORT ON LEGAL SERVICES (H.R. 7824) WITH HOUSE AND SENATE BILLS

Mr. HELMS. Mr. President, on May 13 I made an initial statement about the conference report on the bill to establish an independent Legal Services Corporation, giving some quick impressions of major issues which are raised by the so-called "compromise bill."

An exhaustive comparison of the House bill, as passed, and as modified by the conference, has now been completed. I believe it further fortifies what I said before. This is a bill which would authorize public funding to a private organization, at the rate of $100 million per year. The private Legal Services Corporation, so established, could—in turn—assign resources to other organizations even further removed from public accountability. The safeguards of the House bill have been seriously eroded; and the permissiveness of the Senate bill has been retained.

I believe that excessive and unaccountable grants of power are wrong, whether made by Presidents or to politicized legal services attorneys.

This detailed comparison cites some 25 important differences in H.R. 7324, as passed by the House of Representatives on June 21, 1973, and as modified by the Senate-House conference committee report of May 8, 1974. On each point, the text of the House bill is cited first, and followed by the text of the conference bill, while a short comparison points up the significance.

Mr. President, I ask unanimous consent that this comparison of 25 important differences be printed in the Record at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

Comparison of 25 Important Differences in H.R. 7824, as Passed by the House of Representatives on June 21, 1973, and as Modified by the Senate-House Conference Committee Report of May 8, 1974

1. PREAMBLE

House Bill: To establish a Legal Services Corporation and for other purposes. Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Legal Services Corporation Act".

Conference Bill: That this Act may be cited as the "Legal Services Corporation Act of 1974".

Sec. 2. The Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new title: "Title X—Legal Services Corporation Act."

Comparison

The Conference Bill places the Corporation under the Economic Opportunity Act. The House Bill would have made the legal services program free of the EOA, and free of the implication that the Committee on Labor and Public Welfare, rather than the Committee on the Judiciary, should have oversight.

2. STATEMENT OF PURPOSE

House Bill: (No Provision)

Conference Bill: "Statement of Findings and Declaration of Purpose

"Sec. 1001. The Congress finds and declares that—

"(1) there is a need to provide equal access to the system of justice in our Nation for individuals who seek redress of grievances;

"(2) there is a need to provide high quality legal assistance to those who would be otherwise unable to afford adequate legal counsel and continue the present vital legal services program;

"(3) providing legal assistance to those who face an economic barrier to adequate legal counsel will serve best the ends of justice;

"(4) for many of our citizens, the availability of legal services has reaffirmed faith in our government of laws;

"(5) to preserve its strength, the legal services program must be kept free from the influence of or use by it of political pressures; and

"(6) lawyers providing such services must have full freedom to protect the best interests of their clients in keeping with the Code of Professional Responsibility, the Canons of Ethics, and the high standards of the legal profession.

Comparison

There is no such section in the House Bill. The language of the Conference Bill is included to convey a presumption of legislative intent "to continue the present vital legal services program," implying sanction of existing regulations, procedures, policy goals, and organizational beneficiaries. It is also intended to imply a "full freedom" from accountability to elected representatives of the people, seemingly establishing a preference for accountability to the utterances of the American Bar Association, with respect to behavior and policy issues not specifically defined in the Act.

3. 1978 LIQUIDATION OF CORPORATION

House Bill: (d) The corporation created under this Act shall be deemed to have fulfilled the purposes and objectives set forth in this Act, and shall be liquidated on June 30, 1978; unless sooner terminated by Act of Congress.

Conference Bill: (No Provision)

Comparison

The Conference Bill eliminates this provision of the House Bill and would make the Corporation a permanent bureaucratic institution, like the Department of Commerce, rather than an experimental entity, like OEO, more readily subject to reform.

4. TERM OF OFFICE

House Bill: For purposes of this subsection, the term of office of the initial members of the board shall be computed from the date of enactment of this Act.

Conference Bill: The term of initial members shall be computed from the date of the first meeting of the Board.

Comparison

Under the House Bill, five of eleven board members would likely come up for reappointment in 1976. Under the conference bill, it is likely that terms would expire near the beginning of the next Presidential term, in 1977.

5. APPOINTMENT OF BOARD CHAIRMAN

House Bill: (d) The President shall select from among the voting members of the board a chairman, who shall serve for a term of one year.

Conference Bill: "(d) The President shall select from among the voting members of the Board a chairman, who shall serve for a term of three years. Thereafter, the Board shall annually elect a chairman from among its voting members.

Comparison

Under the House Bill, accountability would be increased by permanently reposing in the President of the United States power to designate the Chairman of the Corporation's Board of Directors. The Conference Bill would, after the first appointment, let the Corporation board choose its own Chairman.

6. CHOICE OF STATE ADVISORY COUNCIL

House Bill: (f) Within six months following the appointment of all members of the board, the board shall request the Governor of each State to appoint a nine-member advisory council for his State. A majority of the members of the advisory council shall be chosen from among the lawyers admitted to practice in the State and the members of the council shall be subject to annual reappointment.

Conference Bill: "(f) Within six months after the first meeting of the Board, the Board shall request the Governor of each State to appoint a nine-member advisory council for such State. A majority of the members of the advisory council shall be appointed, after recommendations have been received from the State Bar Association, from among the lawyers admitted to practice in the State, and the membership of the council shall be subject to annual reappointment.

Comparison

The House Bill gives the Governor a free hand. The Conference Bill requires that the Governor await recommendations from the State Bar Association before acting, insofar as the lawyer members of the advisory council are concerned.

7. PROTECTION OF INCUMBENT VALUES

House Bill: (No Provision)

Conference Bill: "(2) No political test or political qualification shall be used in selecting, appointing, promoting, or taking any other personnel action with respect to any officer, agent, or employee of the Corporation or of any recipient, or in selecting or monitoring any grantee, contractor, or person or entity receiving financial assistance under this title.

Comparison

There is no comparable language in the House Bill. The effect of this provision is to prevent the Corporation boards of directors from dealing with organizational recipients or employees on the basis of the political beliefs which they favor. This works two ways: in blocking the imposition from above of policy goals; and in preventing interference by elected officials with the political objectives being advanced by recipient programs and their self-constituted governing boards.

8. STATEMENT OF NON-FEDERAL ACCOUNTABILITY

House Bill: (No Provision).

Conference Bill: "(e)(1) Except as otherwise specifically provided in this title, officers and employees of the Corporation shall not be considered officers or employees, and the Corporation shall not be considered a department, agency, or instrumentality, of the Federal Government.

Comparison

No comparable House language. The Conference Bill language is intended to assure that the accountability of the corporation to Congress and the President is limited to the areas specifically set forth in the Bill.

9. STATEMENT OF GRANT AND CONTRACT POWERS

House Bill: (1) To make grants to, and to contract with, individuals, partnerships, firms, organizations, corporations, State and local governments, and other appropriate entities (referred to in this Act as "recipients") for the purpose of providing legal assistance to eligible clients;

(2) To accept in the name of the corporation, and employ or dispose of in furtherance of the purposes of this Act, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise; and

(3) To undertake directly and not by grant or contract the following activities relating to the delivery of legal assistance—

(A) research, (B) training and technical assistance, and (C) to serve as a clearinghouse for information.

Conference Bill: "(1)(A) to provide financial assistance to qualified programs furnishing legal assistance to eligible clients, and to make grants to and contracts with—

"(i) individuals, partnerships, firms, corporations, and nonprofit organizations, and

"(ii) State and local governments (only upon application by an appropriate State or local agency or institution and upon a special determination by the Board that the arrangements to be made by such agency or institution will provide services which will not be provided adequately through non-governmental arrangements),

(A) for the purpose of providing legal assistance to eligible clients under this title, and (B) to make such other grants and contracts as are necessary to carry out the purposes and provisions of this title; . . .

. . ."(3) to provide, either directly or by grant or contract for—"(A) research (in accordance with the provisions of section 3* of the Legal Services Corporation Act of 1974).

"(B) training, and "(C) information clearinghouse activities relating to the provision of legal assistance under this title, and for the technical assistance in connection with the provision of legal assistance to eligible clients.

Comparison

The House bill would limit grants and contracts to those made "for the purpose of providing legal assistance to eligible clients" and would prevent the funding of "training and technical assistance" backup centers, requiring also that research and clearinghouse functions be performed under the authority and restrictions of the Corporation itself, which are more substantial than those of recipients. The Conference Bill would more broadly authorize grants and contracts for "individuals, partnerships, firms, corporations, and nonprofit organizations" and allow such others "as are necessary to carry out the purposes and provisions of this title." The Conference bill is significantly different also in that, except for research functions, it would perpetuate the backup centers indefinitely and bar aid to State and local governments for legal assistance activities, except where there is a special determination that such State and local roles would be necessary to supplement (rather than replace) privately controlled staff attorney projects.

* Sec. 3. (a) (1) Subject to the provisions of paragraph (2), the authority of the Legal Services Corporation under section 1006(a) (3) (A) of the Legal Services Corporation Act (title X of the Economic Opportunity Act of 1964) to make grants or enter into contracts for research in connection with the provision of legal assistance to eligible clients shall terminate on January 1, 1976.

(2) During the period June 30, 1975, through January 1, 1976, the Congress may by concurrent resolution act with respect to the duration of authority contained in such section 1006(a) (3) (A). If the Congress has failed to take any such action that authority shall automatically be extended until January 1, 1977.

(b) In order to assist the Congress to carry out the provisions of subsection (a) of this section, the Corporation shall conduct a thorough study of the efficiency and economy of the use of grants or contracts for research in connection with the support of the provision of legal assistance to eligible clients as distinguished from the direct provision of such research by the Corporation. The Corporation. shall report to the Congress and the President not later than June 30, 1975, on the findings of the study required by this subsection, together with such recommendations, including recommendations for additional legislation, as the Corporation deems appropriate.

10. TERMINATION PROCEDURES

House Bill: (b) (1) The corporation shall have authority to insure the compliance of recipients and their employees with the provisions of this Act and the rules, regulations and guidelines promulgated pursuant to this Act, and to terminate, after a hearing, financial support to a recipient which fails to comply.

Conference Bill: "(b) (1) The Corporation shall have authority to insure the compliance of recipients and their employees with the provisions of this title and the rules, regulations, and guidelines promulgated pursuant to this title, and to terminate, after a hearing in accordance with section 1011* of this title, financial support to a recipient which fails to comply.

Comparison

The privilege of Corporation-funded programs to continue is more substantial under the Conference Bill than under the House Bill, with a greater burden on the part of the Corporation to set forth evidence of violations by recipients before the Corporation is permitted to discontinue funding. This is a very important distinction, affecting the relevance and enforceability of all the law's sanctions and prohibitions.

II. PICKET, BOYCOTT, STRIKE

House Bill: (5) The corporation shall insure that its employees and employees of recipients, which employees receive a majority of their annual professional income from legal assistance under this Act, shall, while engaged in activities carried on by the corporation or by a recipient, refrain from participation in, and refrain from encouragement of others to participate in any picketing, boycott, or strike, and shall at all times during the period of their employment refrain from participation in, and refrain from encouragement of others to participate in: (A) rioting or civil disturbance; (B) any form of activity which is in violation of an outstanding injunction of any Federal, State, or local court; or (C) any illegal activity. The board, within ninety days of the date of enactment of this Act, shall issue guidelines to provide for the enforcement of this subsection; such guidelines shall include criteria (i) for suspension of legal assistance support under this Act, (ii) for suspension or termination of compensation to an employee of the corporation, and (iii) which shall be used by recipients in any action by them for the suspension or termination of their employees, for violations of this subsection.

Conference Bill: "(5) The Corporation shall insure that (A) no employee of the Corporation or of any recipient (except as permitted by law in connection with such employee's own employment situation), while carrying out legal assistance activities under this title, engage in, or encourage others to engage in, any public demonstration or picketing, boycott, or strike; and (B) no such employee shall, at any time, engage in, or encourage others to engage in, any of the following activities: (i) any rioting or civil disturbance, (ii) any activity which is in violation of any outstanding injunction of any court of competent jurisdiction, (iii) any other illegal activity, or (iv) any intentional identification of the Corporation or any recipient with any political activity prohibited by section 1007(a) (6) of this Act. The Board, within ninety days after its first meeting, shall issue rules and regulations to provide for the enforcement of this paragraph and section 1007(a) (5) of this Act, which rules shall include among available remedies, provisions in accordance with the types of procedures prescribed in the provisions of section 1011 of this Act, for suspension of legal assistance supported under this title, suspension of an employee of the Corporation or of any employee of any recipient by such recipient, and, after other remedial measures have been exhausted and after a hearing in accordance with section 1011 of this Act, the termination of such assistance or employment, as deemed appropriate for the violation in question.

Comparison

The Conference Bill introduces a significant loophole to the House safeguard by sanctioning aid to such activity by project employees whenever "permitted by law in connection with such employee's own employment situation." Resort to picketing, boycotts, or strikes may be legal, while remaining inappropriate for public subsidy.

12. INVOLVEMENT IN STATE BALLOT ISSUES

House Bill: (4) Neither the corporation nor any recipient shall contribute or make available corporate funds or program personnel or equipment for use in advocating or opposing any ballot measures, initiatives, referendums, or similar measures.

Conference Bill: "(4) Neither the Corporation nor any recipient shall contribute or make available corporate funds or program personnel or equipment for use in advocating or opposing any ballot measures, initiatives, or referendums. However, an attorney may provide legal advice and representation as an attorney to any eligible client with respect to such client's legal rights.

Comparison

The Conference Bill language introduces a significant loophole to substantially negate the House safeguard. Since activist groups with a vital interest in the outcome of state ballot initiatives, recalls, and referenda, are eligible clients under the bill, much would be permitted with respect to "representation."

13. REIMBURSEMENT OF INNOCENT PARTIES SUED

House Bill: (c) If an action is commenced by the corporation or by a recipient and a final judgment is rendered in favor of the defendant and against the corporation's or recipient's plaintiff, the court may upon proper motion by the defendant award reasonable costs and legal fees incurred by the defendant in defense of the action, and such costs shall be directly paid by the corporation.

Conference Bill: "(f) If an action is commenced by the Corporation or by a recipient and a final order is entered in favor of the defendant and against the Corporation or a recipient's plaintiff, the court may, upon motion by the defendant and upon a finding by the court that the action was commenced or pursued for the sole purpose of harassment of the defendant or that the Corporation or a recipient plaintiff maliciously abused legal process, enter an order (which shall be appealable before being made final) awarding reasonable costs and legal fees incurred by the defendant in defense of the action, except when in contravention of a State law, a rule of court, or a statute of general applicability. Any such costs and fees shall be directly paid by the Corporation.

Comparison

Under the Conference Bill, innocent parties sued would have to prove harassment or malice before they could have their legal costs reimbursed.

14. OUTSIDE PRACTICE OF LAW

House Bill: (4) Insure that attorneys, employed full time in legal assistance activities supported in whole or in part by the corporation, represent only eligible clients and refrain from any outside practice of law;

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*Sec. 1011. The Corporation shall prescribe procedures to insure that—(1) financial assistance under this title shall not be suspended unless the grantee, contractor, or person or entity receiving financial assistance under this title has been given reasonable notice and opportunity to show cause why such action should not be taken; and (2) financial assistance under this title shall not be terminated, an application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the grantee, contractor, or person or entity receiving financial assistance under this title has been afforded reasonable notice and opportunity for a timely, full, and fair hearing.

Conference Bill: "(4) insure that attorneys employed full time in legal assistance activities supported in major part by the Corporation refrain from (A) any compensated outside practice of law, and (B) any uncompensated outside practice of law except as authorized in guidelines promulgated by the Corporation;

Comparison

The Conference Bill's language making possible "uncompensated" outside practice of law undermines the intention of the House to block evasion of restrictions applicable to staff attorneys on the cover story that the prohibited conduct occurred on the attorney's own time, as part of his "outside practice."

15. LOBBYING

House Bill: (5) Insure that no funds made available to recipients by the corporation shall be used at any time, directly or indirectly, to undertake to influence any executive order or similar promulgation of any Federal, State, or local agency, or to undertake to influence the passage or defeat of legislation by the Congress of the United States, or by any State or local legislative bodies, except that the personnel of any recipient may (A) testify or make a statement when formally requested to do so by a governmental agency or by a legislative body or a committee or member thereof, or (B) in the course of providing legal assistance to an eligible client (pursuant to guidelines promulgated by the corporation) make representations necessary to such assistance with respect to any executive order or similar promulgation and testify or make other necessary representations to a local governmental entity;

Conference Bill: "(5) insure that no funds made available to recipients by the Corporation shall be used at any time, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order of any Federal, State, or local agency, or to undertake to influence the passage or defeat of any legislation by the Congress of the United States, or by any State or local legislative bodies, except where—

"(A) representation by an attorney as an attorney for any eligible client is necessary to the provision of legal advice and representation with respect to such client's legal rights and responsibilities (which shall not be construed to permit a recipient or an attorney to solicit a client for the purpose of making such representation possible, or to solicit a group with respect to matters of general concern to a broad class of persons as distinguished from acting on behalf of any particular client); or

"(B) a governmental agency, a legislative body, a committee, or a member thereof requests personnel of any recipient to make representations thereto;

Comparison

The Conference Bill permits attorneys "to undertake to influence the passage or defeat of legislation" where such pertains to representation of an eligible client. Again, the fact that issue advocacy organizations are "eligible clients" negates the very important House safeguard.

16. REVIEW OF APPEALS

House Bill: (7) Establish guidelines for consideration of possible appeals, to be implemented by each recipient to insure the efficient utilization of resources; except that such guidelines shall in no way interfere with the attorney's responsibilities;

Conference Bill: "(7) require recipients to establish guidelines, consistent with regulations promulgated by the corporation, for a system for review of appeals to insure the efficient utilization of resources and to avoid frivolous appeals (except that such guidelines or regulations shall in no way interfere with attorneys' professional responsibilities);

Comparison

Development of guidelines for appeals is a prerogative of the Corporation board of directors under the House bill; it is left to the recipients themselves under the Conference Bill.

17. BAN ON SUSPENSION OF FUNDING

House Bill: (No Provision).

Conference Bill: "(9) insure that every grantee, contractor, or person or entity receiving financial assistance under this title or predecessor authority under this Act which files with the Corporation a timely application for refunding is provided interim funding necessary to maintain its current level of activities until (A) the application for refunding has been approved and funds pursuant thereto received, or (B) the application for refunding has been finally denied in accordance with section 1011 of this Act; and

Comparison

No comparable House provision. This language in the Conference Bill would bar summary suspensions of funding by the Corporation, even for flagrant violations of law or regulation. It makes suspensions under the Corporation almost as difficult as terminations are under the Economic Opportunity Act legal Services provisions for OEO.

18. PRISONERS RIGHTS

House Bill: (b) No funds made available by the corporation under this Act, either by grant or contract, may be used—

(1) To provide legal assistance with respect to any fee-generating case (except in accordance with guidelines promulgated by the corporation), to provide legal assistance with respect to any criminal proceeding or to provide legal assistance in civil actions to persons who have been convicted of criminal charge where the civil action arises out of alleged acts or failures to act connected with the criminal conviction and is brought against an officer of the court or against a law enforcement official;

Conference Bill: "(b) No funds made available by the Corporation under this title, either by grant or contract, may be used— (1) To provide legal assistance with respect to any fee-generating case (except in accordance with guidelines promulgated by the corporation), to provide legal assistance with respect to any criminal proceeding, or to provide legal assistance in civil actions to persons who have been convicted of a criminal charge where the civil action arises out of alleged acts or failures to act for the purpose of challenging the validity of the criminal conviction and is brought against an officer of the court or against a law enforcement official;

Comparison

The House ban on "prisoners rights" activity relating to conditions of incarceration is negated by the Conference Bill.

19. PUBLIC INTEREST LAW FIRMS

House Bill: (3) To award grants to or enter into contracts with any private law firm which expends fifty per centum or more of its resources and time litigating issues either in the broad interests of a majority of the public or in the collective interests of the poor, or both;

Conference Bill: "(3) to award grants to or enter into contracts with any private law firm which expends fifty percent or more of its resources and time litigating issues in the broad interests of a majority of the public;

Comparison

The intended House Bill ban on aid to issue-advocacy, "legislation by litigation" public interest law firms is undermined by Conference Bill language which strikes the prohibition on firms which devote fifty percent or more of their resources "in the collective interests of the poor."

20. JUVENILE REPRESENTATION

House Bill: (6) To provide legal assistance under this Act to any person under eighteen years of age without the written request of one of such person's parents or guardians or any court of competent jurisdiction except in child abuse cases, custody proceedings, and PINS proceedings;

Conference Bill: "(4) to provide legal assistance under this title to any unemancipated person of less than eighteen years of age, except (A) with the written request of one of such person's parents or guardians, (B) upon the request of a court of competent jurisdiction, (C) in child abuse cases, custody proceedings, persons in need of supervision (PINS) proceedings, or cases involving the initiation, continuation, or conditions of institutionalization or (D) where necessary for the protection of such person for the purpose of securing, or preventing the loss of, benefits or securing, or preventing the loss or imposition of, services under law or in cases not involving the child's parent or guardian as a defendant or respondent.

Comparison

The exceptions set forth in the Conference Bill negate the House Bill with respect to criminal cases involving persons under eighteen (a very important negation), cases where the parents are not parties to the suit (an almost totally sweeping exception), and cases involving "services" to which the child is entitled (like abortions). As a result of the Conference Bill negations, the attorney is superimposed over the parent in deciding whether the child shall have legal representation.

21. CONTROL OF PROJECT BOARDS

House Bill: (c) In making grants or entering into contracts for legal assistance, the corporation shall insure that any recipient organized solely for the purpose of providing legal assistance to eligible clients is governed by a body at least two-thirds of which consists of lawyers who are members of the bar of a State in which the legal assistance is to be provided (except pursuant to regulations issued by the corporation which allow a waiver of this requirement for recipients which because of the nature of the population they serve are unable to comply with such requirement); such lawyers shall not, while serving on such body, receive compensation from a recipient or from the corporation for any other service.

Conference Bill: "(c) In making grants or entering into contracts for legal assistance, the Corporation shall insure that any recipient organized solely for the purpose of providing legal assistance to eligible clients is governed by a body of at least sixty percent of which consists of attorneys who are members of the bar of a State in which the legal assistance is to be provided (except that the Corporation (1) shall, upon application, grant waivers to permit a legal services program, supported under section 222(a)(3) of the Economic Opportunity Act of 1964, which on the date of enactment of this title as a majority of persons who are not attorneys on its policy-making board to continue such a non-attorney majority under the provisions of this title, and (2) may grant, pursuant to regulations issued by the Corporation such a waiver for recipients which, because of the nature of the population they serve, are unable to comply with such requirement) and which include at least one individual eligible to receive legal assistance under this title. Any such attorney, while serving on such board shall not receive compensation from a recipient.

Comparison

The Conference Bill provides a waiver from the requirement of attorney majorities on governing boards for all presently-funded legal services projects, thus totally negating the House reform.

22. APPROPRIATIONS

House Bill: Sec. 10. (a) There are authorized to be appropriated such sums as may be necessary to carry out the activities of the corporation. The first such appropriation may be made available to the board at any time after six or more members have been appointed and qualified. Funds appropriated pursuant to this section shall remain available until expended.

Conference Bill: "Sec. 1010. (a) There are authorized to be appropriated for the purpose of carrying out the activities of the Corporation, $90,000,000, for the fiscal year ending June 30, 1975, and $100,000,000 for the fiscal year ending June 30, 1976, and such sums as may be necessary for the fiscal year ending June 30, 1977. The first appropriation may be made available to the Corporation at any time after six or more members of the Board have been appointed and qualified. Appropriations shall be for not more than two fiscal years, and if for more than one year, shall be paid to the Corporation in annual installments at the beginning of each fiscal year in such amounts as may be specified in appropriation Acts.

Comparison

The House Bill would establish annual appropriations, with no pre-set level of authorization. Under the Conference Bill, the authorization level would rise to $100 million per year. Furthermore, the Conference Bill would allow two-year, rather than annual appropriations.

23. COMMINGLING

House Bill: (b) Non-Federal funds received by the corporation, and funds received by any recipient from a source other than the corporation, shall be accounted for and reported as receipts and disbursements separate and distinct from Federal funds, but shall not be expended by recipients for any purpose prohibited by this Act (except that this provision shall not be construed in such a manner as to make it impossible to contract or make other arrangements with private attorneys or private law firms, or with legal aid societies which have separate public defender programs, for rendering legal assistance to eligible clients under this Act).

Conference Bill: "(c) Non-Federal funds received by the Corporation, and funds received by any recipient from a source other than the Corporation, shall be accounted for and reported as receipts and disbursements separate and distinct from Federal funds, but such funds received for the provision of legal assistance shall not be expended by recipients for any purpose prohibited by this title; except that this provision shall not be construed in such a manner as to prevent recipients from receiving other public funds or tribal funds (including foundation funds benefiting Indians or Indian tribes) and expending them in accordance with the purposes for which they are provided, or to prevent contracting or making other arrangements with private attorneys, private law firms, or other state or local entities of attorneys, or with legal aid societies having separate public defender programs, for the provision of legal assistance to eligible clients under this title.

Comparison

The Conference bill language says public funds provided to recipients from sources other than the Corporation shall not be subject to the requirements established by law for Corporation funds and activities.

24. INDIRECT FEDERAL ASSISTANCE

House Bill: (No Provision)

Conference Bill: "Sec. 1012. The President may direct that appropriate support functions of the Federal Government may be made available to the Corporation in carrying out its activities under this title to the extent not inconsistent with other applicable law.

Comparison

The Conference Bill would enable a President of the United States to make available to the Corporation, without Congressional check, unlimited assistance of an "in-kind" nature: GSA vehicles, xerox machines, **printing and publication, vehicles, Federal** telecommunications services, etc.

25. PERSONNEL TRANSFER AND UNION AMENDMENTS

House Bill: (No Provision)

Conference Bill: . . . Personnel transferred to the Corporation from the Office of Economic Opportunity or any successor authority shall be transferred in accordance with applicable laws and regulations, and shall not be reduced in compensation for one year after such transfer, except for cause. The Director of the Office of Economic Opportunity or the head of any successor authority shall take whatever action is necessary and reasonable to seek suitable employment for personnel who do not transfer to the Corporation.

(c) Collective-bargaining agreements in effect on the date of enactment of this Act covering employees transferred to the Corporation shall continue to be recognized by the Corporation until the termination date of such agreements, or until mutually modified by the parties.

Comparison

The Conference Bill locks in the rather unusual OEO union agreement and other regulations related to the operations of the new Corporation.

INFORMING THE PUBLIC ABOUT NURSING HOMES

Mr. PERCY. Mr. President, I want to bring to the attention of my colleagues a significant press release from the National Consumers League.

Esther Peterson, president of the league, has announced the opening of a Health Services Information Center for Greater Washington. The center will make available to consumers "a centralized file of government inspection records evaluating medical, nursing, and dietary services at medicare nursing homes" in this area.

The league will provide a two-page digest on ownership deficiencies in medical and nursing services, patient mix, nutrition, fire and safety status, patient activities, social services, prices, and patient/staff ratio.

I welcome this pilot project of the National Consumers League and I commend the league for its initiative in expanding on the disclosure provisions of H.R. 1.

I thoroughly support this effort. Last week I introduced S. 3507 which directs the Secretary of Health, Education, and Welfare to take precisely those same steps. He is to prepare a convenient and readable digest of State surveys and inspection reports and distribute this digest widely. He is also to develop a rating system based on these same data.

Mr. President, I believe efforts such as the National Consumer League has undertaken are absolutely essential both to better inform the public and to make long term care facilities more accountable to the people they serve.

I ask unanimous consent that the league's press release be printed in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

PRESS RELEASE—NATIONAL CONSUMERS LEAGUE

The National Consumers League today opened a pilot consumer-operated Health Services Information Center for Greater Washington. For the first time anywhere in the nation, the Center will make available to the public a centralized file of government inspection records evaluating medical, nursing, and dietary services at Medicare nursing homes in a selected metropolitan area.

"The consumer will now be able to make convenient use of official records gathered by the government and paid for by our tax dollars," declared League President Esther Peterson in opening the Center. "People today don't know where to start in looking for a nursing home. This is the place to start."

Each 60-page Medicare report has been digested by the League into two pages containing data on ownership, deficiencies in medical and nursing services, patient mix, nutrition, fire and safety status, patient activities and social services. The League has added information on prices and patient/staff ratio. Copies of Center digests, as well as actual Medicare reports, will be available to consumers at 10 cents per page.

Mrs. Peterson, first White House Consumer Adviser under President Johnson, noted today that the Medicare file of over 1500 pages would have cost some $400 to copy—at 25¢ per page—had not the Social Security Administration waived charges. "We welcome this sign of SSA cooperation with the consumer, and hope that it will blossom," she commented.

The Health Services Information Center has it roots in attempts by consumers and newsmen to obtain nursing home inspection records from Medicare under the Freedom of Information Act, and in laws passed by Congress affirming the need for disclosure. The first Freedom-of-Information suit to free these records was brought by Mr. Schechter, Washington editor of Hospital Practice magazine. Schechter, a board member of the League, has been instrumental in establishing the Center's files.

Besides inspection records on over 24 nursing homes in the District of Columbia, northern Virginia and suburban Maryland, the Center offers a list of Medicare fee ceilings for reimbursement of specified physician services in the metropolitan area. This list, also made accessible to the public for the first time, can be used as a yardstick to evaluate charges for medical, surgical, radiological, clinical laboratory, and medical appliance services.

Groups elsewhere in the country, including the Philadelphia-based Gray Panthers, have expressed interest in expanding the League's efforts to make health service data accessible to the public. The League is now preparing a manual on how to set up a consumer health information center.

The National Council of Senior Citizens has endorsed this pioneering project. The Greater Washington Area Council of Senior Citizens, led by Mrs. Genevieve Johnson, plans to funnel results of site visits to the League files.

"This Center is only in its beginning phase," Mrs. Peterson explained today. "To these Medicare records and digests, updated annually, we will add observations from consumers, nursing home officials, and other professionals.

"Obviously, officials inspection records are not enough to assess a facility. The humaneness of care and respect accorded patients must be observed on the spot, and we welcome feedback from all concerned on the accuracy and usefulness of this data."

The Center hopes shortly to obtain additional health services information, including currently confidential inspection records and licensure reports on Washington-area hospitals. "Secrecy in the health field serves neither the public nor the providers," Mrs. Peterson remarked.

The National Consumers League, which began in 1899 to press for improved working conditions through consumer boycotts of sweatshop-produced goods, is not active in the fields of food marketing, product safety, and health care. The Health Services Information Center is part of a far-ranging program to represent the health-services consumer by developing grievance systems, by training consumer representatives on areawide health planning and hospital boards, by participating in policymaking with providers services, by training consumer health specialists, and by researching and analyzing legislative and regulatory proposals.

CARDINAL MINDSZENTY ON DÉTENTE

Mr. HELMS. Mr. President, our Nation's Capital has the unusual honor today of a visit by Josef Cardinal Mindszenty, one of the world's most distinguished churchmen and a revered spokesman for freedom.

Cardinal Mindszenty, through his courageous opposition to the Communist rulers of Hungary, and his enforced exile for 15 years in the American Embassy in Budapest, has become a spiritual leader for men of all faiths, particularly for Americans.

For Cardinal Mindszenty has made it clear that his imprisonment and torture by the Communists, and his virtual imprisonment in the American Embassy was a symbol of the inhumanity toward man and the total rejection of God which is inherent in the Communist system. It is not fashionable these days to speak of irreconcilable philosophical differences in an age which is supposedly an age of détente. But a system which does violence to man's body and soul is essentially at odds with the traditions of Western civilization. There can be no détente, no satisfactory system of peaceful coexistence, unless these basic irreoncilable differences are removed.

Cardinal Mindszenty is not afraid to speak the unfashionable truth, despite the jeers and sneers of the sophisticates. Just as he was not afraid to oppose the evils of Nazism in World War II, and just as he was not afraid to oppose the evils of communism in 1949 and again in 1956, so he is not afraid to contradict the reigning intellectual fashions of the West. When interviewed by the New York Times upon his arrival in this country a few days ago on a pastoral mission to the exiled Hungarians of his faith, he was straightforward in his views about détente negotiations. He told the Times:

> I have no hope that any concessions can be had in return from the athiest, Godless and inhumane governments.

No doubt there will be some who smile at such statements as relics of the past, as the rhetoric of the cold war that an elderly man who has suffered greatly cannot forget.

But such attitudes are a wilful evasion of the truth. To one such patronizing reporter who intimated that the Cardinal might have a political purpose in his visit, the Cardinal replied:

> To Communists, everything is politics, even religions, the Ten Commandments and prayers, and since they are athiests, they consider it against their system.

The correctness of the cardinal's remarks was attested to the very next day, also in the New York Times, when it was reported that a Russian Orthodox priest, the Rev. Dmitri Dudko, had been silenced for speaking out from his pulpit against Soviet prison camps, the moral and spiritual decline of the Soviet Union, and informers within the Russian Orthodox hierarchy. Father Dudko had been attracting crowds with his sermons until he was ordered to stop and to explain himself to his religious superiors. In more recent dispatches, we learn that Father Dudko has been forced to resign his office.

Such incidents are typical of what happens whenever religious men oppose Communist totalitarianism. The incident involving Father Dudko is typical of the persecution which is meted to all religious groups in the Soviet Union, including widespread restrictions on the Baptists, obstacles to the distribution of the Bible, and the widely publicized pressures brought against the Jews.

Let us honor Cardinal Mindszenty as a prophet who tells us of the ways of God and speaks to men of all faiths. And since religious faith is the backbone of any great nation, let us heed the notion that coexistence is ultimately impossible with athiestic totalitarianism. True détente, as the artist Solzhenitsyn has so eloquently pointed out, is possible only when the aggressive content of communism as a political doctrine has been eliminated.

Mr. President, I ask unanimous consent that three articles from the New York Times, referring to the interviews with Cardinal Mindszenty and Father Dudko, be printed in the Record at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times, May 8, 1974]

Mindszenty Sees "No Hope" in East-West Détente

(By Eleanor Blau)

Jozsef Cardinal Mindszenty, who was removed as Roman Catholic primate of Hungary last February amid Vatican efforts to improve relations with Communist governments, yesterday decried East-West efforts at détente.

"I have no hope that any concessions can be had in return from the atheist, Godless and inhumane governments," he told a news conference here. As for the Vatican efforts, he said: "Instead of terming it the policy of the church, I would term it rather that of the Vatican."

The 82-year-old Cardinal, who arrived here yesterday for what was described as a pastoral tour of the United States, spoke at the offices of the Macmillan Publishing Company, 866 Third Avenue, which will publish his memoirs next November.

Although he walked slowly to the conference dais, the white-haired Cardinal, dressed in red cap and black and red robe, talked with animation. He said he had written the memoirs to set the record straight about himself, his church and his country.

"So much untruth and villification was spread about my person in the last quarter of a century, and I wanted to answer them while I was still alive," he said.

The cardinal was arrested on charges of treason and other offenses by the Hungarian Government in December, 1948, and spent the next 22 years in jail and then in refuge in the American mission in Budapest. Since 1971 he has lived in Vienna.

He said he had begun writing the memoirs in 1949—constantly rewriting as manuscripts were confiscated in jail—and had continued writing to the present. He said that Pope Paul had read the memoirs and that the only question the Pontiff had raised was whether the timing of publication would bring attacks on the Cardinal and the church.

Much of yesterday's news conference consisted of questions that a translator said had been submitted by various people recently and replies that were read in Hungarian by the Cardinal and then translated.

One of these questions suggested that his trip would be viewed by some as having a political purpose. The Cardinal replied: "To Communists everything is politica, even religions, the Ten Commandments and prayers, and since they are atheists, they consider it against their system."

[From the New York Times, May 9, 1974]

Moscow Priest Who Drew Faithful With Open Discussions Is Ordered To Stop

(By Hedrick Smith)

Moscow, May 8.—A simple low Russian church, tucked away on a side street in northeast Moscow, has in recent weeks become the focus of an unusual pilgrimage of young and old, attracted by the outspoken opinions of one of its priests, the Rev. Dmitri Dudko.

In a series of sessions with parishoners, the white-haired priest has dared to speak out about Soviet prison camps, the timidity of the Orthodox Church establishment and informers in the church hierarchy.

In the flickering candlelight before a church packed with curious and astonished listeners, Father Dmitri has applauded the scientific achievements of the Soviet Union but has deplored what he considers its moral and spiritual decline over the half a century of Soviet rule and has vigorously proselytized for return to faith.

LATEST SESSION CANCELED

Last Saturday night, at the 10th of his sessions, he announced at the end of his regular sermon that the question-and-answer period had been postponed by order of Patriarch Pimen "until I speak with him."

More than half of the 500 to 600 people crowded into the little Church of St. Nicholas on Preobazhenskaya Street milled about in the twilight of the courtyard for 45 minutes waiting for word from the priest.

Many were in their twenties and thirties. Some had secreted cassette records into briefcases to tape the session. Finally, Father Dmitri emerged in his cassock and told them:

IN LABOR CAMPS UNDER STALIN

"You have asked me questions and I have given you answers. There is nothing wrong in this."

At the previous session, in mid-April, he anticipated the risk of silencing by the authorities by noting that some people were saying that his statements were causing a sensation.

"If this is considered a sensation," he remarked, "I can only say with sadness: Have priests stopped doing God's work "

The priest, a short, broadfaced man who wears rimless glasses, is in his early fifties. Churchgoers said he was born in a peasant family and fought in World War II. He was arrested in 1945, during his first year at the Moscow Theological Seminary, and was sentenced without trial to eight and a half years, which he spent in prison camps in the sub-Arctic Komi Autonomous Republic, in northern Russia.

His sentence was extended, and after his release in 1956 he resumed his religious studies at the seminary in Zagorsk, finishing in 1960.

A STARTLING INNOVATION

The unusual directness of Father Dmitri's sermons over the last two or three years has attracted a number of intellectuals, among them Aleksandr L. Solzhenitsyn and his wife, and Vladimir Maksimov, another dissident writer who is now abroad.

But the priest's question-and-answer sessions, begun after Christmas, were a startling innovation and have gradually doubled and tripled church attendance. One of his persistent themes has been the spiritual decline of the past half a century.

"With the growth of technology, the spiritual side of life can be degraded," he told his listeners on March 23. "I see this as a great danger. The best minds have come to the conclusion that we can destroy ourselves if this continues."

At an earlier session he was asked about the present situation in Russia and replied that from the religious point of view "Russia is at Calvary and Christ is crucified in Russia."

But later, asked when was the best time for the church, he replied: "Now, when it is on the cross."

Father Dmitri often punctuates his material with stories about believers rebutting the arguments of atheists.

Once he recounted the story of a school teacher who was trying to prove to her class that God did not exist by telling them that Soviet astronauts in orbit had not seen him.

"They fly too low," replied a 7-year-old boy.

POSITION OF PATRIARCH

When a questioner said that he was ashamed of attending church because the hierarchy only expressed views that coincided with the views of the state, the priest answered:

"You see faults in the modern clergy and point to the Patriarch himself, but do you know that you are looking too superficially? Who else is in such an arbitrary position as the Patriarch? They say he is surrounded by thousands of informers. He sighs and it is heard by all the organs."

"Organs" is a term that usually refers to the secret police.

In late March one person exhorted him to "admit that you don't like your country and your people."

He brought gasps of surprise from the congregation by replying: "You probably want me to say simply that I am anti-Soviet. That would be easier to concoct a case and imprison me."

A few of the faithful crossed themselves fervently.

"You are wrong," Father Dmitri said. "I love my country and my people and I pity those who have strayed. I particularly pity atheists."

In mid-April another parishoner sent in a written question saying: "What you say is frightening. No one has spoken like that in the past, and we are afraid that you will be misunderstood."

"I am also afraid of that," Father Dmitri replied. "But if I am misunderstood, that does not mean I should be silent. I am doing God's work."

[From the New York Times, May 17, 1974]

Russian Church Leaders Call Outspoken Priest to Account

(By Christopher S. Wren)

Moscow, May 16—A popular Russian Orthodox priest has been called in by the church hierarchy and ordered to explain in writing the outspoken opinions he expressed in an exchange of questions and answers with his congregation.

The Rev. Dmitri Dudko has been attracting throngs of listeners, many of them young people, to his small church of St. Nicholas in northeast Moscow with articulate and often blunt observations on the church's responsibility in this officially atheist state.

In nine such sessions, he touched upon such sensitive topics as Soviet prison camp, in which the priest himself spent more than eight years under Stalin, and the presence of informers within the church hierarchy.

But at the 10th session, on May 4, the balding, 53-year-old priest told a disappointed crowd of over 500 that he had been forbidden by Patriarch Pimen, the Primate of the Russian Orthodox Church, to hold further discussions "until I speak with him."

Two days ago a Russian Orthodox churchman confirmed in response to a question that the priest had been silenced because "he had used his pulpit not for religious purposes."

On Monday, Father Dmitri was called in for a meeting with the Patriarch's secretary, Matvei Stadnyuk, knowledgeable sources have reported.

According to the sources, the priest was directed to write out what he had discussed with his parishioners. He was asked particularly about a remark he had made about Patriarch Pimen.

In one session, Father Dmitri had reproved one questioner for implying criticism of the Patriarch.

"They say he is surrounded by thousands of informers," the priest said. "He sighs and it is heard by all the organs," a reference to the secret police.

In writing his explanation, the sources reported, Father Dmitri "denied all political accusations against him." The priest was informed that his case would be investigated. In the meantime, he was forbidden to discourse beyond his formal church sermons.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

EDUCATION AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 1539) to amend and extend certain acts, relating to elementary and secondary education programs and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question occurs on the amendment of the Senator from Virginia (Mr. William L. Scott). The yeas and nays have been ordered.

Mr. JAVITS. Mr. President, is there any time for further debate, or must voting begin now?

The PRESIDING OFFICER. If the motion to table were made by the distinguished Senator from New York, there would be no debate.

Mr. JAVITS. If a motion to table is not made by the Senator from New York, can he take any time to discuss the matter?

The PRESIDING OFFICER. There would be time on the bill.

Mr. JAVITS. I yield myself 2 minutes on the bill.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, the amendment which has been offered by Senator Scott, which he debated at great length, simply takes the whole judicial system of the United States and turns it upside down so far as cases in this field are concerned. I understand his feeling and disposition.

I have had a very complete report as to everything the Senator from Virginia has said. I apologize to him for being out of the Chamber in connection with a meeting with the parliamentarians of the Soviet Union, a matter of high importance to the United States, which was conducted by the Committee on Foreign Relations. One of the main things they wanted to know about fell in my particular field.

I will not engage in an extended debate on this subject, which Senator Scott has debated so thoroughly, except to point out what the amendment would do. It would sweep away the jurisdiction of the Federal courts, other than the Supreme Court, and would mean that cases would go from the State courts to the Supreme Court and back again to the State courts for implementation. The Supreme Court is overwhelmed now and is faced with State courts which may be unhappy with its decisions in this field. It will be even more overwhelmed should we sweep aside the jurisdiction of the lower Federal courts.

For those reasons, Mr. President, I will move to table the amendment; but before I do so, I would like to yield the same amount of time to Senator Scott—2 minutes on the bill—so that he may make whatever statement he wishes.

Mr. WILLIAM L. SCOTT. I appreciate the courtesy of the distinguished Senator from New York.

Mr. President, I did speak at length, as the Senator has said, in support of my amendment. Unfortunately, I was speaking primarily to an empty Chamber at the time.

I heard someone speak on the floor with regard to the constitutionality of my proposal, and I thought the distinguished Senator from New York was going to raise that question. I do have citations of authority dating back to 1799.

I have had the matter researched by the Library of Congress, and I quote from the words of Mr. Justice Chase:

> The notion has frequently been entertained, that the Federal courts derive their judicial power immediately from the Constitution, but the political truth is, that the disposal of the judicial power, except in a few specified instances, belongs to Congress.

Further, in 1845, the Court said, in Cary against Curtis:

> The judicial power of the United States, although it has its origins in the Constitution is—except in enumerated instances, applicable exclusively to this court—dependent for its distribution and organization, and for the modes of its exercise, entirely upon the action of Congress, who possess the sole power of creating the tribunals—inferior to the Supreme Court—for the exercise of the judicial power, and of investing them with jurisdiction either limited, concurrent, or exclusive, and of withholding jurisdiction from them in the exact degrees and character which to Congress may seem proper for the public good.

Mr. President, I ask for the support of the Senate on this amendment.

Mr. JAVITS. Mr. President, I yield myself 1 minute in order to give myself equal time.

Mr. President, I wish to state that I am aware of the Judiciary Act of 1789. I did not raise that question but I do raise the question of the inundation of the Supreme Court with appeals from State courts, especially as it is true that many such appeals will present complications, whereas the Federal courts are one system. This situation has been forwarded by way of resolution in the Federal courts, and that is where it should stay. We should not be deprived of that enormous ability which resides in the Federal courts on this matter.

Mr. President, for that reason I move to table the amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Virginia (Mr. William L. Scott). The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. Church), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Hawaii (Mr. Inouye), the Senator from Louisiana (Mr. Johnston), the Senator from Wyoming (Mr. McGee), the Senator from Minnesota (Mr. Humphrey), the Senator from California (Mr. Cranston), the Senator from New Mexico (Mr. Montoya), and the Senator from Michigan (Mr. Hart) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley) is necessarily absent.

I also announce that the Senator from New Hampshire (Mr. Cotton) and the Senator from Hawaii (Mr. Fong) are absent on official business.

I further announce that the Senator from North Dakota (Mr. Young) is absent to attend the funeral of a relative.

The result was announced—yeas 61, nays 25, as follows:

[No. 210 Leg.]

YEAS—61

Abourezk
Aiken
Bayh
Baker
Beall
Bellmon
Bennett
Bible
Biden
Brock
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cook
Dole
Domenici
Dominick
Eagleton
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Metzenbaum
Mondale
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Symington
Taft
Tunney
Weicker
Williams

NAYS—25

Allen
Bartlett
Bentsen
Byrd, Harry F., Jr.
Curtis
Eastland
Ervin
Fannin
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Long
McClellan
McClure
Metcalf
Nunn
Scott, William L.
Sparkman
Stennis
Talmadge
Thurmond
Tower

NOT VOTING—14

Buckley
Church
Cotton
Cranston
Fong
Fulbright
Gravel
Hart
Humphrey
Inouye
Johnston
McGee
Montoya
Young

So the motion to lay on the table the amendment of the Senator from Virginia (Mr. William L. Scott) was agreed to.

The PRESIDING OFFICER (Mr. Helms). The question occurs on the amendment of the Senator from Connecticut (Mr. Weicker), as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative cerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. Church), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Sentor from Hawaii (Mr. Inouye), the Senator from Louisiana (Mr. Johnston), the Senator from Wyoming (Mr. McGee), the Senator from California (Mr. Cranston), the Senator from Michigan (Mr. Hart), and the Senator from New Mexico (Mr. Montoya) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley) is necessarily absent.

I also announce that the Senator from New Hampshire (Mr. Cotton) and the Senator from Hawaii (Mr. Fong) are absent on official business.

I further announce that the Senator from North Dakota (Mr. Young) is absent to attend the funeral of a relative.

The result was announced—yeas 4, nays 83, as follows:

[No. 211 Leg.]

YEAS—4

Brooke
Hartke
Stevens
Weicker

NAYS—83

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cook
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Goldwater
Griffin
Gurney
Hansen
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Jackson
Javits
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Williams

NOT VOTING—13

Buckley
Church
Cotton
Cranston
Fong
Fulbright
Gravel
Hart
Inouye
Johnston
McGee
Montoya
Young

So Mr. Weicker's amendment, as modified, was rejected.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. BAYH. Mr. President, I call up my amendment No. 1327, with modifications.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BAYH. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

> At the appropriate place in the bill insert the following:
>
> Sec. . There is authorized to be appropriated for each fiscal year a sum not to exceed $35,000,000 to be allocated at the discretion of the Commissioner to assist those local education agencies whose total allocation under Part A, Title I is 90 per centum or less than such allocation under Part A, Title I during the preceding fiscal year: *Provided, however,* That in allocating such funds the Commission shall take into account the fiscal ability of each such local education agency to compensate from local revenue for the loss of such allocation under Part A, Title I.

Mr. BAYH. Last week I noted my support for the McClellan amendment which revamped the formula for determining allocations of assistance to local school districts under title I, part A. This is the basic program, as the Senate realizes, for assistance to school districts on the basis of the enrollment of students from low income families.

The McClellan amendment has now been passed. This is to be welcomed; the adoption of the revised formula—offered in the House by my respected Indiana colleague, Representative John Brademas—means more equitable distribution of title I, part A funds. For Indiana, the adoption of the McClellan amendment means a net increase of approximately $2 million in title I assistance from fiscal year 1974. In fact, 88 of the 92 counties in Indiana will receive additional Federal aid to education by virtue of adoption of this amendment of which I was a cosponsor.

But the change in the manner of allocating title I, part A funds has posed a problem in some areas. Specifically, we realized that adoption of the McClellan amendment would reduce funds for some school districts across the country. For those school districts that have the means—through local sources of revenue—to make up the loss of Federal funds this should not be a problem. Also, where the loss is not too great, districts should be able to resolve the problem internally.

But in some cases the loss of Federal funds is significant and the local districts are not wealthy enough to make up the lost revenue on their own.

This is why I introduced amendment No. 1327 which authorizes the establishment of a $35 million discretionary fund with which the Commissioner of Education can assist those school districts who lose 10 percent or more of title I, part A funds by enactment of the McClellan amendment.

I should note, Mr. President, that because of a technical error the amendment as printed refers only to title I funds. When I call it up later today I shall modify the amendment to specify title I, part A funds.

There are 353 counties across the country that stand to lose between 10 and 15 percent—15 percent being the maximum loss allowed—of their title I, part A funds from fiscal year 1974 to fiscal year 1975. Many of those districts have the means to make up the loss themselves. But some do not.

The adoption of this amendment will enable the Commissioner to aid those districts who cannot compensate adequately for the loss of Federal funds from local revenue. For example, in my own State of Indiana, Lake County could suffer a loss of approximately $400,000 in part A funds. This amendment gives us the means to make certain that Lake County, and other local jurisdictions in similar situations, are not the innocent and unintended victims of passage of the McClellan amendment.

Mr. President, I shall not take the time of the Senate to debate this amendment at greater length because we are finishing the bill today. I trust that Senators share my desire not to let the adoption of the McClellan amendment create unintended hardship for even a single school district. Let me emphasize, in this regard, that the amendment does specify, that in spending the $35 million discretionary fund for districts losing more than 10 percent of part A funding, "the Commissioner shall take into account the fiscal ability of each such local education agency to compensate from local revenue for the loss."

Finally, Mr. President, the Library of Congress has prepared—at my request—a table indicating the number of counties in each State that will be eligible for this special assistance if my amendment is adopted. I ask unanimous consent that the table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

State:	*Number of counties*
Alabama	5
Alaska	6
Arizona	0
Arkansas	6
California	1
Colorado	3
Connecticut	0
Delaware	0
District of Columbia	1
Florida	1
Georgia	29
Hawaii	0
Idaho	5
Illinois	4
Indiana	3
Iowa	32
Kansas	14
Kentucky	20
Louisiana	0
Maine	0
Maryland	0
Massachusetts	1
Michigan	0
Minnesota	3
Mississippi	8
Missouri	13
Montana	5
Nebraska	16
Nevada	1
New Hampshire	0
New Jersey	5
New Mexico	1
New York	13
North Carolina	33
North Dakota	10
Ohio	1
Oklahoma	6
Oregon	0
Pennsylvania	1
Rhode Island	0
South Carolina	10
South Dakota	21
Tennessee	25
Texas	20
Utah	4
Vermont	3
Virginia	7
Washington	0
West Virginia	16
Wisconsin	0
Wyoming	0

Mr. BAYH. Mr. President, I have discussed this amendment with the floor manager of the bill, the distinguished Senator from Rhode Island ((Mr. PELL); with the distinguished senior Senator from Arkansas (Mr. MCCLELLAN); and with the distinguished Senator from New York (Mr. JAVITS).

The amendment merely provides relief for those school districts which have been confronted with significant hardships as a result of the McClellan formula, which I supported. But where the hardship is great, and the local financial structure is insufficient to compensate for the lost revenues, this amendment would provide a $35 million formula to permit the Commissioner to provide relief in two events: If a school district lost 10 percent or more under part A of title I alone; or if the security found a hardship situation as far as the ability of local revenues to sustain that loss was concerned.

Mr. McCLELLAN. Mr. President, do I understand that a money authorization is added to the bill?

Mr. BAYH. That is correct.

Mr. McCLELLAN. It would become a line item in the appropriation?

Mr. BAYH. That is accurate.

Mr. PELL. Mr. President, this amendment offers some protection from the fairly radical cuts under title I. I believe it is a laudable amendment, one which we should support.

Mr. JAVITS. Mr. President, this amendment is at the lower end of the scale and elleviates tremendous cuts which have been made by the formula adopted by the Senate. It at least deals with hardship cases which suffer unusually serious conditions. I hope very much that the Senate will adopt the amendment.

Mr. DOMINICK. Mr. President, as far as I can see—and I ask the Senator from Indiana whether this is true—this is an effort to put in a hold-harmless clause.

Mr. BAYH. No; it is not. It does not deal with the matter of hold harmless, because the Secretary could not provide relief in instances that existed under the old formula for the size of the cuts established in the very wealthy school districts.

Mr. DOMINICK. Who is to determine the fiscal ability of the agency, if it says it is not going to put any mill levy on?

Mr. BAYH. I am sorry; I did not hear the Senator.

The PRESIDING OFFICER. The Senate will be in order. Senators cannot hear each other. Will the Senators who are talking retire to the cloakroom?

Mr. DOMINICK. Who is going to have the right to determine the fiscal ability, if a local education agency says it is not going to put on another mill levy?

Mr. BAYH. I did not hear the last part of the Senator's question.

Mr. DOMINICK. If they are not going to put on another mill levy. Let us suppose the local education agency has plenty of money to do it, but it decides it does not want to do it, the local agency is going to get money from the Federal Government instead. Politically, it is a lot easier to get money from the Federal Government than to get it from their local constituencies.

Mr. BAYH. The Commissioner would take into consideration, first of all, the cut that resulted because of the adoption of the McClellan formula. It would have to be above 10 percent. Second, he would compare the tax rate, the tax burden with the resources of the given school district, and compare how a given district which lost 10 percent is asking its citizens to bare the additional burden in comparison with other districts within the State.

Mr DOMINICK. But suppose the citizens say they do not want to bear it; can they get it out of the Commissioner, and out of the Federal Government?

Mr. BAYH. If the Commissioner makes a finding that the local government is unwilling to bear the burden itself, and has the financial resources to do so, I do not know why they should be permitted to take something out of this emergency fund.

Mr. DOMINICK. But the Senator's amendment would put the determination as to whether each educational agency around the country has the fiscal ability on one man, the Commissioner?

Mr. BAYH. For this one particular fund, designed for this one purpose, that is correct.

Mr. DOMINICK. Let me cite an example. Let us take Montgomery County, which is neither in Indiana nor in Colorado. Presumably, over a period of time, they will be cut back fairly substantially on impacted area aid, which in my opinion they ought to be—that is a very wealthy county—but they are going to be cut back only on an impacted-area, aid-changing formula. Is the Commissioner going to say to them, "I am sorry about this; we will put in the Federal funds," which is the very thing the committee has been trying to keep out?

Mr. BAYH. Mr. President, I must say I share the concern with the Senator from Colorado over the example he mentioned.

Talking about part A, title I, Deprived Children, and what that means, I think it has no relationship to the problem the Senator from Colorado raises, but I think that is a great problem.

Mr. DOMINICK. As I read the amendment, it does not say anything about title I. It does not say where it is in the bill. It just says "added to the bill."

Mr. BAYH. The Senator perhaps did not hear me when I called it up with the modification which specifically enumerates title I, part A.

Mr. DOMINICK. Title I, part A?

Mr. BAYH. Yes.

Mr. DOMINICK. That helps a good deal, I must say. But the Senator's purpose in this is that although most States now get a better deal under the new formula, there are some educational agencies that will not get as much.

Mr. BAYH. There are some that not only will not get as much, but will get significantly less. There are three districts in the Senator's home State. I asked the Congressional Reference Service.

Mr. DOMINICK. That is correct.

Mr. BAYH. What we are trying to do is recognize the fact that, with just a relatively small cut, most school districts should bear that burden and try to compensate for it; but if it gets to 10 percent or more, and they have the kind of tax burden some school districts have, they ought to have some relief from this emergency provision.

Mr. DOMINICK. I can see that the Senator has lined this up very well, and I am not going to get anywhere by objecting to it. All I can say is, there is no point in going through a formula if, every time we have a formula which results in a loss by any educational district, we then put out more money to enable it to overcome the loss. Why not just say to the educational district, "You are going to get whatever you had before, or maybe more, and to anyone that takes a loss, we will make sure they are OK."

Mr. BAYH. Let me say to my friend from Colorado, I again am in a great deal of agreement with him. I never thought I would find myself saying $35 million is not very much money; it is a lot of money. But compared to the total commitment under this bill, it is rather insignificant, and what we are trying to do is say to some school districts—I cannot point to the specific examples in the State represented by my colleague, though I am sure he can, but there are a handful of districts in my State that struggle to keep their doors open every year, because they are poor and have large numbers of students that fall in this category.

Only under such circumstances would we permit assistance under this particular provision.

The PRESIDING OFFICER (Mr. HARTKE). Do Senators yield back the remainder of their time?

Mr. PELL. I yield back the remainder of my time.

Mr. BAYH. I yield back the remainder of my time.

Mr. DOMINICK. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HARTKE). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Indiana (Mr. BAYH).

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may request a quorum call without the time being charged. I may wish to yield myself half a minute to confer with the leadership. They thought we might have a final vote before 6, and this might be that opportunity. So I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Rhode Island yield me 3 minutes?

Mr. PELL. With pleasure.

Mr. ROBERT C. BYRD. Mr. President, at the time the unanimous-consent agreement was entered into on Thursday, it was anticipated that there would be several amendments on which rollcall votes would be ordered and that the rollcall votes would begin at no earlier than 4:15 p.m., with a final vote to occur on passage of the bill at 6 o'clock.

As it has developed, most of the amendments have been decided by voice votes during the day. Therefore, it being evident that there are no additional amendments to be called up on either side, I ask unanimous consent that the final vote occur immediately upon my yielding the floor, and that the vote not be limited to 10 minutes. This is the final rollcall vote of the day, and there will not be a close vote, I should not think.

In the event any Senator is counting on the 6 o'clock vote, and would otherwise miss this rollcall by virtue of its coming an hour early, I would ask unanimous consent that the rollcall vote be kept open and not announced until such time as all Senators are accounted for, but not to extend beyond 30 minutes.

Mr. WEICKER. I object.

Mr. MAGNUSON. Mr. President, reserving the right to object, and I shall not object, I have been sitting here for some days listening to many amendments, some of which I have voted for, which have increased the authorization considerably.

I hope, as I have said on other occasions, that all the people concerned about the education processes are not going to have their hopes raised that this is the amount of money they will have appropriated. I know what happens when the authorization comes in for education. There will be people around who will lobby and talk about full funding. Now we are talking about billions of dollars. The Appropriations Committee looks at these projects and some of the people get their hopes raised and they go home and say, "The Senate said we are going to have all that money."

I sometimes wonder what I am doing down there in handling the education end of appropriations because if I do not do what some of these people want, I immediately become some kind of foe of education—which I am not. We have done pretty well with education. Now I hope that everyone will understand that all these authorizations are ceilings. They are ceilings, indeed. I hope that we are not going to appropriate all of the money that is in the bill. I do not see how we can. I do not know how the Treasury can stand it if we appropriate it.

Two, I say to my friend from Rhode Island that we are down now in room 128 writing up an appropriation bill for education for fiscal 1975, are we not? That is, fiscal 1975. Yet here is the Senate upstairs, on the same day, changing the whole thing. Now there must be a better way to do this, but apparently we have not found it. We are changing all the rules and all the programs. We have got to finish this bill and I hope that we can, within the next 20 days. The House is already marking it up. What will happen to the bill? Does it go into the regular appropriation? It will not be filed by the time we are through. We will have a long conference, so I think I had better tell people right now that we are going ahead and appropriating money for education on the basis of fiscal 1975. If they want any more money, they will have to come in, probably, with a supplemental. I do not know how else we can do it. Otherwise, I would have to stop all appropriation hearings and stop all the work on appropriations for HEW, to wait until a new concept has been put in by the Senate. I do not feel like doing that.

I have been working—all of us on the Appropriations Committee and the subcommittee have been working for several weeks on the basis of what the law is now. There is something wrong with the procedure that we are, down here, writing up appropriations for education for the people of this country, and the Senate is upstairs changing all the rules with different programs and more money. I hope that they will understand that, because I do not know how we can move in the appropriations process if we have to wait all the time until the authorization bill is passed and when we have plenty of authorization for education.

I voted for some of these amendments. I am for them. But I do not want the word to get out that this is what the Congress has decided to do, moneywise, on appropriations. It is merely an authorization and a ceiling.

Mr. PELL. Mr. President, if I can comment on the thoughts of the Senator from Washington, in this bill we have put limitations on appropriations so that while the authorization for fiscal year 1974 was $9,139,000,000, the authorized ceiling for this coming year, 1975, will be less than half that, or $4,337,000,000. So actually the country should not be fooled. What we have done is to set forth these targets which we wish to go for, and then limit the amount of the appropriations to less than half this year.

Mr. MAGNUSON. We cannot limit the appropriations, we merely suggest them.

Mr. PELL. I believe we can place ceilings on appropriations.

Mr. MAGNUSON. How can we limit the appropriations?

Mr. PELL. It is in the language.

Mr. MAGNUSON. It is in the language but we cannot limit authorized money such as this.

Mr. PELL. We, in effect, had to change the authorization.

Mr. MAGNUSON. I am glad you have done that because you have got the authorizations and I am for them. Just because we talk billions and hundreds of millions of dollars around here, this is only a ceiling to an authorization. I am hopeful that people will understand that some of these things are for 2 years. I hope that happens. The Senator from New York (Mr. JAVITS) had that amendment. What happened? Did they pass that amendment on the 2 years? The Senator from New York had an amendment on that.

Mr. JAVITS. Oh, yes.

Mr. MAGNUSON. So that we do not get mixed up and have a lot of people—I know what will happen—my office will look like Grand Central Station next week with so many education people who will say, "Oh, Congress said this and the Senate said that." I do not blame them. But I think we have been farsighted here. I do not think we can limit appropriations technically but this gives us a guideline at least, and that is good.

Mr. PELL. Why cannot an appropriation be limited?

Mr. MAGNUSON. We can limit it by authorization. In other words, the authorization can only take effect up to that point for fiscal 1975. We can do that. We have done that. But I wanted everyone to know that we talk here in big sums. I have great respect for the Committee on Labor and Public Welfare. I know it pretty well. I have not figured out how much they have authorized.

Mr. JAVITS. Do not.

Mr. MAGNUSON. If we ever do, it will startle us. There is no treasury big enough for the amounts authorized.

Mr. JAVITS. All we have to worry about is how much the Senate decides is to be appropriated.

Mr. MAGNUSON. I am only one member of that committee. It makes it a little difficult for us. I would like to do, some times, a little more. I would hope that we would give more attention to policy matters and less attention to fiscal matters. They do. They are starting to do that in many appropriations, depending on the policy. Now we have an amendment for quality education. What is quality education?

Mr. JAVITS. The education agencies could have a good many standards for that.

Mr. MAGNUSON. That is, if they have a formula or a definition of quality education. I would like to see it.

Mr. JAVITS. I suppose it could be produced.

Mr. MAGNUSON. I am for it. Sometimes I think—I know this is not so simple as it sounds—but I would like to introduce an amendment that anyone who had built a woodshed and could certify that he used it in the past eyar, we would reimburse him 100 percent. I know it is not so simple as that, but quality education, no matter how well administered, we have some problems with it, and we all want quality education. I am glad we have a limitation. I just want to let the Senate know that a lot of what we do here is not necessarily going to be appropriated.

The PRESIDING OFFICER (Mr. HARTKE). All time of the Senator from Rhode Island has now expired.

Mr. CRANSTON. Mr. President, the Senate will vote soon on final passage of the Education Amendments of 1974—a measure that I was pleased to be associated with in its creation, as a member of the Senate Subcommittee on Education. This is a large bill, an important bill. It contains numerous programs and incentives to State and local education agencies, and other agencies involved in education, to improve our system of public education and make it more responsive to the students it serves.

I thank the distinguished Senator from Rhode Island (Mr. PELL) who—as chairman of the Education Subcommittee—has once again demonstrated his firm commitment to meeting the educational challenges of our time. In his adept handling of this bill on the Senate floor, he has been assisted by a fine and capable staff in Stephen Wexler, Richard Smith, and Jean Froehlicher.

I also pay tribute to the distinguished Senator from New York (Mr. JAVITS). Senator JAVITS, for whom I have the highest respect, never fails his Senate colleagues in providing intelligent, quality leadership from the minority side of the aisle. Senator JAVITS has once again been assisted capably by Roy H. Millenson, whom I thank for advising me, at my request, on several of my measures that are included in the bill.

Mr. President, the conference committee which will work to resolve differences between the Senate and House education bills will have an agenda that is both urgent and sensitive. The two bills contain alternative approaches to some of the key educational issues of our time: Aid to disadvantaged students, aid to federally-impacted school districts, school desegregation, consolidation of Federal education programs, and bilingual education—to mention only a few. As a potential conferee, I have confidence in our ability to sort out the complex issues and resolve them in favor of quality education for every American child.

Very briefly, I wish to touch upon what I consider to be only a few of the pressing issues the conferees will face.

TITLE I

Mr. President, I am disappointed at the Senate decision to reject the formula for distributing aid to disadvantaged children that was contained in the committee bill. But I understand the uncertainties that several Senators felt in approaching this very complicated issue. I would hope, however, that the conferees will be guided toward a resolution that does not do harm to the vital, growing interests of urban children.

One of the major obstacles, of course, to agreeing upon a title I formula that is truly equitable is that we are in the very difficult position of having to judge formulas that will work in every State, over the life of this bill, while being unable to pinpoint the precise implications for each future year.

I am pleased, however, that the Senate accepted an amendment, which I cosponsored, that adds an authorization under part C of title I for areas serving large numbers of disadvantaged children. This percentage add-on means a great deal to California cities, and I am grateful to the distinguished Senator from Arkansas (Mr. McCLELLAN) for his help in working with us to achieve an acceptable amendment.

IMPACT AID

The House-passed education bill continues the program of assistance to federally affected areas in its current form. The Senate bill, as modified by an amendment from the Senator from Maryland (Mr. BEALL) makes certain changes in the distribution formula.

While the Senate compromise may not be entirely satisfactory to all school districts in California, I believe it is a substantial improvement over what had been proposed originally as the Senate formula.

I am especially pleased that Senators, in committee, adopted my amendment to prevent the loss of neary $3 million in impact aid funds to three California school districts—Fallbrook Union Elementary, Fallbrook High, and Oceanside Unified. My amendment simply puts these districts on an equal footing with other districts receiving impact aid because of their proximity to military installations.

ADULT EDUCATION

With Senator JAVITS and others, I cosponsored legislation to extend the existing adult education program through fiscal year 1978. I believe these programs are essential to the vitality of America's educational system, and their continuance will help make sure that any American—regardless of age—can take advantage of educational experiences throughout their lifetime.

PROGRAM CONSOLIDATION

I recognize that the administration pressed for more consolidation of categorical education programs than is contained in the Senate bill. But I am pleased that the Senate has not yielded to the pressures to wipe out our Federal programs of categorical education assistance. I believe we will always have need to operate Federal education programs that serve special constituencies—like bilingual children—or special purposes, or attempt to meet needs that may be temporarily acute. I would hope that conferees will reject any attempt to simply eliminate categorical assistance as we know it, as I suspect the administration would have us do.

BILINGUAL EDUCATION

Mr. President, I am especially proud of the provisions in S. 1539 for new and expanded programs of bilingual education in elementary and secondary schools, vocational and adult education, library programs, and guidance and counseling programs in postsecondary education. I believe these strong provisions, adopted by the Senate without dissent, are dramatic evidence of our commitment to bilingual peoples across America.

I know that Senator KENNEDY—who cosponsored my bilingual education bill, as I cosponsored his—is as grateful as I for the great cooperation given us in committee as we worked on this landmark legislation. We were honored to have Senator MONTOYA, a firm and fervent friend of bilingual education, join us as cosponsor of both measures.

The bilingual provisions emerging in the Senate bill also include a manpower and vocational training measure originally introduced by the distinguished Senator from Colorado (Mr. DOMINICK) and the Senator from Texas (Mr. TOWER). I was pleased to cosponsor this amendment, which was accepted in committee.

Among the new directions for bilingual education provided in the Senate bill are increased teacher training and retraining activities, an expanded list of eligible programs, and activities, statutory organization for a new Bureau of Bilingual Education, a special earmark for bilingual education research programs of the National Institute of Education, and new and important National Advisory Council on Bilingual Education, and—for the first time—an incentive program to enable the States to move forward more quickly in the provision of adequate programs to serve the bilingual/bicultural child.

Mr. President, I ask unanimous consent that there be printed, at the conclusion of my remarks, the language of the Senate report on the Education Amendments of 1974 that details the bilingual education provisions, as well as the program background and legislative history.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

GIFTED AND TALENTED CHILDREN

Mr. CRANSTON. I do not think it possible to overestimate the importance of the Senate provision creating programs for the gifted and talented child. I was a cosponsor of the measure introduced by Mr. JAVITS that has now emerged as a key provision of the Senate bill. I believe it can go a long way toward remedying those inequities in our educational system that have so discriminated in the past against the potential talents and capabilities of gifted children.

CONSUMERS' EDUCATION

The consumer education program contained in the Senate bill is the result of an amendment I offered to the Education Amendments of 1972. It became law that year, but has never been funded or implemented, much to my regret and that of educators who know the value and potential of this program.

It is perhaps more important now than ever, in the midst of skyrocketing prices, that children be taught how to make wise decisions in dealing in the marketplace—decisions based on facts, not fallacies.

As contained in the Education Amendments of 1974, the consumer education program is included as a priority program within the Special Projects Act. Such treatment will assure funding for the program for a period sufficient to define its specific strategies and get it moving.

I intend, Mr. President, to make every effort to see that this program is funded and implemented. Two years of footdragging by the U.S. Office of Education is enough.

VETERANS COST-OF-INSTRUCTION

Mr. President, I would like to take this opportunity to extend my special thanks to the distinguished chairman of the Subcommittee on Education (Mr. PELL), the ranking minority member of the committee (Mr. JAVITS), and my other colleagues on the committee, Mr. RANDOLPH and Mr. STAFFORD, for their continuing efforts and ongoing support of the veterans cost-of-instruction program.

Mr. President, the VCI program—a provision I authored in the Higher Education Amendments of 1972—Public Law 92-318—was designed to provide incentives and supporting funds for colleges and universities to recruit actively returning veterans and to establish the kinds of special programs and services necessary to assist many veterans in readjusting to an academic setting. Although some 1,000 VCI programs have been successfully implemented at many institutions of higher education across the country, the limited funds which the Office of Education has made available, and certain provisions of the law have made it particularly difficult for many colleges to establish programs which meet all the requirements of the law.

Consequently, during committee consideration of S. 1539, I joined with Senators RANDOLPH, JAVITS, and STAFFORD in offering various amendments to the VCI provision. Section 524 of S. 1539, as reported, amends the VCI program provision—section 420 of the Higher Education Act of 1965—in two basic respects: First, the amendment in the reported bill makes the first-year eligibility requirement slightly less restrictive by providing that in order to be eligible for VCI funds, a school must either have a 10-percent increase in its GI bill trainee enrollment—or have at least 10 percent of its criterion in terms of veteran enrollment—or have at least 10 percent of its undergraduate student body composed of GI bill trainees—a new alternative criterion.

Second, the amendment in the reported bill would provide for a more equitable funding procedure for eligible schools to increase the amount many smaller qualifying institutions have been receiving, by limiting to $135,000 the maximum amount of payments in any fiscal year to any single institution. Funds which become available as a result of this provision would then be reapportioned to schools which would otherwise receive a payment of less than $9,000—the estimated minimum amount needed to open a full-time veterans affairs office on a campus. The reported amendment further establishes a minimum enrollment eligibility of 25 veterans in order to avoid the funding of VCI entitlements which are too small to provide effective services to campus veterans. Finally, the amendment, as reported, provides that not less than 75 percent of the amount of payments received by any institution shall be applied to setting up the special veterans offices, programs, and services required by the law. Current law requires that only 50 percent of the VCI award be applied to setting up these veteran's programs.

Mr. President, at the time this amendment adding section 524 to the bill was presented to the committee, the Office of Education had still not printed and sent out new applications for academic year 1974-75 VCI programs. Consequently, a problem which we addressed in a floor amendment last Thursday, May 16, was not brought home to schools seeking to demonstrate their second-year entitlement.

A school which has already been funded for this school year under the VCI provision, is required by existing law—for eligibility in a succeeding year—to enroll at least the same number of GI bill trainees who were in attendance when the school originally qualified for VCI funds in the first year. As a result of this maintenance-of-effort requirement, however, schools which increased their enrollment of veterans by more than 10 percent in the first year are actually penalized in the following year for having recruited more veterans. These schools must maintain the higher level of veteran enrollment. A number of schools, where substantial efforts were made to recruit veterans in the first year, would lose their eligibility for continued funding—regardless of the success of their program and even though they continue to maintain the 10-percent increase minimum requirement—as a result of this quirk of current law.

Mr. President, our amendment—accepted unanimously by the Senate on Thursday, May 16—would correct this inequitable situation, and the unintentional hardship being imposed upon many schools that are seeking to qualify for a second-year entitlement payment, by requiring such schools to maintain only the minimum number of veterans which would have been necessary to establish their original first-year entitlement—either enrollment of 10 percent more veteran students than in the year before, or, under the new alternative criterion in the reported bill, enrollment of a sufficient number of student veterans to make up 10 percent of a school's student body.

Further, as with the rest of section 524, this amendment would be effective only with respect to VCI payments made on or after October 1, 1973, and thus would not affect those VCI payments already made last June.

SCHOOL SAFETY AND SECURITY

I am very pleased that the Senate accepted unanimously the amendment I offered with Senator GURNEY authorizing the Commissioner of Education to carry out a Federal study of the frequency and incidence of school crime in the Nation. The study is to be completed over the next 2 years, with interim reports to the Congress, and a final report no later than December 31, 1976; $375,000 is authorized to carry out the purposes of the study, including such research and pilot projects as the Commissioner may determine.

Americans have long viewed education of their children as a national priority. The right to an education in an atmosphere free of violence and the threat of violence must be a part of that top priority. Yet, crime and violence in schools are rising as fast or faster than in society at large. And they must be stopped. Because while the dollar losses due to school vandalism can be estimated—about $500 million annually, nationwide—crime's cost to the national spirit and to the public confidence in schools cannot be calculated.

It is the purpose of the study not only to determine what kind of crime occurs, with what frequency, and where, but to help local communities find ways of resolving the issues in the best interests of their community and their children. Local control over these matters is essential.

I wish to emphasize one point in particular, Mr. President, regarding the information to be generated through this study: In assessing crime in schools and the causes of crime in schools, it is essential that: first, the climate of the community be assessed completely and accurately; second, that students and community have an opportunity to comment upon and have input in the processes of the study; and third, every effort be made to get the points of view of parents, students, and faculty with respect to the specific situations being studied and described. I might add that I am especially interested in having the viewpoints of students reported in this study.

CONCLUSION

There are many other items in the bill in which I am vitally interested: Library programs, a first step toward integrating the arts in general education, Indian education provisions, and others.

The objectives of this omnibus legislation are worthy of the support of each Senator, and I am pleased to cast my vote for its passage.

EXHIBIT 1

SECTION 105—BILINGUAL EDUCATIONAL PROGRAMS

LEGISLATIVE BACKGROUND

The Federal bilingual education effort—title VII of the Elementary and Secondary Education Act—was initiated in 1967 pursuant to Public Law 90–247. In the 1967 Act, the Congress sought to provide an approach to the education of the non-English speaking or limited English speaking child that was more successful than existing modes, such as English-As-A-Second Language (ESL) or Remedial Reading.

As envisioned in Public Law 90–247—and as reiterated in S. 1539—bilingual education involves the use of two languages, one of which is English, as mediums of instruction to assist children of limited English-Speaking ability. Both languages are used for the same student population—not as an isolated effort, but as a key component of a program embracing the total curriculum.

Rather than an objective in itself, bilingual education is part of a much larger goal: Encouraging a child of limited English-speaking ability to develop fully his individual skills and talents. It is the use of the child's native language and respect for his cultural background that best distinguished bilingual education from programs more narrowly focused, such as ESL and remedial reading.

The sole objective of ESL courses is to make non-English speakers more competent in English. Use of the child's native language is withheld and no effort is made to provide continued instruction in other subjects in a language the child can understand until the child is fully able to learn these subjects in English.

Remedial reading courses are even more limited in scope. The program addresses itself to just one aspect of the language problem, poor reading achievement, and in no way provides for alterations in the school curriculum or special training of teachers to meet the specific needs of the bilingual child.

The effectiveness of strict ESL or remedial reading approaches is questionable. Testimony before the Senate Education Subcommittee and the findings of the recent U.S. Civil Rights Commission report—*Toward Quality Education for Mexican-Americans*—challenge these approaches as inadequate. In spite of their prevalence in schools, fifty percent of Spanish-speaking students in California drop out by the eighth grade; 87 percent of Puerto Ricans over 25 years of age in New York City have not completed high school; the average number of school years completed by the Mexican-American in Southwest is 7.1 years; in Boston, over half of the 10,000 Spanish-speaking school-age children are not in school at all; and in Chicago, the dropout rate for the Spanish-speaking is approximately 60 percent.

Perhaps most disturbing, the testimony and the findings of various studies, including the U.S. Civil Rights Commission report, reveal that children have been placed in classes for mentally-retarded children because of their limited English-speaking ability.

Mindful of these data, and of original Congressional objectives, the Committee's consideration of the Education Amendments of 1974 included the first comprehensive review of the title VII program since its inception. The review began on February 26, 1973, when the Subcommittee on Education held a joint field hearing in Los Angeles with the Special Subcommittee on Human Resources, on the general topic of bilingual education, health, and manpower programs. On October 31, 1973, the Subcommittee on Education heard testimony from 19 witnesses, including the former director of the title VII program, State bilingual directors, bilingual education teachers, program directors, and teacher trainers as well as from the U.S. Commission on Civil Rights on S. 2552 and 2553, legislation to reform the bilingual education program. An amalgam of these measures was reported as part of S. 1539.

BILINGUAL EDUCATION PROGRAM BACKGROUND

In spite of the perennial lack of sufficient funding, the bilingual education program has been able to serve a growing number of bilingual constituencies: In fiscal 1974, title VII projects sought to help children from Spanish-speaking, Eskimo and American Indian, Portuguese, and Chinese backgrounds. In addition, programs were carried out assisting Guam, the Trust Territories, and Puerto Rico.

Nevertheless, much remains to be done. The short-fall of services and projects is alarming. Conservative estimates indicate that there are at least five million children in the United States who await bilingual services. Yet, in fiscal year 1973, an appropriation of $41,000,000, just 147,000 children were served in the 217 projects funded under the title.

In its review, the Committee was pleased to note that State efforts to provide bilingual instruction have increased since title VII was enacted in 1967, although over-all State progress remains limited. The Civil Rights Commission report found that only 6.5 percent of 500 school districts in the Southwest had bilingual programs. Testimony indicated that in 5 States surveyed, bilingual programs served barely 5 percent of the Puerto Rican children classified as of limited English-speaking ability.

The Committee also is deeply concerned over what appears to be a continuing inertia on the part of the Office of Education in developing a comprehensive set of goals, directions, and policies for the title VII effort. Very likely, some of the difficulties may be traced to inadequate appropriations, although each annual Congressional appropriation for the bilingual program has exceeded the Administration request, at times by over one-hundred percent.

Other undeveloped facets of the bilingual education program envisioned in 1967 are equally disappointing to the Committee. For example, despite specific authorities for teacher training and professional development, virtually no title VII funds have been spent for these purposes. Neither has the percentage earmarked for bilingual teacher training under the Education Professions Development Act been activated. In addition, the Administration has recommended no appropriations for EPDA in fiscal year 1975.

Further, while the development of model bilingual curricula would seem to be a valuable and appropriate Federal contribution to the field, there is little evidence that an adequate effort is being made in this area. Very slow progress has been made in stimulating curriculum and materials development for language groups other than Spanish-speaking.

Evaluation efforts are few and inconclusive, and the lack of research leadership in bilingual education on the part of the National Institute of Education is especially disappointing.

Other gaps in Federal attention to bilingual needs and services occur in vocational education, adult education, and library services—a situation the Committee has sought to remedy by providing new bilingual emphasis in the statutes underlying these programs.

Finally, the continuity and stability of the Title VII program itself has been jeopardized by frequent administrative reorganizations in the Office of Education. These restructurings have tended to lessen the program's visibility and have eroded its development. Within the organizational chart of the Department, the Division of Bilingual Education is on the lowest rung of the administrative hierarchy.

With these observations in mind, the Committee has rejected the Administration's request for a simple one-year extension of the current Title VII program, unchanged. Instead, the Committee finds it both necessary and desirable to provide more specific mandates and directions to enable the Office of Education to move more rapidly toward the demonstration of comprehensive models and examples of bilingual education, toward the development of the requisite quantity and quality of bilingual education personnel and curricula, and thus realize the Federal leadership in bilingual education first called for by the Congress in 1967.

For these reasons, the Committee has extended the revised program through June 30, 1978.

MAJOR BILINGUAL EDUCATION PROVISIONS IN REPORTED BILL

The Committee bill would replace the current title VII bilingual education program. Its major provisions—those the Committee feels are of greatest importance—are described below.

Policy Declarations.—The Committee has used the term "children of limited English-speaking ability" merely to facilitate discussion; in no way is the term intended to imply any sense that children who share a linguist and cultural background different from the majority of students are somehow inferior. Thus, the Congressional findings in the bill include: "that many of such children have a cultural heritage which differs from that of English-speaking persons; that a primary means by which a child learns is through the use of such child's language and cultural heritage; that, therefore, large numbers of children of limited English-speaking ability have educational needs which can be met by the use of bilingual educational methods and techniques; and that, in addition, all children benefit through the fullest utilization of multiple language and cultural resources."

The decision of the U.S. Supreme Court in *Lau et al.* v. *Nichols et al.*, of January 21, 1974, holds that title VI of the Civil Rights Act of 1964 demands that school districts respond to the needs of their limited English-speaking students. The Court relied heavily on the May 25, 1970, guidelines of HEW which state: "Where inability to speak and understand the English language excludes national origin-minority group children from effective participation in the educational program offered by a school district, the district must take affirmative steps to rectify the language deficiency in order to open its instructional program to these students."

Thus, it is to assist in the provision of equal educational opportunity that the Committee has resolved to provide more and—hopefully—better demonstration projects in bilingual education, with a wider range of support activities and coordination with other Federal educational activities, and an expanded program of training of teachers and other bilingual education personnel. These activities, together with in-depth research by the National Institute of Education and a thorough national survey of bilingual programs and needs, are mandated in the bill to give school districts across the country new material, new learning data, and the personnel necessary to build sound bilingual programs.

The goal of the program in the Committee bill is to permit a limited English-speaking child to develop the proficiency in English that permits the child to learn as effectively in English as in the child's native language—a vital requirement to compete effectively in society. This requires continuation of basic education instruction in both languages until that level of proficiency in English is achieved. The culmination of the process cannot be projected precisely in terms of a stated duration: therefore, the Committee does not believe it would be in keeping with the overall program goal to set a cut-off for a bilingual program.

Bilingual Education Goals and Methods.—In its policy statement, the Committee has made clear its intent that bilingual education programs funded under the Act are to be programs involving use of both English and the native language as mediums of instruction in the basic school curriculum and including the study of the history and culture associated with the native langage. The comprehensive program included in the bill is designed to develop and reinforce the child's self-esteem and to foster a legitimate pride in both cultures. This approach is based on sound educational principles which were well-summarized in testimony before the Subcommittee as:

(1) Using the native language to teach other subjects allows the education of the child to continue uninterrupted from home to school, thus preventing his retardation in subject matter while he learns English.

(2) Teaching a child to read first in the language he brings with him when he enters school facilitates his learning to read and write in a second language because the basic skills of reading are generally transferable from one language to another.

(3) Curriculum which incorporates the student's familiar experiences, community, history, and cultural heritage will help build pride and self-confidence in the student, and by being more relevant to the student's personal experiences, heighten his interest and motivation in school.

(4) By integrating the language and cultural background of all students, bilingual-bicultural education reinforces and increases the communication between home and school, thus improving the student's motivation and achievement.

In an effort to provide states and localities with every possible assistance in developing bilingual education programs to meet individual state and local needs, the Committee has directed the Commissioner of Education to develop recommendations, in the form of suggested model guidelines, setting forth desirable characteristics of potentially successful bilingual education programs, for appropriate voluntary use by local and state education agencies.

The Committee bill also makes provision for participation in bilingual education programs for eligible children attending non-public schools and certain assistance in connection with bilingual education programs for students at non-public schools. Examples of such assistance are the provisions of teacher training services for faculty members of the non-public school or to the sharing of materials and equipment necessary to establish and carry out a bilingual program for non-public school students.

Although the major thrust of the program is aimed at elementary school programs, where the greatest need exists at this time and where the greatest benefits can be achieved, the Committee bill does provide for pre-school programs, and programs at the secondary level where maintenance of successful elementary school programs and special programs can be provided to focus on a particular need; for example, the presence of large numbers of recently immigrated students might necessitate a special program at the secondary level.

National Assessment.—Mindful of the critical need for accurate data for use in bilingual education policy-making, the Committee bill mandates an annual report to the President and the Congress on the condition of bilingual education in the Nation, the administration of title Title VII program and other Federal bilingual programs, a statement of activities current and projected, and an estimate of educational personnel needed to carry out the objectives of the Act.

The Committee bill also requires a national survey of the number of children and adults with limited English-speaking ability—and the extent to which they are being served by Federal, State, and local programs—to be completed by July 1, 1976.

Further, the Committee has mandated the preparation of a five-year plan for extending bilingual education services—through cooperative and voluntary arrangements among States, localities, and the Federal government, and through other means—to those persons determined by the survey to be in need of such services.

The Committee expects this information to be published and made available as a public document.

Educational Personnel Development.—The Committee viewed the lack of adequately trained bilingual education professional personnel—including teachers, counselors, administrators, teacher aides and other paraprofessionals—and the virtual non-existence of programs to produce those personnel, as a major failure in our teacher training system and the major obstacle to the immediate development of fully bilingual programs where they are needed.

In a sampling of the title VII projects across the country, the total need for trained bilingual teachers in those projects was found to be 35,117. In contrast, there are presently 9,448 teachers in title VII projects. Similar deficiencies were found in the numbers of bilingual counselors, administrators and trained paraprofessionals.

Because of these dramatic shortfalls, the Committee emphasized the preparation of education personnel specially trained to carry out bilingual education programs. The reported bill earmarks 15 percent, the current ratio, of each bilingual education grant for in-service and pre-service training and preparation of education personnel, and earmarks 50 percent of appropriations above $35 million but not more than $60 million, principally for the provision of new bilingual teachers, administrators, counselors, and other educational personnel, and the development of appropriate graduate education programs for these purposes. One-third of appropriations in excess of $60 million also was earmarked for these purposes. To help increase the available supply of bilingual education professionals, the Committee bill also directs the Commissioner to provide a bilingual education fellowship program of from 200 to 500 fellowships each year.

Bilingual Education Research and the National Institute of Education.—In terms of priority needs, the Committee ranks bilingual research and development (R&D) at a high level. Ideally, good bilingual teachers and sound bilingual programs are inseparable.

As in the development of bilingual educators, the Federal government's efforts in bilingual R&D fall far short of the need. Since enactment of P.L. 92–318 in 1972, the responsibility for research in education has belonged to the National Institute of Education. Regrettably, the Committee's review of NIE's progress toward bilingual-bicultural R&D has revealed little evidence that the Institute has viewed research in bilingual education with the priority regard the Committee feels it warrants. The Committee—recognizing that the Federal responsibility for research in bilingual education rests, by law, with NIE—expects leadership from the Institute in attaining the objectives mandated by the Committee bill. These objectives include the identification of elements of a successful bilingual education program, an examination of current testing patterns and the projection of new and more suitable ones, the publication of R&D findings, the development of curriculum materials and teaching aids, and the dissemination of bilingual-bicultural education techniques and methodologies for use by schools at their discretion.

What is at stake here is the future of the Federal bilingual education effort. R&D leadership by NIE must be forthcoming. Therefore, the Committee bill allocates a specific amount of NIE's expenditures to bilingual-bicultural R&D programs and mandates several objectives for NIE to pursue in moving toward a more comprehensive, well-directed Federal bilingual education program.

National Advisory Council on Bilingual Education.—The recent reactivation of an Advisory Council on the Education of Bilingual Children is encouraging, although the Committee notes that the legislation creating such a Council was enacted in 1967 as part of the original Bilingual Education Act, and that between 1970 and 1974 the Council did not meet.

The Committee envisions a strong and active Advisory Council. The reported bill specifies the appointment of fifteen members, to terms of varied length, drawn from the ranks of both lay and professional persons interested and experienced in the education of bilingual persons. Classroom teachers, teacher trainers, and school board members are among the categories of persons to be appointed to the Council.

The Council is directed to submit an annual report on its own, to the President and the Congress, covering and evaluating the current status and projected directions for bilingual education and other Federal bilingual programs in the Nation, as observed from the Council's unique vantage point.

Federal Support of State Bilingual Activities.—The current Title VII status, which would be replaced by the Committee bill, does not provide a role for State education agencies in the Federal bilingual effort. In the past, Federal monies have been granted to local education agencies and to organizations and institutions supporting LEA activities, but not to the State agencies themselves. The Committee bill provides for a wider range of State activities especially in training, and includes authority for the Commissioner to grant some funds to the State educational agencies for supportive and technical services.

Also, the Committee bill calls for consultations by the Commissioner with State education agencies, and others, in the development of suggested model bilingual education statutes, curricula, and teacher certification processes that might voluntarily be adapted for use in a variety of locations.

The Committee is aware that the recent decision of the Supreme Courts in *Lau* v. *Nichols et al.* will require far greater efforts by State educational agencies to provide bilingual education opportunities to non-English speaking students. The Committee intends to review the participation of State education agencies in the programs funded under Title VII during the course of its oversight activities in this area.

Mr. KENNEDY. Mr. President, I rise to speak in support of the passage of S. 1539 and to call the attention of my colleagues to the provisions of that bill extending and improving the Federal role in bilingual education.

In the 7 years since the enactment of the Bilingual Education Act of 1967, title VII of the Elementary and Secondary Education Act, the Federal Government has funded a series of demonstration projects in bilingual-bicultural education. These model programs represented the first Federal response to the millions of children whose native language is other than English.

Former Senator Ralph Yarborough was the chief architect of the original law, and his leadership in this area deserves mention in any discussion of this subject. The original act marked a sharp break with the past record of neglect of the needs of the Spanish-speaking and other linguistic minority groups in this country.

Projects have been designed to enable Spanish-speaking, Eskimo, and American Indian, Portuguese and Asian Americans to utilize their native languages in the education process.

However, the gap between need and resources remains enormous. Conservative estimates indicate that there are approximately 5-million children in the United States who can benefit from bilingual education services. In fiscal year 1973, the appropriation of $41 million for title VII served only 147,000 children in 217 projects.

The U.S. Civil Rights Commission published its final report on Mexican American education in February 1974, "Toward Quality Education for Mexican Americans." It found that only 6.5 percent of 500 school districts in the southwest had bilingual programs in existence. Testimony to the Senate Education Subcommittee also disclosed that in 5 States surveyed, bilingual programs served barely 5 percent of the Puerto Rican children classified as of limited English-speaking ability.

While the enactment of title VII has had some positive effect in stimulating State governments to respond to limited English-speaking children, the level of State effort continues to be inadequate. Several States repealed laws prohibiting the use of languages other than English in the classroom. Ten States now have statutes permitting bilingual instruction. My own State of Massachusetts mandates bilingual education wherever there are concentrations of children with limited English-speaking ability. Four States, including California, now have laws authorizing funds for bilingual education program development and another 9 have moneys in their budgets for bilingual education purposes. However, the dollar amounts remain small and the priority assigned remains low.

Perhaps most distressing when one reviews the past 7 years has been the inertia, the lack of direction and the absence of leadership evident in the U.S. Office of Education in the area of bilingual education. For the first several years of this administration, the original budget request from the President actually was less than the Congress had authorized the previous year. In addition, in 1973 some $9.75 million was impounded. Once again, this year's original budget request was some $15 million less than the $50.35 level Congress appropriated in the original fiscal year 1974 Labor-HEW Appropriations bill.

The results of the failure to provide adequate bilingual education programs are evident from the following statistics: 50 percent of the Spanish-speaking students in California drop out by the 8th grade; 87 percent of Puerto Ricans over 25 years of age in New York City have not completed high school; the average number of school years completed by Mexican Americans in the southwest is 7.1 years, compared to 12.1 for the Anglo child.

The results are shown as well in the findings of the Civil Rights Commission that Mexican-American youngsters are not only shunted out of the college bound courses, but all too frequently are placed in classes for the mentally retarded—not because of any intelligence deficiency, but because of an English language deficiency. Thus, in 30 districts cited by the Office of Civil Rights for non compliance with Civil Rights Act title IV provisions, 14 "were found to be assigning Mexican-American students into EMR—educable mentally retarded—classes on the basis of criteria which essentially measure English language skills."

As a result of these conditions, I introduced S. 2552, the Bilingual Reform Act of 1973 last year, and Senator CRANSTON introduced S. 2553, the Bilingual Education Amendments of 1973. We were joined by Senator MONTOYA in introducing these measures. Following hearings in which we heard testimony from academic experts, from parents, from teachers, from school administrators, from State bilingual education directors, and from the U.S. Office of Education, we worked together with other members of the committee in drafting the provisions of the current bill.

I particularly would like to commend Senator CRANSTON for his leadership and counsel in developing the final version of the bilingual education reform contained in this bill.

Perhaps the major innovation concerning bilingual education in the legislation before us today is the emphasis on teacher training and the development of bilingual education personnel ranging from teacher aides to school administrators. I felt when I introduced my bill last year that its priority consideration of the need to expand the corps of bilingual educators was essential in any final version. I am pleased that the committee has adopted this priority as its own.

Witnesses before the committee testified to the paucity of bilingual education teachers, teacher aides, counselors, and administrators. Many cited this as the major failure of the previous 7 years of experience with the 1967 act. Although the authority for teacher training was included in that act, no funds were expended under title VII to improve or develop teacher training programs or to increase the number of bilingual education personnel. There has been only a 1.2 percent increase in the number of Spanish-surnamed teachers since 1968.

The current situation is as follows. Only 4.8 percent of approximately 250,000 teachers in the Southwest were Spanish surnamed, according to the U.S. Civil Rights Commission, while nearly 20 percent of the school-age children in those States were Spanish-surnamed. Similarly, while Chinese students represent nearly 15 percent of the student population in San Francisco, barely 5.4 percent of the teachers are Chinese. In New Mexico, while over 22,000 American Indian children are in the public schools, there are only 114 Native American teachers. On the east coast, similar statistics exist for the Puerto Rican community. Puerto Rican youngsters comprise 22 percent of the New York City school population, while Puerto Rican professionals hold less than 1 percent of all positions in the schools.

Although no one has suggested, nor do I favor, a quota system; nevertheless, it seems painfully obvious that these groups have few teachers with whom they can identify and, in many cases, few with whom they can even communicate.

A sampling of title VII projects across the country resulted in an estimate that the total need for trained bilingual teachers in projects today is 35,117. In contrast, there are only 9,448 teachers in title VI projects.

Because of these dramatic shortfalls, the committee has earmarked 15 percent of each bilingual education grant for inservice and preservice training of teachers and aides in those projects. In addition, 50 percent of all appropriations above $35 million and 33⅓ percent of all appropriations in excess of $60 million are earmarked for the preparations of new bilingual teachers, administrators, counselors, and other education personnel and the development of appropriate graduate education programs for these purposes. In addition, the Commission is authorized to provide a bilingual education fellowship program of from 200 to 500 fellowships each year.

The committee also extended the bilingual education authority through June 30, 1978 and provided authorizations of $135 million for fiscal year 1974, $145 million for fiscal year 1975, $155 million for fiscal year 1976 and $175 million for fiscal years 1977 and 1978.

The underlying belief of the committee is that the provision of bilingual education programs is essential to meet the requirement of full equal educational opportunity to children of limited English-speaking background. The decisions of the U.S. Supreme Court in "Lau et al. against Nichols et al." on January 21, 1974 held that title VI of the Civil Rights Act of 1974 demands that school districts respond to the needs of their limited English-speaking students. The Court quoted in its decision from the May 25, 1970 guidelines of HEW which stated:

> Where inability to speak and understand the English language excludes national origin minority group children from effective participation in the educational program offered by a school district, the district must take affirmative steps to rectify the language deficiency in order to open its instructional program to these students.

I firmly believe that the most effective tool for accomplishing the goal of providing equal educational opportunity is a comprehensive program of bilingual-bicultural education.

Basically bilingual education involves the use of two languages, one of which is English, as media of instruction. Both languages have the same value content. Both are used to transfer information and skills. Both are used in the total curriculum. Bilingual education is the best method we have discovered to encourage and to remove barriers that prevent a child of limited English-speaking ability from developing his individual skills and talents to their fullest.

These two factors—the use of the child's native language and respect for his cultural background—distinguish bilingual education from English-as-a-second language and remedial reading. The U.S. Civil Rights Commission in testimony to the subcommittee, which is quoted in the report accompanying this bill, stated:

> (1) Using the native language to teach other subjects allows the education of the child to continue uninterruptedly from home to school, thus preventing his retardation in subject matter while he learns English.
>
> (2) Teaching a child to read first in the language he brings with him when he enters school facilitates his learning to read and write in a second language because the basic skills of reading are generally transferable from one language to another.
>
> (3) Curriculum which incorporates the student's familiar experiences, community, history, and cultural heritage will help build pride and self-confidence in the student, and by being more relevant to the student's personal experiences, heighten his interest and motivation in school.
>
> (4) By integrating the language and cultural background of all students, bilingual-bicultural education reinforces and increases the communication between home and school, thus improving the student's motivation and achievement.

The bill before us seeks to instill these principles in the bilingual programs to be carried out under this act.

Too often, the concept underlying educational programs for the limited English-speaking has been to stamp out their native language and their culture at all costs.

The Library of Congress has cited examples of the extreme, where children in a South Texas school—

> Are forced to kneel in the playground and beg forgiveness if they are caught talking to each other in Spanish . . .

While it is evident that English language competence is an essential product of the educational system in this land, competence sufficient to enable all children to compete on equal footing, the native language of the Spanish-speaking child or Chinese-speaking and the cultural tradition and understanding that usually accompanies it should be treated as extra benefits, resources to be maintained and developed.

When the United States is the fifth largest Spanish-speaking country in the world and when a near majority of people in this hemisphere speak Spanish, surely our educational system should not be designed so that it destroys the language and the culture of children from Spanish-speaking backgrounds.

I believe that this bill marks a reaffirmation of our determination to encourage education models enabling limited English-speaking children not only to learn as effectively in English as in their native language but also to maintain their pride in their culture and background and to preserve their native language ability.

The bill focuses its major attention on the elementary school level where limited Federal funds can be most effective and where the need appears greatest. At the same time, special projects at the preschool and secondary level are specifically authorized.

Beyond the new emphasis in teacher training and the more articulated concept of bilingual education, the bill contains many of the provisons contained within the legislation I originally introduced. Among the major innovations of this bill regarding bilingual education are:

First, it establishes a Bureau of Bilingual Education with direct lines to the Commissioner of Education. This is to provide the sense of priority and direction which has been lacking within the Office of Education in the past.

Second, it directs the National Institute of Education to undertake research in the area of bilingual education by authorizing $5 million for that purpose and in the event those funds are not appropriated by earmarking up to 5 percent of NIE's funds for that purpose. Included in this effort is the requirement that NIE establish a Center for Bilingual Education to serve as a clearinghouse for information, research reporting, counsel, and support in the area of bilingual education.

Third, the bill includes provisions amending the Adult Education Act to require the adult education program of the Office of Education to consider the needs of limited English-speaking persons in each State.

Fourth, the bill amends the Vocational Education Act to require, for the first time, that each State with a substantial number of limited English-speaking residents include in its State vocational plans, programs to serve their constituency. In addition, some $40 million is specifically authorized for this purpose along with a 5 percent aside of State plans where there are significant numbers of limited English-speaking students in the State.

A separate Bilingual Vocational Training section is added, following an amendment offered by Senator DOMINICK, which Senator CRANSTON and I cosponsored, to focus on the needs of dropouts, and secondary school graduates who are unemployed or underemployed.

Fifth, State educational agencies are encouraged to develop State bilingual education programs and provision is made for a limited participation by these agencies in teacher training. However, the bill sets forth specific criteria that States must meet before they may participate directly.

Sixth, a National Advisory Council is established but with insured participation by bilingual educators, teachers, parents, and school board members. The council will report both to the Commissioner and to the Congress.

Seventh, a strong requirement for the involvement of those local groups most concerned with bilingual education—parents, teachers, and community representatives—in the design of local projects is contained within the bill.

Eighth, there is a special recognition of Indian bilingual needs and an effort made to insure that non-Bureau of Indian Education schools as well as the BIA schools have access to bilingual education moneys.

Ninth, the bill amends the Library Services and Construction Act to insure that the needs of the limited English-speaking community are met.

Tenth, the bill incorporates a separate amendment I introduced to the Higher Education Act to support developing postsecondary colleges and universities in areas of substantial numbers of Spanish-speaking. To qualify for assistance as developing institutions, these institutions would only have to meet the requirements for 2, rather than 5 years. Since many of these schools are newcomers, they have had difficulty in qualifying for assistance. This amendment parallels to a large extent similar action taken with regard to the Indian colleges 2 years ago.

Eleventh, the bill includes an amendment introduced by Senator WILLIAMS, which I cosponsored, to provide special assistance to the limited English-speaking to enable them to more effectively cope with the problems of college. They would be eligible under amendment to the Higher Education Act to receive bilingual teaching and counseling.

Finally, the bill requires that a national assessment of bilingual education needs for the next 5 years be made by the Commissioner.

Although the Federal Government's role continues to be one of stimulating the States and of providing the resources to backup local and State efforts through the preparation of adequate numbers of bilingual educators and the development of effective models, the committee expects to review closely the progress made at the State level.

I believe the bill before use commits the Federal Government to a major new initiative in the area of bilingual education and I am hopeful that it will be followed by similar actions at the State and local level.

For far too long, we have denied the limited English speaking an equal opportunity to succeed in the schools of America. This bill takes a major stride toward ending that neglect.

Mr. HUMPHREY. Mr. President, the "Education Amendments of 1974" is one of the most important pieces of legislation we will be considering this year. We are not dealing simply with the expenditure of funds, but with investment in our most valuable resource—the young people who will form our Nation's future. We are faced with two needs: to insure that the talents of these young people do not go to waste, and to insure that each of them has the opportunity to develop his or her talents to the greatest extent possible, in order to become a full participant in American society.

The central mechanism by which the Federal Government can assist in the education of our young people is through the distribution of funds to be made available to the local school districts in each State to meet their own needs, or to supplement particular programs for which the Congress feels that there is a national need, and for which the Office of Education can provide coordinated support. There has been a great deal of disagreement during the discussion of this bill as to which formula for distribution of Federal funds was most equitable and most advantageous for the fulfilling of our common goal. The results have not been entirely in accord with what I would have preferred, and most likely not entirely in accord with what any other individual here would have preferred. But we have refined a method of providing Federal aid to State and local education agencies, and I think that the important thing to remember now is that it is vital that this education bill be passed, that agreement be reached in House-Senate conference on final legislation, and that we get the money out to the States so that the valuable work of providing a quality education to all of our young people can proceed.

This bill does considerably raise the authorization level for assistance to the States from previous years. Under the formula for distribution of funds to local educational agencies, for example, Minnesota is authorized to receive $7 million more in fiscal 1975 than in fiscal 1974. This is a step in the right direction—toward increasing the assistance to the States in their efforts to improve their own local educational systems. There is, unfortunately, an inadequate accounting for the needs of urban areas—and particularly urban poverty areas—in the bill as amended, though some effort has been made to rectify that deficiency today, with the re-institution of funds targeted especially on areas with a high concentration of poverty families.

There are a number of provisions introduced by this bill which are innovative, and many changes which have been made to up-date or rationalize the procedures by which funds are allocated. Among the most important of these are the substantially expanded aid for the handicapped, and the new program for the improvement of reading.

HANDICAPPED CHILDREN

The funds for our handicapped children have for years been deplorably low. As a result, the handicapped have not been provided with the trained teachers, the specialized materials, or the necessary facilities required for their education. They have, as the courts are now making clear to us, not been provided with their full rights, with an equal opportunity to participate in the educational system of this country. I was, therefore, happy to be able to cosponsor the measure introduced by Senator MATHIAS designed to provide a 1-year intensive base of support for education of the handicapped. This measure provides funds for initiating projects to educate handicapped children—projects which can be developed more fully under funds provided by the comprehensive bill for education of the handicapped (S. 6) presently before the Labor and Public Welfare Committee.

One of the principal handicaps faced by all too many children in this country has been their inability to read. A recent study by the Office of Education revealed that more than half of those children from families where the head of the household is illiterate are themselves illiterate. We have not been doing nearly enough in the educational system to address this need. Yet we all know that reading is the key to education; it is the prerequisite to success in all other areas.

READING PROGRAM

We also know that the failure to develop the skills which are basic to reading in the earliest years of schooling creates barriers which are very difficult to overcome in later years. Title VII of S. 1539, the national reading improvement program—aimed particularly at children in the elementary grades, and providing the expertise and assistance necessary to improve the reading skills of children—was one of the most valuable innovations in this year's legislation. It reaches children while they are still young enough that their entire career as students can still be influenced, thus opening to them career opportunities which they would otherwise not have had.

My own amendment to that title, providing the funds for a small number of demonstration programs for preschool children, was intended as an effort to strengthen further the purpose of the reading program established in the bill.

STUDENT INTERNS

I am gratified that the Senate also adopted my second amendment, to establish an internship program in offices of elected officials of State and local government, to provide college students with an invaluable educational experience, while also carrying out responsible tasks in the provision of public services.

Another innovation in this year's legislation is the establishment of a data-gathering agency for educational statistics within HEW. As in so many areas important to our Nation, the Senate Labor and Public Welfare Committee discovered that when it became necessary to make some of the hard decisions on our priorities for the future, the data necessary to make those decisions wisely was often lacking. Although the administration might protest that it had the information, it could not provide the hard facts.

The ability to gather and analyze essential information has clearly become one of the most critical prerequisites for national planning and the wise use of resources in our country, and yet one of the needs least frequently met. As in all of the other areas where vital national decisions must be made, it has become apparent that steps must be taken immediately to set up a capacity to coordinate information on our educational accomplishments and needs, and to isolate what information we still need to gather. The establishment of an ageny in HEW for this purpose may well prove to be a great long-term advantage to the educational development of the country.

The Education Amendments of 1974 include a number of additional measures which are of considerable importance—including education to help end sex discrimination and funds to aid in bilingual education. The bill also includes provisions for the consolidation of some of the programs currently funded separately, and for the rationalization of the procedure by which States apply for these funds. These changes should allow some development of useful new programs, while eliminating some of the bureaucratic obstacles which have caused difficulty in the funding of old programs.

This year's education bill is a valuable vehicle for the improvement of a great variety of the components of effective education and it is highly innovative in its efforts with respect to some of the most pressing national educational problems. It provides a framework within which State and local education agencies can plan for the development of their programs over the next several years. I believe we should support this bill, and I hope that every effort will be made to expedite the final enactment of the urgently needed education assistance authorizations.

Mr. WILLIAMS. Mr. President, I know that this has been a long and difficult week for the Senate and we have considered and debated this important and vitally necessary education bill. But, as hard as we have worked on the legislation this past week, there are some of my colleagues who deserve special praise for their efforts over the last year. Most notably I want to extend my highest thanks and commendation to the chairman of the Education Subcommittee and floor manager of the bill, Senator PELL. When his subcommittee began hearings on S. 1539 in April of 1973, the distinguished Senator from Rhode Island was, as always, in the chair, and since that time has devoted his energies to assuring that the legislation before us today will represent another major step toward providing quality education for all Americans. Senator PELL can indeed be proud of his achievements.

And I think that we must also pay tribute to other Senators who have worked so diligently and effectively in fashioning this bill. The Senator from Colorado (Mr. DOMINICK) has shown his deep concern for strengthening our Federal education programs. And, the Senator from New York (Mr. JAVITS) who is the ranking minority member of the full committee has done his usual excellent job in helping to move a good bill through the committee and the Senate.

Finally, Mr. President, I want to commend the staff of the committee for their assistance in developing this landmark bill. Specifically, I want to express my appreciation to Steve Wexler, Jean Frohlicher, and Dick Smith of the Education Subcommittee, Roy Millenson and John Adair with the minority, and my own staff, Lisa Walker and Nik Edes. These men and women deserve our special thanks.

SCHOOL LOAN GUARANTEES

Mr. HUMPHREY. Mr. President, I had planned to call up my amendment No. 1249 to S. 1539, but due to the crowded schedule for discussion of the education bill, this has not been possible. I would like, however, to discuss the purpose of my amendment, and to explain why I feel that action of the kind it authorizes is necessary.

This amendment would provide a positive solution to the problem of sorely needed up-to-date school facilities in our country. It makes funds for building available to school districts at the time when they need facilities, and yet it costs the Federal Government very little. This amendment uses loan guarantees and interest subsidies to help school districts tap major private investment resources for their needs. This makes effective planning for long-range requirements possible in spite of the difficulties in floating local bond issues, and without the liabilities of crushing interest rates on local resources.

Over the last quarter century the most common way for local school systems to raise revenues for construction has been through issuing bonds, with the percentage of capital outlay financed in this way varying between 60 and 85 percent. But it has become increasingly difficult in recent years for school districts to win voter acceptance of the issuing of these bonds, and the result has been a trend toward spasmodic responses to short term crises, rather than rational assessment and planning for long-term development.

Over the last decade there has been an increase of over 20 percent in rejections of bond issues at the polls. This has certainly not been because modernization and new construction were not needed, or because they would not benefit the community. Rather, the taxpayer, faced with the overwhelming burden of uncontrolled inflation and a high local tax rate, was understandably concerned with the immediate problem of his own finances. This has been most true in exactly those areas where expansion and improvement were most desperately required. Without the capability for a degree of assurance in their planning, school districts have often had to embark on wasteful expenditures tied directly to immediate problems, such as failure of buildings to meet health or safety regulations. The economic savings and design-benefits which could have resulted from comprehensive planning have been lost, and school boards now often feel safe in recommending bond issues only on an emergency basis.

One objection which might be raised against this amendment is that the school-age population is declining. As a result, we are told, there are a few unused schoolrooms scattered about here and there. I find this objection most remarkable for what it omits, for what it is blind to. It illustrates the dangers of failing to correlate statistics with reality.

In the first place, there are areas of the country where school systems are still expanding rapidly. One of the suburbs of Washington, D.C., Prince William County, has had to build four elementary schools, four middle schools, and four senior high schools in the past 3 years to house a student population which has increased by some 2,000 during that period.

Equally important is the question of the kinds of comparisons we are making. A few years ago we had woefully inadequate physical facilities for our children's schools.

We had classrooms for elementary school children with 50 and 60 students in them. We had double sessions where children went to school at odd hours, and often for only half a day. We had ramshackle buildings lacking in anything but the most primitive equipment for scientific or vocational studies.

It is true that a reduced student population may mean that there are fewer double sessions than before, and that some of the larger classes are reduced to the range of 45 to 55 students. It may even be the case that there are atypical rural areas, or towns where a major factory has closed down, where there are now empty classrooms. But I should hardly have thought that these would be heralded as indications that the need for further work was done. I would never have considered these unexceptional achievements to be our goals.

The declining student population in fact gives us for the first time a realistic opportunity to expand and improve our facilities to a point where they more nearly approach what we ought to have. We must pursue with adequate energy and planning the construction of good classrooms to make it possible that all children can be in reasonably sized classes and receives the attention they need. We should modernize facilities for technical subjects so that students can obtain the practical experience they need. We can construct facilities which genuinely meet the needs of our handicapped and retarded youths so that they can learn to participate as fully as possible in American society.

In taking these actions, we will have made a long-term investment in this Nation's welfare which will repay many times over the small amount which we now expend. We have never had sufficient effort in this area in the past. We cannot now argue against expanding our effort on the grounds that things are marginally less bad than they used to be.

There are two additional points I would like to make about this amendment. First, the proposal is economically sound. Large funds are made available, but they are available primarily as guarantees, and they remain with the Federal Government. Costs to individual school districts are reduced in several ways. They can plan more effectively, knowing that loans will be available through private sources, and that they can plan long-term gradual expenditures to cover their needs, rather than requiring sudden immense expenditures which only partially meet long-term objectives. At the same time, while schools are able to obtain loans, they need not suffer under the burden of unwieldy interest levels. The Federal funds may be used to pay for 3 percent of the interest due annually on the principal borrowed. Thus, at minimal cost to the Federal Government, the net cost of facilities to the educational system is reduced.

Second, the method employed by this measure has precedents in similar proposals approved by Congress. Guaranteed loans are already used for financing the construction of facilities for higher education. And when the Congress decided to encourage the development of innovation in the provision of medical care by assisting the growth of health maintenance organizations, this was one method chosen. I think it is equally appropriate that the Federal Government get itself involved in encouraging the modernization of educational facilities for our primary and secondary schools, even though we may not now be able to get involved in the business of supplying the funds directly.

I would like now to explain in somewhat more detail the provisions of this amendment. It establishes in the Treasury an elementary and secondary school facility construction and acquisition loan guarantee and interest subsidy fund to be made available to the Commissioner of Education for the purpose of guaranteeing loans and making interest subsidy payments, on behalf of State and local educational agency applicants, to non-Federal lenders making loans to such agencies. The amount authorized for each of 2 fiscal years is $2.5 billion, of which no more than $300 million may be used for subsidizing interest payments. There are appropriate conditions in the amendment to protect the financial interests of the United States, permitting the United States to recover from the State or local educational agency any payments made pursuant to the guarantee, unless the Commissioner waives his right of recovery, and assuring that the control of funds and title to property derived therefrom, shall be in a public agency. The operating mechanisms of this amendment are standard procedure in guaranteed loan systems of this kind.

I would like to point out that this amendment is not something which I am introducing for the first time today. This was first introduced as title II of the National Education Investment Act, S. 1817, which I introduced on May 17, 1973. I should note that strong support for this bill was stated by Mr. Jack Dodds, past president of the National Association of Elementary School Principals, and by a number of sectors of the education community.

On November 12, 1973, I wrote to Senator PELL, requesting that scheduled action by the Senate Subcommittee on Education on draft legislation on elementary and secondary education amendments, include consideration of S. 1817. I urged that particular attention be given to titles II and III—for a national educational trust fund—of that bill.

Mr. President, I ask unanimous consent that a copy of my letter to Senator PELL be inserted in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, in his reply, Senator PELL indicated his own concern that broader problems of financing our schools be addressed, and noted that legislation he had introduced also spoke to this need, although the current legislative situation appeared to dictate a more limited focus in Federal programs of assistance. I understood the problems which the Subcommittee on Education confronted in drafting legislation which would at least maintain existing Federal education assistance programs. However, I strongly believe the Senate must face squarely major problems of school financing experienced across the Nation.

I urge the Senate to make the proposals advanced in this amendment a priority matter for consideration in the near future. There must be no further delay in dealing with the problems of capital outlay required for the improvement of our schools.

Mr. President, I ask unanimous consent that the text of my amendment also be included in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

EXHIBIT 1

NOVEMBER 12, 1973.

Hon. CLAIBORNE PELL,
Chairman, Subcommittee on Education, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR CLAIBORNE: I sincerely commend the subcommittee decision to give executive consideration to draft legislation—S. 1539, Elementary and Secondary Education Amendments—to extend vital programs of Federal assistance to education and to address serious problems of school financing.

I am hopeful that careful consideration will be given to provisions of S. 2414, the Elementary and Secondary Education Assistance Act, introduced by Senator Mondale and cosponsored by myself and others, which would establish a program of general grants for elementary and secondary education and provide for an experimental program on achievement progress tests.

I would also urge that attention be given to respective titles of the National Education Investment Act of 1973, S. 1817, which I introduced on May 15, 1973. This bill provides for grants and loan guarantees for vitally needed school construction and improvements—now frequently held in abeyance due to limited local fiscal resources or voter resistance to higher property taxes to finance this construction. It would also establish a National Educational Trust Fund designed to address simultaneously our serious school financing problems and the need to initiate State and local tax reforms. In calling for an increase in the Federal investment in education to one-third of all public resources, the bill specifies administrative reforms, in the establishment of a new Department of Education, to carry through what must now become a high national priority.

While certain provisions of S. 1817 may be reflected in other bills, I would ask that particular consideration be given to Titles II and III establishing, respectively, the program of Federal loan guarantees and interest subsidies for school facilities, and the National Educational Trust Fund.

In anticipation of the resumption of subcommittee executive consideration of pending legislation on November 14–16, 1973, I am enclosing a Congressional Record reprint containing my remarks in introducing S. 1817, a summary of the several titles of the National Education Investment Act, and the text of the bill.

Sincerely,

HUBERT H. HUMPHREY.

EXHIBIT 2

At the end of the bill add the following new title:

"TITLE IX—LOAN GUARANTEES AND INTEREST SUBSIDIES FOR CONSTRUCTION AND ACQUISITION OF FACILITIES FOR ELEMENTARY AND SECONDARY SCHOOLS

"PROGRAM AUTHORIZED

"SEC. 901. (a) In order to assist State and local educational agencies to carry out acquisition and construction of facilities for elementary and secondary schools, the Commissioner of Education, during the period beginning January 1, 1975, and ending at midnight on June 30, 1978, may, in accordance with the provisions of this title—

"(1) guarantee to non-Federal lenders making loans to such State and local educational agencies for such purposes, payment of principal of and interest on such loans which are approved under this title; and

"(2) pay to the holder of such loans (and for and on behalf of the State or local educational agency which received such loan) amounts sufficient (not to exceed 3 per centum per annum) to reduce the net effective interest rate otherwise payable on such loan.

"(b) No loan guarantee or interest subsidy under this title may, except under such special circumstances and under such conditions as are prescribed by the Commissioner, apply to or be made for an amount which, when added to any grant or other loan under this or any other law of the United States, is in excess of 90 per centum of the cost of acquisition or construction of the facility for which such guarantee or loan subsidy payment is sought. No such loan guarantee may apply to more than 90 per centum of the loss of principal and interest on loan.

"(c) No loan guarantee or interest subsidy payment under this title shall be made unless the Commissioner finds that—

"(1) the State or local educational agency applicant is unable to secure the amount of such loan from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans which are guaranteed or with respect to which interest subsidy payments are made under this title;

"(2) the construction will be undertaken in an economical manner and will not be of elaborate or extravagant design or materials;

"(3) with respect to a loan for which a guarantee or an interest subsidy payment is sought, the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, and that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Commissioner determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States; and

"(4) the term of a loan for which a guarantee or interest subsidy payment is sought does not exceed forty years.

"(d) Guarantees of loans and interest subsidy payments under this title shall be subject to such further terms and conditions as the Commissioner determines to be necessary to assure that the purposes of this title will be achieved, and, to the extent permitted by subsection (e), any of such terms and conditions may be modified by the Commissioner to the extent he determines it to be consistent with the financial interests of the United States.

"(e) In the case of any loan guaranteed under this title, the United States shall be entitled to recover from the State or local educational agency applicant the amount of any payments made pursuant to such guarantee unless the Commissioner, for good cause, waives his right of recovery, and, upon making such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(f) Any guarantee of a loan under this title shall be incontestable in the hands of a State or local educational agency applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person, or except where such applicant is in substantial noncompliance with any material provision of this title. The Commissioner shall have the authority after a hearing on the record to terminate or cancel any loan guarantee on behalf of a State or local educational agency where he makes a finding of fact, supported by substantial evidence, that such fraud or misrepresentation or substantial noncompliance with any material provision of this title has occurred.

"(g) The Commissioner is authorized to establish and collect such fees from State and local educational agencies for guarantees made under this title as he considers reasonable.

"(h) (1) There is established in the Treasury an Elementary and Secondary School Facility Construction and Acquisition Loan Guarantee and Interest Subsidy Fund (hereinafter in this title referred to as the 'fund') which shall be available to the Commissioner without fiscal year limitation in such amounts as may be specified from time to time in appropriation Acts (A) to enable him to discharge his responsibilities under guarantees issued by him under this title, and (B) for interest subsidy payments authorized by this title. There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required by the fund. To the extent authorized from time to time in appropriation Acts there shall be deposited in the fund amounts or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this title, including any moneys derived from the sale of assets, and fees collected for guarantees made under this title.

"(2) If at any time the moneys in the fund are insufficient to enable the Commissioner to discharge his responsibilities under this title to meet the obligations under guarantees of loans under subsection (a) or to make interest subsidy payments on such loans, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Commissioner from such fund.

"(1)(1) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this title may not exceed such limitations as may be specified in appropriation Acts.

"(2) In any fiscal year no loan guarantee or agreements to make interest subsidy payments may be entered into under this title if the making of such guarantee or the entering into of such agreement would cause the cumulative total of—

"(A) the principal of the loans guaranteed under this title in such fiscal year, and

"(B) the principal of the loans for which no guarantee has been made under this title but with respect to which an agreement to make interest subsidy payments is entered into under this title in such fiscal year, to exceed the amount of funds obligated under this title in such fiscal year.

"(j) Not more than 12½ per centum of the funds obligated under this title for the principal of loans guaranteed and interest subsidy payments made in any one fiscal year may be used within any one State.

"(k) The total amount of interest subsidy payments made under agreements entered into under this title in any one fiscal year shall not exceed $300,000,000 in such fiscal year.

"APPLICATION

"SEC. 902. (a) No loan guarantee or interest subsidy may be made under this title unless an application therefor has been submitted to and approved by the Commissioner. Each such application shall be in such form, submitted in such manner, contain such information, and be consistent with such basic criteria established under section 903, as the Commissioner may require. Each such application shall provide—

"(1) that the State or local educational agency has provided satisfactory assurance that the control of funds provided under this title, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this title, and that a public agency will administer such funds and property;

"(2) that such projects are not inconsistent with overall State plans for the construction and acquisition of school facilities and that the requirements of section 906 will be complied with on all such projects;

"(3) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper accounting for payments made with respect to loans guaranteed and interest subsidy payments made under this title;

"(4) that the State or local educational agency is authorized to make such application for assistance under this title under the appropriate State law;

"(5) that the State or local educational agency will make an annual report and such other necessary reports to the Commissioner, in such form and containing such information, as may be necessary to enable the Commissioner to perform his duties under this title, and will keep such records and afford such access thereto as to Commissioner may find necessary to assure the correctness and verification of such reports;

"(6) that such information as may be required shall include satisfactory specification of the existing or anticipated (A) population group or groups to be served by the existing or proposed elementary or secondary school facility; (B) organizational and financial arrangements for providing educational services; (C) facilities available and additional capital investments and sources of financing therefor, required to provide the level and scope of services proposed; and (D) measures to assure that the location and operation of elementary and secondary school facilities constructed or acquired through assistance provided under this title are in compliance with the requirements of section 907.

"(b) The Commissioner shall not approve an application which meets the requirements of subsection (a) of this section unless such application in the case of a local educational agency has been submitted to the appropriate State educational agency for comment.

"(c) The Commissioner shall not finally disapprove in whole or in part any application for assistance under this title without first according the educational agency submitting the application reasonable notice and opportunity for a hearing.

"BASIC CRITERIA

"SEC. 903. As soon as practicable after the enactment of this title, the Commissioner shall by regulation prescribe basic criteria for applications submitted under section 902. In addition to other matters, such basic criteria shall include a priority for projects which provide for the replacement of restoration of hazardous or unsafe facilities, the consolidation of school facilities where the existing facilities do not provide separate classrooms for each grade, the modernization or replacement of facilities which are antiquated or functionally obsolescent, or the modernization or replacement of facilities to provide innovative facilities or equipment.

"LIMITATIONS

"SEC. 904. (a) No assistance shall be provided under this title for any fiscal year to a State which has taken into consideration non-Federal loans guaranteed and interest subsidy payments under this title in determining the eligibility of any local educational agency in that State for State aid, or the amount of that aid, with respect to the free public education of children during that year or the preceding fiscal year.

"(b) No assistance shall be provided under this title to any local educational agency for any fiscal year unless the State educational agency finds that the combined fiscal effort (as determined in accordance with regulations of the Commissioner) of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was at least equal to such combined effort for the fiscal year ending June 30, 1973.

"JUDICIAL REVIEW

"SEC. 905. (a) If any State or local educational agency is dissatisfied with the Commissioner's final action with respect to the approval of its application under the provisions of this title or with his final action under section 901(e), such State or local educational agency may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which the State or local educational agency is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"LABOR STANDARDS

"SEC. 906. All laborers and mechanics employed by contractors on all construction projects under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (14 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 265c).

"NONDISCRIMINATION PROVISION

"SEC. 907. No person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity in a facility assisted in whole or in part by any guaranteed loan or interest subsidy payment made under this title.

"PROHIBITION ON USE AS MATCHING FUNDS

"SEC. 908. No State or unit of local government may use, directly or indirectly, any part of the funds it receives under this title as a contribution for the purpose of obtaining Federal funds under any law of the United States which requires matching funds as a condition to the receipt of Federal funds.

"DEFINITIONS

"SEC. 909. (a) As used in this title, the terms—

"(1) 'Commissioner';
"(2) 'construction';
"(3) 'elementary school';
"(4) 'secondary school';
"(5) 'local educational agency'; and
"(6) 'State educational agency',

have the same meanings as prescribed in section 400 of the General Education Provisions Act.

"(b) As used in this title—

"(1) The term 'school facilities' includes classrooms and related facilities; and initial equipment, machinery, and utilities necessary or appropriate for school purposes. Such term does not include athletic stadiums, or structures or facilities intended primarily for athletic exhibitions, contests, or games or other events for which admission is to be charged to the general public.

"(2) The term 'State' includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands.

"EVALUATION REPORT

"SEC. 910. Upon completion of elementary or secondary school facility acquisition or construction projects, or both, under assistance provided under this title, the State or local educational agency recipient of assistance shall make a full and complete report to the Commissioner, in such manner as he may by regulation prescribe, and which shall include descriptions and evaluations of the educational services resulting from such school facility improvements. The Commissioner shall provide a consolidated report to the Congress, with such recommendations, on assistance authorized under this title, as he deems appropriate, not later than January 1, 1978.

"APPROPRIATIONS AUTHORIZED

"SEC. 911. There are authorized to be appropriated to the fund, not to exceed $2,500,000,000 for the fiscal year ending June 30, 1975, and not to exceed $2,500,000,000 for the fiscal year ending June 3, 1976. Funds appropriated pursuant to this section shall be deposited in the fund and shall remain available for obligation and expenditure until expended.".

On page 124, in the table of contents after item "SEC. 806.", insert the following:

"TITLE IX—LOAN GUARANTEES AND INTEREST SUBSIDIES FOR CONSTRUCTION AND ACQUISITION OF FACILITIES FOR ELEMENTARY AND SECONDARY SCHOOLS

"Sec. 901. Program authorized.
"Sec. 902. Application.
"Sec. 903. Basic criteria.
"Sec. 904. Limitations.
"Sec. 905. Judicial review.
"Sec. 906. Labor standards.
"Sec. 907. Nondiscrimination provision.
"Sec. 908. Prohibition on use as matching funds.
"Sec. 909. Definitions.
"Sec. 910. Evaluation report.
"Sec. 911. Appropriations authorized.".

Mr. PEARSON. Mr. President, S. 1539, the Education Amendments of 1974, is a very broad bill which encompasses many issues. Perhaps it is unfortunate that our attention has been focused on a relatively few of these issues. Nevertheless, there is little doubt that with passage of this act, Congress is reaffirming its commitment to adequate Federal support for education.

Since 1965, with the passage of the Elementary and Secondary Education Act, we have struggled to find the correct mechanisms for distributing Federal aid. Quite correctly, many have proposed consolidation of the myriad of categorical programs. Reforms in impact aid have been advanced every year. The distribution formula for title I funding has been a continuous problem. The bill before us is unique in that it addresses all of these problems.

Unfortunately, there are numerous substantive issues which will not be fully resolved by this bill. We will, for example, continue to struggle with the difficulties inherent in administering numerous Federal programs. State and local authorities will continue to fight redtape. Nevertheless, we have made a substantial beginning toward the solution of these problems. Section 401 of the bill, for example, consolidates State application for Federal assistance. I am hopeful that this will also lead to a meaningful reform at the local level.

Beyond these broad questions, however, there are several extremely important provisions of the bill which need to be singled out for comment.

First, section 203(d) recognizes an important problem in the distribution of impact aid. Formerly, section 5(d)(2) of Public Law 874 prohibited a State government from including Federal impact aid in the computation of State expenditures for any district. Violation of the section resulted in a withholding of impact aid for the entire State. Although justified in its intentions, this had the unintended result of thwarting State efforts to equalize educational expenditures among local districts. This was inequitable for States which had enacted equalization formulas, and the Senate, last year, granted a 1-year exemption for States which would have been faced with a loss of their entire impact aid package. Kansas fell into this category since it has previously enacted an equalization formula.

S. 1539 recognizes the need for a revision in this section. It permits a State to treat impact aid in the same manner as State and local funds in making their determination of financial needs and resources. This should, when accompanied by appropriate regulations, promote even greater equalization of school funding.

Second, the Senate has the amendment to section 406 proposed by the junior Senator from Wyoming, Mr. HANSEN. I was pleased to cosponsor this provision which requires greater local coordination and planning prior to the filing of an application for assistance under the Community Schools Act. The goal of maximum utilization of existing school resources should not be accomplished at the expense of existing community education programs. The amendment to section 406 requires coordination with local community colleges and recreation programs before a community school program can be established. This should enable the program to more effectively enhance educational opportunities in the entire community.

Finally, the bill makes an important revision in the original veterans cost of instruction program. The measure was passed in the Education Amendments of 1972 required that an institution of higher learning was eligible for funding only if it increased its veterans enrollment by 10 percent a year. This unfairly penalized schools which had previously made major efforts to recruit veterans, but which were unable to meet the incremental limits.

For example, Wichita State University in Kansas maintained a veterans enrollment totaling nearly 15 percent of its student body. It was, however, ineligible to participate in the veterans cost of instruction program. The bill before us will permit a school with a veterans enrollment equal to 10 percent of its enrollment to participate. I am pleased to see that the measure has been included in this bill.

Mr. President, these three sections have not, perhaps, received the notice which they deserve. I am hopeful that they can be included in the bill which comes out of the conference committee, and that they can be fully implemented in the near future.

Mr. CLARK. Mr. President, the Senate is about to approve the major education bill for the next 4 years. It is a comprehensive measure—and badly needed because it comes at a time of prohibitive property taxes and burdensome State taxes which have decimated the financial underpinning of American education. The Federal aid to education bill, S. 1539, hopefully will guarantee the ability of State and local educational institutions to maintain current programs—in the face of rising costs—without raising taxes.

In drafting this legislation, the distinguished Senator from Rhode Island (Mr. PELL) and the other members of the Education Subcommittee have worked for hundreds of hours reviewing the record of the existing law—the accomplishments and the mistakes—and improving it. The result is legislation that provides assistance for an incredible array of educational needs.

The bill amends 15 existing acts and creates 3 new ones—the Community Schools Act of 1974, the Special Projects Act, and the Women's Educational Equity Act of 1974.

It extends the authority for title I funds to assist educationally deprived children. The formula has been updated to more equitably meet today's needs without crippling those schools which have come to depend upon certain levels of Federal funds under the old formula.

It provides for construction of facilities and funds for textbooks.

It encourages special programs to help those with special needs—the handicapped, adults, and people requiring bilingual education.

It streamlines administration and cuts out unnecessary paperwork, as well as paving the way for conferences, studies, and demonstration projects to encourage innovation.

The bill continues the existing carryover authority, allowing local education agencies to spend money received too late in a fiscal year in the following year. At the same time, it urges once again that the long-overdue funds for the advanced funding concept already approved by Congress be appropriated and allocated promptly so this situation need not reoccur.

Additionally, the legislation authorizes funds for metric education, gifted and talented education programs, career education, community education, and arts education.

It establishes safeguards for the rights of privacy rights of both parents and children.

But most importantly, the bill provides the money financially besieged schools need to allow them to emphasize the basic skills, especially reading, so vital to successful participation in 20th century American life.

Mr. President, it is a pleasure to support such a fine piece of legislation. I urge my colleagues to support it as well, and I sincerely hope that the differences between the House and Senate bills will be quickly resolved in conference and the legislation will be signed into law by the President so our educational institutions can continue their crucial work.

Mr. PELL. Mr. President, Senator HART, who was unable to be here today, requested an opportunity to ask a question about a portion of S. 1539, dealing with impact aid. I ask unanimous consent that Senator HART's statement and question be printed at this point in the RECORD, followed by my answer.

There being no objection, the colloquy was ordered to be printed in the RECORD, as follows:

Mr. HART. I would like to ask a question about language on page 209 of the bill referring to PL 81–874 funds and state plans to equalize expenditures.

There are several school districts in Michigan which are heavily impacted with federally-related students. These districts, small in size, get more than 20 percent of their budget from impact aid.

Needless to say, these districts are concerned about losing that large a part of their budget, and I think it is fair to say that if they did, the quality of education in those communities would suffer greatly.

As I understand the language of the bill, the prohibition against using impact aid to offset financial assistance from a state is continued.

However, the bill does create an exception, which, according to the Committee Report, would work this way:

". . . if a State has in effect a program of State aid for free public education which was adopted after June 30, 1972, and which is designed to equalize expenditures for free public education among the local educational agencies of that State, impact aid payments to local educational agencies in that State may be taken into consideration by the State in determining the relative financial resources available to local educational agencies in that State and in determining the relative financial need of such agencies for the provision of free public education for children served by such agencies. In other words, in State equalization situations, States may treat impact aid in the same manner as State and local funds in making their determination of financial resources and financial needs of local educational agencies."

The superintendents of the school districts in question are concerned that the exception would allow a major reduction in state assistance because of the amount of impact aid these districts receive.

Michigan has adopted a millage-equalization program under which one mill of tax, regardless of a community's tax base, raises the same amount of money for education.

My questions are:

"Does Michigan's millage-equalization program qualify as a program designed to equalize expenditures under the language and intent of the Senate bill?

"If not, does that mean that the prohibition against using impact aid to offset state aid still apply to Michigan?"

Mr. PELL. Mr. President, the provision in the Senate bill simply permits an evaluation of Impact Aid funds in order to determine relative resources and relative need of school districts. It is designed to prevent "windfall" payments to 874 districts. The language in the bill does not permit the States to reduce State aid when school districts receive 874 funds. This is presently prohibited in the bill.

I cannot say whether the Michigan plan qualifies for the exception; however, I note that the bill speaks in terms of expenditures not millage power. One would have to look at the result of the application of the millage equalization plan in Michigan. If the intended effect is not to equalize expenditures, then the Michigan plan does not qualify for the exemption.

Mr. HATHAWAY. Mr. President, as a long-time supporter of the library programs, I am dismayed by the continual downgrading of the unit within the Office of Education responsible for administering these programs. Recent reorganizations within USOE have demoted the Bureau of Libraries and Learning Resources to a Division of Library Programs. The Division of Library Programs is under the Bureau of Postsecondary Education.

One might think that this Division of Library Programs deals solely with libraries in institutions of higher education. This conclusion, which is erroneous, would stem from the placement of the Division of Libraries within the Bureau of Postsecondary Education. One conclusion, which I submit is valid, is that the library programs of the Office of Education have through the years been moved about, lodged hither and yon, and in recent years slated for virtual extinction.

Such treatment is not surprising in view of the attitude of this administration toward the library programs of the Office of Education. There are glowing statements from the White House during National Library Week each year, and just as regularly there are proposals for phaseout, termination, and zero funding of library programs when the President's budget is submitted each year.

Mr. President, the Office of Education is responsible for administration of programs that are vital to the continuance and development of library services for all the people of this Nation. These include the school library resources program originally authorized by title II of the Elementary and Secondary Education Act and the instructional equipment program originally authorized by title III of the National Defense Education Act.

For the libraries of institutions of higher education, the Office provides assistance for acquisition of materials under title II of the Higher Education Act. The Office also administers programs that foster the training of librarians and other specialists in educational media. The Office is responsible for the programs authorized by the Library Services and Construction Act which strengthen public libraries: extend their services to special groups, including the handicapped, the aged, and those living in institutions; support research; and encourage more efficient and economical operation of libraries by development of more cooperative arrangements among them.

The President's budget for fiscal year 1975 proposes cutting the staff of the Library Division by almost 50 percent overall, eliminating the staff of some library programs altogether. For example, the public library construction staff would be reduced to zero according to the fiscal year 1975 budget. And yet, title II of the Library Services and Construction Act is authorized through fiscal year 1976. It provides matching grants to the States for public library construction. In my own State of Maine, State officials estimate the need for 25 library construction projects over the next few years. At least three of these are ready to move forward in fiscal year 1975. Once the LSCA title II appropriation is available so too the State and local matching funds will be in hand: Waterville Public Library is ready to build a new wing, Scarborough a new addition, and Fort Kent a new library. And this is only one State. The great majority of other States also have need for public library construction. And yet the Office of Education plans to eliminate its public library construction staff in fiscal year 1975. This is only one example of the incongruity of OE plans and congressional intent. So long as Congress votes to continue the library programs, as we have now for many years, the administration cannot be allowed to go in the opposite direction by eliminating the staff necessary to carry out these programs.

According to the provisions of S. 1539—title V, section 508 on page 324—a Bureau of Libraries and Learning Resources would be established within the Office of Education so that the library programs will be concentrated in one unit within USOE that has a visibility and stature commensurate with its responsibilities. At present, the library programs of the Office of Education are too far down the totem pole to command the support within the Office, the HEW Department and, indeed, the administration that they inherently deserve and that the Senate has repeatedly asserted they require. For the reasons I have just discussed, I fully support this provision of the bill.

Mr. HUGH SCOTT. Mr. President, last week the Senate showed sound wisdom and a strong sense of support for the orderly working of our system of government. The Senate adopted a substitute offered by myself and the distinguished majority leader for the amendment which had been proposed by the assistant minority leader.

That amendment we offered did not modify the substantive language of the Griffin amendment. But it did make clear that Congress would not try to arrogate to itself the determination of what appropriate remedies were to be ordered where it was a matter of the courts assuring the desegregation which they found required by the 5th and 14th amendments to the U.S. Constitution.

As the Senator from Alabama (Mr. ALLEN) was quoted in the Washington Post the following day, when he summarized the effect of this amendment, it makes clear that the Congress is offering to the courts a guideline as to the priority of remedies and the use of particular remedies, which we would prefer to see implemented.

But as adopted, the provisions are in no way intended to bind the courts, if in their own determination of what the 14th amendment and 5th amendment requires, they find that our preference may not be fully followed.

The Senate, thus, takes the posture that it is not trying to tell the courts what they can and cannot do, nor to tell them how to interpret the Constitution and the requirements of the 14th amendment. We have made our preferences clear, but we leave that task of enforcing the Constitution to them.

I am pleased the Senate saw fit to make that clear and I trust our conferees will not yield on that fundamental point in the conference.

Mr. PELL. Mr. President, there has been much discussion by the administration about the so-called "miles of redtape" and specific governmental organization within the Department of HEW, which enactment of this legislation would create. I believe it would be helpful to the Senate if I were to explain why the subcommittee chose to become so involved in this type of specific law and why we chose to enact various offices and bureaus within HEW.

I am sure every Senator here has had the misfortune of dealing with one of the many executive agencies under this administration and, I must admit, under previous administrations, which took an enacted statute and interpreted that statute against the stated legislative will and intent of the Congress. As chairman of the Education Subcommittee I have been appalled at their complete disregard for certain statutorily established commissions, their misinterpretation of student financial aid language, and, more inclusively, their endless reorganizations and realinements of offices and programs. We received reports that in 1 year alone there have been up to six different shifts of lines of authority and control with regard to one specific program. And this from an administration which prides itself on zero-defect management.

This problem of the executive branch ignoring the will of Congress is not limited to this administration. However, it has been used to a much greater extent, as the following chart will show:

A PARTIAL LIST OF PROGRAMS AUTHORIZED BUT UNIMPLEMENTED

1. International Education—Public Law 89–698 (1966).
2. Law School Clinical Experience, Networks for Knowledge, Education for Public Services—Public Law 90–575 (1968), last year of Johnson Administration; unimplemented by Nixon Administration.
3. Council on Equality in Education—Public Law 91–230 (1970).
4. Title X of the Higher Education Act of 1965—Public Law 92–318 (1972), Community Colleges and Occupational Education.
5. Sections 1202 and 1203 of the Higher Education Act of 1965—Public Law 92–318 (1972), State Postsecondary Planning Commissions. (Forced on the Administration by appropriations).
6. Ethnic Heritage Studies of the Higher Education Act of 1965—Public Law 92–318 (1972). (Forced on the Administration by appropriations).
7. Indian Education of the Higher Education Act of 1965—Public Law 92–318 (1972). (Forced on the Administration by appropriations; impounded funds freed by lawsuit).
8. Veterans' Cost of Instruction Allowance of the Higher Education Act of 1965—Public Law 92–318 (1972). (Forced on the Administration by appropriations; impounded funds freed by lawsuit).

My instructions to the staff as they were drafting the bill were to insure that the will of the Congress was carried out. This is sought to be accomplished by the enactment of certain internal HEW structures. I will be the first to admit that this is not as I would wish it, nor is this the best way "by which our system of government can operate." I would much rather have legislation which is broadly drawn and let the administration sketch in the organization. However, the blatant refusal of this administration to follow the will of Congress in many instances has necessitated this type of internal organization. There may be some so-called redtape involved for some Federal bureaucrats. However, I do not worry about Federal bureaucrats. I worry about these programs which the Congress has deemed necessary, and if the only way we can see them become functional is to create an internal organization, then that is the path we must follow.

Mr. TAFT. Mr. President, I voted to report the education amendments of 1974, S. 1539, from the Labor and Public Welfare Committee of which I am a member.

Overall, as reported, I believed it to be a good piece of legislation. However, in supplemental views, along with other Republican members of the committee, I expressed dissatisfaction with the "consolidation provisions." As reported by the committee, only 50 percent of the funds appropriated in excess of designated prior years would be used for consolidation of established programs. Fortunately, a namendment with my support was adopted by the Senate which would provide that all of the funds appropriated in excess of designated prior years could be used for consolidation purposes.

The bill, in addition to consolidating certain established categorical programs, also, after a 3-year trial period, would call for consolidation of certain programs to meet newly perceived needs. These programs are: the use of the metric system of measurements; education of gifted and talented children; community schools; career education; consumers' education—although this program has been authorized it has never been funded—and, women's educational equity.

I have long recommended that Federal assistance for elementary and secondary education be combined into a smaller, more manageable number of grant categories, in order to provide larger amounts of aid to problems of the highest priority.

I am disappointed in the title I formula adopted on the Senate floor for the allocation of funds to local educational programs and projects for educationally disadvantaged children. Under the floor-adopted formula, several counties in my State of Ohio do not fare too well. I voted against adoption of the amendment offered on the Senate floor, but unfortunately, we were not successful in maintaining the committee formula. Nonetheless, the challenge of educational deficits must continue to be elevated to a position of high national priority for the welfare of educationally disadvantaged children. The educational problems in America will never be resolved until the quality of education for all children, regardless of their social or economic status, attains a level commensurate with the demands of life in our complex society and offers the opportunity for the fulfillment of the potential abilities of all children.

I am pleased that the State administered programs for the handicapped, neglected and delinquent chilren, and migrant children remain as reported by the committee. Hopefully, the Senate will prevail in conference.

The educational goals of excellence and equality of opportunity to which I subscribe should apply to all American children regardless of whether they attend public or nonpublic schools. Therefore, I support the provision in the bill calling for what is commonly known as a "bypass" which authorizes the Commissioner of Education to bypass State or local school authorities where they are prohibited by State law from providing equitable participation for nonpublic school children, or where they fail to do so. The committee amendment would authorize a hearing before invocation of the bypass by the Commissioner, and would allow an expedited appeal by a State or local educational agency which desired judicial review of the Commissioner's decision.

Amendments to Public Laws 815 and 874 of the 81st Congress were adopted both in committee and on the floor.

Public Law 815 permits school construction assistance in federally impacted areas and areas experiencing major disasters. These programs would be extended through fiscal 1978.

Public Law 874 payments, commonly known as impacted aid, are slightly changed. Under current law, category "A" children—those whose parents live and work on Federal property—are entitled to payment at 100 percent of the local contribution rate, if the school district enrolls 25 percent or more of these children. This would continue. However, an amendment adopted on the Senate floor would protect the Federal payment for those children from any percentage reduction, called for in the committee bill, should there be inadequate appropriations.

Current law pays all "B" category children—those whose parents live or work on Federal property—50 percent of the district's local contribution. The committee bill distinguishes between rates for "B" military and "B" nonmilitary children.

The category of "C" children—those whose parents live and/or work in federally connected public housing—would be eligible for Federal payment as either "A" or "B" category children.

A floor amendment which I supported would provide for a transitional phase-down period for heavily impacted "B" districts so as to permit drastic payment reduction as well as postpone the effective date of these changes for one year. Under the committee, these changes would have been effective in the next fiscal year, which begins on July 1.

Continuation and expansion of the adult education provisions are very important. Through these programs, we are able to help adults prepare for and compete effectively for good jobs. Because many adults are not trained or educated to handle jobs requiring certain levels of education and relatively sophisticated skills, they are forced into lower paying occupations.

Regarding the bilingual education provisions in the bill, the congressional findings state that many of the children whose native tongue is not English have a cultural heritage which differs from that of English-speaking persons; that a primary means by which a child learns is through the use of such child's language and cultural heritage; that, therefore, large numbers of children of limited English-speaking ability have educational needs which can be met by the use of bilingual education methods and techniques; and, with which I could not agree more, all children benefit through the fullest utilization of multiple language and cultural resources.

I believe that it is imperative for the education system to prevent or offset educational deficiencies with special programs at the earliest possible age. To this end, I cosponsored an amendment to give the Assistant Secretary of Education authority to make contracts and grants for the purpose of teaching advanced mathematics to elementary schoolchildren.

As a member of the Senate Subcommittee on the Handicapped, and going back to my Ohio legislature experience, I am aware of the need and role of the Federal Government in helping the handicapped and heartily support the section of the bill which provides for education of the handicapped.

Of special interest to Ohioans, this section extends the authorization of appropriations for the operation of the National Center on Educational Media and Materials for the Handicapped, which is located at the Ohio State University. Established in June 1972, it will stimulate development and dissemination of much-needed instructional resources for handicapped individuals.

I have long called for expansion of the community school concept included in this bill. It attacks multiple community-related problems; it uses existing systems and facilities; and, it reflects the needs and wants of the local area. Under the community school program, the school becomes a neighborhood facility serving not only schoolchildren, but adults, senior citizens, community groups and the like with a full array of services.

Reading is the foundation upon which we build the other elementary educational programs. I welcome the emphasis in this bill on reading improvements. Regardless of what materials are used, one cannot build a strong house upon a weak foundation. If our children are to benefit from the many educational programs provided in this bill—they must be able to read.

As to the so-called busing provisions of the bill, I explained my position on these provisions and amendments thereto when the subject was considered on the floor on May 16, at page S8240 of the CONGRESSIONAL RECORD.

Mr. President, we bear no greater responsibility in a self-governing society than to the education of our citizens and I support this bill which continues, expands, and establishes many worthwhile educational programs toward the accomplishment of that goal.

STATUS OF ADVISORY COUNCIL EMPLOYEES

Mr. PELL. Mr. President, a question has been raised concerning the employees of advisory councils which advise respecting the administration of education programs. The law, with respect to these particular advisory councils, is a bit confusing because there are, in effect, two advisory council codes controlling their status: One is part D of the General Education Provisions Act and the other is the Federal Advisory Committee Act. Since the Federal Advisory Committee Act became law later than the advisory council code adopted for education programs, conflict between the two codes must necessarily be resolved in favor of the Federal Advisory Committee Act. Under the advisory council code for education programs, presidentially appointed advisory councils are generally authorized to appoint or otherwise obtain the service of such personnel which may be necessary to enable them to carry out their function without regard to provision of title V of the U.S. Code.

However, the Federal Advisory Committee Act contains language which the Comptroller General has construed to mean that advisory council employees are to be considered Federal employees within the meaning of Civil Service Laws. However, this language also makes clear that advisory council employees are not subject to agency controls under the Civil Service laws. On page 327 of the bill the language used is that the advisory council employees would be appointed and compensated at a rate not "in excess of that which such employee would receive if such employee were appointed subject to" the Civil Service laws.

This section makes clear that the Congress does not consider these employees to be civil servants in the ordinary sense. In addition, on page 327 of the bill there is a paragraph which states that:

> No provision of any law establishing, authorizing the establishment of, or controlling the operation of, an advisory council which is not consistent with the provisions of part D of the General Education Provisions Act shall apply to any advisory council to which such part D applies.

I am hopeful that this language and my explanatory statement will clarify this problem.

EXPLANATION OF SECTION 5(D) OF PUBLIC LAW 874, 81ST CONGRESS

Mr. PELL. Mr. President, I have received an inquiry from Joe W. Fleming, Esq., concerning the meaning of a certain phraseology in the proposed section 5(d) of Public Law 874, 81st Congress, in S. 1539. By way of explanation, I would say that existing law, in section 5(d)(2) of such Public Law 874, 81st Congress, prohibits Public Law 874 payments to any local educational agency in any State which takes such payments into consideration in its program of State aid for free public education or which distributes State aid money in such a manner that any local educational agency receives less money in State aid than it would receive were such local educational agency not receiving Public Law 874 payments.

This language was adopted in 1968 to prevent the States from substituting Federal funds for State funds in State aid programs.

In recent years States have been adopting State programs of aid for free public education which are designed to achieve equalized expenditures among local educational agencies. The prohibition in section 5(d)(2) of Public Law 874, 81st Congress, has, in some instances, resulted in windfalls for local educational agencies receiving Public Law 874 payments. For this reason the committee is recommending a very narrow exception to the existing rule under such section 5(d)(2). Under that recommendation a State may, in its State aid program, take into consideration Public Law 874 payments for two purposes—

First, in determining the relative financial resources available to local educational agencies in that State; and

Second, in determining the relative financial need of such agencies for the provision of free public education.

A State could be eligible for the exemption only if—

First, the State presently has in effect a program of State aid for free public education which is designed to equalize expenditures for free public education among the local educational agencies of the State; and

Second, such program was adopted after 1972.

In Mr. Fleming's letter, the question of State aid programs adopted prior to June 30, 1972, was posed. My understanding of the problem is: what is the interpretation of the word "adopted." After reviewing the situation, I have come to the conclusion that any State aid equalization program which complies with existing law and which is revised to take advantage of the exemption created in the committee language would have to be revised extensively. Such revision would be so extensive that it would constitute the adoption of a substantially different State aid program from that which complies with existing law. Such a revision would in effect constitute the adoption of a new State aid program within the meaning of the new language. I hope that this explanation for the record and for the purposes of legislative history clarifies this point.

I ask unanimous consent that the letter from Mr. Fleming be inserted at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record as follows:

Fleming and Krevor,
Washington, D.C., April 10, 1974.

Hon. Claiborne Pell,
Chairman, Subcommittee on Education, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

Dear Senator Pell: I am writing on behalf of the Education Commission of the States, which our firm represents, to seek clarification of language in S. 1539, as reported by the Committee on Labor and Public Welfare, pertaining to the treatment of payments under Public Law 874 under state equalization programs. As you are aware, ECS has been active in encouraging and assisting the reform of school finance systems in the states. The current prohibition in Section 5(d)2 of P.L. 874 has posed an impediment to the formulation of equalization programs by the states. Testimony on this issue was presented on behalf of ECS by State Representative Tom Jenson of Tennessee and Governor Calvin L. Rampton of Utah during the hearings on S. 1539.

In response, the Committee included in S. 1539, as reported, a modification of Section 5(d)2 of Public Law 874 to permit states to take into account payments under Public Law 874 to local educational agencies in establishing the financial resources and need of such agencies for state aid under equalization programs. The language in the Committee bill allows impact aid funds to be so regarded by state law "if the state has in effect a program of state aid for free public education for any fiscal year, which program was adopted after June 30, 1972, and is designed to equalize expenditures for free public education among the local educational agencies of that state, . . ." The reference to June 30, 1972 is apparently derived from Section 11 of Public Law 93-150 which was enacted in 1973 to accommodate the states of Kansas and North Dakota, which had enacted new school finance laws. At least two other state equalization plans, adopted since June 30, 1972, take into account impact aid payments in determining local educational agency resources and computing state aid. Both of these would be covered by the Committee bill.

The language in the Committee bill does, however, pose a problem for states which adopted equalization programs prior to June 30, 1972. Because of the present prohibition in Section 5(d)2 these plans do not recognize impact aid payments as resources of local educational agencies with the effect that impacted districts generally receive disproportionately high state aid to the prejudice of other districts in the State. The state of Minnesota, which totally revised its school finance system in 1971, is a good example.

If the term "adopted" in Section 5(d)2, as it would be revised by the Committee bill, is construed to foreclose modifications to equalization plans adopted prior to June 30, 1972, it is patently unfair to states which have been leaders in school finance reform. If, on the other hand, "adopted" is intended by the Committee to cover any amendment of a state school finance system which is designed to move toward equalized expenditures (as defined in the bill), the effect is far more equitable and rational. This interpretation would permit states to amend existing equalization plans to iron out the disequalizing effects created by Section 5(d)2 as it currently exists.

It would be very helpful to have an indication of the Committee's view on this issue.

Sincerely yours,

Joe W. Fleming.

GEORGE F. WILL ON THE "SPIRIT" OF THE BROWN DECISION

Mr. ALLEN. Mr. President, it seems appropriate to me, during our discussion of the elementary and secondary education amendments debate, and the consideration of the various proposals to halt the wheeling about, hither and yon, of schoolchildren, to consider all points of view about the trend of judicial orders which have brought about the busing nightmare.

George F. Will, writing a column entitled "Distorting the Spirit of the Brown Decision," in the May 17 Washington Post, makes some excellent observations about the genesis of the busing problem. Believing that all Senators will be interested in Mr. Will's comments, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Distorting the Spirit of the Brown Decision

(By George F. Will)

Today there is a remarkably broad national consensus supporting the spirit of the *Brown v. Board of Education* school desegregation decision handed down by the Supreme Court 20 years ago today.

But there is an equally broad consensus against the policies of coerced integration—especially busing—that are presented as the logical extension of that decision.

Brown was a libertarian decision which originally meant only this: No government may compel the separation of the races. But today Brown is encrusted with 20 years' worth of derivative decisions that are anything but libertarian.

Brown insisted that segregation which then meant *enforced* racial separation, damaged the "hearts and minds" of minority children. The decision cited some scholars' empirical studies concerning the deleterious impact of segregation on "educational opportunities."

Brown was the result of the intersection between a novel interpretation of the Fourteenth Amendment's equal protection of the law provision, and this social science evidence.

Although *Brown* turned on empirical evidence that enforced separation—was harmful—and hence unconstitutional—it was only a short, easy, irresistible step to the doctrine that any separation, compelled or otherwise, is unconstitutional.

In politics, controlling the relevant vocabulary is half the battle. In a historic semantic sleight-of-hand, civil rights activists made the word "segregation" a synonym for "racial isolation," even when the isolation is dictated by demographic factors.

Soon the civil rights thrust begun by *Brown* was transmogrified. What began as a libertarian thrust against coercive segregation laws became a drive to use benevolent coercion on behalf of integration. Many people who had applauded *Brown* parted company with the civil rights movement, insisting that the Constitution stipulates a free society, not necessarily an integrated society.

Today there still is no substantial evidence to support the crucial empirical claim in *Brown*—the claim that there is a favorable correlation between the mixed racial composition of schools and the academic attainment of pupils. But events have their own logic, and by now no mere lack of evidence can derail the drive for coerced integration.

Brown held that "separate but equal" educational facilities are inherently unequal. We would be better off today if the court had just baldly asserted that enforced separation of the races *anywhere* is unconstitutional, and had asserted this without reference to empirical evidence concerning the psychic damage wrought by enforced separation.

That is, the court should have asserted that all American laws must be color-blind. That, after all, was the spirit of *Brown*.

True, the framers and ratifiers of the Fourteenth Amendment did not intend anything like a sweeping assertion of color-blindness. But they did not intend to outlaw school segregation either.

Had a sweeping mandate of color-blindness been written into the letter of *Brown*, we would not now be faced with the widespread perversion of the spirit of the decision.

A 1954 color-blindness mandate would have prevented the government from sliding from a libertarian antisegregation stand into a coercive program of forced integration.

If when halting forced separation of the races the court had asserted the noble principle of color-blindness, the government today would not be violating that principle—with busing and other measures—in its attempts to force the races together.

Because color-blindness was not asserted, the 1954 decision that no black child should be excluded from a school on the basis of race has led, through subsequent decisions, to the wholesale assignment of children, white and black, to schools on the basis of race. Forced busing to achieve integration would be impossible under a color-blind legal system because before you can bus young American citizens you first have to sort them out along racial lines.

Lacking a color-blindness mandate, we are plagued by policies of "affirmative action" on behalf of "reverse discrimination" to impose "benevolent quotas" in employment, university admission and elsewhere. Today American law is becoming less color-blind.

Today the broad public consensus against segregation, as originally understood, has been eclipsed by an emerging judicial consensus that predominantly black neighborhood schools are impermissible, even when they do not result from anyone's segregative intent.

And the civil rights movement, which was a freedom movement when striking down forced segregation, is no longer a freedom-expanding movement. Perhaps its new goal—integration—can be achieved by busing and other coercion, and conceivably such coercion is justified.

But there is no blinking the fact that forced busing to achieve integration is the most substantial new infringement of American freedom since World War II. And it is not prudent to ignore Justice Louis Brandeis' warning: "Experience should teach us to be most on our guard to protect liberty when the government's purposes are beneficent."

S. 1539 AND PROGRAM CONSOLIDATION

Mr. DOMENICI. Mr. President, as I have already mentioned, I intend to vote for passage of the education bill, S. 1539, when the Senate considers final action on this measure later today. Yet, even though I plan to vote for S. 1539, I have grave reservations about certain aspects of this bill. I have previously spoken out about impact aid funding as the program relates to State equalization formulas. In addition to those reservations, however, I feel that the Committee on Labor and Public Welfare and the Senate have missed an important opportunity to do more regarding the badly needed consolidation of the numerous categorical education programs administered by the U.S. Office of Education.

From the information I receive from State and local educators in New Mexico, I am convinced that a large number of our local school districts are literally awash in a sea of categorical program regulations, applications, guidelines, fiscal reports, and other project reports. There are so many categorical programs that I am told that local educators often cannot keep track. In fact, it seems that the Office of Education itself has difficulty in determining exactly how many categorical programs currently authorize aid for elementary and secondary educational purposes. Unfortunately, even when local educators do finally receive a grant that they feel they can use, I have the impression that the specific categorical nature of many programs is often too restrictive for local educators trying to meet unique local educational needs.

Now as I understand the committee bill, it essentially authorizes three kinds of consolidations. In the first instance, the bill authorizes a single, simplified State application for certain programs including ESEA title I—education of the disadvantaged, ESEA title II—textbooks and library resources, ESEA title III—Innovation, NDEA title III—National Defense Education Act—Equipment, and the Adult Education and Vocational Education Acts. This kind of simplification of the State application and reporting process seems to me a step in the right direction and it should help out our State agency educators. However, it remains unclear to me exactly how much such administrative consolidation at the State level will help our overburdened local administrators who will still have to know the specifics concerning each program.

The second consolidation in the committee bill would combine six State-administered programs—ESEA title II, ESEA title III—except Section 306, ESEA title V—Strengthening State Educational Agencies, NDEA title III, NDEA title V—Guidance, Counseling, and Testing, and the EPDA part B-2—Education Professions Development Act—Attracting Teachers—into a new ESEA title VI: "Assistance to the States for Supplemental, Auxiliary, and Supportive Educational Services." Under this new title VI, funds would be available for broad purposes similar to those in the existing six categorical programs.

Now while this second consolidation has the potential to help alleviate at least some of the burdens imposed on local educators by categorical programs, this consolidation can only occur if the new title VI is advance funded and only in those years for which the aggregate title VI appropriation exceeds $307,302,813. Thus, this second consolidation—which involves only a half-dozen programs to begin with—may never occur at all if these two preconditions are not met. Additionally, the off-again/on-again potential in the bill could well leave local educators facing the task of remaining knowledgeable on both the consolidated and nonconsolidated versions of these six programs.

The third and final consolidation in S. 1539 establishes a new Special Projects Act involving the consolidation of a number of discretionary grant programs including the Cooperative Research Act, the Commissioner's 15 percent discretionary fund under ESEA title III, the Education Professions Development Act—except the Teacher Corps, and the Dropout Prevention, Health and Nutrition, and Corrective Education sections under ESEA title VIII. While the statement of purpose for the Special Projects Act is broad, at the same time this new act also authorizes six new categorical programs and earmarks 50 percent of any funding for these new categoricals which include: First, education for the use of the metric system of measurements; second, education of gifted and talented children; third, community schools; fourth, career education; fifth, consumers' education; and sixth, women's educational equity.

Now it is true, Mr. President, that I am a cosponsor of the reading title—title VII—within the bill. However, I wish to underscore as forcefully as possible that I would much prefer if we could find a way to achieve important educational objectives without the proliferation of narrowly categorical programs which both burden and restrict the local educational process. I am not advocating that the Congress adopt such wholesale consolidation as was outlined under the administration's special educational revenue-sharing proposal—the Better Schools Act. Yet at the same time, I, for one, am personally disappointed that S. 1539 does not do more real and unqualified program consolidation.

THE 874 FUNDS AND STATE EQUALIZATIONS

Mr. President, I am somewhat disturbed to see that with the passage of this bill, we are approving the full use of 874 funds for State equalization programs.

Please do not misunderstand me. I believe the State equalization concept to be an essentially good one, and I realize its day has come. In particular, I am pleased that New Mexico has been working on this problem prior to this time in an effort to utilize the available moneys in the State in as equitable a way as possible.

Many of the members of the committee have informed me that any amendment to S. 1539 to change the provision referring to impact aid as it relates to State equalization programs would not have the committee support at this time. The provision as outlined in the bill is preferred by the majority. I understand the membership will be open to possible changes later if the plan was not working in some States such as in New Mexico.

I am not certain, however, that the State equalization formula in my own State, and throughout the country, has taken into consideration the very difficult problems such as those faced by school districts with a high Indian population—school districts such as the Gallup-McKinley school system in New Mexico. This particular district is one I am most familiar with, and I would like to use it as an example.

Over the past 10 years, there has been a 50-percent increase in the number of Indian student enrollees. I understand it costs any school district in New Mexico approximately $716 to $816 per year to educate an Indian child. Yet the State equalization formula now allots $616.50 for each student each year, no matter the circumstances. Indian youngsters come to school with exaggerated cultural and economic disadvantages. In New Mexico, the Navajo child usually knows only his native language upon entrance in kindergarten. Yet these same youngsters are asked to jump into the typical American school at a very early age to compete as though their backgrounds, language, and attitudes toward education were the same as their Anglo classmates. This has been proven to be an unreasonable assumption. A study conducted 3 or 4 years ago called the National Study of Indian Education revealed that in the Southwest region of the country 39 percent of the Indian students are school dropouts before the 12th grade. The national average is closer to 10 percent. These comparative figures are certainly an indication of special problems for the Indian child.

It is obvious that whatever delight these children exhibited for learning in kindergarten, it is quickly squashed as they wander through an educational system that may try, but usually cannot take the time, to direct itself to these special educational problems.

Congress also sensed this need when during the 90th and 91st Congresses, extensive hearings were held on the problems of the Indian child. In addition, during the debate on the Indian Education Act in 1972, the need was further documented and legislation was subsequently passed in an attempt to rectify the situation. It has helped, but it is not yet enough.

I have said that I am not certain that State equalization programs adequately handle these special problems. I am not certain $616.50 per student is enough for our young native Americans in my State. I am not certain that we have the best approach to protect this serious need.

I am aware that equalization formulas take into account special funding for Indian education through the Johnson-

O'Malley program, title I funds, and most recently the Indian Education Act, but I do think that equalization should also take into consideration the truly unique problems facing our districts with high numbers of Indian students and consider if those problems are being met. I am well aware that there is a hold-harmless clause in S. 1539. I am sure it was with good intentions that this clause was added to the bill. But in a school district such as the Gallup-McKinley system there has been an influx of 200 Indian students over the past year. With only the same funds from last year, there would not be money to go around this year.

These past several weeks, I have debated the introduction of an amendment to S. 1539, an amendment which I felt would provide additional necessary moneys to school districts such as Gallup-McKinley. I had planned to support the State equalization clause of the bill, except in the instance of impact aid funds designated for Indian students. However, on the advice of New Mexico's State Director for Public Finance, Mr. Harry Wulgalter, I will wait such action. Dr. Walgalter assured me that if the State equalization formula were left intact in this bill, he would do everything possible in the ensuing year to adjust New Mexico's formula to meet the type of problem Gallup-McKinley's district has. I appreciate this pledge of understanding and cooperation from this State official. I trust that the State will also recognize the peculiar, and similar, problems of Magdalena, Cuba, Jemez Springs, Bloomfield, Tularosa, and Central Consolidated school districts.

The House overwhelmingly agreed to allow 874 funds to be used by States in equalization formulas to supplement local income as they are unable to raise tax revenues themselves on Federal lands. I realize that impact aid moneys were not intended to be a bonus, but I am convinced that certain school districts have additional educational burdens. I will urge the State legislature in my own State to take these facts into consideration when distributing educational moneys. Hopefully, the State will meet its responsibility in this area. If not, I would most certainly go that "extra mile" in this body to protect the educational rights of our Indian youngsters in the future. I expect the committee will also follow these events when considering subsequent education bills.

BUSING AMENDMENTS

Mr. PEARSON. Mr. President, in the past few days the Senate voted on matters of paramount importance to the Nation's 46 million schoolchildren. At issue was the challenge of providing quality education and equal educational opportunity for all Americans.

As I have stated in the past, the busing of children from schools near their homes to those far away so that an arbitrary number of black and white pupils may sit in the same classroom is not the way to achieve a goal all Americans share. I oppose the busing of children solely to achieve some numerical racial balance in our schools.

Nevertheless, I oppose even more the creation and maintenance of segregated school systems. During my years in the Senate, I have supported consistently legislation to provide all Americans the right to equal opportunity in all segments of our society. To do less would, I believe, violate the faith which I place in the equal protection provisions of the Constitution.

Mr. President, I opposed the adoption of the amendment offered by my distinguished colleague from Florida, because after long and careful consideration I concluded that it was essentially unconstitutional. This view of the inherent unconstitutionality of the amendment is upheld by the majority of legal scholars across the country. This amendment would have imposed on the courts a restriction which would have prevented due process and which would have required the courts to ignore their duties under the law.

Nevertheless, Mr. President, I believe that conditions on busing which meet the test of constitutionality are necessary and desirable. Therefore, in the debate on S. 1539 I have supported amendments which include the following provisions:

A prohibition of Federal funds for court-ordered busing unless specifically requested by appropriate local school officials;

A restriction on Federal officials to coerce local school officials to use State or local funds in the implementation of a busing program, when such program would cause substantial risk to the health and safety of schoolchildren.

A postponement of all court-ordered busing until all appeals had been exhausted;

A requirement that a court or school district implement busing only if all other remedies fail to achieve a unitary school system;

A prohibition on busing if it involves transportation between two or more adjoining school districts;

The requirement that no busing program be implemented until the start of the next school year.

As a result of these conditions, busing can be used only as an extreme and last resort and as the only final alternative to the continuation of a segregated and, therefore, unconstitutional school system.

Mr. President, I believe the provisions of S. 1539 which I have supported constitute a fair and equitable approach to the problem of meeting the constitutional mandate providing equal educational opportunity to all Americans. However, we must recognize that this cannot be the final answer. In the coming months and years we must continue our efforts of finding new ways to forever cast the ominous shadow of segregation behind us. I have great hope that a solution to this perplexing issue can be attained; that we can find an answer which all Americans can support; and that the most fundamental and far-reaching promises of our constitutional system can be maintained.

Mr. MOSS. Mr. President, I support the basic provisions of S. 1539, the Education Amendments of 1974.

My colleagues who serve on the Education Subcommittee and the Labor and Public Welfare Committee are to be commended for their dedication to quality education. Following 1½ years' work, and after numerous days of public hearings, the committee has put together an education package that meets the varied and diverse educational needs of this Nation. I commend the efforts of those involved directly in writing the most comprehensive education bill to come before the Senate.

S. 1539 is a complex bill. It covers many facets of education. If one examines the distribution system for the money that goes to the many school districts in the United States, or examines the provisions for impact aid, adult education, consolidation of various education programs, education of the handicapped, a national reading improvement program, and student transportation, an appreciation of the work of the Labor and Public Welfare Committee is easily achieved.

The distinguished floor manager of this bill, Senator PELL, should be singled out for his work in providing a workable and effective education bill. His understanding and insight on this Nation's education issues have helped to meet our education needs. S. 1539 is an indication of his dedication and assistance to quality education.

Mr. President, my correspondence from Utah indicates widespread support for S. 1539. Commendations from education, business, and labor have been common. Although I appreciate all support for this legislation, I want to single out that which has come to me from the Utah educational community. Members of the Utah State Board of Education feel S. 1539 is a "strong bill."' Educators from throughout Utah have indicated support for the education philosophy in S. 1539. Many who have written have been so impressed with the committee report, they have not wanted any amendments attached to the committee bill. This is indeed a compliment to the work of those who were involved in putting this legislation together.

The importance of S. 1539 is evident from the debate and amendments that have been offered to it. Although I have not supported every amendment, I have appreciated the thought-provoking debate on education that has occurred in the Senate over the past week. Such discussion has helped to create the education bill on which we are voting this afternoon.

My record indicates the importance which I place on education. Without the proper cultivation of our children's minds, the other natural resources of this Nation are meaningless. It is tragic to shortchange ourselves when it comes to education. No matter what indignities a man may suffer, if he has the ability to think clearly, and the education to dispel fear and ignorance, that man is rich indeed.

If the dignity of the individual is to be achieved, a quality education for our young people is necessary. S. 1539 provides the means by which this objective can be achieved. This bill will enable educators to instill in young people the need of an informed citizenry—a citizenry that can express itself through the democratic process in a constructive and forthright manner. This bill will allow many young people to be exposed to the world in which they live. Such exposure can enable the ideal of an informed citizenry to become a reality.

I do not think it necessary for me to go into each section of this bill. My voting record, and the amendments that I have cosponsored, provide a record of my support of quality education for all young Americans.

Historically, Utah has placed great emphasis on education. Utah's early pioneers established a good educational program. This program has expanded steadily to meet the changing times. Utah's educational system benefits and enriches the lives of the young people of Utah and provides a means by which they can meet the challenges of the future. This bill will aid Utah in this endeavor.

Mr. President, in conclusion, I support very strongly S. 1539. I hope that my colleagues will also support it. This legislation is worthy of the support of the entire Senate. A good balance has been struck, after careful consideration, between the education alternatives that have been given. We, as Senators, can be proud of the overall education concepts encompassed in this important legislation.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that rule XII be waived and that, as provided in the unanimous-consent agreement, the Senate now proceed to third reading and final passage of H.R. 69, with the vote to run for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the third reading of S. 1539.

The bill (S. 1539) was read the third time.

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of H.R. 69, which the clerk will read by title.

The legislative clerk read as follows:

Calendar No. 734, H.R. 69, an act to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the Senate will proceed to vote on the motion to strike out all after the enacting clause of the House bill and insert in lieu thereof the language of S. 1539 as read the third time.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the third reading of H.R. 69.

The bill was read the third time.

The PRESIDING OFFICER. The question is on the final passage of H.R. 69.

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. The House bill as amended, or the House bill?

The PRESIDING OFFICER. The House bill as amended by the Senate substitute.

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. HANSEN (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from New Mexico (Mr. MONTOYA). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I, therefore, withdraw my vote.

Mr. FANNIN (after having voted in the negative). On this vote I have a pair with the Senator from Louisiana (Mr. JOHNSTON). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I, therefore, withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Wyoming (Mr. McGEE), the Senator from New Mexico (Mr. MONTOYA), and the Senator from Michigan (Mr. HART) are necessarily absent.

I further announce that if present and voting, the Senator from Idaho (Mr. CHURCH), the Senator from Alaska (Mr. GRAVEL), and the Senator from Wyoming (Mr. McGEE) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY) is necessarily absent.

I also announce that the Senator from New Hampshire (Mr. COTTON) and the Senator from Hawaii (Mr. FONG) are absent on official business.

I further announce that the Senator from North Dakota (Mr. YOUNG) is absent to attend the funeral of a relative.

I further announce that, if present and voting, the Senator from Hawaii (Mr. FONG) and the Senator from North Dakota (Mr. YOUNG) would each vote "yea."

The result was announced—yeas 81, nays 5, as follows:

[No. 212 Leg.]

YEAS—81

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cook
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Griffin
Gurney
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Hughes
Humphrey
Jackson
Javits
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Tower
Tunney
Weicker
Williams

NAYS—5

Brock
Brooke
Goldwater
Helms
Thurmond

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Fannin, against
Hansen, against

NOT VOTING—12

Buckley
Church
Cotton
Fong
Fulbright
Gravel
Hart
Inouye
Johnston
McGee
Montoya
Young

So the bill (H.R. 69) was passed.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PELL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PELL. Mr. President, I ask unanimous consent that, in the engrossment of the amendment of the Senate to the act, H.R. 69, the Secretary of the Senate be authorized to make such technical and minor changes in such amendment, including, but not limited to, changes in section and subsection designations and cross-references thereto as may be necessary to reflect the amendments made by the Senate to S. 1539, the text of which is embodied in such amendment to H.R. 69.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent that H.R. 69 be printed as passed by the Senate, and be printed in the CONGRESSIONAL RECORD as passed by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.R. 69

An act to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America assembled, That this Act, with the following table of contents, may be cited as the "Education Amendments of 1974".

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GENERAL PROVISIONS

SEC. 2. (a) As used in this Act—

(1) the term "Secretary" means the Secretary of Health, Education, and Welfare;

(2) the term "Assistant Secretary" means the Assistant Secretary of Health, Education, and Welfare for Education; and

(3) the term "Commissioner" means the Commissioner of Education;

unless the context of such use requires another meaning.

(b) Unless otherwise specified, the redesignation of a title, part, section, subsection, or other designation by any amendment in this Act shall include the redesignation of all references to such title, part, section, subsection, or other designation in any Act or regulation, however styled.

(c) (1) Unless otherwise specified, each provision of this Act and each amendment made by this Act shall be effective on and after the sixtieth day after the enactment of this Act.

(2) In any case where the effective date for an amendment made by this Act is expressly stated to be effective after June 30, 1973, or on July 1, 1973, such amendment shall be deemed to have been enacted on June 30, 1973.

(d) If any provision of, or any amendment made by, this Act is held invalid by reason of being inconsistent with the Constitution, all provisions of this Act and amendments made by this Act which are separable from such invalid provision or amendment shall remain in effect. If any such provision or amendment is held invalid in one or more applications of such provision or amendment, such provision or amendment shall remain in effect in all valid applications which are separable from any such application.

NATIONAL POLICY WITH RESPECT TO EQUAL EDUCATIONAL OPPORTUNITY

SEC. 3. Recognizing that the Nation's economic, political, and social security require a well-educated citizenry, the Congress (1) reaffirms, as a matter of high priority, the Nation's goal of equal educational opportunity, and (2) declares it to be the policy of the United States of America that every citizen is entitled to an education to meet his or her full potential without financial barriers.

POLICY WITH RESPECT TO ADVANCE FUNDING OF EDUCATION PROGRAMS

SEC. 4. The Congress declares it to be the policy of the United States to immediately and continually implement section 412 of the General Education Provisions Act, relating to advance funding for education programs, so as to afford responsible State, local, and Federal officers adequate notice of available Federal financial assistance for education authorized under this and other Acts of Congress.

WHITE HOUSE CONFERENCE ON EDUCATION

SEC. 5. (a) The President is authorized to call and conduct a White House Conference on Education in 1977 (hereafter in this section referred to as the "Conference") in order to stimulate a national assessment of the condition, needs, and goals of education and to obtain from a group of citizens broadly representative of all aspects of education, both public and nonpublic, a report of findings and recommendations with respect to such assessment.

(b) (1) In carrying out the provisions of this section, participants in conferences and other activites at local, State, and Federal levels are authorized to consider all matters relevant to the purposes of the Conference set forth in subsection (a), but shall give special consideration to the following:

(A) The implementation of the policy set forth in section 3.

(B) The means by which educational systems are financed.

(C) Preschool education (including child care and nutrition programs), with special attention to the needs of disadvantaged children.

(D) The adequacy of primary education in providing all chidren with the fundamental skills of communication (reading, writing, spelling, and other elements of effective oral and written expression) and mathematics.

(E) The effectiveness of secondary education in preparing students for careers, as well as for postsecondary education.

(F) The place of occupational education (including education in proprietary schools) in the educational structure and the role of vocational and technical education in assuring that the Nation's requirements for skilled manpower are met.

(G) The structure and needs of postsecondary education, including methods of providing adequate levels of student assistance and institutional support.

(H) The adequacy of education at all levels in meeting the special educational needs of such individuals as handicapped persons, economically disadvantaged, racially or culturally isolated children, those who need bilingual instruction, and gifted and talented children.

(I) Ways of developing and implementing expanded educational opportunities for adult at the basic and secondary education equivalency levels.

(J) The contribution of nonpublic primary and secondary education in providing alternate educational experiences for pupils and a variety of options for parents in guiding their children's development.

(2) Participants in conference activities at the State and local levels are authorized to narrow the scope of their deliberations to the educational problems which they consider to be most critical in their respective areas, but shall be encouraged by the National Conference Committee (established pursuant to subsection (c)) to consider such problems in the context of the total educational structure.

(c) (1) There is established a National Conference Committee (hereafter in this section referred to as the "Committee"), composed of not more than thirty-five members (of whom not more than twelve shall be educators) who are broadly representative of the public interest in education. The members of the Committee shall be appointed by the President, who shall, from among such members, designate a Chairman and a Vice Chairman.

(2) (A) The Committee shall provide guidance and planning for the Conference and shall make a final report (and such interim reports as may be desirable) of the results, findings, and recommendations of the Conference to the President and to the Congress not later than December 1, 1977.

(B) The Committee is authorized to provide such assistance as may be necessary for State and local conference activities in preparation for the National Conference.

(3) The Commissioner shall support the activities of the Committee by providing technical assistance, advice, and consultation.

(4) Members of the Committee shall serve without compensation, but may receive travel expenses (including per diem in lieu of subsistence) as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently, while employed in the business of the Committee away from their homes or regular places of business.

(5) The Committee is authorized to appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service, a Conference Director and such professional technical, and clerical personnel as may be necessary to assist in carrying out its functions under this section.

(d) (1) From the sums appropriated pursuant to subsection (e) the Commissioner is authorized to make a grant to each State, upon application of the Governor thereof, in order to assist in meeting the costs of that State's participation in the Conference program (including the conduct of conferences at the State and local levels).

(2) Grants made pursuant to paragraph (1) shall be made only with the approval of the Chairman of the Committee.

(3) Funds appropriated for the purposes of this subsection shall be apportioned among the States by the Commissioner in accordance with their respective needs for assistance under this subsection, except that no State shall be apportioned more than $75,000 nor less than $25,000.

(e) There are authorized to be appropriated, without fiscal year limitations, $10,000,000 to carry out the purposes of this section; and sums so appropriated shall remain available for expenditure until June 30, 1978.

(f) For the purposes of this section, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

POLICY OF THE UNITED STATES WITH RESPECT TO MUSEUMS AS EDUCATIONAL INSTITUTIONS

SEC. 6. The Congress, recognizing—

(1) that museums serve as sources for schools in providing education for children,

(2) that museums provide educational services of various kinds of educational agencies and institutions and institutions of higher education, and

(3) that the expense of the educational services provided by museums is seldom borne by the educational agencies and institutions taking advantage of the museums' resources,

declares that it is the policy of the United States that museums be considered educational institutions and that the cost of their educational services be more frequently borne by educational agencies and institutions benefiting from those services.

POLICY OF THE UNITED STATES WITH RESPECT TO CAREER EDUCATION PROGRAMS FOR DISADVANTAGED CHILDREN

SEC. 7. It is the intent of the Congress to encourage the use of title I funds for appropriate career education programs for disadvantaged children.

TITLE I—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

AMENDMENTS TO TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965—SPECIAL EDUCATIONAL PROGRAMS AND PROJECTS FOR EDUCATIONALLY DEPRIVED CHILDREN

SEC. 101. (a) (1) Section 102 of title I of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"DURATION OF ASSISTANCE

"SEC. 102. During the period beginning July 1, 1973, and ending June 30, 1978, the Commissioner shall, in accordance with the provisions of this title, make payments to State educational agencies for grants made on the basis of entitlements created under this title.".

(2) (A) (i) (I) Such title I is amended by inserting immediately after the heading of part A of the following new heading:

"Subpart 1—Grants to Local Educational Agencies"

(II) Section 103(a) of such title I is amended to read as follows:

"SEC. 103. (a) (1) There is authorized to be appropriated for each fiscal year for the purpose of this paragraph 3 per centum of the amount appropriated for such year for payments to States under section 143(a) (other than payments under such section to jurisdictions excluded from the term 'State' by this subsection, and payments under subpart 2 of this part), and there shall be authorized to be appropriated such additional sums as will assure at least the same level of funding under this title as in fiscal year 1973 for the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and to the Secretary of the Interior for payments pursuant to paragraphs (1) and (2) of subsection (d). The amount appropriated pursuant to this paragraph shall be allotted by the Commissioner (A) among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for grants under this part, and (B) to the Secretary of the Interior in the amount necessary (i) to make payments pursuant to paragraph (1) of subsection (d), and (ii) to make payments pursuant to paragraph (2) of subsection (d). The grant which a local educational agency in the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands is eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

"(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the grant which a local educational agency in a State shall be eligible to receive under this part for a fiscal year shall (except as provided in paragraph (3)) be determined by multiplying the number of children counted under subsection (c) by 40 per centum of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State except that (A) if the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, such amount shall be 80 per centum of the average per pupil expenditure in the United States, or (B) if the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, such amount shall be 120 per centum of the average per pupil expenditure in the United States. In any case in which such data are not available, subject to paragraph (3), the grant for any local educational agency in a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under the two preceding sentences for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner.

"(3) (A) Upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children described in clause (C) of paragraph (1) of subsection (c), who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

"(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the grants for those agencies among them in such manner as it determines will best carry out the purposes of this title.

"(4) For purposes of this subsection, the term 'State' does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.".

(ii) Section 103(b) of such title I is amended by striking out "aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a)" and inserting in lieu thereof "counted under subsection (c)".

(B) Section 108(c) of such title I is amended to read as follows:

"(c) (1) The number of children to be counted for purposes of this section is the aggregate of (A) the number of children aged five to seventeen, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2) (A), (B) two-thirds of the number of children aged five to seventeen, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (2) (B), and (C) the number of children aged five to seventeen, inclusive, in the school district of such agency living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to section 123 for the purposes of a grant to a State agency, or being supported in foster homes with public funds.".

(C) (i) Subsection (d) of section 103 is redesignated as paragraph (2) of subsection (c).

(ii) The first sentence of such paragraph (2) as redesignated by this section is amended to read as follows:

"(A) For purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, from families below the poverty level on the basis of the most recent satisfactory data available from the Department of Commerce for local educational agencies (or, if such data are not available for such agencies, for counties); and in determining the families which are below the poverty level, the Commissioner shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census.".

(iii) The second sentence of paragraph (2) of such subsection (c) (as redesignated by this section) is repealed.

(iv) The third sentence of such paragraph (2) is amended to read as follows:

"(B) For purposes of this section, the Secretary of Health, Education, and Welfare shall determine the number of children aged five to seventeen, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census for a nonfarm family of four in such form as those criteria have been updated by increases in the Consumer Price Index. The Secretary shall determine the number of such children and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the second calendar year preceding such month of January) or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.".

(v) The fourth sentence of such paragraph (2) (as redesignated by this section) is amended by striking out the word "When" and inserting in lieu thereof the following: "(C) When"; and by striking out "having an annual income less than the low-income factor (established pursuant to subsection (c))" and inserting in lieu thereof "below the poverty level (as determined under paragraph (A) of this subsection)".

(vi) Section 103(e) of such title is repealed.

(D) Section 103 of such title I is amended by adding at the end thereof the following:

"(d) (1) From the amount allotted for payments to the Secretary of the Interior under clause (B) (i) in the second sentence of subsection (a) (1), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Commissioner determines will best carry out the purposes of this title, with respect to out-of-State Indian children in the elementary and secondary schools of such agencies under special contracts with the Department of the Interior. The amount of such payment may not exceed, for each such child, 40 per centum of (A) the average per pupil expenditure in the State in which the agency is located or (B) 120 per centum of such expenditure in the United States, whichever is the greater.

"(2) The amount allotted for payments to the Secretary of the Interior under clause (B)(ii) in the second sentence of subsection (a)(1) for any fiscal year shall be, as determined pursuant to criteria established by the Commissioner, the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this title. Such agreement shall contain (A) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 141(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (B) provision for carrying out the applicable provisions of sections 141(a) and 142(a)(3).".

(E) Such title I is amended by inserting at the end of part A the following:

"Subpart 2—State Operated Programs"

"PROGRAMS FOR HANDICAPPED CHILDREN

"SEC. 121. (a) A State agency which is directly responsible for providing free public education for handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education), shall be eligible to receive a grant under this section for any fiscal year.

"(b) Except as provided in section 124, the grant to which a State agency shall be entitled under this section shall be an amount equal to—

"(1)(A) 50 per centum of the average per pupil expenditure of all the local educational agencies in the State, or

"(B) 50 per centum of the average per pupil expenditure of all the local educational agencies in all the States,

whichever is greater,

multiplied by—

"(2) the number of such children in average daily attendance, as determined by the Commissioner,

at schools for handicapped children operated or supported by the State Agency, including schools providing special education for handicapped children under contract or other arrangement with such State agency, in the most recent fiscal year for which satisfactory data are available.

"(c) A State agency shall use the payments made under this section only for programs and projects (including the acquisition of equipment, and where, necessary, the construction of school facilities) which are designed to meet the special educational needs of such children, and the State agency shall provide assurances to the Commissioner that each such child in average daily attendance counted under subsection (b) will be provided with such a program, commensurate with his special needs, during any fiscal year for which such payments are made.

"(d) In the case where such a child leaves an educational program for handicapped children operated or supported by the State agency in order to participate in such a program operated or supported by a local educational agency, such child shall be counted under subsection (b) if (1) he continues to receive an appropriately designed educational program and (2) the State agency transfers to the local educational agency in whose program such child participates an amount equal to the sums received by such State agency under this section which are attributable to such child, to be used for the purposes set forth in subsection (c).

"PROGRAMS FOR MIGRATORY CHILDREN

"SEC. 122. (a)(1) A State educational agency or a combination of such agencies, upon application, shall be entitled to receive a grant for any fiscal year under this section to establish or improve, either directly or through local educational agencies, programs of education for migratory children of migratory agricultural workers or of migratory fishermen. The Commissioner may approve such an application only upon his determination—

"(A) that payments will be used for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of migratory children of migratory agricultural workers or of migratory fishermen, and to coordinate these programs and projects with similar programs and projects in other States, including the transmittal of pertinent information with respect to school records of such children;

"(B that in planning and carrying out programs and projects there has been and will be appropriate coordination with programs administered under part B of title III of the Economic Opportunity Act of 1964;

"(C) that such programs and projects will be administered and carried out in a manner consistent with the basic objectives of clauses (1)(B) and (3) through (12) of section 141(a); and

"(D) that, in planning and carrying out programs and projects, there has been adequate assurance that provision will be made for the preschool educational needs of migratory children of migratory agricultural workers or of migratory fishermen, whenever such agency determines that compliance with this clause will not detract from the operation of programs and projects described in clause (A) of this paragraph after considering the funds available for this purpose.

The Commissioner shall not finally disapprove an application of a State educational agency under this paragraph except after reasonable notice and opportunity for a hearing to the State educational agency.

"(2) If the Commissioner determines that a State is unable or unwilling to conduct educational programs for migratory children of migratory agricultural workers or of migratory fishermen, or that it would result in more efficient and economic administration, or that it would add substantially to the welfare or educational attainment of such children, he may make special arrangements with other public or nonprofit private agencies to carry out the purposes of this section in one or more States, and for this purpose he may use all or part of the total of grants available for any such State under this section.

"(3) For purposes of this section, with the concurrence of his parents, a migratory child of a migratory agricultural worker or of a migratory fisherman shall be deemed to continue to be such a child for a period, not in excess of five years, during which he resides in the area served by the agency carrying on a program or project under this subsection. Such children who are presently migrant, as determined pursuant to regulations of the Commissioner, shall be given priority in this consideration of programs and activities contained in applications submitted under this subsection.

"(b) Except as provided in section 124, the grant to which a State agency shall be entitled under this section shall be an amount equal to—

"(1)(A) 50 per centum of the average per pupil expenditure of all the local educational agencies in the State, or

"(B) 50 per centum of the average per pupil expenditure of all the local educational agencies in all the States, whichever is greater,

multiplied by—

"(2)(A) the estimated number of such migratory children aged five to seventeen, inclusive, who reside in the State full time, and

"(B) the full-time equivalent of the estimated number of such migratory children aged five to seventeen, inclusive, who reside in the State part time, as determined by the Commissioner,

except that if, in the case of any State, such amounts exceeds the amount required under subsection (a), the Commissioner shall allocate such excess, to the extent necessary, to other States whose total of grants under this sentence would otherwise be insufficient for all such children to be served in other States. In determining the number of migrant children for the purposes of this section the Commissioner shall use statistics made available by the migrant student record transfer system or such other system as he may determine most accurately and fully reflects the actual number of migrant students.

"PROGRAMS FOR NEGLECTED OR DELINQUENT CHILDREN

"SEC. 123. (a) A State agency which is directly responsible for providing free public education for children in institutions for neglected or delinquent children or in adult correctional institutions shall be entitled to receive a grant under this section for any fiscal year (but only if grants received under this section are used only for children in such institutions).

"(b) Except as provided in section 124, the grant to which a State agency shall be entitled under this section shall be an amount equal to—

"(1)(A) 50 per centum of the average pupil expenditure of all the local educational agencies in the State, or

"(B) 50 per centum of the average per pupil expenditure of all the local educational agencies in all the States, whichever is greater,

multiplied by—

"(2) the number of such children in average daily attendance as determined by the Commissioner, at schools for such children operated or supported by that agency, including schools providing education for such children under contract or other arrangement with such agency, in the most recent fiscal year for which satisfactory data are available.

"(c) A State agency shall use payments under this section only for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of such children.

"RESERVATION OF FUNDS FOR TERRITORIES

"SEC. 124. There is authorized to be appropriated for each fiscal year for purposes of each of sections 121, 122, and 123, an amount equal to not more than 3 per centum of the amount appropriated for such year for such sections for payments to the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands under each such section. The amounts appropriated for each such section shall be allotted among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants, based on such criteria as the Commissioner determines will best carry out the purposes of this title.".

(F) (i) Section 121 of such title I and all references thereto are redesignated as section 126,

(ii) Section 126(b) of such title I (as redesignated by this subparagraph) is amended—

(I) by inserting "(1)" after "(b)";

(II) by striking out "$1" and inserting in lieu thereof "$1.50";

(III) by striking out "clauses (2), (5), (6), and (7) of section 103(a)" and inserting in lieu thereof "section 103 and subpart 2 of part A"; and

(IV) by inserting at the end thereof the following new paragraph:

"(2) (A) The aggregate of the amounts to which the States are entitled under this part for any fiscal year shall not exceed $75,000,000. If, for any fiscal year, such amounts, without the limitation in the preceding sentence, exceed $75,000,000, each of the entitlements created under this part shall be reduced ratably until such amounts do not exceed such limitation.

"(B) For the purpose of making entitlement payments under this part there are authorized to be appropriated not in excess of $75,000,000 for the fiscal year ending June 30, 1974, and for each of the four succeeding fiscal years.".

(G) Section 144 of such title I is amended by striking out the first sentence and inserting in lieu thereof the following: "If the sums appropriated for any fiscal year for making the payments provided in this title are not sufficient to pay in full the total amounts which all local and State educational agencies are eligible to receive under this title for such year, the amount available for each grant to a State agency eligible for a grant under section 121, 122, or 123 shall be equal to the total amount of the grant as computed under each such section. If the remainder of such sums available after the application of the preceding sentence is not sufficient to pay in full the total amounts which all local educational agencies are eligible to receive under part A of this title for such year, the allocations to such agencies shall, subject to adjustments under the next sentence, be ratably reduced to the extent necessary to bring the aggregate of such allocations within the limits of the amount so appropriated. The allocation of a local educational agency which would be reduced under the preceding sentence to less than 85 per centum of its allocation under part A for the preceding fiscal year, shall be increased to such amount, the total of the increases thereby required being derived by proportionately reducing the allocations of the remaining local educational agencies, under the preceding sentence, but with such adjustments as may be neecssary to prevent the allocation to any remaining local educational agency from being thereby reduced to less than 85 per centum of its allocation for such year.".

(H) (i) Part D of such title I (including all references thereto) is redesignated as part C.

(ii) Section 141(a)(4) of such title is amended by striking out "section 145" and inserting in lieu thereof "section 433 of the General Education Provisions Act".

(iii) Section 141(a)(1)(B) of such title is amended by striking out "maximum".

(iv) Section 141(c) of such title is repealed.

(v) Section 143(a)(2) of such title is amended by striking out "maximum".

(vi) Section 142 of such title is amended by striking out "described in section 141(c)" and inserting in lieu thereof "provided for in section 122".

(vii) Section 142(a)(1) of such title is amended by striking out "section 103(a)(5)" and inserting in lieu thereof "section 121".

(viii) Section 143(a)(2) of such title is amended by striking out "or section 131".

(ix) Section 143(b)(1) of such title is amended to read as follows:

"(1) 1 per centum of the amount allocated to the State and its local educational agencies as determined for that year under this title; or".

(x) The third and fourth sentences of section 144 of such title are each amended by striking out "section 103(a)(6)" and inserting in lieu thereof "section 122".

(xi) Section 146 of such title is amended by striking out "section 141(c)" and inserting in lieu thereof "section 122".

(xii) Section 147 of such title is amended by striking out "section 141(c)" and inserting in lieu thereof "section 122".

(xiii) Section 403 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by adding at the end thereof the following new paragraph:

"(16) For purposes of title II, the 'average per pupil expenditure' in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or if satisfactory data for that year are not available at the time of computation, then during the most recent preceding fiscal year for which satisfactory data are available), of all local educational agencies as defined in section 403 (6)(B) in the State, or in the United States (which for the purposes of this subsection means the fifty States, and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the source of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.".

(3) Such title I is amended by inserting after part B the following new part C:

"PART C—SPECIAL GRANTS

"ELIGIBILITY AND MAXIMUM AMOUNT OF SPECIAL GRANTS

"SEC. 131. (a) Each local educational agency in a State which is eligible for a grant under this title for any fiscal year shall be entitled to an additional grant for that fiscal year if it meets the requirements of subsection (b). The amount of such grant shall be determined in accordance with subsection (c).

"(b) (1) A local educational agency shall be entitled to a grant under this part for any fiscal year if the school district of such agency is located in a county in which—

"(A) the number of children described in paragraph (2) for such year amounts to at least 200 per centum of the average number of such children in all counties in the State in which such agency is located for that fiscal year; or

"(B) the number of children so described in such county for such year is 10,000 and amounts to 5 percentum of the total number of children in such county.

"(2) For the purposes of paragraph (1), the children counted with respect to a local educational agency shall be these children in such county who are—

"(A) in families having an annual income of $3,000 or less; or

"(B) in families receiving an annual income in excess of $3,000 from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; or

"(C) living in institutions for neglected or delinquent children or being supported in foster homes with public funds.

In determining the number of children under clause (C) in the preceding sentence, children in institutions operated by the United States and children counted for the purpose of a grant to a State agency under section 104 shall not be included.

"(3) (A) Determinations with respect to numbers of children in any county under paragraph (2) shall be made by the Commissioner on the basis of the most recent satisfactory data available to him.

"(B) (1) The number of children determined with respect to one or more counties shall be allocated, for the purposes of paragraph (2) among the local educational agencies with school districts located in such county or counties by the Commissioner.

"(ii) In any case where—

"(I) two or more local educational agencies serve, in whole or in part, the same geographical area; or

"(II) a local educational agency provides free public education for a substantial number of children who reside in the school district of another local educational agency,

the Commissioner may allocate the number of children determined under this subsection among such agencies in such a manner as will best achieve the purposes of this subsection.

"(C) (1) For the purposes of paragraph (2), the Commissioner shall determine the number of children from families have an annual income of $3,000 or less on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this subsection.

"(ii) For the purposes of this subsection, the Secretary of Health, Education, and Welfare shall determine the number of children from families receiving an annual income in excess of $3,000 from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act and the number of children living in institutions for neglected or delinquent children or being supported in foster homes with public funds, on the basis of caseload data for the month of January of the preceding fiscal year, or to the extent that such data are not available to him before April 1 of the calendar year in which the determination is made, then on the basis of the most recent data available to him at the time of such determination. For the purposes of this subsection, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

"(c) The amount of the grant to which a local educational agency shall be entitled for any fiscal year shall be—

"(A) the number of children determined with respect to such agency under subsection (b);

multiplied by—

"(B) 50 per centum of the average per pupil expenditure of all the local educational agencies in the State in which such agency is located.

"(d) Notwithstanding any other provision of this section, no entitlement payments for any fiscal year under this part to the local educational agencies in a single State shall exceed 12 per centum of the aggregate entitlement payments of all local educational agencies in that year.

"(e) (1) The aggregate of the amounts to which local educational agencies are entitled under this part for any fiscal year shall not exceed $75,000,000. If, for any fiscal year, such amounts, without the limitation in the preceding sentence, exceed $75,000,000, each of the entitlements created under this part shall be reduced ratably until such amounts do not exceed such limitation.

"(2) For the purpose of making entitlement payments under this part there are authorized to be appropriated not in excess of $75,000,000 for the fiscal year ending June

30, 1974, and for each of the four succeeding fiscal years.

"(f) For the purposes of this section, the term—

"(1) 'State' means the fifty States and the District of Columbia; and

"(2) 'children' includes all children aged five through seventeen, inclusive."

(4) Section 141 of such title I is amended by adding at the end thereof the following new subsections:

"(e) (1) If local educational agency is prohibited by law from complying with clause (2) of subsection (a), the Commissioner may waive such requirement with respect to such agency and shall arrange for the provision of services to the children to whom such clause applies through arrangements which shall be subject to the requirements of such clause (2).

"(2) If the Commissioner determines that a local educational agency has substantially failed to comply with clause (2) of subsection (a), he shall arrange for the provision of services to the children to whom such clause applies through arrangements which shall be subject to the requirements of such clause (2).

"(3) When the Commissioner arranges for services pursuant to this subsection, he shall, after consultation with the appropriate public and nonpublic school officials, pay the cost of such services from the appropriate allocation or allocations under this title.

"(f) The Commissioner shall not take action under subsection (e) with respect to any State or local educational agency without first affording such agency and other interested parties notice and an opportunity for a hearing. Such notice shall be given not less than sixty days prior to any final action of the Commissioner under such subsection. If the Commissioner determines that the provisions of subsection (e) apply to a substantial number of children who are in attendance at private schools, he shall proceed as required under such subsection. If the local educational agency or the State educational agency of the State in which such local educational agency is located is dissatisfied with the action of the Commissioner under subsection (e), either such agency or both shall qualify for judicial review of the Commissioner's action. If any State or local educational agency desires judicial review under subsection (e) of this subsection, such State or local educational agency shall, within sixty days after such action, file with the United States Court of Appeals for the circuit in which such State is located a petition for review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.".

(5) Section 141(a) (1) (A) of such title I is amended by adding at the end thereof the following: "(and at the discretion of the local educational agency, in any school of such agency not located in such a school attendance area, at which the proportion of children in actual average daily attendance from low-income families is substantially the same as the proportion of such children in such an area of that agency)"

(6) Section 141(a) of such title I is amended—

(A) by striking out the word "and" at the end of paragraph (12) the first time it appears in such section,

(B) by redesignating paragraph (12) the second time it appears in such section as paragraph (13),

(C) by striking out the period in paragraph (13) · (as redesignated by this paragraph) and inserting in lieu thereof a semicolon and the word "and", and

(D) by inserting at the end thereof the following new paragraph:

"(14) That the local educational agency will establish an Advisory Council for the school district under the jurisdiction of that agency which—

"(A) has a majority of members who are parents of children attending the schools of that agency,

"(B) is composed of members who are selected by the parents of the children attending schools of that agency,

"(C) has responsibility for advising that agency in the planning for, and the implementation and evaluation of, programs and projects assisted under this title, and

"(D) is provided by that agency, in accordance with regulations of the Commissioner, with access to appropriate information concerning such programs and projects.".

(7) Redesignate part C of such title I (as redesignated by paragraph (2) of this subsection), and all references thereto, as part D.

(8) Notwithstanding any other provision of this Act—

(A) the dollar amount for the computation of the maximum amount of a special incentive grant under part B of such title I shall be $1 except as provided in clause (E) of this paragraph;

(B) the aggregate amounts to which States are entitled under that part for any fiscal year shall not exceed $50,000,000 without regard to any other authorization for such part;

(C) entitlements created under that part shall be considered only with respect to appropriations for such title I in excess of $1,396,975,000;

(D) for the purposes of section 144 of such title I entitlements created under part B of such title I shall be treated in the same manner as entitlements under subpart 1 of part A of such title for the second sentence of such section 144, but only to the extent that appropriations for any fiscal year exceed $1,396,975,000; and

(E) (i) in addition to the amount provided for in clause (A), an additional amount of 50 cents shall be computed under such part B; and

(ii) the aggregate amounts to which States are entitled under that part for any fiscal year, in addition to the amount specified in clause (B) of this paragraph, shall not exceed $25,000,000; and

(iii) for the purpose of this clause there are authorized to be appropriated not to exceed $25,000,000 for the fiscal year ending June 30, 1974, and for each of the four succeeding fiscal years.

(9) There is authorized to be appropriated for each fiscal year a sum not to exceed $35,000,000 to be allocated at the discretion of the Commissioner to assist those local education agencies whose total allocation under part A of title I of the Elementary and Secondary Education Act of 1965 is 90 per centum or less than such allocation under such part A during the preceding fiscal year: *Provided, however,* That in allocating such funds the Commissioner shall take into account the fiscal ability of each such local education agency to compensate from local revenue for the loss of such allocation under part A.

(b) The amendments made by subsection (a) shall be effective on and after July 1, 1974.

SCHOOL LIBRARY RESOURCES, TEXTBOOKS, AND OTHER INSTRUCTIONAL MATERIALS

SEC. 102. (a) (1) Section 201(b) of the Elementary and Secondary Education Act of 1965 is amended by striking out all that follows "to be appropriated" and inserting in lieu thereof the following: "$220,000,000 for the fiscal year ending June 30, 1974, and for each of the succeeding fiscal years ending prior to July 1, 1978.".

(2) The third sentence of section 202(a) (1) of such Act is amended by striking out "July 1, 1973," and inserting in lieu thereof "July 1, 1978,".

(3) Section 204(b) of such Act is amended by striking out "July 1, 1973," and inserting in lieu thereof "July 1, 1978,".

(b) The amendments made by this section shall be effective on and after July 1, 1973.

SUPPLEMENTAL EDUCATIONAL CENTERS AND SERVICES; GUIDANCE, COUNSELING, AND TESTING

SEC. 103. (a) (1) Section 301(b) of the Elementary and Secondary Education Act of 1965 is amended by striking out "the fiscal year ending June 30, 1978" and inserting in lieu thereof "each of the succeeding fiscal years ending prior to July 1, 1978".

(2) Section 302(a) (1) of such Act is amended by striking out "July 1, 1973," and inserting in lieu thereof "July 1, 1978,".

(3) Section 305(c) of such Act is amended by striking out "July 1, 1973," and inserting in lieu thereof "July 1, 1978,".

(b) Section 307 of such Act is amended by adding at the end thereof the following new subsection:

"(g) The Commissioner shall not take action under subsection (f) with respect to any State or local educational agency without first affording such agency and other interested parties notice and an opportunity for a hearing. Such notice shall be given not less than sixty days prior to any final action of the Commissioner under such subsection. If the Commissioner determines that the provisions of subsection (f) apply to a substantial number of children who are in attendance at private schools, he shall proceed as required under such subsection. If the local educational agency or the State educational agency of the State in which such local educational agency is located is dissatisfied with the action of the Commissioner under subsection (f), either such agency or both shall qualify for judicial review of the Commissioner's action. If any State or local educational agency desires judicial review under subsection (f) of this subsection, such State or local educational agency shall, within sixty days after such action, file with the United States Court of Appeals for the circuit in which such State is located a petition for review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. The court shall have jurisdiction to affirm the action of the Commissioner or set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.".

(c) The amendments made by this section shall be effective on and after July 1, 1973.

STRENGTHENING STATE AND LOCAL EDUCATIONAL AGENCIES

SEC. 104. (a) (1) Section 501(b) of the Elementary and Secondary Education Act of 1965 is amended by striking out "the fiscal year ending June 30, 1973" and inserting in lieu thereof "each of the succeeding fiscal years ending prior to July 1, 1978".

(2) Section 521(b) of such Act is amended by striking out "the fiscal year ending June 30, 1973" and inserting in lieu thereof "each of the succeeding fiscal years ending prior to July 1, 1978".

(3) Section 531(b) of such Act is amended by striking out "the fiscal year ending June 30, 1973" and inserting in lieu thereof "each

of the succeeding fiscal years ending prior to July 1, 1978".

(b) The amendments made by this section shall be effective on and after July 1, 1973.

BILINGUAL EDUCATIONAL PROGRAMS

SEC. 105. (a) (1) Title VII of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"TITLE VII—BILINGUAL EDUCATION

"SHORT TITLE

"SEC. 701. This title may be cited as the 'Bilingual Education Act'.

"POLICY; APPROPRIATIONS

"SEC. 702. (a) Recognizing—

"(1) that there are large numbers of children of limited English-speaking ability;

"(2) that many of such children have a cultural heritage which differs from that of English-speaking persons;

"(3) that a primary means by which a child learns is through the use of such child's language and cultural heritage;

"(4) that, therefore, large numbers of children of limited English-speaking ability have educational needs which can be met by the use of bilingual educational methods and techniques; and

"(5) that, in addition, all children benefit through the fullest utilization of multiple language and cultural resources,

the Congress declares it to be the policy of the United States, in order to establish equal educational opportunity for all children (A) to encourage the establishment and operation, where appropriate, of educational programs using bilingual educational practices, techniques, and methods, and (B) for that purpose, to provide financial assistance to local educational agencies, and to State educational agencies for certain purposes, in order to enable such local educational agencies to develop and carry out such programs in elementary and secondary schools, including activities at the preschool level, which are designed to meet the educational needs of such children; and to demonstrate effective ways of providing, for children of limited English-speaking ability, instruction designed to enable them, while using their native language, to achieve competence in the English language.

"(b) Except as is otherwise provided in this title, for the purpose of carrying out the provisions of this title, there are authorized to be appropriated $135,000,000 for the fiscal year ending June 30, 1974; $145,000,000 for the fiscal year ending June 30, 1975; $155,000,000 for the fiscal year ending June 30, 1976; and $175,000,000 for the fiscal years ending June 30, 1977, and June 30, 1978; and there is further authorized to be appropriated for such purpose for each such fiscal year such additional sums as the Congress may determine. From the sums so appropriated for any fiscal year—

"(1) the Commissioner shall reserve 50 per centum of that part thereof which is in excess of $35,000,000 but does not exceed $60,000,00 for training activities carried out under clauses (1) and (3) of subsection (a) of section 721, and shall reserve for such activities 33⅓ per centum of that part thereof which is in excess of $60,000,000; and

"(2) the Commissioner shall reserve from the amount not reserved pursuant to clause (1) of this subsection such amounts as may be necessary, but not in excess of 10 per centum thereof, for the purposes of sections 732 and 743.

"DEFINITIONS; REGULATIONS

"SEC. 703 (a) The following definitions shall apply to the terms used in this title:

"(1) The term 'limited English-speaking ability', when used with reference to an individual, means—

"(A) individuals who were not born in the United States and whose native language is a language other than English; and

"(B) individuals who come from environments where a language other than English is dominant, as further defined by the Commissioner by regulation;

and, by reason thereof, have difficulty speaking and understanding instruction in the English language.

"(2) The term 'native language', when used with reference to an individual of limited English-speaking ability, means the language normally used by such individuals, or in the case of a child, the language normally used by the parents of the child or in the environment from which the child comes.

"(3) The term 'low-income' when used with respect to a family means an annual income for such a family which does not exceed the low annual income determined pursuant to section 103 of title I of the Elementary and Secondary Education Act of 1965.

"(4) (A) The term 'program of bilingual education' means a full-time program of instruction, designed for children of limited English-speaking ability in elementary or secondary school, in which, with respect to the years of study to which such program is applicable—

"(i) there is instruction given both in the native language of the children of limited English-speaking ability and in English and given with appreciation for the cultural heritage of such children, and, with respect to elementary school instruction, such instruction shall, to the maximum extent feasible, be in all courses or subjects of study which are required of a child in elementary school by, or pursuant to, the law of the State;

"(ii) both the native language of the child of limited English-speaking ability and English are studied, including speaking, reading, and writing;

"(iii) there is study of the history and culture of the nation, territory, or geographical area with which the native language of the child of limited English-speaking ability is associated and of the history and culture of the United States; and

"(iv) the requirements in subparagraphs (B) through (E) of this paragraph and established pursuant to subsection (b) of this section are met.

"(B) A program of bilingual education shall make provision for the voluntary enrollment to a limited degree therein, on a regular full-time basis, of children whose language is English in order that they may learn the language and cultural heritage of the children of limited English-speaking ability for whom the particular program of bilingual education is designed. In determining eligibility to participate in such bilingual education programs, priority shall be given to the children whose language is other than English. In no event shall the primary purpose of the program be to teach a foreign language to English-speaking children.

"(C) In such courses or subjects of study as art, music, and physical education, a program of bilingual education shall make provision for the participation of children of limited English-speaking ability in regular classes.

"(D) Children enrolled in a program of bilingual education shall, if graded classes are used, be placed, to the extent practicable, in classes with children of approximately the same age and level of educational attainment. If children of significantly varying ages or levels of educational attainment are placed in the same class, the program of bilingual education shall seek to insure that each child is provided with instruction which is appropriate for his or her level of educational attainment.

"(E) An application for a program of bilingual education shall be developed (i) in open consultation with parents of children of limited English-speaking ability, teachers, and, where applicable, secondary school students, including public hearings at which such persons have had a full opportunity to understand the program for which assistance is being sought and to offer recommendations thereon, and (ii) with the full participation of a committee composed of, and selected by, such parents and teachers, and in the case of secondary schools, representation of secondary school students. A substantial number of the members of such committee shall be parents of children of limited English-speaking ability.

"(5) The term 'Bureau' means the Bureau of Bilingual Education established under this title.

"(6) The term 'Director' means the Director of the Bureau of Bilingual Education.

"(7) The term 'Council' means the National Advisory Council on Bilingual Education.

"(b) The Commissioner, after receiving recommendations from State and local educational agencies and groups and organizations involved in bilingual education, shall establish and publish, with respect to programs of bilingual education, suggested model guidelines containing recommendations to State and local educational agencies with respect to pupil-teacher ratios, teacher qualifications, and other factors affecting the quality of instruction offered in such programs. In carrying out programs under part A of this title, State and local educational agencies shall consult with the Commissioner in order to achieve maximum voluntary conformity with such guidelines.

"(c) In prescribing regulations under this section, the Commissioner shall consult with State and local educational agencies, appropriate organizations representing parents and children of limited English-speaking ability, and appropriate groups and organizations representing teachers and educators involved in bilingual education.

"PART A—FINANCIAL ASSISTANCE FOR BILINGUAL EDUCATION PROGRAMS

"BILINGUAL EDUCATION PROGRAMS

"SEC. 721. (a) Funds available for grants under this part shall be used for—

"(1) the establishment, operation, and improvement programs of bilingual education, including auxiliary and supplementary training programs for personnel preparing to participate in, or personnel participating in, the conduct of such programs;

"(2) auxiliary and supplementary community and educational activities designed to facilitate and expand the implementation of a program described in clause (1), including such activities as (A) adult education programs related to the purposes of this title, particularly for parents of children participating in programs of bilingual education, and carried out, where appropriate, in coordination with programs assisted under the Adult Education Act, and (B) preschool programs preparatory and supplementary to bilingual education programs;

"(3) the establishment, operation, and improvement of training programs for personnel preparing to participate in, or personnel participating in, the conduct of programs of bilingual education; and

"(4) planning, and providing technical assistance for, and taking other steps leading to the development of, such programs.

"(b) (1) A grant may be made under this section only upon application therefor by one or more local educational agencies (or, in the case of a training activity described in clause (3) of subsection (a) of this section, by eligible applicants as defined in section 723). Such application shall—

"(A) include a description of the activities set forth in one or more of the clauses of subsection (a) which the applicant desires to carry out; and

"(B) provide evidence that the activities so described will make substantial progress toward making programs of bilingual education available to the children having need thereof in the area served by the applicant.

"(2) An application for a grant under this part may be approved only if—

"(A) the provision of assistance proposed in the application is consistent with criteria established by the Commissioner, after consultation with the State educational agency, for the purpose of achieving an equitable distribution of assistance under this part within the State in which the applicant is located, which criteria shall be developed by him taking into consideration (i) the geographic distribution of children of limited English-speaking ability, (ii) the relative need of persons in different geographic areas within the State for the kinds of services and activities described in subsection (a), (iii) with respect to grants to carry out programs described in clauses (1) and (2) of subsection (a) of section 721, the relative ability of particular local educational agencies within the State to provide such services and activities, and (iv) with respect to such grants, the relative numbers of persons from low-income families;

"(B) in the case of applications from local educational agencies to carry out programs of bilingual education under clause (1) of subsection (a) of section 721, the Commissioner determines that not less than 15 per centum of the amounts paid to the applicant for the purposes of such programs shall be expended for auxiliary and supplementary training programs in accordance with the provisions of such clause and section 723;

"(C) the Commissioner determines (i) that the program will use the most qualified available personnel and the best resources and will substantially increase the educational opportunities for children of limited English-speaking ability in the area to be served by the applicant, and (ii) that, to the extent consistent with the number of children enrolled in nonprofit, nonpublic schools in the area to be served whose educational needs are of the type which the program is intended to meet, provision has been made for participation of such children; and

"(D) the State educational agency has been notified of the application and been given the opportunity to offer recommendations thereon to the applicant and to the Commissioner.

"(3)(A) If for any fiscal year the Commissioner determines with respect to any State that—

"(i) the State educational agency of such State has developed high-quality leadership capabilities for the coordination and provision of, and technical assistance with respect to, programs of bilingual education in operation by local educational agencies in such State, or, with assistance under section 743, will for such fiscal year develop and maintain such capability;

"(ii) there is in effect at the beginning of such fiscal year for such State a statute enacted under the constitution of such State designed to provide, or a decision of the highest court of such State, or of a court of the United States with respect to such State, requiring equal educational opportunity for children of limited English-speaking ability through programs of bilingual education;

"(iii) the local educational agencies in such State operate programs of bilingual education serving a substantial number of children of limited English-speaking ability in such State;

"(iv) the expenditures for such fiscal year from State revenues specifically for programs of bilingual education operated by local educational agencies in such State constitute not less than 15 per centum in the first year for which a State receives payments under this paragraph, 20 per centum in the second such year, and 25 per centum in each succeeding such year, of the total expenditures for such programs in such State; and

"(v) local educational agencies in such State will be paid under this part, in the aggregate, amounts at least equal to the aggregate of the amounts paid to such local educational agencies from appropriations for the fiscal year 1973 pursuant to section 703 of this title as in effect on June 30, 1973:

the Commissioner shall, upon application from the State educational agency of such State, make provision for the submission and approval of a State program for the coordination by such State educational agency of, and the provision by such State agency of technical assistance to, programs of bilingual education in such State assisted under this part. Such State program shall contain such provisions, agreements, and assurances as the Commissioner shall, by regulation, determine necessary and proper to achieve the purposes of this title. If the law of a State gives the chief State school officer of the State authority to issue and enforce such a regulation, a regulation issued by the chief State school officer of the State which is designed to provide equal educational opportunity for children of limited English-speaking ability through programs of bilingual education shall satisfy the requirements of clause (ii) in the preceding sentence.

"(B) Except as is provided in the second sentence of this subparagraph, the Commissioner shall pay for each fiscal year to each State educational agency which has had a State program submitted and approved under subparagraph (A) such sums as may be necessary for the proper and efficient conduct of such State program. The amount paid by the Commissioner to any State educational agency under the preceding sentence for any fiscal year shall not exceed an amount which, when added to any amount which such State receives pursuant to section 743, equals 5 per centum of the aggregate of the amounts paid under this part to local educational agencies in the State of such State educational agency. For the purpose of this paragraph there are authorized to be appropriated such sums as may be necessary for any fiscal year.

"(c) In funding programs of bilingual education under this part, not more than 10 per centum of the first $35,000,000 obligated from sums appropriated under subsection (b) of section 702, and not more than 15 per centum of amounts obligated in excess of $35,000,000 from sums so appropriated, may be paid, in the aggregate, in any fiscal year to programs at the elementary school level where graded classes are not used and to programs at the secondary school level.

"(d) In determining the distribution of funds under this title, the Commissioner shall provide an equitable distribution of such funds in all areas of the United States while giving priority to States within such areas having the greatest need for programs assisted under this title.

"(e) Notwithstanding any other provision of this title, the Commissioner is authorized to accept and approve applications from the Commonwealth of Puerto Rico for programs and projects for children of Puerto Rican ancestry who—

"(1) live in Puerto Rico; but

"(2) are of limited Spanish-speaking ability;

which are designed to teach such children, using bilingual education methods, practices, and techniques.

"INDIAN CHILDREN IN SCHOOLS

"SEC. 722. (a) For the purpose of carrying out programs under this part for individuals serviced by elementary and secondary schools operated predominantly for Indian children, a nonprofit institution or organization of the Indian tribe concerned which operates any such school and which is approved by the Commissioner for the purposes of this section may be considered to be a local educational agency as such term is used in this title.

"(b) From the sums appropriated pursuant to section 702(b), the Commissioner is authorized to make payments to the Secretary of the Interior to carry out programs of bilingual education for children on reservations serviced by elementary and secondary schools for Indian children operated or funded by the Department of the Interior. The terms upon which payments for such purpose may be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the policy of section 702(a).

"(c) The Secretary of the Interior shall prepare and, not later than November 1 of each year, shall submit to the Congress and the President an annual report detailing a review and evaluation of the use, during the preceding fiscal year, of all funds paid to him by the Commissioner under subsection (b) of this section, including complete fiscal reports, a description of the personnel and information paid for in whole or in part with such funds, the allocation of such funds, and the status of all programs funded from such payments. Nothing in this subsection shall be construed to relieve the Director of any authority or obligation under this part.

"(d) The Secretary of the Interior shall, together with the information required in the preceding subsection, submit to the Congress and the President, an assessment of the needs of Indian children with respect to the purposes of this title in schools operated or funded by the Department of the Interior, including those State educational agencies and local educational agencies receiving assistance under the Johnson-O'Malley Act (25 U.S.C. 452 et seq., as amended) and an assessment of the extent to which such needs are being met by funds provided to such schools for educational purposes through the Secretary of the Interior.

"TRAINING

"SEC. 723. (a)(1) In carrying out the provisions of clauses (1) and (3) of subsection (a) of section 721, with respect to training, the Commissioner shall, through grants to, and contracts with, eligible applicants, as defined in subsection (b), provide for—

"(A)(i) training, carried out in coordination with any other programs training auxiliary educational personnel, designed (I) to prepare personnel to participate in, or for personnel participating in, the conduct of programs of bilingual education, including programs emphasizing opportunities for career development, advancement, and lateral mobility, (II) to train teachers, administrators, paraprofessionals, teacher aides, and parents, and (III) to train persons to teach and counsel such persons, and (ii) special training programs designed (I) to meet individual needs, and (II) to encourage reform, innovation, and improvement in applicable education curricula in graduate education, in the structure of the academic profession, and in recruitment and retention of higher education and graduate school facilities, as related to bilingual education;

"(B) the operation of short-term training institutes designed to improve the skills of participants in programs of bilingual education in order to facilitate their effectiveness in carrying out responsibilities in connection with such programs; and

"(C) fellowships for study leading to an advanced degree for persons planning to pursue a career in bilingual education with preference in the award of such fellowships to persons whose native language is other than English.

Not less than two hundred fellowships nor more than five hundred fellowships shall be awarded pursuant to clause (C) of this paragraph in any fiscal year, except that the Commissioner may award less than two hundred fellowships in any such year upon a certification by him, published in the Federal Register and submitted to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate, that two hundred fellowships could not properly be awarded because applications from two hundred qualified applicants were not submitted for such fellowships.

"(2) The Commissioner shall include in the terms of any arrangement described in paragraph (1) of subsection (a) of this section provisions for the payment, to persons participating in training programs so described, of such stipends (including allowances for subsistence and other expenses for such persons and their dependents) as he may determine, which shall be consistent with prevailing practices under comparable federally supported programs.

"(3) In making grants or contracts under this section, the Commissioner shall give priority to eligible applicants with demonstrated competence and experience in the field of bilingual education. Funds provided under grants or contracts for training activities described in this section to or with a State educational agency, separately or jointly, shall in no event exceed in the aggregate in any fiscal year 10 per centum of the total amount of funds obligated for training activities pursuant to clauses (1) and (3) of subsection (a) of section 721 in such year.

"(4) An application for a grant or contract for preservice or in-service training activities described in division (I) of clause (i) and division (I) of clause (ii) of subparagraph (A) and in subparagraph (B) of paragraph (1) of subsection (a) of this section shall be considered an application for a program of bilingual education for the purposes of subparagraph (E) of paragraph (4) of subsection (a) of section 703.

"(b) For the purposes of this section, the term 'eligible applicants' means—

"(1) institutions of higher education (including junior colleges and community colleges) which apply, after consultation with, or jointly with, one or more local educational agencies;

"(2) local educational agencies; and

"(3) State educational agencies.

"PART B—ADMINISTRATION

"BUREAU OF BILINGUAL EDUCATION

"SEC. 731. (a) There shall be, in the Office of Education, a Bureau of Bilingual Education through which the Commissioner shall carry out his functions relating to bilingual education.

"(b)(1) The Bureau shall be headed by a Director of Bilingual Education, appointed by the Commissioner, to whom the Commissioner shall delegate all of his delegable functions relating to bilingual education. The Director shall be placed in grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code.

"(2) The Bureau shall be divided into such branches, units, and offices as the Director determines to be appropriate in order to enable him to carry out his functions and responsibilities effectively.

"(3) In order to assist the Director in carrying out his functions and responsibilities, there are hereby established in the Division two positions which shall be placed in grade 17 of the General Schedule set forth in section 5332 of title 5, United States Code, and one of which shall be filled by a Deputy Director who shall act as Director in the event of the absence or disability of the Director or of a vacancy in the office of the Director.

"(4) The positions created by this subsection shall be in addition to the number of positions (A) placed in the appropriate grades under section 5108 of title 5, United States Code, or (B) otherwise placed in the Office of Education.

"(c) The Director, in consultation with the Council, shall prepare and, not later than November 1 of each year, shall submit, through the Commissioner, to the Congress and the President an annual report on the condition of bilingual education in the Nation and the administration and operation of this title and of other programs for persons of limited English-speaking ability. Such report shall include—

"(1) a national assessment of the educational needs of children and other persons with limited English-speaking ability and of the extent to which such needs are being met from Federal, State, and local efforts, including (A) not later than July 1, 1976, the results of a survey of the number of such children and persons in the States, and (B) a plan, to be carried out during the five-year period beginning on such date, for extending programs of bilingual education and bilingual vocational and adult education programs to all such preschool and elementary school children and other persons of limited English-speaking ability, including (i) a phased plan for the training of the necessary teachers and other educational personnel necessary for such purpose, and (ii) detailed cost estimates of the expenditures necessary in each fiscal year for such purpose, and of the share of such cost which may reasonably be expected to be borne by State and local government, private institutions, foundations, and the Federal Government;

"(2) a report on and an evaluation of the activities carried out under this title during the preceding fiscal year and the extent to which each of such activities achieves the policy set forth in section 702(a);

"(3) a statement of the activities intended to be carried out during the succeeding fiscal year, including an estimate of the cost of such activities;

"(4) an assessment of the number of teachers and other educational personnel needed to carry out programs of bilingual education under this title and those carried out under other programs for persons of limited English-speaking ability and a statement describing the activities carried out thereunder designed to prepare teachers and other educational personnel for such programs, and other educational personnel needed to carry out programs of bilingual education in the States and a statement describing the activities carried out under this title designed to prepare teachers and other educational personnel for such programs; and

"(5) a description of the personnel, the functions of such personnel, and information available at the regional offices of the Department of Health, Education, and Welfare dealing with bilingual programs within that region.

"(d) If any report to be submitted pursuant to subsection (c) of this section, or subsection (c) of section 732, is submitted, prior to submission to the Congress, for review by the Office of Management and Budget or any other Federal department or agency or official thereof and if any such review process delays the submission of such report to the Congress beyond the date established for such submission by this section or section 732(c), the Director shall immediately on such date submit, through the Commissioner, to the Congress the report in exactly the form it was submitted to such review process.

"NATIONAL ADVISORY COUNCIL ON BILINGUAL EDUCATION

"SEC. 732. (a) Subject to part D of the General Education Provisions Act, there shall be a National Advisory Council on Bilingual Education composed of fifteen members appointed by the Secretary, one of whom he shall designate as Chairman. At least eight of the members of the Council shall be persons experienced in dealing with the educational problems of children and other persons who are of limited English-speaking ability, at least one of whom shall be representative of persons serving on boards of education operating programs of bilingual education. At least three members shall be experienced in the training of teachers in programs of bilingual education. At least two members shall be persons with general experience in the field of elementary and secondary education. At least two members shall be classroom teachers of demonstrated teaching abilities using bilingual methods and techniques. The members of the Council shall be appointed in such a way as to be generally representative of the significant segments of the population of persons of limited English-speaking ability and the geographic areas in which they reside.

"(b) The Council shall meet at the call of the Chairman, but, notwithstanding the provisions of section 446(a) of the General Education Provisions Act, not less often than four times in each year.

"(c) The Council shall advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration and operation of this title, including the development of criteria for approval of applications, and plans under this title, and the administration and operation of other programs for persons of limited English-speaking ability. The Council shall prepare and, not later than November 1 of each year, submit a report to the Congress and the President on the condition of bilingual education in the Nation and on the administration and operation of this title, including those items specified in section 731(c), and the administration and operation of other programs for persons of limited English-speaking ability.

"(d) The Commissioner shall procure temporary and intermittent services of such personnel as are necessary for the conduct of the functions of the Council, in accordance with section 445 of the General Education Provisions Act, and shall make available to the Council such staff information, and other assistance as it may require to carry out its activities effectively.

"PART C—SUPPORTIVE SERVICES AND ACTIVITIES

"ADMINISTRATION

"SEC. 741. (a) The provisions of this part shall be administered by the Assistant Secretary, in consultation with—

"(1) the Commissioner, through the Bureau of Bilingual Education; and

"(2) the Director of the National Institute of Education, notwithstanding the second sentence of section 405(b)(1) of the General Education Provisions Act;

in accordance with regulations.

"(b) The Assistant Secretary shall, in accordance with clauses (1) and (2) of subsection (a), develop and promulgate regulations for this part and then delegate his functions under this part, as may be appropriate under the terms of section 742 and 743.

"RESEARCH AND DEMONSTRATION PROJECTS

"SEC. 742. (a) The National Institute of Education shall, in accordance with the provisions of section 405 of the General Education Provisions Act, carry out a program of research in the field of bilingual education in order to enhance the effectiveness of bilingual education programs carried out under this title and the authorities set forth in subsection (c) of section 731.

"(b) In order to test the effectiveness of research findings by the National Institute of Education and to demonstrate new or innovative practices, techniques, and methods for use in such bilingual education programs, the Director and the Commissioner are authorized to make contracts with public and private educational agencies, institutions, and organizations for such purpose.

"(c) In carrying out their responsibilities under this section, the Commissioner and the Director shall, through contracts with appropriate public and private agencies, institutions, and organizations—

"(1) undertake studies to determine the basic educational needs and language acquisition characteristics of, and the most effective conditions for, educating children of limited English-speaking ability;

"(2) develop models (including model bilingual and bicultural curricula) for such bilingual education programs and for other activities for which funds may be used under subsection (a) of section 721.

"(3) develop a suggested model State statute or statutes designed to promote equal educational opportunity for children of limited English-speaking ability through bilingual education practices, techniques, and methods;

"(4) develop, publish, and disseminate instructional materials and equipment suitable for use in bilingual education programs; and

"(5) establish and operate a Center for Bilingual Education designed to serve as a national clearinghouse of information for bilingual education, which shall collect, analyze, and disseminate information about bilingual education and such bilingual education and related programs.

"(d) In carrying out their responsibilities under this section, the Commissioner and the Director shall provide for periodic consultation with representatives of State and local educational agencies and appropriate groups and organizations involved in bilingual education.

"(e) There is authorized to be appropriated for each fiscal year prior to July 1, 1978, $5,000,000 to carry out the provisions of this section. In any such year in which appropriations made pursuant to the preceding sentence of this subsection do not amount to at least $5,000,000, not to exceed 5 per centum of the funds appropriated for the use of the National Institute of Education, but in no event less than $3,000,000, shall be available to carry out the provisions of this section.

"LEADERSHIP CAPABILITIES FOR STATE EDUCATIONAL AGENCIES

"SEC. 743. The Commissioner and the Director are authorized to make contracts with State educational agencies for the development in such agencies of leadership capabilities in the field of bilingual education, in order that such agencies may be able to assist local educational agencies in providing bilingual educational opportunities for children of limited English-speaking ability.".

(2) (A) The amendment made by this subsection shall be effective upon the date of enactment of this Act, except that the provisions of part A of title VII of the Elementary and Secondary Education Act of 1965 (as amended by subsection (a) of this section) shall become effective on July 1, 1975, and the provisions of title VII of the Elementary and Secondary Education Act of 1965 in effect immediately prior to the date of enactment of this Act shall remain in effect through June 30, 1975, to the extent not inconsistent with the amendment made by this section.

(B) The National Advisory Council on Bilingual Education, for which provision is made in section 732 of such Act, shall be appointed within ninety days after the enactment of this Act.

(b) (1) Section 703(a) of title VII of such Act is amended by adding at the end thereof the following:

"(8) The term 'other programs for persons of limited English-speaking ability' when used in sections 731 and 732 means the program authorized by section 708(c) of the Emergency School Aid Act and the programs carried out in coordination with the provisions of this title pursuant to section 122 (a) (4) (C) and part J of the Vocational Education Act of 1963, and section 306(a) (11) of the Adult Education Act, and programs and projects serving areas with high concentrations of persons of limited English-speaking ability pursuant to section 6(b) (4) of the Library Services and Construction Act.".

(2) The amendment made by this section shall be effective on and after July 1, 1974.

DROPOUT PREVENTION PROJECTS

SEC. 106. (a) Section 807(c) of the Elementary and Secondary Education Act of 1965 is amended by striking out "the fiscal year ending June 30, 1973" and inserting in lieu thereof "each of the succeeding fiscal years ending prior to July 1, 1978".

(b) The amendments made by this section shall be effective on and after July 1, 1973.

SCHOOL NUTRITION AND HEALTH SERVICES

SEC. 107. (a) Section 808(d) of the Elementary and Secondary Education Act of 1965 is amended by striking out "the fiscal year ending June 30, 1973" and inserting in lieu thereof "each of the succeeding fiscal years ending prior to July 1, 1978".

(b) The amendments made by this section shall be effective on and after July 1, 1973.

CORRECTION EDUCATION SERVICES

SEC. 108. (a) Section 809 of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof the following new subsection:

"(c) For the purpose of carrying out this section, there is authorized to be appropriated $500,000 for the fiscal year ending June 30, 1974, and for each of the succeeding fiscal years ending prior to July 1, 1978."

(b) The amendments made by this section shall be effective on and after July 1, 1973.

IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN

SEC. 109. (a) Section 810(g) of the Elementary and Secondary Education Act of 1965 is amended by striking out "two succeeding fiscal years" and inserting in lieu thereof "succeeding fiscal years ending prior to July 1, 1978".

(b) The amendments made by this section shall be effective on and after July 1, 1973.

OPEN MEETINGS OF EDUCATIONAL AGENCIES

SEC. 110. Title VIII of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof the following new section:

"OPEN MEETINGS OF EDUCATIONAL AGENCIES

"SEC. 812. No application for assistance under this Act may be considered unless the local educational agency making such application certifies to the Commissioner that members of the public have been afforded the opportunity upon reasonable notice to testify or otherwise comment regarding the subject matter of the application. The Commissioner is authorized and directed to establish such regulations as necessary to implement this section."

ETHNIC HERITAGE STUDIES CENTERS

SEC. 111. (a) (1) Section 907 of the Elementary and Secondary Education Act of 1965 is amended by striking out "the fiscal year ending June 30, 1973" and inserting in lieu thereof "each of the fiscal years ending prior to July 1, 1978".

(2) The amendments made by this section shall be effective on and after July 1, 1973.

(b) Section 903 of such Act is amended by—

(1) striking out "elementary and secondary schools and institutions of higher education" in clause (1) of such section, and inserting in lieu thereof "elementary or secondary schools or institutions of higher education";

(2) striking out "elementary and secondary schools and institutions of higher education" in clause (2) of such section and inserting in lieu thereof "elementary or secondary schools or institutions of higher education";

(3) inserting the word "or" after clause (1) of such section; and

(4) inserting the word "or" at the end of clause (2) of such section.

TITLE II—AMENDMENTS TO PUBLIC LAWS 815 AND 874 OF THE EIGHTY-FIRST CONGRESS

DURATION OF PAYMENTS UNDER PUBLIC LAW 815, EIGHTY-FIRST CONGRESS

SEC. 201. (a) (1) The first sentence of section 3 of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), is amended by striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1978".

(2) Section 15(15) of such Act is amended by striking out "1968–1969" and inserting in lieu thereof "1973–1974".

(b) Section 16(a) of such Act is amended—

(1) in clause (1) (A) thereof, by striking out "July 1, 1973" and inserting in lieu thereof "July 1, 1978"; and

(2) in clause (1) (B) thereof, by inserting after "seriously damaged" the following ", prior to July 1, 1978".

(c) The amendments made by this section shall be effective on and after July 1, 1973.

DURATION OF PAYMENTS UNDER TITLE I OF PUBLIC LAW 374, EIGHTY-FIRST CONGRESS EXCEPT SECTION 3 THEREOF

SEC. 202. (a) (1) Section 2(a) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by striking out "July 1, 1973" and inserting in lieu thereof "July 1, 1978".

(2) Section 4(a) of such Act is amended, in that part thereof which precedes clause (1), by striking out "July 1, 1973" and inserting in lieu thereof "July 1, 1978".

(3) Section 7(a) of such Act is amended—

(A) in clause (1) (A), by striking out "July 1, 1973"; and inserting in lieu thereof "July 1, 1978,"; and

(B) in clause (1) (B), by inserting after "seriously damaged" the following: "prior to July 1, 1978".

(b) The amendments made by this section shall be effective on and after July 1, 1973.

AMENDMENTS TO SECTIONS 3, 5, AND 7 OF PUBLIC LAW 874, EIGHTY-FIRST CONGRESS

SEC. 203. (a) (1) Section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended to read as follows:

"CHILDREN RESIDING ON, OR WHOSE PARENTS ARE EMPLOYED ON, FEDERAL PROPERTY

"Children of Persons Who Reside and Work on Federal Property

"SEC. 3. (a) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year ending prior to July 1, 1978, the Commissioner shall determine the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools, resided on Federal property and—

"(1) did so with a parent employed on Federal property situated (A) in whole or in part in the county in which the school district of such agency is located, or (B) if not in such county, in whole or in part in the same State as the school district of such agency; or

"(2) had a parent who was on active duty in the uniformed services (as defined in section 101 of title 37, United Statse Code).

In making a determination under clause (2) of the preceding sentence with respect to a local educational agency for any fiscal year, the Commissioner shall include the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such year, and who, while in attendance at such schools, resided on Indian lands, as defined under clause (A) of section 401(1).

"Children of Persons Who Reside or Work on Federal Property

"(b) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year ending prior to July 1, 1978, the Commissioner shall, in addition to any determination made with respect to such agency under subsection (a), determine the number of children (other than children with respect to whom a determination is made for such fiscal year under subsection (a)) who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools, either—

"(1) resided on Federal property, or

"(2) resided with a parent employed on Federal property situated (A) in whole or in part in the county in which the school district of such agency is located, or (B) if not in such county, in whole or in part in the same State as the school district of such agency, or

"(3) had a parent who was on active duty in the uniformed services (as defined in section 101 of title 37, United States Code).

For such purpose, with respect to a local educational agency, in the case of any fiscal year ending prior to July 1, 1978, the Commissioner shall also determine the number of children (other than children to whom subsection (a) or the preceding sentence applies) who were in average daily attendance at the schools of such agency and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools resided with a parent who was, at any time during the three-year period immediately preceding the beginning of the fiscal year for which the determination is made, a refugee who meets the requirements of clauses (A) and (B) of section 2(b)(3) of the Migration and Refugee Assistance Act of 1962, except that the Commissioner shall not include in his determination under this sentence for any fiscal year any child with respect to whose education a payment was made under section 2(b)(4) of such Act.

"Eligibility for Payments

"(c)(1) Except as is provided in paragraph (2), no local educational agency shall be entitled to receive a payment for any fiscal year with respect to a number of children determined under subsection (a) and subsection (b), unless the number of children so determined with respect to such agency amounts to—

"(A) at least four hundred such children; or

"(B) a number of such children which equals at least 3 per centum of the total number of children who were in average daily attendance, during such year, at the schools of such agency and for whom such agency provided free public education;

whichever is the lesser.

"(2)(A)(i) Clause (B) of paragraph (1) shall not operate to make any local educational agency eligible for a payment under this section for any fiscal year unless the number of children with respect to whom determination was made under subsections (a) and (b) respecting such agency for that fiscal year is at least ten.

"(ii) If a local educational agency is eligible for a payment for any fiscal year by the operation of clause (B) of paragraph (1), it shall continue to be so eligible for the two succeeding fiscal years even if such agency fails to meet the requirement of such clause (B) during such succeeding fiscal years, except that the number of children determined for the second such succeeding fiscal year with respect to such agency for the purpose of any clause in paragraph (1) of subsection (d) shall not exceed 50 per centum of the number of children determined with respect to such agency for the purpose of that clause for the last fiscal year during which such agency was so eligible.

"(iii) If the Commissioner determines with respect to any local educational agency for any fiscal year that—

"(I) such agency does not meet the requirement of clause (B) of paragraph (1); and

"(II) the application of such requirement, because of exceptional circumstances, would defeat the purposes of this title;

the Commissioner is authorized to waive such requirement with respect to such agency.

"(B) No local educational agency shall be entitled to receive a payment for any fiscal year with respect to a number of children determined under the second sentence of subsection (b) unless the number of children so determined constitutes at least 20 per centum of the total number of children who were in average daily attendance at the schools of such agency and for whom such agency, during such fiscal year, provided free public education.

"Amount of Payments

"(d)(1) Except as is provided in paragraph (2), the amount to which a local educational agency shall be entitled under this section for any fiscal year shall be—

"(A) in the case of any local educational agency with respect to which the number of children determined for such fiscal year under subsection (a) amounts to at least 25 per centum of the total number of children who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education, an amount equal to 100 per centum of the local contribution rate multiplied by the number of children determined under such subsection plus the sum of the products obtained with respect to such agency under clauses (B)(iii), (B)(iv), and (B)(v); and

"(B) in any other case, an amount equal to the sum of—

"(i) the product obtained by multiplying 100 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clause (2) of subsection (a),

"(ii) the product obtained by multiplying 90 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clause (1) of subsection (a),

"(iii) the product obtained by multiplying 50 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clause (3) of subsection (b),

"(iv) the product obtained by multiplying 45 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clauses (1) and (2)(A) of subsection (b), and

"(v) the product obtained by multiplying 40 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clause (2)(B) of subsection (b).

"(2)(A) Not later than December 1 during each fiscal year beginning after June 30, 1977, the Commissioner shall, except as is provided in clause (iii) in the third sentence of this subparagraph, determine the total number of children with respect to whom determinations are made under subsection (b) for all local educational agencies making application for payments under this section which meet the eligibility requirements set forth in subsection (c). The Commissioner shall determine the percentage which such number constitutes of the total number of children who were in average daily attendance at the schools of such agencies during such fiscal year and for whom such agencies provided free public education. In calculating the products under clauses (B)(iii), (B)(iv), and (B)(v) of paragraph (1), with respect to any local educational agency for any fiscal year, the Commissioner shall reduce the number of children with respect to whom a determination is made under subsection (b) by a number equal to one-half of the number which the percentage determined under the preceding sentence constitutes of the total number of children with respect to whom such determination is made and who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education, except that—

"(i) such percentage shall not exceed 4 per centum;

"(ii) the number reduced shall not exceed three hundred; and

"(iii) this subparagraph shall not apply to any local educational agency, (I) with respect to which the number of children determined under subsection (b) for any fiscal year amounts to at least 10 per centum of the total number of children who were in average daily attendance at the schools of such agency during such fiscal year and for education, or (II) during any fiscal year in which such agency receives more than 25 per centum of the funds for its current expenditure from payments under this section.

In determining the total number of children who were in average daily attendance at the schools of an agency during any fiscal year under clause (iii) (I) in the preceding sentence, the number of children in such schools with respect to whom a determination is made under subsection (a) for such year shall not be considered.

"(B) If the Commissioner determines that—

"(i) the amount computed under paragraph (1), as is otherwise provided in this subsection with respect to any local educational agency for any fiscal year, together with the funds available to such agency from State and local sources and from other sections of this title, is less than the amount necessary to enable such agency to provide a level of education equivalent to that maintained in the school districts of the State which are generally comparable to the school district of such agency;

"(ii) such agency is making a reasonable tax effort and exercising due diligence in availing itself of State and other financial assistance;

"(iii) not less than 50 per centum of the total number of children who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education were, during such fiscal year, determined under either subsection (a) or clause (1) of subsection (b), or both; and

"(iv) the eligibility of such agency under State law for State aid with respect to free public education of children residing on Federal property, and the amount of such aid, are detemined on a basis no less favorable to such agency than the basis used in determining the eligibility of local educational agencies for State aid, and the amount thereof, with respect to the free public education of other children in the State;

the Commissioner is authorized, to increase the amount computed under paragraph (1) with respect to such agency for such fiscal year to the extent necessary to enable such agency to provide a level of education equivalent to that maintained in such comparable school districts. The Commissioner shall not, under the preceding sentence, increase the amount computed under paragraph (1) with respect to any local educational agency for any fiscal year to an amount which exceeds the product of—

"(I) the amount the Commissioner determines to be the cost per pupil of providing a level of education maintained in such comparable school districts during such fiscal year,

multiplied by—

"(II) the number of children determined with respect to such agency for such year under either subsection (a) or clause (1) of subsection (b), or both, minus the amount of State aid which the Commissioner determines to be available with respect to such children for the fiscal year for which the computation is being made.

"(3)(A) Except as is provided in subparagraph (B), in order to compute the local contribution rate for a local educational agency for any fiscal year, the Commissioner, after consulting with the State educational agency of the State in which the local educational agency is located and with the local educational agency, shall determine which school districts within such State are generally comparable to the school district of the local educational agency for which the computation is being made. The local contribution rate for such agency shall be the quotient of—

"(i) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, which the local educational agencies of such comparable school districts derived from local sources.

divided by—

"(ii) the aggregate number of children in average daily attendance for whom such agency provided free public education during such second preceding fiscal year.

"(B)(i) The local contribution rate for a local educational agency in any State shall not be less than—

"(I) 50 per centum of the average per pupil expenditures in such State, or

"(II) 50 per centum of such expenditures in all the States,

whichever is greater, except that clause (II) shall not operate in such a manner as to make the local contribution rate for any local educational agency exceed an amount equal to the average per pupil expenditure in such State.

"(ii) If the current expenditure in those school districts which the Commissioner has determined to be generally comparable to the school district of the local educational agency for which a computation is made under subparagraph (A) are not reasonably comparable because of unusual geographical factors which affect the current expenditures necessary to maintain, in the school district of such agency, a level of education equivalent to that maintained in such other school districts, the Commissioner is authorized to increase the local contribution rate for such agency by such an amount which he determines will compensate such agency for the increase in current expenditures necessitated by such unusual geographical factors.

"(iii) The local contribution rate for any local educational agency in—

"(I) Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands, or

"(II) any State in which a substantial portion of the land is in unorganized territory, or

"(III) any State in which there is only one local educational agency,

shall be determined for any fiscal year by the Commissioner in accordance with policies and principles which will best achieve the purposes of this section and which are consistent with the policies and principles provided in this paragraph for determining local contribution rates in States where it is possible to determine generally comparable school districts.

"(C) For the purposes of this paragraph—

"(i) the term 'State' does not include Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands; and

"(ii) the 'average per pupil expenditure' in a State shall be (I) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made of all local educational agencies in the State, divided by (II) the aggregate number of children in average daily attendance for whom such agencies provide free public education during such second preceding fiscal year.

"Adjustments for Decreases in Federal Activities

"(e) Whenever the Commission determines that—

"(1) for any fiscal year, the number of children determined with respect to any local educational agency under subsections (a) and (b) is less than 90 per centum of the number so determined with respect to such agency during the preceding fiscal year;

"(2) there has been a decrease or cessation of Federal activities within the State in which such agency is located; and

"(3) such decrease or cessation has resulted in a substantial decrease in the number of children determined under subsection (a) and (b) with respect to such agency for such fiscal year;

the amount to which such agency is entitled for such fiscal year and for any of the three succeeding fiscal years shall not be less than 90 per centum of the amount to which such agency was so entitled for the preceding fiscal year. That part of any entitlement of any local educational agency which is in excess of the amount which such entitlement would be without the operation of the preceding sentence shall be deemed to be attributable to determinations of children with respect to such agency under subsection (b)(2)(A).

"Determinations on the Basis of Estimates

"(f) Determinations with respect to a number of children by the Commissioner under this section for any fiscal year shall be made, whenever actual satisfactory data are not available, on the basis of estimates. No such determination shall operate, because of an underestimate, to deprive any local educational agency of its entitlement to any payment (or the amount thereof) under this section to which such agency would be entitled had such determination been made on the basis of accurate data.".

(2) Section 5 of such Act is amended to read as follows:

"PAYMENTS

"Applications

"SEC. 5. (a)(1) Any local educational agency desiring to receive the payments to which it is entitled for any fiscal year under section 2, 3, or 4 shall submit an application therefor through the State educational agency of the State in which such agency is located to the Commissioner. Such applications shall be submitted at such time, in such form, and containing such information as the Commissioner may reasonably require to enable him to carry out his functions under this title and shall give adequate assurance that the applicant will submit such reports as the Commissioner may reasonably require to determine whether such agency is entitled to a payment under any of such sections and the amount of such payment.

"(2)(A) Applications submitted under paragraph (1) for payments on the basis of children determined under section 3(a) or 3(b) who reside, or reside with a parent employed, on Indian lands shall set forth adequate assurance that Indian children will participate on an equitable basis in the school program of the local educational agency.

"(B) For the purposes of this paragraph, the term 'Indian lands' means that property included within the definition of Federal property under clause (A) of section 401(1).

"Payments by the Commissioner

"(b) The Commissioner shall pay to each local educational agency, making application pursuant to subsection (a), the amount to which it is entitled under section 2, 3, or 4. Sums appropriated, for any fiscal year, to enable the Commissioner to make payments pursuant to this title shall, notwithstanding any other provision of law unless enacted in express limitation of this subsection, remain available for obligation and payments with respect to amounts due local educational agencies under this title for such fiscal year, until the end of the fiscal year succeeding the fiscal year for which such sums are appropriated.

"Adjustments Where Necessitated by Appropriations

"(c) If the sums appropriated for any fiscal year for making payments on the basis of entitlements established under sections 2, 3, and 4 for that year are not sufficient to pay in full the total amounts which the Commissioner estimates all local educational agencies are entitled to receive under such sections for such year, the Commissioner shall allocate such sums among local educational agencies and make payments to such agencies as follows:

"(1) He shall first allocate to each local educational agency which is entitled to a payment under section 2 and section 3 an amount equal to 25 per centum of the amount to which it is entitled as computed under section 2 or section 3(d), as the case may be, for such fiscal year.

"(2) From that part of such sums which remains after the allocation required by paragraph (1) for any fiscal year, he shall allocate an additional amount—

"(A) to each local educational agency described in clause (A) of section 3(d)(1) which equals 60 per centum of the amount to which such agency is entitled, as computed under section 3(d), for such fiscal year.

"(B) to each local educational agency with respect to which a number of children is determined under clause (2) of section 3(a) which equals 65 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d), for such fiscal year;

"(C) to each local educational agency with respect to which a number of children is determined under clause (1) of section 3(a) which equals 63 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d), for such fiscal year;

"(D) to each local educational agency with respect to which a number of children is determined under clause (3) of section 3(b) which equals 35 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d), for such fiscal year;

"(E) to each local educational agency with respect to which a number of children determined under clause (2)(A) of section 3(b) which equals 32 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d) for such fiscal year;

"(F) to each local educational agency with respect to which a number of children is determined under clause (2)(B) of section 3(b) which equals 28 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d), for such fiscal year; and

"(G) to each local educational agency with respect to the amount to which such agency is entitled under section 2 that proportion of its entitlement, unsatisfied after allocations under paragraph (1), which bears the same ratio to the total of the unsatisfied entitlements under sections 2 and 3, remaining after allocation under paragraph (1), as the sums appropriated for payments under this section, remaining after allocations under paragraph (1), bears to the amount necessary to satisfy the total of such unsatisfied entitlements.

"(3) Any sums remaining after allocations are made pursuant to paragraph (2) for any fiscal year shall be allocated by the Commissioner among local educational agencies which have unsatisfied entitlements established under sections 2, 3, and 4 in proportion to the degree to which such entitlements are unsatisfied for that fiscal year, after allocations are made pursuant to paragraphs (1) and (2).

No allocation may be made pursuant to paragraph (2) or (3) and no payment may be paid on the basis of any such allocation unless allocations are made pursuant to paragraph (1) and payments are made on the basis of such allocations. No allocation may be made pursuant to any clause of paragraph (2) and no payment may be made on the basis of any such allocation unless allocations are made pursuant to all of the clauses of such paragraph and payments are made on the basis of such allocations.

"Treatment of Payments by the States in Determining Eligibility for, and the Amount of, State Aid

"(d)(1) No payments may be made under this title for any fiscal year to any local educational agency in any State (A) if that State has taken into consideration payments under this title in determining—

"(i) the eligibility of any local educational agency in that State for State aid for free public education of children; or

"(ii) the amount of such aid with respect to any such agency;

during that fiscal year or the preceding fiscal year, or (B) if such State makes such aid available to local educational agencies in such a manner as to result in less State aid to any local educational agency which is eligible for payments under this title than such agency would receive if such agency were not so eligible.

"(2) Notwithstanding clauses (A)(ii) and (B) of paragraph (1), if a State has an effect a program of State aid for free public education for any fiscal year, which program was adopted after June 30, 1972, and is designed to equalize expenditures for free public education among the local educational agencies of that State, payments under this title for any fiscal year may be taken into consideration by such State in determining the relative—

"(A) financial resources available to local educational agencies in that State; and

"(B) financial need of such agencies for the provision of free public education for children served by such agency.

The term 'equalize expenditures' shall not be construed in any manner adverse to a program of State aid for free public education which provides for taking into consideration the additional cost of providing free public education for particular groups or categories of pupils in meeting the special educational needs of such children as handicapped children, economically disadvantaged, those who need bilingual education, and gifted and talented children.

"(3) The terms 'State aid' and 'equalize expenditures' as used in this subsection shall be defined by the Commissioner by regulation.".

(3) Section 7(c) of such Act is amended by striking out the second sentence thereof and inserting in lieu thereof the following: "Pending such appropriation, the Commissioner is authorized to expend (without regard for subsections (a) and (e) of section 3679 of the Revised Statutes (31 U.S.C. 665)) from any funds appropriated to the Office of Education and at that time available to the Commissioner, such sums as may be necessary for providing immediate assistance under this section. Expenditures pursuant to the preceding sentence shall—

"(1) be reported by the Commissioner to the Committees on Appropriations and Education and Labor of the House of Representatives and the Committees on Appropriations and Labor and Public Welfare of the Senate within thirty days of the expenditure;

"(2) be reimbursed from the appropriations authorized by the first sentence of this subsection.

The report required to the Committees on Appropriations by clause (1) in the preceding sentence shall constitute a budget estimate within the meaning of section 201(a)(5) of the Act of June 10, 1921 (31 U.S.C. 11(a)(5)).".

(b)(1)(A) Except as provided in subparagraph (B), the amendments made by paragraphs (1) and (2) of subsection (a) shall be effective on and with respect to appropriations for fiscal years beginning on and after July 1, 1975, and the amendments made by paragraph (3) of subsection (a) shall be effective upon enactment of this Act.

(B) Section 3(a) of the Act of September 30, 1956 (Public Law 874, Eighty-first Congress) is amended by striking out "July 1, 1973" and inserting in lieu thereof "July 1, 1975".

(2)(A)(i) Notwithstanding any other provision of law unless enacted in express limitation of this subparagraph—

(I) in the case of any local educational agency which is entitled to a payment under section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) for the fiscal year ending June 30, 1973, which constituted an amount equal to not less than 10 per centum of the current expenditures of such agency for such fiscal year, the amount paid to such agency pursuant to such Act of September 30, 1950, for any fiscal year ending prior to July 1, 1978, on the basis of the entitlement of that agency under such section 3, shall not be less than 90 per centum of the amount paid to such agency on the basis of such entitlement for the preceding fiscal year; and

(II) in the case of any other local educational agency, the amount so paid during any fiscal year ending prior to July 1, 1978, shall not be less than 80 per centum of the amount so paid for the preceding fiscal year.

In the case of any local educational agency which is eligible prior to July 1, 1975, for a payment under section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) by reason of the 3 per centum requirement in clause (B) of section 3(c)(2) of such Act, as in effect prior to the effective date of the amendment made by paragraph (1) of subsection (a), but which fails to meet such requirement in any fiscal year ending prior to July 1, 1977, such agency shall continue to the eligible for a payment under such section 3 as then in effect for the two succeeding fiscal years, but the payment under such section during the scond of such succeeding fiscal years shall not exceed 50 per centum of the amount of the payment such agency was entitled to receive during the most recent fiscal year in which it was so eligible by reason of such clause (B).

(ii) Funds appropriated for any fiscal year for making payments to local educational agencies pursuant to the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), which are increased by reason of the provisions of division (i) shall, to the extent of any such increase, be separate from funds appropriated for such fiscal year for payments pursuant to title I of such Act which are not so increased. If, for any fiscal year, a law making appropriations for payments pursuant to such title I is enacted and such law makes no express provision for payments increased by division (i)—

(I) all funds so appropriated shall be allocated and paid in accordance with section 5 of such Act of September 30, 1950, and without regard for the provisions of division (i); and

(II) not later than fifteen days after the enactment of such law, the Commissioner shall submit a report to the Committees on Appropriations and on Education and Labor of the House of Representatives and the Committees on Appropriations and Labor and Public Welfare of the Senate, which report shall contain a statement detailing the dollar amounts necessary to satisfy the requirements of division (i) and constitute a budget estimate within the meaning of section 201(a)(5) of the Act of June 10, 1921 (31 U.S.C. 11(a)(5)).

(B) In the case of any local educational agency which experiences a decrease in the number of children determined by the Commissioner of Education under section 3 of the Act of September 1950 (Public Law 874, Eighty-first Congress) of 10 per centum or more of such number—

(i) during the fiscal year ending June 30, 1974, or the fiscal year ending June 30, 1975; or

(ii) during the period beginning July 1, 1973, and ending June 30, 1975;

as the result of a decrease in, or cessation of, Federal activities affecting military installations in the United States announced after April 16, 1973, the amount of the payment to which such agency shall be entitled under title I of such Act, as computed under section 3 of such Act, for any fiscal year ending prior to July 1, 1978, shall not be less than 90 per centum of the amount to which the agency was so entitled during the preceding fiscal year. The provisions of this subparagraph shall be effective on and after July 1, 1973, and with respect to appropriations for the fiscal year ending June 30, 1974, and succeeding fiscal years, and such provisions shall be deemed to have been enacted before the beginning of the fiscal year ending June 30, 1974. Nothing in this subparagraph shall be construed to decrease the amount of the payment to which any local educational agency is entitled for any fiscal year on the basis of entitlements created under section 3 of such Act of September 30, 1950.

(C) During the first fiscal year in which the amendments made by subsection (a) are effective and each of the succeeding fiscal years ending prior to July 1, 1978, the Commissioner shall determine with respect to each local educational agency in any State the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools resided with a parent employed on Federal property in a State or in a county other than the State or county, as the case may be, in which the school district of such agency is located but which is situated within a reasonable commuting distance from the school district of such agency. If the number of children determined under the preceding sentence is equal to at least 10 per centum of the total number of children determined with respect to such agency for such fiscal year under section 3(b) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), the amount to which such agency shall be entitled with respect to a number of children determined under such section 3(b) for such fiscal year, shall not be less than 90 per centum of the amount to which such agency was entitled with respect to the number of children so determined during the preceding fiscal year, as computed under section 3 of such Act.

EXTENSION OF AUTHORITY TO RESTORE SCHOOL BUILDINGS FOLLOWING A NATIONAL DISASTER

SEC. 204. Section 16(a) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), is amended by inserting before the last sentence thereof the following new sentence: "For the purpose of the preceding sentence, the phrase 'cost of construction incident to the restoration or replacement of the school facilities' includes such additional amounts as the Commissioner may approve in order to assure that the facilities, as restored or replaced, will afford maximum protection against personal injuries resulting from a disaster.".

DURATION OF PAYMENTS UNDER PUBLIC LAW 874, EIGHTY-FIRST CONGRESS, FOR THE EDUCATION OF INDIAN CHILDREN

SEC. 205. (a) Section 303(a)(1) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), as added by the Indian Education Act, is amended by striking out "July 1, 1975" and inserting in lieu thereof "July 1, 1978,".

(b) The amendments made by this section shall be effective on and after July 1, 1973.

ENTITLEMENT TO PAYMENTS WITH RESPECT TO HIGH CONCENTRATIONS OF CHILDREN WHO RESIDE ON OR WHOSE PARENTS ARE EMPLOYED ON FEDERAL PROPERTY

SEC. 206. (a) Section 3 of the Act of September 30, 1950, (Public Law 874, Eighty-first Congress) is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding any other provision of this Act (including the provisions of section 5(c), a local educational agency with respect to which the number of children determined for any fiscal year under subsection (a) amounts to at least 25 per centum of the total number of children who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education, shall be entitled to receive an amount equal to 100 per centum of the amounts to which such agency would be otherwise entitled under this Act. The provisions of section 5(c) shall not apply to any local educational agency to which this subsection applies.".

(b) The amendment made by this section shall be effective on and after July 1, 1974.

TITLE III—ADULT EDUCATION

DEFINITION OF "COMMUNITY SCHOOL PROGRAM"

SEC. 301. Section 303 of the Adult Education Act is amended by (1) redesignating subsections (e), (f), (g), (h), and (i), and all references thereto, as subsections (f), (g), (h), (i), and (j), respectively, and (2) inserting after subsection (d) the following new subsection:

"(e) The term 'community school program' is a program in which a public building, including but not limited to public elementary or secondary school, is used as a community center operated in conjunction with other groups in the community, community organizations, and local governmental agencies, to provide educational, recreational, cultural, and other community services for the community that center serves in accordance with the needs, interests, and concerns of that community.".

DECREASE IN MAXIMUM AMOUNT TO BE RESERVED FOR SPECIAL PROJECTS

SEC. 302. Section 304 of the Adult Education Act is amended by striking out "20 per centum" and inserting in lieu thereof "15 per centum".

NEW STATE PLAN REQUIREMENTS

SEC. 303. (a) Section 306 of the Adult Education Act is amended by redesignating clauses (6), (7), (8), and (9), and all references thereto, as clauses (8), (9), (10), and (11), respectively, and by inserting after clause (5) of such section the following new clauses:

"(6) provide for cooperation with manpower development and training programs and occupational education programs;

"(7) provide that such agency will make available not to exceed 25 per centum of the State's allotment for programs of equivalency for a certificate of graduation from a secondary school;".

(b) Section 306(a)(1) of the Adult Education Act is amended by inserting after "adult population" the following: ", including institutionalized persons".

SPECIAL PROJECTS

SEC. 304. Section 309(b) of the Adult Education Act is amended by—

(1) inserting immediately before "local" the following: "State educational agencies,";

(2) adding at the end thereof the following new sentence: "Whenever the Commissioner makes grants to local educational agencies or other public and private nonprofit agencies, he shall establish procedures under which the appropriate State educational agencies will be given reasonable opportunity to offer recommendations to the grant recipient and to submit comments to the Commissioner."; and

(3) inserting after the words "television stations" the following: "and agencies conducting community school programs".

NATIONAL CLEARINGHOUSE ON ADULT EDUCATION

SEC. 305. The Adult Education Act is amended by inserting immediately after section 309 thereof the following new subsection:

"NATIONAL CLEARINGHOUSE ON ADULT EDUCATION

"SEC. 309A. The Commissioner shall establish or designate an existing agency as a National Clearinghouse on Adult Education, which shall obtain and disseminate to the public information pertaining to the education of adults and adult education programs, together with ways of coordinating adult education programs with manpower and other education programs. The Commissioner is authorized to enter into contracts with public agencies or private organizations to operate the clearinghouse established or designated under this section.".

STATE ADVISORY COUNCILS

SEC. 306. The Adult Education Act is amended by inserting immediately after section 310 thereof the following new section:

"STATE ADVISORY COUNCILS

"SEC. 310A. (a) Any State which receives assistance under this title may establish and maintain a State advisory council which shall be appointed by the Governor or, in the case of a State in which members of the State board which governs the State education agencies are elected (including election by the State legislature), by such board.

"(b)(1) Such a State advisory council shall include as members persons who, by reason of experience or training, are knowledgeable in the field of adult education or who are officials of the State educational agency or local educational agencies of that State, persons who are or have received adult educational services, and persons who are representative of the general public.

"(2) Such a State advisory council, in accordance with regulations prescribed by the Commissioner, shall—

"(A) advise the State educational agency on the development of, and policy matters arising in, the administration of the State plan approved pursuant to section 306;

"(B) advise with respect to long-range planning and studies to evaluate adult educational programs, services, and activities assisted under this Act; and

"(C) prepare and submit to the State educational agency, and to the National Advisory Council for Adult Education established pursuant to section 310, an annual report of its recommendations, accompanied by such additional comments of the State educational agency as that agency deems appropriate.

"(c) Upon the appointment of any such advisory council the appointing authority under subsection (a) of this section shall inform the Commission of the establishment of, and membership of, its State advisory council. The Commissioner shall, upon receiving such information, certify that each such council is in compliance with the membership requirements set forth in subsection (b)(1) of this section.

"(d) Each such State advisory council shall meet within thirty days after certification has been accepted by the Commissioner under subsection (c) of this section and select from among its membership a chairman. The time, place, and manner of subsequent meetings shall be provided by the rules of the State advisory council, except that such rules shall provide that each such council meet at least four times each year, including at least one meeting at which the public is given the opportunity to express views concerning adult education.

"(e) Each such State advisory council is authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this section."

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS; TECHNICAL AMENDMENTS

SEC. 307. (a) Section 313(a) of the Adult Education Act is amended by—

(1) striking out "section 310" and inserting in lieu thereof "sections 310 and 314";

(2) by striking out the word "and" after "June 30, 1971."; and

(3) by inserting after "June 30, 1973," the following: "$150,000,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975, $175,000,000 for the fiscal year ending June 30, 1976, and $200,000,000 for each of the fiscal years ending June 30, 1977, and June 30, 1978: *Provided*, That grants to each State for this program shall not be less than grants made to such State agencies in fiscal year 1973,".

(b) Section 314(d) of such Act, as added by section 431 of Public Law 92-318, is amended by striking out "two" and inserting after "years" the following: "ending prior to July 1, 1978".

AMENDMENTS RELATING TO BILINGUAL EDUCATION

SEC. 308. (a) Section 306(a) of the Adult Education Act is amended by striking out "and" at the end of clause (10), of such section, by redesignating clause (11), and all references thereto, as clause (12), and by adding after clause (10) the following clause:

"(11) provide that special emphasis be given to the needs of persons of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965), by providing bilingual adult education programs in which instruction is given in both the native language of such person and in English, carried out in coordination with programs of bilingual education assisted under such title VII and bilingual vocational education programs under the Vocational Education Act of 1963; and"

(b) (1) Section 309(b)(1) of such Act is amended by inserting a comma and "including methods for educating persons of limited English-speaking ability" immediately after "methods".

(2) Section 309(b)(2) of such Act is amended by inserting a comma and "including education for persons of limited English-speaking ability immediately after "education".

(3) Section 311(b) of such Act is amended by inserting a comma and "including education for persons of limited English-speaking ability in which instruction is given in both the native language of such person and in English" immediately after "adult education".

EFFECTIVE DATES

SEC. 309. The amendments made by this title shall be effective on the date of enactment of this Act, except that—

(1) the amendments made by section 307 shall be effective on and after July 1, 1973; and

(2) the amendments made by sections 302, 303, and 308 shall be effective on, and with respect to appropriations for fiscal years beginning after, June 30, 1974.

TITLE IV—CONSOLIDATION, SIMPLIFICATION, AND IMPROVEMENT OF THE ADMINISTRATION OF EDUCATION PROGRAMS

SIMPLIFIED STATE APPLICATION

SEC. 401. (a) (1) Section 421 of the General Education Provisions Act, and all references thereto, is redesignated as section 421A; and such Act is amended by inserting after the heading of part C of such Act the following new section:

"APPLICABILITY

"SEC. 421. The provisions of this part shall apply to any program for which the Commissioner has administrative responsibility, as specified by law or by delegation of authority pursuant to law.".

(2) Section 434 of such Act is amended by striking out subsection (b) thereof and inserting in lieu thereof the following:

"(b) (1) (A) In the case of any State which applies, contracts, or submits a plan, for participation in any applicable program in which Federal funds are made available for assistance to local educational agencies through, or under the supervision of, the State educational agency of that State, such State shall submit to, and maintain on file with, the Commissioner a general application meeting the requirements of this subsection. Such general application shall be in the form of a contractual agreement which (i) provides for the submission by the State and approval by the Commissioner of an annual program plan with respect to the particular programs in which the State desires to participate and (ii) provides assurances—

"(I) that the State will, through its State educational agency, provide for such methods of administration as are necessary for the proper and efficient administration of the programs to which the general application applies;

"(II) that the State will make provision for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the States under any applicable program;

"(III) that the State will make provision for making such reports as the Commissioner may require to carry out his functions;

"(IV) that the State will follow such policies and use such methods and practices of administration as will insure that non-Federal funds will not be supplanted by Federal funds; and

"(V) that the State will submit to, and have approved by, the Commissioner an annual program plan in accordance with subparagraph (B).

"(B) The annual program plan submitted by any State for any fiscal year with respect to any program to which this paragraph applies shall—

"(i) be prepared and administered in a manner consistent with specific State plan requirements of the appropriate applicable statutes affecting the program for which the annual program plan is applicable;

"(ii) set forth a long-range program plan for the use of Federal funds under such program;

"(iii) set forth a statement describing the purposes for which Federal funds will be expended during the fiscal year for which the annual program plan is submitted; and

"(iv) comply in all other respects with the specific requirements of the appropriate applicable statutes.

"(C) In carrying out the Commissioner's functions under clauses (ii)(III) and (ii) (V) of subparagraph (A), the Commissioner shall require, as part of each State's annual program plan submitted under subparagraph (B), that each State make a report on the uses of Federal funds in that State under the programs to which this subsection applies. Such report shall—

"(i) describe the manner in which, and the purposes for which, such Federal funds were expended in that State during the preceding two fiscal years;

"(ii) describe the policies and procedures used, during such fiscal years, by the State educational agency in making such Federal funds available to local educational agencies;

"(iii) include a statistical report on the children served or affected by programs, projects, or activities assisted with such Federal funds, during such second preceding fiscal year, and the manner in which such children were served or affected;

"(iv) with respect to such second preceding fiscal year, include a compilation of reports from the local educational agencies in that State which—

"(I) sets forth the amount of such Federal funds received by each such agency and the purposes for which such funds were expended, and

"(II) includes such data as may be necessary to make the report described in clause (iii); and

"(v) be made reasonably available to the public.

"(2) In accordance with determinations and regulations of the Commissioner, the requirements of paragraph (1) shall be in lieu of comparable requirements for State plans in applicable statutes authorizing appropriations for programs to which paragraph (1) applies.

"(3) In the case of any application for assistance under any applicable program to which paragraph (1) does not apply and with respect to which the Commissioner determines that this section would simplify the administration of applicable program, each such application shall be submitted to the Commissioner at such time, in such manner, and containing such information as the Commissioner shall prescribe by regulation and, as a precondition for approval, shall—

"(A) provide for such methods of administration as are necessary for the proper and efficient administration of the program or project for which application is made;

"(B) make provision for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under the application; and

"(C) provide for making such reports as the Commissioner may require to carry out his functions.

"(c) (1) Whenever the Commissioner, after reasonable notice and an opportunity for hearing, finds that there has been a failure, by any recipient of funds under any applicable program, to comply substantially with the terms to which such recipient has agreed in order to receive such funds, the Commissioner shall notify such recipient that further payments will not be made to such recipient under that program until he is satisfied that such recipient no longer fails to comply with such terms. Until the Commissioner is so satisfied, no further payments shall be made to such recipient.

"(2) The terms of any application for funds under any applicable program shall constitute a contractual agreement between the Commissioner and the applicant. Such agreement shall be specifically enforceable by the Commissioner in any court of the United States. Nothing in this paragraph shall be construed (A) to deprive either the Commissioner or any applicant of any remedy otherwise available to the Commissioner or to an applicant, or (B) to enlarge the authority of the Commissioner to make or enforce requirements or conditions for which provision is not otherwise made by law.

"(3) If the Commissioner finds that the enforcement of paragraph (1) would defeat the purposes of the program involved and that enforcement of the terms to which the applicant agreed under paragraph (2) would more nearly accomplish such purposes, he shall use the enforcement procedure in paragraph (2) in lieu of withholding payments under paragraph (1).

"(d) (1) (A) If any State has submitted an application for funds under any applicable program under which appropriations for such program are, by the applicable statute, allotted or apportioned among the States or under which the State (or local educational agencies in that State) is entitled to a portion of an appropriation therefor and the Commissioner disapproves such application, or if the Commissioner withholds payments to a State under paragraph (1) of subsection (c), that State shall be entitled to judicial review of the actions of the Commissioner in accordance with the provisions of this paragraph.

"(B) (i) If any State, under circumstances qualifying for judicial review under this paragraph, desires judicial review of the Commissioner's action, such State may, within sixty days of such action, file with the United States Court of Appeals for the circuit in which such State is located a petition for review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the circuit court the record of the proceedings on which he based the action brought under this division, as provided in section 2112 of title 28, United States Code.

"(ii) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(iii) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(2) (A) In the case of any applicable program under which local educational agencies receive Federal funds through State educational agencies, actions of such State agencies with respect to the approval of applications of local educational agencies and with respect to State administration of such program shall be subject to administrative review by the Commissioner. The Commissioner shall, by regulation, establish procedures for administrative review of State educational agency actions to which the preceding sentence applies.

"(B) Any local educational agency which is dissatisfied with an administrative review under subparagraph (A) shall qualify for, and be entitled to, judicial review under subparagraph (B) of paragraph (1) in the same manner as if such agency were a State.

"(3) Any person or agency who is aggrieved by any action or failure of action by the Commissioner (or by any person or agency acting for the Commissioner) under any applicable program shall be entitled to an administrative review by the Commissioner of such action or failure of action. The Commissioner shall, by regulation, establish procedures for administrative review in order to carry out the terms of the preceding sentence.

"(e) For the purposes of this section, the term 'application' includes—

"(1) an application for a grant;

"(2) an offer to make a contract;

"(3) a State plan for the administration of an applicable program;

"(4) State assurances with respect to the administration of such a program; and

"(5) any other methods for seeking Federal funds from the Commissioner of Education;

under which an agency, institution, organization, or other organized entity may become the recipient of Federal funds."

(b) (1) The amendments made by subsection (a) shall be effective on and after July 1, 1974.

(2) Nothing in the amendment made by subsection (a) shall be construed to affect the applicability of chapter 5 of title 5, United States Code, to the Office of Education or actions by the Commissioner.

CONSOLIDATION AND SIMPLIFICATION OF STATE-ADMINISTERED EDUCATION PROGRAMS

SEC. 402. (a) (1) It is the purpose of this section to consolidate and simplify the administration of the programs authorized by—

(A) title II of the Elementary and Secondary Education Act of 1965;

(B) title III of such Act, except section 306 thereof;

(C) title V of such Act;

(D) title III of the National Defense Education Act of 1958;

(E) title V of such Act; and

(F) subpart 2 of part B of the Education Professions Development Act.

(2) The Elementary and Secondary Education Act of 1965 is amended by inserting after title V the following new title:

"TITLE VI—ASSISTANCE TO THE STATES FOR SUPPLEMENTAL, AUXILIARY, AND SUPPORTIVE EDUCATIONAL SERVICES

"STATEMENT OF PURPOSE

"SEC. 601. (a) It is the purpose of this title to make financial assistance available to the States in order to enable them with such assistance and with other resources available to the States to provide supplemental, auxiliary, and supportive educational services for children who are in attendance at the elementary and secondary schools in the States.

"(b) In order to achieve the purpose set forth in subsection (a), the Commissioner shall, during the period beginning July 1, 1974, and ending June 30, 1978, carry out a program of financial assistance to the States in accordance with the provisions of this title.

"GRANTS TO STATES

"SEC. 602. (a) (1) Each State shall be entitled, under this title for any fiscal year ending prior to July 1, 1978, to the sum of—

"(A) an amount which equals the amount expended in that State from appropriations for the fiscal year 1972 for title II of this Act;

"(B) an amount which equals the amount expended in that State from appropriations for the fiscal year 1969 for title III of this Act;

"(C) an amount which equals the amount expended in that state from appropriations for the fiscal year 1969 for title V of the National Defense Education Act of 1958; and

"(D) an amount which equals the amount expended in that State from appropriations for the fiscal year 1972 for part A of title III of the National Defense Education Act of 1958.

"(2) (A) In addition to the entitlements created under paragraph (1) and except as is provided otherwise in this title, the amount to which a State shall be entitled under this title and the General Education Provisions Act for any fiscal year shall, subject to subparagraph (C), be equal to the sum of amounts determined under the following divisions:

"(i) The Commissioner shall determine with respect to that State the product of $20 multiplied by the number of children who are in attendance at elementary and secondary schools in the State.

"(ii) The Commissioner shall determine with respect to that State the product of—

"(I) 10 per centum of the average per pupil expenditure in that State,

multiplied by—

"(II) the number of children in that State who are aged five to seventeen, inclusive, and are in families having an annual income which does not exceed $3,000.

(iii) The Commissioner shall determine with respect to that State an amount which bears the same ratio to $200,000,000 as the product of—

"(I) the number of children counted in that State under division (i),

multiplied by—

"(II) that State's allotment ratio,

bears to the corresponding products for all the States, which allotment ratio shall be 100 per centum less the product of—

"(α) 50 per centum,

multiplied by—

"(β) the quotient obtained by dividing the income per child in such State by the income per child for all the States,

except that the allotment ratio shall, in no case, be less than 40 per centum nor more than 60 per centum.

"(B) (i) The Commissioner shall make determinations under divisions (i) and subparagraph (A) on basis of the most recent satisfactory data available to him.

"(ii) The Commissioner shall make determinations under division (ii) of subparagraph (A), relating to the number of children from families having an annual income of less than $3,000, on the basis of the most recent satisfactory data available to him from the Department of Commerce.

"(iii) (I) For the purposes of division (iii) of subparagraph (A), the Commissioner shall promulgate allotment ratios between July 1 and August 31 of each even-numbered year beginning with calendar year 1974 on the basis of the average of the incomes per child for the States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Each such promulgation shall be conclusive for each of the two fiscal years beginning after such promulgation.

"(II) For the purposes of division (iii) of subparagraph (A) and subdivision (I) of this division, the term 'income per child' for any State means the total personal income for the State divided by the number of children counted under division (i) of subparagraph (A).

"(C) If the aggregate of the products determined with respect to all States for any fiscal year under either division (i) or (ii) of subparagraph (A) of paragraph (2) is in excess of $200,000,000 the products of all of the States determined under such division shall be reduced ratably until such aggregate does not exceed such amount.

"(b) In addition to the amount of the grant to which each State is entitled under subsection (a) for any fiscal year, each State shall be entitled to a grant for the purposes of section 604 for that fiscal year. The amount of such grant shall be equal to 10 per centum of the amount to which such State is entitled under subsection (a) or $1,000,000, whichever is greater.

"(c) (1) For the purposes of subsections (a) and (b), the term 'State' means the fifty States and the District of Columbia.

"(2) The Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be entitled for any fiscal year to a grant for the purposes of this title, the amount of which grant for any fiscal year shall be the amount which the Commissioner determines to be needed by the children and State educational agencies in such jurisdiction for that fiscal year. The aggregate of the amounts to which the jurisdictions subject to this subsection shall be entitled for any fiscal year shall not exceed 3 per centum of the aggregate of the amounts to which the States are entitled under subsections (a) and (b) for that fiscal year. Ninety per centum of the amount granted to each jurisdiction under this paragraph shall be deemed to be available to such jurisdiction on the basis of an entitlement established by subsection (a); and 10 per centum thereof shall be deemed to be available thereto on the basis of an entitlement created under subsection (b).

"USES OF FEDERAL FUNDS BY LOCAL EDUCATIONAL AGENCIES

"SEC. 603. (a) Funds appropriated for the purposes of this title for any fiscal year on the basis of entitlements established by section 602(a) shall be available to the States for grants to local educational agencies for the purposes set forth in subsection (b), and in the amounts for which provision is made in subsection (c), in accordance with agreements between the States and the Commissioner meeting the rquirements of section 605 and of section 434 of the General Education Provisions Act.

(b) Except as is provided in section 604, the purposes for which funds appropriated for the purposes of this title may be used are as follows:

(1) The provision of school library resources, textbooks, and other printed and published instructional materials for the use of children and teachers in elementary and secondary schools.

(2) The development, establishment, and operation of exemplary elementary and secondary school educational programs.

(3) The establishment and maintenance of programs of testing, guidance, and counseling for children in elementary and secondary schools.

(4) The provision of instructional equipment (including laboratory and other special equipment, including audiovisual materials and equipment suitable for use in providing education in academic subjects) for use by children and teachers in elementary and secondary schools.

(5) Programs conducted by local educational agencies to provide in-service training for persons for teaching in elementary and secondary schools.

(c)(1) Funds available to a State under this title based upon entitlements established under section 602(a)(1) shall be expended by that State in any fiscal year ending prior to July 1, 1978, so that—

(A) each State shall make available for expenditure for the purpose of clause (1) of subsection (b) an amount which at least equals the amount expended in that State from appropriations for the fiscal year 1972 for title II of this Act;

(B) each State shall make available for expenditure for the purpose of clause (2) of subsection (b) an amount which at least equals the amount expended in that State from appropriations for the fiscal year 1969 for title III of this Act, of which amount not less than 15 per centum shall be expended for special projects for handicapped children;

"(C) each State shall make available for expenditure for the purpose of clause (3) of subsection (b) an amount which at least equals the amount expended in that State from appropriations for the fiscal year 1969 for title V of the National Defense Education Act of 1958; and

"(D) each State shall make available for expenditure to pay not more than 50 per centum of the cost of projects for the purpose of clause (4) of subsection (b) an amount which at least equals the amount expended in that State from appropriations for the fiscal year 1972 for part A of title III (other than expenditures for section 303 (a)(5)) of the National Defense Education

"(2) The funds available to a State under this title for any fiscal year, in excess of the amounts required for entitlements under section 602(a)(1), shall be expended by that State for the purposes set forth in subsection (b) in such amounts, determined by the State educational agency of that State, as will best meet the needs of the children of that State with respect to such purposes.

"USES OF FUNDS BY STATE EDUCATIONAL AGENCIES

"SEC. 604. (a) Funds appropriated for the purposes of this title for any fiscal year on the basis of entitlement established by section 602(b) shall be available to the States, in accordance with agreements between the States and the Commissioner meeting the requirements of section 605 and of section 434 of the General Education Provisions Act, for the following purposes:

"(1) Strengthening the leadership resources of State and local educational agencies and the establishment and improvement of programs and projects designed to identify the educational needs of children in elementary and secondary schools and to devise educational programs to meet those needs.

"(2) The expansion and improvement of supervisory and related services in academic subjects in elementary and secondary schools.

"(3) The proper and efficient administration of the activities conducted with such funds as may be available under this title for the purposes set forth in section 603.

"(b) Funds available to a State for the purposes set forth in subsection (a) shall be used by such State for such purposes in such amounts, determined by the State educational agency of such State, as will best achieve the purposes of this section, except that no State shall use an amount for the purpose set forth in clause (3) of subsection (a) which exceeds 5 per centum of the amount expended by that State from the funds available to that State under this title for the purposes set forth in section 603.

"AGREEMENTS WITH STATES

"SEC. 605. (a) Any State, having in effect for any fiscal year an application under section 434 of the General Education Provisions Act, which desires to receive a grant under this title shall come into an agreement with the Commissioner respecting the participation of that State in the program authorized by this title. Each such agreement shall provide that—

"(1) the State will insure that all children in the elementary and secondary schools in the State receive the materials and services described in clauses (1) through (5) of section 603(b) to the extent that such children have a need for such materials and services; and

"(2) the Commissioner will receive and review an annual program plan developed by the State which will carry out the provision to which the State has agreed pursuant to clause (1).

"(b) If, for any fiscal year, a State submits to the Commissioner an offer of an agreement meeting the appropriate requirements for such fiscal year of subsection (a), the Commissioner shall accept such offer and adhere to, and comply with, such Federal obligations as may arise out of such agreement, including obligations imposed by, or under the provisions of, this title and the General Education Provisions Act relevant to such agreement.

"(c)(1) The Commissioner shall make available and pay to each State with which he has come into an agreement under this section for each fiscal year an amount equal to the amount expended by that State in carrying out such an agreement except that, with respect to the requirement of clause (1) of subsection (a), such amount shall not exceed the amount to which that State is entitled, as determined under section 602(a).

"(2) The Commissioner shall pay to each such State the amount to which such State is entitled as determined under section 602 (b).

"PARTICIPATION OF CHILDREN IN NONPUBLIC SCHOOLS

"SEC. 606. (a) Each local educational agency which receive funds under this title for the purposes set forth in section 603(a) shall insure that, to the extent consistent with the number of children in the school district of such agency who (1) are enrolled in private nonprofit elementary and secondary schools, which are free from discrimination on the basis of race, color, or national origin, and (2) are in need of the materials, equipment, or services for which such funds are expended, such agency will, after consultation with the appropriate private school officials, provide, on an equitable basis, for the benefit of such children, such materials, equipment, or services.

"(b) The control and supervision of, and title to, all materials, equipment, or services made available for the benefit of children in private nonprofit schools under this section shall be, and remain in, a public agency.

"(c)(1) In any State which has an agreement with the Commissioner under this title and in which no State agency is authorized by law to provide, or in which there is a substantial failure to provide, such materials, equipment, and services as are authorized by this title for children enrolled in any one or more private nonprofit elementary or secondary schools, described in clause (1) of subsection (a), of such State in the area or areas served pursuant to such agreement, the Commissioner shall arrange for the provision, on an equitable basis, of such materials, equipment, and services and shall pay the costs thereof for any fiscal year out of that State's entitlement. The Commissioner may arrange for making such materials, equipment, and services available through contracts with institutions of higher education, or other competent nonprofit institutions or organizations.

"(d) The Commissioner shall not take action under subsection (c) with respect to any State educational agency without first affording such agency and other interested parties notice and an opportunity for a hearing. Such notice shall be given not less than sixty days prior to any final action of the Commissioner under such subsection. If the Commissioner determines that the provisions of subsection (c) apply to a substantial number of children who are in attendance at private schools, he shall proceed as required under such subsection. If the State educational agency is dissatisfied with the action of the Commissioner under subsection (c), such agency shall qualify for judicial review of the Commissioner's action. If any State educational agency desires judicial review under subsection (c) or this subsection, such agency shall, within sixty days after such action, file with the United States Court of Appeals for the circuit in which such State is located a petition for review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.".

(3)(A) Unless the sums appropriated for title VI of the Elementary and Secondary Education Act of 1965 for any fiscal year ending after June 30, 1974, are made available for expenditure prior to the beginning of such fiscal year and exceed the aggregate of the amounts for which provision is made in subparagraph (B), the aggregate of the amounts appropriated under any authority for the purposes set forth in sections 603 and 604 of such Act for any such fiscal year shall be allotted among and used by the States as provided in subparagraph (B).

(B)(i)(I) Of the sums appropriated for any fiscal year to which subparagraph (A) applies, the following amounts shall be allotted among the States and used by the States in accordance with title II of the Elementary and Secondary Education Act of 1965:

State:	*Amount in dollars*
Alabama	$1,559,868
Alaska	146,845
Arizona	811,810
Arkansas	831,315
California	8,352,777
Colorado	983,010
Connecticut	1,284,204
Delaware	248,627
Florida	2,689,633
Georgia	2,045,131
Hawaii	340,947
Idaho	333,536
Illinois	4,781,990
Indiana	2,316,188
Iowa	1,240,758
Kansas	955,697
Kentucky	1,410,076
Louisiana	1,738,766
Maine	433,632
Maryland	1,735,071
Massachusetts	2,351,453
Michigan	4,093,188
Minnesota	1,755,966
Mississippi	1,060,825
Missouri	1,976,916
Montana	327,988

Nebraska	$647,824
Nevada	211,283
New Hampshire	315,917
New Jersey	3,003,713
New Mexico	517,827
New York	7,284,263
North Carolina	2,211,270
North Dakota	209,760
Ohio	4,712,726
Oklahoma	1,069,711
Oregon	892,645
Pennsylvania	4,887,781
Rhode Island	374,697
South Carolina	1,203,411
South Dakota	312,248
Tennessee	1,674,463
Texas	5,017,276
Utah	522,001
Vermont	195,898
Virginia	2,002,655
Washington	1,470,947
West Virginia	739,358
Wisconsin	2,009,729
Wyoming	153,316
District of Columbia	274,960

(II) In addition to the sums allocated pursuant to subdivision (I), the Commissioner shall allot an amount equal to 3 per centum of the amonut allotted under such subdivision to the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands in accordance with their respective needs for assistance under such title II.

(ii) (I) Of the sums appropriated for any fiscal year to which subparagraph (A) applies, the following amounts shall be allotted among the States and used by the States in accordance with title III of the Elementary and Secondary Education Act of 1965:

State:	*Amount in dollars*
Alabama	$2,450,833
Alaska	539,280
Arizona	1,426,527
Arkansas	1,484,304
California	12,666,220
Colorado	1,671,536
Connecticut	2,120,290
Delaware	681,242
Florida	4,339,859
Georgia	3,169,830
Hawaii	809,635
Idaho	787,801
Illinois	7,245,331
Indiana	3,560,128
Iowa	2,029,559
Kansas	1,665,216
Kentucky	2,269,689
Louisiana	2,645,135
Maine	938,850
Maryland	2,730,929
Massachusetts	3,743,053
Michigan	6,030,437
Minnesota	2,709,065
Mississippi	1,727,477
Missouri	3,147,632
Montana	778,530
Nebraska	1,299,514
Nevada	638,257
New Hampshire	783,053
New Jersey	4,690,277
New Mexico	1,002,884
New York	11,323,850
North Carolina	3,447,794
North Dakota	731,894
Ohio	7,048,099
Oklahoma	1,834,481
Oregon	1,575,712
Pennsylvania	7,538,447
Rhode Island	885,682
South Carolina	1,934,924
South Dakota	759,490
Tennessee	2,687,034
Texas	7,444,141
Utah	1,018,491
Vermont	614,785
Virginia	3,157,350
Washington	2,374,519
West Virginia	1,368,764
Wisconsin	$3,089,459
Wyoming	552,612
District of Columbia	760,659

(II) In addition to the sums allocated pursuant to subdivision (I) the Commissioner shall allot an amount equal to 3 per centum of the amount allotted under such subdivision to the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands in accordance with their respective needs for assistance under such title III.

(iii) (I) Of the sums appropriated for any fiscal year to which subparagraph (A) applies, the following amounts shall be allotted among the States and used by the States in accordance with part A of title V of the Elementary and Secondary Education Act of 1965:

State:	*Amount in dollars*
Alabama	$568,444
Alaska	271,793
Arizona	411,396
Arkansas	415,491
California	1,994,554
Colorado	447,338
Connecticut	510,571
Delaware	293,161
Florida	805,628
Georgia	670,321
Hawaii	312,543
Idaho	310,987
Illinois	1,244,899
Indiana	727,227
Iowa	501,450
Kansas	441,600
Kentucky	536,997
Louisiana	606,002
Maine	332,001
Maryland	605,226
Massachusetts	734,630
Michigan	1,100,292
Minnesota	609,613
Mississippi	463,675
Missouri	656,000
Montana	309,822
Nebraska	376,969
Nevada	285,321
New Hampshire	307,288
New Jersey	871,566
New Mexico	349,677
New York	1,770,229
North Carolina	705,200
North Dakota	302,426
Ohio	1,230,358
Oklahoma	465,540
Oregon	428,367
Pennsylvania	1,267,109
Rhode Island	319,628
South Carolina	493,609
South Dakota	306,518
Tennessee	592,502
Texas	1,294,296
Utah	350,553
Vermont	282,091
Virginia	661,403
Washington	549,776
West Virginia	396,185
Wisconsin	662,888
Wyoming	273,151
District of Columbia	298,689

(II) In addition to the sums allocated pursuant to subdivision (I), the Commissioner shall allot an amount equal to 3 per centum of the amount allotted under such subdivision to the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands in accordance with their respective needs for assistance under such title V.

(iv) (I) Of the sums appropriated for any fiscal year to which subparagraph (A) applies, the following amounts shall be allotted among the States and used by the States in accordance with part A of title III of the National Defense Education Act of 1958:

State:	*Amount in dollars*
Alabama	$1,101,809
Alaska	79,031
Arizona	$502,557
Arkansas	580,253
California	3,685,803
Colorado	556,321
Connecticut	495,980
Delaware	123,984
Florida	1,440,346
Georgia	1,306,359
Hawaii	179,881
Idaho	223,805
Illinois	2,143,425
Indiana	1,283,029
Iowa	701,525
Kansas	527,751
Kentucky	928,648
Louisiana	1,213,089
Maine	273,553
Maryland	860,960
Massachusetts	1,034,596
Michigan	2,147,259
Minnesota	1,015,956
Mississippi	757,492
Missouri	1,090,434
Montana	211,645
Nebraska	364,475
Nevada	95,336
New Hampshire	177,672
New Jersey	1,268,818
New Mexico	369,760
New York	2,707,972
North Carolina	1,439,956
North Dakota	199,767
Ohio	2,538,891
Oklahoma	646,748
Oregon	487,492
Pennsylvania	2,484,003
Rhode Island	178,224
South Carolina	859,307
South Dakota	208,617
Tennessee	1,094,698
Texas	3,087,180
Utah	362,341
Vermont	117,957
Virginia	1,171,767
Washington	750,381
West Virginia	491,519
Wisconsin	1,154,598
Wyoming	93,351
District of Columbia	98,154

(II) In addition to the sums allocated pursuant to subdivision (I), the Commissioner shall allot an amount equal to 3 per centum of the amount allotted under such subdivision to the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands in accordance with their respective needs for assistance under such title III.

(C) If the sums appropriated for title VI of the Elementary and Secondary Education Act of 1965 to any fiscal year exceed the aggregate of the amounts for which provision is made in subparagraph (B) and are available for expenditure prior to the beginning of any fiscal year no funds may be appropriated under any authority listed in paragraph (1) for that fiscal year.

(4) The allotment ratios promulgated pursuant to section 602(a)(2)(B)(iii) of the Elementary and Secondary Education Act of 1965 for the year 1974 shall apply to section 602(a)(2)(A)(iii) of such Act for the fiscal year ending June 30, 1974.

(b) The amendments made by, and the provisions of, subsection (a) shall be effective on and after the date of the enactment of this Act.

CONSOLIDATION OF CERTAIN FEDERALLY OPERATED EDUCATION PROGRAMS

SEC. 403. (a) (1) The Act of July 26, 1954 (Public Law 531), (Eighty-third Congress) is amended by striking out all after the enacting clause and inserting in lieu thereof the following: "That this Act may be cited as the 'Special Projects Act'.

"PURPOSE

"SEC. 2. It is the purpose of this Act to authorize the Commissioner of Education (hereinafter referred to as the 'Commissioner') to carry out special projects—

"(1) to experiment with new educational and administrative methods, techniques, and practices;

"(2) to meet special or unique education needs or problems; and

"(3) to place special emphasis on national education priorities.

"CONTRACTING AUTHORITY

"SEC. 3. (a) The Commissioner is authorized, during the period beginning July 1, 1975, and ending June 30, 1978, to make contracts with public and private agencies, organizations, associations, institutions, and with individuals in order to carry out the purposes of this Act as set forth in section 2.

"(b) In exercising his authority under this section, the Commissioner shall comply with such priorities and preferences as may be expressly provided by law, with respect to this section.

"APPROPRIATIONS

"SEC. 4. (a)(1) In order to enable the Commissioner to make contracts under section 3, there is authorized, subject to subsection (b), to be appropriated to the Office of Education $200,000,000 for the fiscal year ending June 30, 1976, and each of the two succeeding fiscal years.

"(2) Sums appropriated pursuant to paragraph (1) shall, notwithstanding any other provisions of law, unless enacted in express limitation of this paragraph, remain available until expended.

"(b)(1) Not later than February 1 of each year, the Commissioner shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a plan in accordance with which the Commissioner has determined to expend funds to be appropriated for the fiscal year beginning July 1 of that year. Such plan shall be accompanied by a report describing each contract made or intended to be made during the current fiscal year under the authority of this Act involving an expenditure in excess of $100,000.

"(2)(A) The funds appropriated pursuant to subsection (a) for any fiscal year shall be expended in accordance with the plan submitted for that year pursuant to paragraph (1), unless prior to sixty days after the submission of such plan, either the Committee on Education and Labor of the House of Representatives or the Committee on Labor and Public Welfare of the Senate adopts a resolution disapproving such plan.

"(B) If either or both such committees adopts a resolution of disapproval as provided in subparagraph (A), the Commissioner shall, not later than fifteen days after the adoption of any such resolution, submit a new plan in accordance with paragraph (1) and subparagraph (A).".

(2) The title of such Act of July 24, 1954, is amended to read as follows: "An Act to authorize special projects, surveys, and studies by the Office of Education.".

(b)(1) In carrying out his functions under section 3 of the Special Projects Act, the Commissioner shall—

(A) give priority to applications proposing projects meeting the requirements of the provisions of law repealed by paragraph (3) of subsection (c); and

(B) reserve not less than 50 per centum of the sums appropriated pursuant to section 4 of such Act for the purposes preferred in paragraph (3) of this subsection and apportioned in accordance with paragraph (2) of this subsection.

With respect to the funds to which this paragraph applies, the Commissioner's authority under such section 3 shall include authority to make grants as well as contracts.

(2) Except as is otherwise provided with respect to section 410, the Commissioner shall apportion an amount for each of the purposes set forth in paragraph (3) which bears the same ratio to the sums reserved pursuant to clause (B) of paragraph (1) as the amount permitted to be expended for each such purpose bears to the aggregate of the amounts permitted to be expended for all such purposes.

(3) The sums reserved pursuant to clause (B) of paragraph (1) shall be expended for programs otherwise authorized by an applicable statute and described in the following subparagraphs:

Education for the Use of the Metric System of Measurement

(A) A program to encourage educational agencies and institutions to prepare students to use the metric system of measurement, as provided in section 404.

Gifted and Talented Children

(B) A program for the education of gifted and talented children through grants to the States for such purpose, as provided in section 405 (except subsection (f) thereof).

Community Schools

(C) A program of grants to local educational agencies to assist them in planning, establishing, expanding, and operating community education programs, as provided in section 406.

Career Education

(D) A program to assess, and to encourage establishment and operation of, career education programs, as provided in section 407.

Consumers' Education

(E) A program of grants and contracts designed to provide consumer education to the public, as provided in section 811 of the Elementary and Secondary Education Act of 1965.

Women's Equity in Education

(F) A program of grants and contracts designed to provide educational equity for women in the United States, as provided in section 409.

Arts in Education Programs

(G) A program of grants and contracts designed to assist and encourage the use of the arts in elementary and secondary school programs as provided in section 410.

(4) No appropriation may be made for any fiscal year for the purposes of section 811 of the Elementary and Secondary Education Act of 1965 or sections 404, 405, 406, 407, 409, and 410 of this Act during which funds are available for the purposes of such sections under the provisions of this subsection.

(c)(1) The amendments made by subsection (a) and the provisions of subsection (b) shall be effective on and after July 1, 1975.

(2) Effective July 1, 1975, title III of the Elementary and Secondary Education Act of 1965 is amended—

(i) by striking out section 305(d);

(ii) by striking out section 306;

(iii) by striking out section 307(c); and

(iv) in the first sentence of section 301 (b), by adding before the period at the end thereof the following: "and $508,250,000 for each of the succeeding fiscal years ending prior to July 1, 1978".

(3)(A) Effective July 1, 1975, the Higher Education Act of 1965 is amended by striking out all of title V except subpart 1 of part B and subsection (b) of section 501; and such subsection (b) is amended to read as follows:

"(b) For the purpose of carrying out subpart 1 of part B, there is authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1975.".

(B) Effective July 1, 1975, sections 807, 808, and 809, of the Elementary and Secondary Education Act of 1965, are repealed.

(4) If the Commissioner determines that a priority required by clause (A) of paragraph (1) would not be appropriate for any fiscal year, he shall submit a certification of such determination to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate. If, within ninety days after the submission of such a certification neither or such committees adopts a resolution disapproving of such determination, the provisions of such clause (A) shall not apply to the extent such determination is evidenced by certification.

EDUCATION FOR THE USE OF THE METRIC SYSTEM OF MEASUREMENT

SEC. 404. (a)(1) The Congress hereby finds that—

(A) the metric system of measurement is in general use in industrially developed nations and its use is increasing;

(B) increased use of such metric system in the United States is inevitable, and such a metric system will become the dominant system of weights and measures in the United States; and

(C) there is no existing program designed to teach children to use such metric system and such a program is necessary if the American people are to adapt to the use of the metric system of weights and measures.

(2) It is the policy of the United States to encourage educational agencies and institutions to prepare students to use the metric system of measurement with ease and facility as a part of the regular education program.

(3) For the purposes of this title, the term "metric system of measurement" means the International System of Units as established by the General Conference of Weights and Measures in 1960 and interpreted or modified for the United States by the Secretary of Commerce.

(b)(1) The Commissioner shall carry out a program of grants and contracts in order to encourage educational agencies and institutions to prepare students to use the metric system of measurement.

(2) The Commissioner is authorized to make grants to, and contracts with, institutions of higher education, State and local educational agencies, and other public and private nonprofit agencies, organizations and institutions to develop and carry out the policy set forth in subsection (a).

(c)(1) Financial assistance under this title may be made available only upon application to the Commissioner. Any such application shall be submitted at such time, in such form, and containing such information as the Commissioner shall prescribe by regulation and shall be approved only if it—

(A) provides that the activities and services for which assistance is sought will be administered by, or under the supervision of, the applicant;

(B) describes a program which holds promise of making a substantial contribution toward attaining the purposes of this section;

(C) sets forth such policies and procedures as will insure adequate evaluation of the activities intended to be carried out under the application; and

(D) contains such other provisions as the Commissioner determines necessary in order to accomplish the purpose of this title.

(2) An application from a local educational agency under this section may be approved only if the State educational agency of the State in which such local agency is located has been notified of the application and has been given a reasonable opportunity to offer recommendations with respect to the approval thereof.

(d) For the purpose of carrying out this section, the Commissioner is authorized to expend $10,000,000 for each of the fiscal years ending prior to July 1, 1978.

GIFTED AND TALENTED CHILDREN

SEC. 405. (a) The Commissioner shall designate an administrative unit within the Office of Education to administer the programs and projects authorized by this section and to coordinate all programs for gifted and talented children and youth administered by the Office.

(b) The Commissioner shall establish or designate a National Clearinghouse on Gifted and Talented Children and Youth (hereafter in this section referred to as the "clearinghouse"). The clearinghouse shall obtain and disseminate to the public information pertaining to the education of gifted and talented children and youth. The Commissioner is authorized to contract with public or private agencies or organizations to establish and operate the clearinghouse.

(c) (1) The Commissioner shall make grants to State educational agencies and local educational agencies, in accordance with the provisions of this subsection, in order to assist them in the planning, development, operation, and improvement of programs and projects designed to meet the special educational needs of gifted and talented children at the preschool and elementary and secondary schools levels.

(2) (A) Any State educational agency or local educational agency desiring to receive a grant under this subsection shall submit an application therefor to the Commissioner at such time, in such manner, and containing such information as the Commissioner determines to be necessary to carry out his functions under this section. Such application shall—

(i) provide satisfactory assurance that funds paid to the applicant will be expended solely to plan, establish, and operate programs and projects which—

(I) are designed to identify and to meet the special educational and related needs of gifted and talented children, and

(II) are of sufficient size, scope, and quality as to hold reasonable promise of making substantial progress toward meeting those needs;

(ii) set forth such policies and procedures as are necessary for (I) acquiring and disseminating information derived from educational research, demonstration and pilot projects, new educational practices and techniques, and (II) the evaluation of the effectiveness of the program or project in achieving its purpose; and

(iii) provide satisfactory assurance that, to the extent consistent with the number of gifted and talented children in the area to be served by the applicant who are enrolled in nonpublic elementary and secondary schools, provision will be made for the participation of such children.

(B) The Commissioner shall not approve an application under this subsection from a local educational agency unless such application has been submitted to the State educational agency of the State in which the applicant is located and such State agency has had an opportunity to make recommendations with respect to approval thereof.

(3) Funds available under an application under this subsection may be used for the acquisition of instructional equipment to the extent such equipment is necessary to enhance the quality or the effectiveness of the program or project for which application is made.

(4) A State educational agency receiving assistance may carry out its functions under an approved application under this subsection directly or through local educational agencies.

(d) The Commissioner is authorized to make grants to State educational agencies to assist them in establishing and maintaining, directly or through grants to institutions of higher education, a program for training personnel engaged or preparing to engage in educating gifted and talented children or as supervisors of such personnel.

(e) The Commissioner is authorized to make grants to institutions of higher education and other appropriate non-profit institutions or agencies to provide training to leadership personnel for the education of gifted and talented children and youth. Such leadership personnel may include, but are not limited to, teacher trainers, school administrators, supervisors, researchers, and State consultants. Grants under this section may be used for internships, with local, State, or Federal agencies or other public or private agencies or institutions.

(f) Notwithstanding the second sentence of section 405(b) (1) of the General Education Provisions Act, the National Institute of Education shall, in accordance with the terms and conditions of section 405 of such Act, carry out a program of research and related activities relating to the education of gifted and talented children. As used in the preceding sentence the term "research and related activities" means research, research training, surveys, or demonstrations in the field of education of gifted and talented children and youth, or the dissemination of information derived therefrom, or all of such activities, including (but without limitation) experimental and model schools.

(g) In addition to the other authority of the Commissioner under this section, the Commissioner is authorized to make contracts with public and private agencies and organizations for the establishment and operation of model projects for the identification and education of gifted and talented children, including such activities as career education, bilingual education, and programs of education for handicapped children and for educationally disadvantaged children. The total of the amounts expended for projects authorized under this subsection shall not exceed 15 per centum of the total of the amounts expended under this section for any fiscal year.

(h) For the purpose of carving out the provisions of this section (except subsection (f)), the Commissioner is authorized to expend not to exceed $12,250,000 for each fiscal year ending prior to July 1, 1978.

COMMUNITY SCHOOLS

SEC. 406. (a) This section may be cited as the "Community Schools Act".

(b) In recognition of the fact that the school, as the prime educational institution of the community, is most effective when the school involves the people of that community in a program designed to fulfill their education needs, and that community education promotes a more efficient use of public education facilities through an extension of school buildings and equipment, it is the purpose of this section to provide educational, recreational, cultural, and other community services, in accordance with the needs, interests, and concerns of the community, through the establishment of the community education program as a center for such activities in cooperation with other community groups.

(c) For purposes of this section and subparagraph (C) of section 403(b) (3), a "community education program" is a program in which a public building, including but not limited to a public elementary or secondary school, is used as a community center operated in conjunction with other groups in the community, community organizations, and local governmental agencies, to provide educational, recreational, cultural, and other community services for the community that center serves in accordance with the needs, interests, and concerns of that community. Nothing in this section shall be construed to prohibit any applicant under this section from carrying out any activity with funds derived from other sources than those from this section.

(d) (1) In order to carry out the purposes and provisions of this section, the Commissioner is authorized to make grants to local educational agencies to assist them in planning, establishing, expanding, and operating community education programs.

(2) Any local educational agency desiring to receive a grant under this section for any fiscal year shall make application therefor to the Commissioner at such times, in such manner, and in such form as the Commissioner shall prescribe by regulation. Each such application shall contain provisions assuring consultation with local community colleges, social, recreational, and health groups with respect to programs to be offered and facilities to be used for the purpose of this section. The Commissioner shall not approve any such application unless the State educational agency of the State in which the applicant is located has been given an opportunity to review, and make comment on, such application.

(e) The Commissioner is authorized to make grants to institutions of higher education to develop and establish, or to expand, programs which will train persons to plan and operate community education programs.

(f) (1) The Commissioner shall establish or designate a National Clearinghouse on Community Education Programs (hereinafter in this section referred to as the "clearinghouse"). The purpose of the clearinghouse shall be the gathering and dissemination of information received from community education programs, including but not limited to information regarding new programs, methods to encourage community participation, and ways of coordinating community education programs with other community services. The Commissioner is authorized to contract with public or private agencies or organizations to establish and operate the clearinghouse.

(2) The Commissioner shall make available to each community education program such technical assistance and information as the program may require, and such technical assistance shall be coordinated with the national clearinghouse.

(g) (1) There is established, subject to part D of the General Education Provisions Act, in the Office of the Commissioner, a Community Education Advisory Council (referred to in this section as the "Advisory Council") to be composed of eleven members. The members of the Advisory Council shall be appointed by the Secretary.

(2) A substantial number of the members of the Advisory Council shall be persons experienced in the operation of community education programs and the training of such persons. Further, the Council shall include representatives from various disciplines involved in providing services in community school programs.

(3) Appointments to the Advisory Council shall be completed within three months after enactment of this section.

(4) The Commissioner shall make available to the Advisory Council such staff, information, and other assistance as it may require to carry out its activities.

(5) The Advisory Council shall advise the Commissioner on policy matters relating to the interests of community schools.

(6) In the fiscal year ending June 30, 1975, the Advisory Council shall be responsible for advising the Commissioner regarding the establishment of policy guidelines and regulations for the operation and administration of this section. In addition, the Council shall create a system for evaluation of the programs. The Council shall present to Congress a complete and thorough evaluation of the programs and operation of this section for each fiscal year ending after June 30, 1975.

(h) In approving applications under this section the Commissioner shall insure that there is an equitable geographical distribution of community education programs throughout the United States in both urban and rural areas.

(i) The Commissioner is authorized to expend (1) for the purpose of subsection (d), $15,000,000 for each fiscal year ending prior to July 1, 1978; and (2) for the purposes of subsection (e), $2,000,000 for each fiscal year ending prior to July 1, 1978.

CAREER EDUCATION

SEC. 407. (a) It is the sense of Congress that—

(1) every child should, by the time he has completed secondary school, be prepared for gainful or maximum employment and for full participation in our society according to his or her ability;

(2) it is the obligation of each local educational agency to provide that preparation for all children (including its handicapped children and all other children who are educationally disadvantaged) within its school district; and

(3) each State and local educational agency should carry out a program of career education which provides every child the widest variety of career education options which are designed to prepare each child for maximum employment and participation in our society according to his or her ability.

(b) It is the purpose of this section to assist in achieving the policies set forth in subsection (a) by—

(1) developing information on the needs for career education for all children;

(2) promoting a national dialogue on career education designed to encourage each State and local educational agency to determine and adopt the approach to career education best suited to the needs of the children served by them;

(3) assessing the status of career education programs and practices;

(4) providing for the demonstration of the best of the current career education programs and practices by the development and testing of exemplary programs and practices using various theories, concepts, and approaches with respect to career education;

(5) providing for the training and retraining of persons for conducting career education programs; and

(6) developing State and local plans for implementing career education programs designed to insure that every child has the opportunity to gain the knowledge and skills necessary for gainful or maximum employment and for full participation in our society according to his or her ability.

(c) (1) In order to carry out the policies, purposes, and provisions of this section, there is established in the Office of Education an Office of Career Education (hereafter in this section referred to as the "Office"). The Office shall be headed by a Director who shall be placed in, and compensated at the rate prescribed for, grade 17 of the General Schedule set forth in section 5332 of title 5, United States Code. The position created by this paragraph shall be in addition (A) to the number of positions placed in grade 17 under section 5108 of title 5, United States Code or (B) otherwise placed in the Office of Education.

(2) The Commissioner shall delegate his functions under this section to the Director of the Office.

(d) For the purposes of this section, the term "career education" means an education process designed—

(1) to increase the relationship between schools and society as a whole;

(2) to provide opportunities for counseling, guidance and career development for all children;

(3) to relate the subject matter of the curricula of schools to the needs of persons to function in society;

(4) to extend the concept of the education process beyond the school into the area of employment and the community;

(5) to foster flexibility in attitudes, skills, and knowledge in order to enable persons to cope with accelerating change and obsolescence;

(6) to make education more relevant to employment and functioning in society; and

(7) to eliminate any distinction between education for vocational purposes and general or academic education.

(e) The Commissioner shall conduct a survey and assessment of the current status of career education programs, projects, curriculums, and materials in the United States and submit to the Congress, not later than November 1, 1975, a report on such survey and assessment. Such report shall include recommendations of the advisory council created under subsection (g) for new legislation designed to accomplish the policies and purposes set forth in subsections (a) and (b). In exercising his authority under clauses (ii) (III) and (ii) (V) of section 434 (b) (1) (A) of the General Education Provisions Act, for any fiscal year, the Commissioner shall require State educational agencies and local educational agencies to report on their efforts to prepare students for gainful or maximum employment.

(f) (1) During the period beginning with the enactment of this section and ending June 30, 1978, the Commissioner is authorized to make grants to State and local educational agencies, institutions of higher education, and other nonprofit agencies and organizations to support projects to demonstrate the most effective methods and techniques in career education and to develop exemplary career education models (including models in which handicapped children receive appropriate career education either by participation in regular or modified programs with nonhandicapped children or where necessary in specially designed programs for handicapped children whose handicaps are of such severity that they cannot benefit from regular or modified programs). Grants made under this subsection shall be consistent with the policies set forth in subsection (a) of this subsection.

(2) During the period beginning one year after the enactment of this section and ending June 30, 1977, the Commissioner is authorized to make grants to State educational agencies to enable them to develop State plans for the development and implementation of career education programs in the local educational agencies of the States. Such plans shall be designed to carry out the policies and purposes set forth in subsections (a) and (b).

(g) (1) Subject to part D of the General Education Provisions Act and within ninety days after the enactment of this section, there is established a National Advisory Council for Career Education which shall be composed of—

(A) the Assistant Secretary of Education, the Commissioner of Education, the Director of the Office of Career Education, the Director of the National Institute of Education, the Director of the National Center for Education Statistics, the Director of the National Science Foundation, the Chairman of the National Foundation for the Arts, the Chairman of the National Foundation for the Humanities, the Chairman of the National Advisory Council for Vocational Education, all of whom shall serve in a nonvoting ex officio capacity; and

(B) not less than twelve public members broadly representative of the fields of education, the arts, the humanities, the sciences, community services, business and industry, and the general public, a majority of whom shall be engaged in education or education-related professions.

(2) The public members shall be appointed by the Secretary. The Secretary shall select the Chairman from among the public members. The members shall serve for terms of three years with not more than four seats rotating in any one year. The Commissioner shall provide such staff and funds for the Council as deemed necessary and such staff and funds shall be in addition to those provided elsewhere in this title.

(3) The duties of the Council shall be to advise the Commissioner on the implementation of this section and carry out such advisory functions as it deems appropriate, including reviewing the operation of this section and all other programs of the Division of Education pertaining to the development and implementation of career education, evaluating their effectiveness in meeting the needs of career education throughout the United States, and in determining the need for further legislative remedy in order that all citizens may benefit from the purposes of career education as prescribed in this section.

(4) The Council with the assistance of the Commissioner shall conduct a survey and assessment of the current status of career education programs, projects, curricula, and materials in the United States and submit to Congress, not later than November 1, 1975, a report on such survey and assessment. Such report shall include recommendations of the advisory council for new legislation designed to accomplish the policies and purposes set forth in subsections (a) and (b).

(h) For the purpose of carrying out the provisions of this section, the Commissioner is authorized to expend not to exceed $15,000,000 for each fiscal year ending prior to July 1, 1978.

CONSUMER'S EDUCATION

SEC. 408. (a) (1) Section 811(a) of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"SEC. 811. (a) (1) There shall be within the Office of Education an Office of Consumers' Education (hereafter in this section referred to as the 'Office') which shall be headed by a Director of Consumers' Education (hereinafter in this section referred to as the 'Director') who, subject to the management of the Commissioner, shall have responsibility for carrying out the provisions of this section.

"(2) The Director shall be placed in, and compensated at, the rate provided for grade 17 of the General Schedule set forth in section 5332 of title 5, United States Code, and shall be in addition to the number of positions assigned to grade 17 under section 5108 of such title 5.

"(3) The Director shall be appointed by the Commissioner in accordance with the provisions of title 5 of the United States Code relating to appointments to the competitive service.".

(2) Such section 811(b) of such Act is amended, in clause (ii) in the second sentence of paragraph (1) (C), by striking out "paragraph (2)" and inserting in lieu thereof "subparagraph (B)".

(3) Section 811(d) of such Act is amended to read as follows:

"(d) For the purpose of carrying out this section, the Commissioner is authorized to expend not to exceed $15,000,000 for each fiscal year ending prior to July 1, 1978.".

(b) The amendments made by this section shall be effective on and after July 1, 1973.

WOMEN'S EDUCATIONAL EQUITY

SEC. 409. (a) This section may be cited as the "Women's Educational Equity Act of 1974".

(b) (1) The Congress hereby finds and declares that educational programs in the United States (including its possessions), as presently conducted, are frequently inequitable as such programs relate to women and limit the full participation of all individuals in American society.

(2) It is the purpose of this section to provide educational equity for women in the United States.

(c) As used in this section, the term "Council" means the Advisory Council on Women's Educational Programs.

(d) (1) The Commissioner is authorized to make grants to, and enter into contracts with, public agencies and private nonprofit organizations and with individuals for activities designed to carry out the purposes of this section at all levels of education, including preschool, elementary and secondary education, higher education, and adult education. These activities shall include—

(A) the development, evaluation, and dissemination of curricula, textbooks, and other educational materials related to educational equity;

(B) preservice and inservice training for educational personnel with special emphasis on programs and activities designed to provide educational equity;

(C) research, development, and educational activities designed to advance educational equity;

(D) guidance and counseling activities, including the development of nondiscriminatory tests, designed to assure educational equity;

(E) educational activities to increase opportunities for adult women, including continuing educational activities and programs for underemployed and unemployed women;

(F) the expansion and improvement of educational programs and activities for women in vocational education, career education, physical education and educational administration.

(2) A grant may be made and a contract may be entered into under this section only upon application to the Commissioner, at such time, in such form, and containing or accompanied by such information as the Commissioner may prescribe. Each such application shall—

(A) provide that the program or activity for which assistance is sought will be administered by or under the supervision of the applicant;

(B) describe a program for carrying out one of the purposes set forth in subsection (a) which holds promise of making a substantial contribution toward attaining such purposes; and

(C) set forth policies and procedures which insure adequate evaluation of the activities intended to be carried out under the application.

(3) The Commissioner shall approve applicants and amendments thereto which meet the requirements of paragraph (2).

(4) Nothing in this section shall be construed as prohibiting men from participating in any programs or activities assisted under this section.

(e) In addition to the authority of the Commissioner under subsection (d), the Commissioner shall carry out a program of small grants, not to exceed $15,000 each, in order to support innovative approaches to achieving the purpose of this section; and for that purpose the Commissioner is authorized to make grants to public and private nonprofit agencies and to individuals.

(f) (1) There is established in the Office of Education an Advisory Council on Women's Educational Programs. The Council shall be composed of—

(A) seventeen individuals, some of whom shall be students, who shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals broadly representative of the general public who, by virtue of their knowledge or experience, are versed in the role and status of women in American society;

(B) the Chairman of the Civil Rights Commission;

(C) the Director of the Women's Bureau of the Department of Labor;

(D) the Director of the Women's Action Program of the Department of Health, Education, and Welfare; and

(E) the Chairman of the National Citizens Advisory Council on the Status of Women.

The Council shall elect its own Chairman.

(2) The term of office of each member of the Council appointed under clause (A) of paragraph (1) shall be three years, except that—

(A) the members first appointed under such clause shall serve as designated by the President, six for a term of one year, five for a term of two years, and six for a term of three years; and

(B) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(3) The Council shall—

(A) advise the Commissioner with respect to general policy matters relating to the administration of this section;

(B) advise and make recommendations to the Assistant Secretary concerning the improvement of educational equity for women;

(C) make recommendations to the Commissioner with respect to the allocation of any funds pursuant to this section, including criteria developed to insure an appropriate geographical distribution of approved programs and projects throughout the Nation; and

(D) develop criteria for the establishment of program priorities.

(4) From the sums available for the purposes of this section, the Commissioner is authorized and directed to conduct a national, comprehensive review of sex discrimination in education, to be submitted to the Council not later than a year after the date of enactment of this section. The Council shall review the report of the Commissioner and shall make such recommendations, including recommendations for additional legislation, as it deems advisable.

(5) The provisions of part D of the General Education Provisions Act shall apply with respect to the Council established under this subsection.

(f) The Commissioner is directed, at the end of each fiscal year, to submit to the President and the Congress and to the Council a report setting forth the programs and activities assisted under this section, and to provide for the distribution of this report to all interested groups and individuals, including the Congress, from funds authorized under this section. After receiving the report from the Commissioner, the Council shall evaluate the programs and projects assisted under this section and include such evaluation in its annual report.

(h) For the purpose of carrying out this section, the Commissioner is authorized to expend not to exceed $30,000,000 for each fiscal year prior to July 1, 1978.

ELEMENTARY AND SECONDARY SCHOOL EDUCATION IN THE ARTS

SEC. 410. The Commissioner shall, during the period beginning on June 30, 1973 and ending on June 30, 1978, through arrangements made with the John F. Kennedy Center for the Performing Arts, carry out a program of grants and contracts to encourage and assist State and local educational agencies to establish and conduct programs in which the arts are an integral part of elementary and secondary school programs. Not less than $750,000 shall be available for the purposes of this section during any fiscal year during the period for which provision is made in the preceding sentence.

EFFECTIVE DATE

SEC. 411. Except where otherwise specified in this title, the amendments made by, and the provisions of, this title shall be effective on and after the date of enactment of this Act.

TITLE V—MISCELLANEOUS

PART A—MISCELLANEOUS AMENDMENTS RELATING TO THE IMPROVEMENT OF THE ADMINISTRATION OF EDUCATION PROGRAMS

NATIONAL CENTER FOR EDUCATION STATISTICS

SEC. 501. (a) (1) Part A of the General Education Provisions Act is amended by adding at the end thereof the following new section:

"NATIONAL CENTER FOR EDUCATION STATISTICS

"SEC. 406. (a) There is established a National Center for Education Statistics (hereafter in this section referred to as the 'Center') which shall consist of a National Board for Education Statistics (hereafter in this section referred to as the 'Board') and a Director of the Center.

"(b) The purpose of the Center shall be to collect and disseminate statistics and other data related to education in the United States and in other nations. The Center shall—

"(1) collect, collate, and, from time to time, report full and complete statistics on the conditions of education in the United States;

"(2) conduct and publish reports on specialized analyses of the meaning and significance of such statistics;

"(3) assist State and local educational agencies in improving and automating their statistical and data collection activities; and

"(4) review and report on educational activities in foreign countries.

"(c) (1) (A) The National Board for Education Statistics shall be composed of six members appointed by the President, by and with the advice and consent of the Senate, and such ex officio members as are listed in subparagraph (B). Not more than three of the appointed members may be members of the same political party.

"(B) The ex officio members of the Board shall be the following officials, or their delegates:

"(i) The Assistant Secretary, as provided in subparagraph (D).

"(ii) The Director of the National Center for Educational Statistics.

"(iii) The Commissioner of Education.

"(iv) The Director of the National Institute of Education.

"(v) The Librarian of Congress.

"(vi) The Comptroller General of the United States.

"(vii) The Director of the Census.

"(viii) The Commissioner of Labor Statistics.

"(ix) The Director of the National Science Foundation.

"(x) The Chairman of the National Foundation on the Humanities.

"(xi) The Chairman of the National Foundation on the Arts.

"(C) Appointed members of the Board shall serve for terms of three years, as determined by the President, except that in the case of the initial appointed members of the Board, they shall serve for shorter terms to the extent necessary that the terms of office of no more than two members expire in the same calendar year.

"(D) The Assistant Secretary shall serve as the nonvoting presiding officer of the Board.

"(2) (A) The Board shall meet at the call of the presiding officer, except that it shall meet—

"(i) at least four times during each calendar year; and

"(ii) in addition, whenever three voting members request in writing that the presiding officer call a meeting.

"(B) Nine voting members of the Board shall constitute a quorum of the Board.

"(3) (A) The Board shall establish general policies for the operation of the Center and shall be responsible for establishing standards to insure that statistics and analyses disseminated by the Center are of high quality and are not subject to political influence.

"(B) The Board shall, not later than November 1 of each year, submit to the Congress an annual report which—

"(i) contains a description of the activities of the Center during the then current fiscal year and a projection of its activities during the succeeding fiscal year;

"(ii) sets forth estimates of the cost of the projected activities for such succeeding fiscal year; and

"(iii) includes a statistical report on the condition of education in the United States during the two preceding fiscal years and a projection, for the three succeeding fiscal years, of estimated statistics related to education in the United States.

"(C) The Board shall develop and enforce standards designed to protect the confidentiality of persons in the collection, reporting, and publication of data under this section. This subparagraph shall not be construed to protect the confidentiality of information about institutions, organizations, and agencies receiving grants from or having contracts with the Federal Government.

"(d) (1) The Director of the Center shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate specified for level V of the Executive Schedule under section 5316 of title 5, United States Code. The Director shall perform such duties and exercise such powers and authorities as the Board may prescribe.

"(2) There shall be a Deputy Director of the Center who shall be appointed by the Director of the Center in accordance with the provisions of title 5, United States Code, relating to appointments in the competitive service. The Deputy Director shall be placed in, and compensated at the date specified for, grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code. The Deputy Director shall act for the Director during the absence or disability of the Director and exercise such powers and authorities as the Director may prescribe. The position created by this paragraph shall be in addition to the number of positions placed in grade 18 of such General Schedule under section 5108 of the United States Code.

"(e) In order to carry out the objectives of the Center, the Director, subject to policies established by the Board, is authorized, either directly or by grant or contract, to carry out the purposes set forth in subsection (b); and for that purpose the Director is authorized to make grants to, and contracts with public and private institutions, agencies, organizations and individuals, except that no grant may be made to an institution, agency, or organization other than a nonprofit institution, agency, or organization.

"(f) (1) (A) The Center is authorized to furnish transcripts or copies of tables and other records of the Office of Education, the Center, and the National Institute of Education to, and to make special statistical compilations and surveys for, State or local officials, public and private organizations, or individuals. The Center shall furnish such special statistical compilations and surveys as the Committees on Labor and Public Welfare and on Appropriations of the Senate and the Committees on Education and Labor and on Appropriations of the House of Representatives may request. Such statistical compilations and surveys, other than those carried out pursuant to the preceding sentence, shall be made subject to the payment of the actual or estimated cost of such work. In the case of nonprofit organizations or agencies, the Director may engage in joint statistical projects, the cost of which shall be shared equitably as determined by the Director, provided that the purposes are otherwise authorized by law.

"(B) All moneys received in payment for work or services enumerated under subparagraph (A) shall be deposited in a separate account which may be used to pay directly the costs of such work or services, to repay appropriations which initially bore all or part of such costs, or to refund excess sums when necessary.

"(2) (A) The Center shall, in accordance with regulations published for the purposes of this paragraph, conduct at least one time every three years, a survey of school-aged children of the United States. Such survey shall be designed—

"(i) to determine the number of children of such ages in the States and the status of their education;

"(ii) to determine the general characteristics of such children which affect their educational achievement and their educational needs; and

"(iii) to provide information to the Congress to enable the Congress to assess the financial needs of elementary and secondary school ssytems.

"(B) The Center shall publish, at least annually, a report on the survey conducted pursuant to subparagraph (A). Such report shall be submitted to the Congress not later than July 1 of each year, and shall contain those statistics necessary to determine impact and effectiveness of Federal education programs for purposes of program and legislative planning.

"(C) The Center shall participate with other Federal agencies having a need for educational data in forming a consortium for the purpose of providing direct joint access with such agencies to all educational data received by the Center through automated data processing. The Library of Congress, General Accounting Office, and the Committees on Labor and Public Welfare and Appropriations of the Senate and the Committees on Education and Labor and Appropriations of the House of Representatives shall, for the purposes of this subparagraph be considered Federal agencies.

"(D) The Center shall, in accordance with regulations published for the purpose of this paragraph, provide all interested parties including public and private agencies and individuals direct access to data collected by the Center for purposes of research and acquiring statistical information.

"(3) The Commissioner and the National Institute of Education are directed to cooperate with the Center and make such records and data available to the Center as may be necessary to enable the Center to carry out its functions under this subsection.

"(g) (1) The amount available for grants and contracts by the Director under subsection (e) shall not exceed $20,000,000 for the fiscal year ending June 30, 1974, $31,600,000 for the fiscal year ending June 30, 1975, $44,600,000 for the fiscal year ending June 30, 1976, and $71,800,000 for the fiscal year ending June 30, 1977.

"(2) Sums appropriated for activities and expenses of the Center which are not limited by paragraph (1) of this subsection shall be appropriated apart from appropriations which are not so limited, as separate line items.".

(2) Section 401 of the General Education Provisions Act is amended to read as follows:

"THE EDUCATION DIVISION

"SEC. 401. (a) There shall be, within the Department of Health, Education, and Welfare, an Education Division, composed of the agencies listed in subsection (b), which shall be headed by the Assistant Secretary.

"(b) The Education Division shall be composed of the following agencies:

"(1) The Office of Education.

"(2) The National Institute of Education.

"(3) The National Center for Education Statistics.".

(3) Subsection (a) of section 403 of the General Education Provisions Act is amended to read as follows:

"SEC. 403. (a) There shall be an Office of Education (hereinafter in this section referred to as the 'Office') which shall be the primary agency of the Federal Government responsible for the administration of programs of financial assistance to educational agencies, institutions, and organizations. The Office shall have such responsibilities and authorities as may be vested in the Commissioner by law or delegated to the Commissioner in accordance with law.".

(4) The General Education Provisions Act is amended by striking out section 427.

(5) The National Center for Education Statistics shall conduct the survey required by section 731(c) (1) (A) of title VII of the Elementary and Secondary Education Act of 1965.

(b) (1) The amendments made by subsection (a) shall be effective on the tenth day after the enactment of this Act.

(2) (A) All functions and authority vested in the Commissioner of Education which, immediately prior to the date upon which the amendments made by subsection (a) become effective, are related to the collection, analysis, and dissemination of statistics about, and reports on the conditions of, education in the Nation as determined by the Assistant Secretary are transferred, on such date to the National Center for Education Statistics established under section 406 of the General Education Provisions Act.

(B) The functions and authority of the Commissioner of Education under section 427 prior to the date upon which the amendments made by subsection (a) become effective, together with all funds deposited in any account under such section, are transferred, on such date to the National Center for Education Statistics.

(c) The National Center for Education Statistics is authorized and directed to furnish not later than one year after the date of enactment of this Act to the Committee on Labor and Public Welfare of the Senate and to the Committee on Education and Labor of the House of Representatives the following data:

(1) the kind of Federal property for which the Commissioner makes determinations under sections 3(a) and 3(b) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress);

(2) the location of such property and the residence for school purposes of children who are counted under such sections 3(a) and 3(b);

(3) the number of parents who are counted under such sections 3(a) and 3(b) who are civilians and the number of such parents who are on active duty in the uniformed services;

(4) the number of children who reside on, or reside with parents on property which is part of a low-rent housing project assisted under the United States Housing Act of 1937, section 516 of the Housing Act of 1949, or part B of title III of the Economic Opportunity Act of 1964;

(5) an estimate of the economic impact to the area served by the local educational agency by the presence of Federal property the basis of which is an entitlement for financial assistance under such sections 3(a) and 3(b); and

(6) an estimate of the per capita income for the area served by each local educational agency which is entitled to financial assistance under such sections 3(a) and 3(b) for the second preceding fiscal year, such estimate to be based on the Bureau of the Census 1970 decennial census or other suitable data as may be available and to include a listing of the specific procedures and assumptions used in derving such estimate and an analysis of any data or other procedural limitations.

Each category of data required under this section shall be prepared for each school district of a local educational agency which received payments under the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) for the fiscal year ending June 30, 1973.

(d) (1) The National Center for Education Statistics is authorized and directed to conduct a thorough study of the manner in which the relative measure of poverty for use in the financial assistance program authorized by title I of the Elementary and Secondary Education Act of 1965 may be more accurately and currently developed. The study of the relative measure of poverty required by this subsection shall be adjusted for regional, climatic, metropolitan, urban, suburban, and rural differences and for family size and head of household differences. The study required by this subsection shall consider—

(A) the availability of data more current than the decennial census including data collected by any agency of the Federal Government which are relevant except that data so collected shall not disclose the name of any individual or any other information customarily held confidential by that agency, but shall include aggregate information to the extent possible;

(B) the availability and usefulness of cost of living data;

(C) the availability and usefulness of cost of housing data;

(D) the availability and usefulness of labor market and job availability data;

(E) the availability and usefulness of data with respect to prevailing wage rates, unemployment rates, and income distribution; and

(F) the availability of data with respect to eligibility criteria for aid to families with dependent children under a State plan approved under title IV of the Social Security Act.

(2) The National Center for Education Statistics as authorized and directed to prepare and submit to the Congress not later than one year after the effective date of this Act a report of the study conducted under this subsection including recommendations with respect to the availability of data designed to improve the relative measure of poverty for the program of financial assistance authorized by title I of the Elementary and Secondary Education Act of 1965. Whenever the Center determines that data specified in paragraph (1) of this subsection are not available or that it is impractical to obtain data for each relevant area or category, the report shall contain an explanation of the reasons therefor.

(e) Section 731(c) (1) (A) of title VII of the Elementary and Secondary Education Act of 1965, as amended by section 105 of this Act, is amended by inserting "conducted by the National Center for Education Statistics" after "a survey".

AMENDMENTS TO PART B OF THE GENERAL EDUCATION PROVISIONS ACT, RELATING TO APPROPRIATIONS AND EVALUATIONS

SEC. 502. (a) (1) Part B of the General Education Provisions Act is amended—

(A) by striking out sections 411 and 413;

(B) by redesignating sections 412, 414, and 415, and all references thereto, as sections 411, 412, and 413, respectively;

(C) by redesignating section 417 as section 419;

(D) by inserting after the heading thereof the following:

"Subpart 1—Appropriations"; and

(E) by inserting after section 413, as so redesignated in clause (B), the following:

"CONTINGENT EXTENSION OF PROGRAMS

"SEC. 414. (a) Unless the Congress in the regular session which ends prior to the beginning of the terminal fiscal year—

"(1) of the authorization of appropriations for an applicable program; or

"(2) of the duration of an applicable program; either—

"(A) has passed or has formally rejected legislation which would have the effect of extending the authorization or duration (as the case may be) of that program; or

"(B) by action of either the House of Representatives or the Senate, approves a resolution stating that the provisions of this section shall no longer apply to such program;

such authorization or duration is hereby automatically extended for one additional fiscal year. The amount appropriated for such additional year shall not exceed the amount which the Congress could, under the terms of the law for which the appropriation is made, have appropriated for such program during such terminal year.

"(b) (1) For the purposes of clause (A) of subsection (a), the Congress shall not have been deemed to have passed legislation unless such legislation becomes law.

"(2) In any case where the Commissioner is required under an applicable statute to carry out certain acts or make certain determinations which are necessary for the continuation of an applicable program, if such acts or determinations are required during the terminal year of such program, such acts and determinations shall be required during any fiscal year in which that part of subsection (a) which follows clause (B) thereof is in operation.

"Subpart 2—Planning and Evaluation of Federal Education Activities

"PROGRAM PLANNING AND EVALUATIONS BY THE ASSISTANT SECRETARY

"SEC. 416. The Assistant Secretary is authorized, by grant or contract or directly—

"(1) to carry out planning activities for, and evaluations of, applicable programs, and

"(2) with funds appropriated expressly for such purpose, to conduct analyses of related educational issues. The amount appropriated for the purposes of this subsection for any fiscal year shall not exceed $25,000,000.

"ANNUAL EVALUATION REPORTS

"SEC. 417. (a) (1) Not later than November 1 of each year, the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate an annual evaluation report which evaluates the effectiveness of applicable programs in achieving their legislated purposes together with recommendations relating to such programs for the improvement of such programs which will result in greater effectiveness in achieving such purposes.

"In the case of any evaluation report evaluating specific programs and projects, such report shall—

"(1) set forth goals and specific objectives in qualitative and quantitative terms for all programs and projects assisted under the applicable program concerned and relate those goals and objectives to the purposes of such program;

"(2) contain information on the progress being made during the previous fiscal year toward the achievement of such goals and objectives;

"(3) describe the cost and benefits of the applicable program being evaluated during the previous fiscal year and identify which sectors of the public receive the benefits of such program and bear the costs of such program;

"(4) contain plans for implementing corrective action and recommendations for new or amended legislation where warranted;

"(5) contain a listing identifying the principal analyses and studies supporting the major conclusions and recommendations in the report; and

"(6) be prepared in concise summary form with necessary detailed data and appendices.

"(b) Each evaluation report submitted pursuant to subsection (a) shall contain: (1) a brief description of each contract or grant for evaluation of any program conducted under section 416, any part of the performance of which occurred during the preceding year, (2) the name of the firm or individual who is to carry out the evaluation, and (3) the amount to be paid under the contract or grant.

"RENEWAL EVALUATION REPORTS

"SEC. 418. (a) In the case of any applicable program for which—

"(1) the authorization of appropriations expires; or

"(2) the time during which payments or grants are to be made expires;

not later than one year prior to the date of such expiration, the Assistant Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a comprehensive evaluation report on such program.

"(b) Any comprehensive evaluation report submitted pursuant to subsection (a) shall contain—

"(1) a history of the program concerned including—

"(A) a history of authorizations of appropriations, budget requests, appropriations, and expenditures for such programs;

"(B) a history of legislative recommendations with respect to such program made by the President and the disposition of such recommendations, and

"(C) a history of legislative changes made in applicable statutes with respect to such program;

"(2) assuming a continuation of such program, recommendations for improvements (including legislative changes and funding levels) in such program with a view toward achieving the legislative purposes of such program;

"(3) a compilation and summary of all evaluations of such program; and

"(4) a recommendation with respect to whether such program should be continued, and the date of its expiration, and the reasons for such recommendation.".

(2) Any reference in any law, regulation, guideline, or other document, however styled, to sections 411, 413, and 417 of the General Education Provisions Act on the date of the enactment of this Act shall be deemed to be a reference to the appropriae section of subpart 2 of part B of the General Education Provisions Act which contains the comparable provision.

(b) The amendments made by, and provisions of, subsection (a) shall be effective on the date of the enactment of this Act.

FEDERAL INTERAGENCY COMMITTEE ON EDUCATION

SEC. 503. (a) (1) The General Education Provisions Act is amended by adding after section 406 the following new section:

"FEDERAL INTERAGENCY COMMITTEE ON EDUCATION

"SEC. 407. (a) There shall be, in the Education Division, a Federal Interagency Committee on Education (hereafter in this section referred to as the 'Committee') which shall be composed of—

"(1) the Assistant Secretary, who shall be Chairman of the Committee;

"(2) the Commissioner;

"(3) the Director of the National Institute of Education;

"(4) the Director of the National Center for Education Statistics;

"(5) such other officers of the Department of Health, Education, and Welfare as the Secretary may designate; and

"(6) one representative of each of the following departments and agencies:

"(A) the Department of State,

"(B) the Department of Defense,

"(C) the Department of Agriculture,

"(D) the Department of Labor,

"(E) the Department of Housing and Urban Development,

"(F) the Department of Commerce,

"(G) the Department of the Interior,

"(H) the Department of Justice,

"(I) the National Science Foundation,

"(J) the Atomic Energy Commission,

"(K) the National Endowment for the Arts,

"(L) the National Endowment for the Humanities,

"(M) the National Aeronautics and Space Administration.

In addition, the President may, by Executive order, appoint or designate the heads of such other departments or agencies as he deems appropriate to be members of the Committee.

"(b) The Director of the Office of Management and Budget and the Chairman of the Council of Economic Advisors to the President are authorized to appoint nonparticipating observers to the Committee.

"(c)(1) The Committee shall advise the heads of departments and agencies with respect to their functions which relate to, or affect, education and encourage them to coordinate such functions.

"(2) The Committee shall collect education-related data and other information from the departments and agencies of the Federal Government and make such data and other information available to the National Center for Education Statistics.

"(c) The Assistant Secretary shall provide the Committee with such professional, technical, and clerical staff as may be necessary to enable the Committee to carry out its functions under this section.".

(2) Executive Orders Numbered 1118 (October 16, 1964, 29 F.R. 14399) and 11761 (January 17, 1974) relating to the coordination of Federal education activities and all orders amendatory thereto, having been superseded by section 407 of the General Educational Provisions Act, shall have no effect after the enactment of this Act.

(b) Except as otherwise provided in this section, the amendments made by subsection (a) shall be effective on the tenth day after the enactment of this Act.

GENERAL PROVISIONS RELATING TO OFFICERS IN THE EDUCATION DIVISION

SEC. 504. (a)(1) The General Education Provisions Act is amended by adding after section 407 the following new sections:

"RULES FOR EDUCATION OFFICERS OF THE UNITED STATES

"SEC. 408. (a) For the purposes of this section, the term 'education officer of the United States' means any person appointed by the President pursuant to this part, except members of commissions, councils, and boards.

"(b) Each education officer of the United States shall serve at the pleasure of the President.

"(c) No education officer of the United States shall engage in any other business, vocation, or employment while serving in the position to which he is appointed; nor may he, except with the express approval of the President in writing, hold any office in, or act in any capacity for, or have any financial interest in, any organization, agency, or institution to which an agency in the Education Division makes a grant or with any such agency makes a contract or any other financial arrangement.

"(d) No person shall hold, or act for, more than one position as an education officer of the United States at any one time.

"GENERAL AUTHORITY OF ADMINISTRATIVE HEADS OF EDUCATION AGENCIES

"SEC. 409. (a) Each administrative head of an education agency, in order to carry out functions otherwise vested in him by law, is, subject to limitations as may be otherwise imposed by law, authorized—

"(1) to make, promulgate, issue, rescind, and amend rules and regulations governing the manner of operation of the agency of which he is head;

"(2) in accordance with those provisions of title 5, United States Code, relating to the appointment and compensation of personnel and subject to such limitations as are imposed in this part, to appoint and compensate such personnel as may be necessary to enable such agency to carry out its functions;

"(3) to accept unconditional gifts or donations of services, money, or property (real, personal, or mixed; tangible or intangible);

"(4) without regard for section 3648 of the Revised Statutes of the United States (31 U.S.C. 529), to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary for the conduct of such agency;

"(5) with funds expressly appropriated for such purpose, to construct such facilities as may be necessary to carry out functions vested in him or in the agency of which he is head, and to acquire and dispose of property; and

"(6) to use the services of other Federal agencies and reimburse such agencies for such services.

"(b) Any administrative head of an education agency is, subject to any other limitations on delegations of authority by law, authorized to delegate any of his functions under this section to an officer or employee of that agency.

"(c) For the purposes of this section, the term 'administrative head of an education agency' means the Commissioner, the Director of the National Institute of Education, and the Director of the National Center for Education Statistics. To the extent that the Assistant Secretary is directly responsible for the administration of a program, he shall, for such purposes be considered within the meaning of such term."

(2)(A) The General Education Provisions Act is amended—

(i) in section 402(b), by striking out the second sentence thereof;

(ii) in section 403, by striking out subsection (b) and inserting in lieu thereof the following:

"(b) The Office shall be headed by the Commissioner of Education who shall be appointed by the President, by and with the advice and consent of the Senate.

"(c)(1) There shall be in the Office of Executive Deputy Commissioner of Education (in this subsection referred to as the 'Executive Deputy Commissioner') who shall be appointed by the President and shall, subject to the direction of the Commissioner, be responsible for broad delegated responsibility to act for the Commissioner on major aspects of the Office. The Executive Deputy Commissioner shall act for the Commissioner during the absence or disability of the Commissioner.

"(3) The Executive Deputy Commissioner shall be placed in, and compensated at the rate specified for, grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code."; and

(iii) in section 405—

(I) by striking out that part of the first sentence of subsection (d)(1) which follows "Senate" and inserting in lieu thereof a period, and

(II) by striking out subsection (f).

(B) Section 416 of such Act, as amended by section 502 of this Act, is amended by inserting "(a)" after "SEC. 416." and by adding at the end thereof the following:

"(b) In order to enable the Assistant Secretary to carry out his functions under subsection (a), the Assistant Secretary shall for such purpose be deemed to be an administrative head of an education agency with respect to the authority vested therein by clauses (1), (2), (4), and (6) of section 409.".

(b) The amendments made by this section shall be effective on the tenth day after the date of enactment of this Act.

REGIONAL OFFICES; ORGANIZATION; DELEGATIONS OF AUTHORITY

SEC. 505. (a)(1) Section 403 of the General Education Provisions Act is amended by adding at the end thereof the following:

"(d)(1) The Office shall, consistent with such organization thereof which is provided in law, be divided into bureaus, and such bureaus shall be divided into divisions, as the Commissioner determines appropriate.

"(2) Except as is otherwise provided by law, bureaus of the Office shall be headed by Deputy Commissioners, and divisions of such bureaus shall be headed by Directors. Deputy Commissioners, subject to this subsection, shall be placed in, and compensated at the rate specified for, grade 18 of the General Schedule as set forth in section 5332 of title 5, United States Code, and Directors, subject to this subsection, shall be placed in, and compensated at the rate specified for, grade 17 of such General Schedule.

"(A) There shall be regional offices of the Office of Education established in such places as the Commissioner, after consultation with the Assistant Secretary, shall determine. Such regional offices shall carry out such functions as are specified in subparagraph (B).

"(B) The regional offices shall serve as centers for the dissemination of information about the activities of the agencies in the Education Division and provide technical assistance to State and local educational agencies, institutions of higher education, and other educational agencies, institutions, and organizations and to individuals and other groups having an interest in Federal education activities.

"(C) The Commissioner shall not delegate to any employee in any regional office any function which was not carried out, in accordance with regulations effective prior to June 1, 1973, by employees in such offices unless the delegation of such function to employees in regional offices is expressly authorized by law enacted after the enactment of the Education Amendments of 1974.

"(3) The Commissioner shall submit to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives not later than November 1 of each year a report on the personnel needs and assignments of the Office. Such report shall include a description (A) of the manner in which the Office is organized and the personnel of the Office are assigned to the various functions of that agency and (B) of personnel needs of that agency in order to enable it to carry out its functions, as authorized by law.".

(2) The Secretary of Health, Education, and Welfare shall delegate his functions respecting the administration of programs administered in the Office of Education to the Assistant Secretary of Health, Education, and Welfare for Education.

(b) The provisions of the amendments made by subsection (a) shall be effective on the tenth day after the date of enactment of this Act, except that the provisions of limitation set forth in section 403(d)(2)(C) of such Act shall have effect on the date of such enactment, and shall be retroactive to June 1, 1973.

AMENDMENTS TO SECTION 431 OF THE GENERAL EDUCATION PROVISIONS ACT RELATING TO RULES, REGULATIONS, AND OTHER REQUIREMENTS OF GENERAL APPLICABILITY

SEC. 506. Section 431(b) of the General Education Provisions Act is amended by inserting "(1)" after "(b)" and by adding at the end thereof the following:

"(2) (A) During the thirty-day period prior to the date upon which such standard, rule, regulation, or general requirement is to be effective, the Commissioner shall offer any interested party an opportunity to make comment upon, and take exception to, such standard, rule, regulation, or general requirement and shall reconsider any such standard, rule, regulation, or general requirement upon which comment is made or to which exception is taken.

"(B) If the Commissioner determines that the thirty-day requirement in paragraph (1) will cause undue delay in the implementation of a regulation, thereby causing extreme hardship for the intended beneficiaries of an applicable program, he shall notify the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate. If both such committees agree with the determination of the Commissioner, the Commissioner may waive such requirement with respect to such regulation.".

AMENDMENTS TO SECTION 400 OF THE GENERAL EDUCATION PROVISIONS ACT: CONFORMING AND CLARIFYING AMENDMENTS; UNIFORM DEFINITIONS; LIMITATIONS ON AUTHORIZATIONS OF APPROPRIATIONS

SEC. 507.(a) (1) Section 400 of the General Education Provisions Act is amended to read as follows:

"GENERAL PROVISIONS

"SEC. 400. (a) This title may be cited as the 'General Education Provisions Act'.

"(b) Unless otherwise specified, the following definitions shall apply to the terms used in any applicable statute:

"(1) The term 'Secretary' means the Secretary of Health, Education, and Welfare.

"(2) The term 'Assistant Secretary' means the Assistant Secretary of Health, Education, and Welfare created under section 402.

"(3) The term 'Commissioner' means the Commissioner of Education for which provision is made under section 403.

"(4) The term 'Education Division' means the Education Division established under section 401.

"(5) The term 'Office of Education' means the agency estabilshed under section 403.

"(6) The term 'National Institute of Education' means the agency established under section 405.

"(7) The term 'National Center for Education Statistics' means the agency established under section 406.

"(8) The term 'construction' means (A) erection of new or expansion of existing structures and the acquisition and installation of necessary equipment therefor; or (B) acquisition of existing structures; or (C) remodeling or alteration of existing structures; or (D) any combination of any two or more of the activities described in clauses (A), (B), and (C).

"(9) The term 'elementary school' means a day or residential school which provides elementary education, as determined under State law.

"(10) The term 'equipment' includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility, as a facility for the provision of educational service, including such items as instructional equipment and necessary furniture; printed, published, and audiovisual instructional materials; and books, periodiicals, documents; and other related materials.

"(11) The term 'free public education' means education which is provided at public expense, under public supervision, direction, and control, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State.

"(12) The term 'gifted and talented children' means children who, in accordance with objective criteria established by the Commissioner by regulation, have outstanding intellectual ability or creative talent, the development of which requires special educational activities or services not ordinarily provided by local educational agencies.

"(13) The term 'handicapped' when applied to a person means a person who is mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, or crippled; and the term 'handicapped children' means children who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or have other health impairments, who by reason thereof require special education and services.

"(14) The term 'institution of higher education' means an educational institution in a State which—

"(A) admits, as regular students, only individuals having a certificate of graduation (or the recognized equivalent thereof) from a secondary school;

"(B) is legally authorized within such State to provide a program of postsecondary education;

"(C) provides an educational program for which it awards a bachelor's degree, or provides not less than a two-year program which is acceptable for full credit toward such a degree;

"(D) is a public or other nonprofit institution; and

"(E) is accredited by a nationally recognized accrediting agency or association, as determined by the Commissioner.

For the purposes of clause (E), the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authorities as to the quality of education or training offered in institutions of higher education.

"(15) The term 'local educational agency' means a public board of education or other public authority legally constituted within a State for either administrative control or direction, or to perform a service function for free public education in elementary or secondary schools in a school district or other local political subdivision of a State, or such combination of school districts or other local political subdivisions of a State as are recognized in a State as an administrative agency for the provision of free public education in elementary or secondary schools.

"(16) The term 'nonprofit' as applied to a school, agency, organization, or institution means an educational school, agency organization, or institution owned and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

"(17) The term 'parent' includes a legal guardian of, or other person standing in loco parentis with, a child.

"(18) The term 'school or department of divinity' means an institution or department or a branch of an institution, the educational program of which is designed or intended for the education of students—

"(A) to prepare them to become ministers of religion or to enter upon some other religious vocation (or to provide continuing training for any such vocation); or

"(B) to prepare them to teach theological subjects.

"(19) The term 'secondary school' means a school which provides secondary education as determined under State law, except that such term shall not include instruction beyond grade 12.

"(20) The term 'State' includes the several States of the Union, and the District of Columbia.

"(21) The term 'State educational agency' means the State board of education or other agency or officer primarily responsible for the State supervision of free public education in elementary and secondary schools, or, if there is no such officer or agency, an office or agency designated by the Governor or by State law.

"(c) (1) Except where otherwise specified, the provisions of this title shall apply to any program for which an administrative head of an education agency (as defined in section 409) has administrative responsibility, as provided by law or by delegation of authority, pursuant to law.

"(2) (A) For the purposes of this title—

"(i) the term 'applicable program' means any program to which this title is, under the terms of paragraph (1) applicable; and

"(ii) the term 'applicable statute' means (I) the Act, or the title, part, or section of an Act, as the case may be which authorizes the appropriation for an applicable program, (II) this title, and (III) any other statute which, under its terms, expressly controls the administration of an applicable program.

"(B) The Civil Rights Act of 1964 (A) shall not be considered, for the purposes of this title, an applicable statute, but (B) shall have full force and effect on the basis of the terms of that Act with respect to the administration of any applicable program.

"(C) No Act making appropriations to carry out an applicable program shall be considered an applicable statute.

"(D) Nothing in this Act shall be construed to affect the applicability of section 3679 of the Revised Statutes or the Budget and Accounting Act, 1921, unless a provision of that section or Act is inconsistent with this Act.

"(3) In the case of any provision in this title which limits the applicability of other provisions of law to the contrary unless such other provision of law is enacted in express and specific limitation therof, the form of an enactment expressly and specifically limiting any such provision shall be as follows: 'This ——— is enacted as a limitation on ——— of the General Education Provisions Act'; the first blank is to be filled with the section, part, title, or Act, as the case may be, which creates the limitation; and the second blank is to be filled with the section number on which the limitation is imposed.

"(d) No authority vested in the Assistant Secretary or in any agency or officer, council, commission, or board in the Education Division shall be transferred to any other agency or any official in any other agency except by a statute which expressly limits the effect of this section.

"(e) (1) Subject to paragraph (2) of this subsection and subsection (f), there are authorized to be appropriated for any fiscal year ending prior to July 1, 1977, such sums as may be necessary to carry out the provisions of this title. Except as may be otherwise authorized in this title, there shall be no expenditure of funds for any activity authorized by this title except from appropriations pursuant to the preceding sentence.

"(2) Of the sums appropriated pursuant to paragraph (1)—

"(i) not to exceed $1,500,000 for the fiscal year ending June 30, 1974, $3,600,000 for the fiscal year ending June 30, 1975, $4,500,000 for the fiscal year ending June 30, 1976, and $5,500,000 for the fiscal year ending June 30, 1977, shall be for salaries and expenses for the operation of the office of the Assistant Secretary;

"(ii) not to exceed $90,000,000 for the fiscal year ending June 30, 1974, $127,300,000 for the fiscal year ending June 30, 1975, $156,400,000 for the fiscal year ending June 30, 1976, and $195,500,000 for the fiscal year ending June 30, 1977, shall be for salaries and expenses for the administration of the Office of Education;

"(iii) not to exceed $7,500,000 for the fiscal year ending June 30, 1974, $13,000,000 for the fiscal year ending June 30, 1975, $16,000,000 for the fiscal year ending June 30, 1976, and $21,000,000 for the fiscal year ending June 30, 1977, shall be for salaries and expenses for the National Institute of Education; and

"(iv) not to exceed $5,000,000 for the fiscal year ending June 30, 1974, $10,000,000 for the fiscal year ending June 30, 1975, and $14,000,000 for the fiscal year ending June 30, 1976 and for the succeeding fiscal year, shall be for salaries and expenses for the National Center for Education Statistics.

"(f) (1) (A) The aggregate of the appropriations to the agencies in the Education Division and to the office of the Assistant Secretary for any fiscal year shall not exceed the limitations set forth for that fiscal year in subparagraph (B).

"(B) (i) Except as is provided in division (ii), the appropriations to which subparagraph (A) applies—

"(I) shall not exceed $7,500,000,000 for the fiscal year ending June 30, 1975, $8,000,000,000 for the fiscal year ending June 30, 1976, and $9,000,000,000 for the fiscal year ending June 30, 1977; and

"(ii) except as is provided in division (iii), shall not exceed such amount as may be authorized by the law and limited by this division.

"(ii) The limitations set forth in division (i) shall not apply—

"(I) to uncontrollable expenditures under obligations created under part B of title IV of the Higher Education Act of 1965, parts C and D of title VII of such Act, and the Emergency Insured Student Loan Act of 1969;

"(II) to any other expenditure under an obligation determined by the Commissioner pursuant to, or in accordance with, law to be an uncontrollable expenditure of the Office of Education.

"(iii) For the purpose of section 414, the limitations set forth in clause (I) of division (i) and in paragraph (2) shall, with respect to the fiscal year ending June 30, 1977, be deemed to be authorizations of appropriations.

"(2) (A) The sums appropriated to which paragraph (1) applies for any fiscal year ending prior to July 1, 1978, shall be subject to the following limitations:

"(i) In the case of the title I of the Elementary and Secondary Education Act of 1965, the limitation shall be $2,500,000,000 for the fiscal year ending June 30, 1974 and for the succeeding fiscal year, $3,000,000,000 for the fiscal year ending June 30, 1976, $3,500,000,000 for the fiscal year ending June 30, 1977, and $4,000,000,000 for the fiscal year ending June 30, 1978.

"(ii) In the case of title VI of such Act, the limitation shall be $400,000,000 for the fiscal year ending June 30, 1975, $500,000,000 for the fiscal year ending June 30, 1976, $750,000,000 for the fiscal year ending June 30, 1977, and $1,000,000,000 for the fiscal year ending June 30, 1978; but in no event shall the appropriation for such title VI be less than the aggregate of—

"(I) the amounts to which each State is entitled under the provisions of paragraph (3) of section 402(a) of the Education Amendments of 1974; or

"(II) the amounts to which each State is entitled under section 602(a) (1) and section 602(b) of the Elementary and Secondary Education Act of 1965;

whichever is greater, when determined with respect to each State.

"(iii) In the case of title I of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), the limitation shall be $750,000,000 for the fiscal year ending June 30, 1974, and for the succeeding fiscal year, $800,000,000 for the fiscal year ending June 30, 1976, $900,000,000 for the fiscal year ending June 30, 1977, and $1,000,000,000 for the fiscal year ending June 30, 1978.

"(B) If the aggregate of the entitlements created under title VI of the Elementary and Secondary Education Act of 1965 exceeds the appropriation for such title VI for any fiscal year ending prior to July 1, 1978, each of the entitlements created thereunder shall be reduced ratably until such aggregate does not exceed such appropriation, except that the amount to which the entitlement of any State for any such fiscal year is reduced—

"(i) with respect to entitlements created under section 602(a), shall not be less than $1,000,000;

"(ii) with respect to entitlements created under section 602(b), shall not be less than—

"(I) $1,000,000, or

"(II) 10 per centum of the amount to which such State is entitled under section 602(a) (after any reductions necessitated by operation of this paragraph),

whichever is greater; and

"(ii) with respect to entitlements created under both sections 602(a) and 602(b) shall not be less than the minimum amount for which provision is made for such State in clause (ii) of subparagraph (A).".

(2) The limitation set forth in clause (iii) of section 400(f) (2) (A) of the General Education Provisions Act shall not apply for any fiscal year to entitlements created under the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) which are increased by reason of section 203(b) (2) (A) (i) of this Act, to the extent of such increases.

(3) Section 605(c) (1) of the Elementary and Secondary Education Act of 1965, as added by section 402(a) (2) of this Act, is amended in clause (A) thereof by striking out "section 602(a)," and inserting in lieu thereof the following: "section 602(a), but shall not be less than the minimum amounts for which provision is made with respect to such State is section 400(f) (2) (B) of the General Education Provisions Act".

(4) Section 406(g) of the Act as added by section 501 of this Act is amended by striking out "paragraph (1)" and inserting in lieu thereof "section 400(e) (2) or paragraph (1)".

(b) The amendment made by subsection (a) and the provisions thereof shall be effective on and after the tenth day after the enactment of this Act.

BUREAU OF LIBRARIES AND LEARNING RESOURCES

Sec. 508. (a) There is established, in the Office of Education, a Bureau of Libraries and Learning Resources (hereafter in this section referred to as the "Bureau"), through which the Commissioner administers all programs in the Office of Education related to assistance for, and encouragement of, libraries and information centers and education technology.

(b) (1) The Bureau shall be headed by a Deputy Commissioner, to whom the Commissioner shall delegate his delegable functions with respect to the programs administered through the Bureau, and who shall be placed in, and compensated at the rate provided for, grade 17 of the General Schedule set forth in section 5332 of title 5, United States Code.

(2) In addition to the position created in paragraph (1), there shall be two positions in the Bureau which shall be placed in, and compensated at the rate provided for, grade 16 of such General Schedule.

(3) The positions created by paragraphs (1) and (2) shall be in addition to the number of positions placed in such grades of the General Schedule under section 5108 of title 5, United States Code, and shall be without prejudice against the Office of Education with respect to the number of positions, subject to such section 5108 assigned to the Office of Education.

(4) The number of positions placed in grades 15 and below of such General Schedule assigned to the Bureau and solely under the direction and supervision of the person holding the position created by paragraph (1) shall not be less than sixty.

AUDITS AND RECORDKEEPING

Sec. 509. (a) Section 434(a) of the General Education Provisions Act is amended to read as follows:

"Sec. 434. (a) (1) Each recipient of Federal funds under any applicable program through any grant, subgrant, contract, subcontract, loan, or other arrangement entered into (other than by formal advertising) shall keep such records as the Assistant Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such funds are given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Assistant Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after the completion of the project or undertaking to which reference is made in paragraph (1), have access, for the purpose of audit and examination, to any books, documents, papers, and records of such recipients which, in the opinion of the Comptroller General, after consultation with the Assistant Secretary, may be related, or pertinent to, the grants, subgrants, contracts, subcontracts, loans, or other arrangements to which reference is made in paragraph (1)."

AMENDMENTS RELATING TO ADVISORY COUNCILS

Sec. 510. (a) (1) Section 447(b) of the General Education Provisions Act is amended by striking out "each statutory advisory council" and inserting in lieu thereof "each advisory council which is subject to the operation of this part".

(b) Section 445 of such Act is amended by adding at the end thereof the following new subsection:

"(d) No employee of an advisory council, appointed and compensated pursuant to this section, shall be compensated at a rate in excess of that which such employee would receive if such employee were appointed subject to the appropriate provisions of title 5, United States Code, regarding appointments to, and compensation with respect to, the competitive service, except that—

"(1) executive directors of Presidential advisory councils shall be compensated at the rate specified for employees placed in grade 18 of the General Schedule set forth in section 5332 of such title 5;

"(2) executive directors of all other statutory advisory councils shall be compensated at the rate provided for employees in grade 15 of such General Schedule; and

"(3) in accordance with regulations promulgated by the Assistant Secretary, other employees of advisory councils shall be compensated at such rates as may be necessary to enable such advisory councils to accomplish their purposes.".

(2) Such section 445 is amended by striking out "Commissioner" where it appears and inserting in lieu thereof "Assistant Secretary."

(3) No provision of any law establishing, authorizing the establishment of, or controlling the operation of, an advisory council which is not consistent with the provisions of part D of the General Education Provisions Act shall apply to any advisory council to which such part D applies.

AVAILABILITY AND APPORTIONMENTS OF APPROPRIATIONS

Sec. 511. (a) Section 412(b) of the General Education Provisions Act, as redesignated by section 502 cf this Act, is amended striking out "July 1, 1973" and inserting in lieu thereof "July 1, 1978".

(b) Section 412 of such Act is amended by adding at the end thereof the following new subsections:

"(c) The Commissioner shall not later than fifteen days after the enactment of any law making an appropriation for any applicable program, submit, in accordance with section 3679(d)(2) of the Revised Statutes, such information as is required pursuant to the second sentence of such section 3679(d)(2), including a spending plan which apportions such appropriation as provided therein. If after the period allowed for action by the Director of the Office of Management and Budget under the fourth sentence of such section 3679(d)(2), the Commissioner has not received notice of the apportionment required under such fourth sentence, the Commissioner shall consider such appropriation apportioned in the manner provided in such spending plan and proceed to obligate such appropriation as so apportioned. Not later than thirty days after the enactment of a law to which reference is made in the first sentence of this subsection, the Commissioner shall submit to the Committees on Education and Labor and Appropriations of the House of Representatives and the Committees on Labor and Public Welfare and Appropriations of the Senate copies of the spending plan in effect with respect to such law.

"(d) If any funds appropriated to carry out any applicable program are not obligated pursuant to a spending plan submitted as provided in subsection (c) and become available for obligation after the institution of a judicial proceeding seeking the release of such funds, then such funds shall be available for obligation and expenditure until the end of the fiscal year which begins after the termination of such judicial proceeding.".

SCHEDULE FOR PROMULGATION OF REGULATIONS

Sec. 512. (a) Section 431 of the General Education Provisions Act is amended by adding at the end thereof the following new subsection:

"(d) Not later than thirty days after the enactment of any Act affecting the administration of any applicable program, the Commissioner shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a schedule in accordance with which the Commissioner has planned to promulgate rules, regulations, and guidelines implementing such Act. Such schedule shall provide that all such rules, regulations, and guidelines shall be promulgated within one hundred and eighty days after the submission of such schedule to such committee. Except as is provided in the following sentence, all such rules, regulations, and guidelines shall be promulgated in accordance with such schedule. If the Commissioner finds that, due to circumstances unforeseen at the time of the submission of any such schedule, he cannot comply with a schedule submitted pursuant to this subsection, he shall notify such committees of such finding and submit a new schedule. If both such committees notify the Commissioner of their approval of such new schedule, such rules, regulations, and guidelines shall be promulgated in accordance with such new schedule.".

(b) The amendment made by subsection (a) shall be effective on the date of enactment of this Act and shall be effective with respect to the provisions of this Act.

PROTECTION OF THE RIGHTS AND PRIVACY OF PARENTS AND STUDENTS

Sec. 513. Part C of the General Education Provisions Act is amended by adding at the end thereof the following new section:

"PROTECTION OF THE RIGHTS AND PRIVACY OF PARENTS AND STUDENTS

"Sec. 437. (a) Right of Access and of a Hearing.—(1) No funds shall be made available under any applicable program to any State or local educational agency, any institution of higher education, any community college, any school, preschool, or any other educational institution which has a policy of denying, or which effectively prevents the parents of students under eighteen years of age attending any school of such agency, or attending such institution of higher education, community college, school, preschool, or other educational institution, the right to inspect and review any and all official records, files, and data directly related to their children, including all material that is incorporated into each student's cumulative record folder, and intended for school use or to be available to parties outside the school or school system, and specifically including, but not necessarily limited to, identifying data, academic work completed, level of achievement (grades, standardized achievement test scores), attendance data, scores on standardized intelligence, aptitude, and psychological tests, interest inventory results, health data, family background information, teacher or counselor ratings and observations, and verified reports of serious or recurrent behavior patterns. Where such records or data include information on more than one student, the parents of any student shall be entitled to receive, or be informed of, that part of such record or data as pertains to their child. Each recipient shall establish appropriate procedures for the granting of a request by parents for access to their child's school records within a reasonable period of time, but in no case more than forty-five days after the request has been made.

"(2) Parents shall have an opportunity for a hearing to challenge the content of their child's school records, to insure that the records are not inaccurate, misleading, or otherwise in violation of the privacy or other rights of students, and to provide an opportunity for the correction or deletion of any such inaccurate, misleading, or otherwise inappropriate data contained therein.

"(b) Conditions for the Release of Personal Data.—(1) No funds shall be made available under any applicable program to any State or local education agency, any institution of higher education, any community college, any school, preschool, or any other educational institution which has a policy of permitting the release of records or files (or personal information contained therein) of students without the written consent of their parents to any individual, agency, or organization, other than the following—

"(A) other local school officials, including teachers within the educational institution or local educational agency who have legitimate educational interests;

"(B) to officials of other schools or school systems in which the student intends to enroll, upon condition that the student's parents be notified of the transfer, receive a copy of the record if desired, and have an opportunity for a hearing to challenge the content of the record.

"(2) No funds shall be made available under any applicable program to any State or local educational agency, any institution of higher education, any community college, any school, preschool, or any other education institution which has a policy or practice of furnishing, in any form, any information contained in personal school records, to any persons other than those listed in subsection (b)(1) unless—

"(A) there is written consent from the student's parents specifying records to be released, the reasons for such release, and to whom, and with a copy of the records to be released to the student's parents and the student if desired by the parents, or

"(B) such information is furnished in compliance with judicial order, or pursuant to any lawfully issued subpena, upon condition that parents and the students are notified of all such orders or subpenas in advance of the compliance therewith by the education institution or agency.

"(3) In any case in which the Secretary or an administrative head of an education agency is authorized under any applicable program to request or require any State or local educational agency, any institution of higher education, any community college, any school, preschool, or any other educational institution to submit to a third party (or to the Secretary or an administrative head of an education agency, as defined in section 409 of this Act) any data from personal statistics or records of students, such data shall not include the names of students or their parents (in code or otherwise) without the written consent of the student's parents, except—

"(A) in connection with a student's application for financial aid;

"(B) in compliance with any court order, or pursuant to any lawfully issued subpena, if the parents and students are notified of any such order in advance of the compliance therewith by the State or local educational agency, the institution of higher education, the community college, the school, preschool, or other educational institution.

"(4)(A) With respect to subsections (b)(1) and (b)(2) and (b)(3), all persons, agencies, or organizations desiring access to the records of a student shall be required to sign a written form which shall be kept permanently with the file of the student, but only for inspection by the parents or student, indicating specifically the legitimate educational or other interest that each person, agency, or organization has in seeking this information. Such form shall be available to parents and to the school official responsible for record maintenance as a means of auditing the operation of the system.

"(4)(B) With respect to this subsection, personal information shall only be transferred to a third party on the condition that such party will not permit any other party to have access to such information without the written consent of the parents of the student.

"(c) Protection of Personal Data.—The Secretary shall adopt appropriate regulations to protect the rights of privacy of students and their families in connection with any surveys or data-gathering activities conducted, assisted, or authorized by the Secretary or an administrative head of an education agency (as defined in section 409 of this Act). Regulations established under this subsection shall include provisions controlling the use, dissemination, and protection of such data. No survey or data-gathering activites shall be conducted by the Secretary, or an administrative head of an education agency having responsibilities under an applicable program unless such activities are authorized by the Act establishing such a program.

"(d) For the purposes of this section, whenever a student has attained eighteen years of age, the permission or consent required of and the rights accorded to the parents of the student shall thereafter only be required of and accorded to the student.

"(e) No funds shall be made available under any applicable program unless the recipient of such funds informs the parents of students, or the students, if they are eighteen years of age or older, of the rights accorded them by this section.

"(f) The Secretary, or an administrative head of an education agency, shall take appropriate actions to enforce provisions of this section and to deal with violations of this section, according to the provisions of this Act.

"(g) The Secretary shall establish or designate an office and review board within the Department of Health, Education, and Welfare for the purpose of investigating, processing, reviewing, and adjudicating violations of the provisions of this section and complaints which may be filed concerning alleged violations of this section, according to the procedures contained in subsections (c) and (d) of section 421 of this Act.

"(h) With respect to any funds obligated prior to the effective date of this section to any State or local educational agency, any institution of higher education, any community college, any school, preschool, or any other educational institution, continued furnishing of such funds shall cease January 1, 1975, if the recipient has failed to meet the conditions for funding established by this section.

"(i) The provisions of this section shall become effective ninety days after the date of enactment of this Act.

"(j) This section may be cited as the 'Family Educational Rights and Privacy Act of 1974'."

LIMITATION ON WITHHOLDING OF FEDERAL FUNDS

SEC. 514. Part C of the General Education Provisions Act (as amended by section 513) is further amended by adding at the end thereof the following new section:

"LIMITATION ON WITHHOLDING OF FEDERAL FUNDS

"SEC. 438. The refusal of a State or local education agency and institution of higher education, community college, a school, preschool, or any other educational institution, to administer a test or project or to provide personally identifiable data on students or their families, as a part of an applicable program, to any Federal office, agency, department, or other third party, on the grounds that it constitutes a violation of the right to privacy and confidentiality of students, their parents, or is an unaccepable research or experimentation project, or is for the purpose of altering the personal behavior or values of a student, or is potentially psychologically or otherwise harmful to students or their families, shall not constitute sufficient grounds for the suspension or termination of Federal assistance. Further, such a refusal shall not constitute sufficient grounds for a denial of, a refusal to consider, or a delay in the consideration of funding in succeeding fiscal years for such a recipient."

PART B—AMENDMENTS TO THE HIGHER EDUCATION ACT OF 1965

COMMUNITY SERVICE AND CONTINUING EDUCATION AMENDMENTS

SEC. 521.(a) Section 101 of the Higher Education Act of 1965 is amended by adding after the word "health" a comma and the following: "labor management".

(c) Section 111 of such Act is amended by adding at the end thereof the following new sentence: "Subject to section 448(b) of the General Education Provisions Act, the Advisory Council shall continue to exist through June 1975.".

DEVELOPING INSTITUTIONS AMENDMENT

SEC. 522. Section 302(a)(2) of the Higher Education Act of 1965 is amended by adding at the end thereof the following new sentence: "The Commissioner is authorized to waive three years of the requirements set forth in clause (C) of paragraph (1) in the case of applications for grants under this title by institutions located in or near communities with large numbers of Spanish-speaking people if the Commissioner determines such action will increase higher education for Spanish-speaking people.".

BILINGUAL EDUCATION AMENDMENTS

SEC. 523. (a)(1) Clause (B) of section 417 B(b)(3) of the Higher Education Act of 1965 is amended by inserting "(i)" after the word "who" and by inserting before the semicolon at the end thereof a comma and the following: "or (ii) by reason of limited English-speaking ability, are in need of bilingual educational teaching, guidance, and counseling in order to enable them to pursue a post-secondary education".

(2) Section 417B of such Act is amended by adding at the end thereof the following new subsection:

(d) Funds appropriated for the purposes of clause (3) of subsection (b) shall be available for training persons to provide the services described in clause (3)(ii) of such subsection.".

(b) The amendments made by this subsection shall be effective upon the enactment of this Act.

VETERANS COST OF INSTRUCTION PAYMENTS AMENDMENTS

SEC. 524. (a)(1) Paragraph (1) of section 420(a) of the Higher Education Act of 1965 is amended to read as follows:

"(1) During the period beginning July 1, 1972, and ending June 30, 1975, each institution of higher education shall be entitled to a payment under, and in accordance with, this section during any fiscal year if—

"(A) the number of persons who are veterans receiving vocational rehabilitation under chapter 31 of title 38, United States Code, or veterans receiving educational assistance under chapter 34 of such title, and who are in attendance as undergraduate students at such institution during any academic year, equals at least—

"(i) 110 per centum of the number of such recipients who were in attendance at such institution during the preceding academic year, or

"(ii) 10 per centum of the total number of undergraduate students in attendance at such institution during such academic year; and

"(B) the number of such persons is at least 25.".

(2) The first sentence of paragraph (2) of section 420(a) of such Act is amended by inserting before the period a comma and the following: "or equals at least the minimum number of such persons necessary to establish eligibility to entitlement under paragraph (1) during the preceding academic year, whichever is lower".

(3) Section 420(d) of such Act is amended by inserting "(1)" after "(d)" and by adding at the end thereof the following new paragraph:

"(2) The maximum amount of payments to any institution of higher education, or any branch thereof which is located in a community which is different from that in which the parent institution thereof is located, in any fiscal year, shall be $135,000. In making payments under this section for any fiscal year, the Commissioner shall apportion the appropriation for making such payments, from funds which become available as a result of the limitation on payments set forth in the preceding sentence, in such a manner as will result in the receipt by each institution which is eligible for a payment under this section of first $9,000 (or the amount of its entitlement for that fiscal year, whichever is less) and then additional amounts up to the limitation set forth in the preceding sentence.".

(4) Section 420(e) of such Act is amended by striking out the matter preceding the word "except" and inserting in lieu thereof the following: "No less than 75 per centum of the amounts paid to any institution under subsection (d) in any fiscal year shall be used to implement the requirement of clause (B)(i) of paragraph (1) of subsection (c), and, to the extent that such funds remain after implementing such requirement, funds limited by such 75 per centum requirement shall be used for implementing the requirements of clauses (B) (ii), (iii), and (iv) of such paragraph (1),".

(b) The amendments made by this section shall be effective with respect to payments made on and after October 1, 1973.

TEACHER CORPS AMENDMENTS

SEC. 525. (a)(1) Section 511 of the Higher Education Act of 1965 is amended—

(A) by inserting after "teacher preparation" in the matter preceding paragraph (1) the following: "and to encourage institutions of higher education and local educational agencies to improve programs of training and retraining for education personnel";

(B) by striking out the word "and" at the end of paragraph (3);

(C) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a comma and the word "and";

(D) by inserting after paragraph (4) the following new paragraph:

"(5) supporting demonstration projects for retraining experienced educational personnel serving in local educational agencies.".

(2) Section 513(a) of such Act is amended—

(A) by striking out the word "two" the first time it appears in paragraph (1) of such section and by inserting in lieu thereof "five";

(B) by inserting in paragraph (1) after "experienced teachers" a comma and the following: "supportive and auxiliary personnel including non-professional personnel";

(C) by inserting in paragraph (3) the word "primarily" before "in areas";

(D) by striking out "teaching teams, each of which shall consist of an experienced teacher and a number of teacher-interns who, in addition to teaching duties, shall be afforded time by the local educational agency for a teacher-intern training program carried out under the guidance of an experienced teacher" and inserting in lieu thereof the following: "Teacher Corps programs each of which shall include teacher-intern teams led by experienced teachers and may include other school personnel including non-professional personnel, who shall be afforded time by the local educational agency for a training program carried out";

(E) by striking out in paragraph (7) the words "clause (1)" and inserting in lieu thereof the following: "this subpart".

(3) Section 513(b) of such Act is amended by striking out "for teacher-interns while teaching" and inserting in lieu thereof "for Teacher Corps members while serving".

(4) Section 513(c) of such Act is amended—

(A) by striking out "3 per centum" in paragraph (2) and inserting in lieu thereof "5 per centum";

(B) by inserting in paragraph (2) "the Virgin Islands and" the following: "Guam, American Samoa, and the Trust Territory of the Pacific Islands".

(5) Section 513 of such Act is amended by adding at the end thereof the following new subsections:

"(e) The Commissioner is authorized to expend a sum not in excess of 10 per centum of the amount appropriated pursuant to the provisions of section 511(b) of this subpart in any fiscal year, for the purpose of planning the Teacher Corps program, monitoring, and evaluating Teacher Corps projects, disseminating information relating to Teacher Corps projects, and furnishing technical assistance to Teacher Corps projects. Such purposes may be carried out directly by personnel of the Teacher Corps, or through contracts or other arrangements with qualified persons or organizations.

"(f) Notwithstanding any other provision of law, the Commissioner shall develop and promulgate specific funding criteria based on the provisions of this subpart to assist potential grantees and contractors in developing proposals for Teacher Corps projects, and to assist the Commissioner in selecting proposals to be supported under this subpart.".

(6) Section 514(a)(2) of such Act is amended to read as follows:

"(2) Teacher-interns, experienced teachers, administrators, and other school personnel including non-professional personnel shall be compensated at such rates as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs or local projects.".

(b) The amendments made by subsection (a) shall be effective on and after July 1, 1974.

AMENDMENT TO TITLE IX RESPECTING TRAINING IN THE LEGAL PROFESSION

SEC. 526. (a) Part D of title IX of the Higher Education Act of 1965 is amended by adding at the end thereof the following new section:

"ASSISTANCE FOR TRAINING IN THE LEGAL PROFESSION

"SEC. 966. (a) The Commissioner is authorized to make grants to, or enter into contracts with, public and private agencies and organizations other than institutions of higher education for the purpose of assisting individuals from disadvantaged backgrounds, as determined in accordance with criteria prescribed by the Commissioner, to undertake training for the legal profession.

"(b) Grants made, and contracts entered into under subsection (a) may cover, in accordance with regulations of the Commissioner, all or part of the cost of—

"(1) selecting individuals from disadvantaged backgrounds for training for the legal profession,

"(2) facilitating the entry of such individuals into institutions of higher education for the purpose of pursuing such training,

"(3) providing counseling or other services designed to assist such individuals to complete successfully such training,

"(4) providing, for not more than three months prior to the entry of such individuals upon their courses of training for the legal profession, preliminary training for such individuals designed to assist them to complete successfully such training for the legal profession,

"(5) paying such stipends (including allowances for travel and for dependents) as the Commissioner may determine for such individuals for any such period of preliminary training or for any period of training for the legal profession during which such individuals maintain satisfactory academic proficiency, as determined by the Commissioner, and

"(6) paying for administrative activities of the agencies and organizations which receive such grants, or with which such contracts are entered into, to the extent such activities are for the purpose of furthering activities described in clauses (1) through (5).

"(c) The activities authorized under this section may be carried out without regard to the requirements and limitations set forth in sections 962 and 963 of this part.".

(b) Funds appropriated pursuant to part D of title IX of the Higher Education Act of 1965 by the Departments of Labor and Health, Education, and Welfare, and Related Agencies Appropriations Act for the fiscal year ending June 30, 1974 (Public Law 93–192) shall be available for activities authorized by the amendment made by subsection (a).

(c) The amendment made by subsection (a) shall be deemed to have been enacted prior to July 1, 1974.

COMMUNITY COLLEGE AND OCCUPATIONAL EDUCATION AMENDMENT

SEC. 527. Section 1001(b)(1) is amended by striking out "1974" and inserting in lieu thereof "1975".

(b) The amendments made by subsection (a) shall be effective with respect to payments made after September 1, 1973.

POLITICAL LEADERSHIP INTERN PROGRAM

SEC. 528. (a) The Higher Education Act of 1965 is amended by redesignating title XII and all references thereto as title XIII and sections 1201 through 1206 and all references thereto as 1301 through 1306 and by inserting immediately after title XI the following new title:

"TITLE XII—POLITICAL LEADERSHIP INTERN PROGRAM

"PROGRAM AUTHORIZED

"SEC. 1201. The Commissioner is authorized to make grants, in accordance with the provisions of this title, to institutions of higher education for the planning, development, administration, and operation of an internship program under which students will be provided practical political involvement with elected officials in the performance of their duties at the local and State levels of government through interships in their offices. Such internship program shall be carried out through arrangements administered by institutions of higher education, and with the cooperation of State and local governments. Under such program the interns, who are students at any institution of higher education which is a grant recipient, will be assigned duties in offices of State and local elected officials, which will give them an insight into the problems and operations of the different levels of government, as well as an opportunity for research and for involvement in the policymaking process. Arrangements for such grants shall provide for coordination between the on-campus educational programs of the persons selected and their activities as interns, with commensurate credit given for their work and achievement as interns.

"SELECTION OF STUDENTS FOR PARTICIPATION AND DISTRIBUTION OF GRANTS

"SEC. 1202. (a) The students who are to participate in the internship program provided for in this title shall be selected by the institutions of higher education receiving grants under this title.

"(b) The Commissioner shall assure that grants under this title are distributed among the States in the same ratio, to the extent practicable, as the number of Members of Congress of a State bears to the total number of Members of Congress in all States.

"(c)(1) In order to assist the Commissioner to select institutions of higher education within a State to receive grants under this title, he shall appoint a National Advisory Council for Political Leadership Interns. Such Council shall be composed of twelve members appointed from among individuals especially qualified to serve on the Council.

"(2) The Council shall advise the Commissioner with respect to the distribution of grants under this title within each State and with respect to such other matters of policy as may be appropriate in carrying out the objectives of this program as authorized under this title.

"(3) The Commissioner shall make available to the Council such staff, information, and other assistance as it may require to carry out its duties under this title.

"(4) The provisions of part D of the General Educations Provisions Act shall apply to any Council established under this title.

"(d) Whenever the Commissioner determines in the third quarter in any fiscal year that grant funds will not be needed in any State he may redistribute such funds to institutions of higher education in other States which he determines have a need for them.

"FEDERAL SHARE

"SEC. 1203. (a) The Federal share of the cost of planning, developing, and administering of any program assisted under this title shall not exceed 100 per centum of such cost.

"(b) The Federal share of the cost of operating an internship program under this title shall not exceed 50 per centum of such cost.

"ADMINISTRATION

"SEC. 1204. The Commissioner shall by regulation prescribe the stipends to be paid by institutions of higher education to the interns participating in the program assisted under this title and the duration and other terms and conditions of such internships.

"DEFINITIONS

"SEC. 1205. For the purpose of this title—

"(1) the term 'Members of Congress' includes the Resident Commissioner for the Commonwealth of Puerto Rico and the delegate for the District of Columbia; and

"(2) the term 'State' means the fifty States, the Commonwealth of Puerto Rico, and the District of Columbia.

"APPROPRIATIONS AUTHORIZED

"SEC. 1206. There is authorized to be appropriated to carry out this title the sum of $5,000,000 for the fiscal year 1975 and the same amount in each of the two succeeding years. Funds appropriated pursuant to this section shall remain available for the succeeding fiscal year after the fiscal year for which they were appropriated.

"SHORT TITLE

"SEC. 1207. This title may be cited as the 'Political Leadership Intern Program Act of 1947'."

(b) The amendment made by subsection (a) shall be effective after June 30, 1974.

PART C—OTHER MISCELLANEOUS PROVISIONS

AMENDMENTS TO THE LIBRARY SERVICES AND CONSTRUCTION ACT AND THE VOCATIONAL EDUCATION ACT OF 1963 RELATING TO BILINGUAL EDUCATION AND VOCATIONAL TRAINING

SEC. 531. (a)(1) Section 102 of the Vocational Education Act of 1963 is amended by redesignating subsection (c), and all references thereto, as subsection (d), and by adding after subsection (b) thereof the following new subsection:

"(c) There are authorized to be appropriated $40,000,000 each for the fiscal years ending June 30, 1975, and June 30, 1976, for the purpose of carrying out section 122(a)(4)(C). Nothing in this subsection shall be construed to affect the availability for such purpose of appropriations made pursuant to subsection (a).".

(2) Clause (D) of section 104(a)(1) of such Act is amended by inserting before the comma at the end thereof the following: "and of persons of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act fo 1965)".

(3) Clause (A)(vii) of section 104(b)(1) of such Act is amended by inserting before the comma at the end thereof the following: "(including students who are persons of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965))".

(4) Section 108 of such Act is amended by adding at the end thereof the following new paragraphs:

"(14) The term 'vocational training' means training or retraining which is conducted as part of a program designed to prepare individuals for gainful employment as semiskilled or skilled workers or technicians or subprofessionals in recognized occupations and in new and emerging occupations, but excluding any program to prepare individuals for employment in occupations which the Commissioner determines, and specifies by regulation, to be generally considered professional which requires a baccalaureate or higher degree; such term includes guidance and counseling (either individually or through group instruction) in connection with such training or for the purpose of facilitating occupational choices; instruction related to the occupation or occupations to which the students are in training or instruction necessary for students to benefit from such training; the training of persons engaged as, or preparing to become, instructors in a vocational training program; travel of students and vocational training personnel while engaged in a training program; and the acquisition, maintenance, and repair of instructional supplies, aids, and equipment, but such term does not include the construction, acquisition, or initial equipment of buildings or the acquisition or rental of land.

"(15) The term 'postsecondary educational institution' means an institution legally authorized to provide postsecondary education within a State for persons sixteen years of age or older, who have graduated from or left elementary or secondary school.".

(5)(A) Clause (4) of section 122(a) of such Act is amended by adding at the end thereof the following:

"(C) vocational education for students of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965) carried out in coordination with bilingual education programs under such title VII and bilingual adult education programs under section 306(a)(11) of the Adult Education Act;".

(b) Section 122(c) of such Act is amended, in paragraph (3), by inserting "(A)" after "(3)" and by adding at the end thereof the following new subparagraph:

"(B) At least 5 per centum of the allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1974, to each State which the Commissioner finds has areas of high concentration of persons of limited English-speaking ability shall be used only for the purpose set forth in paragraph (4)(C) of subsection (a).".

(6) Section 123(a) of such Act is amended by redesignating clauses (17) and (18) thereof, and all references thereto, as clauses (18) and (19), respectively, and by inserting after clause (16) thereof the following new clause:

"(17) provides that grants made from sums appropriated under section 102(c) shall be allocated within the State among local educational agencies serving areas with high concentrations of persons of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965);".

(7) Section 191 of such Act, and all references thereto, is redesignated as section 189.

(8) Title I of such Act is amended by adding at the end thereof the following new part:

"PART J—BILINGUAL VOCATIONAL TRAINING

"SUBPART 1—GENERAL PROVISIONS

"STATEMENT OF FINDINGS

"SEC. 191. The Congress hereby finds that one of the most acute problems in the United States is that which involves millions of citizens, both children and adults, whose efforts to profit from vocational training is severely restricted by their limited English-speaking ability because they come from environments where the dominant language is other than English; that such persons are therefore unable to help to fill the critical need for more and better trained personnel in vital occupational categories; and that such persons are unable to make their maximum contribution to the Nation's economy and must, in fact, suffer the hardships of unemployment or underemployment. The Congress further finds that there is a critical shortage of instructors possessing both the job knowledge and skills and the dual language capabilities required for adequate vocational instruction of such language-handicapped persons, and a corresponding shortage of instructional materials and of instructional methods and techniques suitable for such instruction.

"GENERAL RESPONSIBILITIES OF THE COMMISSIONER

"SEC. 192. (a) The Commissioner and the Secretary of Labor together shall—

"(1) develop and disseminate accurate information on the status of bilingual vocational training in all parts of the United States;

"(2) evaluate the impact of such bilingual vocational training on the shortages of well-trained personnel, the unemployment or underemployment of persons with limited English-speaking ability, and the ability of such persons to contribute fully to the economy of the United States; and

"(3) report their findings annually to the President and the Congress.

"(b) The Commissioner shall consult with the Secretary of Labor with respect to the administration of this part. Regulations and guidelines promulgated by the Commissioner to carry out subpart 2 of this part shall be consistent with those promulgated by the Secretary of Labor pursuant to section 301 (b) of the Comprehensive Employment and Training Act of 1973 and shall be approved by the Secretary of Labor before issuance.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 193. There are authorized to be appropriated $40,000,000 for the fiscal year ending June 30, 1975; $60,000,000 for the fiscal year ending June 30, 1976; and $80,000,000 for the fiscal year ending June 30, 1977, to carry out the provisions of subparts 2, 3, and 4, of this part, except that 65 per centum of such amounts shall be available only for grants and contracts under subpart 2 of this part, 25 per centum shall be available only for grants and contracts under subpart 3 of this part, and 10 per centum shall be available only for grants and contracts under subpart 4 of this part.

"Subpart 2—Bilingual Vocational Training Programs

"AUTHORIZATION OF GRANTS

"SEC. 194. (a) From the sums made available for grants under this part pursuant to section 193, the Commissioner is authorized to make grants to and enter into contracts with appropriate State agencies, local educational agencies, postsecondary educational institutions, private nonprofit vocational training institutions, and to other nonprofit organizations especially created to serve a group whose language as normally used in other than English in supplying training in recognized occupations and new and emerging occupations, and to enter into contracts with private for-profit agencies and organizations, to assist them in conducting bilingual vocational training programs for persons of all ages in all communities of the United States which are designed to insure that vocational training programs are available to all individuals who desire and need such bilingual vocational training.

"(b) The Secretary shall pay to each applicant which has an application approved under this part an amount equal to the total sums expended by the applicant for the purposes set forth in that application.

"USE OF FEDERAL FUNDS

"SEC. 195. Grants and contracts under this part may be used, in accordance with applications approved under section 199B, for—

"(1) bilingual vocational training programs for persons who have completed or left elementary or secondary school and who are available for training by a postsecondary educational institution;

"(2) bilingual vocational training programs for persons who have already entered the labor market and who desire or need training or retraining to achieve year-round employment, adjust to changing manpower needs, expand their range of skills, or advance in employment; and

"(3) training allowances for participants in bilingual vocational training programs subject to the same conditions and limitations as are set forth in section 111 of the Comprehensive Employment and Training Act of 1973.

"Subpart 3—Instructor Training Programs

"AUTHORIZATION OF GRANTS

"SEC. 196. (a) From the sums made available for grants and contracts under this part pursuant to section 193, the Commissioner is authorized to make grants to and enter into contracts with States, or educational institutions, either public or private, to assist them in conducting training for instructors of bilingual vocational training programs, and whenever the Commission determines that it will contribute to carrying out the purposes of this part, to make grants to, and enter into contracts with, States or educational institutions, either public or private, to assist them in conducting training for instructors in bilingual vocational training programs.

"(b) The Commissioner shall pay to each applicant which has an application approved under this part an amount equal to the total sums expended by the applicant for purposes set forth in that application.

"USE OF FEDERAL FUNDS

"SEC. 197. Grants and contracts under this subpart may be used, in accordance with applications approved under section 199B, for—

"(1) providing preservice training designed to prepare persons to participate in bilingual vocational training or vocational education programs as instructors, aides, or other ancillary personnel such as counselors, and inservice and development programs designed to enable such personnel to continue to improve their qualifications while participating in such programs; and

"(2) fellowships or traineeships for persons engaged in such preservice or inservice training.

"Subpart 4—Development of Instructional Materials, Methods, and Techniques

"AUTHORIZATION OF GRANTS

"SEC. 198. (a) From the sums made available for grants and contracts under this part pursuant to section 193, the Commissioner is authorized to make grants and enter into contracts with States, public and private educational institutions, and to other appropriate non-profit organizations, and to enter into contracts with private for-profit individuals and organizations, to assist them in developing instructional material, methods, or techniques for bilingual vocational training.

"(b) The Commissioner shall pay to each applicant which has an application approved under this part an amount equal to the total sums expended by the applicant for the purposes set forth in that application.

"USE OF FEDERAL FUNDS

"SEC. 199. Grants and contracts under this part may be used, in accordance with applications approved under section 199B, for—

"(1) research in bilingual vocational training;

"(2) training programs designed to familiarize State agencies and training institutions with research findings and successful pilot and demonstration projects in bilingual vocational training;

"(3) experimental, developmental, and pilot programs and projects designed to test the effectiveness of research findings; and

"(4) other demonstration and dissemination projects.

"Subpart 5—Applications for Assistance

"APPLICATIONS

"SEC. 199A. (a) A grant or contract for assistance under this part may be made only upon application to the Secretary, at such time, in such manner, and containing or accompanied by such information as the Secretary deems necessary. Each such application shall—

"(1) provide that the activities and services for which assistance under this part is sought will be administered by or under the supervision of the applicant;

"(2)(A) in the case of assistance under subpart 2, set forth a program for carrying out the purposes described in section 195,

"(B) in the case of assistance under subpart 3, set forth a program for carrying out the purposes described in section 197, and

"(C) in the case of assistance under subpart 4, set forth a program for carrying out the purposes described in section 199;

"(3)(A) in the case of assistance under subpart 2, set forth a program of such size, scope, and design as will make a substantial contribution toward carrying out the purposes of this part;

"(4) in the case of assistance under subpart 3—

"(A) describe the capabilities of the applicant institution, including a listing of the vocational training or vocational education courses offered by that institution, together with appropriate accreditation by regional or national associations, if any, and approval by appropriate State agencies of the courses offered,

"(B) set forth the qualifications of the principal staff who will be responsible for the training program, and

"(C) contain a statement of the minimum qualifications of the persons to be enrolled in the training program, a description of the selection process for such persons, and the amounts of the fellowships or traineeships, if any, to be granted to persons so enrolled; and

"(5) in the case of assistance under subpart 4, set forth the qualifications of the staff who will be responsible for the program for which assistance is sought.

"(b) No grant or contract may be made under subpart 2 directly to a local educational agency or a postsecondary educational institution or a private vocational training institution or any other eligible agency or organization unless that agency, institution, or organization has submitted the application to the State board established under part B of this title, or in the case of a State that does not have such a board, the similar State agency, for comment and includes the comment of that board or agency with the application.

"APPLICATION APPROVAL BY THE COMMISSIONER

"SEC. 199B. (a) The Commissioner may approve an application for assistance under this part only if—

"(1) the application meets the requirements set forth in subsection (a) of the previous section;

"(2) in the case of an application submitted for assistance under subpart 2 to an agency, institution, or organization other than the State board established under part B of this title, the requirement of subsection (b) of the previous section is met;

"(3) in the case of an application submitted for assistance under subpart 3—

"(A) the Commissioner determines that bilingual vocational training or vocational education programs requiring the services of the persons to be trained have been or will be actually conducted in any State being served and that enrollees will be selected from or for such programs;

"(B) the Commissioner determines that the applicant institution actually has an ongoing vocational training program in the field for which persons are being trained; and that the applicant institution can provide instructors with adequate language capabilities in the language other than English to be used in the bilingual vocational training program for which the persons are being trained; and

"(4) in the case of an application submitted for assistance under subpart 2 or subpart 3, the Commissioner determines that the program is consistent with criteria established by him, where feasible, after consultation with the State board established under part B of this title, for achieving equitable distribution of assistance under the appropriate subpart within that State.

"(b) An amendment to an application shall, except as the Secretary may otherwise provide, be subject to approval in the same manner as the original application.".

(b) Clause (4) of section 6(b) of the Library Services and Construction Act is amended by inserting before the period at the end thereof a comma and the following: "and to programs and projects which serve areas with high concentrations of persons of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965, as amended)".

(c) The amendments made by this section shall be effective on and after July 1, 1974.

AMENDMENTS TO THE EMERGENCY SCHOOL AID ACT

SEC. 532. (a)(1) Section 704(a) of the Emergency School Aid Act (title VII of Public Law 92–318) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "for the period ending June 30, 1976".

(2) With respect to the fiscal year ending June 30, 1976, the authorization level for the Emergency School Aid Act shall, for the purposes of section 414 of the General Education Provisions Act be equal to the amount appropriated for the purposes of the Emergency School Aid Act for the fiscal year ending June 30, 1976.

(b)(1)(A) Section 704(b)(1) of the Emergency School Aid Act is amended by striking out "5 per centum" and inserting in lieu thereof "4 per centum".

(B) Section 704(b)(2) of such Act is amended by striking out "13 per centum" and inserting in lieu thereof "15 per centum."

(C) Section 705(a)(3) of such Act is amended by striking out "8 per centum" and inserting in lieu thereof "10 per centum".

(D) Section 713 of such Act is amended by striking out "1 per centum" and inserting in lieu thereof "2 per centum".

(2) The amendments made by this subsection shall be effective with respect to appropriations made for the purpose of the Emergency School Aid Act for fiscal years beginning after the enactment of this Act.

(c) Section 708(a) of such Act is hereby amended by the addition of the following subparagraph (3):

"(3) The Assistant Secretary is authorized to make grants to, and contracts with one or more private, nonprofit agencies, institutions, or organizations, for the conduct, in cooperation with one or more local education agencies, of special programs for the teaching of standard mathematics to children eligible for services under this Act through instruction in advanced mathematics by qualified instructors with bachelors degrees in mathematics, or the mathematical sciences from colleges or other institutions of higher education, or equivalent experience."

(d) Section 708(b) of such Act is amended by striking out "706(a)" both times it appears and inserting in lieu thereof "706" in each instance.

(e) Section 709(a)(3) of such Act is repealed.

AMENDMENTS RELATING TO INDIAN EDUCATION

SEC. 533. (a) Section 810(f) of the Elementary and Secondary Education Act of 1965 is amended by inserting after the third sentence the following new sentence: "The Commissioner shall not approve an application for a grant under subsection (b), (c), or (d) unless he is satisfied that such an application, to the extent consistent with the number of eligible children in the area to be served who are enrolled or employed in private nonprofit elementary and secondary schools whose needs are of the type which the program is intended to meet, makes provision for the participation of such children on an equitable basis.".

(b) Section 303(b) of the Act of September 30, 1950 (Public Law 874, Eighty first Congress), is amended by striking out "5 per centum" and inserting in lieu thereof "10 per centum".

(c) Part B of the Indian Education Act is amended by adding at the end thereof the following new sections:

"SPECIAL EDUCATIONAL TRAINING PROGRAMS FOR TEACHERS OF INDIAN CHILDREN

"SEC. 422. (a) The Commissioner is authorized to make grants to and enter into contracts with institutions of higher education, Indian organizations and Indian tribes for the purpose of preparing individuals for teaching or administering special programs and projects designed to meet the special educational needs of Indian children and to provide in-service training for persons teaching in such programs. Priority shall be given to Indian institutions and organizations. In carrying out his responsibilities under this section, the Commissioner is authorized to award fellowships and traineeships to individuals and to make grants to and to enter into contracts with institutions of higher education, Indian organizations and Indian tribes for cost of education allowances. In awarding fellowships and traineeships under this section, the Commissioner shall give preference to Indians.

"(b) In the case of traineeships and fellowships, the Commissioner is authorized to grant stipends to, and allowances for dependents of, persons receiving traineeships and fellowships.

"(c) There is authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1975, and for each of the three succeeding fiscal years to carry out the provisions of this section.

"FELLOWSHIPS FOR INDIAN STUDENTS

"SEC. 423. (a) During the fiscal year ending June 30, 1975, and each of the four succeeding fiscal years, the Commissioner is authorized to award not to exceed two hundred fellowships to be used for study in graduate and professional programs at institutions of higher learning. Such fellowships shall be awarded to Indian students in order to enable them to pursue a course of study of not less than three, nor more than four, academic years leading toward a professional or graduate degree in engineering, medicine, law, business, forestry and related fields. In addition to the fellowships authorized to be awarded in the first sentence of this subsection, the Commissioner is authorized to award a number of fellowships equal to the number previously awarded during any fiscal year under this subsection but vacated prior to the end of the period during which they were awarded, except that each fellowship so awarded shall be only for a period of study not in excess of the remainder of the period of time for which the fellowship it replaces was awarded, as the Commissioner may determine.

"(b) The Commissioner shall pay to persons awarded fellowships under this subsection such stipends (including such allowances for subsistence of such persons and their dependents as he may determine to be consistent with prevailing practices under comparable federally supported programs.

"(c) The Commissioner shall pay to the institution of higher education at which the holder of a fellowship under this subsection is pursuing a course of study, in lieu of tuition charged such holder, such amounts as the Commissioner may determine to cover the cost of education for the holder of such a fellowship.".

(d) The amendments made by this section shall be effective on and after July 1, 1974.

ASSISTANCE TO STATES FOR STATE EQUALIZATION PLANS

SEC. 534. (a)(1) Any State desiring to develop a plan for a program of financial assistance to local educational agencies in that State to assist such agencies in the provision of free public education may, upon application therefor, be reimbursed for the development of such a plan in accordance with the provisions of this section. Each plan developed pursuant to, or which meets the requirements of, this section shall be submitted to the Commissioner not later than July 1, 1977, and shall, subject to the provisions of this section, be consistent with the guidelines developed pursuant to paragraph (3). Such plan shall be designated to implement a program of State aid for free public education—

(A) which is consistent with such standards as may be required by the fourteenth article of amendment to the Constitution;

(B) which takes into consideration the extent to which local educational agencies serve areas of high concentrations of children from low-income families and heavily urbanized areas; and

(C) the primary purpose of which is to achieve equality of educational opportunity for all children in attendance at the schools of the local educational agencies of the State.

(2) The Commissioner shall develop guidelines defining the principles set forth in clauses (A), (B), and (C) of paragraph (1). Not later than April 1, 1975, the Commissioner shall publish such guidelines in the Federal Register and submit such guidelines to the President of the Senate and the Speaker of the House of Representatives.

(3) During the sixty-day period following such publication, the Commissioner shall provide interested parties with an opportunity to present views and make recommendations with respect to such guidelines. Not later than July 1, 1975, the Commissioner shall (A) republish such guidelines in the Federal Register, together with any amendments thereto as may be merited and (B) publish in the Federal Register a summary of the views and recommendations presented by interested parties under the preceding sentence, together with the comments of the Commissioner respecting such views and recommendations.

(4) (A) The guidelines published in accordance with paragraph (3), together with any amendments, shall, not later than July 1, 1975, be submitted to the President of the Senate and the Speaker of the House of Representatives. If either the Senate or the House of Representatives adopts, prior to December 1, 1975, a resolution of disapproval of such guidelines, the Commissioner shall, within fifteen days after the adoption of such resolution, publish new guidelines. Such new guidelines shall take into consideration such views and policies as may be made in connection with such resolution and shall become effective on December 1, 1975.

(B) A resolution of disapproval under this paragraph may be in the form of a resolution of either the Senate or the House of Representatives or such resolution may be in the form of a concurrent resolution of both Houses. If such a resolution of disapproval is in the form of a concurrent resolution, the new guidelines published in accordance with the second sentence of subparagraph (A) of this paragraph shall be consistent with such policies as may be established by such concurrent resolution.

(C) If each of the Houses adopts a separate resolution with respect to guidelines submitted in accordance with this paragraph for any year and in connection therewith makes policy statements which differ substantially, then such differences may be resolved by the adoption of a concurrent resolution by both Houses. Any such concurrent resolution shall be deemed to be adopted in accordance with subparagraph (B).

(b) Any State developing a plan pursuant to this section may reject any guidelines developed and published under subsection (a) of this section if such State, as a provision of its plan, states the reasons for each such rejection.

(c) (1) Each State that develops a plan under this section shall be reimbursed for the reasonable amounts expended by the State in the development of such a plan based upon the ratio of the population of that State to the population of all States except that no State shall receive less than $100,000 and no State shall receive more than $1,000,000.

(2) For the purposes of this section the term "State" means the fifty States.

EQUALIZATION INCENTIVE GRANTS TO STATES

SEC. 535. (a) The Congress finds that the Federal Government has an obligation to provide incentives for each State to assist them in equalizing the resources available within that State so that an opportunity to obtain an education appropriate to individual need will be available to all children regardless of their place of residence within the State. It is, therefore, the purpose of this section to provide financial assistance in the form of incentives to the States to encourage them to equalize educational opportunity.

(b) The Commissioner is authorized to make grants to States in accordance with the provisions of this section. Incentive grants received under this section may be used to improve the quality of elementary and secondary education among the local educational agencies within each State, in such areas as the State deems vital.

(c) (1) A State is eligible to receive a grant under this section only if the State educational agency provides assurance that—

(A) the quality of education provided to a child within that State is not the result of the wealth of the school district of the local educational agency in which the child attends school, but reflects the wealth of the State as a whole;

(B) amounts commensurate with their needs are expended on children with greater educational needs, including, but not limited to, educationally disadvantaged, gifted, talented, handicapped, and vocational education students; and

(C) amounts commensurate with the education costs are expended in local educational agencies within the State with greater costs, including costs attributable to sparsity of population, high density of population, and high living costs.

(2) The Commissioner is authorized to establish general guidelines for defining the principles set forth in clauses (A), (B), and (C) of section 534(a) (1) and in this subsection. No guidelines established under this paragraph shall be based upon a formula requiring a mathematical equality of educational expenditures among school districts.

(d) Any State desiring to receive a grant under this section shall submit an application to the Commissioner at such time, in such manner, and accompanied by such information as the Commissioner may reasonably require. Each such application shall—

(1) (A) describe the State equalization program that meets the requirements of subsection (c);

(B) describe, in the case of a State equalization program already in effect, a description of that program which meets the requirements of subsection (c);

(2) provide assurances that the State will make substantial progress to carry out the State equalization program;

(3) provide for making periodic reports to the Commissioner evaluating the effectiveness of the State equalization program assisted under this section and such other reports as the Commissioner may reasonably require to perform his functions under this section.

(e) The Commissioner shall approve an application which meets the requirements of subsection (d). The Commissioner shall not finally disapprove an application of a State except after reasonable notice and opportunity for a hearing to a State.

(f) Whenever the Commissioner, after reasonable notice and opportunity for a hearing to any State, finds that there is a failure to meet the requirements of this section, the Commissioner shall notify the State that further payments will not be made to the State until he is satisfied that the requirements have been met.

(g) Unless inconsistent with the purposes of this section, the General Education Provisions Act shall apply to the equalization incentive grant program authorized by this section.

(h) (1) There are authorized to be appropriated to carry out the provisions of this section $50,000,000 for the fiscal year ending June 30, 1976, $75,000,000 for the fiscal year ending June 30, 1977, and $100,000,000 for the fiscal year ending June 30, 1978.

(2) (A) No State may receive more than 10 per centum of the funds available for making grants under this section for any fiscal year. Funds appropriated to carry out the provisions of this section shall remain available for the succeeding fiscal year after the year in which they were appropriated.

(B) In making distributions under this section the Commissioner shall consider an equitable geographical distribution.

PROVISION RELATING TO SEX DISCRIMINATION

SEC. 536. (a) Section 901(a) of the Education Amendments of 1972 is amended by—

(1) striking out the word "and" at the end of paragraph (4) of such section;

(2) striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon and the word "and"; and

(3) adding at the end thereof the following new paragraph:

"(6) this section shall not apply to an intercollegiate athletic activity to the extent that such activity does or may provide gross receipts or donations to the institution necessary to support that activity."

(b) The Commissioner shall prepare and publish, not later than 30 days after the date of enactment of this Act, proposed regulations implementing the provisions of title IX of the Education Amendments of 1972 relating to the prohibition of sex discrimination in federally assisted education programs.

STUDY OF ATHLETIC INJURIES

SEC. 537. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") shall make a full and complete investigation and study to determine—

(1) the number of athletic injuries to, and deaths of, male and female students occurring in athletic competition between schools, in any practice session for such competition, and in any other school-related athletic activities for the twelve-month period beginning sixty days after the date of enactment of this Act;

(2) the number of athletic injuries and deaths occurring (for the twelve-month period under clause (1)) at each school with an athletic trainer or other medical or health professional personnel trained to prevent or treat such injuries and at each school without such personnel.

(b) Within fifty days after the date of enactment of this Act, the Secretary shall request each school to maintain appropriate records to enable it to compile information under subsection (a) and shall request such school to submit such information to the Secretary immediately after the twelve-month period beginning sixty days after the date of enactment of this Act. Not later than eighteen months after the date of enactment of this Act, the Secretary shall make a report to the Congress on the study required by subsection (a), together with such recommendations as he may deem appropriate. In such report, all information required under each paragraph of subsection

(a) shall be stated separately for the two groups of schools under clauses (1) and (2) of subsection (c), except that the information shall also be stated separately (and shall be excluded from the group under clause (2)) for institutions of higher education which provide either of the two-year programs described in section 801(E)(3) of the Elementary and Secondary Education Act of 1965.

(c) For the purposes of this section, the term "school" means (1) any secondary school or (2) any institution of higher education, as defined in section 801 of the Elementary and Secondary Education Act of 1965.

(d) There is authorized to be appropriated the sum of $75,000 to carry out the provisions of this section.

STUDY AND PILOT PROJECTS REGARDING SCHOOL SAFETY

SEC. 538. (a) The Commissioner shall carry out a continuing study during the period beginning upon the date of enactment of this Act and ending June 30, 1976, to determine—

(1) the frequency, seriousness, and incidence of crime in elementary and secondary schools in the States;

(2) the number and location of schools affected by crime;

(3) the per-pupil average incidence of crimes in elementary and secondary schools in urban, suburban, and rural schools located in all regions of the United States;

(4) the cost of replacement and repair of facilities, books, supplies, equipment, and other tangible objects seriously damaged or destroyed as the result of crime in such schools;

(5) the causes of crime in such schools; and

(6) the means by which crimes are attempted to be prevented in such schools and the means by which crimes may more effectively be prevented in such schools.

(b) The heads of all Federal agencies are directed to cooperate with the Commissioner in assisting the Commissioner in carrying out his responsibilities under this section.

(c) In order to enable the Commissioner to carry out his responsibilities under subsection (a), the Commissioner is authorized to make grants to, and contracts with, nonprofit public and private institutions, agencies, and organizations in order to conduct such surveys, research, and pilot projects as he determines necessary.

(d)(1) Not later than 120 days after the enactment of this Act the Commissioner shall submit an interim report on the progress of his activities under this section.

(2) Such interim report shall be followed by such succeeding interim reports to the Congress (not less often than every 180 days) on the progress of his activities under this section.

(3) Not later than December 31, 1976, the Commissioner shall submit to the Congress a final report on his studies, surveys, research, and pilot projects carried out under this section. Such final report shall include such recommendations as the Commissioner may deem appropriate to prevent crimes in elementary and secondary schools.

(e) Funds available to the Commissioner under section 400 of the General Education Provisions Act shall be available to enable the Commissioner to carry out his functions under this section. In addition, not to exceed $375,000 is authorized to be appropriated, without fiscal year limitation, for grants and contracts under subsection (c).

TITLE VI—EDUCATION OF THE HANDICAPPED

SHORT TITLE

SEC. 601. This title may be cited as the "Education of the Handicapped Amendments of 1973".

BUREAU FOR THE EDUCATION AND TRAINING OF THE HANDICAPPED

SEC. 602. (a) Section 603 of the Education of the Handicapped Act is amended by inserting "(a)" after "SEC. 603." and by adding at the end thereof the following new subsection:

"(b)(1) The Bureau established under subsection (a) shall be headed by a Deputy Commissioner of Education who shall be appointed by the Commissioner in the competitive service and who shall report directly to the Commissioner, be compensated at the rate specified for, and placed in, grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code.

"(2) In addition to such Deputy Commissioner, there shall be placed in such Bureau five positions for persons to assist the Deputy Commissioner in carrying out his duties, and such positions shall be placed in grade 16 of the General Schedule set forth in section 5332 of title 5, United States Code."

(b)(1) The positions created by subsection (b) of section 603 of the Education of the Handicapped Act shall be in addition to the number of positions placed in the appropriate grades under section 5108 of title 5, United States Code, and such positions shall be in addition to, and without prejudice against, the number of positions otherwise placed in the Office of Education under such section 5108 or under other law.

(2) The amendments made by subsection (a) shall become effective upon the enactment of this Act.

ADVISORY COMMITTEE

SEC. 603. (a) Section 604(b) of the Education of the Handicapped Act is amended by adding at the end thereof the following new sentence: "The Advisory Committee shall continue to exist until July 1, 1978.".

(b) Section 604 of such Act is amended by adding at the end thereof the following new subsection:

"(c) There are authorized to be appropriated for the purposes of this section $100,000 for the fiscal year ending June 30, 1974, and for each of the four succeeding fiscal years.".

STATE ENTITLEMENTS

SEC. 604. (a) Effective for fiscal year 1975 only, section 611 of the Education of the Handicapped Act is amended to read as follows:

"GRANTS TO STATES FOR EDUCATION OF HANDICAPPED CHILDREN

"(a) The Commissioner shall, in accordance with the provisions of this part, make payments to States for the purpose of assisting the States in the initiation, expansion, and improvement of programs and projects for the education of handicapped children at the preschool, elementary school, and secondary school levels in order to provide full educational opportunities to all handicapped children.

"(b)(1) Subject to the provisions of section 612, the maximum amount of the grant to which a State shall be entitled under this part shall be equal to—

"(A) the number of children in average daily attendance as determined by the Commissioner in the public elementary and secondary schools in that State in the most recent fiscal year for which satisfactory data are available;

multiplied by—

"(B) $15.

"(2) For the purpose of this subsection, the term 'State' does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(c)(1) The jurisdictions to which this subsection applies are the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(2) Each jurisdiction to which this subsection applies shall, for each fiscal year ending prior to July 1, 1978, be entitled to a grant in an amount equal to an amount determined by the Commissioner, in accordance with criteria established by regulations, needed to initiate, expand, or improve programs and projects for the education of handicapped children at the preschool, elementary school, and secondary school levels, in that jurisdiction, except that the aggregate of the amount to which such jurisdictions are so entitled for any fiscal year shall not exceed and amount equal to 2 per centum of the aggregate of the amounts to which all States are entitled under subsection (b) of this section for that fiscal year. If the aggregate of the amounts, determined by the Commissioner pursuant to the preceding sentence, to be so needed for any fiscal year exceeds an amount equal to such 2 per centum limitation, entitlement of each such jurisdiction shall be reduced proportionately until such aggregate does not exceed such 2 per centum limitation.

"(d) The Commissioner is authorized for each fiscal year ending prior to July 1, 1978, to make payments to the Secretary of the Interior according to the need for such assistance for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior and the terms upon which payments for such purposes shall be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part. The amount of such payment for any fiscal year shall not exceed 1 per centum of the aggregate amounts to which States are entitled under subsection (b) of this section for that fiscal year.".

(b) Effective for fiscal year 1975 only, section 612 of such Act is amended to read as follows:

"ALLOCATIONS OF APPROPRIATIONS

"SEC. 612. (a) Sums appropriated for any fiscal year ending prior to July 1, 1978, shall be made available to States and allocated to each State, on the basis of unsatisfied entitlements under section 611, in an amount equal to the amount it received from the appropriation for this part for the fiscal year 1974.

"(b) Any sums appropriated to carry out this part for any fiscal year which remain after allocations under subsection (a) of this section shall be made to States in accordance with entitlements created under section 611 (to the extent that such entitlements are unsatisfied) ratably reduced.

"(c) In the event that funds become available for making payments under this part for any fiscal year after allocations have been made under subsections (a) and (b) for that year the amounts reduced under subsection (b) shall be increased on the same basis as they were reduced.".

(c) Effective for fiscal year 1975 only, section 613(a) of such Act is amended by striking out "desires to receive grants" in the first sentence of such subsection and inserting in lieu thereof "is entitled to receive payments".

(d) Section 613(a) of such Act is further amended by (1) striking out the word "and" at the end of paragraph (10), (2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof a semicolon, and (3) by adding at the end thereof the following two paragraphs:

"(12)(A) establish a goal of providing the opportunity to free appropriate public education to all handicapped children, and (B) provide for a procedure to assure that funds expended under this part are used to accomplish the goal set forth in (A) of this paragraph and priority in the utilization of funds under this part will be given to handicapped children who are not receiving an education; and

"(13) provide procedures for insuring that handicapped children and their parents or guardians are guaranteed procedural safeguards in decisions regarding identification, evaluation and educational placement of handicapped children including, but not limited to (A)(i) prior notice to parents or guardian of the child when the local or State educational agency proposes to change the educational placement of the child, (ii) an opportunity for the parents or guardian to obtain an impartial due process hearing, examine all relevant records with respect to the classification or educational placement of the child, and obtain an independent educational evaluation of the child, (iii) procedures to protect the rights of the child when the parents or guardian are not known, unavailable or the child is a ward of the State, including the assignment of an individual (not to be an employee of the State or local educational agency involved in the education or care of children), to act as a surrogate for the parents or guardian, and (iv) provision to insure that the decisions rendered in the impartial due process hearing required by this paragraph shall be binding on all parties subject only to appropriate administrative or judicial appeal; and (B) procedures to insure that, to the maximum extent appropriate, handicapped children, including children in public or private institutions or other care facilities, are educated with children who are not handicapped, and that special classes, separate schooling, or other removal of handicapped children from the regular education environment occurs only when the nature or severity of the handicap is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily; and (C) procedures to insure that testing and evaluation materials and procedures utilized for the purposes of classification and placement of handicapped children will be selected and administered so as not to be racially or culturally discriminatory.".

(e)(1) Section 611(a) of the Education of the Handicapped Act is amended by inserting before the period the following: "in order to provide full educational opportunity to all handicapped children".

(2) Subsection (b) of section 611 of the Education of the Handicapped Act is amended to read as follows:

"(b) For the purpose of making grants under this part, there are authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1976, $110,000,000 for the fiscal year ending June 30, 1977, and $120,000,000 for the fiscal year ending June 30, 1978.".

(3) The amendment made by subsection (e) shall become effective and shall be deemed to have been enacted on July 1, 1975.

ADDITIONAL STATE PLAN REQUIREMENT

SEC. 605. (a)(1) Section 612(a)(2) of the Education of the Handicapped Act is amended by striking out "$200,000" and inserting in lieu thereof "$300,000".

(2) Section 612(a) of such Act is amended by inserting at the end thereof the following new paragraph:

"(3) Effective after June 30, 1973, no State shall, in any fiscal year, be required to expend amounts allotted pursuant to this section to carry out the provisions of paragraph (1) of section 613(b) unless that State receives an amount greater than the amount allotted to that State for the fiscal year ending June 30, 1973.".

(b) Section 613(a)(1) of such Act is amended by striking out "$100,000" and inserting in lieu thereof "$200,000".

(c)(1) Section 613 of such Act is amended by redesignating subsections (b), (c), and (d) of such section, and all references thereto, as subsections (c), (d), and (e), respectively, and by inserting after subsection (a) the following:

"(b)(1) Any State which desires to receive a grant under this part for any fiscal year beginning after June 30, 1975, shall submit to the Commissioner for approval by December 31, 1974, through its State educational agency an amendment to the State plan required under subsection (a), setting forth in detail the policies and procedures which the State will undertake in order to assure that—

"(A) all children residing in the State who are handicapped regardless of the severity of their handicap and who are in need of special education and related services are identified, located, and evaluated, including a practical method of determining which children are currently receiving needed special education and related services and which children are not currently receiving needed special education and related services;

"(B) the policies and procedures will be established in accordance with detailed criteria prescribed by the Commisisoner to protect the confidentiality of such data and information by the State;

"(C) there is established (i) a goal of providing full educational opportunity to all handicapped children, (ii) a detailed timetable for accomplishing such a goal, and (iii) a description of the kind and number of facilities, personnel, and services necessary throughout the State to meet such a goal; and

"(D) the amendment submitted by the State pursuant to this subsection shall be available to parents and other members of the general public at least thirty days prior to the date of submission of the amendment to the Commissioner.

For the purpose of this part, any amendment to the State plan required by this subsection and approved by the Commissioner shall be considered, after June 30, 1975, as a required portion of the State plan.

"(2) The requirement of paragraph (1) of this subsection shall not be effective with respect to any fiscal year in which the aggregate of the amounts allotted to the States for this part for that fiscal year is less than $45,000,000."

(2) Section 613(e)(1) of such Act (as redesignated by this section) is amended by striking out "subsection (c)" and inserting in lieu thereof "subsection (d)".

(d) The amendment made by subsections (a)(1) and (b) of this section shall be effective in any fiscal year for which the aggregate of the amounts allotted to the States for that fiscal year for carrying out part B of the Education of the Handicapped Act is $45,000,000 or more.

CENTERS AND SERVICES

SEC. 606. (a) Section 626 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 626. For the purpose of carrying out this part, there are authorized to be appropriated $37,000,000 for the fiscal year ending June 30, 1974, $53,000,000 for the fiscal year ending June 30, 1975, $70,000,000 for the fiscal year ending June 30, 1976, $77,000,000 for the fiscal year ending June 30, 1977, and $85,000,000 for the fiscal year ending June 30, 1978.".

(b) The amendment made by subsection (a) shall become effective and shall be deemed to have been enacted on July 1, 1973.

PERSONNEL TRAINING

SEC. 607. (a) Section 636 of the Education of the Handicapped Act is amended by striking out that part thereof which follows "this part", and inserting in lieu thereof "$40,500,000 for the fiscal year ending June 30, 1974, $45,500,000 for the fiscal year ending June 30, 1975, $50,500,000 for the fiscal year ending June 30, 1976, and $55,000,000 for the fiscal year ending June 30, 1977, and $60,000,000 for the fiscal year ending June 30, 1978.".

(b) The amendment made by subsection (a) shall become effective, and shall be deemed to have been enacted July 1, 1973.

RESEARCH

SEC. 608. (a) Section 644 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 644. For the purpose of carrying out this part, there are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1974, $14,000,000 for the fiscal year ending June 30, 1975, $18,000,000 for the fiscal year ending June 30, 1976, $20,000,000 for the fiscal year ending June 30, 1977, and $25,000,000 for the fiscal year ending June 30, 1978.".

(b) The amendment made by subsection (a) shall become effective, and shall be deemed to have been enacted on July 1, 1973.

INSTRUCTIONAL MEDIA

SEC. 609. (a)(1) That part of section 652(b) of the Education of the Handicapped Act which precedes clause (1) is amended by inserting "(either directly or by grants or contracts)" after "authorized".

(2) Section 654 of such Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 654. For the purposes of carrying out this part there are hereby authorized to be appropriated not to exceed $15,000,000 for the fiscal year ending June 30, 1974, $18,000,000 for the fiscal year ending June 30, 1975, and $22,000,000 for the fiscal year ending June 30, 1976, and for each succeeding fiscal year thereafter.".

(b) The amendments made by subsection (a) shall become effective, and shall be deemed to have been enacted on July 1, 1973.

SPECIFIC LEARNING DISABILITIES

SEC. 610. (a) Section 661(c) of the Education of the Handicapped Act is amended by striking out "$12,000,000" and all that follows down to but not including the period at the end of such section and inserting in lieu thereof the following: "$5,000,000 for the fiscal year ending June 30, 1974, $7,500,000 for the fiscal year ending June 30, 1975, $15,000,000 for the fiscal year ending June 30, 1976, $20,000,000 for the fiscal year ending June 30, 1977, and $25,000,000 for the fiscal year ending June 30, 1978.".

(b) The amendments made by subsection (a) shall become effective, and be deemed to have been enacted on July 1, 1973.

TITLE VII—NATIONAL READING IMPROVEMENT PROGRAM

STATEMENT OF PURPOSE

SEC. 701. It is the purpose of this title—

(1) to provide financial assistance to encourage State and local educational agencies to undertake demonstration projects to strengthen reading instruction programs in the elementary grades;

(2) to provide financial assistance for the development and enhancement of necessary skills of instructional and other educational staff for reading demonstration programs;

(3) to develop a means by which measurable objectives for reading demonstration programs can be established and progress toward such objectives assessed;

(4) to develop the capacity of preelementary school children for reading, and to establish and improve preelementary school programs in language arts and reading; and

(5) to provide financial assistance to promote literacy among youth and adults.

READING IMPROVEMENT DEMONSTRATION PROJECTS

SEC. 702. (a) (1) The Commissioner is authorized to contract with either State educational agencies or local educational agencies, or both, for the carrying out such agencies, in schools, having large numbers or a high percentage of children with reading deficiencies, of demonstration projects involving the use of innovative methods, systems, materials or programs which show promise of overcoming such reading deficiencies.

(2) The Commissioner is further authorized to contract with either State educational agencies, local educational agencies, or both, or with nonprofit educational or child care institutions, for carrying out by such agencies and institutions, in areas where such schools are located, of such demonstration projects, for preelementary school children. Such demonstration projects are to be instituted in kindergartens, nursery schools, or other preschool institutions.

(b) No contract may be entered into under this section, unless upon an application made to the Commissioner at such time, in such manner, and including or accompanied by such information as he may reasonably require. Each such application shall set forth a reading program which provides to—

(1) diagnostic testing designed to indentify preelementary and elementary school children with reading deficiencies, including the identification of conditions which, without appropriate other treatment, can be expected to impede or prevent children from learning to read;

(2) planning for and establishing comprehensive reading programs;

(3) reading instruction for elementary school pupils whose reading achievement is less than which would normally be expected for pupils of comparable ages and in comparable grades of school;

(4) preservice training programs for teaching personnel including teacher-aides and other ancillary educational personnel, and inservice training and development programs, where feasible, designed to enable such personnel to improve their ability to teach students to read;

(5) participation of the school faculty, school board members, administration, and student body in reading-related activities which stimulate an interest in reading and are conducive to the improvement of reading skills;

(6) parent participation in development and implementation of the program for which assistance is sought;

(7) school board participation in the development of State programs;

(8) periodic testing in programs for elementary school children on a sufficiently frequent basis to measure accurately reading achievement, and for programs for preelementary school children a test of reading proficiency at the conclusion, minimally, of the first-grade program into which the nursery and kindergarten programs are integrated;

(9) publication of test results on reading achievement by grade level, and where appropriate, by school, without identification of achievement of individual children;

(10) availability of test results on reading achievement on an individual basis to parents or guardians of any child being so tested;

(11) participation on an equitable basis by children enrolled in nonprofit private elementary schools in the area to be served (after consultation with the appropriate private school officials) to an extent consistent with the number of such children whose educational needs are of the kind the program is intended to meet;

(12) the use of bilingual education methods and techniques to the extent consistent with the number of elementary school-age children in the area served by a reading program who are of limited English-speaking ability;

(13) appropriate involvement of leaders of the cultural and educational resources of the area to be served, including institutions of higher education, nonprofit private schools, public and private nonprofit agencies such as libraries, museums, educational radio and television, and other cultural and education resources of the community;

(14) coordination and continuity for preelementary programs with respect to subsequent programs, so that a nursery school language arts and reading program shall be shown to lead into a kindergarden program which is integrally related to the nursery school program, and a kindergarten language arts and reading program shall be shown to lead into a first-grade program which is integrally related to the kindergarten program; and

(15) assessment, evaluation, and collection of information on individual children by teachers during each year of the preelementary program, to be made available for teachers in the subsequent year, in order that continuity for the individual child not be lost.

(c) Each such applicant, in addition to meeting the requirements of subsection (b), shall provide assurances that—

(1) appropriate measures have been taken by the agency to analyze the reasons why elementary school children are not reading at the appropriate grade level;

(2) the agency will develop a plan setting forth specific objectives which shall include the goals of having the children in project schools reading at the appropriate grade level at the end of grade three;

(3) whenever appropriate, sufficient measures will be taken to coordinate each preelementary reading program with the reading program of the educational agencies or institutions which such preelementary school children will be next in attendance; and

(4) the preelementary reading and language arts program will be carried out as part of a general learning environment.

(d) An application from a local educational agency under this section or other agency or institution making an application under paragraph (2) of section 702(a) may be approved only if the State educational agency of the State in which such local agency is located has been notified of the application and has been given a reasonable opportunity to offer recommendations with respect to the approval thereof.

(e) The Commissioner, in selecting projects under this section shall, to the extent feasible, attempt to secure an equitable distribution among urban and rural areas.

(f)(1) The Commissioner shall reserve not to exceed 3 per centum of the sums appropriated pursuant to section 712(a) for carrying out the provisions of this section for each fiscal year. From the sums reserved pursuant to this subsection, the Commissioner is authorized to make grants, on such terms and conditions as he deems necessary (exclusive of the requirement of subsection (d)), to State and local educational agencies to pay the Federal share of the cost of establishing and maintaining programs for the purchase of inexpensive books for distribution to individual elementary school children by gift, loan, or sale at a nominal price.

(2) For the purpose of this subsection the Federal share shall not exceed 50 per centum in any fiscal year except that, whenever the Commissioner determines that a State or local educational agency desiring to participate in the program under this subsection or an applicant under paragraph (2) of section 702(a) has insufficient resources and is unlikely to obtain sufficient resources to participate in such a program he may increase such Federal share to not to exceed 90 per centum of the cost of any such program.

SPECIAL EMPHASIS PROJECTS

SEC. 703. (a) The Commissioner is authorized to contract with local educational agencies for special emphasis projects to determine the effectiveness of intensive instruction by reading specialists and reading teachers. Each such project should provide for—

(1) the teaching of reading by a reading specialist for all children in the first and second grades of an elementary school and the teaching of reading by a reading specialist for elementary school children in grades three through six who have reading problems; and

(2) an intensive vacation reading program for elementary school children who are found to be reading below the appropriate grade level or who are experiencing problems in learning to read.

(b) No contract may be entered into under this section unless upon an application made to the Commissioner at such time, in such manner, and including or accompanied by such information as he may reasonably require. Each such application shall provide assurances that—

(1) the provisions of section 702(b) are met; and

(2) the State educational agency has certified that individuals employed as reading specialists and reading teachers meet the requirements of section 703 (e) and (f).

(c) No contract may be entered into under this section unless the project has been approved by the State educational agency.

(d) The Commissioner is authorized to enter into at least one arrangement with a local eduactional agency for a districtwide project conducted in all schools of such agencies. In selecting the districtwide project, the Commissioner shall give priority to an application from a local educational agency if the Commissioner finds that—

(1) the local educational agency will give credit for any course to be developed for reading teachers or reading specialists under section 704 and will encourage participation by the teachers of such agency in the training;

(2) the local public educational television station will present or distribute, in the event supplementary noncommercial telecommunication is utilized, any course to be developed under section 704 at an hour convenient for the viewing by elementary school teachers and, if possible, at a time convenient for such teachers to take the course, as a group, at the elementary school where they teach; and

(3) the local educational agency will make arrangements with the appropriate officials of institutions of higher education to obtain academic credit for the completion of such a course.

(e) In any project assisted under this section a reading teacher may be used in lieu of a reading specialist, if the Commissioner finds that the local educational agency participating in a reading emphasis project is unable to secure individuals who meet the requirements of a reading specialist and if such reading teacher is enrolled or will enroll in a program to become a reading specialist. A regular elementary teacher may be used in lieu of a reading teacher if the Commissioner finds that the local educational agency participating in a reading emphasis project is unable to secure individuals who meet the requirements of the reading teacher, and if such regular elementary teacher is enroll or will enroll in a program to become a reading teacher.

(f) For the purpose of this section and section 704 the term—

(1) "reading specialist" means an individual who has a master's degree, with a major or specialty in reading, from an accredited institution of higher education and has successfully completed three years of

teaching experience, which includes reading instruction, and

(2) "reading teacher" means an individual, with a bachelor's degree, who has successfully completed a minimum of twelve credit hours, or its equivalent, in courses of the teaching of reading at an accredited institution of higher education, and has successfully completed two years of teaching experience, which includes reading instruction.

READING TRAINING ON PUBLIC TELEVISION

SEC. 704. (a) The Commissioner is authorized, through grants or contracts, to enter into contractual arrangements with institutions of higher education, public or private agencies or organizations, and individuals for—

(1) the preparation, production, evaluation, and distribution for use on public educational television stations of courses for elementary school teachers who are or intend to become reading teachers or reading specialists; and

(2) the preparation and distribution of informational and study course material to be used in conjunction with any such course.

(b) In carrying out the provisions of this section the Commissioner shall consult with recognized authorities in the field of reading, specialists in the utilization of the communications media for educational purposes, and with the State and local educational agencies participating in demonstration projects under this title.

GRANTS FOR INSTITUTIONS OF HIGHER EDUCATION

SEC. 705. The Commissioner is authorized to make grants to institutions of higher education, or combinations of such institutions, upon application therefor, to assist such institution or institutions—

(1) in planning and implementing programs to strengthen and improve graduate and undergraduate instruction in the teaching of reading, including inservice training programs; and

(2) in planning, developing, and implementing cooperative programs with State and local educational agencies which show promise as effective measures for solving reading problems.

ESTABLISHMENT OF THE OFFICE FOR THE IMPROVEMENT OF READING PROGRAMS

SEC. 706. (a) There is established, in the Office of Education, an Office for the Improvement of Reading Programs which shall be responsible for—

(1) the administration of the programs authorized by this title;

(2) those programs presently administered under other provisions of law as the Commission determines to be appropriate; and

(3) the coordination of education programs provided in the following subsection.

(b) The Commissioner is authorized in accordance with the criteria and procedures established by regulation, to facilitate, at the State and local levels, coordination of the furnishing of services under—

(1) titles I, II, III, V, and VI of the Elementary and Secondary Education Act of 1965;

(2) section 222(a)(1) and (2) of the Economic Opportunity Act of 1964;

(3) the Adult Education Act;

(4) the Emergency School Aid Act;

(5) the Higher Education Act of 1965; and

(6) section 405 of the General Education Provisions Act;

which are related to the purposes of this title.

(c)(1) The Office shall be headed by a Director who shall be placed in grade 17 of the General Schedule set forth in section 5332 of title 5, United States Code.

(2) The position created by this subsection shall be in addition to the number of positions placed in the appropriate grade under section 5108 of title 5, United States Code.

ESTABLISHMENT OF THE READING IMPROVEMENT LABORATORY

SEC. 707. (a) Notwithstanding the second sentence of section 405(b)(1) of the General Education Provisions Act, the Director of the National Institute of Education is authorized and directed to designate an existing facility or establish a new facility to be known as the Reading Improvement Laboratory.

(b) The Director of the National Institute of Education, through the Institute and the Laboratory shall conduct or support research, demonstrations, and pilot projects in the field of reading and language development, including, but not limited to, the following—

(1) basic research in the reading, language, and communication process;

(2) the most effective methods for the teaching of reading;

(3) methods for the measuring of reading ability and achievement;

(4) the development of model undergraduate and graduate courses in reading for personnel preparing to engage in elementary teaching or for elementary teachers who are or intend to become reading teachers or reading specialists;

(5) the development of techniques for the diagnosis and correction of reading disabilities;

(6) the development of model reading programs for elementary school children generally and special model reading programs for elementary school children who are educationally disadvantaged or handicapped;

(7) the use and evaluation of educational technology in reading; and

(8) the evaluation of educational materials prepared for the teaching of reading.

STATE CERTIFICATION AGENCIES

SEC. 708. (a) The Commissioner shall carry out a program for making grants to State agencies responsible for certifying elementary and secondary education teachers to institute or upgrade reading certification requirements in the State to assure better preparation of teachers in the field of reading instruction.

(b) For the purpose of carrying out the provisions of this section more effectively, the Commissioner is authorized, upon request, to provide advice, counsel, and technical assistance to State accrediting agencies.

EVALUATION

SEC. 709. The Commissioner shall submit an evaluation report to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives not later than March 31, in each fiscal year ending prior to July 1, 1978. Each such report shall—

(1) contain a statement of specific and detailed objectives for the program assisted under the provisions of this title, and relate such objectives to the objectives of the Elementary and Secondary Education Act of 1965;

(2) include a statement of the effectiveness of the program in meeting the stated objectives, measured through the end of the preceding fiscal year;

(3) make recommendations with respect to any changes or additional legislation deemed necessary or desirable in carrying out the program;

(4) contain a list identifying the principal analyses and studies supporting the major conclusions and recommendations contained in the report; and

(5) contain an annual evaluation plan for the program through the ensuing fiscal year for which the budget was transmitted to Congress by the President, in accordance with section 201(a) of the Budget and Accounting Act, 1921.

ESTABLISHMENT OF THE PRESIDENTIAL AWARD FOR READING ACHIEVEMENT

SEC. 710. (a) In order to motivate and encourage elementary school children to improve their reading skills and to foster competence for excellence in reading among elementary schools, there is hereby established the Presidential Reading Achievement Award. Each such award shall consist of—

(1) an emblem to be presented to elementary school children for achievement in reading as determined pursuant to regulations established by the Commissioner, and

(2) a pennant, flag, or other appropriate recognition for elementary schools achieving reading excellence as determined pursuant to regulations established by the Commissioner.

(b) The reading awards authorized by this section shall be of such design and material and bear such description as the President may prescribe.

READING ACADEMIES

SEC. 711. (a) The Commissioner is authorized to make grants to and to enter into contracts with State and local educational agencies, institutions of higher education, community organizations and other nonprofit organizations, having the capacity to furnish reading assistance and instruction to youths and adults who do not otherwise receive such assistance and instruction.

(b) Grants made and contracts entered into under this section shall contain provisions to assure that such reading assistance and instruction will be provided in appropriate facilities to be known as "reading academies".

DEFINITIONS

SEC. 712. As used in this title—

(1) "Laboratory" means the Reading Improvement Laboratory established under this title; and

(2) "Institute" means the National Institute of Education.

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 713. (a) There are authorized to be appropriated to carry out the provisions of section 702, relating to reading improvement demonstration projects, $2,000,000 for the fiscal year ending June 30, 1975, $88,000,000 for the fiscal year ending June 30, 1976, and $93,000,000 each for the fiscal years ending June 30, 1977, and June 30, 1978. Of the sums authorized to be appropriated under this subsection, not less than $7,000,000 in the fiscal year ending June 30, 1975, and not less than $8,000,000 in each of the fiscal years ending June 30, 1976, and June 30, 1977, shall be available to carry out programs authorized under paragraph (2) of section 702(a).

(b) There are authorized to be appropriated to carry out the provisions of section 703, relating to reading special emphasis projects, $25,000,000 for the fiscal year ending June 30, 1975, $30,000,000 for the fiscal year ending June 30, 1976, and $40,000,000 each for the fiscal years ending June 30, 1977, and June 30, 1978.

(c) There are authorized to be appropriated for the purpose of carrying out section 704, relating to reading training on public television, $3,000,000 for the fiscal year ending June 30, 1975, sums appropriated pursuant to this section shall remain available for obligation and expenditure through the succeeding fiscal year.

(d) There are authorized to be appropriated to carry out the provisions of section 705, relating to grants for institutions of higher education, $35,000,000 for the fiscal year ending June 30, 1975, $40,000,000 for the fiscal year ending June 30, 1976, and $45,000,000 each for the fiscal years ending June 30, 1977, and June 30, 1978.

(e) There are authorized to be appropriated to carry out the provisions of section 707, relating to the Reading Improvement

Laboratory $10,000,000. Notwithstanding any other provision of law unless enacted in express limitation of this section, sums appropriated pursuant to this subsection shall remain available until expended.

(f) There are authorized to be appropriated to carry out the provisions of section 708, relating to State certification in the field of reading instruction, $2,500,000 for each of the fiscal years ending prior to July 1, 1978.

(g) There are authorized to be appropriated to carry out the provisions of section 710, relating to reading achievement awards, $10,000 for administrative expenses for each of the fiscal years ending prior to July 1, 1978.

(h) There is authorized to be appropriated to carry out the provisions of section 711, relating to reading academies, $10,000,000 for the fiscal year ending June 30, 1975, $15,000,000 for the fiscal year ending June 30, 1976, $20,000,000 for the fiscal year ending June 30, 1977, and $25,000,000 for the fiscal year ending June 30, 1978.

TITLE VIII—GENERAL PROVISIONS RELATING TO THE ASSIGNMENT OR TRANSPORTATION OF STUDENTS

PROHIBITION AGAINST ASSIGNMENT OR TRANSPORTATION OF STUDENTS TO OVERCOME RACIAL IMBALANCE

SEC. 801. No provision of this Act shall be construed to require the assignment or transportation of students or teachers in order to overcome racial imbalance.

PROHIBITION AGAINST USE OF APPROPRIATED FUNDS FOR BUSING

SEC. 802. (a) No funds appropriated for the purpose of carrying out any applicable program may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system, except on the express written voluntary request of appropriate local school officials. No such funds shall be made available for transportation when the time or distance is so great as to risk the health of the children or significantly impinge on the educational process of such children, or where the educational opportunities available at the school to which it is proposed that any such student be transported will be substantially inferior to those opportunities offered at the school to which such student would otherwise be assigned under a nondiscriminatory system of school assignments based on geographic zones established without discrimination on account of race, religion, color, or national origin.

(b) No officer, agent, or employee of the Department of Health, Education, and Welfare (including the Office of Education), the Department of Justice, or any other Federal agency shall, by rule, regulation, order, guideline, or otherwise, (1) urge, persuade, induce, or require any local education agency, or any private nonprofit agency, institution, or organization to use any funds derived from any State or local sources for any purpose, unless constitutionally required, for which Federal funds appropriated to carry out any applicable program may not be used, as provided in this section, or (2) condition the receipt of Federal funds under any Federal program upon any action by any State or local public officer or employee which would be prohibited by clause (1) on the part of a Federal officer or employee. No officer, agent, or employee of the Department of Health, Education, and Welfare (including the Office of Education) or any other Federal agency shall urge, persuade, induce, or require any local education agency to undertake transportation of any student where the time or distance of travel is so great as to risk the health of the child or significantly impinge on his or her educational process; or where the educational opportunities available at the school to which it is proposed that such student be transported will be substantially inferior to those offered at the school to which such student would otherwise be assigned under a nondiscriminatory system of school assignments based on geographic zones established without discrimination on account of race, religion, color, or national origin.

(c) An applicable program means a program to which the General Educational Provisions Act applies.

PROVISION RELATING TO COURT APPEALS

SEC. 803. Notwithstanding any other law or provision of law, in the case of any order on the part of any United States district court which requires the transfer or transportation of any student or students from any school attendance area prescribed by competent State or local authority for the purposes of achieving a balance among students with respect to race, sex, religion, or socioeconomic status, the effectiveness of such order shall be postponed until all appeals in connection with such order have been exhausted or, in the event no appeals are taken, until the time for such appeals has expired. This section shall expire at midnight on June 30, 1978.

PROVISION AUTHORIZING INTERVENTION IN COURT ORDERS

SEC. 804. A parent or guardian of a child, or parents or guardians of children similarly situated, transported to a public school in accordance with a court order, may seek to reopen or intervene in the further implementation of such court order, currently in effect, if the time or distance of travel is so great as to risk the health of the student or significantly impinge on his or her educational process.

PROVISION REQUIRING THAT RULES OF EVIDENCE BE UNIFORM

SEC. 805. The rules of evidence required to prove that State or local authorities are practicing racial discrimination in assigning students to public schools shall be uniform throughout the United States.

APPLICATION OF PROVISO OF SECTION 407(a) OF THE CIVIL RIGHTS ACT OF 1964 TO THE ENTIRE UNITED STATES

SEC. 806. The proviso of section 407(a) of the Civil Rights Act of 1964 providing in substance that no court or official of the United States shall be empowered to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance, or otherwise enlarge the existing power of the court to insure compliance with constitutional standards shall apply to all public school pupils and to every public school system, public school and public school board, as defined by title IV, under all circumstances and conditions and at all times in every State, district, territory, Commonwealth, or possession of the United States, regardless of whether the residence of such public school pupils or the principal offices of such public school system, public school or public school board is situated in the northern, eastern, western, or southern part of the United States.

PRIORITY OF REMEDIES

SEC. 807. (a) Notwithstanding any other provision of law, after June 30, 1974, no court of the United States shall order the implementation of any plan to remedy a finding of de jure segregation which involves the transportation of students, unless the court first finds that all alternative remedies are inadequate.

(b) Before implementing any plan proposed by a local education agency to remedy a judicial determination of de jure segregation, the court shall find that such plan minimizes the transportation of students.

REMEDIES WITH RESPECT TO SCHOOL DISTRICT LINES

SEC. 808. In the formulation of remedies under this title the lines drawn by a State subdividing its territory into separate school districts, shall not be ignored or altered except where it is established that the lines were drawn, or maintained or crossed for the purpose, and had the effect of segregating children among public schools on the basis of race, color, sex, or national origin, or where it is established that, as a result of discriminatory actions within the school districts, the lines have had the effect of segregating children among public schools on the basis of race, color, sex, or national origin.

PROHIBITION OF FORCED BUSING DURING SCHOOL YEAR

SEC. 809. (a) The Congress finds that—

(1) the forced transportation of elementary and secondary school students in implementation of the constitutional requirement for the desegregation of such schools is controversial and difficult under the best planning and administration; and

(2) the forced transportation of elementary and secondary school students after the commencement of an academic school year is educationally unsound and administratively inefficient.

(b) Notwithstanding any other provisions of law, no order of a court, department, or agency of the United States, requiring the transportation of any student incident to the transfer of that student from one elementary or secondary school to another such school in a local educational agency pursuant to a plan requiring such transportation for the racial desegregation of any school in that agency, shall be effective until the beginning of an academic school year.

(c) For the purpose of this section, the term "academic school year" means, pursuant to regulations promulgated by the Commissioner of Education, the customary beginning of classes for the school year at an elementary or secondary school of a local educational agency for a school year that occurs not more often than once in any twelve-month period.

(d) The provisions of this section apply to any order which was not implemented at the beginning of the 1974–1975 academic year.

REASONABLE TIME FOR DEVELOPING VOLUNTARY PLAN FOR DESEGREGATING SCHOOLS

SEC. 810. Notwithstanding any other law or provision of law, no court or officer of the United States shall enter, as a remedy for a denial of equal educational opportunity or a denial of equal protection of the laws, any order for enforcement of a plan of desegregation or modification of a court-approved plan, until such time as the local educational agency to be affected by such order has been provided notice of the details of the violation and given a reasonable time, to be determined by the Secretary, to develop a voluntary remedial plan. Such time shall permit the local educational agency sufficient opportunity for community participation in the development of a remedial plan.

TITLE IX—EQUAL EDUCATIONAL OPPORTUNITIES

SHORT TITLE

SEC. 901. This title may be cited as the "Equal Educational Opportunities Act of 1974".

PART A—POLICY AND PURPOSE

DECLARATION OF POLICY

SEC. 902. (a) The Congress declares it to be the policy of the United States that—

(1) all children enrolled in public schools are entitled to equal educational opportunity without regard to race, color, sex, or national origin; and

(2) the neighborhood is the appropriate basis for determining public school assignments.

(b) In order to carry out this policy, it is the purpose of this Act to specify appropriate remedies for the orderly removal of the vestiges of the dual school system. The provisions of this title and Title VIII are not intended to modify or diminish the authority of the courts of the United States to enforce fully the fifth and fourteenth amendments to the United States Constitution.

FINDINGS

SEC. 903. (a) The Congress finds that—

(1) the maintenance of dual school systems in which students are assigned to schools solely on the basis of race, color, sex, or national origin denies to those students the equal protection of the laws guaranteed by the fourteenth amendment;

(2) for the purpose of abolishing dual schools solely on the basis of race, color, sex, thereof, many local educational agencies have been required to reorganize their school systems, to reassign students, and to engage in the extensive transportation of students;

(3) the implementation of desegregation plans that require extensive student transportation has, in many cases, required local educational agencies to expend large amounts of funds, thereby depleting their financial resources available for the maintenance or improvement of the quality of educational facilities and instruction provided;

(4) transportation of students which creates serious risks to their health and safety, disrupts the educational process carried out with respect to such students, and impinges significantly on their educational opportunity, is excessive;

(5) the risks and harms created by excessive transportation are particularly great for children enrolled in the first six grades; and

(6) the guidelines provided by the courts for fashioning remedies to dismantle dual school systems have been, as the Supreme Court of the United States has said, "incomplete and imperfect", and have not established a clear, rational, and uniform standard for determining the extent to which a local educational agency is required to reassign and transport its students in order to eliminate the vestiges of a dual school system.

(b) For the foregoing reasons, it is necessary and proper that the Congress, pursuant to the powers granted to it by the Constitution of the United States, specify appropriate remedies for the elimination of the vestiges of dual school systems, except to the extent such specification is inconsistent with the requirements of the fifth and fourteenth amendments to the United States Constitution regarding the elimination of such vestiges of dual school systems.

PART B—UNLAWFUL PRACTICES

DENIAL OF EQUAL EDUCATIONAL OPPORTUNITY

SEC. 904. No State shall deny equal educational opportunity to an individual on account of his or her race, color, sex, or national origin, by—

(a) the deliberate segregation by an educational agency of students on the basis of race, color, or national origin among or within schools;

(b) the failure of an educational agency which has formerly practiced such deliberate segregation to take affirmative steps, consistent with part D of this title, to remove the vestiges of a dual school system;

(c) the assignment by an educational agency of a student to a school, other than the one closest to his or her place of residence within the school district in which he or she resides, if the assignment results in a greater degree of segregation of students on the basis of race, color, sex, or national origin among the schools of such agency than would result if such student were assigned to the school closest to his or her place of residence within the school district of such agency of providing the appropriate grade level and type of education for such student;

(d) discrimination by an educational agency on the basis of race, color, or national origin in the employment, employment conditions, or assignment to schools of its faculty or staff, except to fulfill the purposes of subsection (f) below;

(e) the transfer by an educational agency, whether voluntary or otherwise, of a student from one school to another if the purpose and effect of such transfer is to increase segregation of students on the basis of race, color, or national origin among the schools of such agency; or

(f) the failure by an educational agency to take appropriate action to overcome language barriers that impede equal participation by its students in its instruction programs.

BALANCE NOT REQUIRED

"SEC. 905. The failure of an educational agency to attain a balance, on the basis of race, color, sex, or national origin, of students among its schools shall not constitute a denial of equal educational opportunity, or equal protection of the laws.

ASSIGNMENT ON NEIGHBORHOOD BASIS NOT A DENIAL OF EQUAL EDUCATIONAL OPPORTUNITY

SEC. 906. Subject to the other provisions of this title, the assignment by an educational agency of a student to the school nearest his place of residence which provides the appropriate grade level and type of education for such student is not a denial of equal educational opportunity or of equal protection of the laws unless such assignment is for the purpose of segregating students on the basis of race, color, sex, or national origin, or the school to which such student is assigned was located on its site for the purpose of segregating students on such basis.

PART C—ENFORCEMENT

CIVIL ACTIONS

SEC. 907. An individual denied an equal educational opportunity, as defined by this title, may constitute a civil action in an appropriate district court of the United States against such parties, and for such relief, as may be appropriate. The Attorney General of the United States (hereinafter in this title referred to as the "Attorney General"), for or in the name of the United States, may also institute such a civil action on behalf of such an individual.

EFFECT OF CERTAIN POPULATION CHANGES ON CIVIL ACTIONS

SEC. 908. When a court of competent jurisdiction determines that a school system is desegregated, or that it meets the constitutional requirements, or that it is a unitary system, or that it has no vestiges of a dual system, and thereafter residential shifts in population occur which result in school population changes in any school within such a desegregated school system, such school population changes so occurring shall not, per se, constitute a cause for civil action for a new plan of desegregation or for modification of the court approved plan.

JURISDICTION BY THE ATTORNEY GENERAL

SEC. 909. The appropriate district court of the United States shall have and exercise jurisdiction of proceedings instituted under section 907.

INTERVENTION BY ATTORNEY GENERAL

SEC. 910. Whenever a civil action is instituted under section 907 by an individual, the Attorney General may intervene in such action upon timely application.

SUITS BY THE ATTORNEY GENERAL

SEC. 911. The Attorney General shall not institute a civil action under section 907 before he—

(a) gives to the appropriate educational agency notice of the condition or conditions which, in his judgment, constitute a violation of part B of this title; and

(b) certifies to the appropriate district court of the United States that he is satisfied that such educational agency has not, within a reasonable time after such notice, undertaken appropriate action.

ATTORNEYS' FEES

SEC. 912. In any civil action instituted under this Act, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorneys' fee as part of the costs, and the United States shall be liable for costs to the same extent as a private person.

PART D—REMEDIES

FORMULATING REMEDIES; APPLICABILITY

SEC. 913. In formulating a remedy for a denial of educational opportunity or a denial of the equal protection of the laws, a court, department, or agency of the United States shall seek or impose only such remedies as are essential to correct particular denials of equal educational opportunity or equal protection of the laws.

PRIORITY OF REMEDIES

SEC. 914. In formulating a remedy for a denial of equal educational opportunity or a denial of the equal protection of the laws, which may involve directly or indirectly the transportation of students, a court, department, or agency of the United States shall consider and make specific findings of the efficacy in correcting such denial of the following remedies and shall require implementation of the first of the remedies set out below, or of the first combination thereof which would remedy such denial;

(a) assigning students to the schools closest to their places of residence which provide the appropriate grade level and type of education for such students, taking into account school capacities and natural physical barriers;

(b) assigning students to the schools closest to their places of residence which provide the appropriate grade level and type of education for such students, taking into account only school capacities;

(c) permitting students to transfer from a school in which a majority of the students are of their race, color, or national origin to a school in which a minority of the students are of their race, color, or national origin;

(d) the creation or revision of attendance zones or grade structures without requiring transportation beyond that described in section 915;

(e) the construction of new schools or the closing of inferior schools;

(f) the construction or establishment of magnet schools; or

(g) the development and implementation of any other plan which is educationally sound and administratively feasible, subject to the provisions of sections 915 and 916 of this title.

TRANSPORTATION OF STUDENTS

SEC. 915. (a) No court, department, or agency of the United States shall, pursuant to section 914, order the implementation of a plan that would require the transportation of any student to a school other than the school closest or next closest to his place of residence which provides the appropriate grade level and type of education for such student.

(b) No court, department, or agency of the United States shall require directly or indirectly the transportation of any student if such transportation poses a risk to the health of such student or constitutes a significant impingement on the educational process with respect to such student.

(c) When a court of competent jurisdiction determines that a school system is desegregated, or that it meets the constitutional requirements, or that it is a unitary system, or that it has no vestiges of a dual system, and thereafter residential shifts in population occur which result in school population changes in any school within such a desegregated school system, no educational agency because of such shifts shall be required by any court, department, or agency of the United States to formulate, or implement any new desegregation plan, or modify or implement any modification of the court approved desegregation plan, which would require transportation of students to compensate wholly or in part for such shifts in school population so occurring.

DISTRICT LINES

SEC. 916. In the formulation of remedies under section 913 or 914 of this title the lines drawn by a State, subdividing its territory into separate school districts, shall not be ignored or altered except where it is established that the lines were drawn for the purpose, and had the effect, of segregating children among public schools on the basis of race, color, sex, or national origin.

VOLUNTARY ADOPTION OF REMEDIES

SEC. 917. Nothing in this title prohibits an educational agency from proposing, adopting, requiring, or implementing any plan of desegregation, otherwise lawful, that is at variance with the standards set out in this title, nor shall any court, department, or agency of the United States be prohibited from approving implementation of a plan which goes beyond what can be required under this title, if such plan is voluntarily proposed by the appropriate educational agency.

PART E—DEFINITIONS

DEFINITIONS

SEC. 918. For the purposes of this title—

(a) the term "educational agency" means a local educational agency or a "State educational agency" as defined by section 391 (k) of the Elementary and Secondary Education Act of 1965;

(b) the term "local educational agency" means a local educational agency as defined by section 801(f) of the Elementary and Secondary Education Act of 1965;

(c) the term "segregation" means the operation of a school system in which students are wholly or substantially separated among the schools of an educational agency on the basis of race, color, sex, or national origin or within a school on the basis of race, color, or national origin;

(d) the term "desegregation" means desegregation as defined by section 401(b) of the Civil Rights Act of 1964; and

(e) an educational agency shall be deemed to transport a student if any part of the cost of such student's transportation is paid by such agency.

PART F—MISCELLANEOUS PROVISIONS

REPEALER

SEC. 919. Section 709(a)(3) of the Emergency School Aid Act is hereby repealed.

SEPARABILITY OF POWERS

SEC. 920. If any provision of this title or of any amendment made by this title, or the application of any such provision to any person or circumstance, is held invalid, the remainder of the provisions of this title and of the amendments made by this title and the application of such provision to other persons or circumstances shall not be affected.

TITLE X—PROVISION WITH RESPECT TO CERTAIN FEES

LIMITATION ON ATTORNEY'S FEES

SEC. 1001. Notwithstanding any other provision of this Act, the prevailing party in any civil action brought under this Act may not be allowed attorney's fees as part of the costs of any such action.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that S. 1539 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, after several days of debate, the education bill was acted on by the Senate today. During that debate, there were a number of amendments on forced busing.

I consistently voted for amendments that would prohibit the forced busing of schoolchildren merely to achieve an arbitrary racial balance in the classroom.

Forced busing of school children does not improve education and is adamantly opposed by parents of all races. The money spent for the forced busing of schoolchildren would be better spent for increased teachers' salaries and improved educational facilities.

Moreover, the forced busing of schoolchildren puts a severe drain on our limited gasoline supplies.

Our first consideration ought always to be our children. For that reason, I will continue to oppose the unwise practice of forced busing of schoolchildren.

TRIBUTE TO SENATOR PELL, SENATOR JAVITS AND OTHER SENATORS

Mr. MANSFIELD. Mr. President I rise to pay tribute to the Senator from Rhode Island (Mr. PELL). During the past week or more the Senate has witnessed Senator PELL's handling of this vitally important measure, the extension of the elementary and secondary education programs. He performed the task with outstanding skill, and it hardly needs saying that among the Members of this body, Senator PELL applies the diligence and competence that has made his record exemplary. His long hard work and that of his subcommittee, has earned him our deepest gratitude. The Nation is in his debt.

Joining him on aiding in our understanding of this complex measure was the highly competent ranking members of the Senate Labor and Public Welfare Committee, the senior Senator from New York (Mr. JAVITS), Senator JAVITS, like Senator PELL, has served his Nation with great distinction. He, too, is a legislator who ranks among the outstanding.

Among other Senators exhibiting strong and sincere views on the education measure were two additional members of the Senator Labor and Public Welfare Committee—its chairman, Senator WILLIAMS, and Senator DOMINICK. Both Senators distinguished this body by making outstanding contributions to the discussion.

Senator MCCLELLAN, Senator BENTSEN, Senator GURNEY and many other Senators also deserve special recognition for their contributions on this measure. We are indebted for the cooperation too, demonstrated by all Members. It enabled the Senate to act with great efficiency on this most significant proposal.

Mr. JAVITS. Mr. President, a very, very monumental bill has just passed after a week's debate. Notwithstanding all of the furor which preceded it, it is truly an education bill and not a busing bill, which is what we tried so hard to avoid.

In summing up what happened in the last weeks of arduous debate, with its give and take, tribute is due, first and foremost, to the Senator from Rhode Island (Mr. PELL), chairman of the Education Subcommittee, who, for 2 years or more worked on this measure and who has had the enormous satisfaction, as the principal manager on the part of the majority, to guide it to final passage here on the floor.

We all owe him a deep debt of gratitude. So do all the friends of education, and indeed all the people of the United States.

We also owe a debt of gratitude to our chairman, the Senator from New Jersey (Mr. WILLIAMS), and the other members of the Education Subcommittee, who worked so diligently to bring this legislation to the floor after many, many hearings and much consideration in the subcommittee, in a great exercise of cooperation and nonpartisanship.

I would particularly like to pay my thanks, on the minority side, to Senators SCHWEIKER, BEALL, and STAFFORD, minority members of the Education Subcommittee. Very special mention should be made of the Senator from Colorado (Mr. DOMINICK) for his diligence, for his very profound knowledge of the subject, for his host of contributions to the measure itself, and especially for the sense of responsibility which he has carried as one of the really true friends of education in this country, a role of which the people of Colorado may be extremely proud.

I would like to single out Charles Cooke, the Deputy Assistant Secretary of HEW for Legislation, who convincingly and competently represented the administration's views on a myriad of issues which had come before us.

Mrs. Tish Buselle, who directed the statistical work at the Library of Congress merits very special recognition for the many tables prepared for the committee.

Finally, my thanks to the committee staff: On the majority side, working for the Education Subcommittee, under the direction of Counsel Steve Wexler, who advised with the chairman of our subcommittee continuously, was Richard Smith and Mrs. Jean Frohlicher. We on the minority side are deeply indebted to them, and I feel the country is as well. Mrs. Frohlicher is a gifted attorney formerly with the Office of Education, whose knowledge of the intricacies of Federal education programs was invaluable.

Also on the full committee staff, Nik Edes and Lisa Walker were most helpful.

On the minority side, my own assistant and the minority staff director, Roy Millenson, who has been associated with me for several decades now when I was in the House and the Senate, with some years of exception when he was engaged in other matters—an extraordinary man with extraordinary knowledge on this subject—was of tremendous help to us, ably assisted by David Dunn, the minority's research assistant, and Miss Barbara Lippa, an intern and a constituent of mine from Rochester. Also John Adair and Nick Maravel of the staff of the Senator from Colorado (Mr. DOMINICK), were most helpful to us and to the ranking minority member of the committee.

Finally, we owe a great deal to the leadership for their patience and cooperation so that we could consider this legislation in an orderly manner.

Again I want to pay my tribute to the Senator from West Virginia (Mr. ROBERT C. BYRD) for a fabulous fashioning of the unanimous consent. I think it will rank with the most complicated ever entered into here, and it all went off without a hitch, in time, and without any Senator appealing from any ruling. It is a record achievement.

Mr. ROBERT C. BYRD. The Senator is overly generous. I want to express my appreciation to the Senator from Rhode Island (Mr. PELL.) and other Senators who have played a leading part in the management of this bill for their usual cooperation, patience, courtesy, and understanding.

Mr. PELL. Mr. President, I would like to thank tremendously my colleagues who helped in the passage of this bill: The senior Senator from New York, who has been my partner in so many of these ventures; the senior Senator from Colorado, who has worked with no thought of partisanship and with the idea of trying to get the best education bill worked together.

I add my words of congratulation to the majority whip, who did a fabulous job of keeping us on course. We had the prospect of 7 or 8 weeks, which he lowered to 6 or 7 days. Three years from now, when we go through this mill again, perhaps he will be able to get it down again.

As we finish debate on S. 1539, I would like to make one or two observations.

First, I commend the Senate for the debate itself. As chairman of the Subcommittee on Education, I have brought before the Senate two other major omnibus bills, in addition to many minor single-purpose measures, and this is the first time that issues other that busing have been discussed at length on the Senate floor. The discussion on the title I formula was a healthy one. It pointed out the differences in views in the Senate, differences which are unfortunately regional in nature and which indicate a need for a realistic poverty measure, one which would reflect the regional cost-of-living differences in our country. The various amendments accepted on the Senate floor generated a debate of substantive interest, which has been lacking in previous sessions. Our work on the so-called Better Schools Act brought to the floor an issue which has been discussed by many people for many years, categorical vs. the broad, generalized revenue sharing approach, and the Senate's action has very clearly indicated what the majority view on that question is.

A bill is not the product of one person or of one subcommittee. I believe our debate on the floor allows me to take into conference a measure which will have the input of many Senators outside the subcommittee, as well as those members of the subcommittee who took leadership roles.

I should like to thank our chairman, Senator WILLIAMS, whose support of timely movement of the bill through the committee was invaluable and who added immensely to the content of the bill.

The junior Senator from Maine (Mr. HATHAWAY) was a strong right arm during this long debate on the bill. He was always ready to assist in debate and take the chair when I was called away from the floor. To him goes my warmest gratitude.

I would like to personally thank the senior Senator from Colorado and ranking minority member of the subcommittee on Education (Mr. DOMINICK). My thanks go not only to his invaluable assistance on the pending measure, but also to his cooperative attitude over the past 5 years during which I have been chairman of the Education Subcommittee. While the Senator and I have disagreed in the Senate on some basic philosophical issues, there has never been a disagreement on the philosophy that the Federal Government should be of the greatest assistance it can to insure a quality education for all Americans. The Senator has been a leader in bilingual education, Indian education, and in securing greater Federal assistance to students attending institutions of postsecondary education. PETER DOMINICK's foresight and leadership have been instrumental in enacting three landmark education bills in 5 years. He has my professional esteem and personal gratitude.

My esteem for the senior Senator from New York and ranking minority member of the Committee on Labor and Public Welfare (Mr. JAVITS) knows no bounds. He has been tireless in his efforts to further the Federal role in education, and his assistance and advice have been that of a true and close friend. I have been proud and glad to have been his partner in many legislative undertakings and look forward to continuing this partnership over the years ahead.

I believe that special note should be taken by the Senate of the role of the Library of Congress during this year's development of and debate on the elementary and secondary education legislation.

About a year ago, at my direction, the Library was contacted to see if they could provide some computer capability for the subcommittee, since, up until that time, we were relying on the Department of HEW for statistical information, and that information always seemed to come dependent upon whether it would aid or detract from the Department's position. Working under the direction of Miss Helen Miller, Mrs. Tish Busselle and Mr. David Osman of the Education and Public Welfare Division of the Congressional Research Service, developed a computer capability in less time than the Department of HEW told us that they could plan for it. Their figures became so universally trusted that even those people who have direct access to the Department of HEW are now using the Library of Congress as a source. Mrs. Bouselle and Mr. Osman have spent long hours, nights, and weekends to develop charts and other statistical data for our use both in Committee and on the Senate floor. Their services have been utilized by other Members as well. The Library and personnel mentioned deserve the special thanks of the Senate.

Mr. President, I would like to thank Blair Crownover, Esq., of the Office of Legislative Counsel, whose timely advice was invaluable.

Finally, I should like to thank the majority whip. His mastery of the floor and patience as we worked through the bill was of invaluable assistance.

Mr. President, I must praise tremendously the work of the education staff of the Subcommittee on Education. The subcommittee's general counsel, Stephen J. Wexler, has carried out his responsibilities with unceasing care and thoughtfulness so that we could be prepared for all contingencies and has done an excellent job for all the members of the subcommittee in giving them all the information that they needed. Sitting at my side, he supported me throughout and gave me the specific details that I have needed in the course of this bill. All told, he has been an immense help.

I must also praise Richard Smith for the tremendous knowledge, care, and thoughtfulness he has used in helping draft this bill. And, Ms. Jean Frolicher for the excellent job she has done in preparing various tables and formulas that are so necessary in the outcome of the successful bill.

All told, no Senator could have a better or finer staff than, I believe, is the staff of the Education Subcommittee.

I would also praise the counsel for the minority, Roy Millenson, who has made many positive and fine contributions to this bill as it has moved along its legislative course.

Mr. DOMINICK. Mr. President, I would be churlish if I did not recognize publicly the enormous contributions that the chairman of the subcommittee (Mr. PELL) and also the Senator from New York (Mr. JAVITS) have given to this bill.

The Senator from New York, among other things, was the author of the "basket" provision in the Special Projects Act, which may be the best provision in the bill, which gives us a chance to review all these programs and determine whether to go ahead.

I cannot overestimate, and never will, the great help given us by Steve Wexler, Roy Millenson, and John Adair have given to me and to the committee.

Mr. KENNEDY. Mr. President, I want to commend the chairman, Senator PELL, for his leadership in managing the review, hearings, drafting, and final debate on the Elementary and Secondary Education Amendments of 1974.

It was an enormously difficult task and one which he completed in a way that benefits the Nation's schoolchildren and improves the quality of education in America.

I believe the final product we have arrived at today represents a vital continuation of the Federal Government's role in assisting in the provision of quality education to the Nation's schoolchildren.

While there are changes which have occurred on the floor that I regret and which I opposed, including additional language seeking to narrow the Federal Government's role in desegregation and a new formula for the distribution of title I funds which I believe is less equitable than the original formula of the committee, I believe the bill still moves us closer to our national goal of improving the educational process.

The bill extends through fiscal year 1978 all programs authorized by the Elementary and Secondary Education Act of 1965. In addition, it contains major improvements in existing provisions, including title I, adult education, vocational education, and impact aid and major innovations in bilingual education, removing illiteracy, educating handicapped children, gifted and talented children and Indian children and in community education and career education.

S. 1539 also creates a National Center for Education Statistics and extends and expands the Emergency School Aid Act. In addition, it authorizes the convening of a White House Conference on Education in 1977.

Finally, the bill provides substantial consolidation of existing programs, particularly designed to reduce the redtape and duplication of applications which have put such heavy burdens on many smaller school districts. The other consolidations which include increasing the discretion of the Secretary with regard to new funds will require an extremely close oversight. I am particularly concerned and intend to watch closely to see that such successful programs as title III, ESEA which has promoted innovative programs in my State and many others, are continued and expanded.

Perhaps my greatest dissatisfaction with the bill is its limitation on appropriations since I believe that the level of authorization contained in this measure is fully justified.

However, I believe that the bill contains substantial improvement over existing programs and therefore I am pleased that the Senate has indicated its overwhelming approval of the continued commitment of the Federal Government to assuring quality education in Americans.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after Mr. BARTLETT is recognized, the four Senators who will enter into the colloquy, to which I alluded earlier today, be as follows: Mr. HARTKE, Mr. THURMOND, Mr. ROTH, and Mr. BEALL; and that following the recognition of those Senators, and the consummation of the orders, Mr. WEICKER be recognized for not to exceed 15 minutes before the Chair recognizes me for the order previously entered.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the orders for the recognition of Senators on tomorrow, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF TITLE 38, UNITED STATES CODE

Mr. HARTKE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3072.

The PRESIDING OFFICER (Mr. STEVENSON) laid before the Senate the amendment of the House of Representatives to the bill (S. 3072) to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes which was to strike out all after the enacting clause, and insert:

That (a) section 314 of title 38, United States Code, is amended—

(1) by striking out "$28" in subsection (a) and inserting in lieu thereof "$31";

(2) by striking out "$51" in subsection (b) and inserting in lieu thereof "$57";

(3) by striking out "$77" in subsection (c) and inserting in lieu thereof "$86";

(4) by striking out "$106" in subsection (d) and inserting in lieu thereof "$122";

(5) by striking out "$149" in subsection (e) and inserting in lieu thereof "$171";

(6) by striking out "$179" in subsection (f) and inserting in lieu thereof "$211";

(7) by striking out "$212" in subsection (g) and inserting in lieu thereof "$250";

(8) by striking out "$245" in subsection (h) and inserting in lieu thereof "$289";

(9) by striking out "$275" in subsection (1) and inserting in lieu thereof "$325";

(10) by striking out "$495" in subsection (j) and inserting in lieu thereof "$584";

(11) by striking out "$47" and "$616" and "$862" in subsection (k) and inserting in lieu thereof "$52" and "$727" and "$1,017" respectively;

(12) by striking out "$616" in subsection (1) and inserting in lieu thereof "$727";

(13) by striking out "$678" in subsection (m) and inserting in lieu thereof "$800";

(14) by striking out "$770" in subsection (n) and inserting in lieu thereof "$909";

(15) by striking out "$862" in subsections (o) and (p) and inserting in lieu thereof "$1,017";

(16) by striking out "$370" in subsection (r) and inserting in lieu thereof "$437"; and

(17) by striking out "$554" in subsection (s) and inserting in lieu thereof "$654".

(b) The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 2. Section 315(1) of title 38, United States Code, is amended—

(1) by striking out "$31" in subparagraph (A) and inserting in lieu thereof "$36";

(2) by striking out "$53" in subparagraph (B) and inserting in lieu thereof "$61";

(3) by striking out "$67" in subparagraph (C) and inserting in lieu thereof "$77";

(4) by striking out "$83" and "$15" in subparagraph (D) and inserting in lieu thereof "$95" and "$17", respectively;

(5) by striking out "$21" in subparagraph (E) and inserting in lieu thereof "$24";

(6) by striking out "$36" in subparagraph (F) and inserting in lieu thereof "$41";

(7) by striking out "$53" and "$15" in subparagraph (G) and inserting in lieu thereof "$61" and "$17", respectively;

(8) by striking out "$25" in subparagraph (H) and inserting in lieu thereof "$29"; and

(9) by striking out "$48" in subparagraph (I) and inserting in lieu thereof "$55".

SEC. 3. Section 411 of title 38, United States Code, is amended to read as follows:

"(a) Dependency and indemnity compensation shall be paid to a widow, based on the pay grade of her deceased husband, at monthly rates set forth in the following table:

"Pay grade	*Monthly rate*
E-1	$215
E-2	221
E-3	228
E-4	241
E-5	248
E-6	254
E-7	266
E-8	281
E-9	[1]294
W-1	271
W-2	282
W-3	291
W-4	307
O-1	271
O-2	281
O-3	301
O-4	318
O-5	350
O-6	394
O-7	427
O-8	467
O-9	502
O-10	[2]549

"[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 402 of this title, the widow's rate shall be $316.

"[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by section 402 of this title, the widow's rate shall be $589.

"(b) If there is a widow with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the widow shall be increased by $26 for each such child.

"(c) The monthly rate of dependency and indemnity compensation payable to the widow shall be increased by $64 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.".

Sec. 4. Section 413 of title 38, United States Code is amended to read as follows:

"Whenever there is no widow of a deceased veteran entitled to dependency and indemnity compensation, dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:

"(1) One child, $108.

"(2) Two children, $156.

"(3) Three children, $201.

"(4) More than three children, $201, plus $40 for each child in excess of three.".

Sec. 5. (a) Subsection (a) of section 414 of title 38, United States Code, is amended by striking out "$55" and inserting in lieu thereof "$64".

(b) Subsection (b) of section 414 of such title is amended by striking out "$92" and inserting in lieu thereof "$108".

(c) Subsection (c) of section 414 of such title is amended by striking out "$47" and inserting in lieu thereof "$55".

Sec. 6. Section 337 of title 38, United States Code, is amended by striking "January 31, 1955" and inserting in lieu thereof "December 31, 1946".

Sec. 7. The first section and sections 2, 3, 4, and 5 of this Act shall take effect on the first day of the second calendar month which begins after the date of enactment.

Mr. HARTKE. Mr. President, I rise to urge the Senate to support S. 3072, the Veterans Disability Compensation and Survivors Benefits Act of 1974. The amended bill before you which is ready for final action contains all the provisions of the original Senate passed bill with the addition of one provision taken from the original House-passed measure.

The amendment which I offer today has the complete support of all the members of the Committee on Veterans' Affairs which I am privileged to Chair, and has been worked out with members of the House Committee on Veterans' Affairs, which is chaired so ably by my colleague, William Jennings Bryan Dorn, of South Carolina. It is my understanding that the amendment is acceptable to the House so that I believe we can expect the measure to be sent promptly to the White House for signature. The rate increases provided for in this bill would be retroactive to May 1.

As my colleagues will remember on May 2, 1974, the Senate by a unanimous vote passed S. 3072. This bill as reported and passed by the Senate contained six major provisions. First, it provided for cost-of-living increases in the rates of disability compensation for the 2.2 million service-connected disabled veterans. Increases of 15 percent were authorized for those veterans with disabilities rate 10 to 50 percent. The bill further provided for 18-percent increases for those veterans with disabilities rated 60 to 100 percent as well as similar increases for VA statutory awards for severe anatomical losses.

Second, increases of 15 percent were provided in the rates of additional compensation payable for over 350,000 veterans with disabilities rated 50 percent or more who receive these additional allowances for their dependents.

Third, the rates of dependency and indemnity compensation—DIC—for 375,000 widows and children were increased by 17 percent. The additional allowances payable to those in receipt of DIC and death compensation who are in need of aid and attendance were increased 17 percent.

Fourth, the bill provided for the equalization of the rates of death compensation to the survivors of peacetime and wartime service where death occurred before January 1, 1957, thereby eliminating the distinction between the two periods of service.

Fifth, S. 3072 as passed authorized a study to be conducted by the Veterans' Administration to be submitted to the Congress at the beginning of the 94th Congress of applications for dependency and indemnity compensation by widows of veterans who had a disability rated total and permanent at the time of death.

Finally, the bill authorized the Administrator of Veterans' Affairs to make monetary benefit payments to the beneficiary upon the determination that the interest of the beneficiary would be served thereby, notwithstanding that a fiduciary has been appointed and regardless of any legal disability on the part of the beneficiary.

Following passage of the bill on May 2, the House proceeded to consider H.R. 14117, its version of the disability compensation survivors benefits bill on May 7. That bill, which passed the House by a vote of 396 to 0 was subsequently inserted in lieu of the original provisions of S. 3072 and returned to the Senate under that number. The House version is almost identical to the Senate bill as to rate increases although their increases were slightly less for those rated 10, 20, and 30 percent disabled. The Senate version of S. 3072 also contained three provisions not found in the House version. The first concerns the equalization of the rates of death compensation payable under section 322 and 342 to survivors regardless of the period of service in which the veterans' death occurred. The second provision concerns a study to be conducted by the Veterans' Administration of DIC applications as provided for in section 207 of the bill before you today. Third, title III of the Senate bill contained the provisions of an administration request measure concerning the payment of benefits to persons under legal disability. It is my understanding that all three of these amendments are acceptable to the House.

Similarly the House passed measure contains a provision not found in S. 3072 as originally passed by the Senate which the committee finds acceptable and which I urge my colleagues to accept today.

This amendment which is found in section 205 of S. 3072 before you would extend longstanding presumption of service-connection for wartime veterans to those veterans who served between the end of World War II, December 31, 1946, and before June 25, 1950, the beginning of the Korean conflict period. Current law provides certain "presumptive periods" following wartime service during which the incurrence of a chronic or tropical disease would be deemed service-connected on a rebuttable basis. These presumptive periods currently cover all periods of service with the exception of the period after World War II and before the Korean conflict. The committee believes that distinguishing this one period is inequitable and is not in keeping with past congressional action to equalize compensation laws for peacetime and wartime service. Accordingly the committee recommends that S. 3072 be amended to include the provision from the House passed measure which would accord to veterans of this limited period of service the same wartime presumption of service-connection.

The Veterans' Administration estimates that the cost attributable to S. 3072 is approximately $566.8 million in the first year gradually decreasing to $563.2 million in the fifth year. The following table shows the 5-year estimate of S. 3072 as amended.

5-YEAR COST OF S. 3072: COMPROMISE VERSION

Section and provisions	Fiscal year cost (in millions)				
	1975	1976	1977	1978	1979
101. 15–18-percent increase in disability compensation	$445.8	$444.1	$442.4	$439.7	$436.0
102. 15-percent increase additional allowances for dependents	18.3	18.2	18.1	18.0	17.9
201. 17-percent DIC for widows	93.7	95.3	96.9	98.5	100.3
202. 17-percent increase in DIC for children	7.1	7.2	7.3	7.4	7.5
203. 17-percent increase in aid and attendance allowances	1.3	1.3	1.3	1.3	1.3
204. 17-percent increase in aid and attendance for widows and dependent parents in receipt of death compensation	(1)	(1)	(1)	(1)	(1)
205. Equalization of wartime presumption	(1)	(1)	(1)	(1)	(1)
206. Equalization of peacetime of rates and wartime compensation	$0.6	$0.5	$0.4	$0.3	$0.2
207. Study of presumption of service connection	(1)	(1)	(1)	(1)	(1)
301. Liberalization of payments of benefits to persons under legal disability	(2)	(2)	(2)	(2)	(2)
302. Change in definition of guardain	(1)	(1)	(1)	(1)	(1)
Total	566.8	566.6	566.4	565.2	563.2

[1] No cost.

[2] Estimate of savings unavailable.

Mr. HARTKE. Mr. President, I ask unanimous consent that the section-by-section analysis and explanation of S. 3072 as amended today be inserted in the RECORD at this point.

There being no objection the section-by-section analysis and explanation was ordered printed in the RECORD as follows:

SECTION-BY-SECTION ANALYSIS AND EXPLANATION OF S. 3072, AS AMENDED

Section 1

This section provides that the proposed act may be cited as the "Veterans Disability Compensation and Survivor Benefits Act of 1974."

TITLE I—VETERANS DISABILITY COMPENSATION

Section 101

Subsection (*a*) provides increases in the basic rates of service-connected disability compensation payable under section 314 of title 38, United States Code, ranging from 15 percent to 18 percent depending upon the degree of severity of disability. Increases of 15 percent are provided for disabilities rated 10 to 50 percent. Increases of 18 percent are provided for disabilities rated 60 to 100 percent. Currently, a veteran with a 10-percent disability receives $28 monthly and a veteran with a disability rated at 100 percent receives $495, the rates would be increased to $32 and $584, respectively. An increase of 18 percent is provided for all higher statutory awards involving combinations of severe disabilities. A 10-percent increase is provided for the statutory awards payable under section 314 (k).

Subsection (*b*) authorizes administrative adjustment consistent with the rate increases specified in *subsection* (*a*), of the rates of disability compensation payable to persons under section 10 of Public Law 85–857 who are not in receipt of compensation under chapter 11 of title 38, United States Code.

Section 102

This section provides increases in the additional allowances payable under section 315 of title 38, United States Code to service-connected disabled veterans with spouses, children, and dependent parents when the veteran is rated 50 percent or more disabled. These allowances are increased by 15 percent and would affect approximately 358,100 veterans.

TITLE II—SURVIVORS DEPENDENCY AND INDEMNITY COMPENSATION

Section 201

Subsection (*a*) would increase the rates of dependency and indemnity compensation (DIC) payable under section 411 to the widows of veterans who died of service-connected causes. Currently, the minimum amount of DIC payable is for the widow of a veteran who attained the grade of E–1, $184 monthly, ranging upward to the DIC payable to the widow of a veteran who attained the grade of 0–10, $469 per month. These rates would be increased by 17 percent or $215 per month for an E–1, to $549 per month for an 0–10.

Subsection (*b*) would increase the additional monthly allowance payable under section 411(b) to a widow receiving DIC for each child under eighteen by 17 percent from $22 to $26.

Subsection (*c*) would provide a 17-percent increase in the additional allowance payable under section 411(c) to a widow in receipt of DIC who is in need of aid and attendance from $55 per month to $64.

Section 202

This section would provide a 17-percent increase in the rates of DIC payable under section 413 for children when there is no widow entitled. Currently the rates range from $92 for one child to $172 for three children plus $34 per month for each additional child. The increases would provide rates of $108, to $201, respectively, with $40 for each additional child.

Section 203

Subsection (*a*) would provide a 16-percent increase in the additional allowance payable under section 414(a) to a child eligible for DIC who had attained the age of eighteen and is permanently incapable of self-support from $55 to $64 per month.

Subsection (*b*) would provide an increase of 17 percent in the additional allowance payable under section 414(b) to a widow receiving DIC when there is a child eligible who has attained the age of eighteen and is permanently incapable of self-support from $92 to $108 per month.

Subsection (*c*) would provide a 17-percent increase in the additional allowance payable under section 414(c) to a widow in receipt of DIC when there is a child pursuing a course of education approved under section 104 from $47 per month to $55.

Section 204

This section would provide a 17-percent increase in the additional allowance payable under section 322(b) for a widow or dependent parent in receipt of death compensation who is in a nursing home or in need of aid and attendance from $55 per month to $64.

Section 205

This section would amend section 337 of title 38, United States Code to provide for extension of the longstanding presumption of service-connection for diseases incurred in wartime to those veterans who served in the period December 31, 1946 to June 25, 1950, thus eliminating the distinction of "peacetime" for those who served during this period. Currently, this provision extends to all veterans who served in the active military, naval or air service after January 31, 1955.

Section 206

This section would provide for the equalization of the rates of death compensation payable under sections 322 and 342 to the survivors of veterans of peacetime and wartime service, where death occurred before January 1, 1957, thereby eliminating the distinction between the two periods of service. Approximately 4,453 would be affected by this provision.

Section 207

This section directs the Veterans' Administration to conduct a study to be submitted to the Congress not more than 30 days after the beginning of the 94th Congress of applications for dependency and indemnity compensation (DIC) by widows of veterans who at the time of their death had a disability rated total and permanent in nature, with particular attention toward the disposition of these cases, the difficulty in proof of service-connected death, and an examination of the current financial situation of those widows and families denied DIC.

TITLE III—PAYMENT OF BENEFITS TO PERSONS UNDER LEGAL DISABILITY

Section 301

Subsection (*a*) amends section 3202(a) of chapter 55 of title 38, United States Code, to permit the Administrator, in the interest of the beneficiary, to make direct monthly payments to the beneficiary, or to a relative or some other person in his or her behalf, notwithstanding the fact that a fiduciary has been appointed. This includes the direct payment of benefits to any beneficiary regardless of the fact that the beneficiary is a minor under the laws of the State where he resides or is domiciled.

Under the present law, a degree of doubt exists as to the authority of the Administrator to make direct benefit payments to minors or to persons under a legal disability, other than mental incompetency adjudged by a court of competent jurisdiction. This amendment would clarify the question of the Administrator's authority and would liberalize current practices which could represent substantial savings both to the Government and the beneficiary, particularly in cases where the estate is not large and where the monetary benefits paid are of necessity applied each month to the support of the claimant, in administrative, court, and fiduciary costs.

Subsection (*b*) amends section 3202(c) to conform with the amendments to section 3202(a).

Subsection (*c*) amends section 3202(e) to conform with the amendments to section 3202(a).

Subsection (*d*) repeals sections 3202(f) and 3202(g) of chapter 55 of title 38, United States Code, since section 301 of this title supplants the provisions of these sections.

Section 302

This section amends section 1701(a)(4) of chapter 35 of title 38, United States Code, by changing the definition of "guardian" to include a person appointed by the Administrator for the purposes of receiving payment of benefits for the use and benefit of the eligible person under section 3202 of chapter 55 as amended by section 301 of this title.

TITLE IV—EFFECTIVE DATES

Section 401

Provides that Title I increases in disability compensation and Title II increases in dependency and indemnity compensation shall become effective May 1, 1974. Title III shall become effective on the first day of the second calendar month following enactment.

Mr. HARTKE. I am extremely pleased that we were able to come to such quick agreement with the House Committee on Veterans' Affairs. I want to thank the distinguished chairman of that committee, Mr. DORN, for his assistance in getting this bill resolved without delay.

Mr. President, I urge my colleagues to accept the amendments before them today.

Mr. THURMOND. Mr. President, I am pleased to support S. 3072, the Veterans Compensation Amendments for 1974.

The Senate unanimously approved these amendments on May 2. Subsequently, the House receded in its provisions and concurred in the Senate version with one amendment.

The House amendment provides a wartime presumption for disability compensation for all post World War II veterans. The period from 1946 to 1950 is excluded under the present law, and under the bill it will now be treated equally with other period of post World War II service. Basically, this provides a period during which a chronic or tropical disease would be deemed to be service-connected on a rebuttable basis. I urge the Senate to adopt this amendment as a part of the bill.

Our service disabled merit our closest attention. Often, because of their disabilities, they need the greatest assistance in keeping up with the cost of living.

S. 3072 will help our disabled veterans keep pace with the increased cost of living.

Mr. President, I urge my colleagues to support this bill.

Mr. HARTKE. Mr. President, I move that the Senate concur in the amendment of the House with an amendment by the Senate in the nature of a substitute. I submit the amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

That this Act may be cited as the "Veterans Disability Compensation and Survivor Benefits Act of 1974".

TITLE I—VETERANS DISABILITY COMPENSATION

Sec. 101. (a) Section 314 of title 38, United States Code, is amended—

(1) by striking out "$28" in subsection (a) and inserting in lieu thereof "$32";

(2) by striking out "$51" in subsection (b) and inserting in lieu thereof "$59";

(3) by striking out "$77" in subsection (c) and inserting in lieu thereof "$89";

(4) by striking out "$106" in subsection (d) and inserting in lieu thereof "$122";

(5) by striking out "$149" in subsection (e) and inserting in lieu thereof "$171";

(6) by striking out "$179" in subsection (f) and inserting in lieu thereof "$211";

(7) by striking out "$212" in subsection (g) and inserting in lieu thereof "$250";

(8) by striking out "$245" in subsection (h) and inserting in lieu thereof "$289";

(9) by striking out "$275" in subsection (i) and inserting in lieu thereof "$325";

(10) by striking out "$495" in subsection (j) and inserting in lieu thereof "$584";

(11) by striking out "$47" and "$616" and "$862" in subsection (k) and inserting in lieu thereof "$52" and "$727" and "$1,017", respectively;

(12) by striking out "$616" in subsection (l) and inserting in lieu thereof "$727";

(13) by striking out "$678" in subsection (m) and inserting in lieu thereof "$800";

(14) by striking out "770" in subsection (n) and inserting in lieu thereof "$909";

(15) by striking out "$862" in subsections (o) and (p) and inserting in lieu thereof "$1,017";

(16) by striking out "$370" in subsection (r) and inserting in lieu thereof "$437"; and

(17) by striking out "$554" in subsection (s) and inserting in lieu thereof "$654".

(b) The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85–857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

Sec. 102. Section 315(1) of title 38, United States Code, is amended—

(1) by striking out "$31" in subparagraph (A) and inserting in lieu thereof "$36";

(2) by striking out "$53" in subparagraph (B) and inserting in lieu thereof "$61";

(3) by striking out "$67" in subparagraph (C) and inserting in lieu thereof "$77";

(4) by striking out "$83" and "$15" in subparagraph (D) and inserting in lieu thereof "$95" and "$17", respectively;

(5) by striking out "$21" in subparagraph (E) and inserting in lieu thereof "$24";

(6) by striking out "$36" in subparagraph (F) and inserting in lieu thereof "$41";

(7) by striking out "$53" and "$15" in subparagraph (G) and inserting in lieu thereof "$61" and "$17", respectively;

(8) by striking out "$25" in subparagraph (H) and inserting in lieu thereof "$29"; and

(9) by striking out "$48" in subparagraph (I) and inserting in lieu thereof "$55".

TITLE II—SURVIVORS DEPENDENCY AND INDEMNITY COMPENSATION

Sec. 201. Section 411 of title 38, United States Code, is amended to read as follows:

"(a) Dependency and indemnity compensation shall be paid to a widow, based on the pay grade of her deceased husband, at monthly rates set forth in the following table:

"Pay grade	Monthly rate
E–1	$215
E–2	221
E–3	228
E–4	241
E–5	248
E–6	254
E–7	266
E–8	281
E–9	[1]294
W–1	271
W–2	282
W–3	291
W–4	307
O–1	271
O–2	281
O–3	301
O–4	318
O–5	350
O–6	394
O–7	427
O–8	467
O–9	502
O–10	[2]549

"[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by sec. 402 of this title, the widow's rate shall be $316.

"[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by sec. 402 of this title, the widow's rate shall be $589.

"(b) If there is a widow with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the widow shall be increased by $26 for each such child.

"(c) The monthly rate of dependency and indemnity compensation payable to the widow shall be increased by $64 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.".

Sec. 202. Section 413 of title 38, United States Code, is amended to read as follows:

"Whenever there is no widow of a deceased veteran entited to dependency and indemnity compensation, dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:

"(1) One child, $108.

"(2) Two children, $156.

"(3) Three children, $201.

"(4) More than three children, $201, plus $40 for each child in excess of three.".

Sec. 203. (a) Subsection (a) of section 414 of title 38, United States Code, is amended by striking out "$55" and inserting in lieu thereof "$64".

(b) Subsection (b) of section 414 of such title is amended by striking out "$92" and inserting in lieu thereof "$108".

(c) Subsection (c) of section 414 of such title is amended by striking out "$47" and inserting in lieu thereof "$55".

Sec. 204. Section 322(b) of title 38, United States Code, is amended to read as follows:

"(b) The monthly rate of death compensation payable to a widow or dependent parent under subsection (a) of this section shall be increased by $64 if the payee is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.".

Sec. 205. Section 337 of title 38, United States Code, is amended by striking "January 31, 1955" and inserting in lieu thereof "December 31, 1946".

Sec. 206. (a) Section 342 of title 38, United States Code, is amended by striking out "equal" and all that follows down through the end thereof and inserting in lieu thereof "those specified in section 322 of this title".

(b) Section 343 of such title is hereby repealed.

(c) The table of sections at the beginning of subchapter V of chapter 11 of title 38, United States Code, is amended by striking out the following:

"343. Conditions under which wartime rates are payable.".

Sec. 207. (a) The Administrator of Veterans' Affairs shall make a detailed study of claims for dependency and indemnity compensation relating to veterans, as defined in section 101(2), title 38, United States Code, who at time of death within six months prior to the date of enactment of this Act were receiving disability compensation from the Veterans' Administration based upon a rating total and permanent in nature.

(b) The report of such study shall include (1) the number of the described cases, (2) the number of cases in which the specified benefit was denied, (3) an analysis of the reasons for each such denial, (4) an analysis of any difficulty which may have been encountered by the claimant in attempting to establish that the death of the veteran concerned was connected with his or her military, naval, or air service in the Armed Forces of the United States, and (5) data regarding the current financial status of the widow, widower, children, and parents in each case of denial.

(c) The report together with such comments and recommendations as the Administrator deems appropriate shall be submitted to the Speaker of the House and the President of the Senate not more than thirty days afer the beginning of the Ninety-fourth Congress.

TITLE III—PAYMENT OF BENEFITS TO PERSONS UNDER LEGAL DISABILITY

Sec. 301. (a) Subsection (a) of section 3202 of title 38, United States Code, is amended to read as follows:

"(a) Where it appears to the Administrator that the interest of the beneficiary would be served thereby, payment of benefits under any law administered by the Veterans' Administration may be made directly to the beneficiary or to a relative or some other person for the use and benefit of the beneficiary, regardless of any legal disability on the part of the beneficiary. Where, in the opinion of the Administrator, any fiduciary receiving funds on behalf of a Veterans' Administration beneficiary is acting in such a number of cases as to make it impracticable to conserve properly the estates or to supervise the persons of the beneficiaries, the Administrator may refuse to make future payments in such cases as he may deem proper."

(b) Subsection (c) of section 3202 of title 38, United States Code, is amended by deleting the phrase "guardian, curator, conservator, or other person legally vested with the care of the claimant or his estate", following the word "any" and inserting "fiduciary or other person for the purpose of payment of benefits payable under laws administered by the Veterans' Administration" and by deleting the word "estates" and inserting the word "benefits".

(c) Subsection (e) of section 3202 of title 38, United States Code, is amended by deleting the phrase "guardian, curator, conservator, or person legally vested with the care of the beneficiary or his estate," following the words "hands of a", and inserting in lieu thereof the words "fiduciary appointed by a State court or the Veterans'

Administration" and by deleting the phrase "guardian, curator, conservator, or person legally vested with the care of the beneficiary or his estate", following the word "such", and inserting in lieu thereof the word "fiduciary".

(d) Subsections (f) and (g) of section 3202 of title 38, United States Code, are hereby repealed.

Sec. 302. Subsection (a) (4) of section 1701 of title 38, United States Code, is amended to read as follows:

"(4) The term 'guardian' includes a fiduciary legally appointed by a court of competent jurisdiction, or any other person who has been appointed by the Administrator under section 3202 of this title to receive payment of benefits for the use and benefit of the eligible person.".

TITLE IV—EFFECTIVE DATES

Sec. 401. The provisions of this Act shall become effective on May 1, 1974, except that title III shall become effective on the first day of the second calendar month following enactment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Indiana.

The motion was agreed to.

COMPLAINT OF YOUNG VIETNAM VETERAN

Mr. HARTKE. Mr. President, this is a matter which, as chairman of the Veterans' Affairs Committee, I should like to call to the attention of the Senate. It is an item on the wire late this afternoon concerning the case of a Vietnam veteran who was injured in a football game while in the Navy, which has made it impossible for him to hold a job.

The item on the news wire reads as follows:

> JUPITER, FLA.—A young Vietnam veteran who seeks a leg amputation that doctors won't give him is broke and jobless and considering going to jail so his family can get welfare payments.
>
> Don Dagenhart, 22, says constant pain from a knee injury incurred in a Navy football game four years ago has made it impossible for him to hold a job. He wants an artificial limb, but a veteran's Administration panel of three doctors says he should keep his leg.
>
> Broke and jobless, Dagenhart faces eviction from his apartment, his telephone has been disconnected and even though his VA disability payments have been raised to $77 a month he has been forced to sell furniture to get money to support his wife Anne and their two-year-old son Craig.
>
> "We got $10 for the baby's crib," says Mrs. Dagenhart, who cannot work because she suffers from phlebitis, an inflammation of the veins. "We're trying to hang on to the high chair so Craig will have a place to eat, but I don't know how long we can."
>
> State welfare offers only token payment because Dagenhart is a veteran. Rep. Paul Rogers, D-Fla., has been asked to get him a 100 per cent disability allowance, but that will take time.
>
> "We've been told to pay the back rent or get out," Dagenhart says. "The landlord wants money and I can't blame him."
>
> He says if the landlord evicts him, "then I'll just have to do something to get thrown in jail. Then the welfare people will have to do something to help my wife and son. That's the important thing right now."
>
> Dagenhart's disability payments were increased from $49 a month to $570 a month a year ago when he was recovering from two exploratory operations. But they were reduced to $49 again six months later.
>
> Dagenhart already had undergone two knee operations at Pensacola and three more in Chelsea, Mass., before his discharge in 1971. He was advised to see a specialist in Miami, 50 miles south of here.
>
> Early this year, the VA medical panel in Miami told Dagenhart he could either have the knee fused and the nerves killed; keep the knee and wear a leg brace, or amputate the leg and get an artificial one.
>
> But after a re-examination in April, the panel eliminated amputation as an alternative and advised that he wear a leg brace.
>
> Dr. Donald Pearson, who has operated on Dagenhart's leg, says, "I don't think he fully realizes the full implications of an above-the-knee amputation. The full leg brace would help him and I think, with careful planning, something could be done to repair the knee."

Mr. President, I have asked the staff of the Veterans' Affairs Committee to go into the details and to check more fully into the matter and report to the committee.

I believe the time has come to recognize, when we deal with individuals, that we have to deal with them on an individual basis. When we have a young Vietnam veteran who appears to be in serious trouble, and is physically disabled, has a wife and a child, can get no help, and needs to appeal to welfare, it is high time that we call it to the attention of the public and to the attention of the Senate.

Mr. HANSEN. Mr. President, I am not familiar with the set of circumstances in the case to which the Senator from Indiana has just referred, but it occurs to me, from what little experience I have from the usual circumstances concerning such situations that I should await an opportunity to hear the other side before I make any final judgment in this case.

I am persuaded that the Veterans' Administration and the Veterans' hospitals are trying to do their jobs as best they can. I would hesitate to make any judgment or to assign any responsibility or culpability on the basis of the facts from only one side. I look forward to getting the facts, as I know the Veterans' Affairs Committee always does. I think we should have those facts before we impute blame to anyone.

ORDERS FOR CONSIDERATION OF BILLS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, so that Senators will be aware of the program for tomorrow, that following the transaction of routine morning business tomorrow, the Senate proceed to the consideration of H.R. 12670, Calendar Order No. 810, which has to do with incentive pay for aviation crew volunteers; that upon the disposition of that matter, the Senate then proceed to the consideration of S. 3500, Calendar No. 821, the amateur athletics bill; that upon the disposition of S. 3500, the Senate proceed to the consideration of S. 3458 and then S. 3459, Calendar Order Nos. 798 and 799, respectively.

So the order will be: H.R. 12670, S. 3500, S. 3458, and S. 3459. And that following the disposition of those measures, the Senate proceed to the consideration of S. 2439, Calendar Order No. 800, the wild and scenic rivers bill.

Mr. GRIFFIN. Mr. President, there is a hold on that bill. However, the distinguished junior Senator from Virginia is in the Chamber and can speak for himself on that bill.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes; I yield.

Mr. WILLIAM L. SCOTT. Mr. President, I am not sure whether this is the bill that relates to the New River in North Carolina, Virginia, and West Virginia. If it is, I should prefer that it go over tomorrow and not come up for at least another day. The distinguished Democratic whip might want to look at the bill himself.

Mr. ROBERT C. BYRD. Very well; I will delete that one item from the order thus far.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Then, Mr. President, tomorrow, after these four measures have been completed, it is anticipated that the Senate may take up H.R. 11864 at some time during the day. That is the solar heating and cooling bill.

The Senate will then proceed to the consideration of S. 2665, to provide for increased participation by the United States in the International Development Association. That bill will be taken up at some point during the day tomorrow.

In addition, the energy bill, S. 3267, remains before the Senate, and action can occur thereon.

Conference reports may be called up at any time.

Other calendar measures, when cleared, may be called up for action at any time.

Yea-and-nay votes may occur during the day.

Mr. GRIFFIN. As I understand, there are no time agreements on any of the measures to be called up tomorrow?

Mr. ROBERT C. BYRD. The Senator is correct.

ORDER OF BUSINESS

Mr. GRIFFIN. Mr. President, will the majority whip yield?

Mr. ROBERT C. BYRD. I yield.

Mr. GRIFFIN. I see the Senator from California on the floor, and I know he has an interest in the legal services conference report. The Senator from North Carolina (Mr. Helms) has asked to be notified when the legal services conference report is to be called up. I would just like to indicate that, and hope that that request will be honored.

Mr. CRANSTON. It, of course, will. The Senator from Wisconsin (Mr. Nelson) will actually be handling that conference report on the floor. I will notify him accordingly.

Mr. GRIFFIN. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 20, 1974, he presented to the President of the United States the enrolled bill (S. 775) to amend the Public Health Service Act to provide for the establishment of a National Institute on Aging.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9:15 a.m.

After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes, and in the order stated:

The Senator from Maryland (Mr. BEALL), the Senator from Vermont (Mr. AIKEN), the Senator from Oklahoma (Mr. BARTLETT), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. THURMOND), the Senator from Delaware (Mr. ROTH), the Senator from Kansas (Mr. DOLE), the Senator from Connecticut (Mr. WEICKER), and the Senator from West Virginia (Mr. ROBERT C. BYRD).

After the foregoing orders have been completed, there will be routine morning business for a period of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

At the conclusion of routine morning business, the Senate will take up the bill (H.R. 12670) to provide incentive pay for aviation volunteers.

Upon the disposition of that measure, the Senate will take up S. 3500, dealing with amateur athletics, upon the disposition of which the Senate will proceed to the consideraion of S. 3458, a bill to amend the Agriculture and Consumer Protection Act and the Food Stamp Act. Upon the disposition of that measure, the Senate will take up S. 3459, dealing with child nutrition programs.

Among other measures which may be called up during the day are H.R. 11864, solar heating and cooling, and of course the IDA bill, S. 2665, International Development Association.

At the request of the distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT) the bill (S. 2439), wild and scenic rivers, will not come up tomorrow, but may be called up the following day.

The energy bill remains before the Senate. Conference reports, being privileged matters, may be called up at any time. A conference report on the legal services bill, I believe, is waiting in the wings. A yea-and-nay vote is likely to occur on that measure when it is called up.

Other calendar measures which may be cleared for action may be called up at any time.

ADJOURNMENT UNTIL 9:15 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9:15 a.m. tomorrow.

The motion was agreed to, and at 5:52 p.m. the Senate adjourned until tomorrow, Tuesday, May 21, 1974, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Senate May 20, 1974:

FEDERAL POWER COMMISSION

Daniel T. Kingsley, of Oregon, to be a Member of the Federal Power Commission for the term of 5 years expiring June 22, 1979, vice Albert Bushong Brooke, Jr., term expiring.

NATIONAL RAILROAD PASSENGER CORPORATION

The following-named persons to be Members of the Board of Directors of the National Railroad Passenger Corporation for the terms indicated (new positions):

For a term of three years:

Donald P. Jacobs, of Illinois.

For a term of four years:

Robert Galbraith Dunlop, of Pennsylvania.

Gerald D. Morgan, of Maryland.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 20, 1974:

FEDERAL TRADE COMMISSION

Stephen A. Nye, of California, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1974.

DEPARTMENT OF JUSTICE

Robert E. Hauberg, of Mississippi, to be U.S. attorney for the southern district of Mississippi for the term of 4 years.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE ARMY

The following-named officers to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Arthur Sylvester Collins, Jr., [redacted] Army of the United States (major general, U.S. Army).

Lt. Gen. Richard Thomas Knowles, [redacted], Army of the United States, (major general, U.S. Army).

Lt. Gen. George Phillip Seneff, Jr., [redacted], Army of the United States (major general, U.S. Army).

Lt. Gen. Glenn David Walker, [redacted], Army of the United States (major general, U.S. Army).

The following-named officers for temporary appointment in the Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier general

Col. James T. Tuberty, [redacted], U.S. Army.

Col. Rex D. Wing, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Kenneth E. McIntyre, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Richard M. Connell, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Charles I. McGinnis, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Donald F. Packard, [redacted], U.S. Army.

Col. Emil L. Konopnicki, [redacted], U.S. Army.

Col. Franklin J. Glunn, [redacted], U.S. Army.

Col. John K. Stoner, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. James W. Cannon, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Emory M. Sneeden, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Roswell E. Round, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Thomas B. Mancinelli, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Sampson H. Bass, Jr., [redacted], Army of the United States, (lieutenant colonel, U.S. Army).

Col. William R. Todd, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Richard S. Kotite, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. George B. Price, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. James C. Pennington, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. James M. Thompson, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Alexander M. Weyand, [redacted] Army of the United States lieutenant colonel, U.S. Army).

Col. Louis W. Prentiss, Jr., [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Edwin L. Kennedy, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Richard L. Prillaman, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. John B. Blount, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Jaul J. Mueller, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Rufus C. Lazzell, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. William E. Cooper, Jr., [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. William B. Steele, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Daniel W. French, [redacted], Army of the United tSates (lieutenant colonel, U.S. Army).

Col. Edwin C. Heffelfinger, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Jere W. Sharp, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Charles F. Gorden, Jr., [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. William L. Shea, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Alfred L. Sanderson, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Lucien E. Bolduc, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Donald E. Rosenblum, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Donald E. Sampson, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Wilman D. Barnes, [redacted], Army of the United States (lieutenant colonl, U.S. Army).

Col. Emmett W. Bowers, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. William H. Fitts, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. William J. Livsey, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Floyd C. Adams, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Alfred J. Cade, [redacted]. Army of the United States (lieutenant colonel, U.S. Army).

Col. David E. Watts, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. James F. Cochran III, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Joseph N. Jaggers, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Thomas D. Ayers, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. William C. Rousse, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Walter F. Ulmer, Jr., [redacted], Army of the United States (lieutenant Colonel, U.S. Army).

Col. Glenn K. Otis, [redacted], Army of the United States (major, U.S. Army).

In the Navy

Vice Adm. Harold E. Shear, U.S. Navy, having been designated for commands and other duties of great importance and responsibility determined by the President to be commensurate with the grade of admiral within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of admiral while so serving.

Vice Adm. Jerome H. King, Jr., U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

In the Air Force

Air Force nominations beginning John R. Chasteen, to be colonel, and ending Paul R. Day, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 1974.

Air Force nominations beginning Herbert E. Adams, to be lieutenant colonel, and ending Henry O. Wick, Jr., to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on May 2, 1974.

In the Army

Army nominations beginning Michael K. Abdo, to be second lieutenant, and ending Ancil L. Hicks, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 1974.

In the Navy

Navy nominations beginning Clifford G. Barnes, Jr., to be ensign, and ending Richard R. Brown, to be a permanent commander and a temporary captain, which nominations were received by the Senate and appeared in the Congressional Record on May 6, 1974.

HOUSE OF REPRESENTATIVES—*Monday, May 20, 1974*

The House met at 12 o'clock noon.

Msgr. James P. Cassidy, director of Catholic Charities, archdiocese of New York, offered the following prayer:

Almighty and Eternal God, Lord of all nations, and Father of all men, we ask Your blessings for all who rule over us that they may exercise their office with wisdom and justice.

Bless them Lord with the courage to ignore their own selves and to be sensitive to the needs of the people they have been elected to serve.

Grant that all people may be aware of their devine vocation and strive to fulfill it with the help of Your Holy Spirit.

Today, on Cuban Independence Day, we pray for the liberty and freedom of all nations and for especially the people of the Cuban nation.

Lord, You make all things new and tell us to wait for Your Kingdom. Grant that the more longingly we look forward to the life of Heaven, the more carefully we carry out our present duties. Grant that we may all be together again with You for ever and ever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 10942. An act to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), as amended, to extend and adapt its provisions to the Convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, concluded at the city of Tokyo, March 4, 1972.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 775. An act to amend the Public Health Service Act to provide for the establishment of a National Institute on Aging.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 13999. An act to authorize appropriations for activities of the National Science Foundation, and for other purposes.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 202. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations.

The message also announced that Mr. Stafford was appointed in place of Mr. Buckley as a conferee on H.R. 14368, Energy Supply and Environmental Coordination Act.

PERMISSION FOR MANAGERS TO FILE CONFERENCE REPORT ON H.R. 14013, MAKING FURTHER SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1974

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 14013) making further supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE REFORM AMENDMENTS OF 1974

(Mr. MARTIN of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARTIN of Nebraska. Mr. Speaker, what should Members of the House tell their constituents in reporting to them on the status of the Committee Reform Amendments of 1974, House Resolution 988?

Dare we tell our constituents that this resolution, adopted unanimously by an official, bipartisan House committee after some 15 months of intensive hearings, studies, and discussion, has not been scheduled for debate but has been packed off to a group made up of just Democrats to see if it is to their particular liking?

The action by the Democratic Caucus in holding up action on House Resolution 988 and sending the resolution to a Democratic Caucus committee for study and recommendation has stripped this effort of its bipartisan foundation and turned it into a political circus.

Democrats in the House can, and ought to, feel an acute sense of embarrassment about this type of partisan maneuvering; Republicans can, and ought to, feel an acute sense of outrage. The public can, and ought to, feel a deep sense of embarrassment and outrage.

I call on the leadership to make every effort to terminate this inequitable, one-sided political arrangement and bring this legislation back into the official channels of House procedures so that the entire membership of the House can consider it and exercise its judgment on House Resolution 988.

When that happens we will all have something praiseworthy to tell our constituents.

SPENDTHRIFT POSTAL SERVICE

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, with appropriations to the U.S. Postal Service approaching $2 billion for this fiscal year, it seems important to me to find out just how the public's money is spent.

The pattern of wasteful stop-and-go decisionmaking by Postal Service managers is not reflective of the efficient operation we were promised under the Postal Reorganization Act.

In Pittsburgh the Postal Service incurred $881,000 in expenses for general design and specifications which, according to a 1971 General Accounting Office report, were not utilized. Subsequently, $889,000 was authorized for the architectural-engineering design on a second facility.

In Stamford, Conn., the Postal Service paid $400,000 for design plans which were canceled. It then paid $331,826 for the second design plans which were also canceled when the entire project was terminated, for a total loss of $731,826.

In Chicago, $593,917 was paid for design plans for the facility at North Suburban Chicago. The plans were canceled and a 20-year lease taken on a food company warehouse for $499,200 rent per year. The Postal Service then spent $317,000 for design plans to renovate the warehouse. The net result being that over one-half million dollars were lost in canceling the first proposed facility, and an additional $317,000 was spent on the second.

Mr. Speaker, with this sort of decisionmaking going on at L'Enfant Plaza, it is no wonder the Postal Service has to increase postal rates and request "transitional appropriations" in order to break even.

ADJOURNMENT TO 11 A.M. TUESDAY, MAY 21, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 a.m., on tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

AMENDING THE MILLER ACT

The Cerk called the bill (H.R. 11691) to amend the act of August 24, 1935 (commonly referred to as the "Miller Act") to provide for the inclusion of interest and legal fees in judgments granted on suits by subcontractors based upon payment bonds, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

H.R. 11691

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 2 of the Act of August 24, 1935 (49 Stat. 794), as amended (40 U.S.C. 270b(a)), is amended by adding at the end thereof two new sentences reading: "Any judgment entered against a contractor and his surety, or either of them, and in favor of a person who has furnished labor and material in the prosecution of such work shall include interest on the sum or sums due him at the rate of 6 per centum per annum from the date on which payment thereof was due, together with such reasonable attorneys' fees as may be fixed in the discretion of the court. No promise or agreement to waive any right under this Act shall be valid if made or entered into prior to the date of accrual of the right to sue on the payment bond as provided for in this subsection, and payment for all labor and materials furnished in the prosecution of such work shall be conclusively presumed to be due on such date unless an earlier date has been agreed upon."

SEC. 2. The amendment made by this Act shall not be applicable with respect to any contract entered into prior to the date of the enactment of this Act.

Miss JORDAN. Mr. Speaker, the bill H.R. 11691 would amend the Miller Act to provide that interest and reasonable attorneys' fees are to be included in judgments in favor of subcontractors who bring actions to enforce their rights under payment bonds required by the act. The new language added by the bill would also render invalid any promise or agreement to waive any right under the Miller Act unless the waiver was made after the subcontractor's rights under the act had fully matured. Two new sentences would be added to subsection (a) of section 2 of the Miller Act to accomplish these purposes, and they would state:

> Any judgment entered against a contractor and his surety, or either of them, and in favor of a person who has furnshed labor and material in the prosecution of such work shall include interest on the sum or sums due him at the rate of 6 per centum per annum from the date on which payment thereof was due, together with such reasonable attorneys' fees as may be fixed in the discretion of the court. No promise or agreement to waive any right under this Act shall be valid if made or entered into prior to the date of accrual of the right to sue on the payment bond as provided for in this subsection and payment for all labor and materials furnished in the prosecution of such work shall be conclusively presumed to be due on such date unless an earlier date has been agreed upon.

The bill H.R. 11691 was introduced in accordance with the recommendations of an executive communication from the General Services Administration which urged its enactment. The executive communication pointed out that its recommendation was based upon experience of the General Services Administration in handling complaints of subcontractors in connection with construction activities of the Government.

Section 2 of the Miller Act, found in the United States Code as section 270b of title 40, now provides that every person who has furnished labor material under a contract in which a payment bond is furnished under the act—that is, any contract exceeding $4,000 for the construction, alteration, or repair of any public building or public work of the United States—and who has not been paid in full therefor before the expiration of 90 days after the date the claim matured, shall have the right to sue on the bond for amounts unpaid. Under section 2(b) of the Miller Act, the suit must be brought in the U.S. District Court having jurisdiction where the contract was performed, within 1 year after the labor was completed or the materials supplied.

The bill would provide for interest at 6 percent per annum if a judgment is entered, and reasonable attorneys' fees, in the event of a successful suit by a subcontractor.

The executive communication states that subcontractors have complained to the GSA and other Federal agencies engaged in construction that they must litigate the claims for payment because the surety on Miller Act payment bonds, disclaim liability or fail to respond to their claims. In some cases the cost of legal proceedings is such that the subcontractor cannot afford to litigate. In this connection, the executive communication stated:

> Many complaints received from subcontractors by GSA and other Federal agencies engaged in construction activities demonstrate that, because of a surety's disclaimer or failure to respond, their claims cannot be satisfied without litigation. It is clear that in many cases litigation costs would be so high in proportion to the amount which might be recovered as to constitute an effective economic barrier to the very protection which Congress has statutorily provided.

By including language which would, in effect, bar any promise or agreement to waive any right under the Miller Act unless entered into after a subcontractor's rights have fully matured, the amendments would implement the act's basic purpose of protecting the rights of subcontractors. In the words of the communication, this would give protection to a supplier or subcontractor who "inadvertently or from lack of legal assistance enters into an agreement whereby he waives all rights that would be available under the payment bond furnished by the contractor." By providing that any such waiver provision is invalid unless it was made after the subcontractor's rights under the act had fully matured, the bill would permit settlement of claims after performance had been completed.

Similar protection would be afforded by the bill to a subcontractor who enters into an agreement under which final payment becomes due and payable more than 90 days after completion of his performance under the subcontract. The Miller Act now provides for suit on the bond only if the subcontractor has not been paid within 90 days after the last of labor was performed or the material supplied. The bill would permit suit to be brought within the statutory period notwithstanding the contract provision for payment at a later date.

The General Accounting Office commented upon these provisions of the bill, noting that the second sentence added to the subsection by the amendment provides for the preservation of the right to pursue the remedy under the payment bond notwithstanding any agreements to the contrary. The General Accounting Office referred to situations in which subcontractors have been precluded from enforcing their rights under the Miller Act because they have filed suit after expiration of the limitation requiring suit to be brought within 1 year after the day on which the last of the labor was performed or material was supplied by the subcontractor as a result of reliance upon agreements with prime contractors that payment will not be due until the Government has paid the prime contractors. The General Accounting Office stated that it assumes that the amendment is intended to preclude the use of arbitration for the resolution of prime-subcontractor differences that might otherwise be settled by the courts under the Miller Act.

In this regard, the General Accounting Office observed in 37 Comp. Gen. 115, 116–117 (1957), that the courts have held that agreements that payments by prime contractors to subcontractors will not be due until the prime contractors are paid by the Government are void as contrary to the public policy expressed in the Miller Act so that suits filed within the Miller Act limitation would not be premature even though the prime contractors have not been paid by the Government. See *United States* v. *Holloway Company*, 126 F. Supp. 347 (1954), and *United States* v. *United Pacific Ins. Co.*, 122 F. Supp 48 (1954).

Under the existing law, the committee has been informed there is a lack of uniformity with regard to attorney's fees and interest in Miller cases in the various States. A U.S. district court must look to the State law to determine whether a successful litigant is entitled to attorney's fees and interest as a part of a judgment. As a result in certain States a subcontractor suing under the Miller Act may receive attorney's fees and interest but in another jurisdiction he would not. This bill would provide a desirable uniformity as to this subject.

The bill concerns matters and actions involving subcontractors. The Government is not directly involved in a contractual sense. That is, the Government is not a party to the subcontract. The executive communication points out that the proposed amendments would afford protection to those subcontractors, especially when they are small businessmen who might otherwise suffer from unnecessary financial losses when performing as subcontractors and material suppliers on Government contracts. The General Services Administration also stated that it does not believe that the bill would result in any increased cost to the Government. The only possible cost would be an indirect one based on the possibility that private surety companies would increase their bond premiums to reflect the added exposure to the payment of interest and attorneys' fees in the event a subcontractor enforced his right by suit. It can be assumed that the prime contractor's bid would reflect the increased premiums, if any.

The amendments are consistent with the policy of protecting subcontractors as embodied in the Miller Act. It is recommended that the bill be considered favorably.

Mr. MOORHEAD of California. Mr. Speaker, when Congress first passed the Miller Act in 1935, its primary objective was to safeguard the rights of subcontractors and suppliers in connection with Federal construction contracts. Normally, a mechanic's lien serves as an adequate security for payment for work done by subcontractors or suppliers in the construction industry. However, since a mechanic's lien does not attach to Federal property, some other mechanism was needed to protect them. Consequently, Congress provided a vehicle in Federal law so that subcontractors or suppliers could recover overdue payments from prime contractors on Government-financed projects.

The Miller Act requires the prime contractor to provide a payment bond, where the value of the contract exceeds $2,000. The payment bond is required as a security for the protection of those supplying labor and/or materials in the performance of such public contracts. Then, if a subcontractor or supplier is not paid within 90 days after full performance, he is given a right to bring an action in the U.S. district court against either the prime or the surety on the payment bond. The suit must be brought where the contract was performed, within 1 year after the labor was performed or the materials supplied. In enacting this law, the Congress embraced a public policy of protecting subcontractors working on Government construction contracts.

But, while the intent of the original Miller Act is clear, as a practical matter the remedy provided has all too often been illusory. Frequently, the cost of litigation is prohibitively high, when compared with the amount which may be recovered. So, in many instances, there exists a basic economic disincentive for bringing such suits. Also, either through a lack of legal advice or pressure from the prime contractor, a subcontractor often enters into an arrangement whereby he waives his rights under the Miller Act, in return for getting the job.

The amendments to the Miller Act, contained in the legislation (H.R. 11691) we consider today, seek to make that statute the genuine remedy it was intended to be. First, it authorizes the payment of attorney's fees and interest—6 percent per annum—to a successful plaintiff. Since the existing provisions of the Miller Act do not specifically authorize attorney's fees and interest, a Federal court applies the law of the State where the contract was performed. This has resulted in an unfortunate and unjust lack of uniformity with respect to the recovery of attorney's fees and interest.

So, for example, a subcontractor suing under the Miller Act in California or Kansas would recover both interest and legal fees while one suing in Mississippi or South Carolina would not. This is true irrespective of how comparatively meritorious their cases may be. Under Alaska law the allowance of attorney's fees to the prevailing party is left to the discretion of the trial court and, in Miller Act suits, the district court has gone both ways. *United States* v. *F. D. Rich Co.*, 434 F.2d. 855 (1970); *United States* v. *Peter Kiewit & Sons, Inc.*, 235 F. Supp. 500 (1964); and *Macri* v. *United States*, 353 F.2d 804 (1965).

Similar confusion clouds Miller Act suits in Texas, where the recovery of attorney's fees in some instances seemingly depends upon whether you sue the prime contractor or the surety. *Boyd Callan, Inc.* v. *United States*, 328 F.2d 505 (1964); *Transamerica Insurance Co.* v. *Red Top Metal, Inc.*, 384 F.2d 752 (1967)

H.R. 11691 would also render unenforceable any provision in a contract between the prime contractor, whereby the subcontractor purports to waive his rights under the Miller Act, including arbitration clauses. This provision aims at protecting the unknowing subcontractor or the one who falls victim to the inequality of bargaining power.

Mr. Speaker, this bill is fully supported by the General Services Administration, the Federal agency that deals most closely with these matters. It is legislation that protects a subcontractor on a Federal contract from being the victim of economic inequality or coercion. It is a proposal that seeks to make the remedies available under a Federal statute uniform throughout the several States.

This measure is fully consistent with the original intent of the Miller Act. In fact, it is an attempt to insure that its original intent is realized. I strongly urge my colleagues to support the adoption of this needed remedial measure.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RENAMING CIVILIAN CONSERVATION CORPS CENTER IN FRANKLIN, N.C., IN HONOR OF FORMER PRESIDENT LYNDON B. JOHNSON

The Clerk called the bill (H.R. 13685) to rename the first Civilian Conservation Corps Center located near Franklin, N.C., and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson.

There being no objection, the Clerk read the bill, as follows:

H.R. 13685

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first Civilian Conservation Corps Center, known as the Arrowood Civilian Conservation Corps Center, located near Franklin, North Carolina, is redesignated as the "Lyndon B. Johnson Civilian Conservation Corps Center", and the Cross Timbers National Grasslands, located in Wise and Montague Counties, Texas, is redesignated as the "Lyndon B. Johnson National Grassland".

SEC. 2. Any law, regulation, document, map, or record of the United States in which reference is made to the Arrowood Civilian Conservation Corps Center or to the Cross Timbers National Grasslands shall be held and considered to be a reference to the Lyndon B. Johnson Civilian Conservation Corps Center and the Lyndon B. Johnson National Grasslands, respectively.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture be discharged from further consideration of the Senate bill (S. 2835) to rename the first Civilian Conservation Corps Center located near Franklin, N.C., and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson, a bill identical to H.R. 13685 just passed by the House, and I ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, this is an identical bill; I mean, a verbatim bill?

Mr. POAGE. Yes, it is.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill as follows:

S. 2835

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first Civilian Conservation Corps Center, known as the Arrowood Civilian Conservation Corps Center, located near Franklin, North Carolina, is redesignated as the Lyndon B. Johnson Civilian Conservation Corps Center, and the Cross Timbers National Grasslands, located in Wise and Montague Counties, Texas, is redesignated as the Lyndon B. Johnson National Grasslands.

SEC. 2. Any law, regulation, document, map, or record of the United States in which reference is made to the Arrowood Civilian Conservation Corps Center or to the Cross Timbers National Grasslands shall be held and considered to be a reference to the Lyndon B. Johnson Civilian Conservation Corps Center and the Lyndon B. Johnson National Grasslands, respectively.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 13685) was laid on the table.

CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House was ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 229]

Anderson, Calif.
Andrews, N.C.
Ashbrook
Badillo
Bafalis
Barrett
Bell
Biaggi
Biester
Blatnik
Boland
Bolling
Brademas
Brasco
Broomfield
Brotzman
Buchanan
Burke, Calif.
Burke, Fla.
Butler
Byron
Carey, N.Y.
Carney, Ohio
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Conyers
Corman
Cotter
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Delaney
Dennis
Dent
Diggs
Dingell
Donohue
Dorn
Dulski
Eckhardt
Eilberg
Eshleman
Findley
Fish
Fisher
Flood
Flowers
Ford, William D.
Fountain
Gaydos
Gettys
Giaimo
Gibbons
Goldwater
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gunter
Hanna
Hansen, Idaho
Harrington
Hays
Heckler, Mass.
Heinz
Helstoski
Hogan
Holifield
Huber
Hudnut
Hunt
Ichord
Jarman
Johnson, Pa.
Jones, Okla.
Kluczynski
Kyros
Landgrebe
Landrum
Lehman
Litton
Long, La.
Long, Md.
Luken
McCloskey
McCormack
McKinney
McSpadden
Macdonald
Madigan
Mann
Maraziti
Matsunaga
Mayne
Milford
Mink
Mitchell, Md.
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nelsen
Nix
Parris
Peyser
Podell
Pritchard
Quie
Rangel
Reid
Rinaldo
Roncalio, Wyo.
Rooney, N.Y.
Rooney, Pa.
Roy
Ruppe
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Shipley
Shoup
Shuster
Skubitz
Smith, Iowa
Staggers
Stanton, J. William
Steed
Steele
Steiger, Wis.
Stubblefield
Teague
Udall
Vander Jagt
Veysey
Vigorito
Waldie
Ware
Widnall
Williams
Wyatt
Wydler
Wyman
Yatron
Young, Ga.
Young, S.C.

The SPEAKER. On this rollcall 274 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

USDA DELAYS FLEMING KEY ANIMAL IMPORT CENTER PLANNING

(Mr. MELCHER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. MELCHER. Mr. Speaker, although directed by action of the 92d Congress to build an import quarantine center to import European breeds of cattle and other livestock at Fleming Key off the coast of Florida, the Department of Agriculture has failed to start the plans and design of the facilities.

Congress appropriated $300,000 for design and planning in fiscal year 1973. The Department advises me:

> The design criteria have been completed. Architectural-engineering firms have been evaluated and ranked in order of preference by a review board.

But—the Department then equivocates by saying that they do not intend to expand the $300,000 appropriation for design and planning until construction funds are available.

For the current fiscal year appropriations the conference committee of the Agriculture Appropriations Committee asked that the request for funds for the Fleming Key Animal Import Center be made in the routine way through the President's budget rather than asking for the funds outside the normal budgetary process. That was not done. Now the Department position is that this quarantine center should be financed through private sources.

Whether it is private or Government funds that pay the bill for this needed facility I would strongly urge the Department to get right on the job of design and planning the installation, which usually takes a year, so that when the funds are available construction can start. Further delay only stalls what is an obvious need for the U.S. livestock industry. Also the stall defies the will of Congress in directing that the $300,000 appropriated be used for the purpose of planning and it's obvious that the Department has wasted a year or more in defiance of the directive of Congress.

MILITARY PROCUREMENT AUTHORIZATION, 1975

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1112 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1112

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14592) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill, and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Indiana (Mr. MADDEN) is recognized for 1 hour.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Nebraska (Mr. MARTIN) pending which I yield myself such time as I may consume.

Mr. Speaker, last week the House Rules Committee held hearings on the 1975 military authorization legislation and reported out an open rule with 4 hours of general debate—House Resolution 1112.

Chairman HÉBERT and other members of the Armed Services Committee testified at length regarding the important features of this legislation, after months of extended hearings of recorded testimony from the heads of the various armed services, Members of Congress, et cetera.

This legislation reported by the Armed Services Committee provided for appropriation authorization of $22,642,963,000. The total authorization includes $13,641,000 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons. The sum of $9,001,663,000 is authorized for research, development testing, and evaluation.

After the hearings were completed the Armed Services Committee reduced the total amount of this authorization by $487 million. The total amount of the authorization is $1.2 billion above the 1974 authorization.

The total authorization also includes $1,400,000,000 for the military assistance service funded program, providing for military assistance to South Vietnam.

The Armed Services Committee reduced the requested airborne warning and control system authorization from $515.4 million to $257.7 million. This reduction included authorizing 6 instead of 12 aircraft.

The committee denied the request of $50 million for the stretched version of the C–141 aircraft.

The request of $132.9 million for the civilian reserve air fleet program was reduced to $25 million.

The procurement authorization request for $14.3 million for two patrol gunboats to be furnished the South Vietnamese Navy was denied.

The Defense Department's request for $9.2 million for 45 naval craft to be furnished to the South Vietnamese Navy was denied also.

The $106.3 million request for procurement of the Dragon missile for the Army was reduced to $86.5 million, in which the Army Department concurred.

The request for $25.3 million for 35 armored reconnaissance scout vehicles was denied.

Further changes were made which resulted in a reduction of $8.4 million in Army procurement authorizations, which met with the concurrence of the Army.

Mr. Speaker, I fully realize that some of these items in this military procurement bill are controversial. The open rule will permit the Members to have an opportunity to offer amendments, and I urge the adoption of this rule in order that we may discuss and debate H.R. 14592 this 1975 armed services authorization bill.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from Indiana (Mr. MADDEN) has explained, House Resolution 1112 provides for an open rule and 4 hours of debate on the bill H.R. 14592, the military procurement authorization for fiscal year 1975. As I say, this is an open rule which provides that the bill shall be read for amendment under the 5-minute rule by titles instead of by sections. There are no waivers of points of order. It is a completely open rule. I know of no obligation to the rule itself, and I urge, Mr. Speaker, the adoption of the rule.

Mr. MADDEN. Mr. Speaker, I have no requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken.

Mr. SNYDER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 298, nays 0, not voting 135, as follows:

[Roll No. 230]

YEAS—298

Abdnor
Abzug
Adams
Addabbo
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashley
Aspin
Baker
Bauman
Beard
Bennett
Bergland
Bevill
Biester
Bingham
Blackburn
Boggs
Boland
Bowen
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conte
Conyers
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Derwinski
Devine
Dickinson
Dingell
Downing
Drinan
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Flynt
Foley
Forsythe
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Gilman
Ginn
Gonzalez
Green, Oreg.
Gross
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Wash.
Harsha
Hastings
Hawkins
Hébert
Hechler, W. Va.
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kuykendall
Lagomarsino
Landgrebe
Latta
Leggett
Lent
Long, Md.
Lott
Lujan
Luken
McClory
McCollister
McDade
McEwen
McFall
McKay
Macdonald
Madden
Mahon
Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mills
Minish
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Mosher
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Passman
Patman
Patten
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quillen
Railsback
Randall
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Seiberling
Shriver
Sikes
Sisk
Slack
Smith, N.Y.
Snyder
Spence
Stanton, James V.
Stark
Steelman
Steiger, Ariz.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Waggonner
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—0

NOT VOTING—135

Alexander
Anderson, Calif.
Andrews, N.C.
Ashbrook
Badillo
Bafalis
Barrett
Bell
Biaggi
Blatnik
Bolling
Brademas
Brasco
Broomfield
Brotzman
Buchanan
Burke, Fla.
Butler
Carey, N.Y.
Carter
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Conlan
Corman
Cotter
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Delaney
Dennis
Dent
Diggs
Donohue
Dorn
Dulski
Eckhardt
Eilberg
Eshleman
Findley
Fisher
Flood
Flowers
Ford
Fountain
Fraser
Frelinghuysen
Gaydos
Giaimo
Goldwater
Goodling
Grasso
Gray
Green, Pa.
Griffiths
Gunter
Hanna
Hansen, Idaho
Harrington
Hays
Heckler, Mass.
Heinz
Helstoski
Huber
Hudnut
Jarman
Johnson, Pa.
Jones, Okla.
Kluczynski
Kyros
Landrum
Lehman
Litton
Long, La.
McCloskey
McCormack
McKinney
McSpadden
Madigan
Mann
Maraziti
Matsunaga
Milford
Mink
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Nix
Parris
Peyser
Podell
Pritchard
Quie
Rangel
Reid
Rinaldo
Roncalio, Wyo.
Rooney, N.Y.
Rooney, Pa.
Roy
Ruppe
Scherle
Schneebeli
Schroeder
Sebelius
Shipley
Shoup
Shuster
Skubitz
Smith, Iowa
Staggers
Stanton, J. William
Steed
Steele
Steiger, Wis.
Stubblefield
Teague
Udall
Vigorito
Waldie
Ware
Williams
Wyatt
Wydler
Wyman
Yatron
Young, Ga.
Young, S.C.

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Dominick V. Daniels with Mr. Kyros.
Mr. Rooney of New York with Mr. Milford.
Mr. Teague with Mrs. Mink.
Mr. Steed with Mr. Davis of Georgia.
Mr. Brasco with Mr. Hanna.
Mr. Corman with Mr. Butler.
Mr. Helstoski with Mr. Findley.
Mr. Biaggi with Mr. Carter.
Mr. Rooney of Pennsylvania with Mr. Dennis.
Mr. Delaney with Mr. Ashbrook.
Mr. Eilberg with Mr. Conlan.
Mr. Donohue with Mr. Clancy.
Mr. Shipley with Mr. Bafalis.
Mr. Stubblefield with Mr. Eshleman.
Mr. Yatron with Mr. Don H. Clausen.
Mr. Young of Georgia with Mrs. Schroeder.
Mr. Moorhead of Pennsylvania with Mr. Bell.
Mr. Murphy of New York with Mr. Del Clawson.
Mrs. Chisholm with Mr. Culver.
Mr. Morgan with Mr. Broomfield.
Mr. Gunter with Mr. Badillo.
Mr. Diggs with Mr. Eckhardt.
Mr. Harrington with Mr. Clay.
Mr. Rangel with Mr. Fraser.
Mr. Barrett with Mr. Frelinghuysen.

Mr. Green of Pennsylvania with Mr. Brotzman.
Mrs. Grasso with Mr. Goldwater.
Mr. Podell with Mr. Heinz.
Mr. Nix with Mr. Blatnik.
Mr. Murphy of Illinois with Mr. Huber.
Mr. Flood with Mr. Buchanan.
Mr. Ford with Mr. Hudnut.
Mr. Gaydos with Mr. Burke of Florida.
Mr. Giaimo with Mr. Goodling.
Mr. Hays with Mrs. Heckler of Massachusetts.
Mr. Kluczynski with Mr. Hansen of Idaho.
Mr. Dent with Mr. Jarman.
Mr. Flowers with Mr. Johnson of Pennsylvania.
Mr. Carey of New York with Mr. Fisher.
Mr. Alexander with Mr. Landrum.
Mr. Fountain with Mr. Madigan.
Mr. Jones of Oklahoma with Mr. Litton.
Mr. Dulski with Mr. Parris.
Mr. Lehman with Mr. Maraziti.
Mr. Anderson of California with Mr. Andrews of North Carolina.
Mr. Long of Louisiana with Mr. Peyser.
Mr. Mann with Mr. Moss.
Mr. Cotter with Mr. Quie.
Mr. Matsunaga with Mr. McCloskey.
Mr. Brademas with Mr. Rinaldo.
Mr. Clark with Mr. McKinney.
Mr. Dorn with Mr. Roncallo of New York.
Mr. Gray with Mr. McSpadden.
Mr. J. William Stanton with Mr. Ruppe.
Mr. Reed with Mr. Scherle.
Mr. Danielson with Mr. Shoup.
Mr. Roy with Mr. Skubitz.
Mr. Smith of Iowa with Mr. Schneebeli.
Mr. Staggers with Mrs. Griffiths.
Mr. Steiger of Wisconsin with Mr. Sebelius.
Mr. Steele with Mr. Williams.
Mr. Davis of South Carolina with Mr. Shuster.
Mr. Udall with Mr. Vigorito.
Mr. Waldie with Mr. Young of South Carolina.
Mr. Wyatt with Mr. Ware.
Mr. Wydler with Mr. Wyman.

The result of the vote was announced as above recorded. A motion to reconsider was laid on the table.

Mr. HÉBERT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14592) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Louisiana (Mr. HÉBERT).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14592) with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Louisiana (Mr. HÉBERT) will be recognized for 2 hours, and the gentleman from Indiana (Mr. BRAY) will be recognized for 2 hours.

The Chair recognizes the gentleman from Louisiana (Mr. HÉBERT).

Mr. HÉBERT. Mr. Chairman, I yield myself such time as I may consume.

Any Member of the House who has anything to say on this very complex subject will be allowed the time he desires today.

I hope that consideration will be given during the amendment period and that it will not be abused by some individuals. We ran into a difficult situation last year, as the Members will recall. I refused to ask that debate be cut off, but other Members insisted that it be cut and did make the motion.

Mr. Chairman, let me first inform Members that it is our intention to complete general debate today and that on completion of general debate the committee will rise. We can then begin reading for amendments when the committee meets tomorrow.

It has been my custom since becoming chairman of the Armed Services Committee to assure the House at the beginning of the annual consideration of this important bill that I would make no move to cut off debate. As I said, I renew that promise again today.

WHAT THE BILL DOES

H.R. 14592 authorizes appropriations for all major military procurement and for research, development, test, and evaluation; authorizes the active duty and Reserve strengths of the Armed Forces; and authorizes the military training student load.

This year for the first time the bill authorizes the annual civilian personnel strength for the Department of Defense.

The action on the civilian personnel strength was accomplished with the splendid cooperation of the Committee on Post Office and Civil Service; and I wish to express my deepest appreciation to the gentleman from New York (Mr. DULSKI) and the members of his committee. The Manpower Subcommittee of the Post Office and Civil Service Committee met jointly with our own Manpower Subcommittee during the consideration of this title of the bill, and the separate statement by the Post Office and Civil Service Subcommittee will be found in our report beginning on page 79. This is, I believe, a unique example of outstanding cooperation between two committees on a matter that affects the prerogatives of more than one committee.

It is necessary for this authorization to pass before appropriations can be voted for the military departments.

Therefore, the legislation is absolutely necessary for continued operation of our military establishment.

DOLLAR TOTALS

Let me briefly list the significant dollar totals in the bill:

Authorization requested: $23,130,139,000.

Recommended by the committee: $22,642,963,000.

Reduction from Defense Department request: $487,176,000.

The net reduction does not tell the whole story, however. The committee actually made reductions totaling more than $800 million and made additions totaling over $300 million.

PERSONNEL IMPACT

In addition to the dollar impact of decisions on procurement and R.D.T. & E., the committee action on personnel will have a significant impact on budgetary requirements. Personnel costs now take 55 percent of our Defense budget.

Our committee has made a slight reduction of 2,810 in the active duty strength of the Armed Forces and has increased the Selected Reserve strengths by approximately 54,000. But it has reduced the Defense Department's civilian personnel strength request by 15,000. While not reflected in the dollar totals of the bill, the net effect of the committee's personnel revisions, when implemented, will be a reduction of approximately $121 million from the administration's Defense budget request.

NUCLEAR POLICY

In addition to the money authorizations and strength levels, the committee has made important policy decisions in two other areas:

The committee has added to the bill a new title, title VIII, which would establish as the policy of the United States the requirement that construction of future major combat ships for the U.S. Navy be nuclear powered. I particularly recommend that Members read the section of our report beginning on page 6 on the "Nuclear Navy." It was the Congress which dragged the Navy and the Department of Defense into the nuclear age and, sadly the Congress is still required to take the lead in this vital area.

The committee continued the military assistance service funded—MASF—program authority to aid South Vietnam. But we provided a limitation of $1.4 billion for fiscal year 1975, a reduction of $200 million below the amount requested by the Department. The committee also rewrote the language of this section of the bill, section 701, to require the establishment of a single fund. This will improve the administration and accounting of the funds used for this purpose and make the use of such funds more responsive to congressional intent.

The committee language provides that unobligated balances previously authorized for the program are repealed as of June 30, 1974.

COMMITTEE PROCEDURE

The bill I bring before the committee today is the product of 67 days of hearings in the Committee on Armed Services. In addition to 14 days of hearings by the full committee, there were:

Twenty days of hearings by subcommittee No. 1, chaired by Mr. PRICE of Illinois, with Mr. GUBSER as ranking minority member. Subcommittee No. 1 considered title II, the research and development portion of the bill.

Twenty-one days of hearings by subcommittee No. 2, chaired by Mr. FISHER, with Mr. DICKINSON as ranking minority member. Subcommittee No. 2 considered titles III, IV, V, and VI, the personnel sections of the bill.

Twelve days of hearings by subcommittee No. 3, chaired by Mr. BENNETT, with Mr. BOB WILSON as ranking minority member. Subcommittee No. 3 considered the naval ship construction portion of title I of the bill and also the new title VIII on nuclear ship construction policy. Title VIII results from legislation developed separately by Mr. BENNETT and Mr. WILSON.

Following my remarks, I am going to yield to Mr. PRICE to explain the R. & D. authorizations, Mr. FISHER to explain the manpower decisions, and Mr. BENNETT to discuss ship construction programs.

Mr. Chairman, I would like to express my appreciation, not only to the chairmen and ranking minority members of the subcommittees, but also to all members of the committee for their work on this bill. The bill involves literally thousands of separate items. The hearings fill four volumes. It would be simply impossible to complete the committee's required work without the splendid cooperation and diligent attendance that we have had by members of the committee.

MAJOR ADDITIONS

The committee's report is available to all Members of the House. It is 132 pages, and it explains the actions taken by the committee. Let me just highlight some of the major changes.

A-7

The committee added $104.9 million for the procurement of 24 A-7D aircraft and specified in the bill that these A-7's shall be for the use of the Air National Guard.

F-111

The committee added $205.5 million for the procurement of 12 F-111 aircraft.

In providing funds for the F-111, the committee continues the procurement of one of the outstanding aircraft in the world, the only tactical aircraft in our inventory capable of performing a strategic nuclear mission. This action keeps open the only active aircraft production line in the free world capable of producing a strategic bomber. I want to emphasize, however, that the committee considers even the bomber version of the F-111 as an interim aircraft until the B-1 comes along. We do not consider the bomber version of the F-111 a long-term replacement for the B-52. In title II of the bill the committee has provided the development money for the B-1, which we must have the option to produce to assure the continuation of the manned element of our strategic triad.

MAJOR REDUCTIONS

The R. & D. request was reduced $323.3 million. The reductions affect a great variety of programs. They are explained in the report and will be discussed more fully by Mr. PRICE in the course of this debate.

The committee denied $50 million requested for the stretched version of the C-141. The committee determined that authorization should not be provided until prototypes have been developed and engineering and flight-testing completed.

The procurement request for modification of the Civil Air Reserve Fleet (CRAF) was reduced from $132.9 million to $25 million, a reduction of $107.9 million. Because of the failure to provide funding in the fiscal year 1974 supplemental appropriation bill, the committee believes the authorization should be limited to $25 million for fiscal year 1975. This will provide for basic engineering, design, and tooling. The committee does not oppose the concept of the program.

The request for the E-3A (AWACS) was reduced by $257.7 million, a 50-percent reduction. The committee believes this program should be slowed down until completion of the complex system integration testing.

The committee turned down the request for $14.3 million for patrol gunboats and $9.2 million for 45 naval craft, all of which would have been furnished to the South Vietnamese Navy. The committee believes these vessels for South Vietnam should be provided through the military assistance program.

COMMITTEE OVERSIGHT

In some cases the committee has imposed requirements to make sure that authorizations are prudently used. In providing $436.5 million for the patrol frigate program, the committee has provided in the bill that the contract for construction of these ships shall not be entered into until the Secretary of the Navy has notified the committee that the fire control system for the ship has been satisfactorily tested.

In providing funds for the procurement of the A-10 close-support aircraft for the Air Force, the committee has made clear in its report that the authorization is available subject to a favorable decision in the flyoff competition between the A-10 and the A-7.

SPECIAL CONCERNS

In addition to its actions on the specific weapons program requests of the military departments, the committee has, in its report, expressed special concern in a number of areas.

Beginning on page 37 of the report, the committee expresses its concern for the management of R. & D. programs in the Department of Defense. The discussion will be useful to Members of the House, and I caution those in the R. & D. business in the military departments to read it also. The mounting cost of defense is going to require improved procedures in managing weapons programs. And it is going to require our committee to look more closely at expensive programs.

We have not fully absorbed, as yet, the lessons of the October war in the Middle East for our Armed Forces.

But that war has made us aware of the awesome capacity of the Soviets to produce and supply conventional arms to countries with which it seeks influence. On page 8 of the report the committee expresses its particular concern with the limitations on the capacity in our own country to produce tanks and with the considerable numerical advantage the Soviets have in tank inventories. At present, there is only one producer in the United States; and the rate of production is 360 a year. The Soviets have provided more than that number to one Arab country in a matter of weeks.

Last year the House, via the Peyser amendment, directed our committee to make a study of our commitments in Europe. The report resulting from that study, which our committee approved by a vote of 32 to 5, was transmitted to the House on April 8. On page 5 of the report the committee discusses the essential points of that study which Members of the House should keep in mind in considering any proposals to change our NATO deployment. Briefly, we are in the middle of a process that was begun as a result of U.S. urging. Negotiations began in Vienna last October which will affect not only the level of troops in Europe, but the whole spectrum of détente. The Jackson-Nunn amendment requiring the NATO allies to offset our balance-of-payments deficit due to troops in Europe was enacted as part of last year's bill, and efforts are underway to meet the requirements of that amendment. The prospects for success look very good.

To reduce forces in Europe now would undercut the mutual and balanced force reductions negotiations, would throw away the beneficial economic effect of Jackson-Nunn, and would make the United States look capricious and irresponsible on the world's stage.

CONCLUSION

Since the authorization bill was brought to the floor last year, the free world has had a frightening lesson in the necessity for military preparedness.

I hope the lesson was not lost on Members of the House. The October war in the Middle East gave renewed evidence not only of the willingness of the Soviets to sponsor aggressive action, but of their capacity to supply arms at an incredible rate.

All of the evidence available to us also indicates that the Soviets continue to develop strategic missile capability at an undiminished pace and continue the feverish expansion of their worldwide naval forces. We all want peace. But surely the last 55 sad years of history, if it has taught us anything, teaches us that we do not get peace by reducing the capabilities for defense. In our world it is absolutely necessary to keep our Armed Forces in a high state of readiness. That means keeping them supplied with adequate weapons systems of today. But it also means keeping the technological vigor to make sure our forces will be ready for any eventuality in the decade ahead. The bill I present to you today is necessary to carry out the Congress part of that awesome responsibility.

Mr. GONZALEZ. Mr. Chairman, will the distinguished gentleman yield?

Mr. HÉBERT. I am happy to yield to the distinguished gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, first I am sure that I express the sentiments of most if not all Members of the House in wishing to compliment the distinguished gentleman from Louisiana for the monumental task that the gentleman handles for us. I rise only to compliment the gentleman and his committee, and to ask the gentleman a question in connection with a matter that I believe is of great importance to the country, and especially in view of those who believe that you have provided too much in this authorization bill.

The question that I have is: In view of the recommended strength and the projected strength of the Army of less than 800,000 men, and also reductions in some of the other services, does the gentleman believe that this is adequate, and have we not reached the danger point?

Mr. HÉBERT. We have reached a point of necessity in an area where we must recognize that we need the maximum of muscle. We have 800,000 provided for in the Army, and I might say that they are having some difficulty in recruiting in some areas. But I am sure the gentleman has noticed that we have increased the reserve forces by some 58,000 men.

Mr. GONZALEZ. Yes.

Mr. HÉBERT. And as we move down the lane further in the future, we have to realize that the area of personnel now demands 55 percent of the budget.

So if we make a strong regular cadre out of the active military, and have a strong reserve force that can be called up quickly, and functions properly, then we can save a great amount of money, and still have the capability and the ability to rally these forces.

I believe that the committee has taken that into consideration, and is following in line with what not only the Army has recommended, but also the Air Force and Navy.

Mr. GONZALEZ. Mr. Chairman, may I say that that makes sense, and I thank the gentleman for his reply. I trust that the gentleman through his leadership will help us avoid at this point in our national history the same sad and tragic errors that we have made twice before, when we stripped ourselves of our defense capabilities only to find ourselves in an emergency, and then having to do everything we could so as to procure the equipment that was needed.

In other words, if the gentleman will recall, after World War I and after World War II and after Korea, we did disengage, and we did reduce, but history has shown that we reduced a little bit too fast, and too foolishly.

I hope we do not do the same thing this time. I am very hopeful that under the gentleman's leadership it will not happen this time.

Mr. HÉBERT. I will say to the gentleman from Texas it is certainly refreshing and reassuring for me to hear his remarks. I only wish that the spirit of those remarks and their logic and their full impact would spread more widely, not only in the Congress here, and in the House in which we serve, but throughout the country.

The situation has not changed at all. The Russians know only one language—only one language and no other. That language is strength. We must maintain our strength. We cannot go to the table to negotiate unless we have the backup strength.

This bill gives us the opportunity of holding that strength, although I personally would like to go even beyond the bill in some areas. Consider that our Navy has dropped in the number of ships by hundreds the ships in our Navy are, on the average, far older than the ships in the Russian navy. This is a horrible situation in which we find ourselves, and it is very annoying—which is about the only word I can use—to hear people strongly cry out for a reduction in our forces when we are doing the best we can to maintain this Nation. Some cry out that too much money is being spent on defense but 55 percent is spent on manpower. Take away the 55 percent and we have comparatively little with which to buy new weapons.

I think the gentleman from Texas has expressed a sentiment which I only hope will be more widespread in this House and in this country.

Mr. GONZALEZ. I thank the chairman.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman for yielding.

Mr. Chairman, I thank the gentleman for the work he has done on this bill and for his attitude as far as our national defense is concerned. I, for one, think that we should not lower our guard. I fully agree with what the gentleman has said.

If we are to maintain our relationship in this world, we must remain strong, and I would hate to see anything cut from this bill that would weaken us in the face of possible adversaries in the future, because we cannot just turn the switch on at that time for that which we need and have everything that we need immediately. We have got to provide for it.

Let me ask the gentleman one question. What has happened to our flight training program under this bill here? Are we cutting off any of the flight training?

Mr. HÉBERT. No; we are not cutting off any of the flight training, we are also expanding the capability of the Reserve Air Forces by providing additional A-7D's which must go to the National Guard.

We also had to be very sensitive about another area. There are some individuals and some very fine people who believe in national defense as much as the gentleman from Texas and I do. There is a movement to sort of combine the training of the National Guard and the Air Reserve which, would destroy the Guard. We have to be very alert to that. We have to understand these things. They are well-meaning, well-intentioned people.

We hear voices raised on the floor against the bill, in offering amendments, but the same voices seem to cry out against every military item. I recognize that the voices are often the same; the forces are often the same, and the arguments are always the same. I have not seen a new one come over the horizon yet.

Mr. KAZEN. I thank the gentleman from Louisiana, and I intend to stand by him.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentlewoman from New York.

Ms. ABZUG. Do you recognize the face, Mr. Chairman?

Mr. HÉBERT. I certainly recognize the voice.

Ms. ABZUG. I would suggest, Mr. Chairman, that obviously some of the voices that were raised did create some change in policies and attitudes with respect to the war in Vietnam and in Cambodia. Would the gentleman not agree?

Mr. HÉBERT. The gentlewoman did what?

Ms. ABZUG. Not I. People have changed their minds. Voices do change and faces do change.

What I would like to know is what is the purpose of the research and development proposals for the new maneuverable reentry vehicles popularly known, I believe, as MARV.

Mr. HÉBERT. Does the gentlewoman mean MIRV's?

Ms. ABZUG. No, MARV.

Mr. HÉBERT. In the area of research and development? I would be very happy to answer the gentlewoman's question, but as I have indicated I am going to leave that part of the program in the hands of the expert on our committee, the gentleman from Illinois (MELVIN PRICE), and I suggest to the gentlewoman when he rises that she address any question on research and development to him. The gentlewoman must keep in mind that the Armed Services Committee has a job to do and he does it well. The man in this area of responsibility is the gentleman from Illinois (MELVIN PRICE) and he will talk to the gentlewoman on this subject.

Mr. PRICE of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Illinois.

Mr. PRICE of Illinois. Mr. Chairman, naturally this is an advancement of art in the weapons system. I think unless we do continue to advance and always have a secondary weapon we will be out of commission. The Soviet Union is pressing us pretty far in the area of the reentry vehicles. I think this indicates an advancement in the art.

Ms. ABZUG. If the gentleman will yield further, it was my understanding that kind of advancement in the art—and correct me if I am wrong—would seem to indicate a new strategy with respect to our program and policy. I understood always it was a deterrent policy, and development of these other kinds of weapons actually represent a new strategy of a first strike capability rather than a deterrent strategy.

I would suggest we ought to keep ourselves strong in order to keep the peace, as the chairman of the committee indicated before, and that kind of strategy would seem to indicate we would be incorrect in increasing our strength and therefore also the probability of war and not of peace. When we first started manufacturing, after we did the research and development on the MIRV, the Soviet Union did not have these weapons. But once we started producing MIRV's, the Soviet Union started to develop MIRV's. We still have an enormous advantage over the Soviets in the development of these weapons—an advance of 5 years or so. But if we are to start a new program of weapons with increased counterforce capabilities, we will only be encouraging the Soviet Union to keep up with us, thereby accelerating the nuclear arms race. There is no reason in the world for increasing our counterforce capabilities except to achieve a first-strike capability. And if that is our goal and we are, in fact, reversing our policy of nuclear deterrence, should we adopt such a radical departure in policy in an authorization bill, without giving the Members of Congress an opportunity to focus on this and to discuss it more fully? Will the gentleman explain that?

Mr. HÉBERT. I will explain it. This is an authorization, not an appropriation. It is a proper place for Congress to make policy. That goes not to research and development, but to the logic of the situation. Are we going to stand by and just twiddle our thumbs and let the Russians advance? We know they are making a great deal of progress in research and development, at a greater rate than we have ever made in our history; we know they are not hampered nor contained by the restrictions and by the attacks which restrain us and by the money values which restrict us.

We never thought the Russians had the MIRV, except those of us who make this our business, and the individuals who are on the side of the gentlewoman often told us the Russians did not have the MIRV and would not have them. Immediately after the SALT agreement, we found the Russians did have the MIRV. We know the Russians are advancing so fast we have to make the most of our progress and prevent them trying to do anything to us. This is policy; and it is something the House decides and properly so, and something which is in the full area of the authorization Committee on Armed Services and we accept that responsibility and we will do everything we can to help the House carry out its grave duties to national defense.

We will leave no stone unturned. We will not falter. We will not hesitate to keep America the first nation in the world.

Ms. ABZUG. But is it not true that our policy has been one of utilizing nuclear power as a deterrent, and not as an offensive or first-strike weapon?

Mr. HÉBERT. I can say that is true and that is the reason we have not had a nuclear war, because nuclear power is a deterrent. The Russians have nuclear weapons and we have them. If they throw first or we throw first, either nation will be destroyed.

Mr. PRICE of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Illinois.

Mr. PRICE of Illinois. That is exactly true. The weapon the gentlewoman from New York referred to is a deterrent weapon, not a first-strike weapon. It is being developed to meet the capability that we now know the Soviets have.

Ms. ABZUG. I think the gentleman is in error. Even Secretary Schlesinger has concluded—and stated in his testimony—that we now have greater operational counterforce capability than the Soviets have. And the Secretary has indicated that this and other items in the research and development budget are really intended to be used to increase further the accuracy and yield of these weapons in order to enable us to target on Soviet missile silos and other hardened military installments and not merely on cities and soft military targets. These new weapons are aimed at enabling us to destroy the Soviet retaliatory force. Is this not why the authorization for these new missiles is requested?

Mr. Chairman, my chief objection to this military procurement bill is that it moves the country away from peace and toward war. It increases not just our expenditures for war, but also the likelihood that war will occur.

The new direction of the Department of Defense can only be viewed by the rest of the world as conversion to a Department of Offense. The preparations contemplated in the Pentagon budget are difficult to interpret as defensive.

At the outset, the Pentagon proposes to spend an alltime high of some $94 billion, of which today's $22 billion is only a small part. After other wars, the military budget has been drastically reduced; this time, with the Asian war supposedly ended, we are asked to increase the expenditures by some $8 billion, or 9.4 percent. Why? When even the Secretary of Defense concedes that this is "the first budget in a decade or more that does not include support of U.S. forces in combat." It is also a budget that would gobble up 44 percent of all Federal spending.

The Secretary and Chairman MAHON have quite frankly justified the inclusion of $5 to $6 billion simply to stimulate our sinking economy. Yet a Department of Labor study in 1972 shows that in reality, more jobs could be derived from transferring military funds to education, health, and other social service programs at the State and local level. Further, these jobs would become available not just to highly skilled persons but to the low-income, low-skilled workers who are hardest hit by unemployment. Military jobs on the contrary usually demand high technical skills.

We must remember, too, that the end product of jobs produced by the military is pure waste. The planes and tanks and bombs and missiles produced by the thousands of workers are far beyond our legitimate defense needs. Either they are used in war—which has now become unthinkable—or they soon become obsolete and are scrapped. In either case, what a waste of resources, both human and inanimate, particularly when these resources could be invested, instead, in fulfilling so many socially desirable needs.

The very concept of investing more of our national resources, rather than less, into military machinery at this time is indefensible. It cannot be justified on any grounds—military, economic, or social. There is, moreover, more than a touch of irony in the present Pentagon request, coming, as it does, from the administration that promised us prosperity with peace.

Even so conservative an institution as the First National City Bank of New York warns that increased military spending—

> Could be an inflationary stimulus to an economy that has already started on the road to recovery . . . historically, it has seldom proved good economics to give an economy a fiscal shot in the arm by upping defense outlays.

But there are even more serious implications to this budget. The very manufacture and storage of nuclear and nerve weaponry—which it contemplates—endangers us all. If the general public were aware of the dangers we all live with daily, there would be a hue and cry that would drown out even the Pentagon lobby. The leakage of radiation and deadly gases in our air and water, and the danger of massive accidents or malicious theft of materials, will accelerate as we continue to manufacture and test new and more lethal weapons. We talk about those programs as if we were discussing the construction of a new building: Is this or that weapon functional, does it fill a need? What need? We should rise up and declare an end to this dangerous waste.

We also are asked, in this bill, to increase the risk of confrontation. Negotiation is viewed as another form of combat. We are told we must develop even more lethal weapons as "bargaining chips." We must make the American presence ever more visible. I thought we had renounced the role of world policeman—but here we are asked to authorize a "stabilizing military presence" in the Indian Ocean, which has traditionally been a zone of peaceful commerce among nations.

We are asked to approve new land forces with new equipment; to expend our airlift capability; to continue supporting a dictatorship that allows oil interests a toe-hold in Asia. We are asked to approve more accurate nuclear warheads so that we can pinpoint our destructiveness not only on cities and missile silos but also upon a long list of other important assets.

There is reflected in this budget a completely new nuclear targeting strategy by providing funds for research and development of new missiles for fixed deployment and for terminally guided MARV's in order to give this country a first-strike capability. We are, in effect, reversing our long-standing policy of nuclear deterrence. This is a radical and dangerous move and one which will, I fear, provide a strong impetus to the nuclear arms race. The implications of this change in policy are earth-shattering. Yet we are asked to approve this about-face in foreign policy through a military authorization bill with many hidden items and without any real opportunity for the Members of Congress to discuss—or even to focus on—this issue. I, for one, am completely opposed to this new policy. Therefore, I plan to introduce an amendment which would delete all funds for research and development of counterforce weapons.

Another new philosophy reflected in the bill before us is the requirement in title VIII that all new major combatant vessels be nuclear powered—the provision for a nuclear Navy. The committee's proposal to retire prematurely our existing naval surface ships and to build all future major vessels with nuclear propulsion can only be characterized as a make-work welfare program for private shipyards.

Nuclear propulsion does, I concede, pay off in substantial added capability for our submarine fleet, but will add nothing to our surface fleet—nothing except substantial costs. By greatly increasing the costs of destroyers, frigates, and other fighting ships we will, in effect, reduce our naval capability as we can afford to build fewer of these surface vessels. I view this new policy as economically wasteful and self-defeating.

I cannot emphasize too strongly that, despite all our rhetoric about arms limitations agreements, we are accelerating the nuclear arms race. This is a confrontation budget. How can we be pretending to be seriously negotiating for peace or for new SALT agreements when we are pouring more and more funds into more and newer weapons? Secretary Schlesinger claims that the development of new weaponry—and particularly new counterforce programs—are essential to a strong bargaining position at the SALT talks. But we are now years ahead of the Soviet Union in nuclear weaponry.

Make no mistake: the new counterforce strategy is a belligerent stance. We are asked—in title VIII of the bill—"to modernize the strike forces of the U.S. Navy by the construction of nuclear powered major combatant vessels * * *." Whom do we expect to strike? to combat? In such phrases is reflected the entire mentality of the new counterforce strategy.

According to a group of former Defense officials headed by former Assistant Secretary of Defense Paul C. Warnke:

> We are today the strongest military power in history . . . the U.S. has been about five years ahead of the Soviets in the development of MIRV's, multiple warheads which can be aimed at separate targets, and will continue to lead them in the number of missile warheads well into the 1980's no matter what the Russians do. Nevertheless, we are moving on to the next generation of nuclear warheads without waiting to see whether this dangerous and expensive race can be halted.
>
> . . . Our true national security is neither measured nor insured by tanks, planes, missiles, warships and armed men but by the fundamental strength, unity and confidence of our people in our institutions; our economy and our society. We do not protect but endanger that real security by excessive military spending.

I agree.

Mr. HÉBERT. I will answer that. Every effort we make in this field, any research and development, any construction, any production, is aimed at one objective and that is to keep America No. 1. As far as the Committee on Armed Services is concerned, it will do everything it can to keep this Nation first and to assure the Soviets do not achieve an unacceptable technological advantage over us.

Mr. Chairman, I have yielded long enough.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. I wonder if the very able chairman can tell me what the possibility is for the Navy Fighting Fleet to be nuclear powered, in view of the great requirement in the consumption of oil by the Navy; what is the possibility of our Navy having complete nuclear power?

Mr. HÉBERT. If this bill is passed and signed by the President, there is not just the possibility, but it is there. Keep in mind, it has been the Congress, and particularly the House Committee on Armed Services that has compelled the nuclearization of the Navy, from the Polaris on.

Now again we find evidence of slippage whereby nuclear power is being shoved aside. Under the new title VIII we have in the bill, every major Navy combat vessel in the future must have nuclear power. Major combat vessel means, according to the bill, all submarines, all ships that run with a carrier navy, including the carrier and all of its escorts, and all of strike forces where independent, high-speed operations will be of military significance.

We certainly cannot have a Cadillac running down the street with all its guns, followed by horses carrying bows and arrows. The Navy will follow along with nuclear construction.

Mr. EVINS of Tennessee. I thank the gentleman and I think his policy should be followed by the Congress.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. During the Korean conflict, I flew jets in the Marine Corps. I flew an old type of plane that was not very compatible with the time. It did not have the safety devices that it should have. I have always been resentful of the fact that several of my friends were killed because these planes did not have the proper equipment that planes of that time should have had.

I felt that the Congress was derelict in its duties.

I have a question on the F-111. When the Air Force itself does not want the F-111, it is very hard for me to understand why Congress insists that it should have it. I do not know whether the safety provisions of this aircraft have been perfected; but for several years it was not safe to fly it. This is the second year the committee has insisted that the production lines be kept open, when the Air Force says it did not want it.

I would like to have that explained from the report.

Mr. HÉBERT. Mr. Chairman, the language describes it. The fact the Air Force did not ask for it was because they were constrained by the budgetary limitations and they had to put priorities on what they could get.

Now, as far as the F-111 is concerned, any flyer that has flown the F-111 will tell anyone that it is one of the greatest planes we ever had. It is a plane that has been developed out of the very odious beginnings of the TFX. The FB-111 version is only an interim manned bomber. That is why we have to keep the lines open. For years I fought Secretary McNamara to put a new manned bomber in the air.

He insisted that he did not want any. As a result, there has not been a B-52 constructed in over 15 years. We cannot have this happen, that the B-52 should wear out before the B-1 comes along. Then, we would have nothing.

All the F-111 does is keep that spread open until the B-1 becomes a part of the inventory. It cannot come into the inventory until 1981. There are three prototypes in the B-1 now. We will give them another prototype B-1 this year and give them a fifth prototype before a decision on production will be made. I hope it will be made.

Referring back again to the gentleman's observation about the Marines and the lack of safety, this is what we are trying to correct. We realize these shortcomings. This is why we are trying to put into the hands of our forces the proper instruments of war and the most advanced airplanes.

Mr. JOHNSON of Colorado. Mr. Chairman, if the chairman will yield further, the committee report says:

> The committee was advised that current plans contemplate that a substantial number of the earlier F-111s be converted to electronic warfare configuration.

I was wondering why we need to do that.

Mr. HÉBERT. Keep in mind that we cannot go in and take an airplane off the shelf. We do not keep them in stock like shoes or things like that. It takes us a minimum of 5 years from the drawing board to the air. We are going to have a fight again on the B-1 on the floor before this bill is over. I hope its opponents do not prevail. There are so many things we have seen prevail. The antimilitaristic spirit is so up; the antidefense spirit is so up, that I am not amazed at anything that happens in this body.

I am trying to warn this body and tell this body exactly what we need.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. Mr. Chairman, I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, I have in my district, as the gentleman knows, the Naval Training Center at Great Lakes. I am particularly interested in authorization for the Navy.

It has been my view that funds for the Trident submarine can really, in the long run, provide economies for the country. In other words, it can in the long run enable us to eliminate some of our overseas military bases and return a number of our men from overseas.

Would the gentleman confirm that concept?

Mr. HÉBERT. Yes, and there is another area in which an attack will be made on this floor before this bill is passed, to cut down Trident. Another attack will be made in the Senate on the same subject. That is why I tried to point out again that all these attacks will be made by the same individuals who attack everything.

Mr. McCLORY. The Trident, then, will not only enhance our military strength, but at the same time, in the long run provide economies in our defense posture which can provide savings in the future?

Mr. HÉBERT. There is the advantage. It is the advanced submarine weapon. But keep in mind, as regards the troops overseas, that the Trident is a strategic weapon. It is needed independent of the need for forward deployed conventional forces.

Mr. STRATTON. Mr. Chairman, will the distinguished chairman of the committee yield?

Mr. HÉBERT. Mr. Chairman, I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, responding to the gentleman from Colorado (Mr. JOHNSON) who raised the question with regard to the F-111, I would like to say that I was the member of the committee who offered the amendment to add the F-111 to the bill.

I would like to simply say that I concur with what the chairman has said about this airplane. There is no question about the fact that the Air Force wanted it, but the restraints that exist in the Pentagon made it impossible for the Air Force to come out and include it in their request.

We have three basic reasons for it, as the chairman has indicated. First of all, it is one of the very few planes, I think—as far as the Air Force is concerned, the only aircraft—this country has developed in the last 15 to 20 years, which can perform a strategic mission, while the Russians have developed some three or four. All the bugs have been worked out and the F-111 is flying spectacularly. It would be shameful to turn off the production line.

The several electronic aircraft that are now being developed have been taking out of the basic four wings of the F-111 for the Air Force because it is such a terrific plane and performs well in the electronic role. The Air Force schedule itself included no planes to replace those taken out for electronic purposes.

And by continuing the production line for another year we provide both planes, so they will fill out the men required for four wings of F-111's.

Mr. Chairman, the second point, as the chairman has already indicated very eloquently, is that this is the only kind of aircraft that can qualify as an interim manned bomber. The B-1 has been delayed for years. The cost is estimated very conservatively; and if for some reason the B-1 should not be approved by Congress as a bomber, the FB-111 can perform almost all of the jobs that the B-1 can do. Therefore, we ought to keep it going, at least until we make a decision about the B-1.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I thank the gentleman for yielding.

I would just like to add one factor that was not mentioned by the distinguished gentleman from New York on the other side, to put the shoe on the other foot. Those of us who have some skepticism, some doubts as to whether or not we will buy the B-1 when that time comes, if we, in fact, allow the line to be closed down on the FB-111, then we will have no option; and it does not make any difference what the B-1 costs. If it is $100 million per copy, we will have absolutely no option, because if this one is closed down, we can never again crank it up to get it back on the job. So this allows us an option when we come to decide whether or not to buy the B-1 and then does not put us in a position where we have absolutely no choice at all.

Mr. WHITEHURST. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I will be happy to yield to the gentleman from Virginia.

Mr. WHITEHURST. Mr. Chairman, I just want to make a comment on the F-111. If anyone in this body or in this country thinks the airplane is deficient in what it will do, it is significant to me that 2 years ago when SALT I negotiations were going on, this is the one airplane in our inventory that the Russians wanted to include in the SALT agreement, so we know what they think of it.

Mr. HÉBERT. Mr. Chairman, the gentleman has indicated in the discussion, in the colloquy and exchange of thoughts, again how important it is to have the essential weaponry to go to the table and talk about reduction in arms. This we must have. Indeed, this is one of the reasons we cannot reduce our troops in Europe at this time. We want to reduce the troops; of course, we do, but we cannot tell the Russians that we are going to reduce them and have the Russians say, "So you are going to reduce the troops. What can we talk about?"

Mr. Chairman, this is one of the things I tried to point out the other day. These things were fought in this body and fought bitterly; and if we had to survive on one of those counts, we would not have had any SALT talks at all.

I repeat and reemphasize again that the only language the Russians know and understand is strength. That is the only thing they know, strength, and we must have that strength and that muscle if we want to survive.

Mr. BRAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill that the committee brings to the floor of the House today is necessary to provide the weapons systems, the research and development and the personnel strengths of the Armed Forces. The Committee on Armed Services has worked its will on this legislation, making reductions of more than $800 million and additions of more than $300 million and making substantial changes in the Reserve and civilian personnel strengths requested by the military departments.

The chairman of the committee has explained the highlights of the bill. And the leaders of our subcommittees will explain in more detail some of the specific actions on research and development, manpower levels, and ship construction.

Rather than repeating the details of the bill that will be covered by others, I would like to depart from tradition and use my time to discuss some of the major aspects of world conditions which make such legislation necessary. One thing that I am deeply concerned about is the basis on which Members determine their vote on this bill and particularly on some amendments which will be offered.

We Americans are people who like to feel that we control our destiny. It is, therefore, not surprising that some Members, with the best of motives, make their judgment on the Defense budget on the basis of things we can control.

References are made to domestic needs and to the desire to give domestic programs priority. One of our "Dear Colleague" letters tells us that we should treat military authorizations "in the same manner as other Government programs." Attempts are made to set the level of authorization according to some amounts that were spent in the past plus an allowance for inflation.

But the simple fact is that our defense needs, and therefore our authorization requirements, are driven by factors that we cannot control.

It is nice to say that Defense spending should be treated "in the same manner" as other Government programs. But it is essentially a meaningless statement. The fact that you could, in a given year, reduce spending on the Commerce Department because of developments in the business community does not mean that you can reduce spending on Defense in a similar period. Defense spending is governed by needs relating to the world situation and the actions of potential adversaries and simply cannot be based on happenings on the domestic scene.

One of the letters that has been sent to Members of Congress in connection with this bill says that defense expenditures can be held down because of the improvement in international relations. It is a great mystery to me how anyone can look at events of the past year and conclude that international developments have been so favorable as to allow us to reduce our commitments to national defense. There has been, in the past year:

The October war in the Middle East where the Soviets showed how much respect they have for détente;

The Soviet testing of MIRV missiles;

The political instability of Western European governments.

Among the major democracies of Western Europe, there is virtually no government left that has been in office more than 6 months. This demands, more than ever, steadfastness on the part of the United States.

SOVIET DEVELOPMENTS

The Soviets have been engaged in an unprecedented drive to achieve clear superiority in strategic weapons.

SALT I was based upon a balancing of technological advantages of the United States and the quantitative advantages possessed by the Soviet Union. SALT I limited the number of missiles in an attempt to stop the pace of Soviet deployments. In so doing, SALT I institutionalized the numerical advantage of the Soviets. We were able to accept this numerical advantage because we had a clear technological advantage through having the MIRV capability and greater accuracy.

SALT I, however, while it limited the number of missiles on each side, did not place any limit on research and development. The Soviets thus have had the option to try to catch up with us technologically, though we are prevented from matching them numerically.

If the Soviets truly look upon SALT I as a stabilizing development and if they truly wish to lessen world tension and slow down the arms race, they should curtail their strategic developments.

The opposite, however, has been true. Soviet development of strategic systems has been going forward at a frightening rate. Four new ICBM designs of varying sizes and characteristics are currently being flight-tested by the Soviets. Of the four, three have now been tested with MIRV's. These new systems incorporate improved guidance and reentry techniques.

One of the characteristics of the Soviet missile flight tests last summer was that they made use of onboard computers for the first time. This means that they will be able to achieve greater accuracy in their MIRV'd warheads.

The Soviets thus are successfully developing the capabilities which will allow them to match the technological advantages of the United States. If they marry these technological capabilities with the considerable advantage in the number and throw weight of their missiles, a serious strategic imbalance will occur.

Unless we are prepared to offset these gains, the Soviets could, by the decade of the 1980's be in a position to have an overwhelming strategic advantage, an advantage which could upset the nature of the world we live in. It is important to remember the psychological effect of such an advantage. Just by having such power, they could greatly increase their influence in the world.

What SALT II negotiations are all about, really, is to prevent the marrying of these newly acquired Soviet techniques to the existing Soviet nuclear advantage. But if the Soviets do not see that we are prepared to continue developments to offset their technological advancements, there will be no incentive to them to negotiate at SALT II. It is, therefore, simply absolutely necessary that we continue a vigorous research and development program and continue to maintain the ability to improve our weapons systems so that we do not lose ground to the Soviets.

SLBM'S AND MOBILE MISSILES

The Soviets have also continued the rapid modernization of their submarine-launched ballistic missile force. The SS-N-8 missile aboard the Delta-class submarine has a range of 4,200 nautical miles. The SS-N-6 missile deployed aboard the Yankee-class submarine has been improved, and a version of the missile with a multiple-reentry vehicle appears to be ready for deployment.

One of the four new missiles being developed by the Soviets, the SS-X-16, which has a range of over 5,000 nautical miles, is being developed in such a manner as to indicate the Soviets are considering deploying it as a land-based mobile ICBM. The United States in the SALT agreements stated unilaterally that deployment of a land-mobile ICBM would be inconsistent with strategic arms limitation objectives. But the U.S.S.R. did not agree on any objectives concerning mobile ICBM's. And the treaty does not prohibit development and testing of a mobile system. The SS-X-16 could be deployed in 1975.

THE CHANGING BALANCE

Ten years ago the United States had an advantage in delivery vehicles—ICBM launchers, SLBM launchers and bombers—of over 2,000. The U.S.S.R. has now totally eliminated our lead and has surpassed us in delivery vehicles.

Ten years ago the United States had five times the available megatonnage as the U.S.S.R. The Soviets have long since taken a substantial lead.

The only remaining quantitative lead of the United States is in strategic offensive warheads and bombers. The United States is expected to maintain this lead through the decade of the 1970's; but as the U.S.S.R. develops its new family of ICBM's, with their larger throw weight and MIRV's, it will give the Soviets the potential to overcome the last remaining quantitative missile lead of the United States.

NO NEW U.S. SYSTEMS

Members of the House should be reminded that the bill before you provides for no new major weapons systems. The strategic systems developments that are carried forward by this bill—the Trident and the B-1—are systems that have been in development for several years. In the case of the B-1 it has been many years. We are not building new strategic missiles, or increasing the number of our missiles, or digging new silos. We are simply continuing a comparatively modest R. & D. effort on the systems to make sure of their continued capabilities in the years ahead.

One of our problems is that we spend more time studying and talking about weapons systems than building them. The Soviets do not talk about weapons development much—they just build weapons.

We have been debating about a new manned bomber for over 10 years. And the B-1 will still not be ready for several years. The Soviets, meanwhile, have built a new bomber, the Backfire, which is expected to be deployed this year. The Chairman of the Joint Chiefs of Staff told our committee that when deployed with refueling tankers, the Backfire "constitutes a potential threat to the continental United States."

The B-1 is expected to be superior to the Backfire. But the B-1 is still in development. The Backfire is ready for deployment.

CONVENTIONAL WEAPONS

Surely it is axiomatic that in a time of nuclear parity conventional capability increases in importance.

Since there is no way that we could match the Soviets or other potential adversaries in manpower, it is important, if our forces are going to be a deterrent to conventional conflict, that we have weapons of the quantity and quality necessary to deter aggressive action.

But do not get the impression that this bill allows us to develop conventional weapons at anywhere near the pace of the Soviets.

Last fall I was privileged to be the ranking minority member on a subcommittee that toured the battlefields of the Middle East. Probably never before in history has a congressional subcommittee visited a battlefield so soon after the conflict. The litter of war was still visible in the Sinai. Egypt was still in a state of readiness that included blackouts at night in Cairo.

On one stretch of desert we saw more destroyed tanks within a half-mile than the United States can produce in a year. The Arab nations lost thousands of tanks in that war. But in a few months after the cease-fire, the Russians had resupplied the Arabs to the extent of virtually all of their losses.

The numbers and speed with which the Soviets poured missiles, tanks and other weapons into the Middle East was a development unmatched in history.

We know we can produce as good or better weapons than the Soviets. But we cannot produce them in the quantities the Soviets turn out. We have only one producer of tanks in the United States. We have only one producer of tank turrets.

We must, therefore, keep our forces supplied with modern weapons. We must keep the quality of our weapons on a par with those of the Soviets.

So do not be lulled by statistics about economic considerations. Whether you like it or not, it is what happens in the rest of the world—what happens in Russia—that dictates how much defense you must provide for the United States.

The bill before you today is designed to provide the defense our country needs. It does no more. I urge all Members to support it.

Mr. HÉBERT. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois (Mr. PRICE).

Mr. PRICE of Illinois. Mr. Chairman, the fiscal year 1975 authorization request for $9,325,039,000 is the largest amount, in actual dollars, ever requested by the Department of Defense for research, development, test, and evaluation. Some people—without probing any further—would contend that this spending level is excessive for Defense research. There are many demands being placed upon our economy and this level of Defense spending is of grave concern.

However, there is even a greater concern that must be addressed, that of delineating the kind of R. & D. program that is essential for our national defense.

Mr. Chairman, having served as a member of the Armed Services Committee since its organization in 1947, and as chairman of the Research and Development Subcommittee for over 10 years, I can realize and appreciate the importance of research and development to our military strength and national security.

Unpleasant as a memory can be, many of us here today can remember those tragic days in the history of mankind on August 6 and August 9, 1945, when the awesome power of technology and its relationship to military strength was demonstrated. Since then, technological advances have taken even greater strides. Developments such as the high-energy laser, among others, will make tomorrow's national security even more dependent upon technology.

I am not a believer in legislating or spending through fear. However, we must face up to the current world situation and gear out policymaking accordingly. The Governments of Italy, Britain, France, Canada, and West Germany have all been subjected to varying degrees of turbulence

The status of our naval fleet has fallen very nearly to the cross-over point—that point where the technology balance is changed to our disadvantage. The Middle East conflict, the limited progress of SALT II and other factors lead me to believe that while a $9 billion research budget may be very high—it is a relative bargain—a cheap price to pay—for freedom.

Mr. Chairman, this belief does not preclude the vigilance required by our committee to insure the authorization of an effective R.D.T. & E. program at the lowest possible cost. As the architects of our research program, the Department of Defense has done a credible job. They are not, and can not, be expected to be perfect. They have the same internal management weaknesses that are characteristic of any body of this size. For this, among other reasons, the Research and Development Subcommittee examined over 3,000 individual programs and projects in the fiscal year 1975 authorization request.

The programs were discussed at varying lengths with Defense witnesses during the 30 hearings that were held by the subcommittee. During the hearings the committee assessed the requirement or need for each weapon system development program, program progress, the Department of Defense course of action and the possibility of using lower cost alternatives.

The arguments concerning the continued use of the B–52 or developing a stretched version of the FB–111 in lieu of the costly B–1 were again thoroughly assessed. The committee considered the results of studies conducted by the General Accounting Office and others, and used these and other input in the overall decisionmaking process. The committee concluded that new Soviet advances and developments preclude the use of less expensive, less capable alternatives in lieu of the B–1, Trident, and several major strategic tactical systems presently being developed.

The result of the extensive hearings was a 3.5-percent reduction in the request—a reduction of $323,376,000 from the $9,325,039,000 request. The amount approved for authorization by the Armed Services Committee for R.D.T. & E. is $9,001,663,000.

I wish to emphasize, Mr. Chairman, that the reduction was the result, and not the prescribed goal. A meaningful R.D.T. & E. program necessary to insure our national defense was the committee's objective.

During the committee's markup of this bill, several amendments were offered which would have a significant, long-term impact upon the ability of this Nation to underwrite its strategy of deterrence. The authors of these amendments have indicated that they would offer the same amendments on the House floor.

One of the amendments offered would be to delete the entire amount included in the bill for the development of the B–1 bomber. The rationale for this amendment as described in the committee report certainly has substance: The B–1 program has experienced cost overruns, schedule slippage, and some performance degradation. What we must ask ourselves, however, is—does this Nation need a manned strategic bomber?

Today—right now—the Soviets have a manned strategic bomber with performance characteristics that are not widely apart from those of our planned B–1. Yes, there are two other legs of the triad, but are we content to be second best on the third?

Beyond the thought of a nuclear confrontation, have we forgotten the effectiveness of the bomber during the Southeast Asia conflict?

As a nation we are committed to a policy of non-first aggression; however, inevitably and unavoidably, in the absence of clairvoyance, this Nation must be prepared to fight almost every kind of war that could be thrust upon us. Unpalatable as it may be, Mr. Chairman, we are compelled to keep up with the Joneses—as long as our potential enemies have a strategic bomber, so must we.

In the committee report, my distinguished and dedicated colleague from New York has called the B–1 a "sick program"—and that it has been. But will the financial euthanasia that puts it out of its misery make us, as a nation, any healthier? I think not.

We must admonish the Air Force and take the necessary action to insure against subsequent ineffective management. Killing the B–1 may be an answer to the problem, but it certainly is not the solution.

I urge the Members of the House to think hard and long before adopting any proposed amendment. The question that must be resolved in every instance is—will the proposed amendment, if adopted, compromise in any way our ability to deter? This is not a rhetorical question, but is the gut issue which underlies every amendment.

I also urge the Members to exercise caution in arriving at decisions that are based solely on cost or program slippage.

In my many years with the Research and Development Subcommittee, I have come to realize that research and development never has and never will be perfect. Failure is inherent in the process. It is part of the learning process that leads to success. I would like to paraphrase a distinguished member of the Armed Services Committee in the other body, who described the research and development request as the "most difficult part to understand and examine."

We authorize the expenditure of millions—and in some cases—billions of dollars with the expectation that the technology will culminate in an operational, deployable, effective system. Then, only in a time of crisis do we tend to appreciate it.

Mr. Chairman, and Members of the House, I urge you to consider:

Whether deletion of funds for binary chemical munitions will help or hinder the arms control and disarmament negotiation talks; can one bargain in the absence of bargaining chips?

Whether deferral or stretchout of the Trident program will be the final step that permits the Soviets to change the balance of our technology to our disadvantage;

Whether in light of the current state of world affairs, coupled with the strength of the Warsaw Pact nations and the weaknesses of our NATO allies, we can call to a halt our air defense programs, such as SAM-D;

Whether in light of the limited progress of SALT II, we can reduce the present lead we now hold in ballistic missile defense; and

Whether this Nation is content with a 20-year-old bomber for the 1980 time frame.

Mr. Chairman, I do not wish to dwell on how hard our committee worked on the Defense request. We are expected to work hard. The point I wish to make is that many hours of pondering, assessment, and discussion went into the decisionmaking process.

I stated earlier that the Department of Defense was not perfect. Neither is the Congress. We, too, are capable of capricious and irresponsible action. With this awareness, we strive to avoid such action and I urge the Members to share this awareness here today.

I ask you further to recall the words of President Kennedy in his inaugural address. He said:

> We dare not tempt them with weakness. For only when our arms are beyond doubt can we be certain beyond doubt that they will never be deployed.

Mr. Chairman, I ask the Members of the House to support the R.D.T. & E. portion of this bill as reported by the Committee on Armed Services.

Mr. HÉBERT. I yield 10 minutes to the gentleman from Texas (Mr. FISHER).

Mr. FISHER. Mr. Chairman, I want to address myself generally to titles III, IV, V, and VI of the bill. This is the portion relating to manpower and training. It was my pleasure to chair the subcommittee which considered these sections of the bill. We spent 6 weeks in intensive hearings on this subject alone. For 1 week of the hearings we had the pleasure of holding joint hearings with the Manpower Subcommittee of the Post Office and Civil Service Committee when we reviewed the Department of Defense request for civilian personnel. Various members of the subcommittee will tell our actions on the four titles of the bill; however, I want to present just a brief overview.

At the outset let me tell you what our overall recommendations are: For the active forces, we are recommending the numbers which were requested except for the Air Force where we recommend reducing the strength by 2,810 and ending up with a total active force end strength of 2,149,313. This is a reduction from that authorized for fiscal year 1974 of 40,589.

For the Reserve forces, we made numerous changes from the request and authorized an average Selected Reserve strength of 946,019. This is 22,026 more than authorized for fiscal year 1974. For civilian manpower, we reduced the total requested by 15,000, the reduction to be allocated by the Secretary of Defense. In the training load title, we changed it in two instances to reflect the change we made in the Reserve strengths.

Thus, we end up with a total military force consisting of active forces and Selected Reserve forces of approximately 15,737 less than were authorized for fiscal year 1974. In the civilian personnel area, we are recommending authorization for approximately 1,012,000 as contrasted that budgeted for in the fiscal year 1974 budget and supplemental of 1,029,000. The total reduction then is in the nature of 32,753 in these three categories.

For the active duty forces this represents an end strength of 2,149,313. This is 40,589 fewer personnel than were authorized for fiscal year 1974. To put these figures in perspective the recommended end strength is 538,000 lower than the strength at the end of fiscal year 1964, a pre-Vietnam year; 1,399,000 lower than fiscal year 1968, the peak of the Vietnam war; and 84,000 lower than the fiscal year 1974 strength requested in the President's budget submitted to the Congress in January 1973.

It is my understanding that later on this afternoon when the bill is open for amendments there will be an amendment to reduce the size of our Active Forces by approximately 200,000. Frankly, I can find no connection between these arbitrary reductions and any alternative strategy for the protection of this Nation. I do know, however, that any reductions would seriously jeopardize our national security. It is clear that a strength reduction of this magnitude would require reductions in combat units. As a preliminary estimate, actions of the following order would have to be taken:

For the Army you would have to reduce the number of active divisions programed for fiscal year 1975 by 2⅓ divisions.

For the Navy we would have to reduce the number of active combatant ships by the equivalent of two carrier task groups.

For the Marine Corps we would have to inactivate five infantry battalions and supporting arms.

For the Air Force this would require elimination of additional strategic defensive squadrons and many tactical fighter and airlift units.

We are already short of both airlift and tactical units to meet many of the war contingency plans as determined by the Joint Chiefs of Staff.

I am firmly convinced that the services have responded to the will of the Congress and are making substantial progress in reducing the fat and increasing the muscle. Headquarters are being reduced and eliminated and personnel are being transferred to combat units.

We will have at the end of fiscal year 1975, 105 fewer general officers than we had in 1969—or 63 fewer than we had in fiscal year 1964. We plan to have 13.8 percent fewer colonels and Navy captains; 23.5 percent fewer lieutenant colonels and commanders; 24.7 percent fewer majors and lieutenant commanders, and 32.1 percent fewer captains or Navy lieutenants at the end of fiscal year 1975 than we had at the end of fiscal year 1969.

By the end of fiscal year 1975 the officer force will have been reduced by almost one-third, or about 124,000 officers, from the Vietnam peak. The changes between fiscal year 1973 and 1975 positions show their efforts to control the officer content. One out of every four military spaces eliminated during fiscal years 1974 and 1975 will be an officer space. In fiscal year 1975, almost half of the eliminated spaces will be officer spaces. The effect is shown in the trend of the number of enlisted personnel per officer, which rises from 6 in fiscal year 1973 to 6.3 in fiscal year 1975.

They are moving in the right direction. For instance, within the framework of the 785,000 manpower authorized for the Army, they are working for a 16 division force by 1980. This compares with the 13 division force at the end of this fiscal year and the planned goal of 14 divisions by the end of fiscal year 1975.

For the Navy, the end strength is the lowest in 29 years and I will add that this reduction occurs over a time frame in which the total number of ships has increased by four, including one aircraft carrier.

The strength we are recommending for the Marine Corps is 384 more people than were authorized for fiscal year 1974. This represents a requirement for increased guards at our overseas embassies.

We recommend an authorization for the Air Force of a total of 627,121. This is 2,810 personnel less than were originally requested. It represents a decrease of 17,885 less than were authorized for fiscal year 1974. In our opinion, this additional decrease is warranted because testimony presented during our hearings indicate certain roles in the strategic airlift mission could be withdrawn from the Active Forces and given to the Air Force Reserve, with the resultant decrease in active personnel and an annual overall cost savings of approximately $31 million.

In the area of our Reserve forces, I am extremely concerned about what is happening in the Pentagon at the present time. For example, the Secretary of Defense ordered a structure cut of 48,000 in the Army Reserve and National Guard while simultaneously ordering a study of roles and missions of the Reserve forces in the total force concept. It is our opinion that this structure cut at this time is like putting the cart before the horse. The roles and missions study should be completed and a Reserve force built to supplement the wartime requirements of the Active Forces—rather than taking arbitrary cuts before the study is completed.

We are extremely concerned too that equipment diversions to our Allies have left a severe shortage in the Reserves of tanks, tactical and airlift aircraft. If we are to be a prime supplier of equipment to our allies, we must arrange for direct procurement of this equipment to our Reserves so the implementation of the total force policy can become a reality.

We rejected the request for a lessened Reserve Force at the time our active Forces are being reduced and added approximately 54,000 to the Reserve forces. It must be pointed out, however, that the Secretary of Defense for Manpower and Reserve Affairs in a second appearance before our committee adjusted the figures upward by approximately 40,000, claiming the Department of Defense had grossly underestimated recruiting capability in the Reserves.

Frankly, we do not want one more person in the Reserve structure than is required for mission accomplishment, but we strongly urge a Selected Reserve Force of sufficient strength to meet the requirements imposed upon them by the Joint Chiefs of Staff. The cuts proposed will not allow this.

In my opinion, with friendly Allied governments falling from public favor, this is no time for us to weaken our defense structure.

Insofar as civilian personnel is concerned, it was a real pleasure working with my good friend and colleague, DAVE HENDERSON, who is chairman of the Manpower Subcommittee of the Post Office and Civil Service Committee, and the members and staff of that subcommittee. As I said earlier, we reduced the DOD request for civilian personnel by 15,000 from that which was requested. By this action alone, we are effecting a cost savings of approximately $185,000,000. We are firmly convinced that these reductions will not affect readiness or curtail the ongoing civilianization program. A more detailed statement will be presented later.

The training loads in this bill have been increased slightly to provide for nonprior accessions in the Marine Corps Reserves and the Army Reserves where we added to the requested strengths.

Frankly, both in the areas of civilian personnel and training loads, I personally am not convinced that they could not be better controlled by budgetary processes rather than establishing ceilings. However, by establishing such strengths through legislation we are able to have the legislative vehicle on which to annually review the total DOD request for manpower and training requirements.

Mr. Chairman, this completes my general overview of titles III, IV, V, and VI of this bill.

I urge the support of every Member of this House.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HÉBERT. Mr. Chairman, I yield 3 additional minutes to the gentleman from Texas.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Chairman, I certainly want to commend the gentleman for the excellent manner in which he has carried on the review of manpower personnel levels, both during the current session and previous sessions of Congress.

I think you did a very, very good job for the Air National Guard and for the reserve forces all over the United States. I think the actions of your subcommittee are going to result in economies in military manpower costs, and on behalf of those of us in the West, I thank the gentleman very much for his service.

Of course, obviously the gentleman will be retiring at the end of this term, and we want to thank him for the good work that he has done on the House Armed Services Committee. I think it has inured to the benefit of our defense posture.

Mr. FISHER. Mr. Chairman, I thank the gentleman very much. He favored us with his presence a time or two and contributed to our hearings. We appreciated that. He was very knowledgeable and very helpful.

Mr. GRAY. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama (Mr. Dickinson).

Mr. DICKINSON. Mr. Chairman, I am very pleased to be able to rise in support of H.R. 14592, the bill under discussion.

As the ranking member of our Subcommittee on Manpower, I want to echo the statements made by the distinguished chairman of the subcommittee, the Honorable O. C. Fisher, of Texas, who preceded me here in the well.

At this point I would also like to pay tribute to his excellent leadership during the years he headed this subcommittee. I am sure all of the Members know that this will be the last time he will bring the manpower portion of the yearly Defense Department authorization request to the floor, as he is retiring at the end of this Congress. The gentleman has been a real stalwart for the defense of this Nation; one whom we can lean on; one whom we can depend on. And I know that as he retires he retires with the thanks of all of us who are interested in a strong America.

I do not want to repeat what he has said about the bill or what others will say; therefore, I am going to confine my remarks to certain ancillary suggestions which directly relate to manpower in the armed services and anticipated amendments.

First, let me say we will commence holding hearings on the bill to admit women to the academies on May 29. I call this to your attention because that is the time to raise this issue, not during the discussion of this particular bill. This is a matter that is of vital interest to many of you but it is also a complex issue and one which should be thoroughly explored. I am hopeful that the House will not take precipitous action on the bill in this area when we vote tomorrow.

The second area relates to the numbers of colonels and lieutenant colonels or their Navy equivalents in the armed services. We have a bill proposed by the Department of Defense which would permit selective elimination from the armed services of certain colonels and lieutenant colonels who have been passed over for promotion but have a right under the current tenure laws to remain in the service for 28 to 30 years. Plans are being made to hold hearings on this subject prior to the completion of this Congress. This bill is H.R. 1113 which would amend title 10, United States Code, to authorize the selective continuation of certain regular commissioned officers on the Active list of the Army, Navy, Marine Corps, and Air Force upon the recommendation of a selection board and for other purposes.

Third, in order to eliminate certain junior regular officers in the services, we also plan to hold hearings on H.R. 11745 which would amend title 10, United States Code, to provide the commissioned officer of the Army in regular grades below major may be involuntarily discharged to coincide with a reduction in force. This would help the Department of Defense to eliminate one officer for every enlisted man during fiscal year 1975. I think we would have accomplished these actions prior to bringing this bill to the floor had time permitted but, frankly, the nearly 3 months of hearings held on this particular bill by both the full committee and subcommittees meeting simultaneously have precluded our acting on these bills prior to now.

The reason I mention our future plans is to alert you of the actions we are about to take, and I hope you will give us the consideration of letting full scale hearings be held on this matter rather than taking quick action on the floor tomorrow when the bill is open for amendments.

Mr. Chairman, in my opinion, the services are moving in the direction in which the Congress desires them to move, and with your cooperation by permitting hearings on these vital subjects, we may be able during the remainder of this session to bring you the bills after they have been given careful consideration by the House Armed Services Committee. Today, however, I urge you to support the thoughful committee action that has been taken by the Armed Services Committee.

Mr. HÉBERT. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi (Mr. Montgomery).

Mr. MONTGOMERY. Mr. Chairman, I thank the chairman of the committee for giving me this opportunity to talk to the Members briefly about one section of the bill.

I rise in support of H.R. 14592, and I wish to point out that I will limit my remarks to title IV, which deals with the reserve forces.

I would also like to commend my chairman of the subcommittee, the gentleman from Texas (Mr. Fisher), for the time and the patience that he has shown the members of the subcommittee in working on this section. I think we have come up with a very, very strong section, as far as the Reserve Forces are concerned. We spent 21 full days in the subcommittee working on title IV. This is the longest time our subcommittee has ever spent working on the manpower section of the bill. Most of the time or at least a good deal of the time was put into the portions relating to the National Guard and the Reserve Forces.

I might say, Mr. Chairman, we have come up with a very, very strong section, as far as the National Guard and the Reserves is concerned. For the first time in my memory since I have been on this committee, we have raised the overall strengths of the Reserve Forces of this country not reduced them as recommended by the Defense Department.

Really this is a good "buy" for the taxpayers of this country. It was certainly proved in Israel that the Reserve Forces are a good buy. We can put a man with a rifle in the National Guard, and that man will cost us one-eighth, as far as cost to the taxpayer is concerned, of what it would cost to have a regular infantryman carrying a rifle in the Regular Forces. He might not be as good at first as the Regular, but time and equipment will bring him up to the standards of the Regulars.

So the Reserve and National Guard are good buys. As we move into a period of high expenses it will pay to rely more and more on these Reserve forces. We have done this and have increased the strengths despite what the Department of Defense wanted us to do. Thanks to our subcommittee chairman, Mr. Fisher, we have added new aircraft which will go to the Reserve and the Air National Guard. This aircraft consists of A–7's. This is the first time in a long, long time in a procurement bill that a reserve force has been given a new type of aircraft. We believe it is a step in the right direction.

If we want to get efficiency out of the Guard and the Reserves, we will have to give them good equipment, and, as I said, this is a step forward. The Army Guard and the Reserve need new tanks and modern tanks so that they can also update Army training as we improve the Air Guard and the Air Reserve.

As far as the Air Guard were concerned, we were requested by the Department of Defense to cut 14 Air Guard squadrons out of the T.O. and E. of the Air Guard. We found out that these units were efficient and could be put on active duty in 24 hours. They had better skilled mechanics than some of the regular Air Force had—4,500 trained Guardsmen would have to find other units to train with, so we locked them in with it so the regulars could not do away with these 14 air squadrons. Therefore there will now be be 91 squadrons in the bill. This is a good move, our subcommittee thought.

Mr. LEGGETT. Will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from California.

Mr. LEGGETT. I would like to say at this point the gentleman in the well has been a real sparkplug on the committee in achieving the goal he just described of the new revitalized A–7 mission for the Air Guard and, of course, maintaining at least 91 units around the country. This is a real economy, and it also saves the existing capability.

I wonder if there has been any indication on the part of the Air Force that they will carry through and if the recommendations of the committee are approved on the House floor and in conference, will the Air Force carry through and cooperate and give this new mission to the Air Guard?

Mr. MONTGOMERY. I certainly hope so. It is in the law. It is in the report and in the debate today. If they obey the law and have any respect for the Congress of the United States and the laws of the land, they will have to carry out this mandate.

Also the Air Reserve squadrons will be moved onto certain Air Force bases and participate with the regulars in flying the 141 transport plane. It will share the plane with the regular Air Force. This is another step forward in getting the Reserves into the total concept picture.

Mr. LEGGETT. The committee also recommended that the Guard give additional 130 capability. Is that correct?

Mr. MONTGOMERY. That is correct. My time is running out, but I would like to include the following remarks which emphasize my very strong support of the Reserve components.

I am extremely delighted with the actions taken by the Armed Services Committee in connection with the Reserves this year. On the other hand, I am totally dismayed by actions currently on-going in the Pentagon which would result in reducing the Reserve structure and lessening the effectiveness of our Reserve forces. This, to me, is appalling.

Let me illustrate the inconsistency within the Department of Defense in the area of the Reserve program. Earlier this year the Secretary of Defense proposed an arbitrary strength cut of 48,000 structure spaces in the Army National Guard and Army Reserve, with no clear conception of what units, or types of units, were to be eliminated. Simultaneously, with ordering this structure cut, he ordered a study of the roles and missions which should be assigned to the Guard and Reserve within the total force concept. Others have spoken to you about this apparent inconsistency, so I will not dwell on it.

But a second inconsistency exists. For the Active Forces, manpower requests are based on requirements. In the Reserves, however, the requests were built upon projections of recruiting capability—and, as admitted by the Assistant Secretary of Defense for Manpower and Reserve Affairs, these projections now prove to be completely erroneous. So, he revised the figures upward by some 30,000. In most instances we accepted his revised figures, and I will discuss our deviations from those figures in a moment. It appears to us, however, that manpower requests for both Active and Reserve Forces should be based on the same premise—and by that I mean requirements to fulfill mission responsibilities.

Still, an equally important inconsistency exists in Pentagon statements and Pentagon action on the Reserves and that is in the area of equipping the Guard and Reserve Forces. If the Reserve Forces are to become an important segment of our total force policy, they must be provided equipment equal to that of the Active Forces or the concept of the total force policy is a mere deception.

I refer specifically to two areas of equipment—tanks and planes particularly. While the information on the adequacy of tanks in our Reserve Force is a classified matter, I can assure you that less than one-fourth of our tanks are in a usable condition. We must find ways to correct that condition. The airplanes assigned to our Reserve and National Guard Forces are becoming so obsolete that the Secretary of Defense is looking into the possibility of phasing out some flying units merely because of the obsolescence of the equipment. As you know, we have included in this bill 24 A7–D for direct entry into the Air National Guard. This should be an indication of congressional intention that actions must be undertaken to make the Guard and Reserve Forces a realistic portion of our defense forces.

In the Army Reserve we had testimony that the structure strength for the Army Reserves is presently established at 276,000. Using the 93 percent manning figure, a figure which has been used over the past several years, this would result in a desired strength of 260,000. On-going studies within the Army indicate that revised missions which will be assigned will increase the structure by 25,000 spaces. While we did not want to authorize a figure that would be unattainable, we did feel that we should maintain the Army Reserve strength at a 225,000 level, and to use that figure to build up to a required strength of 260,000 as required.

In the Naval Reserve, where the request was made for 108,000, we increased the strength to 117,000. We did so because the reductions requested were made solely for budgetary purposes and not because of lessened military missions.

We rejected the idea, too, that we should do away with all of the civil affairs units in category A status; that is, 48 drills per year and a 2-week summer training program. The Secretary of Defense would have transferred the 7,000 persons in civil affairs units to category D status which would provide only 2 weeks of summer training. We agree with the Secretary of Defense that 53 civil affairs units are probably excessive to our present-day requirements. But to eliminate all such units would, in our opinion, be wrong because many people believe that, if we ever have another war, it will be a short one, and there will not be time to assemble and train people to run the governments which we would have to run in case of victory. We recommend retention of at least half of the units and half of the personnel in category A status.

Another concern that I have with the present-day policy of the Secretary of Defense is to transfer certain aviators in the Naval Reserve from category A to category B status, thus reducing the number of drills from 48 to 24 yearly. When we have done this in the past, experience has shown us that we lose approximately half of these highly skilled personnel which are so expensive to train.

Now, let me come to the hardest part of our decision insofar as it pertains to the Reserves this year. I refer specifically to the Air National Guard of the United States. The Secretary of Defense made a decision to phase out 15 of the 92 flying units in the Air National Guard in fiscal year 1974, 1975, and 1976. These Guard units had as their principal mission the air defense of the United States. The Secretary of Defense reasons that the United States cannot afford to maintain significant air defense forces to defend against strategic bombers when the thrust is dominated by large numbers of strategic missiles. During extensive testimony we could find no evidence that the Russian bomber threat had been reduced. And thus, it was not a change in the threat; it was just a change in the decision as to how to respond to the threat. We were given assurances that, by the deactivation of these flying units, the United States would not have the ability to insure that foreign bombers could fly over U.S. airspace unimpeded.

We are recommending a provision in this bill which puts a floor on the number of flying units in the Air National Guard at 91. Currently, there are 92 such units, 2 of which are collocated at Van Nuys, Calif., which will be consolidated before June 30 of this year. This will cause no reduction in the number of aircraft but will eliminate a headquarters.

We agree with the Under Secretary of the Air Force when he stated:

> We are concerned over the loss of the affected Air Guard Units. We are concerned over the abrupt loss of 11,726 highly-skilled, well-trained Guardsmen which will affect the morale in other units and have a severe impact on recruiting potential. . . .
>
> A significant delay in Reserve Force modernization has been created by a slowdown in F–15 and A–10 procurement for the active force. This slowdown causes the retention of F–4 and A–7 aircraft in the active force longer than previously programmed, thereby slowing down the transfer of these assets to the Reserve Forces causing retention of F–100 aircraft. Requirements to provide C–130 and A–37 aircraft to the Republic of South Vietnam have also contributed to the slowdown of re-equipping Reserve Force units.
>
> The Air Force has substantial shortage of tactical units including Reserve units to satisfy requirements established by the Joint Chiefs of Staff to meet wartime requirements, for example, fighter attack and airlift. In finalizing the fiscal year 1975 Program and Budget we were unable to find the necessary funds to meet all of the foregoing as well as other priority force requirements.
>
> The Air Force can retain the 14 Air National Guard units and provide interim equipment for them largely by redistribution of aircraft from other Air National Guard units not deactivating. In other words, spread what we have a little thinner. We have not budgeted the military personnel, operations and maintenance and other funds required for the retention of these units.
>
> The best solution to the equipable needs of these units can be found in a combination of additional A–7 and C–130 procurement and an acceleration in the procurement of the F–15 and A–10 so that F–4 and A–7 aircraft can be released earlier from the active force.

Frankly, the Reserve Forces are our Nation's best defense bargain in terms of cost. This does not mean we want to transfer all missions to the Reserves. But where they have adequate capability to perform at a cheaper cost than the Active Forces, then serious consideration must be given to letting the Reserve Forces perform the mission.

We are not attempting to design the roles and missions of the Active or the Reserve Forces. Obviously that is the job of the Department of Defense but what we are trying to do is at least preserve the status quo until they have made that determination. And, we are attempting to try and find the most effective means of protecting our Nation at the cheapest possible cost.

Mr. Chairman and Members, a completed study on the roles and missions of the Reserve and National Guard will be ready in August of this year. And, I think it would be self-destructive at this time to provide only that which was originally requested in the bill. I would call your attention to the fact that the bill we authorized last year was for 66,000 less reservists than was authorized in fiscal year 1973. And the bill that is before you today still represents 20,000 less than were authorized for fiscal year 1973. With a reduction in both our Active and Reserve Forces during this time frame, I feel we have reached the bare minimum to insure the defense of the United States.

I urge your support of this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MONTGOMERY. May I have 1 additional minute?

Mr. HÉBERT. I am sorry. The time has been allocated.

Mr. MONTGOMERY. I thought I could get more than 5 minutes to talk about a very important subject in the bill.

Mr. HÉBERT. I am sorry, but the gentleman from California used up your time.

Mr. Chairman, I yield 15 minutes to the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. If the gentleman from Mississippi had some line of thought he wanted to complete at this point, I will be glad to yield to him.

Mr. MONTGOMERY. I appreciate the gentleman yielding to me.

I wanted to point out something which is very important in the report, namely, that there has been a letter circulated by the Secretary of Defense ordering the Army Guard and the Army Reserve to give a report back to the Secretary of Defense on a structural cut of 48,000 personnel in the Army Guard and in the Army Reserve.

In effect, the Secretary of Defense would be getting around the strength levels that we set up, and would be reducing the National Guard units in small towns, and the Army Reserve units in small towns across the country.

In our report—if the gentleman from Florida will permit me to conclude, and I appreciate the gentleman giving me this additional time—in the report it instructs the Secretary of Defense—and this is not in the bill, but it is in the report—that before he makes any structural cuts in the Army National Guard, or Reserve, that he would come back to the House Committee on Armed Services and would tell us what he was going to do, and then we could take a look at it and decide whether we would accept it or not. We are not telling him what units we need to have a strong National Guard and a strong Reserve, but we are saying that if he wants to make a cut, then he should come back to the House and tell us.

Again I appreciate the gentleman yielding me this time.

Mr. BENNETT. Mr. Chairman, I rise in support of H.R. 14592.

The Seapower Subcommittee of the Armed Services Committee has held extensive hearings in connection with the Navy shipbuilding and conversion program, both last year and this year. We are gravely concerned about the state of our Navy.

A decision was made some years ago to use the operating funds saved by the retirement of over-aged ships to buy new ships. Since 1970 our fleet has been reduced by 47 percent down to a mere 508 ships. This means that the United States has fewer total ships of all kinds in its fleet than the Soviet has major combatant ships. The Soviets, on the other hand, have continued building a new, modern, surface and submarine fleet. Their momentum has not slackened. The result is that this year has been described to our committee, by both the Secretary of the Navy and the Chief of Naval Operations, as the year of our greatest jeopardy and peril.

This is the year in which we will begin to build the numbers of ships claimed by the Navy to be needed to provide a top notch fleet. The situation is so drastic that the Chief of Naval Operations, in a recent press interview, publicly said for the first time that—

> The United States has lost to the Soviet Union its ability to control the world's sea lanes.

It was primarily for this reason that our committee has recommended almost the entire shipbuilding program requested this year by the President. The Armed Services Committee, over 12 years ago, was in the fore telling the Navy and the country that we urgently needed to build new ships because the large number of ships constructed during World War II—and still relied upon—presented us with a monumental tragedy through block obsolescence. We need new ships and we need them now desperately.

The only ships which we removed from the administration's budget were 2 patrol gunboats and 45 craft which are planned for transfer to South Vietnam. We believed that the proper way to provide for these ships was through the military assistance program—not through the Navy's shipbuilding and conversion program. Even with this cut, the Navy's shipbuilding program is about $3.5 billion this year.

This must be considered along with the testimony we have received in earlier years, from both Admiral Moorer—as Chairman of the Joint Chiefs—and Admiral Zumwalt—as Chief of Navy Operations, that the Navy really needs an annual $4 to $5 billion shipbuilding budget for several years in succession in order to build up over the block obsolescence hump.

There is one main addition to this year's authorization bill which I wish to emphasize: The new provisions in this bill for a Nuclear Navy.

The Armed Services Committee added to this bill a new title, title VIII, which would require that all new frontline combatant ships be nuclear powered. It defines those ships as all submarines—both missile and attack submarines—and all the major combatant ships in an attack carrier task group—which includes the carrier and its escorts and any other ships running with the group—and, last, all ships with independent missions dependent on unlimited high-speed endurance for military value.

You will notice that there is no arbitrary weight limit set forth in this definition like there used to be in Navy statements. This is because there are some ships which may be larger than the limit which should not be included for they do not have the main strike characteristic. Nuclear propulsion is not needed for them. I am referring to the sea control ships and the amphibious attack ships. They are not part of the naval strike force, but are there to keep the sea lanes open.

On the other hand, there may be ships which might be less in weight than an arbitrary limit which should be included for nuclear propulsion, such as the new guided missile destroyer which is presently being discussed and which will carry the main naval armament for the future, the Aegis missile system. It will be the main surface escort for the carriers. It must be nuclear in order to keep up with the nuclear task group.

You might ask why this new title VIII is necessary at this time—after all, Congress last year fully funded the *Carl Vinson*, CVN-70, the third of the Nimitz class aircraft carriers. This year we are recommending the funding of two nuclear-powered Trident ballistic missile submarines, three nuclear-powered attack submarines of the SSN 688 class, and one nuclear frigate, the DLGN 41—and we are providing long leadtime funds for DLGN 42. In this year's program, the nuclear powered program is doing very well.

However, we found that the Department of Defense has ordered the Navy to study a carrier costing $550 million for the fiscal year 1978 budget; we also find no more nuclear frigates in the years planned ahead; we hear authoritative talk about studies for a diesel-powered submarine class; and we have heard definitely about the guided missile destroyer plans—most of which will be conventionally powered.

The Armed Services Committee cannot believe that the Department of Defense is still trying to turn the clock back and to avoid nuclear power. It took the Congress to include the reactors for the first nuclear-powered submarines in the Atomic Energy Commission budget—to start the nuclear navy. The *Nautilus* and the *Sea Wolf* would have been diesel unless the Congress acted. Even after that, it took continuous congressional pressure to keep the attack submarine program going. At one point the systems analysts in the Department of Defense said that they wanted to stop the attack submarine fleet at 69—but the Armed Services Committee was able to override that decision and had the new fast submarine programs—the SSN 688's—started.

The Congress had to exert pressure to get the new quiet submarine built when the systems analysts tried to stop it. It took congressional decision to start the ballistic missile submarine fleet—and that was a crash program in which the first ships were actual attack submarines under construction on the days which were cut in half, lengthened and had the missile silos installed.

After the *Enterprise* was commissioned, the Department of Defense had the following two carriers conventionally powered, over strong congressional objection. One of these, the *John F. Kennedy*, had to sail at reduced speed during the 1968 Middle East crisis to go from the east coast to the Eastern Mediterranean and had to have planned refuelings along the way. If the *Kennedy* had been nuclear powered it would have saved up to 2 days in the crisis. Further congressional insistence made the *Nimitz* class nuclear.

Then we come to the carrier escorts. The Congress changed a conventionally power frigate to nuclear power in the fiscal year 1976 program to create the *Truxtun*. With this, the Navy had two destroyers and one cruiser with which to escort the *Enterprise*. The Navy has said that there should be at least four nuclear powered escorts to run with each nuclear powered carrier. The cruiser was best used on independent missions so there were really only two escorts.

The Congress then put a nuclear powered escort into the fiscal year 1966 budget. When there was a refusal to build this, the Congress mandated its construction in fiscal year 1967. The frigates became the DLGN 36—the *California*. The next year Congress mandated the construction of DLGN 37, the *South Carolina*. It took further congressional mandate to get the DLGN 38 class started and this year we are only fully funding the DLGN 41 with more long lead time money for the DLGN 42. We are going to have four nuclear powered carriers by the time the *Vinson* is commissioned. We need at least 16 nuclear powered escorts for these carriers. We must continue to have them constructed to get the kind of fast independent strike force we need in our Navy.

There is no need to repeat here the superiority that exists for nuclear powered naval ships. They have unlimited steaming endurance—they do not need to be tied to a black oil logistics train—they can run around bad weather without regard to fuel consumption—they need not come off the line in any mission to get refueled—they have no corrosive stack gases which attack the ship or its planes. Indeed, the nuclear forces are so superior that no mission of any of our over 100 nuclear ships has ever had to be aborted because of the failure of its nuclear propulsion plant.

Because of the repeated failure of the Department of Defense to read the lessons of nuclear operations, we have found it necessary to mandate that all first line strike combatant ships of the Navy shall be nuclear powered.

Mr. RANDALL. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Missouri.

Mr. RANDALL. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for the excellent analysis he has made this morning. Also we are indebted to him for his good work as the chairman of the Sea Power Subcommittee. As the ranking member of the Sea Power subcommittee, I have noted at times we have had to disregard some of the advice of the Navy—particularly when they declined to recommend nuclear powered ships.

I am sure that our conclusion to go nuclear was the best one for this country. The gentleman made a very excellent statement providing the reasoning for use of nuclear power. There was one other reason not mentioned for going nuclear. It is energy problems meaning a shortage of petroleum products. There is a huge great consumption of petroleum products by the Navy. This is an additional reason to use nuclear power in our Navy.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Chairman, I commend the gentleman from Florida for the job he has done in overseeing and pioneering in the Seapower Subcommittee. I think his recommendations have been very salutary throughout the years. While I do not agree with each and every thing done in the current bill I think overall my objections are rather minor.

I would like to ask this question. We keep observing that our numbers of ships in our Navy are continuously dwindling, and they have gone from 980 ships down to 500-some-odd ships. So we talk about the numbers and we want to build up the numbers of ships. On the other hand the committee has wisely come out with this program to go to nuclear power wherever we can. I think it is pretty well conceded that when we talk about going to nuclear power today we understand it is going to be a $400 million investment in each ship. How can we rationalize in your mind how we can build up the number of ships in our Navy and simultaneously spend as much as the committee amendment and the subcommittee amendment contemplates in this new nuclear Navy?

Mr. BENNETT. I had some difficulty with that originally but Admiral Zumwalt helped with his high and low concept. He convinced me, against my original critical interrogation, that it would be wise to build some of these lower cost ships; which, although not very cheap, are much lower in cost than others because they have principally to do with keeping the sea lanes open rather than with a strike capacity in a Navy combatant function. Of course they have nothing to do with strategic operations.

Mr. LEGGETT. I would like to ask another question. I remember former Chairman Mendel Rivers asked the Navy for a 10-year projection as to where we were going with the Navy from 1966, say, to 1976—and certainly we are not there. We have kind of missed our target rather substantially. I wonder if the committee has a 10-year projection currently for the Navy or if they are contemplating getting something like that from the Navy?

Mr. BENNETT. We had a recommendation last year for a $5 billion-a-year program in shipbuilding for the Navy, and obviously we are not living up to that because this bill this year is for only $3.5 billion. The Navy thinks it must have a $5 billion-a-year program and we have revised it down to $3.5 billion because of fiscal constraints.

Mr. BRAY. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. BOB WILSON).

Mr. BOB WILSON. Mr. Chairman, I join my colleagues in commending the chairman of the Sea Power Subcommittee, the gentleman from Florida (Mr. BENNETT), who has just spoken on the subject of sea power. It is my privilege to be the ranking minority member of that Sea Power Subcommittee. I think under the leadership of the gentleman from Florida (Mr. BENNETT) we have studied the situation as to the Navy's strength and the comparative strength of our Navy vis-a-vis Russia sufficiently to start taking some action.

This bill does contain some significant action, in my opinion for rebuilding our Navy. There is no question it is the Congress that has been responsible for modernizing the Navy with nuclear power. Twenty years ago we insisted that the Nautilus submarine be built. We insisted on the Polaris submarine and we are relying today on the Polaris as our most important, in my opinion, strategic defensive system. Yet we find ourselves needing to continue to build and to rebuild in order to maintain the traditional freedom of the seas which has kept this country alive over its history.

The gentleman from Florida took our subcommittee down to Norfolk, Va., earlier this year. We studied every type of ship that was in port.

We made a trip up to New London, Conn. and saw the mock-up of the Trident. Incidentally, my colleague, the gentleman from Virginia (Mr. ROBERT W. DANIEL, JR). will be speaking about the Trident. I just want to say one word to give a concept of just what a weapons system this is from a size standpoint alone. Imagine a submarine 42 feet in diameter. That is about as far as from here to the back wall and half again, one and a half times the length of a football field. That is the size of the Trident submarine, which carries 20 powerful missiles. When it is built it will be the most important strategic defensive system ever designed by man. I think it is a vital thing that it be included in this bill.

Most importantly, the title VIII that the gentleman referred to added to this bill and setting a nuclear policy for this Navy, is the most important step taken by this committee in 20 years, because we have had the planners in the Pentagon insisting over and over again, as they have in the past 20 years, that know better than anyone else whether we should have nuclear-powered ships. We have overridden their plans and have built over 100 nuclear-powered submarines. We have very successful nuclear-powered surface ships to the envy of the world.

It seems to me it is time that Congress gave a message to the planners in the Pentagon that for major combatant ships, there is no other way to go than nuclear power.

It is true, the first cost because it includes 10 years of fuel is more than buying a nonnuclear powered vessel; but with the rapidly escalating cost of black oil, there is no doubt that it is an economical thing for us to build nuclear powered combatant vessels, the larger ones, and to use them for the most important duties, which are strike duties, in wartime. It would be absolute folly for us to allow the planners to go ahead, as they are now doing, talking about a nonnuclear powered aircraft carrier or nonnuclear powered submarine, despite the fact that the Vietnam war has proved that nuclear power far exceeds in efficiency the black oil powered vessels that are common to navies around the world.

So I would hope this Congress would not even question the inclusion of title VIII in this bill. We will probably have trouble selling it to the Senate, because the Senate has some other ideas.

I think in this case the House position should prevail and we should plan to work our problems out in conference to maintain an all nuclear Navy.

It seems to me this is an excellent bill from the Navy point of view. I commend the subcommittee for the great work they did. They worked long and hard on the bill. They are ready to go with new programs for shipbuilding potential. We find that the shipyards are filled and we must have hearings on shipyard capacity.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. BOB WILSON. I yield to the gentleman from New York.

Mr. KING. Mr. Chairman, I rise in support of H.R. 14592. I want to compliment the distinguished chairman of the Armed Services Committee for the excellent bill which he has brought to the House floor. The bill before you is a result of the most extensive study by the Committee on Armed Services, extending over 3 months. I also want to congratulate the distinguished chairman of the Research and Development Subcommittee, the gentleman from Illinois (Mr. PRICE), and the distinguished chairman of the Manpower Subcommittee, the gentleman from Texas (Mr. FISHER), and the distinguished chairman of the Seapower Subcommittee, the gentleman from Florida (Mr. BENNETT).

Every member of the committee worked hard on this bill, and we believe it should receive the support of every Member who seeks to keep America strong.

I want to talk for a few minutes about the E-3A aircraft, the airborne warning and command system. The Armed Services Committee deleted 6 aircraft of the requested 12, not because the committee does not see the need for the system, because it is needed, but rather they objected to the degree of concurrent development and production which the Air Force contracted for. In other words, the committee felt the R. & D. program should be further along and the complex system integration testing should be completed before going to a 12-aircraft buy.

The AWACS would make a number of unique contributions to deterrence, and would provide an important capability in the event of high intensity conflict—such as in NATO Europe—and in more limited contingencies in other parts of the world.

Of major importance to the effective functioning of general purpose forces—and therefore of major importance to the credibility of our deterrent—is the assured survivability of our command and control systems. The AWACS will sustain deterrence by denying to a potential aggressor confidence of being able to delay, disrupt, or otherwise negate a timely, controlled, and effective response by United States and allied forces through attack on those less survivable elements of our surveillance, warning, and control systems which are located at fixed, ground-based sites. This ability of AWACS to deny an enemy the option to attack a command and control "Achilles' heel" is fundamental to deterrence and is important at all times, particularly during periods of heightened tensions when deterrence is subject to its most severe test.

The AWACS would also contribute to deterrence by providing deep-look surveillance into enemy territory. In addition to providing important information on the location and movement of enemy air and surface forces, AWACS surveillance would deter attacks that depend on surprise for success. Warning of an attack may well prevent the aggressor from achieving his objective. Thus, AWACS would provide an element in crisis management that does not exist today. Moreover, the contribution of AWACS to the quality and timeliness of surveillance may, in itself, be sufficient justification for deployment of AWACS.

An imminent theater conflict would feature a mobilization period, including dispersal of aircraft to forward operating locations and movement of ground units and their organic air vehicles, on both sides. The AWACS would provide invaluable information to the NCA and to military commanders on enemy movements and intentions during a mobilization period. Such data would be used to determine the approximate number of enemy aircraft available at forward locations, the most lucrative airfields for attack by friendly forces, likely avenues of attack by the enemy, and the most urgent ground targets for initial close air support operations. This capability to support operational planning is not currently available and could well be the dominant influence in subsequent resolution of the conflict.

Should deterrence fail and conflict occur, the improved capabilities of the AWACS would better enable the combined, joint, and component commanders to select and allocate, in an informed deliberate manner, the appropriate forces to counter hostile strategies in massing and thrusts by hostile forces. These improved capabilities would insure maximum practical effectiveness in the application of our forces.

The AWACS also provides, for the first time in the history of tactical air warfare, the capability to observe and to direct simultaneously the forces engaged in the range of tactical air missions—air superiority, theater air defense, and search and rescue. This capability provides an entirely new dimension in both resource allocation and assessment of mission effectiveness.

AWACS, by eliminating the low level detection deficiency, would perform the surveillance and interceptor control functions of the theater air defense system more effectively. Fighters employed under radar control are more effective in the air-to-air battle, and overall air-to-air effectiveness has become critically important to overcome the numerical advantage enjoyed by Warsaw Pact forces.

The ability of the AWACS to extend radar coverage beyond that possible with ground-based radar would also provide significant benefits during interdiction and reconnaissance operations in a NATO/Warsaw Pact conflict. For example, strike or reconnaissance aircraft would receive adequate warning of potential attackers to take appropriate defensive maneuvers. Additionally, friendly escort fighters could be vectored to intercept the enemy's attacking aircraft.

The flexibility programed for the AWACS will offer unique and valuable capabilities in more limited contingencies in other parts of the world where facilities for the control of tactical air operations are marginal or non-existent. The clean need for such facilities was demonstrated in the Vietnam conflict, particularly during the period when U.S. forces were attacking targets in North Vietnam.

For example, after August 1967, the Mig-21 aircraft effectively employed new, radar controlled, low altitude intercept tactics to achieve surprise and position advantage on U.S. strike flights. Without adequate radar warning and control, an increased number of our strike aircraft were forced to jettison their bomb loads to counter an attack, and the previous U.S. exchange ratio of 4 kills to 1 over the Mig-21 decreased to

1.2 to 1. This lack of adequate warning and control also forced the United States to increase the size of the force defending against air attacks with a resultant decrease in the number of tactical aircraft available to perform the interdiction mission.

Moreover, recent combat experience has shown that combat aircraft under centralized surveillance from command and control centers were able to achieve much higher rates of success in air battles, with much lower losses than those sustained by aircraft without that kind of assistance.

AWACS could also serve as a command and control center; managing the immediate air battle; coordinating area air traffic; and relaying combat reports or other messages. AWACS would not necessarily perform all these missions simultaneously and continuously. Many would be taken over by other facilities as soon as ground-based equipment could assume these tasks. But AWACS' capability to perform in each of these roles would insure that the most important control tasks could be accomplished without interruption.

With regard to friendly ground force elements, current communications systems do not permit senior commanders to maintain a constant update on the location and status of their maneuver units in a fluid combat situation. However, efficient management of these forces is based in part on such information. Moreover, the efficient application of tactical airpower in support of these forces also relies on precise knowledge of their location and status. AWACS has demonstrated a potential to display returns from radar beacons or IFF—identification, friend or foe—transponders which have been deployed with ground force elements, and to provide in real time, the location and status of friendly ground forces, airfields, and other resources.

AWACS has also demonstrated a capability to detect and track surface ships and to provide real time information to aid senior commanders in making timely decisions concerning force deployment and employment. Through use of IFF, AWACS can monitor the location and status of friendly ships. Non-IFF targets would easily be identified as unknown or hostile. This information could be made available to senior commanders, thereby enhancing the capability to vector friendly naval and air forces for reconnaissance, and for attack enemy vessels.

In short, the inherent mobility and flexibility of the AWACS would offer the capability to perform a number of important functions in any future contingency, and, thereby, could greatly enhance the overall effectiveness of U.S. forces in future conflicts—not only in air battles but also in combined arms battles. This increase in effectiveness would help to offset expected future growth in the capabilities of enemy general purpose forces. Moreover, AWACS could function in support of friendly indigenous forces. This could enable friendly nations to make greater contributions to their own defense by increasing the effectiveness of their aid and surface forces.

Mr. HÉBERT. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Chairman, I intend to offer amendments tomorrow in a number of subject areas. First, perhaps, I should point out that a large part of this bill, as in previous years, I concur with. A large number of the cuts that were made by the committee I likewise concur with, particularly the reductions that were recommended by the committee on the AWAC system on the order of $250 million. I think that was well thought out. I think that program can well afford to be slowed down and we should know where we are going with it. Obviously, it is a tactical program, as the committee report wisely points out, that particular aspect of AWACS should be better thought out.

The C-141 stretch out program and the CRAF program likewise have been either abated or slowed down. It is a little difficult to figure out exactly where we are in these programs, since they were also included in the authorization supplemental and the supplemental appropriation bills. We do not have the results of either of those conferences to date, but hopefully we can take considerable testimony on both of these two subject matters.

On the CRAF program modification we are talking about making a nose loader out of the Boeing 747's and the Lockheed 1011's and the DC-10's; ripping out all of the interiors and putting in a new hinge in the front section, giving them a tank ramp.

Obviously, spending $7 million per vehicle and perhaps $800 million or $1 billion on these programs requires considerable thought and should not come up in a supplemental. It requires more testimony than we have before our committee, so I think we were wise in slowing that program down.

The other program that I will talk about in the couple of minutes I have remaining is the MASF program, the military assistance service funded program for Vietnam. I do intend, with a number of my colleagues from a number of committees, to offer an amendment tomorrow to reduce that program from the $1.6 billion recommended by the Pentagon, the $1.4 billion recommended by the House committee, down to a $900 million level. The $900 million level, I think, is reasonable. It does not pull the rug out from under the allies that we have in Southeast Asia. It is $900 million for military assistance and will be combined with about $900 million of economic assistance and will provide a total program of about $1.8 billion for the 1975 fiscal year, which compares to about $1.8 billion for the current fiscal year.

So, we are not escalating that program at all. It allows for a one-half billion dollar reduction in the Vietnam program for the 1975 fiscal year. We will have some reasons in addition to those I have outlined.

Mr. Chairman, I also intend to offer an amendment with regard to the Trident submarine system. I have already complimented my colleague from Florida, Mr. BENNETT, on the method by which the Sea Power Subcommittee has made its recommendations. However, the last time we had appropriations approved by conference on the Trident program, we agreed to a one ship program for fiscal year 1975, and we should keep with that schedule.

Mr. Chairman, today we begin consideration of the military procurement authorization bill for fiscal 1975. As the action on the fiscal 1974 supplemental bill indicates, not all committees dealing with the defense budget view it in the same light:

COMPARATIVE ACTION ON FISCAL YEAR 1974 DEFENSE SUPPLEMENTAL AND APPROPRIATIONS BILLS

	Defense request	House A.S.	Senate A.S.	House appropriations	Senate appropriations
I. Procurement:					
Army ACFT	22.0	22.0	15.0	16.0	16.0
Navy, Marine ACFT	219.2	219.2	101.1	153.7	113.0
AF ACFT	445.0	445.0	154.8	294.0	244.4
Army missiles	84.4	76.6	66.3	76.6	76.6
Navy missiles	28.6	28.6	17.0	0	0
Marine Corps missiles	22.3	22.3	22.3	22.3	22.3
Air Force missiles	39.0	39.0	22.9	39.0	27.0
NAVY SCN	24.8	24.8	0	0	24.8
Army TCV	113.6	113.6	50.9	63.1	50.6
Army other	8.2	8.2	8.2	8.0	8.0
Total	1,007.1	999.3	[1] 458.5	658.0	582.7
II. R. & D.:					
Raises	108.9	108.9	108.9	54.4	108.7
R. & D	108.6	.975	0	0	0
III. MILCON	29.0	29.0	0	29.0	0
IV. MASF	[2] 0	0	[3] 0	0	[3] 0
Total	1,253.6	1,138.175	712.8	741.7	681.6

[1] $155,800,000 to be transferred from $2,200,000,000 for Israel.

[2] MASF request required no appropriation.

[3] Approved bookkeeping switch freeing $266,000,000.

If the country had unlimited money, no agency would need to be limited in spending. Since we don't have the money, we have therefore restricted poverty, education, health, housing and manpower training funds. Defense expenditures should be no exception.

The following chart shows the escalation of the U.S. national debt over the past 7 years, the annual service charge on the debt that must be paid, administrative income and the percentage of administrative income allocated to this item:

[Dollar amounts in billions]

Year	National debt	Service charge	U.S. administrative income	Percentage service charge
1969	$367	$15.8	$143	11.0
1970	382	18.3	143	12.7
1971	410	19.6	134	14.6
1972	437	20.6	149	13.8
1973	468	22.8	161	14.1
1974	486	27.8	185	15.0
1975	508	29.1	202	14.4

Obviously, our escalating debt, escalating service charge, and escalating service charge as a percentage of income dictates and demands moderation.

Since we spend 95 percent of all military funds spent in this hemisphere, and 60 percent of all military funds expended in the world, we need constantly to review our posture in this regard.

The short chart that follows, prepared by committee counsel, shows the action of our House Armed Services Committee in various subject areas of the pending bill:

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[In thousands of dollars]

	Requested by DOD	Recommended by committee
Procurement:		
Aircraft:		
Army	339,500	335,000
Navy and Marine Corps	2,960,600	2,964,100
Air Force	3,496,600	3,391,400
Missiles:		
Army	459,200	439,400
Navy	620,600	620,600
Marine Corps	76,000	76,000
Air Force	1,610,800	1,610,800
Naval vessels: Navy	3,562,600	3,539,100
Tracked combat vehicles:		
Army	331,900	321,200
Marine Corps	80,100	74,200
Torpedoes: Navy	187,700	187,700
Other weapons:		
Army	53,400	55,700
Navy	25,600	25,600
Marine Corps	500	500
Total procurement	13,805,100	13,641,300
Research, development, test and evaluation:		
Army	1,985,976	1,878,397
Navy	[1] 3,264,503	[1] 3,153,006
Air Force	3,518,860	3,459,760
Defense agencies	555,700	510,500
Total R.D.T. & E.	9,325,039	9,001,663
Grand total	23,130,129	22,642,963
SUMMARY		
Net change in procurement (title I)		−163,800
Net change in R.D.T. & E. (title II)		−323,376
Total reduction		−487,176

[1] Includes foreign currency program $2,570,000.

Lest we believe that every cent in the defense budget is vital to national security, we should consider this testimony given by the Secretary of Defense to the Defense Appropriations Subcommittee on February 17, 1974, in response to allegations that the budget contained $5 billion worth of padding:

> It was recognized late in calendar year 1974 that there may be an easing of the economy and some growth in unemployment and that as a consequence of that, the total figure for the budget outlays would be relaxed. . . . If there had not been this perception of an easing economic environment I believe our outlays might have been a billion dollars or a billion and a half dollars less in 1975.

In short, the Secretary had admitted to a billion or a billion and a half WPA dollars intermixed with the national security budget.

We had further evidence of Pentagon padding in the fiscal year 1974 supplemental request, which included $108.6 million for research and development. The committee decided the request was not sufficiently urgent to warrant supplemental action, and suggested the Defense Department make a strong appeal for these funds in the fiscal year 1975 regular budget if it so desired. Now we find not one word about these programs in the 1975 request; the previously vital programs are no longer vital. To me it seems the DOD sometimes means what it says and sometimes does not.

TITLE I. PROCUREMENT

A. TRIDENT SUBMARINE

The submarine-launched ballistic missile system is probably as important as the rest of the military establishment combined. It is secure from detection and is expected to remain so in the foreseeable future. Of all our weapons systems, it makes the greatest contribution to national security, and at the same time is not provocative. By increasing the range of the missile, the Trident I and Trident II systems will provide a prudent hedge against the possibility of unforeseen breakthroughs in Soviet antisubmarine technique.

In short, I favor the Trident concept. However, the very high rate at which the Navy plans to build the 10 ships is, in my view, unwise.

It is not sufficient for a system to be sound in concept; it must be reliable in operation. The Polaris submarine-launched missile system, which had the benefit of a thorough and careful R. and D. program, was perhaps the most reliable missile system ever built. The Poseidon, which was not developed as carefully, has been somewhat less reliable but still creditable. It would be disastrous if this trend were to continue and we were to find our underwater security dependent upon an aquatic C–5A.

The surest way to induce unreliability, as well as cost overruns, is to rush the program. The worst aspect of a rushed program is what is called "concurrency": placing the system full into production while a substantial amount of R.D.T. & E. remains to be done.

The arguments for accelerated development are not persuasive.

First. There is no need to rush Trident into the water to meet a Soviet threat to Polaris-Poseidon ships, since the threat does not exist. On the contrary, at this point we cannot even speculate on the nature of the threat which might develop. Thus, the sooner we construct the ships the more we increase the possibility that they may be inappropriate to the threat they may eventually face. I believe the House Appropriations Committee was entirely correct in its rejection of the Trident acceleration in the fiscal year 1974 supplemental. Its report stated:

> The Committee recommends that the $24,800,000 requested to accelerate Trident submarine construction from one per year, as recommended by the Congress in fiscal year 1974, to two per year not be appropriated.
>
> It is the considered judgment of the Committee that with new Navy initiatives, such as the strategic cruise submarine-launched missile, the available options to backfit the Trident I missile into our 10 Polaris, and 31 Poseidon submarines, and the proposed NARWHAL submarine as a low cost option to the Trident submarine, an acceleration of the Trident submarine construction effort cannot be justified. The Committee is also mindful of the backlog of new construction and conversion of ships and submarines at the two large nuclear-capable shipyards which are involved in the Trident submarine program, and the problems they and many shipyards are having in obtaining skilled labor.
>
> All of these factors seem to mandate a prudent and cautious, but deliberate course in the construction of Trident submarines. There must be a reasonable limit or plateau that should be achieved in spending merely for the sake of "bargaining chips." The Trident submarine construction rate of one per year as directed by Congress appears to be a sufficient demonstration that this country has the national resolve to modernize and maintain our sea-based missile deterrent and a current status technologically, without risking an escalation or renewal of the arms race.

Second. While submarines do wear out, there is no indication that a 1-per-year Trident program will leave Polaris boats in operation longer than would be justified by safety considerations. On the other hand, it is undeniable that the sooner we launch the Tridents the sooner thay will wear out and the sooner we will need the next generation SSBN. Moreover, if we buy Tridents in rapid succession they will wear out in rapid succession, thus forcing us into excessive concurrency on the next generation and more block obsolescence.

It is claimed that faster procurement is cheaper. This is only true if the acceleration does not produce difficulties. In my views, it is probable that problems, and therefore increased costs, will arise from the accelerated schedule proposed by the Navy.

Therefore, I will propose an amendment to reduce the procurement schedule to one ship per year from the Navy's proposed two.

I propose to reduce the $1,166.8 million two-ship program to $700 million, which would consist of last year's $627.8 million one-step program plus a reasonable inflation allowance.

I do not propose to reduce research and development. Neither do I propose to reduce procurement of the Trident I missile, which can and should be retrofitted into the existing Poseidon submarines.

In additional views appended to the fiscal year 1974 report, I described the landing heavy assault—LHA—program as "one of the worst disasters in the history of American military procurement." While this rhetoric may have been somewhat overdramatic, subsequent events have not impugned the accuracy of the assertion. At the time of last year's report, these five ships were 2 years behind schedule. Today they are 2½ years behind; the cost is sitting on the contract ceiling and we can expect, before we have the ships in hand, to find the contractor rewarded for his delays by payments well above the ceiling.

The same contractor in the same shipyard—Litton Industries in Pascagoula, Miss.—is building another series of ships: the 30 large antisubmarine destroyers of the DD–963 class. This program is clearly headed for similar or worse problems.

The new "assembly-line" method used in this shipyard has received much publicity, but it is not the source of the problem.

The difficulty stems from the inability of the contractor to attract sufficient quantity and quality of labor to the site of the shipyard. Total labor force on the DD–963 program is presently 23 percent below program. The problem is increasing rather than decreasing, with 10.6 percent attrition but only 9.9 percent accession between September 1972, and September 1973. The shipyard today is 4,000 men short and is unable to accelerate employment.

The quality of the work force, according to the General Accounting Office, is as substandard as the quantity. The journeymen/apprentice ratio has been about 1.4–1, where 2–1 is considered desirable. While this ratio has remained relatively stable, the quality of the apprentice force has declined markedly, with the percentage having less than 1 year's experience soaring from 18 percent in October 1972, to 41 percent in August 1973. The contractor sees no prospects for improvement.

These are the results:

First. Scheduling: The first two ships, DD–963 and DD–964, have been launched on schedule. However, this has been a mere public relations gesture, accomplished by launching them in an incomplete state. Ship 963 was launched 50 percent complete, in contrast to the original plan calling for 75 to 85 percent completion at launch.

Whereas the original plan calls for 9½ months in which to complete 20 percent of the work after launch, the contractor will now have to perform 50 percent of the work in the same time period to achieve on-time delivery. This would require working at 2½ times the originally expected pace. If we generously assume work at the planned pace, we must project a 24-month scheduled slippage. If we more realistically assume work at two-thirds of the planned pace, we find ourselves facing a 3-year slippage. And this is only the first of the 30 ships.

Second. Cost: Program unit cost has so far kept reasonably consistent with the general inflation. However—

Delays inevitably require the contract to be performed in an inflated economy, which increases the cost to the contractor.

Litton is now asking for an additional $7 million per ship.

With only 2 of the 30 ships in the water, the Navy has already told us it expects the cost to go to ceiling—130 percent of target price.

A number of expensive subsystems—totaling perhaps 20 percent of the cost of the ship—are to be installed after delivery. Thus, they are not included in the systems acquisition costs. Instead, they are funded by the other procurement, Navy—OPN—and operations and maintenance—O. & M.—budgets, which receive relatively light scrutiny and are therefore prime breeding grounds for what is known in the trade as "contract nourishment."

Third. Performance: We are not yet capable of judging the performance of the system. However, our experience has been that late delivery and cost overruns do not usually go hand in hand with satisfactory performance.

I believe it to be a real mistake to authorize the last of the 30 ships, thus effectively giving up the Armed Services Committee's control over this program. A similar mistake was made on the LHA program, in which we finished authorizing the last of the five ships last year, yet the Navy has still to see its first LHA.

I do not propose to reduce or cancel the program. At this point, I merely emphasize that the reasons for the difficulty—difficult location and inadequate management—were entirely subject to the control of the contractor at the time he made his bid. It is he, and not the taxpayers, who should bear the burden of his inability to live up to the contract.

According to the recent report to the Congress by the General Accounting Office, the Navy and its contracting officer have made sincere and vigorous efforts to adhere to the terms of the contract. I commend them for it. It would be my intention to see that the full 30 ships will be delivered with satisfactory performance at not one cent above the contract ceiling, and we wish to make the contractor aware that, from all indications, the 94th Congress will be more receptive to this position than has any Congress in the recent past.

TITLE II. RESEARCH AND DEVELOPMENT

A. SITE DEFENSE ABM

The pros and cons of antiballistic missile systems have been discussed at length in previous reports. Very briefly, I regard the Safeguard as ludicrously inadequate from its basic concept onward, and I regard it as now self-evident that the $8 billion this system has and will siphon out of the taxpayers' pocket is so much money down the drain. In contrast, site defense appears to be intelligently designed and technically capable of increasing the survivability of our fixed base Minuteman ICBM's against a reasonable vigorous threat.

However, site defense operates under two handicaps:

The Strategic Arms Limitation Treaty—SALT—sets a limit of 100 interceptors whereas many hundreds would be required before Site Defense could add significantly to our deterrent.

Site defense is incompatible with the administration's headlong rush for maximum ICBM accuracy. As I point out under "Dangerous Nuclear Programs" later in these additional views, if we fund the development of high accuracy, there will be no way to negotiate the Soviets out of also deploying high accuracy warheads. They will thus be able to use very small yields as silo-killers which means they will be able to use large numbers of warheads on each ICBM at low cost. Thus, they will be able to exhaust site defense far more cheaply than we could expand it. It is important to note that the same unlikely and tragic circumstances that would permit deployment of site defense abrogation of SALT I—would almost certainly be accompanied by the failure of SALT II and the consequent technological developments that would neutralize any ABM.

Therefore, we shall move to amend the site defense authorization, reducing the $160 million prototype demonstration program to a $110 million technology program.

B. SAM–D

Secretary of Defense Schlesinger has has wisely pointed out that, since the United States has no technological choice but to remain vulnerable to Soviet missiles, there is no sense spending money to defend against bombers.

Thus, the only function of the SAM–D anti-aircraft system will be to defend our allies. This $6 billion program makes a very expensive charity item in these days of precarious economic security.

Therefore, it would be desirable for the Secretary of Defense to seek commitments from our allies to pay in cash a minimum of one-half the total program cost of the system, and to include the result of his efforts in his annual report for fiscal year 1976. If these commitments are not in hand at the time of the report, it is my view that the program should be abandoned.

C. DANGEROUS NUCLEAR PROGRAMS

It is natural to assume that any technological development which offers increased military capability at relatively modest cost is a good thing. Unfortunately, this is not always true. The present bill contains four nuclear weapons programs which, while increasing our nominal military effectiveness, give us no useful ability we would not have already. Moreover, they would decrease national security by increasing the probability of nuclear war.

First. Three of the programs in question are strategic: $25 million for engineering development to increase the yield of Minuteman warheads; $32 million for maneuvering reentry vehicles—MaRV—to improve the accuracy of Minuteman; and $20 million for advanced research on terminal guidance of warheads.

The purpose of all three programs is to increase our ability to destroy hard targets. These programs are sometimes presented as offering a more humane way of fighting nuclear war, allowing us to attack military and industrial targets rather than cities.

This characterization is not entirely accurate. A steel mill is an impressive and imposing structure if you plan to strike it with your fist, but in nuclear terms it is a very soft target; we can easily destroy it with the accuracy-yield combination found in our present Minuteman warheads. The same is true of all Soviet factories, refineries, troop concentrations, tank parks, et cetera. The only hard targets of any significance are missile silos.

If we wish to destroy a small number of Soviet silos as a show of force, we can do so with our present warheads; higher accuracy and yield are not needed.

If we wish to develop the capability to destroy all Soviet silos, we have to use terminal guidance. The problem is that such a capability would force the Soviets to adopt a launch-on-warning policy, emptying their silos on radar warning of a U.S. attack rather than riding out the attack. This would neutralize our capability—even highly accurate warheads cannot destroy a missile that isn't there—and it would greatly increase the probability of accidental war. Even if the Soviets for some reason did not launch on warning, our hard-target capability would still be suicidal in that it would bring retaliation from the Soviet missile submarine fleet.

Thus, there are no benefits and considerable losses in this program. The Senate Research and Development Subcommittee recognized this in killing these programs, pointing out that our goal should be to enhance the survivability of our deterrent, not to chase the ill-defined mirage of counterforce capability.

Several years ago, Congress unwisely approved the development of MIRV. Since MIRV deployment cannot be verified without on-site inspection, once we had tested MIRV the Soviets had no choice but to assume we had deployed it, and we lost the opportunity to negotiate a MIRV ban. Now the Soviets have their own MIRV, there is no way to negotiate them out of deploying it, and there is great—although in my view unwarranted—concern about its significance. The United States could have avoided the entire issue by going slow on testing and fast on negotiations; it does no one credit that we did the opposite.

The proposed warhead-improvement programs present a similar but more serious problem; there is a danger that we will deal with it in a similarly unfortunate manner. I note with regret that the full Senate Armed Services Committee has overruled its Research and Development Subcommittee and approved funds for these programs. The rationale given by the chairman of the Senate committee was that we need the warhead improvement programs as bargaining chips for SALT II.

Mr. Speaker, these items are categorically incapable of being used as bargaining chips. Once we approve the money, the system can no longer be bargained away. Just as MIRV deployment cannot be verified, so deployment of high-accuracy warheads cannot be verified. Worse, testing of high-accuracy warheads cannot be verified. If we do not prohibit the development of high accuracy, the Soviets will have to assume we have achieved the ability to destroy all their silos. They will then either abandon their fixed-base ICBM's or place them on launch-on-warning status. Given their present truculent mood, it seems more likely that they will choose the latter course; we will thus have increased the probability of nuclear war and gained nothing by doing so.

The Pentagon has proposed that we deploy smaller, cleaner tactical nuclear weapons for use in Europe. The rationale is that our present large, dirty weapons would cause so much collateral damage to the surrounding friendly countryside that we would be afraid to use them, whereas the smaller weapons would cause less collateral damage, and we could therefore resort to them more easily.

This argument rests on two assumptions:

The Soviets, having only old-fashioned large dirty nuclear weapons, will refrain from using them in retaliation because they share our concern for collateral damage to the soil of our allies and their enemies.

Even if the Soviet also develop small nukes, if we cross the nuclear firebreak first, the Soviets will not feel compelled to respond by attacking us with weapons slightly larger, whereupon we will counter-respond with weapons still larger, and we will very shortly find ourselves in an all-out nuclear war.

The evidence for either of these propositions is distinguished by its total nonexistence. It would be the height of folly to take any steps that would make crossing the nuclear firebreak easier. Among all the military failures and foreign policy failures of the past twenty years, our one shining success has been the avoidance of nuclear war. To deliberately set out to violate this record is to take unconscionable risks with the national security.

Title VII of this bill, which deals with military aid to Vietnam, does three things, two of which have my wholehearted support. The committee's recommendation of a $1.4 billion ceiling on military aid to Vietnam, however, serves the best interests of neither the United States nor the Vietnamese people, and I and others shall propose an amendment to reduce that figure to $900 million. The bill as recommended by the committee:

Tightens up the language by which we require the Department of Defense to report its expenditures of the MASF program. Henceforth, DOD will be required to report actual obligations instead of estimated obligations, giving us for the first time real figures to work with in evaluating our military aid to Vietnam.

It repeals the authorization for any unobligated balances remaining in the MASF account at the end of this fiscal year. This will end the guessing game we have had to play each year as to how much money is left in the MASF account.

It authorizes a ceiling on this year's MASF program of $1.4 billion. This is $100 million, or 8 percent more than the committee recommended for South Vietnam and Laos last year; almost $400 million, or 39 percent more than the $1,009.5 million that the Congress finally approved for Vietnam last year; $570.5 million, or 31 percent more than the $829.5 million in new money we made available for military aid to Vietnam last year; and $656.5 million, or 88 percent more than the Defense Department had available in controllable expenditures last year. As was explained in the letter I and several of my colleagues sent to your offices today, of the $1,009.5 million available for Vietnam military assistance last year, $266 million had to be used to replenish U.S. stocks for ammunition provided to the ARVN in prior years. When this amount was subtracted from the available funds, only $743.5 million was available for obligation for military aid to Vietnam in fiscal year 1974.

As these facts clearly show, there is absolutely no way that the $1.4 billion ceiling can be viewed as anything but a substantial escalation of our military aid to Vietnam; yet, the facts of that conflict are that there has been no escalation of the war. The casualty figures provided to my office show, if anything, a slight decrease in military activity this year.

CASUALTY FIGURES

These figures show another interesting trend; VC/NVA casualties continue to bear about the same relationship to ARVN casualties as they have in the past with the VC/NVA losing three to four men for every ARVN soldier killed. You do not have to be a military genius to conclude from this that the ARVN is still mounting a substantial number of offensive operations. If there was ever any doubt about this, it was dispelled by the testimony of Maj. Gen. William B. Caldwell III. In his testimony before the committee, General Caldwell told us, in language which is repeated virtually verbatim in the committee report, that—

> Territorial and population control have changed little over the last year—*what change has been made has been in favor of the Government forces;* (italic added).

Since the only land changing hands is coming under Saigon's control, it is impossible to believe that the ARVN has not been on the offensive. U.S. military aid is intended to help Vietnam defend itself, not to continue the war as though nothing had happened. Expert testimony shows that the ARVN has been able to mount offensives with the amount of aid they have; therefore, it is obvious that no increase is required for purely defensive purposes.

It should be understood that this is not all the military assistance that the Saigon government can count on from the United States this year. The President's foreign aid request contains $183 million in funds for the commodity import program. The dollars generated by this program in the past have been used by Saigon for uniforms and construction programs; in other words, to supplement their defense budget. If that $183 million is added to the $1.4 billion recommended by the committee, it will boost our Vietnam military assistance program to $1.583 billion, or very nearly the $1.6 billion requested by the Pentagon. Thus, this bill represents an even larger escalation than appears on its face.

It has been argued that we must provide aid at this level because "the Russians and Chinese are supplying Hanoi." True enough, Hanoi's aid does come from the major Communist countries; but how extensive is that aid? Hoang Duc Nha, Minister for Information and Open Arms for South Vietnam, wrote in the May 1 edition of the Vietnam Bulletin that—

> Hanoi has now begun to realize that . . . neither Russia nor China will be willing to help it on a large scale.

Such figures as we possess on aid to Hanoi are classified, but if GVN officials are willing to describe that aid as being not on a large scale, it certainly cannot be very much.

Inevitably, we must ask ourselves exactly what our aid accomplishes. I have cited several times the report we received last year that the amount of gunfire in Vietnam on both sides was directly attributable to the amount of ammunition we supplied to the ARVN. That report was buttressed by acknowledgment by our embassy in Saigon of a need to "restrain" ARVN ammunition consumption, especially artillery ammunition. Yesterday, confirmation of the relationship between the level of our aid and the level of violence in Vietnam was received from yet another source. In a front-page story in the Washington Post, Phillip McCombs tells of discovering the "strange accommodation" between the VC and the ARVN; if the ARVN does not shoot too much, the VC do not attack. The logical extension of this accommodation is that if we were not giving the ARVN ammunition in excess of their self-defense needs, far fewer VC attacks would be provoked. With a lowered level of activity on the battlefield thus obtained, perhaps a higher level of activity at the conference table might ensue.

In the final analysis, it is not our military aid to Vietnam that will make the difference of their ability to or not to survive. Our former colleague, Melvin Laird, recently said:

> The South Vietnamese can handle them. They have enough pilots. It is their foot soldiers who are important. If there is no will, it's their own tough luck. We have done everything that we told them we were going to do. That's what Vietnamization is all about. The fighting will continue for 20 years.

Mr. Laird and I have had our differences in the past, but that makes our agreement on this point all the more significant. Dollars do not buy victory—only the Vietnamese will can do that. If we continue as we have, dumping $2.5 to $3 billion into Vietnam every year, we can look forward to doing so at least for the next 20 years. Is this a fitting memorial to the Americans who were sent to die in Southeast Asia? I think that if those men could come back to talk to us, they would tell us that we have far better things to do with our money than that. The administration has told us that we do not have $250 million this year for programs to serve our own veterans; others will propose to reduce our military aid to Vietnam by twice that amount, and I hope that the House will agree with us that we have other, more pressing needs for that money.

Our amendment does not signal an abrogation of our responsibilities to the Vietnamese; rather, it is an acknowledgement of our responsibilities to the American taxpayers. The $900 million ceiling I propose will not leave Vietnam high and dry. It makes available more money than either the $743.5 million in controllable money we allowed last year or the $829.5 million in new money we appropriated for military aid to Vietnam in fiscal year 1974. A $900 million ceiling was unanimously agreed to by the Senate Armed Services Committee just last week; and no one would suggest that such men as Senator THURMOND or Senator TOWER would countenance an abrogation of our responsibility to Vietnam. They and I agree that $1.4 billion is simply too much money for this program.

Our fiscal year 1975, Southeast Asia costs are $584 million greater than our total MAP budget. In other words, military aid to Vietnam will cost us 46 percent more than military aid to the rest of the world combined. If our amendment is adopted, Vietnam costs will still be $84 million more than the rest of our military assistance budget; but we will at least have brought these expenditures into some kind of reasonable relationship with the rest of the budget.

Mr. Chairman, it is a reasonable program that we seek. The United States is at peace; its citizens should not be called on to pay indefinitely for someone else's war. If we intend to participate in a meaningful peace, we must serve notice that the U.S. Treasury is not a bottomless grab bag for another 20 years of carnage in Vietnam. This reasonable reduction will represent a continuation of the policy of fiscal disengagement from Vietnam that the Congress initiated last year. It is a policy Americans will thank us for pursuing, because they know better than anyone what a drain Vietnam has been on financial resources already ravaged by the worst inflation we have experienced in over two decades. In the name of the American taxpayer, I urge the House to consider our amendment favorably when we propose it tomorrow.

Mr. BRAY. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia (Mr. ROBERT W. DANIEL, JR.)

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, the Polaris/Poseidon strategic ballistic missile systems have gained recognition as a major cornerstone of the U.S. triad of forces to deter nuclear war largely on the basis of the survivability and reliability of the submarine platforms. The Trident system, now under development, will further exploit the survivability and reliability inherent in the application of submarine technology.

As this country has indeed come to recognize in recent months, all wheels grind to a halt without suitable energy sources. This was very true of our early submarines, dependent on gasoline or diesel engines and chemical batteries. However, with the application of nuclear fission-generated power to submarine propulsion, the submarine became virtually unlimited in its operations.

The marriage of the ballistic missile to the nuclear submarines in our first Polaris systems is a success story that has long been told. It is a fact that our Polaris/Poseidon fleet has been a most valuable member of our deterrent forces almost 15 years. During that period five different classes of submarines and four different missile systems have evolved. Over 1,000 deterrent patrols have been successfully completed with the crews having spent almost 2 million hours underway in the 41 submarines of this force.

In developing Trident the Navy is following this same normal evolutionary process but with widespread application of new technology that has become available in the years since the Polaris/Poseidon systems were designed and built.

The major objectives of this report are to provide a strategic submarine-based ballistic missile weapon system that will: Be highly survivable in a sophisticated ASW environment; be a cost effective replacement for Polaris/Poseidon systems; carry a missile capable of delivering full payload to a much greater range than the Polaris/Poseidon systems.

In achieving the Trident objectives the Navy is, for the first time, developing a new submarine platform and a new strategic weapon system at the same time. In addition, with the longer-range missile available, the Trident system will be based and operate out of a base in the United States. The location for that base has been selected at the naval torpedo station, Keyport, Bangor Annex on the Hood Canal across Puget Sound from Seattle, Wash. Construction on phase 1 of the base is planned to start late this fall.

Development of submarine components has been ongoing since 1971. The single most important development is perhaps the nuclear propulsion plant designed to allow Trident to operate more quietly than any prior class of submarine. The reactor is a new design first developed and tried out on an attack submarine, the *Narwhal*. Under normal Trident patrol conditions this reactor has virtually no moving parts. The propulsion plant used on Trident makes maximum use of machinery and hydraulic quieting techniques developed, tested, and proven on the *Narwhal* and the Navy's very latest attack submarines. The design is such that the systems will be capable of continuing deterrent patrol operations between regular shipyard overhauls for about 10 years.

Command and control of the Trident system is a second major area of improvement. Here the Navy is making maximum use of the significant progress made in the last few years in computer technology and computer driven displays.

By bringing information from multiple sources to a single control station, they have been able to reduce the number of so-called "watch stations" and thus crew manning. This has a significant input in reducing the continuing operational costs of this so important system.

The Trident strategic weapon system is designed to handle a new family of missiles capable of much greater ranges than today's Poseidons. The missile under current development is intentionally designed to be compatible with backfit into the 31 SSBN's being converted for Poseidon. Although the missiles externally look very much alike, internally Trident is all new. It is the Navy's first three-stage submarine launched ballistic missile and utilizes much new propulsion technology developed in very recent years. All the experience gleaned from Polaris/Poseidon programs is being utilized to make Trident ever more reliable. The Trident system will also provide the room for future growth which was so prudently provided in Polaris and Poseidon, but which is now used up.

There are, of course, many other areas where Trident is taking advantage of new technology, such as the automatic and built-in test equipment utilized to increase overall system reliability by decreasing system downtime. Even when the system is in port, it is intended that a rotatable pool of replacement components and equipments be utilized rather than try to repair equipments on board.

Trident system acquisition is expensive, but today, what is not, however, when built and operating, the system will keep missiles at sea in an "alert" status for about one-third the cost of acquiring and operating a system similar to our earlier systems. All agree, even those who oppose Trident, that the system will be highly survivable against all projected threats that we can foresee. As a new element of the U.S. Strategic Forces, Trident provides some measure of maintaining nuclear parity with the Soviet Union and continues the criteria of a credible deterrence of nuclear war. As such, it provides additional safeguards to our Nation as we continue to work for an equitable armament limitations agreement. Under such circumstances, Trident must be considered a bargain.

Mr. HÉBERT. Mr. Chairman, I yield 4 minutes to the gentleman from Virginia (Mr. DAN DANIEL).

Mr. DAN DANIEL. Mr. Chairman, we consider our military procurement bill today in a climate of turmoil among the Western nations which is unprecedented. To borrow the words of Charles Dickens, written in an earlier period of unrest, if these are not the worst of times, they are certainly not the best.

West Germany has not recovered from the shock of Chancellor Brandt's resignation and the events which led to it. France barely saved her constitutional form of government from a Communist-Socialist takeover in the national election yesterday. Britain's new Government, having come into office in a period of the most serious economic and political upheaval in two decades, appears at times to be hostage to manipulators, at least one of whom is a self-proclaimed Marxist. In Italy, where political stability has been virtually unknown since World War II, the Christian Democratic Party is in grave trouble, and serious cracks in the European Economic Community are beginning to widen. Belgium's Premier has recently put together a coalition government, after 3 months of effort, and in the Netherlands, a coalition was 6 months being assembled. Our neighbor to the north, Canada, faces new elections in July, and half a world away, in Australia, another cliffhanger election has been held, with the voters split down the middle. In Israel, nearly 4 months after that nation's elections, a new Cabinet still has not been assembled.

The entire portion of Scandinavia outside the Russian sphere is in turmoil. In Denmark, the minority Liberal government escaped defeat last week by a hair. Norway's Premier, elected 8 months ago, functions with an uneasy coalition. Sweden's legislature is tied equally between opposing parties. It would come as no surprise if any of the three nations soon faced new elections.

Even Iceland is feeling the pangs of political upheaval, and its Parliament has been dissolved, with new elections set for June.

Portugal, under the rule of a military dictatorship, has in its cabinet two Communists, and the people of that land may very well find that a devil has been swapped for a witch.

There is a drought of decision leadership in the Western World today.

On the other hand, there is no disruption in Russia. There is no change. The dictatorship holds firm, and holds firm as well to its goals. There is no change in that respect, either.

None of the Western nations has, of course, been immune to governmental upheaval, although some have historically been more stable than others. But there has never been a period when the political fabric of the Western World was so torn at the seams, when nations were so buffeted about by political dissent and at times by political opportunism.

Just now, trauma in government may be the least of the world's worries. Having seen the successes achieved by those who control Arab oil, other nations enjoying monopoly or near-monopoly status in certain other basic commodities have begun talking in terms of embargo, of doubled and quadrupled prices, with little or no thought given the rest of the world—developed, developing, or undeveloped.

Inflation—bad as it is here at home—is considerably worse in the rest of the world. And balance-of-payments deficits loom large on the horizons of Japan, West Germany, and other nations which have not known them in the past few years.

At the moment, there is no really stable currency, and people in ever-growing numbers are exchanging currency for tangible resources—for things—where it is possible.

Just this weekend, we learned that India—with all her other problems—has become the sixth nation to joint the nuclear club.

And what else has happened, worldwide, as far as our Nation is concerned? Plenty.

Russia has recently acknowledged what many of us knew, but have not been able to say: At the time of the October war in the Mideast, she had available and ready to go into that troubled area some seven divisions, while we could have fielded only slightly more than one.

At that time, if I may add an aside, a great cry went up that the Department of Defense had manufactured a crisis, that the worldwide alert had been called solely for domestic political reasons; that no real danger existed.

Russia has told us in no uncertain terms that the danger was very real.

As he leaves his current assignment, the Chief of Naval Operations, Adm. Elmo R. Zumwalt, has acknowledged the conviction that we have lost our ability to control the world's sea lanes. He said:

> The Soviet Union's capability to deny us the sea lanes—is greater than our capability to keep the sea lanes open.

While it is being argued that we must not establish a presence in the Indian Ocean, lest we provoke a buildup of Russian opposition seapower, the Russians have moved ahead full tilt to establish their own presence, and this will be expanded when the Suez Canal is opened. Right now, our naval forces are outnumbered by Russia's in that part of the seas, and you can depend on this—it will grow even larger.

All this is bad enough—but the situation gets worse.

Peace in the Mideast remains elusive. While we are all prayerful for success, reasonable men must agree that the outcome of current negotiations will be based in large measure on goodwill of all parties—a trait which has been absent from that area for many, many years.

The conference on mutual and balanced force reductions in Europe proceeds. Proceeds? That is a miserable choice of wording. Right now, it stagnates.

And why should this not be so? Why in the name of all that is good and holy should the Soviet Union withdraw one man—one tank—one airplane from Eastern Europe? By simply waiting, enough Members of Congress will apparently succumb to pressure from the antimilitary, and our adversaries will accomplish their goals; it will cost them absolutely nothing. All they must do is stall—and wait.

Those who espouse unilateral withdrawal adopt the following logic. One: MBFR talks are stalled. Two: they are stalled because the Soviet Union has no interest in expediting them, since the longer they wait—and I am quoting here

> The more intolerable will be our irrational commitment in domestic terms, and the more damaging to European unity will be unilateral cuts when they come.

Three: Since the Eastern nations, and Russia, have done nothing, we may as will accede to their wishes .

This is like saying: One. We live on the brink of a precipice. Two. Some day we may stumble over it, or the edge might erode away. Three. We therefore may as well throw ourselves over, since we are likely to go by accident, anyway.

Last year, the Jackson-Nunn amendment to mandate burden-sharing was appended to the military procurement bill. Its provisions have been substantially met. This was not an unreasonable requirement on our part, and the fact that it has been met indicates that our NATO partners recognize the reasonableness of it, also. It belabors the obvious to say that no one—and no nation—is going to pay for what can be had free. It is equally obivous that people are not going to pay for that which has no value. The requirement—and the meeting of it—represent a mutual acknowledgement of the necessity for our presence in Europe.

In the past 25 years, we have spent untold sums on military endeavors, to aid friendly nations in the maintenance of stability—and the Russians have helped those who shared their beliefs. In the same quarter-century, we have invested additional unnumbered dollars in economic assistance to friendly nations—as have the Russians. But there has been, in addition to these similarities, one difference. We have helped nations whose beliefs, whose ideologies, differed vastly from our own—India is a prime example—and we have occupied no nation to enforce our will.

By loans, grants, gifts, by provisions of grains and the material for self-sufficiency, by the construction of industries, of hospitals, of roads, we have done more than the world has ever seen before to help those who could or would not help themselves.

The people of the United States—unwillingly, through individual and group endeavors—have assumed an obligation to the rest of the world. And no one held a gun to our heads. No one extracted our money at bayonet-point. We have done it largely out of our own free will.

Some of us have acted altruistically; others from a sense of practicality, in the belief that a peaceful and stable world would help to insure an equally peaceful and stable environment for ourselves and our children. I do not believe it is the will of the American people to write off this investment in the future.

Has it cost us? You can bet your life it has. But before you bet other people's lives, consider this: In a time when government, and the Congress in particular, are at a very low point in public esteem—garbagemen are more highly regarded—the military in our land lead the list of most-admired. In essence, the people of America believe the military is meeting its commitment, at a time when they believe the politician is shirking his.

And consider this as well—two-thirds of the people of America have faith in their country—have faith that things, bad as they are, not intolerable, and that they will be better. Should we not share this feeling?

We cannot ignore the effect of our actions here in this Hall on other nations of the world—our potential enemies, as well as our friends. The leaders in both categories can read—and they can read English as it is written in the CONGRESSIONAL RECORD.

I do not believe it is the intent of this body or of the American people to send them a message of surrender. We have invested too much—too much of our blood, of the best of two generations of men. We have invested our money—that money which might well have been invested in other things, I concede. We cannot walk away now. We cannot say, "It was not worth it. We will throw away our friends, our lives, our children's future."

The pessimists say that we are watching the decline of the West, that capitalism and its attendant freedoms are gasping their last. I do not believe this. And the evidence is that the American people do not believe it, either.

The urge is strong at times like this to quote from an earlier period, to reassure ourselves, perhaps, that no matter how bad things are, they have been worse—or at least as bad—before. Yet nothing quite fits. The times are indeed unique. Still and all, there is a quotation, a statement which applies to our times. It is 33 years old, and it was said, not by a politician, not by a man of the military. It was said by an author—an intellectual, some say. It was said by Somerset Maugham:

> If a nation values anything more than freedom, and the irony of it is, if it is comfort or money that it values more, it will lose that, too.

I cannot add to this.

Mr. Chairman, last week a member of the board of a Methodist Church in the Fifth District of Virginia, forwarded me a two page "justification" for reduction in military spending. This material was compiled by Coalition on National Priorities and Military Policy.

The Department of Defense, through a Deputy Assistant Secretary who was formerly an Armed Services Committee staff member, was asked to respond. The material is admittedly lengthy, but it is exceptionally pertinent to the bill we discuss today. I, therefore, include the statement and responses for printing in the RECORD so that we may all give it full consideration as we debate the military procurement bill:

REDUCE DEFENSE SPENDING—CONTACT YOUR CONGRESSMAN NOW

This year military spending increased significantly even though the U.S. has concluded direct participation in the Vietnam War and entered into a "peacetime economy". With the Defense Department requesting $92.9 billion for FY75 and $6.2 billion as a supplemental for FY74 (total of $99.1 billion)—"the largest ever requested in one year except for 1942"—it is imperative that the defense budget be substantially reduced.

When communicating with your Congressman please urge him to support the following forthcoming legislative actions to reduce military spending:

1. A major worldwide overseas troop cut of at least 100,000.

2. Elimination or development slowdown of unnecessary weapons such as the SAM–D Air Defense System, B–1 Bomber, Trident Submarine, AWACS, Binary Gases and Tactical Mini-Nukes.

3. Support of a ceiling amendment which will limit further increases in defense spending. An amendment will be offered by Congressman Les Aspin (D-Wis) to hold spending to last year's levels; this would mean a reduction of approximately $1.1 billion in the FY75 defense budget.

If these legislative actions are to succeed, your Congressman must hear from you immediately. The Military Authorization Bill which authorizes programs for funding will be on the floor of the House by mid May.

Consituent pressure is the most effective way to encourage congressional opposition to increased defense spending.

If you want your Representative and Senator to vote against FY 1975 military spending write, call or see them now.

STATEMENT

In FY 1974 approximately 68% of the 2,100,000 active duty personnel are serving as commissioned, warrant officers and non-commissioned officer/specialists (E–4 through E–9). There is an average of 2 officers or non-commissioned officer/specialists on active duty to command, supervise or assist each private.

DOD POSITION

To classify all officers and non-commissioned officers as executive or supervisory is an erroneous assumption. Many officers and senior enlistment personnel are specialists and technicians whose grades are more reflective of their technical skills, training, education and experience than it is a reflection of their supervisory responsibilities. To illustrate the magnitude of this, the Army officer corps at the end of FY 1974 will contain 92,500 commissioned officers. Of this number, approximately 28,000 (30%) will be a technically oriented officer of the Chemical Corps, Engineer Corps, Finance Corps, Judge Advocate General, Chaplains Corps, Medical Corps, Dental Corps, Veterinary Corps, Medical Service Corps, Nurse Corps and Medical Specialist Corps. Many of the personnel in the combat oriented groups are also performing technical duties. This group contains officers working in communications and electronics; transportation; ordnance (including nuclear devices); police, intelligency and logistical support.

On the enlisted side there are nine different pay grades. Technically, the top five of these grades (E–5 through E–9) are "sergeants", varying in title from "buck sergeant" to sergeant major. Many are NCO's, but many others are skilled technicians and specialists who operate and maintain complex equipment but do not supervise. The bottom four grades include recruits, privates, privates first class and corporals or corporal-equivalents. Although the corporals are technically NCO's, the majority of them are first-term personnel experienced only to a journeyman level of skill. A more meaningful comparison would be to combine the strengths of the bottom four grades, since together these constitute the group of first-term enlisted men, and compare that with the top five grades which constitute the second-termers and careerists. On this basis, there are 1.5 times as many in the bottom enlisted group as in the top. If officers are included, the officer NCO level would be 48% of the total force vice the 68% cited.

STATEMENT 2

In FY 1974 only 17% of the 2,100,000 active duty military personnel are assigned to combat skills jobs that fire on an enemy. In FY 1975, the Department of Defense estimates that there will be no improvement and this percentage will remain at 17%.

DOD POSITION

This 17% of military personnel only considers those personnel assigned to such activities as the infantry and armor, artillery and aircraft crews. No recognition is given to the total number of personnel assigned to within those manpower categories which constitute our combat forces, i.e., the Strategic and General Purpose Forces categories. Since these are our fighting forces, it is certainly more meaningful to examine how many military personnel are assigned to these categories and what actions have been taken to increase that number.

At the end of FY 1973, there were 46% of our military personnel assigned within the Strategic and General Purpose Forces categories. In 1975, this will increase to 49%. That is, of the 2,152,000 personnel requested for FY 1975, 1,044,000 will be assigned to these combat categories. Certainly, not all these personnel will be in skills which require direct confrontation with an enemy. It is a principle of the Department of Defense to take full advantage of technology to obtain equal or increased combat effectiveness rather than use the gross application of the American combat soldier. This technology dramatically increases combat capability of our forces, but the complex weapons systems obviously have increased the requirements for supply, maintenance and transportation personnel. For example, an Air Force fighter squadron has 27 aircrew personnel, but there "combat skill" personnel certainly cannot function within that specialty without the support of approximately 262 maintenance and 151 munitions support personnel. In this light, the mix of resources required to constitute and support our combat forces structure is designed to provide the required capability at minimum cost. No "support" or "overhead" resources are applied which are not essential, directly or indirectly, to the accomplishment of the combat mission.

STATEMENT

In FY 1975 the Army and Marine Corps are requesting a total authorized end-strength of 981 (thousand) active duty personnel at a total cost of approximately $10 billion. Yet only 260,000 of those personnel will be assigned to the 16⅓ divisions the Army and Marine Corps will field to fight in defense of the US National security.

DOD POSITION

The allegation is correct. It was planned that way deliberately in order to obtain maximum combat power from limited resources.

This common allegation ignores the fact that modern land warfare is a complex, highly mechanized business, which demands a complex and highly mechanized Army and Marine Corps. It is simply no longer true—and has not been true since the turn of the century—that "divisions" contain all of the combat power, or that the vast bulk of an army should consist of private soldiers carrying rifles. If DoD were to design its forces to satisfy these kinds of critics, we would have more divisions, a high proportion of private soldiers with rifles, few supporting troops—and we would not be able to win a battle. The facts are that:

1. About one-third of combat power is not included in divisions.

2. Support is needed to operate and maintain the vehicles and weapons (tanks, helicopters, jet fighters) used by the Army and Marine Corps.

3. Weapons are useless unless they can be brought to bear on an enemy in a coordinated fashion, and this takes intelligence, command, control, and communications.

The following combat forces are not included in divisions:

Three Marine Air Wings (30,000 men) with fighters, bombers, and helicopters.

Four active Army separate brigades (20,000 men) with organic infantry, tank, and artillery battalions.

Three Armored Cavalry Regiments (9,000 men).

Forty-seven separate Aviation Units (10,000 men).

Marine Force Troop Tank, Artillery, Amtrack Battalions (5,000 men).

Seventy-five separate Artillery Battalions (45,000 men).

Special Forces and Ranger Units (6,000 men).

Fifteen Surface-to-Surface Missile Units (10,000 men).

Seventy-four Air Defense Units (12,000 men)

Thus an additional 147,000 soldiers and Marines are in combat units. The total for both Services is about 407,000 personnel in combat units.

Proper support of these combat units is essential to success in battle. Guns without ammunition are useless. Tanks without fuel are useless. Soldiers without food are useless. There is no point in providing combat units which cannot be sustained in combat at their design levels of combat power. The support forces of the Army and Marine Corps are designed primarily to provide the sinews of war: ammunition, POL, food, personnel replacements, maintenance, and new parts and equipment to replace combat losses. Other support, such as pay, mail, medical service, and police service, are provided to assure proper administration of the forces. Support which does not contribute in one way or the other to combat effectiveness is not provided.

Similarly, an effective command and control system is an essential ingredient of success in battle. It would not make sense to line up thousands of riflemen and order them just to "fire in the direction of the enemy". The object of the exercise is to bring fires to bear on the enemy. This involves finding the enemy, determining his relative position, providing aiming and firing instructions to the weapons, and pointing the weapons in the right direction with the proper firing attitude. The process is incredibly complex. This is true because the stand-off distances from our forces to those of the enemy have increased from 300 yards for rifles to 300 miles for missiles and aircraft. Our desire is to minimize our losses by hitting the enemy before he has the opportunity to close with our units. We want to fire at him from a distance. This is the cheapest way to fight. But it does involve having people for intelligence (to find the enemy), communications (to transmit the information), and control at various levels (headquarters). War is a confusing business; errors persist. The side that prevails is often the one that makes the fewest errors. We invest a lot of men in our intelligence, command, control, and communications systems in order to minimize error and make best use of our weapons.

Modern land forces are designed to provide maximum combat power. Critics who use simplistic ratios to discredit this design make about as much sense as those who would complain that there is something wrong with a football team because only four of the eleven players are in the backfield.

STATEMENT

Within each of the 15,000 to 17,000 man divisions only 28% of the manpower will be assigned to the combat battalions that do the actual fighting. Each division contains approximately 11,000 officers and noncommissioned officer/specialists—and about 5,000 privates.

DOD POSITION

This allegation is incorrect. A "type" division of about 16,000 men includes about 50% in the combat maneuver battalions, and an overall total of 72% in combat modules. The remainder of the typical division includes 16% combat support and only 12% combat service support. The division is a balanced combined arms organization designed to apply effective combat power on the enemy. The combination of infantry, armor, artillery, and aviation, in which each arm complements and reinforces the others, allows a synergism which produces a maximum of combat power.

The approximate composition of the "average" or "type" division is as shown below:

	Men	Percent
Combat:		
10–11 Combat maneuver battalions: (infantry or tank)	8,000	50
4 field artillery battalions	2,400	15
1 cavalry squadron	800	5
1 aviation battalion (less general support company)	320	2
Total combat	11,520	72
Combat support:		
1 combat engineer battalion	1,000	6
1 signal battalion	500	3
1 military police company	200	1+
1 general support aviation company	220	1+
Headquarters (division, division artillery, and 3 brigades)	600	4
Total combat support	2,520	16
Combat service support:		
1 maintenance battalion	600	4
1 medical battalion	320	2
1 supply and transportation battalion	600	4
1 personnel services company	240	1+
1 support command headquarters and band	200	1+
Total combat service support	1,960	12
Total division	16,000	100

The allegation with respect to grade structure is also incorrect. The basic journeyman grade for an infantry rifleman is Specialist 4th Class (E–4). The lower grades, entitled recruits, privates, and privates first class, are apprentice grades. Recruit and private grades are actually used in the initial training period for a new soldier or are the result of disciplinary or other administrative reduction action. The typical good and well-trained soldier in today's army is a Specialist E–4.

When a "type" division is broken out into officers, NCOs, and workers, both specialist ratings and privates, the approximate mix is:

Officers (including warrant officers):	1,200
Noncomissioned Officers:	4,800
Specialists and Privates:	10,000
Total:	16,000

Statement: The 2.1 million FY 1974 military force will contain more 4- and 3-star generals and admirals and colonels and Navy captains than were required on active duty in 1945 to command 12.1 million military personnel. Approximately 80% of all U.S. general and field grade officers serve in non-combatant assignments.

DoD Position: The Department of Defense shares the concern of those who want the grade distribution of officers to be at the minimum necessary to meet the needs of Defense. However, comparisons made to World War II structures can be misleading because the situation in World War II differed in many respects from the situation today.

First, in 1945 forces were fully mobilized. The quantum buildup from a total officer force of only 31,000 in 1940 to an officer force of 1.2 million in 1945 resulted in an officer corps consisting largely of very young men in uniform for the *duration of the war*. The grade structure produced under such circumstances is not a valid basis of comparison for the current peacetime force three decades later.

Second, the organization for Defense has changed. In 1945 there was neither a Department of Defense nor a separate Air Force. The Defense Reorganization Act of 1958 created new unified commands and Defense Agencies and strengthened the Office of the Secretary of Defense and the Joint Chiefs of Staff. Both NATO and SEATO were established after 1945. All of these developments have increased the requirements for senior officers.

Third, Defense management is functionally more complex today than in 1945. The procurement and distribution of material and equipment is more technically demanding and requires a much higher degree of economic control. Command and control systems are more sophisticated. The management of human resources, too, is far more complex and challenging. These developments significantly increase the requirements for senior officers. It should be noted that the proportion of top management positions has grown elsewhere in government and the private sector for many of these reasons.

The Department is unable to readily verify the statement concerning the proportion of flag and field grade officers in non-combatant assignments because such summary information is not maintained nor required for effective management. It would be expected that the majority of senior officers would not be in direct contact with enemy forces.

Statement: In FY 1974 there were 42,000 U.S. military personnel (including 20 generals and admirals) and an undisclosed number of nuclear weapons stored in South Korea to "assist" the 600,000 man armed forces of the Republic of South Korea to defend themselves from the unlikely possibility of attack by the 360,000 man North Korean forces. Last year this force cost the U.S. taxpayers over $600 million in direct costs—no change is proposed in this deployment in the FY 1975 Defense budget.

DOD Comment: The annual operating costs of maintaining U.S. forces in the Republic of Korea (ROK) currently are estimated at $525 million in FY 1973 and $560 million in FY 1974. Maintaining U.S. troops in Korea at this time costs less than supporting the same troops in the U.S. if factors such as the cost of providing in the U.S. modern housing and other support facilities and higher costs for food, civilian support, and other operations are considered.

Secretary Schlesinger in his Annual Report described the function of U.S. forces in Korea as follows:

"At the moment, the principal role of our forces in Korea is to provide a hedge against the uncertainties and deficiencies in South Korea's defense posture, and to provide an inducement to caution on the part of North Korea against the precipitation of new hostilities."

In addition, the presence of our forces serves as a manifestation of our support of the Republic of Korea in its effort to resolve the Korean problem. Our support encourages the South to take constructive initiatives with greater self-confidence such as the opening of contacts with the North (which resulted in the July 4, 1972 Joint Communique), the June 23, 1973 proclamation of a policy of free and open competition with the North, and the proposal of a non-aggression agreement by President Park on January 18, 1974.

It is policy to neither confirm nor deny the presence of nuclear weapons at any particular location.

Statement: There is no article of the NATO Treaty that requires the commitment of any level of U.S. military forces in Europe. Yet in FY 1974 there are 320,000 U.S. military personnel stationed in Western Europe at a cost to the taxpayer of $7.7 billion.

DOD Comment: It is true that there is no article of the NATO Treaty which, per se, requires U.S. military personnel to be stationed in Europe. U.S. forces in Europe are an integral part of the NATO military posture designed to implement NATO strategy and operational plans as approved by the Supreme Allied Commander after consultation and agreement with National Authorities concerned.

Statement: There is no article in the SEATO Treaty that requires the commitment of any U.S. forces in the Western Pacific and Southeast Asia. Yet in FY 1974 there are 188,000 U.S. military personnel stationed or afloat in those world areas at a cost to the taxpayer of nearly $3 billion.

DOD Comment: Listed below is the disposition of U.S. military personnel in the Pacific area as of 31 December 1973. (Areas where military personnel number under 1,000 are not shown.)

Japan (including Ryukyus)	55,000
Philippines	16,000
South Korea	38,000
Thailand	36,000
Taiwan	6,000
Afloat	21,000

These troops are present in the area for a variety of reasons: because the U.S. is a Pacific power, to implement our forward defense strategy, and to support various treaty commitments.

Secretary Schlesinger in his *Annual Report* summed up the reasons for our continued presence in Asia. After noting that our military presence in Asia had been considerably reduced he pointed out:

"Nevertheless, we consider the possibility of conflict in Asia in deciding upon the characteristics and forward deployment of United States forces, because the continuing instabilities in Asia could involve the United States, and because having the visible capability to act can help to avoid, through deterrence, the necessity for action. A further large-scale or rapid reduction of United States forces in the Western Pacific would have unsettling effects in the region. Therefore, we continue to deploy one Army division to South Korea; a Marine Amphibious Force in Japan, including Okinawa, three tactical fighter wings at various bases in the Pacific, tactical fighter squadrons in Thailand, and B–52 aircraft on Guam and in Thailand; and naval deployments, including three carrier task forces, in the Western Pacific and, on occasion, in the Indian Ocean."

In speaking of our future posture Secretary Schlesinger emphasized:

"As we look forward, we see the most useful role for United States forces in the Pacific as providing a strong measure of visible support for our Allies, a credible deterrent to those who might risk new hostilities, and a general umbrella under which our Allies can pursue negotiations and internal development in an environment that encourages cooperation and discourages hostilities. Therefore, our present plans call for maintaining our forward deployments in the Pacific."

(It is planned that approximately 10,000 troops will be withdrawn from Thailand by the end of this year. Our deployments are under constant review and will be adjusted downward when the situation in Southeast Asia permits.)

Statement: On February 5, 1974, Secretary of Defense Schlesinger said, "It is a well-worn truism that our forces exist to support our foreign policy." Yet at a time when current U.S. foreign policy is supposedly directed toward detente with the Soviet Union and rapprochement with China, the United States is maintaining almost the same troop levels in Europe and Asia as during the depth of U.S. 1950–1960 Cold War foreign policy.

DoD Comment: It is false to assert that we maintain as many troops overseas as in the 1950's and 1960's. On the contrary, we are now at the lowest point in our overseas troop deployments since before the Korean War.

The attached table shows U.S. strength overseas by year since 1955, i.e., since we had passed our 1952 Korean War peak. (Prior to 1955, different regional aggregations were used for strength data; these aggregations are not comparable to those in use since 1955, hence regional time-series cannot be constructed in such a way as to extend back beyond that year.) The table shows, first, that at the end of 1973, both our total strength overseas and our strength in Asia and the Western Pacific was at an all-time low for that period, while our strength in Western Europe and Related Areas was within 4,000 of the low registered in 1969, and substantially below the levels reached in the mid-1950's.

ASSIGNED U.S. TROOP STRENGTH OVERSEAS (ASHORE AND AFLOAT)[1]

[In thousands]

Year (as of June 30)	Total	Asia and W. Pacific	W. Europe and related areas
1955	867	320	[2] 412
1956	813	284	[2] 407
1957	799	262	[2] 401
1958	734	214	[2] 401
1959	699	185	[2] 375
1960	698	179	[2] 362
1961	703	197	[2] 371
1962	770	214	455
1963	762	224	424
1964	719	242	403
1965	744	297	401
1966	977	534	360
1967	1,208	744	364
1968	1,200	860	319
1969	1,155	842	296
1970	1,034	683	304
1971	804	453	314
1972	595	275	298
1973	542	199	319
Dec. 31, 1973	438	172	300

[1] Source: OASD/comptroller.

[2] Does not include troops afloat, for which 6th Fleet breakout is unavailable prior to 1955.

Statement: In FY 1974 the Defense Department operates over 200 training installations and has about two training personnel assigned for each trainee.

DOD Position: The statement does not agree with the facts. First, DOD does not "operate over 200 training installations." Of the 491 principal bases (that is, those which house a battalion-sized unit or its equivalent in manpower) which the four Services will operate in FY 1975, only 68 have the primary mission of training. Some training activities, such as technical schools, are tenants on other bases which have other primary missions, but these bases are not training installations.

The statement that DOD "has about two training personnel assigned for each trainee" is also incorrect. The average number of trainees in individual training during FY 1975 will be about 276,000. The total number of instructors and support personnel for this training will be about 255,000 (162,000 military, 93,000 civilians). It should be noted that this figure is not just instructors, as might be inferred from the statement. It includes the full array of support personnel, such as the mechanics who service the aircraft used for flight training and the engineers who maintain the roads and operate the utilities on training installations. Nevertheless, using the full figure for training support manpower, the ratio of training personnel to trainees is only about nine-tenths to one, not two to one.

Statement: In FY 1974 and FY 1975, the Armed Forces programmed 2.1 million costly, permanent change of station moves among a yearly total force of 2.1 million military members.

DOD Position: In planning for proposed Permanent Change of Station (PCS) movements, each of the Military Services recognizes the delicate balance between the needs of the Service in mission accomplishments, objectives of Service attractiveness and limited monetary resources. At the same time, every effort is being made to provide more stability in the lives of service members by assuring less frequent PCS moves.

Unfortunately, it is not possible to gauge the PCS problem by dividing the number of programmed moves by the total military force figure. The two are related, of course, but are not necessarily inter-dependent. Certain categories of PCS moves cannot be controlled. For example, accession of personnel (which includes moves attendant to entry into service) accounts for over ¼ of the total number of PCS moves. Similarly, separation of personnel (approximately the same percentage as accession) cannot be reduced. The other types of PCS, however, are controllable to an extent. These include training (for schooling purposes), operational (generally resulting from unit or activity activations or inactivations, relocation of units or reduction in size of activities), rotational (reassignment of an individual to a new billet—the category which usually comes to mind when discussing PCS movements) and organized units (movements of entire units with all assigned personnel).

The following table summarizes the distribution of types of moves in the FY 74 PCS program for each Service.

PCS MOVES BY TYPE OF MOVE FOR FISCAL YEAR 1974

[In percent]

	Army	Navy	Marine Corps	Air Force
Accession	25	27	42	13
Training	3	10	1	19
Operational	9	18	9	10
Rotational	36	15	26	40
Separation	27	28	22	16
Organized unit	(1)	2		2
Total	100	100	100	100

[1] Less than 0.5 percent.

In recognition of the problems involved, not only from a fiscal standpoint, but with a realization that morale of military personnel and their dependents is adversely affected by too-frequent PCS moves, the Services have been actively pursuing methods to reduce PCS moves since 1970.

As a result, in the Navy alone, which has an additional factor that does not apply to the other Services, the rotation of personnel between the fleet and shore billets, the number of PCS moves were reduced almost 50% from FY 70 to FY 73. Costs were reduced approximately 16% which represented a savings of $26.8 million. The difference in percentages between moves and costs can be attributed to the inflationary impacts on cost factors.

The other Services have reduced PCS moves and attendant costs by a continuous examination of all policies which influence PCS moves. Wherever practicable, all factors being taken into consideration, unnecessary PCS moves have been eliminated.

Attached are illustrations of the PCS moves made by each Service from FY 72 to FY 74.

[PCS moves in thousands]

	Fiscal year—		
	1972	1973	1974
ARMY			
Total PCS moves [1]	1,486.7	1,018.6	849.4
PCS moves not related to transient requirement:			
Accession	187.1	252.8	184.4
Organized unit	16.8	14.1	3.0
Separation	533.4	254.5	228.5
Total	737.3	521.4	415.9
PCS moves related to transient requirement:			
Accession	27.0	25.4	23.9
Training	21.7	23.3	22.3
Operational	89.9	79.7	73.9
Rotational	610.8	368.8	313.4
Total	749.4	497.2	433.5
NAVY			
Total PCS moves [2]	435.6	437.3	419.3
PCS moves not related to transient requirement:			
Organized unit	.8	3.0	9.3
Separation	151.9	150.0	117.3
Total	152.7	153.0	126.6
PCS moves related to transient requirement: [3]			
Accession	121.7	140.6	111.3
Training	37.8	39.8	44.0
Operational	71.8	62.8	74.7
Rotational	51.6	41.1	62.6
Total	282.9	284.3	292.6
Ship/shore "no cost" rotations	32.4	29.5	33.9
Total	315.3	313.8	326.5
MARINE CORPS			
Total PCS moves	288.3	272.6	264.4
PCS moves not related to transient requirement:			
Accession	49.8	47.8	47.1
Separation	74.0	62.0	58.5
Total	123.8	109.8	105.6
PCS moves related to transient requirement:			
Accession	59.1	62.9	63.4
Training	3.9	2.7	2.7
Operational	22.4	24.6	23.6
Rotational	79.1	72.6	69.1
Total	164.5	162.8	158.8
AIR FORCE			
Total PCS moves [4]	731.4	773.4	736.4
PCS moves not related to transient requirement:			
Accession	107.9	118.3	94.1
Organized unit	4.0	9.2	12.5
Separation	135.3	149.6	118.6
Total	247.2	277.1	225.2
PCS moves related to transient requirement:			
Training	170.0	175.6	142.8
Operational	61.9	61.5	72.9
Rotational	252.3	259.2	295.5
Total	484.2	496.3	511.2

[1] Excludes Military Academy cadet accession and separation moves.

[2] Excludes Naval Academy midshipman accession and separation moves.

[3] The substantial decrease in transient requirements from fiscal year 1972 to fiscal year 1973 is the result of Navy managerial action to reduce the time personnel spend awaiting assignment or transfer.

[4] Excludes Air Force Academy cadet accession and separation moves.

Statement: "In FY 1975 U.S. military personnel will be serving as military advisors in 43 foreign countries."

DOD Comment: The DOD personnel referred to will be assigned to Military Assistance Advisory Groups, Military Missions and Military Groups in foreign countries, commonly referred to as MAAG's which are key elements in the system through which military assistance and Foreign Military Sales requirements are identified and the resulting grant aid programs and sales arrangements are developed and implemented in a manner ensuring their maximum contribution to U.S. security objectives. These organizations are not only responsible for efficient planning, administration and management of Military Assistance Program (MAP) and Foreign Military Sales (FMS) programs, but also perform other functions of equal importance to U.S. interests by:

Providing knowledgeable Department of Defense representation in country to advise and assist the host country prior to and during major sales and delivery transactions involving a wide variety of complex military equipment produced by U.S. manufacturers.

Advising and assisting the host country in the development of military self-reliance and a realistic force level which meets the country's security needs, is within its capability to maintain, and is also consistent with U.S. collective security interests.

Establishing and maintaining rapport with the military of the host country to provide channels of communication, dialogue and influence which are valuable to the U.S. Government for diplomatic and commercial, as well as military, reasons.

Monitoring the movement and delivery of MAP end items and continuous observation and review of their use by recipient countries to ensure proper utilization and disposal—a residual function which continues after termination of grant aid programs.

The Department of Defense is dedicated to the principle that the basic purposes and missions of the MAAG's are consistent with the national interest in maintaining a minimum military presence in selected foreign countries. Thus, the need for MAAG's, their size and the skills of personnel assigned are kept under constant review within the Department of Defense. As the situation in a particular foreign country changes, all of these elements of the MAAG's structure are adjusted so that the objectives of minimum presence and maximum efficiency are kept in balance.

These security assistance organizations, by type and location, are shown on the attached sheet.

SECURITY ASSISTANCE ORGANIZATIONS

COUNTRY: MILITARY ASSISTANCE ADVISORY GROUPS—19

Bellux, Denmark, China (Taiwan), Dominican Republic, Ethiopia, France, Germany, Greece, Iran, Italy, Korea, Netherlands, Norway, Peru, Philippines, Portugal, Spain, Thailand, Turkey.

MILITARY MISSIONS—10

Cambodia, Military Equipment Delivery Team; Indonesia, Defense Liaison Group; India, Office of Defense Representative; Japan, Mutual Defense Assistance Office; Liberia, U.S. Military Mission; Morocco, U.S. Liaison Office; Pakistan, Office of Defense Representative; Saudi Arabia, U.S. Military Training Mission; Tunisia, U.S. Military Liaison Office; Zaire, U.S. Military Mission.

MILITARY GROUPS (14)

Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Paraguay, Uruguay, Venezuela.

Mr. BRAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. WHITEHURST).

Mr. WHITEHURST. Mr. Chairman, in these times of inflation, increased technical complexity, and rising cost of weapon systems, the Navy's patrol frigate program stands out as an excellent example of a program to meet an urgent military requirement in the most economical manner.

It is widely appreciated that the

United States is growing more and more dependent on the use of sea lines of communication for the necessary conduct of world trade, for the import of needed raw materials, and to sustain our friends overseas in both peace and war.

At the same time the Soviet Navy is expanding rapidly in the numbers of modern combatant ships and in its ability to deploy these ships in the critical ocean areas of the world. In contrast, the U.S. Navy has diminished markedly in size for over the last 10 years. The World War II ships, destroyers in particular, that were the mainstay of our Navy for so many years have reached the end of their useful life. To replace them with large, multipurpose, "able to fight anywhere" destroyers in the numbers required to adequately cover the thousands upon thousands of miles of vital sealanes in time of war would be prohibitively expensive.

The Navy has taken cognizance of the fact that, when combined with the newer escort ships that we now have or will have during the next 10 to 25 years, relatively small, less expensive ships could be designed and constructed to adequately defend our sealanes in all but the most hostile of the world's potential war zones where our carrier task forces and other highly sophisticated ships are designed to fight. And most importantly, the Patrol Frigate can be constructed in the numbers that we require at an affordable price.

The Navy has devoted almost 3 years of concentrated study, analysis, and design effort to determine exactly the right combination of weapons and sensors to provide the required force effectiveness at a minimum cost. Taking advantage of modern computers they evaluated ever 300 combinations of hull, propulsion, weapons, and sensors before deciding on the patrol frigate as the most effective in meeting our needs. It is an austere ship design to provide maximum required capability at least cost. It is a ship which will fill a major portion of the void brought about by the retirement of our World War II destroyers.

It should be noted, also, that the Navy has been equally diligent in developing a shipbuilding program designed to prevent gross cost overruns. The ship is "designed to cost" and the "design to cost" principles will be adhered to in its planned production.

In summary, the patrol frigate is a well conceived program, carefully tailored to provide capabilities vital to the protection of the sea lanes of the world essential to the United States in peace and in war. It is a "no nonsense" ship, designed to provide maximum effectiveness at least cost. It is a ship we can build in the numbers that we need. It is a ship we connot afford not to build.

Mr. BRAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Colorado (Mr. Armstrong).

Mr. ARMSTRONG. I thank the gentleman for yielding.

I rise to congratulate the chairman of the Seapower Subcommittee and the ranking member for their leadership in bringing before the committee and before the House the important new provision in this legislation relating to the nuclear Navy.

It seems to me all too often Congress is preoccupied with day-to-day crises and all too seldom looks ahead to plan wisely for the future.

In presenting this proposal the gentleman from Florida and the gentleman from California have done so in a most responsible manner. I think historians will look back on the action they have recommended as an important turning point in the naval history of the United States.

Mr. HÉBERT. Mr. Chairman, I yield 6 minutes to the gentleman from New York (Mr. Pike).

Mr. PIKE. Mr. Chairman, I rise in support of H.R. 14592, but I do not want to give the impression that I rise in support of everything contained within H.R. 14592.

I think we have done some very useful things in this bill. I am particularly impressed with the work of the Subcommittee on Manpower. Any time we can increase the proportion of enlisted men to officers, that is real progress toward a more effective fighting military. Any time we can decrease the proportion of generals and admirals to combat troops, that, too, is real progress.

I would like to say at this time I think among the members of the Joint Chiefs of Staff that General Abrams in particular is committed to the goal of making a fighting Army rather than a parade Army. I think he is doing everything he can in this regard and should be commended and encouraged.

Tomorrow I will offer an amendment to cut out the B–1 program. I will not go into that in detail at the present time. The minority views on this subject are on page 97 of the committee report. I was encouraged to hear the chairman of the Research and Development Subcommittee, the gentleman from Illinois (Mr. Price) did concede in his own remarks today that it is in fact a sick program.

Mr. Chairman, I would like to address myself briefly today to the larger problem of getting facts out of the Pentagon.

I have not brought my lunch here today in this package, but I have brought an altimeter. This particular altimeter costs $1,000, and that is not a bad buy for an altimeter, except that this particular altimeter does not work. It not only does not work, but it cannot be repaired.

It has on it a red tag which says, "Warning, for Ground Use Only. Not To Be Installed on Aircraft."

I would submit that an altimeter which cannot be installed on an aircraft is not much of a bargain. Not only did it cost $1,000, but there are thousands of them sitting on the shelves at an Air Force facility, and they just cannot be installed on aircraft, because they do not work.

The Air Force investigated this procurement. What did they find? They found that the manufacturer was sneaking into the factory at night during the testing process and adjusting the altimeters while they were being tested. Did they cancel the contract? Oh, no, they did not cancel the contract. The Government inspector found that in the testing facility there was a tube running off from the vacuum and pressure testing mechanism, right into the wall of the facility, so that no matter whether the altimeter really worked or not, it would indicate that the altimeter worked.

So, did they cancel the procurement? No, they did not cancel the procurement.

There was just unadulterated fraud in this procurement of these altimeters, and finally the Air Force, because they did not work, canceled it for nondelivery. But they continue to buy other altimeters from the same corporation.

Now, can we get those investigation reports? No. We cannot, because, for instance, I have tried to get the OS1 report. They have let me look at it, but I could not keep it. I pointed out to them the Freedom of Information Act which we passed, and the Freedom of Information Act says that when an investigation is completed we can get the facts.

Well, what do they say? Although the investigations say on the face of them that they are completed, the case is closed, they say, "We have not completed the investigation."

I say, "Why have you not completed the investigation?" They say, "We have not completed the investigation because you, Congressman Pike, asked a question about it."

If I had not asked for the information, in other words, I could have it. But, in view of the fact that I have asked for the information, they are still investigating it, and, accordingly, we cannot get it.

Now, this is true throughout this whole procurement business.

The B–1 program increased in cost by $300 million a month every month in the last year—increased. And we cannot get the up-to-date selected acquisition reports not only on the B–1 program, but on any program. We have not gotten a selected acquisition report in the subcommittee dated more recently than last December 31. We do not know what the B–1 costs today. They know over in the Pentagon. They are not telling us the truth. They know that they are accelerating the price at an estimated inflation rate of only 3.3 percent a year.

This is fantasy, and we ought to at least insist on the truth from the Pentagon.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WHITEHURST. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri (Mr. Randall).

Mr. RANDALL. Mr. Chairman, tomorrow this committee will be faced with some amendments that will be every bit as important as those we faced at this time last year. Last year we had what we called the Peyser amendment. It was added to an amendment which made an attempt to reduce our commitments to NATO. The Peyser amendment called for a study of our forces in Europe, and with the mandate that the Committee on Armed Services make a report effective April 1 on its study. But there have been some important intervening events. I wish there were more Members on the floor who were not members of the Committee on Armed Services who could listen to this brief discussion.

Following the Peyser amendment came the Jackson-Nunn amendment. That said that in the period ending in 18 months—12 months from last November and an additional 6 months, which would expire next May—that if there is a deficit in our balance of payments because of deployment of air troops and our allies do not make up that deficit, then there should be a withdrawal of forces by the percentage which fell short of full offset by air allies. Thus Jackson-Nunn is one difference this year. As one who was privileged to serve as chairman of the ad hoc committee, that we have a very excellent chance of meeting Jackson-Nunn on time. There is no indication that we will fail.

There has been another event which has already been alluded to. That is the MBFR. The subcommittee visited Vienna, and we found there something that we had never seen before. There was complete unity among our allies in agreeing on what forces we should reduce and, on the contrary there was no footdragging and no delays at all by the Russians.

The committee reports to you here today that there is a good chance that that conference can succeed. We are not certain of the reasons for it. Maybe it is because the Russians are anxious to have our credits and our technology. Maybe they think more of the concept of détente than we realize, but they have indicated a willingness to move forward.

How does this apply to the debate and the amendments which will be offered tomorrow? There will be two amendments offered tomorrow, and maybe more. One will be simply to the effect that there are going to be 200,000 troops brought home from overseas. We do not know yet whether they are to be brought home or discharged. The other one would be a little bit different. It will say about 100,000 troops phased out, apparently brought home.

Of course, at the appropriate time the Armed Services Committee will attempt to show there will really be no saving. There might be some saving for those who are brought home if they were discharged. But for those who are brought home and try to find a place to house them, there will be no saving. In fact, it will cost more to keep them in this country than if they remain in the NATO area in the Federal Republic of Germany.

But let me get back on the track in the limited time I have remaining and say to the Members that the real seriousness of this whole thing is that if we approve any amendment to call home our troops then our Nation can very well become a spectacle in the eyes of the world for acting capriciously. We will allow ourselves to be held up to the justified criticism of all the world. In effect we will have said yes, we passed the Jackson-Nunn amendment. Our allies are meeting Jackson-Nunn but we are bringing our troops home anyhow. The Federal Republic of Germany made the best offset agreement that has ever been made in all of the years there has been an agreement. At the moment just about everything is going our way.

In spite of their problems this year, the oil crisis, and all of the other problems, our allies have, nevertheless, come up with the best offset agreement of any year. So if we do a turnaround here tomorrow and happen to adopt one of these amendments for withdrawal, or any variation of them, then we are saying to our allies and to the world in effect: We did not mean what we said by Jackson-Nunn, and we do not mean anything we are saying or doing in Vienna at MBFR.

We have Secretary Resor, former Secretary of the Army, heading the negotiations over at Vienna. He came over here to make a report 2 or 3 weeks ago. We had a chance to visit with him. There was no diminution in his optimism.

It is unexpected and unanticipated the cooperation we are getting from the Warsaw Pact at this time in Vienna. Sure, we have a long, tedious time ahead at MBFR. It is going to be a lot of work yet, but the prize or the objective is the important thing, and that is to get a reduction—a balanced reduction of forces without diminishing our security.

For the first time we appear to have a breakthrough. Think how foolhardy, how almost stupid it would be if we approve any of these amendments tomorrow. It simply would mean we will have pulled the rug out from under our people. We might as well say to them: "Just pack your bags and come on home."

So I suggest to the Members they should think long and hard before they support either of these amendments which will be offered tomorrow.

Mr. HÉBERT. Mr. Chairman, I yield 6 minutes to the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Chairman, obviously this is one of the most important bills considered by Congress. The size of the military bureaucracy and the amount of money needed to supply it with hardware far exceeds the wildest dream of any nondefense agency administrator. Only the military budget is significant enough itself to set limits to what the whole Government can do or hope to do. In fact, the size of the military budget is the central issue determing domestic reform.

As Secretary Schlesinger has clearly told us, this first completely post-Indochina budget shows what to expect for the indefinite future unless some basic assumptions are changed.

It is the first indication of what can be expected from a supposedly peacetime Government. Unfortunately, the answer is: "Not much." Whatever else "peace" means for this administration, it does not mean any commitment to creativity in any other field besides military hardware or to any renewed dedication to working out real problems.

At home, we see this in the fact that while every other Government agency and program is scraped to the bone, especially the human needs programs, and forced to show "efficiency dividends" at the expense of significant accomplishment only the military maintains its rate of growth without any substantial savings, in fact with a growth rate that outstrips the overall rate of inflation.

We must realize this: In an era of tightened resources and hard choices, we must choose either tax reform and defense cuts on the one hand, or a helpless Government facing multiplying social problems on the other. If the Defense budget is untouchable, the rest of the Government must wither away.

Abroad, we see this when we notice that détente does not mean an end, first, to our worldwide military presence; second, to our ability to fight any way at any time; third, to our dedication to keeping dictators in power through any means necessary; and fourth, to the same perception of political and strategic realities that dominated foreign policy thinking 20 years ago.

So we are forced to ask ourselves, "Is détente any different from the cold war? Does it make any difference at all? What is the use of it then?"

OVERSEA TROOP LEVELS

Manpower costs comprise 55 percent of the military budget. This figure does not include the increasingly heavy burden of veterans' benefits, which the administration never includes in its military spending figures, but which this year will be $13.6 billion. We will undoubtedly save some money if we end some of the unneeded and costly weapons systems such as the atomic aircraft carrier, the B-1 bomber, the Trident submarine or the destabilizing land-based missiles—but we will never touch the bulk of the huge military budget until we revise our assumptions about the use of manpower. It is here that the Pentagon's refusal to come up with any real "efficiency dividend" is most flagrant.

For these reasons, I shall offer an amendment that will substantially cut end-strength, and mandate that the cuts be taken overseas. Exact location of the oversea cuts will be left to the Pentagon.

We now have 492,000 troops scattered all over the world. My amendment will cut 198,100 from this total. This decrease could easily be accommodated without a reduction in real commitment, because of the inefficient structure of the oversea troops as reflected in crowded headquarters, wasteful support-to-combat ratios, and disruptive rotation policies.

These are the key questions we want to ask:

Is it possible to have a real peacetime budget? Can the Government get its job done without raising taxes?

Do we need to maintain a worldwide military manpower presence?

Can we really end the arms race by the method proposed by the Pentagon, that is, new technological leaps in weaponry?

Finally, does this budget really serve the interests and the security of the American people?

The answer to the final question is "no." In simple terms, this bill continues the disastrous trend of blind faith militarism and adventurism which has dominated policymaking in this Nation and which, over the past decade, has destroyed and distorted the American economy, shattered the political and social framework upon which our democracy was created, and killed and maimed hundreds of thousands of persons. There is a massive difference between what funds should be required to provide for the common defense of our Nation, and the money required by this bill. For this reason, I am strongly opposed to the bill in its present form.

MILITARY AID TO SAIGON

This Nation is a signatory to the Paris agreements and yet we are in serious violation of that truce. Our client, General Thieu, has made a mockery of the Paris agreements; there is probably not an article that Thieu has not flagrantly violated.

Nevertheless, American taxpayers are virtually the sole financial support for Thieu. Estimates indicate that our tax dollars account for 85 percent of Thieu's national budget, and I would like to call attention once again to the figures noted by our colleague from New York (Mr. PIKE) in the floor debate on the supplemental aid to Vietnam, when he pointed out that the South Vietnamese defense budget dropped from $1.3 billion in 1971 to only $474 million budgeted for this year.

American dollars allow Thieu to continue a war that took approximately 60 thousand lives last year; American dollars pay for a police state in which thousands of Vietnamese are held political prisoner without benefit of trial; American dollars pay for the security of a petty dictator who refuses to allow distribution of the Paris agreements in his areas, who holds illegal elections, forbids neutralism, and employs systematic torture.

It is a sham to say there is peace in Vietnam, and a lie to claim there is "honor" in American policy toward that tragic nation. What honor for us can there be when Thieu's biggest friend also happens to be the American Ambassador? I do not think this is the forum to deal with all of Ambassador Martin's follies, but I would like to bring attention to the fact that Martin himself has admitted that he is permitting outright American violation of the Paris agreement. Despite legislative mandate and terms of the Paris agreement, in a memorandum printed in the April 4, 1974, CONGRESSIONAL RECORD on page 9916, Ambassador Martin notes that—

> A certain number of people in the Defense Attaché Office were retained, engaged solely on logistics assistance to the military forces of South Vietnam.

To me, that appears to be a flagrant violation of both congressional intent and the Paris agreement.

Finally, let me indicate what I see occurring if huge flows of American military assistance continue to Thieu—as the general and the administration desire. As long as America picks up the tab for his military operations and for his repeated violations of the Paris agreements, Thieu will continue the war. I do not think the Provisional Revolutionary Government will allow that to happen for any prolonged period—and up to now, the PRG has concentrated on achieving a political settlement based upon the Paris agreements and has undertaken only limited military operations. But I do not think it realistic for us to assume that the PRG and its allies would remain so passive, if it becomes apparent that Thieu will never agree to any of the political components of the Paris accords and that America will continuously fund Thieu's aggression. Whenever that point is reached, I think that massive fighting will break out again, and we will be back to the situation of a decade ago.

Given that chance, it is conceivable that, based upon the implicit commitment Secretary Kissinger has made, large-scale American forces could be reintroduced in Vietnam.

Have we not learned from the past decade in Vietnam? How long is this tragedy to continue? As long as Congress allows Thieu to mock the Paris agreements by his repeated offensives, by his refusing basic human rights guaranteed by the agreements, and by gestapo tactics which pervert the legal system in Vietnam, it is we who must take the responsibility for war in Vietnam.

I do not oppose the concept of humanitarian assistance to the people of Vietnam. But this bill provides nothing of that sort. Instead, the American taxpayer once again assumes the burden of Thieu's military budget. As long as we do so—and no matter what level ceiling we may impose—tthere will be continuing war in Vietnam.

If instead, our Nation is to abide by the Paris agreements—something we have not done up to now—Congress must insist that Thieu live up to the terms set in Paris. I intend to offer an amendment on the floor proposing that all military aid be suspended until we are assured that Thieu is in accord with the Paris agreements and I urge my colleagues to support that motion.

This is a serious issue, but not one apparently critical enough though for the Armed Services Committee to devote major analysis and attention. Proper legislative oversight of Executive activities is, of course, the very key to our system of government—particularly now in an era of gross Executive misuse of power. It is thus with considerable dismay that I found that the committee report's language justifying military aid to Saigon contains outright plagiarism of unsubstantiated and thoroughly inaccurate Executive testimony.

I have discovered that the committee's justification is not only misleading, loaded with inaccuracies, and in many cases totally untrue, but it is, in fact, copied almost word-for-word from testimony given by a Pentagon spokesman to the committee on March 26, 1974. The following comparison of testimony given by Maj. Gen. William B. Caldwell, Director, Security Assistance Plans and Policy Formulation, to the committee on pages 893–895 of its hearings with the language of the committee report shows that the committee has simply copied the prepared statement of General Caldwell and then presented it as a summary of committee findings:

A COMPARISON BETWEEN HOUSE ARMED SERVICES COMMITTEE REPORT ON FISCAL YEAR 1975 MASF PROPOSAL AND TESTIMONY BY PENTAGON SPOKESMAN

HOUSE ARMED SERVICES COMMITTEE REPORT ON MILITARY PROCUREMENT AUTHORIZATIONS FOR FISCAL YEAR 1975 MASF FOR SOUTH VIETNAM, MAY 10, 1974, PAGES 85–90	TESTIMONY BY MAJ. GEN. WILLIAM CALDWELL, DEPARTMENT OF DEFENSE, DIRECTOR, SECURITY ASSISTANCE PLANS POLICY, MARCH 26, 1974, PAGES 893–895	COMMENTS
The objectives of our military assistance to South Vietnam are limited, but absolutely essential. [The Government of the United States wishes] to help the Government of South Vietnam to maintain an effective military deterrent in the face of the considerable threat posed by the North Vietnamese forces within the Republic of Vietnam. Attainment of this limited objective is the key to the maintenance of stable balanced conditions necessary to ensure peace in Indochina and Southeast Asia. However, attainment of this objective has a vital and strategic importance far beyond Indochina. Involved are the fundamental goals of our nation's foreign policy.	General CALDWELL. Mr. Chairman, and distinguished members of this committee: The objectives of our military assistance to South Vietnam are limited but absolutely essential. We seek to help the GVN to maintain an effective military deterrent in the face of the considerable threat posed by the North Vietnamese forces within the Republic of Vietnam. Attainment of this limited objective is key to the maintenance of stable, balanced conditions necessary to insure peace in Indochina and Southeast Asia. However, attainment of this objective has a vital and strategic importance far beyond Indochina. Involved are the fundamental goals of our foreign policy.	Paragraphs 1–2—The available evidence does not indicate that our military assistance is helping to "ensure peace". There were well over 1,000,000 war victims in South Vietnam alone last year—perhaps more than in the rest of the world combined for 1973. (50,152 military dead and over 100,000 military wounded, according to GVN official statistics; 15,000 civilian dead, 70,000 civilian wounded, and 818,000 refugees, according to the U.S. Senate Subcommittee on Refugees.) Not only does our military assistance fuel this continuing war, but it shows no hope of stabilizing. Thus last year $1.009 billion in MASF funds was allocated to the GVN; In FY 75, however, the Administration request was set at $1.6 billion, an increase of 42%.

A COMPARISON BETWEEN HOUSE ARMED SERVICES COMMITTEE REPORT ON FISCAL YEAR 1975 MASF PROPOSAL AND TESTIMONY BY PENTAGON SPOKESMAN—Continued

Events in Vietnam over the past year have taught us that a lasting peace is possible only if there is a stable balance of power between the opposing sides. It is the view of the Committee on Armed Services that a military equilibrium in that area of the world will deter new offensives and gradually induce a (general) shift in priorities (by the contending forces) away from war.	Events in Vietnam over the past year have taught us that a lasting peace is possible only if there is a stable balance of power between the opposing sides. A military equilibrium will, we believe, deter new offensives and gradually induce a shift in priorities away from war.	Nor does it offer any hope of deterring possible offensives by the other side, which was neither deterred from a 1968 offensive by 550,000 U.S. ground troops or a 1972 offensive by a massive U.S. bombing campaign. Clearly, the only way of achieving our objective of "lasting peace" is implementation of the Paris Agreement; there are numerous indications, however, that the GVN still refuses to recognize the PRG (See the *N.Y. Times*, Feb. 10, 1973; *The Economist*, Feb. 16, 1974) and test its offer to engage in political settlement. Under these circumstances, the Administration's present MASF program offers little hope of encouraging peace and seems only to be leading to more war.
"The post agreement period in Vietnam has recorded substantial progress toward this goal. (Although) some fighting has continued, on the basis of testimony received by the Committee, it is the conviction of the Committee that the cease fire has indeed served to significantly dampen combat activity. Thus, the hopes of the Executive Branch, which are shared by the members of the Committee on Armed Services, for a stable peace in South Vietnam, are largely dependent upon the continued ability of the South Vietnamese to defend themselves. The cease fire already has witnessed the following: "A rough but tenuous balance of forces thus far prevails in Vietnam; Territorial and population control have changed little over the past year (what change has been made has been in favor of the Government forces); In the area of military operations, Hanoi's land grab offensive on the eve of the Paris agreement set a pattern of NVA attacks and Government reactions which still characterizes the cease-fire. Major Communist initiatives in the past year have included: Another land grab attack prior to the June communique; The capture of strategic posts (e.g., Le Minh border Camp) in the western highlands last fall; An offensive in Quang Duc province which seized a district capital; The shelling of Bien Hoa airbase; The destruction of a major civilian fuel depot near Saigon; Continuing attacks against all forms of transportation and; Terrorism against civilians.	The post-agreement period in Vietnam has recorded substantial progress toward this goal. While fighting has continued, we believe that the cease-fire has served to dampen combat activity. Our hopes for a more stable peace are dependent on the continued ability of the South Vietnamese to defend themselves. The cease-fire already has witnessed the following: A rough but tenuous balance of forces thus far prevails in Vietnam; Territorial and population control have changed little over the past year—what change has been made has been in favor of the Government forces; In the area of military operations, Hanoi's land grab offensive on the eve of the Paris agreement set a pattern of NVA attacks and government reactions which still characterizes the cease-fire. Major Communist initiatives in the past year have included: another land grab attack prior to the June communique; the capture of strategic posts, for example, Le Minh Border Camp in the western Highlands last fall; an offensive in Quang Duc Province which seized a district capital; the shelling of Bien Hoa Airbase; the destruction of a major civilian fuel depot near Saigon; continuing attacks against all forms of transportation; and terrorism against civilians.	Paragraph 3—All evidence indicates that it is not our arming the GVN that has served to "dampen combat activity", but rather a Communist decision in 1973 that it is in their interests to try for a political solution to the conflict and emphasize reconstruction. (See U.S. Embassy analysis of Document No. 113, Vietnam—Documents and Research Notes; N.Y. Times, January 23, 1973; "Hanoi Puts Rebuilding Ahead of Victory"; Baltimore Sun, April 16, 1974.) Paragraph 4—This shocking admission that "what change has been made has been in favor of Government forces" indicates that the GVN may well be using our military assistance to take land from the other side. This has been also suggested by numerous newspaper reports, for example one which reported that "In the past month, military officials say, almost 20 square miles of formerly Communist-held territory have been seized by South Vietnamese troops driving westward from Highway 1. . . ." (Wash. Post, September 30, 1973.) This fact indicates that while the communist attacks listed did occur, the GVN is not entirely blameless. Indeed, the consensus of opinion indicates that at the very least both sides have engaged in violations of the military ceasefire, thus making it difficult to attribute primary blame to either side for a specific military incident. Senate Foreign Relations Committee investigators, for example, have reported that Saigon forces "have encroached on territory considered predominately under Communist control, and in MR III they have been even more aggressive in military operations. ("Thailand, Laos, Cambodia and Vietnam," April 1923, p. 35) And, until the GVN at least tests the other side's offer to compete for power politically by recognizing the PRG and allowing democratic liberties guaranteed by Article 11 of the Paris Agreement, the GVN may have to take the political responsibility for the military breakdown.
A new North Vietnamese full-scale offensive, however, is not inevitable, Hanoi is keeping its option open but, is encountering serious problems both at home and in the south. These problems, together with a strong GVN deterrent and the international context of détente give us hope that an offensive can be avoided. A shift in Hanoi's priorities would then make possible a serious accommodation within the spirit of the Vietnam agreement.	A new North Vietnamese full-scale offensive, however, is not inevitable. Hanoi is keeping its option open but, is encountering serious problems both at home and in the South. These problems, together with a strong GVN deterrent and the international context of détente give us hope that an offensive can be avoided. A shift in Hanoi's priorities would then make possible a serious accommodation within the spirit of the Vietnam agreement.	Paragraph 5—As long as the PRG is outlawed from the political arena, another offensive is unlikely in the short-term but inevitable in the long-term. The notion that the Communists are encountering more problems now than five years ago when facing 550,000 American ground troops or 1½ years ago when facing hundreds of U.S. bombing raids daily does not make sense. "International détente" did not stop an offensive in 1972, nor is likely to preclude a future one. There is every reason to believe that build up the GVN's army can only increase its capacity to provoke attacks, while doing nothing to prevent defeat. The GVN is offering the other side no choice at this point but surrender, and the experience of the past 25 years indicates that this simply will not happen.

While the North Vietnamese have increased the conventional capability of the main forces, the cost has been great, and the Government of Vietnam has thus far managed to turn back all their challenges in the past year.

Combat deaths, while substantial on both sides, have declined to the lowest level since 1965 and are down 75% compared with the rate in 1972. Some 500,000 refugees have been resettled. Virtually all pre-cease-fire civilian detainees and POW's—at least on the GVN side—have been released.

The balance of power which underlies the chances for peace is under heavy pressure from North Vietnam. Hanoi is conducting a massive military buildup in the south and repeatedly violates the cease-fire. These activities threaten the equilibrium and consequently the whole framework of the peace we so laboriously negotiated in Paris, for example: In total violation of the Paris Agreement, since the cease-fire, Hanoi has infiltrated over 70,000 replacement troops, some 400 tanks, 150 long-range heavy artillery pieces, 1,000 AAA guns and 150,000-200,000 tons of ammunition and supplies. Since the cease-fire, North Vietnamese capabilities have increased 20% in combat manpower, 200% in tanks, 75% in heavy artillery and 75% in AAA. Some of this additional equipment includes new items such as SAM-2 missiles with 16 to 20 launchers of which most, if not all, were introduced into the south after the cease-fire. The Communists are also working on 12 airfields in the south and are completing a massive new logistics system of all-weather three lane roads and pol pipelines.

The record of GVN's and North Vietnam's cease-fire implementation simply does not support the argument that our assistance will only facilitate new "violations" by the GVN and thus undermine the cease-fire. Throughout the cease-fire period, Saigon has exercised restraint compared with the Communists' excesses. It has observed the agreement to the extent of any prudent state faced with North Vietnam's current policy and activities in the South. Despite Hanoi's record of violations, the GVN has limited itself to justifiable acts of self-defense. With few exceptions, Saigon has limited its military operations to responding to communist land grab

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For example: In total violation of the Paris agreement, since the cease-fire, Hanoi has infiltrated over 70,000 replacement troops, some 400-plus tanks, 150-plus long-range heavy artillery pieces, 1,000 AAA guns, and 150,000-200,000 tons of ammunition and supplies. Since the cease-fire, North Vietnamese capabilities have increased 20 percent in combat manpower, 200 percent in combat manpower, 200 percent in tanks, 75 percent in heavy artillery, and 75 percent in AAA. Some of this additional equipment includes new items such as SAM-2 missiles with 16 or 20 launchers of which most, if not all, were introduced into the South after the cease-fire. The Communists are also working on 12 airfields in the South and are completing a massive new logistics system of all-weather, two lane roads and POL pipelines.

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Despite Hanoi's record of violations, the GVN has limited itself to justifiable acts of self-defense. With few exceptions, Saigon has limited its military operations to responding

Paragraph 6—Since the "enemy offensives" long predicted by U.S. and GVN officials have simply not materialized since the ceasefire, it is fundamentally inaccurate to claim that the GVN has "turned back all their challenges."

Paragraph 7—The Pentagon neglects to note that the 818,000 new refugees reported by the U.S. Senate Refugee Subcommittee are more than in any year of the war except 1966 (906,000) and 1972 (1,320,000). The Refugee Subcommittee also notes that many of those "resettled" have actually been simply shifted to economically unviable land so the GVN can claim new territory, in violation of Article 11 of the Paris Agreement which permits "freedom of movement". The Senate Appropriations Committee reported on December 19, 1973, that "reliable and objective sources suggest that there are between 40,000 and 60,000 political prisoners being held." Since the ceasefire, however, the GVN has only released, by its own official count, 5,081 "civilian detainees" to the other side, leaving tens of thousands still in jail. The U.S. Embassy in Saigon, moreover, has admitted not visiting the prisons since the ceasefire. (Cong. Record, April 29, 1974, S6421.) Thus American officials do not have sufficient evidence to make the sweeping generalization that the GVN has released all pre-ceasefire civilian detainees.

Paragraph 8—The evidence suggests that there has been no shift in the military balance of power in South Vietnam since the Paris Agreement in favor of Hanoi. Although there is no way of knowing the real figure of replacement troops, the 70,000 figure is more than offset by the 40-50,000 troops reported to have left South Vietnam to return North during this period. (Los Angeles Times, February 13, 1974), and the 50,000 or more "NVN/PRG" reported killed.

Moreover, Senate Foreign Relations Committee Staff reported the CIA estimate to be 142,000 North Veitnamese troops in South Vietnam as of April 15, 1973. (See "Thailand, Laos, Cambodia and Vietnam: April 1973", p. 36.) Since then there has been virtually no change. Official U.S. sources put the figure at 138,000 in December, 1973. U.S. News and World Report. December 17, 1973; Chicago Daily News, December 19, 1973.) More recently the estimate was put at between 140,000 and 150,000 (N.Y. Times, May 6, 1974).

Moreover, USSAG headquarters reported that nearly all 400 tanks referred to actually came into South Vietnam before the ceasefire deadline. (See "Thailand, Laos, Cambodia and Vietnam," pp. 36-37.) The argument can also be made that the relatively small number since South since then may well fit the "one for one" provision of the Agreement, as may also be true for the artillery pieces. [As for AAA and SAMS, the buildup since the ceasefire could well be a response to the heavy bombing of PRG zones which has been going on since the beginning of the ceasefire. Such defensive measures, in any event, hardly "threaten the equilibrium" as much as the refusal of the GVN to compete for power politically with its adversaries.]

Paragraph 9—The record shows precisely the contrary. An American official has been quoted as saying that "after we cut down the ammo supply, we found that the South Vietnamese were still outshooting the enemy by 20 to 1, but the overall total was that much lower." (*Washington Post*, June 4, 1973). Virtually every western newsman to have visited PRG zones since the ceasefire has reported random shelling of villages by ARVIN forces (See, for example, *New York Times*, Feb. 18 and 19, 1974; *CBS News*, Nov. 14, and 16, 1973). Returning staff aides from a GVN-sponsored trip in April, 1974, have reported that American officials say the GVN is wast-

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activities and to consolidating where its forces were present at the time of the cease-fire.	to Communist land grabs activities and to consolidating where its forces were present at the time of the cease-fire.	ing considerable ammunition and could get by on far less of what they are now consuming. U.S. Ambassador Graham Martin recently reported in a cable that it was only after "U.S. imposed constraints" that the use of American-supplied ammunition dropped at a rate of 20 to 50 percent. The most striking indication of lavish ARVN use of ammunition is the fact that despite the Congressional refusal of $474 million in a supplemental ammunition request, the Pentagon recently reported that the ARVN has survived and is not in the "dire straits" that Assistant Secretary Clements predicted it would be if the supplemental ammunition request was refused.
The foregoing suggests that far from exciting GVN violation of the cease-fire, our military assistance is tailored to enable Saigon to defend itself against Communist pressure while deterring a major offensive. South Vietnam's need for substantial U.S. assistance, both military and economic, is not open-ended. The next 18–24 months is an especially critical period which will determine whether Saigon becomes economically viable and whether a North Vietnamese attack can be deterred. Provided the requisite amount of U.S. assistance is forthcoming in the near term, the executive branch foresees a signficant economic revival in the South and the chance that Hanoi will shift its energies to more peaceful pursuits. Hopefully, these developments will reduce the need in subsequent years for heavy American assistance.	The foregoing suggests that far from existing new GVN "violations" of the cease-fire, our military assistance is tailored to enable Saigon to defend itself against Communist pressure while deterring a major offensive. South Vietnam's need for substantial U.S. assistance, both military and economic, is not open ended. The next 18–24 months is an especially critical period which will determine whether Saigon becomes economically viable and and whether a North Vietnamese attack can be deterred. Provided the requisite amount of U.S. assistance is forthcoming in the near term, we forsee a significant economic revival in the South and the chance that Hanoi will shift its energies to more peaceful pursuits. Hopefully, these developments will reduce the need in subsequent years for heavy American assistance.	Paragraphs 10–11—All available evidence directly contradicts the notion that there is the slightest possibility that Saigon can become either economically or military viable in the next 18–24 months. An official World Bank Study Mission recently reported that ". . . net aid required in 1980 will still be on the order of $770 million a year. . . . it seems probable that Vietnam is at least a medium 'long haul' case as far as foreign aid is concerned. . . . as a purely arithmetical exercise . . . by 1990 the external resources gap would close by about $300 million to about $450 million." (Current Economic Position and Prospects of the Republic of Vietnam", January 28, 1974, p. 34.) As long as the GVN continues to refuse to allow refugees to return to their villages, even if in PRG zones—thus maintaining unproductive islands of millions of people, as long as it does not reduce its 1.1 million man army, 120,000 man police force, and 350,000 civil servants, moreover, there is little reason to believe that the GVN can become economically viable. In 1973, for example, the GVN exported only $56 million, while importing $795 million. There is no foreseeable way this huge balance of payments deficit can be altered until there is peace. Indeed, the reverse is likely to be true, as the cost of maintaining the GVN's war machine rises for the U.S. taxpayer due to inflation. Thus, although ARVN casualities were down from 39,587 in 1972 to 11,093 in 1973, the costs of maintaining the ARVN for the U.S. taxpayer did not decrease at all. According to official AID statistics supplied Congresswoman Bella Abzug on February 20, 1974, U.S. Military aid in CY 1972 was $2.382 billion and in CY 1973 was $2.270 billion. Secretary Kissinger himself as much as acknowledged that our commitment to the GVN is open-ended, when he stated in a March 25 letter to Senator Kennedy that "we believe it is important that we continue our support as long as it is needed."
The Departmental budget for military assistance to South Vietnam in fiscal year 1975 contemplates a program involving $1.45 billion. Departmental representatives have assured the Committee on Armed Services that the proposed program in no way violates the cease fire agreement. The printed Committee hearings on both the Department's fiscal year 1974 Supplemental Request and for the Department's fiscal year 1975 Authorization Request contain extensive data on the administration of the MASF program. The Committee urges that these hearings be read by all Members of Congress since such a reading will eliminate much of the confusion and misinformation which often occurs during debate on the justification for the continuation of this military assistance program to South Vietnam. For example, one of the more pertinent questions which is continually raised concerning the military assistance program to South Vietnam is the possible alleged conflict with Article VII of the Cease Fire Agreement, which provides for a one-for-one replace-	It is an honor and privilege to appear before you today in support of the request for a $1.6 billion overall authorization and related program of $1.45 million in fiscal year 1975 for the military forces of South Vietnam. The proposed program in no way violates the cease-fire agreement.	Paragraphs 12–14—If Committee members actually do read the hearings for the FY 74 supplemental and FY 75 authorization, they will discover that the DOD not only provides no evidence for any of its major assertions, but even admits this on page 900: "The determination of a ceasefire violation is exceedingly difficult. . . . As a result, we do not have truly independent sources for information of this kind." Indeed, this fact makes the numerous newspaper reports of GVN ceasefire violations by western correspondents all the more credible. The question of whether the Administration is violating the "one for one" clause is not at all answered by the insertion from page 51 of the hearings, which in fact states that *no one*, not even the ICCS, is aware of what the Administration has channeled into South Vietnam. Given the fact that the Administration has admitted replacing the F5A with the F5E, an entirely different aircraft, the weight of the evidence would seem to indicate that the Administration is not honoring the "one

ment of weapons of the same characteristics and properties. The answer to this question appears on page 51 of HASC Document 93-40, and because of its pertinency, is set out below in its entirety:

Question. Is the International Control Commission in Vietnam supervising the delivery of weapons and ammunition for either side under article 7 of the cease-fire agreement which provides for a one-for-one replacement of weapons of the same characteristics and properties?

Answer. Article 7 of the ICCS Protocol specifies that the International Commission of Control and Supervision (ICCS) and the Two Party Joint Military Commission jointly inspect the entry into South Vietnam of replacements of war materiel permitted under Article 7 of the Paris Agreement. The Viet Cong has refused to permit the TPJMC to carry out this function, and the ICCS has taken the position that inspections by it alone would not be official. The United States and the RVN have kept records of replacement shipments to South Vietnam and have stated their readiness to provide a full accounting to the ICCS and to the TPJMC whenever those bodies begin to carry out their duties with respect to inspection and replacement materiels for the two sides. Hanoi on the other hand has introduced illegally into South Vietnam vast quantities of armaments. No offer to allow ICCS inspection of this materiel has ever been made.

for one" portion of the Agreement. The committee report, moreover, also fails to note that the Administration is now proposing an even more blatant violation of the Paris Agreement for FY 75: introduction of 28 new *F5Fs.*

Most importantly, however, is the failure of the Pentagon to provide a rationale for its provision of $521.6 million in FY 74 and $574 million in FY 75 for Operations and Maintenance, and $42.4 million in FY 74 and $24 million in FY 75 for personnel.

It seems clear that neither of these categories fit the provision of Article VII of the Paris Agreement permitting only "one for one" replacement, and Article IV by which the U.S. agreed not to "continue its military involvement or intervene in the internal affairs of South Vietnam."

Most shockingly, the Committee also fails to note that the DOD's *own* definition of what is allowed under Article VII also precludes Operation and Maintenance and Personnel. "The Executive branch would be limited to furnishing only armaments, munitions, and war materials. . . . Those words (were) defined by the DOD for the purpose of complying with the peace agreement," DOD lawyer Forman has testified. (Senate Armed Services Committee, FY 74 Authorization hearings, Part 8, p. 5906).

Given such massive violations of the Agreement, the Administration would be better-advised to observe Article VII rather than making empty offers to allow inspection of records, particularly when responsibility for the failure of the Two-Party JMC may lie as much with the GVN as its opponent.

That the committee would just copy word for word Executive testimony and present it as the recommendations of Congress is shocking enough, in and of itself. It also represents a surprising degree of slovenliness and shoddiness. And it raises the question of the very need for a staff. Why should taxpayers fund hearings, hire a staff, pay for the printing of public reports if the committee is going to merely mindlessly and slavishly reproduce Executive testimony?

The real issues raised by the report, however, go far deeper.

Is our only function to rubber stamp Executive actions? Are we to avoid taking public witnesses more seriously, doing some of our own investigative work, integrating testimony by executive officials with that of other observers in an attempt to come up with the truth? What do we need the Congress for, if it is simply to endorse Executive pronouncements, no matter how untrue or tendentious.

The fact that the committee would plagiarize Executive testimony, falsely presenting it as independent conclusions based on an impartial and thorough analysis of the subject goes to the very heart of our democratic system. It represents an unconstitutional erosion of congressional powers, and is symbolic of our headlong progress toward an executive dictatorship in this country.

For, at the heart of the matter, there is not only plagiarism, but more importantly, indifference to the truth and to our responsibility. The Caldwell testimony is replete with factual errors, and is indeed little more than blatant propaganda misrepresented as serious analysis.

I believe that there are few more critical matters facing our Nation than exposing the kind of congressional indifference to responsibility represented by this report. I further believe that the House has an obligation to reject entirely both the suggestion of giving $1.4 billion to the Thieu regime this year and the half-baked rationale presented for it.

Despite what the Pentagon and its friends in Saigon would want us to hear and to read, there is quite another side of the situation in Vietnam. Because the committee has not allowed us a full range of material before we vote on this critical issue, I would now like to insert in the Record important testimony given to the committee and other materials available to it which present a broad perspective on the existing situation.

The materials follow:

Toward Perpetual War or a Possible Peace

(Testimony of Guy Gran)

The Military Assistance Service Funded (MASF) program is the principal overt and legislated channel through which the United States sends military aid to the Republic of South Vietnam (RVN) and to the Royal Laotian government. For FY 74 this program now has a ceiling of $1.126 billion of which $1.022.1 billion for the RVN. In the supplemental bill under consideration the Nixon Administration wishes to raise the MASF ceiling by $474 million, using pipeline funds, to restore precisely the amount cut by Congress from the original request.

It would be well at the onset to consider that the MASF monies are only a part of the direct and indirect military aid to the government in Saigon. Additional military support results from all of the piasters generated by $295 million of commodities under the Food for Peace program and some if not most of the piasters from the c.$200m. Commodity Import Program. Additional aid is being channeled through excess defense articles, piaster purchases, and military service money.[1] There is no reason to believe that three decades of covert CIA activities in Indochina, squandering both their own and DOD resources, with and without legal authority or Congressional knowledge, has come to a halt in FY 74. Finally, the RVN benefits from the American military presence elsewhere in Southeast Asia. An early FY 74 estimate of such costs was $1.1 billion. A recent UPI report contained a DOD estimate that the sum of DOD activities in Southeast Asia would cost $3.4 billion this fiscal year.[2]

The investment of another $474 million requires judgments about political, military and legal realities in Indochina. It also necessitates judgments about the integrity of information concerning such issues released by the Executive branch. I shall argue that the basic political and military arguments advanced on behalf of this level of aid are not supported by empirical evidence. A major portion of the MASF program is not in keeping with the legal provisions of the Paris Agreement. The relevant information released by the Executive is deliberately distorted and incomplete. In sum, our policies are still designed to seek the impossible, the buying of total and permanent political victory with lavish bribery and military force.

INFORMATION IS POWER

These are harsh conclusions. To reach them one must examine both evidence and the manner it comes to light. Most obviously neither the Congress nor the public has much information that should be available. It is monumentally absurd that the justification for this request, for example, should be classified. Classification implies that knowledge by the enemy would imperil national security. All parties in Indochina have a rather clear idea of how much and what kind of American aid enters Vietnam every year. The enemy this Administration is afraid of is the Congress and the taxpayer who pays the bill. That in itself is a damning commentary on the Administration's estimate of the value

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Footnotes at end of article.

and persuasiveness of its policies in Indochina. By accepting such a system Congress further weakens its potential for critical examination and effective control. For any critic can thus be dismissed because he "doesn't have all the facts."

One concrete example is quite relevant. DOD would prefer that most of Congress and all independent researchers like myself not know how much MASF money goes to the RVN each quarter. The required quarterly report to Congress is thus kept secret. Woe if the left hand knew what the right were doing. New USAID statistics show that we supplied the RVN with at least $1.5 billion in MASF aid in the seven months prior to the Paris Agreement.[3] By a modest extrapolation, it is apparent that every quarter we perpetuate the present war would cost the taxpayer at least $400 million in direct military aid through the MASF program. The first quarter of FY 74, however, saw $613.3 million spent, a fact which says much about the Pentagon's attitude toward the role of Congress.

Classification depends upon never having to define in an intellectually rigorous fashion the idea of national security. Should that day ever come, the result would provoke a series of legal actions that would make Watergate look like shoplifting from a dime store. In the meantime the Executive cannot, at least, reduce the issue entirely to a series of pontifications that "I have all the facts and you will have to trust me". Instead selected information, supportive of official policy, is released through testimony, news conferences and briefings, and leaks to sympathetic journalists. To put it crudely the intellectual environment is manipulated by propaganda.

Testimony before Congressional committees is a very effective weapon for the Executive. The parade of Cabinet officials and bemedaled military officers has a considerable effect on the viewers. It is hard not to link respect for the position with the incumbent and his ideas. Critical reflection is not the result. DOD Vietnam testimony on the FY 1974 budget can be reduced to an endless series of unproved and unchallenged assertions about what the PRG and DRV could and would do and what is legal under the Paris Agreement.

Occasionally a DOD witness was indeed pressed for evidence. The replies came "according to intelligence reports," "our best estimates show", or "DOD lawyers have concluded." I'm not privy to closed sessions; doubtless you have been shown classified pictures and documents. One tank does not 600 make. More importantly, the intellectual value of such reports is limited. Anyone who watched former CIA Cambodian specialist Samuel Adams testify last summer on the size of the Khmer Rouge force, or who has read news accounts carefully, or studied the literature on the U.S. intelligence community, knows that such estimates are often made on extremely flimsy evidence, must travel through often hostile bureaucracies, and are used by witnesses for political rather than intellectual purposes. This is not to argue that DOD estimates are inherently or invariably wrong. It is, however, to suggest that they cannot stand alone as definitive proof of any thesis.

The other favorite forum through which the Administration manipulates Congress and the public is the media. Far too many stories in the most reputable newspapers are based on backgrounds or leaks of material just declassified which journalists accept in abysmally uncritical fashion.

For the last year, and doubtless before, the consideration of Vietnam money bills in Congress has coincided with stories of threatened offensives by Hanoi.[4] This bill has provoked a new round begun by a recent story of Drew Middleton in the *New York Times*.[5]

Middleton, citing "qualified sources", provides a long list of precise quantities of weapons and supplies supposedly moving from the North Vietnam to the PRG areas. Careful reading indicates, however, that this build-up has been going on since January, 1973; if the Pentagon had a historian, he would suggest that the build-up began many years prior. The Pentagon report showed that more than 90% of the air defense weaponry and much of the rest are in Quang Tri, a PRG stronghold. That the PRG might be contemplating defending themselves against Thieu's endless encroachments did not occur to the writer or his sources. In another exercise in double standards Middleton lists new and improved roads and bridges in PRG areas in a manner that the reader thinks of them as offensive weapons. Why, then, are the roads and bridges we build in RVN areas always considered as economic development and humanitarian assistance?

In 1974 techniques of selective classification, manipulation, and dissembling are not likely to be sufficient. The Administration and its supporters have also begun mudslinging. If the empirical evidence doesn't support your position, then try to destroy the credibility of the critic. Thus in Ambassador Martin's recent tirade, *New York Times* writer David Shipler is a propagandist, using "deliberate and gross distortions" as part of a Hanoi based plot "to bring influence to bear on selective, susceptible but influential elements of American communications media".[6] The American Ambassador in 1964 didn't like David Halberstam, either.

One trusts that Congress is sophisticated enough to notice that the Administration provides no evidence to support its slander and that if its Vietnam policies were sensible it would not be vulnerable to substantive criticism. As I shall argue, the choices for Congress are greater and more complex than the two in Ambassador Martin's simplistic universe wherein the United States endlessly subsidizes the Thieu government or delivers it into the hands of Hanoi.

THE ADMINISTRATION POSITION

In the course of numerous Congressional appearances and public statements since the Paris Agreement, Administration spokesmen have formulated and reformulated a small number of basic arguments which serve to justify the MASF program and the present level of military aid to the RVN. All of these themes are designed to paper over two unspoken and unproven presumptions, that without such aid the government of Nguyen van Thieu would collapse, a result that is not in the national interest of the United States. By not verbalizing such assumptions, the Administration does not have to defend them.

Instead, the following arguments are trotted out on each occasion. The PRG, more or less directed by Hanoi, is endlessly and flagrantly violating the Paris Agreement; our military aid to Thieu is designed to insure the stability of the ceasefire agreement. We must continue to beware of communist plans for aggression; witness the steady infiltration of men, tanks, and other weapons along an improving infra-structure. Any drastic cut in MASF spending would signal Hanoi, unbalance the situation and invite attack.

The equipment, supplies, services, and training provided by the MASF program are indispensable to the final stage of Vietnamization which will soon permit the RVN forces to stand entirely on their own. Finally, any reduction in military aid and resultant political transformation would be contrary to the basic United States objectives of worldwide equilibrium and orderly change.

I submit that none of these arguments rests on a sound conceptual or empirical base. Each is designed as part of an edifice that serves to protect a series of myths deemed necessary to the political and psychological health of the current Administration and the nation. This is not the time to explore the costs this government and its citizens pay for such myths. It is, however, apropos to explore the fallacies of the preceding paragraph.

That the PRG violates the Paris Agreement far more than the RVN and is primarily (or exclusively) responsible for its failure has been the core argument carefully nurtured by Saigon and Washington spokesmen since January 27, 1973. Such spokesmen have successfully manipulated most uncritical journalists and headline writers and doubtless a majority of the public as well. Few journalists travel out into the rural areas and interview participants to determine the precise circumstances of each incident. Thus more stories than not begin "Saigon spokesmen reported". Restrictions placed on journalists, classification of embarrassing material, and intimidation of potential witnesses by U.S. and RVN authorities also work against an objective record.

Not all Saigon correspondents and American editors can be easily seduced. A careful examination of the last year's press reports show a consistent pattern. Those stories based on investigative journalism rather than official hand-outs almost always revealed some evidence that the provocateur of the ceasefire violation was not the PRG but rather the RVN. Excerpts from more than one hundred articles were assembled recently in a compendium by the Indochina Resource Center.[7] The reader can examine the primary evidence and draw his own conclusions.

This is not to argue that the issue is black and white, that the PRG never violates the Agreement. The PRG does respond with violence to RVN nibbling operations, does move against RVN outposts which intrude in basically PRG areas and does occasionally carry out punitive raids in response to extreme provocations like the RVNAF terror bombing of Loc Ninh, the PRG capitol in late November, 1973. In addition local PRG units do respond to pressure with pressure and do take initiatives with sometimes irresponsible and tragic results; the mortar shell in the school yard at Cai Lay comes recently to mind.[8]

But the sum of these military actions is not the coherent plan of aggression Saigon and Washington paint. It is instead the RVN for whom one can document a steady stream of military operations to gain rice, people, and territory.[9] One can also document some remarkably candid comments by Thieu and other RVN leaders outlining their general policies and attitudes toward the Paris Agreement.[10] The clearest indication of the absurdity of the Administration position is, however, this simple reality. In PRG areas the Paris Agreement is disseminated and discussed everywhere; in RVN areas it is forbidden to be printed or distributed.

If it is demonstrably the RVN which pursues the consistent policy of aggression, our aid to Thieu cannot logically be said to be insuring the stability of the ceasefire. Since January 27, 1973 there have been 120,000 to 150,000 Vietnamese casualties. To use a word like stability at all is nothing less than Orwellian newspeak. What U.S. military goods and services do accomplish was summarized very clearly in a *New York Times* review arti-

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Footnotes at end of article.

cle recently, an article of such value that I add it as Appendix A to this testimony.

"These valuable military goods and services have a sharp political impact. They are indispensable to the South Vietnamese Government's policy of resistance to any accommodation with the Communists. Militarily, the extensive aid has enabled President Nguyen Van Thieu to take the offensive at times, launching intensive attacks with artillery and jet fighters against Vietcong-held territory.

"Furthermore, the American financed military shield has provided Mr. Thieu with the muscle to forestall a political settlement. He has rejected the Paris Agreements provision for general elections, in which the communists would be given access to the press, permission to run candidates and freedom to rally support openly and without interference from the police."

Mr. Thieu has offered elections, but without the freedoms.[11]

It is this basic stalemate which has forced the PRG to military measures, to maintain at least modest pressure while waiting to see if Thieu's own internal economic contradictions destroy him.

The Administration's third and most ancient argument is that we must guard against incipient aggression by Hanoi. The evidence isn't there. Captured COSVN documents on 1974 PRG strategy, a portion of which were leaked to the press in early January, speak at most of limited military pressure and maintaining unhindered supply routes.[12] The *Baltimore Sun* article adds a typical fabrication—"A further goal intensified attacks on selected areas in government-controlled territory." Given the political values of all those who work with the material between their capture of the documents in Vietnam and the publication of selected ideas therefrom in this country especially the absymal track records of longtime partisans in the intelligence community like William Colby and George Carver, this kind of presentation is not at all credible. If the Administration wants to make a really believable case, let it collect *all* of the *original* documents that are relevant in one place and permit independent scholars to make separate studies. Let the Administration also lay bare the precise methodology it uses at each step. That neither of these things happen is a considerable commentary on both bureaucratic will to power and the intellectual vulnerability of the Administration position.

Even if the Administration now produces damning new evidence, as Ambassador Martin threatened to do, it still must deal with physical realities and the conclusions of the North Vietnamese National Assembly. Both the PRG and the DRV are simply too poor in resources to sustain a major attack over any period. The DRV has just made a basic decision in favor of economic reconstruction and social renewal. In this effort they are apparently quite dependent on outside help. Thus military plans for the South have been limited to enough support to maintain the status quo. In sum, unless conditions change drastically, there will be no major offensive.[13]

If there is not an imminent offensive, what is one to make the infiltration of men and material the Administration is constantly pointing to?[14] Troops have been going from DRV to PRG areas, perhaps as many as 70,000 in the last year if one gives credence to undocumented Administration claims. At the same time it was recently revealed that 40 to 50,000—mostly sick and wounded—have been allowed to return North.[15] Given the meager reliability of such figures, one can only conclude that the infiltration rate is far below the rate which presaged the 1968 and 1972 offensives. If there is a surplus going South, it violates the intent of the Paris Agreement. However, by RVN's own recent figures, its soldiers have killed 46,668 communists in the last year.[16] The Agreement permits one-for-one replacement. The Administration's position is thus valid only for those who cannot add and those who insist that the PRG alone must abide by a ceasefire that does not exist.

I will agree that the current public evidence would indicate that the number of tanks, anti-aircraft installations, and pieces of road-building equipment in PRG areas has increased in a year. Tanks are normally an offensive weapon. One wonders how the Administration could document each of the 600 it claims have infiltrated since the Agreement. How many of these tanks belong to the PRG pre-ceasefire buildup comparable to the billion dollar war chest we lavished on the RVN in late 1972? It does take longer for a PRG tank to arrive than an RVN F5A. Some of the subsequent tanks are surely replacements for destroyed vehicles. The rest are indeed violative of the Agreement and designed to provide the PRG with a credible threat, certainly far less than what its opponents are up to.

Given the beleaguered condition of the PRG territory anti-aircraft weapons are predictable. Does the Administration expect the PRG to suffer daily raids by RVN Skyraiders and A-37's in silence? Given the fractionated nature of PRG territories would not any normal government begin to consolidate its territories by building roads? Especially given the presence of an aggressively hostile million man army chewing away at one's territory? In any case, where in the Paris Agreement does it forbid the building of roads? Physical evidence does not, in sum, have to be viewed solely through the political perspective of the Administration.

A fourth Administration argument, that a drastic cut to Thieu would signal Hanoi and unbalance the situation, is a masterpiece of sophistry. Any level of aid to Thieu sends a plethora of signals to all concerned. The preeminent signal to Hanoi now is that the United States is willing to subsidize infinite aggression by Thieu. A cut in military aid that ended such behaviour would be taken by Hanoi as a gesture that the United States was really interested in the peaceful settlement of the Vietnamese conflict envisaged by the Paris Agreement. The deletion of the present $474 million supplemental would be at most an augur of that policy. In the meantime one cannot speak of and the the Agreement did not intend, the present as stability. Such a stability may be acceptable to the Administration, but 120 to 150,000 Vietnamese dead or wounded in a year is not a form of stability the Congress should wish to share responsibility for.

The Administration raises two further arguments. One is that the MASF program is imperative to the final stage of Vietnamization. The program is imperative, but it is imperative only to the scale and type of war we have insisted that the RVN pursue. This was a function of our technological choices and political goals. Total Vietnamization is a myth. It is very clear from the recent *New York Times* article, my Appendix A, or from any close examination of the RVN budget figures, that the United States will pay $1.5 to $2 billion a year for military aid to the RVN for many years to come if it persists in present policies. RVN personnel will not soon, if ever given their lack of motivation, be able to take over the highly technical military jobs now held by DOD contract personnel. The RVN cannot ever conceivably generate sufficient domestic resources to finance the ammunition and ordnance intensive style of warfare it was accustomed to by the United States. After thirty years we are still trying to make up for lack of political persuasion by military force.

The final and most general Administration argument revolves around the notions of worldwide stability and orderly change. As Elliot Richardson put it last year, the United States must honor its obligations because of the "essentially psychological" "structure of international stability".[17] Such a world view subsumes too many faulty and self-serving perceptions of modern history to be fully dealt with here, but a few comments are in order. This refurbished domino theory presumes incorrectly that Secretary Kissinger's idea of world stability is good for the United States and its allies. What is good about it for the penniless slum dweller in Saigon or New York? In a world of finite resources and environment the tiny population of the United States enjoys a vastly disproportionate share of the world's wealth and struggles to maintain its position. At the same time the MNC's are busy teaching the have-nots the pleasures of having. It is quite apparent that the interests of the MNC's, the United States, and the Third World are in many ways mutually antipathetic. If the Administration wishes America to become something other than an ever more beleaguered bastion of wealth, it had better put far more resources and effort into the institutionalization of the substances of change rather than the rhetoric of stability.

THE MILITARY AND POLITICAL SITUATION

If the MASF program can only be justified by such suspect documentation and uncompelling rhetoric, one can well imagine how and to what ends the program operates in the field. As presently constituted the MASF program is broken down into three budgetary categories. Under procurement we provide weapons, vehicles, ammunition, air ordnance, and aircraft. Of the aircraft 116 F5A's are really for MAP countries from which the F5A's were borrowed in late 1972, and the rest are 71 new F5E's for the RVNAF. Under operations and maintenance we provide diverse supplies, contract operations, training, shipping, and a variety of small programs including police support. These two giant categories are each about half of the MASF program; some $40 million in personnel support, uniforms and rations apparently, forms a third category.

The United States is, of course, quite successful in the physical process of delivering equipment. One Pentagon official recently admitted "we shipped so much stuff to South Vietnam in the two months prior to the cease-fire, plus what went since, that a large new resupply of tanks, artillery pieces, and planes would only sit around the docks in crates."[18] The problems develop once the material reaches the shores of Vietnam. From there on are the ubiquitous and endless signs of futility, waste, stupidity, and tragedy which indicate as clearly as ever that the present political goals are still perpetuating an impossible task for the American and RVN armed forces.

Ammunition is by far the largest component of the MASF program, almost $300 million of the $554.8 million spent on the RVN forces during the first quarter of FY 74. The high expenditure rate is partly political; if much ammunition wasn't used, it would be much harder to convince the American Congress that there was a war on that still needed support. The high rate is, however, primarily a function of the tactics of Vietnamese commanders who need to look busy without losing men. An illuminating report of the results appeared last summer.

"The South Vietnamese were reportedly expending vast quantities of artillery ammunition in what is known here as "H and I fire" (for harassment and interdiction),

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Footnotes at end of article.

This is a form of artillery firing in which there is no specific target. But shells are pumped into a general area in an attempt to reduce enemy activity there. . . .

"American sources say they have learned that in Indochina, the more guns and ammunition are available, the more the armies in the field will use them.

"'After we cut down the ammo supply,' one well informed officer said, 'we found out that the South Vietnamese were still outshooting the enemy by 20 to 1, but the overall total was that much lower.'"[19]

The Pentagon has not, however, imposed any meaningful limits, for it is confident that it can ignore authorized levels and return to Congress later for supplemental requests. The situation has not changed since last summer. James Markham toured PRG areas in mid-February and found random harassment shelling of civilian areas everywhere he went.[20]

About half of the MASF program thus goes to a wasteful and essentially meaningless exercise attempting to terrorize Vietnamese who choose to live in PRG areas. Little territory is won, and the RVN knows that it is incapable of military victory. Instead a vast million man bureaucracy rolls on, filling its institutional imperatives in its most culturally acceptable way—violence. That violence is a cultural norm, that children and even young adults have never known peace, is perhaps even more tragic than the incredible waste of resqurces and labor.

Another enormous portion of the MASF program is occupied by the supply and maintenance of aircraft and other complex technological hardware. Leaving aside for the moment the legal implications of operation and maintenance, consider the future potential of this operation.

The U.S. has never Vietnamized logistics; about 1,150 DOD contract personnel still run the basic logistics effort for the RVN forces. It is conceivable that over a decade Vietnamese could handle most of tasks, given the pay incentive and motivation necessary. But these are unlikely, and, the potential for corruption would be so enlarged that the system itself would be severely jeopardized.

It is in the maintenance of aircraft that the basic contradiction of the MASF program are most clearly illuminated. We are supposed to be teaching the Vietnamese how to take care of the extremely complex aircraft engines we have given the RVNAF. A Vietnamese is intellectually as capable as anyone, but the culture of war destroys both ability and interest in learning. *New York Times* correspondent David Shipler pinpointed two factors: profound war weariness wherein the pressure for peace blankets any other desire, and resentment over wage differentials where Vietnamese get $10 to $35 a month and Americans up to $1,000 a week. working in the same plant.[21] These are impossible conditions to overcome, and even under unreachable ideal circumstances many of these jobs take at least five to ten years to develop sufficient expertise. The American military aid program is thus a potentially *permanent* operation.

The MASF program entails a number of other less expensive activities most of which are cloaked in considerable secrecy. One that is both morally reprehensible and politically counterproductive in the extreme deserves brief attention here. That is the ongoing American support of the police and prison system of the RVN. At this point in time the dollar amount of direct support may not be great; AID general counsel says that AID is no longer channeling police commodities funded by the MASF program (c $9 million in FY 74). Little, however, prevents DOD from direct grants, or from using the CIA. Little also prevents the budgetary subsidies provided by the PL 480 and CIP programs to end up as police support.

Neither the explicit prohibition of the Paris Agreement nor the even more precise language of SEC 112 of the FY 74 Foreign Aid Appropriation Act (PL 93–240, January 2, 1974) seem to be deterring the Administration from this most profound intrusion in internal Vietnamese affairs. The January study mission of the conservative American Security Council wrote "a handful of U.S. civilian technicians continue to provide advice in the operation of a newly installed computer system which keeps tabs on more than 10 million South Vietnamese."[22] David Shipler's research uncovered these current practices:

". . . South Vietnamese National Police continue to receive regular advice from Americans . . . two high-ranking officers said they and their staffs met frequently with the Saigon station Chief of the C.I.A. and his staff. Sometimes, he said, the C.I.A. Chief asks the police to gather intelligence for him, and often they meet to help each other analyze the data collected.

"A police official confirmed that in some provinces 'American liaison men' who work with the police remain on the job. . . . Local policemen still refer to 'American police advisers.'"[23]

This is not an academic issue, for the police are not an apolitical force. They are an essential part of the political and military apparatus which Thieu uses to suppress all opposition, not simply the communists. It is not merely that this represents total abrogation of the Paris Agreement. It is not merely the gross inhumanity of arresting and abusing tens of thousands of political prisoners.[24] It is the political result. With no opportunity for peaceful political resolution of conflicts as the Paris Agreement called for, opponents of Thieu are forced to return to methods of violence.

The war in Vietnam, and the enormous MASF program which fuels it, are not proceeding on the present tragic and expensive path without guidance. Both President Nixon and President Thieu have equated their personal honor and their national security with the survival of the latter. If there were peace, Thieu would have to demobilize much of his military manpower. This is a dire economic necessity for any real future as an economically independent state. But in so doing, Thieu would lose the tight socio-political control he now enjoys over all government employees. If his policies represented the needs of the majority, he could stay in power. But Thieu represents the interests of a wealthy minority; to abandon the economic interests of his closest supporters would end his career abruptly. The only solution is enough war ("no peace, no war") to avoid the dilemma.

The deletion of this $474 million in supplemental aid would not seriously deprive Thieu. It would leave him a little shorthanded at worst. More importantly, it would communicate a message from the United States Congress that the American people are not going to pay $2 to $3 billion a year forever so that Thieu does not have to come to terms with the political and economic needs of his own people. Such a message at this point in the year would give Thieu several months and considerable incentive to prepare for peace. The Administration, by its FY 75 request of $1.6 billion, is quite willing to pay the price; 120,000 Vietnamese casualties a year is not too great a moral burden for the Executive branch. I do not think that the American people have the same set of formal standards and fiscal priorities.

THE LEGAL SITUATION

Thirteen months after the signing of the Paris Agreement, the Administration and a majority of Congress, the media, and the public consider it a dead letter. This is a considerable tribute to the Administration's propaganda campaign. In operation before the ink was dry, the Administration plan proceeded simultaneously along two paths. Secretary Kissinger and other spokesmen created a fundamentally novel interpretation of various key phrases and passages which in sum came to mean that the United States could continue any kind of aid or interference it wished that was not explicitly proscribed. At the same time the Administration and the RVN orchestrated the charge (previously addressed) that the PRG was continuously violating the Agreement: then, when caught in blatant violation, the Administration was in a position to and did argue that the Agreement was thus essentially inoperative and the United States was not bound to abide by it.

This successfully disposed of the Paris Agreement in the United States, but not in Indochina. The PRG and its supporters knew that the United States was legally bound not to interfere in the internal affairs of the Vietnamese. How such words applied to the anomalous situation wherein one state is essentially an economic parasite of another was unhappily not spelled out in the Agreement. The only area of precision was in military aid. Article 7 permits piece-for-piece replacement "of armaments, munitions, and war material". It is to this phrase and its application to the MASF program under consideration here that I shall limit my legal argument.

Certain international commissions were designated by the Agreement to define the permissable military items and supervise their arrival. This did not happen so in the early spring of 1973, DOD created its own list. This list defined 13 categories of "armaments", 8 categories of "munitions", and 8 categories of "war material." Taken together these 29 categories correspond almost precisely to those items which appear under the DOD category of procurement. The Paris Agreement, by DOD's own interpretation, limited American aid to procurement items.

This list was picked up in Saigon by Senate staff members and was incorporated into the Committee Report of S. 1443 (The Foreign Military Sales and Assistance Act). This bill was passed by the Senate but the Vietnam provisions died in conference. It would not be inappropriate to attempt this legislation again for the situation has not changed. Indeed, after endless denials in many FY 74 hearings, one DOD lawyer was finally pressed to discuss precisely what the Paris Agreement did and did not allow.

His response was a marvel of the bureaucratic mind in an impossible legal dilemma.

"Mr. Forman . . . under the bill passed yesterday (S. 1443), the executive branch would be limited to furnishing only armaments, munitions, and war material. Now that is a category of equipment and supplies far more narrow than the terminology in the statute which applies to other countries, namely defense articles and defense services. The words, "armaments, munitions, and war materials" were taken from the peace agreement signed in January. Those words, as defined by the Department of Defense for the purpose of complying with the peace agreement—the definitions are set forth in the Senate Foreign Relations Committee Report, pages 26 to 27—do not include . . . the contract services which we are providing to the Vietnamese with civilian personnel. It does not include spare parts on consumables. It does not include subsistence. It does not include petroleum products . . . we couldn't provide overhaul and repair services."[25]

Footnotes at end of article.

DOD has developed here an essentially schizoid position. In one universe was the Paris Agreement with DOD dutifully supplying a law abiding definition of the parameters of its activity. In another quite separate universe is the actual operation of the MASF program continuing quite as though the Paris Agreement had never happened. Such a clever semantic voyage, linking the bureaucratic imperative of survival and the political goals of the Administration, should not, however, succeed in drawing attention away from the main point.

More than half of the MASF program is not in keeping with the Paris Agreement. Neither are the activities of the CIA or the indirect military subsidies provided by the Food for Peace and Commodity Import Programs. The elimination and/or restructuring of these programs cannot be done without political changes Thieu and the Administration are most unwilling to make.

The way out of the legal dilemma, the financial drain, the moral vacuum, and the politics of repression are all to be found in the accommodations envisaged in the Paris Agreements. There is no other path to peace.

CONCLUSIONS AND RECOMMENDATIONS

The Administration approaches the issue of military aid to the RVN with an air of inevitability entirely unjustified by the realities in Vietnam. Secretary Schlesinger describes a cease-fire that has not worked as well as he had hoped, as though this process happens in some remote world we have no control over. He speaks of inflation as though the American taxpayer could care less about taking up the further burden. He describes needed program readjustments as though these were justifications for the program. He hopes that Congress will simply push the funds through to get the issue out of the way. I hope that this Committee will accept Secretary Schlesinger's initial challenge early this year to examine critically all of the assumptions and programs in the enormous defense bills now before you. The MASF program would be an ideal place to start.

I would like to close with these formal recommendations.

(1) that the language and the additional spending authority for the MASF program be deleted from the supplemental bill.

(2) that in lieu thereof the following language be inserted

"None of the funds appropriated herein, none of the funds heretofore appropriated, and none of the local currencies generated as a result of any legislated program may be used by any department, agency, or employee for the support of military or civil police in South Vietnam, for the support of Vietnamese court and prison systems of any kind, and for the support of surveillance, identification, and computer training activities in South Vietnam related to police, criminal, or prison matters."

(3) that the appropriate Committee(s) of Congress undertake a serious review and field investigation of the aspects of the MASF program raised herein before a decision on FY 75 funding levels is taken.

FOOTNOTES

[1] Military service money is a mysterious, so far inexplicable, category giving the RVN $100 million in FY 74. See Senate Committee on Armed Services, *FY 74 Authorization for Military Procurement*, Part 2, p. 1270–71.

[2] *Washington Post*, February 16, 1974.

[3] These numbers were part of USAID testimony before a House Government Operations Subcommittee during November, 1973.

[4] For a detailed study of the nature and timing of these reports, see D. Gareth Porter, "Vietnam—the Strategy of Misinformation," available from IRC and soon to be published.

[5] *New York Times*, March 4, 1974.

[6] *Washington Post* and *New York Times*, March 9, 1974.

[7] "Breakdown of the Vietnam Ceasefire: The need for Balanced View," January, 1974 available (for 75¢) from IRC.

[8] *New York Times* and *Washington Post*, March 10, 1974.

[9] Take November, 1973 for example: see *New York Times* 11/1 (p. 3), *Chicago Tribune* 11/4 (p. 15), *Boston Globe* 11/4, *London Times* 11/4, *New York Times* 11/5 (p. 1), same 11/6 (p. 3), *Washington Star News* 11/8, *Washington Post* 11/8 (p. A–27), *London Times* 11/9, *Philadelphia Inquirer* 11/9, et cetera.

[10] See especially *Washington Post*, January 5, 1974 and *Washington Star News*, January 6, 1974.

[11] *New York Times*, February 25, 1974.

[12] *Baltimore Sun*, January 3, 1974 and *New York Times*, January 14, 1974.

[13] *The Washington Post*, February 18, 1974.

[14] *The New York Times*, January 8, 1974, for example.

[15] *Los Angeles Times*, February 13, 1974.

[16] *Washington Star News*, February 10, 1974.

[17] House Committee on Appropriations, *Department of Defense Appropriations for 1974*, Part 1, p. 150.

[18] *New York Times*, January 6, 1974.

[19] *Washington Post*, June 4, 1973.

[20] *New York Times*, February 18 and 19, 1974.

[21] *New York Times*, February 25, 1974.

[22] American Security Council, "Vietnam Report: 'Not in Vain' ", February 26, 1974.

[23] *New York Times*, February 25, 1974.

[24] The quibble over whether there are 40,000 or 200,000 or some other number misses the point that there are more than none. The denials by RVN and American embassy authorities do not account for the malformed remnants of the lucky Vietnamese who crawl out (American POW's walked) of RVN prisons. An introduction to this topic is *Hostages of War*, available from the Indochina Mobile Education Project in Washington. Of course, not all prisoners are tortured, not all prisons are tiger cages, physical conditions have improved over the years, and public attention diminishes abuses. But the political nature and human results of the RVN judicial system are too well documented and too appalling to ignore, as the Senate Appropriations Committee report noted last December.

[25] Senate Committee on Armed Services, *FY 74 Authorization for Military Procurement*, Part 8, p. 5906.

APPENDIX A

[From the New York Times, Feb. 25, 1974]

VAST AID FROM UNITED STATES BACKS SAIGON IN CONTINUING WAR

(By David K. Shipler)

SAIGON, SOUTH VIETNAM, Feb. 16—Ray Harris of Ponca City, Okla, has come back to Vietnam. This time he is not behind the machine gun of an Army helicopter but behind a workbench at the Bien Hoa air base, sitting next to South Vietnamese Air Force men and repairing jet fighter engines.

Mr. Harris is a civilian now, safer and better paid. But his changed role in the continuing Vietnam war has scarcely diminished his importance, for as a 27-year-old jet engine mechanic he remains as vital to the South Vietnamese military as he was in 1966 as a 19-year-old helicopter gunner.

He is among 2,800 American civilians without whose skills South Vietnam's most sophisticated weapons would fall into disrepair. Employed by private companies under contract to the United States Defense Department, these men constitute one facet of a vast program of American military aid that continues to set the course of the war more than a year after the signing of the Paris peace agreements and the final withdrawal of American troops.

Whether the United States is breaking the letter of the agreements could probably be argued either way. But certainly the aid directly supports South Vietnamese violations and so breaks the spirit of the accords.

The United States, far from phasing out its military involvement in South Vietnam, has descended from a peak of warfare to a high plateau of substantial support, dispatching not only huge quantities of weapons and ammunition but also large numbers of American citizens who have become integral parts of the South Vietnamese supply, transport and intelligence systems.

These include not just the Vietnam-based mechanics and technicians but also the Pentagon-based generals who tour airfields to ascertain the needs of the South Vietnamese Air Force, the "liaison men" who reportedly give military advice from time to time, the civilian Defense Department employees who make two-to-three-week visits to provide highly specialized technical help, and the Central Intelligence Agency officials who continue to advise South Vietnam's national police on intelligence matters.

The total budgeted cost of military aid to South Vietnam is $813-million in this fiscal year, and the Pentagon has asked Congress for $1.45-billion next year, with most of the increase probably going for ammunition, which the South Vietnamese forces have expended at a high rate.

TRUE COST EVEN HIGHER

The true costs of the military support probably rise considerably above the official figures. Some of the aid for example, comes in through economic programs that dump millions in cash into the Saigon Government's defense budget. And other costs—salaries of Pentagon technicians who make special visits, for example—are hidden in the vast budgets of the United States Air Force, Army and Navy and are not labeled "Vietnam."

These valuable military goods and services have a sharp political impact. They are indispensable to the South Vietnamese Government's policy of resistance to any accommodation with the Communists, militarily. The extensive aid has enabled President Nguyen Van Thieu to take the offensive at times, launching intensive attacks with artillery and jet fighters against Vietcong-held territory.

Furthermore, the American-financed military shield has provided Mr. Thieu with the muscle to forestall a political settlement. He has rejected the Paris agreements' provision for general elections, in which the Communists would be given access to the press, permission to run candidates and freedom to rally support openly and without interference from the police.

VIETCONG MAINTAIN PRESSURE

Mr. Thieu has offered elections, but without the freedoms. The Vietcong, refusing to participate unless the freedoms are guaranteed, have maintained military pressure throughout the country, mostly with artillery and rocket attacks on Government outposts and, from time to time, with devastating ground assaults against Government-held positions.

United States intelligence officials contend that continuing American aerial reconnaissance, as well as prisoner interrogation and radio monitoring, shows that the North Vietnamese have sent thousands of troops and hundreds of tanks and artillery pieces south in violation of the Paris agreements. They have also refurbished a dozen captured airfields and built a large network of roads that threatened to cut South Vietnam in two.

Yet in battle the Communists appear more frugal with ammunition than the Government troops, who have been seen recently by Western correspondents spraying artillery across wide areas under Vietcong control as if there was no end to the supply of shells. This difference has bolstered the view of some diplomats that China and the Soviet Union, unwilling to support an all-out offensive now, have placed limits on the rate of resupply to Hanoi.

Amid the political stalemate then, the inconclusive war continues.

KEEPING JETS IN THE AIR

Ray Harris is at his workbench in the huge engine shop at the Bien Hoa air base just north of Saigon. He works for General Electric, which manufactures the jet engine that drives the Northrop F–5 fighter, the mainstay of Saigon's airforce.

He hunches over a circular fuser assembly, the last part of the engine before the afterburner. The assembly is invisibly cracked, and Mr. Harris is using a machine about the size of a dentist's drill to grind down the metal so the crack can be welded.

There are Americans everywhere in the shop, which is devoted to repairing and overhauling fighter and helicopter engines. There is virtually no workroom or machine or assembly line where Americans are anything less than essential parts of the process. Although a few are training Vietnamese to take over the work eventually, most are simply doing the work, especially the highly technical jobs, themselves.

The line where rebuilt jet engines are finally assembled, for example, looks more like a factory somewhere in the United States than a shop belonging to the Vietnamese Air Force. Eight of 10 Americans work on several engines, and not a Vietnamese is in sight.

There are 25 Vietnamese assigned here, a technician says with a shrug, but he adds, "I never see them."

OUTPUT IS KEPT HIGH

Ken Martin of G.E. is crouching with another American beside a jet engine that he has just assembled himself in four 12-hour days. Without the American technicians, he says, the shop could produce not more than 40 per cent of what it does. Another American asked what would happen if he and his colleagues pulled out, replied, "This would turn into a big Honda repair shop."

As self-serving and exaggerated as these assessments seem, they underscore the long-term military role that American civilians will have to play if the South Vietnamese are to have continued use of their complex weapons.

Without long training, mechanics in any modern air force probably could not match the skills of the American technicians, most of whom are not young Vietnam war veterans like Mr. Harris but seasoned experts who have been building and rebuilding engines for years on bases here and in the United States.

"Most of our people—this is the only work they've ever done," said Glenn Miller, the 47-year-old G.E. supervisor at the shop. Mr. Miller has 22 years' experience with the company, all on jet engines.

His men are so vital that they—and those working on helicopters for Lycoming Aircraft—were all placed on 12-hour shifts last month during the week before Tet, the Lunar New Year holiday. Their objective was to get as many aircraft flying as possible, Mr. Miller explained, to be ready for a Communist offensive.

$1,000 IN A LONG WEEK

Mr. Miller figures that with overtime and other bonuses, some of the men made $1,000 apiece that week.

High pay is cited by many of the civilians as the main reason for their choice of Vietnam as a place of work. After a year on the job G.E. employes get double their base salaries, bringing the average pay to $20,000 or more, plus $16 a day for food and lodging—an annual total in excess of $25,000.

Since living costs are low by American standards, and since the employees do not have to pay any Federal income tax on $20,000 a year if they are off American soil for at least 18 months, many say they save a good deal of money. Some add that the money has become a silent source of resentment among the Vietnamese Air Force men, who earn only $10 to $35 a month.

This, plus profound war-weariness, has made many Vietnamese men difficult to teach, the contractors say. "They are only kids, all of them—they don't want to be in the military to begin with," said Elmer Adams, a former United States Air Force man who works for Lycoming supervising helicopter repairs.

"It's a lack of desire," said a technician for Cessna Aircraft working at the Da Nang air base. "They've been under so much pressure for so long they just want peace. They're peace-minded."

CRITICISM OF AMERICANS

It was said sympathetically, and the Cessna man went on: "All they know is that Americans came over here and tore up their country, uprooted their villages and now they're looking for food."

Gilbert Walker, another technician, who asked that his company not be identified, observed: "The people I talk to in town care very little about the form of government they have. I guess I don't feel much difference. I don't feel too much admiration for the present Government."

In that case, he was asked, why is he helping the South Vietnamese carry on the war? "I work for my company and I try to keep the aircraft flying," he replied. "I'm working on helicopters, that's all I know. Sometimes I sit back and think, What's it all for, what's the good of it all? It seems like an exercise in futility, what I'm doing."

Futile or not, the Americans' work has carried some of them to positions of considerable authority in the South Vietnamese military supply system. The South Vietnamese still call many of them "co van," which means "advisers," and the American office at the Da Nang base has a big sign over the door that reads "Co Van."

The Americans often come to identify closely with their jobs, perhaps taking more responsibility than their contracts call for. In a revealing slip of the tongue, Mr. Adams of Lycoming looked around the Bien Hoa engine shop and remarked, "We're in the process, rather—of reorganizing the shop."

MANY STILL ON PAYROLL

The fact is that supply and transportation have remained an American operation. "We Vietnamized the fighting, but we never Vietnamized logistics," said a Defense Department official based in Saigon.

That is reportedly the principal reason the United States Defense Attache's Office—originally scheduled to be dismantled early this year—still contains about 1,150 people, of whom 50 are military men, according to official figures.

In addition, the reduction in the number of Americans working for private defense contractors has halted, allowing the figure to level off at approximately 2,800, down 2,200 since July, according to a spokesman for the Defense Attaché's office.

The logistics effort—provision of maintenance, ammunition, weapons, trucks, fuel, electronics parts and the like—is now the basis for the Americans' most pervasive and intimate contacts with the South Vietnamese military. Depending on how such terms as "military" and "advisers" are defined, there is evidence that the contacts occasionally cross into areas of relationship prohibited by the Paris agreements.

"The United States will not continue its military involvement or intervene in the internal affairs of South Vietnam," Article 4 of the cease-fire agreement declares.

TOTAL WITHDRAWAL

Article 5 says: "Within 60 days of the signing of this agreement, there will be a total withdrawal from South Vietnam of troops, military advisers and military personnel, including technical military personnel and military personnel associated with the pacification program, armaments, munitions and war material of the United States and those of the other foreign countries mentioned in Article 3(a). Advisers from the above-mentioned countries to all para-military organizations and the police force will also be withdrawn within the same period of time."

According to both American and South Vietnamese officials, the American civilians—both employes of private companies and those of the Defense Department—who help with supply activities not only see that the South Vietnamese get the equipment and ammunition they ask for but also advise them on what to ask for.

Some of these activities came to light as a result of the capture by the Chinese last month of a former United States Army Special Forces captain, Gerald E. Kosh, who was aboard a South Vietnamese naval vessel during a two-day battle with Chinese forces in the Paracel Islands, in the South China Sea.

Mr. Kosh, who was taken prisoner and later released, was described by a spokesman for the United States Embassy as a "liaison officer" with the South Vietnamese military whose job was to observe the efficiency of various army, navy and air force units and report to the Pentagon.

American officials steadfastly refused to provide further details of Mr. Kosh's job. They would not say exactly what he was supposed to observe or whether his reports were ultimately shared with the South Vietnamese. They did say that there were 12 such liaison men based in various parts of Vietnam.

EXTENT OF ROLE UNCLEAR

What is not clear is whether they confine their observations to such matters as the condition of equipment and the rate of ammunition expenditure, or whether they evaluate military tactics and strategies and go so far as to suggest alternatives.

What is fairly certain is that their reports end up in the hands of the South Vietnamese, perhaps providing indirect advice of one sort or another.

A South Vietnaese officer in a position to know said recently that normal procedure called for an American and a South Vietnamese to make an inspection or auditing tour of a military unit together. Then they write up their reports, sometimes separately, sometimes together. The reports, he said, are forwarded up the chain of command in the United States Defense Attache's Office, which then relays copies of them to Lieut. Gen. Dong Van Khuyen, head of the Logistic Command for the South Vietnamese Joint General Staff.

More direct overt advice is sometimes given by zealous Americans who are still stationed in every province. An embassy official reported recently that an American based in one province boasted to him about a successful military operation: "I told them to clear the Communists out of there."

Actually, South Vietnamese military men do not seem anxious for such guidance noting with some pain that their country has suffered for years under American advice. What they want from the United States is military aid.

SIX GENERALS PAY A VISIT

Clearly, the Pentagon continues to attach high priority to the success of the South Vietnamese military. Last fall a group of six Air Force generals based in the Pentagon visited the Da Nang air base to find out what equipment and aid were needed, according to the base commander, Lieut. Col. Nguyen Tan Dingh. He said they were scheduled to come again this month.

A few weeks ago two civilian employes of the Air Force—one based in Hawaii and the other in Texas—were flown to Vietnam for a short stay so they could give advice on the repair and upkeep of plants that manufacture oxygen for jet fighters. One said he had been in and out of Vietnam frequently on similar missions since 1964. the other since 1968.

Although the Paris agreements explicitly rule out advisers to the police force, the South Vietnamese National Police continue to receive regular advice from Americans.

In a recent conversation with this correspondent, two high-ranking officers said they and their staffs met frequently with the Saigon station chief of the C.I.A. and his staff. Sometimes, they said, the C.I.A. chief asks the police to gather intelligence for him, and often they meet to help each other analyze the data collected.

A police official confirmed that in some provinces "American liaison men" who work with the police remain on the job. "There are still some, but not so many," he said.

EPISODE IN POLICE STATION

Local policemen still refer to "American police advisers," according to James M. Markham, Saigon bureau chief of The New York Times, who was detained by the police late in January after a visit to a Vietcong-held area.

Mr. Markham said that in both Qui Nhon, where he was held overnight, and Phan Thiet, where he was detained briefly while being transferred to Saigon, policemen, talking among themselves, referred to the "police adviser." In Phan Thiet, he reported, a policeman was overheard saying, "Let's get the American police adviser over here."

In the last six weeks The New York Times has made repeated attempts to interview officials in the United States Agency for International Development who are responsible for American aid to the police. Although the officials appeared ready to discuss the subject, they were ordered by the United States Ambassador, Graham A. Martin, to say nothing.

In the absence of official United States figures, the best information on police aid came from Senator Edward M. Kennedy, who calculated that as of last June 30 the Agency for International Development and the Defense Department had spent $131.7-million over the years for police and prisons in South Vietnam. Despite a Congressional ban on such assistance enacted last December, such support has continued, according to American officials, but they say that no decision has yet been made on how to phase out the programs.

Section 112 of the new foreign aid bill reads: "None of the funds appropriated or made available pursuant to this act and no local currencies generated as a result of assistance furnished under this act may be used for the support of police or prison construction and administration within South Vietnam, for training, including computer training, of South Vietnamese with respect to police, criminal or prison matters, or for computers, or computer parts for use for South Vietnam with respect to police, criminal or prison matters."

TRAINING IN WASHINGTON

South Vietnamese policemen are reportedly still being trained at the International Police Academy in Washington, and technical contracts with private companies that provide computer services and communication equipment have not been terminated.

Senator Kennedy reported that the Nixon Administration had requested $869,000 for the current fiscal year for police computer training, $256,000 for direct training of policemen, $1.5-million for police communications and $8.8-million for police equipment, presumably weapons and ammunition, from the Defense Department.

Although these figures are not normally included in the totals for military aid, the police here have military functions, and engage in infiltration, arrest, interrogation and torture of Communists and political dissidents.

This activity violates the cease-fire agreement, which states in Article 11: "Immediately after the cease-fire, the two South Vietnamese parties will . . . prohibit all acts of reprisal and discrimination against individuals or organizations that have collaborated with one side or the other, insure . . . that freedom of organization, freedom of political activities, freedom of belief."

INTERVIEWS ARE REFUSED

Not only has Ambassador Martin ordered American officials to remain silent on the subjects of military and police aid; both he and the Defense Attaché, Maj. Gen. John E. Murray, refused requests by The New York Times for interviews. Furthermore, the embassy told at least two private companies—Lear-Siegler, which employs a large force of aircraft mechanics here, and Computer Science Corporation, which works on military and police computer systems—to say nothing publicly about their work, according to company executives.

The official nervousness is attributed by an embassy employe to the Nixon Administration's apprehension about the inclination of Congress to cut aid to South Vietnam. The Ambassador has reportedly told several non-Government visitors recently that South Vietnam is in a crucial period and that he sees his role as unyielding support to build up and preserve a non-Communist regime.

He is reported to have pressed Washington to provide new weapons for Saigon to counteract the infiltration of troops, tanks and artillery from North Vietnam since the ceasefire. For example, plans have been made for the delivery of F–5E fighter planes to replace the slower, less maneuverable and less heavily armed F–5's, many of which were rushed to South Vietnam in the weeks before the cease-fire.

VIOLATION IS CHARGED

Privately, officers in the International Commission of Control and Supervision scoff at the American contention that supply of the planes does not violate the Paris agreements, which permit only one-for-one replacement of weapons "of the same characteristics and properties." A high-ranking official of one of the non-Communist delegations, asked recently if he thought the United States was faithfully observing the one-for-one rule, replied, "Of course not."

There is nothing the commission can do about it without permission from both the South Vietnamese Government and the Vietcong to investigate, and permission is unlikely to be forthcoming from the Saigon side. Similarly, the commission has been unable to audit other incoming weapons and ammunition for both sides. During the first year after the cease-fire, the United States provided South Vietnam with $5.4-million worth of ammunition a week, apparently unaccompanied by pressure to restrain military activities.

Several weeks ago Elbridge Durbrow, who was Ambassador to South Vietnam from 1957 to 1961, came to Saigon and met with Ambassador Martin and General Murray. Mr. Durbrow, who denounced the Paris agreements and who declares, "I am a domino-theory man," was asked by newsmen whether the American officials had indicated that they were trying to keep South Vietnam from violating the cease-fire.

"Not from anybody did we hear that," he replied. Then, referring to General Murray, he said: "He's not that kind of man at all—just the opposite. If you are not going to defend yourself you might as well give up and let Hanoi take over."

THE NEED FOR CONGRESSIONAL ACTION FOR PEACE IN INDOCHINA

(Statement of Fred Branfman, Co-director of the Indochina Resource Center, before the Asia and Pacific Affairs Subcommittee, House of Representatives, May 1, 1974)

KEY POINTS

1. The Administration has quietly violated congressional intent to cut economic aid to Indochina in FY 1974. The original Administration request was for $827.8 million. Congress cut this back to under $700 million. By the end of FY 74, however, the Administration has wound up allocating $1.1 billion in economic aid to Indochina. (See Table 1.)

2. The Administration allocated a total of $3.2 billion in FY 74 for Indochina, almost as much money as was allocated for specific countries in the rest of the Third World combined. This figure, for example, is 6 times what went to Africa and Latin America combined for economic aid. This was part of the Administration's continuing commitment to combatting local insurgencies, despite a clear public and congressional mandate for non-interventionism in such insurgencies.

3. This Administration commitment to counter-insurgency is inflicting unacceptable costs on the people of Indochina—more war victims in 1973 than the rest of the world put together; and it is a disturbing sign of the lack of Administration concern for its own citizens, as well as others in serious need. Food For Peace shipments to Indochina were increased by $300 million in FY 74, for example, while hundreds of thousands starved in Sahel. (See Parts III and IV)

4. Congress must "Pause for Peace" by suspending aid pending progress towards political solutions, or at least substantially reduce what are greatly increased Administration requests for FY 1975. Military and "Indochina Postwar Reconstruction" requests have jumped 45%. (p. 19). FY 74 total spending saw only .03% actually going toward "humanitarian", "reconstruction", or "development" projects. The FY 74 budget, therefore, was a war budget—caused by the structural unviability of the GVN and Lon Nol regimes. Administration claims that U.S. aid will allow them to "stand on their own" are myths.

I. INTRODUCTION—CONGRESS AND THE LESSONS OF VIETNAM

As Congress considers this year's giant $3.7 billion Administration request for U.S. expenditures in Indochina, (see table 1), it will be deciding far more than simply the nature of our Indochina involvement. During the 1960s, millions of Americans turned against the war—in the streets, at the ballot box, in the army. Congress, however belatedly, finally responded to this mandate for peace from the American people.

Powerful congressional opposition to the B52 carpet bombing of urban centers in Christmas 1972 helped force the Administration to sign the Paris Agreement. Congress halted the bombing of Cambodia on August 15, 1973, and passed legislation aimed at ending U.S. support for South Vietnamese police and prisons on December 19, 1973. And last month, it took the historic step of rejecting an Administration proposal for $474 million in supplemental military aid for Indochina.

These congressional actions have saved countless Vietnamese, Cambodian and Laotian lives; made billions of dollars available for urgent domestic and humanitarian international needs; reversed what seemed like lock-step progress toward Presidential Dictatorship; and, in a subtle and not yet fully understood way, these congressional actions have begun to restore the spiritual health of a nation torn apart by our Indochina involvement.

By so doing, Congress clearly embarked on new path, away from Global Policemanship, away from silent and willing partnership in a Presidential Dictatorship, away from war and towards peace. If this process is to be continued during the 1970s, Congress cannot continue to assent this FY1975 to the same kind of covert Executive involvement that got us involved in Indochina in the first place.

The Nixon Administration has in the past year, however, quietly been subverting this public and congressional mandate for peace in Indochina. Intervening covertly as in the early 1960s, the Administration has initiated a spiral which will bring ever-increasing U.S. escalation unless Congress acts.

During FY 1974, the Administration expended $2.53 bilion in Indochina, only 7% of which was designated for "humanitarian", or "reconstruction"+"development" programs. The remaining 93% went to prop up military regimes which are unwilling to bring peace to their countries. The Thieu government in South Vietnam, for example, has refused all offers by the other side to negotiate a standstill ceasefire, allow democratic liberties, and form a National Council of National Reconciliation and Concern to help plan elections. As a result, over 75,000 were killed in Indochina last year, 125,000 were wounded, and 1 million made homeless—more war victims than in the rest of the world put together, including the Middle East (see table 2).

The Administration's FY 1975 program, moreover, offers even more of the same. Its proposed FY '75 military and economic aid requests, total $3.28 billion—or 27% more than what was allocated last year.

Once more, over 90% of this aid is destined neither for reconstruction nor humanitarian needs, but for the maintenance of the war machines in Cambodia and South Vietnam.

And, the Administration's FY 75 program offers even more disturbing visions for FY 76 and beyond. If General Thieu continues to refuse to allow his opponents to participate in the political process outlined by the Paris Agreement, for example, there is every reason to believe that they will feel no choice but to launch an offensive. And what then? Are we to give even more billions to Mr. Thieu in an attempt to repel such an offensive? Is the 200th anniversary of this country to find us convulsed in a national debate over a Presidential attempt to renew U.S. bombing to save Thieu? And even if U.S. bombing is renewed, what reason is there to believe that it will "succeed" next time?

Clearly, this fiscal year 1975 provides Congress with a historic opportunity to ensure that our aid is no longer used for war in Indochina, that the hesitant progress made towards halting our global interventionism be continued.

Congress can achieve these goals by only appropriating aid for Indochina in the letter and spirit of the Paris Agreement. Two means offer progress toward these goals:

(1) *A pause for Peace:* Congress could suspend all non-humanitarian and non-developmental aid to either side in Indochina until governing bodies emerge which reflect the political realities of the situation. In South Vietnam, this would mean waiting until the political machinery outlined by the Paris Agreement was set into motion, and a newly-formed National Council of National Reconciliation and Concord had gotten off the ground. In Cambodia, this would mean withdrawing from what overwhelming evidence indicates is now a war only among Cambodians, and allowing the Cambodian parties to evolve whatever form of government they will. In Laos, it means absolutely halting all U.S. economic and military inputs which are not approved by all of the parties which have just entered a fragile coalition.

This alternative, we believe, would lead to a major change for peace on the part of all parties concerned within a matter of weeks and would, in the end, result in far less suffering and disruption than any other alternative.

(2) *A substantial reduction in non-humanitarian aid:* although less likely to bring peace quickly to Indochina, this alternative would also reduce the level of violence and generate pressures on all sides for peace.

It has been contended that such a suspension in aid—or even the more moderate step of a substantial reduction—would deliver South Vietnam "bound hand and foot to the Communists".

It is our contention, however, that present Administration policies can do nothing to prevent such an outcome—and, indeed, are quite likely to produce victory for the guerrillas in any event. All that present Administration programs mean is that there will be millions more war victims, billions more dollars denied people in need, before Indochinese guerrillas eventually seize power militarily because they were outlawed from competing politically.

A suspension or substantial reduction in American aid, such as we are proposing, offers the only hope of moving the conflict away from the military and toward the political arena. The present GVN administration—or a successor—should have no trouble competing politically, if it enjoys the popular support its advocates claim. Nor would it necessarily be precluded from picking up the gun once again, if it turned out that its opponents were not willing to compete politically. Under the Paris Agreement, moreover, Third Force elements would be accorded an important "balancing" role in the political play of forces between right and left.

Under the circumstances, then, Congressional aid designed in accordance with the Paris Agreement offers far less chance of a complete PRG takeover than present Administration policy. And, in Cambodia, a serious American attempt to move the conflict into the political arena offers the only possibility that moderate elements in the Lon Nol cabinet can avoid the complete eclipse an all-out Khmer Rouge military victory could bring.

Congress clearly has a public mandate for such policies. The Administration can point to no substantial group of Americans which supports an admitted expenditure of $3.7 billion and hidden expenditures totalling many billions more—to continue our futile attempts to impose unpopular military regimes on the people of Indochina. Millions of Americans, however, support the notion that the people of Indochina should be allowed to determine their own affairs; the Paris Agreement provides just such a vehicle for this occurring.

This year could be remembered as the year that Congress finally regained its rightful say in making foreign policy; a year which future Americans would remember as the one in which the Presidential Dictatorship over our country's destinies was significantly altered; in which this country began the slow, painful, and long process of turning to peace and healing throughout the world.

If 1976 is to be a year of rebirth, however, Congress must re-cast any U.S. aid requests to Indochina into a form that will bring peace. It can happen . . . this year. It is up to Congress to act.

II. U.S. INVOLVEMENT IN INDOCHINA—THE GEOPOLITICAL CONTEXT

Before turning to the specifics of U.S. expenditures for Indochina this fiscal year, it is important to remember the overall context in which the Administration is presenting them.

The key issue which Vietnam has symbolized for many is whether the U.S. should intervene to put down wars of national liberation in the Third World. Most Americans have by now decided we should not—for moral or practical reasons, or a combination of both.

The Administration, however, has reached just the opposite conclusion. It is as committed to U.S. intervention to put down local insurgencies in 1974 as was the U.S. presidential branch 30 years ago—and particularly in the East Asia and Pacific region that we are discussing today.

This is why the Administration has stationed more U.S. troops in the East Asia and Pacific region today than in 1964. We have today 173,000 troops stationed from Guam to Thailand, compared to 156,000 in 1964. (Another 33,000 naval troops are afloat in the Pacific.)

This is why 7 disguised and admitted military dictatorships in the East Asia and Pacific regions receive more Administration aid than the rest of the world put together. In its original FY 1974 budget presentation to Congress, for example, the Administration specifically allocated $3.863 billion for South Vietnam, Laos, Thailand, the Philippines, Indonesia, and South Korea. By contrast $2.13 billion was specifically allocated for military and economy aid to 97 other countries in the Third World. Put another way, two-thirds of the Administration's aid world-wide was destined for 7 nations having a population comprising but 10% of the Third World's population.

And this is why the Administration has in FY 1974 allocated so much money to South Vietnam and Cambodia's military regimes, while millions went hungry around the globe:

In FY 1974, for example, the Thieu government received $878 million in economic inputs (see table 2). This money that went into the tiny land of South Vietnam, a nation of 18 million, was 50% more than what the U.S. gave to all of Africa and Latin America combined, two continents with 534 million people ($500 million).

Also in FY 1974, tens of millions starved and many died from hunger, in the Sahel and Ethiopia. AID contributed some $130 million in food and non-food emergency assistance, as of February 4, 1974. The Administration, however, has targeted nearly 30 times as much money for Indochina, money which is designed to fight a counter-insurgency.

Particularly reprehensible was an extra $300 million in Food for Peace money which the Administration added to its original requests for Cambodia and South Vietnam—to compensate for cuts made in economic aid by Congress. The Administration clearly had a choice between using that $300 million worth of food to shore up military dictatorships in Indochina or to feed starving millions in the Sahel. It chose the former.

This commitment to Global Policing, finally, is why the Administration transferred economic aid money from nations all over the world to Indochina, where such money is designed to help in the counterinsurgent effort. A recent chart supplied to Congress by AID administrator Parker, for example, shows the differences between AID original proposals for economic aid for FY 1974, and their final allocations, in 18 selected countries plus the continent of Africa. The Administration has reduced aid to nations where millions go hungry precipitously—aid to Bangladesh was down 41%, to India down 56%, to Pakistan down 40%, to Africa down 6%. Aid to Vietnam was listed as increasing 10% (our estimate is 34%, see Table 1); however, aid to Cambodia was listed as increasing 273% and aid to Thailand was up 16%. (Source: Hearings

Before House Approp. Comm., Part II, on Second Supplemental Appropriation Bill, 1974, pp. 877–880)

It has been argued that detente has made such counter-insurgency efforts obsolete. There is little evidence to support this point of view, however. The only Third World "success" the Administration has been able to point to as a result of detente has been its ability to carpet-bomb Hanoi and blockade Haiphong Harbor wihout the Soviet Union or China intervening in response. Besides noting that not initiating World War III due to saturation bombing of a tiny far-off land is a curious measure of success, we should point out that there is no reason to believe that things would have worked out any differently without detente.

More to the point, however, the importance of support from the Soviet Union or China during the early stages of insurgency has always been highly exaggerated. As the Pentagon Papers make clear, such support was almost nonexistent in the very beginning in South Vietnam. And even at the height of the war, only 3% of the military expenditures by all three super-powers in Indochina were those of the Soviet bloc and the Chinese (see Table 3). Furthermore, of course, there have been no signs whatsoever that the Soviet Union and China have decided to eliminate the relatively minor aid they give local insurgencies—or why they should or would.

The Administration's massive and continuing commitment to counter-insurgency in the 1970's was particularly brought home to me during a visit to Thailand in the spring and summer of last year.

While in Thailand, I interviewed a large number of American officials, including a member of the U.S. counter-insurgency board, a member of the U.S. Embassy political-military sections and members of private U.S.-supported counter-insurgent think-tanks.

I discovered that these officials also feel that Vietnam was a "mistake", that to a man they deride publicly the President's notion that we have extricated ourselves through "Peace with Honor".

But I also discovered, to my dismay, that our failure in Vietnam has not led them to draw the conclusions drawn by most Americans: that we should get out. The only lesson they seem to have drawn is quite the opposite: that we should have gotten in sooner. Time and again I was told that while our cause was just in Vietnam, our means appropriate, we had intervened too late. It was absolutely essential to "get them before they build up", I was told.

Which is precisely what the Nixon Administration is trying to do in Thailand. Unknown to most Senators and Representatives, not to mention the American people, the U.S. Mission in Thailand has recently embarked on an ambitious new counter-insurgency program in Thailand. I was told by an official in the "Pol-Mil" section that it would be modeled after the "Regional Forces" and "Popular Forces" concept in South Vietnam, and involved deploying district and province-level "reaction" forces throughout Northeast Thailand. It would be much smaller than in South Vietnam, this official told me, involving only several million dollars and several thousand men. Other Americans told me, however, that this program was not at all modeled after the RF–RF program, but rather the infamous Phoenix program. Assassination of civilians thought to be working for the other side, selective terror, programs for issuing ID cards to all adults linked to computerized bio-dossiers, and mass arrests—based on quotas—had already been tried out on an experimental basis, I was told.

At this point, I have no way of knowing which source was correct, i.e. whether U.S. officials in Thailand have launched new counter-insurgency programs modeled after the RF or Phoenix programs.

I do know, however, that they are committed to such counter-insurgency efforts—as are their counterparts from Indonesia to Indochina to the Philippines.

What we are seeing today in the East Asia and Pacific region is an Orwellian vision come true, as the leaders of our Executive branch engage in the deadly serious business of mass assassination, mass incarceration, and mass labelling of human beings in a Pacific basin region inhabited by several hundred million people.

There is no more reason to believe it will succeed than did similar visions of totalitarian control held by American leaders in Vietnam during the early 1960's.

And I know that, just as in the 1960's, Administration commitment to counter-insurgency in the East Asia and Pacific region is inflicting unacceptable costs on Asians and Americans alike.

III. COSTS TO THE INDOCHINESE

At the end of his request for Indochina funds during his Foreign Aid message last week, the President of the United States said that "the investment I am now seeking (is) an investment to sustain the peace, to overcome the human suffering resulting from the war."

This statement is beyond comprehension. We have already pointed out that official figures reveal that more than 1.5 million war victims were created this past year.

To this number of newly killed, newly wounded and newly refugeed last year, moreover, must be added:

Several million refugees living in marginal, undeveloped areas to whom the GVN has denied the right to return to the villages of their birth.

Tens of thousands of political prisoners who remain in prison despite the Paris Agreement, and the thousands more who have been arrested, tortured, imprisoned without trial since the ceasefire was signed.

Thousands of people who are suffering and dying from lack of medicine or an adequate diet—in the cities, in the refugee camps, in the villages.

If Congress does not substantially alter the Administration's aid request, one can assume that casualty figures will be at least as high one year from today as during the past year.

That is, Congressional acquiescence to the President's aid request will guarantee at least 50,000 corpses among people who are now alive, in the coming year. At least twice as many will be wounded. And hundreds of thousands—in Cambodia, in South Vietnam—will lose their homes.

For President Nixon to claim that his aid bill is designed to "overcome human suffering" goes beyond mere duplicity, and enters into a realm of Orwellian doublespeak beyond my understanding.

I know that to accept this statement, however, is to acquiesce in a monstrous lie; one which continues to threaten the lives of all Vietnamese and Cambodians, not merely the war victims enumerated above.

IV. COSTS FOR THE AMERICAN PEOPLE

The costs to the American people of continuing Executive involvement in Indochina are no less real, though perhaps less evident.

I need not tell U.S. Representatives what $3.7 billion could do this fiscal year for millions of the ill, aged, infirm, young and deprived in this society. The following examples, however, may make clearer a larger point:

The chairman of this committee, for example, has noted the distressing plight of hospital workers around the country, earning woefully inadequate salaries. Ten thousand workers could have their annual wages raised by over 25% for the $10 million the Administration is proposing to spend each day in the coming fiscal year.

During fiscal year 1975, the Nixon Administration has reduced federal funding of medical research into diabetes, kidney disease, aging, sudden infant death, glaucoma and cystic fibrosis from $82.4 million allocated in FY 74 to a proposed $74.8 million in FY 1975. These diseases affect the lives of well over 15 million Americans, with the U.S. ranking today 16th in infant mortality. The Administration's proposed saving of $7.6 million will be expended before the next 24 hours are up in Vietnam.

Another serious example is "Public Service Employment", a program which allows tens of thousands of Americans to engage in useful constructive work during periods of temporary unemployment. In FY 1974, approximately $1.25 billion was allocated to these programs. This year, however, while the Nixon Administration is proposing spending $3.7 billion in Indochina, it has reduced its FY 1975 Public Service Employment Program by 1 billion to a mere $250 million.

And, although the Nixon Administration sent well over a million men off to fight in Vietnam, it has not yet been able to provide them with adequate living benefits on their return. Recently, the Senate Committee on Veterans Affairs proposed raising GI benefits from $220 a month to $270 a month, a move which would affect the lives of 1,630,000 veterans in the first year alone. The Nixon Administration is opposing this program. Its cost? In FY 1975, it would come to $554 million, about the cost of 1½ months fighting in Indochina. The total cost of the program, over a five year period, comes to about $2.272 billion—about 60% of what the Administration proposes spending in the next year alone in Indochina.

And, we may remember the dismemberment of programs reaching tens of millions of Americans carried out by the Nixon Administration on January 29, 1973 when it unveiled its FY 1974 budget. Proposed savings by abolishing the Office of Economic Opportunity—an agency which had helped millions of poor people in its decade of existence—were $62 million in FY 1973, $328 million in FY 1974, and $390 million in FY 1975. In other words, in order to save $780 million over a three year period, the Administration chose to abolish OEO. Meanwhile, however, it spent four times that sum last year alone for war in Indochina.

Finally, indeed, we may note the fact that virtually all of the programs abolished by the Administration in the fields of social welfare, job opportunities, health and education, resulted in a saving of far less than the $3.7 billion proposed by the Administration for this year's FY 1975 budget. For example, last year's $3.2 billion of Indochina spending was $600 million more than the $2.6 billion the Administration expected to save in FY 1974 by terminating OEO ($328 million), phasing out the Economic Development Administration ($35 million), eliminating soil and water programs ($258 million), terminating rural water systems and waste disposal grants ($100 million), suspending new housing program ($305 million), phasing down of the Emergency Employment Assistance Program ($670 million), cutting back Old Age Survivors and Disability Insurance ($310 million), manpower training programs ($354 million), federal student loans ($264 million) and student subsidies ($119 million).

I bring up these examples not because I think that foreign policy objectives can always be weighed against domestic needs so directly. There are indeed cases where it may make more sense to send money abroad.

than to use it to help our own citizens at home. This year, for example, when there are millions starving in the Sahel and India, flood and storm victims from Pakistan to Nicaragua, a cogent case can be made that such cases deserve urgent priority. And there is also, to be sure, a very strong case for reconstruction and rehabilitation in Indochina.

I bring up these examples of what our Indochina experience is costing the American people, however, because the Administration is doing none of these things. Not only is it not aiding the starving and sick of the earth anything like it might; not only is it not meeting humanitarian and development needs in Indochina; but it even denies its own citizens badly-needed billions, only to take this money for use in killing, maiming and torturing abroad.

I have already in testimony before this committee attempted to describe the kind of mentality, shared by the highest Executive leaders in this land, which I saw in Indochina: a mentality which reduced human beings to numbers, numbers to be tracked, jailed and broken if deemed necessary.

My testimony today reveals the other side of the coin. Not only has this mentality created one of the most sophisticated police-states in the world today abroad, but to achieve this the Administration has begun the process of reducing its own citizens to mere objects, to be manipulated and deprived as well.

I do not think it is necessary for me here to elaborate on the indecency, inhumanity and wretchedness of the present occupants of the Executive branch in following such a policy.

But I feel I must stress again that this question of U.S. aid to Indochina goes beyond mere outrage or shock. It is an issue which directly threatens every man, woman and child in this country, an issue that will in the end determine whether this is a country to be ruled by its people, and, however imperfect, their representatives in Congress; or whether policy will continue to be made by a tiny group of war-makers who turn ever-more to deception, as their foreign policy runs ever-more counter to American ideals and values.

The cost of our continuing involvement in Indochina to the people of this country, in a word, is not to be measured merely in financial terms.

What is at stake is no more or less than the spiritual and moral health of this nation.

To understand this point, we may now turn to a consideration in detail of the Administration's FY 1975 aid request.

For only through a microscopic look at this gigantic demand can we see how duplicitous, how indifferent to human needs, and how war-like our Executive branch has become.

I daresay there is no other administration in the world today which would dare to present a budget over 90% of which is designed for war, and call it a budget for "reconstruction". I know there has never been a time in the history of this country when the American Executive has been so contemptuous of its people and Congress: unilaterally allotting money in direct violation of congressional intent, advancing the crudest sort of propaganda to support its position. The Administration has resorted to the most transparent subterfuge simply to mulct their FY 1975 appropriation out of Congress.

"A nation divided among itself cannot stand," said the President during America's first civil war. The cost to Americans of our continued involvement in Indochina will be continued division during this present, rather quiescent phase, of what has become our second civil war.

V. THE ADMINISTRATION'S PROGRAM FOR UNENDING WAR—PRESENTED AS A PLAN FOR PEACE

Realizing public and congressional sentiment for peace and against U.S. involvement, the Administration has sought to present its program to Congress as one designed to heal, rebuild, and bring peace. In fact, however, U.S. aid programs are doing precisely the opposite.

What is more important, moreover, is that there is no end in sight. Henry Kissinger implicitly admitted this recently, when he wrote to Senator Kennedy on March 25, 1974, that "we believe it is important that we continue our support as long as it is needed."

This shockingly open-ended commitment to involvement in Indochina, one year after Mr. Kissinger had negotiated an agreement committing the U.S. to ending its involvement, is sufficient cause for alarm.

When it is realized however, that there is no possibility that pro-U.S. military regimes will ever be able to stand alone, Mr. Kissinger's statement is revealed as nothing less than a commitment to American involvement for decades to come—with the cost of this involvement, moreover, steadily rising.

1. The fiscal year 1974 presentation: War presented as "rehabilitation" and "reconstruction"

One year ago today, for example, the President of the United States went before Congress to present his FY 1974 foreign aid proposals, and stated:

"The signing of the ceasefire agreements . . . will permit us to turn our attention to the considerable post-war needs of Southeast Asia . . . The legislation I am presenting today . . . would provide a sound beginning of the process of reconstruction and rehabilitation there."

In fact, however, only 4% of the Indochina Aid that President Nixon proposed for FY 1974 was actually designated for "reconstruction and rehabilitation" or "development" ($121.4 million out of $2.9 billion—See Table 3). And only another 4% was even termed "humanitarian" ($107.4 million out of $2.9 billion).

Ninety-two percent of the Administration-requested funds for FY 1974 were meant to continue the war—both military funds, which were 72% of the total, and "economic" and "Food for Peace" funds, which were indirectly war-related.

Even more importantly, the Administration's aid programs went to feed our narrow-based war machines in South Vietnam and Cambodia, which offered no hopes of peace.

In South Vietnam, President Nixon had announced on January 23, 1973—even befor he had signed the Agreement—that his Administration would continue to recognize the Thieu Administration as the "sole" and "legitimate" government of the Republic of Vietnam. In elaborating on this, Henry Kissinger explained that the U.S. would continue to recognize the GVN "with its constitutional structure intact".

This not only directly violates the Paris Agreement—which establishes that there are "two parties" exercising sovereignty only over their respective zones of control, and that neither held sovereignty over the Republic of Vietnam until both—together with a "third segment"—met together in a National Council of National Reconciliation and Concord to hold elections.

But the Nixon-Kissinger announcement of their recognition of the GVN as the "sole, legitimate" government of the Republic of Vietnam, also ruled out any serious chance for peace. For the Thieu government's constitution, left structurally "intact", outlaws the PRG from peaceful political competition. By committing itself solely to the Thieu regime, the Administration also ensured no hope for a political settlement because of the nature of that regime. The GVN would hardly favor allowing the refugees to return to PRG-controlled villages, emptying its prisons of its tens of thousands of political prisoners, or allowing popular Third Force leaders to have the freedoms guaranteed them by the Paris Agreement, as long as it could count on an Administration lavishly supplying aid with no conditions.

And the situation in Cambodia is even less amenable to a political solution. In throwing its weight behind the Lon Nol regime, the Administration has managed to produce one of the most unpopular, ineffectual, corrupt, and comic-operaish regimes in modern history.

Visiting Cambodia last year after the ceasefire, I not only failed to find any Cambodians supporting the Lon Nol regime. I was also told by high-ranking officials in the American embassy in Phnom Penh that Lon Nol had lost even the support of the few groups—students and intellectuals—who had supported him at the time of the 1970 takeover.

More moderate elements within the Phnom Penh regime have made no secret of their distaste for Lon Nol—and he in turn has systematically excluded them from power. The latest casualty was Premier In Tam, who had spoken vaguely of negotiations.

The result is that the Administration has found itself in a no-win situation in Cambodia, spending hundreds of millions annually to prosecute a war which cannot be won.

2. Fiscal year 1974 implementation: Administration covertly increases economic aid 34 per cent

Last year, Congress clearly showed its desire to *reduce* our involvement in Indochina by cutting the Administration's request for Indochina Postwar Reconstruction from $632 million to $450 million.

Through a variety of subterfuges, however, the Administration succeeded not only in restoring the cuts, but in actually spending nearly twice as much for economic aid to Indochina as the Congress had originally intended.

The main means the Administration used for this subversion of Congress was taking money from world-wide Food for Peace allocations and channeling it into Indochina. Since Congress has until now only set world-wide levels, such Administration subterfuge was possible.

Food for Peace for South Vietnam shot up from an original request of $176.4 million to $309 million, and for Cambodia from $30.9 million to $194.2 million.

In addition, the Administration pushed through two "loans" to South Vietnam totalling $110 million, and "supplemental" economic aid of $49 million.

The result is that the Administration proposed a total of $840.8 million in economic aid to Indochina as of the spring of 1973; Congress reduced this figure to about $700 million ($450 for "postwar reconstruction", $50 million "development loan", $208.8 "Food for Peace") by Christmas 1973.

The Administration then proceeded to restore all cuts—and then go beyond even its original request, winding up at $1.1 billion.

This $1.1 billion, moreover, is used almost entirely for war-related programs and has no impact whatsoever on the reconstruction or human needs of Indochina. Almost half of this money, for example, is for "Food for Peace". "Food for Peace" is imported in South Vietnam and Cambodia by local importers, who pay local currency to the GVN and Lon Nol governments. The Administration has used 100% of these funds in South Vietnam, and 80% in Cambodia, for "common defense" needs, i.e. war.

Most of the remaining money—for the

commodity import programs, "technical support" programs, etc.—is similarly used to support the war. They are designed to provide the minimal economic backing necessary for the Thieu and Lon Nol regimes to survive, with much of the local currency generated by the CIP and other programs also finding its way into the budgets of the army, airforce and police.

3, Fiscal year 1974 implementation: Humanitarian and reconstruction funds reduced

Despite the fact that the "economic" aid has risen, moreover, the actual FY 1974 funds devoted to humanitarian or reconstruction needs has actually fallen. Total funds requested for "humanitarian, reconstruction and development" programs in the FY 1974 original presentation amounted to $228.8 million. At this writing, however, we have found that the Administration has allocated only $172 million for what is termed "development", "humanitarian", and "reconstruction".

And even this minuscule amount of aid contains a massive deception of Congress. Of the $96.4 allocated for "humanitarian" needs, some $75 million went to "refugee relief." Much of this money pays for "refugee resettlement" which, as former U.S. AID officials Edward Blook and Leon Van Wagoner, as well as the U.S. Senate Subcommittee on Refugees, have recently pointed out, is not humanitarian at all. Rather U.S. and GVN officials have denied refugees the "freedom of movement" guaranteed them under Article 11 of the Paris Agreement, by refusing to allow them to return to the villages of their birth and instead resettling them in marginal areas, often without water and decent farming land, so as to claim this land for "strategic reasons."

Of a total of $3.2 billion appropriated by Congress in FY 1974 for Indochina-related expenses, then, only $96 million, or .03% has actually gone to meet the humanitarian and reconstruction needs of the people. The rest has gone—directly or indirectly—for more war.

4. Requests for increased fiscal year 1975 aid: Four administration myths

Since FY 1974 aid was not designed either to meet the human needs of the people of Vietnam, nor to lead to a political solution, it is not surprising that the Administration's FY 1975 aid requests far exceed FY 1974 allocations.

Just one week ago, on April 24, the President unveiled his FY 1975 budget proposal for Indochina. This year, this section of the President's Foreign Aid speech was entitled "Toward Reconstruction of Indochina". In it, the President requested $939.8 million for "Postwar Reconstruction", more than double last year's $450 million allocation.

Other Administration documents reveal, moreover, that the President intends to ask for $2.1 billion in military aid for FY 1975, an increase of 42% over last year's military appropriations.

The only major category which did not jump up spectacularly for FY 1975 was the Administration's "Food for Peace" request, which was only $260 million, about half of the FY 1974 allocation. Last year at this time, however, the Administration only requested $208.8 million for "Food for Peace." Since it eventually grew to $507 million, there is no doubt that this year's request could grow similarly over the next 12 months.

Depending on one's measure, therefore, the FY 1975 Administration request represents an increase over FY 1974 allocations of varying degrees:

1. Overall, the jump is from $3.2 billion in FY 1974 to a requested $3.7 billion in FY 1975—an increase of 16%.

2. Total economic and military inputs into the three countries of Indochina have increased 30%, from $2.5 billion to a requested $3.2 billion.

3. The most real measure of the increase, however, comes from ignoring the preliminary "Food for Peace" estimates for FY 1975. Comparing "Indochina Postwar Reconstruction Aid" funds, with "Military Assistance Service Fund" and "Military Assistance Program" funds, we find an increase from $2.08 billion to $3.02 billion, a jump of 45%.

This large increase in requested FY 1975 aid has resulted entirely from the weakness of the Administration position in Indochina. Unable to triumph militarily, but unwilling to try and compete politically for fear of losing, the Administration is doing little more right now than simply more of the same.

Unable to admit this to the American people and Congress—and perhaps to themselves—however, Administration officials have instead attempted to present this year's aid requests in the best possible light. The essence of their position is that if these aid requests are passed, they will both give the GVN and Lon Nol government a "fair chance" against the weapons supplied the other side by the Soviet Union and China, and also make them economically and militarily viable so that they will not demand American aid 3 or 4 years from now.

Unfortunately, such arguments by the Administration are little but myths.

Myth (1). Administration Programs are made necessary by our "commitments" under the Paris Agreements. On March 25, 1974, Henry Kissinger wrote to Senator Kennedy that "as a signator of the Paris Agreement . . . the United States committed itself to strengthening the conditions which made the ceasefire possible . . . with these commitments in mind, we continue to provide the Republic of Vietnam with the means necessary for its self-defense and its economic viability."

The American people have been given many reasons in public for our involvement in Vietnam over the years: there was the domino theory, the Gulf of Tonkin, the SEATO treaty, the "Yellow Peril" scare, and the ever-popular "commitment to allowing the Vietnamese people the right of self-determination."

In fact, as the Pentagon Papers reveal, all of these public rationales were mere sugar-coating for what former Assistant Secretary of Defense John McNaughton described as 70 per cent of our goal: "To avoid a humiliating defeat (to our reputation as a guarantor)." McNaughton also stated that only "10%" of our "aims" were to "permit the people of SVN to enjoy a better, freer way of life."

Of all the previous untruths, however, none is more absurd than Mr. Kissinger's. The notion that the Paris Agreement serves as a rationale for our continued intervention is plainly untrue.

Article 1 of the Paris Agreement states that 'The United States . . . respect(s) the independence, sovereignty, unity, and territorial integrity of Vietnam." By signing this, the Administration conceded on the crucial point of debate over the years: Vietnam is one country, by definition wrought by a civil war. Continuing U.S. involvement in Vietnam, therefore, constitutes blatant intervention in a civil war, one recognized by international law and common sense to be illegal.

If there was any doubt on this question, moreover, Article 4 of the Paris Agreement removes it. Article 4 states that "The United States will not continue its military involvement or intervene in the internal affairs of South Vietnam." In signing the Agreement, therefore, the Administration was making a solemn commitment to end our involvement—military, political and economic—in South Vietnam, i.e., the zones controlled by President Thieu, as well as by the PRG.

For Mr. Kissinger to now claim that this Paris Agreement in fact "commits" the U.S. to further and massive involvement represents one of the most grotesque and twisted myths ever put forward to the American public as a reason for intervention abroad.

Myth (2): This substantial amount of aid will suffice to launch the GVN on the road to economic recovery, allowing us to reduce our aid substantially in the next 2–3 years.

Recently, for example, the U.S. Ambassador to Saigon Mr. Graham Martin stated that, "If . . . the Congress approves the 850 million dollars I have recommended for fiscal year 1975, plus approximately 700 million dollars for the following year, I am convinced further economic aid from the United States could be drastically reduced or even eliminated altogether by fiscal year 1977." (*U.S. News and World Report*, April 29, 1974).

All available evidence suggests precisely the opposite, however. The World Bank, for example, recently completed a survey for South Vietnam's economy. In its report, dated January 28, 1974, World Bank experts concluded that ". . . net aid required in 1980 will be on the order of $770 million a year or about $100 million higher than seems probable for 1974. In short, it seems probable that Vietnam is at least a medium 'long haul' case as far as foreign aid is concerned. For what it is worth, as a purely arithmetical exercise but with about the same parameters we have mentioned above, by 1990 the external resource gap would close by about $300 million a year to about $450 million." (Source: "Current Economic Position and Prospects of the Republic of Vietnam," a World Bank Study Mission, January 28, 1974, page 34).

Mr. Martin is also rather disingenuous about the total amount of funds necessary to get the Thieu economy back on its feet again. For example, he states in the same interview that "We were able to give only 300 million dollars" in economic aid to the Thieu government in FY 1974.

In actual fact, however, AID provided a chart to the House Government Operations Subcommittee on March 20, 1974, indicating that the U.S. had actually provided $708.5 million in "economic and humanitarian assistance to Vietnam, fiscal year 1974." (House Government Operations Subcommittee, "Second Supplemental Appropriation Bill, 1974, part II, page 860). This figure, moreover, does not include a $60 million "loan" and $49 million supplemental appropriation expected to pass Congress for FY 1974, and an extra $50 million "Food for Peace" money.

Thus the U.S. is supplying $878 million to Thieu's economy this year, not only the $300 million that Martin suggests.

Mr. Martin's $850 and $700 million figures, moreover are based on the assumption that the fighting does not drastically increase in the next year or two. In fact, however, escalation is not only possible but probable, given the refusal of the GVN to even test the other side's offer for a ceasefire and political settlement.

Myth (3): Our aid is "defensive", designed to off-set weapons given the other side by the Soviet Union and China.

The only official figures of Soviet and Chinese military aid to North Vietnam of which I am aware are for the years 1965–68, and 1970 and 1971. For these 6 years, during which hundreds of thousands of U.S. ground troops were fighting in Indochina, and the U.S. Air Force dropped well over 5 million tons of bombs, U.S. military expenditures were estimated to total roughly $90 billion. During these same 6 years, source Soviet and

Chinese military aid combined was estimated to total roughly $2.245—or roughly about $380 million a year, or roughly 1/30 the amount of armament, we funnelled in.

Since the ceasefire, moreover, Soviet and Chinese aid has reportedly been substantially reduced. Mr. Martin himself, for example, stated on January 16, 1974, that the Soviet and Chinese "are not resupplying them (Hanoi) with massive weapons of war as they have continuously over the past years." (*Congressional Record*, 9921, April 4, 1974.)

Given this fact, it is fair to assume the Soviet and Chinese military aid to its allies may be on the order of $1–200 million, or less for the coming fiscal year. At the same time, however, we find the Administration proposing $2.08 billion or 10–20 times as much military aid to the Thieu and Lon Nol regimes, as well as $463 million more for U.S. forces in the area.

Indeed, the Soviet and Chinese could turn this equation around and argue that they are in fact only supplying their allies to protect them against the vastly greater quantity of arms given the Thieu and Lon Nol governments. This case can be made even more strongly, moreover, by noting that many of the most expensive items in the other side's inventory, e.g. SAM missiles, are quite clearly defensive weapons; or—as in the case of Soviet-supplied MIGs for the North Vietnamese air force—they are weapons which have historically been used defensively.

Many of the most expensive items we supply our allies in Indochina however, e.g. airplanes, spare parts of bombs, are often used offensively. Numerous western journalists visiting PRG zones since the ceasefire, for example, have reported GVN bombing deep inside numerous PRG zones, where no PRG military activity was taking place.

The thesis that our military aid is not at all geared to the threat from the other side, moreover, is strengthened by a comparison of our military aid to the GVN in calendar years 1972 and 1973.

In CY 1972, we supplied $2.383 billion in military aid to the Thieu regime. In that year 39,587 ARVN soldiers were killed. In CY 1973, ARVN casualties declined by two-thirds, to 13,822. This substantial decline in casualties helps to substantiate the universal opinion that fighting was substantially lower in 1973 than it was in 1972. And yet U.S. military aid to the Thieu regime totalled $2.271 billion in 1973 precisely as much as it had been in 1972 when the fighting had been much higher. (Source: AID figures supplied to Cong. Abzug, Feb. 20, 1974.)

All evidence indicates, therefore, that the amount of U.S. military aid given to the Thieu government is determined more by the constant size of the GVN army—1.1 million men—than by the amount of aid supplied by the Soviet Union and China to their allies.

Myth (4): Administration FY 75 aid requests will allow pro-U.S. regimes "stand on their own feet", thereby allowing the U.S. to walk away in a matter of years.

At the end of his request for economic aid funds for Indochina last week, the President stated that "the investment I am now seeking (is) . . . to give the people of Indochina a chance to stand on their own feet."

Graham Martin, in the interview referred to above, was even more explicit about the time required for the "to stand on their own feet": "How do we end our involvement? . . . I have said our objective should be to end it leaving a Vietnam economically viable, militarily capable of defending itself with its own manpower, and free to choose its own government and its own leaders. I believe this can be done within the next three years."

These optimistic and idealistic pronouncements are reminiscent of former predictions of a "light at the end of the tunnel". And, as in 1961, as in 1964, these predictions cannot and are not substantiated. All available evidence, indeed indicates exactly the opposite.

Thieu's opponents are, if anything, stronger since the ceasefire. Numerous reports from western journalists indicate that the PRG has begun building up its economy, reconstructing its bomb-leveled communities in the zones under its control. The relative prosperity, cleanliness, and lower prices in its rural villages, moreover, have astonished numerous outside observers who have visited its zones.

The PRG has, moreover, seized the *political* initiative. On my recent trip to Saigon, for example, one friend explained it this way: before the ceasefire, both sides meant war. You might be for the PRG, but to join it meant to opt for a difficult and dangerous way of life. Since the ceasefire, however, Thieu has continued to call for war, while the PRG have come to represent peace. It is common knowledge, for example, that everyone in PRG zones is encouraged to learn the Paris Agreement, and the PRG has convinced many Vietnamese that it sincerely wants to implement it. In GVN zones, on the other hand, the Paris Agreement is not publicized and Thieu does little but talk of more war.

During my visit to South Vietnam, moreover, I found that most experts believe that the military balance is also shifting away from Thieu. U.S. technicians trying to keep the GVN air force together, for example, told me that VNAF mechanics have little interest in maintaining their own planes. The desertion rate is reportedly high since the ceasefire, and local accommodations between PRG and ARVN units have skyrocketed since the ceasefire. This has allowed the PRG to move more freely than ever throughout South Vietnam, extending its influence into many villages and hamlets it formerly could not reach.

The motion, moreover, that by providing well over 90% of the GVN's resources, the U.S. is leaving Vietnam "free to choose its own government" makes no more sense today than it did 20 years ago. The basic fact is that the Thieu government is the only administration in the world which derives 90% of its resources from a foreign government. And, as such, it is not responsible to its own people but to the U.S. This basic structural fact means that the GVN will never be able to "stand on its own"—for it has no base in its own country. (See Table 4)

The principal economic problem of the GVN, for example, is the tremendous cost of maintaining its 1.1 million-man army, 350,000 civil servants, and 120,000 policemen. This huge parasitic class not only devours our aid, but can only survive through an ever-increasing amount of aid and war material from the outside.

The Thieu government, unwilling to compete politically, unable to allow a relaxation of tensions which might see its army desert en masse, unable to relax police control of its population, is therefore structurally committed to maintaining this huge bureaucracy indefinitely.

Thus it is, for example, that despite the decline in the real value of U.S. transfers of resources to South Vietnam's economy since the 1969 peak, the per capita level of imports into South Vietnam in constant U.S. dollar values remains today at about $25—still higher than the $21 per capita a decade ago. Despite this tremendous influx of funds from the outside, however, the Thieu government has been unable to use this capital for development. It has all been eaten up by an ever-burgeoning bureaucracy which has seen GVN per capita spending increased from about $25 to $50 during the same period.

Another example of the structural inability of the GVN to stand on its own is the artificial nature of its urban economy. By refusing to allow millions of refugees to return to the villages of their birth—because such villages are in zones controlled by the PRG—the GVN has ensured that millions of its citizens will remain unproductive, and often in need of doles just to survive. This has in turn, led to over-crowding and filth in and around South Vietnam's major cities—and increased the probability that the GVN will need aid indefinitely.

Fundamentally, however, the most basic structural inability of the GVN is its military orientation and disinclination to shift towards a peace-time economy and political mode of competition. In part, it is a question of sheer momentum. For over a decade now, General Thieu and other top officials have remained in power due to American largesse in return for ordering troops into battle. Like any government anywhere, it finds it easier to do what it knows best, than shift to what appears to be a more high-risk arena of political competition. In part, however, it may also be a realization or fear on the part of the GVN's part that it simply cannot compete politically with the PRG—that the GVN's well-known corruption, its police-state tactics, and its decade-long commitment to war, will place it at a disadvantage against its adversaries.

Whatever the case, it is clear that as long as the war in Indochina continues—at whatever foreseeable level—the GVN will simply not be able to "stand on its own" no matter how much aid is given it. (1) Agricultural production will still be limited, with war victims, refugees and often, urban dwellers, demanding American food imports indefinitely. (2) Domestic and foreign investors will not put money into long-term investments. (3) Mobilization of manpower and resources for the war machine will continue to constitute a powerful inflationary force; world prices will remain high, and the major items required for capital intensive agriculture we have introduced to compensate for lost production due to war, will continue to be too expensive for most farmers.

And if all the above is true for South Vietnam, of course, the situation is even less hopeful for the Administration in Cambodia.

One need do little here but repeat the obvious: the Lon Nol regime is composed entirely today of hard-line extremists, with such moderates as In Tam having left the cabinet in disgust. The Lon Nol government's military position is hopeless, with the Khmer Rouge controlling 70–80% of Cambodia, and remaining on the offensive in the rest. Politically, the Lon Nol government has virtually no support at all—it has even lost the support it originally enjoyed from a numerically tiny group of intellectuals.

For the Administration to suggest that it is in either the American or Cambodian interest for Congress to appropriate more than $600 million in FY 1975 for war in Cambodia is beneath comment. Even more so than in South Vietnam, the only solution for everyone is for us to stop intervening in Cambodia and to allow what all admit is a civil war among Cambodians to take its course.

This fiscal year 1975 budget request for Indochina aid, then, represents a fundamental attempt by the Administration to deceive Congress and the American people. It will not allow the GVN or Lon Nol governments to become economically viable, it is not a measured response to Soviet and Chinese aid to their allies, and it offers no hope of ever ending.

TABLE 1.—FISCAL YEAR 1974 AND 1975 U.S. EXPENDITURES FOR INDOCHINA

	Original fiscal year 1974 request	Fiscal year 1974 allocation	Original fiscal year 1975 request
Economic aid:			
1. Indochina postwar reconstruction	[1] $619,000,000	[1] $435,000,000	[2] $939,800,000
2. Food for peace	[1] 208,800,000	[1] [3] 507,300,000	[3] [4] 260,000,000
3. Loans		[3] 110,000,000	
4. Supplemental		[5] 49,000,000	
Subtotal, economic aid	827,800,000	1,100,000,000	1,200,000,000
Military aid:			
5. Masf	[6] 1,900,000,000	[3] 1,126,000,000	[7] 1,600,000,000
6. Map	[6] 181,000,000	[8] 342,000,000	[3] 480,000,000
Subtotal, economic and military aid	2,909,000,000	2,530,000,000	[9] 3,280,005,000
Indochina-related U.S. forces	[10] 1,000,000,000	[11] 691,000,000	[12] 463,000,000
Grand total	3,909,000,000	3,221,000,000	3,743,000,000

[1] "Current Programing Levels Compared with Fiscal Year 1974 Congressional Presentation," hearings before House Operations Subcommittee, Mar. 20, 1974, pp. 877–879.

[2] President's foreign aid message, Congressional Record, p. 11665, Apr. 24, 1974.

[3] "GAO Reports on U.S. Aid to South Vietnam," Hon. Lee H. Hamilton, Congressional Record p. 8825, Mar. 28, 1974

Of this, $183,000,000 for South Vietnam (source—footnote 3 above), $77,000,000—Cambodia (source—telephone conversation with the Department of Agriculture).

[5] $54,000,000 supplemental expected, though not yet appropriated at this writing.

[6] Hearings before the Senate Appropriations Committee, pt. II, 1973, p. 1363.

[7] Letter from Secretary of State Kissinger to Senator Kennedy, Congressional Record, p. 9033, Apr. 1, 1974.

[8] "American Aid to Indochina", Hon. Ronald Dellums, Congressional Record, Apr. 3, 1974

[9] 27 percent up.

[10] This $1,000,000,000 was the figure advanced by Robert Moot, DOD Comptroller, on Jan. 29, 1973, when he stated that $1,000,000,000 was for "support of U.S. forces involved in the Southeast Asia situation, both naval and air."

[11] This figure was supplied the Indochina Resource Center from the DOD Comptroller's office on Apr. 29, 1974, and defined as "incremental Southeast Asia costs for the support of U.S. forces related to the phasedown of the Indochina conflict."

[12] Annual Defense Department budget, Mar. 24, 1974, p. 24—"Included in the $1,900,000,000 for Southeast Asia costs in fiscal year 1975 is $463,000,000 for U.S. forces—largely the airbases in Thailand.

TABLE 2.—HUMAN TOLL OF WAR

	Refugees [1]	Civilian hospital entries—annual [2]	Civilian hospital entries—monthly average [2]	Civilian killed [3]	Civilian wounded [3]	ARVN killed [4]	ARVN wounded [4]	"Enemy" killed [4]	Total killed and wounded
1965	*772,000	50,000	4,166	25,000	75,000	11,234	23,118	35,436	169,788
1966	*906,000	50,000	4,166	50,000	100,000	11,953	20,975	55,524	238,452
1967	*463,000	49,707	4,142	60,000	115,000	12,176	29,448	88,104	304,728
1968	*494,000	86,993	7,249	100,000	200,000	27,915	70,696	181,149	579,760
1969	*590,000	66,002	5,500	60,000	140,000	21,833	65,276	156,954	444,063
1970	**410,000	59,663	4,971	30,000	95,000	23,346	71,582	103,638	323,566
1971	*136,000	50,737	4,228	25,000	75,000	22,069	59,823	98,094	279,986
1972	*1,320,000	53,901	4,491	65,000	135,000	39,587	109,962	131,949	481,498
1973	*818,700	43,166	3,597	15,000	70,000	13,822	60,005	48,237	207,064
Expelled from Cambodia	210,000								
PRG zones	700,000								
Estimated nonregistered	2,000,000								
Total	8,819,700	510,169	4,723	430,000	1,005,000	183,935	510,885	899,085	3,028,90

[1] Refugees—Figures marked by (*) are newly generated refugees as reported yearly by the U.S. Agency For International Development. The 1970 figure, marked by (**), includes 281,000 persons who registered in 1970, but were generated as refugees from 1965–69.

[2] Hospital entries—These figures are official, supplied by the U.S. Agency For International Development.

[3] Civilian killed and wounded—These figures are estimates made by the U.S. Senate Subcommittee on Refugees.

[4] Soldiers killed and wounded—Figures for 1965–Jan. 27, 1973, supplied by Pentagon Information Office (202) OX 7–2873. Jan. 27–Dec. 31, 1973, figures are those supplied by the Government of the Republic of Vietnam.

Note: Civilian figures below prepared by the U.S. Senate Subcommittee on Refugees.

TABLE 3.—A COMPARISON OF U.S., SOVIET, AND CHINESE EXPENDITURES IN INDOCHINA

[In of U.S. dollars]

Year	Soviet		Chinese		United States		Military aid		
	Military	Economic	Military	Economic	Military	Economic	Soviet-Chinese total	Soviet-Chinese percent of total	United States percent of total
1966	210,000,000	85,000,000	60,000,000	50,000,000	5,263,500,000	736,500,000	270,000,000	5.0	95.0
1967	505,000,000	200,000,000	145,000,000	80,000,000	17,431,900,000	568,100,000	650,000,000	4.0	96.0
1968	440,000,000	240,000,000	100,000,000	100,000,000	22,463,300,000	536,700,000	540,000,000	2.0	98.0
1970	70,000,000	345,000,000	85,000,000	60,000,000	16,523,300,000	476,700,000	155,000,000	1.0	99.0
1971	100,000,000	315,000,000	75,000,000	100,000,000	11,424,300,000	575,700,000	175,000,000	1.5	98.5
Total	1,300,000,000	1,200,000,000	465,000,000	390,000,000	73,100,000,000	2,900,000,000	1,800,000,000	2.0	98.0

SOURCES

1. Soviet and Chinese expenditures for 1966–68 were drawn from National Security Study Memorandum No. 1, as reprinted in the "Congressional Record," May 10, 1972. They are included in the section prepared by the State Department, in response to question 28, in a chart captioned "In Million U.S. Dollars at Soviet Foreign Trade Prices," on p. 16773.

2. Soviet and Chinese expenditures for 1970–71 are taken from an Associated Press dispatch published in the "New York Times" on Apr. 13, 1972. The dispatch cites "U.S. government sources, not allowing use of their agency name." It is entitled "Soviet Arms Aid to Hanoi Is Down."

3. U.S. expenditures for 1966–68, and 1970, are taken from "Impact of the Vietnam War," prepared by the Library of Congress, June 30, 1971, p. 2. Costs are given in fiscal years, and are incremental, i.e., costs that would not have been incurred was the U.S. not involved in Indochina. The 1971 figure is an estimate reported by "The Air War in Indochina," by a Cornell University study team, Beacon Press, p. 100. We have divided U.S. costs into military and economic by subtracting from the total figure given in the sources just listed, the figures for U.S. economic aid listed in the "Fiscal Year 1974 Program Presentation to the Congress," prepared by the U.S. Agency for International Development, p. 10.

Note: The 5 selected years chosen above are the only ones for which it is possible to compare United States, Soviet and Chinese expenditures for Indochina.

TABLE 4—UNITED STATES NOW SUPPLIES 86.3 PERCENT OF THIEU'S TOTAL RESOURCES

1973 INCOME INTO SOUTH VIETNAM

[In millions of dollars]

	U.S.-supplied income (86.3 percent)			GVN-generated income (13 percent)	
	Amount	Percent		Amount	Percent
U.S. military aid	2,270.5	66.8	Direct taxes	58.6	1.7
U.S. commodity import program	300.0	8.8	Indirect taxes	283.2	8.3
U.S. Food for Peace	143.0	4.2	Import revenues	10.16	.2
U.S. project aid	86.1	2.5	Currency additions	30.7	.9
U.S. loan	50.0	1.4	Bond sales	30.3	.8
Import revenues due to U.S. presence (minimum)	91.44	2.6	3d country aid	40.0	1.1

Note: The above table shows how the 86.3 percent of the Thieu Government's resources supplied by the United States is divided.

Key to chart on other side of this page: line (1) The GVN did accomplish a model gain in direct taxes during 1973. For a population of 20 million, however, the $3 per capita raised in taxes is a telling indictment of the GVN's political appeal. Line (2) Although we have counted all $283.2 million in "indirect taxes" as internally-generated, in fact 30% of indirect taxes during the war were generated by the U.S. presence, and a substantial portion of such "indirect taxes" are still derived directly from the U.S. presence. Line (3) Virtually *all* import revenues are derived from U.S.-subsidized imports. Nonetheless, we have estimated the GVN's internally-generated import revenues at 10% of the total, a rather high estimate. Line (4). This simply means that the GVN printed up new currency, thus stimulating inflation. Line (5). The GVN borrowed on the future here, presumably from the national bank. Line (6) The 1973 "loan" was from the U.S., those in 1974 will come from a variety of countries and institutions like the World Bank. Lines (7)–(10) These are 4 *overt* and *admitted* categories of U.S. funding. Inflation has meant that they amount to a declining amount of real aid and thus declining living standards. The 1974 "military aid" figure of $1.026 billion is not taken seriously by the Indochina Resource Center, since it cannot be correlated with the requests of $1.6 billion for FY 1974 and $1.6 billion for FY 1975. Line (12) This indicates that portion of American aid which enters GVN budget accounting. The budget is quite obviously a small portion of what it takes to keep the GVN in existence.

TABLE 4 (CONTINUED).—SOUTH VIETNAM: GOVERNMENT BUDGETS BY CALENDAR YEARS 1964–74

[In millions of dollars]

	Calendar year—										
										Estimated	
	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
1. Direct taxes	12.3	12.7	11.7	19.4	24.4	28.1	35.4	34.0	39.6	58.6	65.6
2. Indirect and other domestic taxes	87.7	124.1	128.3	135.6	138.1	158.9	190.3	199.0	201.5	283.2	301.6
3. Import revenues	63.0	70.9	215.8	177.5	158.9	275.5	328.8	379.6	114.3	101.6	96.9
4. Addition to currency supply	63.0	255.7	131.7	117.5	249.4	86.5	98.2	154.8	47.1	30.7	93.8
5. Bond sales	15.2	27.1	17.7	11.6	40.0	28.6	13.1	75.7	121.4	30.3	N.A.
6. Loans from foreign countries										50.0	100.0
7. U.S. AID project asst	46.3	65.7	184.1	324.8	224.1	153.0	115.9	95.7	72.2	86.1	201.7
8. U.S. C.I.P	104.8	157.5	259.9	165.2	104.4	176.1	182.3	239.4	225.6	300.0	240.0
9. U.S. Food for Peace	33.9	48.2	76.3	153.3	138.3	94.1	121.0	81.8	118.1	143.0	160.0
10. U.S. military aid	181.8	268.9	862.0	1,203.5	1,054.5	1,608.2	1,692.6	1,882.5	2,382.6	2,270.5	1,026.0
11. Third country grant aid	19.9	19.9	19.9	20.0	20.0	26.0	20.6	28.3	34.2	40.0	60.0
Grand total	627.9	1,050.7	1,907.4	2,328.4	2,152.1	2,632.3	2,798.2	3,170.8	3,356.6	3,394.0	2,345.6
12. Counterpart contribution to the budget	129.5	174.5	301.2	277.7	177.4	190.6	239.5	267.4	305.0	400.2	390.2
Total GVN budget	292.5	382.2	657.0	610.2	498.8	653.1	794.0	880.0	675.4	855.6	854.3
(Conversion rate Vietnam dollars/U.S. dollars)	(81/1)	(79/1)	(120/1)	(160/1)	(168/1)	(192/1)	(226/1)	(294/1)	(412/1)	(512/1)	(604/1)

Note: The above table was recently supplied by the U.S. Agency for International Development. For the first time in the war it officially outlines in the clearest way possible the fact that the United States is responsible for over 85 percent of the Thieu government's total resources. It is important to note, moreover, that during 1973 the United States was forbidden by the Paris Agreement from interfering in the internal affairs of Vietnam.

Source: "Table 1", Letter to Congresswoman Bella Abzug, from House Foreign Operations Committee, Feb. 20, 1974, from AID.

UNITED STATES ECONOMIC AID TO INDOCHINA FOR FISCAL YEAR 1974

	SVN		Cambodia		Laos		Total	
	Original	Actual	Original	Actual	Original	Actual	Original	Actual
"Humanitarian"	85.0	70.0	4.0	13.4	18.4	13.0	107.4	96.4
"Reconstruction"	50.0	2.0	5.0	0	5.9	10.9	60.9	25.9
"Development"	48.0	13.0	×	×	12.5		60.5	
"Comm. Imp. Prog."	275.0	200.0	46.7	62.1	×	×	321.7	262.1
"Stabiliz. Fund"	×	×	18.3	18.3	18.2	16.1	36.5	34.4
Technical Support	17.0	15.0	1.0	1.2	×	×	18.0	16.2
Ind. "Post-War" Rec	475.0	300.0	75.0	95.0	55.0	39.8	605.0	435.0
Food for Peace	176.4	309.0	30.9	194.2	1.5	3.6	208.8	506.8
Dod Moneys	105.0	105.0	?	?	?	×	?	?
Supplemental—Cip	×	49.0	×	×	×	×	×	49.0
Loan—Cip	×	60.0	×	×	×	×	×	60.0
Development Loan	×	50.0	×	×	×	×	×	50.0
Grand total	756.4	873.0	105.9	289.2	56.5	43.4	813.8	1,100.0

Notes: (1) Figures represent "Millions of dollars—United States." (2) "Original stands for original administration requests for fiscal year 1974, present in spring 1973; "Actual" stands for final administration appropriations.

Freedom of the Press Saigon-Style

Nine out of 18 dailies in Vietnamese language were confiscated on Wed., April 3, 1974 by the Minister of Interior, according to AFP in Saigon. The order of confiscations was made because these papers carried an article on the massive withdrawal of money from the banks to buy gold while the piaster is devaluating continuously. The Saigon Minister of Finance had demanded the National Bank to take urgent measures to stop this public panic. The piaster has devaluated eight times in '73 and four times since the beginning of this year.

This is the first time in 20 months after the decree-law 007–TT/SLU went into effect, there is such a great number of dailies at one time.

One may recall the statement of Marshall Nguyen Cao Ky in his visit to the U.S. in '70 that the Press in South VN enjoys the most freedom in the world. Or one may recall the less positive statement that freedom of the press that has not been entirely extinguished in South VN; that journalists have even less elbow room in South Korea, the Philippines and Taiwan, and that Viet Nam is still at war, so we must maintain necessary restrictions. And the reason usually given is that in South VN, the Saigon administration allows opposition voices to be heard, that's the proof of its democracy.

We have no illusion, of course, about demanding the Saigon regime to allow freedom of the press as demandad by the Paris Peace Agreement (Art. 11). But here could skim over some principal aspects of what-is-called the freedom of the press, Saigon style.

Officially, Art. 12 of the Saigon Constitution states clearly that freedom of the press is a "fundamental right" and that "censorship is prohibited." The law 019 of Dec. 31, 69 on the status of the press was to the same effect. But of course, that is on paper. According to Tran Tan Quoc who wrote about the DoiDien (Face to Face) case in early 71, there were over 200 cases of seizure of the Saigon dailies within 13 months after the law 19 came into effect. "A record breaking number . . . of the world!" said he. "And press-conditions have never been lived through in a century-life of the Vietnamese press," even under the French colonialist regime, the Japanese fascist regime, feudalism, the Bao Dai puppet regime, and the First Republic, i.e., Ngo Dinh Diem regime.

This is not record-breaking any more, since the law is "too liberal" in comparison to the decree law 007 which was promulgated on August 4, 72. The repression of the press has now become the law and freedom of the press is eliminated totally. The birth of this decree-law is a death sentence passed upon the Press Council which was elected by the entire South Vietnamese press.

The most striking provision of the decree-law is the deposit. The daily has to deposit 20 million piasters (about U.S. $40,000) the daily of a legal party has to deposit 10 million, and the weekly 10 million, to guarantee the payment of fines and court costs.

The daily or magazine which violates this law will be seized and brought to court. The press-court has only one level. The sentenced paper can only appeal to the Supreme Court, and cannot declare mistrial at the same level. And if it wants to appeal to the Supreme Court, it has to pay the fines first.

The decree-law gave enormous powers to the Minister of Interior, who can order the seizure and even temporary suspension of papers that violate "national security" or "sow dissention." Military courts are empowered to try National Security cases and can impose sentences of up to 3 years and fines of up to 5 million piasters (U.S. $10,000). For the most part, the government relies on fines to subdue the press.

Finally, the press must submit copies to the Ministries of Information and Interior four hours before publication. As a result, almost all Vietnamese papers reach the stands late in the afternoon—often after discreet "unofficial" calls have produced blank spaces containing the words "tu y duc bo" (Voluntarily censored).

On the day this decree-law went into effect, a total of 92 Vietnamese publications (counting weekly and monthly magazines) were shut down, according to L.A. Times, Sept. 16 1972.

Until the beginning of this year, that is within 15 months after the decree-law went into effect, from about 40 dailies in Vietnamese language with half a million readers the press of SVN had only 15 left. The monthly salary of people working for the papers decreased visibly over 60%.

According to all publishers, all South Vietnamese dailies today have a total of 100,000 readers and the number of readers who rent the newspapers (because they can not afford to buy them) are not accountable.

Fourteen out of 16 newspapers, in 15 months under the decree-law, were confiscated 145 times. Ninety-eight seizures of these 145 violated article 28A which states something like "release distorted news," confuse public opinion." Thirty-five seizures violated Art. 29, "voluntarily or involuntarily benefit the communists." And seventeen seizures violated Art. 35 which concerns pornography.

Another means the Saigon administration uses to subdue the press is the regulation of paper. In order to get paper at official price in this time of crisis, the publishers have to apply for paper bonds from the government. The black market price is much higher and the publishers cannot afford it. Therefore, they have to go along with the government if they want to keep their newspapers running. According to Dien Tin (Telegraph), starting from April 11, the paper price increased from 25 to 30%. Starting from early this year, the South Vietnamese press went into another bitter turn. About 50% of journalists, reporters, writers, advertisers, workers . . . became jobless at the end of last year. When a newspaper reduces from 8 pages to 4, i.e. reduces in half, half of the people who work for the newspaper turned jobless is a matter of course.

Usually after a confiscation, a Saigon newspaper is almost at the brink of dissolvency.

"Freedom of the Press does not exist in Viet Nam," declared Vo Long Trieu, a member of Parliament who publishes Dai Dan Toc (The Great People), one of the anti-government newspapers in Saigon. Systematically, by combining confiscation, censorship, deposit and paper bond, the Saigon regime eliminates all opposition, that is, combining law and economic means to silence their voices. To say these measures are but necessary restrictions during the war is sophistic, because the war already ended, and the one who causes war now is the Saigon regime. And to say that opposition voices heard are the proof of Saigon's democracy is another lie. It is impossible to silence people's voice when the government rules by jungle laws, when it does not represent the people and does not adhere to their interests and aspirations.

WHO IS RESPONSIBLE FOR THE CAI LAY MASSACRE?

On March 9, 74, a rocket fell in Cai Lay primary school (My Tho province, on Highway 4) killed 23 children wounded a woman teacher and 40 others. The Saigon administration immediately claimed the school of Cai Lay was shelled by "Viet Cong". It quickly organized demonstrations and considered March 9 as the "National Day of Mourning".

The Provisional Revolutionary Government of the Republic of South Vietnam denounced Saigons "odious trick" and "slanders" in the statement on Cai Lay at the International Conference for the Implementation of the Paris Agreement held in Stockholm, Sweden, March 29–31, 1974. Representatives of the PRG at the Two Party Joint Military Commission requested the ICCS to investigate this massacre and the Saigon administration "to reach an agreement on and to guarantee the conditions necessary for the investigation."

Public opinion in Saigon has shown their doubt about the charge of the Saigon administration.

WHAT IS THE TRUTH?

Cai Lay is situated in a contested area on Highway 4 (on the way from Saigon to the Mekong Delta). The Saigon administration has continuously opened many "pacification" operations in the area. On March 9, an explosion occurred at Cai Lay primary school as school children of two classes were lining up outside their classrooms. No sooner had the explosion taken place than the Saigon troops in the nearby district chief's office rushed to the scene and barricaded the school gate with barbed wire. They carried all the injured school children to the military hospital of the Saigon 7th division. They ordered the victim's relatives to stay outside the school gate and did not allow the latter to see and inquire about their injured sons and younger brothers or to search for their dead loved ones.

SAIGON DEMONSTRATION FARCE

On March 15, 1974, the Saigon administration at Vinh Long forced 3,000 students and 300 teachers in the provincial capital to take part in a demonstration farce in which Nguyen Van Thieu's message was read. "The shelling of the Cai Lay primary school is a concrete proof of the violation destruction of peace and war waging of the Communists in our country. I order all the high schools and primary schools all over the country to spare a minute to commemorate the death of 32 pupils."

The massacre has caused deep pain and anger in the hearts of the people in the Mekong Delta and at CaiLay. Many women, who were forced to take part in the "demonstration," refuse to go, instead, they exposed the Saigon's charges.

EVERYTHING IS CLEARED BY SAIGON POLICE

On March 30, 1974, as the ICCS started its investigation of the massacre, it had to stop because the members of the commission were attacked by the Saigon gangs. Two members from Iran were injured. At the same time, the spokesman of the Saigon administration blatantly declared that "the investigation will not bring any success."

This "prediction" of Saigon was not said without cause. According to AFP, the same day, when the ICCS arrived at Cai Lay primary school in the morning of March 30, 1974, "the only evidence was bullet holes on the walls" because "fragments caused by bullets and shells were immediately cleared under the supervision of the (Saigon) police after the explosion occurred."

WHY DOES SAIGON PROHIBIT THE PRESS?

According to Hoa Binh Daily (Peace), March 14, 1974, "Many reporters, having learned of the news, arrived at Cai Lay primary school when the heart-rending scene of death was still there, but they were banned from taking photos. They were bullied and threatened with film roll confiscation. And when they got permission to carry out their work, Thieu's agents had cleared away all evidence and there was nothing there to be photographed."

Dai Dan Toc (The Great People) March 13, 1974, wrote that a Pultizer winner photographer was threatened to be arrested by the Saigon police when he was about to take pictures of the massacre right after he heard the explosion. "He was told that unless he got permission from the Commander General of the 4th Region Nguyen Vinh Nghi, he could not take pictures."

On the same issue, Song Than, another daily newspaper in Saigon, March 17, 74, asked a series of questions, among those were "Why did the authorities in Cai Lay district and DinhTuong province cover up their war crimes committed at Cai Lay primary school? It must be due to the fact that they want to easily whitewash the responsibility they themselves must ebar. They have taken advantage of their power and their position to bully the press circuits from carrying out their work."

When the need to investigate the massacre was in high demand, the Saigon regime intentionally and hastily slandered the PRG with committing the act. This is not a unique case in which Saigon tries to cover up the truth by soundly condemning the other side.

Why should they prohibit the press from taking pictures right after the massacre if they did not commit the act? Why should they clear all evidence and cause a lot of trouble to the ICCS when the latter was investigating the case if Saigon was not the author of the cruelty?

This act only shows the true intention of the Saigon regime that is to use any means—even the death of innocent children—to fulfill its aim, to cover up the truth and to condemn the other side when proof has not yet been exposed.

However, the people in the area could not be fooled by the Saigon propaganda. On March 19, '74, at Cai Lay, Mrs. Vo Thi Nhuong, a villager, asked the young South Vietnamese soldier: "'Why does the South Vietnamese army—Saigon—shell my village? All the members of one family were killed the other day,' she challenged.

"'If the army keeps using artillery like that, innocent people will continue to be killed.'

"She fixed him with a defiant there-I've-said-it-look and the embarrassed soldier, blurted. 'I don't know if people suffer, well, that's war.'" (Washington Post, Mar. 21).

ACTIONS TO SUPPORT THE POLITICAL PRISONERS

DEMONSTRATION AT BEN THANH MARKET

Saigon (AFP, UPI): A group of about four students demonstrated at Ben Thanh Market, Saigon at 9:15 am, March 16, 74. Two among the four students threw a Molotov cocktail and a bunch of leaflets at the west gate of the market. Then, they disappeared in the crowd. Others set a fire with black smoke and also threw a bunch of leaflets and disappeared immediately.

According to the CBS News, the content of the leaflet is as followed:

1. To demand the government of the Republic of Viet Nam to release immediately and unconditionally student Huynh Tan Mam and the third political force prisoners.
2. To demand the government of the Republic of VietNam to immediately stop all acts of terrorism against the 3rd political force.
3. The people and the youth, students and pupils determine to shatter the Saigon conspiracy to sabotage the Paris Agreement.

THE THIRD POLITICAL SEGMENT

The Committee to Demand and Receive Prisoners of the 3rd Political Segment was formed in Saigon, March 28, 74. The declaration, signed by 43 people, including professors, religious people, representatives, lawyers, journalists asserted that the "Third Political Segment is a political reality which has the right and the responsibility to contribute to the task of national reconciliation and concord," with a political stand and position "independent of the two South Vietnamese parties." Its work is for "peace and independence, for the right of national self determination and democratic liberty."

According to the declaration, facts have shown that a "large number of prisoners belonging to the 3rd political Segment" are still being detained by the Saigon regime. Regarding the release of the third political force prisoners to the PRG side by the Saigon regime, the declaration said that it is a "shame," a "useless shame because it brought no honor" to the Saigon regime. And "this coercion is also contrary to the spirit of national reconciliation and concord."

Among the signatures are the names of Mrs. Ngo Ba Thanh, Father Chan Tin, Mrs. Nguyen Long, Venerable Thich PhapLan, Representative Ho Ngoc Nhuan, Prof. Tuan Nham (just being released) . . .

THIRD FORCE DEMANDS THE RETURN OF POLITICAL PRISONERS

A group of the third political force composed mostly of Buddhist monks marched from An Quang pagoda to the Lower House on April 1, to demand the return to Saigon of the third political force prisoners who are temporarily staying in the liberated area of Loc Ninh.

A number of the delegates, headed by Mrs. Ngo Ba Thanh, presented their resolution to the Lower House.

Before starting the march, Venerable Thich Lieu Minh told the press that South Viet Nam "has not yet been free, because the foreigners are still present." The Venerable demanded that the U.S. government withdraw all its present advisors from South Viet Nam.

The demonstration was organized by the Buddhist Committee to Free Political Prisoners and the Committee to Demand the Release of the Third Political Force Prisoners. (AFP, April 1, 74)

The third political force prisoners should have been released to their hometown. Despite their request and the provision of the Paris Agreement, the Saigon administration released them to the PRG and labeled them pro-PRG, work in favor of Communists. In a statement to the ICCS, the third political force prisoners strongly re-affirmed that they are part of the third political force in South Viet Nam as granted by the Paris Agreement.

ASUC PROTESTS JAILING OF HUYNH TAN MAM

Associated Students of University of California Senate (ASUC) at Berkeley passed a resolution demanding the immediate and unconditional release of student Huynh Tan Mam and all political prisoners in South Viet Nam, on April 10, 74.

In the resolution, the ASUC Senate also demanded the Saigon administration to realize all democratic liberties of the South Vietnamese; the U.S. government to withdraw all military advisors in civilian clothes in South VN, to cut off all aid to the Saigon regime and to demand the full implementation of the Paris Agreement.

The school newspaper Daily Californian, editorial on April 12, acknowledges that American tax money continues to help build the prisons in South VN. "American dollars continue to subsidize the clandestine persecution of Mam and others like him in Saigon." The editorial called upon all who feel "responsible to do everything they can to bring an end to American aid to Saigon."

HuynhTam Mam, a 20-year old medical student, was arrested in 1970 for demanding Peace for Viet Nam. The Saigon administration promised to release him last month in Saigon where his family is. But afterward they brought him to Loc Ninh and then put him in solitary confinement. Nobody knows his, whereabout. The Saigon administration called him a "defector". From prison, he strongly denied the charge. Mam and other political prisoners are still on a hunger strike.

THE EUROPEAN CATHOLIC MOVEMENT FOR PEACE

On March 20, the European Catholic Movement for Peace raised their voices against the imprisonment of 300 Buddhists at Chi Hoa prison by the Saigon regime and demanded their immediate release.

THE CATHOLIC COUNCIL FOR PEACE

On March 11, the Catholic Council for Peace sent a telegram to the Association of Patriotic Catholic in South Viet Nam to express their support for the struggle of the Vietnamese people and to demand the Saigon regime to respect the Paris Agreement.

WORLD PEACE COUNCIL IN SUPPORT OF INDOCHINA

At its session held in Sofia from 16th to 19th Feb., 74 the World Peace Council passed a resolution demanding the U.S. government to stop its intervention in the Indochinese countries, to respect the fundamental rights of these peoples and to abide by the Vientiane Agreement and Protocol on Laos and the Paris Peace Agreement on Viet Nam.

The WPC also called upon all organizations and individuals from all strata in all societies to "give their support for the establishment of genuine peace in Indochina."

THE GENEVA DIPLOMATIC CONFERENCE: FACTS AND IRREGULARITIES!

The International diplomatic Conference on the reaffirmation and development of international humanitarian laws, reported *New York Times* on March 30th, "convened by Switzerland to modernize the rules of war completed the two sessions this week with the US delegation expressing regret that little progress has been achieved." The conference, which lasted nearly six weeks starting from Feb. 20th, 74, was attended by 125 nations.

Based on the simple facts that laws—either national or international—are all originated from the evolution of human society. In order to place laws at the same pace with history, the old laws have to be reformed or changed and new laws have to be initiated. Therefore, the International Red Cross convened the International Diplomatic Conference in Geneva to develop the 1949 Geneva Conventions. These conventions dealt with the treatment of the war wounded, the sick, war prisoners and the participation of the civilian population in war time. Until 1974, there are 135 governments adhering to the 1949 Geneva Conventions, among them are the Democratic Republic of Vietnam (1957) and the Provisional Revolutionary Government of the Republic of South Vietnam (1973).

The 1974 conference began slowly because of time spent to debate the participation of the PRG and of African liberation movements, including Guinea-Bissau. Guinea-Bissau was admitted with full voting rights, while other liberation movements were accorded observer status.

The PRG was rejected by one vote margin, on February 28, 74 with 38 against 37 and 33 abstained or blank votes.

According to *Le Journal* (Geneva), March 1st, 74, here and there in the hall, it was visible that many delegates laid down in order to be considered absent. And it is known that during these days, Washington had pressured many delegations.

On March 2, the Foreign Ministry of the PRG issued a statement on Geneva Conference which says: "As they are afraid of being exposed and condemned at the said diplomatic conference", the US government "had resorted to all ways and means to prevent the voice of just cause and justice of the PRG RSVN, the most eloquent witness of their crimes . . . for example, to delay the work of the conference, to threaten and make pressure on other countries."

And the reasons the PRG gave for its "normal and desirable" participation are:

1. The US government has led an atrocious war in South Vietnam, where all modernest weapons are used against human being. It is still pursuing policy of intervention. This poses many new problems to be solved by international humanitarian laws, and the PRG is a victim of this war.

2. The PRG is recognized by the Paris Peace Agreement as one of the two governments in South Vietnam. If Saigon is invited, so must be the PRG.

3. International Humanitarian Law is a problem of common interest for peoples all over the world, and closely relating to life and conscience of mankind.

The DRV did not attend the conference in protest of the actions against the PRG. However, the DRV and the PRG suggested the amendments of the Geneva Conventions which were greatly supported since they both are qualified in contributing experiences gained during the war in Vietnam.

The US government created the Saigon's Republic of Vietnam, led a war of aggression against South Vietnam and a war of destruction against North Vietnam. Therefore, these wars have special aspects which pose different problems in terms of humanitarian international law—for example, the use of the latest means of destructions by the imperialist countries, the protection of civilians and soldiers . . .

It was to this effect that the US government could not lead the conference to another direction, far from solving the present humanitarian laws.

ELECTIONS IN WHAT CONDITIONS?

At the January 18, 1974 Consultative Conference in Paris between the Saigon administration and the Provisional Revolutionary Government to settle the internal affairs of South Viet Nam, Vice Premier Nguyen Luu Vien, head of the Saigon delegation, presented a new proposal demanding that the general elections for the entire South Vietnamese people be held on July 20, 1974.

The Saigon administration has repeatedly made a lot of noise about general elections lately; "Let us vote," they say, "and the sooner the better—in four months' time! What's the point of seeking to bring about an effective ceasefire at all costs, setting prisoners free, allowing people free movement and letting this third force surface? Let people vote first. Isn't the ballot democracy's sacred symbol? Once elections are held, there will be peace forever!"

To reinforce the idea, President Nguyen Van Thieu reportedly declared: "Let the communists make it clear on which day they want elections to take place, then there will immediately be the National Council of National Reconciliation and Concord and as many democratic freedoms as they like . . ."

In fact, in the Saigon 6 chapter-proposal for the preliminary agreements between the two South Vietnamese parties, there are provisions which say:

"The National Council of National Reconciliation and Concord mentioned in article 12 of the January 27, 1974 Paris Agreement consists of three equal segments. Each South Vietnamese party shall decide its own segment. The third segment will be a compromise of the two parties."

The National Council "has to complete the regulations deciding the procedures and modalities of the general elections provided in articles 9c and 12c of the Paris Agreement no later than 30 days after its formation . . ."

At first glance, Saigon seems to be very eager and serious about the general elections in South Viet Nam; however, if we look more closely into the matter, their actions prove the contrary.

One day after its proposition, on January 19, 1974, a Special Joint Session of the Saigon National Assembly was set up to amend the Saigon Constitution. The amendments allow Thieu to run for a third term in 1975 which is extended from four to five years, and to take control of the Supreme Court.

Let us see how the Saigon Proposal for elections compares with the Paris Agreement.

The Paris Agreement writes:

"The South Vietnamese people shall decide themselves the political future of South Viet Nam through genuinely free and democratic general elections under international supervision." (Article 9b) and

"The National Council of National Reconcilation and Concord shall have the task of promoting the two South Vietnamese parties' implementation of this Agreement, achievment of national reconciliation and concord and insurance of democratic liberties. The National Council of Reconcilation and Concord will organize the free and democratic general elections provided for in article 9b and decide the procedures and modalities of these general elections. The institutions for which the general elections are to be held will be agreed upon through consultations between the two South Vietnamese parties . . ."

First of all, article 9b states very clearly the nature of the general elections, which is free and democratic—as a rational and realistic requirement for any type of elections. And as we have discussed article 11 in the last issue—Newsletter no. 7, all democratic liberties for the South Vietnamese people are to be realized unconditionally and immediately after the ceasefire. Not only that the ceasefire has not been observed by the Saigon administration, not only that the 200,000 political prisoners have not been released by the Saigon administration, but the personal freedom, freedom of speech, freedom of the press, freedom of political organization, freedom of residence, freedom of movement . . . have not been realized in the Saigon zone of control.

Instead, the Thieu administration is considering the democratic liberties as an exchanging condition for an agreement on election with the PRG.

Without a complete observation of the ceasefire, the normal life of the people cannot be restored; without the realization of the democratic liberties, there can never be a true representative voice of the people expressed and heard; in such conditions, then, the organizations of general elections are just another cheating game.

Secondly, the Saigon administration intentionally plays down the role and functions of the National Council. Its most important functions such as "promoting" the implementation of the agreement, the "achievement" of the national reconcilation and concord and the "insurance" of democratic liberties have been totally erased. Moreover, according to the Saigon proposal, the National Council does not organize the general elections, but only "controls them," "decides the procedures and modalities of these elections." Therefore the important organization designed to settle the internal affairs of South Viet Nam is reduced to a simple election committee.

Thirdly, the role of the third political force is totally denied by the Saigon administration. This force, according to the Saigon proposal, is simply chosen by a compromise between Saigon and the P.R.G.; despite the fact that the leaders of the third political force and the P.R.G., demand the full recognition of this force. In June, 1973, the PRG presented a proposal for the settlement of the Vietnamese internal affair, in which the P.R.G. said:

"The National Council of National Reconciliation and Concord will have three equal components placed on an equal footing. Each South Vietnamese will designate the members of its own components to the Council. The third component will be composed of persons belonging to the political and religious tendencies who do not side with any party and who approve the Paris Agreement. The designation of the third component must be made in such a way as to ensure that these political voices be heard, that this component be really representative and play an independent and equal role within the Council."

Fourthly, in very vague wordings, the Saigon administration has expressed its aim to eliminate the vital voices of the majority of the population of South Viet Nam to organize the general elections under the Saigon control and regime. Furthermore it wants to abolish all provisions of the Paris Peace Agreement, and continue to maintain dictatorial rule. Elections and re-elections repeatedly took place under the Saigon regime, from the Ngo Dinh Diem administration to the Thieu administration, where free voting was just a hoax, where all opponents were intimidated, jailed, maimed, liquidated, or banned from elections by fascist laws and decrees.

It is not a coincidence that the Paris Agreement puts the observation of the ceasefire, the realization of the democratic liberties, and the release of all political prisoners and civilian personnel before the formation of the National Council of National Reconciliation and Concord, to be followed by free and democratic general elections.

Only under these conditions can the general elections be held in which the representation of the South Vietnamese people's wishes and aspirations will be accurate, and which will fully express the true meaning of self-determination.

Huynh Tan Mam Does Not 'Defect'!

Included in the recent civilian prisoner exchange between the PRG and Saigon from Feb. 8 to March 6 in Loc Ninh was Huynh Tan Mam, who was supposed to be released on Feb. 21. Mam protested to the ICCS that he wanted to be freed in Saigon where his family and school are. Mam was brought back to Saigon.

After taking Mam back to a place at confinement on Feb. 22, General Pham Hoa Hiep, head of the Saigon delegation to the Joint Military Commission, told the press that Mam "had rallied to the National [Saigon] cause" and that currently Mam is being processed through a "returnee center." This distortion was picked up by the U.S. press. The Los Angeles Times issued on Feb. 22 described Mam as "defector."

WHAT IS THE TRUTH?

In a letter dated Feb. 25, 74, smuggled out of prison, Mam has this to say:

". . . At Loc Ninh, in front the ICCS and the JMC, I demanded to be released in Saigon. Representatives of the [Saigon delegation to the] JMC agreed to free me in Saigon without going through any procedure. However, when getting to Saigon, I was kept in a dark room, isolated, prohibited from receiving visitors and was told to wait for orders. I warn you for their action against me. I urge you to contact the outside to intervene for me. The government [Saigon] press printed a completely distorted story when it said that I 'defected'."

MAM IS ON A HUNGER STRIKE

Since Feb. 22, 74, Mam has been on a hunger strike to demand that the Saigon administration stick to its words in Loc Ninh—that it unconditionally release Mam in Saigon. His health has been declining and is approaching the critical stage. Still Saigon keeps him in isolation. On Feb. 27, a delegation from the People's Committee Demanding the Implementation of the Paris Agreement including Father Chan Tin, Deputy Ho Ngoc Nhuan, Mrs. Ngo Ba Thanh . . . went to Chi Hoa prison, trying to determine his whereabouts. But they were unsuccessful. The next day, Mam's mother tried in vain to find her son.

WHO IS HUYNH TAN MAM?

A 29-year-old medical student at Saigon University, Mam has been active in student organizations and in the peace movement in Saigon. Mam is one of the popular figures among students in South Viet Nam. In his eight years of activity in the student movement, Mam was the President of Viet Nam Student Union and Saigon Student Union. In 1966, Mam was arrested for the first time for participating in the movement demanding peace and an end to Buddhist repression. Since then he has been arrested five times for activities against the regime of Nguyen Van Thieu. In 1971, he led the protest against Thieu's one-man-presidential election. Also in 1971, Mam signed a People's Treaty with the delegation from the National Student Association—an organization which represents student bodies from throughout the US—and delegation of other countries. The Treaty calls for the withdrawal of US troops, the return of all prisoners and asserts the South Vietnamese people's right to self-determination. On Jan. 5, 72, Mam was arrested again, and is still being detained. Many times, in prison, Mam was tortured and was pressured to sign a "confession" admitting "adherence to the communist organization" (so that he could be prosecuted). However, all attempts by Saigon police to force Mam to sign this false statement failed.

WHY DOES SAIGON WANT TO RELEASE MAM TO THE PRG?

The Paris Agreement recognizes the third political force, of which Mam is a member, as one of the three equal political segments in South Viet Nam which struggles for Peace, the implementation of the Paris Agreement, for the release of all political prisoners, the achievements of democratic liberties and national concord. Members of this third political force oppose all kinds of US intervention in the internal affairs of South Viet Nam, and the Saigon regime.

The third political force was born and grown up by the indescribable destruction of the country by the US war of genocide and ecocide and the unprecedented facism of the Saigon administration. They do not side with any South Vietnamese party, that is the fact.

Therefore, in a systematic attempt to return the third force political prisoners to the PRG, to brand them "communists" or "common criminals", the Saigon administration is in fact destroying politically and in the world public opinion the ipsofacto existence of the third political force—thereby, denies that Saigon is a dictatorial, unpopular, and undemocratic regime.

HOW DOES PUBLIC OPINION REACT TO THIS?

A statement dated Feb. 26, 74, signed by 21 students and intellectuals in Chi Hoa prison and another statement dated March 10, 74, signed by 20 students and intellectuals in Loc Ninh exposed Mam's case. They affirm the existence of the third force of which they are members. They demand that their release and the immediate and unconditional release of Mam take place in Saigon. Many other individuals and groups have raised their voice specifically for the release of Mam. It is worth noticing here that the release of Mrs. Ngo Ba Thanh last year was due to the strong pressure from the people in South Viet Nam as well as in the world. Public opinion now should be alerted about Mam's case. The Saigon administration must release immediately and without any condition Huynh Tan Mam and all other political prisoners.

News From Vietnam Brief

LAWYER NGUYEN LONG ASKS THE PRG FOR POLITICAL ASYLUM

Lawyer Nguyen Long, 65, an attorney in Saigon Higher Court, is also a member of the Third Force being returned to the PRG in the previously mentioned civilian prisoner exchange rather than in Saigon as was his wish. Long has been the leader of many peace organizations, and was the defense attorney for many students and peace activists including Mrs. Ngo Ba Thanh. He was arrested on July 27, 72.

In a letter to the ICCS, Long wrote:

". . . I was imprisoned because my political standpoint is the opposite of the [Saigon] administration's. I demand the people's right to self-determination and peace while the administration continues to let the U.S. direct its policies and continue the war.

"My aspiration is the full implementation of the Paris Agreement and its protocol concerning the release of civilian prisoners . . . and my immediate release so that I can be reunited with my family in Saigon and continue to make a living by practicing law in my office in Saigon.

"However, experience has shown clearly that the authorities of the Republic of Viet Nam [Saigon] has arrested and detained me at any time, without any charge. Moreover, it could put me away so nobody would know my whereabouts. A concrete proof is the case of the student Huynh tan Mam . . .

"Therefore, . . . I request political asylum in the areas controlled by the PRG and, according to the Paris Agreement and its protocols, the safety of my return to Saigon should be guaranteed at any time . . ."

GENERAL MINH ISSUES OPEN LETTER

(Dien Tin Newspaper, Mar. 10, 1974)

In an open letter dated Sept. 4, 1973, general Minh called on the responsible authorities of the two South Vietnamese parties to:

"—Solve the issue of returning prisoners, belonging to the two sides on a priority basis;

"—Release immediately and unconditionally the prisoners belonging to neither side at any places they want;

"—Humanely treat all the prisoners mentioned above and allow their relatives to visit and care for them, and so forth.

Recently, there have been official [Saigon] voices confirming that there is no third segment, even though the Paris Agreement which you [Saigon] signed explicitly recognizes this segment, whose members include the prisoners mentioned above."

General Minh is a member of the third force in South Vietnam.

340 MONKS ARE ON A HUNGER STRIKE

340 imprisoned monks of different religions: Buddhist, Cao Dai, Hao Hao, Dao Dua, Buu Son Ky Huong, are on a hunger strike on indefinite length inside Chi Hoa prison to demand their freedom. They are detained for refusing to be forced into the Saigon army (letter to the ICCS dated Feb. 20, 1974).

Though it is one year after the Paris Agreement, Saigon is still conscripting young men into its army to be used in Thieu's war plans. Even religious conscientious objectors share the same fate. This again shows that Thieu has no intention to restore peace in Viet Nam.

ECOCIDE IN VIET NAM

A recent report by a Committee of Scientists from different countries on the impact of US defoliants on Viet Nam revealed that herbicides caused "serious and extensive damage" to the inland tropical forests and destroyed 36% of the mangrove forests along the coast (*New York Times*, Feb. 23, 74). "Under present conditions of use and natural regrowth, it may take well over 100 years for the mangrove to be reforested" (*Washington Post*, Feb. 23, 74). In the past, many studies revealed that defoliants can cause liver damage, genetic changes and cancer. According to the new study, herbicides "apparently caused death among montagnard children". Affected victims would show symtoms such as abdominal pains, intense coughing . . . , adults recovered, but after some attacks children died. In one village, witnesses told Dr. Hickey 38 children died. It is worse in the mountains since mothers carry their babies on their backs when going to the fields—where the defoliant was sprayed. The committee's report will be submitted to the US Congress.

SUPPLEMENT: 6-POINT PROPOSAL OF THE PRG

In response to that overwhelming aspiration of all strata of our people,

In conformity with the spirit and letter of the Paris Agreement on Viet Nam and the June 13, 1973 Joint communique,

On the basis of the six-point proposal made on April 25, 1973 and further clarified on June 28, 1973,

The Provisional Revolutionary Government of the Republic of South Viet Nam solemnly makes the following declaration on the achievement of peace and national concord in South Viet Nam.

1. AN IMMEDIATE END TO THE SHOOTING AND A STRICT CEASEFIRE THROUGHOUT SOUTH VIET NAM

To immediately stop the shooting and to implement a strict ceasefire throughout South Viet Nam is the legitimate demand and the most earnest aspiration of all strata of the South Vietnamese people.

Over the past year, the high commands of the two South Vietnamese parties had on two occasions issued ceasefire orders, but so far the guns have not been silenced, and, as a result, no basic problem concerning the internal affairs of South Viet Nam has been solved. The Provisional Revolutionary Government of the Republic of South Viet Nam firmly demands that the Saigon administration immediately observe a strict ceasefire throughout South Viet Nam.

The Provisional Revolutionary Government of the Republic of South Viet Nam proposes as follows:

The Government of each of the two South Vietnamese parties will immediately issue an appeal to ceasefire in the same terms, reaffirming its commitment to observe the ceasefire and to preserve peace in South Viet Nam, to settle matters of contention through negotiations, and to avoid all armed conflict as provided for by Article 10 of the Paris Agreement and calling on all levels of Government, all units of the armed forces and the police under control to strictly respect the ceasefire and to preserve peace.

The High Command of each of the two South Vietnamese parties will issue orders of ceasefire in the terms to all regular and irregular armed forces and the armed police under its authority to completely end hostilities all over South Viet Nam at an agreed date and time and to scrupulously implement the ceasefire provision mentioned in the Paris Agreement, the Protocol concerning the ceasefire and the Joint Military Commissions and the June 13, 1973 Joint communique.

The two South Vietnamese parties will make public, in time and widely, through the radio, newspaper news agencies, and other information media, the full texts of the abovementioned appeals and orders of ceasefire.

The two South Vietnamese parties will intimate to the International Commission for Control and Supervision the agreement on the ceasefire and give the Commission all necessary assistance and cooperation so that it may effectively carry out its tasks of controlling and supervising the observance of the ceasefire.

The two parties, through joint or separate actions, will so inform the signatories of the Act of the International Conference on Viet Nam and the United Nations Secretary General of the above-mentioned ceasefire agreement.

2. RETURN ALL CAPTURED AND DETAINED VIETNAMESE CIVILIAN AND MILITARY PERSONNEL

Over two hundred thousand civilian personnel comprising personnel of the Provisional Revolutionary Government of the Republic of South Vietnam and people belonging to the third political force, and more than fifteen thousand military personnel of the Provisional Revolutionary Government of the Republic of South Vietnam captured before January 28, 1973, are still being detained and subjected to barbarous treatment in the prisons of the Saigon administration.

In conformity with Article 8 of the Agreement and Paragraph 8 of the June 13, 1973 Joint Communique, the Saigon administration must carry out without delay the return of all detained Vietnamese civilian and military personnel, return all members of political forces siding with neither party, ensure their safety, and allow them to return freely to their families and organizations in areas under the control of whichever party they choose.

The two parties will return to each other all military and civilian personnel captured and detained after January 28, 1973.

The return of all captured and detained civilian and military personnel must be completed within three months, and not later than June 30, 1974.

In accordance with Article 8 of the Protocol on the return of captured personnel, the Saigon administration will immediately stop all tortures, murder, and inhuman treatment of persons still under detention, and improve its present extremely cruel prison regime. It must allow national Red Cross societies agreed upon by the two parties to visit all places of detention and immediately give its concurrence to inspections of those places.

3. FULL DEMOCRATIC LIBERTIES TO BE ENSURED IMMEDIATELY TO THE PEOPLE

In the areas under the Saigon administration's control, all strata of people live under a repressive regime which stifles all democratic liberties.

The Saigon administration must immediately do away with the concentration camps, put an end to all forms of coercion or forced residence, and abrogate all anti-democratic laws and war-time measures, which are at variance with the letter and spirit of the Agreement.

Pursuant to Article 11 of the Agreement and Paragraph 9 of the Joint Communique, the two South Vietnamese parties will:

—Achieve national reconciliation and concord, end hatred and enmity, prohibit all acts of reprisals and discrimination against individuals or organizations that have collaborated with one side or the other.

—Ensure the democratic liberties of the people: personal freedom, freedom of speech, freedom of the press, freedom of meeting, freedom of organization, freedom of political activities, freedom of belief, freedom of movement, freedom of residence, freedom of work, right to property ownership, and right to free enterprise.

Only by achieving national reconciliation and concord and fully ensuring the people's democratic liberties, will it be possible to establish rapidly the national council for national reconciliation and concord and ensure its effective functioning, to hold truly free and democratic general elections and to allow all citizens, all political and religious tendencies, and social organizations . . . in South Viet Nam to devote, in a true spirit of national reconciliation and concord, all their strength and energies to the peaceful reconstruction of the country.

4. PROMPT ESTABLISHMENT OF THE NATIONAL COUNCIL OF NATIONAL RECONCILIATION AND CONCORD

All the successive administrations in Saigon have so far been fabricated by the United States, these administrations are characterized by their dictatorial, warlike and fascist policies, their independence on the United States and their actions which run counter to the supreme interest of the nation's interests and the legitimate aspirations of the people's. Under the Paris Agreement on Viet Nam, the United States has undertaken to respect the South Vietnamese people's right to self-determination, not to impose any existence of two administrations, two armies, two zones of control, and three political forces in South Viet Nam. The third political force, including organizations and persons of all political and religious tendencies, now in South Viet Nam or abroad, who do not side with either party and who stand for the Agreement, is an existing entity which exists and is constantly growing. Over the past year the Saigon administration has left no stone unturned in its attempts to negate the existence of the third political force and to increase coercion and repression against it. The Saigon administration has not only continued to detain many persons, but has also made fresh arrests of many of the third-force people. Yet, the third political force has remained active and has contributed to the struggle of the entire people for peace, independence, democracy, national reconciliation and concord. This force must have its proper place in the political life of South Viet Nam at present and in the future.

The Provisional Revolutionary Government of the Republic of South Viet Nam proposes that the national council of national reconciliation and concord comprising three equal segments be promptly set up, no later than three months after the aforesaid appeals and orders for the ceasefire come into effect.

Each South Vietnamese party will designate the representatives of its segment in the council. The representatives of the third segment will be appointed on the principle that this force has its voices and its independent and equal position in the council. In keeping with this principle, the two South Vietnamese parties will issue joint or separate statements in the same terms expressing their willingness to enter into consultations with the organizations or personalities of the third political force, in a spirit of national reconciliation and concord, equality and mutual respect, with a view to speeding up the establishment of the council as soon as it is set up, the national council of national reconciliation and concord will concentrate all its efforts in the task of promoting the two South Vietnamese parties' implementation of the Agreement, achieving national reconciliation and concord, guaranteeing democratic liberties, organizing general elections and working out the modalities and procedures of the general and local elections, in accordance with Article 12(b) of the Agreement.

5. THE ORGANIZATION OF TRULY FREE AND DEMOCRATIC GENERAL ELECTIONS

All elections held so far under the Saigon regime have been stage managed by the United States. They have been farcical, fraudulent, elections, "one-man" comedies, having no value at all. Under the Paris Agreement on Viet Nam, the South Vietnamese people will determine the political future of South Viet Nam through truly free and democratic general elections under the international supervision.

Truly free and democratic general elections can be held only in a context of peace, national reconciliation and concord, when the people are guaranteed the exercise of democratic liberties. The date of general elections will be decided by the national council of national reconciliation and concord. For its part, the Provisional Revolutionary Government of the Republic of South Viet Nam proposes that the general elections be held not later than one year after the establishment of the council.

In the general elections, the South Vietnamese will elect a constituent assembly, which will work out a constitution meeting the people's aspirations, with a view to the formation of the government of South Viet Nam.

6. SETTLEMENT OF THE QUESTION OF ARMED FORCES

To serve the U.S. neo-colonialist desire and its own selfish interests, the Saigon administration has been using its armed forces in its violation of the Agreement and its sabotage of peace. It has made every effort to pressgang the youth and to push them into the path of crimes against the people whereas the majority of Saigon troops desire peace and want to return to their homes and earn their living.

The Saigon administration must give up this warlike policy and ensure that its armed forces correctly implement the Agreement, observe the ceasefire and put an end to all offences against the people's lives and property.

Under the Agreement, the two South Vietnamese parties will solve the question of armed forces in a spirit of national reconciliation and concord, equality and mutual respect, without foreign interference, and in accordance with the post-war situation. They will agree upon the appropriate reduction of military effectives and the demobilization of the troops being reduced so as to lessen the cost to the people and to devote human and material resources to the peaceful reconstruction of the country.

After the general elections and the formation of the government, a unified army will be built up in South Viet Nam for the defense of peace, independence and sovereignty of South Viet Nam, and for the sake of the people's interests.

In order to allow the South Vietnamese people to achieve peace and national concord, the United States must put a complete end to its military involvement and its intervention in the internal affairs of South Viet Nam, stop using the Saigon administration as an instrument to impose neo-colonialism on South Viet Nam and to perpetuate the partition of Viet Nam. For its part, the Saigon administration must abandon the path of war, violation of the Agreement and sabotage of peace. It must seriously respond to the above stated constructive proposals put forward by the Provisional Revolutionary Government of the Republic of South Viet Nam. If the United States and the Saigon administration persist in violating the Agreement and sabotaging peace, they must bear full responsibility for the consequences of their actions . . . South Viet Nam March 22, 1974.

PATH TO RECONCILIATION

Democratic liberties must be restored by the Thieu regime so that potential "third force" people can come forward and operate freely. Only then will the creation of the National Council of Reconciliation and Concord be possible.

Article 12 of the Paris Agreements stipulates that a "National Council of National Reconciliation and Concord" will be created which will consist of "three equal segments." This Council "shall have the task of promoting the implementation of this Agreement by the two South Vietnamese parties, achieving national reconciliation and concord, and ensuring democratic liberties. The National Council of National Reconciliation and Concord will also decide the procedures and modalities of such local elections as the two South Vietnamese parties agree upon."

The article cited above recognizes three political forces which are supposed to have equal representation in the Council. It is clear to everyone what two of these three political forces, or segments, are. However, few really understand what the third segment, or "third force", is. Some veteran Vietnam-watchers have called the "third force" "neutralists" or "non-aligned representatives" selected by both Saigon and the Provisional Revolutionary Government (PRG). But by definition, this is a contradiction in terms. For how can people selected by Saigon and the PRG be neutralists or non-aligned representatives? If these neutralists were chosen in this manner, the possibility of national reconciliation and concord as envisioned by the Paris Agreements would never come about. For as long as President Thieu is in control of the Saigon government, he will see to it that no compromise with the "Communists" on any issue will be possible. And the creation of a National Council of National Reconciliation and Concord composed of the PRG, the Saigon regime, and the "neutralists" chosen by the two former parties would thus necessarily, by Thieu's definition, include only the representatives of the two antagonistic forces. In a July 9, 1973 interview granted exclusively to *Dan Chu*, the official organ of Thieu's recently organized Democratic Party, Thieu said as much. In the July 15, 1973 issue of *Viet-Nam Report*, an English-language publication of the Vietnam Council on Foreign Relations,* Thieu stated:

> ". . . we have proposed a solution to do away with the third force. We have essentially told the Communists that (since that third segment has failed to materialize) the matter might be solved with the two South Vietnamese sides suggesting each one half of that segment."

There is no need to go into detail here as to why "that third segment failed to materialize" as General Thieu claimed. In its declaration issued in Saigon on August 2, 1973, the Movement of Young People and High School and University Students for the Right to Life for the People, strongly condemned the Thieu regime for having PRG in order to liquidate them. The background and conditions of the 200,000 political prisoners in Thieu's jails, documented in detail elsewhere, upholds this fact.

What should be stressed here is that if the National Council is to function properly as called for by the Agreements, the third segment has to be truly independent. Only this would help make the Council authoritative enough to bring both the PRG and the Thieu regime to implement the agreements. Otherwise, the members of the Council would be equally split, with each half under the direction of the two respective parties, and each representing the position of its own side. Such a situation would create stagnation and frustration and would eventually lead to the resumption of full-scale hostilities. If this were to occur, not only would it be impossible to achieve national reconcilitation and concord, but it would also be difficult to carry out the task of rebuilding the country, especially the devastated areas of the countryside. Thieu knows this full well, but he also knows that the United States is still supplying 80 percent of the income of his regime and he wants to maintain his flow of support by maintaining a state of war. This is an easier task than to have to go to the Vietnamese people for support and to rely on them for survival.

The PRG, on the other hand, does not rely on massive foreign assistance but on popular support for its survival and success and therefore it is in its interest to see to it that the population is saved from further destruction, suffering and death, and that national reconciliation is achieved as soon as possible. Also, since they are going to inherit the country along with others, the less destroyed it is, the better it will be for them in the future. PRG leaders are fond of citing a Vietnamese proverb: "If you hurl rocks at the rats, you will destroy the antique vases in your home." It is because of these considerations that the PRG has reiterated demands for the creation of the Council as soon as possible, stressing that the third component should be strictly equal and independent in relation to the other two parties.

To ensure that the third component be truly independent, democratic freedoms have to be restored to create conditions favorable for people to form this segment and to come forward and operate freely. The PRG's proposal on these two points was first detailed by Minister Nguyen Van Hieu at the La Celle-St. Cloud Conference on June 28, 1973. [An unofficial translation of the PRG proposal on these points is provided at the end of this article.]

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*A semi-official organization composed of high Saigon officials and their American friends.

The Thieu regime, however, has consistently and adamantly rejected such implementations of the accords. For example, in the interview translated in the *Viet-Nam Report* already quoted, Thieu said that the PRG "has been trying to take advantage of the Paris agreements by turning the Reconciliation Council into super coalition-government. They have also been trying to take advantage of the democratic liberties mentioned in the Paris accords to subvert our society from within." Later, on August 6, 1973, in a speech to the self-Defense Forces on the commemoration of their creation, Thieu ordered all of his forces and cadres to "be resolute in chopping up all the tricky Communists," to "chop, chop, chop," because the Communists are demanding negotiations, democratic freedoms, freedom of the press, and freedom of speech in order to propagandize Communist ideology among the ranks [of the government] of the Republic of Vietnam.

But as pointed out by Deputy Ho Ngoc Nhuan, a Catholic leader in the Saigon Lower House, in a study entitled "Violations of the Peace Agreements" [made public on November 1, 1973]—

The thing that must be clearly emphasized here is that whatever the other side has demanded and President Thieu has rejected, are precisely the things that the population of South Vietnam has also demanded. Especially during the last 10 years of Mr. Thieu's rule, the people of South Vietnam have continually struggled for their democratic freedoms. These are inalienable rights that guns and bullets cannot suppress.

Given this fact, it is difficult to see how Thieu's adamant position won't generate strong reactions which would in turn would produce grave consequences. Nevertheless, as quoted by Deputy Nhuan in the above study, General Thieu has ordered his troops to chop to pieces "any person who dares to speak in the Communist language."

It is clear that in order to ensure a peaceful solution to the political problems in South Vietnam as spelled out in the agreements, it is absolutely necessary that the United States stop providing the Thieu regime with the means of carrying out repression against existing and potential third force elements. The United States, as a signatory and a guarantor of the agreements, should also stop encouraging the Thieu regime on its bellicose path by continuing to send into South Vietnam military advisors and illegal arms supplies in clear violation of the terms of the agreements.

BUDDHISTS AND THE THIRD FORCE

A related question to "what is the third force" is "who is the third force?" Many people consider the third force to be synonymous with the Buddhist Church in South Vietnam. They go on to identify the third force with the Buddhist hierarchy. While it is not possible to give a definite answer to the question of who the third force is for the simple reason that Thieu's barbaric repression has kept most neutralists in the background, the next article will briefly trace historical and political developments in recent years in the attempt to suggest who the third force might be. In this article, and through the documents presented in this newsletter, we will attempt to explain the mistaken impression that the third force is the Buddhist Church or the Buddhist hierarchy.

Perhaps the identification of the Buddhist Church with the third force in South Vietnam was formed when Buddhist monks and leaders led the demonstrations against the Diem regime in 1963. After that date, however, the United States government and the Saigon regimes supported by it, forcefully and skillfully applied the "carrot and the stick" tactics and eventually created severe cleavages in the Buddhist hierarchy and between the majority of the hierarchy and the masses of Buddhist believers. In the words of Thai Phien, a Saigon columnist, as printed in the December 17, 1971 issue of Dan Chu Moi, an influential Buddhist daily—

The Viet Nam Quoc Tu Buddhist Church has been propped up by the government and the Americans from behind and therefor has taken the wrong road, has rendered itself useless, has become degraded and corrupt, and its members claw at each other for personal gain.

The An Quang Church, precisely because its constitution was taken away and because the regime and the Americans hated it, survived and remained strong for a while. . . .

However, just like every other religious organization that enters the real world in these troubled times, these times of much temptation, the leadership of this truly Buddhist organization has become corrupted and imbued with worldliness.

The young and the old leaders in the many Buddhist dioceses and establishments are competing for luxuries and fighting for authority much in the same way that it is being done over at the Catholic Church. All the mistakes and abuses of religious power committed by the Catholic Church are now being repeated by the Buddhist leadership in many areas. Political and economic interests have created severe cleavages between the leadership in the central organization and those in the local dioceses. Many still look toward the Church with hope, but severe dissension has torn the ranks of the informed Buddhists.

The regime, other opposing religious and political organizations and especially the United States, have not let the opportunity of subverting the Church slip by.

The wicked plans of the Americans and the furtive hope of the regime is to cause the city inhabitants to lose hope in a last nationalist force that still remains in the cities and towns.

The cleavages between the Buddhist leadership and their followers became especially severe during and after the National Buddhist Convention in 1971. During this convention the Buddhist Student Association in Saigon was disbanded by the Church leadership for having "served outside political organizations and exerted political pressure at the convention on its first day of meeting." After getting rid of the opposition, the entire corrupt Central Steering Committee of the Church which had come under strong criticism from many Buddhists, had itself re-elected (Dan Chu Moi, December 23, 1971). Henceforth, students and young people were banned from the convention. The Buddhist Student Center in Saigon was closed down. And in spite of statements from the four Buddhist Student Associations in Hue, Saigon, Van Hanh and Can Tho Universities pleading with the Church to allow them to carry on their activities as usual and to call for a national referendum of Buddhist students, Venerable Thich Thien Minh, the Commissar of Youth, held firmly to his decision (Dan Chu Moi, January 17, 1972). Then on December 22, the Deputy Director of Student Activities at the Buddhist University of Van Hanh called the police in to attack the Student Center there in the middle of the night. Leaflets and posters were pasted all over the university saying that the Student Union was nourished by the Communists and the U.S. Central Intelligence Agency" (Dan Chu Moi, January 24–25, 1972). An active duty soldier serving at the Presidential Palace was subsequently appointed director of Buddhist Student Affairs, a post with power over all the Buddhist Student Associations in South Vietnam. Members of the Secret Police were installed as presidents of the DaLat, Can Tho and Hue Buddhist Student Associations; and the Venerable Thich Thien Minh also collaborated with the Americans and the Saigon regime in the search and arrest of members of the Buddhist Student Association in Saigon (see Thoi Bao Ga, No. 25, June, 1972 for details).

By 1970, the attitude of the An Quang Church had caused much dissension within the Church itself. This can be seen in the reaction of the young people who gathered in DaLat from December 26 to December 29, 1970, for the Fourth National Congress of Buddhist Students in South Vietnam. The following excerpt was printed in the special New Year's edition of Tin Tuong (Faith), a magazine published by the DaLat Buddhist Student Association:

"EXCERPT FROM A REPORT ABOUT THE NATIONAL CONGRESS OF BUDDHIST STUDENTS

"What has the Buddhist Church done over the past several years to help the Buddhist Student Association? Not only has it failed to encourage and help the Buddhist students, but it has hindered the students in many of their righteous activities. The Church has not come to the students in understanding, compassion, and enlightenment. Those Superiors who bear responsibilities towards the students have been very aloof and conservative. Many Superiors show that they are more hot-tempered and rash than the students themselves. They say things without thinking them over first and behave in a most irresponsible and careless way—at the Fourth Congress, for example. This has made many Buddhist students extremely uneasy. Many monks who graduated from foreign universities could not resist being haughty and aloof. Buddhist Superiors cannot lead the Buddhist Students Associations located abroad. For example, the Joint Overseas Buddhist Student Association has refused to accept the Venerable Thich Nhat Hanh as the representative of the Unified Buddhist Church of Vietnam."

The cleavages within the Buddhist Church, a result of manipulation by the U.S.-backed Thieu regime, became most critical during the Fifth National Buddhist Congress held in Saigon in December, 1973. Uniformed police surrounded the An Quang Pagoda and plain-clothes police milled around in the crowd. Inside the pagoda, hundreds of secret police, calling themselves "New Monks", occupied the pagodas, searched all the believers who came into the meeting, and turned away many people. These "New Monks" are paid an extra bonus of 12,000 piasters each per month by the Venable Thien Minh himself. The Venerable Thien Minh and Huyen Quang, who are in control by the grace of the Thieu regime, went against the order of the Patriarch of the Church and insisted on maintaining themselves in their positions, along with another pro-Thieu superior named Tu Nhon.

They impounded all the Church funds, including the 150 million piasters that the Independent Swedish Church had given to Buddhist victims of the war. Venerable Huyen Quang himself, disregarding the agenda of the meeting and the intervention of the chairman of the convention, took over the platform to express his own opinion on the Paris Agreements. He said that the Paris Agreements did not contribute to peace in any way and that the Buddhist Church did not belong to any segments mentioned in the agreement. The chairman of the meeting, Venerable Duc Nhuan, had to disassociate himself from the speech, saying that it was designed to destroy the Paris Agreements and that it served to ignite the resumption of a full-scale war. However, in spite of opposition and public criticism, the three monks, aided by Thieu's police and money, carried out what many Buddhist superiors and newspapers in Saigon described as a "coup d'etat." Finally, scores of Buddhist superiors resigned from their posts in tears and hundreds of followers cried with them (*Dien Tin* and *Dai Dan Toc*, December 14, 1973).

The example of the Buddhist Church serves to point out the U.S.-Thieu tactics in regard to potential third force elements. This policy is carried out against other groups as well. At the present time many "private" American organizations such as the Asia Foundation and the Ford Foundation are most active in carrying out such divisive schemes. New American operatives have been sent to Vietnam. But what they and all those concerned with Vietnam must realize is that this kind of activity will only serve to create an explosive situation and will only compromise U.S. positions in the future. The Vietnamese people should at last be left completely to themselves as called for in the peace agreements. All aid to the Thieu regime should be cut off—if not immediately, then in stages—until the Thieu regime stops repressing elements that may form the third force and until the National Council of Reconciliation and Concord is created. After that, all foreign aid coming to South Vietnam ought to be channeled through this Council to guarantee fair treatment for all segments of South Vietnamese society. Until then, any aid to the Thieu regime on the part of the United States government clearly violates Article 4 of the agreements, which says that the United States will not "intervene in the internal affairs of South Vietnam", and Article 9 which guarantees the exercise of the South Vietnamese people's right to self-determination and states that foreign countries "shall not impose any political tendency or personality on the South Vietnamese people."

THE THIRD FORCE—HISTORY AND DEVELOPMENT

A decade ago, South Vietnam's first U.S.-bucked regime was brought to an end by a junta of senior ARVN generals. At the time, the Ngo Dinh Diem regime's brutal repression of Buddhist elements and of youth and student groups, generated mounting opposition within governmental and military ranks, thus weakening its administrative structure in the countryside and accelerating the already obvious deterioration of its position vis-a-vis the NLF forces. As a result of this struggle against Diem, the Unified Buddhist Church, under the leadership of Venerable Tri Quang, and sympathetic students groups, became a significant influence in the coming to power and eventual undoing of success Saigon governments. As the Pentagon Papers later revealed, the Buddhists' success and rise was "facilitated" by the U.S. through the C.I.A.'s assistance to the generals in their coup execution. Despite the Buddhists' importance as a political force, Vulnerable Tri Quang and his followers were unable to prevent American maneuvers from changing ruling groups in Saigon which did not totally acquiesce to U.S. war efforts or to prevent the massive influx of American troops into Vietnam.

In early 1966, the Buddhists again threw their political strength into a confrontation with the Nguyen Cao Ky government in order to check its military rule and war policies. For the first time since 1963, U.S. officials then came out publicly against the Buddhists, expressing the fear that Buddhist antigovernment activities and demonstrations might bring about the disintegration of the Saigon regime and slowdown military efforts against the NLF (*New York Times*, April 9, 1966). In late May, 1966, the Buddhists' rise to national prominence and influence as a political force was bloodily buried under the avalanche of Premier Ky's marines in the Buddhist stronghold of Central Vietnam. Many Buddhist students went underground and later joined the NLF. Since then, the Unified Buddhist Church leadership has been unable to regain much of its political vitality.

BUDDHIST VISION ON A THIRD WAY

During these years, counties articles and remarks inside Vietnam and in the United States were written on an emerging "third force" led by the Buddhists. This group was perceived as more nationalistic and less anti-communist, that is, situated somewhere between the Diem regime's right-wing Catholic supporters and the NLF. Many Buddhists and students who actively participated in the 1963 struggle and in the 1966 struggle in Central Vietnam. spoke out for some type of neutralist political solution. It was the implied desire of these people to negotiate with the NLF although the Buddhist Church as a whole never officially advocated such a view. Buddhist leaders in those years tended to link their vision of the third force to a third way to end the war. Through their program for peace in South Vietnam, they hoped to rally the majority of the South Vietnamese. They could then negotiate with the NLF for a neutralist settlement from such a "legitimate" position that the political struggle would be free from armed conflict. They also believed that the U.S. would once again "facilitate" the replacement of Saigon's military junta with a civilian-dominated government more to their liking (National Security Staff Memorandum, No. 1. *Congressional Record*, May 10, 1972). Such a settlement in their eyes would permit the United States to withdraw without unleashing further destruction on South Vietnam and would spare Americans the humiliation of not having attained their objective of a pro-U.S. regime in South Vietnam.

CONDITIONS FOR THIRD COMPONENT

What is the third force? Foreign observers often refer to it without being able to define it, while others in peace groups associate it with the Buddhists. Why then does the January, 1973 Peace Agreement recognize this "third component" as playing an important role in the realization of the National Council of Reconciliation and Concord? Does the third component have real political strength?

To understand how the third component came into being, we must look first at the profound social and economic disruptions caused by the massive American occupation. The U.S. military with its logistical base has generated by its military and political activities more than 9 million refugees, several hundred thousand prostitutes, almost one million disabled civilians [since 1965], almost one million homeless orphans (*U.S. Senate Subcommittee on Refugees and Escapees*, Hearings, August 1 1973), and some 3.9 million unemployed Vietnamese (see *Thoi Bao Ga*, No. 41). Above all, this U.S. presence has installed in the eyes of most Vietnamese an artifical ruling group in Saigon whose total devotion to war policies, whose cruelty, corruption, and exploitation of the people are unmatched in modern Vietnamese history (see *Thoi Bao Ga*, Nos. 41, 42, and 43). These characteristics of the Saigon regime stand wholly against Vietnamese traditions and values, aspirations for national independence and desire for a human and just social order.

Striving for the economic survival of his regime [then threatened by the loss of revenue from the departure of U.S. troops under the Vietnamization program], Thieu launched on November 15, 1971, his new economic reform plan—a plan which amounted to a series of tax collection and extortion measures. He declared on that day: "We will do everything possible before we beg for foreign aid." (*New York Times*, November 15, 1971). Economic conditions had since steadily worsened for Vietnamese in urban areas and in particular in refugees camps (see *Thoi Bao Ga*, Nos. 38–43).

In cities among the regime's exploited social groups, one finds the disabled veteran who is totally disregarded by the regime after years of fighting against NLF forces. Such veterans are paid an occasional monthly pension of eleven dollars and no housing is provided (*New York Times*, September 8, 1971). These veterans began to demonstrate in late 1971 in front of Thieu's palace for their right to better living conditions and treatment. The regime reacted by deploying more than 1,000 shock troops to neutralize the veterans (*New York Times*, September 17, 1971). Veterans' leaders and organizers were jailed subsequent to General Thieu's successful one-man race on October 3, 1971. Veterans were joined by university and high school students who always bore the burden of the urban opposition in times of U.S. escalation of the war. Deeply affected by the sapping of Vietnamese culture and society around them as a result of U.S. intervention and Saigon policies, several student organizations [since 1963] along with intellectuals, Buddhists, Catholics, and even civil servants—often parents of politically active students—have engaged themselves in organized activities against the Thieu regime (see *Thoi Bao Ga*, No. 18, "The Urban Opposition," and No. 25, "New Wave of Terror"). This struggle extended itself to the 2 million Buddhists of Cambodian descent whom the regime tried to draft by force (*New York Times*, September 20, 1971), and in 1972 to other religious groups like the Cao Dai in smaller cities throughout the Mekong Delta.

These urban and religious elements from various social backgrounds have struggled on their own without joining the NLF forces; they comprise the third force or "third component" in South Vietnam. Although not an administration, these groups are a political force which has been fighting under varying forms and intensities for the realization of a peace settlement and for national independence.

The third component gained more urban support in the wake of the great PRG military campaigns of 1968 and 1972. It was these campaigns which burst the bubble of American invincibility and of the "Vietnamized" Saigon regime that sheltered most of South Vietnam's cities. In the face of the enormous firepower unleashed indiscriminately by the U.S. to stop the NLF, the essential demand for national independence came into clear focus in the lives of those discontented and oppressed by the policies of the Saigon regime.

As a small reflection of the groundswell favoring third component groups, almost all successful opposition deputies for Saigon's National Assembly seats in the October, 1971 election were selected from urban districts despite gigantic efforts of Saigon authorities to repress and harass them. On December 27, 1972, General Thieu signed Decree-Law No. 60, eliminating participation by opposition candidates in any future election.

Under these conditions, it is not surprising to witness the transition of staunch supporters of the late Diem and U.S. policies at the time to members of the opposition to the Thieu regime and continuing U.S. intervention in Vietnam. For instance, the imprisoned Deputy Tran Nagoc Chau, former head of Saigon's Open Arms Program for NLF defectors and a protege of U.S. embassy officials, advocated direct negotiations with the PRG and an early U.S. exist from the South. Another, Father Hoang Quynh the once hawkish, anti-communist refugee from North Vietnam, a man of great influence among Catholics, has been pushing for an inter-religious front for the reconciliation between pro-Thieu elements and the PRG. Among the Vietnamese in exile, Colonel Nguyen Van Chau, former head of Diem's Psychological Warfare Department, is now active in Paris with the third component group which has called for respect by both sides of the 1973 Peace Agreement. These personalities and others who now stand with the third component, testify to the strong trend toward national reconciliation and concord among all Vietnamese, including many former Diemist elements who officially support General Thieu.

In the spring of 1972, the Thieu regime suffered a tremendous loss of confidence within its own ranks due to the impact of the PRG campaign. In some areas, like Binh Dinh province and Kontum, Saigon's administrative structure simply crumbled, while in the Mekong Delta many officials supposedly working for Saigon revealed themselves as pro-PRG administrators. At the same time, third component groups in the cities denounced U.S. escalatory moves against the northern half of their country and agitated against Thieu's economic measures.

THIEU IMPRISONS THIRD COMPONENT

Sensing his growing isolation, General Thieu embarked on a massive campaign of arrest and repression in mid-1972. By the time of Paris Agreement was signed in January, 1973, the regime's prisons were filled to utmost capacity. A letter dated May 26, 1972, from the Buddhist Student Association in Saigon stated that the entire leadership of most student associations and several civil rights groups were in prison (see *Thoi Bao Ga*, No. 25). Documents from opposition sources and the Committee to Reform the Prison System in Saigon, quoted later in American and European newspapers, and sources of political prisoners released after January 27, 1973, indicate the extent of Thieu's attempts to stop the movement for national reconciliation. Having steadily lost real administrative control in most of the countryside to the PRG since the fall of 1972, General Thieu set about eliminating the urban opposition which threatened his position in the cities, a position already much weakened by the disappearance of the protective U.S. military shield and by the dwindling U.S. economic assistance.

Under General Thieu's police state tactics and past U.S.-directed public safety projects designed to strengthen Saigon's police forces and reduce the potential of any opposition to the Thieu regime—NLF or non-NLF—the Third Component has suffered some severe blows. A great number of its most effective organizers and leaders are in jail, some of them crippled like Huynh Tan Mam, chairman of the Vietnamese Student Union. Hundreds of monks are in a similar situation (*New York Times*, January 29, 1971). However, it is also in General Thieu's prisons that one discovers the most well-organized segment of the Third Component. According to *Le Monde Diplomatique* (December, 1973), these political prisoners have quite often neutralized their prison guards in their struggle for democratic liberties. The more General Thieu arrests and imprisons discontented elements in the urban areas, the more Third Component followers his prisons will produce. A June 6, 1973 "White Paper on Political Prisoners" by Deputy Ho Ngoc Nhuan—a Catholic opposition leader—shows that torture and repression in Saigon's prisons is indeed intense but has failed to break the will of the prisoners.

On January 27, 1973 the U.S. and the Thieu regime signed the peace agreement in Paris. Its provisions gave Third Component groups a legal and official basis for existence despite General Thieu's intentions to terminate their life as a political force. Such provisions include:

Article 12, which recognizes the existence of the National Council of Reconciliation and Concord which "shall have the task of promoting the two South Vietnamese parties' implementation of this agreement."

Article 11 guarantees all "the democratic liberties of the people," and prohibits "all acts of reprisal and discrimination."

Articles 2 and 3 of the Protocol on the Ceasefire reinforced the preceding provisions by forbidding all acts, armed attacks, or any other restrictions on civilian freedom of movement and communication by either party (the PRG and Saigon).

This fact alone has given new impetus to the urban opposition and the political prisoners in their struggle for implementation by Thieu of their democratic liberties. On June 22, 1973 the leading Third Component group abroad, the Paris-based Committee for Peace and Democratic Liberties in South Vietnam, stated, "It is only when these demands are statisfied, can the Third Component effectively operate in an official capacity." Prominent members of the opposition in Saigon such as Deputy Nhuan and Father Chan Tin repeatedly emphasized the close connection between Third Component prisoners and these clauses of the peace agreement, especially in their detailed White Papers on political prisoners released in June, 1973.

If the essential guarantees of democratic liberties as called for by Article 11 and Articles 2 and 3 or the Protocol were respected by both the Thieu regime and the PRG, most "Third Component" elements would be released and free to organize activities. This would thus mark a major step towards legalization of the urban opposition. In the push for full implementation of these guarantees Third Component elements would be able to shape their organizations closer to the needs and realities of their struggle, and to strengthen their unity on a common program for a national reconciliation and concord.

EMERGENCE OF REPRESENTATIVES

The application of Article 11 would facilitate the emergence of real Third Component representatives in the National Council of Reconciliation and Concord who would be capable of furthering the demands and aspirations of their constituencies. In his June 7, 1973 letter to the Committee for Peace and Democratic Liberties in South Vietnam, Venerable Tri Quang had this to say:

"In my opinion the Third Component of the National Council must be put forward in a serious way, independently of the two other parties. It must be more than merely appointed by the other two parties. . . . Thus those who want to be chosen thanks to foreign approaches beside Americans will not be the representatives of the people. . . . The existence of a third independent segment within the National Council constitutes an essential element in mobilizing the population, in harmonizing the activities and resolving conflicts between the two other parties."

A case in point is the Unified Buddhist Church. Active Buddhist elements have seen their struggle undermined by the church leadership in the persons of Venerable Thien Minh, Huyen Quang and a few others who now side with the Thieu regime. Even among the ten Buddhist senators elected in 1970 with Buddhist support, seven are now publicly or quietly supporting the regime. The church leadership, totally decredited, has simply been unable to keep pace with the aspirations of Buddhist followers, and no longer can be considered as part of the Third Component. The Venerable Phap Lan and several other monks along with progressive Catholics have carried on the struggle for the release of jailed Buddhist students and monks.

Discrediting Buddhists and other Third Force elements is part of the American and Saigon regime effort to undermine all trends toward national reconciliation and concord among Vietnamese of different political tendencies. More than a year has passed since the signing of the peace agreement with no significant release of Third Component political prisoners, General Thieu even intensified arrests of Third Component Vietnamese once he was prevented from repressing elements supporting the PRG after the signing of the peace agreement last year. As the major funding source for General Thieu's police force and prisons, the US bears a heavy responsibility for Saigon's frantic efforts against the Third Component. It is a known fact that US opposition to any Third Component role goes back at least to 1972 when Henry Kissinger bitterly opposed it in the Paris negotiations with Le Duc Tho (*New York Times*, October 27, 1972).

With the release of political prisoners, the development of a widespread urban movement for national reconciliation on the basis of the peace agreement would be more than a possibility. The strength of such a movement would steadily neutralize General Thieu's war policies if the US decides to strictly respect the political provisions of the peace agreement. Recent Congressional prohibitions against US funding of General Thieu's police force and prisons under the rubric of foreign aid represents a positive step toward realization of peace in Vietnam through national reconciliation.

In the face of unabated government repression, the Third Component has nevertheless grown substantially in comparison to its position in 1963 or 1966. At present, it is in a stage of great development. The Third Component's real leaders will emerge and make themselves known in due time. Because the PRG advocates a similar policy of reconciliation and concord, PRG officials have refrained from interference in Third Component affairs and have not demanded the right to name members or leaders of the Third Component. General Thieu's continued liquidation and subversion of the Third Component undermines the resolution of the political situation by peaceful means and the PRG's policy of reconciliation. His desperate attempts to reverse his regime's increasing isolation invite a PRG response in the effort to defend and guarantee the continuance of such a policy of national reconciliation. The existence of an independent Third Component with democratic liberties respected by both parties, in particular by General Thieu, would be the shortest route toward reconciliation and real peace in Vietnam.

Documents

STATEMENT BY MINISTER NGUYEN VAN HIEU

(Nguyen Van Hieu was head of the PRG delegation to the 14th session of the Consultative Conference between the two South Vietnamese parties held June 28, 1973—ed.)

Guaranteeing the democratic liberties of the people

The Joint Communique stipulates that the South Vietnamese parties shall strictly implement Article 11 of the Paris Agreement. This stipulation satisfactorily meets Point 3 of the six-point proposal put forward by the Provisional Revolutionary Government of the Republic of South Vietnam.

In conformity with the Joint Communique and Article 11 of the Paris Agreement on Vietnam, all the democratic liberties of the people must be immediately implemented:

1.) Immediately abolish all forms of coercion, concentration camps forced regrouping, forced residence; stop immediately all "pacification programs," police operations, terrorism, repression, "purges," and all acts endangering the lives and property of the people.

Abolish all anti-democratic laws and wartime measures contrary to the spirit and letter of the Paris Agreement and in violation of the spirit of national reconciliation and concord.

2.) Guarantee the South Vietnamese people's freedom of residence, movement and correspondence between the two areas controlled by the two South Vietnamese parties so that the population can carry on business and work, visit relatives, look after rice fields and houses and tend family graves.

Guarantee freedom of belief and worship; fully respect pagodas, churches, temples, shrines. . . . All religions in South Vietnam must enjoy equality and freedom to practice their respective beliefs.

Vietnamese residing overseas and persons who, for political reasons, had to live abroad, must be given freedom to return to South Vietnam to visit their families, work, participate in political activities and take part in the reconstruction of the country.

3.) Fully ensure freedom of speech, freedom of the press; abolish any limitation on the freedom of the press, including censorship, confiscation, fines, etc.

4.) The two South Vietnamese parties shall agree simultaneously to let all persons of different political and religious beliefs carry on political activity freely in the areas controlled by the two South Vietnamese parties, and to allow the free circulation of newspapers of different trends in the two areas.

Establishing the National Council of National Reconciliation and Concord

The National Council of National Reconciliation and Concord must be set up as soon as possible.

1.) In conformity with Article 12(b) of the Paris Agreement on Vietnam, the National Council of National Reconciliation and Concord has the task of promoting the two South Vietnamese parties' implementation of this Agreement, achieving national reconciliation and concord, ensuring democratic liberties, organizing general elections and deciding procedures and modalities of the general and local elections:

a.) The Council shall assume its function of promoting the implementation of the Agreement's provision concerning the ceasefire through close contact with the two South Vietnamese parties. The Council shall be fully reported to by the two South Vietnamese parties on the implementation of these provisions of the Agreement.

b.) With regard to the achievement of national rconciliation and concord and the ensurance of democratic liberties, the Council shall:

Control and supervise the implementation of the Agreement by the two parties;

Prevent, uncover and investigate violations and propose to the parties measures for a solution;

Speed up activity by both parties to abolish policies, laws, regulations, and measures contrary to the provisions of the Agreement.

c.) The Council shall organize general and local elections and decide the procedures and modalities of these general and local elections.

d.) The parties shall scrupulosuly implement the agreements to be reached by the Council. The press and news agencies of the two parties shall widely publish the Council's decisions and motions.

2.) The National Council shall consist of three equal segments having the same footing. Each of the two South Vietnamese parties shall nominate its delegates to its segment of the Council. The third segment shall include those persons of different political and religious trends who belong to neither side but who approve the Paris Agreement. It must be ensured that the above-mentioned political and religious trends be heard, that this segment by truly representative and that it have an independent role and enjoy and equal status in the Council.

The Council shall consist of 36 members, each segment providing 12 members. The Presidium of the Council shall consist of 6 persons, each segment providing 2 persons. Three representatives of the three segments shall in turn preside over the Council.

3.) The two parties shall agree upon the Council's working regulations and conditions of activity. The Council must be given the ensurance of safety and the possibility of working easily and efficiently. This implies freedom of movement, freedom of contact with the people, the press, the parties and the organizations concerned. The Council must be granted guarantees of full privileges and immunities in order to accomplish its task and to be worthy of its important responsibilities.

4.) After the National Council of National Reconciliation and Concord has been set up as mentioned in points 2 and 3 above, it shall immediately begin its activities.

5.) The Councils at lower levels shall consist of three equal segments on the same footing and shall be set up on province, city, district, village, and ward administrative units. The timing for setting up the councils at lower levels shall be decided by the National Council of National Reconciliation and Concord.

The next document concerns the Buddhist Church in South Vietnam and the extent of the influence over it exercised by the Asia Foundation. The document was written by Frank E. Dines, an Asia Foundation representative in Saigon in 1965.

THE ASIA FOUNDATION, VIETNAM

No. V-SX 416.
Date: October 25, 1965.
To: The President.
Attn: Director, Southeast Asia Division.
Subject: Buddhist Program in Vietnam.

The purpose of this memorandum is to pull together the various aspects of the Foundation's Buddhist program and to discuss the basic assumptions and the objectives for further development.

The Vietnam program does not have a Buddhist category as such; projects with Buddhists have been grouped in categories such as education and rural development and have been justified in terms of Level III objectives of those categories. This practice, which may be sound from an administrative point of view, should not obscure the broader implications of Buddhism in Vietnam. Buddhism has assumed a social and political role which could make it the dominant force in society within a few short years. It is the total significance of Vietnamese Buddhism which must shape the individual projects undertaken by the Foundation. Van Hanh University, for example, is not particularly important in the overall educational picture of Vietnam nor would it seem to qualify for major Foundation assistance under existing Level III objectives. In the broader context, the University is vitally important because its purpose is to train future Buddhist leadership.

Buddhism in Vietnam is significant not only because of its numbers—eighty to ninety percent of the population is Buddhist or Buddhist-influenced—but also because of its special nature. Many Buddhists believe that their religion projected into the social, economic, and political spheres can supply a solution to the chaos and misery which have beset Vietnam for decades. What is more, they are actively building toward a position of predominance. Since monks, the traditionalists, are disturbed by the winds of change and advocate the return to ancient pursuits. Others—led by the visionary intellectual Nhat Hanh—preach social revolution and the rehabilitation of society through action programs based on love, non-violence and the voluntary spirit. Militant monks advocate, albeit still quietly, direct involvement in politics. It is doubtful that a plot as such exists to take over the government. In any case, the schisms within the Unified Buddhist Church would make concerted action difficult for the present. The immediate goals seem to be development of leadership, ideology and organizational strength.

An unusual characteristic of present-day Vietnamese Buddhism is the concentration not only of religious but also of secular authority in the hands of monks; the Institute for the Execution of the Dharma is controlled by the clergy. There is considerable irony in the fact that the lay leaders of the Buddhist Associations which formed the basis for unification of the Buddhists in early 1964 now find themselves outside the mainstream. The history of the past twenty or thirty years has yet to be written, but it would appear that the laymen, not the clergy, were initially responsible for the resurgence of Buddhism through encouraging higher education for monks and development of social services. Today these laymen can do little more than contemplate the Pandora's box they opened. Mr. Mai Tho Truyen has commented that some elements in the IED would like to see the IED charter rewritten to return control to the laymen. He, of course, supports this point of view, but prospects for such a revision seem rather slim.

Buddhism must also be looked at in the context of the war as the Buddhists are unquestionably an unstable and unpredictable element. The limited and traditional education of monks makes them vulnerable to manipulation by those whose worldly wisdom is greater. Although clear evidence of Communist influence in the Sangha itself is lacking, V.C. infiltration into lay organizations, particularly in Central Vietnam, is a threat. Traditional religious education, if weak in practical matters, is strong in history and culture. It contributes to the prideful and nationalistic attitude of many monk leaders which finds not only anti-foreign expression but also anti-government. Certainly the most explosive issue involving the Buddhists is the war itself. Although Buddhists seem generally to have few illusions about what life would be ike under a communist regime, the moral issues raised by the killing and destruction now taking place are enormous and cannot be rationalized. There is no easy way of predicting how this dilemma will be resolved. Probably the best that can be hoped for is that the Buddhists will continue to talk of and pray for peace and to maintain silence on the war. The worst would be a peace movement which would bring them into open conflict with the government and which would at the same time be strongly anti-American.

In working with the Buddhists under these circumstances, the Foundation is running a risk; we could conceivably come under criticism in Vietnam and the United States if the Buddhists were to move against the government and the war effort. However, Buddhism cannot be wished away, and it is certainly desirable to bring to bear all possible constructive influence while there is time and while the opportunity exists. The ability of the Foundation to work with the Buddhists when other American groups cannot or do not would seem to justify taking a calculated risk so long as we have our objectives clearly in mind. We have associations with Buddhist groups which go back to the late 1950's, and we now have wide access to and excellent working relations with the top Buddhist leadership. Equally important, the Buddhists are willing to accept assistance from the Foundation while they are suspicious of and usually antagonistic toward official groups, both Vietnamese and American.

The Foundation's Buddhist projects are

all directed ultimately at two specific goals: (1) training an educated leadership with particular emphasis on programs such as scholarships to the United States which enable the Foundation to regulate the experiences and environment of individuals, and (2) encouraging the growth of Buddhist social service and community activities along professionally sound lines. Certain grants may at times seem wide of this mark, but it should be recognized that it is occasionally necessary to undertake peripheral projects in order to establish our *bona fides* and to cement personal relations. For example, the grant of a small printing press to Van Hanh University last spring—the first assistance given by any foreign group—was designed to help win the confidence of Minh Chau[1] who after ten years in Ceylon and India was uncertain of the nature of the Foundation's interest in Buddhism.

From the Buddhist point of view, an educated leadership is neecssary to consolidate the gains made in the revolution against Diem. Many monks were slow to recognize the importance of trained cadres, but experience has taught them that traditional religious education is inadequate for their growing involvement in secular affairs.

From the Foundation's point of view, the new interest of the Sangha in education and its willingness to turn over to the Foundation its best young monks and nuns for training abroad provide an extremely unusual opportunity to help mold future leadership. Our flexibility of operation and our acceptability to the Buddhists equip us particularly well to work with elites. Limitations of finance and personnel make it more difficult for the Foundation to undertake programs designed to affect the masses, and other U.S. agencies may have better capabilities here.

Both the Buddhists and the Foundation have moved slowly in developing a scholarship program for study abroad and for different reasons. On their side, interest after the revolution against Diem lay chiefly in sending more monks and nuns to Japan and India for advanced religious studies. Recognizing that funds for this purpose have been fairly readily forthcoming from Buddhist sources, the Foundation early indicated to the Institute for the Execution of the Dharma its interest in assisting the training of personnel in fields related to Buddhist social and educational activities provided that a long-range plan was developed to utilize the monks and nuns thus trained. The slowness of the Buddhists to follow through seems to have been due to the disturbances of the Khanh-Huong period are also doubts about the appropriateness of the United States and American education. The latter were effectively wiped away by the trips of Thien An and Minh Chau. On our side, we have had to move cautiously in an effort to regulate the number and caliber of grantees and also to avoid involvement in the personal and regional factionalism within the IED. Our primary interest is in leadership potential. We have emphasized non-religious studies in the United States because this is the surest way of obtaining candidates who are already university graduates and who can be prepared and returned in two or three years. Japan and India, on the other hand, attract monks with Buddhist institute educations which are not even equivalent to the baccalaureate, and a training period of five to eight years is often called for.

In addition to Le Manh That who is studying Sanskrit and Tibetan at Wisconsin, the Foundation has three other monks and two nuns as firm candidates for scholarships. San Francisco has already approved the training program for Quang Minh, the Director-designate of the Buddhist Youth Socio-Cultural Center. Proposals have been submitted to San Francisco for a two-year scholarship in sociology for Le Van Hoa and a two-year scholarship for nun Tinh Anh. Two others will be proposed shortly. Two or three additional possibilities exist but have yet to be fully explored.

It is important to understand that this group represents the best young talent of the Buddhists. At a time when every person of ability is needed here in Vietnam, the Sangha has made the difficult decision to forego immediate needs and build for the future. These monks and nuns are not run of the mill scholarship applicants. They have been handpicked and referred to the Foundation by the topmost leadership of the United Buddhist Church. They include the only nun university graduate in Vietnam who is presently the headmistress of a high school, the head of the Young Monks and Nuns' League of the IED, and others who have in various ways shown themselves to be outstanding. Of the 20,000 monks and nuns in Vietnam, there are less than twenty who have foreign educations (including twelve now abroad of whom four are in the United States) and no more than thirty who have qualified for undergraduate degrees within Vietnam. Quite apart from the individual qualifications of the Foundation grantees, our scholarship group will represent in several years a considerable proportion of the total trained leadership of the Buddhists.

The raw material we have here is probably the best that could be found. We know that these monks and nuns are destined for leadership positions. Their training and experience in the United States will to some extent influence, positively or negatively, the type of leaders they will be. Within a relatively short period of time, they will return to positions of prominence in the IED. Van Hanh University and various pagodas. They will become the chief interpreters of the United States and U.S. policy of the Buddhists. It is therefore recommended that San Francisco undertake a study drawing on outside advice and experience if necessary—of measures which would be instituted to direct the experiences of Vietnamese Buddhist grantees along desirable lines. Simple exposure to the American way of life and education is not enough. Quang Lien's two years to Yale appear to have done little more than to develop his taste for Cadillacs. Nhat Hank grew as an intellectual and was influenced by warm relationships with two or three professors who recognized his brilliance, but he also made at least one close friend who is active in leftist causes.[2] The Foundation's present practice of keeping in touch with grantees by letter and one or two annual visits is undoubtedly suitable for the objectives of most scholarship grants. However, it uses only a small part of the potential the Foundation has to turn the grantee's presence in the United States into a decisive experience which is the primary goal with Vietnamese Buddhists.

We are by no means experts, but some of the following might be considered in the suggested study. Vacation travel to various parts of the country and participation in seminars, conferences or other programs which give insight into American life could be planned. If necessary, the Foundation itself might sponsor and organize such activities. One entirely new approach might be considered, that of taking appropriate professors or others close to the grantees into our confidence. This would make possible close and constant monitoring and specialized attention. Working through persons in whom the grantees already have confidence is essential; potentially it would seem to be the most effective method of controlling the experiences of grantees. In developing these and other approaches, thought might be given by San Francisco to using consultants such as Holmes Welch.[3] Costs of these special programs would be gladly met from the Vietnam budget.

Implementation of this scholarship program will require considerable work and the forebearance of the San Francisco staff. Of the six monks and nuns mentioned above, only four have the *license* which is equivalent to the American bachelor's degree. One has a baccalaureat and will require a specially tailored program. The other is a product of Buddhist studies institutes and the equivalence of this education has yet to be established. English ability varies from good to weak; in some cases initial language work will have to be arranged at Michigan's ELI, American University or elsewhere. Placement will also be a problem. Unfortunately, the Buddhists did not time this surge of interest in American education with the academic year. We are not expecting the impossible, but we do ask that San Francisco give special attention to early admission. A change in the political climate could reduce our list of candidates or, manpower shortages among the Buddhists being what they are, a good prospect could be lost to other more pressing duties because of long delays.

Other Foundation projects with Van Hanh University—its Faculty of Buddhist Studies, Faculty of Letters and Human Sciences, and School of Youth for Social Service—have precisely the same goal as the foreign scholarships: at assist the formation of leadership. Van Hanh brings together much of the Buddhist intelligentsia, both lay and religious. Leadership of the University is in the hands of monks trained abroad who are oriented toward Buddhism's social significance and role; they are mainly from Central Vietnam and are associated with activists such as Tri Quang and Thien Minh. The University put emphasis on training monks and laymen to serve society and, ultimately, Buddhism. Translations of several of Nhat Hanh's works have been completed and will be forwarded to San Francisco within the next few days. These throw light on Vietnamese Buddhist social thinking which the University is an extension of, and they also reveal something of the mind of the leading monk intellectual.

In addition to foreign scholarships (three or four of the grants under consideration are for future Van Hanh faculty members), the Foundation foresees assistance to the University for library development, research and the School of Youth for Social Service. The library program in its initial stages would provide for the training of a monk or nun in library science in the United States. Depending on developments over the coming months, it might also include major assistance to acquire a collection of modern works in the social sciences. Such materials are rare in Vietnam where what little that exists in French and Vienamese is usually decades old and as often as not Marxist oriented. Research undertaken by Van Hanh will be focused on Vietnamese history and will fit the University's nationalistic orientation. There may be areas in which the

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[1] Thich Minh Chau, now rector of Van Hanh, has long been won over to the American side. In the fall of 1973, he visited the U.S. under American sponsorship; one of his stops was the so-called "Vietnamese Studies Center", a creation of U.S. AID, at Southern Illinois University.—Ed.

[2] Thich Nhat Hanh's close friend in the American left is Alfred Hassler, for many years executive director of the Fellowship of Reconciliation (FOR).

[3] Holmes Welch, a good friend of Dennis Duncanson and Patrick J. Honey, two internationally-known British colonists and super-hawks on Vietnam, is author of two books on Buddhism: The Practice of Buddhism in China and The Buddhist Revival in China, published by Harvard University Press in 1967 and 1968 respectively.

Foundation can guide and facilitate the efforts of scholars to interpret Vietnamese culture. The School of Youth for Social Service is important because of its function of preparing cadres to work in the countryside, but its program is still being evolved and specific needs which the Foundation might meet are still not clear. At present it appears that our most useful contribution would be to help train permanent staff members in rural and community development in other Asian countries.

It is evident that the travels of Venerables Minh Chau, Thien An and Nhat Hanh earlier this year strongly influenced their thinking about university education. The Foundation will actively seek opportunities to provide additional experience in depth. Minh Chau in particular would benefit from intensive study and observation of university administration in the United States, and such a program is under consideration for next summer.

In the Buddhist youth field, the Foundation intends to continue its programs with the IED General Commission for Youth and with individual youth groups such as the Buddhist Student Association (for university students), the Buddhist Youth Families organization and others. Most of all of the Buddhist youth apparatus will move to the Socio-Cultural Center now under construction. The Foundation has agreed to train the program director of the center in the United States and will also furnish the library and provide a sound system for the 200-seat auditorium.

The Foundation's program with Buddhist service groups is not as clearly defined as in other areas, mainly because the Buddhists' efforts are still disorganized. It is no longer a question of whether or not the Buddhists should or are able to expand their social services; the decision has been made and the number of schools, orphanages, dispensaries, etc. are being increased. The Foundation's role has been to encourage growth and professionalization. One of the foreign scholarships under consideration is to provide training for a nun who will eventually have responsibility for setting up a school to train other nuns in social welfare. The IED has periodically talked of taking measures to organize social services, including training, but constantly changing personnel and the political motivation of some of these moves make the IED itself an unstable base for the training function.

We believe that the Buddhist program outlined above utilizes the Foundation's special capabilities to the maximum extent. Individual projects may have to be amended as circumstances change and as we increase our knowledge and experience, but the broad outline of the program in our opinion is significant and appropriate.

A breakdown of Foundation Buddhist projects since the November 1963 revolution and the establishment of the Unified Buddhist Church is attached for reference.

San Francisco's comments, as always, will be welcomed.

For the representative:

Frank E. Dines,
Assistant Representative.

Selected Translations from Saigon Newspapers

(The following are editorials from Dan Chu Moi, the most influential Buddhist paper in Saigon, which closed in 1972.)

[From *Dan Chu Moi*, Dec. 13, 1971]

Now's Not the Time for Prayers Alone

Every year the Buddhist Church holds a convention and at every convention a statement is issued which calls for . . . prayers for peace! And every time there are prayers for peace, the war becomes more intense, more widespread, and the Vietnamese people have to suffer even more in terms of life and property.

This year the representative of the Buddhist Church has another opportunity to issue another statement containing words of peace. And the sounds of their gongs and drums will vibrate resounding in prayer ceremonies just like they do every year!

But the sounds of gunfire are louder, drowning out the words of prayer and even the toll of the Bells of Repentance which [in themselves] will never enlighten warmongering and murderous souls.

At the present convention, according to many papers, the Buddhist Church will again issue a statement which will include four key points:

The withdrawal of foreign forces from Vietnam;

A ceasefire;

And the creation of a peace settlement based on self-determination, Vietnamese affairs to be ironed out by Vietnamese without foreign intervention.

What could be better?

These are also the aspirations of the entire people after several decades of having to shoulder a war against their own will, a war in which shady (*vo minh*, a Buddhist term which means literally "not bright, nuclear, unreal") interests benefit while people from every stratum of the society must sacrifice blood, sweat and tears.

Even though the foreigners are trying their best to force their devious schemes on the sacred aspirations of the people, the struggle of the Vietnamese people is progressing steadily toward victory.

This progress is based on concrete events in every field of activity and not on the empty statements by the leaders—statements made and then shelved—or on prayers which only disappear into space.

The concrete struggles of the soldiers and the people, the quickening developments—both internal and external—and the entrance of the Vietnam war into a decisive stage, [all these] demand more concrete and positive action [from the Buddhist Church].

This is a heart-felt suggestion from the people to the representatives of the Buddhist Church who are about to convene to decide on matters of life or death for the Vietnamese people and for Buddhism.

Buddhist leaders have said that Buddhism will persist only if the people do. Therefore, concrete struggle for the people means struggle for the survival of the religion. And this should be done through a positive, firm declaration of peace to be accepted by the convention.

No more empty rhetoric or prayers!

[From *Dan Chu Moi*, Dec. 16, 1971]

In every struggle, if there is no participation and support from the masses, there is no hope for success no matter how well-trained the soldiers, how powerful the generals, or how modern the weapons. If some success is achieved, it can only be temporary.

On the other hand, if a movement has the support of the people but is wanting in political direction and proper conduct on the part of the leadership, it will also be difficult to gain full success.

Almost all of the political leaders in this southern part of Vietnam at the present time have encountered these two situations: lack of popular support or, if there is support, inability to lead the masses.

A number of religious leaders had some support from the people because of an opportune political stance during the struggle against injustice, dictatorship, and prejudice. They have now lost their positions as leaders precisely because they lack the proper conduct required of leaders. They forget that it was precisely because of the righteous stance in the name of the masses and for democratic freedoms—not because of any individual leader—that a great number of people and Buddhist rose up. This success raised Vietnamese Buddhism much higher in the estimation of the people. No matter how famous a certain religious or political leader might be, if he does not follow the righteous path of struggle or if his programs are unjust or misdirected, none will follow him except for a small blinded minority who worship him as leader.

After a few unsuccessful [political] ventures which serves to weaken their power, the leaders among Buddhists today have become negative, passive and complacent. This in turn has served to lessen their prestige even more.

Even so, a number of leaders do not seem to be able to understand this, and instead they display an attitude of self-aggrandizement, self-fulfillment, conceit and complacency. Either publicly or secretly they bourgeoisie-ize (*truong gia hoa*) their way of life. Their homes are air-conditioned, they ride in shiny limousines, they love to be praised and toadied to, and they consider themselves idols and gods.

The way of life and the kind of attitude mentioned above could easily render them useless and could lead them to become the type of official who removes himself increasingly from the people and from Buddhist believers and isolates himself from the waves of national and international struggle. Political, religious and labor leaders of the type mentioned above will never be able to catch up with the speedy progress of the people. They will become reactionary, opposing and hindering the progress of the people.

At the present time, many religious leaders have fallen victims to the case mentioned above and they cannot walk with the people anymore. They do not think of the common interests of the people but only of their own interests, their own position, and their own ambition. There have been many squabbles over positions and interests both in private and in public, causing a loss of prestige to the entire religious community. Hiding in the shadow of the compassionate and forgiving Buddha, they have done many vile things in complete disregard of the criticisms of the population and of the believers. The greater part of the blame [of course] falls on their superiors and the Buddhist community as a whole for having been lenient and protective toward them.

A century of repression and oppression pushed them into the shadows and caused them to lead a very hard life. Then the sudden glow of success and glory blinded them to such a degree that by their unrestrained activities they have let themselves sink into a quagmire of depravity. They no longer qualify as true spiritual leaders or true spiritual soldiers who are supposed to make sacrifices and lead a life of hardship.

No one asks them to lead a life of abstinence in the shadow of lonely pagodas, forces them to eat meatless meals and sleep on the floor, or makes them beat the wooden gongs while chanting the sutras and embracing the Buddha day and night. On the contrary, the suffering masses all wish that the religious leaders knew how to lead a real life. They all hope that these leaders step out [of their pagodas] and pitch in to relieve the sufferings of humanity. . . . Buddha left his golden and jade throne, engaged in a life of suffering for humanity, incessantly struggled against injustice and tyranny on the side of the people until his last breath.

You must practice your religion (*Tu thi phai hanh*). In practicing your religion, you must do good things for the people and for the religion and not evade social responsibilities by living off the people and becoming a social parasite. . . .

In order that the common aspirations of the people in this critical and decisive period be attained, it is urgent that true spiritual leaders and righteous believers sweep away all the obstacles, clear the road, and advance in a direction which is compatible with the ideals of peace, independence, and democracy.

These are the important tasks facing the hundreds of Buddhist representatives at the present convention in the capital city of Saigon.

Theirs is the responsibility of discussing these points and quickly implementing them. The leaders cannot continue with their negative attitude forever. Time is running out for you! Hesitancy, timorousness, and feet-dragging will not help you catch up with events for time waits for no one. Every success to you.

AUSTERITY, FRUGALITY, INTEGRITY

Saigon's latest austerity drive is on. Everyone will have to learn to do without—everyone, that is, except Thieu's corrupt corps of officials, many of them sporting degrees from top American universities.

While there is widespread hunger and starvation due to Saigon's rice collection policy and to the destruction of crops by the recurrent floods and the continued use of anti-crop chemicals by the Thieu regime; while tens of thousands of people are homeless because of the floods, caused in part by the defoliation program and the continued bombings and shellings of the countryside by the Thieu regime; and while there are thousands of hungry and homeless children digging in garbage dumps for food and sleeping on the streets, Thieu's high officials are treating themselves royally with public funds and are making merry on the money they exact from an already impoverished population.

Most of these high officials are young men in their 20's and 30's, the products of the best American universities and of over a decade of American grooming. To give an idea of how much these men have learned, let us take a brief look at a few typical cases.

The first person is Tran Khanh Van, the present Minister of Housing Development. Tran Khanh Van is a graduate of the University of California at Berkeley in mining engineering, although he claims to have a Ph. D. in international relations from Johns Hopkins University, and, without fail, introduces himself as "Dr. Van."

Before he returned to Vietnam last year to take his present job, Van was an officer at the Saigon consulate in New York. His job was basically public relations, and he was willing to take assignments such as going to college campuses to explain Thieu's policies. These are tasks that his colleagues at the embassy in Washington and at the consulate in New York usually shrank from. For this reason, he earned the title of "political plumber." Van usually fared better than his colleagues with American university audiences because his line of argument, which was always the same, went this way: True, the Saigon government was fairly corrupt and ineffective. But everybody knew that communists almost everywhere were known to be bloodthirsty and totalitarian. In Vietnam, they blew up bridges that Americans had so kindly built for the Vietnamese people with American tax money and they rocketed cities and killed innocent civilians.

Therefore, although the Saigon government was corrupt and ineffective, it was the lesser of two evils. Precisely because it was ineffective, it needed help, especially from the United States. The difference between a democratic and a totalitarian state Van would then state, was that a democracy was conducive to change and would welcome the help of talented people, while the reverse was true in a totalitarian country. At this point Van would usually tell his audiences that as a Ph.D. he could earn more than the meagre salary he was receiving by working for American corporations or teaching at American universities.

However, since he was thinking not of himself alone, he took up the challenge of working for the Thieu regime. "If you want to change things," he would say, "prove yourselves by working and not just sitting there criticizing." Van frequently added to his well-rehearsed speech at this point that although his current pay was already too low, he had decided to give it up and go back to Vietnam to take up a job that would pay him only 50 to 60 dollars a month—at least 10 to 15 times less than his current salary. The reason for this, he said, was because he wanted to help improve the situation.

What Van has done since he returned to Vietnam is well documented in the December 17, 1973 issue of *Dien Tin*, a Saigon daily. As soon as he took his job, he set for himself a basic monthly salary of 300,000 piasters—over ten times the monthly pay of a full professor at the Saigon university. This is about $600 at the present rate of exchange. But obviously Van did not think that this was enough, for he increased his salary by an average of over 600,000 piasters each month. In addition, he has also taken over ten million piasters from the ministry's fund to pay for parties and feasts that he and his friends have had at the most expensive hotels and restaurants in Cholon, Saigon's twin city. He has also used public funds to pay for his housing and other expenses such as the gas bill for his private car, although he already has an official limousine for his own use. His aides and staff has enjoyed the same luxuries. Each of his three aides receives 200,000 piasters a month as base pay and an additional amount of over 100,000 piasters for monthly bonuses and extra pay. These bonuses have recently become increasing larger as the result of the fact that Van's underlings caught him in the act of fooling around with girls in the middle of the night in his own office at the ministry. Now Van's underlings do whatever they want without fear of being reprimanded.

The total amount of money that Van and his aides have siphoned off from the ministry's fund is reported to have reached at least several hundred million piasters. The money comes mostly from the profit made by selling the so-called "National Reconstruction" lottery tickets, which nets a profit of several billion piasters a year. [Anyone familiar with the government lottery knows that the tickets are not sold to willing buyers alone but also are also forced on civil servants, soldiers, traffic violators, and so on.] Money is also stolen outright from downpayments made by people who want to buy houses from the government on an installment basis. These downpayments are very sizable and hundreds of people have been victimized by this blatant robbery.

In spite of all this, Van is still the minister of Housing Development under the protection of Hoang Duc Nha, Thieu's most trusted advisor and Van's high school classmate. In fact, according to the November 1, 1973 issue of *Dai Dan Toc*, there has been much discussion within official circles that Tran Khanh Van would be appointed as the chief of a merged ministry composed of the present Ministries of Labor and Social Affairs.

PHAN QUANG DAN: WEALTH FROM REFUGEES

The second case concerns Phan Quang Dan who is chairman of the "Interministerial Committee for Relief, Resettlement, and Return to Villages of War Victims" and Commissioner of the "Develop Virgin Land and Construct Hamlets Program." Dan, a Harvard-trained physician, has had a long career in politics which began in 1958 when he became secretary general of a small group known as the Caravelle group.* After the attemped coup in 1961 by a group of officers (with whom Dan had some connection) against the late President Ngo Dinh Diem, Dan was jailed. When he was taken to court for trial by the Diem regime, Dan cried in public and begged for mercy. After the successful coup against Diem in 1963, Dan was released and carried through the streets of Saigon by his supporters as a national hero. Since then Dan has held one important post after another in the various regimes that followed Diem's.

The longest job that he has held has been in connection with the refugee problem. In this capacity, Dan has carried out persistent and systematic relocation and transfer of the rural population and of refugees in an attempt to deny peasant support to the NLF and also to provide buffer zones for the Saigon-controlled areas. Since after the signing of the Paris agreements, the transfer of refugees has been especially active.

Following are but a few examples: According to the March 22, 1973 *New York Times*, the Saigon regime disclosed that it has begun to move 100,000 of a planned 660,000 persons from the central provinces (which are considered areas where an NLF offensive against Saigon would have to go through.) On July 5, 1973, the *New York Times* again reported that more than 160,000 Vietnamese were to be resettled in the month of July alone, or at least 30,000 persons more than the total number of people resettled during the first six months of 1972.

In an attempt to grab more land, most of these people have been sent to devastated and unsettled areas that had been conceded to the PRG for years. All this his been done under the guise of the "Program to Improve the Life of Anti-Communist Refugees" and the "Develop Virgin Land and Construct Hamlets Program." Not only do all these activities violate the terms of the Paris agreements, but they have also exposed the peasants to all kinds of danger and suffering.

First of all, the countryside is infested with unexploded mines and other munitions. According to the *Hearings before the Subcommittee to Investigate Problems Connected with Refugees and Escapees, of the Senate Committee on the Judiciary* (August 1, 1973. p. 42), there are "over 400 to 600 million tons of live ammunition in the fields" in South Vietnam. This is an equivalent of 80,000 pounds for each South Vietnamese man, woman and child. Although Norman Firnstahl, former USAID Associate Director for Relief and Rehabilitation, testified at the above hearing that in 1973 "probably about 300 resettlement village sites" were planned to be cleared by the South Vietnamese military, this has not been the case.

On the contrary, Wells Klein, member of the Subcommittee Study Mission to South Vietnam, testified that ammunition was still being dumped on the countryside at a very high rate: "When we were in Da Nang in mid-March, the South Vietnamese admitted to firing 10,000 rounds of artillery daily, most of which was not to counter operations from the other side, by primarily H & R [harassment and interdiction] fire." (p. 33.)

Secondly, refugees who have been transferred or resettled are often left to hunger and starve on the new sites. Often they do not have a roof over their heads. This is because Dan's committee and his staff in the field steal all the aid—food, money and building materials—that are supposed to go to these victims. Even peasants who have been transferred to the geographically favorable province of Tay Ninh are so hungry that they have had to go up to the mountains to dig roots; and when there is not enough of this food to go around, they starve. This situation has been documented in detail in an investigation serialized in the November 1 to 20, 1973 issues of Dai Tan Toc. The situation confronting refugees of minority background has been even worse.

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* The name comes from the most expensive hotel in Saigon where the group met to draft its statement criticizing the Diem regime.

For example, as reported in the October 25, 1973 issue of Dien Tin, the Hre highlanders who had been resettled in Quang Ngai province were so hungry that many of them had to eat dirt. Many of them died and the newspaper warned that unless the government helped these people immediately, they would all die of starvation.

THEFT OF REFUGEE FUNDS

But as Dien Tin stated in its November 20, 1973 issue, the Saigon regime must have refugees in order to obtain aid money from the United States. The newspaper reported that about 90% of the aid to refugees, amounting to "several tens of billion of piasters each year," has been siphoned off. Phan Quang Dan, as the chief of the whole "Relief, Resettlement and Return to Village Program," and as Commissioner of the "Develop Virgin Land and Construct Hamlets Program," has been accused hundreds of times in Saigon papers of taking part in the stealing of funds earmarked for the refugees and of sharing the spoils on all kinds of shady undertakings. The accusations are usually very specific, and Dan's answers to them are usually ludicrous.

One of the latest examples of this is the accusation by Deputy Nguyen Minh Dang and Deputy Ho Van Xuan at a hearing in the Saigon Lower House, as reported in the November 1, 1973 issue of *Dai Dan Toc*. The generals and colonels appointed by Dan connived with local authorities to steal money from the programs. All the good land granted by Dan's office in Long Khanh province has been parceled out to powerful friends. Only worthless land is left for the poor people. As far as clearing virgin land is concerned, although the unemployed inhabitants of Long Khanh province bid to clear the land for 35,000 piasters per hectare, Dan instead granted monopoly rights to the Vecco Company which charged 90,000 piasters for clearing each hectare.

As far as the timber and other things taken from the land during clearing is concerned, Dan had allowed trucks to come and take everything away for sale. The local inhabitants were not allowed to use anything. The money from the sale of these commodities had not been put into the official fund but went into the pockets of the officials connected with the program. The chief of the office of social welfare of the province for example, got nine million piasters in this manner.

A second case involved a certain Catholic priest in Khanh Hoa province who used 120 million piasters to buy 1,200 hectares of land (which turned out to be usurped land in the first place) to give it to Dan's office on the condition that the priest would be given monopoly rights for all the work contracts given out by Dan's office for the province. The priest could then lease his rights out to sub-contractors.

Money for the "Develop Virgin Land and Construct Hamlets Program" had been used to furnish Dan's own home and offices and also offices of his underlings in the provinces. For example, Dan's own house on Phung Khac Khoan Street alone, 10 million to furnish his office on Hai Ba Trung Street in Saigon, and 60 million piasters on the offices at ten provincial locations. On a recent trip to Hue city, Dan observed that the office of his friend the provincial chief was run-down, so he gave him 4 million piasters from the funds that are supposed to go to construct hamlets for the refugees.

Dan never attempted to answer all the charges but his answers to some of them are quite interesting. For example, he said that the repair of the provincial chief's office fell into the flood relief category. Besides, since the money came from the U.S. embassy and American clubs such as the Lions Club anyway, why should his critics care one way or another. As for the granting of monopoly rights to the Vecco Company, according to Dan that was in order to get this company to put to use the equipment it had been sold by the American construction company RMK/BRJ so that the equipment would not get rusty. As far as the high payment to the company was concerned, that was for helping to get operators for the company's equipment. In the case of the timber, Dan said that the contractor had no use for it anyway. Finally, in answering the charge that he had used public funds for furnishing his own home, Dan said that he also used his home as an office (Probably a leaf from Nixon's book!).

Perhaps one of the most unforgettable statements of Dan's is the one he made recently after a tour of the central provinces to assess the flood damage there. Deputy Kieu Mong Thu reported in her article published in the November 19, 1973 issue of *Dai Dan Toc* that Hurricane Sarah swept through the ten central provinces, "immersing the central provinces under a sea of water, killing thousands of people, destroying and washing away tens of thousands of homes, wiping out unknown quantities of crops, and leaving close to half of the population homeless, hungry, suffering under the cold winds and rain."

As reported in the November 29 and 30 issues of *Dien Tin*, even the office of the commander of Military Region I had to admit that tens of thousands of hectares of riceland had been destroyed, that tens of thousands of homes had been razed, hundreds of people had been killed and over 70,000 persons had evacuated. In fact, the flood waters rose to about 7 yards in some places and at least 3 yards on the average in many areas. In spite of this, after a short tour of the central provinces as the chairman of the national relief committee, Dan announced matter-of-factly, "The damage is very light, very insignificant" (quoted in *Dien Tin*, November 29, 1973). But there is a reason behind this statement. For, as reported by Deputy Kieu Mong Thu, in the article quoted above, "Most of the money for the flood victims has been used to buy carpets, beds, furniture, new cars, and office furnishings for the officials involved."

Our third and last example has to do with Pham Kim Ngoc, a Yale man and a graduate of the London School of Economics. Ngoc held the post of Economics Minister for five years until the end of last month when his participation in the various rice scandals and rice collection policy generated so much public indignation against him that Thieu was forced to kick him upstairs as High Commissioner of Planning and National Development, a post comparable to John Ehrlichman's former job at the White House. Pham Kim Ngoc's "achievements" over the years have been considerable, and it is quite impossible to list them all.

Ngoc first came to national prominence in 1971, when, as Economics Minister he announced the so-called "Autumn Revolution" to "save the country" (*Dan Chu Moi*, November 17, 1971). In fact, after he had announced the issuing of the new bill, Pham Kim Ngoc held a press conference entirely in English to explain the decision. This led a Saigon newspaper to conclude that apparently it was not worth the trouble to explain it in Vietnamese—why waste words trying to explain things to the Vietnamese? (*Duoc Nha Nam*, November 18, 1971).

According to the November 17, 1971 issue of the Saigon daily *Dan Chu Moi*, the "revolution" devalued the Vietnamese piaster by 45 per cent, lowered import taxes on luxury goods by at least 50 per cent, and increased internal consumption taxes on about 650 items such as rice, fish, vegetables and cloth by 45 to 50 per cent. When Pham Kim Ngoc announced the tax increase and devaluation, he also announced that by the end of November of 1971 some 17 billion piasters in 1000-piaster notes—the highest denomination thus far—would be issued. Most people in Saigon saw this as yet another spur to inflation, but Ngoc and the Thieu regime ignored them and maintained that this was part of the "Autumn Revolution." *Dan Chu Moi* was so angry that on November 18, 1971 it carried an editorial asking, "How can a series of financial tricks designed to squeeze out more money be called an 'Economic and Financial Revolution?' " The paper was subsequently closed down.

RICE COLLECTION

Since then, Ngoc has used many devices for exacting money from the Vietnamese population, each more ingenious than the last. Let us name only the latest example of these, which is the rice collection policy, otherwise referred to by Thieu as the "rice war." According to two Saigon newspapers, the Thieu regime has forbidden the rural population to store more than 3 *gia* (40 liters) of paddy rice, or the equivalent of about 40 liters of milled rice, at any time. All excess rice has to be sold to the Thieu regime (*Dien Tin* and *Dai Dan Toc*, September 25, 1973). The Thieu regime has ordered the high command of the Saigon Armed Forces, the Department of Commerce and Industry, the Department of Agriculture, and the Department of Economy to join forces in the collection of rice (*Dien Tin*, November 2, 1973).

Often the rice collected is simply confiscated from the population without compensation or only with a promise that compensation is to be made some time in the distant and uncertain future (*Dai Dan Toc*, October 1, 1973). The fixed official price for each *gia* of paddy rice to be paid the peasants is from 1300 to 1400 piasters depending on the variety; but in cases where Saigon officials have actually paid for the rice, the payment has been only 800 to 900 piasters a *gia* (*Dien Tin* and *Dai Dan Toc*, September 25, 1973).

Meanwhile, the price for 100 kilos of rice in Saigon has ranged from 20,000 to 27,000 piasters (*Dien Tin*, October 19, 1973) and the price of the same amount of rice in the central provinces has been 40,000 piasters in many areas (*Dien Tin*, November 20, 1973 and December 7, 1973). Official Saigon statistics quoted in the November 16, 1973 issue of *Dien Tin* show that for the months of November and December alone, Military Region IV had to deliver 215,000 tons of milled rice to Saigon alone. This means that even if Saigon sells the rice at 20,000 piasters per 100 kilos and buys it at the official price of 1300 to 1400 piasters per *gia* of paddy rice, then Saigon would make over 30 *billion* piasters, or about $60 million, during the two months alone. Of course this is not to mention the large amount of rice that never reaches Saigon through the official route.

For example, according to the October 31, 1973 issue of *Dien Tin*, Major Ngo Van Thi, the district chief of Ben Tranh, sold 49,000 100-kilo sacks of rice to Saigon and Cholon through illegal routes. All this happens when there is a decree that no one is supposed to bring rice from one village to another, one town to another or one district to another for sale, milling or any other purpose without the written consent of the authorities.

According to the December 7, 1973 issue of *Dien Tin*, the provincial and district authorities had orders to arrest anyone who carried three kilos of rice, for such an act was considered an attempt to aid the Communists. Only merchants close to the Saigon regime are allowed to transport rice for any distance. There is no knowing what percentage of the spoils Pham Kim Ngoc has gotten from all these. However, he himself had admitted his part in one famous case in which he sold 20,762 tons of government rice to a number of friendly merchants at the low rate of 8500 piasters per one hundred kilos. In his official statement, Ngoc admitted that if those merchants sold the rice back at the rate of only 15,000 piasters per 100 kilos, they would have made about 1.5 billion piasters. In the same statement, Ngoc also admitted carrying out the dubious practice of subsidizing rice merchants who were transporting rice to the central provinces for sale. For each billion piasters worth of rice transported, the Economics Minister granted a one billion piaster subsidy! (*Dai Dan Toc*, October 21, 1973).

Meanwhile, in the central provinces, even though the price of rice is 400 piasters a kilo as already cited above, it is extremely difficult to obtain rice anywhere. In Da Nang city, there are 40,000 tons of rice kept in the government granaries, but the province authorities refuse to sell it to the hungry population (*Dien Tin*, December 6, 1973). When about 1000 inhabitants of the third district of Da Nang gathered to protest against the Saigon government for not selling rice to the population when thousands were in critical states of hunger, Major Le Khac Kha, the district chief, personally directed an attack against the protesters, leaving many wounded (*Song Than*, November 26 and 27, 1973).

In an attempt to pacify the population of Da Nang as well as to explain his economic policies to them, Pham Kim Ngoc flew to Da Nang where he made a truly "revolutionary" statement: "If there is no rice, eat gruel. If there is no gruel, eat roots. What's wrong with that?" (quoted by *Doan Ket*, December 22, 1973). According to the December 7, 1973 *Dien Tin*, even in the town of Tam Ky (about 20 miles south of Da Nang) where food is generally more available than elsewhere, a piece of root the size of two fingers and about 10 centimeters (about 4 inches) long costs 50 piasters, or a fourth of the daily salary of a full-time worker. Yes, what is wrong with that? What is wrong with the whole economic policy of the Thieu regime? What is wrong with Thieu's slogan of "austerity, frugality and integrity" when his officials from top to bottom are robbing the people blind?

Father Nguyen The Thiep, in charge of the cultural and social affairs for the Redemptorists in the southeastern areas of Quang Ngai, said with bitter irony, "No one should bring relief for the people around here anymore. No matter how much people give, they all take the credit for it and all they do is spoil the population here."

According to Reverend Thiep, the people are "spoiled" because of the way the various organizations and private associations give out their relief.

"All of a sudden they come and herd people out and give them a few cans of concentrated milk, a dozen or so kilos of rice, a few blankets, a few pots. One group after another comes to distribute relief under the direction of the authorities, and they all concentrate on a few areas . . ."

According to Reverend Thiep, "people"—especially those important figures from Saigon—only carry out the distribution for show, for satisfying their own egos, and after some photographs and movies have been taken they just leave and ask the local authorities to continue with the distribution for them. Two seconds after they've gone the distribution is stopped. The relief goods are then taken to the homes of the authorities with the words, "The distribution will be continued tomorrow, we are busy today." But tomorrow never comes, and the victims just have to sit there waiting for another relief delegation.

"We would be lucky if we could get even that," said Mr. Tran Chieu, a flood victim in Quang Ngai. "They give it to you in the morning, then the village, district and provincial authorities come in the afternoon and take most of it back. They say, 'Give back some of the relief goods so that we can share them with the inhabitants of District A or District B who have not been given anything.' When the authorities address us in this way, who would dare to disobey?"

For this reason, the people have to give back the shirts, rice, cans of milk, although they know very well that the population of District A or District B will never see them.

"In my area," Mr. Chieu continued, "the authorities come and say, 'You people should not store so much rice in your houses. Give it to the government and we'll keep it for you. If you keep it in your houses the Viet Cong will come and steal everything."

The phrase "the Viet Cong will steal everything" or "do you guys want to supply the Viet Cong, huh?" is repeated over and over again in the provinces of Quang Ngai and Quang Nam.—Dien Tin, December 1, 1973

PEACE—OUT-OF-HAND

The situation in South Vietnam becomes more desperate every day as Thieu continues his "rice war" and forced resettlement of refugees. And U.S. aid makes it all possible.

Recently, when Secretary of State Kissinger was discussing the Middle East War with a friendly foreign minister, the Vietnam settlement was mentioned. The conversation, as told by the foreign minister and related by the *New York Times* in its December 26, 1973 issue, went this way:

"But Vietnam wasn't much of a ceasefire."

"I know," said Kissinger, "but it could have been. I wanted to bomb the daylights out of Hanoi, but Congress wouldn't let me. That would have made it stick."

The fact of the matter is that Kissinger and Nixon did try their best to bomb the daylights out of Hanoi and other populated areas of North Vietnam for two weeks at the end of 1972. During this period several hundred fighter-bombers and over 100 B-52's carried out massive round-the-clock assaults on the cities, dams and dikes of North Vietnam. During the first two days of bombing, 20,000 tons of bombs—the equivalent of the atomic bomb used on Hiroshima—were dropped. By December 24, about 40,000 tons of munitions had been dropped on that country. But this unprecedented intensity does not tell the whole story. For what was especially wicked about this "Christmas bombing" was the use of B-52's to carpet-bomb. Two hundred B-52's were used on a rotation basis; each mission was composed of 80 to over 100 planes. Each B-52 typically carried about 108 500-pound bombs and dropped them from an altitude of about 35,000 feet. The bombs from each B-52 covered "a rectangle a mile and a half long and a half mile wide with flames and flying steel fragments." (*New York Times*, December 26, 1972.) If there were no overlap, each mission of 100 planes could destroy an area about 34 square miles, or 32,000 acres. The bombing during this season of "peace on earth," therefore, was not just a fireworks demonstration. Whole cities, such as Bac Giang, were totally destroyed.

Nor was it true that the American Congress tried to tie Kissinger's hands in any way. To be sure, a few Congressmen and Senators did voice concern from their vacation retreats, with the strongest denunciation coming from Senator William Saxbe, who said that Nixon was "out of his mind." But Congress was in recess for a month and when it reconvened, the most significant legislation that had the remotest connection with the Indochina war was a bill which said Congress could be recalled during recess. Kissinger could not bomb the daylights out of Hanoi because those creatures on the ground there, those human beings called Vietnamese, just refused to give in to the American technology of death.

Instead they shot down over 15% of the B-52's and scores of the fighter-bombers. Meanwhile, the United States had seriously depleted its bomb stockpiles and world opinion rose to such a level of opposition that even its former Vietnam war allies, Australia and New Zealand, boycotted American goods and refused to unload American ships. Faced with such military and diplomatic pressure, Kissinger was forced to go back to the Paris Peace talks in January, 1973, to sign a virtually unchanged version of the nine-point draft agreement proposed by North Vietnam in October of the previous year.

The intention here, however, is not simply to set the record straight, nor to show how little Nixon's chief advisor on international affairs learned after four years of dropping more than 13 million tons of high explosives on the societies of Indochina. The Indochinese had proven throughout the course of the war the strength of the human spirit and the triumph of men over machines. What should be carefully examined is Kissinger's implication that Hanoi is the principal, if not the sole, violator of the peace agreements and that the use of force beyond the level of the "Christmas bombing" is required against North Vietnam in order to make the agreements "stick."

NIXON'S TACTICS

It should be remembered that it was the United States which had to grudgingly sign the Paris agreements after all its military and diplomatic maneuvers had failed miserably, therefore placing it in the best of all possible positions: In the attempt to destroy McGovern's main campaign issue, Kissinger and Nixon accepted the October, 1972, draft agreement as proposed by North Vietnam with the hope that they could renege on it after Nixon was elected. And this they attempted to do in the most blatant way. By using the pretext that "minor linguistic problems" had to be ironed out in order to reopen negotiation on an agreement that had already been accepted in its totality, Kissinger and Nixon soon brought back the demands that there should be two Vietnams, that the demilitarized zone should be a political border betwen the two parts, and that Thieu should have authority over all of South Vietnam.

In other words, they wanted to gain every possible objective over which the war had been fought for close to a decade. As reported in the December 22, 1972 issue of the *New York Times*, the spokesman for the DRV delegation in Paris disclosed at a press conference that at every one of the 15 meetings held in November and December of that year the American side threatened to break off the private talks if the above demands were not met. At one of the last meetings the threats were repeated six times, and on the last day of the secret talks personal threats were addressed to Mr. Tho and Ambassador Xuan Thuy.[1] The North Vietnamese refused to be intimidated by the threats as well as by the subsequent air blitz.

In the end, there was nothing the United States could do except to drop all its demands and sign the agreements on January

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[1] The Nixon administration, usually quick to deny any charges brought against it, has yet to comment on this disclosure of threats made during the secret talks.

27, 1973, in Paris, an occasion hailed by both the North Vietnamese and the PRG as "a very big victory for the Vietnamese people." This is not just rhetoric for developments during the past eleven months have shown that while the DRV and the PRG have insisted on strict implementation and observation of the agreements the United States and the Thieu regime persistently violated the agreements both in word and in deed.

The intention of the Nixon administration was first made clear on the very evening that Nixon announced the signing of the agreements when he declared that his administration continued to recognize the Thieu regime as the sole legitimate government of South Vietnam. This is in direct contradiction to the terms of the agreements which say that there are two parties, two administrations, two armies, three political forces, and so on, in South Vietnam. Having thus stated its intention, the Nixon administration proceeded to supply the Thieu regime with so many arms that, as testified by Major-General Peter Olenchuk before the Senate Armed Services Committee on May 8, ". . . we short changed ourselves within our overall inventories. We short changed also the Reserve units in terms of prime assets. We also, in certain instances, diverted equipment that would have gone to Europe."

U.S. AID TO THIEU

According to U.S. military sources quoted in the October 3, 1973 issue of the *New York Times*, during the first six months after the signing of the Paris agreements, the U.S. provided the Saigon Air Force alone with 142,000 bombs, rockets and flares and 13.8 million of small-arms ammunition. In clear violation of Article 7 of the Paris agreements, the Pentagon announced plans to replace Saigon's F–5A fighters with more advanced F–5E's, which as one Defense Department official explained, "are not to replace attrition per se, or losses, they are to modernize the Vietnamese Air Force."

Of course, the Saigon Air Force requires training in the use of these new fighters, and to this end, the Pentagon hinted that South Vietnamese pilots are being trained at Williams Air Base in Arizona as well as in Vietnam (*Hearings of the Committee on Armed Services*, Part 8, August, 1973.) Even the most recent Defense Department appropriations include substantial allocations for "offshore training of ARVN personnel," "funds for the operational support of the field advisors from all services assigned to Military Assistance Command-Vietnam," appropriations for a "psychological warfare campaign conducted by the United States Information Service and Military Assistance Command-Vietnam," and a host of other appropriations. The number of MAC–V field advisors is given as 6,326 persons (*Hearings of the Committee on Appropriations*, Part 5, July, 1973.)

In addition, the Pentagon's own figures indicate that there are now 12,000 Marine and Air Force personnel in South Vietnam (*Hearings of the Committee on Armed Services*, Part 8, August, 1973). Then there are several thousand civilian advisors under Defense Department contract and "public safety officers" (i.e., prison and police advisors, intelligence advisors, and advisors for the pacification and the Phoenix programs) attached to the U.S. embassy in Saigon and to the various consulates in other parts of the country.[2] The total number of Americans listed openly as military advisors is over 24,000, or close to the total number of American advisors during the late months of the Kennedy administration, when, according to the Nixon administration, the Vietnam war was really precipitated.

Besides the maintenance of such a large force, the United States has also organized its command structure in Vietnam to better carry out Washington's intentions. The Defense Attache Office, headed by General John Murray and attached to the command headquarters of General John Vogt in Thailand, now takes over MAC–V responsibilities for commanding the Saigon army and police forces. The office of the Special Assistant to the Ambassador for Field Operations (SAAFO) is now directing the pacification and the Phoenix programs. The U.S. Agency for International Development (USAID) still continues to train, equip and advise the Saigon police. And the four American consulates in Da Nang, Nhatrang, Bien Hoa and Can Tho are in effect the new American military command headquarters for the Saigon army in military regions numbers I, II, III, and IV respectively.

THIEU'S VIOLATIONS OF PEACE AGREEMENTS

All the American activities mentioned above represent serious and blatant violations of Articles 1, 4, 5, 7, and 9 of the Paris agreements. Thus encouraged and supported the Thieu regime has done everything it can to wreck the agreements. This fact is well-documented in a study entitled "Violations of the Peace Agreements" prepared by Deputy Ho Ngoc Nhuan, a well-known Catholic leader in the Saigon Lower House, and made public by him on November 1, 1973. Just like the Nixon administration, the Thieu regime has been quite frank about its intentions. Deputy Nhuan's study reprints quite a number of Thieu's official orders to his forces to "blow the brains out," "chop to pieces," and "annihilate" any communist or "any person who dares to speak in the communist language."

An example of this is Thieu's speech on August 6, 1973, during the military parade commemorating the anniversary of the creation of the so-called Self-Defense Forces in which he ordered the Self-Defense Forces and all other of its forces and cadres to "be resolute in chopping up all the tricky Communists" to "chop, chop, chop," because "The Communists are trying their best to create a second administration in South Vietnam and to demand democratic freedoms and the freedom of movement from one zone to another so that they can carry out trade and therefore destroy the economy of the Republic of Vietnam [Thieu's regime—ed.]. The Communists are demanding negotiations, democratic freedoms, freedom of the press, and freedom of speech in order to propagandize Communist ideology among the ranks [of the government] of the Republic of Vietnam."

ATTACKS ON PRG AREAS

To make it difficult for the PRG to "create a second administration," the Thieu regime has repeatedly attacked PRG-controlled areas. It is impossible to list all these military violations here, for by all accounts the Saigon Air Force has flown around 15,000 bombing and reconnaisance missions, the army has conducted about 35,000 military operations in the attempt to gain territories, and the police and para-military forces have carried out over 200,000 "pacification" operations during the past eleven months. And more often than not, the Saigon regime unabashedly brags of its achievement.

For example, on June 19, 1973, Thieu declared that "the armed forces of the Republic of Vietnam has regained all the territories lost during 1972." On October 8, 1973, Reuters quoted an official Saigon press release as saying that over 100 of its own jets had bombed many areas under PRG control along the Vietnam-Cambodia border for four successive days. These turned out to be populated areas in the province of Tay Ninh and and result was the death of many civilians and the destruction of many homes, plus a school and a hospital (*Agence France Press*, October 9, 1973).

In recent days, the Thieu regime has become increasingly aggressive and provocative. For example, according to Agence France Press, between 6 a.m. and 6 p.m. on November 23, 1973, several hundred Saigon jets dumped thousands of bombs in the populated areas of Tan Bien district in Tay Ninh province and killed scores of people, destroyed hundreds of homes and many paddyfields and farms. From November 17 to 22, close to 100 planes dropped 600 bombs, fired rockets, and strafed villages in the Hong Tam area of Binh province, causing untold death and destruction. On December 3, 100 homes and a Catholic church in Ninh Phu, Loc Ninh province, were destroyed and many of the inhabitants were killed.

On December 10, 1973, at 8:30 a.m., 15 minutes before the airplane operated by the International Commission for Control and Supervision (ICCS) was to reach Loc Ninh airport from Saigon, two Saigon AD–6 planes dropped 10 bombs on the airport in an attempt to kill PRG leaders who had come to welcome their representatives back from the Joint Military Commission meetings. These are what Thieu referred to as "pre-emptive actions" in a recent speech. The speech is summarized in the January 5, 1974 issue of the *Washington Post* as follows:

"President Nguyen Can Thieu today [January 4] called on his troops to attack the Viet Cong in their own territory because he said, the Vietnam war has begun again. He said pre-emptive actions of the South Vietnamese army had forestalled a Communist offensive, but the fight now had to be carried to zones occupied by the Viet Cong under the cease-fire agreement, because the threat of an offensive still remained."

In an attempt to restrict the movement of the population so that the "Communists" cannot "carry out trade and therefore destroy the economy of the Republic of Vietnam," the Thieu regime has ordered its forces to shoot to kill any refugee attempting to go home to PRG-controlled areas and has also ordered an "economic blockade", known as the "rice war." The refugee situation was discussed in some detail in Nos. 38 and 39 of this newsletter and the "rice war" was treated in issue No. 40. Since then the situation has become increasingly worse.

THIEU'S "MODEL" REFUGEE CAMPS

As far as the refugees are concerned, even those who had been transferred to the southern provinces so as to be able to "take advantage of new economic opportunities" are living in abject misery. The heart-rending conditions of those "lucky" refugees who had been transferred from the central provinces of Binh Dinh, Quang Ngai and Quang Nam to the districts of Ninh Tho and Long Hai in Tay Ninh province is described in a detailed study which was serialized in *Dai Dan Toc*, a Saigon daily, from November 1 to 20, 1973. This study is highly censored by the Thieu regime; there are big blank spaces on the printed pages indicating last minute "chiseling out " (*duc bo*) by the authorities.

However, what remains of the study is that more than half of the refugees transferred had escaped to go back to their former provinces in spite of the threat to their lives, the danger along the road, the lack of money for transportation, and the knowledge that their original villages had been completely razed and their former lands destroyed. Those refugees who are left behind said that they too would brave death to escape the two settlements in Tay Ninh.

The reasons are many and we can only briefly summarize some of them here. First of all, the Saigon regime is still conducting military operations in the areas, and the refugees are frequently killed and wounded. Then the camps are built in the middle of bodies of stagnant water where mosquitoes thrive. The houses in the camps are "just like cows' pens," with "tattered coconut-frond walls" and "low corrugated iron roofs which bake the occupants" during the daytime. Each house, only large enough to "contain 5 beds, serves as living quarters for 5 families," each "family is given a rectangular space similar to a stall for a horse or buffalo." To be able to get a piece of virgin land outside the camp to build a house on, each family has to pay at least 10,000 piasters.

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[2] The names and functions of these advisors are listed outright in the most recent Foreign Service List, for example.

While this amount of money represents about two months salary for a Saigon soldier, it is a huge sum for most refugee families. The refugees also claim that the government gives them no food and no help in seeking employment. The local Cao Dai churches only help them with some food during the first 9 or 10 days, in return for their labor. Eighty per cent of the refugees in Long Hai have no employment at all. Those who could find work such as reaping and thrashing rice for landlords earn next to nothing while being abused in many ways.

In order to survive almost all of the refugees have to go to the mountains to dig up roots. This has been the chief means of livelihood for the refugees. The mountains are distant from the camps, and in order to get there one has to have a bicycle. Only those with savings can afford this luxury, since an old second-hand bicycle costs over 10,000 piasters. Even so, there are just too many refugees and roots are getting extremely hard to find, and some families have to go for days without even this food, even though the roots are somewhat toxic, causing the eyes to become yellow and the eyesight to blur. Nor are greens anywhere to be found, for everything has been eaten.

Because of the lack of food, some mothers do not have any milk for their babies and so even some two month old babies have to suck on the roots. A mother became so desperate that she borrowed a bicycle from a neighbor and went and stole some manioc roots from the land of a certain landlord. The landlord caught her and beat her with the trunk of a bamboo until the bamboo broke. That night the woman was allowed to crawl home to her two children (for her legs had been completely broken and she could no longer walk) but the landlord kept her borrowed bicycle, saying that he would give it back only after she brought him a head of a pig. Her neighbors chipped in to buy the landlord a pig's head, but they could not buy her life back for her. She died soon thereafter, leaving her orphaned children behind.

At Long Hoa marketplace in Long Hai, there are people who sell their children and wives. There are others who have just quietly taken the lives of everyone in their families to escape the suffering. Such are only a few brief sketches of the lives of the refugees in these two "model" camps.

The situation concerning the refugees of Phu Tai in Binh Dinh province, as documented in the November 18 and 20 issues of the Saigon daily, *Dien Tin,* is even worse. According to the accusation of 5 deputies of the Saigon Lower House from Binh Dinh and Qui Nhon provinces, Thieu's own lieutenants have burnt 2,700 houses in Phu Tai camp, depriving 14,000 refugees of their shelters. The purpose of the burning is to drive the refugees to the An Tuc camp in the mountain area, where no planting is possible and to cover up the fact that the aid in terms of rice, money and corrugated iron roofing that was supposed to go to the refugees (amounting to some 2.5 billion piasters) had been all stolen by the officials. But as reported in the December 1, 1973 issue of *Dien Tin,* instead of doing anything about this situation, the Thieu regime arrested the whole staff of Deputy Nguyen Huu Thoi, one of the deputies who accused the Thieu regime of the crime. They have been jailed since November 29.

According to Deputy Huyn Van Tru, in the same issue of *Dien Tin,* not only does this violate the constitutional rights of Deputy Thoi but it also runs against the fact that one of the persons accused had admitted his crime. The Saigon regime accused the Deputy of "working for the Communists" for accusing the Saigon authorities of burning the Phu Tai camp and threatened that if the Deputy persisted in his accusation, he would be eliminated.

THE "RICE WAR"

The refugees are not the only ones who are suffering. According to Deputy Vu Cong Minh, "the inhabitants of the Western provinces are now caught in a dying situation because of the government's policy of economic blockade." The Deputy said that he raised his voice asking for help because the lives of the inhabitants of the areas are being seriously threatened. One of the reasons for the sorry state of affairs is the confiscation of rice from the rural population by the Saigon authorities. But even if the authorities did not confiscate rice from the population so indiscriminately, the official demands for rice from these provinces are enough to cause serious hunger. According to the November 16, 1973 issue of *Dien Tin,* the IV Corps commanders have promised to send Saigon 75,000 tons of rice in November and 165,000 tons of rice in December, 1973. This is about equal to the total amount of rice delivered to Saigon during the first 6 months of 1973, according to the April-June, 1973 USAID *Vietnam Economic Data* bulletin.

Here is one of the widespread cases caused by this policy of collection of rice from the rural areas as reported in the December 17, 1973 issue of *Dien Tin:* In Hong Vang, a woman whose soldier husband had died, received no death benefits from the Saigon government. For a long period she tried her best to find any kind of job to feed her six children, the oldest being only eleven years old. But because the rice collection had created critical shortages in the countryside and consequently pushed the price of rice way up, there was nothing the woman could do. On December 12, 1973, after going three days without food, the woman crawled into a fellow villager's house and stole a basketful of manioc roots. By the time she got some of the roots cooked, she died. The children gorged themselves on the roots, but because they had gone without food for quite some time, and perhaps because the roots were too hot for their already weakened stomachs, they all became unconscious. The next to the youngest child died.

Neither is the situation facing the city population much rosier. Most of the rice collected is sold by the officials at horrendous blackmarket prices. According to the November 20, 1973 issue of *Dien Tin,* the price of a kilogram of rice in the district of Hoai Nhon in Binh Dinh province is 400 piasters, or 4 times the official price! According to the November 26 and 27 issues of *Song Than,* a very conservative Saigon daily, on November 11, 1,000 city inhabitants of the third district of Danang, the second largest city in South Vietnam, congregated to protest the fact that the Saigon regime refused to sell rice to the population, causing thousands to be seriously hungry. Major Le Khac Kha the chief of the third district, ordered his troops to fire into the crowd to disperse the protestors, causing serious wounds to many people.

A Danang city councilman who was supporting the protest was critically wounded. This angered the inhabitants of Danang even more, and coupled with their demand for hunger relief is the demand that the local despots be punished. So far to no avail. Perhaps the critical economic situation facing the urban population of South Vietnam could be demonstrated by the case of this Saigon family as reported in the December 22, 1973 issue of *Dien Tin*: This is a small family of four, husband, wife, and two children. The husband is a disabled officer who receives no benefits and has no work; the two children are still too young to go to school; and the wife works at a Saigon bank and receives 20,000 piasters, or about 4 times the monthly salary of an average worker.

At the beginning of this year, this was barely enough for rent and food. Because of Thieu's "economic blockade" policy, prices jumped from 109% to 198%. The woman began selling her jewelry and other belongings to make up for the increase in prices. Beginning in August, 1973, she had to buy rotten rice, the rice that at other times is fed to pigs, to feed her family. In October, however, they could not even afford two meals of cooked rice a day but had to be content with one meal of steamed rice and one meal of rice gruel. The husband and wife consider themselves lucky that they are still alive, but with soaring prices the husband finds himself faced with two choices: one is to enter a monastery so that his children and wife will have enough to eat, and the other is to give up the two children to an orphanage.

The above violations of the terms of the peace agreements and the rampant corruption of the Thieu regime have created so much suffering for the people of South Vietnam, from both the rural and urban areas, that, in spite of the possible consequences, a writer in the November 20, 1973 issue of *Dien Tin,* called for a "total revolution." No wonder, as quoted earlier, Thieu ordered his troops to chop to pieces "any person who dared to speak in the communist language." But as pointed out by Deputy Ho Ngoc Nhuan in the study quoted earlier:

"The thing that must be clearly emphasized here is that whatever the other side has demanded and President Thieu has rejected, are precisely the things that the population of South Vietnam has also demanded. Especially during the last 10 years of Mr. Thieu's rule, the people of South Vietnam have continually struggled for their democratic freedoms. These are inalienable rights that no guns and bullets can suppress."

It is difficult, therefore, to see how Thieu's policies won't generate strong reactions on the part of the population. These reactions may come in many forms and may include violent demonstrations in the cities and armed rebellions in the countryside. After all, as testified by Interior Minister Le Cong Chat before the joint session of the Budget and Finance Committee and the Interior Committee of the Saigon Lower House on October 30, 1973, by this year the local Popular Defense Forces are to be increased to 4 million persons (*Dien Tin,* November 1, 1973). This is one-fourth of the total population of South Vietnam, and many of these people are armed with the latest weapons. The present conditions created by Thieu must have affected them too.

Perhaps Thieu realizes the full meaning of his doings (or undoings), because for the past few months he has issued warnings of an imminent attack by "Communist forces." This is used as an excuse for brutally squashing any organized protests on the part of the population as well as for getting more military and economic support from the U.S. government.

To get American support, Thieu has used tactics ranging from commandeering the peasants of Binh Duong province to dig anti-tank trenches to protect against an alleged impending attack (*New York Times,* December 11, 1973), to declaring that Hanoi has about 400,000 troops in the South and is planning a large-scale offensive (Reuters, January 1, 1974). What is so ominous is that instead of rebuking Thieu for his obvious lies[3] and his blatant provocations,[4] it is reported in the January 6, 1974 issue of the *New York Times* that President Nixon, Secretary of State Kissinger, and Secretary of Defense James R. Schlesinger have approved plans asking Congress for increased arms aid to the Thieu regime. They want "to provide Saigon with modern sophisticated weapons in a total aid package of about $1 billion." This is after Congress had already voted over $1 billion worth of military aid, with $813 million through the military aid program and $200 million through the "Food For Peace" program. This should be measured against the statement by Defense Secretary Schlesinger on November 30, 1973, that the United States was prepared to resume bombing Vietnam because "the North Vietnamese are preparing for an offensive," the implication of Kissinger's statement about bombing the daylights out of Hanoi to make sure that the agreements stick, and the charge by the PRG of frequent reconnaissance flights by U.S. planes over PRG territories. Who knows an American president on the brink of impeachment may find a way out by resuming the war. For who would have the guts to carry through with impeachment of an American president who is carrying out a war to stop "Communist aggression?" And once such a war started, who would stop it? The lessons of the Vietnam war—and later of the Indochina war—ought to be perfectly clear.—*Vietnam Resource Center staff*

U.S. "Aid": Prelude to War

The more money the U.S. gives Thieu, the more Thieu can avoid coming to terms with his own people. More aid will not "reform" Thieu but only ruin the chances for a peaceful settlement in Vietnam.

Previous to the signing of the Paris agreements the United States channeled a very large amount of unauthorized funds to the Thieu regime and its armed forces through the U.S. army and other agencies. According to Colonel Hoa of the ARVN Department of Logistics, the Saigon military budget averaged about $5 billion a year at the official exchange rate instead of about $1 billion as the public has been led to believe (quoted in the Saigon daily Duoc Nha Nam, December 11, 1971.) The presence of American troops also brought various fringe benefits in the form of G.I. spending and work contracts for the Thieu regime and its supporters. After the signing of the accords, however, the withdrawal of American troops deprived the Thieu regime of the much needed money pump and hence all the attached fringe benefits. Of course American military and economic aid still remains at the very high ceiling of about $2.5 billion a year. Yet even this is not enough for Thieu because the Thieu regime has absolutely refused to demobilize any part of its armed forces. On September 14, 1973, Thieu himself declared that ARVN had to be maintained "to beat the Communists." (Le Monde, September 16-17, 1973). In fact, as his Interior Minister, Le Cong Chat, testified before the joint session of the Budget and Finance Committee and the Interior Committee at the Saigon Lower House on October 30, 1973, Saigon's national police force are to be increased to 122,000 men and the local Popular Defense Forces to 4 million persons by 1974. The minister stated that the salaries for the national police alone amounted to 29.5 billion piasters this year and is to be increased to 35.8 billion piasters by 1974. Also, the proposed expansion of the prison system in South Vietnam will incur a further expense of 5.7 billion piasters. Of this amount 1.6 billion piasters will go to the Department of Correction and the rest will be shared by the Con Son Prison Administration and the central office at the Department of the Interior (*Dien Tin*, November 1, 1973). According to the official statistics given by the Thieu regime, in 1971 its national budget was 235 billion piasters, in 1972 this was increased to 328.5 billion piasters, in 1973 the amount is 467.2 billion piasters, and during FY 1974 it will be increased to 630.7 billion piasters, an increase of 275 per cent over 1971, 195 per cent over 1972 and 130 per cent over 1973 (*Dien Tin*, November 6, 1973).

THIEU AND TAXES

Where will Thieu get all this money? One way is through increased taxation. The main part of the tax package for 1974 is 226.5 billion piasters, or an increase of 85 per cent over the total tax package of 126.5 billion for FY 1973 (Dien Tin, October 25, 1973). The amount of 226.5 billion piasters of tax money for 1974 also represents an increase of 182 per cent over the total for FY 1972, a deputy at the Saigon Lower House recently stated. However, according to the same deputy, the 226 billion piasters will only pay about 65 per cent of the salaries of the military and civilian personnel. This amounts to over 330 billion piasters alone (Dien Tin, November 6, 1973). While this is the case, the 226 billion piasters in tax is a large chunk of the gross national product of South Vietnam, which is given as 453.9 billion piasters for 1974 (Dien Tin, October 25, 1973). Robert H. Nooter, Assistant Administrator for Supporting Assistance of the State Department, testified on July 13, 1973 before the Senate Subcommittee on Foreign Operations that Saigon's GNP in 1972 was 124.6 billion piasters at constant (1960) prices. Since the foreign exchange rate was 102 piasters per US dollar in 1960 and around 430 piasters per dollar in 1972 (Vietnam Economic Data, April–June, 1973, AID Bureau for Supporting Assistance), it seems that South Vietnam's GNP has been declining.

This development is reflected in the critically high and steadily increasing rate of unemployment recently announced by the Saigon Department of Labor. Among the unemployed are the 3.9 million who fled into the towns and cities for safety, 600,000 officially listed refugees who are still living in the camps, 160,000 former employees for American and other foreign companies and firms, 250,000 young people of working age joining the labor force every year, several hundred thousand former barmaids and prostitutes for the foreign troops, and tens of thousands of disabled veterans, widows, and discharged soldiers. The total population of the country is given as 18.7 million. (Dai Dan Toc, October 28, 1973)

As for those who are still employed, they have received little or no increase in salary since 1971. The minimum monthly salary of a male employee is still 6,375 piasters (Dai Dan Toc, November 4, 1973), while a 100-kilo sack of rice now costs over 27,000 piasters in Saigon (Dien Tin, October 19, 1973). This means that a worker can buy only about 25 kilos of rice a month, which is only enough for his own consumption. Nevertheless, the Thieu regime has ordered that taxes must be "collected to the utmost" (tan thu) for the sake of the national budget (Dien Tin, November 1, 1973). And in the countryside a person has to pay from eight to 14 kinds of taxes, depending on his occupation or lack of occupation (Dien Tin, October 19, 1973).

"COLLECTION TO THE UTMOST"

"Collection to the utmost" does not simply mean collecting all the taxes in full. It also means official sanction to use all possible means of extortion to get those taxes. In the October 1973 issue of this newsletter we documented in some detail the rice collection policy, which involved massive military forays into the countryside, causing death and suffering and threatening a full-scale resumption of the war. We have now learned that this policy is being pushed with unprecedented cruelty and that, not content with leaving it to the regional commanders, the province and district chiefs and other local authorities, the Thieu regime has ordered the high command of the Saigon Armed Forces, the Department of Commerce and Industry, the Department of Agriculture, and the Department of Economy to join forces in the collection of rice (Dien Tin, November 2, 1973).

We also described a gigantic land grab being carried out by Thieu's officials. Using their bureaucratic power these officials employ the army to evict the peasants from their land even though they have legal proof of ownership. The timber and produce from the peasants' land are then taken away for export to bring in the much-needed foreign currency. In the past five years Saigon has had to import on the average over $800 million in foreign goods each year. The only year it imported less than $800 million was 1970. The total imports planned for 1974 amount to $870 million, while South Vietnam only has a foreign reserve of $27 million this year (Dien Tin, October 25, 1973). Even Robert H. Nooter of the State Department testified before the Senate Subcommittee on Foreign Operations on July 13, 1973 that the State Department's own planning for Saigon's import will amount to $800 million in 1974. Foreign currency is not only for imports but also for transfer of funds abroad, to Swiss and other foreign bank accounts. The land grab by Thieu's officials continues with increasing cruelty despite the fact that several million people are unemployed and starving. More than one million hectares of the once cultivated land has been laid barren by the war and recent floods (caused in part by the American defoliation program) destroyed additional crops in some central and southwestern provinces during the past few months. To maintain the loyalty of its officials and the flow of taxes and supplies to Saigon, the Thieu regime sanctions a system of unbridled corruption, extortion and terror in the countryside far worse than in any other period since the Diem regime first came to power.

The Western press, impressed as it is by the destructiveness of modern war-making gadgets and spectacular military offensives, has failed to notice the suffering and death caused by Thieu's officials by quieter and simpler means. A measure of the seriousness of the situation has been the response of the Saigon newspapers. In spite of extremely heavy fines, strict censorship, the constant threat of confiscation of the papers and closing down of their presses, these papers have been carrying hundreds of articles fully documenting and detailing the corruption and extortion, the murders and liquidations carried out every day by Thieu's officials. In what follows we briefly summarize some of the typical cases as reported in several Saigon newspapers.

ASSASSINATION SQUADS

The first typical case is described in detail in the October 24–31, 1973, issues of Dien Tin. It involves Major Ngo Van Thi, district chief of Ben Tranh in Dinh Tuong province. Like many of his colleagues, this district chief has all kinds of ingenious ways of making money. He organizes gangs of thugs (many of them his own soldiers) disguised as NLF troops, armed with captured NLF weapons, and sends them out to rob people at gunpoint. These gangs are called the "assassination squads." During village and hamlet elections, anybody who wants to run for office has to pay him 50,000 piasters and anybody who wants to "win" has to pay him 100,000 to 300,000 piasters. Almost all of the seats in the hamlets and villages under his jurisdiction have been sold in this manner. The sum of 300,000 piasters is equal to the annual salary of a colonel or a Saigon university professor. Although this may appear to be a huge sum of money to pay for a village seat, "the successful candidate" can easily get back his investment with interest in a short time, simply by using his bureaucratic power to exact as much money from the people as he wants. Many of the village chiefs in the district will in turn recruit gangs of their own and send them out disguised as NLF soldiers to rob the people. On one occasion, May 31, 1973, the national police of Tan Hoa Thanh learned of this and brought it to the attention of the district chief. Within hours, the commander of the robbery, Le Van Man, took his M–16 rifle in search of the police who dared to bring the matter up.

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[3] The *New York Times* (January 6, 1974) reported U.S. claims of 30,000 new NVA troops in the South—an unsupported figure but significantly smaller than Thieu's.

[4] The attack on Loc Ninh airport, the order to his troops of January 4 to attack PRG-controlled areas.

The district chief's henchmen also arrest people, branding them as "Viet Cong" or deserters, in order to exact money from them. Meanwhile, the real deserters are holding many of the official positions in the villages and hamlets after paying the district chiefs huge sums of money. The district chief also forces the peasants to sell rice to rice merchants working with him and then pockets half the profit made. Any person who wants to bring rice to Saigon for sale has to pay him 150,000 piasters for permission. At the beginning of this year the district chief had group photos taken of the 10,000 households in his district to make it easier for him to control them. In the process he made at least 1.5 million piasters by shaking down the photographers. He also forced the households to hang out Saigon flags and made more than 300,000 piasters from that. The district chief confiscates identity papers from the population and returns them to their holders only after a certain amount of money has been paid. He sends his henchmen out to collect and destroy the certificates of land ownership from landholders and then usurps their lands. Following his example landlords go on a rampage stealing lands from the peasants. Any peasants who attempt to go back to their land have been either beaten or brought to court. The whole thing is so rampant and callous that the Director of the Office of Paddyfields and Land in Dinh Tuong province has had to protest in a report. As for those owners who have not had their certificates of ownership taken away from them, they have to pay 30 gia (about 900 kilos) of rice per hectare. This amounts to about 30 per cent of the yield. In addition to this they have to pay taxes of course to the central authority.

There are many other ways of making money, notably demanding 20 to 70 thousand piasters from regional forces who do not want to be transfered to dangerous areas in the district. Many of these forces are in turn used by the district chief to run his various businesses, such as raising pigs, repairing motor-cycles and cars, and providing personal services for him and his various wives.

Many people have dared to bring the matter to the attention of the Thieu regime. People with documented proof of the corruption of the district chief have had the papers confiscated and have been beaten, in some cases killed, by his hired thugs. The latest victim of such a murder was Mr. Le Van Duyen, a fairly well-off inhabitant of Ben Tranh. Mr. Duyen had supplied the government with impressive documentation of the district chief's crimes. As a result, in the middle of the night of October 25, 1973, the district chief sent two of his henchmen and executed Mr. Duyen in front of his wife and daughter by shooting him through the temple with a revolver. After that District Chief Ngo Van Thi forced Mr. Duyen's family to bury him immediately and would not allow an autopsy.

According to Dien Tin, the case of the district chief of Ben Tranh has been brought to the attention of the Thieu regime many times with full documentation. Many times, because of public pressure, investigative teams have been sent out, but nothing ever came of such investigations and not a word has been uttered about the case officially. The October 30 issue of Dien Tin formally charged the Thieu regime with protecting the district chief, detailing some of the reasons. This issue was immediately confiscated. Dien Tin then concluded that the district chief of Ben Tranh was "covered by a hugh umbrella as large as the sky." The entire population of Ben Tranh is of less consequence than the district chief who is absolutely indispensible in "herding the people."

MORE EXTORTION CASES

The second typical cases involves Major Nguyen Van Hac, district chief of Giao Duc, Dinh Tuong province. His case has been discussed in some detail by many Saigon papers for months, and it was again mentioned in the October 27–29 issues of *Dien Tin*. Basically, Nguyen Van Hac has been guilty of the same crimes as Major Ngo Van Thi, only more openly. He has no need to disguise his people as NLF troops when they go out to rob the people. He simply sends Captain Tuong or Sergeant No out with a group of soldiers to knock on people's doors and demand money. When a public outcry unavoidably brought the case of Nguyen Van Hac to the attention of the Thieu regime, an official investigative delegation was sent out which was merely a whitewash. Nguyen Van Hac wined and dined the delegation and nothing came of it. In fact, Mrs. Nguyen Van Hac even declared publicly that she had bought off the entire delegation and that her husband would shortly be made deputy provincial chief of Dinh Tuong. Nguyen Van Hac also personally bragged to the inhabitants of his district, "I am still district chief of Giao Duc. All those local people and reporters who accused me have been thrown in jail. You'll see, whenever I get tired of this place I'll go to Dinh Tuong to take up the post of deputy regional commander."

The third typical case is that of Major Vu Cong Khanh, district chief of Thang Binh, Quang Tin province. He has been accused by the village councils in all the villages under his jurisdiction of cruelty, extortion, and wanton destruction of private and church properties. Even the Province Council of Quang Tin was forced to send an official report to Thieu himself, summarizing the crimes committed by the district Chief and asking Thieu to transfer the district chief to another place while his crimes were under investigation. The letter was dated September 25, 1972, but so far Thieu has not responded to it in any way. For this reason, a verbatim transcript of the letter was printed in the November 3–5 issues of *Dien Tin*. Major Khanh's activities are similar to those of his two colleagues just mentioned. The only difference is that he is even more brazen in his approach. (This is perhaps due to the fact that northern provinces are usually regarded by the Thieu regime as "unfriendly" requiring harsher measures.) Any village official who does not go along with the district chief's activities is personally beaten up by him. The victims of this kind of physical abuse have been the village chiefs and other village officials of Binh Lam, Binh Lanh, Binh Tri, and Binh Phu.

Although the district chief received money in April for rehabilitating 11 villages, he officially allowed the inhabitants of only 6 villages to come home. The inhabitants of the other villages were ordered to go south and that as far as he was concerned their villages ceased to exist. As well as pocketing the entire amount of money allotted to the five villages and a very large chunk of the money of the other six, he also sent Company 3 of the Army Corps of Engineers to the villages of Binh Lam and Binh Lanh with bulldozers and power saws and razed them to the ground. Churches and pagodas, houses, orchards, and even graveyards were completely flattened. Then the district chief ordered army trucks to carry back to his district headquarters anything of value. Of particular interest to the district chief was the timber from jackfruit trees, a valuable article. It took 10 trucks working continuously for two weeks to transport all these trees.

"THE LITTLE MONARCH"

The fourth typical case involves Major Le Van Sy, district chief as well as military commander-in-chief of Phuoc Long, the province of Bac Lieu. As described in the November 3–5, 1973, issues of *Dien Tin*, by holding these positions Major Sy makes a huge sum of money by replacing and transferring village officials, soldiers, outpost commanders and so on. The Major has an impressive force of retainers who specialize in extortion, protection of gambling, rapes and torture. They beat people whenever they feel like it, for no reason at al. Rapes are committed both impulsively and systematically. Two of the Major's most effective henchmen in the village of Phong Tay, for example, order families with beautiful girls to their village headquarters to sleep at night under the pretense that these families are considered "Viet Cong suspects." Then the women are taken to their private quarters and raped. Those families who refuse to go to the village headquarters to sleep are branded as Viet Cong and punished accordingly. The Major sends his henchmen out daily to find out which peasant households have some rice and which have relatives with the NLF. Sometimes disguised as NLF soldiers, his men will ask the inhabitants for help. The people who fall into this trap are immediately arrested and tortured to extort money from them. Many of the major retainers are draft-dodgers and deserters. At one point the national police made a sweep in the area and arrested eight of Major Sy's retainers because these people did not have the necessary papers. The Major forced the national police to release them at once.

To make extra money, the Major also makes his soldiers raise pigs, chickens and ducks for him. All the local rice milling stations have to supply feeds free of charge. Soldiers are also used as servants for his three wives. At one point, owing to public pressure the IV Corps Headquarters was forced to investigate but without result. Major Sy's protector was so powerful that the authorities of the IV Corps were obliged to announce that "Major Sy is a meritorious and effective administrator and has never done anything wrong." Since that day, the Major has behaved even more heavy-handedly and the inhabitants in his district are even more fearful of him. And for this reason, he has earned the nickname "the little monarch" of Phuoc Long.

The list of local despots protected by the Thieu regime might be extended but enough has been given to show how much the Vietnamese people have to go through. And the despots are not limited only to officialdom. Landlords and even some Catholic priests have been especially active in robbing and bullying the people. Catholic priests who are involved in such activities are usually more subtle than the officials, but not always so, as in the case of the parish priest of Cai San, a Catholic community of several hundred thousand Catholics who originally had come from North Vietnam. The case of this priest, who is the spiritual father in charge of the whole community of Cai San, is described in the October 25, 1973, issue of Dien Tin. The father stops at nothing to get an income for himself. Even the officials in Cai San are scared of him and "have to shake their heads and stick out their tongues because the Father's activities would even make the devil cry and the gods frown in sadness." In Cai San community there is a 75-year-old man, who is a descendant of a five-generation Catholic family and advisor to the parish's Catholic Council. This man, Tran Van Huan, advised the father to refrain from his unpopular activities. But the father went on with his business and so Mr. Huan had to oppose him publicly. The father subsequently sent a disciple to destroy Mr. Huan's house and beat his daughter almost to death. As a result of this, Mr. Huan prepared a document to be presented to the Saigon regime describing the crimes of the father. A policeman was then dispatched to Mr. Huan's house armed with a rifle. Everybody in the house was shot and a woman in the neighborhood who was visiting at Mr. Huan's house was killed on the spot. Only Mr. Huan and his wife escaped death with severe injuries and had to leave the community. All of Mr. Huan's land was then seized by the father. And even though Mr. Huan again sent a letter to the Saigon regime on October 7, 1973, asking for help and intervention, nothing has been done.

But this kind of abuse of power is not limited to the districts and provinces alone. It happens right in Saigon under the very noses of foreign observers and the foreign press. For example, as reported in the October 27, 1973 issue of *Dien Tin,* on the previous day Saigon representatives held a conference at which they reported the widespread confiscation of properties on the pretext of not having paid the full amounts of taxes. Often the properties confiscated are worth more than 100 times the amount of taxed owed. These would in turn be sold off cheaply and the money gained would be pocketed by the tax collectors and their protectors. An example of this tactic is given by Representative Ruyet: A bread bakery on Hai Ba Trung Street, a few blocks from Thieu's Independence Palace, was taxed at 200,000 piasters. But the collector made the owner pay 2 million piasters. After the owner paid this, an additional 5 million piasters was demanded. The owner said he had no more money and in two days this bakery worth "several tens of millions of piasters," was confiscated and sold for a few million piasters. Money is also being made in the name of "urban beautification." Thieu's latest program for attracting foreign tourists. One of the ways of exacting money from the Saigon population under this program is the widespread confiscation of motor bikes on the pretext of "traffic law violations" as described by Deputy Do Sinh Tu in the November 1, 1973 issue of *Dien Tin.*

Again, one can simply go on and on citing cases of extortion right in the city of Saigon itself. What can be done about it? The Thieu regime says it needs more money from the United States and other countries. The Nixon administration agrees, and has been forcing Congress to vote generous sums to the Thieu regime. The assumption of the Nixon administration and a majority in Congress is that the Thieu regime will behave better if given more money. They assume that it is the lack of money that has made the Thieu regime embark on its course of corruption, extortion, and terror. But this is an erroneous assumption, for several reasons. American aid given to Thieu at the present rate asked by the Nixon administration will meet only a third of Thieu's budget (*Dien Tin,* October 25, 1973). Thieu will still have to "collect to the utmost" from the Vietnamese people to meet his expenditures. This aid will not make Thieu's officials any less despotic but instead it will give them added strength and ammunition in carrying out their activities. Not only will they have more means at their disposal, but the foreign currencies supplied through the aid will enable them to transfer the wealth they exact from the Vietnamese people abroad. Perhaps the most serious of all is the fact that as long as the Thieu regime thinks it can depend on U.S. aid, it will never make peace with the Vietnamese people. As a Saigon newspaper recently stated, "The more critical the situation the Saigon government creates for itself, the more reason there is for the Nixon administration to continue military aid." (*Dien Tin,* October 3, 1973) If such is the expectation, then the Thieu regime will never make peace with any segment of the society, including the Third Force. Thieu has declared that all Third Force groups are "traitors" with their "strings pulled by the Communists." (*Dien Tin,* October 3, 1973) And Deputy Nguyen Ba Can, chairman of the Saigon Lower House and one of Thieu's most effective supporters, said "there is no such thing as national reconciliation and national concord" with other political forces. (*Dien Tin,* October 3, 1973)

But the importance of a Third Force for national reconciliation and national concord is real and is not just a "Communist ploy" to outmaneuver Thieu politically by using it as a focus for the vast popular opposition to the Thieu regime.

Even if the PRG should become a dominant force in the future, with or without a coalition government, a Third Force can at least provide a channel through which Thieu's present henchmen and local despots can reform and give them an opportunity to prove that they are willing to change and work for the benefit of the national community. It also makes it possible for the PRG to cooperate with them and use them in the future without risking strong criticism from the population who have been their victims and perhaps from the PRG soldiers and rank-and-file who have sacrificed so much for the national community. There is no doubt that many of the present despots are talented people and could be of good service to their country if given the opportunity to change their ways.

This opportunity is thrown away as long as U.S. aid flows indiscriminately to the Thieu regime. There should be a complete or at least a very substantial aid cut. The Thieu regime must be made to realize that it needs the Vietnamese people and not be allowed to rely on continued U.S. aid to oppress the people. As long as the Thieu regime still has the illusion that it can beat large segments of the Vietnamese people into submission with continued aid, it will continue with its present policies and its officials will continue heaping suffering and death upon the Vietnamese people. Under such circumstances, there is no guarantee that the PRG won't lose its patience and be pressured by public opinion to take military measures to curb the Thieu regime or even attempt to get rid of it. When this occurs, not only will there certainly be ramifications beyond the wishes of most Vietnamese but there will be little the United States can do to save Thieu. Besides the obvious loss of lives and destruction of property in the course of the fighting, the prospect for national reconciliation and concord as envisioned in the Paris agreements will become more difficult. To cite but one possible example, the present despots have to be punished if a sense of justice is to be felt and if social order is to be promoted. It will be too late for them to repent all of a sudden and it will also be too late to let them go scot-free even if the future government wanted to do this badly enough. On the other hand, if the despots were appropriately punished for their crimes the cry of "bloodbath" will resound in the Western world and especially in the United States. Even sympathetic people will call the Vietnamese authoritarian and will explain any punishment in terms of Vietnamese culture as in *Fire in the Lake.* Even if these despots were to be sent to "correctional facilities", to use an American term, for a short period to allow them to think things through, the cry of "thought reform," "brain washing," and "kiem thao"—again as in *Fire in the Lake*—will be loud and clear. Many Americans on both sides of the political fence would feel especially self-righteous either about their correct idea of the nature of a socialist or communist society or their correct idea of the nature of Vietnamese society. Either way, in the eyes of these people, the Vietnamese can't win. At best, they will be victims of Communism or their own culture!

The tragedy of continued aid to the Thieu regime, therefore, does not stop at the continued death and suffering for the Vietnamese people but it includes as well the danger that the most significant social experiences in the history of the world will never be fully understood by people in the West even after the expensive price they have had to pay for it.

SELECTED TRANSLATIONS FROM SAIGON NEWSPAPERS

The following translation from the November 1 and 2 issues of Dien Tin is not a piece of fiction but a real story written in the "documentary fiction" style (phong su tieu thuyet). For a demonstration of the importance of this kind of writing as well as the "essays in realist literature" (van chuong ta chan) in describing Vietnamese life, please read Ngo Vinh Long's Before the Revolution: The Vietnamese Peasants under the French (MIT Press, 1973).

PIGS AND PEOPLE

(By Soc Ha)

Mrs. Hai put her head on her husband's chest. Her son Chot, whom she was holding in her arms, smiled at the glittering sunlight in the front yard. Mrs. Hai wiped Chot's nose with her plaid scarf as she said to her husband:

"Darling, look! She's getting well-rounded. Perhaps next month we will have a litter of . . . 'grandchildren.' "

Mr. Hai smiled and patted his wife on the back.

"When do you think she will deliver?"

Mrs. Hai muttered to herself as she calculated:

"At the latest, by the end of the month."

Out in the yard the sow was sunning herself. Her large bulging stomach spread out over the packed earth.

Mrs. Hai looked at her husband and smiled cheerfully.

"When she delivers her litter, it will be quite a sight to see the piglets running around the house!"

Sounds of gunfire cracked in the distance. The smile on Mrs. Hai's face disappeared.

"What misery! I thought that by moving here we'd at last be safe. But who'd ever think that guns and bullets would follow us around like this all the time?"

Mrs. Hai sighed as she carried Chot into the kitchen.

She mixed two bowls of bran and a handful of greens and brought it out to the sow.

That night there was gunfire close by. Mr. and Mrs. Hai quickly grabbed their son and jumped into the shelter. Startled from his sound sleep, Chot burst out crying. But the sound of his crying was drowned out by the gunfire. Mrs. Hai clutched her son tightly. Suddenly she heard loud grunts and she turned to her husband:

"My God! The sow is still up there!"

She quickly handed Chot to her husband and started out of the shelter.

"No, darling, no!" said Mr. Hai, clutching his son with one hand and trying to pull his wife back with the other. "Look, the gunfire is too close!"

But the screeching of the sow made Mrs. Hai determined.* Amidst loud explosions she pulled herself out of the shelter. She brought the sow to the edge of the shelter and pushed it in. Mr. Hai pulled himself in deeper, making room for the pig. But a moment passed and Mrs. Hai still had not followed the pig down into the shelter. Mr. Hai quickly crawled out of the tunnel and there he felt his wife's hair spread out over the wet? earthen floor. She lay face-down, motionless. A bullet had pierced her forehead.

Mr. Hai lit the joss-sticks on his wife's altar. Under the altar a litter of piglets was contentedly sucking at their mother. The grunting of the sow brought tears to his eyes.

"Lua, darling," he prayed, "you should be alive to see your litter of 'grandchildren'! Why did you have to die? Why?"

Chot could crawl now and moved from under the bed toward the altar. He hugged and kissed his father's leg. When Mr. Hai bent to pick up his son and saw his dirty face, his tears streamed out. He carried Chot over to the bamboo bed and measured out rice gruel to feed the child. For over a month now, Chot had not had any milk. He cried continually for three days after his mother's death, but after that he slowly learned to eat the gruel.

After feeding his son, Mr. Hai walked to the back of the house, pulled out some coconut fibers, and knitted a rope the thickness of a finger. He then tied one end of the rope to Chot's ankle and the other end to the house post. Sobbing, he pleaded with his son:

"There is nothing I can do; I have to tie you up like this. I have to go to the fields to thrash rice for people to get some food to eat. I'm afraid that if I let you loose you'll crawl into a pond. Please don't be angry with me, son,"

Mr. Hai kissed Chot and walked out quickly. Chot screamed and crawled after his father. When the rope kept him from going any further, he hugged the earthern floor with his face and cried.

That afternoon Mr. Hai came home with a bunch of ripe bananas. As he stepped into the house, he peeled one of the bananas and scanned the house for Chot. But Chot was not there. All that remained was a twisted piece of broken rope. Mr. Hai was scared and cried out:

"Chot, Oooh! Chot, Oooh!"

He ran out of the house and around to the back. Then he stopped suddenly, stupefied. Chot was playing, crawling after the piglets who were led by the mother pig. Piglets and child, both covered with mud, making the rounds of the wet yard! Mr. Hai picked up his son and softly patted his behind.

"What a naughty boy you are, Chot! Who would ever play with pigs! Did they bite you loose?"

Chot smiled broadly, not knowing what his father was saying. Mr. Hai handed the banana to his son, put him down on the floor, and walked into the kitchen to wash rice for the evening meal. As he was measuring out the rice, he heard the mother pig lead her noisy litter into the house. Hr. Hai muttered:

"My, my! They really seem to love each other!"

The sow sprawled by the side of the bamboo bed and her litter gathered at her bulging udders. When Mr. Hai came back he saw that Chot was nestled among the piglets, hugging a teat and sucking contentedly. Mr. Hai reached down to pull his son up from the litter but for some reason he stopped and stood by quietly.

A gunshot echoed in the distance and Mr. Hai lifted his hands to stop the tears rolling down his cheeks.

DIEN TIN, *November 3, 1973.*

One lovely day, the emperor of a certain country didn't have anything to do so he went to visit the biggest jail in the capital of his kingdom. When he got to the jail, he asked one prisoner:

"Why are you here? What is your crime?"

"Your Majesty, I have not committed any crime."

"And how about you?" inquired his Majesty of another prisoner.

"I haven't done anything wrong. I am completely innocent."

The emperor went through the jail and everyone, except an old man, told the emperor that he was completely innocent of any crime. The old man did not answer the emperor; he only bowed his head in silence. But the emperor insisted: "How about you?"

"Your Majesty, Sir," replied the old man, "I deserve my punishment for all the corruption and extortion during my official life. I have no complaint."

"Guards," the Emperor shouted as the old man finished, "Release this prisoner immediately! He shouldn't be allowed to stay around here for his presence will corrupt the innocence of all the other prisoners."

NOW AVAILABLE AT THE VIETNAM RESOURCE CENTER:

Before the Revolution: The Vietnamese Peasants under the French, by Ngo Vinh Long.

Although the United States has been involved in Vietnam for over twenty years, there has been no book in English that provides both a historical perspective on the Vietnamese peasants, who are more than 80 percent of the population, and a firsthand account of their living conditions under colonial rule during the first half of this century.

The subject of this study is the impact of French colonial administrative policies on Vietnamese peasant society between the 1880s and 1945—a period that is crucial for an understanding of the nature of the peasants' determined struggle not only against the French colonizers but also against their American successors. In his Foreword to the book, Professor Alexander Woodside (East Asian Research Center, Harvard) remarks that "for English-speaking readers, this book is likely to serve as a foreceful, unpleasantly chilling introduction to some very representative Vietnamese views about what Vietnamese relations with the industrial West have meant to Vietnamese society over the past century."

The book is divided into two nicely complementary parts. In the first, Mr. Long presents a brief but detailed history of the effects that the French policy of land expropriation and free land concession had upon the peasant; the resulting problems of tenant farming and sharecropping; and the roles of taxes, tax collection, usury, government agrarian credit programs, and industry and commerce in determining the peasants' living standards.

This history provides an objective background for the second part of the book, which introduces moving personal Vietnamese accounts in translation of life in the twenties and thirties. "The Peasants," by Phi Van; "When the Light's Put Out," by Ngo Tat To; "Dead End," by Nguyen Cong Hoan; "Mud and Stagnant Water," by Hoang Dao; and "Who Committed This Crime?" by Tran Van Mai are only samples from the rich legacy of Vietnamese writings on social change that were produced during this period and that because of stringent censorship took the form of the short story and the novel. "Some of the best documentation of the conditions of peasant life appeared in fictional disguise," writes Mr. Long—and the prolific outpouring of these tormented and often short-lived writers became a most sophisticated means of indirect opposition to French rule.

Ngo Vinh Long was born in Vinh Long province in the Mekong Delta and spent his boyhood in rural South Vietnam. He came to the United States in 1964 and was educated at Harvard University; he has been serving as Director of the Vietnam Resource Center in Cambridge.

September—6 x 9—352 pp., $12.95Ta—£5.85, November—U.K. and Europe, The MIT Press.

The struggle in Vietnam is far from over, American interference in the country is far from ended, the movement here and now to bring an end to the U.S. role must continue. To this end, Americans need access to information not normally available from the American mass media. The Vietnam Resource Center for years has published up-to-date and well-researched material about Vietnam. But we're in the midst of a financial crisis. To help us continue our work, please subscribe to our monthly newsletter, Thoi Bao Ga, or send us your contributions.

Name: ———, Address: ———, Subscriptions: $5.00 for U.S. and Canada, $10.00 for overseas and libraries. Inexpensive bulk rates available.

Peace Prize: Where's the Peace?

As the palace in Oslo is readied for the festivities, Thieu continues to rain shells on the Vietnamese countryside as fast as American factories can make them. This issue of Thoi-Bao Ga takes a hard look at the sort of "peace" that has been achieved in Vietnam in the wake of the Paris agreements.

Special advisor Le Duc Tho and Secretary of State Henry Kissinger have just been awarded the Nobel Peace Prize for bringing peace to Vietnam.

But ever since the signing of the Paris Peace Agreements the Thieu regime has done everything possible to destroy the peace and provoke a full-scale resumption of the war. Not long after the signing of the agreements, the New York Times reported in its February 28, 1973 issue that ". . . major causes [of violations] have included the fact that the South Vietnam Government has continued to fight to regain all positions it had lost just before the ceasefire and that it has continued to seek and attack Communist units whenever it could find them." In fact, two weeks before his visit to the United States Thieu bragged to the American press that his forces had retaken over 400 villages since the signing of the accords. This amounts to about one-fifth of all the villages in South Vietnam. Again, on June 19, 1973 Thieu declared that "the armed forces of the Republic of Vietnam have regained all the territories lost during 1972."

While Thieu's claim of having taken back so much territory may be questioned, all reports from Vietnam indicate that the war is indeed raging on. For example, the French newspaper Le Monde reported on August 30, 1973 that the Saigon high command stated some 41,000 of its troops had been killed, 44,000 had been wounded and 4,000 were missing since the signing of the agreements. Saigon has never been known for inflating its own casualty statistics. Another indication of the seriousness of the situation is given in the June 11, 1973 report of the US Senate Subcommittee on US Security Agreements and Commitments Abroad. The report quoted the Defense Attache Office as saying that in the post-ceasefire period Saigon's "firings of 105 mm. howitzers were continuing [in the northern provinces alone] at a rate which exceeded 31,000 rounds, the average daily production of this ammunition in the United States." At the

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*In Vietnam a family usually puts its entire savings in its pig. Often several families join together and raise a common pig. If the pig dies or is stolen, plans for paying debts, taxes, and for buying clothes and medicine go down the drain.—*ed.*

September 20, 1973 meeting of the La Celle-Saint-Cloud Conference Minister Nguyen Van Hieu of the PRG produced evidence to the effect that the Saigon regime had conducted 52,000 operations into the countryside since the middle of June. The minister also documented in some detail Saigon's air and artillery strikes and their effects on the civilian population.

THIEU AGGRESSION

There are many reasons for Thieu's aggressive military posture. One is the need for rice from the countryside. After the PRG spring offensive last year, rice deliveries from the Mekong Delta to Saigon plummeted. According to the April-June 1973 USAID "Vietnam Economic Data" bulletin, rice deliveries to Saigon during the first six months of last year averaged around 65,000 metric tons a month. During the second half of the year, however, rice deliveries from the delta decreased to only 23,000 metric tons a month. Thieu attributed this to the PRG control over the countryside, and hence the control over the flow of rice into the Saigon-controlled cities. Since Thieu has to feed an army and bureaucracy of over two and a half million persons, he ordered this military push into the countryside. This is why Thieu's forces have received very high casualties in the Mekong Delta, the rice basket of South Vietnam. The September 8, 1973 *New York Times* reported the shooting has continued unabated, Vietnamese officers say, with an average of 100 South Vietnamese soldiers killed or wounded every day this year in the delta alone. That is a rate equal to the number of casualties during the big Communist offensive last year, and higher in many previous periods during the interminable war.

Even with the military push into the countryside, according to the USAID report just quoted, the average deliveries of rice to Saigon during the first five months of this year averaged only around 40,000 metric tons a month. Meanwhile, rice imports from the United States under the Food For Peace Program (PL 480) have fallen from 59,000 metric tons in January to only 7,000 tons in May. The United States is selling two million metric tons of rice to the Philippines this year. Thailand has announced that it will not sell any more rice to any foreign country.

RICE WAR

Faced with this problem, Thieu personally ordered a "rice war with the Communists." To carry out this "rice war" his district and province chiefs are to force the peasants to sell rice to the government. Each district and village has to sell rice to the government under a certain quota and at a fixed price. But, as documented in some detail by two Saigon daily newspapers, while the fixed official price for each gia (40 liters) of paddy rice is from 1,300 to 1,400 piasters depending on the variety, Saigon officials in the local areas have been forcing the peasants to sell paddy rice to them at only 800 to 900 piasters a gia (Dien Tin and Dai Dan Toc, September 25, 1973). While this was going on, according to a pro-Thieu Saigon daily, the PRG paid the peasants two to three times higher than Saigon's official price for their rice and then resold that rice to people, who needed it for much less than Saigon's official price. Much of the time, although they have given the peasants money for the rice they ask the peasants to keep the rice for them, saying that they would only ask for it when they needed it (Song Than, September 9, 1973). As a result of this PRG action, even Saigon officials have been selling the rice they collected from the peasants to the NLF. For example, a Saigon Congressional bulletin issued by a group of Saigon senators and deputies (Ban Tin, No. 10, October 15, 1973) reports that General Hoang Duc Ninh, President Thieu's cousin, had made 80 million piasters by selling rice to the PRG over the Vietnam-Cambodian border. Song Than, in the issue just quoted, stated that in Quang Ngai province many officials are participating in the sale of government rice to the PRG. The New York Times reported on September 18, 1973 that the province chief of Long Khanh province, northeast of Saigon, is under investigation on charges of stealing rice and transporting it in army trucks for sale in the PRG.

Faced with this situation, Thieu personally declared on September 14 that the purpose of the "rice war with the Communists" now should be to block rice from going to them (*Dien Tin*, September 15, 1973). How does Thieu propose to do this when his own officials are selling rice to the PRG? According to two Saigon daily newspapers, the Thieu regime has forbidden the rural population to store more than 3 gia of paddy rice, or the equivalent of about 40 liters of milled rice, at any time. The excess rice has to be sold to the government. No more than 3 gia of paddy rice could be transported from one place to another at any time without written permission of the district chiefs or the village chiefs. Rice transported from one place to another without such permission would be confiscated by the authorities and the transporter is automatically accused of "supplying the Communists." Also, no milling of paddy rice is allowed without the written permission of the local authorities, which usually takes from three to four days (Dien Tin and Dai Dan Toc, September 25, 1973). This policy is even more severe in Mekong Delta provinces. According to the October 9, 1973 issue of Dien Tin, General Nguyen Van Nghi, commander of the IV Corps area, had ordered that every household in the provinces under his control has to hang a sign on the front door stating the exact amount of rice left in the house. The peasants must also list the amount of rice gathered in the last harvest. Any discrepancy will meet with severe penalties. According to the October 11, 1973 issue of the same newspaper, in the IV Corps area every household is allowed to keep only 30 liters of rice in the house at any time. All excess rice has to be taken to predetermined government rice stations, to be sold to the government or for deposit. Any person who is caught with any amount of rice above the quantity permitted is automatically considered a "supply cadre for the Communists." Col. Nguyen Dan Phuong, province chief of Chau Doc, has marked off a large area in his province as a "controlled area." And, as quoted in the same issue of the newspaper, the province chief has said, "For each liter of rice sold to the controlled area a person will be shot to death." He said further he would "use every cruel measure" against persons who secretly buy rice for their own lawful profit.

This policy met with resistance from the rural population. As a result, according to the September 26, 1973 issue of Dai Dan Toc only 200 metric tons of rice get to Saigon every day, or only 6,000 tons a month. Saigon remained optimistic that its armed forces would solve the problem. A pro-Saigon daily newspaper, But Thep, had reported on September 10, 1973, that the 16 province chiefs in the delta had met with some success in collecting rice from the peasants by using the armed forces. Deputy Kieu Mong Thu reported in the October 1, 1973 issue of Dai Dan Toc that in most areas in the countryside, the police, village chiefs, hamlet chiefs and district chiefs have been going to the peasants' homes to take all their rice away. All that the peasants are given is receipts for the rice taken. Presumably the government might pay them sometime in the future. In the same report Mrs. Thu stated that when people bring rice to the milling stations for husking, even with permission of the authorities, they are not allowed to bring the milled rice home. All they get are receipts stating that the rice has been sold to the government. This, according to Mrs. Thu, has produced adverse effects all over the countryside. The rural population does not have enough rice for consumption, for feeding their pigs, chickens, and ducks, and for seeds for the next crop.

But, as reported by the Saigon press, the rice collected from the rural population is not used to feed the urban population either. Much of this rice has been exported by the Thieu regime to Cambodia and elsewhere to get foreign exchange. As a result, rice is now rationed in most cities in South Vietnam. In Saigon each family is allowed to buy only 25 liters of milled rice a month (Dai Dan Toc, September 22, 1973; September 26, 1973; and Dien Tin, September 22, 1973). Twenty-five liters is enough for the consumption of only one adult a month. And according to the papers just quoted, hunger is widespread among the poor people since there is no black market rice to be purchased either.

"FORCED URBANIZATION"

Another reason for Thieu's attack on the countryside is to make it difficult for the refugees to go back home. Thanks to the American "forced urbanization" program, the majority of the population of South Vietnam has been moved into the so-called "refugee camps" and the shacks in and around the cities. By maintaining these people where they are, the Thieu regime hopes that it can force them to deliver votes in an election. This is the reason why Thieu's delegates at the La Celle-Saint-Cloud have consistently refused to discuss any issue concerning the carrying out of the provisions of the Paris Agreements unless the PRG agreed unconditionally to an election first. For the time being, at least, the Thieu regime is confident of its control over the urban population.

Trial runs to test the regime's control over elections were conducted in May, 1973, in the form of elections for rural councils. As pointed out in a Saigon newspaper, to be "elected" to a Village Council seat a "candidate" had to pay from 300,000 to 500,000 piasters to Thieu's district chiefs (Dien Tin, October 4, 1973). A more detailed exposition of Thieu's manipulation of the votes is given in the August 15, 1973 issue of Ban Tin, the news bulletin published by a group of Saigon senators and deputies. Another example of this is the Senate election of August 26, 1973 when the entire Thieu slate was "elected" by 92.2 percent of the votes. Of course, elections of this type mean nothing to the Vietnamese people since they clearly will have no freedom to vote; but Thieu hopes to deceive the American public about his "increasing popularity" which would, hopefully, persuade the American people to continue financial and military support to his regime. According to the accusation of Minister Nguyen Van Hieu of the PRG at the September 20, 1973 La Celle-Saint-Cloud meeting, 900,000 more refugees had been generated by Thieu since June of this year. This is probably true, since official AID statistics revealed that 213,400 refugees were created during the period from January 28 to February 16, 1973 alone. This statistic was itself scaled down by at least 70,000 persons (New York Times, Senate Subcommittee on Refugees report, February 28, 1973).

LAND USURPATION

Related to the maintenance of the refugees in the camps and the urban areas is the new and fantastically fierce surge of land usurpation by Saigon officials. These officials follow the footsteps of the Saigon armies into any newly secured area and take over any land they can find even when the peasant owners are occupying it and cultivating it and even when the peasants can produce legal Saigon documents to prove their ownership. There is nothing the peasants can do. If any of them want the land back for cultivation, they have to pay from 600,000 to several million piasters per hectare. (See the September 29, October 2–5 and October 8 issues of Dai Dan Toc for details.) All the crops and timber on the peasants' land are razed by bulldozers and in their place banana and other fruit trees are planted. The timber and fruits are export commodities to Japan. This brings in the much needed foreign currencies. A Saigon deputy recently brought to public attention that the Saigon Ministry of the Economy has budgeted $21 million for the import of cosmetics, ladies' panties and bras for 1973 (Dai Dan Toc, October 1, 1973). The Saigon regime has also budgeted 90 million dollars for importing gas, $100 million for imported rice and $60 million for imported sugar (Dai Dan Toc, September 8, 1973).

The third and most important reason for Thieu's aggressive military posture is the need for continued US military and economic aid. By continually exhibiting such an aggressive attitude the Thieu regime hopes to hoodwink the American public into thinking that not only have its forces shaped up but that they can indeed lick the PRG. Therefore, the American people should continue to support his regime. Thieu thinks that the Americans will not let all their investment in money and blood go down the drain if they think that he has a chance to stand on his own. Thieu knows that the American people are not in the position to realize that Thieu is only weakening himself in expending so much ammunition, in getting so many of his troops killed, and in antagonizing an increasing number of the Vietnamese people. The American government of course realizes that Thieu is getting himself into a critical situation. But, as a Saigon newspaper recently stated, "The more critical the situation the Saigon government creates for itself, the more reason there is for the Nixon administration to continue military aid." (Dien Tin, October 3, 1973) Thieu is a puppet who pulls on his strings, and to a certain extent he has been successful. According to US military sources, during the first six months after the signing of the Paris peace agreements the United States provided the Saigon air force alone with 142,000 bombs, rockets and flares and 13.8 million rounds of small-arms ammunition (New York Times, October 3, 1973). The American "Pentagon East" in Saigon is still maintained in fact, if not in name. Through the new Defense Attache Office (DAO) 20,000 American military advisers and military personnel are directing much of Thieu's military and other activities. This office is headed by General John Murray.

The Thieu regime knows that if peace were really established according to the provisions of the Paris agreements, his survival would be short. For this reason, Saigon has shown little regard for the Paris agreements. Prime Minister Tran Thien Khiem announced in Saigon on September 11 that "the Paris agreements are even worse than marriage certificates." (Dien Tin, September 13, 1973) Deputy Nguyen Ba Can, chairman of the Saigon Lower House, stated recently that "there is no such thing as national reconciliation and national concord" with the other side (Dien Tin, October 3, 1973). And Thieu declared on September 14 that there would be no demobilization and that ARVN had to be maintained "to beat the Communists." (Le Monde, September 16–17, 1973).

If the Thieu regime continues with its present belligerent policy, it is difficult to see how the present military situation would not escalate into a full-scale war, especially when popular outrages pressures the PRG to take a firmer stance. So far the PRG has been bending backward in many ways in the hope that the Thieu regime would eventually carry out the provisions of the Paris agreements, however grudgingly. Perhaps William Sullivan, Kissinger's top aide to the Paris negotiations, noted the serious developments toward this tragic outcome when he said recently that an outbreak of armed conflict in Indochina "by miscalculation of Hanoi" still possible (*Boston Globe*, September 25, 1973. The White House also announced on October 5, 1973 that it had changed its plan for withdrawing US troops from overseas "because of the North Vietnamese build-up." These, of course, are but attempts by the Nixon administration to cover up the reality in South Vietnam and also to prepare public opinion for possible US intervention on Thieu's behalf should be full-scale outbreak of war referred to by Sullivan become a reality. It is these kinds of statements that encourage Thieu to go on the warpath. And who knows whether Dr. Kissinger might not receive a war prize from the people of the whole world very soon? The American people, of course, will have to pay for it.

—*Vietnam Resource Center staff.*

SELECTED TRANSLATIONS FROM SAIGON NEWSPAPERS: LAND USURPATION

(By Doan Van)

On March 26 of each year the Saigon regime and its embassies abroad celebrate the so-called "Land to the Tiller" day as if it were a national holiday. This day commemorates a land reform law passed on March 26, 1970, the result of much pressure from the United States and after three years of study by a group of "specialists" from the Stanford Research Institute. Even on paper, the law was not for true land reform. The landless peasants were put at the bottom of the list of priorities for land distribution with military men, civil service personnel, and city dwellers preceding them. Under the program, the United States was supposed to pay some $1.2 billion for the purchase of 900,000 hectares of land from Vietnamese landlords, presumably for distribution to the "tillers." As fully documented by a Vietnamese researcher in the August 1970 issue of *Tu Quyet* (a Saigon magazine), the land sold by Vietnamese landlords was worthless, long ago abandoned by them because of the insecure situation. In effect the law amounted to forcing the peasants to put into cultivation land that they did not want themselves.

Many peasants had to brave land mines, bombs and artillery shells as well as put up much capital and expend much labor to get the abandoned land back into production. Now we learn from the following article that Saigon officials and local despots are using every conceivable means to evict the peasants from their land in a maddening surge of official usurpation of peasant lands. The article is here translated in its entirety, except for the first paragraph which says that unemployment in South Vietnam is now at its peak, that there are some 160,000 former employees of American companies, 3 million city dwellers, hundreds of thousands of refugees, and an additional 250,000 young people of working age joining the labor force every year who are unemployed.

The reader should remember that Saigon newspapers are highly censored and are subject to severe fines as well as constant threats of being closed down by the Thieu regime. Therefore, the fact that articles such as the following are allowed to be published at all reflects either a rampant situation that is known by almost everybody in the country and therefore is regarded by the regime as of little consequence, or is only a small part of a really serious situation. —*ed.*

At the present time the majority of the city population wants to work at putting virgin land into cultivation in order to make a living for their families and to contribute to the reconstruction of the country. But the problem is that while there are many unemployed people, there is no land available.

This is not because our country is so poor that it does not have enough land for its people. It is only because in areas where there is relative security, the high officials and their wives have vied with each other in usurping all the land. The end result is that the poor people who need land for cultivation and who are dedicated to producing food have no land at all. The filthy rich are freely usurping all the land. Many of these rich and powerful people have taken thousands of hectares of public land each, all in the name of "development of virgin land." Along the highway from Saigon to Vung Tau of about 100 kilometers, and for tens of kilometers on either side, there is not a single piece which is still public land. The forest is all cut down, and scattered here and there are signs bearing the names of the owners. Along the national highways where security has returned, the same situation has occurred. Public land is being usurped at a very quick pace.

If one looks closer at the situation one will see that the majority of the usurpers are powerful people. After taking the land, they rent it out to less well-off people who hire someone to plow some land and plant some manioc roots to make it resemble a farm, then rent it out to a third person.

Selling public land is now a big business. Each hectare of land usurped is priced at a few million piasters.* Therefore, how can poor people who really need the land for cultivation afford to buy it?

The usurpation of land leads to furious contests. Usually the usurpers make use of the name of a high official or the name of the wife of a high official. Sometimes they do not hesitate to use the names of charitable organizations and orphanages in an attempt to usurp land. Usually the contests are very heated and often lead to bloodshed. Whenever this happens, it is the poor people who have to bear all sacrifices while the rich and powerful cliques float above the realm of the law.

As soon as peace returned, in all the areas under the control of the national armed forces [i.e., Thieu's armies—ed.] fierce contests for land began. The situation is especially serious in areas where security has just been established and the people have just returned to their homes.

A typical example is the situation in Long Khanh, Phuoc Tuy province. One of the most dramatic contests for land occurred at Nga Ba Ong Do. At the beginning of 1969, about 135 families came to this area determined to put virgin land under cultivation and to establish a livelihood for themselves. The security situation was still very tenuous. One might say that these people put up their huts and tents between two fires. Each family had its own bomb tunnel. At night artillery shells exploded around their houses.

At that time, in an attempt to protect the security of the highway, the local government ordered the people to come to the area to put up huts and cut down the forest to put the land under cultivation. The people had to struggle with death in order to go on living. But their right of ownership of the land was not yet legalized. These people used all their strength and their savings to put into cultivation a piece of land which previously was a desolated forest on which no human being had set foot and which was full of unexploded artillery shells. With hard work, they planted mangoes, jack fruits and bananas. Life appeared. These people thus asked the government to legalize their ownership status according to the "Land to the Tiller" law. But the authorities used many excuses and turned them down many times.

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* A million piasters is equal to US $2,000. However, in Vietnam the amount is equal to about 35 times the monthly salary of a full university professor. Even the lifetime savings of a Saigon professor cannot approach that amount.–ed.

As soon as peace returned many powerful people came in the name of this or that high official and forced the cultivators to move somewhere else, saying that these peasants occupied the land illegally.

Who are these "bogeymen"? [A Vietnamese term depicting regional and local despots. –ed.]

"BOGEYMEN"

They are either high local officials or high Saigon officials who capitalize on the fact that the peasants have not had their ownership rights legalized. They do not hesitate to use crude force, such as bulldozers, to flatten the houses, orchards and other crop areas of the peasants. They also erect barbed wire fences around all the areas cultivated by the peasants, forbidding anybody to enter. This is not to mention such shady tactics as branding the good and honest peasants as Communists.

This situation at Nga Ba Ong Do is typical of countless similar cases happening every day in the whole country. The reality is that, since the return of peace, the contests for land have become increasingly fierce. And everywhere it is the peasants who are losing. The rich and powrful get richer. Social injustices are increasing every day.

After the signing of the Paris Agreements the problem of the usurpation of peasants' land is spreading quickly into many areas. People use their wealth, their positions and their connections to forcibly appropriate peasants' land, driving the peasants off the farms into which they have sunk all their energy.

Another typical example occurred in Con Tron in Dinh Tuong province. This is a small island in the middle of the Mekong River, between Ngu Hiep Island and Ba Lai Island. This is the reason why it is also known as Con Giua [Middle Island—ed.]

When the ceasefire went into effect, the peasants came back to their old farms. But they were confronted by powerful persons. Mrs. Do Thi Xa, a peasant in Con Tron, said that she had been tilling the land on this island as long as she could remember. At the beginning of 1973, the Dinh Tuong Department of Paddy and Land gave her a certificate of ownership for the land she had been cultivating. All in all there were only four persons on the island who got certificates of ownership. But this was only on paper; in reality the land had already been usurped by some high officials.

These people took over the whole island of Con Tron and had their henchmen throw up water breakers around the island and turn the whole island into an orchard. An old man moaned as he looked at other people plant trees on his own land, "I have a hectare of land on Con Tron and had a certificate of ownership from the Department of Agriculture. But all that I have now is a piece of paper. Other people have taken my land away."

The people who usurped the land did so not to cultivate it themselves but to sell it to others. The price for a hectare of land on this small island is 600,000 piastrs. There are 90 hectares of cultivated land on the island. This means that the usurpers are collecting some 50 million piasters. As far as the former peasant owners are concerned, the only thing they can do now is to call out to the heavens!

The usurpation of land in Con Tron represents a very widespread "stake planting" [ownership claiming—*ed.*] campaign. The regional "bogeymen" use any violent means to evict the peasants from the land they are cultivating. Caught in the middle of this fierce scramble for land by the high officials who are the overlords in the various regions, there is nothing that the peasants can do.

In reality, the land in the countryside is being parceled into many domains. Over each domain a modern feudal overlord reigns, paying no attention whatever to the national laws. In each of these domains, the peasants hold as important a position as the serfs did in feudal times. Peasants who show "understanding" are spared by the overlords. Those who do not, must "watch out for their souls." It is naturally accepted that the laws of the king must yield to the habits of these feudal lords.

Under these conditions, there is no hope that working people from the cities can put virgin land into cultivation. An untold number of dedicated and hard-working people have left the cities to look for land to cultivate, only to return in disappointment to the shacks around the cities to drag their feet around the city streets looking for work. But at the present time we face a gigantic paradox: on the one hand, the number of unemployed people is too large and is increasing every day; on the other, although there is still a lot of land in the secured areas of the countryside, it has all been usurped by the rich and powerful. Dedicated people who want to cultivate the land and return to the countryside have but one alternative, and that is to purchase the usurped land. But where can they get the money? It costs a million piasters a dectare. This is a price no poor person can afford.

For these reasons, the slogan "return to the land" sung every hour on the government radio station is a sham and a ploy to soothe the dreams of millions of people who have no way out.

Return to the land? Agreed! Much applause! But there is no land to return to.

Meanwhile, in the contested areas, the peasants are always having to leave their hamlets and villages. Even if the peasants wrestling with bombs and artillery shells there manage to produce food, they cannot enjoy the fruits of their labor. Their orchards and crops are razed [by Thieu's forces—*ed.*] to clear the countryside for military activities.

"Return to the land" is only a slogan to put a good face on the thing. The program, called "virgin land development," only brings huge incomes from land sales into the pockets of high officials and their wives. As for the unemployed masses, no matter how hardworking and conscientious they are there is nothing they can do for one simple reason—there is no land!

"Return to the land? Agreed! Much applause! But there is no land to return to."

There are numerous unemployed and the number increases every day. The most urgent task [for the government—*ed.*] is to create jobs for the people and end the injustices in the countryside. Robbery, prostitution and other social ills are spreading, largely because of the abject living conditions of the people. The people are waiting for early government action to improve the situation.

According to the government plan which has been reported in the press recently, first priority in development goes to the agricultural sector and the yearly average increase in production is supposed to be 9.7 per cent a year. But it is now seven months since the ceasefire came into effect and the plan is still lying untouched in air conditioned offices. The plan cannot be carried out. This shows the unreality of the planners. Their plans are only wishful thinking and are not based on any real economic facts.

How can there be any increase in agricultural production when the countryside is still an arena for fierce and bloody contest for land, when the peasants in many areas have to abandon their lands and flee to the cities to escape sure disaster?

—*Dai Dan Toc,* September 29, and October 2–5, 1973.

MILITARY MISCONDUCT IN PHUOC TUY PROVINCE

(By Representative Nguyen Quoc Hung)

A certain major, commanding officer of the battalion stationed in Dat Do district, Phuoc Tuy province, habitually abuses his military power and causes great popular resentment. The people complained numerous times to the regime but it has paid no attention to them and shows no sign of trying to bring about a solution and win the local people's favor.

A few examples typical of the military misconduct of Major N.X.T. are as follows:

The district chief ordered a curfew from 19:00 hours to 6:00 hours the next day. But the battalion commander imposed a curfew from 18:30 hours until 6:30 hours the next day.

The district chief ordered a curfew from 19:00 hours to 6:00 hours the next day. But the battalion commander imposed a curfew from 18:30 hours until 6:30 hours the next day.

The district chief allowed a troupe to perform in the district town. The battalion commander arrived and said they could not perform because of security problems and that he had told the district chief so many times.

A lieutenant colonel who is a disabled veteran currently living in Vung Tau has a son serving in this battalion. One Sunday the colonel and his family traveled 40 kilometers to pay a visit to his son. The battalion commander and his wife happened to pass by the shop where Lt. Colonel Tho and his son were drinking tea. Major N.X.T. charged into the shop and ordered a lieutenant, "So this fellow is the son of a lieutenant colonel. Shut him up in a box!" Even the commander's wife felt compelled to say, "Darling, that's not right!"

At around 19:00 hours on September 8, 1973, the commander ordered one of his soldiers to arrest and hold three girls named Nguyen thi H., Thiem thi L., and Tran thi X. for the whole night on the Phuoc Hai beach. The matter was not reported to the district or regimental headquarters. The next day various civilian authorities in the area asked for intervention from the district chief. He then told the commander to transfer the three girls to his headquarters. After finding out that the three girls were not guilty of anything, the district chief released them.

The battalion commander had his soldiers place mines around people's houses at night. In the morning, when the soldiers left they did not remove the mines and this caused the death of a 14-year-old girl named Mai thi Lieu. On September 3, 1973 the same thing happened. The mines placed around a house in Hoi Cuu hamlet seriously wounded a woman named Ngo thi Kiem. This is not to mention the death of two buffaloes belonging to an inhabitant of Hoi My hamlet. In addition, chickens belonging to the inhabitants in the area under the authority of the commander have been taken and sold by his soldiers.

On August 4, 1973, while on patrol in the hamlets of Loc An and Hai Lac, the commander had two young men named Dinh Van H. and Pham Van H. arrested and exacted 3,00 piasters each from them . . .

In its August, 1973 Provincial Council meeting the province of Phuoc Tuy decided that the lieutenant colonel provincial chief, who is also commander-in-chief of the regiment in the area, should talk to Major N.X.T. about his misconduct . . . What does the lieutenant colonel provincial chief think about this?

—Dai Dan Toc, October 5–6, 1973.

LAND USURPATION IN KIEN LUONG DISTRICT

Kien Giang, October 8, 1973. An as yet unidentified group of people has suddenly appeared and openly seized the lands of several hundred families in areas of Kien Luong district, Kieng Giang Province, in spite of the fact that the peasant families had certificates of ownership.

This is a report from the area appearing in Tin Som [another Saigon newspaper—ed.]. According to the report, all the land on both sides of the Rach Gia-Ha Tien highway (12 kilometers in length) in the area of Kien Luong district has been usurped. The usurpers destroyed all the crops and fruit trees planted by the inhabitants of the area and built shacks here and there. When the inhabitants produced documents showing they were the legal owners, this group of usurpers ignored them and went ahead with their operation.

According to the newspaper, the situation has been brought to the attention of the regional authorities, but so far nothing has been done. The local people in adjoining areas meanwhile live in fear that their lands may also be taken over any time.

The report also points out that the land usurpers in Kien Luong district seized land in Tan Hiep and Kien Tan districts. Obviously they are taking advantage of the situation to renew their old "operations."

—Dai Dan Toc, October 8, 1973.

SHOOT RICE TRAFFICKERS! SHOOT TO KILL!

A representative from Kien Phong province has just arrived in Saigon to bring to public attention the fact that during this last increase in the price of rice, Mr. Hoang Duc Ninh, commander-in-chief of the special military region No. 44, made over 80 million piasters in selling rice.

When asked how this was possible, the representative answered that it was done by selling rice from the western provinces over the border [into Cambodia—ed.]

Yet the government itself has ordered its forces to shoot to death rice traffickers who allow any rice to slip over to the other side . . . We suggest that the above representative bring the situation concerning Mr. Hoang Duc Ninh to the attention of the President because Mr. Ninh is a cousin of the President! But we must warn the representative to watch out for his life!*

—Ban Tin, October 15, 1973, a bulletin published by Saigon senators and deputies

THE DESPOT OF GIAO DUC

If you should have occasion to stop anywhere near Giao Duc district in Dinh Tuong province, you will hear people complain about the despot Nguyen Van Hac, the district chief of Giao Duc. He is a man who is always "doing his best" to exploit and oppress the people. For a long time the national press has talked about the shady activities of Nguyen Van Hac, but only recently did the regime begin any investigation into the situation, finally prompted by a flood of letters from the people in the IV Corps region. To clarify the case of Nguyen Van Hac, here are some of his typical activities:

Extortion by branding people as Communists. In villages such as An Huu, Thai Trung and Thai Dong, any household with any property at all has been slandered by Nguyen Van Hac. He drew up anonymous letters branding those unlucky villagers who have some money as having pro-Communist activities or sympathies. Then in the middle of the night he ordered his soldiers to arrest and imprison these people. His most effective accomplice in this business is Sergeant No. Sergeant No runs loose in the villages and hamlets collecting money for Nguyen Van Hac.

Selling village chief seats for 300,000 to 500,000 piasters each. During the last elections for village council, the district chief collected a huge sum of money by selling off village chief positions for 300,000 to 500,000 piasters apiece. The more money a certain candidate had, the better the position he got. Faced with this blatant sale of elective posts by the district chief, nobody, no matter how much he cared for the people and how dedicated he was to their welfare, dared to run in the elections. Only those people with the same corrupt goal as His Excellency spent money to buy their posts. As soon as they arrived at their posts they recovered their capital within interest. Robbed of their rights as citizens, the people are in despair.

His mistress first, the national business second. In front of An Thai Trung a building is being erected. The workers are soldiers of His Excellency's who have been sent on a special mission here to build a house for his darling and precious mistress, a schoolteacher by the name of Thanh. The building materials were lifted by His Excellency from the materials used for building strategic hamlets. Besides, His Excellency ordered the Commissioner of Agriculture in the district to do everything to get back the land that Miss Thanh's grandfather had to sell to the government under the "Land to the Tiller" program. Because the Commissioner of Agriculture said that he could not go against the law decreed by the President and therefore could not satisfy the demand of the district chief's mistress. His Excellency ordered the Commissioner jailed for a whole day. Truly, first comes the mistress, then the nation.

Making soldiers and Popular Defense Forces pay. His Excellency ordered a shakedown of all the soldiers in the district. If a soldier wanted to be stationed in a certain place, he had to pay the district chief from 20,000 to 38,000 piasters. [Each soldier receives from 5,000 to 7,000 piasters as monthly pay.—ed.] The person responsible for carrying out His Excellency's order is Captain Tuong, the officer in charge of personnel. This business of exploiting the sweat and blood of the soldiers whose living conditions are extremely harsh is an unforgivable activity on the part of His Excellency. Besides, any Popular Defense Force member who wanted exemption from guard duty had to pay the district chief 10,000 piasters. Even people who fulfilled all the legal requirements for exemption from guard duty had to pay the same amount of money.

Extortion of merchants. All the stores in Giao Duc district are subject to severe inspections from His Excellency. His Excellency also ordered a complete inventory taken in all the stores. Using various pretexts he got the store owners to come in for a meeting at his district headquarters; there they had to answer his queries about their goods. Whoever "showed understanding" [paid him off—ed.] were allowed to go home to carry on their business. Those who did not had their shops closed down indefinitely. The pharmacies selling Western medicine are His Excellency's special target. He inspected every medical item in them and used every possible pretext to extort money from them.

Connivance in gambling. Everyone in the district knows that Mrs. Thot, who lives close to the An Huu marketplace, sells lottery tickets. In fact, she hangs out her sign, "Lottery tickets for sale." Although the sale of lottery tickets is illegal, she can be so open about it because she is protected by the district chief. This is because she deposits the monthly "money association" (hui) installments with His Excellency. Besides all this, in the last Village Council elections her son, Tiet, became a village councillor after having given a large sum of money to His Excellency.

Having committed these and other crimes, Nguyen Van Hac clearly lacks the moral qualities appropriate to the administrative position with which the regime has entrusted him.

When the official investigative delegation came down to look over the situation, Mrs. Nguyen Van Hac declared publicly that she had bought off the entire delegation and that shortly her husband would be made deputy provincial chief of Dinh Tuong.

We earnestly hope that the Vice-President and the Censorate are watching the activities of the despot Nguyen Van Huc, a person who is destroying the policies of the government, corrupting the national machinery, and weakening the spiritual bonds between the people and the government.*

—*Dien Tin,* October 4–5, 1973.

REFUGEES THIEU'S OTHER POLITICAL PRISONERS

Over half the population of South Vietnam has been herded into miserable refugee camps where they can be kept under the guns of Thieu's army. Formerly independent farmers, these people want only to return to their ancestral lands to begin life anew. The forcible detention of refugees, a constant feature of US policy for Vietnam since the 1950's and now a violation of the Paris Agreements, is certain to reignite full-scale war in Vietnam unless the US Congress finds the courage to cut off funds for these programs.

An area of less than 18 million people, South Vietnam has a total of more than 10 million refugees.[1] Most of these people have been made refugees many times over through the deliberate American policy of "emptying the countryside." This policy, officially referred to in the American government's literature as the "pacification program," did not begin with the massive invasion of the American armed forces during the Johnson administration. It began under Eisenhower in the late 1950s.

When the Eisenhower administration decided to install Ngo Dinh Diem as president of "South Vietnam" in direct contravention of the 1954 Geneva Agreements it realized that Diem was unwanted by the majority of the Vietnamese people. All the experts advised Eisenhower that if the General elections stipulated by the agreements were actually to be held in July, 1956, more than 80 per cent of the Vietnamese people would vote for the Viet Minh and their leader, Ho Chi Minh.[2] Columnist Joseph Alsop writing in the August 31, 1954 New York Herald Tribune said after a trip to Vietnam, "In the area I visited, the Communists have scored a whole series of political, organizational, military—and one has to say it—moral triumphs. . . . What impressed me most, alas, was the moral fervor they had inspired among the non-Communist cadres and the strong support they had obtained from the peasantry." Leo Cherne, one of the original promoters of the Diem "alternative," wrote in the January 29, 1955 issue of *Look* magazine: "If elections were held today, the overwhelming majority of Vietnamese would vote Communist. . . . What can we do?"

FIRST PACIFICATION PROGRAM

The only thing to do was to try to "pacify" the Vietnamese people. The nationwide "Communist Denunciation Campaign" (Phong Trao To Cong) started in 1955. Various military campaigns against local opposition started in the same year. These campaigns having failed, the United States advised and assisted Diem in carrying out wholesale forced relocation of the resident population in the countryside. People were thrown off of their plots of ground, on which their houses, their rice fields, their ancestral tombs were located. They were moved to totally unsuitable relocation sites then called qui-khu and qui-ap, renamed "agroviles" and

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*Hoang Duc Ninh is older brother of Hoang Duc Nha, Thieu's most trusted advisor on national and international affairs. According to the September 7, 1973 issue of Dien Tin, a Saigon daily, Hoang Duc Nha now holds the portfolios of the Ministry of Information, the Ministry of Social Affairs, the Chieu-Hoi Ministry, and the Ministry of Youth. The same newspaper also reports that Nha will soon be Prime Minister.—ed.

*The Army Investigation Department of IV Corps has found the man guilty of these crimes, but he is still in office. It turns out that he is useful to Thieu in some way.—ed.

Footnotes at end of article.

"agro-hamets" in early 1959, and again renamed "strategic hamlets" in 1961.[3] Stockades, barbed-wire fences and spiked moats were thrown up around these sites and new shelters constructed within them by forced labor. Houses and rice fields too distant from the newly constructed camps were burnt down to deny their use to the "Viet Cong" and to prevent the relocated population from going back to their native villages.[4] Beginning in November, 1961, chemical defoliants were used to kill the crops outside of the Diem-controlled areas to drive people more quickly into the strategic hamlets.[5] By November 1963 the Diem regime claimed that it had constructed 8,544 strategic hamlets and regrouped 85 per cent of the total population.

In spite of these impressive statistics, the Diem regime and its American supporters failed to "pacify" the rural population in the southern part of Vietnam. As John McDermott observed in the August-September, 1965 Viet Report:

> The regroupment schemes had convinced the peasantry that Vietcong propaganda was accurate. Diem was a puppet. . . . Because he was under the control of the American he was willing to raze the houses of the people, destroy the shrines of their ancestors, tear up sacred burial grounds, and force a helpless people into what a Wall Street Journal reporter called "concentration camps."

More than this, the massive relocation and the wholesale destruction of crops created untold suffering and hardship for the people, as well as widespread hunger and starvation.[7] These and other factors finally led to the downfall of the Diem regime. A senior AID advisor for the pacification program, William A. Nighswonger, writes: "The fall of the Ngo regime was accompanied by a complete collapse of the pacification efforts in many areas, and vast regions that had been under government control quickly came under the influence of the Viet-Cong."[8] In September 1963, Rufus Phillips, special advisor to the President of the United States on Vietnam, reported to him estimates of the USOM (U.S. Operations Mission to Vietnam) Rural Affairs section that the Mekong Delta was falling under "Viet Cong" control in areas where pacification was supposedly complete.[9]

Yet American policy-makers as well as official historians consistently refused to acknowledge the real reasons for the failure of their pacification campaign. They blamed Diem for having been "concerned more with control measures" while they, the Americans, "focused on security measures."[10] They failed to realize that when you herd people into concentration camps surrounded by stockades, spiked moats, and barbed-wire fences, guarded by soldiers, it made little difference whether you intended to control the people or provide them with security. In any case, having drawn such a useless distinction, the United States again re-emphasized pacification by sending the Marines onto the shores of South Vietnam in 1965. From 1965 to 1967, the Americans attached first priority to the program and they ran the show themselves.[11] American Marines were sent out to "secure villages" and to root out "Viet Cong infra-structures" which, in effect, meant rounding the people up while they freely destroyed certain parts of the villages.[12] The new emphasis of pacification, as summarized by Nighswonger, was:

> (1) Elimination of Viet-Cong by search-and-destroy operations, (2) protection and control of the population and its resources by police and military forces, and (3) preparing and arming the peasants to defend their own communities.[13]

This new effort made the American officials so optimistic that they called the pacification program "the other war: the war to win the hearts and minds of the people." On May 13, 1967, Ambassador Bunker declared in a long report that he regarded the pacification program as "close to the heart of the matter in Vietnam."[14]

But Bunker's announcements and catchy slogans aside, the new program had created so much resentment, and consequently resistance, from the Vietnamese people that to bring them under their "protection" the Americans had to send out American troops with bulldozers and bombers to raze the villages to the ground, then transport the inhabitants to the so-called "campus for refugees fleeing from Communism" and the "New Life hamlets." An example of this is the pacification of the village of Ben Suc which has been described most graphically by Jonathan Schell in his book.[15] After the village was taken over by the Americans, the surrounding area bombed, some people indiscriminately killed, some systematically interrogated, some kept prisioner, and the rest taken away to the camps, the village of Ben Suc was destroyed in the following manner:

> G.I.'s moved down the narrow lanes and into the sunny, quiet yards of the empty village, pouring gasoline on the grass roofs of the houses and setting them afire. . . . Before the flames had died out in the spindly black frames of the houses, bulldozers came rolling through the corpses of palms, uprooting the trees as they proceeded and lowered their scoops to scrape the packed-mud foundations bare. . . . The bulldozers cut their own path across the backyard fences, small graveyards, and ridged fields of the village, ignoring the roads and lanes. When the demolition teams withdrew, they had flattened the village, but the original plan for the demolition had not yet run its course. Faithful to the initial design, Air Force jets sent their bombs down on the deserted ruins, scorching again the burned foundations of the houses and pulverizing for a second time the heaps of rubble, in the hope of collapsing tunnels too deep and well hidden for the bulldozers to crush.

Another way of "securing" the people, and one that required less time and energy, was the use of chemicals to destroy their crops. It was hoped that hunger would force the rural population to stop supporting the NLF and move over to the US-Saigon-controlled areas. A high-ranking US field commander reportedly said in 1966, "If the people are to the guerrillas as the oceans are to the fish, then . . . we are going to dry up that ocean."[16] By the end of 1966 more than half of the chemicals sprayed were admittedly directed at crops.[17] In February 1967 Donal Hornig, President Johnson's chief advisor, explained to a group of scientists that "the anticrop program was aimed chiefly at moving the people."[18] In 1967 the United States used 12 million gallons of defoliants and herbicides, enough to cover "nearly half of the arable land in South Vietnam."[19] In a study of American anticrop and defoliation methods, Yoichi Fukushima, head of the Argonomy Section of the Japan Science Council, testified that by 1967 American chemical attacks had ruined 3.8 million acres (or one-half) of the arable land in South Vietnam. This is not to mention other effects such as death to both humans and livestock, birth defects, and disease.[20]

In spite of all this, the Americans failed to win the hearts and minds of the people. The New York Times, citing official United States data on the loyalties of the hamlets, reported on August 7, 1967 that out of 12,537 hamlets, the number of hamlets under total Saigon control was a mere 168. The number of those totally controlled by the NLF was 3,978. The rest of the hamlets were listed as "contested" or partially controlled by both sides. There were many reasons for this obvious failure.

TRADITIONAL VIETNAMESE CUSTOMS

To begin with, the tactics used in pacification ran counter to traditional Vietnamese customs and beliefs. It is in the tradition of the country that the people should never forgive those who "bring elephants home to stamp out the graveyards of their ancestors" (dem voi ve day ma to)—bring foreigners in to destroy the fatherland. "Fatherland" in Vietnamese is dat to—literally, "land of ancestors." This is indeed one of the reasons why the Vietnamese have been willing to sacrifice so much to throw the invaders out of their country. More importantly, since most Vietnamese consider reverence for their ancestors as a religious obligation, they take this belief quite literally. In Vietnam they say that people "live on the graveyards, and no one lives on rice alone." (Song ve mo ma, ai song ve ca bat com.) The Vietnamese believe that tombs are houses for the dead. In fact, they believe that no one is ever "dead" as such. When a person passes away, his soul lives on and is never destroyed. The dead and the living are believed to exist in the same world, only in different forms, and in communication with each other. Therefore, the ancestors are able to participate in the daily activities of their descendants. They will usually protect the latter and sometimes warn them in dreams or through certain signs of possible dangers so that those dangers may be avoided. Since the souls of the ancestors are so important for the destiny and welfare of the descendants, filial behavior requires that the descendants provide for them. They must see to it that their ancestors lack nothing. Since in life one's parents are one's foremost benefactors, it is everyony's duty to provide for his parents when they grow old. When one's parents have passed away, one must give offerings and perform rituals to one's ancestors (usually not more than three generations back), on the anniversaries of their marriages and deaths as well as on many other holy days. This is considered a family reunion of sorts.

Those who shirk their duties are the most unfilial of all because by not observing those days they turn the souls of their ancestors into hungry, wandering, forsaken spirits. The result of such ill behavior would be misfortune not only for themselves but also for their descendants. Thus it is of the utmost importance that Vietnamese behave correctly towards their ancestors. And the first requirement is the upkeed of tombs and graveyards.

Should the graveyards of the ancestors be destroyed, the Vietnamese feel they must "avenge the souls of the dead" (tra hon cho nhung linh hon noi chin suoi). Otherwise, they and all their children will succeed in nothing throughout their entire lives. Even verbal slighting of parents or ancestors is not tolerated in Vietnam. If in the course of a heated argument one of the disputants should run out of words and pronounce the simple phrase bo me may or to cha may—"your father and your mother" or "your father and your ancestors"—his opponent is left with no choice but to avenge the violated honor of his parents and ancestors by force. Since this is so, it is all the more difficult for the Vietnamese to tolerate the desecration of their ancestors' graveyards.

Next in importance to the graveyards is the Vietnamees house. In his book, Village in Vietnam, Gerald Hickey noted the special significance of the house in the Vietnamese mind:

> To the villagers, nha (house) is not simply a physical structure; it is a symbol of family and hearth. The ancestral house is the cennamese tradition and culture described cestors. . . . Villagers express their feelings about house and tomb in the oft-quoted proverb, "When alive, one must live in a house, when dead, one must have a tomb."[21]

To a Vietnamese, the construction of a

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house is one of the most important activities of his life, and is the last in a series of difficulties that he should overcome. As a Vietnamees saying has it, "To buy a buffalo, take a wife, and build a house—these are the three most difficult tasks in life." (Tau trau, lay vo, lam nha. Ca ba viec ay thay la kho thay.) Moreover, "the construction of a house is an important act which could greatly influence the future of the family for good or bad. There is a favorable day; there are favorable dimensons; there is a favorable location; there are rites which should be observed in the course of construction that the proprietor may enjoy fortune, honor and longevity." [22] For this reason, he must wait until he reaches a certain age and must choose a good orientation that assures great advantages (coi huong dai loi) before he starts out building his house. The geomancer (thay dia ly) is thus needed to "search among the mountains and rivers for a propitious location" (tim noi son thuy huu tinh). Since the location of duong co (for houses) is as important as the location for am phan (for burials), it is of the utmost importance that people should meet the requirements of a basic set of taboos and sanctions. For instance, a house should face south according to the proverb, "A man should take a gentle woman for a wife and build his house facing south" (lay vo hien hoa lam nha huong ram).[22] Other directions permitted are facing "east, northeast, or southeast. Two directions to avoid are west and northwest. . . . A house should never face another house, nor should it be sited where three roads meet." [23]

In planning the kitchen, however, the western and the northwestern sides of a room are the most favorable locations for the hearth because the fire will bar entrance to the five demons associated with these directions. Villagers consider it wise to hire a geomancer to plan the kitchen, since the Spirit of the Hearth (Ong Tao or Tao Quan) is likely to be upset if the position of the hearth is inauspicious and so might cause endless difficulties for the family.

Apart from all its religious significance, in Vietnam as house is also a place of emotional attachment. Husbands and wives refer to each other as nha toi, or literally, "my house." Also, since houses are frequently handed down from one generation to the next, they usually carry with them all the characteristics associated with the ancestors, especially in a society where ancestor worship is widespread.

UNPARDONABLE CRIME

The destruction of a Vietnamese house is thus regarded as an unpardonable crime. In fact, the mere desecration of a single house in a village may be regarded as having an impact on the village as a whole. An example of this is related by Hickey in his book:

> During the Indochina War, French troops had commandeered one of the village chief's houses in Ap Dinh-B and converted it into a temporary slaughterhouse. This shocked the villagers, who believed that such desecration of a house would surely drive the good spirit from the vicinity. Subsequent misfortunes in the hamlet were attributed to this.[24]

The land itself is considered precious in the extreme, as a Vietnamese saying suggests: "An inch of land is an inch of gold." (*Bao nhiue tav dat tac vang bay nhieu*). Since the livelihood of the whole people depends on rice cultivation, this feeling may be readily understood. The Vietnamese peasants also worship the land. Separate offerings are usually made to the Spirit of the Soil (*Tho Than*) on the anniversaries of ancestors, on the day of marriage, of funerals and many other occasions and holy days. On the day of marriage, an American anthropologist observes, before entering the groom's house, the bride and groom pause by the altar honoring the Spirit of Soil, and with burning joss clasped in their hands, they kowtow, asking permission to enter the house.[25]

When people go to repair the family tombs they also have to request "the Spirit of the Soil for permission to disturb the earth." [26] Moreover, since many Vietnamese live on the same piece of land that their father, grandfather and great-grandfather before them had tilled, it becomes an emotional attachment. Even those who in the course of their lives move away from the place of birth (*noi chon nhau cat ron*, or literally, "the place where [their mother's] placenta was buried and their umbilical cord cut") feel that, as a matter of principle, they should return there, if at all possible, when the time of their death is near.

Vietnamese call their native area *que cha, que me*, or *dat to* (birthplace of the father, the mother or the land of the ancestors, respectively). These terms also have a wider meaning analogous to the term fatherland in English. Also, since the tombs of their forefathers are on the same piece of land occupied by their houses and fields, there is no possible way to describe the significance of the land to the Vietnamese.

Thus the scorched-earth tactic applied during the pacification of the villages in Vietnam is even more serious than the desecration of a church in the Western sense.

The second reason for the apparent failure in "winning the hearts and minds" was the horrible living conditions in the refugee camps and the humiliation the refugees had to face there as well as the "New Life hamlets" and the urban centers. The conditions of the refugees were so bad that Saigon newspapers, in spite of the harsh government censorship and the continual government practice of confiscating newspapers and closing their offices, felt compelled to run long articles on the misery endured by these people.

Song was a Saigon daily specifically created to justify the pacification program, whose editors and staff were members and leaders of the Rural Development Cadre Teams sponsored and trained by the joint cooperation of the CIA and the USOM. Even *Song* had this to say on December 10, 1967 in a long article entitled "Looking at the Face of the two Quang Provinces in War, Hunger, Misery, and Corruption":

> This is a free area—free for depravity, corruption, irresponsibility, cowardice, obsequiousness, and loss of human dignity. What the devil is dignity when people sit there waiting to be thrown a few hundred piasters and allotted a few dozen kilos of rice a month? . . . I believe that even if a certain Communist had in his pocket a few dozen "open-arms" passes, after witnessing the humiliation of life in a refugee camp he would be so shocked that he would run away without a single look back.

The same article hastens to point out, however, that the money thrown out and all the rice allotted seldom reached the refugees. Out of the 170 million piasters (or about $1 million at the time) of redemption money which was supposed to go to the people in the province of Quang Ngai in 1967, less than 70 million actually reached the people. The number of refugees who had to suffer and stay hungry reached two million in the central provinces, and in the province of Quang Tin, for example, "60 per cent are children from two to fourteen" years of age. The remaining 40 per cent were old men and women. The able-bodied men presumably either got killed off or went to fight with the NLF.

REFUGEE LIVING CONDITIONS

The horrible living conditions of the refugees have also been generally corroborated by American GIs and Congressional investigators. Here is a description by David Tuck, an infantryman in the US Army:

> From what I could see from these people they looked just like they were starving . . . shortly after we got there [to the refugee camp] I was on a work detail to dump some garbage . . . as soon as we dumped this these refugees—a whole lot, a horde of children, it seemed—literally jumped into this sump [hole full of garbage] and fought like animals for the garbage. They also had to be in their refugee camps at a certain time because if they showed up outside our perimeter or outside the South Vietnamese perimeter they were liable to be shot as VC.[27]

The reason for this sorry state of affairs was not far to seek. All the means of livelihood of the refugees had been destroyed, official relief was minimal (about 5 cents a day per person), and 75 per cent of the money intended for the resettlement allowances was siphoned off in graft.[28] In fact, according to the December 13, 1967 of *Song Moi*, a conservative Saigon newspaper, fewer than 6 million piasters out of the 71 million allocated for refugees in Quang Nam ever found their way to these people. The same newspaper writes:

> In order to get a place to stay in the government "camps for refugees fleeing from Communism" people have to go to the authorities at least five to seven times with bribes. When they have found a place where they might be sheltered from the sun and rain, a few weeks later a "decree" would arrive from the district chief or the police director ordering them to come in for an investigation. They would be interrogated about their activities while they were still living in the countryside: whether they had contact with the Viet Cong or whether they had paid their rice tax or their annual tax—all must be told. If the peasant is naive and does not understand what the authorities want [i.e, bribes]—in other words if he does not let them sniff and smell a few 500-piaster bills—he is in deep trouble, including imprisonment. That is to say, being detained for further investigation! The only thing the peasant can do now is to call to heaven for the relief of his hunger and he is further distressed because he cannot earn a living [for his family]! . . . But a peasant who knows the situation knows that he has to give at least 10,000 to 15,000 piasters to get a place to stay.

At that time, 10,000 to 15,000 piasters was about the same as the monthly salary of a colonel in the Army or of a university professor. On the other hand, it would amount to the lifetime savings of a peasant.

Meanwhile, the situation of those peasants who escaped being taken to the "camps for refugees fleeing from Communism" but who instead flocked into the urban centers was not any brighter. Old men and women became beggars. Young boys shined shoes, washed cars, picked pockets, and pimped for their sisters or mothers. Girls and young women became barmaids and prostitutes. Older women did laundry and their husbands drove pedicabs or worked as day laborers—all in the service of the Americans who had destroyed their homes and villages. To be sure, the Americans were able to "empty out" parts of the countryside, but they were not able to dry up the ocean. They only moved parts of it into the urban centers and it was in these urban seas that the revolutionary fish could swim freely. There was ample evidence pointing to this fact. Here are a few examples. A *New York Times* article on May 24, 1967 reported that

> Enemy forces overran Quang Tri city, the province capital, freed 250 guerrillas from jail and successfully attacked two regimental headquarters of the South Vietnamese First Infantry Division . . .

A few days later, in a series of events that were not fully reported at that time, *they moved virtually unmolested in Hue, while*

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the army and the national police fled. [emphasis added—*ed.*]

A second example is given by *Song*, the CIA-supported Saigon daily, on December 10. 1967:

The enemy forces did not exceed 100 men while in the province capital [of Quang Ngai] there were thousands of riflemen, many field officers, and all kinds of brave-looking outfits. The police in white and striped clothes alone outnumbered the enemy forces by four to one and *could easily have repulsed the enemy if they had wanted to or had cared to shoot*. [Emphasis added]

But the American authorities refused to grasp the significance of these reports and went ahead with their policy of "emptying the countryside" until the events of the Tet offensive of 1968 slapped them coldly in the face. Although the city population knew of the planned attacks beforehand and many of them had actually moved away from the target areas, none of them reported it to the Americans and the Saigon authorities! The population in South Vietnam's urban centers clearly supported the other side. Learning of this, the Americans, instead of trying to take back the towns and cities with ground troops (which they realized would be a near impossibility), made the decision to bomb them until the NLF forces withdrew. Some cities were 90 per cent destroyed.

POWER OF DENIAL

In any event, the Americans learned a precious lesson from the Tet offensive. They learned that they had the power of denial. NLF forces could not take over cities again without risking their destruction. The more people you "urbanized" the more difficult it would be for the NLF to mobilize their support. American academics advising the US government began to rehash pacification theories and cloaked them in new terms. Samuel Huntington of Harvard University, for example, wrote in July 1968 that the United States might have "stumbled upon" a solution to popular wars of national liberation through "forced-draft urbanization." He argued optimistically that because of forced urbanization, "Time in South Vietnam is increasingly on the side of the Government."[29] And American officials in Vietnam concentrated their efforts on carrying out the new "Accelerated Pacification Program." There was no more talk about "winning hearts and minds." Nor was there any more talk of gaining or regaining more territory. Henry Kissinger, for example, wrote in his famous article which appeared in the January 1969 issue of *Foreign Affairs* that the crux of the pacification program was to get more people and not to gain more territory.

The concern now was how to deprive the "revoluntionary fish" (the guerrillas) of the water (the rural population) as quickly as possible. "Accelerated Pacification" thus meant increased punishment of the rural areas through bombing, artillery shelling, chemical spraying, and "mop-up" operations. During the first three years of the Nixon administration 7 million tons of high explosives, or the equivalent of about three times the tonnage of bombs dropped on all fronts during the Second World War, were expended on South Vietnam alone. Out of this about 3 million tons were delivered by artillery strikes. The most noticeable result of these air and artillery strikes, according to the * * *

CRATERIZATION

April 6, 1971 issue of Look magazine, was the destruction of dams, dikes and canals and mile upon mile of "rice fields pockmarked with millions of large craters filled with water in which malarial mosquitoes have been breeding in epidemic numbers."

During the same period 60,000 "mop-up" operations involving more than a battalion of "allied" troops—most of them Vietnamese—were directed against inhabited areas of South Vietnam. The Saigon regime claimed in early 1972 that it carried out an average of 300 mop-up operations every day. The end result of all these operations was more than 3,000 hamlets destroyed, about 26 per cent of the total, during the first three years of the Nixon administration. Their inhabitants were, of course, "urbanized."

CHEMICAL SPRAYING

As for the chemical spraying, the Pentagon informed a US congressman in 1969 that the only limit was "our ability to produce it."[30] According to a report in the November 12, 1970 issue of Tin Sang, a Saigon daily published by a group of Catholic Deputies in the Lower House, Deputy Tran Van Qua, chairman of the Committee on Agriculture, declared that American chemical defoliants alone had destroyed approximately 60 per cent of all crops in South Vietnam. Deputy Kieu Mong Thu also reported in the December 8, 1970 issue of the same newspaper disastrous floods in the central parts of the country caused by chemical defoliants stripping off most of the trees and destroying the vegetation, leaving nothing to stop the monsoon rain water. The effect of this was further crop destruction.

South Vietnam consequently had to import an average of 1 million metric tons of rice annually, according to Deputy Tran Van Qua in the article just quoted, although before the US invasion it was one of the largest rice exporters in the world. This fantastic importation of rice was enough to feed 5 million persons, or close to one-third of the total population of the country, with 440 pounds of rice each a year. In spite of this, hunger and starvation was widespread, especially in the central provinces, during the course of the "Accelerated Pacification Program." The following are a few examples taken from Saigon newspapers:

In the November 17, 1970 issue of *Tin Sang*, Deputy Kieu Mong Thu reported that in normal times the population of the whole central region of South Vietnam had been so hungry that they had had to eat roots because of a lack of rice. In the November 20, 1970 issue of the same newspaper Deputy Thu again reported that in the district of Nam Hoa in the province of Thua Thien a number of people had died of hunger. Meanwhile many families were so hungry that they dug for food in the garbage dumps left by the Americans and Koreans on both sides of the highway and some of them were poisoned by the rotten food. Finally, in the November 23 issue of the same newspaper Deputy Thu described in some detail how the population in some districts in the central area had to eat banana roots, leaves, and even cactus because they were so hungry. Another newspaper, *Xay Dung*, the most pro-Thieu Catholic daily in Saigon, reported in its December 2, 1970 issue that even in Tam Ky, a once prosperous district south of Da Nang, each inhabitant could purchase only from 5 to 6 kilograms of rice a month, less than a week's supply. From February 1 to February 2, 1972 *Tin Sang* ran a long report entitled "Hunger is Rampant in the Central Region" (*Nan Doi Dang Hoanh Hanh o Mien Trung*) which documented in some detail the causes of the hunger and described the heart-rending situation of the population in the area. Following is an excerpt from the article describing the situation facing a "resettlement area," which means an area people were herded into after their former villages had been destroyed:

At present in the resettlement area of Gia Dang, where the population of the villages of Trieu Phong and Hai Mang districts is now living, starvation is widespread and is threatening the lives of the entire population living in this resettlement area. In the coastal areas of Thua Thien province it is the same: people have to eat banana roots and leaves after days of having no rice and greens. Let us witness these scenes: mothers have no more milk for their babies to suck at; fathers stare helplessly at their children lying about in hunger. Will the fathers die before the children or will the children die before them? Death appears before them . . . In early January, 1972, dozens of people left the resettlement area to beg for food. Since January 15, every morning about a hundred persons from villages such as Co Luy, Da Nghi, Phuong Land and Ba Du go up to the district town of Hai Long or the town of Quang Tin to beg. . . . From the resettlement area of Gia Dang to the plain region one must cross five miles of sand dunes and hills. Now it is winter in the province of Quang Tri. A bone-chilling wind blows in from the north. The sky is covered with dark clouds, but it does not rain. In the cold the people try to drive away the shadow of death dancing before them as they walk . . . Getting up on an empty stomach each morning, they walk across the hills and dunes to beg for food. Unable to lift their feet anymore, they lie down here to die. Each day brings new corpses. Logically, the elderly die before the young, because there is no more shooting around here. But here children also die before their parents, and many youths without anything in their stomach and without any strength left try to cover up the corpses of their loved ones under a thin layer of earth without having even a worn out mat to throw over the dead bodies. Every day countless emaciated bodies fall on the way out to beg and on the road home.

The areas around the Gia Dang resettlement site are now running out of rice. If the number of beggars increases, the people in the plains will also have no more rice in a few weeks. Therefore not only has hunger already killed hundreds of people from Gia Dang, it is seriously threatening the lives of half a million people in the areas surrounding it . . .

Mr. Nguyen Dao Tan, the village chief of Hai Khe, which lies in the resettlement area, realizing that the people in the village are terribly hungry already and that the number of hunger victims increases by the hour, went to the district and province chiefs and asked for relief, but so far to no avail . . .

Since the situation is so tragic, why doesn't the government pay any attention? The answer is very simple. The government has just put through the fantastic "Autumn Economic Revolution." Yet despite this revolution the people are dying of hunger. How could the government admit such a tragic situation exists? . . .

The American government and the South Vietnamese governments must bear full responsibility for this starvation which is reaching historic proportions.

The government keeps quiet about the hunger running rampant in the central provinces because it is conniving with the Americans to unleash death and desolation on the Vietnamese people.

Such was the situation before the NLF's 1972 spring offensive. The situation during and after the offensive was even more tragic. During a period of less than four months, a million new refugees were generated, mostly in the central provinces alone as the result of American firepower and military activities.[31] There was supposed to be some relief for some of these people, but according to a Reuters dispatch of May 4, 1972, only a small number of those who were supposed to receive relief ever got anything at all.

The Thieu regime and its American advisors may claim that due to the disruptions caused by the offensive they were not able to establish effective channels for aiding the refugees. But months afterwards, the situation worsened instead of improving. On October 23, 1972, *Song Than*, an ultracon-

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Footnotes at end of article.

servative Saigon daily, reported that since September 9, each person in the camps in Binh Dinh province received only three kilograms of rice. Since that time they had not been given anything else to eat, not even salt. Yves Henry, a French economist, in his book entitled *Economic Agricole de l'Indochine*, writes that the average necessary consumption of milled rice per capital should be 225 kilograms a year, or about 20 kilograms a month. The three kilograms of rice given to the refugee population in Binh Dinh province over a month and a half would only last for a week at most.

PLASTIC RICE

This was not all. There were many other ways of skimming off the rice from the refugees. According to the October 12, 1972 Dai Dan Toc, another Saigon daily, more than 25 per cent of the rice given to the 250,000 "detainees in the concentration camps" in Da Nang was composed of plastic grains. The newspaper goes on to say that most of the detainees had lost a lot of weight, and that the rice given them was almost inedible. In a series of articles published in the second half of October, 1972, Dien Tin, a Saigon daily, accused Thieu's henchmen of making a profit for themselves by substituting cheap plastic grains for the more expensive rice. The same newspaper described in some detail the impending starvation in many areas, especially in the camps in Binh Long, just north of Saigon, where 8,000 persons were being kept and where there were extremely critical food shortages.

With the signing of the January 27 Paris Peace Agreements one would expect the refugee situation to improve. First of all, the "Accelerated Pacification" was supposed to be ended with the departure of the Americans. Second, the Agreements specifically guarantee freedom of movement, residence and work.[32] Refugees are supposed to be allowed to return to the countryside to put up their residences and to begin the long and hard process of resurrecting their devastated paddyfields and farms.

Exactly the reverse has occurred. Five days before the actual signing of the Agreements, the Saigon regime issued a series of edicts in the January 22, 1973 issue of Tin Song, its semi-official newspaper, threatening arrests and on-the-spot executions for "persons who incite the people . . . to leave areas controlled by the government to go into the communist-controlled zones." And, according to American journalists, Thieu's field commanders and local authorities have been doing everything possible to carry out these edicts. According to a report by Daniel Southerland in the January 29, 1973 Christian Science Monitor, people were even "being prohibited from working in outlying fields" of their own villages, apparently for fear they might fall under Communist control. Another report filed by Southerland on March 16, 1973 said the Saigon regime was doing everything it could to stop the refugees from returning to their former lands to farm and to rebuild their destroyed homes. Among other things, individuals and whole families were being forced to be photographed under anti-PRG banners to discourage them from going back. "The soldiers beat us up if we go to our fields. But if we don't work the fields, we won't have enough to eat," Southerland was told. Even if the refugees could make it back to their lands, their lives would be in constant danger from Saigon artillery practice. According to Southerland, Saigon forces made a habit of shelling the countryside surrounding their outposts regularly, although there was no evidence of any NLF activities.

Frances FitzGerald's report in the May 4, 1973 New York Times was to the same effect:

> In many provinces officials have taken away these people's identity cards—forcing them to check in at the police station every few days—and threatened arrest or violence against those who move from the wartime settlements.

Where refugees have disobeyed orders, the Government has carried out those threats. In many provinces it has made it a practice to bomb or shell all the newly-built houses in the PRG areas. In areas undefended by the PRG main forces, it has sent in ground troops to burn the new houses, strip the new fields, and, perhaps incidentally, to loot the farmers' belongings. The police and territorial forces that patrol the borders of Government zones have arrested farmers going to market and charged them with "supplying the VC." As was always the case during the war, these arrests are often followed by the confiscation of the farmers belongings and sessions of interrogation and torture.

Other methods ranged from "subtle psychological warfare activities" like falsely telling the people that the Paris Peace Agreements prescribe a cease-fire in place, and therefore all civilians have to stay where they are, to continual air and artillery strikes to make it difficult for the refugees to return home. In late February the Saigon regime itself claimed it flew 250 sorties against "enemy"-controlled areas. In its June 11, 1973 report, the US Senate Subcommittee on US Security Agreements and Commitments Abroad quoted the Defense Attache Office as saying that in the post-ceasefire period Saigon's "firings of 105 mm. howitzers were continuing [in the northern provinces alone] at a rate which exceeded 31,000 rounds, the average daily production of this ammunition in the United States."[33] The *Washington Post* (March 1, 1973) gave a figure of 35,000 rounds daily.

Of course, the Saigon regime has not been content with merely preventing the refugees from going home. It has also generated more refugees. Official AID statistics reveal that 213,400 refugees were created during the period from January 28 to February 16 alone. This statistic was itself scaled down by at least 70,000 persons. All this in a period of only 17 days after the agreements had been signed and in a country of fewer than 18 million people.[34]

The making of new refugees has been the result of indiscriminate air and artillery strikes and continued ground attacks into URG-controlled areas, which means any area in the countryside. In the words of a *New York Time*- report on February 28, 1973, "... the South Vietnamese Government has continued to fight to regain all positions it had lost just before the ceasefire and that it has continued to seek and attack communist units wherever it could find them." By the end of February, the Saigon regime bragged to the American press that its forces had retaken over 400 villages since the signing of the accords. If Thieu's claim were true, this means that one-fifth of all the villages in South Vietnam had been attacked by Thieu's forces in clear violation of the ceasefire by that time. Since that time, the September 8, 1973 *New York Times* reported, the shooting has continued unabated, Vietnamese officers say, with an average of 100 South Vietnamese soldiers killed or wounded every day this year in the delta alone. That is a rate equal to the number of casualties during the big Communist offensive last year, and higher than in many previous periods during the interminable war.

TRANSFER REFUGEES

Besides generating new refugees, the Thieu regime has also been transferring refugees from one province to another. According to the March 22 New York Times, the Saigon regime disclosed that it had begun moving 100,000 of a planned number of 660,000 persons to be transferred from the central provinces into areas directly north of Saigon. On July 5, 1973 the New York Times again reported that more than 160,000 Vietnamese were to be resettled for the month of July alone, or at least 30,000 persons more than the total number of people resettled during the first six months of 1972. In an attempt to grab more land, most of these people were to be sent to unsettled areas that had been conceded to the PRG for years.

All this is done under the guise of the "Program to Improve the Life of Anti-Communist Refugees" and the "Develop Virgin Land and Construct Hamlets Program." These programs are part of Saigon's four-year Community Defense and Local Development Plan (1972–1975), developed in 1971 with the assistance of high-ranking American CORDS (Civil Operations and Rural Development Support) officials. Saigon officials distinguish between forced relocation and voluntary resettlement, the former being removal of civilians from their native villages, the latter, improvement of refugees' lives by resettlement on new lands. According to the 1972 GAO (General Accounting Office) Report on Indochina, local US officials considered both to be forced resettlement and protested against it, only to be overruled by their superiors. In any event, at the present rate of relocation, Saigon officials claim that there will be no more refugee camps by December 1973!

There are many reasons for the transfer of refugees out of the central provinces. These provinces have always been considered more pro-PRG than other areas. This move would enable Thieu both to deprive the PRG of their support and to call in air strikes on those provinces more freely. It would also presumably provide Thieu with buffer zones if and when the PRG is provoked into taking the offensive against him. Moreover, in thus resettling the refugees Thieu hopes to dislocate any PRG "infrastructures" among the refugees and make control of them easier. Such control is important in manipulating votes in an election. Electoral trial runs to test the regime's control were conducted in May, 1973, in Go Cong, Quang Tin and other places in the form of elections for rural councils. On August 26, 1973, elections took place on a wider scale and 31 pro-Thieu faithfuls were "elected" to the Saigon Senate by 92.2 per cent of the votes, indicating an even greater degree of ballot box stuffing than during Thieu's one-man race in 1971.[35] Such use of refugee bloc votes, in addition to electoral support by right-wing groups, would allow Thieu either to run again for a third presidential term, according to sources close to Thieu himself, in the event of a stalemate in the political talks in France between his regime and the PRG, or to help Thieu win a majority of the seats in a future assembly in case general elections are carried out. Of course such an election would mean nothing to the Vietnamese people since they clearly will have no freedom to vote, but Thieu hopes to deceive the American public about the "increasing popularity" of his regime which will in turn guarantee continued financial and military support for him.

Hence, the wholesale transfer of refugees. It is meant neither to "improve the life of anti-Communist refugees" nor to "develop virgin land." According to the GAO report cited above, the planned assistance to refugees for 1973 covers only 600,000 refugees and, even on paper, amounts to a meager US $14 per refugee. Corruption and graft reduce refugee relief to almost nothing. Ac-

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Footnotes at end of article.

cording to the June 6, 1973 issue of Hoa Binh, a Saigon daily, close to half a million US dollars of relief funds for a camp in Binh Dinh province had been siphoned off in graft. Earlier, in its March 8, 1973 issue, the New York Times also reported that corruption in the 34 refugee camps in the Da Nang area (where 300,000 refugees are kept) was so rampant that camp chiefs had to be replaced more than once within a period of five months.

All this graft and corruption at a time of critical rice shortages in the central and highland provinces (Washington Post, July 25, 1973; New York Times, August 4, 1973) has only meant increased suffering and hunger for the refugees. Demanding their freedom, refugees demonstrated last month in Quang Tri, Thua Thien and Quang Nam provinces. In September hungry refugees rioted in Long Khanh province.[36] Meanwhile AID has asked Congress for further resettlement appropriations in FY 1974: $45 million for the so-called "return-to-village" plans and facilities, $20 million for resettlement plans on new lands and $25 million for relief of refugees waiting to "resettle." None of these requested appropriations as parts of the AID bill for Indochina has been finally passed by Congress. For this reason, AID funding for refugee relief continues at a lower level as authorized by the overall Continuing Resolution of the Senate.

There is still time for concerned Americans to influence Congress in cutting of all these so-called "relief funds" and other "humanitarian" aid to the Saigon regime. Such aid has clearly not been used for relief or humanitarian purposes. It has only been used to prolong the suffering of millions of Vietnamese and to destroy the hard-earned Paris Peace Agreements. Americans owe it to humanity as well as to themselves to cut off further aid of any kind, "humanitarian" or otherwise, from the Thieu regime. Such aid would only bring more suffering and death and consequently a full-scale resumption of the war. It is unlikely that after the suffering inflicted upon the Vietnamese people and the onslaught on Vietnamese tradition and culture described above, the refugees will remain "pacified" under Thieu. So far they have been extremely patient in the hope that things might work out peacefully as stipulated by the peace agreements. There has been too much death and suffering already and the Vietnamese people are putting their most earnest hopes in a peaceful solution.

But there is no guarantee that, supported by American "humanitarian" aid, Thieu might not push his luck a little too far. One only has to read the heart-rending accounts in the May 18 and 29, and June 1 and 6, 1973 issues of Dai Dan Toc, a Saigon daily, on the new and widespread horror of mothers having to sell their babies for food and medicine to understand the meaning of continued American aid and support for the Thieu regime. American responsibility does not end with the withdrawal of American forces from Vietnam. It will only end when the Vietnamese people are left alone to carry out the provisions of the Paris Agreements, free from any US intervention in support of the Thieu regime.

FOOTNOTES

[1] *Senate Subcommitee on Refugees*, February 28, 1973.

[2] *Pentagon Papers*, Senator Gravel Edition, Beacon Press, Vol. I, pp. 45–50; Dwight D. Eisenhower, *Mandate for Change*, Garden City, N.Y., 1963, p. 372.

[3] W. A. Nighswonger, *Rural Pacification in Vietnam*, Praeger, New York, 1966, p. 46; M. E. Osborne, *Strategic Hamlets in South Vietnam*, Cornell University, 1965, p. 22. Nguyen Khac Nhan, "Policy of Key Rural Agrovilles," in *Asian Culture*, Vol. 3, July-December, 1961, No. 3–4, p. 32.

[4] See Ngo Vinh Long's articles in *Ecocide in Indochina*, Harper and Row, 1970, and *The Capitalist System*, Prentice Hall, 1972.

[5] Ibid. Also: *New York Review of Books*, April 25, 1968.

[6] Nighswonger, p. 63.

[7] Ngo Vinh Long in *Ecocide in Indochina*.

[8] Nighswonger, p. 62.

[9] Ibid., p. 64.

[10] *Pentagon Papers*, Vol. II, p. 130.

[11] Ibid., pp. 515–623.

[12] Nighswonger, p. 115.

[13] Ibid., p. 130. See subsequent pages for description of the varied systems for controlling the rural population.

[14] *Pentagon Papers*, Vol. II, p. 616.

[15] Jonathan Schell, *The Village of Ben Suc*, New York: Vintage 1967.

[16] UPI dispatch quoted in *New Statesman*, March 11, 1966.

[17] *New York Review of Books*, April 25, 1966.

[18] Ibid.

[19] Ibid.

[20] Barry Weisberg, ed., *Ecocide in Indochina: The Ecology of War*, New York: Harper & Row, 1970.

[21] Gerald Hickey, *Village in Vietnam*, Yale University, 1964, pp. 88–89.

[22] Luong Du Thiep, *–a Hoi Viet Nam* (Vietnamese Society), Hanoi: Han Thuyen, 1944, p. 239.

[23] Hickory, p. 41.

[24] Ibid., p. 104.

[25] Ibid., p. 104.

[26] Ibid.

[27] *Against the Crime of Silence*, proceedings of the Russell International War Crimes Tribunal, O'Hare, 1968, p. 479.

[28] *New York Times*, June 23, 1968. This is a report of the findings of the Senate Subcommittee on Refugees.

[29] *Foreign Affairs*, July, 1968.

[30] Richard McCarthy, *The Ultimate Folly*, Alfred A. Knopf, 1969, 49–50.

[31] See the reports by Associated Press, April 28 and May 1, 1972. *Le Monde*, May 3, 1972; *Le Figaro*, May 3, 1973.

[32] Both Article 11 an Article 3 of the Ceasefire Protocol explicitly guarantee the rights of "freedom of movement" and "freedom of residence" to all civilians in all parts of South Vietnam. Article 5 further paves the way for such rights by calling for a total removal or deactivation of "all demolition objects, minefields, traps, obstacles or other dangerous objects placed previously, so as not to hamper the population's movement and work." However, stockades, barbed-wire fences, spiked moats and minefields still surround the majority of the Sagon defugee camps.

[33] Subcommittee on US Security Agreements and Commitments Abroad. *Staff Report*, June 11, 1973, p. 33.

[34] *New York Times*, Senate Subcommittee on Refugees report, February 28, 1973.

[35] See *Thoi-Bao Ga*. No. 17, for a detailed description of the 1971 National Assembly and Presidential election.

[36] *Washington Post*, September 11, 1973.

WAR EXPENDITURES 88 PERCENT OF TOTAL BY ADMINISTRATION'S OWN ADMISSION—ONLY 5 PERCENT FOR "HUMANITARIAN" GOALS

FISCAL YEAR 1975 INDOCHINA AID PROPOSED: $3-668 BILLION TOTAL

[Programs in quotation marks below as given by administration]

	Amount	Percent
I. Military expenditures	$2.513 billion	69
1. South Vietnam: "Military Assistance Service Funded"	$1.6 billion	
2. Cambodia: "Military Assistance Program"	$363.75 million	
3. Laos: "Military Assistance Program"	$86.1 million	
4. "Incremental cost of U.S. Forces"	$463 million	
II. War-related "Economic Assistance"	$714.9 million	19
1. South Vietnam:		
(a) "Food For Peace"	$160.6 million	
(b) "Food and Nutrition"	$185 million	
(c) "Industrial Production"	$155 million	
(d) "Transportation and Misc."	$47.3 million	
2. Cambodia:		
(a) "Food for Peace"	$77 million	
(b) "Commodity Import Program"	$71 million	
(c) "Multilateral Stabilization"	$17.5 million	
(d) "Technical Support"	$1.5 million	
III. Reconstruction and development	$267.6 million	7
1. South Vietnam—"Reconstruction and Development	$227.2 million	
2. Cambodia—"Reconstruction and Development"	$0	
Laos:		
(a) "Reconstruction and Development"	$22.4 million	
(b) "Stabilization"	$17.5 million	
IV. Humanitarian	$172.4 million	5
1. South Vietnam—"Humanitarian Assistance"	$136 million	
2. Cambodia—"Humanitarian Aid"	$20 million	
Laos:		
(a) "Humanitarian Aid"	$16.2 million	
(b) "Food for Peace"	$253,000	

Note: In reality only 2 percent of administration's proposal for "humanitarian" or "reconstruction" needs. (1) "Reconstruction and Development"—Covertly war-related: Since fierce war rages in South Vietnam, the Indochina Resource Center does not believe that any of the funds designated as "reconstruction and development" for South Vietnam will actually go for that purpose. We would only consider the $39.9 million designated for Laos as fitting this description. (2) "Humanitarian"—Covertly War-related: Most of the "humanitarian" funds designated for South Vietnam and Laos are meant to aid in a war-related program designed to keep refugees away from the other side. This includes $116.5 million out of $135 million in South Vietnam ($30 m. for "City to Farm," $86.5 for "Refugee Relief," and all $20 million in Cambodia. Therefore, the only truly humanitarian aid we consider is $33.8 million, ($15.3 million for Laos, $10.3 million for Health Care in South Vietnam, and $8.2 million for Child Care in South Vietnam).

Sources: All program titles in quotation marks are taken from the official Agency for International Development Fiscal Year 1975 submission to Congress for Indochina, see p. 5 (Vietnam), 51 (Cambodia), and 59 (Laos) for program breakdown. Military Assistance and Food For Peace figures taken from the Agency for International Development Fiscal Year 1975 submission to Congress—Summary—April 1974, pp. 7, 8, and 9.

MORE AID FOR INDOCHINA THAN THE REST OF THE WORLD COMBINED

ADMINISTRATION-PROPOSED FISCAL YEAR 1975 EXPENDITURES, MILITARY AND ECONOMIC ASSISTANCE

Indochina—$3.7 billion

1. Ind. postwar reconst., $917 million.[1]
2. Food for Peace, $237.8 million.[1]
3. Mil. asst. serv. fded., $1.6 billion.[2]
4. Mil. asst. prog. and credit sales, $449.8 million.[1]
4. Ind.-related U.S. forces, $463 million.[3]

Total, $3.668 billion.

Rest of the world—$3.542 billion

1. Asia (except Indichina), $1.67 billion.[1]
2. Middle East, $969 million.[1]
3. Latin America, $592.3 million.[1]
4. Africa, $293.8 million.[1]
5. Europe, $15 million.[1]

Total, $3.542 billion.

The official Administration chart for FY 75 world-wide military and economic aid expenditures, referred to in Source 1 above, shows Indochina as consuming 46.6% of the Administration's proposed expenditures as designated per region. This is because the $3,090,819,000 figure for Indochina does not include the $463 in incremental costs for U.S. forces, and only gives $1.45 billion—the new obligational authority—as the cost for MASF, instead of the proposed $1.6 billion ceiling. Using this particular chart, we may make the following breakdown:

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[1] Agency for International Development—fiscal year 1975 submission to the Congress—Summary—April, 1974. Chart entitled "Bilateral U.S. Economic Assistance, Military Assistance and Credit Sales—Program Proposed for FY 1975", pp. 7, 8, 9.

[2] Letter from Secretary of State Henry Kissinger to Senator Kennedy, *Congressional Record*, S. 4884, April 1, 1974. Of this $1.6 billion, $1.45 billion is in new obligational authority, $150 million in pipeline.

[3] This figure was supplied to the Indochina Resource Center from the DOD comptroller's office on April 29, 1974, and defined as "incremental Southeast Asia costs for the support of U.S. forces related to the phase down of the Indochina conflict."

Note—Administration Chart shows: Indochina: 46.6% of Total U.S. Aid. Only 0.8% of World Population.

	(Indochina)	Asia	Middle East	Latin America	Africa	Europe	Total	World—Total
Thousands of dollars	(3, 090, 819)	4, 762, 069	969, 050	592, 360	293, 753	15, 053	$6, 632, 231	[1]$7, 459, 599
Percent of total	(46. 6)	71. 8	14. 6	8. 9	4. 4	0. 2	100	
Population [2]	[3] (28, 700, 000)	2, 000, 000, 000	102, 100, 000	195, 000, 000	354, 000, 000	466, 000, 000	3, 120, 000, 000	3, 706, 000, 000
Percent of World	(0. 8)	54	2. 8	5. 3	10	13	85. 1	

[1] This $7,459,599,000 figure for total proposed economic and military aid includes $827,368,000 for "other" worldwide expenses, including AID and State Department administrative costs, ocean freight, etc.

[2] Source for these population figures is the "Information Please Almanac," 1974, pp. 319–320, 371.

[3] "Indochina" population figures include only South Vietnam, Laos, and Cambodia, the only areas in Indochina to which the administration proposes giving aid.

[From Internews, Mar. 11–24, 1974]

WORLD BANK PROJECTS AID THROUGH 1990: HOW THE UNITED STATES PLANS TO KEEP THIEU AFLOAT

The Nixon Administration is quietly working through the World Bank to organize mutilateral aid to subsidize the collapsing Saigon economy through 1990. On October 14, 1973 the World Bank, headed by the architect of Johnson's Vietnam war build-up Robert McNamara, convened a secret meeting in Paris to discuss aid for the Nguyen Van Thieu regime. The meeting was attended by Japan, Canada, Australia, New Zealand, ten West European countries and the United States, which sent representatives from the State Department, Treasury Department and the National Security Council.[1]

"As you know," World Bank representative I. P. M. Cargill explained at the opening session, "President Thieu called on Mr. McNamara last April to inquire whether the World Bank would help in forming an aid group for the Republic of Vietnam [Saigon]." Cargill warned that without the necessary foreign aid, the stability of the Saigon regime would be "endangered." Reconstruction and economic development programs in South Vietnam may be postponed indefinitely because of the "continuing security problem," he said. What is needed immediately is aid to alleviate Saigon's balance-of-payments crisis.

Shortly after the Paris meeting, a World Bank mission was dispatched to Saigon to assess the economic prospects and specific foreign aid needs of the Thieu regime. The mission's secret report, obtained by Internews, was filed on January 18, 1974.

The mission's report assumes that the Paris Peace Agreement will not be applied and is therefore "irrelevant" for future economic plans. The report describes a very grim economic situation in the Saigon-controlled areas of South Vietnam:

Economic growth in the last two years has been "very small, if not negative."

Per capita income has remained stable at $140 per year since 1960.

Manufacturing industry has declined from 12.8 percent of the Gross Domestic Product since 1960 to 10.0 percent at present.

South Vietnam still needs to import 300,000 tons of rice per year (it exported over a million tons in 1939).

Inflation last year was 60 percent, and living standards have fallen "considerably" in the past two years "particularly among soldiers and government officials."

Nearly 50 percent of those gainfully employed are in services rather than production, and 25 percent of the potential work force is unemployed.

Refugees are not being resettled in areas where they can resume agricultural production because Thieu is "finding it difficult to locate secure areas."

About 50 percent of the Saigon budget goes for the military and police (this does not count direct U.S. military aid).

The percentage of the Saigon budget obtained from external sources (the United States) is steadily growing and will be about 56 percent in 1974.

The World Bank mission concludes that the most serious problem facing the Saigon regime is its chronic balance of payments deficit. Last year, it says, Saigon exported only $56 million in goods while importing $794 million, for a deficit of $738 million. For 1974, the Bank mission projects a deficit of $829 million, and the outlook for the next decade and a half promises only slow improvement.

The mission holds out little hope for postwar reconstruction, and even less for economic development. It simply calls for balance of payments support to prevent economic collapse while the war continues. Saigon will need at least $700 million this coming year, the mission says, $770 million in 1980, and $450 million in 1990—for a total of $11 billion in foreign aid subsidy over the next sixteen years. In 1974 only $100 million of these funds will come from non-U.S. sources, but Saigon officials hope to eventually get as much as $500 million a year.

The report emphasizes that Saigon has a very weak tax base and cannot be expected to repay the foreign aid subsidy except on the easiest of terms: 70 percent of the aid should be an outright gift, and the remaining 30 percent should be repayable over 30 years at 3 percent interest with a ten-year grace period.

According to the World Bank report, the number one priority for South Vietnam is keeping the Saigon regime afloat. The Bank does not suggest that the war-orientation of the economy be changed by demobilizing even part of the 1.1 million men in the army who are kept out of the work force, that the government budget be re-allocated from military to economic reconstruction and development expenditures, or that the hundreds of thousands of peasants in the cities be allowed to return to cultivate their rice fields. In effect, the World Bank is rewarding Thieu for refusing to implement the Paris Accords.

The Bank could play a role in forcing implementation of the peace agreement by offering aid only to the new government to be created by the National Council of National Reconciliation and Concord called for under the terms of the Accords. The Council—to be composed of the Provisional Revolutionary Government, Saigon, and the neutralist forces—is to organize free elections to form a new government for all of South Vietnam. Thieu has rejected this part of the agreement. He calls instead for elections to posts in the Saigon administration under the present constitution which outlaws the PRG and the neutralists.

Given this posture on the part of Thieu, even members of the third force or neutralists have called for an end to aid to Saigon. Former Saigon deputy, Ngo Cong Duc, for example, told the French paper Le Monde: "Aid for reconstruction will be precious for South Vietnam. But in the present circumstances, assistance to the Saigon regime is a source of unhappiness for us. To aid Nguyen Van Thieu at this moment is to work against the spirit of the Accords."

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[1] The meeting was attended by representatives of Australia, Belgium, Canada, Denmark, Finland, France, West Germany, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, the United States, the International Monetary Fund, the Asia Development Bank, the United Nations, and the World Bank.

WORLD BANK BACKS AWAY FROM SAIGON IN REPLY TO BREAD FOR THE WORLD

The World Bank has gone on record for the first time against considering capital development funds for South Vietnam as long as the war continues, despite pressure from the Administration for the Bank to make such funds available.

An announcement to that effect came in a letter dated April 18 from Peter Cargill, Vice President of the World Bank, to Eugene Carson Blake, President of Bread for the World, in response to testimony recently presented by the latter organization before the Senate Foreign Relations Committee. Bread for the World is a new, ecumenically-based "Christian citizens' lobby" on hunger and poverty, and Blake, its President, is the former General Secretary of the World Council of Churches.

Cargill's letter put a clear distance between the Bank's position and that of the Administration.

Cargill wrote that any participation by the International Development Association—a division of the World Bank that lends development capital to the poorest countries at no interest—"would depend on the Bank Group's assessment of the possibility of such an assistance program being directed solely towards the reconstruction and development of these economies and restoring them to a peacetime basis as foreseen in the Paris Accords." He said that informal discussions among various aid-giving countries indicated that "most of them believed that conditions were not yet ripe in South Viet Nam for any formal action to be taken to set up an aid group."

Blake had urged Senate approval of a measure (defeated in the House) that would provide U.S. funding for IDA. But in his testimony Blake said, "Bread for the World would take quite a different position if the IDA program became a major conduit for funds to support, for example, the Thieu regime." He added that "because rumors and reports to that effect persist, we are asking Mr. [Robert S.] McNamara to lay them to rest in the clearest possible terms." McNamara is President of the World Bank.

Reports of possible Bank assistance to Saigon stemmed from a chain of events that began a year ago.

In April 1973, shortly after the Paris agreements, President Thieu asked the World Bank to help form a consultative group of donor nations to consider aiding the Republic of Viet Nam, a member country. The Bank agreed, and in May and November sent study missions to South Viet Nam, each of which resulted in private reports. The reports were leaked and rumors began to circulate. Although the reports painted a bleak picture of Saigon's economic prospects, some observers interpreted them as a case for Bank assistance.

During the same period, as Saigon's financial difficulties mounted, the Administration began pressing the World Bank to help through IDA, its "soft loan window." On March 25 Secretary of State Henry Kissinger wrote to Senator Edward Kennedy expressing the hope that "a reversal of the negative Congressional action on IDA replenishment would clearly enhance the possibility of success" with regard to arranging reconstruction assistance for the Republic of South Viet Nam. The Administration's interest served to reinforce rumors prompted by the reports of the study missions, and vice-versa.

Privately the Bank's information office denied the rumors and insisted that no decision to fund projects in South Viet Nam had been made. But it did not rule out the possibility of a later decision favorable to Saigon, and Bank officers maintained official silence.

In breaking that silence, Vice President Cargill clearly attached further consideration of assisting South Viet Nam to compliance with the Paris Accords.

An initial meeting of 16 major donor nations (the consultative group) took place last October in Paris to consider the first report and the Saigon request for aid, but a subsequent meeting has been indefinitely postponed. In his letter to Senator Kennedy, Kissinger said that the reactions of participating countries to the energy crisis and to the Congressional decision on IDA replenishment led the Bank to postpone the meeting."

Cargill's letter, however, says that conditions "in South Viet Nam" led most of the 16 nations to postpone further consideration.

At least one of the 16 nations, Sweden, insists that after the war ends assistance should go to both North and South Viet Nam.

Cargill's statement apparently means that the donor nations are not prepared to act as a group even outside the Bank structure until a reasonable settlement, consistent with the Paris peace agreements, takes place.

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT,
Washington, D.C., April 18, 1974.

DR. EUGENE CARSON BLAKE,
President, Bread for the World,
New York, N.Y.

DEAR DR. BLAKE: Thank you for your letter to Mr. McNamara enclosing the text of your statement on the IDA Fourth Replenishment before the Senate Foreign Relations Committee. We greatly appreciate your eloquent testimony in support of the Fourth Replenishment and its goal of helping the poorest countries in the world. Mr. McNamara has asked me to respond to your specific questions regarding Bank operations in Indochina, for which I have been principally responsible.

You probably know that for the past 15 years, at the request of our member countries, the Bank Group has taken the lead with other international organizations in organizing aid groups for countries wherever a significant number of aid giving countries have shown an interest in some form of consultation. At present there are 18 such groups. The Bank and IDA services these groups by providing economic analysis, estimates of the aid needs of a particular country, etc., and in general takes the chair at meetings which they convene. This procedure has proved extremely useful to the aid giving countries—including, I believe, to the U.S.A.—and has provided opportunities for consultation amongst donor countries—and coordination of the aid efforts. It was taken as a matter of course, therefore, when about a year ago several donor countries made inquiries of the Bank Group whether we could help in forming such a group for Indochina.

Mr. McNamara in reply said that the Bank Group would be prepared to form such a group on the basis of various understandings of which the most important from the point of view of the issues you have raised were: (a) that the group deal with the problems of the three countries of Indochina that are members of the Bank and IDA, namely, Laos, Khmer Republic and South Viet Nam; (b) that any initiative in forming such a group or any participation by IDA would depend on the Bank Group's assessment of the possibility of such an assistance program being directed solely towards the reconstruction and development of these economies and restoring them to a peacetime basis as foreseen in the Paris Accords; and (c) that the Bank Group would undertake only those operations that received the broad support of its membership.

With the progress reported from the Paris peace talks in the spring of last year, we decided to send a mission to South Viet Nam to begin inquiries about the possibility of forming an aid group of the kind described above. Subsequently, we approached the Governments of Laos and the Khmer Republic. At the time neither of these governments felt that they were ready to receive such a mission from IDA. The mission accordingly visited South Viet Nam in June, and its report was circulated to interested countries towards the end of September last year.

In October I had the opportunity of meeting in Paris with representatives of the various aid giving countries concerned. From these informal discussions I gained the clear impression that most of them believed that conditions were not yet ripe in South Viet Nam for any formal action to be taken to set up an aid group. Accordingly, I suggested that we postpone further discussions for some months to give us an opportunity to watch developments in Indochina and to form a clearer judgment whether an aid program could be worked out in accordance with the understanding I have described above.

I recognized that one of your particular concerns is that IDA would become a major source of financial assistance to the Government of South Viet Nam. Even under peaceful conditions the resources gap which would have to be filled annually would be far beyond the relatively small amount of funds likely to be available to South Viet Nam out of the Fourth Replenishment of IDA. Taking into account the scarcity of concessional assistance funds such as IDA provides, as well as the urgent needs of hundreds of millions of poor people in other parts of the world, it is clear that IDA could hardly become a major source of funds for this purpose.

Sincerely,

PETER CARGILL,
Vice President.

Mr. HÉBERT. Mr. Chairman, I yield the balance of my time to the gentleman from New York (Mr. STRATTON).

The CHAIRMAN. The gentleman from New York is recognized for 6 minutes.

Mr. STRATTON. Mr. Chairman, I am grateful for the opportunity to wind up this debate today on behalf of the Committee on Armed Services. I must say, though, that I never really have been convinced that many souls are saved during general debate. That is borne out, I think, by the tremendous and enthusiastic turnout of the membership here during this debate; but, nevertheless, perhaps we can get a few remarks into the RECORD and perhaps some day in the distant future people may even read what we have said.

I want to say just a few words about this bill. I think it does a number of very important things. For example, this bill continues the job that we began in the supplemental appropriation bill of trying desperately to remedy some of the errors in our own defense readiness posture that were recognized as a result of the Arab-Israeli conflict of last October.

We are increasing very rapidly the production of tanks. We are increasing very rapidly the production of the TOW antitank missiles, which are the tactical counterpart of the Soviet Sagger, but which are vastly outnumbered by the cheaper Soviet product.

We are also adding, as the gentleman from Colorado pointed out a moment ago, the F-111, the only supersonic new aircraft that we have developed in the past 15 years in the Air Force and the one which, without the active participation of the Congress and the Committee on Armed Services, would already have been consigned to oblivion. We are keeping it alive, not only to fill out the ranks of the tactical Air Force, but also as a possible supersonic bomber hedge if we should need it.

Finally, we have stopped the dramatic decline of the U.S. Navy—if this bill goes through intact tomorrow, as I hope it will—which has steadily been going down year after year while the Soviet Navy has steadily been going up. If this bill is passed, for the first time we will be building ships in this fiscal year than we are putting into mothballs.

Many of the Members who have included their dissenting views in the committee report, and some of whom have spoken on the floor today, talk about the terrible expenditures involved in this particular legislation. Well, the figures in this bill are somewhat high. They are higher than the figures last year; but let us not forget that percentagewise, we are doing less in the field of defense today than we have done at any time since 1950. That was the year, the Members will recall, when Louie Johnson, after the Korean war broke out, was castigated from one end of the city of Washington to the other for his failure to have provided this Nation with the means to defend itself.

So, what we are presenting here is really a modest defense budget, and one that is taking only 27 percent of the budget and only 5.9 percent of the gross national product, compared with some 47 percent of the budget when President Kennedy first took office, and 8.3 percent of the gross national product.

Mr. Chairman, I think the most important thing of all, for those who traditionally in knee-jerk fashion oppose anything or everything that comes out of the Committee on Armed Services, is to realize that the purpose of this bill is not to fight a war; it is to prevent war. The money that we are putting into this budget is to try to maintain the peace. Let us remember that. It is intended to provide peace forces in Europe where we are confronting the mass of the Soviet threat; and where else would one have us put our forces except in the area where the threat exists?

Second, it will provide assistance and provide the forces capable of influencing stability in the troubled Middle Eastern area where, thank God, Secretary Kissinger is today on the verge of another fantastic and magical peace arrangement, backed up by the determination and the power of the 6th Fleet and of American military forces.

Finally—and I hope this will continue to be the case when the votes are counted tomorrow—this budget will put money in to deter war and to preserve the fragile peace in Southeast Asia. We have gotten our troops out of there; all this bill will do is provide a little ammunition to let the South Vietnamese continue to defend themselves in fiscal 1975.

If Members have bothered to read the paper, they know that a massive North Vietnamese offensive is already under way today in Vietnam in complete and total violation of the Paris Accords. Let us not tell the South Vietnamese people that they have got to go out there with only sticks and stones to fight off those Russian tanks moving against them. Let us at least tell them tomorrow that they can have some real ammunition, so long as they promise to shoot it themselves.

So, this is what this defense authorization bill is all about. We are trying to correct the serious and dangerous situation where American power has been going down while Soviet power is going up. We are trying to deter a new war breaking out in Southeast Asia. And we are trying to maintain peace and stability in a world where self-proclaimed "peace loving" Indians yesterday exploded an atomic bomb.

Mr. Chairman, let me add a word of further explanation with regard to the F-111 aircraft.

I am presently a supporter of the B-1 although I must admit that I am deeply concerned about the problems the B-1 has encountered, the slippage in its production schedule, and the fantastic escalation in its cost. We must face up realistically now to the possibility that Congress may never approve such a costly program. In that event we need to have an option available when the time for decision comes.

As for the B-52's, however they may be modified, there is I believe considerable room for doubt as just how much longer they will constitute a credible threat to the Soviet Union.

However, we do have readily available to us in the interim the FB-111, which can be produced at any time that the Department of Defense and the Congress decide that this should be done, and which can in its EB-111 version, can be an interim supersonic bomber.

But let it be understood we are not merely buying insurance here. The primary purpose of this addition of the F-111 is the need for additional F-111 tactical aircraft. The report points out, for example, that a very substantial number of the early F-111's are now being diverted by the Air Force for reconfiguration into reconnaissance aircraft. When this is done these F-111's will be lost to the tactical strike force because they will be used with other aircraft in our inventory to provide the unique capability that is found in the F-111.

The committee is to be congratulated for the action they have taken to preserve this essential production line both for the aircraft that will be produced for our forces today and, very importantly, as a hedge for a most uncertain future in the manned bomber field.

Mr. WHITEHURST. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Chairman, not being a member of the committee, I have some questions I would like to raise, and I agreed to ask them of the gentleman from New York during his time, but his time was limited so I got some time of my own to ask some of these questions now.

Mr. Chairman, this is the second time I have listened to the position of the committee, and I am impressed with the committee's sincerity and their desire to maintain strong American defense. I agree, of course, that this is what has to be done, but there are certain questions which come to my mind.

For example, in the area of the F-111, I have been satisfied by the gentleman's statements and the chairman's statements, and by some of the others, that the F-111 is a good piece of equipment now.

Mr. Chairman, I had doubts about that. Evidently those have been satisfied in the gentlemen's minds and I am satisfied by their statements.

When we start examining the various numbers of delivery systems to the Soviet Union, the methods by which we can deliver atomic weapons, we have the Trident—I am all in favor of the Trident—we have the missile systems, the ballistic missiles; we have F-111's now; we have a lot of other aircraft. It is my understanding that we have F-4's; we have the F-14 and we have the F-15 which can deliver atomic weapons.

Admittedly, they have to come from the periphery of the Soviet Union. But years ago we had the F-100. My brother used to sit on the end of a runway in Turkey. He would sit there for hours at a time, and they would have targets assigned inland.

How many of these delivery systems do we have to pile up one on top of the other to maintain the deterrent force that we are talking about? When we talk about the F-111 versus the B-1, I would like to have somebody discuss these problems.

I have understood that we have many thousands of bombs that can be delivered to any one target or any series of targets in the Soviet Union. How many do we have to pile, one on top of the other, before we regard ourselves as safe? I wish the gentleman would respond.

Mr. STRATTON. Mr. Chairman, if the gentleman will yield, let me just say that, first of all, it is my understanding that the only nuclear carrier aircraft we have around the periphery of the Soviet Union, primarily, is the F-111. The other aircraft which the gentleman referred to no longer perform that mission.

Mr. JOHNSON of Colorado. Let me ask the gentleman this specific question: Do we no longer have Air Force fighters stationed on the runways around the perriphery of the Soviet Union, such as in Turkey and any other places, that have targets assigned inland?

Mr. STRATTON. To answer the gentleman, we have Air Force fighters, but the gentleman is talking about nuclear-attack aircraft. My understanding is that the only ones that are carrying out this mission now are the F-111's that are stationed in Europe.

Mr. JOHNSON of Colorado. Is the gentleman saying that we do not have F-100's or F-4's that have the capability of delivering bombs, those that are operating off aircraft carriers or runways in Turkey and other areas?

Mr. STRATTON. There may be some on aircraft carriers. I am not sure just how many we have there, but the gentleman refers to those that were stationed in Europe.

This is a complicated matter, but the gentleman refers to all these myriad weapons systems. There has been reference to the Triad in terms of our nuclear defense. We have believed—I think properly—that we should not put all our eggs in one basket. So we have missiles. None of those missiles has ever been fired in anger, as the gentleman well knows, and some people are not even sure that they are going to work. God forbid that it should ever occur.

We also have the nuclear bombers, the Strategic Air Command, which now depends on the B-52's. It seems to me that we have what is probably our most invulnerable deterrent, the Polaris/Poseidon submarine.

Mr. Chairman, the feeling is that it is conceivable that the missiles might not work. It is conceivable that the aircraft on the ground might be sabotaged, and that is why we have the Polaris submarines. It is also conceivable that perhaps one of these days the Soviets, with their satellites, might be able to track our submarines, so we have felt that the best security is to have all three of these systems. They are expensive; there is no question about that, but if they deter nuclear warfare, which they have done to date for over a quarter century, I think they are worth the money that we put into them. This is the reason we have these three types of systems.

Mr. JOHNSON of Colorado. Mr. Chairman, we all agree with what the gentleman has said about the necessity for a deterrent. What I am asking is this: If we need the B-1 bomber when we have the F-111, I would like to hear the gentleman's analysis of that, because I have not heard anything that says the B-1 bomber is necessary. We have the F-111 and know its capability.

I am not challenging the gentleman on that.

Mr. STRATTON. Mr. Chairman, let me address myself to that question.

The nub of our Strategic Air Command has been the B-52 bomber. I am sure the chairman of our committee is the real expert on this, and he might want to answer this; I am sure that he could do a better job than I can.

The B-52 bomber was last constructed, I think, almost 20 years ago, and I think we all know that it is getting outmoded. It did the job in the conventional bombing assignments in Vietnam.

So the question has been: What will be the follow-on to the B-52? The B-1 is the plane that the Air Force is in the process of developing. It is a supersonic aircraft, an aircraft that can come in low, an aircraft with a standoff capability which will take the place of the B-52 in the 1980's and the 1990's.

Mr. JOHNSON of Colorado. What about the F-111?

Mr. STRATTON. Mr. Chairman, the F-111 is primarily a tactical fighter plane, but it has the capability of carrying bombs. It also happens to be a supersonic plane. It is larger than most of our fighters, and it has a bomber version.

So the feeling on our committee is that if the B-1 should become so expensive, as the gentleman from New York (Mr. PIKE) has pointed out, that Congress is not going to go for it, we will have another option available to us; namely, the FB-111, which may not be able to do all the things which the B-1 can do, although it can do a number of them.

So that is why we are keeping the production line of the F-111 alive for another year, until we come to that point where Congress has to decide whether we will go into production of the B-1 or not, considering the specified cost. If we do not keep the F-111 line open, there will not be any option open; we will have to go to the other plane regardless of what the cost might be.

Mr. JOHNSON of Colorado. Mr. Chairman, let me ask the gentleman this question:

Does the gentleman have any reports as to how many of these tactical fighter planes we have available in Europe for the purpose of striking into the middle of the continent, into the Soviet Union? Does the gentleman know how many fighter planes there are?

Perhaps that is secret information, I do not know.

Mr. STRATTON. Mr. Chairman, I would hope that that would be classified in any event.

However, the gentleman is probably aware of the fact that this has been one of the stumbling blocks in our discussions with the Soviets. The Soviets have all kinds of medium-range nuclear missiles which are aimed at Paris, at London, at Berlin, and at points in all of these other countries in Western Europe, and they do not count these missiles in their nuclear force. Yet they are demanding that the nuclear carrying planes in our tactical Air Force should be counted.

This is one of the reasons we are having difficulty in the Salt II, as I understand it.

Mr. JOHNSON of Colorado. Mr. Chairman, I thank the gentleman.

If we could get this kind of information, it would help some of the Members like myself who are not on the committee to make a determination with respect to the B-1 bomber. I would appreciate it if the committee would try to think of the situation in those terms, so we can make our decisions based on that information.

Mr. STRATTON. Mr. Chairman, I think the committee has tried very hard to provide information. I think the report is a very carefully reasoned discussion of this very issue, if the gentleman has had time to read it. We are trying to protect the gentleman's options so that he will know which way to go.

Mr. Chairman, I might call the gentleman's attention to page 3514 of the hearings, part 4 of the hearings of our committee, which go into this matter in further detail.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, let me ask the gentleman from New York this question:

What is the range of the Russian intermediate missile?

Mr. STRATTON. Mr. Chairman, the range of the medium-range missile of the Russians, I would imagine, would probably be on the order of 1,000 or 1,500 miles. It could be programed to be less or more.

Mr. GROSS. Do we have a comparable missile?

Mr. STRATTON. No, I do not think they are in the active force any more.

We took the Thors and the Jupiters out some time ago, following the confrontation with Cuba in 1962.

Mr. GROSS. We did not have an intermediate missile in Vietnam, did we?

Mr. STRATTON. The gentleman is correct. We did not have one in Vietnam, and, of course, the policy of our Government was not to get into a nuclear attack in Vietnam.

Mr. GROSS. I did not know they would have to carry a nuclear warhead. In fact I have been told they could carry conventional warheads.

Mrs. HOLT. Mr. Chairman, the subcommittee action to increase the programed average strength for the majority of the Guard and Reserve Forces is an outstanding example of congressional determination to fully support the total force policy. It has been a very satisfying experience to work under the able chairman (Mr. FISHER) in implementing this effort.

The committee has properly recognized that full and complete support for strong and operationally ready Guard and Reserve Forces is in the best interest of the United States. These increased strength authorizations will allow significant improvement in the manning percentages of required units. At the same time, the committee action recognizes the longstanding efforts of Congress to support and enhance the Guard and Reserve strength postures.

This action recognizes the past difficulties with underestimating the appropriate levels of strengths to be authorized for the Reserve components.

The strength figures that the committee recommends are derived from the skilled judgment of the Guard and Reserve leaders who are most aware of the needs and capabilities of their respective components. These same skilled judgments are essential factors in all determinations of what Guard and Reserve Forces can and should be used and the extent to which they require fiscal and other support.

I am particularly pleased by the visible demonstration of leadership in the grassroots of our country as evidenced by the outstanding recruiting and retention efforts and successes of the Reserve components in the face of great adversity. This is an example of what small unit commanders throughout the country can accomplish when motivated and given some assistance.

I am firmly convinced that these units are continuing to exert the same driving energy toward improving their readiness that they have shown in manning improvement. Congress must continue our strong support of full implementation to the total force policy and move toward achieving the fiscal benefits of these lower cost forces.

Mr. YOUNG of Florida. Mr. Chairman, I rise in support of H.R. 14592, the military procurement authorization for fiscal 1975. This bill authorizes a total amount of $22.6 billion for military weapons procurement and research and development. The total authorization is a reduction of $500 million from the Department of Defense's budget requests, and is an increase of only 8.1 percent over last year's request—barely enough to keep pace with inflation.

Yet there are those who will offer amendments tomorrow to cut the authorizations by additional millions and even billions. There are those who will seek to reduce our troop levels by up to 200,000 men. We will hear the annual and expectable outcries that the defense budget is too large, too filled with waste and fat, and too unnecessary.

The Constitution charges the U.S. Congress "to provide for the common Defence" as a top priority. The budget proposals of the Department of Defense are aimed at maintaining U.S. military superiority at the minimal necessary cost to the American taxpayer, and I believe it is incumbent upon the Congress to fulfill its constitutional mandate for the national defense and to dispel some of the myths which have grown up about defense spending in recent years.

Opponents of defense spending continually complain about the billions which go for defense in the face of competing human priorities in the Federal budget. But the truth is, since President Nixon took office in 1969 and began to wind down the Vietnam war, defense spending has declined from 44 percent of the budget, to 29 percent for fiscal 1975. As defense spending has declined, spending for human resources has jumped to almost 50 percent of the budget in its place.

Defense outlays for fiscal 1974 thus far total $79.7 billion; adjusted for inflation, this is the lowest Pentagon spending since the Korean war began. Put another way, defense spending is only 5.9 percent of our gross national product, its lowest point since the end of the Korean war. Thus, either way it is viewed, defense spending has been constantly declining since the mid-1950's—in the face of a war in Southeast Asia, in the face of inflation, and in the face of an ever-expanding Communist threat to global peace.

There is substantial evidence that the fiscal 1975 defense budget is a minimum beyond which we dare not go if we are to fulfill our constitutional duty to provide for the common defense:

We spend less than 6 percent of our GNP on defense—Russia spends almost half;

We spend some $8 billion a year for military research and development—Russia spends at least double that figure;

We have 2.2 million men in the uniformed services—Russia has 3.4 million;

Russia has 500 more ICBM's than the United States, 14 more nuclear submarines, and 240 more missiles to launch from these submarines;

Russia has been outbuilding the United States in naval vessels by a ratio of 8 to 1, and Russian ships are an average 10 years younger and more modern than ours;

In the past decade, the Russians have developed and built eight new fighter planes, while the United States turned out one;

The Russians are much better prepared for the type of limited brush-fire war that is more likely today: 600 more tactical and fighter aircraft; 468 more strategic airlift carriers; and 628 more medium-range bombers.

In the face of these dismaying statistics, we encounter "slash and trim" advocates who want to chop billions from defense spending. In response to these attacks, Secretary Schlesinger has said:

> It is an enchanting illusion that you can simply take large amounts of money out of the defense budget and cut only fat, and not muscle, and it is an illusion that we can ill-afford today.

Where do we cut?

Do we cut our research and development program which has not even expanded in recent years, while the Russians have overtaken us on all fronts? The United States does not have a single weapon system that the Russians do not now also have, in one form or another.

Shall we cut military procurement?

After all, we are bombarded daily with allegations of cost overruns and military waste. Yet the fine print in the 1975 budget clearly states that over the past 10 years, defense spending for purchases of goods and services has risen by 61 percent, while Federal civilian spending for the same purposes has risen 170 percent—almost triple the DOD rate.

What about military pay and benefits? Almost one-third of the entire defense budget in 1975 will go for military and retired pay—some $32 billion. Yet in constant dollars, the average serviceman's basic pay today is only $500 more than it was 20 years ago—$8,100 as compared with $7,600. The total in constant dollars of all benefits received by a serviceman—education, housing, pay, and other allowances—has risen from $9,600 in 1954 to $11,000 in 1974. Most of this increase has come in the past 4 years, as Congress has sought to assist the growth of the all-volunteer Armed Forces.

In 1974, it cost the taxpayer $11,000 for each man in our uniform. During this same fiscal year, however, it cost the American taxpayer $12,900 for each civilian employee of the Federal Government. It appears that our men in uniform are a pretty good personnel bargain—for $1,900 less a year than a civilian employee, they put their lives on the line for their fellow Americans.

The lesson is clear. The myths of excessive defense spending do not hold up in the light of harsh numerical reality. In constant—1974—dollars, we are spending $20 billion less than we did 20 years ago and less than we have any year since.

Mr. Chairman, we are now in an era of hard-won global peace and stability. But this is a precarious peace, one which was achieved and maintained through the strength and deterrent force of our military. Russia's efforts to force the United States into a confrontation in the Middle East demonstrate the need for us to maintain our ability to bargain from strength. Therefore, I urge my colleagues to approve H.R. 14592 as reported by the House Armed Services Committee, and to vote down amendments which would cripple our national defense.

Mr. SEIBERLING. Mr. Chairman, of all the weapons systems programs included in this year's military procurement bill, certainly the one that is potentially the costliest and buys the least for the money is the B–1 bomber.

In the research paper that Senator McGovern and I prepared for Members of Congress for peace through truce. I think one of the most significant points that is made is that the B–1 bomber, and the concept of strategic nuclear bombardment by manned aircraft, plays only an extremely marginal role in the U.S. deterrent posture.

In the so-called strategic Triad, it represents the third string team in the role of a back-up after the ICBM's and SLBM's have been used. If nuclear war occurred, and any restraint was exercised by the Chiefs of State, there could be eight successive nuclear missile salvos—four on each side and each answering the one before—before the B–1 would be in a position to do any damage. The war would be over before it could get into action.

In 1971, after Senator McGovern and I issued a critical analysis of the B–1 bomber program, which spokesmen for the Air Force criticized as inaccurate, I offered publicly to retract any part of that report if the Air Force could prove to me that it was in error. I was invited to Strategic Air Command Headquarters at Omaha where I spent a day receiving briefings and discussing the B–1 with several general officers. I was shocked to learn that they did not regard the B–1 as a replacement for the B–52's and FB–111's but, in fact, regard it as an additional weapons system and would retain, by 1984, 255 B–52 G and H models, 66 FB–111's, and 244 B–1's. This, in effect, would increase the overall maximum payload capability of U.S. strategic bomber forces by 2½ times—from about 21 million to nearly 52 million pounds of bombs. Such compounding of our nuclear overkill is both tragic and ludicrous.

After having to concede that the manned bomber represents the weakest leg of the Triad, the generals at SAC said that it was still justified if it forces the Soviet Union to spend more on air defense systems than they would if the threat did not exist. This argument also collapses when you examine the facts. The low-altitude SA–3 missile would be at least as effective against the B–1 as the SA–2 was against the B–52 during Operation Linebacker. The SA–3's cost between $40,000 and $50,000. The current estimated B–1 cost is $61.5 million, 1,230 times as much as the SA–3, even counting site costs and assuming relatively low-kill ratios. The economics come down hard on the side of defense.

SAC's final argument was that the U.S.S.R. was developing a supersonic bomber—the Backfire—that they were test flying in the prototype stage and that it was to be in serial production within months. As for now, nearly 3 years later, I have yet to see any hard evidence that the Backfire is being deployed. Actually the whole concept of building a bomber to defend against a bomber is fallacious. To defend against a bomber we would deploy surface-to-air missiles. Yet most such installations are, in fact, scheduled to be phased out of our air defense system.

Last, there is former Secretary of Defense Melvin Laird's "bargain chip" theory. He stated that we should continue to acquire the B–1 bomber so it could be used at SALT II and beyond as a bargain chip. With a cost, including avionics, armaments, a new compatible tanker and operations and maintenance, of $35.5 million and a current cost overrun of $5.6 billion, the B–1 represents the most expensive weapons systems in history and by no stretch of the taxpayers' imagination can such a cost be justified as a bargain chip.

I would hasten to point out that with the crying domestic needs that are unmet in this country today, the funds requested for the B–1 in fiscal year 1975 invested entirely in payroll could produce 50,000 jobs at an annual average salary of $10,000 per year. This is twice as many jobs as the B–1 program is producing in the aerospace industry.

To take a cynical view, it would seem that the real reasons that the B–1 bomber program is being pushed are other than strategic military requirements. The B–1 serves to perpetuate a powerful segment of the military-industrial complex. Without the B–1 to feed on, this segment of the military-industrial complex would die on the vine or be forced to develop other programs for which some rational need exists.

The devotion of the Air Force generals to strategic bombers is reminiscent of the devotion of the diehard admirals to the battleship. To build a new generation of manned strategic bombers in the missile age makes little more sense than to build a new fleet of battleships. This country can no longer afford the luxury of expensive, outmoded weapons systems either in the name of military security or job security.

The manned strategic bomber is going to go the way of the battleship. Let us do it now and use that money where it will do some good.

Mr. ICHORD. Mr. Chairman, I rise in support of H.R. 14592. I think this is a good bill, and one this body should support wholeheartedly.

I want to take the opportunity to address myself to the F–15 program and to point out how the F–15 program is progressing very satisfactorily and urge your continued support for this great fighter now coming into the inventory of the Air Force.

The aircraft in the flight test program have been proving the capabilities of the overall weapon system with great success. Over 1,700 hours of flight tests have been acrued in more than 1,700 separate flights. The test force has flown the design level flight envelope of the aircraft, and in fact has exceeded the combat altitude and maximum mach number for which it was designed. These two points are well in excess of 60,000 feet altitude and twice the speed of sound. Pilots flying the aircraft attest to its superior handling qualities and its remarkable agility and acceleration. These latter qualities are a direct byproduct of, among other things, the technological advances contained in the F–100 engine.

In addition to the exceptional success enjoyed by the airframe early in its development program, the weapon subsystem is also proving to be worthy of high confidence. The pulse doppler radar system has demonstrated search and track ranges in excess of that required by the development specifications. The ability of the pulse doppler concept to distinguish radar targets from background clutter, in combination with the extensive computer processing of the radar information, enables the pilot to easily detect and track aircraft. In conjunction with the head-up display of critical flight and weapons information, this feature allows the single crew member of the F–15 to use effectively the full capabilities of this aircraft. Successful tests of the various weapons subsystems include airborne firings of the M–61 20-millimeter cannon, and the AIM–7 and AIM–9 air-to-air missiles.

Contractor and Air Force flight testing of the Tactical Electronic Warfare System (TEWS) began in February 1974 at Eglin AFB, Fla. Provisions have been made for growth of the TEWS as technology becomes available for system enhancement or is necessitated by future electronic warfare threats. The Air Force is conducting two engineering developments for eventual addition to the TEWS. These are: First, an internally mounted chaff and flare countermeasures dispenser set (CDS); and second, a tail warning set (TWS) to detect airborne interceptors and air-to-air missiles in the rear hemisphere of the F–15.

The reliability and maintainability of the F–15 during the extensive flight testing have been excellent. For example, there have been numerous instances when an F–15 has made three flights in one day. The F–15 program is on schedule, within cost and is meeting technical performance goals.

Mr. RHODES. Mr. Chairman, I want the RECORD to show that I fully support the inclusion of title VIII, "Nuclear Navy" in the defense procurement authorization bill, H.R. 14592, now before us. I congratulate the distinguished chairman and his Armed Services Committee for the outstanding leadership and foreight they have demonstrated by incorporating this much needed legislation in this year's procurement authorization.

I also congratulate my distinguished colleagues BOB WILSON, the ranking minority member of the Seapower Subcommittee, and CHARLES BENNETT, the chairman of that subcommittee, who initiated this action with their bill H.R. 14364.

Title VIII of this bill establishes the policy that all future major combatant vessels for the strike forces of the U.S. Navy shall be nuclear powered. This includes all combatant submarines, aircraft carriers, and carrier escorts.

I became intimately familiar with the nuclear Navy issue through my many years on the Appropriations Committee where I participated in the annual review of the shipbuilding program by the Defense Subcommittee and the annual review of the Atomic Energy program by the Public Works Subcommittee. The annual reports of the Appropriations Committee clearly document the longstanding support of that committee for nuclear powered warships. In fact, last year's report dated November 26, 1973, on the Department of Defense appropriation bill states:

> The House Appropriations Committee has always been in the forefront in advocating a nuclear-powered fleet whenever that is feasible.

I am proud of my record in supporting the initiative taken by Congress to bring about a nuclear Navy both for submarines and major surface warships.

But, despite all the actions taken by Congress in the past to bring about a nuclear Navy much more needs to be done and I believe title VIII in this bill is necessary to achieve it. It may surprise some of my colleagues to learn that even though this Congress has authorized only nuclear submarines for almost 20 years, in the Pentagon today there are those who advocate studying a reversion to diesel-powered submarines. In the early 1960's the Congress held extensive hearings and debates concerning the need for nuclear power for the aircraft carrier *John F. Kennedy*. Secretary McNamara insisted in going ahead with conventional propulsion. Many of us vowed that we would never again authorize a conventional aircraft carrier. We believed that the Pentagon had finally gotten the message and today we are building three nuclear-powered carriers, the *Nimitz* (CVAN–68), the *Eisenhower* (CVAN–69), and the *Carl Vinson* (CVN–70). But do you realize that right today in the Pentagon millions of dollars are being spent on the design of a new class of conventional aircraft carriers? Do you realize that millions more are being spent on the design of conventional escorts to accompany these carriers? I think these studies are a waste of time.

If there is any lesson to be learned from last year's oil embargo it is that our striking force naval warships of the future must have nuclear propulsion. Many of us have urged for years that the Navy and the Defense Department face up to this issue. They have refused to do so. Therefore, it is time that we in Congress establish a clear-cut policy on this issue. Title VIII does this. I recommend that this Body give unanimous support to the inclusion of title VIII in the defense procurement authorization bill as recommended by our Armed Services Committee.

Mr. BADILLO. Mr. Chairman, once again we are presented with a military procurement bill which contains an inordinate number of expensive programs and military hardware of questionable value, which carries forward grossly distorted and misdirected priorities and which represents the largest peacetime military budget in this country's history while doing serious damage to a number of pressing domestic problems. Few seriously debate the fact that this country must maintain an adequate defense and that we must have the military capability to protect our basic national interests and to properly meet our various treaty obligations. However, since the end of the Second World War—for almost 30 long years—the United States has maintained the largest, strongest, and, beyond any question, the most expensive military position in the world. During these three decades education, health, employment, housing, community service, job training, and many similar programs have been grossly underfunded—and unfunded in some instances. At the same time the military budget remains a sacred cow and whatever cuts have been made are of little consequence and often are more for appearance than substance.

The legislation before us this week is certainly no exception. For fiscal year 1975 the administration sought an unprecedented expansion in military spending of some $13.7 billion—a 16.4 percent increase over the amount we approved last year or a net rise of 9.3 percent once the inflationary rise has been taken into account. The $22.64 billion authorization for new weapons systems alone surpasses the total appropriated by the Congress for the current fiscal year by $2.47 billion or a net increase of some $1.5 billion, again taking into consideration the inflationary factor of about 7.4 percent.

While some allowance must be made for the soaring inflation which has been generated by an inept economic policy, the amounts sought in H.R. 14592 are simply not justified and affirmative steps must be taken to place controls or ceilings on these increases. The need for such restrictions is driven home when you take into account the fact that many nondefense Federal agencies are limiting their expenditures in line with congressional mandates to reduce spending. The Defense Department and its constituencies are no exception and cannot be considered to be sacrosanct. It has been reported that H.R. 14592 would allow DOD spending to rise 12.6 percent over last year's appropriation level and this is clearly unacceptable. Thus I urge our colleagues to support the amendment which will impose a ceiling of $21.9 billion on authorizations in this bill.

One of the tragic and telling aspects of this measure is revealed in the report that Secretary Schlesinger has testified that over $6 billion was added in an ill-conceived attempt to "stimulate the economy." I strongly believe that these funds could more effectively achieve their supposed objective by being used to carry out urgently needed public service employment programs, to release impounded funds for a number of highly desirable domestic programs, and to significantly expand a number of efforts which seek to resolve problems confronting urban America. It must also be recognized that military spending is usually slow and whatever stimulative effects it may have will not be felt for some time.

In reviewing this legislation I find it hard to understand how the Defense Department in good conscience can support the continuation of a procurement program such as the B-1 bomber which, in just 4 years, has seen a cost overrun of $5.6 billion before even the first prototype has been flown and whose strategic military worth has been subject to serious question. This must certainly be one of the most wasteful and unnecessary weapons programs we have seen for some time and I am hopeful that the amendment to be offered by the gentleman from New York (Mr. PIKE)—deleting the $499 million for the plane's continued development—will be overwhelmingly passed.

Mr. Chairman, through one device or another the military is attempting to subvert the Congressional mandate that we totally extricate ourselves from further involvement in Southeast Asia, particularly South Vietnam. As our colleague, Mr. DELLUMS, so aptly noted in his dissenting views, "General Thieu has made a mockery of the Paris agreements," to which we are also a party, and ". . . American taxpayers are virtually the sole financial support for Thieu." I believe that the reduction sought in the amendment to be offered by the gentleman from California (Mr. LEGGETT) will go a long way toward encouraging the Saigon regime to pursue nonmilitary avenues toward a final cessation of hostilities and that it will aid in reducing the continued level of violence in South Vietnam and the numerous violations of the Paris agreements perpetrated by General Thieu.

It would be possible to comment on many other aspects of this measure which are not only questionable but needlessly expensive and which warrant reductions. Suffice it to say, Mr. Chairman, that in the absence of any executive leadership, it becomes incumbent upon the Congress to take affirmative and meaningful steps to redirect the Nation's priorities and to achieve economies in the defense budget. The Congress must reassert its authority and control over this country's overseas military posture and the overall defense budget. We must move to restore some balance and reason in authorizing and appropriating moneys for the defense establishment, particularly in light of the many serious domestic economic and social problems with which we are faced and which are not being fully met. Economies can be achieved and disputable military policies can be redefined without detracting from our basic national security or from our ability to ably fulfill our international commitments. In the process I believe the American taxpayer will receive more for the hard-earned dollar through greater economies and efficiency not to mention a more responsible and responsive national security structure.

Mr. BINGHAM. Mr. Chairman, I rise today to urge my colleagues to take a hard, critical look at H.R. 14592, the fiscal year 1975 military procurement authorization. I am disappointed that we again are presented with a military budget request that is grossly inflated. In this fiscal year 1975 budget, I fear that our true national security is being sacrificed to a mindless drive for more weapons of unneeded complexity and inordinate expense and for the maintenance overseas of excessive military forces, often designed for contingencies in which our military involvement would disserve our national interest. It is a budget that can and must be cut.

I can see no justification for the increase of $2.47 billion over the amount actually appropriated for fiscal year 1974 that this bill requests. This is the first U.S. military budget in history to be increased after a war. By 1948, the defense budget was less than 10 percent of its World War II high. Two years after the end of the Korean war, defense spending fell to 45 percent of its 1952 peak. Yet, today, when we are no longer fighting in Vietnam, and when we are engaged in negotiating arms limitations, the fiscal year 1975 request is up a whopping 12.2 percent over the amount actually appropriated for fiscal year 1974.

The magnitude of this increase cannot be justified by the fear of a growing Soviet nuclear capability. As was documented recently by the Center for Defense Information the United States has three times as many strategic nuclear warheads as the Soviet Union—7,940 versus 2,600. We are also producing new strategic nuclear warheads at a rate of about four per day while the Soviets are producing them at a rate of probably less than one per day. Comparing United States and Soviet war capabilities, Senator MCINTYRE, the distinguished chairman of the Senate Armed Services Subcommittee on Military Research and Development commented:

> I for one get weary and skeptical of the uncritical littany which somehow judges our technology in the worst possible light and theirs in the best. . . . Let's not forget or discount the quality of our own military technology, a technology that has been richly funded and represents the premier product of American engineering, scientific, and industrial talent. Their subs are *not* as quiet; Their missiles *not* as accurate; Their warheads *not* as efficient; Their computers *not* as advanced; Their ASW *not* as effective; Their sub-launched missiles are *not* MIRVed; Their bombers are *not* truly intercontinental.

Why, then, are we faced with such a large DOD request?

Perhaps a partial answer was provided by Secretary Schlesinger when he appeared before the Defense Appropriations Subcommittee in February of this year. At that time he stated that over $6 billion had been added to the fiscal year 1975 defense budget in order to stimulate the economy. However, in its April 1974 monthly economic letter, the First National City Bank of New York pointed out that:

> Historically, it has seldom proved good economics to give an economy a fiscal shot in the arm by upping defense outlays.

Most outrageous about this $6 billion injection into the military budget for nonmilitary reasons is the critical need for such funds in other Federal programs. Six billion dollars is nearly as much as is spent on education—$7.5 billion—or community development and housing—$6.4 billion; and is much more than the $750 million spent on drug abuse enforcement and prevention, the $3.3 billion spent on manpower, or the $2.1 billion spent on energy research. We are told that we cannot afford to spend so little on these critical domestic programs while we blithely add $6 billion to the defense budget for economic reasons.

The administration has impounded nearly twice that $6 billion from programs in such vital areas as housing, health, education, water treatment, and mass transportation. It is outrageous to pump money into an already bloated defense budget to help stimulate the economy while refusing to spend funds authorized by the Congress for essential and worthwhile domestic programs.

The budget before us can be cut in many places. If we give it the careful scrutiny the Congress gives budget requests for domestic programs, we can both redirect badly needed funds and insure a healthy and powerful defense. The goal of those of us who are trying to cut parts of this budget is not to weaken our Armed Forces. Our goal is to get the best defense possible for the dollar, to eliminate gold-plating, and to end ill-conceived programs that bring us cost-overruns for hardware that will not perform to specifications.

There are several parts of the bill that can and should be cut. At a minimum, the Congress must support the bipartisan amendment, chiefly sponsored by our colleague from Wisconsin (Mr. ASPIN), that would hold military procurement to fiscal year 1974 levels, plus a 7.4 percent increase for inflation. This would amount to a savings of $733.1 million. Even the most hawkish Members of this body should be able to support this reasonable proposal, which would merely hold military spending at current levels. With the United States no longer fighting in Vietnam, and in fact not engaged militarily anywhere in the world, and with the ongoing arms limitations negotiations, there is no justification for an increase in defense spending.

The bill also includes funding for the construction of two Trident submarines, a program which I have actively opposed in the past. Trident is a monumentally expensive weapons system, costing nearly $1.2 billion per year, and one whose need is highly questionable. We are now developing a new type of steel, called H–130 which will greatly extend the life and maximum depth of submarine hulls. The faster we rush ahead with submarine procurement, the fewer ships will be built with these superior hulls. A recent study by the Office of Program Analysis and Evaluation in the Defense Department has concluded that the Soviet Navy is quickly aging, and does not pose the severe threat to our control of the seas which many alarmists would have us believe. The study also predicted "a noticeable decline" in the number of major Soviet warships by the end of the decade. When these facts are added to the widely accepted view that Soviet ASW capabilities lag behind our own and pose no significant threat to our existing Polaris SLBM fleet, I can see no need for us to rush into this program. I urge my colleagues to support the amendment of the gentleman from California (Mr. LEGGETT) to reduce the rate of construction in the Trident program from two subs per year to one per year.

Another amendment that deserves support is that of my colleague from New York (Mr. PIKE) to eliminate funding for the B–1 bomber. The B–1 is of questionable design and its increasing costs and decreasing capabilities make its continuation a waste. In just 1 year, its anticipated costs have risen $3.7 billion. While its price has been soaring, its capabilities have been slipping. Originally, the B–1 was designed to be supersonic at both high and low altitudes, but today, it is supersonic only at high altitudes. It now is estimated that it will require an extra 1,000 feet of runway to take off and, once it is up, its range has been diminished. The U.S.S.R. has no long-range bomber capabilities and thus the B–1 is not needed as a deterrent. With the massive U.S. nuclear arsenal, and our nuclear missile system, I cannot accept the need for a follow-on bomber to the B–52. The money which we continue to pour into this unnecessary and ill-managed program is making no contribution to our defense, and is badly needed elsewhere.

There is also a highly sensible amendment, to be offered by the majority leader and supported by a broad coalition including our colleagues from Michigan (Mr. ESCH), and from Hawaii (Mr. MATSUNAGA) to reduce the number of U.S. troops stationed overseas by 100,000. The United States still maintains more than 500,000 troops overseas. Even after the end of direct U.S. military involvement in Southeast Asia and 24 years after the Korean war, we still station 181,000 troops in the Western Pacific and Asia. This troop cut amendment makes only a modest reduction in our troop levels, avoiding the wholesale cutback and demobilization of overseas forces which many of us favor. It also allows the Pentagon the flexibility to determine from which parts of the world the cuts should be made, and it allows 18 months for these troop reductions to be made. It is about time to bring some of our troops home and I urge support for this amendment.

I am also hopeful that the House will cut the assistance provided in this bill for South Vietnam. The amendment, chiefly sponsored by the gentleman from California (Mr. LEGGETT) reduces the ceiling on aid to Vietnam from $1.4 billion to $900 million. The $1.4 billion ceiling requested in the bill constitutes an increase of nearly $660 million over the actual level of aid sent to Vietnam last year. How much longer can we be expected to pour billions of dollars into Vietnam in support of a government that denies to its citizens the basic rights and freedoms of a democracy? How much longer will we continue to entangle ourselves in Indochina? I feel that the $900 million figure serves notice that the United States does not plan to provide a billion dollars a year indefinitely in military aid to Vietnam. It is high time that we begin to cut back U.S. aid to Indochina and I urge my colleagues to support this amendment.

In attempting to reduce the military budget, time and time again we are met with the same dreary and fallacious argument; namely, that we are compromising U.S. security, that we are playing Russian roulette with American lives. Nothing could be further from the truth. Reducing the defense budget to realistic levels is not an effort to weaken our military posture; rather, it is an effort to strengthen the United States by eliminating pockets of fat and flabbiness and by seeing to it that all aspects of national security, including a healthy economy and a prosperous public, are guaranteed for the future. It is an attempt to direct Federal funds to programs which will most benefit the people of our great country.

The time has long since come when we must turn from expensive, ill-planned, and unnecessary programs for defense to the true needs of the American people. We must guarantee to every American not only a strong military, but also a decent life. To fail in this attempt is to deny to people throughout America their rightful place in the prosperity and freedom which make America great.

I urge my colleagues to join with me in removing the flab from the defense budget and redirecting the money to help bring the American dream to all Americans.

Mrs. SCHROEDER. Mr. Chairman, President Eisenhower once said:

> Every addition to defense expenditure does not automatically increase military security. Because security is based upon moral and economic, as well as purely military strength, a point can be reached at which additional funds for arms, far from bolstering security, weaken it.

During debate on the fiscal year 1975 defense procurement authorization, it is our responsibility to determine that point where strength becomes weakness.

Despite budgetary legerdemain which ascribes funds that belong in the fiscal year 1975 accounts to a fiscal year 1974 supplemental, we have now been presented with the largest peacetime military budget in our history. Weapons systems procurement and R.D.T. & E. for the basic fiscal year 1975 and fiscal year 1974 supplemental requests show over $5 billion in increased budget authority. The bill before us increases spending in these areas by 12.6 percent over last year's appropriation. Thus, Congress is asked to provide funds not just to meet the costs of inflation in relatively uncontrollable accounts such as personnel and retired pay, but also to provide authority and funding for basic alterations in our force structure. Furthermore, the administration has admitted, through testimony by Secretary Schlesinger, that it has included some $6 billion for "pump-priming" purposes in coming years—certainly a non-military reason for additional spending and largely of no effect on areas of real economic deprivation.

The arms race not only goes on but is accelerating. A prime example is the committee approved requests for funding for major strategic weapons systems which embodies the development of a counterforce option—a result more of the inexorable press of new technologies and flexible response options rather than any bargaining-chip theory of arms control.

In an analysis made for the Project on Budget Priorities, headed by former Assistant Secretary of Defense Paul C. Warnke, it was recommended that $11 billion could be cut, without risk—and perhaps of benefit—to our national security. Areas suggested by the Warnke group for defense savings include $5.9 billion in general purpose forces, $4 billion in military efficiency, and $2.5 billion in strategic forces, plus reductions in various military assistance programs.

Amendment will be offered to this bill which will seek to check inordinate and wasteful expense and which could lead toward coherent economic planning for a peace economy. Our true national security depends on our ability to control the irrational drive for weapons and defense policies which contribute little to our military strength and add fuel to our economic problems.

The B-1 bomber has been subject to rapid cost overruns while its performance projections have slipped considerably. Our bloated troop levels overseas have no foothold in rational military planning for various contingencies. Massive spending in South Vietnam—46.6 percent of total U.S. aid to only 0.8 percent of the world population —is out of balance with the foreign policy proclamations accompanying the cease-fire agreement. According to the Defense Department and Ambassador in South Vietnam, official U.S. attitudes toward that war-torn area have not changed since the highly touted and much abused "peace with honor." Despite GAO warnings that "study after study has demonstrated that the telescoping of development and production has often resulted in slippages and overruns rather than shorter timespans between concept and inventory," the Pentagon seeks to rush Trident to completion even without a real Soviet threat to our current Polaris-Poseidon submarines. This listing of defense anomalies is by no means comprehensive, but it is representative.

Whether through reform of committee procedures and Pentagon budgetary practices, or through floor amendments on specific weapons systems, defense policies and, as a last resort, spending ceilings; Congress must reassert its fundamental responsibility in defense planning. To do otherwise will not bolster our security, but weaken it.

Mr. WON PAT. Mr. Chairman, after careful consideration I rise to support H.R. 14592, the 1975 fiscal year military appropriate bill.

In this year of rampant inflation, throughout all phases of our lives, the House Armed Services Committee has produced, after much labor, a remarkable legislative work which at once preserves the integrity of our Nation's Armed Forces and resists the pressure to further burden the taxpayer beyond a reasonable limit.

As it is presently written, H.R. 14592, authorizes Congress to appropriate $22,642,963,000 during the fiscal 1975 for the procurement of aircrafts, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and for vital research development, test, and evaluation of new weapon systems for the Armed Forces. The bill additionally establishes the authorized personnel strength for each active duty component of the Armed Forces and for the total civil work force of the Department of Defense.

Although no one would argue that the $22.6 billion asked for in H.R. 1459, is a vast sum, it represents only 20 percent of $90.9 billion in military funds requested by the President. This amount is the sum total our country will expend on new armaments to insure that our Armed Forces will have the most modern weapon systems possible.

I can appreciate that some of my colleagues in Congress are distressed to learn that the Pentagon is planning to spend $22 billion for research and procurement. Especially at a time when our domestic programs are slashed to the bone and when inflation is eating away at the buying power of the taxpayers' dollar.

As a lifelong advocate of fiscal integrity, I am always opposed to needless spending. In this instance, however, I do not believe that the $22 billion asked for in H.R. 14592 is needless. This amount is desperately needed, especially if this country is to preserve our ability to respond to global threats of aggression against us and our friends.

The recent war in the Middle East is one example why America should be ready to allocate the amount we are seeking today. During the altercation, it quickly became obvious that one of the major reasons behind the Arab successes in the battlefield was their almost unlimited supply of highly advanced weapon systems. Weapons which were supplied by our new partner in international détente—the Soviet Union. Israel, on the other hand, has been cut off from their sources of armaments from almost everyone except the United States.

President Nixon responded to the urging of many Members of Congress, including myself, to provide Israel with new arms. Thankfully, that action proved successful. But, in the process we severely depleted our own sources and found that the Russians have not been idling their time away. The weapons they supplied were far more sophisticated than we had previously thought. And equally important, their weapons worked.

The war in the Middle East also provided another object lesson for the United States, which I believe H.R. 14592 responds to. After the cease-fire had been called, the Arab oil producing states gathered together to cast an embargo on oil shipments to nations friendly to Israel. As a consequence we on Guam, and our fellow Americans in the States and other territories, along with our allies in Europe, found ourselves in a mad scramble for what little petroleum there was and taking a hard look at alternative fuel sources.

It was with great interest that I have noted, therefore, that this bill calls for the establishment of a modern nuclear Navy, including new submarines, and attack and escort vessels, along with the industrial ability to develop and produce such vessels.

Ever since Congress took the initiative 20 years ago to order the construction of nuclear powered vessels, the success of this venture has proven itself many times over. With the threat of a renewed oil embargo continually hanging over our heads, what better time to go ahead with a nuclear Navy that is capable of meeting the challenge of tomorrow.

Undoubtedly, there are many who would argue with the points I have made. There are those who say that America spends far too much on its military and not enough on its other needs. There is some truth to those statements. We do spend too much on defense and not enough on human resources. But in this time of international strife, America cannot afford to let our ability to defend our shores and that of our allies decrease when our enemies are increasing their strike capabilities.

For this reason, I wholeheartedly support the allocation of funds as called for in H.R. 14582. In doing so, however, I urge my colleagues in Congress to require that the Department of Defense fully account for every penny they spend. The public has been treated to all too many instances of massive overruns by defense contractors who have failed to keep their words. It is one thing to spend sums such as this on equipment and research that will prove useful. It is another thing to allow the taxpayers' hard earned dollar to be thrown down the drain.

I also urge that House Armed Services Committee to carefully consider pulling back American forces from our bases in Europe. It is time our allies in NATO learned to carry the brunt of defending themselves. The funds we save here could be well spent in our own country making the lives of our people better.

Speaking as one who has personally witnessed and experienced the horrors of occupation of American soil by the enemy in World War II, I can testify that a strong, well equipped military, under the control of the people, is and will be a strong deterrent to future aggressors against this great Nation of ours.

Chairman HÉBERT and his colleagues on the House Armed Services Committee are to be congratulated for their efforts in producing H.R. 14592, and I urge that it be passed.

Mr. WHITEHURST. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the bill by title.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—PROCUREMENT

Sec. 101. Funds are hereby authorized to be appropriated during the fiscal year 1975 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons as authorized by law, in amounts as follows:

Aircraft

For aircraft: for the Army, $335,000,000; for the Navy and the Marine Corps, $2,964,100,000; for the Air Force, $3,391,400,000, of which $104,900,000 shall be used only for the procurement of A-7D aircraft for the Air National Guard of the United States.

Missiles

For missiles: for the Army, $439,400,000; for the Navy, $620,600,000; for the Marine Corps, $76,000,000; for the Air Force, $1,610,800,000.

Naval Vessels

For Naval vessels: for the Navy, $3,539,100,000, of which sum $1,166,800,000 shall be used only for the Trident program; $502,500,000 shall be used only for the SSN–688 nuclear attack submarine; $244,300,000 shall be used only for the DLGN nuclear powered guided missile frigate program; $457,100,000 shall be used only for the DD–963 program; $142,900,000 shall be used only for the sea control ship program; $92,300,000 shall be used only for the patrol hydrofoil missile program; $436,500,000 shall be used only for the patrol frigate program: *Provided, however,* That, except for necessary loan leadtime items, no contract for the construction of these ships shall be entered into until after the Secretary of the Navy has notified the Chairman of the House and Senate Armed Services Committees that the fire control system has been satisfactorily tested; $81,400,000 shall be used only for the fleet oiler; $116,700,000 shall be used only for a destroyer tender; $10,800,000 shall be used only for a fleet ocean tug; $104,600,000 shall be used only for the Poseidon conversion of fleet ballistic-missile submarines; $18,300,000 shall be used only for conversion of a submarine tender; $22,000,000 shall be used only for craft; $10,400,000 shall be used only for pollution abatement craft; $30,200,000 shall be used only for outfitting material; $30,400,000 shall be used only for post delivery; $71,900,000 shall be used only for escalation on prior year programs.

Tracked Combat Vehicles

For tracked combat vehicles: for the Army, $321,200,000; for the Marine Corps, $74,200,000.

Torpedoes

For torpedoes and related support equipment: for the Navy, $187,700,000.

Other Weapons

For other weapons: for the Army, $55,700,000; for the Navy, $25,600,000; for the Marine Corps, $500,000.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the title be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HÉBERT. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee, having had under consideration the bill (H.R. 14592) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill H.R. 14592.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PERSONAL EXPLANATION

Mr. FOUNTAIN. Mr. Speaker, on rollcall No. 230 which was taken on the rule on the military procurement authorization bill for fiscal year 1975, I was on official business attending the dedication of a new mental health center in my district. Had I been present, I would have voted "yea."

FURTHER LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute.)

Mr. O'NEILL. Mr. Speaker, I take this time to announce that we are adding a bill to the Suspension Calendar for tomorrow, H.R. 13221, saline water program authorization.

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO FILE A REPORT

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight tonight to file a report.

The SPEAKER pro tempore (Mr. PIKE). Is there objection to the request of the gentleman from Texas?

There was no objection.

CUBAN INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 60 minutes.

Mr. FASCELL. Mr. Speaker, today, May 20th, marks the 72d anniversary the independence of Cuba. We pause briefly today to commemorate that achievement and to express, on behalf of all the people of the United States, our hope that one day soon the Cuban people will again live in the freedom for which they struggled so many centuries.

May 20, 1902, marked the beginning of a new form of government for Cuba—a government free of Spanish control and dedicated to the high ideals of political freedom and respect for the rights of the individual. But May 20 is not just the anniversary of the achievement of independence but of the epic struggle for freedom and independence under the leadership of such heroic figures as Maximo Gomez, Antonio Gomez, and Jose Marti.

The first May 20 was a day for rejoicing and despite the tyranny which grips Cuba today it still is a day of happiness; for more than anything else today is the anniversary of a spirit—an attitude toward other persons—that no amount of repression can stifle or crush.

Mr. Speaker, in recent months there has been increased speculation about renewed relations between the United States and Cuba. Many, including a number of Congressmen and Senators, have called our present policy inadequate and have urged either a reassessment or have gone even further, urging outright that our relationship be "normalized." I want to take this opportunity to reiterate my own views that such a course would not be the proper one for the United States to follow. In saying this, I want to make clear that I do not disagree with Secretary Kissinger's recent commitment to discuss with other Hemisphere foreign ministers their views toward Cuba in order to determine whether there is a consensus that Cuba should be invited as an observer to the meeting of foreign ministers schedule for next year. The United States cannot and should not insist on a joint policy that other OAS nations do not want. But if some of the OAS restrictions on Cuba are lifted we need feel no compulsion to rush headlong toward an embrace of Castro. In my judgment, if OAS sanctions are lifted, the United States should continue its present policy until such time as Castro is prepared to respect minimum standards of international law and decency toward other nations and his own people.

Mr. Speaker, many in this Chamber are prepared today to vote restrictions of one kind or another against this government or that government who today's paper accuses of repression or torture. Time tends to dull the memory of us all but just because we do not read about it let us not be led to the conclusion that Castro has suddenly become a kind and generous hero. He was and is a cruel dictator who murdered hundreds of his opponents as well as hundreds of his supporters who learned too late he was not the man he pretended to be. His policies have driven 10 percent of his country's population into exile since he came to power. Thousands of political prisoners continue to rot in his jails—prisoners whose conditions are not subject to even cursory review by the human rights commissions of either the United Nations or the Organization of American States or by any of the many respected private international groups. Moreover, his own citizens are not the only ones who suffer. Hundreds of U.S. citizens remain on the island and are not permitted to leave. This is a fact little recognized in this country but is a matter of grave concern. Only recently, as chairman of the Subcommittee on Inter-American Affairs, I received a detailed report on this subject from the Department of State which I include to be incorporated at the end of my remarks as a part of my statement.

In addition to systematic political repression Castro has brought to Cuba a new kind of economic theory which has enabled him to convert one of Latin America's more prosperous nation's to a poor satellite of the Soviet Union. Not only have the last 10 years upsurge in economic activity in the Hemisphere passed Cuba by, but Cuba has actually suffered a real decline in per capita GNP.

While Castro has built a brutally efficient system of political repression the only thing he has succeeded in making systematic about Cuba's economy are waiting lines, chronic shortages of almost everything, and a growing dependency on Soviet handouts to prevent total collapse.

Castro's economic policies have had their impact here, too. Those who wish to renew relations should consider the $1.85 billion worth of property stolen from U.S. citizens and which has been certified by the Foreign Claims Settlement Commission. And whether the property was that of a stockholder in a large corporation or that of an average citizen, there has been no compensation—and the lives of thousands of our citizens have been adversely affected.

Mr. Speaker, the most serious concern of our Government with respect to our posture toward Cuba has been and must continue to be security. Although the nature of strategic weapons has changed and diminished to a certain extent, the advantage to the Soviets of a Cuban base, the use of Cuban territory by the Soviets remains a matter of serious concern. Moreover, we have no assurance that future weapons developments will not again make proximity a significant military advantage. Castro's continued willingness to allow Cuba to be used as a base from which to exert Soviet military power in this hemisphere is counter to the basic precepts of the inter-American system and is representative of the basically hostile attitude Castro shows toward this country at every opportunity. In addition to establishing a Soviet base in Cuba, Castro has systematically attempted to subvert virtually every government in Latin America. He has supplied arms, training, money and sometimes even his own troops to aid terrorist groups. Over the years such activities have diminished but in my view, this has not been because of any change in attitude but because of the realization that guerrilla activities have failed everywhere except Cuba. We need look back less than a year to see evidence of Castro's involvement in Chile where his public support for President Allende apparently was only the small visible portion of an extensive program of support for a secret and illegal armed force.

Mr. Speaker, those who suggest that we change our policy toward Cuba should remember the steps which produced it. We did not adopt a hostile attitude toward Castro. Far from it. President Eisenhower worked hard to avoid conflict, but Fidel Castro wanted hostility. He systematically set out to make this country his enemy for his own purposes. At the height of the cold war he helped the Soviet Union in an attempt to upset the nuclear balance of power. His actions to overthrow its government prompted Venezuela to ask for and get OAS sanctions adopted against Cuba. These and myriad other actions are what produced the current relationship between this country and Cuba. Perhaps the day may come when it will suit Castro's policies to abandon his hostility toward the United States, but if that time should come we should think long and hard about whether our purposes and ideals can be served by serving those of Fidel Castro.

The detailed report follows:

DEPARTMENT OF STATE,
Washington, D.C., May 13, 1974.

Hon. DANTE B. FASCELL,
Chairman, Subcommittee on Inter-American Affairs, Committee on Foreign Affairs, House of Representatives.

DEAR MR. CHAIRMAN: I refer to your letter of April 15, 1974 addressed to Assistant Secretary Kubisch, concerning U.S. citizens presently residing in Cuba, and your wish to have a report on the subject for the Subcommittee's use.

Our latest available information shows that there are 785 American citizens distributed among 618 families in Cuba who are registered for repatriation with the Swiss Embassy in Havana. A total of 1,187 Cuban citizen members of their families also have registered their desire to accompany the U.S. citizens.

A special problem exists with regard to dual nationals—American citizens whom the Cuban authorities consider also to be Cuban citizens because of their birth in Cuba or the Cuban nationality of one of their parents. Since the Cubans consider these persons to be Cuban, the authorities have been reluctant in many instances to allow their departure. This is a matter on which the Department continues to focus its attention.

The following is a breakdown of the various categories of registrants in Cuba for repatriation to the U.S.:

I. FAMILIES INCLUDING ONLY AMERICAN CITIZENS

Birth to age 21	0
Age 21 to 60	13
Age 61 and over	21
Total families	34
Including: Total American citizens (one family includes two American citizens)	35
Total Cubans	0

II. FAMILIES INCLUDING AMERICAN CITIZENS WITH CUBANS

Birth to age 21	0
Age 21 to 60	14
Age 61 and over	33
Total families	47
Including: Total American citizens	47
Total Cubans	116

III. FAMILIES HEADED BY AMERICAN CITIZENS WITH DUAL NATIONAL AMERICAN CITIZENS AND CUBANS

Birth to age 21	0
Age 21 to 60	9
Age 61 and over	8
Total families	17
Including: Total American citizens	18
Total dual national American citizens	32
Total Cubans	16

IV. FAMILIES HEADED BY DUAL NATIONAL AMERICAN CITIZENS

1. Dual national American citizens alone (without family members)

Birth to age 21	10
Age 21 to 60	25
Age 61 and over	35
Total families	70

2. Dual national American citizens with other dual national American citizens

Birth to age 21	1
Age 21 to 60	15
Age 61 and over	8
Total families	24

3. Dual national American citizens with other dual national American citizens and Cubans

Birth to age 21	39
Age 21 to 60	19
Age 61 and over	7
Total families	65

4. Dual national American citizens with Cubans

Birth to age 21	170
Age 21 to 60	146
Age 61 and over	45
Total families	361

RECAPITULATION OF CATEGORY IV

Total families	520
Compost of	
Dual national American citizens	653
Cubans	1,055
Total	1,708

Reasons for which American citizens (and families) under Categories I, II, and III have not yet departed:

Reason:	Number of Families
1. For personal reasons do not wish to leave the country (for the moment)	11
2. Address unknown or do not reply to letters from the Embassy	21
3. Do not have a *carnet de extranjeros.*—C.E. (alien registration card)	24
4. C.E. application being processed	4
5. C.E. in order, application for departure authorization pending at Foreign Ministry	16
6. Departure authorized but postponed for personal reasons	3
7. Do not wish to leave Cuba without other relatives not included in the family	5
8. Ill	3
9. Applications for departure authorization submitted to Foreign Ministry but rejected (dual national: Cuban son of military age, members of Cuban families)	8
10. Other personal reasons	3
Total number of families	98
Composed of: 100 American citizens	
Dual national American citizens	32
Cubans	132
Total individuals	264

We do not have available a similar breakdown of Category IV showing reasons why families of dual U.S.-Cuban nationals and Cubans have not yet departed.

Since the termination of special flights from Cuba, the return of American citizens to the United States has continued at only a trickle and on the basis of internal criteria established by the Cuban authorities. Nevertheless, the Department continues to work through the good offices of the Swiss Embassy in Havana to assist in every way it can those American citizens and their families wishing to return to the United States. The Department has been successful in some instances. We cannot anticipate, however, that without some change in attitude on the part of the Cuban Authorities, many Americans will obtain permission to leave Cuba in the near future.

I hope the above information will be of use to the Subcommittee. If I can be of any further assistance, please do not hesitate to let me know.

Sincerely yours,

LINWOOD HOLTON,
Assistant Secretary for Congressional Relations.

VETERANS' BENEFITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. Hogan) is recognized for 15 minutes.

Mr. HOGAN. Mr. Speaker, there are 29 million living American veterans today—men and women who have given military service to their country. Nearly 7 million of them are Vietnam era veterans. These dedicated men have served a portion of their lives in the Armed Services and have blessed the people of this country with peace and freedom. We owe these men and women our best effort in providing them with the benefits that their service has earned them.

I was pleased to support H.R. 14117, which will increase the rates of disability compensation for disabled veterans and the rates of dependency and indemnity compensation for their survivors.

The disability compensation program for veterans, throughout its modern history, has been designed to provide relief for the impaired earning capacity of veterans disabled as a result of military service. The "account payable" varies according to the degree of disability which, in turn, is required by the law (38 U.S.C. 355) to represent, to the extent practicable, the average impairment in earning capacity resulting from such disability or combination of disabilities in civil occupations.

In the past several years the Congress has recognized the greater need for monetary assistance in the cases of more seriously disabled veterans and at the same time been aware of the fact that the vast majority of those veterans having minor disability ratings are able to supplement their compensation with outside income. Consistent with this policy, the bill we passed today provides increases for service-disabled veterans rated 10 to 20 percent in amounts ranging from 10.7 to 12 percent. Cases rated 40 and 50 percent disabled are granted increases in the amount of 15 percent. Finally, all cases rated 60 percent or more are increased 18 percent.

Disabled veterans who are in receipt of compensation benefits based on service-connected disability last received a benefits increase on August 1, 1972. Since that time, the Consumer Price Index has increased by 10 percent. The time has long been overdue to provide the necessary adjustment in compensation rates in order to keep pace with the enormous increase in the cost of living.

While this in no way can make up for the economic difficulties suffered by veterans and their dependents during the period in which inflation eroded their benefits, I do feel it is an effort to try to restore the intended value of the benefit dollar.

Mr. Speaker, a gross inequity was perpetrated on all veterans when, as a result of the 20-percent increase in social security benefits, the veterans and widows of veterans had their benefits decreased to offset the increase in social security.

The method for calculating benefits has always been unfair to veterans because it effectively denies the increase in social security benefits granted to all other social security recipients. While other incomes rise, veterans' incomes remain stationary.

I have cosponsored legislation, H.R. 13582, which would insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced or discontinued because of increases in monthly security benefits. The men and women who are the concern of this legislation are poor, elderly, and unable to provide extra income for themselves. In many cases they are disabled. The increases which have been made in social security payments were meant to combat the terrible effects of inflation on our elderly citizens. Certainly if any group is deserving of our consideration these impoverished former servicemen and their widows make up such a group. They should not be penalized because their voice is small and their numbers are few. We must not let them think we have forgotten them. I wish to insert the text of my bill at this point.

Mr. Speaker, May 31 of this year marks the expiration date for education training benefits for veterans of the post Korean conflict and Vietnam era, and for servicemen on active duty.

The current GI education program for veterans and certain wives, widows, and children of veterans was instituted in 1966 for veterans of the Vietnam era and others who served after January 31, 1955. The educational allowances thereunder are payable directly to the veteran or other beneficiary concerned.

I am pleased to see that the House has acted on extending this program. On February 19, we passed H.R. 12628, which contains three major provisions as well as a number of additional minor liberalizations. The bill called for a 13.6-percent increase in all educational allowances. This means that the basic rate for a single veteran is increased from $220 a month to $250 a month and proportionate increases are provided for those with dependents. Although some differences exist between the House and Senate version of the bill, I am hopeful that both bodies will reach an agreement before the May 31 expiration date.

Another major provision of the bill extends relief in an area which I am sure that all Members have received voluminous communications and complaints from constituents. Under the present law all training must be completed before the expiration of 8 years from the date of discharge. With regard to veterans who served between 1955 and 1966, when the new GI bill was enacted, they have a period of 8 years from the date of the bills enactment. The bill, as passed by the House has extended the expiration date for an additional 2 years, that is, to 10 years. This is a reasonable additional time to enable all veterans to utilize their entitlement, which is a maximum of 36 months of educational training.

The third major provision of the bill would relax the present strict eligibility criteria for vocational rehabilitation in the case of Vietnam era veterans.

Mr. Speaker, I was pleased to support H.R. 12628. I believe it is a reasonable and sound piece of legislation which should serve to relieve in considerable measure the financial burden facing veterans in their pursuit of education and training. I understand that this bill will be before the Senate within the next few days and I hope they concur with the sentiment expressed on the floor of the House when this bill was before us.

Mr. Speaker, the cost of living is expected to rise at a minimum monthly rate of 0.6 percent. In an effort to hedge against inflation, I am today introducing legislation to provide for cost of living increases in compensation, dependency, indemnity compensation, and pension payments for veterans. My bill would authorize the Administrator of the Veterans' Administration, as a result of an increase of 3 percent or more in the Consumer Price Index, to increase those pensions for the veteran.

Mr. Speaker, I have tried to point out our commitment and our need to grant financial assistance to veterans. The necessity of my bill is evident. I urge the Congress to continue to respond to the needs of the veteran in an effort to compensate for the commitment and dedication these men and women have made to their country.

H.R. 13582

A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (g) of section 415 of title 38, United States Code, is amended by adding at the end thereof the following new paragraph:

"(4) In determining the annual income of any individual who is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, the Administrator, before applying paragraph (1)(G) of this subsection, shall disregard any part of such benefits which results from (and would not be payable but for) the general increase in benefits under such program provided by section 201 of Public Law 93–66, sections 1 and 2 of Public Law 93–233, or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of the Social Security Act."

(b) Section 503 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) In determining the annual income of any individual who is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, the Administrator, before applying subsection (a)(6) of this section, shall disregard any part of such benefits which result from (and would not be payable but for) increases in benefits as provided by section 201 of Public Law 93–66 and sections 1 and 2 of Public Law 93–233, or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of the Social Security Act."

(c) In determining the annual income of any person for purposes of determining the continued eligibility of that person for, and the amount of, pension payable under the first sentence of section 9(b) of the Veterans' Pension Act of 1959, the Administrator of Veterans' Affairs shall disregard, if that person is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, any part of such benefits which results from (and would not be payable but for) the increase in benefits as provided by section 201 of Public Law 93-66 and sections 1 and 2 of Public Law 93-233, or any subsequent cost-of-living increase in benefits occurring pursuant to section 215(i) of the Social Security Act.

SEC. 2. (a) The amendments made by this Act shall apply with respect to annual income determinations made pursuant to sections 415(g) and 503 (as in effect both on and after June 30, 1960) of title 38, United States Code, for calendar years after 1972.

(b) The Administrator of Veterans' Affairs shall (1) restore the entitlement of any person to dependency and indemnity compensation under section 415 of title 38, United States Code, pension under chapter 15 of such title, or pension under the first sentence of section 9(b) of the Veterans' Pension Act of 1959, as the case may be, who ceases to be entitled solely by reason of increases in the monthly social security benefits as provided by section 201 of Public Law 93-66 and sections 1 and 2 of Public Law 93-233; and (2) pay in lump sum to any such person any such compensation or pension that would have been payable to him but for such loss of entitlement.

GI EDUCATION BENEFITS JEOPARDIZED

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. WOLFF. Mr. Speaker, the House and Senate are presently locked in a battle that is jeopardizing the rights and future of over 300,000 Vietnam era veterans. The GI education benefits of these veterans are due to expire on May 31. The House and Senate are caught up in a dispute that is blocking enactment of a 2-year extension of the eligibility time period which would enable these vets to finish their education.

Over 3 months ago, the House passed legislation to extend the eligibility period for using GI benefits from 8 to 10 years. This bill also contained a 13.6 percent increase in education benefits. For 3 months, the Senate has dragged its feet on this bill, trying to gain time to gather support for a direct tuition payment provision, in addition to the increase in benefits. In the meantime, those thousands of veterans whose benefits are due to run out on May 31 have been placed in the terrible quandary of deciding whether to register for school or not; will they have the assurance that GI benefits will be forthcoming?

Finally, last week the Senate passed a bill containing only the 2-year extension of the eligibility period and sent this bill back to the House. The House, insisting on its original position, substituted for the Senate-passed bill its own bill which contained both the 2-year extension and the increase in benefits. So here we are still embroiled in the same dispute while thousands of veterans await the assurance from us that assistance will be forthcoming.

Mr. Speaker, it is unconscionable for this situation to develop as it has. I strongly support the increase in benefits; in fact, in committee I asked for a 25 percent increase, but was voted down. I also strongly support the direct tuition plan and was indeed one of the originators of this provision in the House. However, while the House continues to hold out for the increase, and the Senate holds out for the direct tuition plan, the future of 300,000 veterans whose benefits are running out is jeopardized. The struggle between the two Houses should go on, but after we get the 2-year extension out of the way. If we sacrifice the future of these veterans now in school in the interests of getting a complete package through at this time, we will have found ourselves winning a battle but losing the war.

Mr. Speaker, I am deeply concerned that the entire stalemate between the House and Senate on this issue has been manufactured by the administration in concert with others in an attempt to defeat meaningful improvements in the GI bill using the excuse that upgraded benefits would be inflationary. I think there is a power play going on here in an attempt to kill chances for enactment of the direct tuition plan. The administration's argument rings pretty hollow since this same administration will spend billions on South Vietnam. It is unconscionable that anyone would be willing to sacrifice the future and lives of those veterans, who have already served their country well, by refusing to support or fund upgraded tuition benefits.

Mr. Speaker, tomorrow is the last day in the House for suspension of the rules to get the 2-year extension passed. When the Senate bill providing for the 2-year extension came before the House last week under unanimous consent, I withdrew my objection to the House insisting on its original position because I was assured that, in the event of no agreement between the two Houses, we would put through the 2-year extension under suspension of the rules. I was assured by the Speaker, the majority leader, the chairman of the House Veterans' Affairs Committee, and the ranking minority member of the committee that they would support my request to bring only the 2-year extension up under suspensions so that the future educational opportunities of thousands of Vietnam vets would not be sacrificed.

Mr. Speaker, I will not sit idly by and let the current dispute between the House and Senate hold up benefits for 300,000 veterans. Tomorrow is the last day for bringing the 2-year extension up under suspensions, and there cannot be any more delay.

ENERGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 15 minutes.

Mr. OWENS. Mr. Speaker, for the past 2 years our country has been faced with both chronic and spot fuel shortages. The problem was seriously aggravated by the Arab oil embargo last fall. Surprisingly, our Federal Government had no contingency plan and very little authority to deal with the situation.

The embargo intensified the disparity between domestic supply and demand and thrust the energy crisis, which has been developing openly for years, into the daily lives of all Americans.

The embargo has now been conditionally lifted; the lines of automobiles at gasoline stations have disappeared, and it now appears that the short-run energy crisis has abated. According to the President, "The crisis is over." The American people have predictably reacted to those words of encouragement by again consuming at preembargo rates.

But the energy crisis is not over. We remain an energy-short nation, and the long run trends are most disturbing. As recently as 1948, we produced two-thirds of the world's crude oil and owned or controlled almost one-third of the world's proven reserves. A short 10 years later we produced only one-third of the crude and owned or controlled a modest one-ninth of the reserves.

Petroleum production has diminished annually since 1970. Consumption, however, has rapidly increased. Until last year we consumed oil at a rate which doubled almost every 10 years. And, since 1970 virtually all of the increase has been imported oil, mostly from the Middle East. In slightly more than two decades, our country has reversed its traditional role of exports and has been forced into the role of an importer of 15 percent of our energy, including 35 percent of our oil.

SHORT-RUN PROPOSALS

Congress attempted to cope with the energy crisis and its attendant impact by enacting the Emergency Energy Act. It provided emergency authority to the President to fight the crisis. Although urgently needed and supported by the administration, the President vetoed the bill because of his opposition to the crude oil price rollback provision. This bill also authorized the creation of the Federal Energy Administration, implementation of energy conservation measures, power to audit oil company reserves, and unemployment assistance for people displaced by the energy crisis.

Congress also passed the Emergency Petroleum Allocation Act over administration opposition. That bill required the President to establish a mandatory fuel allocation program which is now being administered by the FEO to assure equitable distributions of available energy supplies.

IMPACT ON THE ECONOMY

The energy shortage has dealt a heavy body blow to the economy.

A study by the Senate Antitrust and Monopoly Subcommittee reports that price increases for petroleum products since January of 1973 are costing consumers a conservatively estimated $35.5 billion extra a year. And that high price of gasoline has transferred billions of dollars from the consuming public to the oil industry.

Unemployment caused by the energy shortage has not touched most Americans, but some areas have been hit hard. The automobile industry, for example, has been forced to lay off hundreds of thousands of workers. To assist people in that situation, I have cosponsored legislation to provide assistance and full-time employment to persons who are unemployed or underemployed as a result of the energy crisis.

Energy policy to manage the shortages must be formulated so that no single industry or group bears a disproportionate burden of the energy crisis. For example, the recreation industry throughout the country, which depends on tourism, is in serious trouble. Unemployment is sure to follow. Utah shares a common concern with several other States which are largely dependent upon tourism for economic survival. In this regard, I have cosponsored a bill to provide low-interest loans to small businesses which are directly and seriously hurt by the energy shortage. I have also introduced a resolution with over 30 cosponsors calling for equitable consideration of the tourist sector in energy policy decisions.

We recognize, of course, that the economic nightmare of the energy shortage has very broad implications. The skyrocketing oil prices are reflected not only in gasoline and heating oil increases, but also in most goods U.S. industry produces—particularly food. More than half of the explosive increase in the consumer price index can be attributed to rising fuel and food costs. Since oil provides more than half the energy needs of our country, public and Government attention has focused on this industry's role in contributing to and solving the energy crisis.

THE OIL INDUSTRY

A distinguishing element of this industry is that it is highly concentrated. Over 1,000 companies operate in this business, but the top 20 control 70 percent of the crude oil produced domestically. They also account for 86 percent of the Nation's refinery capacity and 79 percent of its gas sales. Their economic power is greater since the largest 20 companies control 94 percent of domestic crude proven reserves—the best indicator of production concentration trends. Interfuel diversification by petroleum-based firms is increasing concentration levels for the energy industry as a whole and is raising concern over reduced interfuel competition and retarded technological advance.

Due to the price increases for petroleum products since January of 1973, the transfer of income from the American consumer to the oil industry in 1974 will be the equivalent of a 15-percent surtax on all Federal income taxes paid by all the people in the country—an incredible $16 billion increase in profits in 1 year. There has been no such overnight windfall for an American industry in the history of the country, and uniquely, no additional investment of capital, risk, and hard work was involved. The benefits flowed simply from the catastrophe that has hit the oil consumer with the oil shortage.

The following table lists the profit increases for major oil companies for the first quarter of 1974:

1974 1st quarter profit increases over 1st quarter 1973 in percentages

Exxon	39
Texaco	123
Gulf	76
Mobil	66
Shell	52
Standard (Ind.)	81
Standard (Cal.)	92
Continental	130
Occidental Petroleum	718

(Source: Time magazine.)

Defenders of the oil industry demand that market forces work out the problems. However, a complex of industry-supported government policies including State prorationing systems tied to market demand, oil import quotas to keep inexpensive foreign crude out, and tax subsidies such as the oil depletion allowance, the intangible drilling expense, and the foreign tax credit, have subverted free market forces and have made American oil the most richly subsidized industry in the world.

Many major oil companies have argued for an end to price controls claiming that this alone would constitute a free market. Although prices will have to rise in a transition to a free market, this must not be allowed to happen without concurrently phasing out the subsidies. It is imperative that the Government act to insure that the consumer does not bear the full burden of the energy crisis.

I voted to rollback the price of new crude oil to $7.09 per barrel. There is no evidence that exploration will be greater at the current price of $10 per barrel. Even former energy chief, now Treasury Secretary William Simon has said that $7 per barrel will bring forth as much new production as we can reasonably expect to get.

After years of subsidizing the oil industry to protect our national security, we now find ourselves with fuel prices soaring, demand outstripping supply, people losing their jobs, the economy suffering, and the NATO alliance crumbling in a frantic scramble for oil. It is time to reintroduce the dynamics of normal market forces into this industry through vigorous antitrust enforcement and policy proposals which insure the most efficient technological and organizational means to deliver the product.

ENERGY RESEARCH AND DEVELOPMENT

We have as a national goal the development of a capabilty for energy self-sufficiency. This does not mean an end to fuel imports—it means simply limiting our dependency to levels which will permit us to maintain essential public services, economic growth, and a satisfactory standard of living in the event these imports should not be available. In the short run we must accelerate development of oil and natural gas in Alaska and on the Outer Continental Shelf. We must boost coal production and bring on line coal gasification and liquefaction.

In the long run I support a national energy research program to provide the overall energy sources we will need to meet the energy demands of the future. I am currently involved in drafting the national energy research and development bill by virtue of my assignment to the House Interior Committee. The costs of research into some of these areas will require the kind of capital that only the Federal Government is capable of providing, particularly with the tremendous risk involved. We must continue Federal research with maximum private industry input. Harnessing energy from the Sun, geothermal steam, tides, and wind is not as remote and impracticable as it may seem. The Sun, especially, will be a great source of energy, if we develop our ability to use it. I have introduced in separate legislation an energy research and development bill to develop Utah's vast oil shale reserves.

ENERGY CONSERVATION

Even with implementation of a massive energy R. & D. effort, there is no way we can meet the self-sufficiency goals of "Project Independence" by the President's 1980 deadline. Dependence on foreign oil will be a fact of life for at least a decade. Unless oil imports can be increased at an acceptable economic and political price, the only way to reduce the gap between domestic production and consumption is through more effective use of physical capital already in place and through shortrun conservation measures. How individual and industrial energy consumers respond to energy shortages will in large part determine their severity. Business and industry consume 70 percent of our energy, and they will have to develop the bulk of energy saving techniques.

We cannot sustain the growth rates in energy consumption of recent years. Even under the best of circumstances, energy conservation is going to be mandatory. We are going to have to adapt our transportation systems—indeed our whole system of generating and using energy, to an age of energy scarcity.

Currently the biggest job this Government faces is convincing Americans that energy shortages are real and will continue despite the lifting of the Arab oil embargo last March and optimistic statements on the energy situation emanating from the White House. The consumption side of the energy equation is not receiving adequate attention. Unfortunately, except for a few exhortations, the President's messages look only at supply. The administration appears to have accepted the premise that public demand will grow exponentially. This approach means inevitable conflict with other world powers competing for scarce petroleum resources and could mean mortgaging our future national security for Mideast oil.

The average American consumes more energy than his British counterpart. We waste as much energy each year as the Japanese consume. We use as much energy for air conditioning annually as 800 million Chinese use for everything. It is clear that there are areas we can cut back without reverting to a spartan life style. The narcotic effect of ending the embargo has brought a premature relaxation of voluntary conservation measures encouraged by Federal, State, and local governments. We must accept an energy diet as a permanent fact of life.

CONCLUSION

Oil industry officials and the FEO both agree that resumption of Arab oil imports will not end the U.S. oil shortage and that we can expect higher prices at the retail level. My concern is that the President's desire to report good news to the country causes him to make light of the long-term energy shortages. We must bear in mind that the Arabs clearly indicated their intention to continue to use resource diplomacy as a means to influence our actions and policies in the Middle East.

The 5-month oil embargo is now behind us, but we are still faced with the challenge and legacy of an energy crisis. America has run out of easy energy sources. We must now grapple with the tough choices. Our options will be much broader if we take steps now to lay the necessary groundwork. For the decisions we make today will significantly affect our energy alternatives for a long time to come.

A RATIONAL APPROACH TO THE WORLD SUGAR PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, Congress is being asked, in H.R. 14747, to extend the life of the Sugar Act for 5 more years. This would be a serious mistake.

The current act, designed for the low prices and large surpluses of the depression, no longer serves any valid purpose. Instead, it adds only to inflation, to the drain on the U.S. Treasury, and to waste in the use of our agricultural resources. It is an inflationary, extravagant, and wasteful bonanza for a few high-cost farmers and for foreign quota holders, wholly unsuited to the growing worldwide need for low-cost sugar. It should be dropped, and the Congress should adopt a forward-looking program in its place, one which recognizes that in a growing world food crisis, America can and must act to insure adequate food for all.

For sugar, as for other commodities, the United States must adopt policies which move us toward a more productive and rational use of our resources. The present Sugar Act does not do this. Instead, it moves us in the opposite direction and at great cost to ourselves and to the world at large.

The current Sugar Act has four major failings:

First, it costs the American taxpayer and consumer far more—$500 million a year in normal times—than it delivers in benefits to American sugar producers—only $100 million a year.

I

For every 1 dollar of benefits which the program provides and pays for, 4 dollars are lost.

The costs, which include higher prices, the actual direct payments to producers, and a regressive transfer payment of excise taxes and tariffs, fall most heavily on low- and middle-income families—those who spend a greater fraction of their income on food. The benefits go not only to our own producers, but also to foreign quota-holders who benefit from a capricious and arbitrary allotment of shares in the lucrative U.S. sugar market.

The remainder of the discrepancy between costs and benefits results from two factors: First, America is a high-cost producer of sugar, so that even with high, supported prices, the profits of our producers are low, and second, much of the land and other resources employed in sugar production here could earn virtually as much if employed in producing other commodities.

Surely, any program which costs so much and delivers so little ought to be discarded out of hand. In normal times, the sugar program cuts one-half billion dollars from our real national income every year. Indeed, $400 million would be added to our national income every year if we simply abandoned the program, and reimbursed producers directly for the $100 million they would have received net under the existing program. Yet this financial argument is but one of several compelling reasons for changing our policy on sugar.

II

A second failing of the Sugar Act is that it encourages production in the wrong places—where the costs are high and where other crops could better be grown. In Louisiana, for instance, farmers are growing high-cost, low-yield sugarcane on land which is ideally suited for soybeans. In California, beet sugar is produced on irrigated land that could be better used for vegetables. In Washington and Colorado, feed grains and wheat would be the more rational crops. Even now, farmers generally rotate sugar acreage with alternate products. Clearly, it is only the distorted incentives of the current Sugar Act which keeps them in the sugar business at all.

Because of our policy and that of other nations in temperate climates, some 40 percent of the world's sugar is being grown on land that would be better used for soybeans, grain or other scarce commodities which cannot easily be grown elsewhere. Protection of sugar production in Europe dates from the Middle Ages. Although the United States did not follow suit until the depression, our program is no more justified for being a mere 30 years out of date.

A rational U.S. and world sugar policy would result in more sugar being produced in the tropical areas of the world. These areas have no good alternative use for their land, Sun, and rainfall.

In large parts of the United States, Western Europe, and the U.S.S.R., some of the acreage which is—or in the future might be—devoted to sugar beets could be better utilized for other products with little or no financial loss to the producers.

The world has a food problem of massive proportions. We can see it in the faces of the starving inhabitants of north central Africa and India. World production of cereals has not kept pace with world demand since 1969, and current reserves are now at their lowest level in 20 years. We know that 1 million new mouths are added to the world's population every week. Under these conditions, we must make certain that the world's agricultural resources are used in the most productive possible way. To do less is to invite disaster.

III

A third major failing of U.S. sugar policy is that it adds to the evergrowing curse of inflation—by supporting high prices, by controlling production, and by denying the land for alternate, scarce and high-priced crops. If the United States were opened to unrestricted low-cost imports, the price of sugar to U.S. producers, with the help of government consumers would go down. American aid where necessary, could then shift to other high-priced goods, such as grains and soybeans. The increased supplies of these goods would, in turn, drive their prices down.

IV

The fourth failing of the U.S. sugar program is that it distributes its benefits among foreign countries capriciously, and provides an opportunity for unsavory manipulation of quotas among countries.

A U.S. sugar import quota is a valuable asset. Lobbyists are paid huge sums to secure increased quotas. Great pressure is put on Government officials and Congressmen. The American political system can ill afford still more examples of political favors that are for sale, especially not in our foreign relations.

To be sure, the program benefits some foreign sugar producers. But the benefits are not distributed on any rational basis—not even as rational a basis as U.S. foreign aid. Moreover, there is no reason why two rich, importing countries, Japan and Canada, should be able to buy cheap sugar on world markets because of the U.S. program, at the expense of the developing countries of Latin America and elsewhere.

Finally, the benefits to sugar producers in developing countries are less than would accrue to them if they were able to expand output to supply the large and growing markets in the United States and Europe. The developing countries should provide more of the sugar needs of the rich countries. We are becoming increasingly aware of the abject poverty in which two-thirds of mankind lives, and the difficulty of providing adequate and effective amounts of foreign aid to meet their needs. Letting these people use their lands and hands to produce sugar for our markets would be an effective way of providing them both employment and foreign exchange. Latin America would benefit. So would India. And so would we.

These four basic reasons compel me to oppose strongly the extension of the Sugar Act of 1948 for 5 more years that will come before the House in the next few days.

Moreover, this is a good time to make a change. At the moment U.S. sugar prices are above world prices. While abnormal, this occurs at fairly regular intervals. It occurred before in 1963 and 1951 and is the result of a world sugar production cycle. The cycle, which normally runs from 6 to 9 years, results from the time it takes for sugar production to respond to changes in price, and the time needed to plan and construct the huge and very expensive mills and refineries.

Some observers use the current abnormal situation to argue that we should keep the Sugar Act since the United States benefits from it today—foreign producers sell us their sugar at less than they sell sugar on the world market. They do so because they want to keep their U.S. sugar quota, in normal times a very valuable commodity.

But this situation cannot last, for these reasons:

First, if it were to continue, as some suggest, foreign producers would soon cease to sell us their sugar. Why should they do so at a substantial discount from what they could get elsewhere?

Second, if the prices of alternate crops on sugar land also remained high, farmers would shift to those crops rather than continue to produce sugar at an artificially low U.S. price. This is already happening to some extent. If our sugar price remained low, we might then be faced with a potentially serious shortage of sugar.

Third, and most important, a higher world price would eventually draw out greater production of sugar from the less developed nations into the world market. This would cause the world price of sugar to fall, thereby reestablishing the exorbitant cost-benefit relationship which pertains in normal times under the current Sugar Act.

We should take advantage of the present temporary situation. With the world price of sugar likely to remain above the domestic price for at least a time, a shift to free trade in sugar—such as exists for most of the rest of agriculture—could be accomplished with a minimum of disruption to domestic producers. In fact, domestic production could be expected to expand in the short run. Deficiency payments should be made to help farmers over the rough spots when the price again falls.

I propose, therefore, that the current Sugar Act be allowed to expire, and that the following steps be taken to rationalize international sugar production:

On the domestic front, we should:

First. Eliminate quotas on the importation of sugar.

Second. Eliminate the excise tax on sugar—as the current amendments suggest—and retain only a small tariff on imported refined sugar, to be reduced gradually in multilateral negotiation.

Third. Encourage the transition of our domestic high-cost beet and cane producers to other crops with deficiency payments up to—but only up to—90 percent of what they could have gotten for the best alternate crop on the same land, whenever sugar prices fall below that 90-percent level. This would insure that high-cost producers do not bear the whole burden of transition, while providing them a solid economic incentive to change to more desirable and economical products.

Fourth. Retain current protection of the pay and rights of sugarfield workers.

Fifth. Finally, we should eliminate all restrictions on the amount of acreage that can be devoted to sugar when the price is high enough to justify domestic production.

In the international arena, we should take the initiative in pressing for a new International Sugar Agreement, in which industrial nations would agree to reduce their protection of high-cost domestic sugar production, and to rely instead on the cheap, efficient nations of the developing world. In return, the developing nations might agree to continue supplying raw sugar to established refineries in the industrial nations, so that this sector would not be adversely affected by reduced domestic production.

A revitalized international agreement on sugar is not possible unless there is strong leadership. We cannot expect leadership from the European Common Market, which is sharply divided on this issue. Clearly, only the United States has the cohesion and strength to lead. What we lack—so far—is the imagination and the will. Unless world restrictions on sugar trade are relaxed, the evils discussed earlier will persist and world sugar trade, which is a residual market, will continue to be subject to violent price swings.

An international agreement on sugar should aim for free trade in sugar in the long run. Immediately, it should set its sights lower—at reducing the level of uneconomic production which takes place in the temperate, developed countries of the world—principally the United States, continental Western Europe and, if possible, the U.S.S.R. The United States, the European Common Market and, if possible, the Soviet Union ought to agree to reduce gradually their degree of self-sufficiency in sugar. The United States is now some 55 percent self-sufficient; continental Western Europe—the original six Common Market countries—has a self-sufficiency ratio of 105 percent. It cannot be repeated too often that a good part of the agricultural land and other agricultural resources of these areas could be put to use better in the production of other crops, particularly grains, which are sorely needed by the world.

This is not a radical proposal. It is a pragmatic attempt to reduce the useless costs to American consumers and taxpayers, to meet the world's growing food needs, to fight inflation, and to assist economic growth in poor countries. Eventually the program would result in free trade in sugar.

For our own sugar economy, I do not think we should tie much-needed progress to an uncertain set of international negotiations. I urge that we let the Sugar Act lapse and adopt an approach similar to that used for other agricultural products. The plan which I propose—elimination of excise taxes and quotas, reduction of tariffs, deficiency payments which encourage substitution of more economical crops, and an end to production restraints—is very similar in most respects to the plans now in effect for other agricultural goods. It will help insure adequate supplies of sugar for the U.S. market. Under present legislation, as I noted earlier, there is a real danger that foreign producers will begin to avoid the U.S. market, at least in the short run. Further, my plan would encourage production in the efficient areas of the world, especially the poor tropical countries—with the eventual result of lower prices of sugar and greater economic well-being for both us and them.

Finally, the plan would put a floor under the income of established U.S. sugar producers. They will not be forced to go through the wringer for the benefit of the rest of the country. In any reasonable set of circumstances the cost of deficiency payments to the American taxpayer will be considerably less than the cost of high domestic prices supported by import quotas. And even this cost will decline as farmers respond to the market and shift to more economical products.

The benefits from such a plan are clear. Now, who would be hurt by it?

Not the farmers. The current high domestic sugar price—substantially above the price objective of the Sugar Act—is not high enough to encourage producers to meet their present quotas for production of sugar beets at home. American farmers are switching to other crops even with the present sugar program.

The sugar mills and refineries would be adversely affected, but the exact degree of the impact is difficult to determine. U.S. consumption of sugar would continue to rise and the mills could work on domestic as well as imported sugar cane and beets. Transportation costs are cheaper for bulk crops than refined sugar so that as more of U.S. sugar needs are imported, they could still be processed in the United States.

However, we should recognize that the mills and refineries will probably have some economic problems. The investments involved are large. The plant and equipment are not transferable to other uses. We must mitigate the economic losses which this sector of the U.S. economy may suffer. One way, as I noted before, would be to take as much of our increasing imports from the Third World as possible in the form of raw sugar—perhaps by negotiated agreement, or by retaining a temporary tariff on imports of refined sugar. Possibly, the adjustment assistance provisions of the trade bill now before Congress might be expanded to provide more adequate protection. What is clear is that the current Sugar Act offers no viable alternative for the sugar refiners either. It merely postpones the day of judgment. Under the current act, more expensive and wasteful refineries will be built—and the result will be an even greater crash when economic realities finally catch up with our profligate and wasteful habits.

This proposal for dropping the present Sugar Act in favor of a rational, market-oriented program has the support of most disinterested observers and, until they waffled recently for some unknown reason, of the major branches of the administration as well. Specifically:

Secretary of Agriculture Butz endorsed a similar program in testimony on February 19, 1974, when he recommended the eliminations of both payments and controls in sugar production, and said:

> I have confidence that the sugar industry will grow and prosper if the market place is permitted to guide its future.

In late 1973, Kenneth Firck, administrator of the Agriculture Stabilization and Conservation Service of the Department of Agriculture, floated a trial balloon, which the Congressional Quarterly described as calling for:

> Elimination of quotas, excise taxes, processor marketing allotments, wage regulations, farm acreage allotments for the purpose of controlling production and loans or purchases to support sugar prices. The quota system would have been replaced by a target-price approach whereby farmers would be paid the difference when the market price fell below a target price set by law. Congress approved a similar plan for wheat, feed grains, and cotton in 1973 in the omnibus farm bill.

In November and December of 1973, Arthur Calcagnini, Director of the Sugar Division in the Department of Agriculture, made two speeches in which he said:

> The Sugar Act is based on a false assumption of a relatively constant sugar surplus in the world. Now no surplus exists, scarcity is looming, and as a result the Sugar Act will one day fail us. . . . We must change the system while we still have time.

Now, while I disagree with a few of the suggestions made by both Mr. Butz and Mr. Calcagnini, I think that their ideas are basically sound. I should like to quote at some length from the statements of each, beginning with Mr. Butz:

> The Congress last year had the foresight to move farther and farther away from the set rules and built-in restrictions that have been the mark of Federal farm legislation since the 1930's. Aimed at restoring the market place and producers as the decision makers for U.S. crop acreage and production, the bipartisan effort set the stage for a revitalizing of the U.S. farm plant in major crop areas. If this shift in Federal farm policy had not been made, U.S. farmers today would have been hampered in their efforts to meet the needs of U.S. and world consumers in the important grain and cotton sectors.
>
> The fast-paced shifts taking place in the pattern of U.S. farm production foreclose on our past custom of legislation on a commodity-by-commodity basis. As we look to the market place and away from artificial pricing structures, the price relationships among all commodities takes (sic) on added significance in determining what kind and how much of the different crops are planted and grown. . . .
>
> Whether we like it or not, this inter-relationship dictates a long, hard look at cotton, wheat and feed grain legislation as we consider new sugar legislation.
>
> The Act of 1970 introduced set-aside programs for cotton, feed grains and wheat. It moved agriculture away from tight acreage allotment and marketing quota programs that had restricted production for more than 30 years. It looked outward instead of inward and enabled producers to reach competitively toward the growing world markets. Most importantly, it fostered the reestablishment of peaceful trade relationships with the Soviet Union and the Peoples Republic of China, and brought world recognition to the U.S. as the greatest and most reliable source of food and fiber. . . .
>
> As we look to the future growth of the sugar industry, we must deal forthrightly with the question of artificial production and marketing controls. As other commodities have been freed from restraints, U.S. farmers have prospered. They have been free to shift and use their resources in the most efficient and profitable manner. Under the sugar control system ... domestic quota, farm proportionate shares and processor marketing allotments ... there is little incentive for growth and expansion. While controls are not a major factor at the moment, their ever present threat as a device of the future inhibit the investment of production and processing capital. I have confidence that the sugar industry will grow and prosper if the market place is permitted to guide its future.
>
> Another sensitive question in any farm legislation is that of payments ... and the specter of payment limitations. There has been a rapid trend away from payments as an income supplement for other commodities. It is now time to consider the elimination of all farm payments. Wheat producers accepted the termination of 'wheat certificate' payments and are finding the market place a much more satisfactory answer to their growing income needs. We must be willing to accept a similar solution for sugar. With the end of sugar payments, there will be no further need for the domestic sugar excise tax (which is a burden to consumers).

In short, despite a reported administration decision not to oppose the extension of the Sugar Act of 1948, Mr. Butz' speech provides only criticisms of the present sugar program and suggests only major changes.

Now let me quote from Mr. Calcagnini:

> The world market today is demanding sugar—and paying for it. And the U.S. is limping along with legislation based on the assumption that too much sugar is being produced!
>
> What are we going to do about it? Who's going to see that sugar production expands to meet demand? You, or the government?
>
> Is it reasonable to suggest that the government stop the use of quotas and instead try to help the industry by providing a program that allows more expansion and more competition?
>
> I'm sure most of you here have made it a point to find out the details of sugar policy now being discussed by the Department of Agriculture with all segments of the industry. Therefore, I will list them only briefly and then go on to examine some of them in more depth.
>
> We are thinking of:
>
> No quotas on imports of raw sugar;
>
> No processor marketing allotments;
>
> No regulations relating to wages paid sugar workers;
>
> Target prices for payment;
>
> Payments to be made if average market prices received by farmers are below the target price;
>
> Farm acreage allotments, to be used only for payment purposes and not to control production;
>
> National acreage allotment or pay base to be established on history. New factory areas such as North Dakota and Minnesota would form a new base;
>
> Substitution authority between crops, as is given in the cotton, feed grains, and wheat programs;
>
> No set-aside authority (this differs from the cotton, feed grains, and wheat programs); and
>
> No support of sugar through loans or purchases. However, farm income from sugar would be maintained by target price payments if needed.

Now let me answer some questions that keep popping up when this proposed policy is outlined. First—only farms with a history of sugar production will be protected by target prices. Anyone would be free to get into sugarbeet or cane production—providing they had the land and finances and processing plant available—but new farms would not receive the target price guarantee.

Second, farm payment yields would be based on the average yield per harvested acre during the 3 preceding years, adjusted or natural disaster and other conditions beyond control of the producer.

Third, producers need to understand that payments would be made only if the average market price received by farmers in the first 5 months was below the established target price. It would not be whether the price you, as an individual producer, received was above or below target that would determine whether or not you received payment. The determining factor would be the average market price.

Finally, the duty and excise taxes would be eliminated.

After you have given some thought to this approach to sugar industry-government relationship, I believe you will find it a more reasonable means of attaining all of our objectives than the present Sugar Act, which as you know, expires at the end of 1974.

The Sugar Act is based on a false assumption of a relatively constant sugar surplus in the world. Now no surplus exists, scarcity is looming, and as a result the Sugar Act will one day fail us. . . .

We must change the system while we still have time.

Government payments would be on a kind of "standby" basis, and farmers would look to the market to expand their income, rather than to the Government.

We do not yet see anything but higher prices ahead for some time. At some point, rising prices will bring demand into line with available supply. But so far the evidence indicates that world demand for sugar is so strong that it will take higher market prices than we have yet seen for this to happen.

I do not know why the administration lost courage to present the Congress with a sensible alternative to a piece of special legislation designed for conditions of the 1930's. Perhaps, as the Washington Farmletter of April 26, 1974 reports:

> The Sugar Act extension is being written by lobbyists, not Congressmen.

Nevertheless, we must have a modernized domestic sugar program modeled along the lines of the Agriculture Act of 1973. It has many advantages. It would be market oriented. It would avoid rigid government controls. It would have target price and deficiency payment systems, as now exist for cotton, feed grains and wheat. And, it would make a healthy contribution to a more efficient use of the world's agricultural resources, to fighting inflation, to helping impoverished countries and would, at the same time, protect the legitimate interests of American farmers.

CAN WE STOP INFLATION?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 10 minutes.

Mr. ASPIN. Mr. Speaker, there follows the text of remarks by our colleague from Wisconsin, HENRY S. REUSS, before the California Bankers' Association at San Diego, Calif., on Saturday, May 18, 1974:

Can we stop inflation? There's no question about it. We have got to stop inflation—it is ruining the economy, virtually eliminating growth, throwing thousands out of work, distorting business decisions, undermining our balance of payments position, penalizing poor and middle-income families and old people, destroying the social cohesion of the Nation.

But how do we stop it?

Price-wage controls are no more. With management and labor dancing on the coffin, they expired on April 30. Though the administration ran these controls ineptly, Congress and the administration made a mistake in allowing them to lapse.

But that is all water over the dam now. Controls are gone, and I do not see much likelihood that they will be re-enacted in the near future.

This leaves us with fiscal and monetary policy as the basic economic tools. But how apply them to the present "stagflation," where double-digit inflation is accompanied by retarded production and increased unemployment?

If we tighten spending and money to fight inflation, we court greater recession and greater unemployment. If we run huge deficits and print vast quantities of new money to fight stagnation, we add to the inflationary spiral.

The way out of the dilemma, I suggest, is to adopt an essentially neutral fiscal and monetary policy, and to fight inflation and recession by how we spend our money rather than by how much we spend.

What of the budget? The fiscal 1975 budget projects outlays of $305.4 billion, receipts of $294 billion, and a deficit of $11.4 billion. The full employment budget shows a more restrictive picture—a $9 billion surplus.

Of course, I should like to rearrange Mr. Nixon's spending priorities, trimming the defense budget and boosting public service employment, transportation, and housing, for example. But speaking in macro-economic terms, the fiscal impact of the proposal budget is not too far from right—certainly not too stimulative, perhaps a little too restrictive. Maintaining its general proportions for now is probably sensible advice.

As for the monetary policy, we need a period of moderate monetary growth. In the latest 3 months for which figures are available, the Federal Reserve has let the money supply, narrowly defined, increase at the rate of 8.9 percent, a rapid expansion given existing economic conditions. It is time for the Fed to bring money growth to no higher than the 6-percent band, and to keep it there for the immediate future. Chairman Burns has announced his intention of doing so. Let us hope that he has more success in the future than in the recent past.

Even with the money supply increasing rapidly, money is "tight" relative to demand, and interest rates are outrageous. The bulge in demand is largely from business borrowing for inventory and supplies and for stockpiled credit.

To create excessive new money to accommodate this demand could simply add to price inflation across the board. Indeed, it would not even help those interest-sensitive sectors of the economy, such as housing, for whose benefit easy money is frequently urged. The overall inflation induced by excessive new money only causes disintermediation, illiquidity, and the consequent disappearance of mortgage money.

But housing and the thrift institutions must be protected, by measures other than excessive money creation.

With respect to thrift institutions and disintermediation, the increases announced by the administration last week in the amounts to be made available to savings and loans are a first step in the right direction. Standing back of the Home Loan Bank Board, the Fed itself should start rolling open its discount window to thrift institutions, meanwhile making compensating open market sales, if necessary, to keep money growth within the 4- to 6-percent yearly band.

With respects to housing, there is likewise an arsenal of available actions to cushion the hardship that accompanies the Fed's tighter money policy. For example, the Fed and other regulatory agencies could impose on the various financial institutions special asset reserve requirements which give the lender an incentive to favor desirable loans, like residential mortgages, and disfavor less desirable loans, such as for conglomerate takeovers or to buy excessive inventories.

If price-wage controls are out, and fiscal-monetary policies are merely neutral, what should be the main ingredients in an anti-inflationary campaign?

I suggest two: increase supply, and work out a social contract which will enable wage earners to modify their wage demands by repairing their pocketbooks in other ways.

Advance planning and sensible import, export, subsidy, and market policies are the best way to increase the supply of scarce materials and forestall future shortages. Ironically, the administration frequently does just the opposite.

Some examples from the recent past:

For months and months, in 1972 and 1973, the Department of Agriculture, despite the growing beef shortage, refused to let cattlemen graze their livestock on the 60 million acres met aside from production under the farm price-support program. As a result, fewer beef cattle came to market, and the price of meat jumped.

Again, in early 1973, the Secretary of Agriculture sent a bulletin out to the turkey growers of this country, advising them to keep turkey production down in order to keep the price up. And up indeed it went—so much so that last Thanksgiving and Christmas, a turkey cost per pound almost double what it had cost a year before.

And do not forget the milk price scandal: an agreement by the administration to raise the price support for milk, the money paid, the support price raised. One day a jury will determine whether this was bribery. We do not need to wait to know that it was a giant rip off for the milk consumer.

Or take oil. We cannot blame the energy crisis entirely on the sheiks. It has been obvious for years that the United States, with its energy demand growing exponentially, faced eventual shortages of crude and refined oil. The President's own Cabinet Task Force on Oil Import Control warned him of this in 1970, and advised, as did other experts, that the oil import quotas be abolished. But faithful to the oil interests who financed his election, the President refused to take this obvious step, and thus subject domestic producers to the competition of cheaper foreign oil. Had he done so, we would today have a stockpile of oil to help cushion the fuel shortages exacerbated by the Arab oil embargo.

I wish I could report that the administration has repented.

But no—like so many rogue elephants crashing through the canebrake, various Government agencies are today siphoning off scarce goods and credit from the U.S. economy, and thus worsening inflation. It is misguided to give perverse incentives to export scarce goods like wheat, cotton, scrap, and lumber, and equally scarce credit that is vitally needed for housing, small business, and capital investment generally. Yet that is precisely what the Government is now doing. Some examples:

First. The Commodity Credit Corp., unabashed by the Russian wheat fiasco of 1972, continues to lend to foreign countries, some of them rolling in wealth, so that they can buy American wheat, soybeans and other scarce commodities at discount prices. In the current fiscal year, ending in June 30, 1974, CCC will have issued $286 million in new credits. Even more astounding, the Department of Agriculture is now preparing a big promotion campaign for the fiscal year starting July 1 for $415 million in new credits.

Who gets these allocations of credit

Oil-rich Iran, for one. Last year Iran got a CCC-administered $45 million 15-year loan for American wheat. While the Iranians gouge the Americans on oil, the CCC gouges the Americans on wheat! With our wheat dissipated, of course bread prices here rise. With our credit diverted to Iran, of course housing here languishes. With our grain reserves gone, hope of helping the starving millions of the Sahara margin and of the Indian subcontinent dwindles.

And, of course, the taxpayers pay for the program.

Nor is this all. The local currency counterpart of these easy-money loans is supposed to be used to expand future U.S. exports. But instead of building a promised port facility, the Iranian Government, with the help of the Department of Agriculture, has used these funds to subsidize model kitchens for middle-class Iranian housewives. The DA wanly hopes that one day modern kitchens in the suburbs of Tehran will have a U.S. chicken in every pot

Second. Or take the Export-Import Bank. Ex-Im recently guaranteed a $48 million 7- to 10-year loan at 6 percent interest to German Lufthansa to purchase wide-bodied U.S. commercial planes, of which we have a near-monopoly. Since West Germany is choking with reserves, and the mark is dangerously high, Germany should obviously have bought them for cash.

These wasted credit dollars could have been spent on housing here in America. Furthermore, why should the American taxpayer make loans to Germany at subsidized interest rates?

Ex-Im is also making cut-rate taxpayer-subsidized loans to Japan for commerical aircraft, for nuclear powerplant fuel, and for cotton. How does Ex-Im justify this subsidizing cotton exports at a time when shortages are causing the cost of cotton goods in this country to soar?

Ex-Im is also smothering oil-rich and reserve-choked Iran with goodies at the American taxpayers' expense—6 percent subsidized loans for $400 million for military equipment in the last 2 years, $53 million for commercial jets, $17 million at interest rates as low as 5 percent for the purchase of U.S. oil well drilling rigs, at a time when American oil is not being produced because of the shortage of drilling rigs in this country.

Third. AID's housing guarantee program is another needless drain both on our taxpayers and on our scarce domestic supply of credit. While the housing is supposed to be for low-income people, AID's latest report discloses that:

> The average house guaranteed under the program in Latin America costs about $7,500, requiring a family income of about $3,000 per year, which is more than 50 percent of the population can afford in almost any Latin American country.

Helping Latin American slum dwellers is a worthy project. But housing for the South American middle class? Why not put the scores of millions a year in abstracted credit into housing for the North American middle class?

Fourth. Or take the Internal Revenue Service's DISC program, created back in 1971 when we were still laboring under fixed exchange rates. DISC gives a tax deferment to American companies to induce them to export more. But frequently the exports induced are scarce items like lumber, plywood, or scrap, thus adding to domestic inflation. And the taxpayer, as always, has to pay for the ride.

The final irony is that the Federal Reserve is now so worried about excessive exports of scarce U.S. goods, and the inflationary consequences to us, that it wants to intervene in the market so as to raise the dollar's exchange rate, and thus cut down on these excessive exports. Would it not be more sensible to cut down on the excessive exports in the first place by curtailing the agencies that are using taxpayers' dollars to bring them about?

Government, in a nutshell, must reverse its restrictive outlook on supply.

The second major new anti-inflationary attack takes the form of a social contract with working Americans to moderate wage demands, and hence avoid a wage-price spiral.

While inflationary pressure from food and fuel prices seems to be abating somewhat, new upward pressure on prices due to higher labor costs must be expected. Wage contracts across the country are being renegotiated, with increases of 8–10 percent in store.

The average worker has taken a financial shellacking in the last few years. Prices rose more than 9 percent in 1973, while wages stayed close to the 5.5-percent guideline. But although labor deserves and must have compensation, excessive wage increases will eventually erode the purchasing power of workers themselves.

How can wage earners be given grounds to be temperate in their wage requests?

By a social contract, I suggest, designed to cushion average Americans from the worst effects of the recession-cum-inflation we are now enjoying. Low- and modest-income families—the two-thirds of a nation earning up to $15,000 a year—have been hit disproportionately hard by rising prices—largely food and fuel—by rising payroll taxes, and by rising unemployment. Since 1968, their share of national income has declined, and roughly $10 billion has been shifted from them to the highest income families. A proper social contract should see to it that the income shares and purchasing power of these families do not fall below 1968 levels, and should move toward even greater income equity.

Such a social contract, or incomes policy, should contain the following elements:

a. Unemployment must not be allowed to rise. Public service jobs—in health, public safety, the environment, education, inner city problems—are the least costly, least inflationary, and least energy-consuming jobs. Creating 500,000 such jobs, for example, would cost approximately $3.5 billion a year, to be recouped through cutting equivalent waste in the Nixon budget.

b. Tax reform must redress special hardships suffered by low- and middle-income families.

Beyond the question of equity, consumer purchasing power faces a fall-off of around $7 to $10 billion this year from higher oil prices alone—$10 to $15 billion reduced to a net $7 to $10 billion by additional U.S. exports to oil-producing countries, some drawdown of savings by U.S. consumers, and some wage increases. Already, the dollar volume of retail sales, adjusting for inflation, is lagging behind last year's figures. An incomes policy to maintain adequate consumer purchasing power is necessary to prevent recessionary forces from accelerating.

Tax relief aimed specifically at low- and modest-income families will both help them recover from the financial beating they've been taking and spur production. Such relief—accompanied by a thorough-going welfare reform for those too poor for the tax rolls—could take several forms, such as: First, reducing the employee's payroll tax; second, increasing the income tax standard deduction and the low-income allowance; or third, changing the personal income tax deduction to a credit.

The proceeds which such a tax cut—and associated welfare reform—would put in consumers' pockets would not be inflationary. If present trends are followed, the extra money would be spent by low- and moderate-income families on commodities and services which are generally in adequate supply. Even more significant, many of these expenditures would serve an energy-conserving purpose—storm windows, insulation, garden equipment, canning and freezing equipment, tools, and outdoor gear.

Furthermore, to avoid excessive fiscal stimulus, the cost of tax relief should be offset—partly, of course, through increased Federal revenues due to increased economic activity, but mainly through closing tax loopholes. Loophole-plugging with a microeconomic eye will not only raise needed revenues but remove distortions. Some leading candidates:

First, failure to tax capital gains at death, which discourages inter vivos gifts and tends to lock in investment capital; second, foreign oil bonanzas, which discourage domestic exploration and production—the Ways and Means Committee is already moving in this direction; third, hobby farm tax deductions, which bid up the price of agricultural land; fourth, DISC's which encourage export of commodities regardless of whether they are in short supply domestically; fifth, tax-exempt interest on State and local bonds, which results in a loss of revenue to the Federal Treasury far outweighing the benefit to State and local governments and restricts the market in municipal bonds to the very rich—they should be supplemented by interest-subsidized non-tax-exempt bonds as an additional option for the State or local government.

c. For whatever it is worth, an appeal must be made to business and banking to "get right" with St. Thomas Aquinas by not pressing their prices and interest rates to the point of avarice, John Dunlop and the Cost of Living Council should be kept in business by Executive order, to focus the spotlight of public scrutiny on exorbitant price increases.

If the Government will make a good faith effort to carry out such a program—keep unemployment down, keep supplies up and prices down, provide tax relief and reform, channel credit where it is needed—wage-earners will have a valid reason to moderate their requests for pay increases.

For both labor and government, keeping in mind that the "just price" of Thomas Aquinas may be the best assurance that Government will not respond to a deteriorating situation in the months ahead by reimposing wage-price controls, moderation is the answer.

Prudent economics and social justice, thus, are the elements of a program designed to control inflation.

Finally, where do the banks fit in to all this? The theme of this conference is "getting involved". In your allocations of lending power, you have always had your own criteria to guide you, beyond fixing the interest rate at the highest level which will dispose of your merchandise. Among these criteria have been the riskiness of the loan, its administrative cost, the long-term value of the customer.

In this day and age, when a fair social contract demands that the share of wealth and income going to profits and executive compensation should not be gaining at the expense of the share going to the wage-earner, why not "get involved" by cranking social purpose into your lending calculus? Why cannot the banks make credit available to a business bent on new investment in high-technology, energy-conserving, environment-preserving plant and equipment at a lower rate than to a conglomerate giant bent on overstocking its warehouse or on devouring yet another small business? Or to a moderate-income new town housing project rather than to another resort project that is going to outrun the energy-ecology parameters in a few years?

If it is said that to admit social purpose to the calculus may be to diminish profits from what they would otherwise be, I reply that profits based solely on what the traffic will bear, without regard to fairness and income shares, are likely to be excessive profits. If business and banking are going to ask labor to exercise income moderation, they should start by exercising income moderation themselves.

California bankers, particularly, should not find it difficult to crank social purpose into their lending practices. If I remember right, you were the bankers who a half century ago decided that there was nothing wrong with making lots of scarce credit available to the outlandish moviemakers of Hollywood or winegrowers of the northern valleys. Both borrowers and lenders prospered.

Why do not you California bankers take the lead again? Why not allocate substantial portions of your lending power on the basis of social purpose, 1974 style? Who knows? The idea might spread through the banking community of the Nation, and on to business generally.

I hope you will give it a try. And if you do, as a member of the House Banking and Currency Committee, I will see that you get a hearty welcome and the best seats at the witness table.

FACTSHEET ON VANIK AMENDMENT TO H.R. 14462, OIL AND GAS ENERGY TAX ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

WHAT DOES THE VANIK AMENDMENT DO?

Mr. VANIK. Mr. Speaker, the amendment eliminates two tax preferences presently available to the petroleum industry on their foreign operations. First, it would repeal the option to expense intangible drilling costs on foreign wells, and second, it would change the foreign tax credits which are now available on foreign oil production income to business deductions. The amendment provides, however, that the tax credit on foreign oil and gas extraction income may be reinstituted through international tax agreements between the United States and the oil producing countries.

In the discussion of U.S. tax treatment of foreign income it is important to distinguish between a tax deduction—which is allowable, for example, for a royalty payment—and a tax credit, such as the foreign tax credit. A deduction has a smaller effect in reducing taxes than a tax credit. For example, a deduction of $100 from gross income—assuming a taxpayer's tax bracket of 48 percent—reduces the tax on that income by $48. However, a tax credit of $100 offsets completely $100 of the taxpayer's tax bill on his other income.

WHAT IS THE REVENUE IMPACT OF THE VANIK AMENDMENT?

Repeal of the intangible drilling expense on foreign wells will result in a revenue gain of $100 million per year. However, the committee bill provides for a complex tax formula which has roughly the same revenue impact.

Changing the foreign tax credit on foreign oil production to a business deduction will raise an additional $2 billion per year over the committee bill.

WHAT IS THE INTANGIBLE DRILLING EXPENSE?

Certain expenses in putting a well into production—such as labor, equipment rentals, repairs, fuel costs and the like—are considered intangible costs. Ordinarily, intangible drilling costs account for 75 percent of the total investment in a well. Under present oil tax law, these costs can be deducted for tax purposes as soon as they are incurred. The intangible drilling expense provision is an extraordinary benefit, because it allows the immediate tax-free recovery of investment capital. Most other taxpayers and industries must recover their investments through depreciation—bit by bit and year by year over the useful life of the capital asset. By allowing the intangible drilling expense on foreign wells, we are subsidizing foreign oil exploration—and the development of oil for the benefit of other Nations.

WHAT IS THE FOREIGN TAX CREDIT?

The United States allows a credit against U.S. tax for taxes paid to foreign governments on income earned abroad. Only income taxes may be credited; other charges, such as royalties and excise taxes, are considered a cost of doing business which will be passed on to the consumer. No credit is permitted for these other forms of taxes.

There are two ways of calculating a taxpayer's foreign tax credits. First, there is the per country limitation under which a separate computation is made of the U.S. tax liability and the available tax credits for each separate foreign country where income is earned. Second, there is the overall limitation. Here, U.S. taxable income—and losses—from all foreign sources are pooled together along with all foreign income taxes. One aggregate computation of U.S. tax liability—and available foreign tax credits—is made on the taxpayer's total foreign operations.

Each method of computation has its benefits. Under the overall limitation, a taxpayer may shift excess credits from one high tax rate foreign country to a second low tax rate foreign country so as to avoid U.S. tax on worldwide operations. The per country limitation allows a taxpayer with a loss in a particular foreign country to deduct that loss against his U.S. domestic income for tax purposes.

The foreign tax credit can only be used to offset a U.S. tax liability on foreign source income. If a taxpayer accumulates foreign tax credits in 1 year which he cannot use, he may carry these credits forward for 5 years and back for 2 years.

HOW HAVE THE OIL COMPANIES ABUSED THE FOREIGN TAX CREDIT?

There are two major abuses of the foreign tax credit provision by the oil companies.

First, using the per-country method of computing the foreign tax credit—which allows deductions against U.S. income of foreign losses—the oil companies have taken losses in their foreign exploration activities and deducted those losses against their U.S. income. Therefore, the American taxpayer is subsidizing 48 cents of every dollar spent to explore for oil abroad. The primary reason the oil companies can have so large a foreign loss to deduct is the intangible drilling expense we allow on foreign properties. This provision exaggerates losses in the early years of exploration before commercial production begins.

The second major abuse stems from a secret Treasury tax ruling in 1951 which provided that increased oil company payments to the producing countries would qualify as income taxes, fully creditable against U.S. taxes. This decision set in cement the present cooperative relationship between the oil companies and the producing countries. The foreign tax credit mechanism provides the conduit by which increased revenues flow from the pocket of the American consumer, through the oil companies and to the oil producing countries.

WHAT HAS WAYS AND MEANS COMMITTEE DONE?

To meet the abuse of per country loss deductions, the committee constructed a very complex formula—which includes elimination of the per country limitation and establishment of a recapture procedure—in an attempt to erase the foreign loss problem. Just from the standpoint of tax simplicity—which is a major necessity for tax reform—this proposal is a disaster. It spreads another layer of complexity over an already too complex area of our tax law.

To deal with the second abuse, the committee devised another formula limiting eligible credits for foreign taxes to 52.8 percent of income from oil and gas production. This device does little to solve the problems of existing law. It results in $300 million a year in added Treasury revenues—less than one-half of the revenue projected from the windfall profits tax provision on domestic profits in 1974.

IS VANIK AMENDMENT ELIMINATION OF THE INTANGIBLE DRILLING EXPENSE ON FOREIGN PROPERTIES JUSTIFIED?

Purely from the standpoint of tax simplicity, elimination of this provision would be justified. Elimination of foreign intangibles would have essentially the same tax impact as the committee bill, but would substitute a half a page of statutory language for 10 pages of the committee bill.

Beyond this fact, there is absolutely no reason to extend taxpayer subsidies to explore for additional reserves of foreign oil.

IS VANIK AMENDMENT ELIMINATION OF THE FOREIGN TAX CREDIT ON OIL PRODUCTION INCOME JUSTIFIED?

Termination of the credit provision on foreign production income is justifiable for the following reasons:

1st. The Vanik amendment will not result in double taxation of the oil companies. The companies have encouraged the foreign countries to call what are really royalty payments—treated as tax deductions—foreign income taxes (treated as a credit against U.S. taxes). The companies have attempted to call these charges taxes—but that does not make them taxes. They must be considered as royalties and a cost of doing business abroad.

But the essential question in the controversy over the taxation of the foreign profits of the oil companies is not the academic debate between what is a tax and what is a royalty. In plain fact, no precise line will ever be drawn. The major issue is whether we should even be extending the privileges of the foreign tax credit to the oil companies.

The goal of tax neutrality—and its instrument, the foreign tax credit—is to eliminate tax considerations from international investment decisions. Given our goal of energy independence—and the unprecedented capital investment required to develop necessary domestic energy sources—it is a justifiable question to ask whether or not a foreign tax credit for oil production is in the national interest. Why should we not use our tax system to limit the attractiveness of foreign investment and increase the level of domestic investment?

Second. The oil companies have abused a privilege extended to them by the American taxpayer. By perverting the foreign tax credit provision, the oil companies have accumulated in every year since at least 1962, enough tax credits to eliminate U.S. tax liability on their foreign income. By the end of 1974, the companies will have accumulated $20 billion in excess, unusable foreign tax credits.

Third. Elimination of the foreign tax credit on extraction income would eliminate an outstanding taxpayer abuse, but would not jeopardize the principle of tax neutrality embodied in the foreign tax credit. The oil companies would still be eligible for credits on taxes paid on their income unrelated to the production of oil and natural gas:

Fourth. There is no evidence that this change would jeopardize our national interest, undermine the oil companies' competitive position, or reduce the flow of oil worldwide. The most significant results will be that the oil companies will pay more taxes and the revenues of the producing countries will decline. In addition, domestic investment will become more attractive relative to foreign investment.

SHOULD THE ISSUE OF FOREIGN TAX CREDITS FOR FOREIGN OIL PRODUCTION BE THE SUBJECT OF AN INTERNATIONAL TAX AGREEMENT?

Congress has the responsibility to declare a clear position on eliminating taxpayer subsidies to foreign oil production. At the same time, we must recognize that our domestic tax policies have become an important part of the cartel-controlled pricing system for world oil. The United States could encourage the establishment of an equitable international tax system for oil through the negotiation of a multinational tax agreement between the consuming and the producing countries. The United States has already negotiated over 20 international tax agreements dealing with important economic issues. The appeal of this approach is that these decisions are made in the open with full public debate and scrutiny—not—as presently—through a series of private administrative rulings.

I include the following:

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RENEGOTIATION ACT OF 1951

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the time has come for Congress to again consider the extension of the Renegotiaion Board. I am very much in favor of extending the Board and have perhaps been the most persistent supporter of the too often ignored agency. Its continued existence is tremendouly important because it remains an effective safeguard against the misuse of public funds, and fulfills the trust placed in Congress by the American people.

The Renegotiation Act has been around since the early fifties, but over the course of the years the Congress almost dismantled the Renegotiation Board completely. It was at this juncture in the late sixties when I became extremely interested because I thought to do away with the Board would be a serious error. At that time I appeared before the House Ways and Means Committee and presented extensive testimony in favor of continuing the Board. I have since appeared before the committee on several occasions to emphasize the need for its existence and for strengthening its power in the renegotiation process. At this point I am taking the liberty of inserting my remarks before the House Ways and Means Committee on Tuesday, May 14, in support of not only continuing the Board but recommending changes that would make it more effective.

EXTENSION OF THE RENEGOTIATION ACT OF 1951

(Testimony of Congressman Henry B. Gonzalez)

Mr. Chairman, and Members of the Committee:

I appreciate your giving me this opportunity to comment on the Renegotiation Act. I am cognizant of the enormous responsibilities of the Committee, and will not take a great deal of time.

I am sure that you know I have for several years supported the Renegotiation Act, and have twice appeared here to urge that the Act be extended. In 1969, and again last May—and today as well, I ask you to support extension of the Renegotiation Act. I believe that properly used, the Act affords the government real protection against potential abuses by its suppliers. The Renegotiation Act has worked well in the past, and it has been relatively effective even in recent years, when the scope of the law has been considerably reduced. Today, I believe that the Act should be extended, not just for one year, but for five. And I believe that the Renegotiation Act should be strengthened so that the Renegotiation Board will be properly equipped to carry out its enormous task. What I am asking for is not a mere extension of the law, but a revitalization of the whole concept of renegotiation. It is a concept that has worked well, even in adverse circumstances. It will work very well if the Renegotiation Act is extended for a suitable length of time and its powers revitalized.

Public attention may be focused on great issues of the day, and the crisis of the moment. That is appropriate, and has always been the case. But the strength and vitality of any government depends on how well it carries out the small, daily tasks that confront it. Napoleon is said to have commented that an army moves on its stomach, and he was right. He knew that a great battle could never be joined, let alone won, if the generals did not have the efficient and effective management that alone makes it possible to move the army. The same is true today: our responsibility is not only to resolve fundamental issues, but to see that our government performs its routine essential functions as well as possible. So while there may be no great drama to the business of improving the procurement process, we should be aware that it is vitally important; it is a task upon which much depends.

General Washington was plagued by supply problems, and the business of providing for the revolutionary army and navy was one of the great problems of the Continental Congress. The Congress established a Commissary General in 1775.

From then until now the principles that guided procurement have remained the same: maximize competition, obtain reasonable prices, and assure that public officials are accountable for their actions. Today of course, the problems are enormously more complex. Our government is vastly expanded in size and scope. Government purchases today can have immense impact on local economies, and even on the national economy. Defense procurement is by far the biggest of all government buying, and the impact of a major military spending decision has substantial economic and political importance.

In military procurement there has always been the problem of assuring that suppliers provide what they promise, and that they do not take advantage of the government. Preventing excess profits has been a concern of Congress from the beginning. That is why we insisted on forcing revolutionary commissary officers from taking a percentage on the goods they bought—which was a common practice in those days. Congress correctly recognized that it was better to have a quartermaster who was responsible for supplying his troops rather than preoccupied with lining his pockets. And that is why we have insisted on competitive bidding. As far as 1934, in the Vinson-Trammell Act and 1936, in the Merchant Marine Act, Congress has attempted to prevent excessive profits in defense procurement.

In 1942, when the military establishment was being expanded at a fantastic rate, we enacted the Renegotiation Act as a means of recapturing excess profits. In the atmosphere of the day—with frantic buying of every conceivable kind of military goods, Congress understood that windfall profits ought to be recaptured whenever possible, and the Renegotiation Act was the means devised for this.

The Renegotiation Act expired in 1945, but Congress found it necessary to revive the law in 1948. The basic law covering renegotiation today was enacted in 1951, and we have extended it eleven times.

I believe that if we allow the Act to expire this year, history will repeat itself, and we will have to come back later to write a new Renegotiation Act, just as happened in 1948. Military procurement is so vast that windfall profits are going to happen, regardless of how careful the procurement officers are, or how complicated the regulations may become. And windfall profits in defense procurements may become. And windfall profits in defense procurement are no more desirable today than they were in 1942 or 1951.

The Commission on Government Procurement recognized this, and recommended that the Renegotiation Act be continued. I think that we ought to accept the judgment of this outstanding Commission, which performed the most thorough study of government procurement ever conducted. The Commission found the concept of renegotiation necessary and valid. That should be sufficient reason for us to extend this law, and strengthen it as necessary.

The Renegotiation Board has been very effective over the years. Altogether, it has made almost 4,500 determinations of excess profits, totalling $1,163 billion. In fiscal 1973 the Board found excessive profits of $28 million— and almost 91 per cent of that was reached through negotiation. The Board found it necessary to issue its excessive profit findings in only nine cases. Only three cases out of the 86 considered wound up in court appeals last year.

The Renegotiation Board has only 201 employees, and its expenses amount to only one-seventh of what the Board returned to the government last year.

The Board is doing what it should: it negotiates most of its cases, reaches an agreed settlement in the vast majority, and more than pays it own way. All of this shows that the Board is working as best it can under the circumstances. It deserves our support and its work ought to go on.

The nature of defense contracting makes an instrument like the Renegotiation Board absolutely necessary. Major contracts are frequently let by negotiation rather than bid. Even though both parties have the best intentions and make the best efforts, these contracts may result in windfall profits. The government undertakes generally to see that contractors don't go broke, and good sense requires that the government should be protected from excessive profits. Contractors ought to get a reasonable return, but excessive profits do not strengthen our defense nor in any way benefit the nation as a whole. If contractors have a right to be bailed out of trouble by the government, as many have, the taxpayer has a right to be protected from gouging, even innocent.

The work of the Renegotiation Board is not finished, nor will it ever be as long as military procurement remains a major function of our government's responsibilities. There is every reason to believe that the Renegotiation Act should be extended, and I recommend that it be extended for five years. A one year extension leaves the government and contractors alike in the dark about the intentions of Congress. A five year extension would give everyone clear notice of Congressional intent, and would strengthen the hand of the Board by giving it ample time to develop and implement policies. Under a short extension, no one would ever know what policies would or would not actually be carried into effect.

Presently, the Board, as the Committee has said, may be too subjective in its work. I believe that a five year extension would make possible for the Renegotiation Board to develop and carry out objective guidelines—which is impossible under existing conditions.

The business of determining excessive profits is enormously complicated. There is room for argument about the standards that should be applied. Many contracts involve unique products, or advances in technology; they may involve large amounts of government property and supplies; and they may involve differing accounting standards. But these are matters that can be resolved, given a Renegotiation Board with a clear mandate and unequivocal support of the Congress.

For example, contractors and the government alike are beginning to have the benefit of uniform cost accounting standards, thanks to the development of uniform standards that are being developed as a result of amendments to the 1968 Defense Production Act. I offered the amendment to create uniform cost accounting standards, following a recommendation advanced by Admiral Hyman Rickover. At the time many contractors said that this would be impossible. But the General Accounting Office said otherwise, and the Cost Accounting Standards Board is now developing sound accounting guidelines.

With this tool in hand, the Renegotiation Board will be equipped to render objective judgments. This is what the Committee wants, and now that this invaluable tool is available for the protection of the government and contractors, Congress should assure that it will be properly used—and that requires the continued existence of the Renegotiation Board.

In addition to the uncertainty of its continued existence, the Renegotiation Board is hampered by a growing backlog of cases that have been appealed to the courts. The number of cases resulting in litigation is small—less than ten per cent, but unless these appeals are disposed of expeditiously, the Board functions in an uncertain legal atmosphere; it does not know which of its actions may be overruled. I believe that speedy disposition of these appeals can be obtained by returning the appeals jurisdiction to the Tax Court. Further, I believe that the Tax Court should have judges assigned to the specific task of dealing with renegotiation appeals. In this way, the government and contractors alike can have the advantage of quick settlement of any dispute. The board and contractors both would benefit considerably from having the shortest possible backlog of litigation. As matters now stand, the growing uncertainty of what the courts might rule forces the Renegotiation Board to operate in more subjective ways, which is unfair to it and to contractors alike—and contrary to the intent of Congress. I believe that the work of the Board could be greatly enhanced by again giving the Tax Court jurisdiction over appeals.

Mr. Chairman, the concept of renegotiation has stood the test of time. Congress found it necessary to restore the Renegotiation Act the one time it was allowed to lapse; I believe we would again find it necessary if the Act expires this year.

I believe that a five year extension would allow the Renegotiation Board to become much more effective, by giving it a clear mandate, and time to develop and implement effective policies. The new availability of uniform cost accounting will make it possible for the Board to function much more objectively than is now possible, even though it already is able to resolve the vast majority of its cases without resorting to issuing unilateral findings, and seldom is confronted with court appeals. Further, the uncertainty posed by court appeals backlogs can be removed by returning jurisdiction over these appeals to the Tax Court.

Most of what I have said underscores one vital thing: that the responsibility of Congress it to remove the uncertainties that now surround the Renegotiation Act. By making it certain that the Act is going to be around for five years, Congress can make it clear to the contractors that windall profits are going to be discouraged. By that same act, the Board should begin to make effective use of new tools like uniform cost accounting, and develop the sound guidelines that everyone recognizes are needed. And we can help the Board and contractors alike by insuring that appeals do not build up into lengthy backlogs which are unfair to everyone concerned; all parties need to be more certain of their legal ground than they are now—and this is a problem that the Board is helpless to solve, since it is a matter of court operations over which it has no control whatever.

I urge the Committee to extend the Renegotiation Act, revitalize the work of the Renegotiation Board, and act to remove whatever uncertainties that now exist about this unique and essential tool of government. It may seem a small thing, but history will show that the strongest government is one that excels in carrying out the small, daily, vital tasks of management. If it fails in this, no government can be prepared to meet the great challenges when they arise. Strength comes from daily discipline. Weakness comes from inattention to details—little things like this necessary task of insuring that the government is protected from windfall profits at the hands of its suppliers.

HEARINGS SCHEDULED ON EXTENSION OF RECORD PIRACY LAW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, the Subcommittee on Courts, Civil Liberties and the Administration of Justice of the Committee on the Judiciary has scheduled a public hearing to begin at 10 a.m. on Friday, June 7, 1974, in room 2226, Rayburn House Office Building, on my bill H.R. 13364, a bill to amend title 17 of the United States Code to remove the expiration date provided in Public Law 92–140 which authorized the creation of a limited copyright in sound recordings for the purpose of protecting against unauthorized duplication and piracy of sound recordings; to increase the criminal penalties for piracy and counterfeiting of sound recordings; and for other purposes, and related measures.

Enactment of H.R. 13364 will prevent the limited copyright in sound recordings, that was newly created by Public Law 92–140, from lapsing automatically on December 31, 1974.

The purpose of inserting the automatic expiration clause in that public law was to provide a period for further consideration of alternative solutions to problems in this area, before resorting to permanent legislative enactment. This was done in the hope that by January 1, 1975, the protection of sound recordings would be part of an overall copyright law revision.

It now appears questionable whether copyright revision can be enacted by both Houses of Congress during the present year. Enactment of H.R. 13364 is needed to prevent the automatic lapse of the protection of sound recordings accorded by Public Law 92–140.

H.R. 13364 also contains provisions increasing the penalty for infringing sound recordings willfully and for profit, and for knowingly and fraudulently transporting records carrying counterfeit labels. Whether the amount of these increases in penalties is justified and, if not, what changes should be made, will be developed at the hearing.

Government witnesses are expected to express the views of the Departments of State, Justice, and Commerce and the Librarian of Congress on the legislation.

PRESIDENTIAL LANGUAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. WAGGONNER) is recognized for 5 minutes.

Mr. WAGGONNER. Mr. Speaker, I believe a recent editorial from the Shreveport Journal for May 13 speaks for itself on the need for sensible consideration of the facts contained in the Watergate transcripts.

In the light of the recent accusations against the President, it seems appropriate to reevaluate the moral indignation aroused in some circles and put it into perspective with the real issue at hand, that of impeachable crimes.

The article, while brief, echoes my feelings on the subject:

PRESIDENTIAL LANGUAGE

Many anti-Nixon writers and broadcasters have taken offense at the barracks-room language used by President Nixon on the taped conversations in the White House. Assuming that the expletives deleted are what we think they are, the President is using language in the presence of grown men which is almost as bad as your teenage daughter might hear in a movie or read in a magazine.

Of course the President knew such words a long time before they began to be used in the motion picture theatres or in the widely-circulated magazines. Your teen-age daughter might not have.

We regret that bad language was used in the White House. We don't think that four-letter words add anything to the grace, beauty and utility of the language no matter where they are used. But it's a lot worse to use such language on the screen and in popular magazines than it is to speak it in the privacy of one's office.

HOUSING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. METCALFE) is recognized for 10 minutes.

Mr. METCALFE. Mr. Speaker, the inability of low- and moderate-income homeowners to maintain their homes is often due to a lack of financial resources and to the discriminatory loan practices of many financial institutions. This has been one of the major problems confronting those who are attempting to halt deterioration of our communities. Another major problem is the poor administration of Federal housing programs, as most recently evidenced by the Federal Housing Administration scandals.

On April 30, I introduced a housing bill, H.R. 14475, which is designed to correct these two problems. I am today reintroducing this bill with 25 cosponsors. Title I of this bill would establish within the Department of Housing and Urban Development a direct, low-interest loan program to assist low- and moderate-income homeowners in the maintenance and improvement of their homes. Title II would provide for an annual General Accounting Office review of the Department's housing program. This bill would provide some of the funds needed to arrest the deterioration of our communities, especially in inner-city and rural areas, and also would provide an additional tool for the Congress in order to evaluate the effectiveness of the Federal Government's housing programs. A detailed outline of the provisions of H.R. 14475 appears in the CONGRESSIONAL RECORD for April 30, on page 12437.

Two recent articles illustrate the great need for this type of legislation. The first article appeared in a publication prepared by the National Urban Coalition entitled "The Urban Agenda: An Action Plan for the 1970's." It details the process of disinvestment in inner-city areas which leads to a deterioration of these areas. The second article appears in the May 20, 1974, issue of Newsweek and concerns the recently disclosed Federal Housing Administration scandals. H.R. 14475 is intended to help correct the situations described in these articles. I am sure that my colleagues will find them to be informative and enlightening and I include these articles at this point in the RECORD:

THE URBAN AGENDA: AN ACTION PLAN FOR THE 1970'S

REMEDIES FOR RED-LINING

Absentee landlords, withdrawal of municipal services, high numbers of tenant-occupied housing, deteriorating residential structures, failing businesses—are all elements of the picture of a declining neighborhood. Each one is the harbinger of the abandoned or near abandoned neighborhood—common forces which determine the future viability of a neighborhood.

The unseen enemy is the practice commonly known as red-lining adopted by most financial institutions in the nation's metropolitan areas. The practice is one of the first steps in disinvestment in central city neighborhoods. Red-lined neighborhoods are ones viewed by financial institutions as high risk areas which will not give them a return on their investment. Homeowners and businessmen in these areas find it difficult or impossible to obtain loans, or face high interest rates, high down payment requirements and short term loans.

Reasons for red-lining range from blatant racial discrimination to anticipation of the saturation of a market with no opportunity for future growth. Red-lining has never been an open policy by banks—rather it has been covert, difficult to pin down. The result of this policy is that home mortgages are not refinanced for rehabilitation work, people don't want to move in because they can't get financing, the basic confidence in the neighborhood becomes undermined and businesses move elsewhere.

In a short time, red-lining because of potential "high risk" becomes a self-fulfilling prophecy. And so the neighborhood begins its decline. Block busting practices take over as hungry profiteers seek to gain by buying cheap and selling dear. As money changes hands, realtors, mortgage bankers, savings and loan associations and other lenders make money. Money is made through commissions, broker's fees, "points" and servicing fees. Poor people pay for inferior housing at inflated rates and then find they cannot obtain financing or afford to rehabilitate the property.

Gail Cincotta, director of the Housing Training and Information Center in Chicago has been working in the area of disinvestment for a number of years. Ms. Cincotta, a member of the National Urban Coalition's Task Force on Housing, Urban Growth and Transportation, describes the ultimate results of red-lining:

"The neighborhood is turned over in a few years. Since homes with FHA mortgages are insured, the institutions holding them have no incentive to get the owner to keep up the property. Unable to refinance and improve their properties, owners of large apartment buildings maneuver for a short term, last minute return on their investments by overcrowding the properties, decreasing maintenance and increasing rents and sale prices. Real estate then reaches a state where it can no longer be sold or refinanced. Deterioration spirals as maintenance declines. As businesses and the socially mobile move out of the neighborhood, only the severely deprived remain. City services decline, housing code enforcement is dropped; building abandonment increases, as does crime. Home and property insurance become nearly impossible to get."

In the end, the entire area is "renewed" for upper middle and more affluent people and the poor and working class are shunted off to yet another neighborhood on its way down.

HOUSING: THE FHA SCANDALS

The scandal has gone nearly unnoticed because of Watergate, but it is considerable in its own right. It has tarnished the image of a government agency—the Federal Housing Administration—that has helped finance millions of U.S. home buyers in the last four decades by insuring their mortgages. Since the troubles started to surface, the former top FHA official in Philadelphia has been jailed and 26 persons have been sentenced to prison in Detroit. In Chicago, two former officials of Kaufman & Broad, a large U.S. home builder, have pleaded "no contest" to charges of bribing FHA inspectors with cash and cases of liquor. The FHA finally had to close a scandal-rocked office in Hempstead, N.Y.—and the man sent to clean up the mess later admitted to being on the take himself.

Nearly everyone, it seems, has been cheating the old FHA, mostly in connection with the sale of ghetto housing to the poor. Federal investigations throughout the country have turned up hundreds of similar but unconnected cases of conniving among FHA employees, builders, real-estate speculators and mortgage bankers to defraud the housing agency. So far, 239 defendants have been convicted and 227 others are under indictment. Meanwhile, the FHA has been stuck with thousands of homes, many of which it may never be able to sell in the marketplace.

COSMETICS

Most of the schemes worked much the same way. Typically, a builder buys a rundown inner-city dwelling for $10,000 and spends $2,000 on cosmetic repairs. He then finds a low-income buyer who qualifies for the FHA's $200-down-payment terms, and he bribes an FHA appraiser to to put an inflated value of $18,000 on the home. The FHA then insures a $17,800 mortgage on the dwelling. So the builder ends up being paid $18,000 for a dwelling that cost him only $12,000. He pockets the difference—less the bribes he paid—as profit.

The unwary buyer soon finds that he has purchased a lemon. His furnace breaks down, or faulty plumbing that had been "repaired" with tape begins leaking. Few buyers have the money to make proper repairs. Some simply move out. Others stop paying their mortgages, and the houses then become the nearly worthless property of the FHA.

Experts say that the FHA became an easy prey for the con men when Congress ordered it to subsidize housing for the poor after the inner-city riots of 1967 and 1968. Up to that time, its experience had been in middle-income housing, where most prospective buyers were sophisticated enough to know a dilapidated house when they saw one. Operations had been so trouble-free, in fact, that the agency had a poor system for policing its appraisers and inspectors.

Even without fraud, the low-income program was headed for problems, claims Assistant Secretary H. R. Crawford of the Department of Housing and Urban Development, who now labels the whole scheme a "terrible mistake." "It makes no sense to sell houses to welfare families," he told NEWSWEEK's Tom Joyce. "They don't have the means to take care of them." In addition to the buyers who abandoned homes that had been sold fraudulently, many more moved simply because they couldn't afford to keep up the dwellings or because the neighborhood began to deteriorate. FHA says that the great majority of the 77,000 homes it has had to take over in the last five years weren't connected with any fraud.

The government's low-income-housing efforts now have all but ended—last week's Federal infusion of more than $10 billion into the sagging mortgage market, for instance, was clearly aimed at the middle-income area —but there remains the problem of the thousands of foreclosed properties on the FHA's books. These homes cost the agency $432,740 each day in such expenses as taxes and vandalism repairs. In Detroit alone, the cost of repairing, reselling or razing 15,000 dwellings is expected to run as high as $400 million. An FHA official in that city points out that the FHA typically has to pay off a $15,000 mortgage whenever it takes over a home. If it is to be resold, the house needs about $8,000 in repairs. The cost of taxes, security, vandalism and other expenses totals nearly $7,000 more. There is no way these costs can be recovered in the resale market.

SKIMMING

If that weren't enough, the FHA has its share of other problems. Private companies increasingly are skimming off the low-risk mortgage-guarantee business. Many builders and real-estate dealers avoid FHA-backed loans because of the increasing amount of bureaucratic paperwork involved. And of maximum allowable interest rate on FHA loans consistently lags behind other interest rates, discouraging institutions that might lend money under FHA guarantees. But there's hope that these problems will be alleviated by the $10.3 billion the Administration plans to pump into the mortgage market through loans to savings and loan associations, stepped-up buying of existing mortgages and an increase in subsidized mortgages.

Officials at the FHA and at the Department of Housing and Urban Development, its parent agency, also hope that the worst of the scandals are behind them. HUD Assistant Secretary Sheldon Lubar last week even tried to make light of what has already happened. "There has been only 40 indictments [of FHA employees]," he said at a news conference. As reporters guffawed, he added quickly that "any amount is unacceptable." While the worst shocks may indeed be past, the unacceptable numbers are certain to keep mounting. Investigations are still going strong in 21 cities. What's more, 139,000 more houses with FHA insurance are now in default, and it is estimated that about 70 per cent of these will be added to FHA's inventory of distressed merchandise.

MATERNAL AND CHILD HEALTH PROGRAMS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, last year we fought the successful fight to keep in existence the children and youth and maternal and infant care programs which are funded under title V of the Social Security Act. That fight will be lost through an administrative device if we do not provide full funding for these programs. HEW has not requested the appropriate funds for these programs.

Dr. Fred Seligman, director of the Association of Children and Youth Directors, testified last Friday before the Labor/HEW Appropriations Subcommittee on fiscal year 1975 appropriations for title V. I would like to submit for the information of our colleagues his very excellent testimony:

TESTIMONY OF FRED SELIGMAN, M.D.

INTRODUCTION

Mr. Chairman and members of the Subcommittee on Labor, Health, Education and Welfare. My name is Fred Seligman, M.D., M.P.H., Director, Division of Comprehensive Health Care, Associate Professor of Pediatrics and Assistant Professor of Psychiatry at the University of Miami School of Medicine, Miami, Florida. I am Chairman of the Association of Children and Youth Project Directors. In this capacity, I represent the staffs of the sixty-eight Children and Youth Projects throughout the United States and the more than ½ million children and youth served by these programs. I am also representing the Maternity and Infant Care Project Directors. My remarks are also on behalf of the Ambulatory Pediatric Association, a national association of more than 700 professionals primarily from the discipline of Pediatrics. This Association is the major organization that is concerned with medical education and health services to children in the outpatient setting.

My remarks are additionally on behalf of the American Public Health Association, the nation's major national public health organization which has over 25,000 active members from all health disciplines.

Mr. Chairman, I appreciate the opportunity to present our views concerning fiscal year 1975 HEW appropriations for Maternal and Child Health Programs, and to present to you testimony concerning the status of the extraordinarily successful special project grants under Title V of the Social Security Act. We will limit our comments primarily to the appropriations relating to Secs. 503 and 516 of Title V. The wisdom of the House Ways and Means Committee and the Senate Finance Committee in developing the special project grants of Title V, and the subsequent fiscal support of both this Subcommittee and the Senate Subcommittee on

HEW Appropriations have had meaningful impact on the delivery of needed health services to more than one million pregnant women, infants, children and teenagers.

SUCCESS OF SPECIAL PROJECTS

The accomplishments of the special projects have been extensive and have been well documented. Infant mortality rates in geographical areas served by Maternity and Infant Care Projects have been significantly reduced. These Projects have been so successful in this regard, that it is easy to forget that in the not too distant past, there were target areas, especially urban, with inordinately high infant mortality rates. Children and Youth Projects have developed an extraordinarily successful reporting system that has documented decreasing costs of care per patient and significant reduction in rates of hospitalization.

BASIC TO A NATIONAL HEALTH PLAN

The special projects have emphasized comprehensiveness, quality control and evaluation. Cost benefits, community involvement and educational spin-offs have been great. The special projects have laid a framework on which a National Health Plan can be built. Indeed, many of the prominent legislative proposals for National Health Insurance now being considered by Congress build upon the existing Title V programs.

LINKAGES TO OTHER ORGANIZATIONS

As much as local options and funds have been available the special projects have attempted to develop linkages to other health organizations. Special projects such as the Children and Youth Project at Brooklyn Jewish Hospital have developed services for adults utilizing neighborhood health center funding. The University of Miami program has a contractual arrangement to provide health services to Head Start children. The Greensboro, North Carolina Children and Youth Project is one of many special projects that has received funds from the Department of Agriculture to operate a supplemental feeding program. Some special projects are linked to University Affiliated Centers that specialize in mental retardation and handicapping conditions. Most projects have linkages to Crippled Children's Programs that receive funds through Sec. 509 of Title V. Others relate closely to drug rehabilitation programs, community mental health centers and other specialized programs.

TRANSITION TO STATE AUTHORITY

This past year has been and continues to be a difficult year for the special projects, especially those projects which exist in highly urban states such as Florida, Illinois, Massachusetts, New York and Pennsylvania, because of the transition of special project grants from federal to state authority.

VIEWPOINT OF THE PRESIDENT'S HEALTH ADVISOR

In spite of the fact that the Administration's intent has been to transfer funding for the special projects from direct to formula grants, even the Administration has acknowledged the success and value of the special projects. One year ago I had the privilege to discuss the status of these programs with Dr. James Cavanaugh, the President's Special Advisor for Health. At that time, it was Dr. Cavanaugh's opinion that the special projects of Title V have been "the most successful of all health programs in this Administration."

INCREASE IN NUMBER OF PROJECTS

Because of the transition of special projects to formula grants, the number of Children and Youth and Maternity and Infant Care Projects will commencing July 1, 1974 actually increase in number. All states will now be required to operate at least one of these projects, along with the three other special projects—namely, Dental Projects for Children, Intensive Neonatal Projects and Family Planning Projects. In fact, beginning July 1, 1974 one hundred and sixty-two new special projects will be initiated. The number of new projects will actually be greater than the some 150 special projects now in existence.

HOLD HARMLESS PROVISIONS

On June 30, 1973, mindful of the problems of transition of authority, Congress passed PL 93–53 amending Title V by adding a new Section 516. I need not remind this subcommittee of the hold-harmless legislation of PL 93–53. Section 516 (a) (1) (A) authorizes hold harmless legislation for the population groups being served by special projects and Section 516 (b) (1) (A) authorizes the appropriations to implement this, commencing in fiscal year 1975.

HEW FISCAL ESTIMATES

This Subcommittee is well aware of HEW estimates indicating that approximately $30 million of additional funds were necessary to implement the hold harmless clause in fiscal year 1974 and that in fiscal year 1975, this would be $36 million.

We appreciate the difficult decision that this Subcommittee faced last November in considering the $30 million suggested by this Subcommittee's Senate counterpart for HEW Maternal and Child Health 1974 supplemental appropriations. Even though the need for $30 million had been projected at the time this Subcommittee considered this request, a significant portion of the current fiscal year had elapsed. Further, the States held harmless in 1974 had a lag period while developing plans and staff for new projects.

As we approach July 1, the situation is entirely different. Firstly, a different group of states in fiscal year 1975 come under the hold harmless provision.

Secondly, all states are now ready and able to start the additional special projects required by law. A minimum of 250 special projects are required by PL 93–53. New monies are needed to start these projects.

Mr. Chairman, special projects already in existence in urban states face a dismal picture unless your Subcommittee sees the wisdom of increasing the Maternal and Child Health appropriations. HEW has attempted to juggle its distribution formula so that the impact on any particular state would be minimal. However, HEW cannot alter this dismal picture without additional funds.

Allow me to cite some specific examples of insufficient funding. Our own Children and Youth Program at the University of Miami School of Medicine serves 7,200 patients. In fiscal year 1974, we received $765,000 from HEW. We have made as much use of third-party monies as possible. Because of the restrictive nature of Title XIX payments in providing limited reimbursement for preventive services, we are only able to collect about $30,000 yearly from third party payments. To maintain our present operational level in fiscal year 1975, we will require a budget appropriation from HEW of approximately $840,000. Our staff currently consists of approximately 75 full time staff equivalents. Yet our project allotment of HEW funds from the State of Florida will be $571,000 and this amount is already based on a shift of $18 million from Sec. 503 (formula funds) to Sec. 516 (supplemental funds) as recommended in the President's budget. This is a budget reduction of more than 25% in spite of a significant increase in operating costs. Unless we can receive additional funds very soon, we will have to release more than ⅓ of our staff—dedicated and expert professionals—and discharge some 2,500–3,000 child patients from our program. Special projects in New York State will be even more severely affected by the budgetary reduction of 40% planned for July 1.

An exodus of qualified professionals, who do not have the confidence of program continuity, has already started to occur in special projects. Many projects do not have Project Directors. Some professionals are transferring to those states that will be developing special projects. Sponsoring institutions do not have the necessary financing to subsidize these programs. Our own institution, the University of Miami, receives no indirect costs for project operation.

All this is occurring amidst the discussion and probable passage in the foreseeable future of a National Health Insurance Plan. Many of the proposals currently under consideration not only leave Title V intact but build on it. Certain of the proposals will actually expand existing Title V Programs.

OUR POSITION CONCERNING SECTION 516

The Administration has recommended $7 million be appropriated for the 1975 supplemental provisions of Sec. 516. Another $10.4 million of released impounded funds should also become available solely, of course, for 1975. This leaves a shortfall of approximately $19 million. We disagree with the Administration's proposal to alleviate the shortfall of the hold-harmless provision by transferring $18 million from Sec. 503 to 516.

We strongly believe this is not within the spirit and intent of PL 93–53. We do not advocate compromising the needed formula funds required for Sec. 503. We do not ask you to rob Peter to pay Paul. We ask you to appropriate a minimum of $19 million for the special projects under Sec. 516.

This additional appropriation is absolutely needed. It is a minimum. It means that special projects in many states will still receive less funds than they have received in 1974. The requirement of beginning 162 new special projects will cut into the ongoing operating budgets of both formula fund and supplemental fund programs. For example, in my State, three new special projects must be started in order for Florida to have acceptable comprehensive State plan as required by legislation. Florida plans to expend an addition $900,000 to begin these three special projects. These funds will have to come from already reduced allocations to the State. Thus the special projects already in existence will receive reduced funding even with full supplemental appropriations.

NEEDS OF NEW PROJECTS

Additionally, we urge this Subcommittee to reconsider the formula grant level of Sec. 503. Based on an estimate of $½ million per new special project, $81 million will ultimately be required to develop the 162 projects as the legislation requires. We propose phased funding over the next three years, and accordingly urge this Subcommittee to appropriate one third of this amount in fiscal year 1975. Therefore, we propose that this Subcommittee increase the current appropriation level of Sec. 503 by $27 million.

CONCLUSION

Mr. Chairman, I have appeared before this Subcommittee previously. The Association of Children and Youth Project Directors have fought continuously year by year for the survival of these programs. Many of us have spent inordinate efforts in maintaining financial solvency rather than spending our time developing even stronger program operations. We seek and need your support. We ask you to appropriate the necessary $19 million required to hold harmless the special projects already in existence. Further, this should be accomplished without taking monies from other needed Maternal and Child Health Programs. All of us at the operational level wish to once again move forward in our mission of providing quality health services to low income mothers and children. We ask you to appropriate sufficient funds to allow all Maternal and Child Health Programs, general and special, in all states, urban and rural, large and small, to maintain the delivery framework that has been developed, so that we can ultimately merge into a Comprehensive National Health Plan.

We are in great desire of this Subcommittee's continued commitment to maternal and child health. This is needed immediately before professional staffs and patients become further disillusioned. This can be accomplished by immediate affirmative action by your Subcommittee as we have recommended.

AN IRONY IN MARINE RECRUITMENT POLICY

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on February 21, 1974, in the CONGRESSIONAL RECORD, I discussed the case of Igor Bobrowsky in his fight for admission to the Marine Corps Officer Candidate School. I will not restate all of the facts concerning his matter since they are set forth at length in my prior CONGRESSIONAL RECORD statement. The crux of his case is that in answering a questionnaire after his conditional acceptance, he did not lie when undoubtedly many others responding to the question lied and were accepted. The question asked of him when applying to the MCOCS was, "Have you ever used LSD, marihuana, opiates, and so forth?" to be answered "yes" or "no." Igor Bobrowsky, a combat soldier in Vietnam, had used marihuana on approximately six occasions in Vietnam and no other drugs. For this reason and this reason alone he was denied admission to the MCOCS. Last week there appeared in two separate papers—the Washington Post and the New York Post—articles which bear upon this matter. The Washington Post article of May 16 reports that the Marine Corps is having trouble recruiting for its ranks in the policy goal of an all-volunteer service. It reports:

> The latest monthly recruitment statistics released by the Pentagon yesterday show that in April the Marines were only able to get 45 percent of the 3,750 new recruits they sought.

The New York Post in its editorial of May 17 commented on the same subject and mentions the Igor Bobrowsky case.

The additional correspondence which I have had with the Office of the Secretary of Defense and the White House is appended along with the two newspaper articles, including my letter of today's date asking for reconsideration of this matter. While it appears hopeless, perhaps reasonableness will prevail and Secretary of Defense, Schlesinger or the White House or both will reconsider this matter.

The articles follow:

[From the Washington Post, May 16, 1974]

Marines Have Trouble Getting Enough Recruits To Fill Quota

(By Michael Getler)

The Marine Corps is having trouble finding those "few good men" the recruitment posters and bumper stickers say are needed to fill the ranks in the era of the draft-free military.

The latest monthly recruitment statistics released by the Pentagon yesterday show that in April the Marines were only able to get 45 per cent of the 3,750 new recruits they sought.

While attention over the 16 months since the last man was drafted has focused on the Army, Pentagon statistics now reveal that the Marine Corps—with a much smaller force—is virtually certain to have a shortage about the same size as the Army's in terms of manpower and several times larger in terms of the percentage of its total force.

The April shortage pushes the Marines some 3,000 men below their goal for the fiscal year 1974, which ends June 30. Pentagon officials now say their best estimate is that the Marines will wind up the fiscal year with 6,000 to 10,000 fewer men in the ranks than planned. That represents a shortage of between 3.1 and 5.1 per cent in the goal of a 196,000-man corps.

The Army is estimated to be heading for about a 7,000-man shortage by June 30, only about 0.9 per cent short of the authorized 782,000-man level.

What is causing problems for the Marines, as Corps and Pentagon officials see it, is last year's congressionally mandated requirement that all the services take no fewer than 55 per cent of their recruits from the ranks of high school graduates. The idea was to insure that a draft-free military still maintained a reasonably high standard of formalized education within the ranks, and that it did not become a "poor man's" army.

The restriction has proved little problem for the Air Force and Navy. The Army has managed, through April, to reach the 54 per cent level, but the Marines are still only at the 50 per cent level.

The reason for the sharp April drop is that 99 per cent of the 1,670 men who signed up were high school graduates as the corps struggled to meet the requirement. The Marines essentially were unable to accept anyone else.

The legislation was originated last year within the House Appropriations Committee. This year, the Pentagon—with considerable support from the House Armed Services Committee and some others in Congress who feel that the restrictions discriminate against minority groups that may have less opportunity to make it through high school—are trying to get it changed.

Thus far, however, efforts led in the House by Chairman F. Edward Hebert (D-La.) of the Armed Services Committee have been stymied on legistlative technicalities by Sen. Edward M. Kennedy (D-Mass.).

Kennedy, and many others, feel strongly that the military will indeed become an outfit with too high a portion of poor and less privileged young men.

If these efforts remain stalled, the first chance for new legislation would not come until the new fiscal 1975 budget is ready for final action by Congress. With no relief from the legislation this fiscal year, the Pentagon estimates that the Marine Corps shortage could run to between 8,000 and 12,000 men. With some relief during the final two months of fiscal 1974, it could drop to a shortage of 4,000 to 8,000.

Despite problems with the high school requirements, senior Defense Department officials say they are not alarmed about eventually reaching the authorized manpower levels.

The same legislation that places restrictions on high school graduates also requires that the services do not take more than 18 per cent of their recruits, from the lowest mental category as measured in service acceptance tests.

The Marines, however, chose to impose a 10 per cent limit of their own. Thus, if the Corps can satisfy the 55 per cent figure, it can probably fill up the ranks by taking more of the so-called category-four recruits.

[From the New York Post, May 17, 1974]

Unwanted Marine?

According to the recruiting literature available around town, the U.S. Marines "are looking for a few good men." Unfortunately, a few seem to be what they're getting; enlistments are substantially off.

There are apparently a number of reasons for the shortage of boots—interservice competition for manpower is a prime factor—and no doubt many a staff conference will be held on the subject. One of them should take up the case of Igor Bobrowsky.

Bobrowsky, as readers of this newspaper may remember from several articles about him, is a Marine veteran of Vietnam decorated for his service, who has patiently sought a commission in the Corps. His academic record is as impressive as the one he made in the enlisted ranks. He would doubtless be commanding men today if he had not, in answer to an enlistment questionnaire, admitted to having smoked marijuana several times while in Vietnam.

For this "offense," he was rejected for officer training. Although Rep. Koch (D-N.Y.) has taken the case to both Secretary of Defense Schlesinger and the White House, Bobrowsky's pleas have been so far spurned.

He is ready, willing and unusually able to serve as a Marine officer. The Corps obviously needs that kind of man. What possible excuse can there be for holding things up?

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., March 27, 1974.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: The Secretary of Defense has asked me to reply to your inquiries regarding Mr. Bobrowsky. He has taken a personal interest in this matter and has directed that a thorough review be made of the handling of Mr. Bobrowsky's case.

In reviewing Mr. Bobrowsky's appeal, we examined his individual situation in the total context of the Department's manpower needs and the Services' standards on drug use. I believe the following comments are appropriate.

The U.S. Marine Corps for years has had a firmly established regulation against active duty personnel using marijuana. Mr. Bobrowsky was aware of that regulation while he was on active duty in Vietnam. He admits to breaking the regulation by using marijuana on several occasions in Vietnam. Moreover, Mr. Bobrowsky is near the maximum age limit for candidates to Officer Candidate School and, in addition, he would require a dependency waiver for admission to the school.

It was the judgment of the U.S. Marine Corps that the above factors resulted in a situation in which Mr. Bobrowsky was considered to be less qualified than other applicants for Officer Candidate School. My personal review of the record indicated no persuasive reason to recommend that the Secretary overrule the U.S. Marine Corps decision in this particular case, and he has concurred in that judgment.

However, the Secretary is concerned over the issue raised by this case. He recognizes that some significant fraction of potential enlistees and officer candidates has had some exposure to marijuana. We should not automatically deny these men and women the opportunity to serve nor should we deny ourselves the opportunity to avail ourselves of the qualifications of these individuals.

Here it is essential to draw a clear distinction between the treatment of those who have used marijuana in a limited or experimental fashion *prior* to their application for Service and those who have used marijuana while on active duty in disregard of Service regulations.

The Secretary also believes that this distinction must be balanced against the danger that an easing of enlistment criteria by the Services might encourage the widespread use of marijuana among those serving on active duty.

As a result of his interest in a just application of Service regulations, the Secretary has instructed me to conduct a review of Service regulations regarding the prior use of marijuana in evaluating volunteers for the Services.

Thank you for your personal interest in this matter.

Sincerely,

William K. Brehm.

House of Representatives,
Washington, D.C., April 17, 1974.

President Richard M. Nixon
The White House,
Washington, D.C.

Dear Mr. President: Enclosed is the letter from Mr. Igor Bobrowsky. I support his application and I am bringing it to your attention because we have exhausted all other sources of help. The facts are stated in his letter and the enclosures so I shall not repeat them. The *Congressional Record* statement contains the pertinent correspondence. The latest letter from Assistant Secretary William Brehm has turned down his application but appears to recognize the problem and procedures may be worked-out in the future for others but that doesn't help Igor.

I know of your concern for Viet Nam veterans and Igor deserves whatever you and I can do.

Sincerely,

Edward I. Koch.

New York, N.Y., *April 9, 1974.*

President Richard M. Nixon,
The White House,
Washington, D.C.

Dear Mr. President: I believe that the enclosed material will adequately explain my predicament as of September 1973. Having initially turned to, and exhausted, all available Marine Corps channels, I turned to my Congressman and Senators—initially for advice and ultimately in the hope of receiving a fair hearing and a redress of my case. Subsequently the matter was brought to the attention of the Marine Commandant, the Secretary of the Navy, and most recently the Secretary of Defense. As you can see from the enclosed material, all of these efforts have proved to be equally futile. Ironically, in the last letter from the Secretary of Defense, even the recognition of the basic inequity of this policy and a commitment to re-examine this policy with a view to modifying it has not been found to be sufficient justification for changing the ruling in my case. In a situation generally not lacking in ironies, perhaps the final one is that the rejection from the Secretary of Defense arrived on the day established by your office for honoring the Vietnam Veteran, and only a day before you spoke to the nation about the need for offering the veterans more than just words.

Mr. President, the fact that the Secretary of Defense has shown enough interest in this matter to commit himself to review and modify existing policy is most gratifying to me. Indeed, one of the major reasons for my persistence in this matter has been the knowledge that this policy, if unchanged, would continue to deprive men of their goals and our country of a wealth of human resources in the future as it has done in the past. However, I found it interesting to note that, even in conceding the need for changing existing policy, the Secretary of Defense draws a distinction between attitudes to be adapted to those with prior in-service experience as opposed to those with non-service-connected marijuana experience: granting the benefit of doubt and a chance for proving themselves to the latter while denying the same opportunity to men who, despite a momentary lapse, have already proven themselves—having served adequately, well, or even exceptionally. I would think, sir, that if anyone deserved the benefit of a doubt, it would be the men who had already shown their capabilities and earned the right to be judged by more than the incidental and insulting criterion of past marijuana use. To seemingly prejudice policy against the veteran in this way appears to me an inversion of reason. It is a concession of particular bitterness to one who has long regarded the military profession as the most meaningful way to developing oneself to the fullest, and thus, ultimately, contributing one's best to society.

I have always believed that personal knowledge and personal growth are the keys to potential worth, and have read and studied with that potential worth in mind. In addition to readings in geography, political science, classical history, current events, etc., I have chosen my formal studies with the view to making me a more fully educated human being, and consequently, a finer officer in a complex, crucial time, needful of educated leadership. Thus, I have studied literature to give me some depth as a human being, read history in the hope that it would help me to see outlines of the future through knowledge of the past, and I have studied Russia because I firmly believe that like no other nation on earth, she shares with us the responsibility for the future of our collective civilization—and not to know and understand her as well as we know and understand ourselves is to invite our mutual destruction by our individual ignorance.

On the less theoretical side, you have my SRB and the recommendations of my former officers and friends. In examining the former you will find that I went from responsibility for a fire team of four men to that of a Combined Action Platoon (with direct responsibility for the lives of some fifty-sixty Marines and Vietnamese) in a matter of weeks. It has been strange for me to discover that the same Marine Corps that gave me responsibility for hamlets full of people and trusted me with the lives of a platoon of men directly, and some hundreds of lives indirectly, will not trust me now because I erred in having frankly stumbled on to an uncomfortable truth—and will not grant me the opportunity of developing the potential it recognized in me previously.

I will not trouble you longer, sir. There have been too many words and too much time spent on this matter. You, as the Commander-in-Chief, are the last recourse available and as such, I ask that you examine this case for whatever merits you may find in it, and as a man who once must have set himself an ideal to strive for, make your decision.

Respectfully yours,

Igor Bobrowsky.

The White House,
Washington, D.C., May 2, 1974.

Hon. Edward I. Koch,
House of Representatives,
Washington, D.C.

Dear Mr. Koch: This is in further reply to your letter of April 18 regarding your efforts on behalf of Mr. Igor Bobrowsky.

We have reviewed this entire matter with the Department of Defense and its position remains as stated in Mr. Brehm's letter of March 27.

As you noted, over a long term, procedures may be adjusted to accommodate changing social and legal perceptions concerning the use of drugs. However, the key issue here appears to be the availability of more highly qualified applicants for Marine Corps OCS rather than the Corps' drug policy.

I regret that we cannot be of assistance to Mr. Bobrowsky but the matter of enlistment standards for our Armed Services should properly remain the province of the Defense Department.

Sincerely,

Max L. Friedersdorf,
Deputy Assistant to the President.

House of Representatives,
Washington, D.C., May 20, 1974.

James R. Schlesinger,
Secretary, Department of Defense,
Washington, D.C.

Dear Mr. Secretary: In view of the report in the Washington Post of May 16 that the Marine Corps in April was "only able to get 45% of the 3,750 new recruits they sought.", may I suggest that you reconsider Igor Bobrowsky. He really would be a fine addition to the Marine Corps.

Sincerely,

Edward I. Koch.

SALUTE TO THE UKRAINIAN PEOPLE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, it was gratifying for me to read in today's New York Times that Communist Party leaders have admitted that Ukrainian nationalism remains strong despite a 2-year crackdown directed by the Ukrainian Communist Party Secretary. At a meeting of the party's Central Committee 2 weeks ago, officials were particularly critical of the Ukrainian press and radio, citing the low "ideological level of certain republican television and radio programs." In addition, some artists and writers were charged with losing sight of "class landmarks" in their works or "falling under the influence of various fashionable trends of foreign art." The Central Committee has asked that ideological indoctrination be increased throughout the Ukraine.

Every admission from Soviet authorities that their Ukrainian problem still exists is a monument to the resilient courage of the Ukrainian people. Since its political absorption into the Soviet Union in 1922, the Ukraine has faced both violent and subtle assaults on its cultural identity. The most recent wave of oppression begna early in 1972 with the arrest of some 200 Ukrainian intellectuals. Since that time, virtually any demonstration of independent thought has been met with intense resistance from the Soviet Government. However, as recent reports indicate, the toughening Soviet policy has failed to discourage the expression of the Ukrainian national consciousness. What we are seeing instead is an amazing display of national will arrayed against the intimidation of superior strength. In this struggle, the Ukraine has the hopes and prayers of freedom-loving people the world over. I salute the Ukrainian people.

FREEDOM FOR GREECE

(Mr. MADDEN asked and was given permission to extend his remarks at this point in the Record and to include a newspaper article.)

Mr. MADDEN. Mr. Speaker, George Anastaplo, who is one of Chicago's outstanding educators at the University of Chicago and Rosary College, is also an authority on Greek politics and government. I wish to include with my remarks excerpts from a commentary on Greek freedom, which was carried in the columns of some of our country's leading newspapers, including the Baltimore Sun.

Mr. Anastaplo is a brother of John Anastaplos, the celebrated news broadcaster for the WJOB radio station in Hammond, Ind. George Anastaplo continues to be persona non grata to the Greek Government because of articles he has published in the United States criticizing the present monarchical regime that controls the Greek people denying them a free and democratic government.

Bloodied Greece: No Way Out?

(By George Anastaplo)

I

It has now been seven years since a clique of colonels seized the government of Greece. That usurpation culminated last November in the shooting in Athens of a number of students, a massacre in which the Greek government acknowledges a dozen dead and in which unofficial sources count dozens if not even hundreds of dead. One result of the massacre was a military coup on November 25 which removed from office the demoralized dictator who had been in charge since April 21, 1967.

The student demonstrations which were suppressed so bloodily in November had been prompted by the general deterioration of the colonels' rule, a deterioration reflected both in a runaway inflation and in a general fatigue. The bitter discontent students were expressing was, it now turns out, shared by much of the Greek nation as well.

The crisis which toppled the bloody dictatorship in Athens cannot be resolved, or even smothered, by recourse to still another military strongman. That crisis is rooted in the incompetence and arrogance of colonels who cannot be expected to handle intelligently the complex social and economic problems of Greece. Such usurpers simply cannot enlist the necessary services and good will of the better professionals, politicians and military officers of that country for the great work of reconciliation and austerity which Greece so desperately needs.

It has now been five months since the army moved. It was not clear at that time just who would be ruling the country thereafter: another clique of ideological colonels who would try to maintain the dictatorship, or non-political regular army officers who would turn over the government to civilian rule. Non-political officers would by this time probably have surrendered power if they had been in control. Instead, one hears more and more reports from Greece of widespread torture and stifling repression—this suggests that ideological officers have remained dominant in Athens.

II

The shortsighted role played by the American government since the colonels first took over in 1967 has already (perhaps even permanently) compromised, in the eyes of the resentful Greek people, our legitimate interests in that country and hence in the Eastern Mediterranean. Among our mistakes have been that of publicly backing the wrong man in Greece, and in such a way as to make us seem either foolish or unfeeling.

One constructive role the United States can play is to provide the considerable money Greece will need to bail itself out of the unnatural economic mess into which the colonels have inflicted on that country. But no American Congress will provide such aid so long as the colonels remain in power. And no aid would be worth giving without a genuinely political government in Athens to use it, a government which can provide a disciplined, intelligent leadership and behind which a united country can breathe freely as it dedicates itself to an austere program of reconstruction.

The observer of Greek affairs gets an impression of helplessness, drift and malaise, with the new government going through the forms of moral regeneration and reform. But those forms have been made a mockery by revelations of the corruption around the recently deposed dictator who had also preached moral regeneration when he first came to power. It must be difficult for anyone in Greece today to take seriously anything a military government says these days.

III

And yet, what way out is there? As economic conditions worsen, partly as a result of the shortsighted measures adopted by the colonels since 1967 in order to stay in power, acts of desperation (including exploitation of crises with Turkey) will be provoked on the part both of government officials and of their opponents. An explosion can be expected next fall or early winter, when students return to their universities from summer vacations.

Thus, even more bloodshed can be expected upon the next "encounter" as well as a pronounced radicalization both of the opposition to the colonels and of the political life following the colonels—unless the present rulers of Greece can be persuaded to return to their barracks.

We Americans should, before still another ruthless dictator becomes consolidated in Athens or before a massive explosion radically disrupts the life of that country, try to redeem somewhat our good name by using our remaining influence in Greece and NATO, as well as our economic power, to help the Greek people recover control of their own affairs. This can best be done by vigorously encouraging the colonels to step aside for Constantine Karamanlis, the man whose prestige as a former conservative prime minister still recommends him to the Greek people (including elements as diverse as responsible Army officers and articulate Leftist intellectuals) as the best way to avoid the even bloodier crises which now threaten their country.

Greece may be the only country in the world today where the genuine popular alternative to domestic tyranny is so moderate and so experienced a politician as Mr. Karamanlis. What more can the Greeks or the United States hope for? Dare we or they risk further deterioration in Greece and in American-Greek relations?

If the changes begun so bloodily last November are not propertly followed up during the next six months by responsible men in Greece and the United States, the political map of the Balkans is likely to be radically and hence dangerously altered during the next decade.

B-1 MANNED BOMBER

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, today, Senator George McGovern of South Dakota and I issued a report on the supersonic bomber, the B-1. This report is the first in a series critically analyzing military weapons systems and policies to be issued by the bipartisan group, Members of Congress for Peace through Law. The report concludes that strategic nuclear bombardment by manned aircraft now plays only a marginal role in the U.S. deterrent, that the B-1 represents an addition to the existing U.S. bomber fleet, rather than a replacement and, as such, increases the present payload of U.S. strategic bombers from 21 million to 52 million pounds. The report further concludes that between 1970 and 1974 the B-1 program's price has increased from $9.4 billion to $15 billion and when such costs as armaments, avionics, decoy missiles, a compatible fleet of new tankers and operations and maintenance are added, this will push this figure to a minimum of $35.5 billion to make this purely marginal weapons system the most costly in our history.

I urge my colleagues to give this report their careful attention, and at this point I insert it in the Record:

Report on the B-1 Bomber Program

(By Senator George S. McGovern and Congressman John F. Seiberling)

CONCLUSIONS

1. Strategic nuclear bombardment by aircraft now plays only a marginal role in U.S. deterrent or war-fighting posture. Bombers protect only against a massive failure or destruction of thousands of nuclear warheads which are based in hardened silos or under the oceans, and which can be delivered on target in about one-twelfth the time required for a manned aircraft to travel the same distance.

2. Both the nature and the size of the planned strategic bomber force are based on preparations for a counterforce role which is wholly implausible—the premise that bombers would be useful in striking Soviet ICBMs on the ground after a nuclear war is already underway.

3. Bombers do have utility in complicating still further the enormous defensive or counterforce problems which any adversary would have to solve to attain a first strike posture. But a force designed expressly for this purpose would be much smaller and less complex than the B-1.

4. The B-1 has only slight advantages over the later model B-52s, and almost none that are likely to be relevant to its mission. The high altitude supersonic capability has no real relevance and could actually detract

from the ability to penetrate at low altitudes. If Soviet defenses were massively upgraded, the most important countermeasures for U.S. bombers would lie in electronic countermeasures, decoys, stand-off missiles, and other technology which can be applied to the B–52 as well as to the B–1.

5. There is no time urgency for a production decision on the B–1 by late 1976. The existing force B–52Gs and Hs and FB–111s can be operational through the 1990s. In fact, the B–1 is planned as an addition to, not as a replacement of, those forces. As such, it would represent in the 1980s an unnecessary increase from the present 21 million pound payload of U.S. strategic bombers to nearly 52 million pounds.

6. Because of costs and risks, manned strategic bombers can have no sustained role in conventional wars except against targets—such as those in South Vietnam—which are almost entirely undefended. The U.S. lost 15 B–52s to Soviet SA–2s in 11 days of bombing North Vietnam in 1972. 90 days of bombing at the same loss rate would have wiped out the entire B–52 force assigned to Southeast Asia. If B–1s, which are vulnerable to SA–3s, had been used, the loss of 15 would have represented nearly $1 billion worth of airplanes shot down—by missiles costing about $50,000 apiece.

7. Between 1970 and 1974 the cost of the B–1 program has gone from $9.4 billion to $15 billion—an overrun of $5.6 billion, before the first prototype has even flown. The projected cost of each aircraft has doubled. And the $15 billion figure excludes such added costs as a new tanker, armaments, decoy missiles, and operation and maintenance, which will push the total up to a minimum of $35.5 billion and possibly up to $70 billion if costs continue to rise proportionately. And as costs have been going up, performance characteristics have been going down.

8. The last complete cost-effectiveness study of the B–1 was made in 1966. Rising costs and declining performance make the results of those earlier studies almost meaningless.

9. With the B–58 in mothballs, the B–70 in a museum, and the B–1 in trouble, the history of strategic bomber development programs gives scant reason for confidence in the ability of the Air Force to evaluate independently the various strategic bomber options.

10. In the current economic context, the B–1 program makes inflationary pressures still more severe and, because it is intensive in costly materials and technology, it is an extremely inefficient method of providing jobs. The B–1 now employs 25,650 people directly; the fiscal 1975 B–1 request, if devoted exclusively to payroll, could produce 50,000 jobs at $10,000 a year. Almost any kind of public investment would create more jobs for the same money. For long term job stability, B–1 workers would be better served through conversion programs which could shift skills and facilities now devoted to the B–1 to such civilian needs as transportation.

RECOMMENDATIONS

I. The B–1 development program should be scaled down and rescheduled to a timetable which would set the production decision no sooner than 1980.

II. Programs should be developed to assist in the conversion to such priorities as public transportation, housing, and new energy sources, of workers and facilities who would be displaced by a decision to reschedule the B–1 program.

III. A new and comprehensive cost-effectiveness study of various strategic bomber options should be undertaken immediately, under the following conditions:

A. As recommended by the General Accounting Office, assumptions and methodology should be reviewed in advance by the Armed Services and Appropriations Committees of both the House and the Senate.

B. The study should include not only a comparison of various options, but an assessment of the strategic practicality and plausibility of the nuclear mission profiles planned for strategic bombers in the 1980s and beyond.

C. To assure an independent assessment, personnel who have worked for the Department of Defense or on military contracts in private industry in the prior three years should make up no more than one-half of the expert manpower employed on the cost-effectiveness study. The special capabilities lodged in the Office of Technology Assessment should be given consideration in preparing the study.

D. The study should include cost-effectiveness comparisons for:

a. The B–1 bomber,

b. A redesigned version of the B–1 bomber with the supersonic capability excluded,

c. The existing B–52G and H/FB–111 combination,

d. The FB–111G,

e. The B52–I,

f. Various designs of a strategic aircraft/missile combination designed exclusively for launching missiles from beyond the reach of the adversary's defensive systems, and

g. The option of excluding manned strategic aircraft entirely, and relying on improvements in SLBM and ICBM systems as necessary as insurance against failure or degradation of those systems.

SECTION I—INTRODUCTION TO THE B–1

(A) CHARACTERISTICS

The B–1 is a proposed new intercontinental strategic bomber designed to be phased into the U.S. Air Force in the early 1980's, to replace a portion of the existing force of B–52's as they are retired.

With a length of 143.3 feet and a gross weight slightly under 400,000 pounds, the B–1 is comparable in size to the Boeing 707 commercial aircraft—relatively small for an intercontinental strategic bomber. Yet it is designed to carry a maximum payload of 75,000 pounds internally, plus another 40,000 pounds externally, for a total approaching two and one-half times the payload of the B–52. However, because of payload for fuel tradeoffs, the B–1 is not expected to carry substantially more than the B–52 on typical missions—10 to 12 nuclear weapons.

In addition to gravity bombs, the B–1 will be designed to carry nuclear-tipped standoff missiles (SRAM) with a range of 70 to 100 miles, so it can attack from outside terminal defenses. The Air Force is studying whether it should also carry armed decoy missiles such as the subsonic cruise armed decoy (SCAD). But that system, designed for the B–52, would require major modifications if it were to be included in the B–1 arsenal.

The new bomber will have a variable geometry, or swing wing design, so the wings can be swept back for supersonic flight at high altitudes and swept forward for takeoff and landing and for flying at reduced speeds at low altitudes. It will be manned by a crew of four, and will have an unrefueled range of approximately 6,000 miles, boosted to 10,000 miles with one refueling.

The Air Force claims two major advantages for the B–1 over the B–52. First, it will have a better survivability before and during launch. It will be a "harder target" on the ground, which means that an explosion would have to strike closer in order to destroy it prior to takeoff. It will also take off much more rapidly—in as little as four minutes according to ambitious estimates, compared to roughly fifteen minutes for B–52's on ground alert. It will be able to take off from shorter and narrower runways, permitting wider dispersal on bases in the United States. It will be painted white to reflect thermal energy from nuclear blasts.

Second, the B–1 is expected to have an improved ability to penetrate Soviet defenses. It will have a smaller radar cross-section and infra-red signature, which will make detection more difficult. At low altitudes, between 200 and 1,000 feet off the surface, it will travel at slightly higher speeds than the B–52, although still less than the speed of sound. Aside from SCAD, it will carry the full range of penetration aids, including electronic countermeasures which are now being incorporated into the later series B–52's.

(B) DEVELOPMENT HISTORY

The concept of a new manned bomber has been under active consideration since well before the last of 744 B–52's rolled off the production lines in 1961. In that year recommendations were received for a Subsonic Low Altitude Bomber (SLAB), followed by the Extended Range Strike Aircraft (ERSA), the Low Altitude Manned Penetrator (LAMP), the Advanced Manned Precision Strike System (AMPSS), and the Advanced Manned Strategic Aircraft (AMSA) in 1962 through 1965.

With the advent of high speed, high altitude surface to air missiles, these studies generally recognized low-level flight to avoid radar detection as the one feasible method of penetrating hostile airspace. The major exception was a costly failure. The XB–70 "Valkyrie" was terminated in 1966 after two flying prototypes had been built and $1.4 billion had been spent. The B–70 was designed for high altitude supersonic penetration. And the essential lesson was that aircraft flying even at twice the speed of sound or more cannot outrun SAM's flying at up to 11,000 knots.

By the same token, the most advanced bomber in the present force, the FB–111, was designed and built to penertate at low altitudes. The FB–111 is the bomber version of the TFX built by General Dynamics, and it is the one aircraft in that multipurpose program that is fully operational. It is swing wing aircraft which flies at 2.2 times the speed of sound at high altitudes and slightly over the speed of sound at sea level. It entered the Strategic Air Command inventory in October of 1969, but because its range and payload are limited (the range is 3,300 nautical miles without refueling; that can be extended with external tanks, but at the expense of payload), the Air Force does not regard the FB–111 as the answer to strategic bomber requirement.

The B–1 itself is the outgrowth of the AMSA studies of the mid-1960's, and it, too, is designed for low altitude penetration. Like the FB–111, however, it also incorporates the high altitude, supersonic features of the B–70. Originally it was expected to be supersonic at low altitudes as well, but that feature was deemed infeasible and excessively costly before the advanced research and development program was underway.

The development program for the B–1 was approved in June of 1970. It has proceeded on the basis of three flying prototypes and 27 test engines, with the first flight originally scheduled for April of 1974 and the production decision for July of 1975. The prime research and development contract was awarded to Rockwell International (formerly North American Rockwell). General Electric is building the engines, and Boeing is designing the integration system for the avionics. Smaller but nonetheless sizeable B–1 subcontracts are held by nearly 70 divisions of these companies or separate companies in seventeen states.

As recently modified, the total research and development program for the B–1 will cost $3.5 billion in "then year" dollars. Counting earlier ASMA studies, roughly $1.6 billion in current dollars had been approved through fiscal 1974.

By mid-1973 the B–1 development program had encountered serious schedule slippages and management problems. In August of that year, in response to congressional concern, Secretary of the Air Force John McLucas appointed a task force headed by Dr. Raymond Bisplinghoff, Deputy Director of the National Science Foundation, to review the program. Based on the task force's conclusions, the B–1 development effort now includes a "pre-production" phase involving funding a fourth and possibly a fifth aircraft out of development funds and postponing the production decision until November of 1976. The task force also projected increased costs and possible deviations from performance standards, based primarily on an increase in the B–1's gross takeoff weight from 360,000 pounds to 395,000 pounds.

(C) FORCE LEVELS

If the B–1 is produced, it would enter the force in the early 1980's, replacing initially the 80 B–53D's which are now being modified to extend their operational life into that period. These are the oldest B–52's presently in service.

While the general impression may be to the contrary, the B–1 would not initially replace the latest model B–52's, the G and H models, which are presently organized into 17 squadrons with 255 assigned aircraft, nor will it replace the four squadrons of FB–111 bombers with 66 assigned aircraft. Both can remain operational at least through the 1980's.

Hence, based on the projected buy of 244 B–1's organized into 14 squadrons, the B–1 is an additive rather than a follow-on and represents a dramatic increase in the payload of the U.S. strategic bomber force. The following table compares maximum payloads for the existing force with those of the force of the mid-1980's.

STRATEGIC BOMBER PAYLOAD

Aircraft	Payload per aircraft (internal/external)	Total payload
397 [1] B-52D, F, G, H	31,000/20,000 lbs	20,247,000
66 FB-111	4,400/4,200 lbs	567,600
1974		20,814,600
255 B-52G, H	31,000/20,000 lbs	13,005,000
66 FB-111	4,400/4,200 lbs	567,600
244 B-1	75,000/40,000 lbs	38,060,000
1984		51,632,600

[1] 120 B-52D's and 22 B-52F's are included even though these aircraft have been operational almost entirely in conventional roles or in training They are not capable of low altitude penetration, and their nuclear role would be limited to targets other than the Soviet Union. The payload of present strategic aircraft oriented toward the Soviet Union is about 13,500,000 pounds

The table demonstrates that under current plans, with the B–1 entering the force well before the B–52G's and H's and the FB–111's are phased out, the B–1 represents far more than a replacement of existing capability. It would increase the overall maximum payload capacity of U.S. strategic bomber forces by two and one-half times, from about 21 million to nearly 52 million pounds of bombs.

SECTION II—NUCLEAR STRATEGY

(A) *Forces for deterrence*

It is impossible to make a valid assessment of the strategic bomber program without considering the country's overall strategic posture. Bombers share a purpose with other offensive systems—sea-launched and intercontinental ballistic missiles. And the need and the timing of massive expenditures on a new strategic aircraft obviously depends on the reliability of those other systems in meeting the overall objective of deterring nuclear war.

It is also important to note that for all practical purposes the exclusive function of nuclear weapons and delivery systems is deterrence. Within the constraints of both arms control agreements and technology, it is impossible for either the United States or the Soviet Union to prevent their own destruction if nuclear war does occur. A small proportion of the weapons already in the Soviet arsenal could wipe out most of American population and industry within a matter of minutes, and the reverse is also true. A full scale nuclear exchange would render both countries and much of the rest of the world uninhabitable.

Hence, the mission of U.S. nuclear forces is not so much to fight a nuclear war as to prevent one. And prevention means demonstrating to any potential attacker that we could—and would—absorb a first strike and deliver a society-destroying blow in return. It is a matter of convincing the leaders of the Soviet Union, in particular, that they can never hope to win or even gain the slightest advantage through a nuclear strike against the United States or its allies.

Since deterrence is as much a mental as a physical process, it is impossible to calculate with any degree of precision the size and nature of the nuclear force necessary to accomplish the mission. Just twenty-six warheads could, for example, strike every city in the United States with 500,000 or more people. Some 160 individual missiles could strike every community of 50,000 or more. It is hard to imagine a provocation which would cause a rational American President to accept damage of that kind, and it is similarly hard to imagine a Soviet leader accepting the assured destruction of that country's ten, twenty, or 100 largest cities.

But there is one practical measurement of how much is enough, and that is the number of targets big enough to be worth attacking. Once the adversary's major center of population and industry have been accounted for, it probably does not add much, if anything, to deterrence to be able to strike rural communities or agricultural regions. In the case of the Soviet Union, some 34 percent of the population and 62 percent of the industrial capacity is concentrated in 200 cities, all of which could be destroyed by a slightly larger number of weapons equivalent to a one megaton blast. Doubling the number of warheads would destroy only another six percent of the Soviet population and another ten percent of industrial capacity.

But a Soviet leader who would not be deterred by our ability to destroy more than a third of his population and two thirds of his industry would probably not be much impressed by the incremental ability to destroy a few percentage points more. Therefore, 300 to 400 missiles or bombs or their equivalent would seem to provide all that it is possible to accomplish in fulfilling the strategy of deterrence. Beyond that figure additional warheads must be counted as redundant or as insurance. In all likelihood even fewer would suffice.

On this basis it is clear that both the United States and the Soviet Union have built massive overkill into their nuclear forces. In mid-1974, the United States operational force will include 7,940 force loadings—bombs and separately targetable missile warheads. Through the continuing deployment of multiple independently-targetable re-entry vehicles (MIRV's) on both land and sea based missiles, we are building toward a total of 10,000 force loadings by 1976. The Soviet Union will have 2,600 force loadings in mid-1974, and they have also begun testing MIRV's. The following table compares existing forces for both sides.

UNITED STATES AND U.S.S.R. STRATEGIC FORCE LEVELS
(MID-1974)

ICBM launchers	United States	U.S.S.R
ICBM launchers	1,054	1,575
SLBM launchers	656	660
Intercontinental bombers	496	140
Total force loading [1]	7,940	2,600

[1] The force loadings total includes independently-targetable warheads and bombs; as opposed to the number of launchers, it is a measure of how many separate targets the force can strike.

(B) *Assured destruction, the Triad, and SALT*

But deterrence requires more than numbers. The potential adversary must also be convinced that the warheads could actually be delivered on target—that adequate numbers could survive a surprise first strike, and that the warheads would penetrate defenses and inflict unacceptable damage.

To make this guarantee the United States has not only considerable numerical overkill, but three different delivery systems—1054 intercontinental ballistic missile launchers, 656 sea-launched ballistic missiles, and 496 intercontinental bombers (comparable figures for the Soviet Union are 1575 ICBM's, 660 SLBM's, and 140 bombers). Each of the three systems—each leg of the "triad"—has more warheads than there are major Soviet targets. Each creates its own challenge to counterforce or defensive technology. ("Counterforce" means generally destroying a weapon before it can be launched or fired—hitting ICBM's in their silos, for example, or destroying bombers on the ground. Defensive systems are those, such as surface to air missiles or ABM's, designed to intercept weapons on their way to target.) Therefore, each leg of the triad insures against any failure or degradation of the other two.

While it was limited in scope, the 1972 Strategic Arms Limitation Agreement with the Soviet Union marked an important step in determining how much of this insurance will be necessary in the future. Whether or not the concern has been justified by the state of ABM technology, the possibility that the Soviet Union might build an antiballistic missile shield to intercept our ICBM's and SLBM's has been a major rationale for additions to the U.S. nuclear force. Our own development and deployment of MIRV's was, for example, justified primarily by the system's ability to overwhelm ABM defenses. And the threat of a Soviet ABM has also been used to strengthen the case for a new bomber. While SLBM's have a somewhat flatter trajectory and would thus be more difficult to intercept, both they and ICBM's involve warheads following ballistic trajectories into the atmosphere; similar ABM technology would apply against both. A low-flying aircraft armed with gravity bombs and short-range missiles creates an entirely different set of problems for the defense.

But through the SALT I agreement, both the United States and the Soviet Union have foresworn active ABM defenses. Both have agreed, in essence, to remain vulnerable at least to ballistic missiles which cannot be countered prior to launch. And if the threat of a Soviet ABM made the unique flight characteristics of bombers more urgent, the SALT I agreement makes them much less so.

(c) *The precise bomber role*

It is undisputed that with the development first of intercontinental ballistic missiles in the 1950's and then of sea-launched ballistic missiles in the 1960's, the long-range bomber has been displaced as the leading edge of the U.S. nuclear arsenal. It is, in fact, the least equal of the three legs of the triad, if for but one reason: while even an advanced aircraft such as the B-1 would take four hours to fly 6,000 miles, at supersonic speeds all the way, ICBM's and SLBM's have flight times of 30 minutes or less. If nuclear war did occur, there could be eight successive nuclear missile salvos—four on each side and each answering the one before—before the B-1 could be in a position to do any damage. The war would be over before it could get into the action.

The position of the strategic aircraft has been further eroded by comparative costs. Delivery of nuclear warheads by ballistic missiles costs far less than their delivery by manned aircraft.

Defenders of the B-1 program have attempted to sustain a primary nuclear war mission for bombers with the contention that it would have an important counterforce role. The thesis is that in initiating nuclear war the Soviet Union may fire some of its missiles at military targets—including ICBM and SLBM launchers—and that others would be held back for a possible later attack against American population and industrial centers. American bombers, it is argued, would be uniquely capable of flying over the Soviet Union before the attack on population comes, to spot and strike ICBM's which have not yet been fired. This scenario is central to the case for bombers, and even more so to the case for a bomber force of the size contemplated. It means that payload requirements are set not according to the number of soft population and industrial targets we need to cover for deterrence, but the number of hardened military targets—ICBM silos—to be covered for damage limitation.

But for several reasons, the counterforce scenario is wholly unrealistic. While flying at altitudes of under 1,000 feet to escape detection, and at high subsonic speeds, the crews would simply not be able to see enough to distinguish between loaded and empty missile silos. Further, if the Soviet Union did adopt such a scenario, they would likely fire their most accurate missiles—their ICBM's—in the first round against hardened military targets, and hold back SLBM's which, because they are less accurate, are better suited for striking population and industry. The B-1 would not be useful against SLBM's. Finally, and most decisive, there is hardly any reason to believe that Soviet commanders—knowing that the B-1's were on their way to attack retained ICBM's—would continue to retain them for the necessary four to six hours. Indeed, any professed capability to degrade their weapons in less than total war is probably the best way to guarantee that nuclear war, if it comes, will in fact be total.

It seems clear, therefore, that aside from political steps such as placing them on airborne alert as shows of force, the mission of manned aircraft in the nuclear context is secondary. They are maintained to complicate enemy defensive problems, and to discourage defensive efforts against missiles because the costs of defending against all systems would be too high. And they would be counted upon to deter attack—to be in a position to actually strike Soviet targets—only in the exceedingly unlikely event that the adversary discovered a way to (a) destroy all or nearly all ICBM's and SLBM's simultaneously before they could be launched, or (b) intercept thousands of incoming ballistic missile warheads from both ICBM's and submarines.

The latter would, of course, involve a violation of the Strategic Arms Limitation Agreement, and even then the better—and less expensive—response might be to simply add more ballistic missiles to overwhelm interceptors. The former—prelaunch destruction of both ICBM's and SLBM's—would involve solving enormous and seemingly insoluble problems of coordination, of tracking and attacking 41 nearly silent submarines hidden in a minimum of three million square miles of ocean, and of hitting more than 1,000 hardened missile silos with pinpoint accuracy. Even then the Soviet Union could never be sure that we would not adopt a "launch on warning" strategy, under which our missiles would be fired as soon as theirs were sighted.

All of this does not lead to a hard conclusion that bombers do not have an important role to play in U.S. nuclear strategy. Their presence can and does insure against the unknown—against, for example, any breakthrough in antiballistic missile or counterforce technology, possibly in the laser field, which could disarm ICBM's and SLBM's. In one sense they help to insure compliance with the SALT I agreement on ABM's, by nullifying the strategic worth to the Soviet Union of any violation. For what it's worth, they can be launched and recalled in times of crisis, such as the 1973 crisis in the Middle East, in order to actively demonstrate national will.

Perhaps the most significant contribution of the manned bomber lies in its protection of ICBM forces against a counterforce attack. In effect, it is physically impossible for any adversary to attack both bombers and missiles on the ground at the same time.

Our ICBM's cannot be attacked by Soviet submarine launched missiles because those forces are not accurate enough to score direct hits on hardened missile silos. However, bombers on the ground are much softer targets, and Soviet SLBM's could, in theory, destroy them there in a surprise attack, if they were fired from close enough to the U.S. coast and on sufficiently flat trajectories to avoid detection before it was too late to scramble the bomber force. That is why U.S. bombers are stationed inland, and why the faster launch time and satellite basing planned for the B-1 are deemed useful.

So if the Soviet Union found a way to neutralize our nuclear-armed submarines and wanted to launch a first strike, they would have to strike U.S. ICBM's with their own ICBM's and U.S. bombers with their SLBM's. But there is no way to coordinate such an attack. Once fired, their ICBM's would be detected about 20 minutes before striking their targets—ample time to put the bombers in the air. If, on the other hand, they struck our bombers first, the nuclear detonations on SAC bases would give us enough assured notice that a nuclear war was underway to warrant launching our ICBM's.

In effect, through this "box phenomenon" we know that under any first strike strategy the other side would adopt, the prelaunch survival of either our strategic bombers or our ICBM's would be fairly well assured. The bomber gives us the assurance that our ICBM's will be available without any need to place them in a destablizing and dangerous launch on warning posture. In the absence of Soviet ABM's and a Soviet ability to track and attack submarines, the concept of a Soviet first strike is beyond the realm of possibility anyway, unless a suicidal madman were in charge. But the presence of bombers does serve to solidify the impossibility.

So the strategic bomber is not completely without utility in today's nuclear context. In an age of overkill capacity on both land based and sea based missiles, any reliance on bombers to play a primary deterrent or nuclear war fighting role is exceedingly remote. But given the options presented to the Congress, that fact bears less on whether bombers should be retained than on whether and when enormous sums should be invested to expand and upgrade bomber forces.

(*D*) *The bomber operating environment*

Both proponents and opponents of a new U.S. intercontinental bomber have cited Soviet bomber programs in support of their respective positions. Opponents of the B-1 have noted that the Soviet Union has a small and aging intercontinental bomber fleet made up of 100 turboprop Bear aircraft and 45 jet powered Bisons, both of which are older and substantially less advanced than our B-52's. Proponents of the B-1 point to the Soviet development of a newer bomber, designated Backfire, which is expected to have swing wings and a supersonic capability. However, despite regular annual assertions that the Backfire was nearly operational, it is still not deployed. And in any case the Backfire would require two refuelings to attack the United States. It is far more likely directed elsewhere.

Attempts to relate U.S. bomber programs to Soviet bomber programs are nothing new. Indeed, there is some evidence that the original production of B-52's was increased by half because U.S. analysts in 1955 miscounted the number of bombers in the Soviet fleet, when the bombers were being flown in circles as a defensive tactic. Like the "missile gap" of the 1960's, there were alarms sounded about a "bomber gap" in a decade before.

But whether they help to either make or break the case for a new U.S. bomber, such comparisons are largely irrelevant. We do not send our bombers into battle against their bombers; we send our bombers against their bomber defenses. And the critical question is whether a substantial proportion of the U.S. intercontinental bomber force would be able to survive a counterforce attack, overcome defenses, and actually deliver warheads on target.

As of mid-1974 the Soviet Union had approximately 2,600 fighter-interceptor aircraft of varying capabilities, down from 2,800 the year before. They have also retained a relatively constant force of about 9,800 surface to air missiles, although in that case in particular the numbers are deceptive. During the brief period after World War II when the United States enjoyed a nuclear monopoly, the Soviet Union had an overwhelming incentive to build defenses, concentrating on the one method of delivering nuclear weapons—high flying bombers—which then existed. The great majority of the Soviet SAM's inspired during that period and in the force today would have no capability against modern strategic aircraft and tactics.

As noted previously, the key to penetrating these defenses is to fly at low altitudes to escape detection, A strategic bomber cannot outfly a SAM or air to air missiles, nor can it outmaneuver a fighter-interceptor built for high maneuverability and high speed over short distances. But all of those defenses are nullified if the attacking bomber cannot be detected. And ground-based radars such as those in the Soviet Union, while they can detect high-flying aircraft from hundreds of miles away, cannot spot low altitude bombers unless or until they come within 25 to 35 miles of the station.

And interception between the time of detection and the time over target is still an extremely difficult matter, even after the planes are spotted. Only about 40 percent of today's Soviet fighter-interceptors are modern versions, and even they could not separate the bomber from radar ground echoes; they would have to get below and behind the bomber to lock on. Under such conditions their range would be sharply limited and their maneuverability would be greatly reduced because of the denser air and reduced room at low altitudes. Meanwhile, the 1,200 to 1,500 Soviet SAM's which have some low altitude capability, principally SA-3's, are also subject to range limitations because they depend on ground radars to identify targets. Even at subsonic speeds, a low flying bomber would pass through the effective range of these missiles within about three minutes, which is probably far too little time for launch.

Further, both manned and missile interceptors can be countered by a series of measures, ranging from course variations to chaff and highly sophisticated electronic countermeasures (ECM) that would jam enemy radar. Standoff missiles such as the short range attack missile (SRAM) and Hound Dog can also be used to blind the defense by knocking out radars. The Quail decoy presently in the U.S. force is equipped to look like the B–52 to Soviet radars, and another program now in development, the subsonic cruise armed decoy (SCAD), would combine the same features with a longer range and a small nuclear warhead.

In sum, the Air Force today has justifiably high confidence that our bombers can penetrate Soviet air defenses.

Those defenses could, of course, be strengthened over a period of several years, if the Soviet Union chose to apply a great deal of money and time to the project. Specifically, we know from U.S. developments that an over-the-horizon radar can be constructed, and the U.S. is developing an airborne warning and control system which, according to the Air Force, would be capable of spotting our own B–1 flying at low altitudes. In combination with these systems, it is theoretically possible to construct an effective "look down—shoot down" capability using advanced interceptor aircraft and air to air missiles.

However, there is no indication that the Soviet Union is working on such a capability. Given their agreement in SALT I to remain vulnerable to U.S. ballistic missiles, it seems highly improbable that they would undertake a massive and costly effort to defend against U.S. bombers. And even if they did, countermeasures already in force or in the development stage would probably still assure a sizeable number of bombers would get through.

SECTION III—CONVENTIONAL ROLES

(*A*) *Prior experience*

The one obvious attribute strategic bombers have that missiles do not is the fact that they can be employed in conventional wars. At least publicly, no one has suggested replacing nuclear warheads on ICBM's or SLBM's with conventional bombs and launching them against, say, insurgents operating in Cambodia or in the Philippines. For one thing, it would be outlandishly expensive. But B–52's armed with conventional bombs were used throughout the Vietnam conflict, and they inflicted massive damage. Hundreds of conventional bombs were used to literally demolish target boxes the size of several football fields. In their one planned penetration of North Vietnamese airspace in late 1972, "Operation Linebacker," B–52's flew some 730 sorties and were credited with knocking out four-fifths of North Vietnam's electric power capacity and one-fourth of its petroleum supplies in a space of just eleven days.

The strategic bomber is unquestionably a formidable conventional weapon. But the discussion cannot end there. With specific reference to the B–1, the real question is, if the B–1 program cannot stand on its primary nuclear mission, is its incremental value in possible non-nuclear conflicts sufficient to warrant its enormous costs?

First, it must be noted that since World War II the United States has only once used heavy strategic bombers over defended targets in a conventional war. In Korea, the high altitude tactical bombing environment was so hostile due to Soviet-manufactured anti-aircraft weapons and MIG fighters that neither our first-line strategic bomber of that era, the B–47, nor its predecessor, the B–36, were used. The aging B–50 was employed, but it was restricted to night missions because daylight losses became prohibitive. Throughout Vietnam, up until "Operation Linebacker," B–52 missions were restricted to undefended areas in South Vietnam, in this case because North Vietnam was defended with Soviet SA–2 surface to air missiles. And when B–52's were finally ordered north, 15 were shot down and many more were disabled in only 11 days of bombing.

(*B*) *Economics and risks*

The experience of "Operation Linebacker" does not suggest that strategic bombers cannot perform their nuclear mission. The SA–2 is by no means a primitive missile; on the contrary, it is most effective against high flying aircraft, and the B–52's attacking North Vietnam were coming in at high altitudes, using few or none of the countermeasures which would be employed in nuclear war. Further, although 15 bombers were shot down, the loss rate was only about three percent. In a nuclear war there would be just one mission, not repeated sorties in which our aircraft would be repeatedly exposed to attack. Considering the incredible destructive power in every aircraft, a 97 percent penetration rate in a nuclear war would be very high indeed.

But the experience does suggest that if for economic reasons alone, it makes little sense to rely in conventional wars upon bombers that are designed for long range nuclear missions. Because they are built for long range, high payload operations, they will inevitably be less maneuverable and more vulnerable than their contemporaries in the fighter bomber class. So if the B–1 will be highly capable compared to today's strategic bombers, it will nonetheless be cumbersome compared to even today's fighters and fighter bombers, let alone more advanced tactical aircraft that will be in the force in the same time frame as the B–1.

Further, in conventional war, the prudent strategy is to increase the number of aircraft the defense must intercept, not to concentrate more and more offensive power in a single extremely expensive aircraft which can be knocked out by a single surface to air missile. The wise strategist wants to increase the number of targets, not cut them down.

The economic and vulnerability arguments can both be best made through some comparison.

Had B–52's flown continuously over North Vietnam at the same loss rate experienced in "Operation Linebacker," we would have lost the entire B–52 force assigned to Southeast Asia in about 90 days time.

Alternatively, had 15 B–1's been shot down over North Vietnam, we would have lost nearly $1 billion worth of airplanes in eleven days.

A SA–2 Guideline missile site such as those used in North Vietnam represents an initial investment of around $6 million, including six missiles and launchers plus the radar complex. But the launchers can be reloaded indefinitely, with missiles costing $70 to $80,000. In Vietnam those missiles were knocking out B–52's that cost $8 to $10 million apiece—more than 100 times as much.

The B–1 could have avoided the SA–2 missiles, since they are designed to intercept at high altitudes. But the low altitude SA–3 could be at least as effective against the B–1 as the SA–2 was against the B–52. And SA–3's cost less—$40 to $50,000. The current estimated B–1 cost, $61.5 million—1,230 times as much as the SA–3. Even counting site costs and assuming relatively low kill ratios, the economics come down hard on the side of the defense.

Further, by the time the B–1 is operational, it is possible to envision a small, cheap surface to air missile that could be fired by hand and still be very effective against low flying bombers.

So it is clear that when posed against probable conventional defense, and when compared to other aircraft which are being designed and built exclusively for tactical missions, the long range strategic bomber is at an overwhelming disadvantage in a conventional war environment—except in rare cases when it would be sent against undefended targets. If these strategic bombers are deemed essential to the deterrence of a nuclear war which could completely destroy America in a matter of minutes—and that, after all, is their main justification—that surely no responsible commander would suggest risking them in a conventional conflict such as Vietnam.

(*C*) *What wars?*

If B–1 advocates still base their case on its conventional utility, it is also pertinent to ask what specific conventional wars they have in mind.

As noted previously, the B–1 represents a dramatic increase, from 21 million pounds to nearly 52 million pounds, in the payload of the U.S. strategic bomber force in the 1980's. It is in the conventional war context that this figure becomes especially relevant because conventional missions are usually not intercontinental, so fuel for payload tradeoffs do not apply. To the extent that B–1's would be assigned to conventional wars, nearly all of the added payload capacity—two and one-half times that of the B–52—could be devoted to weaponry.

The magnitude of that payload capacity is indicated by the fact that flying just one mission a day, the U.S. strategic bomber force programmed for the mid-1980's could drop in just one week as many pounds of conventional bombs as we dropped on Japan throughout World War II. It would take about four months, again with just one mission a day, to drop as many pounds as we dropped in all theaters in World War II and Korea combined. Just one mission by the entire force could unload, in conventional bombs, an explosive force two and one-half times as great as the atomic bombs which destroyed Hiroshima and Nagasaki.

Combined with fixed wing tactical aircraft and helicopter gunships, the force of some 120 B–52's operating in Vietnam provided massive damage to the undefended areas over which it could be used in that country. It churned up vast areas which may never be truly restored to their original condition. Even if we are planning future Vietnam-type conflicts—and policymakers of all shades of opinion profess that we are not—there should be no need for such a vast escalation in bomber payload capacity for use against primitive targets. At the very least it is not so compelling a need as to justify the cost of the B–1.

SECTION IV—COSTS AND PRIORITIES

(*A*) *Rising costs*

Even at original cost estimates the B–1 bomber promised to be the most expensive weapons system ever built.

In mid-1970, when B–1 engineering development began, the total program cost was estimated at $9.4 billion, broken down at $2 billion for research and development and $7.4 billion for production. That was doubtless too low because inflation was not included. But it was the official estimate upon which Congress based its decision to proceed. In 1969 the Defense Department had calculated the cost for each aircraft at $25 to $30 million, and the mid-1970 estimate was on the high end of that range—at $29.2 million.

Since then costs have risen astronomically. As of April, 1974, the research and development estimate was $3.5 billion, up 75 percent over 1970, and the production figure was $11.5 billion, up 55.4 percent. Since 1970 *the total research and development and procurement figure has risen by $5.6 billion*—and that with the system still only about halfway through the research and development stage.

For the sake of rough comparison, just the $5.6 billion cost overrun to date on the B–1 would have been nearly enough to fund the entire Poseidon conversion program for 31 nuclear submarines. It is more than the total estimated program cost for the F–14A carrier-based aircraft. It would buy 560 highly sophisticated F–15 supersonic fighters—more than twice as many F–15's as the planned buy of B–1's, just for the B–1 cost overrun. It would buy 1,860 A–10A close air support aircraft, or it would buy five nuclear-powered aircraft carriers.

On a per unit basis, the B–1 costs have more than doubled since 1970. The current figure is $61.5 million. By comparison, the first U.S. nuclear bomber—the B–29 which dropped atomic bombs on Hiroshima and Nagasaki in 1945—cost about $700,000. Each B–1 will cost about 88 times as much. The latest model B–52's cost about $10 million, or less than one-sixth as much as the B–1.

But the B–1 program cost is deceptive because it does not include armaments, support, or operation and maintenance costs. Some of these will, of course, be incurred whether or not the B–1 is built, so long as the United States retains a strategic bomber fleet of any kind. But they will be substantially higher for the B–1. For example, existing KC–135 tankers could probably service the B–52 force through the 1980's and beyond; the B–1 will require a new tanker that can offload more fuel and—if they are to mean anything—that can match both the B–1's quick takeoff capabilities and hardened airframe for survival. As a supersonic aircraft, the B–1 will carry and consume a great deal more fuel than the B–52. A new tanker fleet could cost as much as $8.5 billion.

In addition, a SCAD designed for the B–52 would not work on the B–1, and a B–1 SCAD would be more difficult to build because it would have to match the smaller B–1 configuration. A new SCAD would likely cost in the range of $2 billion, over and above the cost of the B–52 model. Based on a 20 year operational life span, operations and maintenance would probably add at least another $10 billion. Although it is admittedly a rough figure, these additions, which leave out the basic armaments such as SRAM and gravity bombs and which do not account for new armaments such as the Long Range Attack Missile, nonetheless push the total system cost to $35.5 billion. And that accepts today's estimates of procurement costs, assuming no more overruns.

The likely costs can also be calculated in another way. In mid-1970 there was an attempt to arrive at a total strategic bomber systems cost by adding up the official Air Force estimates for the B–1 and all related systems and operating costs for a twenty year period. That analysis produced a total of $43.9 billion. If the other costs included in that analysis have escalated at the same rate as B–1 research and development and production costs, the comparable figure today would be close to $70 billion.

It must also be noted that there are currently some unusual conditions with respect to materials which could cause B–1 costs to soar still more. In particular, higher fuel prices have brought great inflation in the cost of producing aluminum and titanium. Each B–1 bomber contains 27,000 pounds of titanium and 54,000 pounds of aluminum, or 6.1 million pounds and 13.2 million pounds respectively for the entire fleet. It takes eight kilowatt hours to produce a pound of aluminum, and 20 kilowatt hours for a pound of titanium. These metals are both in short supply, and prices are rising rapidly due to higher energy costs.

(*B*) *Contract problems*

Rising B–1 costs have been accompanied by delays in the development process and also by declining expectations on performance.

The Air Force originally projected the initial operating capability for the B–1 at mid-1976. That was when the first production models would have entered the force. Although the program was fully funded by the Congress, that date had slipped by two full years by 1970. Now it has been put off nearly three years more, to March of 1981—almost five years later than originally projected, even though the Congress has been funding the program at the maximum levels that could be used by the contractors.

As to capabilities, it was apparent even in 1970 that capability was being traded in to keep the price down. Between 1969 and 1970 there was a cutback of 25 percent of the B–1's internal capacity for SRAM and SCAD missiles, and the low altitude supersonic capability was dropped completly. Further, the size of the avionic package had been greatly reduced, by an amount that should have produced a savings of $5 to $6 million for each aircraft. Yet even then the estimated price per aircraft was $29.2 million, at the very top of the $25 to $30 million range which was the official 1969 estimate.

The study of the B–1 begun last August and headed by Deputy Director Bisplinghoff of the National Science Foundation, while its recommendations were directed principally to the program's management, also had some significant findings on the aircraft's probable performance. The most serious potential difficulties come from a projected increase in gross takeoff weight, from the original estimate of 360,000 pounds up to at least 395,000 pounds. The weight increase in turn affects such other performance characteristics as the distances required for takeoff and landing, the range and rate of fuel consumption at various speeds and altitudes, the maximum altitude, and potential payload.

The Bisplinghoff report specifically:

"Did not attempt to comment on the acceptabilities of the reduced performance values since this judgment must rest with the Air Force."

And the Department of Defense is expressing confidence that the B–1 would be operationally effective against the full target spectrum.

This does not, however, square with the calculations supplied by Major General Douglas Nelson, the former B–1 System Program Director, to the Senate Armed Services Committee in April of 1973. He said in part:

"Based on analyses, the B–1 design has the flexibility to accept a weight increase up to the point that takeoff gross weight reaches 395,000 lbs. Beyond this point, additional fuel could not be added to offset the range degradation caused by the increased aircraft weight. We can achieve our full maximum distance of (deleted) miles of which (deleted) miles are at low altitude with a gross take off weight of 389,772 pounds."

So the gross takeoff weight of the B–1 is already projected at more than the level calculated for maximum range. It is, in fact, at the very top of the acceptable limits. Obviously there are real grounds for doubt about the ability of the B–1 to perform its mission as advertised.

Nor should the Bisplinghoff report be taken as the ultimate in critical technical analysis of the B–1 program. As noted, its scope was limited, and there is also cause for concern about its perspective. Of the 31 members of the task force besides the chairman, 25 were officials of private defense contractors such as General Dynamics, Boeing, Grumman, and McDonnell, including at least two companies which have sizeable B–1 research and development contracts. Five more were officials of the National Aeronautics and Space Administration. Only one came from the private sector—James A. McDivitt, a senior vice president of the Consumers Power Company (and Brigadier General, United States Air Force, Retired). And the primary task force recommendation in terms of management was that two more prototypes be included in the research and development part of the program, bringing the total back up to the five that the Air Force originally wanted. This does not suggest that the study was not an honest evaluation, but simply that its limitation must be recognized.

The B–1 program has also been reviewed recently by the General Accounting Office. The April 17, 1974, report of that agency noted that no comprehensive cost-effectiveness study for an advanced bomber has been made since 1966. It is clear that since that time, and since 1968 when the basic design decisions for the B–1 were made, B–1 costs have gone up sharply and B–1 effectiveness has gone significantly down. It seems likely that a current cost-effectiveness study comparing the B–1 to possible alternative designs would lead to conclusions at variance with the studies of eight years ago.

(*C*) *Time urgency*

The B–1 program as presented to the Congress is more than a plan to buy a given number of aircraft at a certain price. It is a plan to buy them over a relatively certain period of time—specifically, so they can enter the force at the beginning of the 1980's.

Survival is obviously the first of all national priorities. If it is possible to perceive a risk to national survival which (a) will be posed in that certain time frame of the 1980's, (b) could not be countered by existing nuclear forces, and (c) could be countered by the B–1, then no one would question the wisdom of going ahead with all due speed, regardless of the cost.

Complex systems such as the B–1 do have long lead times, and production decisions must be made well in advance of the time when the new system is required in the active forces.

But in the case of the B–1 program, the overriding question to be asked is whether there is any risk that the U.S. deterrent—counting not only bombers but SLBM's and ICBM's, and accounting for any improvements in those other systems scheduled in the interim—will fail or be seriously degraded by the early 1980's. And while it is not ordinarily wise to make categorical statements about defense policy, this is a case where a categorical statement can probably be made in complete confidence. There is no such risk. On the contrary, we should be able to proceed on the assurance that both bombers and missiles will be able to reach and destroy their targets through the mid-1980's and beyond.

As noted, active missile defenses are ruled out on both sides by the Strategic Arms Limitation Agreement. The United States is nonetheless already compensating for active missile defenses by deploying MIRV's. And long lead times apply to the Soviet Union as well as to the United States—any violation of the SALT agreement would necessarily be detected well in advance, giving the United States ample time to take whatever additional countermeasures might be necessary.

Where counterforce attacks on SLBM's are concerned, our Polaris/Poseidon submarines cannot be detected, let alone destroyed, and they are expected to remain invulnerable well beyond the 1980's. The U.S. is substantially ahead of the Soviet Union in anti-submarine warfare technology; according to the Trident program coordinator Read Admiral R. Y. Kaufman, testifying before the Senate Armed Services Committee in June of 1973.:

"Right now we don't think we have a big problem. The Soviet aren't a match for us in ASW. However, if you ask us what will happen in 30 years, our foresight isn't too good."

And the U.S. is nonetheless moving ahead with the Trident submarine program, including, as the first step, placing Trident missiles in existing submarines and thereby extending their area of deployment from three million to fourteen million square miles.

Neither is a counterforce attack on U.S. ICBM's a significant risk for the 1980's, the Soviet MIRV testing program notwithstanding. Assuming the Soviet MIRV's were sufficiently accurate to destroy hardened U.S. Minuteman silos, they would still have to be fired in phases in order to avoid the problem of having the blast from one warhead disarm, destroy or disrupt the flight path of the one adjacent to it. Under such an attack, the Soviets can be assured that most of our ICBM's would still get off.

More important to the prelaunch survivability of Minuteman, we can be quite certain that the "box phenomenon" described in Section II of this report will continue to be effective in protecting both our missiles and our bombers because bombers and missiles cannot both be attacked before launch and we know that existing strategic bombers will be able to penetrate in the 1980's time frame. On Soviet air defenses, Major General William Evans, assistant deputy Air Force Chief of Staff for Research and Development, supplied the following information to the Senate Armed Services Committee in 1973:

"The most likely solution to the Soviets (deleted). There is no indication that they are developing a 'look down-shoot down' capability. It is estimated, however, that they desire such a capability and could achieve it in the late 1970's . . .

"This would pose a threat to bombers penetrating at low level. However, high penetration speeds, countermeasures, and counter tactics would decrease the significance of this threat."

Read closely, this does not suggest that Soviet Union is building or even planning to build a defense capability that could intercept existing B–52 and FB–111 bombers. On the contrary, the only evidence given is speculation about Soviet desires—hardly a strong justification for a multibillion dollar military program. And it speculates a foolish Soviet desire since, having agreed to remain vulnerable to SLBM's and ICBM's, it would not make much sense for them to spend billions of rubles to defend against bombers.

Finally, it is worth noting that the bomber force the U.S. will have assigned to nuclear roles without the B–1 into and through the 1980's will be no smaller than the bomber force we have now. The 22 B–52F's are used mostly for training, and they have a limited nuclear delivery capability because they are not equipped to fly at low altitudes. The 120 B–52D's have nearly all been assigned to Southwest Asia, and their capabilities are similar to those of the B–52F. So we have been operating with 255 B–52G's and H's and 66 FB–111's—all of which can be operational through the 1980's—without sending any fundamental weakness in our overall deterrent.

In sum, there is no real time urgency for having a new bomber in the force early in the 1980's. On the contrary, the outlook underscores one very significant benefit of the "triad" which is too often neglected. By supplying the assurance that the entire deterrent will not fail if one or even two legs are temporarily degraded, it should be seen allowing a more deliberate approach to the development of new nuclear weaponry—an opportunity to wait somewhat longer, and to see more, on the developing threat, and to fully evaluate all possible alternatives for meeting it. In light of the rising costs and doubtful performance of the B–1, it is a case where a moderate approach of that kind is obviously warranted.

(D) *Economic context*

If the B–1 is not a time urgent project, then it is fair to place it in an economic context and to compare it with other public needs which are competing for finite national resources during the proposed development period. The Congress and the American people may not want to explore all of the technical details of a complex and controversial military program. But they certainly can make judgments about what they want government to accomplish, and on whether they want the B–1 more than other results the same money could buy.

One primary alternative to the B–1 would be to lessen, rather than worsen, the highest and most persistent peacetime inflation in American history.

Military procurement spending is inherently inflationary in times of chronic deficits because it creates demand in the marketplace without creating any offsetting supply. For an admittedly oversimplified example, if a worker makes $200 a week building refrigerators, his salary amounts to $200 more in demand in the economy each week. But the economy gets around $200 worth of refrigerators as well, to make up for the added buying power. The salary of a worker on the B–1 contract also creates more demand, but the product obviously does not go on the public market. So the B–1 worker's salary simply bids up the price of the other consumer goods—like refrigerators—that can be bought and sold in the marketplace.

Since much of the current inflation is a consequence of rising energy prices, the B–1 adds to inflation in another way. It uses specialized materials—titanium, magnesium, aluminum, and others—which take vast amounts of energy to produce. So it contributes in particular to the energy shortage and to rising prices for fuels.

Hence, one option would be to minimize the B–1 program and reduce the deficit. The overall impact on the economy would not be great, but it would at least be in the right direction—toward less inflation rather than more.

With reference again to the energy crisis, the Administration has recommended a five year, $10 billion program to develop new sources of energy and to achieve independence from foreign fuel supplies by 1980. Savings from the B–1 program alone in the same period could pay for that energy program. Or they could be used to double it.

Gasoline shortages have focused new attention on mass transit and rail transportation as energy-efficient methods of moving both people and goods. But large public investments are required The annual savings brought by a decision to forego production of the B–1 would, under the likely production schedule, be enough to make up the entire $2 billion yearly investment deficit of the nation's railroads. The $61.5 million cost of each B–1 bomber could buy 2,460 boxcars—or 1,662 modern air-conditioned buses. The fiscal 1975 B–1 request of $499 million could pay for 1,660 mass transit rail cars, enough to supply about four medium-sized cities. Or part of it could be used to free the $375 million for urban transit that has been impounded. Over time, all of these investments would help to conserve fuels, rather than increase fuel consumption. They would help stem rather than stimulate inflationary pressures.

The question is whether national needs such as these are as compelling and as time urgent as the need to have the B–1 bomber operating in the early 1980's.

Inflation is not the only economic concern. In recent years we have had the unique experience of suffering record inflation and rising unemployment at the same time. And the B–1 project does provide jobs. Some jobs would be lost if the program were ended or curtailed.

Of course the job impact of a decision to reduce the program now would be far less than it would be if the program were cut once the contractor and subcontractors had geared up for full production. By that time many more workers will have become dependent on the B–1, and the economic pressures to continue will be that much greater.

But beyond that, military procurement, particularly on sophisticated programs such as the B–1, is a very inefficient method of providing employment. Compared to other kinds of enterprise, a greater proportion of the military procurement investment goes for such items as costly materials and fuels, and less goes directly for payroll. Using the prime contractor's own estimates, for example, the B–1 research and development program is employing 25,650 people directly. But if the funds requested for the B–1 in fiscal 1975 were invested entirely in payroll it could produce 50,000 jobs at an average annual salary of $10,000 a year—nearly twice as many. Or it could create more than 100,000 public service jobs at the minimum wage. Any kind of more job-intensive public investment—including housing, transit construction, and others—would produce some net increase in employment for the same amount of money.

Any threat to the workers who have already grown dependent on the B–1 contract should be taken as a matter of concern to the national policymakers who created the dependence. To the maximum extent possible, any decision to reduce the program should be accompanied by steps to counteract the adverse local economic impact and the loss of jobs. In this context it is significant that three of the States most heavily dependent on the B–1 program—California, Washington and Ohio—all have urgent needs in the public transit field. It is possible that both workers and facilities now devoted to the B–1 could be productively employed to help meet those pressing requirements in a civilian sector. Over the long term this is a far more promising course for workers who are now or may become dependent on the B–1 contract only to have it canceled because it is deemed not worth the enormous investment.

In summary, considering its impact on inflation and on the employment outlook, the B–1 compares poorly with alternative high priority uses of the same funds.

SECTION V—THE B–1 AND ALTERNATIVES

(A) Strategic air options

Various alternative approaches to the manned strategic aircraft role were considered in the course of arriving at the basic B–1 design. However, a number of additional options have surfaced since the B–1 development decision was made in 1968. There has also been additional time to evaluate the developing threat. Further, the dramatic changes in cost and performance expectations should stimulate a reevaluation of the B–1 even in comparison to alternatives which were considered and rejected six years ago.

The following are brief descriptions of various strategic air options:

(1) No Manned Strategic Aircraft:

Clearly the lowest cost option would be to conclude that the development of advanced intercontinental and sea based missile systems has rendered the entire concept of a strategic bomber obsolete. This would involve deactivating all of the existing 27 squadrons of strategic bombers, and would save in the range of $700 to $800 million annually in operations, maintenance and personnel costs.

While this could also be the highest risk option, the rationale for such an approach has been strengthened substantially by the SALT I agreement. The strongest element of the case for retaining strategic bombers has been the fact that as compared to ballistic missiles they post on entirely different set of problems for the defense—if it were possible for the Soviet Union to design an anti-ballistic missile that would be wholly effective against both ICBM's and SLBM's, it still would not work against bombers and the U.S. deterrent would therefore still be assured. The force of this argument falls considerably if we can be assured that there will be no Soviet ABM.

Assuming compliance with the SALT I agreement, the major risk of this "diad" posture would be in the realm of counterforce—the risk that the Soviet Union could find a way to threaten the prelaunch survivability of both Polaris/Poseidon submarines and ICBM's. Bombers help assure that this could not be done.

(2) The B–52/FB–111 Combination:

Even against greatly improved Soviet defenses, the existing combination of B–52G and H models and FB–111's will remain a highly potent force through the 1980's. It is not true that these latest model B–52's represent the technology of the 1950's; in reality it would have been logical to give them a new numerical designation because they differ so sharply from the earlier members of the B–52 series. For example, their low level flight capabilities are not the result of later modifications, but were designed into the original production aircraft. Other substantial improvements have been made since. And a $3 billion program for further modernization is now underway, including the same electro-optical viewing system (EVS) that will go into the B–1, using television and infra-red sensors to allow sustained flight at an altitude of 300 feet or less. Most important, these models, based on the Air Force's average annual flight times, will not exceed the 12,000 to 13,000 range of flying hours until 1990. Their operational lifetime should extend at least that long.

The newer FB–111, meanwhile, although it is limited in range and payload, can still strike at least 75 percent of the strategic targets in the Soviet Union if it is refueled just prior to its descent to low altitude. It can fly slightly faster than the B–1. The models currently in the force can carry six SRAM missiles so the payload limitation is significant only to the extent that the FB–111 cannot fly around and hit as many separate targets as the B–1 or B–52—and it is questionable whether in a nuclear war context any strategic bomber would want to remain exposed to defenses long enough to strike more than a few targets.

In addition, far too much is made of the special penetrating characteristics of the B–1 aircraft, as opposed to the penetration aids which the B–52 can also carry. There are basically three special B–1 aircraft features—a slightly higher speed at low altitudes, a smaller radar cross-section, and a smaller infra-red signature. But if the aircraft is detected and defensive systems can be looked on, the higher speed of the B–1 will still not help it outrun a surface to air or air to air missile that can fly up to 20 times as fast, or even a manned interceptor that could fly twice as fast at low altitudes. Nor are the radar cross-section and infra-red signatures likely to be decisive improvements. It may be somewhat more difficult, but if the Soviets can build warning and control systems and a look down-shoot down capability that would operate effectively against the B–52 it would probably work just as well against the B–1. They can be made smaller, but neither the radar or infra-red signature can be made to disappear. It is admitted that our own proposed AWACS system could spot the B–1, and it is claimed, under what has now become the major rationale for that system as a means for conventional battlefield control, that it could even pick out smaller tactical aircraft or troop movements on the ground. And no technological monopoly last very long.

If the Soviet Union should greatly upgrade its air defenses, therefore, by far the most important steps to assure that we can continue to penetrate lies not in the characteristics of the airframe but in such devices as SRAM, SCAD, decoys, chaff, and other electronic countermeasures which can avoid, confuse or suppress defenses. All of those same devices can be applied to the B–52; many can also be used on the FB–111.

As to prelaunch survivability, the takeoff characteristics for the FB–111 are similar to those contemplated for the B–1, and the reaction time of B–52's and KC–135 tankers is also being improved through quick-starting devices, satellite warning and communications systems, rebasing, and alert-dedicated runways. With these changes, there should not be a significant difference between the B–1 and B–52 in terms of capability to survive an SLBM attack. In fact, the quick reaction time of the B–1 is not necessarily required for protection against SLBM's on inland bases, but would rather permit it to be based closer to the U.S. coastline.

Various mixes of weapons could be employed. But the B–52G and H and FB–111 combination could carry, for example, a total of 2,826 SRAM missiles with nuclear warheads in the medium kiloton range, plus 2,430 SCAD decoys on the B–52's—certainly an ample force for a bomber deterrent.

(3) Stretched FB–111:

The builders of the FB–111, General Dynamics, has suggested that this aircraft could be redesigned to make it a true intercontinental bomber. The proposal, the FB–111G, would have somewhat more range and payload, and it could still retain the FB–111A's speed advantages over the B–1—the limited supersonic capability at low altitudes. The contractor has estimated the cost for 210 FB–111G's at about $3 billion, or $15 million for each aircraft. The Air Force set it higher, at $17.8 million per aircraft or $3.7 billion for the program.

Despite obvious cost advantages, the Air Force has studied and rejected this option, on the principal grounds that the FB–111G would be less cost effective than the B–1 on the basis of weapons spaces, the cost per target destroyed and the cost to the adversary of countering the system. However, the validity of those ground rules is highly dependent on the extremely implausible counterforce scenario described earlier in this report, under which the role of bombers would be to attack retained ICBM's after one or more counterforce exchanges have already occurred. If the bomber is considered more realistically as insurance against failure or degradation of ICBM's or SLBM's—as a means of sustaining assured destruction against soft targets—then the total payload of the force could be much less than is contemplated for the B–1 and the comparative cost-effectiveness of the FB–111G should rise accordingly.

(4) The B–52I:

The builder of the B–52, Boeing, has come up with another alternative—fitting the B–52G's and H's with the newer and larger engine which is now used on the C–5. The aircraft would be redesignated the B–52I. The change would reduce the B–52's dependence on tanker support, shorten its takeoff time and distance, and slightly improve performance in some other respects. It would not significantly extend the lifetime of the airframe, but neither, according to Boeing's engineers, would it shorten the period over which the B–52 can be expected to perform satisfactorily. Costs for this modification have been estimated at between $2 and $3.3 billion, including the cost of the new engines. The major benefit would be greater prelaunch survivability plus—as compared to the stretched FB–111 option—retention of the much higher B–52 range and payload, including room for more penetration devices in the event that Soviet defenses are upgraded.

(5) Redesign of the B–1:

It would also be possible to make cost-saving changes in the design of the B–1, and a primary candidate for exclusion would be the feature of supersonic flight at high altitude.

Since any strategic aircraft must penetrate at low altitudes, where the B–1 is subsonic, the high altitude supersonic capability is not relevant anyway to the problem of penetrating Soviet defenses. In fact, the supersonic capability is the reason for having a swing wing on the aircraft, and that, as opposed to a fixed wing, could actually detract from stability at low altitudes, at the same time limiting the payload that can be carried externally. Further, there is some indication that an aircraft shifting from high altitude supersonic flight to low altitude subsonic would leave an infra-red afterglow that would almost guarantee its detection.

Dropping the supersonic capability would, of course, increase the time required for the aircraft to complete its mission, since it is now contemplated that a portion flown outside of the range of Soviet radars would be supersonic. But supersonic flight requires drastically more fuel, which detracts from payload. Further, when missiles can cover the distance in 30 minutes, the difference between the flight time of ten hours at high subsonic speeds and eight hours with some supersonic flight hardly seems likely to have a serious bearing on the bomber's role in nuclear war.

Eliminating the supersonic flight capability could, therefore, cut several billions of dollars from the cost of the program, without any serious reduction in the B-1's important performance characteristics.

(6) Standoff Aircraft:

Another option recommended by the authors of this report several years ago would be to forego the gravity bombing approach and initiate work on an aircraft/missile system capable of attacking targets in the interior of the Soviet Union without having to penetrate defenses.

The SRAM is a step in this direction, since it can be launched from 70 to 100 miles away from the target and eliminates the need to penetrate terminal defenses. The Hound Dog missile now operational on the B-52 has a longer range and a larger warhead than SRAM, but it is a relatively slow cruise missile which could be intercepted by advanced defenses, and it must still be launched from within Soviet airspace. The optimum concept would be a high speed ballistic missile which could be launched from outside the range of Soviet radars, thereby eliminating the need for the entire range of costly flight characteristics needed if the aircraft itself is required to penetrate.

Under the general designation M-X, the Air Force does have conceptual studies of a long range air launched missile underway, although it has not as yet been described as an alternative to a penetrating bomber. Several approaches are possible, using either the commercial Boeing 747 or Lockheed's C-5 as the launch platform and arming it with existing Minuteman missiles, a smaller missile weighing about 47,000 pounds and with a range of around 6,000 miles, or a still smaller missile designed to penetrate from just beyond the range of Soviet radars. The latter approach would mean, of course, that each aircraft could carry more effective payload because it would reduce the amount of fuel required to propel each warhead toward its target. Depending on missile development costs, such a system could probably be acquired for around $10 million, for targeting flexibility and payload similar to that of the strategic bomber fleet the Air Force now plans for the 1980's.

The need for such a system in the 1980's would depend almost entirely on whether the adversary greatly upgrades bomber defenses. If they do not, then the B-52/FB-111 combination should serve through the 1980's; if they do upgrade defenses, then the cost-effectiveness of the standoff system should compare very favorably with the B-1 or any other aircraft built to penetrate defenses. In either case, the standoff approach seems most promising for the longer range future, when the B-52's and FB-111's ultimately do have to be retired.

(B) *Weighing alternatives*

The most recent General Accounting Office review of strategic manned bomber programs concludes that there is time to undertake a thorough new cost-effectiveness study of the B-1 bomber before the currently scheduled production decision in late 1976. The Air Force has agreed. However, the Air Force rejected the agency's recommendation that the assumptions and methodology of the study be reviewed by the Armed Services and Appropriations Committees of the House and the Senate.

In fact, the assumptions and methodology will likely dictate the outcome of the study. It is possible to assume precise ranges of Soviet defenses, or to establish specific mission profiles, which would exactly fit the B-1 and no other option.

A good example is the most recent internal comparison between the B-1 and the FB-111G. It was based primarily on the target coverage required for a counterforce scenario in which the bomber would be used against Soviet ICBM's. Under those ground rules the FB-111G came off a poor second. But the opertaing assumption itself was not and has not been evaluated on a realistic basis. As this study suggests, it has little to recommend it. Yet it is a decisive factor in weighing both the nature and the size of an American strategic bomber force.

Since the B-52, we have had the B-70 in an air museum, the B-58 in mothballs, and the B-1 experiencing both unprecedented cost overruns and performance underruns. That history does not inspire great confidence in the ability of the Air Force to provide an objective analysis. At the very least it reflects an entrenched desire to have a certain aircraft—the B-1—and a disturbing tendency to shape all the studies accordingly.

The Bipslinghoff study was not an exception to this tendency, first of all because its scope was sharply limited and also because the task force was dominated by experts who should not be expected to take a contentious point of view on the program itself.

Considering both the economic and the strategic stakes involved, therefore, the approach to date does not provide a sound basis for congressional decisions. Based on costly experience, there is ample reason for Congress to insist on a role in defining the assumptions used in any further cost-effectiveness studies, and on assurances that all options are fully, and fairly, and independently considered. Otherwise the country could well spend billions of dollars for the wrong system, with resulting losses not only in funds but in the added security the right system could buy.

HEALTH HAZARDS OF OCCUPATIONAL CHEMICALS REQUIRE DRASTICALLY INCREASED GOVERNMENT RESEACH EFFORT

(Mr. OBEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OBEY. Mr. Speaker, the inadequacy of Government research efforts to determine the dangers to human health by the casual and indiscriminate use of potentially dangerous chemicals should be obvious to all of us. In my own district, a number of communities have recently found high levels of asbestos fibers in their drinking water—a result of massive dumping of taconite tailings into Lake Superior by Reserve Mining Co.

Asbestos is already known to cause cancer when inhaled into the lungs and studies are now being conducted to determine whether it causes cancer when ingested.

This past weekend, the New York Academy of Science held an International Conference in New York City on a new tragedy rising from our ignorance of the affect on human health of another chemical, vinyl chloride. This is the second meeting on this subject which a member of my staff has attended since it was revealed in January that vinyl chloride, a gas from which polyvinyl chloride and, in turn, most plastic is made, is a highly toxic substance, causing a fatal form of liver cancer among vinyl chloride workers.

Papers read at the New York conference—which was attended by scientists from eight countries as well as representatives of business, labor, and government—indicated that in addition to causing the fatal liver cancer angiosarcoma, vinyl chloride has caused workers to suffer from enlarged livers and spleens, deliterious blood changes, skin eruptions, pathology of the bones of the fingers, restricted blood circulation and lung function and even sexual impotence that disappeared when workers left the vinyl chloride plant.

The most significant revelation at the conference, however, was that at least six workers at a German plant which manufactures floor tile from polyvinyl chloride are suffering from a liver disorder which may be a precursor of the cancer. This could mean that not only are the more than 6,500 workers directly involved in the manufacturing of vinyl chloride into polyvinyl chloride in the United States subject to the cancer, but also the nearly three-fourths of a million American workers who manufacture polyvinyl chloride into various plastic products ranging from phonograph records to baby bottles.

Dr. Irving Selikoff, a leading researcher in the field of occupational health, and chairman of the conference, has estimated that as many as 12 percent, or one out of every eight workers who have been exposed to vinyl chloride, may die of the disease.

Mr. Speaker, every day workers are exposed to 15,000 chemicals and agents. Two thousand new chemicals are compounded each year. One thousand chemicals have been found to have cancer-causing potential. Vinyl chloride is simply the most famous.

It is high time that we start looking at the possible health effects those chemicals can have on the workers who handle them, and the consumers who buy products made of them. Our past record in this regard is dismal at best.

Although the United States has been first in the production of vinyl chloride and first in the number of deaths which have already occurred from vinyl chloride-related diseases, we have not been nearly so preeminent in researching the risks posed by this chemical. The first major clinical study which established a definite link between angiosarcoma and vinyl chloride was performed in Italy. The West Germans have made enormous strides in uncovering nonmalignant ailments caused by vinyl chloride and a number of other nations have contributed significant discoveries in this area as well. In the United States, it is only now, after clear proof of the dangers of this chemical is already available that the Federal Government has begun to direct a significant effort toward learning about it and much of that effort has been made at the expense of our already inadequate efforts to study other occupational health risks.

The failure of the Federal Government

to make a major commitment toward researching vinyl chloride and other such health hazards has also meant that the very industries which are adversely affected by the imposition of new standards that result from the discovery of a new hazard are dominating what research is being done on those hazards. They employ most of the scientists and finance most of the experiments and to a great degree, therefore, control both the kind of data that is being developed and the access to that data.

The vinyl chloride episode has revealed much about the inadequacy of our efforts to uncover occupational hazards and I think it will be inexcusible if this Congress does not begin with the 1975 budget to make available the kind of money needed to carry out this research.

That does not mean a token increase. It means a large one. Working men and women in America are becoming more and more aware that they rather than white rats, are being used to test the health hazards of such chemicals and already some are asking their Congressmen why something hasn't been done. I hope that in the future we will not have to answer that the Congress thought it would cost too much money.

Among the many distinguished speakers at the New York conference was Mr. Jacob Clayman, secretary-treasurer of the International Union Department of the AFL–CIO who describes the vinyl chloride tragedy in human terms from the perspective of the workers whose jobs demand that they be exposed to heavy concentrations of untested chemicals in their dairy work assignments. His remarks follow. Also following are several newspaper articles on the New York conference:

Remarks of Jacob Clayman, Secretary-Treasurer, Industrial Union Department, AFL–CIO

When philosophers and scientists speculate on the future, no one really expects a surge of interest to be generated, certainly not a call for action. In our problem-oriented society, the short-term has priority over the long. In government, in our institutions, in industry and in the family of organized labor, we move from crisis to crisis, never stopping long enough to change the conditions and circumstances from which these crises arise.

Health and environment, in the workplace or in the community, pose no exceptions. We have been told of the dangers of our increasingly synthetic world for over a half century—and of some of the traditional hazards of the workplace since the beginnings of the industrial revolution. And, to be honest, we have done very little about either. When an episode occurs, of the kind focused upon here, we tend to treat it as if it were one of a kind, as if similar episodes could not occur again.

Fortunately for our children—but unfortunately for those of us who will die of an environmental disease—the difference between the short and the long term is collapsing under the weight of predictions-come-true. The crisis we are now faced with is forcing us to radically alter the conditions for change in our society. We no longer can merely solve the problem of vinyl chloride. We must halt the parade of new environmental diseases, whether they are dread angiosarcomas and mesiotheliomas or as yet unnamed behavioral and neurological syndromes. With my own lifetime cancer has changed from being one of the least frequent to one of the most frequent causes of death. This is not human progress. It is not a legacy willingly left for my grandchildren to challenge.

Vinyl chloride may pose, as Dr. Lloyd points out in this week's issue of TIME magazine, "the occupational disease of the century" but it also presents us with a case history of why these diseases occur.

Dr. Selikoff reminds us that the toxicity of vinyl chloride was established in the European scientific literature more than a quarter century ago. Even in this country corporate scientists developed information which was not widely or effectively acted upon, 10 . . . 15 years ago, by either management or government. Only in very recent years has there been serious investigation of vinyl chloride as a carcinogen. And if it were not for the uniqueness of the tumors produced, as Dr. Epstein noted some months ago, this chemical scourge might still not have broad acceptance as a *human* carcinogen.

Now at this point I will not make an attack on the callous multinational corporations who ignored and kept secret even the voices of their own indentured scientists. (I'll save that for later.)

To be fair, we ought to ask: Where was labor? What were we doing?

This is really the question asked by the *Louisville Times* in their editorial of February 28. It deserves an answer.

I cannot speak for the labor movement abroad. But I know what we are doing.

As long as a hundred years ago we were fighting in the courts for the right to a safe workplace. Fifty years ago we were struggling to secure Workmen's Compensation laws and arguing with the employers that "safety would pay" because it would cut down on Workmen's Compensation awards. Twenty-five years ago we were still struggling with the medical profession and compensation boards in many states to have silicosis declared a compensable disease. Fifteen years ago we accepted the invitation to collaborate with management in the voluntary safety movement. Five years ago we were still struggling to make our system of state enforcement programs work, although the industrial and business power over state legislation foredoomed these efforts.

During that century we brought hundreds of millions of dollars worth of seals and raffle tickets in the march on polio, rheumatism, tuberculosis, cancer, heart disease, diabetes, sickle cell anemia, kidney disease, MD, MS, mental health, etc., etc. We built hundreds of hospitals, sanatoria, and clinics. Like this occasion, gastronomics became a weapon as we organized thousands of luncheons, breakfasts, dinners, brunches, cocktail parties and coffee klatches to plan the stuffing of envelopes, the rolling of bandages and the ringing of doorbells.

In this city, only blocks from here, we passed the hat in filthy, airless sweatshops to collect pennies, nickels, and an occasional dime to fight the Great White Plague. Ironically, some of the funds left over from those days are being donated to the federal government, the National Institute for Occupational Safety and Health, to help finance the study of the new hazards faced by the modern clothing worker. Times haven't really changed.

While some small gains were made, on balance I must tell you that our efforts were much short of great success. But we tried.

As I try to pinpoint the reasons for the failure, I inevitably focus on one fact. We were once an immigrant society with relatively simple and undemanding expectations. The worker in particular accepted a rather subordinate role in the decision-making process. He assumed that someone else would have to do the thinking, the evaluation and choose the course of action. He looked around at the safety posters, he attended committee meetings and rallies for the glory of the hard hat and the fire extinguisher. He accepted designation as the "accident prone" employee who needed psychological reconditioning.

While his lungs were being destroyed, while the valves of his heart were being torn, he tried to believe that someone was really doing something to protect him.

But four years ago our Department had a rank-and-file meeting in Washington where we vowed to end the consequences of society's failures. That meeting lead to the passage of the Occupational Safety and Health Act, which went into effect barely three years ago.

Laws don't solve problems. But they set forth the rules we must all follow in the fight to find solutions.

The key set of rules implied and spelled out in the Act are those that clearly spell out the equal role of the worker or his representative at every stage of the decision-making process. The meaning of those rules for you as medical scientists is that there can be *no* more secret studies, *no* more decision-making meetings with government in the absence of worker representatives, *no* more government-management secrecy pacts on data collection.

When we initiated our campaign to clean up the asbestos industry, despite these new rules, there was an attempt to play the game as if the Act had never passed. I thought we had settled that question but our experience in the current vinyl chloride episode leads me to believe that on this point there are still some untutored minds in government and industry.

Multi-corporate studies of cancer from vinyl chloride were initiated secretly in this country and in Europe. They were discussed with the government in secret and their results would probably still be a secret without the presence of mass media and if the law did not require the reporting of occupational disease.

Even after the Louisville cases were announced, the government attempted to conduct key meetings without the presence of our representatives. In at least one case, in the Union Carbide plant in South Charleston, West Virginia, the government sought to substitute a medical survey of employees by an independent researcher, initiated by the Machinists union, with a study of their own to be conducted—by secret pre-arrangement—in collaboration with the company.

Seemingly, to slow down the development of new information, NIOSH is being ordered to request no increases in staff and funds to cope with the additional burden of their vinyl chloride investigation. Because of resources already stretched to the breaking point, in effect, NIOSH is being asked to diminish its total effort. No serious reprogramming is taking place at the National Cancer Institute and there are no funds available to the National Institute for Environmental Health Sciences to support the work of her sister agency.

Dr. Wagoner—for example—is being forced to delay other equally important investigations.

I am convinced that this effort is unrelated to a tight budget. The funds required are a pittance in terms of the total HEW budget; a few million dollars are required. Research means information and information means regulation. Regulation means corporate expenditures. The equation is rather simple.

The unstinting personal sacrifice of scores of civil servants and commissioned corps officers of the Public Health Service is frustrating this design. It isn't going to work. These men and women are making great personal sacrifices for our members. Our people will take every necessary step to protect and support the civil servants who are trying to do an honest job. They are also being advised about who in the private sector is providing them with necessary professional skills: Selikoff, Nicholson, Lillis, Anderson, Daum, Fishbein, Mancuso, Epstein, Kay, Holaday and dozens of others.

We've come a long way in this country in at least our formal commitment to the preservation of life and health on the job. The passage of the Occupational Safety and Health Act was a magnificent epiosde in our struggle. It is essentially a good law. But it needs implementation.

It needs much more financial support.

It needs many more dedicated public officials.

It needs the continuing support of people of good will, in and out of the labor movement.

And finally it needs the precious skills which you possess.

We appreciate—more than we can express—the great contributions of some of you sitting here.

Vinyl Chloride Parley Told of Danger to Workers

(By Jane E. Brody)

Workers exposed to vinyl chloride, a widely used chemical in the plastics industry, face an increased risk of developing blood, liver and respiratory abnormalities as well as dying from a variety of cancers, the first international meeting on the chemical was told yesterday.

The hastily called conference, held under auspices of the New York Academy of Sciences, was organized in response to the discovery in January of four cases of a rate liver cancer among vinyl chloride workers at a B. F. Goodrich plant in Louisville.

Today, as a result of industrywide searches of records and examinations of workers, 19 cases of this cancer—angiosarcoma of the liver—are known to have occurred among vinyl chloride workers, 13 of them in the United States.

PLASTICS WORKERS INVOLVED

The finding of this unusual cancer was assumed to represent just the tip of an iceberg of an illness that may be occurring unnoticed among the nation's 6,500 workers who make vinyl chloride or polyvinyl chloride, and the reports presented to the 300 scientists gathered here from eight countries confirm this suspicion.

The reports also indicate that the risk of disease may extend to the tens of thousands of workers who fashion polyvinyl chloride into thousands of commonly used plastics products, ranging from floor tiles to clothing to pharmaceutical products.

As yet, there is no hint of any danger to consumers who use the products. But the Food and Drug Administration and the Environmental Protection Agency recently recalled several dozen aerosol products in which vinyl chloride was used as a propellant.

In reports to the conference, physicians from the University of Bonn in West Germany said that they had identified a syndrome they call vinyl chloride disease. Among the symptoms commonly found are abnormally low numbers of blood cells called platelets, which are crucial to clotting, slowed liver function, enlarged liver and spleen, and excessive production of immature red blood cells.

A report from Romania indicated that nearly half of the vinyl chloride workers may have spasms in their blood vessels, and 10 per cent of the Romanian workers had temporary hormonal disturbances that in some cases were manifested as sexual impotence that disappeared during vacations.

The results of an intensive examination of nearly 400 workers at a Goodyear plant in Niagara Falls, N.Y., tends to support the European findings, according to data presented by Dr. Ruth Lilis of Mount Sinai Medical Center here.

Of 348 Niagara Falls workers whose lung function was studied, 58 per cent showed significant obstruction of the airways, Dr. Albert Miller of the Mount Sinai team reported. He added that this obstruction was found in a large percentage of nonsmokers as well as smokers, "suggesting that occupational exposure is a factor."

MEASURES SUGGESTED

A study of deaths that occurred among the Niagara Falls workers hinted at an increased risk of dying of cancer of the lymph and blood-forming organs and the brain, as well as the liver cancer. An industry-sponsored study of 352 deaths among vinyl chloride workers at plants around the country pointed to an increased risk of developing cancer of the respiratory and digestive systems, the lymph glands, the liver and the brain.

Although the legacy of previous vinyl chloride exposure is expected to last many years—possibly decades—to prevent further risk to workers the United States Department of Labor yesterday published a proposed new occupational standard that would outlaw workers' exposure to detectable levels of vinyl chloride. The standard would require the wearing of respirators by any workers who might inhale measurable levels of the chemical and would require the company to provide annual medical examinations for all its employes.

The industry is expected to ask for a hearing on the proposal. Among the crucial issues are whether present technology permits such a lowering of the vinyl chloride level inside a plant and whether workers could feasibly wear respirator equipment. Currently, the industry is trying to conform to the emergency standard of 50 parts of vinyl chloride per million parts of air, a level at which the liver cancer has been produced in experimental animals.

To define further the ill effects of vinyl chloride and how it may interact with other agents, Dr. E. Cuyler Hammond, a vice president of the American Cancer Society, a cosponsor of the meeting, said that a large group of workers would be studied, going back 10 or 15 years.

[From the Wall Street Journal, May 13, 1974]

Scientists Hear Reports Vinyl Choride May Be More Dangerous Than Realized

(By Barry Kramer)

New York.—Scientists from around the world at a hastily organized meeting on the health hazards of vinyl chloride heard disturbing indications that the danger to workers in the plastics industry may be more widespread than first realized, and that the chemical may also pose environmental and public-health problems.

Vinyl chloride, a gas used since World War II to make polyvinyl chloride, or PVC a solid plastic with ubiquitous industrial and consumer applications, has been linked recently with 20 cases world-wide of a rare and usually fatal form of liver cancer, angiosarcoma, in workers at plants where vinyl-chloride gas is produced or where it is polymerized into the plastic. Thirteen of the angiosarcoma cases, only two of whom are still alive, are in the U.S.

At the two-day conference, sponsored by the New York Academy of Sciences, the American Cancer Society, the National Institute for Occupational Safety and Health and other groups, scientists reported a growing list of health problems they have labeled collectively "vinyl chloride disease." From West Germany, Rumania, Japan and the U.S., scientists reported that the symptoms, found in a significant number of vinyl-chloride workers, include enlarged livers and spleens, deleterious blood changes, skin eruptions, pathology of the bones of the fingers, restricted blood circulation and lung function and even, in Rumania, sexual impotence that disappeared when the afflicted workers left the vinyl-chloride plant.

MOST UNSETTLING REPORT

But the most unsettling report came from scientists at Bonn University, who reported finding serious liver disease in six workers at a plant that turns PVC plastic into floor tiles. Until now, it had been thought the danger was limited to workers in direct contact with the vinyl-chloride monomer, who number about 6,500 in the U.S. But if the hazard extends to workers down the line who melt, mold, form, extrude, shape and otherwise fabricate PVC into pipes, packaging film and bottles, flooring, apparel, automotive parts, home furnishings, wire coatings and myriad other products, a much larger number of workers—some estimates say as many as 700,000—could be exposed to the danger.

The Bonn scientists didn't find liver cancer in the floor-tile workers, but they described the liver disease as possible precursors to angiosarcoma. Similar liver changes were reported among U.S. vinyl-chloridemonomer workers.

The largest effort to seek out present and former vinyl-chloride workers who may have been sickened by working with the chemical has gone on in the U.S., which produces about 25% of the world's PVC, with sales of over $12 billion. Since an alert company physician, Dr. John L. Creech, discovered in January that two vinyl-chloride workers at the B. F. Goodrich Co. facility in Louisville, Ky., had died of angiosarcoma, a total of seven cases of angiosarcoma have been found at the Louisville plant, two of whom are alive, three cases at the Niagara Falls, N.Y., plant of Goodyear Tire & Rubber Co., two cases at the South Charleston, W. Va., plant of Union Carbide Corp., and one at the Pottstown, Pa., facility of Firestone Tire & Rubber Co. Seven other cases have been found abroad.

OTHER FORMS OF CANCER

Reports at the conference also hinted at the possibility that vinyl-chloride workers may have contracted other forms of cancer beside the rare liver form. A survey of 8,384 present and former vinyl-chloride workers done for the Manufacturing Chemists Association found that overall death rates compared favorably with the general population, but that vinyl-chloride workers, especially those with longer exposure to the substance, showed increased risk of cancers of the liver, lung, lymphatic system, brain and urinary organs.

Another study, of workers at Goodyear's Niagara Falls plant, found that while four deaths from all types of cancer could have been expected statistically among the 257 workers studied, there had been nine cases.

While several studies showed that the danger of vinyl chloride increased the longer the exposure to it, it isn't known whether low levels of exposure are safe. The Italian scientist, Dr. Cesare Maltoni, whose studies showed as early as 1972 that vinyl chloride at high levels in the air caused angiosarcoma in mice, but whose studies were ignored until the human cases were uncovered, has since reported that mice exposed to as little as 50 parts per million in the air also got the cancer. Fifty parts per million is the current emergency standard in vinyl-chloride plants set recently by the Labor Department, although the agency proposed last week tougher permanent standards that would limit air levels of vinyl chloride in plants to under one part per million.

"ZERO TOLERANCE" STANDARD

The Society of the Plastics Industry has already condemned the proposed "zero tolerance" standard as "excessively and unrealistically restrictive," claiming that the standard would make it "virtually impossible for plants to operate." In a separate statement, B. F. Goodrich called the proposed limits impractical and unjustified by the situation. The temporary 50-parts-per-million standard, which replaced a long-time standard of 500 parts per million, is expected to stay in effect for up to six months.

While the Food and Drug Administration and the Environmental Protection Agency have ordered recalls of hairsprays and pesticide sprays whose propellent is vinyl chloride, there isn't any evidence that consumers have been exposed to dangerous amounts of the substance.

But an EPA study, based on the theoretical use of vinyl-chloride-containing sprays, indicated that some consumers may have been exposed to air concentrations of the chemical above that currently allowed in industry.

"The risk may be smaller in the general population, but we're dealing with a much larger group of people than the industrial vinyl-chloride workers," said Dr. Kenneth Bridbord of the EPA's Human Studies Laboratory.

The EPA is currently surveying emissions of vinyl-chloride gas into the atmosphere and water found around factories nationwide to help determine if the health of people living around the plants may be endangered. Glenn E. Schweitzer, director of the EPA's Office of Toxic Substances, told the conference an estimated 200 million pounds of vinyl chloride are discharged into the atmosphere from U.S. vinyl-chloride-polymerization plants each year.

He called on industry to help support studies of populations around such plants who may have been exposed to low levels of vinyl-chloride for long periods of time.

CONGRESSMAN MELCHER STRIKES A GREAT BLOW FOR CHEYENNES

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, our colleague from Montana (Mr. MELCHER) has won the richly deserved praise of the Northern Cheyenne Indians for the great news that the Department of the Interior is about to cancel leases for strip mining on 260,000 acres of Indian lands in Montana. I was in eastern Montana and Wyoming over the weekend, and the news of Congressman MELCHER's successful effort, strongly supported by Montana's able Senators, spread like wildfire through the Indian reservation and brought great joy to those dedicated to the protection of the land and people in this Nation.

I am pleased to include with my remarks the text of the front-page article which appeared in The New York Times on Sunday, May 19:

U.S. MAY CANCEL TRIBAL MINE DEAL—CHEYENNE CHARGE THE INDIAN BUREAU CHEATED THEM IN COAL NEGOTIATIONS

(By Ben A. Franklin)

WASHINGTON, May 18.—The Interior Department was reported to have decided to cancel leases for strip-mining for coal on 260,000 acres of the Northern Cheyenne Indians' reservation in Montana.

Indians have charged that the Bureau of Indian Affairs cheated them in negotiations for coal-mining rights to their lands.

The leases, dating to 1969, are potentially worth billions of dollars to four major energy corporations and two groups of land speculators.

The Interior Department's reported decision surprised many observers because it was considered both radically "pro-Indian" and a blow to the Nixon Administration's plans for rapid coal development in the Great Plains States.

Representative John Melcher, a Montana Democrat, whose district embraces the largely barren, 415,000-acre reservation east of Billings, reported the decision in a statement released by his Billings office that became known here today.

Officials of the department, who had expected Interior Secretary Rogers C. B. Morton to announce a decision momentarily after separate meetings here last Wednesday with representatives of the tribe and the leaseholders, challenged Mr. Melcher's version of the department's action. But officials did not deny that Mr. Morton was likely to favor the Indians' petition for a lease cancellation.

One top official here called the announcement "premature," saying, "An outright lease cancellation is a strong option, but there is no definite decision."

But by telephone Mr. Melcher insisted he had been "privately advised that the leases will be declared invalid." He said he had "given congratulations" to tribal leaders.

One Interior spokesman said that Mr. Melcher was "trying to get into the act."

ONCE A WARLIKE TRIBE

The 4,000 impoverished Northern Cheyenne, once one of the most warlike Plains tribes, own at least two billion tons of the low-sulphur Fort Union formation in eastern Montana, the largest single block of coal in the United States. The leases involved cover the choicest half of the Indians' coal reserves.

The leasing companies, with a $2.7-million investment there to date, are the Peabody Coal Company of St. Louis, the nation's largest coal producer; the Consolidation Coal Company of Pittsburgh, the second largest; American Metal Climax, Inc., with headquarters in New York; the Chevron Oil Company of San Francisco, a subsidiary of Standard Oil of California, and two smaller Montana-based leaseholders.

Spokesmen for the companies could not be reached today, but one Interior Department aide said that company executives learned last week that a decision for the Indians was likely and were "seething."

JOINT VENTURE PLANNED

Peabody coal announced a year ago its intention to start, as a joint venture, a major coal conversion complex on its 16,000-acre Northern Cheyenne leasehold. The company's plan was to strip-mine 500 million tons of the Indian coal for conversion into pipeline gas for the Northern Natural Gas and the Cities Service Gas Companies, utilizing at least four huge coal gasification plants around the edge of the excavated area.

Consolidation Coal, American Metal Climax, Chevron and the other leasing interests so far hold only exploration or coal prospecting permits. But the negotiations by the Bureau of Indian Affairs on these permits have led to one of the tribe's major grievances.

Exploration permits that are proved by the companies' drilling samples to be profitable for strip-mining are to "ripen" automatically into 10-year, renewable coal leases.

TWO ROYALTY RATES

The royalty rates payable to the tribe for coal removed from the reservation is 17.5 cents a ton under terms negotiated by the Bureau of Indian Affairs. If the coal is used "on the reservation," the royalty falls to 15 cents a ton.

The language on the lower rate was intended to cover fuel sold cheaply to the Indians as "house coal," but it would also encompass the vast consumption of the coal gasification plants on the reservation.

The Northern Cheyenne objections were the first concerted Indian resistance to the corporate acquisition of the strip-minable, low-sulphur coal underlying half a dozen Western reservations. It began to take shape two years ago after Consolidation Coal, a mining subsidiary of the Continental Oil Company, sought to sidestep the Indian bureau's procedure requiring competitive bids on leases and to gain for itself a billion-ton corner of the reservation's coal resources.

In the summer of 1972, the company presented the tribal council a no-bid offer of 25 cents a ton in royalty payments, plus $35 an acre in land rent, plus a "bonus" of sorely needed, $1.5 million medical center at Lamedeer, the reservations' tribal center.

"OPENED INDIANS' EYES"

Tribal spokesmen said that the offer "opened the Indians' eyes." The no-bid proposition was rejected, and other coal lease and prospecting terms already negotiated by the bureau were given new scrutiny with the aid of lawyers from the Native American Rights Fund in Denver.

The tribal council early this year retained the Seattle law firm of Ziontz, Pirtle, & Morisset to press for abrogation of all leases negotiated by the bureau.

Avin J. Ziontz, the tribe's chief counsel in the dispute, said the Indians' petition contended that the bureau had "simply ignored" an array of departmental requirements in making the leases as the Northern Cheyenne trustee.

I'M BULLISH ON AMERICA

(Mr. BURLESON of Texas asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BURLESON of Texas. Mr. Speaker, a few days ago, on May 10, my able colleague, JERRY PETTIS, of California, with whom I serve on the Ways and Means Committee of the U.S. House of Representatives, spoke to the Securities Industry Association, meeting in White Sulphur Springs, W. Va.

Congressman PETTIS' subject was "I'm Bullish on America." He based his remarks on H.R. 14645, which he recently introduced and which I cosponsored.

This proposed legislation is designed to promote, encourage, and stimulate an orderly and efficient market system for the U.S. economy. More specifically, this measure would establish a graduated tax on capital gains to provide incentives for new capital formation.

Mr. Speaker, this bill is basic to our capitalistic system.

It is needed now, not only for practical incentives to put dormant money into active and productive investments, but to greatly complement justice in our taxing methods.

I call this speech by Congressman PETTIS to the attention of my colleagues with the hope it finds a favorable response among you.

I'm Bullish on America

(By Congressman Jerry L. Pettis)

White Sulphur Springs, W. Va.

I don't have to tell any of you here today that our national economic picture is far from rosy. For the first time in history, the prime lending rate is hovering around 11-percent. While one of the more obvious implications of this unprecedented rate is a marked decline in the securities markets, this is only a reflection of many of the even deeper ills affecting U.S. economy; among them inflation, unemployment, productivity, growth.

For example, many economists are now saying that until inflation is controlled, prospects are dim for a sustained decline in interest rates back down to more historic levels. However, few have suggested a way to end two-digit inflation without suffering two-digit unemployment.

It is obvious a critical problem faces both government and industry. Also obvious is the fact that there are no short-term solutions. It's going to take a long time to effectively deal with the problem and put this nation back on a more even economic keel.

In the meantime, maintenance of a healthy market place for American capital should be a continuing object of both the private and public sectors in this country. While I cannot promise that the government alone will immediately turn the economic situation around and thus return both America and your industry to prosperity, I believe my bill, H.R. 14645, can produce some important and positive effects for the securities industry and the American market system in the years ahead.

Since this legislation was introduced, there has been some speculation that it is a special interest bill. Nothing could be farther from the truth. In my view, any measure designed to promote an orderly and efficient market system in the American economy benefits everyone and can in no way be considered special interest.

Someone asked me early this week—"Pettis, just why *did* you drop this bill?" What can I say, but—with all due respect to Merrill-Lynch—"I, too, am Bullish on America."

The main thrust of my bill is to establish a graduated tax rate on capital gains and thus provide incentives for new capital formations.

This "recycled" capital would enable the private sector to purchase new plants and equipment which, in turn, would provide more jobs for U.S. workers AND a good part of the capital expenditures needed to meet the challenges we face in areas like energy resource development, environmental clean-up, and mass transit system development.

I've made up a little scenario that I think offers a pretty good illustration of the problems involved in new capital formations today that H.R. 14645 is designed to overcome. I'd like to advance it to you now.

Back in the early forties, John Smith saved up a little money and invested in an innovative electronics firm. Today, that firm has grown into one of the biggest and most successful computer businesses in the world and the value of John's original investment has grown tremendously.

But, it's 1974, the energy crunch is upon us and new energy development is the coming thing. There's another innovative company now, one that's developed an advanced solar energy converter which has been successfully used in heating and cooling private dwellings. The company's gone public and needs new capital to adapt its product for large structures. The theory is feasible and the market for their product is certainly there if they can go ahead with the adaptation.

John Smith believes in this new company. He believes in the product and he'd like to sell his long-held stock and invest in solar energy. But if he does, he's going to have to pay an enormous capital gains tax.

So, what happens?

Mr. Smith keeps his computer stock. The Solar Development Company doesn't get the capital it needs. And the Federal Government doesn't get anything either because John's no dummy and knows if he holds onto his stock and passes it on to his children when he dies, the stock will be liable only for estate taxes which carry one of the lowest rates assessed.

Now, you tell me . . . who wins in a situation like this? The answer is nobody.

One of the great strengths of the American economy has always been its ability to provide capital where it's needed in order to create jobs. But, recently, the movement of capital has been retarded significantly by the "lock-in" effect caused by high taxes combined with inflation, and the fact that there is no significant tax assessment if capital assets are held until death.

Present laws make no provision for inflation at all. And although assets may have appreciated in value over a long period of time, in many cases this appreciation represents little more than the effect of inflation. This so-called "lock-in" prevents everyone from large corporations to small farmers and ranchers from converting their present assets to other investments.

When I went home to California over the recent Easter recess, I talked to a number of small independent businessmen, farmers, and ranchers in my own Congressional District who told me that after laboring for years, they can't afford to sell their holdings and retire because the combination of capital gains taxes they'd have to pay, plus today's spiraling inflation factor wouldn't leave them with sufficient funds to make ends meet.

The locked-in capital being held by these would-be retirees and the John Smiths throughout this nation has been estimated to run as high as $1-trillion and up. The result of this amount of capital being essentially locked out of new capital formations is that private investment has hit rock bottom. And I don't have to tell you that private investment is one of the most important factors in making our economy grow. With out investment capital, there is no growth. The economy stagnates and we're all worse off.

The problem many people have in coming to grips with economic reality is that when you throw around figures like $1-trillion, it's easy to be lulled into thinking that the supply of U.S. capital is virtually inexhaustible. That's just not so. Capital is a finite resource. There is just so much of it to go around and if you take a trillion dollars worth of capital and set it on a shelf, making it unavailable for new investment, our economic growth is going to suffer tremendously.

Another factor which must be faced is that while the present economic slow-down is not unexpected, I don't think we have to slow down to such a rate that we go backwards, which is what we are doing now. And, it is our current system of taxing capital transactions that is to a great extent to blame for this situation.

The graduated capital gains tax I am proposing would unlock much of the existing capital that's been tied up over the years and provide the necessary incentives for new essential venture capital investments.

I don't have to ask you who would benefit from this new approach.

First, it would benefit the economy by increasing capital flows and encouraging growth.

Second, it would benefit Government finances. The tax gained on this recycled capital would more than offset the losses caused by reducing rates on long-term holdings. In fact, it has been estimated that for every billion dollars of capital gains unlocked, we would realize as much as $200-million in new tax revenues.

Third, it would benefit individual taxpayers.

And, Fourth, and probably of most importance to your interests, it would improve the liquidity of our markets.

My bill contains two additional changes in the tax laws which will benefit individual taxpayers who suffer long- and short-term capital losses.

Today, if a person incurs long-term capital losses that exceed his capital gains, he is only allowed to deduct up to $1,000 of these losses against his ordinary income. I have proposed an increase in this deduction limitation to $4,000, which I believe is an equitable raise to recognize the effect of inflation that's occurred since the initial adoption of the $1,000 limitation. I have also proposed that an individual be able to carryback these losses and apply them against gains over a three preceding year period. This is the same type of carryback corporations enjoy.

And, finally, my bill proposes that short-term capital losses be fully deductible against ordinary income. It is interesting to note that professional gamblers already enjoy this privilege. They can deduct full gambling losses from gambling income when they make their peace with Uncle Sam. [In fact, one of the hundred or so individuals the press wrote about last year who made more than $200-thousand and paid no taxes at all was a gambler who declared $300-thousand in winnings and $300-thousand in losses. I don't think this particular return has been audited, but there's a funny story about another true case where a gambler was taken to tax court to prove his losses. This guy walked in with a bushel basketful of track tickets to back up his story. After careful deliberation, some $30-thousand worth of deductions were disallowed when the court threw out all the tickets with footprints on them.]

Ordinary citizens, on the other hand, must include 100-percent of their short-term *gains* in figuring their income tax liability, but are only allowed to deduct $1,000 in short-term losses. To me, short-term gains and losses should be treated alike for tax purposes. If the gains are to be fully included as ordinary income, the losses should be fully deductible.

This, then is a pretty brief synopsis of my bill and what I hope it will accomplish.

The question now is, what are the prospects for getting it passed.

When our Committee on Ways and Means decided to write an omnibus tax reform bill and try to get it passed in this Congress, we had a list of 31 possible areas to be considered.

The Chairman then took another look at this list and the time limitation we'd be working under and put a priority on the topics to be considered. The list was cut to 26, and seven items were chosen for immediate consideration because they were not expected to require extensive deliberation. And, the Committee definitely wants to enact some reforms this year.

As of this morning, we have pretty well completed mark-up on these relatively minor items. And now we are moving into the consideration of major areas.

Capital gains of course is very high on that list—and, if you will allow me to play prophet for a moment, I predict that the Committee will report a bill and it will pass the House. The only stumbling block I see to a general tax reform bill being enacted into law this year could be Senate preoccupation with other matters.

But, I assure you I will do all in my power to see that H.R. 14645 is included in the tax reform bill that passes the House.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the second calendar quarter 1974:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report. ◄

AFFIDAVIT

[Omitted in printing]

PAGE 1 ◄

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A. Amalgamated Clothing Workers of America, 15 Union Square, New York, N.Y. 10003.

A. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.

A. Robert E. Ansheles, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Thrift Assembly, 1028 Connecticut Avenue NW., Suite 718, Washington, D.C. 20036.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW, Washington, D.C. 20006.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

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B. Electronic Data Systems Corp., 1300 EDS Center, Exchange Park, Dallas, Tex. 75235.

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B. Owens-Illinois, Inc., Madison Avenue and St. Clair Street, Box 1035, Toledo, Ohio 43601.

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A. Donald C. Lubick, 1800 One M & T Plaza, Buffalo, N.Y. 14203.

B. Xerox Profit Sharing Retirement Plan, % Philip J. Canfield, Xerox Corporation, Xerox Square, Rochester, N.Y. 14603.

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B. Santa Fe International Corp., Union Bank Square, South Tower, P.O. Box 1401, Orange, Calif. 94104.

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A. National Association of OTC Cos., Box 110, Jenkintown, Pa. 19046.

A. National Association of Real Estate, Investment Trusts, 1101 17th Street NW., Washington, D.C. 20036.

A. National Beer Wholesalers' Assn., of America, Inc., 6310 North Cicero Avenue, Chicago, Ill. 60646.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.

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B. Computer Industry Assn., 16255 Ventura Boulevard, Encino, Calif. 91316.

A. Daphne Philos, 3150 Spring Street, Fairfax, Va. 22030.

B. National Audio-Visual Association, 3150 Spring Street, Fairfax, Va. 22030.

A. Kenneth B. Pomeroy, 10404 Conover Drive, Silver Spring, Md. 20902.

B. National Association of State Foresters, 10404 Conover Drive, Silver Spring, Md. 20902.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, DC. 20006.

A. Prather Levenberg Seeger Doolittle Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.

B. Central of Sugar Producing Cooperatives of Peru, Av. Guzman Blanco 240, Lima, Peru.

A. Dan Prescott, 1800 K Street NW., Washington, D.C. 20006.

B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.

A. Joseph H. Price, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Mazda Motors of America, Inc., 3040 East Ana Street, Compton, Calif. 90221.

A. Joseph H. Price, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Toyo Kogyo Co., Ltd., 6047 Fuchu-Machi, Aki-Gun, Hiroshima, Japan.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.

B. Chicago Mercantile Exchange, Chicago, Ill.

A. Arthur L. Quinn, 723 Washington Building, Washington, D.C. 20005.

B. Belize Sugar Industries, Belize City, Belize.

A. Arthur L. Quinn, 723 Washington Building, Washington, D.C. 20005.

G. Government of Republic of Panama, Compania Azucarera La Estrella, S.A., Azucarera Nacional, S.A., Panama City, Panama.

A. Arthur L. Quinn, 723 Washington Building, Washington, D.C. 20005.

B. Sociedad Agricola e Industrial San Carlos, S.A., Compania Azucarera Valdez, Azucarera Tropical Americana, S.A., Tababuela Industrial Azucarera, S.A., Ecuador.

A. Arthur L. Quinn, 723 Washington Building, Washington, D.C. 20005.

B. West Indies Sugar Association, Bridgetown, Barbados.

A. Donald A. Randall, Suite 303, 910 16th Street NW., Washington, D.C. 20006.

B. Automotive Service Councils, Inc., 4001 Warren Boulevard, Hillside, Ill. 60162.

A. Merrill S. Randol.

B. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William A. Raftery, 222 Cedar Lane, Teaneck, N.J. 07666.

B. The Motor & Equipment Manufacturers Association, 222 Cedar Lane, Teaneck, N.J. 07666.

A. D. Michael Rappoport, P.O. Box 1980, Phoenix, Ariz. 85001.

B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.

A. Reavis and McGrath, One Chase Manhattan Plaza, New York, N.Y. 10005.

B. The Pulitzer Publishing Co., 1133 Franklin Avenue, St. Louis, Mo. 53101.

A. Austin T. Rhoads, 1105 Barr Building, Washington, D.C. 20006.

B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 10006.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C. 20044.

A. Warren S. Richardson, 1957 E Street, NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Robert R. Rickett, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. James C. Roberts.

B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.

A. Kenneth A. Roberts, 888 17th Street NW., Washington, D.C. 20006.

B. Movers Committee for Emergency Fuel Resources, c/o Robert K. Lee, P.O. Box 272, Nationwide Trailers Rental Systems, Wichita, Kans.

A. Diana Rock, 1155 15th Street NW., Washington, D.C. 20005.

B. American Federation of State, County and Municipal Employees, 1155 15th Street NW., Washington, D.C. 20005.

A. Rogers & Wells, 1666 K Street NW., Suite 900, Washington, D.C. 20006.

B. Prime Land Bank, 1828 L Street NW., Suite 505, Washington, D.C. 20036.

A. Francis P. Rooney, 1909 K Street NW., Washington, D.C. 20006.

B. Motor Vehicle Manufacturers Association, 320 New Center Building, Detroit, Mich. 48202.

A. Gail Rosenberg, 705 G Street SE., Washington, D.C. 20003.

B. National Abortion Rights Action League, 250 West 57th Street, New York, N.Y. 10019.

A. Stuart Philip Ross, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Prince George's County Bar Association, Upper Marlboro, Md.

A. Larry W. Rubin, 1319 F Street NW., Washington, D.C. 20004.

B. United Electrical, Radio & Machine Workers of America, 11 East 51st Street, New York, N.Y.

A. Perry A. Russ, 901 North Washington Street, Alexandria, Va. 22314.

B. Society of American Florists, 901 North Washington Street, Alexandria, Va. 22314.

A. G. K. Sandweg, 705 Olive Street, St. Louis, Mo. 63101.

B. Clayton Brokerage Co. of St. Louis, Inc., 7701 Forsyth Boulevard, St. Louis, Mo. 63105.

A. Santa Fe International Corp., Union Bank Square, South Tower, P.O. Box 1401, Orange, Calif., 94104.

A. Kenneth I. Schaner, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. National Protestant-Catholic Hospital Action Committee, 840 North Lake Shore Drive, Chicago, Ill. 60611.

A. Carolyn Schneider, 116 Church Street, Newton, Mass.

B. Massachusetts Organization To Repeal Abortion Laws, Inc., 3 Joy Street, Boston, Mass.

A. Patricia S. Senger, 133 C Street SE., Washington, D.C. 20003.

B. Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.

A. J. Richard Sewell, 1701 K Street NW., Washington, D.C. 20006.

B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.

A. Larry E. Shapiro, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Blue Bell, Inc., 335 Church Street, Greensboro, N.C. 27402.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Cattle Feeders Tax Committee, P.O. Box 16086, Denver Colo.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Mauritius Sugar Syndicate, Mauritius Chamber of Agriculture, Plantation House, Port Louis, Mauritius.

A. Jowanda Shelton, 910 16th Street NW., Washington, D.C. 20006.

B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.

A. James K. Shiver, 1629 K Street NW., Suite 600, Washington, D.C. 20006.

B. Diamond Shamrock Chemical Co., Cleveland, Ohio.

A. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.

A. Jean Head Sisco, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C.

A. Barney J. Skladany, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.

B. The Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill., 60604.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.

B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.

A. Kern Smith, 1001 3d Street SW., Washington, D.C. 20024.

B. American Society of Bariatric Physicians, Englewood, Colo.

A. Kern Smith, 1001 3d Street SW., Washington, D.C. 20024.

B. Health Industries Institute, Washington, D.C.

A. Diane Somerford, 50513 South Frederick Avenue, No. 5, Gaithersburg, Md. 20760.

B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.

A. Joe P. Sparks, 4234 Winfield Plaza, Scottsdale, Ariz. 85251.

B. Havasupai Tribe of Indians, Supai, Ariz.

A. Lynn E. Stalbaum, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

A. Michael E. Strother, 1435 Fourth Street SW., No. B512, Washington, D.C. 20024.

B. Land Improvement Contractors of America, 435 North Michigan Avenue, Chicago, Ill.

A. Susan Renolds Sullivan, 72 Fox Lane, Winnetka, Ill. 60093.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Central States Health & Life Co. of Omaha, Howard at 18th Street, Omaha, Nebr. 68102.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. National Association of Life Companies, 1365 Peachtree Street NE., Atlanta, Ga. 30309.

A. Lloyd Symington, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Mazda Motors of America, Inc., 3040 East Ana Street, Compton, Calif. 90221.

A. Lloyd Symington, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Toyo Kogyo Co., Ltd., 6047 Fuchu-Machi, Aki-Gun, Hiroshima, Japan.

A. TADCO Enterprises, Inc., 1625 I Street NW., Washington, D.C. 20006.

B. Government of Bolivia, U.S. Embassy, 1145 19th Street NW., Washington, D.C.

A. Jerry P. Thompson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

A. Francis J. Tucker, Wynnewood Plaza, Wynnewood, Pa. 19096.

B. Penn Central Co., No. 3 Penn Center Plaza, Room 823, Philadelphia, Pa. 19102.

A. C. Roger Turner, 1106 Paper Mill Road, Wyndmoor, Pa. 19118.

B. Penn Central Co., No. 3 Penn Center Plaza, Room 823, Philadelphia, Pa. 19102.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 20006.

B. Courtney & McCamant, 1725 K Street NW., Washington, D.C. 20006.

A. Joseph D. Tydings, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Robert J. Wager.

B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Cigar Manufacturers Association of America Inc., 575 Madison Avenue, New York, N.Y. 10022.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.

B. American Society of Composers, Authors and Publishers, ASCAP Building, One Lincoln Plaza, New York, N.Y. 10023.

A. Morton N. Weiss, 55 Broad Street, New York, N.Y.

B. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y.

A. Edward O. Welles, 5186 Watson Street NW., Washington, D.C. 20016.

B. National Council to Control Handguns, 4114 Davis Place NW., Washington, D.C. 20007.

A. Thomas F. Wenning, 1625 K Street NW., Washington, D.C. 20006.

A. Gerald M. Wieczorek, 321 East Potter, Lansing, Mich. 48910.

B. Counselors Advocate, Inc., 3132 South Pennsylvania Avenue, Lansing, Mich. 48910.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Cabot Corporation, 125 High Street, Boston, Mass. 02110.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Special Industry Council on Energy Conservation, c/o Discover America Travel Organization, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Estee Lauder, Inc., 767 Fifth Avenue, New York, N.Y. 10022.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C., 20036.

B. James G. Freeman & Associates, 1825 Magnolia Avenue, Burlingame, Calif. 94010.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. National Association of School Bus Contract Operators, P.O. Box 324, Fairfax, Va. 22030.

A. Williams & King, 1620 I Street NW., Suite 800, Washington, D.C. 20006.

B. Noranda Mines Ltd., P.O. Box 45, Commerce Court West, Toronto, Ontario, Canada.

A. Robert G. Williams, 6521 Arlington Boulevard, Falls Church, Va. 22042.

B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.

A. John C. Williamson, 1730 Rhode Island Avenue, Washington, D.C. 20036.

B. Mobilehome Dealers National Association, 14650 Lee Road, Chantilly, Va. 22021.

A. John C. Williamson, 1730 Rhode Island Avenue, Washington, D.C. 20036.

B. Mortgage Insurance Cos. of America, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

A. John C. Williamson, 1730 Rhode Island Avenue, Washington, D.C. 20036.

B. National Apartment Association, 1825 K Street NW., Washington, D.C. 20006.

A. James E. Wolf, 6521 Arlington Boulevard, Falls Church, Va., 22042.

B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

B.. Ewing M. Kauffman, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

A. Carol R. Wyrick, 5607 Greentree Road, Bethesda, Md. 20034.

B. Women's Lobby, Inc., 1345 G Street SE., Washington, D.C. 20003.

A. Xerox Profit Sharing Retirement Plan, % Philip Canfield, Xerox Corp., Xerox Square, Rochester, N.Y. 14603.

A. John S. Zapp, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

A. Marlene Zendell, 12522 Windover Turn, Bowie, Md. 20715.

B. Women's Lobby, Inc., 1345 G Street SE., Washington, D.C. 20003.

A. Paul G. Zurkowski, 4720 Montgomery Lane, Bethesda, Md. 20014.

B. Information Industry Association, 4720 Montgomery Lane, Bethesda, Md. 20014.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the first calendar quarter 1974:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______ <

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report. <

AFFIDAVIT

[Omitted in printing]

PAGE 1 <

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $--------Dues and assessments
2. $--------Gifts of money or anything of value
3. $--------Printed or duplicated matter received as a gift
4. $--------Receipts from sale of printed or duplicated matter
5. $--------Received for services (e.g., salary, fee, etc.)

6. $--------TOTAL for this Quarter (Add items "1" through "5")
7. $--------Received during previous Quarters of calendar year

8. $--------TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $--------TOTAL now owed to others on account of loans
10. $--------Borrowed from others during this Quarter
11. $--------Repaid to others during this Quarter

12. $--------"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": --------

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through ------------------, 19----)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $--------Public relations and advertising services
2. $--------Wages, salaries, fees, commissions (other than item "1")
3. $--------Gifts or contributions made during Quarter
4. $--------Printed or duplicated matter, including distribution cost
5. $--------Office overhead (rent, supplies, utilities, etc.)
6. $--------Telephone and telegraph
7. $--------Travel, food, lodging, and entertainment
8. $--------All other expenditures

9. $--------TOTAL for this Quarter (Add "1" through "8")
10. $--------Expended during previous Quarters of calendar year

11. $--------TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $--------TOTAL now owed to person filing
13. $--------Lent to others during this Quarter
14. $--------Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Aberg, Bell, Blake & Metzner, 222 West Washington Avenue, Madison, Wis. 53703.
B. Credit Union National Association, Inc., ICU Services Corp., 1617 Sherman Avenue, Madison, Wis. 53704.
D. (6) $5,107.50. E. (9) $6,305.56.

A. Robert K. Aberg, 222 West Washington Avenue, Madison, Wis. 53703.
B. Aberg, Bell, Blake & Metzner, 222 West Washington Avenue, Madison, Wis. 53703.
D. (6) $2,809.12. E. (9) $662.67.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C.
B. Ethyl Corp., 330 South Fourth Street, Richmond, Va.
D. (6) $250.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C.
B. Vepco, Seventh and Franklin Streets, Richmond, Va.
D. (6) $200.

A. Clarence G. Adamy, 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $300.

A. Ad Hoc Committee of Shipbuilders, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $19,558.

A. Aerospace Industries Association of America, Inc., 1725 De Sales Street NW., Washington, D.C. 20036.
D. (6) $9,062.40. E. (9) $9,062.40.

A. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $2,000. E. (9) $2,306.35.

A. Air Conditioning & Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $624.

A. Aircraft Owners & Pilots Association, P.O. Box 5800, Washington, D.C. 20014.

A. Air Traffic Control Association, Inc., Suite 409, ARBA Building, 525 School Street SW., Washington, D.C. 20024.

A. Alderson, Catherwood, Ondov & Leonard, 105 East Oakland Avenue, Austin, Minn. 55912.
B. The Hormel Foundation, Austin, Minn. 55912.

A. Willis W. Alexander, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $8,507.34.

A. Nicholas E. Allen, 444 Shoreham Building, Washington, D.C. 20005.
B. Music Operators of America, Inc., 228 North LaSalle Street, Chicago, Ill. 60601.
D. (6) $2,070. E. (9) $107.98.

A. Altman, Kurlander & Weiss, 125 South Clark Street, Chicago, Ill. 60603.
D. (6) $99.26. E. (9) $3,502.

A. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $7,646.07. E. (9) $7,646.07.

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Pa. 17022.
D. (6) $348.92. E. (9) $71.27.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. The American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,701.76. E. (9) $1,701.76.

A. American Conservative Union, 422 1st Street SE., Washington, D.C. 20003.
D. (6) $25,344.79. E. (9) $24,214.15.

A. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $7,500. E. (9) $7,500.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $5,103.39. E. (9) $5,103.39.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $41,044. E. (9) $41,044.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $62,504.85.

A. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $300. E. (9) $300.

A. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $226,338.20. E. (9) $2.195.72.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $3,227.85. E (9) $3,743.85.

A. The American Humane Association, 5351 South Roslyn Street, Englewood, Colo.
E. (9) $1,800.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $36,537.38. E. (9) $36,537.38.

A. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $30,346.90. E. (9) $21,362.42.

A. American Land Title Association, Suite 303, 1828 L Street NW., Washington, D.C. 20036.
E. (9) $896.10.

A. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $1,613.21.

A. American Maritime Association, 17 Battery Place North, New York, N.Y. 10004.
E. (9) $842.22.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
E. (9) $28,166.28.

A. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $4,580.

A. American National Cattlemen's Association, 1001 Lincoln, Denver, Colo. 80202.
E. (9) $3,246.90.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $1,188.57.

A. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $61,836. E. (9) $48,953.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $8,010.34. E. (9) $8,010.34.

A. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
E. (9) $14,046.27.

A. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $1,309,126.53. E. (9) $87,909.57.

A. American Pulpwood Association, 605 Third Avenue, New York, N.Y. 10017.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $854.34. E. (9) $854.34.

A. The American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.
D. (6) $3,766.83. E. (9) $4,203.35.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.
B. National Customs Brokers & Forwarders Association of America, Inc., 1 World Trade Center, Suite 1109, New York, N.Y. 10048.
D. (6) $150. E. (9) $61.88.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C., 20036.
D. (6) $519.45.

A. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $18,114.68. E. (9) $18,114.68.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $57,907.62.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
E. (9) $640.

A. The American Waterways Operators, Inc., 1250 Connecticut Avenue, Suite 502, Washington, D.C. 20036.
D. (6) $157,028. E. (9) $2,787.20.

A. Donald E. Anderson.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C.
D. (6) $8,750. E. (9) $75.

A. J. Lem Anderson, 400 First Street NW., Washington, D.C. 20001.
B. Eastex Inc., 219 North Bowie Street, Jasper, Tex.
D. (6) $800. E. (9) $459.14.

A. Scott P. Anger, 1725 K Street NW., Washington, D.C. 20006.
B. The Superior Oil Co., P.O. Box 1521, Houston, Tex. 77001.

A. Leonard Appel.
B. Everett Terminal Co., Inc., Hewitt Avenue Marine Terminal, P.O. Box 1478, Everett, Wash. 98206.
D. (6) $7,758.90. E. (9) $219.93.

A. Clarence A. Arata, Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $16,250.

A. John C. Archer, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $550. E. (9) $300.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $75. E. (9) $1.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C.
B. New York State Health Facilities Association, 302 Loew Building, Syracuse, N.Y. 13202.
E. (9) $62.91.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $7,500.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Realty Committee, 230 Park Avenue, New York, N.Y. 10017.
D. (6) $1,250. E. (9) $52.65.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $791.60. E. (9) $66.05.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. American Bottled Water Association, 1411 West Olympic Boulevard, Los Angeles, Calif. 90015.

A. Arnold & Porter, 1225 19th Street NW., Washington, D.C. 20036.
B. Fairchild Camera & Instrument Corp., 464 Ellis Street, Mountain View, Calif. 94040.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Hoffmann-LaRoche, Inc., Nutley, N.J. 07110.
D. (6) $650. E. (9) $4.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. International Brotherhood of Electrical Workers, 1125 15th Street N.W., Washington, D.C.
E. (9) 47.63.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.
D. (6) $102.42. E. (9) $235.69.

A. Judith A. Assmus, 1763 R Street NW., Washington, D.C. 20009.
B. Washington Research Project Action Council, 1763 R Street NW., Washington, D.C. 20009.
D. (6) $1,500.

A. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Association for the Advancement of Invention & Innovation, Suite 301, Crystal Mall 1, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $4,275. E. (9) $2,869.29.

A. Association of American Railroads, American Railroads Building, Room 211, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $4,246.13. E. (9) $4,246.13.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
E. (9) $13.57.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
E. (9) $500.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $1,200. E. (9) $300.

A. Robert L. Augenblick, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) 50. E. (9) $3.50.

A. Richard W. Averill, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $800. E. (9) $301.

A. Kenneth L. Bachman, Jr., 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Kenneth L. Bachman, Jr., 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Donald L. Badders, 2030 M Street NW., Suite 800, Washington, D.C. 20036.
B. TRW Credit Data, One Space Park, Redondo Beach, Calif. 90278.
D. (6) $352. E. (9) $129.70.

A. Carl E. Bagge, Coal Building, Washington D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
E. (9) $529.68.

A. John C. Bagwell, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Honolulu, Hawaii.

A. George F. Bailey, Jr., P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. James F. Bailey, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $6,175. E. (9) $595.

A. Grace C. Baisinger, 2870 Arizona Terrace NW., Washington, D.C. 20016.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill., 60611.
E. (9) $453.14.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Thomas F. Baker, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.
D. (6) $66.72. E. (9) $5..

A. Donald Baldwin, Suite 906, 1625 I Street NW., Washington, D.C. 20006.
B. PEPCO, 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $300.

A. Donald F. Bale, 955 L'Enfant Plaza North, SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $575. E. (9) $175.

A. Thomas H. Barksdale, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $8,250. E. (9) $210.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

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A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Irvin L. Barney, 400 First Street, NW., Washington, D.C. 20001.
B. Brotherhood Railway Carmen of the United States and Canada, 4929 Main Street, Kansas City, Mo. 64112.
D. (6) $5,166.65.

A. James C. Barr, 1156 15th Street, NW., Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 315, Washington, D.C. 20005.
D. (6) $300. E. (9) $117.50.

A. Robert W. Barrie, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $216.

A. David S. Barrows, 214 Century Building, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, Douglas County Courthouse, Roseburg, Oreg. 97470.
D. (6) $1,200.

A. T. Michael Barry, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $126.56.

A. Weldon Barton.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo.
D. (6) $4,907.74. E. (9) $132.30.

A. Kenneth C. Bass, III, 800 17th Street NW., Washington, D.C. 20006.
B. Alaska Federation of Natives, Inc., 1675 C Street, Anchorage, Alaska 99501.
D. (6) $800. E. (9) $6.30.

A. William M. Bates, 2016 Peachtree Center Building, Atlanta, Ga. 30303.
B. Georgia Farm Bureau Federation.
D. (6) $9,000. E. (9) $2,483.05.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Gasoline Marketers Council, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $2,500.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Terminal Operators Association, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $500.

A. Donald S. Beattie, 400 First Street, NW., Washington, D.C. 2001.
B. Congress of Railway Unions.
E. (9) $1,609.70.

A. Daniel S. Bedell, 1125 15th Street, NW., No. 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $5,353.28. E. (9) $355.24.

A. John H. Beidler, 1125 15th Street, NW., No. 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $7,545.80. E. (9) $375. 80.

A. Page Belcher, 1701 Pennsylvania Avenue, NW., Suite 404, Washington, D.C. 20006.
E. (9) $82.

A. Thomas S. Belford, 2030 M Street, NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street, NW., Washington, D.C. 20036.
D. (6) $225.

A. E. M. Benson, Jr., 515 South Flower Street, Los Angeles, Calif. 90071.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $900.

A. Berl Bernhard, 1660 L Street, NW., Suite 1101, Washington, D.C. 20036.
B. The Common Fund, 635 Madison Avenue, New York, N.Y. 10022.
D. (6) $2,500. E. (9) $226.59.

A. Berry & Gipson, 1700 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. Atlanta Corp., 17 Varick Street, New York, N.Y. 10013.
D. (6) $8,000. E. (9) $905.05.

A. Berry & Gipson, 1700 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. East-West Trade Council, 1700 Pennsylvania Avenue, NW., Washington, D.C. 20006.

A. Max N. Berry, 1700 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. Meat Products Group, American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

A. Robert L. Bevan, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $362.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $10,153. E. (9) $226.55.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Lydia Bitter, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $80. E. (9) $80.

A. Neal R. Bjornson, 30 F Street, NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street, NW., Washington, D.C. 20001.
D. (6) $1,250. E. (9) $78.66.

A. John W. Black, 1800 K Street, NW., Suite 920, Washington, D.C. 20006.
B. Bank of America N.T. and S.A., Bank of America Plaza, San Francisco, Calif. 94137.

A. Jerald Blizin, 1425 K Street, NW., Washington, D.C.
B. Hill and Knowlton, 633 Third Avenue, New York, N.Y. 10017.

A. Nancy Blum, 215 10th Street, SE., Washington, D.C. 20003.
B. Women's Lobby, Inc., 1345 G Street SE., Washington, D.C. 20003.
D. (6) $942. E. (9) $483.65.

A. Blumberg, Singer, Ross, Gottesman & Gordon, 245 Park Avenue, New York, N.Y. 10017.
B. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $12,000.

A. Becky Bogard, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $360.

A. Theodore H. Bornstein, 2028 37th Street, NW., Washington, D.C. 20007.
B. World Federalists, U.S.A., 2029 K Street, NW., Washington, D.C. 20006.
D. (6) $2,302.66. E. (9) $70.21.

A. Charles E. Bosley, 100 Maryland Avenue NE., Washington, D.C.
B. Council for a Livable World.
D. (6) $3,600. E. (9) $31.80.

A. G. Stewart Boswell, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $937.50. E. (9) $54.46.

A. Charles G. Botsford, 1730 M Street NW., Suite 609, Washington, D.C. 20036.

A. A. D. Bourland, 1660 L Street NW., Suite 804, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $2,519.74.

A. Kenneth J. Bousquet, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,600. E. (9) $350.

A. Rodney A. Bower, 1126 16th Street NW., Room 200, Washington, D.C. 20036.
B. International Federation of Professional & Technical Engineers, AFL-CIO, 1126 16th Street NW., Room 200, Washington, D.C. 20036.
D. (6) $240. E. (9) $20.

A. J. Wiley Bowers, 415 Pioneer Building, Chattanooga, Tenn. 37402.
B. Tennessee Valley Public Power Association, 415 Pioneer Building, Chattanooga, Tenn. 37402.

A. Edward L. Bowley, 817 14th Street NW., Washington, D.C.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C.
D. (6) $7,890.55. E. (9) $1,366.32.

A. Melvin J. Boyle, 1125 15th Street NW., Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers, AFL-CIO-CLC, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $6,333.

A. George E. Bradley, 1341 G Street NW., Washington, D.C. 20005.
B. Organization of Professional Employees of USDA, 1341 G Street NW., Washington, D.C.
D. (6) $900. E. (9) $25.

A. Wayne W. Bradley, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $1,250. E. (9) $720.

A. Charles N. Brady, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Joseph E. Brady, Room 122, Sheraton Gibson Hotel, Cincinnati, Ohio.
B. National Coordinating Committee of the Beverage Industry.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Edward J. Brenner, Suite 301, Crystal Mall 1, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. Association for the Advancement of Invention and Innovation, Suite 301, Crystal Mall 1, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

A. Bill Brier, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,687.49. E. (9) $140.43.

A. Parke C. Brinkley, the Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association.

A. Wally Briscoe.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $135. E. (9) $16.50.

A. John Broadbent, 161 East 42d Street, New York, N.Y. 10017.
B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. David A. Brody, 1640 Rhode Island Avenue, NW., Washington, D.C. 20036.
B. Anti-Defamation League of B'nai B'rith, 315 Lexington Avenue, New York, N.Y. 10016.
D. (6) $450

A. Michael D. Bromberg, 1101 17th Street, NW., Suite 810, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
D. (6) $4,500.

A. W. S. Bromley, 605 Third Avenue, New York, N.Y. 10017.
B. American Pulpwood Association, 605 Third Avenue, New York, N.Y. 10017.

A. George Bronz, 888 17th Street NW., Washington, D.C. 20006.

D. (6) $5,000. E. (9) $6.36.

A. J. Colvin Brown, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $100.

A. J. D. Brown, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW.

D. (6) $500.

A. Michael F. Brown.

B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.

D. (6) $100. E. (9) $25.

A. Travis Taylor Brown, 2525 49th Street NW., Washington, D.C.

A. Brownstein Zeidman Schomer & Chase, Suite 900, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Council of Housing Producers, Suite 308, 10920 Wilshire Boulevard, Los Angeles, Calif. 90024.

A. Brownstein Zeidman Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Franchise Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Brownstein Zeidman Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Massachusetts Bankers Association, Inc., 125 High Street, Boston, Mass. 02110.

E. (9) $66.

A. Brownstein Zeidman Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Mobile Home Manufacturers Association, 14650 Lee Road, Chantilly, Va. 22021.

A. Brownstein Zeidman Schomer & Chase, Suite 900, 1025 Connecticut Avenue NW., Washington, DC. 20036.

B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis. 53201.

A. Lawrence E. Bruce, Jr., 1125 15th Street NW., Washington, DC. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $2,438. E. (9) $4,883.

A. Marguerite E. Bryan, 400 First Street NW., Suite 700, Washington, D.C. 20001.

B. District No. 1—Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y 10004.

D. (6) $900. E. (9) $89.20.

A. George S. Buck, Jr., P.O. Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Philip N. Buckminster, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.

D. (6) $2,000. E. (9) $347.65.

A. Robert D. Buehler, 1800 K Street NW., Suite 929, Washington, D.C. 20006.

B. B. F. Goodrich Co., Akron, Ohio 44318.

D. (6) $350.

A. Norman D. Burch, 1175 K Street NW., Washington, D.C. 20006.

B. College of American Pathologists, 230 North Michigan Avenue, Chicago, Ill. 60601.

D. (6) $3,375. E. (9) $211.34.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.

B. Montana Power Co., Butte, Mont. 59701.

E. (9) $308.04.

A. Burley & Dark Leaf Tobaccos Expansion Association, P.O. Box 860, Lexington, Ky. 40501.

D. (6) $10,000. E. (9) $1,083.88.

A. Phil Burnett, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $363.28.

A. George Burnham IV, 1625 K Street NW., Washington, D.C. 20006.

B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.

D. (6) $365. E. (9) $395.

A. Charles S. Burns, 1620 I Street NW., Washington, D.C. 20006.

B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.

D. (6) $1,200. E. (9) $330.10.

A. David Burpee, Fordhook Farms, Doylestown, Pa. 18901.

E. (9) $21.

A. Richard M. Bush, Suite 501, Barr Building, Washington, D.C. 20006.

B. Pacific Northwest Power Co., P.O. Box 3727, Spokane, Wash. 99220.

E. (9) $250.

A. Business Executives Move for New National Priorities, 901 North Howard Street, Baltimore, Md. 21201.

D. (6) $16,591.18. E. (9) $1,409.98.

A. Harry W. Buzzerd, Jr., 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $312.50. E. (9) $8.72.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Foley & Lardner, 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Foley & Lardner, 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. Charles S. Caldwell, 900 15th Street NW., Washington, D.C. 20005.

B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

D. (6) $5,375.04.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C. 20006.

B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.

E. (9) $256.80.

A. Carl C. Campbell, 1050 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $175.78.

A. Charles O. Campbell, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Sharyn G. Campbell, 1620 I Street NW., Suite 603, Washington, D.C. 20006.

B. National BankAmericard, Inc., 555 California Street, San Francisco, Calif. 94126.

D. (6) $2,500. E. (9) $2,747.18.

A. W. Dean Cannon, Jr., 1444 Wentworth Ave., P.O. Box R, Pasadena, Calif, 91109.

B. California Savings & Loan League, 1444 Wentworth Avenue, P.O. Box R, Pasadena, Calif. 91109.

D. (6) $1,500.

A. Capital Holding Corp., Commonwealth Building, Louisville, Ky.

E. (9) $1,000.

A. Marvin Caplan.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C.

D. (6) $3,249.40. E. (9) $105.15.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.

B. Connecticut General Life Insurance Co., Hartford, Conn. 06115; Fidelity Mutual Life Insurance Co., P.O. Box 7318; Philadelphia, Pa. 19101; John Hancock Mutual Life Insurance Co., One Madison Avenue, New York, N.Y. 10010.

A. Norval E. Carey, 1025 Connecticut Avenue, NW., Washington, D.C. 20036.

B. General Atomic Co., San Diego, Calif.

D. (6) $1,000. E. (9) $375.

A. Philip Carlip, 675 Fourth Avenue, Brooklyn, N.Y. 11232.

B. Seafarers International Union.

D. (6) $2,500. E. (9) $1,972.46.

A. Elizabeth Carpenter, 1425 K Street NW., Washington, D.C. 20005.

B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

D. (6) $270. E. (9) $15.

A. L. C. Carpenter, 201 South Seventh Street, Columbia, Mo.

B. Midcontinent Farmers Association.

D. (6) $5,299.32. E. (9) $898.30.

A. Henry A. Carrington, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

B. National Savings & Loan League, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

A. John R. Carson, 20 Chevy Chase Circle NW., Washington, D.C. 20015.

B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C., 20015.

D. (6) $6,250.

A. David C. Carter, 1156 15th Street NW., Washington, D.C. 20005.

B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. John L. Casey, 127 East 59th Street, New York, N.Y. 10022.

B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y. 10004.

B. South African Sugar Association, P.O. Box 507, Durban, South Africa.

E. (9) $3,376.42.

A. Robert J. Casey, 330 Madison Avenue, New York, N.Y. 10017.

B. Santa Fe Natural Resources, Inc., 80 East Jackson Boulevard, Chicago, Ill.; Champlin Petroleum Co., P.O. Box 9365, Fort Worth, Tex.

E. (9) $3,152.80.

A. James B. Cash, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $147.35.

A. James Cassese, Sr., 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 400 First Street NW., Washington, D.C. 20001.
D. (6) $3,600.

A. Frank R. Cawley, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Agricultural Publishers Association, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
D. (6) $76. E. (9) $60.27.

A. Frank R. Cawley, 1625 I Street NW., Washington, D.C. 20006.
B. Harcourt Brace Jovanovich, Inc., 1625 I Street NW., Washington, D.C. 20006.

A. Frank R. Cawley, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $150. E. (9) $80.95.

A. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $13,632.51. E. (9) $21,862.38.

A. Central America Cooperative Federation, Inc., 918 16th Street NW., Washington, D.C. 20006.
E. (9) $665.72.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Cordage Institute, 2300 Calvert Street NW., Washington, D.C. 20008.
D. (6) $1,062.50.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Satra Corp., 475 Park Avenue South, New York, N.Y. 10016.
D. (6) $1,500.

A. Justice M. Chambers, 2300 Calvert Street NW., Washington, D.C. 20000.
B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.
D. (6) $7,500. E. (9) $902.20.

A. Donald E. Channell, 1705 DeSales Street NW., Washington, D.C. 20036.
B. American Bar Association, 1705 DeSales Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $20.

A. James W. Chapman, 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,590.

A. William C. Chapman, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $4,222.35.

A. Nancy H. Chasen, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $500.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Albert T. Church, Jr., 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW, Washington, D.C. 20006.

A. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $43,592.25.

A. Citizens for Control of Federal Spending, 1629 K Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $46,501. E. (9) $34,953.01.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee.
D. (6) $1,650. E. (9) $33.15.

A. Kimball Clark, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $162.76. E. (9) $183.97.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,749.99.

A. Robert M. Clark, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.

A. Clay Pipe Industry Depletion Committee, P.O. Box 6, Pittsburgh, Kans. 66762.

A. Joan Claybrook, 133 C Street SE, Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE, Washington, D.C. 20003.
D. (6) $800.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $875.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Charter Oil Co., P.O. Box 4726, Jacksonvile, Fla. 32202.
D. (6) $500.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. CSR, Ltd., 1–7 O'Connell Street, Sydney, Australia.
E. $18.20.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Interbank Card Association, Suite 3600, 110 East 59th Street, New York, N.Y. 10022.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Marion Corp., 316 Bel-Air Boulevard, Mobile, Ala. 36606.
D. (6) $750.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Natomas Co., 601 California Street, San Francisco, Calif. 94108.
E. (9) $77.50.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Oil Shale Corp., 680 Fifth Avenue, New York, N.Y. 10019.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Peugeot, Inc., 300 Kuller Road, Clifton, N.J. 07015.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Scarsdale, N.Y. 10533.
E. (9) $197.20.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. American Brands, Inc., 245 Park Avenue, New York, N.Y. 10017.
E. (9) $90.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Brown & Williamson Tobacco Corp., Louisville, Ky. 40201.
E. (9) $90.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Liggett & Myers Inc., 4100 Roxboro Road, Durham, N.C. 27702.
E. (9) $90.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Lorillard, Division of Loews Theatres, Inc., 200 East 42d Street, New York, N.Y. 10017.
E. (9) $90.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Philip Morris Inc., 100 Park Avenue, New York, N.Y. 10017.
E. (9) $90.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. R. J. Reynolds Industries, Inc., Winston-Salem, N.C. 27102.
E. (9) $90.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Ronald D. Clements, 1016 20th Street NW., Washington, D.C. 20036.
B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
E. (9) $90.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue, NW., Washington, D.C. 20007.
B. Avco Corp., 750 Third Avenue, New York, N.Y. 10017.
D. (6) $270. E. (9) $68.25.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Bessemer and Lake Erie Railroad Co., 600 Grant Street, P.O. Box 536, Pittsburg, Pa. 15230.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Railroad Passenger Corp., 955 L'Enfant Plaza North SW., Washington, D.C. 20024.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue, NW., Washington, D.C. 20006.

B. New York Cocoa Exchange, Inc., 127 John Street, New York, N.Y.; New York Coffee & Sugar Exchange, Inc., 79 Pine Street, New York, N.Y.; Commodity Exchange, Inc., 81 Broad Street, New York, N.Y.

E. (9) $221.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue, NW., Washington, D.C. 20006.

B. Owens-Illinois, Inc., Madison Avenue and St. Clair Street, Box 1035, Toledo, Ohio 43601.

D. (6) $250. E. (9) $60.80.

A. Larry D. Cline, 1315 16th Street, NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street, NW., Washington, D.C. 20036.

E. (9) $30.50.

A. Coalition to End Grand Jury Abuse, 412 Fifth Street, NW., Room 708, Washington, D.C.

A. Grover B. Cobb, 1200 Travis, Houston, Tex.

B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77002.

D. (6) $375. E. (9) $1,444.35.

A. Grover C. Cobb, 1771 N Street, NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street, NW., Washington, D.C. 20036.

D. (6) $3,000. E. (9) $400.

A. The Coca-Cola Bottlers' Association, 166 16th Street, NW., Atlanta, Ga. 30328.

E. (9) $3,135.41.

A. Jeffery Cohelan, 1717 Massachusetts Avenue, NW., Washington, D.C. 20036.

B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $999.99.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $6,562.44.

A. Cohen and Uretz, 1730 M Street NW., Washington, D.C. 20036.

B. Commonwealth of Puerto Rico, % Jose A. Cabranes, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Cohen and Uretz, 1730 M Street NW., Washington, D.C. 20036.

B. McDonnell Douglas Finance Corp., 3855 Lakewood Boulevard, Long Beach, Calif. 90801.

A. Timothy A. Colcord, 1620 I Street NW., Suite 603, Washington, D.C. 20006.

B. National BankAmericard, Inc., 555 California Street, San Francisco, Calif. 94126.

D. (6) $6,875. E. (9) $7,855.54.

A. Eleanor Cole, 720 Hotel Washington, Washington, D.C. 20004.

B. UBA, Inc.

D. (6) $1,000. E. (9) $1,000.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,749.99. E. (9) $31.

A. Robert E. Cole, 320 New Center Building, Detroit, Mich. 48202.

B. Motor Vehicle Manufacturers Association of the U.S., Inc., 1909 K Street NW., Washington, D.C. 20006.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.

B. H. H. Robertson Co., Two Gateway Center, Pittsburgh, Pa.

D. (6) $1,795. E. (9) $71.09.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C.

B. PPG Industries, Inc., One Gateway Center, Pittsburgh, Pa. 15222.

A Coles & Goertner, 1000 Connecticut Avenue, NW., Washington, D.C. 20036.

B. Committee of American Tanker Owners, Inc., One Chase Manhattan Plaza, New York, N.Y. 10005.

A. Coles & Goertner, 1000 Connecticut Avenue, NW., Washington, D.C. 20036.

B. Independent U.S. Tanker Owners Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.

A. William J. Colley, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,400. E. (9) $810.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.

B. American Cylinder Manufacturers Committee, 1666 K Street NW., Washington, D.C. 20006.

D. (6) $35.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

D. (6) $500. E. (9) $475.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. Bicycle Manufacturers Association of America, Inc., 122 East 42d Street, New York, N.Y. 10017.

D. (6) $500. E. (9) $100.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. Department of Information, Private Bag X152, Pretoria, 0001, Republic of South Africa.

D. (6) $3,000. E. (9) $3,700.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.

E. (9) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. Tool & Stainless Steel Industry Committee, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

D. (6) $1,250. E. (9) $75.

A. James F. Collins, 1000 16th Street NW., Washington, D.C. 20006.

B. American Iron & Steel Institute, 150 East 42d Street, New York, N.Y.

D. (6) $500. E. (9) $125.

A. Robert B. Collyer, 720 Hotel Washington, Washington, D.C. 20004.

B. UBA, Inc.

D. (6) $1,000. E. (9) $1,000.

A. Colorado Railroad Association, 702 Majestic Building, Denver, Colo. 80202.

B. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.

A. Committee for Modern, Efficient Transportation, Suite 818, 910 17th Street NW., Washington, D.C.

D. (6) $16,500. E. (9) $16,550.40.

A. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C. 20036.

D. (6) $62,525. E. (9) $8,422.35.

A. Committee of Copyright Owners, 1600 I Street NW., Washington, D.C. 20006.

D. (6) $1,555.29. E. (9) $9,720.56.

A. Committee on Strikes in Transportation, 1101 17th Street NW., Washington, D.C. 20036.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,789,707.23. E. (9) $395,466.90.

A. The Common Fund, 635 Madison Avenue, New York, N.Y. 10022.

E. (9) $5,453.20.

A. Computer Industry Association, Inc., 16255 Ventura Boulevard, Encino, Calif. 91316.

D. (6) $60,457. E. (9) $6,941.

A. Harold B. Confer, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $1,541.

A. Richard J. Congleton, 734 15th Street NW., Washington, D.C. 20005.

B. American Academy of Actuaries, 208 South LaSalle Street, Chicago, Ill. 60604.

D. (6) $900. E. (9) $73.40.

A. Richard J. Congleton, 734 15th Street NW., Washington, D.C. 20005.

B. The Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.

D. (6) $1,500. E. (9) $200.

A. Congress of Railway Unions, 400 First Street NW., Room 800, Washington, D.C. 20001.

B. Congress of Railway Unions.

D. (6) $8,539.39. E. (9) $8,538.99.

A. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $3,321.22. E. (9) $3,321,22.

A. Raymond F. Conkling, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Texaco, Inc., 135 East 42d Street, New York, N.Y. 10017.

D. (6) $200. E. (9) $62.45.

A. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.

D. (6) $2,629.21. E. (9) $2,629.21.

A. Robert J. Conner, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.

D. (6) $500. E. (9) $305.

A. Jerry C. Connors, 8111 Gatehouse Road, Falls Church, Va., 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.

E. (9) $4.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill. 60611.

B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.

D. (6) $2,600.

A. Jack T. Conway, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $2,812.50.

A. Cook & Franke, 660 East Mason Street, Milwaukee, Wis. 53202.

B. M&I Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

D. (6) $500. E. (9) $170.01.

A. Harry N. Cook, Suite 200, 1130 17th Street NW., Washington, D.C. 20036.

B. The National Waterways Conference, Inc.

A. Howard Lee Cook, Jr., 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,000. E. (9) $1,170.

A. Eileen D. Cooke, 110 Maryland Avenue NE., Washington, D.C. 20002.

B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.

D. (6) $627.60.

A. John R. Cooper, Suite 801, 1629 K Street NW., Washington, D.C. 20006.

B. National Motorsports Committee of ACCUS. Suite 801, 1629 K Street, NW., Washington, D.C. 20006.

D. (6) $1,500. E. (9) $1,114.21.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va. 22314.

B. Portsmouth, Kittery Armed Services Committee, Inc., Box 1123, Portsmouth, N.H. 03801.

D. (6) $2,500. E. (9) $301.36.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C. 20036.

B. Council of Forest Industries, 1055 West Hastings Street, Vancouver 1, Canada.

D. (6) $3,000. E. (9) $23.85.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Footwear Division, Rubber Manufacturers Association, 444 Madison Avenue, New York, N.Y.

D. (6) $10,000. E. (9) $67.66.

A. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

D. (6) $2,500. E. (9) $825.

A. Darrell Coover, 1625 Eye Street NW., No. 812, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

(D. (6) $2,000. E. (9) $268.

A. James T. Corcoran, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Motor Bus Owners, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $975. E. (9) $87.50.

A. Allan D. Cors, 1800 K Street NW., Washington, D.C. 20006.

B. Corning Glass Works, Corning, N.Y. 14830.

A. Bertram Robert Cottine, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Robert M. Coultas, 1612 K Street NW., Suite 508, Washington, D.C. 20006.

B. Institute for Rapid Transit, 1612 K Street NW., Washington, D.C. 20006.

A. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C.

D. (6) $4,439.44. E. (6) $4,439.44.

A. Council for the Advancement of the Psychological Professions & Sciences, 1725 I Street NW., Suite 606, Washington, D.C. 20006.

D. (6) $37,530.65. E. (9) $5942.02.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue, Washington, D.C.

D. (6). $1,592.50. E. (9) $1,595.30.

A. Counihan, Casey & Loomis. 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Adhesive & Sealant Council, 1410 Higgins Road, Park Ridge, Ill. 60068.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. American Corn Millers Federation, 1030 15th Street NW., Washington, D.C. 20005.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Association of Bituminous Contractors, 1000 Connecticut Avenue, Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington D.C. 20036.

B. Classroom Periodical Publishers Association, 1000 Connecticut Avenue, Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Industrial Diamond Association of America, 59 East Main Street, Moorestown, N.J. 08057.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Kohler Co., Kohler, Wis. 53004.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Linen Supply Association of America, 975 Arthur Godfrey Road, Miami Beach, Fla. 33140.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Printing Ink Manufacturers, 101 Executive Blvd., Elmsford, N.Y. 10523.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington D.C. 20036.

B. National Erectors Association, 1800 North Kent Street, Arlington, Va.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Glass Dealers Association, 1000 Connecticut Avenue, Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Optical Manufacturers Association, 1730 North Lynn Street, Arlington, Va. 22209.

A. Paul L. Courtney, 1725 K. Street NW., Washington, D.C. 20006.

D. (6) $300.

A. Roger C. Courtney, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602

D. (6) $264.96. E. (9) $258.55.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue NW., Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. Business Men's Assurance Co. of America, BMA Tower, 1 Penn Valley Park, Kanass City, Mo. 64141.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $3,750. E. (9) $12.15.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. Irving Trust Co., 1 Wall Street, New York, N.Y. 10015.

D. (6) $5,000. E. (9) $21.01.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. MGIC Investment Corp., 600 Marine Plaza, Milwaukee, Wis. 43201.

D. (6) $1,000.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.

A. Eugene S. Cowen, 9024 Willow Valley Drive, Potomac, Md. 20854.

B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C.

D. (6) $56. E. (9) $56.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Association of Research Libraries, 1527 New Hampshire Avenue NW., Washington, D.C. 20036.

E. (9) $2.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.

B. The National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kans. 66222.

D. (6) $680. E. (9) $10.80.

A. Robert W. Crawford, 1625 I Street NW., Washington, D.C. 20006.

B. Association of General Merchandise Chains, Inc., 1625 I Street NW.. Washington, D.C. 20006.

D. (6) $9,999.99. E. (9) $1,180.35.

A. Hubert M. Crean, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. P. H. Croft, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.

B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $832.50.

A. H. C. Crotty, Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich. 48203.

A. Jack A. Crowder, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $1,500. E. (9) $55.34.

A. William Cudlip, 320 New Center Building, Detroit, Mich. 48202.
B. Motor Vehicle Manufacturers Association of the U.S., Inc., 320 New Center Building, Detroit, Mich. 48202.

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $581. E. (9) $3,716.

A. Frank Cummings, 1250 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Institute of Electrical and Electronics Engineers, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $4,000.

A. John T. Curran, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $8,250. E. (9) $3,689.56.

A. William Kay Daines, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,100. E. (9) $274.90.

A. Thomas A. Daly, 1101 16th Street, NW., Washington, D.C. 20036.
B. National Soft Drink Association.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.
D. (6) $6,000. E. (9) $412.91.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. Indian Sugar Industry Export Corp., Ltd., New Delhi, India.
E. (9) $239.10.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. Japan Lumber Importers Association, Tokyo, Japan.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. National Office Machine Dealers Association, 1510 Jarvis Avenue, Elkgrove, Ill. 60007.
D. (6) $4,000. E. (9) $585.59.

A. Fred E. Darling, 110 Maryland Avenue NE., Suite 510, Washington, D.C. 20002.
B. Non-Commissioned Officers Association of USA, P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $435.

A. Philip J. Daugherty.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,165. E. (9) $153.56.

A. John B. Davenport, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $155.

A. Aled P. Davies, 59 East Van Buren Street, Chicago, Ill. 60605.
B. American Meat Institute, 59 East Van Buren Street, Chicago, Ill. 60605.
D. (6) $100. E. (9) $118.55.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.
B. Bankers Life & Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.

A. Charles W. Davis, One First National Plaza, 5200, Chicago, Ill. 60670.
B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.
D. (6) $1,137. E. (9) $720.37.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.
B. Inland Steel Co., 30 West Monroe Street, Chicago, Ill. 60603.
D. (6) $400.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.
B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.
B. Northwest Industries, Inc., 400 West Madison Street, Chicago, Ill 60606.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684
D. (6) $29,510. E. (9) $598.33

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.
B. Trans Union Corp., 111 West Jackson Blvd., Chicago, Ill. 60604.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.
B. United Insurance Co. of America, One East Wacker Drive, Chicago, Ill. 60601.

A. Claire Davis, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $150.

A. R. Hilton Davis, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20006.

A. Walter L. Davis, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. P. M. Davison, Jr., 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
B. North Dakota Railway Lines.
E. (9) $4.21.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. National Cystic Fibrosis Research Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.
D. (6) $3,750. E. (9) $270.32.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. National Wool Grower Association, 600 Crandall Building, Salt Lake City, Utah, 84101.
D. (6) $4,500. E. (9) $929.93.

A. Charles W. Day, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $325. E. (9) $265.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Associated Third Class Mail Users, 1725 K. Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle, NW., Washington, D.C. 20036.
B. Electronic Industries Association, 2001 I Street NW., Washington, D.C. 20006.

A. Ronald B. Dear, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street, SE., Washington, D.C.
D. (6) $2,500.03.

A. Tony T. Dechant.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo.
D. (6) $4,000. E. (9) $161.91.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Clairol, Inc., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $410. E. (9) $86.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $210. E. (9) $10.

A. John L. Delano, P.O. Box 1172, Helena, Mont. 59601.
B. Montana Railroad Association, P.O. Box 1172, Helena, Mont. 59601.

A. Richard A. Dell, 2000 Florida Avenue N.W., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $150.

A. Vincent A. Demo, 25 Broadway, New York, N.Y. 10004.
B. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $7,500. E. (9) $2,600.

A. Ray Denison, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $6,942. E. (9) $389.70.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. American Society of Composers, Authors and Publishers, One Lincoln Plaza, New York, N.Y. 10023.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Merrill Lynch, Pierce, Fenner & Smith, Inc., One Liberty Plaza, New York, N.Y. 10006.

A. R. Daniel Devlin, 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
E. (9) $210.

A. Ralph B. Dewey, 1150 17 Street NW., Suite 1109, Washington, D.C. 20036.

B. Pacific Gas and Electric Co., 77 Beale Street, San Francisco, Calif. 94106.

D. (6) $1,760. E. (9) $984.24.

A. John M. Dickerman, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Lumber & Building Material Dealers Association, Washington, D.C. 20036.

D. (6) $6,029.28. E. (9) $126.20.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. Committee for Marysville Dam, P.O. Drawer B, Marysville, Calif. 95902.

D. (6) $1,023. E. (9) $23.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. Department of Water Resources, State of California, P.O. Box 388, Sacramento, Calif. 95802.

D. (6) $2,315.85. E. (9) $155.85.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. Sacramento Yolo Port District, Sacramento, Calif.

D. (6) $766.30. E. (9) $26.30.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.

D. (6) $43,244.55. E. (9) $43,244.55.

A. William H. Dodds, 1125 15th Street NW., Suite 600, Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $6,449.94. E. (9) $860.40.

A. James F. Doherty, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $4,304.99.

A. Robert C. Dolan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.

B. National Association of Electric Cos., 1140 Connecticut Avenue NW, Suite 1010, Washington, D.C. 20036.

D. (6) $387.50. E. (9) $87.28.

A. Edward V. Donahue, 1900 L Street NW., Washington, D.C. 20036.

B. Graphic Arts International Union, 1900 L Street NW., Washington, D.C. 20036.

D. (6) $2,280. E. (9) $2,362.

A. Jack Donahue, 1725 I Street NW., Suite 606, Washington, D.C. 20006.

B. Council for the Advancement of the Psychological Professions & Sciences, 1725 I Street NW., Suite 606, Washington, D.C. 20006.

D. (6) $1,089. E. (9) $267.66.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.

B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20003.

A. Gary W. Donnelly, 1315 16th Street NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

E. (9) $35.60.

A. James A. Dorsch, 1701 K Street NW., Washington, D.C.

B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

D. (6) $379.25. E. (9) $96.89.

A. C. L. Dorson, Suite 529, Munsey Building, Washington, D.C. 20004.

B. Retirement Federation of Civil Service Employees of the U.S. Government, Suite 529, Munsey Building, Washington, D.C. 20004.

D. (6) $2,943.60. E. (9) $225.

A. Carol Ann Douglas, 3100 Connecticut Avenue NW., No. 204, Washington, D.C. 20008.

B. Women's Lobby, Inc., 1345 G Street SE., Washington, D.C. 20003.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. Advance Schools, Inc., 5900 Northwest Highway, Chicago, Ill. 60631.

A. Richard Morgan Downey, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street, Washington, D.C. 20003.

D. (6) $200.

A. F. Raymond Downs, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.

B. The Procter & Gamble Manufacturers Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

A. Harry J. Doyle, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, % Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $735.30. E. (9) $490.95.

A. Robert H. Doyle, 2029 K Street NW., Washington, D.C. 20006.

B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.

D. (6) $4,031.25.

A. Andrew Drance, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.

B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.

D. (6) $241.50. E. (9) $61.39.

A. Dean W. Drulias, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, % Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $226.16. E. (9) $301.64.

A. Franklin B. Dryden.

B. The Tobacco Institute, Inc., 1776 K Street NW, Washington, D.C. 20006.

D. (6) $120. E. (9) $120.

A. Evelyn Dubrow, 1710 Broadway, New York, N.Y. 10019.

B. International Ladies Garment Workers Union, 1710 Broadway, New York, N.Y. 10019.

D. (6) $4,329. E. (9) $3,051.50.

A. Donald A. Duffy, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. William E. Duke, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $600. E. (9) $300.

A. M. L. DuMars, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $60.

A. Norman Duncan, 1156 15th Street NW., Washington, D.C. 20005.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

D. (6) $350. E. (9) $120.20.

A. R. Michael Duncan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. R. Michael Duncan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Douglas G. Dunn, 1133 15th Street NW., Suite 503, Washington, D.C. 20005.

B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr, 68102.

D. (6) $1,500.

A. J. D. Durand, 1725 K Street NW., Washington, D.C. 20006.

B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.

A. J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.

B. National Association of Farmer Elected Committeemen, R.R. 2, Sheridan, Ind. 46069.

E. (9) $88.70.

A. Roy W. Easley, 1735 DeSales Street NW., Washington, D.C. 20036.

B. Association of Maximum Service Telecasters, Inc., 1735 De Sales Street NW., Washington, D.C. 20036.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

E. (9) $564.16.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $1,500. E. (9) $42.75.

A. Arthur B. Edgeworth, Jr., 1709 New York Avenue, NW., Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $587.50.

A. Hallett D. Edson, 956 North Monroe Street, Arlington, Va. 22201.

B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $1,883.40.

A. E. Neel Edwards, Jr.

B. National Federal of Independent Business, 921 Washington Building, Washington, D.C. 20005.

D. (6) $2,500. E. (9) $298.26.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

E. (9) $373.78.

A. Macon T. Edwards, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $375. E. (9) $30.13.

A. J. C. B. Ehringhaus, Jr., 1600 South Eads Street, Arlington, Va. 22202.

B. Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Harmon L. Elder, 2000 L Street NW., Suite 520, Washington, D.C. 20036.

B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.

D. (6) $250. E. (9) $82.76.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.

A. Ruth Bowdey Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
D. (6) $3,703. E. (9) $2,664.26.

A. Frank Ellis Associates, Inc., Suite 400, 1730 North Lynn Street, Arlington, Va. 22209.
E. (9) $195.10.

A. John C. Ellis, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $8,868.32. E. (9) $18,328.63.

A. Richard W. Emory, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $51.91.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
E. (9) $1,092.67.

A. Lowell J. Endahl, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $235.

A. Gertrude Engel, 2450 Virginia Avenue NW., Washington, D.C. 20037.
B. Bob Hoffman, York Barbell Co., York, Pa., 27405.
D. (6) $1,750. E. (9) $261.01.

A. Grover W. Ensley, 200 Park Avenue, New York, N.Y. 10017.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,863.

A. Glenn R. Erickson, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,400. E. (9) $225.

A. Russell G. Ernest, 1025 Connecticut Avenue NW., 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.

A. John D. Fagan, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the U.S.
D. (6) $3,364. E. (9) $22.

A. Robert R. Fahs, 1030 15th Street NW., Washington, D.C. 20005.
B. Cargill, Inc., 1200 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $2,500. E. (9) $25.25.

A. Mrs. Joseph S. Fair, 1900 Lamont Street NW., Washington, D.C. 20010.
B. Calling Concerned Christian Countrymen, P.O. Box 2866, Washington, D.C. 20013.
D. (6) $364.

A. Farmers' Educational and Cooperative Union of America, P.O. Box 2251, Denver, Colo.
D. (6) $109,468.10. E. (9) $31,976.49.

A. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $700. E. (9) $700.

A. Federation of American Hospitals, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
E. (9) $4,500.

A. Fruzsina H. Fedlam, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $550.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C. 20036.
B. Council of Forest Industries of British Columbia, 1500/1055 West Hastings Street, Vancouver 1, British Columbia, Canada.
D. (6) $8,875.02. E. (9) $235.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C. 20036.
B. Joint Committee of Printing and Publishing Industries of Canada, 321 Bloor Street, East, Toronto 5, Ontario, Canada.
D. (6) $999.99. E. (9) $155.

A. Francis S. Filbey, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $5,514.21.

A. Mathew P. Fink, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $51. E. (9) $6.

A. Thomas W. Fink, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $210. E. (9) $10.

A. James W. Finley, 1660 L Street NW., Suite 915, Washington, D.C. 20036.
B. Crown Zellerbach Corp., One Bush Street, San Francisco, Calif. 94119.

A. Firearms Lobby of America, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $8,893.80. E. $8,237.59.

A. Susan G. Flack, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C.
D. (6) $1,300. E. (9) $450.

A. William J. Flaherty, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $7,250.

A. Carl J. Fleps, 1000 16th Street NW., Washington, D.C. 20036.
B. The Greyhound Corp., Greyhound Towers, Phoenix, Ariz. 85077.
D. (6) $315. E. (9) $45.

A. John F. Fochtman, 1776 K Street Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,000. E. (9) $660.

A. Foley & Lardner, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cabot Corp. and Subsidiaries, 125 High Street, Boston, Mass. 02110.

A. Foley & Lardner, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Natomas Co., 601 California Street, San Francisco, Calif. 94108.

A. Gordon Forbes, 203 Hanover Building, 480 Cedar Street, St. Paul, Minn. 55101.
B. Minnesota Railroads Association.
D. (6) $500. E. (9) $387.45.

A. Tim C. Ford, 1800 K Street, Washington, D.C.
B. Glass Container Manufacturers Institute.
E. (9) $368.15.

A. Carol Tucker Foreman, 10 2 14th Street, NW, Washington, D.C. 20005.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $612. E. (9) $60.

A. James W. Foristel, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,300. E. (9) $480.

A. John S. Forsythe, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $90. E. (9) $23.35.

A. David H. Foster.
B. National Cable Television Association Inc., 918 16th Street NW., Washington, D.C.
D. (6) $2,500. E. (9) $237.50.

A. The Four C's, P.O. Box 2866, Washington, D.C. 20013.
D. (6) $955.07. E. (9) $926.73.

A. John G. Fox, 2000 L Street NW., Washington, D.C. 20036.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.

A. Joe H. Foy, 1200 Travis, Houston, Tex.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77002.
D. (6) $1,000. E. (9) $1,412.11.

A. Walter L. Frankland, Jr., 1717 K Street NW., Washington, D.C. 20006.
B. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $750. E. (9) $89.61.

A. Donald A. Frederick, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street, NW., Washington, D.C.
D. (6) $465.83. E. (9) $25.93.

A. James O. Freeman, 1709 New York Avenue NW., Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,375. E. (9) $21.50.

A. Mark H. Freeman, 910 17th Street NW., Suite 728, Washington, D.C. 20006.
B. League of New Community Developers, 910 17th Street NW., Suite 728, Washington, D.C. 20006.
D. (6) $3,000. E. (9) $65.63.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $1,179.91.

A. Susan Fridy, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $500. E. (9) $99.35.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Hualapai Tribe of the Hualapai Reservation, Peach Springs, Ariz.

D. (6) $78.25. E. (9) $34.45.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Navajo Tribe, Window Rock, Ariz.

E. (9) $1,356.14.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Salt River Pima-Maricopa Community, Box 120, Route 1, Scottsdale, Ariz.

D. (6) $238. E. (9) $4.50.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Seneca Nation of Indians, Box 268–A, Saylor Building, Irving, N.Y. 10481.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Tuscarora Indian Nation, Lewiston, N.Y.

D. (6) $73.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C.

B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.

D. (6) $375. E. (9) $6.

A. Gay H. Friedmann, 1025 Connecticut Avenue NW., Washington, D.C.

B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.

D. (6) $1,000. E. (9) $273.52.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $77,618. E. (9) $12,689.

A. Owen V. Frisby, 900 17th Street NW., Washington, D.C.

B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y.

D. (6) $393.75. E. (9) $1,590.67.

A. Frank W. Frisk, Jr., 2600 Virginiia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $650.

A. Charles H. Fritzel, 1625 I Street NW., No. 812, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $1,500. E. (9) $63.

A. Gadsby & Hannah, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Council of Independent Laboratories, Inc., 1725 K Street NW., Washington, D.C. 20036.

A. James E. Gaffigan, 777 14th Street NW., Washington, D.C. 20005.

B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.

D. (6) $242.30. E. (9) $47.90.

A. Robert E. Gallamore, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,656.24.

A. Peter N. Gammelgard, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. William B. Gardiner, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.

D. (6) $6,375.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,875. E. (9) $1,279. 47.

A. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

E. (9) $870.

A. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.

A. Mary Condon Gereau, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.

B. National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.

D. (6) $4,710.50. E. (9) $267.75.

A. Lesley Chapman Gerould, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6.) $1,000. E. (9.) $4,080.

A. William T. Gibb III, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6.) $200. E. (9.) $50.

A. Wayne Gibbens, 1800 K Street NW, Washington, D.C. 20006.

B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.

D. (6.) $832.50. E. (9.) $266.10.

A. Joseph L. Gibson, 1660 L Street NW., Washington, D.C. 20036.

B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill.

D. (6.) $80. E. (9.) $150.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio 43215.

B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.

A. Caesar A. Giolito, 1700 18th Street NW., Washington, D.C. 20009.

B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.

E. (9.) $2,020.

A. Dave Givens, Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.

B. Class I Railroads in Tennessee.

A. Glassie, Pewett, Beebe & Shanks, 1819 H Street NW., Washington, D.C. 20006.

B. Eastern Meat Packers Association, Inc., 734 15th Street NW., Washington, D.C. 20005.

A. Glassie, Pewett, Beebe & Shanks, 1819 H Street NW., Washington, D.C. 20006.

B. The National Independent Meat Packers Association, 734 15th Street NW., Washington, D.C. 20005.

A. Glassie, Pewett, Beebe & Shanks, 1819 H Street NW., Washington, D.C. 20006.

B. National Music Publishers' Association, Inc., 110 East 59th Street, New York, N.Y. 10022.

A. Glidden-Durkee Division, SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.

E. (9.) $50.

A. Don A. Goodall, 1625 I Street NW., Suite 614, Washington, D.C. 20006.

B. American Cyanamid Co., Wayne, N.J. 07470.

D. (6.) $200. (9.) $74.76.

A. Vance V. Goodfellow, 307 Fourth Avenue South, P.O. Box 15111, Minneapolis, Minn. 55415.

B. Crop Quality Council, 307 Fourth Avenue South, P.O. Box 15111, Minneapolis, Minn. 55415.

D. (6) $6,600.

A. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.

B. Florists' Transworld Delivery Association, 900 West Lafayette Boulevard, Detroit, Mich. 48226.

A. Government Employes Council, AFL–CIO, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $15,553.41. E. (9) $5,650.82.

A. David B. Graham, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $115.

A. Donald E. Graham, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 129 20th Street NW., Washington, D.C.

D. (6) $1,711.66. E. (9) $53.33.

A. Graphic Arts International Union, 1900 L Street NW., Washington, D.C. 20036.

D. (6) $2,280. E. (9) $2,362.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22101.

B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.

D. (6) $657.84. E. (9) $31.24.

A. Robert K. Gray, 1425 K Street NW., Washington, D.C.

B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

D. (6) $1,384.40. E. (9) $229.94.

A. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C. 20008.

B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $1,451. E. (9) $110.88.

A. Samuel A. Grayson, 611 Idaho Building, Boise, Idaho 83702.

B. Union Pacific Railroad, 1416 Dodge Street, Omaha, Nebr. 68102.

A. Richard Greenspan, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $120.

A. Chellis O'Neal Gregory, Jr., 151 North Carolina Avenue SE., Washington, D.C. 20003.

B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington. D.C. 20002.

D. (6) $5,538.42.

A. William G. Grief, 1155 15th Street NW., Washington, D.C. 20005.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $500.

A. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $8,292.13. E. (9) $8,292.13.

A. James J. Gudinas, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Kenneth J. Guido, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $662.49.

A. Jerome R. Gulan, 1225 19th Street, Washington, D.C. 20035.
B. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $4,500. E. (9) $1,200.

A. Matthew Hale, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $300.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill. 60602.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson, Harker Stanton & John Coffey, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Williams Co., National Bank of Tulsa, Tulsa, Okla.
E. (9) $7.65.

A. J. G. Hall, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich., 48202.
D. (6) $4,500. E. (9) $2,587.29.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 888 17th Street NW., Washington, D.C. 20006.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. The Hardaway Co., 11th Street and Third Avenue, Columbus, Ga. 39102.
E. (9) $25.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. United Student Aid Funds, Inc., 845 Third Avenue, New York, N.Y. 10022.

A. Robert N. Hampton, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street, NW., Washington, D.C.
D. (6) $1,193.75. E. (9) $20.36.

A. Donald K. Hanes, 1129 20th Street, NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives 1129 20th Street, NW., Washington, D.C.
D. (6) $317.08. E. (9) $9.96.

A. James E. Hanson, 121 Second Street, NE., Washington, D.C. 20002.
B. Puget Sound Tug & Barge Co., 1102 Southwest Massachusetts Street, Seattle, Wash. 98134.
D. (6) $120.

A. Robert B. Harding, 1801 K Street NW., No. 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $300. E. (9) $61.21.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.
B. National Tool, Die and Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Eugene J. Hardy, 1776 F Street, NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street, NW., Washington, D.C. 20006.
D. (6) $2,500.

A. William B. Harman, Jr., 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue, NW, Washington, D.C. 20006.
D. (6) $180. E. (9) $73.20.

A. John H. Harper, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $68.40. E. (9) $11.70.

A. A. J. Harris, II, 425 13th Street, NW., Washington, D.C. 20004.
B. Securities Industry Association, 425 13th Street NW., Washington, D.C. 20004.
D. (6) $345.29. E. (9) $49.70.

A. Stephanie G. Harris, 2000 F Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 F Street NW., Washington, D.C. 20036.
D. (6) $14. E. (9) $2.

A. William C. Hart, 1625 I Street NW., Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $4,389. E. (9) $7,205.51.

A. Rita M. Hartz, 1737 H Street NW., Washington, D.C. 20006.
B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.
D. (6) $6,153.60.

A. Walter A. Hasty, Jr., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $86.18.

A. Sidney G. Hawkes, 1000 Connecticut Avenue, Suite 715, Washington, D.C. 20036.
B. The Mead Corp., 118 West First Street, Dayton, Ohio 45402.
D.(6) $825. E. (9) $495.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $23.25. E. (9) $3.99.

A. Robert T. Hayden, 815 16th Street NW., Suite, 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $4,067.25. E. (9) $1,571.73.

A. Patrick J. Head, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., 619 West Chicago Avenue, Chicago, Ill. 60670.
D. (6) $528. E. (9) $150.

A. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $6,783.16. E. (9) $6,783.16.

A. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
E. (9) $21.52.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $300. E. (9) $69.10.

A. John F. Heilman, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $4,375.

A. William F. Heimlich, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44th Street, New York, N.Y. 10017.

A. Spencer H. Heine, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.
D. (6) $102.57. E. (9) $150.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D.C. 20036.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $875. E. (9) $634.27.

A. Phil D. Helmig, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $300. E. (9) $300.

A. Leslie P. Hemry, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Edmund P. Hennelly, 150 East 42d Street New York, N.Y.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y.
D. (6) $1,500. E. (9) $71.78.

A. Andrew I. Hickey, Jr., 1133 15th Street NW., Washington, D.C. 20005.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $10,125. E. (9) $702.85.

A. M. F. Hicklin, 720 Bankers Trust Building, Des Moines, Iowa 50309.
B. Iowa Railway Association, 720 Bankers Trust Building, Des Moines, Iowa 50309.

A. J. Thomas Higginbotham, Mellon Bank, Pittsburgh, Pa. 15230.
B. Mellon Bank, N. A. & Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.
D. (6) $2,000. E. (9) $605.25.

A. J. Eldred Hill, Jr., 720 Hotel Washington, Washington, D.C. 20004.
B. USA, Inc.
D. (6) $2,000. E. (9) $2,000.

A. James J. Hill, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Richard Hinds, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Richard Hinds, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Harry R. Hinton, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $1,250. E. (9) $960.

A. Lawrence S. Hobart, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $510.

A. Claude E. Hobbs, 1801 K Street NW., Ninth Floor, Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $900. E. (9) $195.

A. Philip R. Hochberg, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Hockey League, Two Pennsylvania Plaza, Suite 2480, New York, N.Y. 10001.
D. (6) $4,000. E. (9) $200.

A. Ralph D. Hodges, Jr., 1619 Massachusetts Avenue, NW., Washington, D.C.
B. National Forest Products Association.

A. Glen D. Hofer, 1030 15th Street NW., Washington, D.C. 20005.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $444.58. E. (9) $30.16.

A. John S. Hoff, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Protestant-Catholic Hospital Action Committee, 840 North Lake Shore Drive, Chicago, Ill. 60611.
E. (9) $25.

A. Dale Curtis Hogue, 1100 17th Street NW., Washington, D.C. 20036.
B. Specialty Equipment Manufacturers Association, 11001 East Valey Mall, Suite 204, El Monte, Calif. 91734.
E. (9) $300.

A. Thomas W. Holland, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.
B. Association of American Law Schools, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.

A. Henry W. Holling, 100 Northeast Adams Street, Peoria, Ill. 61602.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61602.
D. (6) $828. E. (9) $357.

A. Lee B. Holmes, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $5,100. E. (9) $24,507.

A. John W. Holton, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,750. E. (9) $32.

A. Miles B. Hopkins, 5601 Eastern Avenue, Baltimore, Md. 21224.
B. Glidden-Durkee Division, SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.

A. W. Dean Hopkins, 1105 East Ohio Building, Cleveland, Ohio 44114.
B. McDonald, Hopkins & Hardy Co., L.P.A., 1105 East Ohio Building, Cleveland, Ohio 44114.
D. (6) $104.22. E. (9) $77.10.

A. The Hormel Foundation, Austin, Minn. 55912.

A. John F. Horty, 4614 Fifth Avenue, Suite 921, Pittsburgh, Pa. 15213.
B. National Protestant-Catholic Hospital Action Committee, 840 North Lake Shore Drive, Chicago, Ill. 60611.
E. (9) $25.

A. Houston Natural Gas Corp., 1200 Travis, Houston, Tex. 77002.
E. (9) $8,045.78.

A. C. T. Hoversten, 209 West 53d Street, Western Springs, Ill. 60558.
B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Ill. 60501.
D. (6) $345.

A. Thomas Howarth, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $330. E. (9) $330.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Cos., Allstate Plaza, Northbrook, Ill. 60062.

A. Howrey, Simon, Baker & Murchison, 1730 Pennsylvania Avenue NW., Washington, D.C.
E. (9) $130.88.

A. Charles L. Huber, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $9,375. E. (9) $53.35.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Ashland Oil, Inc., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Ohio Valley Improvement Association, Inc.

A. The Human Life Amendment, the Bellevue Hotel, 15 E Street NW., Washington, D.C.
D. (6) $485. E. (9) $779.32.

A. Gregory A. Humphrey, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL-CIO, 1012 14th Street NW., Washington, D.C. 20005.
E. (9) $202.06.

A. David J. Humphreys, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Recreation Vehicle Institute, Inc., 2720 Des Plaines Avenue, Des Plaines, Ill. 60018.
D. (6) $19,000. E. (9) $86.25.

A. Richard M. Hunt, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. NL Industries, Inc., 111 Broadway, New York, N.Y. 10006.
D. (6) $562.

A. James L. Huntley, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $6,819.23. E. (9) $1,315.55.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Washington, D.C. 20037.
E. (9) $25.

A. Elmer P. Hutter, P.O. Box 2255, Washington, D.C. 20013.
B. Arnold L. House et al.
D. (6) $1. E. (9) 192.

A. Elmer P. Hutter, P.O. Box 2255, Washington, D.C. 20013.
D. (6) $1.

A. Frank N. Ikard, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $8,303.11. E. (9) $8,303.11.

A. Institute for Rapid Transit, 1612 K Street NW., Washington, D.C. 20006.

A. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $11,632.77.

A. International Brotherhood of Painters & Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $4,973.61.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
E. (9) $15,846.80.

A. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson, Detroit, Mich. 48214.
D. (6) $116,859. E. (9) $116,859.

A. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $1,632.80.

A. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
E. (9) $1,722.30.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $15,716.18. E. (9) $3,169.32.

A. Joseph S. Ives, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $120.

A. Ronald A. Jacks, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,500. E. (9) $100.

A. Robert C. Jackson, 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $2,750. E. (9) $44.90.

A. Robert L. James, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. Bank of America N.T. and S.A., Bank of America Plaza, San Francisco, Calif. 94137.

A. Japanese American Citizens League, 22 Peace Plaza, Suite 203, San Francisco, Calif. 94115.
D. (6) $3,130. E. (9) $3,130.

A. Phillip F. Jehle, 300 National Press Building, Washington, D.C. 20004.
B. Smith Kline Corp., 1500 Spring Garden Street, Philadelphia, Pa. 19101.
E. (9) $975.75.

A. David M. Jenkins II, 1800 K Street NW., Suite 622, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Anita Johnson, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Jess Johnson, Jr., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. John H. Johnson, Jr., 1176 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,250. E. (9) $32.

A. Rady A. Johnson, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $1,820.62. E. (9) $7.88.

A. Reuben L. Johnson.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo.
D. (6) $5,637.11. E. (9) $145.64.

A. Stuart H. Johnson, Jr., 910 17th Street NW., Washington, D.C. 20006.
B. New York Dock Railway, 334 Furman Street, Brooklyn, N.Y.
D. (6) $3,295. E. (9) $310.98.

A. Charles N. Jolly, 1775 K Street NW., Suite 315, Washington, D.C. 20006.
B. Miles Laboratories, Inc., 1127 Myrtle Street, Elkhart, Ind. 46514.
E. (9) $710.26.

A. Allan R. Jones, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $448.87.

A. Charlie W. Jones, 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $300. E. (9) $98.

A. L. Dan Jones, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $49.15.

A. Oliver H. Jones, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,250. E. (9) $13,199.

A. Phillip E. Jones, 1156 15th Street NW., Washington, D.C. 20005.
B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. Richard J. Jones, 1110 Davidson Street, Champaign, Ill. 60631.
B. Independent Grocers' Alliance, 5725 River Road, Chicago, Ill. 60606.

A. Robert S. Jones, 900 Union Commerce Building, Cleveland, Ohio 44115.
B. Glidden-Durkee Division, SCM Corp., 900 Union Commerce Building, Cleveland, Ohio 44115.
E. (9) $50.

A. Ronald K. Jones, 8209 Carrleigh Parkway, Springfield, Va. 22152.
B. Mobile Homes Manufacturers Association, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $5,530. E. (9) $128.10.

A. Carl D. Jordan, 408 East Maple Street, Fremont, Mich. 49412.
B. Gerber Products Co., 445 State Street, Fremont, Mich. 49412.
D. (6) $400. E. (9) $70.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va. 22030.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $6.75.

A. Gerald M. Katz, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $51.91.

A. Carleton R. Kear, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $189.

A. William J. Keating, 500 Folger Building, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. Howard B. Keck, 555 South Flower Street, Los Angeles, Calif. 90071.
B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $300.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif. 90067.
B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $275.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,749.99. E. (9) $ 40.

A. Eugene A. Keeney, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $3,000. E. (9) $2,000.

A. John G. Keller, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

A. George J. Kelley, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Blue Cross Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $2,000. E. (9) $800.

A. James C. Kelley, 1500 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue NW., Washington, D.C. 20005.

A. John T. Kelly, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association.

A. George Kelm, One First National Plaza, No. 5200, Chicago, Ill. 60670.
B. Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.

A. R. G. Kendall, Jr., P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. I. L. Kenen, 1341 G Street NW., Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $833.32.

A. Harold L. Kennedy, 420 Cafritz Building, Washington, D.C. 20006.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $510.60.

A. Jeremiah J. Kenney, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $35.30.

A. William J. Kenney, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $220. E. (9) $150.

A. Thomas P. Kerester, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.

A. Kenneth L. Kimble, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $50.

A. Charles L. King, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $52.

A. Susan B. King, 421 Fourth Street SE., Washington, D.C. 20003.
B. Center for Public Financing of Elections, 201 Massachusetts Avenue, NE., Washington, D.C. 20002.
D. (6) $5,772.

A. Gibson Kingren, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc.
D. (6) $1,125. E. (9) $1,068.75.

A. John M. Kinnaird, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $1,194.41.

A. Kirkland, Ellis & Rowe, 1776 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Walter A. Kischefsky, 1201 South Scott Street, No. 535, Arlington, Va. 22204.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $2,448.

A. Ernest A. Kistler, Two North Ninth Street, Allentown, Pa. 18101.
B. Pennsylvania Power & Light Co., Two North Ninth Street, Allentown, Pa. 18101.
D. (6) $1,250. E. (9) $852.43.

A. James D. Kittelton, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $551.27. E. (9) $6.81.

A. Ralph W. Kittle.
B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $750. E. (9) $900.

A. Douglas E. Kliever, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30318.
B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga.
D. (6) $575. E. (9) $164.56.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $1,000. E. (9) $200.

A. Joseph L. Koach, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.

A. Joseph L. Koach, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.

A. Bradley R. Koch, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $125.

A. Robert M. Koch, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $48.50.

A. Horace R. Kornegay, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $250.

A. Paul A. Korody, Jr., 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
E. (9) $500.

A. Kenneth S. Kovack, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $4,665.99. E. (9) $1,058.78.

A. June K. Kraeft, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $132.

A. Robert D. Krause, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieg, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Lawrence E. Kreider, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. James S. Krzyminski, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,533.33 E. (9) $82.86.

A. Philip Kugler, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL-CIO, 1012 14th Street NW., Washington, D.C. 20005.
E. (9) $265.50

A. William J. Kuhfuss, 225 Touhy Avenue, Park Ridge, Ill. 60068.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $1,150.

A. Lloyd R. Kuhn, 1725 DeSales Street NW., Washington, D.C. 20036.
B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $7,668. E. (9) $1,315.95.

A. Norman G. Kurland, 2027 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $4,617.64. E. (9) $3,800.69

A. Labor Bureau of Middle West, 1200 15th Street NW., Washington, D.C. 20005.

A. Laborers' International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $14,335.94.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $9,273. E. (9) $9,863.

A. Nick L. Laird, Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. A. M. Lampley, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $175.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.
B. Geothermal Resources International, Inc., 4676 Admiralty Way, Marina del Rey, Calif. 90291.
E. (9) $30.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.
B. Sportsman's Paradise Homeowners Association, 10612 Dalerose Avenue, Inglewood, Calif. 90304.
D. (6) $678. E. (9) $120.50.

A. Asger F. Langlykke, 1913 I Street NW., Washington, D.C. 20006.
B. American Society for Microbiology, 1913 I Street NW., Washington, D.C. 20006.
D. (6) $200.

A. James J. LaPenta, Jr., 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $521.38.

A. Clifford C. LaPlante, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. 3707, Seattle, Wash., 98124.
D. (6) $1,600. E. (9) $259.66.

A. Glenn T. Lashley, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. D. C. Division, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $3,300.

A. George H. Lawrence, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $550. E. (9) $135.

A. Lawyers Committee to End the War, One Wall Street, 25th Floor, New York, N.Y. 10005.
E. (9) $11.36.

A. Lawyers to Preserve the Constitution, 36 West 44th Street, Room 500, New York, N.Y. 10036.
D. (6) $30. E. (9) $19.40.

A. Monte Lazarus, 1825 K Street NW., Washington, D.C. 20006.
B. United Air Lines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $500. E. (9) $415.

A. William Lazarus, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $150.

A. League of New Community Developers, 910 17th Street NW., Suite 728, Washington, D.C. 20006.
D. (6) $6,608. E. (9) $7,362.52.

A. Robert F. Lederer, 230 Southern Building, Washington, D.C.
B. American Association of Nurserymen, Inc., 230 Southern Building, Washington, D.C. 20005.

A. Robert E. Lee, 1725 DeSales Street NW., Suite 400, Washington, D.C. 20036.

A. Robert K. Lee, P.O. Box 272, Wichita, Kans. 67201.
D. (6) $8,554.10. E. (9) $8,304.10.

B. National AeroSpace Services Association, 1725 DeSales Street NW., Suite 400, Washington, D.C. 20036.
E. (9) $312.

A. Robert W. Lee, 1028 Connecticut Avenue NW., No. 1004, Washington, D.C. 20036.
B. The John Birch Society, 395 Concord Avenue, Belmont, Mass. 02178.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $991. E. (9) $3,149.47.

A. Gilbert LeKander, 910 17th Street NW., Suite 501, Washington, D.C. 20006.
B. Montana Power Co., 40 East Broadway, Butte, Mont. 59701; Washington Water Power Co., P.O. Box 3727, Spokane, Wash. 99220.
D. (6) $450.

A. Nils A. Lennartson, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $667.32.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. National Protestant-Catholic Hospital Action Committee, 840 North Lake Shore Drive, Chicago, Ill. 60611.
E. (9) $25.

A. Harry LeVine, Jr., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $260.

A. J. M. B. Lewis, Jr., 315 Shenandoah Building, P.O. Box 2887, Roanoke, Va., 24001.
B. National Council of Coal Lessors, 317 Southern Building, Washington, D.C. 20005;

Iron Ore Lessors Association, 1500 First National Bank Building, St. Paul, Minn.

D. (6) $3,500.

A. J. Stanly Lewis, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $3,215.21.

A. Robert G. Lewis.

B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo.

D. (6) $1,615.38.

A. Herbert Liebenson, 1225 19th Street, Washington, D.C. 20036.

B. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $4,500. E. (9) $1,200.

A. Russell B. Light, 955 L'Enfant Plaza North SW., Washington, D.C. 20004.

B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.

D. (6) $360. E. (9) $235.

A. Lester W. Lindow, 1735 DeSales Street NW., Washington, D.C. 20036.

B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

D. (6) $11.57. E. (9) $2.

A. Lindsay, Nahstoll, Hart, Duncan, Dafoe & Krause, 1331 Southwest Broadway, Portland, Oreg. 97201.

B. Master Contracting Stevedore Association of the Pacific Coast, Inc., San Francisco, Calif.

D. (6) $200.

A. John E. Linster, 2000 Westwood Drive, Wausau, Wis. 54401.

B. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.

D. (6) $500.

A. Joseph Lippman, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $150.

A. Charles B. Lipsen.

B. National Cable Television Association, 918 16th Street NW., Washington, D.C.

D. (6) $11,442.34. E. (9) $400.

A. Robert G. Litschert, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.

B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.

D. (6) $332.25. E. (9) $105.58.

A. Sheldon I. London, 1025 Vermont Avenue NW., Washington, D.C. 20005.

B. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.

D. (6) $400. E. (9) $455.

A. Philip J. Loree, 17 Battery Place North, New York, N.Y. 10004.

B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.

D. (6) $500.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.

B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $600. E. (9) $250.

A. James P. Low, 1101 16th Street NW., Washington, D.C. 20036.

B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. James Rowland Lowe, Jr., 1730 Pennsylvania Ave. NW., Suite 230, Washington, D.C. 20006.

B. Alaskan Arctic Gas Study Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.

E. (9) $1,410.

A. Otto Lowe, 888 17th Street NW., Washington, D.C.

B. National Canners Association, 1133 20th Street NW., Washington, D.C.

D. (6) $1,050.

A. Freddie H. Lucas, 1156 15th Street NW., Washington, D.C. 20005.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

D. (6) $300. E. (9) $150.

A. Milton F. Lunch, 2029 K Street NW., Washington, D.C. 20006.

B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.

B. Pacific Northwest Power Co., Public Service Building, Portland, Oreg. 97204.

D. (6) $193.20.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.

B. Shanghai Power Co., 100 West 10th Street, Wilmington, Del. 19801.

D. (6) $283.34.

A. Lusk-Evans Ltd., 1120 Connecticut Avenue NW., Suite 940, Washington, D.C. 20036.

E. (9) $2.

A. James H. Lynch, Jr., 1325 Massachusetts Avenue, NW., Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

D. (6) $6,311.20. E. (9) $532.03.

A. Mark H. Lynch, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $500.

A. Shane MacCarthy, 1730 North Lynn Street, Arlington, Va. 22209.

B. Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.

D. (6) $1,125. E. (9) $1,820.74.

A. James E. Mack, 1225 19th Street NW., Washington, D.C. 20036.

B. National Confectioners Association, 36 South Wabash Avenue, Chicago, Ill. 60603.

D. (6) $11,250. E. (9) $2,577..64.

A. James E. Mack, 1225 19th Street NW., Washington, D.C. 20036.

B. Peanut Butter Manufacturers and Nut Salters Association, 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $7,500. E. (9) $945.27.

A. Thomas J. Mader, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,500.

A. Ronald E. Madsen, 962 Wayne Avenue, Suite 802, Silver Spring, Md. 20910.

B. Park Mobile, Inc., 61 Broadway, New York, N.Y. 10006.

D. (6) $6,000. E. (9) $119.22.

A. John F. Magnotti, Jr., 1700 Pennsylvania Avenue, NW., Washington, D.C.

B. The National Council of Professional Services Firms, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $520.84. E. (9) $10.

A. W. Terry Maguire, 491 National Press Building, Washington, D.C. 20004.

B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20004.

E. (9) $27.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Industries Corp, 900 17th Street NW., Washington, D.C.

A. Andre Maisonpierre, 666 11th Street NW., Washington, D.C. 20001.

B. American Mutual Insurance Alliance, 220 North Wacker Drive, Chicago, Ill. 60606.

E. (9) $650.

A. Thomas M. Malone, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

A. Ben J. Man, 400 First Street NW., Suite 700, Washington, D.C. 20001.

B. Marine Engineers' Beneficial Association, AFL–CIO, District No. 1, Pacific Coast District, 17 Battery Place, New York, N.Y. 10004.

D. (6) $1638. E. (9) $238.93.

A. Management Communications, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Council on Foundations, 888 Seventh Avenue, New York, N.Y. 10019.

D. (6) $560.

A. Management Communications, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

D. (6) $595. E. (9) $219.79.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.

B. National Coal Association, Coal Building, 1130 17th Street NW., Washington, D.C.

D. (6) $7,374.99. E. (9) $103.35.

A. Mike Manatos, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.

B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

A. ManExec, Inc., 231 East Vermijo Avenue, Box 572, Colorado Springs, Colo. 80901.

B. Red River Valley Cooperative, Inc., Box 43, Hillsboro, N. Dak. 58045.

E. (9) $460.98.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.

E. (9) $398.

A. H. Warren Mann, 1200 Travis, Houston, Tex.

B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex.

D. (6) $250. E. (9) $1,876.32.

A. Manufacuring Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.

D. (6) $5,000. E. (9) $3,000.

A. Dallace E. Marable, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $345.

A. J. Eugene Marens, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Marine Engineers' Beneficial Association, AFL-CIO, District No. 1, Pacific Coast District, 17 Battery Place, New York, N.Y. 10004.
E. (9) $5,975.60.

A. Rodney W. Markley, Jr., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.

A. Ralph J. Marlatt, 640 Investment Building., 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Mutual Insurance Agents, 640 Investment Building, 1511 K Street NW., Washington, D.C. 20005.
E. (9) $1,300.

A. Dan V. Maroney, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. William J. Marschalk, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $2,860. E. (9) $210.

A. Edwin E. Marsh, 200 C Street SE., No. 401, Washington, D.C. 20003.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah. 84101.
D. (6) $4,802.84. E. (9) $1,271.77.

A. Winston W. Marsh, 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $120. E. (9) $19.40.

A. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.
D. (6) $1,050. E. (9) $371.12.

A. J. Paull Marshall, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $250.89. E. (9) $136.

A. Guy R. Martin, 655 C Street SE., Washington, D.C. 20003.
B. State of Alaska.
D. (6) $7,875. E. (9) $6,332.03.

A. Thomas A. Martin, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Steven A. Martindale, 1425 K Street NW., Washington, D.C.
B. Hill and Knowlton, Inc., 633 Third Avenue NW., New York, N.Y. 10017
D. (6) $650. E. (9) $117.65.

A. Richard E. Martinez, 1730 M Street NW., Washington, D.C. 20036
B. American Optometric Association, 820 First National Bank Building, Peoria, Ill. 61602
D. (6) $389.34. E. (9) $407.50.

A. Maryland State Fair and Agricultural Society, Inc., Timonium, Md. 21093
E. (9) $51.91.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C. 20036.
B. American Japanese Trade Committee, 2021 L Street NW., Washington, D.C. 20036.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C. 20036.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.W. 10017.
D. (6) $500.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C. 20036.
B. Nisei Lobby, 2021 L Street NW., Washington, D.C. 20036.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C. 20036.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
D. (6) $500.

A. Paul J. Mason, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Jon G. Massey, Suite III, 125 C Street SE., Washington, D.C. 20003.
B. Oil Investment Institute.

A. P. H. Mathews, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $572.41. E. (9) $352.64.

A. Barry D. Matsumoto, 1730 Rhode Island Avenue NW., Suite 204, Washington, D.C. 20036.
B. Japanese American Citizens League, 22 Peace Plaza, Suite 203, San Francisco, Calif. 94115.
D. (6) $1,009.

A. Charles D. Matthews, 100 17th Street NW., Washington, D.C. 20036.
B. National Ocean Industries Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $337.50. E. (9) $205.24.

A. Robert A. Matthews, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $333.66.

A. Charles E. Mattingly, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $4,368. E. (9) $109.59.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Joint Government Liaison Committee, 1 North La Salle Street, Chicago, Ill.

A. Arnold Mayer, 100 Indiana Avenue NW., Room 410, Washington, D.C. 20001.
B. Amalgamated Meat Cutters and Butcher Workmen of North America (AFL-CIO), 2800 North Sheridan Road, Chicago, Ill. 60657.
D. (6) $6,604. E. (9) $815.

A. Mayer, Brown & Platt, Suite 1955, 231 South La Salle Street, Chicago, Ill. 60604.
B. Brunswick Corp., One Brunswick Plaza, Skokie, Ill. 60076.
D. (6) $800. E. (9) $13.40.

A. Mayer, Brown & Platt, 231 South La Salle Street, Chicago, Ill. 60604.
B. Encyclopedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $2,130.

A. Mayer, Brown & Platt, 231 South La Salle Street, Chicago, Ill. 60604.
B. L. M. Williams & Clayton Burch families, Trustees, c/o Continental Illinois National Bank & Trust Co., 231 South La Salle Street, Chicago, Ill. 60693.

A. William J. McAuliffe, Jr., 1828 L Street NW., Suite 303, Washington, D.C.
B. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.
D. (6) $560. E. (9) $18.90.

A. Michael J. McCabe, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Michael J. McCabe, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Cos., Allstate Plaza, Northbrook, Ill. 60062.

A. Carlos R. McCalla Jr., Route 2, Box 72F, New Windsor, Md. 21776.
B. U.S. Tobacco Co., 100 West Putnam Avenue, Greenwich, Conn. 06830.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Robert C. McCandless, 1725 I Street NW., Washington, D.C. 20006.
B. Committee for Humane Legislation, 11 West 60th Street, New York, N.Y.
D. (6) $80. E. (9) $2.20.

A. Robert C. McCandless, 1725 I Street NW., Washington, D.C. 20006.
B. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $765. E. (9) $18.85.

A. John A. McCart, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Government Employes Council, AFL-CIO, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,068.58.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. The Coca-Cola Co., P. O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $615. E. (9) $37.91.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Gulf and Western Industries, Inc., One Gulf and Western Plaza, New York, N.Y. 10023.
D. (6) $2,476.95. E. (9) $107.54.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. The Magnavox Corp., 1700 Magnavox Way, Fort Wayne, Ind. 46804.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $5,542.34. E. (9) $236.58.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Montgomery Coca-Cola Bottling Co., Inc., North Perry and Jefferson Streets, Montgomery, Ala. 35102.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Quaker State Oil Refining Corp., Oil City, Pa. 16302.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Alfred P. Slaner, 640 Fifth Avenue, New York, N.Y. 10019.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.

A. Harry G. McComas, 1016 20th Street NW., Washington, D.C. 20036.
B. National Association of Plumbing Heating Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $637.50. E. (9) $89.75.

A. E. L. McCulloch, 819 Railway Labor Building, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Locomotive Engineers, Engineers Building, Cleveland, Ohio 44114.
D. (6) $284.60. E. (9) $81.50.

A. Albert L. McDermott, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $506.80. E. (9) $120.10.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C.
B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.
D. (6) $1,137. E. (9) $720.37.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $29,510. E. (9) $598.33.

A. Joseph A. McElwain, 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $77.75.

A. Robert M. McElwaine, 1129 20th Street, Washington, D.C. 20036.
E. (9) $760.

A. Robert E. McGarrah, Jr., 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. J. Raymond McGlaughlin, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood Maintenance of Way Employes.
D. (6) $7,080.

A. Marshall C. McGrath.
B. International Paper Co., 1620 I Street NW., No. 700, Washington, D.C. 20006.
D. (6) $723.33. E. (9) $152.33.

A. F. Howard McGuigan, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $6,413.50. E. (9) $652.14.

A. Clarence M. McIntosh, Jr., 400 First Street NW., Washington, D.C.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $853.26.

A. William F. McKenna, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
B. National Savings & Loan League, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

A. C. A. (Mack) McKinney, 110 Maryland Avenue NE., Suite 510, Washington, D.C. 20002.
B. Marine Corps League, National Headquarters, 933 North Kenmore Street , Arlington, Va. 22201.

A. C. A. (Mack) McKinney, 110 Maryland Avenue NE., Suite 510, Washington, D.C. 20002.
B. Non Commissioned Officers Association of USA, P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $2,700. E. (9) $3,527.91.

A. John S. McLees, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D.C. 20006.
D. (6) $200.

A. William F. McManus, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y. 10022.
D. (6) $265.50. E. (9) $215.

A. C. W. McMillan, Suite 1015, National Press Building, 14th and F Streets, Washington, D.C. 20004.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,500.

A. Ralph J. McNair, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $200.

A. Charles R. McNeill, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $1,927.84.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Suite 301, Washington, D.C. 20006.
D. (6) $7,000. E. (9) $3,307.58.

A. Harry McPherson, Suite 1101, 1660 L Street NW., Washington, D.C. 20036.
B. The Common Fund, 635 Madison Avenue, New York, N.Y. 10022.
D. (6) $2,500. E. (9) $226.61.
A. Harry McPherson, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward, Inc., 619 West Chicago Avenue, Chicago, Ill. 60607.
D. (6) $650. E. (9) $25.

A. George G. Mead, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $243.16.

A. William H. Megonnell, 140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $188.75. E. (9) $12.88.

A. Louis L. Meier, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. American Society of Civil Engineers, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $430. E. (9) $480.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $6,942.

A. R. Otto Meletzke, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $40. E. (9) $5.

A. Lawrence C. Merthan, 1015 18th Street NW., Washington, D.C. 20036.
B. The Carpet and Rug Institute, Dalton, Ga. 30720.

A. Lawrence C. Merthan, 1425 K Street NW., Washington, D.C.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y.
D. (6) $375. E. (9) $86.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. George F. Meyer, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $449.

A. James G. Michaux, 1801 K Street NW., Washington, D.C. 20006.
B. Federated Department Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. Ronald Michieli, Suite 1015, National Press Building, 14th and F Streets, Washington, D.C. 20004.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,000.

A. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla., 74103.
D. (6) $157.18. E. (9) $1,186.07.

A. A Stanley Miller, 910 16th Street NW., Room 302, Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $100.

A. Miller, Cassidy, Larroca & Lewin, 1320 19th Street NW., Suite 500, Washington, D.C. 20036.
B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Capital Holding Corp., Commonwealth Building, Louisville, Ky. 40201.
E. (9) $500.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pacific Lighting Corp., 810 South Flower Street, Los Angeles, Calif. 90017.
D. (6) $5,443.75.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Dallas, Tex., Chamber of Commerce.
D (6) $195. E. (9) $338.65.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston, Tex.
D. (6) $262.50. E. (9) $40.88.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Texasgulf, Inc., New York, N.Y.
D. (6) $300. E. (9) $338.65.

A. Edwin Reid Miller, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.
B. Nebraska Railroad Association, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.
D. (6) $6,550.22. E. (9) $42.08.

A. Joe D. Miller, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $875.

A. Luman G. Miller, 620 Southwest Fifth
A. Luman G. Miller, 620 Southwest Fifth Avenue Building, Suite 912, Portland. Oreg. 97204.
B. Oregon Railroad Association, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
E. (9) $312.89.

A. Jack Mills, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $250.

A. Thomas F. Mitchell, 1735 I Street NW., Washington, D.C. 20006.
B. Georgia-Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.
E. (9) $350.

A. Mobile Homes Manufacturers Association, Post Office Box 201, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $1,728.10. E. (9) $1,728.10.

A. John S. Monagan, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $2,500. E. (9) $129.21.

A. Montgomery Ward & Co., Inc., 1660 L Street NW., Suite 1001, Washington, D.C. 20036.
E. (9) $2,288.07.

A. G. Merrill Moody, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $84. E. (9) $164.43.

A. O. William Moody, Jr., 815 16th Street NW., Room 510, Washington, D.C. 20006.
B. Maritime Trades Department, AFL–CIO, 815 16th Street NW., Room 510, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $952.11.

A. Donald L. Morgan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Donald L. Morgan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Frank A. Morgan, Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor Chester Road, St. Davids, Pa. 19087.

A. Jo V. Morgan, Jr., 815 15th Street NW., Washington, D.C. 20005.
B. The American Humane Association, P.O. Box 1266, Denver, Colo. 80201.
D. (6) $1,800.

A. Morison, Murphy, Abrams & Haddock, 1776 K Street NW., Suite 900, Washington, D.C. 20006.
B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y.

A. Gene P. Morrell, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $1,500. E. (9) $957.

A. Jack Moskowitz, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $89.50.

A. Lynn E. Mote, 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,000.

A. Karen Mulhsuser, 705 G Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 250 West 57th Street, New York, N.Y. 10018.
D. (6) $1,875. E. (9) $2,229.94.

A. William G. Mullen, 491 National Press Building, Washington, D.C. 20004.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20004.
E. (9) $170.

A. Robert M. Mulligan, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. John J. Murphy, 416 Shoreham Building, 806 15th Street NW., Washington, D.C. 20005.
B. National Customs Service Association.

A. Richard E. Murphy, 900 17th Street NW., Washington, D.C. 20006.
B. Service Employees International Union, AFL–CIO, 900 17th Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $100.

A. Richard W. Murphy, 1200 18th Street NW., Suite 1109, Washington, D.C. 20036.
B. Merck & Co., Inc., Rahway, N.J. 07065.
D. (6) $500.

A. Tom O. Murphy, 1156 15th Street NW., Washington, D.C. 20005.
B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. Chicago, Milwaukee, St. Paul & Pacific Railroad Co., 516 West Jackson Boulevard, Chicago, Ill. 60606.
D. (6) $95. E. (9) $157.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. Cleveland-Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.
D. (6) $75. E. (9) $107.

A. D. Michael Murray, 1120 Connecticut Avenue NW, Suite 842, Washigton, D.C. 20036.
B. National Association of Industrial Parks, 1800 North Kent Street, Arlington, Va. 22209.
D. (6) $100. E. (9) $171.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. National Council of Coal Lessors, Inc., 1425 H Street NW., Washington, D.C. 20005.
D. (6) $75. E. (9) $75.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $185.

A. Thomas H. Mutchler.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $300. E. (9) $92.50.

A. Kenneth D. Naden, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

A. John J. Nangle, 1625 I Street NW., Suite 812, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $400.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.

A. National Association for Humane Legislation, Inc., 675 Pinellas Point Drive South, St. Petersburg, Fla. 33705.
D. (6) $472. E. (9) $2.12.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $38,596. E. (9) $10,200.65.

A. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $50,618.75. E. (9) $6,770.30.

A. National Association of Farmer Elected Committeemen, c/o J. Frederick Durr, R. R. No. 2, Sheridan, Ind. 46069.
D. (1) $2,136.98. E. (9) $2,136.98.

A. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $300. E. (9) $300.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y., 10038.
E. (9) $12,201.01.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $931,837.64. E. (9) $37,722.77.

A. National Association of Mutual Insurance Cos., 2511 East 46th Street, Suite H, Indianapolis, Ind. 46205.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $4,701.54. E. (9) $4,701.54.

A. National Association of Plumbing, Heating Cooling Contractors, 1016 20th Street NW., Washington, D.C.
D. (6) $4,330.10. E. (9) $4,330.10.

A. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611.

E. (9) $15,514.70.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.

D. (6) $227,780.65. E. (9) $7,572.65.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $300. E. (9) $300.

A. National Building Granite Quarries Association, Inc., 202 South Second Street, Cold Spring, Minn.

E. (9) $1,410.23.

A. National Canners Association, 1133 20th Street NW., Washington, D.C. 20036.

D. (6) $428,954.52. E. (9) $4,615.92.

A. National Coal Association, Coal Building, Washington, D.C. 20036.

D. (6) $528,291.91. E. (9) $3,478.96.

A. National Committee Against Repressive Legislation, 555 North Western Avenue, Los Angeles, Calif. 90004.

D. (6) $1,944.97. E. (9) $1,944.97.

A. The National Committee on the Presidency, Inc., 63 East 82d Street, New York, N.Y. 10028.

D. (6) $44,221.12. E. (9) $23,518.87.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $8,466.32. E. (9) $8,466.32.

A. National Council for a Responsible Firearms Policy, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $915.22. E. (9) $30.

A. National Council of Agricultural Employers, 337 Southern Building, 15th and H Streets NW., Washington, D.C.

D. (6) $42,000. E. (9) $1,650.

A. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.

D. (6) $42,774. E. (9) $43,090.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C.

B. American Blood Resources Association, 308 State Street, Albany, N.Y.

D. (6) $1,125. E. (9) $74.24.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C.

B. Cenco Inc., 2600 South Kostner Avenue, Chicago, Ill.

D. (6) $2,475. E. (9) $148.70.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.

B. Committee for the Study of Revenue Bond Financing, 1000 Ring Building, Washington D.C.

D. (6) $833.33. E. (9) $136.17.

A. National Cystic Fibrosis Research Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.

E. (9) $12,530.33.

A. National Electrical Contractors Association, Inc., 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y. 10017.

A. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.

D. (6) $370,418.80. E. (9) $20,111.14.

A. National Federation of Independent Business, 920–922 Washington Building, Washington, D.C.

D. (6) $11,297.44. E. (9) $11,297.44.

A. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.

D. (6) $400. E. (9) $455.

A. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

D. (6) $21,377.01. E. (9) $21,377.01.

A. National Livestock Feeders Association, Inc., 309 Livestock Exchange Building, Omaha, Nebr. 68107.

D. (6) $9,251.72. E. (9) $9,251.72.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $3,877.06. E. (9) $3,877.06.

A. National Motorsports Committee of ACCUS, Suite 801, 1629 K Street NW., Washington, D.C.

D. (6) $7,983.25. E. (9) $5,645.13.

A. National Parking Association, 1101 17th Street NW., Washington, D.C.

E. (9) $825.

A. National Patent Council, 1225 19th Street NW., Suite 409, Washington, D.C. 20036.

D. (6) $1,875. E. (9) $800.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

E. (9) $3,547.88.

A. National Savings & Loan League, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

D. (6) $208,883.71. E. (9) $3,750.

A. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $5,000. E. (9) $2,562.52.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.

D. (6) $12,500. E. (9) $14,542.90.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

E. (9) $1,524.84.

A. National Tire Dealers & Retreaders Association, 1343 L Street NW. Washington, D.C.

D. (6) $1,156.40. E. (9) $1,156.40.

A. Nation-Wide Committee on Import-Export Policy, 815 15th Street NW., Suite 711, Washington, D.C. 20005.

D. (6) $3,925. E. (9) $4,964.07.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.

D. (6) $33,383. E. (9) $6,878.68.

A. Alexander W. Neale, Jr., 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

D. (6) $1,495.

A. Alan M. Nedry, 1801 K Street NW., No. 1041, Washington, D.C. 20006.

B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.

D. (6) $350. E. (9) $85.91.

A. Allen Neece, Jr., 512 Washington Building, Washington, D.C. 20005.

B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.

D. (6) $300.

A. Frances E. Neely, 245 Second Street NE., Washington, D.C.

B. Friends Commitee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $1,850.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. American Footwear Industries Association, 1611 North Kent Street, Arlington, Va. 22209.

D. (6) $750. E. (9) $500.

A. George R. Nelson, 1300 Conecticut Avenue NW., Washington, D.C. 20036.

B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $4,000. E. (9) $472.54.

A. Robert W. Nelson, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $160.

A. Ivan A. Nestingen, Suite 700, 1010 16th Street NW., Washington, D.C. 20036.

B. American Nursing Home Association, 1200 15th Street NW., Washington, D.C. 20005.

D. (6) $1,200. E. (9) $174.60.

A. E. John Neumann, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $400. E. (9) $300.

A. Robert B. Neville, 1155 15th Street, NW., Suite 505, Washington, D.C. 20005.

B. National Restaurant Association, 1155 15th Street, NW., Washington, D.C.

D. (6) $2,187.50. E. (9) $18.75.

A. Louis H. Nevins, 1709 New York Avenue, NW., Suite 200, Washington, D.C. 20006.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $2,000. E. (9) $519.54.

A. E. J. Newbould, 1130 17th Street, NW., Washington, D.C. 20036.

B. National Clay Pipe Institute, 350 West Terra Cotta Avenue, Crystal Lake, Ill. 60014.

D. (6) $150.

A. New York Committee of, International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.

D. (6) $32,000. E. (9) $21,778.

A. Richard Ney, Watergate South, 700 New Hampshire Avenue NW., Washington, D.C. 20037.

B. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.

D. (6) $675. E. (9) $373.05.

A. Charles E. Nichols, 101 Constitution Avenue, NW., Washington, D.C. 20001.

B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue, Washington, D.C. 20001.

D. (6) $675. E. (9) $373.05.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18332.

B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.

A. Patrick J. Nilan, 817 14th Street, NW., Washington, D.C.

B. American Postal Workers Union, AFL-CIO, 817 14th Street, NW., Washington, D.C.

D. (6) $8,515.91. E. (9) $1,098.13.

A. NL Industries, Inc., 111 Broadway, New York, N.Y. 10006.

E. (9) $562.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

D. (6) $100.

A. Charles M. Noone, 1225 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.

D. (6) $1,500. E. (9) $187.82.

A. Robert H. North, 1105 Barr Building, Washington, D.C.

B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 1105 Barr Building, Washington, D.C.

A. Seward P. Nyman, 20 Chevy Chase Circle NW., Washington, D.C. 20015.

B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015

D. (6) $650.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. American Transit Association, 465 L'Enfant Plaza West SW., Suite 2900, Washington, D.C. 20024.

D. (6) $2,250. E. (9) $136.50.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. Northwestern Steel & Wire Co., Sterling, Ill. 61081.

D. (6) $2,700.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. Pasco, Inc., 530 Fifth Avenue, New York, N.Y. 10036.

D. (6) $16,500.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. Upper Mississippi Towing Corp., 7703 Normandale Road, Room 110, Minneapolis, Minn. 55435.

D. (6) $2,500. E. (9) $477.64.

A. L. L. O'Connor, 20 North Wacker Drive, Chicago, Ill. 60606.

B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. James L. O'Dea, 1341 G Street NW., Washington, D.C. 20005.

B. National Association of Government Employees, Inc., 285 Dorchester Avenue, Boston, Mass. 02127.

D. (6) $2,000. E. (9) $80.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036.

B. American Trucking Associations Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $1,500.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036.

B. Philippine Sugar Institute.

D. (6) $3,000. E. (9) $378.09.

A. Jane O'Grady, 815 16th Street NW., Washington, D.C. 20006.

B. Amalgamated Clothing Workers of America, AFL-CIO, 15 Union Square, New York, N.Y. 10003.

D. (6) $4,529.98. E. (9) $3,757.22.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.

B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

D. (6) $4,999.98.

A. Richard C. O'Hare, 1120 Investment Building, Washington, D.C. 20005.

B. Harness Tracks of America, 333 North Michigan Avenue, Chicago, Ill. 60601.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.

A. Oil Investment Institute, Suite III, 125 C Street SE., Washington, D.C. 20003.

A. Alvin E. Oliver, 725 15th Street NW., Washington, D.C. 20005.

B. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. Edward W. Oliver, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Michael S. Olson, P.O. Box 2776, Raleigh, N.C. 27602.

B. Carolinas Association of Mutual Insurance Agents, Inc., P.O. Box 2776, Raleigh, N.C. 27602.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Samuel Omasta, 1315 16th Street NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

E. (9) $52.25.

A. Organization of Professional Employees of the U.S. Department of Agriculture, 1341 G Street NW., Washington, D.C. 20005.

D. (6) $2,730.26. E. (9) $1,944.99.

A. Edward R. Osann, 2147 O Street NW., No. 201, Washington, D.C. 20037.

B. Save the Dunes Council, Inc., P.O. Box 303, Chestarton, Ind. 46304.

D. (6) $1,696. E. (9) $433.68.

A. John L. Oshinski, 815 16th Street NW., Suite 706, Washington, D.C. 20006.

B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $4,728.99. E. (9) $753.31.

A. David A. Oxford, 314 C Street SE., Washington, D.C. 20003.

B. Mobile Homes Manufacturers Association, P.O. Box 201, Chantilly, Va. 22021.

D. (6) $5,000. E. (9) $100.

A. Juris Padegs, 127 East 59th Street, New York, N.Y. 10022.

B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York N.Y. 10022.

A. Raymond S. Page, Jr., Mill Creek Terrace, Gladwyne, Pa. 19035.

B. Campbell Soup Co., Campbell Place, Camden, N.J. 08101.

A. Norman Paige, 538 Pennsylvania Building, Washington, D.C. 20004.

B. Distilled Spirits Council of the United States, 538 Pennsylvania Building, Washington, D.C. 20004.

A. Edward J. Panarello, 1775 K Street NW., Washington, D.C. 20006.

B. Retail Clerks International Association, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $6,819.23. E. (9) $1,639.20.

A. Frederick Panzer, 1776 K Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $250.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $198.40.

A. Kenton Pattie, 3150 Spring Street, Fairfax, Va. 22030.

B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.

D. (6) $1,424.38.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash. 98004.

D. (6) $5,640.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.

D. (6) $760. E. (9) $135.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. American Maritime Association, 17 Battery Place, New York., N.Y. 10004.

D. (6) $960. E. (9) $20.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Boating Industry Association, 401 North Michigan Avenue, Chicago, Ill. 60601; National Association of Engine & Boat Manufacturers, 537 Steamboat Road., Greenwich, Conn. 06830.

D. (6) $2,310. E. (9) $500.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Central American Sugar Council, 1200 17th Street NW., Washington, D.C. 20036.

D. (6) $4,500. E. (9) $3,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Chippewa-Cree Tribe, Rocky Boy Route, Box Elder, Mont. 59521.

D. (6) $80.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Council of State Chambers of Commerce, 1028 Connecticut Avenue, Suite 1018, Washington, D.C. 20036.

D. (6) $625. E. (9) $70.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005.

D. (6) $1,680. E. (9) $240.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D.C. 20006.

D. (6) $1,200. E. (9) $329.

A. Patton, Boggs & Blow, 1200 17th Street N.W., Washington, D.C. 20036.

B. International Snowmobile Industry Association, 5100 Edina Industrial Boulevard, Minneapolis, Minn. 55435.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Machinery Dealers National Association, 1400 20th Street NW., Washington, D.C. 20036.
D. (6) $160.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Marcor, Incorporated, 619 West Chicago Avenue, Chicago, Ill. 60607.
D. (6) $780. E. (9) $47.25.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Moody's Investors Service, Inc., 99 Church Street, New York, N.Y. 10008.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. The Nestle Co., 100 Bloomingdale Road, White Plains, N.Y. 10605.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. New Process Co., 220 Hickory Street, Warren, Pa. 16365.
D. (6) $2,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $508.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
D. (6) $2,500.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.
D. (6) $880. E. (9) $250.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Tax Corporation of America, 2441 Honolulu Avenue, Montrose, Calif. 91020.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Warner Bros. Inc., 4000 Warner Boulevard, Burbank, Calif. 91505.

A. Jack Pearce, Suite 808, 910 17th Street NW., Washington, D.C. 20006.
B. Committee on Modern, Efficient Transportation, Suite 818, 910 17th Street NW., Washington, D.C. 20006.
D. (6) $9,800. E. (9) $3,250.40.

A. Jack Pearce, Suite 808, 910 17th Street NW., Washington, D.C.
B. Computer Industry Association, 16255 Ventura Boulevard, Encino, Calif., 91316.
D. (6) $9,000. E. (9) $2,883.23.

A. John J. Pecoraro, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,686.53.

A. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
E. (9) $12,345.39.

A. D. V. Pensabene, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $50. E. (9) $25.

A. J. Carter Perkins, Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $1,000.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $6,714.50. E. (9) $645.56.

A. Richard W. Peterson, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $600.

A. Walter T. Phair, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $375. E. (9) $350.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. John P. Philbin, 1100 Connecticut Avenue NW., Washington, D.C.
B. Mobil Oil Corp., 150 East 42d Street., New York, N.Y. 10017.
D. (6) $1,500. E. (9) $41.21.

A. Howard Phillips, 4220 Linden Street, Fairfax, Va. 22030.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $4,500.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C. 20036.
B. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C. 20036.
D. (6) $4,444.44. E. (9) $203.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill. 60605.
D. (6) $1,000.

A. Plains Cotton Growers, Inc., P.O. Box 10425, Lubbock, Tex. 79408.
D. (6) $176,954.42. E. (9) $1,350.

A. Kenneth B. Pomeroy, 10404 Conover Drive, Silver Spring, Md. 20902.
B. National Association of State Foresters, 10404 Conover Drive, Silver Spring, Md. 20902.
D. (6) $3,000. E. (9) $650.62.

A. Ramsey D. Potts, 910 17th Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $22.30.

A. Ramsay D. Potts, 910 17th Street NW., Washington, D.C. 20006.
B. Investment Counsel Associaton of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
D. (6) $1,697. E. (9) $25.30.

A. Richard M. Powell, 7315 Wisconsin Avenue, Washington, D.C. 20014.
B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Carlton H. Power, 1918 N. Parkway, Memphis, Tenn.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $352.50. E. (9) $48.40.

A. John J. Power, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington D.C. 20001.
D. (6) $2,080. E. (9) $60.

A. William C. Prather, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $600. E. (9) $100.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Cos., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $437.50.

A. PROD, Inc., 2000 P Street NW., Suite 700, Washington, D.C. 20036.
E. (9) $54.80.

A. Profit Sharing Council of America, 20 North Wacker Drive, Room 722, Chicago, Ill. 60606.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $290.71. E. (9) $290.71.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Howard Pyle, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601
D. (6) $1,346. E. (9) $17.61.

A. William A. Quinlan, Route 8, Box 238, Annapolis, Md. 21401.
D. (6) $2,921. E. (9) $817.88.

A. Arthur L. Quinn, Arthur Lee Quinn, 723 Washington Building, Washington, D.C. 20005.
B. Belize Sugar Industries, Belize City, Belize.
D. (6) $3,750. E. (9) $340.42.

A. Arthur L. Quinn, Arthur Lee Quinn, 723 Washington Building, Washington, D.C. 20005
B. Government of Republic of Panama, Compania Azucarera La Estrella, South America and Azucarera Naciconal, South America, Panama City, Panama.
D. (6) $4,500. E. (9) $356.81.

A. Arthur L. Quinn, Arthur Lee Quinn, 723 Washington Building, Washington, D.C. 20005
B. Sociedad Agricola e Industrial San Carlos, South America, Compania Azucarera Valdez, Azucarera Tropical Americana, South America, Tababuela Industrial Azucarera, Ceneral America, Ecuador.
D. (6) $6,250. E. (9) $592.71.

A. Arthur L. Quinn, Arthur Lee Quinn, 723 Washington Building, Washington, D.C. 20005
B. West Indies Sugar Association, Bridgetown, Barbados.
D. (6) $6,750. E. (9) $890.91.

A. Thomas H. Quinn, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Committee for Study of Revenue Bond Financing, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $1,666.50. E. (9) $305.57.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $2,204.72.

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $346.95.

A. Raymond Raedy, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.
D. (6) $10,692. E. (9) $10,692.

A. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $1,500. E. (9) $1,500.

A. Donald A. Randall, Suite 303, 910 16th Street NW., Washington, D.C. 20006.
B. Automotive Service Councils, Inc., 4001 Warren Boulevard, Hillside, Ill. 60162.
D. (6) $3,300. E. (9) $524.50

A. D. Michael Rappoport, P.O. Box 1980, Phoenix, Ariz. 85001.
B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.
D. (6) $644.88. E. (9) $361.06.

A. G. J. Rauschenbach.
B. Communications Satellite Corp., 950 L'Enfant Plaza South SW., Washington, D.C. 20024.
D. (6) $1,500. E. (9) $1,060.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.
B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150.

A. Carl L. Rechin, 900 Union Commerce Building, Cleveland, Ohio 44115.
B. Glidden-Durkee Division, SCM Corp., 900 Union Commerce Building, Cleveland, Ohio 44115.

A. Timothy J. Redmon, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $101. E. (9) $101.95.

A. Dwight C. Reed, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.

A. David J. Reedy, 6S430 Huntington Circle, Naperville, Ill. 60540.
B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Ill. 60501.
D. (6) $2,200.

A. John A. Reggitts, Jr., R.D. 2, Boonton Avenue, Boonton, N.J. 07005.

A. John A. Reilly, 59 Maiden Lane, New York, N.Y. 10038.
B. Estate of Bert N. Adams, 1461 West 16th Place, Yuma, Ariz. 85364; Emma Giambald, 1461 West 16th Place, Yuma, Ariz. 85364; George Hallingby, 4104 Chestnut Drive East, Forest Hills, Holiday, Fla. 33589.
E. (9) $25.

A. W. W. Renfroe, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.

A. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $2,228.

A. Retirement Federation of Civil Service Employees of the U.S. Government, Suite 529, Munsey Building, Washington, D.C. 20004.
D. (6) $4,633.75. E. (9) $7,360.25.

A. James J. Reynolds, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
D. (6) $1,875. E. (9) $189.51.

A. William L. Reynolds, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
B. National Savings & Loan League, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $3,210. E. (9) $510.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C. 20044.
E. (9) $332.

A. Theron J. Rice, 1130 17th Street NW., No. 400, Washington, D.C. 20036.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.

A. Maxwell E. Rich, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $625.

A. Mark Richardson, 1611 North Kent Street, Arlington, Va. 22209.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $270. E. (9) $250.

A. Warren S. Richardson, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,060.

A. Robert R. Rickett, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

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B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Paul M. Riley, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $110.60. E. (9) $133.

A. Stark Ritchie, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Geo. W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.
B. Alton Box Board Co., Alton, Ill. 62002.
D. (6) $3,000. E. (9) $1,483.

A. William Neale Roach, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000.

A. Paul H. Robbins, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington D.C. 20006.
D. (6) $1,000.

A. Clyde F. Roberts, Jr., 1776 F Street NW., Washington D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $450.

A. Kenneth A. Roberts, 888 17th Street NW., Washington, D.C. 20006.
B. Movers Committee for Emergency Fuel Resources, c/o Robert K. Lee, P.O. Box 272, Wichita, Kans. 67201.

A. William S. Roberts, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $60.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $233.28.

A. John P. Roche, 150 East 42d Street, New York, N.Y.
B. American Iron & Steel Institute, 150 East 42d Street, New York, N.Y.
D. (6) $500. E. (9) $210.

A. Thomas G. Roderick, 1101 16th Street NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.
E. (9) $4.

A. W. L. Rodich, 5601 Eastern Avenue, Baltimore, Md. 21224.
B. Glidden-Durkee Division SCM Corp., 5601 Eastern Avenue, Baltimore, Md.

A. Byron G. Rogers, 918 16th Street NW., Washington, D.C. 20006.
B. Denver Board of Water Commissioners, 144 West Colfax Avenue, Denver, Colo. 80202.
D. (6) $2,825.50.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Cos., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $937.50.

A. Frank W. Rogers, Suite 793, 1801 K Street NW., Washington, D.C. 20006.
B. Western Oil and Gas Association, 609 South Grand Avenue, Los Angeles, Calif. 90017.
D. (6) $750.

A. Walter E. Rogers, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $1,000.

A. Rogers & Wells, 1666 K Street NW., Suite 900, Washington, D.C. 20006.
B. The Deltona Corp., 3250 Southwest Third Avenue, Miami, Fla. 33129.

A. Rogers & Wells, 1666 K Street NW., Suite 900, Washington, D.C. 20006.

B. Prime Land Bank, 1828 L Street NW., Suite 505, Washington, D.C. 20036.
E. (9) $4.40.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. Teachers Insurance & Annuity Association/College Retirement Equities Fund, 730 Third Avenue, New York, N.Y. 10017.
D. (6) $1,000. E. (9) $20.

A. John F. Rolph III, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $750.

A. Gail S. Rosenberg, 705 G Street SE., Washington, D.C.
B. National Abortion Rights Action League, 250 West 57th Street, New York, N.Y. 10019.
D. (6) $1,250.

A. Larry M. Rosenstein, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Rouss & O'Rourke, Lawyers Building, 231 East Vermijo Avenue, Colorado Springs, Colo. 80903.
B. Union Nacional de Productores de Azucar, S. A. de C. V., Balderas 36, Mexico, D. F. Mexico.
D. (6) $5,493. E. (9) $2,074.75.

A. John Forney Rudy, 1800 K Street NW., Suite 622, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Perry A. Russ, 901 North Washington Street, Alexandria, Va. 22314.
B. Society of American Florists, 901 North Washington Street, Alexandria, Va. 22314.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $3,046.88. E. (9) $210.85.

A. Wally Rustad, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $150.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Suite 514, Washington, D.C.
B. The Am College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $750. E. (9) $951.76.

A. J. T. Rutherford & Associates, Inc., 1660 L Street, Suite 514, Washington, D.C. 20036.
B. American Optometric Association, 1730 M Street, Suite 206, Washington, D.C. 20036.
D. (6) $400. E. (9) $840.62.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Suite 514, Washington, D.C. 20036.
B. Am. Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $651.25.

A. Millard H. Ruud, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.
B. Association of American Law Schools, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.

A. Ella Marice Ryan, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $150. E. (9) $14.33.

A. William Ryan, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,500. E. (9) $135.04.

A. Carl K. Sadler, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $7,491.40. E. (9) $8,388.38.

A. G. K. Sandweg, Thompson & Mitchell, 705 Olive Street, St. Louis, Mo. 63101.
B. Clayton Brokerage Co. of St. Louis, Inc., 7701 Forsyth Boulevard, St. Louis, Mo. 63105.
D. (6) $250. E. (9) $1,609.70.

A. Irene Saunders, 2827 28th Street NW., Washington, D.C. 20008.
B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $2,634.

A. Thomas H. Saunders, 1825 K Street NW., Suite 501, Washington, D.C. 20006.
B. The Dow Chemical Co., Midland, Mich. 48640.

A. Ruth M. Saxe, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $300.

A. Kenneth I. Schaner, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Protestant-Catholic Hospital Action Committee, 840 North Lake Shore Drive, Chicago, Ill. 60611.
E. (9) $25.

A. Kenneth D. Schanzer, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,249.98. E. (9) $268.47.

A. Eric P. Schellin, 1225 19th Street NW., Suite 409, Washington, D.C. 20036.
B. National Patent Council, 1225 19th Street NW., Suite 409, Washington, D.C. 20036. 20036.
D. (6) $800.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $51.91.

A. Stephen I. Schlossberg, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $8,730.68. E. (9) $1,198.50.

A. Allan D. Schlosser, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $300.

A. Hilliard Schulberg, Suite B-3, 5010 Wisconsin Avenue, N.W., Washington, D.C. 20016.
B. National Liquor Stores Association, Inc., Suite B-3, 5010 Wisconsin Avenue NW., Washintgon, D.C. 20016.
D. (6) $225. E. (9) $20.

A. Hilliard Schulberg, Suite B-3, 5010 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Washington D.C. Retail Liquor Dealers Association, Inc., Suite B-3, 5010 Wisconsin Avenue NW., Washington, D.C. 20016.
D. (6) $555. E. (9) $65.

A. Donald H. Schwab, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States.
D. (6) $2,014.05.

A. Sydnee M. Schwartz, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $843.75. E. (9) $10.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Jefferson Pilot Corp., Post Office Box 21008, Greensboro, N.C. 27402.
D. (6) $1,000.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Provident Life & Accident Insurance Co., Chattanooga, Tenn. 37402.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $270. E. (9) $29.08.

A. Ronald C. Seeley, 1357 Nicolet Place, Detroit, Mich. 48207.
B. Estate of Bert N. Adams, 1461 West 16th Place, Yuma, Ariz. 85364; Emma (Adams) Giambaldi, 1461 West 16th Place, Yuma, Ariz. 85364; George Hallingby, 4104 Chestnut Drive East, Forest Hills, Holiday, Fla. 33589.

A. William M. Segall, 1015 18th Street NW., Washington, D.C. 20036.
B. The Carpet and Rug Institute, P.O. Box 2048, Dalton, Ga. 30720.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., No. 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Towers, Chicago, Ill. 60684.
D. (6) $125. E. (9) $25.

A. W. O. Senter, 1725 DeSales Street NW., Washington, D.C. 20036.
B. Gas Supply Committee, 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $355. E. (9) $83.

A. Theodore A. Serrill, 491 National Press Building, Washington, D.C. 20004.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20004.
E. (9) $227.70.

A. J. Richard Sewell, 1701 K Street NW., suite 503, Washington, D.C. 20006.
B. Florida Power & Light Co., P.O. Box 3100, Miami, Fla. 33101.
D. (6) $600. E. (9) $100.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $650. E. (9) $305.

A. Sharman Associates, Inc., Suite 1000, 1100 17th Street NW., Washington, D.C. 20036.
B. Movers Committee for Emergency Fuel Resources, c/o Robert K. Lee, P.O. Box 272, Wichita, Kans. 67201.
D. (6) $4,100.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Albright Title & Trust Co., 100 North Main Street, Newkirk, Okla. 74647; American Title Insurance Co., 150 Southeast Third Avenue, Miami, Fla. 33131; Chelsea Title & Guaranty Co., 1300 Bacharach Boulevard, Atlantic City, N.J. 08401.

D. (6) $10,250. E. (9) $1,394.86.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Estate of Howard Allington; Estate of Robert P. Anninger; Henry Arnhold.

E. (9) $220.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054–31st Street NW., Washington, D.C. 20007.

B. American National Cattlemen's Association, Denver, Colo.

D. (6) $2,000. E. (9) $38.57.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. General Electric Co., 570 Lexington Avenue, New York, N.Y. 10022.

D. (6) $6,966. E. (9) $942.02.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Independent Grocers' Alliance, 300 West Adams Street, Chicago, Ill. 60606; Topco Associates, Inc., 7711 Gross Point Road, Skokie, Ill. 60076; Alpena Wholesale Grocer Co., P.O. Box 475, Alpena, Mich. 49707.

D. (6) $1,315.19. E. (9) $188.60.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. The Lehigh Coal & Navigation Co., 528 North New Street, Bethlehem, Pa. 18018.

D. (6) $800.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Mauritius Sugar Syndicate, Mauritius Chamber of Agriculture, Plantation House, Port Louis, Mauritius.

D. (6) $17,500. E. (9) $1,159.37.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $5,775. E. (9) $119.05.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.

B. American Fur Merchants Association, 224 West 30th Street, New York, N.Y.; Fur Conservation Council of America, Inc.

D. (6) $500. E. (9) $208.10.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.

B. Ametalco, Inc., 530 Fifth Avenue, New York, N.Y.

A. Shaw, Pittman, Potts & Trowbridge, Barr Building, 910 17th Street NW., Washington, D.C. 20006.

B. Doubleday & Co., Inc., 277 Park Avenue, New York, N.Y. 10017.

A. John J. Sheehan, 815 16th Street NW., Suite 706, Washington, D.C. 20006.

B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $6,261.75. E. (9) $3,997.78.

A. W. Lee Shield, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

E. (9) $317.66.

A. Edward L. Shields, 666 11th Street NW., Washington, D.C. 20001.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.

E. (9) $1,320.

A. Charles W. Shipley, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.

B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.

D. (6) $287.82. E. (9) $301.12.

A. Harvey A. Shipman, 1725 K Street NW., Suite 1103, Washington, D.C. 20006.

B. Penn Central Transportation Co., Six Penn Center Plaza, Philadelphia, Pa. 19104.

A. James K. Shiver, 1629 K Street NW., Suite 600, Washington, D.C.

B. Diamond Shamrock Chemical Co., Cleveland, Ohio.

D. (6) $200. E. (9) $100.

A. L. J. Sichel, 1730 M Street NW., Washington, D.C. 20036.

B. Abbott Laboratories, North Chicago, Ill. 60064.

A. David Silver, 1775 K Street NW., Washington, D.C. 20006.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.

D. (6) $4,716.80. E. (9) $2,629.53.

A. Gilbert Simonetti, Jr., 1620 I Street NW., Washington, D.C. 20006.

B. American Institute of CPAs, 666 Fifth Avenue, New York, N.Y. 10019.

E. (9) $500.

A. Frederick Simpich, 910 16th Street NW., Washington, D.C. 20006.

B. Peugeot, Inc., 300 Kuller Road, Clifton, N.J. 07015.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.

E. (9) $373.66.

A. Talmage E. Simpkins, 100 Indian Avenue NW., Washington, D.C. 20001.

B. Labor-Management Maritime Committee.

D. (6) $1,650. E. (9) 105.42.

A. Julian H. Singman, 815 16th Street NW., Room 310, Washington, D.C. 20006.

B. International Longshoremen's Association, AFL–CIO, 17 Battery Place, Suite 1530, New York, N.Y. 10004.

D. (6) $5,000.

A. Barney J. Skladany, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $1,500.

A. Carstens Slack, 1825 K Street NW., Washington, D.C. 20006.

B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

D. (6) $3,500. E (9) $188.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.

B. American Horse Council, Inc., 1776 K Street NW., Washington, D.C. 20006.

D. (6) $6,250. E. (9) $1,064.63.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $6,250. E. (9) $164.04.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.

B. The Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.

D. (6) $8,500. E. (9) $222.63.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.

B. National Hockey League, 2 Pennsylvania Plaza, Suite 2480, New York, N.Y. 10001.

D. (6) $8,500. E. (9) $3.28.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.

B. Pennzoil Co., 900 Southeast Tower, Houston, Tex. 77002.

D. (6) $6,000. E. (9) $7.50.

A. Donald E. Smiley, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

E. (9) $432.54.

A. Arthur J. Smith, 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.

B. Shell Oil Co., P.O. Box 2463, Houston, Tex 77001.

D. (6) $500.

A. Gordon L. Smith, 1145 19th Street NW., Washington, D.C. 20036.

B. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.

A. J. Kenneth Smith, Suite 820, 1800 K Street NW., Washington, D.C. 20006.

B. Sun Oil Co., 240 Radnor Chester Road, St Davids, Pa. 19087.

D. (6) $4,000. E. (9) $335.

A. James R. Smith, 1250 Connecticut Avenue, Suite 502, Washington, D.C. 20036.

B. The American Waterways Operators, Inc., 1250 Connecticut Avenue, Suite 502, Washington, D.C. 20036.

D. (6) $2,250.

A. Kern L. Smith, 1001 Third Street SW, Washington, D.C. 20024.

B. American Society of Bariatric Physicians, Englewood, Colo.

A. Robert Wm. Smith, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich. 48121.

D. (6) $569. E. (9) $379.

A. Wallace M. Smith, 425 13th Street NW., Washington, D.C. 20004.

B. National Association of Mutual Insurance Cos., 2611 East 46th Street, Suite H, Indianapolis, Ind. 46205.

D. (6) $600. E. (9) $97.

A. Wayne H. Smithey, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich.

D. (6) $1,848.75. E. (9) $1,080.30.

A. Arthur V. Smyth, 1625 I Street NW., Washington, D.C. 20006.

B. Weyerhaeuser Co., Tacoma, Wash. 98401.

D. (6) $500. E. (9) $100.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.

B. Burley and Dark Leaf Tobacco Export Association, P.O. Box 860, Lexington, Ky. 40501.

D. (6) $640.75. E. (9) $443.13.

A. John M. Snow, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.

B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.

D. (6) $500. E. (9) $30.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $2,004.

A. J. R. Snyder, 400 First Street NW., Suite 704, Washington, D.C. 20001.

B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.

E. (9) $300.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.

D. (6) $5,549.18. E. (9) $4,442.13.

A. Carl A. Soderblom, 1 East First Street, Room 803, Reno, Nev. 89501.

B. Nevada Railroad Association, 1 East First Street, Room 803, Reno, Nev.; Southern Pacific Transportation Co., Western Pacific Railroad Co.

A. Charles B. Sonneborn, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Shelby Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

B. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

D. (6) $2,000. E. (9) $725.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.

D. (6) $150. E. (9) $150.

A. Joe P. Sparks, 4234 Winfield Scott Plaza, Scottsdale, Ariz. 85251.

B. Havasupai Tribe of Indians, Supai, Ariz.

E. (9) $1,444.25.

A. Wilbur D. Sparks, 1815 North Fort Myer Drive, Arlington, Va. 22209.

B. Air Conditioning & Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.

A. William W. Spear, 1000 16th Street NW., Washington, D.C. 20036.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

D. (6) $733. E. (9) $3.06.

A. Frank J. Specht, 1725 DeSales Street NW., Washington, D.C. 20036.

B. Schenley Industries, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C. 20006.

B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Larry N. Spiller, 1155 15th Street NW., Washington, D.C. 20005.

B. American Consulting Engineers Council, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $1,850. E. (9) $75.

A. Joseph L. Spilman, Jr., 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Sportsman's Paradise Homeowners Association, 10612 Dalerose Avenue, Inglewood, Calif. 90304.

E. (9) $678.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.

E. (9) $122.

A. John M. Stackhouse, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.

B. National Agricultural Chemicals Association.

A. Lynn Stalbaum, Room 400, 918 16th Street NW., Washington, D.C. 20006.

B. Central America Cooperative Federation, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $363.34. E. (9) $170.25.

A. Lynn E. Stalbaum, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $416.66. E. (9) $130.84.

A. Melvin L. Stark, 1025 Connecticut Avenue NW., Suite 211, Blake Building, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 211, Washington, D.C. 20036.

D. (6) $3,000. E. (9) $350.

A. David J. Steinberg, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,000.

A. David J. Steinberg, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Council for a Responsible Firearms Policy, 1028 Connecticut Avenue NW., Washington, D.C., 20036.

A. William M. Stephens, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C.

D. (6) $1,200. E. (9) $460.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Robert College of Istanbul, Turkey, 305 East 45th Street, New York, N.Y. 10017.

D. (6) $80. E. (9) $2.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Rule of Law Committee, 1250 Connnecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. B. H. Steuerwald, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railroad Signalmen, 601 West Golf Road, Mt. Prospect, Ill. 60056.

A. Wynne A. Stevens, Jr., 1901 North Fort Myer Drive, Arlington, Va. 22209.

B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va., 22209.

D. (6) $870.

A. Travis B. Stewart, 1775 K Street NW., Washington, D.C. 20006.

B. Hoffmann-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.

D. (6) $650. E. (9) $150.

A. Nelson A. Stitt, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $100.

A. Francis W. Stover, 200 Maryland Avenue NE., Washington, D.C. 20002.

B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $6,039.35. E. (9) $451.33.

A. William M. Stover, 1825 Connecticut Avenue NW., Washington, D.C. 20009.

B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.

D. (6) $1,000. E. (9) $100.

A. Herald E. Stringer, National Legislative Commission, 1608 K Street NW., Washington, D.C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind. 46206.

D. (6) $6,150. E. (9) $955.24.

A. John D. Stringer, 666 11th Street NW., Washington, D.C. 20001.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.

E. (9) $1,745.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

D. (6) $2,750. E. (9) $695.88.

A. Walter B. Stults, 512 Washington Building, Washington, D.C. 20005.

B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.

D. (6) $600.

A. Barry Sullivan, 536 Washington Building, Washington, D.C. 20005.

B. National Association of River and Harbor Contractors, 536 Washington Building, Washington, D.C. 20005.

D. (6) $600. E. (9) $488.80.

A. Sullivan, Beauregard, Meyers & Clarkson, 1200 18th Street NW., Washington, D.C. 20036.

E. (9) $1,318.77.

A. Frank L. Sundstrom, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.

D. (6) $475. E. (9) $360.

A. Glenn A. Swanson, 1725 DeSales Street NW., Suite 905, Washington, D.C. 20036.

B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.

D. (6) $15,987.46. E. (9) $3,903.86.

A. Irving W. Swanson, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association.

A. Noble J. Swearingen, Suite 61, 128 C Street NE., Washington, D.C. 20002.
B. American Lung Association, 1740 Broadway, New York, N.Y. 10019.
D. (6) $1,000.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $7,500.

A. John R. Sweeney, Solar Building, 1000 16th Street NW., Washington, D.C. 20036.
B. Bethlehem Steel Corp., 701 East Third Street, Bethlehem, Pa. 18016.
D. (6) $350. E. (9) $296.15.

A. Ronald E. Sweet, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federal Professional and Technical Engineers, AFL-CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $350. E. (9) $20.

A. Charles P. Taft, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Charles C. Talley, 100 Angus Court, Charlottesville, Va. 22901.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. David Tarr, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $225.

A. Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1091.50. E. (9) $1,091.50.

A. Richard M. Tempero, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. L. D. Tharp, Jr., 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. Jerry P. Thompson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,432. E. (9) $93.19.

A. William D. Thompson, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $3,515.64.

A. Samuel Thurm, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44 Street New York, N.Y. 10017.

A. Cyrus C. Tichenor III, 815 Connecticut Avenue NW., Suite 1007, Washington, D.C. 20006.
B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.
D. (6) $5,250. E. (9) $3,525.85.

A. Paul J. Tierney, 1101 17th Street NW., Washington, D.C. 20036.
B. Transportation Association of America.
D. (6) $36. E. (9) $26.

A. J. R. Timmins & Co., 37 Wall Street, New York, N.Y. 10005.

A. E. Linwood Tipton, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C.
E. (9) $163.66.

A. Tobacco Associates Inc., 1101 17th Street NW., Washington, D.C. 20036.
E. (9) $1,232.

A. H. Willis Tobler, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,000. E. (9) $32.45.

A. David R. Toll, 1140 Connecticut Avenue, Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C.
D. (6) $354.63. E. (9) $215.52.

A. Christine Topping, Suite 614, 1800 K Street NW., Washington, D.C. 20006.
B. Bipartisan Committee on Absentee Voting, Inc., Suite 614, 1800 K Street NW., Washington, D.C. 20006.
D. (6) $400.

A. John P. Tracey.
B. American Bar Association, 1705 DeSales Street NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $50.

A. Transportation Association of America, 1101 17th Street NW., Washington, D.C. 20036.

A. Paul E. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $6,500. E. (9) $96.10.

A. St. Clair J. Tweedie, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $1,074.30. E. (9) $165.74.

A. John D. Tyson.
B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $350. E. (9) $197.46.

A. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
E. (9) $11,569.30.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
E. (9) $6,921.19.

A. United States Cane Sugar Refiners' Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $310.21.

A. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $716.42. E. (9) $716.42.

A. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
E. (9) $66,056.66.

A. Universal Development Consultants, Inc., 425 13th Street NW., Washington, D.C. 20004.
B. Mortgage Bankers Association of America.
D. (6) $625. E. (9) $11.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. John A. Vance, 1150 17th Street NW., Suite 1109, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $591.25. E. (9) $773.83.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., Suite 912, Washington, D.C. 20005.
B. United Air Lines, P.O. Box 66100, Chicago, Ill. 60666.
E. (9) $1,478.73.

A. Lois W. Van Valkenburgh, 1673 Preston Road, Alexandria, Va. 22302.
B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.

A. Robert V. Vaughn, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $100.

A. Richard E. Vernor, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $114. E. (9) $18.

A. L. T. Vice, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
E. (9) $175.

A. Elizabeth Alderman Vinson, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the U.S., 1730 M Street NW., Washington, D.C. 20036.
D. (6) $650.

A. Robert E. Vinson, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $16.15.

A. Bruce E. Vogelsinger, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $1,700. E. (9) $75.

A. Donn L. Waage, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Cos., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $187.50. E. (9) $28.

A. Paul A. Wagner, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, Solidarity House, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $4,943.66. E. (9) $194.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.
B. Spring Mills, Inc., Fort Mill, S.C. 29715.
D. (6) $229.50.

A. E. F. Waldrop, Jr., 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $71.50.

A. Anne Walker, Apt. 501, Potomac Plaza, 2475 Virginia Avenue NW., Washington, D.C. 20037.

B. Committee for Ethical Medical Standards in Psychiatric Practice & Research.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Aluminum Co. of America, Washington, D.C. 20036.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.

D. (6) $1,500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Electric Corp., Washington, D.C. 20065.

D. (6) $4,613.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Gulf Oil Corp., Washington, D.C. 20036.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Laredo National Bank, Laredo, Tex.; Alamo National Bank, San Antonio, Tex.; National Bank of Commerce, San Antonio, Tex.

D. (6) $958.33.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Procter & Gamble, Cincinnati, Ohio 45201.

D. (6) $238.10.

A. George R. Walker, 3901 Hawkins Point Road, Baltimore, Md. 21226.

B. Glidden-Durkee Division SCM Corp., 3901 Hawkins Point Road, Baltimore, Md. 21226.

A. John S. Walker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Glidden-Durkee Division of SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Jack A. Waller, 1750 New York Avenue NW., Washington, D.C. 20006.

B. International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.

D. (6) $6,435.84.

A. Franklin Wallick, 1125 15th Street NW., Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, Solidarity House, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $5,638.60. E. (9) $616.03.

A. Charles S. Walsh.

B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.

D. (6) $127.50. E. (9) $15.

A. William A. Walton, 800 Merchants National Bank Building, Eighth & Jackson Streets, Topeka, Kans. 66612.

B. Kansas Railroad Committee, 800 Merchants National Bank Building, Eighth & Jackson Streets, Topeka, Kans. 66612.

A. Richard D. Warden, 1125 15th Street NW., Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $5,807.94. E. (9) $586.52.

A. Jack Ware, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $9,000. E. (9) $122.

A. James A. Warren, 5500 Friendship Boulevard, Chevy Chase, Md. 20015.

B. REA Express Inc., 219 East 42d Street, New York, N.Y. 10017.

D. (6) $450. E. (9) $75.

A. Washington Research Project, Action Council, 1763 R Street NW., Washington, D.C. 20009.

D. (6) $5,500. E. (9) $4,878.82.

A. George B. Watts, 1155 15th Street NW., Washington, D.C.

B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $300.

A. Ray Wax, c/o J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.

B. National Association of Farmer Elected Committeemen, c/o J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.

E. (9) $78.53.

A. Clyde M. Webber, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

D. (6) $13,617.10. E. (9) $1,629.49.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.

B. Beneficial Management Corp., 200 South Street, Morristown, N.J.

D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.

B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,000.

A. Bernard J. Welch, 1800 K Street NW., Suite 900, Washington, D.C. 20006.

B. Pan American World Airways, 1800 K Street NW., Suite 900, Washington, D.C. 20006.

E. (9) $127.34.

A. Frank J. Welch, 3724 Manor Road, Chevy Chase, Md. 20015.

B. Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Paul S. Weller, Jr., 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $2,110. E. (9) $94.88.

A. Thomas F. Wenning, 1625 K Street NW., Washington, D.C. 20006.

E. (9) $17.15.

A. Fred M. Wertheimer, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $7,500. E. (9) $360.

A. West Mexico Vegetable Distributors Association, Post Office Box 848, Nogales, Ariz. 85621.

E. (9) $500.

A. Clyde A. Wheeler, Jr., 1800 K Street NW., Suite 820, Washington, D.C. 20006.

B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.

D. (6) $7,000. E. (9) $1,810.

A. Robert Y. Wheeler, Box 185, Tilden, Tex. 78072.

B. E. G. Herman, 9538 Brighton Way, Beverley Hills, Calif. 90010.

A. Wheeler, Van Sickle, Day & Anderson, 25 West Main Street, Madison, Wis. 53703.

B. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

D. (6) $550. E. (9) $201.11.

A. Donald F. White, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,700. E. (9) $175.

A. John C. White, Room 1008, 1101 17th Street NW., Washington, D.C. 20036.

B. Private Truck Council of America, Inc., Room 1008, 1101 17th Street NW., Washington, D.C.

A. John S. White, 420 Cafritz Building, Washington, D.C. 20006.

B. Marathon Oil Co., Findlay, Ohio 45840.

E. (9) $493.50.

A. Robert L. White, 7315 Wisconsin Avenue, Washington, D.C. 20014.

B. National Electrical Contractors Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Douglas Whitlock II, 1660 L Street NW., Suite 1005, Washington, D.C. 20036.

B. Zale Corp., 1660 L Street NW., Suite 1005, Washington, D.C. 20036.

D. (6) $500. E. (9) $150.

A. Alan J. Whitney, 1341 G Street NW., Washington, D.C. 20005.

B. National Association of Government Employees, Inc., 285 Dorchester Avenue, Boston, Mass. 02127.

D. (6) $5,000. E. (9) $750.

A. William E. Wickens, 1520 33d Street NW., Washington, D.C.

B. Howrey, Simon, Baker & Murchison, 1730 Pennsylvania Avenue NW., Washington, D.C.

A. Richard J. Wiechmann, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Claude C. Wild, Jr., 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Gulf Oil Corp., Pittsburgh, Pa. 15230.

A. David Wilken, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

E. (9) $120.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. American Society of Travel Agents, Inc., 360 Lexington Avenue, New York, N.Y. 10017.

E. (9) $378.86.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.

E. (9) $42.57.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Donneville International Corp., 135 East South Temple Street, Salt Lake City, Utah.

E. (9) $55.05.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Brigham Young University, Provo, Utah.

E. (9) $12.82.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Cabot Corp., 125 High Street, Boston, Mass. 02110.

E. (9) $2.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. College Placement Council Inc., 65 East Elizabeth Street, Bethlehem, Pa.

E. (9) $9.30.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.

E. (9) $124.10.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Estate of Albert W. Small, c/o Mrs. Albert W. Small, 5803 Green Tree Road, Bethesda, Md.

E. (9) $13.05.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.

E. (9) $36.28.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Quinaielt Tribe of Indians, Taholah, Wash.

E. (9) $49.01.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Special Industry Council on Energy Conservation, c/o Discover America Travel Organization, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

E. (9) $304.09.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.

E. (9) $49.39.

A. Francis G. Williams.

B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.

A. Harry D. Williams, 1025 Connecticut Avenue NW., Suite 505, Washington, D.C. 20036.

B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.

D. (6) $250.

A. Williams & King, 1620 I Street NW., Suite 800, Washington, D.C. 20006.

B. National Nutritional Foods Association, 7727 South Painter Avenue, Whittier, Calif. 90602.

E. (9) $407.42.

A. Robert E. Williams, 1825 K Street NW., Washington, D.C. 20006.

B. United Air Lines, P.O. Box 66100, Chicago, Ill. 60666.

D. (6) $1,250. E. (9) $677.64.

A. Robert G. Williams, 6521 Arlington Boulevard, Falls Church, Va. 22042.

B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.

E. (9) $614.

A. Samuel M. Williams, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $400. E. (9) $300.

A. Kenneth Williamson, 2130 LeRoy Place NW., Washington, D.C. 20008.

B. Seventh-day Adventists Hospital Association, 6840 Eastern Avenue NW., Washington, D.C. 20021.

D. (6) $1,500. E. (9) $153.52.

A. Frederick L. Williford, 10010 Green Forest Drive, Adelphi, Md.

B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.

D. (6) $4,000.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. American Basketball Association, 1700 Broadway, New York, N.Y. 10019.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Council for Responsible Nutrition, 1776 K Street NW., Washington, D.C. 20006.

E. (9) $2.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Marianas Political Status Commission, P.O. Box 977, Saipan, Mariana Islands 96950.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Oil Investment Institute, 2500 Dunstan, Houston, Tex. 77005.

A. W. E. Wilson, 623 Ockley Drive, Shreveport, La. 71106.

B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.

D. (6) $3,133. E. (9) $1,292,39.

A. R. J. Winchester, 900 Southwest Tower, Houston, Tex. 77002.

B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.

D. (6) $5,000. E. (9) $2,920.

A. Richard F. Witherall, 702 Majestic Building, Denver, Colo. 80202.

B. Colorado RR Association, 702 Majestic Building, Denver, Colo.

A. Barry M. Wolf, 631 North Carolina Avenue SE., Washington, D.C. 20003.

B. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.

D. (6) $360.

A. James E. Wolf, 6521 Arlington Boulevard, Falls Church, Va. 22042.

B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.

E. (9) $350.

A. Sidney M. Wolfe, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Nathan T. Wolkomir, 1737 H Street NW., Washington, D.C.

B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.

D. (6) $8,308.80. E. (9) $1,417.29.

A. Kenneth D. Wollack, 1341 G Street NW., Suite No. 908, Washington, D.C. 20005.

B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.

D. (6) $1,500.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

B. Ewing M. Kauffman, Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

D. (6) $2,062.50. E. (9) $540.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

D. (6) $2,062.50 E. (9) $540.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D.C.

B. The Signal Cos., Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D. C.

B. The Flying Tiger Line Inc., Los Angeles International Airport, Los Angeles, Calif.

A. Perry W. Woofter, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $9,000. E. (9) $322.

A. George M. Worden, 1425 K Street NW., Washington, D.C. 20005.

B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Wyatt, Saltzstein, Minton & Howard, 1300 Wyatt Building, Washington, D.C. 20005.

B. American Business Press, Inc., 205 East 42d Street, New York, N.Y. 10017.

D. (6) $2,250. E. (9) $53.66.

A. Gerald L. Wykoff, 7315 Wisconsin Avenue, Washington, D.C. 20014.

B. National Electrical Contractors Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, The Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Airbus Industrie, 160, Avenue de Versailles, Paris 16e, France.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, The Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Alaska Federation of Natives, Inc., 1675 C Street, Anchorage, Alaska 99501.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, The Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. California Canners and Growers, 3100 Ferry Building, San Francisco, Calif. 94106.

D. (6) $200.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, The Watergate 600, 600 New

Hampshire Avenue NW., Washington, D.C. 20037.

B. City of Palm Springs, 3200 Tahquitz-McCallum Way, Palm Springs, Calif. 92262.

D. (6) $100. E. (9) $3.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, The Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Copyright Owners Negotiating Committee, c/o Phillips, Nizer, Benjamin, Krim and Ballon, 477 Madison Avenue, New York, N.Y. 10022.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, The Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Petersen Publishing Co., 8490 Sunset Boulevard, Los Angeles, Calif. 90069.

D. (6) $650.

A. Dennis M. Yamamoto, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o, Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $230.70. E. (9) $184.05.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. John H. Yingling, 1156 15th Street NW., Suite 701, Washington, D.C. 20005.

B. First National City Bank, 399 Park Avenue, New York, N.Y. 10022.

D. (6) $200. E. (9) $140.77.

A. Kenneth Young, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $7,202. E. (9) $252.03.

A. John S. Zapp, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,400. E. (9) $800.

A. Thomas K. Zaucha, 1725 I Street NW., Washington, D.C.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.

E. (9) $500.

A. Donald P. Zeifang, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $3,000. E. (9) $142.08.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle-First National Bank Building, Seattle, Wash. 98154.

B. Confederated Tribes of the Colville Indian Reservation, P.O. Box 150, Nespelem, Wash. 99155.

D. (6) $388.50. E. (9) $462.04.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle-First National Bank Building, Seattle, Wash. 98154.

B. Lummi Tribe of Indians, P.O. Box 309, Marietta, Wash. 98268.

D. (6) $420. E. (9) $92.09.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle-First National Bank Building, Seattle, Wash. 98154.

B. Makah Indian Tribe, P.O. Box 115, Neah Bay, Wash. 98357.

D. (6) $420. E. (9) $169.68.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle-First National Bank Building, Seattle, Wash. 98154.

B. Northern Cheyenne Tribe, Inc., P.O. Box 128, Lame Deer, Mont. 59043.

D. (6) $90. E. (9) $53.99.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle-First National Bank Building, Seattle, Wash. 98154.

B. Suquamish Indian Tribe, P.O. Box 556, Suquamish, Wash. 98392.

D. (6) $248. E. (9) $153.37.

A. Paul G. Zurkowski, 4720 Montgomery Lane, Bethesda, Md. 20014.

B. Information Industry Association, 4720 Montgomery Lane, Bethesda, Md. 20014.

D. (6) $420. E. (9) $242.34.

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the fourth calendar quarter of 1973 were received too late to be included in the published reports for that quarter.

File One Copy With the Secretary of the Senate and File Two Copies With the Clerk of the House of Representatives:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

Place an "X" Below the Appropriate Letter or Figure in the Box at the Right of the "Report" Heading Below:

"Preliminary" Report ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"Quarterly" Report: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______ ◄

REPORT

Pursuant to Federal Regulation of Lobbying Act

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Note on Item "A".—(a) In General. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) Separate Reports. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. Organization or Individual Filing:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Note on Item "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. Employer.—State name, address, and nature of business. If there is no employer, write "None."

Note on Item "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. Legislative Interests, and Publications in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

A. Action for Legal Rights, 1346 Connecticut Avenue NW., Room 533, Washington, D.C. 20036.
D. (6) $6,893.25. E. (9) $11,252.34.

A. Actors Equity Association, 165 West 46th Street, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $2,500.

A. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,150. E. (9) $2,691.50.

A. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $624.

A. Paul W. Airey, 4517 Sunset Drive, Panama City, Fla. 32401.
B. Air Force Sergeants Association, 6101 28th Avenue SE., Suite 713, Marlow Heights, Md. 20031.

A. George Alderson, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,500.

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Pa. 17022.
D. (6) $1,213.22. E. (9) $92.30.

A. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $23,340.49. E. (9) $15,134.44.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $4,838.45. E. (9) $4,838.45.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $3,334.27. E. (9) $3,334.27.

A. American Institute for Housing Consultants, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $50. E. (9) $50.

A. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
E. (9) $2,431.30.

A. American Maritime Association, 17 Battery Place, New York, N.Y. 10004.
E. (9) $773.11.

A. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $65,925.53. E. (9) $65,925.53.

A. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $5,823.11. E. (9) $5,823.11.

A. American Pulpwood Association, 605 Third Avenue, New York, N.Y. 10017.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
E. (9) $400.

A. American Vocational Association, 1510 H Street NW., Washington, D.C. 20005.
D. (6) $1,665. E. (9) $1,610.

A. William C. Anderson, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,354. E. (9) $59.75.

A. Scott P. Anger, 1725 K Street NW., Washington, D.C. 20006.
B. The Superior Oil Co., P.O. Box 1521, Houston, Tex 77001.

A. Robert E. Ansheles, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Thrift Assembly, Suite 718, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $53.50.

A. Robert E. Ansheles, Suite 718, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. CITC Industries, Inc., 1 Park Avenue New York, N.Y. 10016.
D. (6) $400. E. (9) $98.95.

A. Arkansas Railroads, 1100 Boyle Building, Little Rock, Ark. 72201.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Franklin Life Ins. Co., Franklin Square, Springfield, Ill. 62705.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Maremont Corp., 163 North Michigan Avenue, Chicago, Ill. 60601.
D. (6) $250. E. (9) $10.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Powell Lumber Co., Lake Charles, La.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. State Farm Mutual Insurance Co., 112 East Washington Street, Bloomington, Ill. 61701.
E. (9) $53.

A. Associated Employers Inc., 8107 Broadway, Suite 202, San Antonio, Tex. 78209.
E. (9) $1,327.78.

A. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
E. (9) $5,060.

A. Charles W. Bailey, 1990 M Street NW., Washington, D.C. 20036.
B. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.

A. George F. Bailey, Jr., Montgomery, Ala.
B. Alabama Railroad Association, Montgomery, Ala.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Al J. Ballard, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $150.

A. Irvin L. Barney, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood Railway Carmen of the U.S. and Canada, 4929 Main Street, Kansas City, Mo.
D. (6) $5,022.

A. Davis M. Batson, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
E. (9) $500.

A. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006.
B. Association of Trial Lawyers of America.
D. (6) $1,500. E. (9) $300.

A. H. Michael Bennett, 1346 Connecticut Avenue NW., Room 533, Washington, D.C. 20036.
B. Action for Legal Rights, 1346 Connecticut Avenue NW., Room 533, Washington, D.C. 20036.
D. (6) $6,125.

A. Billig, Sher & Jones, 1126 16th Street NW., Washington, D.C. 20036.
B. Steamship Conferences.

A. Charles Binsted, National Congress of Petroleum Retailers, 2945 Banksville Road, Pittsburgh, Pa. 15216.

A. Robert J. Bird, Suite 412, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Ad Hoc Coalition for Cemetery Care, 6216 South Stanford Way, Whittier, Calif. 90601.

A. Robert J. Bird, Suite 412, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Occidental Life Insurance Co., 12th Street at Hill, Los Angeles, Calif. 90054.

A. Robert J. Bird, Suite 412, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Paul Revere Corp., Worcester, Mass. 01608.

A. Eleanor Bissinger, 275 Central Park West, New York, N.Y. 10024.
B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Brent Blackwelder, 324 C Street SE., Washington, D.C. 20003.
B. Enviromnetal Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $365.

A. Richard W. Bliss, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $475.

A. Theodore H. Bornstein, 2028 37th Street NW., Washington, D.C. 20007.
B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C.

A. Rodney A. Bower, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $240. E. (9) $20.

A. Helen Bremberg, 4515 South 31st Street, Apartment 202, Arlington, Va. 22206.
B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.
E. (9) $154.13.

A. Cyril F. Brickfield, 1909 K Street NW., Washington, D.C. 20006.
B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW., Washington, D.C. 20006.

A. Bill Brier, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $2,499.98. E. (9) $185.89.

A. W. S. Bromley, 605 Third Avenue, New York, N.Y. 10017.
B. American Pulpwood Association, 605 Third Avenue, New York, N.Y. 10017.

A. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $21,012.85. E. (9) $21,012.85.

A. Joe B. Browder, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $1,768.75. E. (9) $508.48.

A. Bryant Associates, Inc., Suite 907, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. St. Paul Title Insurance Corp., 1650 West Big Beaver Road, Troy, Mich. 48084.

D. (6) $50. E. (9) $33.13.

A. G. Nicholas Buffington, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

B. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

D. (6) $1,000 E. (9) $17.

A. Bulgarian Claims Committee, % Oscar L. Casarella, 1901 Stratton Road, Silver Spring, Md. 20910.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Hearst Corp., 959 Eighth Avenue, New York, N.Y. 10019.

A. David A. Bunn, 1211 Connecticut Avenue, NW., Washington, D.C. 20036.

B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Parcel Post Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

A. Norman D. Burch, 1775 K Street NW., Washington, D.C. 20006.

B. College of American Pathologists, 230 North Michigan Avenue, Chicago, Ill. 60601.

D. (6) $3,375. E. (9) $144.18.

A. George J. Burger, 250 West 57th Street, New York, N.Y.

B. Burger Tire Consultant Service, 250 West 57th Street, New York, N.Y.

A. George J. Burger, 30 Clinton Place, New Rochelle, N.Y. 10801.

B. National Federation of Independent Business, 30 Clinton Place, New Rochelle, N.Y. 10801.

D. (6) $4,249.98. E. (9) $365.12.

A. Lowell A. Burkett, 1510 H Street NW., Washington, D.C. 20005.

B. American Vocational Association, 1510 H Street NW., Washington, D.C. 20005.

D. (6) $1,011.

A. David Burpee, Fordhook Farms, Doylestown, Pa. 18901.

A. Carol Burris, 1345 G Street SE., Washington, D.C. 20003.

B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.

D. (6) $1,300. E. (9) $678.56.

A. Burson-Marsteller, 1776 K Street NW., Suite 607, Washington, D.C. 20006.

B. Council for Responsible Nutrition, 1776 K Street NW., Suite 603, Washington, D.C. 20006.

D. (6) $4,500. E. (9) $1,955.06.

A. Busby, Rivkin, Sherman, Levy and Rehm, 900 17th Street NW., Washington, D.C. 20006.

B. Automobile Importers of America, 900 17th Street NW., Washington, D.C. 20006.

D. (6) $1,100.

A. David W. Calfee III, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $1,111.27. E. (9) $5.50.

A. Donald L. Calvin, 11 Wall Street, New York, N.Y. 10005.

B. New York Stock Exchange, 11 Wall Street, N.Y.

A. Donald E. Channell, 1705 DeSales Street NW., Washington, D.C. 20036.

B. American Bar Association, 1705 DeSales Street NW., Washington, D.C. 20036.

D. (6) $500. E. (9) $65.50.

A. Larry D. Cline, 1315 16th Street NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

E. (9) $16.50.

A. COALition Against Strip Mining, 324 C Street SE., Washington, D.C. 20003.

D. (6) $1,759.37. E. (9) $2,173.92.

A. Coalition of Concerned Charities, c/o John G. Milliken, 1701 Pennsylvania Avenue NW., Suite 1102, Washington, D.C. 20006.

E. (9) $829.01.

A. Carl A. S. Coan, Jr., 1625 L Street NW., Washington, D.C. 20036.

B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $7,556.23. E. (9) $754.27.

A. Jerry S. Cohen, 1776 K Street NW., Washington, D.C. 20006.

B. National Congress of Petroleum Retailers, 2945 Banksville Road, Pittsburgh, Pa. 15216.

D. (6) $2,000.

A. Jerry Cohen, 470 Totten Pond Road, Waltham, Mass. 02154.

B. Ruetgerswerke Aktiengesellschaft, Frankfurt am Main, West Germany.

A. Cohen and Uretz, 1730 M Street NW., Washington, D.C. 20036.

B. Commonwealth of Puerto Rico, c/o Jose A. Cabranes, 1725 Massachusetts Avenue NW., Washington, D.C. 20006.

E. (9) $2.40.

A. Cohen and Uretz, 1730 M Street NW., Washington, D.C. 20036.

B. McDonnell Douglas Finance Corp., 3855 Lakewood Boulevard, Long Beach, Calif. 90801.

D. (6) $3,500. E. (9) $63.05.

A. Robert E. Cole, 1909 K Street NW., Washington, D.C. 20006.

B. Motor Vehicle Manufacturers Association of the U.S., Inc., 320 New Center Building, Detroit, Mich. 48202.

D. (6) $500.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va., 22209.

D. (6) $500. E. (9) $475.

A. James F. Collins, 1000 16th Street NW., Washington, D.C. 20006.

B. American Iron & Steel Institute, 50 East 42d Street, New York, N.Y.

D. (6) $500. E. (9) $125.

A. Colson & Shapiro, 1735 New York, Avenue NW., Washington, D.C. 20006.

B. Committee for the Martin Report, 1735 New York Avenue NW., Washington, D.C., 20006.

E. (9) $390.96.

A. Colson & Shapiro, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Vance Sanders & Co., Boston, Mass.; Federated Investors, Inc., Pittsburgh, Pa.; Fidelity Management & Research Co., Boston, Mass.

A. Committee for Humane Legislation, Inc., 11 West 60 Street, New York, N.Y. 10023.

D. (6) $9,279.19. E. (9) $17,244.48.

A. Committee for Modern, Efficient Transportation, Suite 808, 910 17th Street NW., Washington, D.C. 20006.

D. (6) $13,000. E. (9) $10,810.36.

A. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

D. (6) $2,260.55. E. (9) $3,593.23.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill. 60611.

B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.

D. (6) $2,600.

A. Charles F. Cook, Jr., 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, DC. 20036.

D. (6) $1,075.

A. Harry N. Cook, Suite 200, 1130 17th Street NW., Washington, D.C. 20036.

B. The National Waterways Conference, Inc.

A. Cooperative League of the U.S.A. 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

D. (6) $2,000. E. (9) $998.40.

A. Council for the Advancement of the Psychological Professions & Sciences, 1725 I Street NW., Suite 606, Washington, D.C. 20006.

D. (6) $36,791.73. E. (9) $3,401.58.

A. Council of AFL–CIO Unions for Scientific, Professional and Cultural Employees, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $1,250. E. (9) $1,250.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Association of Bituminous Contractors, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Paul L. Courtney, 1725 K. Street NW., Washington, D.C. 20006.

D. (6) $300.

A. John A. Couture, 1625 L Street NW., Washington, D.C. 20036.

B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $4,828.14. E. (9) $334.50.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. MGIC Investment Corp., 600 Marine Plaza, Milwaukee, Wis. 43201.

D. (6) $3,900.

A. Elizabeth M. Cox, 1107 National Press Building, Washington, D.C. 20004.

B. National Organization for Women, Inc., 1107 National Press Building, Washington, D.C. 20004.

D. (6) $1,980. E. (9) $186.84.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $3,605.24. E. (9) $450.66.

A. Richard C. Creighton, 1957 E Street, NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. William J. Cudlip, 320 New Center Building, Detroit, Mich. 48202.
B. Motor Vehicle Manufacturers Association of the U.S., Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $250.

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $581. E. (9) $2,355.

A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $3,901.38.

A. Stephen I. Danzansky, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Richard C. Darling, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $960. E. (9) $185.12.

A. John C. Datt, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $1,812. E. (9) $27.43.

A. P. M. Davison, Jr., 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
B. North Dakota Railway Lines.
E. (9) $1,024,68.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.
B. Opticians Association of America, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. Association of Plaintiffs Trial Attorneys for Metropolitan Washington, D.C., 910 17th Street NW., Washington, D.C. 20005.
D. (6) $2,000.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. U.S. Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Clairol, Inc., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $525. E. (9) $30.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Kansas City Southern Industries, Inc., 114 West 11th Street, Kansas City, Mo. 64105.
D. (6) $245. E. (9) $61.58.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $2,170. E. (9) $440.81.

A. Vincent A. Demo, 25 Broadway, New York, N.Y. 10004.
B. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $7,500. E. (9) $3,465.

A. Leslie E. Dennis, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $925. E. (9) $148.

A. C. H. DeVaney, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,354. E. (9) $85.50.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Department of Water Resources, State of California, P.O. Box 388, Sacramento, Calif. 95802.
D. (6) $2,295.72. (E) (9) $135.72.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington D.C. 20036.
B. Marysville Dam Committee, P.O. Drawer B, Marysville, Calif. 95902.
E. (9) $31.35.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue, NW., Washington, D.C. 20036.
B. Sacramento Yolo Port District, West Sacramento, Calif.
D. (6) $1,414.86. E. (9) $34.86.

A. Steven P. Doehler, 1625 L Street NW., Washington, D.C. 20036.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $3,749.98. E. (9) $326.85.

A. Jack Donahue, 1725 I Street NW., Suite 606, Washington, D.C. 20006.
B. Council for the Advancement of the Psychological Professions and Sciences, 1725 I Street NW., Suite 606, Washington, D.C. 20006.
D. (6) $1,002. E. (9) $200.59.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Gary W. Donnelly, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $17.10.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Advanced Schools, Inc., 5900 Northwest Highway, Chicago, Ill. 60631.

A. Louise C. Dunlap, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $2,850. E. (9) $143.20.

A. H. Stewart Dunn, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Rochester Tax Council, 1100 Midtown Tower, Rochester, N.Y.
D. (6) $22,000.

A. J. Frederick Durr, R.R. No. 2, Sheridan, Ind. 46069.
B. National Association of Farmer Elected Committeemen, c/o J. Frederick Durr, R.R. No. 2, Sheridan, Ind. 46069.
E. (9) $45.25.

A. Henry I. Dworshak, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,175.

A. Eastern Meat Packers Association, Inc., 734 15th Street NW., Washington, D.C. 20005.
E. (9) $32.09.

A. Charles E. Ehrhart, 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $400. E. (9) $124.

A. John Ellis, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. D. A. Ellsworth, 400 First Street NW., D.C. 20001.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont,, Ill. 60018.
D. (6) $6,250. E. (9) $1,620.37.

A. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $19,631.84. E. (9) $25,136.55.

A. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
E. (9) $500.

A. Brock Evans, 324 C Street SE., Washington, D.C. 20003.
B. Sierra Club, 1050 Mills Tower, San Francisco, Calif. 94104.
D. (6) $6,500. E. (9) $142.

A. Penelope S. Farthing, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $305.

A. Frank C Fini, 2020 Brooks Drive, Apartment 506, Suitland, Md. 20028.
B. Air Force Sergeants Association, 6101 28th Avenue SE., Suite 713, Marlow Heights, Md.

A. Roger Fleming, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $1,942. E. (9) $60.98.

A. Carl J. Fleps, 1000 16th Street NW., Washington, D.C. 20036.
B. The Greyhound Corp., Greyhound Tower, Phoenix, Ariz. 85077.
D. (6) $300. E. (9) $34.

A. Tim C. Ford, 1800 K Street, Washington, D.C.
B. Glass Container Manufacturers Institute.
E. (9) $483.17.

A. Jean Fox, 88 Central Park West, New York, N.Y. 10023.

B. Consumer Action Now, Inc., 30 E. 68th Street, New York, N.Y. 10021.

A. Alice B. Frandsen, 10311 Folk Street, Silver Spring, Md. 20902.

B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.

E. (9) $62.

A. Ronald C. Frankis, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $1,096.56. E. (9) $79.46.

A. Donald A. Frederick, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $218.75 E. (9) $2.62.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hamphire Avenue NW., Washington, D.C. 20037.

B. The Hualapai Tribe of the Hualapai Reservation, Peach Springs, Ariz.

D. (6) $235. E. (9) $11.15.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Navajo Tribe, Window Rock, Ariz.

D. (6) $18,000. E. (9) $563.95.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Nez Perce Tribe, Lapwai, Idaho.

D. (6) $400.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Oglala Sioux Tribe, Pine Ridge, S. Dak. 57770.

D. (6) $4,000.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Pueblo of Laguna, Laguna, N. Mex.

D. (6) $45. E. (9) $4.80.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Salt River Pima-Maricopa Indian Community, Box 120, Route 1, Scottsdale, Ariz.

D. (6) $185. E. (9) $1.50.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Seneca Nation of Indians, Box 268–A, Irving, N.Y. 14081.

D. (6) $1,025. E. (9) $10.60.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Tuscarora Indian Nation, Lewiston, N.Y.

A. Frosh, Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Institute for Government Assisted Housing, 1025 Connecticut Avenue, NW., Washington, D.C. 20036.

D. (6) $900.

A. Frosh, Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $900.

A. Frosh, Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Section 23 Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $450.

A. Gadsby & Hannah, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Council of Independent Laboratories, Inc., 1725 K Street NW., Washington, D.C. 20036.

A. Gadsby & Hannah, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Council of Professional Services Firms, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Tom Garrett, 620 C Street SE., Washington, D.C. 20003.

B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.

D. (6) $1,950.

A. Leo J. Gehrig, One Farragut Square South, Washington, D.C. 20006.

B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $949.35. E. (9) $205.68.

A. Louis Gerber, 1925 K Street NW., Washington, D.C. 20006.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.

E. (9) $3,056.73.

A. Llewellyn H. Gerson.

B. National Federation of Independent Business, 921 Washington Building, 15th and New York Avenue, Washington, D.C. 20005.

D. (6) $2,900. E. (9) $889.

A. John A. C. Gibson, 1155 15th Street NW., Washington, D.C. 20005.

B. American Federation of State, County and Municipal Employees, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $4,250. E. (9) $136.80.

A. Glassie, Pewett, Beebe & Shanks, 1819 H Street NW., Washington, D.C. 20006.

B. Eastern Meat Packers Association, Inc., 734 15th Street NW., Washington, D.C. 20005.

A. Glassie, Pewett, Beebe & Shanks, 1819 H Street NW., Washington, D.C. 20006.

B. The National Independent Meat Packers Association, 734 15th Street NW., Washington, D.C. 20005.

A. The Glenmede Trust Co., 1529 Walnut Street, Philadelphia, Pa.

A. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.

E. (9) $53.80.

A. Horace D. Godfrey, 918 16th Street NW., Washington, D.C. 20006.

B. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $375. E. (9) $53.80.

A. Ilene Goldman, 740 Park Avenue, New York, N.Y. 10021.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Jack Golodner, 1990 M Street NW., Washington, D.C. 20036.

B. Actors Equity Association, 165 West 46th Street, New York, N.Y. 10036.

D. (6) $2,500. E. (9) $310.

A. Jack Golodner.

B. Council of AFL–CIO Unions for Scientific, Professional and Cultural Employees, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $1,000.

A. Gore, Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.

B. National Tool, Die & Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Donald E. Graham, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $1,584.98. E.(9) $36.85.

A. Warren Graves, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $4,500. E. (9) $200.

A. Harold H. Griffin, 925 15th Street NW., Washington, D.C.

B. National Association of Realtors, 155 East Superior Street, Chicago, Ill.

D. (6) $1,875. E. (9) $108.56.

A. James M. Hacking, 1909 K Street NW., Washington, D.C. 20006.

B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW., Washington, D.C. 20006.

E. (9) $45.

A. Hubert D. Hagen, Suite 1800, 500 North Broadway, St. Louis, Mo. 63102.

B. Arch Mineral Corp., Suite 1800, 500 North Broadway, St. Louis, Mo. 63102.

A. Matthew Hale, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,000. E. (9) $150.

A. Isabel Halliburton, 320 East 57th Street, New York, N.Y. 10022.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Robert N. Hampton, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $1,106.24. E. (9) $12.83.

A. Donald K. Hanes, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $587.50. E. (9) $65.64.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.

B. National Tool, Die & Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Andrew E. Hare, 1990 M Street NW., Washington, D.C. 20036.

B. National Right To Work Committee, 1990 M Street NW., Washington, D.C. 20036.

D. (6) $460. E. (9) $91.

A. Donald L. Harlow.

B. Air Force Sergeants Association, Inc., 6101 28th Avenue SE., Marlow Heights, Md. 20031.

A. William C. Hart, 1625 I Street NW., Washington, D.C. 20006.

B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.

D. (6) $3,248. E. (9) $5,389.95.

A. Clifford J. Harvison, 1616 P Street NW., Washington, D.C. 20036.

B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Sidney G. Hawkes, 200 17th Street NW., Suite 501, Washington, D.C. 20006.
B. The Mead Corp., 118 West First Street, Dayton, Ohio 45402.
D. (6) $650. E. (9) $380.

A. Bruce R. Hawley, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $183. E. (9) $1.40.

A. Robert T. Hayden, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $3,976.33. E. (9) $1,119.12.

A. Kit H. Haynes, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,354. E. (9) $69.93.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D.C. 20036.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $875. E. (9) $513.14.

A. Barbara Heller, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $627.50. E. (9) $130.28.

A. Lillie E. Herndon, 700 North Rush Street, Chicago, Ill. 60611.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
D. (6) $207,400.13. E. (9) $497.48.

A. Donald E. Hirsch, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,708. E. (9) $37.55.

A. Ralph D. Hodges, Jr., 1619 Massachusetts Avenue NW., Washington, D.C.
B. National Forest Products Association.
E. (9) $6.96.

A. Glen D. Hofer, 1030 15th Street NW., Washington, D.C. 20005.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $499.50. E. (9) $31.06.

A. Thomas P. Holley, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Peter W. Hughes, 1909 K Street NW., Washington, D.C. 20006.
B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW., Washington, D.C. 20006.
E. (9) $119.02.

A. The Human Life Amendment, The Bellevue Hotel, 15 E Street NW., Washington, D.C.
D. (6) $159.50. E. (9) $579.01.

A. Gregory A. Humphrey, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
E. (9) $245.82.

A. David J. Humphreys, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Recreational Vehicle Institute, Inc., 2720 Des Plaines Avenue, Des Plaines, Ill. 60018.
D. (6) $10,000. E. (9) $16.90.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Washington, D.C. 20037.
E. (9) $25.

A. Bernard J. Imming, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit and Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $437.50. E. (9) $35.99.

A. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.
E. (9) $100.

A. Institute for Government Assisted Housing, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $900. E. (9) $900.

A. Japanese American Citizens League, 22 Peace Plaza, Suite 203, San Francisco, Calif. 94115.
E. (9) $200.

A. H. Bradley Johnson, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $975.

A. Richard J. Jones, 1110 Davidson Street, Champaign, Ill. 60631.
B. Independent Grocers' Alliance, 5725 River Road, Chicago, Ill. 60606.
D. (6) $125.

A. Ardon B. Judd, Jr., 1100 Connecticut Avenue, Washington, D.C. 20036.
B. Dresser Industries, Inc., 1100 Connecticut Avenue, Washington, D.C.

A. James J. Judge, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $300.

A. Robert E. Juliano, 1666 K Street NW., Suite 304, Washington, D.C. 20006.
B. Hotel and Restaurant Employees and Bartenders International Union, 120 East Fourth Street, 13th Floor, Cincinnati, Ohio 45202.
D. (6) $4,999.98. E. (9) $2,728.03.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va. 22030.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $18.75.

A. Marvin Kamensky, 120 South LaSalle Street, Chicago, Ill. 60603.
E. (9) $355.

A. John G. Keller, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

A. R. G. Kendall, Jr., Montgomery, Ala.
B. Alabama Railroad Association, Montgomery, Ala.
D. (6) $52. E. (9) $191.38.

A. James J. Kennedy, Jr., 400 First Street NW., Washington, D.C. 20001.
B. Brotherhod of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $5,600. E. (9) $926.90.

A. Judith Kim, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $6,441.03.

A. Kirkland, Ellis & Rowe, 1776 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Keith R. Knoblock, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $725.

A. John D. Knodell, Jr., 200 112th Avenue NE., Bellevue, Wash. 98004.
B. Alyeska Pipeline Service Co.
E. (9) $1,906.10.

A. George W. Koch, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.
D. (6) $180.78.

A. Robert M. Koch, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $24.50.

A. Charles B. Kornmann, P.O. Box 489, Aberdeen, S. Dak. 57401.
B. South Dakota Railroads Association.
D. (6) $375. E. (9) $502.55.

A. Kenneth S. Kovack, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $4,665.99. E. (9) $1,358.27.

A. James S. Krzyminski, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,710. E. (9) $70.39.

A. Philip Kugler, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
E. (9) $273.21.

A. Laurence F. Lane, 1909 K Street NW., Washington, D.C. 20006.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20006.
E. (9) $99.44.

A. Reed E. Larson, 1990 M Street NW., Washington, D.C. 20036.
B. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.
D. (6) $35.

A. Susannah Lawrence, 215 East 72d Street, New York, N.Y. 10021.
B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Robert F. Lederer, 230 Southern Building, Washington, D.C.
B. American Association of Nurserymen, Inc., 230 Southern Building, Washington, D.C. 20005.

A. Richard J. Leighton, 1701 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Morris J. Levin, 1620 I Street NW., Washington, D.C. 20006.

B. Association of American Railroads, American Railroad Building, Washington, D.C. 20006.
D. (6) $1,000.

A. J. M. B. Lewis, Jr., 315 Shenandoah Building, P.O. Box 2887, Roanoke, Va. 24001.
B. National Council of Coal Lessors, 317 Southern Building, Washington, D.C. 20005; Iron Ore Lessors Association, 1500 First National Bank Building, St. Paul, Minn.
D. (6) $6,250.

A. Ronald L. Leymeister, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $162.14.

A. Liberty Lobby, Inc., 130 Third Street SE., Washington, D.C. 20003.
D. (6) $17,979.74. E. (9) $21,623.43.

A. J. Patrick Logue, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $5,476.04.

A. Gay Lord, 150 East 73d Street, New York, N.Y. 10021.
B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. LeRoy E. Lyon, Jr., 11th and L Building, Sacramento, Calif. 95814.
B. California Railroad Association, 11th and L Building, Sacramento, Calif. 95814.
E. (9) $295.22.

A. Russell E. MacCleery, 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $500.

A. Kenneth B. MacKenzie, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.

A. Barbara Maltby, 600 West End Avenue, New York, N.Y. 10024.
B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Management Communications, Inc., 1505 22d Street, NW., Washington, D.C. 20037.
B. Council on Foundations, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $420.

A. Management Comunications, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
D. (6) $490. E. (9) $1.20.

A. John V. Maraney, 324 East Capitol Street, Washington, D.C.
B. National Star Route Mail Carriers' Association, 324 East Capitol Street, Washington, D.C. 20003.

A. Edwin E. Marsh, 200 C Street SE., Suite 401, Washington, D.C. 20003.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $4,638. E. (9) $500.90.

A. Carlin Masterson, 801 West End Avenue, New York, N.Y. 10025.
B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. John J. L. Matson, 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the U.S., Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. Charles E. Mattingly, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $4,368.

A. Frank W. Mayo, 1809 23d Street, Manhattan Beach, Calif. 90266.

A. Anthony Mazzocchi, 1126 16th Street NW., Washington, D.C. 20036.
B. Oil Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.
D. (6) $2,362.50. E. (9) $318.50.

A. Robert C. McCandless, 1725 I Street NW., Washington, D.C. 20006.
B. Committee for Humane Legislation, 11 West 60th Street, New York, N.Y.
D. (6) $300. E. (9) $25.

A. Robert C. McCandless, 1725 I Street NW., Washington, D.C. 20006.
B. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $800. E. (9) $25.

A. John L. McConnell, 1800 K Street NW., Washington, D.C. 20036.
B. New York Stock Exchange, Inc., 11 Wall Street, New York, N.Y., 10005.
D. (6) $1,200. E. (9) $265.

A. John L. McCormick, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $1,875. E. (9) $34.85.

A. Peter E. McGuire, 400 First Street NW., Washington, D.C. 20001.
B. National Association of Retired & Veteran Railway Employees, Inc., P.O. Box 6069 Kansas City, Kans., 66106.
D. (6) $500. E. (9) $500.

A. Clifford G. McIntire, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $1,833. E. (9) $18.48.

A. Medical-Surgical Manufacturers Association, 1666 K Street NW., Washington, D.C. 20006.
E. (9) $3,017.75.

A. Marc Messing, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $1,320.

A. Anne Miller, Suite 907, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Bryant Associates, Inc., Suite 907, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $75. E. (9) $45.91.

A. Lester F. Miller, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $182. E. (9) $6.

A. Clarence Mitchell, 422 First Street SE., Washington, D.C. 20003.
B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $4,000.

A. John G. Mohay, 734 15th Street NW., Washington, D.C. 20005.
B. The National Independent Meat Packers Association, 734 15th Street NW., Washington, D.C. 20005.
D. (6) $433.34.

A. John V. Moller, 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $500.

A. John Morgan, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $627.90.

A. John J. Motley.
B. National Federation of Independent Business, 921 Washington Building, 15th and New York Avenue, Washington, D.C. 20005.
D. (6) $2,900. E. (9) $889.

A. Richard E. Murphy, 900 17th Street NW., Washington, D.C. 20006.
B. Service Employees International Union, AFL–CIO, 900 17th Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $100.

A. George E. Myers, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $832.78. E. (9) $85.85.

A. Kenneth D. Naden, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $3,037.50. E. (9) $46.25.

A. Maryann Napoli, 800 West End Avenue, New York, N.Y. 10025.
B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. National Air Carrier Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $875. E. (9) $875.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $393.30. E. (9) $592.06.

A. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $15,273.22. E. (9) $15,485.80.

A. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $900. E. (9) $900.

A. National Association of Farmer Elected Committeemen, c/o J. Frederick Durr, R. R. No. 2, Sheridan, Ind. 46069.
D. (6) $255.90. E. (9) $255.90.

A. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $45,261.64. E. (9) $41,703.96.

A. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $2,400. E. (9) $2,322.

A. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611.
E. (9) $18,586.47.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $7,370.65. E. (9) $5,130.96.

A. National Canners Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $686,194.32. E. (9) $3,684.87.

A. National Citizens Committee for Revenue Sharing, 707 National Press Building, Washington, D.C. 20004.

A. National Committee for Research in Neurological Disorders, 927 National Press Building, Washington, D.C. 20004.
D. (6) $1,060. E. (9) 8,216.14.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
D. (6) $207,400.13. E. (9) $497.48.

A. National Council of Agricultural Employers, 337 Southern Building, 15th and H Streets NW., Washington, D.C.
D. (6) $1,000. E. (9) $1,650.

A. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $32,630. E.(9) $36,472.

A. National Counsel Associates, 421 New Jersey SE., Washington, D.C. 20003.
B. American Blood Resources Association, 308 State Street, Albany, N.Y. 12210.
D. (6) $1,125. E. (9) $60.37.

A. National Counsel Associates, 421 New Jersey SE., Washington, D.C. 20003.
B. Cenco, Inc., 2600 South Kostner Avenue, Chicago, Ill.
D. (6) $2,475. E. (9) $95.52.

A. National Counsel Associates, 421 New Jersey SE., Washington, D.C. 20003.
B. Committee for the Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C.
D. (6) $833.33. E. (9) $58.81.

A. National Counsel Associates, 421 New Jersey SE., Washington, D.C. 20003.
B. Wheat Users Committee, 1700 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $6,000. E. (9) $187.46

A. National Federation of Independent Business, 920–922 Washington Building, Washington, D.C.
D. (6) $11,811.29. E. (9) $11,811.29.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $24,444.18. E. (9) $30,699.62.

A. The National Independent Meat Packers Association, 734 15th Street NW., Washington, D.C. 20005.
D. (6) $540.02. E. (9) $2,234.56.

A. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
D. (6) $10,481.70. E. (9) $10,481.70.

A. National Motorsports Committee of ACCUS, Suite 801, 1629 K Street NW., Washington, D.C.
D. (6) $2,550. E. (9) $1,315.67.

A. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $2,199.41. E. (9) $1,054.61.

A. National Organization for Women, Inc., 1107 National Press Building, Washington, D.C. 20004.
D. (6) $9,177.42. E. (9) $9,177.42.

A. National Parking Association, 1101 17th Street NW., Washington, D.C.
E. (9) $825.

A. National Patent Council, 1225 19th Street NW., Suite 409, Washington, D.C. 20036.
D. (6) $2,647.50. E. (9) $800.

A. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.
D. (6) $3,979.99. E. (9) $3,979.99.

A. National Rehabilitation Association, 1522 K Street NW., Suite 1120, Washington, D.C. 20005.
D. (6) $20,247. E. (9) $1,458.

A. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.
D. (6) $1,901. E. (9) $1,901.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
E. (9) $4,199.53.

A. National Rural Housing Coalition, 1346 Connecticut Avenue NW., No. 529, Washington, D.C. 20036.
D. (6) $2,962.95. E. (9) $2,531.04.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $4,076. E. (9) $2,917.

A. National Sharecroppers Fund, Inc., 1145 19th Street NW., Room 501, Washington, D.C. 20036.
D. (6) $5,515.63. E. (9) $9,014.59.

A. National Student Lobby, 413 East Capitol Street, SE., Washington, D.C. 20002.
D. (6) $11,337.80. E. (9) $12,290.40.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,051.48. E. (9) $2,051.32.

A. National Taxpayers Union, 625 East Capitol Street, Washington, D.C. 20003.
D. (6) $40,378.32. E. (9) $37,834.48.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $26,463. E. (9) $6,148.87.

A. Ivan A. Nestingen, 1000 Connecticut Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $900. E. (9) $225.

A. Neuro-Research Foundation, Inc., 35 Chestnut Place, Brookline, Mass.
E. (9) $1,500.

A. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y.
D. (6) $13,500. E. (9) $6,577.

A. Barbara Niles, 170 East 79th Street, New York, N.Y. 10021.
B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. W. Brice O'Brien, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $825.

A. Raymond D. O'Connell, 400 Madison Avenue, New York, N.Y. 10017.
B. National Cable Television Association, Inc., 1634 I Street NW., Washington, D.C. 20006.
D. (6) $5,250. E. (9) $599.35.

A. Layton Olson, 413 East Capitol Street SE., Washington, D.C. 20002.
B. National Student Lobby, 413 East Capitol Street SE., Washington, D.C. 20002.
D. (6) $30.

A. Samuel Omasta, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $15.10.

A. John L. Oshinski, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $4,728.99. (9) $850.98.

A. J. Allen Overton, Jr., 1100 Ring Building NW., Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building NW., Washington, D.C. 20036.
D. (6) $1,475.

A. Lew M. Paramore, P.O. Box 1160, Kansas City, Kans. 66117.
B. Mo-Ark Basins Flood Control & Conservation, P.O. Box 1160, Kansas City, Kans. 66117.

A. Carol Ames Parker, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C.
D. (6) $2,100.

A. Kenton Pattie, 3150 Spring Street, Fairfax, Va. 22030.
B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $1,418.18.

A. Ellen Pattin, 6907 Lyle Street, Lanham, Md. 20801.
B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.
E. (9) $25.15.

A. Jack Pearce, Suite 808, 910 17th Street NW., Washington, D.C. 20006.
B. Committee on Modern, Efficient Transportation, Suite 808, 910 17th Street NW., Washington, D.C. 20006.
D. (6) $8,400. E. (9) $2,410.36.

A. Jack Pearce, Suite 818, 910 17th Street NW., Washington, D.C.
B. Computer Industry Association, 16255 Ventura Boulevard, Encino, Calif. 91316.
D. (6) $9,000. E. (9) $2,501.39.

A. Pepper, Hamilton & Sheetz, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Coalition of Concerned Charities, 1701 Pennsylvania Avenue NW., Suite 1102, Washington, D.C. 20006.
D. (6) $829.01. E. (9) $69.01.

A. Pepper, Hamilton & Scheetz, 123 South Broad Street, Philadelphia, Pa.
B. The Glenmede Trust Co., 1529 Walnut Street, Philadelphia, Pa.
E. (9) $57.20.

A. Pepper, Hamilton & Sheetz, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Johns-Manville Co., P.O. Box 17086, Denver, Colo. 80217.

A. Grant C. Pinney, Halsey Street, China Lake, Calif. 93555.

B. China Lake Elementary School District, Halsey Street, China Lake, Calif. 93555.

A. Frederick T. Poole, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $488. E. (9) $21.21.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $3,870.

A. William I. Powell, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $975. E. (9) $46.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.
B. The Board of Trade of Kansas City, Missouri, Inc., Kansas City, Mo.
D. (6) $1,200.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.
B. Chicago Mercantile Exchange, Chicago, Ill.
D. (6) $1,200.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.
B. National Air Tankers Association, Washington, D.C.
D. (6) $350.

A. William A. Quinlan, Route 8, Box 238, Annapolis, Md. 21401.
B. Associated Retail Bakers of America, 735 West Sheridan Road, Chicago, Ill. 60613.
D. (6) $1,505. E. (9) $421.40.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. The Department of Tourism, Hamilton, Bermuda.
D. (6) $1,666.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washingtin, D.C.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa.
D. (6) $2,000.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. National Ski Areas Association, Inc., 99 Park Avenue, New York, N.Y.
D. (6) $1,500. E. (9) $139.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. R. J. Reynolds Industries, Inc., 401 North Main Street, Winston-Salem, N.C.
D. (6) $1,000.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. Sea-Land Service, Inc., P.O. Box 900, Edison, N.J.
D. (6) $900.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. Stimson Lumber Co., and Miller Redwood Co., 315 Pacific Building, Portland, Oreg.
D. (6) $125.

A. Rial M. Rainwater, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carrier's Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $182. E. (9) $7.

A. Gail Rakow, 77 Seventh Avenue, New York, N.Y.
B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.
B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150.

A. Recording Industry Association of America, Inc., One East 57th Street, New York, N.Y. 10022.
E. (9) $37,800.53.

A. Recreational Vehicle Institute, Inc., 2720 Des Plaines Avenue, Des Plaines, Ill. 60018.
E. (9) $10,016.90.

A. Lola Redford, 1125 Fifth Avenue, New York, N.Y. 10028.
B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Lawrence D. Reedy, 602 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. American Association of Advertising Agencies, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,250. E. (9) $600.

A. Robert S. Reese, Jr., 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. John T. Reggitts, Jr., 95 Boonton Avenue, R.D. 2 Boonton Avenue, Boonton, N.J. 07005.

A. Reserve Officers Association of U.S., One Constitution Avenue NE., Washington, D.C.
D. (6) $1,268.33. E. (9) $460.50.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La. 70427.
B. Louisiana Railroads, 335 Austin Street, Bogalusa, La.

A. Warren S. Richardson, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,060.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. The Kellogg Co., Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. W. K. Kellogg Foundation, Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.

A. Rosalie Riechman, 120 Maryland Avenue NE., Washington, D.C. 20002.
B. Women's International League for Peace and Freedom, 1213 Race Street, Philadelphia, Pa. 19107.
D. (6) $1,575.

A. John Riley, 1625 L Street NW., Washington, D.C. 20036.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $3.72.

A. Kenneth Roberson, 2 Dubonnet Road, Valley Stream, N.Y. 11581.
B. Meat Importers Council of America, Inc., 708 Third Avenue, New York, N.Y. 10017.

A. Nathaniel H. Rogg, 1625 L Street NW., Washington, D.C. 20036.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D .(6) $2,587.50. E. (9) $104.12.

A. Jerome D. Schaller, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $72.64.

A. Eric P. Schellin, 1225 19th Street NW., Suite 409, Washington, D.C. 20036.
B. National Patent Council, 1225 19th Street NW., Suite 409, Washington, D.C. 20036.
D. (6) $800.

A. Ann Scott, 1107 National Press Building, Washington, D.C. 20004.
B. National Organization for Women, Inc., 1107 National Press Building, Washington, D.C. 20004.
E. (9) $523.72.

A. Durward Seals, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $312.50. E. (9) $29.05.

A. The Section 23 Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $450. E. (9) $450.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. American National Cattlemen's Association, Denver, Colo.
D. (6) $1,000. E. (9) $376.50.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y. 10022.
D. (6) $1,300. E. (9) $68.60.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Rubber Manufacturers Association, 444 Madison Avenue, New York, N.Y. 10022.
D. (6) $2,725. E. (9) $166.

A. John J. Sheehan, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $6,261.75. E. (9) $3,591.26.

A. Laurence P. Sherfy, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,175.

A. A. Z. Shows, Suite 904, 2600 Virginia Avenue NW., Watergate Office Building, Washington, D.C. 20037
D. (6) $1,984. E. (9) $2,942.88.

A. Margaret A. Siegel, 1155 15th Street NW., Washington, D.C. 20005.
B. American Federation of State, County and Municipal Employees, 1155 15th Street NW., Washington, D.C. 20005.
D. $3,750. E. (9) $72.90.

A. Gilbert Simonetti, Jr., 1620 I Street NW., Washington, D.C. 20006.
B. American Institute of CPA's, 666 Fifth Avenue, New York, N.Y. 10019.
E. (9) $500.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.

E. (9) $562.12.

A. Donald K. Simpson, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington D.C. 20036.

D. (6) $475.

A. Hall Sisson, 1925 K Street N.W., Washington, D.C. 20006.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.

E. (9) $4,645.87.

A. Diane Somerford, 505 B South Frederick Avenue, Apt. 5, Gaithersburg, Md. 20760.

B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.

E. (9) $15.

A. Shelby Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

B. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

D. (6) $2,000. E. (9) $835.75.

A. South Dakota Railroads Association, P.O. Box 489, Aberdeen, S. Dak. 57401.

E. (9) $877.55.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.

D. (6) $150. E. (9) $150.

A. Wilbur D. Sparks, 1815 North Fort Myer Drive, Arlington, Va. 22209.

B. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $624.

A. Larry N. Spiller, 1155 15th Street NW., Washington, D.C. 20005.

B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.

D. (6) $1,650. E. (9) $50.

A. Springs Mills, Inc., Fort Mill, S.C. 29715.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. J. Gilbert Stallings, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

D. (6) $100. E. (9) $100.

A. Robert H. Starkey, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $182. E. (9) $6.

A. Cynthia Stein, 50 West 96th Street, New York, N.Y. 10025.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mallinckrodt Chemical Works, P.O. Box 5439, St. Louis, Mo. 63160; Merck & Co., Inc., 126 East Lincoln Avenue, Rahway, N.J. 07065; S. B. Penick & Co., 100 Church Street, New York, N.Y. 10007.

D. (6) $1,500. E. (9) $450.

A. Herald E. Stringer, 1608 K Street NW., Washington, D.C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind. 46206.

D. (6) $6,150. E. (9) $517.51.

A. Roger J. Stroh, 1019 19th Street NW., Washington, D.C. 20036.

B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.

D. (6) $218.75. E. (9) $13.93.

A. Stroock & Stroock & Lavan, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. United States Banknote, 345 Hudson Street, New York, N.Y. 10014.

D. (6) $500.

A. Michael E. Strother, 1315 16th Street NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

E. (9) $8.50.

A. R. Keith Stroup, 2317 M Street NW., Washington, D.C. 20037.

B. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.

D. (6) $450.

A. G. Don Sullivan, 1100 Ring Building N.W., Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $575.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Agway, Inc., P.O. Box 1333, Syracuse, N.Y. 13201.

E. (9) $30.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Massachusetts Mutual Life Insurance Co., 1295 State Street, Springfield, Mass. 01101.

E. (9) $30.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Retail Credit Co., P.O. Box 4081, Atlanta, Ga. 30302.

D. (6) $9,950. E. (9) $3,080.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. The Travelers Insurance Cos., One Tower Square, Hartford, Conn. 06115.

D. (6) $250. E. (9) $30.

A. Ronald E. Sweet, 1126 16th Street NW., Washington, D.C. 20036.

B. International Federal Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.

D. (6) $350. E. (9) $20.

A. J. Woodrow Thomas Associates, Inc., Suite 600, 734 15th Street NW., Washington, D.C.

B. Hart Metals, Inc., Tamaqua, Pa. 18252.

D. (6) $2,250.

A. J. Woodrow Thomas Associates, Inc., Suite 600, 734 15th Street NW., Washington, D.C. 20005.

B. REA Express, Inc., 219 East 42d Street, New York, N.Y. 10017.

D. (6) $4,500.

A. Charles Richard Titus, 1909 K Street NW., Washington, D.C. 20006.

B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.

D. (6) $400.

A. J. P. Trainor, 400 First Street NW., Washington, D.C. 20001.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $4,000. E. (9) $1,197.77.

A. W. M. Trevarrow, 601 National Press Building, Washington, D.C. 20004.

B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

D. (6) $3,375. E. (9) $156.

A. Matt Triggs, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,687. E. (9) $42.84.

A. Joseph D. Tydings, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. United Fresh Fruit and Vegetable Association, 1019 19th Street NW., Washington, D.C. 20006.

D. (6) $2,231.88. E. (9) $2,231.88.

A. United States Banknote Corp., 345 Hudson Street, New York City, N.Y. 10014.

E. (9) $500.

A. John W. Vardaman, Jr., 839 17th Street NW., Washington, D.C. 20006.

A. Veterans of World War I, U.S.A., Inc., 916 Prince Street, Alexandria, Va. 22314.

E. (9) $1,905.79.

A. Mary E. Vogel, 1107 National Press Building, Washington, D.C. 20004.

B. National Organization for Women, Inc., 1107 National Press Building, Washington D.C. 20004.

D. (6) $1,909.08. E. (9) $165.91.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.

B. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.

B. Springs Mills, Inc., Fort Mill, S.C. 29715.

E. (9) $4.50.

A. DeMelt E. Walker, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $775.90. E. (9) $60.35.

A. George A. Watson, Suite 800, 1612 K Street NW., Washington, D.C. 20006.

B. The Ferroalloys Association, Suite 800, 1612 K Street NW., Washington, D.C. 20006.

A. Ray Wax, care of J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.

B. National Association of Farmer Elected Committeemen, c/o J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.

E. (9) $49.60.

A. Fred Wegner, 1750 K Street NW., Suite 1190, Washington, D.C. 20006.

B. Retired Persons Services, Inc., 1750 K Street NW., Suite 1190, Washington, D.C. 20006.

E. (9) $7.80.

A. Janet H. Wegner, 1909 K Street NW., Washington, D.C. 20006.
B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW., Washington, D.C. 20006.

A. Paul S. Weller, Jr., 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,625. E. (9) $94.18.

A. Arlene Weltman, 239 Central Park West, New York, N.Y. 10024.
B. Consumer Action Now., Inc., 30 E 68th Street, New York, N.Y. 10021.

A. Terrell M. Wertz, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,850. E. (9) $84.50

A. Harry H. Westbay, III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $300. E. (9) $150.

A. Robert Y. Wheeler, P.O. Box 185, Tilden, Tex. 78072.
B. E. G. Herman, 9538 Briggtonway, Beverly Hills, Calif. 90210.

A. Leonard M. Wickliffe, Eleventh and L Building, Sacramento, Calif. 95814.
B. California Railroad Association, 11th and L Building, Sacramento, Calif. 95814.
D. (6) $3,125. E. (9) $6,724.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Society of Travel Agents, Inc., 360 Lexington Avenue, New York, N.Y. 10017.
E. (9) $144.33.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
E. (9) $40.03.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Bonneville International Corp., 136 East South Temple Street, Salt Lake City, Utah.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.
E. (9) $5.50.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Cabot Corp., 125 High Street Boston, Mass. 02110.
E. (9) $3.45.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. College Placement Council, Inc., 65 East Elizabeth Street, Bethlehem, Pa.
E. (9) $11.90.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana.
E. (9) $137.18.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Estate of Albert W. Small, c/o Mrs. Albert W. Small, 5803 Green Tree Road, Bethesda, Md.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.
E. (9) $25.04.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue, NW., Washington, D.C. 20006.
B. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.
E. (9) $92.20.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Quinaielt Tribe of Indians, Taholah, Wash.
E. (9) $29.28.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Special Industry Council on Energy Conservation, c/o Discover America Travel Organization, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $21.50.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.
E. (9) $15.56.

A. Williams, Connolly & Califano, 839 17th Street NW., Washington, D.C. 20006.
B. Individual Members of the San Antonio Conservation Society v. Texas Highway Department.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Marianas Political Status Commission, P.O. Box 977, Saipan, Mariana Islands 96950.
D. (6) $250. E. (9) $20.

A. John A. Wilson, 1145 19th Street NW., Washington, D.C. 20036.
B. National Sharecroppers Fund, 1145 19th Street NW., Washington, D.C. 20036.
D. (6) $5,515.63. E. (9) $9,014.59.

A. Kenneth D. Wollack, 1341 G Street NW., Suite 908, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $3,000.

A. Women's International League for Peace and Freedom, 1213 Race Street, Philadelphia, Pa. 19107.
D. (6) $41,812.37. E. (9) $9,159.59.

A. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.
D. (6) $8,019. E. (9) $7,191.99.

A. Burton C. Wood, 1625 L Street NW., Washington, D.C. 20036.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $5,507.82. E. (9) $690.58.

A. William E. Woods, 440 National Press Building, Washington, D.C. 20004.
B. National Association of Retail Druggists, One East Wacker Drive, Chicago, Ill. 60601.
D. (6) $750. E. (9) $150.

A. Carol R. Wyrick, 5607 Greentree Road, Bethesda, Md. 20034.
B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.
D. (6) $1. E. (9) $61.60.

A. Leslie A. Yates, 1215 Lawrence Street NE., Washington, D.C. 20017.
B. Washington Office On Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $1,844.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Marlene Zendell, 12522 Windover Turn, Bowie, Md. 20715.
B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.
D. (6) $1. E. (9) $23.40.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Confederated Tribes of the Colville Indian Reservation, P.O. Box 150, Nespelem, Wash. 99155.
D. (6) $374.50. E. (9) $90.34.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Lummi Tribe of Indians, P.O. Box 309, Marietta, Wash. 98268.
D. (6) $272. E. (9) $73.92.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Makah Indian Tribe, P.O. Box 115, Neah Bay, Wash. 98357.
D. (6) $260. E. (9) $73.93.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Northern Cheyenne Tribe, Inc., P.O. Box 128, Lame Deer, Mont. 59043.
D. (6) $103.50.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle First National Bank Building, Seattle, Wash. 98154.
B. Suquamish Indian Tribe, P.O. Box 556, Suquamish, Wash. 98392.
D. (6) $40.

A. Charles O. Zuver, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $101.95.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Bafalis (at the request of Mr. Rhodes), for today, on account of official business.

Mr. Clay (at the request of Mr. O'Neill) for this week, on account of death in family.

Mr. Corman, for today, on account of official business.

Mr. Fountain (at the request of Mr. O'Neill) until 2 p.m. today, on account of official business.

Mr. Helstoski (at the request of Mr. Rhodes), for today, on account of official business.

Mr. Mann (at the request of Mr. Rosenthal), for today, on account of official business.

Mr. Peyser (at the request of Mr. O'Neill) for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and and special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Hinshaw) to revise and extend their remarks and include extraneous matter:)

Mr. Roncallo of New York, for 1 hour, on May 21, 1974.

Mr. Kemp, for 15 minutes, today.

Mr. Collins of Texas, for 10 minutes, today.

Mr. Hogan, for 15 minutes, today.

Mr. Grover, for 15 minutes, today.

Mr. Horton, for 60 minutes, on May 22, 1974.

(The following Members (at the request of Miss Jordan) and to revise and extend their remarks and include extraneous matter:)

Mr. Owens, for 15 minutes, today.

Mr. Reuss, for 30 minutes, today.

Mr. Aspin, for 10 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Kastenmeier, for 5 minutes, today.

Mr. Waggonner, for 5 minutes, today.

Mr. Metcalfe, for 10 minutes, today.

Mrs. Schroeder, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Madden and to include extraneous matter.

Mr. Burleson of Texas and to include extraneous matter.

Mr. Obey and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $552.50.

Mr. Seiberling and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $1,619.75.

Mr. Leggett to revise and extend his remarks and include extraneous matter and tables used in general debate today at that point in the Record.

Mr. Brown of Ohio, and to include extraneous material during general debate in the Committee of the Whole today.

(The following Members (at the request of Mr. Hinshaw) and to include extraneous material:)

Mr. Robison of New York.

Mr. Hanrahan in two instances.

Mr. Sarasin.

Mr. Dennis in 10 instances.

Mr. Findley in two instances.

Mr. Martin of Nebraska.

Mr. Archer.

Mr. Bell.

Mr. Derwinski in two instances.

Mr. Lent in three instances.

Mr. Kemp in four instances.

Mr. Brown of Ohio in two instances.

Mr. Young of Florida in five instances.

Mr. Minshall of Ohio.

Mrs. Heckler of Massachusetts.

Mr. Zwach.

Mr. Esch.

Mr. Rousselot.

Mr. Grover.

(The following Members (at the request of Miss Jordan) and to include extraneous matter:)

Mr. Annunzio in six instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Jones of Oklahoma.

Mrs. Green of Oregon in 10 instances.

Mrs. Boggs in two instances.

Mr. McKay.

Mr. Vanik in three instances.

Mr. Vander Veen.

Mr. Montgomery.

Mr. Hungate in two instances.

Mr. Hawkins.

Mr. Stokes.

Mr. Tiernan.

Mr. Mezvinsky.

Mr. Won Pat.

Mr. Brooks.

Mr. Podell.

Mr. Adams.

Mr. Bennett.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 202. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; to the Committee on Armed Services.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 775. An act to amend the Public Health Service Act to provide for the establishment of a National Institute on Aging.

ADJOURNMENT

Miss JORDAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, May 21, 1974, at 11 o'clock a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on May 16, 1974, the following reports were filed on May 17, 1974*]

Mr. PERKINS: Committee on Education and Labor. H.R. 14225. A bill to amend and extend the Rehabilitation Act of 1973 for 1 additional year; with amendment (Rept. No. 93–1048). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. H.R. 14747. A bill to amend the Sugar Act of 1948, as amended (Rept. No. 93–1049). Referred to the Committee of the Whole House on the State of the Union.

[*Pursuant to the order of the House on May 16, 1974, the following report was filed on May 18, 1974*]

Mr. ULLMAN: Committee on Ways and Means. H.R. 14832. A bill to provide for a temporary increase in the public debt limit (Rept. No. 93–1050). Referred to the Committee of the Whole House on the State of the Union.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2327. A letter from the Under Secretary of Agriculture, transmitting the annual report for calendar year 1973 on the administration of the Animal Welfare Act of 1970, pursuant to section 25 of the act [7 U.S.C. 2155]; to Committee on Agriculture.

2328. A letter from the Director of Selective Service, transmitting the semiannual report of the Selective Service System, covering the period ended December 31, 1973, pursuant to 50 U.S.C. App. 460(g); to the Committee on Armed Service.

2329. A letter from the Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting a quarterly report for the period ended March 31, 1974, on the programing and obligation of contingency funds, pursuant to section 451(b) of the Foreign Assistance Act of 1961, as amended [22 U.S.C. 2261(b)]; to the Committee on Foreign Affairs.

2330. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed amendment to a concession contract authorizing the continued operation of a motion picture, lecture, and photographic studio for the public on the South Rim of Grand Canyon National Park, Ariz., for a term ending December 31, 1974, pursuant; to 16 U.S.C. 17b–1; to the Committee on Interior and Insular Affairs.

2331. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Batelle Memorial Institute, Columbus Laboratories, Long Beach, Calif., for a research project entitled "Development of Guidelines for Hoist Inspection and Safety in Underground Mines," pursuant to section 1(d) of Public Law 89–672 [42 U.S.C. 1900(d)]; to the Committee on Interior and Insular Affairs.

2332. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Bolt, Beranek, and Newman, Inc., Cambridge, Mass., for a research project entitled "Study of Noise Control of Underground Diesel-Powered Mining Equipment," pursuant to section 1(d) of Public Law 89–672 [42 U.S.C. 1900(d)]; to the Committee on Interior and Insular Affairs.

2333. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Factory Mutual Research Corp., Norwood, Mass., for a research project entitled "Improved Fire Protection for Stationary Underground Equipment," pursuant to section 1(d) of Public Law 89–672 [42 U.S.C. 1900(d)]; to the Committee on Interior and Insular Affairs.

2334. A letter from the Chairman, Indian Claims Commission, transmitting the final determination of the Commission in docket No. 124–H, Ira Sylvester Godfroy, William Allola Godfroy, John A. Owens, on relation of the Miami Indian Tribe and Miami Tribe of Indiana and each on behalf of others similarly situated and on behalf of the Miami Indian Tribe and various bands and groups of them comprising the *Miami Tribe and Nation*, plaintiffs, v. *the United States of America*, defendant, pursuant to 25 U.S.C. 70t; to the Committee on Interior and Insular Affairs.

2335. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Natural Gas Pipeline Safety Act of 1968, as amended, to authorize additional appropriations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

2336. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

RECEIVED FROM THE COMPTROLLER GENERAL

2337. A letter from the Comptroller General of the United States, transmitting a report on the emphasis needed on the Government's efforts to standardize data elements and codes for computer systems; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSON of New Jersey: Committee on Education and Labor. H.R. 13678. A bill to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes; with amendment (Rept. No. 93–1051). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD; Committee on Government Operations. Report on expenditures of Federal funds in support of Presidential properties (Rept No. 93–1052).

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK (for himself, Mr. Jones of Alabama, Mr. Harsha, Mr. Kluczynski, Mr. Grover, Mr. Wright, Mr. Cleveland, Mr. Gray, Mr. Don H. Clausen, Mr. Clark, Mr. Zion, Mr. Johnson of California, Mr. Hammerschmidt, Mr. Dorn, Mr. Mizell, Mr. Henderson, Mr. Baker, Mr. Shuster, Mr. Howard, Mr. Walsh, Mr. Anderson of California, Mr. Cochran, Mr. Roe, and Mr. Abdnor):

H.R. 14883. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 2-year period, and for other purposes; to the Committee on Public Works.

By Mr. BLATNIK (for himself, Mr. Roncalio of Wyoming, Mr. Hanrahan, Mr. McCormack, Mr. Taylor of Missouri, Mr. James V. Stanton, Ms. Abzug, Mr. Breaux, Mr. Studds, Mrs. Burke of California, Mr. Ginn, and Mr. Vander Veen):

H.R. 14884. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 2-year period, and for other purposes; to the Committee on Public Works.

By Mr. BRINKLEY:

H.R. 14885. A bill to amend title 23 of the United States Code to permit States whose highway trust fund apportionments have been withheld through impoundment to construct certain highways in advance of receipt of the impounded funds; to the Committee on Public Works.

H.R. 14886. A bill to amend title 23 of the United States Code to further reinforce the original and continuing intent of Congress that no highway trust fund moneys be impounded; to the Committee on Public Works.

By Mr. BROOKS (for himself and Mr. Young of Texas):

H.R. 14887. A bill to authorize the operation of foreign-built dredges in the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. CAREY of New York:

H.R. 14888. A bill to amend the Internal Revenue Code of 1954 to allow a tax credit for part of the increase in residential heating and electricity expenses attributable to price increases; to the Committee on Ways and Means.

By Mr. HASTINGS (for himself, Mr. Robinson of Virginia, Mr. Shoup, and Mr. Gross):

H.R. 14889. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970; to the Committee on Interstate and Foreign Commerce.

By Mr. HICKS (for himself, Mr. Bennett, Mr. Dickinson, Mr. Nichols, Mr. Charles H. Wilson of California, and Mrs. Holt):

H.R. 14890. A bill to amend title 10 of the United States Code in order to eliminate or reduce certain deductible payments by patients for treatment under the uniformed services health benefits program; to the Committee on Armed Services.

By Mr. HOGAN:

H.R. 14891. A bill to amend title 38 of the United States Code to provide for cost-of-living increases in compensation, dependency, and indemnity compensation, and pension payments; to the Committee on Veterans' Affairs.

By Mr. HOSMER (for himself, Mr. Steiger of Arizona and Mr. Young of Alaska):

H.R. 14892. A bill to establish a national program for research and development in energy sources; to the Committee on Interior and Insular Affairs.

By Mr. HOWARD:

H.R. 14893. A bill to establish a congressional award program for the purpose of recognizing excellence and leadership among young people; to the Committee on Education and Labor.

By Mr. KARTH:

H.R. 14894. A bill to amend the Internal Revenue Code of 1954 to provide that the gross income of an employee shall not include amounts directly or indirectly received as payment or reimbursement for legal services under group legal service plans, the value of legal services rendered under such plans, or contributions by employers to such plans; to the Committee on Ways and Means.

By Mr. KEMP:

H.R. 14895. A bill to amend the Truth in Lending Act to protect consumers against inaccurate and unfair billing practices, and for other purposes; to the Committee on Banking and Currency.

By Mr. LEHMAN:

H.R. 14896. A bill to amend title XVIII of the Social Security Act to provide for the administrative and judicial review of claims (involving the amount of benefits payable) which arise under the supplementary medical insurance program; to the Committee on Way and Means.

By Mr. MEEDS (for himself, Mr. Dominick V. Daniels, Mr. Perkins, Mr. Esch, Mr. Quie, Mr. Thompson of New Jersey, Mr. Dent, Mr. Brademas, Mr. Hawkins, Mr. Ford, Mrs. Mink, Mr. Burton, Mr. Gaydos, Mr. Clay, Mrs. Chisholm, Mr. Biaggi, Mrs. Grasso, Mr. Badillo, Mr. Lehman, Mr. Bell, Mr. Dellenback, Mr. Eshelman, Mr. Hansen of Idaho, Mr. Forsythe, and Mr. Kemp):

H.R. 14897. A bill to amend the Youth Conservation Corps Act of 1972 (Public Law 92–597, 86 Stat. 1319) to expand and make permanent the Youth Conservation Corps and for other purposes; to the Committee on Education and Labor.

By Mr. MEEDS (for himself, Mr. Peyser, Mr. Towell of Nevada, Mr. Sarasin, Mr. Aspin, Mr. Brown of California, Mr. Burke of Massachusetts, Mr. Byron, Mr. Carney of Ohio, Mr. Corman, Mr. Danielson, Mr. de Lugo, and Mr. Dulski):

H.R. 14898. A bill to amend the Youth Conservation Corps Act of 1972 (Public Law 92–597, 86 Stat. 1319) to expand and make permanent the Youth Conservation Corps and for other purposes; to the Committee on Education and Labor.

By Mr. METCALFE (for himself and Ms. Holtzman):

H.R. 14899. A bill to establish in the Department of Housing and Urban Development a direct low-interest loan program to assist low- and middle-income homeowners in the maintenance and improvement of their homes, and to provide for an annual General Accounting Office audit of the housing programs of such Department to promote their more efficient administration; to the Committee on Banking and Currency.

By Mr. METCALFE (for himself, Mr. Stark, Mr. de Lugo, Mr. Madden, Mr. Murphy of Illinois, Mr. Mazzoli, Mr. Edwards of California, Mr. Corman, Mr. Won Pat, Mr. Badillo, Mrs. Collins of Illinois, Mr. Roybal, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Mitchell of Maryland, Mr. Diggs, Mr. Dellums, Ms. Jordan, Mrs. Chisholm, Mrs. Burke of California, Mr. Conyers, Mr. Stokes, Mr. Harrington, Mr. Young of Georgia, and Mr. Brown of California):

H.R. 14900. A bill to establish in the Department of Housing and Urban Development a direct low-interest loan program to assist low- and middle-income homeowners in the maintenance and improvement of their homes, and to provide for an annual General Accounting Office audit of the housing programs of such Department to promote their more efficient administration; to the Committee on Banking and Currency.

By Mr. PRICE of Illinois (by request):

H.R. 14901. A bill to amend the Atomic Energy Act of 1954, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. REGULA:

H.R. 14902. A bill to amend the Urban Mass Transportation Act of 1964 to authorize the payment of subsidies to public and private urban mass transportation systems to enable them to provide services to the elderly at reduced rates; to the Committee on Banking and Currency.

By Mr. ST GERMAIN:

H.R. 14903. A bill to increase the availability of urgently needed mortgage credit for the financing of housing, and for other purposes; to the Committee on Banking and Currency.

By Mr. SEIBERLING:

H.R. 14904. A bill to amend the National Science Foundation Act of 1950 in order to establish a framework of national science policy and to focus the Nation's scientific talent and resources on its priority problems, and for other purposes; to the Committee on Science and Astronautics.

By Mr. ULLMAN (for himself, Mr. Yatron, Mr. Badillo, Mrs. Boggs, Mr. Brown of Michigan, Mr. Robert W. Daniel, Jr., Mr. Davis of Georgia, Mr. Frelinghuysen, Mr. Frenzel, Mr. Fulton, Mr. Goldwater, Mrs. Grasso, Mr. Hamilton, Mr. Harrington, and Mr. Ichord):

H.R. 14905. A bill to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income tax withholding and old-age, survivors, and disability insurance purposes, and for other purposes; to the Committee on Ways and Means.

By Mr. ULLMAN (for himself, Mr. YATRON, Mr. LONG of Maryland, Mr. MCCOLLISTER, Mr. MCEWEN, Mr. MONTGOMERY, Mr. MOSHER, Mr. O'BRIEN, Mr. OWENS, Mr. PRICE of Texas, Mr. RINALDO, Mr. SARASIN, Mr. CHARLES WILSON of Texas, Mr. WYDLER, Mr. WYMAN, and Mr. CASEY of Texas):

H.R. 14906. A bill to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income tax withholding and old-age, survivors, and disability insurance purposes, and for other purposes; to the Committee on Ways and Means.

By Mr. PEPPER:

H.J. Res. 1021. Joint resolution proposing an amendment to the Constitution of the United States relating to the power of the President to make treaties; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

481. The SPEAKER presented a memorial of the Legislature of the State of California, relative to the proposed closure of Fort MacArthur; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII,

437. The SPEAKER presented a petition of Richard B. and Shirley A. Jarrett, Redding, Calif., relative to the Silver King Mine, which was referred; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

EAGLE SCOUT AWARD DINNER

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. GAYDOS. Mr. Speaker, the rank of Eagle Scout in the Boy Scouts of America is not easily attained. Those who accomplish this goal are justifiably proud of their achievement for they represent the best in an organization long dedicated to molding the character of America's future leaders.

It is, therefore, with great pleasure I acquaint my colleagues with 173 young adults from southwestern Pennsylvania who have attained the Eagle Scout rank during the past year. These young Americans belong to the East Valley Area Scout Council. Led by Mr. Howard N. Hubbard, president, the council represents more than 40 communities and 12,000 scouts.

The new Eagle Scouts, and their sponsors at a recent recognition dinner, are as follows:

EAGLE SCOUTS AND SPONSORS

David Amore (Robert Amore of Amore Construction Co.); Ted Baldwin (John Seelke of Westinghouse Electric Corp.); Jeffrey Balogh (Frank Dlugonski of Westinghouse Electric Corp.); Scott Barbour (Charles Turner of Turner Dairies); Timothy Bertoty (Victor A. Bertoty of Mellon Bank & Trust Co.); Thomas Blandford (Robert Ashworth of U.S. Steel Corp.); Steve Bober (Thomas L. Nied Funeral Home); Michael Borza (Anthony Joseph, U.S. Steel Corp.); Michael Castagnaro (F. W. Keeley, retired, Bell Telephone Co.).

Patrick Castagnaro (James Malandra, retired); William Cenk, Jr. (Dr. Raymond Masters of Westinghouse Electric Corp.); William Combs (Dr. Lester Rosenbloom, dentist); Andrew Comtois (Col. Donald Mueller, University of Pittsburgh); Philip Craig (Dr. Gordon H. Stillson, Gulf Oil Corp.); Thomas Costelnick (George Bogler, Port Authority Transit); Mark Crooks (Fred Kingsbury, Westinghouse Electric Corp.); Eugene Csider (James Zafris, U.S. Steel Corp.); Mark Cubakovic (Sylvester Miller); Timothy Dawes (Rev. John F. Doherty); John DeBaldo (S/Sgt. Terry Curtin, U.S. Army).

Joseph DePaolo (Eugene Costel, Steel Valley Schools); Patrick Dolan (Thomas Feldman, WEDO Radio); William H. Donnelly (Ralph Whitney, Farmers Pride Inc.); James Dorney Jr. (Thomas Capp, Steel Valley Schools); Robert Dunkle (John Ziegler, River School District); James Dvorsky (Joseph Balawajder, electrical draftsman); Thomas Dzurko (Merwin Weed, Penn State University); George Eckert (Lee Verca, Penn State University); Stephen Eckert (Russell C. Eadie, retired, U.S. Steel Corp.).

Harry Fails (Larry Janci, U.S. Steel Corp.); Robert Fescemeyer (Michael Fedor, U.S. Steel Corp.); Thomas H. Fetsick (Dale Liken, Liken Employment Service); William Ford (Dr. Paul N. Cooper, McKeesport Hospital); Christopher Fuhs (Dr. Viken Sassouni, dentist); Robert Furlong (Dr. Philip P. Ripepi, general surgeon); William Fustos (Robert Frazier, U.S. Steel Corp.); Ronald Gala (Walter F. Baczkowski, attorney); David Gartner (Richard Helmstadter, Halmstadter's Department Store); Kenneth Germ, Richard Obermyer (Penn State University); Daniel Gibas (Theodore R. Barker, laboratory technician).

Steven Glaze (Luke Haney, U.S. Steel Corp.); John Greenwade (Robert Johnson); David Gretz (James M. Fisher, Pittsburgh Institute of Aeronautics); John Hall (Merle D. Chilcott, U.S. Steel Corp.); Robert Harney (Robert C. Harney, Westinghouse Electric Corp.); John Hartley (Virgil Yoder, Magee Women's Hospital); Scott Heckman (Bernard England, U.S. Steel Corp.); David Hoffman (Dr. T. J. Ferguson, physician); Jack N. Huckestein (J. H. Brandon, Airways Cleaning & Fireproofing); Howard Irwin (Edward Romig, retired, Pittsburgh National Bank).

Paul N. Jacobs (Willam Seller, Allegheny County Agriculture Agent); Stephen James, (Police Chief George Brkovich, Elizabeth Twp.); Jeff Janci (Samuel R. Porter, Westinghouse Electric Corp.); John E. Johnston (Robert Johnson, Johnson's Dairy); Jeffrey W. Jobes (Dr. Herbert McGibbeny); Grego Jordan (Dr. Douglas Peacock, Westinghouse Electric Corp.); Roy Joseph (Lee Lacey, physical therapist); Jonathan Judkins (Thomas Jackson, Butler Golf Course); Pat Kerner (Theodore McConnel, architect).

Tommy Kinch (Clifford Skelton, mortician); Thomas Kingsbury (Joseph Sabol Jr.); William Kiser (Dr. Oliver Steen, McKeesport Hospital); Mark Kraitchman (Dr. Hendry); Douglas Kushner (Philip DeIvenois, Westinghouse Airbrake Co.); Bernard Labuskes Jr. (Geoorge Keubler, U.S. Steel Corp.); Jeffrey M. Lazer (Dr. Jay Yarnell, Gateway Schools); Joseph Lia (Joseph Smith); Robert Lieberium (Harry B. Hunter, Westinghouse Electric Corp.); Robert Linzer (Gene Graziano, Westinghouse Electric Corp.); Jeff Logan (Robert Logan); Troy Lucas (Steve Menzell, U.S. Steel Corp.).

Richard Mader (Allen McElhinny, computer engineer); Edward Matwij (Michael Hrjick, Devereaux Chevrolet); James J. Mayer (Sgt. Rick Williams, U.S. Air Force); Jeff J. Mayer (Bill Allen, U.S. Steel Corp.); Kevin McGreevy (John P. McCune, Potter-McCune Co.); Gregg McMillan (Fred Calderellis, retired builder); Mark Milchak (Donald Milchak, Westinghouse Electric Corp.); Robert Monyok (Monsignor Joseph Altany); Daniel Nelson (David Nelson, Bacharach Inst. Co.); Glenn W. Nelson (William Wepfer, Westinghouse Electric Corp.); Donald J. Nist (Donald Walukas, Westinghouse Electric Corp.); Thomas Novack (Donald G. Sweeney, East Valley Area Scout Council).

Paul Oakes (James Weldon, pharmacist); David O'Gurkis (Dr. Clifford Bryce, McKeesport Hospital); Joseph O'Gurkis (Mrs. Irene Rudd, McKeesport Hospital); Thomas Palchak (Joseph Lewis, U.S. Steel Corp.); Mark Palmer (Robert Disney, retired, Bell Telephone Co.); James Peppler (Jeff Madden, G. C. Murphy Co.); Brad Peterson (Thomas Womer, PPG Industries); Kevin W. Pingor (Kenneth Gleason, General Motors Corp.); Daniel Pinneri (Bob Roschenthaler, U.S. Steel Corp.); Joseph Pinneri (Steve De'Augustino (West Mifflin Area Schools); David Pocastko (Edward J. Kreh, Westinghouse Electric Corp.).

Chet Polesko (Max E. Bills, U.S. Steel Corp.); David Posipanka (Michael Hrizo, Allegheny County Parks Dept.); Thomas Poston (Lorie Poston, Port Authority Transit); Gene Richardson (William Hacker, retired, McKeesport Hospital); Thomas Riley (Charles Kabel, U.S. Navy); Robert Ritenour (Sgt. Nevin Kasparak, U.S. Army); David Ritter (David Ritter, Ritter Funeral Home).

Gary Robas (Lawrence Guidish, U.S. Steel Corp.); Richard C. Rouleau (William D. Rogers, Continential Sales & Engineers); John R. Rudd (Dr. Elmer W. Erickson, McKeesport Hospital); Mark Rylatt (Ron Porter, U.S. Navy); Mark Sambuco (Richard A. Mauro, Gateway Schools); Jack Sanford (R. M. Colteryahn Jr., Edgewood Schools); Michael Schmitt (Dr. Stephen Kondis, dentist); Leon Schlabech (James Richards, tax collector); George Seese (Howard Hubbard, retired, U.S. Steel Corp.); Keith Senkou (Ray Schuler); Stephen Siviy (Dr. Joseph J. Glorioso, surgeon).

Brad Smith (Cmdr. William J. Doyle, U.S. Navy Reserve); Matthew Smith, (Donald Cole, U.S. Steel Corp.); David Smudski (Dr. James Smudski, University of Pittsburgh); David Stein (William Hall, Westinghouse Electric Corp.); Deryl Steinert (W. T. Doorley, John F. Scott Co.); Richard A. Stevens (Dr. Raymond C. Forbes, McKeesport Hospital); Joseph Stock Jr. (Milan Spanovich, Engineering Mechanics Inc.); Lee Wagner (David Montgomery, U.S. Steel Corp.); Ronald Weisser (Robert Furlong); Jay Whitney (J. S. Kirby, Westinghouse Electric Corp.).

David Wingert (Charles Thomas, U.S. Steel Corp.); Kurt Wilkinson (Mayor Jack Patterson, White Oak Borough); Mark Worrell

(John H. Rudd, U.S. Steel Corp.); Richard Worral (Alex Mathe, U.S. Steel Corp.); Kenneth E. Wunderly (Russell Naylor, Mesta Machine Co.); Richard W. Wunderley (William Carlson, Champion Tool & Die Co.); Robert Wunderley (Edward Tarle, Westinghouse Electric Co.); John M. Yuhasz (Robert Vaught, General Motor Corp.); Kenneth Yuhasz (Steven Simco, U.S. Steel Corp.); Albert J. Zsak (William Hansen, Steel Valley Technical School); Thomas Zsak (Albert Zsak, florist) and Michael Sambucco (William Lewis, retired).

Eagle Scouts unable to attend the recognition dinner included Gregory J. Behleda, James R. Bird, James R. Blanner, Michael E. Brake, Jefferey M. Brom, David M. Cerqua, Frank Conte Jr., John D. Ferchak III, Thomas H. Fetsick, Peter R. George, James P. Gibbons, Scott Griffith, Paul A. Hess, Keith J. Huey, Gerald Homce, Charles S. Johnson, Stephen T. Korinko, Robert Krauss, Donald Leone, David Leskanic, Eric P. Majetich.

Lee F. Magistri II, Lawrence H. Manganaro, David M. Miller, William D. Monroe Jr., William T. Mula, Thomas M. Murtha, Mark B. Null, Robert M. Null, Daniel F. O'Connell, Daniel E. Ottenheimer, Jeffery L. Pitchford, Michael L. Pitchford, Robert G. Steward, Leslie Unger, Michael Vasilisin, Jerald Weiglomas, Joseph D. Zegarelli and Kenneth Zoric.

PUBLC SCHOOL DESEGREGATION IN THE SEVENTIES

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. YOUNG of Georgia. Mr. Speaker, 20 years ago—on May 17, 1954—the Supreme Court announced its decision against racially segregated public schools.

Dr. Kenneth Clark, the distinguished scholar and executive director of the Metropolitan Applied Research Center, wrote a perceptive article entitled "Public School Desegregation in the Seventies," published in the summer 1972 issue of the Southern Regional Council's quarterly, New South.

I commend Dr. Clark's article to Members of Congress. He has contributed to a rational dialog on the problem of school desegregation—the kind of dialog we need to replace the emotional rhetoric we so often hear on this issue:

PUBLIC SCHOOL DESEGREGATION IN THE SEVENTIES

(By Kenneth Clark)

On May 17, 1954, when the United States Supreme Court handed down the historic *Brown* decision, there was reason to hope that on the basis of the finding that racially segregated schools were inherently unequal, at long last the American public school system would be reorganized from a bi-racial to a non-racial system and as a consequence the quality of education for minority group children would be substantially raised without detriment to the majority.

In May of 1955 the Supreme Court handed down the "deliberate speed" implementation decision which suggested ways in which the transition from segregated to non-segregated systems of public schools could proceed with minimum disruption. Unfortunately, those who were opposed to any desegregation of the American public school system interpreted the "deliberate speed" decision of the Court as an invitation to procrastination and evasion. Eighteen years after the original *Brown* decision the process of the desegregation of American public schools is still not only incomplete, but is confronted with a new pattern of barriers—subtle and overt resistances—which could not only postpone, but reverse the process of public school desegragtion in America.

For those who are concerned with the quality of education for all American children, it is now imperative to define and examine as objectively as possible the present problems related to the desegregation of the public schools and to seek and implement affirmative solutions to these problems. Given the present strange combination of enemies and subterfuges, the struggle for the desegregation of American public schools must now be intensified if the promises of the *Brown* decision are not to become another in a long list of cynically broken promises for racial justice in America.

The basic premises for the focus of this paper are:

1. The cases which led to the *Brown* decision of 1954 were argued on the grounds that Negro children in segregated schools were being denied equal educational opportunity because the segregated schools which they were required to attend were inferior.

2. It was also argued that the *Plessy vs. Ferguson* doctrine of "separate but equal" inevitably led to inferiority of educational and other segregated facilities provided for segregated minority groups.

3. The Court's finding that "separate educational facilities are inherently unequal" is as true today as it was when stated on May 17, 1954.

4. There is no evidence to support the contention that the inherent inferiority of segregated schools will be any less damaging to the segregated children when such segregation is demanded by the victims than when inflicted upon them by the majority group.

5. Segregated schools are insidiously damaging to members of the majority group even as they are flagrantly damaging to members of the minority.

Given the validity of the above argument and assumptions, one must examine the present forms of resistance to public school desegregation and review the related developments during the past 15 years in order to arrive at a present position and strategy for continuing and accelerating the struggle for desegregation of the public schools.

In the years immediately following the *Brown* decision, the issue of public school desegregation was seen primarily, if not exclusively, as a problem for the 17 states and the District of Columbia which had laws requiring or permitting the segregation of public schools. The struggle was seen primarily as a struggle against the *de jure* segregation of Southern and border states. The schemes for evasion and massive resistance to effective desegregation were devised and presented by Southern governmental officials and spokesmen. The problem of the *de facto* segregation of public schools in Northern urban communities did not surface as a significant aspect of the struggle for the desegregation of American public schools until the 1960's when the center of gravity of the civil rights movement shifted from the South to the North. Inferior education in the public schools in northern urban ghettos emerged as a pervasive factor and a significant grievance in the series of riots which characterized many of America's cities during this period.

As the pattern of racial unrest and the demands for remedies on the part of northern urban blacks increased, resistance to change intensified in northern communities. Resistance to the desegregation of *de facto* segregated schools in northern cities were similar, if not identical, to the resistances to the desegregation of *de jure* segregated schools in the South. This was true in spite of the evidence that the psychological and acedemic damage to minority group children in northern *de facto* segregated schools was identical to the damage imposed upon these children in southern *de jure* segregated schools. The consistent finding in northern school systems that as the percentage of minority group children increases in a given school or school system the level of academic achievement decreases did not result in the implementation of programs to desegregate schools in Northern cities. The consistent relationship between the percentage of lower status minority group children and degree of academic retardation was permitted to continue without remedy in the South and in northern cities.

This fact of persistent academic retardation—low quality of education and low achievement on the part of Negro children attending *de jure* or defacto segregated schools—was glibly explained by a variety of educational, psychological and social science theories. In fact, northern American educators did not lack for support from social scientists who seemed all too eager apologists for the educational status quo. Explanations such as the inherent or genetic inferiority of Negro children re-surfaced. It has been stated with varying degrees of sincerity that these children were culturally deprived, came from poor homes; that their parents were not motivated educationally and therefore were unable to motivate their children for academic achievement, and therefore the schools cannot be expected to teach them to read. It has even been seriously suggested by white and black "friends" of deprived black children that schools should not attempt to raise their academic achievement—should not teach them to read and speak standard English—because this would frustrate them and result in self-hatred. Aside from the patent absurdity and the pseudopsychology of these arguments, their common denominator is that these children are uneducable and therefore the schools are not to blame for their low academic achievement. These explanations—those based upon genetic inferiority of Negro children and those which explain their low achievement in terms of cultural and environmental deprivation—also have in common the justification of the continued educational deprivation of these children and suggest that practically no technique, including the desegregation of schools, can be successful in raising their academic achievement.

It should be noted that these explanations did not become fashionable until after the *Brown* decision which required desegregation of the public schools. They seemed to have increased in the intensity of public discussion—both in the professional journals and in the mass media—when the problem of public school desegregation of the *de facto* segregated schools of northern communities became a basis of controversy and conflict.

The problem of the widespread and uncritical acceptance of these defeatist explanations of the continued educational inferiority inflicted upon these children tended to retard the already slow momentum toward desegregation of the public schools. The issue of public school desegregation has been further complicated by the fact that within the past five or more years the growth of black separatism emerged as a contributing factor in retarding the process of desegregation of the public schools. It is important to understand that black separatism emerged as a consequence of the slow pace of public school desegregation in the South and as a reaction to the subtle and insidious forms of evasion of desegregation of the *de facto* segregated schools in northern cities. Frustrations arising from the fact that those responsible for policy and practice in the desegregation of schools were not serious in developing and implementing effective desegregation plans gave rise to demands for community control and decentralization of public schools in predominantly black areas of our cities. The lack of seriousness in the implementation of desegregation plans throughout the country contributed to the total pattern of black separatism and strengthened the appeal of black segregationists. In spite of this historical and psychological understanding of the basis of black separatism there remains the overriding fact that the quality of education provided for minority group children in predominantly black schools continues to be inferior and the psychological damage inflicted upon them is as great when these segregated schools are demanded by, or allegedly controlled by, blacks themselves.

The insidious and persistent resistance of northern whites to the desegregation of *de facto* segregated schools and the reinforcement of this position by black separatists have now strengthened the overt resistance of southern segregationists to effective desegregation of American public schools. This new and unexpected alliance—this strange spectacle of interracial bedfollows—has confused, temporarily bewildered, or exploited the ambivalence of those southern and northern whites who assumed the risks necessary to obtain and attempt to implement effective school desegregation programs. A presently undetermined number of blacks—still a minority, (no greater than 20% according to the latest surveys)—seem bewildered and uncertain about whether the goals of desegregated schools are still worth pursuing.

During this period of desegregation stagnation a number of educational programs, plans and gimmicks were developed and offered to blacks as substitutes for serious and effective public school desegregation. In spite of the *Brown* decision, southern and northern resistance to desegregation sought to make continued school desegregation palatable and acceptable under one or another contemporary form of the discredited "separate but equal" doctrine. Some advocates of these special "enrichment" programs tried to enhance the salability of their specious products by even suggesting that, by some miracle of racial status inversion, the separate could be superior.

Compensatory education and enrichment programs were designed to raise the academic achievement of Negro children in predominantly black schools. Some of these education plans appear to have some temporary positive effects. Over a period of time, however, the results from these programs mockingly betray the overriding fact of the inherent inequality in racially segregated schools. Whatever the combination of factors associated with the social reality of the perceived low status of segregated schools—low morale of teachers, inadequate supervision, inadequate teaching, low motivation on the part of parents and pupils, inadequate educational facilities—the fact remains that racially segregated schools are inferior schools. The inferiority of these schools continues to be expressed in the fact of low academic achievement and low self-esteem in the pupils who are required to attend these schools. The compensatory educational programs, the infusion of Title I funds and the increase in such funds do not and probably will not change this fact as long as American racism remains the dominant reality of American society and American education.

Resistance to the acceptance of this reality has spawned other attempts to circumvent serious programs for effective desegregation of the schools. In recent years performance contracts and voucher systems have been offered as panaceas and alternatives to effective school desegregation. The evidence so far supports the conclusion that performance contracts do not result in sustained improvement in the academic achievement of segregated and educationally-neglected children. The performance contract approach to this problem is clearly an additional burden on taxpayers and diverts attention from the fundamental problem that inefficiency in the public schools is a responsibility of school officials and school personnel who are paid by the citizens to provide effective education for all children. The primary educational contract exists between taxpaying citizens and school personnel. Even if performance contracts were found to be more successful than they have been, there would still remain the serious question of how it is possible for an outside group to obtain positive educational results which school personnel could not itself obtain.

The voucher system has been proposed by many distinguished educators as a means for providing parents with an opportunity to choose among private and public schools those schools which they believe will provide their children with a higher quality of education. This approach as an alternative to serious desegregation of the schools also presents many serious questions. It is true that for the masses of middle and low income families the public schools have exercised an education monopoly which has been abused. These parents do not generally have a choice in protecting their children from educational inefficiency through alternative educational programs. It is a serious question, however, whether such choice can be provided to them through voucher systems without at the same time further weakening the public schools; accelerating the growth of private racially and economically segregated schools and academies supported at public expense; and, most important, retarding and regressing the rate of public school desegregation even more than at present. The indications are that there are no effective safeguards against the abuses of a voucher system and that such a system is likely to proliferate segregated schools. Those who are still seriously concerned with desegregating the public schools and raising the quality of education in these public schools should be cautious in any support of voucher systems; in fact, such systems should be opposed.

The combined problems of public school desegregation and equitable financing of local public school districts have emerged dramatically as a result of the decision in the *Serrano* case. In this case, the California State Supreme Court held that inequities in expenditures for public school education among various school districts in a given state were violative of the equal protection clause of the 14th amendment. While this judgment has not yet been confirmed by the United States Supreme Court there is every reason to believe that there will be a greater involvement of the states in the financing of public education at the local level. This increase in state involvement will have to be in the direction of equalization of school expenditures among the districts throughout the state. If this is true, then the states will have to take a more active part not only in the financing of education, but state education boards and commissioners will have to be concerned with educational standards and the actual achievement of pupils in the local school districts throughout the state. In fulfilling this basic evaluative responsibility, the states will have to develop effective instruments for measuring the educational efficiency of the public schools and, therefore, will have to deal more objectively with the critical problem of educational accountability. If one could assume that greater involvement in the financial and physical support of public education on the part of state educational bodies would directly or indirectly facilitate the process of public school desegregation, this would be most desirable. Those of us who are concerned with facilitating general public school desegregation should therefore support enthusiastically this new development. There is still the question of whether the opponents of desegregation could so construe and implement the Court's decisions on state responsibility for the equalization of expenditures among school districts as to retard rather than to facilitate public school desegregation. All such attempts should be watched most vigilantly and resisted intensively.

Probably the most effective technique by which the *Serrano* type approach could be blocked as an effective approach for desegregation would be through the passage of anti-busing-for-desegregation statutes or constitutional amendments on the state and federal level. All of the proposals for prohibiting the transportation of students for purposes of desegregation are racially restrictive proposals. President Nixon's explanations for his assuming the leadership in obtaining anti-busing legislation must be rejected for the following reasons, among others:

1. They are racially restrictive in that they seek to prohibit transportation of students for purposes of desegregation while permitting transportation of these children for all other purposes.

2. They reflect the fact that the President of the United States is using the power of his office in a racial controversy on the side of those who have been consistently opposed to equality of educational opportunity for racially rejected minorities.

3. They represent the first attempts since Reconstruction to have the Legislative branch of the federal government enact legislation which would constrict or qualify the rights of minorities.

4. They represent an attempt on the part of the President of the United States not only to slow the pace of public school desegregation, but to return the civil rights movement to a point at or before the *Plessy* "separate-but-equal" stage.

5. The President's proposal would seek to restrain the federal courts as an independent protector of the rights of minorities against the oppression, passions and prejudices of the majority. In short, the President's proposal, intentional or not, could lead to a resegregation of those school systems that have already moved toward desegregation.

In seeking to turn back the clock of racial progress in America, President Nixon and his advisors must be aware of the fact that he is threatening the constitutional protections of all Americans—and that in doing so he is eroding the foundations of a constitutional government, substituting a government by the tyranny of whim and passion rather than a government of law. This is the very high price of racial prejudice and political expediency which he seeks to extract from all the American people—white as well as black.

In this regard it might be significant to note that in seeking to justify his position, the President stated that some black separatists were in favor of anti-busing legislation. The fundamental constitutional questions, however, are not answered by this diversion. Constitutional rights can no more be abrogated by the alleged desires of the victims of oppression than by those who would seek to oppress. In seeking to obtain control over all black schools and insisting upon racially segregated schools through their support of anti-busing-for-desegregation legislation, black separatists are not only pursuing an impossible mirage but they are also, cynically or naively, giving aid and comfort to those who would use the laws of the Federal government to constrict the rights of Negroes—and to erode the democratic rights of all American citizens. In this regard they are indistinguishable from racial reactionaires—and they are accessories to the crime of destroying the democratic safeguards inherent in our constitutional government of checks and balances.

Inadvertently, President Nixon's gratuitous inconsistent, dangerous—if not morally irresponsible—partisan involvement in the anti-busing issue could have a positive effect. It is possible that this flagrant politically expedient position of the President of the United States could boomerang by alerting and reminding the masses of the American people about the more serious problems of public education which remain to be resolved. The meretricious may sometimes make the genuine more clear.

The transparent hypocrisy which now surrounds the anti-busing controversy could have beneficial consequences if it forces those of us who have been concerned with the quality of public education to restate our goals, re-examine our strategies and tactics, and to mobilize our resources and redouble our efforts to obtain for all American children that quality of education which might prevent them from making the near fatal blunders of their parents.

We must state without apology that the primary issue is that of a form of American education appropriate to the multidimensional complexities of a present and future world. America cannot afford an educational system geared to a world of the nineteenth and early twentieth century social realities. We must educate American children for a world in which the white President of the United States and his wife are required to visit the non-white heads of China. Education for the future must accept the fact of diversity among the peoples of the world, must accept the fact that the status relationship between whites and non-whites has abruptly changed and will continue to change; and must accept the fact that, if mankind is to survive, these changes must be accepted affirmatively and somehow made an integral part of the educational process. We must now re-double our efforts in the struggle for desegregated schools because we are concerned with obtaining this high quality of humanizing education for all children. We cannot permit them to be educated in ways which will perpetuate the ignorance, superstitions and injustices of the past. This type of education will be fatal for the future.

It is ironic, but probably inescapable, that the burden of insisting upon an education essential for future survival must be borne by America's rejected minorities—those who have been the more obvious victims of educational neglect—those who have been educationally and economically most exploited. But this is just another burden which American Negroes have been required to bear in the seemingly endless struggle for justice in America. Each victory obtained by American blacks strengthens the base and protections of democracy for all American citizens.

We can contribute to the strengthening of the base for democratic education in America by insisting upon the desegregation of American public schools. We must insist upon this because racially segregated schools cannot be equal in a racist society—and there is no need for racially segregated schools except in a racist society. We must also argue that racially segregated schools damage white children as much as they damage black children. Racially segregated schools contribute to the moral and ethical retardation of whites even as they contribute to academic retardation of blacks. America's white children who are the products of racially isolated schools are required to struggle with inner moral conflicts, guilt, a gnawing sense of alienation and personal incompleteness. These certainly must militate against a sense of personal fulfillment and are antithetical to that quality and substance of life essential for humanity.

We must insist that the education now being provided for children in predominantly black schools be now raised to a tolerable level of academic efficiency. We must demand an improved quality of teaching and supervision in these schools—and we must insist upon reasonable standards and criteria of accountability which will guarantee that these children are not being shortchanged by those who are being paid by taxpayers to teach them. The schools, school officials, supervisory and teaching personnel must be made more responsive to the needs and aspirations of pupils and parents.

We must see that parents who care about the education of their children become actively involved in assuring high quality of education in our schools. Parents cannot passively accept educational inefficiency. They cannot and must not accept the prevailing alibis among educators as to why their children cannot be taught to read or to do arithmetic or to speak and write correct English. These excuses are destructive of our children. They must be challenged and rejected by concerned parents.

It is hereby proposed that those of us who are concerned with this most serious business of improving the quality of education for black and white children—those of us who are concerned with the immediate and eventual desegregation of American public schools—give some thought to the development of parent organizations in every urban school district which would have the following primary objectives:

Protecting the educational rights of their children in the public schools;

Holding the school system accountable for their children's achievement;

Involving themselves in appropriate methods in the actual education of their children, within and outside of the schools and classrooms;

Monitoring and lobbying in local, state, and national legislatures for effective educational programs to benefit their children (rarely is there a group or agency representing the interests of parents and pupils when educational legislation is being discussed and passed by government officials);

And, above all, to protect the general educational interests of black children who have been neglected—consigned to the educational dungheap—by an insensitive society.

It is all too tragically clear that black children are considered and treated as if they are expendable. Those blacks and whites who would use them as pawns in a gruesome and self-defeating power game, do not yet understand that to sentence millions of children to the prison of segregated educational inferiority is to perpetuate that pattern of social pathology which threatens the stability of the whole society. No one is so privileged as to be immune from the dangers inherent in a hard core of the uneducated within the heart of our cities.

Even as we redouble our efforts to increase the quality of education for our children; as we seek greater accountabilitity in our schools; as we seek more equitable financing for all local school districts, as we fight the diversionary educational gimmicks; as we reveal the political hypocrisy of the anti-busing-for-desegregation advocates; and as we seek more direct control over the operation of the schools attended by our children—we cannot permit our understandable enthusiasm to obtain these objectives to delude us into believing that we can obtain high quality education for our children within the framework of racially segregated schools. All positive educational programs worthy of intelligent support by blacks and concerned whites must be compatible with the actual process of desegregation—or must be a step toward eventual desegregation of the public school system.

The bait of "separate-but-equal" education is as spurious now as it has been since the post-Reconstruction era. Let me, therefore, conclude with the words of the United States Supreme Court:

"We conclude that in the field of public education the doctrine of 'separate but equal' has no place. Separate educational facilities are inherently unequal."

It is even more urgent now that this dictum be the standard by which we judge all educational proposals, policies and programs. Only from this perspective will we be able to protect the future of our children and be worthy of their respect.

IMPEACHMENT PROCEEDINGS IN THE HOUSE OF REPRESENTATIVES

HON. BROCK ADAMS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. ADAMS. Mr. Speaker, because of the tremendous public interest in the President's release of the tape transcripts, I was requested by the public affairs division of KING Radio/Television in Seattle to make a statement outlining my response. Since impeachment is a matter of the utmost importance to all of us, I want to submit my views, as of this time, to my colleagues.

From the beginning of the impeachment inquiry, I have taken the position that as a Member of the House, I would not prejudge the impeachment case and would make my decision based upon the available evidence—not upon any personal feelings I might have.

The impeachment proceeding is a public matter, however, and not a secret proceeding, such as that of a grand jury. This is made very clear by the debate leading to the drafting of the Constitution and by the Federalist Papers, especially numbers 65 and 51; so public debate and discussion is perfectly proper.

The sources of evidence will be found in the documents and tapes produced by the Judiciary Committee, by the public statements of the President, and by the facts developed in public discussion.

I was appalled by the President's public statements on television and the transcripts of those tapes which I have read. I was appalled not only by the general patterns of conduct shown, but also by his statements on the question of obstruction of justice through payment of money to E. Howard Hunt for his silence in court.

As a former U.S. attorney, I have had a great deal of experience in presenting the Government's case to grand juries. The standard to be used is whether there is probable cause to believe that an offense has occurred. Any issues of credibility—that is, who is telling the truth—are left to the trial jury, so if the grand jury believes there is sufficient evidence for a prima facie case and the key Government witnesses seem to be corroborated, indictments are issued.

President Nixon publicly admitted on television and in the transcripts that he, Dean, and later others, discussed the payment of hush money to E. Howard Hunt. There is no question that the conversations occurred and that, later on that evening, $75,000 in cash was transferred from the group involved to E. Howard Hunt by placing the cash in the mail box of Hunt's attorney. The only issue is one of interpretation and credibility of the witnesses. This can only be decided by the Senate sitting as a trial jury who, after hearing witnesses under oath and directly examining authenticated documents and tapes, believe one story or the other. Therefore, on this one count and in the absence of some startling new developments before the Judiciary Committee, I am prepared to vote to send this question to the Senate for trial.

With regard to other possible counts, I am considering the evidence as it is developed both by the House Judiciary Committee and other sources. I will listen very carefully to whatever explanation the President or his attorneys wish to make on the Hunt hush money and all other potential charges, and will do my best to be fair and judicious in my decisions.

This is an awesome constitutional responsibility, however, as an elected Member of the House, I am fully prepared to accept my responsibility. I have urged the chairman and members of the House Judiciary Committee to proceed as promptly as possible consistent with appropriate standards of fairness and justice, because the people expect and the Constitution requires that we immediately provide a fair, just, and prompt disposition of this matter.

THE LEGAL SERVICES CORPORATION

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. HAWKINS. Mr. Speaker, I am particularly pleased that after several difficult years we have come forth with a law that meets the concurrence of a strong majority of both bodies of the Congress. Moreover, I feel that this present conference report will enable the legal services program to continue on a more permanent basis and to enjoy a growing support in the Congress and in the Nation

I trust that the Corporation that we have entrusted with the administration of this program will see this legislation as not only a mandate to continue a solid record of legal service to the poor but also as an opportunity to make a new record of imaginative service built upon firm principles of faithful and conscientious representation of the Nation's economically less fortunate citizens. I believe that creative use of the legal process to secure and to insure the rights of all of our citizens regardless of their income level is the essential keystone of this legislation. Whether the rights of the poor in the future venture strongly into consumer actions, juvenile rights cases, women's rights matters, antitrust and antimonopoly litigation, environmental proceedings or whatever other types of uses of the Nation's legal systems, I expect the Legal Services Corporation to be championing the affirmation and securing of those rights.

While many of the restrictions in this new law will not be to the liking of many of us, yet we must appreciate that those very restrictions should enable the program to insure its permanence on the American scene.

It is with these sentiments that I commend this legislation to my colleagues.

As the Members of this House know, much time has been devoted to consideration of this legislation. There were substantial differences between the House and Senate versions. I am pleased to report that the concerns expressed by this House have been substantially recognized by the conferees. I thought it might be useful if I, as a member of the conference committee, could elaborate on some of the compromises effected in the bill and described in the report of the managers.

It was generally our concern that the need for highly qualified and full representation of the needy be balanced by carefully drawn limitations on the possible abuses of power. If support for this program in Congress and in the public at large is to be preserved, it is essential that we take whatever steps are appropriate to assure that the program will not be in danger of losing that support. The restrictions contained in the legislation have therefore been drawn with a great deal of care and consideration. We do not expect the Legal Services Corporation to add restrictions; rather, we would like to see how the program operates in this new framework. The Corporation will, of course, make sure that ongoing work continues so that existing obligations are honored, and will continue to make use of existing resources and talents developed at great expense by OEO.

I turn now to some particular items. Members of this House were particularly concerned about potential abuses by legal services attorneys in connection with lobbying activities. The conference committee report contains statutory language which prohibits any such activity with respect to either administrative agencies or legislative bodies except where representation by an attorney for an eligible client is necessary to provision of legal advice and representation with respect to that client's legal rights and responsibilities, or a request has been made by an agency, a legislative body, a committee, or a member thereof.

The language on lobbying explicitly prohibits any solicitation of an individual or group client for the purpose of making such administrative or legislative representation appear to fit within the attorney's legitimate activities. The concern here is the possibility that a legal services attorney, on the basis of his or her own beliefs and concerns, would solicit a client in order to enable that attorney while being paid by the Corporation to seek to influence administrative or legislative activities. This, of course, does not prohibit attorneys from informing clients of their legal rights and from representing them thereafter. What is prohibited is the subterfuge of advocating legislative and administrative changes without a legitimate client.

Thus, for example, a local consumer cooperative or daycare center may have retained a legal services program to represent it on a number of matters, including incorporation, obtaining authority to operate, and seeking changes in regulations or statutes in order to enable it to offer its services to indigent persons more effectively. All of these are appropriate activities in behalf of a client in order to pursue the client's legitimate legal needs. What cannot be tolerated is an attorney who wishes to expand his or her inherent rights as a citizen by advocating for agency or legislative policy without a client who is affected by the legislative and administrative policies involved. Members of this House should note that the Senate receded to the House in extending these restrictions to administrative representation as well as legislative representation.

Of course, the groups that can be represented as I have described before are limited to those which consist predominantly of eligible clients and are concerned with the specific problems and needs of eligible clients. There is no intention to prohibit or limit the appropriate representation of groups which is provided now; rather, the concern is with the possibility of legal services attorneys attempting to organize groups, coalitions, confederations, organizations, and other entities, rather than to provide them with appropriate legal representation.

I turn now to some concerns we have had with litigation. In the first place, the Senate receded to the House with respect to the authorization to the Corporation to pay costs and attorneys' fees when a defendant in a suit brought by a recipient prevails and an award of such costs is made by the court. The conference report makes clear that the burden of any fees and costs awarded falls upon the Corporation, rather than the recipient, and that this is not authority for the award of costs and attorneys' fees where they would otherwise conflict with State or Federal law or court rule. The Corporation is directed to pay such costs and fees only upon a finding by the court that the action was commenced or pursued for the sole purpose of harassment of the defendant, or that there was a malicious abuse of legal process. This section does not, of course, limit in any way recipients from continuing to collect attorneys' fees and costs pursuant to court orders since no limitation is established in this bill with respect to the collection of fees and costs by plaintiffs.

The House provision with respect to recipient supervision of appeals has been retained, and the House accepted the Senate provision requiring careful recipient supervision of class actions, class action appeals, and amicus curiae class actions. This section is not an attempt to restrict legal services attorneys from providing the full range of services which an attorney provides to clients; rather, it is addressed to concerns of sound management so that recipients' activities are geared to an economical and efficient operation of the program. Moreover, the two provisions relating to appeals and to class actions are intended to make sure that only recipients, and not the Corporation, determine whether such actions should be commenced and continued. These are all quite appropriately matters left entirely to the governing body of the local recipient. In addition, the prohibition against persistent incitement of litigation is designed to curb such persistent incitement when it violates the canons of ethics and the code of professional responsibility, not when lawsuits are legitimately brought in behalf of clients.

Also, in this regard, the conference report strikes a balance between the House provision on back-up centers, which would have restricted research, training, technical assistance, and clearinghouse functions to the national Corporation itself, and the Senate bill, which provided for the continuation of the existing independent programs without restriction. The conference report requires a study of the efficacy of the existing programs and the concept of inhouse service provided by the National Corporation to be submitted to Congress by June 30, 1975. The bill also provides that authority for new funding to such programs is to be automatically extended to January 1, 1977, if the Congress—during the period from July 1, 1975, to January 1, 1976—does not, by concurrent resolution, change the status and legislative authority for these centers to continue their present research, counsel, cocounsel and advisory functions.

It is thus the intention of conferees that the current work of the backup centers continue while the Corporation makes the study requested and reports back to Congress. Thus, the Congress will not be confronted with the elimination of valuable programs before it can determine how it wishes their work to continue. It is to be expected that the Corporation will make full use of previous studies, including the OEO funded evaluation of the backup centers, so that it may pursue this effort in a most economical and unobtrusive fashion.

It should be noted that not all functions of the national and regional programs funded entirely or partially under this section are the subject of study and possible further congressional action. Rather, the focus is on research activities, including direct participation in major litigation in a counsel or cocounsel capacity, which were so widely hailed by legal services attorneys last year during our consideration of the whole legal services program. The study will not encompass training, clearinghouse, and technical assistance activities, which are expected to continue.

During the course of this study and hereafter, of course, the back-up center employees will be subject to the same procedural protections as local legal services attorneys.

It seems to me that an additional comment needs to be made in regard to the provision of the conference report which requires that "preference" be given to "qualified" persons who reside in the community to be served. It is my understanding of this provision that "preference" does not mean that the very important qualifications such as experience, education, and racial and ethnic background similar to large numbers of the client population are to be overridden by this language. It particularly occurs to me, for example, that young black attorneys from poor families would be especially well qualified for work in the innercity ghettos or in rural southern communities with large black client groups. Likewise, it is clear that the young lawyer of Chicano background is particularly well qualified to serve in a legal services program that serves a large Chicano client population which has Spanish as the principal language. I make these remarks to be certain that the present language in the conference report is not interpreted by either the Corporation or by a recipient to negate the examples I gave above—as well as similar cases of outstanding and relevant qualifications.

In conclusion, I would praise the House and Senate managers for their efforts to achieve meaningful compromise on this bill. I am confident that this bill moves closer to equal justice for all in this country; I am proud to have been involved in bringing it toward final adoption.

JUSTICE GOLDBERG ON EXECUTIVE PRIVILEGE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. HUNGATE. Mr. Speaker, Raoul Berger, the noted authority on constitutional questions and particularly on impeachment, has published another book on a topic of current interest, "Executive Privilege: A Constitutional Myth."

The following review by former Justice Arthur J. Goldberg should be instructive.

[From the Christian Science Monitor, May 15, 1974]

IMPARTIALITY IS A DREAM AND HONESTY A DUTY

(By Arthur J. Goldberg)

If there is a prize for timely legal writing, Professor Berger has earned it.

He has written two outstanding books of great relevance to Watergate: "Impeachment" and "Executive Privilege." The latter and most recent one is the subject of this review.

Salvemini once said, "We cannot be impartial. We can only be intellectually honest—that is, aware of our own passions, on our guard against them and prepared to warn our readers of the dangers into which our partial views may lead them. Impartiality is a dream and honesty a duty."

Professor Berger's book is an honest presentation: from the very beginning, the reader is warned of the author's strongly held and largely justified views against the unwarranted invocation of executive privilege.

On the basis of my own study of this doctrine, I am in substantial agreement with Professor Berger: the invocation of executive privilege by President Nixon to deny to Congress, the courts, and the public information pertaining to Watergate and related matters is not supported either by the Constitution or by the relevant precedents.

The Executive does require a modicum of secrecy in the conduct of its vital operations. It would not serve the public interest for each day's exchange of sensitive confidential messages with foreign governments to be broadcast on the six o'clock news, or for technical details of advance weapons systems to be published daily in the Congressional Record. As I had occasion to say during my tenure on the Supreme Court, ". . . while the Constitution protects against invasion of individual rights, it is not a suicide pact."

But, as Professor Berger persuasively argues, the claim of "uncontrolled discretion" by the Executive to determine what information should be made public is without constitutional foundation.

The Supreme Court has decided that information about certain matters is protected by executive privilege, from either judicial or congressional scrutiny. In United States v. Reynolds, the Court sustained the Executive's claim of authority to withhold information about highly sensitive military secrets from compulsory process.

But the Court explicitly relied on the fact that the privilege against revealing military secrets is recognized by the law of evidence; it declined to predicate the decision on the government's contention that executive department heads may withhold any documents from judicial review if they deem it in the public interest.

The existence of an executive privilege for certain military secrets in no way supports a similar privilege for all other information within the Executive's peculiar sphere of knowledge. The contrary view, posited by Administration spokesmen, is unsupportable.

Nor, as Professor Berger proves, can the Nixon Administration's view—that the propriety of the use of executive privilege is a question solely for the President—be legally sustained. Congressional inquiry is inappropriate only where such inquiry is unrelated to Congress' prescribed functions. This principle in no way impairs the proposition that Congress may make inquiry in furtherance of its constitutional duties.

Where information is needed in order for Congress to perform these duties, the request for information is legitimate, and the propriety of an executive refusal on privilege grounds is unfounded.

It is also clear that the claims of executive privilege are not immune from judicial inquiry.

The right to obtain compulsory process against the President is much mooted—the only applicable historical evidence being that the President may be justified in refusing to obey such process where compliance would prevent the performance of his duties. But the right to obtain process remains.

Moreover, judicial access to documents is contingent, not upon the character of the person holding the document, but upon the character of the document.

Where sensitive military secrets are involved, United States v. Reynolds indicates that the scope of judicial inquiry is to be exercised with great discretion. But judicial inquiry in principle cannot be precluded and certainly encompasses the Watergate material.

I am also in agreement with Professor Berger that under our constitutional framework there is no executive privilege in an impeachment proceeding.

It is the constitutional duty of the President to make full disclosure to Congress of all relevant facts, tapes, and other material. Article I, section two, of the Constitution provides that the House of Representatives "shall have the sole Power of Impeachment." The House is thus authorized to investigate the conduct of the President.

Considering the gravity of its task, the House's powers to obtain information are even greater than a grand jury's. In an impeachment proceeding, the House is indeed the grand inquest of the Nation. For the President to assert executive privilege in refusing to turn over material relevant to the impeachment investigation would be tantamount to defying the constitutional scheme of impeachment.

The President has no executive privilege in matters pertaining to impeachment, and continued resistance to the House's inquiries would in itself constitute an impeachable offense. Of course, the House's inquiries must be relevant to the question of impeachment.

For good reason, the American public is uneasy about the prospect of impeaching a president.

Impeachment leads to the most drastic sanction our constitutional system provides. But, the impeachment process is already under way and we must not, if circumstances warrant it, abjure the use of the sanction the Framers provided.

Professor Berger, in this excellent book, "Executive Privilege," and in his prior book, "Impeachment," has made a major contribution in informing the American public and those conducting the impeachment inquiry about the issues which bear upon the question of impeachment. For this, we are all very much in his debt.

CONTINUING REPRESSION REPELS MANY IN CHILE WHO BACKED COUP

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. TIERNAN. Mr. Speaker, since September of 1973, the people of Chile have been suffering under the repressive hand of the military junta which ousted the Marxist government of Salvador Allende and ended democracy in Chile. For 8 months Chileans have had to live with the near total suspension of individual rights and justice, evidenced at first by the summary execution of political opposition by the junta, and more recently by the detention and torture of those who dare to speak out against the inhumane activities of General Pinochet's government.

Mr. Speaker, I would like to offer to my colleagues and the people of the United States an account of the repressive situation in Chile today. It appeared in an article on May 13, 1974, in the Wall Street Journal, entitled "Second Thoughts: Continuing Repression Repels Many in Chile Who Backed Coup." It leaves no doubt in mind that man's injustice to man is myriad in a world that preaches the need for social justice. Are we satisfied with basing our world on empty words and inhumane actions?

The article follows:

SECOND THOUGHTS: CONTINUING REPRESSION REPELS MANY IN CHILE WHO BACKED COUP

(By Everett G. Martin)

SANTIAGO, CHILE.—There is little doubt that most Chileans welcomed the armed forces' overthrow of the Marxist government of President Salvador Allende last September. But now, after more than half a year of stern rule by a four-man military junta—and with no end in sight—many aren't sure they like what's going on.

They are especially worried by the junta's continued use of repressive tactics to head off any threat, whether real or imagined, against law and order. Almost anyone can be denounced anonymously and disappear without his relatives having any idea where he has been taken. There have been cases of torture. Estimates of the number of political prisoners being held without charges range as high as 6,000.

Besides the arrests, some 38,000 workers are reported to have been fired from their jobs in government and industry, on the ground that they were active supporters of Dr. Allende. A low-ranking labor leader, who opposed the Marxists, argues that the time has come to forgive these people.

"Those who were fired can't find jobs," he says. "They are being demolished. It was, after all, legitimate to support the former government, but now they are being persecuted and hunted for it. It isn't fair. They acted in good faith."

A NUMBER OF PLUSES

Still, Chileans like many aspects of the regime. They welcome the public calm enforced by the strict military discipline after three years of escalating violence under the Marxists. They also welcome these developments:

Government services are functioning again; most factories are operating normally; severe shortages of basic necessities have ended; the black market has dried up; public-housing construction is going ahead again; schoolchildren are getting free breakfasts and lunches as part of a drive to improve nutrition for the poor.

Chileans don't like the inflation—prices went up 57% in the first quarter—but it is recognized that the inflation was inherited from Dr. Allende, and people don't expect the junta to end it overnight. At least it's being slowed down.

Opinions are mixed about the junta's having put all political parties, even those opposed to the Marxists, in indefinite limbo, a measure designed to end Chile's traditionally heated political wrangling over every issue. Wives of copper miners cheered army Gen. Augusto Pinochet, junta president, when he told them to "erase from your minds the idea of elections."

THE MAIN CONCERN

But it is the repression that most disturbs Chileans at all levels. Where genuine Marxist extremists are concerned, the junta probably does have a security problem. During the Allende regime, a quantity of weapons was apparently smuggled into the country to arm leftist extremists. Almost weekly intelligence agents report uncovering another small cache of them. Moreover pro-Allende Chileans who fled the country after the coup are openly soliciting funds to finance a guerrilla campaign in Chile.

Recently a series of forest fires—started, according to the authorities, with gasoline—threatened the port city of Valparaiso. A small bomb was exploded on the docks there, and there have been numerous other suspicious fires in the city.

One youthful extremist, who is still in hiding, told a relative he secretly visited that his organization was planning political kidnapings like those committed by Argentine terrorists. Such talk may be futile blustering, but the junta does worry about national security. Any kind of terrorist outbreak would, for one thing, hurt the junta's efforts to attract foreign investors to spur Chile's economic growth. In a recent speech. Gen. Pinochet declared:

"If the submerged elements try to rise against our people, we will not hesitate to react with drastic means. Until we have caught them all, I will not lift the military measures."

AN ARRAY OF ZEALOTS

A bewildering array of six different intelligence groups is busy chasing down suspected terrorists with frightening zeal. There is an intelligence service in each of the three branches of the armed forces, one in the police, a joint organization and, finally, a new superagency.

One man, a political commentator during the Allende years, was seized by army intelligence, was interrogated for days and then was sent home with written instructions to consider himself under house arrest and responsible to the army. Soon afterward, members of the air force broke in on him. Ignoring his army documents, they held him for several days trying to torture information out of him. When they released him, by then a broken man, he took aslyum in a foreign embassy.

Most cases of brutality and torture seem to lead back to the air force, although no one knows if the perpetrators are acting as members of air force intelligence or as members of the new superagency. There have been cases of army commanders intervening to get detainees out of the hands of air force agents—an indication that the armed forces themselves may be divided over the use of such extreme methods.

The number of political prisoners being held without charges fluctuates, of course, as some are released and others picked up. A group of Santiago lawyers who protested the situation in a private letter to the junta were soundly denounced as being "unpatriotic," but such protests may have had an impact: Since then, a group of air-force officers charged with having been pro-Allende and anti-air-force before the coup have been represented by outspoken defense lawyers during their trial, and the trial was open to invited foreign observers; likewise, imprisoned former officials of the Allende government have been scheduled for early public trials, also with defense lawyers representing them and with invited foreign observers on hand.

Although most detainees are eventually released, one college professor expresses a widespread sentiment when he says, "We don't like this feeling of being unprotected against arrests. Lots of mistakes are being made."

While the rate of arrests has slowed down measurably since the first weeks after the coup, the junta has developed a new concern, that, to many Chileans, borders on paranoia. The military leaders now appear to be zeroing in on a new class of so-called enemies that seems to include anyone who is critical of them.

The rector of a university in Valparaiso was sacked recently for being "anti-junta." The head of the Catholic University television station and several members of his staff, all of whom were leaders in the fight against the Marxists, were also fired, and it is presumed that they, too, had "anti-junta" tendencies. Meanwhile, Gen. Pinochet has issued a dark warning that many civil servants are also going to go.

"These people pretend to be cooperating," he said, "but according to information that we have, in reality they are not cooperating. They always say yes to you, but when the moment comes to act they move slowly, they mislay documents, they change a word or a comma. They may comply with an order, but privately they talk against it."

It isn't entirely a coincidence that most of "these people" happen to be Christian Democrats. Relations between the military and the Christian Democrats have never been good. When the Christian Democrats were in power during the administration of President Eduardo Frei, just before the Allende government, they ignored the military men or treated them with disdain until one army unit staged a revolt in its barracks to demand higher pay. As one party member explains it, "The Christian Democrats regard the military as a bunch of fools, and the military regard the politicians as a bunch of crooks."

THEY MEAN TO STAY

Except for its left wing, however, the party supported the coup as the only way to stop the Marxists. Observers point out, though, that many of the party leaders expected the military to turn the government over to them after a short caretaker period.

Now the military has made it clear that it intends to stay and make sweeping changes. "Some politicians," Gen. Pinochet said in a major speech last month, "initially took a favorable attitude toward the government, but they thought when the armed forces took action to liberate Chile that the conduct of the state would be returned to them in a short time. Today they react antagonistically because they realize that they were wrong, and I ask myself, 'Are they patriots or mercenaries?' "

The politicians, he implies, are responsible for demagoguery. "It is necessary to eliminate demagoguery, the principal sickness of Chile," he says. "From it has come the sectarianism which divides and the inefficiency which impedes progress and justice. This sickness is not only from the past three years. It is much older than that."

Gen. Pinochet's barely disguised attacks on the Christian Democrats go down well with many conservative Chileans who blame the liberal Frei government for opening the door for the Marxists with its land-reform program and other measures.

Christian Democrats, whose adherents make up a substantial portion of the middle class, rankle at having no voice in governmental affairs and at the pointed criticism they are taking. They retort with some sharp barbs of their own. "The junta should recognize," says one party member, "that the political parties fought the Marxists for three years while the military were the right nand of Allende. The were in opposition one day. They shouldn't look down on people who were fighting for three years."

One of the most outspoken critics of the Christian Democrats is the government's chief press spokesman, Alvaro Puga. To a request for an explanation of the junta's opinion of the party, he replies: "Before Allende the Christian Democrats paved the road for the Marxists because they began to talk—in the style of Henry Kissinger—of a dialogue with the Marxists. They talked of communitarianism instead of communism, but people without perception believed that they were both equal within democracy."

"THE SILVER BRIDGE"

He adds, "During Allende, they were a moderating element between the Marxists who wanted dictatorship and the rightists who wanted to overthrow the Marxists. They were the silver bridge—beautiful but weak—between the Marxists and the democrats."

The 44-year-old Mr. Puga came to prominence during the Allende regime, delivering biting criticism of the Marxists over the radio and in a newspaper column written under the pen name "Alexis." No one can quite explain how he rose to such an influential position in the junta, but he is one of a group of puritanical young Roman Catholic ultraconservatives who seem to play a significant role in outlining the public philosophy of the junta. This group is known for its dislike of the Christian Democrats.

Mr. Puga's statements cause dismay in other branches of the government. A foreign-ministry official, for example, winced when he heard of Mr. Puga's reference to Mr. Kissinger. "How can he say such things?" the official said. "We are rather pleased with Mr. Kissinger."

Mr. Puga outlines a form of government for Chile where the only elections would be in neighborhood organizations and professional and labor groups. These grass-roots organizations would transmit their needs to the local mayor, who would tell the governor, who would get in touch with the junta. There doesn't seem to be any room in the system for national political parties, and Mr. Puga says:

"We want to make a mechanism where it is not necessary to have political parties to have a position on a question."

It was Mr. Puga who ordered the Christian Democrats' radio network closed for six days because of broadcasts commenting unfavorably on the state of human rights in Chile. Soon thereafter, the archbishops of Chile issued a call for reconciliation. It said:

"For love of our fatherland, we must contribute to re-establishing a harmonious atmosphere in which all Chileans can live and be brothers. . . . The basic condition for living together peacefully is the establishment of a state of law in which the constitution and the law will be a guarantee for eevryone."

WILLIAM S. WHITE: 50 YEARS OF EXCELLENCE

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. BROOKS. Mr. Speaker, during the years I have been a Member of Congress, I have maintained the highest respect for the journalism of William S. White. As one who studied journalism and who worked as a reporter, I am particularly aware of the uniform excellence of Mr. White's reporting and comments.

Bill White is frequently controversial, never reluctant to take an unpopular position he feels is justified, and ready to defend such positions with great ability. If you add to this his keen observation, penetrating insight, and a talent to express himself clearly and concisely, you have the complete journalist.

Recently he wrote a column on his 50 years of journalism. In reading the article, it was easy to detect the pride that he feels in his profession and his unswerving faith and dedication to the best that is in our country. He can be equally proud of his personal contributions to his profession and his country.

Bill White, with the able assistance of his lovely wife June, is an effective reporter and shaper of public opinion in Washington and throughout the United States.

I congratulate him on his 50 years of service to the public.

His thought-provoking column, "Looking Back on 50 Years of Journalism," follows:

[From the Washington Post, May 18, 1974]

LOOKING BACK ON 50 YEARS OF JOURNALISM

(By William S. White)

For nearly five decades (I started at age 18) I have been a professional journalist. For about 40 of those years I have been involved, as correspondent or commentator, in nearly every great story of this world. For the last 16 of those years a syndicated column has emerged three times each week from this typewriter.

This is the last of those columns. I am going back home to Texas, after an absence of 40 years, but not into any "golden retirement"; not into any "leisure village." I am going to recommence what has always been my second career—the writing of books.

This, then, is an hour of farewell and a time, necessarily, of nostalgia. To those editors and readers who have endured me or encouraged me I send my thanks in this way; I have no means to do it in any more personal way.

Nostalgia, of course, means remembrance. And so now, if I may (I apologize for the excessive use of the perpendicular pronoun but what other form could I use?) I turn to some of my own memories. I remember covering the murder trials, large and small from little towns in Texas to courtrooms in Manhattan. I remember watching the agonies of a Tammany Hall which, as a beheaded British king once said in another connection, was unconscionably a long time adying.

I remember the onset of Hitlerism which, in the days of the so-called phony war, made me War Editor of the Associated Press. I remember leaving the AP after Pearl Harbor to enlist (all gung-ho) as a private in the infantry. I remember long months of hospitalization from meningitis—the only time in my adult life when I was truly cut off from the news—and at last being invalided from the Army.

I remember crossing the English Channel on the night before D-Day as a war correspondent; participating in the British assault upon Caen in Normandy; then participating in a vast and endless storm of violence with American forces across Belgium and into Germany at a little place called Roetgen.

I have known many of the world's statesmen. I saw Winston Churchill feeling no pain on a British beachhead in Normandy with a large brandy bottle sticking out of his coat pocket. I saw a President—Lyndon Johnson—weeping in the nighttime when the casualty figures came in from Vietnam. I have heard Golda Meir tell it like it really was—and is—in language they don't teach at any girl's school.

And I have known well scores of senators and congressmen, dozens of prime ministers and platoons of ambassadors. In a word, I have had a great and privileged life; and of these things I am unashamedly proud: A Pulitzer Prize in literature; the Presidential Medal of Freedom; the Medal of Officer, Order of the Crown (Belgian); a tour of duty as Regents Professor at the University of California, Berkeley; the writing of 48 consecutive essays for Harper's magazine, along with six books.

Finally, I leave Washington—which is now a good place to visit but I wouldn't want to live here anymore—with absolute faith in the basic decency, strength and durability of all our institutions.

BACKROOM DEALS OVER CONGRESSIONAL REFORM?

HON. DAVE MARTIN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. MARTIN of Nebraska. Mr. Speaker, a committee of the Democratic caucus is now meeting to work over House Resolution 988, the Committee Reform Amendments of 1974. Presumably their major purpose is to emasculate the reform package—the product of 15 months of labor by a bipartisan committee—to make it more acceptable to a few powerful Members and special interests who think the plan inconveniences them.

How will the American public know what deals are being struck in this backroom process, and for that matter who is dealing with whom? And if all the special interests are placated, what about the interests of the public—whose view of Congress at the moment is far from complacent?

Last Friday, the caucus committee sent a letter to all Democrats asking their opinion about House Resolution 988. All responses, it was assured, would be considered confidential. This in spite of the fact that the Select Committee on Committees, a duly constituted body of the House, published 1,765 pages of hearings and 680 pages of open markup sessions, received formal statements from 68 Members of Congress and several times solicited written reactions of all Members, receiving scores of such responses.

Mr. Speaker, if the congressional reform package is now to be subjected to a series of backroom deals, we ought to know about it. Will the caucus "Committee on Organization, Study, and Review" open its sessions to the public, take testimony in the open rather than in secret, and let us all assess the quality of their legislative craftsmanship? It is the very least they can do.

THE RURAL DEVELOPMENT ACT OF 1972

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. ZWACH. Mr. Speaker, the Subcommittee on Rural Development of the Senate Agriculture Committee has been holding hearings on the Rural Development Act of 1972—Public Law 92–419.

On May 8, a constituent of mine, Mr. Pat DuBois of Sauk Centre, Minn., presented testimony on behalf of the Independent Bankers Association of America.

Mr. DuBois, who is chairman of the Agriculture-Rural America Committee of IBAA, shares the concern and interest that I do for rural America. His testimony places strong emphasis upon rural development through utilization of the consolidated Farm and Rural Development Act.

With your permission, Mr. Speaker, I would like to insert Mr. DuBois' testimony in the Record. It is well worth the time to read it:

The Rural Development Act of 1972

Mr. Chairman, Members of the Subcommittee, my name is Pat Dubois. I am President of the First State Bank of Sauk Centre, Minnesota, and Chairman of the Independent Bankers Association of America Agricultural-Rural America Committee. I am accompanied this afternoon by Mr. Glenn A. Swanson, Manager, Washington Office and Thomas C. Brickle, Legislative Counsel.

The Independent Bankers Association of America is a national organization with over 7,100 member community banks in 41 states. Two-thirds of our members are located in towns with a population of 5,000 or less. Ninety percent of our banks do business in communities of under 30,000. Consequently, our Association has had a tradition of interest in all matters involving rural America. That on-going concern is reflected, with respect to the Consolidated Farm and Rural Development Act of 1972, in the resolution adopted at our Dallas Convention this March and attached to my written statement as Appendix I.

In addition we call your attention to an editorial that appeared in the April 28, 1974, St. Cloud (Minnesota) Times and ask that it be made a part of our statement. The editorial sets forth convincingly the vital need for effective implementation of the Rural Development Act. It further reflects the necessity for ample funding if the Act is to be effectively used to revitalize rural America. The full text is set forth in Appendix II.

At our convention we gave full support to the program for guaranteeing loans made and serviced by lending institutions under the 1972 law. We also, again, called for the establishment of a secondary market for paper generated under the plan so that rural lenders could lay-off loans into the major money market and recycle the funds for other rural development and community purposes. However, today, my purpose is not primarily to address the necessity of a secondary market. Rather it is to report on the experience of our membership to date and state some conclusions about what improvements we already can see are necessary.

To this end, we invited 717 banks, representing a cross section of our members to respond to a questionnaire. To date 151 did respond, and it is our preliminary opinion that further promotion and involvement with Rural Development Act programs by community banks, farm groups and Department of Agriculture employees is essential.

Generally, the questions concerned themselves with the number of customer inquiries, the number of loan applications processed, the number of loans guaranteed by the Farmers Home Administration, as well as the average processing time for loans in various categories. We also inquired as to the difficulties encountered in processing loans by member banks and the need for the program in rural areas.

The statistical summaries based upon responses received are attached as Appendix III. While we believe the tabulation is generally accurate, some caution should be exercised with respect to the answers to item 4 since it is evident that respondents may have misinterpreted the question. For example, we understand under current procedures the Labor Department is allowed 60 days to prepare its anti-piracy certification as a condition to approval of business and industrial loans, the subject of question 4D. Some misinterpretation could have resulted among those sampled because a number of banks indicated the loan process was completed with 1½ weeks.

Among the reliable statistics, however, we are alarmed to find that only two community facility loans and two industrial loans were processed in the 4-month period preceeding the survey. Furthermore, there is evidence of limited FHA promotion and, in some cases, unnecessary delays on the part of field offices in processing applications. A number of banks stated review procedures were cumbersome.

Perhaps as interesting as the tabulations, however, were the narrative comments. The comments are attached in full as Appendix IV, but I would like to elaborate on some of those that seem representative of current impediments to full implementation of the Rural Development Program.

For example, in reply to that section of the questionnaire asking for general comments, one banker said: "Evidently people in this area do not know about the program."

Another remarked: "The program was only presented to us recently by FHA. We have had no experience."

With respect to question 5, relating to major roadblocks in FHA processing:

One banker stated: "We contacted our local FHA, and they were real cool and said they had not participated on any loans."

Another said: "Our local office is understaffed and overworked. There are approximately 140 rural housing loan applications not yet processed in our county, and the state and federal office will give no additional assistance. As a result, there is no way that our county can keep abreast of other programs offered. . . ."

Finally another remarked: "Our county FHA did not know what forms to use."

With regard to question 8, on whether a secondary market was needed, one respondent said: "Assuming we participate, a secondary market would be essential."

Another stated: "Yes, if it (the program) got to any magnitude."

Notwithstanding these shortcomings, the quantified data and the narrative statements revealed a continuing desire for, and willingness to engage in, this sort of lending. Of the 101 banks responding to question 7, which simply asks if there is a need for guarantees such as those offerable under the Act, 71 replied affirmatively. Of the 109 answering question 8, concerning bankers' willingness to participate, 90 indicated they would.

I believe from all this material, it is evident that all those interested in making the Consolidated Farm and Rural Development Act achieve its purpose have much more to do. That, incidentally, includes the Independent Bankers Association of America, the FHA. agriculture groups and others who share an interest in revitalizing rural America.

We Independent Bankers think the program is basically sound and with extra efforts all around many benefits promised by the legislation can be brought to the rural community which daily is playing an ever-more crucial role in the domestic and international affairs of our nation.

Although this statement concerns itself with the association's membership experience under the Rural Development Act, I would like to address myself to several actual loan situations with which officers of my bank were confronted.

Personal Experience of Pat DuBois, President of First State Bank of Sauk Centre, Sauk Centre, Minn.

The bank which I am President of has had a strong interest in the Rural Development Act and we have patiently waited for rules and procedure to development. Last week FHA county and district supervisors on our invitation, visited with us. Out of that discussion, the following is noted. First, on a small steel fabricating and manufacturing application in the amount of $40,000.00, we were informed that while the request seemed to meet FHA requirements, an application would first have to be made to SBA. We were informed that FHA policy requires that any business loan of less than $350,000 shall first be offered to SBA. Second, that an application for a farm ownership loan and farm operating loan which would provide improved 100 cow dairy barn facilities and equipment appears to meet FHA standards and the application looks eligible but there are no guarantee funds available and will not be until after July 1, 1974. Third, on a similar application for an 86 dairy barn and facility improvement loan, the same situation prevails. Other pending applications at our bank meet the same difficulties. The supervisors informed us of the $100,000 limitation on farm ownership loans and they emphasized that industrial or business loans would require Department of Labor clearance before they could approve an application and they emphasized that Minnesota's 8% usury law is retarding bank interest to a great degree. Emphasis was made by FHA supervisors that loans guaranteed under the Rural Development Act competes with other FHA ownership and farm operating loan fund allocations and have a tendency to, thus, reduce old and established programs and they further stated that the requirement of charging against allocated funds 100% of the loan guarantee, even though the apparent risk or loss would be far less if any, quickly used up allocated funds.

We would be pleased to respond to your questions.

NUMBER INVOLVED IS DIFFERENT

(The following editorial appeared April 27, 1974, in the St. Cloud (Minnesota) Daily Times. It is the opinion of the editor, Gordon Duenow. The editor has described in a real sense what is happening in rural America. He states the case well and the relationship of the Rural Development Act as a vehicle for betterment is easily recognized.)

A temporary order has been gained staying the ruling by Judge Lord which resulted in the closing of the Reserve Mining Company plant at Silver Bay, thus delaying a situation which posed economic disaster for that section of our state. All this developed when charges were filed that the mining company was polluting Lake Superior and the air from plant waste. We still can't understand why the company was allowed to use Lake Superior as a dumping ground for its waste in the first place, but that is water over the dam now and nothing can be done about it.

Loss of jobs by some 3,000 workers is startling news anywhere and resulted in prompt action to help alleviate problems arising as much as possible.

However, this reminded us again that in many instances where small communities are threatened with disaster no one seems to care. There are no startling headlines, and the governor and legislators apparently aren't too concerned.

Several years ago we commented on the closing of a cafe in one of the smaller communities in this section of Minnesota. This was the only cafe in that town with the result that its closing was viewed as a disaster. But this was only a small instance and about the only mention the incident received was in our editorial.

Yet this is happening in small communities everywhere. Besides restaurants, small town stores are closing, creameries are going out of business and small farms are disappearing. All of these incidents represent disaster for many small towns and the people of the area. But most of us are inclined to close our eyes and maybe comment that "it is a trend of the times."

We can recall while pounding the campaign trail in western Minnesota in 1960 that it was depressing to walk down almost deserted streets of once prosperous small towns. Building after building was boarded up or deserted with only a few places occupied. Once imposing but now empty bank buildings on the corner testified to the economy of the community in years gone by and possibly also reminded older residents of the time when its closing wiped out the savings of many people in the area.

It may be a "trend of the times" but it is a tragedy to these communities. But multiply these small tragedies into the thousands and we all hold up our hands in horror. Yet what is tragic for thousands in areas such as Silver Bay is just as great a problem for the few people involved in our smaller communities. Both are striving to stay alive and the people are fighting for survival. Just the number involved is different.—G.E.D.

RURAL DEVELOPMENT ACT OF 1972

The Independent Bankers Association of America has long been dedicated to the development of rural America.

Congress has passed the Rural Development Act of 1972, providing loan programs for rural enterprises, youth, community facilities and rural industry. The Act further provides for guaranty loans made and serviced by lending institutions.

This Association supports the objectives of the Rural Development Act and urges its member banks to participate as the Act is implemented.

The Association again recommends that the Act be further supported by a secondary market patterned after the successful FNMA. This would enable rural lenders to sell guaranteed loans to major money market investors, thus recovering loan funds that can be used for other rural development and community purposes.

SUMMARY STATEMENT

The IBAA has testified at every opportunity in support of the Consolidated Farm and Rural Development Act of 1972. We have expressed our concern regarding:

1. Delay in the implementation of the Act.
2. Lack of a suitable secondary market for FHA guaranteed loans.
3. Insufficient loan limits for farm ownership and operating loans.

Our Association has surveyed a representative cross section of its membership in an effort to determine the effectiveness of the program and the progress of the FHA in carrying out the objectives of the Rural Development Act.

IBAA POLICY

At our annual convention in Dallas, Texas, during March of this year, our convened bankers expressed a broad and continuing interest in rural development in passing the following resolution:

III. RURAL DEVELOPMENT ACT OF 1972

The Independent Bankers Association of America has long been dedicated to the development of rural America.

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YOU CAN'T STOP THE CARNIVAL

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. DE LUGO. Mr. Speaker, I recently presented for my colleagues' attention a brief description of this year's carnival on St. Thomas, U.S. Virgin Islands. I would like to add to those comments the following editorial analysis from the Virgin Islands Post.

The 1974 carnival should eliminate the hesitation and fear of those individuals who accepted last year's scare headlines about the Virgin Islands. The success and beauty of this celebration should once and for all dispel those myths of uncontrolled and constant violent outbursts. Of course, the Virgin Islands experience social tensions, as anyplace else on this globe, but they are not allowed to become the obsession some people wish to make them.

As the editorialist says, "You just can't stop the carnival." Let me take it one step further to state emphatically, "You just cannot stop the spirit of the Virgin Islands!"

I respectfully submit the following article:

[From the Virgin Islands Post, May 1, 1974]

STOP THE CARNIVAL

Judged by almost every standard, the 1974 Virgin Islands Carnival must be considered an outstanding success, and the officials who directed its many activities are deserving of the congratulations of all of us.

For one whole fun-filled week and for weeks before that as the community geared up for the spectacular funfest, thousands of people enjoyed themselves with hardly an incident and completely free of hostility, conflicts and violence which would explode in almost any other community with the racial and national mix these islands have.

Motion pictures of crowds, including hundreds of whites enjoying themselves among an overwhelming black majority would do more to restore the image of the Virgin Islands as the ideal tourist resort than a score of full-page advertisements in the United States metropolitan press. Tourists arriving here for the first time must have been amazed at the reception they received in contrast to the scare headlines which nearly caused them to go elsewhere for their vacations.

Last year in the wake of supposedly racial crimes and rumors of a blood-bath to come there was considerable fear and tension throughout Carnival week; but this year, although violent crimes have not abated, islanders and visitors dismissed the rumormongers and "came out to play."

The Calypso Tent was not as well-attended every night of the week as it used to be in former years. It has been suggested that perhaps the format should be changed to reduce the number of artists, introduce other events, along with the calypsos, or confine the shows to a maximum of three nights to assure maximum attendance and reduce the high costs of this event.

The Carnival Village with its offerings of non-stop refreshments and a place for islanders and visitors alike to meet, chat and enjoy themselves, remained as popular as ever. The children's village, however, needs improvement if we are to make it as popular with kiddies as the other village is for adults.

It is testimony to the talents and ingenuity of the leaders of the various troupes that although more than twenty carnivals have been held thus far they still produce spectacles which dazzle the imagination and produce genuine excitement and entertainment. The enthusiasm of participants as well as onlookers remains undiminished.

In recent years there have been proposals that we skip Carnival for a year or two, and perhaps stage the event every other year in the future. But that view is apparently held by only a small minority. The overwhelming majority want their Carnivals every year, and they are obviously willing to lend their enthusiastic support to the activity.

No other event involves as many people of the community with such little disagreement and friction. Carnival must be stamped as the territory's most popular undertaking and it seems to grow bigger and better each year.

Each year the event is presided over by a charming Queen and this year's Queen Earlene Phipps added to the glamour and attractiveness of the festival.

The 1974 Carnival is hardly over, but already thousands are looking forward eagerly to 1975.

You just can't Stop the Carnival!!

Believing that we speak for the entire community in expressing appreciation for a job well done we thank: Chairman Alfred Lockhart and his deputy Hans Eisler, treasurer Alphonse Stolliard and Leslie Moorhead who assisted him, executive secretary Jackie Morgan, Iris Haynes and Helen Vessup of the children's events, Elvin Donovan for decorating, Louis Holder of entertainment, judging coordinators Ulla Muller and Gerry Hodge, Fair chairperson Rena Rhymer, Elroy George of parades, Harry Parrott of physical arrangements, Vincen Clendinen and Hans Eisler, Mary Gomez as Queen's coordinator, Village chairman Richard Callwood and Thyra Hodge Smith of Toddlers and the many persons who assisted them prior to and during Carnival 1974.

URANIUM ENRICHMENT

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. HOSMER. Mr. Speaker, set forth below is an edited transcript of remarks on the subject of uranium enrichment for nuclear fuel which I presented on April 25 to the International Uranium Enrichment Seminar sponsored by the Atomics Industrial Forum at Reston, Va.

REMARKS BY REPRESENTATIVE CRAIG HOSMER

We have here in our midst the 277 people in all the world who know almost everything about enriching uranium. We also have three other people who know all about it. Those are three bankers. They should be on this platform. They should be making at least 50 percent of the prognostications today because they are the people who in the end will turn on money for new enrichment capacity or turn it off.

It is perhaps a revelation of the unsophistication of those interested in this subject that we do not yet recognize the power and position of the financial fraternity.

EARLY OVER CAPACITY

I look at this group with a great deal of nostalgia. One can get all filled up with it sometimes. But this is a mixed group. It's half nostalgia and half new guys, and I think for the benefit of the new guys, I ought to explain the reason we are all here.

It goes back to right after World War II when "cold war" threatened. The Berlin blockade frightened the West regarding Soviet intentions. A cold war did, indeed, descend. A vast bipolar conflict between the U.S. and the Soviet Union developed. Out of that came the idea of deterrence against strategic war. Atomic weapons were seen as the instruments of deterrence. In those early days we sized the enormous AEC enrichment complex on the basis of the estimated military need for atomic bombs to deter a Soviet surprise attack. The calculated number was quite large. The need for fully enriched uranium to make them was great. But even before we completed the huge plants to enrich the uranium for these A-bombs, about 1952 or so, they were obsoleted by Edward Teller and a few others who invented the H-Bomb. Hydrogen was to become the principal ingredient of deterrence. The need for oralloy for atomic weapons was vastly reduced.

So the AEC had to figure how to run those plants at minimal capacity. And now, almost a quarter of a century later, we still haven't got those plants up to full capacity. The only reason demand for uranium in an enriched form increases at all is due to the fortuitous development of power reactors. We had the fuel, so we went out and developed a nuclear power industry to use it. It's on its own now and the momentum is there.

FUEL GAP EASES—CONTRACTING GAP REMAINS

Soon we will reach a cross-over date when demand for separative work will exceed that which the AEC can supply. There will have to be new capacity on the line. I have been talking about new capacity for a long time. There was a lot of haw-hawing yesterday when the AEC again announced a slippage in its estimate of the crossover time again, when we would have to have new capacity on the line.

Believe me, I am delighted that in the one year and five months from its last estimate, AEC has calculated a one-year and ten-month slippage in the time that this capacity has to be on the line. It gives us an opportunity, much more time—almost two years more time—to develop enrichment technology. We can put the next SWU factory on line with much more confidence and it will be that much better. It will incorporate Uncle Sam's technology, incidentally, my friends on this morning's panel, and it will be very highly competitive technology.

AEC wants to make sure that you don't get pinned down to a fixed date for this crossover or fuel gap. They talk of it in space flight terms as a "window" in the range centered at July, 1984. But that is the time when new capacity has to be on line making actual nuclear fuel to go in real reactors.

Quite a different thing and quite a different date, a much earlier one, is that when the future output of AEC's existing three-plant enriching complex will be totally contracted for. That isn't slipping two years; that's only moving, at the most, six months. That date was approximately 1 January 1975—not very long from now—when the capacity would be all contracted out. At the most, that date has slipped a mere six months to July, 1975.

Why the difference in slipping times?

Simply because the contracting gap date is nine years closer in. Utilities order plants that take nine years to build. They sign up for the enriched fuel when they sign up for their plants. They are doing that now, and it's predictable now. So, there is not much change in the contracting gap date. The actual fuel gap date comes a lot later when, incidentally, the people making predictions today about it will be retired from government and won't be responsible any longer for what they told you. These differences in gap dates mean early decisions because often the earlest date is controlling for deciding what form the future structure of this industry should take.

PRESENT ENRICHING INDUSTRY STRUCTURE

But we can contemplate the future structure only if we find out more about today's structure. Now, today's structure and tomorrow's structure should be dictated by the customer, the utilities. But these fellows are way down on the list of influence. They aren't even going to get to talk during this seminar until after I do. Lo, the poor customer, these are the fellows that are relegated to almost nowhere. We have heard from the manufacturers and we have heard from the foreign competition, and heaven knows who else has been talking, but the poor customer is yet to come.

U.S AEC ETC.

The customer may have a number of sources of enriched uranium supply in the future, but for now he has to buy principally from the U.S. AEC, which will soon be ERDA, the Energy Research and Development Agency. Believe me, when the enrichment activities of the AEC, which today have some benevolent oversight from AEC's five wise men, move over into the bottom of ERDA, they're going to be like Little Orphan Annie was after Daddy Warbucks was shot.

What's going to happen over there is that whoever it is that is running the government's enrichment business—this low-level bureaucrat—if he ever has an opportunity to talk to the one wise man at the top of ERDA, he won't have much time to talk to him about the billion dollar business that's going on down below in his obscure shop. The fortunate thing that can happen to him is, if he never meets the boss of ERDA. And he has the guts to go and run the business like it ought to be run and to hell with the consequences. But bureacracy being what it is, I doubt that this fortuitous circumstance will ever come about.

The way out of this dilemma is to set up an independent United States Enrichment Corporation (USEC) to run this business properly and speed the transition from government to private enterprise. I have drafted legislation for this purpose, and I will describe it later. (See summary of Draft USEC Bill issued earlier.)

And then, of course, we have this wonderful alternative future beyond ERDA or some place in the future that our great, good friend Clarence Larson pictures for us, private enterprise. You know, he got up on this platform yesterday and proudly proclaimed that the next increment of uranium enrichment capacity is going to be private enterprise! And not only that, says Clarence, the best kind of enterprise! Subsidized private enterprise!

EUROPE'S ENRICHERS

Well, AEC/ERDA/USEC/ETC is one of the players in this enriching game. We heard from one of the other players this morning on a delightful panel, this mixed government-industry group from Europe. Eurodif is one. It is giving an opportunity to the French government to guarantee every cent of money it is going to spend to put in a big diffusion SMU factory. I have never heard of any greater invention since the wheel, a guarantee like that. Then there is Urenco. It had it even better. Because Urenco is even more confused. It has two different corporations and three different governments mixed up in the deal. If anything goes wrong, nobody will ever find out who's responsible. Eurodif, on the other hand, has only one government and only one corporation, both standing right out there in plain sight. If something goes wrong at Eurodif, which has a chance of happening, like anything else, whoever is responsible will be easy to identify. A government might fall because of it.

The European players are a little unrealistic in their prices. Nobody is going to sell SWU's for $49.00 or $45.00 for long: those are the loss leader prices. The next contracts are going to have to be a lot different, and soon. Realistically, I think, and these are my own figures that I arrived at secretly, their prices are going to be 30 to 40 percent increased to be at all realistic. And that isn't escalation. That's just honesty, escalation is on top of that. Then they have these reopening clauses. That's the kind of clause that can cut a customer off at the feet starting right up here at the neck. These clauses are quite something.

OVERCAPACITY THREAT

Then, of course, there is the turbulence all enrichment producers are going to experience as Clarence Larson pointed out yesterday around 1983 from possible overcapacity. All of these fellows, Brinco, Eurodif, Urenco, and the rest of them, when you add up the capacity they tell you they are going to install, you see that there are going to be enough SWU's around by 1983 to support, mind you, to support 1200 reactors when there are only going to be 400 of them that need supporting. So you see, there is going to be a lot of falling out along the way. Who it is that falls out by the wayside is going to be a weird and wonderful and intriguing sight to see.

THE $5 BILLION, 50 MILLION SWU RESERVE

I won't make predictions on that, but I will state that if Larson is right when he tells you that just from the projections by the United States Government, and its business, whoever runs it, whether it's ERDA or the great and new and brilliant idea, USEC, or whatever, it's going to take around a 50 million SWU reserve worth $5 billion, which will cost $400 million a year in interest to support and work things out so there won't be any actual fuel gap for America's customers—whether domestic U.S. firms or the fortunate and wise overseas people who decide to contract with America.

The Europeans told us this morning—they had their chance this morning, you see—it's always good to be on after the competition—that they don't plan any reserve. They had a chance to come right out and tell you, "Well, fellows, we are going to build up a reserve, and we are going to help take up the worldwide burden and smooth out this demand, "but they didn't." All they told you was that they are going to bring those plants on the line as they are needed. Urenco is going to put its capacity in almost centrifuge by centrifuge if they can get a cascade that small. And Eurodif has all these contingency plans where—you saw the slide up there—they are going to slip capacity on line just at the last possible moment.

Well, that's good from their standpoint. But still somebody, and I say this jokingly—I'm really doing this not to deride these gentleman because they are such vicious competitors—but I say it to indicate that there must be a consideration amongst all of the people who intend to get into this business of the large amount of reserve that must be created and maintained by a considerable expenditure and by a considerable amount of intelligent pre-production planning, and by all of those other things, that go into making it possible for the utilities of the free world to come on the line with the assurance that they are going to stay on line or even that they are going to get on line in the first place.

The U.S. contemplates this reserve because it has to have it to satisfy the utilities' prime need—assurance of supply. The sooner others intending to get into the SWU business acknowledge that they too have such a responsibility, the better it will be for them and all concerned.

JAPAN

The next player in the enrichment game is Japan. Japan intensely wants the assurance that it will have the fuel it needs because it is so dependent upon fuel imports. And Japan, by its own indigenous effort, intends to achieve the capability to produce some of its enriched uranium needs. These will be supplemented by foreign purchases.

LASER ISOTOPE SEPARATION—OBSOLESENCE THREAT

Now, what I want to intoduce to your minds, and incidentally, I'm trying to sweep through a lot of things today because so far you have been getting things from one point of view, and not from a lot of points of view, is the thought that possibly an indigenous capacity for assurance of supply isn't really what a nation wants. Maybe a nation wants an assurance of supply, yes, but maybe there are other ways of getting it rather than having its own enrichment plant. For instance, if we get a break at all in prices. The laser isotope separation threat to obsolete all of the other systems may not be exactly on the horizon, but nobody knows how far away it is from being there. That threat is something everybody has to consider when they plan to spend billions of dollars of someone else's money to new capacity.

If somehow you get something like that which means a capability to enrich uranium at a far less cost than today, it becomes possible to think of assurance of supply in terms of prepurchase and storage to carry you through any conceivable period of interruption of supply. Now, what do you conceive of? Well, you don't conceive of a catalytic nuclear war. There is no sense then in buying any insurance against something like that. All will be lost anyway. You don't even think of a long war of attrition, a rerun of World War II with iron bombs. You think of, as a possibility, something in the nature of an economic war, to wit, like the recent unpleasantness of the Arab embargo. You might not be in exactly a military situation, but you are in a nonsupply situation, and you prepurchase your stockpile of enriched fuel to carry you through it. If you start to think about how long that might be, it doesn't really turn into a long period of time. Two or three years of pre-production stored on anybody's home soil would probably be enough to comfortably carry them through until the supply is restored. So this introduces a new element in the people's minds and, of course, the investment bankers up on Wall Street think of everything. Certainly, they will have this in mind, too, now that they have heard about it.

PEOPLE'S REPUBLIC OF CHINA

Well, who is the next player in the game? Here is a sleeper—the PRC—the People's Republic of China. Nobody knows for sure what's behind the bamboo wall. But, I will never forget the shock when the first PRC atomic weapon went off and it turned out to be an enriched uranium weapon instead of a plutonium weapon. Nobody thought they had the sophistication and resources to put in a diffusion plant to get the oralloy. It takes a massive effort. Maybe they didn't even make it. They have some of the best physicists around. It's just possible that in their isolation they took in another direction. Maybe they went for laser isotope separation. Maybe, if they get around to it and they have a need for foreign exchange, maybe they will just move right in there with LIS and offer separative work for foreign exchange.

SOVIET UNION

That's what the USSR does, one of the other players in the game. It's purely a foreign exchange game with them. They are having an increasing trade with the West and they have plenty of diffusion capacity, thanks probably to the same failure to anticipate the H-bomb that gave us our overcapacity. They don't make any profit. So what do they do? They go after foreign exchange. They do 5 million SWU's worth of business every year and probably could offer more.

Incidentally, if you examine the USSR pricing system very closely, you will be amazed to see how capitalistic it is. Much more capitalistic than these European fellows' prices. If you look further, you will find that they don't require a down payment and they use the American price with a percentage reduction. If you work out the percentage reduction, you will find out that it just about amounts to the interest on the down payment that we charge. So, you see that if the Russians are going to pattern themselves after anybody, they are going to pattern themselves off the oldest established firm in the SWU business, the USA. That assures them that their prices are set with as great an experience as anybody's around.

SOUTH AFRICA

Alright, now let's get to the next source: South Africa. South Africa represents one of the erratic elements in the world SWU picture. It announced that it was going to have this plant. It wouldn't say when or where or how big it was going to be or what technology would be used or anything else. I made a trip there, not to find out South Africa's secrets, but to say: "Look, gentlemen, I don't give a hoot how you are going to separate this stuff, but we think, or I think, that you ought to tell the people what share of the world market you are going after. After all, we would like to try to match supply and demand with some reasonable closeness. We should do so. It's economic. So, why don't you tell us."

Well, the chap looked at me and said, "We didn't think you were interested." And so, they then came out with their figures, which were modest. Domestic reactors won't require all the SWU's from an economically sized separation plant. They just want to peddle their excess overseas. And, as a bonus, they told me that their system is based on UF^6; but that's all I got out of South Africa.

AUSTRALIA

Incidentally, I should mention Australia. I had a delightful conversation with its Minister of Minerals and Energy. I took the opportunity to brashly tell him that if I were Australian, I wouldn't want to get into the enrichment business just to high-grade my raw product and try to make a little more money selling it in an enriched form. South Africa even abandoned that idea as risky and unworkable. I told the Minister I'd buy a ten-foot pole not to touch the enriching business with, and I reminded him that America took a $2½ million bath getting into it in the 1950's. I doubt, however, if the Minister was paying attention to what I said.

THE HYDRO STATES

Okay. Let's get into the hydro states. Canada, Zayre, and New Guinea, where Bechtel says that it is investigating hydro sites to support a large diffusion plant. Early in the seminar we were entertained by statistics showing the relative share of the cost of nuclear kilowatts attributable to the cost of power for enriching uranium. The SWU cost turns out to be only around 5 percent of the total cost of a nuclear kilowatt. So, this business of rushing off to the large rivers and deep valleys to locate even a diffusion plant in order to produce with cheap power doesn't make much competitive sense. But from another standpoint, it does. It makes good sense because at least the technology of diffusion is known. And it's good. Because of that you have an assurance of supply and predictable economics from any diffusion plant embodying U.S. technology. And that, after all, is what the nuclear utilities are most worried about.

COMMERCIAL PRIORITIES

You know, in economic transactions agreements usually are controlled by price, terms, and assurance of supply in that order. Mostly, you don't even have any worries about assurance of supply. But in this SWU business, the assurance of supply first, then terms, and then price is number three. It's an interesting situation, and it will be an interesting situation until such time as we actually get an established and mature structure for the enriching business and there no longer exist these vast economic and technological unknowns concerning it.

A VERY UNIQUE BUSINESS

Alright, those are the players. What about the enriching game itself in which many of you are preparing to buy chips to play.

What's normal about it? Well, what's normal about it is that like every other game today, it's affected by the energy shortage. Almost everything else is abnormal; the size of the investment, the technological and economic unknowns, the large intrusion of government in this game.

The usual game is to fill a need and to make a buck, but here we have all of these governmental considerations, emotional considerations, security and proliferation considerations, and who knows what else, interferring in, playing a role in this game. It is a game which, at best, has lead times that are practically unheard of in more normal endeavors—nine years to put in a plant to burn the fuel, six to eight years to put in a plant to make the fuel, contracting times that coincide with the building time, and so forth.

And it's a scarey kind of a business from another aspect; the massive amount of money required for an investment about which so little mechanical or business facts are known. It is a business that is equivalent, in terms of when you get your return back, to a utility where it is a long time until it pays off. Yet, in its marketing aspects, as you have heard from the things that have been told to you thus far in this meeting, it's like the atmosphere of Macy's basement on sale day. Also, as I hinted before, there are a lot of emotional aspects in it. The old-timers still get starry-eyed about the good old "Atoms-for-Peace" days, when we were doing all this for mankind because we were ashamed for making a bomb. But now the new-timers don't bother about that. They are concerned about its commercial aspects. A dichotomy in philosophy will linger about the business until all the old-timers are gone.

CO-OP'S PREDICTED FOR FUTURE STRUCTURE

There are quite a number of interested parties in the business whose interests are in conflict. There are the poor consumers. There are the people who want to sell parts and pieces to people who put up the plants. There are the people who will put up the plants. There are the bankers and heaven knows who else who will be in this business.

I suspect that eventually the structure of the business will boil itself down to a bunch of mini-Sporn plan cooperatives. You will remember Phillip Sporn, a venerable utility industry oracle, who holds that you just cannot enterprise the enriching business. You will need to establish a big cooperative amongst the utilities to assure that the nuclear fuel will be on hand when needed because financing the effort from the money market will not be possible. My simple variation on the Sporn plan is, instead of one single co-op, to have many, created amongst compatible utilities, as their needs dictate. Once we get rid of many of the technological and economic unknowns of the business, I expect to see utility co-ops as the dominant form of the enriching business.

U.S. ENRICHMENT CORPORATION—THE TRANSITION LINK

But to get from here to there, I see a United States Enrichment Corporation as the essential transition link. The players in the game I've mentioned so far are people looking out for their own interests. They have their eyes on a corporate ledger. But what about the national interest? If they raise their eyes from that ledger they will see that from Uncle Sam's standpoint there's great national benefit from doing a large share of the worldwide enrichment business. During a half-century it could mean foreign exchange earnings exceeding $100 billion net. Without a U.S. entity like USEC in being to avoid a fuel contracting gap, a lot of it will be lost to foreign suppliers. That's one service USEC could easily perform while expediting the transition to private enterprise.

Another would be to help keep capacity at all times adjusted closely to demand. We are starting an industry we know will have a definite term. The LMFBR's will come along and then fusion. There are only a certain number of decades during which uranium will be needed. The turbulence you go through avoiding under capacity while you're building up to the peak demand for SWU's will be re-experienced in terms of avoiding over capacity and unmatched amortization on the way back down the hill.

USEC could also do a real service by setting up some business-like standards for marketing SWU's. Today the AEC doesn't even have one SWU salesman. You have to go to Germantown and if they like your looks they might enter a contract with you. AEC is going to have to run to make sales and doing so as a neglected sub-function of ERDA isn't exactly my idea of how to succeed in business without really trying. They're going to have to run this business as a business, compete, make necessary investments, stockpile millions of dollars of preproduction, and do all of these other things.

In that context, this United States Enrichment Corporation idea can be the effective answer. I invite comments from each and everyone of you about it. It is an important step. We want to do it right. We want to do it right not only from the American standpoint, but we want to do it right because we realize that many nations of the world will still choose to depend upon my country for their supply of nuclear fuels. We want to make certain that (1) supply is assured, (2) it comes at the right price, and (3) it comes on reasonable terms. We intend to do that with your advice and help.

This is an extraordinary opportunity by foresight and wisdom to guard against a worldwide nuclear energy shortage. By doing so we shall meet the demands of our times and we shall have an adequacy of energy in all countries throughout the world.

FORD FAVORS MOSHER'S VIEWS ON IMPEACHMENT PROCESS

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. BROWN of Ohio. Mr. Speaker, I call to the attention of the House, Vice President Gerald Ford's very favorable comments to the press in support of an impressive statement by my distinguished colleague and friend, Representative Charles A. Mosher of Ohio's 13th Congressional District, in which Mr. Mosher states his views on various proposals for the resignation or impeachment of President Nixon.

Congressman Mosher's lengthy, but very forceful and responsible report to his Ohio constituents was dated May 13, 1974.

Vice President Ford's comment in support of the Mosher statement was made Saturday, May 18, in Hawaii, during an interview with D. M. Rothberg of the Associated Press, as reported yesterday on page 1 of the Washington Sunday Star-News.

Rothberg's question to Mr. Ford was:

> How would you evaluate statements by House Republican leaders John Rhodes of Arizona and John Anderson of Illinois suggesting the President consider resignation? Are they trying to warn the President that he is in trouble in Congress?

Vice President Ford responded:

> I think that you can only get an evaluation from them. Each may have a different reason for asking for resignation.
>
> I think that Congressman Charles Mosher of Ohio had one of the best statements on that.
>
> He (Mosher) opposes the use of the 25th Amendment, which I strongly oppose. He opposes the President's voluntarily resigning, which I do. He says he opposes the President's resignation to make things easier for Republican candidates. I don't know what impact his resignation would have on the party, so I wouldn't pass judgment on that.
>
> He (Mosher) agrees, as I do, that there ought to be the judicial process carried through to the conclusion.

Mr. Speaker, I, too, believe Congressman Mosher's statement on this crucially important and complex issue is excellent and deserves the attention of all of us.

Therefore, I insert the Mosher statement in this Record. It is as follows:

SOME NEW (AND OLD) SOBERING THOUGHTS ABOUT MR. NIXON'S IMPEACHMENT OR RESIGNATION

(A report to the people of Ohio's 13th Congressional District by Congressman Charles A. Mosher, May 13, 1974)

This is in response to the insistent demands I receive daily from many people of our Ohio's 13th Congressional District, and from the press, that I comment on the deteriorating position of Mr. Nixon as President.

Suddenly last week, almost everyone (especially here in Washington) seemed to agree that for the good of the country, Mr. Nixon must step down or be removed; it was said to be only a question of when and how. That coalescing of opinion was triggered by disgust and indignation at the tone and content of Presidential conversations revealed in the edited transcripts of White House tapes. Hugh Scott, the Republican Senate Leader, expressed the popular mood well when he called those conversations "deplorable, disgusting, shabby and immoral."

QUICK SUMMARY

Six alternatives are discussed in these lengthy pages. But my considered position on each alternative is quickly summarized for you here in advance, as follows:

1. I oppose the idea of designating Gerald Ford as merely an "Acting President," with Mr. Nixon temporarily sidelined pending the House and Senate action on impeachment.
2. I oppose the President's voluntarily resigning in advance of an impeachment decision.
3. I strongly oppose any notion that Mr. Nixon should resign merely to make things easier for Republican candidates this year.
4. I can conceive, and probably could accept as wise under very specific limited circumstances, concerted action by a most prestigious, bipartisan group of Congressional and other government leaders, formally requesting the President's resignation.
5. I strongly support the impeachment process as essential under the Constitution; I have confidence in the House Judiciary Committee's inquiry; I believe the President is very wrong in his refusal to honor fully the Committee's subpoena.
6. I reject the constant demands that I take a public position in advance, yes or no, on the impeachment question. As a Congressman, I have sworn obligation not to prejudge that question, until the official evidence, recommendations and arguments are presented fully and debated . . . probably in July. (But, yes, of course, I have my private opinions.)

ALTERNATIVE NO. 1—"ACTING PRESIDENT"

I vigorously disagree with those who suggest that Mr. Nixon should choose to step aside temporarily, and Mr. Ford should then be "Acting President" until the Congress completes the impeachment process. I suggest that arrangement would place Mr. Ford in an impossible position of unprecedented uncertainty; he could not be a decisive, effective President in that temporary caretaker role. That definitely is not a choice in the national interest.

ALTERNATIVE NO. 2—VOLUNTARY RESIGNATION

I reject the notion that the President should now simply by his own volition choose to quit. Ever since the first talk of his resignation a year ago, I have argued that that would be "too easy"; it would be very bad because it would leave all the "Watergate" related facts and issues still undecided and the American people still bitterly confused and frustrated, cynically suspicious and accusing, angrily divided.

I have argued there could be no really healthy, final settlement of this tragically unhealthy "Watergate" mess except as the whole nation participates (at least vicariously) in some kind of agonizing catharsis, presumably through the Constitutional process of impeachment of the President by the House of Representatives and then his trial before the Senate.

I have argued that by simply choosing to resign Mr. Nixon would thus establish a very unfortunate, dangerous precedent for later Presidents; that even the most suspect or unpopular of legally elected Presidents should resist strongly against being unseated by any political, factional, mass media, popular or other varieties of pressure which are not adequately reinforced by the due process arrangements of the Constitution.

The stability of the Presidency is essential and it requires that no legal occupant of that office shall remove himself from it or be removed from it except by some very responsiblie, institutionalized, due process which the American people fully recognize and accept as being decisively responsible to the nation's best interests. If the President simply quit, giving the impression of being forced out at a time when many, many people (even though a minority) still believed in him, that would be extremely bad; it would be a precedent which could terribly subvert the Constitution . . . so I am convinced it is an alternative still very unacceptable in today's circumstances.

ALTERNATIVE NO. 3—TO RESCUE GOP

I definitely do not support the notion that President Nixon should resign now merely to make things easier for Republican candidates in this year's elections. Any call for his resignation worthy of serious consideration should be motivated at a level well above mere political expediency. All talk of the President's resigning just to help the G.O.P. save skins should cease . . . it's the country as a whole that needs help. Although, yes, I do believe it is important to the whole country that the two-party system survive, preferably revitalized and reformed.

ALTERNATIVE NO. 4—RESIGNATION DEMANDED

Conceivably acceptable to the whole people (though I doubt it) would be an unprecedented procedure by which the President might decide to resign only after being formally advised that his resignation is essential to the nation's best interest, even though he is personally reluctant and resistant. To be creditable, authoritative, acceptable and effective, that demand on him could come only from the concerted participation and carefully considered agreement of the most prestigious bipartisan group of government officials, who would go to the President personally and very firmly request his resignation. Their action and their reasoned justifications for it should be a matter of public record.

Any such group necessarily should include the leadership in some depth of both political parties, from both the House and Senate. Perhaps that group alone would be sufficient (because clearly implied there would be the congressional power to impeach and to convict); but ideally it also could be augmented by the National Chairman and other leaders of the President's own party, members of his own cabinet and possibly some governors. It would seem almost impossible for any President to stand against a resignation request from such a group; but of course that would be his Constitutional right, to refuse the request.

I consider that "Alternative Four" fascinating to contemplate, but not likely to happen. There were rumors on Capitol Hill last week of conversations that could lead to some such a bipartisan leadership approach to the President; but I doubt such conversations really happened . . . it's as yet only a "conceivable" institution.

I suggest there are at least two requisite criteria for any such ad hoc, bipartisan leadership resignation demand on the President: ONE—All participating in the demand should be in complete agreement that their demand is fully warranted by the national interest, and not for some lesser reason. TWO—The existence of a demonstrably overwhelming, popular consensus that the national interest requires the President's resignation.

But let's be realistic: President Nixon today is determined not to resign. And no such group of government leaders as I described above is yet ready to confront him with the demand that he resign. The reluctance might change, only IF and when the House of Representatives votes a bill of impeachment.

At that point, facing the excruciating ordeal of trial by the Senate, then surely President Nixon would reconsider seriously whether to resign; and surely at that point many responsible government leaders would join in advising him to do so. He might then reluctantly declare "with honor" and without admitting any personal guilt, but "for the good of the nation," to save the American people from the divisive, distracting ordeal of that trial and to allow the nation to "move ahead," that he would step down.

I am convinced it is only at that point of impeachment, and in somewhat that style, he might decide or be persuaded to resign. But my objections stated in discussion of Alternative TWO, above, might still apply.

NOTE.—In all this talk of resignation or impeachment, no one can afford to discount the very real possibility that President Nixon still may be able to "hang in there" and "tough it out," completing the four-year term to which he was elected in 1972. Obviously, he still is in a defiant and determined mood, and his is a lifelong record of amazing political resilience.

Assuming that the House of Representatives is likely to vote for his impeachment, there would still remain considerable doubt whether the Senate would convict (requiring a two-thirds vote). I believe the Senate will convict only if the case against the President is at that time exceedingly convincing.

ALTERNATIVE NO. 5—IMPEACHMENT

The House Judiciary Committee's impeachment inquiry began last November, it has now finally reached the stage of actually hearing the evidence, and presumably the Committee's report and recommendations will be presented to us in the full House of Representatives no later than mid-July. Nearly everyone assumes that a Bill of Impeachment will be presented and recommended to us. If so, then general debate on impeachment is expected to take at least two weeks, and our decisive vote . . . to impeach, or not to impeach, that is the historic question . . . will be in late July or early August.

Yes, that seems an agonizingly tedious process, but it is thorough, it is responsible, it is fair, it has integrity, it is of the essence of our Constitution . . . I believe it is the due process this national crisis requires of us. Many angry, impatient, frustrated critics of the President are shouting that impeachment takes too long; but I am confident that in the perspective of history that slow, careful process will prove most wise and justified.

I have heard the skeptics, but on the basis of close observation, so far, I do firmly support the Judiciary Committee's conduct of the impeachment inquiry. I consider that process imperative, to meet the requirements and intentions of the Constitution. I am confident these impeachment proceedings will revive and strengthen the force and credibility of our whole system of checks and balances of power in the government . . . it is absolutely essential to the integrity and viability of our Constitutional arrangements.

I am confident that the Judiciary Committee's subpoenas for certain of the White House tapes are warranted; and I believe the President is profoundly wrong in his inadequate response to the subpoenas, in his haughty claim that his selected and edited transcripts (released April 30th) are all the Committee needs. Surely, it is the Judiciary Committee and not the accused President, who shall determine what evidence is pertinent to that inquiry; and clearly, this is not a situation in which the doctrine of "executive privilege" can stand against the very unique, overriding status of the impeachment process as specifically established in the Constitution.

It is that arbitrary refusal of adequate response by the President, plus the miserable content and tone of the transcribed Presidential conversations, which combined have so precipitously eroded his position in the past two weeks, finally alienating many who formerly supported or tolerated him . . . including some crucial members of the Congress.

HOW SHALL I VOTE?

"So, how will you vote on impeachment?" That is the question people continually ask me. But, I have an absolute obligation, in my elected capacity as a Congressman, to refuse answers to that question at this point. It is an improper question to me until the impeachment inquiry is completed and I have had an opportunity to examine the report.

Ever since we ordered the Judiciary Committee to conduct that impeachment inquiry and make its recommendations, I have steadfastly responded to All the many hundreds who have urged me to take a public position either for or against impeaching Mr. Nixon, as follows:

"It would be highly improper and irresponsible for me (or any Congressman, I suggest) at this point to say either YES or NO on the impeachment question. That is so, because each of us is now in effect seated in the jury box (as if a member of a Grand Jury) awaiting presentation of the evidence and the arguments. The necessary investigation by the House Judiciary Committee, preliminary to a vote on impeachment proceedings, was authorized by the House of Representatives last November, and in February we strengthened that authority by an overwhelmingly bipartisan vote, 410 yeas to 4 nays, granting the power of subpoena to the Committee. I supported that grant of authority on both occasions. I believe it imperative that the Committee conduct its investigation very vigorously and broadly as expeditiously as possible, but with scrupulous fairness, "bending over backward" to avoid political partisanship.

"The crucial vote which we now face, probably in July, is extremely important, an historic, sobering responsibility. It rests heavily on me, on all of us. So, I believe you will understand I MUST reserve judgment on impeachment until all of the Committee's evidence, arguments and recommendations are reported to us officially."

That still is and will continue to be my steadfast response to the above question. Despite my own private views, I will make the honest attempt NOT to prejudge that question. I will give the President the benefit of doubt, unless and until the evidence and the arguments (as presented by the Judiciary Committee) convincingly demonstrate a presumption if impeachable offenses. (My own inclination is to the broad interpretation of what constitutes an impeachable offense.) That position of reserved judgment clearly is my sworn responsibility.

So, then people say to me, "But surely you must have some definite personal opinions concerning Nixon, don't you? You can't really just be on the fence about him." Of course, I have my very strong, long-held private opinions about Mr. Nixon, and a few new ones too . . . but those strong personal views I must try to restrain if and when the moment comes when I must make a voting decision based on the official evidence then before us.

Invitation.—If you have followed me this far, and I hope you have, please now send me your own further comment and advice. I will welcome it!

PROPOSED LEGAL SERVICES CORPORATION

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. WOLFF. Mr. Speaker, Judge Jack B. Weinstein, who sits in U.S. District Court for the Eastern District of New York, has written an excellent series of articles about the delivery of legal services. As the Congress continues its consideration of the bill to establish a Legal Services Corporation, I bring these articles to the attention of my colleagues. The second part of the series will appear tomorrow. The first part follows:

[From the New York Law Journal, May 2, 3, 1974]

DELIVERY OF LEGAL SERVICES REVIEWED

(By Jack B. Weinstein)

FIRST OF TWO PARTS

In a democratic and complex society such as ours, the availability of the law's protections is vital to an individual's well being. Yet, lawyers and laymen alike have generally failed to address themselves to the problems of the effective delivery of legal services with the kind of critical attention devoted to other goods and services, such as medical attention and transportation. Partly this results from an outdated mystical view of the law and judges.

In the last generation or so, of course, we have moved a long way from the common law traditions that judges did not make law—they merely discovered and announced it. Nevertheless, this assumption is still imbedded in the marrow of our courts—a system modeled in the main on the central courts of England designed to serve a relatively small class of propertied persons. Our approach is too often consistent with a tradition that judges and lawyers, like the ancient priesthood, protect mysteries too esoteric for the common man.

This tradition was a useful concomitant of a class society where the royal rulers possessed power by divine will and the black-robed judge on the high bench, spoken of in the third persons as "your honor," shared in this connection. But it provides a subconscious barrier to legal reform.

The complex organization of a modern society such as ours results in many problems and situations which are accompanied by diffuse consequences of a legal or quasi-legal nature. Procedural means and working institutions are needed to remedy or deter illegal conduct; there must be some means for all citizens to vindicate the full panoply of rights to which they are at least theoretically entitled.

This is not to say that courts can, or should try to, solve all social ills or even that all justifiable controversies of broad public concern can be handled satisfactorily. We are just beginning to feel our way in the direction of appropriate limits. The solution will have to come from a case-by-case interpretation of subtle doctrines and standards, and not by a rigid narrowing of class action and other such rules designed to permit effective and appropriate redress.

Despite the many advances we have made in the last few years, by and large our courts are still not effectively delivering legal services. Within a few blocks of my courthouse in Brooklyn, there is a city jail housing more than a thousand men presumed to be innocent, with the right to bail and a prompt trial on the charges lodged against them. Many of them wait for more than a year for their case to be reached.

INADEQUATE FACILITIES

There is a Family Court where people sit and wait interminably to be heard by a court which has inadequate facilities for treating children who probably will become criminals if they continue to be deprived of the services required to enable families in trouble to cope with their problems. There is an improved Housing Court where some landlords and tenants still claim that they are not aware of their rights. There is a Civil Court where the rate of default judgments against consumers is so high that it is clear that legitimate rights to a defense are often unknowingly waived.

Yet, simultaneously, there is an effective, cheap state small claims court available at night. Its services are advertised on radio, proving that methods of protecting legal rights can be devised if we would give them the same attention as we devote to merchandising commercial services. Obviously, much more can be done. Even in small claims court, collection of judgments remains a serious problem. In a city such as New York, pamphlets explaining the right of people in Spanish and other languages are needed.

Simple and understandable summonses with a tear-off form for mailing in an answer, and courts holding sessions in places and at times convenient for those who need help can be developed. Clerks and other court personnel, including judges, can be retrained to assist litigants on the theory that they are paid by taxpayers to help people in need, not to enjoy the perquisites of office.

In many instances more resources will have to be put into the courts and ancillary services.

But in many others it is not resources that are lacking but the will and skill to use them well to help people.

The public has been too tolerant of the enormous discrepancy between what the law promises and what it delivers. We still tend to think that because a court or legislature has articulated a substantive right, those that should benefit from that right automatically do so. Of course, that is not the case. Merely uttering a statement that something in the real world should change seldom results in an automatic corresponding change. Since the post-Depression and World War II period, as our society and the law have become increasingly compassionate and dedicated to equality in fact as well as in theory, we have been forced to face the problem of how rights are to be vindicated as well as what those rights are.

Much of the turmoil around the Warren Court's decisions in the criminal area was due to the shock created by the Court's saying, in effect, to state law enforcement agencies, "We mean it when we say that all people are entitled to effective constitutional protections." The right to be secure from illegal searches was guaranteed to each person by our original Constitution, but for many years this right had little meaning to the victim of an illegal search because there was no effective means of enforcing it. The Warren Court's decision in *Mapp v. Ohio*, mandating application of exclusionary rules in State courts, was a means of insuring that these Fourth Amendment rights were enforced.

Subsequently, the Burger Court substantially enhanced the citizen's ability to vindicate these same fundamental rights in *Bivens v. Six Agents*, declaring that citizens had a cause of action for damages arising out of illegal federal searches. Similarly, rules on the right to effective counsel and insistence on *Miranda* warnings were designed to insure that brooding rights, omnipresent in the sky and the books, became available in the reality of the daily lives of people.

This is all to the good. But years elapsed between the court's initial opinion establishing a right to be free of illegal state searches in *Wolf v. Colorado* in 1949 and implementation in *Mapp* in 1961. Some of our citizens are no longer content with a system which makes haste so slowly. In addition, we must ask ourselves whether courts, no matter how well intentioned, can possibly implement the legal rights of a population of over 200 million through a case by case method.

FUENTES CASE

A recent case is illustrative. In 1972, the Supreme Court in *Fuentes v. Shevin* declared that a seller under an installment sales contract could not summarily seize the goods in the buyer's possession until the seller had first tested his claim to the goods through the process of a prior hearing of which the buyer had notice. This decision has cast serious doubt on the constitutional validity of *any* procedure which authorizes a creditor to deprive his debtor of any form of property without notice and a prior opportunity for a hearing.

But what were the practical consequences of the court's decision in *Fuentes?* What good does notice of hearing do a debtor who does not understand the form by which he is notified? Even if he can comprehend the legal language, he may be unable to afford a day off from work to go to the hearing which will be held during ordinary working hours; and perhaps more importantly, the right to a hearing will be of little value to him unless he can secure competent legal assistance. Unless we revise our methods of delivering legal services, newly recognized right may amount to mere tantalizing statements with no real content.

IMMEDIACY OF PROBLEM

The issue is more important than ever now that the substantive law has begun to shift from caveat emptor to caveat vendor; now that the government has recognized through welfare laws and grants the right of people to keep body and soul together; now that speculators have been subjected to rules designed to make the stock market work more fairly; and now that the rights of children, or prisoners, of women, of minorities and others have become clearer.

Apart from considerations of justice and fairness that require lawyers with a near monopoly on legal services to reexamine their position, there is an approaching crisis of numbers that cannot be ignored. In the last ten years law students in the United States have increased from 48,000 to 106,000. New admissions to the bar in 1963, was 10,788; in 1972 it was 25,086. The urgent demand for seats in law schools so far exceeds the supply that thousands of bright young people cannot be admitted. Reacting, the State University's Law School at Buffalo plans to expand to become the largest in the nation, a new school at Hofstra is firmly established and plans are well along for new schools at Queens College, Yeshiva University, Pace University, University of Rochester and Tauro College.

As a result we can easily foresee a doubling of the number of practicing lawyers within the next few years. Only the opening of a new market for lawyers' skills can absorb this new legal talent. Respect for the law's grand history is not inconsistent with recognition that large scale distribution is our only acceptable alternative to economic chaos in the profession. Fortunately, the potential demand for lawyers' services exists.

CHANGES NEEDED

What must we do? First of all, we must continue to make procedural reforms in the institutions which deliver legal services—courts, administrative agencies, private arbitration groups, civil legal services, criminal legal aid, consumer groups, and others.

Since Pound's often quoted attack on our court system more than a half century ago, efforts have been made by organizations such as the American Judicature Society, the law schools, the Institute of Judicial Administration, many bar associations, the League of Women Voters and others to improve the courts. Better methods of selecting judges, such as the Missouri system, and of disciplining them, such as the California system; modification of court practice and structure, such as in the federal and New Jersey systems; a growing interest in the modern paraphernalia of business management with the assistance of such groups as the businessmen's Economic Development Council in New York; and national programs for training court managers and judges, have helped improve our ability to meet growing demands for legal services.

But even these technical improvements have not been unopposed. Some judges and politicians resent the elimination of judicial privileges or the cutting off of patronage. Some plaintiff negligence lawyers fear no-fault plans that threaten loss of income. Some defense lawyers dislike simplified federal rules of civil procedure that make it easier to discover evidence necessary to prove a cause of action. Some prosecutors fight procedures requiring revelation of evidence to defense counsel.

FEDERAL RULES

The attempt to gut the recently adopted federal class action rules provides an example of such opposition. These rules, the result of hard fought reform, are proving effective in permitting many people with relatively small claims to join together to bring actions against substantial adversaries. Proposals by representatives of powerful defendants would make it more difficult to bring class actions.

Class action and other procedural reforms make it easier for every person to enforce rights. They test the credibility of our judicial system. Either we are committed to make reasonable efforts to provide a forum for the adjudication of disputes involving all our citizens—including those deprived of human rights, consumers who overpay for products because of antitrust violations and investors who are victimized by misleading information—or we are not. There are those who will not ignore the irony of courts ready to imprison a man who steals some goods in interstate commerce, while unwilling to grant a civil remedy against a corporation, which has benefited to the extent of many millions of dollars from collusive, illegal pricing of goods.

Effective enforcement of rights by the courts often requires changes in other institutions. In the case of prisoners, for example, lawyers must be made available in prisons and administrative remedies for prison grievances are required. So, too, a new attitude towards what should happen after conviction if people are to escape from the crime-punishment cycle requires a radical change in our corrective system and new attitudes on the part of private government employees. On these and other changes needed to better serve consumers of law, I have written elsewhere. What I would like to do here is touch on one aspect of the challenge we face in the delivery of legal services—the problem of providing effective counsel, both to the indigent and to the middle income citizen.

ASSISTANCE TO INDIGENT

Unless we are going to merely pay lip service to the Constitution and our democratic ideals, the means must be provided for everyone, including the poor, to vindicate their rights and make secure their constitutional protections. The legal services programs for the poor funded by governmental organizations have played, and continue to play, an important role in the administration of justice in this country. This role has two aspects—first, the need to effectively deliver justice to large masses of people who generally have neither the knowledge nor the assurance to use the law, and, second, the needs of the courts that must be met to be able to dispense justice on a mass basis.

Legal service programs, I believe, have gone far to achieve this first objective, since they do enable the poor to gain access to the courts.

The fight to preserve the federal Office of Economic Opportunity and like legal services programs must be continued. But changes must be made to make O.E.O. programs even more responsive to the needs to deliver legal services to the indigent. Among these changes are the following:

CHANGES OUTLINED

(a) Income limitations should be made more flexible. There is still some resentment by lawyers over what some of them believe to be loss of fees. This, for example, is apparently still a major problem for the New Haven Legal Assistance Association. I found it a serious obstacle when we were establishing the Nassau County program and I was amazed to see lawyers for the banks and large real estate interests teaming up with storefront lawyers from the black community to oppose the program. This form of opposition has been reduced in Nassau County since more lawyers now realize that more litigation benefits all of them economically and that protecting the rights of the poor is just. Perhaps fees should be charged on a sliding scale. A case that was started when the client was without funds might be retained after the client gets a job; some form of referral or joint representation to provide fees in these cases to private lawyers may need to be considered.

(b) Restrictions against criminal representation by O.E.O. programs should be reevaluated. Representing a whole family with many problems requires work with public and private social agencies, family courts, civil courts and sometimes criminal courts.

(c) Funding of legal services programs should be established on a long-term basis so that availability will not vary with changes in the mood of the legislature. Without such commitments it is impossible to attract able lawyers who cannot afford to sacrifice their careers and livelihood. Something should be done to reduce the nearly 50 per cent differential between starting pay in large law firms and in O.E.O. programs. Many students who would like to do this public work cannot afford to do so, particularly since they leave law school burdened by debts assumed to pay for their education. Many good lawyers must leave legal services when they want to establish families and can no longer work for minimal salaries.

Generally, payment for assigned counsel is too low. The fees in New York for private counsel for the poor in criminal cases encourages inadequate representation.

EXPANSION OF PARTICIPATION

(d) Local participation in federally funded legal services programs should be expanded—always keeping in mind that independence from political control by powerful groups in the community is essential. While lay persons should participate on boards of directors, it is important that professional responsibility of the lawyer to the client remain unimpaired.

(e) The lawyers should not be limited in utilizing actions against the government or legislation to protect their clients. They should have exactly the same freedom in this respect as they would representing private clients. Again, independence from political control by powerful groups in the community is vital if the program is to work well. Fortunately, the American Bar Association has recognized this and has fought for autonomy of legal services programs.

When I helped establish Nassau County's legal services program, as County Attorney of Nassau County and later as the first chairman of its Board of Directors, a major problem we had was asserting complete independence of government and representatives of large institutions who were afraid, with good cause, that our attorneys would assert our clients' claims effectively against them. How to keep those who control public funds from asserting operating control over an organization which will tend to make life uncomfortable for them is one of the most difficult problems in this area.

PROFESSIONAL QUALITY

Another aspect of the contribution of legal services lies in the highly professional quality of the services that they render. One cannot underestimate the dependence of judges on the attorneys who appear before them. When counsel comes into court fully prepared, delineates the issues to be decided and then thoroughly briefs those issues, he goes far towards assuring that the courts will operate efficiently and effectively.

The Nassau County program to which I referred earlier has demonstrated that praise of such programs is warranted. The program has averaged 3,100 new cases a year in a variety of areas affecting the poor—consumer fraud, employment, housing and family problems. Illustrative of this program's contribution is a recent case prepared exclusively by the Nassau County office, which eventually reached the United States Supreme Court, challenging a New York State law respecting the distribution of textbooks in the public schools, brought on behalf of school children who were denied textbooks solely because they were unable to pay the textbook rental fee required by the school district.

Nassau County, unlike some other areas in the country, is particularly fortunate because it also has a good Legal Aid Society providing help both in the civil and criminal courts. It also has an unusual clinical storefront program under the direction of a professor of Hofstra Law School, who was counsel to the Long Island Lighting Company, and is a leader in the county's major social and political structures. As a result he can give clients (and his students) the same kind of entre to those who control the county's powerful institutions as do the senior partners of the great law firms of the country. We may dislike the thought of elitism among lawyers, but ignoring it puts clients at a disadvantage. It is still generally true, as Professor Schrag of Columbia has said, that the very rich get the best lawyers and the middle rich the next best lawyers.

WELFARE TEST CASE

One test case in welfare litigation that I presided over demonstrates, both in the development of the law and in assistance to the individual, what can be accomplished by good legal services. This lawsuit, *Rosado v. Wyman*, raised a legal claim on behalf of a million poor people in the State of New York, a claim which was ultimately upheld by the United States Supreme Court. The case gave rise to major substantive and procedural issues, issues which had to be resolved in a short amount of time owing to the serious injury that the plaintiffs were suffering. The counsel who appeared for the plaintiffs, attorneys from the Center on Social Welfare Policy and Law (then closely associated with the Law School of Columbia University), produced the quality of work that one usually associates with the largest and most respected law firms in the private sector—extensive briefing, plus oral argument and the presentation of evidentiary data and live witnesses, respecting complex issues in a specialized field within a very rigid time schedule.

In sum, it has always seemed clear to me, first as a practitioner and later as a judge, that the merits of legal services should not only be evaluated by the benefits gained by individual clients of the program—which are by no means insubstantial—but also by the role it plays in the administration of justice in this country. Viewed in this light, at a time when our courts are in the throes of a severe crisis, with public confidence in their ability to respond to the demands of today's society properly being questioned, it would seem to be the height of folly to allow these programs for the poor to be emasculated.

A WAY TO REGAIN STATURE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. HUNGATE. Mr. Speaker, among the newspapers making various suggestions for a resolution of the current constitutional crisis is the Hannibal Courier-Post, published at Hannibal, Mo., in my district.

Its recent editorial follows:

A Way To Regain Stature

There is an uneasiness which accompanies the reading of the transcripts. It grows as the reader progresses, especially if he has been a supporter of President Nixon, voted for him, and wanted badly to believe he stood a safe distance from the Watergate quagmire.

All the reluctance, all the intricate legal manuevering to avoid turning over the tapes and transcripts is now only too understandable. That is to say, while no one can truly say that presidential privilege and executive immunity played no part in the reluctance, the revelations and insight given by the edited transcripts are damaging.

In a strict interpretation of the language of the Constitution, perhaps President Nixon still is not impeachable for "Treason, Bribery, or other high Crimes and Misdemeanors." The transcripts, however, may have impeached beyond repair the moral integrity of the Nixon Administration.

For there is a paucity of moral fidelity which pervades the transcripts. There is consideration of bribery, even though it was never in fact accomplished. There is consideration of obstruction of justice, and whether in fact justice was obstructed matters not for much in the minds of people who almost desperately want to believe their president is above even the consideration of such.

There is cynicism in the transcripts. There is almost shocking duplicity in the marathon conversations, especially in the way that close allies and friends are dismissed and sacrificed. There is precious little moral indignation and even less determination to exorcise the problem in a forthright manner.

It is possible that the transcripts do give credence to President Nixon's claim of innocence of any direct wrong doing, or any personal leadership in the cover-up operation. Generally, this is indicated by the conversations. But he seems culpable in his demonstrated failure to take positive action when he had the facts available.

On the whole, the President's performance on the transcripts was sad, disillusioning and less than the people who gave him his landslide victory in 1972 have a right to expect.

Not many people would enjoy having their private conversations exposed in print. But even allowing for human imperfection, people might well think the President of the United States to be on a higher moral and ethical level than the ordinary citizen; particularly a president who records all personal conversations on tape.

The general malaise that comes with reading might be attributed to learning more than we really wanted to know about what goes on in the oval office. And the President says now there will be no more tape or transcript revelations. We would agree with that position. That which has come is more than enough. The nation and the people are surfeit.

President Nixon might regain some stature, at least some sympathy, by resigning his office and allowing fresh leadership to restore moral and ethical credibility to the Republican party and to the nation.

FREDERICK M. GILLIES DIES

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. HANRAHAN. Mr. Speaker, the recent death of Mr. Frederick M. Gillies was a sad day for many of us from Illinois. I wish to pay my deep respect to his memory by entering the following article from the May 9, 1974 edition of the Chicago Tribune into the Record.

The article follows:

Never Knew Failure: Frederick Gillies, Steel Leader, Dies

Frederick M. Gillies a personable powerful steel industrialist whose colorful career ranged from football stardom to political honor died yesterday in South Suburban Hospital Hazel Crest. He was 78.

Mr. Gillies led a very active life in which he won honor after honor in everything he attempted. He knew no such thing as failure.

He was an All-American football star at Cornell University. He was an aviation pioneer, a daring pilot of rickety U.S. Naval aircraft that fought in World War I. He spent eight years as a bone-cracking star tackle for the old Chicago Cardinals. He helped George Halas coach of Bears.

He was one of the most respected executives in the American steel industry. He was one of Republicanism's grand old men, a spectacularly successful fund-raiser as chairman of the United Republican Fund of Illinois.

He survived a plane crash and a car wreck.

Mr. Gillies was born Dec. 9, 1895, in Chicago, the son of a steel company executive who had emigrated from Scotland.

"My father had a good job in the steel company, but he was old-fashioned enough to make me work during the summers," he said. "That's how I got into the steel business."

He gained vast expertise as a steelmaker, rising over the years to become general superintendent of giant Inland Steel. He left the firm in 1949 to go to Acme Steel—no Interlake Steel Co.—where he rose to board chairman before he retired.

His steel career did not dampen his enthusiasm for flying and football, however.

* * * * *

After the war, he played with a series of pro football teams—at one point as a teammate of George Halas—and wound up with the Chicago Cardinals. He also kept flying, and he narrowly escaped death in 1932 when a plane piloted by Eddie Stinson crashed in Grant Park. Stinson, the nation's leading aviator at the time, was killed.

During World War II, he helped Halas coach the Bears, and he devised programs for players to work in war plants in the daytime and practice at night.

In 1949, he was sent to Germany to help Germany's war-smashed Ruhr Basin recover its steelmaking capacity. After his retirement from Acme Steel, he spent nearly 10 years as chief Illinois fund-raiser for the Republicans, gathering money for candidates from Barry Goldwater to Sen. Percy.

Surviving are his widow, Blanche; a niece, Theo Nightingale, who was adopted by the Gillies and raised as their daughter, and a sister, Mrs. Marjorie Jaicks.

IMPEACHMENT AND ISRAEL

HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. PODELL. Mr. Speaker, with the latest Watergate revelations coming out of the Judiciary Committee and the ubiquitous "informed sources," the talk about the likelihood of impeachment is more than mere conjecture. I think it is safe to say that the Judiciary Committee will recommend, and that the House will vote, a bill of impeachment against President Nixon.

Whether the President will actually be convicted by the Senate is still in the realm of conjecture, but each day he loses more support among those he once thought he could rely on implicitly. First, Barry Goldwater, then James Buckley, and finally Senate Minority Leader Hugh Scott, have turned their backs on the President. Hugh Scott, who once backed the President as strongly as George McGovern backed Thomas Eagleton, is now calling the President's actions, as revealed in the transcripts of the White House tapes, "deplorable, disgusting, shabby, immoral performances." Senator Scott once thought the President could do no wrong. Such changes in attitude as this lead me to believe that impeachment and conviction of President Nixon may well come to pass before the end of the year.

This is not meant to be a learned legal discourse on what is an impeachable offense. The Constitution itself is infuriatingly vague on just what an impeachable offense is, other than that it be a "high crime or misdemeanor." Vice President Gerald Ford, when he was minority leader of the House of Representatives, said in a different but still applicable context, that an impeachable offense is whatever the Congress says it is. The Congress, from all indications, appears to be so thoroughly disgusted with the way the President has abused the powers of his Office for his own aggrandizement, that they may finally be prepared to find that he has obstructed justice in the Watergate coverup, and assess him with blame for the whole sordid mess.

It is, therefore necessary to start thinking in terms of contingencies. If Nixon is impeached, what then for this country? What kind of President will Gerald Ford make? Will there be any radical changes in American foreign policy? Currently there are crucial talks underway between the Secretary of State and the heads of state of Israel and Syria, that will hopefully lead to a disengagement along Israel's northern frontier. Will the impeachment of President Nixon bring to an end our efforts to bring peace to the Middle East?

Frankly, I do not think that Israel's security, or any other aspect of our foreign policy will be jeopardized in any way if Nixon is impeached. It is true that Nixon's foreign policy has been quite good. In recognizing Communist China, in attempting to end the cold war with Russia, in trying to redefine our relations with Western Europe, he has done a great deal to make his "generation of peace" a reality. His choice of Dr. Henry Kissinger as Secretary of State should be applauded by all. Dr. Kissinger's current efforts in trying to work out a Middle East settlement are truly remarkable. In fact, it is because of Henry Kissinger that the President has been able to implement his foreign policy. The President may come up with great ideas, but it is Dr. Kissinger who gets them to work.

That being the case, would Kissinger resign if Nixon is impeached? I do not think so. President Nixon has chosen, in GERALD FORD, a Vice President who is totally committed to the policies put forth during the past 5 years. GERALD FORD, in his confirmation hearings before the Senate last year, demonstrated himself to be an honest and capable politician. I know GERALD FORD from the years of our service together in the House of Representatives. He has a long and distinguished record of friendship for Israel. In fact, he is known to have supported Israel far more strongly than President Nixon. I would seriously doubt that he would change the Nixon policies in the Middle East.

Further, the Secretary of State has his own reputation riding on the outcome of the current round of shuttle diplomacy. It is inconceivable that Henry Kissinger would up and leave a job half done because Nixon was impeached. I think that Kissinger will see things through to a final settlement, no matter how long it takes. And I think he will exert the considerable powers of the American Government to make sure that whatever peace agreement is realized will be one that Israel can live wth.

On the other hand, there are compelling reasons for impeachment, reasons which every concerned citizen must be aware of. To begin with, impeachment, in my view, is the only way this issue will ever be resolved. The President is right when he says that the Watergate problem should be put aside, so that we can get on with the business of running the country. But we cannot put the question aside until all our questions about the President's involvement and other possible wrongdoing have been satisfactorily answered.

It has become necessary, in order to make sure the truth will come out undiluted and unexpurgated, to have the House of Representatives vote a bill of impeachment, and have the Senate sit as a jury on the charges against the President. Let them make the ultimate decision and resolve the issue once and for all. Once that is done, I think it is fair to say we will never hear the word "Watergate" again.

What is a high crime justifying impeachment is that a man who is President—and thereby charged with the responsibility of governing 210 million Americans—believed that he was so far above the law that he could do what he chose to do, without regard for either the Constitution or the laws which govern us all. The President is a citizen, just like the rest of us. And, just like the rest of us, he must answer to the law, and act in accordance with it. He cannot consistently hide behind a purely theoretical claim of executive privilege to avoid having to answer legitimate inquiries about possible wrongdoing by him and his subordinates. He cannot say, through the mouth of his attorney, that he would even defy the Supreme Court of the United States for the sake of preserving the integrity of the Presidency.

The Presidency, both present and future, has already suffered great damage. An individual who takes advantage legally of tax loopholes is commonplace. It is the fault of the Congress for leaving so many loopholes and for making them so generous. But for a man to predate a deed of gift in order to take advantage of a loophole, is a crime. When a President does it, it is a high crime. It is another example of how Richard Nixon, who swore an oath on the Bible to uphold the Constitution and faithfully execute the laws of the United States, has placed himself above the Constitution and the laws. It is an attitude that threatens all our most cherished democratic principles. It is frightening, and we must put a stop to it, for the good of the country.

Furthermore, the President is a great believer in strong-arm politics. It was revealed in the transcripts how little he thinks of the congressional leadership. Speaking about CARL ALBERT, the Speaker of the House, he said, "If he doesn't go along, go get him." I still remember when President Nixon sent one of his emissaries to my office to enlist my support for the President's Cambodia policy. This man told me, "The President wants to know who his friends are." If it were not so serious, this, combined with the vulgar language and secretive plottings, would bear a laughable resemblance to a syndicate mobster plotting a caper.

For those Jews who feel as I do about the need for strong American support of Israel, I have one more word of warning. Though we may look at Nixon as a benign malevolency, we must always remember that the first line of defense any minority group in this country has against discrimination and oppression is the Constitution. This must be backed up by a President and executive branch who respect both the Constitution and the minority groups that the Constitution seeks to protect. A President who flagrantly disobeys the law, who cloaks himself with a trumped-up theory of what he thinks is constitutionally justified executive privilege, and who refers to minority group members as "those Jews" or "the wop," is not the kind of person we can expect to protect our interests.

The American policy toward Israel has been 25 years in the making. Despite some reverses, such as the infamous Rogers plan, that policy has been one of acting in the combined best interests of Israel and the United States. It has been a policy that has evolved as Israel has evolved, a policy of growing maturity and sophistication that has kept pace with Israel's growth as a mature political entity. It has not been a policy of expediency or crisis management, but one designed for the most part to further the legitimate interests of both Israel and the United States.

Yes, there have been setbacks, such as the Rogers plan and the recent Security Council vote in which the United States broke a promise to Israel and cast a pro-Arab vote. But time and again, an equilibrium has been reached that has taken into account the changes both in this country and the political situation in Israel. This has been the case since 1948, through the administrations of five Presidents, and will continue to be true no matter what actually happens to President Nixon as a result of Watergate.

The Jewish community, although by and large it tends to be liberal and democratic, is conservative as far as America's relations to Israel are concerned. They feel that they have a good thing going and want to hang on to it. The point is, the good thing will still be there even if President Nixon is not.

The President has brought disgrace not only on himself, but on the Office of the Presidency, on the executive branch of the Government, and on the Nation as a whole, by his conduct in the last year and a half of the Watergate affair. I firmly believe it would be better for this Nation in the long run if he were to be removed from office through the constitutional process of impeachment. I believe also, just as firmly, that such a train of events would not harm our traditional good relations with Israel.

Fear for Israel is a false issue, and should be laid to rest, so that we can look at the questions of Watergate and impeachment as American citizens concerned for the ultimate welfare of our troubled Nation.

NIXON HEALTH PLAN LIMITS CONSUMER ROLE TO PAYING BILLS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. ROSENTHAL. Mr. Speaker, the health care proposal President Nixon spoke of today in his speech from Florida is a proindustry, anticonsumer program that would give consumers no direct voice in our health care system.

The only role consumers would have under this plan would be paying bills. The same goes for employers.

The Nixon plan is not really national health insurance because it contains no substantive commitment to reforming the Nation's health care system and would deny coverage to millions of Americans. The deductible and copayment features are so high that only one American in four would get any benefits in a given year.

The proposal also lacks meaningful cost controls and would thereby cost Government and consumers untold billions—far more than any plan now before the Congress. It would put the system in the hands of the private health insurance industry, which has traditionally shown far greater interest in wealth than health. That industry must bear a large portion of responsibility for today's skyrocketing medical costs. The Nixon plan would bring the companies a $7 billion profit windfall.

The Nixon plan also provides strong incentives for employers not to hire—and thereby have to offer health insurance benefits to—the elderly, handicapped, and others most in need of medical attention and insurance coverage, because employers would have to pay premiums based on their workers' risk factor. The proposal also would mean higher out-of-pocket costs for the elderly, indigent, and some veterans.

The essential key to health care reform is a fundamental shift in emphasis from crisis medicine to preventive medicine, yet the administration program excludes preventive care for adults.

It does not assure that everyone would receive needed medical coverage, because it is a voluntary program that guarantees large gaps in medical coverage and little improvement in the quality and cost of health care for most families.

Consumers must have a major voice in setting policy and running the system if it is to be truly responsive to the needs of the American people.

GUNPOINT DIPLOMACY

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. WOLFF. Mr. Speaker, the reaction of the civilized world to the slaughter of Israeli children in Ma'alot has been swift and highly critical not only of the sorry band of Arab terrorists but of the Arab nations which aid the terrorists' pathetic cause.

An editorial in the Daily News is a good example of the condemnation of the terrorists and the countries which harbor them, and I insert it in the RECORD for the attention of my colleagues. The editorial follows:

> [From the New York Daily News, May 16, 1974]
>
> GUNPOINT DIPLOMACY
>
> A band of Arab terrorists sneaked into an Israeli settlement near the Lebanese border yesterday and held 85 teenage children hostage, demanding the release of 20 Palestinian 'commandos' arrested in previous outrages.
>
> U.S. Secretary of State Henry Kissinger, who was in Jerusalem when the guerrillas struck, immediately denounced the attack as 'mindless and irrational,' as well as a threat to his continuing effort to bring about peace in the Middle East.
>
> Insane as it may seem to the world at large, the perpetrators of the cowardly onslaught appear to have just that objective in mind.
>
> Invasion of the school at Ma'alot came just as Kissinger's marathon, shuttle-hopping efforts to achieve a disengagement of Israeli and Syrian forces were at their most delicate point. The American diplomat was, in fact, awaiting Israel's reply to Damascus.
>
> The raid certainly will heighten the fears of those Israelis who oppose even limited pull-backs from occupied Syrian territory because of the peril it would present to exposed settlements along that volatile border.
>
> Only last month, the same band of jackals tried to wreck Kissinger's mission before it began by killing 18 Israelis in an assault on the village of Kiryat Shemona.
>
> Despite the obvious intent of these brutal raids, supposedly responsible Arab governments refuse to treat the guerrillas like the criminals they are. By turning their backs, they aid and abet the terrorists' attempts to sabotage peace negotiations.

1969 SENATE REPORT SUPPORTS VANIK AMENDMENT TO OIL WINDFALL PROFITS TAX BILL

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. VANIK. Mr. Speaker, on Tuesday, May 21, I am requesting that the House Rules Committee provide a modified rule to permit me to offer an amendment to the Oil and Gas Energy Tax Act which would:

First, terminate the overseas use of the intangible drilling expense; and

Second, change the foreign tax credit for oil and gas production overseas to an ordinary business deduction.

My amendment is designed to eliminate present incentives for overseas oil exploration and investment and encourage oil companies to increase the level of their investments here in the United States. The amendment is designed to support the drive for energy independence.

Some might argue that the Ways and Means Committee has already taken action to end incentives for overseas oil investment by eliminating the percentage depletion allowance abroad. But this is an insignificant action—as was admitted by the Senate Finance Committee report to the 1969 tax reform bill.

In addition, the Senate Finance Committee report to the 1969 tax reform bill also described how foreign nations use the foreign tax credit and the U.S. taxpayer to subsidize their overseas operations. The quotes from the 1969 committee report are a perfect argument in support of my amendment to convert the foreign tax credit on oil and gas to a deduction.

The quote from the committee report, with emphasis added, is as follows:

> The Committee also does not believe it is desirable to eliminate, as the House bill would do, percentage depletion on foreign oil and gas wells. This probably would *not* result in a significant increase in U.S. revenues since foreign countries probably would raise their tax rate on income from oil and gas production and thereby reduce, because of the foreign tax credit, any additional revenues the United States might receive. *Indeed, the committee was advised that some countries have provisions in their taxing programs automatically increasing their tax to take advantage of higher U.S. taxes which can be offset by our foreign tax credit.* Thus, the end result of eliminating percentage depletion on foreign oil and gas deposits would merely be to increase the foreign tax burden imposed on U.S. businesses. This result is indicated by the fact that while the U.S. revenue gain from this provision of the House bill is expected to be $25 million in 1970, it is expected that by 1972 *this U.S. revenue gain will have decreased to a negligible amount.*

ALAMEDA HIGH'S 100TH BIRTHDAY

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. STARK. Mr. Speaker, next weekend, May 25–27, Alameda High School in Alameda, Calif., will hold its centennial celebration. An exciting schedule of events has been organized by the students, teachers, administrators, alumni, and friends of the school. I would like to take this opportunity to congratulate all the participants for their outstanding efforts on this historic occasion and share a little of Alameda High's colorful history with my colleagues.

In the early part of 1874 the need was felt in Alameda for a preparatory school for students who had finished their grammar education and in April the first Alameda High School was organized. It was located in Boehmer Hall, a single room over Elbe's Drug Store. The school quickly outgrew the single room and by 1875 a new, three-story wood school building had been completed and put into use—the student body, 80 in number, and the full faculty, both of them, were elated.

By 1904, Alameda High had grown in size and expanded into other buildings, temporary bungalows and the Park Street "Opera House." The 372 students kept the faculty—by now an even dozen—busy and happy.

Finally, in 1925, the magnificent Alameda High School was erected. The building is still in daily use and the faculty, now over 100, instructs 1,800 students in the ways of new math, old Latin and all the components of a modern education.

Alameda High's centennial celebration will combine the traditions of yesterday with the challenges of tomorrow. One of the participants on the celebration, Mr. Van Cleve—class of 1918—has recalled what Alameda High was like when he was a student 60 years ago. His colorful description effectively conveys the changes and "nonchanges" that have occurred.

Mr. Van Cleve writes:

> During my four years, September 1914 to June 1918, Dr. George C. Thompson was our principal. Though some considered him too fussy, we all loved him for his unconscious humor. He was always fair and a fine administrator. School morale was high (no pun intended). We usually had a great baseball team, a fair rugby team (American football not being played in those days), and we were not too bad in basketball and other sports. Remember our student body was something under 500.
>
> Very few of the pupils smoked cigarettes, none openly, and there was no drug or dope problem. Some of the wealthier families had automobiles (Franklins, Stutz Bearcats, Graham-Pages, Maxwells, to mention a few models I recall), which the students were allowed to drive to school on rare occasions when some activity made a transportation problem a good excuse. Most of us had bicycles we rode in fair weather. In bad weather it was a long walk from the "west end of town."
>
> So, either we rode the Oakland Traction Company "trolleys" that ran on Santa Clara Avenue, San Jose Avenue and Park Street, or the Southern Pacific "red trains" that ran on Central and Lincoln Avenues. On the latter one could buy a book of pink tickets that made each ride cost only 2½ cents. I say "only 2½ cents" but in those days 25 cents bought a full cut of round steak and the butcher gave us a slice of bologna or a frankfurter with each purchase. Also he gave us liver for the cat for nothing, along with several big beef bones to make soup.

I am confident that next weekend's celebration will guarantee a fun and exciting time for all and again I want to compliment all the people who have made it happen.

U.S. CITIZEN NOT ABLE TO LEAVE RUSSIA

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. HANRAHAN. Mr. Speaker, on Friday, May 17, 1974, our Embassy in Moscow issued a U.S. passport to Mrs. Marija Kudirka Sulskiene, the mother of Lithuanian seaman, Simas Kudirka, thereby officially recognizing her as a citizen of this country. However, she has not been able to secure permission from the Soviet Union to leave.

In view of this new development in this case, I would like to have printed in the Record, the following letter I have received:

> May 18, 1974.
>
> *To Congressman Robert P. Hanrahan:*
>
> Since you have been a driving force on behalf of Simas Kudirka and his family, we address this letter to you.
>
> In view of the imminent arrival of the Soviet lobbyists, please make your colleagues aware of the issues involved. This week a high level Soviet delegation is scheduled to lodge a lobbying compaign on Capitol Hill for liberalized trade, huge credits and other concessions. Before any discussions and negotiations on trade can begin, attention should be drawn by American Congressional representatives to transgressions against the basic human rights of American citizens in the Soviet Union who are being prevented from returning to the land of their birth.
>
> On March 25, 1974, the New York Times printed a list of twelve American citizens to whom exit visas are being consistently denied by Soviet authorities. This group now includes Marija Sulskiene, born in Brooklyn, New York. She is the mother of Simas Kudirka, the Lithuanian seaman, who was shamefully denied political asylum on board the U.S. Coast Guard cutter Vigilant, on November 23, 1970, and returned to the Soviets to be subsequently sentenced to a ten year term in a Soviet prison camp. Mrs. Sulskiene, on April 28 was prevented by Soviet authorities from reaching the American Embassy in Moscow to register as an American citizen.
>
> In her case, the Soviet government had violated a Consular Agreement of 1968, in which it pledges that it would "in no way restrict access to U. S. Consular establishments" and guarantees "that U. S. Consular Officers can carry out their duties," including the registration of United States nationals.
>
> There have been repeated arrests when either she or her representative, Sergei Kovalev, tried to reach the U.S. Embassy (Reuters, UPI, AP wire service releases, May 9, 1974).
>
> The danger to her still persists.
>
> Last Friday Mrs. Sulskiene finally reached the United States Embassy in Moscow. She was given a United States passport and thus officially recognized as a citizen of the United States. She still does not have a Soviet exit visa, and is being intimidated by the KGB.
>
> In response to requests that restrictions against immigration from the Soviet Union be lifted, the Soviets have maintained that this constitutes interference in their internal affairs. By no stretch of the imagination can such a claim be considered applicable where United States citizens are concerned.
>
> We appeal to our Congressional representatives in the Senate and House of Representatives to make the Soviet delegation aware that the release of United States nationals who are being held against their will in the U.S.S.R., and cessation of the semi-siege of the United States Embassy in Moscow are non-negotiable to any discussions.
>
> Mrs. Daiva Kezys,
> *President,*
> *Americans for Simas.*
> Dr. Roland Paegle,
> *Chairman,*
> *Seaman's Education Federation.*
>
> P.S. We express our sincere thanks to all Members of Congress who co-sponsored the resolution on behalf of Simas Kudirka.

SEVERE BLOW TO MIDDLE EAST PEACE INITIATIVE

HON. EDWARD MEZVINSKY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. MEZVINSKY. Mr. Speaker, the Palestinian guerrillas have dealt a severe blow to the latest Middle East peace initiative. The senseless slaughter of children in Maalot has sent us reeling back into the futile cycle of violence just when the hope for a Middle East peace seemed the brightest in 26 years. The recent barbarism and retaliation have only served to increase the bitterness on both sides, seriously undermining the search for a lasting peace.

Astonishingly, the commandos insisted that their purpose was not to disrupt the ongoing peace initiative, but to win the Palestinians a major role in the Geneva peace talks. I believe that it has been clear for a long time that the Palestinian people must be represented in any peace settlement and I cannot help but wonder if the Palestinians are not once again being used as pawns in this struggle.

I am hopeful that those parties in the Arab world who are truly concerned with the welfare of all the peoples of the area will disassociate themselves from such senseless acts of violence and return to the serious business of negotiating a just and lasting peace.

TAX REFORM

HON. MARVIN L. ESCH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. ESCH. Mr. Speaker, during the past few months, considerable concern has been expressed over legislation introduced in the 92d Congress by Chairman Wilbur Mills to eliminate all credits and deductions allowed under existing tax law. Of major concern are the provisions which would do away with deductions allowed for contributions to schools, churches, nonprofit hospitals, and other nonprofit organizations.

While I would accept the fact that Mr. Mills' committee should look into all tax deductions as a matter of procedure, I cannot be more emphatic in stating my belief that we must oppose any move to eliminate deductions for contributions to religious, scholastic, and other institutions.

One of the basic freedoms of the American people under the Constitution is the right to support and contribute to churches, hospitals, and educational institutions of their own choice. Our current tax laws recognize and support this freedom by allowing such a freedom of choice, and in fact, encourages such support. This is particularly true of religion, where the separation of church and state is critical to the maintenance of a free society. The one factor that differentiates our country from others is the strong contribution to the communities of our schools, our churches, our institutions of higher learning and our other nonprofit activities. We must recognize that voluntary giving and contributions should be encouraged as a national policy rather than discouraged.

I strongly support tax reform, and have so indicated on many occasions. I have also outlined areas where I believe changes must occur. For example, I have supported the elimination of the oil depletion allowance, will support retaining deductions for contributions of medical supplies to charitable organizations, and believe that the law regarding tax shelters, municipal bonds, and capital gains must be examined.

Chairman Mills has indicated his intention to review our tax laws during this session, and I support this critically important move. However, I will not support legislation that curtails incentives to contribute to our Nation's schools, churches, and hospitals, and I would hope that the Ways and Means Committee would not lose sight of the intent of the law in this regard when reform is ultimately considered.

SURVEY ON NATIONAL ISSUES

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. OWENS. Mr. Speaker, I recently completed a survey of the citizens of Utah's Second Congressional District. The questionnaire was filled out by over 2,000 people, many of whom attached lengthy and detailed letters expressing their views. I was impressed with the informed interest of my constituents in the issues of the day. The citizens of the Second District rated these national issues in the following order of importance:

1. Inflation,
2. Energy,
3. Impeachment and Watergate,
4. Tax reform,
5. Environment,
6. Budget,
7. Crime,
8. Congressional reform.
9. Health,
10. Foreign Aid.

The results of the rest of the questionnaire are as follows:

[Answers in Percent]

2. Have you made a deliberate attempt to conserve supplies? yes ---- no----. If yes, How?

Yes	97
No	1
Reduce temperature	80
Drive slower	92
Drive less	81
Car pool	13
Bus more	6

3. Have the major oil companies improperly contributed to energy shortages and high prices?

Yes	81
No	12

4. Do you support an oil price rollback to $7.09 per barrel of crude oil, prices controlled at present levels, or no controls at all?

Rollback	51
Present controls	11
Uncontrolled	27

5. Do you feel that environmental standards should be selectively and carefully relaxed until we overcome our energy problems?

Yes	63
No	34

6. Have wage and price controls been fairly applied to all elements of the economy?

Yes	5
No	91

7. Should Congress vote to extend authority to the President to impose wage and price controls when the economic stabilization program expires on April 30?

Yes	28
No	65

8. Some feel that price controls should remain on certain industries. Which, if any, of the following do you feel should continue to operate under price controls?

Petroleum	52
Health	36
Construction	26
Food	39
None	30

9. Do you support a tax cut to stimulate what some feel is a sagging economy, or do you think that this would aggravate our inflation problems?

Tax cut needed	40
Too inflationary	44

10. Do you support a balanced budget even in times of sagging economy?

Yes	74
No	20

11. Do you support expanded trade with China and the Soviet Union?

Yes	52
No	41

12. Do you think that the House Judiciary Committee has been fair and responsible in handling the impeachment inquiry thus far?

Yes	63
No	30

13. Should the President and his lawyers be allowed to determine which evidence should be given to the Judiciary Committee?

Yes	18
No	75

14. Who is most responsible for the delay in resolving the impeachment question, the President or the Judiciary Committee?

President	59
Committee	26

15. I have stated that if the hard evidence clearly indicates that the President has obstructed justice by covering up serious wrong-doing by subordinates or that he committed other offenses of a very grave nature, that I will vote for a bill of impeachment. Do you agree with that decision?

Yes	85
No	12

16. Do you rate the Congress' performance as:

Excellent	3
Satisfactory	32
Unsatisfactory	58

LITTLE PEOPLE'S GOLF TOURNAMENT

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. FINDLEY. Mr. Speaker, young people derive great moral and physical benefits through athletic endeavors. Some of my best childhood memories are those of time spent participating in athletic activities. Today I still play tennis as often as time permits.

You can therefore understand my considerable pleasure when the Illinois General Assembly passed a resolution honoring the Little People's Golf Championship to be held in Quincy, Ill., in June of this year.

This tournament will be the first of its kind ever held in the midwest. It is designed to foster and reward an interest in golf for boys and girls ages 3 through 16.

The Little People's Golf Championship is being supported through the generous aid and assistance of two Illinois businesses, the Pepsi-Cola Quincy Bottling Co., and the Bergman Meat Packing Co. A number of private citizens have devoted a tremendous amount of time and energy to insuring that the tournament for golfing youngsters is a success.

I am delighted that boys and girls will have this opportunity to meet and take part in this athletic adventure.

At this point, I insert in the Congressional Record the resolution of the Illinois General Assembly, commending the tournament and wishing it every success:

House Resolution

Whereas, The Little People's Golf Championships, the first national tournament of its kind to be played in the Middle West, will take place in Quincy, Illinois, at Cedar Crest Country Club June 24–26, 1974; and

Whereas, The Little People's Tournament will pit golfers of ages three through 15 in six divisions for boys and six divisions for girls; and

Whereas, The Little People's Tournament will send a maximum of four of its winners on al-expense-paid trips to Orlando, Fla., to compete in the 1974 International Pee Wee Golf Championships; and

Whereas, The Little People's Tournament will include a Golf Clinic to be presented by Marilynn Smith, a noted professional on the Ladies Professional Golf Association Tour; and

Whereas, The Little People's Tournament will include a flag-raising ceremony presented by the Catholic Boys High School Band; and

Whereas, Mr. and Mrs. Chuck Ryan have been named Co-Chairmen of the event and, along with Cedar Crest Country Club, all Committee Chairmen and Committee Members, are in the process of insuring that the tournament will meet with great success; and

Whereas, This opportunity for young golfers is being Co-Sponsored by Pepsi Cola Quincy Bottling Company of Quincy and Bergman Meat Packing Company of Pittsfield; and

Whereas, This opportunity for young golfers is being supported by Quincy and Quincy area residents and businesses; and

Whereas, Any opportunity for young citizens of the United States to meet and to participate in athletic endeavors is to be encouraged and applauded by the people of the State of Illinois, and especially by this House; therefore be it

Resolved, by the House of Representatives of the Seventy-Eighth General Assembly of the State of Illinois, that we commend and congratulate Cedar Crest Country Club and its members, the Co-Chairmen, the Sponsors and all who are participating in the planning and operation of the Little People's Golf Championships at Cedar Crest Country Club June 24–26, 1974; and be it further

Resolved, that we wish all participants and officials of the tournament every success in this and succeeding events; and be it further

Resolved, that a suitable copy of this preamble and resolution be presented to Mr. and Mrs. Chuck Ryan, for acceptance on behalf of all people affiliated with the 1974 Little People's Golf Championships.

DR. ROBERT HUBER OF UNIVERSITY OF VERMONT RECEIVES ACADEMIC HONORS

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mrs. HECKLER of Massachusetts. Mr. Speaker, I recently had the honor of judging the Fulton Student/Alumni Prize Debate at Boston College. One of the high points of the program was the participation of Gov. Thomas Salmon, Democrat of Vermont. Governor Salmon, a former classmate of mine at Boston College Law School, is an alumnus of the Fulton Debating Society who participated in the event in 1954 as a foremost senior debater. Such is the quality of Fulton debaters.

This year's program was distinguished by the reading of a citation dedicated to Dr. Robert Huber, retiring Director of Forensics at the Univerity of Vermont. Dr. Huber was a most deserving recipient of The Fulton Debating Society's "Coach of the Year" Award. For nearly 30 years Dr. Huber has been recognized as a teacher among teachers, a debater among debaters. Mr. Speaker, the citation and achievements of Dr. Huber, read by Dr. Norman London, chairman of the Department of Speech and Theater of the University of Vermont, deserve widespread recognition. At this time I would like to read the citation into the CONGRESSIONAL RECORD:

CITATION

Robert Bruce Huber you have brought scholarship and honor to this University for close to three decades. Arriving in 1946 to found the Department of Speech and Drama you have administered, taught and advised countless numbers of students and faculty with care, concern and wisdom. Your expertise and leadship in forensics have provided national recognition for this institution and a degree of professional respect from your colleagues unequalled in the discipline. You have served your University, your State, and your Profession with diligence and zeal, while always keeping foremost among your priorities the dignity and worth of each student. We are proud to honor you—you who have done so much for us.

WILL WE SUBSIDIZE THE SOVIETS AGAIN?

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. GAYDOS. Mr. Speaker, many of us are beginning to feel like the fellow facing his second hurricane who shouted: "Hold onto your hats, here we go again."

The reason for this is found in two news reports of recent date, both of which appeared in the prestigious business publication, the Wall Street Journal.

One was a dispatch from Moscow which quoted Izvestia, the government newspaper, as expressing official concern for the state of the 1974 spring crops in Russia which account for about 60 to 70 percent of the country's annual grain output. Izvestia added:

> In the strategic regions of the Russian Federation only 21.7 million acres of Spring crops have been sown, off from 54.3 million last year.

The other news report, also from the Journal, has the National Corn Growers Association here saying that we will be "lucky" to harvest a corn crop of 6 billion bushels, up 6 percent from 1973, while present demand makes an 8 percent increase mandatory.

These items, it seems to me, are warnings of another harvest time approaching in which the Soviet Union will be into our grain tight market again and that, unless some understanding is reached right now, the American people can be taken for another hayride by our "détente diplomats" who negotiated that Russian steal of our wheat surplus 2 years ago.

Are we going to allow this to happen again? Must we grab our hats once more?

It should not soon be forgotten that, in catering to the Russian needs in 1972, our negotiators locked us into a bargain-basement price on the wheat sold, thus giving what amounted to a sizable subsidy to the Soviet Union and creating a shortage here which brought about price boosts in all grains and grain products and a severe shot of inflation generally. Indeed, the effects of that sorry deal continue to be felt to this very day.

Now, with concern being expressed over our corn crop and with the Soviet grain plantings generally below expectations, we can see coming a new phase of the Nixon administration's détente in which we may be compelled to share with the Russians in another demonstration of that vaunted new-found amity. If this becomes the case, then we had better prepare ourselves for another round of soaring food prices as feed grains account for most of the cost of meat, milk, and eggs, the very products in which the housewife has been noting some price easing lately in the supermarkets. Is the American family budget to be battered again in the Soviet interest?

It is important to remember that the Kremlin leaders who had seemed so eagerly cooperative in 1972 suddenly cooled off toward us once Russia got our wheat and even threatened for a time to contest our efforts to bring about a settlement in the Middle East. Now they have turned friendly again, perhaps flashing a sign thereby of their concern over the coming grain harvest and their hope of making new bargain purchases here. Will we fall for this line again?

I have been provoked, and I know countless other Americans have been too, at the ironic fact that this Nation in the last Russian grain shortage crisis actually underwrote the Soviet socialistic system and its gross inefficiencies—the very system against which we maintain a back-breaking Defense Establishment for our protection. Also, it needs to be made clear that Russian grain shortages are a modern phenomenon, indeed a cruel mark of the Red failures. Before the Communists took over, the Russian people had a sufficiency of food. The Ukraine was one of the world's great grain baskets. The kulak kept his family, his workers, and his nation fed.

The commissars, of course, changed that. They purged the free farmer and introduced the collectives, and the result has been not only brutality in Russia, but a recurring inability to keep the Russian masses properly nourished. In 1972, we gave the Red regime our wheat and suffered scarcities and high prices here in consequence. I do not want this repeated in the coming summer and certainly not under the arrangements made 2 years ago when we sold our wheat at a price far under what it cost the U.S. taxpayer to have it produced.

FINANCIAL DISCLOSURE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. STARK. Mr. Speaker, I have today released a statement setting forth my income, taxes, and financial holding for 1973. I would like to take this opportunity to include this statement in the RECORD, as I strongly believe this information should be of complete public record.

The statement follows:

FINANCIAL DISCLOSURE

Rep. Fortney H. (Pete) Stark today released a statement of his income, taxes and financial holdings for 1973.

Stark (D-Oakland), a former banker, said "I believe a public office holder is obligated to assure the people who elected him that he is obeying the tax laws and is not using the office to advance his own financial interests."

"For this reason, I am disclosing my current financial status and will make additional information public as soon as available."

He said his 1973 income tax returns are not yet completed, but that he was granted an automatic extension to June 15 upon payment of over $500,000 in federal taxes and $120,000 in state taxes. He also paid more than $146,000 in real estate taxes.

Stark's income tax figures are high, he said, because of capital gains from the sale of his interest in Security National Bank. Stark founded the bank in 1963 in a small Walnut Creek office and built it into a multimillion dollar, five branch system over a period of nine years. He sold his interest after being elected to Congress.

His 1973 income included capital gains of under $4,200,000, congressional salary, interest income of less than $122,200, dividends of under $2,000, income from trusts of less than $31,000, and miscellaneous income of about $10,000. His financial holdings are equity in real estate holdings including a home in Washington, a home in California and commercial properties, amounting to approximately $2,500,000; commercial paper worth $142,000; municipal bonds worth $350,000; common stocks with a market value of about $170,000, and notes receivable totaling $281,000.

He also has interests in a natural gas production venture, and a geothermal energy development operation on which no market value can be established.

He said that when his tax returns are completed he will be in a position to answer specific questions on any aspect of his financial position.

REPRESENTATIVE RONCALLO CLEARED

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. LENT. Mr. Speaker, I should like to join today in welcoming my good friend and colleague, ANGELO RONCALLO, back to the House after a harrowing ordeal in which his personal integrity was assailed. A jury of his peers acquitted him, in short order, of any wrongdoing.

It is good to have Congressman RONCALLO back here in the House, and I am certain he will now resume the fine representation he has always given his Third Congressional District constituents, without the distractions that have forced him to reestablish the fact that he is a good and honorable public servant.

I know I can speak for my many Long Island neighbors in the towns of Oyster Bay and Huntington in saying that we are delighted with the outcome.

QUESTIONNAIRE RESULTS

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. GROVER. Mr. Speaker, I am pleased to submit for the RECORD and the interest of my colleagues the results of my annual questionnaire as compiled by a nonpartisan data processing firm.

A great number of my constituents commented at length or in brief on the subjects of the questionnaire and other great issues of the day, making the annual project an excellent vehicle for prompting exchange of views between Representative and constituent.

The results are as follows:

Question	Yes	No	Undecided	Total
1. Should President Nixon be impeached?	6,613	9,003	836	16,452
Percent	40.2	54.7	5.1	
2. Should President Nixon resign?	7,060	8,320	1,072	16,452
Percent	42.9	50.6	6.5	
3. Do you believe the fuel shortage has been contrived by large oil companies?	14,293	1,530	629	16,452
Percent	86.9	9.3	3.8	
4. Do you favor gas rationing?	3,371	12,252	829	16,452
Percent	20.5	74.5	5.0	
5. Do you favor foreign aid?	4,563	10,844	1,045	16,452
Percent	27.7	65.9	6.4	
6. Do you favor a constitutional amendment to protect the unborn?	6,619	8,792	1,041	16,452
Percent	40.2	53.4	6.3	
7. Do you favor drilling for oil off Long Island's shore?	6,938	8,689	825	16,452
Percent	42.2	52.8	5.0	
8. Do you favor operating subsidies for railroads?	9,422	5,918	1,112	16,452
Percent	57.3	36.0	6.8	
9. Should the sewer program for Suffolk County be continued?	9,968	5,591	893	16,452
Percent	60.6	34.0	5.4	
10. Do you favor amnesty for draft evaders and deserters in the Vietnam war?	4,298	11,458	696	16,452
Percent	26.1	69.6	4.2	

BUDGET REFORM

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. SARASIN. Mr. Speaker. I am pleased to have this opportunity to join my colleagues of the freshman class of the 93d Congress in their colloquy on congressional budget reform and commend the gentleman from Florida (Mr. BAFALIS) for his initiatives in arranging this special order.

The United States of America has grown to its present position as the world economic leader by utilizing the resources it had at its disposal.

It has enjoyed the luxury of continued growth and economic expansion due to a set of circumstances wherein all that was necessary to continue growth was to harness its natural gifts in an orderly fashion so as to utilize our bountiful resources.

However, as we have seen in the past few months, our resources are limited and growing continually more scarce as time goes on. This presents a new situation for the economists which they had heretofore not considered: How do we stimulate economic growth without also causing undesirably rampant inflation?

The economic tools previously used, expanding the money supply, relaxing credit restrictions, increased government spending, will simply not work in this situation.

H.R. 7130, the budget reform bill, will provide America with the necessary equipment to control one major factor contributing to rampant inflation, irresponsible spending.

Over the years, the Congress has abdicated its power of the purse to the executive branch and has placed itself in a position of acting upon a budget without any real comprehensive overview or control and no limit to the final cost.

I fully support the resolution introduced by Mr. BAFALIS and my colleagues. Only through the adoption of strong and far-reaching budget reform can Congress claim to be addressing itself to its economic responsibilities.

HUMAN RIGHTS COMMISSIONER ELEANOR HOLMES NORTON

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. RANGEL. Mr. Speaker, in the 20 years since Brown against Board of Education of Topeka we have witnessed both advances and setbacks in the civil rights struggle. Those advances were often not dramatic—except to the individuals whose rights were being protected.

Racism is still very much alive in the North and in the South, and the fight against discrimination frequently takes place in the courtroom and in the offices of some lesser-known Government agencies. One of the leaders in this fight is Eleanor Holmes Norton, New York City's Commissioner of Human Rights. I have been privileged to work with Ms. Norton and know firsthand her commitment and her courage.

I am pleased to include the following article in the RECORD on Ms. Norton:

ELEANOR HOLMES NORTON: "I'M A NATURAL-BORN ADVOCATE"

(By Pamela G. Hollie)

She doesn't seem like the kind of woman who would plan a march on Washington, defend George Wallace, and organize a black feminist group. But these apparently contradictory activities, based on a strong belief in social justice and a dedication to the Constitution, are indeed in character for Eleanor Holmes Norton.

"It's possible to be fair without trouncing on the rights of others," says the 36-year-old lawyer who chairs New York City's Human Rights Commission. "If a person such as George Wallace is denied his rights, then it sets a dangerous precedent and others can be denied this same right," she says. Ms. Norton defended Wallace's right to speak at New York's Shea Stadium in 1968 while working as a lawyer for the American Civil Liberties Union. "There are certain substantive principles that I believe in strongly," she says. "One is racial equality. The other is free speech."

Eleanor Holmes Norton talks fast and thinks even faster. Her mind racing, she often stops in mid-sentence to begin another thought. But while she always seems to be in a hurry, she is careful about her choice of words and enjoys debating ideas.

"Eleanor has strong beliefs and an incredible energy to get a job done," says a colleague. "She is young, black, and a very strong feminist, but most of all, she is fair."

Ms. Norton admits that she expects a lot of people—and particularly of her staff lawyers—but "that's because there's a lot to be done." The legal profession's work is increasing, Ms. Norton says, as the body of law continues to grow.

"The bar has a tradition of being ultraconservative, but beginning in the 1960s it began to question its relationship to the war, poverty, and discrimination. Civil rights, as a result, has made the most monumental changes. The courts have made civil rights into a new kind of technical legal tool—just like tort law or contract law."

Before the 1960s, Ms. Norton says, "Civil rights was a set of rather easy legal concepts set down for equal protection. But no longer. The courts have defined what states, cities, and private business must do to overcome the effect of past discrimination in such a detailed fashion that civil rights has become very exciting work. . . . Racial discrimination, this country's ancient plague, is finally and rapidly succumbing now that government has given up its timidity to use official power against systematic racial bias."

The changing law has made her job easier, she says. "With a strong body of law to back me up, I can take law and walk out there and do what I have to do."

That's just what she's done. She made no bones about her intention as head of the Human Rights Commission to change attitudes, fight for minorities, and defend women's rights. She attacked housing bills that were "segregationist in intent and effect." She opposed sex discrimination in jobs. In one sex discrimination investigation she found "virtual exclusion" of female attorneys in a New York law firm. She cited advertising agencies for poor hiring practices of minorities and set guidelines on the use of arrest and conviction records as job criteria. She attacked neighborhood blockbusting and set up guidelines to reduce neighborhood polarization. She integrated the famous "21" Club and ruled that the Biltmore Hotel could no longer bar women from the Men's Bar.

HRC's Executive Director Preston David says, "Eleanor has brought a new dimension to the commission—women's rights. This was an area that needed more emphasis. And she gets totally involved in her work and won't give up a campaign if she smells an injustice."

This has lost her the love of some. Blacks say she devotes too much energy to women's rights, a criticism she counters by saying, "The myth that somehow black women are not a part of the struggle for women's rights but belong only to the movement for black liberation cannot be. Black women are preeminently working women who have borne double oppression."

"Objectivity and fairness are essentially what I am responsible for in my job," Ms. Norton says. "If this had not been an advocacy agency with the power to enforce its decisions, I would have been wary of the job."

And while Ms. Norton is relatively pleased with her work, she also says "The part of me that is for significant change doesn't congratulate me for having a personal record in this field. The mistake people in public life make is measuring results by what they have accomplished as opposed to what there is to be done. There's so much to be accomplished in antidiscrimination in New York that I've only scratched the surface. . . . Sometimes I find myself looking around for new couriers to probe us out of the lethargy that seems inevitably to set in after each grand try at reform."

Ms. Norton took the job with the commission because she wanted to get things done, but the job has also made her a politician. "I don't see myself as a politician," she protests. "I'm not involved in politics in the usual sense, although, to do my job effectively, I must have a sense of what New York politics is all about. Part of my job is balancing the different ethnic groups."

Eleanor Holmes Norton's fast rise to prominence, however, hasn't overpowered her. She considers her position on the Human Rights Commission a job—no more. She keeps her social engagements at a minimum and, she says, has no political ambitions (although, as a reform Democrat, she served as a George McGovern delegate at the last Democratic Convention). Some insist, however, that she has the makings of a good politician: tough, controlled, and a good judge of character.

A native of Washington, D.C., where her father is a lawyer, Ms. Norton grew up in an achievement-oriented household, knowing she would attend college. She was completing high school in 1954 when the *Brown* v. *Board of Education* decision desegregated schools. "I already had an awareness of what the law could do, but that decision had an emotional effect on me. I remember some teachers weeping," she says.

After high school, Ms. Norton attended Antioch because it fit her "anti-establishment sense" and it was known for its "absence of conventionalism." After graduating in 1960 she chose Yale Law School for many of the same reasons. More important, she says, "Yale had been penetrated by lawyers with a social conscience." She was also able to combine degrees, earning a Masters of Science in American Studies at Yale while she worked toward her J.D.

Ms. Norton's civil rights reputation is rooted in work with Julian Bond and the Student Nonviolent Coordinating Committee during her law school years. She served on the staff of the 1963 March on Washington and in 1964 as counsel to the Mississippi Freedom Democratic Party.

She then clerked for federal Judge Leon A. Higginbotham in New York, where she met her husband Edward, currently general counsel for the New York City Housing Authority. After clerking, she took her first job with the American Civil Liberties Union in New York, where she felt she could use her background most effectively. "There were few choices for constitutional lawyers in 1965," she says. "You don't get paid for constitutional law."

As an ACLU lawyer, Ms. Norton made her name as an impartial defender of human rights. She defended the National States Rights Party against an injunction barring them from holding a rally in Maryland and defended a Ku Klux Klan member who was facing criminal charges.

Her most noted case was the defense of George Wallace's right to free speech. "I did it because I believe in the principle of free speech, though to be truthful, there was some ironic malice afterthought as well," she says. Ms. Norton says she'll never forget the exhilaration then—of being a black woman in court with Wallace's Harvard-educated southern aristocratic lawyers. "A lot of people wondered what the impact of my defense of Wallace might have on the black community, but they loved it," she says. "You see, black people understand discrimination."

Because of her defense of Wallace, she was a bit surprised to find herself tapped for a political position in 1970. "If Lindsay knew me at all he must have known me rather negatively," she says. "I didn't expect the appointment. A civil liberties lawyer is always fighting government. You never think of being in it."

In fact, she had other plans for her life. What those plans were was obvious when she first appeared to take her oath for the $30,000-a-year post. She was seven months pregnant at the time. (She has since been reappointed by Mayor Abe Beame.)

As vice president of the Studio Museum in Harlem, a member of the editorial board of *Social Policy* magazine, a founder of the Task Force on Minority Law Practice, and a board member of Antioch, Ms. Norton has plenty to keep her busy outside of her work. She is also adviser to the National Black Feminist Organization, a newly formed black feminist group. "It's time that black women banded together. Because they have a movement of their own, however, does not disqualify them from the black struggle for equality," she says.

Ms. Norton lives in Harlem, five blocks from where her husband grew up. The Nortons bought the house, a three-story brownstone built in 1886, two years ago. Although she loves her work and won't think of leaving it, she admits she would also like to spend more time at home with her two children, Kathleen and John, who have a live-in babysitter.

Quizzed about black lawyers, Ms. Norton says that even though there are still isolated areas of the country where blacks fail the bar, "that is not the rule. There are now many more blacks attending law schools and many more going into every facet of legal work," she says. "It's also logical to assume that some of them fail."

Ms. Norton is not easily excitable, but the possibility that blacks in offices like her own might be selling out their own principles calls up a quick "never." "It might have been easier to sell out 10 years ago when the law was underdeveloped," she says. "Now there's no reason for it."

THE AMERICAN SPIRIT

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. LANDGREBE. Mr. Speaker, as the time approaches for honoring those who have died in the act of preserving our Nation's treasured freedom and ideals, I think it is appropriate for us all to sit back for a moment and examine our own ideals and concepts of what these brave men have given their lives for. I hope, Mr. Speaker, my colleagues will carry with them these thoughts on the "American Spirit" during the Memorial holiday weekend:

THE AMERICAN SPIRIT

The finest Constitution, and the greatest Declaration of Independence ever made are but phrases until they are incorporated into the practical lives of living people. And so, unless you are seeking to embody the American Spirit in your own personal life and conduct, you are no true American, even though you may have authentic Mayflower ancestry.

If you allow yourself to judge the worth of a man by anything except his character, if you discriminate against him for any reason that is outside of his own control, you are no true American. If you judge him by his parents, or his connections, or his external conditions, instead of by himself, you are no

true American. If you allow yourself to be hampered by any question of precedents or traditions, you are no true American. If you think that any kind of honest work can be degrading, or what is called *infra dig.*, you are no true American. If you would not rather be independent in plain surroundings, than dependent in luxury, you are no true American. If you allow yourself to be dazzled by any exalted office, or intimidated or hypnotized by pretentious titles or gorgeous uniforms of any kind, you are no true American. And, unless you believe that the poorest boy or girl doing chores around the farm, or playing on the sidewalk of a great city, is just as likely given the opportunity—to turn out to be the greatest soul in the nation as the child who is reared in the lap of luxury, then you are no true American.

CON ED ECONOMY EXECUTIVES LOSE LINEN TOWELS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Ms. ABZUG. Mr. Speaker, on April 30, I inserted in the RECORD a letter from journalist Dan Greenberg to Chairman Charles F. Luce of Con Edison, complaining about a $336.33 electric bill he had received for 1 month's electricity service.

Herewith is Mr. Luce's reply and Mr. Greenberg's rejoinder. Con Ed has gone so berserk that Mr. Greenberg reports a neighbor has received a bill for $1,547.20. I leave the last word to Mr. Greenberg, who fortunately, is angry but not speechless:

APRIL 16, 1974.

Mr. DAN GREENBERG,
323 East 50th Street,
New York, N.Y.

DEAR MR. GREENBERG: I have your letter protesting that Con Edison charged you $336.33 for one month's service for your all-electric apartment. I have asked our billing department how come. They tell me the bill was actually for two months, but more about that later.

First, let's admit your bill is much higher than a 1973 two-month bill would have been. The principal reason it is higher, as you understand, is that our fuel costs have more than tripled in the past year. You say that's *our* problem. And you suggest these huge increases in fuel costs should be borne by Con Edison's 350,000 stockholders, many of them retired persons of modest means. Apart from its questionable equities, this solution would make it virtually impossible for us to sell the additional securities required to finance vitally needed facilities.

Because the law requires it, we burn the most expensive boiler fuel on the market. Most of this fuel, as we told the lawmakers when they ordered us to burn it, must come from the Middle East. We buy this oil as cheaply as possible. But still it is costing us—and our customers—$450 million more annually than it did a year ago. This increase is more than three times our total 1973 dividend payments ($149 million). We don't retain the amounts we bill to our customers to pay these increased fuel costs. They go to oil suppliers and the state and local governments in sales and revenue taxes.

In a sense, we are presenting the Arabic oil bill to our customers in New York City and Westchester. We are as unhappy about this as you and our other customers are. But to put the matter in proper perspective, all the blame cannot be placed upon the Arabs. The truth is that our society already has consumed its lowest cost sources of energy and now is moving to an era of high-cost energy. It's painful, and the chances are that, long-range, our economy will never return to the "good old days" of cheap energy.

Short-range, our Company has taken all the steps we can think of to reduce fuel costs. We requested government permission to burn lower-cost coal at two generating stations; we asked the Federal Energy Office to in effect decrease the price of imported oil by adopting an oil "price-mixing" policy; we advocate legislation that will eliminate state and local "windfall taxes" on our increased oil costs.

To win approval of these proposals we need the support of able journalists such as you. Instead, you limit your solutions to impish suggestions that our customers not pay their electric bills, and that we not pay our oil bills—suggestions which, if taken seriously, soon would paralyze New York City and Westchester.

Now back to your bill. Our billing people tell me the reason it was a two-month bill is that in January we failed to send you any bill at all. In February we sent you a bill based upon your estimated usage for that month only. In March, when our meter reader got in to read your meter, his reading picked up the kilowatt-hours that were unbilled in January.

Your skipped January bill was of course a mistake on our part. On the other hand, we are somewhat mystified as to why you neglected to call it to our attention three months ago. No matter, we are making a billing adjustment, enclosed herewith, which comes out to a credit of $40.48, to give you the proper fuel charges applicable to the electric usage covered by your current bill.

You ask why your basic energy charge ($136.14) and your fuel adjustment charge ($160.12) did not add up to the total amount of your bill. There is a one word answer to your question—TAXES. Your $336.33 bill included more than $40 of gross receipts taxes and sales taxes levied by the city and the state. Of course these taxes are not the only taxes included in your electric bill. Out of every dollar you pay Con Edison, 23 cents is paid out in taxes. Another 43 cents of every dollar is paid in fuel costs. Two-thirds of your bill, then, represents taxes and fuel.

Finally, a word about the people of Con Edison. To keep your lights on, we are doing our damnedest, 24 hours a day, 365 days a year, against every conceivable obstacle imposed by a turbulent urban environment and by the most complex set of siting, engineering and construction problems in the utility industry. Sure we make mistakes, too many of them, but we perform miracles, too. The very life of our city depends on our doing so.

We're working for you, Mr. Greenberg. We're all in this thing together. You need energy and we supply it to the best of our ability. You should be cheering for us, not putting us down.

Sincerely

CHARLES F. LUCE.

MAY 1, 1974.

Mr. CHARLES F. LUCE,
Chairman, Consolidated Edison Co.,
New York, N.Y.

DEAR MR. LUCE: How nice to get a personal, perky and well-written letter from somebody as important as you. And how nice for me that many of your allegations are not only blatantly false but so easily disproved.

You say my bill of $336.33 was not for one month's service, as your nice Mr. Deitch had assured me on the phone, but for two months. You say the reason is that "in January we failed to send you any bill at all," and that my $336.33 bill includes "kilowatt-hours that were unbilled in January." You say you are "somewhat mystified" at why I failed to call this to your attention three months ago.

I, sir, am far more mystified than you because, not only did you send me a bill for the period November 1, 1973 to February 1, 1974 (this period includes January in most calendars) in the amount of $287.31, but I sent you a check for that amount dated March 8, 1974, and you know what? You even cashed it, you little devil! How I know this is that my bank cleared the check on March 13, 1974.

I can frankly think of no reason why you'd feel I had been unbilled or unpaid in January after cashing this check. Do you suppose that the same sinister forces that seem to be erasing tapes in the White House are moonlighting at Con Ed?

Or is this the occasion to ask a far more serious question: If the Chairman of Con Edison, preparing a letter for publication in a major magazine, with an entire staff of accounting and public relations employees backing him up, can actually claim in print that a bill I paid nearly two months ago was never even rendered, what does that suggest about the quality of service being given to Con Ed customers whose accounts are not under the personal scrutiny of the company Chairman? It's a mystifying question, wouldn't you agree?

As a matter of fact, speaking of mystification, here are a few more things which are mystifying me at the moment.

(1) I am somewhat mystified at why Con Ed charges an individual homeowner or apartment dweller more per kilowatt hour than it does a giant industrial plant or a huge development like the World Trade Center.

(2) I am somewhat mystified at why I and other New York customers of Con Ed "pay substantially more than Long Island residents, and a much as four times the amount paid in major U.S. cities"—this a quote from the N.Y. Post of 3/14/74. As a matter of fact, I have just learned from an attorney named Bryan Levinson, who is Chairman of the Fight Against Con Edison, and from Ted Maynard of the National Utility Service, that New York customers of Con Ed pay more for their utilities than any city in the entire world. (The second worst city, for your information, is West Berlin.)

(3) I am somewhat mystified at why Con Ed urged us all to conserve energy during the recent "energy crisis", then said we had conserved so much energy that they needed another rate increase to make up for the loss in revenue.

(4) I am somewhat mystified by an item I read in the N.Y. Post of 4/3/74, which says: "Con Edison, according to papers filed with the Public Service Commission, is charging its customers a new temporary rate increase that is nearly $9-million higher than that allowed by the P.S.C." You say in your letter to me that our society is "now moving to an era of high cost energy," and you seem to be bemoaning this fact, and yet I have just discovered that, on top of your already outrageously high rates and the above-mentioned temporary rate increase that is probably $9-million higher than that allowable by the P.S.C., you are, even as I write this, petitioning for an additional 30.4% rate increase on top of that! Has it ever occurred to you, Mr. Luce, that even a monopoly like Con Ed could price itself out of the market if nobody is able to pay your bills?

Since I am naive in this field, I have had to consult a lot of smart people for advice and information. Among the people I am having advise me are an offshoot of Naders' Raiders called the New York Citizen Lobby. A very smart attorney in this group named Nancy Kramer pointed out to me a fact which I hadn't realized. She says that we as consumers can't expect much help from the Public Service Commission because "the P.S.C. suffers from the endemic disease of many governmental regulatory agencies—it has overidentified with those whose behavior it is supposed to be regulating."

"The consensus of those familiar with it," says Ms. Kramer, "is that the P.S.C. is totally sympathetic to the positions taken by Con Ed in almost any situation. It accepts uncritically the utility's evaluation of a situation, the data which it submits, and the conclusions drawn by it, failing to exercise independent judgment, ask searching questions, or generally look out for the interest of users. The P.S.C. has approved walloping increases for Con Ed . . . based on evidence that was unconvincing to many observers."

It is the New York Citizen Lobby's opinion, as well as the opinion of many other citizen groups and lawmakers, that the members of the P.S.C. should be elected by and made responsible to the general public and not be the politically-appointed pawns that they now seem to be. "Whenever Con Ed is attacked," says F.A.C.E. Chairman Levinson, "the P.S.C. seems to rise to its defense, and whenever the P.S.C. is attacked, Con Ed seems to rise to its defense." P.S.C. Chairman Swidler was once a consultant to Con Edison. He doesn't appear to be bending over backwards to prove his impartiality.

Ms. Kramer recently telephoned the P.S.C. and asked if they had any brochure or pamphlet to tell people how to complain to the P.S.C. about disputed Con Ed bills. The man she spoke to appeared nonplussed by her request and said, "We don't issue anything like that for the public—we already get enough complaints as it is without doing anything like that." "The implication," says Ms. Kramer, "was that if business ever fell off to such a degree that the P.S.C. staff was chronically idle and bored it might consider such an undertaking."

As a matter of fact, Mr. Luce, if a Con Ed customer feels he has been overcharged and refuses to pay his bill and receives a notice that his power is going to be turned off, there *is* one effective way to handle the situation: he sends a letter to the P.S.C. by certified mail, return receipt requested, stating that his bill is in dispute and demanding an investigation and/or a hearing, also demanding that the P.S.C. notify Con Ed not to turn off his power till the investigation is completed—a process which usually takes three or four months.

Well, you probably already knew that. But did you know about a friend of Bryan Levinson's who kept getting billed about twice as much as he thought he ought to be and who finally in desperation smashed his electric meter? You'll never guess what happened—a new meter was installed and it turned out that the old one was charging the guy exactly twice what he should have been charged, just as he'd suspected! Which started me to thinking: *How many of us have defective meters and don't even know it?*

Listen, I have a confession to make to you. Just after I got my $336.33 bill it occurred to me that any company that could get away with a 400% increase in its rates might be a company I should invest in. So I bought one share of Con Ed stock. Imagine my disappointment when almost immediately my new company discontinued its dividend and the price of my stock dropped from about $20 a share to about $10.

Now here's something that I hope won't upset you too much, Mr. Luce. Since I am now one of your stockholders and all, my brokerage firm, Shearson-Hammill, called and read me its inter-office research department memo on our company. I quote from it reluctantly on the subject of our dividend cancellation: ". . . This is a clear indication of poor management. Chairman Luce came from a public agency where inefficiency is standard operating procedure. We expect that he will be removed and replaced with an aggressive manager from the industry. . . ."

Listen, I sure hated to be the one to tell you that, Mr. Luce, but better you should hear it from me than on the street. To tell you the truth, I was sort of beginning to feel sorry for you, even despite your coming from a public agency where inefficiency is standard operating procedure. But then I learned what you're earning and now I don't feel so bad. It seems you were earning an annual salary of $160,833.00 in 1973, plus a pension of $70,836.00 per year upon retirement. (This, as you know, is an increase over your 1972 salary of $150,000.00, in a period during which one would have hoped you'd be cutting costs instead of raising your own salary. Well, maybe you didn't raise your own salary—maybe they forced the increase on you.) I am told that in addition to all the above you are probably also earning a more or less equivalent amount of money in non-taxable expense account deals, as most executives do.

Well, it turns out you're not the only guy at Con Ed making such a bundle. The National Utility Service says that 262 execs at Con Ed earn between $25,000.00 and $160,000.00 a year, and that the top 47 of them earn more than your mayor or our governor. How about that!

Bryan Levinson of F.A.C.E. says he asked your Special Assistant Russell Holt how Con Ed was trimming its costs these days. Levinson says Holt replied that Con Ed was doing two main things: (1) Holt said that eight or nine of your executives' Cadillacs were being replaced with smaller cars, and that, (2) Con Ed was removing the linen towels from its executive washrooms. This, Mr. Holt termed, according to Mr. Levinson, "trimmng the fat from the budget."

I am sorry as hell about the linen towels, and I sure hope that yours wasn't one of the Cadillacs traded in for smaller cars, but that got me to thinking again. Maybe you guys could have kept both the towels and the Caddies if you hadn't gone and repainted all your trucks that peppy blue color—repainting which I was told by a source who was not anxious to be identified, "cost several million dollars."

Hey, don't get me wrong—I love the blue trucks and the neat new company logo and the "Clean Energy" slogan. Still, what a price to pay, especially if it led to such hardships as paper towels instead of linen ones and, say, Oldsmobiles instead of Caddies.

You say in your letter to me "Our fuel costs have more than tripled in the past year." I am told that this is largely due to the fact that Con Ed has no incentive to shop around for better prices, since you merely pass along all your increased costs to your customers. "Con Ed," says Bryan Levinson, "is allowed to recover all 'costs' plus a profit, thus eliminating any incentive to cut 'costs.'" "Con Ed," says Arnold Feinblatt of the Community Voice, "is now permitted to pass on 100% of all its increased fuel costs to the consumer. This is not true of any other utility or similar type of public service."

In your letter, Mr. Luce, you say that I "suggest these huge increases in fuel costs should be borne by Con Edison's 350,000 stockholders, many of them retired persons of modest means." But what about these same retired persons of modest means who aren't able to pay their horrendously high Con Ed bills? As a matter of fact, I happen to know of at least two cases where an elderly retired lady of modest means and an elderly retired couple of modest means failed to pay their utility bills this past winter, had their power cut off, and froze to death.

I'm sure that upsets you as much as it does me. Here's another thing that upsets me. In a recent story by Robert Carroll in the N.Y. Daily News, headed: "CON ED OIL COST TAKES DIVE," I read the following puzzling information:

"While Consolidated Edison's electricity customers are being staggered by fuel costs that the company is passing on to them, the cost of residual oil—Con Ed's principal fuel—has tumbled dramatically in the New York market over the last few months. According to Oil Buyers Guide, a trade journal, the New York harbor spot price of the cleanest residual oil fell from a high of $24 a barrel in mid-December to $12 as of April 1, a 50% drop . . . . (A Con Ed) company spokesman said its average price for January was $15.50 a barrel. Charles Luce (said) that April electric bills for its customers won't be any lower than in March . . . . Luce had said that Con Ed's fuel costs had dropped and that customers would benefit by a reduction of as much as 5% in that portion of their bills related to those costs."

I thought that must have been a typographical error—your oil costs dropping 50% but our bills being reduced less than 5%, but it wasn't. Which mystifies me.

You know what else mystifies me, Mr. Luce? How come you're suddenly granting me a $40.48 "billing adjustment"? You know why I think? Frankly? Because although all Con Ed customers are being outrageously overcharged, I seem at present to be making something of a nuisance of myself in the media, and it's becoming embarrassing to you, and maybe you thought that for forty bucks or so I'd go away. If that's what you're thinking, Mr. Luce, it's pretty cynical. Because the fact is that if I'm entitled to a "billing adjustment" of forty bucks or so, then I fully expect you to grant the same "billing adjustment" to every single one of your other customers as well. I mean why should they be penalized just because they were too polite to challenge you in public?

You say in your letter ". . . we need the support of able journalists such as you. Instead, you limit your solutions to impish suggestions that our customers not pay their electric bills, and that we not pay our oil bills. . . ." Nothing could be more impish than your suggestion that able journalists like me support a company that is charging me $336.33 a month for electricity and that is plumping to raise that already absurd figure by an additional 30%.

"You should be cheering for us," you say in your letter, "not putting us down." Mr. Luce, here is a solemn promise: When it becomes apparent to me that cheering is in order for Consolidated Edison, I shall be the first one down on the playing field with the megaphones and the pom-poms. For now, though, I think I'll just go right on trying to save you from yourself, and to try protecting myself and my fellow consumers from your present outlandish rates and policies.

I look forward to your next lettter with great eagerness.

Best wishes,

DAN GREENBURG.

P.S. Oh, by the way, my newest Con Ed bill arrived today. It covers the period from March 6, 1974 to April 22, 1974 and it's for $311.89. Together with last month's bill, that makes a total of $607.74 I'm not paying.

P.P.S. My next-door neighbor, Fred Lieberman, who pays his bills promptly and doesn't even have an all-electric apartment like I do, just got his newest Con Ed bill too. His average monthly bill, he tells me, has been running just under $30. This month's bill is $1,547.20 and it has a seven-day turn-off notice along with it.

H.R. 10294 IS A REASONABLE APPROACH TO LAND USE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. BROWN of California. Mr. Speaker, the House is scheduled to take up H.R. 10294 in the near future. As the debate on this issue heats up, I think we should keep in mind that this is not a new subject, it is not only being considered in Washington, and the bill under consideration does not mark any new area of Federal intervention. We have ample precedents of the Federal Government assisting States in developing programs for the future. A recent article from the San Francisco Sunday Examiner and Chronicle described the confusion the present nonpolicies have created in the area of land use in one part of California. The key sentence in this article is:

> In the long run the most reasonable way to accommodate new families would be statewide planning for new communities as well as rejuvenation of inner cities and rural towns that have been losing population.

The current mish-mash of nonpolicies is not reasonable. H.R. 10294, if adopted, would provide Federal assistance to States to fulfill a vital national need. But the turmoil in California in the vacuum of statewide land use policies is not unique to California. The issue is being debated in virtually every part of the country. We read about the effect of growth and local reactions to it from such diverse areas as Colorado, Florida, New England, Georgia, Oregon, and Maryland, to name just a few places. Local elections are beginning to turn on the question of future growth policies, and the local uses of land. The problems described in California are similar to those experienced in virtually every metropolitan area. The controversies will continue to proliferate unless we begin to deal directly with the question of land use policies. H.R. 10294 is a reasonable approach to land use.

The article follows:

THE FIGHT TO CURE EXCESS URBAN GROWTH

(By Harold Gilliam)

"It takes all the running you can do to keep in the same place."—Alice in Wonderland.

"The faster we grew, the farther behind we got."—Sanford Getreu, former Planning Director of San Jose.

In San Jose, as in Wonderland, the obvious question is why not just stop?

To many developers and builders, of course, stopping growth of San Jose—and other communities that are potential San Joses—would be disaster. And they have as allies construction unions and sometimes representatives of the urban poor, who understandably feel that halting the growth of any suburban community is a means of keeping them out.

Whether a community has a right to limit its own growth is a hackle-raising issue being fought out in politics and the courts. The way the question is answered will shape the future of all U.S. metropolitan regions, and most of them are looking to the Bay Area, which leads the nation in innovative approaches to the issue. It is enlightening to see how various Bay Area communities are trying to cope with the dilemmas of growth.

Petaluma doubled its population in the 1960s and showed signs of becoming another San Jose. In 1971, after extensive civic soul-searching, the city decided to limit its growth to 500 new homes a year, with 8 to 12 percent to be devoted to lower-cost housing. Within the quota of 500, every application to build would be judged by such standards as whether the proposed development would overburden the city's existing water system, sewers, fire department, schools and streets.

As might be expected, developers took the city to court, arguing that the plan was a violation of the constitutional right to travel and live anywhere. A federal judge agreed, maintaining that the plan excluded outsiders, particularly the poor. Despite the plan, he indicated, little low-income housing was being constructed, partly because building restrictions drove prices up.

Petaluma is appealing the ruling, and the case may go to the U.S. Supreme Court for a landmark decision that will be watched apprehensively by hundreds of American communities in similar situations.

Livermore has been going through some of the same agonies at the same time. Water, schools and sewage facilities could not keep up with a growth rate that also doubled that city's population in ten years. In 1971, angry voters passed a stop-growth initiative declaring a moratorium on building permits until the problems of water, schools and sewage were solved.

However, the Associated Home Builders took the case to court and won. The judge said, among other things, that the ordinance merely halted growth rather than attempting to solve the problems of inadequate facilities to handle the growth.

Livermore is appealing the decision. Meantime, the city is developing a new master plan that would detail ways of expanding public facilities and providing subsidized low-cost housing. New homes would temporarily be limited to 550 per year—the capacity of the present water system. Whether this strategy will avoid the Petaluma impasse only the courts can say.

Palo Alto is trying a different approach. When a developer wanted to subdivide scenic foothills west of the built-up area, the city hired San Francisco planners Livingston and Blayney to study the alternatives. The resulting report came to a surprising conclusion: It would cost less in the long run for the city to buy the foothill land and keep it open than to allow it to be developed as proposed. The subdivisions would require costly services—including schools, access streets, flood and landslide prevention measures.

THE PLAN IS TO DECIDE WHAT LEVEL OF POPULATION GROWTH IS DESIRABLE

But purchasing the foothill area would still be an expensive proposition, and the Palo Alto city council decided to try a less costly way of keeping the foothills open. They changed the zoning from one-acre lots to ten acres.

Irate landowners sued the city for depriving them of their right to use their land. Not so, said the city: the land could still be used for farms, golf courses, and possibly educational institutions. In answer to the complaint that the ten-acre zoning discriminates particularly against low-income families, Palo Alto says building on the hilly land would be too expensive for low-cost housing and points to its program for such housing elsewhere in the city. The courts have yet to be heard from on this one.

Marin county, like Palo Alto, is using the technique of large-lot zoning (in some cases as large as 60 acres) to maintain the rural character of the middle and western parts of the county. Marin has also used the equally controversial method of controlling growth by denying water to proposed new developments. (The June election for the Marin Municipal Water District Board may determine whether this policy continues.) The developers, of course, are suing and the courts have yet to rule.

Meantime, Marin is working on a new Countywide Plan that would provide for controlled growth in and around the cities while keeping the rural areas open. The philosophy of the plan is to decide what level of population growth is desirable, then develop water and other facilities to supply that population, rather than the usual method of expanding water and other services in a continual attempt to accommodate a local population explosion that never stops exploding.

San Jose itself has belatedly moved toward growth control as a consequence of a "housewives revolt" which last year resulted in a successful ballot initiative. The measure prevents the city council from creating new residential zoning in areas where schools are overcrowded. Of course the builders have gone to court.

These cases and others are considered in detail in the new "Handbook for Controlling Local Growth," published by the Stanford Environmental Law Society, a student group at Stanford Law School. Ramapo, New York, for example, has a phased zoning plan similar to Petaluma's, but that state's highest court has approved it. One difference seems to be that the Ramapo plan ties limited growth to very specific measures for providing more schools, sewers, roads, parks and low-cost housing. But perhaps an even more important distinction is that the decisions were made by different judges, interpreting laws in different ways.

The whole field of land-use law in relation to community growth is in a state of confusion (the law, too, suffers from growing pains), and no one knows exactly what can and cannot be done. What seems to be emerging is the conclusion that a community cannot legally stop its own growth but that it can slow the growth rate, provided it has an effective plan to catch up on public facilities and low-cost housing.

Yet the critical issue would still be unresolved: At some point a community's growth must stop. New court decisions or new laws may in time catch up with the facts of life and permit a legal ceiling on community and regional growth. In the long run the most reasonable way to accommodate new families would be statewide planning for new communities as well as rejuvenation of inner cities and rural towns that have been losing population.

MALCOLM X

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. RANGEL. Mr. Speaker, yesterday, the 19th of May, would have been the 49th birthday of Malcolm Little, better known as Malcolm X.

History is showing the incisive foresight this great black man had in analyzing the human suffering of oppressed peoples around the world and their response to that oppression.

Malcolm X was a man who sincerely believed in the brotherhood among peoples of all races but he based his belief on mutual brotherhood. Many times he spoke of the need to love those who love you, but he also spoke of the need to defend yourself from those who would harm you.

He believed in the need for brotherhood among the oppressed peoples of Africa, Latin America, Asia, and America. He saw the basic necessity for human rights to supersede the ecopolitical dictates of the world powers. He had only begun to identify the possible courses of action necessary to overcome the worldwide oppression faced by the black, brown, red, and yellow peoples when he was brutally murdered on February 21, 1965.

Although his organization, the Organization of Afro-American Unity, continued after his death, the thrust that only this great man could provide left a major void in spearheading the fight for the world's oppressed peoples.

El Hajj Malek El-Shabazz, as Malcolm X was known at his death, was without question one of the most important and significant men of the 20th century.

THE NEED FOR A BALANCED BUDGET

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. ARCHER. Mr. Speaker, on Monday, May 13, the Ways and Means Committee heard testimony by Mr. Roy Ash, Director of the Office of Management and Budget, and Mr. Paul Volcker, Undersecretary of the Treasury for Monetary Affairs. Following the testimony, I asked Mr. Ash and Mr. Volcker about the budget and the problem of inflation. I expressed to them my concern about excessive Federal spending, deficit financing, high interest rates, and the continuing problem of inflation. I enter into the Congressional Record a part of that discussion:

Discussion

Mr. Archer. I assume that you gentlemen believe, as I do, that inflation is the biggest problem that this country has right now.

Mr. Volcker. Yes.

Mr. Archer. And I hope you also agree that inflation is caused by government and government must do something to try to bring an end to it, primarily reduce deficit spending.

But we find gimmicks over the years to cover this up. First came the "unified budget" to make it appear that we are on a balanced budget, but actually instead of borrowing the money to cover the Federal funds deficit from the open markets and people, we are borrowing it from the Social Security trust fund, which still means we are getting it from the people, but in an indirect way.

Now we have gone to a full employment balanced budget. What will we do for encores when we run out on this one and still can't reach a balance?

It seems to me this is a cruel deception on the American people when the basic factor involved in inflation is deficit spending at the Federal level and deficit spending out of the Federal funds budget.

You finally have to recognize that only the Federal funds budget counts when you come up and ask for an increase in the debt ceiling, not the unified budget and not the full employment budget.

I will have to say that as a Republican I am frankly very disappointed that the Administration has not proposed a balanced budget since it has been in office. If we can't balance the Federal budget in fiscal years 1973 and 1974 when we have had the greatest economic prosperity in the history of this country, I wonder when on earth we will *ever* balance the budget. And if we *don't* do it, we can talk about escalator indexes, we can talk about wage and price control, all these other bootstrap operations and we won't solve inflation. . . .

The Congress has managed each year to exceed even that proposed by the White House. This to me is something that is so fundamental and is a governmental responsibility. I wish there were more leadership from you gentlemen and certainly we need more in Congress.

Now you mention the question about interest rates. Can we reasonably ever expect interest rates to be below the rate of inflation?

Mr. Volcker. Not for any period of time, I don't think.

Mr. Archer. Aren't we kidding ourselves? If we are going to have ten percent inflation, interest rates are going to above ten percent a year. Who is going to lend money at a rate which at the end of the year will produce less in purchasing power than they had at the beginning of the year?

Once again we artificially try to make reasons and excuses politically and otherwise to justify a lower interest rate. Once again we come back to inflation. All of what we are talking about is primarily because of infilation and deficit spending which is a direct cause of inflation.

I wish we could have—this is the longest statement I have ever made on this committee because I really believe in asking questions rather than making statements, but I think this problem is so immense and so great, in this country and the world, that somebody has to start talking about it. I don't think there is enough talk in Congress or out of the White House with respect to it and with plans to stop it.

As my colleague Joe Karth said, what is your plan to stop inflation? Your plan is to recommend a budget $20 billion in deficit for 1975 in Federal funds. I for one cannot comprehend this, particularly when our plant capacity is what it is and we have shortages in basic materials.

I certainly would be pleased to have your comments.

Mr. Ash. I could make one comment which isn't as responsive as I know you would like, but maybe partly responsive.

Last year in the fiscal 1974 budget we did propose a number of actions to go in the very direction that you suggest. They were a combination of unilateral administration actions and those proposed for Congressional action. I must say that the response was overwhelming and I am probably the defendant in 100 lawsuits as a result.

Those proposed for Congressional action had zero Congressional action, so we had a run at it last year to move in the direction that you are suggesting. Because it didn't get us very far, we will have to try another way.

Mr. Archer. I think the record shows you made a lot stronger effort than the Congress and you should get credit in that regard.

PRESIDENT J. WESLEY HAINES, OF FRANKLIN COLLEGE, FRANKLIN, IND., SPEAKS WITH WISDOM AND PERCEPTION

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. BRAY. Mr. Speaker, my good friend, President J. Wesley Haines, of Franklin College in Indiana, recently spoke at the dedication of the First Baptist Church in Marion, Ind., on March 31, 1974.

I find his remarks to be refreshing and full of the insight the world needs so much, at all times. It is a pleasure to include these speeches in the Record:

In Remembrance

Art in all its forms—poetry, prose writing, music, architecture—is not simply for art's sake. It serves a deeper function in the human enterprise: it preserves what otherwise might be lost, forgotten. Michelangelo on the ceilings of the Sistine Chapel everlastingly reminds us that we are creatures, that our glory comes from a Creator. Thomas Jefferson by forging the great second sentence of the American Declaration of Independence preserves the same deep truth for all men. And Alexandr Solzhenitsyn in his writings is insuring for humanity remembrance of the degradation to which men can sink, too.

Even trivial doggerel sometimes reminds us of our precious individuality in our mass and massive society, as when a poet friend of mine wrote:

When I was born, they told my name,
And when I die, they'll do the same—
And though these facts make short recital,
I'm glad statistics think I'm vital.

The same function is performed by this bit of verse, too:

> When I pass a little church,
> I stop and pay a visit—
> So when at last I'm carried in,
> The Lord won't say, "Who is it?"

This church we dedicate today, not simply in tribute to the art and skill of architect and builder, not only because of the planning and funding of this congregation, not alone to create a structure of beauty, but chiefly to remind ourselves, our contemporaries, and those who will come after us Whose we are and Whom we serve. This we do in remembrance of Him.

George Orwell's book, "Nineteen Eighty-Four," is a classic, not because of its style, but because it reminds us of what can happen to human beings, to free men, when they forget or neglect what we dedicate today. To me, its most chilling part is Orwell's simple statement that churches, converted to other uses, were still standing in London in 1984, but none could remember what they were for.

Preachers have made famous a centuries-old, little church in England by often quoting its dedicatory plaque about "doing the best things in the worst of times."

Now, it's not hard to make a case for these being the worst of times. Some students on college campuses, long on dissent and protest and short on experience and perspective, who think the world began with their birth, can't see anything good or hopeful about our times in the U.S.A. A couple of years ago, I talked with a college student, with a Daniel Boone haircut, a Mark Twain mustache, and an Abe Lincoln beard, who said he was rejecting the past. I have a friend of maturer years who cancelled his newspaper subscription because so much news was so bad. So, he missed what I read: the letter response of a man in Lubbock, Texas who had been sent a bill or a request for a donation by the National Association of Counties:

"Dear Sir, In reply to your request to send a check, I wish to inform you that the present condition of my bank account makes it almost impossible. My shattered financial condition is due to federal laws, state laws, city laws, county laws, mothers-in-law, brothers-in-law and outlaws.

"Through these laws I am compelled to pay a business tax, amusement tax, school tax, gas tax, sales tax, liquor tax, tobacco tax, income tax, poll tax, excise tax and thumb tax; even my brains are taxed.

"I am over taxed and am required to get a business license, car license, hunting license, fishing license, truck license, marriage license and dog license.

"My business is so governed that it is not easy for me to find out who owns it. I am inspected, disrespected, rejected, examined, re-examined, informed, misinformed, required, summoned, commanded, demanded and compelled until I provide an inexhaustible supply of money for every known need of the human race.

"Simply because I refuse to donate to something or other, I am a miser, but if I give liberally, I'm doing it for show. If I die young the world has lost a good trading man, but if I live to be a ripe old age, I'm robbing the grave.

"I can tell you honestly that except for a miracle I could not enclose this check. The wolf at my door just had pups. I sold them and here is the money."

More seriously, I recently read an editorial:

"It is a gloomy moment in the history of our country. Not in the lifetime of most men has there been so much grave and deep apprehension; never has the future seemed so incalculable as at this time.

"The domestic economic situation is in chaos. Our dollar is weak throughout the world. Prices are so high as to be utterly impossible.

"The political caldron seethes and bubbles with uncertainty . . . It is a solemn moment. Of our troubles no man can see the end."

But I read on to the comment, "this editorial was printed in an 1857 edition of Harper's Weekly."

I also read recently about "the demoralization of disappointed hopes" of the American people and this quote from a famous columnist-pundit:

"A demoralized people is one in which the individual has become isolated and is the prey of his own suspicion. He trusts nobody and nothing, not even himself. He believes nothing, except the worst of everybody and everything. He sees only confusion in himself and conspiracies in other men. That is panic. That is disintegration. That is what counts when in some sudden emergency of their lives men find themselves unsupported by clear convictions that transcend their immediate and personal desires."

Again, it seems descriptive of the current Watergate psychosis, doesn't it? But it's not. Walter Lippmann wrote that about 40 years ago in the Great Depression.

So, a little perspective keeps me from getting too uptight over the doomsayers this country and people have a way of surviving for nearly 200 years now. As Lincoln did in the Civil War, it is appropriate for Senator Hatfield to call for a National Day of Humiliation, Fasting and Prayer, but I insist on placing individual guilt on the individual guilty and not indicting a whole people, and I refuse to wear sackcloth and ashes 364 other days as if we in this country had nothing to be thankful for or nothing to celebrate.

Some seem to want to "liberate" us from all our institutions, and substitute others or nothing, but I don't want to be "liberated" from a standard of living so high that our welfare recipients would be considered wealthy in dozens of other countries. I don't want to be "liberated" from a system of government that allows everyone from intellectuals to screwballs to criticize it in the town square without fear of being hustled off to jail or deported or eliminated. I don't want to be "liberated" from a government that for all its imperfections is more responsive to its citizens than any other form of government. (I'm indebted to Jim Fiebig for those phrases). It may be, as Winston Churchill said of democracy, the worst system in the world, except all the others.

If it is sinful to think, as St. Paul taught, more highly of ourselves than we ought, it is equally sinful to debase and abuse ourselves as if God had not blessed us and endowed us, as if we had no mission of hope and help for the rest of the world. Not everything American is best, not everything American is good (only a jingo would say that), but the recent statement of our Canadian neighbor, Gordon Sinclair, is a sober and honest judgment of the balance of national deeds over misdeeds. And I think that, under God, we not only have a future, but a future we can be "bullish" about.

John W. Gardner, who once said that our country needs critics, but loving critics, recently wrote in Parents magazine:

"When this 198-year-old nation was founded, there was a Holy Roman Emperor. Venice was a republic, France was ruled by a king, China by an emperor, Russia by an empress, Japan by a shogun. Great Britain was a monarchy, tempered by the barest beginnings of democracy. All those regimes—and scores of others—have passed into history. The only government among today's world powers that stands essentially unchanged is the Federal Union put together in the 1780's by 13 states on the east coast of North America. It will survive Watergate."

While the Founding Fathers "invented" this country 198 years ago and by Declaration and Constitution gave it its essential political form, the spiritual ancestry of the American Proposition is at least 2500 years older, traceable back to Greece and Palestine. This is how Russell Davenport and the editors of Fortune magazine described that ancestry in "U.S.A., The Permanent Revolution" (1951):

"The essence of the American Proposition can be understood only against the long religious history of mankind that preceded its formulation. Man first discovered the fatherhood of God, then the brotherhood of all men in Christ; and as he grew in spiritual understanding, he was released in the custody of his own conscience, to seek good and shun evil according to his own lights. This spiritual freedom is real because man was created by God in the 'image' of God. Man carries within him something that the merely animal does not have, the divine spark, the 'image.' Since every man is thus of God, every man is equal, in the sense that no man can claim he is more important to God than any other man. The human individual thus has a special status with regard to all other things and beings on earth: he must live, and must be entitled to live, by the laws of God, not just by the laws and directives of men.

"According to the American Proposition, this special status of the individual is couched in certain Rights with which everyone is endowed. It is specifically stated in the Declaration of Independence that man is endowed with these Rights by his Creator; the Rights, therefore, are not man-made but God-made. They are 'unalienable,' grounded in the universe itself, reflecting universal laws of nature: that is to say, they are natural, not merely political, Rights. The human individual is clothed with them and no other man or group of men is entitled by God's law to strip them from him."

In fact the proposition is implicit in the account of Naboth's vineyard in 1 Kings 21. Ahab, king of Samaria, wanted to buy Naboth's vineyard next to his palace in Jezreel. But Naboth was not about to give up the inheritance of his fathers. Ahab's wife, Jezebel, plotted and executed the death of Naboth. Who was he to defy the king? What rights had he, a commoner? But Elijah, the prophet, spoke for God, and said something else. Jefferson explicated it millennia later: ". . . all men are created equal (king and commoner alike) . . . endowed by their Creator with certain unalienable rights."

These are not the first times in our national history "that try men's souls," as Tom Paine wrote at the beginning, nor are they the first times in which "the summer soldier and the sunshine patriot" show their cynicism and despair. But those of us who build and sustain churches in these times remember and proclaim the first principles, and will be numbered among those who "deserve the love and thanks of man and woman" in the future.

So, I think the country will survive not only Watergate, but some austerity and adversity as well, and be the better and stronger for it. There are hazards in affluence—"too much gas, too much booze, too much money and talk and noise," as James Reston says.

Less talk, less verbiage would be salutary, certainly. The Lord's Prayer has 56 words; Lincoln's Gettysburg Address, 266; the Ten Commandments, 297; the Declaration of Independence, 300. But a recent U.S. Government directive setting the price of cabbage has 26,911 words. Shortages are sometimes more beneficial than surpluses, although under shortages you do have to learn to live with limitations—like the man who wanted to endow a hospital bed in perpetuity for $10,000. When told it would take $20,000 to endow a bed in perpetuity, his lawyer said he had two options: endow ½ a bed in perpetuity, or endow a whole bed in ½ of perpetuity.

Now that's a joke because while we can live, and perhaps more safely, sanely, and healthfully, on halfs or parts of our material abundance and affluence, we cannot live by spiritual halfs. It reminds me of the story about George Kaufman and Dorothy Parker when both were acerbic wits in the famous Algonquin Club. George Kaufman was wholly Jewish. Dorothy Parker had one Jewish parent and one Gentile parent. At one meeting, someone made an anti-Semitic remark. George Kaufman said, "I'm leaving, and I expect Dorothy Parker to follow me halfway." A marriage cannot survive if man and wife are half-faithful to one another. A mind is not whole that is made up of half-truths. A house divided against itself cannot stand, as Lincoln said, half-slave and half-free. All men—or none—are created equal, however unequally born. No country, no cause, no enterprise ever flourished or achieved greatness on half-loyalty, half-dedication. In any undertaking of spirit, it requires a pledge of life, fortune, and sacred honor—the whole of each of them. You cannot serve ½ God and ½ Mammon.

Nowhere is this clearer than in the dedication of a new church—in remembrance of Him Who is the Way, the Truth, and the Life, who said we must—if at all—love God with all our hearts and souls and strengths and minds, and our neighbors as ourselves.

When I survey the wondrous cross . . .
Love so amazing, so divine,
Demands my soul, my life, my all.

Whatever the times, this church will remind us and all who see it of what is Best and Eternal—and in that Light, which no darkness can put out, all times are not only bearable but improvable.

WINDFALL PROFITS

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. ROUSSELOT. Mr. Speaker, the Ways and Means Committee of this Congress has recently proposed a bill which includes a formula and system for taxing what they call windfall profits of the oil and gas industries. This, in my judgment, is an impossible task. Congress is not omniscient and should not attempt to dictate to the American petroleum industries what is or what is not a reasonable profit.

The current antiprofit mentality grows out of a basic failure to understand the true nature of the source and benefit of profits in our free market system. In a free market system the consumer makes a contributing decision as to whether the products and services are in fact excessive in price. The consumer, by buying from a competitive, discount supplier, can make a value judgment in the marketplace.

Robert G. Anderson recently discussed the fallacy of Government interference, and the ultimate penalty to the consumer, in an article which appeared in the May issue of a monthly publication entitled, the Freeman. Mr. Anderson states:

> Once it is understood that profits and losses evolve from the changing values of consumers, it becomes obvious that abolishing windfall profits or windfall losses is impossible.

Before we in the House of Representatives vote on the oil and gas energy tax bill, I hope my colleagues will review the thoughts of Mr. Anderson and heed the warning in his article for he is correct:

WINDFALL PROFITS

(By Robert G. Anderson)

Of all aspects of the free market economic system, the role of profit-making by individuals is the one most subject to controversy. An air of apology seems to permeate any discussion of profit-making, even among those who generally commend the market society.

Companies seem duty-bound to defend their latest financial reports. Any increase in profits is contrasted with earlier periods of losses or "inadequate" profits. The relative smallness of profits is demonstrated in terms of capital invested, annual sales, or total wages. Public relation departments tremble over reported company success and gear themselves for the inevitable onslaught such favorable reports will bring.

Among the charges most feared is the accusation that the firm has reaped windfall profits. While "normal" profits might be tolerated, anything above so-called normalcy is invariable subject to public charges of exploitation. The implication subtly drawn is that windfall profits accrue as a result of someone else's losses. While the public might overlook small injustices, large profits are simply intolerable.

This massive assault on profitmaking reflects a belief that profits are something extra, the elimination of which would result in a general improvement in human welfare, that profits are gained at the expense of others—"unearned" and "unjust."

This anti-profit mentality stems from a failure to understand the true nature and source of profits, the integral relationship existing between profits and losses, and their basic importance to the functioning of the market system. It is a failure to understand that an attack upon profits, even excess or windfall profits, is an attack upon the market system itself.

Within the framework of a free market price system, profits show which producers have best satisfied the wants of consumers. Profits appear as the result of actions taken earlier by those producers most successful in anticipating and serving the demands of the consumer. Profits demonstrate how well a producer has employed scarce resources in the past toward the satisfaction of consumer wants. Profits are a record of experience, a reward for satisfactory service rendered.

The process of profit-making, however, is not the same thing as the amount of profits recorded. Profits earned in the past serve as no specific guide for future productive activity, though the fact that they were earned may offer hope of future profits. Past profitable activity in a given form of production assures nothing about the future. Attempts to imitate activities that have been profitable have resulted in many business failures.

The opportunity for profit-making stems from the changing values of consumers over time, and the reflection of these changing values on prices. The individual who foresees correctly these developing changes in market prices, and acts upon his foresight, will be the profit-maker.

ADJUSTING TO CHANGE

If man were omniscient, or if his values were to remain static, the concept of profit and loss would not exist. But fallibility and change are part of the human condition and necessarily affect man's economic behavior.

Today's market prices are reflections of values previously held by consumers and of the production those values generated. The prices so established will be either too high or too low with respect to the market conditions of tomorrow, conditions which could only be known by knowing the future, which is impossible.

The profit-maker, however, must attempt the impossible. The uncertainty of the future overrides all human action. The fact that future prices are uncertain does not dissuade the potential profit-maker from acting.

It is this potential of profit-making that provides the entrepreneur's motivation and incentive for production. The entrepreneur identifies resources in today's market that he believes will possess a higher market value tomorrow. If his foresight about the future values of the consumers is correct, a profit can be realized. The magnitude of the profit will depend upon the degree of change in future market prices and the entrepreneurial decision to act on his foresight.

When the rise in prices is large, the entrepreneur holding the resources so affected will experience large profits. The identification of this development as excess or windfall profits has been grossly misleading. The fact that he did not anticipate the precise degree of change in prices is no basis for denying the owner of the resources his right to the gain.

The concept of windfall profit merely observes that large gains can be realized from drastic changes in consumer evaluations and their resultant impact on market prices. The owner of the affected resources experiences a dramatic and sudden increase in the value of his property. But, if consumer evaluations change in the other direction, market prices can just as suddenly and dramatically fall, causing windfall losses to the owners of resources so affected.

Windfall profits or losses simply emphasize the risk of productive activity resulting from the changing values of consumers. While the entrepreneur attempts to calculate future market conditions, he is not omniscient. An underestimate of future prices may yield him a higher profit than he had anticipated when he took productive action, but that same higher profit becomes the magnet for an influx of new competitive activity.

A RELIABLE GUIDE

With the profit and loss system as their guide, competing entrepreneurs decide how resources shall be directed for future consumption. Anticipated profitability attracts the productive capital of the entrepreneurs, but the ultimate profit is determined by the actions of the consumers. The entrepreneur's astuteness in judging the consumer's demands will decide whether profits or losses are to be realized by him in the future.

A significant contributor to a smoothly functioning market is the much maligned speculator. As an entrepreneur, the speculator acts in anticipation of the changing values of consumers. His buying and selling of resources creates a more orderly market, reducing erratic fluctuations in prices, and thus holds down the magnitude and severity of gains and losses. Accurate foresight by the speculator mitigates the errors of resource pricing and the consequent large profits or losses brought on by changing consumer tastes.

Once profits are understood to evolve from the actions of the consumers, it becomes pointless to speak of profits as being "fair," "normal," "excess," or whatever.

The decision on how to allocate existing resources into future use is made by entrepreneurs on the basis of their interpretation of the consumer's actions in the market place of the future. Through a subsequent return of profits and losses to the entrepreneur, the consumer is constantly signaling entrepreneurs, as to how to direct scarce resources toward best satisfying consumer wants.

This relationship between the entrepreneur and the consumer is much like that of a revocable trust. The trustee-entrepreneur allocates resources for the benefit of the trustor-consumer, a relationship perpetuated by profits and revoked by losses. Through the signal of these profits and losses the consumer steers the producer.

The allure of profit-making is the catalyst for productive activity. Sparked by an entrepreneurial decision on the future state of the market, resources are continually being directed into hopefully productive use. The soundness of the original decision is reflected by profits or losses generated by the venture. Without some prospect that profits will substantiate the original decision, no productive activity would be undertaken. The problem of determining how resources should be allocated could not be resolved. There would be no response to the will of the consumer in the market. The market would be in a state of chaos.

THE FUNDAMENTAL ISSUE CONCERNS PROPERTY RIGHTS

The real controversy over the concept of excess or windfall profits evolves over who should be the beneficiary of these subsequent unanticipated changes in market prices. The fundamental issue in this controversy is one of property rights. In a free market system the entrepreneur subjects his property to risk in a productive activity in the hope of generating a profit. If his judgment of the future demand of the consumers proves correct, his property increases in value, and he profits. The extent of his gain is thus determined by the consumer. In a market system of private ownership the gains would therefore accrue to the owner of the property.

Similarly, the burden of windfall losses is borne by the entrepreneur. If he directs his property into productive activities later rejected by the consumer's changing values, he is responsible for his erroneous decision. The sudden abstention from buying on the part of the consumers causes a fall in the value of his property and a loss to the entrepreneur. Within such a market system, the entrepreneur subjects his property to risk—to the gain or loss that accrues from the changing tastes of the consumer.

The notion that windfall profits accrue at another's expense or loss is patently false. They result from the same forces that bring windfall losses: changes in the values of consumers. Such windfalls result from future uncertainty, and should accrue to the owners who expose their property to the risks of production.

PROFITS OR LOSSES STEM FROM CHANGING VALUES OF CONSUMERS

Once it is understood that profits and losses evolve from the changing values of consumers, it becomes obvious that abolishing windfall profits or windfall losses is impossible. Fallibility and change are a part of our nature, and both large errors and great changes are inevitable. To deny to the entrepreneur the gains or losses resulting from such error or change does not eliminate gains or losses; it eliminates entrepreneurs, disrupts the market, and ultimately leaves everyone under the dead hand of government control.

As long as consumers continue to express their changing values in the market place, profits, anticipated or not, will continue to materialize. The only question is whether the gain in the value of the entrepreneur's property should accrue to the owner or to someone else.

When the government attempts to make itself the beneficiary of windfall profits, it can only disrupt the productive processes of the market. The natural adjustments in supply and demand that occur in the free market are hampered, and further disequilibrium develops. The consumer's urgent signal for increased production, which is the essence of windfall profits, cannot be heard or acted upon by producers to whom the market is closed. The ultimate consequence must inevitably be even higher prices for the resources involved. Thus, the expropriation of windfall profits is not only counterproductive, but also denies the sovereignty of the consumer in the structuring of society.

If the individual as consumer is to retain his personal liberty, if he is to remain the sovereign force in the structuring of society, he must be free to reflect fully his changing values in the market place. This requires that the profit and loss signal must remain unhampered. For that is the only signal to which enterpreneurs can reasonably respond.

TRAGEDY IN THE MIDDLE EAST

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. FINDLEY. The slaughter of 21 Israeli schoolchildren at Maalot by Palestinian Arab terrorists must rank among history's most cold-blooded and reprehensible crimes.

The children were innocent, defenseless, and harmless. Their deaths served no worthy military or political purpose.

I join Members of Congress, editorial writers, and others in expressing shock and outrage at this monstrous violence.

But I am saddened to note that U.S. expressions of shock and regret at the death of innocent Arabs are rare.

The reprisal attacks by Israeli war planes on refugee camps in Lebanon caused a death toll that exceeded that at Maalot. And surely among the Arab dead were people—perhaps children—as innocent as the Israeli students.

I cannot believe that many Palestinian Arabs—determined as they are to regain their homeland from Israel—condone the slaughter of Israeli children.

As we ponder ways to end this terrible violence on both sides, we should keep in mind that Arabs and Israelis alike are children of God.

A BIG MISTAKE

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. ROBISON of New York. Mr. Speaker, last week I decried the action of the Democratic Caucus, which voted 2 weeks ago to deny the House the opportunity to consider the report of one of its own committees.

That action continues to offend me—as it has many others—including the New York Times. It is my hope that the Democratic Caucus will reconsider its action, characterized by the Times as "self-interested negativism," so that the House can get on with one of the most important reform proposals in many years.

I commend the New York Times editorial to my colleagues of the Congress:

LIBERALS ASTRAY

By the time that the LaFollette-Monroney Legislative Reorganization Act passed Congress in 1946, it had been the subject of intense public controversy and of innumerable articles and editorials. For more than a year now, a committee of ten House members drawn equally from both parties has been at work on a reform proposal that—so far as the House of Representatives is concerned—would be as far reaching and as desirable as the LaFollette-Monroney Act. But in a Congress and a nation preoccupied with Watergate, this committee has done its work silently and unnoticed.

On Thursday, reform paid the price for that silence. By a narrow margin, the House Democratic caucus shelved the reorganization plan by sending it to another committee for study. The barons of the House led by Representative Wilbur Mills of Arkansas, chairman of the Ways and Means Committee, and the pressure group lobbyists know what was at stake even though the public did not.

It was not essential that the plan be submitted to the Democratic caucus. It could have gone directly to the floor as a privileged motion. But Speaker Albert and Representative Richard Bolling of Missouri, chairman of the committee that drafted the reorganization, believed that as a practical matter the reforms would not last unless they had the support of a majority in each party.

House Republicans meeting in their conference endorsed the reforms. The Democrats did not. Significantly, they did the deed in secret avoiding a rollcall vote. There is no justification for conducting public business in that devious fashion.

Labor unions and liberal Democrats who on most other days are in the vanguard of those calling for progressive change were instrumental in blocking the reforms. Since the AFL-CIO did not want the Labor and Education Committee split into two committees or the Post Office Committee abolished, it used its political muscle against the plan. Noted liberals such as Representatives Frank Thompson of New Jersey, John Brademas of Indiana, James O'Hara of Michigan, and Phillip Burton of California would have lost cherished subcommittee chairmanships and for that selfish reason opposed the plan. It was an unseemly performance.

In theory, reform is not dead. The study committee to which the plan has been referred could resubmit it with only minor changes at the Democratic caucus in July. In coming weeks, the liberals who joined with their party's old-timers in unorthodox alliance have an opportunity to prove that they can come up with constructive alternatives rather than the self-interested negativism they have evinced thus far.

RECOGNITION OF SMALL BUSINESS WEEK

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. OWENS. Mr. Speaker, by Presidential proclamation, this week has been designated Small Business Week. The importance of the small businessman is often overshadowed by the prominence of giant corporations, conglomerates, and big unions. It is high time to recognize the small businessman's importance in our society. Small business is vital to free enterprise; the need to keep economic power distributed among many independent decisionmaking units is fundamental to efficient economic performance.

In pure economic terms, the small businessman's impact is enormous. Small businesses encompass more than 95 percent of American business, employ more than 50 million Americans, and produce about 40 percent of our gross national product. In 1972, small business was responsible for 29 percent of total Government procurement.

Because of these valuable contributions, it is important to recognize the vital role small businessmen play and address the problems of small business which have not received adequate attention. I am concerned that much of what the Government does places special burdens on the small businessman. He is less able to absorb higher taxes, inflation, increased wage rates, excessive paperwork and tighter Federal regulations. Congress has passed a series of statutes in recent years creating mandatory environmental, consumer, pollution, health and safety standards which businesses must comply with under short-term deadlines. All of these, while having desirable objectives, seem to place a disproportionate burden on small independent firms.

The extensive contributions of small businessmen certainly merit additional attention. During this week, I think it would be a good idea for all of us to take time and consider the problems facing the small business community and resolve ourselves to correcting these ills. We must create an environment where a small businessman can improve his chances for successful operation and growth.

OPERATION HOUSE-CLEAN

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. JONES of Oklahoma. Mr. Speaker, on April 27, there appeared an editorial in the Tulsa Tribune entitled "Operation House-Clean" by Jenkin Lloyd Jones. It deals with the problems in the Navy raised by the new environment resulting from the Z-grams.

Our Navy is indeed in a perilous posture at this time. In our Seapower Subcommittee hearings we were told by both the Secretary of the Navy and the Chief of Naval Operations that this year is a watershed year insofar as the construction of naval vessels is concerned. After having cut the Navy down 47 percent to 508 ships, this is the first year in which more new ships will have been authorized than retired. Recently in press interviews, the Chief of Naval Operations has said that he "is convinced that the United States has lost to the Soviet Union its ability to control the world's sealanes."

Hence it is even more important that now we take such drastic steps as may be necessary to get our Navy back into prime condition—both with respect to its ships and with respect to its personnel. This is why the Seapower Subcommittee has been holding extensive hearings on the construction and condition of our naval vessels. This is why that subcommittee is going to hold extensive hearings on the status of our shipyards, so that we will be sure that they will be able to construct the ships needed for our Navy—as well as those required for our merchant marine. This is why our Personnel Subcommittee has been concerned with all of the developments supporting our naval people.

Mr. Speaker I insert into the RECORD at this point, the editorial from the Tulsa Tribune:

OPERATION HOUSE-CLEAN

(By Jenkin Lloyd Jones)

While Congress, the press and the courts are circling the track after the Watergate rabbit is America slipping into a condition in which it could not successfully meet the challenge of a war?

If this is true, then all other issues pale to insignificance, for there is no issue more important to a nation than its survival.

Hanson Baldwin, the distinguished military writer, has a chilling article, "Troubled Waters in the Navy", in the May issue of the revived Saturday Evening Post. He reviews the sloppiness, the indiscipline, the drugs and thefts that have reduced what only yesterday was not only the world's biggest but best navy to a pitiable state.

It is common knowledge that full-scale mutinies have been passed off as disturbances. The behavior of shaggy and dirty U.S. Navy men on shore liberty has been a scandal. It is no secret that on many ships black militants have cowed white enlisted men and officers and established a double standard of discipline in favor of themselves. The USS Kitty Hawk riot of Oct. 12, 1972 while in a combat area was probably the low point of our naval history.

The House special investigatory subcommittee, headed by Rep. Floyd Hicks (D-Wash.), hit at an "environment of leniency, appeasement and permissiveness". Our Pacific fleet commander last November decried "disregard of law, order and common decency" and pointed to "unprovoked assaults by marauding gangs upon smaller groups".

This malaise has been painfully apparent in all our other military services, too, but a rogue ship is a particularly frightening thing, for it often stands alone in a vast void. Employment by our enemies of every possible device to destroy America's fighting morale is smart and understandable. What we should not tolerate are misguided actions by Americans that have the same result.

There is no question that Admiral Elmo R. Zumwalt, Chief of Naval Operations, sincerely hoped to produce a happier navy by his famous Z-grams. But when he created utter confusion in personal appearance regulations, when he stipulated that "minority affairs" officers could bypass the chain of command, and when he apparently leaped to the conclusion, without waiting for the evidence, that black rioters were victims of discrimination he did a lot to sink the navy.

Admiral Zumwalt's tenure ends this summer. We'd better find a new CNO who understands that in the navy there's no such thing as a happy mob, and no fighting effectiveness in an unhappy one.

In 1969 the U.S. Supreme Court, in a disastrous opinion, held that courts-martial couldn't try uniformed personnel for "civilian" offenses. Disorderly or criminal military men may now take advantage of the pettifogging of radical lawyers.

Worst of all, in an effort to reach their post-draft enlistment quotas, all services lowered their standards. Only the Air Force has won the numbers game, but even there quality has suffered. The acceptance of dimbulbs, drop-outs and delinquents on the theory that the military environment would bring them up to standard and straighten them out was a masterpiece of naivete.

There is no cause for hysteria, but there is plenty of cause for intelligent concern. Let's put it on a war games basis.

How many American aircraft carriers have misfits in U.S. uniforms theoretically sunk? How many Russian missile ships have been theoretically created by congressmen who have sought to please constituents by interfering with legitimate efforts to maintain navy discipline? How many Russian nuclear subs are permissive U.S. courts and overheated civil libertarians worth?

With the Russians building a technically-advanced navy at forced draft, staffed with able, disciplined men, the worst thing we can do is try to reach recruiting goals with good brawlers and bad fighters.

Wouldn't it be wiser to clean house with liberal bad-conduct discharges even if it means mothballing another 10 or 15 percent of our presently inadequate fleets?

The U.S. Navy needs rebuilding. It can only be rebuilt with high morale. It can only attract high quality volunteers if it is again a prideful thing. It can only retain expensive skills if good men are motivated to ship over.

A tree is saved by pruning rotten branches. If Americans want a navy they can count on, perhaps it will have to be smaller for awhile.

H.R. 8660 DESERVES SENATE PASSAGE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. RANGEL. Mr. Speaker, I would like to bring attention to a bill currently pending before the Senate Post Office and Civil Service Committee. The bill, H.R. 8660, was sponsored by Representative WILLIAM CLAY and passed the House on March 18. This bill calls for the withholding of city income taxes for any city having 500 Federal, judicial, or postal employees.

The need for Mr. CLAY's legislation is urgent. Urban courts are presently overburdened with cases involving failure to file city taxes by Federal employees. For their oversight, these workers have been forced to bear severe penalties and interest payments.

The following New York Times article of April 17 reflects the myriad of problems to which this legislation will direct itself. I urge the Senate committee to act promptly on this matter and the full Senate to approve it. The Federal Government's failure to withhold local income taxes must be rectified.

The article follows:

[From the New York Times, Apr. 17, 1974]

CITY WILL WAIVE PENALTY ON TAX

(By Peter Kihss)

On appeal of two postal unions, the city Finance Administration agreed yesterday to waive a 25 per cent penalty for any Federal employes—and anyone else—who had failed to file city and commuter income taxes if he voluntarily paid up.

The amnesty will apply for the next two months, although 6 per cent interest on unpaid back taxes must still be charged by law, said Harry E. Tishelman, First Deputy Finance Administrator.

He estimated it might cost the city $125,000 in possible penalties, on the assumption that half of the $1-million that 28,000 postal workers are believed to owe might be voluntarily paid up.

The union leaders—Morris Biller, president of the New York Metro Postal Union, and Vincent Sombrotto, president of Branch 36, National Association of Letter Carriers—attributed the problem to Federal failure to withhold local income taxes anywhere in the country; from Federal employees; Federal and state taxes are withheld.

The union leaders reported they were backing a bill for withholding of local taxes, such as Mr. Tishelman said the city had urged for years.

The bill turned out to have been already passed by the House of Representatives March 18. It was sponsored by Representative William L. Clay, Democrat of Missouri, a leader of the Congressional Black Caucus who said the Treasury Department, Civil Service Commission, Postal Service and national administration had opposed it for years but now favored the proposal.

The bill, now before the Senate Post Office and Civil Service Committee, provides that the Secretary of the Treasury shall agree to withhold city income taxes for any city, having 500 Federal, judicial or postal employes, within 120 days of the city's request. Mr. Clay said it would thus apply to 30 cities, with 196,000 Federal employes.

Representative Clay said 196 cities had some form of income or employment tax, with 203,000 Federal employes, aside from Postal Service employes, in those cities.

In his home town, St. Louis, where there are 30,000 Federal employes, he said 21,534 court cases against Federal employes in the last four years had led to $200,000 in fines and penalties involving city earnings taxes.

In Philadelphia, he said, Federal employes have paid $2.615-million in interest and penalties in the last five years, including $662,000 in the year ended last June 30.

The Finance Administration's enforcement efforts were stepped up when Federal computer tapes of employe records were recently made available. The first indicated 28,000 delinquents out of 60,000 postal employes; the city is now checking the rest of 103,000 Federal workers.

So far, Mr. Tishelman said, more than $35,000 has been paid up from more than 5,000 Federal employes since dunning letters began going out last month.

COUNTY EXECUTIVE RALPH CASO ADDRESSES ENERGY ALTERNATIVES

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. LENT. Mr. Speaker, on May 13, Ralph G. Caso, county executive of Nassau County, N.Y., addressed the Regional Marine Resources Council of the Nassau-Suffolk Regional Planning Board on the subject of "energy alternatives." So that my colleagues can have the benefit of Mr. Caso's well-considered remarks, I include them in the RECORD at this point:

ADDRESS BY NASSAU COUNTY EXECUTIVE RALPH G. CASCO AT THE REGIONAL MARINE RESOURCES COUNCIL SEMINAR ON ENERGY ALTERNATIVES, HAUPPAUGE, N.Y., MAY 13, 1974

According to a recent survey, 88 percent of the people in a Moroccan village had heard about American lunar landings—but 63 percent of those who had heard didn't believe it.

Reports about the energy crisis in the United States sound pretty similar. Close to 100 percent of all Americans have heard about it—but a substantial majority either do not believe that it was real or else believe that it was manufactured by the oil industry to boost its profits.

There certainly were enough reasons for Americans to be skeptical. For one thing, the crisis was sprung on us practically overnight —and then it apparently ended just as quickly, as soon as gasoline prices had jumped about 60 percent and oil company profits started hitting record highs.

For a while, there was a war of words over whether the situation was a problem or a shortage or a crisis—sort of like the way that the Air Force recently changed over to using the term "precision-guided munition" instead of "smart bomb" so that the public would not think that the rest of its bombs were dumb.

But when all was said and done—and a lot more *was* said than was done—local governments were faced with a host of headaches that they never had before. Energy is supposed to be a federal responsibility, not a local responsibility, but, all of a sudden, the problem was dumped in our laps. Local governments had neither the authority nor the resources to solve the problem. All they could do was try to mitigate its effects on their local residents; try to see to it that people had enough fuel oil for their homes; try to insure that their areas were getting their fair share of gasoline and that industries within their jurisdictions were getting the fuels that they needed to prevent layoffs and massive unemployment.

Last summer, nobody was very worried about an energy crisis. But there were enough hints floating around, enough indications of a possibly serious problem when the weather turned colder. So, in August of 1973, I formed a county Ad Hoc Energy Crisis Committee. The committee was composed of the heads of county government agencies and representatives of the business community—and the idea was to pool our knowledge and our resources and our know-how so that we could anticipate problems and plan ways to minimize them.

Out of that committee came, first, a number of in-house energy conservation measures that were adopted throughout county facilities. These included turning down thermostats in winter, experimenting with fuel oil atomization techniques, reducing lighting, curtailing the use of county vehicles and a computerized car pool system for county employees that gave favored parking status to people who traveled to work in car pools.

In September, Suffolk County Executive John Klein and I jointly proclaimed Nassau-Suffolk Energy Conservation Month. A major effort was made to disseminate energy conservation information to bi-county residents and businessmen. In Nassau alone, we distributed more than 500,000 copies of a leaflet entitled, "How to Save Energy and Money, Too".

When the real crunch developed in December and January, I formed an Oil and Gas Bureau and an Energy Conservation Bureau within our Department of General Services. Both zeored in on getting proper fuel allocations for our county residents and business establishments and on gathering data to make sure that we were getting our fair share.

We also set up an Energy Crisis Committee on the Economy which enlisted top business leaders and economists into an effort to gauge the economic effects of the energy crisis on Nassau County and to recommend steps that county government could take to contain the problems.

Finally, we set up park-and-ride facilities in our county parks to encourage car pooling by commuters. And, in February of this year, I proposed—and the Board of Supervisors passed—a local county ordinance establishing an odd-even, minimum-maximum-sale rationing system on gasoline. The state adopted a similar law a few days later and the length of the gasoline lines in the county dropped dramatically from an average 35 cars to only four or five.

What Nassau County did, what other local governments did, was to step into a vacuum. The only thing that might have been called a federal energy policy was an exhortation to turn down thermostats and drive more slowly and, while these measures were certainly useful, they were hardly a policy. So state and local governments had to evolve their own stopgap, local energy policies. The only thing that saved us from disaster during the energy crisis of 1974 was the combination of good luck in the weather and good sense on the part of the American people who cooperated wholeheartedly in energy-conservation programs.

A lot of people are breathing easier now in the belief that the energy crisis is behind us. But if any of these people have figured out where their gasoline and fuel oil are going to come from in the months and years ahead, they know something that the energy experts don't.

The real energy crisis is not behind us. It is ahead of us. And, if we do not do something about it, it is going to hit our nation during our lifetime and cripple it.

Let me say at this point that I am not the least bit impressed by all the rhetoric about our burning 33 per cent of the world's energy even though we have only six percent of the world's population. We also produce about 37 per cent of the world's goods and wealth, as measured by the Gross National Products, so without all that energy being burned here, a lot of people in a whole lot of places would be a whole lot worse off than they are now.

Yet, we still use more energy than we produce. We are still importing about 28 per cent of our oil and we are still just as vulnerable to political and economic blackmail now as we were in January. In fact, the energy crisis has forced us into a public examination of just how dependent we are on other nations for a whole list of essential items. We import more than half our mercury, zinc, bismuth, antinomy, nickle and tin. We import 90 percent or more of our aluminum ore, chromium, graphite, cobalt, platinum and manganese. We import 100 per cent of our coffee and natural rubber.

Obviously, we are dependent on other nations for far too many of our essential commodities, including oil. There is not much we can do about coffee and rubber. But there is something that we can do about our energy supply.

Last October, I testified in Mineola at the U.S. Council on Environmental Quality's hearing on offshore oil drilling. I was making the argument—since sustained by the council's own report—that the environmental price of offshore oil drilling was too high, especially when there were alternate sources of energy that could be developed if we made up our minds to end our reliance on fossil fuels. Among the alternatives that I mentioned was solar energy—which prompted the Council chairman to ask me, very patronizingly, if I really believed that solar energy would work. I told him that, not being a scientist, I was not giving him my opinion, but that I was willing to take the word of the National Science Foundation and the National Aeronautics and Space Administration that it would.

In the past few weeks, the head of the Atomic Energy Commission has been sharply criticized by some members of Congress for allegedly suppressing a report from her own special study panel that said that a photovoltaic cell could be produced by 1986 at a cost competitive with more familiar forms of energy. Most advocates of other forms of energy—nuclear power, for example—manage to pour scorn on solar energy proposals by focusing discussions on the most ambitious project: Converting the sun's rays directly into electricity. That may indeed be a long way off. But that is no reason to ignore the much more modest but demonstrably workable application of solar energy to heating and cooling homes, a process that now accounts for about 25 per cent of our total energy consumption. The technique is already well known. It is in use in several countries. There are pilot projects underway here. This month's Readers Digest even has a story about a do-it-yourself solar heating and cooling system in Maryland that paid for itself in savings on oil within seven years. So it can be done. All we have to do is make up our minds to do it.

In my testimony before the Council, I got more raised eyebrows and knowing looks when I mentioned garbage power.

Again, I am not a scientist but I can read. In February of 1972, the Bureau of Mines—a subsidiary of the U.S. Department of the Interior which in turn seems increasingly to act like a subsidiary of the oil industry—released a report saying that solid wastes could be converted into "low sulphur oil potentially suitable for use as gasoline or diesel fuel."

If all the municipal solid wastes generated in the United States last year—130 million tons of it—were put into garbage trucks, the trucks would stretch bumper-to-bumper, three abreast from New York City to Los Angeles. And within that waste there is locked enough untapped energy to light the United States for one year.

Several cities now have plants to convert waste into energy. They range in sophistication from old-fashioned incinerators whose waste heat is used to heat and cool nearby buildings to advanced technological projects that break down the molecules in organic matter and produce oil or synthetic gas as the end product.

The State of Connecticut hopes to have a statewide regional energy recovery plan in operation by 1980. Officials there expect that the plan will save state and local governments as much as 100 million dollars in capital expenditures by turning at least 60 per cent of the solid wastes into energy or reusable material. Air pollution will be cut 80 percent and so will the amount of land needed for sanitary landfill operations.

Back in the Middle Ages, alchemists dreamed of turning base metals into gold. What an irony it would be if, instead of burying or burning our waste, we could turn it into black gold.

These are only two of the alternate additional energy sources that have been reported by reputable scientists and scientific organizations. There are others that may sound even more exotic. But there was a time when oil sounded exotic, too.

If astronomers were suddenly to warn us that they had spotted a new comet—not a fizzle like Kohoutek but a real monster from deep space—and that in 30 years it would crash into earth killing 30 million people and possibly jolt our planet out of its orbit, you can bet that we would mobilize every bit of scientific know-how in the world to figure out some way to duck it or deflect it. We wouldn't just sit around waiting for it to hit us.

Yet, that is exactly what we have been doing on energy, waiting for disaster to strike. We got a foretaste of it this year. And there is much worse to come unless we do something about it in time.

Developing new sources is one side of the energy coin. The other side is saving what we have, making it last longer, getting more out of it by using it more efficiently.

In a very real sense, the U.S. government unwittingly laid the groundwork for the energy shortage back in 1956 when it embarked on the largest peacetime public works project in history—the construction of interstate highways to foster economic growth.

By 1970, transportation accounted for 25 percent of all U.S. energy consumption—with 55 percent of that being burned in cars and 87 percent of what was burned in cars going out the tailpipe as wasted heat and exhaust.

Now I am not much of a mathematician. But I was able to figure this one out. If we use about 16 million barrels of oil a day, four million barrels are going into transportation. Of these four million barrels, 2,200,000 are going into cars—and 1,914,000 barrels a day or 13 million barrels a week or nearly 700 million barrels a year are being wasted. You can look at that another way, too. It means that you are getting only eight cents' worth of driving out of every 60-cent gallon of gas.

That is an awful waste of energy and money.

One way that state governments can reduce the waste is to require Detroit to produce an energy-efficient car. Detroit will yell and scream that it cannot be done. But if New York State passed a law saying that, after January 1, 1977, for example, no new car could be sold in the state that did not get a minimum of 20 miles per gallon while meeting stringent environmental standards at the same time, Detroit would do it and would do it fast.

Even more important than making automobile engines efficient is our commitment to mass transit. People now take their cars instead of a train or bus because their cars will get them where they want to go quicker, more conveniently and more comfortably. If mass transit could be made just as quick and convenient and comfortable, people would gladly leave their cars home.

But we need more than just mass transit in Nassau, on the one hand; or mass transit in Suffolk, on the other hand; or mass transit somewhere else. We need a regional mass transit network. The framework for building it exists already in the Metropolitan Transportation Authority and in the Metropolitan Suburban Bus Authority that was created last year to run the bus system in Nassau. At this point in time, it would be foolish and counterproductive for any county or area to set up its own separate bus operation. It should all be brought under the umbrella of the Metropolitan Suburban Bus Authority so that we can develop a genuine regional plan.

There are other steps that state and local governments can take to save energy.

The White House Office of Emergency Preparedness estimated two years ago that readily available and easily applied energy conservation measures could cut overall national energy consumption by as much as 16 percent by 1985 and by as much as 25 percent by 1990—if we adopted them! One of the principal areas was industrial operations where there has been a prodigal waste of energy, largely encouraged by favorable electric rate structures. When industry was being pinched by rising fuel costs, it showed that it could make significant reductions, in some cases reportedly as much as 30 to 40 percent, without affecting production in the slightest. All that it took was plain common sense.

Another study has shown that if all the homes in the nation met the new FHA minimum insulation requirements, we would save about 26 percent of all the energy that we would otherwise use over the next 10 years. States and local governments should adopt insulation standards for all new structures, as California has done, and provide tax breaks and low cost loans for owners of older structures who are willing to bring them up to the standards. Along those same lines, an experimental program in energy conservation in a commercial building, carried out by General Electric and reported in the draft Environmental Plan for New York State, resulted in reducing power consumption by 35 percent.

There is an old saying that where there's a will, there's a way. And we have more than the will to master our energy problem. We have an absolute necessity.

Fortunately, we also have more than enough ways. Nobody can tell me that the nation that put men on the moon cannot lick its energy problem, especially when the alternatives are so stark.

Those alternatives were scripted into a chilling scenario for the future by Professors Lawrence Rocks and Richard Runyon of C.W. Post College in their 1972 book, "The Energy Crisis." I would like to close by paraphrasing what they said:

The first signs of the impending disaster, they wrote, would come slowly: Increases in the cost of oil and gasoline, voltage reductions by power companies during peak hours, occasional dimouts. Then, the government would begin rationing essential fuels and urging the public to give up private cars. The curtailment in the use of cars would have an immediate impact on Detroit where the auto industry would be laying off thousands of workers. Soon, the steel industry would feel the effects—and then a domino effect of factory shutdowns would sweep the nation.

Shortages of fuel and breakdowns in the transportation system would eventually cause food shortages as farmers were unable to ship their produce to populated areas. The stock market would crash. Industrial growth would come to a standstill. The government, trying to stave off total economic collapse, would have to impose rigid price, wage and profit controls. Critics of these policies would be subject to severe penalties under new antisedition laws that virtually nullified the First Amendment to the Constitution. To survive the United States would have become a totalitarian State.

Apocalyptic? Yes!

Exaggerated? Probably!

Impossible? Who knows!

Let's hope that it is. Let's do more than hope. Let's get started on doing those things that will make it impossible. Let's get started on developing a national energy policy that will let us get the most out of the energy sources that we now have and put us on the road to finding and perfecting new sources.

If that is our response to the energy crisis of 1974, it may well turn out to have been a good thing.

The Chinese character for crisis is composed of two other characters. One means danger. The other means opportunity.

The danger is clear enough. Let's not miss the opportunity.

CONYERS MAKES RODINO PROMISES INOPERATIVE

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. LANDGREBE. Mr. Speaker, Congressman John Conyers has so violated standards of justice and fairness that I believe he must immediately remove himself from any further participation in the inquiry of the House Judiciary Committee. Furthermore, his public statements have been so inflammatory in character and prejudicial in tone as to have irrevocably tainted any semblance of the openmindedness which must be brought to bear on this grave and solemn inquest.

The litany of Mr. Conyers' prejudgment is so inordinate as to raise questions in the public mind over the fairness of the current inquiry. Any delay in Mr. Conyers' dismissal in this case would be an affront to our constitutional system.

On Monday, May 13, 1974, Mr. Conyers was quoted as saying that he was convinced that President Nixon is guilty of at least five impeachable offenses. Mr. Conyers said:

> I don't need impeachment proceedings to help me understand that they're talking about commission of crimes. (United Press International, May 13, 1974.)

Mr. Conyers' statement is tantamount to saying that an individual in our system of justice is not entitled to due process of law—that guilt is to be determined without a trial. Such intemperate disavowals of our system of justice cannot be tolerated and surely cannot be condoned. Any further silence in light of this conduct would make me and my colleagues a party to unconscionable procedures.

But this statement by Mr. Conyers is not the first instance in which he has engaged in prejudicial conduct. It is but a part of a pattern of public statements and positions which threaten severely to undermine the fairness and elemental decency which must be part of the impeachment process.

Specifically, I wish to cite a statement by Congressman Conyers quoted in the New York Times Magazine of April 28, 1974. There, Mr. Conyers stated that his role on the Judiciary Committee was to prevent the Chairman, Mr. Rodino, from being "too damn fair." That is to say, Mr. CONYERS, by his own admission, does not want the impeachment procedure to be an unequivocally fair procedure or one which recognizes the constraints and protections of our judicial system. How Mr. CONYERS, a lawyer, can justify such a position is not understandable nor is it in any way excusable.

One would also think that Mr. CONYERS' training as a lawyer would lead him to have confidence in the traditional American custom of solemn constitutional procedures. To the contrary, Mr. CONYERS has specifically said that "external factors are what will determine" the impeachment of the President. Talk of conscience, evidence, and constitutional factors is, in Mr. CONYERS' barnyard choice of words: "all crap."—(Washington Star News, March 17, 1974). That amounts to saying the evidence will not be weighed—a constitutional violation of the gravest magnitude.

Congressman CONYERS also attributes to his colleagues the apparent same motives to which he himself so readily subscribes. Again, as Mr. CONYERS says:

> . . . they (the Congress) would impeach their *mothers* if necessary to stay in office (*Harpers Magazine*, May, 1974)

That is hardly the kind of high-minded judgment one would want from someone who is charged with finding facts and reporting them honestly. I categorically reject this cynical acceptance of political expediency.

Finally, and this point is perhaps more serious than all the rest, Mr. CONYERS is intimately involved in an effort to lobby his own committee and the Congress in favor of impeachment—a departure from standards of justice which, taken alone, requires his immediate removal from further participation in the impeachment inquiry.

Specifically, Congressman CONYERS' name is attached to a mass mailing sent out from the Americans for Democratic Action. In endorsing this mailing, let me observe what the Congressman now supports regarding the impeachment process. He is asking for organized public meetings, phone and letter campaigns, and personal visits to his colleagues in a lobbying effort on behalf of impeachment. He has endorsed "special media campaigns" to put the views of the ADA before the public. He has endorsed the organization of a "grass roots phone bank" to disseminate impeachment information.

This circular, to which JOHN CONYERS name is attached, closes by soliciting money for further lobbying in favor of impeachment. The Congressman's action in supporting this effort to bring propaganda pressures in favor of impeachment is so inconsistent with his role as a member of the Judiciary Committee as to place in jeopardy the cherished American notions of fair play, due process, and constitutionally recognized procedures.

I can recall so vividly that day in February when Chairman RODINO took to the floor and made these comments:

> We are going to work expeditiously and fairly . . . Whatever the result, whatever we learn or conclude, let us now proceed, with such care and decency and thoroughness and honor that the vast majority of the American people, and their children after them, will say: That was the right course. There was no other way.

Mr. CONYERS has turned Chairman RODINO's hopes into an empty promise of piety. JOHN CONYERS, to my great regret, has not proceeded with care, nor decency, nor fairness, nor thoroughness, nor honor. He has rendered inoperative the high promises of Mr. RODINO. By his divisive rhetoric and unseemly endorsements, the Congressman has now earned an immediate exit from a task whose solemnity he has so clearly rejected. As difficult as it is for me to reach this conclusion, I cannot rest when such violations of our Constitution are perpetrated under the guise of a congressional inquiry.

I call on Chairman RODINO to act without delay in remedying this intolerable and embarrassing situation on his committee. There can be no other decent or honorable course. That is the chairman's stated position—now he must fulfill the promises he has made.

LOVE STORY

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. WOLFF. Mr. Speaker, I believe that our colleagues will be interested in rereading the following article, which appeared in the New York Times on January 23, 1971.

The article follows:

THE FILM "LOVE STORY" IS GIVEN PRESIDENTIAL SEAL OF APPROVAL

WASHINGTON, Jan. 22.—Owners of theaters showing the film "Love Story" can post a new recommendation on their marquees tomorrow. "I recommend it—R.M.N."

Chatting informally this morning with newsmen about his State of the Union message, President Nixon said he had seen the movie in Camp David recently had enjoyed it and, the President added, "I recommend it."

However, he said, he was mildly upset at the film's profanity.

He said his wife and two daughters, Tricia and Julie, had read the book and felt the "shock of the dialogue they put in the girl's mouth."

"I wasn't shocked," the President said, "I know these words, I know they use them. It's the 'in' thing to do."

However, Mr. Nixon said, the dialogue "detracted from a great performance" by Ali MacGraw, who plays the female lead.

Discoursing briefly on profanity, Mr. Nixon said that swearing "has its place, but if it is used it should be used to punctuate." If profanity is overused, he said, "what you remember is the profanity and not the point."

The President's comments on this and other subjects came during a picture-taking session when he posed with two young White House aids—Hugh Sloan, 30 years old, of Princeton, N.J., and Deborah Murray, 25, of Cleveland—who will be married Feb. 20 in Ohio.

VICE PRESIDENT FORD ADDRESSES TEXAS A. & M. UNIVERSITY GRADUATES

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. TEAGUE. Mr. Speaker, I had the pleasure to attend the graduation exercises at my alma mater, Texas A. & M. University, on May 11 and hear our Vice President address the young men and women at their commencement.

I, like many in this body, served with GERRY for many years in Congress and I have always admired and respected him. Today I admire him even more because he has been thrust into a most demanding job and he has stepped into that most important job with fervor and dignity.

I would also like to commend the new graduates of Texas A. & M. University because they were most respectful to our Vice President and they showed him every courtesy.

Vice President FORD's address was most inspiring and worth this distinguished body's attention. I recommend the address to you, my fellow Members of Congress and the general public.

The address follows:

ADDRESS BY VICE PRESIDENT GERALD R. FORD, TEXAS A. & M. COMMENCEMENT, COLLEGE STATION, TEX.

This is the third commencement address I have made in the current season, and I hope the third time is a charm instead of a strike out. Just a week ago today, I returned after 39 years to my alma mater, the University of Michigan, where just a few of the capped and gowned streakers booed me. I've been booed before at Ann Arbor, when I got off a bad pass as center. This time I decided they just weren't listening to my speech.

The next day I read that the booing was because I was defending the President of the United States for exercising his right to take his case to the people.

Day before yesterday I went to Eastern Illinois University near Chicago and I talked about corruption in government, which happens in Cook County as well as Washington, and how college students now armed with the vote ought to pitch in and clean up our political processes by participating in them. They clapped and they cheered—and I thought maybe they weren't listening to my speech either.

But the next day the news stories said I was making my sharpest attack to date on the President of the United States and trying to line myself up with those who are trying to jump off his Ship of State without exactly saying so.

Well, I had a long talk with President Nixon yesterday morning.

I told him that I've been telling as many members of the Class of 1974 as I can reach that the government in Washington isn't about to sink, that it is and will continue to be about as good as concerned and conscientious citizens make it, that the Constitutional processes are working as the Founding Fathers intended, without riot or repression, without as yet seriously weakening our strength at home and aboard.

I also told the President I was going to try again today at Texas A & M, where there are more doers than booers.

I have also taken an extra precaution for my third commencement speech today by bringing two distinguished Aggies back to College Station with me, Commissioner Mayo Thompson of the Federal Trade Commission and the Honorable Olin Teague, my old and dear colleague in the House of Representatives and the man who made Texas A & M a household word in Washington.

Tiger Teague and the President were already Congressmen when I arrived as a green and eager freshman. Both of them took pity on me and helped me, one from the Democratic side of the aisle and the other on my own side. I can't think of any two Americans who have done more in my lifetime to further the bipartisan, or rather nonpartisan spirit of sustaining America's position of strength and leadership in the free world, whether the White House or the Congress was Republican or Democratic, and from whatever quarter the threats appeared. I hope and pray that we can continue to sustain that kind of devotion to the national interest through any political storms and struggles that may lie ahead.

Texans have always done that, as I well remember, whether it was Mr. Sam Rayburn and Senator Lyndon Johnson with President Eisenhower or my good friend Chairman George Mahon of the Committee on Appropriations of the House with whom I had the honor of serving as ranking minority member of the Defense Subcommittee for many years or with Senator John Tower in the Kennedy-Johnson years.

Even among Texans, Texas Aggies take second place to none in their patriotic contributions in peace or war. I am told that this great university contributed more officers in the two World Wars than West Point and Annapolis put together, that 80 A. & M. alumni gave their lives in Vietnam and 14 are still listed as missing in action. I am deeply glad that the service all of you may be expected to render your country can today be voluntary, constructive and in the cause of peace. But I know you can all be counted on to stand up for America. Each of you is the 12th man in this game.

We are all going to have to be 12th men. In the present mood of the Congress, there is great pressure to trim the defense budget in order to find funds for other purposes. Many of these purposes are worthy and much needed. It is tempting to vote for them in an election year and, as for defense, the Vietnam war is over for Americans, isn't it? We are moving toward more normal relationships with the Soviet Union and China, aren't we?

So who needs $86 billion dollars for defense?

We do. Freedom and security for ours and future generations can only be won from a negotiating position of known strength and scientific superiority.

Just last week I thought I might have my first chance to vote in the Senate to break a tie on an amendment by Senator Kennedy to cut out funds for military aid we promised to South Vietnam. Unfortunately, it wasn't that close. So this Congress by majorities in both houses has forced our country to let down a small, brave ally, fighting alone now for survival.

This is only a single straw in the wind. It does not yet cut into our own military strength or future technological capability. But I am fearful it is a sign of the times. In the late 1930s when Tiger Teague was working his way through school here and I was waiting on tables at Michigan, in the middle of the great depression, Congress let our defenses dwindle and decay. And we paid for that at Pearl Harbor, at Corregidor, Omaha Beach and Iwo Jima.

Germany and Japan are today our prospering and peaceful friends, though both are troubled like other free nations with political uncertainties and ravaging inflation. But the Soviet Union has become a vastly more competent and sophisticated competitor and challenger for world leadership, with the People's Republic of China—a nation growing at the rate of two New York cities per year—inching its way toward full membership in the nuclear-armed industrial club of major powers.

Two summers ago I was one of the first official American visitors to the mainland of China in a generation. It was a fascinating and in some ways a frightening experience. The thing that struck me and other Americans immediately was the intensity of determination and dedication which the Chinese exhibited toward the goals set by their leaders—including military power. This appeared to be mainly inspired by concern over the intentions of their Russian neighbor, but we have learned in our lifetime that enemies and allies change rapidly in this uncertain world.

When I was in my junior year at Michigan, Chairman Mao was leading the famous "Long March" of his comrades to the interior of China. When we studied current world affairs in the 1930s, we were almost oblivious to them, believing that the Western-style democracy of Dr. Sun Yat Sen was bringing China out of her long isolation and division.

I thought of this while spending almost a whole night in animated conversation with Premier Chou En Lai, a veteran of the Long March and as gracious a host as he is a tough debater. Probably the Premier thought of Congressman Hale Boggs and me as mere boys, for he and Chairman Mao have been around a long time.

But almost the only Chinese we saw who were older than ourselves were China's top echelon of leaders. The overwhelming impression one brings away from a visit to the People's Republic is that it is a country of young people. Perhaps most of my generation of Chinese perished in the long war with Japan and the Revolution that followed—I do not know, but we seldom saw them. We did see and talk to literally hundreds of dedicated and disciplined young men and women who grew up after World War II and who live by the Thoughts of Chairman Mao.

Wherever we went, to rural Commune or factory or school, we were struck by the desire of today's young Chinese to reform their society through their own resources and by their own hard work, and by their apparently total belief in and devotion to their system of government.

This was particularly true among students, although we saw only one university, and it was almost deserted. During the so-called Great Cultural Revolution, Chairman Mao decided that university students were getting too big for their britches, too far removed from the reality of the workers' and peasants' hard struggle for subsistence.

So Chairman Mao, without waiting for any act of Congress or court order or national election, simply closed up all the universities and sent the students, professors, administrators and all back to the farms and the factories and the army—the lucky ones got the army—for three or four years to learn about life as it really is.

Weighing all that I saw and learned in those weeks, I returned to my own country with renewed faith in our uniquely American emphasis on individuality and freedom. We are a new nation by Chinese reckoning even as we near our Bicentennial, and our civilization is an amalgam of many older ones, most of them young compared to China's

Yet we can learn from one of Chairman Mao's precepts—and indeed the Romans were struggling with it when the Great Wall of China was built—that freedom and discipline are the contradictory opposites of a single entity. Neither of them should be overemphasized—both of them are essential in any society.

From the earliest records of organized communities to tomorrow's newspaper or television talk show, human beings have made a continuous effort to find the perfect mix of these elements—discipline and dedication on the one hand; individuality and freedom on the other.

The search for proper proportion goes on not only in government but in organized groups of all sizes, in the family, and in our individual lives.

Among the ancient Greeks, the Athenians were long on freedom and the Spartans on discipline; the Spartans won the wars but the Athenians still capture our minds. Roman legions conquered their world with discipline, dedication and iron swords while the free and lawless mobs of Rome carried the Republic first to chaos, then into dictatorship.

Thereafter, the Roman world was a model of law and order but bereft of creativity and fatal for free thinkers. The Renaissance world was almost the reverse.

Whenever a society goes too far in one direction or another it is in trouble; too much discipline begets depotism, even the best of which corrodes the human spirit. Too much individuality and freedom brings disorder and anarchy in which no man can live in safety, let alone create for the common good.

You have seen these contradictory forces clash in our own lives. Youth cries for individuality and freedom; parents and preachers and professors—yes, and most politicians too—come down hard for discipline and dedication.

Without a continuous readjustment of the delicate balance between discipline and freedom, between dedication and individuality, you cannot have either a happy life or a good society.

I strongly believe that our Constitution and the traditions and institutions that have grown up under it are much better able to maintain this balance than those of the People's Republic, or of most other countries.

But I also believe that America can use a little extra measure of discipline and dedication today—not to any individual or political party—but to the enduring ideals of our country which Abraham Lincoln called "the last best hope on earth".

You at Texas A & M will celebrate your 100th anniversary at the same time the United States celebrates its two hundredth. Where once there was only endless prairie you and those who were here before you have built this impressive educational establishment—not alone impressive in buildings or in enrollment or on the football scoreboard but in your broadening intellectual challenges and achievements, your inspiring spirit and traditions.

I thank you for inviting me and honoring me with your attention—for being doers instead of booers in the finest Aggie tradition—and I leave you with the words of a well-known Congressman who left Washington and came to Texas a long time ago.

"Be sure you're right," said Davy Crockett, "and then go ahead."

As a matter of fact, I think I'll take Davy Crockett's words with me back to Washington: "Be sure you're right, and then go ahead."

Thank you, and God bless you.

MASSACRE AT MAALOT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. RANGEL. Mr. Speaker, the senseless killing of 18 Israeli schoolchildren at Maalot on May 15, 1974, again demonstrates the need for the United Nations to take strong action against all countries which harbor terrorists. The increasing use of brutal attacks against innocent people as a method of manipulating government policy must come to an end. Too many have already died, and yet these murderous attacks continue to escalate. The United Nations must take immediate steps to impose sanctions against all countries which shelter terrorists.

I am taking the liberty of placing in the CONGRESSIONAL RECORD a statement by Mr. George Meany, president of the AFL–CIO, regarding the massacre at Maalot and the need for effective sanctions against terrorism, for the benefit of my colleagues. I am sure that they will find Mr. Meany's remarks of great interest.

The statement follows:

MASSACRE AT MAALOT

AFL–CIO President George Meany today issued the following statement on the "Massacre at Maalot—Challenge and Threat to Civilized Mankind."

The wounding and killing of several scores of children by Arab gangsters at the Israeli border town of Maalot is an unpardonable crime against all mankind. This outrageous butchery of innocent and helpless teenagers must be condemned by all decent people and every civilized government.

But it is not only the Arab gunmen, the direct perpetrators of this crime, who are guilty. The Arab governments which shelter and finance these savage criminals are equally guilty.

The western and other governments which have not dared to punish such Arab terrorists—even when apprehended in their murderous crimes—share in the guilt.

The U.N. Security Council which has repeatedly displayed inexcusable prejudice against Israel, whose population has time and again been attacked by these fanatical criminals, must likewise bear much of the blame for the outrage at Maalot.

In this situation, it is appropriate to recall that, on May 9th, the AFL–CIO Executive Council stressed "its deep disappointment and disgust with the vote of the U.S. Government representative in the U.N. on April 25, 1974, condemning Israel for a retalitatory act on bases of terrorists who perpetrated the massacre, mostly of children and women in the workers' suburb of Kiryat Shamone. This resolution which has not even mentioned the massacre is utterly inhuman and unfair *and will encourage the worst crimes against humanity.*" The massacre at Maalot was, in no small measure, an inevitable dividend of the U.S. vote cast at the Security Council under the phony flag of detente.

Last, but not least, the heaviest blame for the recurring Arab terrorist outrages lies with the Soviet rulers. It is they who have largely financed, trained, equipped and even incited the Arab terrorists whom they hypocritically hail and help as Palestinian "liberators".

It is furthermore frightening to note that the Kremlin's official news agency, TASS, had the "inside track" to scoop the world press in reporting about the conference of the leaders of the main Palestine organizations—held in Beirut on May 8th—exactly one week to the day before the massacre at Maalot—*for the purpose of "formulating a unified position on the possible ways to solve the Palestine problem* in the light of the situation which has developed in the near East."

I appeal to U.N. General Sacretary Waldheim to brand the Maalot massacre as an outrageous crime against the ideals and aims of the United Nations Charter and the Declaration of Human Rights and to rally the world organization for effective sanctions against all terrorism.

In view of the repeated recurrence of such barbarous crimes by self-styled Arab refugees, the American government would be well advised to examine thoroughly the wisdom of continuing its policy of generous support of the refugee camps which serve as shelters for bestial terrorists whose sole purpose in life is to murder innocent, defenseless Israeli children, women and men.

SOCIAL SECURITY—THE GREAT RIPOFF—NO. 1

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. CRANE. Mr. Speaker, the Federal Government prints a little blue booklet entitled "Your Social Security" which begins:

> Nine out of 10 working people in the United States are now building protection for themselves and their families under the social security program.

Writing in Chicago Today, reporter Warren Shore, in an important series concerning social security, declares that:

> If you believe the little blue booklet, the decision could cost you more than $200,000 and wipe out your chances for a secure future.

The loss, Mr. Shore reports:

> Is real, spendable income. It represents the difference between the protection value a wage earner gets for his Social Security payroll taxes and the value he could get himself for the same money.

According to Mr Shore, today's young worker can look forward to:

Paying at least $1,000 a year to Social Security during the next 5 to 6 years;

Seeing the insurance value of what he buys grow steadily lower;

Paying the most during his middle years when his Federal insurance is worth least to him, and

A retirement plan which will pay him less than half than a plan he could buy on his own, if he can afford to take the benefits.

Today's young workers, Mr. Shore states, are becoming part of "a generation of victims."

Warren Shore spent several months examining the social security law. He talked to hundreds of representatives in the field as well as to insurance experts. He went so far as to set up a special computer program from which many of the figures in the important five-part series in Chicago Today are based.

I wish to share this series with my colleagues and today am inserting part 1, which appeared in Chicago Today of April 29, 1974, in the RECORD. The subsequent parts of this series will be placed into the RECORD at a later time.

The article follows:

SOCIAL SECURITY—THE GREAT RIPOFF

(By Warren Shore)

The Federal government prints a little blue booklet entitled "Your Social Security" which begins: "Nine out of 10 working people in the United States are now building protection for themselves and their families under the Social Security program."

If you believe the little blue booklet, the decision could cost you more than $200,000 and wipe out your chances for a secure future.

The huge list is real, spendable income. It represents the difference between the protection value a wage earner gets for his Social Security payroll taxes and the value he could buy himself for the same money.

For the generation of American workers now under 45, Social Security no longer works. The today's over-45 worker may get a fair value for what he paid [since much of his tax was paid in the low-rate '40s and '50s], Social Security is actually tearing down the financial future of today's young wage earner.

Here are the startling facts:

During the last 20 years the taxes we pay for Social Security have grown a staggering 800 per cent—more than 10 times the cost of living rise for the same years.

During the same period, while the taxpayers' bill for Social Security grew from $5 billion to $40 billion annually, the average monthly benefit check went from $55 to $140—less than one-third the tax rise and always below the poverty level.

It is now possible to pay as much as $14,602 in Social Security taxes and not be eligible for any retirement benefits at all, whether or not you work after 65.

The household in which the husband earns $11,000 and his wife $9,000 annually must pay $32 per month more in Social Security taxes than the household of a $100,000-a-year executive.

During the last 10 years Social Security payment checks have averaged half the maximum amount possible in any benefit category. The same amount of money, during the same years, paid to a private fund would have provided twice the government maximum in any benefit category.

The Social Security restrictions against earning more than a poverty wage [$2,880 per year] while drawing benefits remain in full force until age 72, when more than 99 per cent of Americans are either fully retired or dead.

More than half of all American tax payers pay more to the Social Security Administration than they pay in income tax, and the percentage is growing.

How could the system, called "a ray of hope" in 1937 when it was enacted, have become what University of California economist Peter Somers recently termed "the biggest single roadblock to the security of the American wage earner"?

The answer is that Social Security has not done any of what it set out to do.

Designed to act as a "financial cushion which would encourage saving to supplement it," the opposite has resulted. The system now takes so much from the U.S. paycheck that saving is discouraged.

Intended to help the low-income worker, Social Security is instead paying maximum benefits to those who can afford not to work and a reduced benefit to those who must work.

Consider savings first. During the 1940s, when Social Security was in its early years, the amount collected in taxes represented only a small percentage of what Americans could afford to save out of their pay.

According to census and financial data, in 1942 the average American household, after all tax deductions and living expenses were paid, could afford to put $767 in the bank.

During that year, for every $100 an American could afford to save, $3.70 was being taken out of U.S. payrolls by the Social Security Administration for the retirement fund.

Then began the silent squeeze. By 1945 Americans were earning more but Social Security was taking more and taking it faster. Average household saving dropped to $740 a year. For every $100 we could afford to save, $4.30 was taken from payrolls.

In 1948 Social Security took $12.60 for every $100 we could save. By 1950 the payroll bite had grown to $20.40 for every $100, and by 1955 it was $36.20 for every $100 in household savings.

The tax that was supposed to encourage saving continued to grow faster than Americans could afford to save. In 1960 average yearly household saving in the richest country in the world had slumped to $320—a dismal 140 percent drop in 18 years.

That year Social Security took $63.90 for every $100 we still had left. And still the tax was growing bigger.

Last year was the worst in history. Even tho the average American household was saving at slightly above 1945 levels, the Social Security Administration took $84 for every $100 we saved.

Professor Milton Friedman, a University of Chicago economist, has termed the last 20 years of Social Security "a crushing defeat for the average wage earner."

"Where is the incentive to save," Friedman asks, "when such a huge proportion of that saving is confiscated for a retirement plan a younger worker could buy for one-third of the price?"

All the examples cited include only the amount of Social Security tax earmarked for retirement and death benefit checks. Billions more are taken to finance other federal insurance plans.

What have we bought for an increase in "premiums" equal to six times private insurance increases?

"Pitifully little," says a spokesman for the Illinois Department of Insurance. "If a private insurance company attempted to sell a plan in Illinois which cost so much and paid so little, we would drum them out of the state as frauds."

Nor is Social Security going to stand still. Beginning this year, no more congressional votes are needed to raise Social Security taxes. The hikes will come automatically from now on, tied each year to cost of living increases.

Today's young worker can look forward to:

Paying at least $1,000 a year to Social Security during the next five to six years;

Seeing the insurance value of what he buys grows steadily lower;

Paying the most during his middle years when his federal insurance is worth least to him; and

A retirement plan which will pay him less than half than a plan he could buy on his own, if he can afford to take the benefits.

He will become, in short, part of a generation of victims.

CHROME STOCKPILES SHOULD NOT BE DRAWN DOWN AS REQUESTED

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. BENNETT. Mr. Speaker, after hearing the testimony before the stockpile subcommittee of the House Armed Services Committee I have come to the conclusion that the legislation to do this should be defeated.

Chrome deposits in this country are minimal. Perhaps a 5-year supply of these deposits exist in the United States, if they could be economically extracted; this is not now the case. Nine hundred thousand tons of such domestically extracted deposits now exist in the stockpile; and these have been already excessed and available for purchase for aproximately 10 years. No one has expressed an interest in purchasing these low-grade extractions at what the Government paid for them in the first place.

The United States is, therefore, dependent upon imports from Russia and South Africa and a few other producers; and most comes from Russia. It would therefore seem to be the better part of wisdom not to dispose of the unreleased chrome stockpiles. Even if the domestic ores could be extracted economically they would be exhausted in 5 years. It would seem wiser to hold on to the chrome stockpiles under the circumstances since they are essential to national defense. They are also essential to other aspects of health and industry in this country.

There are many nonessential heavy consumers of chrome in the country; and it may well be that the use of chrome for some of these objectives should be prohibited in the interest of national defense; but in the absence of such regulations the defense needs are greatly imperiled at this time.

There are other cogent reasons for defeating this legislation. The most fundamental one is that the administration has not shared with Congress the reasons for assumptions of availability of this ore for defense purposes in a time of war and absent such information Congress is in no position to adequately assess the assumptions or to pass legislation based upon them.

These assumptions are set by the National Security Council, which is composed of the President, Vice President, Secretary of Defense, and the Secretary of State. With the exception of the President and Vice President the others are appointees of the President. If the one man independent of the President, the Vice President, should differ, the President himself would still have his way without the input of impartial objective criticism even on an administrative level, to say nothing of assistance from Congress. Under these circumstances Congress cannot adequately do its job in evaluating whether these assumptions will allow the enactment of legislation to draw down the stockpile under present circumstances.

Quite apparently there is involved in the assumptions a decision that civilian consumption in wartime can be eliminated to the extent assumed. Sometimes things not apparently needed by civilians are found essential to running the general economy of the country in times of shortages. The country could not fight a war effectively with a collapsed domestic economy even if some aspects of the economy might not seem essential in fighting wars.

Since the assumptions were made in April 1973, there have transpired a number of events of importance. The energy crisis in the United States surfaced an adverse attitude among even friendly oil-producing nations and even when they did not have a monopoly. It demonstrated the ability of such nations to band together or to act unilaterally to deprive the United States of adequate supplies. As an indication of what is in the wind, the Washington Post of May 17, 1974, carries a revealing story entitled, "Jamaica Plans 500 Percent Boost in Bauxite Taxes." The United States gets 60 percent of its bauxite, the basic ore for aluminum, from Jamaica and there is very little in the United States.

The President, in his message to the Congress on January 30, 1974, said in discussing oil and minerals shortages, that—

> It is imperative that we review our current and prospective supply of other basic commodities. I have, therefore, directed that a comprehensive report of policy analysis be made concerning this crucial matter so that governmental actions can properly anticipate and help avoid other damaging shortages.

Again, the President, in his fiscal year 1975 budget message to the Congress, said:

> The adverse impact of the energy shortage on the economy could be aggravated by shortages of other raw materials. A comprehensive study on supplies of metal ores and other basic resources and our needs for them is now underway. This study will help ensure that our policies properly anticipate potential problems.

Even before this, Secretary of the Interior Rogers C. B. Morton issued a similar statement on December 28, 1973, in which he expressed concern about potential interruptions of U.S. supplies of strategic and critical materials, and he said at that time:

> The present energy crisis resulted partially from a cutoff of crude oil from Arab countries. To protect the United States from similar actions which mineral-exporting nations might take, I am directing Departmental officials to undertake affirmative action to evaluate our minerals position and to take all action available to assure U.S. supplies.

Secretary Morton stressed at that time that the National Commission on Materials Policy, on which he serves, in its June 1973 report, recommended that the United States decrease and prevent wherever necessary a dangerous or costly dependence on imports.

The Honorable JOHN SPARKMAN, Chairman of the Joint Committee on Defense Production, U.S. Senate, wrote our committee specifically about chrome on March 8, 1974 as follows:

> As to metallurgical grade chromite, it is reported that no chromite has been mined in the United States since 1961. Estimates developed by the committee staff in past years indicated that the cost of producing chromium from chromite mined in the United States could be 4 to 5 times the domestic market price. In view of the fact that chromium is a high temperature material, and it is understood that the only known substitutes for high temperature materials would be other high temperature materials, and the United States was dependent on Russia for about 34% of the chromite consumed in the United States in 1972, the reduction of the objective to less than 16% of the former objective appears to provide an excellent example of the willingness of the Executive branch to rely heavily on foreign sources of supply or unrealistic estimates of

domestic production for meeting military and civilian requirements.

Comptroller General of the United States Elmer B. Staats, appearing for the General Accounting Office, an agency independent of the administration and being an arm of the Congress itself, in an appearance before a joint hearing of the Senate Committee on Commerce and the Senate Committee on Government Operations, April 29, 1974, had the following to say:

> In view of the world resources outlook and the fact that the purpose of the stockpile is to accumulate and retain materials for use during a national emergency, we believe that the basis for the newly established objective for materials in the stockpile should be reevaluated. While this reevaluation is being made, we believe disposal of materials from the stockpile should be halted.

In the hearings of our committee just concluded, the witness for the Department of Defense specifically said that the Department of Defense has asked in 1974 for a restudy of the stockpile situation as to critical defense materials. He said that he did not know what had happened to that request.

Mr. Werner Grosshans, who appeared for the General Accounting Office before our committee in its hearings, commented adversely on H.R. 9958, the bill before the subcommittee, and in his prepared conclusions before the committee stated:

> It is apparent that we must, as a Nation, ascertain our materials requirements and our strategies for coping with shortages.
>
> Part of the overall requirements determinations should be national defense considerations. Assumptions developed without considering the current world situation obviously need reconsideration.
>
> Until the above planning has been accomplished—which would include the possible needs for stockpiled material—it does not appear prudent to enter into a disposal program based on current assumptions.

These observations by the General Accounting Office and by others from whom I have quoted, including the President, indicate that the question of drawing down our present stockpile should not be approached without considering domestic consumption as well as strictly defense needs.

Mr. E. F. Andrews, who appeared before the subcommittee on behalf of the American Iron and Steel Institute and the Tool and Steel Industry Committee, stressed the need for economic stockpile considerations as a part of our total defense position. It was with such thinking in mind that I introduced H.R. 13444, a bill to provide that economic consideration be given in the defense stockpile situation.

In view of all the above, I am vigorously opposed to the passage of H.R. 9958, or any other piece of legislation which would at this time draw down stockpiles of essential and critical defense commodities without further in depth studies. In the case of chrome we have an outstanding example of the folly of such a procedure, since we are so dependent on Russia for our source of supply.

MINORITY VIEWS ON H.R. 14225, REHABILITATION ACT AMENDMENTS

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. LANDGREBE. Mr. Speaker. H.R. 14225, the Rehabilitation Act Amendments, is scheduled for the floor tomorrow, Tuesday, May 21. Due to the hurried manner in which this legislation is being rushed to the floor, the committee report may not be available before Members are required to vote on it. Therefore, I am inserting here the minority views I filed with the committee report:

MINORITY VIEWS BY MR. LANDGREBE ON H.R. 14225

This bill is another example of the gross irresponsibility exhibited by the Committee on Education and Labor.

There were no hearings on H.R. 14225 and no consideration or mark-up by the Subcommittee on Select Education, to which the bill had been referred. Committee members were notified late Monday, May 13, that H.R. 14225 was being added to the schedule of the full committee for the next day. On Tuesday, the bill was hurriedly considered and passed. I now (May 17) understandthat it is scheduled for consideration under suspension of the rules on May 21.

Obviously this bill is being railroaded through committee and, its proponents hope, through Congress. Why?

Undoubtedly to cover up Section 2, which transfers the Rehabilitation Services Administration from the Social and Rehabilitation Services to the Office of the Secretary of the Department of Health, Education and Welfare. This provision was contained in S. 7 last year which passed the Congress, was vetoed by President Nixon, after which the Senate sustained the President's veto. One of the major reasons for the veto of S. 7 last year was the fact that it contained a provision similar to Section 2 of H.R. 14225.

Now, the Committee on Education and Labor has rammed this bill through Committee without the courtesy of any proper consideration. Next Tuesday the Committee hopes to ram the bill through the House under suspension of the rules, in order to avoid the kind of embarrassing situation faced last year when the Rehabilitation Act of 1973 succeeded in becoming law only after the provision removing the Rehabilitation Services Administration from the S.R.S. and placing it directly under the Secretary of Health, Education and Welfare had been deleted.

There are, of course, many good reasons for allowing the structure of the Department of Health, Education, and Welfare to remain as it is at present. Secretary Weinberger enumerated several of these reasons in a letter addressed to Chairman Perkins received May 14. The fact that the letter stating the Administration's position on H.R. 14225 was not received until the day the full committee voted to pass the bill, May 14, indicates the discourtesy of the Committee in giving the Administration such advance notice. I am attaching Secretary Weinberger's letter to Mr. Perkins, but I wish to emphasize some of the points he makes and add a few of my own.

The Secretary objects strongly to the transfer of the Rehabilitation Services Administration because it would disrupt the internal functioning of his Department and create a situation in which management decisions could not rationally be made nor efficiently executed. The Secretary emphasizes that the programs handled by S.R.S. are not only compatible with but complementary to the functions of the Rehabilitation Services Administration. This is in striking contrast to the view stated in the Committee Report that "the Social and Rehabilitation Service, which is made up primarily of welfare programs is not a suitable home for the rehabilitation program which focuses on developing potential." Apparently we are to conclude from this comment that the welfare programs are *not* focused on "developing potential." But I suspect that this alleged incompatibility between the two programs is merely the cover rationalization for the relocation of the R.S.A. within the Department of Health, Education, and Welfare. The real reason for placing it directly under the Secretary's office would be to give its bureaucratic functions, and not its functions in serving the handicapped, greater emphasis.

It is neither the best interests of the clients of this vocational rehabilitation program nor the best interests of the American taxpayers that this transfer will further; it is only in the interests of those who wish to add new spending capacity to the R.S.A. in order that they might spend, spend, spend, inflate, inflate, inflate, and elect, elect, elect.

I urge that H.R. 14225 be defeated by the House and that this drive to reorganize the Department of Health, Education and Welfare be repelled.

EARL F. LANDGREBE.

Following is Secretary Weinberger's letter.

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., May 14, 1974.

Hon. CARL D. PERKINS,
Chairman, Committee on Education and Labor, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing concerning H.R. 14225, a bill "to amend and and extend the Rehabilitation Act of 1973 for one additional year," which your Committee will consider today. I wish to voice my strong objection to section 2 of that bill, which would provide for the transfer of the Rehabilitation Services Administration (RSA) to the Office of the Secretary.

The primary basis for my objection is that such a provision, if enacted, would seriously limit the Secretary's ability to make essential management decisions as to the best way to marshal the Department's resources based on his evaluation of its missions and capabilities.

In addition, in my view the separation of RSA from the Social and Rehabilitation Service (SRS) would be particularly unwise due to the commonality of purpose shared by the vocational rehabilitation program and other SRS programs, which has led to a close working relationship between them. For example, vocational rehabilitation shares two common goals with the social services program—increased self-sufficiency and self-support. To achieve these goals, these two programs frequently interact closely, to the added benefit of the disabled person pursuing his rehabilitation goal. Day care services, for example, enable disabled parents, who might otherwise be unable to leave their homes and children, to pursue their vocational rehabilitation programs. Such interaction and coordination is clearly enhanced by grouping the vocational rehabilitation program in SRS with other programs sharing related goals and would be seriously disrupted by separating them.

Also, this would be a particularly bad time to transfer RSA for two reasons. First, RSA is now in the final stages of preparation for the implementation of the Rehabilitation Act of 1973. Regulations, which have benefited from the rigorous evaluation and input by the House and Senate Committee staffs, will be published for public comment in the next few days, and contracts for special studies are being met. This process of implementation, which is now at such a crucial stage, would be seriously crippled by the inevitable disruption that the transfer of RSA would cause. In addition, the Office of Human Development in the Office of the Secretary, which would be the only logical component in which to place RSA, is only a little more than a year old. In that year it has assumed, as you know, many crucial new responsibilities, and it is still developing its capacity for effectively carrying them out. This process of development would be seriously threatened by the assumption of an operational program of such major proportions as the vocational rehabilitation program.

I hope that you and other members of your Committee give the above objections your very serious consideration and delete section 2 from H.R. 14225.

With regard to the remaining provisions of the bill, which would extend the Rehabilitation Act of 1973 through fiscal year 1976, I would suggest an additional provision extending the deadline of some of the studies mandated by that Act. Due to the importance and complexity of these studies, it will be necessary to allow additional time for their completion in order to produce the desired results. For example, section 130 of the Act requires that a comprehensive service needs study be completed by February 1, 1975. We estimate, however, that we will not be able to complete a study of the high quality desired before September 30, 1975.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

TAX EXPERT SUPPORTS AMENDMENT TO CONVERT FOREIGN TAX CREDIT FOR OIL COMPANIES INTO DEDUCTION

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. VANIK. Mr. Speaker, in February 1973, the House Ways and Means Committee heard testimony from a panel of experts on the proper tax treatment of oil and gas companies.

During the testimony, George Washington University Professor of Law, J. Reid Hambrick, commented on the foreign tax credits claimed by oil companies. The following is the professor's testimony in support of repealing the credit for this industry:

Foreign tax credit. Another prominent area where a very generous double benefit is handed out to the oil and gas industry is foreign oil production.

Unlike the situation in the United States where the landowner typically owns the mineral rights under his land, in most foreign countries, those rights belong to the sovereign.

Accordingly, when a country like Venezuela, Saudi Arabia, Kuwait, Iran, or Iraq grants a concession for the exploration and development of its oil and gas resources, the nation itself reserves a royalty share of the production income. Until recently the reserved share in most foreign countries was not less than 50 percent of the net profits from the producing activity.

In this country, if a landowner reserved a 50 percent net profits interest on the grant of operating rights, this amount of income, 50 percent of the net profits, would be excluded from the gross income of the operator. Only the remainder would be the income of the operator. He would take depletion on this remaining amount and go on to compute his income tax.

However, U.S. oil companies engaged in foreign production have been allowed to arrange the 50 percent share of the foreign country in the form of an "income tax," in whole or in part, and to claim this so-called tax as a credit against the U.S. tax liability.

In most cases, our tax is wiped out, so these companies paid no U.S. income tax whatever on the billions of dollars of foreign oil produced every year.

In this situation, there is no distinction between royalty—or net profits—and a tax. The reason the U.S. oil companies suggested an income tax be imposed upon them by the lessor countries was to have the U.S. Treasury pick up the tab for their tribute to the foreign oil sheikdoms.

If the share of the lessor country had been put in the form of a net profits interest, the remainder of production income would have been subject to a substantial U.S. tax.

The fact that we have let this state of affairs develop, while at the same time keeping the cheaper foreign oil out of U.S. markets,* all at the expense of our own domestic reserves and the American consumer, with the industry screaming, "Threat to the national security! Fuel shortage! Energy crisis! Monetary panic!" All this is a real disgrace.

I am suggesting that this outrageous situation be corrected by treating the so-called income tax what it is in truth and in reality—royalty payable to the lessor-country—and taxing the remainder to the U.S. companies without a foreign tax credit.

GUAM INTERESTED IN THE LAW OF THE SEA CONFERENCE

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. WON PAT. Mr. Speaker, one of the most pressing issues facing the United Nations today concerns ownership and control of coastal areas.

Many nations are rising to challenge the long established 3-mile territorial limit of national jurisdiction over their coastal areas. Peru and Ecuador, for example, have been seizing U.S. fishing boats for the past several years on the charge that they have been violating a 200-mile territorial limit set by these two countries.

On June 20 to August 29, 1974, the United Nations will conduct a Law of the Sea Conference in Caracas, Venezuela, in an effort to resolve the many differing views concerning this and related issues.

Although the United States will participate in the conference, the Guam Legislature has expressed interests in having Guam representation at the conference to assure that our own unique requirements as an island are fairly represented.

Toward this end, the 12th Guam Legislature has adopted a most exemplary resolution. This document noted that the official position on this issue adopted by the Congress of Micronesia is one that best identifies with the needs of Guam, and the Guam Legislature requests that one of their members be permitted to join the Micronesian delegation in Caracas.

As the Delegate in Congress from Guam, I believe that it is consistent with my responsibilities to bring the views of our legislature to the attention of my colleagues in Congress.

For this reason, I therefore insert the content of Resolution 202 now in the RECORD:

RESOLUTION No. 202

Be it resolved by the Legislature of the Territory of Guam:

Whereas, the Congress of Micronesia has recently adopted a preliminary position with respect to the Law of the Sea in defining a nation's internal and territorial waters, which position can be summarized as follows:

(1) Micronesia's internal waters consist of all waters within the Micronesian archipelago and that the waters encompassed by the Micronesian archipelago consist of all waters within straight base lines connecting the outermost islands, barrier reefs, fringing reefs or other reef systems measured at the low water line, the internal sea of Micronesia to consist of all waters within those lines.

(2) While the rights of innocent passage will be permitted until such time as sea lanes and air corridors through the internal waters of Micronesia are designated, Micronesia has the right to control the passage of ships and aircraft across its internal waters.

(3) Micronesia's territorial sea consists of all waters adjacent to the Micronesian archipelago to a distance twelve nautical miles outward as measured from the baseline encompassing the archipelago.

(4) Micronesia shall have exclusive jurisdiction over all resources, both living and non-living, including the resources of the sea bed and its sub-soil, within the waters adjacent to the Micronesian archipelago to a distance 200 nautical miles outward measured from the outer boundaries of the territorial sea, but in this exclusive resource zone, the rights of innocent passage by ships shall not be restricted in any manner nor shall air traffic be restricted nor shall Micronesia reserve the right to designate sea lanes and air corridors through the exclusive resource zone. Until such time as the Micronesian fishing industry is capable of harvesting its fishery resources to the optimum level within its internal waters, territorial sea, and exclusive resource zone, a licensing system, subject to rules, regulations and fees established by law, will be implemented whereby foreign fishing vessels will be permitted to harvest that portion of the fishing resource which the Micronesian fishing industry is incapable of harvesting; and

Whereas, the position of the Congress of Micronesia on this question of such vital importance to the people of Micronesia is set out and explained in detail in a document entitled "Law of the Sea, the Preliminary Micronesian Position" prepared by the Joint Committee on the Law of the Sea by the Fifth Congress of Micronesia, which report is dated May 14, 1973, explains why the preliminary position has been adopted, why the position is consistent with international law, why this position is reasonable, and why it is consistent with the political, cultural and economic realities of Micronesia; and

Whereas, the Legislature has had an opportunity to study this position paper and finds its analysis pointed, its reasoning impeccable, and its conclusions compelling, and therefore wishes to associate the people and territory of Guam with the position of the Congress of Micronesia on this vital question, the reasons for this association of Guam with the rest of Micronesia on this question of the Law of the Sea being the following:

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*Since the Professor's testimony, the Oil Import Quota Program was abolished.

(1) Guam is geographically, culturally and historically a part of Micronesia and its water resources are as vital to it and its economy as are such resources to the enonomy of Micronesia at large. Guam itself lies within the internal waters of Micronesia, as defined by the Congress of Micronesia, which is entirely consistent with Guam's location in the Pacific Ocean, its separate political status being a result of a historical accident, having no relationship with the geographical realities of Guam and Micronesia.

(2) Guam is a small island as are the other islands of Micronesia, and to provide its peoples with the necessities of a peaceful and happy existence, it must not be forever at the mercy of those large international powers with powerful navies, and wider-ranging fishing and merchant fleets, since under the old concept that the territorial waters only extend three miles out from the high water mark of the island's shores, the people of Guam would have to stand idly by while its nearby waters were exploited both for fish and for the minerals to be found on the sea bed, resources that should be strictly within the control of the people of Guam.

(3) Guam's position in the Pacific relatively close to the Philippines, Taiwan and Japan means that ships and aircraft destined for these countries continually traverse the sea and air surrounding Guam, and it is therefore only just that Guam controls these sea lanes and air corridors, particularly since for this very reason of Guam's major role as a shipping and air transportation center, it will be a primary target in any future world war, and thus the right to control aircraft and ships within its waters becomes of paramount importance to the safety and welfare of the people of Guam.

(4) With the ever-increasing world population putting more and more pressure on the limited resources of the ocean, water pollution and over-fishing become a growing menace to the peoples of the Pacific Islands, including Guam, and the pollution of Guam's nearby waters and the destruction of its fishery resources cannot be prevented unless the territory has jurisdiction thereover; now therefore be it

Resolved, that the territory of Guam, represented by the elected representatives of the people of Guam, the Twelfth Guam Legislature, does hereby adopt as its own position that preliminary position on the Law of the Sea as set out in the report by the Congress of Micronesia thereon, and the Governor of Guam and Guam's Delegate to the House of Representatives of Congress of the United States, are each hereby respectfully requested and memorialized to present this position as forcefully as possible to those officials within the Department of Interior, the Department of State, and elsewhere in the Federal Government having jurisdiction over the question; and be it further

Resolved, that the Congress of Micronesia be and it is hereby respectfully requested and memorialized to permit representatives from the Guam Legislature to join the delegation from the Congress of Micronesia that participates at the next session of the United Nations Law of the Sea Conference to be held in Caracas, Venezuela, and if the Congress believes that it will not be permissible for such Guam representatives to attend as members of the Micronesian delegation, said latter delegation should at least be respectfully requested to advise the Conference that the territory of Guam is fully in accord with the position of the Congress of Micronesia on this vital question; and be it further

Resolved, that the Twelfth Guam Legislature does hereby authorize to attend the Caracas Conference representatives from the Legislature, who are further empowered to present the position of the territory of Guam on this question, and who shall make a report to the Legislature on the result of their attendance and the fruits of the Conference upon their return; and be it further

Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof, and that copies of the same be thereafter transmitted to the Chairman of the Joint Committee on the Law of the Sea of the Congress of Micronesia, to the Presiding Officer, Conference of Law of the Sea, United Nations, to the Secretary of State, to the Secretary of the Interior, to Guam's Delegate to the U.S. House of Representatives, and to the Governor of Guam.

Duly and regularly adopted on the 17th day of April, 1974.

G. M. Bamba,
Legislative Secretary.
F. T. Ramirez,
Speaker.

GE BOARD CHAIRMAN TESTIFIES BEFORE JEC

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, last week, the Joint Economic Committee's Subcommittee on Economic Growth, chaired by Senator George Bentsen, of Texas, began a set of extremely important hearings which will endeavor to analyze in what directions our Nation and indeed the world might grow in the next decade.

As a member of that subcommittee, I am most concerned about patterns of domestic growth and consumption which have far-reaching international implications.

One of the first witnesses before our subcommittee was Reginald H. Jones, chairman of the board of General Electric Co.

I would like to include Mr. Jones' thoughtful statement in the Record at this time:

Environment for Capital Investment

Since the great depression of the Thirties, the United States has become an increasingly consumer-oriented economy. National policy has been directed primarily toward stimulating consumer demand, redistributing wealth, providing for social welfare, and increasing government services. Except for the periods of World War II and the Korean War, the production side of the equation and the creation of capital have had much lower priority.

While much good has flowed from policies favoring consumption over production, they have—over time—created an unbalanced situation which threatens continued national progress. We now have an economy whose tax structure and economic policies tend to discourage savings and capital investment. The popular attitude toward profits—the means by which business finances this country's future—is one of grudging acceptance and little understanding. This attitude was manifest in legislation during the Sixties which, for example, twice reduced personal tax rates while leaving the corporate tax unchanged.

Other industrialized countries, our competitors for world markets, have had more aggressive policies to encourage investment.

Here are the comparative rates of capital investment: gross private domestic investment as a percentage of GNP for 1973:

	Percent
United States	15.7
Germany	26
France	28
Japan	37

Now those figures are greatly affected by the differing institutional arrangements in these countries, and the American people probably would not, for example, want to emulate the Japanese way, with its emphasis on production for export and lower standards of living at home.

Nevertheless the United States has, for decades, been investing comparatively less of its wealth in capital for the future. And the consequences of underinvestment are catching up with us in those basic industries that undergird the national economy and its expensive social services. Shortages of fuel, raw materials, transport, and industrial commodities are forcing us to re-examine our national priorities. Unless we want to live with ever-worsening shortages, and all the unemployment and inflation and government controls that would result, we will have to establish policies that once more encourage savings and investment.

U.S. CAPITAL NEEDS 1974–85

First, let's take a realistic look at the capital needs and resources of the United States between now and 1985. Our economists at General Electric, utilizing a computerized econometric model of the economy into which they can feed varying assumptions, have made a year-by-year projection of the economy to the year 1985. This is not an idealistic projection, but one that recognizes how deeply inflationary forces are imbedded in our total system at the present time. It anticipates that we will have an overall inflation rate of about 5% a year between now and 1985—high by historical standards, but less than the present overheated rate. It further assumes that, because of the long-term decline in industry's return on investment, the continuing pressures of inflation, and the demands of our social problems, we will not be able significantly to increase the proportion of Gross National Product devoted to capital investment, desirable though that may be.

With these conservative assumptions they project a 4% average annual growth in real GNP, or 9.1% growth in current dollars. That would yield a Gross National Product of $3.6 trillion in 1985, expressed in then-current (not constant) dollars.

Table I, attached, summarizes the capital investment needed to attain such an economy, as well as the historical record of the previous twelve years.

Look at the first line, which presents the grand totals of gross domestic private investment—a category that includes residential structures and inventory accumulation in addition to business fixed investment for structures and equipment.

In the period 1962 through 1973, a total of $1.5 trillion was invested. But in the coming twelve years, we'll have to raise and invest a staggering $4.5 trillion. And most of that will have to be raised by the business community.

The chart also presents the data in constant dollars. It's interesting to note that the total in current prices for the twelve years ahead, $4.5 trillion, is triple the total for the previous twelve years, $1.5 trillion, while in constant prices it is only about 69%

higher. The ravaging effects of inflation are apparent and will greatly complicate our financing problems in the years ahead.

As I indicated, this projection does not expect the nation to devote much more of its GNP to investment. The $1.5 trillion invested in 1962-73 amounted to 15.0% of our GNP in that period, and the $4.5 trillion projected for the next twelve years will similarly amount to about 15.8% of GNP. In my personal opinion, we'll have to do better than that—perhaps 18% to 20%—if we want to lick inflation and maintain a socially acceptable level of unemployment. But I must also say that, given present national policies and tax structure, industry will be very hard put to raise its share of the conservatively projected $4.5 trillion—let alone any more than that.

Table I also shows the components of this projection of gross private domestic investment. Look at the fourth line, business fixed investment. This investment in plant and equipment, including the agribusiness, will have to be more than triple the level of the earlier period, $3.3 trillion versus $1.1 trillion in current dollars. The biggest increases occur in electric utilities and other energy industries, which will have to raise and invest about $770 billion, almost four times their investment in the past twelve years.

These projections include investment for a number of basic purposes:

For the necessary replacement and modernization of facilities and equipment which account for about half of the total.

For increasing industrial productivity not only to assure domestic growth and restrain inflation, but also to keep our country competitive in world markets.

For environmental pollution control, which does not add to productive capacity but has the commitment of the public and is necessary to maintain our quality of life.

For the development of alternative sources of energy. I should emphasize to the Committee that as we move from the easy to the more difficult and expensive sources of energy, the investment required is much more substantial and the risks are several orders greater than for more normal business investment.

Governments also make capital expenditures, and on Table II we present our projection of government investment spending, as against the historical record. Again look at the totals on the first line. In the period 1962 through 1973, federal, state, and local governments invested $357 billion in equipment and construction for education, highways, resources, and other public services. In the coming twelve years, that will increase to $779 billion in current dollars. In constant dollars our economists estimate that government investment may be only slightly higher than in the past twelve years, because of lower requirements for school and highway construction. In view of the constantly increasing dimensions of governmental activities, I think our economists may be overoptimistic about holding down government capital outlays. We also add, for your information, a projection of military requirements that may or may not be characterized as investment. The point of this Table is to remind the Committee that government capital expenditures, which are paid through taxes rather than voluntary investment, reduce the amount of money available to individuals and corporations for savings and investment. And to the degree that the government does not raise enough taxes to cover its expenditures, it must create new money through the process of financing deficits. The result is inflation that undermines the value of all dollars available for investment.

SOURCES OF CAPITAL

The Committee is interested in knowing not only what the nation's capital needs will be, but also where the funds will come from. In rather general terms, I suppose we could say that savings represent the source of capital—or put another way, that portion of our output that is not consumed is available to our capital markets.

The prevailing Keynesian view since the Depression has been that in the United States, to quote John Kenneth Galbraith, "Not a shortage of savings but a recession resulting from the failure to use all available savings is the spectre that haunts all policy makers. For investment to exceed savings, at least in peacetime, is thought exceptional."

Well then these are exceptional times. My thesis is that this country has drifted into a situation where its investment needs may exceed its savings, and what we need are incentives and policies that will divert more funds from consumption to investment.

In any forecast, investment and savings have to match, and on Table III our economists have prepared a projection of the sources of funds which can be utilized to finance our private investment. In the interests of simplicity and because our needs are for dollars year-by-year, the data are presented in current or actual dollars.

We've all read the business pages and know that company after company has announced record profits for 1974. After-tax earnings of non-financial corporations, recovering from the low point reached in the 1969–70 recession, were reported to be some 38% higher than in 1965. But the fact is that in the same eight years, the Gross National Product increased 88%. Thus, stated corporate profits now equal 4.0% of the GNP, compared to 5.6% in 1965. Business is losing ground.

And that's not the worst of it. The proudly announced 1973 profits are actually overstated because of the hidden impact of inflation.

George Terborgh, the highly respected economist of the Machinery and Allied Products Institute, just last January issued a paper summarizing the effects of inflation over the past eight years on the profits of non-financial corporations. Here are his main findings:

1. He expected after-tax profits for 1973 to be reported at $52 billion. (Actually, they came in at $50 billion.) That would compare with $38 billion in 1965, an apparent 38% increase. However, if we adjust for the effect of under-depreciation and failure to recognize the higher cost of inventory, Terborgh finds that 1973 adjusted profits were less than half as large as reported—$25 billions. That's considerably under 1965 adjusted profits of $36 billions.

Again look at the first line. Gross private savings totalled $1.6 trillion in the past twelve years, and are projected to total $4.3 trillion between now and 1985. That almost matches our private investment needs of $4.5 trillion, and we do not attach much significance to the difference because of the uncertainties inherent in any forecast.

We have no information to forecast the mix of sources except historical data, and on that basis, depreciation allowances are expected to account for the largest share of funds, totalling nearly $2.4 trillion or 55% of the grand total during the 1974–85 period. Savings of individuals will account for nearly 30%, totalling $1.2 trillion in the period ahead, while corporate retained earnings (minus inventory profits) are expected to account for nearly $0.7 trillion or 15%.

But will these potential savings and investments actually be forthcoming?

The answer is by no means certain. Business faces very substantial financing problems in view of the relentless decline in return on investment, the weakness of equity markets, the already heavy burden of corporate debt, the rising costs of credit, and the destructive effects of inflation.

The fundamental problem is the long-term decline in return on investment. Investments have to be successful or businesses fail and people lose their savings and jobs are dried up. That's basic.

2. Terborgh also examined retained earnings, a primary source of reinvestment capital. In constant dollars, adjusted retained earnings fell from $19 billion in 1965 to a mere $2 billion in 1973, a 90% drop. Industry has been distributing practically all of its adjusted earnings in dividends in order to attract more capital, and its reported retained earnings represented little more than the amount required to cover the understatement of inflated costs.

3. Industry has also been overly generous to the government. By overstating profits through under-depreciation and booking of inventory profits, effective tax rates on real profits in 1973 were not 48%, but 66%.

Mr. Terborgh concludes that American industry has not yet learned to protect itself against inflation in its accounting practices.

Further analysis by our GE economists drives this point home with a vengeance. In order to adjust for the actual cost of replacing plant and equipment that is worn out, depreciation allowances should have been 31% higher in 1973, reflecting the rise in plant and equipment prices. Correcting depreciation for replacement costs drops corporate profits to $39 billion, not the $50 billion actually reported by non-financial corporations for 1973. Applying current tax rates, non-financial corporations' profits after taxes yield only 4.7% on total investment in equipment and facilities compared with 7.8% in 1965. And if phantom inventory profits are eliminated (based on a Commerce Department method), the 1973 return on investment falls to a dismal 3.6%! With interest rates above 8.5%—which amounts to 4.1% after taxes— there clearly is little incentive to invest in expanded facilities.

With profit rates declining and depreciation rates inadequate to cover replacement, producers have had to increase their debt to finance modernization and growth. Corporate debt has doubled since 1966, and is estimated to have passed a trillion dollars in 1973. The cost of managing that heavy burden of debt has become a major deterrent to further expansion, making it difficult for industry to raise more money either by loans or equities. The regulated industries, with their high capital needs, are especially hard hit. Average coverage of interest charges of electric utilities declined from about four times in 1964 to about two times in 1973, and is still headed downward.

The situation is further clouded by the depressed condition of the stock market which has reduced and in some instances may have eliminated opportunities for new equity investment. As a matter of interest, in 1973 more than $175 billion was erased from the market value of all the stocks listed on the New York Stock Exchange—hardly an incentive for further investment. Average price/earnings ratios are abnormally low, and in the regulated industries equity prices are frequently below book value. Evidently the public does not consider corporate profits sufficient to make the stock market a good investment today. Yet our capital markets are—and have to be—one of the primary sources of dynamism in the economy.

Returning to the problem of depreciation rates, capital recovery allowances do not compensate for the confiscation of capital by inflation. Accelerated depreciation rates, combined with investment credit, have narrowed the gap between U.S. and foreign capital recovery allowances. But our practices are still behind those of other industrialized nations. Whereas the U.S. cost-recovery figure for the first three years stands at 55 percent, Canada is 100 percent, France 90 percent, Italy 65 percent, Japan 64 percent, Sweden 96 percent, and United Kingdom 100 percent. These countries recognize the realities of inflation.

So we have a picture of business going deeper into debt, faced with declining return on investment, unable to attract sufficient equity funding, unable to keep up with inflation in its depreciation charges, and subsisting on a thinner and thinner diet of retained earnings. The problems are serious for all of industry, but especially for the regulated industries—electric and gas utilities, railroads, airlines, and communications companies—which have extraordinarily high needs for capital.

POLICY RECOMMENDATIONS

What can be done? We understand the Committee is primarily interested in General Electric's projection of capital needs and the obstacles that stand in the way of their attainment. However, we do have a number of policy recommendations that can be quickly summarized.

First, we need tax reform. Not the kind that regards every legitimate incentive to invest as a "loophole", but just the reverse—reforms that will encourage savings and investment.

One step would be to moderate the progressive nature of the federal tax structure. One unfortunate effect of inflation is that, as incomes grow through inflation—without any real increase in purchasing power—individuals move up into higher brackets. Thus they have less left for savings and investment after the tax collectors are finished with them.

As to corporate taxes—we should certainly retain the investment tax credit in its present form, without the variations in rate advocated by some.

We should also allow capital cost recovery at a faster rate. A shortening of Asset Depreciation Range (ADR) recovery periods for machinery and equipment to allow a 40 percent leeway in guideline periods would catch us up with the 1970 recommendations of the President's Task Force. But in view of foreign competition, we need even more rapid recovery of capital costs. Accordingly, I join with others in urging a maximum allowance of 10 percent per year for industrial buildings and 20 percent for other plant and equipment.

Recovery of the cost of air and water pollution control facilities requires special attention. Such facilities do not contribute directly to corporate profitability but represent instead an investment on behalf of the public. These required investments are diverting costly funds from other capital programs which would provide financial return and increased output of goods and services. We estimate the total to be $170 billion between now and 1985. Our tax laws should be amended to provide an election permitting the deduction of all such costs in the year they are incurred.

Tax provisions that penalize savings and investment should be carved out of our tax laws. For example, the minimum tax on tax preference income has no logical application to corporations engaged in normal business activities. Although such corporations should be exempted from this punitive levy, Congress, in any event, should not yield to the pressures of those who would deny to corporations the right to offset income taxes actually paid against preference income.

Further, existing capital gains rates for individuals and corporations should be reduced to the levels effective prior to the 1969 Act. This would include deletion of capital gains from the list of tax preference items. Denomination of a capital gain as a tax preference is in itself anomalous.

Finally, under this heading of tax reform, I would like to point out that some European countries with very high rates of capital formation—for example France and Germany—have found ways of reducing the pernicious effect of double taxation of profits, first on the corporate level, and then on the individual when he receives a dividend.

A second basic step is better control of government spending. It is sobering to realize that the share of gross national product taken by governments at all levels has risen from 10% in 1929 to 32% today, and is headed ever higher. Taxes reduce the amount available for private investment, the bedrock on which our economy rests.

A third basic step is to redirect the government spending that is necessary toward more productive ends—research and development, for example, that would open up new sources of fuel and more efficient energy conversion systems. Where the development of new technologies requires enormous sums and enormous risks, joint business-government ventures would be in order.

A fourth step is to assure an atmosphere that welcomes foreign investment capital—especially those petro-dollars that have been flowing to the oil-producing nations. The increased prices of petroleum have been an unpleasant form of forced savings, and we should be sure that a goodly share of those funds comes back to work in the U.S. economy as capital investment.

And finally, the adequate formation or real capital depends on profit prospects which are more attractive than long-term interest rates—just the reverse of recent trends. Specifically, you might consider the following ways to assure more adequate profits:

Develop more realistic statistics that measure corporate profits as adjusted for inflation. Specifically, include principles of "inflation accounting" in Federal statistics—for example depreciation charges that are based on replacement costs of worn-out equipment. The Financial Accounting Standards Board should be supported in its efforts to establish new rules for reporting corporate earnings to share owners which, in effect, adopt similar standards of inflation accounting. The FASB might utilize Federal statistics to develop standard indexes for use by industry in such reporting.

Steps should be taken to encourage an accelerated flow of equity capital into regulated industries which are closely tied to the economy's infrastructure. Specifically, you might consider guidelines to the state regulatory commissions which would permit these industries to raise prices simultaneously with inflationary cost increases. Such speedy price adjustments would provide the necessary earnings for railroads, airlines, and utilities to assure adequate equity financing.

Governmental economic policies can also improve the profit climate for our hard-pressed basic industries, which must expand to meet the nation's needs. The price mechanism is the best means of bringing supply and demand into balance, and we should by all means avoid price controls when shortages finally push prices to a level where they encourage expansion. In the past three years we have had an expensive lesson in the futility of economic controls, and the mischief they cause by creating shortages and inequities throughout the system. The controls are gone, but the inflation they were intended to protect us against is with us still.

Mr. Chairman and members of the Subcommittee, let me thank you again for giving me this opportunity to appear before you on the crucial question of the nation's business capital requirements. I shall be pleased to undertake to answer any questions you may have at the appropriate time.

ANALYZING THE DEFENSE BUDGET

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Ms. ABZUG. Mr. Speaker, as we discuss the military procurement bill for fiscal year 1974, I believe we should think long and hard about the points made in an article in today's New York Times. Mr. Sanford Gottlieb, the longtime director of SANE, presents some statistics on our military capability and that of the Soviets which should give us all pause. I would like to insert the article into the RECORD:

ANALYZING THE DEFENSE BUDGET

(By Sanford Gottlieb)

WASHINGTON.—Defense Secretary James R. Schlesinger is trying to convince Congress to fund the biggest military budget in United States history. His approach blends hoary cold-war assumptions with new and sophisticated rationales.

He wrote in the fiscal 1975 annual Defense Department report: "The United States today, as opposed to the period before 1945, bears the principal burden of maintaining the worldwide military equilibrium which is the foundation for the security and the survival of the free world. This is not a role we have welcomed; it is a role that historical necessity has thrust upon us. . . . There is nobody else to pick up the torch."

The new rationales, mixing some truth with much else, include these: "Defense" is only 29 per cent of the Federal budget and 6 per cent of the gross national product. There are higher costs because of the volunteer Army. The military budget barely keeps up with inflation. The United States cannot afford to stand by idly while the Russians expand their strategic arsenal.

Before an examination of these rationales, there should be scrutiny of the form and size of the Administration's request. It comes in several packages, masking the full extent of the authorization sought for fiscal 1975, which begins July 1. The Pentagon is seeking $92.9 billion in "obligational authority"—funds to be spent in fiscal 1975 plus some down payments on planned weapons systems—as well as $6.2 billion in supplemental funds for the current 1974 fiscal year.

Approving a separate supplement to last year's budget makes fiscal 1974's share look bigger, fiscal 1975's smaller.

John C. Stennis, chairman of the Senate Armed Services Committee, was not fooled. On Feb. 5, he said that "the sum of these two requests is $99.1 billion," and that "this sum compares to $80.2 billion," which was "appropriated for the Department of Defense last year for fiscal year 1974."

When the Atomic Energy Commission's weapons programs is added to this sum, it breaks the $100-billion barrier. The size of this request is unprecedented in war or peace.

The Government's bookkeeping system was changed in 1968. Before then, the Federal budget was composed of the total expenditures of the executive agencies. Since then, the budget has also included expenditures from such sources as social security, the highway trust fund and railroad retirement. As a result, largely because of higher social security payments Federal outlays have increased 23 per cent in two years. With a bigger "pie," the slice for "defense" looks relatively smaller even when it sets a record.

The important point about the trust funds is that Congress cannot dip into them for other purposes. When the Federal budget is recalculated along pre-1968 lines the figures look very different: 40 per cent for the military, plus another 19 per cent for the costs of past wars—veterans payments and interest on the national debt. This total of 59 per cent is the same for fiscal 1975 as fiscal 1974. The balance of 41 per cent is what Congress might hope to control for such programs as education, health, environment, energy, and agriculture—or return to the taxpayer in tax cuts.

As for the gross national product, the decline in the military's share reflects only a growing national economy; in absolute terms the military budget has been steadily rising. More domestic appliances and buildings need not be matched by more missiles and bombers. If the economy expands during a period of relative international calm, why shouldn't the military's share decline?

Military pay has risen considerably in recent years, but not because of the volunteer Army. The key decision to make military pay comparable to civilian wages, by linking it to civil-service grades, was made in 1967, six years before the end of the draft. The goal was equity, not a volunteer force.

Ensuing pay hikes helped close the gap between military and civilian incomes even before the ending of the Vietnam war and the draft. The war was unpopular enough without perpetuating low pay in the armed forces.

Military-personnel costs are indeed swollen, now consuming 56 per cent of the "defense" dollar. A major factor, which the Pentagon fails to cite, is the top-heavy command structure. There are today more senior officers commanding 2.2 million men and women than there were during World War II commanding 12 million—the consequence of years of vested career interests, not of the fledgling volunteer Army.

The ranks of Pentagon civilians are also swollen, with almost one for every two in uniform, at an annual cost of $17 billion.

A staff study by the Joint Congressional Economic Committee estimates that military budget requests are up 8 percent over last year after allowing for wage and price increases, including fuel costs. Moreover, military spending is a prime source of inflation, pumping large sums of money into the economy without producing goods and services the public can buy.

Exactly one line in Mr. Schlesinger's 237-page annual report is devoted to the statistic that Robert S. McNamara saw in 1967 as the "most meaningful and realistic measurement of nuclear capability": the number of separate nuclear warheads. That line reveals that in mid-1973 the United States had 6,784 strategic warheads, the Soviet Union 2,200. By mid-1974, the United States will have 7,940, the Soviet Union 2,600. Each warhead can destroy a city. We will soon have 36 warheads for each of the Soviet Union's 219 major cities, not counting thousands of tactical nuclear weapons. This is overkill.

But Mr. Schlesinger is worried. The Russians are testing four new missiles with big payloads. Six years after the United States, they are expected to start fitting independently targeted multiple warheads on their missiles. At some future point, the Secretary says, they could have 7,000 powerful warheads with which to threaten American land-based missiles.

Even if one assumes that the Russians could destroy every American intercontinental ballistic missile in its silo, a single hard-to-locate Poseidon submarine could devastate 160 separate major targets in the Soviet Union. Instead of emulating the Soviets in meaningless build-ups, the United States should try to negotiate real reductions in overkill capacity.

COURTS SHOULD ENFORCE JUDICIARY COMMITTEE'S SUBPOENAS

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. FROEHLICH. Mr. Speaker, in recent weeks I have been giving careful consideration to the looming confrontation between the Committee on the Judiciary and the President of the United States. The committee clearly has broad powers to pursue the impeachment inquiry, and I intend to support the exercise of these powers whenever it is necessary to secure the truth.

Nonetheless, the committee's powers are not unlimited. They are not absolute. Somewhere there is a line that the committee ought not to cross. Neither the committee nor the President is in a good position to decide where that line is because we both have a natural and undeniable bias.

Today, I sent a letter to Judiciary Committee Chairman PETER W. RODINO, discussing this great issue together with my principal conclusions. I insert this letter at this point in my remarks.

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 20, 1974.

Hon. PETER W. RODINO, Jr.,
Chairman, House Judiciary Committee, Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: The several subpoenas issued by the Judiciary Committee and others likely to be issued in the future are moving the Committee into a direct confrontation with the President of the United States. In my opinion, the best interest of this nation, its people, and our form of Government will be served if an ultimate confrontation can be avoided. I am writing now to elaborate upon this theme.

The mission of the Committee is to investigate whether sufficient grounds exist for the House of Representatives to exercise its constitutional power to impeach Richard M. Nixon. In essence, our objective is to investigate whether there are reasonable grounds to believe that the various charges of presidential misconduct are true, and, if so, whether these charges constitute one or more impeachable offenses under the Constitution.

In conducting this investigation, the Committee is entitled to *seek* all relevant evidence of specified presidential misconduct. But it does not necessarily follow that the Committee is entitled to *receive* from the President all the evidence it seeks.

As a matter of fundamental constitutional principle, the Committee does not have unlimited power to secure evidence from the President. The President, in some instances, may raise a valid legal objection to a demand for full compliance with a Committee subpoena. There are potential claims of relevancy, national security, executive privilege, attorney-client privilege, Fourth Amendment right of privacy, and Fifth Amendment right against self-incrimination that the President might wish to assert. (For instance, it is inconceivable that the Committee would subpoena a tape of the President's recent discussions with his attorney, Mr. St. Clair, about the Watergate matter, and then disregard presidential objections.) The Committee must not assume a position in which it can dismiss all these claims out of hand. For the Committee to adopt such an extreme view of its power would be to embrace a mechanism for harassing, confounding, and eventually dismantling the executive branch of government, not only at this time in this Administration, but also at any time in any future Administration.

This is not idle speculation. It should be remembered that H. Res. 803, the resolution granting subpoena power to the Committee, could be adapted to an investigation of any executive or judical branch officer *merely by changing names and dates*. For example, the House, by a simple majority vote, could authorize one of its Committees to investigate whether grounds exist for the House of Representatives to exercise its constitutional power to impeach Henry Kissinger, or Clarence M. Kelley, or Warren Burger, and thereafter to demand from said individual, the production of any "books, records, correspondence, logs, journals, memorandums, papers, documents, writings, drawings, graphs, charts, photographs, reproductions, recordings, tapes, transcripts, printouts, data compilations from which information can be obtained . . ., tangible objects, and other things of any kind" that the Committee "deems necessary to such investigation."

If the President now may offer no recognizable objection to such a sweeping and unlimited power, then no present or future executive or judicial officer will ever be certain that his every statement and action in office will not be exposed to the public at the whim of Congress. This would have a stultifying effect upon the conduct of government. Certainly, Congress would never permit itself to become liable to such an encroachment by other branches.

Inasmuch as the House does not possess an unlimited power to extract evidence from the executive, I think it is self-evident that the Judiciary Committee should not be the final arbiter of when the President is justified in not fully complying with a Committee subpoena. It is hard to suppose that an interested party—be it the Committee *or* the President—will always be able to render a disinterested and dispassionate judgment. Neither the *President* nor the *Committee* should have the final determination of what evidence should be delivered. In this regard, a contention by the President that he has no legal obligation whatever to supply additional tapes or documents to the Committee or that he has supplied all relevant data and information is utterly lacking in legal merit. The President should not be the final authority over what he releases to us.

Our only objective in these proceedings should be to investigate the culpability of the President with respect to impeachable offenses under the Constitution. The proceedings should *not* be held to establish the supremacy of the legislative branch, and they should *not* be used to maneuver the President into a confrontation of power that could lead to his impeachment on totally nonsubstantive, procedural grounds. Such conduct by the Committee would not be tolerated by the American people.

In my judgment, the time has come to resort to the courts (or to some neutral, mutually-agreeable creation in lieu of the courts) to settle the fundamental constitutional disputes that are clearly developing. If the Committee is correct in its demands, then its position will be strengthened and buttressed by a favorable judgment from the courts. If the Committee is not correct, then by definition we are not entitled to be successful.

The House may have the sole power to impeach; but most assuredly this power does not carry with it the right to employ any procedure, any means, to establish the impeachment. Hence, the House would not be surrendering any of its constitutional power to the courts.

Above all, the Committee must operate in a way that will preserve the fabric of our constitutional system. That is why it is imperative that we not act alone.

Sincerely,

HAROLD V. FROEHLICH,
Member of Congress.

THE CASE FOR A FEDERAL OIL AND GAS CORPORATION—NO. 35

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. HARRINGTON. Mr. Speaker, the proposal for a Federal Oil and Gas Corporation came under heavy attack last week when international coal company executive Ian MacGregor, chairman of Amax, suggested that a FOGC would encourage:

> Labor unrest, long strikes, inconvenience to the public, and conflict between employees.

Drawing on examples provided by what he called the "sorry record of nationalized industries in Europe," Mr. MacGregor urged Congressmen advocating a Federal Oil and Gas Corporation to consider problems which currently affect similar European corporations.

Mr. Speaker, an extensive study prepared by the Library of Congress at my request, and submitted into the CONGRESSIONAL RECORD last month, found no evidence to corroborate Mr. MacGregor's charges.

The study revealed national oil and gas corporations were generally able to attract highly skilled personnel and to operate with high efficiency. There was no evidence of the "problems of nationalized industries" which concern Mr. MacGregor.

In fact, when the Federal Oil and Gas Corporation was considered recently in Senate hearings, major oil company spokesmen opposed the proposal because they feared it would attract too many experienced oil company workers, thereby weakening the existing major oil companies and undermining their efficiency.

This approach seems to indicate that the Federal Oil and Gas Corporation would in fact inject competitive influences into an industry that is already noncompetative.

In summary, there is no evidence of the unattractive features Mr. MacGregor fears in Federal Oil and Gas Corporation in similar institutions in Great Britain, France, Germany and Italy.

The Oil Daily reported Thursday that Mr. MacGregor also "found it hard to comprehend how government intrusion into major fields of private enterprise could solve problems brought on by scarcities and inflation—much of which he felt was due to the constant expansion of government spending without appropriate funding'."

Mr. Speaker, I find Mr. MacGregor's comments thoughtful yet difficult to accept in a year when American consumers conserved fuel and still paid higher costs, only to see the major oil companies earn record profits. A Federal Oil and Gas Corporation, besides providing a competitive spur in the energy market, would give American consumers an opportunity to measure oil production costs and accurately evaluate major oil company profits. I believe it is acutely needed.

WHAT'S RIGHT WITH AMERICA

Hon. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. MONTGOMERY. Mr. Speaker, I was privileged recently to hear a very inspiring address by Mr. Derrell Roberts of Pineville, Miss., entitled "What's Right with America." As a veteran and State Commander of the American Legion, Mr. Roberts well understands the meaning of American rights because he has fought to preserve these rights. I commend his remarks to my colleague.

WHAT'S RIGHT WITH AMERICA

Can you ever remember when we have had more difficult and troubled times? Americans everywhere are now questioning what they once took for granted. Established institutions are under attack and our values are being challenged from every angle. People want to know what has gone wrong with our country. Change is everywhere and no institution—nothing—is safe from its reach. Cynicism is in vogue and patriotism is not fashionable.

As we have endured these past months of discontent, news analysts and commentators have again painted a dismal picture of the nation's past and future. Looking into their rear view mirrors, they see this as a time when nearly everything is wrong. Looking ahead, they see little but trouble for our Nation. I do not believe that things are all that bad.

We do have serious problems that must be resolved. We must do more to meet the needs of our people, we must commit more of our resources to the fight against crime, poverty, pollution of our environment and the other social and economic ills of this nation.

This seems an appropriate time, though, to take note not only of our shortcomings but also of our strengths and accomplishments—to demonstrate some pride in America. For despite the bad things—despite the things that are wrong with this country—there is much that is right with it. Let's talk a little bit about what's right with America.

First and foremost, we continue to enjoy the basic freedoms of speech, press, religion, assembly and petition. If we don't like the way things are, we are free to say so. The importance of this precious right is emphasized by the fact that two-thirds of the people of this earth do not enjoy this privilege.

Year after year, more Americans are at work earning more, producing more and building more than ever before. Our economic growth provides a standard of living that is the envy of the world. We are better fed, better clothed and better housed than any other people in history.

America continues to lead the world in education and science. Over 40% of our high school graduates go on to institutions of higher learning. Our young people are the best informed and most concerned generation in American history. They are the tallest, healthiest and probably the best looking generation to inhabit the earth. Despite the tiny vocal minority who have waved the Viet Cong flags and tried to take over campus buildings in protest, the fact remains that our youth are America's greatest asset.

Such dread diseases as polio, measles, tuberculosis, diphtheria and smallpox have been virtually eliminated. Our people work fewer hours, earn more, have more leisure time, travel to more distant places and have more of a chance to follow their life's ambition than ever before.

America's balance sheet is good. Whatever our problems, this is still the best place in the world to live. We don't build barriers and fences to keep people from leaving the United States. Instead, millions from less fortunate countries are clamoring to get in. We must be doing something right, despite what the critics say. So I suggest to you tonight that if there are wrongs to be righted, and there are—if there are injustices to be rectified, and there are—the place to begin is by saying to yourself, "I'm going to do something about it, I'll not cop out because this is still the greatest nation on the face of the earth and I intend to do my part to keep it that way.

Some time ago I tried to define the word Americanism and what it meant to me. As you know, it means different things to different people. I said that to me, it means good citizenship, it means an active interest in the affairs of my community, it means an understanding and appreciation of the freedoms that we enjoy and the charters which protect them. It means a love of my country and a determination to defend it. It means, above all things, an abiding faith in America and American principles.

Whether we view democracy as a system of popular self-government or as a way of life in which the equality of individuals is generally recognized, America as nearly approaches democracy as any country in the world.

But these privileges will not be maintained unless we create for ourselves and among the youth of this country, a renewed faith in our system of government.

We need a re-dedication of American faith, clearly defined and acted upon. Each one of us should say in his or her mind and heart, "This country belongs to me and I must cherish it. I believe in the right of human beings to life, liberty and the pursuit of happiness; in government by the consent of the governed; in freedom of the press, speech and assembly; and in the right to worship according to one's own conscience. I believe in the rights of all to justice and in the other rights declared in the Declaration of Independence and in the Constitution. I believe that these rights belong to others as well as to me, and that I have not only the privilege to enjoy them, but the obligation to cherish and maintain them."

So, tonight, I invite each of you to join with me in a rousing campaign of Americanism, a return to the basic values—the old virtues of loyalty, work, integrity in the individual and government.

Self-interest and patriotism go together. You have to look out for yourself and you have to look out for your country. You will understand your own problems better and solve them more easily if you have studied America's problems and done something toward their solution.

As an individual citizen, I have the privilege of choice in all things concerning me—the right to vote or not to vote—to work where, when and how I decide—to worship as I believe and to speak and write according to my judgment. I have obligations, too, the responsibility to share my freedom—for without freedom for others, there can be none for me; I have a responsibility to protest against any violation of the basic rights of men and must be willing if necessary to give up individual rights for the rights of the whole. My obligation is to be tolerant, yet vigilant, for my rights and privileges as an American citizen have not been handed to me duty free.

To be a good American is the most important job that will ever confront us. But essentially, it is nothing more than being a good citizen, helping those who need help, trying to understand those who oppose us and doing each day's job a little better than the day before.

To "stand and wait" while others serve is not enough. We cannot stand and wait while there are things that need to be done. We can no longer afford to sit on the sidelines. We must get in the ball game. So, let us cool the loose talk and loose thinking where freedom and patriotism are concerned and face up to the task before us—recapture the values which made us a great people—rise up to a new sense of love for country—and reaffirm the pledge made in Gettysburg over one hundred years ago as President Lincoln faced his moment of truth. Let us say with him, "That this nation, under God, shall have a new birth of freedom, and that the government of the people, by the people and for the people shall not perish from the earth."

EXXON OIL TAXES

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. COLLINS of Texas. Mr. Speaker, for business growth and full employment in America we must produce more energy. The answer is more oil and gas.

Instead of encouragement and incentives, we have been hearing distorted statements about the oil companies. I pulled the figures from the 1973 Exxon Corp. statement and found that their net income was only 8.6 percent of their total world-wide revenue. I also found that the total taxes, including income, excise, and other taxes were 36.7 percent of the total revenue.

Exxon only paid 39 percent of earnings as dividends. For instance, for every dollar of dividends for the stockholders, there was $4.80 paid out in other taxes and $3.80 in income taxes. This means that for every dollar of dividends for stockholders there were $8.60 in tax dollars paid to the Government.

Checking the 1973 Exxon profit statement shows that their profit was 1.9 cents per gallon of sales. Compare Exxon's 2 cents per gallon profit with the tax per gallon in Mississippi of 17.86 cents, New York City—16.34 cents, Honolulu—15.8 cents, Michigan—14.6 cents and California—14.01 cents. Take the 2 cents per gallon that Exxon earned in Mississippi and look at the taxes of 9 cents State, 3 cents Sea Wall, 4 cents Federal and 1.86 cents State sales tax, totaling 17.86 cents, which is nine times as much tax as profit.

Let us look at the profitability of all industry based on the New York First National City Bank figures. The 97 leading oil companies had a return on net worth of 15.6 percent. The average for manufacturing companies was 14.8 percent, so the oil industry is about the same as most companies. Oil was below Weyerhauser with 25 percent, and Eastman Kodak, which had 21 percent, and General Motors which had 19 percent.

In 1973, Exxon earned $2.4 billion, but in 1974, Exxon plans to spend $3.7 billion on capital and exploration. Retained capital is essential when investing 50 percent more than they earned.

With the great need for more capital in discovering new oil fields, recovery from secondary areas, increased refinery capacity, we need to have oil companies earning more money. Congress should be encouraging and providing additional incentives to stimulate and expand oil and gas production in the United States. When Exxon earns only 2 cents per gallon, but taxes range as high as 9 times the profits, the need is for less tax bite.

Inflation and tax pressures are lowering Exxon's profits. Recent first quarter of 1974 Exxon financial statement shows sales up 59 percent, but profit increased only 39 percent. Reduced margins lowered profit ratios.

With the Government receiving over $8 to every $1 received by a stockholder, the time has come to demand less taxation.

ANGUISH OF A YOUNG SOVIET JEWESS

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. BELL. Mr. Speaker, in the past, I have inserted in the RECORD transcripts of recorded conversations between Stuart Lotwin of Los Angeles and Soviet citizens wishing to emigrate to Israel. Today, I would like to enter another revealing exchange between Mr. Lotwin, Ms. Sheri Berlin, and Yevgenia Lapidus of Moscow that demonstrates the continuing difficulties experienced by these citizens. The text of the conversation is as follows:

THE ANGUISH OF A YOUNG SOVIET JEWESS

(A telephone conversation: March 21, 1974. Participants: Sheri Berlin and Stuart Lotwin of Los Angeles, California, with Yevgenia Lapidus of Moscow, U.S.S.R.)

Y.L. Hello.

S.B. Hello, is this Yevgenia? Hello, Yevgenia. My name is Sheri Berlin. I'm calling from Los Angeles, California. Zev in Los Angeles gave me your name and we wanted to call and find out how everything is. Can you understand?

Y. There is no news, thank you.

S. No news? Is there any change in the situation in Moscow?

Y. The (inaudible) apply for the visas for the first time now—lots of them.

S. They are going?

Y. No.

S. They are not.

Y. Jews who apply for the visa for the first time.

S. I see.

Y. Three months ago or two months ago—now there are lots of them going out.

S. There are lots going out.

Y. Yes, but the causes are still the same, and there are no changes in the depositions at all.

S. There are no changes in the depositions?

Y. Yes, but my parents-in-law yesterday got theirs. They waited for half a year, they applied in October for the first time. Now they hate to go.

S. Now they can go?

Y. Yes, they can, but it's all for the first time. This all is made only for one purpose. To say that we'll let out 95% and there's no use discussing the next 5%.

S. Do you know anything about your situation?

Y. Nothing, thank you.

S. I see. We had a bad report in the Los Angeles Times yesterday about the cut in applications by Jews and that's attributed to some new regulations that have been handed down in Moscow. Do you know about this?

Y. No.

S. Would you like me to read you part of the article? Can you hear?

Y. Yes, if you have time.

S. It talks about the number of Jews applying to leave and says it's falling sharply in recent weeks since the government instituted new regulations making emigration more difficult. You have heard about this? It was in the paper here in Los Angeles, and now many more people are quite aware.

Y. I have heard about this. It has nothing to do with me, because we have all documents. But those who apply once again or for the first time have a lot of difficulties now.

S. Yes, and it talks about people being afraid to apply because they now have to get references from where they are working.

Y. Yes, that's a new question. Thousands of people whom they keep have a very—uh—is very useful to them: such as hunters would kill birds on a stick in the gardens and nobody cares to come in. Just the same when the Jewish people who are suffering for years, who are out of work or out of study, who have nothing to eat, this can be the most useful way to stop the emigration.

S. Yes. Well, we here are very upset about it and our government is very upset. Those of us who are calling you now have some friends and associates in our government who are very disturbed.

Y. Thank you very much, but only I can say, if not for you, I am not sure we have any hope of leaving.

S. I see. We're all doing all that we can to help. We hope that the work we are doing is of some benefit to you. I have one question I would like to ask you. I have written a letter to a lady in Moscow and I want to know if you know her. Her name is Sophia Beintirsokofsky.

Y. Oh yes, I know Sophia.

S. She has two young children.

Y. Everything is all right.

S. Could you give her regards from me?

Y. All right, I shall. Have you got your answer?

S. No. I know that she received my letter, but I haven't received an answer.

Y. I know that a lot of people write to me from the U.S., and I almost never get them.

S. Yes. I sent this letter registered. This one I think she did get.

Y. That does not matter, too.

S. That doesn't matter either?

Y. Even with the certificate of reception. It doesn't matter. I know I was sent about six letters with the certificate of reception and didn't get any. All my friends in the United States send me registered letters, and I never get them.

S. Oh. That's very interesting. We're going to check into that with our Post Office and congressmen, because . . .

Y. with our new of everything's all right.

S. O.K. I will appreciate it if you would talk to Sophia and tell her that I called. We do not have a telephone number for her. Nobody seems to know whether or not she has a telephone.

Y. Oh, and parcels disappear.

S. Pardon me?

Y. Parcels disappear.

S. Do you know if it is possible to contact her by telephone?

Y. I don't know. My uncle sent a parcel to my four-month-old baby on the 12th of January. And still is nothing. I was told that money has been sent to me from the U.S. more than a year ago.

S. Have you talked to the people who sent it?

Y. Yes, and they told me that they would do all their best, but nothing came.

S. Where was this sent from?

Y. From one drive. It was sent several times and now I know the number of the—I don't know what it's called. The money was sent on the 29th of January, and still nothing.

S. Of this year? The 29th of this year?

Y. Yes, the last week—I know about it—it was sent several times. And I didn't get anything.

S. Have you received anything at all?

Y. At all? No! Any paper . . . I don't know . . . about money were sent, but what was sent was something of which I know nothing at all.

S. Do you know where the money was sent from?

Y. Yes. From Illinois. Yes, and I don't know the city. There is someone here who talk to the United States regularly so they told—

S. —to find out. You have talked to the people who sent the money?

Y. Of course I did.

S. And they're checking into it from here?

Y. Usually they are not checking all the money parcels they send and they do not care. But it is a large minus (loss) because all these things frequently earn a real way to succeed (survive).

S. O.K. We will try to check here and see what we can find out about it and I would appreciate—

Y. You must check every parcel, every money which you let go out or there's no use of it.

S. I see. You have my name?

Y. Yes.

S. I would appreciate it very much if you would contact Sophia and tell her we have called, that I was very concerned that she received the letter.

Y. All right. I shall.

S. And we will try to contact the people in Illinois and see what is happening with the money that was sent.

Y. It was too much time ago for them to remember. Thanks very much.

S. O.K. I have somebody else here who would like to speak to you for a moment. His name is Stuart Lotwin.

S.L. Hello.

Y. Hello.

S.L. How are you?

Y. Thank you very much.

S.L. Good. We are all members of a very large synagogue in Los Angeles that has 3,000 members—

Y. —Oh?—

S.L. —and our conversation will be broadcast to everyone. Many of us have important connections into the U.S. government to try to help you and help Sophia.

Y. Thank you very much.

S.L. Let me ask you a few questions about yourself. Are you married?

Y. Yes. I am married. I'm 20. My husband is also 20. I have a baby of 4 months. We both were students. I studied in the Teacher's Training College, in the English Department, and my husband in the Institute of Computers. He is now at work and I am a housewife.

S.L. Is he working?

Y. Yes. He's a factory worker. He earns 60 Rubles a month, if that will give you something.

S.L. Are you working?

Y. Well, I have a baby of four months.

S.L. Can you go back to work?

Y. Now it is very difficult to have work. My father's out of work for a year and a half. My husband was very lucky to get a job.

S.L. I'm glad he's working.

Y. Yes, I'm glad too. I'm simply happy he is working.

S.L. When did you apply for your visa?

Y. In August of 1972.

S.L. August 1972?

Y. Yes.

S.L. Have they made an official refusal?

Y. The first word we had an official allowance of money. In three days we had an official allowance without money. In three days again, our visas were taken back.

S.L. Why were they taken back?

Y. Nobody knows.

S.L. Did they give you any reason?

Y. No.

S.L. Have you reapplied for the visas?

Y. Yes. We reapply for the visas every month, and the answer was the same.

S.L. The answer was the same. What——

Y. I don't know. State visas.

S.L. They say no visas?

Y. State? No—that means nothing. They have a lot of people here who are kept here for state reasons.

S.L. For state reasons.

Y. Yes. It means still nothing, because they have nothing to confiscate.

S.L. On this end we will look into this to try to do something to get them to give reasons so we can understand why no visas are being granted. Do you know the situation with Sophia?

Y. Yes.

S.L. Do you know why her visa has not been granted?

Y. Yes I know. But now they have new difficulties for people that can get their visas. Do you know about that?

S.L. No. I don't.

Y. Well, they have to reapply once again. They must get all documents and characteristics again. New ones.

S.L. New ones. Yes, going through the police. Is that correct?

Y. Yes. There may be two months before they can get their visas. Before allowance they told they can get everything but they can get their visas really only in a month, or two, or three until the (inaudible) of Israel arrives, until they will take all papers from the (inaudible).

S.L. In the United States yesterday, in the major newspapers, there was a long article about what is happening. It was written by American correspondents in Moscow and published by the major newspapers in the United States along with——

Y. —Americans will never able understand anything directly. Not long ago I spoke to your friend and I told her that Sophia will never get her letter. And she asked me "Oh, I sent it registered." Doesn't matter!! There are no—any—umm, no. I shouldn't say this statement.

S.L. Could you talk to her and——

Y.—It was just your friend. And so she told me that she was sure she'd get the letter because it was registered. It doesn't matter whether it was or wasn't.

S.L. You mean they're not delivering registered letters?

Y. Yes. If you want to get this letter, if it is interesting for them, they will leave it for them and nobody will get it. Doesn't matter whether it is theirs with a certificate, or registered, or ordinary. That must be told. If they need the letter they will leave it.

S.L. O.K. What we'll do is we will contact some United States Senators about that. The United States is very concerned about the non-delivery of letters.

Y. No, I mean that Americans will never be able understand anything what's going——

S.L. —What's going on in Russia.

Y. Yes.

S.L. Many Americans are coming to understand, and many senators and congressmen are concerned and doing many things, in addition to the Jackson Amendment. People are, and we will contact these people. Is there anything we can do for you now to help you?

Y. You see—a lot of people, not many—I would say about 100 families in Moscow—need visas dearly. They are suffering and every day—it is terrible. I can clearly say it's true. I've been here for about two years and it's impossible. It's very difficult psychologically, morally, physically, because people are out of work. If you can do, you will please do. I really can't understand how even ten Jews in the whole world eat and sleep safely when 100 families in Moscow are suffering every day and every minute. So if you can do anything for us to get us out of here, please do.

S.L. I will assure you that we ourselves will do everything we can, and that there are others that are trying. Before saying goodbye, I would like to say how courageous you are and the other people, and to keep your courage, and to know that there are many people who want to help you and are going to help you. Try very hard to do that.

Y. Thank you very much.

S.L. All right, We'll talk to you again.

Y. Thank you. Goodbye.

S.L. O.K. Goodbye now.

FEDERAL SUPPORT NEEDED FOR SOCIAL WORK TRAINING

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mrs. BOGGS. Mr. Speaker, I would to call to the attention of my colleagues the following eloquent statement recently prepared by Dr. Bernard J. Wiest, dean of the School of Social Welfare at Louisiana State University in Baton Rouge.

Dr. Wiest convincingly pleads the case for continued support of human resource services and social work training in the face of proposed HEW budget cuts announced for the fiscal year 1974–75. Outlining the importance of quality social work education for the preparation of skilled professionals to deal with the problems of our aged, young, ill, unemployed, disabled, and mentally disturbed, Dr. Wiest warns of the extreme social and economic costs such a budget cut would generate.

I recommend his report to all those concerned with maintaining our commitment to servicing the needy and disadvantaged of our country.

The report follows:

HUMAN RESOURCE SERVICES AND SOCIAL WORK TRAINING—THE CASE FOR CONTINUED FEDERAL SUPPORT

I. THE PRESIDENT'S BUDGET PROPOSAL

For a number of years, the Federal government has recognized the need to provide a base of support for the training of social workers. This year, however, the President's budget proposes drastic reductions in this support. These cuts are both unexpected and abrupt and can only result in confusion and uncertainty among students and faculty, and, in the long run, serious harm to people and to the nation.

II. THE IMPORTANCE OF SOCIAL WORK EDUCATION

Most people growing up, going to school, working, marrying, raising families and growing old—at some point in their lives—find they need some form of help. They become ill, encounter financial difficulties, or develop family or other personal problems. The need for medical, counseling, rehabilitation and other services is not restricted to persons with little or low incomes.

But, programs need staff to plan, administer and provide services. And the people who do this need to be trained. Without enough trained people, neither existing social services nor future innovations and improvements can be effective or economic. Social work education is the basic source of those people.

Social work staff today requires much knowledge and a great variety of skills to deal with many problems of increasing complexity. Graduate schools of social work and undergraduate programs in social welfare have demonstrated their capacity to adapt to the changing times. By providing training geared to today's problems, they are contributing, together with other professions, to the national objectives of reducing the economic and human costs of a host of social problems, such as drug abuse, alcoholism, discrimination, and poverty. More and more, social workers are integral parts of the professional teams which are attempting to deal with juvenile delinquency, crime, and rehabilitation. Social work is a key element in caring for the disabled, the young and the aged and in programs dealing with family breakdown. The increase in population, its urban concentration, the rise and intensification of social problems, all indicate the need for more people with even better training in the helping professions.

III. HUMAN NEEDS AND SOCIAL WORK MANPOWER

Social services are concerned with the entire spectrum of human needs as experienced both by individuals or families and by communities. Sometimes in collaboration with other professions, sometimes carrying primary responsibility, the social services are directed toward rehabilitation and care of vulnerable population groups, toward prevention or reduction of social problems and toward change and improvement in dysfunctional systems.

Social workers are involved both in the direct delivery of social services and in the planning, administration and coordination of these services. Programs in graduate schools of social work have sharply increased their emphasis upon preparation for administration, supervision, and other leadership roles. The level of education, however, does not necessarily determine the nature of a social worker's job assignment. Direct services can be provided by a technician without an academic degree or by a social worker with a baccalaureate or a master's degree. The latter is, of course, likely to be doing the diagnosing of the problems and providing highly specialized service in complex situations.

Social work education, on all levels, prepares practitioners who can function in a wide variety of settings. Though the examples cited refer to particular programs, social work training is geared to provide social workers with the basic skills necessary to provide the help needed.

Physical illness: social workers, working together with other health personnel participate in developing national and regional policies and programs for the physically ill; administer and plan programs designed to cope with the immediate and long-term problems of the physically ill; help the patient or his family make the kind of plans and obtain the necessary resources to manage while he is hospitalized; help with plans for discharge including specific arrangements for after-care or long-term living arrangements in sheltered settings; supervise direct service personnel in after-care institutions.

Children: social workers plan and administer institutional and community-based programs to cope with immediate and long-term needs of children; design and program a range of services to provide equalization opportunities for disadvantaged children, including pre-natal and post-natal services for their mothers; participate in the development of national and regional policies and programs for children; supervise caretakers in institutions for delinquent and neglected children; provide foster home placements and supervision services; undertake investigation of child abuse and recommendation to courts concerning removing of abused children; work for rehabilitation of families in order to protect children from serious and irreparable damage; supervise and train a variety of child care personnel.

Mental illness: in addition to the roles described above for the physically ill, social workers head or serve as key staff members for community mental health centers; carry responsibility for working with family members so that they may aid in, or at least not interfere with, treatment efforts; locate and supervise foster homes for patients who are able to live in the community; train and supervise caretaker personnel; develop alternate facilities for the long-term care of those not ready for independent life.

Aged: social workers participate in the development of national, regional and local policies and programs for the aged; assist the aged person or his relatives in defining the problem for which help is needed and in location or developing suitable resources; recruit, train and supervise personnel to work with the aged, both in the community and in institutions; plan and administer a variety of different programs, both in the community and institutions, to cope with the varied problems of older people who no longer are able to care for themselves.

While the specifics of what the social workers do in relation to any given population group may differ, their responsibilities and tasks follow, in general terms, the examples cited.

The majority of social workers with graduate education are employed in planning and policy development, administration and supervision, teaching and research. It has always been the typical employment found among master's degree holders within a period of three to five years after receiving the degree. Increasingly, however, students are entering such positions immediately upon receiving their master's degree.

Direct services are provided by social workers from all levels of educational preparation. Broadly speaking, their efforts may be classified along several dimensions. In terms of *goal*, social workers provide services which are designed (1) to effect a reasonably satisfactory adjustment of the person in the community, thus minimizing the cost and trauma of institutionalization, (2) to rehabilitate the person so that he can lead an independent and productive life, or (3) to provide long-term care in as humane and effective a way as possible for those who cannot be expected to function on a more autonomous level. In terms of *target*, the efforts of social workers are generally directed at the victim or clients, but frequently their work is primarily with others, such as members of the family, employers, or potential employers, school, police, etc.

Different kinds of preparation and education are needed for workers at different levels of work. For many of the problem areas in which social workers are active, a degree of expertise is needed that requires intensive study and the development of a high degree of skill. Though social workers with a minimum of education or with only agency training can successfully function at an appropriate level of service, all fields require some personnel with a high degree of expertise to plan and administer services. There is a particular and continuing need for social work personnel at the middle management level.

IV. SOCIAL WORK AND PUBLIC ASSISTANCE

One of the most critical issues facing governments in 1974 is the ever growing welfare cost. Many people regard "welfare" or "relief rolls" as synonymous with social work. There is a distinction between provision of social services and provision of income maintenance. No amount of professional service—social work, medical, nursing, or education—can provide the dollars needed to pay rent or buy food or have prescriptions filled or buy the shoes needed for a child to go to school. The necessity of meeting basic economic needs must be distinguished from those needs that require additional care and service and use of a variety of resources to help people who can, to become self maintaining. It must also be recognized that many of the aged, some of the ill, and all of the children (until they grow to adulthood) on public assistance cannot become self-sufficient.

V. SOCIAL WORK EDUCATION PRODUCES NEEDED PERSONNEL

Qualified social work personnel required to plan, administer and provide social services are prepared through various educational programs. The social work education system in the United States consists of: 70 graduate schools of social work in major universities which grant 5,000 master's degrees and about 90 doctoral degrees each year; over 200 undergraduate baccalaureate programs in social welfare with over 7,000 graduates; close to 100 two-year community college programs offering associate degrees which prepare community and social service technicians; and hundreds of continuing education programs conducted by educational institutions and agencies which reach thousands of social workers each year.

There is general agreement in social work and in most other professions that there is need for training programs to prepare professional, paraprofessional and technical personnel. The challenge is to identify and distinguish tasks so that manpower with different levels of education will be effectively used. Social work education has played an active leadership role in this effort. In the past few years, social work education has developed new programs at the baccalaureate and associate degree levels in addition to existing master's and doctoral degree programs.

Innovative Curriculum Developed to Deal with Contemporary Programs

During the past decade social work training has been making a major shift in the focus and content of its curriculum. Changes were made to respond to new and persistent problems, to the needs of specific population groups and to the shifts that were occurring or were being planned in the organization of services. Schools develped new courses related to certain population or problem groups, the aged, the mentally retarded, the juvenile and adult offender, the physically handicapped. Major changes in social work education also occurred with changes in the organization of services, e.g., the emphasis upon community mental health programs, service to residents in public housing projects, multi-service centers in local neighborhoods, and "grass-roots" community groups. These changes reflected a growing concern for inner city populations, the rural and urban poor, and the major ethnic minorities.

In the past few years there has been a major shift in social work education toward the preparation of generalists as well as planners and administrators. The generalist social worker is equipped to deal with a variety of tasks at the neighborhood and community level. The proportion of graduate students training for administrative and organizing tasks has also increased. Undergraduate programs have begun to prepare their graduates for beginning practice in a variety of settings instead of only serving as aides in specific fields. The preparation of technicians at the community college level is a recent development but already growing rapidly.

People trained in social work are employed by public and voluntary agencies to provide needed social services. About 90 percent of master's degree graduates enter full-time employment, the majority in public agencies and mostly in child welfare and mental health. About two-thirds of the baccalaureate degree social work graduates enter employment mostly in the public social services in their local area. Over 10 percent go on directly to graduate education. It is rare for social workers to leave human services. Women do leave employment for marriage and motherhood but large numbers later return to full-time work.

Social Work Training Offers Special Opportunities For Minority Groups

The proportion of minority groups is greater in graduate social work education than in any other discipline or professional education program. Social work education has been in the forefront of efforts to open opportunities for minority groups. In the 1973–74 academic year over 25 percent of master's degree students and 10 percent of doctoral students in graduate schools of social work were from the following five major ethnic minorities: American Indians, Asian Americans, Chicanos (Mexican Americans), Blacks and Puerto Ricans. Also about 20 percent of all faculty in graduate schools of social work are non-white. The social work curriculum, at all levels, is being enriched to help all students to learn more about the life styles, strengths and problems of minority groups and to be able to work more effectively with them.

VI. THE COST OF REDUCING FEDERAL SUPPORT

Continued Federal support for social work education is necessary:

The proposed cuts will cause serious and irretrievable damage. Many graduate schools and undergraduate programs will be forced to reduce radically or to discontinue their educational efforts.

During the past decade the capacity of the social work education system expanded rapidly and decisively at the request of the federal government to meet urgent human needs. Cutting support now will undermine our nation's capability to meet its social goals.

Currently, more than 50 percent of all graduate students in social work receive stipends funded directly or indirectly by the federal government; in awarding these stipends, emphasis is given to the students coming from low socio-economic, disadvantaged and minority groups. Cutting support now will hurt these groups, especially since neither they nor universities they attend have access to alternate support sources.

It has taken the better part of a decade, with the help of federal funds, to build up the kind of quality faculties found in graduate and undergraduate social work programs today. Cutting support now will reduce the schools' ability to maintain quality education and develop innovative educational programs. The consequences will be felt in fewer students less adequately prepared to face the tasks of the future.

Since the alternate support sources for social work education from local and state government and individual or corporate giving are not available, the consequences of reducing federal support will be disastrous. The cost incurred by providing fewer trained social workers will surely be far greater than any economies achieved through the proposed reduction:

Needs are met best with least expense when they are identified early; unmet and unserved "little" problems soon develop into more expensive "big" problems. Trained social workers, educated at various levels, are needed to identify problems, develop strategies and deliver the intervention services necessary to counteract these problems or reduce their impact, and

Unless those who man direct service positions receive training and on-going supervision, costly mistakes resulting in more expensive service will be made. A reduction in the number of social work students now, predictably will make available fewer, not more trainers and supervisors for the public service in the next decade.

The reduction of federal support for social work education will hinder, not help, the development of new and more effective social service delivery systems necessary to help children, adults, and families to become self-sufficient, healthy, and productive citizens.

NIXON DESERVES DUE PROCESS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. MICHEL. Mr. Speaker, while some of the larger newspapers around the country have been calling for the President to resign, I think it is appropriate that other views receive attention, as well.

An editorial appearing in the May 13, 1974, edition of the Galesburg Register-Mail of Galesburg, Ill., entitled "Nixon Deserves Due Process" takes the position, with which I agree, that the President should not resign and that the constitutional process now in motion should be allowed to work its way to an ultimate conclusion.

One sentence in the editorial could actually serve as an admonition to those of us in the Congress who will be dealing with the impeachment question and I commend it to my colleagues as a phrase that should be kept uppermost in our minds.

This is a momentous time in American history, and for history's sake, we must make certain that this time is recorded as one of reasonable and just men who overcame one of the country's greatest challenges with dignity.

The editorial follows:

NIXON DESERVES DUE PROCESS

That "third-rate burglary" at Democratic National Headquarters in the Watergate complex in June of 1972 has come a long way.

Its aftermath, and it has been a slow, devastating political mudslide, has led to an impeachment inquiry against the President of the United States, only the second such occurrence in the history of the Republic.

We have said before in this space that the nation's government had been badly damaged by this scandal, and that the people's confidence in governmental officials has been badly shaken. We have attempted to show the severity of a self-perpetuating scandal which has reached into the highest ranks of government and literally pulled down presidential advisers, Cabinet members and the Vice President. We have taken President Nixon to task for his administration's assault on the constitutional rights of the press, and we have condemned his handling of the Watergate investigation.

Now, Mr. Nixon has sought to quell the public and political animosity aimed at him by releasing transcripts of his private conversations with the White House staff. Yet the transcripts do not vindicate him of any complicity in the Watergate cover-up, and they do portray a behavior that is unbecoming of a President of the United States.

But we cannot join the growing swell of politicians and newspapers who have publicly urged the President to resign from office, or insisted that he be impeached by the House of Representatives.

We do not believe that the country's best interests can be served by his resignation. Those who contend a new President will renew citizen faith in government or alleviate the domestic chaos, will have difficulty proving their case. Public confidence has been badly eroded during the Nixon administration, but to suggest the erosion originated there is shortsighted. The country is in a bad state of affairs domestically, but Mr. Nixon's resignation won't heal a sick economy, provide better health care and housing, or soothe social unrest.

To suggest that President Nixon resign to spare this country the trauma of the impeachment process is irresponsible.

We protested when Mr. Nixon endangered the constitutional freedoms of the press; we protested when Republicans and Democrats urged their colleagues on the House Judiciary Committee to shirk their constitutional responsibilities and take a partisan stand on the President's guilt or innocence. And we will protest any effort to deny the President his constitutional right to due process.

While the chief executive cannot be considered just another average American citizen, like the average citizen he has the constitutional right to face his accusers and to establish his innocence. In the President's case the judicial process functions in the Congress and not in the courts.

The American people, on the other hand, have a constitutional obligation to provide the President that judicial process, and they must endure whatever hardships that process imposes.

Those who are crying for the President's impeachment are doing so without all of the facts, and that, too, is irresponsible. Just as the facts available in the transcripts do not vindicate Mr. Nixon, they alone do not convict him either.

This is a momentous time in American history, and for history's sake, we must make certain that this time is recorded as one of reasonable and just men who overcame one of the country's greatest challenges with dignity.

To do otherwise would only darken the black mark inflicted on this nation by the Watergate scandal.

HOUSE OF REPRESENTATIVES—*Tuesday, May 21, 1974*

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

He leadeth me in the paths of righteousness for His name's sake.—Psalms 23: 3.

O God, whose mercy is over all Thy works and whose truth endureth forever: in the quiet hush of this moment, we humbly lift our hearts unto Thee in prayer.

Give to us a song on our lips in the morning, strength for the day's work, good will for one another, a steadfast loyalty to our country, a courage to maintain high ideals in our national life, and a faith in Thee—which helps us to overcome evil by doing good.

We pray for our President, our Vice President, our Speaker, Members of Congress, and former Members we are delighted to greet this day. So rule their hearts and so direct their endeavors that justice, peace, and truth may live in our land and that together as a nation we may walk along the paths of righteousness for Thy name's sake. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 6541. An act to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina;

H.R. 6542. An act to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina;

H.R. 7087. An act to authorize the Secretary of the Interior to sell reserved mineral interests of the United States in certain land in Missouri to Grace F. Sisler, the record owner of the surface thereof; and

H.R. 10284. An act to authorize the Secretary of the Interior to sell certain rights in the State of Florida.

The message also announced that the Senate agrees to the amendment of the House with an amendment to a bill of the Senate, of the following title:

S. 3072. An act to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3473. An act to authorize appropriations for the Department of State and the U.S. Information Agency, and for other purposes.

RECESS

The SPEAKER. Pursuant to the authority granted the Speaker on Thursday, May 16, 1974, the Chair declares a recess subject to the call of the Chair, to receive the former Members of the House of Representatives.

Accordingly (at 11 o'clock and 2 minutes a.m.), the House stood in recess subject to the call of the Chair.

RECEPTION OF FORMER MEMBERS OF CONGRESS

The SPEAKER of the House presided.

The SPEAKER. On behalf of the Chair and the Chamber, I consider it a high honor and a distinct personal privilege to have the opportunity of welcoming so many of our former Members and colleagues as may be present here for this occasion. We all pause to welcome them.

This is a bipartisan affair, and in that spirit the Chair is going to recognize the floor leaders of both parties.

The Chair now recognizes the distinguished gentleman from Massachusetts, the majority leader, Mr. O'Neill.

Mr. O'NEILL. Mr. Speaker, I want to welcome our former colleagues. I recall to mind the statement of Winston Churchill, one of the great men of the 20th century, who said that his greatest honor was that he had held a seat in the House of Commons.

We have had so many colleagues through the years who have served in either this body or the other body and gone on to be President of the United States, and they, too, have had the same feeling that their greatest honor was to serve in the Congress of the United States. Therefore, we say, "Once a Congressman, always a Congressman." With that, may I say that as the leader of the majority, we are all happy to see our former colleagues back here.

We welcome them with open arms. The day is theirs.

The SPEAKER. The Chair now recognizes the minority leader of the House of Representatives, the Honorable John J. Rhodes, of Arizona.

Mr. RHODES. Mr. Speaker, I certainly wish to associate myself with the remarks of the distinguished majority leader. This month of May is a great month. This is the month in which people come back to their alma maters, wave the colors of the old college, reminisce and indulge in all of the activities which old grads love.

I think it is particularly fitting that in this month of May we have so many former Members of the House of Representatives come back here to meet together and to meet with us. The House of Representatives is, as we all will agree, a unique institution, our alma mater in a very significant way. It has always stood for the principles which have made this country great. Its Members and its leaders have always guarded very jealously the prerogatives and duties with which it has been entrusted under the Constitution. The bonds which we have as Members and former Members are bonds which never fade and never weaken. Once a Member, always a Member.

It is a very distinct personal pleasure for me to be able to greet all of you as a group and I hope certainly before the day is over to have the opportunity to shake the hand of each one individually.

I cannot help but comment how young you all look and it makes me wonder if perhaps you know something we do not know. I am pleased it is that way.

I naturally hope that sometime I will be able to stand where you stand but only after a voluntary action on my part, not on the part of my constituents.

It is a pleasure, my colleagues and former colleagues, for me to have the opportunity to welcome you. I hope you will have the best of everything not only today but through many years to come.

The SPEAKER. The Clerk will now call the roll of former Members of the House of Representatives.

The Clerk called the roll of former Members of the House of Representatives, and the following former Members answered to their names:

ROLLCALL OF FORMER MEMBERS OF CONGRESS ATTENDING "ALUMNI DAY" REUNION, TUESDAY, MAY 21, 1974

E. Ross Adair, Indiana.
Hugh Q. Alexander, North Carolina.
Elizabeth Andrews, Alabama.
William R. Anderson, Tennessee.
O. K. Armstrong, Missouri.
William H. Avery, Kansas.
William H. Ayres, Ohio.
Robert R. Barry, New York.
Ross Bass, Tennessee.
Frank J. Becker, New York.
Page Belcher, Oklahoma.
Iris F. Blitch, Georgia.
J. Caleb Boggs, Delaware.
Frances P. Bolton, Ohio.
John W. Bricker, Ohio.
Clarence G. Burton, Virginia.
George Bush, Texas.
John W. Byrnes, Wisconsin.
Katherine Byron, Maryland.
Howard H. Callaway, Georgia.
Victor Christgau, Minnesota.
W. Sterling Cole, New York.
William C. Cramer, Florida.
Willard Curtin, Pennsylvania.
Vincent J. Dellay, New Jersey.
Francis E. Dorn, New York.
Henry Ellenbogen, Pennsylvania.
Paul A. Fino, New York.
Ellsworth B. Foote, Connecticut.
Gerald R. Ford, Michigan.
J. Allen Frear, Jr., Delaware.
Peter A. Garland, Maine.
Edward A. Garmatz, Maryland.
Robert Griffin, Michigan.
E. C. Gathings, Arkansas.

Robert Hale, Maine.
John R. Hansen, Iowa.
Porter Hardy, Jr., Virginia.
Brooks Hays, Arkansas.
Don Hayworth, Michigan.
William E. Hess, Ohio.
Patrick Hillings, California.
Earl Hogan, Indiana.
Evan Howell, Illinois.
W. Pat Jennings, Virginia.
Jed Johnson, Jr., Oklahoma.
Charles B. Jonas, North Carolina.
Walter H. Judd, Minnesota.
Frank M. Karsten, Missouri.
James Kee, West Virginia.
Hastings Keith, Massachusetts.
David S. King, Utah.
Thomas S. Kleppe, North Dakota.
Frank Kowalski, Connecticut.
John Davis Lodge, Connecticut.
Allard Lowenstein, New York.
Hervey G. Machen, Maryland.
Carter Manasco, Alabama.
John O. Marsh, Jr., Virginia.
D. R. (Billy) Matthews, Florida.
George Meader, Michigan.
William S. Mailliard, California.
George P. Miller, California.
Walter H. Moeller, Ohio.
John S. Monagan, Connecticut.
Rogers C. B. Morton, Maryland.
Abraham J. Multer, New York.
F. Jay Nimtz, Indiana.
Frank C. Osmers, Jr., New Jersey.
Harold C. Ostertag, New York.
George Outland, California.
Graham Purcell, Texas.
R. Walter Riehlman, New York.
John M. Robison, Jr., Kentucky.
Byron G. Rogers, Colorado.
Harold M. Ryan, Michigan.
Alfred E. Santangelo, New York.
Carlton R. Sickles, Maryland.
Alfred D. Sieminski, New Jersey.
William Springer, Illinois.
Lynn Stalbaum, Wisconsin.
Frank L. Sundstrom, New Jersey.
John H. Terry, New York.
Clark W. Thompson, Texas.
Elizabeth Gasque Van Exem, South Carolina.
James E. Van Zandt, Pennsylvania.
George M. Wallhauser, New Jersey.
Fred Wampler, Indiana.
James D. Weaver, Pennsylvania.
J. Irving Whalley, Pennsylvania.
J. Ernest Wharton, New York.
Basil Whitener, North Carolina.
Ralph W. Yarborough, Texas.

The SPEAKER. The Chair announces that 93 former Members of the House of Representatives have responded to their names.

The Chair is now happy to recognize the gentleman from Arkansas, Mr. Brooks Hays, to speak and to introduce the distinguished former beloved Member, Mr. GERALD R. FORD.

Mr. BROOKS HAYS. Mr. Speaker, Mr. Vice President, my former colleagues, and my colleagues of the Former Members of Congress:

First, I wish to thank the Speaker, the majority leader, and the minority leader for the very cordial and gracious way in which they have received us, not only today but on three previous occasions. This is the fourth of our annual meetings.

It would be difficult for someone who has not participated in our association to understand, perhaps, why we believe that a significant new force has been released in the American governmental life. We are not lobbyists. Our sole question is, what can we do for Congress; not what can Congress do for us.

Mr. Speaker, I am grateful for the reference of the minority leader to the fact that we appear not to be aging. Though our stride may be slow, our dreams and our hopes and our visions are still vibrant. Everyone knows that we love this institution. I may say to the gentleman from Arizona, I said to a young friend the other day, "You do not remember when I made my first unsuccessful race for Congress, do you?"

"No," he said, "but my grandfather does."

Then, a friend of mine told me he had been going through some old letters and he discovered one from his son stationed at Quantico during the war:

> DEAR DAD: I went up to Washington for the weekend. I had such a good time. I saw Lincoln's Monument, Lindbergh's airplane, the dinosaur bones and Congressman Hays.

Mr. Speaker, we have no pretense to power. As a matter of fact, we renounce it. We know that power converges here; many streams of influence converge here, and we want to be a part of them. We want to help you. We want to have a part in improving the image of Congress.

We believe that this Congress and previous Congresses deserve a better rating than they have. You are familiar with these disturbing figures. So, we look forward to participating in some of the activities that will make a definite impact upon this situation. Some Members may have seen the figures. I believe they were assembled by a Senate committee recently showing that, of those interrogated, 20 percent of the people of the United States believe that the Supreme Court is a part of the Congress. Thirty-eight percent do not know that Congress is composed of two Houses.

So, here is a gigantic challenge to us as laymen in the field of education. I think James Madison put it very succinctly, very well indeed, when he said, "Popular government without popular education will be a farce or a tragedy, conceivably both."

I am sure he was not narrowing his concept to public education, formal education in the public schools. He conceived of education as a continuing adult process.

Mr. Speaker, the Republic, however, is young. We can build upon old foundations, and to illustrate the fact, in my own life, I will draw again an illustration that the Republic is young. I served in this body with Homer Angell of Oregon, whose father was born in Thomas Jefferson's administration. We have in the lives of two men, father and son, a span covering the life of the Republic.

As a young student at George Washington law school 55 years ago, I participated in a debate with Swarthmore College, and the presiding officer in that debate was a Member of Congress. His name was Joseph G. Cannon. He had been elected to the Congress in 1872. The Republic indeed is young.

Members may remember that in our first assembly here in 1971 we were addressed by a former Member who had passed the age of 100 years, Earl Beshlin of Pennsylvania.

The following year—and this illustrates the fact that longevity is no monopoly of the Democrats—Mr. Beshlin happened to be a Democrat—and I cannot resist inserting that since he was also elected on the Prohibition ticket, my Baptist friends would say there is some connection there. I know the Members were hoping that I would make history by not mentioning the Baptists.

But I would like to point out he was 101 years of age.

The following year Maurice Thatcher of Kentucky was here to address the Members. Many of the Members heard him. He had lived to be 101 years of age in 1972, so we think longevity belongs to us in a beautiful nonpartisanship.

There are many among us today who have reached 90, such as the venerated Carl Vinson and Howard Smith. And "Mannie" Celler and Marvin Jones. I know they are with us in spirit.

The finest therapy for those who might feel that retirement would create pathology is to affiliate with us on retirement, with or without the consent of the people. I waited until I had the people's consent to retire. Either way, we want you to be one of us, and you will enjoy it. We are a happy lot.

I know that there is work for us to do—and it is obvious that the activity we engage in is not as onerous as it was when we were here. It is unlike your work which, of course, is a work of pressure. But activity is not suspended. If the work has slowed down, remember that it is still creative. Even creative thought, conveyed to another person, is creative work.

But let me talk about our organization a little more and give you some statistics on it because we are very proud of what we have done. We have approximately 400 members now.

Incidentally, 10,572 Americans have served in the Congress since 1774, 200 years ago, which date marked the beginning of the Congress. I mention it because, after all, the Congress is the oldest of the three branches of government.

Of this number, 8,886 served in the House and 1,131 in the Senate. Twenty-two of these men became President of the United States, and nine of them served in both Houses of the Congress.

I wish there were time to mention all of the people who have had a part in our many projects.

If I give the impression, incidentally, that our average age is high, let me remind you that there are many young men in the group. Our executive director, Jed Johnson, Jr., was only 3 years of age when I was elected to Congress. He is still only 34 years of age, although, when he took his office here, he was just 5 days over the minimum constitutional requirement, the youngest man ever elected, and he has been very active in our organization. As a matter of fact, much of the credit due for what I am about to announce is due Jed Johnson.

I am happy to announce that the Lilly Endowment of Indianapolis has just awarded our organization $80,000 for our activities. If you had known the extent of our budget problems, you would know how much we appreciate that grant. It is good to have $80,000 now to finance our oral histories, for example.

I grieve over the death of Carl Durham. I read of that the other day. I might mention that through a grant of the Richardson Foundation we were able to have oral recordings of several Members from North Carolina.

As you know, he was that great American who unfolded some of the things that are not in the history books. He was a member of the Committee on Armed Services and the Joint Committee on Atomic Energy, so I am happy that we have his recording.

As I indicated, I cannot mention everyone, but I must mention one who was my predecessor, Walter Judd, my longtime, dear friend who served for two decades in this House as an outstanding Representative from Minnesota, and the fact that he weathered the storm prior to this is largely due to his superb handling of our problems.

Mr. Speaker, when the House reconvenes, someone will ask permission on my behalf to insert the names of the present officers. I would be happy to tell you who will succeed me this afternoon, expect that it is to be by election, and elections are somewhat unpredictable, as I have discovered. This information will be inserted in the Record. The names of the board members and the officers will be inserted for your information.

Now, let me tell you just a little concerning the underlying philosophy of our organization.

Lincoln, you will remember, said, "We may meanly lose or nobly save the last best hope of earth."

In another context, John F. Kennedy said, "If we fulfill the world's hope, it will be by fulfilling our own faith."

The bedrock of popular government is constitutional government, and the bedrock of constitutional government is representative government. While we have built our organization on the single assembly, we believe that the two-party system is sound. We acknowledge the fact of the two-party system in our organization, the Senators being, of course, the minority, and we seek a balanced representation on our board.

Mr. Speaker, I wonder if I cannot say something as an elder politician to the young men who are Members of this Congress listening to me. I hope it will not be presumptuous, but I would like to say that you would not be here if you were not leaders. If I might use a word which has lost some of its glamor and power, even though I think it is a good word, I will say that you are of the elite. You need not be a patrician to be leaders; you are here because you are leaders.

One of my young friends from Arkansas, Bill Alexander, said: "Blessed are they who promote democracy with a jolly endurance." Do not tire of your burdens of leadership.

In a more sophisticated way, Chaucer put it in beautiful language: "If the gold rust, how can the iron be saved?"

I come now to a very happy part of my function on this program. I do not know whether I have ever told you this—there are a few things that I have not told you which are designed to produce a smile, although I do not always get it—but you are a very tolerant people, you even smile at some of my old Arkansas stories. Senator Ervin did not recognize that I was telling a story about North Carolina the other day, and he smiled.

This is a story about the time I heard a lawyer speaking to his client, a widow. He said, "Did you hear your husband's last words?"

She said, "Sure."

He said, "What were they?"

She said " 'Go ahead and shoot. You couldn't hit the side of a barn.' "

I have never told you about a lad who was in the Arkansas penitentiary. His little wife wanted to hold the family together. They had a little hillside farm. She wrote to him and said, "When shall I plant the potatoes?"

He wrote back, "For goodness sake, don't dig around that garden bed. That's where my guns are buried."

The sheriff and his deputies intercepted the letter and rushed out there and dug up every square yard of that garden.

Then he wrote to his wife, "Now it's time to plant the potatoes." Now it is time for me to introduce our speaker.

Mr. Speaker, I have a little whimsy that I indulge in. I like to talk about friends who never met. Lincoln and Lee never met, but they would have loved each other. Apparently they never met. The historian I rely on said they did not meet, that they corresponded but never met.

They would have loved one another, because Lincoln said, "I have not suffered from the South; I have suffered with the South."

Robert E. Lee said, "If readmitted to the sisterhood of States, we will obey the Constitution, and we will work out plans for justice and understanding of the white majority with our new emerging black minority."

They would have loved each other. I said during a talk I gave at Belmont Abbey College the other day that Pope John XXIII and Martin Luther would have loved each other, and the Benedictine Fathers nodded approval. I took a chance when I said it, but I believe it.

I wondered, as I thought about the great man whom it is now my privilege to introduce, "What man in history would have been interested in him? What person who is prominent would have said, "Here is a congenial soul." I have concluded that it was a great American from his own State, a man named Lewis Cass.

He would have loved Gerry Ford. Both were frontiersmen from Michigan, really. It is known now as a great modern industrial State, but there is a lot of frontier life there still. Some of it, of course, is an industrial frontier. But Lewis Cass and Gerry Ford would have been good friends.

Both were educated in New England; both defended their country in time of war.

While I have not had research on this subject, I am going to take a risk on it. I have an idea, being a soldier, that Lewis Cass enjoyed his tobacco. Let me say that no man in modern life is as artful in handling a pipe as this man I am about to introduce. They both enjoyed smoking, I am sure.

But I am going to violate my resolution again by mentioning the Baptists, because they love Gerry Ford down at Wake Forest University. He sent his son there, and the Vice President tells me that we did mighty well for that son of an Episcopalian. You see, we are not only bipartisan but nonsectarian, and that is the way it ought to be in this Congress and that is the way it has always been.

Now listen to this philosophy of Lewis Cass and you will see why I think that he was the one who, of the historic figures that preceded Gerry Ford, would have been a friendly person to him. Irwin Stone said of Lewis Cass, "Hating no one, speaking no evil word, making few enemies, liked wherever he went—honest persevering, social minded, and a perfectly adjusted human being, a delight to the eye and an inspiration to the mind—an invaluable public servant."

Lewis Cass said this—and maybe you have been reading the same speeches I have been—"In proportion, as all governments recede from the people, so they become liable to abuse."

What I have tried to say is we are very happy to have as our most recent addition to the ranks of the former Members a very prominent and popular Member, the man admired by all of us and who has displayed these qualities in his association with us and always gently advanced his ideas.

So, Mr. Speaker, it is my happy privilege to present to you, ladies and gentlemen, the Vice President of the United States. [Applause.]

Mr. GERALD R. FORD, Vice President of the United States. Mr. Speaker, my distinguished former colleagues—it is a high honor to be here today. To the gentleman from Arkansas, Mr. Hays, whose long and outstanding service in the Congress is respected by us all, I am especially grateful for the presentation of this gavel—the symbol of the parliamentary process.

Earlier this morning I returned from Hawaii. I could not help but think how our American union has grown since those days when we were 13 sparsely settled colonies clinging for their survival along the rim of our eastern seaboard.

When you met last year, I was the U.S. Representative from the Fifth Congressional District of Michigan. I could not foresee that today I would be standing here addressing you as the Vice President of our country. Neither could I have imagined as I worked with many of you to adopt for later ratification the 25th amendment that I would be the first selected through such means to the Vice Presidency.

In the some 5 months since I left the House, I view with even greater respect our legislative branch. Separation from that which was the warp and woof of your life causes not just a nostalgia for other times, but also reflections as to the real meaning and purpose of our Congress.

Let us remember the power of this Republic is not to be measured in its armaments, essential as they are.

Neither is it to be found in technological achievements, of which we can be justly proud.

Nor is it expressed by our gross national product, huge as it is.

Rather, the power of the Republic is found in its institutions and in the spirit of its people.

The idea forces that have shaped our Nation and brought us to the pinnacle of power also are the same forces that bring us into confrontations with peril in this uneasy world in which we live.

Shakespeare observed, "That all the world's a stage." If that be true, then as the drama unfolds in the last quarter of this century, America cannot afford to be a bit player.

Whether we like it or not, our technological achievements and military power have combined with time and circumstance; so we find ourselves center stage in the leading role of this global drama. And here in this institution we call the Congress it all began two centuries ago come this September when the First Continental Congress convened in Philadelphia. Thus began the American experiment.

Jefferson proclaimed an aristocracy for America. It was an aristocracy of "talent and virtue." Certainly, no one was better qualified for that aristocracy that Lincoln who was a student and admirer of Jefferson principles. Congressman Jefferson, who wrote our great declaration as a Member of the Second Continental Congress, is renowned as a political theorist. Congressman Lincoln gave meaning in a practical way to Jeffersonian theory. Lincoln was an embodiment of the principles stated in the Declaration. In his kind and simple way, this man, a product of the American frontier, translated the hopes and promises of that document to the American common man.

The House today captures something of the genius of these two men to combine theory and. practice in the art of government.

Much criticism is leveled at the Congress today. Much criticism was leveled at the Continental Congress. Indeed, letters of that time reflect the anger and exasperation it inspired. Succeeding Congresses have also been criticized, and future Congresses will surely be. Yet, those of us who have served here know that this institution adjusts and responds to demands of the times. Sometimes this response is not just in the form or manner the critics demand or envision, but in an overall way it invariably is consistent with the needs of the day. This resiliency and ability to change, usually in a gradual way, is at the heart of our representative system.

As one who has served in the Congress for a quarter of a century, permit me to make several observations. They reflect my present vantage point, but are largely influenced by years of service in the House.

In certain fundamental ways, we have not changed from that first assembly of colonial representatives. This is because the Congress is a parliamentary institution composed of free men whose responsibility it is to govern a free Nation—and neither shifting political philosophies nor political majorities have ever changed that—nor do I believe they ever will. Indeed, it is our duty to make sure they do not.

Both of our Houses are, we know, highly partisan bodies in their organization, but what often is not known is that friendships transcend party lines, and other loyalties reach across the center aisle. We also know these Houses can act in a partisan, a bipartisan, and a nonpartisan way. The biggest problem most Members have in voting is not trying to figure out the Republican way or the Democratic way, but the right way to vote.

The history of American Government has proven the validity of the checks and balances system which derives from our tripartite, coequal branches. This coequality of the Congress is vital. Some cannot be "more equal than others." The Congress is the people's branch, and to the extent its role in the federal system is diminished, so too is diminished the role of the people in that system.

At the heart of representative government is the legislature. If it is strong, the republic will be secure. The House has been likened to a barometer. It reflects the moods and whims of the American people—their hopes—their fears; their weaknesses—but foremost their strengths. Here you may find the story of our people's sacrifices and the history of their courage. It is also a piece of litmus paper upon which are dropped the acids of public opinion. Opinion which shapes legislation.

The French Revolution inspired the term "the fourth estate," however, genuine freedom of the press was a product of the American Revolution. In this Chamber, as in the legislative assemblies across our land, we see evidence of the vital role the news media play in the processes of government so that in many ways they are nearly the fourth branch of American Government.

There is not a Member here who has not felt the criticism of the media. There are times when this criticism has not been just; but, notwithstanding, neither is there anyone here who does not recognize that one of the safeguards of individual liberty is a free press.

Responsiveness is an important part of the legislative process. Responding to the needs of the people is a duty of the legislator. However, the Congress, in addition to being responsive, must be responsible. The latter is sometimes a sterner, a difficult task, but at times being responsible in terms of the Nation's needs is harder than being responsive to the wishes of the people. Our Nation is a world power. Leadership in world affairs is a responsibility that is thrust upon the United States, and hereby devolves on the Congress. Participation in world affairs is not always understood by the American people; and the isolationism which was the hallmark of the 1920's and 1930's is reflected at times by an attitude of "noninvolvement" in the 1970's.

We speak often in terms of the close of this century. However, the next 25 years mark the end of the millenium in which we live. About to pass are a thousand years of western history that began in the dark ages. A darkness that would be pierced ever so painfully by enlightenment that came slowly. The Magna Carta was the birth pang of representative government. The barons who met at Runnymede to curb the power of King John had something in common with men who met at Philadelphia to protest the abuses of King George. And, in both cases, few, if any, were aware of the greatness they had done there.

For representative government, the road to Philadelphia began at Runnymede. We are still travelers on that road. Through trial and adversity—through agony and accomplishment—through Civil War and economic devastation, the Republic has still moved inexorably along that road.

Whether in the Nation's travails or triumphs, the strength of the Congress has been proven.

If our aristocracy is to be one of talent and virtue, then the Congress is the freely elected fraternity of free men.

Only 10,571 Americans have ever served in the Congress. The official encyclopedia of our membership begins with the first Continental Congress whose bicentennial anniversary occurs September this year. I am glad of the action taken already. I would hope this Congress will take those further steps it deems appropriate to insure this Nation and its people observe this beginning of the American experiment. An experiment which 200 years later has produced not only material wealth and power, but more importantly, has expanded the horizons of human freedom for its own citizens and has been a hope for mankind everywhere.

Let us resolve that this hope shall become a truth self-evident; that indeed life, liberty, and the pursuit of happiness are the birthright of every man, everywhere.

Thank you very much.

[Applause, the Members rising.]

The SPEAKER. The Chair recognizes the gentleman from Arkansas, Mr. Hays.

Mr. BROOKS HAYS. Mr. Speaker, first I want to ask Dr. Walter Judd to come and join me for this final part of our ceremony. I want him to stand here with me as a symbol of the bipartisan character of this organization. Bud Johnson just told me I forgot to call his name. I was not forgetting, but he forget to call my name once.

The name Hays, Walter, from Arkansas.

I have something to present to our Vice President I know will please him. He is not without gavels, but he does not have anything that will carry any more significance than a symbol of affection like this one.

Mr. Speaker, the beautiful friendship that has existed between you and Mr. Ford has been an inspiration to all of us.

I want to make another reference. One of the great pangs of my defeat was that I knew I would not be here long enough to see you preside, so now I have had that thrill and I want you to know we appreciate you, sir, and I repeat that your graciousness has indicated that.

Walter has seen the gavel and I know he will agree with all that I have said. I do not know whether there is a lock on this thing or not. He will have to get it out if he ever uses it. I do not care whether he uses it or not.

I hope he does not use it as did my former beloved Speaker, Sam Rayburn. He would raise it and before it banged, I would have to speak while it descended. That is how much time I got.

So I am happy to present this to you, sir, the Vice President, with the admiration and affection of our 400 Members.

Mr. GERALD R. FORD. Mr. Speaker, I do wish to thank Brooks Hays and Walter Judd, and all my former colleagues here today for this wonderful gavel. As the Speaker well knows, on five successive occasions I sought to have the honor of wielding the gavel in the chair that is occupied by my good friend; so if I cannot get the gavel in the House at the Speaker's desk, it is wonderful to get it in the well of the House.

I thank you all very, very much.

Mr. BROOKS HAYS. Mr. Speaker, I wish to report that the following members of Former Members of Congress expressed their regrets at not being able to attend in person this annual reunion in the House Chamber.

Speaker John W. McCormack, Massachusetts.
D. Emmert Brumbaugh, Pennsylvania.
Harry P. Cain, Washington.
Joe Holt III, California.
E. H. Jenison, Illinois.
Marvin Jones, Texas.
Elizabeth Kee, West Virginia.
Edna Kelly, New York.
Henry Cabot Lodge, Massachusetts.
Thomas G. Morris, New Mexico.
Karl E. Mundt, South Dakota.
F. A. Muhlenberg, Pennsylvania.
William T. Pheiffer, New York.
Charlotte T. Reid, Illinois.
Leverett Saltonstall, Massachusetts.
Byron N. Scott, California.
Robert T. Secrest, Ohio.

Mr. Speaker, I am grieved to announce the death of the following Members of our organization since our last assembly in 1973 in this Chamber:

John W. Boehne, Jr., Indiana.
Ranulf Compton, Connecticut.
Harold D. Cooley, North Carolina.
Lewis W. Douglas, Arizona.
Carl T. Durham, North Carolina.
J. Vaughan Gary, Virginia.
Burr P. Harrison, Virginia.
B. Everett Jordan, North Carolina.
William F. Knowland, California.
Roy H. McVicker, Colorado.
Chester E. Merrow, New Hampshire.
Charles G. Oakman, Michigan.
Thomas M. Pelly, Washington.
Frank Small, Jr., Maryland.
James V. Smith, Oklahoma.
R. Ewing Thomason, Texas.
Herbert S. Walters, Tennessee.

The following have served during the last year as officers and directors:

Brooks Hays, President.
George Meader, Vice President.
J. Caleb Boggs, Secretary.
Joseph W. Barr, Treasurer.
John W. Byrnes.
Jeffery Cohelan.
Jed Johnson, Jr.
Walter H. Judd.
Thomas H. Kuchel.
Walter H. Moeller.
A. S. Mike Monroney.
Howard W. Pollock.
Fred Schwengel.
Joseph D. Tydings.
James E. Van Zandt.

In addition, our association is grateful for volunteer service in various capacities of Mrs. Dorothy Bageant, Miss Irene Lewis, Mrs. Clara Mallard, Warren Cikins, Dean Determan, and James Rogers.

Mr. Speaker, I wish now to report that at its annual meeting today former Member of Congress elected to serve as its president for the next year, George Meader of Michigan, and as its vice president, Jeffrey Cohelan of California.

To serve on FMC board of directors the following were elected:

John Sherman Cooper of Kentucky for 1 year to the unexpired term of Thomas H. Kuchel of California.

J. Allen Frear of Delaware for 1 year to the unexpired term of the late B. Everett Jordan, deceased.

For 3-year terms expiring in 1977: William R. Anderson of Tennessee, Melvin Laird of Wisconsin, Horace R. Kornegay of North Carolina, and Charlotte Reid of Illinois.

The SPEAKER. The Chair wishes again to thank the former Members for their presence here today and in order to give former Members and sitting Members a chance to visit a little while, the recess of the House will continue until 12:15 p.m., at which time the House will be called back into session.

Accordingly (at 11 o'clock and 53 minutes a.m.), the House continued in recess until 12 o'clock and 15 minutes p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 o'clock and 15 minutes p.m.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on May 16, 1974, the President approved and signed bills of the House of the following titles:

H.R. 5759. An act for the relief of Morena Stolsmark; and

H.R. 6116. An act for the relief of Gloria Go.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar Day. The Clerk will call the first individual bill on the Private Calendar.

MRS. ROSE THOMAS

The Clerk called the bill (H.R. 2535) for the relief of Mrs. Rose Thomas.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COL. JOHN H. SHERMAN

The Clerk called the bill (H.R. 2633) for the relief of Col. John H. Sherman.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ESTATE OF THE LATE RICHARD BURTON, SFC., U.S. ARMY (RETIRED)

The Clerk called the bill (H.R. 3533) for the relief of the estate of the late Richard Burton, Sfc., U.S. Army (retired).

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 2508) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MURRAY SWARTZ

The Clerk called the bill (H.R. 6411) for the relief of Murray Swartz.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ESTELLE M. FASS

The Clerk called the resolution (H. Res. 362) to refer the bill (H.R. 7209) for the relief of Estelle M. Fass to the Chief Commissioner of the Court of Claims.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RITA SWANN

The Clerk called the bill (H.R. 1342) for the relief of Rita Swann.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LEONARD ALFRED BROWNRIGG

The Clerk called the bill (H.R. 2629) for the relief of Leonard Alfred Brownrigg.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

FAUSTINO MURGIA-MELENDREZ

The Clerk called the bill (H.R. 7535) for the relief of Faustino Murgia-Melendrez.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

ROMEO LANCIN

The Clerk called the bill (H.R. 4172) for the relief of Romeo Lancin.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

AUTHORIZING SECRETARY OF THE INTERIOR TO SELL RESERVED PHOSPHATE INTERESTS IN CERTAIN LANDS IN FLORIDA

The Clerk called the bill (H.R. 10626) to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands in Florida to John Carter and Martha B. Carter.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

GABRIEL EDGAR BUCHOWIECKI

The Clerk called the bill (H.R. 3190) for the relief of Gabriel Edgar Buchowiecki.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

LEONOR LOPEZ

The Clerk called the Senate bill (S. 280) for the relief of Leonor Lopez.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ESTATE OF PETER BOSCAS, DECEASED

The Clerk called the bill (H.R. 2637) for the relief of the estate of Peter Boscas, deceased.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

VIORICA ANNA GHITESCU, ALEXANDER GHITESCU, AND SERBAN GEORGE GHITESCU

The Clerk called the bill (H.R. 8543) for the relief of Viorica Anna Ghitescu, Alexander Ghitescu, and Serban George Ghitescu.

There being no objection, the Clerk read the bill as follows:

H.R. 8543

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of the net proceeds of any interest representing vested property held in the United States Treasury, the sum of $132,399.77 to Viorica Anna Ghitescu, Alexander Ghitescu, and Serban George Ghitescu, in accordance with the opinion rendered in the congressional reference case, Viorica Anna Ghitescu, Alexander Ghitescu, and Serban George Ghitescu versus the United States, numbered 1–70, filed on April 3, 1973, by the Chief Commissioner of the Court of Claims. The amount stated in this Act is to be paid to the said Viorica Anna Ghitescu, Alexander Ghitescu, and Serban George Ghitescu in full settlement of their claims against the United States for the divesting of money vested in and transferred to the Attorney General of the United States pursuant to vesting order numbered SA–260 dated July 24, 1958, issued under the authority of the International Claims Settlement Act, as amended.

No part of the amount appropriated in this Act in excess of 20 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdeameanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NOLAN SHARP

The Clerk called the bill (H.R. 7768) for the relief of Nolan Sharp.

There being no objection, the Clerk read the bill, as follows:

H.R. 7768

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nolan Sharp the amount certified by the Administrator of Veterans' Affairs as provided in section 2 of this Act in full settlement of the claims of the said Nolan Sharp (Veterans' Administration claim number C3 281 237) for retroactive service-connected disability payments for multiple sclerosis in the period from June 5, 1943 to October 1, 1962.

SEC. 2. The Administrator of Veterans' Affairs is authorized and directed to determine the amount of disability payments that the said Nolan Sharp would have been entitled to for a service-connected disability for multiple sclerosis had the Veterans' Administration recognized that disability and paid benefits in the period after June 5, 1943, date of his discharge.

The Administrator of Veterans' Affairs shall certify the amount so determined to the Secretary of the Treasury for payment as provided in section 1 of this Act.

With the following committee amendments:

Page 1, line 10: Strike "June 5, 1943" and insert January 16, 1956."

Page 2, lines 6 and 7: Strike "June 5, 1943, date of his discharge." and insert "January 16, 1956 to October 1, 1962 reduced by the total of any amounts paid him as non-service-connected disability pension payments in the same period."

Page 2, after line 10, insert:

SEC. 3. No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARCOS ROJOS RODRIGUEZ

The Clerk called the Senate bill (S. 724) for the relief of Marcos Rojos Rodriguez.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The SPEAKER. That concludes the call of the Private Calendar.

THE MOOD OF OUR COUNTRY

(Mr. WHITE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WHITE. Mr. Speaker, it seems to me that the overall tenor of our great country tends to reflect an ever-increasing mood of depression—spiritual and economic. I have just recently received a letter from a constituent of mine which speaks to this problem with sincerity, eloquence, and above all, with an enduring truth. This letter is from Mr. Howard N. Kelly of El Paso, Tex., and I would like to share his inspiring thoughts by quoting parts of it for the RECORD:

> Recently, there has been too much whining about the United States. A whining in which I am not about to share. We're an infant in the time of history and but a speck in the infinite time of God. And like any young feller, we're prone to stumble over something and go sprawling. This happens to human beings on a personal or collective basis.
>
> Maybe we came too far, too fast. That's a matter of opinion. I am, however, entirely confident that our country not only has the greatest of futures, but also that this future will develop from such situations as "Watergate" and the energy shortage, etc.
>
> Believe me, sir, this is not a "rah, rah" theoretical matter. The American soldier, for instance, is a good reflection of our attitudes. Long years of service from Pvt. through Sgt. Maj. taught me that we do right well when the chips are down.
>
> I know there are millions upon millions of Americans who think straight and pay a mind to the win-loss average rather than coming all apart when we're in a bind.

DISTRICT OF COLUMBIA BUDGET FOR FISCAL YEAR 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–299)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

I am transmitting to the Congress the budget of the District of Columbia for the fiscal year beginning July 1, 1974.

The budget proposals herein have been prepared by the Mayor-Commissioner and the City Council in accordance with their responsibilities under Reorganization Plan No. 3 of 1967, and they also reflect the comments of the citizens of the District during City Council budget hearings. Further review of these proposals has been made by the Office of Management and Budget as specified in the District of Columbia Revenue Act of 1970.

The fiscal year 1975 budget represents the assumption of new responsibilities by the District of Columbia as it moves toward more self-government. The great progress made in recent years by the District Government program and fiscal management attests to its ability to move effectively along the path charted by the District of Columbia Self-government and Governmental Reorganization Act of 1973. This budget indicates that the city welcomes these additional responsibilities and that it is prepared to work with the Congress on behalf of all residents of the District of Columbia to improve local government and the quality of city life

I urge the Congress to act upon these proposals in the same spirit.

RICHARD NIXON.

THE WHITE HOUSE, *May 21, 1974.*

PERMISSION FOR THE COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. MURPHY of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CALL OF THE HOUSE

Mr. FUQUA. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. MONTGOMERY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 231]

Adams
Anderson, Calif.
Barrett
Biester
Blatnik
Boggs
Buchanan
Camp
Carey, N.Y.
Chisholm
Clark
Clawson, Del
Clay
Conyers
Coughlin
Culver
Diggs
Dorn
Drinan
Eilberg
Foley
Fraser
Gibbons
Green, Pa.
Hanna
Hansen, Idaho
Hays
Helstoski
Hicks
Johnson, Pa.
Jones, Okla.
Kluczynski
Leggett
Litton
Michel
Morgan
Nichols
Nix
Parris
Reid
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Runnels
Shuster
Steed
Steiger, Ariz.
Stubblefield
Teague
Williams
Wyatt
Yatron

The SPEAKER pro tempore (Mr. MCFALL). In this rollcall 381 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the calls were dispensed with.

CONGRESS BLAMED FOR LOSS OF VETERANS' BENEFITS

(Mrs. HECKLER of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. HECKLER of Massachusetts. Mr. Speaker, as all of my colleagues know, May 31 is a very significant date for 300,000 of our Nation's veterans. Unfortunately, it is not a day to celebrate—it is a day to dread.

On that day these young men who served our country will lose their GI bill benefits, even though they have not finished school.

Why is this so? The responsibility for this impending tragedy, Mr. Speaker, lies squarely on the Congress, and while it is anguishing for me to say this, the truth cannot be glossed over.

The truth is that the extension of eligibility for these veterans has been held hostage, while the House and Senate tried to force each other into accepting their particular version of other veterans' education legislation.

As this internecine debate goes on, we drift closer and closer to that day when the last benefit check is issued, and hundreds of thousands of veterans will be forced to leave school because the House and Senate are consumed with policy differences that are eclipsed by the real priority—to extend the eligibility.

There is still time to make May 31 a day of celebration, but we must act quickly, and with every passing day our hope dies a little more. I plead with those Members who can move this legislation to respond with justice to the greatest needs of the Vietnam veteran and get to work.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess to receive former Members be printed in the RECORD and that all Members and former Members who spoke during the recess have the privilege of revising and extending their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

RURAL ELECTRIFICATION GUARANTEED LOAN PROGRAM AMENDMENTS

Mr. POAGE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12526) to amend sections 306 and 308 of the Rural Electrification Act of 1936, as amended.

The Clerk read as follows:

H.R. 12526

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 306 of the Rural Electrification Act of 1936, as amended, is amended—

(a) by adding at the end of said section 306 the following:

"Any security, representing beneficial ownership in a note or block of notes guaranteed under this title, issued by a private entity shall be exempt from laws administered by the Securities and Exchange Commission, except sections 17, 22, and 24 of the Securities Act of 1933, as amended; however, the Administrator shall require that (i) the issuer place such notes in the custody of an institution chartered by a Federal or State agency to act as trustee and (ii) the issuer provide such periodic reports of sales as the Administrator deems necessary.

"Evidences of indebtedness, issued by such a legally organized lending agency, which provide that such evidences of indebtedness shall at all times be secured by (i) a principal amount of, and interest which has accrued on, guaranteed loans, (ii) an amount of cash or (iii) a principal amount of, and interest which has accrued on, any securities of a class exempted by section 3(a)(2) of the Securites Act of 1933, as amended, from the provisions of said Act, or (iv) any combination of the foregoing, in an aggregate amount which shall at least equal the principal amount of, and interest which has accrued on, said evidences of indebtedness, shall be exempt from laws administered by the Securities and Exchange Commission, except sections 17, 22, and 24 of the Securities Act of 1933, as amended; however, the Administrator shall require that (i) the issuer place said guaranteed loans, cash, and exempted securities in trust for the benefit of the holders of said evidences of indebtedness with an institution chartered by a Federal or State agency to act as trustee and (ii) the issuer provide such periodic reports of sales as the Administrator deems necessary.

"A guaranteed loan, including the related guarantee, may be assigned to the extent provided in the contract of guarantee executed by the Administrator under this title; the assignability of such loan and guarantee shall be governed exclusively by said contract of guarantee."; and

(b) by inserting the word "initially" before the words "made, held, and serviced" in the sixth sentence of said section 306.

SEC. 2. Section 308 of the Rural Electrification Act of 1936, as amended, is amended by striking therefrom the words "of which the holder has actual knowledge" and substituting in lieu thereof the words "of which the holder had actual knowledge at the time it became a holder".

The SPEAKER pro tempore. Is a second demanded?

Mr. WAMPLER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. the Chair recognizes the gentleman from Texas (Mr. POAGE) for 20 minutes and the gentleman from Virginia (Mr. WAMPLER) for 20 minutes.

The Chair recognizes the gentleman from Texas.

Mr. POAGE. Mr. Speaker, H.R. 12526 would amend the Rural Electrification Act of 1936 in three respects. All deal with the guaranteed loan program of REA and are intended to assure the program's effective operation. They amplify and clarify the legislation passed last year by the Congress which created this program.

In section 1 of the bill it is proposed that the section of the Rural Electrification Act, as amended by Public Law 93–32, which relates to loans guaranteed by REA—section 306—be amended to provide exemption from Securities and Exchange Commission regulation for obligations of an REA-approved lending agency which are fully secured by such guaranteed loans. The amendment would provide the same exemption from SEC regulation in these circumstances as was recently provided by Congress in Public Law 93–86 for securities representing beneficial ownership in a pool of loans guaranteed by Farmers Home Administration under the Rural Development Act. SEC regulation appears equally unnecessary in both instances since the obligations or securities of the private entity in these circumstances are secured 100 percent by, or represent beneficial ownership in, Government guarantees for which the full faith and credit of the United States are pledged. The proposed amendment would also permit security for the obligations issued by the lending agency to consist of cash or securities exempted from the Securities Act of 1933, in addition to REA-guaranteed loans, in order to provide the flexibility needed for proper administration of the collateral trust indenture through which the obligations are expected to be secured.

It is further proposed that two additional changes be made in Public Law 93–32, each in the nature of a technical, clarifying amendment, in order to confirm the congressional intent, and erase doubts which have arisen, concerning assignability and incontestability of REA loan guarantees.

The first change would add language to section 306 which would expressly authorize the assignment or pledge of REA guarantees. Assignment or pledge of guarantees is necessary if prospective lenders are to be enabled to utilize guarantees to obtain funds at the lowest possible interest rates for the benefit of rural electric borrowers.

The absence from section 306 of express provision for assigning or pledging guarantees has caused doubts in the private money market whether any such assignment or pledge is indeed authorized. Should such doubts ultimately prevail in the financial community, it may prove impossible for lenders to borrow in the capital market at the favorable rates contemplated by the guarantee provisions of the law. The proposed amendment would furnish the assignability language required to erase these doubts. It would leave in the complete control of the REA Administrator the extent and incidents of permissible assignments. It should be noted that commitment of assignability authority to Government agency discretion, as here proposed, would be consistent with the handling of guarantee assignments in other Federal statutes, and with the principle underlying the General Assignment of Claims Act of 1940—31 U.S.C. 203—that restrictions on assignability of claims against the Government are imposed for the benefit of the Government and may therefore be waived by Government agencies.

The second technical amendment would clarify in an important respect section 308, which provides for REA guarantees to be supported by the full faith and credit of the United States. This section stipulates that the Government's full faith and credit obligation shall be "incontestable except for fraud or misrepresentation of which the holder has actual knowledge."

Questions have been raised whether this language might be construed to bar enforcement of an REA guarantee held by an assignee or pledgee who first learned of fraud or misrepresentation on the part of the original lender after the assignee or pledgee had acquired the guarantee in good faith. The proposed amendment merely makes clear the equitable rule that an assignee's vulnerability to such defenses arises only if the assignee had actual knowledge of the fraud or misrepresentation at the time it became a holder of the guarantee.

Mr. Speaker, these reasons, which I have outlined, are the basis for H.R. 12526. I would hope that the House would give them expeditious approval in order that this vital program might continue its course of progress in rural America without undue restriction.

Mr. Speaker, I know that this House intended that we should provide a guarantee system rather than direct loans from the Treasury.

These amendments, all of which are merely corrective of the original bill, do nothing more than provide the assurance that this guarantee can work. We give no freedom here which is not given to other lending agencies handling the same kind of paper.

We feel that it is simply a question of whether the Members want to make these Government guarantees work or whether the Members want to go back to the proposition of appropriating money.

Mr. Speaker, I would call attention to the fact that this has nothing in the world to do with the amount of outstanding paper, because that is limited by law to the amounts approved by the Committee on Appropriations from year to year, and we do nothing in any way to change that.

We in no wise increase the lending authority or the guarantee authority. We simply make the lending authority effective without imposing any additional burdens on the Government.

Mr. Speaker, we think it is a good bill, and I believe the bill should pass.

Mr. WAMPLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 12526.

This bill contains several amendments to the Rural Electrification Act and is designed to improve the operation of the guaranteed loan program that the present law authorizes.

As Members of the House will recall, REA is authorized to make three kinds of loans. First, there are direct loans, whereby the Congress appropriates and REA lends moneys directly to eligible borrowers; second, there are insured loans, whereby REA lends money to eligible borrowers and then sells these notes in the open market to finance further lending; and third, there are guaranteed loans, whereby REA guarantees upon behalf of the U.S. Government the repayment of loans made by private lenders to eligible borrowers.

This bill deals only with the guaranteed loans. It does not change the direct loan or the insured loan programs which are expected to total some $618 million in fiscal years 1974 and 1975.

We understand that the guaranteed loan program for fiscal year 1974 is expected to reach a billion dollar level and to exceed $1.4 billion in fiscal year 1975.

H.R. 12526 then makes three changes

in the guaranteed loan program. These three changes are as follows:

First. It exempts the REA-guaranteed notes from Securities and Exchange Commission registration.

Second. It specifically authorizes the assignment of REA guarantees with the Administrator's approval.

Third. The "incontestability" provision in existing law is amended to clearly state that a guarantee shall not be held invalid on grounds of fraud or misrepresentation by prior holders if the present holder did not have actual knowledge of such irregularities when he acquired the securities.

Each of these changes, Mr. Speaker, is recommended in order to make the REA program function more efficiently and more effectively.

The committee did not hold public hearings on this bill because it was felt that these changes are relatively minor and conforming in nature.

Mr. Speaker, I urge the passage of H.R. 12526.

Mr. ZWACH. Will the gentleman yield?

Mr. WAMPLER. I yield to the distinguished gentleman from Minnesota.

Mr. ZWACH. I thank the gentleman for yielding.

I rise in full support of this legislation and associate myself with the gentleman's remarks and those of the gentleman from Texas (Mr. POAGE).

This legislation expedites and simplifies the loan program. In this day of the energy crisis it is important to expedite the programs that affect our energy supplies.

I thank the gentleman for yielding.

Mr. WAMPLER. I thank the gentleman for his contribution.

I yield 2 minutes to the distinguished gentleman from Iowa, (Mr. MAYNE).

Mr. MAYNE. Mr. Speaker, I thank the gentleman for yielding.

I rise in strong support of the amendments to the rural electrification guaranteed loan program. Certainly the guaranteed loan program is a vital part of the credit programs as established in the 1973 REA Act. I was an enthusiastic advocate of the 1973 REA Act, but I fully realized that changes would be necessary from time to time in such a complex law. H.R. 12526 represents a change I feel is needed.

This proposal before us today would provide for more convenient and efficient making of REA guaranteed loans by doing three things:

First. It would exempt from SEC registration the loans guaranteed by REA.

Second. It would permit assignability so that guaranteed loans could be transferred from one holder to another.

Third. It would clarify REA Act provisions making the Government guarantee incontestable except for fraud of which the holder has actual knowledge.

It is estimated that approximately $1 billion in loans will be guaranteed by the REA in fiscal year 1974. These loans are a necessity if we are going to keep energy production and distribution strong and growing in rural America. Because of the energy shortages now facing our country, the REA guaranteed loan program should take on a special priority.

I believe passage of H.R. 12526 is one way we can help the REA more effectively administer the 1973 REA Act.

Mr. WAMPLER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Minnesota (Mr. NELSEN).

Mr. NELSEN. Mr. Speaker, I would like to take just a couple of moments time to compliment the chairman of the committee, BOB POAGE, and the minority ranking member, WILEY MAYNE, for the leadership they supplied in putting together this piece of legislation—not only this one but the new REA Act which was enacted about a year ago by the Congress.

It is my understanding under the terms of this bill all you are doing is providing identical exemptions as those presently granted to the REA. You are putting the same kind of exemption in with the REA money that will be handled. That is only fair.

My main purpose in getting up today is to point out for many years those of us who have been working with the REA program have been looking forward to the day when we would have a financing plan, one which would be more fair to the taxpayer and at the same time give security to the REA program so that they would know where they could go to get funds for the continued growth of a great program. I believe this is another step forward and a good one. I hope that the House passes this bill.

Mr. WAMPLER. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Texas (Mr. PRICE).

Mr. PRICE of Texas. Mr. Speaker, I thank the gentleman for yielding me this time, and I would briefly like to point out what this bill does.

As the chairman, the gentleman from Texas (Mr. POAGE) has already pointed out, first, this bill brings about the exemption from Securities and Exchange Commission regulation bonds or securities of legally organized lenders which are fully secured by, or which represent beneficial ownership in, loans guaranteed by REA.

Second, it adds statutory language which expressly authorizes the assignment of REA guarantees.

And, third, it clarifies the provision of section 308 which provides for incontestability of the Government guarantee "except for fraud or misrepresentation of which the holder has actual knowledge."

Mr. Speaker, I urge the passage of this bill.

Mr. WAMPLER. Mr. Speaker, I have no further requests for time.

Mr. POAGE. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. POAGE) that the House suspend the rules and pass the bill H.R. 12526.

The question was taken.

Mr. SCHERLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 386, nays 9, not voting 38, as follows:

[Roll No. 232]

YEAS—386

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clausen, Don H.
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conyers
Corman
Cotter
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gray
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hébert
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman

Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—9

Conte
Crane
Giaimo
Grasso
Hechler, W. Va.
Moss
Ryan
Staggers
Wydler

NOT VOTING—38

Anderson, Calif.
Barrett
Biester
Blatnik
Camp
Carey, N.Y.
Clark
Clawson, Del
Clay
Coughlin
Culver
Diggs
Dorn
Eilberg
Green, Pa.
Hansen, Idaho
Hays
Heistoski
Johnson, Pa.
Jones, Okla.
Kluczynski
Litton
Mathis, Ga.
Mink
Mollohan
Morgan
Nix
Reid
Rooney, N.Y.
Rooney, Pa.
Runnels
Steed
Stubblefield
Teague
Vander Jagt
Williams
Wyatt
Yatron

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Eilberg with Mr. Anderson of California.
Mr. Rooney of New York with Mr. Culver.
Mr. Teague with Mr. Dorn.
Mr. Rooney of Pennsylvania with Mr. Jones of Oklahoma.
Mr. Nix with Mrs. Mink.
Mr. Hays with Mr. Mathis of Georgia.
Mr. Carey of New York with Mr. Camp.
Mr. Diggs with Mr. Blatnik.
Mr. Kluczynski with Mr. Biester.
Mr. Morgan with Mr. Johnson of Pennsylvania.
Mr. Barrett with Mr. Hansen of Idaho.
Mr. Yatron with Mr. Del Clawson.
Mr. Green of Pennsylvania with Mr. Runnels.
Mr. Clark with Mr. Vander Jagt.
Mr. Clay with Mr. Reid.
Mr. Helstoski with Mr. Stubblefield.
Mr. Steed with Mr. Coughlin.
Mr. Mollohan with Mr. Litton.
Mr. Wyatt with Mr. Williams.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

STANDBY ENERGY EMERGENCY AUTHORITIES ACT

Mr. STAGGERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13334) to provide standby energy authority to assure that the essential energy needs of the United States are met, and for other purposes, as amended.

The Clerk read as follows:

That this Act, including the following table of contents, may be cited as the "Standby Energy Emergency Authorities Act".

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Sec. 105. Federal actions to increase available domestic petroleum supplies.
Sec. 106. Other amendments to the Emergency Petroleum Allocation Act of 1973.
Sec. 107. Controls on imported petroleum prices.
Sec. 108. Price rollback.
Sec. 109. Protection of franchised dealers.
Sec. 110. Prohibition on unreasonable actions.
Sec. 111. Regulated carriers.
Sec. 112. Antitrust provisions.
Sec. 113. Exports.
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TITLE I—STANDBY ENERGY EMERGENCY AUTHORITIES

SEC. 101. FINDINGS AND PURPOSES.

(a) The Congress hereby determines that—

(1) current energy shortages have the potential to create severe economic dislocations and hardships;

(2) such shortages and dislocations could jeopardize the normal flow of interstate and foreign commerce;

(3) disruptions in the availability of imported energy supplies, particularly petroleum products, pose a serious risk to national security, economic well-being, and public health, safety, and welfare of the American people;

(4) because of the diversity of conditions, climate, and available fuel mix in different areas of the Nation, governmental responsibility for developing and enforcing energy emergency authorities lies not only with the Federal Government, but also with the States and with the local governments; and

(5) the protection and fostering of competition and the prevention of anticompetitive practices and effects are vital during periods of energy shortages.

(b) The purposes of this Act are to grant specific temporary standby authority to impose end-use rationing, subject to congressional review and right of approval or disapproval, and to authorize certain other specific temporary emergency actions to be taken, to assure that the essential needs of the United States for fuels will be met in a manner which, to the fullest extent practicable: (1) is consistent with existing national commitments to protect and improve the environment; (2) minimizes any adverse impact on employment; (3) provides for equitable treatment of all sectors of the economy; (4) maintains vital services (including delivery of mails by contract or otherwise) necessary to the public health, safety, and welfare; and (5) insures against anticompetitive practices and effects and preserves, enhances, and facilitates competition in the development, production, transportation, refining, distribution, and marketing of energy resources.

SEC. 102. DEFINITIONS.

For purposes of this Act:

(1) The term "State" means a State, the District of Columbia, Puerto Rico, or any territory or possession of the United States.

(2) The term "petroleum product" means crude oil, residual fuel oil, or any refined petroleum product (as defined in the Emergency Petroleum Allocation Act of 1973).

(3) The term "United States" when used in the geographical sense means the States, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

(4) The term "Administrator" means the Administrator of the Federal Energy Administration established by H.R. 11793, Ninety-third Congress (popularly known as the Federal Energy Administration Act of 1974) if H.R. 11793 is enacted; except that until such Administrator takes office, such term means any officer of the United States designated by the President.

SEC. 103. END-USE RATIONING.

Section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(h)(1) The President may promulgate a rule which shall be deemed a part of the regulation under subsection (a) and which shall provide, consistent with the attainment of the objectives of subsection (b) of this subsection, for the establishment of a program for the rationing and ordering of priorities among classes of end-users of crude oil, residual fuel oil, or any refined petroleum product, and for the assignment of rights, and evidence of such rights, to end-users of such oils or products, entitling such end users to obtain such oils or products in precedence to other classes of end-users not similarly entitled.

"(2) The rule under paragraph (1) of this subsection shall take effect only if the President finds that, without such rule, all other practicable and authorized methods to limit energy demand will not achieve the objectives of subsection (b) of this section and the purposes of the Standby Energy Emergency Authorities Act.

"(3) The President shall, by order, in furtherance of the rule authorized pursuant to paragraph (1) of this subsection and consistent with the attainment of the objectives in subsection (b) of this section and the purposes of the Standby Energy Emergency Authorities Act, cause such adjustments in the allocations made pursuant to the regulation under subsection (a) as may be necessary to carry out the purposes of this subsection.

"(4) The President shall provide for the use of local boards described in section 120(a) of the Standby Energy Emergency Authorities Act to be operated under procedures which the Administrator shall establish pursuant to section 116(c) of such Act (A) with authority to receive petitions from any end-user of crude oil, residual fuel oil, or any refined petroleum product, for which priorities and entitlements are established under paragraph (1) of this subsection and (B) with authority to order a reclassification or modification of any determination made under such paragraph with respect to such end-user's rationing priority or entitlement.

"(5) No rule or order under this subsection may impose any tax or user fee, or provide for a credit or deduction in computing any tax.

"(6) At such time as he finds that it is necessary to put a rule under paragraph (1) of this subsection into effect, the President shall transmit such rule to each House of Congress pursuant to the provisions of section 104 of the Standby Energy Emergency Authorities Act, and such rule shall take effect in the manner prescribed under such section 104.

"(7) A rule under paragraph (1) of this subsection shall provide, consistent with the objectives of subsection (b) of this section, assurances that adequate supplies of gasoline and diesel fuel are made available (A) for essential and purposeful mobility of persons in the armed services of the United States on military orders, (B) for household moves related to reemployment or displacement due to unemployment, and (C) for moves due to health reasons.".

Sec. 104. Congressional Approval or Disapproval.

(a) (1) For purposes of this section, the term "end-use rationing plan" means any rule providing for end-use rationing promulgated pursuant to section 4(h) of the Emergency Petroleum Allocation Act of 1973 (as amended by section 103 of this Act) or any amendment to such a rule.

(2) The Administrator shall transmit any end-use rationing plan (bearing an identification number) to each House of Congress on the same date pursuant to section 4(h) (6) of the Emergency Petroleum Allocation Act of 1973.

(3) (A) Except as provided in subparagraph (B) of this paragraph, if an end-use rationing plan is transmitted to the House of Congress, such plan shall take effect at the end of the first period of 15 calendar days of continuous session of Congress after the date on which such plan is transmitted to such Houses, unless between the date of transmittal and the end of such 15-day period, either House passes a resolution stating in substance that such House does not favor such plan.

(B) An end-use rationing plan described in subparagraph (A) may take effect prior to the expiration of the 15-calendar-day period after the date on which such plan is transmitted, if each House of Congress approves a resolution affirmatively stating in substance that such House does not object to the implementation of such plan.

(4) For the purpose of paragraph (3) of this subsection—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the 15-calenday-day period.

(5) Under provisions contained in an end-use rationing plan, a provision of such a plan may take effect on a date later than the date on which such plan otherwise takes effect pursuant to the provisions of this section.

(b) (1) This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by paragraph (2) of this subsection; and it supersedes other rules only to the extent that it is inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(2) For purposes of this subsection, the term "resolution" means only a resolution of either House of Congress described in subparagraph (A) or (B) of this paragraph.

(A) A resolution the matter after the resolving clause of which is as follows: "That the ——— does not object to the implementation of end-use rationing plan numbered ——— submitted to the Congress on ———, 19 .", the first blank space therein being filled with the name of the resolving House and the other blank space being appropriately filled; but does not include a resolution which specifies more than one end-use rationing plan.

(B) A resolution the matter after the resolving clause of which is as follows "That the ——— does not favor the implementation of the end-use rationing plan numbered ——— transmitted to Congress on ———, 19 .", the first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled; but does not include a resolution which specifics more than one end-use rationing plan.

(3) A resolution once introduced with respect to an end-use rationing plan shall immediately be referred to a committee (and all resolutions with respect to the same plan shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives as the case may be.

(4) (A) If the committee to which a resolution with respect to an end-use rationing plan has been referred has not reported it at the end of 5 calendar days after its referral, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge the committee from further consideration of any other resolution with respect to such end-use rationing plan which has been referred to the committee.

(B) A motion to discharge may be made only by an individual favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same end-use rationing plan), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same end-use rationing plan.

(5) (A) When the committee has reported, or has been discharged from further consideration of, a resolution, it shall be at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(B) Debate on the resolution referred to in subparagraph (A) of this paragraph shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing such resolution. A motion further to limit debate shall not be debatable. An amendment to, or motion to recommit, the resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such resolution was agreed to or disagreed to; except that it shall be in order to substitute a resolution described in paragraph (2) (A) of this subsection with respect to an end-use rationing plan for a resolution described in paragraph (2) (B) of this subsection with respect to the same such plan, or a resolution described in paragraph (2) (B) of this subsection with respect to an end-use rationing plan for a resolution described in paragraph (2) (A) of this subsection with respect to the same such plan.

(6) (A) Motions to postpone, made with respect to the discharge from committee, or the consideration of a resolution and motions to proceed to the consideration of other business, shall be decided without debate.

(B) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

(7) Notwithstanding any of the provisions of this subsection, if a House has approved a resolution with respect to an end-use rationing plan, then it shall not be in order to consider in that House any other resolution with respect to the same such plan.

(c) (1) Any end-use rationing plan which the Administrator transmits to the Congress pursuant to subsection (a) (2) of this section shall state the findings of fact on which the action is based, and shall contain a specific statement explaining the rationale for such plan.

(2) To the greatest extent practicable, any end-use rationing plan which the Administrator transmits to the Congress pursuant to subsection (a) (2) of this section shall also be accompanied by an evaluation prepared by the Administrator of the potential economic impacts, if any, of the proposed plan. Such evaluation shall include an analysis of the effect if any, of such plan on—

(A) the fiscal integrity of State and local government;

(B) vital industrial sectors of the economy;

(C) employment, by industrial and trade sector, as well as on a national, regional, State, and local basis;

(D) the economic vitality of regional, State, and local areas;

(E) the availability and price of consumer goods and services;

(F) the gross national product;

(G) competition in all sectors of industry;

(H) small business; and

(I) the supply and availability of energy resources for use as fuel or as feedstock for industry.

Sec. 105. Federal Actions To Increase Available Domestic Petroleum Supplies.

(a) The Administrator may, by rule or order, until midnight, June 30, 1975, direct the adjustment of processing operations of refineries in the United States to produce petroleum products, petrochemical feedstocks, petrochemicals, and asphalt in proportions commensurate with national needs, consistent with the purposes of this Act, and consistent with the attainment of the objectives of section 4(b) of the Emergency Petroleum Allocation Act of 1973.

(b) (1) The Administrator may, by order, require the production of crude oil at the producer level at the maximum efficient rate of production.

(2) The Administrator shall consult with the Department of the Interior and with the States and agencies thereof in order to determine which persons should reasonably be required to produce crude oil at the rates specified in paragraph (1) of this subsection.

(3) For purposes of this subsection, the term "maximum efficient rate" with respect to any oilfield other than oilfields on Federal lands means the rate determined by the State or agency thereof in which such oilfield is located, and with respect to any oilfield on Federal land means the rate determined by the Department of the Interior.

(e) Nothing in this section shall be construed to authorize the production from any Naval Petroleum Reserve now subject to the provisions of chapter 641 of title 10, United States Code.

SEC. 106. OTHER AMENDMENTS TO THE EMERGENCY PETROLEUM ALLOCATION ACT OF 1973.

(a) Section 4 of the Emergency Petroleum Allocation Act of 1973 (as amended by section 103 of this Act) is further amended by adding at the end of such section the following new subsection:

"(i) If any provision of the regulation under subsection (a) provides that any allocation of residual fuel oil or refined petroleum products is to be based on use of such oil or products, or amounts of such oil or products supplied, during a historical period, the regulation shall contain provisions designed to assure that such historical period can be adjusted (or other adjustments in allocations can be made) in order to reflect regional disparities in use, population growth, or unusual factors influencing use (including unusual changes in climatic conditions), of such oil or products in such historical period. This subsection shall take effect 30 days after the date of enactment of this subsection. Adjustments for such purposes shall take effect no later than 6 months after the date of enactment of this subsection. Adjustments to reflect population growth shall be based upon the most current figures available from the United States Bureau of the Census."

(b) Section 4(g)(1) of the Emergency Petroleum Allocation Act of 1973 is amended by striking out "February 28, 1975" in each case the term appears and inserting in each case "June 30, 1975".

(c) Section 4(b)(1)(G) of the Emergency Petroleum Allocation Act of 1973 is amended to read as follows:

"(G) allocation of residual fuel oil and refined petroleum products in such amounts and in such manner as may be necessary for the maintenance of exploration for, and production or extraction of—

"(i) fuels, and

"(ii) minerals essential to the requirements of the United States,

and for required transportation related thereto;".

(d) The Administrator shall exercise any authority conferred on him under this Act and under any other Act to take steps designed to alleviate any shortages in petrochemical feedstocks, petrochemicals, and asphalt, and not later than 60 days after the date of the enactment of this Act, shall report to the Congress with respect to (1) any such shortages, (2) all steps taken to alleviate any such shortages, (3) any adverse impact on employment resulting from any such shortages, and (4) any legislative recommendations which he deems necessary to alleivate any such shortages.

SEC. 107. CONTROLS ON IMPORTED PETROLEUM PRICES.

Section 4 of the Emergency Petroleum Allocation Act of 1973 is further amended by adding at the end of such section the following new subsection:

"(j) (1) As soon as practicable, but not later than 30 days after the date of enactment of this subsection, the President shall amend the regulation under subsection (a) of this section so as to specify (or prescribe a manner for determining) equitable ceiling prices for all sales in the United States of crude oil (or classifications thereof) imported into the United States.

"(2) For the purpose of this subsection, the term 'equitable ceiling price' means a price for crude oil imported into the United States, which is reasonable, taking into consideration the need to obtain sufficient supplies of crude oil and to permit the attainment of the objectives of subsection (b) of this section, balanced against the need to control inflation of basic and essential goods and services and hold down costs to industrial and individual consumers.

"(3) (A) Any regulation establishing an equitable ceiling price for purposes of this section for a sale in the United States of imported crude oil shall disallow any portion of the seller's price of such oil which is attributable to foreign taxes or royalties, or to prices paid to an affiliate, to the extent that the seller (directly or indirectly) received or will receive any dividends, rebate, or similar benefit, or any reduction in Federal tax liability as a result of payment of such tax, royalty, or price.

"(B) In the case of imported crude oil which is not sold in the United States before it is refined, the provisions of the regulation under subsection (a) of this section which specify (or prescribe a manner for determining) prices of residual fuel oil and refined petroleum products derived from such crude oil shall disallow a portion of the seller's cost of such residual fuel oil and refined petroleum products equal to the amount which would have been disallowed under subparagraph (A) had such crude oil been sold in the United States before it was refined.

"(4) For purposes of this subsection, the term 'affiliate' with respect to any seller means any person who controls, is controlled by, or is under common control with, such seller; and the term 'sale' includes exchange.

"(5) As soon as practicable, but not later than 30 days after the date of enactment of this subsection, and 30 days after any amendment to the regulation under subsection (a) of this section with respect to prices, the President shall transmit to Congress a statement setting forth the effect of such regulation, if any, on—

"(A) the supply and demand of crude oil, residual fuel oil, or refined petroleum products;

"(B) the economy as a whole, including the impact upon consumers, the Consumer Price Index, and the profitability of and employment in industry and business; and

"(C) competition within the petroleum industry and any significant problems of enforcement of such regulation.".

SEC. 108. PRICE ROLLBACK.

The Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new section:

"CEILING PRICES FOR PETROLEUM PRODUCTS PRODUCED OR REFINED IN THE UNITED STATES

"SEC. 8. (a) (1) As soon as practicable, but not later than 30 days after the date of enactment of this section, the President shall amend the regulation under section 4(a) of this Act so as to establish maximum prices with respect to each sale described in paragraph (3) by any person of crude oil, residual fuel oil, or any refined petroleum product. Subject to subsection (b), such maximum prices shall be set at a level no higher than the November 1, 1973, base price for such oil or product.

"(2) For purposes of this section, the November 1 , 1973, base price for crude oil, residual fuel, oil, or a refined petroleum product is—

"(A) in the case of an oil or product of a classification for which a maximum price was prescribed for sales on November 1, 1973, under the Economic Stabilization Act of 1970, such maximum price, or

"(B) in the case of an oil or product of a classification for which such a maximum price was not prescribed, the highest price pertaining to substantial volumes of actual transactions by the seller of such oil or product during the 14-day period ending on November 1, 1973, for like or similar oils or products; or, if no transactions by such seller occurred during such period, then the highest price pertaining to substantial volumes of actual transactions charged by similar sellers for like or similar oils or products during such 14-day period.

Price increases announced after November 1, 1973, and made retroactive to November 1, 1973, or an earlier date, shall not be considered as having been in effect on or prior to such date for purposes of this subsection.

"(3) Subject to subsection (c), maximum prices required under paragraph (1) of this subsection shall apply to all sales in the United States of crude oil produced in the United States and all sales in the United States of residual fuel oil and refined petroleum products refined in the United States.

"(b) Subject to section 4(j)(3)(B) of this Act, prices required to be established under subsection (a) of this section shall provide for dollar-for-dollar increase or decreases from the November 1, 1973 base price for any seller to reflect net increases or decreases occurring after November 1, 1973, in such seller's costs; except that (notwithstanding section 4(b)(2) of this Act)—

"(1) to the extent consistent with the attainment of the objectives specified in section 4(b)(1) of this Act, the President shall amend such regulation so that relative prices of refined petroleum products reflect their historical relative price relationships; and

"(2) the President may amend such regulation so as to prevent any profit margins on any sales or exchanges of such oil and products which the President determines are excessive, taking into account historical profit margins and profit margins allowable for the 7-day period ending on November 1, 1973, under regulations under the Economic Stabilization Act of 1970.

"(c) (1) The regulation under section 4(a) shall not specify (or prescribe a manner of determining) prices applicable to the first sale of new crude oil produced from a property in the United States by a seller (A) who produced such crude oil and (B) who (together with all persons who control, are controlled by or are under common control with such seller) produced in the aggregate less than 18,400 barrels of crude oil and condensates per day (including production outside the United States) averaged during the base period.

"(2) The regulation under section 4(a) of this Act may be amended to include such requirements respecting reporting and inspections as the President deems necessary to carry out this subsection. Officers or employees of the United States designated by the President may make inspections provided for in such regulation.

"(3) For purposes of this subsection—

"(A) The term 'new crude oil' means the excess of—

"(i) the total number of barrels of crude oil produced in the United States and sold from a property in a particular month, over

"(ii) the base production control level for that property for that month (plus any new crude deficit adjustment (as defined in subparagraph (C)) which is applicable to the property for such month).

"(B) The term 'base production control level' for a particular month for a particular property means—

"(i) if crude oil was produced and sold from that property in every month of the base period, the total number of barrels of crude oil produced and sold from that property in the same month of the base period; or

"(ii) if crude petroleum was not produced and sold from that property in every month of the base period, the total number of barrels of crude oil produced and sold from that property in the base period divided by 12.

"(C) The new crude deficit adjustment applicable to a property for a particular month is the amount (if any) by which—

"(i) the sum of the base production control levels for all calendar months beginning after the date of enactment of this subsection and ending before such particular month, plus all amounts of new crude production for such months, exceeds

"(ii) the total number of barrels produced and sold from such property in all such months.

"(D) The term 'property' means the right which arises from a lease or from a fee interest to produce crude oil.

"(E) The term 'base period' means the 12-month period ending June 30, 1973.

"(F) A person produces crude oil only if he has an interest in the production thereof which permits him to take his production (or share thereof) in kind.

"(e) Insofar as practicable, the President shall amend the regulation under section 4(a) of this Act to insure that all persons engaging in sales of crude oil to refiners or of residual fuel oil or refined petroleum products in sales to any purchaser average the costs of its foreign and domestic crude oil, residual fuel oil, and refined petroleum products."

SEC. 109. PROTECTION OF FRANCHISED DEALERS.

(a) As used in this section:

(1) The term "distributor" means a person engaged in the sale, consignment, or distribution, of petroleum products to wholesale or retail outlets, whether or not it owns, leases, or in any way controls, such outlets.

(2) The term "franchise" means any agreement or contract between a refiner or a distributor and a retailer or between a refiner and distributor, under which such retailer or distributor is granted authority to use a trademark, trade name, service mark, or other identifying symbol or name, owned by such refiner or distributor, or any agreement or contract between such parties under which such retailer or distributor is granted authority to occupy premises owned, leased, or in any way controlled, by a party to such agreement or contract, for the purpose of engaging in the distribution or sale of petroleum products for purposes other than resale.

(3) The term "refiner" means a person engaged in the refining or importing of petroleum products.

(4) The term "retailer" means a person engaged in the sale of any refined petroleum product (as defined in the Emergency Petroleum Allocation Act of 1973) for purposes other than resale within any State, either under a franchise or independent of any franchise.

(5) The phrase "cancel, fail to renew, or otherwise terminate a franchise" includes an increase in the rent of the distributor or retailer under a franchise which makes continued operation under such franchise economically unfeasible for such distributor or retailer.

(b) (1) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate, a franchise, unless he furnishes prior notification pursuant to this paragraph to each distributor or retailer affected thereby. Such notification shall be in writing and sent to such distributor or retailer by certified mail not less than ninety days prior to the date on which such franchise will be canceled, not renewed, or otherwise terminated. Such notification shall contain a statement of intention to cancel, to fail to renew, or to otherwise terminate, such franchise, together with the reasons therefor, the date on which such cancellation, failure to renew, or termination, shall take effect, and a statement of all remedies available to such distributor or retailer under this section together with a summary of the applicable provisions of this section.

(2) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate, a franchise, unless the retailer or distributor whose franchise is canceled, not renewed, or otherwise terminated, (A) (i) failed to comply substantially with any essential and reasonable requirement of such franchise or (ii) failed to act in good faith in carrying out the terms of such franchise, or (B) unless such refiner or distributor withdraws entirely from the sale of petroleum products (other than crude oil) in commerce for sale other than resale in the United States.

(c) (1) If a refiner or distributor engages in conduct prohibited under subsection (b) of this section, a retailer or a distributor may maintain a suit against such refiner or distributor. A retailer may maintain such suit against a distributor or a refiner whose actions affect commerce and whose petroleum products with respect to conduct prohibited under paragraph (1) or (2) of subsection (b) of this section, he sells or has sold, directly or indirectly, under a franchise. A distributor may maintain such suit against a refiner whose actions affect commerce and whose petroleum products he purchases or has purchased or whose products he distributes or has distributed to retailers.

(2) The court shall grant such equitable relief as is necessary to remedy the effects of conduct prohibited under subsection (b) of this section which such court finds to exist, including declaratory judgment and mandatory or prohibitive injunctive relief. The court may grant interim equitable relief, and actual and punitive damages (except for actions for a failure to renew) where indicated, in suits under this section, and may, unless such suit is frivolous, direct that costs, including reasonable attorney and expert witness fees, be paid by the defendant. In the case of actions for a failure to renew, damages shall be limited to actual damages, including the value of the plaintiff's equity in the franchise.

(3) A suit under this section may be brought in the district court of the United States for any judicial district in which the distributor or the refiner against whom such suit is maintained resides, is found, or is doing business, without regard to the amount in controversy.

(d) The provisions of this section expire at midnight, June 30, 1975, but such expiration shall not affect any pending action or pending proceeding, civil or criminal, not finally determined on such date, nor any action or proceeding based upon a cancellation, failure to renew, or termination of a franchise committed prior to midnight, June 30, 1975, except that no suit under this section, which is based upon a cancellation, failure to renew, or termination of a franchise committed prior to midnight, June 30, 1975, shall be maintained unless commenced within three years after such cancellation, failure to renew, or termination of a franchise.

SEC. 110. PROHIBITIONS ON UNREASONABLE ACTIONS.

(a) Action taken under authority of this Act, the Emergency Petroleum Allocation Act of 1973, or other Federal law resulting in the allocation of petroleum products and electrical energy among classes of users or resulting in restrictions on use of petroleum products and electrical energy, shall be equitable, shall not be arbitrary or capricious, and shall not unreasonably discriminate among classes of users. Such allocations shall contain provisions designed to foster reciprocal and nondiscriminatory treatment by foreign countries of United States citizens engaged in commerce.

(b) To the maximum extent practicable, any restriction on the use of energy shall be designed to be carried out in such manner so as to be fair and to create a reasonable distribution of the burden of such restriction on all sectors of the economy, without imposing an unreasonably disproportionate share of such burden on any specific industry, business, or commercial enterprises, or on any individual segment thereof, and shall give due consideration to the needs of commercial, retail, and service establishments, whose normal function is to supply goods and services of an essential convenience nature during times of day other than conventional daytime working hours.

SEC. 111. REGULATED CARRIERS.

Within 45 days after the date of enactment of this Act, the Civil Aeronautics Board, the Federal Maritime Commission, and the Interstate Commerce Commission, shall report separately to the appropriate committees of the Congress on the need for additional regulatory authority in order to conserve fuel during the period beginning on the date of enactment of this Act and ending on midnight, June 30, 1975, while continuing to provide for the public convenience and necessity. Each such report shall identify with specificity—

(1) the type of regulatory authority needed;

(2) the reasons why such authority is needed;

(3) the probable impact on fuel conservation of such authority;

(4) the probable effect on the public convenience and necessity of such authority; and

(5) the competitive impact, if any, of such authority.

Each such report shall further make recommendations with respect to changes in any existing fuel allocation programs which are deemed necessary to provide for the public convenience and necessity during such period.

SEC. 112. ANTITRUST PROVISIONS.

(a) Except as specifically provided in subsection (i), no provision of this Act shall be deemed to convey to any person subject to this Act any immunity from civil and criminal liability or to create defenses to actions, under the antitrust laws.

(b) As used in this section, the term "antitrust laws" means—

(1) the Act entitled "An Act to protect trade and commerce against unlawful re-

straints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(2) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(4) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

(c) (1) To achieve the purposes of this Act, the Administrator may provide for the establishment of such advisory committees as he determines are necessary. Any such advisory committees shall be subject to the provisions of the Federal Advisory Committee Act of 1972 (5 U.S.C. App. I), whether or not such Act or any of its provisions expires or terminates during the term of this Act or of such committees, and in all cases shall be chaired by a regular full-time Federal employee and shall include representatives of the public. The meetings of such committees shall be open to the public.

(2) A representative of the Federal Government shall be in attendance at all meetings of any advisory committee established pursuant to this section. The Attorney General and the Federal Trade Commission shall have adequate advance notice of any meeting and may have an official representative attend and participate in any such meeting.

(3) A full and complete verbatim transcript shall be kept of all advisory committee meetings, and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be made available for public inspection and copying, subject to the provisions of section 552 (b) (1) and (b) (3) of title 5, United States Code.

(d) The Administrator, subject to the approval of the Attorney General and the Federal Trade Commission, shall promulgate, by rule, standards and procedures by which persons engaged in the business of producing, refining, marketing, or distributing crude oil, residual fuel oil or any refined petroleum product may develop and implement voluntary agreements and plans of action to carry out such agreements which the Administrator determines are necessary to accomplish the objectives stated in section 4(b) of the Emergency Petroleum Allocation Act of 1973.

(e) The standards and procedures under subsection (d) shall be promulgated pursuant to section 553 of title 5, United States Code. They shall provide, among other things, that—

(1) Such agreements and plans of action shall be developed by meetings of committees, councils, or other groups which include representatives of the public, of interested segments of the petroleum industry and of industrial, municipal, and private consumers, and shall in all cases be chaired by a regular full-time Federal employee;

(2) Meetings held to develop a voluntary agreement or a plan of action under this subsection shall permit attendance by interested persons and shall be preceded by timely and adequate notice with identification of the agenda of such meeting to the Attorney General, the Federal Trade Commission and to the public in the affected community;

(3) Interested persons shall be afforded an opportunity to present, in writing and orally, data, views, and arguments at such meetings;

(4) A full and complete verbatim transcript shall be kept of any meeting, conference, or communication held to develop, implement, or carry out a voluntary agreement or a plan of action under this subsection and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be available for public inspection and copying, subject to provisions of sections 552 (b) (1) and (b) (3) of title 5, United States Code.

(f) The Federal Trade Commission may exempt types or classes of meetings, conferences, or communications from the requirements of subsections (c) (3) and (e) (4), provided such meetings, conferences, or communications are ministerial in nature and are for the sole purpose of implementing or carrying out a voluntary agreement or plan of action authorized pursuant to this section. Such ministerial meeting, conference, or communication may take place in accordance with such requirements as the Federal Trade Commission may prescribe by rule. Such persons participating in such meeting, conference, or communication shall cause a record to be made specifying the date such meeting, conference, or communication took place and the persons involved, and summarizing the subject matter discussed. Such record shall be filed with the Federal Trade Commission and the Attorney General, where it shall be made available for public inspection and copying.

(g) (1) The Attorney General and the Federal Trade Commission shall participate from the beginning in the development, implementation, and carrying out of voluntary agreements and plans of action authorized under this section. Each may propose any alternative which would avoid or overcome, to the greatest extent practicable, possible anti-competitive effects while achieving substantially the purposes of this Act. Each shall have the right to review, amend, modify, disapprove, or prospectively revoke, on its own motion or upon the request of any interested person, any plan of action or voluntary agreement at any time, and, if revoked, thereby withdraw prospectively the immunity which may be conferred by subsection (i) of this section.

(2) Any voluntary agreement or plan of action entered into pursuant to this section shall be submitted in writing to the Attorney General and the Federal Trade Commission twenty days before being implemented, where it shall be made available for public inspection and copying.

(h) (1) The Attorney General and the Federal Trade Commission shall monitor the development, implementation, and carrying out of plans of action and voluntary agreements authorized under this section to assure the protection and fostering of competition and the prevention of anticompetitive practices and effects.

(2) The Attorney General and the Federal Trade Commission shall promulgate joint regulations concerning the maintenance of necessary and appropriate documents, minutes, transcripts, and other records related to the development, implementation, or carrying out of plans of action or voluntary agreement authorized pursuant to this Act.

(3) Persons developing, implementing, or carrying out plans of action or voluntary agreements authorized pursuant to this Act shall maintain those records required by such joint regulations. The Attorney General and the Federal Trade Commission shall have access to and the right to copy such records at reasonable times and upon reasonable notice.

(4) The Federal Trade Commission and the Attorney General may each prescribe such rules and regulations as may be necessary or appropriate to carry out their responsibilities under this Act. They may both utilize for such purposes and for purposes of enforcement, any and all powers conferred upon the Federal Trade Commission or the Department of Justice, or both, by any other provision of law, including the antitrust laws; and wherever such provision of law refers to "the purposes of this Act" or like terms, the reference shall be understood to be this Act.

(i) There shall be available as a defense to any civil or criminal action brought under the antitrust laws in respect of actions taken in good faith to develop and implement a voluntary agreement or plan of action to carry out a voluntary agreement by persons engaged in the business of producing, refining, marketing, or distributing crude oil, residual fuel oil, or any refined petroleum product that—

(1) such action was—

(A) authorized and approved purusant to this section, and

(B) undertaken and carried out solely to achieve the purposes of this section and in compliance with the terms and conditions of this section, and the rules promulgated hereunder; and

(2) such persons fully complied with the requirements of this section and the rules and regulations promulgated hereunder.

(j) No provision of this Act shall be construed as granting immunity for, nor as limiting or in any way affecting any remedy or penalty which may result from any legal action or proceeding arising from, any acts or practices which occurred: (1) prior to the date of enactment of this Act, (2) outside the scope and purposes, or not in compliance with the terms and conditions, of this Act and this section, or (3) subsequent to midnight, June 30, 1975.

(k) Effective on the date of enactment of this Act, this section shall apply in lieu of section 6(c) of the Emergency Petroleum Allocation Act of 1973. All actions taken and any authority or immunity granted under such section 6(c) shall be hereafter taken or granted, as the case may be, pursuant to this section.

(l) The provisions of section 708 of the Defense Production Act of 1950, as amended, shall not apply to any action authorized to be taken under this Act or the Emergency Petroleum Allocation Act of 1973.

(m) The Attorney General and the Federal Trade Commission shall each submit to the Congress and to the President, at least once every six months, a report on the impact on competition and on small business of actions authorized by this section.

(n) The authority granted by this section (including any immunity under subsection (i)) shall terminate at midnight, June 30, 1975.

SEC. 113. EXPORTS.

(a) The Administrator is authorized, by rule or order, to restrict exports of coal, natural gas, petroleum products, petrochemical feedstocks, and petrochemicals, under such terms and conditions as he determines to be appropriate and necessary to carry out the purposes of this Act.

(b) In the administration of the restrictions under subsection (a) of this section, the Administrator may request and, if so, the Secretary of Commerce shall, pursuant to the procedures established by the Export Administration Act of 1969 (but without regard to the phrase "and to reduce the serious inflationary impact of abnormal foreign demand" in section 3(2) (A) of such Act), impose such restrictions on exports of coal, natural gas, petroleum products, petrochemical feedstocks and petrochemicals, as the Administrator determines to be appropriate and necessary to carry out the purposes of this Act.

(c) Rules or orders of the Administrator under subsection (a) of this section, and actions by the Secretary of Commerce pursuant to subsection (b) of this section, shall take into account the historical trading relations of the United States with Canada and Mexico.

SEC. 114. EMPLOYMENT IMPACT AND UNEMPLOYMENT ASSISTANCE.

(a) The President shall take into consideration and shall minimize, to the fullest extent practicable, any adverse impact of actions taken pursuant to this Act upon employment. All agencies of Federal Governingment shall cooperate fully under their existing statutory authority to minimize any adverse impact upon employment.

(b) (1) The Secretary of Labor shall make grants, in accordance with regulations prescribed by him, to States to provide cash benefits to any individual who is unemployed as a result of disruptions, dislocations, or shortages of energy supplies and resources, and who is not eligible for unemployment assistance or who has exhausted his rights to such assistance (within the meaning of paragraph (4) (B) of this subsection).

(2) Regulations of the Secretary of Labor under paragraph (1) of this subsection may require that States enter into agreements as a condition of receiving a grant under this subsection, and such regulations—

(A) shall provide that—

(i) a benefit under this subsection shall be available to any individual who is unemployed as a result of disruptions, dislocations, or shortages of energy supplies and resources and who is not eligible for unemployment assistance or has exhausted his rights to such assistance (without regard to whether such unemployment commenced before or after the date of enactment of this Act);

(ii) a benefit provided to such an individual shall be available to such individual for any week of unemployment which begins after the date on which this Act is enacted and before July 1, 1975, in which such individual is unemployed;

(iii) the amount of a benefit with respect to a week of unemployment shall be equal to—

(I) in the case of an individual who has exhausted his eligibility for unemployment assistance, the amount of the weekly unemployment compensation payment for which he was most recently eligible; or

(II) in the case of any other individual, an amount which shall be set by the State in which the individual was last employed at a level which shall take into account the benefit levels provided by State law for persons covered by the State's unemployment compensation program, but which shall not be less than the minimum weekly amount, nor more than the maximum weekly amount, under the unemployment compensation law of the State; and

(B) may provide that individuals eligible for a benefit under this subsection have been employed for up to one month in the 52-week period preceding the filing of a claim for benefits under this subsection.

(3) Unemployment resulting from disruptions, dislocations, or shortages of energy supplies and resources shall be defined in regulations of the Secretary of Labor. Such regulations shall provide that such unemployment includes unemployment clearly attributable to such disruptions, dislocations or shortages, fuel allocations, fuel prices, consumer buying decisions influenced by such disruptions, dislocations, or shortages, and governmental action associated with such disruptions, dislocations or shortages. The determination as to whether an individual is unemployed as a result of such disruptions, dislocations, or shortages (within the meaning of such regulations) shall be made by the State in which the individual was last employed in accordance with such industry, business, or employer certification process or such other determination procedure (or combination thereof) as the Secretary of Labor shall, consistent with the purposes of paragraph (1) of this subsection, determine as most appropriate to minimize administrative costs, appeals, or other delay, in paying to individuals the cash allowances provided under this subsection.

(4) For purposes of this subsection—

(A) an individual shall be considered unemployed in any week if he is—

(i) not working,

(ii) able to work, and

(iii) available for work,

within the meaning of the State unemployment compensation law in effect in the State in which such individual was last employed, and provided that he would not be subject to disqualification under that law for such week, if he were eligible for benefits under such law;

(B) (i) the phrase "not eligible for unemployment assistance" means not eligible for compensation under any State or Federal unemployment compensation law (including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.)) with respect to such week of unemployment, and is not receiving compensation with respect to such week of unemployment under the unemployment compensation law of Canada; and

(ii) the phrase "exhausted his rights to such assistance" means exhausted all rights to regular, additional, and extended compensation under all State unemployment compensation laws and chapter 85 of title 5, United States Code, and has no further rights to regular, additional, or extended compensation under any State or Federal unemployment compensation law (including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.)) with respect to such week of unemployment, and is not receiving compensation with respect to such week of unemployment under the unemployment compensation law of Canada.

(c) On or before the sixtieth day following the date of enactment of this Act, the President shall report to the Congress concerning the present and prospective impact of energy shortages upon employment. Such report shall contain an assessment of the adequacy of existing programs in meeting the needs of adversely affected workers and shall include legislative recommendations which the President deems appropriate to meet such needs, including revisions in the unemployment insurance laws.

SEC. 115. USE OF CARPOOLS

(a) The Secretary of Transportation shall encourage the creation and expansion of the use of carpools as a viable component of our nationwide transportation system. It is the intent of this section to maximize the level of carpool participation in the United States.

(b) The Secretary of Transportation is directed to establish within the Department of Transportation an "Office of Carpool Promotion" whose purpose and responsibilities shall include—

(1) responding to any and all requests for information and technical assistance on carpooling and carpooling systems from units of State and local governments and private groups and employees;

(2) promoting greater participation in carpooling through public information and the preparation of such materials for use by State and local governments;

(3) encouraging and promoting private organizations to organize and operate carpool systems for employees;

(4) promoting the cooperation and sharing of responsibilities between separate, yet proximately close, units of government in coordinating the operations of carpool systems; and

(5) promoting other such measures that the Secretary determines appropriate to achieve the goal of this section.

(c) The Secretary of Transportation shall encourage and promote the use of incentives such as special parking privileges, special roadway lanes, toll adjustments, and other incentives, as may be found beneficial and administratively feasible to the furtherance of carpool ridership, and consistent with the obligations of the State and local agencies which provide transportation services.

(d) The Secretary of Transportation shall allocate the funds appropriated pursuant to the authorization of subsection (f) according to the following distribution between the Federal and State or local units of government:

(1) The initial planning process—up to 100 percent Federal.

(2) The systems design process—up to 100 percent Federal.

(3) The initial startup and operation of a given system—60 percent Federal and 40 percent State or local with the Federal portion not to exceed 1 year.

(e) Within 12 months of the date of enactment of this Act, the Secretary of Transportation shall make a report to Congress of all his activities and expenditures pursuant to this section. Such report shall include any recommendations as to future legislation concerning carpooling.

(f) The sum of $5,000,000 is authorized to be appropriated for the conduct of programs designed to achieve the goals of this section, such authorization to remain available for 2 years.

(g) For purposes of this section, the terms "local governments" and "local units of government" include any metropolitan transportation organization designated as being responsible for carrying out section 134 of title 23, United States Code.

(h) As an example to the rest of our Nation's automobile users, the President shall take such action as is necessary to require all agencies of the Federal Government, where practical, to use economy model passenger motor vehicles.

(i) (1) The President shall take action to require that no Federal official or employee in the executive branch below the level of Cabinet officer be furnished a limousine for individual use. The provisions of this subsection shall not apply to limousines furnished for use by officers or employees of the Federal Bureau of Investigation, or to those persons whose assignments necessitate transportation by limousines because of diplomatic assignment by the Secretary of State.

(2) For purposes of this subsection, the term "limousine" means a type 6 vehicle as defined in the Interim Federal Specifications issued by the General Services Administration, December 1, 1973.

(3) (A) The President shall take action to insure the enforcement of section 638a of title 31, United States Code.

(B) No funds shall be expended under authority of this or any other Act for the purpose of furnishing a chauffeur in a vehicle operated in violation of section 638a of title 31, United States Code, or this Act.

SEC. 116. ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW

(a) (1) Subject to paragraphs (2), (3), and (4) of this subsection, the provisions of subchapter II of chapter 5 of title 5, United States Code, shall apply to any rule, regulation, or order under this title or under section 4(h) of the Emergency Petroleum Allocation Act of 1973; except that this subsection shall not apply to any rule, regulation, or order, issued under the Emergency Petroleum Allocation Act of 1973 (as amended by this title) other than section 4(h) thereof.

(2) Notice of all proposed substantive rules and orders of general applicability described in paragraph (1) shall be given by publication of such proposed rule or order in the Federal Register. In each case, a minimum of ten days following such publication shall be provided for opportunity to comment; except that the requirements of this paragraph as to time of notice and opportunity to comment may be waived where the Administrator finds that strict compliance is found to cause serious harm or injury to the public health, safety, or welfare and such findings are set out in detail in such rule or order. In addition, public notice of all rules or orders promulgated by officers of a State or political subdivision thereof or to State or local boards pursuant to this Act shall, to the maximum extent practicable, be achieved by publication of such rules or orders in a sufficient number of newspapers of statewide circulation calculated to receive widest notice practicable.

(3) In addition to the requirements of paragraph (2), unless the President determines that a rule or order described in paragraph (1) is not likely to have a substantial impact on the Nation's economy or upon a significant segment thereof, an opportunity for oral presentation of views, data, and argument, shall be afforded. To the maximum extent practicable, such opportunity shall be afforded prior to the issuance of such rule or order, but in all cases such opportunity shall be afforded no later than 45 days after the issuance of any such rule or order. A transcript shall be kept of any oral presentation.

(4) Any officer or agency authorized to issue rules, regulations, or orders described in paragraph (1) shall provide for the making of such adjustments, consistent with the purposes of this Act or the purposes of the Emergency Petroleum Allocation Act of 1973, as may be necessary to prevent special hardships, inequity, or an unfair distribution of burdens and shall, in rules or orders prescribed by such officer or agency, establish procedures which are available to any person for the purpose of seeking an interpretation, modification, or rescission of, or an exception to or exemption from, such rules, regulations, and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by such officer or agency and may obtain judicial review in accordance with subsection (b) or other applicable law when such denial becomes final. Such officer or agency shall, in rules prescribed by it, establish appropriate procedures, including a hearing where deemed advisable, for considering such requests for action under this paragraph.

(b)(1) Judicial review of rules or regulations of general and national applicability under this title may be obtained only by filing a petition for review in the United States Court of Appeals for the District of Columbia within thirty days from the date of promulgation of any such rule or regulation, and judicial review of rules or regulations of general, but less than national, applicability under this title may be obtained only by filing a petition for review in the United States Court of Appeals for the appropriate circuit within thirty days from the date of promulgation of any such rule or regulation. For purposes of the preceding sentence, the term "appropriate circuit" means the circuit which contains the area or the greater part of the area within which the rule or regulation is to have effect.

(2) Notwithstanding the amount in controversy, the district courts of the United States shall have exclusive original jurisdiction of all other cases or controversies arising under this title, or under regulations or orders issued thereunder, except any actions taken to implement or enforce any rule or order by any officer of a State or political subdivision thereof or State or local board which has been delegated authority under section 120(a) of this Act, except that nothing in this subsection affects the power of any court of competent jurisdiction to consider, hear, and determine, in any proceeding before it, any issue raised by way of defense (other than a defense based on the constitutionality of this title or the validity of action taken by any officer or agency under this title). If in any such proceeding an issue by way of defense is raised based on the constitutionality of this Act or the validity of agency action under this title, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28, United States Code.

(3) This subsection shall not apply to any rule, regulation, or order, issued under the Emergency Petroleum Allocation Act of 1973.

(4) The finding required by section 4(h)(2) of the Emergency Petroleum Allocation Act of 1973 shall not be judicially reviewable under this subsection or under any other provision of law.

(c) The Administrator shall, by rule, prescribe procedures for State or local boards which carry out functions under this Act or the Emergency Petroleum Allocation Act of 1973. Such procedures shall apply to such boards in lieu of subsection (a), and shall require that prior to taking any action, such boards shall take steps reasonably calculated to provide notice to persons who may be affected by such action, and shall afford an opportunity for presentation of views, data, and arguments (including oral presentation of views, data, and arguments, where practicable) at least 10 days before taking such action. Such boards shall be of balanced composition reflecting the makeup of the community as a whole.

(d) In addition to the requirements of section 552 of title 5, United States Code, any officer or agency authorized by this title or the Emergency Petroleum Allocation Act of 1973 to issue rules, regulations, or orders shall make available to the public all internal rules and guidelines which may form the basis, in whole or in part, for any rule, regulation, or order, with such modifications as are necessary to insure confidentiality protected under such section 552. Such officer or agency shall, upon written request of a petitioner filed after any grant or denial of a request for exception or exemption from rules, regulations, or orders, furnish the petitioner with a written opinion setting forth applicable facts and the legal basis in support of such grant or denial. Such opinions shall be made available to the petitioner and the public within thirty days of such request and with such modifications as are necessary to insure confidentiality of information protected under such section 552.

Sec. 117. Prohibited Acts.

It shall be unlawful for any person to violate any provision of title I of this Act (other than provisions of this Act which make amendments to the Emergency Petroleum Allocation Act of 1973) or to violate any rule, regulation, or order, issued pursuant to any such provision.

Sec. 118. Enforcement.

(a) Whoever violates any provision of section 117 of this Act shall be subject to a civil penalty of not more than $2,500 for each violation.

(b) Whoever willfully violates any provision of section 117 shall be subject to a criminal penalty of not more than $5,000 for each violation.

(c) It shall be unlawful for any person to offer for sale or distribute in commerce any product or commodity in violation of an applicable rule, regulation, or order, issued pursuant to this Act. Any person who willfully violates this subsection, after having been subjected to a civil penalty for a prior violation of the same provision of any rule, regulation, or order, issued pursuant to this Act, shall be fined not more than $50,000 or imprisoned not more than six months, or both.

(d) Whenever it appears to any officer or agency authorized by the Administrator to exercise authority under this Act that any person has engaged, is engaged, or is about to engage, in acts or practices constituting a violation of section 117 of this Act, such officer or agency may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing, a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any person to comply with any provision, the violation of which is prohibited by section 117.

(e) Any person suffering legal wrong because of any act or practice arising out of any violation of section 117 of this Act may bring an action in a district court of the United States, without regard to the amount in controversy, for appropriate relief, including an action for a declaratory judgment or writ of injunction. Nothing in this subsection shall authorize any person to recover damages.

Sec. 119. Small Business Information.

In order to achieve the purposes of this Act—

(1) the Small Business Administration (A) shall, to the maximum extent possible, provide small business enterprises with full information concerning the provisions of the programs provided for in this Act which particularly affect such enterprises, and the activities of the various departments and agencies under such provisions, and (B) shall, as a part of its annual report, provide to the Congress a summary of the actions taken under programs provided for in this Act which have particularly affected such enterprises;

(2) to the extent feasible, Federal and other governmental bodies shall seek the views of small business in connection with adopting rules, regulations, and orders, under the programs provided for in this Act and in administering such programs; and

(3) in administering the programs provided for in this Act, special provision shall be made for the expeditious handling of all requests, applications, or appeals, from small business enterprises.

Sec. 120. Delegation of Authority and Effect on State Law

(a) The Administrator may delegate any of his functions under the Emergency Petroleum Allocation Act of 1973 or this Act to any officer or employee of the agency which he heads as he deems appropriate. The Administrator may delegate any of his functions relative to implementation and enforcement of the Emergency Petroleum Allocation Act of 1973 or this Act to officers of a State or political subdivision thereof or to State or local boards of balanced composition reflecting the makeup of the community as a whole. Such boards shall be designated and established in accordance with regulations which the Administration shall promulgate under this Act. Section 5(b) of the Emergency Petroleum Allocation Act of 1973 is repealed effective on the effective date of the transfer of functions under such Act to the Administrator pursuant to subsection (c) of this section.

(b) No State law or State program in effect on the date of enactment of this Act, or which may become effective thereafter, shall be superseded by any provision of this Act or any regulation, rule, or order, issued pursuant to this Act, except insofar as such State law or State program is inconsistent with the provisions of this Act, or such a regulation, rule, or order.

(c) Effective on the date on which the Administrator of the Federal Energy Administration (established by H.R. 11793, 93d Congress) first takes office, all functions, powers, and duties of the President under the Emergency Petroleum Allocation Act of 1973 (as amended by this Act), and of any officer, department, agency, or State (or officer thereof) under Act (other than functions vested by section 6 of such Act in the Federal Trade Commission, the Attorney General, or the Antitrust Division of the Department of Justice), are transferred to the Administrator. All personnel, property, records, obligations, and commitments used primarily with respect to functions, powers, and duties, transferred under the preceding sentence shall be transferred to the Administrator.

SEC. 121. GRANTS TO STATES.

Any funds authorized to be appropriated under section 124(b) shall be available for the purpose of making grants to States to which the Administrator has delegated authority under section 120 of this Act. The Administrator shall make such grants upon such terms and conditions as he may prescribe by rule.

SEC. 122. INTRASTATE GAS.

Nothing in this Act shall change the authority of the Federal Power Commission with respect to sales of non-jurisdictional natural gas.

SEC. 123. EXPIRATION.

The authority under this title to prescribe any rule, regulation, or order, or take other action under this title, or to enforce any such rule, regulation, or order, shall expire at midnight, June 30, 1975, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any such action or proceeding based upon any act committed prior to midnight, June 30, 1975.

SEC. 124. AUTHORIZATIONS OF APPROPRIATIONS.

(a) There is authorized to be appropriated to the Administrator to carry out his functions under this Act and under the Emergency Petroleum Allocation Act of 1973, $150,000,000.

(b) For the purpose of making payments under grants to States under section 121, there is authorized to be appropriated $125,000,000.

(c) For the purpose of making payments under grants to States under section 114, there is authorized to be appropriated $500,000,000.

SEC. 125. SEVERABILITY.

If any provision of this Act, or the application of any such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SEC. 126. CONTINGENCY PLANS.

(a) In order to fully inform the Congress and the public with respect to the exercise of the authority under section 103 of this Act, the Administrator shall, to the maximum extent practicable, develop contingency plans in the nature of descriptive analyses of—

(1) the anticipated manner of implementation and operation of such authority;

(2) the anticipated benefits and impacts of such exercise;

(3) the role of State and local government;

(4) the procedures for appeal and review; and

(5) the Federal officers, employees, or agencies, which will administer such authority.

(b) Any contingency plan which describes the exercise of the authority under section 103 of this Act shall be transmitted to the Congress not later than the date on which any rule relating to such contingency plan is transmitted to the Congress pursuant to the provisions of such section.

TITLE II—STUDIES AND REPORTS

SEC. 201. AGENCY STUDIES.

The following studies shall be conducted, with reports on their results submitted to the Congress:

(1) Within 60 days after the date of enactment of this Act:

(A) The Administrator shall conduct a review of all rulings and regulations issued pursuant to the Economic Stabilization Act to determine if such rulings and regulations contributed to or are contributing to the shortage of fuels and of materials associated with the production of energy supplies.

(B) The President shall undertake a comprehensive survey of all Federal departments and agencies to identify and recommend to the Congress specific proposals to significantly increase energy supply or to reduce energy demand through conservation programs.

(C) All independent regulatory commissions, other than those agencies required to submit reports under section 111 of this Act, shall undertake a survey of all activities over which they have jurisdiction to identify and recommend to the Congress and to the President specific proposals to significantly increase energy supply or to reduce energy demand through conservation programs.

(D) The Secretary of the Treasury and the Director of the Cost of Living Council shall recommend to the Congress specific incentives to increase energy supply, reduce demand, to encourage private industry and individuals to subscribe to the purposes of this Act. This study shall also include an analysis of the price-elasticity of demand for gasoline.

(E) The Secretary of the Interior and the Secretary of Commerce are directed to prepare a comprehensive report of (1) United States exports of petroleum products and other energy sources, and (2) foreign investment in production of petroleum products and other energy sources to determine the consistency, or lack thereof, of the Nation's trade policy and foreign investment policy with domestic energy conservation efforts. Such report shall include recommendations for legislation.

(2) Within 6 months after the date of enactment of this Act:

(A) The Administrator shall develop and submit to the Congress a plan for providing incentives for the increased use of public transportation and Federal subsidies for maintained or reduced fares and additional expenses incurred because of increased service for the duration of the Act.

(B) The Administrator shall recommend to the Congress actions to be taken regarding the problem of the siting of energy producing facilities.

(C) The Administrator shall conduct a study and report to Congress with respect to the further development of the hydroelectric power resources of the Nation, including an assessment of present and proposed projects already authorized by Congress and the potential of other hydroelectric power resources, including tidal power and geothermal steam.

(D) The Administrator shall prepare and submit to Congress a plan for encouraging the conversion of coal to crude oil and other liquid and gaseous hydrocarbons.

(E) The Secretary of the Interior shall study and report to Congress with respect to methods for accelerating leases of energy resources on public lands, including oil and gas leasing, onshore and offshore, and geothermal energy leasing.

SEC. 202. REPORTS OF THE PRESIDENT TO CONGRESS.

The President shall report to the Congress every sixty days, beginning June 1, 1974, on the implementation and administration of this Act and the Emergency Petroleum Allocation Act of 1973, together with an assessment of the results attained thereby. Each report shall include specific information, nationally and by region and State, concerning staffing and other administrative arrangements taken to carry out programs under these Acts and may include such recommendations as he deems necessary for amending or extending the authorities granted in this Act or in the Emergency Petroleum Allocation Act of 1973.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROYHILL of North Carolina. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from West Virginia for 20 minutes and the gentleman from North Carolina for 20 minutes.

The Chair recognizes the gentleman from West Virginia.

Mr. STAGGERS. Mr. Speaker, the bill before the House today finds its beginnings in the effort to devise a legislative response to the energy emergency which confronted this Nation in the beginning months of this last winter. At that time a comprehensive package of emergency powers was readied by the Congress and—after great difficulty—sent to the President. Unfortunately, the President found a number of provisions unacceptable and vetoed the bill. A Senate effort to override the veto was unsuccessful.

Repeated attempts were made to find a compromise which could secure support of the President and a majority of the Congress. Fundamental policy differences with the administration, however, made a compromise solution seemingly impossible.

H.R. 13834 is significantly different from the Energy Emergency Act previously approved by the House. A number of its provisions have been contained in another bill, H.R. 14368, which has already secured House approval. Also a number of provisions have been deleted as no longer necessary. Much of the original bill, however, remains.

At the outset, let me acknowledge that this Nation no longer faces a crisis situation. The embargo by the Arab oil-producing nations has ended. The winter has been survived. But let us remember that this Nation remains dependent upon petroleum imports for 17 percent of its energy requirements. The interruption of any significant percentage of these imports can and will create severe social and economic hardship for the country.

Embargoes once lifted can be reimposed. Moreover, so long as supply and demand is so delicately balanced, events of seemingly minor significance have the potential for causing shortages with dire economic consequences. There is, therefore, the need to equip the Executive with certain standby powers to respond to any developing emergency.

Also, we must recognize that, although the shortage situation is no longer of crisis proportions, our management of the problem has taken its toll on our economy, on our Nation's labor force, and on the competitive structure of the petroleum industry. Here, remedial action is called for.

Perhaps the most immediate problem which this legislation seeks to address, is the need to restore rationality to the pricing system for petroleum products. In passing the Emergency Petroleum Allocation Act of 1973, the Congress coupled price controls with the mandatory allocation authority on the notion that it does no good to require the allocation of products if sellers are then permitted to demand unfair and unrealistic prices. Accordingly, the President was called upon to specify equitable prices for crude oil, residual fuel oil, and refined petroleum products. In so doing, the President was directed to strike an equitable balance between the sometimes conflicting needs of providing sufficient inducement for the production of an adequate supply of products and of holding down spiraling consumer costs. The President has not carried out this congressional mandate.

Instead, he has chosen to rely on the so-called free market mechanism to set prices for approximately 30 percent of domestic crude oil production and to impose no controls on the prices paid for imported crude oil. As a result, industrial and individual consumers have not been afforded the protection that the Congress sought to provide.

In times of severe imbalance between supply and demand, traditional market forces cannot and do not work. As proof of this point, the unregulated price of new crude production in the United States rose to a price of $10.35 per barrel in January 1974; an astounding 204-percent increase over the price per barrel in January 1973. Surely producers costs have not gone up that dramatically. And I do not believe that anyone will seriously argue that it is necessary to increase the price of crude oil by over 200 percent per barrel in order to attract sufficient capital for new and expanded exploration and production.

The economy is already bending under the burden of price increases of this magnitude. The American consumer simply should not have to pay such exorbitant costs for energy. Accordingly, this bill calls for a rollback of crude oil prices to the levels prevailing on November 1, 1973. Under the formula old crude oil would be rolled back to an average price of $4.25 per barrel and new crude would be allowed to sell for an average of $6.17 per barrel. This should be compared with the average of $3.47 obtained in the market for both new and old crude only 1 year ago—an allowed increase of approximately 22 percent and 78 percent respectively. This is still considerable—but hopefully something the economy and the American consumer can manage. Moreover, the President is called upon to establish equitable ceiling prices for imported crude oil in order to bring a measure of sanity to the world market. Our country cannot afford to continue a policy of buying energy at any price.

As your constituent mail undoubtedly indicates, for the past 6 months, unemployment due to energy and fuel shortages has been high. In March of this year the Secretary of Labor reported to the Congress that over the winter months between 125,000 and 200,000 jobs were lost as a direct result of energy shortages. An additional 300,000 jobs were classified as lost through indirect results.

Accordingly, the committee has included provisions in this legislation to provide a measure of income protection for persons who have exhausted their regular unemployment compensation benefits and for uncovered workers who are unemployed due to energy related problems.

Also included in this legislation are provisions to provide protection for independent gasoline station owners and operators. Increasingly, major oil companies seem embarked on a program to increase their direct control of the retail market for gasoline and other refined petroleum products. Independent marketers of primary brands are finding that their franchise agreements are being renewed at terms much less to their advantage. In many cases franchises have been terminated or cancelled. Representatives of branded dealers believe that this represents an attempt by the major oil companies to force private businessmen out of the retail market. Also, some major oil companies seem to be pulling out of various sectors of the nation rather than compete with another who may be more firmly entrenched. As a consequence the retail market for gasoline is significantly less competitive today.

Finding that the Petroleum Allocation Act was insufficient to deal with this problem, the committee has included provisions in this legislation which would—for the duration of this act—effectively prevent further contraction of the retail distribution system for refined petroleum products. As such, the measure is designed as a holding action while more permanent solutions to the problem are considered.

As the floor debate on this bill will undoubtedly indicate, the remedial provisions of this legislation are extremely controversial. The committee continues to be committed to their accomplishment. I respectfully ask my colleagues in the House to join that effort and lend your support to this bill.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I object strenuously to the procedure under which this bill is being considered. This is a most complex, complicated piece of legislation.

Title I contains 26 sections; title II, 2 sections, for a total of 28 sections which are contained in this bill. Each one of these sections contains language which has a tremendous impact on the American economy.

Mr. Speaker, to bring this bill to the floor with no opportunity for amendment is a bad way to legislate. Here we are operating under a gag rule, and to consider this bill under these conditions means that we are preventing the House from properly dealing with this very important legislation.

What I am saying is that the House cannot work its will when amendments are not going to be permitted and amendments will not be allowed. I say that amendments are badly needed to this legislation because it is a bad bill.

Mr. Speaker, this bill has several defects. The first and perhaps most significant defect is the authority that is contained in this bill for a so-called price rollback of imported oil and imported petroleum products. I challenge anyone to say how one is going to set a ceiling on the prices that others in other countries are setting. This defies the imagination.

Mr. Speaker, the impact of the provisions in this section will mean that there will be a reduction in the supply and a reduction in the importation of petroleum products into the United States. It will destroy any incentive that currently exists to import petroleum products into the United States. It will force the foreign oil producers to seek other markets outside of the United States where price controls do not exist and a better price is possible.

Mr. Speaker, there are other defects in this bill. The second problem is section 114. This is the so-called unemployment compensation section. We all want to do something about unemployment and to help those who are unemployed, but this provision in this bill is totally unworkable from an administrative standpoint. This whole problem should be gone into in depth, with in-depth hearings by the proper legislative committee, and not be dealt with by just a few sentences and one short paragraph in this bill, with no opportunity for amendment.

Mr. Speaker, this unemployment assistance program that is in this section is unworkable from an administrative standpoint. Also, it is inequitable because it discriminates against individuals who are unemployed for reasons other than because of an energy shortage.

I also want to point out to those who

have spoken to me and others on the committee about rationing authority, that rationing authority is contained in this bill. This bill does have a section which gives the President the authority to impose rationing. More power is granted to the administrative branch, which has too much executive power now.

Mr. Speaker, there is another defect in this bill, and that is that it does not contain what is probably the most essential element that should be in a comprehensive energy bill, and that is provisions for energy conservation.

Mr. Speaker, the committee struck out all of the sections that would give us the necessary legislative authority to deal with this subject of energy conservation. Recently the House passed the Energy Supply and Environmental Coordination Act. What that bill did was: to require certain plants to use coal in lieu of oil, and it does much, of course, to encourage conservation of energy supplies.

But more is needed than just that authority.

The key to solving the energy problems in this country is to have a workable, commonsense program of energy conservation, and this bill does not address itself to that particular problem.

To vote against a gasoline price rollback is, perhaps, politically unpopular. I supported the bill that was vetoed by the President, which contained a similar gasoline pricing section. But I will point out that that section was written in a different year and a different time and under different circumstances than exist today. Furthermore, on close analysis, the pricing section contained in this bill is far worse, far more drastic than the section contained in the bill of last year. I believe that a fair, equitable ceiling price on refined petroleum products can be set that will leave ample incentives for renewed exploration of oil and the discovery of new oil reserves. I am convinced that the ceiling prices set by this bill will result in the closing of oil wells and not in the development of additional sources of energy.

To bring this bill up for a vote without the ability to amend it is wrong. Furthermore, an alternative is available to us this week in the bill from the Ways and Means Committee. Closing the loopholes in the law with respect to treatment of taxes and royalty payments and its effect on prices should be done in H.R. 14462, the Oil and Gas Energy Tax Act, and not in this bill with no assurance that it will work, and with some doubt that it might result in the shutting off of oil and refined petroleum products.

By the same token, changes in the unemployment compensation law should be considered in a comprehensive bill. The Ways and Means Committee has started hearings on the unemployment compensation system. It is wrong at this time to saddle the Department of Labor and our State agencies dealing with the program, with a new unemployment compensation program.

Mr. STAGGERS. Mr. Speaker, I yield 4 minutes to the gentleman from Washington (Mr. ADAMS) a member of the committee.

Mr. ADAMS. Mr. Speaker, I first wish to compliment the chairman of the committee and the leadership of the House for bringing this bill before the House. This bill was supposedly blocked and put into the deep freeze because it contained the portions of the energy bill that really mean something to the American consumer.

The reason it is on the suspension calendar is because we debated this in the committee for days and days, we marked it up for weeks, and then we passed the bill; and that was the bill that was vetoed by the President. The committee went back and did the same thing again.

This House has passed on the provisions of this bill in great detail before. The reason that it is on the suspension calendar is because the Members of the House are familiar with it and the report outlines any changes that have been made.

Make no mistake about it, this is one of the most important votes we as Members will cast this year, particularly if during the course of this summer people go back to driving as they did before and if the lines at gasoline stations begin to start again and if the price of gasoline continues to rise. And then those who vote against this bill will have to go back to their constituents and say, "Well, on that particular day, the 21st of May, when I voted against a price rollback, I am not quite sure why I did it. I am not quite sure why I did not provide for a system where the President could bring a rationing plan to Congress and present it to them for implementation."

Mr. Speaker, this is a reasonable bill. This is the backbone of the energy bills that have been considered in this House, and it is the one that has attracted the most attention, as we have seen from the letters that have come to us as members of the committee from various consumer groups, from the people who have been standing in those lines, and from the people who are compelled to pay the inflated gasoline prices. These are the people who are going to be watching this House to see whether we are standing for their interests.

Now, let me say one flat thing concerning the equitable price amendment relative to foreign oil. I put that provision in as an amendment, and I am proud of it, as a member of the committee.

What is occurring in the United States at the present time, with regard to foreign oil, is that the prices are being raised by the oil cartel, which is basically the Arabs acting with and through the multinational corporations. The multinational corporations do not resist price increases in the form of Arab taxes (oil only costs about 12 cents per barrel to produce) because the companies can write off the increase. This is done by deducting the taxes in the Arab oil countries dollar for dollar against their U.S. income taxes.

Now, when they do that, stated simply, they are transferring the difference between the 23 cents a gallon they charged a year ago and the 52 cents a gallon which they are now charging from the pockets of the American consumers into the treasures of the Arab oil-producing companies. That is going to be very hard to explain to your people, if this bill does not pass under suspension of the rules.

The final reason we have the bill for consideration here is this: If the President is going to veto the bill, as certain Republican members of the committee stated, when my amendment was adopted, then we will need a two-thirds vote to override. Let us see today if this House has a two-thirds vote. If we do not have the necessary two-thirds, this bill is going to sit here.

The chairman of the committee has brought this bill out so all of us can explain to our constituents, as the price continues to go up and the consumption begins to increase this summer, that we have voted to control the oil companies. In my "dear colleague" letter I listed them company by company with the increase in prices and profits which each has enjoyed.

Any of you can go home to your constituents and explain the enormous profits these oil companies made on old oil that costs no more to produce and sell that program, my blessings on you, because you are a marvelous politician.

The final thing I want to state here is this is a reasonable bill. We had testimony from Mr. Simon and from the American Petroleum Institute who both testified the November 1 prices on old crude of $4.25 per barrel were sufficient to encourage exploration in the United States.

The SPEAKER. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. ADAMS. I thank the chairman for yielding the time to me.

So you do not have the excuse that the increasing prices are necessary for exploration.

Mr. ROUSSELOT. Will the gentleman yield?

Mr. ADAMS. I yield to the gentleman.

Mr. ROUSSELOT. I thank the gentleman for yielding.

I am a little surprised that the gentleman talks about his concern for the consumers on price increases. I am also surprised that the gentleman, who is opposed to giving the President more power, wants to vote for such substantial powers of gas rationing.

Aside from that, every time we have had gas rationing the price goes up. How does that protect the consumer?

Mr. ADAMS. The experience in the price going up under gas rationing is that it has not gone up when it is a controlled Government price. We have pegged the price and it will not go up any more than it will under the circumstances that are occurring now. In World War II it did not go up because of the program.

What we have before us today, in H.R. 13834, the Standby Energy Emergency Authorities Act is the companion bill to H.R. 14368 which was approved by the

House on May 21 by an overwhelming vote of 392 ayes to 4 nays.

Not only is the bill we are considering today a companion to the bill already passed by the House, it is the backbone of what was originally a single major bill intended to meet anticipated and unanticipated fuel shortages. I want to remind my colleagues that until we pass the bill before us today, we have not done our job of meeting the energy crisis and it is the American consumer who will suffer for our inaction. Standing alone, H.R. 14368 which we have already approved, will do little more than be described as an "energy bill" to take the heat off Congress when we are accused of ignoring both the energy crisis and the American consumer.

H.R. 13834 will seem very familiar to my colleagues and in fact, it is almost identical to the conference report to S. 2589, which the House already approved on February 27, by a vote of 258 ayes to 15 nays.

The bill before us contains two provisions vital to the protection of the American consumer and the U.S. economy as a whole. The first would require a price rollback to November 1, 1973, prices for all domestic crude oil with an exemption for oil produced by small producers of less than 18,400 barrels a day and from marginal stripper wells. The second provision, which I introduced, would require the establishment of "equitable ceiling prices" for imported foreign oil and would specifically disallow as a cost to be passed on to the consumer, costs of foreign operations—such as tax payments to the Arab countries—that are also used by the oil companies to reduce their U.S. income tax liability. This is to prevent the "double dip" where the oil companies agree to pay the Arab cartel increased taxes and royalty payments, pass this cost on in full to the American consumer, and then claim these tax payments as a dollar-for-dollar tax credit against their U.S. income tax.

Because of our present tax structure and cost passthrough pricing policy, the oil companies are actually encouraged to increase prices so that they can accrue tax benefits and additional profits. The problem has become so blatant that even the Federal Energy Administration has announced that new pricing regulations are required in order to protect the American consumer from paying "artificially high prices for products refined from foreign crude oil purchased by U.S. companies from their foreign trading affiliates." But the FEA is again doing too little, too late.

From January 1973 to January 1974, the average cost of foreign crude oil has increased to $12.58 a barrel, more than 4½ times the $2.77 a barrel cost 1 year earlier. Similarly, the average cost of controlled and uncontrolled oil during the same period, increased by almost 89 percent, from $3.40 to $6.31 per barrel. Closer to the consumer, the price of regular gasoline at the pump has jumped from a national average of 38.5 cents a gallon last August to almost 52 cents a gallon, an increase of 35 percent. Home heating fuel has risen from an average of 22 cents a gallon to nearly 33 cents a gallon, a 50-percent increase.

Worse still, the uncontrolled increases in petroleum prices—encouraged by tax benefits that reward price increases with special tax breaks—will cause wildfire inflation during the next year. Recent economic studies have indicated that the upward trend in oil prices will increase anticipated inflation by as much as 50 percent, because petroleum products are used not only for gasoline and home heating oil, but in a myriad of other basic manufactured and agricultural products.

One objection that is bound to be raised to this bill is that it will cause further energy shortages by restricting oil company profits that can be used for developing new energy sources. Such claims must be put in the perspective of existing oil company profit levels. During 1973, oil company profits for the eight largest companies averaged 46 percent over their profits a year earlier. However, first quarter 1974 profits make even 1973 profits look small, with reported profits for the same eight companies averaging 77 percent over first quarter 1973. Reports from the Joint Economic Committee as well as from oil industry sources, indicate that revenues are being generated at a rate far beyond investment needs, and that in fact practical shortages in related areas such as drilling rigs and tubular steel will prevent oil companies from reinvesting these exorbitant profits.

The price regulations in this bill that will set ceiling prices on foreign oil and roll back the price of domestic oil, will bring crude oil prices back to levels admitted by the Federal Energy Office and oil industry spokesmen, before the committee to be more than adequate to encourage increased exploration, research, and recovery. The bill further assures continued and expanded exploration and development of domestic crude sources in two ways. First, by granting an exemption from the rollback to "new" crude oil produced by small producers of less than 18,400 barrels a day—not to be confused with production per well—who have historically been responsible for the bulk of U.S. exploration and development. During 1972, producers who would be exempt from price controls under this bill, drilled 88 percent of the successful exploratory wells and 79 percent of the developmental wells in the United States. Second, by limiting the kinds of costs that can be passed on to the consumers, the bill removes some of the advantages of operating overseas that has led to our current overdependence on foreign oil. With price ceilings on foreign oil, the United States becomes as attractive for investment purposes as the Arab countries.

I must repeat again, only if we pass H.R. 13834 as a companion to the already approved H.R. 14368 will we have put together a worthwhile energy package that will help American consumers and prevent uncontrolled inflation. This is a consumer bill, and no amount of oil industry inspired rhetoric can obscure that fact. If my colleagues have any doubts let them ask their consumers whose No. 1 concern is inflation. The consumer simply will not and should not tolerate paying ever higher prices for the same product while the oil companies reap recordbreaking profits.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, today under the Suspension Calendar the House is considering H.R. 13834, the Standby Energy Authorities Act, the most recent legatee of President Nixon's request in November 1973, to grant him emergency powers to combat the energy shortage. The issues of major controversy will involve those provisions, first, directing the President to roll back the price of crude oil, second, directing him to establish price ceilings on imported crude oil, and third, establishing a special program of unemployment relief for those unemployed due to energy shortages.

This past February in conjunction with the conference report on the Emergency Energy Act, I outlined my major objections to the provision substantially similar to the present price rollback section, and the conceptual antecedent of the imported crude price ceiling provision. At that time in some detail I outlined the reasons why I had concluded that such proposals would fail to achieve their advertised purposes, and would as a result, serve only to disillusion the public as the promised benefits fail to materialize. As such I concluded that such provisions amounted to little more than political manipulation of the energy problem rather than fashioning effective long term solutions. I direct the attention of my colleagues to the arguments I set forth at that time which appear in the CONGRESSIONAL RECORD of February and which continue to be immediately applicable.

Today, however, I address myself to the third area of major controversy involving section 114, the "Employment Impact and Unemployment Assistance" provision of the Standby Energy Emergency Act, as reported by the Interstate and Foreign Commerce Committee. This provision, like those providing for artificial price levels, represents continued manipulation of the energy crisis insofar that it too would fail to achieve its stated purposes and would instead entail damaging consequences largely unforeseen, or unexplained, by its authors.

Among the major flaws I believe exist and will examine today are the following: First, conceived in the weeks immediately following the oil embargo, the provision is based on a dreaded level of unemployment that has not developed. Second, if enacted and signed into law its first consequence would be to provide immediate relief for individuals in one industry and one region of the Nation, while ignoring equally deserving nonenergy related unemployment caused by other commodity shortages and the present business contraction. Third, it could set in motion a bureaucratic nightmare if there is a nationwide attempt on the part of unemployed individuals to tie their unemployment to the energy shortage. Fourth, it can be demonstrated, moreover, through the use of input-output analysis that nearly all unemployment could be linked to changes in demand caused by energy shortages, and as a result, the regulations and administration of the provision would tend to be highly iniquitous and arbitrary. Fifth, the immediate 14-month dollar cost of the program to the Federal Government would be astronomical by comparison to present expenditures and would represent a revolutionary departure in the concept of unemployment insurance compensation. Sixth, it might well entail as well a severe, long-term inflationary impact.

PROVISIONS AND COST

Section 114 would establish a special program of unemployment insurance compensation for individuals unemployed due to energy shortages. The Secretary of Labor would be authorized to make grants to the States for the purpose of providing cash benefits to any individuals whose "unemployment 'is' clearly attributable to such disruptions, dislocations, or shortages, fuel allocations, fuel pricing, 'and' consumer buying decisions influenced by such disruptions * * *". For this purpose under the Standby Energy Authorities Act, $500 million would be authorized.

The Office of Research and Actuarial Services of the Manpower Administration made the following cost estimates for existing unemployment insurance programs from April 1974 through June 1975:

Total State and Federal payments for unemployment insurance claims in the period April 1974–June 1975 will be approximately $7 billion for all programs. Of this total the Federal share will include approximately $400 million for its contribution to the extended benefits program, and $400 million for Federal civilian and former military unemployed. The remaining $6.2 billion will be met by State payments from trust funds.

The committee-approved provision would fundamentally alter the Federal-State relationship in the payment of unemployment claims and massively increase the Federal funding contribution. The Federal role in State payments is presently limited to the extended benefits program. Under the program, States "trigger on" if the insured unemployment rate exceeds 4 percent. At that point individuals collecting unemployment are eligible for an additional 13 weeks of benefits, the cost of which is divided 50/50 between the State and the Federal Government. Right now 13 States are triggered on. In reaction to the 1970 recession Congress temporarily provided an additional 13 weeks of federally supported benefits under separate trigger provisions.

The Standby Energy Act, however, represents a complete departure from this approach by assuring prerogatives heretofore reserved for the States, by changing the focus of benefits from temporary assistance to nearly permanent support and by requiring quantum leaps in payment levels. It does so primarily in the following ways:

First, eligibility requirements, now set by the States, would be altered to provide special benefit status to individuals unemployed due to energy shortages and repercussions; second, for this special population in the labor force previous work-time requirements, now set by States and generally 3 to 6 months, would be relaxed to 1 month in the past year; and third, for this population, duration of eligibility, now set by States and typically 26 weeks, would extend to July 1, 1975—14 months if enacted this June.

The Manpower Administration estimates that to adequately fund this program would entail an additional $4.2 billion in Federal expenditures. That would represent a 500 percent increase over the estimated Federal contribution for the same period under existing programs, and would represent a nearly 900 percent increase over what was spent in the last full fiscal year. The combined effect of increasing Federal involvement in the determination and payment of unemployment insurance claims, and at funding levels that are astronomical by comparison to those now in existence, represents a revolution in the concept of unemployment compensation.

I should mention that the Manpower Administration cost esimates were made earlier in the year and are based on what now appear to be high unemployment estimates—5.7 percent total unemployment and 3.8 percent insured unemployment. Though this inflates the absolute amounts in the cost estimates, the actuaries who made the estimates say that the relative magnitudes would remain about the same with lower unemployment rates.

PROGRAM JUSTIFICATION

UNEMPLOYMENT SEVERITY

The rationale for the provision is the following: The energy shortage, coinciding as it did with the peak of the business cycle, will significantly worsen the unemployment impact of the ensuing contraction and will require massive increases in Federal funding of State unemployment insurance programs to compensate adequately the ensuing unemployment.

The emerging unemployment data for the 1973–74 peak period compared to parallel periods of 1957, 1960, and 1970 seems to undermine that premise. The immediate increases in unemployment rates during the initial stages of business contractions since 1957 are shown on the following table:

UNEMPLOYMENT SEVERITY

Period	Unemployment rate (percent)	Absolute increase	Percent increase	Ensuing peak rate
1957 (III)	4.2	0.7	17	7.5
1957 (IV)	4.9			
1960 (II)	5.3	.4	8	7.1
1960 (III)	5.7			
1969 (IV)	3.6	.8	22	6.0
1970 (I)	4.4			
1973 (IV)	4.7	0.5	11	[1] 5.7
1974 (I)	5.2			

[1] Manpower Administration, 1973 estimate for period April 1974–June 1975.

The 11-percent increase in the rate of unemployment in the first quarter of 1974 over the fourth quarter of 1973, rather than suggesting an unusual upward departure from previous rates, shows a somewhat surprising decrease in magnitude from the 1970 level—up 22 percent—and the 1957 level—up 17 percent. It is much more in line with the more moderate 1960 level—up 8 percent.

Using these relative changes puts a slightly better than justified face on the argument because the percentage change is exaggerated in 1957 and 1969 due to the lower initial base rates. Nonetheless the absolute 0.5 increase in the unemployment rate in 1974 is still significantly in the lower order of magnitude compared to previous periods.

The Manpower Administration, moreover, has based its estimate for claims payments for existing programs on an estimated 5.7 percent unemployment rate for 1974. In contrast to this estimate are the peak levels to which unemployment rose 7 months into the 1957 and 1960 contraction, 7.5 percent, and 7.1 percent, and 8 months into the 1970 contraction, 6.0 percent.

It now appears, furthermore, that the 5.7 percent prediction may be high. The seasonally adjusted unemployment rate for April was 5 percent, a drop from the February level of 5.2 percent and just large enough to be considered statistically significant. It indicates strongly that the present contraction will not entail previously feared high unemployment levels, and does not require hyper-emergency increases in Federal unemployment insurance payments.

That is not to say that some extension of present benefits similar to that in 1971, or even an emergency program similar to the administration-Bennett bill may not be justified on the basis of these figures. First, the unemployment rate is up sharply and there is a reasonable chance that it will go up a little in the near future. The single most interesting facet of the employment-unemployment data released by the Labor Department last week is that total employment fell in April. This is an indication that would-be new and re-entrants into the job market are holding themselves out of the labor force because they presently hold the expectation that they cannot get a job. As these individuals, primarily women and teenagers, begin to look for jobs as income pressures build, and presumably as expectations improve, the unemployment rate will likely rise.

Second, the insured unemployment rate is also up sharply. The average insured unemployment rate for the last 6 months of 1973 was 2.7 percent. In contrast the average for the first 4 months of 1974 has been 3.2 percent with April at 3.3 percent.

This could probably justify an expansion of Federal expenditures for unemployment benefits. But it certainly cannot justify the levels proposed by the Standby Energy Act because again the premise of the act seems off base. The fact is that the increase insured unemployment has not been bloated by energy shortage repercussions.

Since 1970 the difference between the total unemployment rate and the insured unemployment rate has fluctuated between 1.8 and 2.2 percentage points. The average difference therefore, in 1974 has been on the outside of that range at 1.85 percentage points. Though this indicates a high level of insured unemployment relative to total unemployment, it is not only within the recent range, it also represents a lower level of insured unemployment than existed in 1971. Moreover, because the insured rate is much less volatile, as the total rate increases in the next few months the difference should fall even more within the range. In other words there is little reason to think that the present period of unemployment is extraordinarily different from previous periods, and therefore, requires an extraordinary Federal response.

ELIGIBILITY DETERMINATION INPUT-OUTPUT TABLE ANALYSIS

In the United States spending for automobiles is the most volatile component of durable goods consumption, and following the announcement of the Arab oil embargo last October, it was not surprising that automobile demand—particularly for higher priced models which are typically larger users of gasoline—fell precipitiously. Following 2 years of strong expansion, the drive for fuel economy led to a pronounced impact on Detroit. Personal consumption expenditures for automobiles plummeted $7.1 billion in the fourth quarter 1973, and continued to fall another $2.8 billion in the first quarter 1974. This 6-month, $9.8 billion drop in automobile purchases led to a more than proportionate drop in production, and with a lag, a significant rise in unemployment in automobile and related manufacturing primarily in Michigan, Indiana, and Wisconsin.

In the context of the unemployment assistance provisions of the Standby Energy Act, individuals in the automobile industry would no doubt qualify for benefits as unemployment "clearly attributable" to "consumer buying decisions influenced by" energy shortages. But what about the second, third and fourth order unemployment that would presumably result from such a drop in automobile production? Will the resulting drop in steel production, which in turn will require fewer chemicals, less iron ore, less coal and less limestone, result in energy related benefits for workers in those industries? What about those workers in the manufacture of upholstery fabrics and those who produce natural and synthetic fibers—will they be eligible for energy-related benefits as a result of the fall off in auto production?

Under the Standby Energy Act the Secretary of Labor must write regulations to cover such contingencies. At some point the regulations and those local claims personnel who administer them would be forced to determine whether unemployment in one industry or in one firm is "clearly attributable" to "consumer buying decisions influenced by" energy shortages while another is not.

The Bureau of Economic Analysis study of input-output relationships in the U.S. economy for 1967, published in the February 1974 Survey of Current Business, reveals in part how the thorough interdependence among U.S. industries would render such rulemaking extraordinarily iniquitous and arbitrary. The 1967 results are the most recent depictions of the interrelationships of the economy in terms of the 85 industry categories used for the 1947, 1958, and 1963 input-output studies.

These studies permit measurement of industrial repercussions of changes in demand. From input-output tables, the impact on interrelated industries of a change in consumer demand for the product of one industry can be demonstrated. For example, the $9.9 billion decline in automobile demand in the 6 months following October will entail a reduction in the output of its major supplier, iron and steel manufacturing, amounting to $1.8 billion. Orders for rubber products will fall $378 million, for chemicals $217 million and for fabrics, yarn and threads $182 million. Further down the production chain output required from stone and clay mining and quarrying will drop $17 million. The decline in automobile demand will even impact such seemingly unrelated sectors as livestock and agricultural production indirectly reducing output in these sectors by approximately $61 million.

The annual production demands of the $198-billion-a-year automobile industry directly and indirectly require output from each of the 85 industrial aggregates used in input-output analysis. For the policymaker charged with writing the unemployment regulations mandated by the Standby Energy Act this holds ominous implications. Without offsetting demand from another industrial sector, the sharp curtailment of automobile production alone will significantly reduce production in several dozen industries and thousands of firms which have nothing directly to do with automobiles—new construction, paper products, printing and publishing, finance and insurance to name a few. It would, thus, be nearly impossible to write regulations that would preclude payment of benefits to unemployed individuals in these industries.

On the basis of input-output analysis of the automobile industry alone, the employes of virtually every industry in the Nation would have to be considered eligible for benefits under the Standby Energy Act pending a finding of a claims examiner in individual cases. The burden would inexorably fall to the claims examiner to make sophisticated estimates of the extent to which an energy-related shift in demand for automobiles affects industries three, four, and more times removed from the initial shift. The examiner's task would obviously be further complicated by crosscutting, energy-related shifts in demand from other industrial sources.

What emerges from the Standby Energy Act's implicit requirement that unemployment in industry B must be compensated if caused by an energy-related falloff in demand for the product of industry A, is a deadly trap for the policymaker. A downward shift in demand for automobiles indirectly puts contractionary pressures on the output of practically every industry in the Nation. As a consequence, whatever unemployment results can also be shown to have a direct link to a change in consumer buying preferences for automobiles—in a phrase "clearly attributable" to such a change.

Obviously the intention of the authors of the provision was not that their provision be interpreted as "any linkage" but rather as a "major cause" of unemployment. But even this distinction is not very helpful. One can easily imagine a situation in which an energy-related pressure was one of many contributing to an individual's unemployment. It would then fall to someone to determine whether this individual would be employed absent this energy pressure. Hence, this pressure could be considered "major" even though it was not the only pressure but rather one of many that could be considered crucial. The mind literally boggles at the thought of where the policymaker writing the regulations would draw the line because by ignoring the thoroughly interrelated nature of the U.S. economy the Standby Energy Act gives him no worthwhile guidelines on which to make rational, equitable, and fiscally sound decisions.

COST IMPLICATIONS AND NATURE OF FURTHER INEQUITIES

The policymaker, if not the claims examiners, would also confront the following kinds of dilemmas. Long before the October oil embargo and rising gasoline prices, Detroit had noticed a shift in buyer preferences toward smaller cars. To a small but not negligible extent the retooling that is taking place right now from production of larger to smaller automobiles, reflects an acceleration of this change in preference that is not directly related to energy.

Very severe cost and equity problems arise in this situation which when magnified by similar circumstances in other industries, become monumental. If the cost of the unemployment assistance program is to remain within even the estimated boundaries, claims examiners would be required to make Solomon-like decisions about whether some individuals have not lost jobs due to changes in taste unrelated to energy. This approach might easily lead to exaggerating inequities woefully. To approach the problem casually, however, by loosely interpreting the regulations might just as easily rocket costs into orbit.

Consider one further kind of inequity that would arise from the fact that we are presently experiencing several non-energy related commodity shortages. Textile manufacturing in 1973 was hit not only by a shortage of petrochemicals which in some cases limited the production of synthetic fiber goods, but it was also hit by a shortage of wool and cotton which in turn curtailed production of natural fiber products. It is easily conceivable that a worker in a textile mill who had worked for 3 months in the production of natural fiber products might find himself unemployed but ineligible for unemployment compensation. At the same time with the enactment of the Standby Energy Act it is just as conceivable that a similar worker with less attachment to the labor force but engaged in the production of synthetic fiber products might be laid off and receive benefits for a year or more.

As this example suggests, the inherent logic of the assumption that the source of the unemployment should be the central factor in determining eligibility for compensation undercuts the viability of the provision. On the basis of ongoing studies conducted by the Department of Labor it appears that the Standby Energy Act's focus on source-cause would channel benefits to workers in one industry in one region of the country, and would make little provision for high rates of unemployment in other industries and areas.

Beginning in December local unemployment insurance offices began asking those individuals filing claims whether they attributed their unemployment to the energy shortage. The astounding fact is that at no time since December has the nationwide figure risen above 9 percent. Moreover, 60 percent of those who consider their employment energy-related are in some way connected with automobile manufacturing and related industries primarily in Michigan, Wisconsin, and Indiana. Making the unlikely assumption that greater numbers of individuals would not attribute their unemployment to energy causes if they could get extra benefits, the current data suggests that Standby Energy Act benefits would flow almost exclusively to the East North Central region of the United States. Thus, should unemployment levels rise to levels experienced in 1957, 1960, and even 1970, those who would suffer outside this region would be largely excluded from benefits even though their unemployment might be equally severe and long lasting.

LABOR MARKET AND INFLATIONARY IMPACT

If it were only for the dubious justification of the unemployment assistance provision and the cost and equity problems that would arise with its implementation, it would have to be rejected. But in addition to these immediate imperfections, the provision would also create and abet pressures that would exacerbate labor market shortages and bottlenecks and in turn contribute to the economic anomaly of our time—simultaneous high rates of inflation and unemployment.

Since the late 1950's economists have demonstrated that as the U.S. economy nears the full employment range, inflation begins to build; that for each increment of increased employment a corresponding increase in the rate of inflation occurs due to demand pressures exerted on labor and product markets. More recently economists have noticed that for the U.S. economy that trade-off has worsened. Whereas, for example, in the 1950's a long-term unemployment rate of 4 percent could be expected to be accompanied by a 2.8 percent rate of inflation, today we could expect a rate of 4.5 percent—a 60-percent increase.

Moreover, since 1970 there have been very disturbing indications that in the shorter term the trade-off may have deteriorated further. In 1970 an annual unemployment rate of 5 percent was accompanied by an inflation rate of more than 5 percent. Right now prices are rising at the rate in excess of 10 percent on an annual basis while unemployment is at 5 percent.

A significant source of the worsening trade off is the seeming inability of the labor force to keep in phase with the changing skill requirements of an increasingly dynamic and technologically sophisticated economy. As a result, we are experiencing a widening mismatch between skills and job vacancies. The Labor Department, which maintains statistics on job vacancies and the duration of such vacancies, found that from February through December 1973, the number of vacancies that stayed vacant more than a month declined by 20 percent. As might be expected during a period of expansion and near full employment, the supply of jobs increasingly outpaced the number of workers available to fill them.

But for certain specific occupations the presence of shortages was clearly evident. In contrast to the 20-percent decline in the overall number of job vacancies of 1 month or more, there was a 240-percent increase in the number of unfilled vacancies for aeronautical engineeering draftsmen, a 132-percent increase in vacancies for electrical engineering and electronic occupations, a 93-percent increase for mechanical engineers, a 76-percent increase for mechanical and civil engineers.

Furthermore, similar imbalances exist on a geographical basis. The same Labor Department data for the 1971 contraction shows that in the Gary, Ind. and Boston labor markets over 75 percent of all vacancies remained unfilled for more than 1 month.

The figure for Wichita, Kans., however, was only 8 percent, and for Houston only 19 percent. Thus, overlaid on the mismatch of job openings and worker skills, is a geographical imbalance resulting in extremely tight labor markets in some areas while others are wide open by comparison.

The effect of these shortages and bottlenecks is to increase inflationary pressures on wage rates. The above examples are, of course, only illustrative of the severity of shortages which have developed in the more skilled, technical and managerial occupations as the economy moves toward full employment.

Inevitably, the inflationary pressures that result from the bidding up of wages for these scarce workers, and for workers in tight job market geographical areas, spill over into the remainder of the economy resulting in inflationary overall wage and price levels.

It should be obvious that the effect of the unemployment assistance provision of the Standby Energy Act would be to aggravate this situation. The provision, for example, specifically states that an individual whose eligibility for unemployment insurance had been exhausted before the passage of the Standby Energy Act, would be eligible for the new benefits. In other words, right now in at least 13 States an individual might collect 26 weeks of regular benefits, 13 weeks of extended benefits, and assuming passage of the Energy Act in May, receive 60 additional weeks of energy-related benefits. That is just 5 weeks short of a full 2 years of benefits.

By holding out the possibility of nearly 2 years of job free benefits, the Standby Energy Act provides a substantial disincentive for workers to seek job retraining or to seek employment outside their immediate labor market. The provision would instead extend to nearly 2 years the period during which a worker would be encouraged to wait for his old job to reopen. As a result, the present mismatch of job openings and job seekers would tend to remain the same if not widen; the shortages and bottlenecks would also tend to remain the same if not worsen; and the upward pressure exerted on wage rates and prices would remain unabated with the inevitable consequence of increased aggregate inflation.

And certainly these pressures would remain long after unemployment assistance provision itself expired. It would do so primarily through redesign of the approach of the unemployment insurance system. The system was originally designed to serve as a countercyclical tool. The hope was that it would both provide a source of subsistence income for families whose breadwinner had been temporarily thrown out of work during an economic downswing, and at the same time cushion the decline in aggregate demand so that an irreversible spiral of depression would not be set in motion.

In the interim, this system has served well, perhaps best evidenced by the fact that we no longer experience the violent swings in the pace of economic activity which were so characteristic of late 19th and early 20th century market capitalist economies. To the extent that our unemployment insurance system was designed to help smooth out the peaks and troughs of the business cycle, it has been highly successful.

But in recent years we have attempted to graft onto this basic system additional functions and objectives which may not be entirely compatible with its original purposes. Specifically, by continually increasing the duration of benefits, so that with the emergency provision in 1971 workers in some States were able to receive up to 52 weeks of benefits. By all but doubling that extension with the Standby Energy Act we would have finally departed from the original countercyclical objective, in favor of long-term income subsidies to workers in depressed occupations, industries and areas. The result would be an enduring barrier to labor market flexibility.

CONCLUSION

Mr. Speaker, the conclusion that I draw, obviously, is that the "Employment Impact and Unemployment Assistance" section of the Standby Energy Emergency Authorities Act should be opposed vigorously. Were it only for this provision grounds for voting "nay" on the entire act would be legion. Combined with those other provisions mandating a crude oil price rollback and price ceiling on imported crude, those grounds are made even firmer. Moreover, what occasions my remarks today is also the fact that it is being brought up under suspension of the rules. As a result, what we face today is consideration of complicated legislation dealing with what is widely considered to be an "energy crisis" and which includes deceptively compelling unemployment provisions, with only forty minutes allocated for debate, and only half of that reserved for those who oppose the measure. I urge my colleagues to join with me in opposition to this very wrongheaded proposition.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Speaker, I yield 30 seconds to the gentleman from Illinois, in order to propound a question of the gentleman.

Mr. Speaker, the gentleman from Illinois has objected to the manner in which we bring this legislation up before the House today, but I would ask the gentleman from Illinois would the gentleman vote for a rule before the Committee on Rules on this bill?

Mr. ANDERSON of Illinois. Would I vote for a rule in the Committee on Rules to bring this bill out onto the floor, under an open rule, where there would be full debate and opportunity for amendments?

Mr. STAGGERS. That is correct.

Mr. ANDERSON of Illinois. I believe I would. I am confident that the Members of this House, if they were given that kind of an opportunity, would reject most if not all of the completely unwise provisions which it contains.

Mr. STAGGERS. We will proceed on that promise of the gentleman from Illinois.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. STAGGERS. Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. ECKHARDT), a member of the committee.

Mr. ECKHARDT. Mr. Speaker, I shall make neither a naked nor a partisan nor an anti-oil appeal today. As a matter of fact, I take for my text the statement of Fred L. Hartley, president of the Union Oil Co. of California. He said:

> I believe that some type of price restraint on new crude oil is in order, but it must be reasoned and not dictated by emotion or the total structure of our energy-producing capability will collapse.

As everyone here knows, I voted against the rollback that came before us last time because I did not think it was reasoned. I had something to do in committee with putting the rollback that we now have before us into this bill because it is reasoned and because it does permit those who bring in 89 percent of the new wells to produce new oil at the price that the market will bear. The bill does not cover new oil produced by those producing under 18,400 barrels, and these are the ones that are discovering most of the new oil.

We must do something about the inflationary influence of the increase in oil prices.

I have before me a statement of the Department of Commerce with an analysis of the first quarter of 1974 in which it is stated that the gross national product has declined at an annual rate of 6.3 percent rather than 5.8 percent as reported last month. It says prices rose at an annual rate of 11.5 percent in the first quarter rather than 10.8 percent as initially reported.

Can we afford not to roll back the price of oil? We are talking about a 55-percent exacerbation of price increases caused by the increase of the price of oil. This is the only bill we have before us that addresses inflation directly. Let us do something about it now.

What does this mean? It means that approximately one-third of that 11.5 percent annual increase in the cost of living is caused by the increase in the price of crude oil. Can we afford to permit that to continue?

Mr. Speaker, I said at the beginning I was going to make a speech that was not partisan. I think I should like to point out now with respect to the nonpartisan nature of this appeal that on today, May 21, the National Consumers Advisory Committee to the Federal Energy Office voted overwhelmingly, 16 to 3, to endorse the rollback contained in the Standby Energy Emergency Authorities Act. That is not the AFL–CIO, although they also support the rollback. That is the Advisory Committee to the FEO. Certainly something must be done along these lines.

In addition to that, the Consumers Federation has endorsed the program, and I have yet to hear of a responsible organization which is opposed to it.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I rise in opposition to the motion to suspend the rules and pass H.R. 13834, the Standby Energy Emergency Authorities Act, which by any other name would be just as bad.

This legislation contains many of the same objectionable provisions that were included in the bill the President vetoed 2 months ago, only then it was called the Energy Emergency Act, S. 2589. The Senate sustained the veto of S. 2589.

H.R. 13834 would provide for a rollback in the price of domestically produced crude oil, residual fuel oil, and refined petroleum products as did S. 2589, and the effect of this provision will be the same as it would have been 2 months ago—domestic production will decline thereby decreasing supply, and the long lines at the gas pumps will be back. If any of you believe that your constituents want to be in the same position they were at the beginning of this year, waiting in line for hours for 10 gallons of gasoline, then vote for this bill.

H.R. 13834 would provide the same unworkable program for unemployment relief as did S. 2589. The Federal Government would be given the impossible job of establishing regulations defining energy-related loss of work.

H.R. 13834 would provide Presidential authority to establish a program of gas rationing as did S. 2589. I have spoken out several times on the irrationality of gas rationing. What we have through the fuel allocation act is rationing at the wholesale level. Instead of giving additional power to the Federal bureaucracy to further distort the ability of free market forces to provide increased supplies to meet demand, we should be focusing our efforts on repealing the hastily enacted allocation act of last session. I have introduced legislation, H.R. 13021, to repeal the Emergency Petroleum Allocation Act.

The amazing contradiction in this bill is that it establishes such unworkable inequitable provisions, and will so effectively distort supply that it will almost certainly insure that gas rationing will have to be instituted.

This legislation, as did S. 2589, basically denies the ability of the free market to encourage the production and supply of our vitally needed energy products. The free market has proven it can work, and it will function more effectively if we get and keep the Federal Government out of the business of controlling the production and allocation of our energy supplies.

I urge my colleagues to vote against this motion to suspend the rules and pass H.R. 13834, with the hope that we will now see the last of these legislative proposals.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Speaker, on the same point that the gentleman questioned me about, the rationing authority that is contained in this bill is a rationing authority that is subject to a congressional veto and the resolution must be brought before this body. It is carefully tailored to maintain the integrity of the House and the other body, and I think that should be very clear both from the bill and from the debate.

Mr. ROUSSELOT. Regardless of how much veto power the Congress has, that does not improve what happens when we have Federal rationing. We had it in World War II and briefly at other times. Every time we do have rationing or other countries have tried rationing the price of the products and services goes up because they usually immediately go into short supply. Rationing always has increased the cost of a product. I do not care how much veto power we give the Congress, I do not think it will protect the consumer against price increases, but make it worse. The gentleman from Washington said he was mainly concerned about the consumer, but this bill does not show that concern.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield 5 minutes to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Speaker, my colleagues of the House will recall that last year we considered under conditions which approached hysteria the emergency allocation proposal which has now become law. I told you then that to require the Administrator of the Federal Energy Office to prepare the rules and regulations by which he would administer that act and place them in effect in 15 days after that action became law would be totally impossible, and that when it was done under those conditions or any other conditions considering the circumstances as they existed then, two things would happen: we would disrupt supply and we would raise the price of that product to the consumer.

I challenge anybody beginning with the gentleman from West Virginia (Mr. STAGGERS) on down who supports this bill to tell me that was not the net result of that allocation proposal.

I see the gentleman from West Virginia (Mr. STAGGERS) shake his head. He does not accept the challenge, I suppose.

Mr. STAGGERS. Mr. Speaker, if the gentleman will yield, I was not shaking my head at the gentleman but at something else, because I do not think the gentleman has made a true statement there.

Mr. ADAMS. Certainly I accept the challenge.

Mr. WAGGONNER. I will yield to whichever is the first one, but come on.

Mr. ECKHARDT. Mr. Speaker, if the gentleman will yield, all I have to say is this. Under the original bill there was a rollback——

Mr. WAGGONNER. I am not talking about the rollback of price bill. I am talking about the emergency allocation.

Mr. ECKHARDT. Mr. Speaker, under this bill there was 13 percent of the reduction——

Mr. WAGGONNER. I refuse to yield further, Mr. Speaker, because I am not getting an answer to my question.

Mr. ECKHARDT. The gentleman should not have offered the challenge then.

Mr. ADAMS. Mr. Speaker, will the gentleman yield to me?

Mr. WAGGONNER. I will try the gentleman from Washington.

Mr. ADAMS. The price of the product and the increase that has occurred in the last year has been directly attributable to the practices of the oil cartel abroad and the monopoly situation that exists here. The money is going into the profits of the oil companies and it is like a classic monopoly. Whenever supply is short one raises the price to make more on a limited supply.

Mr. WAGGONNER. The gentleman has admitted to what I wanted him to, that supply and demand works. When there is not sufficient supply to meet demand, the price does go up.

Mr. Speaker, this bill today is portrayed to be a bill which is going to do something to increase the availability of the supply. Mr. Speaker, this cannot be the case. It provides additional authority, yes, for the Administrator of what will become the Federal Energy Administration.

Let me show you what it is going to do and I want somebody to unscramble this egg for me. It provides that in the instance of price controls that the President would be called upon to establish equitable ceiling prices for all first sales or exchanges of imported crude oil which occur in the United States.

Now, suppose that oil is sold before it gets to the United States and it provides for a rollback of domestically produced oil and residual fuel oil and refined petroleum products.

Now, can anyone tell me that we can enact this bill without chaos by rolling the price of refined petroleum products back to November 1, 1973? It cannot conceivably be done. It creates, in addition to that, another workmen's compensation proposal. We cannot stand that, as Mr. Anderson and some others have had to say here earlier today. We are ignoring this.

We are ignoring the fact that with the emergency allocation provision last year of that legislation, we created the gas lines because we put the Government, who neither has the technical ability nor the marketing ability to allocate such products, the end product, to the consumer that the oil companies can, because they know how. We caused that allocation problem.

For the Federal Government to tell refiners that they cannot, no matter how much oil they have to refine, that they cannot operate at more than 76 percent of their capacity, does not make sense.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. WAGGONNER. Mr. Speaker, the situation is this. Are we going to destroy the opportunity to achieve self-sufficiency in energy? To couple this proposal today with a rollback of crude and refined products to last November 1, to enact the windfall profit proposal which has already been passed from the Committee on Ways and Means, then to amend that proposal and destroy depletion now is pure stupidity. We are acting out of hysteria without any concern for the substance of the matter.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, when I see the Standby Energy Emergency Authorities Act brought to this floor under the suspension process, I do not know whether to laugh or cry.

The use of the "gag rule"—limited debate and no amendments—for a bill of this significance would make even a strong man cry. The obvious intention of the Democratic majority to have the minority kill the bill which the majority does not like would make even a serious person chuckle.

It is bad enough to deal with insignificant bills under the "gag rule," but it is unconscionable to handle vital legislation with no amendments and limited debate. The process and the bill clearly demonstrate the inability of the committee to deal with this problem.

On January 3, last year, we in the minority fought to stop increased use of suspensions. In response, on page 21 of the RECORD, the distinguished majority leader told us that the approval of the minority leader was always sought. Was it received today?

On the same page he speaks of "always being fair" to allow Members to exercise their rights. The minority has no rights today. Neither does anybody else who does not agree with every line the committee has written.

I understand only the Democrat caucus can get an open rule. No wonder the Congress has earned the continuing scorn of the Ameircan public. Congress has repeatedly earned that scorn by actions like today's suspension.

It is worth noting that the committee has worked on the energy emergency since Thanksgiving. Fortunately, the crisis has waited around for the committee. But, in its legislative process, the committee has lost ground since Thanksgiving. It is now trying to cover that ground with a gag rule.

Mr. Speaker, I regret I have to accept the committee's challenge to vote against the bill. With a few amendments and a little debate, I would surely have voted otherwise. But, even though the majority is asking the minority to kill its unloved bill, the whole world will know who the real assassin was.

Mr. STAGGERS. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. MOSS).

Mr. MOSS. Mr. Speaker, we have been told that the bill should be rejected because it has not been debated and because it would cost so much for unemployment compensation.

It has been debated at great length. It passed this House, as it passed the other body. It was vetoed. It is a milder bill in form now than it was at the time that it was vetoed. There are some facts that we want to look at in talking about this bill and inflation. Section 108 of the bill would roll back prices of domestically produced and refined petroleum products.

The rollback would result in an average price reduction of 2.3 cents per gallon in the cost of gasoline, which would save the consumer $6,200,000 a day, or $2.2 billion per year. More than $16 billion of excess profits are forecast for this industry in the Joint Economic Committee's report of March 8 of this year. Thus, at least one-eighth of the excess profits would be avoided by this legislation.

Mr. Speaker, I submit that at $6.2 million a day, it would take just about 81 days to totally reimburse the public for the cost of the entire package of unemployment insurance in section 114.

We had the gentleman from Illinois (Mr. ANDERSON) say that this was a naked political appeal. Let me make it clear, it is a naked economic appeal. Do not believe that the people the Members represent are so lacking in sophistication that they do not know the economic facts of life.

I noticed in the San Francisco Bay area over the weekend that they are beginning to post the price of gasoline in the mid 30-cent range per half gallon to encourage people into the service stations, a posting which graphically and dramatically illustrates what has happened here, because the prices being posted were almost precisely the per gallon price of 1 year ago.

Mr. Speaker, there has been no demonstrated need for this kind of profit by this industry. I am incorporating in the RECORD at this point a table summarizing the reported profits of the petroleum industry for the first quarter of 1974:

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U.S. OIL INDUSTRY REVENUES AND PROFITS, 1ST QUARTER 1974

Company	Sales		Profits	
	1st quarter 1974 (millions)	Percent change from 1973	1st quarter 1974 (millions)	Percent change from 1973
American Petrofina	213.1	189.0	13.1	176.0
Standard Oil of Ohio	482.9	27.2	22.6	29.1
Gulf	4,516.0	114.7	290.0	76.0
Standard Oil of Indiana	2,278.4	55.0	219.0	81.0
Ashland	672.6	53.2	19.4	22.0
Commonwealth Oil	298.5	227.6	15.6	457.0
Exxon	9,945.0	59.4	705.0	39.0
Occidental	1,334.9	95.9	67.8	717.6
Skelly	214.4	39.7	19.7	97.5
Texaco	4,924.0	97.4	589.4	123.2
Amerada Hess	983.2	142.6	49.9	34.9
Continental	1,600.0	71.8	109.2	129.9
Crown Central	76.9	81.2	4.8	1,497.0
Getty	655.3	63.8	73.6	173.0
Murphy	200.9	86.2	27.4	257.1
Marathon	755.7	84.1	30.6	52.5
Shell	1,893.5	47.0	121.8	51.9
Standard Oil of California	3,905.1	110.4	292.9	91.7
Mobil	4,400.0	57.0	258.6	66.0
Union Oil of California	987.1	55.5	73.0	91.0
Atlantic Richfield	1,559.8	56.4	93.9	86.8
Cities Service	703.2	33.6	68.8	87.0
Clark Oil	158.5	89.0	13.3	175.0
Phillips	1,148.3	68.7	108.6	150.0

Source: Wall Street Journal Digest of Earnings Reports.

At the present time, I have the SEC examining the reporting of profits for the first quarter. Exxon reported roughly $600 million after it had employed the unusual device of creating contingent reserves, of the most extraordinary and unique character, of over $400 million. I think this is a highly irregular practice, and I want to know how many of the other producers of petroleum are resorting to the same type of statistical gymnastics in their reporting of profits. I think the true reporting would be so outrageously high that it would have the public demand in the strongest of terms some responsible action by this Congress.

Mr. Speaker, to those who cry against this procedure, for bringing this bill before the House, let me point out that it is a lawful procedure provided for under the rules of this House. Those who protest have frequently resorted to the employment of the same method.

Mr. STAGGERS. Mr. Speaker, I say we speak with a clear voice today to the American people as to whether we here are in attendance to their needs, their wants, and what they think is real in this land.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, section 201(E) on the last page of the bill, page 154 states:

> The Secretary of the Interior shall study and report to Congress with respect to methods of accelerating leases of energy resources on public lands, including oil and gas leasing onshore and offshore, and geothermal energy leasing.

Even though this language only confers authority for a study, I am disturbed with the emphasis on "accelerating" with respect to coal leases on public lands. Last week I made a trip to Wyoming and Montana where huge strippable reserves of coal on public lands are being eagerly eyed by coal, utility, oil, and other energy companies. There is tremendous pressure by these producers to accelerate the opening up of coal leases on public lands.

On Sunday, May 19, the Council on Priorities released a report which concluded that the Department of the Interior has irresponsibly allowed industrial corporations to assume management of some 20 billion tons of coal beneath 939,000 acres of public and Indian lands.

I hope this study does not mean we are going to turn over the public lands to such companies as Peabody and Consolidation Coal.

Mr. STAGGERS. It will not.

Mr. HECHLER of West Virginia. I hope the report will protect the public interest. I want this debate to reflect the intent of Congress that there must not be a great giveaway of public lands to private interests, in the name of acceleration—which is the very unfortunate noun used in defining the study to be made by the Department of the Interior. To reflect the great concern which all citizens must feel about protection of our public lands against exploitation, there follow three articles from the Washington Post, Denver Post, and New York Times:

[From the Washington Post, May 20, 1974]

FEDERAL COAL-LEASING POLICIES FAULTED

(By Tim O'Brien)

A private study group charged yesterday that federal coal-leasing policies have encouraged corporate speculators to keep thousands of acres of coal-bearing lands unproductive "until industry decides its profits will justify development."

In a report released by the nonprofit Council on Economic Priorities, it was disclosed that 70 per cent of the leases in seven Western states are controlled by 15 corporations, including five oil companies.

The large corporate leaseholders, the report said, "speculate the most," holding public coal unmined until prices go up. Only 11 per cent of the 474 leases examined by the study group were under active production, and 321 leases have never produced a single ton of coal."

The largest lease-holders speculate the most. While 89 per cent of all leases are inactive, 93 per cent of the leases held by the top 15 are not producing coal," the council said. " . . . Five of those major lease-holders—El Paso Natural Gas, Westmoreland Resources, Shell Oil Co., Sun Oil and Richard Bass—have never produced a ton of coal from their leases."

The Council of Economic Priorities, which is supported by foundation grants and income on its publications, said a "gaping loophole in the law" allows leases to avoid actual coal production.

The loophole, the study said, allows the Interior Department to waive the production requirement in favor of the lease-holder's paying a year of advance rent. "But since the rents are so low," said James Cannon, author of the report, "this really puts no burden on the company and is not an incentive to actually dig coal."

The report said the Interior Department "has not planned or even considered the environmental, social, cultural or economic effects of its leasing practices."

Criticizing Interior's long-range planning the study said public lease terms are adjusted every 20 years and only then can royalty rate increase or environmental safeguards be inserted as conditions of leasing. "Even after these long adjustment intervals, Interior has failed to consistently raise royalty rates to meet current standards, and it has neglected to insert an important environmental safeguard clause in 58 of the 85 leases which have come up for adjustment," the study said.

Moreover, the council's report said Interior has never canceled a coal lease "because of violations of lease terms and "the costs of that failure have been transferred to the future."

The study examined 463 federal and 11 Indian-land coal leases in New Mexico, Arizona, North Dakota, Wyoming, Utah, Colorado, and Montana. The two laws controlling lease policy on these lands—the Mineral Leasing Act of 1920 and the Omnibus Tribal Leasing Act of 1938—do not require resource-use or land-use planning nor have the "strength to compel Interior to implement their directives for orderly development . . . at a fair market value," the report concluded.

"No pretense may be made that the public has ever received fair market value for its coal." the study said. "Every lease has been issued at industry's request rather than as a result of Interior determination that there was a market demand for coal . . . 247 of the 474 leases have been issued by the department at competitive lease sales, but 171 of those were granted without competition since one or no bidders appeared.

"The average winning bid at these 171 lease sales was only $2.87 an acre. Another 210 leases were granted by the preference-right method, which returns no revenue to the lessor besides the $10 filing charge.

"Lease-holders have paid a total of only $3.5 million in rent for public land leases and $2.2 million in rent for Indian land leases. Royalty rates on public coal have also been low," the report said.

[From the Denver Post, May 19, 1974]

REPORT HITS COAL-DEPOSIT POLICIES

(By Dick Prouty)

The U.S. Department of Interior has irresponsibly allowed industry to assume management of about 20 billion tons of coal beneath 939,000 acres of public and Indian lands in the West, a New York-based public-interest research group has reported.

In a devastatingly critical report, the Council on Economic Priorities (CEP) said

Interior's performance threatens to hobble instead of promote orderly solutions to the nation's energy needs.

The study focuses on coal already leased in Colorado, Wyoming, Montana, New Mexico, Arizona, Utah and North Dakota, more than half of which is expected to be strip mined.

Among its findings:

—Fifteen large corporations control 70 per cent of the recoverable coal on public and Indian lands in the West.

—Only 52 leases of 474 examined are producing coal at a time when industry is pressuring Interior to lease more coal deposits and issue more prospecting permits.

—In 54 years the leases have produced only 242 million tons of coal—less than 1 per cent of national production.

—Interior's practice has been to lease coal at less than its value and to allow industry to hold it for speculation.

The report doesn't challenge the legality on Interior's actions, but it does insist Interior has failed to use the powers it has to obtain a fair return to the public on the coal, and to assure reclamation of disturbed lands.

"No pretense may be made that the public has ever received fair market value for its coal," the report said. "Interior has leased coal rights far ahead of market demand for coal at prices too low to profit the public.

"Despite diligent production clauses in the leases, the department has allowed corporations to hold public coal unmined until coal reaches (a higher price)."

The council's study, which includes acre-by-acre, lease-by-lease, ton-by-ton, dollar-by-dollar tabulations mostly drawn from Interior and congressional General Accounting Office records, said income from the leases is so low it "probably hasn't even covered bookkeeping costs."

Five major lease holders—El Paso Natural Gas Co. with 67,298 acres under lease; Shell Oil Co. with 30,247 acres; Sun Oil Co. with 21,240 acres; Westmoreland Resources Inc. (a consortium), with 30,876 acres and a Richard Bass, with 20,700 acres—have yet to mine any of the coal they have leased.

The report notes that while Interior imposed a moratorium on new coal leases in 1971, utilities, energy companies and railroads have been pressuring the agency to lease more coal and open up more federal lands for coal prospecting, although only 11 per cent of the lands now leased are being mined. Interior recently annouced a plan to lease additional coal deposits.

CEP also found Indians get a better deal, financially, on their coal leases than the general public. Still, Interior practices on both Indian and public-land coal leases has short-changed the owners on the true value of the resources.

Indians have average coal production royalties of 15.8 cents a ton, compared to 12.5 cents a ton on production from lands managed by the Bureau of Land Management (BLM), an Interior agency.

As a result, two Indian tribes are suing Interior to revoke existing leases, and environmental organizations have filed and are preparing to file other litigation on specific portions of Interior's coal leasing program.

ROYALTY RATES

While royalty rates have risen 75 per cent in recent months, the price of a ton of coal has more than doubled, CEP found.

The 48-page study said one effect of the coal-leasing mismanagement has been to allow corporations to play dominant roles in the energy market by acquisition of vast holdings of coal, petroleum and uranium reserves on the public lands.

"This consolidation of resources . . . has occurred not because of any deliberate policy on the part of the Department of Interior, but in the absence of any policy at all," CEP concluded.

"Industry has been left free to plan and lease energy resources at will," the study found.

Part of the problem has been a bureaucratic tangle between the Bureau of Indian Affairs, which handles leases on Indian reservations, BLM and the U.S. Geological Survey which shares technical and administrative functions with the BLM.

The BLM, which is in charge of enforcement of lease provisions, is handicapped from correcting violations and enforcement by weak laws and intra-departmental inefficiency, the report found.

The coal leases are drawn under the 1920 Mineral Leasing Act, an appendage to the 1872 Mining Law. As in the case with oil shale, a bonus bid system is used on a "competitive" basis. CEP found industry initiated most "competitive" lease sales and often only one bidder obtained the coal development rights.

"The Department of Interior has abdicated all responsibility for land-use planning to corporate interests and has mismanaged the competitive leasing program so badly it makes a mockery of the word competitive."

The study found that public coal leases "never expire" and Interior has never revoked a lease, even when its terms have been violated.

"The Department of Interior has failed to use the power it has to control the program. The costs of that failure have been transferred to the future," the CEP asserted.

CEP also compiled data on reclamation of strip-mined lands in the West. Of the 6,515 acres mined so far, about half has been reclaimed, although some authorities question the effort on 1,618 acres in the southwest.

The National Academy of Sciences, in a report published earlier this year, said it will take centuries for some desert areas to be restored, CEP reported.

The report reflects a documented skepticism about putting strip-mined lands back into useful production, although they may have been "reclaimed."

The extent of public and Indian coal development cited by the CEP report includes:

Potential sites for 42 power plants on the Northern Great Plains, which would give that region more power-production capacity than any nation in the world except the Soviet Union.

Within 11 years, seven coal-gasification plants are expected to be operating, and that number could double by the end of the century.

The Northern Cheyenne Indians have leased 52 per cent of their reservations, some 243,000 acres. Consolidation Coal Co., a subsidiary of Continental Oil Co., and Peabody Coal Co. plan at least six coal-gasification plants which would require about 45 million tons of coal annually.

The Crow Indians have authorized Shell Oil, American Metals Climax and Westmoreland Resources, Inc., to dig hundreds of millions of tons of coal from under 75,358 acres.

The Navajo and Hopi tribes of Arizona and New Mexico have optioned their coal treasures to feed seven gasification plants and several coal-fired power plants which will consume coal from under 100 square miles of desert by the year 2010.

The report contains several errors, most of which were made by sources to whom CEP attributes its findings. However they don't blunt the over-all thrust of the document.

The CEP findings also conclude that there isn't enough water available to accomplish all the projects now on the planning boards, and it fears that the permanent loss of water will "further dry out the already semi-arid land."

Some side effects of development—the need for the equivalent of 450 square miles of land for 8,015 miles of electric transmission line right of way, for example—also are cited in the report.

CEP describes itself as "a nonprofit organization established to disseminate unbiased and detailed information on practices of U.S. corporations in areas that vitally affect society. . . ."

CEP Report Lists Top Lease Holders

The top 15 lease holders to federal and Indian coal deposits, and the number of acres held as cited by the Council on Economic Priorities (CEP) are:

Kennecott Copper Co. (includes Peabody Coal Co., Kennecott Coal Co. and Senecal Coals Ltd.) 53 leases for 179,528 acres.

El Paso Natural Gas Co., 16 leases for 67,298 acres.

Continental Oil Co., also Consolidation Coal and Consol & Kemmerer), 35 leases for 63,948 acres.

Utah International Inc., 27 leases for 55,638 acres.

Pacific Power & Light Co. (also Decker Coal), 20 leases, for 43,820 acres.

Lincoln Corporation (also Kemmerer Coal Co., Consol & Kemmerer, Gunn, Quealy), 27 leases for 43,945 acres.

Arizona Public Service & San Diego Gas and Electric Co., 21 leases for 40,911 acres.

Westmoreland Coal and others, one lease for 30,874 acres on the Crow Indian Reservation, Mont.

Shell Oil Co., one lease for 30,247 acres on Crow Indian Reservation.

Sun Oil Co. (also Cordero Mining Co.) 2 leases for 21,240 acres.

Richard Bass, one lease for 20,700 acres.

Gulf Oil Corp. (Pittsburgh and Midway Coal) 9 leases for 20,587 acres.

American Metals Climax (also Meadowlark Farms), three leases for 20,196 acres.

United States Steel Corp., 20 leases for 19,792 acres.

Atlantic Richfield Co., 6 leases for 19,144 acres.

Total: 232 leases for 658,538 acres.

[From the New York Times, May 21, 1974]

Study Says Coal Lessees Await Speculative Profit

(By Gladwin Hill)

In the face of widespread calls for opening up Western coal deposits to increase energy supplies, coal companies with 20 billion tons under leases from the Federal Government have left them "virtually untouched" awaiting speculative profits, a research group has reported.

The New York-based Council on Economic Priorities said Sunday that the lack of production was less to be blamed on the coal operators' "commonly accepted" preoccupation with profits than on bad Federal coal leasing laws and poor administration of them by the Department of the Interior.

These weaknesses, the council report said, had deprived the public of both fuel and millions of dollars in royalties, and also made virtually certain that hundreds of thousands of acres earmarked for surface [strip] mining would not be rehabilitated for centuries. The leases cover more than 939,000 acres of Federal and Indian land in seven states.

The Council is a nonprofit organization that gets about half its financing from 20 foundations and half from the sale of reports.

The gist of the coal report have permitted scores of companies to obtain perpetual leases on huge expanses of coal lands for very low fees, often non-competitively and on terms that encourage speculative holding rather than production to contribute to the national fuel supply.

Some of the principal concerns involved, the report noted, are oil companies—Continental, Shell, Sun, Gulf and Atlantic Richfield.

The Interior Department in February, 1973, instituted a moratorium on Western coal leasing pending formulation of new policies, but informed observers believe the moratorium might be lifted this year.

Typifying many pressures in this direction, American Electric Power—a big utility that has no coal lands—is urging in energy-crisis advertisements that the Government "release the vast reserves of Government-owned low-sulphur coal in the West."

The council recommended against any such action, on the basis of the huge quantities of available coal not being mined. The council noted that proposals were before Congress to revamp the laws covering coal leasing but observed that this could not alter the basic terms of existing leases.

The coal report, based on public information obtained from branches of the Department of the Interior, included what was said to be the first public compilation of Western coal leases, production and fees paid. The report was written by James Cannon of the Council staff on the basis of a six-month study.

More than half of the nation's known recoverable coal lies West of the Mississippi, and 80 percent of it is on Federal or Indian land. Coal leasing on these lands is covered by the Mineral Leasing Act of 1920 and the Omnibus Tribal Leasing Act of 1938.

Since 1920 the Government has granted 474 coal leases in the seven states with most of the deposits—North Dakota, Montana, Wyoming, Colorado, Utah, New Mexico and Arizona. The estimated deposits—15 billion tons on public lands and 5 billion tons on Indian lands—are equal to about 35 times 1973 national coal production.

Of the 474 leases, the council reported, only 52 are now producing, and 321 leases have never produced any coal at all. Total production over 54 years has amounted to only 242 million tons, less than 1 per cent of national production.

Most of the leases, the report said, were granted without competitive bidding—nearly half of them through the "preference right" system, similar to claim-staking and involving only a $10 filing fee.

Of 247 nominally competitive lease sales, the Federal records showed, 171 actually involved only one bidder, with the average bid only $2.87 an acre. Wyoming coal is now selling at the mine head for about $3 a ton.

Annual rents on leases generally are only $1 an acre, the Council said and have yielded a total of only $5.7-million. Royalties on coal mined, at 12.5 cents a ton on Federal land and 15.8 cents on Indian land, have yielded only $32.3-million.

The basic reason for the low production has been the fact that Eastern coal has been cheaper, mainly because of hauling costs. But the market situation has been radically changed by the energy pinch and by the projected consumption of a chain of as many of 50 big coal-fired power plants in the West. The Council's main point was that the leasing program had not been geared to market realities and had irretrievably committed a sizable portion of the nation's coal reserves on terms promising coal operators a windfall.

"The Department of the Interior grants leases at mining industry requests and does not enforce the production clauses in the leases," the Council said.

"Corporations that saw the energy shortage coming were able to plan accordingly. The result was an unplanned massive permanent transfer of public resources into private hands."

There are 144 leaseholders in the seven states. The leading one is the Kennecott Copper Company, whose coal subsidiaries hold 53 leases totaling 179,000 acres; among the top 15 leaseholders, which all together hold 232 of the leases, covering 658,538 acres.

The largest amount of mining has been on the Utah International, Inc., lease on the Navaho reservation in New Mexico, where some 48 million tons has been extracted to fuel a power plant.

The council reported that only half of 6.515 strip-mined acres under all the leases have been rehabilitated. Leases require only that land be restored to its "original contours," with no reference to vegetation.

The Council cited a National Academy of Sciences report that areas with over 10 inches of annual railfall had a "high potential" for reclamation, but that on the 40 per cent of Western coal lands with less rain, any revegetation "may not occur for centuries."

"It seems clear," the report concluded, "that the present state of affairs cannot be allowed to continue, and that a sudden upsurge in leasing is not the answer.

"Over the 650 billion tons of recoverable coal reserves are still untapped in the Midwest and Appalachia. There are 20 billion tons of coal already under lease in the West, not including privately and state-owned coal.

"Once land is leased, it has passed out of public control forever. The nation should not act in haste or panic, because the leasure in which to repent will be long indeed."

Mr. Speaker, I am, of course, highly pleased with the rollback and other provisions of this legislation which clearly help the consumers of this Nation. Of course, it would have been preferable to include some of the requirements relating to obtaining data from the oil companies and energy sources. But I am very pleased that as a result of my amendment to the 1973 bill, the authorization for the Office of Carpool Promotion was cut from $25 million down to $5 million.

Section 113 authorized the Administrator to restrict exports of coal and other energy resources. I do not believe this power goes far enough, and wish that a tough prohibition on exports of coal to all nations except Canada, from whom we import oil, could be placed in the bill. As revealed by the following statement of the National Coal Association, coal exports for the first quarter of 1974 are 18 percent above the first quarter of 1973, and exports of coal to Japan have jumped 31 percent during the same period.

In summary, the bill clearly improves the present situation, and even though I would have preferred to vote for this bill under an open rule procedure allowing full debate and amendments, I plan to vote for the bill. I include the following:

[Foreign News Notes, National Coal Association, May 14, 1974]

U.S. EXPORTS OF COAL AND COKE

Total U.S. exports of bituminous coal in the first quarter of 1974 increased 18 percent from shipments in the same period of 1973, although for the month of March, shipments fell 5.9 percent from the same month a year ago. In January-March 1974, exports of U.S. bituminous coal totaled 10.6 million net tons, of which 391,362 tons were shipped to Canada and 10.2 million tons went to overseas destinations.

Japan, the largest consumer of American coal, took 5.7 million tons of U.S. bituminous coal in January-March 1974, up 31.1 percent from the like period of 1973. Exports to Europe were 3.8 million tons in the first quarter of 1974, compared with 3.4 million tons in January-March 1973. All of the European Community nations, except Belgium-Luxembourg, took more American coal in January-March 1974 than in the corresponding period of the previous year. A total of 542,569 tons of U.S. bituminous coal were also exported to South America in the first quarter of 1974, up slightly from shipments in January-March 1973.

The value of U.S. bituminous coal exports in January-March, including transportation charges to ports of exit, totaled $261.8 million. Anthracite exports were valued at $1.9 million; coke shipments at $8.7 million; and exports of lignite and lignite briquets were valued at $1.5 million.

U.S. EXPORTS OF BITUMINOUS COAL [1]

[Net tons]

	January-March		Percent change
Destination	1974	1973	
Canada	391,362	551,126	−29.0
South America	542,569	541,553	+.2
European Economic Community:			
Belgium-Luxembourg [2]	210,889	269,944	−21.9
France	464,007	352,495	+31.6
Germany (West) [2]	534,258	465,096	+14.9
Italy	957,223	705,086	+35.8
Netherlands [2]	688,008	465,684	+47.7
United Kingdom	243,257	237,077	+2.6
Total EEC	3,097,642	2,495,382	+24.1
Greece	40,767		
Norway	35,652	28,539	+24.9
Portugal	76,628	117,800	−35.0
Rumania	37,092	23,862	+55.4
Spain	373,836	645,784	−42.1
Sweden	92,657	81,058	+14.3
Yugoslavia		36,732	
Total Europe	3,754,274	3,429,157	+9.5
Japan	5,747,092	4,385,552	+31.1
All Others	183,860	92,471	+98.8
Grand total	10,619,157	8,999,859	+18.0
Excluding Canada	10,227,795	8,448,733	+21.1

[1] Excludes shipments to U.S. military forces.

[2] Shipments as indicated in vessel manifests upon departure U.S. ports, and include tonnage for transshipment to undesignated destinations.

Mr. RHODES. Mr. Speaker, I would like to state my opposition to H.R. 13834. It contains a rollback provision on the price of crude oil which would be counterproductive and not in the best national interest over the long run.

In addition, the legislation contains the same basic provisions which the President vetoed in the Energy Emergency Act passed earlier this year. In dealing with such important legislation vital to the interests and economy of our country, we should not consider it under a procedure whereby there can be no amendments offered to the specific provisions of the bill.

I urge my colleagues to oppose this legislation.

Mr. CONTE. Mr. Speaker, I rise in vigorous support of this legislation.

Recently I have received dozens of letters and calls from constituents asking: "What are you doing about the high price of oil?"

Or: "What are you doing about the oil companies' excess profits?"

Or: "What are you doing about inflation?"

These are questions I ask my colleagues to keep closely in mind when voting on this legislation.

In my part of New England, the price of home heating oil has increased by 125 percent since last November. The price of gasoline jumped by 75 percent. These huge price hikes in just a few months have severely jolted the lives of many, many people.

The United States is presently in the throes of an inflationary spiral. Unless oil prices are controlled, the spiral will continue. In fact, 50 percent of our present inflation is tied directly to the high price of oil. And if these prices remain high, the inflationary "ripple effect" on our economy will be devastating.

If inflation is to be controlled, the price of oil must be brought back to reality.

This bill, by rolling back the price of most domestic crude oil and establishing an equitable price for imported oil, promises to put a needed brake on inflation.

It is elementary economic theory that high prices will stimulate growth and greater production in the oil industry. As a Republican, I am an ardent advocate of free enterprise. But the private needs of the oil companies cannot be put above the urgent needs of the American people. It is far more important to our Nation to control the present inflation than it is to maintain plush profits for the petroleum patriarchs.

This bill also contains important energy conservation provisions, assistance for American workers unemployed due to the fuel shortage and protection for branded retail gasoline station operators. In a long series of hearings in the Select Committee on Small Business, which has stretched through the 93d Congress, the need for these provisions has been demonstrated repeatedly.

This legislation is anti-inflationary and proconsumer. I urge my colleagues to support it.

Mr. PEYSER, Mr. Speaker, I rise in support of this legislation. There is no doubt in my mind that we need energy legislation and I felt so almost 6 months. We particularly need two key provisions in this bill.

First, we need a price rollback on domestic petroleum products. I am not convinced that the enormous profits of oil companies during the first quarter are justified. Far from it. Recent reports have indicated that the large profits have not been used to increase exploration, but rather, to increase per share earnings of stockholders. I support the committee findings that a price rollback is both justified and necessary.

Second, I support the intent of the legislation to place controls on imported petroleum prices. However, I do not believe that this section of the legislation goes far enough.

My own district has been hit particularly hard by the escalating cost of imported crude oil, which is needed to supply public utilities. The utilities then pass the increased costs on the consumer. This has been a tremendous burden to the electricity consumer in my area, where 85 percent of the crude oil is imported. The electric bill in total electric homes has been greater than the mortgage in many cases. In the New York metropolitan area there are 10,000 total electric homes, 5,000 of which are in my district.

I am thus introducing legislation today which will compliment this bill. It provides that the Secretary of the Treasury reimburse public utilities for the increased cost of imported crude oil above $7.50 a barrel. Thus, if the price set under the terms of the committee bill is under $7.50, there would be no need for any reimbursement. However, if it is above $7.50, then $7.50 will be the maximum which would be passed on to the consumer, and the difference between $7.50 and the fixed price would be reimbursed to the utility.

I believe that this is a necessary piece of legislation in addition to the committee bill, and I hope that we can enact both swiftly.

Mr. DONOHUE. Mr. Speaker, in our continuing efforts to equitably resolve the energy crisis, and lessen its hardship impact upon the American consumer, I most earnestly hope that the House will approve the pending bill, H.R. 13834, the Standby Energy Emergency Act.

Among other things this measure, in substance, calls for an oil price rollback, setting the price of domestic old crude oil at the November 1973 level; issues a mandate requiring the President to establish an equitable price ceiling for imported oil which specifically prohibits oil companies from passing on to consumers foreign charges such as taxes, royalties, and so forth, which they in turn deduct from their U.S. income tax obligation; and establishes a system of unemployment allowances for workers displaced as a result of energy shortages.

As one who supported the previous National Energy Emergency Act, vetoed by the President, I am even further strengthened in the convictions I registered at that time because everything that has occurred since then has only reinforced my belief that the American consumer is being forced to bear an unnecessary and unfair burden in the exorbitant prices they are paying for gasoline and other petroleum products today.

While all of us could accept the principle that prices should be adequate to provide incentives for finding additional petroleum, we unfortunately find that the overwhelming evidence demonstrates that current prices for both old and new crude oil are far greater than required to provide incentives equal to the industry's ability to increase exploration and production.

Mr. Speaker, nobody questions this National Government's obligation, under ordinary circumstances, to grant adequate legislative protection to the American consumer and I submit that this recognized duty is intensified at a time and during a period of national shortages in such essential modern-life commodities as petroleum products. I hope, therefore, that the House will accept and fulfill our high duty with respect to this Standby Energy Emergency Act and adopt it without any extended delay.

Mr. MINISH. Mr. Speaker, I rise today in vigorous support of H.R. 13834, the Standby Emergency Authorities Act. This act provides for a rollback in the price of domestic crude oil and refined products to their November 1, 1973 price levels. Such a rollback will not only reduce inflationary pressures, it will also protect the interests of consumers who have been excessively burdened by ever higher gas prices.

Current crude oil prices are far greater than required to provide adequate incentives for increased exploration and production. Though oil companies should have an adequate rate of return so as to provide the incentive to search for oil and experiment with new fuels like shale, they do not deserve the record profits they are now getting at the expense of the American public. These profits rose to an incredible 53 percent median profit gain for the oil industry in 1973. Reported first quarter profits for 1974 promise even greater profits for the oil industry this year. At a time when the average man in the street is being forced to shell out over $15 billion a year in extra income to cover increased costs of gasoline, the oil companies continue to reap embarrassing levels of profitability with little increase in productivity or sales.

It must be remembered that fuel costs accounted for 12 percent of the entire 1973 inflation. The inflationary contribution of fuel costs to the 1974 inflation promises to be even greater.

Accordingly, I urge my colleagues to vote in support of the Standby Emergency Authorities Act. The public interest demands that the average consumer not continue to pay higher prices to feed the record profits of the petroleum industry. John Sawhill, Director of the Federal Energy Administration has publicly admitted that the enormous profits of the oil corporations could not possibly be plowed back into direct oil. Therefore, dictates of public interest and responsibility demand passage of this bill today.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS) that the House suspend the rules and pass the bill H.R. 13834, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BROYHILL of North Carolina. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 191, nays 207, answered "present" 1, not voting 34, as follows:

[Roll No. 233]

YEAS—191

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Bafalis
Bennett
Bergland
Bevill
Biaggi
Bingham
Blatnik
Boland
Bolling
Brademas
Brasco
Breckinridge
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Carney, Ohio
Chisholm
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Cronin
Daniels, Dominick V.
Danielson
Davis, Ga.
Delaney
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
Dulski
Eckhardt
Edwards, Calif.
Evans, Colo.
Fascell
Flood
Flowers
Foley
Ford
Fountain
Fraser
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Grasso
Green, Pa.
Grover
Gude
Hanley
Hanna

Harrington
Harsha
Hawkins
Hechler, W. Va.
Heckler, Mass.
Henderson
Hicks
Holifield
Holtzman
Howard
Hungate
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Karth
Kastenmeier
King
Koch
Kyros
Leggett
Lehman
Lent
Luken
McCormack
McDade
McFall
Macdonald
Madden
Maraziti
Matsunaga
Mazzoli
Meeds
Metcalfe
Mezvinsky
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Nedzi
Nichols
Obey
O'Hara
O'Neill
Owens
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Podell
Preyer
Price, Ill.
Randall
Rangel
Rees
Reuss
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncallo, N.Y.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Staggers
Stanton, James V.
Stark
Steele
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Thompson, N.J.
Thone
Tiernan
Traxler
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Walsh
Wampler
Whalen
Wilson, Charles H., Calif.
Wolff
Wydler
Yates
Young, Ga.
Zablocki

NAYS—207

Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Baker
Bauman
Beard
Blackburn
Boggs
Bowen
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Cleveland
Cochran
Collier
Collins, Tex.
Conable
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dennis
Derwinski
Devine
Dickinson
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evins, Tenn.
Findley
Fish
Fisher
Flynt
Forsythe
Frelinghuysen
Frenzel
Frey
Gettys
Gibbons
Goldwater
Gonzalez
Goodling
Gray
Green, Oreg.
Griffiths
Gross
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanrahan
Hastings
Hébert
Heinz
Hillis
Hinshaw
Hogan
Holt
Horton
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Colo.
Jones, Tenn.
Jordan
Kazen
Kemp
Ketchum
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McEwen
McKay
McKinney
McSpadden
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Melcher
Michel
Milford
Miller
Minshall, Ohio
Mizell
Montgomery
Moorhead, Calif.
Mosher
Myers
Natcher
Nelsen
O'Brien
Parris
Passman
Patman
Pettis
Poage
Powell, Ohio
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Rarick
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Roncalio, Wyo.
Rousselot
Ruth
Ryan
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Smith, N.Y.
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Symms
Talcott
Taylor, Mo.
Thomson, Wis.
Thornton
Towell, Nev.
Treen
Ullman
Vander Jagt
Veysey
Waggonner
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

ANSWERED "PRESENT"—1

Bell

NOT VOTING—34

Barrett
Biester
Camp
Carey, N.Y.
Clark
Clawson, Del
Clay
Culver
Dorn
Eilberg
Hansen, Idaho
Hansen, Wash.
Hays
Helstoski
Hosmer
Johnson, Pa.
Jones, Okla.
Kluczynski
Litton
Morgan
Nix
Reid
Rooney, N.Y.
Rooney, Pa.
Runnels
Ruppe
Steed
Stephens
Stokes
Stubblefield
Teague
Williams
Wyatt
Yatron

So (two-thirds not having voted in favor thereof) the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Eilberg and Mr. Rooney of New York for, with Mr. Steed against.

Mr. Biester and Mr. Rooney of Pennsylvania for, with Mr. Runnels against.

Mr. Barrett and Mr. Nix for, with Mr. Stubblefield against.

Mr. Yatron and Mr. Carey of New York for, with Mr. Teague against.

Mr. Reid and Mr. Stokes for, with Mr. Jones of Oklahoma against.

Mr. Clark and Mr. Morgan for, with Mr. Camp against.

Mr. Clay and Mr. Hays for, with Mr. Dorn against.

Mr. Kluczynski and Mr. Helstoski for, with Mr. Johnson of Pennsylvania against.

Until further notice:

Mr. Culver with Mr. Litton.

Mrs. Hansen of Washington with Mr. Wyatt.

Mr. Stephens with Mr. Williams.

The result of the vote was announced as above recorded.

REHABILITATION ACT AMENDMENTS OF 1974

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 14225) to amend and extend the Rehabilitation Act of 1973 for 1 additional year, as amended.

The Clerk read as follows:

H.R. 14225

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as the "Rehabilitation Act Amendments of 1974".

REHABILITATION SERVICES ADMINISTRATION

SEC. 2. (a) The first sentence of section 3(a) of the Rehabilitation Act of 1973 is amended to read as follows: "There is established in the Office of the Secretary a Rehabilitation Services Administration which shall be headed by a Commissioner (hereafter in this Act referred to as the 'Commissioner') appointed by the President.".

(b) Section 3(a) of such Act is amended by inserting after the second sentence thereof the following new sentence: "In the performance of his functions, the Commissioner shall be directly responsible to the Office of the Secretary.".

EXTENSION OF VOCATIONAL REHABILITATION SERVICES

SEC. 3. (a) Section 100(b) of such Act is amended by—

(1) striking out "and" after "1974," in paragraph (1) thereof, and inserting before the period at the end of such paragraph the following: ", and $720,000,000 for the fiscal year ending June 30, 1976", and.

(2) striking out "and" after "1974," in paragraph (2) thereof, and inserting after "1975," in the first sentence of such paragraph the following: "and $40,000,000 for the fiscal year ending June 30, 1976,".

(b) Section 112(a) of such Act is amended by striking out "and" after "1974," and by inserting after "1975," the following: "and up to $2,500,000 but no less than $1,000,000 for the fiscal year ending June 30, 1976,".

(c) Section 121(b) of such Act is amended by striking out "1976" and inserting in lieu thereof "1977".

EXTENSION OF RESEARCH AND TRAINING ASSISTANCE

SEC. 4. (a) Section 201(a)(1) of such Act is amended by—

(1) striking out "and" after "1974," in the first sentence thereof and inserting after "1975" the following: ", and $30,000,000 for the fiscal year ending June 30, 1976", and

(2) inserting after "respectively," in the last sentence thereof the following: "and 25 per centum of the amounts appropriated in the third such fiscal year,".

(b) Section 201(a)(2) of such Act is amended by inserting after "1975" the following: ", and $30,000,000 for the fiscal year ending June 30, 1976".

EXTENSION OF ASSISTANCE FOR REHABILITATION FACILITIES

SEC. 5. Section 301(a) of such Act is amended by—

(1) striking out "and" after "1974," in the first sentence thereof, and inserting before the period at the end of such sentence the following: ", and June 30, 1976", and

(2) striking out "1977" in the last sentence of such section, and inserting in lieu thereof "1978".

EXTENSION OF VOCATIONAL TRAINING SERVICES FOR HANDICAPPED INDIVIDUALS

SEC. 6. Section 302(a) of such Act is amended by striking out "and" after "1974," and by inserting after "1975" the following: ", and June 30, 1976".

EXTENSION OF SPECIAL PROJECTS AND DEMONSTRATIONS

SEC. 7. Section 304(a)(1) of such Act is amended by striking out "and" after "1974," and by inserting after "1975" the following: ", and $20,000,000 for the fiscal year ending June 30, 1976".

EXTENSION OF ASSISTANCE TO NATIONAL CENTER FOR DEAF-BLIND YOUTHS AND ADULTS

SEC. 8. Section 305(a) of such Act is amended by striking out "and" after "1975," and by inserting after "1975," the following: ", and June 30, 1976.".

EXTENSION OF AUTHORIZATIONS FOR PROGRAM AND PROJECT EVALUATIONS

SEC. 9. Section 403 of such Act is amended by striking out "and" after "1974," and by inserting after "1975," the following: "and June 30, 1976,".

EXTENSION OF AUTHORIZATION FOR CARRYING OUT SECRETARIAL RESPONSIBILITIES

SEC. 10. Section 305(d) of such Act is amended by inserting before the period at the end thereof the following: ", and $500,000 for the fiscal year ending June 30, 1976".

EXTENSION OF AUTHORIZATION FOR ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SEC. 11. Section 502(h) of such Act is amended by inserting before the period at the end thereof the following: ", and $1,000,000 for the fiscal year ending June 30, 1976".

EXTENSION OF DATE FOR REPORT ON SPECIAL STUDY OF COMPREHENSIVE SERVICE NEEDS

SEC. 12. Section 130(b) of such Act is amended by striking out "February 1, 1975" and inserting in lieu thereof "June 30, 1975".

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **STEIGER** of Wisconsin. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Indiana (Mr. BRADEMAS) will be recognized for 20 minutes, and the gentleman from Wisconsin (Mr. STEIGER) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Indiana (Mr. BRADEMAS).

Mr. **BRADEMAS**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 14225, a bill to extend the Rehabilitation Act of 1973 for 1 year, and for other purposes.

I should, at the outset, Mr. Speaker, pay tribute to the distinguished gentleman from Kentucky, the chairman of the Education and Labor Committee, the Honorable CARL D. PERKINS, as well as the distinguished gentleman from Minnesota, the ranking minority member of the committee, the Honorable ALBERT H. QUIE, and the ranking minority member of the Select Education Subcommittee, the gentleman from Pennsylvania, the Honorable EDWIN D. ESHLEMAN, for their efforts in moving this legislation expeditiously through the committee.

Mr. Speaker, the 54-year-old vocational rehabilitation program has long been cited as one of the most successful Federal-State cooperative endeavors.

ONE-YEAR EXTENSION

This program, as Members of the House know, provides a wide variety of services to handicapped Americans to assist them become more independent and productive members of society.

Mr. Speaker, one of the major reasons for the success of this program, is the unique State allotment formula contained in the authorizing legislation.

Mr. Speaker, the dollar figures contained in the authorizing legislation for the rehabilitation program, constitute, for the basic State program, an entitlement of funds for each of the States.

What this unique linkage between the authorizing figures and the State allocations means, is simply this: the law requires the Federal Government to give each State, by formula, a basic grant for rehabilitation services if the State appropriates the necessary matching funds.

Mr. Speaker, the linkage I have described clearly constitutes—and was so intended—a very great incentive to the States to appropriate the necessary matching moneys.

And because the States must know ahead of time what the authorizations are to be—if they are to be able to appropriate the necessary matching moneys—we on the Education and Labor Committee feel it wise to extend the program for 1 year at this time, through fiscal 1976.

Mr. Speaker, some of my colleagues may be wondering why we do not extend the rehabilitation program for more than the single year provided in H.R. 14225.

But I must remind them that the Rehabilitation Act of 1973 mandated several major special studies, including a study of the comprehensive needs of the severely handicapped, which are still in progress.

Indeed, H.R. 14225, at the request of the Secretary of the Department of Health, Education, and Welfare, extends the date for the final report on the special study of the comprehensive needs of the severely handicapped from February 1, 1975, until June 30, 1975.

The committee believes, therefore, Mr. Speaker, that a 1-year extension of the Rehabilitation Act is desirable so that the findings of these studies can be considered when a major extension and revision of the act are considered within the next 2 years.

REHABILITATION SERVICES ADMINISTRATION

Mr. Speaker, H.R. 14225 would also move the Rehabilitation Services Administration from within the Social and Rehabilitation Service to the Office of the Secretary of the Department of Health, Education, and Welfare.

This determination was in large part the result of 3 days of oversight hearings on the rehabilitation program conducted by the Select Education Subcommittee. These hearings caused the subcommittee to conclude that the direction and administration of SRS were not compatible with the rehabilitation programs administered by RSA.

Indeed, Mr. Speaker, the subcommittee found several cases in which top SRS officials seemed willing to ignore the statutory mandates of the authorizing legislation.

Here are some of the problems we encountered.

First. A delay of over 1½ years in appointing a permanent Commission of the Rehabilitation Services Administration;

Second. Although the Rehabilitation Act of 1973 was signed into law last September, regulations to implement the act have yet to be published;

Third. SRS personnel misled the Appropriations Committees in the House and Senate with respect to the amount of Federal money the States could match;

Fourth. SRS personnel are allowing rehabilitation research funds to be spent for other purposes;

Fifth. The administration has seriously considered killing the existing rehabilitation program and replacing it with a cash assistance scheme to disabled persons who then would try to find and buy the services they need;

Sixth. The Rehabilitation Services Administration is being submerged beneath a layer of management and efficiency experts who know little or nothing of the rehabilitation program;

Seventh. Responsibility within RSA is fragmented since regional RSA officials report not to their Rehabilitation Service Administration counterparts in HEW but to the Administrator of the Social and Rehabilitation Service;

Eighth. SRS personnel would prefer to be able to ignore the statutory requirements that there be an independent, identifiable State rehabilitation agency.

The committee has decided, therefore, that in order to protect the important rehabilitation program we must move RSA out of SRS to the office of the Secretary of Health, Education, and Welfare. For SRS personnel, to be blunt, appear to be hostile to the rehabilitation effort.

MINORITY VIEWS

Let me say a few words, Mr. Speaker, about the minority views on the legislation before us submitted by my colleague from Indiana, Mr. LANDGREBE.

For I am afraid that my fellow Hoosier is mistaken in his view of the bill.

He claims: "There were no hearings on H.R. 14225 and no consideration or mark-up by the Subcommittee on Select Education, to which the bill had been referred."

As I have already mentioned, the Select Subcommittee on Education, which I have the honor to chair, held 3 days of oversight hearings on the administration of the Rehabilitation Act of 1973.

Those hearings led me, along with the chairman of the Committee on Education and Labor, the gentleman from Kentucky (Mr. PERKINS) and the ranking minority member of the committee, the gentleman from Minnesota (Mr. QUIE) and the ranking minority member of the subcommittee, the gentleman from Pennsylvania (Mr. ESHLEMAN) to introduce H.R. 14225.

So my friend from Indiana is mistaken when he says that there were "no hearings" and "no consideration" by the subcommittee I am pleased to chair.

Indeed, he is even incorrect when he claims that the bill was referred to my subcommittee—for the bill was held in the full Education and Labor Committee after introduction.

Mr. LANDGREBE goes on to claim that the provisions which would establish the Rehabilitation Services Administration within the Office of the Secretary of the Department of Health, Education, and Welfare, are similar to provisions which caused rehabilitation legislation to be vetoed in the 92d and, again, the 93d Congresses.

Mr. LANDGREBE writes:

> This provision was contained in S. 7 last year which passed the Congress, was vetoed by President Nixon. . . . One of the major reasons for the veto of S. 7 last year was the fact that it contained a provision similar to Section of H.R. 14225.

My friend is in error.

For S. 7, which was vetoed, contained precisely the same language with respect to the Rehabilitation Services Administration as did H.R. 8070, which was signed into law.

Both bills read:

> There is established in the Department of Health, Education, and Welfare, a Rehabilitation Services Administration which shall be headed by a Commissioner . . . appointed by the President.

So my friend is simply inaccurate when he claims that provisions similar to those contained in H.R. 14225 led to the veto of S. 7.

Indeed, Mr. Speaker, I must conclude that H.R. 14225 is not an "example of gross irresponsibility" on the part of the Committee on Education and Labor, but is instead, an excellent example of a committee of Congress responsibly going about its work.

For given the poor administration which the 4 days of hearings before my subcommittee revealed, the irresponsible action would have been to ignore the danger in which this important program found itself.

Mr. Speaker, because the rehabilitation program means so much to so many Americans, I urge my colleagues to join me in support of H.R. 14225.

Mr. STEIGER of Wisconsin. Mr. Speaker, I yield 7 minutes to the gentleman from Indiana (Mr. Landgrebe).

Mr. LANDGREBE. Mr. Speaker, I thank the gentleman from Wisconsin for his cooperation. This action we are taking here today was given to us in a way that we would think is a simple extension of the Vocational Rehabilitation Act for another year. I should like to inform my colleagues that there is quite a little bit more to it than that.

As I pointed out in my minority views, I am opposed to this bill, to the way it was handled by the Committee on Education and Labor, and to bringing it to the floor under suspension of the rules.

Last year for the first time Congress provided statutory authority to the Rehabilitation Services Administration. However, in the bill vetoed by the President, S. 7, the Commissioner of RSA was given control over the program in such a way that he would, in effect, be reporting directly to the Secretary of the Department of Health, Education, and Welfare—HEW. This presented the Secretary of HEW with a very difficult situation—his hands were tied in any efforts to organize his department to provide for greater efficiency and better service. For example, if he left the RSA as part of the Social and Rehabilitation Services Administration—SRS—the Commissioner of SRS would be unable to organize his own department as the Commissioner of RSA could simply do whatever he chose without subordinating any of his decisions to the Commissioner of SRS.

This provision was one of the administration's main objections to S. 7 and one of the principal reasons for the Presidential veto.

After the veto was sustained by the Senate, a new bill, H.R. 8070, was introduced. This bill, among other things, still gave RSA statutory authority, but it did not usurp the Secretary of HEW's prerogative in organizing his own department. This bill was passed and signed into law.

Now here we are, only a year later, with a bill that goes much farther in dictating to the Secretary of HEW how he is to manage his department. H.R. 14225 transfers the RSA out of the SRS directly to the Office of the Secretary of HEW. Secretary Weinberger stated his objections to this in the following letter to the Chairman of the Education and Labor Committee:

Secretary of Health,
Education, and Welfare,
Washington, D.C., May 14, 1974.

Hon. Carl D. Perkins,
Chairman, Committee on Education and Labor, Houses of Representatives, Washington, D.C.

Dear Mr. Chairman: I am writing concerning H.R. 14225, a bill "to amend and extend the Rehabilitation Act of 1973 for one additional year," which your Committee will consider today. I wish to voice my strong objection to section 2 of that bill, which would provide for the transfer of the Rehabilitation Services Administration (RSA) to the Office of the Secretary.

The primary basis for my objection is that such a provision, if enacted, would seriously limit the Secretary's ability to make essential management decisions as to the best way to marshal the Department's resources based on his evaluation of its missions and capabilities.

In addition, in my view the separation of RSA from the Social and Rehabilitation Service (SRS) would be particularly unwise due to the commonality of purpose shared by the vocational rehabilitation program and other SRS programs, which has led to a close working relationship between them. For example, vocational rehabilitation shares two common goals with the social services program—increased self-sufficiency and self-support. To achieve these goals, these two programs frequently interact closely, to the added benefit of the disabled person pursuing his rehabilitation goal. Day care services, for example, enable disabled parents, who might otherwise be unable to leave their homes and children, to pursue their vocational rehabilitation programs. Such interaction and coordination is clearly enhanced by grouping the vocational rehabilitation program in SRS with other programs sharing related goals and would be seriously disrupted by separating them.

Also, this would be a particularly bad time to transfer RSA for two reasons. First, RSA is now in the final stages of preparation for the implementation of the Rehabilitation Act of 1973. Regulations, which have benefited from the rigorous evaluation and input by the House and Senate Committee staffs, will be published for public comment in the next few days, and contracts for special studies are being let. This process of implementation, which is now at such a crucial stage, would be seriously crippled by the inevitable disruption that the transfer of RSA would cause. In addition, the Office of Human Development in the Office of the Secretary, which would be the only logical component in which to place RSA, is only a little more than a year old. In that year it has assumed, as you know, many crucial new responsibilities, and it is still developing its capacity for effectively carrying them out. This process of development would be seriously threatened by the assumption of an operational program of such major proportions as the vocational rehabilitation program.

I hope that you and other members of your Committee give the above objections your very serious consideration and delete section 2 from H.R. 14225.

With regard to the remaining provisions of the bill, which would extend the Rehabilitation Act of 1973 through fiscal year 1976, I would suggest an additional provision extending the deadline of some of the studies mandated by that Act. Due to the importance and complexity of these studies, it will be necessary to allow additional time for their completion in order to produce the desired results. For example, section 130 of the Act requires that a comprehensive service needs study be completed by February 1, 1975. We estimate, however, that we will not be able to complete a study of the high quality desired before September 30, 1975.

Sincerely,
Caspar W. Weinberger,
Secretary.

In other words, the transfer of the RSA would disrupt the internal functioning of HEW and creates a situation in which management decisions could not rationally be made nor efficiently executed. In light of this fact, H.R. 14225 is a cruel way to treat the Nation's handicapped that are served by this program.

It is also important to note that the Secretary emphasizes that the programs handled by the SRS are not only compatible with but complementary to the functions of the RSA. This is in striking contrast to the view stated in the committee report that "the Social and Rehabilitation Service, which is made up primarily of welfare programs is not a suitable home for the rehabilitation program which focuses on developing potential." Apparently, in the committee's view, the welfare programs are not supposed to be focused on "developing potential."

I submit that this is a rude insult to the many thousands of persons receiving welfare who are desperately attempting to improve themselves and their skills in order that they may assume the responsibility of providing for themselves. I doubt that such people view themselves as being totally without potential capable of being developed.

I suspect, however, that the real reason for placing the RSA directly under the Secretary's office is to give its bureaucratic functions, and not its functions in serving the handicapped, greater emphasis and autonomy.

It is neither the best interests of the clients of this vocational rehabilitation program nor the best interests of the American taxpayers that this transfer will further; it is only in the interests of those who wish to add new spending capacity to the RSA in order that they might spend, spend, spend, inflate, inflate, inflate, and elect, elect, elect.

This bill is another example.

This bill is a perfect example of this irresponsible Congress attempting to reduce the executive branch to a puppet of Congress. While the administration is kept busy with the outrageous attacks on the Presidency, Congress proceeds to grab more and more power.

Mr. STEIGER of Wisconsin. Mr. Speaker, I yield to the gentleman from Massachusetts (Mr. Conte) such time as he may consume.

Mr. CONTE. Mr. Speaker, I rise in support of this legislation.

Mr. STEIGER of Wisconsin. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. Peyser).

Mr. PEYSER. Mr. Speaker, I rise in strong support of this legislation.

I listened to the comments of my colleague before and I think, as often happens, it is interesting to see how two people who have been involved will come up with such different results after they have studied the legislation and come up with different values on what this legislation really means.

I think the vocational rehabilitation bill is one of the bills that Congress really gets its money's worth out of. In my own State of New York they find one of the great values of this bill to be that everything that is paid into this program really comes back twofold to the State. They are dealing in many cases with people who are now on the assistance rolls who are in definite need of having the opportunity of learning a trade and of being able to rehabilitate themselves in a meaningful way so they can earn a living. We have found in our experience that we have taken enough people off the assistance rolls through this aid so that in effect we have gotten back all the money we have put into it. New York is no exception in this. State after State has had this experience.

I think the funds that are allocated here are not in any way excessive I think the recommendations for changes are those changes that will only improve the program and make the administration better and more responsible to carry out the real needs that exist.

Mr. Speaker, I urge my colleagues to give strong support to this bill and to pass it. It has been, one of the most worthwhile pieces of legislation that we have enacted.

Mr. STEIGER of Wisconsin. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. Quie).

Mr. QUIE. Mr. Speaker, as one of the coauthors of this legislation, I support this bill. I believe that we should extend the authority for title I for 1 additional year in order that adequate planning can be made by the States for their vocational rehabilitation programs.

I also am in support of the provision in the bill that will require the Commissioner of the Rehabilitation Services Administration to report directly to the Office of the Secretary. This is the way it existed several years ago. It was later changed so that RSA reported to SRS and was not objectionable to the people in Vocational Rehabilitation, because Mary Switzer, who was Administrator of the SRS at that time, was considered to be a very close friend of vocational rehabilitation. Since she is no longer there, it is felt by the individuals who work in the field of vocational rehabilitation that they do not have the same kind of friend today.

I believe that the Rehabilitation Services Administration can work well in the Office of Human Development, if that is where it is placed since it is directly in the Office of the Secretary.

This, however, will have to be worked out by the Secretary of HEW, as we provide in our legislation rather than mandating the restrictive language the other body is proposing.

I am, however, unhappy with the fact this bill is being considered today under a suspension of the rules. There is a feeling among many of my colleagues that there should be a change in the formula. I believe that they should have an opportunity to offer amendments to the formula if they want to.

The squaring provisions of the formula designed to help some States south of the Mason-Dixon line were necessary at one time, but I think that situation has changed now.

I have gone along with this bill because I do not want to see the continuity of the program disrupted, but I want to make clear that I believe that the present formula upon which funds are distributed is inequitable, has outlived its usefulness, and needs to be revamped. The question of the formula has been a point of concern for many Members, and recognizing that the formula should be reviewed, the committee mandated through Public Law 93–112—signed last September—that a study on the basic State grant allocation formula be conducted and make recommendations back to the Congress so that consideration can be given to how best to distribute funds and ultimately help more handicapped people throughout the Nation.

The committee fully intended to address the formula question in time to accommodate the next regular extension of the act, but the mandated study will not be submitted to the Congress in time for the committee to even review it and consider its recommendations and report out a bill. Timing is important on this program because of the leadtime needed to secure matching money.

I must point out that the administration is strongly opposed to the provision which requires the Director to report directly to the Secretary. As I indicated, I favor that language; but, I feel that whenever the administration is opposed to some provision there should be an opportunity for those who agree with the administration to offer an amendment if they so desire. That opportunity will be denied to them today.

When this bill goes over to the other body, they will have the opportunity to offer amendments to the extent they want to. I do not see why we keep trying our hands here to prevent the Members from working their will.

The question then comes whether we should do in this bill as some Members did with the bill that just preceded this, to vote against it because of the parliamentary procedure under which it was brought before us.

I urge Members not to vote against it for that reason. As unhappy as I am that it has come up under a suspension of the rules, I think it would be unwise if this vocational rehabilitation bill received a negative vote. It would certainly give a wrong impression of the support that exists for the entire VR program in the Congress. So except for the opposition I have to the parliamentary procedure under which we are operating today I do urge my colleagues to support this legislation, because vocational rehabilitation has been an outstanding program. It has proven itself and wisely spent the increased amounts of money that have been appropriated for the program this year and hopefully there will be an increased amount in the next fiscal year.

Many have been served but we have not reached the number of people who should receive the services of vocational rehabilitation. There are many more in need of those services.

When we passed legislation earlier in this Congress, we put a priority on service to the most severely handicapped. The extensive change that occurred in that legislation will enable VR agencies to better meet the needs of the handicapped of the Nation.

That law is now in effect; it is my hope that within the next year our committee can take up the whole question of the formula and any other changes that are necessary in order to make it more effective at that time.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. QUIE. Mr. Speaker, I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman's yielding. I want to associate myself with his remarks. I, too, feel unhappy about the procedure under which this bill comes to us, but I am persuaded by the strength of the program and by the need for the bill that the bill ought to pass today.

As the gentleman from Minnesota and the gentleman from Indiana know, I offered during the Education and Labor Committee's consideration of this bill the amendment consistent with the administration position. In fact——

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. STEIGER of Wisconsin. Mr. Speaker, I yield 2 additional minutes to the gentleman from Minnesota.

If the gentleman will yield further, that amendment failed quite resoundingly within the Committee on Education and Labor. There was little support on either side of the aisle for it, but I think that amendment really does deserve to be considered and discussed today, to allow the House to work its will.

Thus, I find myself in the position of believing that we ought to have a fuller debate on this bill, yet recognizing the reasons why the bill must pass. Therefore, I join with the gentleman from Minnesota in urging passage of this important bill.

Mr. BRADEMAS. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky (Mr. Perkins).

Mr. PERKINS. Mr. Speaker, initially I want to compliment the distinguished chairman of the Select Subcommittee on Education, John Brademas, for the timeliness of this action.

All of my colleagues know of the complications brought about at the State and local level when we do not have timely Federal programs. We can look back over authorizations and appropriations for the years and we can confidently cite the vocational rehabilitation program as a model program in that— for the most part—the program has been free of such complications.

Because of the entitlement concept in the basic Federal-State rehabilitation program, States have traditionally had early information on what Federal funds might be expected and this has allowed the States adequate opportunity for orderly planning, programing and budgeting.

The principal purpose and ojective of the bill before us today is to insure that this pace can be maintained. It is simply a 1-year extension which will provide early information to the States on what they might expect in Federal funds in fiscal year 1976. This information is needed by the first of the year.

The dollar authorizations for fiscal year 1976 which total $841,500,000 are modest indeed—being only slightly higher than existing law—and certainly far below what we know is needed in this important field.

This 1-year extension will also allow for the completion of a number of important studies which were authorized in the Rehabilitation Act of 1973. It will allow sufficient time also for the Committee on Education and Labor and the Congress to analyze the results of these studies in connection with our work on a major rehabilitation bill.

There are issues which require very serious and indepth consideration and deliberation, such as the manner in which vocational rehabilitation funds are allocated and the extent to which such funds should be concentrated on serving the most severely disabled. We do not want to be rushed into these decisions and the 1-year extension will allow for thoughtful and comprehensive analysis and evaluation.

Another feature in this bill proposes the transfer of the Rehabilitation Services Administration—which administers the rehabilitation program—from the Social and Rehabilitation Service where it is presently located, to the Office of the Secretary of Health, Education, and Welfare.

It is clear from the oversight hearings and studies of the Select Subcommittee on Education, that the rehabilitation program is being handicapped under the present administrative structure.

There is obviously some controversy over the proposed transfer, but I do not detect any controversy among those rehabilitation leaders and experts in the field as to the transfer provision of this bill. To the contrary, the proposed transfer enjoys widespread support among those in the rehabilitation movement who are working at the State and local levels.

Mr. Speaker, this is a bill which I believe every Member of this body can support, and I urge its overwhelming approval.

Mr. BRADEMAS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I rise in support of H.R. 14225, the Rehabilitation Act Amendments of 1974. I feel this bill is critical if the highly successful programs established by the Rehabilitation Act of 1973 are to be continued without interruption.

This bill although simple in content will have far-reaching effects on the future of vocational rehabilitation programs across this Nation. What this bill will do is to simply extend the funding for the Rehabilitation Act for 1 year through fiscal year 1976 at an authorized funding level of $841 million.

In my home city of New York which participates rather heavily in these vocational rehabilitation programs, this legislation will bring a sigh of relief to those agencies, responsible for administering these programs. The key to the success of these programs is knowing in advance, information on Statewide allotments for vocational rehabilitation programs. Prior to this legislation being considered in the Education and Labor Committee of which I am a member, I had received numerous letters from both administrators and participants in these programs expressing concern that unless the authorization was extended in the near future, many of these programs would be forced to discontinue. I am pleased that we in the Education and Labor Committee were able to respond to this challenge and report out H.R. 14225, a bill which not only insures continuation of existing programs, but provides increased funding for them as well.

Further, H.R. 14225 will correct the one-series problem which has plagued the Rehabilitation Act since its inception by transferring the Rehabilitation Services Administration from the Social and Rehabilitation Service to the Office of the Secretary of the Department of Health, Education, and Welfare. The need for this transfer was brought out during the hearings on this bill when it was determined that the responsibility for administering the programs of the Rehabilitation Services Administration was not being effectively accomplished under the auspices of the SRS.

Mr. Speaker, the programs created by the Rehabilitation Act of 1973 have benefited large segments of our population who were in desperate need of vocational rehabilitation services. These programs have provided training which has led in many instances to gainful employment for millions of handicapped as well as blind and deaf individuals. These people are grateful for what has been accomplished, and millions more are counting on the continuation of the programs so that they too can participate. Therefore, I urge that this measure be given swift approval today by my colleagues, and equally prompt action be taken by the Senate and the President.

Mr. VANIK. Mr. Speaker, I support the legislation before the House today to extend the Vocational Rehabilitation Act of 1973 for 1 year.

The Vocational Rehabilitation Act of 1973, survivor of two Presidential vetoes, is now in danger of a bureaucratic assassination at the hands of an administration apparently dedicated to its death. Although signed into law September 26, 1973, by President Nixon, implementation of much of Public Law 93-112 is still not complete; indeed in many cases, implementation has not yet begun.

Title V of Public Law 93-112, Mr. Speaker, has suffered particularly. Sections dealing with employment of disabled persons, architectural and transportation barriers to the physically handicapped, and nondiscrimination under Federal grants have not yet seen the full light of day. The Department of Health, Education, and Welfare has procrastinated, evaded, and ignored the mandate of the Congress despite the overwhelming votes, two separate times, of the House and Senate.

My letters to the agencies responsible for this nonimplementation go unanswered, or replies do not respond to my questions. As of May 15, only 55 out of 80 Federal agencies had complied with a March 26 Civil Service Commission deadline for submission of their plans for employment of the disabled. The Architectural and Transportation Barriers Board, established by the act, has apparently allowed almost 8 months to pass without doing any more than figuring out who they were and who would be chairman.

Mr. Speaker, it appears that an extension of this act is necessary if for no other reason than to allow time for implementation of title V.

I urge my colleagues to support this legislation, Mr. Speaker, perhaps another overwhelming vote can confirm congressional intent and shame the administration into action.

In addition, I would like to commend the committee for its early action on this legislation. I hope that the committee can give favorable consideration to recent amendments which have been added to the Elementary and Secondary Education Act. As the committee knows, title V of the Vocational Rehabilitation Act provides that—

> No otherwise qualified handicapped individual in the United States . . . shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

As a result of this language—in essence the same as title VI of the Civil Rights Act of 1964—and general court actions, a number of complaints have been brought throughout the Nation to require that educational services be made available to all children, including the physically and mentally handicapped. There have been 36 court cases in 24 States on the right to education for all handicapped children. There have been 38 court cases in 25 States on the right of these children to due process and 8 court cases in 6 States on the right of treatment for all children who need it. In those cases which have been decided, judgments have been given—as they should be—in favor of the handicapped children and their parents.

It is obvious that the language of title V, as well as other case law, will soon require that all States provide educational services to all children.

Yet the cost of providing such services can be enormous. First of all, approximately 60 percent of the Nation's handicapped children presently receive no educational aid at all. Data on the number of handicapped children and the level of unmet need can be found in the Senate report to the Elementary and Secondary Education Act Amendments:

> There are 7 million (1 million of preschool age) deaf, blind, retarded, speech-impaired, or other health-impaired children in the United States who require special education programs. Although these children represent approximately 10 percent of the school age population (a conservative estimate), and although the number of children receiving special help has grown from 2.1 million to nearly 3 million in the past 5 years, current data indicates that less than 40 percent are receiving an adequate education.

To help the States meet the enormous cost of financing educational services to all children, yesterday the other Chamber accepted an amendment to provide an emergency grant to the States to begin to implement the various court orders and the language contained in title V of the Vocational Rehabilitation Act.

I hope that the committee will favorably consider these proposals for emergency and adequate funding to help the States provide service to the millions of children who are presently neglected and discriminated against.

Mr. BROYHILL of North Carolina. Mr. Speaker, I rise in support of H.R. 14225, the Rehabilitation Act Amendments of 1974. This bill will extend the authority for programs carried out under this act through fiscal year 1976. Additionally, it transfers the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare from the Social and Rehabilitation Service.

Over 3 million handicapped people have been rehabilitated since the vocational rehabilitation program was first started in 1920. And throughout my 12 years in Congress, I have been a strong advocate of this program. By training our Nation's handicapped for vocational work, we serve the unfortunately afflicted by taking them off the welfare rolls and helping them to reenter American society as useful working members of their communities.

I am pleased that congressional action is being taken at this time to extend the vocational rehabilitation authorization. Each State will now be able to determine how much Federal money they can anticipate in fiscal year 1976 for their vocational rehabilitation programs, thereby enabling them to allocate their State resources and expenditures accordingly. This will, of course, facilitate orderly and timely administration of programs at State and local levels. At the Federal level, it will assure that no delay occurs in the appropriations process.

I am particularly glad that the program this year is being considered in a bipartisan way and that attempts are not being made to expand the spending authority beyond the realm of possible funding. As my colleagues know, this occurred last year, resulting in a Presidential veto, and stalling of the program and the orderly continuation of grants to the States. I played a role at that time in introducing a compromise bill which was cosponsored by over 100 Members of both parties. I offered this compromise to the membership as a way to break the stalemate existing then between the White House and the Congress, and I am pleased that legislation similar to mine was finally adopted.

This year, the Congress has acted in a reasonable manner and has produced a workable bill. I urge its passage.

Mr. BRADEMAS. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and pass the bill, H.R. 14225, as amended.

The question was taken.

Mr. LANDGREBE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 400, nays 1, not voting 32, as follows:

[Roll No. 234]

YEAS—400

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clausen, Don H.
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Ruppe
Ruth
Ryan
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—1

Landgrebe

NOT VOTING—32

Barrett
Biester
Camp
Carey, N.Y.
Clark
Clawson, Del
Clay
Culver
Diggs

Dorn
Eilberg
Hanna
Hansen, Idaho
Helstoski
Holifield
Johnson, Pa.
Jones, Okla.
Kluczynski
Litton
Morgan
Nix
Pepper
Reid
Rooney, N.Y.
Runnels
St Germain
Steed
Stubblefield
Teague
Williams
Wyatt
Yatron

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Teague with Mr. Dorn.

Mr. Rooney of New York with Mr. Hanna.

Mr. Stubblefield with Mr. Litton.

Mr. St Germain with Mr. Clay.

Mr. Carey of New York with Mr. Pepper.

Mr. Clark with Mr. Reid.

Mr. Eilberg with Mr. Camp.

Mr. Holifield with Mr. Wyatt.

Mr. Nix with Mr. Helstoski.

Mr. Morgan with Mr. Hansen of Idaho.

Mr. Barrett with Mr. Biester.

Mr. Steed with Mr. Johnson of Pennsylvania.

Mr. Yatron with Mr. Williams.

Mr. Kluczynski with Mr. Del Clawson.

Mr. Jones of Oklahoma with Mr. Runnels.

Mr. Diggs with Mr. Culver.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 14225 just passed by the House.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

APPOINTMENT OF ADDITIONAL CONFEREES ON H.R. 14368

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to appoint two additional managers on the part of the House at the conference on the bill, H.R. 14368, to provide for means of dealing with energy shortages by requiring reports with respect to energy resources, by providing for temporary suspension of certain air pollution requirements, by providing for coal conversion, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER. The Chair appoints as additional managers on the part of the House at the conference on the bill H.R. 14368, the following Members: Mr. Rogers and Mr. Nelsen.

The Clerk will notify the Senate of the action of the House.

AUTHORIZING APPROPRIATIONS FOR THE SALINE WATER PROGRAM FOR FISCAL YEAR 1975

Mr. JOHNSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13221) to authorize appropriations for the saline water program for fiscal year 1975, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is authorized to be appropriated to carry out the provisions of the Saline Water Conversion Act of 1971 (85 Stat. 159) during fiscal year 1975, the sum of $13,910,000 to remain until expended as follows:

(1) Research expense, not more than $2,300,000;

(2) Development expense, not more than $6,084,000;

(3) Design, construction, acquisition, modification, operation, aand maintenance of saline water conversion test beds and test facilities, not more than $2,626,000;

(4) Design, construction, acquisition, modification, operation, and maintenance of saline water conversion modules, not more than $900,000; and

(5) Administration and coordination, not more than $2,000,000.

(b) Expenditures and obligations under paragraphs (1), (2), (3), and (4) of subsection (a) of this section may be increased by not more than 10 per centum and expenditures and obligations under paragraph (5) of subsection (a) of this section may be increased by not more than 2 per centum, if any such increase under any paragraph is accompanied by an equal decrease in expenditures and obligations under one or more of the other paragraphs.

Sec. 2. In addition to the sums authorized to be appropriated by section 1 of this Act there are also authorized to be appropriated such additional sums or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law or other non-discretionary costs.

The SPEAKER. Is a second demanded?

Mr. LUJAN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from California (Mr. Johnson), will be recognized for 20 minutes, and the gentleman from New Mexico (Mr. Lujan) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California.

Mr. JOHNSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is my pleasure and duty to rise again on behalf of legislation to authorize appropriations for the saline water research and development program for fiscal year 1975.

H.R. 13221, as amended by the Committee on Interior and Insular Affairs, has had the most careful scrutiny by my Subcommittee on Water and Power resources and by the full Interior Committee.

I wish it were possible for me to tell the Members that our committee was unanimously in favor of this legislation—but I cannot fail to point out that there was one vote cast against the bill on final passage in full committee.

What is at issue here, Mr. Speaker, is the size of the program or, more appropriately, whether there shall continue to be a program of federally supported research in the field of desalting. The administration would have us believe that $3,029,000 in new funds, plus $1,840,000 in carryover from last year is all that is necessary.

Our committee simply did not buy this position. We would regard H.R. 13221, as recommended by the administration, as being tantamount to no bill at all. It would not enable the maintenance of an adequate staff of specialists nor would it remotely approach an adequate program of research and development. A vote for H.R. 13221, at the level of the administration's request would be a vote for phasing out the entire program and would be a repudiation of all the votes cast in prior years for this activity. Let us look at the last few years.

For several years prior to and including fiscal year 1973, the administration regularly requested and received funds in the range of $25 to $30 million. As recently as 2 years ago we authorized and appropriated more than $26 million. Last year we authorized more than $15,000,000 on the strength of a clear showing that the funds could be well and profitably used in needed research and development work. This work is going on and should continue.

We are making some good headway in this program yet we have a distance to go. Since we brought our last research and development authorization bill to the floor we have seen the administration recommend resalting technology as the solution to the longstanding problem between our country and Mexico on the salinity of the Colorado River. The fact that our Government has seen fit to propose desalting as the answer to this problem is abundant proof that the research is paying off. It will continue to pay off as we address other salinity problems at home and abroad.

The fact of viable technology does not mean, however, that research can be abandoned. Much progress remains to be accomplished in improved systems and new systems still on the drawing board. This type of program simply cannot be carried out with the pittance requested by the administration.

Our bill is proposed to be amended in such a manner as to authorize new appropriations of $13,910,000. This sum of money, when augmented by the carryover of $1,840,000 will have a funded work program of $15,750,000—an amount equivalent to the sum authorized last year. Critics of this bill will undoubtedly characterize this as a fourfold increase of what the administration requested. For my part, I would prefer to characterize it as a reduction of 50 percent from traditional levels of activity we have funded for the past decade.

Specifically, this program will enable us to maintain our basic and fundamental research capability; to engage in developmental work on promising concepts; to keep our test facilities in operation for another year, and last, to get a full year of operating data from the Fountain Valley module.

At the present time the staff of the Office of Saline Water consists of about 70 persons—but would-be necessity be reduced by more than one-half that number under the administration's program. The program recommended by the committee will not require any additional positions but will be adequate to maintain the highly skilled group that we now have on the rolls.

The technical emphasis in this program is on improving freezing and membrane processes and we have included a large item in the development category to construct and test pilot plants. There is a great need to test new technology in reverse osmosis—on both seawater and brackish water where much has already been accomplished.

The program does not contain much in the way of distillation research except in the field of materials testing. This is about the only aspect of distillation research that merits continued Federal support—and is a typical instance of where the committee has shaped the program to fit clearly justifiable objectives and eliminated unjustified activities.

In conclusion, Mr. Speaker, I believe that this little bill represents an opportunity for the congress and its committees to prove their intention to keep charge of the priorities of this Government. Unless we adopt the committee amendment and approve the bill in the form reported by the committee, we might just as well give up any hope of managing the water resources programs of this Government—and turn them over to the people in the executive bureaucracy. I, for one, am not willing to let this happen and urge all my friends and colleagues to support us in passing this bill.

The need is still with us. Everyone who testified said that there has to be more research and development on the various types of water, whether it be seawater, return flows, brackish water, sewer effluent, or geothermal brine. If we are going to continue to develop our needs in the field of water we must continue our research in seawater also because of its abundance along our coastlines. We also have great supplies of brackish water, and sewage effluent, agricultural return flows, and geothermal brine at the present time.

I think this is a very modest requirement for authorization for funding of the Office of Saline Water.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

As I understand it this would authorize nearly $14 million for appropriation for 1 year. Is that correct?

Mr. JOHNSON of California. Yes. The bill provides an authorization of $13,910,000.

Mr. GROSS. And does the fact that the gentleman enumerated several transfers of funds indicate that this program has been rather overstuffed with money in the past, since the transferability is available?

Mr. JOHNSON of California. The transferability is very limited. It is limited—it is limited to no more than 10 percent of any category. This is a very strict limitation on the transfer of funds between the categories. Section 2 which would limit the amount of transfer in category 5 to 2 percent, so I think there is a yardstick to govern the amount of funds that can be transferred.

Mr. GROSS. I thought transferability came from unexpended funds from previously approved projects.

Mr. JOHNSON of California. There is only $1,840,000 of carryover funds and this has been assigned very carefully to the five categories. So that is pretty well tied down, I would say to the gentleman from Iowa. This is a minimum of research to carry on the activities which are needed to produce the end results of treating sea water, return flow, brackish water, sewer effluent, and geothermal brine.

We talk about development of our resources in the West but without water we just cannot develop these resources. It is very mandatory for the welfare of the West in the United States that we do a proper job in research and development on saline water so that we will have the necessary technology to pass on to industry and others to make certain that we will have plants that will be able to operate.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. JOHNSON of California. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I believe the report points out, and I believe the gentleman repeated this statement in the report, that there has already been $270 million expended in this program. Let me ask the gentleman: Has all of that $270 million been expended for projects in the United States?

Mr. JOHNSON of California. Yes. There are many projects in the United States and I would say to the gentleman that all the technology we have developed in this program under the jurisdiction of the Office of Saline Water is made available around the world; and there are plants being built throughout the world. The most recent plants that have been built in the United States include one that has been built in California. There are two very essential desalting plants which have been built in the Virgin Islands, one at St. Croix, and the other at St. Thomas. These are the most recent. There are many other plants in operation today. We have a plant in Florida, that serves Key West, and others are scheduled throughout the United States. I do not know the exact number, but I would have to say to the gentleman that there is a great need for this type of facility in other parts of the world, from the technology being developed here.

Mr. GROSS. Are foreign governments not spending some money on these desalinization experiments?

Mr. JOHNSON of California. Yes; they are spending a great deal of money.

Mr. GROSS. And we have appropriated a great many millions of dollars for the benefit of experiments in foreign countries; is that not true?

Mr. JOHNSON of California. Yes.

Mr. GROSS. Are we getting any input from not only the money that is being expended on their own, but other foreign countries; are we getting any input from the money this Government has appropriated for experiments on the part of other foreign governments?

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from Florida.

Mr. HALEY. Of course, I might say to my good friend here, the results are given to other nations if needed; however, none of this money, to my understanding, has been spent outside the United States on research.

Mr. GROSS. None of the $270 million has been spent out of the country, but we have appropriated in other bills a good many millions of dollars for experimentation in foreign countries, desalinization experimentation.

Mr. HALEY. This money that the gentleman from California has been speaking about has not been spent in foreign countries. It has been spent right here in the United States.

Mr. Speaker, will the gentleman yield further?

Mr. JOHNSON of California. I yield further to the gentleman from Florida.

Mr. HALEY. Mr. Speaker, I want to say to the gentleman that I thoroughly agree with what he has said here today. This is a program that I think is very vital, not only to the United States of America, but the knowledge that we have obtained is knowledge that is needed throughout the world; so I want to associate myself with the remarks of the gentleman from California.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of California. I yield to my colleague, the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I would like to associate myself with the remarks of the gentleman and commend the gentleman on his very able leadership in this field. I do not think there is anyone on the floor of this House that has worked harder in this field and in a more economical manner than the gentleman in the well.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I simply want to associate myself with the remarks that the gentleman from California has made. I am proud to serve on the committee with him. He is quite knowledgeable on all these matters. I think that a good program has been worked out.

Mr. Speaker, I think the program is a modest program for such an important job that needs to be done.

The Office of Saline Water was established 20 years ago to foster the development of desalting technology to meet the water needs of a rapidly growing nation.

As the result of its work, there are hundreds of desalting plants throughout the world with a daily capacity of 550 million gallons. And none of this production would have been possible without the research and development efforts of the Office of Saline Water.

When this Office opened its doors 20 years ago, the rock-bottom price for desalted water was about $7 per 1,000 gallons. Today, that same thousand gallons can be bought for under a dollar if it is reclaimed sea water, and for less than 50 cents if it is reclaimed brackish water.

Mr. Speaker, I want to emphasize that point. In these days of rising costs and prices, when most Federal agencies are contributing to inflation through their exorbitant spending, the Office of Saline Water stands out as one of the few agencies of Government that is bringing prices down.

And yet there are those who say that this office has served its purpose and should be phased out. I disagree, and I strongly support this bill.

Many of the authorizations that come before this body are, indeed, excessive. And I oppose them. And many of the programs we continue to fund should be phased out, but the saline water program is not one of them. This is money well spent.

There are still many obstacles ahead before the water problems of America are solved. Coming from a semi-arid State, I can assure you from personal knowledge that millions of Americans today have their hopes for the future tied to the work of this agency.

Prices of reclaimed water can be brought much lower than they are today. The track record of OSW proves that this is the agency to do it. Given the time and funds, they can and will provide the technology to succeed.

Having developed the highly successful membrane system, the OSW can now direct its efforts toward the desalting of ground and surface waters. Reclaiming industrial waste waters, and giving us new methods to clean up our lakes, rivers, and streams.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. LUJAN. Certainly, I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman having spent $270 million on this program and now asking for an authorization of nearly $14 million, does the gentleman see any end, having spent a good many millions of dollars on foreign governments in their experimentations with regard to desalinization of water, does the gentleman see any end to this? What progress is being made?

Mr. LUJAN. Yes, I do see an end to it. When I first came to the Congress, we were talking about 1,000 gallons of water costing $3.50 to desalt. I have heard some figures as low as 35 cents for the same 1,000 gallons.

The authorizations have been going down. As a matter of fact, in 1973 the authorization and appropriation at that time was $26 million. Last year, there was a total of $15 million spent on the program. This year, it is $13 million, so that while the authorizations have been going down, so has the price of the thousand gallons of water.

Mr. GROSS. Mr. Speaker, I would hope, and I do suggest to the Interior Committee, that when they come before Congress asking for another appropriation, that we be given in the report some information with respect to how much we are appropriating for foreign countries to carry on their experiments.

Mr. LUJAN. I do not believe that there is any money—I stand to be corrected, but I do not believe there is any money here at all. I have not heard any discussion that any of this money is going to any foreign country to build any kind of desalting plant.

Mr. GROSS. Mr. Speaker, I quite agree with the gentleman, but I think we ought to have pulled together the total figures we are spending. There is money in the foreign aid bill of last year for experiments in foreign countries in desalinization of water, and I think we ought to have brought together in one place how much money is being expended in toto by the Federal Government of this country for this program, and what we are getting back from the money that we are spending abroad as well as in this country. I think we ought to have a little more information than we are getting with respect to it. I thank the gentleman for yielding to me.

Mr. LUJAN. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. HOSMER).

Mr. HOSMER. Mr. Speaker, last year I opposed this bill because it considerably exceeded the budgetary figure recommended by the administration. It had been planned that this program, after some 25 years, would accomplish its purpose and be phased out The administration did indeed recommend a phaseout.

I went along with that recommendation despite the fact that last year the bill as put together did indeed carefully allocate funds for programs which certainly were by no means programs which logically should not be carried on. It was just a question of whether they should be carried on in the context of the size of the budget.

That is the same situation we find repeating itself this year. This is a carefully constructed bill. The total of a little over $15 million of funds, including a carryover of funds, will all be spent for very worthwhile objectives.

Yet, at the same time, this is another year of spending in a similar situation, even though for good purposes. As a consequence, some in this Chamber probably, like myself, oppose the authorization for that reason, because they committed against the bill last year, and the reasoning is the same this year. That is why I am going to vote against the bill. But I certainly find every sympathy with those who find in this bill worthy objectives which deserve being carried on despite whatever the situation is in Washington, over at the Treasury Department.

Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. LUJAN. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. CRONIN).

Mr. CRONIN. Mr. Speaker, as a member of the committee. I would like to relate the experience of just one phase of this bill with a firm in my district that has developed a process for desalinization known as the eutectic process. This has been funded by this committee at Wrightsville Test Center for the last fiscal year and will cut the cost of desalinization by 50 percent and utilize 30 percent of the energy that has been utilized in the past.

Mr. Speaker, this is not an expenditure by the Federal Government. It is an investment, because this is exactly the type of facility that the people in the Middle East are crying for. Just as we have a shortage of oil and fossil fuels in this country, they have a shortage of water. They have the dollars, as a result of the oil, to pay for our desalinization equipment.

Mr. Speaker, over and above that, we have a situation where the very same units can be made portable, put on a truck and take care of industrial wastes. industrial waste is brought in at one end and reclaiming the value of the metals in the middle, and providing us with a pure end product. We found that this equipment used at our electronic plating plant and can pay for itself in 3 months while cleaning up our environment in the process.

Mr. Speaker, I contend that this is far from being an expenditure by the Government of the United tSates. It is one of the finest and best investments this country has ever made, and we are just now beginning to receive a return on that investment, not only domestically, but it is going to help our balance of trade because the nations of the world which need this equipment the most have the money to pay for it.

Mr. Speaker, I thank the gentleman for yielding the time.

Mr. CAMP. Mr. Speaker, it is a pleasure for me to have the opportunity to rise in support of H.R. 13221, as amended. I would like to briefly report to my colleagues that at the present time in Clinton, Okla., a 3-million gallon per day brackish water desalting plant is currently being constructed. This plant will desalt the waters of Foss Reservoir, which contain 1,750 parts of salt per million parts of water to less than 500 parts of salt for the use of the cities of Clinton, Cordell, Bessie, and Hobart. This will be the largest brackish water desalting plant in the United States, and it will provide a desperately needed incremental source of fresh water for the cities I have just named.

In terms of dollars, the Office of Saline Water has never been a very large Federal agency, but it has produced remarkable new technology that now is beginning to benefit the people of the United States. We need to continue this program, because our growing Nation will require more and more water in the years ahead, and we must work now to develop the technology that will help provide some of that water from our vast reservoirs of brackish water and the inexhaustable oceans.

I would like to compliment the chairman of the Subcommittee on Water and Power Resources of the Interior and Insular Affairs Committee for his personal interest in this program. He has visited all of the research facilities of the Office of Saline Water, and has kept himself fully apprised of the progress that is being made to develop new or improved processes. The hearings he conducted this year on the authorization request for the Office of Saline Water made a clear record for the need to amend the administration's bill and to increase the research funds for this vital program.

Not only will the technology being developed by the Office of Saline Water find ever greater application in the United States, but it also offers the potential of developing a new export market for American equipment. This equipment will be particularly needed in the Mideast where we are currently purchasing billions of dollars worth of oil. Desalting equipment is desperately needed in the Mideast. To be in a position to provide desalting technology to that area could be a major diplomatic tool in our continuing negotiations there.

The fuel crisis has been a matter of major concern to this Congress, but I would like to remind you that just because we have a fuel crisis, our water problem has not disappeared. In fact, the President's plan to make the U.S. energy self-sufficient will place an additionally heavy burden on our available supplies of water, and desalting technology may play an important role in the development of our own energy sources by providing the quality of water necessary for process water in coal liquefaction and gasification plants, and in the conversion of shale to oil. Desalting equipment also will be needed to desalt the effluent from these conversion plants before it is discharged back into the environment.

The importance of further developing this technology should be perfectly obvious to everyone. Certainly this Nation can afford to invest $13,910,000 in the development of this critical technology in fiscal year 1975. Perhaps it would be better to say that we cannot afford not to support this program at the level recommended by the Interior and Insular Affairs Committee.

It would be easy for some of you, I am sure, to be rather unconcerned about our water problem because, I suspect, you have never been thirsty, really thirsty, or never have watched crops wither and die because of a lack of water. There is an old adage—when you are thirsty it is too late to dig a well.

We have an opportunity today to support a program that will help solve our water problems. It deserves your support.

Mr. PRICE of Texas. Mr. Speaker, I strongly support the enactment of H.R. 13221, which would authorize appropriations for the saline water program for fiscal year 1975.

These funds will continue the program of saline water research conducted by the Office of Saline Water of the Department of the Interior. This Office has made great strides in the desalting of water, and there is no question that we should continue the successful programs in which they are presently engaged in order that we may plan for future water needs.

In my own district, we are faced with the problem of natural pollutants in the Red River. These pollutants, which are primarily chlorides and sulfates, flow from 10 natural salt sites into the Red River at a daily average of 4,000 tons of salt. Because of the high salt content of this river, its uses are extremely limited. The need to control the salt content of this river is evident and construction of facilities to control this pollutant have begun.

There is a recognized need for further research and development to enhance the effectiveness and efficiency of desalinization technology. This legislation would accomplish this goal.

Mr. LUJAN. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. JOHNSON) that the House suspend the rules and pass the bill, H.R. 13221, as amended.

The question was taken.

Mr. HUNT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 396, nays 3, not voting 34, as follows:

[Roll No. 235]

YEAS—396

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Bingham
Blackburn
Blatnik
Boggs
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clausen, Don H.
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncalio, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Ruppe
Ruth
Ryan
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—3

Gross
Hosmer
Landgrebe

NOT VOTING—34

Barrett
Biester
Boland
Camp
Carey, N.Y.
Clark
Clawson, Del
Clay
Culver
Dorn
Eilberg
Gibbons
Hansen, Idaho
Hansen, Wash.
Helstoski
Johnson, Pa.
Jones, Okla.
Kluczynski
Litton
Morgan
Nix
Pepper
Reid
Robison, N.Y.
Rooney, N.Y.
Roybal
Runnels
St Germain
Steed
Stubblefield
Teague
Williams
Wyatt
Yatron

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Teague with Mr. Culver.
Mr. Rooney of New York with Mr. Dorn.
Mr. Eilberg with Mr. Gibbons.
Mr. Carey of New York with Mr. Helstoski.
Mr. Boland with Mr. Jones of Oklahoma.
Mr. Morgan with Mr. Reid.
Mr. Pepper with Mr. Biester.
Mr. Nix with Mrs. Hansen of Washington.
Mr. Kluczynski with Mr. Hansen of Idaho.
Mr. St Germain with Mr. Camp.
Mr. Steed with Mr. Johnson of Pennsylvania.
Mr. Stubblefield with Mr. Robison of New York.
Mr. Barrett with Mr. Del Clawson.
Mr. Yatron with Mr. Williams.
Mr. Clark with Mr. Wyatt.
Mr. Runnels with Mr. Litton.
Mr. Roybal with Mr. Clay.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 13221, just passed by the House.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

REQUEST TO MEET AT 11 O'CLOCK A.M. TOMORROW

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock a.m. tomorrow, Wednesday, May 22, 1974.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. ROUSSELOT. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

EXXON OIL TAXES

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLLINS of Texas. Mr. Speaker, for business growth and full employment in America we must produce more energy. The answer is more oil and gas.

Instead of encouragement and incentives, we have been hearing distorted statements about the oil companies. I pulled the fugures from the 1973 Exxon Corp. statement and found that their net income was only 8.6 percent of their total worldwide revenue. I also found that the total taxes, including income, excise, and other taxes were 36.7 percent of the total revenue.

Exxon only paid 39 percent of earnings as dividends. For instance, for every dollar of dividends for the stockholders, there was $4.80 paid out in other taxes and $3.80 in income taxes. This means that for every dollar of dividends for stockholders there were $8.60 in tax dollars paid to the Government.

Checking the 1973 Exxon profit statement shows that their profit was 1.9 cents per gallon of sales. Compare Exxon's 2 cents per gallon profit with the tax per gallon in Mississippi of 17.86 cents; New York City, 16.34 cents; Honolulu, 15.8 cents; Michigan, 14.6 cents; and California, 14.01 cents. Take the 2 cents per gallon that Exxon earned in Mississippi and look at the taxes of 9 cents State, 3 cents Sea Wall, 4 cents Federal, and 1.86 cents State sales tax, totaling 17.86 cents, which is nine times as much tax as profit.

Let us look at the profitability of all industry based on the New York First National City Bank figures. The 97 leading oil companies had a return on net worth of 15.6 percent. The average for manufacturing companies was 14.9 percent, so the oil industry is about the same as most companies. Oil was below Weyerhauser with 25 percent, and Eastman Kodak, which had 21 percent, and General Motors, which had 19 percent.

In 1973, Exxon earned $2.4 billion, but in 1974, Exxon plans to spend $3.7 billion on capital and exploration. Retained capital is essential when investing 50 percent more than they earned.

With the great need for more capital in discovering new oil fields, recovery from secondary areas, increased refinery capacity, we need to have oil companies earning more money. Congress should be encouraging and providing additional incentives to stimulate and expand oil and gas production in the United States. When Exxon earns only 2 cents per gallon, but taxes range as high as nine times the profits, the need is for less tax bite.

Inflation and tax pressures are lowering Exxon's profits. Recent first quarter of 1974 Exxon financial statement shows sales up 59 percent, but profit increased only 39 percent. Reduced margins lowered profit ratios.

With the Government receiving over $8 to every $1 received by a stockholder, the time has come to demand less taxation.

OIL AND GAS ENERGY TAX ACT

(Mr. WHALEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHALEN. Mr. Speaker, later this week the House of Representatives will consider the Oil and Gas Energy Tax Act (H.R. 14462). I intend to support efforts to eliminate completely, effective January 1, 1974, the percentage depletion deduction.

Until 1973 the price of American-produced oil exceeded world quotations. Since United States firms were high cost producers, domestic prices ranged from $3 to $3.25 per barrel, whereas a barrel of foreign oil could be purchased at $2. Obviously, if our Government permitted unlimited importation of oil, only the more efficient American wells would remain in operation. This would mean that only 40 to 50 percent of our total consumption would be supplied by domestic producers.

It was generally agreed that U.S. security interests precluded our becoming dependent on foreign petroleum sources for more than 20 percent of our aggregate needs. This principle spawned a two pronged national policy.

First, oil exploration and production was encouraged by permitting petroleum firms to deduct percentage depletion against total revenues. This tax break enabled producers to capture a part of their drilling costs from the U.S. Treasury instead of charging a higher price in the market.

Second, oil import quotas were imposed from the mid-1950's until last year. In protecting the domestic producer, this policy also forced the American consumer to buy $3 oil instead of $2 foreign petroleum.

Today conditions have changed. The price of foreign oil exceeds domestic quotations. Since we now have become heavy importers—having to pay world prices for the petroleum we buy abroad—domestic prices inevitably have moved up to a level not much below the world figure. This, in fact, explains the price increases that we, in the United States, have experienced in recent months.

We should abandon the remaining crutch that we relied upon to protect a high cost U.S. oil industry. Several reasons dictate this.

First, percentage depletion is basically discriminatory. It favors the use of scarce, valuable resources at the expense of processes which upgrade the capacity of cheap, plentiful resources. For example, if solar energy can be applied for heating processes at a British thermal unit cost comparable to that of oil—$7 per barrel—there will be no percentage depletion for the solar energy but a $1.30 tax subsidy for the oil.

Second, protection of our "security interests" is no longer a valid rationale for retaining the percentage depletion deduction.

Third, elimination of the percentage depletion will not impose losses on producers who invested in reliance on the tax benefits accruing from such allowance. The disappearance of this tax advantage can be more than recaptured by the higher prices now being secured in the marketplace.

Therefore, it is time for Congress to repeal the percentage depletion allowance.

INTRODUCTION OF LEGISLATION TO ESTABLISH PERMANENT RESERVES OF CERTAIN AGRICULTURAL COMMODITIES AND OTHER PURPOSES

(Mr. BERGLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BERGLAND. Mr. Speaker, in 1972, this body demonstrated its concern and understanding of the world food situation by passing H.R. 1163 to establish permanent reserves of essential agricultural commodities. Unfortunately, at the personal urging of Secretary Butz, the measure was defeated in Senate committee. Efforts to include this provision in last year's farm bill were frustrated by the same forces.

Today, I am introducing H.R. 14907, which proposes the establishment of national reserves of wheat, feed grains, soy beans, and cotton; offers a system of stabilizing the market on these crops; and provides for the adjustment of the 1974 target price and loan levels on the same commodities.

The need for this legislation has become even more obvious than when the concept was first recognized and approved by the House.

Wildly fluctuating market prices on raw agricultural products have caused the reaction of disbelief. The shouts of angry housewives, faced with outrageous retail prices, have awakened most doubters. The farmer who has been asked to increase his production has responded with uneasiness as uncertainties and his increased production costs bring fears of economic disaster. Gloomy predictions of our future balance of payments drive home the need for agricultural exports.

H.R. 14907 would provide but modest Government stock levels; 200 million bushels of wheat; 15 million tons of feed grains; 50 million bushels of soybeans; and 1.5 million bales of cotton.

The Government would purchase these commodities only in times of excess production. The program would employ higher loan levels to reduce payment liabilities as we provide the American taxpayer with stocks to be drawn upon in times of want.

The sale of reserve stocks would occur only in times of short supply, with a minimum release price of 135 percent of the target price for domestic use.

The market stabilization mechanisms of H.R. 14907 attempt to protect us from raids on our supplies by foreign governments while encouraging those nations to become regular, stable customers of our commodities. First, this provision establishes minimum carryover stocks of the commodities covered: 600 million bushels of wheat; 40 million tons of feedgrain; 150 million bushels of soybeans; and 5 million bales of cotton. Should these levels be reached a 100-percent export licensing requirement would be imposed on the appropriate commodity. Further, whenever a foreign nation attempts to buy more than 120 percent of their purchases of the previous year, of any commodity, prior approval from the U.S. Department of Agriculture would be required if our carryover stocks are expected to fall below its reserve level. This would prevent any one nation from controlling large percentages of supply to the detriment of other foreign customers and the American consumer.

We have asked the American farmer, faced with even greater increases in costs than have been experienced by the ordinary consumer, to greatly increase production. They are meeting the challenge at great personal risk and the upward adjustment of target prices and loan levels would serve notice that our Nation is willing to share some of their risk.

This provision of H.R. 14907 would reset 1974 target prices at about $3 per bushel of wheat; $2 per bushel of corn; and 50 cents per pound of cotton. Loan levels would be adjusted to maintain about the same differential as we now have between target price and loan levels. Beginning with the 1975 crop year, it would also employ an escalator clause.

Our farmers have no guarantee that their response to our call for increased production will do any more than lead them to disastrous prices and bankruptcy. Other nations could flood world markets with their own production. Trade relations with our foreign customers may break down. This is little enough assurance to offer in return for the farmers' own sacrifice.

Mr. Speaker, the signs of future world food shortages and the realities of famine which now exist, are far stronger than those we saw before we were struck by shortages of petroleum. I hope Members of this House, and especially our friends in the other body, will read these signs more carefully and support passage of H.R. 14907.

JOE RAUH: A MAN FOR ALL CAUSES

(Mr. BURTON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BURTON. Mr. Speaker, on April 20, the Washington Post carried a column by Clayton Fritchey entitled "Joe Rauh: A Man for All Causes."

Those of us who have worked with Joe Rauh over the years know this to be a well deserved tribute to this truly outstanding man.

I should like to place the text of that article in the Record at this time to share with my colleagues this view of a remarkable and decent human being, Joe Rauh.

Joe Rauh: A Man for All Causes

(By Clayton Fritchey)

In the wake of the cleanup of the United Mine Workers and the conviction of its former president, W. A. (Tony) Boyle, for murder, various individuals and groups have deservedly been praised for their contributions to this great effort. But the man who masterminded the five-year fight to bring down Boyle has not been mentioned.

Boyle and eight others have now been found guilty in the hired killing of Joseph A. (Jock) Yablonski, and his wife and daughter on the night of Dec. 30, 1969. Before that, Yablonski, guided and sustained by Washington attorney Joseph Rauh Jr., had begun a dangerous and seemingly hopeless struggle to oust Boyle as the corrupt dictator of the mine workers' union.

The mass murder of the Yablonskis naturally spread fear throughout the union, but the crusade was carried on when Rauh met with a little band of 100 reformers just after the Yablonskis were buried and helped organize Miners For Democracy (MFD). Rauh and two surviving Yablonski sons then went after Boyle in the courts. They smashed his effort to expel MFD leaders from the union; they forced free elections of district officers; they pushed criminal charged against Boyle for embezzling union funds, and they pressed for indictment of the Yablonski murderers.

Meanwhile, Rauh successfully renewed his pressure on the Labor Department to intervene. Earlier, after Yablonski had lost a close election to Boyle in 1969, Rauh had tried to get the Labor Department to impound the ballots and investigate 100 complaints of pre-election fraud, but George Shultz, then the Secretary of Labor, refused to act.

After the murders, however, Rauh turned on the heat and finally got action from the government agency, which enabled the reformers to upset Boyle's 1969 "victory" by providing massive vote fraud and financial manipulation. Boyle was sentenced to five years in prison and ordered to pay a $130,000 fine. More than $11 million was restored to the union's pension fund.

Above all, Rauh obtained new and honest elections. The MFD backed reformer Arnold Miller against Boyle, who was still free on bail, and Miller won. When he took office on Dec. 22, 1972, he was able to say with confidence, "The era of one-man rule in this union is over."

One reason Rauh's role has aroused so little attention is that over the last 40 years he has been in the thick of so many notable, even historic, crusades for justice and human rights that the press has come to take his perfomance for granted. In many, if not most, of his public cases, incidentally, Rauh has received little or no compensation.

Although he is well known and appreciated in the circles that matter to him, Rauh has never had the spectacular kind of publicity generated by such flamboyant lawyers as F. Lee Bailey, William Kunstler and Melvin Belli among others. Nevertheless, in the nation's capital, Rauh is now a living monument to civil rights, civil liberties and political liberalism in the classic sense.

As a protege of the late Felix Frankfurter, Rauh went straight from Harvard to the new Securities and Exchange Commission, which reformed Wall Street in the early days of the New Deal. Later he was a law clerk to Supreme Court Justice Benjamin Cardoza and Frankfurter. During World War II he served as an officer on the staff of Gen. Douglas MacArthur. When the war ended he returned to Washington as deputy chief of the federal housing agency. His great achivements, however, date from 1947 when he left government and went into private practice.

He became one of the founders of the liberal but anti-Communist Americans for Democratic Action, which he later headed for many years. At the height of the Joe McCarthy witchhunting era, Rauh defended (usually without fee) more than 100 government employees charged with disloyalty or being security risks. It was thankless work.

As counsel for playwrights Arthur Miller and Lillian Hellman, Rauh did much to limit the freewheeling persecutions of the House Un-American Activities Committee. The lawyer's family got some unexpected attention when Marilyn Monroe, then married to Arthur Miller, came to stay with the Rauhs during the case.

As the unpaid general counsel for the Leadership Conference on Civil Rights, Rauh was in the forefront of the fight for civil rights bills of 1964 and 1965, which revolutionized the U.S. political scene. He was also a leader in the fight to save the Supreme Court from Nixon appointees G. Harold Carswell and Clement Haynsworth.

For many years, this youngish-looking lawyer of 63 was chairman of the District of Columbia Democratic Central Committee and, as a delegation leader to numerous national Democratic conventions, he has left a lasting and enlightened imprint on the party's platform rules.

"As long as American liberalism can deliver a few Joe Rauhs every generation, powerfully wielding the weapons of freedom, reason and persuasion," remarks Arthur Schlesinger, "we stand a good chance of bringing about necessary social changes a few steps ahead of catastrophe."

DICKEY-LINCOLN: MORE FACTS NEEDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND), is recognized for 5 minutes.

Mr. CLEVELAND. Mr. Speaker, last week I inserted some remarks in the RECORD accompanied by three editorials from WCVB–TV in Boston concerning the construction of the Dickey-Lincoln School hydroelectric project on the St. John River near the Maine-Canada border—May 15, page E3018.

As the editorials indicate, a number of the factors involved in discussion of Dickey-Lincoln are matters of controversy. For this reason, I support the $800,000 appropriation which has been requested for further study—including that of environmental impact. This updated look at the project is essential before a decision can be made on whether or not construction is warranted.

In my last remarks I stated that my intention was to contribute to the dialog concerning Dickey-Lincoln. With that thought in mind, I commend to my colleagues another editorial which raises several important questions. The author of this guest editorial, which appeared in the "Bangor Daily News," is Robert W. Patterson, an architect and landscape architect who was founder and first president of the Natural Resources Council of Maine, chairman of the Maine Historic Preservation Commission and has been a member of several government committees on conservation.

The article follows:

[From the Bangor (Maine) Daily News, May 13, 1974]

DICKEY DAM PROJECT DOESN'T MAKE SENSE

(By Robert W. Patterson)

The winter's exposure of our energy problems has put the old gleam back in the eye of everyone who wants to dam the upper St. John River. It's a good climate for grasping at straws. And the recent flooding of towns along the river, if it had to happen again, couldn't have come at a better time.

Opponents of the Dickey-Lincoln dams can now be tagged with responsibility for the flooding of Fort Kent. At least, that is the implication of remarks made there by Rep. John Martin, as quoted in the Bangor Daily News of May 4: "We have to get to them (the Natural Resources Council). They certainly won't come here now during the disaster." Mr. Martin knows better than that. Someone in trouble may tend to jab at the nearest thing that looks like an enemy, but it's not reassuring to see responsible people furthering irresponsible attitudes.

Right now the most visible targets for Dickey-Lincoln promoters are admittedly the environmentalists who oppose the project. But they are not the only opponents, nor have they been the most effective in the past. They may be more effective this time, because there are more of them, but until now the principal reasons why Congress has refused to fund Dickey-Lincoln have been economic and political. For anyone who can look dispassionately at the proposal, it should not be difficult to figure out just where environmental considerations enter the picture. Important as these considerations are, other things are going to come first.

The only valid reason for damming the St. John would be to produce electric power. Flood control should be given little or no weight in any judgment of Dickey. Such benefits would be only incidental, and probably not fully effective. Dams or not, the river will always freeze and ice jams will form. Other streams enter the St. John below Dickey. Fort Kent would get much better flood protection from the dikes and small flood control dams long proposed by the Army Corps of Engineers—at a fraction of the cost, and much more quickly.

No one pretends that the St. John has enough water to become a reliable source of base power. Dickey-Lincoln would be designed primarily to produce peaking power—a shot of juice once a day, in the evening, lasting perhaps two or three hours.

Estimates vary as to the percentage of New England's, or the northeast's, power needs that Dickey could provide. Its total annual output might be plus-or-minus one per cent of the region's annual consumption; but during the very few hours that Dickey would be operating each day, its production, for those few hours only, might be a considerably higher percentage of the total. Considering the ever increasing demand for energy, and the fact that Dickey's output would be forever limited by the flow of the St. John, sensible consideration of the proposal would seem to require honest answers to a few basic questions:

1. What will be the sources of additional peaking power, as demand increases?
2. Could Dickey-Lincoln's potential contribution be provided instead by those sources?
3. Would the cost to the taxpayer be more, or less?
4. Would environmental losses be larger or smaller?

These seem to me to be the important first questions, and it is my personal opinion that if they are carefully and honestly answered, and the answers are heeded, Dickey-Lincoln will never be built. Whether we like nuclear plants or not, we will be seeing a lot more of them, and one of their characteristics is a constant output of base power. During much of the day they have power to spare, power that can be stored for use at times of peak demand. Peaking power needs are already met, in part, by storing this surplus power by such means as pumped storage. Newer storage methods include among others, the spinning of huge flywheels, and the compressing of air. The latter two have the advantage, as does the currently popular diesel generator, that they can be built near points of consumption, thereby eliminating many miles of expensive power lines. It seems obvious that, Dickey or no Dickey, most peaking needs will have to be met by means such as these. They are being met that way now. If their costs were not reasonable in comparison with the cost of Dickey-Lincoln, private utility companies would have been interested in the St. John long before this.

Dickey proponents will try to show that the answers to questions such as those I have asked are not as I believe them to be, and that the benefit-cost figures show Dickey to be economically justified. Up to now, however, not even the Army Engineers' figures show a very heavy balance in favor of Dickey, and what there is seems to be largely dependent on impossibly low interest rates. But assuming that the final answers show a tipping of the scales in Dickey-Lincoln's favor: that is when environmental factors must be considered. It is then that we must weigh the value of timber and wildlife resources, the long-term recreational value of an un-damned St. John, and the non-value of a huge reservoir whose muddy and stumpy shores become wider and wider through the summer months as the reservoir is drawn down. For as even some Dickey promoters point out, the river can get so low that it will hardly float a canoe. At such times, New York's peaking power needs could only be met by releasing water stored during the spring run-off—water that could not be replaced by normal summer flow.

There is no question that our energy needs are serious. There is no question that towns on the upper St. John must be protected from flooding. But Dickey could do very little to solve our energy problems, and it would not provide the best flood protection. Those who would pay the bill for Dickey, in more ways than one, must hope for clear eyes and clear heads on the part of those who make the final decision.

MAINTAINING FARM INCOME IS IN THE NATIONAL INTEREST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SHRIVER), is recognized for 5 minutes.

Mr. SHRIVER. Mr. Speaker, it is generally accepted that in a supply and demand economy such as ours that the supply will meet the demand if there is adequate incentive to produce. This means the suppliers must receive a fair return for their labor and investment or it makes no sense to continue supplying.

Nowhere is this point more critical to our national interests than in the field of agriculture—that is, in the production of the food and fiber this Nation demands. If we are to have adequate supplies of food at reasonable prices, we must allow our farmers a fair return for their efforts.

We as a nation must get away from the notion that anything that is profarmer is automatically anticonsumer. Farmers are consumers. In fact, they as a group are our largest consumers. We have created a situation in this country, however, in which farmers are finding it impossible to be both consumers and producers.

Much was made of the higher prices our farmers received for their products last year. Friends of the farmers, including those of us who represent the Great Plains area, were quick to point out that it was about time. It was, and is, about time our farmers received 100 percent of parity, that mysterious term which means that they finally have reached a position relative to the rest of the economy equal to the position they had prior to World War I.

So-called friends of the consumers—and who does not consume food—decried the higher prices as inflationary and unfair. Price controls were imposed. Headline-grabbing temporary price boosts at the meat counter stimulated buyer boycotts. There were calls for tougher Federal regulation of our food industry, while shortages developed largely because of existing regulations which were disrupting the market.

Meanwhile, given the go-ahead by the Department of Agriculture under the new farm legislation, farmers began the only process in a supply and demand economy which can effectively bring food prices down—increased production.

On May 7, the Department of Agriculture reported that the winter wheat crop will be the largest ever produced in the United States—27 percent more than last year's record crop. As the Secretary of Agriculture observed:

> Farmers are going all out to grow more wheat, fed grains and cotton this year. They are doing it even though machinery is hard to get, fertilizer and other costs have jumped through the roof, and interest rates are high. Farmers are doing a terrific job.

But as the Secretary went on to point out, while prices of farmers' products go up and down—and they have been going down sharply for several weeks—farmers' cost of production go up, and they stay up.

Farm costs are 16 percent higher than a year ago. Fertilizer costs have skyrocketed; machinery, when available, is so expensive that there is a natural hesitation to invest further capital with market prices fluctuating as they have been.

We heard a lot about the $6-a-bushel wheat, although not much wheat was around to be sold at that price. Now the price of wheat is down to half that level and will no doubt go down further, but we do not hear much about that.

By early May of this year, the prices farmers received for corn were down 24 percent below the 1973 high; soybeans were down 56 percent; pork was down 56 percent; choice steers were down 28 percent; eggs were down 48 percent; and broilers were down 47 percent.

What other businessman could operate his business and plan for the future with this type of market? What banking institution can continue to supply the capital for increased production costs with this tvpe of market?

So who will suffer in the end—the consumer. Farmers cannot continue increasing their production to meet increasing demand indefinitely without some type of market protection, and we shouldn't expect them to.

In passing the Agricultural and Consumer Protection Act of 1973, the last "farm bill," Congress called that a protection bill because we intended it to be one. It was designed to protect both the farmer and the consumer.

However, while export-created market demand has stimulated the first real steps toward a market-oriented agricultural industry, the farmer has found himself unprotected from the cost-of-production versus prices-received imbalances which have occurred in the transition period. We must restore that protection.

Therefore, I am today introducing legislation to provide for cost of production increases in wheat and feed grain target prices for the 1974 and 1975 crops. Under this bill the target prices would have to reflect increases in prices paid by farmers for production items, interest, taxes and wage rates. This protection is already in the farm bill for later crops, but it is needed now.

I continue to support the gradual withdrawal of the Federal Government from the day-to-day operations of our farmers, but it is in the national interest to insure that our farmers can continue to furnish the growing demand for their products at a fair return for their investment. This bill would go far to accomplish that with a minimum of governmental involvement. Congress has the responsibility to act on this measure without delay.

MARINE FISHERIES CONSERVATION AND DEVELOPMENT FUND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, today I am introducing a bill that will establish a marine fisheries conservation fund, comprised of moneys from penalties and fines derived from violations of the Federal fisheries laws, and, in addition, to include an amount equivalent to 100 percent of the gross receipts collected under U.S. customs laws on fisheries products.

This fund will be known as the Marine Fisheries Conservation and Development Fund, and will be used for the conservation, management, protection, and development of the marine fisheries of the United States.

This bill also provides for an advisory committee made up of Government and industry representatives who will advise the Secretary of Commerce in carrying out the functions of the act.

Mr. Speaker, there are many Alaskans, myself included, who are deeply interested in providing assistance to fisheries research and development. It is essential that we redouble our efforts to increase the funding to rebuild our fisheries that have been seriously hurt by the lack of proper management. A recent tragic example of this is in Bristol Bay, where the salmon fisheries have met with near depletion. It is our hope that all funds possible be channeled to the reconstruction of a potentially powerful fishing industry.

I include the bill at this point in the RECORD:

H.R. —

A bill to establish a Marine Fisheries Conservation Fund

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Marine Fisheries Conservation and Management Fund Act of 1974".

DEFINITIONS

SEC. 2. As used in this Act—

(1) "Committee" means the Advisory Committee established under section 4 of this Act.

(2) "Fund" means the Marine Fisheries Conservation and Development Fund established under section 3 of this Act.

(3) "Secretary" means the Secretary of Commerce.

FUND

SEC. 3. (a) ESTABLISHMENT.—There is established a separate account in the Treasury of the United States to be known as the Marine Fisheries Conservation and Development Fund. The fund shall be used, in accordance with the provisions of this Act, for conservation, management, protection, and development of the marine fisheries of the United States.

(b) ADMINISTRATION.—Amounts made available from the fund shall be allocated and used by the Secretary for the purposes described in section 5 of this Act in accordance with priorities, standards, and procedures set forth in regulations which shall from time to time be prescribed by him after consultation with the Committee.

ADVISORY COMMITTEE

SEC. 4. The Secretary shall establish an Advisory Committee to assist him in carrying out his functions under this Act. The Committee shall consist of officers and employees of Federal departments and agencies and individuals from State and local governments and the private sector selected by the Secretary, who are determined by the Secretary to have special knowledge and experience in activities relating to the purposes of this Act. Members who are selected from Federal departments and agencies shall serve at the request of the Secretary with the approval of the heads of their departments or agencies and shall receive no additional compensation for their services as members of the Committee. Members of the Committee selected from State and local governments and the private sector, while serving on business of the Committee, shall receive compensation at rates fixed by the Secretary not to exceed $10 per day. All members of the Committee, while serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently. The Secretary shall make available to the Board such office space and facilities, and such secretarial, clerical, technical, and other assistance and such information and data in his possession or under this control, as the Committee may require to carry out its functions.

FUNDING

SEC. 5. (a) DEPOSITS.—Notwithstanding any other provision of law, there shall be deposited in the fund:

(1) all fines and penalties derived from violations of the Federal fisheries laws or levied by the Federal Government against fishing vessels or their masters or owners; and

(2) an amount equivalent to 100 per centum of the gross receipts from duties collected under the customs laws on fisheries products, including, but not limited to, fish, shellfish, mollusks, crustacea, aquatic plants and animals, and any products thereof, including processed and manufactured products.

(b) EXPENDITURES.—Sums appropriated from the fund shall be made available until expended to cover the costs, as the Secretary may direct, of conserving, managing, protecting, and developing marine fisheries, including, but not limited to:

(1) activities under the Fish and Wildlife

Coordination Act, as amended (16 U.S.C. 661–666c), and with respect to those species for which the Secretary has jurisdiction under Reorganization Plan Numbered 4 of 1970, effective October 3, 1970;

(2) activities under the Fish and Wildlife Act of 1956 (16 U.S.C. 742(a)–754);

(3) the so-called Lacey Act (18 U.S.C. 43–44);

(4) such other legislation relating to the conservation, management, protection, and development of marine fisheries as may subsequently be enacted.

THE OLYMPIC SPORTS COMMISSION ACT OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, I have followed with great interest the numerous legislative proposals put forth in an effort to resolve this country's long-standing amateur sports conflicts. I have deliberately waited until many of the options were presented before outlining a position which, I believe, is a synthesis of the best elements of all proposals being considered. In developing this position, I have worked closely with Congressman BOB MATHIAS of California and with representatives of the President's Council on Physical Fitness and Sports.

THE PROBLEMS

The United States in recent years has endured some unnecessary failures in international amateur athletic competition. This has been due to the constant quarreling that characterizes our many amateur sports bodies. This constant bickering causes our athletes to be used as pawns in struggles among different jurisdictions; it causes our international relations and objectives to be damaged; and it has caused a decline in the participlation base from which our athletes come.

There are many examples of our failures or near failures in international amateur athletic competition. Most recently, the United States lost the indoor international track and field meet with the Soviet Union. We lost because our best athletes were not there as a result of conflict among our amateur sport bodies. Many of us here in America understand why we lost, but do our Indonesian, Kenyan, or Venezuelan friends understand why? There is no reason why they should since they have no reason to understand the inexcusable domestic disputes in this country. But I am certain they wonder: "Just what is happening to American sports excellence?"

Last summer, the United States sent a swim team to the World Student Games in Moscow. At the very time our student athletes were competing in Moscow, the U.S. National Governing Federation for Swimming, the AAU, was conducting its national championships in which an athlete had to qualify in order to compete in the world championships in Belgrade the following month. Needless to say, we did not have our best teams in either competition.

Last spring, the International Federation for Basketball approved competition between the United States and Russia in this country. The U.S. governing body for basketball arranged for the competition and selected the athletes to play without consulting other jurisdictions from which the athletes came. The other jurisdictions ordered that their athletes could not play. It took a letter signed by 58 Senators to overturn that decision and let the athletes play. The behavior of all organizations involved was inexcusable.

A similar situation occurred in the controversy involving NCAA governed track athletes participating against the Russians at the March 1973 indoor meet in Richmond, Va. The two athletes who competed against collegiate dictates could have been barred from further collegiate competition and their schools could have been punished. In other words, track athletes could have been penalized for representing their country.

If the organizations governing the sports were representative to begin with, the situations would not have occurred. I am not criticizing any one organization but rather how they are organized to work together.

Most people, even many sportswriters, do not understand this problem. I know I did not understand it until I conducted painstaking research into the area.

PAST INITIATIVES

In the winter of 1961–62, President Kennedy asked Gen. Douglas MacArthur to arbitrate an active dispute between the AAU and the NCAA in track and field. Because General MacArthur concerned himself only with track and field and not with other sports or with the overall organizational problems, only a temporary moratorium through 1964 Olympic games resulted. After the 1964 Olympics, the controversy flared up again.

Accordingly, in 1965, the Senate Commerce Committee held hearings—still concerning track and field only—which resulted in the appointment by then Vice President HUBERT HUMPHREY of the Theodore Kheel Arbitration Board. Again the real organizational and voting control problems were not addressed and, again, no lasting solutions resulted.

During this period the USOC contracted with the management consulting firm of Arthur D. Little to conduct a management improvement study of the USOC. This study did not attempt to resolve these organizations and voting control problems, although Arthur D. Little's report does stress their importance:

> * * * we have not attempted to deal extensively with the massive problem of recommending a redistribution of the voting power among the 170-plus organizations which are members of the USOC. We do not mean to imply that such issues are not worthy of consideration, but only that our time and budgetary constraints forced us to be selective in dealing with issues and problems of high priority and most immediate relevance in addition to those which offer promise of early resolution and effective implementation . . .
>
> A proposal to redistribute voting power should receive careful analysis and study since the problem is quite complex.

TODAY'S NEED

I am convinced beyond any doubt that these conflicts which plagued us in the 1960's and continue to plague us today are ones of overall organization, of which the AAU–NCAA conflict is only the most visible manifestation. No attempt, government or private, has ever been undertaken which focuses on the overall amateur sports problem in this country.

THE IOC

Let me outline the amateur sports organization in the world and then specifically in the United States to try to show the root causes for the conflicts which have plagued us for so long.

The International Olympic Committee (IOC), which is an international body analogous to the United Nations, is the body which presides over each of the Olympic games. Its voting membership is comprised of two delegates from countries who have broad based participation in the Olympics—such as the United States, Soviet Union, et cetera—or who have previously hosted the modern Olympics and one delegate from all other nations participating whose national Olympic committee has been recognized by the IOC. The IOC is self-perpetuating and its members can serve for life. The delegates to the IOC are not representatives of their respective countries' Olympic committees, but rather are delegates from that country only to the IOC.

The IOC's major role is to select the city for the Olympic games, work with the host country in planning the games, and conduct other administrative duties relating to each Olympic game. It is the only body which can recognize national Olympic committees. For all other technical arrangements of the games, such as the rules governing each sport, how each athletic event will be conducted, and so forth, the IOC defers to the international federation governing that sport.

The international federations, one of which has been organized for each sport, function independently of the IOC except at the time of the Olympic games. They have representatives from each country which participates in the sport on an international level. The international federation sanctions all competitions in its sport involving more than one country. For example, the International Federation for Track and Field must sanction track meets between the United States and the U.S.S.R. or between East and West Germany.

The international federation for each sport also determines the acceptability of world records and promotes their sport internationally. Importantly, only the international federation in each sport can recognize a particular domestic sports organization to be the representative in that country for international amateur athletic competition in that sport. As international federations, each works with the IOC.

THE USOC

The U.S. Olympic Committee (USOC) is the national Olympic committee for the United States and performs the same role for the United States as the IOC does on an international level, The domestic sports governing bodies govern all competitions involving competitors from more than one jurisdiction within the country, such as colleges, clubs, military, junior colleges, et cetera, but not competitions involving only one organization. That is, the U.S. Gymnastic Federation would govern a competition involving both college and military athletes, but would not be concerned with the NCAA championships which include domestic athletes from only one jurisdiction, the NCAA. Each of the domestic sports governing bodies belongs to the USOC.

The organization of the USOC is one of the most complex and unwidely organizations of any private or public organization ever conceived. It is also set up so that one body, the AAU, has dominant control.

The USOC is divided into nine groups labeled A through I, and a board of directors—which elects the president and other officers—and an executive committee. Group A consists of the federations governing each of the Olympic sports—mentioned a second ago—and they number 27 with the AAU holding the franchise in a third. Group B consists of 19 sports organizations who generally hold national championships in one or more sports or are of a national constituency. The NCAA normally belongs to this group, but withdrew in protest following the Munich Games. Group C consists of 138 organizations in the United States not national in character but limited in their membership to some district or territory. Fifty-seven of these are local or State AAU's and this group also includes the various athletic conferences such as the Atlantic Coast Conference and the Eastern College Athletic Conference. Following the NCAA's lead, many of the conferences such as the PAC-Eight and the Big Eight and Big Ten also withdrew after Munich.

Group D consists of seven organizations who hold national championships in sports not on the Olympic program. Group E consists of 38 organizations of an "athletic, patriotic, educational, cultural, civic, or benevolent character" who support U.S. sports. Group F consists of all past living officers of the USOC. Group G consists of the two delegates who represent the United States—but not the USOC—on the IOC. Group H consists of up to 50 at large members including athletes, contributors, et cetera, who are selected by the board of directors. Finally, group I consists of current officers and full-time staff not included in groups A through H.

The board of directors is selected from among groups A through C. No one body—AAU, NCAA, et cetera—visibly controls the board and the board's primary role is to manage the affairs and business of the USOC as it may from time to time determine.

The executive committee is selected by the board of directors and discharges the functions of the Board on its behalf between meetings of the Board.

The prescribed voting structure is among the most complex and whimsical ever conceived. Votes are allocated in inexplicable fashion. However, two things are obvious: First, the AAU has dominant control of the USOC; and second, votes are allocated with complete imbalance. For example, in group C, the Alaskan AAU, certainly not a major producer of Olympic athletes, has the same number of votes as the Pacific Eight Conference—USC, UCLA, California, Stanford, Oregon, Oregon State, Washington, and Washington State—a major producer of Olympic athletes, assuming the PAC–8 were still a member.

Clearly, America's amateur sport bodies are not organized to work together. What is needed is an organizational study of the USOC and its member organizations as they relate to the USOC to include all the interrelationships of the many, many organizations which make up the U.S. Olympic Committee, the voting allocations which obtain to each, and so forth. Checks and balances must be built into the organizational structure so that no one organization may dictate to the others. This is the problem. Every conflict between the AAU–NCAA and any other conflict grows out of this overall organization problem. To further prove that the problem is not the AAU against NCAA, there is currently a sports conflict in judo which is between the AAU and the U.S. Judo Federation. The NCAA is not involved.

There are three reasons why the USOC is the proper vehicle with which to approach a solution to the problem:

First, the USOC is an all-encompassing umbrella organization made up of scores of amateur athletic groups as already mentioned.

Second, the confederation of organizations which comprise the USOC have a dual function. They function at the time of the Olympics to put together our teams but also between the Olympiads to put together our international teams for international competitions at every level of competition, restricted or open. Thus, both manifestations of the problem would be approached in one thrust.

Third, most important, the USOC has a Federal charter which can be amended, altered or revoked by the Congress.

THE OLYMPIC SPORTS COMMISSION

Accordingly, I introduce my bill, the Olympic Sports Commission Act of 1974 which establishes a temporary President's Commission on Olympic Sports. The Commission would consist of prominent Americans appointed by the President who have an interest in this problem but are not partisan representatives of any of the conflicting amateur sport organizations. The Commission would have a fixed term of 15 months. It would, and I quote from the bill:

> (1) conduct a full and complete investigation, study, and evaluation of the United States Olympic Committee, its activities and its present and former membership groups on a sport-by-sport basis, as they relate to the effectiveness of the United States teams in international competitions in the Olympic sports;
>
> (2) determine what factors impede or prevent or tend to impede or prevent the United States from fielding its best amateur athletes for participation in Olympic games and other international amateur sporting events in the Olympic sports;
>
> (3) study methods for assuring adequate financial support for our Olympic Teams and other amateur athletic teams participating in international competitions in the Olympic sports; and
>
> (4) investigate, study and evaluate any other related matters that have a direct bearing upon participation by amateur athletes of the United States in Olympic games and other international amateur sporting events in the Olympic sports, including development plans to increase the level of sports participation generally in the United States.

To assure that the sport-by-sport analysis fairly and completely addresses all issues and points of view, an advisory committee will be established in each sport to oversee the examination of each sport. Each advisory committee will be chaired by a member of the Commission and will have as members athletes, coaches and officials representative of the sport being analyzed.

The Commission would file its report on the organization and operation of the USOC at the end of the first 8 months.

I am fully aware that commissions, by themselves, do not have the power to implement their recommendations. However, the USOC Federal charter may be amended with a means to implement the Commission's recommendations. Congressman Bob Mathias of California has already introduced legislation to amend the USOC's charter to allow an independent binding arbiter to settle jurisdictional disputes on an on-going basis.

With the completion of the analysis of sports organizations, the Commission will focus its attention on Olympic development. In the next 5 months of the Commission's life, it will come up with a short-range plan for development for 1976 and a long-range plan for beyond 1976. The Commission will determine what has to be done to maximize the opportunities for our athletes to develop their skills to the fullest degree. The study will include an examination of ways to increase participation at all levels, financial considerations, facility needs, and the broadening role of women in sport. In this way, the newly constituted USOC will have a guideline from which to proceed. The final 2 months will be used to assist in implementing the Commission's proposals.

Many individuals and sports organizations support the approach taken in my bill.

Harold Connolly, four-time olympian and gold medal winner in the hammer throw polled the U.S. Olympic athletes after the 1972 summer games. Of the 63 responses, only one athlete felt that the USOC should not be restructured.

Also, the concept of a commission to restructure the USOC was endorsed in Senate Commerce Committee hearings in May and again in November of last year by many sports groups including the AAU, the NCAA, and even the USOC itself.

Although the bill I am introducing here has many similarities to S. 1018, a bill recently reported out of the Senate Commerce Committee and sponsored by Senator Tunney of California, the differences are important to note:

First, S. 1018 confines the investigation to the Olympic games, while the problems manifest themselves most commonly in international amateur athlete competition as well as in the games themselves. The investigation in my bill includes all international amateur athletic competition in the sports on the Olympic program.

Second, the studies to be conducted by the Commission in my bill are specified to include an evaluation of the organization, representation and voting allocation of the U.S. Olympic Committee and its present and former membership groups as they relate to the USOC or as they interrelate concerning international competition in the Olympic sports. This evaluation will be conducted on an over-all basis as well as on a sport-by-sport basis.

Third, the Commission in my bill will additionally address the problem of the development of athletes at all skill levels in each sport including an evaluation of present and future facility and financial requirements for each sport.

Fourth, the number of Commission members is expanded to 27 from the 9 suggested in Senator Tunney's bill in order to assure adequate policy guidance in the sport-by-sport analysis of the problems. In addition, public awareness, so critical to solving these problems, will be enhanced through broader participation of Commission members.

There are many Members of this Congress who have participated in amateur athletics at one time or another during his or her life. Many more of us have children who are actively involved in sports at all levels. More importantly, however, virtually every American family experiences daily the joys and sorrows, trials and tribulations of a child in athletic competition.

Clearly one of the great spectacles to the human eye is that of athletes in competition. As ABC's Wide World of Sports so eloquently begins each week, we experience "the thrill of victory and the agony of defeat." The spectacle of athletic competition has literally become a time-honored tradition of the American people.

We must recognize, therefore, that the American people deserve to see a mechanism and organization and devotion, on the part of all involved, that will preserve and expand the opportunities available to all young Americans, men and women, to participate freely, without constrictions, and without threat or intimidation, in amateur athletics anywhere in the world.

The goal of this legislation to to facilitate the development of the kind of mechanism which will bring about the best environment for amateur sport possible. Indeed, we owe it to ourselves and to our children.

A copy of the bill follows:

H.R. 14938

A bill to create a President's Commission on Olympic Sports to evaluate and formulate recommendations concerning participation of the United States in the Olympic games and other international competition in the Olympic sports

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Olympic Sports Commission Act of 1974".

Sec. 2. The Congress hereby finds and declares that—

(1) serious problems have arisen in respect to the participation of teams representing the United States in the Olympic games and other international competition in the Olympic sports which have led to widespread and continuing criticism of certain aspects of the manner in which sports organizations in the United States administer its preparation for and participation in the competitions;

(2) the participation of the United States in the Olympic games and in other international competition in the Olympic sports has a substantial effect on the international affairs of the United States;

(3) an evaluation is required of the form of organization and the means by which the United States can participate most effectively in the Olympic games and other international competitions in the Olympic sports and provide leadership in accomplishing action to assure that future competitions will be organized and conducted in a manner which will contribute to the achievement of the high ideals of the Olympic movement and promote international friendship and good will through athletic competition between teams and individuals;

(4) the evaluation should be conducted as an organization study of the United States Olympic Committee (USOC) paying particular attention to the interrelationship of the many organizations comprising the USOC and the voting strength allocated to each because the USOC is the only organization which includes or has included every major amateur sports body in its membership and it is a federally chartered organization making it a legitimate area of governmental concern; and

(5) the establishment of a President's Commission on Olympic Sports would provide an effective means of conducting this evaluation and of determining constructive action toward accomplishing these goals and preparing specific legislative proposals which would command broad public support.

Sec. 3. There is hereby established a President's Commission on Olympic Sports (hereinafter referred to as "the Commission").

Sec. 4. The Commission shall be composed of twenty-seven members including not less than three amateur athletes who competed in at least one of the past three Olympic games, who shall be appointed by the President of the United States. In designating the members, the President shall give appropriate consideration to the representation of women and minority groups in the United States. No more than five members of the Commission at any one time shall be an officer or director, past or present, of the United States Olympic Committee, or of any other national athletic association, federation or union.

Sec. 5. The President shall designate a Chairman and a Vice-Chairman from among the members of the Commission. Any vacancy on the Commission shall not affect it powers and shall be promptly filled.

Sec. 6. The Commission shall:

(1) conduct a full and complete investigation, study, and evaluation of the United States Olympic Committee, its activities and its present and former membership groups on a sport-by-sport basis, as they relate to the effectiveness of the United States teams in international competitions in the Olympic sports;

(2) determine what factors impede or prevent or tend to impede or prevent the United States from fielding its best amateur athletes for participation in Olympic games and other international amateur sporting events in the Olympic sports;

(3) study methods for assuring adequate financial support for our Olympic Teams and other amateur athletic teams participating in international competitions in the Olympic sports; and

(4) investigate, study and evaluate any other related matters that have a direct bearing upon participation by amateur athletes of the United States in Olympic games and other international amateur sporting events in the Olympic sports, including development plans to increase the level of sports participation generally in the United States.

Sec. 7. The Commission shall submit two reports of its findings and recommendations to the President and to the Congress. The first report, on the organization and operation of the United States Olympic Committee and its member groups, shall be submitted eight months after all the members of the Commission have been appointed. The second report, on development plans for each sport for 1976 and beyond, shall be submitted after the next five months.

Sec. 8. Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title;

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals;

(3) hold such hearings, sit and act at such times and places, administer such oaths, and require the attendance and testimony of such witnesses and the production of such evidence including records and documents as the Commission or any subcommittee or any four of the members thereof may deem advisable; and

(4) appoint advisory committees comprised of appropriate athletes, coaches, officials and others to assure complete evaluation of all issues and points of view in each sport studied, and in other areas as he may deem advisable.

Sec. 9. Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman, such data, reports, and other information as the Commission deems necessary to carry out its functions under this title. The Commission is further authorized to request from any public or private organization or agency and from the United States Olympic Committee any information deemed necessary to carry out its functions.

Sec. 10. Fifteen members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

Sec. 11. Members of the Commission and Advisory Committees shall receive $100 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

Sec. 12. There is authorized to be appropriated to carry out the provisions of this Act, the sum of $1,200,000 to remain available until expended.

Sec. 13. The Commission shall cease to exist sixty days after the submission of its final report.

PUBLIC HOUSING IN AMERICA—PROMISE AND PERFORMANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Talcott) is recognized for 10 minutes.

Mr. TALCOTT. Mr. Speaker, the public housing program was established by the U.S. Housing Act of 1937 for the purpose of providing decent, safe, and sanitary dwellings for low-income families.

We have moved to meet our housing

needs across this Nation through local housing authorities. Today there are approximately 2,700 LHA's throughout the country, the vast majority of which are small.

Those who have studied our housing problem are aware of one central fact, we have accomplished many worthwhile things in our efforts to meet the housing needs of all Americans.

In less than 40 years we have built more public housing units than there are total units in the city of New York. As a nation we have committed massive amounts of our wealth and resources to achieving the goal of decent housing for all Americans.

What is equally important is that we have achieved this success economically. The fact is that the vast majority of local housing authorities have been able to operate financially sound operations through the years. More than half of all of the 2,700 LHA's in this country are able to do without any operating subsidy at all.

The facts clearly show that there is a direct connection between the size of the housing authority and its need for subsidy assistance. The larger the authority, the greater its subsidy need. In fact, of 1,139 LHA's receiving subsidy aid, 57 percent of all aid went to the 15 largest LHA's. These big city housing authorities, including New York City, Chicago, Philadelphia, Newark, and Washington, D.C., are receiving over $143 million annually in subsidy assistance, while an additional 1,423 local housing authorities across the Nation with 242,432 conventional housing units get along without a single cent of subsidy assistance.

There are many reasons why the large urban housing authorities are mismanaged, inefficient, and financially unsound. Many of these urban housing projects are old, and they generally house families who pay minimal rents. Oftentimes, these families are responsible for high maintenance costs, and also require expensive social services. Many of the large urban housing authorities are forced to provide their own security forces. They also suffer from high vacancy rates and unpaid rents.

In contrast, smaller suburban and rural housing authorities are able, year-in and year-out, to provide their tenants with decent housing while still remaining self-supporting. In rural projects, and those designed for the elderly, there is little need for other than routine maintenance, virtually no vandalism, little vacancy loss, and prompt rent payments. The smaller size of the housing authority itself also leads to more efficient operation since there is no need for a large and inefficient bureaucracy.

It has become obvious to all of us who are close to the housing program that some changes must be made to correct the problems we see. But these changes should be designed to correct old problems, not create new ones.

The Department of Housing and Urban Development is now in the process of revising the section 23 program, but I believe that in attempting to correct the deficiencies in the big city programs they have dealt a mortal blow to the hundreds of successful smalltown housing authorities.

Under the revised program the local housing authorities will be bypassed and responsibility for the operation and maintenance of the new projects will be with the builder-developer. This will undoubtedly lead to isolation and eventual destruction of the efficient LHA's serving hundreds of thousands of Americans in smaller towns and rural areas.

I objected to this plan when it was first proposed, and I still do not believe that it is the answer to the housing mess in the big cities. Like major surgery, it seems that the operation to save the diseased big city programs may be successful, but the patient, our overall housing program, may well die of shock.

There is a new omnibus housing bill currently before the House Committee on Banking and Currency and I will work to see that this entire problem is fully considered and better solutions developed.

The problems of the local housing authorities are so complex that there are no simple solutions. Let me outline several of the more pressing ones to show you what we face.

Starting in December of 1969 the Congress enacted a series of three amendments to the Housing Act of 1937. These amendments are generally known as the Brooke amendments.

The effect of these amendments was to limit and define what constituted income on which rent could be computed for tenants of public housing. The result of these Brooke amendments has been to limit rent to 25 percent of the tenant's income, but they have defined income in such a way that many tenants of public housing now have an "adjusted gross income" of zero.

The Brooke amendments also prevent public assistance agencies from reducing their contributions for rent. This contribution had usually been a specified amount established as rent by the State or agency, and the LHA. This amount, specified as rent, generally exceeded the 25-percent limitation.

Recently the staff of the House Committee on Appropriations indicated that passage of the Brooke amendments may be the most significant factor causing financial difficulties experienced by the LHA's. The Department of Housing and Urban Development has estimated that in 1973 total LHA rental income was reduced by about $172.7 million by implementation of the amendments.

These amendments changed a long-existing practice whereby LHA's were operated on a sound businesslike basis paying for operating expenses from rental income. This was accomplished primarily by established minimum rents depending on location and bedroom size of the units. However, the Brooke amendments established a 25-percent limitation and redefined family income, which resulted in significantly lower LHA revenues by making minimum rents ineffective. This has resulted in large numbers of public housing tenants who pay no rent at all. This non-payment of rent tends to destroy the incentive for these tenants to ever again pay rent. And what may be worse, it has a discouraging effect on the paying tenants when they discover their neighbors are receiving free housing.

I have long believed that a primary goal of our housing program should be to encourage each American to purchase his own home. The Government can do much to subsidize the individual by interest assistance and loan guarantees, but the investment of his own money in a home builds a special feeling of pride of possession. The property owner will generally go to great lengths to maintain his property and to improve it.

On the other hand, a housing program which is based on giving absolutely free housing is doomed to failure. The tenants will have no pride of ownership, they will have no feeling of participation. Instead of maintaining the property the tenants will tend to let it run down. And this failure of the tenants to take pride in the property must inevitably lead to higher maintenance costs, higher security costs, and higher administrative costs.

There is another problem caused by the Brooke amendments which places an unnecessary burden on the American taxpayer. Passage of the third Brooke amendment increased the incentives for welfare recipients to live in public housing because it created windfall gains to the recipients amounting to the difference between the rental allowance included in the welfare grant and the amount paid as rent to the LHA. For example, if a woman is receiving a monthly rental allowance from the aid to families with dependent children program of $60 per month, and her computed maximum rent due to the Brooke amendments was $25 per month, she has a windfall of $35.

It seems incomprehensible to me that Federal funds are paid to welfare families for housing, and that the local housing authorities which provide that housing cannot collect those funds which were provided for the sole purpose of paying rent. The Department of Housing and Urban Development has estimated that the implementation of the third Brooke amendment alone reduced the rental incomes of the local housing authorities by about $77 million in 1973.

While hundreds of small rural housing authorities have managed to provide decent housing at reasonable rentals to all who needed assistance, and operate above the break-even point, the housing program in the big cities is in serious trouble. On top of the financial woes of the Brooke amendments, there are other problems which add to the total cost of the program.

Security within the urban LHA's is more and more expensive, and more and more necessary. One LHA spends $206,000 annually for security, another included $130,000 in its budget in fiscal year 1974 because it felt that it was necessary to have supplemental security guard devices for the protection of property and tenants and to combat the problems of vandalism.

At one urban housing development, consisting of only four buildings, a detachment of 55 city policemen has provided vertical patrols within the high-rise buildings since 1970, at an annual cost to the city of about $900,000.

In 1972 officials of the Department of Housing and Urban Development estimated the potential magnitude for providing security funds at $25 per unit monthly. For the 113 largest local housing authorities security would cost about $35 million annually.

Overall, routine maintenance costs the LHA's $215 million each year. HUD officials estimate that vandalism costs amount to about $17.5 million a year. However, officials at two large urban housing authorities have recently estimated that vandalism accounts for about 50 percent of all maintenance costs performed in their projects.

Other problems which face the urban LHA's include collection and vacancy losses which run into millions each year. Some tenants seem to believe that they do not have to pay rent to live in public housing, and the delinquency rate, in some cases, has reached approximately 90 percent of the tenant population.

One urban housing authority has included $500,000 in its 1974 budget for "tenant organizations," which includes payment toward the salaries of officers and staff, expenses for travel to meetings, and baby-sitting. The officials of this LHA defend the item by saying that:

> The expenditure is necessary to keep the peace!

How much does all of this cost? Well, by using the lowest estimates, we can say that vandalism will cost $17.5 million, rent lost from vacant units ran $13 million in 1970 alone, losses from rents not paid in 1972 amounted to $4.7 million, and providing for the security needs of only the 113 largest big city local housing authorities out of the total 2,700 would cost $35 million annually.

Those costs add up to over $70 million a year, and you and I and all of the other taxpayers will find ourselves forced to dig deeper into our pockets at tax time to pay them.

Do not misunderstand me, I have always supported our public housing program, and I still do. It has done a first rate job of meeting the needs of a large segment of our population. We have provided decent housing for millions of elderly and disadvantaged Americans. On the whole, our housing authorities have been operated in an efficient and businesslike manner, while still maintaining the compassion necessary to help those who are in need.

But we must do something now to end the waste, to end the mismanagement, to end the hidden subsidies which make it impossible for the urban housing authorities to operate without large annual losses.

We do not need to further regulate the smaller suburban and rural housing authorities, they are already operating efficiently. But I believe that the time has come for new and forceful Federal legislation to require all public housing tenants to pay a minimum rent which would be based on a reasonable percentage of the operations and maintenance costs of each public housing unit.

Such a minimum rent may be a financial hardship to some families. However, I believe that a minimum rent is necessary if the low-rent public housing program is to survive.

Any family that is paid to live in public housing and is not required to pay any rent, or pays a rent so low that it does not relate to the cost of maintaining the unit, can only be expected to exercise little care for the unit which will lead to increased expenses for the LHA and the taxpayer.

Conversely, if a tenant knows that the amount of rent he must pay is directly related to the actual costs of the ordinary operation and maintenance of the unit in which he lives, he is far more likely to maintain the unit, which could result in his paying lower rent and lower expenses for the LHA.

We in the Congress are carefully looking into these problem areas and hope to work out solutions to the difficulties facing the urban housing authorities. We have not lost sight of the original goal of the U.S. Housing Act. We still intend to do everything possible to provide decent, safe, and sanitary dwelling units for the low-income American family.

COURTS SUBCOMMITTEE SCHEDULES HEARINGS ON DISQUALIFICATION OF FEDERAL JUDGES AND ON BILL TO EXTEND FINAL DATE AND INCREASE APPROPRIATION OF COMMISSION ON REVISION OF THE FEDERAL COURT APPELLATE SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. Kastenmeier) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, the Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice announces public hearings to begin at 10 a.m. on Friday, May 24, 1974, in room 2226, Rayburn House Office Building, on the following bills:

S. 1064, a bill to improve judicial machinery by amending title 28, United States Code, to broaden and clarify the grounds for judicial disqualification. This bill passed the Senate on October 4, 1973. It would amend section 455 of title 28, United States Code, by making the statutory grounds for disqualification of a judge in a particular case conform generally with the recently adopted Canon of the Code of Judicial Conduct which relates to disqualification of judges for bias, prejudice, or conflict of interest.

S. 3052, a bill to amend the act of October 13, 1972. This bill passed the Senate on March 26, 1974. It would extend the final date for the report of the Commission on Revision of the Federal Court Appellate System by 9 months and would increase the appropriation authorization of the Commission from $270,000 to $1 million. The subcommittee will hear testimony in support of S. 3052 from Hon. A. Leo Levin, Executive Director of the Commission.

NAZI WAR CRIMINALS IN THIS COUNTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. Holtzman), is recognized for 10 minutes.

Ms. HOLTZMAN. Mr. Speaker, as a member of the Immigration Subcommittee of the Judiciary Committee, I have been dismayed to learn that there are some 70 alleged Nazi war criminals living in this country today. INS has taken no steps to deport or extradite any of these individuals.

The crimes these persons are alleged to have committed are perhaps unparalleled in the history of mankind. For the past 9 months, INS has been supposedly carrying on a special investigation of the alleged criminals living here. I have asked INS to furnish me with status reports on the investigation, and after reviewing those reports, I have concluded that the investigation is at best half-hearted and dilatory. Because of this, I have written a letter to Commissioner Chapman expressing my concern and asking him to take steps to remedy this situation.

The text of the letter follows:

Washington, D.C.
May 20, 1974.

Hon. Leonard F. Chapman, Jr.,
Commissioner, Immigration and Naturalization Service, Washington, D.C.

Dear Commissioner Chapman: At the hearings conducted by the House Immigration Subcommittee on April 3, 1974, I expressed concern over the lack of aggressive action by INS in its current investigation of Nazi war criminals living in this country. In particular, I was disturbed that not only had INS failed to initiate proceedings against *any* reported war criminals, but it appeared that INS investigators had not interviewed even a single witness. I, therefore, requested that your office furnish me with materials on the progress of the investigation. After reviewing the status reports which your office sent me, I am sorry to say that my concern has in no way abated.

The INS has compiled a list of 73 reported Nazi war criminals. These persons are charged with crimes of overwhelming enormity and horror. Allegations include the murder of 800 Jews in a single night in the town of Chislovich (Russia), invention of methods of mass destruction, liquidation of 5,000 Jews in the town of Luboml (Ukraine), extermination of concentration camp inmates at Tartu (Estonia), incarceration and execution of 14,000 Jews at Rawa-Ruska (Ukraine), administration of S.S. mobile killing units as deputy to Ribbentrop, liquidation of the village of Audrini (Latvia) and supervision of slave labor shipments, commanding a Lithuanian S.S. unit, liquidation of Jews in Czerkassy (Ukraine) as member of the Gestapo, "medical" experimentation on concentration camp inmates, and so forth.

The enormity of these crimes cries out for vigorous and appropriate action. Yet, we find instead that during the past 25 years this country has become a haven for at least 73 alleged Nazi war criminals. Although last August, INS announced a "high priority" investigation of these alleged war criminals, almost a year has passed and virtually nothing has happened.

In stark contrast to the gravity of the problem, the INS status reports submitted to me reveal inaction, disorganization and lack of direction.

It is crystal clear that the Immigration Service can take immediate steps to deport certain Nazi war criminals living here and to revise and reorganize its investigation so that the remainder of these persons can be deported or extradited in the near future.

I have listed below the areas of my concern and recommendations for reorganization of the investigation. (I have also attached a memorandum setting forth the problems in greater detail.)

1. FAILURE TO DEPORT ANDRIJA ARTUKOVIC

Artukovic has been under an order of deportation since 1953 (21 years). He was Interior Minister of Croatia under the Nazis. Artukovic has been charged with ordering the deportation of untold thousands of Jews, gypsies, and Serbs to death camps and with actual participation in mass murders.

In 1959, INS stayed his deportation to Yugoslavia on the puzzling ground that he would be subject to "physical persecution" there. I am not now concerned with criticizing the action of INS in 1959. I am, however, deeply dismayed that at the present time the INS has not cancelled the order withholding his deportation. If INS has any qualms about deporting Artukovic to Yugoslavia, it has the power to deport him now to any country that will accept him. INS can also extradite him to West Germany under our treaty with that country. It is incredible that INS has not even contacted West Germany for purposes of deportation or extradition, and that it has failed to contact any other country for purposes of deportation.

I would strongly urge that INS take immediate steps to deport or extradite Andrija Artukovic.

2. FAILURE TO TAKE ACTION ON INDIVIDUALS WANTED BY THE WEST GERMAN GOVERNMENT

West Germany has advised the Service that some of the individuals on the INS list, including Joseph Matukas, the alleged former deputy police chief in Kovno, Lithuania, are wanted for war crimes. There is no explanation in the status reports for INS' failure to co-operate with West Germany in initiating extradition proceedings against persons living in this country who are wanted by the West German government.

3. UNEXPLAINED OR UNJUSTIFIABLE SUSPENSION OF INVESTIGATION IN AT LEAST FIVE CASES

Since last August, investigations of at least five individuals have been cancelled for unclear reasons and, in some cases, for no reason at all. One of these cases involves a doctor alleged to have participated in "medical" experiments on concentration camp inmates. Unless a satisfactory explanation is forthcoming, investigation of these persons should be reinstated immediately.

4. FAILURE TO COMMENCE ANY INVESTIGATION OF CERTAIN REPORTED WAR CRIMINALS

The names of at least three reported Nazi war criminals which have been supplied to INS do not appear on the list which INS furnished me. One of these is alleged to have participated in S.S. mobile killing unit operations in Eastern Europe. It is disturbing that not even an appearance of investigation has commenced with respect to these individuals.

5. FAILURE TO CONDUCT A VIGOROUS, RESULT-ORIENTED INVESTIGATION

The INS status reports reveal an appalling laxness and superficiality in the conduct of the investigations. The investigations never seem to get off the ground or lead to decisive results.

(a) In at least 14 separate cases, eyewitnesses whose names are available to INS have not been interviewed. Even in the widely and often publicized case of Bishop Valerian Trifa, alleged to have committed many atrocities as a member of the Iron Guard, INS had not interviewed a single witness as of May 7, 1974—even though at the April 3 oversight hearing I was assured that interviews with witnesses were imminent.

A similar pattern exists in the case of Boleslavs Maikovskis, who has been sentenced to death *in absentia* in Latvia for extermination of Jews and gypsies, participation in the liquidation of the village Audrini and shipment of slave labor. What has INS done? INS has not interviewed the eyewitness whose name was supplied last January. It has inexplicably cancelled a request to obtain conviction records in Latvia. In fact, Simon Weisenthal has supplied additional information, and yet Maikovskis is still at large. The failure to pursue this case vigorously has provoked demonstrations in Long Island by survivors of the Riga ghetto.

In a few of these cases, including those of Trifa and Maikovskis, the Service may already have sufficient information to warrant initiation of denaturalization, deportation or extradition proceedings. There appears, however, to be no procedure for evaluating information with a view toward such action.

(b) In 11 cases, INS investigators have apparently not obtained *any* information. In an additional 8 cases, no information has been obtained for several months. What is particularly disturbing is that in 6 of these 19 cases, names of witnesses are available to INS.

(c) In 9 cases, the *only* information obtained consists of the individuals' present state of health.

(d) No investigation is proceeding in 17 cases where the subjects remain "unidentified".

After almost a year, this record of inaction—given last August's announcement that a major effort was being made—is inexcusable.

6. FAILURE TO DEVELOP SYSTEMATIC CHECK OF SOURCES

(a) Contacts with the governments of countries where reported war crimes were committed—such as Poland, Rumania, Hungary, Yugoslavia and U.S.S.R. (for the Baltic countries)—is indispensable for bringing extradition proceedings and for obtaining documentation of criminal acts. Yet there is no indication that INS has initiated such contacts on a comprehensive, systematic basis.

(b) INS has failed to contact government and doument sources in Israel despite the massive amount of documentary and eyewitnesses evidence likely to be available in that country. Important sources of information in West Germany, New York (the YIVO Institute) and the National Archives remain untapped.

7. INEFFECTIVE ADMINISTRATION OF THE INVESTIGATION

Despite the "high-priority" nature of INS' investigation, its administration and conduct can only be described as haphazard, uncoordinated and unprofessional.

(a) No full-time personnel have been assigned to head the investigation. No experienced trial attorney has been assigned the task of guiding the process of investigation and setting priorities. Instead, the responsibility for this nationwide investigation has been placed in the hands of three part-time bureaucrats with neither the time nor expertise to give impetus and direction to it.

(b) Although INS has set up a control office in New York, many of the cases have been assigned to other district offices to pursue. Unfortunately, the dispersal of these cases has led to a diffusion of responsibility, a failure to contact all sources, delay while files get shuttled around the country, and investigation by inexperienced personnel.

(c) The status reports indicate haphazard methods of investigation and failure to follow up investigative leads. For example, survivors' groups who are contacted for information are not given the names of all the relevant cases being investigated. Requests for information and for foreign conviction records remain pending with no attempt to follow up. When the newspaper, which originally published most of the names and allegations under investigation, ceased operations, INS made no attempt to seek out the staff and files of the publication.

(d) The "high-priority" nature of this investigation has apparently not been communicated to the lower levels of the Service. The most frequent finding contained in reports from district offices is: "Subject in good health. Will continue further investigation." It seems that INS investigators are more anxious to ascertain the ill-health or death of a subject so that investigation can be dropped than to obtain substantive information.

The failure to produce any concrete results after 9 months of investigation is testimony to this mismanagement.

* * * * *

The conclusion is inescapable that if the current investigation continues on its present course—without setting priorities and developing systematic investigative methods—then the next 9 months will merely repeat the history of the last 25 years. It is intolerable that this country should remain a haven for people who have committed crimes such as these, and that except for the Braunsteiner-Ryan case, not one of these alleged Nazi war criminals has been deported or extradited.

After reviewing the status reports, I believe it is abundantly clear that the INS should—

Take steps to obtain the immediate deportation or extradition of Andrija Artukovic.

Schedule immediate interviews of all eyewitnesses.

Review the evidence in the cases of Bishop Valerian Trifa and Boleslavs Maikovskis to determine if deportation proceedings can appropriately be instituted.

Cooperate with West Germany on the extradition of all individuals wanted by that country for war crimes.

Reinstate any investigations which have been unjustifiably cancelled.

It also seems evident that the current administration of the investigation requires a substantial overhaul. Upon reflection, it seems to me that the following steps should be taken—

A special War Crimes Strike Force should be created within the Immigration Service with full responsibility for conducting the investigation and deportation of alleged Nazi war criminals.

A full-time lawyer who is an expert in the field and a full-time, top-level official with authority to direct and guide these investigations should be assigned to the Strike Force.

An adequate number of full-time personnel should be assigned to the Strike Force.

Priorities for the investigation should be established.

A specific timetable for each case should be established.

A systematic method for contacting all foreign and domestic sources, governmental and otherwise, should be developed.

It is incumbent on INS to demonstrate that it means business and is not simply spinning wheels. Mere talk of "continuing investigations" where they are likely to lead nowhere is a cruel hoax to the surviving victims of the Nazi holocaust. It adds an ironic and bitter postscript to this country's fight against the Nazis in World War II.

I have set forth my concerns at greater length in the attached memorandum. I have also asked for additional materials from INS which I hope will be furnished promptly. I am confident that you will understand the deep concern that has prompted me to write to you, and I look forward to working with you in any way that I can to correct this situation.

Sincerely,

ELIZABETH HOLTZMAN,
Member of Congress.

THE OIL AND GAS INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 10 minutes.

Mr. ASPIN. Mr. Speaker, this morning I testified before the Budgeting and Management Subcommittee of the Senate Government Operations Committee on interlocking directorates in the oil and gas industry and the high incidence of insider concentration in the industry. I know a number of my colleagues are interested in this problem and I am, therefore, inserting in the RECORD a copy of my testimony as well as the three exhibits I placed in the hearing record:

TESTIMONY BY THE HONORABLE LES ASPIN, OF WISCONSIN, BEFORE THE SUBCOMMITTEE ON BUDGETING, MANAGEMENT, AND EXPENDITURES OF THE COMMITTEE ON GOVERNMENT OPERATIONS, MAY 1974

Mr. Chairman: I want to thank the members of both subcommittees for inviting me to testify on the problems of interlocking directorates in the oil and gas industry and the need for further financial disclosure of corporate information.

You are to be commended for undertaking these hearings to determine the extent of economic concentration in large financial institutions. I believe that the study you completed in January "Disclosure of Corporate Ownership" will prove to be one of the most valuable reference sources for those of us who are concerned about the disclosure of information in publicly owned corporations.

At this point I would like to make available for the record a computer report prepared for me by the Division of Corporation Finance of the Securities and Exchange Commission. As you can see it is rather large and represents the work product of a number of very capable individuals at the Commission. It is my hope that this study will help the Committee in its deliberations on corporate disclosure.

The information contained in this report is of two types. The first section lists the securities ownership history of over 3,500 corporate insiders representing 91 oil and gas companies. These individuals are stockholders who either have an employment relationship with the firm or own 5% or more of the outstanding stock.

The second part of the report contains nearly 8,000 individuals and 20,000 corporate entities. This section breaks down the oil industry by company and then lists all the officers and directors in each company and indicates what other outside directorships a particular officer or director may have. It is here that we find a very significant incidence of corporate interlocking.

A careful reading of this section also shows the progress of mergers and decline of the small independents as the industry has become more and more dominated by a few major companies.

When I released this study in January, I wrote to Attorney General Saxbe and asked him to investigate 19 oil and gas company directors who were listed in the SEC report as being on the board of two competing oil companies. I believe that these 19 directors may be in violation of the Clayton Act. As you know, the Clayton Act specifically outlaws interlocking directors and includes this key phrase:

"No person at the same time shall be director in any two or more corporations . . . if such corporations are or shall have been theretofore by virtue of their business and location of operation, competitors, so that the elimination of competition by agreement between them would constitute a violation of any of the provisions of the antitrust laws."

If the Justice Department is still enforcing the Clayton Act, it is news to me. I still have not heard any word from the Department on whether they intend to investigate these 19 interlocking oil company directors. However, I understand that the Federal Power Commission has been sent the list of directors by the Justice Department, but in the best bureaucratic tradition the Power Commission is now sending the list back to the Justice Department.

This fast shuffle is even more deplorable when you realize what it means for the American consumer.

Through interlocking directors, behind-the scenes deals may be made between the companies that would eliminate competition, monopolize the market and increase prices for the final consumer.

I very much doubt the competitiveness of the oil and gas industry when we have the same men sitting on the boards of two competing companies. I can't imagine that they can be giving sound guidance and advice to one company when it may adversely affect the other. If we are to have an open and competitive market we should insure that the principals in the marketplace are independent of each other. This institutional collusion must be eliminated in order to break the control that a very few individuals may have over our future energy supplies.

Despite the potential seriousness of the situation, this administration appears to be unwilling to enforce the Clayton Act. Over nine months have passed since I first brought the interlocking director problem to the Justice Department's attention. I think it is about time the Department stopped dodging the question and acted in the public interest.

For the benefit of the Committee I would like to place into the record an abstract of the SEC report listing the 19 directors I have mentioned and the companies they are employed by.

I am also submitting for the Committee's use an extract of the securities holding information contained in the first section of the SEC printout which shows the leading "insider" stockholders of 14 major oil companies and their holdings. I believe you will find this material relevant as this may be the first time information of this type has been released publicly. Perhaps the most significant finding here is the large degree of insider control of several oil companies. Occidental, Sun Oil and Texaco appear to have the heaviest concentration of insider domination. According to the SEC's report, Dr. Armand Hammer, Chairman of Occidental Petroleum, is the largest inside stockholder among the major oil companies, with ownership of 1,066,000 of the over 60,000,000 outstanding shares of Occidental.

My recent experiences in this area point up the need for more complete corporate financial disclosure. We were very fortunate to have been able to work with the Securities and Exchange Commission in compiling this data. They produced a coherent profile of corporate ownership and control on very short notice.

For the most part, the information was up to date and accurate, reflecting the latest information available to the Commission. This is not to say that we shouldn't require more complete information—many large corporations—and in particular the major oil companies—have a substantial influence on our country and for this reason we should all be examining ways to legislate increased corporate disclosure.

Perhaps the Securities and Exchange Commission should require ownership reports of all shareholders who own 1% or more of the number of shares outstanding, instead of the present 5% requirement stipulated under the Williams Act. Business economists often state that less than 1% stock ownership may be all that is required to obtain effective control of a large industrial corporation.

For example, under the present system, we cannot determine the extent of the Rockefeller brothers holdings in Exxon because their aggregate amount constitutes less than 5% of the total. Because of this fact, they are not required to file any ownership information with the Commission. Although the Rockefeller family probably still exerts a degree of control over Exxon as their ownership is reported to be more than 1% (or 25 million shares), we have no official record of the influence they may bring to bear on the company.

Since ex-Governor Rockefeller is said to have Presidential ambitions, it might be a good idea to examine the family's holdings, especially when decision making over energy policy will be part of any future chief executive's agenda.

One of the lessons of Watergate should be that a very thorough examination must be made of a candidate's background and financial interests. I believe the Securities and Exchange Commission can go a long way toward this end by requiring more complete disclosure requirements for large stockholders.

It was through an SEC filing requirement that we learned that OMB Director Roy Ash had not sold all his Litton Industries stock last spring and was violating an explicit pledge to do so made to the Joint Economic Committee. The Commission, by asking Mr. Ash to divest himself of the securities, insured that a serious conflict of interest problem was avoided. It is this kind of vigilance that we are especially in need of if we are to restore the Amercian people's trust in government.

I believe the real problem is that the average Amreican cannot be informed in areas that have a substantial impact on his life. Because we do not have adequate information on corporate activity the taxpayer is at a disadvantage. Whether he is an investor, employee or just a consumer he must have facts on which to base his choices. Today the necessary information is not available and we all suffer because of it. Inadequate investment data, pension fund scandals, and higher gasoline prices are all the result of our lack of knowledge about critical corporate activity.

This committee has taken the lead in examining the circumstances surrounding this information gap. You have undertaken a large and very essential assignment that goes straight to the heart of how we organize our society.

Mr. Chairman, since I know you will be continuing your work in this important area, I hope you will ask Mr. Saxbe, the current Attorney General, who was formerly the ranking minority member of this subcommittee, about the status of those 19 interlocking directors. I think the matter deserves his attention.

I very much regret that I must now excuse myself. The Ceiling Amendment to the Defense Authorization Bill, which I am sponsoring is coming up on the floor of the House in a short while and I have to get back.

I hope that these brief remarks may have contributed something to your deliberations on the need for increased disclosures of industrial information.

EXHIBIT 1

INTERLOCKING OIL COMPANY DIRECTORS

Source: SEC Computer Search of Oil & Gas Executives

F. A. Calvert, Jr.: Halliburton Co., Director; Mapco, Inc., Director; Calvert Exploration, Chairman of the Board.

Edwin L. Cox: Sedco, Director; Plateau Natural Gas Co., Director; Edwin L. Cox Co., Owner.

Paul A. Conley: Pauley Petroleum Inc., Director; General American Oil Co., Director; Wilshire Oil Co. of Texas, Director.

J. B. Ladd: Ladd Petroleum Corp., Officer; KRM Petroleum Corp., Director.

J. B. Rankin, Jr.: McMoran Exploration Co., Director; Sundance Oil Company, Director.

T. B. Pickens, Jr.: Mesa Petroleum Co., Director; Wainco Oil Ltd., Director.

John Shaw, Jr.: Offshore Company, Officer and Director; Southern Natural Resources, Director.

Joseph A. Thomas: Halliburton Co., Director; Gerry Oil Company, Director.

Earl M. Jorgensen: Christiana Oil Corp., Director; Kerr-McGee Oil Industries, Inc.; Director.

Louis Marx, Jr., Pan Ocean Oil, Director; Marline Oil Corp., Director.

L. F. McCollum, Jr., Apco Oil Corp., Director; Rowan Drilling Co., Director.

Donald M. Kendall: Atlantic Richfield, Director; McCullouch Oil Corp., Former Director (Apr. 3, 1967–February 1972); Investors Diversified Services (Not listed in SEC report—information obtained from SEC and IDS officials.) Board Member, 4 Mutual Funds of which I.D.S. is an affiliate.

Clifford W. Michel: Cities Service Co., Director; Dome Petroleum Ltd., Director.

John B. M. Place: Marathon Oil Company, Director; Celanese Corporation, Director.

Toddie L. Wynne, Jr.: American Liberty Oil, President; New Zealand Petroleum Co. Ltd., Director.

George H. Bruce: Halliburton Co., Director; Western Oil Fields, Inc., Director.

Robert E. Aikman: Dorchester Exploration, Inc., President; Mana Resources Gas Exploration Fund, Chairman, Board.

Stephen A. Wells: Pyramid Petroleum Inc., Officer; Amarex Drilling Program, Officer.

Algur H. Meadows: Fargo Oils, Director; General American Oil Co. of Texas, Owner.

EXHIBIT 2

LEADING STOCKHOLDERS OF 14 MAJOR OIL COMPANIES

EXXON

Emilio Collado, Exec VP, 15,529 D, 1,297 I.

J. H. Galloway, VP, 15,881, 5,659.

J. K. Jamieson, Chairman, 19,347 D, 12,186 I.

M. A. Wright, Chief Executive Officer, 9,837 D, 7,122 I.

GULF

O. R. Dorsey, Pres. & Director, 21,722 D, 2,244 I.

Irion G. Davis, Exec. VP, 16,030 D.

James M. Walton, Dir. & Carnegie Lib., 27,204 D, 50,947 I.

ARCO

Robert O. Anderson, Chairman, 280,819 D, 141,166 I.

T. F. Bradshaw, President, 9,671 D, 5,105 I.

CONOCO

F. Paul Kendall, Jr., 51,196 D, 1,572 I.

L. F. McCollum, Chmn of Bd, 48,855 D.

John Corcoran, Director, 5,199 D, 12,591 I.

John G. McLean, Chief Exec Com., 9,847 D, 5,730 I.

CITGO—CITIES SERVICE CO.

Bam Foster, 1,600 D, 234,720 I.

Kirby E. Crenshaw, Director, 9,671 D, 5,015 I.

TEXACO

Earl of Granard, Director, 309,454 I.

Henry Upham Harris, Dir. & Chmn. of Bd. Harris & Upham, 40,119 D, 112,886 I.

Augustus C. Long, Dir., 142,571 D, 9,680 I.

Lester J. Norris, Dir., Chmn of Bd., State Bank of St. Charles, Ill., 233,720 D, 237,190 I.

George Parker Jr., Dir. and Atty., San Antonio, Tex, 140,473 D.

UNION OIL—CAL

William Henry Doheny, Dir. & Investments, 7,878 D, 148,599 I.

Charles Parker, Sr. VP, 16,000 D.

Arthur C. Stewart, Dir. & Investments, 23,073, 50,073.

ASHLAND OIL

Orin Atkins, President, 30,870 D, 6,872 I.

J. Robert Fisher, Director, 89,600.

Robert S. Reigeluth, Director, 52,736 D, 38,948 I, 88,232.

MOBIL

Albert L. Nickerson, Director, 23,400 D, 750 I.

Edward P. Fischer, Treas., 16,433 D.

Rawleigh Warner Jr., Chmn., 19,876 D.

William P. Tavoulaveas, Pres., 16,706 D.

James O. Riordan, Sr. VP, 16,044 D.

STANDARD OIL—INDIANA

Chester V. May, VP, 16,247 D, 162 I.

John E. Swearingen, Chmn., 38,160 D, 1,475 I.

George V. Myers, Ex VP, 16,893 D, 6,800 I.

Robert C. Gunness, President, 12,900 D, 3,900 I.

OCCIDENTAL

Dorman L. Commons, Sr., VP, 27,884 D, 2,120 I.

Donald E. Garrett, Ex. VP, 23,081 D, 1,315 I.

Dr. Armand Hammer, Chairman, Sub b Conv., 100,000 I; 1,066,208 D, 57,840 I.

PHILLIPS

Phillip M. Arnold, VP, 9,000 D, 8,472 I.

W. W. Keeler, Chmn., 23,192 D, 15,044 I.

SUN OIL

John G. Pew, 66,260 D, 22,459 I.

Pew Memorial Trust, 1,422,468 D.

Walter C. Pew, Director, 830,976 D, 13,357 I.

Robert G. Dunlop, Chmn., 34,105 D, 24,208 I.

Trustees, Pew Jr., 494,112 I.

TENNECO

NDP Carey, 45,914 D, 23,276 I.

Simon Askin, Ex VP 18,175 D, 2,144 I.

N. W. Freeman, Chmn Bd., 59,462 D, 2,500 I.

Roy S. Nelson, 82,397 D, 9,380 I.

Henry A. Harris, Dir., & Pres., Harris, Upham & Co., 20,491 I.

EXHIBIT 3

OUTSTANDING SHARES IN 14 MAJOR OIL COMPANIES

ASHLAND OIL, INC.

	As of Sept. 30, 1973		Per share	
	Number of outstanding shares	Carrying amount (thousands)	Carrying amount	Liquidation value
Convertible preferred:				
$2.40 series, 1966	575,135	$34,508	$60.00	$62.40
$5.00 series, 1969	526,596	1,053	2.00	105.00
$2.40 series, 1970	1,466,500	2,200	1.50	50.00
$5.00 series, 1970	92,383	185	2.00	105.00
Total, preferred	2,660,614	37,946		
Common	22,831,336	22,831	1.00	
Total, preferred and common		60,777		

COMPANY, DESCRIPTION, DATE, AND NUMBER OF OUTSTANDING SHARES

Atlantic Richfield: Cumulative Preferred Stock, Series B, September 30, 1973, 352,000; $3.00 Cumulative Convertible, Preferred, 1,494,154; $2.80 Cumulative Convertible, Preferred, 12,020,649; Common Stock, 46,531,306.

Cities Service: Common Stock, February 1, 1974, 26,091,992; Preferred Stock, December 31, 1973, None.

Continental Oil: Common Stock, March 16, 1973, 50,076,553; Preferred Stock, March 16, 1973, 657,851.

Exxon: Capital Stock, $7.00 par value per share, March 1, 1974, (Authorized 250,000,000 shs.), 23,883,236, shs. plus an additional 2,719,020 Held in Treasury.

Gulf Oil: Preferred Stock, March 1, 1974, None; Common Stock, 194,651,710 shs.

Mobil Oil Corporation: Capital Stock, September 30, 1973, 101,852,538 shs.; Debt: Short term notes and loans, $317,790,000; Long term, $1,190,865,000.

Tenneco, Inc.: Preferred Stock, par value $100, Shares Authorized (4,000,750), Less

Tenneco, Inc.: Preferred Stock, par value $100, December 31, 1973, 1,993,750; Shares Authorized (4,000,750), Less Shares held for sinking fund, 43,976; total 1,949,774.

Second preferred stock, par value $100, Shares Authorized (2,000,000), 505,630; Preference stock, no par value, Shares Authorized, (10,000,000) 3,988,700; Less: shares held in treasury, 215,823; total, 3,772,877.

Common stock, par value $5, Shares Authorized, (150,000,000), 68,608,778; Less: shares held in treasury, 373,921; Total, 68,234,857.

Texaco, Inc.: December 31, 1973, Common Stock, par value $6.25, 274,285,270; less Treasury stock outstanding, 2,389,343; Total, 271,895,927; Preferred Stock, None.

Union Oil Company of California: September 30, 1973, Common Stock, 28,387,255; Preferred Stock, 9,621,449; Debt: bonds, debentures, etc., $591,057,000; convertible subordinated debentures $612,000.

Occidental Petroleum: $8.00 Non-convertible, Preferred, September 30, 1973, 175,000; $4.00 Convertible Preferred, 1,249,323; $3.60 Convertible Preferred, 3,265,388; $2.16 Convertible Preferred, 548,445; Common Stock, 55,670,215.

Phillips Petroleum: Common Stock (100,000,000 authorized) September 30, 1973, 76,261,836; Less Treasury stock, 592,640; Total, 75,669,196; Preferred Stock, None.

Standard Oil of Indiana: Common Stock, January 31, 1974, 69,878,023; Preferred Stock, None.

Sun Oil Company: Common Stock, $1 par, September 30, 1973, 35,243,645; Preferred Stock, 2.25 Cumulative, 16,279,526; Convertible, par value $1 per share.

NOTE.—Each share of Sun Oil Company Preferred Stock is convertible at option of holder into 0.804 of a share of common stock of Sun.

MITCHELL HOUSING BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. MITCHELL) is recognized for 60 minutes.

Mr. MITCHELL of Maryland. Mr. Speaker, as you know, I have introduced in the House of Representatives H.R. 13985, a bill to expand and improve the Nation's public housing program. I introduced this bill because of indications during the Banking and Currency Committee's Housing Subcommittee markup that the subcommittee was going to report out a bill that would not address itself realistically to the housing problems of low-income families. After carefully reading the bill that was reported out, H.R. 14490, I found that my worst fears had been realized.

The bill before the Banking and Currency Committee then, is wholly unsatisfactory. It is a cynically cruel bill that I see as an outright attack on the poor. It would destroy the Brooke amendment, it neglects rural housing needs, and its emphasis throughout is to exclude rather than include low-income citizens in public housing. There are other problems that I have with the bill, but I leave other criticisms to my colleagues.

I would like to concentrate briefly on the minimum requirements that I see as necessary for my yea vote on the public housing provisions of this bill. I cannot in good conscience support the complete bill if these basic requirements are not met.

First, it is imperative that we provide more than 450,000 additional units during 1974 and 1975. My bill authorizes an additional 750,000 units. I would hope then, that the final authorization be closer to my figure than the subcommittee figure. So that we might be clear on this matter, even my 750,000 figure is below what is actually needed. But it is closer to what we can reasonably provide, and I am therefore stressing an authorization closer to the higher figure.

Second, it is important that public housing serve those families that need it the most. My bill, therefore, requires that public housing serve families at the very bottom of the income scale. The bill does this by providing that at least 20 percent of those admitted to public housing have incomes below 20 percent of the median income of the area, and at least half would have to have incomes below 50 percent of the median. Any definition of income eligibility would have to be based upon such figures as provided in my bill or we are simply excluding people from housing who really need it, and there is no way that the subcommittee can rationalize doing anything less.

Third, it is extremely important that we make clear the responsibility of the Federal Government to house our Nation's citizens as legislated by this Congress in its Housing Acts of 1937, 1949, 1969, 1970, and 1971 by retaining the Brooke amendment that provides a maximum rent for public housing tenants of 25 percent of adjusted income. The subcommittee bill introduces minimum rents for conventional public housing. These rents would be set at 30 percent of the operating cost of the unit. The Brooke amendment would be changed so that housing authorities could charge either 25 percent of income or the amount of the welfare allowance allocated for housing, whichever is higher. In other words, the subcommittee bill requires very poor people to pay relatively more than those with somewhat higher incomes. This type of legislation runs counter to what this Congress has legislated in the past by making public housing no longer based upon need, but upon the ability of the tenant to pay as much as can be milked out of him.

Fourth, it is important that, having established a need and responsibility, we be able to respond to that need wherever it might be. I have already suggested a higher authorization of units as one way of responding. Let me also suggest, as it is stated in my bill, that local public approval requirements are not positive in effect, and have prevented the construction of public housing in many jurisdictions and severely limited site selection in others. My bill would end it, providing in return that public housing projects would pay full local property taxes.

These, then, are the minimum requirements that I see as necessary for my voting a housing bill out of the Banking and Currency Committee. Anything less, and those rights to decent and sanitary housing for all Americans that many of us have fought strenuously in the past for are doomed, as a result of the insensitivity that has been shown in the subcommittee bill.

I would like at this point to turn things over to my colleagues.

TAX EXPERTS CITE NEED FOR REPEAL OF DISC TAX LOOPHOLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, the Domestic International Sales Corporation (DISC), is an extravagant, wasteful, counterproductive loophole in our tax code. Testimony before the House Ways and Means Committee today indicated that the cost of DISC was running two and a half times the original Treasury estimates. The 1975 Treasury loss is now estimated at $740,000,000.

Testifying before the Ways and Means Committee panel hearings last year, former Treasury Assistant Tax Legislative Counsel, Stanford G. Ross, addressed himself to the DISC legislation:

> But there is one area that I think I would like to bring to your attention and that is that the DISC law and regulations as enacted are violative of every tax rule which sound practice and good administration has ever instituted in the foreign area.
>
> These rules permit paper companies to engage in sham transactions. Their arbitrary inter-company pricing rules permit normal domestic manufacturing income to be treated as export income available for the special subsidization.
>
> They encourage the use of tax haven companies in conjunction with DISC to multiply the available benefits . . . the tax laws are not a reasonable and efficient mechanism for artifically encouraging exports.

The basic premise that the DISC is a stimulus to greater exports is dubious. Mr. Ross continues:

> With rare exceptions most companies utilizing the DISC provisions have existing export operations and that the DISC is stimulating greater exports very marginally, if at all . . . We are sacrificing government revenues with no demonstration of offsetting benefits for the American economy.

DISC creates another very negative economic phenomenon. The tax deferred profits accrued by DISC may be used in establishing a foreign sales subsidiary. The company then can move its production operations abroad and continue to use the services of the sales subsidiary which was created through the tax-deferred profits. Again, in last year's tax reform hearings, Peggy Musgrave, professor of economics at Northeastern University, refers to this phenomenon:

> The DISC legislation may in fact do more to expedite foreign production by U.S. corporations than to stimulate exports of U.S. produced goods.

Professor Musgrave continues:

> The DISC provision is an inefficient form of tax incentive to exports and introduces further loopholes in the tax laws. It should be repealed as the taxation of operations abroad is tightened and as the devaluation of the dollar renders such export incentives redundant.

In terms of commodity shortages, the DISC is anything but a stabilizing influence. Vitally important and increasingly scarce commodities have been given enormous incentive for export through the DISC. The inconsistency is glaring between, on the one hand, the stimulus we have created for export, while on the other hand acknowledging the vital necessity of conserving our domestic resources. University of California (Berkeley) Law Prof. Lawrence Stone commented in the 1973 Ways and Means Committee hearings:

> To exaggerate, it seems possible to me to have American companies . . . import all of their oil from abroad and to export all the U.S. oil and on the exchange get the benefits of DISC. . . . The DISC should be repealed before it becomes too permanent a feature of our tax landscape.

Moreover, DISC results in artificially lowered prices for scarce commodities, thereby encouraging their export.

Theoretically, DISC is a stimulus to competition aiding small business' export interests. However, it is a glaring fact of life that DISC is a tool of the powerful. A mere 6.6 percent of DISC gross receipts were accounted for by corporations with assets under $100 million. Clearly big business is DISC's almost exclusive beneficiary. The most lucrative industries are those receiving the tax subsidization.

The diverting of tax revenues and reduction of domestic supplies makes DISC a blatant, inflationary tax loophole. In short, DISC is a classic tax loophole, benefitting very few while exploiting very many. By 1975, DISC will absorb $740 million from the public Treasury. The DISC tax gimmick is an unnecessary tax evil that must be repealed.

ELEANOR ROOSEVELT: 90TH ANNIVERSARY OF HER BIRTH

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, today I have the privilege of introducing a joint resolution that would designate October 10, 1974, as the "90th Commemorative of Eleanor Roosevelt's Birth" and making Hunter College of the City University of New York the site of the official national ceremony.

There is no need to list the accomplishments of Eleanor Roosevelt. There is no need to speak of her dedication to the establishment of social justice for all and world peace. There can be no measure of the effect she had on so many individual lives and on our collective spirit.

But the Congress can commemorate her achievements and can, by passing this resolution, mark in some small way the anniversary of her birth 90 years ago this coming October.

Hunter College has assumed the responsibility of marking this important date with planned activities involving her family and many noted Roosevelt scholars. Hunter College is undertaking this activity for a variety of reasons but primarily because it has custodial care of the Sara Delano Roosevelt House which was the Roosevelt family house in New York City.

Mr. Speaker, Hunter College is my alma mater and one of my fondest memories is of participating as student body president in the dedication of the "new" building in 1940. The memory is an especially fond one because representing the Roosevelt administration, which through the WPA program had built the building, was Eleanor Roosevelt.

The passage of this resolution will be some small recognition of the life and work of Eleanor Roosevelt.

GAO ANALYSIS CASTS DOUBT ON PENTAGON "BOOKKEEPING CHANGE" GIVING $266 MILLION MORE TO SOUTH VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 5 minutes.

Mr. HARRINGTON. Mr. Speaker, on May 17, the General Accounting Office transmitted to a number of congressional offices, including my own, an interim report on proposed Department of Defense "bookkeeping changes" which would have had the effect of making an additional $266 million in military assistance available to the South Vietnamese Government during the current fiscal year. This interim report was the result of requests initially made to GAO by Congressman ROBERT LEGGETT, and myself.

The GAO report indicates that the proposed $266 million bookkeeping change "presents substantial factual and conceptual questions." While GAO stresses its review is "very preliminary," the information contained in the report suggests the possibility of a coordinated effort by the Department of Defense to manufacture statistics, mislead the Congress, skirt statutory restrictions on military aid to South Vietnam, and, via a bit of budgetary legerdemain, finesse another $266 million to the Saigon regime of President Thieu.

On April 3, 1974, Secretary of Defense James Schlesinger wrote to the Armed Services Committees of the House and Senate. His letter, which appeared in the CONGRESSIONAL RECORD of April 10, sets forth the DOD argument that $266 million then credited against the fiscal 1974 ceiling of $1.126 billion actually represented "Army ammunition delivered from stock in prior years." The Department of Defense has further claimed that the $266 million should be entirely subtracted from the fiscal 1974 ceiling, since it represents a replenishment—or "payback"—for deliveries of Army munitions to Vietnam during prior fiscal years. DOD argues that none of the $266 million had been credited against the ceilings of 1972 and 1973.

Had Congress accepted this proposal, the backdoor effect would have been to increase aid to South Vietnam by $266 million, over the month and a half remaining in the current fiscal year. While the Senate Armed Services Committee recommended approval of the proposed accounting change, fortunately, on May 6, the Senate adopted an amendment offered by Senator KENNEDY which has the effect of denying the Pentagon use of the $266 million.

The preliminary GAO report casts strong doubt on virtually every facet of the Pentagon's attempt at loophole-building. Here are the basic Pentagon claims and countervailing GAO contentions:

First. The Pentagon now claims that the ammunition deliveries should not be credited against the MASF ceiling, because the "payback" does not represent actual obligations, only a replenishment of Army stocks. GAO suggests, however, that "including the ammunition payback under MASF seems consistent with DOD's general practices," and further notes that if MASF were not to include ammunition payback, this "would mean that $266 million of ammunition support actually furnished to Vietnam would never be reported under MASF." The result would be a loophole in the statutory ceiling on aid to Vietnam big enough to drive hundreds of ammo trucks through—at a cost of U.S. taxpayers running to hundreds of millions of dollars.

Second. DOD now claims that the entire $266 million in ammunition payback has been charged against the current, fiscal 1974 ceiling. Thus, accepting the Pentagon's logic, Congress would deduct the $266 million from the current ceiling, leaving that amount as allowable additional aid to President Thieu. The General Accounting Office does not support this claim. The preliminary report notes:

> Army officials said that they cannot support the statement that the full $266 million was charged against the 1974 ceiling.

In fact, the GAO study indicates:

> Most of the $266 million representing the payback was actually reported as a charge against the MASF ceiling for fiscal 1973.

The Army, it appears, has been charging ammunition deliveries against the MASF ceiling all along. Only the Office of the Secretary of Defense, it seems, contends that none of the $266 million was charged prior to the 1974 fiscal year.

What this means is that the Pentagon is trying to deduct the entire $266 million from the fiscal 1974 ceiling, when, as a matter of fact, according to GAO interviews with Army officials:

> Less than half of this $266 million was actually chargeable to or reported against the 1974 ceiling.

Using the same statistical estimating procedures practiced by the Army, the GAO finds that 60 percent of the $266 million payback was charged against the 1973 MASF ceiling. Contradicting Secretary Schlesinger's claim, GAO says:

> The most that could be justified as a subtraction from charges already reported against the 1974 ceiling is a amount less than half of $266 million.

A major unanswered question here concerns the factual accuracy of the Pentagon's and Secretary Schlesinger's claims and why these claims differ from the views of Army officials, who when interviewed by GAO, suggest an apparent "misunderstanding by DOD officials" of data submitted them by the Army, as justification for the errors contained in Secretary Schlesinger's April 3 letter to the Congress.

I am concerned, frankly, that this "misunderstanding" was just a convenient way for the Department of Defense to hoodwink Congress into gutting the force of its ceiling on aid to Vietnam, and pumping another quarter billion dollars to President Thieu.

Third. For each of the last 3 fiscal years, Congress has set statutory ceilings on aid to South Vietnam under MASF. The GAO analysis suggests that using the Pentagon's rationale would result in aid exceeding the statutory ceiling of 1973 by "more than $100 million."

If we accept the Army's practices, it appears that a major portion of the $266 million worth of ammunition deliveries have already been credited against the fiscal 1973 MASF ceiling. In this case, there is no danger that the ceiling will have been exceeded. It is when we use the approach advocated by the Pentagon, and Secretary Schlesinger in his April 3 letter, that the possibility arises that aid exceeded the statutory ceiling.

As GAO points out:

> The most serious problem in terms of prior year ceilings seems to arise under DOD's present position that it has treated the payback as subject to MASF, but at the same time that it has reported the full $266 million for 1974.

GAO's use of the Pentagon's own accounting procedures suggests that about 60 percent of the $266 million—or $160 million—was actually obligated in fiscal 1973 and thus should be charged against the 1973 ceiling.

Charging this $160 million against the 1973 ceiling would cause aid obligated in that year to exceed the statutory limit by more than $137 million. GAO notes:

> Most of the $266 million should have been charged and reported under the 1973 ceiling. If this was not, in fact, done, charges against the 1973 ceiling were understated by more than $133 million; and an adjustment to correct the 1973 figures would cause the 1973 ceiling to be exceeded by more than $100 million.

If we are to accept the DOD position, then it is likely that the statutory 1973 ceiling of $2.735 billion was exceeded in GAO's words, by "more than $100 million."

Mr. Speaker, I do not know whether this episode of accounting slight-of-hand is the result of an honest and unintended mistake, or a deliberate effort to mislead Congress and skirt the intent, and letter, of the law restricting military aid to South Vietnam. In any case, it is absolutely clear to me that the Pentagon's proposal to use the "book-keeping change" to make the full $266 million available to South Vietnam in 1974 is in error, and should not be approved. First, the preponderance of evidence suggests that more than half of this $266 million has already been charged against the ceiling of fiscal 1973, and we should not allow it to be charged twice. Second, there is no reason whatsoever to allow the Department of Defense to avoid the intent of the congressionally mandated limitation on aid to South Vietnam by not counting munitions deliveries against the MASF ceiling.

What concerns me most, Mr. Speaker, is the wide discrepancy between what the GAO reports to be the Army side of this story, and what DOD's official position has been as a matter of public record. If we accept the DOD position, DOD will have committed an apparent violation of the law by exceeding the statutory ceiling on 1973 aid by more than $100 million.

Perhaps the remaining questions about DOD's misperformance with the $266 million will be answered by the final GAO report, which I hope to be forthcoming. It seems to me, however, in light of the serious factual and conceptual questions raised by the GAO analysis, that Congress should not allow the Department of Defense to deduct the $266 million from the fiscal 1974 ceiling, thus making additional aid in this amount available to South Vietnam before June 30, 1974. The House conferees now considering the supplemental military procurement authorization should accept language in the Senate bill banning the use of the $266 million.

Mr. Speaker, at this point I would like to insert in the Record the text of my April 29 letter to Comptroller General Elmer B. Staats, as well as the text of the preliminary GAO analysis, and the GAO letter of transmittal:

April 29, 1974.

Hon. Elmer B. Staats,
Comptroller General of the United States, General Accounting Office, Washington, D.C.

Dear Mr. Staats: It is my understanding that my colleague, Congressman Robert Leggett, has requested that the General Accounting Office conduct an investigation into the claim of the Department of Defense that authority for an additional $266 million in military aid to South Vietnam exists for fiscal 1974 due to an "accounting error" made by the Department.

I would like to indicate my support for such an inquiry, as well as to suggest certain matters which I believe should be included in the GAO study. I also wish to stress the urgency of this matter. As you may know, the House is now scheduled to consider the military procurement authorization legislation for fiscal 1975 within the next two weeks. The results of the GAO inquiry into the alleged $266 million "accounting error" would have the greatest utility if available prior to consideration of this legislation by the whole House.

Apparently, the Department of Defense claims that it has authority remaining for an additional $266 million in military assistance, notwithstanding the statutory ceilings set on aid under the MASF program, because ammunition delivered during the 1972 and 1973 fiscal years was, because of delays in the accounting process, not applied against the statutory ceiling until fiscal 1974. The Department argues that since the material in question was done earlier, it should not be applied against the FY '74 ceiling.

A number of questions are raised by this matter which I believe the GAO should consider as part of its inquiry:

First, would approval and obligation of the additional $266 million cause the total aid delivered under the MASF program to exceed the combined ceilings set by statute for fiscal years 1972, 1973, and 1974, and if so, by how much?

Second, is the statement of facts as offered by the Department of Defense in support of its claim of an "accounting error" essentially accurate?

Third, if the statements of the Department are shown to be accurate, is it a proper procedure to allow for back-dating of the $266 million against prior year obligational authority?

Fourth, would application of the $266 million in question have the result of causing total aid under MASF to exceed the statutory ceilings for any one of the previous years?

Fifth, what does the GAO study reveal about weaknesses in the Department's accounting practices, and in what ways might these weaknesses, if any are shown to exist, be remedied?

I realize, of course, that the urgency of this matter may make it difficult for the GAO to conduct as exhaustive an inquiry as might otherwise be desirable. Nevertheless, I hope that to the extent feasible the questions I have raised will be incorporated into the inquiry. I trust that I will be kept informed of all information and reports, as appropriately developed, during the course of the inquiry.

Should your staff wish any elaboration upon my request, please have them contact either my Administrative Assistant, Rod Smith, or my Legislative Assistant, Bob Metzger, at 225-8020.

Thank you very much for your cooperation in this matter.

Yours sincerely,
Michael J. Harrington.

Washington, D.C., *May 17, 1974.*

Hon. Michael J. Harrington,
House of Representatives.

Dear Mr. Harrington: Reference is made to your letter of April 29, 1974, which requests our analysis of several questions concerning a proposed change in Department of Defense bookkeeping procedures under the Military Assistance Service Funded (MASF) program which would free an additional $266 million in obligational authority for application to MASF support during fiscal year 1974. As you point out, we are presently reviewing this matter at the request of Congressman Robert L. Leggett.

In accordance with our discussion with Congressman Leggett on May 2, which was attended by Mr. Robert Metzger of your staff, we have prepared a preliminary analysis of the proposed bookkeeping change, a copy of which is enclosed herewith.

As noted in the analysis, our work on this matter is preliminary at the present time. The information presented in our analysis is based largely upon interviews with Department of Defense and Department of the Army officials, and has not yet been verified or documented. Accordingly, our analysis is quite tentative. However, we recognize the important bearing which this matter has upon legislation now being actively considered by the Congress. In view of the importance of this matter, and in accordance with the May 2 discussion, we are sharing our preliminary analysis with other interested Members of Congress and congressional committees.

We plan to continue our review of this matter and to report further at a later date.

Sincerely yours,
R. F. Kitter,
Acting Comptroller General of the United States.

Preliminary General Accounting Office Analysis of Proposed Change in Bookkeeping Procedures Which Would Permit an Additional $266 Million in Military Assistance Service Funded (MASF) Obligations for Fiscal Year 1974

In response to several congressional requests, the General Accounting Office is currently reviewing the recently proposed change in Department of Defense (DOD) bookkeeping procedures which would free an additional $266 million in obligational authority for application during fiscal year 1974 under the Military Assistance Service Funded (MASF) program.

Our work to date has been limited to interviews with DOD and Department of the Army (Army) officials, and preliminary review of the information and positions presented to us by these officials without documentary verification. We are now attempting to obtain documents and records in order to verify information provided in our interviews and to resolve apparent inconsistencies and ambiguities in such information. Because of time constraints, our review is presently at an initial stage. However since this matter has an important bearing upon legislation now being actively considered by the Congress, we have been asked to submit this preliminary analysis.

The proposed bookkeeping change is to subtract from charges already reported against the MASF ceiling for fiscal year 1974 $266 million which represents a replenishment of, or "payback" to, Army stocks for prior ammunition deliveries to Vietnam. This change would have the effect of permitting an additional $266 million of obligational authority now available to DOD to be applied for MASF uses during the current fiscal year.

This proposed change is based upon two major premises: first, that the ammunition payback should not be considered subject to the MASF ceiling; and second, that the full $266 million representing this payback has in fact already been reported as a charge against the 1974 ceiling. However, according to information provided to us by Army officials, most of the $266 million representing the payback was actually reported as a charge against the MASF ceiling for fiscal year 1973. If this information is correct, subtraction of the full $266 million from charges against the 1974 ceiling would not seem to be justified even assuming that the payback should be excluded from MASF.

THE $266 MILLION PAYBACK

MASF was established in fiscal year 1966 to provide a single, integrated system, including programming, budgeting and funding, for the combined support of United States, South Vietnamese, and other Free World forces operating in Southeast Asia. The essential effect of MASF is to provide through regular DOD appropriations that portion of what would otherwise be military assistance appropriations for use in Southeast Asia. As in the past several years, the DOD authorization and appropriation acts for fiscal year 1974 impose a ceiling on MASF support from appropriations available to DOD. DOD is required to make quarterly reports to the Congress on the estimated value of MASF support furnished from such appropriations. The ceiling for fiscal year 1974 is $1.126 billion.

In connection with the 1974 supplemental authorization bill, DOD requested an increase in the current ceiling. The House of Representatives rejected this request, as did the Senate Committee on Armed Services. However, in its report on the supplemental authorization bill, the Senate Committee suggested a change in bookkeeping procedures which would permit obligation of an additional $266 million during the current fiscal year. The Committee's report, S. Rept. No. 93-781, at 32, explained the proposed change as follows:

"Review of the MASF program indicates that the Department of Defense has used a statistical basis for reporting obligations to Congress for the ammunition program. This statistical computation does not relate to actual obligations, consumption or deliveries and results in an overstatement of support actually provided to South Vietnam during fiscal year 1974 for the ammunition program. The obligations reported in the first quarter of fiscal year 1974 include an estimate of $266 million for ammunition for U.S. inventories to pay back items which were in fact delivered to South Vietnam in fiscal years 1972 and 1973.

"The $266 million should not have been included under the MASF limitation for FY 1974. The funds in fact have been obligated for accounting purposes in prior years, and the ammunition was delivered in prior fiscal years."

DOD's position on this matter was set forth in a letter dated April 3, 1974, from Secretary of Defense Schlesinger to the Chairman of the House Committee on Armed Services. This letter, which appears in the Congressional Record for April 10, 1974, at 10596, reads in part:

"As was indicated in our justification to the Congressional Committees, we were recording obligations against the [MASF] limitation applicable to both the $907.5 million of new FY 1974 funds as well as approximately $487.5 million of carryover balances. Included in these carryover balances was an amount of $266 million which represented a statistical charge of estimated obligations to the limitation on the basis of Army ammunition delivered from stock in prior years. This was consistent with our interpretation of the MASF authority and past practices in which the value of such 'pay back' has been charged to the ceiling to represent the replacement on the value of such deliveries.

"In its action on our FY 1974 MASF limitation, the Senate Armed Services Committee directed that a planned 'pay back' charge relating to certain helicopters which had been delivered earlier from Service stocks was not required. In expressing its opinion to the Conferees, the Department of Defense indicated that it could accept this position provided that it were generally understood as a governing groundrule. Subsequent determinations by Counsel indicated that this Congressional decision should be viewed as a specific exception to the interpretation of the MASF authority and with the past practice that such 'pay back' request to the Congress does, in fact, reflect the inclusion of the $266 million ammunition item as a charge to this year's ceiling.

"It must be emphasized that the Department has presented this year's program on the basis of the understandings which had been reached with respect to past practices. Should the Congress make a specific determination that the $266 million need not be charged to the ceiling, then this would, of course, be acceptable to the Department of Defense. However, in our view an increase in ceiling represents a more straight-forward presentation of the authority requested."

The foregoing materials indicate that during fiscal years 1972 and 1973 ammunition was delivered from existing Army stocks to Vietnam. Our initial review indicates that these deliveries were made from April to September of 1972. These deliveries were not reported as charges against the MASF ceilings in effect at the time they were made. In an amendment to its ammunition procurement budget for fiscal year 1973, the Army requested $221 million for increased support to Vietnam. We were advised by Army officials that this amount was needed to replenish or "pay back" Army stocks for the prior deliveries to Vietnam referred to above. The Congress appropriated $216 million of this amount. However, the $216 million figure was increased to the present $266 million in January 1973 by a DOD "program budget decision."

As noted previously, the MASF ceiling is expressed in terms of a limitation on the availability of DOD appropriations, and the law provides for reports of the estimated value of support furnished from such appropriations. Accordingly, DOD reports of estimated MASF ammunition support are based upon obligations of ammunition procurement appropriations rather than deliveries of ammunition to Vietnam. Secretary Schlesinger's April 3 letter states that DOD's practice has been to report paybacks under MASF as representing the replacement value of deliveries from stock. His letter also indicates in effect that this practice will be continued unless and until the Congress makes a "specific determination" that the $266 million ammunition payback need not be charged to the ceiling.

Apparently the rationale for excluding this payback from the MASF ceiling is that since the payback will only replenish Army stocks, it does not of itself represent MASF support. Also, since the payback amount was obligated subsequent to the time when deliveries were made, reporting payback obligations against the ceiling would overstate MASF support for the fiscal years during which such obligations are incurred. Both of these observations are substantially correct at least in a technical sense; and whether the ammunition payback should be excluded from the MASF ceiling is essentially a policy question for the Congress in view of the present posture of this matter. We might point out, however, that including the ammunition payback under MASF seems consistent with DOD's general practices with respect to the reporting of MASF ammunition support. Also, unless reports of MASF ammunition support for prior years were to be changed retroactively, excluding this payback would mean that $266 million worth of ammunition support actually furnished to Vietnam would never be reported under MASF.

SUBTRACTION OF $266 MILLION FROM THE 1974 MASF CEILING

Assuming that the ammunition payback should be excluded from MASF, the question remains whether subtraction of the full $266 million from charges reported against the fiscal year 1974 MASF ceiling would be justified. Both the Senate Committee report and Secretary Schlesinger's April 3 letter state that the full $266 million payback was in fact reported as a charge against the 1974 ceiling. However, our preliminary interviews with Army officials indicate that less than half of this $266 million was actually chargeable to or reported against the 1974 ceiling.

Procurement contracts for ammunition do not specifically identify ammunition for MASF. Therefore, the Army uses a statistical estimating procedure to report that portion of ammunition procurement obligations which represents ammunition furnished under MASF. We were told that the percentage relationship between the total Army ammunition program and total obligations incurred against this program is applied to that portion of the program identified for MASF support. The resulting amount is charged to the MASF ceiling as estimated ammunition support. For example, if 75 percent of the total Army ammunition program is obligated, then 75 percent of the total amount identified for MASF support is charged to the MASF ceiling. This procedure is outlined in DOD Instruction 7700.16 and applies when a procurement contract includes equipment for both United States forces and Free World or local forces without identifying the specific users, as in the case of ammunition procurements.

The ammunition procurement appropriation is a multi-year fund, available for obligation over a three-year period. We were told that for the purpose of MASF reporting about 60 percent of the total fiscal year 1973 Army ammunition appropriation was considered to have been obligated during fiscal year 1973. Therefore, using the statistical estimating procedures described above, about 60 percent of the $266 million ammunition payback would have been charged to the 1973 MASF ceiling. We were also advised by Army officials that these procedures were in fact applied in the present case. According to the Army officials, the statements in the Senate Committee report and Secretary Schlesinger's April 3 letter that the full $266 million payback was included in charges reported against the 1974 ceiling apparently result from a misunderstanding by DOD officials of data submitted to them by the Army. The Army officials said that they cannot support the statement that the full $266 million was charged against the 1974 ceiling.

If the information furnished to us by the Army officials is correct, the most that could be justified as a subtraction from charges already reported against the 1974 ceiling is an amount less than half of the $266 million.

EFFECT UPON PRIOR YEAR CEILINGS

We have been specifically requested to analyze the potential effects of implementation of the proposed bookkeeping change upon prior year MASF ceilings. According to DOD, the relevant figures for the prior fiscal years here involved—1972 and 1973—are as follows (stated in millions of dollars):

	Fiscal year 1973	*Fiscal year 1972*
MASF ceiling	2,735.0	2,700.0
Estimated obligations reported to the Congress	2,713.1	2,417.4
Difference	−21.9	−282.6

The effects on prior year ceilings in the present case would depend upon precisely what bookkeeping change is considered to be required and how the $266 million has already been charged.

Clearly the proposed bookkeeping change would exclude charges reported on the basis of the payback itself. As noted previously, one argument for exclusion of the payback is that the deliveries of ammunition to Vietnam actually took place in fiscal years 1972 and 1973. However, it is not clear whether the proposal is simply to exclude the payback charges, or whether it is proposed at the same time to retroactively adjust prior year charges to include the ammunition deliveries. The latter approach would be in effect to recompute the $266 million charges on the basis of deliveries rather than payback obligations.

If the only change is to exclude charges already reported on the basis of payback obligations, no significant effects upon prior year ceilings would result. Under this alternative, if the full $266 million has in fact been reported as a 1974 charge, it would merely be subtracted from charges against the 1974 ceiling. Accordingly, prior year charges would not be affected in any way. If, on the other hand, most of the $266 million was reported against the 1973 ceiling and less than half was reported for 1974—as the Army officials advised us—then only the lesser amount could be subtracted from 1974 charges. At the same time, most of the $266 million could in theory be subtracted from 1973 charges. The latter adjustment would, however, merely increase the present $21.9 million "cushion" under the 1973 ceiling, and would have significance only with respect to any other adjustments which might be necessary for fiscal year 1973.

If the proposal is to recompute the $266 million charges on a delivery basis and if the full $266 million was actually reported for 1974, the entire amount would have to be retroactively added to charges against the 1972 and 1973 ceilings. As noted previously, it appears that the deliveries were made from April to September of 1972, i.e., three months each in fiscal years 1972 and 1973. Assuming that the deliveries could be allocated evenly, $133 million would be added to charges reported for each of these fiscal years. The present 1972 cushion of $282.6 million could accommodate a $133 million increase; but the $21.9 million 1973 cushion could not. In short, implementation of this alternative would result in creating an excess over the 1973 MASF ceiling unless almost the entire $266 million amount could be allocated to fiscal year 1972. However, this problem would in all likelihood not arise if most of the $266 million has in fact already been reported as a 1973 charge.

Finally, it should be pointed out that the most serious problem in terms of prior year ceilings seems to arise under DOD's present position that it has treated the payback as subject to MASF, but at the same time that it has reported the full $266 million for 1974. As noted previously, the information provided to us with respect to the derivation of the payback and the manner in which it should have been treated for MASF purposes indicates that most of the $266 million should have been charged and reported under the 1973 ceiling. If this was not in fact done, charges against the 1973 ceiling were understated by more than $133 million; and an adjustment to correct the 1973 figures would cause the 1973 ceiling to be exceeded by more than $100 million. This problem would, of course, become moot if the payback is excluded from MASF.

SUMMARY

For the reasons stated herein, it appears that the proposed $266 million bookkeeping change presents substantial factual and conceptual questions. However, it must again be emphasized that our review and analysis are very preliminary at the present time.

CUBAN GOLD AIDED U.S. FREEDOM

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, a recent issue of El Matancero Libre, a bilingual publication in Miami, brought to the attention of its readers an article which appeared on July 2, 1962, in the New York World Telegram & Sun, recounting the generous aid our colonial ancestors received from the people of Cuba during our fight for independence.

The editors of El Matancero Libre point out that the historical irony noted by the World Telegram writer more than a decade ago still holds. We are still not fully aware of the unity of the fight for freedom which was recognized by our American compatriots in liberty in the 18th century; we still have people in our country who do not realize that Cuba's cause is freedom's cause and therefore the cause of all the freedom-loving peoples of the United States and of this hemisphere.

Commenting on the article, El Matancero Libre said:

> Today when Cuba's freedom runs through its worst risks, we want these facts to serve as reminders as prone of a solidarity offered to this country by cubans in order that North Americans could achieve their independence. Let those historical facts become a stop to all those Executives and Legislators who can influence today any long term or permanent decision.
>
> It must be understood that if only part of the cuban citizens are now in exile it is due to the impossibility to leave the island due to tight emigration rules and security measures. A good example of the abhorrence of the cuban people towards the totalitarian regime were the Freedom Flights, today canceled. Another good example is found in the cuban jails hosting thousands of citizens in the most cruel and somber conditions.
>
> A country that has had no opportunity in 15 years of captivity to let its true feelings show, can only be heard by those who make it to a land of freedom. Those people who have been humiliated and repressed for 15 years, today more than ever claim for real continental solidarity and not for a literary expression or a weak "friendly" attitude. Those people deserve from their neighboring allies at least part of the same unlimited support offered to Castro by the Russians who have violated all types of continental treaties.
>
> Even in the economic when during World War I with sugar at a value of more than $22, Cuba preferred selling it to the U.S. at $5 only, with a difference in price of $17. In any of those harvest seasons, Cuba let go by more than one thousand million dollars, interpreting likewise the sacrifices bestowed on men and countries by the concepts of friendship and allegiance.
>
> This is the reason why we bring about this "Historical Irony" with the legitimate intention of trying to awaken the concience of many apathetic or indifferent people that never seem to understand that Cuba's cause must be America's cause, because in its solution lies the image or attitude that could be left of our supposedly continental reserves before the people governed today. We want this historical parallel in both languages to reach all those influential elements now and that it will be let known inclusive by the thousands of professors teaching abroad and that today more than ever have a chance to become crusaders for freedom and liberty of the Cuban people.

The historical parallel to which El Matancero Libre refers is evident in the following text of the article from the New York World Telegram and Sun:

Historic Irony: Cuban Gold Aided U.S. Freedom

> This Fourth of July recalls a little known footnote to the history of freedom—the time Cuba helped the bankrupt American states win independence from the British. Without that aid, the Americans quite possibly would not have been able to celebrate their independence.
>
> And thereby hangs a tale of irony.
>
> Today's Cuban government has sent 60 hostages to the United States to collect ransom for 1118 freedom fighters held by Castro. But 181 years ago this month, another government in Cuba sent the equivalent of several million dollars to pay for food and wages for George Washington's troops.
>
> It was a gift, not a loan.
>
> In the summer of 1781, the American forces were hardpressed by military defeat and blockade by the British.
>
> British ships blockaded the coast from Maine to Georgia; British armies threatened to cut the country into three parts.
>
> Washington, in desperation, begged for help from his ally—France. He needed ships, men and, above all, money with which to pay his disgruntled and dispirited soldiery.
>
> The French sent Adm. de Grasse with a large fleet and 3000 men to challenge the British navy in Cheapeake Bay. And France asked its ally, Spain to contribute money.
>
> Arrangements were made for a frigate to run the blockade from Havana, and the citizens of that town (numbering 100,000) and the outlying districts gathered their treasure for the offering.
>
> Jewels, necklaces, pendants, earrings were donated by the rich ladies of the city. Swaggering Spanish freebooters, still smarting from the sack of Havana by the British in 1761, turned in their loot—bolts of silk, gold brocade, bars of yellow gold, and exotic spices.
>
> Priests threw golden candelabra, gilted chains, silvered christening basins onto the pyramids of goods already piled high on every square and plaza of Havana. Gentlemen parted with gold and silver snuffboxes, sword handles and heads of walking sticks.
>
> The middleclass, not to be outdone, emptied their warehouses and shops of antiques, gilt picture frames, gold buckles and bracelets and family heirlooms. Even the poorest classes contributed—a baby's silver spoon here, a little girl's ring there, a beautiful lace shawl which had been kept for a wedding present.
>
> Historians tell that a vast sum was collected and converted into gold. Samuel Eliot Morison estimates $240,000. Sir Henry Clinton, the British general who fought against the colonies, in his memoirs, "The American Rebellion," states that "the hard money . . . *in a very short time* . . . was reported to me to be half a million dollars."
>
> Considering the fact that gold today is worth $3 an ounce, and that bullion-bars then weighed 70 pounds, it is most likely that all estimates were modest. In terms of today's buying power, the gift must have been the equivalent of several million dollars.
>
> In September, 1781, the French fleet clobbered the British in Chesapeake Bay. Washington's army, now well provisioned with Cuba gold, defeated Cornwallis at Yorktown, and the war was over.
>
> Today, the situations are reversed. The Cubans who fought to overthrow Castro are being held for "fines" totaling $62 million. And Americans are being asked to help rescue them.
>
> Funds are being collected by the Cuban Families Committee for Liberation of Prisoners of War Inc., 527 Madison Ave. A spokesman for the committee, recalling the Cuban contribution 181 years ago, quoted a later Cuban patriol, Jose Marti, as a thought for this Fourth of July:
>
> "To witness a crime in silence is to commit it."

STUDENT ASSOCIATION CITED

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, amidst the current dichotomy in the field of education, that is, academics versus vocational training, we find an interesting blend of the two in several of our own institutions of higher learning. This combination plus the spirit of international exchange and cooperation add up to the International Association of Students in Economics and Commerce—AIESEC. The University of Miami chapter has been named one of the four top chapters, along with the University of Alabama, my own esteemed alma mater, Brown University, and Yale University, in recognition of its special project.

The University of Miami chapter was cited for its trade missions program. Miami businessmen went to Panama and Jamaica on trips planned and executed by the 40 AIESEC students at the University of Miami. The students researched the countries' economy, customs, and industry to discover which products were best imported or exported; then they researched the Miami area to find a market for their products. Presently, the AIESEC plans to invite Latin American businessmen to Miami for a reciprocal trade mission.

The citation of AIESEC appeared in the March-April issue of the World Trade Journal. I submit this article, Mr. Speaker, for insertion in the Record following my remarks.

AIESEC Cited

(By Dr. John M. Dyer)

> The University of Miami Chapter of the International Association of Students in Economics and Commerce (AIESEC) has been named one of the four top chapters in the United States in recognition of its special projects.
>
> The UM, University of Alabama, Brown University and Yale University were honored

from among a group of 60 chapters at the annual conference in Philadelphia.

Composed of 40 UM men and women, mainly business students, the UM chapter was cited for its unique and successful Trade Missions Program. Trips to Panama and Jamaica were planned and executed, taking Miami businessmen to those countries. The students researched the countries' economy, customs and industry to find out what products might best be imported or exported, then the Miami area was researched to find a market for those products.

The UM students arranged air transportation, informing participants of all travel information such as vaccinations and visa requirements, made hotel and meeting room arrangements, worked closely with consuls and embassies of the countries, did public relations and publicity for the missions, and aided participating businessmen with exhibition materials.

Nancy Rains of Fort Lauderdale, president of the UM chapter who is studying languages and marketing, said the missions were accomplished in close cooperation with the International Center in Coral Gables and the Board of International Trade. The students receive from 1 to 3 credits per semester for their work in MKT 599 (AIESEC) and write reports on their learning experience. The UM chapter is currently planning a reciprocal trade mission in which Latin American businessmen would come to Miami in 1974.

"AIESEC," said Miss Rains, "is a unique association of students working in cooperation with public and private enterprise toward a better world through the international exchange of ideas and business skills."

The UM chapter was recognized also for its internships program and for its work with South Florida firms to bring foreign students here from 8 weeks to 1½ years to work. UM students go overseas to get practical management experience in industry. The interns are paid for the work and most of them are offered fulltime jobs on graduation from the university.

Since AIESEC began in 1948, it has administered the exchange of more than 70,000 quality traineeships, and there are 54 member countries in the program.

The UM chapter is working toward a summer school training program for 1975 in which lectures and seminars would be held for businessmen from 15–20 firms, their foreign interns, and UM students in international marketing.

At present, the chapter invites Miami-area freight forwarders, international bankers, public relations people, airlines personnel and officials of the U.S. and Florida departments of commerce to lecture in the trade missions marketing classes.

Miami for the first time will host the annual AIESEC conference Dec. 26–31, 1974.

This past February the UM chapter cosponsored Business Week on campus, and next year will be in charge of the event's international section. AIESEC members are also donating volunteer time to work in international business situations at the International Center in Coral Gables and receive membership in the Center.

AIESEC students are also working to help organize the Governor's Conference on World Trade, sponsored by the Florida Department of Commerce and the Florida Council of International Development, May 23–24 at the Sheraton-Four Ambassadors Hotel.

CUBAN INDEPENDENCE DAY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, Cuban Independence Day, May 20, 1902, has become a day of rememberance for all of the peoples of the Western Hemisphere who value freedom.

The dream of independence from Spain was one shared by most of Latin America, and we in the United States became a participant through our efforts to assist the people of Cuba in their ultimately successful fight for their national independence and freedom.

Now we are acutely aware of that Cuban aspiration for freedom because it has been taken away. The bloody Castro regime has robbed the people of Cuba of their freedom; it has repressed their hard-won personal liberty and has delivered their island homeland to the domination of Soviet communism.

We should know, however, that the Cuban struggle for independence which began a century and a half ago has not been ended and cannot be repressed by the likes of Castro and his henchmen.

I am pleased to have in my district some of the finest sons and daughters of Cuba and I know from my personal experience that the fires of liberty burn brightly in their hearts and minds. They will not rest until their homeland is free. They are the legitimate sons and daughters of the fight for Cuban independence that dates back to the agitations of the Soles y Rayos de Bolivar in 1820.

They are the proud descendents of the courageous 1950 expedition of Gen. Narciso Lopez and of the 10-year war that began in 1868 with a handful of men at Yara.

Their hearts hold the spirit that inspired the great poet and patriot Jose Marti to declare that "the general happiness of a people rests on individual independence."

They are determined to rekindle the spark of hope that Jose Marti lighted in the hearts of their countrymen. They are determined to drive from Cuba the alien force that now dominates that beautiful island.

In 1869 the U.S. House of Representatives took the side of human freedom by adopting a resolution in sympathy with the Cuban people and their struggle for independence. During the Spanish-American War the United States helped Cuba win their independence from colonial rule and assisted the Cuban people in their first years of self-rule.

We have an obligation, I believe, to continue that tradition—to give our support to the aspiration of free Cubans to restore democracy and independence to their country. It is for this reason that I have introduced a resolution to endorse the Cuban Declaration of Freedom adopted by Cuban exiles in a convocation in Key West. It is for this reason that I have also urged the Congress to endorse my resolution calling upon our Government to formulate and declare a program aimed at eliminating the Castro dictatorship.

We have a moral obligation to support the aspiration for freedom of the Cuban people. It is also in our national interest to end the Communist intrusion into the Western Hemsphere. I urge my colleagues to give their support to the cause of freedom for the Cuban people and for all mankind.

HON. RICHARD A. PETTIGREW, ADDRESSES TIGER BAY CLUB

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on March 13 the Honorable Richard A. Pettigrew, former speaker of the Florida House of Representatives and now distinguished member of the Florida State Senate from Dade County and also a candidate for the Democratic nomination for the U.S. Senate, delivered a very able and challenging address to the Tiger Bay Club, an outstanding club for discussions of political and public interest. Mr. Pettigrew declared that—

> The need is to reform the American political system to insulate it against being subverted and compromised by narrow special-interest groups more concerned with selfish ends than with the public's interest.

Toward that end he called for the end of secrecy in government, the end of reliance on the seniority system in Congress, requiring full financial disclosure by public officials and candidates, conflict of interest rules, firm control of lobbyists, and movement toward some form of public financing of Presidential and congressional campaigns, matching strictly regulated private contributions. Mr. Pettigrew is a thoughtful student of politics and government and what he has to say will be worthy of serious consideration by the Members of this House and Congress and all of the people of our country. I ask, therefore, Mr. Speaker that Senator Pettigrew's address may appear in the Record immediately following my remarks.

REMARKS BY SENATOR RICHARD A. PETTIGREW

The need is clear to reform the American political system to insulate it against being subverted and compromised by narrow special-interest groups more concerned with selfish ends than with the public's interest.

Because of their disproportionate influence, the political system has become partially paralyzed, and the public's interest is not being served.

There should be little argument, especially in the wake of Watergate and its related scandals, that we need to:

End secrecy in government,

End reliance on the archaic seniority system in Congress,

Require full financial disclosure by public officials and candidates,

Enforce strict conflict-of-interest rules,

Insist upon firm control of lobbyists and

Move toward some form of public financing of presidential and congressional campaigns, matching strictly regulated private contributions.

But, in addition to reforming the political system, we also need to do something about the kinds of people we elect to represent us in that system.

This really comes under the heading of keeping faith with one's constituents.

In an election year, such as this, you hear a lot of talk about "conservatives" and "liberals." As I go around the state of Florida, I discover that my principal opponents are agreed that they are the "conservatives" and that I am the "liberal" in the United States Senate race.

I also have discovered that in an election year a "liberal" is someone who disagrees with you, and I am only too happy to have my principal opponents drawing attention to the fact that they disagree with me and I disagree with them.

But what really fascinates me about those candidates who try so hard to depict themselves as "conservatives" is this:

Where have all the conservatives gone—once they get elected to office?

If a candidate represents himself as a "conservative" and is elected as such, then I think the voters—even those who did not vote for him—have a right to expect him to perform as a conservative after election day.

Yet, what happens to those "conservative" politicians once they are in office?

Let's take some generally accepted conservative positions and see where the "conservative" politicians line up after being elected.

How about economy and efficiency in government? That's a conservative position if there ever was one.

In 1969, every serious student of Florida government had concluded that the best way of bringing about economy and efficiency in State government was to modernize and reorganize it and bring some business-like administration to the operations of government, which would include ending the proliferation of functions of some 200 bureaus and agencies.

As one who was responsible for pushing through such far-reaching governmental reorganization, which reduced the number of State Agencies from 200 to 23, I can tell you where the biggest opposition came from. It came from the "conservatives."

Even in that reorganization we had to make serious compromises in reorganizing the environmental-protection functions. So, in 1972, we made another effort, which again was killed by the "conservatives."

Now, in 1974, we are trying again. And guess where the main opposition is coming from. It is from the "conservatives" in the Legislature, with help from "conservative" allies on the Cabinet, who refuse to make any compromises on how a consolidated environmental agency shall be headed.

Those programs suffering most from failure to reorganize the environmental functions are the permitting process and the development of a consistent wetlands-protection policy. This is of great concern to developers and environmentalists alike. It should be among the top priorities in the upcoming legislative session.

How about law-and-order? Isn't that a conservative issue?

Just about every expert on crime in America is agreed that until we clean up the dreadful mess in our prison systems we are not going to put much of a dent into the level of crime in our society.

Many people think prison reform has to do with straightening out some correctional facility stuck off in the woods out of sight and out of mind.

What it really is all about is the safety of our families, our homes, our neighborhoods and our businesses. For our present prison system is not deterring crime. It is not reforming criminals.

Instead, it is the most efficient crime school we could devise. It is increasing crime, by recycling criminals.

More than nine out of 10 offenders who are sent into the corrections system are returned to society in less than four years. And 85 per cent of all reported serious crimes are committed by those prior offenders.

It is important that we end the costly and wasteful fragmentation of the system. It has local detention facilities under the control of sheriffs, whose main priority, understandably, is law enforcement and not corrections. It has probation and parole services being performed under a quasi-judicial body charged with the inconsistent functions of protecting society from premature release of prisoners and also their rehabilitation back into society. And it has a Division of Corrections which administers the institutional programs where both detention and rehabilitation are supposed to be carried out.

Unless we redesign the entire system we will continue to be unable to fix responsibility for failure or to improve inefficient and ineffective operation of programs designed to end the recycling process.

Yet, as the member of the Legislature who has taken the lead for prison reform, I want to tell you that the ones who are blocking such reform are the "conservatives" in the Legislature and in the executive branch of State government.

What about business-like practices in government? Isn't that a well-accepted conservative position?

And what is more central to sound business practices than good personnel policies?

But look what happens when the "Conservatives" on the Cabinet get together and hire a director for the Department of Natural Resources. They pick a man almost everyone in Florida agrees was the least-qualified applicant for the job.

If they were on the board of directors of an important business in Florida and pulled a stunt like that they would face a stockholders' revolt.

What about tax reform? That's another good conservative issue.

The big finance issue this session in Tallahassee will be how to provide genuine property tax relief to those who need it and are entitled to it.

The people who need such relief are those of moderate- and low-income households, those on fixed incomes and those who have been hurt most by galloping inflation of land values, rents and cost of living.

The least efficient and least effective way to bring meaningful relief is through a uniform two-mill rollback of school property taxes. It brings insignificant relief to those who need it most and brings relief primarily to businesses, industry and wealthier taxpayers.

There's an additional irony here, for the proposed rollback is a form of reverse federal revenue-sharing because half of the relief to businesses and industary will be absorbed by increased federal tax liability, since such local property taxation presently is deducted from federal taxes as a cost of doing business.

It is a windfall for Uncle Sam, not the people in Florida who need property tax relief.

Instead, what is needed is some form of "circuit-breaker" property tax relief for renters as well as property owners. This is the approach 21 other states have adopted. It is the approach recommended by our own Local Government Study Commission.

It rebates to those with excessive property tax burdens a portion of the property tax they, directly or indirectly, are paying. Such a rebate is related to a household's ability to pay.

The "circuit-breaker" approach brings meaningful relief to those we can justify receiving it and costs only half what the two-mill rollback would cost.

But who is trying to block this kind of genuine, effective and less-costly tax relief? You guessed it: the "conservatives" in the Legislature.

And what about integrity-in-government—probably the biggest of all conservative positions?

Take full disclosure. That's an accepted practice in business. Go to a bank and apply for a loan, and you are asked to make a full disclosure of your finances—and rightly so. That's sound business practice.

Why should our public officials be exempt from sound business practices? Why should we not be able to know all we need to know about them, just as a bank needs to know about us when we apply for a loan?

Take conflict of interest. Every sound business requires its employees to be loyal to it, not to be doing business with the competition on the side.

If it's good enough for business, why should we not have it in Government as well?

I have been among those in the legislature pushing for strong conflict-of-interest and full-disclosure legislation. The opponents have been mostly from the ranks of the "conservatives."

So, what I want to know is:

Where have all the "conservatives" gone?

Where are these "conservative" politicians when we need them?

I think the people of Florida are on to these self-styled "conservatives" this year. I think they are far less interested in labels of "conservative" or "liberal." I think what they are looking at this election year is the candidate, himself.

What they are looking for in a candidate is, above all else, somone they can believe in, someone who is willing to take political risks for the public good.

As one very conservative voter in North Florida told a friend of mine the other day:

"I'd rather vote for a man I know I can trust, even if I don't agree with him on every issue."

I have heard the same kind of talk from "liberals" and "middle-of-the-roaders."

That, I predict, is what this United States Senate campaign is going to be all about.

And that, I am confident, is how the people of Florida are going to say it on election day.

When they do speak, it won't be in a whisper. It will be a thunder you can hear from Key West right up through the peninsula—and all across this country.

WHO BEARS THE TAX BURDEN?

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, a matter of grave concern to all of us is whether the tax system of this country is fair to all the people. I have long favored a revision of our tax structure so that we could be sure that all the people of this country are paying the burden of taxes equally, equitably, and fairly. A bit ago Mr. George F. Will reviewed in the Washington Post a recent book, "Who Bears the Tax Burden?" the authors of which are Joseph Pechman and Benjamin Okner. These authors point out that our tax system is not fair to all but levies a penalty on the poor. This should be the subject of not only the most vital concern but of immediate action on the part of the Congress and especially the House, in which tax legislation must originate under the Constitution.

I ask, therefore, Mr. Speaker, that the able review of this book and of this subject by Mr. Will appear in the RECORD following my remarks:

TAX SYSTEM LEVIES PENALTY ON POOR

(By George F. Will)

The U.S. tax system is more "proportional" than "progressive." The effective tax rates for the income classes that include 87 per cent of the population are about the same. These classes pay approximately a quarter of their income in taxes, a smaller portion is paid by the 10 per cent with incomes under $3,000 or the three per cent with incomes over $21,000.

This information is from a new book, "Who

Bears the Tax Burden?" The authors, economists Joseph Pechman and Benjamin Okner, document something that our intuition should suggest: the tax system of this middle class democracy treats the middle class leniently.

A tax is progressive if the ratio of tax to income rises as income rises. A tax is regressive if the ratio of tax to income declines as income rises. In a "proportional" tax system, like ours, the ratio of tax to income is approximately the same for the vast majority of taxpayers.

All personal income taxes, federal and state and local, are progressive in their revenue-raising features, their rates. But there is a lot more to the tax system than income taxes, and income taxes are not simply revenue-raising instruments.

The income tax law offers the taxpayer a deal. If he will use some of his income in specified ways—for example, as charitable contributions, or as interest payments on a home mortgage—then the government will reduce its revenue-raising bite.

Such provisions are "legislation by indirection." They reward, and thus encourage, uses of private income that the government thinks are in the public interest.

But such provisions, while promoting charity and home ownership, diminish the progressive effect of income taxes. Affluent people are able to respond to the lucrative options embodied in such provisions. But the lower one's income is, the smaller the portion of income left after one has made unavoidable expenditures.

These tax provisions have a cash value, but only to people with enough discretionary income to direct a flow of cash into the uses that the tax laws reward. Such provisions help you save money if, and only if, you have money. Thus the income tax laws are not as progressive in their effects as the official rates make them appear.

Sales taxes are regressive. The poorer one is, the larger the portion of income spent on unavoidable consumption. Last year state and local sales taxes generated more revenue ($19.7 billion) than state and local progressive income taxes ($15.6 billion).

In the South, where nearly half the nation's poor people live, the sales tax burden is higher than in any other region. There an urban family trying to subsist on $2,000 a year pays 12.3 per cent of its income on state sales, income and property taxes. But a family with an income of $25,000 pays only 5.9 per cent.

The Social Security payroll tax, a flat rate of 5.85 per cent on all earnings up to $13,200, is a "proportional" tax for everyone who earns no more than that, and is a regressive tax for all who earn more. It is harsh on people with poor and modest incomes.

The cumulative impact of the whole tax system is that very poor people pay high effective tax rates, primarily because of the regressive effects of Social Security, sales and property taxes, and because the poor do not have the discretionary income necessary to make use of the tax breaks the middle class uses.

The rich pay high effective rates—*if* corporation taxes are considered taxes on income earned from capital. But if one assumes that some of the corporate tax burden is passed on to consumers, then families with incomes of $1 million or more pay an effective tax rate not much higher than the middle class pays.

Envy, an unworthy motive, spurs demands for more "progressive" taxes on the rich. Compassion, a more civilized motive, suggests a better priority: a "negative income tax" to give poor people a cash value for the exemptions and deductions that only poor people are unable to use.

FAILURE OF PROTOTYPE OIL SHALE PROGRAM

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, on Tuesday, May 14, the fifth oil shale tract (W-a) was offered for lease under the Department of the Interior's prototype oil shale leasing program. No bids were received. The four previously offered tracts, two each in Colorado and Utah, did receive a substantial amount of interest from the private companies. This fifth tract, in which the oil shale deposits are both smaller and of a lower grade than those on the other tracts, was apparently not attractive enough to the burgeoning oil shale industry to elicit even a minimum bid.

The objectives of the prototype leasing program, as outlined by Secretary Rogers Morton include:

First. To provide a new source of energy to the Nation by stimulating the development of commercial oil shale technology by private industry;

Second. To insure the environmental integrity of the affected areas and at the same time to develop a full range of environmental safeguards and restoration techniques that will be incorporated into the planning of a mature oil shale industry should one develop;

Third. To permit an equitable return to all parties in the development of this public resource; and

Fourth. To develop management expertise in the leasing and supervision of oil shale development in order to provide the basis for future administrative procedures.

Secretary Morton has pointed out that:

> In weighing many alternative approaches to achieving those objectives, we concluded that two tracts in Colorado, two in Utah and two in Wyoming offered a balanced opportunity to adequately evaluate a number of technical options for oil shale development. If we are correct in our assessments, surface mining, underground mining, and in situ processing will all be used under this prototype program.

Unfortunately for all of us, the Secretary was evidently not correct in his assessments. In the Department's Announcement of the Prototype Oil Shale Lease Sales of November 28, 1973, tract W-a is listed as having an estimated recoverable oil shale reserve of 354 million tons. Tract W-b, which is to be offered on June 4, 1974, has an estimated reserve of 352 million tons. It seems likely therefore that, since there was no industry interest in tract W-a, there will not be any in W-b, which is slightly less valuable in terms of recoverable resources.

The Wyoming tracts, W-a and W-b were those which the Department indicated "had the potential for in situ development." The mining plans submitted by the successful bidders on tracts C-a, C-b and U-a indicate a strong preference for above ground retorting. The lessees of tract C-b have indicated that they will be using the TOSCO II above ground retorting process. The lessees of tract U-a have indicated a preference for either the TOSCO II process or the Paraho process, also an above ground retorting technique. The successful bidders for tract C-a have indicated that they are not sure which technique they will use. If they were to begin operations today, they would use the TOSCO II technology. However they state that they are reviewing the potential in-situ processing. It should be noted in this last case, however, that tract C-a is the one tract which is amenable to surface mining.

Therefore, there is a strong incentive to go with this method, especially in that there are indications that the Department of the Interior may be willing to set aside a further 6,500 acres for disposal of overburden and mine wastes. Thus, it now appears that in situ, a very promising method of extraction which may prove to be the most economical and environmentally acceptable method of any oil shale recovery technique, will not be tested under Interior's prototype program.

The failure of the prototype program to achieve its aim of evaluating alternative mining and processing technologies is a clear indication that the prototype leasing program should be stopped and other means sought for oil shale development.

On December 28, 1973, I introduced a bill, H.R. 12014, which would offer such an alternative. This legislation would establish a Federal Oil Shale Mining and Energy Corporation for development of oil shale located on public lands. The establishment of this public Corporation would have the effect of canceling the Department of the Interior's prototype oil shale program.

The Corporation would be instructed to give preference to non-nuclear in situ processing methodology, in cases where this is feasible. Since this technique avoids removing the raw shale from the ground, heating it instead in place and extracting the oil after the retorting process is completed, no construction of large aboveground facilities to process the oil shale is necessary. Also the problems of massive spent shale dumps filling up the canyons and gulches surrounding the mining area is avoided. It is estimated by Occidential Petroleum, one of the major proponents of in situ processing, that this technique will require only about 50 percent of the capital and operating expenses of mining and aboveground retorting

Our Nation must have an orderly approach to the development of Federal oil shale deposits which will serve the interests of the people of the United States. The Department of the Interior's prototype program has demonstrably failed to offer this kind of approach. The proponents of this program have relied upon the successful bidders to determine what mining techniques would be tested. They have repeatedly asserted that the site selection was such that all available techniques would be tested at one site or another.

It is now apparent that their arguments are in error. This clear cut failure is only one of the many serious faults of the prototype program, which must now be abandoned. Other deficiencies of the Department of the Interior's program include:

First, a lack of sufficient environmental controls;

Second, a bidding system which gives a clear advantage to the larger, wealthier oil companies;

Third, unresolved questions regarding the allocation of additional lands adjacent to the proposed lease tracts for off-site dumping of spent shale;

Fourth, a lack of adequate return to the public for the use of its resources;

Fifth, a provision which would enable the lessee to deduct expenses incurred for "extraordinary environmental costs," amounting to a Federal subsidy to the successful bidders;

Sixth, a lack of stringent diligence requirements which could mean a lag in oil shale development for many years; and

Seventh, lack of adequate public review of the mining plan submitted by the lessee for approval by the Department of Interior.

In place of the prototype program, Congress should institute a Federal Corporation which would proceed with the development of oil shale in an expeditious, environmentally sound and economically feasible manner, with full assurance of a fair return to the American people for the necessary development of this public resource.

SURFACE MINING GROUND RULES

(Mrs. MINK asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, H.R. 11500, the Surface Mine Control and Reclamation Act, has been reported out by the Committee on Interior and Insular Affairs after months of intense debate. I am please to report it is a strong bill.

In a recent speech before the American Mining Congress Coal Convention in Pittsburgh, Pa., Assistant Secretary of the Interior Royston Hughes forecast national coal needs at close to 2 billion tons by 1985, almost triple the present annual rate of 600 million tons and requiring an annual production increase of 10 percent. In the perspective of this forecast, H.R. 11500 takes on added significance, because the environmental effects of mining coal at that rate of increase are bound to cause fearsome consequences without strict, consistent, and fair regulation. This is particularlv true in the semiarid Northern Great Plains region where vast reserves of federally owned coal exist close to the surface, and in portions of the Southwest where there is less than 10 inches annual precipitation and reclamation is extraordinarily difficult. The preservation of thousands of acres of some of the Nation's best ranch and farmland is literally at stake.

Assistant Secretary Hughes, in discussing the coal leasing policy of the Department of Interior, and the energy minerals allocation recommendation system—EMARS—which is presently being developed to assist the Department in future coal leasing to meet national energy needs, has articulated very well what this bill will mean to the coal industry:

> We simply must have some long-range, workable ground rules on what will be permitted in the way of surface mining and under what conditions. The Administration is working hard to get a satisfactory law out of the Congress this session—as it has been trying to do for three years. Such a law is indispensable to any real expansion in Western coal mining activity—which in turn is essential to the production goals we seek.

I certainly welcome Mr. Hughes' straightforward recognition that the coal industry must have "long-range workable ground rules." It is precisely such ground rules which have been set forth in H.R. 11500. They are carefully designed to allow the expansion of surface mining for coal while at the same time protecting the rights of surface owners, guarding the lives and property of citizens living downstream from the mining site, and upholding the national interest in conserving our precious land and water resources for future generations.

Although I cannot agree with the contention that air quality standards should be revised to allow the burning of high-sulfur coal, as I believe there are other alternatives which deserve thorough examination before Congress takes such a drastic step, I have found Mr. Hughes' presentation both informative and provocative and therefore request permission to include it for the edification of my colleagues.

Remarks of Assistant Secretary of the Interior Royston Hughes

In this season of the year, with the fuel situation improving as it is, it's hard to sound a note of caution without people wondering where you left your sandwich board and black robe.

But I would like to submit that things are not really as good as they look. Nothing about our basic situation has changed, really. The noose is loose, for the time being, but it could be drawn tight again at a moment's notice. We are years away from significant increases in our own energy production. Our requirements continue to grow, and the tax-paid cost of our imported oil has quadrupled over the past year.

My thesis is that Project Independence is an absolutely crucial national objective—as essential as any we ever supported. It is as essential now as it ever was. It offers a program for slowing the trend of our increasing dependence on outside sources for energy, for reversing that trend, and finally eliminating our dependence altogether. The resources are here, in abundance. We shall be worse than foolish if we fail to develop and use them to secure our ability to survive, prosper, and grow in a world that is always competitive and frequently hostile.

Project Independence contains two basic requirements. We must increase our domestic supplies of energy, of all forms. We've heard quite a lot about that. But equally important, we must reduce the rate of our energy growth. We haven't heard much about that, but we will, we will. Project Independence is workable only in terms of a substantially lower growth rate in energy consumption than the 5% per annum we have seen since 1965.

We have only been able to sustain this rate at the cost of rapidly increasing dependence on foreign oil, and this is what we are trying to avoid.

The overall growth rate in energy use is the first problem we must deal with. The second problem is the existing balance in our consumption of the various forms of energy. We're going to have to do something about that, too. If we are to make ourselves self-sufficient in energy, there is no possible way that we can go on supplying 46% of our needs with oil and 32% with gas.

Inevitably, we are going to have to shift some of the burden off oil and gas and on to the more plentiful sources of energy: coal, oil shale, and nuclear fuels. I do not mean to say that we intend to let up on our efforts to develop our conventional oil and gas resources. We'll need every barrel of oil and every foot of gas we can produce—particularly between now and 1980. But every barrel of oil and every foot of gas we can produce will simply not be enough. We must bring coal to the forefront as the mainstay of our energy economy.

Our objective is to at least double and possibly triple the production and use of coal by 1985. This means going from the present base of 600 million tons a year to something close to 2 billion tons. This is our goal, our target. Whether we are able to reach it or not will be determined by what we do over the next eleven years. But we believe the goal is reachable, and we certainly intend to try. But to succeed in this objective we will have to expand coal production at an average rate of 19 percent a year between now and 1985.

This means large increases both in surface and underground production; both in the West and in the East. Every region and district will have to contribute if we are to meet the enormous requirements for coal production that we foresee.

This is no easy job, and you will need all the help you can get. I would like to talk now about some things the Federal government is doing to help restore King Coal to his former position.

The key requirement is access: access to the coal resource itself, and access to the improved technology needed to mine it, move it, process it, and use it. I would like to talk about the coal resource first.

The Federal government owns about 40 percent of the Nation's coal reserves. Nearly all of this coal is west of the Mississippi River, most of it is low sulfur in content, and a lot of it is under somebody else's land. None of this troubled anybody until the scramble for low-sulfur fuels began a few years ago. Although some 15 billion tons of reserves had been leased over the years, production from these leases was small. As late as 1970 it only came to a little over 7 million tons a year—three-fourths of it from the three States of Colorado, Utah, and Wyoming.

Since 1970, however, the Western coal resources have been the focus of great interest, and this in turn surfaced a lot of problems that had been dormant as long as there was so little activity.

Our response was to declare a moratorium on coal leasing until we could develop a rational, long-range approach to leasing which would respond in an equitable manner to these many problems. Since February 1973 we have issued no coal leases except those needed to maintain ongoing operations or as a reserve for production in the near future. We have meantime worked along two main avenues to produce the basis for a long-term leasing policy.

The first of these efforts is the leasing program itself, which has the name Energy Minerals Allocation Recommendation System. It's easier to say EMARS, and that is what I will call it. EMARS is a planning system to determine the size, timing, and location of future coal leases to assure the availability of coal to meet the Nation's needs. The objective is to get the best coal at the least environmental cost. The system proceeds through three phases. In the first phase the Department of the Interior will solicit recommendations of areas of special interest for coal leasing and comments on problems which may be encountered. This input will be solicited from the coal industry and other interested parties, and will form the basis for setting minimum annual leasing goals. I would stress that this procedure is not a one-way street. We want maximum industry and public participation.

In the tract selection phase the Department of the Interior will seek more specific lease site recommendations from the industry. This stage is where environmental and multiple-use trade-offs will be made and environmental impacts analyzed. The idea here is to assess environmental issues prior to lease issuance. We want to put up environmentally "sanitized" leases so that there will be a minimum of post-leasing delays. The results of the tract selection phase will form the basis for the announcement of an advanced leasing schedule.

The actual leasing phase would be handled very much like our oil and gas leasing on the Outer Continental Shelf. Nominations of tracts would be solicited in designated areas. The nominations would be evaluated; tracts selected for offering; an environmental impact statement prepared; and a lease sale conducted under sealed competitive bidding.

This is an outline of what we have in mind for EMARS. We are working hard to get it ready for use by this fall. Meanwhile, we believe that there is sufficient coal already under lease to more than meet any requirements over the near term future.

EMARS of course requires an environmental impact statement, and this is the second effort we are pursuing. The basic investigation work is complete, and the draft statement has been prepared. Notice is going out this week inviting comments on it. If this is done, we can expect to get out a final statement sometime before the end of this year.

A long-range coal leasing policy is, of course, only part of the requirement for access to coal resources. We need to know a great deal more about our coal resource base: the size, depth, and extent of coal deposits, the chemical composition of the coal, and many other things. Past estimates of our coal resources are only rough approximations. In the future we will need to know definitively what we have and precisely where it is. We have proposed a program of surveying, mapping, and geochemical analysis to obtain this needed information.

Access to new technology involves a much longer wait, and much more money. The dollars are in sight, we believe, for a long-overdue effort to improve both the extraction and the utilization of coal. President Nixon's five-year energy research and development program contemplates some $3.5 billion to be spent for coal programs. This is a third of the total effort. Almost $400 million is requested for coal R&D work in the upcoming fiscal wear.

About $45 million of this first year's increment is desired toward improving the safety and efficiency of mining operations and reducing the environmental damage of mining. These are the "givens" that we must work with. Mine health and safety requirements are going to get tougher, not easier, especially as we push to get non-fatal accident rates down. Environmental protection and the reclamation of disturbed areas are going to be inevitable and costly features of every mining operation from now on out.

These added costs impact on production and earnings, and the proper response is to develop new tools and concepts that will increase productivity.

Among the areas we will be investigating are:

—Wider application of longwall mining;

—Integrated haulage systems from the working face to the preparation plant;

—Continuous roof support;

—Protection of surface areas against subsidence, acid drainage, and coal bed fires;

—Methane degasifying and recovery systems;

—Rapid restoration of overburden in surface mining.

One more thing needs to be said about resource access. We have worked hard to develop a coherent, equitable, long-range leasing program for Federal coal lands. We are proposing to spend hundreds of millions of dollars to develop technology which will assure that coal can be mined efficiently, safely, and with minimum damage to the environment. In the end, however, the issue of access will be determined by what the law allows.

We simply must have some long-range, workable ground rules on what will be permitted in the way of surface mining and under what conditions. The Administration is working hard to get a satisfactory law out of Congress this session—as it has been trying to do for three years. Such a law is indispensible to any real expansion in Western coal mining activity—which in turn is essential to the production goals we seek.

There is a third kind of access that I would like to talk about: access to markets. We are not going to produce 2 billion tons of coal a year—or anything like that amount—unless coal companies have some reasonable prospect of being able to sell the coal they produce. The investments won't be made, the mines won't be opened, and the coal will not come out.

Even before the Clean Air Act, coal has been driven out of most of its tidewater markets on the East Coast by interruptible gas and residual fuel at $2 a barrel. It no longer faces competition from gas, and foreign oil now lays down on the East Coast at $10 a barrel and upward. But the unforgettable fact is that the cost of this oil to the producing country is 15 cents a barrel. That leaves a lot of room for price manipulation to discourage domestic production doesn't it? We're going to have to face this issue for its implications to all our domestic energy development—not just coal alone.

But the things we are doing to ourselves to discourage investment in coal disturb me even more.

At a time of energy shortage coal is being systematically driven out of its markets by sulfur emission standards that cannot possibly be met within the time limits prescribed. On July 1, 1975—that's fourteen months from now—nearly 200 million tons of coal a year will be outlawed by the Clean Air Act under the State Implementation Plans now proposed. This would mean shutting down half the nation's coal-fired electric generating capacity if the law were to be enforced.

Now, no one in his right mind believes that we are going to paralyze this country merely to comply with a set of unworkable standards. But the uncertainty as to what we will do instead is the issue that concerns me. The Administration has requested Congress to amend the Act so that the patently untenable collision between the irresistable force and the immovable object will not occur on July 1 of next year.

But the critical need is for a long-range coal policy which will pace the adoption of air quality standards to the realistic expectations of technology. We do not have one now, and as a result coal companies, railroads, and utilities are hamstrung in making long-term investment decisions. We simply cannot continue to live with unrealistic standards mitigated by sporadic and temporary variances. This is not the basis on which the needed investments of tens of billions of dollars can be mounted.

And this brings me to my final point: the need for a national coal strategy. To provide a basis for such a strategy I have recently established an Interagency Coal Task Force, chaired by Dr. Thomas V. Falkie, Director of the Bureau of Mines. The Task Force has representation from all Departments and Agencies having significant responsibilities for coal. It is charged with recommending policies aimed at achieving significant increases in coal production through 1985—in short, to develop a national coal strategy.

The group held its organizational meeting under Dr. Falkie on March 29, and is aiming for its initial report to be out sometime later this month. The work of this group will form the basis for national policies addressed to coal under Project Independence. Dr. Falkie will be here tomorrow to talk further about the Task Force and the status of its work. I will say no more about it here, except to repeat that it is engaged in a vitally important, much needed assessment of how best to proceed to get from where we are to where we want to be with regard to coal.

There is a long distance between where we are and where we want to be, but this has been true of a lot of other successful ventures we have embarked upon. Americans have made quite a record of astounding the rest of the world—and ourselves—by doing seemingly impossible things. I can see nothing about the task of restoring our energy independence that differs in any important way from other challenges we have faced in the past. Does anyone here remember the public disbelief that greeted President Roosevelt's estimate in 1940 that America could turn out 50,000 planes a year? The previous year we had built less than 4,000. Yet by 1943, American factories were delivering aircraft at a rate of nearly 100,000 a year. And they did it in a time of critical material shortages and with 12 million Americans diverted from the labor force. Things like this are worth remembering when the temptation arises to consider that a job is too big to be done. Maybe some jobs are, but this one isn't. Let's do it.

SOVIET UNION BARS FREE EXCHANGE OF IDEAS

(Mr. PODELL asked and was given permission to extend his remarks at this point in the Record.)

Mr. PODELL. Mr. Speaker, in this morning's New York Times, I read a small article. It said, in effect, that the Soviet Union would bar a talk that had been planned by Jewish scientists living in Russia who had been denied permission to emigrate. This talk, or more accurately, scientific symposium, had been scheduled to take place in Moscow during July.

Invited to this conclave were many of the world's most prominent scientists, including a number of Nobel Prize winners. The purpose was to update the professional qualifications of the Russian Jewish scientists, who, because of their expressed desires to go to Israel, have been denied all academic privileges by the Russian Government. They were dismissed from their posts after requesting permission to emigrate. They are not allowed to do research, they have no facilities to conduct their work. They are not allowed to present their papers at scientific meetings in the Soviet Union or elsewhere. And they are not allowed to receive professional journals from abroad, so they fall even further behind in a field in which new discoveries are being made constantly.

The excuse that the Soviet officials give for its callous action is that the proposed talks were not sanctioned by establishment Soviet scientific organizations. These organizations, it is apparent, are completely controlled by the Kremlin, and are mere instruments of those who wish to deny to Soviet Jews even the most basic human rights. Naturally, the establishment organizations would not approve. They claim they had no knowledge of the upcoming conference. How could they have had no knowledge, when Western scientists knew about this event months ago?

The only conclusion that can be drawn is that the Soviet Union, once again, and for heaven alone knows how many times, is acting to oppress Jews who have dared to speak out for their Jewishness. To threaten to bar eminent scientists from the United States and elsewhere, including eight Nobel laureates, is an act of the most incredible disregard for world opinion. This is nothing new for the Soviets, but each time I am amazed at the lengths to which the government will go to hurt its Jewish citizens.

These men and women have been cut off from access to others of their professions. For scientists, it is like a death sentence. There is only so much you can do with your mind alone. You need the stimulation of other minds, other ideas, if you are to derive any real benefit from your own mind and education. Forbidding these Jewish scientists to communicate and exchange ideas with foreign scientists is an act of the same magnitude as forbidding Valery Panov to dance.

I am sick of reading of such incidents. In many ways this is worse than incidents of physical brutality, because it demonstrates as clearly as nothing else could, the callous indifference of the Soviet government to the legitimate demands of its Jewish citizens. They are, in effect punished for being Jews. They are not given permission to emigrate, and at the same time, they are prevented from doing the work they have been trained to do in the Soviet Union. They are worse than non-persons, for the government does take recognition of them in order to continue harassing and oppressing them.

This should demonstrate clearly to our colleagues in the Senate the importance of acting quickly on Senator JACKSON's freedom of emigration amendment. This action by the Soviet Union is not just an action aimed against a few dissident Jews. No, it is an action aimed against the civilized world. How can a nation function in the 20th century, and expect to derive all the benefits of a highly technological society, if it bars a free exchange of ideas between Soviet scientists and those from other lands?

Under the increased trade that détente would bring about, many American scientists and engineering experts would go to Russia to teach them about the technology they will buy from us at bargain basement prices. I could not condone such activities, knowing what I do now about how the Kremlin views scientists. To the Soviet heads of state, these people are political pawns. We should stand up for the principle involved here. If the Soviet Union will not admit scientists for this symposium, we should not willingly send our scientists to cooperate with an inhuman regime.

A free exchange of ideas between nations is vital to détente. It is the mark of a genuinely civilized society. The Soviet Union has demonstrated that it deserves no special consideration, that détente under present conditions would be an exercise in folly, in which the United States would come out the loser.

I extend my sympathy to the 19 Russian Jewish scientists who organized the symposium. I realize what an incredible hardship has been imposed on them, and I urge them to continue to resist all government attempts to destroy them. But the only thing that can really do them any good is the enactment of the Freedom of Emigration Act, as soon as possible. Only in this way can we clearly demonstrate to the Soviet Government that human lives and human minds are not to be trifled with for political purposes.

EQUAL EDUCATIONAL OPPORTUNITIES FOR WOMEN

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PODELL. Mr. Speaker, the future of our Nation, as with any nation, is in the hands of its children. If we are to grow and endure as a people we must insure a quality education for all of our children. Schools in this Nation are now denying more than half of our young optimum opportunity to realize their potential.

Routinely, both by choice of educational materials used and in the programs stressed, schools fail to meet the needs of young women. We cannot allow this prejudice, this waste, to continue. In a country based on equal opportunity for all, we must not turn our backs when we see school systems denying some of those rights to so many of its students.

I am introducing legislation today to take the first step toward preparing women to take their proper role in our society. This act provides that funds appropriated under the Education Act of 1965 be used, on a priority basis, to purchase materials required to eliminate sexual prejudice in our schools. It will promote programs in athletics, leadership, and vocational training designed to better prepare women for positions in fields previously dominated by men. It provides that at least 15 percent of funds granted under section 306 of the 1965 act be used toward programs especially designed to meet the needs of female children and it also stresses administrative programs to allow for the needs of individuals who are responsible for legal dependents.

I feel it is imperative that we exploit, to the fullest extent, our most precious national resource, the minds of our youth. We must provide all of our young with the best possible education to better equip them for the challenges of an ever-changing world.

Let us give our daughters the chance to be the women they can be, the women they have a right to be, and let us start by giving them an equal educational opportunity.

MATERNAL AND CHILD HEALTH PROGRAMS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, Dr. Edwin F. Daily, M.D., director of maternity, infant care and family planning projects for the city of New York testified before the House Ways and Means Committee on May 17. He testified on the importance of national health programs as they relate to preventive health services such as are provided by existing maternal and child health programs, the costs of maternity care and what family planning does to the economy.

I know our colleagues will be interested in his excellent testimony, which I am appending.

TESTIMONY BEFORE THE COMMITTEE ON WAYS AND MEANS

I am Dr. Edwin F. Daily, Director of the Maternity & Infant Care and Family Planning Projects of the New York City Department of Health, and Vice-President for Legislative Liaison of the Maternity and Infant Care Project Directors in the United States.

I wish to testify in favor of H.R. 13870.

1. This is the only National Health Insurance Bill which I have examined that specifically provides for continuing and substantially expanding the Title V programs of health services for mothers and children, including handicapped children. For example, it states on page 215, (1) "to establish responsibility under the Secretary of Health, Education, and Welfare for assuring through programs of Federal assistance that Health Services covered under titles V, XVIII, and XX of the Social Security Act are accessible to every American", and (2) "prior to the effective date of the health insurance benefits authorized by amendments made by this Act to the Social Security Act, to accelerate and broaden Federal programs, designed to strengthen the Nation's resources of health personnel, facilities, and services and its system of delivery of health services, in order to enable the providers of health services better to meet the demands on them when such benefits become available . . .". To carry out this mandate for Title V the Bill should authorize for the fiscal year following passage of H.R. 13870, which currently authorizes $386,000,000 for Title V health programs, with increases of at least $100,000,000 per year for each of the next five years. This would make it possible for each state to develop more and more MIC, C&Y, Intensive Newborn and Childrens Dental Projects where needed, similar to those successfully developed in many areas in the past ten years. These Title V programs were started when the Social Security Act was first enacted in 1935 and have received increasing support from the Congress during

the 39 years of their existence. One of the most significant features of these Title V grant-in-aid programs has been the distinguished leadership given to them by Miss Katherine Lenroot, Dr. Martha Eliot, Mrs. Kay Oettinger and Dr. Arthur Lesser. These leaders insisted upon required standards to assure a high quality of health care.

It is most discouraging that the present Administration, both White House and H.E.W., have, during the past two years, almost completely destroyed the superbly qualified professional and administrative structure of Title V services in Washington and the Regional Offices. I urge this Committee to help restore the small but excellent Title V staff in H.E.W. and its Regional Offices. The authority to administer the Title V MCH and CC grants should be restored to a Director of MCH Services as it was before Dr. Lesser resigned in protest last year.

2. H.R. 13870 specifically provides for covering preventive health services for women and children, i.e., prenatal care, family planning services and important preventive health services for children, and which are to be provided without deductibles and without the 25% coinsurance. I do, however, hear rumors that some of the Committee members wish to change the language of page 14 to require 25% coinsurance for these preventive health services. The Medicaid rates based upon costs of an O.P.D. hospital visit in New York City range from $36 to $72, which would mean that for a clinic or hospital prenatal, well baby or family planning visit, the patient would have to pay $9–$18 per visit coinsurance if they were not in the lowest income category—($4800/year for a family of four). This coinsurance would be prohibitive for the large number of prenatal and family planning patients we see in Health Department and hospital clinics in New York City. Over half of these clinic patients are not eligible for Medicaid. If the 25% coinsurance is required for preventive health services for women and children. I believe the Bill will lose the support of all organizations and agencies concerned with maternal and child health. I implore this Committee to provide these preventive health services without deductible or coinsurance, which would be in line with policies currently followed for Title V health services throughout the nation.

3. The Bill provides for coverage of delivery care in hospitals with 25% coinsurance and $150 deductible. The average cost or charge for two or three days of delivery and post-partum care in New York City for a general service patient (nonprivate) is about $600 to $800. With the deductible of $150 and 25% coinsurance the minimum cost to the family for hospitalization alone for a normal delivery will be approximately $300–$350 in New York City. I consider this cost for maternity services excessive for most low-income families and I recommend coinsurance of not more than 10% of the cost of delivery, newborn and post-partum care.

4. The establishment of a "Health Resources Development Board" with $400,000,000 the first year and more in subsequent years, is an essential step toward assuring the availability of quality health services in the National Health Program. The absence of such a Board and such funds under what we call "Medicaid" made Medicaid simply a bill-paying mechanism with no involvement in the development of a good health services system.

5. The provisions of the Bill for administration by the Social Security Administraton are commendable, and I would hope that local administration would include major responsibility for State and Local departments of health where feasible to help assure an acceptable quality of health services. The administration of Title V Crippled Childrens Programs by State and Local departments of health have a splendid record. Some of you may recall the wartime Title V "Emergency Maternity and Infant Care Program" for enlisted mens' wives and children which was put into operation nationwide in less than six months and very ably administered by State or Local departments of health.

6. Two minor editorial suggestions under Part E . . . "Miscellaneous Provisions: Definitions: Physician Extender Services," Sec. 2051, page 120, line 6 (following the words "physician's assistant"), add the word "Nurse-Midwife." On line 11 (following the word "geriatrics"), add the words "obstetrics and gynecology, pediatrics."

I thank you for the privilege of testifying again before this distinguished Committee.

ON THE ASHES OF MAALOT

(Mr. YATES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. YATES. Mr. Speaker, Peter Grose of the New York Times has written a penetrating article on the current negotiations seeking disengagement and peace in the Midddle East. All of us say "Amen" to his hopeful conclusion that "a formal truce and disengagement agreement between Israel and Syria would be as worthy a monument as could be conceived to the memories of the dead in Maalot and Lebanon."

This Congress again has gone on record decrying the violence and bloodshed that is staining that unfortunate area of the world. The Senate passed its resolution unanimously. To date, there are 324 cosponsors in the House for the resolution condemning the brutal terrorist attack upon the children in the school at Maalot and uring the President to raise the matter in the U.N. Security Council.

I am attaching copies of Mr. Grose's article and the resolution:

[From the New York Times, May 20, 1974]

ON THE ASHES OF MAALOT

(By Peter Grose)

In the space of one short week, the emotions of those concerned with making peace between Arabs and Israelis have gyrated from grief to fury to futility to something on the way euphoria. The sense of futility grew from the terror and violence of Maalot and Lebanon—just at a moment when Israel and Syria, that most intransigent of the neighboring Arab states, seemed on the verge of a far-reaching security accord.

On Saturday came a sudden revival of hope. The leaders of Syria and Israel alike obviously perceived their national interests in reaching an agreement, transcending the passions and frustrations of a tense moment. They signalled readiness to act on these perceptions—however unpopular any accommodation may prove to be among extremists on both sides.

The disengagement agreement that Secretary of State Kissinger is now piecing together between Jerusalem and Damascus is likely to be far more firmly based than it might otherwise have been, for having been completed on the ashes of Maalot. If the interests in reaching the accommodation were so great as to permit emotional peoples to rise above one of the starkest flares of hatred that the area has seen, then there might—just might—be something durable on which a generation can build a peace after all.

Against the long record of dashed expectations, there is no need to belabor the point that a military disengagement on the Golan Heights is not peace. But bad news and suspicions are so endemic to the Middle East that it would be equally muddling to dismiss Syrian-Israel disengagement as merely a modest first step.

The accord, once concluded, can be taken as firm repudiation of the old Arab ideology that forbade any notice to be taken that a Zionist state exists in the Middle East: If there are not good relations between Israel and the Arabs, there are at least relations—mutual undertakings, joint ventures in however limited a sphere. A growing acceptance of the fact of Israel has been detected among Arab thinkers ever since 1967; now that acceptance is being codified in a formal agreement.

In this context, Syria is far more significant than Egypt. President Sadat has already negotiated a disengagement accord with Israel, but Egyptian credentials among many Arabs, certainly the more radical parties, are increasingly suspect, along with the other right-wing and monarchist Arab regimes. Syria, by contrast, has impeccably Arab, impeccably radical, credentials, as the cauldron of Arab nationalism nearly a century ago and as the most ideologically hostile of Israel's neighbors.

The Syrian accord will be almost as important to President Sadat's security as to Israel's, for the last four months have caught the Egyptian leader in a dangerously exposed position. As long as only one Arab government had found the way the grant long-withheld recognition to Israel, that government had to be considered vulnerable to reprisals from extremists around the Arab world. Now, Mr. Sadat's calculated risks of last January seem to be receiving an impressive endorsement from a Syrian Baathist; the politics of accommodation has ceased to be unthinkable for any Arab leader who fancied staying in power, and alive.

Another side effect of a Syrian-Israeli agreement could lead to a shift in the global diplomacy of the Middle East. Last December, at the opening of the ceremonial Geneva conference on the Middle East, the Soviet and Israeli Foreign Ministers met for the first time in more than six years. Andrei A. Gromyko informed Abba Eban that Moscow hoped to resume diplomatic relations with Israel at the first sign of significant diplomatic progress.

The Israelis were disappointed that Moscow seemed unable to consider the Egyptian disengagement of January as "significant progress," but anticipate that a second agreement, concluded formally at the Geneva conference with Soviet participation, could provide the pretext to end the nearly seven years of diplomatic rupture between Israel and the Soviet Union. Resumption of diplomatic relations would not necessarily make for much cordiality. But it would resolve a long-term asymmetry in Israel's world role, and could be of specific benefit in matters involving Soviet Jews.

Against the grief and human tragedy with which this past week began, the most immediately heartening aspect of an Israeli-Syrian accord would be the crushing blow it would deliver to fanatic terrorist designs. A lunatic fringe, posing fraudulently as representatives of the Palestinian people, has sought above all to disrupt any diplomatic progress that would tend to legitimize the Israeli state; a shocked world has seen the length to which these gangsters will go. Now, it seems, their purpose is frustrated. A formal truce and disengagement agreement between Israel and Syria would be as worthy a monument as could be conceived to the memories of the dead in Maalot and Lebanon.

Resolution

Whereas Arab terrorists have threatened the lives of 90 Israeli school children; and

Whereas these cruel and heartless acts only exacerbate tensions in the Middle East at a time when very serious efforts are being made to negotiate a lasting peace; and

Whereas such acts of violence are an affront to human decency and standards of civilized conduct between nations; Now, therefore, be it

Resolved, That it is hereby declared to be the sense of the House that—

(1) it most strongly condemns this and all acts of terrorism;

(2) the President and the Secretary of State should and are hereby urged and requested to (a) call upon all governments to condemn this inhuman act of violence against innocent victims; and (b) strongly urge the governments who harbor these groups and individuals to take appropriate action to rid their countries of those who subvert the peace through terrorism and senseless violence.

(3) the President should request the American Ambassador to the United Nations to take appropriate action before that body in order to have introduced a Security Council resolution condemning this brutal act of violence.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Chappell (at the request of Mr. O'Neill), from 4:30 today and Wednesday, May 22, on account of attending funeral of a friend.

Mr. Helstoski (at the request of Mr. O'Neill), for today and the balance of the week, on account of official business.

Mr. Kluczynski (at the request of Mr. O'Neill), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. Hinshaw) and to revise and extend their remarks and include extraneous matter:)

Mr. Cleveland, for 5 minutes, today.

Mr. Shriver, for 5 minutes, today.

Mr. Young of Alaska, for 5 minutes, today.

Mr. Kemp, for 15 minutes, today.

Mr. Talcott, for 10 minutes, today.

Mr. Horton, for 60 minutes, on May 29.

Mr. Roncallo of New York, for 60 minutes, on May 22.

(The following Members (at the request of Mr. Breckinridge), to revise and extend their remarks, and to include extraneous matter:)

Mr. Kastenmeier, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Ms. Holtzman, for 10 minutes, today.

Mr. Aspin, for 10 minutes, today.

Mr. Mitchell of Maryland, for 60 minutes, today.

Mr. Vanik, for 5 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Harrington, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Hechler of West Virginia and to include extraneous material, on H.R. 13834, the Standby Energy Emergency Authorities Act, which was considered under suspension of the rules today.

Mr. Conte to revise and extend his remarks on H.R. 13834, Standby Energy Emergency Authorities Act.

Mr. Peyser to have his remarks inserted at the beginning of the debate on H.R. 13221.

(The following Members (at the request of Mr. Hinshaw), and to include extraneous matter:)

Mr. Young of Alaska in two instances.

Mr. Nelsen.

Mr. Findley in two instances.

Mr. Hanrahan.

Mr. Conte.

Mr. Hunt in three instances.

Mr. McCloskey.

Mr. Bell.

Mr. Burgener.

Mr. Landgrebe in 10 instances.

Mr. Hosmer in two instances.

Mr. Shoup.

Mr. Huber in two instances.

Mr. Whitehurst.

Mr. Armstrong.

Mr. Crane in five instances.

Mr. Bob Wilson in three instances.

Mr. Beard.

Mr. Camp.

Mr. Gubser.

Mr. Veysey in two instances.

Mr. Price of Texas.

Mr. Bauman in five instances.

Mr. Rousselot.

Mr. McDade.

(The following Members (at the request of Mr. Breckinridge), and to include extraneous matter:)

Mr. Minish.

Mr. Vander Veen.

Mr. Luken.

Mr. Moakley in 10 instances.

Mr. Rarick in three instances.

Mr. Wolff in three instances.

Mr. Gonzalez in three instances.

Mr. Hamilton.

Ms. Holtzman in 10 instances.

Mr. Hungate in two instances.

Mr. Vanik.

Mr. Patten.

Mr. Studds in three instances.

Mr. Dominick V. Daniels.

Mr. Hawkins in two instances.

Mr. Fraser in five instances.

Mr. Pickle.

Mr. Won Pat.

Mr. Gaydos in 10 instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3473. An act to authorize appropriations for the Department of State and the United States Information Agency, and for other purposes, to the Committee on Foreign Affairs.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 10942. An act to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), as amended, to extend and adapt its provisions to the Convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, concluded at the city of Tokyo, March 4, 1972.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2835. An act to rename the first Civilian Conservation Corps Center located near Franklin, N.C., and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson.

ADJOURNMENT

Mr. BRECKINRIDGE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 42 minutes p.m.), the House adjourned until tomorrow, Wednesday, May 22, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2338. A letter from the President of the United States, transmitting an amendment to the request for appropriations for fiscal year 1975 for the Department of Agriculture (H. Doc. No. 93–300); to the Committee on Appropriations and ordered to be printed.

2339. A letter from the President of the United States, transmitting amendments to the request for appropriations for foreign assistance for fiscal year 1975 (H. Doc. No. 93–301); to the Committee on Appropriations and ordered to be printed.

2340. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a list of contract award dates for the period May 15 through August 15, 1974, pursuant to 10 U.S.C. 139; to the Committee on Armed Services.

2341. A letter from the Assistant Secretary of the Air Force (Financial Management), transmitting a draft of proposed legislation to amend title 10, United States Code, by repealing the requirement that only certain officers with aeronautical ratings may command flying units of the Air Force; to the Committee on Armed Services.

2342. A letter from the Secretary of Housing and Urban Development, transmitting the Department's annual report on improving program management, pursuant to section 5 of the Housing and Urban Development Act of 1968, as amended; to the Committee on Banking and Currency.

2343. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract for the continued operation of a campground store and bicycle rental service within the Great

Smoky Mountains National Park for a term ending December 31, 1978, pursuant to 16 U.S.C. 17b-1; to the Committee on Interior and Insular Affairs.

2344. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend titles VII and VIII of the Public Health Service Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

2345. A letter from the Secretary of Transportation, transmitting the annual report on the implementation of the national transportation policy recommendations submitted to Congress in 1971, pursuant to section 3(b) of the Airport and Airway Development Act of 1970 [49 U.S.C. 1702(b)]; to the Committee on Interstate and Foreign Commerce.

RECEIVED FROM THE COMPTROLLER GENERAL

2346. A letter from the Comptroller General of the United States, transmitting a report on the audit of payments from the special bank account to the Lockheed Aircraft Corp. for the C-5A aircraft program during the quarter ended March 31, 1974, pursuant to section 802(b) of Public Law 93-155; to the Committee on Armed Services.

2347. A letter from the Comptroller General of the United States, transmitting a report that the Department of Defense's requirement for air-conditioning military family housing in Hawaii is unnecessary; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LONG of Louisiana: Committee on Rules. House Resolution 1139. Resolution providing for the consideration of H.R. 10701. A bill to amend the act of October 27, 1965, relating to public works on rivers and harbors to provide for construction and operation of certain port facilities (Rept. No. 93-1053). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 1140. Resolution providing for the consideration of H.R. 14449. A bill to provide for the mobilization of community development and assistance services and to establish a Community Action Administration in the Department of Health, Education, and Welfare to administer such programs (Rept. No. 93-1054). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 1141. Resolution providing for the consideration of H.R. 14832. A bill to provide for a temporary increase in the public debt limit (Rept. No. 93-1055). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BERGLAND:

H.R. 14907. A bill to provide for adequate reserves of certain agricultural commodities, and for other purposes; to the Committee on Agriculture.

By Mr. BURGENER (for himself and Mr. Widnall):

H.R. 14908. A bill to prohibit discrimination on the basis of sex or marital status in the granting of credit; to the Committee on Banking and Currency.

By Mr. BYRON:

H.R. 14909. A bill to amend the Federal Trade Commission Act to provide that under certain circumstances exclusive territorial arrangements shall be deemed lawful; to the Committee on Interstate and Foreign Commerce.

By Mr. COHEN:

H.R. 14910. A bill to provide benefits for sufferers from byssinoisis; to the Committee on Education and Labor.

By Ms. COLLINS of Illinois (for herself, Mr. Mitchell of Maryland, and Mr. Roe):

H.R. 14911. A bill to amend title XVIII of the Social Security Act to include breast prosthesis among the items and services for which payment may be made under the supplementary medical insurance program; to the Committee on Ways and Means.

By Mr. CONABLE:

H.R. 14912. A bill to amend the Tariff Schedules of the United States to provide for a partial exemption from duty for articles previously exported from the United States composed in part of fabricated components the products of the United States, when returned after having been exported, without having been advanced in value or improved in condition while abroad; to the Committee on Ways and Means.

By Mr. DIGGS:

H.R. 14913. A bill to amend the Sugar Act of 1948 to terminate the quota for South Africa; to the Committee on Agriculture.

By Mr. FREY:

H.R. 14914. A bill to amend section 62 of the Internal Revenue Code of 1954 in order to permit penalties incurred because of premature withdrawal of funds from time savings accounts or deposit to be deducted from gross income in calculating adjusted gross income; to the Committee on Ways and Means.

By Mr. FREY (for himself, Mrs. Boggs, Mr. Kastenmeier, and Mr. Madigan):

H.R. 14915. A bill to provide for a uniform application of safety standards for mobile homes and recreational vehicles in interstate commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FROEHLICH:

H.R. 14916. A bill to extend further the deadline for seeking assistance under section 321 of the Consolidated Farm and Rural Development Act, as amended by the Act entitled "An Act to amend the Small Business Act", approved January 2, 1974; to the Committee on Agriculture.

H.R. 14917. A bill to amend section 4 of the Act entitled "An Act to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes" to extend its coverage to the alteration of additional bridges over navigable waters of the United States; to the Committee on Public Works.

By Mrs. GRASSO:

H.R. 14918. A bill to encourage State and local governments to reform their real property tax systems so as to decrease the real property tax burden of low and moderate income individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. HEINZ (for himself, Mr. Shriver, and Mr. Sarasin):

H.R. 14919. A bill to establish a National Center for the Prevention and Control of Rape and provide financial assistance for a research and demonstration program into the causes, consequences, prevention, treatment, and control of rape; to the Committee on Interstate and Foreign Commerce.

By Mr. McCORMACK (for himself, Mr. Teague, Mr. Mosher, Mr. Goldwater, Mr. Fuqua, Mr. Symington, Mr. Wydler, Mr. Hanna, Mr. Esch, Mr. Roe, Mr. Conlan, Mr. Bergland, Mr. Parris, Mr. Pickle, Mr. Cronin, Mr. Brown of California, Mr. Martin of North Carolina, Mr. Milford, Mr. Ketchum, Mr. Thornton, and Mr. Gunter):

H.R. 14920. A bill to further the conduct of research, development, and demonstrations in geothermal energy technologies, to establish a geothermal energy coordination and management project, to amend the National Science Foundation Act of 1950 to provide for the funding of activities relating to geothermal energy, to amend the National Aeronautics and Space Act of 1958 to provide for the carrying out of research and development in geothermal energy technology, to carry out a program of demonstrations in technologies for the utilization of geothermal resources, and for other purposes; to the Committee on Science and Astronautics.

By Mr. MARAZITI:

H.R. 14921. A bill to improve education by increasing the freedom of the Nation's teachers to change employment across State lines without substantial loss of retirement benefits through establishment of a Federal-State program; to the Committee on Education and Labor.

H.R. 14922. A bill for the general revision of the Copyright Law, title 17, of the United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. PATMAN:

H.R. 14923. A bill to prohibit loans by the Small Business Administration to businesses deriving any part of their revenues from gambling; to the Committee on Banking and Currency.

By Mr. PEYSER:

H.R. 14924. A bill to provide for the reimbursement of regulated public utility companies engaged in the sale of electric power at the retail level for any amount expended for residual fuel oil which is more than $7.50 a barrel; to the Committee on Interstate and Foreign Commerce.

By Mr. PODELL:

H.R. 14925. A bill to amend the Education Act of 1965 to provide for the Women's equal education opportunity program; to the Committee on Education and Labor.

By Mr. ROGERS (for himself, Mr. Carter, Mr. Kyros, Mr. Jarman, Ms. Abzug, Mr. Biaggi, Mr. Bingham, Mr. Cleveland, Mr. Conte, Mr. Cronin, Mr. Danielson, Mr. Gilman, Mrs. Grasso, Mr. Helstoski, Mr. Matsunaga, Mr. Mosher, Mr. Murtha, Mr. Reid, Mr. Rose, Mr. Rosenthal, Mr. Owens, Mr. Sarbanes, Mr. St Germain, Mr. Studds, and Mr. Won Pat):

H.R. 14926. A bill to provide for the development of a long-range plan to advance the national attack on arthritis and related musculoskeletal diseases and for arthritis training and demonstration centers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SARASIN:

H.R. 14927. A bill to establish an office within the Congress with a toll-free telephone number, to be known as the Congressional Advisory Legislative Line (CALL), to provide the American people with free and open access to information, on an immediate basis, relating to the status of legislative proposals pending before the Congress; to the Committee on House Administration.

By Mr. SARASIN (for himself, Mr. Anderson of Illinois, Mr. Bauman, Mrs. Chisholm, Mr. Cohen, Mr. Coughlin, Mr. Heinz, Mrs. Holt, Ms. Holtzman, Mr. Johnson of Pennsylvania, Mr. Koch, Mr. Luken, Mr. Mitchell of New York, Mr. Roush, Mr. Ruppe, Mr. J. William Stanton, Mr. Traxler, and Mr. Wyman):

H.R. 14928. A bill to amend the Regional Rail Reorganization Act of 1973 to allow adequate time for citizen participation in public hearings, and for other purposes; to the Committee on Interstate and Foregn Commerce.

By Mr. SHRIVER:

H.R. 14929. A bill to adjust target prices established under the Agricultural and Consumer Protection Act of 1973, as amended, for the 1974 through 1977 crops of wheat and feed grains to reflect changes in farm production costs and yields; to the Committee on Agriculture.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 14930. A bill to amend titles VII and VIII of the Public Health Services Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 14931. A bill to extend the National Health Service Corps, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS (for himself, Mr. Jarman, Mr. Dingell, Mr. Adams, Mr. Podell, Mr. Helstoski, Mr. Metcalfe, Mr. Kuykendall, Mr. Skubitz, and Mr. Shoup):

H.R. 14932. A bill to amend the Federal Railroad Safety Act of 1970 and the Hazardous Materials Transportation Control Act of 1970 to authorize additional appropriations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. JAMES V. STANTON:

H.R. 14933. A bill to establish a National Economic Preparedness Council and a National Commodities Survey Office, to control self-dealing pricing practices of oil companies and to terminate certain tax preferences of such companies, and for other purposes; to the Committee on Ways and Means.

By Mr. TIERNAN:

H.R. 14934. A bill to provide for the development of a long-range plan to advance the national attack on arthritis and related musculoskeletal diseases and for arthritis training and demonstration centers, and for other purposes; to the Committe on Interstate and Foreign Commerce.

By Mr. WHITE:

H.R. 14935. A bill to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; to the Committee on Government Operations.

By Mr. YOUNG of Alaska:

H.R. 14936. A bill to establish a Marine Fisheries Conservation Fund; to the Committee on Merchant Marine and Fisheries.

By Mr. GILMAN:

H.R. 14937. A bill to amend the Internal Revenue Code of 1954 to provide that pensions paid to retired policemen or firemen or their dependents, or to the widows or other survivors of deceased policemen or firemen, shall not be subject to the income tax; to the Committee on Ways and Means.

By Mr. KEMP:

H.R. 14938. A bill to create a President's Commission on Olympic Sports to evaluate and formulate recommendations concerning participation of the United States in the Olympic games and other international competition in the Olympic sports; to the Committee on the Judiciary.

By Mr. LUKEN:

H.R. 14939. A bill to provide for public ownership of all documents prepared for or by any elected Federal offlical in connection with the performance of the duties of such official; to the Committee on House Administration.

By Ms. ABZUG:

H.J. Res. 1022. Joint resolution designating October 10, 1974, as the "90th Commemorative of Eleanor Roosevelt's Birth"; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H.J. Res. 1023. Joint resolution to authorize the President to proclaim the period from September 15 through September 22, 1974, as "National Learning Disabilities Week"; to the Committee on the Judiciary.

By Mr. LATTA:

H.J. Res. 1024. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; to the Committee on Armed Services.

By Mr. HUBER:

H. Con. Res. 500. Concurrent resolution expressing the sense of the Congress that the President, acting through the U.S. Ambassador to the United Nations Organization, take such steps as may be necessary to place the question of human rights violations in the Soviet-occupied Ukraine on the agenda of the United Nations Organization; to the Committee on Foreign Affairs.

By Mr. KETCHUM (for himself, Mr. Archer, Mr. Bauman, Mr. Beard, Mr. Biaggi, Mrs. Boggs, Mr. Boland, Mr. Bray, Mr. Brotzman, Mrs. Chisholm, Mr. Denholm, Mr. Eilberg, Mrs. Grasso, Mr. Guyer, Mr. Huber, Mr. Hunt, Mr. Ichord, Mr. Landgrebe, Mr. Lent, Mr. Mathis of Georgia, Mr. Melcher, Mr. Parris, Mr. Podell, Mr. Steiger of Arizona, and Mr. Thone):

H. Res. 1133. Resolution expressing the sense of the House regarding the reclassification of servicemen listed as missing in action in Southeast Asia to presumptive finding of death status; to the Committee on Armed Services.

By Mr. KETCHUM (for himself, Mr. Bob Wilson, Mr. Won Pat, and Mr. Cochran):

H. Res. 1134. Resolution expressing the sense of the House regarding the reclassification of servicemen listed as missing in action in Southeast Asia to presumptive finding of death status; to the Committee on Armed Services.

By Mr. LENT (for himself, Mr. Koch, and Mr. Hogan):

H. Res. 1135. Resolution to condemn acts of Arab terrorism; to the Committee on Foreign Affairs.

By Mr. O'NEILL (for himself, Mr. Rhodes, Mr. Obey, Mr. Hawkins, Mr. Largomarsino, Mr. Hogan, Mr. du Pont, Mr. Thompson of New Jersey, Mr. Van Deerlin, Mr. Esch, Mr. Horton, Mr. Robison of New York, Mr. Mitchell of Maryland, Mr. Byron, and Mr. Crane):

H. Res. 1136. Resolution to condemn terrorist killings of schoolchildren in Israel; to the Committee on Foreign Affairs.

By Mr. SHOUP:

H. Res. 1137. Resolution directing that full consideration be given to the possible use of solar energy in construction of Federal buildings; to the Committee on Public Works.

By Mr. WALSH (for himself, Mr. Cleveland, Mr. Gunter, Mr. Abdnor, Mr. Hosmer, Mr. Ketchum, Mr. Milford, Mr. Hunt, Mr. Whitehurst, and Mr. Brown of Michigan):

H. Res. 1138. Resolution to require the administration of an oath to each Member of the House prior to the consideration of any resolution of impeachment; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XX, memorials were presented and referred as follows:

482. By the SPEAKER: Memorial of the Legislature of the State of Oklahoma, relative to the tax-exempt status of State and local bonds for federally aided projects; to the Committee on Government Operations.

483. Also, memorial of the Legislature of the State of California, relative to off-shore oil and gas production; to the Committee on Interior and Insular Affairs.

484. Also, memorial of the Legislature of the State of California, relative to issuance of a postage stamp commemorating "Snowshoe" Johnson; to the Committee on Post Office and Civil Service.

485. Also, a memorial of the Senate of the State of Colorado, relative to the most-favored-nation treatment of countries which deny their citizens the right or opportunity to emigrate; to the Committee on Ways and Means.

SENATE—*Tuesday, May 21, 1974*

The Senate met at 9:15 a.m. and was called to order by the President pro tempore (Mr. Eastland).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Holy God, Thou hast made us for Thyself, and our hearts are ever restless until they rest in Thee. In this hallowed moment we turn from the duties of the day and "slip away from every cumbering care to spend awhile with Thee in humble, grateful prayer." Help us to see that there is no distinction between the spiritual and the practical—that all life is lived in eternity, partitioned only by death—and the purpose of life is to develop a personality worthy of eternal survival. Give us grace to keep things and persons and choices under the perspective of eternity. May we come to understand that worship and work are indistinguishable when all of life is given to following Thee. By faith may we live aware that Thou art above us, around us, and underneath us forever. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, May 20, 1974, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 821, 823, 826, 827, 828, and 829.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE AMATEUR ATHLETIC ACT OF 1974

The bill (S. 3500) to promote and coordinate amateur athletic activity in the United States and in international competition in which American citizens participate and to promote physical fitness, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 3500

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Amateur Athletic Act of 1974".

TITLE I—GENERAL PROVISIONS

DECLARATION OF POLICY

SEC. 101. (a) FINDINGS.—The Congress finds and declares that—

(1) Amateur athletic activity, including competition, and physical fitness are valuable in the development of individuals and the strengthening of the Nation.

(2) International competition between amateur athletes contributes to international peace and understanding.

(3) The full potential benefits of amateur athletic competition have not been realized because various private organizations in the United States have not been able to coordinate their efforts.

(4) Organized amateur athletic competition is conducted through the use of facilities of interstate commerce or is activity which affects interstate commerce. International amateur athletic competition involving American citizens is conducted through the use of facilities of foreign commerce.

(b) PURPOSES.—It is therefore declared to be the purpose of the Congress in this Act to establish an Amateur Sports Board to coordinate amateur athletic competition and a National Sports Development Foundation to support and encourage athletic activity and physical fitness.

DEFINITIONS

SEC. 102. As used in this Act, unless the context otherwise requires—

(1) "amateur athlete" means an individual who trains for and participates in amateur athletic competition in accordance with applicable rules of amateurism.

(2) "amateur athletic competition" means a contest, event, game, meet, match, tournament, or other program in which only amateur athletes are permitted to compete;

(3) "Board" means the Amateur Sports Board, established under section 201 of this Act;

(4) "Chairman" means the Chairman of the Board;

(5) "chartered sports association" means a not-for-profit corporation which holds a charter granted by the Board in accordance with this Act;

(6) "eligible amateur athlete" means an athlete who is eligible for amateur athletic competition under applicable age, amateurism, and athletic ability or performance standards;

(7) "Foundation" means the National Sports Development Foundation, established under section 301 of this Act;

(8) "international competition" means any organized amateur athletic competition in which individuals or teams, all of whom officially represent the United States as determined by a chartered sports organization, compete against individuals or teams of any other nation, all of whom officially represent such other nation as determined by the appropriate sports governing body of such nation;

(9) "President" means the President of the Foundation;

(10) "restricted competition" means amateur athletic competition which is restricted to a specific class of amateur athletes, including, but not limited to, high school athletes, collegiate athletes, and members of the Armed Forces, or any other such group or category;

(11) "sanction" means a certification of approval;

(12) "sport," as used in sections 201 through 204 of this Act, means a category of amateur athletic competition which is a part of the program at the Olympic games, including archery, athletics (track and field), basketball, boxing, canoe and kayak, cycling, fencing, soccer-football, equestrian sports, gymnastics, team handball, field hockey, judo, rowing, shooting, volleyball, weightlifting, wrestling, yachting, swimming-diving and water polo, modern pentathlon and biathlon, bobsledding, ice hockey, figure skating, speed skating, skiing, and luge, and such other categories as may subsequently be included in such program;

(13) "sports organization" means a club, federation, union, association, or other group, except a chartered sports association, which sponsors or organizes any amateur athletic competition in which amateur athletes may compete if they are members of or affiliated with an institution which is a member of such group;

(14) "Trustees" means the board of trustees of the Foundation; and

(15) "unrestricted competition" means any international amateur athletic competition or any domestic amateur athletic competition directly related to qualifying amateur athletes for international competition, including, but not limited to, national championships or Olympic trials, in which all eligible amateur athletes may participate. The term does not include restricted competition.

TITLE II—COORDINATION OF AMATEUR ATHLETIC ACTIVITY

AMATEUR SPORTS BOARD

SEC. 201. (a) ESTABLISHMENT.—There is established, in accordance with the provisions of this section, an independent agency of the United States to be known as the Amateur Sports Board.

(b) MEMBERS.—(1) The Board shall be composed of five members including a Chairman. The President of the United States shall appoint five qualified individuals to be members of the Board, by and with the advice and consent of the Senate. It is the sense of the Congress that initial appointments to the Board should be made within 60 days after the date of enactment of this Act.

(2) As used in this subsection, "qualified individual" means an individual who is distinguished for his dedication to the highest ideals of amateur athletic competition, his freedom from bias, and his knowledge and experience in amateur sports, including amateur sports competition, administration and development and who is equipped by experience, known talents, and interests to further the policy of this Act effectively, positively, and independently if appointed to be a member of the Board.

(3) The President of the United States shall make appointments in such a way that at no time shall there be less than one member who is an amateur athlete who has engaged within 3 years prior to such nomination, in international competition, and so that at no time will there be any member who is an officer, director, or employee of any sports organization, or more than one member who has been an officer, director, or employee of the same sports organization. Due regard shall be given, in the appointment of members of the Board, to reflecting the diversity of those who engage in sports and amateur athletics, with appropriate weight given to such factors as race, age, and sex.

(c) CHAIRMAN.—The members of the Board shall select one member to be the Chairman.

(d) TERMS OF OFFICE.—The terms of office of the members first taking office shall expire as designated by the President at the time of nomination, one at the end of the first year, one at the end of the second year, one at the end of the third year, and two at the end of the fourth year. The member selected as Chairman shall serve as Chairman until his term of office as a member expires and a successor is duly selected. A successor to a member of the Board shall be appointed in the same manner as the original member and shall have a term of office which shall expire 4 years from the date of expiration of the term for which his predecessor was appointed. No member of the Board or former member of the Board, upon the expiration of his term of office, may be reappointed to another term of office as a member of the Board, except the original member who sits for a 1-year term.

(e) STAFF.—The Chairman, with the concurrence of at least three other members of the Board, is authorized to—

(1) determine the qualifications, appoint, fix the compensation, and assign the duties of an executive director, attorneys, researchers, and such other full-time and part-time employees as the Board deems necessary or appropriate, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, provided such compensation is not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of title 5, United States Code; and

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for an individual.

(f) COMPENSATION OF MEMBERS.—A member of the Board shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties of the Board and shall receive $150 per diem when engaged in the actual performance of his duties as a member.

(g) MISCELLANEOUS.—(1) The Administrator of General Services shall furnish the Board with such offices, equipment, supplies, and services as it is authorized to furnish to any other agency or instrumentality of the United States.

(2) The Board shall have a seal which shall be judicially recognized.

(3) Three members of the Board shall constitute a quorum for the conduct of business, except as otherwise provided by the Board by regulation.

(4) Each office of the Board shall be open to convenient access by members of the public.

(h) GENERAL POWERS.—(1) The Board, or any duly authorized member of the Board, may for the purpose of carrying out any of the provisions of this Act, hold such hearings, sit and act at such times and places, administer such oaths, and require, by subpena or other order, the attendance and testimony of such witnesses and the production of such evidence as the Board or such member deems advisable. Any member of the Board may administer oaths to witnesses appearing before the Board or any member. Subpenas shall be issued under the signature of the Chairman, and may be served by any person designated by the Chairman. Witnesses summoned before the Board shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. Such attendance of witnesses and production of evidence may be required from any place in the United States to any designated place of such hearing.

(2) Each chartered sports association which undertakes any international activity shall report in detail to the Board on such activity, and shall make such reports available for inspection by the public at any office of the Board. Reports and answers required under this subparagraph shall be submitted to the Board or such duly authorized member within such reasonable period of time and in such form as the Board may determine.

(3) If any person refuses to obey or comply with any subpena or order of the Board, the court of the United States for any judicial district in which such person resides, is found, or transacts business shall, upon the request of the Chairman, have jurisdiction to issue an order requiring such person to obey or comply with such subpena or order immediately. Failure to comply with such an order of the court is punishable by such court as a contempt of court.

CHARTERED SPORTS ASSOCIATION

SEC. 202. (a) GENERAL.—The Board is authorized, pursuant to the provisions of this section, to issue charters with respect to each sport for which application is made for a charter, to a corporation which meets the requirements of this section and any applicable regulations under this section. Upon the issuance of each charter, the President of the United States shall, within 30 days, notify the appropriate international sports organizations that the chartered sports association to which a charter has been issued shall act as the representative of the United States to the appropriate international governing body or bodies for the sport or sports with respect to which it has been granted a charter.

(b) PREREQUISITES.—(1) No person is eligible to receive a charter under this section unless—

(A) it is a group that has not less than twenty-five individuals as members;

(B) it incorporates under the laws of any State or the District of Columbia as a not-for-profit corporation having as its purpose the advancement of amateur athletic competition in the United States, or in international competition involving citizens of the United States, or both, with respect to not more than three named sports;

(C) in accordance with regulations issued by the Board, it submits an application to the Board requesting a charter under this section and submits therewith a copy of the corporate charter and bylaws; the names, addresses, and occupations of all members and other persons having any financial interest in such corporation; the sport or sports in which it seeks to advance amateur athletic competition; and any additional data, reports, and other information as is deemed necessary or appropriate by the Board;

(D) in accordance with regulations issued by the Board, it demonstrates to the satisfaction of the Board that—

(i) its board of directors, executive committee, or other governing body will at all times include among its voting members not less than two individuals who are actively engaged in amateur athletic competition in the United States in the sport or sports designated in the association's charter, and that the voting power held by such individuals will not be less than 20 per centum of the total voting power held in that board, committee, or other body,

(ii) it will at all times, to the extent consistent with rules and regulations promulgated by the Board, operate under procedures reasonably calculated to inform amateur athletes under its jurisdiction of policy matters under consideration by the corporation, and reasonably calculated to reflect in its policies the views of such athletes, and

(iii) it will undertake to develop interest and participation in its particular sport or sports throughout the United States;

(E) the Board makes a finding in writing that—

(i) less than 40 per centum of the voting power in such corporation is controlled or subject to control, directly or indirectly, by any person which holds or controls, directly or indirectly, by itself or with an affiliate, more than 40 per centum of the voting power in any other corporation which holds, or is applying to hold, a charter under this section as a chartered sports association. An affiliate is a corporation or other organization which controls or is controlled by another corporation or organization, or which is controlled by the same person as such other corporation or organization, or which has any officers, directors, or executive committees in common with such corporation or organization, or which is otherwise affiliated with such corporation or organization by membership or formal articles of affiliation; and

(ii) no officer or director of such corporation is also an officer or director of any other corporation which holds a charter as a chartered sports association; and

(F) in the case of an applicant for a charter under this section with respect to more than one sport, the Board makes a finding in writing after a hearing that—

(i) the sports with respect to which it wishes to receive a charter are closely related and would benefit by common administration, and

(ii) it is capable of functioning as a chartered sports association, with respect to each such sport, in the best interests of that sport and of the amateur athletes participating in such sport.

(2) The Board may deny the application for a charter under this section of any person which is a sports organization, or which was formed out of a sports organization, if the Board determines that—

(A) the sports organization has denied amateur athletes who were members of, or affiliated with members of, last sports organization the right to compete in any unrestricted competition conducted by that sports organization or any other sports organization or which was sanctioned by a chartered sports association (unless the applicant satisfies the Board that such denial was based on evidence that the person conducting such unrestricted competition did not meet the requirements of section 204 of this Act notwithstanding the sanction by such association, or was based on the application of a reasonable rule or regulation of an educational institution as provided in section 204 of this Act); or

(B) the sports organization violated any directive issued by the Board as a result of its mediation of a dispute pursuant to section 203 of this Act.

(c) PROCEDURE REGARDING ISSUANCE.—(1) Prior to the issuance of any charter under this section, the Board shall hold a public hearing on the application for such charter in accordance with the provisions of section 554 of title 5, United States Code. The burden of persuasion at such hearing shall be on the applicant to establish to the satisfactions of the Board that (A) it is fairly representative of athletes in the sport or sports for which the charter is sought, and of sports organizations conducting national programs involving regularly scheduled practice and competition throughout the usual competitive season in the sports or sports concerned; and (B) it is otherwise capable of and willing to discharge the responsibilities and carry out the duties of a chartered sports association. The applicant shall provide evidence that it is qualified to receive recognition by the appropriate international sports federation, committee, or body as the United States organization responsible for certifying the amateur status of United States athletes and for approving teams representing the United States for international and related competition in the sport or sports for which the charter is sought.

(2) The Board may at any time, on its own motion or on the application of any interested person, review all matters related to the activities of a chartered sports association and may take such action as it deems appropriate including, but not limited to, placing conditions upon the continuation of the association's charter or revoking the charter in accordance with this section.

(d) REVOCATION.—(1) The Board is authorized to revoke any charter granted under this section if the chartered sports association is not recognized, within a reasonable period of time after such issuance, by the appropriate international sports governing body or bodies, as the single United States authority responsible for certifying the amateur status of United States athletes and for approving teams representing the United States for international competition in the sport or sports as to which it has been granted such charter.

(2) The Board is authorized to revoke any charter granted under this section, upon the application of any qualified corporation seeking a charter for the same sport or sports, if such application is filed within 6 months after the conclusion of the program at the Olympic winter or summer games. A charter may be revoked under this paragraph, after notice and a public hearing, upon a finding by the Board that the goals and requirements of this Act would be better served by an applying qualified corporation than by the holder of the charter. A final determination shall be made within 12 months after the conclusion of the program at the Olympic winter or summer games.

(3) In addition to any other ground for revocation or suspension of a charter granted under this section, the Board is authorized to revoke or suspend the charter of a chartered sports association if such association denies any amateur athlete the right to com-

pete in any unrestricted competition sanctioned by such association or any other chartered sports association (unless such association satisfies the Board that such denial was based on evidence that the person conducting such unrestricted competition did not meet the requirements of section 204 of this Act notwithstanding the sanction by such association, or was based on the application of a reasonable rule or regulation of an educational institution as provided in section 204 of this Act) or if such association violates any directive issued by the Board as a result of its mediation of a dispute pursuant to section 203 of this Act.

(e) Authority of Board.—The Board is authorized—

(1) to issue regulations in accordance with the provisions of section 553 of title 5, United States Code, with respect to application for a charter under this section and the terms and conditions upon which the Board will issue, suspend, modify, or revoke such charter; and

(2) to take such action as the Board deems necessary, with due regard to international standards, to insure that each chartered sports association complies with the terms and limitations of its charter under this section.

(f) Functions of Chartered Sports Associations.—A charter issued pursuant to this title shall grant authority to the holders of such charters to—

(1) act as the representative of the United States to the appropriate international governing body or bodies for the sport or sports with respect to which it has been granted a charter;

(2) act as the representative of athletes competing in international competition in its sport or sports;

(3) designate individuals and teams to participate in international competition and certify, in accordance with international rules, the amateur status of such individuals and teams;

(4) conduct domestic competition in which all eligible amateur athletes may complete, including, but not limited to, Olympic trials or national championships;

(5) conduct domestic exhibitions with representatives of foreign nations, the purpose of which is to promote interest in its sport or sports;

(6) take such action, consistent with rules and regulations promulgated by the Board pursuant to this Act, as may be necessary to insure the safety and well-being of athletes representing the United States in international competition in its sport or sports; and

(7) assume such other authority as the Board deems appropriate to carry out the purposes of this Act.

(g) Coordination in Scheduling.—A chartered sports association shall coordinate the scheduling of unrestricted competition with sports organizations in its sport or sports so that neither such competition nor required practice therefor shall unreasonably conflict with other established, regularly scheduled competition or required practice for such competition.

(h) Procedure.—(1) Any hearing or other proceeding with respect to the issuance, modification, revocation, or suspension of a charter issued under this section with respect to the mediation of a dispute pursuant to section 203 of this Act shall be conducted in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code. Such hearing, proceeding, or mediation shall be subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.

(2) Notwithstanding paragraph (1) of this subsection, the Board is authorized, upon 48 hours' notice to the parties, to hear and decide a matter under such procedures as the Board deems appropriate if the Board determines that it is necessary to expedite such hearing, proceeding, or mediation in order to resolve a matter relating to an amateur athletic competition which is so scheduled that compliance with regular procedures would not be likely to produce a sufficiently early decision by the Board to do justice to the affected parties.

MEDIATION

Sec. 203. (a) General.—In case of any dispute which involves a chartered sports association and (1) and other chartered sports association or associations; (2) a sports organization; or (3) an amateur athlete, the Board or any duly authorized member of the Board shall act as mediator to conciliate and resolve such dispute. With the consent of the affected parties, the Board shall determine the issues in such dispute, and in such case the decision of the Board shall be final.

(b) Enforcement.—Upon application of (1) the Board through its own attorneys, (2) the Attorney General, or (3) an aggrieved person, the district courts of the United States shall have concurrent jurisdiction with the courts of the States to enjoin the commission of any acts committed in violation of any directive issued by the Board as a result of its mediation of a dispute pursuant to subsection (a) of this section.

SANCTIONING OF COMPETITION

Sec. 204. (a) General.—Except as otherwise provided in this section, no unrestricted competition shall be conducted in the United States unless such competition has been sanctioned by a chartered sports association prior to the date of such competition. A copy of such sanction in writing shall be maintained by the chartered sports association for public review. A chartered sports association may, upon the request of the sponsoring sports organization made in writing a reasonable time in advance of such competition, sanction any amateur athletic competition pursuant to subsection (c) of this section. No fee may be charged for the sanction beyond that necessary to cover the administrative costs involved. This subsection shall become effective 2 years after the date of enactment of this Act.

(b) Waiver.—By unanimous vote of all of the members of the Board, the Board may waive the requirement of subsection (a) of this section, upon a finding that there is no chartered sports association which can sanction the unrestricted competition in view of the time necessarily involved in planning such competition.

(c) Requirements for Sanctioning.—A chartered sports association shall grant a request made by a sports organization or other person for its sanction for an unrestricted competition or other competition, unless such chartered sports association determines that—

(1) appropriate steps have not been taken to protect the amateur status of athletes who will compete in such competition and to protect their eligibility to compete in amateur athletic competition in the United States and in international amateur athletic competition;

(2) appropriate provisions have not been made for validation of records which may be established during such competition;

(3) due regard has not been given to any international amateur athletic requirements specifically applicable to such competition;

(4) such competition will not be conducted by competent officials;

(5) proper medical supervision will not be provided for athletes who will compete in such competition; or

(6) the sports organization or other person conducting such competition refuses to submit an audited or notarized financial report of the immediate past event.

(d) Educational Institutions.—No chartered sports association or other sports organization may deny or threaten to deny any eligible amateur athlete the opportunity to compete in any unrestricted competition nor may it censure, subsequent to such competition, or otherwise penalize, any such athlete who participates where such competition is sanctioned by a chartered sports association pursuant to the provisions of this section, unless such denial, censure, or penalty is based upon the application of reasonable rules and regulations which were duly adopted prior to such denial or threat of denial by a university, high school, or other educational institution, individually or in common with other institutions (1) to promote the educational welfare of amateur athletes who are students at such institution; or (2) to maintain and protect established sports programs during the regular season for each particular sport.

(e) Enforcement.—(1) Whenever any person is engaged, or there are reasonable grounds to believe that such person is about to engage, in any act in violation of this section, a civil action for preventive relief, including an application for a permanent or temporary injunction, restraining order, or other appropriate order, may be instituted by the Attorney General, by the Board through its own attorneys, by any amateur athlete claiming to be aggrieved, or, on behalf of such athlete, by any chartered sports association or sports organization of which he, his coach, or his institution is a member or with which they are affiliated.

(2) The district courts of the United States shall have concurrent jurisdiction with State courts for actions brought under this section. Such actions may be commenced in the district court of the United States for any judicial district in which the violation is alleged to have occurred or to have been threatened, or in which any defendant is found, resides, or transacts business.

(3) In any action commenced pursuant to this section the court, in its discretion, may allow the prevailing party a reasonable attorney's fee as part of the costs.

AUTHORIZATION FOR APPROPRIATIONS

Sec. 205. There are authorized to be appropriated to the Board to carry out the purposes of this Act a sum not to exceed $1,100,000 for the fiscal year ending June 30, 1975, and for each of the succeeding five fiscal years following the date of enactment of this Act.

TITLE III—SUPPORT AND ENCOURAGEMENT OF SPORTS AND PHYSICAL FITNESS

NATIONAL SPORTS DEVELOPMENT FOUNDATION

Sec. 301. (a) Establishment.—There is established in accordance with the provisions of this title, a nongovernmental corporation of the District of Columbia to be known as the National Sports Development Foundation. The Foundation shall be under the direction of a board of trustees. To the extent not inconsistent with this title, the Foundation shall be subject to the District of Columbia Nonprofit Corporation Act (D.C. Code 29–1001 et seq.).

(b) General Authority.—The Foundation shall have the authority to do all things necessary to carry out the provisions of this title including, but not limited to, the authority to—

(1) make such bylaws, rules, and regulations as may be necessary for the administration of its functions under this title;

(2) adopt an official seal which shall be judicially noticed;

(3) sue and be sued, complain, and defend in any court of competent jurisdiction;

(4) provide financial assistance to any organization or association, other than a corporation organized for profit, in furtherance of the purposes of this title;

(5) contract and be contracted with; and

(6) acquire, control, hold, lease, and dispose of such real, personal, or mixed property as may be necessary to carry out the purposes of the Foundation.

(c) OFFICES.—The principal office of the Foundation shall be maintained in the District of Columbia or such other place as may later be determined by the Trustees, but the activities of the Foundation shall not be confined to such place but may be conducted throughout the United States. The Foundation may maintain offices at such locations as may be necessary to carry out its purposes. At all times the Foundation shall maintain in the District of Columbia a designated agent authorized to accept service of process on behalf of the Foundation. Service upon, or notice mailed to the business address of, such agent shall be deemed service upon or notice to the Foundation.

(d) RESTRICTIONS.—(1) No part of the assets or income of the Foundation may inure to any officer, employee, or member of the Trustees nor may any such asset or income be paid or distributed to any such person during the life of the Foundation or upon its dissolution or final liquidation. This provision shall not be construed to prohibit the payment of reasonable compensation to officers, employees, or members of the Trustees or to prohibit payment of reimbursement for actual and necessary expenditures, subject to the approval of the Trustees, from funds provided for such purposes by the Board.

(2) The Foundation shall not make any loans to its officers, employees, or members of the Trustees.

(3) The Foundation shall have no power to issue any shares of stock or to declare or pay any dividend to any person.

(4) Upon the dissolution or final liquidation of the Foundation, following the discharge or satisfaction of obligations and liabilities, the remaining assets may be distributed in accordance with the determination of the Trustees and in compliance with this title, the bylaws of the Foundation, and any applicable Federal and State laws. Any remaining assets resulting from appropriations pursuant to this Act shall revert to the Treasury of the United States.

(e) DUTIES.—The functions of the Foundation shall be, by means of grants-in-aid to qualified and established institutions or organizations directly involved in amateur sports—

(1) to promote equal opportunity for and encourage participation and excellence in athletic activity and physical fitness programs for individuals of all ages;

(2) to foster and support organizations, groups, and individuals concerned with sports and to help coordinate their activities voluntarily with educational and recreational programs conducted by Federal, State, and local governments;

(3) to support the development and dissemination of technical, financial, and training assistance to not-for-profit organizations and to individuals concerned with sports and physical fitness education;

(4) to promote increased athletic exchanges with foreign nations;

(5) to support studies with respect to athletic activity, including competition and physical fitness;

(6) to extend knowledge and facilities and the practice of sports by establishing and maintaining a data bank for the compilation, analysis, and dissemination of information pertaining to all significant aspects of sports;

(7) to encourage and support useful research in such areas as sports medicine, equipment design, and performance analysis;

(8) to stimulate the establishment of advanced or improved coaching, physical training, and physical education programs;

(9) to identify, without duplication existing government or private activities, the need for provision of sports facilities by public or private groups and availability of such facilities by—

(A) gathering, analyzing, and making available information relating to existing and potential procedures for the financing, construction, maintenance, and use of athletic facilities;

(B) considering methods for the economical renovation, expansion, beautification, alteration, and conversion of existing athletic facilities in order to best meet the requirements of the communities in which they are located, and by directing such methods toward the goal of developing facilities which will meet the optimum degree of flexibility, so as to provide the maximum usage within a community; and

(C) providing consultant services to private interests and State or local governments which may require such assistance;

(10) to promote, without duplicating existing governmental or private activities, safety and good health in sports by—

(A) gathering, analyzing, and making available data and information relating to the influence of training and competition on athletes during and subsequent to their careers as athletes;

(B) studying currently identifiable factors which contribute to the development of physical and mental illnesses and accidents in different sports, such as facilities, equipment, rules, officiating, drugs, economics, social forces, and searching for as yet unknown influences;

(C) studying the effectiveness of the methods employed in sports medicine to prevent illnesses and accidents, the techniques to recognize and to treat such conditions when they occur, and the approaches which enable athletes with preexisting medical problems to compete on a limited or unlimited basis;

(D) making recommendations and disseminating information which will promote greater safety in sports, with primary emphasis on prevention but with concern for minimizing the effects of illnesses and accidents when they occur; and

(E) maintaining continuing liaison with the Consumer Product Safety Commission, the Department of Health, Education, and Welfare, and any other government agency that has interests and concerns with respect to health and safety, and, to the extent practicable, utilizing the resources of such agencies to the extent consistent with the discharge of responsibilities under the subsection.

(f) FOUNDATION COSTS.—The Board shall pay the costs, including salaries, incurred by the Foundation in carrying out its functions under this title. No moneys furnished by the Board to the Foundation may be transferred by the Foundation to any other person as financial assistance.

TRUSTEES

SEC. 302. (a) GENERAL.—The Trustees shall direct the Foundation in accordance with the provisions of this title and the policy of this Act, shall maintain and administer the Foundation, and shall execute or direct the execution of such other functions as are vested in it or the Foundation by statute or regulation under a statute.

(b) MEMBERS.—(1) The Trustees shall consist of sixteen qualified individuals who shall be appointed by the President of the United States by and with the advice and consent of the Senate.

(2) As used in this subsection, "qualified individual" means an individual who is distinguished for his dedication to the highest ideals of athletic competition, his freedom from bias, and his knowledge and broad experience in amateur sports, including amateur sports competition, administration, and development and who is equipped by experience, known talents, and interests to further the policy of this Act effectively, positively, and independently if appointed to be a member of the Trustees. Members of the Trustees shall be selected from among individuals who shall have distinguished themselves and achieved recognition by their peers in their respective fields. The President of the United States shall select members of the Trustees in such a way that at no time shall there be less than three members who are presently or who were in the recent past participating athletes, and in such a way that the following fields shall be represented on the Trustees: financial management, business, corporate, or athletic management; research and development; the humanities; fundraising; adolescent development; sports medicine; sports education; physical education; communications and public relations; and the social sciences. In selecting members of the Trustees, due regard shall be given to reflecting the diversity of those engaged in sports with appropriate weight given to such factors are race, age, and sex.

(c) TERMS OF OFFICE.—The terms of office of the members of the Trustees first taking office shall expire as designated by the President of the United States at the time of appointment, two at the end of the first year, two at the end of the second year, three at the end of the third year, three at the end of the fourth year, three at the end of the fifth year, and three at the end of the sixth year. Successors to members of the Trustees shall be appointed in the same manner as the original members and shall have a term of office expiring 6 years from the date of expiration of the term for which their predecessors were appointed. Any member appointed to fill a vacancy on the Trustees occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. No member may be reappointed upon the expiration of his term.

(d) CHAIRMAN.—The members of the Trustees shall select one of their members to serve as chairman of the Trustees for a period of 1 year.

(e) ORGANIZATION.—The Trustees appointed initially shall take whatever steps are necessary to establish the Foundation, including the filing of articles of incorporation.

(f) MEETINGS.—(1) The Trustees shall meet at least once each quarter at such place and at such time as shall be determined by the chairman. The chairman shall also call a meeting at any time upon the request in writing of six or more members. Each member shall receive a notice of the call of each meeting, by certified mail return receipt requested not less than 15 days prior to the date of such meeting.

(2) Each meeting of the Trustees shall be open to the public. Minutes shall be kept of each such meeting and copies thereof shall be made available for public inspection at the office of the Foundation in the District

of Columbia and at such other offices as it may maintain. Such copies shall be available for reproduction, upon request and at reasonable charge.

(g) Quorum.—Eight members of the Trustees shall constitute a quorum for the transaction of affairs.

(h) Compensation.—Each member of the Trustees shall constitute a quorum for the for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Trustees and $150 per diem when engaged in the actual performance of such duties.

(i) President.—The Trustees shall appoint a qualified individual to be the President of the Foundation. The President shall serve at the pleasure of the Trustees and shall be the chief administrative officer of the Foundation. Subject to the supervision of the Trustees, the President shall manage and supervise the business of the Foundation, appoint, fix the compensation, and assign the duties of such officers, attorneys, specialists, agents, and other employees, and consultants as he deems necessary, who are qualified to further the policy of this Act.

(j) General Powers.—(1) The Trustees may solicit, accept, hold, and administer gifts, bequests, or devises of money, securities, or other property in any form of whatever character for the benefit of the Foundation. Unless restricted by the terms of such gift, bequest, or devise, the Trustees may sell or exchange and invest or reinvest in any lawful investment such money, securities, or other property, for the benefit of the Foundation. Such moneys, securities, and other properties shall constitute a fund to be held by the Trustees in trust. The corpus of such trust shall not be invaded by the Trustees for expenditure or transfer other than for purposes of investment so long as the total amount in such fund, together with any amounts appropriated to the Trustees for such fund under section 305 of this title, does not exceed $100,000,000: *Provided*, That the Trustees may expend up to $1,000,000 each year from such fund out of such amounts not appropriated under section 305 of this title to carry out the purposes of the Foundation until such time as the aggregate sum of all moneys, securities, and other properties received by the Trustees equals or exceeds $15,000,000. Income from such fund may be expended in the discretion of the Trustees.

(2) The Trustees shall, not less than once each year, give public notice, in such manner as they find appropriate, of the Foundation's intent to award grants-in-aid during the succeeding period for projects designed to further the Foundation's purposes as stated in section 301(e) of this title. Such notice shall solicit the submission of proposals with respect to any such projects by qualified and established institutions or organizations directly involved in amateur sports.

AUDIT OF TRANSACTIONS

Sec. 303. The accounts of the Foundation shall be audited annually in accordance with generally accepted auditing standards by independent certified or licensed public accountants certified or licensed by the government of the District of Columbia. The audit shall be conducted at the place or places where the accounts of the Foundation are normally kept. All books, accounts, financial records, reports, files, and other papers, things or property belonging to or in use by the Foundation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit. Full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons by the Foundation. A report of each such audit shall be submitted to the Congress by the Foundation not later than 6 months following the close of the fiscal year for which the audit was made. The Foundation shall also maintain a certified copy of such report for public inspection. The report shall set forth the scope of the audit and shall include such statements as are necessary to present fairly the assets and liabilities of the Foundation; its surplus or deficit, with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the income and expenses of the Foundation during the year; and the independent auditor's opinion of those statements. Each such report shall be printed as a public document.

REPORTS

Sec. 304. The Foundation shall maintain for public inspection and submit to the Congress and the President of the United States, in January of each year, a report on its activities, including a comprehensive description of the activities and accomplishments of the Foundation during the preceding calendar year together with an evaluation of such activities and accomplishments in terms of the attainment of the policy of this Act and the duties of the Foundation. Such report may include recommendations for additional legislative or other action which the Trustees consider necessary or desirable for attaining such objectives. Such report shall not be reviewed by any officer or agency of the United States prior to submission to the Congress. Each such report shall be made available to interested persons and printed as a public document.

AUTHORIZATION OF APPROPRIATIONS

Sec. 305. For each fiscal year following the fiscal year ending June 30, 1976, there is authorized to be appropriated to the Trustees for use by it in carrying out the provisions of this title an amount equal to the amount of donations, bequests, and devices of money, securities, and other property received by the Trustees during the fiscal year preceding the fiscal year for which such appropriation is made, except that the total aggregate amount appropriated pursuant to this subsection shall not exceed $50,000,000.

MOTION TO RECONSIDER

Mr. BEALL subsequently said: Mr. President, I enter a motion to reconsider the vote by which S. 3500, the Amateur Athletic Act of 1974, was passed.

The PRESIDENT pro tempore. The motion will be entered and placed on the calendar.

ADDITIONAL FUNDS FOR CERTAIN WILDLIFE RESTORATION PROJECTS

The bill (H.R. 10972) to delay for 6 months the taking effect of certain measures to provide additional funds for certain wildlife restoration projects was considered, ordered to a third reading, reading the third time, and passed.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that the action taken on Calendar No. 823, H.R. 10972, be vacated and that the bill be returned to the calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONVEYANCE OF CERTAIN MINERAL INTERESTS OF UNITED STATES IN SOUTH CAROLINA

The bill (H.R. 6541) to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN MINERAL INTERESTS OF UNITED STATES IN SOUTH CAROLINA

The bill (H.R. 6542) to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certan lands in the State of South Carolina was considered, ordered to a third reading, read the third time, and passed.

AUTHORIZATION FOR SECRETARY OF THE INTERIOR TO SELL RESERVED MINERAL INTERESTS OF THE UNITED STATES IN CERTAIN LAND IN MISSOURI

The bill (H.R. 7087) to authorize the Secretary of the Interior to sell reserved mineral interests of the United States in certain land in Missouri to Grace F. Sisler, the record owner of the surface thereof was considered, ordered to a third reading, read the third time, and passed.

AUTHORIZATION FOR SECRETARY OF THE INTERIOR TO SELL CERTAIN RIGHTS IN THE STATE OF FLORIDA

The bill (H.R. 10284) to authorize the Secretary of the Interior to sell certain rights in the State of Florida was considered, ordered to a third reading, read the third time, and passed.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from Maryland (Mr. Beall) is recognized for not to exceed 15 minutes.

PIPELINE SAFETY PROBLEMS

Mr. BEALL. Mr. President, the recent gas explosions in a New York office building and at townhouses in Norristown, Pa., remind us again of the potential for catastrophe. While the destruction in the New York explosion was great, had it occurred during working hours, the major catastrophe, we fear, would have occurred.

Last Friday a tense situation was created in East Baltimore when a crane operator rammed a piece of metal sheathing through a 24-inch natural gas main—1.7 million cubic feet of gas was leaked before the main was repaired. The magnitude of this loss of gas can be appreciated when one realizes that the average home uses only 83,000 cubic feet of gas during all entire year. Fortunately, in this instance, there was no explosion and no loss of life or damage to property.

Natural gas explosions are a growing problem. Since 1969, fatalities resulting from pipeline accidents have nearly tripled in number. I became interested and involved in this problem following the unprecedented number of such explosions that rocked this area. Last year my colleagues will recall I offered an amendment to the Department of Transportation Appropriations bill calling for a $1 million study of the growing problem of natural gas explosions in residential areas. This amendment was adopted by the Senate, but unfortunately, the amount was reduced to $275,000 during the House-Senate conference on the measure.

Since then I have been studying the pipeline safety problem and I plan at a later time to present some specific legislative proposals to the Congress.

Nevertheless, in my study thus far, particularly in examining the work of the National Transportation Safety Board—NTSB—I am convinced that there is some action that can and should be taken now.

The major cause of pipeline accidents is damage to pipelines during excavation. The Federal Power Commission in a survey of interstate gas transmission lines indicated that from 1950 to 1965—

> Carelessness in the operation of farming, road building, and excavation equipment caused the largest number of gas failures, accounting for 26 percent of such failures reported.

By 1972 according to the National Transportation Safety Board, 52 percent of the gas transmission accidents were caused by outside forces; 41 percent involved excavation damage and in 85 percent of the excavation accidents, the pipeline operator was not notified before excavation was done. The Board also found that of the 70 percent of gas distribution line failures caused by outside force accidents, 42 percent related to excavation damage. In 62 percent of these excavation-related accidents, the pipeline operators had been given prior notice.

It is interesting to note that operators of other types of underground facilities were also found to be plagued by excavation damage.

In 1971 the Bell System disclosed that external contact accounted for 87,000 cases of cable damage a year resulting in an average of almost 15 damages per 100 miles of cable for that year. Thus, progress made in the prevention of accidents to gas pipelines from outside damage would also benefit the operators of other underground systems, such as water, sewer lines, fire and police alarm systems, traffic control systems, street lights, television cables, petroleum pipes, and pneumatic pipeline systems.

Since damage to pipelines during excavation is already the primary and growing cause of pipeline accidents, the estimate by the Association of General Contractors that between now and the year 2000, the United States will match all the construction that has taken place in our Nation's history, is ominous indeed, and emphasizes the need for action, and action now, to prevent construction-related accidents to pipelines and other underground utilities.

As the National Transportation Safety Board said in their special study entitled "Prevention of Damage to Pipelines," adopted June 7, 1973, "pipeline accidents caused by excavation and construction activities, including blasting, can be prevented."

In the next sentence, the National Transportation Safety Board went on to say that we have the knowledge and know-how to prevent such accidents at the present, and I quote:

> Although new technological advancements and new concepts should be developed, the hardware and knowledge currently available in many parts of the country can be used to reduce the number of excavation-damage accidents.

Since we know how, the question is, Do we have the will?

In response to this No. 1 pipeline safety problem, I urge the following steps be taken:

First, I urge the Labor Department to amend 29 C.F.R. 1926—which deals with the Occupational Safety and Health Act—OSHA—standards—to require that the contractor shall positively determine the location of all underground facilities prior to excavation. At present, section 651 of the Safety and Health Standards for Construction, 29 C.F.R. 196, issued by the Occupational Safety and Health Administrator of the Department of Labor requires that efforts be made to determine the location of all underground installations. The original OSHA regulations required that the exact location of an underground installation be determined "by careful probing or hand digging." These words were deleted from the amended and final regulations, as I understand it, because some comments were received by OSHA suggesting that these restrictive standards would be too rigid to allow alternative safer methods to locate underground installations. Many, however, contend that the state-of-the-art does not include any safer methods to locate underground installations, other than hand probing or digging, and that the present OSHA regulations are, therefore, inadequate.

The need for this change in the OSHA regulations is perhaps best illustrated by the NTSB's report of a pipeline accident in Lake City, Minn., in 1972. In this accident, a bulldozer struck and snapped a three-quarter inch gas service line. Fifteen minutes later a department store near the ruptured line, but not serviced by gas, blew up. Six persons lost their lives and 10 more were injured.

In this case the excavation contractor stated he had spoken to the appropriate gas company representative and had concluded from this conversation that there were not any gaslines in the path of the work. On the other hand, the gas representative said he recalled only having talked to "someone," and he could not recall whom, about the service line that was in the path of the construction work. Once the excavation contractor contacted the gas company, he theoretically complied with the OSHA regulations that "an effort shall be made to determine whether underground installations * * * will be encountered * * *." However, as the NTSB report on this accident notes—

> That effort, however, did not determine conclusively, for either party, the existence and location of the gas line. The two parties, indeed, reached opposite conclusions. The fact that neither party was required to make a definite determination whether a gas line was present was a factor contributing to this misunderstanding.

It is clear that accidents would be prevented if pipelines could be uncovered by hand before construction machinery commenced working near pipelines. For example, a 3-year study of excavation damages by the Northern Illinois Gas Co., indicated that 83 to 90 percent of the accidents that occurred on construction work where the company had marked its facilities, were in cases where the line was not exposed before it was damaged by mechanized equipment. In view of the seriousness of the situations, I urge a return to the "careful probing or hand digging" requirements unless it can be demonstrated that other locating methods are equally safe and effective.

This would have the advantage of providing the existing safer method and also providing a spur to the development of more accurate testing devices such as the present effort of Public Technology, Inc. to utilize a down-looking radar device for this job.

Second, I urge amendments to section 49 CFR 192 and 49 CFR 195 to require each pipeline operator to establish a program for prevention of excavation-type damage to its underground facilities. Again, this has been recommended by the National Transportation Safety Board on a number of occasions. I see no reason for delaying action on this requirement—action that would put in motion a series of safety steps that are needed and for which there exists a broad consensus of support by various authorities.

In general, if the pipeline and other underground facilities are to be protected from excavation damages the following safety criteria should be needed:

First, a contractor preparing to excavate should be made aware of the need to exercise care in the vicinity of underground facilities and must have an incentive to do so. Second, he should have a simple and timely way of determining all underground facilities in proximity to the proposed earthmoving activities. Third, contractor representatives, including the field crew, should be able to recognize easily the exact locations, depths, alinements, and spatial relationships of all affected facilities.

To satisfy all three criteria could require that a variety of operations be performed and that the activities of multiple parties be coordinated. These include advertising, to alert the contractor to the dangers and/or penalties for violation of safety standards; simple notification system for contacting operators of affected facilities; effective facility marking system; and followup measures when accidents do occur.

Third, I urge the Department of Transportation to amend 49 CFR 192 and 49 CFR 195 to require that during the design phase, consideration shall be given to the prevention of damage to pipelines in the future, especially in locations where later excavation might reasonably be expected to occur.

In certain areas of high urban growth, it is predictable that construction activity will take place subsequent to the installation of underground facilities. Given this fact, we should consider during the design and installation phase, steps that will prevent such accidents. Both the NTSB and a Prince Georges County, Md., Task Force on Underground Utility Hazards, recommended consideration of this approach. Such matters as the depth of the line, concrete barriers to cover or protect the lines, and increasing the material strength of the pipeline, should be carefully considered in an effort to prevent such accidents in areas of heavy construction activity; and

Fourth, I urge the Department of Transportation to amend 49 CFR 192 so as to require uniform reporting requirements, including common definition and classification of gas leaks and the development of a common data base to enable valid comparisons. As the Prince Georges County ad hoc committee report stated:

> Data for design/materials and maintenance comparisons is derived from statistics compiled from reporting gas companies. A common data base is needed in order to spot trends and make comparisons in these areas since none seems to exist. Little can be concluded in the decision and maintenance areas as they relate to leakage, corrosion, material failures, etc. without such a common base. As evidence of the lack of such data, the following questions were submitted to OPS by the task force on November 16, 1973 and answered by Joseph Caldwell, Director of OPS on December 10, 1973.

The lack of such data can be clearly seen from the questions submitted by the Prince George's County group and responses by the Office of Pipeline Safety Director, Mr. Caldwell:

> *Question No. 1:* "Is there a correlation between number of leaks caused by damage by outside force, construction defect and material failure in systems having one-call or 'Miss Utility' programs [12] and those which do not have such coordination?"
>
> O.P.S. answer: "Our leak data processing system does not provide an answer to this question. However, you may wish to write to some of the utilities where the one-call system has been inaugurated so as to get the benefit of first-hand information that may be available at this time." There were some suggested contacts listed.
>
> *Question No. 2:* "Is there a decrease in corrosion related leaks and is this decrease related to the companies' compliance with the 1975 deadline to develop cathodic (corrosion) protection for their distribution systems?"
>
> O.P.S. answer: "It is too early to establish any positive trends. Based on annual leak reports, the number of corrosion leaks repaired during the past three years were:

	1970	1971	1972
Distribution system	265,091	318,436	324,331
Transmission system	25,296	19,515	18,769

> The increase in corrosion related leaks in distribution systems is probably attributable to more complete reporting from these operators.
>
> *Question No. 3:* "Do higher pressure systems have less leakage and is this leakage related to use of higher grades of equipment and materials?"
>
> O.P.S. Answer: "Our data processing system does not reveal this type of information. You may wish to contact individual companies for information along this line."
>
> *Question No. 4:* "Where companies have changed to plastic service lines, has there been an increase in outside damage leaks?"
>
> O.P.S. Answer: "To get this information from our data processing system would require examination of individual and annual leak reports on an individual company basis for the past three years. If you wish to research our records for this information, we will be glad to assist you."
>
> *Question No. 5:* "What levels and types of natural gas odorant are being used nationally?"
>
> O.P.S. Answer: "Our records do not provide this type of information. However, we are also interested in this subject and plan to contract for such study during FY–74. We will be glad to provide you with a copy of the results of this study when it is completed."
>
> *Question No. 6:* "What levels of humidification are being used nationally on gas transmission and distribution lines?"
>
> O.P.S. Answer: "Our records do not provide this type of information. In a transmission system, the usual effort is to get rid of moisture. In distribution systems, some companies add moisture, for example, in the form of "fogging" (an emulsion of water and oil), to help maintain a better distribution of odorant and to help prevent leakage in gasketed fittings."

Fifth, I urge the Department of Transportation to amend 49 C.F.R. 625, which involves the odorization of gas so as to make the odor detectable at a lower explosive level and to require that this amount be increased further by at least twice the new recommended rate during each heating season for a reasonable period as a leak test program.

Natural gas, as my colleagues know, consists mainly of methane with smaller amounts of ethane and propane hydrocarbons. Natural gas has no odor in its untreated stages. When gas is distributed through the riding system, it is odorized by an addition of mercaptans. This, of course, is to enable the detection of leaking gas. This recommendation grew out of the recommendations of the Prince George's County task force. As implemented, it should help substantially in the detection of leaks. I believe this is particularly so if done in conjunction with public information efforts on the part of gas companies at the commencement of the new heating season.

Sixth, I urge the Department of Transportation to amend 49 C.F.R. 192.615, which involves emergency plans, to define what constitutes an emergency and provide clarification of requirements of emergency procedures.

Mr. President, on too many occasions the personnel of the pipeline operators were on the scene in plenty of time before the explosion. As the NTSB stated in its February 1974 report of the pipeline accident in Clinton, Mo.:

> In at least 5 recent pipeline accidents—including this accident—on which the Safety Board has issued reports, the pipeline operator's personnel were at the leak site from 10 minutes to more than 90 minutes before any explosions occurred. In each case, there should have been sufficient opportunity to prevent an accident. In none of the cases, however, was the flow of gas turned off, and in four, nearby buildings were not checked for the presence of gas before the explosions. As a result of these accidents, 19 persons died."

In the Annandale, Va., explosion which occurred in March 1972, it appeared that the personnel of the gas company were on the scene 20 to 25 minutes prior to the explosion. Again in this report NTSB stated that:

> It appears reasonable that Washington Gas Light personnel could have taken steps prior to the explosion to stop the flow of leaking gas or to reduce hazards to the public.

More recently, in the explosion that occurred in Philadelphia on May 4, which resulted from a broken cast-iron main, it is my understanding that personnel of the gas company were on the scene well before the actual explosion occurred.

What will it take to prevent explosions when personnel arrive on time? It is clear to me that the management has to give its personnel in the field proper training and practice for actual emergencies and appropriate guidance. I have been advised that it is often "ingrained" in personnel not to shut off service. Indeed, one can understand the reluctance of companies to interrupt service to its customers. The Office of Pipeline Safety can and should require gas operators to have certain emergency procedures.

For example, the emergency practices should cover pipeline cut-off procedures. Also, when a leak or break in the lines occurs, the company should not have to examine maps to determine what valves to close. This should all be pre-planned and programed ahead of time so that when an emergency occurs the information on which valve to close is readily at hand. I am convinced that the Office of Pipeline Safety can provide industry with a clear understanding of what is desirable in emergency procedures and that management can provide clearer directions to its personnel in the field, and I urge that it be done.

My study of the growing problem of natural gas explosions is continuing and, as I previously stated, I intend to make additional recommendations in the form of legislation in the future.

On March 27, 1974, I introduced S. 3245, the National Transportation Safety Board Independence and Improvement

Act, which makes the NTSB an independent agency, and broadens its present authority in the surface transportation area, including pipeline safety. The legislation envisions a substantial upgrading of the NTSB and hopefully will result in increased staff for the important area of pipeline safety.

Mr. President, at the present time the NTSB has only two employees in this area. I cannot praise too much the work of these two individuals, Mr. Barry Sweedler and Mr. Henry Shepherd. They have produced numerous studies spotlighting problems in the pipeline safety area and suggesting corrective action. Also, I recently wrote to the chairman of the Senate Commerce Committee, Senator MAGNUSON, urging that the Commerce Committee commence oversight hearings on gas pipeline safety and the Natural Gas Safety Act of 1968, as amended. I ask unanimous consent that this letter be printed at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BEALL. Mr. President, my study of the NTSB and the Office of Pipeline Safety reports and the recommendations of the Prince George's County Committee convinces me that the changes that I have recommended in the regulations should be made now to deal with the biggest portion of the pipeline safety problem; namely, damage resulting from construction activities.

I urge the Departments of Transportation and Labor to make these suggested changes.

EXHIBIT 1

APRIL 25, 1974.

Hon. WARREN G. MAGNUSON,
Chairman, Senate Commerce Committee, Dirksen Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: The recent gas explosion in New York underscores again the great problem of natural gas explosions.

Since 1969 the number of fatalities resulting from pipeline accidents has nearly tripled. The series of natural gas explosions that rocked the Washington metropolitan area last year prompted me to author an amendment to the Fiscal Year 74 Department of Transportation Appropriations bill, providing for a study of this problem by the Office of Pipeline Safety. This study would focus on the following: the use of plastic pipes, the evaluation of the conditions of existing distribution systems, third party damages, the need for expanding present regulations on service lines, the effectiveness of "odors" given to natural gas, and the utilization of the system approach to pipeline safety.

This amendment was enacted, but unfortunately the Conference Committee reduced the funding provided by the Senate from $1 million to $275,000. This was exceedingly unfortunate for it means that the Office of Pipeline Safety may be unable to examine all of the areas required by the study. I am particularly disappointed that an examination will not be made of the utilization of the "system safety approach" to pipeline safety. Such an approach would enable pipelines accidents to be predicted and analyzed before they occur.

The Pipeline Safety Office plans, under the amendment as funded, the following: (1) a study of the industry's practices in using plastic materials in gas pipeline facilities and the resulting safety factors; (2) a study of odorants and their effectiveness in alerting people to the presence of natural gas; and (3) evaluation of the procedures and tools for assessing the safety of existing gas distribution systems.

The request for proposals for the above three studies was issued between April 1 and April 26 and it is expected that the actual contracts will be let around June and the study will take approximatey six to eight months.

Also, as you know, I introduced S. 3245, the National Transportation Safety Board Independence and Improvement Act of 1974, which would broaden and expand the role of the National Transportation Safety Board in surface transportation safety, including pipeline safety. When I introduced the bill I pointed out that there are only two employees at the NTSB working on pipeline safety. Similarly, the Office of Pipeline Safety, in my judgment, is also under-staffed with only eighteen professional employees. One might feel better if the staffing by the states in this field were adequate, but this is not the case.

For example, the Prince George's County Task Force on Underground Utility Hazards, in my state of Maryland, concluded in a recent study that both the Office of Pipeline Safety and the Maryland Public Service Commission had minimal personnel in the field. Little or no on-sight inspection was found to be conducted by state and federal agencies to verify compliance with regulations. Maryland had only one pipeline safety inspector for the entire state and Maryland is a representative state in this regard. At the very minimum, I believe that the grants to the states must be sufficient to pay for the cost of a full time safety engineer.

Granted, pipeline safety compared to other surface transportation, has a good safety record. Nevertheless, the potential for catastrophe in this area is overwhelming. We were fortunate that the New York explosion occurred at the time of day that it did. The growing number of explosions suggests that our "luck" could be running out.

The Natural Gas Pipeline Safety Act (49 U.S.C. 1671) authorization is scheduled to expire this June. The New York explosion plus this scheduled expiration of the authorization, make it timely for the Committee to focus on this problem and to conduct oversight hearings on the progress made and the deficiencies of the Act. I strongly urge that such hearings be held in the near future.

I am enclosing for your information a copy of today's *Washington Post* editorial urging that "federal and state officials, not to mention gas companies themselves, take the problem with more seriousness."

With best wishes, I am,
Sincerely yours,
J. GLENN BEALL, Jr.

FORTHCOMING VISIT BY PRESIDENT NIXON TO THE SOVIET UNION

Mr. AIKEN. Mr. President, in June, for the third year in a row, the President will meet with the leaders of the Soviet Union, this time in Moscow.

In the midst of our national political furor, it has been suggested that this meeting be cancelled or postponed.

Some feel that President Nixon should not go to Moscow while a political tempest is on here.

I hope and trust that the President will go ahead with his plans.

It is essential that he do so.

It would be wrong to give the leaders of the Soviet Union the impression that something has happened, or is likely to happen, that would cast doubt on the priority that all Presidents must give to keeping the peace.

We must not—for a single moment—give the world any idea that the United States of America has abandoned its democratic and constitutional form of government.

The President has made it plain that he will not run away from the office to which he was elected.

When he goes to Moscow, he will be the representative of the United States.

It is important to show the Soviet leaders that an open society can still function competently even in the face of bizarre national events and charges.

More important, the leaders of the Soviet Union must not be left in any doubt about our dedication to building on the new relationship that has evolved between our two countries.

This new relationship has been given a name—détente—a relaxing of strained relations.

From our point of view détente began in Indochina.

The drastic actions that President Nixon felt were necessary to extract our troops from Vietnam were not opposed by the Soviet Union and may have been supported by the actions of that Government.

We agreed then not to choose sides in wars between third powers and, while the record is mixed, the agreement has so far been sustained in the far more volatile arena of the Middle East.

If there is to be a period of relative stability in the Middle East, much of the credit must go to détente.

From the Soviet point of view, détente started in Central Europe, with the treaty between West Germany and the U.S.S.R. which confirms the borders set in World War II.

By going along with this treaty, the U.S. tacitly accepted the status quo in Eastern Europe, and West Berlin ceased to be an exposed salient.

Where once we talked of "liberating" the people of Eastern Europe, now we are considering sending an Ambassador to East Germany.

The Soviet interest in détente also includes increased trade with, and credits from, the United States.

Treated separately these questions are not, perhaps, of first importance to the United States.

It makes good business sense in terms of jobs and incomes to trade with the Soviet Union.

For years we have left that trade almost entirely to the Europeans and Japanese.

The credits which the Russians now ask are mere drops in the vast seas of international finance.

For every dollar in credit now being extended to the Soviet Union by our Export-Import Bank, $16 are being advanced by our competitors in Europe and Japan.

It is probably true, however, that the Soviets need the trade more than we do.

That was certainly true of the much discussed Soviet purchases of grain in 1972 and 1973.

Had the leaders of the Kremlin been unable to buy grain in bulk abroad in those years, they would have had to resort to a wholesale slaughter of their cattle to maintain minimum diets.

It happened before in the 1960's.

And in the Soviet Union, that kind of failure in agriculture could cost the leaders their jobs.

And who is to say that a new crop of leaders would still be willing to play the game of détente?

Their need is our gain in two ways: in strengthening the future for world peace and in creating a measure of business and jobs for our own producers.

The Senate should now take up the trade bill and at least decide whether it wants to normalize trade with the Soviet Union or not.

The President should not be required to go to Moscow with the Senate still in a posture of obstruction on this matter.

I did not think that linking the trade issue with Soviet emigration policy was a wise idea when it was first suggested.

But, I have to admit that this initiative has had an apparent effect on the willingness of the Soviet leaders to grant exit visas.

Many thousands of Soviet Jews and other minorities have gained permission to seek other homelands thanks to the fact that many Members of the Congress chose to link the issues of trade and emigration.

However, the time has clearly come now to fashion a new policy, one that permits normalization of trade and contributes to the strengthening of a world economy as well as ours.

It is time for Congress to stop obstructing progress in this matter.

The trade bill which has been blocked from consideration for months should be brought up for action without further delay.

The ground for compromise has been prepared.

The President can and should be asked to report regularly to the Senate on the state of Soviet emigration policy.

But, to hold the trade bill hostage for some ultimate or ideal solution is unwise and self-defeating.

The Senate, above all other bodies, should be able to distinguish between an imaginative and constructive expression of indignation and an act of intervention.

Holding the trade bill hostage to internal reform in another country will inevitably be seen as an act of intervention if release of the hostage is not open to compromise.

The overwhelming justification for détente, of course, is the need to to continue to work out a strategic doctrine that rules out the use of massive nuclear weapons as instruments of national policy.

This is a difficult subject for responsible people to think about.

Why should strategic doctrine have to evolve?

Why cannot we simply agree that not only the use of massive nuclear weapons is suicidally irrational, but that spending more and more billions, piling up ever more superfluous arsenals, is also madly irrational?

The fact is, however, that strategic doctrine can never be set permanently.

Nowhere, not even here, can a line be drawn on the pursuit of knowledge.

Moreover, as the Secretary of Defense has pointed out, there is a special moral as well as military duty for the United States to take the lead in evolving a new strategic doctrine.

Here in the United States the subject can be and is being debated openly.

In closed societies, it is not.

Therefore, only here is there hope that we may someday find a way out of the threatening challenge of nuclear weapons.

The enduring purpose of the SALT talks is to provide a means through which we can hope to transfer our values to those who possess with us this ultimate destructive power.

For the first time in 10 years the Secretary of Defense is asking us to face the ominous obligation to debate an evolving strategic doctrine.

That debate will unfold in the months and years ahead.

It is the most serious kind of debate free people can engage in.

The President's trip to Moscow is not designed to engage in debate, but rather to make sure the SALT channel remains open.

I hope and expect that the President will bring back an agreement to this effect.

In any case, whatever he does bring back will have to be presented and debated here in the Senate.

If the Congress showed its ability to moderate on such matters as the trade bill—if we could separate the President's trip to Moscow from the questions pertaining to the conduct of his office, we might restore some of our lost perspective.

The real danger lies in losing our perspective, in failing to sort out what is most important.

The President's trip to Moscow will be of utmost importance.

On this occasion the President deserves support for the extraordinary nature of his duty.

Having a share in this particular responsibility, the Senate, then, should make sure it is not obstructing the discharge of that duty.

While domestic matters and political issues are of great importance today, the most important decision we have to make is whether we will sanction renewal of the cold war—a war which could lead to potential consequences too terrible to contemplate.

Congress must make that decision and should make it now.

The PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma (Mr. BARTLETT) is recognized for not to exceed 15 minutes.

STEEL INCREASE EXPECTED

Mr. BARTLETT. Mr. President, I am encouraged by recent announcements by some steel companies that they plan to increase their output of oil country tubular goods. If we are to approach domestic self-sufficiency in energy, adequate steel supplies must be available for an expanded oil and gas exploration program.

In October of 1973 it became obvious that independent oil men were having a hard time finding the casing and other tubular goods necessary to fill their needs.

On November 1, 1973, I cosigned with several of my colleagues a telegram to the President urging the removal of price controls on steel and all steel products which were associated with the exploration, development and production of energy including oil country tubular goods.

On November 20, 1973, I sent a letter to Secretary of Treasury George Shultz requesting that he take action to allow necessary increases in the price of petroleum and steel.

On November 29, 1973, I addressed the Senate and said that the removal of price controls on steel and steel products associated with energy and exploration was essential to solving the energy crisis.

On December 3, 1973, I met with the Cost of Living Council Director John Dunlop. He assured me, and several other Senators in attendance, that he would investigate the production of steel products for the energy industry and would provide an exemption or relax controls if price controls were a serious impediment to the accessibility of oil country tubular goods.

On December 4, 1973, I again addressed my colleagues and reviewed the events pertaining to steel to that date.

On December 5, 1974, I sent a letter to steel companies that produced oil country tubular goods with an attached copy of my floor remarks on December 4, 1973, and asked them what they believed should be done to increase supplies of drill pipe, casing, tubular goods, tool joints, bits and other steel products critical to the energy industry's effort to cope with energy shortages.

Also, during December of 1973 I received a letter from Bill Simon indicating he was analyzing the steel shortage situation to determine if price exemptions were needed. Also, the Cost of Living Council began to allow a cost pass-through to steel companies on their purchases of ferrous scrap.

On January 9, 1974, I met again with John Dunlop, John Sawhill and others to discuss the shortages of oil country steel products.

On January 25, 1974, the Cost of Living Council announced four major actions with respect to the steel industry. The intent of these actions was to allow an increase in the production of oil country tubular goods and other steel products in short supply.

Mr. President, on January 31, 1974, I wrote a letter to John Dunlop indicating to him that I felt that the price increases authorized by the Cost of Living Council were inadequate to stimulate the production of baling wire and other specialty steel products.

On February 12, 1974, John Dunlop sent me a letter setting forth his assessment of the oil country tubular goods problems. This letter indicated that the inability of independent oil producers to obtain sufficient steel supplies was a matter of poor distribution rather than a shortage of supplies.

On March 8, 1974, Senator BELLMON and I sent a letter to Gerald Parsky, Assistant Administrator of the Federal Energy Office, urging that a voluntary method of distributing available supplies of casing to maintain maximum drilling rig activity be implemented. We also urged that the Cost of Living Council free immediately oil field tubular goods from price controls.

On March 12, 1974, I sent virtually the same letter to John Dunlop that I had sent to Gerald Parsky.

On April 23, 1974, I received a response from the Federal Energy Office informing me that as a result of the request by Senator BELLMON and myself the FEO had requested that the Nation's steel producers take steps necessary to assure equitable ditribution of oil country tubular goods.

On April 29, 1974, I attended a meeting set up by the Federal Energy Office which was attended by steel companies, major oil companies, and independent producers to discuss a method for voluntary redistribution of oil field tubular goods.

On April 30, 1974, the Economic Stabilization Act expired and the Cost of Living Council's authority to control the prices of steel products elapsed.

In the letter of December 5, 1973, to steel companies which produced oil country tubular goods, as I have mentioned, I asked for suggestions as to what should be done to increase supplies of steel products critical to the energy-producing industry.

The responses that I received from the steel mills were almost unanimous in one respect—virtually all indicated that increased availability of steel products was contingent upon decontrol of prices. It was pointed out that price controls had caused some facilities which produce products that serve the oil and gas industry to operate well below capacity for the simple reason that other mills which produced products yielding a more satisfactory return were making preemptive demands upon the metal from raw steel making facilities.

Now that price controls no longer exist it is imperative that 100 percent of all available oil country tubular goods capacity be utilized and plans be made to further increase capacity. Our national security and entire economy hinge upon sufficient supplies of domestic energy and the production of energy requires adequate steel supplies.

I have been working with the Federal Energy Administration and others to determine if the steel companies are following up the removal of price controls with the increased production of oilfield tubular goods that they indicated would occur.

Unfortunately, the initial indications are that all available capacity—speaking of rolling capacity—is not being utilized to the fullest extent possible. I have been informed that both U.S. Steel and Republic Steel are operating much below their current capacity to produce oil country tubular goods.

If critical steel capacity is not being utilized, we need to determine why! Is the problem a lack of raw steel or do the steel mills find it easier or more profitable to produce other products?

Mr. President, today I am writing the manufacturers of oilfield tubular goods and asking them to respond to these and other questions.

I look forward to a dedicated response by the steel industry toward increasing the capacity to manufacture oil country tubular goods.

The PRESIDENT pro tempore. Under the previous order, the following four Senators will now be recognized for not to exceed 15 minutes: Senators HARTKE, THURMOND, ROTH, and DOLE.

The Senator from Indiana (Mr. HARTKE) is now recognized.

TRIBUTES TO JOZSEF CARDINAL MINDSZENTY

Mr. HARTKE. Mr. President, today we honor His Eminence Jozsef Cardinal Mindszenty, prince of the church and patriot of the Hungarian Nation.

The cardinal arrived in New York on May 6, came to Washington yesterday and will stay through today. He is making quiet pastoral visits with Hungarian Catholics here in the United States and is expected to tour 25 to 30 cities before returning to his home in Vienna at the end of June.

He is 82 now and as he goes quietly about his duties, it is very hard for us to remember that 25 years ago this peaceful priest was at the center of a storm that threatened to engulf all of Europe. Almost alone he stood up to Stalin, the Red army, and the ruthless Communist apparatus that held all Eastern Europe in its grip immediately after World War II.

He did it in full knowledge of the terrible price he would have to pay. He foresaw arrest, imprisonment, torture, public humiliation, and perhaps even death. It is to his eternal credit that this knowledge did not make him flinch or retreat.

The immediate cause of the conflict was his resistance to the Hungarian Government's takeover of church schools. But we all knew that the real cause lay deeper.

The cardinal stood for Hungarian independence, for a person's right to disagree with the actions of an arbitrary government. To Americans, these rights seem as natural as breathing and eating. We grumble about taxes, freely criticize the people in power, protest how the Government spends our money, and quite rightfully expect to pay no penalty for our opinions. It is hard to conceive that a man would spend more than two decades in prison or confinement simply for disagreeing with his government.

But the cardinal did. He has despised arbitrary government and has fought against it all his life. The penalties have been great. The Communist regime of Bela Kun put him in prison in 1919 for his outspoken criticism. So did Hitler when the cardinal denounced the Nazi persecution of the Jews. Thus, he was ready for the ordeal that began with his arrest the day after Christmas in 1948.

He knew the ruthlessness of Stalin. He knew the Stalinist machine had ways of extracting false confessions. Before his arrest, he warned in a written message that any confession he might make would not reflect guilt but only human weakness.

He was isolated, interrogated, and tortured for 7 weeks. Then he was put on display. His was the last of the notorious show trials so typical of the age of Stalin. And like all the others, his trial was a parody of justice. In appearance, he was weak and listless. His forceful voice was gone, and his friends said he looked like a man who had been beaten and drugged.

The trial was absurd and so were the charges to which the cardinal confessed. Nobody believed them, not even that strange breed of Communist in every country whose twisted spirits accepted the idea that the outrages of Stalin had something to do with social justice.

The cardinal's ordeal seemed at an end when he was freed from his sentence of life imprisonment by the Hungarian revolution of 1956. But that freedom was short-lived. The revolution was crushed by Russian tanks, and the cardinal barely escaped to the sanctuary of the American Embassy in Budapest. There he remained confined for 15 years. He did not dare leave the Embassy grounds; to do so would have meant arrest and imprisonment again.

But he stayed for another reason. He demanded official rehabilitation. He wanted the Government of Hungary to admit the truth, that the charges he had been forced to confess to were false, and that he was the rightful head of the church in Hungary. The government gradually became aware of the fact that here was a man who could not be beaten, and offered to let him go if he would leave the country and promise to remain silent. He refused.

For a long time neither side would yield, despite the urgings of the Pope and of our own State Department. The impasse was finally broken through patient, quiet negotiation, in which I had a small part, and 3 years ago the cardinal regained his freedom. He agreed to go to Vienna and the government agreed to let him go, with a remission of his sentence and with a statement that many experts interpret as an official admission of error.

The cardinal found that during his long confinement, the world had changed. Stalin was long dead and the community of Communist nations was breaking into fragments. The East and the West were negotiating. Even the Vatican was anxious to reach some sort of understanding with the Communist government of his native country.

To some people, the cardinal was symbolic of an age long past, of nuclear threats, brinksmanship, and the cold war. But such an assessment smacks too much of guilt by association. Cardinal Mindszenty had nothing to do with violence. He was—and is—a man of peace. In the first sermon following his departure from Hungary, he told his fellow countrymen who flocked to hear him in Vienna that they should accept their exile and respond to their enemies, not with hatred and violence, but with love.

The cardinal is in the United States on a pastoral mission. Although I doubt that he wants to become enmeshed in any political issues, I cannot help but wonder how he responds to the growing détente between East and West, to the arms limitation agreements between the United States and the Soviet Union, and to an American President visiting mainland China.

Perhaps he would ask us to remember the plight of those millions of people who still do not enjoy the freedoms to which all human beings are entitled but that, for the sake of humanity, improving the relationships between this country and the Communist world is worth the chance.

If we are really on the road to peace, Jozsef Cardinal Mindszenty helped put us there. What happened to him 25 years ago was one of those electrifying events that cause people to look beyond their immediate concerns to the future course of world events. His arrest, conviction, and imprisonment alarmed the nations of the West and drew them closer together, strengthening their determination to protect human freedoms.

His show of determination ultimately led our adversaries to understand that brute force could not succeed; that it bred a reaction that endangered their own survival. Gradually they drew back, and so did we; and while war and turmoil have not been avoided, we have had the good sense to contain it and not set the world on fire.

Today, we and our adversaries seek an accommodation; we look for ways to reduce tension, to improve relations between nations, to use our voices and minds instead of nuclear weapons to resolve our difficulties.

I hope what we are now doing will bring peace to the world. I think the cardinal has found peace. With courage and fortitude, he did what he thought was right. He suffered for his beliefs, and his sacrifice has helped make it a better world for all of us. I welcome him to America, and I hope his visit will be a happy one.

As he travels through America, the cardinal is the living symbol of the words of one of the greatest speeches ever written, as recorded in the fifth chapter of St. Matthew, which says, in part:

> Blessed are those who are persecuted for righteousness' sake, for theirs is the kingdom of heaven.

Mr. President, I should like to read into the RECORD two telegrams addressed to me. The first reads as follows:

> It is a great joy to join you in welcoming his eminence, Jozsef Cardinal Mindszenty, on the free soil of the United States. His name has become a symbol of devotion to Christian faith. His example demonstrates to a world full of skepticism that it is imperative to adhere to moral principles under most difficult conditions. May the blessing of God accompany Cardinal Mindszenty.
>
> Rev. THEODORE M. HESBURGH,
> *President, University of Notre Dame.*

The second telegram, addressed to me, reads as follows:

> St. Mary of the Woods College is pleased to welcome to America a great churchman and a strong leader of souls.
>
> Sister JEANNE KNOERLE, S.P.,
> *President, St. Mary of the Woods College.*

I also have a rather touching telegram addressed to Cardinal Mindszenty from Charles Banet, president of St. Joseph's College:

> DEAR CARDINAL MINDSZENTY: As president of St. Josephs College of Indiana and priest of the Society of the Precious Blood it is indeed a pleasure and privilege for me to welcome you to the United States.
>
> Over the years your steadfastness of faith and loyalty have been an example to not only the Catholics of the United States but to all who treasure the message of Christ.
>
> I would like your eminence to know that our prayers were with you during your years of trial and they are with you now, please know that the people of this country have the highest regard for you.
>
> May your visit to the United States be a pleasant and memorable occasion, Yours in Christ.
>
> CHARLES BANET, C.PP.S.
> *President, St. Josephs College Rensselear.*

The PRESIDENT pro tempore. Under the previous order, the Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I am very pleased to rise at this time to pay tribute to Jozsef Cardinal Mindszenty, for he is truly a great man. The story of his life is one which should be remembered by all of us in the free world.

We should remember that as a young man he wrote newspaper articles attacking the police terror of the short-lived Hungarian Commune in 1919. We should remember that he attacked Hitler's new order as atheistic and inhuman in his sermons and letters. When Hitler called on descendants of German settlers in Eastern Europe to reassert their German identity, Cardinal Mindszenty threw off his German name and adopted the one he now bears, the name of his native village.

We should remember how, as the prince primate of Hungary, he began his relentless campaign against the Communists shortly after the end of the Second World War. He was arrested by the Communist regime in 1948 and charged with attempting to overthrow the government. Found guilty of trumped-up charges in a show trial, he was sentenced to life imprisonment. There he remained during the Hungarian uprising of October 1956. When the revolt was crushed a few days later by Soviet troops, he took refuge in the American Embassy in Budapest. There, his very presence was a thorn in the Communists' side.

He consistently rejected the offers of safe conduct out of Hungary, maintaining that as the prince primate he could not abandon his followers, that as a patriot he could not desert his country and that as an innocent man convicted by a kangaroo court he had to be exonerated, not merely pardoned. Despite years of tremendous pressure from the Hungarian Government and the Vatican, the cardinal refused to yield. Finally, however, in 1971, bowing to age and ill health, he agreed to leave. After a brief stay in Rome he moved to Vienna so that he could be near his homeland.

Mr. President, it does my heart good to see a man stand up for what he believes, despite the costs. The cardinal did not bend and he did not compromise, and for this he suffered greatly. He recognized the evils of communism and he stood firmly against it.

Those of us fortunate enough to live in a free society should remember Cardinal Mindszenty and we should remember his story. Such courage and determination in the face of overwhelming odds should serve as a constant reminder and inspiration to us: we must retain our freedom at all costs.

For all these reasons, it is with great pleasure that I take part in this tribute to Jozsef Cardinal Mindszenty.

The PRESIDENT pro tempore. Under the previous order, the Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I am pleased to join other Senators today in paying tribute to one of the great patriots of our age—His Eminence Jozsef Cardinal Mindszenty of Hungary. For more than five decades, Cardinal Mindszenty has been an outspoken advocate of religious and political freedom for his countrymen. His courageously expressed views have made him the target of those who would gag his message of freedom.

In 1919, as a high school teacher of religion, Cardinal Mindszenty was imprisoned for his opposition to the short-lived Communist regime of Bela Kun. During the Second World War, he was again imprisoned, this time because of his opposition to Fascism, Hitler, and persecution of the Jews. After the war, his opposition to Soviet occupation and the Communist governments in Budapest once more brought persecution. He was charged with currency speculation and attempting to overthrow the government and after a notorious trial, sentenced to life imprisonment.

Cardinal Mindszenty was freed during the Hungarian uprising in 1956, and when it collapsed, he took refuge in the American Embassy in Budapest where he remained for 15 years.

To his fellow countrymen and a free people around the world, Cardinal Mindszenty remains a courageous symbol of Hungary's lost liberties. His personal ordeal is closely associated with the ordeal of Hungary. It is with the greatest pleasure that I welcome him to Washington and participate in this colloquy to honor him.

Mr. JAVITS. Mr. President, today the Congress is honored by the presence of Jozsef Cardinal Mindszenty, the renowned Hungarian cardinal, who is famous throughout the world for his indefatigable forthrightness in defense of human liberties and Hungarian independence.

At extreme danger to his own personal safety and well-being, and under years of "house arrest" Cardinal Mindszenty has consistently and stubbornly fought totalitarianism in whatever form it has appeared, whether it was Hitler's racism and fascism—or Communist domination and suppression. His life is crowded with incidents demonstrating his unending commitment to his convictions. I will mention only one which I believe is typical of this heroic man: Of German origin himself, during the late 1930's, he changed his name from the Germanic Pehm to Mindszenty—the name of his native Hungarian village—when Hitler was calling on people of Germanic origin in Eastern Europe to assert their so-called Aryan identity. For this and similar acts of human dignity and courage, Cardinal Mindszenty was later imprisoned by Fascist and then Communist dictators.

Cardinal Mindszenty's spirit and the ideals that his life experience represents have won him the undying admiration and respect of freedom-loving people everywhere.

Mr. PERCY. Mr. President, the arrival of Cardinal Mindszenty in Washington is an inspiration to us all. This splendid man who gave the best years of his life in opposition to dictatorship, first Fascist, then Communist, enjoys the respect of both the American people and other free men throughout the world. We greet him with thanksgiving and we are honored by his presence among us.

Mr. HUMPHREY. Mr. President, I am happy to welcome His Eminence Jozsef Cardinal Mindszenty to the United States. The Archbishop Emeritus of Esztergom and the former Primate of Hungary is in this country on a private pastoral visit. In addition to calling upon the American Hungarian community, the cardinal gave a private reception yesterday for Members of Congress.

Jozsef Cardinal Mindszenty's years of imprisonment and subsequent exile have been a personal testament to human freedom and political self-determination. Dedicated to a solitary life of prayer and meditation, he became a symbol of religious independence against political oppression.

Mr. JACKSON. Mr. President, it is a great pleasure to join in this tribute to His Eminence Jozsef Cardinal Mindszenty, whose commitment to his faith, to his countrymen, and to the cause of freedom has been an inspiration to millions of his fellow human beings: Catholics and non-Catholics; Hungarians and peoples of many other nations; those who are still struggling for freedom and those of us who are blessed with it.

Cardinal Mindszenty began as a man of the people and remained a man of the people, from a parish priest to Primate of Hungary. His long career of service in the Catholic Church of Hungary was guided by a deep concern for the common man and for individual liberty, a concern which was manifest in his writings, in his teachings, and in his courageous stand against the waves of oppression which have engulfed his native land for most of this century.

Cardinal Mindszenty was never one to roll with the punches of tyranny. Human life and human dignity have always been sacred to this man, and there was no risk too great for him to take, no battle too lonely for him to wage, to protect them.

He first suffered imprisonment because of his opposition to the Communist regime which gained control in Hungary for a brief period in 1919. He went on to become an active foe of the fascist movement which grew in Hungary in the 1930's as Hitler's power grew in Germany. His intercessions on behalf of European Jewry included a daring telegram to Hitler himself protesting the massacre of Jews. Because of this record, then-Bishop Mindszenty was seized after the Nazis took over Hungary in late 1944, charged with treason, and kept in custody until April 1945, 2 months after Soviet troops captured Budapest.

Less than 4 years later, Cardinal Mindszenty, unbending in his outspoken resistance to the Communist domination of Hungary, was sentenced to life imprisonment for "antistate activities" after a show trial which shocked the Western World.

Cardinal Mindszenty was to be a free man in his beloved country only once more, and only for a few days, when he was released from jail by Hungarian revolutionaries in the fall of 1956 and restored to his office of Primate of Hungary in Budapest. He was on borrowed time but, characteristically, he used it to praise "our youth, our workers, and our army, also very many former soldiers, who rose up against the regime," and to appeal for Western support. When Soviet forces overwhelmed the Hungarian capital, Cardinal Mindszenty was given refuge in the American Embassy, where he remained until September 1971, when he agreed, at the age of 79, to accept the safe-conduct agreement negotiated between the Vatican and the Hungarian Government.

Mr. President, I am proud to join my colleagues in extending a very warm welcome in the U.S. Senate to this very great and remarkable man. I believe that the American people are honored by the presence of Jozsef Cardinal Mindszenty in our country.

Mr. DOLE. Mr. President, occasionally a single individual—through the strength of his character and force of his indomitable will—surpasses the boundaries of his station in life and becomes a living symbol of an ideal. Abraham Lincoln was such a man—as was Gandhi. There have from time to time been others, but today the slight, frail son of a Hungarian peasant stands out in the minds of millions of his fellow men and women as the embodiment of resistance to tyranny and commitment to freedom that can never be dimmed or shaken.

His eminence, Jozsef Cardinal Mindszenty is a remarkable man. Brilliant scholar, beloved pastor, compassionate Christian, he would have achieved widespread recognition even in times not plagued by oppression, war, and human suffering. But these trials brought out in him the fierce patriotism and unbending love of freedom which were deeply ingrained in the character of the Hungarian people. And from his years of suffering has come worldwide recognition of his achievements—not only as a primate of the Catholic Church, not only as a Hungarian, but as a man who stands for qualities that reach beyond religious boundaries, past national origins, and touch the most basic elements of individual dignity and human aspiration.

At this point in my remarks, I ask unanimous consent that a brief biography of Cardinal Mindszenty be printed in the RECORD as a means of presenting a summary of his achievements and contributions to the church and his beloved homeland.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

JOZSEF CARDINAL MINDSZENTY

Jozsef Cardinal Mindszenty was born Joseph Pehm on March 29, 1892 in Csehimindszent. His father, Janos Pehm, was a small landowner who served as village judge, chairman of the local parochial school board, and president of the parish council. His mother, Borbala Kovacs Pehm, was a mild, pious, yet determined woman.

Jozsef Pehm graduated in 1911 from St. Norbert High School in Szombathely as an honor student and president of the Boy's Sodality. In later recalling the impact of his membership in the Sodality he stated that his devotion to Mary, the Patroness of Hungary, welded "inseparably my faith and love of country."

From 1911 to 1915 he pursued theological studies at the seminary of Szombathely, graduating *summa cum laude*. As a theological student he continuously studied Hungarian history and the lives of the saints. The writings of Cardinal Pazmany and Bishop Prohaszka had a great influence on him. In 1914, when the First World War began, the young cleric worked among the wounded soldiers in nearby hospitals.

Following his ordination on June 12, 1915 he was assigned to Felsopaty as curate. On January 26, 1917 he became Teacher of Religion in the high school of Zalaegerszeg. There he organized the Sodality for the youth and founded a newspaper, "Zalamegyei Ujsag." During the first Communist takeover in Hungary following the defeat of the Austro-Hungarian Empire, the outspoken priest was confined to his hometown by the Karolyi regime.

On October 1, 1919 he was made pastor of Zalaegerszeg. In 1922, as a reward for his outstanding accomplishments as a pastor, his bishop named him Titular Abbot; and in 1937 Pope Pius XII raised him to the rank of domestic prelate.

1939 marked the beginning of the Second World War. The war years brought him both sufferings and honors. The Holy Father named him Bishop of Veszprem on March 4, 1944. He was consecrated by Cardinal Seredi on March 25, 1944. In his sermon the Cardinal said:

"The truth will not be taken away from you by anyone, neither by force nor by flattery. You will never exchange good for evil, nor regard evil as good. You will never call light dark, nor darkness light."

A week before his installation the German army occupied Hungary and the Allies started the heavy bombardment of the country. In protest of the Nazi occupation, the recently consecrated bishop emphasized his Hungarian origins by taking the name, Mindszenty, after the town of his birth.

On October 15, 1944, to save the country and nation from complete destruction, the Regent, Miklos Horthy, ordered the Hungarian army to surrender; however, a Fascist government supported by the German military took power and decided to continue the war. The bishop protested the action and begged the Prime Minister to save the country and not expose it to complete destruction.

On November 27, 1944, Bishop Mindszenty was arrested by the Fascist government. He was taken into custody vested in full pontifical vestments and accompanied by his priests. The arrested prelate blessed the crowds as he was taken through the town. The people joined him in a huge procession. He was charged with inciting a riot and defying the state. For the second time he found himself imprisoned for opposing tyranny. He was released from custody in March, 1945, only to find his country occupied by Soviet forces and his diocese in ruins.

On September 16, 1945, he was named Archbishop of Esztergom and Primate of Hungary by Pope Pius XII. Occupying his see in Esztergom on October 7, he said:

"With the help of God, our Father, and Mary, our Mother, I want to be the crying voice of the conscience of our people; as one called to be a herald, knocking on the doors of souls, delivering to my people and the nation eternal truth in the midst of errors. I will try to awaken the sacred traditions of our nation without which individuals may, but nation can never, endure."

On February 19, 1946 Jozsef Mindszenty received the Cardinal's hat from the Pope. The church assigned to him in the city of Rome was the Basilica of St. Stephen, the Martyr, adjoining the hostel founded by St. Stephen, first king of Hungary. The Cardinal spent a month in the Eternal City visiting his fellow Hungarians, consoling them, offering Holy Masses, and delivering sermons. Upon his return to Hungary the new Cardinal became the fearless defender of the rights of his people, stating:

"To safeguard human rights is not politics. In these days the people cannot complain about the pain they suffer, nor can they show the wounds with which they are wounded. The Church has the duty to speak for them."

He proclaimed a series of Marian Days to inspire his flock. Their large success proved a great source of joy to the harassed Cardinal and an embarrassment to the government.

On December 27, 1948, the government made the following public announcement:

"Mindszenty, Archbishop of Esztergom, has been arrested by the police for suspicion of criminal activities involving an attempt to undermine the order of the People's Republic, treason, espionage, and blackmarketeering in foreign currency."

The Cardinal spent thirty-eight days in prison before his famous trial began. On February 9, 1949 the People's Court sentenced him to life imprisonement. The Free World indignantly protested. In the Consistory Pope Pius XII remarked, "The main purpose of this trial was to discredit the Catholic Church in Hungary and the hope that, as Scripture says, 'I will smite the shepherd and the sheep of the flock will be scattered (Mt. 26, 31)'."

On October 30, 1956 the Cardinal was freed by the Freedom Fighters. His first words were, "Now I will continue where I had to leave off eight years ago," and he proceeded to the capital city, Budapest. On November 4, 1956, after a few glorious days of liberty, the Soviet forces returned to crush "the most noble and humanistic revolution of the twentieth century." The Cardinal fled to the American legation. He was not a prisoner, yet neither was he free; and only God knew what the future held for him.

On September 28, 1971 Jozsef Cardinal Mindszenty left the American legation and went to Rome. Pope Paul VI, receiving him at the Vatican, embraced the 79-year-old Cardinal and placed his own pectoral cross on the aged, yet unbroken Primate of Hungary. In order to get as close to Hungary as possible, the exiled Cardinal took up residence in Vienna at the seminary founded by Cardinal Pazmany. This seminary is still the property of the Archdiocese of Esztergom, and here the Cardinal spends his day working on his memoirs, receiving his many visitors, and keeping alive the hope of his people.

Mr. DOLE. Mr. President, as this biographical material shows, Cardinal Mindszenty spent nearly 23 years as a victim of the Hungarian Communist regime. The target of a show trial in 1949, he was freed from a life prison sentence by the freedom fighters during the 1956 revolution, but the harsh restoration of Communist rule forced him, a few days later, to seek asylum in the American Embassy in Budapest. There he remained for 15 years, steadfastly refusing to compromise his principles or convictions to obtain personal relief or comfort. And during this time he achieved the status of a worldwide symbol of Christian constancy and patriotic courage by which he is known wherever freedom loving people gather. In America, where Cardinal Mindszenty's name and cause are spoken in the halls of government and openly proclaimed, to the dark corners of the world where his name and liberty's praises are only whispered and cherished in the heart—this man reminds all men and all peoples of those precious and cherished freedoms for which so many have sacrificed and died.

Mr. President, it is a great privilege for every American to have Cardinal Mindszenty as a visitor to our shores. And I take great pride in joining my colleagues in welcoming him to the Nation's Capitol as an honored guest and symbol of our universally shared commitment to the principles of justice, freedom, and human dignity.

JOZSEF MINDSZENTY—THE CONSTANT CARDINAL

Mr. MATHIAS. Mr. President, historic figures are too often only recognized by history. They are destined to walk unheralded among those of their own generation, and only are perceived as genuinely significant long after they have passed from the scene. Thus it is usually impossible to know them and to assess in human terms those qualities and strengths of character that made them stand out and stamped their lives and work as historical.

Fortunately this is not an absolute and a universal rule. Happily for us, Jozsef Cardinal Mindszenty is a notable exception to that rule and it is a privilege to welcome him to the United States and to Washington.

It was a particular honor and pleasure to meet Cardinal Mindszenty yesterday. During our conversation I noted that he mentioned one of the virtues of mankind as singularly important at this time, the virtue of "constancy."

It is no accident that Cardinal Mindszenty should have chosen constancy as a quality to be cultivated in the human character. He, himself, has been nothing if not constant. His loyalty to principle and his dedication to faith and to individual liberty are the strong twin columns on which his fame will endure. For Jozsef Mindszenty has been the constant cardinal, unshaken and unshakable, an example for his own time and a monument for the ages.

Mr. SCHWEIKER. Mr. President, I am pleased to join my Senate colleagues today, on behalf of myself and all Pennsylvanians, in paying tribute to His Eminence Jozsef Cardinal Mindszenty, the archbishop emeritus of Esztergom and the former Primate of Hungary.

We are proud that during his current private pastoral visit to the United States, the cardinal came to the Congress, where a reception was held yesterday in his behalf.

Few men or women in history have earned the public stature and acclaim that Cardinal Mindszenty has achieved in standing up for principles of personal integrity and individual freedom. He was imprisoned in Hungary after World War II, because of his outspoken anticommunism, and was not freed until the Hungarian uprising of October 1956. The uprising was suppressed, and the cardinal received political asylum in the American embassy in Budapest, where he stayed until 1971.

Hungarian-Americans are particularly proud of the personal courage and dedication to principle that Cardinal Mindszenty has shown in his long fight against Communism, but his dedication is an inspiration to all freedom-loving people around the world. I join the citizens of Pennsylvania in welcoming Cardinal Mindszenty, and in paying tribute to him.

THE CARDINAL "HONORS US BY COMING"

Mr. HANSEN. Mr. President, a man of considerable courage and faith is among us in Washington today.

Jozsef Cardinal Mindszenty, whose 15 years at the American Embassy in Budapest, in sanctuary from his Communist would-be jailers, was an international symbol of defiance against an order that seemingly would crush religion, is a hero to people throughout the world—both in free lands, and behind the Iron Curtain.

Nowhere was the admiration for this man more in evidence than upon his arrival in Washington yesterday.

Mr. President, I ask unanimous consent that the article by Paul Hodge of the Washington Post recounting that arrival be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Cardinal "Honors Us by Coming"

(By Paul Hodge)

Jozsef Cardinal Mindszenty arrived here on a metroliner yesterday for his first sight of Washington and his first official visit to the United States after spending 15 years in asylum in the American embassy in Budapest.

A crowd including about 100 Hungarian-Americans, with children holding flowers and small red, white and green Hungarian flags, a congressman, a senator and the past and present archbishops of Washington, waited for the 83-year-old cardinal and retired primate of Hungary on the platform of Union Station.

Elderly Hungarian emigres, some of whom recalled seeing the prelate on the streets of Budapest leading religious processions before they fled and he was imprisoned by the Russians in 1948, cried and pressed close. Their children and grandchildren shyly observed the small, pale, intense man with dark eyes and a red cardinal's cap about whom they had heard so much.

"He is a hero," one child whispered as she stretched to touch his cloak.

Archbishop William Baum called Mindszenty "a man whom we love and admire deeply . . . who honors us by coming."

Retired Archbishop Patrick Cardinal O'Boyle praised him as "one of the great churchmen of the century."

Sen. Vance Hartke (D-Ind.) shook hands and welcomed the cardinal whose final exodus from the American embassy in 1971 Hartke helped to arrange, as did Rep. William J. Scherle (R.-Iowa) who described himself as "the only Hungarian in Congress."

During his two-day visit, the cardinal will hold a reception for congressmen, "to thank America for its help to Hungary," one of the organizers of the visit here said, and will officiate at several masses.

"You know why we are here," said Dr. George Szele, a Hungarian doctor who lives in Oakton, Va., who fled his homeland in 1956 during the brief, unsuccessful rebellion against the Russian occupation. "It is, because he is the biggest personality of Hungary in 100 years . . . the one who stood as a symbol of defiance against the tyrannies of fascism and communism."

Dr. Szele's mother-in-law, Maria Szecheny, who fled before Russian troops occupied Hungary in 1944 and who now lives in Asheville, N.C., said simply "He's a martyr. He's got what you call guts . . . and he has kept the Hungarians together."

The cardinal will confirm three of her grandchildren along with about 50 other Catholic children here during his visit.

Cardinal Mindszenty paid a brief, and largely unnoticed, visit to this country last September when he blessed a renovated Hungarian church in New Brunswick, N.J. That visit was described yesterday by church officials as a personal, unofficial visit.

His current two-week "official" visit will take him to most American cities with large Hungarian populations, including Buffalo, Philadelphia, New York and Cleveland.

The cardinal's schedule for today includes a prayer breakfast at the Statler-Hilton Hotel at 8:30 a.m., which is open to the public. He will offer mass at St. Matthew's Cathedral, 17th and Rhode Island Ave. NW., at 1 p.m.

He will fly to Buffalo late in the afternoon.

Mr. HART. Mr. President, it is most appropriate that the Senate pay tribute to Jozsef Cardinal Mindszenty who has long been a symbol of resistance to oppression from facist and Communist totalitarianism in Hungary.

He was tried in 1949 for crimes against the state, sentenced to prison for life, and freed from prison during the Hungarian uprising in October 1956. When Soviet troops entered Hungary in November 1956, Cardinal Mindszenty sought refuge in the U.S. Embassy where he remained for 15 years. In 1971, he left the Embassy—and Hungary to live in exile in Vienna after an agreement between the Hungarian Government and the Vatican.

In 1971, while celebrating mass honoring the Hungarian saint, Elizabeth, Cardinal Mindszenty noted the difficulties of living in exile. He said:

> She had to live in exile just as we Hungarians must now. But she reacted to all her enemies with love and she always fulfilled the teachings of the church.
>
> Everyday, we Hungarians in exile face the same problems as she did. The question is whether our leaving Hungary will cause us to falter or whether it will raise us to moral heights.

The generous tone of those words is something for all of us to keep in mind.

Mr. TOWER. Mr. President, I want to join my colleagues today in paying tribute to a courageous, principled man, a religious leader respected by millions—Jozsef Cardinal Mindszenty. He opposed openly the persecution of Jews by the Nazis in his native country of Hungary. Originally born under the German name Pehm, so great was his revulsion at fascism that he adopted part of the name of his native home, Cschimindszent, as his own name.

His outspoken criticism of oppression continued after the war when Soviet backed Communist governments took over in Eastern Europe. The death and deprivation of the swastika were replaced by that of the hammer and sickle. His martyrdom became a symbol to his countrymen and when the weight of Soviet domination became too great, they rose up to free themselves and Cardinal Mindszenty in 1956.

After 7 years of imprisonment the cardinal was finally back with the people he loved. But his return was shortlived, for without support from the West, the newly formed Hungarian Government toppled under the tracks of Soviet tanks and the cardinal sought refuge in the American legation. There in a two-room apartment he spent 15 years to avoid rearrest, still physically separated from his people. Finally, on September 28, 1971, he left Hungary in exile.

Mr. President, Cardinal Mindszenty is a man that has earned our respect and admiration. He has earned it with years of painful suffering, of separation from his flock and his duties. Throughout all of this, he has maintained his faith in God and in man. We can do well to emulate his courage and strength. God bless Cardinal Mindszenty and God bless Hungary.

Mr. CURTIS. Mr. President, I would like to add my voice today to those of my colleagues in welcome and in tribute to Jozsef Cardinal Mindszenty, a symbol of courage in a world torn apart by ideological differences.

Taken prisoner by the Communists in Hungary in 1948, Cardinal Mindszenty remained a prisoner and an exile in his homeland for 26 years, resisting attempts by friends and enemies to persuade him to accept concepts unpalatable to a mind rooted so firmly in love of God and of country.

It is a type of strength that, to some, appears archaic. But it is timeless. In resisting the lure of détente and coexistence, Mindszenty embraced the fire of loyalty that, in other times and other places, has welded peoples together.

I am happy Cardinal Mindszenty is visiting the United States again. In September of 1973, Mindszenty was here, and was hailed as "a symbol of courage, of integrity, and of hope."

These are virtues that appear in short supply in these troubled times. We as a nation, we as a world, need the indomitable strength of a Mindszenty to achieve peace within ourselves and peace among ourselves.

The man is a monument to concern for the human condition. I hope we in Congress will continue to champion the right cause in word and in deed and support the cause of freedom for Hungary—and for all countries whose inhabitants are still enslaved, in body or in spirit.

Only then can our freedom have meaning worldwide.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that any time that has not been used under the previous orders be reserved to my control.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged to the Senator from West Virginia.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Hartke). Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, how much time do I have remaining under the orders?

The PRESIDING OFFICER. If the Senator from Delaware and the Senator from Kansas have relinquished their time to the Senator from West Virginia, the Senator has 27 minutes remaining.

Mr. ROBERT C. BYRD. Would the Chair state that again?

The PRESIDING OFFICER. If the Senator from Maryland and the Senator from Kansas have relinquished their time to the assistant majority leader, then the Senator from West Virginia has 27 minutes remaining.

Mr. ROBERT C. BYRD. That would mean that only Mr. Weicker and Mr. Roth have orders remaining?

The PRESIDING OFFICER. It means the only time remaining would be the time to Mr. Weicker and Mr. Robert C. Byrd.

Mr. ROBERT C. BYRD. The Senator from Delaware would not have any time?

The PRESIDING OFFICER. That is a correct interpretation.

Mr. ROBERT C. BYRD. I would hope that the Senator from Delaware's order would remain in effect for the time being, and I would ask that the time of the Senator from Kansas be relinquished to me, it being my understanding that the Senator from Kansas does not wish to utilize his time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. That would mean that Senator Weicker's time would begin running when?

The PRESIDING OFFICER. At the time of the conclusion of the time of the Senator from Delaware.

Mr. ROBERT C. BYRD. Which would be at what time?

The PRESIDING OFFICER. That time would be at 10:59.

Mr. ROBERT C. BYRD. Mr. President, how much time do I now have, with the understanding that the Senator from Delaware will retain his time?

The PRESIDING OFFICER. The Senator has 15 minutes which is reserved from the Senator from Kansas and 15 minutes remains in the name of the Senator from West Virginia, a total of 30 minutes.

Mr .ROBERT C. BYRD. Mr. President, the time for the quorum call, thus, has been running against me. I did not know that I had that much time remaining.

The PRESIDING OFFICER. The Senator has taken time from the Senator from Oklahoma (Mr. Dole), the Senator from South Carolina (Mr. Thurmond), and the Senator from Vermont (Mr. Aiken).

Mr. ROBERT C. BYRD. I thank the Chair. Then the time of the Senator from Kansas will be under my control?

The PRESIDING OFFICER. The Senator has correctly stated the situation.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Connecticut is in the Chamber. I assume he is ready to begin his speech. So I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

DEMOCRATIC FLIMFLAM

Mr. WEICKER. Mr. President, I have an observation to make on the subject that was discussed on the floor of the Senate yesterday during the course of the vote and which was related to certain policies that have been adopted by the opposition party. I find myself in the embarrassing position of having the only Senator who voted for my amendment on the Democratic side (Mr. Hartke) in the Chair at the present time, so my comments have to be made to the exclusion of the present occupant of the Chair.

I think we have a very serious matter in front of us as we go into this election year. When President Nixon made his pledge that there would be no new taxes for 4 years, I thought, "Well, that is a rather strange pledge to make if, all of a sudden, we were confronted with an overwhelming need for some beneficial legislation pertaining to transportation, to health, to housing, or to education." I thought, "What if we should, God forbid, find ourselves in a war? How can any man make a promise that for 4 years the matter of income is going to be in a static condition, when it comes to the question of revenue?"

Having made that criticism, I think we should also take a long look at a pledge that many members of the Democratic Party have made for the election of 1974, which is that we are all going to have a tax cut. Apparently, that dictated some of the action on the other side of the aisle yesterday as it related to my amendment which tried to achieve equality of educational opportunity.

I think that there is not a Senator, Democratic or Republican, who does not realize that we pretty much have not had any progress in many of our national programs during the last several years. If anything, the job today is one of catching up.

Once again, we must move on toward these great goals. We have them as a part of our heritage, and they should be a part of our future. So how, in heaven's name, is it possible at this time to start discussing a tax cut? It sounds wonderful, so far as the old election policy is concerned, but it is not honest. It does not face up to the job that has to be done.

Many people wonder, today, why, for example, we have the same economic problems we have had for years. I point out that we are still suffering some of the economic backlog of Vietnam. We are in the particular situation where we had a major war for 6 years, and yet we never raised 1 additional cent of revenue to wage it.

Obviously, when we do that, we are going to have to go ahead and ravage every sector of the economy, which is what was done. Even though we saw our dead and we saw our wounded at an earlier time, we failed to come to grips with the economic fact that if we are going to wage war, we have to pay for it.

I think it is unfair—manifestly unfair—on the part of the Democratic leadership to advocate a policy under which the American people are not going to be given all the facts.

To go back to the old politics during election year and to say that there is going to be a tax cut is exactly that: it is not giving to the American people all the facts. We are just given in this election year that traditional promise, that "golden oldie," of a tax cut. There is no sense in promising such a plank in the platform. My advice to the people is: "Do not stand on that plank, because it is rotten. No one can stand there very long if we accept that particular concept."

Yesterday we were advised that busing is the solution to resolving the equality of educational opportunity. I do not agree. But neither did I feel it was correct for us to tell the courts what they could or could not do. So I tried to offer a legislative alternative. Granted, it was not the entire answer. But certainly no one would deny the fact that if we did take an additional course to spend in the area of education it might eventually make busing unnecessary. What I said, in effect, is that we could choose busing if we wanted to; or we could just spend the additional money and pay the additional taxes to end the need for busing. The only choice we have now is of doing nothing or telling the courts what they can or cannot do. I thought my bill sounded like pretty sensible legislation. As a matter of fact, I had some wonderful speeches from the Democratic side of the aisle as to the fact that what I said was great.

Then somebody pushed a button on the other side—the Democratic side—that is when I knew for sure that the Democratic Party has committed itself to a tax cut.

They said, "Senator, we could have supported you if you had said that the money for the additional educational funding would come from the defense budget or from oil depletion allowances. But we have committed ourselves to a tax cut."

Let us stop kidding the American people on that count. Let us assume that there might be a little more unnecessary spending in the defense budget. Assume that we could have eliminated the oil depletion allowance. There is not enough money in those programs to finance an adequate educational program, never mind housing, or health, or transportation.

We cannot deceive the people in the matter of decent health care; and so far as the American people are concerned, this is a matter of right, not of privilege.

What is happening is just a lot of political demogoguery. And it is really adding insult to injury to say, "You are going to be able to do all these things with a tax cut." It is unfair.

The American people have to make a choice. I am not going to foist my opinion on my constituents. I want to hear from them. Do they want a decent mass transit system, for example? We know that for some 25 years we have put 95 percent of our transportation funds into highways. We have nothing but automobiles. We have no buses, we have no rail system. What does anyone think it is going to cost to produce decent mass transit in this country? I think the House of Representatives has a bill before it now that calls for $30 billion. And there is no department, no agency whose budget we can cut to produce that type of money.

It is clear that Americans have a choice. They can say, "We want mass transit, but we just do not want to pay the money it is going to cost to build it." Fair enough. Or, if you want to discuss the quality of educational opportunity, as I did yesterday, it is fair enough to say, "No, I do not want to pay the money it will cost." The only trouble there is, we are then at the mercy of the courts and what they dictate to achieve equal educational opportunity, whether it is busing or any other tool.

Or, in the field of health care, you can say, "I want the best of care for myself, but I do not want to pay the cost for the poor, or the elderly who can be wiped out with one catastrophic illness."

But the one thing we are not going to do in this election campaign is go out and say, "You can have the best health program in the world, you can have the best mass transit in the world, you can have a roof over every American's head, you can have equality of educational opportunity, and with all of that, a tax cut."

I suggest that neither in the way of inflation, nor in the way of achieving our national goals, is that solution practicable. Everyone shrinks from the word "taxes." I do not like them. No one likes them. But has anyone ever figured out that it is possible, if we make the investment in these various programs, that it is not money down the drain?

Every dollar in taxes spent in these areas can bring back $10, $12, $15 worth of income insofar as jobs are concerned. This country is in an absolute stalemate right now, with interest rates soaring, with homebuilding coming to an absolute dead halt, with unemployment rising. Do you mean to tell me the solution to all this is to sit back in our homes and accept the benefits of a tax cut?

There is no easy way to get this country moving. If it is to be done, it will require some sacrifice, but it is a sacrifice that will come back to benefit each one of us.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. WEICKER. I yield to the Senator from New York.

Mr. JAVITS. I would like to say that while I am not one of those who voted with the Senator yesterday, though I had very sufficient reasons as one of the managers of the bill, be that as it might, concerning this matter of taxation I would like to put myself on record now—and I am running this year—that one of the worst things that could happen in terms of inflation, which will cost the people dearly annually, not just right away, in the depreciation of their mony and in tending toward grave harm to our country, is a net tax cut.

If we want to shift around the burden, that is our privilege, but a net tax cut, which I had the privilege of voting against in 1969 and which has helped to bring us where we are today, is really running risks with fire and a flimsy structure. I congratulate the Senator for standing up and saying so, and I am with him.

Mr. WEICKER. I thank the Senator from New York. I confess that I am not running this year—though I will say the same thing in 1976—so some may say it is easy for the Senator from Connecticut to make those comments. But the Senator from New York is running, and he is making those comments also.

Mr. JAVITS. Right.

Mr. WEICKER. There is no point in kidding ourselves any longer. I am satisfied that if the Democratic Party wants to have as its platform a tax cut, period, that is their privilege. What they are not going to have as their platform is a tax cut and great housing programs, and great health programs, and great transportation programs, and great education programs. It will have to be one or the other. And most importantly, it is the same today as it always has been: you get what you pay for.

I think I understand the mood of Connecticut, and have for the last several years. It is one of retrenchment, one of bitterness over the Vietnam war, one of everybody looking out for himself. But the fact is that this Nation cannot move as long as we are mainly motivated by self-interest.

Right at the end of last year, we had hearings in my committee, the Space Committee, and everyone was wondering why no one was interested in the space program any longer; "Look at all the benefits we are getting from it," they said. As a member of the committee and a great advocate of the space program, I have been saying the same thing.

But you cannot ask America to be adventurous in space and not be adventurous in housing or transportation. We move together, or we do not move at all in our national programs.

Mr. McGOVERN. Mr. President, will the Senator yield to me for a 30-second observation?

Mr. WEICKER. I yield.

Mr. McGOVERN. The Senator has referred to a Democratic position on taxation. While I do not claim to speak for all Democrats, I want to make it clear for myself that I have spoken against an across-the-board tax cut unless it involved tax reform that would recover at least that much revenue by closing some of the loopholes through which we now are permitting tax revenues to escape unjustly. I, for one, do not believe in across-the-board tax cuts.

Mr. WEICKER. I thank the Senator from South Dakota. I agree with his comments.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. ROBERT C. BYRD. I share the comments that have been expressed by the Senator from South Dakota (Mr. McGOVERN). I personally am not aware of a "Democratic position" on this matter. I think Democrats probably differ in their viewpoints in regard to this subject, as do our friends on the other side. But I am personally not aware of a Democratic position on it.

I thank the Senator for yielding. If he needs more time, I will be glad to yield some to him.

Mr. WEICKER. Mr. President, is my time up? I am almost through.

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. WEICKER. Fine. I will try not to take too much more time.

I would agree that there is no question about the fact that possibly some savings can be achieved through tax reform, and I think that has to be done. Maybe it is true we can hitch up our belts a little bit here and there. But the impression is always given by the politicians that this is the way we will acquire programs that are worth something in this country, and it just is not so. It cannot happen. That may be the promise. But we could use, to put in decent mass transit facilities bus and rail, $30 billion, in the State of Connecticut alone. That is how far behind we are. And you can imagine what would happen if we apply that standard to the rest of the country.

For some reason or other, we look to the Federal Reserve Board, or wonder what the Comptroller of the Currency is doing, or what the Secretary of the Treasury is doing. Come on; we have all got to start to look at ourselves. There is only so much that comes to pass because of our productivity, if you will. It is rather because of the taxes we pay. It is not something that can be manipulated or judged. We are either going to have to work or sacrifice in order to produce programs that meet these various goals.

All I have tried to point out here this morning is that I have researched very carefully, and I admit, on the public record, I might add, that the Senator from West Virginia is correct, there is no official Democratic position on this matter.

However, I would say some of the major figures in the Senator's party have spoken rather loudly on this point, and the point comes across, and I have a feeling that maybe this will increase in its volume, and that the Democratic position is as I have stated, albeit only enunciated by a few persons at this time.

But I mean what I say. I know the traditions of the Republican Party: Let us play it tight, and do nothing. One of the traditions of the Democratic Party, when we get into a position like this, has been to call for a tax cut, hoping that will solve everything.

I reiterate that I do not fully share the tradition of either party. I feel that unless we are willing to pay for it, we should not be engaged in these great national goals that I have mentioned here on this floor.

Quite frankly, the investment of tax dollars in these programs—not welfare or handout programs—has been something that affects children, grandparents, minorities. In other words, when we are all through, it affects all of us. Only if we, indeed, invest in the other fellow do we ourselves derive some actual, practical, economic benefit.

As I said earlier in the example of space, I can understand why America does not seem to understand the benefits to be derived from space, because those in space do not interest themselves in housing, they do not interest themselves in transportation, they do not interest themselves in health. It is the same old story, as in talking to homebuilders in Connecticut. They are in the private sector of homebuilding. My concern has been for housing, period—both public and private housing. There is going to be a tradeoff in public versus private housing, if the whole area of housing is to get off the ground. They cannot be separated. That is the point I am trying to make here today.

I admittedly make this in a partisan way. It is good to have the issues laid out on the table concerning anyone who advocates a tax cut at this time. A member of my staff turned to me and said, "In January you voted for KENNEDY's amendment which is in effect a form of tax cut." That is right. I did. I was wrong.

Yesterday I proposed a surtax because there is no question in my mind that we should be doing these things and we cannot do them and do them right unless we pay for them. If we want to end the recession—call it what you will, Mr. President—we must do it in this fashion, rather than by gimmickry, to get the Nation on the move again.

I yield back the remainder of my time.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the recognition of the distinguished Senator from Delaware (Mr. ROTH) be vacated. It is my understanding that he no longer wishes to utilize the time.

The PRESIDING OFFICER (Mr. METZENBAUM). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President,

I yield back the remainder of my time under the order.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 5 minutes.

ORDER FOR ADJOURNMENT TO 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM WEDNESDAY TO THURSDAY AT 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow, it stand in adjournment until 10 a.m. on Thursday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 3458 AND S. 3459

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, notwithstanding the order of yesterday and the whip notice that went out from my office and my statement of the program of yesterday, that upon the conclusion of routine morning business today, the Senate proceed to the consideration of S. 3458, the Agriculture and Consumer Protection Act of 1973 and the Food Stamp Act of 1964; that upon disposition of that bill, the Senate proceed to the consideration of S. 3459, to amend the National School Lunch and Child Nutrition Acts; that there be a time limitation on each of the 2 bills of 1 hour, to be equally divided between the Senator from South Dakota (Mr. McGovern) on this side of the aisle and the Republican leader or his designee on the other side of the aisle; that there be a time limitation on amendments thereto of 20 minutes; that there be a time limitation on debatable motions and appeals of 20 minutes each; and that each of the 2 agreements be in accordance with the usual form.

Mr. GRIFFIN. Mr. President, reserving the right to object, and I shall not object, I understand that the Senator from North Carolina (Mr. Helms) has an amendment to one of the bills. He is in the Chamber now and I take it he agrees to the time limitation arrangement which has just been suggested.

Mr. HELMS. Mr. President, the time proposed by the distinguished majority whip is perfectly acceptable, so far as I am concerned.

Mr. GRIFFIN. I will state that we have consulted with the ranking minority member of the Committee on Agriculture and Forestry, the Senator from Nebraska (Mr. Curtis), and this time arrangement is agreeable to him and also with the distinguished Senator from Arizona (Mr. Goldwater) who is interested in a bill that had been scheduled to precede these.

With the statement that the time on this side will be delegated to the ranking minority member, the Senator from Nebraska (Mr. Curtis), I will withdraw my reservation.

The PRESIDING OFFICER (Mr. Metzenbaum). Is there objection to the unanimous-consent request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I think that the joint leadership owes special thanks to the distinguished Senator from Arizona (Mr. Goldwater), because he was assured yesterday that another bill would be the first bill to be taken up following the transaction of routine morning business. He has graciously agreed, nonetheless, to let that bill wait until later in the day, in order to accommodate the distinguished Senator from South Dakota (Mr. McGovern).

I thank all Senators involved.

Now, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report of Assistant Secretary of Defense

A letter from the Assistant Secretary of Defense, reporting, pursuant to law, on the value of property, supplies, and commodities provided by the Berlin Magistrate for the quarter ended March 31, 1974. Referred to the Committee on Appropriations.

Approval of Loan to Sunflower Electric Cooperative, Inc., Hays, Kans.

A letter from the Administrator, Rural Electrification Administration, U.S. Department of Agriculture, transmitting, pursuant to Senate Report No. 497, information on approval of a loan to Sunflower Electric Cooperative, Inc., of Hays, Kans., to finance acquisition of an adequate fuel supply to operate an existing generating plant. Referred to the Committee on Appropriations.

Proposed Legislation by Department of the Air Force

A letter from the Assistant Secretary of the Air Force (Financial Management), transmitting a draft of proposed legislation to amend title 10, United States Code, by repealing the requirement that only certain officers with aeronautical ratings may command flying units of the Air Force (with an accompanying paper). Referred to the Committee on Armed Services.

Report of Director of Selective Service

A letter from the Director of Selective Service, transmitting, pursuant to law, his semiannual report for the period July 1–December 31, 1973 (with accompanying report). Referred to the Committee on Armed Services.

Report of Secretary of Housing and Urban Development

A letter from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report on Improving Program Management (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation by Secretary of Transportation

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Rail Passenger Service Act of 1970—the "act"—and for other purposes (with an accompanying paper). Referred to the Committee on Commerce.

A letter from the Secretary of Transportation, transmitting, pursuant to law, a draft of proposed legislation to amend the Natural Gas Pipeline Safety Act of 1968, as amended, to authorize additional appropriations, and for other purposes (with an accompanying paper). Referred to the Committee on Commerce.

Report on National Transportation Policy

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on the implementation of the national transportation policy recommendations (with an accompanying report). Referred to the Committee on Commerce.

Proposed Legislation by Department of State

A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize the Secretary of State to prescribe a fee for execution of an application for a passport and to continue to transfer to the U.S. Postal Service the execution fee for each application accepted by that Service (with an accompanying paper). Referred to the Committee on Foreign Relations.

Report by Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Emphasis Needed on Government's Efforts to Standardize Data Elements and Codes for Computer Systems," dated May 16, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

Proposed Contract With Factory Mutual Research Corp., Norwood, Mass.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a copy of a proposed contract with Factory Mutual Research Corp., Norwood, Mass., for a research project entitled "Improved Fire Protection for Stationary Underground Equipment" (with accompanying documents). Referred to the Committee on Interior and Insular Affairs.

Proposed Concession Contract Within Great Smoky Mountains National Park

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract within the Great Smoky Mountains National Park for a 5-year term (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Proposed Amendment to Concession Contract on South Rim of Grand Canyon National Park, Ariz.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed amendment to a concession contract on the South Rim of Grand Canyon National Park, Ariz. (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Proposed Contract With Battelle Memorial Institute, Columbus Laboratories, Long Beach, Calif.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract with Battelle Memorial Institute, Columbus Laboratories, Long Beach, Calif., for a research project entitled "Development of Guidelines for Hoist Inspection and Safety in Underground Mines" (with accompanying documents). Referred to the Committee on Interior and Insular Affairs.

Proposed Contract With Bolt, Beranek & Newman, Inc., Cambridge, Mass.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract with Bolt, Beranek & Newman, Inc., Cambridge, Mass., for a research project entitled "Study of Noise Control of Underground Diesel-Powered Mining Equipment" (with accompanying documents). Referred to the Committee on Interior and Insular Affairs.

Third Preference and Sixth Preference Classification for Certain Aliens

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports containing third preference and sixth preference classification to certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Alaska. Referred to the Committee on Appropriations:

"House Joint Resolution No. 78

"Be it resolved by the legislature of the State of Alaska:

"Whereas the construction of Native schools nationwide and particularly in Alaska is vital to the welfare of all citizens and deserving of the highest priority in the realm of public assistance; and

"Whereas, of the $24,000,000 appropriation for FY 1974 for the BIA, the only facility Alaska received was one kindergarten, and for 1975 optimistic forecasts see the state receiving, at the most, only three kindergartens and one small day school; and

"Whereas, under a unified school agreement between the state and the BIA, schools presently under BIA administration that meet state standards are to be transferred to the state, but most BIA schools cannot meet state standards due to lack of funds for their upgrading; and

"Whereas it would be most desirable for all concerned to have all schools presently under BIA administrator in Alaska transferred to the people of Alaska; and

"Whereas the United States Supreme Court outlawed separate and unequal school systems in 1954;

"Be it resolved that the Alaska State Legislature strongly urges the United States Congress to appropriate $200,000,000 for the Bureau of Indian Affairs school construction program in Alaska so that the agency can meet the educational needs of the people and cause the expeditious transfer of the BIA school system in Alaska to the state and people of Alaska.

"Copies of this resolution shall be sent to the Honorable Richard M. Nixon, President of the United States; the Honorable Carl Albert, Speaker of the House of Representatives; the Honorable James Eastland, President of the Senate; the Honorable Rogers C. B. Morton, Secretary, Department of the Interior; the Honorable Morris Thompson, Commissioner, Bureau of Indian Affairs; the Honorable John L. McClellan, Chairman, Senate Appropriations Committee; the Honorable George H. Mahon, Chairman, House Appropriations Committee; and to the Honorable Ted Stevens and the Honorable Mike Gravel, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Agriculture and Forestry:

"Assembly Joint Resolution No. 59

"LEGISLATIVE COUNSEL'S DIGEST

"AJR 59, Keene. Resource conservation districts.

"Memorializes the President and Congress to take appropriate steps to reverse the decision to promote the consolidation of offices providing resource conservation district services.

"Whereas, Worldwide food and fiber shortages are causing increasingly higher prices; and

"Whereas, Agriculture in the United States, and specifically in California, has been called upon to meet this demand; and

"Whereas, Such increased agricultural production will greatly increase the pressures on California's land and water resources; and

"Whereas, Unwise land use management under such crisis conditions can do irreparable damage to the state's land and water resources; and

"Whereas, The federal government has adopted a new policy of consolidating offices providing technical services to resource conservation districts, which policy will result in the closing of many offices; and

"Whereas, This policy will have the effect of severely curtailing soil and water conservation services in the areas where they are needed and will necessarily require more extensive travel by technical service personnel, with concomitant increases in the consumption of motor vehicle fuel and in nonproductive commuting time of technical service personnel; and

"Whereas, The larger number of nonprofessional farmers and ranchers now working the land has increased the amount of resource conservation assistance time required for each site; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to take appropriate steps to reverse the decision to promote the consolidation of offices providing local resource conservation district services; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Armed Services:

"Senate Joint Resolution No. 30

"LEGISLATIVE COUNSEL'S DIGEST

"SJR 30, as amended, Moscone (Rls.). Sausalito dock complex.

"Memorializes the President and Congress of the United States to direct the Secretary of the Army to maintain the Sausalito base yard and dock complex at its present site without diminution or reduction in area.

"Whereas, It has come to the attention of the Members that federal officials are considering the relocation or termination of a portion of the United States Army Engineers' Sausalito base yard and dock complex; and

"Whereas, The yard contains the San Francisco Bay hydraulic model, an indispensable tool for understanding the complex bay-delta water environment and, therefore, for guiding water development, pollution control and shoreline alteration decisions; and

"Whereas, The yard supports federal dredging operations critical to the continued safety of commercial navigation throughout the bay area; and

"Whereas, The yard supports federal debris clearing operations essential to the safety of the bay's thousands of recreational boaters and commercial shipping; and

"Whereas, The yard also contains the South Pacific Division Soils and Materials Testing Laboratory which provides analyses vital to the successful undertaking of public works projects throughout a multistate region; and

"Whereas, The yard's dock complex serves in times of rough seas as the bay area's only haven for transient commercial craft and as a moorage for potentially dangerous derelict boats; and

"Whereas, The dock serves the northern California commercial fishing fleet as a critically important fish receiving site; and

"Whereas, The dock is vital to the maintenance program and expansion plans of the Golden Gate Bridge, Highway, and Transportation District's commuter ferry operations; and

"Whereas, No alternative locations exist at which these essential functions could be performed without an insupportable rise in expenditures; and

"Whereas, The yards and docks are an integral operation from which no part could be extracted without weakening the entire enterprise, which constitutes the highest and best use of the area; and

"Whereas, The continuation of the aforementioned services at the Sausalito base yard and dock complex is essential to the health, safety and industry of the people of this state; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to direct the Secretary of the Army to maintain the Sausalito base yard and dock complex at its present site without diminution or reduction in area in order to continue the vital services it renders in the interests of the state and nation; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the Army, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California. Referred to the Committee on Commerce:

"Assembly Joint Resolution No. 80

"LEGISLATIVE COUNSEL'S DIGEST

"AJR 80, Keene. Rail passenger service.

"Requests the National Railroad Passenger Corporation (Amtrak) to institute rail passenger services to the north coast of California from San Francisco Bay to Eureka.

"Whereas, The restoration of rail passenger service to the north coast of California, a relatively isolated and highway-dependent area in which dependence upon the automobile during the present fuel shortage is precarious at best, would fulfill an urgent need in the entire Redwood Empire area; and

"Whereas, Prior to World War II, the north coast was served by a substantial rail passenger network extending from San Francisco Bay to the City of Eureka through the spectacular Eel River Canyon; and

"Whereas, The original railroad rights-of-way presently exist and much of the track is presently in place, although some repairs and engineering adjustments would probably be required for the institution of passenger service; and

"Whereas, There is presently virtually no feasible alternative to the automobile in this area, and the operation of supply and demand will undoubtedly inspire increased rail passenger patronage, once instituted; and

"Whereas, The restoration of rail passenger service under Amtrak would connect several urban communities as well as the two major seaports of northern California, while tourism, a major industry of the Redwood Empire, would provide considerable support to this needed transportation alternative; and

"Whereas, Samplings of public opinion throughout this area demonstrate solid public support for rail passenger service as the looming energy crisis becomes more acute and the perilous prospect of isolation more apparent as each day passes; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the National Railroad Passenger Corporation is urged to institute rail passenger service to the north coast of California extending from San Francisco Bay to the City of Eureka; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the National Railroad Passenger Corporation."

"ASSEMBLY JOINT RESOLUTION No. 87

"LEGISLATIVE COUNSEL'S DIGEST

"AJR 87, Ray E. Johnson. Amtrak service to Orland.

"Requests the National Railroad Passenger Corporation (Amtrak) to institute a pasenger stop at Orland.

"Whereas, The restoration and expansion of rail passenger service by the National Railroad Passenger Corporation (Amtrak) has taken on an added sense of urgency and importance because of the energy crisis and resultant difficulties in traveling by private automobile; and

"Whereas, In a great part of the northern California area there is presently virtually no feasible alternative to the automobile, and dependence upon the automobile during the present fuel shortage is precarious at best; and

"Whereas, Amtrak makes no stops in northern California between Redding and Davis, a distance of over 150 miles, thus isolating a great many people in this area from the only feasible alternative to the automobile for transportation; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the National Railroad Passenger Corporation is urged to institute a passenger stop at Orland, California, in order to further extend the benefits of rail travel to presently isolated areas of northern California; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the National Railroad Passenger Corporation."

A resolution of the House of the State of California. Referred to the Committee on Commerce:

"HOUSE RESOLUTION No. 136

"Whereas, During these times of fuel scarcities, it is especially important that rail passenger service, which is potentially the most efficient means of transportation, be developed and improved to serve the maximum number of people; and

"Whereas, At present, no north-south passenger train serves the City of Sacramento or other major population centers in the Sacramento Valley area of northern California, an area whose dependence upon the private automobile for transportation during the energy crisis is precarious at best; and

"Whereas, If Amtrak trains 11 and 14, the Coast Daylight/Starlight were routed from Redding through Chico, Marysville, and Roseville to Sacramento, the system would directly serve nearly 800,000 additional people at an increase of only 26 miles all of which would be over Southern Pacific Company main line tracks; and

"Whereas, The institution of Amtrak service from Oakland to Bakersfield through the San Joaquin Valley, which commenced on March 6, 1974, would bring the benefits of rail passenger service to a great many more people if such service were routed through Sacramento; now, therefore, be it

"*Resolved by the Assembly of the State of California,* That the National Railroad Passenger Corporation is urged to route the Coast Daylight/Starlight through Chico, Marysville, Roseville, and Sacramento, and to route the San Joaquin Valley train through Stockton to Sacramento; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to Mr. Roger Lewis, Chairman of the National Railroad Passenger Corporation."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Commerce:

"SENATE JOINT RESOLUTION No. 54

"LEGISLATIVE COUNSEL'S DIGEST

"SJR 54, as amended, Moscone (Res.). Amtrak service.

"Requests the National Railroad Passenger Corporation (Amtrak) to route its Coast Daylight/Starlight train through Chico, Marysville, Roseville, and Sacramento and *either* to route its Oakland-Bakersfield train through Sacramento *or provide connecting bus service between Sacramento and Stockton.*

"Whereas, During these times of fuel scarcities it is especially important that rail passenger service, which is potentially the most efficient means of transportation, be developed and improved to serve the maximum number of people; and

"Whereas, At present no north-south passenger train serves the City of Sacramento or other major population centers in the Sacramento Valley area of northern California, an area whose dependence upon the private automobile for transportation during the energy crisis is precarious at best; and

"Whereas, If Amtrak trains 11 and 14, the Coast Daylight/Starlight, were routed from Redding through Chico, Marysville, Roseville, and Sacramento to Davis, the system would directly serve nearly 800,000 additional people at an increase of only 26 miles, all of which would be over Southern Pacific Company mainline tracks; and

"Whereas, The institution of Amtrak service from Oakland to Bakersfield through the San Joaquin Valley, which commenced on March 6, 1974, will bring the benefits of rail passenger service to over 675,000 more people if such service were either routed through Sacramento or if, as an alternative, Amtrak provided connecting bus service between Sacramento and the Stockton passenger terminal; now, therefore, be

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the National Railroad Passenger Corporation is urged to route the Coast Daylight/Starlight through Chico, Marysville, Roseville, and Sacramento, and either to route the Oakland-Bakersfield train through Sacramento or to provide connecting bus service between Sacramento and the Stockton passenger terminal; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to Mr. Roger Lewis, Chairman of the National Railroad Passenger Corporation."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Labor and Public Welfare:

"SENATE JOINT RESOLUTION No. 34

"LEGISLATIVE COUNSEL'S DIGEST

"Memorializes the President and Congress to enact legislation providing subsidies, when needed, to enable nonprofit sheltered workshops to compete with foreign labor markets for contracts with manufacturers located in the United States.

"Whereas, Legislation introduced by Congressman Danielson to subsidize certain nonprofit sheltered workshops in the United States which have a purpose to employ and rehabilitate handicapped individuals is pending before the Congress; and

"Whereas, The enactment of this legislation, as embodied in H.R. 7136, would enable nonprofit sheltered workshops to compete effectively with the foreign labor market for contracts with manufacturers located in the United States; and

"Whereas, Enactment of such legislation would provide a sorely needed continuity of work contracts for nonprofit sheltered workshops, thereby creating additional employment opportunities for handicapped individuals; and

"Whereas, Sheltered workshops provide a vital function in the lives of handicapped individuals by enabling many individuals to be self-supporting and by preparing other individuals for entry or reentry into the labor market; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation providing subsidies, when needed, to enable nonprofit sheltered workshops to compete with foreign labor markets for contracts with manufacturers located in the United States; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from the State of California in the Congress of the United States."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Post Office and Civil Service:

"ASSEMBLY JOINT RESOLUTION No. 83

"LEGISLATIVE COUNSEL'S DIGEST

"Memorializes the Philatelic Division of the United States Postal Service to issue a postage stamp in the spring of 1976 commemorating the centennial celebration of the American Gynecologic Society.

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the Philatelic Division of the United States Postal Service to issue a postage stamp in the spring of 1976 commemorating the centennial celebration of the American Gynecological Society; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States and the Philatelic Division of the United States Postal Service."

A joint resolution of the Legislature of the State of Colorado. Referred to the Committee on the Judiciary:

"House Joint Resolution No. 1012

"Whereas, The children of this nation and their parents have experienced uncertainty, inconvenience, and in some cases severe disruption of their lives as a result of court decisions requiring the placement of students in schools to achieve racial balance; and

"Whereas, It has not been demonstrated that student busing and other forms of mandatory assignment of students to particular schools are effective in advancing any valid educational goal; now, therefore,

"Be It Resolved by the House of Representatives of the Forty-ninth General Assembly of the State of Colorado, the Senate concurring herein:

"That the General Assembly hereby petitions the Congress of the United States to propose an amendment to the Constitution of the United States, and to submit such amendment to the state legislatures for ratification, in a form substantially as follows:

" 'ARTICLE —

" 'Section 1. No public school student shall, because of his race, creed, or color, be assigned to or required to attend a particular school.

" 'Section 2. Congress shall have the power to enforce this article by appropriate legislation.'

"Be It Further Resolved, That copies of this Resolution be transmitted to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each member of Congress from the State of Colorado."

A memorial of the House of the State of Florida. Referred to the Committee on Veterans' Affairs:

"House Memorial No. 2277

"A memorial requesting the United States Congress and the Veterans Administration to provide cemeteries for veterans in central and south Florida.

"Whereas, the people of Florida sincerely appreciate the sacrifices of Florida veterans in times of war and peace, and

"Whereas, veterans are entitled to a final resting place provided by the country they so selflessly defended, and

"Whereas, it is proper for the state to participate in the selection of a location for a veterans' cemetery, now, therefore,

"Be It Resolved by the Legislature of the State of Florida:

"It is the intent of the legislature to provide for, encourage, and promote the welfare and dignity of veterans. In this regard the United States Congress and the Veterans Administration are requested to provide cemeteries for military veterans to be located in central and south Florida.

"Be it further resolved that a copy of this memorial shall be spread upon the journals of the House of Representatives and Senate of the State of Florida and copies shall be forwarded to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress."

A joint memorial of the Legislature of the State of Idaho. Referred to the Committee on Labor and Public Welfare:

"Senate Joint Memorial No. 124

"A joint memorial relating to the Occupational Safety and Health Act of 1970; to the Honorable Senate and House of Representatives of the United States in Congress assembled, and to the honorable congressional delegation representing the State of Idaho in the Congress of the United States.

"We, your Memorialists, the Senate and House of Representatives of the State of Idaho assembled in the Second Regular Session of the Forty-second Idaho Legislature, do hereby respectfully represent that:

"Whereas, the Occupational Safety and Health Act of 1970 is causing hardships upon business, industries and farmers in Idaho; and

"Whereas, everyone is concerned about the safety of America's working men and women, however, the harassment and fines of the federal OSHA law have been a disaster; and

Whereas, changes are needed in the compliance section which allow OSHA inspectors to be the judge, jury and executioner all in one process without giving the accused time to correct the safety problem because that is un-American and dictatorial; and

"Whereas, there is a need to implement onsight consultative programs and changes are needed in procedures for standard setting, citations, review and appeal; and

"Whereas, time is of the essence and action is needed now to correct this intolerable situation:

"Now, therefore, be it resolved by the Second Regular Session of the Forty-second Idaho Legislature, the Senate and the House of Representatives concurring, that we most respectfully urge the Congress of the United States either to amend the Occupational Safety and Health Act of 1970, as per some of the suggested proposed amendments noted above, to make it workable in guarding the health and safety and lives of America's working citizens, or to repeal the Occupational Safety and Health Act of 1970.

"Be it further resolved that the Secretary of the Senate be, and she is hereby authorized and directed to forward copies of this Memorial to the President of the Senate and the Speaker of the House of Representatives of Congress, and the honorable congressional delegation representing the State of Idaho in the Congress of the United States."

Resolutions of the Legislature of the Commonwealth of Massachusetts. Referred to the Committee on Appropriations:

"Resolutions Memorializing the Congress of the United States To Fund an Economic and Environmental Impact Study of the Dickey-Lincoln Project

"Whereas, The residents of the Commonwealth of Massachusetts and other New England States pay the highest rates for electricity in the nation; and

"Whereas, The so-called energy crisis has caused a substantial increase in said electric rates; and

"Whereas, New England and the Northeast are the only areas of the United States not served by a federal power project; and

"Whereas, The proposed Dickey-Lincoln hydro-electric project in the State of Maine could provide one billion kilowatt hours per year or approximately one per cent of the electric needs of New England; and

"Whereas, The Dickey-Lincoln project would reduce New England's dependence on expensive oil, both domestic and foreign; and

"Whereas, The introduction of public power from the Dickey-Lincoln project might help to reduce the cost of electricity for New England consumers; and

"Whereas, Significant questions have been raised regarding the economic viability of the project and its impact on the future use of the Upper St. John River for timber production and recreation; now, therefore, be it

"Resolved, That the Massachusetts General Court hereby memorializes the Congress of the United States to appropriate the necessary funds to prepare a complete economic and environmental impact study of the Dickey-Lincoln project in the State of Maine prior to further action on said project; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth."

Resolutions of the Legislature of the Commonwealth of Massachusetts. Referred to the Committee on Commerce:

"Resolutions Memorializing the Congress of the United States to Enact Legislation Establishing the Metric System as the Standard System of Weights and Measures for the United States

Whereas, In every major nation of the world, except the United States, the metric system is the standard system of weights and measures; and

"Whereas, Awareness of the metric system among the American public has grown to fifty-four per cent in the latest nationwide survey by George Gallup; and

"Whereas, Certain American industries have already adopted the metric system as their standard system of weights and measures and, in addition, signs showing distance in kilometers as well as in miles are beginning to appear on certain American highways; therefore be it

"Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation establishing the metric system as the standard system of weights and measures for the United States; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth."

Resolutions of the Legislature of the Commonwealth of Massachusetts. Referred to the Committee on Finance:

"Resolutions Memorializing the Congress of the United States To Enact Legislation Providing for a National Health Care Insurance Plan

"Whereas, Many of our citizens receiving fixed and inadequate income are unable to participate in private or public health insurance programs covering medical, surgical, hospital, nursing and dental care and treatment; and

"Whereas, Many of our citizens now covered by Medicare are still unable to meet the ancillary costs of medical, hospital, surgical, nursing, pharmaceutical and prosthetic care and treatment; and

"Whereas, Many of our citizens now covered by private health insurance programs are unable to meet the costs of increasing premiums for adequate medical care and treatment; and

"Whereas, The care and treatment of the health of our citizens and the prevention of diseases and illnesses tending to destroy that health are now recognized as prime obligations of the Federal Government; therefore be it

"Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation providing for a national health insurance program to cover all of its citizens to be administered by Federal Government agencies and financed, in part at least, by Social Security financing; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress, to the Chairman of Ways and Means Committee of the United States House of Representatives, to the Chairman of the Committee on Labor and Public Welfare of the United States Senate, to the Secretary of Health, Education and Welfare

and to the members of each branch of Congress from the Commonwealth."

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION THAT WOULD PRECLUDE SOCIAL SECURITY BENEFITS FROM AFFECTING VETERANS' ADMINISTRATION PENSION PAYMENTS

"*Whereas,* Many war veterans are receiving Social Security payments and Veterans Administration Pensions; and

"*Whereas,* It would be unfair and unjust to allow any Social Security payments to decrease or eliminate the Veterans Administration Pensions to veterans receiving both; therefore be it

"*Resolved,* That the Masaschusetts General Court respectfully urges the Congress of the United States to enact legislation to preclude any change in Social Security payments from affecting any Veterans Administration Pension to veterans receiving both; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth."

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT THE PROPERTY TAX RELIEF AND REFORM ACT OF 1973

"*Whereas,* The real estate property tax is a regressive tax; and

"*Whereas,* The real estate property tax is especially burdensome on the aging who are living on reduced income; therefore be it

"*Resolved,* That the General Court of Massachusetts hereby respectfully urges the Congress of the United States to enact the Property Tax Relief and Reform Act of 1973; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth."

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION AMENDING THE SOCIAL SECURITY ACT AND THE INTERNAL REVENUE CODE OF 1954 TO PROVIDE FOR FEDERAL PARTICIPATION IN THE COSTS OF THE SOCIAL SECURITY PROGRAM, WITH A SUBSTANTIAL INCREASE IN THE CONTRIBUTION AND BENEFIT BASE AND WITH APPROPRIATE REDUCTIONS IN SOCIAL SECURITY TAXES TO REFLECT THE FEDERAL GOVERNMENT'S PARTICIPATION IN SUCH COSTS

"*Whereas,* There is pending before the Congress of the United States a bill H.R. 12489 which if enacted into law would amend the Social Security Act and the Internal Revenue Code of 1954 to provide for federal participation in the costs of the Social Security Program, with a substantial increase in the contribution and benefit base and with appropriate reductions in Social Security taxes to reflect the federal government's participation in such costs; and

"*Whereas,* Said bill would grant tax relief to every wage earner with an income of twenty thousand dollars or less; and

"*Whereas,* It is the sense of the Massachusetts Senate that, in these times of severe inflation, every means should be employed to increase the spendable income of working people; and

"*Whereas,* Said bill, in addition to aiding the workers, would lower the cost of doing business for employers; now, therefore, be it

"*Resolved,* That the Massachusetts Senate urges the Congress of the United States to enact into law H.R. 12489; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth."

Resolutions of the Legislature of the Commonwealth of Massachusetts. Referred to the Committee on Interior and Insular Affairs:

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION ESTABLISHING MORE EFFECTIVE OIL PRICE CONTROLS IN THE UNITED STATES

"*Whereas,* The energy crisis has drastically increased the price of oil in the United States; and

"*Whereas,* Many Americans face an increasing financial burden to heat their homes; and

"*Whereas,* The increasing costs on already financially burdened Americans will endanger their health and well being; therefore be it

"*Resolved,* That the General Court of Massachusetts respectfully urge the Congress of the United States to enact legislation establishing effective oil price controls in the United States; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth."

Resolutions of the Legislature of the Commonwealth of Massachusetts. Referred to the Committee on Veterans' Affairs:

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION FOR FEDERAL FINANCIAL ASSISTANCE FOR ADMINISTRATION OF MASSACHUSETTS VETERANS SERVICE PROGRAM

"*Whereas,* The Federal Government financially assists the welfare programs presently administered in the Commonwealth; and

"*Whereas,* The veterans of our Commonwealth have had the benefit of administration of the Veterans Service program by well qualified experts in the field of rehabilitation in the particular community in which the veteran lives; and

"*Whereas,* The administration of this phase of the problem of the disadvantaged veteran by other than the Veterans Service Officers of this Commonwealth would result in substantially affecting its efficiency; now, therefore, be it

"*Resoved,* That the General Court of Massachusetts memorialize the Congress of the United States to enact such legislation as will result in federal assistance to the Veterans Service program to the same extent that financial assistance is presently given by the Federal Government to the welfare program; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth."

A concurrent resolution of the Legislature of the State of Michigan. Referred to the Committee on Banking, Housing and Urban Affairs:

SENATE CONCURRENT RESOLUTION NO. 259

A concurrent resolution urging the Federal Government to eliminate unreasonable mandatory controls for certain industries from the provisions of the Federal Cost of of Living Council's phase IV regulations

"Whereas, The Economic Stabilization Program has failed mainly because economic policy has lacked consistency of purpose and direction and no evidence exists that the policy will be improved; and

"Whereas, Economic controls have not stabilized prices or wages, have not stopped inflation, but instead, have encouraged production cutbacks, shotages and black markets and have contributed to the confusion facing producers and consumers; and

"Whereas, Controls have been shaped by day-to-day political pressures, producing unanticipated and undesired results by short-circuiting the price mechanism, creating deep distortions in allocation of goods and services and creating a void in public confidence in economic policy planners; and

"Whereas, The proposed provisions of the Cost of Living Council's Phase IV regulations clearly discriminate against Michigan industries, including the health care industry; and

"Whereas, The Cost of Living Council clearly lacks the legal authority to adopt regulations, since it is in conflict with Federal law and the wishes of Congress, and clearly preempts the prerogative of the consumer in his right of free choice in determining a service he wishes to purchase; and

"Whereas, The new regulations specifically discriminate against the health care industry by attempting to demand compliance to regulations involving intensity of treatment and the type of patients given treatment over which the hospital does not have and should not have control; now therefore be it

"Resolved by the Senate (the House of Representatives concurring), That the Michigan Legislature hereby memorializes the President of the United States, the Congress of the United States and the Cost of Living Council to immediately halt the imposition of Phase IV controls on all industry until all discriminatory provisions are removed and equity is restored, and that all provisions in conflict with law expressed and implied are eliminated, and that the wishes of the Congress be reestablished as the guide for any future controls; and be it further

"Resolved, That copies of this concurrent resolution be transmitted to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, the Cost of Living Council and to each member of the Michigan delegation to the Congress of the United States."

A resolution of the Senate of the State of New York. Referred to the Committee on Finance:

"SENATE RESOLUTION MEMORIALIZING CONGRESS TO ENACT LEGISLATION ELIMINATING NET INCREASE IN ANY BENEFIT PAYABLE PURSUANT TO ANY FEDERALLY SPONSORED PROGRAM OF AID OR ASSISTANCE TO A RECIPIENT FOR PURPOSES OF DETERMINING ELIGIBILITY FOR SUPPLEMENTAL SECURITY INCOME OR MEDICAID PROGRAMS

"Whereas, Recent federal and state legislative enactments have provided much needed and long overdue increases in benefits to needy recipients of aid pursuant to governmental sponsored programs of assistance; and

"Whereas, By oversight or design, these increased benefits resulted in causing many recipients to lose or be denied eligibility for such worthwhile and essential programs as supplemental security income and medicaid; and

"Whereas, A substantial injustice and unnecessary social harm has been wrought by these developments and is in need of rectification by the federal government; now, therefore, be it

"Resolved, That the Congress be and is hereby memorialized to enact legislation omitting in the determination of eligibility for the supplemental security income or medicaid programs any net increase in benefits payable to a recipient of any form of public assistance which resulted from federal or state legislation becoming effective in the year 1974; and be it further

"Resolved, That a copy of this resolution be forwarded to the Temporary President of the Senate, the Speaker of the House of Representatives and each member of Congress from the State of New York."

A concurrent resolution of the Legislature of the State of Oklahoma. Referred to the Committee on Public Works:

"Enrolled House Concurrent Resolution No. 1101

"A concurrent resolution pertaining to the Federal Water Pollution Act Amendments of 1972; memorializing the U.S. Congress to take action to reestablish certain deadlines with respect to regulations promulgated in accordance with that Act; noting the difficulty which delays in the publishing of regulations are causing; noting the possible feasibility of alternate methods of waste treatment; stating that these methods should be explored; and directing distribution

"Whereas, the Federal Water Pollution Control Act amendments of 1972 provide a sound framework for the elimination of water pollution from the nation's water supply, but the formulation and publication of rules and regulations necessary for the development of methodology to achieve the intent of the legislation have been delayed to the point that it is not possible to develop adequate and realistic compliance schedules, which would be required; and

"Whereas, tardy dissemination of proposed rules and regulations and numerous subsequent changes have resulted in widespread public disillusionment and dissatisfaction, for these regulations require that every municipal water pollution facility in the State of Oklahoma be at least modified, and more than eighty percent of the state's municipal waste treatment facilities be replaced by mechanical treatment facilities which are expensive to construct and operate and which consume high amounts of energy; and

"Whereas, it is not practicable to attempt to rebuild or modify every plant in the state prior to the July 1, 1977, deadline due to finite manpower resources and the necessity of acquiring the required funding; and

"Whereas, the Federal Water Pollution Control Act of 1972 (PL 92-500, § 201(d)(1)) requires that agricultural, aquacultural and silvacultural alternatives for waste water reuse be evaluated and encouraged as treatment mechanisms; and

"Whereas, both the federal government, through the research and development branch of the Environmental Protection Agency, and the State of Oklahoma, through the State Health Department and other agencies, are investigating biological waste treatment systems employing beneficial reuse concepts for acquacultural and agricultural yields which appear to be reasonable solutions for Oklahoma communities; and

"Whereas, because these biological treatment systems, if further investigation proved them to be sufficiently effective, would save many dollars and man-hours for the communities of Oklahoma and other states; and

"Whereas, this area of legislation is under the purview of the Congress of the United States.

"Now, therefore, be it resolved by the House of Representatives of the 2nd session of the 34th Oklahoma Legislature, the Senate concurring therein:

"Section 1. That the Congress of the United States, and specifically the Oklahoma Congressional Delegation, be memorialized to consider amendments to the Federal Water Pollution Control Act of 1972 which would reestablish statutory deadlines for the issuance of discharge permits with compliance scheduling, which would compensate for delays in implementation in order to assure the development and implementation of a strong law which will not be thwarted due to unreasonably short compliance times, and which would allow time for the development of economical and reasonable approaches to minimize the unnecessary expenditure of tax dollars and energy in meeting the clear water goals of this nation.

"Section 2. That authenticated copies of this Resolution be delivered to Speaker of the U.S. House of Representatives Carl Albert, to United States Senator Mike Mansfield, to each of the other members of the Oklahoma Congressional Delegation, and to the Administrator of the Environmental Protection Agency.

"Adopted by the House of Representatives the 27th day of March, 1974."

A memorial of the Senate of the State of Pennsylvania. Referred to the Committee on Commerce:

Memorial

"Pennsylvania recognizes the rapidly growing problem of solid waste disposal. It also recognizes that much of what is termed waste could be reclassified as recyclable material. In this category is scrap iron and steel.

"Major steps have already been taken to recycle many paper products. Too little has been done, however, toward scrap iron and steel because of freight rates set by the Interstate Commerce Commission that are considerably higher than the rates set by the same commission for hauling virgin ore.

"Many regions in the Commonwealth are plagued by unsightly and troublesome auto graveyards. Thousands of rusting car bodies and other scrap items are ignored as potential sources of recyclable iron and steel because freight rates and depletion allowances favor the mining of virgin ore.

"The development of recycling programs to use available resources and preserve others is imperative to the future well-being of this Commonwealth, but Federal recognition of the discriminatory imbalance in favor of continued depletion of natural resources is a necessary first step; therefore be it

"Resolved, (The House of Representatives concurring), That the General Assembly of the Commonwealth of Pennsylvania memorialize the Congress of the United States to pass legislation encouraging the recycling of scrap iron and steel and, further, memorialize the Interstate Commerce Commission to re-evaluate its policies regarding freight rates of all recyclable materials which could be used in lieu of raw materials; and be it further

"Resolved, That copies of this resolution be transmitted to the presiding officers of each House of Congress of the United States and to each Senator and Representative from Pennsylvania in the Congress of the United States, and to the members of the Interstate Commerce Commission."

A joint resolution of the Legislature of the State of Tennessee. Referred to the Committee on Armed Services:

"House Joint Resolution No. 534

"A resolution to support continued undiluted sovereignty of the United States and jurisdiction by the United States over the Panama Canal and the Panama Canal Zone on the Isthmus of Panama

"Whereas, United States diplomatic representatives are presently engaged in negotiations with representatives of the de facto revolutionary government of Panama, under a declared purpose to surrender to Panama, now or on some future date, U.S. sovereign rights and treaty obligations, as defined below, to maintain, operate, protect, and otherwise govern the United States-owned Canal and its protective frame of the Canal Zone, herein designated as the "Canal" and the 'Zone,' respectively, situated within the Isthmus of Panama; and

"Whereas, title to and ownership of the Canal Zone, under the right "in perpetuity" to exercise sovereign control thereof, were vested absolutely in the United States and recognized to have been so vested in certain solemnly ratified treaties by the United States with Great Britain, Panama, and Colombia, to wit:

"(1) The Hay-Pauncefote Treaty of 1901 between the United States and Great Britain, under which the States adopted the principles of the Convention of Constantinople of 1888 as the rules for operation, regulation, and management of the Canal; and

(2) The Hay-Bunau-Varilla Treaty of 1903 between the Republic of Panama and the United States, by the terms of which the Republic of Panama granted full sovereign rights, power, and authority in perpetuity to the United States over the Zone for the construction, maintenance, operation, sanitation, and the protection of the Canal to the entire exclusion of the exercise by the Republc of Panama of any such sovereign rights, power, or authority; and

"(3) The Thomson-Urrutia Treaty of April 6, 1914, proclaimed March 30, 1922, between the Republic of Colombia and the United States, under which the Republic of Colombia recognized that title to the Canal and the Panama Railroad is vested "entirely and absolutely" in the United States, which treaty granted important rights in the use of the Canal and Railroad to Colombia; and

"Whereas, the United States, in addition to having acquired title to and ownership of the Canal Zone, purchased all privately owned land and property in the Zone, from individual owners, making the Zone the most costly United States territorial possession; and

"Whereas, the United States since 1903 has continuously occupied and exercised sovereign control over the Zone, constructed the Canal, and, since 1914, for a period of 60 years, operated the Canal in a highly efficient manner without interruption, under the terms of the above mentioned treaties, thereby honoring its obligations, at reasonable toll rates to the ships of all nations without discrimination; and

"Whereas, from 1904 through June 30, 1971, the United States made a total investment in the Canal including defense, at a cost to the taxpayers of the United States of over $5,695,745,000; and

"Whereas, under the terms of the 1903 treaty and the 1936 and 1955 revisions thereof, Panama has been adequately compensated for the rights it granted to the United States, in such significantly beneficial manner that the compensation and correlated benefits have constituted the major portion of the economy of Panama, giving it the highest per capita income in all of Central America; and

"Whereas, the Canal is of vital and imperative importance to hemispheric defense and to the security of the United States and Panama; and

"Whereas, approximately 70 per cent of Canal traffic either originates or terminates in the United States ports, making the continued operation of the Canal by the United States vital to its economy; and

"Whereas, the present negotiations and a recently disclosed statement of "principles of agreement" by our treaty negotiator, Ambassador Ellsworth Bunker, and Panamanian Foreign Minister Juan Tack, Panama treaty negotiator, constitute a clear and present danger to hemispheric security and the successful operation of the Canal by the United States under its treaty obligations; and

"Whereas, the present treaty negotiations are being conducted by our diplomatic representatives under a cloak of unwarranted secrecy, thus withholding from our people and their representatives in Congress information vital to the security of the United States and its legitimate economic development; and

"Whereas, the United States House of Representatives, on February 2, 1960, adopted House Concurrent Resolution 459, 86th Congress, reaffirming the sovereignty of the

United States over the Zone territory by the overwhelming vote of 382 to 12, thus demonstrating the firm determination of our people that the United States maintain its indispensable sovereignty and jurisdiction over the Canal and the Zone; and

"Whereas, under Article IV, Section 3, Clause 2 of the United States Constitution, the power to dispose of territory or other property of the United States is specifically vested in the Congress, which includes the House of Representatives; and

"Whereas, the Panama Canal is essential to the defense and national security of the United States; it is of vital importance to the economy and interoceanic commerce of the United States with the remainder of the free world; and

"Whereas, valuable exports from the state of Tennessee and valuable imports to this state go through the Panama Canal to and from distant reaches of the globe; and

"Whereas, under the sovereign control of the United States, the Panama Canal has provided uninterrupted peacetime transit to all nations; and

"Whereas, the traditionally unstable nature of Panamanian politics and government poses an implicit threat to the security of the interests of the United States which for many years have been served by the Panama Canal; and

"Whereas, the Republic of Panama possesses neither the technical nor the managerial expertise effectively to operate and maintain the Panama Canal; and the Republic of Panama does not have the capabilities to meet the growing demands placed upon the Canal; now, therefore,

"Be it resolved by the House of Representatives of the Eighty-Eighth General Assembly of the State of Tennessee, the Senate concurring, That

"(1) the government of the United States should maintain and protect its sovereign rights and jurisdiction over the Panama Canal and Zone, and should in no way cede, dilute, forfeit, negotiate, or transfer any of these sovereign rights, power, authority, jurisdiction, territory, or property that are indispensably necessary for the protection and security of the United States and the entire Western Hemisphere; and

"(2) there should be no relinquishment or surrender of any presently vested United States sovereign right, power, authority, or property, tangible or intangible, except by treaty authorized by the Congress and duly ratified by the United States; and

"(3) there should be no recession to Panama, or other divestiture of any United States-owned property, tangible or intangible, without prior authorization by the Congress (House and Senate), as provided in Article IV, Section 3, Clause 2 of the United States Constitution.

"Be it further resolved, That the General Assembly of Tennessee requests the Congress of the United States to reject any encroachment upon the sovereignty of the United States of America over the Panama Canal and insists that the terms of the Hay-Bunau-Varilla Treaty of 1903 as subsequently amended be adhered to and retained.

"Be it further resolved, That the Secretary of State of the State of Tennessee, under the great seal of this state, send copies of this Resolution to Richard M. Nixon, President of the United States; Gerald R. Ford, Vice President of the United States; Henry A. Kissinger, Secretary of State; Carl Albert, Speaker of the House; J. William Fulbright, Chairman, Senate Foreign Relations Committee; and to each member of the Tennessee delegation to the Congress of the United States."

A resolution adopted by the National Association for Equal Opportunity in Higher Education, Washington, D.C., in opposition to repeal of the Second Morrill Act. Referred to the Committee on Agriculture and Forestry.

A resolution adopted by the council of the city of Cleveland, in support of enforcement of the terms of the Paris Peace Agreement. Referred to the Committee on Foreign Relations.

A resolution adopted by the board of directors of the Long Beach Jewish Community Center, Long Beach, Calif. relating to funds for Israel. Referred to the Committee on Foreign Relations.

A resolution adopted by the Koinonia Missionary Core, Toluca Lake, Calif., relating to flying the national flag at half-mast for 2 days each year. Referred to the Committee on the Judiciary.

The petition of Joseph P. Gerardi, Arlington, Va., praying for a redress of grievances. Referred to the Committee on the Judiciary.

The petition of Mary E. Spence, Logan, Ohio, praying for support of the community action program. Referred to the Committee on Labor and Public Welfare.

A resolution adopted by the board of directors, Decatur-Macon County Opportunities Corp., Decatur, Ill., praying for support of the community action program. Referred to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

S. 2846. A bill to protect the flow of interstate commerce from unreasonable damage to the environmental health by assuring an adequate supply of chlorine and other chemicals and substances which are necessary for safe drinking water and for waste water treatment (Rept. No. 93–861).

By Mr. BARTLETT, from the Committee on Interior and Insular Affairs, without amendment:

S. 521. A bill to declare that certain land of the United States is held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma (Rept. No. 93–862).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

Senate Concurrent Resolution 37. Concurrent resolution on national American Indian policy (Rept. No. 93–864).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 3007. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1975 (Rept. No. 93–863).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Joseph W. Twinam, of Tennessee, a Foreign Service officer of class 4, to be Ambassador Extraordinary and Plenipotentiary to the State of Bahrain;

Michael Sterner, of New York, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary to the United Arab Emirates; and

William C. Turner, of Arizona, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BROCK:

S. 3515. A bill relating to the procurement of property for the protection of the President and Vice President at private residences. Referred to the Committee on Government Operations.

S. 3516. A bill to provide for the issuance of special series of postage stamps, in conjunction with the bicentennial celebration of the United States, depicting the flags of each of the 50 States, Guam, the District of Columbia, Puerto Rico, and the Virgin Islands; and

S. 3517. A bill to provide for the issuance of special series of postage stamps for the bicentennial celebration depicting an historical event or individual from each of the 50 States, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. Referred to the Committee on Post Office and Civil Service.

By Mr. BIBLE (for himself and Mr. CANNON):

S. 3518. A bill to remove the cloud on title with respect to certain lands in the State of Nevada. Referred to the Committee on Interior and Insular Affairs.

By Mr. HANSEN:

S. 3519. A bill for the relief of Carlos Quinonez, Maria Quinonez, Valentine Quinonez, and Julian Quinonez. Referred to the Committee on the Judiciary.

By Mr. DOMENICI:

S. 3520. A bill to authorize the Administrator of the Federal Energy Administration to allocate supplies of materials and equipment associated with the production of energy supplies to the extent necessary to maintain and increase the production and transport of fuels. Referred to the Committee on Interior and Insular Affairs.

By Mr. WEICKER:

S. 3521. A bill to establish an office within the Congress with a toll-free telephone number to be known as the Congressional Advisory Legislative Line (CALL), to provide the American people with free and open access to information, on an immediate basis, relating to the status of legislative proposals pending before the Congress. Referred to the Committee on Rules and Administration.

By Mr. BIDEN:

S. 3522. A bill to amend the Railroad Retirement Act of 1937 to permit an individual to receive a spouse's annuity even though such individual renders compensated service for the outside employer by whom such individual was last employed before the spouse's annuity of such individual began to accrue. Referred to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON:

S.J. Res. 210. Joint resolution authorizing and requesting the President of the United States to proclaim June 2 to June 8 as "National Halibut Week". Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

PRESIDENTIAL SECURITY BILL

By Mr. BROCK:

S. 3515. A bill relating to the procurement of property for the protection of the President and Vice President at private residences. Referred to the Committee on Government Operations.

Mr. BROCK. Mr. President, one of the unfortunate byproducts of the whole Watergate debacle has been the controversy which has swirled around the money spent for protection at Presidential and Vice-Presidential homes. In the fevered political atmosphere of the past year we have had a whole barrage of often conflicting accusative claims and emotional statements regarding the propriety of expenditures for the President's security.

I firmly believe that so much of this could have been avoided if we had developed fully adequate procedures for disbursement of funds for this service and a comprehensive set of guidelines regarding their use. It is over 10 years since the assassination of President Kennedy. In the aftermath of that tragedy, we very naturally exhibited greatly increased concern with Presidential security. Now, while no less concerned with that matter, I feel a general consensus exists that some proper and standardized set of accounting and reporting procedures should be established—so that there can be no repetition in the future of our present controversy.

That is why I am introducing today a measure designed to achieve that very goal. It is based firmly and squarely on a study made by the General Accounting Office of this issue, and their subsequent report.

It is a simple and straightforward bill, and certainly places no restriction on future Presidents—other than the condition that both the President and the Vice President shall each designate one private residence at which the United States will incur the appropriate expense for providing security. I think this is a fair and reasonable condition. We do provide for the President the White House, as well as Camp David for relaxation. One additional house of his choice—making a total of three—seems to me eminently reasonable. If one does not accept this position, then I think we are entitled to ask—what is a reasonable number, and on what grounds is it arrived at? Presumably no one would suggest that we spend the money on an unlimited number of houses a President may want to own. The other parts of the bill I think too are sensible and noncontroversial. What they do is to set up a straightforward and clear procedure for authorizing funds spent on security and other functions and an equally clear system of congressional audit and oversight.

There are certain significant problems with our present set up—problems which the GAO in its report points out. I can do no better than quote their report and so ask unanimous consent that part of the summary dealing with budgeting, accounting and auditing be printed in the Record at this point.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

BUDGETING, ACCOUNTING, AND AUDITING

GAO reviewed the experience of 1968–1973 in terms of budgeting, accounting, and auditing with a view to identifying what has been done or still needs to be done to strengthen control by the Congress and promote understanding by the public.

Pursuant to 1968 legislation the Secret Service began to draw heavily on GSA appropriations made available for Secret Service protective functions with its requests for assistance. It is GSA policy not to question Secret Service requests. This arrangement has the following weaknesses.

GSA funds are not directly associated with Secret Service protective activities during the budget preparation and review process.

A casual attitude in authorizing work is fostered. Because most requests during the construction period were verbal, who made requests or precisely what was requested could not be readily determined.

GSA is invited to do more than simply execute Secret Service requests, particularly when requests are vague or general.

GAO believes that these weaknesses call for the appropriation of funds directly to the Secret Service to finance reimbursements to other agencies for certain assistance. In this respect, changes being made in the financing of GSA public buildings activities will require that the Secret Service obtain appropriations and reimburse GSA for protective assistance beginning in fiscal year 1975.

GAO believes that the Secret Service should take the steps necessary now to insure that its accounting system will accumulate and classify costs to properly meet the external as well as internal needs for cost data.

Also, GAO believes that additional control of expenditures at private residences can be had through the use of independent audits.

Source: GAO report #B–155950; Protection of the President at Key Biscayne and San Clemente, p. 4.

Mr. BROCK. Thus, in line with their recommendations, a basic requirement of the bill is that security money is to be spent by the Secret Service after it is certified by the Director or his deputy as necessary for security; and that a separate record accumulated on a current basis is to be kept by the Secret Service of how much is spent. Then, not later than February 1 of each year, the Director shall submit to the congressional leadership a report detailing the amount spent, what it was spent on, and why the Secret Service deemed it necessary.

Should there be any debate or controversy about any of these items, the GAO will, at the request of the Speaker of the House, President pro tempore of the Senate, or majority and minority leaders of the House and Senate, audit any part of the report. Property or objects which are provided by public funds shall, if reasonably possible, be removed after the President or Vice President leaves office—unless required for security reasons on a long-term basis.

Any funds which are spent for uses other than security would be appropriated directly to the President or the Executive Office. He would then make a report to Congress each year in the same manner as the Secret Service's, specifying the amounts spent and the reasons. Again, if there is any debate, the GAO can audit the disputed items.

Mr. President, as you can see, the measure clarifies the procedure considerably. There can be no more future controversy about how many residences the Secret Service has spent money on—every one will know in advance that only one private residence is applicable.

There will be no more confusion over what was spent on grounds of security, and what was not. The security budget will be separate, clear and open with the rationale for all expenditures explained. Similarly, the money spent at other Presidential houses for facilities essential for the proper operation of the Presidency will be equally clear and explained.

Any disputes can be resolved by a nonpartisan and professional GAO audit.

All in all, Mr. President, I feel this bill is a moderate and eminently sensible measure to improve the system of providing Presidential security, and to clarify the budgeting and accounting of funds spent on Presidential property. It is a bill which I am sure will interest those who wish to end the ambiguities and confusion of our present system.

I ask unanimous consent that the bill at this point be presented in full in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3515

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 2 of title 3, United States Code, is amended by adding at the end thereof the following new section:

"§ 112. Procurement of Property for Protection of President and Vice President at Private Residences.

"(a) Except as provided in subsection (f), no funds authorized to be appropriated under any provision of law shall be available for obligation or expenditure for the protection of the President or the Vice President through the purchase, lease, construction, installation, or placement of any property at, on, in, or on the grounds of, any private residence of the President or Vice President unless such obligation or expenditure is—

"(1) incurred or made by the Secret Service;

"(2) certified by the Director or Deputy Director of the Secret Service as necessary for the protection of the President or Vice President, as the case may be; and

"(3) approved by the Director or Deputy Director of the Secret Service.

"(b) Any property which is acquired by the obligation or expenditure of funds in accordance with subsection (a), and which can reasonably be removed from the residence or grounds thereof shall, upon termination of the term of office of the President or Vice President, as the case may be, be removed from such residence and returned to the Director of the Secret Service unless the Director determines that such removal would impair the effectiveness of the Secret Service in carrying out any continuing responsibility under the law to protect the President or Vice President after termination of such term of office.

"(c) The President and Vice President may each designate one private residence with respect to which funds may be made available pursuant to subsection (a) of this section by notifying the Director of the Secret Service of the residence so selected, and no funds to which subsection (a) of this section applies shall be available with respect to any personal residence other than the one so designated.

"(d) The Director of the Secret Service shall cause the record of any obligation or expenditure made in accordance with subsection (a) of this section to be—

"(1) reflected, in the accounting system of the Secret Service, in an account separate from accounts of other obligations and expenditures of the Secret Service; and

"(2) accumulated on a current basis.

"(e) (1) Not later than February 1 of each year, the Director of the Secret Service shall transmit to the Speaker of the House of Representatives, the President pro tempore of the Senate, and the Majority and Minority Leaders of the Senate and the House of Representatives, a report setting forth in detail, with respect to the preceding fiscal year—

"(A) the amount of each obligation or expenditure of funds in accordance with subsection (a) of this section, including a full explanation of the purposes for which such obligation or expenditure has been made; and

"(B) the reasons why he deems the expenditure or obligation of such funds necessary for the protection of the President or Vice President.

"(2) Upon the request of the Speaker of the House of Representatives, the President pro tempore of the Senate, or the Majority or Minority Leader of either the Senate or the House of Representatives, the Comptroller General shall audit any report under paragraph (1). The Director of the Secret Service shall accord the Comptroller General, in the conduct of such audit, complete access to all records, files, and documents relating to each obligation or expenditure covered by the report.

"(f) (1) Any funds used for the purchase, lease, construction, installation, or placement of any property at, on, in, or on the grounds of, any private residence of the President or Vice President (other than property acquired by the obligation or expenditure of funds in accordance with subsection (a)) shall be appropriated directly to the President or the Executive Office of the President.

"(2) Not later than February 1 of each year, the President shall transmit to the Speaker of the House of Representatives, the President pro tempore of the Senate, and the Majority and Minority Leaders in the Senate and the House of Representatives a report, setting forth in detail, with respect to the preceding fiscal year—

"(A) the amount of each obligation or expenditure of funds pursuant to this subsection, including a full explanation of the purposes for which such obligation or expenditure has been made; and

"(B) the reasons why he deemed the use of such funds proper in each instance.

"(3) Upon the request of the Speaker of the House of Representatives, the President pro tempore of the Senate, or the Majority or Minority Leader of either the Senate or the House of Representatives, the Comptroller General shall audit any report under paragraph (2). The President shall accord the Comptroller General, in the conduct of such audit, complete access to all records, files, and documents relating to each obligation or expenditure covered by the report."

(b) The analysis of chapter 2 of title 3, United States Code, is amended by adding at the end thereof the following:

"§ 112. Procurement of Property for Protection of President and Vice President at Private Residences."

By Mr. BROCK:

S. 3516. A bill to provide for the issuance of special series of postage stamps, in conjunction with the bicentennial celebration of the United States, depicting the flags of each of the 50 States, Guam, the District of Columbia, Puerto Rico, and the Virgin Islands; and

S. 3517. A bill to provide for the issuance of special series of postage stamps for the bicentennial celebration depicting an historical event or individual from each of the 50 States, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. Referred to the Committee on Post Office and Civil Service.

Mr. BROCK. Mr. President, I send to the desk for introduction and appropriate referral two bills which will provide for the issuance of commemorative stamps in conjunction with the Bicentennial celebration. The first bill will instruct the U.S. Postal Service to issue, in 1976, a series of stamps bearing the flags of the 50 States and the territories. The second bill will provide for the issuance of a series of stamps depicting an historical event or figure from each of the 50 States and the territories, to be issued in 1975 and 1976.

Mr. President, we are rapidly approaching the most important anniversary of this century, for in 1976 we will celebrate the 200th birthday of the United States. We all must, as patriotic Americans, ask ourselves: Are we adequately preparing for this very important event in American history?

We find ourselves, only 2 years away from this proud moment, in a time when crisis follows upon crisis and the problems of the present day seem momentous. It is a time when Americans are searching for a nostalgic moment in American history to give them hope and inspiration. This is more than a trend, more than a temporary phase. It is symptomatic of the appreciation that all Americans have for our inspirational past.

One of the essential qualities of the American experience has been that we have prospered because of our diversity, combining the good qualities of diversity with an enduring unity as no nation has ever done in the history of the world. Nothing illustrates this spirit more than the variety and uniqueness represented by our 50 States.

It is my desire to help make the Bicentennial celebration a great success by publicizing and honoring the flags of the 50 States and the many important historical figures and events which have made our Nation great. In this way we can insure a splendid birthday celebration for our great country.

Although it has been the policy of the Post Office and Civil Service Committee to defer all stamp bills to the Citizen Advisory Stamp Committee, these bills demand special attention because of their value to the Bicentennial celebration. Each State currently has a commemorative medal. A corresponding postal stamp could greatly strengthen the public awareness of the Bicentennial celebration, as well as be a financial boost to the American Revolution Bicentennial Administration, which currently sells stamp and medal sets in order to help fund its programs.

According to the Bicentennial Times, the voice of the American Revolution Bicentennial Administration, nearly 500 local Bicentennial projects in every State of the Union, the District of Columbia, Puerto Rico, and the three U.S. Territories have received A.R.B.A. matching grants from the $3.4 million raised from the sale of Bicentennial commemorative stamps and medals during 1972. Under the grants program, $2.1 million was disbursed to the Bicentennial Commissions of the 50 States, the District of Columbia, Puerto Rico, and the U.S. Territories of Guam, American Samoa, and the Virgin Islands to support local Bicentennial activities. It is estimated that the $2.1 million generated almost $10 million in additional matching grants from private and non-Federal governmental funding sources. The two commemorative stamp series which I am proposing would provide the Bicentennial Commissions with further income opportunities and allow even better planning of events for the upcoming celebration.

Mr. President, I ask unanimous consent that the texts of my bills be printed in the Record at this point.

There being no objection, the bills were ordered to be printed in the Record, as follows:

S. 3516

A bill to provide for the issuance of special series of postage stamps, in conjunction with the bicentennial celebration of the United States, depicting the flags of each of the fifty States, Guam, the District of Columbia, Puerto Rico, and the Virgin Islands

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in conjunction with the bicentennial celebration of the United States, the United States Postal Service shall issue in 1976 special series of postage stamps depicting the flags of each of the fifty States, Guam, the District of Columbia, Puerto Rico, and the Virgin Islands.

Sec. 2. Such series of postage stamps shall be issued in such denomination and such design as the Postal Service shall determine.

S. 3517

A bill to provide for the issuance of special series of postage stamps for the bicentennial celebration depicting an historical event or individual from each of the fifty States, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in conjunction with the bicentennial celebration of the United States, the United States Postal Service shall issue, from June 1, 1975 through December 31, 1976, series of postage stamps depicting an historical event or individual from each of the fifty States, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. The Postal Service shall request that the Governor of each of the fifty States, Guam, Puerto Rico, and the Virgin Islands, and the Commissioner of the District of Columbia—

(1) consult with the bicentennial commission or other appropriate authority in the jurisdiction of which he is Governor or Commissioner, as the case may be, with respect to the historical event or individual to be depicted for that jurisdiction; and

(2) submit a depiction to the Postal Service for that jurisdiction.

Such depiction shall be included in the design and printing of the special series of stamps with respect to that jurisdiction.

Sec. 2. Such series shall be issued in such denomination and such design as the Postal Service shall determine.

By Mr. BIBLE (for himself and Mr. Cannon):

S. 3518. A bill to remove the cloud on title with respect to certain lands in the State of Nevada. Referred to the Committee on Interior and Insular Affairs.

Mr. BIBLE. Mr. President, on behalf of myself and my colleague, Senator Can-

NON, I introduce for proper reference a bill to remove the 100-year cloud on the title of certain lands in the State of Nevada.

In 1864 when Nevada became a State, the enabling act provided that two sections of land in each township would be granted to the State for the benefit of the school fund. Because much of the land in the State was unsurveyed and, in fact, practically valueless, in 1880 an agreement was reached between the State and the Federal Government in which the State relinquished its claim to the two sections per township and received in exchange 2 million acres of selected public domain lands. It was also provided that those lands that had been sold by the State during the period 1864–80 were to vest in the State.

The matter was unquestioned until a few years ago when a decision of the Department of the Interior Board of Land Appeals held that the transfer of a 40-acre tract that had been assumed to have been patented to the State in 1870 was defective. As near as can be determined, there are some 3,000 to 4,000 acres of land out of the 62,000 acres that were transferred during that period in the same category. The legislation that we introduce today would clear up this 100-year-old error and would carry out the original intent of the act of June 16, 1880.

By Mr. DOMENICI:

S. 3520. A bill to authorize the Administrator of the Federal Energy Administration to allocate supplies of materials and equipment associated with the production of energy supplies to the extent necessary to maintain and increase the production and transport of fuels. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, I introduce legislation today to authorize the Administrator of the Federal Energy Administration to allocate supplies of materials and equipment associated with production of energy supplies to the extent necessary to maintain and increase production of fuels.

Several times in recent weeks my attention has been drawn to the critical shortage of many of the steel products needed in oil field exploration and drilling operations. This is particularly true for those oil field operators known as independents. The independent oilman drills about 75 percent of all the exploratory wells in this country. These oilmen usually do not have the financial means to acquire large inventories of drilling equipment and their supply of drilling equipment is inadequate to support the higher level of drilling activities necessary to achieve energy independence.

Mr. President, I ask unanimous consent that an article from the April 5, 1974 Albuquerque Journal be included in the Record at the end of my remarks. This article describes the problems independent oilmen are having in trying to purchase casing, tubing and drill pipe. Supplies have since shrunk, and delivery times have lengthened.

Mr. President, I realize that the provisions of this measure are included in the standby energy emergency measure which is presently pending before the Senate. However, because I foresee such difficulty in enactment of S. 3267, I feel it is appropriate to introduce this as a separate bill.

There being no objection, the article was ordered to be printed in the Record, as follows:

Oil Executive Asks Probe of Shortages

Roswell.—Rogers R. Aston, independent petroleum company executive and former president of the New Mexico Oil and Gas Assn., has called upon the U.S. Congress to "carefully investigate" the entire oil field equipment industry "to determine where all our casing and oil field equipment is going."

"This needed equipment is not reaching our domestic oil exploration firms" and as a result the drilling of deep wells with "vast oil and gas potential" is being held up all over the nation, he said in a letter addressed to members of Congress, the Federal Power Commission and the Federal Energy Office.

"Eight months ago, supply firms could deliver oil field tubular goods overnight to our yards in any size and quantity," wrote Aston, who is president of Franklin, Aston & Fair, Inc., located in this city. "Now, we have been unable to get any pipe firm to even accept our order for cement-lined specialty pipe."

Drill collars and drill pipe are being quoted for delivery in March and April of 1976, and compressors and triplex pumps are almost unavailable at any price, he said, giving as an example of run-away costs the present $4,250 selling price of 500 barrel oil storage tanks—"if you can find one"— which sold for $1,800 in the late 1960's.

"We see our dollar devalued and foreign countries bleeding our coffers dry of our dollars and our gold to buy costly foreign crude oil which is undependable and subject to political blackmail," he continued, "We are told that we must 'plow back' our profits, and this we are willing to do in the framework of good economic operation of our firms, but how does one plow back if one has no plow?"

Aston defended "the proud record of achievement of the domestic oil producer over the past 50 years" and wrote that "through his expertise lies the solution to our immediate energy problems."

"We must drill more and more domestic oil and gas wells, both onshore and offshore. Prices and incentives must be such that the exploratory oil driller is encouraged to take the desperate gamble of a 50 to 1 chance of finding a truly commercial oil or gas field," he said.

"The U.S. Geological Survey states that there is more oil and gas in the U.S. waiting to be discovered than we have discovered to date. I hope that Congress and the government will make it possible for those of us who have spent our lives in the hectic, damnable but satisfying, search for new oil and gas fields to do just that."

By Mr. WEICKER:

S. 3521. A bill to establish an office within the Congress with a toll-free telephone number, to be known as the Congressional Advisory Legislative Line—CALL—to provide the American people with free and open access to information, on an immediate basis, relating to the status of legislative proposals pending before the Congress. Referred to the Committee on Rules and Administration.

Mr. WEICKER. Mr. President, communication is what differentiates our form of government from a dictatorship. In its simplest terms, democracy is a two-way street of communication between elected officials and the public. When I address my young constituents in Connecticut, I try to emphasize that point. Democracy is an outdoor plant. It only flowers when left in the open. As soon as the doors are closed the trouble starts—trouble in the form of Watergates, Vietnams, and Russian wheat deals.

But open government does not just happen. It is not automatic. Communication can fail at either end of the two-way street, and there are hurdles which must be cleared to permit the round trip of communication between government and the public. It was with that in mind that our Founding Fathers wrote a first amendment to the Constitution guaranteeing freedom of the press. And Government is becoming more open all the time. Most meetings of congressional committees are now open to the public and many Government operations which just a few years ago were considered to be sacred cows are now receiving close scrutiny and public examination.

Today, I am introducing a piece of legislation that will help to facilitate open communication between the Congress and the American people. The Congressional Advisory Legislative Line would implement an 800 toll-free telephone number line, within the House information system's "bill status office" to afford the American people with an accessible, immediate service by which they may obtain information relating to the status of pending legislation before the Congress.

The CALL bill would represent a sound move on the part of the Congress—a way of both reaching out to the people and allowing the people to reach the Congress. It is an attractive opportunity to put to use benefits of today's technology. CALL would be a logical expansion of the computer services already in use by the bill status center, and the concept of the 800 toll-free telephone line is already in use by countless corporations and Federal agencies and departments with an interest in close communications with the public—the IRS, Social Security, FEA, Consumer Product Safety Commission are just a few examples. Why should not the legislative branch, which more closely represents and serves the people than any other branch of Government, take advantage of the opportunity to put this service to effective use?

The House Administration and the Senate Rules and Administration Committees, through the Information Systems Office, is currently conducting a traffic study to determine exactly how many lines would be required by the CALL 800 service. An estimate of the cost of implementing and maintaining the Congressional Advisory Legislative Line cannot yet be made, but I do not think it would be prohibitive; rather, I believe it would be a sound and worthwhile investment toward a more open communication between the Congress and the public.

Mr. President, I ask unanimous consent that the full text of the CALL bill be printed below. I would also like to compliment Congressman Yatron of Pennsylvania for his initiative in introducing similar legislation in the House. Hopefully, this CALL bill is just a start—one new approach by a Congress that is acknowledging its responsibility to open itself to the American people.

Further, I would like to take this opportunity to bring the attention of my Senate colleagues the proposals of a now 2-year-old report. I refer to the study by the Subcommittee on Computer Services of the Committee on Rules and Administration of February 29, 1972, proposing the establishment of an automated legislative recordkeeping system in the U.S. Senate. Today's information and computer technology can be effectively applied to the legislative recordkeeping activities within the Senate, facilitating storage and access to information that is needed regularly by the secretary of the Senate, the Senator's offices, and the committee offices. I cannot think of a better example of an opportunity for the Senate to implement our Nation's advanced technology to increase the daily operating effectiveness of the U.S. Senate. Therefore, I would suggest that my colleagues seek to familiarize themselves with this report and support efforts to develop this essential information system.

By Mr. BIDEN:

S. 3522. A bill to amend the Railroad Retirement Act of 1937 to permit an individual to receive a spouse's annunity even though such individual renders compensated service for the outside employer by whom such individual was last employed before the spouse's annuity of such individual began to accrue. Referred to the Committee on Labor and Public Welfare.

Mr. BIDEN. Mr. President, I send to the desk for appropriate reference a bill to amend the Railroad Retirement Act of 1937 and ask unanimous consent that it be included at the end of my remarks.

Under the provisions of the Railroad Retirement Act, an employee must cease all compensated service, both railroad and nonrailroad, before becoming eligible for a retirement annuity. Once benefits have begun, however, the retiree is permitted to work for anyone, without earnings restrictions, except a railroad or his last nonrailroad employer. This prohibition on last person service also applies to the annuitant's spouse, should the spouse become eligible for benefits—often referred to as a "wife's annuity."

Retention of the last person service provision has caused considerable controversy in previous years. I would like to focus on this requirement as it specifically relates to the spouse's annuity.

I regard this prohibition on employment as inequitable because it has had, in a significant number of cases, the effect of unnecessarily disrupting long-term employee-employer relationships. Let me illustrate the unfairness of this provision with an example—

A man retires from the railroad and begins to draw his annuity. His wife, who is working at a local store, becomes eligible for a spouse's annuity. Although she is entitled to this money as a result of her husband's years of contributions to the retirement fund, she is forced to quit her job in order to collect. Then, a month after the annuity begins, she goes out and gets another job in a store across the street. Although again employed and performing virtually the same task as before, she has been compelled to quit a job she had held for years, only to have to search for another one in which a brand new working relationship must be started. I think it is unfair to put a person through this needless aggrevation, and since there is very little, if any, justification for it, I urge that this requirement be dispensed with.

The Railroad Retirement Board estimates that deletion of last person service for the spouse would affect about 750 people amounting to $111 per person per month. This is a very small sum of money compared to the overall size of the railroad retirement fund and would save the people involved considerable hardship, financial, and otherwise. The cost would be borne by the railroad companies since the employees pay into the fund at the social security rate.

By Mr. MAGNUSON:

S.J. Res. 210. Joint resolution authorizing and requesting the President of the United States to proclaim June 2 to June 8 as "National Halibut Week." Referred to the Committee on the Judiciary.

Mr. MAGNUSON. Mr. President, I submit, for appropriate reference, a joint resolution authorizing and requesting the President of the United States to proclaim June 2 to June 8 as "National Halibut Week." In addition, this resolution calls upon the people of the United States to observe such week with appropriate ceremonies and activities.

This will be the 20th annual observance of Halibut Week, originally planned to be an occasion marked by focusing attention to the succulence and nutritional values of this prized North Pacific resource. There has also been time for tribute to the hardy men and vessels of this large fishing fleet, much of which is based in my home State.

This year, however, as in 1973, my principle concern and that of the fishermen and industry in general, is less likely to give attention to the marketing aspects, but rather will speak to the question of the fate of the resource itself. Last year at this time we were awaiting word from the Department of Commerce as to the validity of reports that foreign trawlers were harvesting immature halibut and even marketing it in the United States. We need no further reports on this, for the record is now quite clear. The Japanese have been found guilty on both counts.

Mr. President, the halibut commercial fishery had its beginnings off the northwest coast of the State of Washington in 1888 and soon became a resource of economic interest to both the United States and Canada. The industry's first production record of note was achieved in 1915 when 69 million pounds were taken. From that time until the early 1930's, catches went downward. Then in 1934, we thought we had struck bottom when landings plummeted to 34 million pounds.

As a direct result of conservation regulations developed by the International Pacific Halibut Commission accompanied by considerable fishermen and industry sacrifice, the runs were gradually restored until a record of 75 million pounds was reached in 1969. With just 4 years of foreign trawling in the Bering Sea we have struck a new bottom as Canadian and United States production last year was less than half that figure, just 32 million pounds.

In December of last year—just following unsuccessful attempts by the United States to achieve Japanese cooperation at the International North Pacific Fisheries Commission meetings in Tokyo—the Department of Commerce, through its Director of National Marine Fisheries, was highly critical of the Japanese attitude in the face of urgent conservation problems in regard to Pacific halibut.

In the eastern Bering Sea, site of major foreign trawling efforts, the North American setline fishery showed a massive decline from a peak of 11 million pounds in 1963 to less than 200,000 pounds in 1973. Whereas 104 United States and Canadian vessels participated in the 1963 fishery, only 7 were there last year, a 93-percent reduction. For 1974, the three U.S. vessels there clearly demonstrates the resource depletion.

Meanwhile, during the same period, Japan increased its annual trawl catch in the same area by 500 percent—to more than 4 billion pounds of fish 1972—which in 1971 included 11 million pounds of "incidental" halibut catch.

Mr. President, the current crisis facing United States and Canadian halibut fleets comes as no surprise to me or to those who testified or listened at Senate Commerce Committee hearings 13 years ago. Harold Lokken, manager of the Fishing Vessel Owners Association of Seattle, testified before my committee in October 1961 with a tone of fear for the future:

> As the Bering Sea is an important halibut area, both from the standpoint of fish taken on the grounds there and as an area which serves in part to supply fish to other areas off Alaska, British Columbia, and Washington, mounting of this huge fishing operation in Bering Sea is a development which can only result in the beginning of the destruction of the halibut fishery.

There were those who even then placed their faith in the "spirit and intent" of the North Pacific Fisheries Convention to protect the halibut stocks and the great runs of red salmon to Bristol Bay. The latter stock, perhaps, is in even worse condition with a 1974 expected run of only 5 million salmon, just about half of the estimated 9 million fish spawning requirements. American fishermen at Bristol Bay will be virtually closed down in order that proper seeding can take place, but Japan will be on the high seas with their miles and miles of nets to attempt to indiscriminately intercept whatever they can from the migrating stocks. Regard for future runs appears to be totally absent from that nation's harvest planning.

Early in 1963, noting the growing problem with Japan's unrestricted trawl fishery in Eastern Bering Sea, I expressed hope that balance might prevail. I said: "Japan has bigger fish to fry than the halibut she can take from

Eastern Bering Sea. She has to trade with us to keep going and she knows it."

Just last week, while chairing hearings of the Senate Commerce Committee on S. 1988 to establish an interim 200 mile fishery management zone I reiterated that statement. "Japan has bigger fish to fry." I also criticized the continuing weakness of American negotiators at the world's fishery conference tables. This also was not a new observation on my part. A dozen years ago I asked the question: "When are we going to begin winning? Why is it the United States is always expected to do the yielding at these international meetings."

Mr. President, today we are looking ahead to the beginning of the Law of the Sea Conference at Caracas, following 3 years of preparatory negotiation and work. Few care to venture optimism for that meeting, but most feel that a continuation of discussions will occur in Vienna in 1975. Even then, assuming agreement might be reached, most experts predict that it will be a long time before the necessary ratifications can be secured from member nations to constitute binding international agreement.

I will admit that Japan, quite recently and under considerable duress, has reached an agreement of sorts with Department of Commerce fishery representatives to take some conservation steps to assist the Bering Sea halibut fishery. The compromise is inadequate, in my judgment, and clearly demonstrates the need for a better control and management of these fisheries as proposed in my S. 1988.

I congratulate the members of the North Pacific halibut industry for their dedication and perseverance in continuing their annual Halibut Week in the face of such resource adversity. Their willingness to continue the fight for preservation and conservation of this marvelous ocean resource is rivaled only by the traditional courage and determination in facing the perils of the open sea to continue this great, historic fishery.

In short, these men have recorded 30 years of sacrifice to restore the halibut resource, only to find that an unrestricted foreign trawl fishery has destroyed their goal.

Mr. President, it is difficult to envision the 1974, 20th annual Halibut Week as a time for joy, but I cannot help admiring the spirit expressed by the citizens of my State in a time of near-hopeless adversity.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1988

At the request of Mr. MAGNUSON, the Senator from Florida (Mr. GURNEY) was added as a cosponsor of S. 1988, to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes.

S. 2665

At the request of Mr. SPARKMAN, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 2665, to authorize funds for U.S. participation in the International Development Association.

S. 2774

At the request of Mr. HATFIELD, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 2774, to provide assistance in improving zoos and aquariums by creating a National Zoological and Aquarium Board, and for other purposes.

S. 3074

At the request of Mr. CLARK, the Senator from Washington (Mr. MAGNUSON) was added as a cosponsor of S. 3074, a bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs with respect to health education and health problems.

S. 3147

At the request of Mr. CLARK, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 3147, a bill to amend the Occupational Safety and Health Act of 1970 to provide additional assistance to small employers.

S. 3209

At the request of Mr. ROBERT C. BYRD, for Mr. NELSON, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 3209, the National Resource Information Act.

S. 3277

At the request of Mr. DOMENICI, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor to S. 3277, a bill to amend the Solid Waste Disposal Act, to encourage full recovery of energy and resources from solid waste, to protect health and the environment from the adverse effects of solid waste disposal, and for other purposes.

S. 3307

At the request of Mr. MAGNUSON, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 3307, the Coast Guard Authorization bill.

S. 3335

At the request of Mr. MAGNUSON, the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of S. 3335, to establish a Marine Fisheries Conservation and Management Fund.

S. 3343

At the request of Mr. WEICKER, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 3343, the Interstate Railroad Act of 1974.

S. 3403

At the request of Mr. DOLE, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 3403, to amend the act of August 31, 1922, to prevent the introduction and spread of diseases and parasites harmful to honeybees.

S. 3413

At the request of Mr. METZENBAUM, the Senator from Michigan (Mr. HART), the Senator from Florida (Mr. CHILES), and the Senator from North Dakota (Mr. BURDICK) were added as cosponsors of S. 3413, to amend the Land and Water Conservation Fund Act of 1965 to raise the funding figure from $300 to $500 million.

S. 3458

At the request of Mr. MCGOVERN, the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of S. 3458, to amend the Agriculture and Consumer Protection Act of 1973, and for other purposes.

S. 3459

At the request of Mr. MCGOVERN, the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of S. 3459, to amend the National School Lunch and Child Nutrition Acts to increase the level of Federal assistance for child nutrition programs, and for other purposes.

S. 3485

At the request of Mr. WEICKER, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of S. 3485, to amend the Rail Reorganization Act of 1973 to allow adequate time for citizen participation in public hearings, and for other purposes.

SENATE CONCURRENT RESOLUTION 87—SUBMISSION OF A CONCURRENT RESOLUTION RECOGNIZING THE CENTENNIAL ANNIVERSARY OF THE UNIVERSITY OF NEVADA

(Referred to the Committee on the Judiciary.)

Mr. BIBLE. Mr. President, on behalf of myself and my able and distinguished colleague Senator CANNON, I introduce for appropriate reference a Senate concurring resolution recognizing the centennial anniversary of the University of Nevada.

As an alumnus of the class of 1930 of the University of Nevada, I take special pleasure in offering this resolution. In a very real sense the university represents the fulfillment of the vision expressed by the Congress more than 100 years ago when it enacted and President Abraham Lincoln approved the first Morrill Land Grant Act to endow public universities for the enlargement and dissemination of knowledge in the agricultural and mechanical arts.

It was just 12 years after the approval of the first Morrill Act, on what was then a distant frontier of our Nation, that the people of Nevada availed themselves of the Land Grant Act and launched what has now become one of the outstanding State university systems in the Nation.

The University of Nevada was established in 1874. Now 100 years later the people of Nevada are celebrating the centenary of higher education in that State.

In this anniversary year, it is appropriate for the Congress to pause and for the people of the Nation to reflect on the growth of higher learning in America. Our citizens have been partners in this splendid experiment, and we Nevadans would like to take this centennial occasion to make a report to the Congress and the Nation on what has been achieved in our State in the past century.

The oldest university building in Nevada is named Morrill Hall; it is located on the Reno campus and is nearly 90 years old. It is a tangible reminder that one of the important inspirations for our State university system came from these Halls of Congress and from the mind of Senator Justin Morrill of Vermont.

Senator Morrill was one of the few people who recognized as early as the 1850's that American education needed a new impetus and a new direction. The small colleges that dotted the map of the East, Midwest, and South were poor in money and poorly prepared to meet the needs of a challenging society. Most of them were church-supported schools, concerned about the moral training of their students but unable to offer much significant instruction in the sciences, agriculture, or other practical skills so important to a developing society.

At first Senator Morrill met overwhelming resistance to his plan for creating and supporting State universities and colleges that would serve a broad range of educational needs. He wanted to create a Federal endowment program to provide money for instruction in agriculture and the mechanic arts, as well as the liberal arts. The first time he got his legislation passed, it was vetoed by President James Buchanan. Finally, in 1862, Congress approved his concept again, and this time President Abraham Lincoln signed it.

The pioneers of Nevada began almost immediately to try to put this imaginative legislation into service. When the State's founding fathers drafted a constitution in 1864, they used much of the language of the Morrill Act to provide for higher education in Nevada. The makers of the State's constitution did their work well, making provision for a legally independent institution with permanent financial support from the land grant money.

Almost immediately, Nevada obtained Federal land under the law, sold it to pioneers, and invested the money in a fund to provide a perpetual university endowment. The constitution affirmed, as the Morrill Act has done, that the University of Nevada must offer instruction in agriculture, the mechanic arts, and—because the Civil War was uppermost in many minds—military science. Nevadans also insisted upon instruction in mining, because of the State's primary economic orientation.

In spite of noble efforts, Nevada could not create its university immediately. It required several years for the land grant money to accumulate and for the necessary combination of legislative support and academic talent to be arranged. But in the fall of 1874, the Silver State was ready to being its first modest instruction leading to university work. D. R. Sessions, a Princeton graduate in the classics, opened the doors of the first university building in Elko to seven students on October 12, 1874.

The institution was called a university preparatory school in the beginning, and it was hardly a fulfillment of Justin Morrill's dream. For 11 years, the university preparatory school struggled to survive without being able to offer much instruction in agriculture or the mechanic arts. Elko County is almost twice as large as Senator Morrill's home State, but it had only 3,000 or 4,000 people in the 1870's and it was far removed from all population centers.

In 1886 and 1887 two developments—one in Nevada and another in the Congress—gave the little university preparatory school greater opportunity to fulfill the aspirations of its founders. The university was moved from Elko to Reno, effective in 1886, and the following year Congress approved the Hatch Act, which provided for the funding of agricultural experiment stations in every State. The fact that the university was moved to a larger population center and the combination of the Nevada Agricultural Experiment Station with the university gave the institution resources it needed for college-level work.

The history of the University of Nevada since that time has involved a partnership between the Federal Government and the people of the State of Nevada, acting through their legislature and the board of regents. Of crucial importance also has been the generosity of innumerable private contributors who have recognized the importance of higher education to the progress of the Nation.

The assembling of faculties and the development of programs to educate and train students and to expand the fields of knowledge to be served in Nevada has been a gradual process. "To create a State university, to build up its various departments, and fill it with professors, is a work of time," one of Nevada's constitution makers had said in 1864. There were years of privation and struggle, but in the best tradition of the American frontier, the University of Nevada became stronger in the face of challenge. Its Mackay School of Mines became one of the best of its kind in the Nation. Its agricultural researchers made outstanding contributions to America's farmers and ranchers. The Reno campus has become the headquarters of the National College of the State Judiciary and the National College of Juvenile Justice. It is pioneering in the field of health science education.

The University of Nevada system in 1974 is serving approximately 20,000 students. It has campuses in Reno and Las Vegas; it has three community colleges with headquarters in Carson City, Elko, and Las Vegas and instruction centers in a dozen other communities. It has a network of experimental farms across the State, a forest laboratory in the Sierra Nevada, and a Desert Research Center which has made great strides in weather modification and now is pioneering in the use of solar energy. Its faculties have books in print with some of the outstanding academic and commercial publishers in the world. Research done in geology, physics, languages and literature, psychology, history, and other fields has received international attention.

Nevada, in the centennial years of its university experiment, has good reason to celebrate. The university campus at Reno will be the scene of the main events to commemorate the centennial. Its administration, faculty, and students are eager to invite residents from other States to visit their attractive grounds, their old and new classroom buildings, and the special events being planned for the fall semester.

I am indebted to Dr. James Hulse, professor of history at the University of Nevada at Reno, for providing me this résumé of the history, growth, and development of the University of Nevada. Not only as a U.S. Senator privileged to represent the people of Nevada but as a grateful and proud alumnus of a truly great university, I want to join Dr. Hulse, the students, the administration, and the faculty of the University of Nevada in inviting the Members of Congress and people from all the States to visit our campuses this year and to share our pleasure in commemorating the past and in launching another century of educational achievement in Nevada.

The concurrent resolution reads as follows:

S. Con. Res. 87

Concurrent resolution recognizing the centennial anniversary of the University of Nevada.

Whereas 100 years ago, on October 12, 1874 the University of Nevada began as the University Preparatory School in Elko, Nevada serving seven students and has since become one of the nation's outstanding land grant universities now serving more than 20,000 students;

Whereas from a modest beginning as an educational pioneer in the West, the University of Nevada has become one of the foremost universities in the nation and has made outstanding contributions in the fields of mineral sciences and technology, engineering, agriculture, health sciences, education, environmental and energy research, and the arts and sciences generally;

Whereas the first century of the University of Nevada has been marked by outstanding achievements in higher education and is an unparalleled demonstration of constructive cooperation in education between the Federal government, the State of Nevada, and many private individuals who have given of their energies and resources to enhance educational opportunities in the State of Nevada and the nation: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States extend its congratulations and wholehearted best wishes to the students, faculty, administration, Board of Regents, and all the benefactors of the University of Nevada upon the occasion of its centennial anniversary.

Mr. CANNON. Mr. President, I am pleased to sponsor with Senator BIBLE this Senate concurring resolution recognizing the centennial celebration of the University of Nevada system. As the keystone of higher education in Nevada, the Nevada system has made invaluable contributions to the State's intellectual, political, cultural, economic, and social growth. I am proud to associate myself with the achievements of this fine institution during its first 100 years, and look forward to its continued growth and productivity as one of the leading State universities in the country.

The University of Nevada is recognized for its high caliber of faculty, students, and staff. Its expertise and progressive nature in a large variety of academic areas, and its modern facilities and teaching aids, are conducive to an active learning environment in the classroom. But the learning does not stop there. The system offers other advantages within the Nevada communities that encourage learning outside the classroom. The rich geographical surroundings, the unsurpassed recreational activities, and the historical sites in southern and northern Nevada greatly complement the learning environment of the Nevada system.

While the Nevada system has developed into a functioning, viable institution with two major campuses, it is still a comparatively small, personalized system, important to the serious student seeking a stimulating academic atmosphere within a friendly and casual setting.

As Senator BIBLE has outlined, the history of the University of Nevada system traces an exciting era of the State's development. Established in 1864, the year of Nevada's admission into the Union, the university actually began work in 1874 in the town of Elko. In 1886, the university was moved to Reno, with college-level study formally beginning in 1887. The Southern Regional Division in Las Vegas was first conceived in 1951, and in 1963 was given degree-granting status in several areas of study. The institution was officially named Nevada Southern University in 1965, and was renamed the University of Nevada, Las Vegas in 1969.

The system is now fully accredited by the Northwest Association of Secondary and Higher Schools, the official accrediting body for most western schools. There are numerous university programs which are also recognized by their respective national professional accrediting associations.

The university offers major fields of study leading to associate, baccalaureate and advanced degrees in a wide variety of academic departments. In addition, there are programs for superior high school students, internships, study abroad, teacher certification, public service, research, and many others. The system is the home of the National College of State Judiciary, the Desert Research Institute, and the National Council of Juvenile Court Judges. Another important arm of the University of Nevada system is the community college branch, which has several training centers throughout Nevada providing the needed technical training for thousands of students. The School of Medical Sciences was added to the University of Nevada, Reno campus in 1971, marking the era for professional schools in the State. The new medical school, which now has nearly 100 students, is a 2-year institution, designed to prepare students for entry into the third year of degree-granting medical schools. The success of the first graduating class in 1973 has been encouraging to all Nevadans who are interested in expanded and improved health care.

Mr. President, the future of the University of Nevada system is exciting. Within this decade, we may see a law school, a veterinarian school, and there has been some discussion of dental and architectural schools; we will see improvement of facilities and programs, and expansion of services and opportunities for Nevada's students; we will continue to see University of Nevada system providing needed research, expertise, and guidance for the development of the fastest growing State in the Nation; we will continue to see Nevadans participating in the educational process of their youth through representation and involvement in the system's approach to higher education.

We all know, Mr. President, that we are judged by what we do, not by what we say. The graduates of the University of Nevada system clearly demonstrate that the school has more than adequately fulfilled its educational responsibility. Graduates are in successful and productive positions in business, education, politics, athletics, military, social, and entertainment work throughout Nevada, the country, and the world. With their Nevada background and training, the alumni are proving that the system prepares students for adjustment into society as contributing members and outstanding leaders.

I strongly urge my Senate colleagues to carefully review the history and accomplishments of the University of Nevada, and to support the wording of this Senate concurring resolution. It has been my personal pleasure to become closely associated with the teachers and students of the University of Nevada.

MILITARY PROCUREMENT AUTHORIZATIONS, 1975—AMENDMENT

AMENDMENT NO. 1347

(Ordered to be printed and referred to the Committee on Armed Services.)

ECONOMIC CONVERSION DEMONSTRATION PROJECTS

Mr. McGOVERN. Mr. President, I submit for appropriate reference an amendment to S. 3000, and I ask that it be printed.

This amendment would give legislative authority to the Office of Economic Adjustment which is now in operation in the Department of Defense, and it would authorize $100 million for that Office to foster economic conversion demonstration projects by contractors who experience declining business with the Department of Defense.

For several reasons, this proposal is especially pertinent in 1974.

One is that we are concerned about a possible recession and rising unemployment.

Another is that Secretary of Defense Schlesinger has admitted to some substantial padding of this military budget—not to meet any urgent military need, but in the interest of stimulating the economy.

A third is that we are recognizing pressing needs in the civilian sector, in such fields as energy, rail transportation and mass transit, housing, and others.

And a fourth is that programs to meet any one of those needs can provide far more jobs for the same money than we can ever get from more spending on arms.

The B-1 bomber study which Congressman SEIBERLING and I released yesterday highlights one example.

The entire B-1 program is directly employing 25,650 people. That is the figure we obtained from the prime contractor, Rockwell International. It is the direct job impact of spending at an annual rate of $449 million the B-1 in fiscal 1974.

But if the same money had been invested entirely in payroll, it could have created 45,000 jobs at $10,000 a year. Or it could produce up to 100,000 jobs at the minimum wage.

That is true, because military projects of this kind are intensive in scarce and costly materials and in exotic technology, and they are not intensive in jobs. Almost any other public or private investment will employ more people.

Arms procurement spending is also a poor economic stimulus in today's context, because it is inherently inflationary. It aggravates shortages of fuels and other commodities that are in short supply. And it represents the creation of new demand in the economy without any offsetting supply.

What I propose, therefore, is that instead of creating a still greater dependence on spending for arms we do not need, we should help workers and facilities in arms industries convert to the production of things we do need and need desperately.

My amendment would set priorities for economic conversion demonstration projects in three broad areas—fuel efficient transportation systems, moderately priced housing, and the development of technology that will conserve fuels or assist in the recycling of materials that are in short supply.

We do have a responsibility to the workers who are employed on military projects that are phased out. But neither they nor the country are well served by proposals which can only prolong their dependence and further weaken the national economy.

Let us instead seek to involve them in work that will enhance the real measures of our national strength.

Mr. President, I ask unanimous consent that the text of my amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1347

On page 7, after line 23, add a new title as follows:

TITLE VII—ECONOMIC CONVERSION DEMONSTRATION PROJECTS

SEC. 701. (a) There is hereby established within the Department of Defense an office to be known as the Office of Economic Adjustment (hereinafter in this section referred to as the "Office"). It shall be the function of the Office to carry out the provisions of this title, under the supervision and control of the Secretary of Defense.

(b) There shall be at the head of the Office an officer to be known as the Director of the Office of Economic Adjustment (hereinafter in this section referred to as the "Director"). The Director shall be appointed by the Secretary of Defense.

SEC. 702. (a) There are authorized to be appropriated during the fiscal year ending June 30, 1975, the sum of $100,000,000 for the purpose of conducting economic conversion demonstration projects under this title.

(b) Any contractor shall be eligible to participate in an economic conversion demonstration project under this title if such contractor, within the preceding twelve month period, had in effect one or more contracts or subcontracts providing for the performance of services or the furnishing of materials or equipment for the Department of Defense, the total value of such contracts or subcontracts exceeded $10,000,000, and such contracts or subcontracts were completed, cancelled or reduced, without replacement by similar contracts or subcontracts to produce a net reduction equal to more than 25 percentum of the dollar value of the contractor's business with the Department of Defense.

SEC. 703. (a) Economic conversion demonstration projects under this title shall include the development and implementation by the contractor of a plan for utilizing plant, equipment, and personnel previously utilized in performing defense contracts or subcontracts in one or more of the following enterprises:

(1) fuel efficient transportation systems, including mass transit and rail transportation systems;

(2) construction of moderately priced housing; or

(3) the development of any product or equipment or the sale of any service utilizing a new method or technology that will conserve fuels or other materials in short supply or that will increase the feasibility of recycling any material in short supply.

(b) Priority shall be given under this title to supporting economic demonstration projects that will:

(1) utilize, to the greatest extent practicable, the existing equipment, facilities, and employees of a contractor;

(2) have the greatest promise of long-term economic viability;

(3) utilize or develop technologies that conserve fuel or other materials in short supply;

(4) pursue unique products, technology or production methods that are not direct competition with businesses that are not eligible for assistance under this title; and

(5) be located in areas with an unemployment rate of 8 per centum or greater or which are likely to become 8 per centum or greater as a consequence of the curtailment or cancellation of a defense contract.

SEC. 704. In carrying out the provisions of this title the Director is authorized to:

(1) make grants to any eligible contractor sufficient to cover up to 50 per centum of the cost of planning any economic conversion demonstration project;

(2) make or guarantee low interest, long-term loans for the purpose of assisting any eligible contractor to carry out an economic conversion demonstration project;

(3) provide technical and managerial assistance to any eligible contractor to assist such contractor to plan or carry out an economic conversion demonstration project; and

(4) prescribe such terms and conditions on assistance provided under this title as may be necessary to protect the interests of the United States and insure the success of the program authorized by this title.

SEC. 705. In performing the duties assigned by this title, the Director is authorized to:

(1) employ on a temporary basis, or contract with, private firms or individuals with expertise which may be helpful in finding solutions to specific economic adjustment problems;

(2) secure the assistance of other Federal agencies which administer economic development programs or conduct activities which might utilize the facilities or employ the manpower of contractors eligible for assistance under this title; and

(3) transfer the authority to use funds provided under this title to the Secretary of Transportation, the Secretary of Housing and Urban Development, or to the head of any other department or agency of the Federal Government which has an operational program that would be useful in the planning and implementation of economic conversion demonstration projects.

On page 8, line 1, strike out "Title VII" and insert in lieu thereof "Title VIII".

Renumber section 701 as section 801.

THE PROVISION OF ADEQUATE RESERVES OF CERTAIN AGRICULTURAL COMMODITIES — AMENDMENT

AMENDMENT NO. 1348

(Ordered to be printed, and referred to the Committee on Agriculture and Forestry.)

CONGRESS MUST ACT SOON ON FARM COMMODITY RESERVE LEGISLATION

Mr. HUMPHREY. Mr. President, today I am introducing a new amendment, in the nature of a substitute, to S. 2005, my bill to establish a national system of reserves of wheat, feed grains, soybeans, and cotton. I originally introduced S. 2005 on June 15, 1973. On February 19, 1974, I introduced amendment 963 to S. 2005 in the nature of a substitute, which was designed to simplify and strengthen the features of my original bill. Also included in amendment 963 were provisions for improved management of foreign sales whenever U.S. stocks are anticipated to fall below the reserve levels specified in my bill.

Events since February 1974, have only served to strengthen my conviction that we need grain reserve legislation. As prices have declined by over $9 per bushel in the last couple of months, many others have come to the conclusion that a reserve program is urgently needed to help temper volatile market fluctuations.

The amendment I am introducing today will again be in the nature of a substitute which contains the basic provisions of the original bill and those included in amendment 963 plus the following:

First. A provision increasing the 1974 crop established—target—price for wheat, from $2.05 per bushel to $3; for corn, from $1.38 per bushel to $2; and, for cotton, from 38 cents per pound to 50 cents. These increases are needed to cover the increased costs of production.

Second. A provision increasing the 1974 minimum loan rate for wheat, from $1.37 per bushel to $2; and, for corn, from $1.10 per bushel to $1.66. The 1974 minimum loan rate for soybeans would be adjusted upward on a comparable basis; these new minimum loan rate levels are two-thirds of the new target prices. Minimum loan rates in the future would continue to be two-thirds the target prices. Any future adjustments in the target price would be matched by a corresponding adjustment in the loan price.

Third. A provision requiring the application of the "escalator" provisions contained in the 1973 Agriculture and Consumer Protection Act, beginning with the 1975 crops of these commodities instead of 1976. This provision will automatically relate the target and loan prices to the cost of production.

Fourth. A provision for 3-year commodity farm loans which terminate on their anniversary date and which are not subject to call by the Secretary whenever stocks are expected to remain above reserve levels. And, whenever the Secretary is permitted to call such loans, he would be limited to calling only that amount of the commodity required to satisfy market needs.

Fifth. A provision limiting the sale price of Government-held stocks in times when stocks are above reserve levels to not less than the target price. Current law permits the sale of Government-held stocks at 105 percent of the loan rate, which under present law amounts to $1.44 per bushel for wheat and $1.16 per bushel for corn. These prices would not meet production costs, and they compare very unfavorably with my provision to limit sales to not less than the proposed target prices: $3 per bushel for wheat and $2 per bushel for corn.

Sixth. A provision setting loan rate levels at not less than 90 percent of the established target price whenever total carryover stocks are estimated to be less than the total reserve levels set in the bill.

Mr. President, as before, the main emphasis of this legislation is to provide adequate supplies of food and fiber at relatively stable prices for all users—farmers, processors, and housewives.

The heart of the bill remains the establishment of a program of reserves in wheat, feedgrains, soybeans, and cotton, with one-third owned and held by the Government and the remaining two-thirds held in private hands by farmers and traders.

The two-thirds held privately will will move freely in the open market with the purpose of this volume being to signal a warning when total reserves go below the levels set in the bill.

The one-third owned and held by the Government under my bill would be acquired through the farm commodity loan program. These stocks would be withheld from the market and released only under carefully prescribed terms and conditions. By requiring these stocks under the farm commodity program and restricting sales until prices rise well above market prices—135 percent of target price—the Government cost or investment in such stocks is held to a minimum. In fact, the Government might make money in the acquisition and sale of stocks under my bill.

A national reserve program of this nature will not only serve to assure adequate supplies for all Americans at reasonably stable prices. It will also make the United States a reliable supplier on the export market, and enable us to respond in case of national and international emergencies.

This latest amendment serves mainly to offer assurance to farmers that they can obtain a price which allows a fair return on their labor and investments. Since the Government has asked farmers to pull out the stops to increase production, there should be a sharing of the risk.

Recent crop estimates for 1974 suggest that we may have some modest excess supplies of crops available for reserve purposes this fall. If these projections prove accurate, and Congress fails to adopt the type of commodity reserve legislation that I am proposing, both American farmers and consumers will be the losers, in my judgment. Farmers will be faced with very low prices following harvest, with the likelihood that foreign buyers may increase their purchases at these lower prices and, thus, deprive the United States of the opportunity of placing some of these excess stocks in reserve. American farmers and other consumers could then again face the prospect of rapidly escalating prices in early 1975, just as happened in early 1974.

Mr. President, I wish to announce that I intend to request the full Senate Committee on Agriculture and Forestry to consider the bill I am introducing today within the next 30 days. Our Committee on Agriculture already has completed public hearings on my reserve bill and others. The changes reflected in the bill I am introducing today are changes which I proposed at those hearings, which were held on March 21–22, 1974.

In closing, I would like to place in the Record a portion of the testimony I presented before our committee last Wednesday pertaining to legislation I introduced (S. 2485) to strengthen government regulation of commodity futures trading.

The point of my introducing this excerpt is that some people blame the commodity futures trading for the price instability in the market. The commodity futures trading reflects the uncertainty of the market, and if volatile price swings are to be curbed, stabilizing mechanisms such as a reserve program are needed.

Mr. President, I ask unanimous consent that the excerpts from this testimony be included at this point in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Excerpt From Testimony by Senator Hubert H. Humphrey On Commodity Futures Trading

The strong interest in commodity futures trading and stronger regulation of such markets is a fairly recent phenomenon. In fact, this sudden interest can be charted with the changes that began to occur in our soybean and grain markets in 1972, as a result of sharp increases in exports to Russia, and other foreign buyers at that time. Prior to that period our markets here in the U.S. were very stable, with fluctuations in prices mainly occurring on a seasonable basis. However, since this sudden draw-down in U.S. and world reserves of wheat, feed grains and soybeans since 1972, prices have not only risen to all-time highs, but also have fluctuated wildly. In February of this year wheat reached $6.36 per bushel in Chicago for May delivery. Today prices for wheat have fallen to below $3.50 per bushel, with the likelihood of falling below the $3.00 level by harvest time. And since January of this year, wheat has been subject to being bid-up or down the daily limit very frequently.

As Secretary Butz seems to take great pleasure in telling his audiences these days, "we are in a new ball game today". Well, we are not only in a new ball game, but unless we understand the rules of this "new ball game" we are going to be in for a lot of "boom and bust" agriculture in future years.

If anyone feels uncomfortable about the ups and downs of commodity markets today, I'm here to tell them that they will *not* find any relief by merely strengthening the government's regulation of those markets. For the most part, commodity futures markets do, in fact, reflect the uncertainties of the supply-demand aspects of the marketplace. When there is little or no certainty as to how much of a given commodity is going to be available over a particular period of time, and/or little or no certainty about the dimensions of demand, the future's market will reflect that degree of uncertainty with highly volatile price fluctuations.

We must remember that today we have neither reserves of grain or of land to fall back on in the event of any crop failure that may occur—either here in the U.S. or elsewhere in th world.

The old stabilizers of the 1950's and 1960's are no longer with us:

Today, there are no longer any grain reserves;

Today, there are no longer any reserves of cropland;

Today, U.S. farmers and consumers are no longer insulated from the world market. Today, the U.S. is highly dependent upon such markets, which means any changes in them will likely have immediate impacts on our domestic market;

Today, we no longer have a transportation system which sellers can rely upon in fulfilling their contracts with buyers;

Today, we no longer can be certain of essential inputs, such as fuel and fertilizer which are required to produce food;

Today, we no longer have a stable dollar; and

Today the marketplace is required to monitor, analyze, digest and reflect upon an incredible number of variables, uncertainties, and yes, even rumors that heretofore it did not have to contend with.

And while the marketplace always has had to speculate on the "weather", today that particular variable has risen to even greater dominance.

In short, unless we are prepared to reestablish some of these "market stabilizers" I have just referred to—especially some system of food reserves—we can expect more, not less, volatility and wild fluctuations in agricultural market prices in the future—regardless of what actions may be taken by Congress to improve and strengthen the regulation of futures trading!

Mr. HUMPHREY. Mr. President, 10 Senators joined me in sponsoring the previous substitute amendment, No. 963. I invite my colleagues in the Senate to cosponsor the substitute amendment I am introducing today, and will welcome their support.

Mr. President, I ask unanimous consent that the full text of my new amendment, in the nature of a substitute, to S. 2005 be printed in the Record at this point.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 1348

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) the proviso contained in the first sentence of section 107(a) of the Agricultural Act of 1949 as added by paragraph (8) (A) of the Agriculture and Consumer Protection Act of 1973 is amended to read as follows: "*Provided*, That in no event shall such level be less than an amount equal to 66⅔ per centum of the established price per bushel for wheat."

(b) Section 107(c) of the Agricultural Act of 1949 as added by paragraph (8) (D) of the Agriculture and Consumer Protection Act of 1973 is amended by striking out that portion beginning with clause (2) and ending with striking out that portion beginning with the colon preceding the proviso, and inserting in lieu thereof the following:

"(2) the loan level determined under subsection (a) for such crop

is less than the established price of $3.00 per bushel in the case of the 1974 crop; $3.00 per bushel adjusted to reflect any change during the calendar year 1974 in the index of prices paid by farmers for production items, interest, taxes, and wage rates in the case of the 1975 crop; the established price for the 1975 crop adjusted to reflect any change during the calendar year 1975 in such index in the case of the 1976 crop; and the established price for the 1976 crop adjusted to reflect any change during the calendar year 1976 in such index in the case of the 1977 crop, times in each case (ii) the allotment for the farm for such crop, times (iii) the projected yield established for the farm with such adjustments as the Secretary determines necessary to provide a fair and equitable yield:".

Sec. 2. (a) Section 105(a)(1) of the Agricultural Act of 1949 as amended by paragraph (18)(A) of the Agriculture and Consumer Protection Act of 1973 (amending section 501(a) of the Agricultural Act of 1970) is amended by striking out "not less than $1.10 per bushel nor in excess of 90 per centum of the parity price therefor" and inserting in lieu thereof the following: "not less than an amount equal to 66⅔ per centum of the established price per bushel for corn".

(b) The second sentence of section 105(b) of the Agricultural Act of 1949 as amended by paragraph (18) (B) of the Agriculture and Consumer Protection Act of 1973 (amending section 501(a) of the Agricultural Act of 1970) is amended by striking out that portion beginning with clause (2) and ending with the colon preceding the proviso, and inserting in lieu thereof the following:

"(2) the loan level determined under subsection (a) for such crop

is less than the established price of $2.00 per bushel in the case of the 1974 crop; $2.00 per bushel adjusted to reflect any change during the calendar year 1974 in the index of prices paid by farmers for production items, interest, taxes, and wage rates in the case of the 1975 crop; the established price for the 1975 crop adjusted to reflect any change during the calendar year 1975 in such index in the case of the 1976 crop; and the established price for the 1976 crop adjusted to reflect any change during the calendar year 1976 in such index in the case of the 1977 crop:".

Sec. 3. Section 103(e)(2) of the Agriculture Act of 1949 as amended by paragraph (20)(C) of the Agriculture and Consumer Protection Act of 1973 (amending section 602 of the Agricultural Act of 1970) is amended by striking out that portion beginning with clause (2) and ending with the colon preceding the proviso, and inserting in lieu thereof the following:

"(2) the loan level determined under paragraph (1) for such crop

is less than the established price of 50 cents per pound in the case of the 1974 crop; 50 cents per pound adjusted to reflect any change during the calendar year 1974 in the index of prices paid by farmers for production items, interests, taxes, and wage rates in the case of the 1975 crop; the established price for the 1975 crop adjusted to reflect any change during the calendar year 1975 in such index in the case of the 1976 crop; and the established price for the 1976 crop adjusted to reflect any change during the calendar year 1976 in such index in the case of the 1977 crop:".

SEC. 4. The Agricultural Act of 1970 is amended by adding at the end thereof a new title as follows:

"TITLE XI—CONSUMER AND MARKETING RESERVES

"MINIMUM SALE PRICES OF CERTAIN COMMODITIES SOLD FROM STOCKS OF THE COMMODITY CREDIT CORPORATION

"SEC. 1101. (a) Effective only with respect to the 1974 through 1977 crops of wheat, feed grains, cotton, and soybeans, the third sentence of section 407 of the Agricultural Act of 1949, as amended, is amended by striking out the third proviso (relating to the minimum price at which certain grains in the stocks of the Commodity Credit Corporation may be sold) and inserting in lieu thereof the following: *'And provided further,* That except for dispositions to friendly countries under the Agricultural Trade Development and Assistance Act of 1954, as amended, the Commodity Credit Corporation shall not sell any of its stocks of wheat, corn, grain sorghum, barley, oats, or cotton, respectively, at less than 135 per centum of the established price applicable by law to the current crop of any such commodity, or any of its stocks of soybeans at less than 150 per centum of the current national average loan rate for such commodity, adjusted (in the case of all such commodities) for such current market differentials reflecting grade, location, and other value factors as the Secretary determines appropriate, if the Secretary determines that the sale of such commodity will (1) cause the total estimated carryover of such commodity at the end of the current marketing year for such commodity to fall below six hundred million bushels in the case of wheat, forty million tons (collectively) in the case of corn, grain sorghum, barley, and oats, 5 million bales in the case of cotton, or one hundred and fifty million bushels in the case of soybeans, or (2) reduce the stocks of the Commodity Credit Corporation below two hundred million bushels in the case of wheat, fifteen million tons (collectively) in the case of corn, grain sorghum, barley, and oats, 1.5 million bales in the case of cotton, or fifty million bushels in the case of soybeans; and in no event may the Corporation sell any of its stocks of any such commodity in any marketing year at less than the established price applicable by law to the current crop of any such commodity, adjusted for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate plus reasonable carrying charges, whenever the total estimated carryover of such commodity in such marketing year is in excess of the amount specified for such commodity in clause (1) above.'

"RECALL PERIOD FOR LOANS ON CERTAIN COMMODITIES

"(b) Notwithstanding any other provision of law, price-support loans on wheat, feed grains, cotton, or soybeans stored under seal on the farm or in private commercial facilities (including farmer cooperative facilities) may not be called by the Secretary prior to the expiration of three years from the date on which such loans were made unless the Secretary determines that the projected carryover of the commodity concerned will fall below the amount specified for such commodity in clause (1) of the third proviso of the third sentence of section 407 of the Agricultural Act of 1949, as amended by subsection (a) of this section, and then only to the extent that the call of such loans is necessary to provide an adequate and orderly supply of the commodity concerned to meet domestic needs, or the needs of friendly countries under the Agricultural Trade Development and Assistance Act of 1954, as amended. Loans called by the Secretary under authority of this section prior to their maturity dates shall be called on the basis of their respective maturity dates, the oldest loans being called first.

"LOAN RATE FOR CERTAIN COMMODITIES

"(c) Notwithstanding the provisions of section 107(a) of the Agricultural Act of 1949 as added by paragraph (8)(A) of the Agriculture and Consumer Protection Act of 1973, the provisions of section 105(a)(1) of the Agricultural Act of 1949 as amended by paragraph (18)(A) of the Agriculture and Consumer Protection Act of 1973 (amending section 501(a) of the Agriculture Act of 1970), or the provisions of any other law, whenever, for any marketing year, the Secretary estimates that the carryover stocks of wheat will be less than six hundred million bushels, the carryover stocks of feed grains will be less than forty million tons, the carryover stocks of cotton will be less than 5 million bales, or the carryover stocks of soybeans will be less than one hundred and fifty million bushels, the Secretary is authorized and directed to make available loans (1) to producers participating in the wheat, feed grain, or upland cotton program, as the case may be, at not less than 90 percent of the established price for such commodity for the crop year concerned (1974 through 1977), and (2) to producers of soybeans of a comparable basis.

"EXPORT LICENSE REQUIRED FOR CRITICAL COMMODITY; VALIDATED EXPORT LICENSING SYSTEM

"(d)(1) Effective only with respect to the 1974 through 1977 crops of wheat, feed grains, cotton, and soybeans, whenever the Secretary of Agriculture finds that the combined domestic requirements and export sales of any such commodity threaten to reduce the carryover of such commodity at the close of the marketing year for such commodity below the level specified for such commodity in clause (1) of the third proviso of the third sentence of section 407 of the Agricultural Act of 1949, as amended by subsection (a) of this section, he shall designate such commodity as a 'critical' commodity for the current marketing year, and thereafter, during such marketing year, no person may export any such commodity from the United States without an export license issued by the Secretary of Agriculture authorizing the export of such commodity by such person.

"(2) The Secretary of Agriculture is directed to maintain a weekly projection of foreign sales and domestic requirements in relation to available supplies for each designated critical commodity. Except for sales and other dispositions made to friendly countries under the Agricultural Trade Development and Assistance Act of 1954, as amended, at any time that the projected carryover stocks for any commodity in any marketing year fall below the level specified for such commodity in clause (1) of the third proviso of the third sentence of the Agricultural Act of 1949, as amended, the Commodity Credit Corporation may not, so long as the stocks of such 'critical' commodity remain below such level, sell any of its stocks of such commodity for export for less than 120 per centum of the weekly average cash price of the commodity in Chicago, Kansas City, and Minneapolis markets in the immediately preceding week, except that in the case of cotton, the minimum price at which such commodity may be sold shall be 120 per centum of the weekly average cash price in the designated spot markets reported by the United States Department of Agriculture in the immediately preceding week. None of the stocks of any commodity designated as a critical commodity under this section may be sold by the Commodity Credit Corporation to any buyer for domestic utilization unless such buyer agrees, in such manner as the Secretary of Agriculture may prescribe, that any stocks of such commodity sold to him will not be exported.

"(3) Whenever the projected carryover stocks of wheat, feed grains, cotton, or soybeans fall below the level specified for such commodity in clause (1) of the third proviso of the third sentence of the Agricultural Act of 1949, as amended—

"(A) the Secretary of Agriculture is authorized to initiate a 100 per centum validated export licensing system with respect to such commodity if the President determines the initiation of such system with respect to such commodity is necessary to protect the United States against a future shortage thereof or is necessary to protect the economy of the United States. The Secretary is also authorized to initiate, either in conjunction with or independent of a 100 per centum validated export licensing system, any reporting system he deems appropriate with respect to any such commodity; and

"(B) no quantity of such commodity may be exported to any foreign country in an amount that would result in total export sales to such country (from the United States) during such year in excess of 120 per centum of the amount of export sales of such commodity to such country (from the United States) in the preceding marketing year, unless the Secretary of Agriculture specifically approves the export of such quantity to such country.

As used in this paragraph, the term '100 per centum validated export licensing system' means a licensing system under which (i) the Secretary of Agriculture authorizes the exportation of a quantity of wheat, feed grains, cotton, or soybeans only when the application for a license to export any such commodity is accompanied by a certified copy of a contract for the export from the United States of a quantity of such commodity equal to the quantity of such commodity for which the export license is requested, and (ii) licenses are issued, unless otherwise provided by the Secretary of Agriculture, to cover exports anticipated for the current month or the current and immediate succeeding month.

"(4) The Secretary of Agriculture is authorized, to the maximum extent practicable, to administer the provisions of this paragraph through the services and personnel of the Department of Commerce, and the Secretary of Commerce shall cooperate with the Secretary of Agriculture in the administration of this subsection and may perform, on a reimbursable basis, such services as the Secretary of Agriculture may request.

"RULES AND REGULATIONS

"(e) The Secretary is authorized to issue such rules and regulations as he deems necessary to provide for the effective administration of this section.

"QUANTITIES OF COMMODITY IN DISASTER RESERVE INCLUDED IN COMPUTATION OF CARRYOVER

"(f) In determining the quantity of carryover of any commodity at the beginning of or during any crop-marketing year and the quantity of any commodity owned by the Commodity Credit Corporation, there shall be included any quantity of such commodity contained in the disaster reserve inventory maintained under the provisions of section 813 of this Act.

"EFFECT ON PUBLIC LAW 480 AUTHORITY

"(g) Nothing in this title shall be construed to restrict the authority of the President under the Agricultural Trade Development and Assistance Act of 1954 except with respect to prices at which commodities may be sold under title I of such Act.

"DEFINITION

"(h) As used in this section, the term 'feed grains' means corn, grain sorghum, barley, and oats.

"AUTHORIZATION FOR APPROPRIATIONS

"(i) There is hereby authorized to be appropriated such sum as may be necessary to carry out the provisions of this section."

SEC. 5. The last sentence of section 401 of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking out the period at the end of such sentence and inserting in lieu thereof a comma and the following: "unless the President determines that such disposition is necessary to the national interest of the United States or to carry out the humanitarian objectives of this Act."

EXEMPTION FROM DUTY CERTAIN EQUIPMENT AND REPAIRS FOR VESSELS—AMENDMENTS

AMENDMENT NO. 1349

(Ordered to be printed and to lie on the table.)

TAX RELIEF AMENDMENT TO H.R. 8217

Mr. KENNEDY. Mr. President, on behalf of Senators MONDALE, LONG, CRANSTON, and myself, together with Senators BAYH, CANNON, CLARK, FULBRIGHT, HART, HUMPHREY, INOUYE, JOHNSTON, MOSS, MUSKIE, and RIBICOFF, I send to the desk an amendment to H.R. 8217 and I ask that it may lie on the table and be printed.

The amendment is a tax relief proposal that contains three principal provisions:

First, it will raise the personal exemption for individuals in the Federal income tax from its current level of $750 to a new level of $825.

Second, it will provide an optional tax credit of $190 in lieu of the exemption.

Third, it provides a refund of a portion of social security payroll taxes to low-income workers with children, through a tax credit "work bonus" equal to 10 percent of wages up to $4,000 in income. For incomes over $4,000, the credit is phased out at the rate of 25 cents per dollar, so that the credit disappears when income reaches $5,600. The credit is refundable—that is, it is paid as an income tax refund, even if the recipient has no income tax liability.

The purpose of the amendment is twofold: to provide an urgently needed fiscal stimulus to keep the economy from sinking deeper into the current recession; and, to provide significant across-the-board relief to millions of taxpayers suffering under the sustained severe inflation that has now reached the double-digit level and that has sharply contracted consumer purchasing power in every section of the country.

The economic figures are increasingly pessimistic. Last Friday, we learned that GNP declined precipitously by a 6.3 percent annual rate for the first quarter of 1974—a figure revised upward since the original estimate of a 5.8 percent plunge a month ago. The new figure represents the steepest slide since the serious recession of 1958, steeper by several percentage points than the administration or any outside economists had predicted. The figures make clear that the economy has slipped badly in recent months and that, in fact, the Nation is now in the grip of a growing recession. I believe that prompt action is required by Congress to stop this slide, and that immediate tax relief is the most effective possible response.

By channeling the proposed tax relief through the income tax withholding system, the relief can go into effect at once, and will begin to be felt in weekly paychecks within 30 days after the measure is signed into law.

The amendment we are introducing combines the principles of separate measures that Senator MONDALE, Senator LONG and I have introduced in the past—an increase in the existing personal income tax exemption in order to provide across-the-board relief to all taxpayers; the use of an optional tax credit in lieu of the exemption, in order to target substantial relief on low- and middle-income taxpayers hardest hit by inflation; and the use of a refundable tax credit to provide relief to those at the bottom of the income scale from the crushing burden of the payroll tax.

Taken together, these three forms of tax relief will pump an immediate and urgently needed $6.5 billion in antirecession tax relief into the economy.

And, equally important, taken in conjunction with the tax reform amendment which Senator BAYH is introducing today for a group of Senators of which I am pleased to be a part, the net result of our two amendments will produce no long term revenue loss to the Treasury, since the tax relief we grant this year will be offset—partially this year, and completely in future years—by four revenue-raising tax reforms. These reforms will end the oil depletion allowance, end accelerated depreciation for spending on plant and equipment, repeal the DISC provision for export subsidies, and strengthen the minimum tax to insure that wealthy individuals and corporations pay their fair share of the income tax.

My hope is that Congress will act quickly to adopt the tax relief proposal we are offering. My own view is that the health of the American economy for the remainder of 1974 and well into 1975 may hang on the outcome of our action.

Accumulating economic indicators clearly suggest that the economy has already entered a recession—America's sixth recession since World War II. The question is not whether we are already in the valley of a recession but how long and how deep the valley is going to be.

Certainly, the administration's track record on the economy over the last 5 years inspires no confidence. Continually, the Nation has been subjected to a serious lack of foresight and economic leadership. Not since the beginning of the Depression has the American economy been in the grip of such a determined hands-off, do-nothing, wait-and-see school of economic policy.

Apart from the drastic slump in first quarter GNP, there are at least four other serious indicators of our economic straits:

The April figure of 5-percent unemployment in the Nation confirms the disastrous consequences the recession is having on millions of workers and their families. For the fourth straight month, unemployment has hovered at the clearly excessive level of 5 percent or higher. The decline from 5.1 percent for March to 5.0 percent for April is insignificant. Read in light of the current double-digit interest rates and the plummet of over 6 percent in first quarter GNP, the prospects for future deterioration in unemployment are ominous, unless Congress and the administration act in time.

The soaring cost of fuel is siphoning dollars from the pockets of consumers at the astronomical rate of $20 billion in this year alone. And the vast majority of these dollars are going into oil company profits and into the treasuries of foreign governments.

An insignificant part of that amount, is being plowed back into the domestic economy. The net result is a heavy new "oil tax" on the consumer that the citizen can ill-afford to pay.

This severe and sudden decline in consumer purchasing power threatens every other sector of the economy. No responsible economist advocates a tax increase today as a matter of economic policy. Obviously, such a tax increase would throw the economy into an even deeper recession than we have today. How, then, can Congress sit idly by while the oil industry levies its own new taxes on the hard-pressed American consumer?

Personal disposable income, one of the most accurate measures of consumer purchasing power, dropped at an annual rate of over 7 percent for the first quarter of 1974, the sharpest drop since 1949, a precipitous decline with obvious implications of reduced consumer demand in the months ahead.

The draconian tight money policy now being implemented by the Federal Reserve Board has put interest rates into orbit and is driving the housing industry on the rocks. In the name of fighting inflation, the Federal Reserve is putting the economy through the wringer, and Congress cannot let that happen.

The statistics leave no doubt that the average consumer has been badly hurt by the deteriorating condition of the economy. The rise in prices has cut deeply into his buying power.

In the face of these depressing figures, the optimistic current levels of plant and equipment spending do not present a significant counterargument. The history of the recession of 1957–58 teaches us the disastrous consequences that can result when a boom in plant and equipment spending ends, because there are no consumers to buy the products piling up on the shelves.

We cannot count on plant and equipment spending to carry the economy on its back. Two-thirds of the economy is keyed to the consumer; only 12 percent is keyed to business spending. The economy cannot move forward when consumer spending is moving backward. The only adequate route to stable growth is a much more balanced expansion of the economy, the sort of growth our tax relief amendment is designed to generate.

Once before, in the early 1960's, Congress successfully used a tax cut to pull the economy out of a period of recession and stagnation, thereby launching the longest uninterrupted period of genuine economic growth and price stability in our history. If we do not learn this obvious lesson from our recent economic history, then we are doomed to repeat the recessions of the past, instead of enjoying the prosperity the future is capable of bringing.

Moreover, a tax cut is also easily justified on the grounds of equity alone, as relief against the burden of continuing inflation, which reached the stratospheric level of 11.5 percent in the first quarter of 1974, America's worst inflation since the Korean war.

The proposed tax cut would not be inflationary in itself. Apart from food and fuel, where inflation is serious and where a pinpointed attack is clearly needed, the central economic problems today are slack capacity, falling output, and weak demand, which are causing the current recession. Tax relief will not impede the fight against inflation, but at least it will help to ease the exorbitant impact of rising prices, especially the cost of food and fuel, on millions of low- and middle-income citizens and their families.

The latest figures, released today, demonstrate the continuing erosion in the purchasing power of the ordinary working man and woman. In spite of the welcome drop in food prices for April, the overall Consumer Price Index rose at an annual rate of 7.2 percent for April, while real spendable earnings dropped at the annual rate of 9.6 percent. Obviously, the average citizen is caught in the crossfire between shrinking wages and rising prices. Tax relief, enacted now, can help to hold the line, and thereby preserve the standard of living of millions of families whose well-being is undermined by the loss in value of their paycheck.

In addition, tax relief from inflation can become a factor in moderating demands for higher wages this year, thereby preventing such demands from leading to another drastic upward round in the current spiral of inflation.

We hold in our hands the key to the present health of the economy. If we do nothing now, if we allow ourselves to be lured yet again into following the administration's Pied Pipers of prosperity, then we have only ourselves to blame. Five years of mismanaged policy and shattered credibility on the economy are enough. It is time for Congress to assert its power, to exercise its own independent judgment on economic policy, and to take the step that is needed to bring the economy back to health.

Mr. President, I ask unanimous consent that two tables, adopted from materials prepared by the staff of the Joint Committee on Internal Revenue Taxation, may be printed in the Record, indicating the revenue effect of the proposals to increase the personal exemption from $750 to $825 and to grant an optional tax credit of $190. Taken together, these proposals account for $5.9 billion of the total $6.5 billion in anti-recession tax relief; as Table I indicates, 82 percent of the tax relief goes to taxpayers with adjusted gross incomes of $15,000 a year or less, and 91 percent goes to those with adjusted gross incomes of $20,000 a year or less. The "work bonus" for low-income workers with children accounts for the remaining $600 million of relief.

Mr. President, I also ask unanimous consent that the text of the amendment may be printed in the Record.

There being no objection, the amendment and tables were ordered to be printed in the Record, as follows:

At the end of the bill insert the following new sections:

Sec. 4. Increase in Amount of Personal Exemptions.

(a) Section 151 of the Internal Revenue Code of 1954 (relating to personal exemptions) is amended by striking out "$750" wherever it appears and inserting in lieu thereof "$825".

(b) Section 6012(a)(1) of such Code (relating to persons required to make returns of income) is amended by striking out "$750" wherever it appears and inserting in lieu thereof "$825", by striking out "$2,050" wherever it appears and inserting in lieu thereof "$2,125", and by striking out "$2,800" wherever it appears and inserting in lieu thereof "$2,950".

(c) Section 6013(b)(3)(A) of such Code (relating to assessment and collection in the case of certain returns of husband and wife) is amended by striking out "$750" wherever it appears and inserting in lieu thereof "$825" and by striking out "$1,500" wherever it appears and inserting in lieu thereof "$1,650".

(d) The table contained in section 3402(b)(1) of such Code (relating to percentage method of withholding) is amended to read as follows:

"Percentage method withholding table

"Payroll period:	*Amount of 1 withholding exemption*
Weekly	$15.90
Biweekly	31.80
Semimonthly	34.40
Monthly	68.80
Quarterly	206.30
Semiannual	412.50
Annual	825.00
Daily or miscellaneous (per day of such period)	2.30"

(e) The amendments made by this section (other than by subsection (d)) shall apply to taxable years beginning after December 31, 1973. The amendment made by subsection (d) shall apply with respect to wages paid on or after the 30th day after the date of the enactment of this Act.

Sec. 5. Optional Credit Against Tax for Personal Exemptions; Tax Credit For Low-Income Workers With Families.

(a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 42 as section 44 and by inserting after section 41 the following new sections:

"Sec. 42. Personal Exemptions.

"(a) General Rule.—At the election of the taxpayer, there shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to $190 multiplied by the number of exemptions to which the taxpayer is entitled under section 151. Such credit shall not exceed the tax imposed by this chapter for the taxable year.

"(b) Election.—An election under subsection (a) for a taxable year may be made at any time before the expiration of the period of filing a claim for a refund or credit of an overpayment of tax from such taxable year and shall be made in such form and manner as the manner as the Secretary or his delegate prescribes by regulations.

"(c) Denial of Deduction.—If a taxpayer elects the credit provided by subsection (a) for a taxable year, no deduction shall be allowed under section 151 for any exemption to which he is entitled under such section.

"Sec. 43. Tax Credit for Low-Income Workers with Families.

"(a) In General.—

"(1) Allowance of credit.—There shall be allowed to a taxpayer who is an eligible individual as a credit against the tax imposed by this chapter for the taxable year an amount equal to the applicable percentage (as determined under paragraph (2)) of the social security taxes imposed on him and his employer with respect to wages received by the taxpayer during that year. In the case of a taxpayer who is married (as determined under section 143) and who files a joint return of tax with his spouse under section 6013 for the taxable year, the amount of the credit allowable by this subsection shall be an amount equal to the applicable percentage (as determined under paragraph (2)) of the social security taxes imposed on him and his spouse, and their employers, with respect to wages received by the taxpayer and his spouse during that year.

"(2) Applicable percentage.—The percentage under paragraph (1) applicable to the social security taxes is—

"(A) 86 percent for calendar years 1974 through 1977,

"(B) 83 percent for calendar years 1978 through 1980,

"(C) 80 percent for calendar years 1981 through 1985,

"(D) 78 percent for calendar years 1986 through 2010, and

"(E) 68 percent for calendar years beginning after December 31, 2010.

"(b) Limitations.—

"(1) Maximum credit.—The amount of the credit allowable to a taxpayer (or to a taxpayer and his spouse in the case of a joint return of tax under section 6013) for any taxable year under subsection (a) shall not exceed an amount equal to 10 percent of so much of the wages (as defined in section 3121(a)) as does not exceed $4,000 received by that individual (or by that individual and his spouse in the case of a joint return of tax) during that year with respect to employment (as defined in section 3121(b) without regard to the exclusions set forth in paragraph (9) of that section).

"(2) Reduction for additional income.—The amount of the credit allowable under subsection (a) for any taxable year (after the application of paragraph (1)) shall be reduced by one-fourth of the amount by which a taxpayer's income, or, if he is married (as determined under section 143), the total of his income and his spouse's income, for the taxable year exceeds $4,000. For purposes of this paragraph, the term 'income' means adjusted gross income (as defined in section 2 but without regard to paragraph (3) (relating to long-term capital gains)) plus—

"(A) any amount described in section 71(b) (relating to payments to support minor children), 71(c) (relating to alimony and separate maintenance payments paid as a principal sum paid in installments), or 74(b) (relating to certain prizes and awards).

"(B) any amount excluded from income under section 101 (relating to certain death benefits), 102 (relating to gifts and inheritances), 103 (relating to interest on certain governmental obligations) 105(d) (relating to amounts received under wage continuation accident and health plans), 107 (relating to rental value of parsonages), 112 (relating to certain combat pay of members of the Armed Forces), 113 (relating to mustering-out payments for members of the Armed Forces), 116 (relating to partial exclusion of dividends received by individuals), 117 (relating to scholarships and fellowship grants), 119 (relating to meals or lodging furnished for the convenience of the employer), 121 (relating to gain from sale or exchange of residence by individual who has attained age 65), 911 (relating to earned income from sources without the United States), or 931 (relating to income from sources within possessions of the United States),

"(C) any amount received as a payment from a public agency based upon need, age, blindness, or disability, or as a payment from a public agency for the general support of the taxpayer and his family (as determined by the Secretary or his delegate), other than any payment for the purchase of prosthetic devices or medical services, and

"(D) any amount received as an annuity, pension, retirement, or disability benefit (including veterans' compensation and pensions, workmen's compensation payments, monthly insurance payments under title II of the Social Security Act, railroad retirement annuities and pensions, and benefits under any Federal or State unemployment compensation law).

"(3) Application with section 6428.—The amount allowable to a taxpayer, or to a taxpayer and his spouse, as a credit under subsection (a) for any taxable year (after the application of paragraphs (1) and (2)) shall be reduced by the sum of any amounts received under section 6428 during that year.

"(c) Definitions.—For purposes of this section—

"(1) Eligible individual.—The term 'eligible individual' means an individual who maintains a household (within the meaning of section 214(b)(3)) in the United States which is the principal place of abode of the individual and a child of that individual with respect to whom he is entitled to a deduction under section 151 (e)(1)(B) (relating to additional exemption for dependents).

"(2) Social security taxes.—The term 'social security taxes' means the aggregate amount of taxes imposed by sections 3101 (relating to rate of tax on employees under the Federal Insurance Contributions Act) and 3111 (relating to rate of tax on employers under such Act) with respect to the wages (as defined in section 3121(a)) received by an individual and his spouse with respect to employment (as defined in section 3121(b)), or which would be imposed with respect to such wages by such sections if the definition of the term 'employment' (as defined in section 3121(b)) did not contain the exclusion set forth in paragraph (9) of such section."

(b) The table of sections for such subpart is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Personal Exemptions.
"Sec. 43. Tax Credit For Low Income Workers With Families.
"Sec. 44. Overpayments Of Tax."

(c) Section 41(b)(2) of such Code (relating to contributions to candidates for public office) is amended by striking out "and" before 'section 38" and by inserting before the period at the end thereof ", and section 42 (relating to personal exemptions)".

(d) Section 46(a)(3) of such Code (relating to the investment credit) is amended—

(1) by striking out "and" at the end of subparagraph (B),

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", and ", and

(3) by inserting after subparagraph (C) the following new subparagraph:

"(D) section 42 (relating to personal exemptions)."

(e) Section 50A(a)(3) of such Code (relating to credit for expenses of work incentive programs) is amended—

(1) by striking out "and" at the end of subparagraph (D),

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", and ", and

(3) by inserting after subparagraph (E) the following new subparagraph:

"(F) section 42 (relating to personal exemptions)."

(f) Section 3402 of such Code (relating to income tax collected at source) is amended by adding at the end thereof the following new subsection:

"(q) Withholding based on credits in lieu of exemptions.—

"(1) Election.—At the election of an employee, made in such form and manner as the Secretary or his delegate prescribes by regulations, the amount of tax deducted and withheld under subsection (a) or (c) with respect to wages paid to him by his employer shall be determined by applying the provisions of this subsection. An election made by an employee under this paragraph shall be effective with respect to wages paid to him, after the date of such election, during the calendar year in which such election is made. An election may be made by an employee under this paragraph with respect to wages paid to him only if, for his taxable year which ends in such calendar year, he expects to elect the credit allowed by section 42 (relating to personal exemptions).

"(2) Determination of sex.—During the period during which an election made by an employee under paragraph (1) is in effect, the amount of tax deducted and withheld from the wages of such employee under subsection (a) shall be determined in accordance with the tables set forth in such subsection, except that—

"(A) for purposes of applying such tables, the amount of wages shall not be reduced on account of any withholding exemptions claimed, and

"(B) the amount of income tax to be withheld shall be reduced by the number of withholding credits of the employee, multiplied by the amount of one such credit as shown in the table in paragraph (3).

For purposes of this paragraph, an employee shall have a number of withholding credits equal to the number of withholding exemptions claimed.

"(3) Amount of withholding credit.—The table referred to in paragraph (2) is as follows:

"Percentage method withholding credit table

"Payroll period:	*Amount of one withholding credit*
Weekly	$3.70
Biweekly	7.40
Semimonthly	7.90
Monthly	15.80
Quarterly	47.50
Semiannual	95.00
Annual	190.00
Daily or miscellaneous (per day of such period)	0.50

"(4) Wage bracket withholding.—In the case of an employer who elects to deduct and withhold tax under subsection (c) (in lieu of the tax required to be deducted and withheld under subsection (a)) with respect to an employee who has made an election under paragraph (1), the amount of tax to be deducted and withheld shall be determined in accordance with tables prescribed by the Secretary or his delegate which shall apply the provisions of paragraph (2) and (3)."

(g) Section 6401(b) of such Code (relating to excessive credits) is amended by—

(1) inserting after "lubricating oil)" the following: ", 43 (relating to tax credit for low-income workers with families),"; and

(2) striking out "sections 31 and 39" and inserting in lieu thereof "sections 31, 39, and 43".

(h) Section 6201(a)(4) of such Code (relating to assessment authority) is amended by—

(1) inserting "or 43" after "section 39" in the caption of such section; and

(2) striking out "oil)," and inserting in lieu thereof "oil) or section 43 (relating to tax credit for low income workers with families),".

(i) (1) Subchapter B of chapter 65 of such Code (relating to rules of special application) is amended by adding at the end thereof the following new section:

"Sec. 6428. Advance Refund of Section 43 Credit.

"(a) In General.—A taxpayer may receive an advance refund of the credit allowable to him under section 43 (relating to tax credit for low-income workers with families) not more frequently than quarterly by filing an election for such refund with the Secretary or his delegate at such time and in such form as the Secretary or his delegate may prescribe. If the taxpayer elects to base his claim for refund on social security taxes imposed on him, his spouse, and their employers, the election shall be a joint election signed by the taxpayer and his spouse. An election may not be made under this subsection with respect to the last quarter of the calendar year, and any other election shall specify the quarter or quarters to which it relates and shall be made not later than the fifteenth day of the eleventh month of the taxable year to which it relates. The Secretary or his delegate shall pay any advance refund for which a proper election is made without regard to any liability, or potential liability, for tax under chapter 1 which has accrued, or may be expected to accrue, to the taxpayer for the taxable year to which the election relates.

"(b) Limitations.—

"(1) Amount of refund.—The amount of any refund for which a taxpayer files an election under subsection (a) shall be an amount equal to the amount of the credit allowable under section 43 with respect to social security taxes payable with respect to that taxpayer (or, in the case of a joint election, social security taxes payable with respect to that taxpayer and his spouse) for the quarter or quarters to which the election relates.

"(2) Ineligible for credit.—No advance refund may be made under this section for any quarter to a taxpayer who, on the basis of the income the taxpayer and his spouse reasonably may expect to receive during the taxable year, will not be entitled to claim any amount as a credit under section 43 for that year.

"(3) Minimum payment.—No payment be made under this section in an amount less than $30.

"(c) Collection of Excess Payments.—In addition to any other method of collection available to him, if the Secretary or his delegate determines that any part of any amount paid to a taxpayer for any quarter under this section was in excess of the amount to which that taxpayer was entitled for that quarter, the Secretary or his delegate shall notify that taxpayer of the excess payment and may withhold, from any amounts which that taxpayer elects to receive under this section in any subsequent quarter, amounts totaling not more than the amount of that excess.".

(2) The table of sections for such subchapter is amended by adding at the end thereof the following new item:

"Sec. 6428. Advance refund of section 43 credit.".

(j) Section 6011(d) of such Code (relating to interest equalization returns, etc.) is amended by adding at the end thereof the following new paragraph:

"(4) Returns of taxpayers receiving ad-

VANCE REFUND OF SECTION 43 CREDIT.—Every taxpayer who elects to receive an advance refund of the credit allowed by section 43 (relating to tax credit for low-income workers with families) during the taxable year shall file a return for that year, together with such additional information as the Secretary or his delegate may require.".

(k) (1) The Secretary of the Treasury shall develop simple and expedient application forms and procedures for use by taxpayers who wish to receive an advance refund under section 6428 of the Internal Revenue Code of 1954 (relating to advance refund of section 43 credit), arrange for distributing such forms and making them easily available to taxpayers, and prescribe such regulations as may be necessary to carry out the provisions of sections 43 and 6428 of such Code. Each such application form shall contain a warning that the making of a false or fraudulent statement thereon is a Federal crime.

(2) The Secretary of the Treasury is authorized to obtain from any agency or department of the United States Government or of any State or political subdivision thereof such information with respect to any taxpayer applying for or receiving benefits under section 6428 of the Internal Revenue Code of 1954 (relating to advance refund of section 43 credit), or his spouse, as may be necessary for the proper administration of section 43 of the Internal Revenue Code of 1954 (relating to tax credit for low-income workers with families) and of section 6428 of such Code (relating to advance refund of section 43 credit). Notwithstanding any other provision of law, each agency and department of the United States Government is authorized and directed to furnish to the Secretary such information upon request.

(l) Section 402(a)(7) of the Social Security Act is amended by inserting after "other income" the following: "(including any amounts derived from application of the tax credit established by section 43 of the Internal Revenue Code of 1954)".

(m) The amendments made by this section (other than by subsection (f) shall apply with respect to taxable years beginning after December 31, 1973. The amendment made by subsection (f) shall apply with respect to wages paid on or after the 30th day after the date of the enactment of this Act. No advance refund payment under section 6428 of the Internal Revenue Code of 1954 shall be made before October 1, 1974.

TABLE 1.—ESTIMATED DECREASE IN FEDERAL INDIVIDUAL INCOME TAX LIABILITY RESULTING FROM GRANTING, IN LIEU OF THE $750 EXEMPTION DEDUCTION, A $190 NONREFUNDABLE TAX CREDIT OR AN $825 PERSONAL EXEMPTION DEDUCTION AT THE TAXPAYER'S OPTION

[By adjusted gross income class, 1972 income levels]

Adjusted gross income	No returns with tax decrease (thousands)	Number returns made non-taxable (thousands)	Decrease in tax liability (millions)	Distribution of tax decrease	
				Percent	Cumulative
0 to $3,000	3,221	2,050	154	2.6	2.6
$3,000 to $5,000	7,746	2,177	559	9.4	12.0
$5,000 to $7,000	8,737	1,440	853	14.4	26.4
$7,000 to $10,000	12,229	784	1,484	25.0	51.4
$10,000 to $15,000	15,595	158	1,808	30.5	81.9
$15,000 to $20,000	7,557	19	556	9.4	91.3
$20,000 to $50,000	5,305	3	441	7.4	98.7
$50,000 to $100,000	449	(1)	66	1.1	99.8
$100,000 and over	102	(1)	17	.3	100.1
Total	60,940	6,631	5,936	100.1	100.1

[1] Less than 500 returns. Note: Items do not necessarily add to totals because of rounding.

TABLE 2.—FEDERAL INDIVIDUAL INCOME TAX LIABILITY UNDER PRESENT LAW AND UNDER A $190 NONREFUNDABLE TAX CREDIT OR AN $825 PERSONAL EXEMPTION DEDUCTION AT THE TAXPAYER'S OPTION, SINGLE PERSON AND MARRIED COUPLE WITH NO, 1, 2, AND 4 DEPENDENTS (ASSUMING DEDUCTIBLE PERSONAL EXPENSES OF 15 PERCENT OF INCOME)

	Tax liability									
	Single person		Married couple with no dependents		Married couple with 1 dependent		Married couple with 2 dependents		Married couple with 4 dependents	
Adjusted gross income	Under present law	Under the proposal	Under present law	Under the proposal	Under present law	Under the proposal	Under present law	Under the proposal	Under present law	Under the proposal
$3,000	[1] $138	[1] $69	[1] $28							
$5,000	[1] 491	[1] 443	[1] 322	[1] $189	[1] $208		[1] $98			
$6,000	[1] 681	[1] 647	[1] 484	[1] 373	[1] 362	[1] $183	[1] 245		[1] $28	
$8,000	[1] 1,100	[1] 1,084	[1] 848	[1] 753	[1] 706	[1] 563	[1] 569	[1] $373	[1] 322	
$10,000	1,530	1,512	1,190	1,110	1,048	920	905	730	620	$350
$12,500	2,059	2,040	1,628	1,578	1,463	1,388	1,309	1,198	1,024	818
$15,000	2,630	2,610	2,095	2,062	1,930	1,878	1,765	1,688	1,435	1,308
$17,500	3,249	3,226	2,604	2,566	2,416	2,360	2,233	2,167	1,903	1,804
$20,000	3,915	3,890	3,135	3,098	2,948	2,891	2,760	2,685	2,385	2,273
$25,000	5,420	5,392	4,310	4,268	4,100	4,037	3,890	3,806	3,470	3,344

[1] Computed without reference to the tax tables for returns with adjusted gross income under $10,000.

AN ANTI-RECESSION TAX CUT FOR WORKING AMERICANS

Mr. MONDALE. Mr. President, the $6.6 billion tax cut we are proposing can help lift our sagging economy out of recession and ease the burden this past year's inflation has imposed on working Americans, without adding significantly to inflation in the months to come.

This view is supported by a number of the Nation's most distinguished economists, including former Council of Economic Advisers Chairmen Walter Heller and Arthur Okun, and Nobel laureate Paul Samuelson.

The respected Wharton and Data Resources, Inc., econometric forecasting models also indicate that a tax cut of the kind we propose can stimulate the economy without adding significantly to inflationary pressures.

This tax cut amendment would raise the $750 personal exemption to $825, and institute a new optional $190 credit. Taxpayers could either deduct $825 per person from the income on which their tax is figured, or subtract $190 per person from their final tax bill. Most families earning up to $15,000 would save more in taxes by using the $190 credit. I ask unanimous consent that a table showing this breakdown level for families of different sizes be printed at the conclusion of my remarks.

A family of four with an income of $8,000 a year would save $196 under this plan, while a family of the same size earning $15,000 would save $77.

Large families, of course, would save more. A family of six with an income of $8,000 a year would save $322, while a family of six earning $15,000 a year would save $127.

I ask unanimous consent that a series of tables showing the taxes for families of various sizes at different income levels be printed in the RECORD at the conclusion of my remarks, along with a table showing the distribution of total tax savings by income category.

Another important feature of our tax cut amendment is Senator RUSSELL LONG's "work bonus" plan, which would give low income workers with one or more children a refundable tax credit equal to 10 percent of their income up to $4,000, and a gradually smaller percentage of their income up to $5,600. The work bonus would extend relief to those with incomes so low they pay no income taxes, but who nonetheless pay very substantial social security payroll taxes. It passed the Senate last November 30 by an overwhelming 57–21 vote.

COMPENSATION FOR INFLATION AND HIGHER TAXES

The relief this tax cut proposal would bring to low- and middle-income families is desperately needed after the runaway inflation and higher taxes of last year.

A study released earlier this year by the Joint Economic Committee shows that a family with a budget of $12,614 had to pay an extra $1,168 just to maintain their 1972 living standards in 1973. In addition, that same family had to pay $281 more in social security and income taxes during 1973, a 15-percent increase.

Much of the income tax increase came about solely because of inflation. If incomes go up just enough to keep up with inflation, workers are no better off—they are just keeping even. But this pushes them into higher marginal tax brackets, and a bigger percentage of their income is taken in taxes—leaving them worse off.

This inflation tax added about 8 or 9 percent to the average family's tax bill last year.

The tax cut we are proposing would help make up for this erosion in real family incomes.

FIGHTING SIMULTANEOUS INFLATION AND RECESSION

The conventional economic wisdom has long been that it is not possible to have soaring inflation and a recession at the same time.

The Nixon administration, however, has managed to work this wonder not once, but twice. Once in the recession of 1969–70, and now again. But this time it is much worse.

In the first quarter of this year, inflation was 11.5 percent—the worst in 23 years—and real GNP dropped by 6.3 percent—the worst decline in 16 years.

The standard remedies for inflation—tight money and a tight Federal budget—are being pursued by this administration with great passion, but with little effect. We now have the highest interest rates since the Civil War, and the budget has been in surplus on a full employment basis for more than a year, yet inflation has escalated without abatement.

Arthur Burns, Chairman of the Federal Reserve Board, has acknowledged that "the rules of economics are not working in quite the way they used to."

It is time to recognize that the inflation we face is not of the conventional kind, and that our efforts to combat it must take into account the equally serious problem of recession.

The present inflation is largely a carryover from the worldwide crop shortage of last year and the Arab oil embargo, which touched off an explosion in food and fuel prices.

This inflation is now built into the economy, and fiscal and monetary policy can have little effect on it.

At the same time, however, this food and fuel inflation has seriously eroded the real incomes of American workers. Real spendable earnings are down 5.6 percent from a year ago.

Because consumers must spend more for the same amount of food and fuel—$15 billion more for fuel alone—they have less left over to spend on other things. The economic effect is the same as if a huge tax increase had been imposed on consumers. This money has been taken out of the economy, and a large part of it will not be put back in, at least for some time.

As a result, consumer demand is lagging badly, and this is a large factor in the present recession. A tax cut aimed at low- and middle-income consumers would make up in part for this erosion in real incomes, and help restore consumer demand to more normal levels.

This can be done without contributing significantly to inflationary pressure, economists say, since little of this additional consumer income would be spent on food and fuel, the two remaining sectors of the economy where significant shortages persist.

In addition, by compensating in part for the bite inflation has taken out of workers' paychecks, a tax cut can lessen somewhat the need for very high wage increases that could build even greater inflation into the economy.

The $6.6 billion tax cut we are proposing would bring the Federal budget for this coming year closer to a balance on a full employment basis. The administration's latest estimates show a full employment surplus of $9 billion for fiscal year 1975, following an $8 billion surplus in the current fiscal year. This is too restrictive, and threatens to deepen the present recession.

Analyses performed recently using the Wharton and Data Resources econometric forecasting models support the view that a tax cut of about $6 billion can stimulate the economy without worsening inflation.

REVENUE-RAISING TAX REFORM AND SPENDING CUTS

While the tax cut we are proposing is needed this year to boost lagging consumer demand and lift the economy out of recession, it is important too that we maintain the long-term Federal revenue base.

That is why we have joined in proposing a tax reform amendment that will be offered in conjunction with the tax cut amendment. This reform amendment will generate new revenues of $4 billion in 1974, and $7 billion in the 5th year, by making the following four changes in the Internal Revenue Code:

(1) Repeal of the oil depletion allowance, effective January 1, 1974 ($2.0 billion revenue gain in 1st year, $2.6 billion in 3rd year; $3.3 billion in 5th year).

(2) Repeal of the Asset Depreciation Range (ADR) system of accelerated depreciation, effective for plant and equipment placed in service as of this letter's date ($250 million revenue gain in 1st year; $1.5 billion in 3rd year; $2.0 billion in 5th year).

(3) Repeal of the Domestic International Sales Corporation (DISC) system of tax incentives for exports, effective January 1, 1974 ($815 million revenue gain).

(4) Strengthening the Minimum Tax by reducing the current exclusion from $30,000 to $10,000 and by eliminating the current deduction for taxes paid, effective January 1, 1974. This provision was passed 47–32 by the Senate on January 24, 1974 ($860 million revenue gain).

The revenue gain from these reform amendments will not significantly impair the antirecession stimulus from the tax cut amendment in the first year, since the tax cut will have a more direct and immediate impact on demand than will the tax reforms.

The $6.6 billion tax cut will show up promptly in workers' paychecks as withholding tables are changed, and most of it will go to low- and middle-income consumers, who must spend most of their income for current needs rather than saving it. It will therefore appear promptly in the consumer spending stream.

The $4 billion in tax reforms, however, will affect principally business and capital spending, which normally has a long lead-time, and which in any event has little immediate impact on jobs or consumer spending. This is especially true for provisions like oil depletion, ADR, and DISC, which are widely viewed as relatively ineffective subsides. Just as their availability has done little to encourage new investment and job creation, so their withdrawal will do little to impair it.

The administration has made it clear, however, that it does not like the idea of balancing tax cuts with revenue-raising tax reforms. CEA Chairman Herbert Stein was asked by Senator PROXMIRE in hearings before the Joint Economic Committee on May 10 whether the administration would favor a tax cut "combined with an increase in other sectors of the tax code, such as investment credit and oil depletion and so forth, so that you would have a balanced overall effect on revenues, but you would have a different distribution between the impact of the taxes on consumption and investment."

Dr. Stein's response was that—

> [We] are in a situation where the . . . country's need for a higher rate of investment is very great, and . . . we should think very carefully about any tax measures which would reduce the rate of investment. . . .
>
> So it seems to me very doubtful that we would want to move in the direction of that trade-off at this time. . . .
>
> I think there would be . . . objections to it from the standpoint of the long run welfare of the American people.

This is the classic expression of Republican trickle-down economics. It is a process always congenial to the tricklers, but often of little value to the tricklees.

There is of course, an alternative way to encourage investment, and that is to provide consumers with more money to spend on things they need, which in turn leads to more investment in producing those things. That is the course we have adopted in our tax cut amendment.

It makes especially good sense at a time like the present, when consumer demand is lagging badly, while capital investment is already booming along at an annual rate of over 19 percent.

The issue between us and the administration is as much one of priorities as it is one of fiscal policy. The administration has already acknowledged one budgetary move to stimulate the economy, although it is a remarkably inappropriate one.

Testifying before the House Appropriations Committee earlier this year, Defense Secretary Schlesinger admitted that the Pentagon budget had been increased by $1 to $2 billion at the last minute to provide "economic stimulus."

Apart from its dubious necessity in a time of declining international tensions, this extra $1 billion is a remarkably inefficient way of providing more jobs. In its 1972 Manpower Report, the Labor Department estimated that an additional $1 billion spent on "aircraft and ordnance" would generate only about 66,000 new jobs. The same amount spent on "personal consumption," however, would generate 82,500 new jobs—fully 25 percent more.

If, as many of our colleagues believe, some spending cuts should accompany tax reduction, there is no doubt where we should begin looking.

There being no objection, the tables were ordered to be printed in the Record, as follows:

TAX SAVINGS FROM KENNEY-MONDALE AMENDMENT (ASSUMES PERSONAL DEDUCTIONS OF 15 PERCENT OF INCOME)

Adjusted gross income	Present tax	Tax with $825 exemption or $190 credit	Tax saving
Married couple with 4 dependents:			
$3,000	0	0	0
$5,000	0	0	0
$6,000	$28	0	$28
$8,000	322	0	322
$10,000	620	$350	270
$12,500	1,024	818	206
$15,000	1,435	1,308	127
$17,500	1,903	1,804	99
$20,000	2,385	2,273	112
$25,000	3,470	3,344	126
Married couple with 2 dependents:			
$3,000	0	0	0
$5,000	98	0	98
$6,000	245	0	245
$8,000	569	373	196
$10,000	905	730	175
$12,500	1,309	1,198	111
$15,000	1,765	1,688	77
$17,500	2,233	2,167	66
$20,000	2,760	2,685	75
$25,000	3,890	3,806	84
Married couple with 1 dependent:			
$3,000	0	0	0
$5,000	208	0	208
$6,000	362	183	179
$8,000	706	563	143
$10,000	1,048	920	128
$12,500	1,463	1,388	75
$15,000	1,930	1,878	52
$17,500	2,416	2,360	56
$20,000	2,948	2,891	57
$25,000	4,100	4,037	63
Married couple with no dependents:			
$3,000	28	0	28
$5,000	322	189	133
$6,000	484	373	111
$8,000	848	753	95
$10,000	1,190	1,110	80
$12,500	1,628	1,578	50
$15,000	2,095	2,062	33
$17,500	2,654	2,566	38
$20,000	3,136	3,098	37
$25,000	4,310	4,268	42
Single person:			
$3,000	138	69	69
$5,000	491	443	48
$6,000	681	647	34
$8,000	1,100	1,084	16
$10,000	1,530	1,512	18
$12,500	2,059	2,040	14
$15,000	3,360	2,610	20
$17,500	3,249	3,226	23
$20,000	3,915	3,890	25
$25,000	5,240	5,392	28

"BREAKEVEN" POINTS (ADJUSTED GROSS INCOME LEVEL AT WHICH THE OPTIONAL $190 TAX CREDIT IS WORTH THE SAME AS THE $825 PERSONAL EXEMPTION)

Type of tax return and adjusted gross income level:	
Married couple with 4 dependents	$16,117.65
Married couple with 2 dependents	15,450.98
Married couple with 1 dependent	15,117.65
Married couple with no dependents	14,784.31
Single person	7,848.33

DECREASE IN TAX LIABILITY UNDER KENNEDY-MONDALE AMENDMENT (BASED ON CALENDAR YEAR 1972 INCOME LEVELS)

Adjusted gross income class	Percent of returns in each income class	Number of returns with tax decrease (thousands)	Decrease in tax liability (millions)	Percent of total decrease
0 to $3,000	5.3	3,221	154	2.6
$3,000 to $5,000	12.7	7,746	559	9.4
$5,000 to $7,000	14.3	8,737	853	14.4
$7,000 to $10,000	20.1	12,229	1,484	25.0
$10,000 to $15,000	25.6	15,595	1,804	30.4
$15,000 to $20,000	12.4	7,557	656	9.4
$20,000 to $50,000	8.7	5,305	441	7.4
$50,000 to $100,000	.7	449	66	1.1
$100,000 and over	.2	102	17	.003
Total	100.00	60,940	5,936	99.703

AMENDMENT NO. 1350

(Ordered to be printed, and to lie on the table.)

Mr. BAYH. Mr. President, I am today introducing on behalf of myself and six of my colleagues, Senators Clark, Hart, Humphrey, Kennedy, Mondale, and Muskie, a four-part tax reform amendment which we intend to offer to H.R. 8217, the vessel repair tariff bill, that will reach the floor shortly after the Memorial Day recess. This amendment is designed to give the Senate the opportunity to take the first, and perhaps the only, major step towards meaningful tax reform during the 93d Congress. Included are four items which will generate new revenues amounting to $4 billion in 1974 and $7 billion a year by 1979. In our view, it is particularly appropriate that this amendment be considered in conjunction with the amendment which Senators Long, Kennedy, and Mondale propose to offer providing a $6.6 billion antirecession tax cut. That amendment, which we have all joined in cosponsoring, gives the taxpayer the option of taking either a $190 tax credit or an $825 personal exemption for himself and each dependent. That amendment also includes the "work bonus" plan which gives low-income workers with children a refundable tax credit to ease the increasing burden of the social security payroll tax on the lowest income groups. By acting favorably on the amendment I am introducing today and the Long-Kennedy-Mondale amendment, the Senate will be able to preserve the antirecession aspects of the tax-cut amendment, while largely offsetting its long-term revenue loss. Before proceeding to a brief explanation of the reforms we propose, I would point out to the Senate that although these reforms are being offered in one amendment, we do intend to divide the question so that separate votes will occur on each of the amendment's four sections. These include:

Repeal of the provision giving special tax status to a "Domestic International Sale Corporation"—DISC: Under existing law, any corporation may elect a special status under which it pays no direct taxes if 95 percent of its gross receipts and 95 percent of its assets are export related. Its shareholders are taxed on only one-half of the corporation's income or the amount distributed as dividends, whichever is greater, allowing the indefinite deferral of taxes on the other half. Most of these DISC corporations were specifically created as subsidiaries of large companies for the sole purpose of taking advantage of this particular loophole in the law. Some 80 percent of these corporations are owned wholly by companies with individual assets exceeding $100 million.

There may have been some superficial rationale for the DISC provisions when they were enacted in 1971. At that time the United States was faced with a serious balance-of-payments deficit, including for the first time in recent years a deficit of trade in goods and services. That picture has now been drastically altered by the increased worldwide demand for our exports, agricultural products in particular, and by the devaluation of the dollar. The result was a $700 million trade surplus in 1974. As both the General Accounting Office and the Treasury Department have pointed out, there is little or no evidence that the DISC provisions played any significant part in this turnaround in our trade balance. What the provisions have accomplished, however, is to roughly double the profit rate for exporters using DISC's as measured against the general profit average for export-related industries. Moreover, the revenue loss to the Treasury has been much higher than Congress expected it to be when we enacted DISC in 1971. Instead of the $100 million loss originally estimated for 1972 and the $170 million loss estimated for 1973, we are faced with losses totaling $750 million for these 2 years. The annual loss in 1974 will jump to $740 million. Our amendment would end the benefits provided by this loophole for any taxable year ending after December 31, 1973. Since DISC's are largely an accounting device, utilized by corporations at the end of their taxable year when export receipts, assets, and income are accounted for, termination of the provisions as of the current tax year would not be unfair. Taxes on income previously deferred would be payable in equal assessments over 10 years.

Repeal of the oil depletion allowance as of January 1, 1974: As all the Members of this body and most Americans are painfully aware, the price and supply actions taken by major foreign petroleum producers over the past year have helped to bring recordbreaking profits to the huge multinational oil companies. While the American people have suffered what in many cases were severe hardships, because of the energy crisis, these oil companies garnered windfall profits so huge that the numbers almost defy our imagination. The Joint Committee on Internal Revenue Taxation estimates that in 1974 the after tax profits on domestic oil production alone will amount to $9 billion, an increase of $5 billion over the record profit levels of 1973. These increases were pure windfalls, attributable in part to the increased cost of foreign oil, and, in part to a deliberate decision by the Federal Energy Office to raise the price of domestic oil.

The Congress has been prevented from directly taxing these windfall profits by vehement administration opposition. We propose, therefore, to at least partially accomplish the same goal by immediately ending the oil depletion allowance. This recent increase in oil prices presents an opportunity to reduce the unjustifiable favoritism our tax laws give to this industry, without requiring oil companies to accept income below last year's record-setting levels. It should be noted that the oil companies paid only 6 percent of their income in U.S. taxes in 1972.

In looking at the history of the tax treatment of the oil industry, it is interesting to note that in the early part of the 20th century the tax code permitted the oil companies to utilize a "cost depletion" system. In other words, as an oil company pumped a well, it was allowed to subtract from its income an amount suitable to cover the loss in the value of that well due to the oil that had been extracted. The amount of the deduction was based on the cost of what the oil company actually lost, and the system was similar to depreciation provisions which allow any business to deduct from its taxes each year an allowance to cover the loss of value that comes from use of buildings and equipment. In the 1920's, however, a drastic change was made in this system. There were difficulties with the cost depletion system when applied to the oil industry. Although it is relatively easy to determine how much a machine is worth and to spread that cost out over the machine's useful life, it proved more difficult for the IRS to determine how much oil was left in a company's well. The industry succeeded in convincing Congress that it would be easier to administer the tax laws if instead of using a depreciation system based on actual cost, they were allowed to deduct a set percentage of their income. This was set at 27.5 percent—later reduced to 22 percent—apparently without any economic studies or justification. It means that the oil companies can ignore for tax purposes 22 percent of their gross income from each well. Nothing limits the deductions they take year after year to the actual value of the well. Because of this fixed percentage system, the companies recover the value of the oil they extract not once, but an average of 16 times over.

More importantly, since the depletion allowance is based on income, as prices and profits skyrocket, so does the value of the allowance. And since the allowance has no relation to what is actually left in the well, the oil companies do not have to tell IRS anything about their reserves. The depletion allowance reduced the oil industry's tax bill by about 15 percent in 1972. Today it represents a revenue loss to the Treasury totaling $2.6 billion a year.

The administration and the oil industry have argued that the companies must be allowed to maintain what I regard as an unconscionable profits levels in order to encourage the exploration for new sources of petroleum. As applied to the depletion allowance, this is economic double talk. Since only about 10 percent of exploratory wells strike oil, depletion benefits only a small portion of the high-risk drilling. As long as percentage depletion is retained, the companies will invest their money in existing oil fields in order to be more certain of receiving the depletion subsidy. Because of the provision that allows a producer to subtract up to 50 percent of his net income from each well, the biggest subsidy goes to the most profitable wells. The result is the overdrilling of known oilfields and the abandonment of wells that are only partially pumped since it costs more to get at the deeper oil.

Finally, the depletion allowance acts in a way which is directly contrary to what I had understood our national energy policy to be—the encouragement of the development of cheaper and more abundant sources of energy. All depletion allowances for minerals are based on the value of those minerals in the ground and not in their final form. Therefore, a $7 barrel of oil made from coal will only receive a depletion allowance based on the value of the original coal. Since the bulk of the costs of producing a $7 barrel of oil from liquefied coal lies in the processing expenses and not in the coal itself, there is virtually no incentive to move to this alternative supply. Thus an oil company producing a $7 barrel of crude oil today gets a tax bonus of $1.30 while a company producing the same $7 barrel of oil from coal liquefaction receives a bonus of only 10 cents. Those developing other alternatives such as solar energy receive no bonus at all. The present tax system will slow the needed movement toward new energy sources.

Repeal of the asset depreciation range system: The issue involved in the ADR system is in many ways similar to that raised by the use of percentage depletion—should the deductions allowed for the depreciation of an asset be related to the actual value and useful life of the asset. As was the case with mineral depletion in the 1920's, in 1971 the Treasury abandoned the concept that the tax deduction allowed for depreciation should be related to actual cost of the item being depreciated. The Department permitted corporate taxpayers to depreciate their capital assets up to 20 percent faster than the actual useful lives of these assets. Just as with oil depletion, once we allow tax depreciation to exceed economic depreciation, we provide the owners of property producing taxable income with a direct subsidy payment from the Treasury, for there is no substantive difference between giving an individual or a business a direct handout and forgiving him a like amount in taxes due.

The major rationale that has been put forward to justify ADR is that it is necessary to stimulate investment and, therefore, the economy generally. Most experts agree, however, that there is a little evidence that "liberalization" of this type of depreciation will have much effect on investment. This concusion is at least partially borne out by the current Treasury data which shows that business has moved quite slowly in adopting the ADR system. If ADR had a strong investment incentive, why have firms not moved more quickly to adopt the system? Even if there is some marginal investment stimulus contained in ADR, there is widespread agreement that it is one of the most inefficient methods of achieving this result. Current investment spending continues to run at a record-high rate, but if further stimulus is thought to be needed, it should be accomplished by increasing the current 7-percent investment tax credit and not by relying on the highly ineffective and costly ADR system. The future history of ADR is likely to follow that of accelerated depreciation after 1954—a very gradual adoption with no noticeable investment stimuli, but considerable hidden long-run revenue losses to the Treasury. The revenue loss for 1974 alone is estimated at $1.4 billion.

Strengthening the minimum tax: Our goal here is to make more effective the minimum tax, which was passed as part of the Tax Reform Act of 1969. Each year there are taxpayers who have substantial income which is not included in their regular tax base because of income exclusions thought to be justified for social or economic reasons. While Congress continued to recognize a need for these exclusions, we also recognized a basic inequity in permitting a relatively few wealthy taxpayers to escape liability entirely by investing their resources solely in tax-free, income-producing assets. But the means chosen to limit one loophole created further loopholes of its own. The result has been that instead of the minimum statutory tax rate of 10 percent, the effective rate of the minimum tax for individuals has been only 4 percent. Our amendment proposes to modify the two deductions which have been primarily responsible for the failure of the minimum tax concept, first, the automatic $30,000 exclusion, and second, the deduction for all other income taxes paid. We would reduce the $30,000 exclusion to $10,000 which would subject substantial amounts of income to the minimum tax which are now tax-free and, at the same time, avoid any deleterious impact on low- and middle-income taxpayers with modest tax preference income such as a capital gain on the sale of their home. We would also eliminate the allowance for the deductions of other taxes paid which was added on the Senate floor with little debate as to its merit or effect. To allow taxpayers with large amounts of preference income a credit for the relatively low tax that he does pay on nonpreference income defeats the very purpose of the minimum tax. The tax on "regular" income is simply unrelated to the tax on the preferred income which is escaping taxation. It is illogical to establish a tax on the preference income, and then allow a deduction for the taxes paid on regular income. It is worth noting that the administration has itself acknowledged that changes in the minimum tax are necessary. Former Treasury Secretary Schultz noted in testifying before the Ways and Means Committee last year that "experience with the minimum tax since 1969 reveals that the provision has not been effective in requiring every individual to pay a reasonable amount of tax based on a substantial portion of his income."

In conclusion, it is clear to those of us sponsoring this amendment, Mr. President, that meaningful tax reform is now long overdue. We believe that repealing unnecessary and costly tax preferences and beginning the process of restoring fundamental tax equity should be among the highest of our priorities. Recent events have undermined public confidence in our tax system that by its very nature relies on voluntary compliance by the American taxpayer. The 16th amendment to the Constitution, ratified in 1913, empowers the Congress to levy taxes on "incomes from whatever source derived." But over the years, since the passage of that amendment, we have chosen to depart from that standard and put into the law a special exception for this kind of income or a special deduction for that kind, an exclusion, a waiver, a special low rate, or some other kind of loophole. Every time this was done, it excused some small, privileged group from paying what could and would have been collected if Congress had stuck to the 16th amendment and taxed "income, from whatever source derived." The American people have, quite rightly, had enough of such a system, and we believe it is our obligation as their representatives to act to help remedy the public discontent and discomfort with our tax system which is so prevalent today.

I ask unanimous consent that the text of the amendment and various technical information be printed at this point in the Record.

There being no objection, the amendment and material were ordered to be printed in the Record, as follows:

Amendment No. 1350

At the end of the bill insert the following new sections:

Sec. 4. Termination of Special Tax Treatment for Domestic International Sales Corporations.

(a) Termination of Exemption Provisions.—Section 991 of the Internal Rvenue Code of 1954 (relating to tax exemption of a DISC) is amended by adding at the end thereof the following: "This section shall not apply to any taxable year beginning after December 31, 1973."

(b) Termination of DISC's.—Section 992 (a) of the Internal Revenue Code of 1954 (relating to definition of a DISC) is amended by adding at the end thereof the following new paragraph:

"(4) Termination.—Notwithstanding any other provision of this part, no corporation shall be treated as a DISC or former DISC for any taxable year beginning after December 31, 1973."

(c) Distributions by DISC's Terminated.—Section 995(b) of the Internal Revenue Code of 1954 (relating to deemed distributions of DISC income) is amended by adding at the end thereof the following new paragraph:

"(3) Distributions upon termination.—

"(A) In the case of a corporation which was a DISC, or former DISC, for a taxable year ending after December 31, 1972, and before January 1, 1974, and to which the provisions of paragraph (2) do not apply for the succeeding taxable year, a shareholder of the corporation shall be deemed to have received (at the time specified in subparagraph (B)) a distribution taxable as a dividend equal to his pro rata share of the DISC income of such corporation accumulated during the immediately preceding consecutive taxable years for which the corporation was a DISC.

"(B) Distributions described in subparagraph (A) shall be deemed to be received in equal installments on the last day of each of the 10 taxable years of the corporation following the taxable year ending before January 1, 1974."

Sec. 5. Repeal of Percentage Depletion for Oil and Gas Production.

(a) Repeal of oil and gas depletion. (1) Section 613(b)(1)(A) of the Internal Revenue Code of 1954, as amended (26 U.S.C. 613 (b)(1)(A)), is amended by deleting the words "oil and gas wells" and by inserting in lieu thereof the words "certain gas wells as defined in subsection (e) of this section."

(2) Section 613(b)(7) of such Code is amended by

(A) deleting "or" at the end of subparagraph (A) thereof;

(B) by deleting the period at the end of subparagraph (B) thereof and by inserting in lieu thereof "; or"; and

(C) by inserting the following new subparagraph after such subparagraph (B): "(C) oil and gas wells."

(b) Certain gas wells. Section 613 of the Internal Revenue of 1954 (26 U.S.C. 693) is amended by adding at the end thereof the following new subsection:

"(e) Special rule for certain gas wells.

"(1) The gas wells referred to in section 613(b)(1)(A) are—

(A) wells producing regulated natural gas, to the extent of such production, and

(B) wells producing natural gas sold under a fixed contract to the extent of such production.

"(2)(A) The term 'natural gas sold under a fixed contract' means domestic natural gas sold by the producer under a contract, in effect on April 10, 1974, and all times thereafter before such sale, under which the price for such gas cannot be adjusted to reflect to any extent the increase in liabilities of the seller for tax under this section by reason of the repeal of percentage depletion. Price increases subsequent to April 10, 1974 shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates the contrary by clear and convincing evidence.

"(B) The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowed under section 611 with respect to such product.

"(C) The term 'domestic' refers to petroleum from an oil or gas well located in the United States or in a possession of the United States.

"(D) The term 'crude oil' includes a natural gas liquid recovered from a gas well in lease separators or field facilities.

"(E) The term 'regulated natural gas' means domestic natural gas produced and sold by the producer, prior to January 1, 1976, subject to the jurisdiction of the Federal Power Commission, the price for which has not been adjusted to reflect to any extent the increase in liability of the seller for tax by reason of the repeal of percentage depletion. Price increases subsequent to April 10, 1974 shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates the contrary by clear and convincing evidence."

(c) Effective dates. The amendment made by subsections (a) and (b) of this section shall apply to oil and gas produced on or after January 1, 1974.

Sec. 6. Termination of Permitted Class Life Variance.

(a) In General.—Section 167 (m) (1) of the Internal Revenue Code of 1954 (relating to class life in general) is amended by striking out the last sentence.

(b) Effective Date.—The amendment made by this section applies with respect to property placed in service after the date of enactment of this Act.

Sec. 7. Minimum Tax.

(a) In General.—Section 56 of the Internal Revenue Code of 1954 (relating to imposition of minimum tax for tax preferences) is amended—

(1) by striking out subsection (c);

(2) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) In General.—In addition to the other taxes imposed by this chapter, there is hereby imposed for each taxable year, with respect to income of every person, a tax equal to 10 percent of the amount (if any) by which the sum of the items of tax preference exceeds the excludable amount.";

(3) by striking out "$30,000" in subsection (b) (1) (B) and inserting in lieu thereof "$10,000"; and

(4) by inserting a new subsection (c) as follows:

"(c) For the purpose of subsection (a) of this subsection, the excludable amount shall be $10,000."

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1973.

Fact Sheet on DISC

DISC provisions of the Tax Code allow specially organized export corporations to defer indefinitely the tax on one-half of their income. There is no evidence that DISC provisions provide an extra stimulus to exports. But they will cost the U.S. Treasury $740 million in 1974, primarily in the form of subsidies to large corporations. Our amendment would terminate the unjustified DISC subsidy.

HOW DISC PROVISIONS WORK

Under existing law, a corporation may elect to be a DISC (a Domestic International Sales Corporation) if at least 95% of its gross receipts, and at least 95% of its assets, are export-related. DISCs are completely free from normal income taxes. Shareholders, however, are taxable on one-half of the DISC's income each year, or the amount distributed as dividends, whichever is greater. Thus, DISCs in effect allow indefinite tax deferral on one-half of export income.

In practice, DISCs are most often paper corporations established by other large corporations merely for the purpose of receiving tax benefits for exports. A DISC need not satisfy normal requirements of corporate capitalization, but need have only $2500 in assets. In 1972, 22% of the income received by all DISCs was earned by eight DISCs with gross receipts over $100 million, and over 80% of the 2,249 DISCs were owned by corporations with assets of over $100 million. These large corporations can channel their exports, on either a sale or commission basis, through DISCs they have created, and thus receive substantial tax benefits.

REVENUE GAIN FROM TERMINATION OF DISC BENEFITS

Terminating DISC benefits under our amendment would gain an estimated $815 million in 1974. $740 million of this amount comes from revenue which would otherwise have been lost in 1974 under the DISC provisions. And $75 million comes from the estimated tax revenue which would be payable in 1974 on DISC income deferred in prior years.

DISC PROVISIONS HAVE HAD NO DEMONSTRABLE EFFECT ON INCREASING OUR EXPORT TRADE

The U.S. in 1973 enjoyed a $700 million trade surplus, with an unprecedented $70 billion in exports. But when the DISC provisions were originally enacted in 1971, the nation was facing a serious balance of payments deficit, including for the first time in recent years a deficit in trade of goods and services. According to the International Economic Report of the President, the turnaround in the U.S. trade balance was caused primarily by increased world-wide demand for our agricultural and manufactured exports, and the 15% devaluation of the dollar over the past two years. During 1971 and the first half of 1972 our demand for foreign products was strong, and economic slowdowns abroad reduced demand for our exports, producing a negative trade balance. Since then, however, export demand has increased, the prices of our exports have become more competitive, and higher relative prices abroad have reduced our demand for imports.

There is no evidence that any part of this trade turn-around is due to the tax benefits provided under DISC. In fact, the GAO has reported that DISC "is not considered to have had much influence toward increasing U.S. exports to date. Neither has it resulted in exporters lowering their prices to meet competition." And a recent Treasury Department report prepared pursuant to the DISC statute gives no convincing evidence that the tax subsidy under DISC is having an effect on our exports or balance of trade. Although the Treasury analysis, which covers data from calendar year 1972, shows that selected firms utilizing DISCs increased their exports 14.1%, slightly more than the total U.S. export growth by 12.4% in that year, the Treasury makes no claim that these figures are statistically significant and admits that their conclusion is "highly tentative." The Treasury Report did show, however, that the 15% profit rate for exporters using DISCs has been about twice the 8% rate of return for those industries in which DISCs predominate, and that the revenue loss has been much higher than Congress expected when it enacted DISC in 1971. The revenue loss was an estimated $250 million in 1972 and $500 million in 1973, instead of the originally predicted $100 million in 1972 and $170 million in 1973.

EFFECTIVE DATE

Our amendment would make DISC benefits unavailable for any taxable year beginning after December 31, 1973. Since DISCs are largely an accounting device, utilized by corporations at the end of their taxable years when export receipts, assets, and income are accounted for, terminating the DISC provisions as of this tax year would work no unfairness. Taxes on income previously deferred would be payable in equal assessments over ten years.

FACT SHEET ON PROPOSED REPEAL OF PERCENTAGE DEPLETION FOR OIL AND GAS

This provision would abolish the percentage depletion allowance as of January 1, 1974, for all oil extraction and for natural gas not under Federal price control or already committed under fixed-price contracts. The annual revenue gain over five years would be as follows:

[In billions of dollars]

Calendar year	Revenue gain		
	This proposal	Ways and Means bill	Difference
1974	2.0	0	2.0
1975	2.2	.6	1.6
1976	2.6	1.3	1.3
1977	2.9	2.1	.8
1978	3.3	2.4	.9
5-year average	2.6	1.3	1.3

Of the revenue gain from abolition, all but about $0.2 billion is traceable to the elimination of percentage depletion on domestic oil. The estimates for domestic oil are based on an average price of crude increasing gradually from $6.50 per barrel in 1974 to a world price of $9 in 1978, as assumed by the Joint Committee on Internal Revenue Taxation.

HOW DEPLETION WORKS

The percentage depletion option now permits 22 percent of the gross revenues from oil and gas extraction to go entirely free of Federal income tax, up to half of the producer's before-tax profits. For a successful well, percentage depletion can provide a total tax deduction much larger than the alternative of depreciating the investment in the well, as would be done by investors in other businesses. As a result of this and other tax preferences, major oil companies paid only about 6 percent of their income in U.S. income taxes in 1972. For instance, Gulf paid 1.2 percent; Mobil, 1.3 percent; Texaco, 1.7 percent; SoCal, 2 percent; Arco, 3.7 percent; Exxon, 6.5 percent; and Standard of Indiana, 10.2 percent.

Percentage depletion has been defended in the past as an incentive to exploration and drilling. For this purpose, it always has been a very costly form of subsidy, and it is less effective per dollar than a subsidy or tax credit applied directly to the desired activities.

The new high prices of oil render percentage depletion much more expensive than before and, at the same time, remove any justification for it, because today's oil prices provide ample incentive for oil development without any subsidy. Development activity now is constrained *not* by any lack of incentive but by the physical capacity of the industry and its equipment suppliers.

The recent increase in oil prices indeed presents an opportunity to abolish this aspect of undue favoritism in the tax system without reducing the incomes of oil investors from last year's levels. On the contrary, oil incomes will go up anyway. Depletion should be abolished now before it again becomes embedded in the new income levels, the asset values, and the cost structure of the oil business.

RELATIONSHIP TO THE WAYS AND MEANS BILL

The Ways and Means bill repeals depletion in gradual steps from 1975 through 1978. Its provision on depletion would have virtually no effect in 1974. Our proposal would return significant revenues to the public treasury from ballooning oil profits beginning this year. Oil industry profits in 1973 rose some 55 percent over 1972, according to *Business Week*. Company reports for the first quarter of 1974 indicate another very large jump for this year. After their accountants had done everything possible to minimize below-the-line profits, Texaco reported after-tax earnings up again by 123 percent; SoCal, 92 percent; Standard of Indiana, 81 percent; Gulf, 76 percent; Mobile, 66 percent; Shell, 51 percent; and Exxon, 39 percent.

This proposal separates the repeal of percentage depletion from the other provisions of the Ways and Means Tax Package, because depletion has been the subject of hearings and public debate for many years and the issue is familiar to everyone. Action should be taken now to close this major loophole as the first step toward satisfying public demand for fair taxation of oil income. The other provisions of the Ways and Means package are sufficiently new and complex to warrant more deliberate procedures. This proposal is not intended to detract in any way from the need to consider these other measures in due course.

BACKGROUND OF THE ASSET DEPRECIATION RANGE SYSTEM

The ADR system permits a corporate taxpayer to depreciate capital assets within a range of up to 20% faster than the useful lives of these assets as defined by Treasury guidelines on useful lives in 1971. Many people believed that the Treasury was exceeding its statutory authority in administratively changing the depreciation system. In part due to public and Congressional protest, the Administration submitted a modified version of ADR to Congress in the Revenue Act of 1971. On November 12, 1971, the Senate came within two votes of rejecting ADR.

ADR abandons a concept which had been an integral part of the tax laws for 40 years—namely, that deductions for depreciation of capital assets must be based on the actual useful life of the asset. Once we depart from this concept and allow tax depreciation to exceed economic depreciation, the owners of property producing taxable income are in effect receiving subsidy payments from the Treasury. There is no mathematical difference between giving an individual or business a direct handout and forgiving him a like amount in taxes due.

In announcing the ADR in January of 1971, President Nixon stated that "a liberalization of depreciation allowances is essentially a change in the timing of a tax liability." This statement is mistaken and represents a confusion between the consequences of a "liberalization" in depreciation allowances for a single asset or assets of a single year or even a limited number of years and the permanent "liberalization" established by ADR. Experts in this field have estimated that by 1980 the ADR system will have resulted in up to a $30 billion *permanent* revenue loss to the Treasury. Thus ADR is not simply a change in the timing of tax payments or reducing payments now in return for a tax liability in the future. It represents a repeating and accumulating loss in tax revenues year after year, a loss which will ultimately grow along with the general rate of growth of the economy and in particular the rate of growth in equipment subject to the tax depreciation.

The major rationale which has been put forward to justify ADR is that it will stimulate investment and therefore the economy generally. Many experts in this area, however, do not agree that this is the case. Professor Robert Eisner of Northwestern University who has spent many years studying the subject of asset depreciation earlier this year testified before the House Ways and Means Committee that "there is little evidence that 'liberalization' of depreciation allowances of this type will have much effect on investment." He went on to note that "if the objective were to increase investment spending, economic analysis makes clear that a far more effective device, dollar for dollar of tax loss to the Treasury, would be some form of direct investment subsidy or tax credit." It should be noted that an investment tax credit to stimulate capital investment was also adopted as part of the Revenue Act of 1971 providing ample tax relief and investment incentives for corporations.

The other argument of the ADR proponents revolved around the competitive position of U.S. producers. As nearly all economists will agree, this is a spurious argument. There is no empirical evidence that those countries with the lowest taxes on capital have higher rates of economic growth. In fact, among the major industrial countries the converse appears to be true. If the goal were to stimulate capital formation, ADR is a very ineffective and costly stimulus. In part, this is reflected by the current data which show that business has moved very slowly in adopting ADR. If ADR has a strong investment incentive, why have firms not moved more quickly to adopt the new proposals? Its complexity also appears to be discriminating against the smaller business firms. The current Treasury data indicate that the system is being adopted by the large conglomerates but not the smaller proprietorships and partnerships. Apparently the complex provisions can only be interpreted by the larger firms. Major improvements in the U.S. balance of payments has come from the devaluation of the dollar rather than tax giveaways to business. The future history of ADR is likely to follow that of accelerated depreciation after 1954—a very gradual adoption with no noticeable investment stimuli, but considerable hidden long-run revenue costs.

Estimated revenue loss due to ADR

1971	$300 million
1972	$900 million
1973	$1.2 billion
1974	$1.4 billion

Estimated revenue gains if ADR is repealed

1974	$400 million
1975	$1.0 billion
1976	$1.5 billion
1977	$1.7 billion
1978	$2.0 billion

STRENGTHEN THE MINIMUM TAX

PURPOSE

1. Repeal the step in the calculation of the minimum tax which currently allows a deduction for other taxes paid.

2. Reduce the current $30,000 exclusion from the minimum tax to $10,000.

The proposed amendment makes no change in the list of tax preferences subject to the minimum tax, and no change in the current 10% rate of the minimum tax. It affects only the deduction for taxes paid and the $30,000 exclusion, the most obvious loopholes in the current minimum tax. The combined revenue gain from both provisions would be $860 million.

CURRENT LAW

The minimum tax was enacted by Congress as part of the Tax Reform Act of 1969, in an effort to insure that persons with substantial amounts of untaxed income would pay at least a modest tax on such income. Under the present minimum tax, a person is taxed at the flat rate of 10% on the sum of his income from certain tax preferences, which include most, but not all, of the major preferences in the tax code: accelerated depreciation on real property, accelerated depreciation on personal property subject to a net lease, amortization of certified pollution control facilities, amortization of railroad rolling stock, stock options, reserves for losses on bad debts of financial institutions, depletion, capital gains, and amortization of on-the-job training and child care facilities.

Before the minimum tax is applied, however, a taxpayer gets two important deductions from his preference income: *First*, an automatic $30,000 exclusion; *Second*, a deduction for the regular income tax he pays. These two deductions are largely responsible for the failure of the minimum tax to fulfill its promise.

DEDUCTION FOR TAXES PAID

This deduction allows substantial numbers of taxpayers to avoid the minimum tax completely, even though they have large amounts of income from tax preferences. In practice, the deduction is an "Executive Suite" loophole, since one of its principal effect is to allow highly paid executives to use the large amount of regular taxes they pay on their salaries as an offset against income they receive from tax preferences. The following example illustrates the point:

	A	B
Preference income	$100, 000	$100, 000
Regular tax on salary	100, 000	0
Base for minimum tax	0	100, 000
Minimum tax	0	10, 000

Individual A, who has $100,000 in income from tax preferences but pays $100,000 in regular taxes on his salary, owes no minimum tax. Individual B, who has $100,000 in income from the same tax preferences, but who pays no regular taxes, owes a minimum tax of $10,000. The minimum tax should operate equally on individuals A and B, yet the deduction for taxes paid lets A escape the minimum tax altogether.

Contrary to arguments raised in the past against the proposal to repeal the deduction for taxes paid, this reform would have only a marginal impact on capital gains. For individuals, the change would increase the effective tax rate on capital gains in the highest bracket from its present level of 36.5% to 40%. But the top 40% rate would apply only to that portion of capital gains over $460,000, and it is still a bargain rate compared to the 70% tax rate on ordinary income at such levels. In the Tax Reform Act of 1969, the maximum effective tax rate on capital gains was increased from 25% to 36.5%, with no measurable effect on the investment community or the flow of capital to business. For corporations, the change would increase the effective tax rate on capital gains from 30.75% to 33.75%. The Tax Reform Act of 1969 increased the rate from 25% to 30%. For all but the smallest corporations, the tax rate on ordinary income is 48%.

THE $30,000 EXCLUSION

The second part of the amendment would reduce the existing $30,000 exclusion to $10,000. The present level was set far too high by the 1969 Act. It enables wealthy taxpayers to enjoy their first $30,000 in tax loophole income, completely free of the minimum tax. This was the provision used by President Nixon to reduce his minimum tax to zero in 1971 and 1972, and to near-zero in 1970.

By reducing the level to $10,000, substantial amounts of income that are currently tax-free will become subject to the minimum tax. At the same time, the $10,000 level will be high enough to prevent any substantial deleterious impact on low and middle-income taxpayers with the modest tax preference income such as a capital gain on the sale of a home. In addition, the $10,000 level will avoid any unnecessary inconvenience in the administration of the minimum tax, since it will not require the forms to be filed or the tax to be paid on modest amounts of tax preference income.

EFFECT OF CURRENT LOOPHOLES

Individuals

In 1971, 100,000 individuals with tax preferences totaling $6.3 billion paid $169 million in minimum tax, for an effective tax rate of only 2.7%, compared to the statutory rate of 10%. Of this group, 75,000 individuals, reporting preference income of $2.3 billion, paid no minimum tax at all.

Corporations

In 1970, 81,000 corporations paid $280 million in minimum tax on loophole income of $5.7 billion, for an effective rate of 4.8%. Of this group, 75,000 corporations, reporting preference income of $1.6 billion, paid no minimum tax at all.

REVENUE GAIN (MILLIONS) FROM PROPOSED AMENDMENT (1972 INCOME LEVELS)

	Repeal deduction for taxes paid	Reduce exclusion to $10,000	Combined changes
Individuals	$330	$131	[1] $585
Corporations	250	20	275
Total	580	151	860

[1] 80 percent from individuals with adjusted gross incomes over $100,000.

THE AMATEUR ATHLETIC ACT OF 1974—AMENDMENT

AMENDMENT NO. 1351

(Ordered to be printed, and to lie on the table.)

Mr. HATHAWAY submitted an amendment, intended to be proposed by him, to the bill (S. 3500) to promote and coordinate amateur athletic activity in the United States and in international competition in which American citizens participate and to promote physical fitness, and for other purposes.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 1332

At the request of Mr. ROTH his name was added as a cosponsor of amendment No. 1332 to H.R. 11864, the solar energy bill.

NOTICE OF HEARING ON A NOMINATION

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 4, 1974, at 9:30 a.m., in room 2228, Dirksen Senate Office Building, on the following nomination:

Robert W. Porter, of Texas, to be U.S. district judge for the northern district of Texas, vice Leo Brewster, retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Mississippi (Mr. EASTLAND), chairman; the Senator from Arkansas (Mr. MCCLELLAN) and the Senator from Nebraska (Mr. HRUSKA).

GLOBAL SCARCITIES

Mr. DOMENICI. Mr. President, the Subcommittee on Foreign Economic Policy of the House Foreign Affairs Committee has been holding a series of hearings on global scarcities in an interdependent world. One of the witnesses last week, Dr. C. Fred Bergsten of the Brookings Institution, discussed some of the implications of the recent success of the OPEC in controlling prices and supplies of oil to consumer nations. Both he and an editorial in today's New York Times pointed out the recent formation of similar producers' cartels in a variety of primary commodities, from bauxite to bananas, coffee to copper.

In the United Nations, the developing countries have called for "new OPEC's"; in preliminary discussions on world trade agreements, they have rejected the idea of rules guaranteeing access to supplies for consuming countries. Clearly, the example set by OPEC has opened the eyes of producing countries to their leverage in world trade.

In a sense, we have only ourselves to blame for this reversal of economic roles. Our trade policies have simply failed to consider such a possibility until it was upon us. Now it is, and we have no time to forge the alliances and agreements which would allow an orderly transition from a buyer's market to a seller's market. We are reduced to dealing with each crisis as it is forced upon us.

The oil embargo clarified one important point. These crises are not just matters of foreign trade policy. Many decisions on domestic policy have very important impacts on our position. I have commented earlier that the decision to reduce our stockpiles of strategic materials should be reviewed in light of these new economic conditions. Another case in point is the requirement that new autos be equipped with catalytic devices to meet emission standards for 1975 and later years. I have no desire to weaken those standards, but I do want to point out that platinum is apparently the only catalyst that works so far, and all of the platinum used in the United States is imported. I believe that we would be foolish to ignore that fact in making decisions on allowing alternatives to catalytic mufflers in meeting air quality goals. This is just one of the examples I could cite of the interdependence which now so complicate life on this globe.

I ask unanimous consent that the New York Times editorial, "One OPEC. One IBA," and the summary of Dr. Bergsten's testimony in the Washington Post, for May 19, "Preparing for a Future of Commodity Power," be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

One OPEC, One IBA

Jamaica, the world's largest exporter of bauxite, has rejected an offer by American aluminum producers that would have boosted their tax and royalty payments to the island's government from $25 million to $80 million in the coming thirteen months; instead, Jamaica is demanding an increase to about $200 million. Granting that demand would entail the biggest increase in any raw material price since the Arabs clamped their oil embargo on the West during the Mideast war last fall and the Organization of Petroleum Exporting Countries quadrupled the price of oil.

The action by Jamaica will be a crucial test of whether the example provided by the oil cartel can be imitated by other commodity producers, Although Jamaica has acted alone in pressing for the big hike in the bauxite price, it is the key member of the newly formed International Bauxite Association, which also includes Australia, Guyana, Sierra Leone, Guinea, Surinam and Yugoslavia.

The I.B.A. does not bill itself officially as a price-fixing cartel, on the O.P.E.C. model, but it could well turn into one if the Jamaican price boost sticks. And the major copper exporters—Chile, Peru, Zaire and Zambia, who have banded themselves together in the Intergovernmental Council of Copper Exporting Countries (C.I.P.E.C.)—will also be anxious observers of the test of whether there can be, as the magazine Foreign Policy has put it, "one, two, many, O.P.E.C's . . ."

It is of course possible that oil is uniquely qualified as a commodity whose price can be rigged and held by an international cartel; yet there is at least as much surface plausibility to the argument of many economists that the oil cartel itself is bound to break down, because it has set its monopoly price far too high. As a result, substitute for petroleum may in due course be found.

The world may not have time, however, to see whether long-run market forces will eventually restore equilibrium to the prices set by a growing list of would-be international monopolists. The effort to form cartels to boost commodity prices still higher can make the vicious cycle of world inflation spin faster and faster.

The commodity producers are trying to introduce a form of "indexation" that could become a perpetual-motion machine which is bound to disintegrate in a crash. This appears to be precisely the sort of indexing that the oil and now bauxite producers have in mind. In the words of Jamaica's Prime Minister Michael Manley: "The underdeveloped nations can no longer continue to supply raw materials to developed countries on the old basis and, in an inflationary world, it is important to link the value of raw materials to the value of finished products."

Before all countries—including the developed countries, many of which are also major commodity exporters—are drawn into an inflationary game of "beggar-my-neighbor," a determined effort should be made to restore some reason and order to international commodity pricing.

Starting with the specific cases of oil and bauxite, the importing countries should unite to protect themselves against exploitation by international cartels. If possible, it would be well to avoid confrontations with commodity suppliers; it would be far better to seek to reach international commodity agreements to ensure equitable pricing, stable markets for suppliers and reliable access to raw materials for importers. Both producing and consuming countries have much to gain from viewing their problems in a long-term context. Stability depends on cooperation.

The alternative is likely to be economic warfare—and economic breakdown—with disastrous consequences for all.

Preparation for Commodity Power

(By C. Fred Bergsten)

There can now be no doubt that a large number of primary producing countries will be making steady, determined and often concerted efforts to substantially raise their returns from a wide range of the commodities which they produce, including through the formation of "new OPECs," and that many of them are in an excellent position to do so.

None of the individual commodities susceptible to such developments have nearly the quantitative or qualitative importance of oil. In addition, it is unlikely that the new commodity power of the Third World will often be used, as was oil, for political reasons—though oil may well be used for that purpose again.

Nevertheless, successful "resources diplomacy" on the part of these countries will further exacerbate the deep inflationary pressures now engulfing the world economy, including our own. Since most of these primary producers are developing countries, their actions will also further reduce the North-South economic and political disparities which were a central feature of the first postwar generation, and many thus provide new constraints on U.S. foreign policy in the coming years.

Since I first called attention to the likelihood of these developments a year ago, their scope and depth has accelerated dramatically:

OPEC itself (the Organization of Oil-Producing Countries) effectively quadrupled the price of oil and cut production dramatically. Oil is of course the most important commodity in world trade.

Leading coffee producers formed "Cafe Mundial" and have established effective control over the world coffee price. Indeed, they were so confident of success that they let expire the International Coffee Agreement, which attempted to secure the cooperation of the consuming countries to stabilize prices. Coffee is the second most heavily traded commodity in the world.

Phosphate producers acted together to triple their prices. Phosphate is, of course, a major input to fertilizer and detergents.

Bauxite producers have just formed the International Bauxite Association. Immediately upon its formation, leading producer Jamaica demanded a fundamental renegotiation of its present arrangements with the multinational aluminum firms now operating there, apparently including an increase in taxes and royalties on all output. It is widely assumed that the other producing countries will then demand terms equal to those achieved by Jamaica.

Last week Jamaica proposed a five-fold increase in taxes and royalties on all output.

Latin American banana producers have organized an International Organization of Banana Exporters (known by its Spanish acronym, IPEB) and raised their prices substantially through the joint imposition of export taxes.

Major tin producers are now seeking a 42 per cent increase in the guaranteed floor price maintained through the buffer stock held under the International Tin Agreement.

Latin American cotton producers threatened to cease all sales to Japan unless the Japanese agreed to double the prices, which they promptly did.

Of course, producer-country groupings already existed for copper and natural rubber, two other commodities where OPEC-type action appears quite feasible.

Additional qualitative developments add to the picture painted by these explicit manifestations of the new trend:

More than two dozen developing countries have set up ministries of resources to pursue their new economic diplomacy.

In the recent, first General Agreements on Tariff and Trade discussion of possible new international rules to guarantee access to supplies for consuming countries—analogous to the traditional GATT rules guaranteeing access to markets for producing countries, the developing countries unanimously rejected the call for such action jointly supported by the United States, Japan and several Western European countries.

The developing countries embodied their call for "new OPEC's" in the final resolution passed at the recent special session of the U.N. General Assembly.

A number of industrialized countries such as Germany and Japan—the two leading competitors of the United States in world trade and finance—have not only recognized these trends but are attempting to counter by developing their own "resources diplomacy" as a cardinal element of their overall foreign policies.

Thus, there can be no doubt that the commodity producers are aggressively seeking to dramatically improve their own earnings, through whatever means they can best devise to fit the particular commodity situation available to them, and already are recording substantial successes. There are two basic reasons why they are doing so.

First, the buyer's markets of the past have largely become sellers' markets. Downturns in commodity prices are usually a leading indicator of declines in the business cycle, which is why The Economist and others began predicting a bursting of the commodities boom well over a year ago. Yet their prices of virtually all primary products have continued to rise, or declined only marginally from record levels, despite the sharp decline in gross national product in the United States and the markedly slower growth rates in virtually every other industrialized country.

The second fundamental change is OPEC's success, which promotes "new OPEC's in several ways:

In purely economic terms, the dramatic increase in oil prices forces every oil-consuming country to make every effort to maximize its own export prices to limit the cost to its balance of payments and internal growth. Many developing countries can look only to their primary products to recoup. They literally must try to do so.

It shows that a producer-country cartel can work. Indeed, OPEC comprises a very large number of countries, heavily reliant on a single commodity, several of which have very different views on key economic and political issues (including Israel). If OPEC can work for oil, other OPEC's may even be easier to form.

The total absence of a concerted response to the OPEC actions by the consuming countries can only suggest to other primary producers that they need have little fear of even subtle retaliation against their efforts. Indeed, virtually every oil action by the majority of the industrialized nations—particularly the scrambles for "special deals" by the Europeans and Japanese—fed OPEC's confidence to take further and bigger steps.

In addition, OPEC may help its offspring directly. The shah of Iran has spoken publicly of such possibilities, and they represent one way—perhaps a very profitable way—for the oil producers to mitigate the economic damage they have caused to a large number of countries which are still relatively poor. Since the OPEC countries are looking for profitable ways to invest their oil earnings anyway, simple purchases of commodities (including futures) in the open market might meet their economic and political goals simultaneously.

One cannot, of course, apply these generalities without reservation to every primary product at every point of time in the future. Intensive analysis of both the economics and politics of individual commodities is necessary to get a firmer fix on each, and I hope that the Congress will act speedily on the legislation now before it which would set up governmental machinery to do so on a systematic basis.

However, individual commodity developments—like individual acts of trade, monetary and all other international economic and political trends. The trends outlined above, coupled with the new capabilities of virtually all developing countries to pursue national policies which effectively promote their interests and the view of most of these countries that the international economic system has been stacked against them far too long, strongly suggest that "commodity power" and "resources diplomacy" are terms which will be with us for the relevant future.

FENCING AND CARGO THIEVERY RACKETS

Mr. BIBLE. Mr. President, 2 years ago, as a part of our Small Business Committee's investigatory hearings about the impact of crime on the Nation's 8½ million small businesses, our attention was directed to the business-oriented activities of the criminal receiver, or fence. At hearings we learned much about the damage caused small businessmen and the public at large by these criminals who provide a redistribution system for the billions of dollars' worth of property stolen each year in this country—$16 billion is the per year cost of property thievery nationally, according to a Commerce Department survey.

Without fences to place their "steal orders" with them, many thieves would probably have to find a more legitimate livelihood. Instead, today fences and their client-purchasers not only prosper mightily from the profits obtained from the sale of stolen goods, but do so at the direct expense of legitimate business and the consumer who pays crime-inflated prices for his goods.

For private industry and/or law enforcement agencies to deal effectively with the problem is not easy because there are numerous legal and practical complexities—not the least of which is the great difficulty in securing precise identification of stolen goods in the fencing conduit at some point. We are still hopeful that the 93d Congress will have the opportunity to complete action on S. 13 or S. 800, legislation passed by the Senate 1 year ago to permit, among other things, treble damage civil remedies to victims of fencing.

There is also pending before the Senate S. 2974, legislation designed to provide a comprehensive program to improve cargo security in transit by providing authority for Federal transportation regulatory agencies to establish minimum security performance standards for truck, air, rail, and maritime public carriers wherein their losses are tied in so closely to their economic well-being and that of their industry. And title II of that bill would permit the Senate to pass for a second time the Port Security Act, which passed both the Senate and House in 1972 but was lost in the final days of the 92d Congress because of a parliamentary problem.

Mr. President, for an updated account of the fencing racket and cargo thievery so often closely associated with it, may I request unanimous consent that an excellent article by New York Daily News Correspondent Joseph Volz, appearing in the March 1974 issue of Sea Power magazine, the official publication of the Navy League of the United States, dealing with crime on the waterfront, entitled "The Mafia Detergent, Shoes That Evaporate, and Bricks for San Juan," be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MAFIA DETERGENT, SHOES THAT EVAPORATE, AND BRICKS FOR SAN JUAN

(By Joseph Volz)

Joseph Volz, a member of the Washington Bureau of the New York Daily News, *is co-editor of "The Mafia Talks."*

A frustrated New York importer of Italian shoes opened up his shipment on the piers of the Hudson River only to discover that 33 of the 50 cases were empty. Somewhere between Naples and New York the shoes had evaporated and there was little chance he would ever find out where they were lost or stolen, let alone recover them.

An isolated incident? Not quite. A worried Senate Select Committee on Small Business noted last May that "cargo losses in the maritime industry are increasingly taking the form of large scale organized theft which seems to involve collusion between crime syndicates and maritime transport workers. Stolen goods find their way into legitimate channels of business, thereby eroding further the economic livelihood of the nation's businessmen."

And Assistant Attorney General Henry Petersen, perhaps the country's top expert on organized crime, observes that prosecuting the criminals is often a difficult task because of lack of cooperation from and poor record keeping by private industry. Said Petersen at a June 1971 Cargo Security Conference sponsored by the Transportation Department: "You can certainly appreciate the problems encountered in attempting to prosecute persons found in possession of stolen or pilfered goods when the terminal operator cannot account for the goods as missing and very often cannot identify the last person responsible for them, or even identify the goods."

A NATIONAL CLICHE

The problem of cargo security has been so big for so long that the term "crime on the waterfront" is now a national cliche. But, contrary to popular belief, some small progress has been made in reducing such crime (or, at least, in making it more risky) and there are signs the various elements of the waterfront community—government agencies, shippers, labor, and carriers—are finally determined to root out the criminal element entirely:

The National Association of Port Authorities late last year established their own committee on cargo security and named Captain Vernon J. Soballe, a retired Navyman now Port Director in Chicago, to head it. Getting the port authorities on the bandwagon has been considered vital. Crime rates vary from port to port and even from pier to pier, depending on a number of human variables such as the specific truckers, shippers, warehousemen, labor unions and even police precincts involved. The port authority is the only one with universal jurisdiction in a particular geographic area.

An Interagency Committee on Transportation Security has been established with representation from the Justice, Transportation, and Treasury Departments and headed by Lieutenant General Benjamin O. Davis, Jr., USAF (Ret.), Assistant Secretary of Transportation for Environment, Safety and Consumer Affairs. The panel, working with a similar industry group—the Transportation Cargo Security Council, headed by Harold F. Hammond of the Transportation Association of America—has already been active in developing new and better anti-theft projects in "high-loss" areas, and is planning an ambitious industry-wide education program which, it is hoped, will eventually make all the many diverse elements of the nation's $200 billion per year transportation business security conscious at all times.

Senator Alan Bible (D-Nev.), Chairman of the Senate Small Business Committee, which since 1969 has led the fight against what Bible himself describes as "what may be the biggest multibillion dollar racket today—stealing from transport carriers," introduced omnibus legislation on February 7, 1974, which if enacted would, among other things: (1) require the federal government to establish broad security performance standards; (2) permit the U.S. Customs Service, by rulemaking, "to establish security measures and procedures for all maritime ports"; and (3) require the Transportation Department "to establish pilot programs to demonstrate the effectiveness of different cargo security systems and to promote the use of new security techniques."

Just how great is the annual theft of goods—off the piers of New York, Baltimore, New Orleans, or Seattle, for example—is anybody's guess.

The New York-New Jersey Bi-State Waterfront Commission, often praised by law enforcement officials as one of the most effective watchdogs against cargo theft in the country, once reported that it recovered $277,000 in stolen goods (by setting up stores to "fence"the items), only to learn that the shippers had reported losses of only $2,000. Some observers look with skepticism, therefore, on the American Institute of Marine Underwriters' 1970 estimate that about $59 million is stolen annually. Some believe the figure would be as high as $1 billion if shippers, afraid that insurance premiums will go up or that mobsters will retaliate, reported all their losses.

Senator Bible says "thievery, pilferage, hijacking, and unexplained loss of cargo" runs anywhere from $1.5 billion to $2.8 billion each year for the entire transportation industry, and notes that indirect costs—"for processing claims, paperwork . . . not having goods for sale, loss of profit dollars, disruption of production lines, [and] loss of customer goodwill"—bring the total tab to an estimated "8–10 billion annually."

Nothing seems immune from theft. Arthur

A. De Santis, executive secretary of the Italy-America Chamber of Commerce, New York, told the Bible Committee in 1970 of a food importer who estimates that he loses more than one per cent of his stock to theft each year, and said there has even been a market in stolen sunglasses—one shipper lost half his cargo before it even arrived in the United States.

HUNDRED-PROOF COFFEE

Observed De Santis: "Every businessman who has ever had occasion to import anything into the United States via the docks can testify to the sad state of affairs. And the type of theft varies from the pilferer who refills his coffee thermos from a case of liquor to thieves who unload whole trucks with or without the consent of the driver."

Despite the federal government's concerted effort against the Mafia since the late Robert Kennedy became attorney general in 1961, industry officials have long felt that the battle on the docks was being won by the mobsters, not the law. Carl McDowell, president of the American Institute of Marine Underwriters, charged four years ago that the problem of organized theft "is mounting". In some instances, it is fully indicated that advance information on the movement of valuable freight has been collusively obtained. The theft of entire unit loads, and hijacking enroute, indicate operations that were preplanned, rather than casual."

He added that "the most disturbing aspect" of large scale thefts "is the suspicion that much of the loot moves through channels of legitimate business. The hoods have taken over manufacturing, distribution and merchandising industries. In New York, for example, Mafia leaders were peddling a detergent which a legitimate business, A&P, refused to buy. Soon after, A&P stores and warehouses were hit with a series of fires which caused over $50 million worth of damage."

WATCH THE WATCHMAN

But, even by using intimidation, the well-organized mobsters would hardly be so successful without a more than occasional assist from people who work on the docks. The New York-New Jersey Bi-State Waterfront Commission, in fact, discovered in 1958, when it first went into the business of policing the docks, that watchmen themselves were actually stealing more than were the persons they were arresting. Many dock hands and longshoremen, heavily in debt to loansharks, perhaps, also steal goods from the piers, turning the material over to mobsters who go to their favorite "fence" for resale at discount rates, often through the Mafia network. Less common than theft by longtime employees, officials believe, is mob infiltration of a legitimate company in order to get inside information on valuable shipments.

Mafia network or "casual" thief, the identification is largely irrelevant and makes little difference. As Senator Bible says: "There seems little doubt that the country's transport industry has become the favorite target of organized and unorganized crime. The pickings are richer and easier."

Part of the problem originates in the executive suite. As Assistant Attorney General Petersen observes, employees are often encouraged to pilfer because of the failure of management to institute adequate security precautions. Petersen says it is sometimes difficult to get management to do even the minimum, such as adequately fencing and lighting terminals and checking the background of prospective new employees. This latter is most important. The New York-New Jersey Bi-State Waterfront Commission has had a strict program to regulate hiring and has been effective in weeding mob elements out of control of the piers.

But pier thefts also are only part of the problem. Harried law enforcement officials have discovered that some goods are stolen even before they arrive on the docks. James J. Reynolds, president of the American Institute of Merchant Shipping, observed in 1970 that "information was obtained that, on a certain ship in the Port of New Orleans, stolen goods were available for sale. It turned out that the cargo had not been stolen in New Orleans. It had been manifested for ports at which the ship called before it reached New Orleans and was stolen by the crew before it reached these ports. In discussing these heists, the first mate said it was common practice to steal cargo enroute and sell it ashore in order to afford the gay life at the ship's ports of call."

In view of such wholesale thievery, the natural reaction of the uninformed might be that shippers and importers are screaming for more help, new laws, anything to stop the crime. Not quite, as a manual—"Cargo Theft and Organized Crime"—published by the Justice and Transportation Departments points out. Some terminal operators, instead, try to cover up the losses. The manual notes: "A common coverup used by some terminal operators on the waterfront is to record stolen goods as short-landed, which indicates the goods never came off the ship."

DISCREET SILENCE

A spokesman for an importers' association—who prefers to remain anonymous—concedes that many losses are not reported. He claims there are some good reasons for company silence that law enforcement men frequently ignore: "The first is the fear of retaliation against their cargo, trucks or personnel, and the second is the further escalation of ever-increasing insurance premiums and, perhaps, even the fear of being dropped by the insurance company as a severe risk."

But William Sirignano, executive director of the New York-New Jersey Bi-State Waterfront Commission, is unsympathetic. He told Congress during the 1969 hearings: "The shippers don't lose the millions each year. They just don't care." Sirignano contends it is the importer, who passes along the costs to the consumer, and the insurance company, which raises the rates, who are the losers. And he points out that his investigators quite often are not even told about losses until they recover stolen items through their own undercover work.

The "fence," a man who runs a semi-legitimate business, such as a pawn shop, is a key element in the illegitimate equation. He has amazing discounts available, either wholesale or retail—and he often takes orders, if he knows the customer and if the customer has enough money to spend. Somebody need a case of new typewriters? Or 20 or 30 Swiss watches, perhaps? They're available—and at bargain prices, of course. Or sometimes he has just obtained a shipment of expensive clothing that he will let go very cheap!

The fence is just as essential to a successful pier heist as is a dishonest employee or lax security. An executive of a maritime association says: "It is axiomatic that—as long as we have these fences, ready, willing and able to buy and dispose of stolen cargo—cargo thievery will persist."

Fences sometimes exert a more-than-monetary hold on the longshoremen who steal for them. In a series of 22 arrests at a Gulf Coast port, for example, all 22 apprehended longshoremen were found to be on narcotics. Who was their pusher? The fence. They stole goods for him to make their payment in kind for drugs.

Justice Department officials estimate that 80 per cent of cargo stolen by employees is converted into cash through the use of fences, but the system varies with geography. East of the Mississippi River the thief and the fence are likely to have a steady working relationship. Out west, the pilferer is more likely to look for a fence only after he has made a theft.

CONTAINING THE THEFTS

Shippers who thought they were going to outwit the thieves by the introduction of giant containers—which are carted right from the manufacturer and transferred directly from truck to ship—have been rudely surprised. Sirignano says that, although the use of containers, prepacked and mobile, "may deter petty thefts," the containers themselves "are lucrative targets for large scale thefts running up to $200,000 per heist."

Thieves are not always "petty," it is obvious, nor are they lacking in intelligence. Some recent examples of methods used by thieves to get at the container treasure chests:

A phony importer, with inside information, filed advance papers at the piers indicating "ABC Trucking" would pick up two containers. ABC Trucking arrived with a rented truck. The driver had papers identifying the rental to ABC and took two containers. By the time the real importer realized what had happened, ABC Trucking and the rental truck had vanished—with two stolen containers.

One driver doctored a bill of lading to cover up a theft of several cases of liquor that he dropped off at a friendly liquor store a few blocks from the pier.

Another thief or thieves working from the inside filled the bottom two layers of a container with bricks, instead of appliances.

There is no end to the inventiveness modern day thieves are using, with great success. Helen Delich Bentley, chairman of the Federal Maritime Commission, had a fascinating example in June 1970 for awed members of the Senate Small Business Committee:

"Hijackers spotted a container load of whiskey destined for San Juan. They observed a similar type of container in a yard full of empties. They painted the whiskey container number on it and filled it with old bricks. The containers were switched and the scheme was not discovered until the substitute container was delivered in San Juan."

A big question now being examined intensively by the Interagency Committee is how to thwart thieves with a minimum of law enforcement officials. The emphasis has to be on prevention of theft rather than catching of thieves, if only because the catching of thieves *per se* would be a mountainous task. The Bureau of Customs has only 14,500 employees to patrol some 96,000 miles of land and coastal borders under its jurisdiction. And there are, according to Senator Bible, "over 25,000 federally regulated common carriers in the four modes of transport [air, truck, rail, and ship]."

The "preventive maintenance" approach started in February 1971 when then Assistant Treasury Secretary Eugene Rossides announced a three-pronged anti-crime program based on: (1) cargo accountability; (2) improved security; and (3) national standards for licensing and personnel identification.

The cargo accountability program is intended, hopefully, to produce statistics which will enable Customs officials to zero in on the types and values of goods most coveted by criminals. As Rossides explained it: "The efforts of Customs inspectors are now being redirected. They are now identifying high risk merchandise and shipments and, to the extent possible, personally supervising its discharge."

SYSTEMATIC REPORTS NEEDED

The Senate Small Business Committee found last May, however, that, since losses still are not reported systematically, it has been virtually impossible either to determine the scope of the thefts or to decide where to dispatch the limited number of law enforcement officials available.

Customs has now set up standards for the handling and storage of international cargo, but until private industry is willing to comply with those standards little headway can be made. The principal emphasis here is on better authentication of pickup orders and verification of deliveries.

In the important "personnel identification" area the department has made these fundamental suggestions to cut down on thefts by company employees:

Require identification badges for every employee.

Require employees to enter and leave the premises through a single personnel door or gate.

Periodically remind all employees of the penalties, including loss of job, for theft.

Technology will make the job somewhat easier, it is also hoped. New security systems are, finally, now becoming available with devices that would appeal even to Buck Rogers—but that 25th century adventurer has always seemed to have unlimited funds available to purchase new space ships and ray guns. Maritime industry employers, on the other hand, are relatively strapped, at least in this area; they certainly haven't been rushing out to buy the sophisticated, and costly, equipment they need to combat crime.

Those who want them, for example, can have their own laser systems. The laser compares the code on an employee's I.D. card with that punched into a recording machine by the employee. It's pretty tricky to beat a ray of light. At least, it has been so far. Lasers, the newest tool of the military, also make a good warning system at the pier. A "fence" of laser pulses around a cargo storage area makes intrusion impossible without setting off an alarm if the light beam is broken at any point.

Another technological innovation is a mobile long-range cargo protection device, which can be installed on containers, that transmits an alarm to security personnel at the central office.

Customs Commissioner Vernon D. Acree told a National Cargo Security Conference in Chicago last September that some operators are, at last, now taking the first steps needed to provided better port security. He noted that one major East Coast port terminal operator has installed a $55,000 closed circuit TV system for monitoring cargo. The results, according to Acree, have been so dramatic that company officials have already decided to double the size of the system. Labor also has endorsed the system, the company's insurance premiums have been reduced, and theft and pilferage have been virtually eliminated—all of which means that "high cost" in security systems is a relative term.

Acree also pointed out that Customs men—using an amalgam of modern technology and age-old common sense ranging from radar-equipped helicopters to detector dogs sniffing out narcotics with their noses—had made 500 arrests in fiscal 1973. In one case alone Customs agents in New York recovered $600,000 worth of stolen electric typewriters.

The successes to date, however, must be considered only a small start if "crime on the waterfront" is ever to pass out of the idiom. As General Davis told the same conference: "If expansive statements about the wealth and productivity of the American transportation complex seem to depict some sort of enormous cargo vessel sailing majestically onward, I must point to a gaping hole at the waterline: It is cargo theft; in the whole roster of crime, it is one of the most insidious; it is extremely difficult to define; it is even harder to measure its full extent. Yet, with all the confusion and the muddied perspective of theft-related losses in cargo, the result is painfully clear.

"It is a severe economic drain on the national economy, affecting every citizen, costing every consumer."

TIMBER—HOW MUCH IS ENOUGH?

Mr. FANNIN. Mr. President, during the last couple of years, we in the United States have lived through many shortages of materials and even a crisis in energy resources. We have been warned of many more probable shortages, but it continues to be our habit to react to these situations when they are upon us, rather than to heed forecasts and implement preventive measures.

We are now facing an increasing worldwide shortage of timber, our only renewable, major industrial resource. We have been warned by two previous shortages of this resource, and we can easily prevent the increased housing costs and adverse environmental consequences of this widely predicted, permanent shortage of timber.

To avoid the timber crisis we need not rob our 10.7 million acres of forestland wilderness or trade-off ecological concerns for economic needs. We need only establish a uniform, long-rang program of forest management which provides for reforestation and increased harvesting at a level of sustained yield. Under a well-considered and adequately funded program for the Forest Service, we need not risk soil depletion, erosion or hardships on resident animals. The Forest Service is ready now with improved technology to grow more trees and to more efficiently use the timber. In recent years, however, the Forest Service has received funding far below its reforestation requests. Thus, there can be no significant gains in the allowable cut and we fall more and more behind our needs for this material.

I would like to add the information that the per capita increases in wood demand for the rest of the world are increasing much faster than our own, and that production of wood products requires far less energy and leaves biodegradable waste.

On February 21, the Senate passed legislation which is a major step toward a sound forest management policy, but it is a bare beginning. At this point, I would like to share an excellent article on the need for a strong, comprehensive program for our forests which was printed in the April edition of National Geographic magazine. I ask unanimous consent that "Timber—How Much Is Enough?" by John Putnam be printed in the RECORD in its entirety.

There being no objection, the article was ordered to be printed in the RECORD. as follows:

TIMBER—HOW MUCH IS ENOUGH?

(By John J. Putnam)

Newpaper headlines called it "Another Crisis on the Way!" Last spring, lumber and plywood prices reached a new peak, double those of 1970. Manufacturers allocated items in short supply to favored customers. Home builders, cried for relief, citing the nation's goal of a decent house for every American.

Woodpiles beside 600-million-dollar pulp mills shrank to only a day's supply. And while tree rustlers struck in the dead of the night to whisk away walnut trees that might fetch $2,000 each, homeowners were confronted with price tags as high as $1.80 on the once-humbled eight-foot "two-by-four"—which already measured only 1½ by 3½ inches.

Controversy followed, Congress debated a ban on timber exports. Industry spokesmen and a special President's panel called for stepping up the cut in the national forests. Conservationists protested.

It seemed indeed as if we faced a timber crisis. But unlike oil and many other resources, timber is renewable. Forests can be regrown and our supply of wood even increased. The remedy is not easy—it will require improved management, massive investments, and the abandonment of wasteful habits—but most experts agree it is within our reach.

Cries of "timber crisis" are not new. In 1853 Henry David Thoreau, observing the leveling of New England's forests, predicted: "We shall be obliged to import the timber . . . or splice such sticks as we have." In 1919 a committee headed by Gifford Pinchot, first Chief of the U.S. Forest Service, warned: "Within less than 50 years, our present timber shortage will have become a blighting timber famine." Reforms spurred by that warning helped postpone the pinch.

But now the Forest Service reports that with present levels of forest management in the United States, "timber supplies will not be adequate to meet potential increases in demand." By the turn of the century, the report adds, we could face an annual shortfall of 20 billion board feet of softwood sawtimber.

LUST FOR LUMBER KNOWS NO LETUP

Recently I spent several months looking into the nation's timber resources. I traveled from Thoreau's Maine woods to the islands of southeastern Alaska, and from the great forests of the Pacific Northwest to the Deep South. I worked on the ground with loggers, visited sawmills and pulp mills, talked with representatives of industry, conservation groups, the Forest Service.

I found that viewpoints varied on many timber questions, but on one thing all agreed. In an age of spacecraft, computers, and exotic alloys, our appetite, for wood continues to grow.

In 1972 we consumed a staggering 14.2 billion cubic feet of wood—enough to build a 12-foot-wide, one-foot-thick walkway to the moon.

Housing gobbled up a third. Don't be surprised: Even the average two-story brick house requires 10,840 board feet of lumber, 5,385 square feet of plywood, and 1,560 square feet of building board for framework, flooring, roofing, window frames, paneling, and molding.

Another third went into nonresidential construction, and such things as shipping containers, coffins, furniture, toys, railroad ties, telephone poles, barrels, and fuel.

The final third fed pulp mills to make paper and board, rayon, cellophane, explosives, and plastics. Production of paper and board for items like bags, boxes, and newspapers reached 64.3 million tons.

The U.S.—with 5.4 percent of the world's population—consumed some 30 percent of all industrial wood harvested in the world.

And the Forest Service expects that in the next 30 years U.S. demand for lumber will climb 57 percent, for wood pulp 119 percent, and for veneer and plywood 107 percent.

Quite a record for a substance that is basically only a very stiff jelly or gel, composed of cellulose (a fibrous material similar to cotton), lignin (a polymer of uncertain composition), various sugars, and absorbed water.

Fortunately, nature endowed our continent with more than a billion acres of softwoods, the trees historically preferred for construction and pulp. Only the Soviet Union holds more. The wood of some softwoods, by the way, is harder than that of some species labeled hardwood. Foresters define a softwood as a tree, usually evergreen, that has needlelike leaves and bears seeds in cones. Hardwoods have broad leaves, usually shed them, and usually produce seeds in fruits, such as walnuts and cherries.

Timbermen prefer the softwoods because they provide more strength for weight, and they have more uniform fibers, taller and straighter trunks, and fewer limbs—all making them handier to harvest and mill. And they are, by and large, easier to saw and nail.

SEARCH FOR WOOD LED WEST AND SOUTH

The professional American logger appeared about 1800, probably in Maine. He lived apart in the woods, coming to town only "to blow her in." The "strength and execution of his arm almost exceed belief," one foreign visitor noted; his life was a mixture of "hardship and debauch."

With a ferocity known only to those who have shared that life, he lay to—cutting the prime softwood, the white pine. Thoreau might complain that they would next be allowed to cut "the clouds out of the sky, or the stars out of the firmament, one by one." To the logger, he was only "letting daylight into the swamp"—so gentler men would have sunlit fields to sow, and boards to build their houses, schools, and cities.

The logger cut out Maine first, felling the pine in winter, then riding the logs down the Kennebec and the Penobscot with the spring flood. Then he—and the timber barons he served—packed up and headed westward into the Lake States, buying land at $1.25 an acre, settling Saginaw and Bay City. When the white pine was cut out from the Lake States, he moved down South and into the beautiful Douglas fir regions of Washington State, Oregon, and California. Then on to British Columbia and Alaska.

* * * * *

The prince of loggers is the "bush'ler," so-called because he is paid by the number of bushels (1,000 board feet) of timber he cuts each day. He carries into the woods a chain saw, an ax, two metal wedges, a can of gasoline, a jug of oil, a rain slicker, a Thermos of coffee, and—like all loggers—a huge lunch.

It's a chancy job: A chain saw can "kick back" on a man, or he may slip and lose his footing. The result can be a lost finger, a mangled hand, a ruined leg. Widow-makers—dead trees and limbs—wait in the forest for a wind to shake them loose.

But a bush'ler can earn from $80 to $160 a day, felling from 50 to 100 trees, and every ambitious young logger wants to be one.

After felling a tree, a bush'ler measures its length, cuts off the limbs, and "bucks" it—saws it into logs. He pencils his estimate of the tree's board feet on his hard hat, then moves on, clear-cutting (felling all trees) in 20-acre sweeps.

I worked with the choker setters, whose job is to attach steel cables to the logs so that diesel-powered yarding machines can haul them to the truck landing.

I learned why a logger wears calked boots. We walked, ran, leaped, and scrambled in a tangle of fallen trees six feet above the ground. Where the bark had fallen from a log, the wood was like a curving sheet of ice; and where there was bark, it sometimes broke loose under our weight.

Each time the set of three 30-foot chokers came swinging and dancing down the 700-foot overhead cable, we seized them, tucked each over and under a log, then cinched them tight—"choking" the logs.

As the diesel revved up at the steel tower, we scampered out of the way—for the chokers first jerk up one end of each two-ton log, then wrench it free from the tangle, and drag it like some mammoth fish toward the landing. The logs around us shifted and rumbled in protest. I was reminded of the old-time logger who was once asked why, in such a dangerous business, his crews suffered so few accidents. His reply: "I just tell 'em—'Run, you sons of guns, run or die!' "

OFF-DUTY LOGGERS HEAD FOR THE FO'C'SLE

Little wonder that after a couple of weeks in the brush, a logger may buy a floatplane ticket to Ketchikan to let off steam. No matter where he finds a room, he'll show up eventually at the Fo'c'sle, the loggers' bar. Here a leathery veteran can find his heart's desires: plenty of logging talk, an endless supply of beer, tall stacks of "snoose"—Copenhagen snuff.

On a big weekend, flush with payday cash, a man can prove himself a man—with a fistfight or by "ringing the bell." By ringing the old brass bell, a man buys drinks for the house, an expensive but satisfying gesture.

Many if not most of Ketchikan's citizens are happy the loggers are here—the timber industry provides more than half the city's paychecks. But I discovered that in Alaska—as in almost every other region I visited—logging brings controversy.

The coming of the timber industry to Alaska was the culmination of a Forest Service dream. The Tongass National Forest in the southeastern part of the state, held a treasure of old growth—virgin timber that could bring jobs to an economically depressed area, increase federal and state revenues, and encourage forest management.

In the 1950's the Forest Service made two 50-year contracts, one with a U.S. company, the other with a Japanese-owned company. In the '60's Tongass harvests soared.

JAPAN RELIES ON ALASKAN TIMBER

Seventy percent of the wood cut in Alaska is shipped to Japan—as lumber, or as pulp for the manufacture of rayon, cellophane, and photographic paper. A fleet of specially built Japanese ships ply the route.

Thirty percent of the wood is shipped as pulp to the U.S. market.

Conservation-minded citizens claim that the cost to the beauty of their region, to wildlife, and to the environment may come too high. One day I flew over much of the Tongass with Harry Merriam, a biologist with the Alaska Department of Fish and Game. "I'm not against logging, only those practices that harm the environment." He pointed out vast clear-cuts, stumps and cull trees pushed into streams, salmon streams stripped of shade, wildlife habitat "slicked off," tons of slash left to rot (preceding pages).

"Things have improved in the past few years because of public pressure, but more changes are needed. There's room here for loggers, wildlife, and people who love wilderness, if activities are properly managed."

We touched down at Point Baker, a community of some 30 people. Herbert Zieske, 64, welcomed us. He has lived there 30 years, fishing, trapping, raising a family. Now he fears for the community's future.

"They want to cut off that mountain there," he said. "We live here because we like this life, and we don't want it ruined. If they start cutting, that mountain will become an eyesore—and there'll be the sound of chain saws and logging trucks all day. We told the Forest Service we don't want 'em to do it, but I don't know what will happen to us."

The Forest Service has recently moved to meet some complaints: It limits clear-cuts to 160 acres and provides for public discussion of sale plans. Yet the furor continues.

I'd meet these issues again, but now it was time to say good-bye to Harry and my logging comrades Tin Ear, Horrible, Herd, Packsack Dave, Whiskey Bill, and the others. I headed back toward the Lower Forty-Eight.

I flew first to the Pacific Northwest. This region, where many of the old timber barons ended their westerly migration, remains the "wood basket" of the nation, producing 40 percent of its softwood sawtimber. Glancing out the jet's window, I saw evidence of the huge harvest: Great clear-cuts had turned whole mountainsides into patchwork quilts.

Mementos of the past remain: bronze drinking fountains in Portland, gift of a timber magnate who sought to lessen the consumption of liquor by his loggers; and Seattle's "skid road" area, named after the old logging trails, and the origin of the term "skid row."

TAXI, TAKE ME TO SEATTLE

The epic old-time loggers dwell only in the memory of a handful of gray-haired men. They'll tell you of "Millionaire Johnson," who on a whim hailed a taxicab in Portland and rode to Seattle, spending a month's pay; of "Roughhouse Pete," who protested the quality of one meal by leaping on the table, kicking off all the dishes, then chasing off the cleaver-wielding cook; and of the unrivaled "White Hope from Astoria," who could top a tree, toss his hat sideways, and with a whoop, beat it to the ground.

But the timber barons, or rather their descendants, are still there, and companies often bear proud names brought from Maine and the Great Lakes: Pope & Talbot, Stimson, Weyerhaeuser. The industry divides into giants and the "little fellows"—those doing a meager 2- to 20-million-dollar a year business—like Kimball Brothers, just outside Eugene, Oregon. Founded in 1929 by five brothers and a brother-in-law, the company holds no land and hires gyppo (contract) loggers to harvest the timber it buys.

The brother-in-law, Art Lindley, remains active to help guide a younger generation. A courtly, soft-spoken man, he led me through the mill; amid the whine of gang saws and the thump of conveyer chains, he explained his dilemma. The mill annually produces some 14 million board feet of lumber. Most is clear—fine-grained, free of knots, fit for the best of uses. Such wood comes from slowly maturing old growth.

"When we first started in this business, people were knocking on our door to sell us timber like this. Now there is practically none left on the private lands; it's all been cut over. Today we have to get all our wood from the national forests."

So now and then Mr. Lindley, a son, or a nephew drive into Eugene and file into a small room in the headquarters building of the Willamette National Forest. Here timber on the stump is auctioned off, often to the tune of more than a million dollars a day.

I sat in on one sale, officially labeled the "Coffee Two Sale." It offered 9.4 million board feet of Douglas fir, 1.2 million feet of cedar, and 900,000 feet of Western hemlock. The Douglas fir was the prize: Trees averaging 160 years in age, 26 inches in diameter, and 700 board feet per tree—ideal for either sawing or peeling for plywood.

The room filled with 24 men in sport shirts and sweaters. Each bidder had walked the 244 acres of the sale to check the estimate, had calculated the cost of building the roads over which the machines would be moved in and the logs hauled out, and made his judgment on what the market prices would be during the five years allowed for harvest. Finally he considered his inventory: How badly did he need the wood?

At 10:05 the bidding began on the Douglas fir (the other species would be included in the sale at appraisal prices)—inching up by 10-cent increments from the minimum $120.50 per thousand board feet. At $141 Seneca Sawmill Company jumped in—and rode it out at $146.50.

Seneca had assured its future—at a cost of $1,497,526. Whitey Howard, company vice president, told me he had figured it for "a production show—once the roads are in, we can pull the wood out at 15 truckloads a day." And the old growth fitted Seneca's speciality: two-inch-thick lumber for rafters and floor joists used in the construction of houses from California to the East Coast.

CURRENT HARVEST OUTSTRIPS REGROWTH

If Whitey Howard appeared quietly jubilant, and the losers quietly depressed, all had good reason. For, like Art Lindley, many are entirely dependent on national forest timber.

Even giant landowning corporations like Georgia-Pacific, Boise Cascade, and Champion International must draw on the national forests and other public lands.

The simple fact is, according to Forest Service analysis, that the supply of industry-owned softwood sawtimber on the Pacific Coast will decline substantially over the next thirty years. Industry has been cutting more wood than it has been growing. In the Douglas fir region, for instance, the harvests in recent years have been more than double the rate of regrowth.

The reason: Industry is cutting old growth. These big-volume trees can be felled in minutes, but producing replacements requires 50 to 100 years. Reforestation efforts, relatively recent, are not expected to close the gap. So industry looks to the public lands.

W. D. Hagenstein, Executive Vice President of the Industrial Forestry Association in Portland, pointed out that more than half the timber acreage in the Pacific Northwest lies in the public holdings. "For decades," he said, "the timber has come off the private lands, while the public lands received only custodial management. Now the time has come for the public lands to play their part."

Industry officials blame the timber pinch on an underfinanced Forest Service and "the shrill cries of preservationists" who resist more cutting on the national forests.

Example: I rode on horseback into the Willamette National Forest with Arnold Ewing, Executive Vice President of the North West Timber Association. From a peak we looked down on French Pete, a valley lush with century-old Douglas fir. To conservationists, it is one of the last pristine valleys in western Oregon and must be preserved.

Arnie put it this way: "Sure it's pretty, but that wood is ready for harvest. Its growth is almost at a standstill. If we cut that timber now, it could be replaced with a young and vigorously growing forest.

"But the preservationists are trying to lock it up—and they're locking up more and more land." We turned about and looked eastward. Snow peaks marked the Three Sisters Wilderness Area, by law declared safe from the chain saw.*

"Under the Wilderness Act of 1964, 10.7 million acres of national forest lands have been set aside in a National Wilderness System, and another 12 million are being considered. We are also losing timberland as communities expand and new roads are built."

Arnie swept his arm toward the Three Sisters. "Let the purists get their nature there, but let us get the country's timber from the national forests that are left."

TIMBER BUSINESS CALLS FOR CRYSTAL BALL

How did the recent timber crisis come about? I put the question to Bill Dean, who for sixteen years has been editor of *Random Lengths*, an industry guide to softwood prices. His office in in Eugene.

"Two things you should understand," Bill said. "First, this is a highly fragmented industry—some 80,000 companies that cut, manufacture, wholesale, and retail lumber and other timber products. Second, the market is based on home building and on the availability of mortgage money. And that depends on government-set interest rates. So a crystal ball is needed for this business.

"Well, througn the 1960's the country was building about 1½ million housing units a year. In 1971 the figure shot up to 2 million. Then, in 1972, it went up to 2.4 million units.

"Nobody expected a 2-million year, much less a 2.4-million year. The mills, which plan two years ahead, were caught short. Prices went through the roof and some items came into short supply. Same thing happened in 1968–69. Then, things leveled off, and everybody forgot about the crisis. I suspect the same thing will happen now."

Indeed, as we talked, lumber prices were falling, thanks to fewer housing starts. By the close of last year, the number of new housing units had dropped to 2 million; the projection for 1974 is a meager 1.6 million. But with time, an upswing in the economy, and lower interest rates, the timber crisis will return—and it may hit harder.

Not only are Pacific Northwest timber supplies declining, but also economics have put an end to the peckerwood sawmills that once sprang up by the thousands when prices "got right." At the University of California at Berkeley, forest economist Dr. John A. Zivnuska explained: "The small sawmill here relied on private timber, and now that's been pretty well cut over. And you once could go into the business with anything from $25,000 to $50,000. Now they're building mills for six million or more. The reason is that, to make a profit, you must recover and market the residues. You have to have a chipper, a debarker—expensive equipment. The old peckerwood companies simply can't afford the cost."

One company that can afford the cost is Weyerhaeuser, the only giant able to meet its needs from its own lands. It was in 1900 that Frederick Weyerhaeuser, a German immigrant with logging interests in the Lake States, moved west and with a group of investors began to buy hundreds of thousands of acres of railroad land grants.

It was an era of dizzying land deals, often tinged with scandal—an era that led President Theodore Roosevelt and Gifford Pinchot to join in establishing the present National Forest System as a buffer against those who practiced "cut and run."

But, unlike others, Frederick Weyerhaeuser and his partners decided to hold their land after harvesting it and to grow new crops of trees. Today the Weyerhaeuser Company holds 5.7 million acres, one percent of all the commercial forest land in the nation.

In the glass-walled headquarters at Tacoma, Washington, I met George Weyerhaeuser, Frederick's great grandson and company president. He foresaw no immediate crisis.

"But looking ahead 30 years or so, I would say we could find ourselves in a crunch. Today the nation is managing its forests so they produce only a third or half of their potential—and I'm talking across the board, the private and public sectors. Unless we move now to give our forests more intensive management, we may well be in trouble."

NEW TECHNIQUES SPEED TOMORROW'S CROPS

Weyerhaeuser believes his company, like some of the other giants, is doing its part in growing the next crop. Last year the corporation planted 100 million trees (pages 504–5).

The Weyerhaeuser system is labeled "high-yield" forestry. It calls for clear-cutting, burning over or scarifying the ground, then planting seedlings. Tree growth is helped along by periodic thinning to allow more sunlight, fertilizing, and the use of repellents to discourage browsing by deer. Through such practices, Weyerhaeuser believes it can cut the time required to grow a marketable Douglas fir from 90 years to perhaps 40.

The company has also invested in new technology: chipping headsaws that cut lumber from logs only four inches in diameter, a size previously judged fit only for pulping; and systems that recover up to 100 percent of mill residues—chips for pulping, bark for mulch, sawdust for fuel in steam plants.

But equally significant, Weyerhaeuser has branched out from its historic bastion in the Northwest and moved strongly into Canada (leasing cutting or residue rights on nine million acres) and into our own South.

At some point in the 1980's, the U.S. Forest Service predicts, a historic shift will occur: The Pacific Northwest will yield to the South its title as the nation's largest producer of softwood sawtimber. The South already produces 67 percent of all our pulpwood, 30 percent of our lumber, and 30 percent of our plywood. Within the next three decades production may increase by a third.

Certainly industry sees great things for the South. In the past ten years alone the giant paper, pulp, and lumber corporations have bought 10.3 million acres of forest land (mainly from old-line lumber companies), extending their holdings to 32 million acres. In the same period 37 new pulp and paper mills have gone in line, boosting the number to 123. And the number of softwood plywood mills has jumped from zero to 53.

Nature gave the South a seasonal advantage: In its warm, moist climate, fast-growing species such as loblolly, shortleaf, and slash pine reach marketable size in 30 years.

And its 192 million acres of commercial timberland, cut over during the boom years of the early 1900's and then largely abandoned, now hold a new and rapidly maturing crop of trees (map, page 495). Technology gave a further boost: The chipping headsaw and the invention of a way to make plywood from southern pine added dollar values.

But I found industry executives talking more about a new kind of forest—great plantations where genetically improved trees are planted in rows like corn, carefully cultivated, and harvested by machines.

Often nature's mixed hardwood-softwood stands are replaced with pine-only plantations, which are much more efficient for cultivation and logging. Conservationists protest that removal of hardwoods destroys squirrel and turkey habitat, and that pine-only forests are more vulnerable to disease. The new plantings are often "supertrees"—seedlings bred to grow faster and straighter than nature's own (page 485). (Map and other material mentioned by page numbers not printed in the Record.)

MARILYN STANDS TALL IN ALABAMA

The process begins with foresters tramping the woods to find mature trees with superior characteristics to serve as progenitors. These are sometimes given names—"Father Abraham" or "Marilyn Monroe." I gazed on Marilyn one day on International Paper Company lands near Mobile, Alabama.

She was a sight to make a forester's mouth water: tall, straight, with a few light limbs that swayed gently against the blue southern sky. Forester Pat Smith explained how Marilyn's characteristics are passed on to coming generations.

Marksmen use special bullets to shoot off high limbs; the branch tips (scions) are collected and grafted onto young nursery stock and planted in seed orchards. Within a remarkably few years—for the scions retain the maturity of their source—these trees begin to yield seed. It is collected, placed in nursery beds and cultivated for a year. Then the seedlings are planted by machine or by hand.

The results? Dr. Bruce Zobel of North Carolina State University at Raleigh, who has coordinated the program for 31 companies, told me: "We find a 10 to 20 percent improvement in growth, plus a 10 percent gain in mill production because of easier handling and better quality."

Dr. Zobel and his colleagues now envision breeding trees for special uses: Trees with thin-walled tracheids (wood-fiber cells) for use in making fine papers, and trees with thick-walled tracheids for use in manufacturing sturdy boxes. But it will be some years before the impact of the genetically improved trees is felt: Only 700,000 acres are now planted with such trees, and they average about four years in age. Thinning comes at 10 to 15 years, harvest at about 25 to 30.

In the meantime the South is still drawing its wood from traditional sources—mainly from small lot owners—a farmer with a wooded back forty, or a dentist who purchased a hundred acres for investment.

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* The February 1974 Geographic discussed America's surviving wilderness and efforts to save it.

To see how this system works, I visited International Paper's divisional headquarters at Mobile. Woodlands manager Bob Nonnemacher was scrambling for wood over the telephone. The huge Mobile Pulp and Paper Mill gobbles 2,200 cords a day—and only a day's supply stood in the once-crowded woodyard. The result of a timber shortage?

"Nope," Bob replied. "Traditionally, we have felt no pinch in basic supplies—we can use the smaller trees, hardwoods, wood chips, and sawdust. In the past, paper shortages have been the result of mill capacity."

Bob's problems included record floods that barred harvesting on thousands of acres, a growing scarcity of woods labor, and logistics. He must juggle supplies from the company's own lands and hundreds of private ownerships; arrange transportation by barge, railcar, and truck; and coordinate the needs of International's other southern mills.

ONE MAN'S BOOM IS ANOTHER'S BANE

Ironically, the South's sawtimber boom increased his problems: The new sawtimber and plywood mills offer top dollar both for wood and labor. Bob kept shifting between phone and computer. The insatiable monster was fed.

However dramatic, industry's strides in the South will not keep pace with our growing demands. Where then might the wood come from? The Forest Service says that the greatest potential lies with the small lot owners such as those in the South. More than four million private woodlots contain 41 percent of the nation's timber on 296 million acres, mainly east of the Mississippi.

The yield from these lands could be doubled with proper management. But most owners simply sell off when they need the money and let nature do the regenerating. The Forest Service believes that technical and financial support from government and industry, along with rising prices, can spur the small lot owners to improve management.

What about imports? We already draw 22 percent of our wood products—lumber, pulpwood, pulp, and paper—from Canada, and its great forests will probably provide more. We also import about 255 million cubic feet of hardwood veneer and plywood, principally from tropical regions.

But as our imports have climbed, so have our exports. We have been sending about 2.5 billion board feet of logs and 2.5 million tons of wood chips to Japan annually, almost 2 millions tons of pulp and a million tons of paperboard to Europe, and a billion board feet of lumber to countries around the world—in all, roughly half as much as we import.

Forest Service analysts expect increases in exports—unless they are restricted—to offset any gains in imports. Companies in the trade argue that wood is an international commodity, that sales enhance our balance of payments, and that we should hold to the principle of free trade. They point out that demand is growing in Japan and Western Europe, and that if we don't reap the profits, Canada or the Soviet Union will.

We could stretch our timber supplies through improved technology. At the Forest Service's Forest Products Laboratory in Madison, Wisconsin, I glimpsed the sawmill of the future: A computerized headsaw system to instantly compute the "best opening face," the crucial first cut that determines how much lumber a log will yield; and an ultrasonic scanner to spot hidden defects in logs and lumber before costly errors are made.

I saw plywoodlike boards made of wood chips and glue, large beams fashioned from many smaller boards, and two-by-fours actually made of paper.

Laboratory director H. O. Fleischer pointed out that timber savings could start in the field. Today an estimated 1.6 billion cubic feet of usable wood is left on the ground after harvesting each year.

FORESTS RAVAGED BY NATURAL FORCES

At other Forest Service laboratories scientists seek better ways to guard our standing timber against nature's ravages. Insects and disease nullify about a fifth of our annual timber growth. And despite new technology and massive organization by the Forest Service and other agencies, fire sweeps some three million acres a year.

What about substituting other products for wood—steel, plastics, aluminum, concrete? The Forest Service points out that such materials come from nonrenewable resources, and that their production draws heavily on already burdened energy supplies.

Many believe the only way to significantly increase our timber supply in the near future is by improving the management and increasing the cut in the national forests. With only 18 percent of the nation's commercial timberland, they now hold a whopping half of all our softwood sawtimber.

Crucial to the proposal is the harvesting of much of the old growth and its replacement with young, fast-growing trees—in short, providing Weyerhaeuser-type management to those national forests with appropriate soil and climate conditions.

This is the course recently recommended by the special President's Advisory Panel on Timber and the Environment. Ralph Hodges, Executive Vice President of the National Forest Products Association and a panel member, told me: "Growth could be doubled. The nation would have more timber, the government more revenue, and the environment can still be protected. It would be a waste not to do so."

WOODLANDS GROWING MORE POPULAR

Many conservationists disagree. They see the old-growth stands as an irreplaceable natural legacy to be enjoyed and preserved for future generations. They point out that public lands, unlike industry-owned lands, serve varied interests. Last year, for instance, visitors spent more time in the forests than in the national parks.

Gordon Robinson, consulting forester for the Sierra Club, views the panel's proposals this way: "Industry has cut over and mismanaged its own lands; now it wants to do the same to the national forests."

He points out that timber harvests in the national forests have already jumped from 4.8 billion board feet in 1950 to 12.2 billion in 1972—17 percent of the nation's production. And he claims that clear-cutting, which accounts for 60 percent of national-forest yield, has already led to massive abuse of the forests and the land.

"They say clear-cutting is necessary to regenerate certain species such as Douglas fir and loblolly pine, which do not grow well in the shade of taller trees.

"That's true, but a clear-cut of a quarter of an acre to ten acres is all that is required biologically. When you get clear-cuts of forty or a hundred acres, the only reasons are to increase timber yield and make industry's job easier. Then it's timber mining, not forestry. And the impact on the environment is similar to that of strip mining."

Gordon prefers selective cutting where possible: the marking and felling of individual trees in a stand. "This preserves the character of a forest and prevents erosion, soil depletion, and other environmental damage."

To combat what they consider excessive clear-cutting, conservationists have drawn on two weapons: The Multiple Use-Sustained Yield Act of 1960, which requires the Forest Service to manage its lands not only for timber, but also for recreation, range, watershed, and the enhancement of wildlife; and the 1969 National Environmental Policy Act, which calls for written justification and public discussion of any federal act that may have a major impact on the environment.

As I talked with Gordon, judges were considering a dozen lawsuits. One locked up 8.7 billion board feet of timber in southeastern Alaska; another, involving the Monongahela National Forest in West Virginia, challenged the practice of clear-cutting itself.

STRIVING TO STRIKE A PROPER BALANCE

The Forest Service has recently moved to meet many of the objections of conservationists. Interdisciplinary teams now often plan sales to minimize the impact on visual and environmental qualities, and the average size of clear-cuts in the Lower Forty-Eight has been reduced to 40 acres.

Still, conservationists protest that the Forest Service is not doing enough—and some supervisors agree. On the Willamette National Forest, Supervisor Zane Grey Smith told me: "In the crunch of budget and manpower limits, we risk poor decisions with the potential of harm to the environment."

A stepped-up harvest can only increase the problems of men like Zane Grey Smith. Increased logging holds the certainty of thousands of miles of new roads, the major cause of erosion and landslides, and of growing heaps of slash, a fire hazard. It holds too, the possibility of nutrient depletion on some soils, increased flooding and sedimentation in streams, and harmful effects on wildlife.

In Washington, D.C., I put the question to the man in the middle, U.S. Forest Service Chief John R. McGuire. He sat at the sturdy turn-of-the-century desk once occupied by Gifford Pinchot.

"We could still increase the yield by perhaps half and still meet our other obligations, but only if we can make substantial long-term investments. By law, we are required to operate on a sustained-yield basis—to cut at a level that can be indefinitely sustained, considering new growth and trees held in our forest inventory. Our allowable cut for 1973 was 13.6 billion board feet. It cannot go up until we begin planting more trees."

At the present rate of funding, Mr. McGuire said, the allowable cut is likely to go down.

The Forest Service is not master of its own budget. Timber-sale receipts—446 million dollars last year—are passed on to the U.S. Treasury and to local counties. For total appropriations—611 million in 1973—the service must present a line-by-line budget to the Administration and to Congress. In recent years the Forest Service has received up to 95 percent of the funds initially requested for its administration and sales, but only 40 percent of that requested for reforestation.

I asked Mr. McGuire about pressures to cut more wood without more funds. "The Forest Service will resist pressure from those who want to cut without worrying about the consequences. The laws are on our side. I don't believe Congress will change them, and I don't see popular support to change them."

The President's panel reported all obstacles to increased national forest yield could be overcome through increased funding by Congress, stronger policy emphasis on production, and greater efficiency and responsiveness to timber needs by the Forest Service.

TIMBER'S FUTURE HINGES ON OUR DECISIONS

It was to Thoreau's Maine woods that I journeyed to ponder what I had learned. It seemed a proper place: Here it had begun, the felling of the old growth. The woods are still lovely, though the white pine is scrubbier and less widespread. The loggers are yielding to great machines that toil under lights through the night. The Kennebec's spring flood still carries wood—not noble sawlogs but pulpwood that from a distance merges into a gray and glutinous mass.

Time has caught up with us: The last of

the old growth dwindles a continent away. How shall be respond?

Clearly we now have the technology to grow more trees faster than in the past, and to make greater use of the trees at hand. By investing in such techniques, we could probably meet expected timber demands and hold lumber price increases not too far distant from the historical 1.7 percent annual climb.

Will we make these investments? The timber industry, long laggard in capital investment, is now moving to make up for lost time. The small lot owners remain dormant, awaiting price rises or financial assistance. The question of the national forests will be settled in the political arena.

We could, of course, fall back on a classic solution. Let prices run their course. As they rise, demand will fall to the level of supply. A cruel remedy, perhaps, but a sure one.

The decision lies in large part with Congress, and therefore with us. The next time you go down to the lumber store for a two-by-four, think about that.

TRIBUTE TO TWO BELOVED ALABAMA EDUCATORS

Mr. ALLEN. Mr. President, this is the time of year when the joy of graduating from high school and college is tempered by the fact that the beginning of a career for a student often marks the end of a career for a teacher.

Stories of two such teachers appeared recently in the Birmingham News and in the Huntsville Times, both among Alabama's finest daily newspapers.

The former published a story of the retirement of Prof. John Luskin after 34 years teaching journalism at the University of Alabama in Tuscaloosa. Hundreds of newsmen and newswomen throughout Alabama and in many other States of the Union are the product of Professor Luskin's classroom. My own wife, the former Maryon Pittman, was one of his devoted and admiring students during her student days at the University of Alabama, and still retains her love and admiration of him. In retirement, he plans to continue a writing career which mellowed just the past year in a book on Walter Lippmann.

The Huntsville Times article tells the story of a beloved educator in that Alabama city who retired 8 years ago after 40 years in the public school system. In retirement, however, Cecil Fain started a new and successful career as resource consultant for Alverson-Draughon Business College in Huntsville—still working with his first love, the young people of his community.

Mr. President, all too often in the recent past we have read of radical teachers whose teaching is not for constructive purposes but for destructive purposes.

But too few stories are written of educators like Professors Luskin and Fain who have devoted a lifetime to teaching the good qualities of life which have made our system succeed for almost 200 years.

Mr. President, it is with this thought in mind that I ask unanimous consent that the story " 'Bama Journalism Professor Retiring," as published in the Birmingham News, and "Mr. Fain: How Young Is Old . . .?" as published in the Huntsville Times, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOHN LUSKIN—'BAMA JOURNALISM PROFESSOR RETIRING

(By Bill Crowe)

TUSCALOOSA.—The accumulated vision of what a university professor should be has been the magic of John Luskin for 34 years at the University of Alabama.

At a banquet this week in Tuscaloosa, John Luskin, professor of journalism, confirmed in his unemotional, almost detached way that he would be retiring at the end of the current semester.

Pacing slowly to the front of the banquet hall in his walking-on-eggshells shuffle while a standing ovation thundered about him, Luskin proceeded to upbraid Dr. Mort Stern, dean of the School of Public Communication, for using "all those adjectives and adverbs" in his introduction.

In much the same way as he has counseled students who wish to be writers to make nouns and verbs pull the weight of their sentences.

But most of his students, current and former ones who sprinkle the newsrooms of Alabama and the nation, would agree that the adjectives and adverbs were needed in describing the man who has been with the University's journalism department for a third of a century.

The bare bones of his biography show a Phi Beta Kappa undergraduate career, a master's degree in English from Harvard, five years as a telegraph editor and political reporter, service on a cloud of academic committees and a late-bloom career as an author—a book already on Walter Lippmann, another coming on Upton Sinclair.

It has been the dimension on the man, however, which has made him something special.

The completeness of his philosophy, the absense of loose ends in his thinking, was what one former student, now an Atlanta news executive, said was most memorable about him.

Another student, now a big city newspaper executive: "The thing about John Luskin has been his way of bringing more than technique to teaching about newspapers. His was the broad-based view of things that I think is most needed in this business of communication today."

His wry, piquant humor redeemed whatever there might be of the peevish head master. A comment on the cover of one student's belabored book review: "I think you overworked the question mark within a mystery within an enigma theme. Nice try. B minus."

There was always a touch of the philosophic to mellow the harshness. "I realize that spring is here, but then, you are here, and so am I," and his clipped words would mobilize a spring-fevered class.

His students became intimates of James Gordon Bennett and Horace Greeley and Randolph Hearst, the kings of newspapering when it was the only game in town and competing papers fought circulation wars with fists as well as words.

The Luskin portrait of things was always that this, students, was the very stuff of what matters—the mingle of wastrels and demagogues, tarnished heroes and outright crooks which makes the world such an interesting place.

He left students with the lingering notion that a newspaperman should also be something of a gentleman, that amid the flurry of deadlines and controversy there is a ridge of worth in telling the story of man.

He is retiring, he says, because as the years tread by, what he has to say seems to be growing of less and less importance.

Perhaps.

But a legion of Luskin alumni can attest to the precise surveying of what there is of worth, the sure direction of his scout through the territories of the mind.

MR. FAIN: HOW YOUNG IS OLD . . . ?

(By John Pruett)

The letter is typical:

"Dr. Mr. Fain,

"I didn't know how to talk to a grown-up any more until I talked to you. You've made me laugh again. I think you're the youngest old person I've ever met."

It was signed by a teen-age girl who had come dangerously close to being hooked on drugs. The man who helped steer her back to reality was Cecil Fain, surely one of the most remarkable 78-year-old gentlemen anywhere.

For the past eight years, Fain has been a resource consultant for Alverson-Draughon Business College in Huntsville. The resource in this case is people—young people.

There is no better expert on the subject than Cecil Fain.

Before joining the staff of the business college, Fain spent more than 40 years molding the lives of young people while serving as principal of several area high schools, including Madison, Rison, Lee, Bradley and Whitesburg.

His contributions to education in Huntsville and Madison County have been enormous. Equally as impressive have been his contributions to athletics.

Cecil Fain could be fairly called the No. 1 pioneer of athletics in the city of Huntsville.

He helped organize the first prep baseball, football and basketball teams in Huntsville. Later he introduced a variety of other sports to the school system. He organized the first American Legion Junior teams. He coached a girls softball team that was the best in the state for years. He later became known as Mr. Tennis in Huntsville.

Elmore (Scoop) Hudgins, the Southeastern Conference publicity director and a one-time student at Rison, has said, "Mr. Fain was probably the most influential man in my life." Many others have said it, too.

BEST IN THE STATE

Among the old-timers in Huntsville, Fain is perhaps better known as the manager of a renowned girls' softball team.

"I took over that team by accident," he recalled. "It was about 1928 or '29 at Rison. In those days, interscholastic athletics for girls hadn't been ruled out, and one day a group of girls came to me and asked if they could have a team. I said I didn't see why not, but when they went to our coaches, the coaches said they had too much to do. The girls asked me about it. Well, I didn't tell our coaches this, but I had more to do than any of them. But I agreed to do it if the girls would get a chaperon.

"I figured I'd just get it started, but when we began to have such sensational success, I got carried away with it myself. Before it was over, we had several state champions and one Southern champion."

Fain, for one, believes girl athletes will again be allowed to compete interscholastically in the next few years within the state of Alabama.

"I think it'll come largely due to pressure from the high school girls themselves," he said. "It seems rather asinine that a girl is eligible for football but still can't play on a girl's interscholastic team. It seems very paradoxical to me."

Fain, an amateur baseball player of some repute in his hometown of Ozark and later at Livingston State, also coached several boys teams through the years. He organized the first county-wide baseball tournament. He added softball, track and tennis to the high school physical education program.

In his fifties, he discovered tennis and soon became the game's foremost player in Huntsville. Indeed, one of his nicknames was "Mr. Tennis."

. . . HOG MEADOW CLUB

"I took up tennis because I was beginning to get worried about myself," Fain said. "I'd just about stopped coaching and was working entirely on administration, and after about a year I began to go to seed physically.

"One night we were playing bridge at Virgil Upton's home and I told him I was getting concerned about myself. Virgil was a member of the Huntsville Tennis Club, and he suggested that I take up the game. In my ignorance, I'd always thought of tennis as sort of sissy, but Virgil assured me it wasn't and he volunteered to teach me."

Too embarrassed to compete with the "big boys" at Huntsville Country Club, Fain took his lessons on a court near the Linthicum Lumber Company. Within three years, he was beating everybody in town, including the "big boys."

Fain was one of the early members of the locally famous Hog Meadow Tennis Club, located behind the antebellum Meridianville home of Leslie Cummins. The name came from Basil Adams, an Englishman who was one of the original members. Adams struck by the irony of playing the aristocratic old royal game in a Confederate meadow surrounded by pigs and horses.

The club finally dissolved when most of the members either died or got too old. Fain kept playing until he was 75.

. . . SHOWING THE WAY

"The wonderful thing about tennis," said Fain, "is that it's a game for everybody, for all ages. It's good for a person. It gives him a better outlook on life, I think.

"The same is true for athletics as a whole. Our young people have to learn competition under discipline, and that's one of the great values of athletics. It might've helped save us from having a revolt in this country, who knows?"

Fain still savors his relationships with young people. It remains the great work of his life.

"I'm grateful that my work in private enterprise allows me to speak so often to high school groups," he said. "I've learned so much more from young people than I've given. They've taught me that I'm not old. A boy at Grissom told me the other day, 'You're far out and beautiful.' Imagine that.

"This generation, in my opinion, is the most religious I've ever known, including my own. All the old barriers are no good for them, which is the way it should be.

"One of the problems we've had today is that our young poople are hounded about success, success, just like an automatic piston. I try to tell them they must learn how to fail. Everybody fails, but if you're prepared for it, you can pick up and carry on. I've failed many times. I've been in the gutter. But I knew the way out."

Cecil Fain intends to spend the rest of his years showing others the way.

DIE WELTWOCHE ON IMPEACHMENT RAMIFICATIONS

Mr. GOLDWATER. Mr. President, in the wake of the administration's latest peace success in the Middle East, it is particularly relevant to consider the analysis by an impartial foreign observer of the American political scene, who wonders if the current impeachment clamor in this country might unravel all the significant foreign policy achievements which the Nixon administration has given us.

In the April 17 edition of the highly ranked, independent Swiss newspaper, Die Weltwoche, there appears a perceptive commentary on American developments by Erich Gysling, an experienced political columnist. Mr. Gysling reminds us, that in the eyes of the outside world, the more important question about impeachment is not the possible impact domestically, but "whether or not the United States can remain able to conduct foreign policy." This is a consideration which all who hope for a durable peace in the world would do well to weigh carefully.

Mr. President, in order that Members of Congress, who have not yet seen this interesting article, may have an opportunity to ponder its meaning, I ask unanimous consent that the column by Mr. Erich Gysling which appeared on the front page of the April 17 Weltwoche may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD. as follows:

ENTANGLED

What, if the President of the United States refuses to hand over the tapes requested by the Judiciary Committee in the House of Representatives, and if the hearings, which could lead to the President's impeachment, would actually begin? May 1, has been named as a possible starting date for the hearings. If the prosecution machinery is thus started, it can be assumed that they will last no more than six months.

For the European observer it is no longer a question of whether or not the integrity of the President can be restored; this becomes purely an internal matter to which only experience can give an answer. Of much more importance is the question this side of the Atlantic, whether or not the United States can remain able to conduct foreign policy.

1974 is without a doubt "the year of America". The United States have taken over the burden (this to our greatest advantage) of the Middle East conflict, they have accepted the European challenge and they have gambled to a point of no return with the Soviet Union in connection with an assimilation of interests; failure of the SALT talks would have consequences that must be termed not without horror of historical proportions.

In the face of such facts, it does not help entirely to know that foreign policy decisions are handled to a certain extent by the Secretary of State and not by the President alone. If the President should be impeached, the Secretary of State also would be politically crippled. But, who would then untie the knot of a worldwide, successful foreign policy which he had made?

Watergate and a possible impeachment involve far more than the personal fall of the President. Since the Nixon Administration has brought life into foreign policy dealings very successfully, the problem would touch us all.

STRENGTHENING THE INTERNATIONAL COURT OF JUSTICE

Mr. CRANSTON. Mr. President, the Senate yesterday adopted five resolutions on the International Court of Justice which I introduced with Senator TAFT a little over a year ago.

All too often the Senate gets caught up in the day-to-day mechanics of current legislation at the expense of a long-term perspective. At a time when we need to look ahead, and to devote our finest minds to the future of foreign policy, we tend to become preoccupied with the fate of this or that particular program in this or that particular fiscal year. In acting on these five resolutions, the Senate has widened its view.

Although the five resolutions are modest in scope, they represent a great deal of time and effort on the part of the State Department, the Senate Foreign Relations Committee, and other experts on international law. On May 10 and 11, 1973, the Senate Foreign Relations Committee held comprehensive hearings on the resolutions and on other ways of strengthening the World Court. Among the many fine witnesses who lent us their expertise were: the Honorable Arthur Goldberg, former Justice of the Supreme Court; the Honorable Philip C. Jessup, former judge on the bench of the World Court; Prof. Louis Sohn, Bemis Professor of International Law at Harvard Law School; and the Honorable Charles Yost, former U.S. representative to the United Nations.

As a result of the hearings, the resolutions were revised with the informal help of international lawyers at the State Department and elsewhere. A summary of the resolutions, as revised, appears at the end of my remarks.

Mr. President, as I pointed out more than a year ago, the International Court of Justice has been inadequately consulted. Less than 40 cases have been submitted to it in the last quarter of a century.

The United States is still directly involved in ongoing fighting in Indochina. Our talented Secretary of State, Dr. Kissinger, is actively negotiating a settlement to the latest war in the Middle East. U.S. troops are stationed all over the world, from Bermuda and the Azores to Okinawa and the Philippines. All over the world we are directly or indirectly planning a response to the real or potential outbreak of war.

Unfortunately, no such comprehensive planning effort has been made with respect to finding permanent and reliable procedures to prevent war. I believe the time is ripe to take further steps in this direction, and that is why I introduced the five resolutions.

In general, I am extremely pleased with the committee's action. The only change made by the committee with which I do not fully agree concerns three minor territorial disputes in the Caribbean Sea. The original text of Senate Resolution 74 called on the Secretary of State to submit to the Court as many as possible of "28 territorial disputes * * * in the Caribbean Sea and the Pacific Ocean." The disputes in the Caribbean involved three cays or atolls in the so-called Coral Bank area; namely, Quinto Sueno, Roncador Cay, and Serrana Bank.

After the resolutions were drafted, the United States reached a bilateral agreement with Colombia. Accordingly, the revised text submitted to the committee mentioned only the 25 remaining disputes in the Pacific.

As explained in the committee's report, the committee added the three disputes back into the resolution. I respectfully disagree with the committee's position. To my mind, since negotiations are usually simpler than a lengthy Court case, the Court should hear a dispute only when talks have failed. I, therefore, agree with the Department of State's position.

Mr. President, the United States is currently cooperating with worldwide programs designed to stimulate global economic development, stabilize currencies, alleviate hunger, poverty, and disease, and halt international pollution. But without preventive steps to avoid another war, these fine measures may still leave us with ravaged countries and devastated populations. Our reliance upon great military strength and upon alliances with our friends has not kept us out of war. In fact, Vietnam is the fourth war we have fought in 44 years.

Devoting our keenest minds to finding alternatives to armed conflict is not a luxury, but a pressing need. We cannot continue to risk self-destruction by dabbling in peace with one hand and waging war with the other.

We cannot wait for a peace based upon vast, sweeping structural changes within the United Nations, the International Court of Justice, and other institutions created with the hope that they would bring enduring peace. Instead, hope and realism can be combined in a step-by-step approach. We can take measures designed to—

Expand the jurisdiction of the Court by gradual degrees;

Increase the number of cases submitted to it;

Contribute to the clarification and establishment of international legal precedents and principles; and

Develop, slowing but surely, the habit of relying upon the Court for the peaceful resolution of international disputes.

We herewith submit no less than five separate resolutions designed to promote these goals. Some are wide-ranging, some are specific, but all are designed to make the Court a sturdier tool in the construction of peace.

The Court's potential has been stunted by a vicious circle. Nations have been unwilling to submit disputes for binding settlement because they do not know what legal principles, rules, and standards the Court will apply. Yet the more nations hold back, the less opportunity the Court has to establish precedents, develop a body of law, and contribute to the clarification of international legal disputes and to the settlement of international differences. By itself, the Court is powerless to break through this web of inaction.

The outstanding fact of life which blocks the rule of world law is the will of nations. Some will quote this fact to shrug off peacemaking efforts. Yet the logic of national interest points to peace, not to war. We should not see the Court as a threat to our right to make our own choices and determine our own course. On the vital issue of war and peace, these choices are highly illusory. Under prevailing circumstances, leaders in other lands can make decisions which plunge us into armed conflict. Instead, we should see the Court as a plausible alternative to intervention and war.

Speaking to the Academy of Political Science in 1959, Richard Nixon, then Vice President of the United States, said:

> The time has now come to take the initiative in the right direction of establishment of the rule of law in the world to replace the rule of force. . . . Our primary problem today is not the creation of new international institutions, but the fuller and more fruitful use of the institutions we already possess.

Just as we must have order and justice under law to prevent violence on the streets and in the homes of America, so we must have order and justice under law in the world to stop future wars—or at least to limit their scope and bring them to a quick end should they break out. Strengthening the World Court and giving it a more active role in international relations are basic steps in the slow but inevitable development of international law, order, and justice.

Mr. President, the time for strengthening the International Court of Justice is long overdue. Attitudes must change, but instead of waiting passively we can give them a push.

Mr. President, I ask unanimous consent that a brief summary of the revised resolutions, as reported out by the committee, be published in the Record at this point.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Summary of World Court Resolutions (S. Res. 74–78), as Revised

S. Res. 74: Calls on Secretary of State to submit to the Court as many as possible of 28 minor territorial disputes acknowledged by the State Department in remote areas in the Caribbean Sea and the Pacific Ocean—plus other appropriate territorial disputes.

S. Res. 75: Recommends including in future treaties operative clauses providing that disputes arising under those treaties which are not settled by negotiation shall be submitted to the Court.

S. Res. 76: Directs Secretary of State to give favorable consideration to making use of the various chambers of the Court, including chambers convened to resolve regional disputes, wherever such disputes cannot be solved by negotiation.

Directs the President to "take all appropriate measures to attempt to expand the range of international bodies eligible to request advisory opinions of the Court", giving special attention to regional organizations and to two or more states.

Directs the President to seek to improve the process whereby judges are nominated and elected, and to encourage the Court to exercise its functions outside of the Hague from time to time.

S. Res. 77: Directs Secretary of State "to encourage the maximum possible use" of the procedures outlined in Chapter VI of the UN Charter, including Article 36, which states that "legal disputes should as a general rule be referred by the parties to the International Court of Justice."

S. Res. 78: Calls on Secretary of State to study ways to grant direct and indirect access to the Court and other international tribunals to individuals, corporations, regional organizations, and other natural or legal person.

Directs that study should specifically include feasibility of establishing a special committee of the General Assembly, similar to the committee used for review of the decisions of the UN's Administrative Tribunal, with authority to request advisory opinions from the Court and other international tribunals on behalf of such individuals and legal persons.

Directs Secretary of State to submit findings to the Senate within one year of adoption of resolution.

MANPOWER TRAINING AND PUBLIC SERVICE EMPLOYMENT

Mr. TAFT. Mr. President, last session, the Congress enacted substantial reforms in the Federal funding system for manpower training and public service employment. These reforms are represented by a special revenue sharing-prime sponsorship program contained in the Comprehensive Employment and Training Act (CETA) signed into law last December by the President (Public Law 93–203).

The Appropriations Committees of the House and the Senate currently are deliberating on the fiscal year 1975 level of Federal commitment for manpower training and public service employment.

The budget submitted by the administration for the act, I believe, may be too low, particularly with respect to funding for title II public service programs. With potential unemployment projected by administration economists to be at 6 percent or greater later this calendar year, I believe it is imperative that proper reserve funding be available. Further, I believe it is crucial that the manpower training initiatives undertaken by opportunities industrialization-centers (OIC) continue to be funded under the new act.

Last week I testified before the House Appropriations Labor-HEW Subcommittee and made requests for comprehensive funding for CETA and continuation of funding for OIC programs at the State and National level. I am hopeful Senators will join me in asking for funding in these areas.

I ask unanimous consent that my statement before the House Appropriations Committee last week be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Senator Robert Taft, Jr.

Mr. Chairman and members of the subcommittee, it is a pleasure for me to appear today regarding the fiscal year 1975 appropriations for the comprehensive employment and training act (P.L. 93–203). Congress has consistently recognized the importance of manpower training with the primary federal commitments represented in past years by the manpower development and training act of 1962, title I of the economic opportunity act of 1964, and the emergency employment act of 1971. Problems developed, however, in the delivery of Federal resources under these authorities, particularly with respect to duplication and unwarranted proliferation of manpower training programs. More decentralization was necessary. Input was needed at the local level to make manpower training productive and responsive to the needs of individuals and labor market areas. The comprehensive employment and training act (C.E.T.A.) is a culmination of five years of study and analysis in this area and, in my opinion, represents one of the most constructive legislative contributions adopted to date by this Congress. Emphasis is placed on delivery of funding grants primarily through units of state and local governments acting as prime sponsors. Instead of operating individual programs through almost 10,000 grants and contracts with public and private organizations, the secretary of labor is directed to make block grants to approximately 500 prime sponsors under the new act. Under title I, section 102(a) of C.E.T.A. five categories of prime sponsors are established with units of general local government with a population of 100,000 or more persons, or any combination of units with such a population level, are examples of the new prime sponsor-delivery system for Federal manpower funding.

Title II of the act maintains a Federal commitment to public service employment programs established under the emergency employment act of 1971. The procedures developed in C.E.T.A. provide unemployed and underemployed individuals with transitional public service employment in regions experiencing substantial unemployment (6.5% unemployment or more for three consecutive months.)

Title III of C.E.T.A. provides authority to the Secretary of Labor to provide additional comprehensive manpower services for special target manpower groups such as youth, criminal offenders and migrant and seasonal farm workers.

Title IV of the new act authorizes the continuation of the present job corps program and title V establishes a national commission for manpower policy to review the current federal commitment to manpower training with the mandate to make recommendations for future policy.

The question this subcommittee and its counterpart in the Senate must address is what level of appropriation should be adopted for this new approach to manpower training. Section 4(a) of C.E.T.A. authorizes such sums as necessary for fiscal year ending June 30, 1974, and for each of the three succeeding fiscal years. Section 4(d) adds authorizing language requiring not less than $250,000,000 of the sums appropriated in fiscal year ending June 30, 1974, and not less than $350,000,000 of appropriated funds ending June 30, 1975, to be used for public service employment programs under title II. The budget request presented to this subcommittee by Assistant Secretary of Labor Kolberg is $2,050,000,000 for comprehensive manpower assistance. Of this request, I understand the budget reflects a $350 million allocation to title II programs.

This request from a comprehensive viewpoint is an increase of $117,917,000 over the 1974 revised appropriation. I question, however, whether this will be sufficient to cover the projected unemployment level as administration economic advisers testified before the joint economic committee last week regarding the possibility of an unemployment rate of 6% or greater this calendar year. If this is the case, certainly $350 million as a limit under title II would not be adequate. Such an approach would in fact perhaps be an incentive for prime sponsors to channel money from title I to title II as section 101(11) of C.E.T.A. permits. For example, a city that is designated as a prime sponsor may be faced with personnel budgetary problems and feel that it is advantageous, if not necessary, to channel title I funds for public service employment, if substantial unemployment is present in an area and only limited funding is available under title II. Prime sponsors in states, such as Ohio, where the auto industry and other businesses have been adversely affected by the energy crisis, may be forced into such a position. This would be unfortunate as constructive manpower training programs under title I would be adversely affected.

Accordingly, I would ask this subcommittee to consider an appropriation level above that requested by the administration, particularly with respect to title II. Such funds would, of course, be subject to the 6.5% unemployment level required in title II and would not necessarily have to be expended, if the economy improves substantially, which I certainly hope is the case. As a level to consider for title II, the subcommittee might examine the funding levels in past fiscal years for the expired Emergency Employment Act.

A subsidiary point to the question of comprehensive manpower funding is the level of funding grants to States for unemployment insurance and employment services. In reviewing Deputy Assistant Secretary of Labor Burdetsky's statement before this subcommittee, I am somewhat concerned about the proposed budget cut of $15,963,000, for unemployment insurance claims processing. I have received numerous complaints from constituents in my State that there already is not sufficient manpower to properly handle claims. I would ask the subcommittee to closely examine this area before approving such a budget reduction.

A third area I would like to address is the funding of opportunities industrialization centers (O.I.C.). While there are a number of constructive manpower training programs that should continue to be funded by prime sponsors under C.E.T.A., including highly successful institutional skill training centers in Ohio, I am especially concerned about maintaining the positive initiatives of O.I.C. programs. As Senator Schweiker stated in his testimony last week before this subcommittee, O.I.C.'s have been particularly effective in providing manpower training for the underemployed and unemployed. Doctor Leon H. Sullivan, founder and chairman of the board of O.I.C., has impressed me with the great amount of community support he has generated in establishing manpower training programs throughout the country. As ranking minority member of the Senate Subcommittee on Employment, Poverty and Migratory Labor, I held hearings in Ohio last year on the proposed changes in Federal manpower programs and personally visited O.I.C. centers. These programs are working and have substantial community backing. Authority exists under both title I and title III of C.E.T.A. for the funding of O.I.C. centers at the national and local level. Section 105(a)(1) of title I, pertaining to conditions to be met by prime sponsors, states that a prime sponsor shall take into account the "need for continued funding of programs of demonstrated effectiveness . . . in delivery of manpower training." O.I.C. programs certainly meet this criteria as data supplied by the Department of Labor shows that O.I.C. centers have already trained some 150,000 disadvantaged blacks, Chicanos and whites over the past decade and placed them in jobs. Further, the training and placement of these individuals was completed at $1,000 per capita cost, approximately $1,500 below the next most efficient Federal program in this area. The President's recent manpower report also strongly supports the effectiveness of O.I.C. training programs.

Section 105(a)(3) of title I requires prime sponsors to provide "appropriate arrangements with community based organizations serving the poverty community . . . for their participation in the planning of programs." Section 601 of the act defines "community based organizations" as "organizations which are representative of communities or significant segments of the communities and which provide manpower services (for example, opportunities industrialization centers . . .)". There can be no question that O.I.C.s are to be included for funding under Title I.

Subsection 105(a)(3) of title I even further underscores the implementation of O.I.C. centers in requiring prime sponsors to give "due consideration to the effectiveness of such existing services and facilities", including the "utilization of services and facilities of private agencies, institutions and organizations."

Under Title III of C.E.T.A., O.I.C.s fall under Section 301(a) pertaining to the funding of special manpower target groups by the secretary. This section states: ". . . the secretary shall take into account the need for continued funding of programs of demonstrated effectiveness. . . ."

Section 304(a)(7) of Title III also contemplates funding of O.I.C. programs in stating, "the Secretary may provide financial assistance . . . for comprehensive work and training programs, and necessary supportive and follow-up services, including . . . other manpower programs conducted by community-based organizations." Again, I would refer the subcommittee to Section 601 of the act defining community based organizations to include opportunities industrialization centers.

Mr. Chairman, I know you and members of your subcommittee have difficult decisions to make in deciding the level of funding for many programs competing for Federal funding, but I can say without reservation that the O.I.C. program certainly is one of the best, if not the best, manpower program in the private and public sector. While C.E.T.A. does build in a flexible block grant and special revenue sharing approach to manpower training, it is not intended to preclude continued funding of such positive programs as O.I.E. Senator Schweiker and I as two of the authors of C.E.T.A. certainly intended that O.I.C. programs continue to be funded, particularly with respect to the national O.I.C. program under title III, and I endorse the figure of $75 million for funding of such O.I.C. programs advanced by Senator Schweiker. The logical breakdown of such funding certainly would be $60 million under title I and $15 million under title III. I would particularly stress funding under title III for the O.I.C. program at the national level. Many of the local programs may suffer as local prime sponsors will not have the resources to fund such a national coordination.

Manpower training is one of the best ways government can help its citizens in that it permits individuals to help themselves. I urge this subcommittee to continue strong Federal commitments to manpower training, especially programs such as O.I.C.

Mr. Chairman, this concludes my statement. I will be happy to answer any questions the subcommittee may have.

PEOPLE OPPOSE POSTCARD VOTER REGISTRATION

Mr. ALLEN. Mr. President, the American system was served well just a few days ago when the House of Representatives defeated efforts to create a system of postcard voter registration.

Postcard registration, like public campaign financing, has been foisted off on the American public as a balm for the sores that afflict our system. Backers of these so-called remedies just do not seem to understand that the cures which they propose are worse than the ailments.

But the American people understand, and the more they learn of such plans as postcard registration and public campaign financing, the greater their opposition.

Illustrative of this is an editorial published in the Tuesday, May 14, 1974, edition of the Birmingham News. Entitled simply "Postcard Voter Registration," this editorial accurately registers the belief of the overwhelming majority of Alabamians that the path to true election reform is made more difficult to follow, because of many false trails such as postcard registration and public campaign financing.

Mr. President, I ask unanimous consent to have the editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

POSTCARD VOTER REGISTRATION

Once again legislation to create a system of postcard voter registration for federal elections has been defeated. The latest attempt was blocked by a 204–197 vote in the U.S. House of Representatives.

All six of the Alabama representatives who were present voted against the bill, which was backed mostly by liberal, Democratic representatives

One can hope that the proposal does not come up for another vote in the future, but prospects are not certain that the proponents will accept this as a final defeat.

The motive for postcard registration is democratic. Its proponents believe there are many potential voters who do not participate in the electoral process because of numerous difficulties, including having to get off work during the hours in which registrars' offices are open.

Certainly postcard registration would make it easier to obtain eligibility to vote; the problem is that it would make fraudulent registration too easy.

True enough, registration requires a trip to the courthouse. But then, voting requires a trip to a polling place. Any potential voter who has found it too difficult to get to the county courthouse will have similar problems on election day.

The worst drawback of postcard registration is the potential for fraud. Multiple registrations could occur, or tombstone or fictitious names could easily be registered. The defeated bill would have carried penalties for fraud, but how could such fraud be detected? Certainly any reliable system of verification of names and addresses would be costly.

Because the postcard registration would have applied only to federal elections, local voting officials would have had to keep two separate voting lists—also at extra expense. Other extra expenses would have been incurred in handling the 150 million postcards which would have been involved. That expense estimate ranges from $30 million to $300 million.

Not to be forgotten also is the principle of federalism. A federal registration system, postcard or otherwise, would be an intrusion into an area in which state and local governments hitherto have exercised authority. This would be an unnecessary intrusion, at the cost of more taxpayers' money and an added bureaucracy.

Proponents of postcard registration, while citing a need, have not made a convincing argument that the need justified the potential for fraud and malicious mischief inherent in the system.

Sooner or later proponents of this sort of legislation should get the message. Postcard registration should be defeated as often as it is brought up.

FINANCIAL STATEMENT OF SENATOR DOMENICI

Mr. DOMENICI. Mr. President, it is my opinion that the best way to restore confidence in Government is simply to act in such a manner that the people trust us as individual elected officials. When I ran for this office in 1972, I revealed my personal net worth and holdings. I rise today to again make such a public disclosure and, in addition, to enter into this RECORD true facts and figures about my 1973 Federal income tax return. The figures for my financial worth come directly from documents I have filed with financial institutions to which I am indebted. The figures for my tax return are directly from the Federal documents I filed with the Internal Revenue Service when I filed my income tax return for 1973.

I intend to reveal such figures for each year that I am privileged to be a Senator from my State.

While I am not saying that each Senator should reveal such figures, I am saying that I should do this so that the citizens of my State can be assured that I am attending fully to the public's business and not enhancing my personal worth at public expense.

The following are both sets of figures. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the figures are ordered to be printed in the RECORD, as follows:

THE 1973 FEDERAL INCOME TAX INFORMATION

Income, $58,284.57 (Senate salary of $42,263.89; interest of $67.16; income from closeout of a law partnership in Albuquerque, N.M., with which I am no longer associated, $10,183.80; capital gains on sale of four residential lots in Albuquerque which were acquired in 1960, $1,055; honoraria, $3,550; and income from D&V Company, a family partnership, $1,164.17).

Net taxable income of $49,890.67 after adjustments of $5,718.51 for actual moving expenses from Albuquerque to Rockville, Md., and $2,675.39 under the Congressionally-mandated adjustment allowed for residence in Washington, D.C.

Itemized deductions of $18,027.33, including New Mexico income taxes and property taxes of $4,921.98 and interest paid of $7,422.42.

Standard dependent deductions of $7,500 for myself, my wife Nancy, and our eight children at home.

Payment of a total of $11,380.42 in taxes, including $6,458.44 in federal taxes, $1,184.34 in New Mexico income taxes, and property taxes of $3,737.64.

PERSONAL NET WORTH STATEMENT

Gross Assets: Cash on hand, $3,700; cash value of insurance, $6,400; securities, $22,621 (Bank of America $621, Edith Land Co. $22,000); household goods $8,000; 1971 Oldsmobile $4,800; real estate and family trust holdings $284,837.80 (home in Rockville, Md., $90,000; 1/10th interest in Kent Investment Co., real estate at Rio Puerco, N.M., $35,000; ¼ interest in Cushing, et. al., real estate holdings in Albuquerque, N.M., at Montgomery and Eubank Drives, $26,468; 1/6th interest in D&V Land Co., a family partnership, $24,423; ¼ interest in Huber, Domenici, et. al., real estate in Albuquerque, N.M., at Pennsylvania and Montgomery, $62,500; mausoleum crypt, $1,490; Domenici, real estate holdings at Navajo Lake, San Juan County, N.M., $7,500; interest in the trust of the will of C. Domenici, my late father, $37,456.05).

Liabilities: Real estate mortgage on my Rockville, Md., home (through the District of Columbia National Bank) of $65,525; debt to the Albuquerque National Bank, $36,000; and remaining debt on Cushing, et. al., real holdings of $3,265.

Net worth: $223,568.80.

The only three transactions I have conducted since my election to this office have been the sale of my home in Albuquerque, N.M., on Monroe Dr., the sale of four lots in that city, and the purchase of my new home on Stephalee Lane in Rockville, Md.

THE POLITICS OF FOOD

Mr. KENNEDY. Mr. President, in our preoccupation with the energy crisis, few Americans have focused attention on what I have called the world's silent crisis—the crisis of food.

Unlike shortages in oil and energy, the growing crisis of food shortages carries with it the silent and deadly hand of starvation and famine—which silences people, not simply machines—and which may condemn millions to face malnutrition and sullen deaths. Only those who cannot be heard suffer malnutrition in silence—and today that is a growing majority of the third world.

Unlike the strong reaction we saw to the oil and energy crisis, few Western leaders spoke out over the growing crisis in world food. Not until the recent special session of the United Nations General Assembly—called by Algeria and the developing nations—did we hear our statesmen express much concern over the implications of the world's economic and food crisis on the poorest nations.

Perhaps, as Emma Rothschild writes in an exceptionally thoughtful and provocative article in the current issue of the New York Review of Books, this is the politics of food—where developed nations cry for international cooperation in oil and energy resources even as they cash in profits from food surpluses and other resources needed by the less-developed nations.

Indeed, the United States paid for its oil imports in 1973 with increased food exports—mainly to the developed nations. We saw a program of food for cash, instead of food for famine.

America cannot feed the world, but as we take steps to support international cooperation in oil, we must also initiate programs for international cooperation in the distribution of food—including our own food surpluses. As America expresses its concern over the worldwide spiral of inflation, we must not lose sight of the fact that the consequences of this economic crisis are the gravest for the poorest nations, not for the richest.

Mr. President, I commend to the attention of all Senators the essay by Ms. Rothschild, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

THE POLITICS OF FOOD

(By Emma Rothschild)

"We are all feeling depressed," the German foreign minister, Mr. Scheel, declared last month at the United Nations. "Things cannot go on like this. No one with a clear head and a feeling heart should still be able to sleep calmly. . . . We are stumbling in the dark."

At the April Special Session of the UN General Assembly, called to discuss problems of raw materials and development, speakers from all countries agreed that the oil crisis is part of a larger world crisis of trade and inflation; that inflation is exported, like a sickness, or like petroleum, in the pipelines and grain tankers of world trade. This recognition of inter-dependence was useful, but vague. Both Secretary Kissinger and Sheik Yamani warned, for example, that in a "global inflation" all countries would lose—a warning that ignored the extent to which the richest developed countries, as well as the oil-exporting countries, are winners, at least so far, in the world inflation.

Certain documents presented at the UN Special Session give a clear and shocking view of the course of the economic crisis, and specifically of the crisis in food and fertilizers. A study by the UN Conference on Trade and Development (UNCTAD) warned that the consequences of the inflation are particularly grave for the "largest and poorest" developing countries, and could bring a "serious deterioration in levels of food consumption." For the developed countries, "the prospective trade deficit on oil account, large though it is, represents only a very small percentage of the total GNP"—no more than 2 percent of GNP for the United States, even without considering the increased profits of US oil corporations. The costs of inflation in imports are borne to a disproportionate extent by the poorest countries; the benefits of inflation in exports are gathered by a few developing countries, and by the developed world generally.

"In view of the accelerated pace of the increase of primary and manufacturers prices during 1973," the UNCTAD report states, "it is important to keep the full two-year perspective in mind, particularly when analyzing the impact of the sharp rise in petroleum prices." So far, in the world inflation of 1972–1974, the developing countries have suffered more from increases in the price of food, fertilizers, and manufactured goods, which they import largely from developed countries, than from increases in the price of oil.

According to the report, the cost of the food and fertilizer imports to the developing countries increased by $5 billion in 1973, and is expected to increase by another $5 billion in 1974. The "corresponding increase" in the cost of oil imports to these countries was $1.2 billion in 1973, and will be about $7 billion in 1974. This projection does not allow for an increase in the volume of oil imports, or of food imports, made necessary by poor harvests now feared in India in 1974. The fertilizer price rise "began in 1972, before the recent increase" in the price of oil, which is needed in fertilizer production. With the increased price of oil, fertilizer prices rose even more drastically in 1974.

The crisis of food imports may seem like the daily deadening injustice of a world where Secretary Kissinger finds a "surplus of despair," and where, as President Boumédienne of Algeria declared at the UN, "to speak only of the drought that is killing human beings by the thousands in the African Sahelian regions, one might recall that in order to meet their wheat needs these regions would have managed with one twentieth the amount of wheat that the [developed] countries use each year to feed their cattle." Yet the politics of food, like the politics of oil, is a game with winners as well as losers.

President Nixon's International Economic Report, published in February, finds "two severe shocks," "two new problems: food and petroleum." "Today's agricultural problems," it says, "stem from adverse natural conditions and the world-wide economic boom. . . . In contrast, the petroleum crisis is wrought by man." The food crisis of 1973 was "wrought" by famine and drought and crop failure, and by increased consumer demand in Japan and Europe and the Soviet Union. It wrought, in turn, the profits and power of the American farm export boom.

The US paid for its oil imports, in 1973, with increased food exports: it spent $14.1 billion on all imported minerals and fuels, and earned $17.7 billion from selling agricultural products. Seven billion dollars of this came from food sales to developing countries, as did $3.4 billion of the *increase* in US export earnings, although "because of higher prices, this represents less than a 25 percent increase in volume." The price of US food exports increased by 55 percent, while the price of America's food imports increased only 22 percent, with much of the benefits of this increase going to other developed countries which sell meat to the U.S. American farmers made $5 billion more in profit in 1973 than in 1972; their challenge in the years ahead, as Agriculture Secretary Earl Butz has proclaimed around the world, is to "pay for a lot of the imports . . . that we have come to depend on to maintain our standard of living."

The 1973 commodity boom, according to the UNCTAD report, "resulted in much greater benefits to developed than to developing countries," and the expansion in export of raw materials other than petroleum earned an extra $29 million for developed countries, compared to an extra $11 billion for developing countries. Another report to the Special Session, by the UN Secretary General, studied 64 basic commodities, their prices, and their importance in world trade: it concluded that "on the whole, the prices of commodities that are exported mainly by the developing countries apparently rose less than those of primary commodities [exported mainly by] developed countries. This is especially striking in the case of foodstuffs. . . ."[1]

The inflation in these 64 commodities shows very clearly the profits of the raw materials boom. Of the 20 commodities whose prices increased most between 1970 and the end of 1973, in 8 the US was in 1970 the leading world exporter. Canada was the leading exporter of another 3, and other developed countries of 5 more. Of the 4 remaining commodities, where developing countries were the leading exporters, one product, crude petroleum, was worth more than twelve times as much as the other 3 products—cocoa, sisal, and copra—taken together. The poorest, largest countries were well represented at the "bottom" of the list of commodities, with tea and jute, staple exports of India and Bangladesh, among the commodities whose prices fell most significantly; the US was the leading exporter of 8 commodities out of the "top" 20, 4 out of the next 20, and only 1 out of the 24 commodities with the lowest rate of inflation.

Poor countries were also well represented as importers of newly expensive food products among the "top" 20 inflated commodities. Developing countries imported 38 percent of all wheat traded, 55 percent of all soybean oil, 50 percent of all cottonseed oil, and 74 percent of all rice. In each of these commodities, the US is the dominant world exporter.

The UN's studies should reassure those US alarmists who see an imminent threat from the Third World, in the form of raw materials cartels and commodity inflation. Secretary Kissinger invoked this menace in his speech to the Special Session, warning repeatedly against cartels and the "politics of pressure and threats." Yet of the commodities, other than petroleum, most often mentioned by US alarmists, bauxite, coffee, and iron ore were among the few raw materials whose prices fell between 1970 and 1973; the only metal among the "top" 20 inflated commodities was zinc, a material of which Canada is the predominant exporter, with some modest competition from Belgium.

America's own producer power might seem equally comforting to local pessimists, with the US the leading world exporter of corn and lumber, oilseed cake and cotton (and now even the main supplier of raw cotton to China). A diplomat from Pakistan said to me during the Special Session that his country had done well, in 1973, with its traditional exports of cotton and rice. But he had no confidence that prices would remain high. As for cartels, he said, in the case of cotton and rice Pakistan would have to get together with the leading exporter, but Secretary Butz has shown little interest in such an association.

The scales of agricultural dependency, not surprisingly, weigh the trivial and the replaceable, which the rich buy from the poor, against the needs of life, which the poor buy from the rich; sisal and rubber and palm oil against food for the unfed. This dependence is not new, or a consequence of the present economic crisis. President Nixon's International Economic Report notes that food production per capita has increased three times as fast in developed countries, since the middle 1950s, as it has in developing countries.

In much of Africa, food production per capita has actually declined. In Zaire, one of the metal-exporting countries most favored in the recent commodity inflation, and most feared by US mineral alarmists, agricultural production fell steadily after independence; the country is now dependent on food imports from all over Africa, including South Africa and Rhodesia. Such impoverishment in food production is a major failure of development efforts—the consequence, in part, of a preference by local politicians and foreign corporations for investment in manufacturing and mining.

For the Nixon Administration, the dominance of American agriculture is wrought by nature and by the prodigious "strides" of national technology. But the profits of the recent farm boom were made possible, also, by decades of political effort. Self-sufficiency in essential food was a political priority twenty years before Project Independence. As in the European Common Market, and Japan, the US government encouraged domestic agricultural production with export incentives to American farmers and by offering concessional terms to foreign buyers. It supported the domestic production of soybean oil, for example, over the import of East Asian vegetable oil; it protected farmers from the competing products of tropical agriculture (such as vegetable oils, or the Colombian carnations which the Treasury is now vigilantly investigating). Secretary Butz, a noted proponent of free trade in food exports, has assured the Senate that if the trade bill passes, "we will not give anything away" in agricultural import restrictions.

In the last few months of economic crisis, the issue of world dependence on US agriculture has become increasingly contentious. Secretary Butz's grand strategy for farm export earnings anticipates greater US domination, even beyond the desperate years immediately ahead: the Department of Agriculture "projects" expanded wheat and soybean exports, and "heavy dependence by the developing countries on the US as a supplier of food."[2] President Nixon's International Economic Report observes a gratifying increase in "US exports as a share of foreign consumption" of certain foods: the political implications of this dependence have been studied, apparently, by the National Security Council.

Just as the profits and costs of world inflation may be obscured by the "global" economic warnings of statesmen, so agricultural expansion seems, to many US politicians, a matter entirely separate from life and nutrition in foreign lands. Aid has little to do with trade, and moral generosity little to do with business as usual in the foreign operations of the Department of Agriculture.

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[1] The Secretary General's report considers the evolution of the prices of important basic commodities from 1950 to the end of 1973. Price changes cited here are calculated in West German marks. An addendum to the report shows the significance of the commodities in world trade, based on information compiled in 1970.

[2] Lyle Schertz, *Foreign Affairs*, April, 1974.

Yet privation in India and Africa has some relation to the profits, and perhaps to the responsibilities, of US soybean producers and fertilizer corporations—of the US farmers whose annual profits would pay easily for the oil imports of the entire developing world. Secretary Kissinger, at the UN, hoped to increase US food aid, and assistance to tropical agriculture. He also threatened poor countries with the harsh isolationist emotions of America's "domestic base"—emotions which are only encouraged by the Nixon Administration's economic rhetoric, by its advocacy of Project Independence, by its double standard of trade and charity.

Many of the people I talked with at the UN Special Session saw the next few months as a time of momentous possibility for economic development—the time, roughly, between last month's discussion of trade and the World Food Conference that the UN will sponsor in November. An Asian diplomat, from one of the "largest and poorest" countries, observed that among the statesmen addressing the General Assembly, none was as theatrically pessimistic as the leaders of the richest nations, with their agricultural profits, and their double morality. Developing countries, he said, are used to "scarcity"—so the chaotic changes of the present crisis may seem a cause for hope. These changes, and the questions that were raised about them at the United Nations, may hold out at least some chance for improvement in the dismal situation of world food.

PRACTICAL NURSES WEEK IN MARYLAND

Mr. MATHIAS. Mr. President, this is "Practical Nurses Week" in Maryland and it recognizes the contribution of the 8,310 licensed practical nurses who contribute so much to our State. This morning the licensed practical nurses opened their 13th annual convention in Pikesville, Md.

The convention theme—"To: Learn-Prepare-Now"—is entirely timely and apropriate. Yesterday the Senate passed an education bill which, among other things, contained a declaration that it is the sense of Congress that every person be prepared to fully participate in and contribute to the society in which he or she is to live and work upon completion of secondary school. This declaration, with its emphasis on gainful employment, recognizes the relationship between human achievement and personal self-worth and the economic system which affects the lives, opportunities, and careers of all individuals. We also passed the Women's Educational Equity Act which is designed to encourage and support programs to eliminate sex discrimination in education.

Taken together, these two measures will take us a long way toward putting to rest an issue which should no longer be an issue in America—that is, the right of women to participate fully in all areas of American life, including full economic participation, full social participation, and full political participation.

Full participation in this society, in essence, requires that the American woman be assured that her opportunities, benefits, and share in the rewards of this society will be equal to that of the American man. My belief in full participation prompted my sponsorship of an amendment in 1971 to the Health Manpower Act which prohibited discrimination on the basis of sex in admissions to health training programs receiving Federal funds. I might add, incidentally, that because of that amendment—which is now public law—female enrollment in schools of medicine and dentistry has increased from 8 percent in 1969 to 20 percent in 1973.

The choice of themes for this convention suggests that the Maryland Practical Nurses Association will be serious about the effort of insuring that persons of all ages—those now in school who have completed or discontinued their formal education and are preparing to enter the labor market; those who have already entered the labor market but need to up-grade their skills or learn new ones, and those in postsecondary schools—will have ready access to the appropriate training or retraining.

Last year, we passed HMO—Health Maintenance Organization—legislation. With the passage of that new law, and the focus now on national health insurance, the missing link is people—trained persons like the nurses who make the difference between plans and action.

The stress by the Practical Nurses Association on learning and preparation places the emphasis where it belongs—on the recognition of education and training as essential means of assisting people to improve themselves and their economic status, while at the same time serving their country in the most meaningful way possible. I have no doubt but what the outcome of the association's 13th convention this week will be of great benefit to all—and I sincerely commend the association for its desire to improve on the excellent job which practical nurses are already doing.

THE UNITED STATES-RUSSIAN WRESTLING MATCH

Mr. HATHAWAY. Mr. President, on Tuesday, May 21, the Maine Junior Olympic Wrestling Team will meet the Russian Junior National Team at Augusta, Maine. Augusta is the first of eight stops for the Russians, and I cannot adequately express the pride that I feel that these Maine wrestlers have qualified as one of only eight teams in the United States to meet this superb Russian team. They have earned this honor through months of hard work, diligent training and the confidence that comes of knowing that they have the will to win. If their morale and their enthusiasm are any indication of their ability in the ring, the Russians will be facing tremendous competition.

Important as this event is, in and of itself as a sporting event, it is also important because it is another step forward in the normalization of relations between the Soviet Union and the United States. During this tour throughout the United States, the Russian team will have the opportunity to discover the many interests and concerns that they share with American young people, while the American teams will have the opportunity to learn something of the Russian culture and perhaps gain some insight into their Russian counterparts. This is a promising and healthy development.

I am confident that the welcome given the Russian team by the members of the Maine Junior Olympic Team will heighten the anticipation with which the visitors will look forward to the remainder of their tour. And it is to be hoped that this will be followed by many exchange visits between citizens of the two countries, particularly the young. For, it is with the young that our hopes and our future lie; the necessity for opportunities in which they can develop understanding of each other's cultures cannot be overestimated. They must be allowed to avoid the gulfs of misunderstanding that our generation inherited, the gulfs that have for so long contributed to world instability.

I commend the Maine Junior Olympic team on its achievement and look forward to this match with anticipation and pride that the people of Maine are to be active participants in this historic tour.

OUR CURRENT OIL AND GAS RESERVES

Mr. DOMENICI. Mr. President, recently, one of New Mexico's leading petroleum geologists spoke at the Spring Research Symposium at the University of New Mexico regarding our current oil and gas reserves. I feel that Mr. Gorham's comments were most revealing especially in light of our energy crisis.

As pointed out by Mr. Gorham, we have for too long abused our energy sources and are now experiencing the effects of this shortage. We have drastically depleted this source of cheap fuels and are now finding that new discoveries require vast amounts of capital and time.

I was most interested in his comments regarding New Mexico's increased production of oil and gas. New Mexico has long been an important source of such fossil fuels and increased level is due in part to the cooperative effort of the State government. I am hopeful that this Congress will take heed to comments such as Mr. Gorham's in light of the fact that new legislation will have a great effect on the level of new production.

Mr. President, I ask unanimous consent that Mr. Gorham's statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Current Oil and Gas Reserves

(By Frank D. Gorham, Jr.)

Current oil and gas resources—the subject of this brief paper—can only be intelligently evaluated if the estimated amounts of known proven and producing reserves as well as the estimated future potential reserves are appraised in the context of such vital factors as (1) ownership—hence, actual availability, (2) their present and future cost, (3) future demand requirements, (4) government regulatory and taxation policies, and (5) lead time from exploration to market.

It is estimated that the United States excluding Alaska now has a nine-year proven supply of crude oil and gas available, a significant reduction compared to the twelve-and-one-half year proven supply available in 1957.

According to the American Petroleum Institute, estimated proven reserves of oil and gas in the United States in 1973 suffered the fifth decline in the last six years and the largest annual drop on record—crude oil down to 35 billion barrels, a net loss of 1 billion barrels, and natural gas down to 250 trillion cubic feet, a net loss of 16 trillion cubic feet.

Estimated crude oil producing capacity in the United States as of January 1, 1974, was down 600,000 barrels per day to 9.7 million barrels per day for the sixth consecutive annual decrease since 1967.

However, in addition to our proven supply, it has been estimated by the American Association of Petroleum Geologists in 1971 and recently updated by the National Petroleum Council that probable and possible reserves of oil and gas yet to be found in the United States exceed over twice the 93 billion barrels of oil and three times the 393 trillion cubic feet of natural gas produced in the United States through 1970.

A week ago the United States geological Survey released revised estimates of United States oil and gas reserves. Their estimates are 48 billion barrels of proven crude oil and 266 trillion cubic feet of proven natural gas. Indicated and inferred reserves are estimated at between 25 and 45 billion barrels of crude oil and 130 to 250 trillion cubic feet of natural gas, most of which is believed to be located offshore on our continental shelves.

The difference in the reserve estimates cited above is reasonable when one considers the multiplicity of factors which cannot be measured and must be estimated.

It should be mentioned that the above reserve estimates probably could have been modified upward nearly 10 per cent if current oil prices had been considered, since the estimated economic life of most of the wells would have been extended. Recent oil price increases have already begun to stimulate the drilling of a larger number of exploratory wells throughout the nation, which are obviously necessary if the future potential resources are to be found. Assuming moderate success and the entry of new oil into the market, prices should stabilize and perhaps could even decrease on a short-term basis.

If we in the United States truly have 200 billion barrels of crude oil and 900 trillion cubic feet of natural gas yet to be found, one could reasonably ask—why the energy crisis which is now not only beginning to severely affect our nation, but the world as a whole? The answer is not simple; in fact, it is very complex, but I will here attempt to discuss some of the more salient aspects.

Our great nation, with less than 6 per cent of the world's population, consumes some 23 per cent of the world's total energy output, of which over 75 per cent is in the form of oil and gas. In the late fifties we ceased to export oil and gas and became importers in order to meet our ever-increasing demands at the cheapest possible price. Major oil companies went overseas to find and produce the low-cost oil reserves which were imported into this country and provided an abundance of cheap energy upon which we were able to build and achieve the highest standard of living of any nation on earth.

During the same period, however, as oil and gas prices remained low because of cheap oil imports into the United States and costs began to skyrocket, the domestic independent producer, who historically drilled over 70 per cent of the exploratory wells in the United States, began to leave the scene by sellouts and mergers, primarily because of (1) the domestic profit squeeze, (2) an ineffective import quota system, and (3) the high capital requirements for offshore and overseas exploration. At the same time the independent producer attempted to warn the government and public as well of the dangers of our nation's becoming dependent on foreign oil and gas supplies. It would now appear that those warnings of yesteryear, which generally went unheeded, have indeed become reality. Today our imports of oil, which are no longer controlled, comprise over 35 per cent of our current daily consumption of approximately 15 million barrels, or some 2 billion barrels annually for which we are dependent on foreign sources.

With regard to the ownership of today's known proven and producing oil and gas reserves in the free world, over 70 per cent are located in the Arab-controlled countries of the Near East, only 7 per cent in the United States, and 24 per cent in the remaining free world. In other words, the Arabs own the bulk of the known free-world oil supply.

The immediate and future significance to the United States and to world economics, as well as international political stability, both of which largely will be controlled by this concentration of worldwide oil reserves in the small Arab nations adjacent to Russia, have not as yet been fully grasped by this nation or the remainder of the free world.

It is now estimated that in Alaska some 9.6 billion barrels of new oil reserves have been found, which had the pipeline not been delayed, could have temporarily at least offset the reduction in supply which occurred with the Arab embargo. It should be emphasized, however, that our new Alaskan reserves as now known are only capable of adding 1.7 years to our proven supply based on current demand, and then only when available, perhaps in 1976 or 1977. Obviously in the future we are going to have to more carefully weigh environmental costs and delays against our national need for energy.

Oil and gas, even at today's higher prices, are still by far the cheapest, most readily available, and cleanest fuels. We protest today's increasing prices of gasoline and natural gas, not realizing that these commodities for a long period have been available to the American public at bargain-basement prices when compared to prices paid by the public elsewhere around the world. Not only has it been cheap, but it has been wasted—something which we cannot afford to do in the future.

With the takeover by foreign countries of oil and gas reserves found by American companies, not only has the available supply decreased, but what is available has substantially increased in price. In fact, because of rapidly increasing costs—leases, labor, steel, deeper holes, offshore construction costs, not to mention decreasing exploratory success ratios—everything would indicate that the cost of oil and gas as presently produced will continue to increase.

Nevertheless, by sheer necessity—environmental considerations and the lack of availability and much higher costs of other forms of energy—it is expected that oil and gas, which now supply some 75 per cent of our energy requirements, will continue to supply as much as 60 per cent of our requirements at least through 1985. Assuming no major technological breakthroughs, we probably will have to wait until 1985 for the economic extraction of oil from oil shale deposits. Nuclear fuel, coal, and perhaps even some of the more exotic forms of energy will enter the market in greater quantities as their prices become competitive.

What about oil and gas reserves in the country yet to be discovered? First of all, how realistic are the estimates that roughly twice the amount of oil and three times the amount of gas produced to date are yet to be found? The best geological and engineering brains in this country base these estimates of future potential reserves on the amount of sedimentary rocks yet to be explored compared to reserves already discovered at present density and depths of exploration. Finding and producing these high-cost potential reserves will require a tremendous amount of capital investment, which can only be obtained from the accumulation of prior profits. It should also be fully understood that many years are required after the initiation of exploration to bring the discovered oil, if any, to market.

Although I have no quarrel with, much less a feel for the estimates of potential future reserves, I personally doubt that any significant portion of these critical reserves will ever be found or a really serious energy crisis be averted unless our oil industry is permitted to operate in the climate of free enterprise. Only a small portion of these potential reserves will ever be found and produced unless the public encourages and our government enacts (1) the removal of price controls on oil and gas at the wellhead (the major cause of our current domestic shortage), (2) tax legislation favorable to the industry rather than punitive actions currently being considered, and (3) minimization of all but essential environmental controls.

For those who would disagree with some or all of the above points, I would like to reiterate that it is my firm belief, and I hope yours, that free enterprise in all sectors of our economy—not just oil and gas—with healthy competition is the best and only way to provide commodities at the lowest possible prices to the consuming public. A national oil company as proposed by some would not only in my opinion cost the public of today and tomorrow in the form of taxation several times what oil and natural gas would normally cost, but would be far less efficient in every respect than the present system.

As stated earlier, today's natural gas shortage is primarily due to interference in the free enterprise system through unrealistic depression of prices at the wellhead by government decree, which over the last twenty years cause the independent and major producer alike to look elsewhere for a reasonable investment return. Congress protected the voting consumer from fair and higher prices on a very short-term and shortsighted basis at the cost of presently being almost without, which is even now affecting our overall economy to its very roots.

Bringing this point homeward, I might point out that the monetary loss to the state of New Mexico in the form of lost ad valorem, school, and income taxes because of unrealistic federal price controls on natural gas in favor of the California consumer over the last twenty years and apparently in the future totals to date well in excess of tens of millions of dollars. New Mexico gas today in the San Juan Basin is restricted by the Federal Power Commission to approximately 28 cents per thousand cubic feet, while gas is being bought and sold in west Texas, the Gulf Coast, and elsewhere for in excess of twice that amount.

Our great state of New Mexico, one of the larger producers of oil and gas in the United States, has several geological basins yet to be explored, while some of the presently producing basins have only been scratched. As of January 1, 1974, estimated proven oil reserves in the state of New Mexico totaled 643 million barrels, up some 60 million barrels from the prior year, primarily because of increases in southeastern New Mexico. Of this total, northwest New Mexico has 24 million barrels of crude oil reserves, and southeast New Mexico some 619 million barrels. The API also estimated New Mexico's natural gas reserves at 12½ trillion cubic feet, slightly up from the prior year. Of this total, 8 trillion feet of gas reserves are in northwest New Mexico and 4½ trillion cubic feet in southeast New Mexico, where a moderate increase in gas reserves was noted for the year.

Oil producing rates over the last several years in the state of New Mexico as well as generally throughout the nation have shown a marked decline, even though our producing rates are at near capacity. Oil and gas production during 1973 in the state of New Mexico totaled 96.2 million barrels of oil, or 15 per cent of its proven reserves, and 1.2 trillion cubic feet of gas, or 9.6 per cent of its total proven reserves. It is important, however, to note that during 1973 New Mexico as a whole enjoyed a modest net increase in proven oil and gas reserves after production deductions, one of the few states in this country which did not show a substantial decrease.

Our present and past successes in oil and gas exploration and development in New Mexico have been encouraged as a result of (1) a favorable state political climate, (2) fair and reasonable state taxation, and (3) an energetic and competent oil and gas commission—all of which must continue if we expect the oil industry to find and produce those future oil and gas reserves which are so vitally needed.

At this time I would like also to point out the truly significant contributions to exploration successes in the state of New Mexico by many of the professional people in the United States Geological Survey and especially those associated with our colleges and universities in the state. I would particularly like to cite Dr. Sherman A. Wengerd of the Department of Geology at the University of New Mexico, whose early work and publications specifically pointed the way to significant oil and gas discoveries in the Pennsylvanian age reefs of the Four Corners area, and Dr. Vincent Kelley, former chairman of the Department of Geology here at the University, for his major contribution to the structural geology of New Mexico and surrounding areas which provided a basis from which significant oil and gas reserves have been found. Similar work must be encouraged and continued.

At this point, and pertinent to previously made estimates of potential oil and gas reserves, I would like to quote A. E. Levorsen, one of the greatest petroleum exploration geologists and teachers the world has ever known. When confronted with the statement in 1950 that most of the oil and gas had been found, he stated,

"No one knows or can even guess the ultimate amount of oil and gas yet to be found. The ultimate amount will be unfolded slowly after the geology has been revealed and countless more discoveries are made. As we explore we learn more of the geology—the geologic history—the kinds of traps that occur that produce oil and gas. It is this knowledge that gradually translates into a firmer idea of the ultimate reserves but even an approximate amount will never be known until many thousands of more exploratory wells are drilled down to the pre-Cambrian basement. We are continuing to explore at the very edge of our knowledge."

Even after twenty years of intervening exploration, I am sure that if Dr. Levorsen were living today, he would reiterate that statement with emphasis.

In closing I would like to say that in the overall interest of our nation, if not our actual survival as a first-rate country—the highly competitive oil and gas industry must have the support of the public—our universities and our government alike if we are to succeed in supplying the ever-increasing energy demands of the ultimate consumer at the lowest possible price.

Thank you.

THE U.S. ROLE IN DRAFTING THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, since the Genocide Convention was adopted by the United Nations General Assembly on December 9, 1948, 78 nations, including most of our NATO and SEATO allies, have ratified the treaty. The United States is not among these. This absence is even more surprising—and sad—considering the key role played by the United States in the drafting of this convention.

The efforts of our country were summarized in a September 1972 article by William Korey, director of the B'nai B'rith U.N. office entitled "On Banning Genocide: We Should Have Been First." Mr. Korey states:

> Today it is all but forgotten that, in fact, the United States played a key role in the drafting of the treaty that was reflected in the text itself. Formulated in terms of familiar Anglo-American legal theory and couched in the language of traditional common-law concepts, the treaty drew upon the precise wording of common-law crimes long accepted in American jurisprudence. Most important, it was the United States that insisted that a specific *intent* to commit genocide must be proven before an offender could be punished. And the American delegation led the fight for its adoption. The chief of the delegation, Assistant Secretary of State Ernest A. Gross, shortly before the final vote, told the General Assembly:
>
> "In a world beset by many problems and great difficulties, we should proceed with this convention before the memory of recent horrifying genocidal acts has faded from the minds and conscience of man. Positive action must be taken now. My government is eager to see a genocide convention adopted at this session of the Assembly and signed by all member states before we quit with our labors here."

The U.S. delegation was among the first to sign. Only 2 days after its adoption, the formal American signature was appended to the treaty.

Mr. President, it is ironic that, after putting so much effort into formulating this treaty, we still have not ratified it in nearly 25 years. Let us hope that former Chief Justice Earl Warren was wrong when he said almost 5 years ago,

> We as a nation should have been the first to ratify the genocide convention. . . . Instead, we may well be near the last.

I hope we can act on the Genocide Convention in the near future.

WORKMEN'S COMPENSATION

Mr. CURTIS. Mr. President, the Federal Government seems ever eager to spread into new domains. One area where State authority may be usurped by Federal law is the field of workmen's compensation.

I would like to insert in the Record today a resolution approved by the house of delegates of the American Bar Association in Houston, Tex., this past February. Specifically, the resolution was approved almost unanimously by the members of the Workmen's Compensation Committee's section of insurance, negligence and compensation law. That committee is chaired by a highly esteemed lawyer, Hans J. Holtorf, Jr., of Gering, Nebr.

The resolution insists that workmen's compensation should remain the responsibility of the States.

The more than 130 members of Mr. Holtorf's committee have been working diligently in all 50 States endeavoring to bring each State up to the minimums recommended by the national commission report in 1972.

That commission rejected the suggestion that Federal administration be substituted for State programs. The report maintained that reform could and should take place at the local level.

I ask unanimous consent to print in the Record a copy of the ABA resolution setting forth these beliefs.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

> American Bar Association, Section of Insurance, Negligence and Compensation Law
>
> *Resolved,* That the American Bar Association reaffirms its position that our Workmen's Compensation systems remain the responsibility of the several states, opposing federal legislation that would infringe upon state systems, and that the states be given every encouragement to effect any necessary improvements in their own statutes;
>
> *Resolved,* That the American Bar Association supports the creation by each state of an advisory commission, charged with the responsibility of studying the Report of the National Commission on State Workmen's Compensation Laws and recommending to its governor and legislature such changes as are essential to modernize that state's Workmen's Compensation Law and the administration thereof;
>
> *Resolved,* That the American Bar Association supports the proposition that all state Workmen's Compensation Laws be reevaluated, commencing on July 1, 1975 (the date established by the National Commission on State Workmen's Compensation Laws), by a committee of Workmen's Compensation experts appointed by the President of the United States or the Congress.

GEOTHERMAL ENERGY

Mr. BIBLE. Mr. President, the annual meeting of the Federal Power Bar Association held earlier this month here in Washington included a panel discussion on fuels in the coming decade. Among the participants was Joseph W. Aidlin, Esquire, general counsel of the Magma Power Co. of Los Angeles, Calif. Magma Power pioneered the development of the Geysers geothermal field in Sonoma County, Calif. The Geysers is the only commercially developed geothermal power project in the United States today. The installed electrical generating capacity at the Geysers now approximates 420,000 kilowatts—a capacity sufficient to meet about one-half the electrical power needs of a city the size of San Francisco. Present planning calls for the installation of 110,000 kilowatts of capacity annually in the years immediately ahead.

As my colleagues know, I have long viewed the Nation's geothermal resources as a potentially enormous source of new, environmentally acceptable clean energy for power production. I am gratified by indications that the administration is now prepared to devote substantial Federal resources to geothermal exploration, and research and development. I hope to see programs in this area pressed ahead without delay and feel the public interest will be well-served if they are.

Mr. Aidlin is also a geothermal pioneer. He contributed greatly to my efforts here in the Senate in connection with the development of the Geothermal Steam Act of 1970 and is an acknowledged expert on the subject. His statement before the Federal Power Bar Association's panel focuses on the nature of the resource, legal questions that require attention, and the need to afford geothermal development equal treatment with other energy resources under our tax laws.

Mr. Aidlin's remarks are a valuable contribution to the debate on this subject and will be of interest to all who are interested in encouraging the development of new clean energy sources to help cope with the Nation's energy crisis.

I ask unanimous consent that Mr. Adlin's statement be printed in the RECORD following my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

REMARKS OF JOSEPH W. AIDLIN

In the short time that I have to discuss with you geothermal energy as one of the fuels of the coming decade, I think it best to limit myself to a brief consideration of three aspects of the subject.

First—the character of the resource and methods of its utilization and its potential extent;

Second—legal questions to be resolved;

Third—what can be done to accelerate its development, including in this category the place of government in accomplishing this objective.

1. The character of the resource

Geothermal energy is essentially the natural heat of the earth transmitted to a carrier or intervening agent by means of which the energy may be utilized. Without the intervening agent the natural heat cannot be captured or used as an energy fuel. When we speak of geothermal energy as a fuel, we must be aware, however, that it is not a fuel in the conventional or traditional sense. Fossil fuels must be burned or processed to release their heat—their energy. Nuclear fuels must be processed to prepare them to react, and then they must react to release their heat energy. But geothermal energy by means of its carrier or intervening agent is ready heat—ready energy.

The carriers of geothermal energy in areas presently being exploited are natural dry steam and very hot water present in the subsurface. Natural steam and hot water are obtained by drilling wells, as is the case with oil and hydrocarbon gas wells. It is generally agreed that most of the geothermal energy to be found will be in the form of very hot water. Projects are being planned by federal agencies to test a third type of intervening agent to carry geothermal energy to the surface. The plan is to drill wells into known hot, but dry, rock, to fracture the rock and to introduce and circulate water in the fractured rock, with the expectation that the water will be heated sufficiently so that upon return to the surface its contained energy can be utilized.

Natural steam is utilized to generate electric power by introducing it directly into a turbine generator.

Natural hot water can be utilized in two ways. If it is hot enough part of it may be permitted to flash into steam. This steam activates the turbine generator. The hot water remaining is disposed of without utilizing its heat.

Another more efficient method of utilizing hot water is to run it through a heat exchanger facility and vaporizing a secondary fluid that boils at a temperature substantially lower than the water temperature. This system generally called the binary system, is not yet in operation, although field tests and engineering determinations have established its viability, and construction of at least two such power generating facilities within the very near future are being planned.

The systems for utilizing natural steam and for utilizing steam obtained by flashing hot water are already in operation. Variations of these three major systems will undoubtedly be developed in time, but the technology of these systems already developed is adequate to enable utilization of most of the geothermal energy presently capable of being developed.

Geothermal energy available for use is present in many areas of Western United States and very likely along the northern shore of the Gulf of Mexico, stretching from Texas to Florida and extending from approximately 100 miles inland to the edge of the continental shelf.

It is presently being developed and utilized for power generation in the United States, Italy, New Zealand, Japan, Mexico, on a very limited but rapidly growing basis in the Soviet Union, and plants are being planned or constructed in the Philippines, El Salvador, Guatemala and Turkey. There are many areas of the world, especially in underdeveloped nations, where known geothermal areas occur.

In the United States, the only commercial development is at The Geysers area in California, about 85 miles north of San Francisco. The Geysers is a natural steam area. The installed capacity there now is approximately 420,000 kilowatts. This is the equivalent of about half the power needs of a city the size of San Francisco. Additional installations there are at the rate of 110,000 kilowatts per year. The Imperial Valley in California is known to be a massive geothermal area which is now being developed. Nevada and also Utah are known to contain a number of very extensive geothermal areas, and it is very likely that all the other Western states will contain geothermal fields.

I do not consider it worthwhile to guess as to how much of our future energy needs can be supplied by geothermal energy. The experts differ widely. The estimates vary from 2 or 3 percent to 100 percent of our needs, and all are dependent on economic and technological factors. Only extensive exploration and development can tell. I can tell you, though, from my experience and the experience of others who have devoted many years to this energy source that the potential is enormous. But if this enormous potential is to be realized within the coming decade, certain problems must be quickly resolved and certain barriers removed.

2. Legal questions to be resolved:

Geothermal resources do not fit any established category. They have the characteristics of gases, minerals, water and combinations of some or all of them. Yet they are different from all of them. As I have already stated, geothermal energy is ready energy in the form of natural heat, available through intervening agents. Even if the intervening agent is water, the water is not sought after or used in the sense that water has been historically and practically used. The water is only a means by which the earth's heat is brought to the surface. As a matter of fact, most, if not all, of the water will probably be reinjected into the subsurface after extraction of a substantial part of the heat it carries.

It is essential that geothermal resources and geothermal energy be determined as rapidly as possible to be sui generis and that they not be required to fit existing parameters, laws and regulations which were not meant to apply to this resource. Ground water laws cannot, in my opinion, be made applicable to geothermal energy in such a way as to enable its orderly and extensive development. In those areas where an attempt is made to apply ground water laws and regulations to geothermal energy, the development and utilization of this energy form will be inhibited. Let me give you a few examples of the confusions and contradictions which exist as to this resource:

The State of Idaho in its definition of geothermal resources states that it is sui generis, but the State of Hawaii in recently enacted legislation included it in the definition of minerals. Montana includes it in the definition of water, while Utah and Nevada, by opinions of their attorneys general hold it to be water. The State of Utah even claims all geothermal steam and hot water under federal lands under the Act admitting it to statehood. Under Oregon law subterranean water having a temperature of 250°F or more is deemed a geothermal resource.

The federal government, in litigation pending in the federal court (now on appeal to the Ninth Circuit Court of Appeals after a District Court decision adverse to the government's contention), claims to own all geothermal resources under patented lands as to which the government reserved all mineral rights; but while contending that geothermal resources are embraced in the mineral reservation, the federal government, through the Department of the Interior, has contended that geothermal resources may not be located as minerals under the General Mining Act.

Obviously, such confusion is not conducive to rapid development of the resource.

3. What can be done to accelerate development of the resource?

In addition to a rapid resolution of the legal character of the resource, the removal of institutional barriers which are not essential in the public interest is also required. Some of the examples of institutional barriers are:

(a) Geothermal energy is admittedly a fuel for generation of electric power, the same as coal or oil or natural gas, and the same as uranium, which is processed to serve as a fuel. Yet it has not been accorded the same depletion rights as these other fuels. As a matter of fact, the Internal Revenue Service is even unwilling to accord to geothermal energy the right to depletion which it has earned by a decision of the Ninth Circuit Court of Appeals, which affirmed a Tax Court case. That case, *Reich vs. Commissioner*, held geothermal steam at The Geysers field to be entitled to depletion and intangible deductions as a gas. Instead, the IRS is seeking to initiate another case in another circuit in an effort to obtain a conflict in decisions in order to take the matter to the Supreme Court. The uncertainty does necessarily inhibit geothermal exploration and development. The Internal Revenue Service has also specifically advised that it does not consider geothermal waters entitled to depletion.

The question is not whether depletion should or should not be accorded to any fuel. The question is that so long as depletion is permitted to encourage development of any fuel, failure to accord it to geothermal energy used in generation of electric power is discriminatory, impedes its development and is not in the public interest.

Another impediment is the inordinate, useless and repetitious expenditure of time, energy and money in meeting federal, state and local environmental impact requirements before the drilling of an exploratory well to ascertain if there is any geothermal resource to be concerned with at all, and even after discovery the need to repeat over and over the same process, the same information, the same expense and the same delay.

There has to be a better way to protect the public interest and to enable development of the resource.

Geothermal energy will make a substantial contribution to our fuel requirements in the next decade. But if unreasonable and unnecessary impediments to its development are removed, it can make a tremendous contribution, far greater than is presently thought or projected.

LAW SCHOOL DEDICATION AT THE UNIVERSITY OF VIRGINIA

Mr. STENNIS. Mr. President, along with the Senator from Pennsylvania (Mr. Hugh Scott), it was my privilege to recently attend law day at the University of Virginia, which involved the dedication of a new law building at the University of Virginia Law School.

Senator Hugh Scott made a short but major speech as a part of this splendid program. His address was thoughtful, timely, inspiring, and challenging, as he discussed in a splendid way the eternal values of the founders of the University of Virginia.

His audience was attentive, responsive and appreciative. The speech reflected credit on Senator Hugh Scott and on the Senate. With this setting at his alma mater, where he received his law degree, he delivered a fine speech indeed, one of the best speeches of its kind I have ever heard. This was the verdict of his entire audience.

Mr. President, I ask unanimous consent that I may share this speech with my fellow Senators and the public at large by having it printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Speech of Senator Hugh Scott

Governor Godwin, my colleague Senator Stennis, Dean Paulson, ladies and gentlemen:

This is an opportunity and an occasion and an honor to be here with a great and competent governor, to be here with Senator Stennis who is in our view in the Senate regarded as our most distinguished and beloved member; and to be here among those who were seized with the concept of the new law school and whose activities and zeal have made it possible. My first thought is that the lengthening shadow of one man grows closer and closer to the Blue Ridge. And while we hear much of forward planning these days, I suggest that we look at the foresight which was involved in 1819, the foresight which contained the concept of professional schools, the foresight which conceived a School of Architecture just exactly 100 years before it was established and the foresight which has led step by inevitable step through all of the Administrations of the University and through its four Presidents to the expansion of an institution which stands honored and respected and very high indeed among the educational institutions of this land. Now, *that* was foresight!

And I wonder who is planning now with equal foresight for the year 2126, because I belong to one Commission called the Commission on Critical Choices which is planning to somehow determine what to do about the problems of the next two decades. And within the Senate, Senator Mansfield and I are meeting with Executive appointees as well to establish a commission to examine into the critical shortages which face the United States in the next decade. But who is planning for 2126? Or 2076? And who in this time and in this generation and in this period among 211,000,000 people has the talent, the genius, the Renaissance breadth of vision to plan so long ahead?

So, as always, whenever we gather we seem to end up paying tribute to the same man, and the same vision—and justly so and rightly and truly so. And that's why we come back. We come back for replenishment and refreshment of that vision. And this law school is a renewal of that concept—as are the buildings to the right and to the left, and all the rest of the exciting things that are happening at the University.

And here it's Law Day and it's in the first week of May. And on the day before May Day I was in another place within another system in another land. And I was on Red Square in a long queue and I went through the line and viewed the tomb of Lenin the day before they prepared to parade their long weapons.

And I saw Lenin and it occurred to me then as it does now that what I had seen was the embalmed recollection and reverence for an embalmed past. And what we gather to pay tribute to is honor to the unveiled future. And in that unveiled future, the law schools—the new law school—of the University will play its magnificent part.

I hope that with all the new things which the law school will engage in—consumer legislation, space legislation, public interest and environmental legislation and the legislation of modern mass transit and the study of all of these things in preparation for those things that are to come to pass—that we will also revere some of the ancient concepts of the law. I fear to be too old-fashioned in any group nowadays—except, perhaps, this one—but I would like to make again, once more, and again and yet again a plea for the presumption of innocence.

And please do not condemn me for having recommended what Professor Graves who studied at the feet of Robert E. Lee taught us: There is something in the ancient precepts. There are eternal verities. There are things for which one must stand and fight and deliver in unpopular times and during the occasions where one is caught up in dealing with unpopular causes.

Because those who came from here are veterans of lost causes—like myself, a son of Confederate veterans: my grandfather and my great-grandfather Confederates. I have fought in lost causes all my life. Look who I am and where I am. But I plead—as one who is a veteran of lost causes—for the adherence to the eternal verities and I hope that that's what will be taught above everything else: that there are certain fundamental rights which endure and which are inherent in the concept of humanity which one must forever and forever believe in and fight for—for the dignity of humankind and for the right of every human being to be judged equally and fairly by his peers, and for the obligation of every human being to respect those judgments founded upon our sacred traditions and our sacred doctrines. And in that spirit I'm here to join in the dedication of the new law school. Thank you.

TRIBUTE TO ORIGINAL BUILDERS OF TVA

Mr. ALLEN. Mr. President, last Saturday, May 18, marked the 41st anniversary of one of the most unique and successful experiments in the history of our Nation and one of the greatest victories ever won for the people of America. I am speaking of that great engine of democracy, the Tennessee Valley Authority.

The Tennessee Valley Authority and the people of the region can take justifiable pride in their achievements. The people of the TVA area have outstripped the Nation in their progress—in their agriculture, in their industry, and in the comforts of modern life. The successful programs of flood control, navigation, and power production has led to the development of thousands of new industries for the benefit of business and labor. These programs have given gainful employment to hundreds of thousands and have greatly enriched the agriculture of the region.

For more than four decades, the Tennessee River Valley has been a pilot plant to show how men can develop their resources by democratic means and for the benefit of all the people.

Although the enactment of the TVA statute was a milestone in Federal resource legislation, TVA did not just "happen." There was no Aladdin's lamp available in 1933 when TVA was born.

The building of TVA is a record of men at work. Men of more than a score of professions dedicated their talents to construct the great TVA projects which now serve mankind. And while each profession has earned its own special niche in TVA's glorious history, I have always felt that the people of the Tennessee Valley owed a special debt of gratitude to the hard-hat legions of TVA's construction crews who drove the machines and cleared the lands in preparation for the construction of the majestic dams and reservoirs which initially made up the TVA power system. Yes, these were the men who took the physical risks. One such man was Mr. W. F. (Tip) Slayton of Decatur, Ala. Now retired, Mr. Slayton was one of the many men who cleared timber from land which is now covered by the reservoir behind Wheeler Dam.

In the May 1, 1974, issue of the Decatur Daily, there appeared a story by Mr. John Doty entitled "We Built TVA: Slayton." In his article Mr. Doty gives an account of his interview with Mr. Slayton concerning the hardships and perils which confronted TVA construction crews 40 years ago.

I am sure that Mr. Slayton's story refreshed the memories of many who remember the early days of TVA. I commend the article to the Senate and ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

"We Built TVA": Slayton

(By John Doty)

Anniversaries of important events in history often recall vivid memories to those who took part in those events, or those who can remember the era in which those events took place.

Veterans recall their war experiences on Veterans Day, Founders Day programs at schools, and towns bring back a pride to those who worked so hard in the formative years.

And so it is appropriate that the 40th anniversary of the Tennessee Valley Authority should bring back mixed emotions to the men who were on the ground floor of its birth.

One such may is W. R. (Tip) Slayton, 1819 Tower St. SE. And Slayton has mixed emotions, mixed because he "is proud of this country and proud of this great electric system" but he feels the men like himself, who waded through the mire and the cottonmouth snakes for $18 a week to carve TVA out of the land in the late 30s have been neglected and forgotten.

"I'd like to see TVA try to find out how many of us are left and have a reunion. It would give us the recognition the men deserve and maybe tell the younger people how it all really came about," said Slayton.

"We built TVA. They talk about Wernher Von Braun pioneering space exploration. We set him up. The longest mile in the world started with the first step. We took the first step," said Slayton.

"We started at what now is Wheeler Reservoir. We cut out the basin for the first energy in 1936. I'd like to know how many of those men are left who can look back at the lights from energy from the water basin we pioneered," said the 69-year-old and still active Decatur resident.

"I'm not really complaining. We all appreciated even being able to get a job. It kept us from starving. What we started from was holes in our shoes, threadbare clothes and measley muck for lunches. Why, we were so ashamed of our lunches when we first started to work we would spread out all over the hillside so the other man couldn't see what we were eating."

"At $18 a week we cleared the land for Wheeler, the roots of this electric system. We did it for you. All of this had to be done to give you power to run your radio, television and keep your children warm."

Slayton sits in his rocking chair on the front porch which looks out on a front yard filled with flowers and shrubs and remembers his year and a half of cutting timber with the snakes, the long days of drudgery like it was yesterday.

"It seemed as if everybody was trying to cut everybody else's throat in those days," he said.

"I remember a man who leased his trucks out to the TVA. The TVA paid his driver's wages to him directly. He shortchanged his drivers and when they found out they made a fuss. He fired them. Too many other people needed jobs."

Slayton also recalled his crew being dropped off miles from any house at the location they would begin work at the next morning. It was nearly dark and they had nowhere to sleep.

"They gave me the responsibility of finding a place to spend the night because I've never met a stranger," said Slayton. "I walked until I came to a farmhouse and told the man what the circumstances were. He told me he didn't have room for all of us but that if I promised to see the barn wasn't burned down we could spread out some corn shucks and sleep there. We did and 20 men tumbling around on dry corn shucks sure made for a noisy night.

"I think TVA ought to let people know at least we were in the ballgame. When your crew comes in at night after clearing five acres of timber and are told 'you'll have to do better tomorrow' I'd say we were more than in the ballgame. Why, I'm thankful I can still raise a fuss."

And Slayton is able to "raise a fuss" as he calls it. He tends his front yard of flowers and roses as well as a large garden across the street where he grows "everything you can serve on a table." And he put in about two weeks recently helping a contractor build a storm cellar for him, his wife and some of his friends.

"They've neglected the men who got it all started," Slayton said. "And we did it all for you."

DISTRIBUTION OF SMALL BUSINESS ECONOMIC REPORTS

Mr. BIBLE. Mr. President, today's current economic highs and lows are affecting the wage earner, the housewife, and businesses generally; but there is one segment of our economy where those ripples strike with even greater impact, and that is the 8½ million small business men and women nationwide.

And because there are such little precise economic data available that differentiate small business from business generally, good statistical barometers on the status of small business have been in short supply on the national scene for too long.

Therefore, may I commend President Wilson S. Johnson and his National Federation of Independent Business for their farsightedness and affirmative contribution in commissioning Faculty Associates, Inc., of San Mateo, Calif., to prepare and issue on a regular, quarterly basis an economic report on the state of small business. This project is headed by Dr. Richard M. Bailey, formerly with the President's Council of Economic Advisers, and Dr. William C. Dunkelberg, formerly codirector and coauthor of the University of Michigan's annual Survey of Consumer Finances.

With respect to the dearth of hard information about small business and its economic health, may I say that I got my first educational insight into small business, working in my father's grocery store. When I became a member of the Select Committee on Small Business in 1957, I asked the question about the difference between a small and a large business. Now, 17 years later, and even though I have been chairman of the Senate Small Business Committee since 1969, I still have not received a satisfactory answer.

I am aware of today's statutory definition of small business: "independently owned and operated and not dominant in its field." And I am alert to the size standard limitations set by the Small Business Administration for loan and procurement purposes. But the broadness of all the definitions is one of small business' major problems. Its parameters are not drawn precisely enough and probably cannot be to give it a defined status and image. There are those who say that impreciseness by this generality represents the strength and individuality of small business. There are others who just as sincerely claim that government and industry economic reports on business generally do not give a clear picture of the small business segment when all business data are lumped together.

As evidence of the importance of this segment of small business in our Nation's economy, for the first quarter of 1974 the small business community has been estimated to account for about 37 percent of the gross national product of $1.352 billion—annual rate, seasonally adjusted.

Even more significant, perhaps, is that small business provides an estimated 50 percent of all jobs in our economy. Industrial firms employing under 100 persons provide 49.5 percent of the jobs, or 27 million positions; and those employing under 500 persons—well within the Small Business Administration definition—provide 72.6 percent of all the jobs in the industrial sector, or 39.6 million positions. In addition, there are about 7 million self-employed persons in the economy, including agricultural enterprises and the professions. The total may be compared with a civilian labor force of about 86 million. In number, small businesses constitute about 97½ percent of the 12.1 million enterprises in the country.

Therefore, this Small Business Economic Report should be of particular importance because it will interest other segments of our economy who focus on doing business with small businesses to bring about improved data over the years to come. Certainly, there has been a void that has existed in the statistical community about the problems, expectations, trends, and changing conditions in this vital sector. For example, former Small Business Administrator Bernard L. Boutin said some years ago in testimony before our committee:

> "Small business is as diverse as American industry itself," collectively representing "all but a small portion of American firms," but that ". . . there are no data which provide a comprehensive overall picture of small concerns, either as they are defined by SBA or by any other generally acceptable criteria.

Administrator Boutin's conclusion was subsequently verified and strengthened by a special study undertaken by the Stanford Research Institute. The Stanford study also pointed out how difficult the collection and analysis of these data would be—a task that will hopefully be accomplished by the National Federation of Independence Business' Quarterly Economic Report.

Certainly, Dr. Bailey and Dr. Dunkelberg have proper credentials to make this Small Business Economic Report project credible. Dr. Bailey is a doctor of philosophy in business administration from Indiana University and is currently an associate professor of economics at the University of California, Berkeley. Formerly, he was chief of staff economist for Indiana's Committee on Economic and Revenue Forecasts, staff economist for President Johnson's Council of Economic Advisers, and chief economist of the National Aeronautics and Space Administration's Planning and Policy Division. He has published numerous articles and is highly respected within his profession.

Dr. Dunkelberg is another highly regarded economist. He is an associate professor of business economics at Stanford University and received his doctor of philosophy degree from the University of Michigan in 1969.

Since the first Quarterly Small Business Economic Report was issued recently, there has been a complimentary acceptance of it generally. As the chief of one of the branches of the Internal Revenue Service's Statistics Division commented:

> (It) is a valuable addition to the rather meager store of information about small businesses.

And Dr. Paul W. McCracken, former Chairman of President Nixon's Council of Economic Advisers, and presently a professor at the Graduate School of Business Administration, University of Michigan, said:

> I am delighted to see that this is expected to be a continuing thing. For many analytical purposes, changes in these figures are ever more significant than their absolute level.

I am aware that others within the congressional and executive branches, as well as the private sector, have expressed their pleasure about the distribution of this report and its future. For any of my colleagues interested, copies are available from the National Federation of Independent Business, Washington offices.

Mr. President, I ask unanimous consent that several brief excerpts from the first Quarterly Small Business Economic Report be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FACULTY ASSOCIATES, INC.,
January 15, 1974.

Mr. WILSON S. JOHNSON,
President, National Federation of Independent Business, Inc., San Mateo, Calif.

DEAR MR. JOHNSON: We are pleased to present you with the first National Federation of Independent Business Quarterly Economic Report. This report is based upon data gathered from a scientifically selected sample of the 350,000-plus members of the National Federation of Independent Business. All facets of this study including the design of the survey questionnaire, choice of firms to be surveyed, analysis and interpretation of results, and reporting of findings and conclusions have been done solely under our direction. We assume full professional responsibility for the entire report.

We believe that this joint undertaking by the NFIB and Faculty Associates, Inc. represents the beginning of a noteworthy venture to gather, analyze, and disseminate, on a regular basis, factual knowledge about prevailing attitudes, current economic conditions, and future expectations of the small business community in this country. This information, in conjunction with other scientifically conducted surveys sponsored by the NFIB, will provide the nation with a wealth of valuable new insights on the functioning of this vital sector of our economy.

Respectfully,
RICHARD M. BAILEY, D.B.A.
WILLIAM C. DUNKELBERG, Ph. D.

THE NFIB QUARTERLY ECONOMIC REPORT—JANUARY 1974

The first in a continuing series of quarterly economic reports based upon survey data obtained by questionnaire from members of the National Federation of Independent Business, San Mateo, California.

PREFACE

Reflections on economic events of 1973 seem to focus on a single theme—a year of recurrent surprises. One could hardly imagine a period in which more things could go wrong in the economy: record peacetime inflation, shortages of food, devaluation of the dollar, scarcities of many basic materials, lack of financing and historically-high interest rates, rapidly changing policies by government to control prices and wages, and as the year closed, the Arab oil embargo which contributed to a widespread energy crisis. The stock market started a period of decline near year-end which indicated serious concern by investors as to near-term profit prospects. Consumer confidence declined substantially. Many of the effects of politics, international rivalries, shortages and product changes are transmitted into reality for consumers through the small business sector. Somewhat amazingly, the small businessman did not seem overly-dismayed by many of the wildly-fluctuating occurrences in 1973 though he has been caught in their midst. Little despair is recognizable in this survey; in fact, more optimism is revealed than one might have reason to suspect. Perhaps this reflects the fact that for most small businessmen, business is more than business, it is a way of life. And, who wants to view life as dismal?

HIGHLIGHTS

1. Clearly, the most important problem facing small business today is felt to be inflation. The impact of inflation, moreover, is most adverse on those businesses with annual sales volumes under $150,000. The reasons for this particularly-uneven impact shows up in a number of ways in the survey results:

a. Nearly 40% of the firms in the survey reported a decline in earnings over the previous three months; another 40% reported no increase. (Nearly half of the firms in the study are very small, with annual sales under $150,000.)

b. 40% of the firms reported that their average selling prices were the same or lower than three months earlier. The proportion was even higher for firms with annual sales under $250,000.

These findings suggest that many small businesses have been squeezed by rising costs, reducing their profitability. Looking to the three months following the survey, one-third of the firms had no plans for price increases while a nearly-equal number expressed uncertainty about pricing decisions. By industry groups, about 40% of the firms in the construction, manufacturing, transportation, wholesale trade and agricultural industries planned to raise their prices. Only 8% of the firms in the financial services industry planned such increases.

2. Another major problem appears to be excess capacity. The resultant effects of this excess capacity are generally good for the economy as a whole at this time, but carry serious negative implications for the small businessman. Although the extent of excess capacity varies considerably among industry groupings, 49% of the firms reporting indicated they could increase output from 20–29%, and another 18% could expand output from 30–100% or more with no additions to their work force. Excess capacity also exists in terms of physical facilities and equipment, with 42% reporting they could increase production from 10–29%, and another 34% indicating they could increase production from 30–100% or more, with no additions to their plant and equipment. The presence of this excess capacity probably had a dampening effect on the pricing policies of small business. When demand is strong enough to keep an industry operating close to capacity, price increases in line with (or even greater than) cost increases are passed on to consumers more easily and quickly. This has been true in the agriculture sector in the past year, and currently is the case in many major industrial materials industries—basic metals, cement, paper, petroleum products, etc. The Federal Government estimated that at the time of this survey, these industries were operating at approximately 96% of capacity, and their price behavior reflected it. In its own opinion, small business having considerable excess capacity, appears to be holding the line on the prices of many goods and services. This should have provided a restraining influence on the rate of inflation in the economy, at the expense of profits in the small business sector.

3. The impact of tight monetary policy during 1973 reduced the availablity of credit in the banking system, and a succession rising interest rates broke post-Civil War historical highs. Most economists believe that such credit conditions wreak particular havoc on small businesses which are at a relative disadvantage when competing with large business borrowers for limited funds. This survey reveals that for the majority of established small businesses, external financing is of little concern since they do not turn regularly to the money markets for financing. Apparently, they rely largely on internal financing of friends and relatives. There may be a substantial impact on *New* small businesses unless they commence operations with adequate working capital. This survey did not address that issue.

4. The small business sector is a composite of many different firms. Certain issues and problems are of concern to all; some are unique to members of the same industry group; some are most common to firms of similar size and annual sales volume. In this survey, the major differences existing between firms and industries were:

a. Larger businesses (in terms of annual sales) are expecting considerable difficulty with the quality of labor. Firms in the construction, manufacturing, and transportation industries were particularly concerned about the availability of skilled labor.

b. Taxes are particularly distressing to the smaller firms, especially those in agriculture.

c. Agriculture is strongly concerned with minimum wage laws and the cost of labor.

d. Interest rate levels and the availability of financing is a problem of great concern to the financial services industry.

e. Government regulations and red tape are a problem of increasing significance to professional service firms and to those in the financial services industry.

f. The manufacturing, agriculture, and financial services industries are most optimistic about future business prospects, as reflected by expected sales, and expected additions to their labor force and inventories.

INTRODUCTION

The small business community is a large and vital part of the economy. Independent business employs a majority of the workers in the U.S. and accounts for a large share of the private Gross National Product (GNP exclusive of government expenditures). The small business community is the primary interface between the industrial sector and the consumer, and it functions primarily as the distributors of goods and services produced for the consumer.

In spite of its importance, little is known about this community of competitors. Big business effectively advances its interests to the government and influences business policy in numerous ways, while small business tends to be under-represented. Small businesses must function in the legal and regulatory environment dictated to them, but little is known about how they are affected.

In order to strengthen its position as representative of small business, the National Federation of Independent Business (NFIB) has initiated a program of inquiry and analysis designed to collect information scientifically about the small business community. Each quarter a representative sample of NFIB members will be surveyed in order to assess their general attitudes, expectations, and opinions, and to gather factual data concerning the effects of government policy and economic fluctuations.

This is the first NFIB Quarterly Economic Report based on data drawn from a major survey of a random sample of member firms conducted in October, 1973. This survey will be repeated each quarter and is expected to yield new information about economic conditions in the small business community heretofore unavailable from any source, public or private. Some changes are to be anticipated in its format as time passes, although its general structure is expected to remain relatively stable to permit meaningful comparisons over an extended period of time. From these data, several new time series will be developed which should be useful for discerning important changes in the economic situation of small business, and for making comparisons and contrasts with other nationally-reported economic data which customarily focus more heavily on big business. Each report will emphasize certain aspects of the current economic environment vital to the small business sector, and will present trends on basic data contained in each survey.

The twenty questions posed in this survey were divided as evenly as possible between those with a past/present and those with a future perspective. It is important to report what happened to small business in the recent past, and also to analyze what the current attitudes and policies of small businessmen are with respect to the major decisions they are facing. The sharing of such information with other small businessmen should be of value to individual firms, as well as to national economic policymakers who are concerned with the impact of their actions on small businesses.

FINDINGS

The survey deals with a broad range of problems and issues. The findings have been organized into a set of topic areas (listed below) for presentation. The major results are reported and the inter-relations among the issues are presented as seems appropriate. The major topic groupings are:

Most important problem facing business today.

Earning trends.
Price trends and expectations.
Wage expectations.
Job openings and labor force changes.
Sales expectations.
Inventory levels and expected changes.
Productive capacity.
Credit conditions.
Expected general business conditions.
Expectations regarding expansion.

MOST IMPORTANT PROBLEM FACING BUSINESS TODAY

Tables 1 and 2 indicate clearly that independent businessmen are most concerned about inflation, with nearly 25% of all firms selecting this problem from the possible choices. Table 1 indicates that firms with annual sales under $200,000 mention Inflation more frequently as their major problem than those whose annual sales are larger. Other less pronounced differences that appear are: (1) the smallest firms view Taxes as the second most important problem, while, (2) Quality of Labor receives second ranking by the larger companies. (3) Competition from Large Business is the third most important problem for the smallest firms while, (4) problems associated with Interest Rates and Financing rank comparably for the larger firms.

Categorizing major problems by industry classification (Table 2) provides a different perspective on the responses. For expositional convenience, one-word descriptions of S.I.C. industry classification are used in the text. A more-detailed description of the business activities included in each classification can be found in Table 2–A.

The construction industry reported two difficult problems—the Quality of Labor, and Interest Rates and Financing.

The manufacturing industry views Inflation and Quality of Labor as its greatest problems. This response pattern is found also for firms in the transportation industry.

Wholesale and retail firms report that Inflation is their greatest problem. Other major concerns included Taxes and Competition from Large Business.

Agriculture clearly shows Inflation and Taxes to be major problems.

Firms in financial services indicated concern most frequently about Interest Rates and Financing. Inflation and Other Government Regulations and Red Tape also were cited frequently as problems.

Non-professional service firms view Inflation and Taxes as their number 1 and 2 problems, respectively; whereas professional service firms rank Inflation, and Other Government Regulations and Red Tape in first and second placee.

The findings indicate that problems faced by firms in different industries are quite diverse, but some concerns appear common to all. Inflation is a concern of all industries, and Government Regulations, Taxes and Quality of Labor appear to be common problems.

SPECIAL SUBCOMMITTEE ON INTEGRATED OIL OPERATIONS SENDS QUESTIONNAIRE TO PETROLEUM COMPANIES

Mr. HASKELL. Mr. President, the Special Subcommittee on Integrated Oil Operations was established in June 1973, and given the task of analyzing and assessing the extent of competition and market performance in the petroleum industry. The subcommittee was to take testimony on a bill I had introduced, S. 2260, which would require oil companies to divest themselves of their pipelines.

S. 2260 was conceived as a remedy to cure the ills of what many reputable economists and antitrust experts have called one of the Nation's most anticompetitive industries. In order to get a broad view of the energy industry and to determine what legislative steps—if any—are called for the subcommittee has conducted 10 days of hearings. A variety of witnesses has appeared before us, some of whom have severely criticized the industry while others have defended its performance.

Others have criticized Government inaction with respect to enforcement of our antitrust statutes while still others have assailed U.S. legislative and regulatory policies as being unduly restrictive, especially in light of energy shortages which confront us all.

In establishing the subcommittee, the chairman of the full Senate Committee on Interior and Insular Affairs, the Honorable HENRY M. JACKSON, emphasized that the subcommittee was to be a factfinding body. We have attempted to fulfill that role and are continuing our efforts.

The subcommittee has attempted to gain an insight into how the petroleum industry—which is rapidly becoming the energy industry—operates; what unique financial and structural constraints govern those operations; and what policy objectives ought to be considered as the Congress contemplates energy options for the future.

The task before us requires that we understand fully and completely the intricate relationships between and among those corporations involved in the energy industry. Obviously those who are in a position to contribute to a public understanding of the complexities of their business are the corporation officers and executives themselves.

We have no choice—indeed we have an obligation—to turn to them for the information necessary to promote our understanding of their industry's method of operation. They, in turn, have an equal obligation to provide us with the information necessary to formulation of policies which affect and govern their own industry.

To that end the subcommittee has prepared a comprehensive questionnaire which is being sent to 88 of the companies themselves. That questionnaire is based upon our hearing record—a hearing record which is replete with substantial testimony concerning the industry and full of contradictions.

That hearing record conclusively shows that we are in need of additional basic factual data and information in order to complete our evaluation

The subcommittee questionnaire represents a comprehensive effort to understand and assess the industry. Each of the questions has been carefully designed and written to collect data essential to our understanding of the industry.

The scope of our questionnaire is unprecedented. Never before has any governmental body requested the vast majority of this information. Information of this nature is essential to making our national policy vis-a-vis the energy industry.

We have asked that the replies to our questionnaire be submitted within 60 days.

Mr. President, I fully realize the magnitude of the task facing the companies who have been sent our questionnaire It will require a substantial amount of time and effort on their part. But I cannot overemphasize the importance of this data. We in the Congress must have this type of information if we are to make a competent judgment on things such as the extent of competition or the lack thereof in various aspects of the energy industry.

Throughout our deliberations, the ranking minority member on the subcommittee, the distinguished Senator from Oklahoma (Mr. BARTLETT) has been most helpful. He has suggested lines of inquiry to be included in the questionnaire and further suggested that it be sent to many companies I was not planning to include. Our final list of 88 companies represents an excellent sample of the industry. Once we have their responses we will be able to evaluate the information and complete the task before us.

Mr. President, I ask unanimous consent that a copy of the questionnaire be printed at the conclusion of my remarks, along with the list of companies who are to receive it.

There being no objection, the questionnaire was ordered to be printed in the RECORD, as follows:

SPECIAL SUBCOMMITTEE ON INTEGRATED OIL OPERATIONS QUESTIONNAIRE

Answers to each of these questions should be given on the accompanying answer sheets. Each answer sheet number corresponds to the numbered question to which it pertains.

A. GENERAL CORPORATE

1. List all mergers regardless of size, and all common stock or asset acquisitions or dispositions amounting to $25 million or more (where the market value of assets less liabilities was $25 million or more at the time of the transaction) in which your company was involved as either the acquiring firm or the disposing firm, since 1945. Please state:

a. From whom acquired or to whom disposed

b. Date of agreement to acquire or dispose

c. Description of property acquired or disposed

d. Market value of property acquired or disposed

e. Consideration (whether stock or otherwise) given or received for property acquired or disposed

2. List the following for all individuals who have served as a director of your company since 1964:

a. Name

b. Business address

c. Occupation and title

d. Other corporate and institutional directorates held by individual since 1964

e. Dates of service on each board

3. List the names of all stockholders who, as of January 1, 1974, owned more than one percent of your common stock. For each of these owners, state:

a. Business address

b. Percentage ownership of outstanding common stock owned

c. Where known, beneficial interest if different than record ownership

d. Where known, if nominee, who nominee represents

4. List the names of the ten largest holders of your company's debt securities (bond, debenture, financial lease, or note having an original term of more than five years) as of January 1, 1974, stating for each:

a. Business address

b. Type and principal amount of debt held (or capitalized value of financial leases). Include in description of type of debt any terms of convertibility, or subordination, or any special security such as back-up guarantees.

c. Where known, beneficial interest if different than record ownership

d. Where known, if nominee, who nominee represents

5. List as of January 1, 1974:

a. All corporations in which you own one percent or more of the outstanding common stock, indicating the percentage of outstanding common shares owned

b. All joint ventures, partnerships or other un-incorporated business entities in which you have an ownership interest of one percent or more

c. Your percentage ownership or share and the percentage ownership or share of each other company in each entry under (b) above

d. Business addresses of each entry in (a) and (b) above

e. Date of acquisition or formation

B. PRODUCTION AND RESERVES

6. List for each United States Petroleum Administration for Defense District (PAD)* and for each foreign country for each year from 1964 to 1973, inclusive:

a. Gross number of producing oil and gas wells

b. Gross number of producing oil and gas wells jointly owned

c. Where jointly owned, number of wells jointly owned with each other petroleum company

d. Gross amount of oil production and gross amount of natural gas production

e. Net amount of oil and gas production owned by you

f. Percentage of gross oil and gas production jointly owned with each other petroleum company

7. List as of January 1, 1974 for each United States PAD District and for each foreign country your company's:

a. Gross number of producing and non-producing oil and gas leases

b. Gross acreage of producing and non-producing oil and gas leases

c. Gross number of jointly owned producing and non-producing oil and gas leases

d. Gross acreage of jointly owned producing and non-producing oil and gas leases

e. Net acreage of producing and non-producing oil and gas leases

f. Percentage of your gross producing and non-producing oil and gas acreage owned jointly with each other petroleum company

8. List as of January 1, 1974 for each United States PAD District and for each foreign country, your company's:

a. Gross oil and gas reserves

b. Your net oil and gas reserves

c. The percentage of your gross oil and gas reserves held jointly with each other petroleum company

(In addition to oil and gas reserves, if your company owns oil shale or oil sand reserves, please make a similar listing for each of these resources.)

9. List for each United States PAD District and for each foreign country, for each year from 1964 to 1973, inclusive, the number of assignments made by you to third parties stating:

a. Number of assignments

b. Net acreage assigned

c. Third parties to whom assignments were made and the number of assignments and acreage assigned to each

10. List for each United States PAD District and for each foreign country for each year from 1964 to 1973, inclusive, leases obtained by you as a third party, stating:

a. Number of assignments obtained

b. Net acreage obtained

c. Gross acreage obtained

d. Second parties from whom assignments were obtained, and the number of assignments and acreage obtained from each

e. Number of leases obtained by you

f. Indicate whether leases in (e) above were producing or non-producing

11. List for each United States PAD District and for each foreign country for each year from 1964 to 1973, inclusive:

a. The total number of instances in which you guaranteed bottom hole or dry hole money in excess of $1,000,000

b. Other petroleum companies to whom you made guarantees and the number of guarantees and total dollar amount made to each

c. The total number of instances in which you were guaranteed bottom hole or dry hole money in excess of $1,000,000

d. Other petroleum companies by whom these guarantees were made and the number of guarantees and dollar amount from each

12. List for each United States PAD District and for each foreign country for each year from 1964 to 1973 inclusive:

a. The total number of exploratory and developmental wells drilled on acreage owned or leased by you

b. The number of exploratory and developmental wells drilled with partners or joint venturers (or through any other mutual financial arrangement with another company in which drilling was done on acreage owned or leased by you)

c. List other petroleum companies with whom joint drilling efforts were undertaken and the number of wells drilled with each other petroleum company

d. Total number of feet drilled on acreage owned or leased by you

13. List for each United States PAD District and for each foreign country for each year from 1964 to 1973, inclusive:

a. Your total natural gas sales (include gas sold for others) broken down according to:

(1) Interstate natural gas sales and

(2) Intrastate natural gas sales made to each other petroleum company

(3) In (1) and (2) above list to whom sold

b. Amount of natural gas produced by you that you then consumed

c. Your total consumption of natural gas

d. Percentage of your total natural gas consumption purchased in intrastate commerce

14. List as of January 1, 1974:

a. All natural gas processing plants in which you owned an interest

b. Capacity of each plant

c. Location of each plant

d. Where a plant is jointly owned, the percentage ownership held by each party

e. Operator of each plant

15. List, as of January 1, 1974:

a. All natural gas gathering systems in which you owned an interest.

b. Capacity of each gathering system at the exit terminal of the system

c. Location of each gathering system

d. Percentage ownership for each party in each gathering system owned jointly with others by you

e. Operator of each gathering system in which you owned an interest

C. REFINERIES

16. List for each state and for each foreign country for each year from 1964 to 1973, inclusive, each refinery owned by you stating:

a. Location

b. Capacity

c. Average annual daily output by fuel product

d. If owned jointly:

(1) List joint owners and the percentage share held by each, and

(2) List production by product for each joint owner in each year

17. For each oil refinery listed in answer to question #16, list for each year the:

a. Percentage and quantity of each product marketed by you

b. Percentage and quantity of each product sold to other marketers

c. Percentage and quantity of each product exchanged by you with each other petroleum company

18. For each oil refinery listed in answer to question #16, list for each year the:

a. Total consumption of feedstock

b. Percentage of total feedstock consumed by you which was produced by you

c. Percentage of total feedstock consumed by you under agreements to process oil for others

d. Amount of feedstock consumed by others under agreements to process oil for you

D. MARKETING

19. List for each state and for each foreign country for each year from 1964 to 1973, inclusive, your sales volumes of:

a. Gasoline

b. #2 fuel oil

c. Residual fuel oil

d. Jet fuel

e. Diesel fuel

For a., b., c., d., and e., above, list the percentage sold:

(1) Directly through your own tank wagon sales

(a) To your own company owned or leased branded retail dealers

(b) To branded retail dealers who operate under a product sales agreement with you

(2) Directly through your own tank wagon sales to unbranded retailers

(3) Through your independent branded wholesale jobbers and distributors

(4) Through unbranded jobbers and distributors, or

(5) Direct sales (such as those to government bodies)

20. List the following for each state and for each foreign country for each year from 1974 to 1973, inclusive:

a. Percentage of each of your branded fuel products marketed by you which was produced in your own refineries.

b. Percentage of each of your branded fuel products marketed by you which was purchased from each other petroleum company.

c. Percentage of each of your branded fuel products marketed by you which was realized from exchanges with each other petroleum company.

E. TRANSPORTATION SYSTEMS

21. List as of January 1, 1974:

a. Each pipeline in which you had an equity interest.

b. Indicate whether each is a crude oil

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*Offshore reserves, well, drilling, lease and production date, etc., are to be included in the applicable PAD District data; e.g., offshore Texas and Louisiana producing wells are to be listed under PAD 3 and offshore California data are to be listed under PAD 5.

pipeline, a product pipeline or a natural gas pipeline.

c. Percentage interest owned by you.

d. Percentage interested owned by each other petroleum company.

e. Book value of assets, net of depreciation, for each pipeline.

f. Long term debt for each pipeline (original term of five years or longer).

g. Total capacity and average throughput for each pipeline.

h. List for each pipeline listed in (a) above, debt guarantees by your company and by each other petroleum company.

22. List as of January 1, 1974 for each pipeline listed in 21(a) above:

a. The daily quantity of oil which your company and each other petroleum company have agreed to tender for shipment to the pipeline or pay charges as if such tenders had been made (e.g., throughout agreements).

b. Actual throughput by you annually from 1964 to 1973, inclusive.

c. Actual throughput for each percentage owner annually from 1964 to 1973, inclusive.

d. Actual throughput by those other than percentage owners annually from 1964 to 1973, inclusive.

e. Total throughput for each year from 1964 to 1973, inclusive.

23. List for each pipeline listed in 21 (a) above:

a. Whether each is a fungible products system, and

b. Whether shipments are segregated.

24. a. Please provide a map of each pipeline system listed in 21(a) above. This map should include the designation of laterals and their ownership and capacity.

b. Have you ever been effectively denied access to any common carrier pipeline? If yes, indicate time, place and circumstances.

25. List as of January 1, 1974:

a. Number of ocean tankers and tanker capacity owned by you.

b. Number of ocean tankers and tanker capacity leased by you to each other company.

c. Number of ocean tankers and tanker capacity leased by you from each other company.

d. Amount of your own crude oil and each of your other waterborne petroleum products carried in tankers owned by you or in tankers chartered by you for a term of three years or longer for each year from 1968 to 1973.

e. Amount of crude oil and each other waterborne product owned by each other company, carried in tankers owned by you or in tankers chartered by you for a term of three years or longer for each year from 1968 to 1973.

f. Amount of your own crude oil and each of your other waterborne petroleum products carried in tankers owned, leased, or chartered by each other company, for each year from 1968 to 1973, exclusive,

g. Total amount of your crude oil and other water-borne petroleum products carried in tankers for each year from 1968 to 1973, inclusive,

26. List for each crude oil or petroleum product storage facility owend or leased in whole or in part by you as of January 1, 1974:

a. Whether facility is wholly owned or jointly owned

b. If facility is jointly owned, percentage ownership of each joint owner

c. Type of commodity for which the facility is used; where more than one commodity is involved, state the approximate percentage share of each

d. Initial date of use

e. Location

f. Capacity

g. Mode of delivery to facility; where more than one type of delivery is involved, state the approximate share of each

h. Percentage use of each facility by companies not having an interest in the storage facility, for each year from 1969 to 1973, inclusive

i. Percentage use of each facility by each company having an interest in the storage facility, for each year from 1969 to 1973, inclusive

F. FOREIGN OPERATIONS

27. List as of January 1, 1974, all foreign companies or enterprises in which you have an interest. For each listing state:

a. Name of company or enterprise

b. Country of operation(s)

c. Type of operation(s); (e.g., petroleum production, refining, marketing, uranium exploration, etc.)

d. 1973 gross revenue (in dollars)

e. Net worth as carried on your books as of January 1, 1974

f. Percentage of equity owned by you

g. Percentage of equity owned by each other petroleum company

G. URANIUM AND COAL

28. Are you engaged in the uranium mining industry? If yes, list as of January 1, 1974 for each such operation:

a. Total gross reserves in which you have an interest, broken down according to:

(1) Recoverable

(2) Paramarginal, and

(3) Submarginal

b. Net reserves owned by you, broken down as in (a) above

c. Ownership, if any, of each other company in your gross reserves broken down as in (a) above

d. Your total gross production for each year from 1969 to 1973, inclusive, broken down according to:

(1) Your net production

(2) The ownership share, if any, of each other company in your gross production

29. Are you engaged in the uranium milling industry? If yes, list as of January 1, 1974 for each such operation:

a. Amount of U_3O_8 produced in each year from 1969 to 1973, inclusive

b. Total milling capacity in which you have an ownership interest

c. If the facilities related to (b) above are not wholly owned by you, list your percentage ownership share and the percentage ownership share of each other owner

30. Are you engaged in the uranium fabricating industry? If yes, list as of January 1, 1974 for each such operation:

a. Amount of enriched uranium fabricated by you in each year from 1969 to 1973, inclusive

b. Total fabricating capacity in which you have an ownership interest

c. If the facilities related to (b) above are not wholly owned by you, list your percentage ownership share and the percentage ownership share of each other owner

31. Are you engaged in the coal mining industry? If yes, list as of January 1, 1974 for each such operation:

a. Total gross reserves in which you have an interest, broken down according to:

(1) Estimated identified resources, and

(2) Hypothetical resources

b. Net reserves owned by you, broken down as in (a) above

c. Ownership, if any, of each other company in your gross reserves, broken down as in (a) above

d. Your total gross production for each year from 1969 to 1973, inclusive, broken down according to:

(1) Your net production

(2) The ownership share, if any, of each other company in your gross production

e. Have you spent any funds during the past five years for research and development of coal or for locating potential coal properties for possible lease or purchase? If yes, specify when, for what purpose, and what amount.

G. FINANCIAL

32. If you have issued securities since 1964, list:

a. Date(s) of issue

b. Amount of each issue (e.g., principal amount of each debt issuance or capitalized value of financial leases.)

c. Type of each issue, including any terms of subordination or convertability, or special security such as back-up guarantees

d. Names of underwriters or lead investment bankers for each issue

33. List of the accounting firm(s) retained by you as auditors and the law firm(s) which have acted as your general corporated counsel since 1964.

34. List for each year from 1964 to 1973, inclusive, for each enterprise area below, your company's:

a. Net investment as it appears on your books

b. Gross investment as it appears on your books

c. Gross revenues

d. Operating costs

e. Pre-tax profits for:

(1) Domestic oil and gas exploration, development, and production

(2) Foreign oil and gas exploration, development, and production

(3) Domestic crude petroleum gathering and transportation

(4) Foreign crude petroleum gathering and transportation

(5) Domestic refined product transportation

(6) Foreign refined product transportation

(7) Domestic natural gas gathering and transportation

(8) Foreign natural gas gathering and transportation

(9) Domestic petroleum refining

(11) Domestic refined product marketing

(12) Foreign refined product marketing

35. Please supply a copy of your internal accounting manual and related data showing profit centers, accounting procedures and the like.

36. Please supply a copy of your company's annual report to stockholders for each of the last five years.

DEFINITIONS*

1. Acquisition: Obtaining of property of another business enterprise in exchange for cash, securities or other consideration.

2. Affiliate: Any company which is directly or indirectly subject to control by your company, or which controls your company, or which is subject to common control with your company; this shall include all companies in which you own 20% or more of the proprietary interest or which own 20% or more of the proprietary interest in your company or where 20% or more of the proprietary interest is subject to common ownership. If no other entity owns 20% or more, this shall include all companies in which you own 10% or more of the proprietary interest or which own 10% or more of the proprietary interest in your company or where 10% or more of the proprietary interest is subject to common ownership.

3. Assignment: The act of transferring interests to a third party, either in full or with a reservation.

4. Beneficial Interest: The right to the profit, benefit or advantage as distinct from legal ownership.

5. Bottom Hole Guarantee: A contribution toward the cost of a well payable regardless of whether the well proves to be productive or a dry hole. The contribution does not confer an ownership interest in the well.

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*Where used in the accompanying questionnaire, the following words refer to the following subjects.

6. Company: Your business entity, including all corporations, partnerships, agencies, ventures and other affiliates. Wherever "company" is included in the questionnaire, please respond in terms which include your affiliates' holdings.

7. Control: The actual or legal power or substantial influence over another person, whether direct or indirect. Control may arise through direct or indirect ownership of proprietary interests (such as capital stock), interlocking directorates or officers contractual relations, agency agreements, consulting agreements, or leasing arrangements.

8. Development Well: Those wells which are drilled within the proven area of an oil and gas reservoir to the depth of the stratigraphic horizon known to be productive.

9. Disposition: The transfer of property from your corporation in return for value.

10. Dry Hole Guarantee: A contribution toward the cost of a well that is payable only if the well proves to be a dry hole. The contribution does not confer an ownership interest in the well.

11. Exchange: Any agreement for the purchase, receipt, sale or delivery of crude oil or unfinished oils which provides for consideration other than money, including the execution or performance of a reciprocal agreement for sale, delivery, purchase or receipt of other crude oil, unfinished oils, or petroleum products. This includes, but is not limited to "3-cut exchanges," "value exchanges," "posted price exchanges," and "phantom exchanges."

12. Exploratory Well: Those wells drilled to find limits of an oil or gas-bearing formation that is partly developed; those drilled in search of a new productive formation in an area that is already productive; and those drilled in an area where neither oil nor natural gas has ever been found.

13. Feedstock: Liquid and gaseous hydrocarbons used as raw materials for their chemical properties in creating an end product.

14. Fungible Products System: Pipeline systems in which shipments of like substances are co-mingled, and shippers take delivery from any portion of the like substance shipped.

15. Gas (Natural Gas): A mixture of hydrocarbon compounds and small quantities of various non-hydrocarbons existing in the gaseous phase or in solution with oil in natural underground reservoirs at reservoir conditions. For purposes of this questionnaire, natural gas shall include (1) non-associated natural gas not in contact with crude oil in the reservoir and (2) the combined volume of associated-dissolved gas which occurs in crude oil reservoirs either as free gas (associated) or as gas in solution with the crude oil (dissolved). Volumes of natural gas production, reserves and productive capacity shall be expressed in thousand cubic feet at 14.73 pounds per square inch absolute pressure and 60°F. temperature.

16. Gas Processing Plant: A facility which recovers ethane, propane, butane, and/or natural gas products from mixture of natural gas or natural gas liquids.

17. Gross Acreage: The undivided total acres for all mineral leases in which your company owns an interest. This shall include all interests owned by all parties holding interests in this acreage.

18. Gross Assets: The total value of assets recorded on the audited books of your corporation without reduction for depreciation, depletion or amortization.

19. Gross Investment: Present total investment in an enterprise area.

20. Gross Non-Producing Leases: The undivided total number of non-producing oil and gas leases in which your company owns an interest.

21. Gross Producing Leases: The undivided total number of producing oil and gas leases in which your company holds an ownership interest.

22. Gross Production: The undivided total production from all reserves in which your company owns an interest. This shall include all working interest volumes, overriding royalty interest volumes, lessors' royalty interest volumes, or other mineral interest volumes owned by all parties.

23. Gross Reserves: The undivided total reserves from all reservoirs or mineral deposits in which your company owns an interest. This shall include all working interest volumes, overriding royalty interest volumes, lessors' royalty interest volumes or other mineral interest volumes owned by all parties.

24. Gross Wells: The total number of wells in which your company owns an interest.

25. Jointly Owned Wells: Oil and/or gas wells in which interests are shared with others.

26. Joint Venture: Any business enterprise, incorporated or unincorporated, which is undertaken by two or more persons or corporations. Joint ventures include, but are not limited to, tenancies-in-common, associations and partnerships.

27. Market Value: The economic consideration that would be given by a willing buyer to a willing seller, trading at arms' length.

28. Merger: The union of two or more corporations into a single new or surviving corporation.

29. Natural Gas Gathering System: A pipeline system that delivers natural gas from a number of wells to either a processing plant or a main transmission pipeline.

30. Net Acreage: The share of gross acreage attributable to your ownership interests.

31. Net Investment: Present total investment in an enterprise area net of depreciation, amortization, and depletion.

When responding to questions pertaining to gross and net investment please note the Subcommittee's intention: Where so carried use the sums for investment, revenues, operating costs, and pre-tax profits appearing on the audited books of your company. In the event that investment is not separately identifiable for an enterprise area, allocate investment to this area in accordance with the latest cost of operations study done by or for your company for the area, or in the absence of such a study allocate investments in proposition to your company's practices for cost allocations between areas.

32. Net Production: Your company's owned interest volumes, plus its proportionate share of any overriding royalty interest vollumes, lessors' royalty interest volumes or other mineral interest volumes from the gross production in which your company owns an interest.

33. Net Reserves: Those mineral reserves representing your company's working interests in gross reserves, plus your proportionate share of any overriding royalty interests and lessors' royalty interests in gross reserves in which your company possesses owned interests.

34. Nominee: A person designated to act for another as a representative in a limited sense.

35. Non-Producing Lease: Any mineral lease not classified as a "producing lease" as that term is defined (36) below.

36. Oil (Crude Oil): A mixture of hydrocarbons that exists in the liquid phase in natural underground reservoirs and remains liquid at atmospheric pressure after passing through surface separating facilities. For purposes of this questionnaire, volumes reported as crude oil shall include (1) liquids technically defined as crude oil (2) small amounts of hydrocarbons that exist in the gaseous phase in natural underground reservoirs but are liquid at atmospheric pressure after being recovered from oil well (casinghead) gas in lease separators and (3) small amounts of non-hydrocarbons produced with oil. All data reported pertaining to crude oil production, reserves and productive capacity shall be reported as liquid equivalents at the surface (excluding basic sediment and water) measured in terms of stock tank barrels of 42 U.S. gallons at atmospheric pressure, and corrected to 60°F.

37. Partnership: Any "syndicate," group, pool, joint venture or other unincorporated organization through or by means of which any business, financial operation, or venture is carried on, and which is not within the meaning of a corporation or a trust or estate.

38. Petroleum Company: See list accompanying these definitions.

39. Person: Shall mean any individual, corporation, partnership, firm, association or other business or legal entity.

40. Producing Lease: Any mineral lease from which production of oil or gas is taking place or which contains oil or gas wells which are temporarily shut-in.

41. Refinery: A plant for the processing of crude or unfinished oils to produce other or additional finished or unfinished oils.

42. Reserves:

a. Petroleum (Crude Oil) and Natural Gas:

Demonstrated: includes both measured reserves (material for which estimates of the quality and quantity have been computed, within a margin of error or less than 20%, from analyses and measurements from closely spaced and geologically well known sample sites) and indicated reserves (material for which estimates of the quality and quantity have been computed partly from sample analyses and measurements and partly from reasonable geologic projections).

b. Uranium:

Recoverable Resources: Those that can be extracted profitably under 1974 economic conditions.

Paramarginal Resources: Those that might be extracted profitably with a 50% to five-fold increase in the price of U_3O_8.

Submarginal Resources: Those that require more than a five-fold increase in price.

c. Coal:

Identified Resources: Specific, identified mineral deposits that may or may not be evaluated as to extent and grade, and whose contained minerals may or may not be profitably recoverable with existing technology and economic conditions.

Hypothetical Resources: Undiscovered mineral deposits, whether recoverable or subeconomic grade, that are geologically predictable as existing in a known district.

43. Residual Fuel Oil: Any of the following: (1) Number 4, Number 5, and Number 6 fuel oils; (2) Bunker C oil, and (3) Navy Special Fuel Oil.

44. Second Party: Lessee(s) in oil and gas leaseholds.

45. Segregated Shipments: Pipeline shipments which are not commingled and which are transported and delivered as discrete batches.

46. Storage Facility: A stationary facility for the bulk storage of crude petroleum or petroleum products.

47. Third Party: The recipient of mineral interests as a result of assignments of acreage obtained from lessee(s) in oil and gas leaseholds.

48. Wholesale Jobber: A person who purchases or otherwise receives a petroleum product and transfers it to other persons without substantially changing its form.

49. "You" and "Your": Your company.

For purposes of this questionnaire, reserves should be reported regardless of size, availability of market, ultimate disposition or use.

LIST OF COMPANIES RECEIVING QUESTIONNAIRE

Amerada Hess Corporation, 51 West 51st Street, New York, New York 10019.

American Petrofina, Inc., 50 Rockefeller Plaza, New York, New York 10020.

Apco Oil Corporation, 1000 City National Tower, Oklahoma City, Oklahoma 73102.

Ashland Oil Inc., 1401 Winchester Avenue, Ashland, Kentucky.

Atlantic Richfield Company, 515 South Flower Street, Los Angeles, California 90071.

Beacon Oil Company, 525 West Third Street, Hanford, California 93230.

Belco Petroleum Corporation, Belco Petroleum Building, 630 Third Avenue, New York, New York 10017.

Burmah Oil Development, Inc., 1345 Avenue of the Americas, New York, New York 10019.

Buttes Gas and Oil Company, 522 Southwest Tower Building, Houston, Texas 77002.

Caribou Four Corners, Inc., Post Office Box 457, Afton, Wyoming 83110.

Champlin Petroleum Company, Box 9365, Ft. Worth, Texas 76107.

Charter International Oil Company Box 5008, Houston, Texas 77012.

Charter Oil Company, Box 4726, Jacksonville, Florida 32202.

Cities Service Company, 60 Wall Street, New York, New York 10005.

Clark Oil and Refining Corporation, 8530 West National Avenue, Milwaukee, Wisconsin 53227.

Clinton Oil Company, 217 North Water Street, Wichita, Kansas 67202.

Coastal State Gas Producing Company, Petroleum Tower, Corpus Christi, Texas 78403.

Commonwealth Oil Refining Company, In Banco Popular Center, Hato Rey, San Juan, Puerto Rico 00918.

Continental Oil Company, High Ridge Park, Stanford, Connecticut 06904.

Crown Central Petroleum Corporation, One North Charles, Post Office Box 1168, Baltimore, Maryland 21203.

Delhi International Oil Corporation, 2900 Fidelity Union Tower, Dallas, Texas 75201.

Derby Refining Company, Box 1030, Wichita, Kansas 67201.

Diamond Shamrock Oil and Gas Company, First National Bank Building, Box 631, Amarillo, Texas 79105.

Exchange Oil and Gas Corporation, 16th Floor, 1010 Common Street, New Orleans, Louisiana 70112.

El Paso Natural Gas Company, El Paso Natural Gas Building, Post Office Box 1492, El Paso, Texas 79978.

Exxon Corporation, 1251 Avenue of the Americas, New York, New York 10020.

Farmers Union Central Exchange, Inc., Post Office Box, St. Paul, Minnesota 55165.

Farmland Industries, Inc., Box 7305, Kansas City, Missouri 64116.

Felmont Oil Corporation, 6 East 43rd Street, New York, New York 10017.

Fletcher Oil and Refining Company, 24721 South Main Street, Wilmington, California 90744.

Forest Oil Corporation, 1600 Security Life Building, Denver, Colorado 80202.

Gasland, 622 State Street, Springfield, Massachusetts 01101.

General American Oil Company of Texas, Meadows Building, North Central Expressway, Dallas, Texas 75206.

General Crude Oil Company, 400 Bank of the Southwest Building, Houston, Texas 77002.

Getty Oil Company, 3810 Wilshire Boulevard, Los Angeles, California 90010.

Golden Eagle Refinery Company, 615 South Flower Street, Los Angeles, California 90017.

Gulf Oil Corporation, Gulf Building, Post Office Box 1166, Pittsburgh, Pennsylvania 15230.

Hamilton Brothers, Inc., 1600 Broadway, Denver, Colorado.

Hunt Oil Company, 1401 Elm Street, Dallas, Texas 75202.

Husky Oil Limited, Post Office Box 380, Cody, Wyoming 82414.

Kewanee Oil Company, 40 Morris Avenue, Post Office Box 591, Bryn Mawr, Pennsylvania 19010.

Kerr-McGee Corporation, Kerr-McGee Building, Oklahoma City, Oklahoma 73102.

Koch Industries, Inc., Post Office Box 2256, Wichita, Kansas 67201.

La Gloria Oil and Gas Company, Box 2521, Houston, Texas 77001.

Lion Oil Company, Lion Oil Building, El Dorado, Arkansas 71730.

Lone Star Gas Company, 301 South Harwood, Dallas, Texas 75201.

Louisiana Land and Exploration Company, 225 Baronne Street, New Orleans, Louisiana 70112.

M & A Oil Company, Box 784, Wichita Falls, Texas.

McCulloch Oil Corporation, 300 Park Avenue, New York, New York 10022.

McMillan Ring Free Oil Company, Inc., 90 Park Avenue, New York, New York 10016.

Mapco, Inc., 1437 South Boulder, Tulsa, Oklahoma 74119.

Marathon Oil Company, 539 South Main Street, Findlay, Ohio 45840.

Martin Oil Service, Inc., Post Office Box 298, Blue Island, Illinois 60406.

Mesa Petroleum Company, Vaughn Building, 320 South Polk Street, Post Office Box 2009, Amarillo, Texas 79105.

Mobil Oil Corporation, 150 East 42nd Street, New York, New York 10017.

Mohawk Petroleum Corporation, Inc., 220 Montgomery Street, San Francisco, California 94104.

Monsanto Company, 800 North Lindberg Boulevard, St. Louis, Missouri 63166.

Murphy Oil Corporation, Murphy Building, 200 Jefferson Avenue, El Dorado, Arkansas.

National Cooperative Refinery Assoc., Box 908, McPherson, Kansas 67460.

Northwestern Refining Company, Post Office Box 9, St. Paul Park, Minnesota 55072.

Occidental Petroleum Corporation, 10889 Wilshire Boulevard, Los Angeles, California 90024.

Panhandle Eastern Pipe Line Company, 3000 Bissonnet Avenue, Houston, Texas 77005.

Paul Petroleum, Incorporated, 10000 Santa Monica Boulevard, Los Angeles, California 90067.

Pennzoil Company, 900 Southwest Tower, Houston, Texas 77002.

Petroleum Marketing Company, 807 South Xanthus Place, Tulsa, Oklahoma 74150.

Phillips Petroleum Company, Phillips Building, Bartlesville, Oklahoma 74004.

Powerline Oil Company, 12345 East Lakeland Road, Santa Fe Springs, California 90670.

Rock Island Refinery Corporation, Box 68007, Indianapolis, Indiana 46268.

Southland Oil Company, Box 328, Yazoo City, Mississippi 39194.

Southwestern Oil & Refining Company, Box 9217, Corpus Christi, Texas 78408.

Standard Oil Company of California, Standard Oil Building, 225 Rush Street, San Francisco, California.

Standard Oil Company of Indiana, 910 South Michigan Avenue, Chicago, Illinois 60605.

Standard Oil Company of Ohio, Midland Building, Cleveland, Ohio 44115.

Sun Oil Company, 240 Radnor-Chester Road, St. Davids, Pennsylvania 19087.

Superior Oil Company, Post Office Box 1521, Houston, Texas 77001.

Tenneco Inc., Tenneco Building, Post Office Box 2511, Houston, Texas 77001.

Tesoro Petroleum Corporation, 8520 Crownhill Boulevard, San Antonio, Texas 78209.

Texaco, Inc., 135 East 42nd Street, New York, New York 10017.

Texas City Refining, Inc., Box 1271, Texas City, Texas 77591.

Texas Oil and Gas Corporation, Fidelity Union Tower, Dallas, Texas 75201.

Texas Pacific Oil Company, Inc., 1700 One Main Place, Dallas, Texas 75250.

The Oil Shale Corporation, 10100 Santa Monica Boulevard, Los Angeles, California 90067.

Time Oil Company, 5150 Wilshire Boulevard, Los Angeles, California 90036.

Total Leonard, Inc., East Superior Street, Alma, Michigan 48801.

Transocean Oil, Inc., 1700 First City East Building, 1100 Fannin, Houston, Texas 77002.

Union Oil Company of California, Union Oil Center, 461 South Boylston Street, Los Angeles, California 90017.

Union Texas Petroleum, 1411 Broadway, New York, New York 10018.

Vickers Petroleum Corporation, Box 2240, Wichita, Kansas 67201.

Shell Oil Company, One Shell Plaza, Box 2463, Houston, Texas 77001.

FUNDING FOR NURSING EDUCATION

Mr. HARTKE. Mr. President, once again I must take the floor to express grave concern about the lack of funding for nursing education in the administration's proposed budget for fiscal year 1975.

That budget reduces health spending by 10 percent while other programs are increased by more than 10 percent. It devotes less than 1½ percent of its total to health delivery and research, despite the overriding importance of good health to every American.

I have special concern for the nursing support under the Health Resources Administration. The President has requested $45,600,000 for this effort for fiscal 1975—$100 million less than in 1974. This proposal implies that the Federal Government no longer will take an active role in the education of registered nurses—all this at a time when Congress is considering the adoption of a national health insurance program which will certainly lead to an increased demand for nursing services.

The proposed budget also eliminates capitation grants for nursing education totally and reduces grants and institutional assistance to $20 million. This will mean severe cutbacks in faculty positions, reduced enrollments, and the closing of many nursing schools which cannot meet the spiraling costs of educating nurses.

The proposed budget provides no student assistance whatsoever at the graduate level. In the past, support was given to those who were interested in becoming educators, clerical specialists and administrators. Reducing the support of training leadership will automatically lower the supply and quality of persons who train the practitioners at all levels.

The proposed budget eliminates undergraduate scholarships and loans and only provides money to phase out current commitments. It assumes that nursing students will receive aid through guaranteed loans from the Office of Education. This source is already over taxed. To compound the dilemma, nursing students come from low and middle income families.

Mr. President, the proposed budget provides almost one-fourth the money which nursing support would have. I urge the Senate Appropriations Committee to consider a funding level of $164.6 million instead of the $45.6 millilon proposed by the administration.

Mr. President, I ask unanimous consent that two newspaper articles which reflect the activity of the Indiana nursing community in support of increased funding be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Professor Airs Nursing Aid Cuts

Goshen.—Federal funds for nursing and nursing education have been cut drastically in the presidential budget for fiscal 1975, at a time when the nation is increasing its demands for health care, a Goshen College professor reports.

The report was made by Miss Verna M. Zimmerman, interim director of the college's division of nursing. Prof. Zimmerman was in Washington, D.C. last week for a meeting of the American Assn. of Colleges of Nursing, and to call on Indiana Congressman John Brademas and Indiana Senators Birch Bayh and Vance Hartke.

Miss Zimmerman said a Department of Health, Education and Welfare official anticipates some kind of national health insurance act. The questions that remain are only what kind of program and how soon. With such legislation coupled with emerging health maintenance organizations, the health care delivery system as the nation now knows it will be severely strained, she said.

NEW DEMANDS SEEN

Physicians are not able to meet current national needs, Miss Zimmerman reported from her meeting. A comprehensive health care program will require changes and involve new demands, she said.

The leaders of America's colleges of nursing expressed grave concern about the deletion of institutional funding for nursing education when the nation is on the threshold of a new health care system, according to the Goshen educator. In the presidential budget, capitation grants, grants for financial distress, and construction grants—all benefitting nursing schools—were completely deleted.

The loss of this federal support will create hardships for nursing schools in many ways, Miss Zimmerman said, and pointed out that new nursing schools will not be able to get federal funds to set up learning centers. Schools currently preparing nurses will find it difficult to modernize facilities and to meet their operations budgets, she added.

PROGRAM DROPPED

The nurse traineeship program also has been dropped completely from the federal budget, and scholarships and loans for nurses have been cut to a fraction of last year's level, she said. Commenting on traineeships, she said such aid in the past made it possible for nine current G.C. faculty members to study nursing at the graduate level.

Because no funds are allowed for such training in the future, she said, nursing leadership in the nation is seriously threatened. There has been a chronic shortage of highly trained nurses who are qualified to be teachers, administrators, specialists, or government officials, she said, and maintained that this shortage will become more acute because of fewer opportunities available for talented nurses to finance advanced studies.

Also needed are more nurse practitioners—nurses who have gone beyond four years of college for advanced training and professional skills and who can offer primary health care. Miss Zimmerman reported that at least 1000 nurse practitioners are now at work in the United States.

She said that for a number of years the nurse midwives in Kentucky's frontier nursing service have not only practiced midwifery, but also provided primary health care in the role of the nurse practitioner. Entire families had health care this way because no physicians were available.

[From the Goshen (Ind.) News, March 1, 1974]

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THE IMPACT OF INFLATION ON OUR NATION'S HOUSING

Mr. BENTSEN. Mr. President, I ask that an editorial from this morning's Washington Post concerning the impact of inflation on our Nation's housing be printed in the Record. As the editorial correctly points out, inflation and no growth policies of some municipalities are making it more difficult for the housing needs of our country to be met. The impact of high interest rates and high construction costs falls most heavily on the young families of our Nation who are trying to buy their first home.

I know many Members in Congress share my concern about this issue and I wish to commend this editorial to my colleagues. I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Inflation and Housing

Of the basic necessities of life—food, fuel, housing—it is in housing that the current inflation is having its most destructive effects. The enormous increases in food prices at least seem to be expanding food production. The increase in fuel prices at least are enforcing a certain healthy degree of conservation, and push us to develop stable and secure new sources of energy. But the inflation's effect on our housing supply is pure and unrelieved damage.

The administration is relying on unprecedentedly high interest rates as its chief weapon against inflation. The high rates in turn make the housing inflation worse, because they force down the rate at which new houses are built. The administration is aware of this danger, and that is why it announced 10 days ago a series of measures that might put as much as $10 billion into the mortgage market. But while that gesture will be modestly helpful, it will have no very dramatic impact at a time when interest rates are the highest in our history and still climbing. The administration often talks as if housing construction were important mainly to keep up the Gross National Product and employment. To the contrary, it is important mainly because it determines the degree of crowding in which our children will be living for many years into the future.

Keep in mind that this is the decade when the postwar baby boom enters adulthood. How much new housing is enough? Through the 1960s new homes were built at a rate of about 1.4 million a year. Construction rose to 2.4 million homes in the record year of 1972, and was over 2 million last year. Currently it is down to a rate of about 1.6 million a year. That is more than the average for the 1960s, but it is not nearly enough for the 1970s. In the 1960s, the number of Americans turning 21 averaged about 2.8 million a year. In the 1970s, it will be about 3.8 million a year—a full million a year more.

In the Washington metropolitan area, there is a special factor at work that makes housing costs here climb even faster than in most other parts of the country. The three big suburban counties—Montgomery, Prince George's and Fairfax—are all deliberately cutting back the rate at which new housing can be built for our growing population. In Montgomery and Prince George's, the state of Maryland has imposed sewer moratoriums that the local authorities seem in no great hurry to overcome. Fairfax is explicitly trying to work out a low-growth planning policy.

The number of building permits issued in the metropolitan area, in the first three months of this year, was less than half as many as a year ago. This formidable drop is, so far, chiefly the result of the high interest rates. But as time goes on and the backlogs of approved building projects decline, the moratoriums and other legal curbs will hold construction levels down regardless of mortgage costs. The politics of low growth is, at the moment, popular among suburban voters, most of whom own their homes. Low growth, they assume, means lower tax rates and faster appreciation of the value of existing houses. Perhaps that is true, but there are other consequences as well.

It is worth reflecting for a moment on the process by which slums are formed. The number of jobs here is steadily rising. As the population increases, the competition for houses sharpens. The rich buy back into old neighborhoods, and the not-so-rich are pushed into smaller homes. The reduction in standards of living is under way. Big houses get broken into small apartments, and then the apartments are redivided and rented by the room. The typical slum dwelling now in this city is a solid and well constructed three or four story brick house that is deteriorating because it contains twice as many people as it can decently accommodate.

The politics of inflation works differently in housing than in food or fuel. Everyone has to go to the grocery store every week, and no one has a supply of gasoline for more than a few days at a time. Price rises here hit everyone immediately. But only a small fraction of the population, at any one time, is looking for a new home. Most of us can sit tight, warmed by a certain secret satisfaction in the knowledge that our houses might be worth twice what we paid for them.

Inflation in housing is an example of discrimination by age bracket. It works in favor of the middle aged, at the peak of their earning power, who already own property bought on a lower market. It discriminates against the elderly. If they own houses they have trouble meeting the taxes on the rising assessments. If they rent apartments, they stand in great danger of being evicted as buildings are turned into condominiums for those who can afford down payments. Above all, housing inflation discriminates against young families who are only beginning to work their way up the income ladder, and who have not yet accumulated savings enough for down payments. The chief victims of suburban low-growth politics will be the voters' own children.

We have been through this unhappy cycle before. Sometime around 1980 some eminent body of experts will publish a startling and dismaying report describing the spread of slums through the metropolitan area, and emphasizing the profoundly unhealthy social consequences of overcrowding. After much debate, we shall then undertake another vastly expensive and difficult program of clearance and rehabilitation. With enough money and determination, we might hope eventually to arrive at the same standards of housing that metropolitan Washington enjoyed before the Great Inflation of the middle 1970s.

THE STATE OF THE ECONOMY

Mr. HUMPHREY. Mr. President, the Consumer Economic Subcommittee of the Joint Economic Committee that I chair has recently completed 2 days of hearings reviewing the economy. In those hearings we heard from representatives of the administration, such as Dr. Herbert Stein, Chairman of the Council of Economic Advisers, and Dr. John Dunlop, Director, Cost of Living Council. We also heard from several private witnesses.

The hearings had two purposes: First, to review the economic results of the first quarter of 1974 and make a judgment about what they mean for the rest of this year. The second purpose of the hearing was to examine whether existing Federal economic policies were adequate to cope with the twin problems of recession and inflation. Are we doing all that we can to correct the current economic malaise, or are there additional new policies that the Federal Government could initiate?

It is my judgment that there is a sense in the country that economic policy is just drifting. At a time when the country is experiencing double-digit inflation, there appears to be no coordinated anti-inflationary program. At the same time, the economy suffered a recession in the first quarter of this year. There are no new proposals to deal with that problem either.

I want to confess quite honestly that I do not presume to have all of the answers, but I believe that we can and we must do better. The country is desperate for better leadership in economic affairs. It is in that spirit that we conducted the hearings.

Let me now report to the Senate the findings of our hearings.

THE ADMINISTRATION'S VIEW

In the first day of hearings we heard from the Council of Economic Advisers, who presented a relatively rosy picture of the economy. Mr. Stein told the subcommittee that most of the economy's problems are behind us. He predicted that the real output of the economy would rise about 4 percent in the second half of the year, that housing would soon rebound, that consumer spending would soon strengthen, and that prices would "only" rise about 7 percent for the year as a whole.

The only bad economic news that Chairman Stein made explicit to the subcommittee, was that "we will probably see some further increases in unemployment as the labor force once again begins to grow." He acknowledged that the April decline in unemployment was due primarly to a decline in the labor force.

As I said to Dr. Stein during the hearing, even if one assumes that this optimistic projections will occur, the final result is pretty dismal. The administration's optimistic picture is not shared by most of the rest of the economic community, a fact that was brought out by several of the other witnesses that appeared before the subcommittee. Let me indicate what other witnesses saw as happening in the economy during 1974.

ECONOMIC OUTPUT

Numerous economists do not foresee a sharp recovery in the U.S. economy in the second half of 1974. The consumer shows little economic strength, housing will continue to be very sluggish, and even business investment may not be as optimistic as has been forecasted. Prof. Jerard Adams of the University of Pennsylvania and Wharton, Inc., for example, told the subcommittee that real economic growth would be approximately flat in the second quarter of 1974, would rise by 1.4 percent in the third quarter of 1974, and would finally rise by 2.5 percent in the fourth quarter of 1974. For all of 1974, including the 5.8 percent decline in real output in the first quarter, the real output of the economy would decline. Professor Adams' findings are in sharp disagreement with the Council of Economic Advisers' view of the strong recovery in the second half of 1974. Other economic forecasts reviewed by the subcommittee staff, such as Chase Econometrics, also show either a decline in real output for 1974 or virtually no growth.

UNEMPLOYMENT

As you might expect, with real output in the economy at near recission levels we can expect unemployment to increase. Even Dr. Stein acknowledged that he believed that unemployment would probably rise to the neighborhood of 5.7 percent by the end of 1974. Most private economists agree, although several see the picture as getting somewhat worse. Dr. Adams told the subcommittee, for example, that while unemployment would rise to only about 5.7 percent at the end of 1974, it would then stay in the 6 percent range for all of 1975. The reason for this would be that our real economic growth was not sufficient to absorb increases in the labor force.

Of course any of these projections are chancy and I said so during the hearing. I also went on to say that:

> What bothers me about that is not whether the statistical prediction is accurate or near-accurate but the fact that we are beginning to accept it. That is an incredibly high rate of unemployment, and the economic loss of that amount of unemployment runs into the billions of dollars. And I just do not believe that we ought to permit ourselves to think for a moment that it is an acceptable rate. In fact, to the contrary, we ought to move Heaven and earth to bring it down. I do not know any way we can pay our bills or keep this economy in any kind of healthy condition with 5 or 6 percent of our labor force unemployed.

CONSUMERS

The major question in the economic outlook in 1974 is what are consumers going to do. I raised this question with Dr. Stein—he and I had argued on previous occasions about the impact of inflation on consumers. In the past, when I had argued that the consumers had been hit so severely that their real income had been eroded, Dr. Stein usually insisted that I was using the wrong statistics. He used to say that the correct statistic was real per capita income. But in the first quarter of this year real per capita income fell by a 7 percent annual rate, so now Dr. Stein no longer refers to this statistic. Nor did he have any solid evidence as to why consumers would show strength in the second half of this year.

Other witnesses did not find strength among consumers. Dr. Adams, for example, said:

> Consumer demand has been weak. While automobile sales have improved somewhat recently, we cannot expect a general increase in aggregate demand as a result of consumer spending. Surveys indicate very low levels of consumer sentiment. Unfortunately, the growth of prices has out-stripped wages. Householders have been squeezed.

I do not think that statistics show that households have been squeezed, but as I said at the hearing, the statistics do not tell the whole story. Inflation figures and income figures are to me very deceiving in terms, again, of people, and what really goes on.

What I hear in Washington on what is happening, as a result of inflation, and what I hear from the people out in the factories, on the farms, in the shops—it is like two separate globes. I guess what I am trying to say is, generalized figures have so little relevance to the individual predicament, to the human predicament, that they do not tell the whole story.

THE PRICE OUTLOOK

Dr. Stein told the subcommittee that prices would increase a little over 7 percent for 1974 as a whole. All other witnesses before the subcommittee strongly disagreed with this price forecast. The Wharton Economic Analysis found prices increasing a little over 9 percent for all of 1974. Dr. John Dunlop, Director of the Cost of Living Council, also testified that he believed the administration price forecast was 1 or 2 percentage points too low. Dr. Dunlop went on to say he felt the administration forecast had, in general, been too low in the past and that he was doing all that he could to improve their methods. Dr. Dunlop went on to say:

> Toward the end of the year, in the fourth quarter, the increases in prices outside of food and energy, which have already been accelerating, will result in an upturn in the general rate of inflation.

In other words, not only does Dr. Dunlop see the overall price trend as being higher than administration forecasts, he also sees prices again accelerating toward the end of 1974.

In addition to Dr. Dunlop's price forecast, the subcommittee also heard from Prof. Paul H. Earl of Georgetown University and Data Resources, Inc., who also forecasted price increases much higher than the administration. Professor Earl said he believed consumer prices would increase by 11 percent in 1974, while wholesale prices would continue increasing at the very high rate of 17 percent. Professor Earl went on to say that, although he expected farm food prices to decline during the year, many other prices would be increasing over the same period.

Retail food prices would be rising, consumer durables such as automobiles, and many other commodities at the intermediate or retail level. Professor Earl emphasized that many of the commodity price increases of last year are now working their way through the later stages of the production process this year.

NEW ECONOMIC POLICIES

In addition to forecasting higher price increases than the administration this year, all of the other witnesses that appeared before the subcommittee emphasized that the nature of the current inflation was that it was primarily a cost-push inflation. The commodity price increases of last year, particularly in food and fuel, are now working their way through the production process as well as stimulating new wage increases. In a sense, the economy is experiencing a commodity-induced cost-push form of inflation. All of the witnesses that appeared before the subcommittee, with the exception of Dr. Stein, agreed that the current inflation called for anti-inflation policies that included the establishment of a permanent agency to focus on the problems of inflation. The argument was made, that although macro-economic fiscal and monetary policy are important, that the Federal Government must also attack inflation that is generated in individual markets, either by monopoly power or improperly designed Government programs, or simple shortages.

The testimony we received also makes a strong case for a tax cut at this time. The Wharton economic analysis showed that a tax cut would significantly increase real GNP, while not significantly aggravating inflation further. There is significant slack in the economy to absorb a small tax cut without appreciably affecting prices.

When a tax cut is coupled with tax reform, along the lines advocated by myself and other Senators, the impact on the economy is even more favorable. In that case, the stimulus to output is distributed among those who need it the most. The Wharton study in fact concludes that real GNP could be raised by about a half a percentage point by the fourth quarter of 1974.

There are several other useful insights for policy that are contained in the testimony the Subcommittee received. Dr. Dunlop, for example, presented us with 12 major structural reforms that could be made in the economy, several of which no doubt would improve the performance of the economy.

The information we gained from the hearings included numerous suggestions on how we can improve current economic policy. There are some who think that we have run out of ideas and that there is little we can do to correct our economic and social problems. I reject this philosophical call of despair. What we need is economic leadership that will pull together the best ideas of the country and fight to implement them. I intend to continue doing just that.

Mr. President, I ask unanimous consent that the prepared testimony of Dr. Dunlop and Dr. Earl be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Statement of Dr. John T. Dunlop

I appreciate having the opportunity to appear before the Consumer Economics Subcommittee of the Joint Economic Committee on the subject of inflation and its restraint. In accordance with your letter of April 26, this statement discusses briefly the outlook for inflation during the months ahead and a series of private and public policies that are appropriate to constrain such inflation over the long term.

Although the economy is performing well in real terms, it is clear that inflation is a baffling persistent problem. It appears to be intractible here and abroad. Our CPI was up 10.2 percent in the period March 1973 to March 1974. The GNP deflator was up at a 10.8 percent rate in the first quarter of 1974. Inflation in the CPI in Japan was 26.8 percent in the past year and 13.2 percent in Great Britain. In recent days, governments in Canada and Iceland have fallen on this issue.

Inflation in 1974 and early 1975 is likely to be a very different kind than in 1973. In 1973, inflation was concentrated in food and energy; two-thirds of the rise in the CPI was directly attributable to these sources. In 1974, inflation will be spread more generally throughout the economy. In such industries as steel and metal products, chemicals, rubber and plastics, machinery and equipment, paper, the full effects of raw materials and energy costs will be passed through to consumers. High demand, both domestically and abroad, for these materials and the high rate of capacity utilization in many basic industries will increase these upward pressures on prices still further.

Wage settlements will undoubtedly continue to move upward to seek to offset the high rates of increase in living costs this year. Both union and nonunion wages can be expected to increase as workers seek to catch up and as formal and informal cost of living adjustments become operative. The climate for collective bargaining has been constructive and, in the main, I expect it to remain so. But wage and benefit changes are likely to accelerate through the year ahead.

The 1973 inflation was generated substantially by worldwide developments in primary products and the devaluation of the dollar; the 1974 inflation will be more home grown. The 1973 inflation was in part reversible as large crops in 1974 increase food supplies and as the oil embargo has ended; the 1974 inflation is likely to be permanently built into our cost and price structure. The 1973 inflation was largely unforeseen, but the 1974 inflation is more predictable.

At the start of 1974 economic forecasters, private and public alike, expected the rate of inflation to decline steadily through the year into the first half of 1975. In recent weeks, not only has a higher rate of inflation come generally to be predicted, but also a less satisfactory course of inflation through the year. The inflation rate is likely to decline from the 10.8 percent GNP deflator rate of the first quarter for several quarters as the inflation rate in food and energy prices declines. But toward the end of the year, in the fourth quarter, the increases in prices outside of food and energy, which have already been accelerating, will result in an upturn in the general rate of inflation. Forecasters generally are coming to this conclusion. The increases in the non-food and non-energy components of the CPI have been as follows: for the year December 1972 to December 1973, the rate was 4.6 percent; for the year March 1973 to March 1974, the rate was 5.9 percent; for the first three months of 1974, the rate was 7.7 percent; and for March 1974 the rate was 11.4 percent. (See Table 1)

In my view, inflation is not merely a serious problem for the year ahead, but is likely to remain a nagging persistent problem for our economy for many years—not at two-digit rates perhaps, but at rates so serious as to require our full attention.

Let me now turn to the issues of private and public policies appropriate to deal with persistent inflation. I recognize that there are widely divergent views of both analysis and prescription.

As an example of one view of inflation, the April 1974 *Monthly Economic Letter* of the First National City Bank argued against any Federal concern with monitoring private actions or government influence in particular markets as a means to constrain inflation. It held that "Inflation has little to do with the structure of private markets, which change only slowly. Rather, [inflation] depends on the relation between two growing aggregates, the level of monetary demand and the level of physical supply. When money demand grows faster than real output, the price level ultimately rises."

These views are a mirrored image of the perspective of Milton Friedman: ". . . inflation is made in Washington, in that stately and impressive Grecian temple on Constitution Avenue that houses the Board of Governors of the Federal Reserve System. Prices have been rising at faster and faster rates because William McChesney Martin and the other distinguished men who govern the system have decreed that they shall." (*Newsweek*, January 20, 1969, p. 78.) The names and the inflation rates are different today, but the theory is unchanged.

Let it be clear that I have no doubts that monetary policy is a major tool which can restrain or stimulate the economy; indeed, monetary policy and fiscal policy are generally considered to be the major tools. But I reject the absolutism and exclusivity of this and similar analyses of inflation and its antidote, particularly for the long term.

The experience of recent years, in my view, supports the realistic judgment that monetary and fiscal policies are not sufficient tools by themselves to restrain effectively the types of inflation we have had, or that the authorities in charge of these policies—in the executive or legislative branch of government—are constrained in the extent they can use them. For the present purpose it matters little whether monetary and fiscal tools are inherently inadequate to deal with contemporary inflations or that the users are inhibited by practical considerations in their application of these classical measures. The simple fact is that monetary and fiscal tools are not enough, and we must get to the task of developing other measures even though their contribution might be less immediate or powerful.

Another school of thought stresses that inflation is derived, or at least made more virulent, by monopoly power of certain business enterprises and labor organizations. The appropriate relief to this alleged cause of inflation is seen to be more vigorous prosecution of the antitrust laws. Organized consumer groups in the past year have often stressed this view to me, urging a greater role for the Federal Trade Commission and the Justice Department. I readily agree that a more competitive economy in some sectors is desirable. But such policies involve endless litigation and uncertainty and, accordingly, are not likely to make much of an impact on inflation. Further, the contributions of collective bargaining are not likely to be set aside by the American community in favor of extension of the antitrust laws to industrial relations. In the present setting, it has been the competitive sectors of the economy that have shown the greatest inflation.

While not neglecting the contribution of other policy tools, I would like to stress the need for a whole series of structural changes in the economy and in their relations to government in order to constrain inflation over the long pull. These structural changes take time to develop; some are major institutional changes, while others are more modest adjustments.

There is need for a central focus—a continuing Cost of Living Council, or similar type of organization—to work within the Federal Government and in cooperation with private sector institutions to explore, to stimulate and to induce necessary changes. These activities are not to be confused with jawboning or preachments. They involve, rather, seeking to get government and private groups to change their internal decision-making processes, their habits of mind and thought patterns, and their responses to their outside worlds. Such changes cannot be achieved by fiat or regulations, but must emerge from persuasion and hard experience as a series of new consensuses, both within the society and within separate economic groups and institutions.

I should like to set forth a number of examples of the type of structural changes that need to be made in government, in the government's relationships with various groups, in labor-management relations, and in business, all with the objective of creating a less inflationary economy.

GOVERNMENT

1. The single most important structural change needed in government to restrain inflation is a reorganization in the Congress to formulate coherent tax and expenditure policies and thereby to work more cooperatively with any administration toward a viable fiscal policy to constrain inflation. Many public spirited members of the Congress of both parties have been working on this matter for many years and some progress has been made, but we have a long way to go. We simply cannot constrain inflation in this country until the Congress gets its fiscal house in order.

2. There is a need for change in outdated, outmoded Federal policies which contribute to inflation in specific industries. We have a golden opportunity now to rid ourselves for the long term of the restrictive agricultural policies of the past 30 years that were engendered particularly by the depression of the 1930's. The Cost of Living Council in 1972 and 1973, somewhat belatedly perhaps, took the leadership in pushing for the elimination of many of these restrictive practices—planting restrictions, import restrictions, some provisions of marketing orders, and the like. The extent to which agriculture has been largely transformed to expansionist policies, in my view, is not fully appreciated. Yet, it is extremely important to maintain these changes in order to constrain inflation for the future, to rebuild stockpiles to provide a degree of cushion from worldwide price and crop fluctuations in the future, and to provide further counters for our foreign policy. Regrettably, there are already signs that the restrictive practices of the past are returning. Agriculture is but one illustration of areas where government policies to encourage supply, or to stop inhibiting supply, are essential to restrain price increases.

3. The involvement of government in various sectors of our economy also dictates a reevaluation of existing private policies. In the health care area the government has come to be the largest purveyor of funds and now is seriously considering new injections of dollars and demand in the form of national health insurance. Its interventions, including Medicaid and Medicare, essentially have provided for cost passthrough and reimbursement, with the inevitable consequences of unnecessary services, inefficiencies and, consequently, more inflation. It is essential that the government's involvement in the health care field be modified to restrain inflation by requiring that prospective budgeting procedures replace automatic cost reimburesment. That was the purpose and design of our Phase IV health regulations.

GOVERNMENT RELATIONS TO SPECIAL PROBLEM AREAS

4. The relationship of government to particular problem areas in our society warrants increased attention. For example, despite some commendable innovations in the last half dozen years, the fate of the housing industry and its fluctuations from year to year depend very largely upon general monetary policy and interest rates. There are enormous costs of instability and inefficiencies in home building which grow out of the frequent and unpredictable changes in monetary policies. A significant area for institutional and structural change is to develop ways of providing for less violent fluctuations in housing through variable mortgage and deposit interest rates, as in some other countries, or other devices to provide a flow of funds more stable for housing with consequent greater efficiency and lower costs of housing production.

5. Another of the major problems of the society where the government has a role is the interface between work and school, particularly in the age group 16–21. Reported unemployment rates of 17.0 percent for 16 and 17 year olds and 11.4 percent for 18 and 19 year olds, compared to 4.9 percent for all age groups in 1973, may alternatively be viewed as a failure of the labor market, as it usually is, or as a failure in the educational system. No amount of general economic policy is likely to make much of a contribution to this problem and attempts to do so will likely contribute to inflation. Rather, there is a definite need for considerable restructuring of the local arrangements made to bring young people of this age group into contact with the labor market. and for labor market feedback, in turn, into the educational system.

Incidentally, to include these youth in our national unemployment figures, as we conventionally now compute them, whether or not the person has previously held a job, is also to provide a most unsatisfactory and inflationary indicator for general economic problems.

6. One of the areas of policy most likely to affect long-term inflation prospects has to do with the impact of the rest of the world upon the United States through variations in imports, exports and exchange rates. I am convinced that the major lesson of the inflation of 1973 is the reality that we live in a vastly more interdependent world in primary commodities and manufactured goods than ever before. One needs to be very careful not to promote autarky, by restricting unduly either imports or exports. But, at the same time, the United States can no longer afford to be the market of last resort, as in the case of ferrous scrap—the only country to export ferrous scrap, with the consequence that our steel prices must bear the full impact of the residual decisions of all other countries. Neither is it realistic for a domestic energy program to be entirely dependent on price policies of other oil producing countries where those policies have been used for political purposes. A world in which primary producing countries decide to raise, in cartel fashion, the prices of many other primary products is a very different one than we have previously experienced. Thus, the time has come to equip ourselves with trade policies to deal with these new conditions.

LABOR-MANAGEMENT RELATIONS

7. Today, an opportunity exists as never before for the development of imaginative machinery for the settlement of disputes over the provisions of new collective bargaining agreements in a number of industries. Basic steel and railroads have reflected this atmosphere. Yet, a good deal of further constructive work can be done in other sectors, such as paper, maritime, retail food, construction, newspapers, and the like. The fragmentation of collective bargaining in many industries which conduct local and regional negotiations, with the associated whipsawing and escalation of settlements, is one of the principal ways in which collective bargaining creates inflationary pressures. Dispute settling machineries which deal with these questions, and at the same time, direct the attention of the parties to their fundamental long-run problems of technological change, productivity and manpower, can be enormously constructive.

8. Within the labor area, one of the most important structural problems for the future relates to the continued growth in fringe benefits relative to the pay package. There is no doubt that following 1940 it was appropriate to develop a variety of private pension, health and welfare, and other fringe benefit plans. But the question needs to be raised whether these tendencies have not now been excessive as one considers the costs of private pension plans and as one recognizes that the tax system tends to encourage parties to put money into fringes rather than into wages where it might very well better serve the interests of workers and members. Simply stated, when funds put into the pay envelope are taxed at 30 percent or more, while monies placed into certain fringes are tax free, the tax system is biasing the bargaining processes in an inflationary manner.

9. Various structural changes are required in collective bargaining that vary from industry to industry. One illustration may be sufficient. In the construction industry it is imperative that the owners set up a more viable working relationship with the contractors in order to strengthen the management side in collective bargaining. This has never been easy to do, since the contractors feel that the owners will interfere unduly in the bargaining process and seek to eliminate "contracting out." Yet, in the absence of such working rleationships, owners often tip the scales in favor of the union side by encouraging particular contractors to work through a strike or to work overtime

or by setting completion schedules and volumes of construction in an area which can have only inflationary consequences. In the same way, the jurisdictions of local unions or the group involved at the bargaining table may be inappropriate to represent the best long-run interests of the members in the area. International unions have a more general and long-term perspective than local negotiators and, thereby, should have a larger role.

BUSINESS PRACTICES

10. One of the most significant areas of business decisionmaking has to do with the timing of investment decisions. The present inflationary period has been made very much worse by company decisions not to expand capacity substantially in such industries as steel, fertilizer, paper, cement, oil refining, and the like. The fraction of Gross National Product expended on net new plant and equipment investment has been lower for many years in the United States than among our industrialized competitors. The present purpose is to second guess those decisions. It is essential, rather, to explore ways in various industries to achieve a smoother flow of investment outlays over the future. This is a most difficult matter in the framework of the American legal system. Nonetheless, a more public discussion of these issues, a government-business discussion of the capacity needs of various industries, and an exploration of the means of financing such expansion seem to me necessary in the American economy of the future. It may very well be that in several industries, such as basic steel, the prices that would be required to attract new capital to the industry may be so high, and the inflationary consequences of such prices may be so high, and the inflationary consequences of such prices may be so great for the economy as a whole, that other means of financing modernization of capacity, such as various forms of tax and accelerated amortization and depreciation arrangements, may be preferred to constrain inflation. These issues require urgent and quantitative review.

11. There are occasions, also, when government and the business community can work cooperatively to solve problems which can contribute to inflation. In the economy at most times, and particularly when operations are near capacity, there are various bottlenecks, areas of shortages and problems of efficiency and distribution within and among various sectors. At the present time special problems relating to railroad flat car availability, the production of steel for drag lines, the distribution of fertilizer, the production and distribution of roof bolts for underground coal mines, and the supply of ferrous scrap are illustrative. There is a role for the government in assisting to isolate and eliminate such inflationary bottlenecks by providing data, by bringing together representatives of sectors to make a contribution to the resolution of the problem, and by other nonmandatory means.

Both the Cost of Living Council and the National Commission on Productivity have been active in solving these problems, but both may be eliminated by Congressional inaction. The continued identification of a changing agenda of such problems and work with the sectors on these problems can make a contribution to expansion of output and supply without the imposition of mandatory controls and can reduce pressures which lead to Congressional demands for the reimposition of mandatory controls.

12. In the achievement of public objectives, the energy area is bound to be one that will remain for many years at the center of public concerns. In a whole host of ways it should be possible to encourage the generation of capacity and distribution in the energy field so as to minimize the impact upon price and inflation. In this field as in all stabilization matters, there is involved the delicate balancing of prices high enough to generate adequate supply but not so high that they represent an undue burden to consumers and an unnecessary impetus to inflation.

The Administration has proposed for the post controls period the establishment of a small Cabinet-level agency to work on some of these changes without the authority to impose mandatory wage and price controls in order to develop a less inflationary economy. These illustrations can be multiplied many times. Tomorrow and next year there will be new and different opportunities.

These activities are not to replace fiscal and monetary policy, nor are they to provide an excuse for less diligent macroeconomic policies to restrain inflation. These monitoring activities, designed to promote inflation-restraining structural changes, are to be supplementary and supportive. In some circumstances, however, they may be decisive. Dr. Arthur Okun has well made this point, although one need not accept his precise numbers: "Let me replay fiscal and monetary policy with perfect hindsight over the last two years and I don't think I could save you more than a couple of points on the rate of inflation. Let me replay agricultural policy and energy policy, however, and I'll give you five points." (*New York Times*, April 28, 1974, F, p. 24.)

One of the difficulties with the structural change policies here proposed lies in the failure of the discipline of economics itself. Since the 1930's the preoccupation of the core of economics has been with macroeconomic issues and models of the total economy. This area has attracted the best of the younger generation and is the center of attention in the journals and in scholarly writings. Even this body of contemporary theory is not very adequate in analyzing inflation. Abba Lerner stresses this point in the current Economic Literature in discussing Keynesian economics: "A new ball game has been established in which only direct influence on the wage unit by an incomes policy, as a kind of splint on the fractured price mechanism, can restore a free economy working at a satisfactory level of employment."

But this attention to macroeconomics has not helped the making of economic policy very much, in my view, or assisted in the concerns over individual sectors which now require attention. The academic and career field of industrial organization which treats market structures and pricing decisions, or the related fields of labor market analysis, have languished. The result is that, despite a greatly enlarged economics profession, there do not exist many first-rate specialists in microeconomic analysis equal to the challenge before us. There are only a few specialists in the academic world, in business or in government with working knowledge of the institutional structures and the operation of various industries and markets. This intellectual limitation has been a serious impediment in the generation of ideas to deal with sectoral and structural problems that are central to any operating concern with contemporary inflation.

The deficiency is even more serious since economists are not well trained, or adjusted, to pay attention to processes by which institutions change or are changed in this society. They know far too little about the ways in which managements, labor organization, other producer groups and government agencies in fact operate and respond to various economic and political pressures or opportunities. They specialize in predicting results on the basis of varying inputs with the institutions and market structures unchanged. But a major area for anti-inflation policy concerns the understanding and inducing of such changes.

A new breed of analysts and public policy makers is required, with more emphasis on understanding private decision-making, more emphasis upon detailed data, more concentration on problem sectors, and more resort to persuasion and cooperation. The government is deeply involved in private decision-making, like it or not, and the government has many counters to play, apart from any mandatory wage and price controls, and our interest groups are ordinarily sufficiently willing to participate to warrant a major effort to develop less inflationary policies for all.

TABLE I.—PERCENT CHANGE IN CONSUMER PRICE INDEX AND SELECTED COMPONENTS

[Most recent month: March 1974]

	Relative importance in total index (December 1973)	Percent change December 1971–December 1972	Percent change December 1972–December 1973	Percent change most recent 12 mos	Percent change most recent 3 mos	Percent change most recent month
Seasonally adjusted:						
All items	100.0	3.4	8.8	10.2	14.5	13.7
Food	24.8	4.8	20.0	18.3	21.3	9.5
Meat, poultry, and fish	7.0	10.4	26.4	12.4	7.3	−25.7
All items less food	75.2	3.0	5.6	7.8	11.8	13.0
Commodities less food	38.6	2.5	5.0	7.9	16.0	19.1
Services	36.5	3.6	6.2	7.6	9.2	10.3
Energy	6.4	2.8	16.7	30.3	70.8	57.7
Gas and electricity	2.4	3.6	6.9	12.0	29.9	26.3
Gasoline and motor oil	3.2	2.5	18.6	39.3	104.6	109.4
Fuel oil and coal	.9	1.1	44.7	57.7	80.5	−1.8
All items less energy	93.6	3.2	8.3	9.0	11.2	10.9
All items less food and energy	68.8	3.1	4.6	5.9	7.7	11.4
All items less mortgage interest costs	96.0	3.4	8.6	9.8	13.7	13.2
All items less food, energy, and MIC*	64.8	3.0	4.0	5.0	6.1	10.6

[1] Compound annual rates of change.

*MIC: Mortgage interest cost.

Source: BLS/Cost of Living Council, April 1974.

TESTIMONY OF PAUL H. EARL

I. INTRODUCTORY REMARKS

This paper discusses inflation in the first quarter of 1974 and its outlook for the remainder of the year. The framework follows prices in a fashion parallel to the traditional stages in the production process. This view is particularly useful in analyzing a commodity-based inflation, and provides several advantages over the most aggregate models for understanding inflation. The inflation rates for consumer and wholesale goods are projected at 11.1% and 17.3% in 1974. At wholesale, food prices are projected to increase 13.2% while a grouping of products approximating industrial commodities increases 19%. These forecasts in general are higher than those made by most other private forecasters and by the Administration. Furthermore, some quarterly rates of inflation are forecast to accelerate in the second half of 1974, which is at odds with most other forecasts. The reasons for these differences will become apparent in the discussion of the forecast detail in section IV.

II. THE CONCEPT OF PRICING BY STAGES OF PROCESSING

The concept of stages of process pricing results from a belief that both timing and behavioral relationships in the price formation process differ depending on the level of production being addressed. The basic structural relationships explaining prices are not necessarily the same at all stages in the production process. Also, the interaction of prices through the stages of processing is of interest with regard to their different impacts on one another. Furthermore, the behavior of prices has been shown to vary depending on the sector of the economy being addressed.

The Bureau of Labor Statistics constructs a set of wholesale indexes by stage of processing for the major sectors in the U.S. economy. These prices are constructed by combining segments of the regular wholesale price index, using weights based on input-output tables. Sectoral price indexes at the retail (consumer price index) level are also available.

Using this data and aided by the economic appeal of this explanation of price behavior, a sectoral stage of processing price model was developed to reflect the movement of prices through the stages of processing. The sectors included are: durable goods, nondurable goods excluding food and fuel, food, energy, construction and services. The four levels of production considered where appropriate in each sector are: crude (basic) materials, intermediate processing, finished wholesale, and retail. In addition to the impact of prices on other prices, wage and market measures are also included as explanatory factors in the various model relationships.

One might reasonably ask what advantages the stages of processing method of analysis offers in examining inflation, relative to other models which are in use. I feel there are several, including:

Its method of accounting for actual differences in price behavior which occur through the stages of processing. The industrial commodity groupings include products and materials at various production stages.

Its consistency with the production process, providing a better structural framework in which to analyze inflation.

Its ability to trace price movements from raw materials through retail products.

Its ability to examine the self sustaining nature of inflation over time, taking account of the fact that the full impacts of supply shortages and commodity inflation are not felt at once, but rather continue to affect economic conditions into the future.

III. ANALYSIS OF PRICE BEHAVIOR: THE FIRST QUARTER OF 1974

Underlying current inflation are several factors of varying degrees of importance. The primary cause, presently as in 1973, is a combination of shortages and rapid inflation in basic commodities and materials for which there is a strong world wide demand. There are numerous other factors contributing to present inflation including the gradual decontrol of industries since July 1973 and the ending of controls on April 30 of this year.

Table 1 includes the quarterly percentage changes, at annual rates, for the prices in the stages of processing model for 1974:1. At all stages of processing, except crude goods, the increases in 1974:1 greatly exceed the increases that were incurred during 1973. Retail, wholesale finished goods, and wholesale intermediate goods increased at compound annual rates of 12.2% 29.0% and 29.3%, respectively, during 1974:1. Crude goods increased at a compound annual rate of 30.2% in 1974:1, after actually dropping 5.3% in 1973.4. It is apparent from these aggregate stage of processing inflation rates that there are considerable increases at lower stages of processing that will adversely effect the prices of products at higher stages over the remainder of 1974.

Sectorally, the same pattern generally holds, with the highest inflation rates occurring in goods and materials at the lowest stages of processing. One exception is petroleum, where finished wholesale products displayed the greatest increases and crude products the least. Another exception is the food sector, where inflation rates in 1974:1 are lower at the crude stage of processing.

IV. FORECAST DETAIL

Quarterly forecasts of the stage of processing prices through the end of 1974 will now be examined. The forecasts provide insight into the complicated nature of inflation that exists in today's U.S. economy. They also indicate the inadequacy of aggregate fiscal and monetary policies for combating this type of inflation, given the need for these policies to achieve employment and growth objectives.

There are several critical elements underlying the stages of processing price forecast, including:

Impacts from the termination of price controls, especially in the construction, health care, automobile, and processed food industries.

Continuer supply shortages and price pressures in critical materials due to a lack of adequate capacity to meet the strong worldwide demand. Ferrous and nonferrous scrap, key metals including copper, and paper are the major problem areas. An optimistic note is provided by the softening in the spot market prices for metals over recent weeks.

Moderate increases in petroleum product prices as the margins of these prices over crude petroleum prices gradually return to their historic norm.

Large increases in the price for electricity due to large cost increases in the coal industry as well as other factors.

A dampening of inflation at the lower stages of processing in the food sector, with the price of crude foodstuffs and feedstuffs actually declining in 1974:2. April price data support this contention although spot prices for foodstuffs continue to increase after several weeks of decline. Wheat and livestock prices have shown substantial declines over recent weeks.

Realized and anticipated price increases in the steel industry.

The assumption of gradually increasing labor union settlements, resulting in higher rates of increase in compensation throughout the remainder of the year.

These elements, along with price increases which have not yet shown their full impact, will result in severe inflation through the remainder of 1974, with a slight acceleration in certain rates in the fourth quarter.

The quarterly forecast detail at annual rates of change is provided in Table I. Highlights of the 1974 inflation outlook are given below:

At wholesale, inflation rates of 16.7% for finished goods, 18.5% for intermediate goods, and 15.6% for crude goods.

A considerable dampening in inflation rates at the crude stage of processing, indicating a decreasing rate of commodity based inflation.

Inflation of 13.3% in wholesale processed food, although raw food prices change very little. This is primarily due to the food processing industry's desire to return to precontrol profit margins. As a result, retail processed food at home and food away from home increase by 18.3% and 12.1% respectively.

High inflation rates of 7.6% and 9.7% in consumer and producer durable finished wholesale goods resulting from considerable cost increases in both materials and labor. The consumer finished goods price accelerates to a 10.8% annual rate in the fourth quarter due to expected automobile price increases on 1975 models, above those which account for quality change. The price of retail durable commodities is forecast to increase 4.6% which is considerably higher than its historically expected increase.

Inflation in consumer services at a 8.9% rate, accelerating in the second half of the year.

Acceleration of the inflation rate for nondurables less food and fuel at retail throughout the year. This pattern is a result of the delayed impact of higher wholesale prices from late 1973 and early 1974.

The magnitude of 1974 inflation rates for most intermediate goods suggests a continuation of high inflation rates throughout 1975 in finished wholesale and retail goods. The inflation continues to be widely diffused throughout most sectors and at all stages of processing. Since the primary causes of today's inflation are structural in nature and closely related to capacity and supply problems, these factors need to be carefully analyzed in order to develop policies capable of dealing with inflation of this type. Aggregate fiscal and monetary measures are important but still inadequate in such an inflationary setting.

TABLE 1.—STAGE OF PROCESSING PRICES

[Seasonally adjusted, 1967=1.00]

	Percent change at annual rates				Annual rate
	74:1	74:2	74:3	74:4	
SUMMARY					
Consumer Price Index—All items	12.2	14.8	9.5	9.6	11.1
Wholesale Price Index	28.8	12.3	13.2	10.4	17.3
Finished goods	29.0	8.7	9.2	8.0	16.7
Intermediate goods	29.3	20.1	17.7	12.5	18.5
Crude goods	30.2	−11.0	11.2	11.2	15.6
SECTORAL DETAIL					
Food:					
Crude foodstuffs and feedstuffs (EX)	23.9	−25.2	5.1	5.1	7.0
Intermediate materials (EX)	65.5	0	5.1	5.1	25.2
Processed food	21.4	1.4	10.9	10.3	13.3
Consumer crude food (EX)	35.2	31.1	5.1	5.1	25.3
Retail processed food at home	20.5	14.9	10.9	12.8	18.3
Retail raw food at home	15.1	22.3	4.9	5.1	10.8
Retail food away from home	9.9	11.6	8.0	9.4	12.1
Durables:					
Crude nonfood, nonfuel materials for manufacturing (EX)	49.8	21.6	21.6	21.6	38.9
Intermediate materials	29.1	23.4	26.7	12.5	19.9
Intermediate components	13.1	13.3	13.4	10.4	10.1
Consumer finished goods	11.5	11.7	9.1	10.8	7.6
Producer finished goods	11.4	13.4	13.6	10.6	9.7
Retail commodities	3.7	8.5	6.4	6.2	4.6
Nondurables less food and fuel:					
Intermediate materials	31.0	16.7	13.1	9.1	19.0
Finished consumer goods	12.9	11.2	9.6	5.7	9.1
Retail commodities	7.3	6.0	7.3	8.1	5.9
Petroleum:					
Crude products (EX)	30.2	27.4	27.4	27.4	24.6
Intermediate products (EX)	143.8	21.6	10.4	6.1	48.3
Finished products (EX)	206.2	0	0	0	86.4
Retail products (EX)	101.6	36.0	19.3	11.7	40.8
ADDITIONAL PRICES					
Retail:					
Services	8.3	10.4	10.2	10.0	8.9
All items less fuel	11.7	10.6	9.0	9.5	9.9
Total commodities less fuel	14.3	10.7	8.2	9.1	10.7
Total commodities less food and fuel	7.5	8.9	8.7	8.7	7.3
Total food at home	19.7	15.8	10.1	11.7	17.2
Wholesale finished goods:					
Total goods less fuel	16.2	9.9	10.5	9.0	11.2
Consumer goods less fuel	17.6	9.0	9.6	8.6	11.7
Consumer goods less food and fuel	12.3	11.4	9.4	7.9	8.5
Total food	23.7	6.4	9.8	9.3	15.3
Wholesale intermediate and crude:					
Materials and components	48.9	9.7	15.8	9.6	21.6
Materials and components less fuel	29.8	16.0	16.7	10.1	17.9
Materials and components less food and fuel	25.6	18.4	18.3	10.7	17.0
Supplies (EX)	6.7	10.4	10.4	10.4	6.8
Containers (EX)	9.7	27.4	33.5	27.4	15.7
Crude construction materials (EX)	7.8	10.4	10.4	5.1	6.4
Intermediate construction materials (EX)	19.0	39.9	27.4	21.6	20.5

Note: EX=Exogenous.

LAKE TAHOE

Mr. TUNNEY. Mr. President, those of us who have been deeply involved in the continuing battle to preserve Lake Tahoe sometimes feel like the mythical figure Tantilus—everything is just out of reach. But we canot abandon the battle; Lake Tahoe can and must be saved. My concerns about the future of Lake Tahoe are increasing, however, because Federal efforts in the basin continue to be fragmented.

Although an amended version of my Lake Tahoe Environmental Protection Act is now law, we still have no Federal coordination in the Tahoe Basin. More than ever, we need to scrutinize the performance of the Tahoe Regional Planning Agency as presently constituted. Is it doing the job mandated in Public Law 91-148, the bistate compact? What sort of legacy is TRPA leaving for our children? Will we permit this magnificent national resource to become an Alpine metropolis, choked by asphalt, smog, water pollution, and ugliness? Will we preserve its scenic qualities that have attracted people from throughout the Nation, throughout the world to enjoy an uncrowded, untroubled visit amidst spectacular natural beauty?

In part, the lack of Federal coordination has resulted in a growing controversy in northern California over a proposed land-for-the-timber exchange. The Forest Service has offered $10 million in timber credits in the Lassen, Shasta, Stanislaus, and Tahoe National Forests to the Fibreboard Corp. in exchange for 10,120 acres of choice land in the Lake Tahoe Basin. The tract includes a small lakefront parcel and extends out about 4 miles from the shore.

Everyone involved agrees that the Fibreboard property should be acquired for public use. The objections are not against public acquisition, but are aimed at the method of acquisition. The reason is simple: Straight exchange would mean that the 16 northern California counties in which the timber is located would lose their 25 percent of the receipts from the timber sales. The so-called 25-percent fund is a statutory reimbursement to counties with large tracts of Federal timber, with the money used to support schools and build roads. The loss to the counties in this case would be substantial—$2.5 million. Mr. President, I ask unanimous consent to print in the RECORD, at this point, a table showing the impact on the 16 counties.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ANALYSIS OF 25-PERCENT RECEIPTS TO CERTAIN COUNTIES IN CALIFORNIA, AS AFFECTED BY THE PROPOSED FIBREBOARD CORPORATION LAND-FOR-TIMBER EXCHANGE, FISCAL YEARS 1972-74

County	25-percent receipts		Amount withheld for land exchange, 1973	Amount disbursed, 1973	Amount to be withheld for land exchange, 1974	Total for land exchange
	Disbursed, 1972	Available, 1973				
Alpine	$358,500	$366,200	$37,500	$328,700	$55,500	$93,000
Butte	325,700	419,100	-----	419,100	27,800	27,800
Calaveras	136,100	159,200	27,000	132,300	39,400	66,400
Lassen	1,262,800	1,990,100	-----	1,990,100	238,400	238,400
Mariposa	185,500	246,200	26,600	219,600	39,300	65,900
Modoc	488,800	1,115,500	100	1,115,400	2,400	2,500
Nevada	262,500	290,900	14,000	276,900	110,300	124,300
Placer	493,500	568,000	20,000	548,000	172,500	192,500
Plumas	2,975,800	3,440,400	1,000	3,439,400	92,100	93,100
Shasta	1,057,000	1,715,700	12,300	1,703,400	365,900	378,200
Sierra	605,700	668,200	26,500	642,700	210,200	236,700
Siskiyou	2,682,700	4,112,200	11,700	4,100,500	212,600	224,300
Tehama	765,700	1,149,000	-----	1,149,000	107,500	107,500
Tuolumne	972,500	1,137,800	191,400	946,400	283,000	474,000
Trinity	2,716,600	3,283,500	5,500	3,277,000	100,600	106,100
Yuba	103,600	113,500	1,700	111,800	13,200	14,900
Total	15,393,000	20,775,500	375,300	20,400,200	2,070,700	2,446,000

Source: U.S. Forest Service, Department of Agriculture.

Mr. TUNNEY. Mr. President, so we are faced now with a choice of losing the opportunity to acquire a choice parcel of land which will be important to the integrity of the Tahoe Basin or reducing the receipts to 16 counties in which the national forests lie. Both choices are unacceptable.

The best solution is a direct purchase of the Fibreboard land by the Forest Service. This would be the quickest way to finalize the transaction, and there is precedent for a designated addition to the Forest Service's appropriation if the Federal Government approves of the way in which the money is spent.

Therefore, I have urged the Senate Interior Appropriations Committee to approve, in this instance, a direct purchase. This solution is endorsed by the counties and the League to Save Lake Tahoe.

Mr. President, I reiterate: We are faced with this uncomfortable situation because the Federal Government has no coordinated policy at Lake Tahoe. And for the Federal Government not to act would be to compound Federal failures. I support the $10 million appropriation in this case, because it seems to be the only viable solution to a difficult problem. But all of us who care about Tahoe have been put on notice. We must act quickly and decisively toward a workable Federal plan. Tahoe is one of the Nation's greatest natural resources. We cannot, in good conscience, abdicate our obvious and basic responsibility to protect an area so worth saving.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

COMMODITY DISTRIBUTION, FOOD STAMP, AND SPECIAL MILK PROGRAMS

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 3458, which the clerk will state by title.

The assistant legislative clerk read as follows:

> S. 3458, to amend the Agriculture and Consumer Protection Act of 1973 and the Food Stamp Act of 1964.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. McGOVERN. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 10 minutes.

Mr. McGOVERN. Mr. President, I ask unanimous consent that during the consideration of S. 3458 and S. 3459, Kenneth Scholssberg, Alan Stone, and Marshall Matz be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, this measure, S. 3458, which amends the Agricultural and Consumer Protection Act of 1973, the Food Stamp Act of 1964, and the Child Nutrition Act of 1966, contains some seven provisions. Part of the provisions were originally introduced in the Senate and sent to the Committee on Agriculture and Forestry by the distinguished Senator from North Dakota (Mr. YOUNG), and others were originally introduced by myself.

The committee saw fit to combine them into one package which is the measure now before us.

It is my recollection that the committee reported the bill with only one or two dissenting votes. It was overwhelmingly endorsed on a bipartisan basis by the Committee on Agriculture and Forestry.

Before I proceed with an explanation of the seven points contained in the bill, I want to express my appreciation to the majority whip, the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD), the distinguished assistant Republican leader, the Senator from Michigan (Mr. GRIFFIN), and the distinguished Senator from Arizona (Mr. GOLDWATER), who made possible the consideration of this measure, as well as S. 3459 which will come next and in which the distinguished Senator from New Jersey (Mr. CASE) is interested.

Mr. CASE. Mr. President, I want at this time, if I may, to thank the Senator from South Dakota (Mr. McGOVERN) for the extraordinary leadership he has shown in these matters. It is a pleasure to be associated with him both on the food stamp bill and the school lunch program bill.

The country and particularly the beneficiaries of these programs are greatly indebted to the work of the distinguished Senator from South Dakota.

Mr. McGOVERN. Mr. President, I appreciate the Senator's words. Let me say that the Senator from New Jersey is the author of the provision in the law now and the extension we are asking for is included in S. 3459, which would make available reduced price lunches for children above the poverty level but from low-income families who have been hit the hardest by inflation. The Committee on Agriculture and Forestry was overwhelming in its support of the Senator's proposal. I am very happy to have his support for this provision, now that it has reached the floor. I thank the Senator for his intervention.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. HELMS. Mr. President, I ask unanimous consent that a member of my staff, Mr. Charles Black, have the privilege of the floor during the discussion of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, S. 3458 which amends the Agriculture and Consumer Protection Act of 1973, the Food Stamp Act of 1964, and the Child Nutrition Act of 1966, has seven provisions.

Simply, it will:

First. Make permanent and mandatory the authority of the Secretary of Agriculture to purchase agricultural commodities that are not in surplus supply for donation to the child nutrition, institutional feeding, supplemental feeding, disaster relief programs, and other traditional recipients of commodities.

Second. Permit the continuation of the family commodity distribution program until July 1, 1976, for families on Indian reservations not requesting the food stamp program.

Third. Authorize the Secretary of the Interior, the States, or the governing bodies of Indian tribes to administer the food stamp program on behalf of Indians living on a reservation when the tribe switches from the family commodity program to food stamps.

Fourth. Provide that no regulations affecting the administration of the food stamp program on Indian reservations would be issued by the Secretary of Agriculture without prior consultation with the Department of the Interior and the tribes affected.

Fifth. Require the payment of 100 percent of the administrative costs of the food stamp program on Indian reservations.

Sixth. Authorize the Secretary of Agriculture to pay State agencies 62.5 percent of all—instead of part of—the administrative costs of the food stamp program.

Seventh. Provide a 5-cent-per-half-pint minimum rate for reimbursement for the special milk program with a requirement that this amount be adjusted annually each year to reflect any increased costs—traditionally, the minimum rate has been 4 cents.

These provisions, Mr. President, are of vital importance to programs which reach over 40 million Americans.

The authority granted to the Secretary of Agriculture to purchase commodities on the open market when they are not in surplus will insure that the Nation's nutrition programs will continue to operate beyond July 1. If we do not act to extend the authority under which we are currently operating, many nutrition programs will terminate in less than two months.

Just 1 week ago the Department of Agriculture sent out notices to over 8,500 institutions stating simply:

> The Department of Agriculture expects few, if any, food surpluses in the next fiscal year, and thus will not have commodities to donate to institutions.

There is no mention of any substitute reimbursement.

The situation would not be much brighter for our Nation's schools, supplemental feeding programs, and disaster victims.

This bill would also allow Indian reservations an extra 2 years to switch from the family commodity program to the food stamp program.

Indian reservations have been relying upon USDA food commodities for generations. Retail food stores on Indian reservations are few and far between. In many instances, people must travel 60 miles or more over unpaved roads to reach the closest store, with supermarkets being even further. Public transportation on many of these reservations is nonexistent.

Many Indians do not speak English, making Outreach and education more difficult.

The effect of these circumstances, it seems clear, is to make it "impossible or impracticable" to institute a food stamp program by July 1 on Indian reservations.

When the reservations do switch to the food stamp program, they will have the option of who will administer the program.

The last major provision would reimburse the States and local governments that administer the food stamp program 62.5 percent of all the administrative costs of the food stamp program. Currently, the Federal Government reimburses the States 62.5 percent of some functions and nothing for all others. This averages out at 28 percent overall.

With a nationwide food stamp program commencing July 1, it is especially important to consider the financial burden placed on the States and counties. Many poorer counties which now operate a family commodity distribution program do so because they cannot afford the administrative cost of operating a food stamp program.

Although the food stamp program is more costly to administer than the family commodity program, the Department of Agriculture reimburses the States an average of 54 percent of the administrative cost of the family commodity distribution program—but only an average of 28 percent of the cost of administering the food stamp program. The Department's reimbursement for the administrative cost of the family commodity program is derived from an operating expense fund set up to assist poorer counties in meeting the administrative expense of this program. There is no comparable fund to aid poorer counties in the administration of the food stamp program.

Counties which paid nothing or very little of the administrative cost of the family commodity distribution program will have to pay 72 percent of the administrative cost of the food stamp program. In Texas, for example, the State and local share of the cost of administering the family commodity distribution program was $859,117, 20 percent; in fiscal year 1975, that figure will increase to $15,400,000 to administer the food stamp program—72 percent.

In addition, as the food stamp program has grown, it has become increasingly complex to administer. Some State programs are now using automatic data processing techniques, even though the States are not reimbursed for the costs of data processing equipment and personnel. The food stamp program requires a central State administrative office with personnel, rent and supply costs—none of which are now federally reimbursable.

The larger food stamp program will also present more opportunities for the theft and fraud unless the States are able to hire sufficient investigators and security personnel. States now receive no reimbursement at all for security costs, and not enough for investigators to keep ineligible persons from receiving food stamps.

Finally, increasing the special milk program reimbursement from 4 to 5 cents per half pint is to cover, in part, the 75-percent increase in the cost of mik which has taken place over the last 20 years.

The approximate 4 cents per half pint Federal reimbursement for milk formerly covered nearly the entire cost of the milk. This reimbursement allowed the school to provide the milk free to children, or to charge a minimum amount. Recently, however, the increased milk cost has been passed along to schoolchildren. This is one reason why participation in this program, which is intended to make whole fluid milk available to all American schoolchildren, has intermittently decreased over the years, while school attendance has increased.

The 1-cent increase provided by the bill should be extremely helpful to schools at the local level. The increase will allow schools to make more milk available to schoolchildren at a slightly reduced rate.

Mr. President, these amendments are intended to insure the integrity of the nutrition programs millions of Americans have come to rely upon for a nutritionally adequate diet. They are technical in nature. None of the amendments expand the scope of any program or increase the number of participants.

Mr. President, it has long been my view that these nutritional programs that add to the health and strength of the American people probably return more dividends per dollar invested than any other Federal program. I believe that the provisions I have just outlined are of vital importance to the program, a program that now contributes to the nutritional health of some 40 million Americans.

I am very hopeful that the endorsement of this measure in the Senate will be as overwhelming as it was in the Committee on Agriculture and Forestry.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HELMS. I ask unanimous consent that the time be charged to the time on the bill.

Mr. McGOVERN. Will the Senator agree that the time be taken equally from both sides on the bill?

Mr. HELMS. Of course.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, last year the Committee on Agriculture and Forestry reported a comprehensive school lunch and child nutrition bill, which was subsequently enacted into law. It was my feeling that the legislation represented an extended effort of the Federal Government into the area of school lunches and child nutrition and I was hopeful that the States and localities would now begin to make an effort to expand their own contribution to these programs.

Also, during 1973, Congress extended the food stamp authority for another 4 years and enacted amendments which will result in a doubling or tripling of the Federal expenditures for food stamps within the next 2 years.

However, we are again being asked to increase the Federal expenditures in these areas of school lunch, and child nutrition and food stamps just a few short months later.

The administration requested a 1-year extension of the authority to purchase nonsurplus foods for child nutrition, institutional feeding, supplemental feeding, and disaster relief programs. Not only did our committee reject this reasonable request in order to give the administration more time to prepare its own program, but S. 3458 makes permanent and mandatory the authority of the Secretary of Agriculture to purchase nonsurplus agricultural commodities for these feeding programs.

In addition, S. 3458 increases the Federal share of administrative costs for the food stamp program from approximately 50 percent, at the present time, to 62½ percent. This means that if this legislation is adopted, not only will the Federal Government be paying all of the cost of the food stamps themselves, but will be paying almost two-thirds of the administrative costs as well. It does not seem to me too much to ask the States and localities to continue to pay at least half of the administrative costs of this program.

For these reasons, Mr. President, I am opposing the passage of S. 3458.

Mr. President, I am aware that a strong appeal can be made any time we discuss nutrition, food stamps, and the like. Emotion can be injected into the discussion and certainly none of us wants either malnutrition or starvation in this country. But that does not excuse us from exercising the utmost care to limit these payments by the Government to those unable to provide it for themselves. The commodity program originated during the days when we had surpluses piled up, when the Federal Government was the owner of a great deal of food, and so this was distributed as surplus for the commodity program. Later on authority was extended to buy foods that were not in surplus and distributed to carry on the same program.

I think there is a serious question about the efficiency of the latter proposal. If the Federal Government makes the decisions, does the buying, owns the surplus, and in some cases stores it, as well as transports it, it is, to say the least, a bit cumbersome.

There are those in the Federal Government, including the executive branch, who felt cash should be provided in lieu thereof. The matter remained unresolved. The administration took the position, "Well, in that case, we will extend the existing program for a year."

The bill does not extend it for a year, and provide an opportunity to give further attention to this matter, but makes it permanent.

This bill, in effect, puts the Government in the grocery business. In opposing it, I am not opposing feeding the hungry or taking care of the unfortunate. I just say there is a better way to do it, a more efficient way than is provided in this bill.

Mr. President, I hope that before this matter finally becomes law, further attention will be given to it.

The PRESIDING OFFICER. Who yields time?

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. Mr. President, the bill is now open for amendment. Is that correct?

The PRESIDING OFFICER. The bill is open to amendment. The Senator is correct.

Mr. HELMS. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment ordered to be printed in the Record is as follows:

At the appropriate place in the bill, add a new section as follows:

(a) The Food Stamp Act of 1964, as amended is amended by inserting in section 5 thereof the following:

"(e) Notwithstanding any other provision of law, a household shall not participate in the food stamp program while its principal wage-earner is, on account of a labor dispute to which he is a party or to which a labor organization of which he is a member is a party, on strike: *Provided*, That such ineligibility shall not apply to any household that was eligible for and participating in the food stamp program immediately prior to the start of such strike, dispute, or other similar action in which any member of such household engages: *Provided further*, That such ineligibility shall not apply to any household if any of its members is subject to an employer's lockout."

(b) Section 3 of such Act is further amended by adding at the end thereof the following new subsections:

"(o) The term 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or condition of work.

"(p) The term 'strike" includes any strike or other concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective-bargaining agreement)."

Mr. HELMS. Mr. President, this bill, which is being managed by the distinguished Senator from South Dakota, will obviously substantially increase the cost of the food stamp program to the Federal Government by increasing the Federal share of the cost of administering the program from 50 percent to 62.5 percent.

Whatever merit this proposal may have, we must nevertheless view it in the context of the economic situation confronting this Government and this Nation.

Every increase in Federal expenditures for any program adds to the mushrooming Federal deficit and further fuels the fires of spiraling inflation plaguing the American people. I feel that we can adopt this provision increasing the cost of the food stamp program to the taxpayers only if we are willing to make a reduction in the cost of the program in some other area.

With that purpose in mind, I offer, with my distinguished colleague from Oklahoma (Mr. Bartlett), this amendment to the Food Stamp Act of 1964 to prohibit employed workers who qualify for the program only because of their participation in a strike from receiving benefits under the program.

Mr. President, the time is short and I know the Senator from South Dakota desires to catch a plane, so I shall not prolong the discussion. No Senator needs an explanation of the amendment. I have submitted it on two other occasions during this session. The amendment simply prohibits the distribution of food stamps to any household where the head of the household is engaged in a labor strike.

Mr. President, I ask unanimous consent to have printed in the Record a statement that I had printed in the Record on July 31, 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

Additional Views

I agree with many of the provisions of this bill relating to farm commodity programs. I view the bill as an improvement over the existing Agriculture Act. It seeks to give the nation's farmers assistance they need to continue to increase their income while providing Americans with an adequate food supply. Given proper administration, it could provide some opportunity for relief to the nation's taxpayers by providing for reduction in the cost to the government of the farm program—assuming production and price projections will be accurately made.

I will support this bill on the Floor of the Senate because I am convinced that, overall, it will be beneficial to the nation's farmers and taxpayers. I must dissent, however, from two decisions of the Committee on matters which are part of the bill, but are collateral to the farm program:

1. The bill authorizes open-end appropriations for five years for the Food Stamp Program. The Committee declined to adopt an amendment which would prohibit the distribution of food stamps to any household where the head of the household is engaged in a labor strike. I supported this amendment and dissent from the Committee's decision not to include it in the Food Stamp Program authorization.

According to the United States Department of Agriculture and the General Accounting Office the current provisions of the Food Stamp Act do not permit the exclusion of strikers from the Food Stamp Program, so long as they register for employment and accept work at any plant or site not subject to a strike (See letter below). The practical effect of this is to make almost all strikers eligible to receive food stamps, since few are offered employment elsewhere during the relatively brief period of a strike. Because few such offers are received, most strikers escape the requirement of the law to accept work elsewhere when offered, and thus they do not forfeit the right to receive food stamps.

The Food Stamp Program was established in 1964 to help provide an adequate diet for those Americans whose incomes are below the poverty level due to their inability to work. It has done a great deal for needy Americans and I support its operation on behalf of the truly needy of our society—but *only* the truly needy who are unable to support themselves.

Congress included a work requirement in the Food Stamp Act which makes it plain that the congressional intent in designing the Food Stamp Program was that it should not benefit those who refuse to work.

Congress has failed, however, specifically to prohibit employed workers, who qualify for the program only because of their participation in a strike, from receiving benefits under the program. The interests of the American consumer and taxpayer, and the maintenance of our system of free collective bargaining, demand that such a prohibition be established.

Free collective bargaining has been chosen by Congress as the system of labor-management negotiation best able to promote economic stability and avoid industrial strife. This system protects the rights and interests of workers, companies, and consumers. The imperative fundamental premise of free collective bargaining is absolute government neutrality in the labor-management contest. While the government acts to oversee and referee the process, the results of the contest are determined by the independent bargaining strengths of the parties

Public assistance to *either* side in a labor dispute violates the concept of free collective bargaining and violates the rights of the opposing party. Public assistance in the form of the distribution of food stamps to strikers' households has the undeniable effect of giving a distinct economic advantage to the union in the collective bargaining contest.

The duration of strikes has increased significantly since the advent of welfare payments to strikers. To continue to make these payments will only fuel this trend, thus bringing more pressures on our already troubled economy and further undermining the principles of free collective bargaining which is so vital to the American free enterprise system.

In this era of perilous inflation, constantly rising taxes, and public discontent with the state of the economy, this Committee should be particularly sensitive to the needs of the working American, who is both taxpayer and consumer. I believe this Committee should respond to any opportunity to lighten the burdens of inflation and taxes and especially when this can be done without hardship to any legitimate recipient of government services. Due to the average annual income of most union members and the strike benefits available from union funds, few strikers can plead that they are subjected to hardship through no fault of their own simply because they are denied food stamps to which they are not entitled.

The granting of welfare benefits to strikers deals a double blow to the taxpayer-consumer. Food stamp benefits allow workers to prolong strikes and drive up the costs of production, which are ultimately passed on to the consumer. Our current inflation has been made worse by subsidized, lengthy strikes and the abnormally high settlements and decreased production of goods and services. By using tax dollars to subsidize strikers, the government is increasing the consumer's tax burden while using his money to drive up the cost of the very goods and services he must buy.

Now is the time to break this vicious circle which penalizes every America taxpayer and consumer. By prohibiting the distribution of food stamps to strikers, Congress can reduce the cost of the program to the taxpayer and reduce the rate of inflation. I respectfully dissent from this Committee's decision not to include such a prohibition in the food stamp authorization.

Mr. HELMS. Mr. President, I yield to the Senator from Oklahoma such time as he may require.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BARTLETT. Mr. President, I first became aware of the issue of food stamps for strikers during the west coast dock strike of 1972.

At that time it came to my attention that while millions of bushels of Oklahoma wheat were wasting on the west coast docks, strikers were being subsidized through food stamps paid for by the American people.

Although I cannot remember the exact figures, food stamps valued in the millions of dollars were given to the dock strikers during the strike.

A few hundred dock strikers were affected on the one hand and thousands and thousands of wheat producers from Oklahoma and other States in the Midwest were affected on the other hand.

The inequity is obvious. I strongly believe in the legal and traditional system of collective bargaining between business and labor, however, with the Food Stamp Act an additional ingredient has been added. Now the American taxpayer has been forced, in effect, to enter the bargaining in behalf of organized labor.

There is no way of telling how long the west coast dock strike was or for that matter any other strike, will be prolonged by the strikers access to Federal subsidies. But by helping to reduce the economic impact of a strike, food stamps can certainly prolong the strike and ultimately affect the outcome of the agreement.

Mr. President, I support the food stamps program for needy Americans, but to give food stamps to a person who is voluntarily on strike from his job is wrong. It is an unworthy use of the taxpayer's dollar and is an unfair intrusion into the collective-bargaining system.

Mr. President, I urge the Senate to adopt this amendment authored by my distinguished colleague (Mr. HELMS) and cosponsored by myself.

Mr. HELMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. HELMS. Mr. President, I reserve the rest of my time.

Mr. McGOVERN. Mr. President, this is a matter we have considered in the Senate many times and each time it has been rejected overwhelmingly, and I think for very good reasons.

In effect, the measure says that if a family is below the poverty line and has resources of less than $1,500, and if the wage earner in that family is on a strike, then that family goes hungry. That is what the amendment says, in essence. No striker is eligible for food stamps under the present law unless his income falls below the poverty level.

If he has a saving account of even $1,500, or $1,500 in financial resources of any kind, he is ineligible, and his family is ineligible, for food stamps. The current law is very clear on this matter, and very fair.

If strikes are illegal, we ought to say that they are illegal. If collective bargaining is illegal, we ought to say that. But under the present law, neither collective bargaining nor a strike, if it follows the law, is illegal. They are both within the American tradition, and that being the case, if there is a hardship situation where a striker's family is hungry and does not have the resources to support itself, I think we are discriminating against that family to say that they should go hungry.

So, because of the repeated consideration of this measure in the past—in fact, I think the case is so clear against it—I move that the amendment be laid on the table.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. A motion to table is not in order until the time of the Senator from North Carolina has expired or has been yielded back.

Does the Senator from North Carolina care to yield the time back?

Mr. McGOVERN. Mr. President, if the Senator will yield, I would like to yield to the Senator from Vermont for a couple of minutes.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. AIKEN. Mr. President, I have a good deal of sympathy for the sponsors of the proposed amendment, but, on the other hand, denying food to the families of strikers, whether they wanted to strike or not, is a good deal like a retaliatory air raid. More innocent people are killed than guilty people. Sometimes the guilty people escape completely.

Under those circumstances, I cannot support the amendment, although, as I say, I understand the motives of the sponsors and I have a lot of sympathy for them, because we know that cheating takes place in almost any good program. But, as I say, I do not want to drop a bomb on a lot of innocent people in the hope of catching a few guilty ones.

Mr. HELMS. Mr. President, I yield myself 1 minute.

The distinguished Senator from South Dakota is always so persuasive to those of his philosophical view that I am a little astonished that he would give the appearance of speciousness in his argument against this amendment. This amendment contends simply that the working taxpayers of this country ought not to be required to subsidize in any way people who walk off their jobs. It is just as simple as that. The Senator declares it is discriminatory to suggest this, but his is a specious argument. If a man is able to work, if he has a job, he ought to work, and support his family. I do not think the working people of the country ought to be required to subsidize him because he chooses to walk off the job.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HELMS. I am delighted to yield.

Mr. McGOVERN. If the Senator wants to make the argument that a person does not have the right to strike——

Mr. HELMS. I have made no such argument. That was a theory, and a novel theory, that was advanced by the Senator from South Dakota, not the Senator from North Carolina.

Mr. McGOVERN. If the Senator will yield further, I do not understand the Senator's logic when he says he is not opposed to collective bargaining and the right of workers to strike, but if they do so, they become ineligible for Federal benefits which are available to other citizens. No striker would be entitled to food stamps unless he was below the poverty level and unless he had resources under $1,500.

What the Senator in effect is saying is that he believes theoretically in the right to strike, but if one does it, his family is going to starve.

That is the reason why the Senate has overwhelmingly rejected this amendment in the past. I do not see how the Senator can have it both ways in saying they have the right to strike but they have to survive on their own.

Mr. HELMS. In this free enterprise country, one pays his money and makes his choice and takes his option. If a man chooses to strike, to walk off his job, to cut off his income—he ought to be aware of the consequences. He should not expect a subsidy to remedy the hardships that he has voluntarily brought upon himself. If we subsidize strikers, why not subsidize employers? I am not in favor of subsidizing either one. The Senator is going up a one-way street in his opposition to my amendment.

Mr. McGOVERN. If the Senator will yield, if the employer's income falls below the poverty level and he has less than $1,500 in resources, he is eligible for food stamps. So I am not asking for special consideration for strikers that I am not asking for employers.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield

Mr. TAFT. I want to support the Senator from South Dakota with some reservations. I think we are all aware—we would be unrealistic if we were not—of practices that have been going on under this program for a good many years. I know in my own area at one point very clearly before a strike even took place the shop steward was at the office of the Department of Agriculture and submitted a list of all the strikers and, for all practical purposes, from the investigations we went into, there was no attempt to apply the qualifications. That is where the problem has arisen.

I have satisfied myself, however, I have talked with the Department of Agriculture, I have examined what is going on insofar as my own area is concerned, and I think there is a genuine effort to determine whether the qualifications are met by those involved in labor disputes, whether they be strikes or lockouts, or whatever they may be. We have not discussed the question of lockouts.

This is no different than the consideration of any welfare program. As a matter of fact, the same kind of argument could be made with respect to welfare programs. In all fairness, it seems to me people who are out of work and meet the other qualifications and do not have the resources for the period in which they are out of work ought to be qualified just as others are, regardless of what the employment situation might be. They have to meet other qualifications, and if they meet them, I see no reason why they should not qualify. The right to take into account their situation in respect to bargaining would be unfortunate.

Mr. President, I ask unanimous consent to have a letter printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Columbus Citizen-Journal,
May 16, 1974.

Senator Robert Taft Jr.
Russell Senate Office Building,
Washington, D.C.

Dear Senator Taft: I have several recommendations for changes which could be brought about by legislation to make the program more accountable.

He believes that loop holes now exist which allow persons to participate who are not really in need, and that other reasons exist which, in effect, prevent some of the needy and elderly from participating.

The food stamp program started as a pilot project in eight counties across the nation in 1961 with a budget of $300,000. It is estimated that for the 12-month period beginning July 1, more than $4 billion will be poured into the program.

Staff to handle the mushrooming program have not been expanded proportionately. County welfare departments historically have been understaffed and underpaid. It would seem that to properly administer the program, both on the state and county levels, more staff will be necessary. The State of Ohio has not, in the past, always managed to communicate changes in regulations to the counties or to explain them fully.

For your consideration, here are some areas where loop holes may exist in the present program:

1—There is no requirement for residency, other than for the applicant to establish that he lives in the area on the day of application.

Few counties and fewer states have a common case numbering system, so it would be possible for a household to get stamps in several counties or states at the same time. There is no way to check.

There is no limit on the property value of the home of the applicant. The net value may be several hundred dollars or several hundred thousand dollars. Such a question is not part of the determination of eligibility for the food stamp program.

2—There is no limit on jewels, home furnishings, or other personal effects. Coin collections and similar items are considered at face value. A priceless stamp collection would not be a factor in determining food stamp eligibility.

3—The first vehicle, and in some cases the second vehicle, is exempt by food stamp standards, so it is possible for a food stamp recipient to own a new Cadillac, etc.

4—Farmers and self-employed persons at all income levels may participate in the food stamp program because net income in the program is determined by gross income less the cost of producing that income.

5—Grocers, wholesalers, and restaurateurs are eligible based upon net income for the month of application.

There is a limit as to the amount of resources a person or household may have on hand and still be eligible for food stamps. The present limit is $1,500 with the exception of a household that has one or more members 60 years old, when it is limited to $3,000. (Such resources are checking and savings accounts, stocks, bonds, second vehicle net value, etc.)

However, there is no provision, as does exist in other welfare programs, to prevent the transfer of resources to make oneself eligible for food stamps.

If a household is denied for reason of excess resources, all that need be done is transfer the bank account to the name of a relative or friend, produce evidence of same, and the household becomes eligible.

6—Seasonal workers, such as those in the construction trades, are eligible for stamps during the months of unemployment, because eligibility is determined on a monthly basis. Only teachers are exempt from this at the present time.

7—Students are eligible for food stamps based upon the same income and resource standards used for other applicants. He can deduct fully all cost of tuition and fees from income received. Many participate improperly because it isn't always possible to determine how much the student receives from parents, loans, grants and scholarships.

8—Strikers are eligible for food stamps from the moment they go on strike with eligibility based upon the income the household expects to receive during the strike.

Since the length of the strike is undetermined, the household is certified on a monthly basis.

Since strike benefits are considered income, many unions have dispensed with strike benefits to assure free food stamps to their members. Strike benefits are then paid by the union to members in the form of medical payments which are not considered as income.

As the program has grown, so has the mountain of rules, regulations and policies. Each state devises its own application form for the program and they range from two pages in Michigan to 18 pages long in New Mexico. (Ohio's application is 4 pages long).

These forms are accompanied by other forms and computation sheets which must be completed by the caseworker.

It is the opinion of some people administering the program that "federal and state instructions, manuals, and policies have increased to the point where no single department or agency can access the operation of the food stamp program."

It seems that the state and counties, already having more work than can be handled with present staff, and overrun with the abuses that occur, are reluctant to publish the program benefits or expand the program by significant outreach efforts.

As a consequence, many persons truly in need are not being assisted. Even many welfare families, although automatically eligible, do not participate. When the average bonus dollars is now over $22 per person, this is hard to understand.

Also, because the state and counties are already overwhelmed with paper work, they have made no special provisions to help those most in need.

This means pregnant mothers, the elderly, and the disabled must wait in lines, sometimes for days, to make application for the food stamps.

County welfare offices and waiting rooms are crowded, often dreary places, where many are reluctant to go to request assistance. Some, undoubtedly, turn away rather than go through the ordeal of waiting and making application.

There is no doubt as to the need for the food stamp program to help persons truly in need of food assistance. The advantages to the individual and to the state in income are equally apparent.

But it would seem that something must be done to correct the loop holes, stop abuses, and simplify services so the persons for whom the program was originally intended receive aid.

Sources in the food stamp program believe "there is a need for federal legislation to simplify certification and issuance procedures and to stop food stamp issuance to those special interest groups and individuals who can do without them."

Reports and recommendations on these matters have been written and submitted to top food stamp officials in the past with little success, according to my sources.

I sincerely hope some of this information will be in some way helpful to you, and if I can be of further assistance please let me know.

And, I am most grateful for the interest you have already shown. Thanks.

Sincerely,

Nancy McVicar.

Mr. McGOVERN. Mr. President, I appreciate the Senator's intervention.

I think while this may press the case a little dramatically, it would probably be just as reasonable to say if the head of a family goes on strike, the members of the family are not entitled to a public education; that anybody who participates in a strike loses the right to send his children to publicly supported school. Either these programs should be applied to all, or they should not.

Mr. HELMS. Mr. President, against whom was the time charged for this discussion?

The PRESIDING OFFICER. The time of the Senator from South Dakota.

Mr. HELMS. I thank the Chair.

Mr. CURTIS. Mr. President, I yield myself 3 minutes under the bill.

I shall support the amendment of the distinguished Senator from North Carolina (Mr. Helms). In the enactment of the National Labor Relations Act, Congress did attempt to provide, and to a large degree did provide, for a policy of evenhandedness in dealing with labor-management disputes. I do not think that we have done as well in the enactment of the food stamp program.

The point raised by the distinguished and able Senator from South Dakota is not borne out by the facts. To say that strikers cannot have food stamps cannot be compared to a proposal that because the breadwinner is on strike, his children cannot go to school. There is just no such connection. People go to school to become educated. They also go in compliance with compulsory attendance rules. It is open to everybody. Food stamps are not open to everybody.

Food stamps are intended for people in need. Someone who is unemployed or someone who falls into another category of need is entitled to food stamps. The entitlement of a striker to food stamps, where they are given, is said to be that it is because he is unemployed. Why is the striker unemployed? It is because he is on strike. It is said that he becomes eligible for food stamps because of his own decision to strike. That is, in a sense, supplemental income to him. That is taking taxpayers' money to provide supplemental income to someone who chooses to strike.

It would be wrong for the Federal Government to finance management so that it could continue the operation of its plants and the sale of its goods. Management could go on and endure a strike forever or for an extended period of time.

I believe that providing food stamps to strikers is contrary to the wishes of the American people. I do not believe that they favor such a program. I think that not to impose this burden upon the Federal taxpayers is neither antiunion nor is it an act against needy persons who need the stamps. It is a question of rewarding someone who, by his own decision, has chosen unemployment.

The PRESIDING OFFICER. Who yields time?

Mr. HELMS. Mr. President, I yield to the distinguished Senator from Idaho.

Mr. McCLURE. Mr. President, I think the point needs to be stated that the people ought not to be able to receive welfare payments just as other welfare payments are made. I suggest that the parallel is precisely correct and ought to be applied in this instance.

Welfare plans are available to people who seek work but cannot find work; or to people who are physically unable to work; not to those who voluntarily absent themselves from work or voluntarily refuse available work.

The food stamp plan is an extension of the welfare program. It is a Federal welfare program, assuredly; nevertheless, it is a welfare program and ought to stand on exactly the same ground as other welfare programs, and the basic reason for the program is that it ought to be for people who are unable to work. People who are able to work should not receive welfare payments. That seems to be particularly applicable to the person who is unable to work, through the availability of food stamps.

For these reasons, I support the amendment of the Senator from North Carolina, an amendment which would prohibit the use of food stamp welfare programs in a situation in which people voluntarily make the decision that they will not work, for whatever reason they may make such a decision.

I thank the Senator for yielding me the time.

Mr. THURMOND. Mr. President, three times in the past 4 years I have introduced a bill which would prohibit food stamp distribution to a household where the head of the household is engaged in a labor strike.

This bill was referred to committee and the full Senate has not yet had an opportunity to vote on it.

I am pleased to see that the distinguished Senator from North Carolina (Mr. HELMS) is offering this amendment today, thereby continuing his efforts in this area. In calling for this much needed reform, he has shown strong determination and his efforts will not go unnoticed or unappreciated.

Mr. President, I do not believe that the majority of the people know that striking workers can receive food stamps. When our taxpayers realize this fact, they are outraged because their tax dollars are being used to help one side in a labor dispute. If these taxpayers would not offer this support voluntarily, the Government should not do it for them.

To provide strikers with food stamps is to allow the Government to take sides in the dispute. This is neither the purpose of the food stamp program nor the proper role for our Government. The purpose of the food stamp program is to assist those who are unable to work or to find employment and therefore cannot support their families. It should not be the purpose of the program to subsidize those who have jobs and are able to support their families.

The taxpayers bear the ultimate burden of financing this program. Tax dollars should not be spent on food stamps for those who voluntarily refuse to work, but should be used to help those who are genuinely in need.

Mr. President, once again the time has come to reevaluate our piorities in regard to the food stamp program. It is time that we in the Senate take a stand on this issue and I hope my colleagues will respond favorably to this long overdue measure.

Mr. HELMS. Mr. President, I am willing to yield back the remainder of my time.

Mr. McGOVERN. Mr. President, I move to lay the amendment of the Senator from North Carolina on the table.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. BARTLETT. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be equally divided.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I ask for the yeas and nays on the pending motion.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota to lay the amendment of the Senator from North Carolina on the table. The motion is not debatable. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Wyoming (Mr. McGEE), and the Senator from Georgia (Mr. TALMADGE), are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL), is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. BENNETT), the Senator from Florida (Mr. GURNEY), the Senator from New York (Mr. BUCKLEY), the Senator from Hawaii (Mr. FONG), and the Senator from Pennsylvania (Mr. HUGH SCOTT), are necessarily absent.

I further announce that the Senator from North Dakota (Mr. YOUNG), is absent attending the funeral of a relative.

The result was announced—yeas 52, nays 31, as follows:

[No. 213 Leg.]

YEAS—52

Abourezk
Aiken
Beall
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Clark
Cook
Cranston
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Jackson
Javits
Kennedy
Long
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pearson
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Tunney
Weicker
Williams

NAYS—31

Allen
Bartlett
Bellmon
Bentsen
Brock
Byrd, Harry F., Jr.
Chiles
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
McClellan
McClure
Metcalf
Nunn
Packwood
Roth
Scott, William L.
Stennis
Thurmond
Tower

NOT VOTING—17

Baker
Bayh
Bennett
Buckley
Church
Eagleton
Fong
Fulbright
Gravel
Gurney
Inouye
Johnston
McGee
Pell
Scott, Hugh
Talmadge
Young

So the motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. HASKELL). The bill is open to further amendment.

Mr. McGOVERN. Mr. President, I am prepared to yield back the remainder of my time on the bill.

Mr. TAFT. Mr. President, I have an amendment at the desk which I ask to be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 5 at the end of line "23" delete period, add the following:
>
> "; *Provided*, That each state shall report at least annually to the Secretary on the effectiveness of its administration of the program and no such payment shall be made to any State unless the Secretary is satisfied pursuant to regulations which he shall issue that an adequate number of qualified personnel are employed by the State in the program to administer the program efficiently and effectively."

Mr. TAFT. Mr. President, this is a

simple amendment. I do not believe it will be controversial. All it does is to provide that each State must report at least annually to the Secretary on the effectiveness of the administration's program, and also provides that no payments shall be made unless the Secretary is satisfied, pursuant to regulations, that an adequate number of personnel are employed in the program to administer the program effectively.

My own experience in Ohio has called my attention to the fact that a wholly inadequate number of employees are being assigned to administer the program. I met with representatives of the Department of Agriculture in this regard and they were unable to tell me the exact number of employees. But there is admitted maladministration of the program in the State. This amendment would provide a means by which it would be made clear that the Secretary has the authority to require that an adequate number of personnel be assigned to the program.

Mr. President, the Senate should know of the Department of Agriculture's and the Ohio Department of Welfare's confused, mismanagement of millions of tax dollars going to the food stamp program.

While the State and Federal agencies involved seem to be more concerned with fixing the blame on each other, millions of tax dollars continue to be lost in the bureaucratic bungling.

It is difficult for me to imagine that the State and the Department of Agriculture pour in excess of $140 million into the State for food stamps, and then have no regulations concerning the number of State employees it requires to effectively distribute the money. At the same time, it seems impossible to comprehend that Governor Gilligan is aware of the enormous loss to the taxpayers, and does not place enough priority on the program to ensure that it is properly staffed.

I recently contacted Richard Lightner, spokesman for the Ohio Department of Welfare, who said that the exact number of employees assigned to distribute the $140 plus million was not immediately available.

I know that there is a great deal of updating in the Federal regulations, but there is no excuse other than understaffing or incompetence that could cause the information to get lost in Columbus, and not passed along to the county officials administering the program on that level. There seems to be a great breakdown in communication of the regulations, the proper forms to be used, and the manuals, which only recently were updated to comply with Federal regulations and instructions.

While the State officials complain about the maze of papers, rules, and regulations, they apparently were not concerned enough to attend the Department of Agriculture training program to help State food stamp reviewers train for proper management. Four out of fifty supervisors is certainly an indicative showing of the coordination, concern, and dedication that these State officials have to this costly program.

My amendment requires an adequate number of qualified personnel to handle the program. It may also be necessary for USDA to establish an office in Ohio and staff it with experts to monitor the day-to-day functions of this program. Perhaps the 100 percent Federal funding of the basic program could be working as a disincentive for the State to ensure its effective management. It seems to me that if the State had some matching funds portion, they might be more willing to see to it that the money is spent efficiently. This bill as amended should help on administrative costs somewhat, let's hope it will result in improved administration.

Mr. McGOVERN. Mr. President, I am familiar with the Senator's amendment. It is designed to strengthen the administration of the program. I have no objection to it and I would be more than happy to accept it.

Mr. CURTIS. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. CURTIS. I share the feelings of the Senator from South Dakota and would be willing to take the amendment to conference.

Mr. TAFT. I thank the Senator very much for agreeing to it.

Mr. President, I yield back the remainder of my time.

Mr. McGOVERN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back on this amendment.

The question is on agreeing to the amendment of the Senator from Ohio (Mr. Taft).

The amendment was agreed to.

Mr. STEVENS. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I yield.

Mr. STEVENS. I thank the Senator from South Dakota. In looking at the bill, on page 3, item P, it indicates that an Indian reservation means any area recognized as such by the Secretary of the Interior.

The Alaskan Native villages referred to in the previous subsection (o) are also called reservations.

I should like to make certain there is no intent to change the present treatment of village areas, which are not reservations per se, but have been recognized as reservations in the past.

Mr. McGOVERN. The Senator's understanding is correct. He can rest assured on that.

Mr. STEVENS. I thank the Senator from South Dakota very much.

Mr. BURDICK. Mr. President, I am pleased to add my active support to S. 3458, making needed improvements in our commodity distribution, food stamp and special milk programs. I am especially gratified that the Senate Agriculture and Forestry Committee responded so promptly—and effectively—to a problem regarding Indian tribes and nutrition programs which threatened to halt such programs in North Dakota.

Under existing law it is mandated that a nationwide food stamp program be implemented by July 1, 1974. This would end the family commodity distribution program. This is a desirable goal, but it has become apparent that such a timetable would work real hardship on participants living on Indian reservations.

Over the years, Indian citizens on reservations have become accustomed to utilizing U.S. Department of Agriculture food commodities. There are many significant reasons, all of them spelled out in the committee report on S. 3458, why an abrupt transition to food stamps on all reservations would be unworkable. To ease this, the committee has recommended that the family commodity program continue on reservations that so desire, until July 1, 1976.

Current law rightly requires stringent fiduciary responsibility of the State agency administering the food stamp program. Some States, such as North Dakota, have expressed strong reluctance to undertake such responsibilities on Indian reservations, where their jurisdiction to enforce program guidelines is in dispute. This is summarized in a letter written me by the executive director of the North Dakota department of social services on August 31, 1973.

S. 3458 would resolve such problems by providing that Indian tribes will have the option of either authorizing the Secretary of the Interior, or their State government, or their own governing bodies to administer the food stamp program on their reservation. This would appear to be in accord with the Federal policy of self-determination for Indian people. Such an approach has the support of the United Tribes of North Dakota Development Corporation as expressed in their December 14 resolution.

The senior Senator from North Dakota (Mr. Young) is in North Dakota to attend funeral services for the mother of his wife, Patricia. In his absence for that sad occasion, I want to make certain the Record discloses his role in Senate approval of these provisions so crucial to our Indian people.

Senator Young was the principal sponsor of S. 3235, which was incorporated as section 3 of today's bill, S. 3458.

Mr. HUMPHREY. Mr. President, I am delighted to lend my support to S. 3458. This bill would accomplish a number of very important objectives.

The bill would make permanent and mandatory the authority of the Secretary of Agriculture to use funds appropriated under section 32 of Public Law 320, 74th Congress, to purchase—without regard to other provisions of law—agricultural commodities and the products thereof so as to maintain the traditional level of assistance under the food assistance programs.

At present, the Secretary of Agriculture is authorized, under section 4(a) of the Agriculture and Consumer Protection Act of 1973, until June 30, 1974, to use funds under section 32 to purchase commodities of the type customarily purchased under section 416 of the Agricultural Act of 1949.

The inclusion of section 4(a) in the 1973 act, until June 30, 1974, was designed to meet the needs of the Federal food distribution programs during any period when there were no surplus commodities.

Commodities under the act will be utilized for school lunch, institutions, supplemental feeding, and disaster relief. This provision also would mandate, until July 1, 1976, continuation of the family commodity distribution program on Indian reservations not requesting the food stamp program.

I have had many calls from my constituents stating that approval of this section was urgent. There have also been calls and letters from other States such as Tennessee, Pennsylvania, and Louisiana.

Already school districts are running into problems over planning for the future because of the uncertainty as to whether this authority will be continued.

As I pointed out in my testimony before the Appropriations Subcommittee on Agriculture-Environment and Consumer Protection, the administration has already begun to close down 84 supplemental feeding programs on the assumption that this authority will lapse as of June 30, 1974. Included in this list are 43 of the 46 supplemental programs in Missouri, all 6 in Oregon, all 5 in Georgia, 18 of 24 in North Carolina, 4 in California, 3 in Nevada, 2 in South Dakota, and 1 each in Alabama, Kentucky, and Massachusetts.

We do not now know whether we will have surplus commodities next year. This will depend largely on our level of production, the weather and also the export markets.

The authority under this section is needed, and it is needed on a permanent basis. We do not want to extend this authority for just a year or two. That would be an expedient step which would again put our schools and institutions in the same bind in planning for the future.

While we could have some food surpluses this year, we cannot count on it, and we are more likely to continue to be in a shortage situation.

This should be looked on as a necessary and vital kind of standby authority to be used when no surplus commodities are available.

Section 2 would:

Define "State agency" under the Food Stamp Act to also mean the Secretary of the Interior, official governing body of any Indian tribe, or any State whenever such bodies or agency has responsibility for administering the food stamp program on an Indian reservation;

Define the term "tribe" to mean any Indian tribe, including any Alaska Native Village as defined in the Alaska Native Claims Settlement Act; also define "Indian Reservation" to mean any area recognized as such by the Secretary of the Interior.

Section 3 would:

Add authorization for the Secretary of Agriculture to administer the food stamp program on Indian reservations;

Redesignate certain subsections of section 4 of the Food Stamp Act and add a new subsection (b) which would authorize the Secretary of Agriculture to authorize the governing officials of an Indian tribe, the Secretary of the Interior, or any State to administer a food stamp program on an Indian reservation. Where an Indian reservation is located in more than one State, an agreement to administer the program on a reservation would pertain only to the members of the tribe living within the boundaries of that State; and

Require that no regulations could be issued affecting the administration of the food stamp program on Indian reservations without prior consultation with the Secretary of the Interior and the tribes affected.

Section 4. This section would authorize the Secretary of Agriculture to pay 100 percent of all administrative costs for the operation of the food stamp program on Indian reservations, including reimbursement of such costs incurred either by the Secretary of the Interior or State administering such program on a reservation.

These sections would go far toward implementing the food stamp program on Indian reservations. Jurisdictional problems between States and the Indian reservations have to date slowed the implementation of the program.

Providing 100 percent of the administrative costs would provide the means to assure adequate and effective administrative procedures.

This section would also authorize the Secretary of Agriculture to pay to each State agency—other than an Indian tribal government or its agent—62.5 percent of all administrative costs assigned to such State under the Food Stamp Act including, but not limited to, first, certification of households, second, the acceptance, storage and protection of coupons after their delivery to receiving points within the State, third, the issuance of coupons to eligible households, fourth, the outreach and fair hearing requirements of the act, and fifth, the control and accounting of coupons.

This section would make an important contribution toward meeting administrative requirements of this act. Under existing law, the Secretary is authorized to pay 62.5 percent of the direct salary, travel, and travel-related costs—including fringe benefits—of personnel involved in first certification of households not receiving welfare assistance, second, outreach, and third, fair hearings. All other administrative costs are borne by the State and local governments.

At present, this means that only about 25 percent of the administrative costs are covered by Federal financing.

Section 5. This section provides that for fiscal year 1975 and subsequent years the minimum rate of Federal reimbursement for a half pint of milk shall be not less than 5 cents. The rate of reimbursement shall be adjusted each year thereafter on the basis of the Consumer Price Index.

Mr. President, these sections address important objectives in meeting the commodity requirements of our schools and institutions and in implementing the food stamp program.

I believe that the costs are modest in comparison with the benefits and the needs. I recommend approval of this bill.

Mr. SCHWEIKER. Mr. President, the bill currently under consideration, S. 3458, is of great importance to the Commonwealth of Pennsylvania. S. 3458 makes permanent and mandatory the authority of the Secretary of Agriculture to purchase agricultural commodities that are not in surplus supply for donation. Those recipients who would benefit from the bill are the elderly, preschool children, schoolchildren, and pregnant and nursing mothers.

Over the past year food prices have skyrocketed. All indications are that this trend will continue. We all feel an enormous pinch on our wallets. This bill helps go to the heart of the problem and relieve some of that pinch.

In Pennsylvania alone, more than 195 million school lunches and breakfasts are served annually. If each school district is forced to negotiate on the open market for all their food, they will be greatly hindered, lacking the necessary financial resources to make long-term, lowered-cost contracts. The Federal Government, on the other hand, has the resources and can purchase very large quantities of food at a lowered cost. And, in most cases, it is of higher quality.

And the same situation exists for the low-income and the disabled elderly who are unable either financially or physically to prepare their own meals and must rely on the congregate feeding programs within their local municipality.

Furthermore, Mr. President, it is of absolute necessity that pregnant and nursing mothers and their newborn children be guaranteed a balanced, nutritious diet. The mental development of a person is directly linked to the nourishment he or she receives as a fetus and young child up to the age of 4 or 5. Those families who cannot afford to purchase adequate, nutritious food for the pregnant mother and young child should not be denied the opportunity to eat properly.

Mr. President, this donated agricultural commodities program is set to expire June 30, 1974. I commend the members of the Agricultural Committee for acting quickly and responsibly on S. 3458 and hope for its successful passage today by the Senate. Also, with this time limit in mind, I hope the Members of the House of Representatives will act just as quickly.

Mr. HUDDLESTON. Mr. President, as a member of the Senate Agriculture Committee and a cosponsor of S. 3458 and S. 3459, I support Senate passage of this legislation.

These bills make significant and much needed changes in the school lunch, school milk, and food stamp programs. Perhaps the most important of these changes is the one which would make permanent and mandatory the authority of the Secretary of Agriculture to purchase agricultural commodities which are not in surplus for donation to school lunch and other feeding programs.

The school lunch program is not a young program. It is instead a tried and tested program, which has proven its value over the years. The school lunch program has traditionally consisted of several types of Federal assistance: cash payments, funds to purchase equipment and donated commodities. With the drawdown of surplus U.S. agricultural products, and even some shortages in the marketplace, there has been some movement toward abandonment of the donated program. While on the surface, this might appear as a wise economical move, it would be extremely disruptive to many school feeding programs, especially those in small and rural districts, and for these districts it might force the price of school lunches up.

The Department of Agriculture, even when it does not hold grains and other commodities, can operate more efficiently than a small school district. It can purchase in bulk. It has personnel who are experienced in making such purchases and providing for their distribution.

Last year, in my State of Kentucky, more than 95 million school lunches were served, with about one-third being made available free or at a reduced price. To facilitate the serving of these lunches, the Federal Government made some 14 million pounds of commodities available to school districts. This 14 million pounds coupled with the 1.2 million pounds made available to institutions represented a contribution equal to approximately $4 million in foodstuffs.

If the schools and institutions receiving these commodities had been forced to purchase these commodities on their own, it is highly likely that they could not have obtained a comparable amount of foodstuffs. They would not have been purchasing in bulk—indeed, in many cases, they would not have the overall need or the storage facilities to make substantial purchases at one time. They would not have the trained personnel, and, in many cases, would have to take an already busy official and give him additional responsibilities in another field.

In a related move, the committee also reported a provision which would raise from 7 to 10 cents the minimum Federal reimbursement which must be made available to school districts under the commodity or cash-in-lieu-of-commodity type of assistance for feeding programs. This provision would not only recognize the increases which have occurred in food prices but would also set a floor under the assistance which will be available under the commodity aspect of the feeding programs.

The Federal reimbursement for milk would also be increased. For years, the Federal Government has paid school districts 4 cents for each half pint of milk sold. At the beginning of the program, the 4 cents covered the entire cost of milk in some cases. Over the years, however, milk production prices and milk prices have risen and the 5-cent reimbursement provided in the pending legislation is now more realistic.

Finally, I would like to refer to the increased reimbursement for State administrative expenses incurred in connection with the food stamp program. Certainly the factors which necessitate a food stamp program are ones which we would prefer did not exist. But they do, and in response to them, Congress has spent much time developing what it believes to be a viable system of assistance. In view of that, it seems only reasonable to take those steps required to insure that the system works administratively—to guarantee that those who are eligible benefit and that there are no frauds or abuses in the system. That is what this section is designed to do—to enable the States to carry out the program the Federal Government has approved.

Mr. McGOVERN. Mr. President, I yield back the remainder of my time.

Mr. CURTIS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and time, and passed, as follows:

The bill was ordered to be engrossed for a third reading, was read the third

S. 3458

An act to amend the Agriculture and Consumer Protection Act of 1973, the Food Stamp Act of 1964, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(a) of the Agriculture and Consumer Protection Act of 1973, as amended (87 Stat. 221, as amended, 7 U.S.C. 612c note), is amended to read as follows:

"Sec. 4. (a) Notwithstanding any other provision of law, the Secretary of Agriculture shall (1) use funds available under provisions of section 32 of Public Law No. 320, Seventy-fourth Congress, as amended (7 U.S.C. 612c), to purchase, without regard to the provisions of existing law governing the expenditure of public funds, agricultural commodities and their products of the types customarily purchased under section 32 for donation to maintain the traditional level of assistance for food assistance programs as are authorized by law, including but not limited to school lunch, institutions, supplemental feeding, disaster relief, and, until July 1, 1976, the family commodity distribution program on Indian reservations not requesting the food stamp program, and (2) if stocks of the Commodity Credit Corporation are not available, use the funds of the Corporation to purchase agricultural commodities and the products thereof of the types customarily available under section 416 of the Agricultural Act of 1949 to meet such requirements: *Provided, however,* That nothing in this subsection supersedes the requirements of section 10(e) of the Food Stamp Act of 1964, as amended, except as to Indian reservations.".

Sec. 2. (a) Section 3(h) of the Food Stamp Act of 1964, as amended (78 Stat. 703, as amended, 7 U.S.C. 2011–2026), is amended by adding at the end thereof the following new sentence: "Such term, with respect to any tribe, means (1) the Secretary of the Interior whenever the Secretary of the Interior has responsibility for administering a food stamp program for such tribe under an agreement entered into under this Act, (2) the official governing body of any tribe whenever such tribe has responsibility for administering its own food stamp program under this Act, or (3) any State whenever such State agrees to accept responsibility for administering a food stamp program for such tribe within such State under an agreement entered into under this Act.".

(b) Section 3 of the Food Stamp Act of 1964 is further amended by adding at the end thereof the following new subsections (o) and (p):

"(o) The term 'tribe' means any Indian tribe, band, nation, or community, including any 'Native village' as defined in the Alaska Native Claims Settlement Act (85 Stat. 688), for which the Federal Government provides special programs because of the identity of the tribe, band, nation, or community as Indian.

"(p) The term 'Indian reservation' means any area recognized as such by the Secretary of the Interior.".

Sec. 3. (a) Section 4(a) of the Food Stamp Act of 1964, as amended, is amended by inserting "or an Indian reservation, as the case may be," immediately after "within the State".

(b) Section 4 of the Food Stamp Act of 1964 is further amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by adding after subsection (a) a new subsection (b) as follows:

"(b)(1) Upon request to the Secretary by the appropriate officials of any tribe, such tribe is authorized to administer a food stamp program under this Act on behalf of the eligible households of such tribe living on an Indian reservation. Such program shall be administered by the tribe in accordance with regulations issued by the Secretary.

"(2) The Secretary of the Interior or any State is authorized to administer a food stamp program on behalf of any tribe residing on an Indian reservation. Any such program shall be administered in accordance with an agreement entered into between the tribe and the Secretary of the Interior or the State within which the Indian reservation is located. Where an Indian reservation is located in more than one State, an agreement with a State shall pertain only to members of the tribe residing within the boundaries of such State.

"(3) In accordance with regulations issued under paragraph (1) of this subsection or in accordance with an agreement entered into under paragraph (2) of this subsection, as appropriate, a food stamp program may be administered by a tribe or by the Secretary of the Interior or a State on behalf of part or all the members of such tribe eligible to participate in such program.".

(c) Subsection (d) of section 4 of the Food Stamp Act of 1964, as redesignated by subsection (b) of this section, is amended by adding at the end thereof the following new sentence: "No regulation which pertains only to the administration of the food stamp program on Indian reservations may be issued without prior consultation with the Secretary of the Interior and authorized representatives of the tribes affected.".

Sec. 4. Section 15 of the Food Stamp Act of 1964, as amended, is amended as follows:

(a) Subsections (a) and (b) are amended to read as follows:

"(a) Except as otherwise provided in this section, each State shall be responsible for financing, from funds available to the State or political subdivision thereof, the costs of carrying out the administrative responsibilities assigned to it under the provisions of this Act.

"(b) The Secretary is authorized to pay to each State agency an amount equal to 62.5 per centum of all administrative costs, including, but not limited to, the cost of (1) the certification of households; (2) the acceptance, storage, and protection of coupons after their delivery to receiving points within the States; (3) the issuance of such coupons to eligible households; (4) the outreach and fair hearing requirements of section 10 of this Act; and (5) the control and accounting of coupons: *Provided,* That each State shall report at least annually to the Secretary on the effectiveness of its administration of the program and no such payment shall be made to any State unless the Secretary is satisfied pursuant to regulations which he shall issue that an adequate number of qualified personnel are employed by the State in the program to administer the program efficiently and effectively.

(b) A new subsection (c) is added at the end thereof as follows:

"(c) Notwithstanding any other provision of this Act, the Secretary shall pay any tribe administering a food stamp program on any Indian reservation an amount equal to 100 per centum of all expenses incurred by such tribe attributable to the administration of such program and shall reimburse the Department of the Interior or any State administering a food stamp program on any Indian reservation for all expenses incurred by such Department or State in accordance with any agreement entered into under section 4(b) of this Act.".

SEC. 5. Section 3 of the Child Nutrition Act of 1966, as amended (80 Stat. 885, as amended, 42 U.S.C. 1771–1786), is amended as follows:

(a) The first sentence is amended by striking ", not to exceed $120,000,000," and inserting in lieu thereof "such sums as may be necessary".

(b) Section 3 is further amended by adding at the end thereof the following: "For the fiscal year ending June 30, 1975, and for subsequent fiscal years, the minimum rate of reimbursement for a half-pint of milk served in schools and other eligible institutions shall not be less than 5 cents per half-pint served to eligible children, and such minimum rate of reimbursement shall be adjusted on an annual basis each fiscal year thereafter, beginning with the fiscal year ending June 30, 1976, to reflect changes in the series of food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. Such adjustment shall be computed to the nearest one-fourth cent.".

Mr McGOVERN. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. JACKSON and Mr. HUMPHREY moved to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACT AMENDMENTS OF 1974

The PRESIDING OFFICER (Mr. HASKELL). Under the previous order, the Senate will now proceed to the consideration of S. 3459, which the clerk will state by title.

The assistant legislative clerk read as follows:

S. 3459, to amend the National School Lunch and Child Nutrition Act to increase the level of Federal assistance for child nutrition programs, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a staff member, Mr. Nelson Denlinger, may have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry be discharged from consideration of H.R. 14354, an act to amend the National School Lunch Act and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I ask unanimous consent to strike all after the enacting clause of H.R. 14354 and to substitute in lieu thereof the language of S. 3459, as reported by the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 10 minutes.

Mr. McGOVERN. Mr. President, this bill, S. 3459, which amends the School Lunch and Child Nutrition Acts, has five sections.

The first would require a minimum 10-cent per meal level of donated food assistance for the school lunch program for fiscal year 1975, or cash payments in lieu thereof, and require that this level of assistance be adjusted annually each year thereafter to reflect changes in costs. This increase reflects the cost increase the schools have incurred, and of necessity passed along to the schoolchildren, since 1971. This section also guarantees that the commodities supplied to the school lunch program will be high in protein content and contain meat and meat products.

I think that everyone who is familiar with what has happened to the cost of living in the past 3 years would recognize the prudence and the desirability of this adjustment.

In addition, the bill will make permanent the authority of the States to serve reduced price school lunches to children from families with incomes of up to 75 percent above income poverty guidelines. This provision was submitted last year by the distinguished Senator from New Jersey (Mr. CASE) and has proved to be very successful. It was extended in the bill overwhelmingly by the Committee on Agriculture and Forestry, and I think it makes eminent good sense.

This section is needed to reach tens of thousands of children from families just above the poverty line who are not eligible for free lunches. These children are the ones who have suffered the most from the increased cost of the school lunches. In some instances, they are faced with even greater hardships than the children below the poverty line who qualify for free school lunch programs.

The third section of this bill will increase the authorization for school food service equipment assistance funding from $20 million to $40 million for fiscal year 1976 and for succeeding years—under current law, the authorization is $40 million for fiscal years 1973 through 1975, but would drop to $20 million in fiscal year 1976.

The Department of Agriculture recently conducted a survey of equipment needs for all the schools in the country serving or wishing to serve school lunches. Their own survey shows the current need to be near $180 million. With this proof of need in hand, it is obvious that we must maintain, not decrease, our appropriation authorization for school equipment.

The last substantive section of this bill would increase the required expenditure for the special supplemental food program for women, infants, and children from $40 million to $131 million for fiscal year 1975 only. This important section of the bill, dealing with supplemental nutritional foods for women, infants, and children, was pressed very hard by the distinguished Senator from Minnesota (Mr. HUMPHREY), and he has taken the lead in the committee in seeing that this program is brought to the attention of the Nation and is adequately funded.

But this increase proposed by the Senator from Minnesota (Mr. HUMPHREY) and approved overwhelmingly in the committee, represents little more than a maintenance of the status quo. This very promising and attractive nutrition intervention program will be cut back by more than half in every State, the funds reduced and/or eliminated entirely, unless this program's budget is put on a 12-month basis. Cutbacks at this time would prove to be a cruel hoax both to the beneficiaries of this program and the taxpayer.

Furthermore, over 30 million dollars worth of grants by eligible agencies have been rejected for lack of funds this year, and this bill will allow some of them to participate.

The final section of this bill would correct a technical error in the last child nutrition bill enacted, Public Law 93–150.

This bill will do a number of important things, all relating to the nutritional health of young American children.

It does not break new ground, but instead, seeks to strengthen and maintain proven programs of food delivery and nutrition that I know is strongly supported by the American people and by the Members of this body.

I hope that it will be adopted by the same overwhelming vote in the Senate that it received in the committee.

Mr. President, I reserve the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the agreement that was entered into with respect to S. 3459 be now made applicable to the House bill, H.R. 14354, which is the bill before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I am happy to voice my support for S. 3459. It would make a number of important improvements in the School Lunch and Child Nutrition Acts.

I have spoken out many times on the importance of the school lunch program and the women, infants, and children program. These programs address vital needs which we cannot ignore.

Unfortunately, the administration has not been willing to provide adequate support. In fact, it has indicated the wish to transfer most commodity programs to HEW.

We cannot allow these important programs to founder because of indifference. The funding involved is actually small in comparison with the importance of the programs to the American people.

The bill would help meet the very severe cost increases in the school lunch program. Under section 2, the per meal commodity level is increased from 7 to 10 cents, and provision is made for future adjustments on the basis of the Consumer Price Index. Special emphasis is also mandated on high protein foods, meat, and meat alternates.

The 7 to 10 cents increase is not new or innovative. It would merely help cover the sharp increases in food costs that have occurred since the 1971–72 school year, when the 7 cents figure began. The escalator clause would automatically make annual adjustments as required in the future.

The reference to meat is intended to guarantee that this increase in funding will be translated into nutrition foods, easily adaptable to use in the school lunch program.

Section 3 would make permanent a provision enacted last year which allows schools, at their option, to introduce a reduced price lunch program for children of families whose income is 75 percent above the poverty level. This provision is due to expire on June 30, 1974.

About 1½ million children have dropped out of the school lunch program in the last 3 years. This is evidence that the bulk of these children have dropped out because of the increased cost of school lunches.

Under this provision, a school might be encouraged to begin a reduced price lunch program, which in turn might keep many of these children in the program. The school would also be able to count on having this authority continued, thereby making it worth the administrative effort to develop the program.

Section 4 would continue the authorization level for school food equipment at $40 million for fiscal year 1976 and maintain it at that level for succeeding years.

The Department of Agriculture recently completed a study which indicates that current school equipment needs are at least $177 million.

The authorization level for the last 3 years has been $40 million, but it is now scheduled to drop to $20 million in fiscal year 1975. We need to keep the authorization at its present level as a minimum measure to make at least a dent in this area.

Section 5 would increase the size of the women, infants and children special supplemental food program from $40 million to $131 million for fiscal year 1975 only.

This increase is necessary since the program has been functioning for less than half of fiscal 1974. We will need an increase to at least $100 million for fiscal year 1975 in order to keep the program going at its present level.

If we are not prepared to increase the funding level of the program, we must then be willing to face the prospect of either cutting out programs or reducing the numbers of participants in ongoing programs.

Increased funding is also needed to develop programs which have only recently begun and have not yet reached their full enrollment.

In addition, there has been a great deal of uncertainty over the program and how to apply for grants under it. The Select Committee on Nutrition report, "To Save the Children," of January 1974 indicated a backlog of over $34 million in such applications plus other uncosted applications.

We must also be prepared to face the prospect of forfeiting the benefits of the program in terms of deriving sound medical data if we permit on-again, off-again yo-yo funding.

Mr. President, this is a program in which many have already testified as to the need and the right course of action. Ample testimony has been provided over the years in terms of the serious lifetime costs which society pays for neglecting infant nutrition.

I feel that this is a program of significance far beyond the amount of funding. It is a pioneering activity which warrants full support if only because of the important questions being raised and the importance of deriving the right answers.

In closing, I would like to cite an article, "Starve the Child, Famish the Future," in the March 23 Saturday Review/World. The article, by Albert Rosenfeld, cites research by Stephen Zamenhof at UCLA on rats in which malnourishment of a pregnant female results in carrying mental retardation into the third generation.

The article also cites an outstanding new book, "The Malnourished Mind," which points out the serious impact of long term near starvation of large numbers of children. This observation combined with UNICEF's recent warning of possible mass malnutrition, should give us serious pause concerning the development potential of children in the Indian subcontinent and parts of Africa.

Mr. President, I ask unanimous consent that the article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Starve the Child, Famish the Future

In the late Sixties two pioneer investigators into the effects of malnutrition on brain development—Myron Winick and Pedro Rosso of The New York Hospital–Cornell Medical Center—came to some important conclusions, based on studies of the brains of Chilean children: A child who is poorly fed during early infancy may never attain his full brain growth, even though he is well fed thereafter. Similarly, a fetus, malnourished in the womb, may never make up for the brain cells and structures that never came properly into being. Malnutrition both before *and* after birth virtually dooms a child to stunted brain development and therefore to considerably diminished mental capacity *for the rest of his life.*

At around the same time as Winick and Rosso were carrying out these and related studies, Stephen Zamenhof of UCLA, another pioneer in this area of research, was conducting rat experiments that confirmed these conclusions. But Zamenhof and his colleagues carried the revelations a step further. When an underfed female rat was mated with a well-fed male, the resulting newborns showed distinct signs of brain malnutrition—as expected—even though they were put on an adequate diet starting at birth. The surprise came when the offspring, the second generation of females, which had been well nourished throughout their lives and during their own pregnancies, nevertheless gave birth to newborns with brain growth likewise retarded. The mothers were apparently unable to develop a placenta adequate to the proper nutrition of the fetus. Thus, in the case of these rats at least, the curse of malnutrition was carried into the third generation!

Rats, of course, are not people. Nevertheless, over the past several years many researchers in embryology, pediatrics, neurology, nutrition, and allied discplines have been learning more and more about the disquietingly long-range effects of malnutrition on brain, behavior, and intellectual ability. Familiarity with this growing body of literature gives one a new outlook on hunger.

Consider the latest outbreak of famine, this time in several drought-stricken nations of Africa. Once more the newspapers carry numbing statistics of the dead and near-dead. Again we see pictures of rickety children with swollen bellies, of old people with hope-emptied eyes, the skin clinging to their bones. The human mind does not relate well to statistics, but it does relate—at least fleetingly—to the visible suffering of other human individuals. Those who can do so will undoubtedly respond to the appeals for aid. Food distribution will almost certainly be inadequate and ill organized. But it will begin to bring some nourishment and relief to the victims. The overall situation will gradually improve, the crisis will abate, and the famine will be declared over.

For us, it will all have been a transient, remote episode in the midst of our other preoccupations. When new headlines tell us of another famine somewhere in the world, we will notice again. But hunger is always with us, over vast regions of the planet. Our own continent, and our own country, is certainly not exempt. Though "famine," so labeled, seldom occurs, there exists chronic, widespread malnutrition. During a famine it simply occurs on an accelerated, wholesale scale.

For survivors of a famine, the ordeal is never really over. Its ravages, as studies have now made clear, may be lifelong and irrevocable. In the first few years of life, the brain grows much faster than the rest of the body. If this growth does not occur on schedule, there is no second chance. This is even truer of prenatal brain development. From fertilized egg to embryo to fetus to infant, growth takes place according to a rigidly timed genetic program, with not much give in it. When brain cells need to divide and new structures need to be formed, the materials—all the materials—and the energy to put them together must be at hand right there and then. DNA can provide the instructions, but the nutrients must come through the placenta. A poorly supplied assembly line cannot be expected to turn out a perfect product.

We have all known that physical growth may be stunted by malnutrition, but we have not understood the extent to which brain function and mental capacity can be impaired. (An excellent new book on the subject is *The Malnourished Mind* by Elie Shneour. The author argues convincingly that the nutrition factor has been too lightly considered by those currently debating the comparative IQs of blacks versus whites.) We have certainly recognized that famine and chronic hunger are tragic circumstances, but we have not recognized the true dimension of the tragedy. When we think of entire populations undergoing a long siege of near-starvation, of children and fetuses by the hundreds of thousands deprived of their basic nutritional needs, we must now understand that these populations may have to function at a considerably diminished intellectual level compared with their genetic potential.

The children who survive will be less able to cope with their ordinary problems, let alone rise to the challenge of situations that require superior intellect or creative ingenuity. The irony is that a nation already afflicted with a plethora of problems, hoping that the new generation will come up with imaginative solutions, may find that the new generation has been sentenced in advance to add to the problems instead—a case of taking away from him that already hath not.

It is patently unfair either for individuals or for nations to be cheated of an equal chance at the future. The human brain, like Mark Anthony's crocodile, "lives by that which nourisheth it." If the nourishment is missing, an adult brain can recover; but a developing brain loses forever. This new realization should spur us, through our national and international planning bodies, to renewed vigor in our attack on worldwide malnutrition—with special emphasis on the proper feeding of small children and expectant mothers. Easy answers are not readily at hand. Science and its continuing research effort can point us along the way, but the solutions must ultimately be political—and moral.

Mr. HUMPHREY. Mr. President, I commend the Senator from South Dakota for his leadership in these areas of nutrition. We are indebted to him. He serves as the chairman of the Select Committee on Nutrition and Human Needs. I believe he has performed a very valuable service in helping us understand better the nutritional needs of our people. His statement today surely gives us the necessary information for the passage of this important bill.

Mr. McGOVERN. I thank the Senator from Minnesota. I again emphasize the great leadership he has provided on all aspects of this bill, but especially his leadership on the program relating to supplemental feeding of women, infants, and children.

Mr. CASE. Mr. President, I want to thank the Senate Agriculture and Forestry Committee for unanimously approving legislation I introduced to make permanent the expanded reduced price school lunch program. I am happy this proposal is part of the legislation before the Senate today.

The reduced price school lunch program makes available lunches to children of working families at reduced cost—usually between 10 and 20 cents per meal. Under my proposal—which was initiated last year—families whose income is 175 percent above the poverty guideline qualify for the reduced price lunch program.

In New Jersey 15,000 additional children were added to the reduced price program as a result of last year's legislation. Participation may more than double this coming year. Thirty-seven other States have begun the new reduced price lunch program and more States are expected to join this coming school year.

My proposal was supported by the American School Food Service Association which called the program a "milestone" and a "must for the school food service program." It was also endorsed by Governor Brendan Byrne of New Jersey who told me:

> We fully expect that most districts will initiate this reduced price provision if legislation permits.

The legislation before the Senate today—both that on school lunches and on the food stamp and commodity program, continues the progress made in the past few years by the Congress.

IMPROVEMENT TO FEDERAL FOOD ASSISTANCE PROGRAMS

Mr. KENNEDY. Mr. President, I am pleased to take this opportunity to express my full support for the two measures that Senator McGovern has designed that will increase benefits for recipients of Federal food assistance programs. Both of these legislative measures are important because they substantially increase the guaranteed level of Federal assistance for vital food and nutrition programs. As families around this country are seriously affected by rising prices, and severe shortages, the demand for added Federal food assistance to the needy becomes a national priority.

I am hopeful that each Member of this Senate fully understands the importance of this legislation and will vote to approve the provisions contained in these measures.

These amendments will clearly add to the nutrition and food requirements of needy people: S. 3458 amends legislation for commodity distribution, food stamp and special milk programs.

Since the people living in poverty are most severely affected by rising prices and scarce food supplies, they are the ones most in need during the present economic crisis.

This bill will authorize the Secretary of the Department of Agriculture to purchase various foodstuffs on the open market when they are needed by those who participate in the child nutrition, institutional feeding, supplemental feeding, and disaster relief programs. People who are presently enrolled in these programs have obtained nutritional benefits because USDA obtained surplus commodities and donated those foodstuffs to these activities. But surplus foods simply do not exist on today's depressed food markets. Yet, thousands of needy Americans still require food assistance. I support the thrust of this legislation because it is designed to insure that needy people will not be forced to go hungry when economic conditions do not make foods available through the surplus program.

Another provision of this measure which deserves commendation, because it seeks to sustain nutritional adequacy for our young school age children authorizes an increase in the Federal reimbursement rate for milk supplied to schoolchildren in the school milk program. Current rates have been at 4 cents per half pint of milk. The new minimum will be 5 cents, under this bill, and this amount may be adjusted each year to reflect any increased costs.

Finally, I am pleased with the provision of this amendment which supplements the food assistance benefits provided to protect the nutritional status of those people who reside on Indian reservations. I am particularly pleased to see these provisions, because too often, legislation of this type fails to adequately consider the problems of our Indian citizens. This measure, however, provides significant nutritional safeguards on behalf of Indian families.

Finally, this bill gives the USDA authority to pay State agencies 62.5 percent of all—instead of part of—the administrative costs of the food stamp program. Last year, the Congress enacted legislation requiring food stamps to be provided in every county in this Nation. For Massachusetts, that means, some 400,000 needy residents will have access to the assistance offered by the food stamp program.

Officials in Massachusetts spent approximately $400,000 to administer the stamp program for 25,000 recipients in 1973. This year, at least 173,000 recipients will be added to the stamp program and by 1975, the statewide administration of the stamp program to 400,000 people will cost over $5 million. This provision eases the financial burden on States like Massachusetts, because 62.5 percent of such costs can be paid by the USDA, to maintain this federally mandated program.

Across the Nation, at least $75 million will be needed to pay the costs to administer the food stamp program to 12 million people. Under this measure, $45 million of that sum can be paid by the USDA.

I strongly urge the passage of this important legislation because it offers vitally needed assistance to so many people.

S. 3459 is equally important in contributing to the nutritional requirements of young children who are dependent upon the school lunch program to obtain their basic food needs.

This bill provides four important aids to the delivery of foodstuffs through school lunch programs:

First, USDA authorities must insure that each meal receive a minimum of 10 cents in donated foods or in cash and that this minimum level of assistance be adjusted annually to reflect changes in costs.

Second, States are authorized under this bill to serve reduced price school lunches to children from families whose marginal income cannot provide for adequate meals.

Rising food costs have increased school lunch prices. Children hit hardest are those from families who were not poor enough to be eligible for free or reduced price lunches. But the families of these children could not afford the increased school lunch costs. To assist these children, Congress temporarily raised the eligibility limit for reduced price lunches from 50 percent to 75 percent above the Secretary's income poverty guidelines. Yet many schools have not implemented the expanded guidelines, and as a result half a million paying children dropped out of the school lunch program last year.

I share the committees belief that this measure will help alleviate the financial burden on lower middle income families by making this expanded eligibility level permanent.

Third, under this amendment funds for school food service equipment will be increased from $20 million to $40 million per year. For Massachusetts, this legislation is especially important because so many of the schools in my State were constructed without cooking or feeding facilities.

This provision makes cooking equipment accessible to schools in depressed communities where youngsters are most in need of such assistance.

Finally, this measure increases the authorization for the special supplemental food program for women, infants, and children, from $40 million to $131 million during fiscal 1975. This amount will simply allow participation in the program during 1975 to remain at the same level attained during 1974. I strongly support this measure because it is designed to maintain a permanent nationwide program for combatting malnutrition and subnutrition among pregnant women, infants, and children of preschool age.

Mr. President, I urge my colleagues to approve both of these vital legislative measures because they can significantly aid those who need nutritional assistance.

Mr. CURTIS. Mr. President, it is not my purpose to delay the consideration of this matter. It is my understanding that the distinguished Senator from Kansas (Mr. Dole) has an amendment and is on his way to the Chamber. Perhaps someone else cares to speak at this time.

Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged to both sides on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On page 1, line 6, insert "(a)" after "Sec. 2."

On page 2, add the following after line 12:

"(b) Section 6 of the National School Lunch Act, as amended, is further amended by adding at the end thereof the following new subsection (f):

'(f) On or before July 1 of each fiscal year, any State educational agency may elect to receive cash in lieu of the distribution, during that fiscal year, of agricultural commodities and other foods under this section, section 416 of the Agricultural Act of 1949, as amended, and section 32 of the Act of August 24, 1935, as amended, and in lieu of any payment authorized under subsection (b) of this section. Upon notice of such election by the State educational agency, the Secretary shall make payments at a rate per meal equal to the value of food deliveries per meal initially programmed for that fiscal year times the number of lunches and breakfasts eligible for reimbursement under section 4 of this Act and section 4 of the Child-Nutrition Act of 1966, served in the State during that fiscal year. The State educational agency shall promptly and equitably disburse such funds to schools participating in the school lunch and breakfast programs under this Act and the Child Nutrition Act of 1966 and such disbursements shall be used by such schools to obtain agricultural commodities and other foods for their school service programs. If any State in which the Secretary directly administers school food programs in nonprofit private schools elects to receive cash in lieu of commodities under this subsection, the Secretary shall make similar payments, at similar rates, directly to the private schools of the State.'

"(c) Subsection (c) of section 6 of the National School Lunch Act, as amended, is amended by striking the phrase 'subsection (b)' wherever it appears and inserting in lieu thereof the phrase 'subsections (b) and (f)'."

Mr. DOLE. Mr. President, the Department of Agriculture earlier this year expressed an intent to phase out the commodity distribution program after fiscal year 1974. At that time, the State of Kansas made plans to terminate its commodity distribution service at the end of this fiscal year.

In the absence of financing and staffing at the State level, considerable hardship could fall upon the local school districts in Kansas. This is why I am offering today an amendment to the National School Lunch Act to permit States to choose either cash or commodities for the school lunch program.

LACK OF FUNDS CRITICAL

The lack of a commodity distribution service in Kansas is complicated by the close of the State legislative session. Formerly, commodity distribution was handled by the department of social rehabilitation services. The burden now falls upon the State school food service. With the State legislature out of session, there is no possibility that a budget can be established to finance a distribution service. The expense would have to be passed on to local school districts.

ADDITIONAL BURDEN ON LOCAL SCHOOLS

The Kansas School Food Service estimates that the expense of a commodity distribution program would be about 10 cents per student and that this would be a substantially heavy burden on school budgets.

School administrators are already having difficulty making ends meet under existing budgets and expenses due to rising expenses and tax lids.

This amendment would give the States the opportunity before the beginning of each fiscal year to choose cash or commodities. If cash were chosen, funds would be provided at a level equivalent to commodities.

Mr. President, the situation existing in Kansas may exist in other States or may develop later. In the interests of maintaining a viable school lunch program and preventing additional burdens on local school districts, I urge my colleagues to support this measure.

Mr. McGOVERN. Mr. President, I have looked at the amendment and, frankly, feel it has a certain amount of merit. The difficulty with accepting the amendment on the floor is that we do not have the technical capacity to make a judgment on what its impact would be on the overall commodity program. But I think there is enough merit in the amendment, and the Senator is very justifiably concerned with the situation in his State. I suggest to the Senator that rather than putting the amendment to a vote here and now we discuss it in conference, and that we also look at the possibility of early hearings before the Committee on Agriculture and Forestry and try to make an evaluation of what the impact of the amendment would be.

I am not hostile toward the amendment but I do think that we should not pass upon it on the floor of the Senate without knowing its impact.

I do hope the Senator will consider withdrawing the amendment at this time with the understanding that I and other Senators will join him in seeing that it gets a careful evaluation by the Committee on Agriculture and Forestry.

Mr. DOLE. I thank the Senator.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. HUMPHREY. Mr. President, I wish to associate myself with the remarks of the Senator from South Dakota. We will work together and try to see the objective that the Senator from Kansas has in mind is given careful consideration. I think the Senator from South Dakota already has given that assurance.

Mr. DOLE. Mr. President, I thank the Senator from Minnesota and the Senator from South Dakota, whose dedication to the school lunch program is well known. I think the amendment would do equity to all States. Perhaps it can be worked out in conference by some report language or change. If not, the Senator from Kansas is willing to have early hearings on the amendment.

Based on that assurance, I withdraw the amendment.

The amendment was withdrawn.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 14354) was read the third time and passed.

Mr. HUMPHREY. Mr. President, I move that the Senate insist on its amendment and request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. TALMADGE, Mr. MCGOVERN, Mr. ALLEN, Mr. CLARK, Mr. YOUNG, Mr. DOLE, and Mr. BELLMON conferees on the part of the Senate.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that S. 3459 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS subsequently said: Mr. President, I ask unanimous consent that of the conferees named on H.R. 14354, the name of the junior Senator from Nebraska now speaking be withdrawn and that the name of the distinguished Senator from Oklahoma (Mr. BELLMON) be added.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries, and he announced that on May 16, 1974, the President had approved and signed the following acts:

S. 245. An Act for the relief of Kamal Antoine Chalaby;

S. 428. An Act for the relief of Ernest Edward Scofield (Ernesto Espino); and

S. 2509. An Act to name structure S–5A of the Central and Southern Florida Flood Control District, located in Palm Beach County, Florida, as the "W. Turner Wallis Pumping Station" in memory of the late W. Turner Wallis, the first secretary-treasurer and chief engineer for the Central and Southern Florida Flood Control District.

BUDGET OF THE DISTRICT OF COLUMBIA—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. HASKELL) laid before the Senate a message from the President of the United States, which, with the accompanying document, was referred to the Committee on Appropriations. The message is as follows:

To the Congress of the United States:

I am transmitting to the Congress the budget of the District of Columbia for the fiscal year beginning July 1, 1974.

The budget proposals herein have been prepared by the Mayor-Commissioner and the City Council in accordance with their responsibilities under Reorganization Plan No. 3 of 1967, and they also reflect the comments of the citizens of the District during City Council budget hearings. Further review of these proposals has been made by the Office of Management and Budget as specified in the District of Columbia Revenue Act of 1970.

The fiscal year 1975 budget represents the assumption of new responsibilities by the District of Columbia as it moves toward more self-government. The great progress made in recent years by the District Government in program and fiscal management attest to its ability to move effectively along the path charted by the District of Columbia Self-government and Governmental Reorganization Act of 1973. This budget indicates that the city welcomes these additional responsibilities and that it is prepared to work with the Congress on behalf of all residents of the District of Columbia to improve local government and the quality of city life.

I urge the Congress to act upon these proposals in the same spirit.

RICHARD NIXON.

THE WHITE HOUSE, *May 21, 1974.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HASKELL) laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of Luther Holcomb, of Texas, to be a Member of the Federal Communications Commission, which nominating messages were referred to the appropriate committee.

(The nominations received today are printed at the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed a bill (H.R. 11691) to amend the act of August 24, 1935—commonly referred to as the "Miller Act"—to provide for the inclusion of interest and legal fees in judgments granted on suits by subcontractors based upon payment bonds, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 2835. An act to rename the first Civilian Conservation Corps Center located near Franklin, N.C., and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson; and

H.R. 10942. An act to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), as amended, to extend and adapt its provisions to the convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, coincluded at the city of Tokyo, March 4, 1972.

The PRESIDENT pro tempore subsequently signed the enrolled bills.

HOUSE BILL REFERRED

The bill (H.R. 11691) to amend the act of August 24, 1935—commonly referred to as the "Miller Act"—to provide for the inclusion of interest and legal fees in judgments granted on suits by subcontractors based upon payment bonds, and for other purposes, was read twice by its title and referred to the Committee on the Judiciary.

INCENTIVE PAY FOR AVIATION CREW MEMBER DUTIES

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 12670, which the clerk will read by title.

The assistant legislative clerk read the bill by title, as follows:

A bill (H.R. 12670) to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with amendments on page 1, lines 7 and 8, strike out "inserting 'enlisted' before 'crew member' " and insert in lieu thereof "striking out 'a crew member' and inserting in lieu thereof 'an enlisted crew member' ";

"(a) Subject to regulations prescribed by the President, a member of a uniformed service who is entitled to basic pay is also entitled to aviation career incentive pay in the amount set forth in subsection (b) of this section, for the frequent and regular performance of operational or proficiency flying duty required by orders. For the purposes of this section, it is the intent of Congress that aviation career incentive pay for a crew member who holds or is in training that leads to the award of an aeronautical rating or designation shall be restricted to those regular or reserve officers who engage, and remain, in that aviation service on a career basis. It is also intended that, under regulations prescribed by the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, an officer (except a flight surgeon, or other medical officer) who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is entitled to continuous monthly incentive pay in the amount set forth in subsection (b) of this section that is applicable to him. However, a flight surgeon, or other medical officer who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is entitled to monthly incentive pay in the amounts set forth in subsection (b) of this section for the frequent and regular performance of operational flying duty. Furthermore, to insure compliance with congressional intent, and to reflect congressional policy, an officer must perform the prescribed operational flying duties (including flight training but excluding proficiency flying) for 6 of the first 12, and 11 of the first 18, years of his aviation service to be entitled to continuous monthly incentive pay. However, if an officer performs the prescribed operational flying duties (including flight training but excluding proficiency flying) for at least 9 but less than 11 of the first 18 years of his aviation service, he will be entitled to continuous monthly incentive pay for the first 22 years of his officer service. If at those times in his aviation career he has failed to perform those prescribed duties, his entitlement to that pay ceases, but he remains entitled to monthly incentive pay for the performance of subsequent operational or proficiency flying duties. For the purposes of this section, the terms—

And, in lieu thereof, insert:

"(a) (1) Subject to regulations prescribed by the President, a member of a uniformed service who is entitled to basic pay is also entitled to aviation career incentive pay in the amount set forth in subsection (b) of this section for the frequent and regular performance of operational or proficiency flying duty required by orders.

"(2) Aviation career incentive pay shall be restricted to regular and reserve officers who hold, or are in training leading to, an aeronautical rating or designation and who engage and remain in aviation service on a career basis.

"(3) Under regulations prescribed by the Secretary of Defense, the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, or the Secretary of Commerce and the Secretary of Health, Education, and Welfare with respect to members under their respective jurisdictions, an officer (except a flight surgeon or other medical officer) who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is entitled to continuous monthly incentive pay in the amount set forth in subsection (b) of this section that is applicable to him. A flight surgeon or other medical officer who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is not entitled to continuous monthly incentive pay but is entitled to monthly incentive pay in the amounts set forth in subsection (b) of this section for the frequent and regular performance of operational flying duty.

"(4) To be entitled to continuous monthly incentive pay, an officer must perform the prescribed operational flying duties (including flight training but excluding proficiency flying) for 6 of the first 12, and 11 of the first 18, years of his aviation service. However, if an officer performs the prescribed operational flying duties (including flight training but excluding proficiency flying) for at least 9 but less than 11 of the first 18 years of his aviation service, he will be entitled to continuous monthly incentive pay for the first 22 years of his officer service.

"(5) If upon completion of either 12 or 18 years of aviation service it is determined that an officer has failed to perform the minimum prescribed operational flying duty requirements during the prescribed periods of time, his entitlement to continuous monthly incentive pay ceases. If at the completion of 12 years of aviation service entitlement to continuous monthly incentive pay ceases, entitlement to that pay may again commence at the completion of 18 years of aviation service upon completion of the minimum operational flying duty requirements, such pay to continue for a period of time as prescribed in accordance with this section. However, if entitlement to continuous monthly incentive pay ceases in the case of any officer at the completion of either 12 or 18 years of aviation service, such officer remains entitled to monthly incentive pay for the performance of subsequent operational or proficiency flying duties up to the maximum period of time prescribed in accordance with this section.

"(6) For the purposes of this section, the term—

On page 6, at the beginning of line 8, strike out "(1)" and insert "(A)"; at the beginning of line 14, strike out "training, that" and insert "training that"; at the beginning of line 16, strike out "(2)" and insert "(B)"; on page 8, after line 4, strike out:

For the purposes of clauses (1) and (2) of this subsection, the term 'aviation service' means the service performed, under regulations prescribed by the Secretary concerned. by an officer, and the years of aviation service are computed beginning with the effective date of the initial order to perform aviation service.

And, in lieu thereof, insert:

For the purposes of clauses (1) and (2) of this subsection, the term 'aviation service' means the service performed, under regulations prescribed by the Secretary concerned, by an officer, and the years of aviation service are computed beginning with the effective date of the initial order to perform aviation service.

On page 9, line 7, after the word "corresponding", strike out "grade" and insert "years of aviation or officer service, as appropriate,"; at the beginning of line 9, strike out "He" and insert "Such member"; in line 21, after "(1)", strike out "have 12, or 18, years of aviation services" and insert "have 12 or 18 years of aviation service,"; on page 10, line 1, after the word "flying", strike out "duties."." and insert "duties."."; on page 11, line 6, after the word "as", strike out "amended" and insert "added"; in line 8, after the word "as", strike out "amended" and insert "added" in line 10, after the word "grade", strike out "O–7, or above," and insert "O–7 or above"; in line 13, after the word "pay", strike out "grade prior" and insert "grade, as appropriate, prior"; in line 14, after "1973.", strike out "Once an officer described in this clause has received any monthly incentive pay under section 301a(b) of title 37, United States Code, as added by this Act, he is no longer entitled to receive any payment under section 301(b) of that title as it existed on the day before the effective date of this Act."; in line 22, after the word "aviation", strike out "service," and insert "service"; in line 25, after the word "Code", strike out "that" and insert "as added by this Act, that"; on page 12, line 4, after the word "that", strike out "title with" and insert "title, as added by this Act with"; at the beginning of line 7, insert "However, under this clause, an officer who is assigned to the pay grade O–7 on the effective date of this Act, or is promoted to the pay grade O–7 during the 36-month period following the effective date of this Act, may not receive more than $160 per month while assigned to that grade."; at the beginning of line 13, strike out "However, the" and insert "The"; in the same line, after the word "officer", insert "who is entitled to compensation under section 206 of title 37, United States Code,"; and, in line 16, after the word "of", where it appears the second time, strike out "title 37, United States Code" and insert "that title, as added by this Act".

Mr. HARRY F. BYRD, JR. Mr. President, I am pleased today to address myself to calendar item, H.R. 12670, a bill to restructure the flight pay of the uniformed services, which is reported by the Committee on Armed Services.

H.R. 12670 passed the House on February 21, 1974, by a vote of 320 to 67 and the bill reported today is identical in substance with the House-passed bill, although the committee did make a number of technical amendments to the House bill.

H.R. 12670 primarily affects the flight pay of officers and is directed toward making an aviation career more attractive for junior officers while also eliminating some of the effects of the "excusal policy" which permits many officers—particularly senior ones—to draw flight pay while not flying.

Basically the bill:

Changes the pay system from one based on rank and longevity to one based on years of aviation service.

Realines the pay system to pay the highest rates during the critical retention years—after the end of the service member's initial obligation.

Recognizes the lower utilization of senior officers in cockpit jobs and terminates the pay at the 25th year thus denying pay to most of the colonels and generals.

Establishes a system of controls to insure that those entitled to continuous pay provide a return to the taxpayer in terms of utilization in the cockpit.

Provides for a reporting system that will give the Congress an opportunity to review the effectiveness of the bill on an annual basis.

Will cost less than the current system as soon as the 3-year transition period is over.

In summary the bill reported from the Committee on Armed Services is a significant improvement over the flight pay system currency in effect for the uniformed services. I urge prompt Senate action on this important bill.

Mr. President, I have a detailed statement which I ask unanimous consent to have printed in the Record at this point. There is also available to each Member a committee report (No. 93–841) which provides a detailed explanation of the bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR HARRY F. BYRD, JR.

Mr. President, I am pleased today to address myself to calendar item, H.R. 12670, a bill to restructure the flight pay of the uniformed services, which is reported by the Committee on Armed Services.

H.R. 12670 passed the House on February 21 1974 by a vote of 320–67 and the bill reported today is identical in substance with the House passed bill, although the Committee did make a number of technical amendments to the House bill.

H.R. 12670 primarily affects the flight pay of officers and is directed toward making an aviation career more attractive for junior officers while also eliminating some of the effects of the "excusal policy" which permits many officers (particularly senior ones) to draw flight pay while not flying.

BACKGROUND OF PRESENT FLIGHT PAY LEGISLATION

Since 1954 the Congress through a series of appropriation bill riders concurred in the policy of continuing flight pay for officers who were not flying—this was the so-called "excusal policy". Section 715 of the FY 1973 Appropriation bill cut off flight pay for O–6's (colonel) and above as of May 31, 1973, if these members were not in operational flying billets. Although the Armed Services Committee recommended and the Senate voted to extend this cutoff date to December 31, 1973, the House rejected such an extension last June by a vote of 238–175. The Senate extension was dropped in Conference with the House and, therefore, officers in the grade of O–6 (colonel) and above, when not in operational flying billets, have not received flight pay since June 1, 1973. It was this cutoff of flight pay for senior aviators along with criticism of the excusal policy, particularly paying senior officers who were not flying the highest rates of flight pay, and some retention difficulties with first term aviators, which led the Department of Defense to conduct a long overdue review of the entire flight pay system and recommend enactment of H.R. 8593—the Defense flight pay bill.

Subcommittee No. 4 of the House Armed Services Committee, chaired by Congressman Stratton, conducted extensive hearings on the entire flight pay system and recommended enactment of H.R. 12670. The Committee on Armed Services after hearings on the Defense and House flight pay bills recommends enactment of the House bill, with certain technical amendments which are listed in the report on the bill.

I might add here, Mr. President, that the Committee had the distinct advantage of having Senator Goldwater, who is not a member of the Subcommittee which considered H.R. 12670, attend the hearings and make an excellent statement in favor of the House bill. The Committee acknowledges Senator Goldwater's expertise in this area and is indebted to him for his valuable counsel on this important legislation.

PRESENT FLIGHT PAY SYSTEM

Present flight pay ranges from $100 per month for an O–1 (2nd. Lt.) with less than 2 years of service to $245 per month beginning with an O–5 (Lt. Col.) with over 18 years of service. O–7's (Brig. Gen.) receive $160 per month and all other general officers a flat $165 per month.

This is considered an inequitable and inefficient flight pay system in terms of retaining junior officers since the highest amount of flight pay is not available at the critical 6 through 12 years of service points where the officers are making career decisions and where they are doing the most flying. Since the cost investment in training pilots is very heavy; ranging generally from $100,000 to $500,000 per man depending on the type of training, a flight pay system that does not optimize the retention of pilots in the years immediately after their obligated service—when cockpit utilization is high—is not cost effective.

HIGH COSTS OF TRAINING AVIATORS

The following table shows examples of costs of training military aviators for various types of aircraft:

[In thousands of dollars]

	Cost	Total combat ready cost 1st squadron
U.S. Air Force average		229
Range of U.S. Air Force costs:		
High cost: F–4 (jet fighter)	399	
Low cost: T–37 (training jet)	170	
U.S. Navy average		306
Range of U.S. Navy costs:		
High cost: RA 5–C (reconnaissance jet)	614	
Low cost: SH–3 (ASW helicopter)	147	
U.S. Marine Corps average		368
Range of U.S. Marine Corps costs:		
High cost: A–6 (attack jet)	660	
Low cost: AH–1 (armed helicopter)	123	
U.S. Army average		100
Range of U.S. Army costs:		
High cost: CH–54 (heavy cargo helicopter)	133	
Low cost: UH–1 (utility helicopter)	94	

Note: These are fiscal year 1973 costs, and may have increased in fiscal year 1974.

AVIATOR RETENTION EXPERIENCE UNDER PRESENT FLIGHT PAY SYSTEM

The existing flight pay system has been found to be effective in attracting the required numbers of volunteers into aviation duty, but it has not proven effective in retaining the needed numbers of aviators who have completed their initial obligated tours of duty following aviation training. The following table shows that the Navy, Marine Corps, and Air Force, who together comprise over 80 percent of all military aviators, have never met their retention objectives.

RETENTION STATISTICS—RETENTION DATA (PERCENTAGES) ALL SERVICES

	Fiscal year—				
	1969	1970	1971	1972	1973
I. Army pilots: [1]					
Army officer retention [2]	66.5	[3] 86.6	[3] 91.2	[3] 73.3	[3] 68.2
Required retention	100.0	39.6	27.0	33.0	37.8
Army warrant officer retention [2]	41.4	[4] 21.9	[4] 18.0	[4] 23.0	[4] 31.6
Required retention [5]	100.0	19.8	15.0	15.3	28.7
II. Navy pilots: [6]					
Pilot retention	32.0	25.8	27.0	34.0	43.0
Required retention	49.0	47.0	50.0	50.0	52.0
III. Marine Corps pilots: [6]					
Pilot retention	40.0	32.0	37.1	38.0	44.0
Required retention	45.0	45.0	45.0	45.0	45.0
IV. Air Force pilots:					
Pilot retention [7]	45.7	42.4	44.5	44.5	47.3
Required retention [8]	52.3	52.3	52.3	52.3	52.3

[1] Army retention measured on the basis of active Federal officer service at the 4-yr point for officers and 3-yr point for warrant officers.

[2] Retention figures show the percentage retained of total number entered into the year group which became eligible for retention in the fiscal years indicated.

[3] The Army retained more than the required retention rate fiscal year 1970 to fiscal year 1973 for the following reasons: The overall Army was below authorized strength in commissioned officers and therefore pilots were retained to fill shortages of officers in their career field.

[4] Retention rate exceeded rate in order to meet Vietnam requirements for experienced warrant officer aviators over and above numbers to meet age and service spread among year groups.

[5] Reflects the percentages of trained individuals that could be accepted in the career force to (1) meet projected requirements, and (2) to maintain the age and service spread among year groups. Significant reduction in required retention rate between fiscal year 1969 and fiscal year 1970 results from terminating buildup in aviator strength and phasing down to baseline authorizations for aviators.

[6] Navy and Marine Corps retention is calculated on the basis of MSR (minimum service requirement; that is, 5 yr required aviation service after entering flight training) plus 2 yr; that is, the number of pilots retained is calculated at the 7th yr of service point as a percentage of the population of the same year group at the 3.5 yr of service point.

[7] Depicts the percentage of pilots graduating from pilot training and who have completed 8 yr of aviation service.

[8] Reflects minimum retention requirement at 8 yr point to provide adequate numbers of experienced pilots to carry out Air Force mission.

Mr. President, I would also point out that the Department of Defense retains only about 4 out of every 10 of the pilots it spends up to a half a million dollars per man to train. The Committee bill will hopefully alleviate this problem by providing the highest rate of flight pay beginning with the retention critical six years of service point.

FLIGHT PAY SYSTEM UNDER COMMITTEE BILL

The Committee bill concentrates the highest rate of flight pay in the retention critical years, that is, from the 6th to the 18th years of service rather than in the senior years as at present. Up to the 6th year of aviation service, flight pay rates would be the same as the present rates (from $100 to $165 a month) but based on years of *aviation* service rather than simply years of service. After 6 years of aviation service, flight pay would be increased to $245 per month and remain level at that rate through the 18th year of service as an officer.

After 18 years of service, flight pay for commissioned officers would progressively decrease by $20 per month every 2 years, down to $165 per month at the 24-year point, *with all flight pay terminating after 25 years of service*. General and flag officers' flight pay could not exceed their current rates of $160 and $165 per month.

This bill thus contrasts with the present system which pays an increased rate of flight pay based on years of service, with most officers reaching the $245 rate at the 18th year and retaining that level of flight pay through 30 years of service.

The bill provides that in the future an officer would receive over two-thirds of his flight pay in the first 18 years of his career, corresponding to the period when he does most of his flying. By contrast, under the present system an officer receives only 45 percent of his flight pay in the first 16 years of service and 55 percent in the last 14 years of service, after he has completed most of his flying assignments.

OFFICER SALARIES UNDER PRESENT LAW AND COMMITTEE BILL

The following chart shows selected examples of annual officer aviator salaries under present law and the Committee bill:

Grade	Years of service for pay	Number of dependents	Regular military compensation[1] (RMC)	Present system		Committee bill		Difference between committee bill and present system
				Flight pay	Total flight pay and RMC	Flight pay	Total flight pay and RMC	
0-1 (2d lieutenant) less than 2 years	2	1	$9,972	$1,200	$11,172	$1,200	$11,172	0
0-2 (1st Lieutenant) 2 years	2	2	12,287	1,500	13,787	1,500	13,787	0
0-3 (captain)	4	3	16,308	1,980	18,288	1,980	18,288	0
Do	6	3	16,945	2,160	19,105	2,940	19,885	$780
0-4 (major)	10	3	19,269	2,520	21,789	2,940	22,209	420
0-5 (lieutenant colonel)	16	3	23,711	2,760	26,471	2,940	26,651	180
0-6 (colonel)	22	3	29,626	2,940	32,566	2,220	31,846	−720
0-7 (brigadier general)	24	3	36,368	1,920	38,288	1,920	38,288	0
Do	26	3	36,368	1,980	38,348	0	36,368	−1,980

[1] Regular military compensation is composed of basic pay, quarters and subsistence allowances, and the tax advantage that accrues because the allowances are not subject to Federal income tax.

"GATE" SYSTEM IN THE BILL

Under the "gate" system in the bill, to receive flight pay for 18 years an officer must spend 6 of his first 12 years of aviation service in an "operational" job, that is, one that requires flying. To receive continuous flight pay up through 25 years of service, an officer must have spent at least 11 of his first 18 years of service in operational flying jobs. If an officer is in operational jobs for at least 9 but not 11 of his first 18 years of service he is eligible for 22 years of continuous flight pay.

If an officer does not meet the performance standards at the 12- and 18-year "gates," flight pay is received on a month-to-month basis only when actually performing operational or proficiency flying. The "gate" system thus assures that only those who have done a specified amount of operational flying will have continuous flight pay up through 25 years of service. The "gate" system was the major difference between H.R. 12670 and the Defense proposal, H.R. 8593.

Had the new "gate" system been in effect and aviation careers been managed as in the past, the following percentages of commissioned aviation officers would *fail* to meet the various operational flying requirements as shown:

12-YEAR GATE

Years of operational flying	Percent failing
I. Army:	
6 yr	32
7 yr	64
8 yr	95–100
II. Navy:	
6 yr	8
7 yr	20
8 yr	60
III. Marine Corps:	
6 yr	0
7 yr	1
8 yr	2
IV. Air Force:	
6 yr	1
7 yr	11
8 yr	20

18-YEAR GATE

Years of operational flying	Percent failing
I. Army:	
9 yr	43
11 yr	78
12 yr	98–100
II. Navy:	
9 yr	29
11 yr	49
12 yr	72
III. Marine Corps:	
9 yr	1
11 yr	2
12 yr	4
IV. Air Force:	
9 yr	3
11 yr	10
12 yr	25

Note: Since the typical aviation warrant officer spends about 90 percent of his career in operational flying duties, it is anticipated that virtually 100 percent of the warrant officers will successfully meet any of these standards.

FLIGHT PAY WHEN ENGAGED IN OPERATIONAL OR PROFICIENCY FLYING

The Committee bill provides that, within the 25 year aviation career period, officers are entitled to flight pay when performing operational or proficiency flying pursuant to orders even if they have previously failed to make a "gate". The Committee felt it would not be fair to deny flight pay to one who has been ordered to participate in flying during the 25-year aviation career period.

The following charts show both the percentages and numbers of all Department of Defense aviation officers engaged in operational flying, proficiency flying and those in excused/prohibited assignments.

PERCENTAGE SUMMARY OF OPERATIONAL, PROFICIENCY, AND EXCUSED/PROHIBITED POPULATION[1] (AS OF DEC. 31, 1973)[2]

Years of service[3]	Grade	Percent		
		Operational flying	Proficiency flying	Excused prohibited
I. Department of Defense:				
0 to 2	0-1 (2d Lieutenant)	98	2	0
2 to 5	0-2 (1st Lieutenant)	95	3	2
6 to 11	0-3 (Captain)	75	13	11
12 to 17	0-4 (Major)	62	18	21
18 to 21	0-5 (Lieutenant Colonel)	36	10	55
22 to 30	0-6 (Colonel)	25	0	75
24 to 35	0-7/10 (Generals)	23	0	77
Total commissioned		67	10	23
	Warrant Officers	88	0	12
Total, DOD		68	10	22
II. Air Force:				
0 to 2	0-1 (2d Lieutenant)	100	0	0
2 to 5	0-2 (1st Lieutenant)	99	0	1
6 to 11	0-3 (Captain)	88	8	4
12 to 17	0-4 (Major)	65	19	16
18 to 21	0-5 (Lieutenant Colonel)	42	9	49
22 to 30	0-6 (Colonel)	24	0	76
24 to 35	0-7/10 (Generals)	22	0	78
Total, U.S. Air Force		72	8	20
III. Navy:				
0 to 2	0-1 (Ensign)	96	4	0
2 to 5	0-2 (Lieutenant Junior Grade).	90	10	1
6 to 11	0-3 (Lieutenant)	76	18	6
12 to 17	0-4 (Lieutenant Commander).	55	21	24
18 to 21	0-5 (Commander)	17	13	70
22 to 30	0-6 (Captain)	24	0	76
24 to 35	0-7/10 (Admirals)	21	0	79
Total, Navy		64	13	22
IV. Marine Corps:				
0 to 2	0-1 (2d Lieutenant)	100	0	0
2 to 5	0-2 (1st Lieutenant)	94	4	2
6 to 11	0-3 (Captain)	184	7	9
12 to 17	0-4 (Major)	70	18	12
18 to 21	0-5 (Lieutenant Colonel)	47	35	18
22 to 30	0-6 (Colonel)	51	0	49
24 to 35	0-7/10 (Generals)	38	0	62
Commissioned U.S. Marine Corps.		78	12	10
	Warrant Officers	98	0	2
Total, U.S. Marine Corps.		78	11	10
V. Army:				
0 to 2	0-1 (2d Lieutenant)	96	0	4
2 to 5	0-2 (1st Lieutenant)	86	0	14
6 to 11	0-3 (Captain)	33	28	39
12 to 17	0-4 (Major)	52	1	47
18 to 21	0-5 (Lieutenant Colonel)	33	0	67
22 to 30	0-6 (Colonel)	26	0	74
24 to 35	0-7/10 (Generals)	29	0	71
Commissioned Army		44	15	42
	Warrant Officers	88	0	12
Total, Army		59	10	32

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[1] The population presented is composed of pilots, navigators/NFO's, flight surgeons, and related medical officers. Flight surgeons and related medical officers comprise less than 2 percent of the total Defense inventory.

[2] It is emphasized that this utilization distribution is the one that existed on Dec. 31, 1973. Long-range conclusions can be drawn from such a distribution only if the utilization pattern remains constant year after year. In the past, such a pattern has not held true over time; in some years the utilization was more intense; in others, less intense.

[3] "Years of service" shown here are "due course" officer patterns. In reality the years of service for the various grades overlap; for example, the years of service span for on 0-6 (Colonel/Captain) can range from 14 through 30 years.

SUMMARY OF OPERATIONAL, PROFICIENCY AND EXCUSED/PROHIBITED POPULATION[1] (AS OF DEC. 31, 1973)[2]

Years of service[3]	Grade	Operational flying	Proficiency flying	Excused/prohibited	Total
I. Defense summary:					
0 to 2	0-1 (2d Lt.)	6, 287	126	15	6, 428
2 to 5	0-2 (1st Lt.)	11, 240	373	232	11, 845
6 to 11	0-3 (Capt.)	23, 210	4, 147	3, 469	30, 826
12 to 17	0-4 (Maj.)	10, 647	3, 036	3, 628	17, 311
18 to 21	0-5 (Lt. Col.)	5, 094	1, 394	7, 819	14, 307
22 to 30	0-6 (Col.)	1, 472	0	4, 283	5, 710
24 to 35	0-7/10 (Gens.)	121	0	405	526
Total commissioned		58, 026	9, 076	19, 851	86, 053
	WO's	5, 196	0	677	5, 873
Total, DOD		63, 222	9, 076	20, 528	92, 826
II. Air Force:					
0 to 2	0-1 (2d Lt.)	2, 967	0	0	2, 967
2 to 5	0-2 (1st Lt.)	6, 514	24	50	6, 588
6 to 11	0-3 (Capt.)	15, 247	1, 355	652	17, 254
12 to 17	0-4 (Maj.)	6, 908	2, 022	1, 728	10, 658
18 to 21	0-5 (Lt. Col.)	3, 757	786	4, 452	8, 995
22 to 30	0-6 (Col.)	974	0	3, 047	4, 021
24 to 35	0-7/10 (Gens.)	72	0	262	334
Total, USAF		36, 439	4, 187	10, 191	50, 817
III. Navy:					
0 to 2	0-1 (Ens.)	2, 836	126	0	2, 962
2 to 5	0-2 (Lt./jg.)	2, 691	297	13	3, 001
6 to 11	0-3 (Lt.)	4, 418	1, 040	322	5, 780
12 to17	0-4 (Lt. Comd.)	2, 113	811	933	3, 857
18 to 21	0-5 (Cdr.)	540	407	2, 196	3, 143
22 to 30	0-6 (Capt.)	284	0	913	1, 197
24 to 35	0-7/10 (Adms.)	24	0	88	112
Total, Navy		12, 906	2, 681	4, 465	20, 052
IV. Marine Corps:					
0 to 2	0-1 (2d Lt.)	72	0	0	72
2 to 5	0-2 (1st Lt.)	1, 085	52	18	1, 155
6 to 11	0-3 (Capt.)	1, 604	125	179	1, 908
12 to 17	0-4 (Maj.)	685	180	112	977
18 to 21	0-5 (Lt. Col.)	270	201	102	573
22 to 30	0-6 (Col.)	82	0	79	161
24 to 35	0-7/10 (Gens.)	9	0	15	24
Commissioned, USMC.		3, 807	558	505	4, 870
	WO's	45	0	1	46
Total, USMC		3, 852	558	506	4, 916
V. Army:					
0 to 2	0-1 (2d Lt.)	412	0	15	427
2 to 5	0-2 (1st Lt.)	950	0	151	1, 101
6 to 11	0-3 (Capt.)	1, 941	1, 627	2, 316	5, 884
12 to 17	0-4 (Maj.)	941	23	855	1, 819
18 to 21	0-5 (Lt. Col.)	527	0	1, 069	1, 596
22 to 30	0-6 (Col.)	87	0	244	331
24 to 35	0-7/10' (Gens.)	16	0	40	56
Commissioned, Army.		4, 874	1, 650	4, 690	11, 214
	WO's	5, 151	0	676	5, 827
Total, Army		10, 025	1, 650	5, 366	17, 041

[1] The population presented is composed of pilots, navigators/NFO's, flight surgeons, and related medical officers. Flight surgeons and related medical officers comprise less than 2 percent of the total Defense inventory.

[2] It is emphasized that this utilization distribution is the one that existed on Dec. 31, 1973. Long-range conclusions can be drawn from such a distribution only if the utilization pattern remains constant year after year. In the past, such a pattern has not held true, over time—in some years the utilization was more intense, in others, less intense.

[3] "Years of service" shown here are "due course" officer patterns. In reality, the years of service for the various grades overlap; e.g., the years of service span for an 0-6 (Col./Capt.) can range from 14 through 30 years.

EFFECT OF COMMITTEE BILL ON GENERALS AND ADMIRALS

Because of the termination of pay after 25 years of officer service, the effect of H.R. 12670 on general and flag officers in particular will be more severe than the current restrictions on flight pay by section 715 of the Defense Appropriations Act of 1973 and 1974. Under the section 715 restrictions, over 75 percent of general and flag officers were denied flight pay on the basis of not being assigned to operational flying duties. H.R. 12670, on the other hand, would deny flight pay to over 80 percent of general and flag officers on the basis of having over 25 years of officer service.

In other words, only about 20 percent of the general and flag officers who were receiving flight pay prior to May 31, 1973, would be entitled to flight pay under H.R. 12670.

The Committee found that the bulk of a member's active flying was in the early years of his career, and that, therefore, the incentive pay ought to be concentrated there. Older officers, on the other hand, particularly generals and admirals, are overwhelmingly in managerial and supervisory positions and are not expected to perform sustained operational flying in their jobs, and therefore require no incentive pay beyond the 25-years-of-service point.

WARRANT OFFICER AND ENLISTED AVIATION PERSONNEL UNDER BILL

Warrant officers under the bill remain at current rates of flight pay up through sixth year of service and then are increased to $200 per month for a career—up from current maximum of $165 per month. They still must meet the "gate" requirements but this presents no problem as warrant officers fly virtually all of their careers. Warrant officers are not subject to the 25-year cutoff of flight pay in the bill as are officers. Enlisted members flight pay is not affected by the bill since they receive flight pay only when flying and at the present time there is no problem with retention of enlisted air crewmembers.

SAVED PAY FEATURES OF COMMITTEE BILL

O-6's (colonels) and above who lost flight pay June 1, 1973, would again be eligible for flight pay under the new bill, effective the first day of the month following enactment. These officers would be paid under the pay scale provided by the bill (not at the rate they had received before the cutoff). There is no provision for retroactive payments. The 25-year cutoff would not take effect for three years.

The bill includes a saved-pay provision that entitles an officer with six or fewer years of aviation service, but less than 12 years officer service, to the rate of flight pay he was receiving, or the rate in the bill, whichever is higher.

A three-year transition period also is provided, entitling an officer with six years of aviation service, or less than six years aviation service but more than 12 years service as an officer, to the pay rates in the new bill, or $165, whichever is higher, except for O-7's (Brig. Gen.) who cannot receive more than $160 per month. This provision applies for up to 36 months, and is not affected by the gate restrictions.

ANNUAL REPORTING REQUIREMENT

The bill requires an annual report from the Secretary of Defense on the number of officers who have 12 and 18 years of aviation service and of those, the number who are entitled to continuous flight pay and the number who are engaged in operational or proficiency flying. In addition, the report will include:

(1) Number of officers by grade who (a) made or (b) missed the 12-year gate requirement of 6 years of operational flying and the average amount of operational flying done by each category.

(2) For officers at the 18-year gates, the number by grade who (a) missed the 9-year requirement, (b) made the 9-year but not the 11-year requirement, and (c) made the 11-year requirement. Average years of operational flying for year group will be reported.

(3) Number of officers, if any, who missed the 12-year gate but who made the 18-year gate. For those who missed the 12-year gate the average amount of operational and proficiency flying done between the 12th and 18th year will be reported.

(4) Number of all aviation officers, by grade, who are: performing operational flying, performing proficiency flying, and those who are either excused or prohibited from flying.

The Committee also noted that because the "gates" in the bill represent a new concept in the flight pay system, it may be necessary for the Congress to review thoroughly the entire flight pay system again in the 1980 or so timeframe.

COST DATA ON H.R. 12670

H. R. 12670 will eventually result in a decrease in the annual cost of flight pay.

As compared with the flight pay system in effect prior to the enactment of section 715 of Public Law 92-570, the Defense appropriation act rider which cut off flight pay for senior aviators in nonflying billets as of last May 31, H.R. 12670 results in an immediate reduction in flight pay costs; and the eventual annual cost under the new system will be about $23 million less. The Committee considered this comparison significant as section 715 was clearly designed as an interim measure pending revison of the flight pay system. Under the Committee bill a due course officer aviator (advanced at normal promotion points) would receive $62,000 in lifetime flight pay for a 30-year career compared to $75,000 under present law without section 715.

As compared to the existing system with section 715 in effect, as has been the case since last May 31, H.R. 12670 results in a temporary increase in flight pay costs because of saved-pay provisions. However, when saved pay is no longer a factor, the new system created by H.R. 12670 will cost less than the existing system with section 715 in effect.

5-YEAR COMPARATIVE COST ESTIMATES

The following table shows 5-year comparative cost estimates for the Committee bill and present law with and without the effect of section 715 which prohibits the payment of flight pay to 0–6's (colonel) and above who are not assigned to operational flying billets:

[In millions of dollars]

	Fiscal year—				
	1974	1975	1976	1977	1978
DEPARTMENT OF DEFENSE [1]					
Committee bill [1]	17.9	207.5	204.1	185.6	183.4
Present law with 715 [2]	17.1	199.2	199.2	198.9	194.2
Present law without 715 [2]	18.3	214.8	213.6	212.0	206.8
ARMY					
Committee bill [1]	3.0	35.0	35.3	31.3	34.3
Present law with 715 [2]	2.9	32.6	31.9	31.5	30.9
Present law without 715 [2]	3.0	33.2	32.6	32.2	31.6
NAVY					
Committee bill [1]	3.8	43.0	42.6	38.7	39.1
Present law with 715 [2]	3.5	41.4	41.0	40.9	39.6
Present law without 715 [2]	3.8	44.3	43.9	43.7	42.3
AIR FORCE					
Committee bill [1]	10.0	116.1	113.1	103.4	99.1
Present law with 715 [2]	9.7	113.2	110.1	107.9	105.1
Present law without 715 [2]	10.6	123.6	120.5	117.7	114.6
MARINE CORPS					
Committee bill [1]	1.1	12.9	12.8	12.5	11.2
Present law with 715 [2]	1.0	12.0	12.0	12.0	12.0
Present law without 715 [2]	1.0	12.4	12.4	12.4	12.4

[1] Assumes implementation of June 1, 1974, for committee bill, including saved pay provisions.

[2] Sec. 715 of the Defense Appropriation Act of fiscal year 1973 prohibited, after May 31, 1973, the payment of flight pay to officers in the grade of 0–6 (colonel) and above who were assigned to duties not requiring the maintenance of basic flying skills, that is, who were not in operational flying billets.

EFFECT OF SAVED PAY ON FISCAL YEAR 1975–78 COSTS

The Committee noted that the increased cost for H.R. 12670, as compared to the existing system through fiscal year 1977, is accounted for by the saved-pay provisions. Without saved pay, the new system would be less costly immediately than the present system.

The following table illustrates the portion of the total cost of the system under H.R. 12670 which is accounted for by saved pay for fiscal years 1975 through 1978.

[In thousands of dollars]

	Fiscal year—			
	1975	1976	1977	1978
Base proposal	192.4	190.6	184.0	182.3
Saved pay	15.1	13.5	1.6	1.1
Total	207.5	204.1	185.6	183.4

CLOSING

In summary, Mr. President, H.R. 12670 provides for a significant improvement over the flight pay system currently in effect for the uniformed services, I urge prompt Senate action on this important bill.

Mr. HARRY F. BYRD, JR. Mr. President, I yield to the distinguished Senator from South Carolina, ranking Republican member of the Armed Services Committee.

Mr. THURMOND. I thank the Senator.

Mr. President, I arise in support of H.R. 12670 as presented by the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) and urge its passage. It is an excellent bill, especially when the system it proposes is compared with that which exists today.

The key features of the bill are as follows:

First, flight pay is received for aviation service only.

Second, the highest rates of pay will be received by the junior aviators who do most of the flying and who are under the greatest temptation by offers from industry to leave the service.

Third, flight pay is reduced in those years when flying becomes less frequent.

Fourth, continuous aviation pay is authorized only to those who have performed substantial amounts of operational flying.

Fifth, the cost to the taxpayer will be less than the current system.

All of these features are almost diametrically opposite to the system of flight pay we have today.

This bill incorporates a philosophy which should be extended to other government programs; that is, greater efficiency at lower cost.

It is refreshing to see the taxpayer getting more productivity from his hard-earned tax dollar for a change, and the distinguished Senator from Virginia is to be commended on this aspect of the legislation.

Mr. President, there also are other efficiency features of the bill which deserve notice.

First, the highest rates of flight pay are offered to junior aviators at the time when they have to decide whether to stay in service or leave. The significance of this provision is that if more young aviators stay in service, the Department of Defense will not have to train that extra number needed to replace those who have left. The Members may recall that Senator BYRD mentioned that it costs a great sum of money to produce a military pilot—about $300 thousand per pilot. If only 100 extra pilots are retaind, an immediate saving of about $30 million in training over and beyond the savings in flight pay is realized.

Second, the more balanced experience distribution in the force will not only give us a more effective aviation force, but will also save operations costs in terms of reduced aircraft accidents. We all know during training and in the year or two that the aircraft accident rate is highest immedately following. Considering the cost of aircraft today, this is likely to be a substanital savings.

Third, the bill penalizes late entrants into aviation by docking them exactly the number of years between commissioning and entering into flight training from their period of highest pay rates.

This happens because the flight pay stepdown beginning at 18 years of officer service is independent of aviation service, and because every officer must pass through the first 6 years of aviation service at the corresponding flight pay rates before becoming entitled to the highest pay rates.

In summary, let me say the committee report provides the Department of Defense with clearcut guidance and direction regarding implementation of this legislation. Also, the Secretary of Defense is requested to report annually in considerable detail so the committee might monitor the flight pay program.

I might add that, in addition to the report that the Secretary of Defense is going to make annually, it would seem there would be no necessity for considering the amendment along the line that I understand is contemplated by the distinguished Senator from Wisconsin (Mr. PROXMIRE).

Mr. President, it is my hope the Senate will act promptly and favorably reference this legislation and in so doing it is my belief the country will benefit.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, will the distinguished manager of the bill yield time to me?

Mr. HARRY F. BYRD, JR. Mr. President, I yield such time as he may desire to the distinguished Senator from Arizona.

Mr. GOLDWATER. Mr. President, I support H.R. 12670, and I ask my colleagues that they join with me in doing so. I do this because one of the costliest mistakes made by Congress was when it summarily canceled flight pay last year. We have lost more pilots from the military services because of the stopping of flight pay than the flight pay would have cost us for the next 10 years.

It is not surprising that I am speaking in support of the bill because everyone knows that I have a soft spot in my heart for the men in the services who fly. But I am also here because I think this bill is an important one and because I feel that I am particularly well-qualified to tell the Senate why.

I was in my first term in 1954, when the Congress—in an effort to cut defense manpower costs—first approved a Department of Defense Appropriation bill rider—section 628—which limited proficiency flying and said that senior officers could continue to receive flight pay even though they were not flying. Many thought it was a good idea; we could cut down costs by disposing of a lot of old airplanes used for proficiency flying and curtail operations and maintenance expenses. For the first time, I found myself opposing the senior Senator from Arizona, Senator HAYDEN, because I thought that section 628 was a mistake. During the floor debate on the Appropriations bill, I made a statement against that particular section. I ask unanimous consent that it be made a part of the RECORD at the termination of my remarks.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 1.)

Mr. GOLDWATER. Mr. President, I lost on that issue but I still believe I was right, particularly in saying that the matter of proficiency flying and excusal should not be a matter for legislation.

However, the excusal program is mandated by this rider and subsequent ones worked. When the war in Vietnam broke out, the Air Force alone put 7,000 excused officers back in the cockpit.

The original excusal program was an aftermath of the Korean war, as Congress looked for ways to save money, so, it is not surprising that in considering the fiscal year 1973 DOD Appropriations Act as Congress looked toward the end of the Vietnam war, it again looked at the excusal program. But this time—without any substantial discussion—it changed section 715 to say that excusal pay could only be paid to aviators below the grade of colonel—Navy captain. It was a poor example of the sort of postwar penny-pinching which has consistently left us unprepared for whatever national emergency next appears on the scene.

So 19 years after the enactment of section 628 we did it again. By means of section 715 we further compounded the flight pay problem by saying that the senior aviators of the four services—the present and future leaders of the air arms—could not receive flight pay unless they were in a flying job. The Washington Star had a column about one of the men affected. I ask unanimous consent that the article be printed in the RECORD at the termination of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. GOLDWATER. Mr. President, that is what happens when we stoop to address picayune problems when we should be worrying about major issues.

Mr. President, as has been pointed out, the most significant change which H.R. 12670 makes is to "front-load" the pay. In the past, one had to be a senior flyer in order to draw the maximum amount of pay—$245 per month. Under this bill, the highest rate is paid when the aviator finishes his 6th year of aviation service and is really involved with active flying. To me that makes real economic sense. When a man has just finished his obligated service and is taking a good hard look at what he wants to do with his life, that is the time to up the ante. This bill does just that and holds out the prospect of the maximum rate of pay on out through the 18th year. I like this feature of the bill and believe it will help solve the longstanding problem of junior officer retention.

In closing, I should like to make one other comment which relates to the way we in Congress attempt to save Defense manpower dollars. Over the years, the easiest way has been to eliminate or curtail benefits. Of course, the argument we give is that we have increased basic military pay so that servicemen do not need some of the traditional benefits. In effect, this was the argument used when flight pay for senior officers was cut off. The fact remains that many servicemen see these actions as breaches of faith. They have given their loyalty and expect the country to return it.

Mr. President, I might make just a few comments about the pay that we as Senators and Representatives receive which we might compare with flight pay. I would not call the extra emoluments we receive incentive pay. I do not believe that any of us came here because of those things.

We receive certain tax benefits not enjoyed by any other citizen. We have travel pay when we travel to and from our homes. In my case, I travel 2,200 miles. That amounts to quite a bundle. We have our telephone and telegraph bills paid. These are all extras that could be compared, if we want to, with flight pay.

Then, of course, we get into the argument that we pay these people too much to begin with. It is very difficult to find comparability of civilian pay with military pay.

For example, consider a second lieutenant whose beginning compensation is $9,972 a year. When he gets his flight pay under this act, $1,200, he will be making $11,172. By the time he gets to be a captain, his pay will amount to $18,288. By the time this young man gets to be a captain, we will have invested $300,000 in his training. We have invested not $300,000 in training, but $500,000; and by the time he gets to be a major, an aircraft commander, say, of a B–52, his training has cost nearly a million dollars.

Looking on the outside, as these young men often do, they look at the airlines, and they see a flight officer starting at around $20,000, and a captain on an oversea flight making $54,000 a year, without having received the type of training that the airman of the military has received. Not that flight captains of an airline are not well-trained; they are well-trained. They are superbly trained. But they do not receive the concentrated flying education to become a pilot that the men in the Services do.

So what we are talking about here, if we are trying to find some reason to pay these men too much, just is not so.

I think of the men who have remained loyal to the Service, men who have continued to retain their flying status. A full colonel loses $245 a month at the precise time in his life when $245 really means a lot. That is about the time his children are beginning to go to college.

Here is a man whose entire experience has been in flying. But all of a sudden $245 is not there. Actually, the man would be smart in saying, "Well, I do not want to be promoted; I will remain a lieutenant colonel." He would be better off financially. But I do not think that is correct at all.

I read a newspaper article the other day which reported that a recent Academy graduate said that—

> Loyalty is not the primary attribute of a Regular officer.

I do not think that the boy who said that—if he said it—is representative of the kind of young officers we are getting nowadays. But, as we continue to look for ways to cut Defense manpower costs—and the history of flight pay is in miniature a history of that search—let us all remember that loyalty is a two-way street, and that the dollars we save should not be allowed to degrade morale.

In other words, when we say to a young man who is contemplating the future at the end of high school, college, or an Academy career, and he is looking at the flight schools of the Army, the Navy, and the Air Force, "We will pay you flight pay if you will become a pilot," and he agrees, then I do not think it is morally right for the Congress of the United States to go back on its word.

Mr. President, I wish to commend the senior Senator from Virginia for his work on this bill. I thank him for the thorough but expeditious attention he has given to this matter and I am sure a lot of flyers will also be grateful.

Mr. President, this is a good bill as well as an historic bill and I urge my colleagues to support its passage.

EXHIBIT 1

STATEMENT BY SENATOR GOLDWATER, JULY 23, 1953

Section 638 in House bill limits proficiency flying in the Air Force to a period not to exceed 12 hours during any 3 consecutive months for any officer whose primary duty involves participation in operational or training flights.

Because the Air Force has been negligent in correcting the abuses evident in connection with the certification of eligibility for flight pay, it was inevitable that the Congress should get into this administrative function of the Air Force and the Air Force must accept this blame and start immediate corrective action.

The provisions of section 628 anticipate a budgetary saving in the cost of flying hours through the limitations in proficiency flying. It has been argued that the sum of $118,144,800 could be saved by the adoption of this amendment and I would like to point out a fallacy in this argument. The sum is arrived at by assuming that it costs $100 an hour to fly an airplane. I would like to point out that the cost of fuel is a minor item in the maintenance of a plane and that whether that airplane flies or not there is a substantial cost to its maintenance. In fact, if an airplane is not flown for a period of time, it could become more costly to fly than if it were flown regularly. Airplanes, whether they fly or not, are subjected to daily inspections, including the running up of engines, and are subjected to periodic, thorough inspections based on flying time or the lapsed number of days, so the savings anticipated by this section just aren't possible.

The proviso which limits flying time to 12 hours during any 3 consecutive calendar months is restrictive to the point that pilot proficiency will decline to an unacceptable standard. Among those affected will be flying officers engaged in operations, operational planning, command and other duties affiliated with training, combat, and combat support.

Section 628 arbitrarily and without any consideration of ability or future usefulness to the Air Force in positions of commands, further provides that all rated personnel with over 15 years rated service shall be excluded from meeting proficiency requirements for flight pay. I would call to your attention that a close personal friend of mine, Col. James Johnston, who is now in Korea, has 14½ years of rated service and has just shot down his tenth MIG. The Air Force has very slowly, and I criticize it for this slowness, come to the conclusion that age has nothing to do with a man's ability in combat. During World War II age excluded many officers who would have been of great service to their country had they been allowed to fly in combat or to command at older ages. Older pilots do not have the daring of the younger pilots, but they do have the understanding and the knowledge and the intense interest in their equipment which enables them to get the most out of it. To arbitrarily and without any consideration of ability exclude all personnel in the Air Force with over 15 years of service from further proficiency flight requirements would be a very serious mistake.

Of the flying officers now on duty in the Air Force, over 18,000 (about one-third) have already seen combat in Korea. During the past 2 years the Air Force has been almost entirely dependent upon the so-called proficiency pilot and new flying training graduates for Korean replacements. Without the leadership, experience and know-how afforded by these more seasoned officers, our combat effectiveness could not have been maintained. Any reduction of the minimum standards of flying proficiency will, in addition to establishing increased accident rates, provide a requirement for increased precombat training with resultant increases in dollar expenditures.

There is a very close correlation between the flying experience of the individual and his accident rate. That means that the young pilot with lesser experience will show a higher accident rate. However, as a man grows older and gets more experience, the accident rate tends to level off and stays level pretty far out into time.

Like civilian enterprise in general and civil airlines in particular, the Air Force must rely upon experience to increase flying efficiency and effectiveness. Just as the airlines would not trust expensive aircraft, cargo, and personnel to the care of green, inexperienced pilots, likewise, the Air Force, as the greatest airline in the world, cannot depend upon inexperienced crews to carry the payload of combat weapons and personnel. Experience pays off in dollars as well as combat effectiveness.

The following table clearly demonstrates that aircraft accidents decline with experience as typified by age.

Accident rates per 100,000 first-pilot hours and per 1,000 pilots, July to December 1950

Pilot age:	*Major accident rate*
21	111.6
22	50.6
23	69.7
24	51.9
25	47.3
26	41.4
27	31.0
28	35.7
29	25.4
30	34.9
31	27.7
32	28.3
33	36.4
34	25.1
35	15.3
36	11.1
37	17.1
38	12.4
39	11.5
40 (and over)	[1] 12.15

[1] This rate remains constant for balance of career.

Of equal and perhaps more pressing concern is the effect of the proviso upon the professional quality of our Air Force leadership. This proviso, coupled with the limitation on flying hours, will make it impossible to maintain the high standards of professional competence presently required of our senior flying officers. It strikes at the tradition of personal, active participation in flight leadership so long an essential part of the military flying service. As General Patton so aptly said, "You can't push a noodle across the plate—you have to pull it." This applies to leadership, and in such highly professional field the full strength of leadership would be impaired if the commanding officers and operational officers of squadrons, groups, or wings were not rated personnel having full acquaintanceship with the equipment in their command. Younger pilots would resent any other situation.

Affected will be approximately 4 percent of the flying officers in the Air Force. It is this 4 percent to which we must look for leadership, experience, and professional judgment necessary to enable proper planning and employment of our air weapons systems. Only from current experience can these officers recognize the possibilities and limitations of these systems. The development of commanders, from the individual combat aircraft to the major air command, is dependent upon accumulation of flying, administrative, technical, and executive experience. The restrictions imposed by section 628, if continued, will increase by years the time necessary to develop the experience required to command our combat crews, our squadrons, our wings, and our major commands.

Now, I have no argument, nor am I holding any brief for the officer who is permanently assigned to an administrative or desk job and who continues to draw flight pay by making so-called proficiency flights. But somebody has to run the Air Force. Not all of those in the Pentagon like to sit behind a desk. Many of them would rather be out on a flying assignment. However, those who no longer want to fly should be grounded by a proper flying evaluation board or the proper application of Air Force Regulation 60–2. This regulation provides a minimum requirement for a pilot of 100 flying hours a year, divided into 15 hours of night flying, 20 hours of instrument flying, and 65 hours of navigation and transition flying. Fifty percent of these requirements must be met each 6 months or the pilot is removed from flying status. This, I can tell you from 24 years of flying experience, is the very minimum for the maintenance of proficiency in all types of aircraft—not only the small ones, but the big ones. I would not hesitate to say that a pilot who flies less than 100 hours a year has no business getting into an airplane. There are many things that a pilot learns to do instinctively, but the involved procedures in instrument flying, the constant necessity for thorough acquaintanceship with the location of controls in his cockpit, require constant practice. Taking off and landing an airplane is something anybody can do. It's what goes on between the takeoff and the landing that makes for safety, and a man could no more be a safe pilot with less than a hundred hours a year than a lawyer could maintain his proficiency or a doctor his skill by working only 6 months of the year.

This will not result in a saving of dollars. It will result in a waste of life and equipment and, if for no other reason than this, section 628 should be removed from the bill.

The Air Force plans to have a total of 124.645 officers at the end of fiscal year 1954.

Of these, 69,449 will be on flying status. This is a little over half total officer strength. (Pilot strength alone is considerably less than half total strength.)

Rank	Number	Percent		
General	358	1.5		
Colonel	2,655	4.0		
Lieutenant colonel	4,277	6.0		
Major	11,507	16.5		90.5
Captain	24,595	35.0	74	
1st lieutenant	13,104	20.0		
2d lieutenant	12,953	19.0		
Total	69,449	101.0		

Proficiency flying will affect about 20,000 flying officers, or 30 percent of the total. After becoming a major and on up to the grade of colonel, the pilot's chances of being behind a desk become increasingly greater, but this does not lessen the possibility that he may become engaged in operational flights or in combat flights during the course of his career. It can be observed from the foregoing table that approximately 27 percent of the officer strength of the Air Force will be of major's rank or above in 1954, and they are officers who will be denied adequate proficiency training if the provisions of section 628 become law.

We are all aware that the Air Force has been guilty of flying-pay abuses from its very inception. But the elimination of these abuses should be an Air Force administrative responsibility which the Air Force must be compelled to exercise to a greater degree than it has in the past. Some progress has been made in this respect. The Air Force, by constant evaluation, has been removing officers from flying status in recent years at a rate in excess of 1,000 a year. All couriers in the Air Force have been removed from flying status. Stewards and attendants have been removed from flying status. Every lawyer in the Air Force Judge Advocate section has been returned to full flying duty or taken off flying status, at his own option. Flight surgeons are being continually removed from flying status on an individual basis, particularly those with highly developed medical skills. The Air Force is now in the process of establishing a flight status selection system which will require a periodic review of each officer to determine if he shall remain on flight status.

Instead of adopting the provisions of section 628, I would suggest that the Air Force be subjected to strong resolution by the Congress, indicating that it is the desire of Congress that the Air Force remedy this situation. I believe that it can be accomplished by administrative procedures within the Air Force without legislation. This could be accomplished by properly applying the provisions of Air Force regulation 60–2, requiring minimum flying requirements. An evaluation board might also be established which would operate much like the Navy's Promotion Board. All rated personnel, when they reach their 40th birthday, could be evaluated by this Board to determine whether or not they should be continued on a rated status. Those whose qualifications obviously did not fit them for command or operational posts at a high level would be dropped from flying status. This would not necessarily mean that they would be released from service, because they would serve in administrative capacities, in supply, materiel, etc.

But I strongly question whether the Congress wishes to adopt the provisions of section 628, whereby men who are engaged in operational command will no longer be required to fly and proficiency flying in the Air Force will be limited to 48 hours a year. Skillful piloting is a bond that holds men together, just as skillful attainment in the field of law or the field of medicine holds men in those professions to a common interest. To deny Air Force officers the right to fly when they have the skill and want to use it would be like denying the right of surgery to a doctor or the right of argument to a lawyer. This will create a serious morale problem. In fact, the news that the amendment is in the bill has resulted in much discomfort and dissatisfaction among the pilots of all ages in the Air Force already.

I earnestly urge, because of the false impression of savings, because of the dangers involved in lowering flight proficiency standards and because of the harm to morale that would result through the adoption of the provisions of section 628, that my amendment be accepted and the provisions of section 628 be struck from the bill. The Air Force can work out this problem and it must be told, in strong language, to do so, and I certainly would not expect it to take longer than the next year to weed out those who do not want to fly, those who are not fit to fly, and those who for other reasons should be removed from flying status.

EXHIBIT 2

[From the Washington Star-News, July 3, 1973]

WHEN FLIGHT PAY FLEW AWAY

(By Orr Kelly)

For Rep. Otis Pike, D-N.Y., the vote by the House last week to bar flight pay for most generals, colonels, admirals and captains was a famous victory.

For Air Force Col. Stanton Musser, it was like getting shot down by a friendly plane.

The issue involved in Thursday's confrontation in the House was of only secondary importance to the battle itself from Pike's point of view. What was important to him was that, for the first time in his memory as a member of the House—14 years—a decision of the Armed Services Committee was reversed on the floor. The reversal came, moreover, by a decisive 238 to 175 margin.

The battle got under way earlier in the week when a routine bill came to the floor containing a provision that would have continued the old flight pay rules, which had expired on May 31, for another six months. It already had been passed unanimously by the Senate and was about to be passed by the House "without objection" when Rep. Les Aspin, D-Wis., objected. That forced the issue to a vote.

Two developments then contributed heavily to the outcome of the vote. Aspin put out a press release accusing the Air Force of placing 65 generals—including the chief of staff—on flight pay and doing it illegally. A Pentagon explanation and denial of any illegality never caught up with the press release.

As the debate began, Pike resorted to a weapon he knew would win—ridicule.

He described the hazards and the difficulties of flying a desk at the Pentagon. He told how one Rear Adm. J. Heavy Bottomley made a bad turn in his swivel chair and was propelled out his window and into orbit.

Bottomley is an extreme example of the abuses of the flight pay system. He also is imaginary.

Stan Musser may be an extreme, too. But he is a real live guy, "flying a desk" in the basement of the Pentagon and supporting a wife and three kids.

Musser, who is 37, has been in the Air Force 15 years and made full colonel last year, about seven years earlier than he might have expected.

He has spent most of his career in a cockpit. He put in four years as a fighter pilot in Germany, flew three years with the Thunderbird aerobatic team, served as a forward air controller in Southeast Asia in 1964–65, taught at the Air Force Academy for a year, flew an F4 Phantom out of Korat, Thailand, in 1970–71 and for the last 2½ years has been at the Pentagon in charge of developing fighter tactics.

On May 31, he was a full colonel on flight pay, making $1,955 a month. The next day, after expiration of the law permitting flight pay for colonels and generals, he was a full colonel but no longer on flight status, and his pay was $1,740 a month—a cut of $215 a month.

Working for him are majors and lieutenant colonels still on flight pay. The majors make $54 a month more than Musser and the lieutenant colonels make $147 a month more.

Even if someone should wisely decide that the colonel in charge of developing fighter pilot tactics should be able to fly a fighter plane, the result still would be academic for Musser. He is slated to leave next month for a year at the Armed Forces Industrial College.

That means another accelerated step up the ladder for him, but it also means another year out of the cockpit, another year off flight pay. Most important, the loss of proficiency he suffers might make the difference if he should be considered for assignment to an operational command as a wing commander or promotion to air division commander.

There are good arguments on both sides of this issue.

Obviously, the taxpayers should not pay senior officers for flying when they are no longer flying and will never return to flying status. But it is equally obvious that some officers, like Musser, belong on flying status even though they have desk jobs at the Pentagon. Similarly, officers who move from operational jobs to desk jobs and back again in the course of their careers should be required to fly and maintain their proficiency.

One proposal that has been made is that flight pay be made a predictable payment over the career of a flying officer—beginning relatively low when he is just beginning, rising to a peak in his most proficient years when he might be most tempted by an airline job and dropping when he is in the desk-job years.

In this case, Congress, fighting what were for it important battles over committee authority, hurt and angered a lot of good officers who happened to be caught in the middle.

Mr. HARRY F. BYRD, JR. Mr. President, I appreciate the very kind remarks of the distinguished Senator from Arizona.

I want to say that it seems to me that both the Senator from South Carolina and the Senator from Arizona have accurately and well posed the need for the legislation which is before the Senate today. Both the Senator from South Carolina and the Senator from Arizona have detailed the importance of this legislation, and how it would benefit the Armed Forces of the United States.

Mr. STENNIS. Mr. President, will the Senator yield briefly to me?

Mr. HARRY F. BYRD, JR. I yield to the distinguished Senator from Mississippi, the chairman of the Armed Services Committee.

Mr. STENNIS. Mr. President, first I want to thank the Senator from Virginia as well as the other members of the subcommittee of which he is chairman, its title being General Legislation, for their work on this measure.

It is not a simple matter, Mr. President. It is a matter that has been misunderstood and has given the legislative committees some concern. But they have worked diligently on this subject and this bill, and I think they have brought out a measure that is sound and will serve well in the future. I commend them for it and support the bill solidly.

I do want to mention one point, Mr. President. In these specialized categories requiring skilled people in the military services, the situation becomes more and more acute. It is a more and more important problem, as reflected in the field of technology; as reflected in the field of pilots, and as reflected in the field of medicine. We passed a special bill in December that has now become law with reference to the military medical corps, and this is a similar measure affecting flight pay.

We just have to meet these conditions as they change. I think this bill does so. Of course, like any other law, it is subject to survey, revision, and oversight, and it will receive it.

Again I thank the Senator from Virginia and commend him. I appreciate his yielding to me.

Mr. HARRY F. BYRD, JR. I thank the Senator from Mississippi for his remarks in regard to this legislation. They further emphasize its importance.

Mr. PROXMIRE. Mr. President, I think we have to put this bill into context with so much other spending we have. The military budget is one budget that is subject to control, as so much of our spending is not. We are all aware of the fact that this year we have a more than $300 billion budget which the President has asked us to approve, representing more than a 10-percent increase in spending over last year—the biggest increase in peacetime in our history.

We also have to recognize that we are now suffering the worst rate of inflation we have suffered in almost a generation, and it may be the worst ever, if we do not take action to stop it. One action we can take to help check the rate of inflation is to watch and control the level of government spending, in which military spending is a major factor.

Mr. President, the flight pay bill before us contains certain necessary corrections in the present system but also raises a number of serious questions.

First for the positive aspects.

This bill provides an adequate incentive for young officers to remain in the services and use their expensively acquired skills. It also seeks to allow flight pay on the basis of actual aviation service instead of rank or longevity. As stated in the Senate report, the bill provides that an officer would receive over two-thirds of his flight pay in the first 18 years of his career when he was doing the most flying. Under the present system, an officer receives 45 percent of his flight pay in the first 16 years of service and 55 percent in the last 14 years after he has completed most flying assignments.

From that standpoint, therefore, this is a much better arrangement.

Retention rates should be supported by this legislation. At the present time, flight pay is given on the basis of rank and seniority. Junior officers see this as inequitable since they do most of the flying and the senior officers, who do little, collect the bulk of the financial reward. This led to the situation so well described last year of the hundreds of desk bound high ranking officers collecting flight pay month in and out without ever flying.

The picture of these nonflying officers so upset Congress that the Defense Appropriations Acts of 1973 and 1974 were amended to cut off such flagrant abuse of rank and seniority. Under section 715 of those bills, over 75 percent of the general and flag rank officers were denied flight pay on the basis of not being assigned to operational flying duties.

The present bill is even more restrictive. It would deny flight pay to over 80 percent of general and flag rank officers. The cutoff date is shortened from

30 years to 25 years. Generals and admirals, after all, need no special incentive for remaining in rank. In fact we could do with about 50 percent less of them as Adm. Hyman Rickover has pointed out, and we would have a more effective military system.

The device used to determine flying status and flight pay is a career screening "gate" provision. It requires that to collect flight pay an officer must spend a minimum of 6 of his first 12 years and 11 of his first 18 years in operational flying jobs. If an officer does not make these "gates" he receives flight pay only for the time he actually flies.

Now for the negative aspects of this bill.

It is obvious that the "gates" are too far apart. As pointed out in the minority views by Congressman Otis G. Pike of the House Armed Services Committee, a technical interpretation of the bill would allow an officer to finish the 2-year flight training and then receive flight pay until his 12th year without ever being checked to see if he actually is flying. He might not be flying at all for 10 years yet he would receive flight pay all during that time.

At the 12th year, the Defense Department asks: "Have you been flying?" If the answer is "Yes, I have been flying for 6 of the 12 years," then he is entitled to receive flight pay for 6 more years, whether or not he actually flies.

The process is then repeated. If at the 18th year he has flown 9 years, he gets flight pay for an additional 4 years regardless of whether or not he flies. If he has flown for 11 of the 18 years, he gets an additional 7 years in flight pay status—regardless of whether or not he flies.

As Congressman Pike so adequately put it:

> In order to get flight pay for 12 years the officer must fly 2 years.

Think of that. He gets flight pay for 2 years.

In order to get flight pay for 18 years, he has to fly 6 years.

In order to get flight pay for 22 years, he has to fly 9 years.

In order to get flight pay for 25 years, he has to fly 11 years.

All of this negates the purpose of the bill which is to monitor the frequent and regular performance of operational flying. But there can be no frequent or regular monitoring of performance if the gates are this far apart.

Mr. President, I would urge that a stiffer bill be passed with regard to these gates. There should be closer monitoring of the flying-nonflying status of our pilots. And we should keep a special watch out for flight pay allocated on the basis of rank rather than service.

I recognize that thousands of hours have been devoted to the study of this issue. Senator Harry F. Byrd, Jr. has toiled over this bill and done an admirable job in my opinion. Frankly it is a better bill than the House presented. Many technical points have been corrected in the Senate committee. And I have noted that the report language is precise and specific when it comes to the reporting requirements leveled on the Department of Defense.

This is a compromise bill. Many generals and admirals will get their flight pay back. Many will not. There is more incentive for younger officers. But there is far too little supervision of the process and left in the hands of the Pentagon you can assume it will be managed in a way to permit the largest number of officers, junior and senior, to qualify for the most years of flight pay.

Even with these flaws, Mr. President, I am compelled to conclude that this bill should be given a chance to work. The good will of the Pentagon should be tested in a trial run.

But it should only be a trial run. We should not allow the Pentagon to think that this is the final answer or we will find ourselves back to the old system under a new name.

We have learned again and again and again how easy the systems are to abuse, especially a flight pay system, and to exploit at the taxpayers' expense. We have seen this before and we will see it again. That is what happens when we do not pay close attention to complex issues.

I would prefer a bill containing provisions terminating authority after the 3-year period.

Mr. President, I have discussed this with the distinguished Senator from Virginia (Mr. Harry F. Byrd, Jr.) and he has stated he thought that a 3-year period for a test of this proposal was too close. I am happy to suggest a 5-year period. The important thing is that it terminate, because if we have the opportunity to consider a bill with a termination date, then there will be a real chance to make changes; otherwise, if this is an indefinite bill, it goes on forever and the abuses will not be corrected.

If at that time this entirely new procedure was working well and after it had been reviewed in depth by the relevant committees, then it could be renewed for a longer period.

The military services believe that such a termination point would make this legislation appear temporary and thus discourage reenlistments. I find this highly unlikely.

Many bills contain similar provisions without negative effects. It is a sign of the renewed vigor of Congress that it has insisted that new types of legislation be reviewed at a set date.

As we have seen in the House hearings just how phony this reenlistment argument has been. As Congressman Pike has stated, the committee found that it had not received the truth from Defense witnesses. Even the chairman of the committee stated that in the earlier hearings the committee was not, in fact, given the whole truth. While the services were claiming in public that pilot retention was going down, they later admitted to the committee, long after the press had run the wrong story over and over, that pilot retention actually was going up. The Navy retained 26 percent of its first-term pilots in 1970, 27 percent in 1971, 34 percent in 1972, and 43 percent in 1973. Now that is not only going up, but going up at a rapid rate.

The Air Force did even better. The Air Force retained 45 percent in 1970, 51 percent in 1971, 57 percent in 1973. In other words, while the services were claiming that pilot retention was going down yearly, and thereby attempting to scare Congress into a passive mood, the facts of the case were otherwise.

Mr. President, I hope that the Armed Services Committee will not let this matter rest after this measure is voted upon today. The wording in the committee bill is not strong enough in my opinion to compel a thorough yearly review that will highlight the problems, if any, in this novel concept.

I should like to ask the distinguished Senator from Virginia (Mr. Harry F. Byrd, Jr.) if he would release publicly the results of the analysis performed each year by the staff as it relates to the new flight pay bill.

Mr. HARRY F. BYRD, JR. May I ask the Senator from Wisconsin, so that I am sure I understand his question, is he speaking now of the annual report which is required from the Secretary of Defense?

Mr. PROXMIRE. That is correct.

Mr. HARRY F. BYRD, JR. I see no reason why that should not be made public.

Mr. PROXMIRE. I appreciate that very much.

Would the Senator be able to tell us a year from now what has happened in the retention rates; how many generals and admirals are receiving flight pay and not flying; if the "gate" system is working or if officers are collecting flight pay in between the "gates" for not flying?

Mr. HARRY F. BYRD, JR. If the Senator will yield further, let me read from the committee report which gives considerable detail on this matter as to what the committee feels should be done in connection with the legislation under consideration:

> The bill requires an annual report from the Secretary of Defense on the number of officers who have 12 and 18 years of aviation service and of those, the number who are entitled to continuous flight pay and the number who are engaged in operational or proficiency flying. In addition the report should include:
>
> (1) The number of officers by grade who (a) made or (b) missed the 12-year gate requirement of 6 years of operational flying and the average amount of operational flying done by each category.
>
> (2) For officers at the 18-year gates, the number by grade who (a) missed the 9-year requirement, (b) made the 9-year but not the 11-year requirement, and (c) made the 11-year requirement. Average years of operational flying for year group should be reported.
>
> (3) Number of officers, if any, who missed the 12-year gate but who made the 18-year gate should be reported. For those who missed the 12-year gate the average amount of operational and proficiency flying done between the 12th and 18th year should be reported.
>
> (4) The number of all aviation officers, by grade, who are: performing operational flying duty, performing proficiency flying duty, and those who are either excused or prohibited from flying.
>
> The committee would note that because the "gates" in the bill represent a new concept in the flight pay system, it may be necessary for the Congress to review thoroughly the

entire flight pay system again in the 1980 or so timeframe.

So the committee is not in disagreement with what the able Senator from Wisconsin is attempting to accomplish.

I think it is important, as the Senator from Wisconsin pointed out in his earlier remarks, that a careful check be made and a survey continuously be made on this new system of flight pay, to determine just how well it is working. I believe the Senator from Wisconsin will agree that it is a distinct improvement over the system that now prevails.

The House committee went into this matter very thoroughly—so thoroughly, in fact, that the Senate committee, after holding hearings on the proposal, concluded to adopt the House plan without any substantial changes or modifications.

I think it is important that the Defense Department be aware that Congress, through the appropriate committees and through the individual Members of Congress, for that matter, will keep a close check on just how this new system is working.

Mr. PROXMIRE. I thank the Senator.

As I understand the Senator's response, he is saying that a year from now we will have a report that will be made public.

Mr. HARRY F. BYRD, JR. I had better emphasize that, as the Senator well knows, I cannot speak for the committee. I see no reason why it should not be made public.

Mr. PROXMIRE. Would the Senator accept an amendment providing that the report be made public?

Let me give the Senator two alternatives and see whether he will accept either one.

I suggest to have an amendment submitted that would provide that this act would expire in 3 years, to give us an opportunity to review it. I believe that is the best amendment. I am willing to extend it, to make it 1979 instead of 1977, which would provide 5 years. The Senator is reluctant to accept either one of those proposals.

It seems to me that the minimum provision should be that there is a public report, so that there is some opportunity for the country to know what is happening to its tax money, to have this kind of discipline, to make sure that there is some enforcement.

Mr. HARRY F. BYRD, JR. I assume the Senator means by that that it would not get into the question of personalities—that is, the public report would not say that Lieutenant X——

Mr. PROXMIRE. No identification of any generals, admirals, majors, colonels, or anything of that sort. That is not necessary. I simply want the total amount.

Mr. HARRY F. BYRD, JR. As enumerated.

Mr. PROXMIRE. As enumerated here. That is correct.

Mr. HARRY F. BYRD, JR. I believe that should be public property. If and when it is presented to the Committee on Armed Services, I would assume—although I cannot speak for the entire committee, as the Senator knows—that that would be made public.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. GOLDWATER. I say to the ranking member of the committee that I see nothing wrong at all with making this report public. In fact, there is nothing classified in it. There would be nothing that one could not obtain from the Defense Department. I believe it would be beneficial to make the record very complete and make it available to Congress.

I point out to the Senator from Wisconsin, however, that the figures he used in claiming that the retention rate was increasing are accurate and true. However, they only go up through 1973, and it was late in 1973 that flight pay was removed, and the retention figures since that time have gone downward in a drastic way.

Mr. PROXMIRE. The Senator is correct.

I am not opposed to flight pay. I realize that we must have it.

The Senator makes an excellent point, that we have this enormous investment in training and it is tragic that we lose these people. They are human beings and have to support families. They get an opportunity to work for an airline or a number of jobs that might pay more, so the compensation is important. But I think that the kind of provision we have here is going to continue a high retention rate. Military reenlistments are in a new ballgame now because pay now generally is better, far better, than it was in the military 2, 3, 4, or 5 years ago. Now it is much more favorable for everybody.

Mr. GOLDWATER. The Senator is correct. Under the old basic formula of flight pay, that was 50 percent of one's basic pay, so the pay would be over the moon. We do not have that; we do not even approach that.

I make one more point in reference to what the Senator is proposing, as I understand it. If we require an automatic cutoff date, either by failure to vote it in again or by voting not to carry it on, we defeat, in effect, the whole purpose of this bill—namely, incentive.

We should make this clear to the young men and women. I ran into four women students at the Army helicopter school at Fort Rucker the other day, so we have to treat all the same now. We will be taking away this incentive or carrot, whatever one wishes to call it.

I might say one more thing that might help to change the Senator's mind: The training rate of the services has been drastically reduced. The Army, for example, was training approximately 7,300 a year at the height of the Vietnam war, and they are now down to 1,300; and Air Force has been reduced comparably. So we are not looking at something that is going to be a great drain on the budget of the taxpayer in years ahead.

I get back to my original contention that loyalty goes both ways. We ask it of the men and women in uniform, and the men and women in uniform merely ask that we be loyal to the promises we made to them when we enticed them—if that is the word—into the services.

Mr. President, the proposed amendment, which would place a termination date on H.R. 12670, is one that I must oppose. I believe that this amendment runs contrary to the very purpose of the legislation and that it would have a negative effect on a key objective of the bill, which is to provide a career incentive for the young aviator. I would like to give a few reasons why this amendment should be defeated.

First, a major purpose of the legislation is to more effectively attract and retain career officer volunteers for aircrew duties. Therefore, anyone choosing an aviation career has a right to expect some permanency in aviation compensation. The proposed amendment denies this expectation by making it temporary rather than permanent legislation.

Second, to more effectively fulfill the stated purpose of the legislation, H.R. 12670 restructures the rates of pay by concentrating the high rates in the years immediately following completion of obligated aviation service and continuing them through 18 years of officer service. The purpose of the early concentration of the pay is to improve aviator retention after completion of normally 6 years of obligated service. The proposed amendment would run counter to this objective by serving congressional notice on those who are just entering and just graduating from flight training that their flight pay may be terminated or adjusted in some unknown manner before completion of their obligated service. I believe this uncertainty on the future of flight pay would work against recruitment and retention.

Third, the House subcommittee considering this legislation took extensive trips to field installations throughout the Nation and polled the aviation community on the kinds of incentive pay that would be most attractive to them. The aviators responded by decisively rejecting alternatives that carried considerable degrees of uncertainty, even though some of these alternatives promised greater lifetime flight pay than H.R. 12670 offered. The junior aviators themselves went on record as strongly disliking pay uncertainty. Consequently, the conclusion of the Armed Service Committees of both Houses was that it would not be rational to impose a retention incentive that was rejected by those whom it was designed to retain, and H.R. 12670 therefore established a permanent system with minimal uncertainty. The proposed amendment runs counter to the wishes of the aviation community and to the intent of both Armed Service Committees by introducing major uncertainty only 3 years after enactment, a time shorter, as I indicated earlier, than the period of obligated service of those now entering or completing flight training.

Let me emphasize one related point. It has taken Congress almost 1 year of consideration and extremely detailed hearings to come this far. Do we want to repeat this process 2 years from now? That is what would be required if all flight pay were not to be terminated automatically 3 years after enactment. As I understand the effect of the proposed amendment, unless we do something about flight pay before 3 years after enactment, all flight pay will cease. I leave it to your own judgment as to whether such a procedure is desirable for the Congress, and whether we want to be committed to legislative action that far in advance.

Mr. President, the committee report requires that the Secretary of Defense make a very detailed annual report on the performance of the entire aviation force. This report will enable the Congress to monitor the progress of H.R. 12670 year by year in considerable detail.

I agree with the Senator from Wisconsin that this bill represents a new concept and that it should be reviewed. I agree that we should not just pass this bill and then forever forget about it. To the contrary, I think a detailed examination of the data provided by the DOD is in order and, if appropriate, changes to the legislation would be in order. I believe the committee would be willing to assure the Senator from Wisconsin it would do that.

However, I submit that it would be the wisest course to provide ample time to let the new system operate, and then, if it appears to be ineffective, to reconsider the flight pay system at that time. My concern is that aviation pay could be cut off precipitously without congressional hearings as it was for many aviators in the past year. I am sure we could maintain the proper oversight of the legislation without establishing a termination date. Under the circumstances I believe a termination date would have an undesirable impact; therefore, while I appreciate what the Senator is attempting to do, I believe it best that the amendment be defeated.

Mr. THURMOND. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. THURMOND. I am wondering whether the distinguished Senator from Wisconsin has considered the fact that if we institute a 3-year limitation or a 5-year limitation, we are destroying the stability we are trying to establish for the pilots. For example, these young pilots—young lieutenants and captains—look ahead. They have families to support. If they feel that they have stability, they will be inclined to stay on. Otherwise, if they feel that they only have assurance for 3 or 5 years, they may look to the airlines or some other source of employment that would pay larger compensation.

Mr. PROXMIRE. I say to the distinguished Senator from South Carolina that I believe this had much more pertinence, as the Senator from Arizona has revealed, a few years ago, when flight pay was 50 percent of base pay. Now it is a much smaller amount, so the flight pay incentive is not that important.

Furthermore, we have the experience in other agencies where we have provided similar incentives and then provided for a cutoff date, a period to take a look at it, to see whether it is working in the taxpayers interests and to review it. That is the usual procedure in the Senate. We do not pass these new provisions that provide for a sharp departure in past practices indefinitely. They usually provide for a cutoff.

I think that it is most unlikely that this cutoff is going to discourage enlistment, but I am willing to drop that cutoff proposal, because I believe the Senator from North Carolina, the Senator from Virginia, and the Senator from Arizona are opposed to it.

I realize that, under the circumstances, the chances of getting that proposal adopted against that kind of formidable opposition would not be very great. I am not going to press the amendment.

With the assurances of the Senator from Virginia, I will not offer my amendment to have a cutoff date in this bill.

I send to the desk, however, an amendment to provide for public reporting and ask that it be considered at this time.

The PRESIDING OFFICER. Until the committee amendments have been disposed of, floor amendments are not in order.

Mr. PROXMIRE. I will yield the floor, then, and I will call up the amendment later.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. NUNN. I commend the Senator from Wisconsin for withdrawing the amendment that, in effect, would make this a temporary act. One of the historical facts we must face here is that this is not a new system we are implementing; but we are trying, indeed, to reexamine it in 3 years, although it is a new system as far as this particular legislation is concerned. But we have just come through a period of severe disruptions where the supposed amendments made to treat with these pilots were, at least in their minds, breached. So I think there is a distinguishing feature here that should be considered, and I think the Senator from Wisconsin has recognized that.

I commend the Senator from Virginia (Mr. HARRY F. BYRD, JR.,) for his excellent work on the bill. I think the House has gone into considerable detail on it. I have discussed this matter with a lot of servicemen and it is important as far as morale is concerned. The Senator from Virginia has spent much time going into the matter.

I do not believe we have a perfect bill here, and I do not think we ever will have a perfect bill because the disparity among the three services is so great. But this is the best proposal we can come up with after careful consideration.

I agree with the Senator from Wisconsin with respect to the necessity for making the report public. It should be made public, as the Senator from Wisconsin observed. I would vote for that position as a member of the committee, and if the Senator's amendment is accepted, we would comply with it and make the information public, whether or not there is a requirement here, because I see no bearing on national security.

I do commend the Senator from Virginia for his efforts. I think the Senator from Wisconsin acted wisely in withdrawing the amendment to make this a temporary program. Even the possibility that it would not be permanent in the minds of many people would create an adverse result.

Mr. President, I believe it is best to pass the bill as it is now without changes.

Mr. HARRY F. BYRD, JR. Mr. President, I thank the Senator from Georgia for his comments. I thank the Senator from Wisconsin for withdrawing the suggested amendment which would make it a temporary program, inasmuch as I think that could be very disadvantageous in attracting young men into the flying service.

I believe the Senator from Wisconsin has a good idea in his second amendment which he is considering to propose. I would certainly be glad to support such a proposal, namely to require by the legislation being enacted today that the reports called for by the Committee on Armed Services be available to the public and made public as a matter of law. The more information we can present to Congress and to the public the better off everyone is. Certainly such information dealing with a program of this magnitude, and the facts pertaining to that program should be made public.

Mr. President, I am glad to support the amendment, if the Senator from Wisconsin feels an amendment is required or should be agreed to.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The legislative clerk proceeded to read the first committee amendment.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments are considered and agreed to en bloc.

The bill is open to further amendment.

Mr. PROXMIRE. Mr. President, I call up an amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

To be added at an appropriate place in the bill:

SEC. 5. A yearly report containing such data as necessary to monitor the progress of this bill shall be made by the Department of Defense in cooperation with the Senate Armed Services Committee and released publicly.

Mr. PROXMIRE. Mr. President, the amendment was prepared offhand by a member of my staff. I understand it is in order. The spirit of the amendment is to comply with the suggestion I made, which has been supported by the Senator from Arizona, the Senator from Georgia, and the manager of the bill.

I might say if this matter goes to conference, they, of course, would be free to modify it in any way they wish, provided the spirit of the amendment were accepted.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HARRY F. BYRD, JR. I think it is important that the amendment offered by the Senator from Wisconsin be worded in a way that it can be accepted by the House without going to conference, because all the other amendments are inconsequential amendments and, unless this amendment would require it, it would not be necessary to go to conference, and the House would accept the amendments of the Senate.

Mr. PROXMIRE. I do think this amendment is a simple amendment. It merely requires that a report be made public so I do not see any technical problem involved.

I suggest we have a quorum call and consider the matter.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I move the adoption of the amendment.

Mr. NUNN. Mr. President, will the Senator withhold that request? The Senator from Wisconsin may wish to modify the amendment.

Mr. HARRY F. BYRD, JR. I withhold my request.

Mr. PROXMIRE. Mr. President, the Senator from Georgia has suggested that the amendment be modified to include the House Armed Services Committee as well as the Senate Armed Services Committee. As agencies of Congress they would cooperate with the Defense Department in making this report public. I think that is a good suggestion because, of course, both branches are of equal standing.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

To be added at an appropriate place in the bill:

SEC. 5. A yearly report containing such data as necessary to monitor the progress of this bill shall be made by the Department of Defense in cooperation with the Senate and House Armed Services Committee and released publicly.

Mr. HARRY F. BYRD, JR. Mr. President, I move the adoption of the amendment as modified.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin, as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 12670) was read the third time, and passed.

SOLAR HEATING AND COOLING DEMONSTRATION ACT OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 818, H.R. 11864.

The PRESIDING OFFICER. The bill will be stated by title.

The bill was read by title, as follows:

A bill (H.R. 11864) to provide for the early demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling.

The PRESIDING OFFICER. Is there objection to the request to consider the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Aeronautical and Space Sciences, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Labor and Public Welfare with amendments.

SUPERVISION OF THE FEDERAL ELECTION CAMPAIGN ACT OF 1972

Mr. MANSFIELD. Mr. President, responsibilities as supervisory officer for the Federal Election Campaign Act of 1972 insofar as Senate elections are concerned have been assigned by law to the Secretary of the Senate. The task is a most difficult one because the law which the Congress passed is one of great complexity.

I have watched this matter closely since the law went into effect 2 years ago and I want to say that the efforts to carry out the letter and intent of the law by the staff of the Secretary's office and the Secretary of the Senate have been exemplary in every respect. There has been complete impartiality and objectivity as between incumbent Senators and challengers and as between Democrats and Republicans. The intent of the law which is full disclosure is being pursued deliberately in carefully thought through regulations.

The administrative structure for handling these responsibilities for Senate elections is efficient and effective and, by far, the least costly of any of the three supervisory authorities for Federal elections.

There have been those who doubted from the outset that impartiality could be maintained in the office of the Secretary of the Senate in this matter. I want to say that it has been maintained and that such is the case, reflects great credit on the integrity of the incumbent Secretary the Honorable Francis Valeo and the Senate.

Mr. President, I ask unanimous consent that a statement released to the press, today, by the Secretary of the Senate be included at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON THE SETTLEMENT OF A COMMON CAUSE LAW SUIT BY THE SECRETARY OF THE SENATE

An article in today's press refers to "an important breakthrough" in "hiding political contributions" with regard to the Federal Election Campaign Act, as a result of the settlement of a Common Cause law suit. The fact is that the matter was broken through more than ten months ago, insofar as Senate elections are concerned. On July 20, 1973, the following directive was issued by the Office of the Secretary of the Senate:

"Each candidate, political committee, and other person required to file reports under the act who receives an earmarked contribution or makes an earmarked expenditure (including any transfer of funds) that is subject to the reporting requirements of the act and these regulations shall report the full name and mailing address, occupation and principal place of business, if any, of the donor or any other person who originally earmarked the contribution or expenditure; the name and address of each political committee or the name and State of each candidate for whom the contribution or expenditure is earmarked; and the amount of such contribution or expenditure earmarked for each such candidate or political committee and the aggregate amount earmarked for each during the calendar year.

"The reporting required by this regulation shall be in addition to all other reporting of such contribution or expenditure required by the act and these regulations; shall be performed by all candidates, political committees and other persons receiving, expending, or transferring earmarked funds; and shall be reported together with all other required information on the appropriate Schedule A-D supplementing Senate Election Forms 2 or 3."

Insofar as the settlement of this law suit is concerned, therefore, I will reiterate what I said in testimony before the Senate Subcommittee on Privileges and Elections, Thursday, April 12, 1973, more than a year ago.

"I wish to call your attention to a problem which has arisen in connection with Section 310 of the Act which states:

" 'No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.'

"Last October, we received a formal complaint from a national citizen's organization citing several cases of apparent earmarked contributions which, it was contended, violated Section 310.

"After a careful review of the cases cited, I dismissed the complaint on the grounds that evidence was lacking, in the cases cited, of the deliberate misrepresentation which appears to be the intended target of Section 310.

"My letter of dismissal to the organization then went on to state, and I quote:

" 'Nevertheless, it is recognized that earmarking can be used as a means of evading the spirit of the Act, and the matter is now under consideration by the staff of this office in collaboration with the staffs of the other two Supervisory Officers, with a view toward possible rule-making or referral to appropriate committees of the Congress for statutory revision.'

"Since that time the organization has seen fit to bring suit in this connection against the Secretary of the Senate. I am hopeful that the matter can be resolved by the issuance of an appropriate regulation promulgated by the three Supervisory Officers in connection with an overall revision of their regulations on the basis of experience to date. Since the matter is now in court, I will have nothing more to say on the merits of the case except to advise you that the various documents relating to this matter will, of course, be available to the committee staff in the event the Committee believes a clarification by law rather than regulation is the preferred course.

"Quite apart from the merits of the particular case, I might just observe that when groups purporting to represent the public interest resort to litigation in the courts, they sometimes do so to the detriment of the very objective they seek. This is all the more unfortunate because we have been happy to consider their views fully in pursuing the objectives of the Federal Election Campaign Act. In this instance, it seems to me, there has been untimely and unwarranted harassment which has resulted in an unjustifiable imposition on my office in terms of time, manpower, and needless public expenditures for legal defense. The suit does a disservice to the hardworking people who are striving conscientiously to implement this highly complex Act. But most of all, by subjecting this matter to the tedious complexities of litigation, the suit has impeded the orderly implementation of the Act. It is not the first instance of this kind nor do I expect it to be the last. Nevertheless, it is a matter which should be brought to your attention at this time. As the incumbent Secretary of the Senate, with legal responsibilities which fall on me personally, I do not propose to be sidetracked from those responsibilities by pressure from outside the Senate any more than from within."

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2665, INTERNATIONAL DEVELOPMENT ASSOCIATION

PRIVILEGE OF THE FLOOR

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that during consideration of S. 2665, John I. Brooks and Peter Hughes of my staff be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOLAR HEATING AND COOLING DEMONSTRATION ACT OF 1974

Mr. MOSS. Mr. President, what is the pending business before the Senate

The PRESIDING OFFICER. Calendar 818, H.R. 11864, is the pending business.

The Senate continued with the consideration of the bill (H.R. 11864) to provide for the early demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling, which had been reported from the Committees on Aeronautical and Space Sciences, Banking, Housing and Urban Affairs, and Labor and Public Welfare with amendments. The amendment of the Committee on Aeronautical and Space Sciences was to strike out all after the enacting clause and insert:

That this Act may be cited as the "Solar Heating and Cooling Demonstration Act of 1974".

FINDINGS AND POLICY

SEC. 2. The Congress hereby finds that—

(1) the current imbalance between supply and demand for fuels and energy is likely to persist for some time;

(2) the early demonstration of the feasibility of using solar energy for the heating and cooling of buildings could help to relieve the demand upon present fuel and energy supplies;

(3) the technologies for solar heating are close to the point of commercial application in the United States;

(4) the technologies for combined solar heating and cooling still require research, development, testing, and demonstration, but no insoluble technical problem is now foreseen in achieving commercial use of such technologies;

(5) the early development and export of viable solar heating equipment and combined solar heating and cooling equipment, consistent with the established preeminence of the United States in the field of high technology products, can make a valuable contribution to our balance of trade;

(6) the widespread use of solar energy in place of conventional methods for the heating and cooling of buildings would have a significantly beneficial effect upon the environment;

(7) the mass production and use of solar heating and cooling equipment will help to eliminate the dependence of the United States upon foreign energy sources and promote the national defense; and

(8) commercial application of solar heating and combined solar heating and cooling technologies can be expedited by early commercial demonstration under practical conditions.

(b) It is therefore declared to be the policy of the United States and the purpose of this Act to provide for the demonstration within a three-year period of the practical use of solar heating technology, and to provide for the development and demonstration within a five-year period of the practical use of combined heating and cooling technology.

DEFINITIONS

SEC. 3. For purposes of this Act—

(a) the term "solar heating", with respect to any building, means the use of solar energy to meet such portion of the total heating needs of such building (including hot water), or such portion of the needs of such building for hot water (where its remaining heating needs are met by other methods), as may be required under performance criteria prescribed by the Secretary of the Department of Housing and Urban Development acting in consultation with the National Bureau of Standards and the Administrator of the National Aeronautics and Space Administration;

(b) the terms "solar heating and cooling" and "combined solar heating and cooling", with respect to any building, mean the use of solar energy to provide both such portion of the total heating needs of such building (including hot water) and such portion of the total cooling needs of such building, or such portion of the needs of such building for hot water (where its remaining heating needs are met by other methods) and such portion of the total cooling needs of such building, as may be required under performance criteria so prescribed, and include cooling by means of nocturnal heat radiation, by evaporation, or by other methods of meeting peakload energy requirements at nonpeakload times; and

(c) the term "residential dwellings" includes mobile homes, apartments, existing homes and new construction, and publicly assisted housing owned by a private sponsor or a State or local housing authority.

(d) the term "Administrator" means the Administrator of the National Aeronautics and Space Administration; and

(e) the term "Secretary" means the Secretary of the Department of Housing and Urban Development.

CONDUCT OF ACTIVITIES IN SOLAR HEATING AND COOLING TECHNOLOGIES BY NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SEC. 4. Section 203 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473) is amended by redesignating subsection (b) as subsection (c), and by inserting immediately after subsection (a) the following new subsection:

"(b) The Administration shall initiate, support, and carry out basic and applied research, development, demonstrations, and other related activities in solar heating and cooling technologies, including (to the extent that funds are appropriated therefor) activities as provided for in sections 5, 6, and 7 of the Solar Heating and Cooling Demonstration Act of 1974.".

DEVELOPMENT OF SOLAR HEATING SYSTEMS TO BE USED IN RESIDENTIAL DWELLINGS

SEC. 5. (a) The Administrator and the Secretary shall promptly initiate and carry out a program as provided in this section, for the development and demonstration of solar heating systems, including collectors, controls and thermal storage, for use in residential dwellings.

(b)(1) Within six months after the date of the enactment of this Act, the Secretary, in consultation with the National Bureau of Standards and the Administrator, shall determine, prescribe, and publish—

(A) performance criteria for solar heating equipment and systems to be used in residential dwellings, and

(B) performance criteria (relating to suitability for solar heating) for such dwellings themselves,

taking into account in each instance climatic variations existing between different geographic areas.

(2) As soon as possible after the publication of the performance criteria prescribed under paragraph (1), the Secretary will select on the basis of open design competition a number of designs for various types of residential dwellings suitable for and adapted to the installation of solar heating systems meeting the performance criteria prescribed under paragraph (1)(A).

(c) The Administrator, in accordance with the applicable provisions of title II of the National Aeronautics and Space Act of 1958, and in consultation with the Secretary shall—

(1) enter into such contracts and grants as may be necessary or appropriate for the development (for commercial production and residential use) of solar heating systems meeting the performance criteria prescribed under subsection (b)(1)(A) (including any further planning and design which may be required to conform with the specifications set forth in such criteria); and

(2) enter into contracts with a number of persons or firms for the procurement of solar heating systems including prototypes meeting the performance criteria of subsection

(b)(1)(A) of this section (including adequate numbers of spare and replacement parts for such systems).

(d) The Secretary shall, as soon as feasible, award contracts for the construction of prototype demonstration dwellings and shall make arrangements to install in such dwellings and, if appropriate, in existing dwellings, solar heating systems procured by the Administrator under subsection (c)(2) of this section. Title to and ownership of such dwellings, including ownership of the solar heating systems installed therein, shall be conveyed to purchasers of such dwellings under terms and conditions prescribed by the Secretary, including an express agreement that such purchaser shall, in such manner and form and on such terms and conditions as the Secretary may prescribe, observe and monitor (or permit the Secretary or his agents to observe and monitor) the performance and operation of such system for a period of five years, and that such purchaser (including any subsequent owner and occupant of the property who also makes such an agreement) shall regularly furnish the Secretary with such reports thereon as the agreement may require.

(e) The Secretary of Defense shall, as soon as feasible, award contracts for the construction of prototype demonstration dwellings on Federal or federally administered property and shall make arrangements to install in such dwellings and, if appropriate, in existing dwellings, solar heating systems procured by the Administrator under subsection (c)(2) of this section.

(f) The Secretary and the Secretary of Defense shall coordinate their activities under this section to assure that solar heating systems are installed in subtantial number of residential dwellings and in a sufficient number of geographic areas under varying climatic conditions to constitute a realistic and effective demonstration in support of the objectives of this Act.

(g) The Secretary, in coordination with the National Bureau of Standards, and the Administrator, and the Secretary of Defense, shall have the general function of monitoring the performance and operation of all solar heating systems installed in residential dwellings under this section, and of collecting and evaluating data and information on such performance and operation; and he shall from time to time make such findings and recommendations and take such other actions (including the submission of special reports to the Congress when appropriate) as may be necessary to assure that the program under this section effectively carries out the objectives of this Act. The Secretary shall in addition maintain continuing liaison with the building industry and related industries and interests, during and after the period of the program under this section, with the objective of assuring that the projected benefits of such program are and will continue to be effectively realized.

DEVELOPMENT OF COMBINED SOLAR HEATING AND COOLING SYSTEMS TO BE USED IN RESIDENTIAL DWELLINGS

SEC. 6. (a) The Administrator and the Secretary shall promptly initiate and carry out a program as provided in this section for the development and demonstration of combined solar heating and cooling systems for use in residential dwellings.

(b)(1) As soon as possible after the date of the enactment of this Act, the Secretary in consultation with the National Bureau of Standards and the Administrator, shall determine, prescribe, and publish—

(A) performance criteria for combined solar heating and cooling equipment and systems to be used in residential dwellings, and

(B) performance criteria (relating to suitability for solar heating and cooling) for such dwellings themselves, taking into account in each instance climatic variations existing between different geographic areas.

(2) As soon as possible after the publication of the performance criteria prescribed under paragraph (1) (and if possible before the completion of the research and development provided for in subsection (c)), the Secretary will select on the basis of open design competition a number of designs for various types of residential dwellings suitable for and adapted to the installation of combined solar heating and cooling systems meeting the performance criteria prescribed under paragraph (1)(A).

(c) During the period immediately following the publication of performance criteria under subsection (b)(1), the Administrator shall undertake and conduct with respect to solar heating and cooling a program of research, development, and testing, designed to provide the additional technological resources necessary for the development and commercial application of combined solar heating and cooling systems as contemplated by the program under this section.

(d) The Administrator, in accordance with the applicable provisions of title II of the National Aeronautics and Space Act of 1958 and in consultation with the Secretary, and at the earliest possible time during or immediately after the period specified in subsection (c), shall—

(1) enter into such contracts and grants as may be necessary or appropriate for the development (for commercial production and residential use) of combined solar heating and cooling systems meeting the performance criteria prescribed under subsection (b)(1)(A) (including any further planning and design which may be required to conform with the specifications set forth in such criteria or to reflect the results of the activities conducted under subsection (c)); and

(2) enter into contracts with a number of persons or firms for the procurement of combined solar heating and cooling systems including prototypes meeting the performance criteria of subsection (b)(1)(A) of this section (including adequate numbers of spare and replacement parts for such systems).

(e) The Secretary shall, as soon as feasible, award contracts for the construction of prototype demonstration dwellings and shall make arrangements to install in such dwellings and, if appropriate, in existing dwellings, combined solar heating and cooling systems procured by the Administrator under subsection (d)(2) of this section. Title to and ownership of such dwellings, including ownership of the combined solar heating and cooling systems installed therein, shall be conveyed to purchasers of such dwellings under terms and conditions prescribed by the Secretary, incuding an express agreement that such purchaser shall, in such manner and form and on such terms and conditions as the Secretary may prescribe, observe and monitor (or permit the Secretary or his agents to observe and monitor) the performance and operation of such system for a period of five years, and that such purchaser (including any subsequent owner and occupant of the property who also makes such an agreement) shall regularly furnish the Secretary with such reports thereon as the agreement may require.

(f) The Secretary of Defense shall, as soon as feasible, award contracts for the construction of prototype demonstration dwellings on Federal or federally administered property and shall make arrangements to install in such dwellings and, if appropriate, in existing dwellings, combined solar heating and cooling systems procured by the Administrator under subsection (d)(2) of this section.

(g) The Secretary and the Secretary of Defense shall coordinate their activities under this section to assure that solar heating systems are installed in substantial numbers of residential dwellings and in a sufficient number of geographic areas under varying climatic conditions to constitute a realistic and effective demonstration in support of the objectives of this Act.

(h) The Secretary, in coordination with the National Bureau of Standards, the Administrator, and the Secretary of Defense, shall have the general function of monitoring the performance and operation of all solar heating and cooling systems installed in residential dwellings under this section, and of collecting and evaluating data and information on such performance and operation; and he shall from time to time make such findings and recommendations and take such other actions (including the submission of special reports to the Congress when appropriate) as may be necessary to assure that the program under this section effectively carries out the objectives of this Act. The Secretary shall in addition maintain continuing liaison with the building industry and related industries and interests, during and after the period of the program under this section, with the objective of assuring that the projected benefits of such program are and will continue to be effectively realized.

DEVELOPMENT OF SOLAR HEATING AND COOLING SYSTEMS FOR COMMERCIAL BUILDINGS

SEC. 7. The Administrator, in consultation with the General Services Administration and the National Bureau of Standards and concurrently with the conduct of the programs under sections 5 and 6, shall enter into arrangements with appropriate Federal agencies to carry out such projects and activities (including demonstration projects) with respect to office buildings, factories, agricultural structures (including crop-drying facilities), public buildings (including schools and colleges), and other commercial or industrial buildings, taking into account the special needs of and individual differences in such buildings based upon size, function, and other relevant factors, as may be appropriate for the early development and demonstrations of combined solar heating and cooling systems suitable and effective for use in such buildings.

LARGE-SCALE DEMONSTRATION OF SOLAR HEATING AND COOLING SYSTEMS

SEC. 8. In addition to the prototype demonstration under sections 5, 6, and 7, the Secretary is authorized to undertake and carry out large-scale demonstrations of the utilization of solar heatings and of combined solar heating and cooling systems if, after consultation with the Administrator, he determines that such large-scale demonstrations are necessary to expedite widespread acceptance of utilization of such systems.

DISSEMINATION OF INFORMATION AND OTHER ACTIONS TO PROMOTE PRACTICAL USE OF SOLAR HEATING AND COOLING TECHNOLOGIES

SEC. 9. (a) The Secretary shall take all possible steps to assure that full and complete information with respect to the demonstrations and other activities conducted under this Act is made available to Federal, State, and local authorities, the building industry and related segments of the economy, and the public at large, both during and after the close of the programs under this Act, with the objective of promoting and facilitating to the maximum extent feasible the early and widespread practical use of solar energy for the heating and cooling of buildings throughout the United States. In accordance with regulations prescribed under section 12, such information shall be disseminated on a coordinated basis by the Secretary, the Administrator, the National Bureau of Standards, the National Science Foundation, the Patent Office, and other appropriate Federal offices and agencies.

(b) In addition the Secretary shall—

(1) study and investigate the effect of existing building codes, zoning ordinances,

and other laws, codes, ordinances, and practices upon the practical use of solar energy for the heating and cooling of buildings; and

(2) determine the extent to which such laws, codes, ordinances, and practices should be changed to permit or facilitate such use, and the methods by which any such changes may best be brought about.

(c) (1) In carrying out his functions under subsections (a) and (b) the Secretary, utilizing the capabilities of the National Aeronautics and Space Administration, Department of Commerce, and the National Science Foundation to the maximum extent possible, shall establish and operate a Solar Heating and Cooling Information Data Bank (hereinafter in this subsection referred to as the "bank") for the purpose of collecting, reviewing, processing, and disseminating solar heating and cooling information and data in a timely and accurate manner in support of the objectives of this Act.

(2) Information and data compiled in the bank shall include—

(A) technical information (reports, journal articles, dissertations, monographs, project descriptions, etc.) on solar energy research, development, and applications;

(B) similar technical information on the design, construction, and maintenance of buildings compatible with solar heating and cooling concepts;

(C) physical and chemical properties of the materials required for solar heating and cooling;

(D) climatic conditions in appropriate areas of the United States, including those areas where the demonstrations are to be located; and

(E) engineering performance of devices utilized in solar heating and cooling or to be employed in the demonstration.

(3) In accordance with regulations prescribed under section 12(a), the Secretary shall provide retrieval and dissemination services to cover the solar heating and cooling information described under paragraph (2) for—

(A) Federal, State, and local government organizations that are active in the area of energy resources (and their contractors);

(B) universities and colleges in their related research and consulting activities; and

(C) the private sector upon request in appropriate cases.

(4) In carrying out his functions under this subsection, the Secretary shall utilize, when feasible, the existing data base of scientific and technical information in Federal agencies, adding to such data base any information described in paragraph (2) which does not already reside in such base.

(d) Each Federal officer and agency having functions under this Act shall include in his or its annual report to the President and the Congress a full and complete description of his or its activities (current and projected) under this Act, along with his or its recommendations for legislative, administrative, or other action to improve the programs under this Act or to achieve the objectives of this Act more promptly and effectively. In addition, the Secretary shall submit annually to the President and the Congress a special report summarizing in appropriate detail all of the activities (current and projected) of the various Federal officers and agencies having functions under this Act, with the objective of presenting a comprehensive overall view of such programs.

ENCOURAGEMENT AND PROTECTION OF SMALL BUSINESS

SEC. 10. In carrying out their functions under this Act, all Federal officers and agencies shall take steps to assure that small business concerns will have a realistic and adequate opportunity to participate in the programs under this Act to the maximum extent possible.

PRIORITIES

SEC. 11. The Secretary will set priorities as far as possible consistent with the intent and operation of this Act, to consider the following criteria:

(a) The residential dwellings referred to in subsections (d) and (e) of section 5 and subsections (e) and (f) of section 6 shall be located in sufficient number of different geographic areas in the United States to assure a realistic and effective demonstration of the solar heating systems and combined solar heating and cooling systems involved, and of the dwellings themselves, under climatic conditions which vary as much as possible. A reasonable number not less than 30 per centum of such residential dwellings shall be constructed in rural areas, or in towns and cities the population of which does not exceed 25,000.

(b) The particular need for assistance under this Act in areas with high density of population and prospects for future growth where early development of solar demonstration projects may more quickly reduce reliance on regular fuel supplies now in short supply.

(c) The desirability of encouraging those projects in which funds appropriated by any State or political subdivision thereof for the purpose of sharing costs with the Federal Government, for the procurement of solar heating and combined solar heating and cooling equipment, are committed before or after the date of the enactment of this Act.

REGULATIONS

SEC. 12. The Administrator and the Secretary, in consultation with the Administrator of the General Services Administration, the Secretary of Defense, the National Bureau of Standards, and other appropriate officers and agencies, shall prescribe such regulations as may be necessary or appropriate to carry out this Act promptly and efficiently. Each such officer or agency, in consultation with the Secretary, may prescribe such regulations as may be necessary or appropriate to carry out his or its particular functions under this Act promptly and efficiently.

TRANSFER OF FUNCTIONS

SEC. 13. Within sixty days after the effective date of the law creating the Energy Research and Development Administration or any other law creating a permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States (or within sixty days after the enactment of this Act if the effective date of such law occurs prior to the enactment of this Act), all of the research and development functions vested in the National Aeronautics and Space Administration under this Act and any funds which may have been appropriated pursuant to section 14 of this Act, to the extent necessary or appropriate, may, in accordance with regulations prescribed by the Office of Management and Budget, be transferred to and vested in the Energy Research and Development Administration or such other organization or agency.

AUTHORIZATION OF APPROPRIATIONS

SEC. 14. (a) There is hereby authorized to be appropriated to the National Aeronautics and Space Administration for fiscal year 1975 $5,000,000 to carry out the functions vested in the Administrator by this Act.

(b) There is hereby authorized to be appropriated to the Department of Housing and Urban Development for fiscal year 1975 $5,000,000 and for fiscal years 1976, 1977, 1978, and 1979 such additional funds as may be required to carry out the functions assigned to the Secretary by this Act.

The amendment of the Committee on Banking, Housing and Urban Affairs and the Committee on Labor and Public Welfare was to strike out all of the Committee on Aeronautical and Space Sciences amendments and insert:

That this Act may be cited as the "Solar Heating and Cooling Demonstration Act of 1974".

FINDINGS AND POLICY

SEC. 2. (a) The Congress hereby finds that—

(1) the current imbalance between supply and demand for fuels and energy is likely to persist for some time;

(2) the early demonstration of the feasibility of using solar energy for the heating and cooling of buildings could help to relieve the demand upon present fuel and energy supplies;

(3) the technologies for solar heating are close to the point of commercial application in the United States;

(4) the technologies for combined solar heating and cooling still require research, development, testing, and demonstration, but there appears to be no insoluble technical obstacle to the early commercial use of such technologies;

(5) the early development and export of solar heating equipment and combined solar heating and cooling equipment, consistent with the established preeminence of the United States in the field of high technology products, can make a valuable contribution to our balance of trade;

(6) the widespread use of solar energy in place of conventional methods for the heating and cooling of buildings would have a significantly beneficial effect upon the environment;

(7) the mass production and use of solar heating and cooling equipment will help to eliminate the dependence of the United States upon foreign energy sources and promote the national defense;

(8) the widespread introduction of low-cost solar energy will be beneficial to consumers in a period of rapidly rising fuel costs;

(9) evaluation of the performance and reliability of solar heating and combined solar heating and cooling technologies can be expedited by testing of prototypes under carefully controlled conditions;

(10) commercial application of solar heating and combined solar heating and cooling technologies can be expedited by early commercial demonstration under practical conditions; and

(11) innovation and creativity in the development of solar heating and combined solar heating and cooling components and systems can be fostered through encouraging direct contact between the manufacturers of such systems and the architects, engineers, developers, contractors, and other persons interested in installing such systems in buildings.

(b) It is therefore declared to be the policy of the United States and the purpose of this Act to provide for the earliest possible demonstration within a three-year period of the practical use of solar heating technology, and to provide for the earliest possible development and demonstration within a five-year period of the practical use of combined heating and cooling technology.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) the term "solar heating" means the use of solar energy to meet such portion of the total heating needs of a building (including hot water), or such portion of the needs of a building for hot water (where its remaining heating needs are met by other methods), as may be required under performance criteria prescribed by the Secretary of Housing and Urban Development acting in consultation with the Director of the National Bureau of Standards, the Director of the National Science Foundation, and the Administrator of the National Aeronautics and Space Administration;

(2) the term "combined solar heating and cooling" means the use of solar energy to provide both such portion of the total heating needs of a building (including hot water) and such portion of the total cooling needs of a building, or such portion of the needs of a building for hot water (where its remaining heating needs are met by other methods) and such portion of the total cooling needs of a building, as may be required under performance criteria prescribed by the Secretary of Housing and Urban Development acting in consultation with the Director of the National Bureau of Standards, the Director of the National Science Foundation, and the Administrator of the National Aeronautics and Space Administration, and such term includes cooling by means of nocturnal heat radiation, by evaporation, or by other methods of meeting peakload energy requirements at nonpeakload times;

(c) the term "residential dwellings" includes previously occupied and new single-family and mutiifamily dwellings, mobile homes, and publicly assisted housing owned by a private sponsor, or a State or local housing authority;

(d) the term "Administrator" means the Administrator of the National Aeronautics and Space Administration;

(e) the term "Secretary" means the Secretary of Housing and Urban Development; and

(f) the term "Director" means the Director of the National Science Foundation.

DEVELOPMENT AND DEMONSTRATION OF PROTOTYPE SOLAR HEATING SYSTEMS TO BE USED IN RESIDENTIAL DWELLINGS

SEC. 4. (a) The Administrator and the Secretary shall promptly initiate and carry out a program, as provided in this section, for the development and demonstration of prototype solar heating systems, including collectors, controls, and thermal storage, for use in residential dwellings.

(b) (1) Within nine months after the date of the enactment of this Act, the Secretary in consultation with the Director of the National Bureau of Standards, the Director, and the Administrator, shall determine, prescribe, and publish in the Federal Register after notice and hearing in accordance with all applicable provisions regarding rulemaking prescribed by section 553 of title 5, United States Code—

(A) performance criteria for solar heating components and systems to be used in residential dwellings;

(B) performance criteria (relating to suitability for solar heating) for such dwellings; and

(C) procedures whereby manufacturers of solar heating components and systems shall have their products tested in order to provide certification that such products conform to the performance criteria established under subparagraph (A) of this paragraph.

(2) In the development of the performance criteria and test procedures required under paragraph (1) of this subsection, the Secretary shall work closely with the appropriate scientific, technical, and professional societies and industry representatives to insure the best possible use of available expertise in this area.

(c) (1) The Secretary is authorized, as soon as possible after the publication of the performance criteria prescribed under subsection (b) (1), to select on the basis of open competitions—

(A) a number of readily available solar heating components and systems meeting the performance criteria prescribed under subsection (b) (1) (A);

(B) a number of design concepts for various types of residential dwellings which demonstrate adaptability to the installation of solar heating components and systems and which meet the performance criteria prescribed under subsection (b) (1) (B); and

(C) a number of designs for dwellings selected under subparagraph (B), so that each design includes specific provisions for the installation of solar heating components and systems selected under subparagraph (A).

(2) The Administrator, in accordance with the applicable provisions of title II of the National Aeronautics and Space Act of 1958 and such program guidelines as the Secretary may establish, shall—

(A) enter into such contracts and grants as may be necessary or appropriate for the development for commercial production and residential use of solar heating components and systems meeting the performance criteria prescribed under subsection (b) (1) (A), including any further planning and design which may be required to conform with the specifications set forth in such criteria;

(B) select, as being compatible with the design concepts chosen under pargaraph (1) (B) of this subsection, a reasonable number of solar heating components and systems meeting the performance criteria of subsection (b) (1) (A) of this section; and

(C) enter into contracts with a number of persons or firms for the procurement of solar heating components and systems meeting the performance criteria of subsection (b) (1) (A) of this section including adequate numbers of spare and replacement parts for such systems.

(d) The Secretary is authorized to award contracts for the design integration between the dwelling concepts and the solar heating systems procured by the Administrator under subsection (c) (2) (C), and for the construction of prototype demonstration dwellings and, when appropriate, for the installation of such systems in existing dwellings. Title to and ownership of dwellings so constructed and of solar heating systems installed hereunder may be conveyed to purchasers of such dwellings under terms and conditions prescribed by the Secretary, including an express agreement that any such purchaser shall, in such manner and form and on such terms and conditions as the Secretary may prescribe, observe and monitor (or permit the Secretary to observe and monitor) the performance and operation of such system for a period of five years, and that such purchaser (including any subsequent owner and occupant of the property who also makes such an agreement) shall regularly furnish the Secretary with such reports thereon as the agreement may require.

(e) The Secretary of Defense is authorized to award contracts for the construction and, when appropriate, retrofitting of military residential dwellings to be equipped with solar heating systems procured by the Administrator under subsection (c) (2) of this section.

DEVELOPMENT AND DEMONSTRATION OF PROTOTYPES OF COMBINED SOLAR HEATING AND COOLING SYSTEMS TO BE USED IN RESIDENTIAL DWELLINGS

SEC. 5. (a) The Administrator and the Secretary shall promptly initiate and carry out a program, as provided in this section, for the development and demonstration of combined solar heating and cooling systems for use in residential dwellings.

(b) (1) As soon as possible after the date of the enactment of this Act, the Secretary in consultation with the Director of the National Bureau of Standards, the Director, and the Administrator, shall determine, prescribe, and publish in the Federal Register, after notice and hearing in accordance with all applicable provisions regarding rulemaking prescribed by section 553 of title 5, United States Code—

(A) performance criteria for combined solar heating and cooling components and systems to be used in residential dwellings;

(B) performance criteria (relating to suitability for combined solar heating and cooling) for such dwellings; and

(C) procedures whereby manufacturers of combined solar heating and cooling components and systems shall have their products tested in order to provide certification that such products conform to the performance criteria established under subparagraph (A) of this paragraph.

(2) In the development of the performance criteria and test procedures required under paragraph (1) of this subsection, the Secretary shall work closely with the appropriate scientific, technical, and professional societies and industry representatives to insure the best possible use of available expertise in this area.

(c) (1) The Secretary is authorized, as soon as possible after the publication of the performance criteria prescribed under subsection (b) (1), to select on the basis of open competitions—

(A) a number of readily available combined solar heating and cooling components and systems meeting the performance criteria prescribed under subsection (b) (1) (A);

(B) a number of design concepts for various types of residential dwellings which demonstrate adaptability to the installation of combined solar heating and cooling components and systems and which meet the performance criteria prescribed under subsection (b) (1) (B); and

(C) a number of designs for dwellings selected under subparagraph (B), so that each design includes specific provisions for the installation of combined solar heating and cooling components and systems selected under subparagraph (A).

(2) During the period immediately following the publication of performance criteria under subsection (b) (1), the Administrator shall undertake and conduct with respect to solar heating and cooling a program of development and testing, designed to provide the additional technological resources necessary for the development and commercial application of combined solar heating and cooling components and systems as contemplated by the program under this section.

(3) The Administrator, in accordance with the applicable provisions of title III of the National Aeronautics and Space Act of 1958 and in accordance with such program guidelines as the Secretary may establish, and at the earliest possible time during or immediately after the period specified in subsection (c) (2), shall—

(A) enter into such contracts and grants as may be necessary or appropriate for the development for commercial production and residential use of combined solar heating and cooling components and systems meeting the performance criteria prescribed under subsection (b) (1) (A), including any further planning and design which may be required to conform with the specifications set forth in such criteria or to reflect the results of the activities conducted under paragraph (2) of this subsection;

(B) select, as being compatible with the design concepts chosen under paragraph (1) (B) of this subsection, a reasonable number of combined solar heating and cooling components and systems meeting the performance criteria of subsection (b) (1) (A) of this section; and

(C) enter into contracts with a number of persons or firms for the procurement of prototypes of combined solar heating and cooling components and systems meeting the performance criteria of subsection (b) (1) (A) of this section including adequate numbers of spare and replacement parts for such systems.

(d) The Secretary is authorized to award contracts for the design integration between the dwelling concepts and the solar heating and cooling systems procured by the Administrator under subsection (c) (3) (C), and for the construction of prototype demonstration dwellings and when appropriate for the installation of such systems in existing dwellings. Title to and ownership of dwelling so constructed and of combined solar heating and cooling systems installed hereunder, may be conveyed to purchasers of such dwellings under terms and conditions prescribed by the Secretary, including an express agreement that such purchaser shall, in such manner and form and on such terms and conditions as the Secretary may prescribe, observe and monitor (or permit the Secretary to observe and monitor) the performance and operation of such system for a period of five years, and that such purchaser (including any subsequent owner and occupant of the property who also makes such an agreement) shall regularly furnish the Secretary with such reports thereon as the agreement may require.

(e) The Secretary of Defense is authorized to award contracts for the construction and, when appropriate, retrofitting of military residential dwellings to be equipped with solar heating and cooling systems procured by the Administrator under subsection (c) (3) (C) of this section.

DEVELOPMENT AND DEMONSTRATION OF SOLAR HEATING AND COOLING SYSTEMS FOR COMMERCIAL BUILDINGS

SEC. 6. The Administrator, in consultation with the Secretary, the Director, the Administrator of General Services and the Director of the National Bureau of Standards and concurrently with the conduct of the programs under sections 4 and 5, shall enter into arrangements with appropriate Federal agencies to carry out such projects and activities (including demonstration projects) with respect to office buildings, factories, agricultural structures (including crop-drying facilities), public buildings (including schools and colleges), and other nonresidential, commercial, or industrial buildings, taking into account the special needs of individual differences in such buildings based upon size, function, and other relevant factors, as may be appropriate for the early development and demonstration of combined solar heating and cooling systems suitable and effective for use in such buildings.

LARGE-SCALE DEMONSTRATION OF SOLAR HEATING AND COMBINED SOLAR HEATING AND COOLING SYSTEMS

SEC. 7. (a) In addition to the prototype demonstrations under sections 4 and 5, the Secretary is authorized to undertake and carry out large-scale demonstrations of the utilization of solar heating systems and of combined solar heating and cooling systems if he determines that such large-scale demonstrations are advisable to expedite widespread utilization of such systems.

(b) (1) As part of any such large-scale demonstration program, the Secretary is authorized to establish procedures whereby any person wishing to install components and systems for solar heating or combined solar heating and cooling in any new or existing residential dwelling may apply for Federal assistance in purchasing and installing in such dwellings, components and systems for solar heating or combined solar heating and cooling which are certified under paragraph (1) (C) of section 4(b) or 5(b) as meeting the performance criteria under paragraph (1) (A) of section 4(b) or 5(b), respectively.

(2) As soon as he deems it feasible, the Secretary is authorized to select a number of the applicants under paragraph (1) of this subsection with whom to enter into agreements for the purchase, installation, and demonstration of components and systems for solar heating or combined solar heating and cooling. Such selection shall be based on the need to demonstrate a variety of such systems under a variety of circumstances and conditions.

(3) As part of any agreement entered into under paragraph (2) of this subsection, the Secretary is authorized to arrange to provide up to 75 per centum of the purchase and installation costs of components and systems for solar heating or combined solar heating and cooling. Such arrangements shall be contingent upon terms and conditions prescribed by the Secretary, including an express agreement that such person shall, in such manner and form and on such terms and conditions as the Secretary may prescribe, observe, and monitor (or permit the Secretary or his agents to observe and monitor) the performance and operation of such system for a period of five years, and that such person (including any subsequent owner and occupant of the property who also makes such an agreement) shall regularly furnish the Secretary with such reports thereon as the agreement may require.

SOLAR HEATING AND COOLING RESEARCH

SEC. 8. (a) The Director shall conduct a program of research relevant to the improvement of solar heating components and systems and to the development and commercial application of combined solar heating and cooling components and systems as contemplated by the programs under this Act.

(b) The Director shall apprise the Secretary on a continuing basis of the results of the programs being conducted in accordance with subsection (a) of this section, and the Secretary shall insure that such results, where appropriate, are incorporated into the development and demonstration programs established by this Act.

COORDINATION, MONITORING, AND LIAISON

SEC. 9. (a) The Secretary, in coordination with such other Government agencies as may be appropriate, shall—

(1) monitor the performance and operation of solar heating and combined solar heating and cooling systems installed in residential dwellings under this Act;

(2) collect and evaluate data and information on the performance and operation of solar heating and combined solar heating and cooling systems installed in residential dwellings under this Act; and

(3) from time to time, carry out such studies and investigations and take such other actions, including the submission of special reports to the Congress when appropriate, as may be necessary to assure that the programs for which the Secretary is responsible under this Act effectively carry out the policy of this Act.

(b) The Secretary shall also maintain continuing liaison with the building industry and related industries and interests, and with the scientific and technical community during and after the period of the programs carried out under this Act, in order to assure that the projected benefits of such programs are and will continue to be realized.

DISSEMINATION OF INFORMATION AND OTHER ACTIONS TO PROMOTE PRACTICAL USE OF SOLAR HEATING AND COOLING TECHNOLOGIES

SEC. 10. (a) The Secretary shall take all possible steps to assure that full and complete information with respect to the demonstrations and other activities conducted under this Act is made available to Federal, State, and local authorities, the building industry and related segments of the economy, the scientific and technical community, and the public at large, both during and after the close of the programs under this Act, with the objective of promoting and facilitating to the maximum extent feasible the early and widespread practical use of solar energy for the heating and cooling of buildings throughout the United States. Such information shall be disseminated on a coordinated basis by the Secretary, the Administrator, the Director of the National Bureau of Standards, the Director, the Commissioner of the Patent Office, and other appropriate Federal offices and agencies.

(b) The Secretary shall—

(1) study and investigate the effect of building codes, zoning ordinances, tax regulations, and other laws, codes, ordinances, and practices upon the practical use of solar energy for the heating and cooling of buildings;

(2) determine the extent to which such laws, codes, ordinances, and practices should be changed to permit or facilitate such use, and the methods by which any such changes may best be accomplished;

(3) determine the necessity of a program of incentives to accelerate the commercial application of solar energy technology; and

(4) in carrying out his functions under this subsection, consult with the appropriate government agencies, industry representatives, and members of the scientific and technical community having expertise and interest in this area.

(c) (1) In carrying out his functions under subsections (a) and (b) of this section, the Secretary, in cooperation with the Administrator, the Director, and the Secretary of Commerce, shall provide for the establishment and operation of a Solar Heating and Cooling Information Data Bank (hereinafter in this subsection referred to as the "bank") for the purpose of collecting, reviewing, processing, and disseminating solar heating and cooling information and data in a timely and accurate manner in support of the policy of this Act.

(2) Information and data compiled in the bank shall include—

(A) technical information (including reports, journal articles, dissertations, monographs, and project descriptions) on solar energy research, development, and applications;

(B) technical information on the design, construction, and maintenance of buildings compatible with solar heating and cooling concepts;

(C) data on physical and chemical properties of the materials required for solar heating and cooling;

(D) data on climatic conditions in appropriate areas of the United States, including those areas where the demonstrations are to be located; and

(E) data on engineering performance of devices utilized in solar heating and cooling or employed in any demonstration carried out under this Act.

(3) In accordance with such regulations as the Secretary may prescribe, the bank shall provide retrieval and dissemination services to cover the solar heating and cooling information described under paragraph (2) for—

(A) Federal, State, and local government organizations that are active in the area of energy resources;

(B) universities, colleges, and other nonprofit organizations; and

(C) private firms, upon request, in appropriate cases.

(4) In carrying out its functions under this subsection, the bank shall utilize, when feasible, the existing data base of scientific and technical information in Federal agencies, adding to such data base any information described in paragraph (2) which is not already contained in such base.

(d) Each Federal officer and agency having functions under this Act shall include in his or its annual report to the President and the Congress a full and compete description of his or its activities (current and projected) under ths Act, along with his or its recommendations for legislative, administrative, or other action necessary to improve the programs under this Act or to carry out the policy of this Act more promptly and effectively. The Secretary shall also submit annually to the President and the Congress a special report summarizing in appropriate detail all of the activities (current and projected) of the various Federal officers and agencies having functions under this Act, with the objective of presenting a comprehensive overall view of such programs.

ENCOURAGEMENT AND PROTECTION OF SMALL BUSINESS

Sec. 11. In carrying out their functions under this Act, all Federal officers and agencies shall take steps to assure that small-business concerns will have realistic and adequate opportunities to participate in the programs under this Act to the maximum extent possible.

PRIORITIES

Sec. 12. The Secretary shall set priorities, as far as possible consistent with the intent and operation of this Act, in accordance with the following criteria:

(1) The residential dwellings and other buildings which will be part of the demonstration programs referred to in sections 4, 5, and 6 shall be located in a sufficient number of different geographic areas in the United States to assure a realistic and effective demonstration of the solar heating systems and combined solar heating and cooling systems involved, and of the dwellings and other buildings themselves, in both rural and urban locations and under climatic conditions which vary as much as possible.

(2) The projected costs of commercial production and maintenance of the solar heating systems and combined solar heating and cooling systems utilized in the demonstration programs established under this Act should be taken into account.

(3) Encouragement should be given in the conduct of programs under this Act to those projects in which funds, appropriated by any State or political subdivision thereof for the purpose of sharing costs with the Federal Government for the purchase and installation of solar heating or combined solar heating and cooling components and systems, are committed before or after the date of the enactment of this Act.

TRANSFER OF FUNCTIONS

Sec. 13. Within sixty days after the effective date of the law creating the Energy Research and Development Administration or any other law creating a permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States (or within sixty days after the enactment of this Act if the effective date of such law occurs prior to the enactment of this Act), all of the functions vested in the National Aeronautics and Space Administration under this Act and any funds which may have been appropriated pursuant to subsection (a) of section 15 of this Act, to the extent necessary or appropriate may, in accordance with regulations prescribed by the Office of Management and Budget, be transferred to and vested in the Energy Research and Development Administration or such other organization or agency.

USE OF PUBLICLY ASSISTED HOUSING

Sec. 14. The Secretary shall make appropriate use of publicly assisted housing and particularly low-rent housing assisted under the United States Housing Act of 1937 in designing, testing, and demonstrating solar heating components and systems and combined solar heating and cooling systems under this Act.

AUTHORIZATION OF APPROPRIATIONS

Sec. 15. (a) There is hereby authorized to be appropriated to the National Aeronautics and Space Administration for the fiscal year ending June 30, 1975, $5,000,000 to carry out the functions vested in the Administrator by this Act.

(b) There is hereby authorized to be appropriated to the Department of Housing and Urban Development for the fiscal year ending June 30, 1975, $5,000,000, and for each of the fiscal years ending June 30, 1976, 1977, 1978, and 1979, $10,000,000. Any sums so appropriated shall be available (1) to carry out the functions vested in the Secretary or the Department of Housing and Urban Development by this Act, and (2) for transfer to the Department of Defense and the National Bureau of Standards and the General Services Administration to enable them to carry out their respective functions under this Act. Any amounts authorized under this subsection for any fiscal year but not appropriated may be appropriated for any subsequent fiscal year prior to fiscal year 1980.

Mr. MOSS. Mr. President, this is a House bill to which the Committee on Aeronautical and Space Sciences reported amendments, and subsequent to that the bill was referred to other committees, and they have now presented a substitute for the amendment of the Committee on Aeronautical and Space Sciences, which appears in the printed bill at the desk.

I move that the amendment in the nature of a substitute by the Committee on Banking, Housing and Urban Affairs and the Committee on Labor and Public Welfare be adopted.

The PRESIDING OFFICER. The question is on the motion to adopt the amendment.

The motion was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Committee on Aeronautical and Space Sciences in the nature of a substitute, as amended.

The amendment was agreed to.

Mr. MOSS. Mr. President, H.R. 11864, as reported by your committee with an amendment and now before the Senate, provides for the early commercial demonstration of solar heating and solar heating and cooling technologies.

The recent fuel shortage underscores the importance of developing and demonstrating these technologies. The energy crisis has affected virtually every American, causing inconveniences, hardships, and, in some cases, disaster. This situation reveals the dangers of relying on foreign sources for fuel, and highlights the present limitation of our own resources. Investigations into possible solutions to the crisis have been focused on the need for a secure, accessible and unlimited source of energy. One resource which meets all of these needs is solar energy. First, it is secure from the threat of foreign interference. Second, recent technological advances promise to make it readily accessible. Finally, the source of energy is as vast as the power which maintains life itself on this planet.

Although much research is still required before all the uses of this energy source are fully appreciated and utilized, there does exist one use that should be commercially available on a large scale in the relatively near term—solar heating and cooling of buildings. However, the inhibiting factor remains that the operating experience necessary for large scale commercial implementation of this technology does not exist. Such a myriad of technical, social and aesthetic problems are associated with development of solar heating and cooling systems that Government must play a vital role in achieving this operating experience. Thus, the next logical step is legislation to coordinate Federal agencies, designate responsibility, and outline policy to achieve this goal. H.R. 11864, as amended, would accomplish this important and timely next logical step.

The details of this program are discussed in the committee's report to the Senate, Senate Report No. 93–734. Therefore, in this statement I will only summarize important features of the bill.

The bill declares that it is the policy of the United States to accomplish the demonstration of the practical use of solar heating technology within three years, and to accomplish the research, development, and demonstration of the practical use of combined solar heating and cooling technology within a 5-year period.

The National Aeronautics and Space Administration (NASA) will be in charge of the research, development, and manufacture of solar heating and combined solar heating and cooling equipment. The Department of Housing and Urban Development (HUD) is charged with the responsibility to develop dwelling and system performance criteria and to make the necessary arrangements for the construction of dwellings and installation of the solar equipment furnished by NASA. The bill contemplates application of these systems to existing structures as well as to new construction. NASA would work with the Department of Defense in applying this technology to military housing and with other agencies as appropriate in other types of buildings.

Underlying the basic approach to this legislation is the concept that the development of reliable, durable and efficient systems is vital to the success of the project. Concern has been expressed that without proper attention such a program could be a disappointment and could reflect unfavorably on solar powered systems, thereby negating, in the long run, the energy savings that the bill is intended to achieve. Installations should be made in substantial quantities in order to accomplish the objectives of demonstrating performance in sufficient numbers of geographic areas under varying climatic conditions to constitute a realistic and effective demonstration. Thus, rather than striving for mass demonstration of this technology, the objective of the bill is to stress systems performance comparable to that an owner today would expect from a conventional heating and/or heating and cooling system.

The bill provides for a series of demonstrations incorporating the technology available at the beginning of each demonstration. This approach allows for continuing periodic inputs of new technology in modest-sized or prototype demonstrations rather than an immediate commitment to a large-scale building program. The bill also provides that a larger demonstration may be undertaken if necessary.

As part of its responsibilities to assure continuing public benefit from this program, HUD is required to undertake comprehensive programs, including a Solar Heating and Cooling Information Bank in order to disseminate all relevant information produced under this demonstration program. In addition, HUD is charged with studying, investigating, and reporting on ways that building codes, zoning ordinances, and other laws and practices can be modified in order to facilitate widespread use of solar energy for heating and cooling buildings.

The committee is aware that some research into solar energy applications is already being undertaken. It is anticipated that NASA and HUD will make full use of the results of this research, including that done by the National Science Foundation.

Of course, the major goal of this legislation is to stimulate private adoption of solar heating and cooling technology. The committee feels that, while granting mortgage exceptions might provide a stimulus in certain circumstances, underwriting most or all of the cost of the initial solar system equipment and its installation is necessary in order to get owner acceptance.

Mr. President, the committee is also aware of the efforts by Congress and the executive branch to establish an agency—the Energy Research and Development Administration—having governmentwide energy research and development functions. While the committee is in agreement with this concept, it believed that legislation as important and relevant as H.R. 11864 should not be held in abeyance, pending formation of such an agency. However, when and if such an agency comes into being, the bill allows for transfer of the research and development functions vested in NASA to such agency, if and to the extent such action is deemed appropriate.

Finally, $5 million is authorized to be appropriated to NASA for fiscal year 1975, and $5 million is authorized to be appropriated to HUD for fiscal year 1975. An integral part of the first year's activities would be the development of a firm program plan so as to determine funding requirements for subsequent years.

The committee would expect to review subsequent NASA requirements on an annual basis concurrent with an annual authorization required for all of NASA's research and development programs.

Mr. President, I have repeatedly advocated research and development efforts to expedite the use of solar energy. This bill, as amended and reported by the Committee on Aeronautical and Space Sciences, is a sound step in this direction. As you know, HR. 11864 passed the House by a vote of 253 to 2. I am hopeful that my colleagues in the Senate will also realize the importance of the bill, and that both Houses of Congress will join together expeditiously to resolve differences in the two bills and secure enactment in a timely manner.

Mr. President, at this point I would like to insert in the RECORD a chart indicating the major differences between the House and Senate bills.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

MAJOR DIFFERENCES—HOUSE BILL/SENATE AMENDMENTS

	House bill	*Amendments*
Residential housing:		
Heating demonstration	"Current technology"	NASA develops technology or uses currently available if it meets performance criteria
Type of unit	Implies new construction	New, existing
Housing construction/installation	Responsibility not clear	HUD, DOD to construct, install units furnished by NASA
Number of units	Must be "manufactured on a mass production basis"; 4,000 units indicated as one adequate measure	No numerical definition; HUD and NASA expected to conduct series of demonstrations using latest technology from NASA (and NSF) R and D; mass demonstrations authorized if necessary
Prototypes before mass demonstration	Permitted if found necessary	Preferred
Funding	Assumes private homeowner bears cost, increases mortgage ceilings, etc.	HUD bears increased cost
Other buildings:		
Responsibility	NASA and HUD	NASA to work out arrangements similar to those in housing
General provisions:		
Transfer to ERDA	Automatic in 60 days	Authorized, not mandatory
Funding	$50,000,000 to NASA over 5 years—other agencies(?)	$5,000,000 to NASA, $5,000,000 to HUD for first year. HUD authorization for next 4 years.
NSF role	Authorizes basic and applied research	Provision deleted as unnecessary. Report assumes program would continue with results provided NASA and HUD, etc.

Mr. MOSS. Mr. President, I commend to my colleagues H.R. 11864, as amended and reported to the Senate.

Mr. GOLDWATER. Mr. President, I wish to commend the distinguished chairman of the Aeronautical and Space Sciences Committee for his remarks.

I support passage of H.R. 11864.

The concept of developing solar heated homes is not new. We can go back to the earliest days of our Indians and see when they tried to use solar energy to heat water and heat a house. Over the past 30 years, several enterprising individuals and organizations have developed solar homes of varying designs and performance characteristics.

The availability of cheap, alternative fuel supplies limited the interest in exploiting this energy source. Now that the fuel shortage has altered the economics of energy, the concept of developing solar heated homes has generated renewed interest.

Those of us that are from the Southwest, with its vast deserts, are acutely aware of the potentialities of solar energy. Investigation of these potentials has been conducted in institutions such as the University of Arizona and Arizona State.

Experts from these and other institutions and from Government and industry testified before the Committee on Aeronautical and Space Sciences on February 25. They pointed out that solar heating, while having a sound theoretical basis, has not yet proven to be economically practical. More research, more data, and more technology are needed.

In my opinion the National Aeronautics and Space Administration can make a significant contribution to solar energy. NASA has a highly competent team of scientists and engineers. They have developed a wealth of technology which can be brought to bear on effectively utilizing this resource.

I believe the Congress will have to authorize an Energy Research and Development Agency to sort out energy priorities. H.R. 11864 recognizes this important principle.

Passage of this legislation would be a sound logical next step toward providing this country with a sorely needed alternative energy source. I commend to my colleagues H.R. 11864 as reported to the Senate.

Mr. CRANSTON. Mr. President, I am delighted that H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1974, is now the pending business of the Senate, and I urge my colleagues to pass this important and historic legislation.

This bill, which I reported to the Senate from the Committees on Banking, Housing and Urban Affairs and on Labor and Public Welfare on May 14, incorporates portions of S. 2650, which I introduced on Nov. 2, 1973, and is the product of 3 months of consideration in the Senate and of public hearings and deliberation by five Senate committees. Three of the five committees have reported to the Senate on H.R. 11864, the report of the Aeronautical and Space Sciences Committee being filed on March 13, and the joint report of the Banking, Housing and Urban Affairs Committee and the Labor and Public Welfare Committee being filed on May 14. The committees on Commerce and on Interior and Insular Affairs were involved in the deliberations and have indicated no objection to the amendments reported to the Senate on May 14. And it is my understanding that the Space Committee has agreed to H.R. 11864, as amended by the Banking, Housing, and Urban Affairs Committee and the Labor and Public Welfare Committee. In short, Mr. President, the bill before the Senate today has, in effect, been agreed upon by five Senate committees. Few bills to come before this body have been reviewed by so many committees and from such diverse perspectives, and I believe this has produced a superior bill.

I am pleased to have been involved in the deliberations which produced this bill, and I want to express my appreciation to those who have worked so diligently to reach agreement on it. In particular, I want to express my appreciation to the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Colorado (Mr. DOMINICK), both of whom took personal interest in the legislation and made substantial contributions to it. I also want to thank the chairman of the Banking Committee (Mr. SPARKMAN) and the chairman of the Labor and Public Welfare Committee (Mr. WILLIAMS) and all members of these two committees for their contributions to the bill. My colleague from California (Mr. TUNNEY) chaired hearings on H.R. 11864 and made important contributions to the final product. Finally, I want to thank the chairman of the Aeronautical and Space Sciences Committee (Mr. MOSS) and the Senator from Arizona (Mr. GOLDWATER) for agreeing in the first place to refer H.R. 11864 to four additional committees and for agreeing to our request for additional time in order to reach agreement on and report our amendment to H.R. 11864 on May 14.

Mr. President, because of the unusual legislative history of H.R. 11864, I ask unanimous consent to have printed in the RECORD at this point the relevant portion of the committee report (93-847) which discusses the legislative history of this bill.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

I. HISTORY OF THE LEGISLATION

On November 2, 1973, Senator Cranston introduced S. 2650, the Solar Home Heating and Cooling Demonstration Act of 1973. This bill was referred, by unanimous consent, jointly to the Committee on Banking, Housing and Urban Affairs and the Committee on Commerce, with the provision that if one of these committees reported the bill, it would then also be referred to the Committee on Labor and Public Welfare. A similar bill, S. 2658, was introduced on November 5, 1973, by Senators Moss and Weicker and referred to the Senate Committee on Aeronautical and Space Sciences.

On February 13, 1974, H.R. 11864, the Solar Heating and Cooling Demonstration Act, passed the House of Representatives by a vote of 253 to 2. On February 19, H.R. 11864 as passed by the House was referred in the Senate to the Committee on Aeronautical and Space Sciences. One day of hearings was held in the Aeronautical and Space Sciences Committee on February 25, and the committee reported H.R. 11864 favorably with amendments on March 13. At that time, by unanimous consent, H.R. 11864 was referred for a period not to exceed 30 days to four additional committees: Labor and Public Welfare, Banking, Housing and Urban Affairs, Commerce and Interior and Insular Affairs. On April 4, in accordance with the provisions of the original unanimous consent agreement, an additional 30 days was requested and approved by the Senate.

The Banking, Housing and Urban Affairs Committee held hearings on S. 2650 and H.R. 11864 on March 20 and 21, 1974. S. 2540, a bill introduced by Senator Moss relating to energy conservation, was also included in the hearing. The Special Subcommittee on the National Science Foundation of the Labor and Public Welfare Committee held a hearing on H.R. 11864 on March 27, 1974. This was followed by a hearing by the Commerce Committee on March 29, 1974, and a hearing jointly conducted by the Commerce and the Interior and Insular Affairs Committees on April 5, 1974.

Following completion of the hearings before the four committees, staff members of all four committees engaged in an extensive series of meetings to develop an agreed-on revision of the bill as reported by the Committee on Aeronautical and Space Sciences, which would adequately take into account the information and recommendations provided in the various hearings.

On May 2, 1974, the Committee on Banking, Housing and Urban Affairs met and ordered H.R. 11864, with amendments, favorably reported to the Senate. On May 2, 1974, the Special Subcommittee on the National Science Foundation of the Committee on Labor and Public Welfare met and unanimously ordered H.R. 11864, with amendments, reported favorably to the full Committee on Labor and Public Welfare. On May 13, 1974, the Committee on Labor and Public Welfare unanimously ordered H.R. 11864, with amendments, favorably reported to the Senate. The text of the amendments ordered reported by the Committee on Labor and Public Welfare is identical to that ordered reported by the Committee on Banking, Housing and Urban Affairs.

The Committee on Commerce and the Committee on Interior and Insular Affairs did not meet in executive session to consider this bill, but raised no objection to the amendments recommended in this report.

Mr. CRANSTON. Mr. President, the purpose of H.R. 11864 is to stimulate in the shortest possible time the widespread commercial application of technology for the solar heating and cooling of buildings. The underlying assumption of the bill—which was supported overwhelmingly in committee hearings—is that the technology for using solar energy to heat and cool buildings is basically well developed and that the "next logical step" toward commercial application is a Government-sponsored demonstration of this technology. Once the feasibility of this technology is established, it is anticipated that public acceptance will be enhanced and that the financial, business and homebuilding communities will support and promote the widespread commercial application of this technology.

The bill authorizes the Department of Housing and Urban Development, in cooperation with the National Aeronautics and Space Administration, NASA, and the National Science Foundation, NSF, and other appropriate Federal agencies, to undertake a program to demonstrate the feasibility of solar heating and cooling technologies. In fiscal year 1975, a total of $10 million is authorized to be appropriated for this purpose—$5 million for NASA and $5 million for HUD. In subsequent fiscal years, through 1979, the bill authorizes a total of $40 million for HUD to carry out the demonstrations.

The bill mandates that the demonstration for solar heating technologies, which are further developed than those for combined systems, be carried out as soon as possible, but within a 3 year period. The development and demonstration of combined solar heating and cooling systems must be carried out within 5 years.

Mr. President, I am confident that the results of a carefully drawn and well monitored demonstration of solar technology will reap great benefits for the Nation. In December 1972, a joint panel of the National Science Foundation and the National Aeronautics and Space Administration submitted a report assessing the potential of solar energy as a national energy resource. The panel concluded that:

> There is no doubt that among all the possible uses for solar energy, residential heating and cooling has the highest probability of success. There are the least uncertainties both in the technology and in the economics of these domestic applications. There is, moreover, a very high benefit/cost ratio in that the total funds needed for the development of a viable enterprise will be only a small fraction of the annual value of fuel savings, or of equipment sales, or of some other measure of benefits to the economy.

In addition, Mr. President, the application of solar heating and cooling technologies can help considerably in our effort to meet our energy requirements. The National Science Foundation estimated before committee hearings on H.R. 11864 that as we move into the next century some 25 to 50 percent of our total energy requirements for the heating and cooling of buildings could be satisfied through the application of solar technologies.

Utilizing the energy of the Sun is not a new idea, but its full and merited development has been inhibited by the availability of cheap and abundant fuels to power conventional heating and cooling systems. Escalating prices and increasing scarcity of these fuels, however, have renewed serious interest in the development of solar technologies.

From almost any point of view, solar energy is beneficial. It is clean, environmentally-safe, secure and virtually inexhaustible. We do not have to drill for it or mine it. It cannot be embargoed. All we have to do is tap the energy which is already present, striking the surface of the Earth at an annual rate of 17 thermal watts per square foot. This translates into an average daily—24 hour—supply of 410 thermal watt-hours per square foot, approximately twice the amount needed to heat and cool an average house.

H.R. 11864, as amended by the Committees on Banking, Housing and Urban Affairs and on Labor and Public Welfare, will take the technological know-how we have already developed to tap this constant source of energy, improve it, and apply it to residential dwellings and commercial buildings so that we can obtain the long-term operational experience necessary to stimulate and promote widespread commercial application of solar heating and cooling technologies. I urge the Senate to pass this important bill.

Mr. President, I ask unanimous consent that the relevant portions of the report (93–847) describing the bill as amended and providing a section-by-section analysis be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

III. Description of the Bill as Reported

H.R. 11864, as reported by the Committees is designed to provide for the further development and testing and the actual operating experience necessary for large scale commercial use and public acceptance of solar systems in heating and cooling residential and commercial buildings. The utilization of solar energy for these purposes would provide one method of reducing the demands on other types of energy for the nation's heating and cooling needs. However, the production of reliable, durable and economic systems capable of eventual widespread adoption calls for sound technological development and for testing of the performance of the systems themselves under carefully controlled conditions, taking into account not only the technological factors, but the problems of economic feasibility, mortgageability, and public confidence. These factors are sufficiently complex to warrant the Government's playing a vital role in coordinating and encouraging the efforts in this regard of both the public and private sector. To this end, H.R. 11864 would delineate the responsibilities of Federal agencies in developing, testing and providing the necessary operating experience for expediting the practical application and use of solar energy in heating and cooling various classes of buildings, while at the same time providing the opportunity for the direct involvement of manufacturers, architects, developers and others in the process. In the private sector, a significant number of small firms have developed economically feasible and technologically promising solar heating and cooling systems and components, and the Committees expect that these and other small business will be given full opportunity to participate in the programs authorized under the bill.

STATEMENT OF POLICY

The reported bill declares that it is the policy of the United States to accomplish the demonstration of the practical use of solar heating technology within three years, and to accomplish the development and demonstration of the practical use of combined solar heating and cooling technology within a five-year period. The committees expect that these demonstrations will be completed as soon as possible.

AGENCY RESPONSIBILITY AND COORDINATION

NASA[1] and the Department of Housing and Urban Development (HUD) would be directed to carry out a program to develop and demonstrate prototype solar heating and combined solar heating and cooling systems. HUD would be directed to prescribe dwelling and system performance criteria, monitor and evaluate systems performance in all residential dwellings, gather and disseminate information, and establish criteria regarding physical location and other factors in connection with the demonstrations, and would also have the authority to conduct demonstrations of systems and dwellings meeting HUD's performance criteria. The National Bureau of Standards will work with HUD in the development of performance criteria. NASA would be charged with the responsibility for additional system development and hardware procurement, and would have primary responsibility, in cooperation with the General Services Administration and other agencies, for developing and demonstrating the use of solar systems in commercial buildings. The Department of Defense (DOD) would be authorized to install the systems procured by NASA in military residential dwellings. The NSF would continue its present role of conducting basic and applied research on solar energy and would be responsible for additional research regarding the systems, and for apprising HUD on a continuing basis of the research results in order to insure that improvements in the systems that may result from continuing research will be incorporated into the development and demonstration activities.

DEVELOPMENT OF RESIDENTIAL SOLAR HEATING SYSTEMS

HUD would be directed to prescribe and publish performance criteria for solar heating components and systems for use in residential dwellings and for the dwellings in which the equipment is to be installed. These criteria are to be published within nine months of the enactment of the bill. They would be developed in consultation with the National Bureau of Standards, the NSF and NASA, and with the utilization of the available expertise of scientific, technical and professional societies and industry representatives. After publication of the criteria, HUD would be authorized to select on the basis of open competitions, (a) a number of readily available solar heating components and systems, (b) design concepts for various types of residential dwellings and (c) designs for dwellings which include solar heating devices. The systems and dwellings would be required to meet HUD's performance criteria. HUD would be further authorized to award contracts for designs for specific residential dwellings integrating the systems and the dwelling concepts and for the actual demonstration of the use of solar heating systems in prototype demonstration dwellings. These demonstrations could involve both the construction of new dwellings and the installation of solar heating systems in existing dwellings.

HUD could utilize commercially available systems as well as systems procured by NASA, and should make use of the results of research undertaken by the NSF.

A wide variety of types of dwelling units could be utilized in the demonstration, including single or multi-family dwellings, mobile homes and publicly assisted housing. It is expected that HUD will conduct the demonstrations in such a manner as to enable residents of publicly-assisted and in particular low-rent housing ultimately to benefit from whatever cost savings and other advantages may be derived from the use of the systems being developed and tested. Whatever type of dwelling is utilized, ownership of any dwellings constructed or solar devices installed in connection with the HUD demonstrations, would be conveyed to the purchasers (or in the case of installation alone—the owner) in whatever manner and subject to such terms and conditions as HUD may prescribe. HUD would have the discretion to utilize its mortgage insurance programs, including those relating to experimental housing. However, it is likely that it will be necessary for HUD to underwrite the increased cost of construction of dwellings as well as the cost of the solar equipment itself. The purchaser, or the recipient of the installed system, would be required to agree to observe, monitor, and report on the performance of the system for a five year period, or to permit HUD to perform the monitoring of the system.

NASA, in turn, would be directed to carry out the development of solar heating systems which meet HUD performance criteria and are compatible with the design concepts selected by HUD. This would include the responsibility for contracting or making grants for the development of a reasonable number of solar heating components and systems, and contracting with a number of persons and firms for their procurement. NASA's undertakings in this regard would be subject to program guidelines established by HUD as well as to the applicable provisions of Title II of the National Aeronautics and Space Act of 1958.

The Department of Defense would be authorized to contract for the construction or, if appropriate, retrofitting of military residential dwellings to be equipped with the solar heating components and systems procured by NASA.

All of the prototype demonstrations would be subject to priorities established by HUD relating to the location of the demonstration sites so as to ensure testing of the systems and the dwellings themselves under varied geographic, climatic and physical conditions. The prototype demonstrations will also be subject to HUD priorities relating to the projected costs of commercial production and maintenance. In addition, any construction or modernization of multi-family residential dwellings would be subject to existing statutory provisions (Public Law 90–480) relating to the elimination of architectural barriers, which affect the access by physically-handicapped persons.

HUD, in coordination with the other involved agencies, would have the general responsibility for monitoring and evaluating the performance of all prototype residential solar heating systems.

HUD would also be required to report to Congress on the progress of the demonstrations, and to maintain a continuing liaison with the building industry and related industries and interests, and with the scientific and technical communities to assure that the full benefits of the demonstration programs will be realized by the nation on a continuing basis.

DEVELOPMENT AND DEMONSTRATION OF PROTOTYPES OF COMBINED SOLAR HEATING AND COOLING SYSTEMS TO BE USED IN RESIDENTIAL DWELLINGS

The conduct of this program is virtually the same as that described above for the solar heating systems, except that it authorizes NASA to undertake a development and testing program designed to provide the additional technological resources necessary for the further development, demonstration, and commercial application of combined heating and cooling systems. This development program, and the additional time required for its implementation, is necessary because the technology for combined solar heating and cooling systems is not as well developed as that for solar heating systems.

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[1] The functions vested in NASA under this bill may be transferred to a new permanent organization having jurisdiction over energy and development, such as the proposed Energy Research Development Administration, should such an agency be established by law.

DEVELOPMENT AND DEMONSTRATION OF SOLAR HEATING AND COOLING SYSTEMS FOR COMMERCIAL BUILDINGS

NASA would be directed, in consultation with the General Services Administration, National Bureau of Standards, and HUD, to make arrangements with appropriate Federal agencies to carry out development and demonstration activities in connection with solar heating and cooling systems for a wide range of non-residential buildings, such as schools, offices, industrial and agricultural structures. These activities would be conducted concurrently with—and, it is anticipated, patterned after—the activities undertaken in connection with the demonstrations for residential buildings, and would be subject to the same provisions regarding HUD priorities and architectural barriers. The necessary systems development and hardware procurement would be subject to the same provisions regarding HUD priorities and architectural barriers. The necessary systems development and hardware procurement would be conducted by NASA.

LARGE-SCALE DEMONSTRATION OF SOLAR HEATING AND COOLING SYSTEMS

As soon as feasible, HUD may carry out large-scale demonstrations of solar heating and combined solar heating and cooling systems, if it determines that these demonstrations are advisable to enhance the widespread acceptance of the solar systems. As a part of a large-scale demonstration, the Secretary would have the authority to establish procedures for selecting from among private applicants persons with whom to contract for the installation of solar components and systems in new or existing residential dwellings, and to subsidize part of the cost of purchasing and installing the systems. Both the systems and the dwellings in these cases would be required to meet the performance criteria prescribed by HUD and to provide the basis for demonstrations of a variety of systems under varied conditions. Any installation would be subject to agreement regarding monitoring and reporting on the performance of the installed system.

DISSEMINATION OF INFORMATION—INFORMATION DATA BANK

In order to promote continuing public benefit and the early widespread practical use of solar energy for heating and cooling buildings, HUD would be required to undertake a program to assure full dissemination of all relevant information produced under the demonstrations and related activities, and to report annually to the President and Congress. HUD, in cooperation with NASA, the NSF and the Department of Commerce, would be charged with establishing and operating a Solar Heating and Cooling Information Data Bank to provide retrieval and dissemination services for both the public and private sectors regarding comprehensive solar heating and cooling information.

STUDIES AND INVESTIGATIONS RESEARCH

HUD would be required to study the necessity and possible methods of modifying existing building codes and related laws and practices to facilitate the practical use of solar heating and cooling technology, and shall carry out a study of additional incentives which might accelerate its commercial application.

The National Science Foundation would be required to conduct a research program relating to improvement of solar heating systems and development and commercial application of the combined solar heating and cooling systems, and to advise HUD in this regard on a continuing basis.

The committees wish to emphasize that nothing in this legislation is intended to detract from or erode the basic and applied research program on solar energy now being carried out by the NSF. The NSF, through its Research Applied to National Needs (RANN) program has compiled an outstanding record in solar energy research. Very basic research on solar energy was begun by NSF in 1950. Based on this research effort, the potential for the practical application of solar energy was realized in 1971 and NSF greatly accelerated its program at that time. It is envisioned that the program authorized by H.R. 11864 will pick up where NSF research leaves off; in a word, to demonstrate systems and technologies brought to the "proof-of-concept" stage by the NSF.

TRANSFER OF FUNCTIONS

All functions vested in NASA by this Act, and funds appropriated to NASA pursuant to the Act, may be transferred to any new permanent government organization having jurisdiction over the federal government's energy research and development activities such as the proposed Energy Research and Development Administration, should such an agency be established by law.

AUTHORIZATION OF APPROPRIATIONS

$5 million is authorized to be appropriated to NASA, and $5 million is authorized to be appropriated to HUD to initiate this program in Fiscal 1975. Additional funds in the amount of $10 million are authorized to be appropriated to HUD for each of the Fiscal Years 1976, 1977, 1978, and 1979 as may be required to carry out its functions under this bill and to reimburse DOD and the National Bureau of Standards for expenses incurred by them in carrying out their functions. It is further provided that any funds that are authorized, but not appropriated in any fiscal year may be appropriated in subsequent fiscal years through FY 1980.

V. SECTION-BY-SECTION ANALYSIS

The first section of the bill would provide that the Act may be cited as the "Solar Heating and Cooling Demonstration Act of 1974".

FINDINGS AND POLICY

Sec. 2(a)—Would declare that Congress finds that the current imbalance between supply and demand for fuels and energy is likely to persist for some time; that the early demonstration of the feasibility of using solar energy for the heating and cooling of buildings could help to relieve the demand upon present fuel and energy supplies; that the technologies for solar heating are close to the point of commercial application in the United States; that technologies for the combined solar heating and cooling still require research and development, but no insoluble obstacle is foreseen in achieving the commercial use of such technologies; that the early development of these technologies can make a valuable contribution to our balance of trade; that the utilization of solar energy in lieu of conventional methods for the heating and cooling of buildings would have a significantly beneficial effect upon the environment; that the utilization of these technologies would help to eliminate the dependence of the United States upon foreign energy sources and promote the national defense; that the widespread introduction of low-cost solar energy will be beneficial to consumers in a period of rising fuel costs; that evaluation of these technologies can be expedited by the testing of prototypes under carefully controlled conditions; that early commercial application of these technologies can be expedited by early commercial demonstration under practical conditions; that innovation and creativity in the development of solar heating and combined solar heating and cooling components and systems can be fostered through the encouragement of direct contact between the manufacturers of the systems and the architects, engineers, developers, contractors, and other persons interested in installing such systems in buildings.

(b) Would further provide that it is the policy of the United States and the purpose of this Act to provide a demonstration of solar heating technology within three years and a demonstration of combined solar heating and cooling technology within five years.

DEFINITIONS

Sec. 3—Would define "solar heating" to mean the use of solar energy to meet such portion of the total heating needs of a building (including hot water), or such portion of the needs of a building for hot water (where its remaining heating needs are met by other methods), as may be required under performance criteria prescribed by the Secretary of the Department of Housing and Urban Development acting in consultation with the National Bureau of Standards, the Director of the National Science Foundation, and the Administrator of the National Aeronautics and Space Administration. The term "combined solar heating and cooling" means the use of solar energy to provide both such portion of the total heating needs of a building (including hot water) and such portion of the total cooling needs of a building, or such portion of the needs of a building for hot water (where its remaining heating needs are met by other methods) and such portion of the total cooling needs of a building, as may be required under performance criteria prescribed by the Secretary of the Department of Housing and Urban Development acting in consultation with the National Bureau of Standards, the Director of the National Science Foundation, and the Administrator of the National Aeronautics and Space Administration, and such term includes cooling by means of nocturnal heat radiation, by evaporation, or by other methods of meeting peakload energy requirements at nonpeakload times.

The term "residential dwellings" includes previously occupied and new single-family and multi-family dwellings, mobile homes, and publicly assisted housing owned by a private sponsor or a State or local housing authority. The term "Administrator" means the Administrator of the National Aeronautics and Space Administration. The term "Secretary" means the Secretary of the Department of Housing and Urban Development. The term "Director" means the Director of the National Science Foundation.

DEVELOPMENT AND DEMONSTRATION OF PROTOTYPE SOLAR HEATING SYSTEMS TO BE USED IN RESIDENTIAL DWELLINGS

Sec. 4 (a)—Would require that the Administrator and the Secretary promptly initiate and carry out a program for the development and demonstration of prototype solar heating components and systems for use in residential dwellings

(b) Would provide that within nine months of enactment, the Secretary, in consultation with the Director, the Administrator, and the National Bureau of Standards shall determine, prescribe, and publish performance criteria for the solar heating components and systems, performance criteria for the dwellings themselves, and procedures for the testing and certification of the systems and components.

(c) Would authorize the Secretary to select on the basis of open competitions a number of solar heating components and systems meeting the performance criteria, a number of design concepts for dwellings which demonstrate adaptability to the installation of solar heating components and systems, and a number of designs for dwellings which include solar heating devices.

This section further provides that the Administrator is required to enter into contracts and grants necessary for the development of solar heating components and systems and to arrange for the procurement of solar heating components and systems meeting the performance criteria prescribed by the Secretary.

(d) Would provide that the Secretary is authorized to award contracts for the design integration between the solar heating systems and the dwelling concepts, and for the construction of prototype demonstration dwellings and, when appropriate, for the installation of solar heating systems in existing dwellings. The Secretary is authorized to require the purchasers of such demonstration dwellings to monitor and observe the performance and operation of the system for a period of five years and to make regular reports thereon to the Secretary.

(e) Would authorize the Secretary of Defense to award contracts for the construction and, if appropriate, retrofitting of military residential dwellings to be equipped with solar heating systems procured by the Administrator.

DEVELOPMENT AND DEMONSTRATION OF PROTOTYPES OF COMBINED SOLAR HEATING AND COOLING SYSTEMS TO BE USED IN RESIDENTIAL DWELLINGS

Sec. 5 (a)—Would require that the Administrator and the Secretary promptly initiate and carry out a program for the development and demonstration of prototype solar heating and cooling components and systems for use in residential dwellings.

(b) Would provide that within nine months of enactment, the Secretary, in consultation with the Director, the Administrator, and the National Bureau of Standards shall determine, prescribe, and publish performance criteria for the solar heating and cooling conponents and systems, performance criteria for the dwellings themselves, and procedures for the testing and certification of the systems and components.

(c) Would authorize the Secretary to select on the basis of open competitions a number of solar heating and cooling components and systems meeting the performance criteria, a number of design concepts for dwellings which demonstrate adaptability to the installation of solar heating and cooling components and systems, and a number of designs for dwellings which include solar heating and cooling devices.

This section further provides that the Administrator is required to enter into contracts and grants necessary for the development of solar heating and cooling components and systems and to arrange for the procurement of solar heating and cooling components and systems meeting the performance criteria prescribed by the Secretary.

(d) Would provide that the Secretary is authorized to award contracts for the design integration between the solar heating and cooling systems and the dwelling concepts, and for the construction of prototype demonstration dwellings and, when appropriate, for the installation of solar heating and cooling systems in existing dwellings. The Secretary is authorized to require the purchasers of such demonstration dwellings to monitor and observe the performance and operation of the system for a period of five years and to make regular reports thereon to the Secretary.

(e) Would authorize the Secretary of Defense to award contracts for the construction and, if appropriate, retrofitting of military residential dwellings to be equipped with solar heating and cooling systems procured by the Administrator.

DEVELOPMENT AND DEMONSTRATION OF SOLAR HEATING AND COOLING SYSTEMS FOR COMMERCIAL BUILDINGS

Sec. 6—Would require the Administrator, in consultation with the Secretary, the Director, the General Services Administration, and the National Bureau of Standards, and concurrently with the conduct of the programs under Sections 4 and 5, to develop and demonstrate the feasibility of using solar heating and cooling systems in commercial buildings. Commercial buildings would include, among other things, office buildings, factories, agricultural structures, public buildings including schools and colleges, and other commercial or industrial buildings.

LARGE-SCALE DEMONSTRATION OF SOLAR HEATING AND COMBINED SOLAR HEATING AND COOLING SYSTEMS

Sec. 7(a)—Would authorize the Secretary to undertake large-scale demonstrations of the utilization of solar heating systems and of combined solar heating and cooling systems if he determines that such demonstrations are advisable to expedite widespread acceptance of the utilization of such systems.

(b) Would authorize the Secretary, as part of any large-scale demonstration, to establish procedures whereby individuals wishing to install solar heating and cooling components and systems in a new or existing dwelling might apply for Federal assistance for the purchase and installation of such system. As one method of providing such assistance, the section further provides that the Secretary is authorized to provide up to 75 percent of the purchase and installation costs subject to such terms and conditions as he might require.

SOLAR HEATING AND COOLING RESEARCH

Sec. 8 (a)—Would require the National Science Foundation to conduct a research program relevant to the improvement of solar heating technology and the development and commercial application of solar heating and cooling technology in support of the demonstration program.

(b) Would require the Director to keep the Secretary apprised of the results of such research to assure that improvements are incorporated into the demonstration programs established by this Act.

COORDINATION, MONITORING, AND LIAISON

Sec. 9(a)—Would require the Secretary, in coordination with other agencies, to—

(1) monitor the performance and operation of solar heating and combined solar heating and cooling systems installed in residential dwellings;

(2) collect and evaluate data and information on the performance and operation of solar heating and combined solar heating and cooling systems installed in residential dwellings; and

(3) from time to time, carry out studies and investigations and take other actions (including submission of special reports to Congress) to assure that the programs effectively carry out the policy of this Act.

(b) Would require the Secretary to maintain continuing liaison with the building industry and related industries and interests, and with the scientific and technical community to assure that the projected benefits of such programs continue to be realized.

DISSEMINATION OF INFORMATION AND OTHER ACTIONS TO PROMOTE PRACTICAL USE OF SOLAR HEATING AND COOLING TECHNOLOGIES

Sec. 10(a)—Would provide that the Secretary, in coordination with other Federal agencies, establish a program for the dissemination of information and other actions designed to promote the practical use of solar heating and cooling technology.

(b) This section further provides that the Secretary is to study the effect of building codes, zoning ordinances, tax regulations and other statutes and practices upon the practical use of solar energy for the heating and cooling of buildings; determine the extent to which such statutes and practices should be changed to facilitate the use of solar energy; determine the necessity of a program of incentives to accelerate the commercial application of solar energy technology; and consult with other government agencies, industry representatives, and members of the scientific and technical community in carrying out his functions under this section.

(c) Would require the Secretary to provide for the establishment of a Solar Heating and Cooling Information Data Bank for the collecting, reviewing, processing, and disseminating of information about solar heating and cooling. The information and data to be compiled shall include technical and engineering data relating to solar energy, and the bank shall provide retrieval and dissemination services for Federal, State, and local governments, universities and colleges and other non-profit organizations, and private firms in certain instances.

(d) Would require that each Federal agency having functions under this Act shall include in its annual report to the President and the Congress a full description of its activities under this Act, along with its recommendations for improvements in the program.

ENCOURAGEMENT AND PROTECTION OF SMALL BUSINESS

Sec. 11—Would require that all Federal agencies take steps to assure that small business concerns have a realistic and adequate opportunity to participate in the programs authorized by this Act.

PRIORITIES

Sec. 12—Would require that priorities with respect to locating demonstrations in different geographic areas and in both rural and urban areas and under various climatic conditions be considered in the design and implementation of the demonstration program. Additionally, encouragement should be given to those projects for which funds have been appropriated by any State or local government for the purpose of sharing costs with the Federal government.

TRANSFER OF FUNCTIONS

Sec. 13—Would provide that within 60 days after the effective date of the law creating the Energy Research and Development Administration, all functions vested in the NASA by this Act could be transferred to the ERDA or any other agency created to have jurisdiction over the energy research and development functions of the United States.

USE OF PUBLICLY ASSISTED HOUSING

Sec. 14—Would allow the Secretary to make appropriate use of publicly assisted housing and particularly low-rent housing assisted under the United States Housing Act of 1937 in designing, testing, and demonstrating the solar heating components and systems and the combined solar heating and cooling systems under this Act.

AUTHORIZATION OF APPROPRIATIONS

Sec. 15 (a)—Would authorize a $5 million appropriation to NASA for fiscal year 1975.

(b) Would authorize an appropriation of $5 million for HUD for fiscal year 1975, and $10 million for each of the fiscal years 1976, 1977, 1978, and 1979 in order to carry out the functions vested in HUD by this Act, and for transfer to the Department of Defense, the National Bureau of Standards, and the General Services Administration to enable them to carry out their respective functions under this Act.

Mr. BIBLE. Mr. President, I rise in support of this Solar Heating and Cooling Demonstration Act of 1974. I wholeheartedly support the national policy enunciated by this legislation; namely, to accomplish the demonstration of the practical use of solar heating technology within 3 years, and the development and demonstration of the practical use of combined solar heating and cooling technology within a 5-year period. I concur in the committee's judgment that these objectives should be achieved as rapidly as possible.

As reported by the committees the present legislation calls for the already overdue development, testing, and the actual demonstration—by way of actual operating experience—of projects to test the large-scale commercial use of solar heating and cooling as well as residential applications. The use of solar energy for these purposes would, of course, do much to reduce the increasing demands on other forms of energy to meet the Nation's heating and cooling requirements. The problem is, of course, to bring about the development and production of reliable and durable solar heating and cooling systems capable of eventual widespread adoption. And this, in turn, calls for sound technological development and careful performance testing under well-monitored and well-controlled conditions. Success in solar heating and cooling will depend on the technological soundness of the solar systems involved and will come about only when public confidence is developed in the technology, the economic feasibility, the mortgagability, and, of course, the ready availability of proven plant and hardware.

The factors involved are sufficiently complex—the energy shortages confronting the Nation are so compelling—that a strong case exists for calling upon the Government to itself lead the way in order to overcome the financial problems besetting effective research and development in this area, and to encourage and coordinate efforts in both the public and the private sectors of the economy.

To this end the present bill would delineate the responsibilities of Federal agencies in developing and testing solar technology and in providing for the operating experience needed to demonstrate the effectiveness of solar heating and cooling systems. Provision is made for the direct involvement of manufacturers, architects, developers, and others in the process, a feature of the bill I want to particularly applaud. It goes without saying that in the final analysis solar energy will be harnessed and put to work by American free enterprise, and it is certainly essential that the private businessman and professional be deeply involved in this program.

Notable too is the fact that a significant number of small businesses have already developed promising solar heating and cooling systems and components. As chairman of the Senate's Select Committee on Small Business I am well aware of the small businessman's major contribution to the welfare and economic advancement of the Nation. They are without question the real backbone of our free enterprise system. Solar energy is a challenge for them as well as a new opportunity. I am pleased to note that the committees reporting this bill expect that America's small business will be given a full opportunity to participate in the programs authorized by this legislation. The Select Committee on Small Business will also expect fair treatment of the small business community.

Mr. President, as long ago as the 86th Congress I had the privilege of introducing a bill calling for the development of low-cost means of utilizing solar energy. I was also pleased to be a cosponsor of Senator CRANSTON's bill S. 2650, which has been incorporated into the present legislation. The bill now before the Senate represents the combined work and judgments not only of the Committee on Banking, Housing and Urban Affairs and the Committee on Labor and Public Welfare, but of the Interior and Commerce Committees as well. It has been well designed to provide the wherewithal for a productive Government-industry partnership in harnessing the energy of the Sun.

I commend the committees for their work and urge prompt approval of the present bill.

Mr. KENNEDY. Mr. President, this statement is in support of H.R. 11864, the Solar Home Heating and Cooling Demonstration Act of 1974. I view this bill as an opportunity for a historic breakthrough for a new era of energy abundance—in which energy will be both economical and environmentally clean.

This bill provides $50 million to demonstrate the economic feasibility and benefits of using solar energy to heat and cool homes and other buildings. The demonstrations would be carried in all regions of the country and with all kinds of buildings, to show the public and housing industry the great benefits which can accrue from using solar energy. This 5-year Federal demonstration program would stimulate the widespread utilization of solar energy by the building industry throughout the Nation.

The Solar Home Heating and Cooling Demonstration Act establishes a coordinated Federal program for proving out solar energy in heating and cooling. The National Science Foundation would continue to provide the necessary research. The National Aeronautics and Space Administration would develop the needed technology. The National Bureau of Standards would set standards for its use. And the Department of Housing and Urban Development would manage and evaluate the demonstrations and coordinate the overall program.

This legislation offers the Congress the opportunity to take a significant step toward freeing this Nation from its dependence on fossil fuels, and the severe environmental and economic consequences of that dependence. Over 25 percent of the energy consumed in this country is used in heating and cooling systems—at a cost of $18 billion a year. Our thermostats are turned down, fuel costs are skyrocketing, and available energy supplies are dwindling. The Federal Government has concentrated its efforts on spreading fuel shortages as evenly as possible, while we are surrounded by an abundance of energy beyond measure—generated by the Sun and waiting to be harnessed.

In 40 minutes the Sun beams to Earth as much energy as all mankind uses in a year. In 1972 the NSF/NASA Solar Energy Panel reported that there were no technical barriers to the wide application of that energy. Yet the Federal Government, the housing industry and the people of this Nation have yet to realize any significant benefits from this inexhaustible and clean energy source.

The legislation we are considering today establishes a demonstration program which will provide us with the information we need to move toward practical and widespread utilization of solar power. It will give industry and the consumer the demonstration of feasibility which is essential before we can put solar systems to work on a wide scale—at a cost which is competitive with other heating and cooling systems. The $50 million proposed authorization for the 5-year program is extremely modest, especially when measured against the ultimate promise of enormous fuel savings—not to mention the clean air which would be its welcome byproduct.

As chairman of the Senate Subcommittee on the National Science Foundation, I have attempted to stimulate the foundation's commitment to a program which will make solar energy economically competitive and environmentally acceptable as an alternative energy source.

My subcommittee has steadily urged NSF to increase its budget for solar energy research which stood at $1 million in fiscal year 1971. In fiscal year 1973, for example, we established a minimum of $20 million for the foundation's energy research with an emphasis on solar energy. Unfortunately, the administration saw fit to disregard that minimum and released only $14 million for energy research. In fiscal year 1974, we authorized $40 million for energy research, again with an emphasis on solar energy, and this time the administration allocated $28 million. I am pleased to note that for fiscal year 1975 the administration has seen the light and requested $50 million for its solar energy programs.

Today, however, the Senate is considering legislation which builds on the research which has already been done. It is aimed at demonstrating solar energy systems that are currently available—and at bringing the cost of those systems within the means of all Americans. It is aimed at demonstrating that solar energy systems can be used in all areas of the country—an aspect of the program which is particularly important to those of us in New England—who are always the first to feel the pinch when fuel supplies are scarce and prices are high.

Solar energy is viable in New England. As a matter of fact, the first solar heated house built in this country was built by the Massachusetts Institute of Technology and operated successfully in Cambridge from 1930 to 1940. Over a period of 20 years this solar house, and three others, convincingly demonstrated that solar energy can work in New England.

Important solar projects are planned for New England in the near future. The world's first office building to be both heated and cooled by solar energy is being built for use by the Massachusetts Audubon Society. In addition, under a contract awarded by the NSF, the Grover Cleveland Junior High School in South Boston has just been retrofitted with solar collectors to augment the school's regular heating system.

This is a program which may lead to significant changes in the living habits and conditions of millions of Americans. It is a program which must assign the highest priority to the development of solar energy systems which will be within the means of most of our citizens. The systems developed must be environmentally sound and designed to meet the needs of the consumer. They must perform reliably and efficiently, with minimal maintenance costs.

The real need is for good, inexpensive systems which will work in houses that wage earners can afford, and which will meet with broad public acceptance. Every effort must be made not only to bring down the cost of the hardware, but also to bring down the cost of the house in which that hardware is installed.

This bill in its original form was passed by the House of Representatives by an overwhelming margin of 253 to 2. It was unanimously reported by the Senate Space Committee with substantial amendments. The bill was then referred jointly to the Committees on Commerce, Interior, Banking, Housing and Urban Affairs, and Labor and Public Welfare. The four committees developed a joint approach to the program which was then officially reported to the Senate by the Committee on Banking, Housing and Urban Affairs and the Committee on Labor and Public Welfare.

This version of the bill which is now before the Senate is based on the general amendment to the bill which I and Senator CRANSTON developed, in cooperation with a number of other Senators from the five Senate committees involved in considering this legislation. Thus it represents a broad consensus of agreement on what constitutes an effective demonstration program for solar home heating and cooling systems.

Based on the extensive hearings which were held before all of the concerned committees, it is clear that the time is ripe for the practical demonstration of solar heating and cooling. American technology stands ready to do the job. It only awaits the national commitment which this bill provides.

I urge the Senate to pass this measure.

I ask unanimous consent that the following excerpts from the joint report of the Committee on Banking, Housing and Urban Affairs and the Committee on Labor and Public Welfare be printed at this point in the RECORD. And I ask unanimous consent that the article on solar energy from the Boston Globe of May 17, 1974, be printed in the RECORD following the excerpts from the committee report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM REPORT ON SOLAR HOME HEATING AND COOLING DEMONSTRATION ACT OF 1974

II. NEED FOR THE LEGISLATION

The purpose of this legislation is to stimulate in the shortest possible time the widespread commercial application of technology for the solar heating and cooling of buildings. The underlying assumption of the bill—which was supported overwhelmingly in committee hearings—is that the technology for using solar energy to heat and cool buildings is basically well developed and that the "next logical step" toward commercial application is a government-sponsored demonstration of this technology. Once the demonstration is underway and the feasibility is established, it is anticipated that the public acceptance of solar heating and cooling systems will be considerably enhanced.

Utilizing the energy of the sun is not a new idea, but its full development has been inhibited by the availability of cheap and abundant fuels to power conventional heating and cooling systems. Solar water heaters were once popular in the State of Florida, for example, but the availability of natural gas contributed to their decline. Few solar water heaters remain in the United States today even though they are commercially manufactured in Australia, Israel, Japan and the U.S.S.R.

The technology for solar heating is also well developed and has been applied successfully to some 20 experimental homes over the past several decades. Long-term experience is extremely limited, however, as only one fully instrumented and evaluated system has been in continuous use.

A few experiments with solar cooling have been conducted in the U.S., Australia and the USSR to study the operation of absorption refrigeration systems using heat from solar collectors. These experiments have demonstrated that the concept is quite promising and that no major technical barriers are foreseen. Other cooling methods are also possibilities, and there are many technical options to be explored. The major components of solar heating, water heating, and cooling can be combined into one integrated system, and although no major experiments have been conducted, the economics of combined systems are likely to be much better than that of either heating or cooling alone.

In December, 1972, a joint panel of the National Science Foundation (NSF) and the National Aeronautics and Space Administration (NASA) submitted a report assessing the potentail of solar energy as a national energy resource. The panel concluded that:

"Support is needed for engineering development and design studies, testing and improving well conceived systems, optimization studies, and production engineering, followed finally by full demonstrations and trial public use.

"There is no doubt that among all the possible uses for solar energy, residential heating and cooling has the highest probability of success. There are the least uncertainties both in the technology and the economics of these domestic applications. There is, moreover, a very high benefit/cost ratio in that the total funds needed for the development of a viable enterprise will be only a small fraction of the annual value of fuel savings, or of equipment sales, or of some other measure of benefits to the economy."

H.R. 11864, as amended, focuses primarily on the demonstration phase of the scenario outlined above by the NSF/NASA Solar Energy Panel. If the demonstration is successful and widespread public acceptance and utilization is achieved, solar heating and cooling systems in residential and commercial buildings could make a substantial contribution toward meeting our energy requirements. The National Science Foundation estimated in testimony before both committees that as we move into the next century some 25 to 50 percent of our total energy requirements for the heating and cooling of buildings could be satisfied through the application of solar technologies. The utilization of solar technology for heating and cooling purposes has the added advantage of providing substantial savings in monthly fuel bills. Once the equipment is purchased and installed, the system would begin to pay for itself through the elimination of fuel costs. This would be especially beneficial for low and middle income families who are being hard hit by the rapid escalation in the cost of conventional fuels.

III. DESCRIPTION OF THE BILL AS REPORTED

H.R. 11864, as reported by the Committee is designed to provide for the further development and testing and the actual operating experience necessary for large scale commercial use and public acceptance of solar systems in heating and cooling residential and commercial buildings. The utilization of solar energy for these purposes would provide one method of reducing the demands on other types of energy for the nation's heating and cooling needs. However, the production of reliable, durable and economic systems capable of eventual widespread adoption calls for sound technological development and for testing of the performance of the systems themselves under carefully controlled conditions, taking into account not only the technological factors, but the problems of economic feasibility, mortgageability, and public confidence. These factors are sufficiently complex to warrant the Government's playing a vital role in coordinating and encouraging the efforts in this regard of both the public and private sector. To this end, H.R. 11864 would delineate the responsibilities of Federal agencies in developing, testing and providing the necessary operating experience for expediting the practical application and use of solar energy in heating and cooling various classes of buildings, while at the same time providing the opportunity for the direct involvement of manufacturers, architects, developers and others in the process. In the private sector, a significant number of small firms have developed economically feasible and technologically promising solar heating and cooling systems and components, and the Committee expects that these and other small businesses will be given full opportunity to participate in the programs authorized under the bill.

Statement of policy

The reported bill declares that it is the policy of the United States to accomplish the demonstration of the practical use of solar heating technology within three years, and to accomplish the development and demonstration of the practical use of combined solar heating and cooling technology within a five-year period. The Committees expect that these demonstrations will be completed as soon as possible.

Agency responsibility and coordination

NASA[1] and the Department of Housing and Urban Development (HUD) would be directd to carry out a program to develop and demonstrate prototype solar heating and combined solar heating and cooling systems. HUD would be directed to prescribe dwelling and system performance criteria, monitor and evaluate systems performance in all residential dwellings, gather and disseminate information, and establish criteria regarding physical location and other factors in connection with the demonstrations, and would also have the authority to conduct demonstrations of systems and dwellings meeting HUD's performance criteria. The National Bureau of Standards will work with HUD in the development of performance criteria. NASA would be charged with the responsibility for additional systems development and hardware procurement, and would have primary responsibility, in cooperation with the General Services Administration and other agencies, for developing and demonstrating the use of solar systems in commercial buildings. The Department of Defense (DOD) would be authorized to install the systems procured by NASA in military residential dwellings. The NSF would continue its present role of conducting basic and applied research on solar energy and would be responsible for additional research regarding the systems, and for apprising HUD on a continuing basis of the research results in order to insure that improvements in the systems that may result from continuing research will be incorporated into the development and demonstration activities.

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[1] The functions vested in NASA under this bill may be transferred to a new permanent organization having jurisdiction over energy research and development, such as the proposed Energy Research Development Administration, should such an agency be established by law.

Development of residential solar heating systems

HUD would be directed to prescribe and publish performance criteria for solar heating components and systems for use in residential dwellings and for the dwellings in which the equipment is to be installed. These criteria are to be published within nine months of the enactment of the bill. They would be developed in consultation with the National Bureau of Standards, the NSF and NASA, and with the utilization of the available expertise of scientific, technical and professional societies and industry representatives. After publication of the criteria, HUD would be authorized to select on the basis of open competitions, (a) a number of readily available solar heating components and systems, (b) design concepts for various types of residential dwellings, and (c) designs for dwellings which include solar heating devices. The systems and dwellings would be required to meet HUD's performance criteria. HUD would be further authorized to award contracts for designs for specific residential dwellings integrating the systems and the dwelling concepts and for actual demonstration of the use of solar heating systems in prototype demonstration dwellings. These demonstrations could involve both the construction of new dwellings and the installation of solar heating systems in existing dwellings.

HUD could utilize commercially available systems as well as systems procured by NASA, and should make use of the results of research undertaken by the NSF.

A wide variety of types of dwelling units could be utilized in the demonstration, including single or multi-family dwellings, mobile homes and publicly assisted housing. It is expected that HUD will conduct the demonstrations in such a manner as to enable residents of publicly-assisted and in particular low-rent housing ultimately to benefit from whatever cost savings and other advantages may be derived from the use of the systems being developed and tested. Whatever type of dwelling is utilized, ownership of any dwellings constructed or solar devices installed in connection with the HUD demonstrations, would be conveyed to the purchasers (or in the case of installation alone—the owner) in whatever manner and subject to such terms and conditions as HUD may prescribe. HUD would have the discretion to utilize its mortgage insurance programs, including those relating to experimental housing. However, it is likely that it will be necessary for HUD to underwrite the increased cost of construction of dwellings as well as the cost of the solar equipment itself. The purchaser, or the recipient of the installed system, would be required to agree to observe, monitor, and report on the performance of the system for a five year period, or to permit HUD to perform the monitoring of the system.

NASA, in turn, would be directed to carry out the development of solar heating systems which meet HUD performance criteria and are compatible with the design concepts selected by HUD. This would include the responsibility for contracting or making grants for the development of a reasonable number of solar heating components and systems, and contracting with a number of persons and firms for their procurement. NASA's undertakings in this regard would be subject to program guidelines established by HUD, as well as to the applicable provisions of Title II of the National Aeronautics and Space Act of 1958.

The Department of Defense would be authorized to contract for the construction or, if appropriate, retrofitting of military residential dwellings to be equipped with the soar heating components and systems procured by NASA.

All of the prototype demonstrations would be subject to priorities established by HUD relating to the location of the demonstration sites so as to ensure testing of the systems and the dwellings themselves under varied geographic, climatic and physical conditions. The prototype demonstrations will also be subject to HUD priorities relating to the projected costs of commercial production and maintenance. In addition, any construction or modernization of multi-family residential dwellings would be subject to existing statutory provisions (Public Law 90–480) relating to the elimination of architectural barriers, which affect the access by physically-handicapped persons.

HUD, in coordination with the other involved agencies, would have the general responsibility for monitoring and evaluating the performance of all prototype residential solar heating systems.

HUD would also be required to report to Congress on the progress of the demonstrations, and to maintain a continuing liaison with the building industry and related industries and interests, and with the scientific and technical communities to assure that the full benefits of the demonstration program will be realized by the nation on a continuing basis.

Development and demonstration of prototypes of combined solar heating and cooling systems to be used in residential dwellings

The conduct of this program is virtually the same as that described above for the solar heating systems, except that it authorizes NASA to undertake a development and testing program designed to provide the additional technological resources necessary for the further development, demonstration, and commercial application of combined heating and cooling systems. This development program, and the additional time required for its implementation, is necessary because the technology for combined solar heating and cooling systems is not as well developed as that for solar heating systems.

Development and demonstration of solar heating and cooling systems for commercial buildings

NASA would be directed, in consultation with the General Services Administration, National Bureau of Standards, and HUD, to make arrangements with appropriate Federal agencies to carry out development and demonstration activities in connection with solar heating and cooling systems for a wide range of non-residential buildings, such as schools, offices, industrial and agricultural structures. These activities would be conducted concurrently with—and, it is anticipated, patterned after—the activities undertaken in connection with the demonstrations for residential buildings, and would be subject to the same provisions regarding HUD priorities and architectural barriers. The necessary systems development and hardware procurement would be conducted by NASA.

Large scale demonstration of solar heating and cooling systems

As soon as feasible, HUD may carry out large-scale demonstrations of solar heating and combined solar heating and cooling systems, if it determines that these demonstrations are advisable to enhance the widespread acceptance of the solar systems. As a part of a large-scale demonstration, the Secretary would have the authority to establish procedures for selecting from among private applicants persons with whom to contract for the installation of solar components and systems in new or existing residential dwellings, and to subsidize part of the cost of purchasing and installing the systems. Both the systems and the dwellings in these cases would be required to meet the performance criteria prescribed by HUD and to provide the basis for demonstrations of a variety of systems under varied conditions. Any installation would be subject to agreement regarding monitoring and reporting on the performance of the installed system.

Dissemination of information—Information data bank

In order to promote continuing public benefit and the early widespread practical use of solar energy for heating and cooling buildings, HUD would be required to undertake a program to assure full dissemination of all relevant information produced under the demonstrations and related activities, and to report annually to the President and Congress. HUD, in cooperation with NASA, the NSF and the Department of Commerce, would be charged with establishing and operating a Solar Heating and Cooling Information Data Bank to provide retrieval and dissemination services for both the public and private sectors regarding comprehensive solar heating and cooling information.

Studies and investigations research

HUD would be required to study the necessity and possible methods of modifying existing building codes and related laws and practices to facilitate the practical use of solar heating and cooling technology, and shall carry out a study of additional incentives which might accelerate its commercial application.

The National Science Foundation would be required to conduct a research program relating to improvement of solar heating systems and development and commercial application of the combined solar heating and cooling systems, and to advise HUD in this regard on a continuing basis.

The committees wish to emphasize that nothing in this legislation is intended to detract from or erode the basic and applied research program on solar energy now being carried out by the NSF. The NSF, through its Research Applied to National Needs (RANN) program has compiled an outstanding record in solar energy research. Very basic research on solar energy was begun by NSF in 1950. Based on this research effort, the potential for the practical application of solar energy was realized in 1971 and NSF greatly accelerated its program at that time. It is envisioned that the program authorized by H.R. 11864 will pick up where NSF research leaves off; in a word, to demonstrate systems and technologies brought to the "proof-of-concept" stage by the NSF.

Transfer of functions

All functions vested in NASA by this Act, and funds appropriated to NASA pursuant to the Act, may be transferred to any new permanent government organization having jurisdiction over the federal government's energy research and development activities such as the proposed Energy Research and Development Administration, should such an agency be established by law.

Authorization of appropriations

$5 million is authorized to be appropriated to NASA, and $5 million is authorized to be appropriated to HUD to initiate this program in Fiscal 1975. Additional funds in the amount of $10 million are authorized to be appropriated to HUD for each of the Fiscal Years 1976, 1977, 1978, and 1979 as may be required to carry out its functions under this bill and to reimburse DOD and the National Bureau of Standards for expenses incurred by them in carrying out their functions. It is further provided that any funds that are authorized, but not appropriated in any fiscal year may be appropriated in subsequent fiscal years through FY 1980.

IV. COST ESTIMATES OF THE FACT

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91–150) the Committees provide the following estimates of cost:

For administration of the Act, the cost shall not exceed $10 million for the first year of operation. This includes the $5 million authorized for NASA in fiscal year 1975 and the $5 million authorized for HUD in fiscal year 1975.

Funding required in the fiscal years 1976 through 1979 is difficult to forecast with precision until administrative decisions are made as to the number and types of units that will be included in the prototype phase of the demonstration program and whether a large-scale demonstration is determined to be necessary to achieve the objectives of this Act. The Committees provided an authorization of $10 million for each of the fiscal years 1976, 1977, 1978, and 1979, for HUD to carry out the responsibilities assigned to it by this Act. However, because of the difficulty of forecasting exact funding needs, the Committees provided that any amount authorized but not appropriated for any fiscal year may be appropriated in subsequent fiscal years up to but not including fiscal year 1980. In addition, the NASA authorizing committees in the House and the Senate will review annually NASA's performance and funding needs in order to determine the exact authorization necessary for NASA to carry out the responsibilities assigned to it by this Act in fiscal years 1976, 1977, 1978 and 1979.

[From the Boston Globe, May 17, 1974]

DON'T CAP THE SOLAR BOTTLE

It seems clear that for the balance of this century we will have to depend on a wide variety of energy sources just to sustain our current level of economic activity and perhaps grow enough to raise the standard of living for the poorer members of our society.

The range of choices will not always be easy or pleasant. We are about to make significant changes in the western landscape with coal stripmining and oil shale development. With luck and effort the impact of these projects will be acceptable, but there can be no question that they alter that part of the face of the earth.

We are still deeply engaged in a simultaneous development of and debate over several aspects of nuclear power, especially the breeder reactors that promise great enlargement of our fuel supply but at the cost of handling exceedingly dangerous radioactive residues.

And in spite of some promising recent breakthroughs in the harnessing of fusion energy through the use of lasers, that essentially limitless source is not generally thought to offer hope of production before the end of the century.

Lesser sources like the tapping of geothermal fields with deep wells are promising but have limited capacity.

Solar energy has been the most tantalizing of all fuels. It is free. It is plentiful. It is clean. It is largely wasted. But it is also difficult to capture in useful form, especially for conversion into electricity or other energy modes.

Work in the field has been scattered between the private and public sector. Within the public portion, authority has been split between the Atomic Energy Commission, which has a general suzerainty over energy research, the National Science Foundation and even the Postal Service, which is experimenting with solar heating and cooling of post offices.

A row has recently developed between Barry Commoner, the environmentalist, and Dr. Dixie Lee Ray, head of AEC. The controversy involves a charge by Commoner that the AEC has tended to downplay the potential of solar energy in the interest of protecting its assorted nuclear power projects, operational and developmental.

Dr. Ray has denied the charge and points with some justice to sharp increases in expenditures on solar power projects—from only $1.2 million in 1971 to $12 million in the current fiscal year and a $50 million five-year program that has passed the US House, just for heating and cooling.

But Dr. Ray, in delineating her objections to the charges in a letter to the New York Times, has indicated one important aspect of her thinking when she says that solar energy has "a limit to the contribution it can make to national needs, at best no more than 20 percent." Her time horizons are not clear but the assignment of that value seems first of all arbitrary and secondly arguable. More important, though, the figure suggests a prejudgment about the potential of solar energy in terms of the resources it deserves in the national research and development effort.

If solar energy does grow into a major source, it will require several important advances in the costs of devices for conversion of sunlight into electrical energy. The technical feasibility is no longer a matter of dispute since all of our longer-lived space vehicles are entirely dependent on the sun for electric power, using photovoltaic devices. But the costs are prohibitive on the terrestrial scale of values, though major gains are being made in lowering them.

But we think it is a mistake for these decisions to lie largely inside the AEC. With the best of wills, the AEC is encumbered by its own structural biases—revealed by Dr. Ray's letter. It would be far more appropriate if Federal solar power research were centralized and in an agency separated from the AEC.

Solar energy may prove more elusive than one would hope, but we think its inherent problems are ample without superimposing the kind of institutional obstacle represented by the AEC and its preferences.

USING SOLAR ENERGY FOR HEATING AND COOLING HOMES AND OFFICES

Mr. DOLE. Mr. President, the Sun's rays falling upon the Earth are the greatest and most readily available source of energy available to man. At the present time, we utilize only a pitifully small portion of it for any purpose and even less for direct commercial or technological application. Agriculture, of course, is the largest user of solar energy both for growing the food and fiber we produce and for certain "natural" processing such as field drying of hay, corn, milo, and other crops. And some minor solar technologies such as desalinization of ocean water have been developed.

GREAT POTENTIAL ENERGY SOURCE

But these are only a few grains of sand on an immense beach as far as solar energy utilization is concerned. Some indication of this fact is shown by the estimate of a Honeywell Corp. official which shows that in the year 2000—after another quarter century of energy demand growth from today's levels—the conversion to electricity of 1 percent of the Sun's energy falling on the Sahara Desert would supply the entire electrical power needs of the world. Or to put the illustration closer to home, the amount of solar energy falling on the State of New York in 1 year is twice the annual world energy output from coal and oil.

Of course, science fiction writers and scientists have been predicting for years that the world will someday be powered by solar electric generators, propelled by solar trains and fed by meals cooked in solar ovens. And some day this may all come true as American ingenuity, technological capability, and inventiveness continues to make the impossible an everyday experience.

NEED FOR BROAD PROGRAM

As one who comes from a State with a great deal of sunshine and clear skies, I have long recognized the great potential for harnessing solar power to a greater extent. And along with a number of my colleagues, I am a sponsor of S. 3234, the Solar Energy Research Act of 1974. This bill is intended to give America the strong and broad approach to the long range development of solar energy's full potential, and I believe it is an extremely worthwhile and significant program for this country which should be pushed as a top energy priority.

SPECIAL AREA OF ATTENTION

But there is another area for solar energy utilization application which has been identified by a National Science Foundation—National Aeronautics and Space Administration as having "the highest probability of success" among all the possible uses of the Sun's energy. This is residential heating and cooling.

As the report stated:

> There are the least uncertainties both in the technology and the economics of these domestic applications. There is, moreover, a very high benefit/cost ratio in that the total funds needed for the development of a viable enterprise will be only a small fraction of the annual value of fuel savings, or of equipment sales, or of some other measure of benefits to the economy.

I believe that the observation, coupled with the use of commonsense—which every day shows that the Sun's energy falling on our homes, offices and factories—gives compelling reason to support a substantial Federal program to focus on the development of solar heating and cooling systems.

Therefore, Mr. President, I am pleased to give my full and enthusiastic support to H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1974. I believe the bill sets forth a reasonable, well-conceived program which holds the promise of providing highly valuable benefits to the American people in the near future.

SOLAR HEATING AND COOLING PROGRAM

Giving primary responsibility to the Department of Housing and Urban Development and NASA, the bill establishes a 5-year, $50 million program to develop and study residential solar heating system, prototype residential combined solar heating and cooling systems, as well as commercial solar heating and cooling systems, and if advisable, large scale demonstration of solar heating and cooling systems.

CONSUMER INTEREST

With last winter's dramatic rise in heating costs, any consumer relief which could be applied through the harnessing of the Sun's free energy is reason enough to push ahead with this program. Summer's cooling costs will be up too, and the worldwide crunch between energy supplies and increased demand only add further force to the case in favor of this bill.

Mr. President, I think the passage of this bill is one of the best investments we can make. Its programs success can mean lower heating and cooling bill for consumers, savings of precious fossil and electric fuels which can be put to other purposes and better resource utilization for the entire country.

URGE PASSAGE

I support the bill and urge my colleagues to approve it as a major step toward improving the future of our great country.

Mr. TUNNEY. Mr. President, I strongly support passage of H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1974. I had the pleasure of chairing 2 days of hearings on this bill for my special Subcommittee on Science, Technology and Commerce, and while no formal action was taken by my subcommittee or the full Commerce Committee on this legislation, the language before us was developed with the full participation of my staff, working in cooperation with the staffs of the other four committees.

The potential for solar energy is enormous. This free, clean, and inexhaustible supply of energy can meet a significant portion of our energy requirements. A recent report of an NSF/NASA Solar Energy Panel concluded that solar energy could supply 80 percent of the heating and cooling requirements of properly designed buildings. That same panel estimated that, eventually, widespread application of solar energy for heating and cooling of buildings would amount to an annual dollar savings in fuel costs of $10.5 billion.

Although solar heating is not a new concept, much of the experience to date has been the result of efforts of private individuals. There is very little data that has been obtained by systematically evaluating performance over a continuous period of years. Many experts agree that, before solar energy systems will receive wide scale acceptance by the American public, it will be necessary to demonstrate their performance under a variety of conditions, and to provide proper incentives to private industries and consumers. The legislation before us today is addressed to this specific issue. The bill is badly needed, in order to move the development of a valuable solar energy industry off dead center. I strongly urge its adoption.

Mr. JACKSON. Mr. President, it is with great pleasure and satisfaction that I today offer my full support to securing the Senate passage of H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1974. The amended version of this bill, which seeks to achieve the commercial application of combined solar heating and cooling technology, has the endorsement of all five Senate committees to which it was referred, including the Committee on Interior and Insular Affairs. Our current energy dilemma has dramatically proven the need to accelerate the development of alternate sources of energy. Congressional recognition of this fact is implicit in the House passage of H.R. 11864, and the willingness of five Senate committees to relax jurisdictional lines in arriving at a bill having the consensus of all involved. I commend the cooperation and the coordinated efforts of my Senate colleagues on both sides of the aisle, which have enabled us to come to a prompt vote on this timely measure. I hope that the efficient committee cooperation on this bill will set an example for handling similar measures in the future.

The solar radiation which impacts upon the Earth is an enormous potential energy source. However, until recent years the Federal Government tended to treat solar energy more as a curiosity than as a real energy alternative. Present capabilities in solar heating and cooling technology are due largely to the ingenuity and initiative of private scientists, architects, and engineers; the scale of their endeavors, however, have necessarily been limited by financial considerations.

The lessons of the current energy crisis have led the Government to assign solar energy, once perceived of as economically impractical, to a new and more prominent niche in the research and development program.

The demonstration program now envisaged by H.R. 11864 would enlist Government coordination, cooperation and financial assistance in demonstrating the technological feasibility and effectiveness of solar heating and cooling systems for use in residences and office buildings. The Federal role is structured in such a way as to promote the commercial viability of the technology without sacrificing the creativity and innovation which has been an integral part of the technological advancement in this country.

A number of important congressional initiatives are now underway which will assist the objectives of H.R. 11864 in achieving an aggressive Federal program for solar energy development.

The Senate has already passed S. 1283, the Energy Research and Development Policy Act. That measure would provide congressional guidance for a comprehensive nonnuclear energy research strategy. Of course, solar energy in its many forms has a prominent role in any such strategy and was highlighted in that bill. The Senate Committee on Government Operations also is presently considering S. 2744 which would establish an Energy Research and Development Administration as a central agency for Federal support to energy R. & D. I am hopeful that these two measures will both be approved very soon to provide the policy and the structure for a strong Federal R. & D. effort.

The Congress, however, should continue to consider specific energy options. As hearings can be held and informed policy can be written, the Congress should provide detailed guidance for programs in specific energy technologies. That is what this measure, H.R. 11864 does in the area of solar heating and cooling. This measure is not inconsistent with the comprehensive policies being developed nor is it redundant. It has been carefully drafted through the cooperative efforts of five Senate committees to supplement the general policy in the important area of solar energy technology.

I urge my colleagues to support the passage of H.R. 11864 as it has been jointly agreed upon. I am hopeful that prompt final action on this measure will be achieved and that a strong program will be initiated this year.

Mr. MATHIAS. Mr. President, for some time now, solar energy has been the stepchild in our energy inventory. Under these circumstances we are fortunate to find ourselves ready to take a further step in the development of solar energy. We must now vigorously initiate and carry out a program for the development and demonstration of prototype solar heating systems for use in residential buildings.

I was pleased to cosponsor Senator CRANSTON's bill, S. 2650, and to testify before the Banking, Housing and Urban Affairs Committee in support of that measure. Much of that initiative is embodied in H.R. 11864, which we have before us today. A number of committees have shown great interest in solar energy. H.R. 11864, as passed by the House, was jointly referred to the Committees on Commerce, Banking, Housing and Urban Affairs, Labor and Public Welfare, Interior and Insular Affairs, and Aeronautical and Space Sciences. It is a great credit to those committees that they have been able to proceed so wisely and so expeditiously.

In the past we have marched down one road. The history of energy supply has been marked by a search for fuels of high energy density, which releases their energy at an extremely high temperature. Nuclear power represents the culmination of this development. But there are drawbacks to this progression. Such high temperatures present problems of material limitations. Briefly stated, we run a great risk.

Solar energy, though bulky to collect, is clean and infinite. In the long term, this Nation's energy future must be tied to such fuels. I can attest to the practical successes that solar energy has enjoyed. A school in Maryland is now heated by solar energy. Aside from the scientific success which has been achieved, this project has generated a tremendous amount of interest and awareness in the community where it is located.

It is first the responsibility of the Congress to unify the Federal approach. This bill will accomplish that purpose. Second, the Congress must guarantee that adequate funds are available. As ranking minority member of the Subcommittee on Housing and Urban Development, Space, Science, and Veterans of the Appropriations Committee, I intend to do all in my power to assure sufficient funding.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to provide for the early development and commercial demonstration of the technology of solar heating and combined solar heating and cooling systems by the Department of Housing and Urban Development and the National Aeronautics and Space Administration, in cooperation with other Federal agencies."

Mr. MOSS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. What is the pleasure of the Senate?

THE AMATEUR ATHLETIC ACT OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar 821, S. 3500, the Amateur Athletic Act of 1974.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3500) to promote and coordinate amateur athletic activity in the United States and in international competition in which American citizens participate and to promote physical fitness, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PEARSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. I ask unanimous consent that Arthur Hill, of my staff, be accorded the privilege of the floor during the debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, I ask unanimous consent that David Markey of my staff be granted the privilege of the floor during the debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. I ask unanimous consent that Raymond Tragedy, of my staff, be accorded the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

What is the pleasure of the Senate?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside very temporarily, and the Senate turn to the consideration of Calendar No. 830, S. Res. 327.

The PRESIDING OFFICER. Is there objection?

Mr. MANSFIELD. Mr. President, I withdraw the request.

The PRESIDING OFFICER. Without objection, the request is withdrawn.

Mr. BEALL. Mr. President, what is the pending business?

The PRESIDING OFFICER (Mr. HUGHES). The pending business is the motion to reconsider the vote by which S. 3500 was passed.

Mr. BEALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BEALL. Is that motion debatable?

The PRESIDING OFFICER. The motion is debatable.

Mr. BEALL. Mr. President, earlier in the day S. 3500 was passed on the consent calendar, and when I became aware of the fact that it had passed, I placed a motion to reconsider the vote at the desk, which has just been brought up before the Senate.

I did so because I thought it might be useful to have a colloquy with the sponsor and manager of this bill to show what is in the bill, and second, to allow me the opportunity of expressing some reservations and perhaps suggestions as to the bill.

This measure was reported from the Committee on Commerce earlier in the year. It deals with a subject that has been of concern to my office for some time. Last year we had, and I participated in, hearings on legislation, and we became impressed with the need to take action to end disputes that had prevented us from really realizing our national athletic potential on the international level.

We all became aware of problems that occurred during the last Olympic games in Germany, and we were disappointed at some of the disputes that arose as to the jurisdiction over the athletes participating in those events.

We have been concerned, through the years, with the jurisdictional disputes that have arisen between the AAU and the NCAA over the sponsorship of various athletic events across the country, and the ability of athletes, individually and collectively as representatives of their schools and their organizations, to participate in such events.

As a result the Commerce Committee, through its proper subcommittee, considered legislation that would attempt to overcome some of these shortcomings and bring some order out of what appears to be a degree of chaos that exists from time to time.

However, I think as we try to provide a solution for a very knotty problem, it is also desirable that we do so with a minimum amount of Government interference.

Just yesterday this body passed a bill that establishes a commission that will study the arrangements that we have for participation in the Olympic games and the mechanics we have for the establishment of an Olympic Committee. This certainly is a much-needed, understandable, and worthwhile effort, and should result in some recommendations for a healthy change in the organization of the U.S. Olympic Committee. As a matter of fact, I believe even the members of the Olympic Committee themselves welcome this kind of investigation.

What remains, then, of the continuing jurisdictional disputes that exist between the AAU and the NCAA? It had been my hope that our solution would be one of finding a way to mediate these disputes or arbitrate them, if you will, at the Federal level, with some sort of binding arbitration arangement. Some of us suggested that this could be done in a way similar to the manner in which labor disputes are mediated by the National Labor Relations Board.

Unfortunately, we in the committee did not see fit to adopt this kind of procedure, and instead we have brought to the floor S. 3500, which, as I understand it, creates an amateur athletic board of five people. The members of this board will be appointed by the President. They will be paid a per diem allowance of $150 a day for holding their meetings, and will be authorized to appoint and set the salaries for an executive secretary, staff personnel, and various investigators. They will be given the authority to charter amateur athletic organizations, which will then have the authority, or the license, if you will, to schedule international athletic events in the United States.

No one, as I understand the provisions of the bill, will be able to participate in these international athletic events held here in the United States unless they are members of one of these athletic organizations which have been officially sanctioned or officially chartered by the federally created amateur athletic board.

Mr. President, in all honesty, I have some trouble with this. I generally, as a matter of ideology, have some trouble with the establishment of new Federal agencies. But I find it particularly bothersome that we are now establishing a Federal agency to control amateur athletics in the United States. At this juncture, I think it is too late to enter this article in the RECORD, but there is an article I want to read into the RECORD, a brief article published in the May 13 edition of Sports Illustrated which bears on this subject. The article reads as follows:

> Any day now the U.S. Senate will take up the subject of amateur athletics and this country's participation in international competition, particularly the Olympics. Sometime

> later the House will respond with a bill of its own.
>
> Without going into past AAU–NCAA–USOC hassles that unhappily have occupied this country's athletic bodies for over a decade, it is enough to know that the Senate will be considering two bills that will put the government foursquare in amateur sports. One which the Senate is expected to approve quickly, would establish a commission to review U.S. participation in the Olympic Games and perhaps recommend a new organization to direct it.

That is the bill, incidentally, that we passed yesterday. I continue:

> The other bill, setting up its own Olympic study board, would go much further by creating a five-member Amateur Sports Board that would charter national athletic governing bodies such as the AAU, adjudicate disputes between them and provide recourse to the U.S. courts. The board would also approve organizations to represent the U.S. abroad, designate teams and individuals for international events and conduct domestic competition. Finally, the bill would establish a 16-member Sports Foundation to develop and improve sports facilities. To that end the U.S. would match, to a limit of $50 million, funds raised privately. In both bills the principal members of the boards would be designated by the President.
>
> The House bill, if you can hang with this for one more dose, was introduced by two-time Olympic champion Bob Mathias. It would amend the federal Olympic charter to provide for binding arbitration by the American Arbitration Association, an independent organization, in jurisdictional disputes and in securing a bill of rights for individual athletes.
>
> Since 1964, when the then-Attorney General, Robert F. Kennedy, advocated in these pages a sports-development foundation that would require some federal involvement, we have stated our opposition to the intrusion by government into sport. We see no objection, however, to a study of our sometimes imperfect administrative performance in the Olympics. The United States Olympic Committee says it would welcome that, if for no other reason than to clear its name.
>
> Leading athletes favor the foundation idea with its promise of $100 million for facilities, but in a country of this size $100 million would prove little more than a chimera, and the government would have a foothold. It would have almost a stranglehold on amateur sports if the Amateur Sports Board were enacted into law and the President were given the right to select amateur sports leaders. A more broadly representative USOC that, from time to time, is subject to outside investigation is preferable, in our view, to total governmental control, as practiced by an increasing number of nations.

So, Mr. President, I think this article bears pertinently on this particular subject and I hope that the Senate will agree with its analysis.

Mr. ERVIN. Mr. President, will the Senator from Maryland yield?

Mr. BEALL. I yield.

Mr. ERVIN. Although I was taught in law school and from what I have read since, that the Federal Government is a government of limited powers and has no powers except those expressly or implicitly conferred on the Government by the Constitution, the only provision in the Constitution that I can find that gives Congress any power with respect to amateur athletics is that it might possibly have the power to regulate amateur athletes while they are running a foot race across the line between one State and another.

Can the Senator from Maryland inform the Senator from North Carolina of any other authority in the Constitution that gives the Federal Government the power to regulate amateur athletics?

Mr. BEALL. With all due respect to the distinguished Senator from North Carolina, I have not had the benefit of his legal education and I would, therefore, hesitate even to attempt to advise him on anything regarding the law and the Constitution because he is a recognized authority on that subject in this body.

But if he implies that there is no constitutional provision for control over this sort of thing, I probably would be inclined to agree with him.

Mr. ERVIN. Unless we want to stretch the Constitution to the point where it is like the canopy of heaven, and covers everything, I do not see how this bill can be sustained.

Apart from that, I think it is extremely unwise to turn over to bureaucrats the control over amateur athletics. I think it is an infringement on the freedom of the people who participate in amateur athletics.

However, I thank the distinguished Senator from Maryland for the position he has taken. If any bill before this Congress should be defeated, it is this bill.

Mr. PEARSON. Mr. President, will the Senator from North Carolina yield?

Mr. ERVIN. I am glad to yield but I do not have the floor.

Mr. BEALL. I yield to the Senator from Kansas.

Mr. PEARSON. Mr. President, let me attempt to give the Senator some interpretation of the constitutional question, or the legal question, raised by the Senator from North Carolina. The Government of the United States has the same authority under this bill to create a board and issue charters to various sports groups, under the same authority that regulates our participation in international affairs. That is the same authority that the Federal Government has. It has issued a charter to the U.S. Olympic Committee.

This bill has nothing to do with domestic affairs in the United States in track and field and amateur sports. It seeks to establish a mechanism to do away with the friction that has existed in this country for 75 years and which led to the confusion and the maladministration of the Olympics in 1972. I should like to respond that I thought the Senator should have some answer to his question as to the legality of this. As a matter of fact, I do not think it has ever been raised before our committee hearings.

Mr. ERVIN. I agree that if people are going to run across the lines of foreign countries, the power of Congress in an athletic contest to regulate foreign commerce would cover the bill, but I do not see how Congress can set up a board with the vast powers that it will have over athletics. It is extremely unwise because I do not think the Federal Government can act with great wisdom with respect to matters clearly covered by its constitutional powers, much less those which are not.

But I appreciate the Senator from Kansas giving me his views on the subject.

Mr. CURTIS. Mr. President, I doubt the wisdom of enacting this bill. I believe that we should give consideration to the matters raised by the distinguished Senator from North Carolina (Mr. ERVIN).

I am also moved by the opinion of individuals in my own State of Nebraska in whom I have great confidence and who are close to activities of this kind. There is a strong feeling among a number of well-qualified people that this legislation would be a mistake.

Mr. President, it will be necessary for the junior Senator from Nebraska to leave the Chamber and go to a conference of the House and Senate on private pension legislation, but I want the RECORD to show my opposition to this legislation. Of course, if given the opportunity for a vote, I shall vote against it.

Mr. BEALL. Mr. President, as I said, the purpose of my making the motion this morning was twofold. One, to allow the Senate to have the opportunity to know the substance of the matter before us and, two, to register my own opposition in public to the bill.

It is not my intention to delay the bill any further and I want the RECORD to show that I am opposed to it.

Mr. President, I withdraw my motion to reconsider.

The PRESIDING OFFICER (Mr. HELMS). Is there objection to the withdrawal of the motion to reconsider?

Mr. CURTIS. Mr. President, reserving the right to object, may I inquire what was the unanimous-consent request?

The PRESIDING OFFICER. To withdraw the motion to reconsider.

Mr. ERVIN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The question is on agreeing to the motion to reconsider S. 3500.

All in favor say "Aye"—

Mr. ERVIN. Mr. President, I ask for the yeas and nays.

Mr. PEARSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, I ask unanimous consent that the vote by which this bill was passed on a call of the calendar be rescinded, because there was no notice given to anyone of the fact that it would be called up and the printed program of the majority whip indicated it would be called up with the other bills after five other bills were acted on.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina?

Mr. PEARSON. Mr. President, reserving the right to object—and I shall not object—those who have some questions about this bill want to go to the issues. I have no objection. I make a parliamentary inquiry whether, at this point, a motion to lay on the table the motion to reconsider is in order?

The PRESIDING OFFICER. It would be in order.

Mr. ERVIN. Mr. President, I did not understand the question as to the objection to my unanimous-consent request. I understood——

Mr. MANSFIELD. Mr. President, what is the unanimous-consent request?

The PRESIDING OFFICER. There is a unanimous-consent request pending.

Mr. MANSFIELD. What is it?

Mr. ERVIN. The unanimous-consent request deals with the vote by which this bill was adopted on the call of the calendar but rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. MANSFIELD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, we have got to have some flexibility, may I say. As an illustration, I would point out that we would like to take up as soon as possible a bill in which the distinguished Senator is interested and which was reported just yesterday. So I would hope there would be some flexibility accorded the leadership and some recognition of the fact that we try to act fairly and impartially.

Mr. CURTIS. Mr. President, I ask for the yeas and nays on the motion to reconsider.

The yeas and nays were ordered.

Mr. PEARSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PEARSON. Is it in order for a motion to lay on the table to be made at this time?

The PRESIDING OFFICER. It is in order.

Mr. PEARSON. I move to table the motion to reconsider, and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the motion to reconsider the vote by which S. 3500 was passed. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. Church), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Hawaii (Mr. Inouye), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from Missouri (Mr. Eagleton), the Senator from Maine (Mr. Hathaway), the Senator from Minnesota (Mr. Mondale), the Senator from Rhode Island (Mr. Pastore), and the Senator from Louisiana (Mr. Johnston) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. Pell) is absent on official business.

On this vote, the Senator from Rhode Island (Mr. Pastore) is paired with the Senator from South Dakota (Mr. McGovern). If present and voting, the Senator from Rhode Island would vote "yea" and the Senator from South Dakota would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. Brooke), the Senator from New York (Mr. Buckley), and the Senator from Hawaii (Mr. Fong) are necessarily absent.

I further announce that the Senator from North Dakota (Mr. Young) is absent to attend the funeral of a relative.

The result was announced—yeas 33, nays 51, as follows:

[No. 214 Leg.]

YEAS—33

Aiken
Bible
Burdick
Byrd, Robert C.
Cannon
Case
Cranston
Hart
Haskell
Hatfield
Hollings
Javits
Kennedy
Long
Magnuson
Mansfield
McIntyre
Moss
Nelson
Packwood
Pearson
Percy
Randolph
Ribicoff
Sparkman
Stafford
Stevens
Stevenson
Symington
Thurmond
Tunney
Weicker
Williams

NAYS—51

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Biden
Brock
Byrd, Harry F., Jr.
Chiles
Clark
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Goldwater
Griffin
Gurney
Hansen
Hartke
Helms
Hruska
Huddleston
Hughes
Humphrey
Jackson
Mathias
McClellan
McClure
Metcalf
Metzenbaum
Montoya
Muskie
Nunn
Proxmire
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stennis
Taft
Talmadge
Tower

NOT VOTING—16

Brooke
Buckley
Church
Eagleton
Fong
Fulbright
Gravel
Hathaway
Inouye
Johnston
McGee
McGovern
Mondale
Pastore
Pell
Young

So the motion to table was rejected.

The PRESIDING OFFICER. The question recurs on the motion to reconsider the vote by which the bill was passed.

Mr. PEARSON. Mr. President, is the motion to reconsider debatable?

The PRESIDING OFFICER. The motion to table failed.

Mr. PEARSON. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending question is on the motion of the Senator from Maryland to reconsider the vote by which S. 3500 was passed.

Mr. PEARSON. Mr. President, is that motion debatable?

The PRESIDING OFFICER. Yes.

ORDER OF BUSINESS

Mr. SPARKMAN. Mr. President, will the Senator yield to me briefly?

Mr. PEARSON. I yield to the Senator from Alabama without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

PEACE CORPS AUTHORIZATION ACT, 1975

Mr. SPARKMAN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 12920.

The PRESIDING OFFICER (Mr. Hughes) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 12920), an act to authorize additional preparations to carry out the Peace Corps Act, and for other purposes.

Mr. SPARKMAN. Mr. President, I have discussed the viewpoint of the other body and its disagreement to the Senate amendment to H.R. 12920, the Peace Corps Authorization Act, with the Senator from California (Mr. Cranston), the Senator from Minnesota (Mr. Mondale), and the Senator from New York, (Mr. Javits), who were the principal sponsors of the amendment adopted on the Senate floor during consideration of this bill. They have, reluctantly, agreed to the Senate receding from its amendment—with respect to both Peace Corps volunteers and VISTA volunteers—with the explicit understanding that the ACTION Agency has committed itself to a study of the use and purposes of the Peace Corps readjustment allowance and VISTA stipend, that the Agency has committed itself to report on the results of that study to the appropriate committees of the Congress not later than September 1, 1974, and that the Foreign Relations Committee, as it indicated in its report on the bill, is most interested in this matter and seeing to it that a reasonable and equitable adjustment is made in these allowances next year, taking into consideration the results of the Agency study and whatever recommendations may be forthcoming, based upon it, from the administration.

Mr. President, on May 15, 1974, the House disagreed to the Mondale-Cranston amendment to the fiscal year 1975 Peace Corps authorization bill (H.R. 12920). This amendment would have increased the Peace Corps' readjustment allowance and VISTA's readjustment stipend to an amount more in line with the current cost of living statistics. In view of ACTION's expressed intent to review and revise these allowances in time for the fiscal year 1976 authorization process, I move that the Senate recede from its action on the Mondale-Cranston amendment and accept the House passed version of H.R. 12920.

The motion was agreed to.

THE AMATEUR ATHLETIC ACT OF 1974

The Senate continued with the consideration of the bill (S. 3500) to promote and coordinate amateur athletic activity in the United States and in international competition in which American citizens participate and to promote physical fitness, and for other purposes.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ERVIN. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. PEARSON. I yield to the Senator for a parliamentary inquiry.

Mr. ERVIN. My parliamentary inquiry is this: My understanding is that the objection to the unanimous-consent request to rescind the vote by which the bill was adopted this morning on a call of the calendar was based upon the assumption that I was seeking to set aside all the votes on all those bills. That was not my unanimous-consent request. I was merely asking to reconsider the vote by which S. 3500 was approved on a call of the calendar. I had assumed it would be called up in order and was proceeding on that assumption.

My parliamentary inquiry is, Is it in order for me to renew by unanimous-consent request that the vote by which S. 3500 was approved by a voice vote on a call of the calendar be reconsidered?

The PRESIDING OFFICER. Yes, if the Senator will yield for that purpose.

Mr. PEARSON. Mr. President, I shall be glad to yield for that purpose, but I may tell the Senator that I will object if he makes that unanimous-consent request.

Mr. ERVIN. If the Senator is going to object, there is no use in my making the unanimous-consent request.

My point is this. It may be that a vote against the motion to table indicates that a majority would allow a vote to reconsider and allow a vote on the merits. I was trying to save the time of the Senate by having one vote instead of two.

Mr. PEARSON. The Senator may make that motion in a few minutes, but I would like to address the Senate, particularly since there is a large attendance at this time.

Mr. MANSFIELD. Mr. President, may we have order?

Mr. PEARSON. Mr. President, it is with satisfaction and great hope for the future of amateur athletics in the United States that I support the Amateur Athletic Act of 1974 and ask for its approval by the Senate. This legislation is the result of months of labor and negotiation with many of the major sports organizations in this country, and it is my belief that with implementation of this bill, the feuds, the disruptions, and the resultant hardships imposed on the Nation's amateur athletes will be forever resolved.

Although the conflict and tumult which emerged during the 1972 Olympic games in Munich can be readily recalled by even the most casual sports enthusiast, the issues involved brought to full public attention the broad problems which have plagued U.S. amateur sports and participation in the Olympics since the turn of the century. These problems center on the inability of the USOC and other national organizations to represent effectively and completely U.S. athletes in international competition as well as the destructive influence of the NCAA-AAU feud. The problems which received the most attention in the Munich games were as follows:

First, a swimmer, Rick DeMont, won a gold medal and was subsequently ordered to relinquish it because the USOC doctor failed to report to International Olympic Committee officials that the athlete was under treatment for an asthmatic condition requiring amphetamine drugs. Had the doctor reported to the IOW that DeMont was on the drug, there would have been no problem.

Second, two track athletes, Eddie Hart and Ray Robinson, failed to appear in time for a heat of the 100-meter dash because their coach, who had been selected by the USOC, had not informed them of the correct time of the event. The two runners, one of whom was expected to win a gold medal in the event, lost their chance to particiapte;

Third, the U.S. Olympic basketball team lost the gold medal to the Russian team in the last seconds of the game, in spite of the fact that international rules were violated in allowing the clock to be reset and the winning basket to be scored. Although attempts were made to appeal the officials decision to reset the clock, such appeal was disallowed. Many observers, knowledgeable in international basketball rules and procedures, feel that the U.S. team had a legitimate grievance, and that the team was not well represented in the appeal.

Fourth, during the Commerce Committee hearings held in May 1973, athletes charged that numerous Olympic officials traveled and stayed in first class accommodations, while competitors were relegated to less comfortable quarters during the trials and the Olympics themselves. The athletes also complained about the lack of subsistence money during the Olympic trials, and the failure of the USOC to provide development funds for some sports.

In reviewing the history of U.S. amateur sports, it is not difficult to find instances similar to those which emerged during the Munich games. One such instance took place in 1920, when American athletes participating in the Olympics of that year rebelled at the conditions of their quarters below the decks of the former troopship *Princess Matoika* and in a run-down Belgium schoolhouse. Despite a series of meetings with Olympic officials on board ship and in Europe, many of the U.S. athletes were booked onto another dilapidated troopship for the voyage home. New protests by the athletes led to a change in booking.

The grievances of the athletes during the 1920 games led to a reorganization of the U.S. Olympic structure. A permanent body, the American Olympic Association, was created, responsible for organizing, financing, and developing all activities related to U.S. involvement in the Olympic games. However, in formulating its recommendations for a new U.S. Olympic structure, the reorganization committee rejected a proposal offered by the NCAA and its allies which would have created a federation to conduct Olympic affairs composed equally of all groups involved in preparations for the games. This action was of major significance, because it allowed the AAU to become the dominant power on the new Olympic organization, a position which it retains to this day. Coupled with International Olympic Committee requirements that national groups holding franchises from international sports federations also hold the majority votes on national Olympic committees, the rejection of the federation proposal constituted a major defeat for the NCAA.

The views of those critical of the AAU's action in this regard are best summarized by an article which appeared in the "American Physical Education Review" in 1912, 9 years before the reform proposal was defeated. The article states in part:

> This unfortunate autocratic position of the Amateur Athletic Union will never bring the athletic forces together under its banner . . . We . . . know that the average athletic club does little or nothing in the way of promoting the educational views of athletics. This viewpoint . . . is wholly at variance with the trend in educational institutions, . . . Young Mens Christian Associations, playgrounds, etc., which is toward a scheme of athletics which will not serve expert performers, but will also interest and stimulate every man and boy of athletic age to take part in wholesome competition . . . Practically 85% of the gymnasiums, athletic fields, and swimming pools are controlled by the organizations that are independent of the Amateur Athletic Union. With these same organizations are many trained physical directors and teachers, giving much time and thought to educational athletics. The large bulk of men and boys of athletic age are also connected with organizations outside the Amateur Athletic Union.

The 1921 split between the AAU and the other major amateur sports bodies over U.S. Olympic organization laid the groundwork for the NCAA-AAU feud which remains unresolved. On the one hand, the NCAA and allied organizations claimed that they nurture, support, and grant assistance to the bulk of those athletes which participate in national and international competition. They feel that they have a right to contribute to the formulation of Olympic policy in proportion to their position as "chief supplier of talent."

On the other hand, the AAU, claiming its recognition by several international sports federations as the only organization authorized to certify athletes for international competition, insists it must be the only national controlling body for athletics in this country.

Mr. President, following the rejection of the federation approach in 1921, the NCAA and its allies determined to push ahead with the plan, in spite of the AAU's opposition. At the time of the Olympic reorganization committee's rejection, 18 sports federations had been organized throughout the country. It was largely through the unified strength of these federations that the NCAA had been able to gain the changes in the Olympic structure made in 1921. Nevertheless, the NCAA refused to join with the new American Olympic Association until changes in its voting structure were made, 1 year later.

THE PADDOCK INCIDENT

In 1923, Charles Paddock, a sprinter from the University of Southern California, accepted an invitation to compete in a YMCA-sponsored event in Paris, France. Although he had received permission from the university and his local

AAU club to participate, the national AAU announced that the star Southern California sprinter would be ineligible for competition in the special games in Paris unless it made an exception in a ruling—made only 1 day before—concerning competition abroad by an American amateur athlete during the summer of 1923. The AAU explained that the rule had been adopted so that athletes could devote their full attention to preparations for the 1924 Olympics. The rule was based on the AAU's repeated assertion that it was the national governing body for track and field.

Nevertheless, Paddock competed in the games, won his events, and, upon his return, was suspended by the AAU. The NCAA supported Paddock, renewing the charge that the AAU was trying to use the Olympic games as a means for arbitrary control of sports under its jurisdiction.

Following a heated battle in the American Olympic Association, and a war of words in the press, Paddock was quietly reinstated by the AAU. The subsequent Olympic games in 1924 were without incident, and U.S. athletes responded by amassing an imposing point total far greater than that of any other nation.

The next serious incident involving the AAU and NCAA did not occur until 1926, when the President of the AAU warned that its supremacy was being threatened by the federation movement. He stated further that the AAU should maintain supremacy through its power as a representative of international federations, and that the AAU would surrender no rights which belonged to that organization. Subsequently, the AAU declared that it had the backing of major international organizations and that they would never recognize any U.S. group other than itself.

The AAU recognized the necessity to consolidate its control of the American Olympic Association as a means of eliminating the emerging federation threat. Consequently, at the quadrennial meeting of the association in 1926, the AAU supported the adoption of an amendment requiring a majority vote, in preference to a two-thirds vote, with regard to the election of successors to the vacated positions of U.S. Olympic officers or committeemen. In this vote, the AAU's position prevailed. Since the AAU and its allies already composed a majority of the Olympic Committee's voting structure, the vote was, in reality, a clear and decisive victory for the AAU in its attempts to control the Olympic organization. Based on this vote, the NCAA withdrew from the American Olympic Association.

The NCAA and allied groups rejoined the Olympic Committee in 1927, largely at the instigation of its new president, Gen. Douglas MacArthur. In his efforts to gain a unified amateur sports structure, MacArthur appealed to a sense of patriotism and unity in preparation for the 1928 Olympic Games.

General MacArthur guided the committee through another successful Olympic games in 1928. However, in his report to President Hoover, MacArthur suggested that:

> **The complicated chancellories of American sport—I may even say international sports as well—are even more intricate perhaps than our political chancellories.**

To assist in ending the eternal feuding of sports organizations, MacArthur suggested "an athletic congress," under the auspices of the American Olympic Association, in which all amateur sports organizations in the United States would discuss and resolve the problems facing amateur sports.

Although such a congress was never called, the NCAA and AAU did meet and resolve some of the issues confronting them. As a result of this meeting, the AAU agreed not to interfere with wholly intercollegiate sports activities. In addition, changes were made in the Olympic Association's constitution to give the NCAA fuller voting power in Committee decisionmaking.

ARTICLES OF ALLIANCE

The truce struck between the AAU and NCAA blossomed into a full-fledged peace which endured by mutual consent until 1945. At that time, the two organizations formalized their verbal agreement by adopting the "Articles of Alliance," which stated that:

(1) All meetings between the AAU and NCAA would be entitled to representation by not more than four visiting delegates from each group;

(2) One delegate from the NCAA would be chosen to become a member of the Board of Governors of the AAU;

(3) All student athletes competing in intercollegiate competition would be under the jurisdiction of the NCAA. However, such athletes competing in AAU-sanctioned competition shall be governed by the rules of the AAU;

(4) The AAU would recognize the rights of NCAA members to govern themselves and to compete among themselves under eligibility rules considered satisfactory to the NCAA;

(5) In competition, the rules of the NCAA would apply to college events and the rules of the AAU would apply to open events; and

(6) These Articles of Alliance could be terminated by either party upon 30 days notice to the other.

Having been assured of a "normalization of relations" with the AAU, the NCAA turned its attention to its intercollegiate activities, adopting new rules and regulations for the governing of intercollegiate sports. Included among them were provisions relating to financial aid to athletes. These regulations led to an increasing degree of athletic scholarships, which, coupled with recruiting and scholarship abuses, became the subject of much concern both internationally and within the U.S. Olympic organization. In 1951, following the dismissal of the major part of the West Point football team for cheating, Avery Brundage, president of the newly established USOC, pursuant to Public Law 805, 81st Congress, told delegates to a 1951 AAU meeting that "subsidized college athletes, rewarded financially for their talents alone, will be ineligible for the 1952 Olympic Games at Helsinki." This incident, combined with continuing NCAA dissatisfaction at the "arrogance" of the AAU as the national representative of international federations, were the primary causes which led to the unraveling of the Articles of Alliance in 1960.

In considering this action, the NCAA cited the following as reasons to break off relations with the AAU:

(1) Complaints registered with the AAU were not investigated;

(2) Athletes and coaches were denied foreign trips when such denial did not suit purposes of the AAU;

(3) The AAU neglected the vital area of research;

(4) The AAU failed to communicate with countries regarding proposed international meets and failed to develop exchange programs between the U.S. and other countries;

(5) AAU track meets were often poorly managed and, in many cases, incompetent officials used;

(6) Poor planning was exhibited by the AAU in preparing teams for foreign competition;

(7) The AAU showed no special regard for the welfare and treatment of foreign athletes visiting the U.S.

ESTABLISHMENT OF FEDERATIONS

With the feud once again in motion, the NCAA resurrected its federation concept of the 1920's as its most effective weapon. However, instead of one federation for all sports, plans were made to establish federations in three sports: track and field; gymnastics; and basketball. As in the 1920's, the AAU opposed creation of the three federations, characterizing them as a "grab for power that would wreck amateur athletics in the United States." The NCAA then urged its member colleges and universities to consider a boycott of AAU events unless colleges were given more voice in amateur sports. Although overtures for increased representation were made by the USOC to the NCAA, they were refused.

In March 1961, an organizational meeting for the formation of federations for track and field, and gymnastics was held in Chicago. The Basketball Federation, which had already been formed, was in attendance. Although the AAU was invited, it refused to attend. Nevertheless, each of the three federations reserved certain powers to the AAU. Among them were the responsibility for administering open competition, any national championship, and administrative affairs. The AAU would also be allocated a certain number of international delegates to the appropriate federations. The AAU, however, again insisted it could not join the NCAA and allied groups in this effort. By early summer of 1962, federations had been formed without the AAU.

EMERGENCE OF THE SANCTIONING WARS

In August 1962, the U.S. Track and Field Federation—USTFF—met in Kansas City and approved a sanctioning and athletic certification policy statement that was to create further differences between the federations and the AAU. This concept required application for a sanction by the management of any event in which competitors from track and field clubs or attached athletes were to participate. The USTFF was to be the exclusive sanctioning body in all meets where its athletes were to compete. AAU and Armed Forces athletes were allowed to compete in USTFF-sanctioned meets, provided they had been certified by either the AAU or the Armed Services. Student athletes were also required to be certified by the appropriate educational institution.

The International Amateur Athletic Federation—IAAF—the international governing body for track and field, subsequently voted unanimously in support of a resolution declaring that the AAU was the only IAAF-recognized body in the United States capable of sanctioning national track and field events. The USTFF, objecting to the IAAF's action, claimed that the AAU had worked for adoption of the measure. In a statement regarding the resolution, the federation stated:

> It is perfectly clear that no international body is going to usurp or infringe upon the right of an American amateur athlete to compete in amateur meets of his own choice in this country.
>
> The AAU has used the threat of ineligibility in a desperate attempt to bolster its waning control of track and field in the United States. The AAU, insofar as athletes, facilities, coaching and research are concerned, is not a major element in track and field in America when compared to the charter members of the USTFF . . . the AAU is using coercive methods in an attempt to strengthen its relatively weak position.

The International Olympic Committee reinforced the action taken by the IAAF by banning from future Olympic games all "state amateurs subsidized by their governments and college athletes receiving scholarships based mainly on athletic ability." Avery Brundage, former president of the AAU, USOC, and now the IOC, maintained that if the rule were rigidly applied, it would disqualify about half of the American Olympic team. However, he appeared to support the IOC's action.

FEDERAL ATTEMPTS AT MEDIATION

Subsequent events, related to the actions described above, caused the situation to become so serious that then Attorney General Robert Kennedy intervened. Describing the latest flareup of the AAU–NCAA feud, Kennedy said:

> They know how we feel about the situation. We hope that the two groups will get together and iron out their differences so that the U.S. will be well represented in the Olympics in 1964.

An amateur sports conference was held in Washington during October 1962, including representatives from the USOC, the AAU, the national sports federations, the YMCA, and Government officials. At this meeting, delegates agreed to consider a truce which would be in effect until after the 1964 Olympic games. The truce would allow the federations and the AAU to work toward the development of a U.S. Olympic team. This plan became known as the "Washington alliance."

This conference marks the first entry of the Federal Government into amateur athletic affairs. In its efforts to help bring the factions together, the Government recognized the principle that it should not normally intervene in such activities, but that the success of U.S. athletes in international competition was a matter of national interest and should be paramount in the decisions and administration of domestic sports governing bodies.

Using the Washington alliance as a departure point, Attorney General Kennedy attempted to fashion a lasting peace between the NCAA and AAU. Meeting with representatives of the two groups at USOC headquarters in New York, a preliminary agreement was reached by the parties involved to establish a track and field coalition embracing all qualified organizations. The function of this coalition would be to oversee and fortify the "national athletic vigor" through the unification of all organizations involved, with such unification to serve as a common ground for the exchange of ideas. Speaking with reference to the New York Olympic House Agreement, Walter Byers, executive director of the NCAA, stated:

> No matter where the fault lies in this controversy, there seems to be only one way to reconcile the divergent points of view for the future and that is to consolidate. Even the restive coexistence of the past cannot be recaptured. The AAU must continue to exist and gain new strength. It needs the help of high schools and the colleges to do the job. This country cannot afford less than our most diligent and unselfish cooperation on this organization basis.

Of paramount importance to this agreement was the fact that the coalition would seek membership in the IAAF at its next meeting scheduled in the fall of 1964. At this point, the agreement lacked only the endorsement of the AAU's 75th annual convention in Detroit. But, on November 29, 1962, the AAU's executive committee in effect rejected the proposal, stating:

> The basic issue appeared to be whether the AAU or the proposed coalition would be the recognized ruling body for American participation in international track affairs after 1964. The AAU contends it has been recognized for many years by the (IAAF), the world governing body for track and field.

At the final session of the convention, the AAU voted to stand behind another version of the coalition plan, requiring among other things that all the business of an international nature would continue to be conducted by the AAU. The USTFF and allied groups could not accept that condition, and thus Kennedy's efforts to end the feud failed.

Following the breakdown of the Washington alliance, the AAU adopted the policy that it would not sanction USTFF events and would rule all athletes who participated in such events to be ineligible for AAU-sanctioned competition. At this point, President John F. Kennedy appealed for arbitration to settle the differences between the two sides. The NCAA supported the President's call, stating its "deep regret" regarding the AAU's failure to adopt the coalition agreement. President Kennedy appointed General MacArthur, former president of the USOC, to act as arbitrator, and both the NCAA and AAU agreed to consider whatever MacArthur offered in the way of arbitration.

The so-called MacArthur plan was adopted by the NCAA and AAU in January 1963. Basically, the plan included amnesty for any athlete who had been disqualified from international competition by the AAU; full access to facilities by all groups in preparation for the 1964 Olympics; and the formation of an "Olympic Eligibility Board" composed of six members, three from the AAU and three from the USTFF, to pass upon the qualifications and eligibility of candidates for the Olympic team. MacArthur also recommended that the President call an athletic congress following the Olympic games of 1964 to find permanent solutions for the problems facing the AAU and the NCAA.

As a result of the agreement, President Kennedy issued the following public statement:

> Settlement of the dispute which had threatened to unjustly penalize hundreds of athletes and weaken American participation in the 1964 Olympic Games is most welcome. The real winners are the athletes. I would hope that General MacArthur's Plan would set the stage for a new era in the administration of our amateur athletic plans—one wholly consistent with traditional sportsmanlike desire to cross the line first.

Unfortunately, the new era was never given a chance. Three days after President Kennedy's statement, the AAU and NCAA were squabbling over the sanction of a track and field meet in Los Angeles. The matter was put to General MacArthur for arbitration, who decided that the USTFF could authorize its own athletes for participation in open competition, but could not perform the function of the AAU with regard to its international obligation. Although the AAU interpreted MacArthur's decision as a victory, Walter Byers countered by saying:

> The AAU must be suffering from hallucinations . . . if it interprets General MacArthur's ruling as a rejection of the USTFF stand.

There were no further attempts to resolve differences between the two groups until after the 1964 Olympics.

It was at this point that a plan for the formation of a National Sports Foundation first received attention. Although many organizations wished to play a leading role in formation of the foundation, the USOC refused to endorse the idea, which it felt would interfere with its own fund raising. The foundation approach received no further attention until introduction of a bill creating it in Congress by my distinguished colleagues, Senators GRAVEL and THURMOND. This is now title III of the Amateur Athletic Act of 1974.

SULGER AND GREENBRIER AMENDMENTS

At the USOC board of directors meeting 1965, the highly contentious Sulger amendment was adopted. This provision requires the majority of votes on each games committee of the USOC to be reserved for the governing body of that sport. The inequities of this amendment are best exemplified by the testimony of Dr. Edward Steitz during the May 1973 Commerce Committee hearings on amateur sports. Speaking on the AAU's control of the USOC's basketball committee Steitz said:

> What a farce it was when in the past Olympiad, an organization such as the AAU, which contributes just about nothing to international basketball, automatically had the majority of votes (25 of 49) while the NCAA had eight, junior college one, and the 21,000 high schools had two. An organization that is practically dead in a sport determined who are to be the coaches, managers and players for the Olympic [basketball] team. Incredible.

An AAU spokesman claimed that the Sulger amendment was necessary to conform to International Olympic Committee rules. However, the counsel to the USOC said that this was a fallacious argument, stating that nothing in IOC rules entitled international franchise holders to a majority vote on the games committees or on the board of directors of national olympic committees.

In the absence of information to the contrary, one can only be left with a conclusion that the AAU's action in forcing adoption of the Sulger amendment demonstrated further its desire for continued entrenchment as a dominant voice on the USOC, regardless of the views expressed by other sports organization, athletes, and the sports public. The Sulger amendment is a prime example of how the AAU has used its position to perpetuate itself, without having to answer to any outside influence or authority.

In 1970, the U.S. Gymnastics Federation (USGF), having received the permission of the International Gymnastics Federation (FIG) to operate under its franchise in this country, applied to the USOC for group A membership. Under the complicated voting structure of the USOC, group A membership is reserved for international franchise holders. These members hold a voting majority on the USOC, in conformity with IOC rules and regulations.

The AAU, which had lost control of gymnastics as a result of USGF approved by FIG, could not prevent approval of the new franchise holder as a group A member. Nevertheless, it moved to force adoption of a change in the constitution of the USOC, which became known as the Greenbrier amendment. Under this proposal, an organization seeking approval of an international federation in a sport controlled by a group A member on the USOC would have to obtain approval of no less than two-thirds of the USOC's board of directors to become a group A member. Since the AAU, through its many franchises, dominates group A, it is considered highly unlikely that any new organization could gain approval of enough group A members to gain membership.

Although the USOC subsequently reduced the two-thirds requirement to a simple majority, it is still considered unlikely that a rival to the AAU's control will ever gain recognition as a group A member.

Once again, there is nothing in the IOC rules which requires such a proceeding by National Olympic Committees. Statements from USOC officials indicate that adoption of this amendment was a self-serving tactic, designed to preserve the status quo as regards USOC affairs.

THE KHEEL COMMISSION

In August 1965, acting in response to continuing sanctioning problems between the USTFF and the AAU, the Senate Commerce Committee held 10 days of hearings on conflicts in amateur sports. As a result of these hearings, the committee reported a resolution authorizing the Vice President to appoint an independent sports arbitration panel to produce a final, conclusive settlement of the AAU-NCAA dispute. Then Vice President HUMPHREY appointed Theodore W. Kheel, chairman, Archibald Cox, Ralph Metcalf, David M. Shoup, and Thomas Vail, to the arbitration panel. The AAU and NCAA at the outset agreed to the arbitration. The panel completed its report in February 1968, but its decision was immediately rejected by the NCAA on the grounds that the AAU was awarded total sanctioning authority for open competition, regardless of the position taken by the USTFF.

To this day, relations between the AAU and NCAA remain strained. In 1972, the NCAA withdrew from the AAU-dominated USOC as a protest of the committee's mismanagement of the U.S. Olympic team in Munich. In 1973, the NCAA refused to allow collegiate basketball players from participating in an AAU-sponsored tour of a basketball team from the Soviet Union. Only after congressional hearings and receipt of a letter signed by 58 Senators did the NCAA withdraw its objections to the tour.

Later that year, the NCAA refused to allow two athletes to compete in a USSR-USA track meet in Richmond, Va. To protect themselves, the two athletes obtained a temporary injunction so they could compete in the Richmond meet without interference from the NCAA. However, when the case came to a final decision, the court ruled for the NCAA, claiming that an educational institution had a right to enforce good relations which prohibit student athletes from participating in athletic events which do not meet with its approval.

On February 28, 1972, President Nixon and Premier Chou En-lai issued a communique in which they agreed to increase cultural exchanges in order to develop improved communications and mutual understanding between China and the United States. Pursuant to an agreement announced February 22, 1973, by Dr. Kissinger, the All China Sports Federation extended an invitation to the United States to send a swimming team to the Peoples Republic. Under the authority of the Mutual Education and Cultural Exchanges Act of 1961, the Department of State organized a team to travel to China.

Before the team even departed for China, the AAU and the Federation International de Natation Amateur (FINA) attempted to block the trip because FINA does not recognize the Peoples Republic of China. The AAU and FINA forced the resignation of the first coach of the team and one of its members as well by threatening to suspend them from further athletic competition. Subsequently, they attempted to persuade other members of the delegation to resign. To the credit of our young athletes and team officials, improvement in Chinese-American relations was more important than threats from a self-appointed swimming organization. Ten athletes and six officials went to China.

Upon their return, the athletes and team officials were greeted by a letter from the AAU, informing them that they were being suspended from further amateur competition and that athletes, coaches, and press stewards who participated in the tour were banished from the AAU and from membership on all committees of the USOC.

This arbitrary action by the AAU and FINA, although subsequently recanted, represents a shallow attempt to usurp the authority of the U.S. Government to conduct foreign policy. They punished athletes, including six Olympic medalists and three members of the Board of the U.S. Olympic Committee, for their participation in a program designed to achieve an important foreign policy objective. Finally, they did all this without so much as a hearing for all concerned and, some believe, contrary to their own rules.

The latest incident in this interminable feud commenced earlier this year when the Basketball Federation of the United States (BFUSA) filed an antitrust suit in Federal District Court against the USOC. The suit claims violations of the terms of the USOC charter and the anti-monopoly and anti-conspiracy provisions of the Sherman Act by the USOC in the latter's decision to organize and sponsor, through its Basketball Committee, a United States national team in the World Basketball Championships, which will be conducted later this year in Puerto Rico.

THE AMATEUR ATHLETIC ACT OF 1974

Mr. President, the conclusions which can be reached following a study of U.S. amateur athletics are as follows:

First, athletes and the sports public which help support them have no voice in determining the policy and administration of major sports organizations, nor do they have adequate freedom to participate in national and international competition. Consequently, athletes have become pawns in a never ending struggle for control of amateur sports;

Second, the AAU-NCAA feud will not be settled voluntarily, nor will any amount of Federal "jawboning" resolve the basic issues involved;

Third, the administration and policy-making procedures of the USOC are in need of reform; and

Fourth, there is no broadly based mechanism to insure increased participation by the American people in amateur sports programs.

The problems raised by these conclusions can be resolved with implementation of the Amateur Athletic Act of 1974. In proposing this legislation, it is understood that the Federal Government can no longer allow the incessant feuding and maladministration of major sports organizations to inhibit the competitive lives of U.S. athletes and to inadequately represent their interests in international competition. The legislation represents recognition of the need for the creation of impartial bodies, responsible only to the development of amateur sports and proper administration of competition. Once set in motion, the new structure should require little Federal intervention, except to resolve disputes and revoke charters for cause. The Federal Government should not impede the progress of organizations whose function it is to develop and represent athletes and the sports in which they participate.

The Amateur Athletic Act would create

a five-member Amateur Sports Board with each member appointed by the President of the United States subject to the advice and consent of the Senate. It is required that one member of the Board be an amateur athlete who has participated in international competition within 3 years of his or her appointment.

The function of the Board would be to award charters to groups which would then become known as chartered sports associations, or associations. These associations, which could hold a charter for as many as three sports on the Olympic program, would then seek recognition from the appropriate international sports federation as its franchise holder in this country. As such, the association would become responsible for the development of individuals and teams for all international competition, including the Olympics.

In order to receive a charter, an applicant would be required to meet certain requirements. At least 20 percent of the voting membership of the applicant corporation would have to be athletes participating in the sport or sports it seeks to administer. Additionally, an applicant group would have to demonstrate that it was capable of receiving recognition from the appropriate international federation and that it would undertake a program of development in its sport or sports. Finally, it would have to be shown that no more than 40 percent of an applicant's voting power was controlled by any individual or group of individual's holding similar power in another chartered sports association.

The Board would be authorized to revoke a charter if its holder had prohibited an athlete from participating in any competition sanctioned by another chartered sports association. Exception to this provision can be made by the Board in the event that the competition involved failed to meet the standards for sanctioning cited in this legislation, or in the event the athlete had violated a reasonable rule promulgated by an educational institution.

The Board would also be authorized to revoke a charter if the association failed to receive recognition by the appropriate international sports governing body or bodies as the single United States authority responsible for certifying amateur athletes and for approving teams representing the U.S. in international competition.

Finally, the Board could revoke a charter if it found that another qualified group could better meet the goals of the Amateur Athletic Act. Provision is made for charter challenges by any qualified group within 6 months following the conclusion of the Olympic Games in which the sport is involved. However, the Board must make a determination within 12 months following the conclusion of such games.

In addition to representing the United States in international competition, a chartered sports association is authorized to perform the following functions:

First, act as a representative of athletes competing in international competition;

Second, conduct domestic competition in which all eligible amateur athletes may compete, including, but not limited to, Olympic trials or national championships;

Third, conduct domestic exhibitions with representatives of foreign nations, the purpose of which is to promote interest in its sport or sports; and

Fourth, insure the safety and well-being of athletes representing the United States in international competition in its sport or sports.

In the event that a dispute develops among chartered sports associations, other sport organizations, or amateur athletes, the Board would be authorized to act as a mediator, with the consent of the parties involved. In such cases, the decision of the Board would be final, and such decision could be enforced through the district courts of the United States.

Within 2 years of enactment of this legislation, no sports organization could conduct or sanction unrestricted competition unless it had received a charter from the Amateur Sports Board. However, an association would be required to grant a sanction to any competition for which application was made, provided that certain conditions, outlined in the legislation, had been met. Included among these conditions are:

First, protection of the amateur status of competing athletes;

Two, proper adherence to any international requirements;

Third, provision for proper medical supervision; and

Fourth, conduct of the competition by competent officials.

The legislation also creates a quasi-public National Sports Development Foundation, the purpose of which would be to provide funds for the development of amateur sports programs at the "grass roots" level. The Foundation, financed on a matching basis with $50 million of Federal funds, would be administered by 16 trustees appointed by the President of the United States with the advice and consent of the Senate.

In the past, many have called for creation of such a program to help correct shortages of facilities and qualified personnel to initiate and maintain broadly based programs of recreation and physical fitness. The Foundation is designed to address that need, and it is hoped that with its assistance, the many beneficial aspects of sports and physical fitness will be enjoyed by increasing numbers of Americans.

CONCLUSIONS

Mr. President, the creation of a new amateur sports structure in the United States through this legislation resolves the problems which have occurred with unfailing consistency during the course of this century. For the first time, the interests of athletes and the sports public will be represented on major sports governing bodies. Additionally, the interests of the U.S. involvement in international competition will be protected through the selection of broadly based organizations committed to the development and sound administration of their respective sports. Such organizations will have to be responsive, or risk losing their right to represent athletes and the United States in national and international competition.

The legislation resolves the AAU-NCAA feud, centering on which of the two organizations will control certain amateur sports, by placing that power in groups representative of all parties. Because the USOC would eventually be controlled by chartered sports associations as group A members, it too would become more responsive to the needs of amateur athletes and demands for change in its administration. Thus, this legislation takes a "back door approach" to reforming the USOC, and substantially avoids the argument that the Federal Government is intervening in Olympic activities in violation of IOC rules.

Finally, the need for development of amateur sports programs in this country is mandated through requirements of the chartered-granting process as well as the creation of the National Sports Development Foundation.

Many responsible individuals and groups have raised legitimate concerns regarding the Federal Government's involvement in amateur sports. I share that concern. Indeed, a separate proposal which would have established an agency in the Department of Commerce to administer amateur sports in the United States was considered and not adopted by the Commerce Committee on the grounds that amateur sports is best administered by representatives of the private sector.

The Amateur Athletic Act was designed to resolve the basic and serious problems affecting amateur sports and amateur athletes with the minimum amount of Federal involvement. However, a degree of such involvement is necessary, because the organizations which control amateur sports have repeatedly demonstrated that they are incapable of resolving their own differences. Additionally, those organizations have, in the past, ignored the efforts of the Federal Government to offer voluntary solutions. The fate of the Kheel Commission is a case in point.

Those who are concerned about Federal involvement in amateur sports should take careful note that the Amateur Athletic Act provides for a five-member, part-time Board, drawn from individuals in the amateur athletic community, whose sole functions are to: First, determine which coalition of amateur athletic groups can best represent the United States in the several Olympic sports; and, second, to mediate disputes which may arise among chartered sports associations or between associations and athletes. Neither the members of the Board nor the very small staff envisioned by the legislation will have the authority to interfere in the administration of individual associations.

It is regrettable that voluntary and private solutions have not worked. Truthfully, there is no evidence that amateur sports organizations are willing of their own volition to resolve the basic problems which have so adversely affected the competitive lives of amateur athletes.

The objectives of this legislation cannot be accomplished without some degree of Federal involvement in amateur sports. However, the degree of Federal involvement represented by the Amateur Athletic Act should not and will not constitute Federal control of amateur sports, now or in the future.

Critics of the legislation, who have failed to present an adequate argument as to why the Federal Government should not assume this limited role in amateur athletics, have engaged in scare tactics by arguing that enactment of the bill could result in the expulsion of the United States from the Olympic movement and other international sporting events. However, a strong argument against this contention can be made. First, and most importantly, this bill attempts to work within the international sports structure by conforming closely with the rules and procedures currently in existence. Thus, chartered sports associations would be required to seek recognition from the appropriate international federations. Failure to do so could result in revocation of its charter.

There is only one instance in the history of the modern Olympic movement when a country was expelled from further participation in the Olympic games. This took place when the French Government attempted to take over its Olympic committee by direct appointment of its officers and board of directors. As is pointed out above, the Amateur Athletic Act contemplates no such action. This degree of involvement is far less than that practiced by many other nations and should not stand in the way of future involvement of the United States in the Olympic games.

Mr. President, the Amateur Athletic Act of 1974 is a most effective means to provide athletes and the sports public in this country with a viable, responsive, and unified sports structure, capable of carrying forward the development and participatory aspects of competition and physical fitness. We can no longer allow the present self-serving and self-appointed groups to administer a structure which is rapidly falling into decay. It is clear that only a complete alteration of national sports programs will bring about the change which will give athletics to the athletes and the administration of programs to the American people who, through tax dollars and donations, support them. The Amateur Athletic Act of 1974 is designed to achieve these goals, and I urge its adoption.

I think some explanation should be made as to how we got into this particular hassle today.

This measure was reported out of the Senate Commerce Committee, I think with one dissenting vote, and with some separate views by the distinguished Senator from Kentucky. It was placed on the calendar on the 15th of this month and has remained there for some 5 days, during which I was asked whether the bill could go on the consent calendar. As far as I knew, that was the proper thing to do at this time. It was scheduled to be considered in a series of matters this morning, and was passed on the consent calendar quite early. That is how we got into this situation.

Mr. BIBLE. Mr. President, may we have order? We cannot hear the Senator from Kansas.

The PRESIDING OFFICER. The Senator will suspend until we have order. Senators will please take their seats.

Mr. PEARSON. When the Senator from Maryland, and quite properly so, wanted to speak on the record regarding his own great reservations about this bill, he raised a very basic and legitimate question in relation to the Amateur Athletic Act, and one I am sure was in the minds of many Members of the Senate on the previous vote. And that is, Why should the Federal Government become involved in amateur athletics, even to the limited degree proposed in the bill?

The answer to that question is in two parts. First, the organizational problems and incessant feuding among amateur sports groups has become so serious that American Olympic athletes, and thousands of other amateur competitors have been adversely affected. Second, efforts to reach a voluntary solution to the basic organizational and jurisdictional problems have repeatedly failed. Without legislation, both the interminable feuding and organizational problems will continue for the forseeable future.

A brief survey of recent events will illustrate how organizational deficiencies and jurisdictional rivalries have affected amateur athletes and why Federal legislation is needed to resolve the problems.

At the 1972 Munich Olympics, our athletes were poorly served by U.S. Olympic Committee Officials on three widely publicized occasions. A USOC doctor failed to determine that a drug prescribed for treatment of asthma was prohibited by Olympic rules. This oversight cost U.S. swimmer, Rick Demont, his gold medal. A USOC track coach failed to check the starting time for qualifying races. Two U.S. sprinters, Eddie Hart and Ray Robinson, missed their starting time and, after years of work toward this one event, they were disqualified. The U.S. basketball team protested its loss to the U.S.S.R. in the controversial finals of the basketball competition. At the game, American athletes were represented by a movie producer and a television packager instead of experts in international basketball rules. The protest failed. The United States lost its first basketball game in Olympic history and a gold medal.

If these events were an unfortunate series of misadventures we could learn from our mistakes and forget them. But that is not the case. These three incidents and many others in the last two decades, are symptomatic of more serious problems in the U.S. Olympic Committee. They are the results of internal politicking and personal bickering in the USOC and are reflections of rivalries among the sports organizations which control the USOC. The athletes are the only certain losers in these battles.

The Amateur Athletic Act was introduced only after a long series of efforts by public officials and private citizens to mediate amateur sports disputes. Two examples are worth noting. Each illustrates that voluntary efforts have failed and indicates why legislation is needed.

In 1962, the NCAA–AAU struggle for control of amateur sports was so serious that Attorney General Robert Kennedy became involved in efforts to resolve the problem. The Attorney General went to New York on November 12 and personally participated in a 2-day meeting between the AAU and NCAA at Olympic House. After the second day, an agreement to set up a track and field coalition embracing all qualified organizations was reached. However, on November 29, the AAU endorsed a plan which the NCAA said violated the agreement.

After this aborted effort, the President acted. He sent an appeal to the sports groups to submit their dispute to arbitration and asked Gen. Douglas MacArthur to offer his services as an arbitrator. The AAU and NCAA agreed to the President's proposal.

On January 19, after 2 days of arbitration General MacArthur announced that the AAU and NCAA had agreed to settle their differences. President Kennedy congratulated General MacArthur on his efforts:

> I would hope that General MacArthur's plan would set the stage for a new era in the administration of our amateur athletic plans . . .

The MacArthur agreement lasted for exactly 3 days and by February, the AAU and NCAA were at odds over the sanctioning of a track meet.

In 1965, after another NCAA–AAU dispute over track and field, the Senate Commerce Committee held a series of hearings and reported a resolution asking Vice President HUMPHREY to appoint a commission to resolve the AAU–NCAA problem. Pursuant to Senate Resolution 147, Theodore Kheel, Archibald Cox, Ralph Metcalf, and Thomas Vail were appointed to the sports arbitration panel, Kheel Commission. After more than 2 years of hearings and consideration, the Kheel Commission reported its findings to the Senate.

The arrangement recommended by Kheel was to be binding for 5 years. It collapsed immediately. The Commission found that the AAU was the sole sanctioning authority and the NCAA refused to accept the decision.

The situation has deteriorated since the rejection of the Kheel Commission. Last year, a U.S.–U.S.S.R. track meet fell victim to the dispute long with a U.S.–U.S.S.R. basketball game. Even the Department of State ran afoul of the sports groups when the AAU suspended American swimmers who went to China on a State Department sponsored tour.

Private, voluntary efforts have failed to resolve the serious problems affecting American amateur athletes. Legislation is a last resort, but now the time has come to use the authority of the Federal Government to end these disputes and provide our athletes with leadership they deserve.

I think there is a great misunderstanding that the Federal Government is going to come right in and run amateur athletics in this country. That was a proposal that the distinguished Senator from Kentucky first put forward. My proposal is a sort of medium ground. It does not run athletics in this country. It is a Federal Board, with athlete participation for charter groups to end a dispute between the AAU and the NCAA.

The record is replete. I got interested in this when it involved the University of Kansas. Jim Ryun, who ran the mile and broke the world's record, could not get it approved in the international records, because two organizations were feuding about who would sanction the meets this young man ran in.

So I understand why there is very strong feeling about having the Federal Government participate now in the leadership dispute. I saw this situation developing over many years. It comes only after attempts to arbitrate failed. It was only after lack of success in the arbitration approach, which is also embodied in the Mathias proposal in the House, which made this seem to be the most reasonable proposal we could put faith in to do something about this situation.

This proposal has had lengthy hearings. It has now come to the Senate. I worked diligently on this problem. It came into some conflict on the floor of the Senate as a result of turmoil between these organizations. It represents an understanding that is inherent in a situation as complicated as this. I do not say that everybody wants to fight the kids. There is some sense of hope to resolve the dispute.

I do not want to take too much more time. I know that we are in the closing days before going into a holiday recess. Many people think there is much more important legislation to be considered than this. We have had it on the calendar for 5 days, awaiting amendments, but none came up.

We had a rejection of the separate views. The leadership thought it was time to call up this bill. I have no objection to it. If we are going to act on the merits of the case, I have no objection if it is the will of the Senate to go forward. I hope that we may have a vote on this proposal. It is not the work of one group.

The distinguished chairman of the committee has been in this activity since 1965. His interest also is the result of a conflict in the State of Washington.

I hope the Senate will move forward now, anticipating the many benefits that we have been considering.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PEARSON. I am glad to yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I want to ask the Senator from Kansas a question. He referred to the Kheel Commission. I had something to do with that Commission at the time I was Vice President. We set up a commission in the hope of being able to arbitrate disputes between the AAU and the NCAA. As I understand it, the Senator's bill has two separate features. One is the National Trust Fund.

Mr. PEARSON. The National Sports Development Foundation.

Mr. HUMPHREY. Which is the proposal of the Senator from South Carolina and the Senator from Alaska?

Mr. PEARSON. May I interrupt the Senator to say they were separate bills. We tried to get them into one package, not because one would piggyback on the other, but it is going to be expensive. It is title III of the bill.

Mr. HUMPHREY. That is the matching funds title?

Mr. PEARSON. That is correct.

Mr. HUMPHREY. Who is to dispense this fund and for what purpose?

Mr. PEARSON. A separate board, a separate foundation, appointed by the President and confirmed by the Senate.

Mr. HUMPHREY. To whom will the funds be made available?

Mr. PEARSON. This whole concept provides for funds for young people in the ghettos and rural areas, where there are not sufficient funds. Voluntary contributions could be made. It is the sort of thing which should have some organization, if it is a worthy thing.

I think the Senator from South Carolina could more properly speak to this concept; but it is a concept which I thoroughly endorse.

Mr. HUMPHREY. Would it not be possible under the bill to sponsor some athletic programs for young people?

Mr. PEARSON. I think it is possible. I think it could be done. I am informed that it is done.

Mr. HUMPHREY. It is currently done under the OEO and many programs of the Economic Opportunity Act.

Mr. PEARSON. I think the Senator is correct.

Mr. HUMPHREY. I served as Chairman of the President's Youth Opportunity Commission. Would this bill permit duly qualified sponsoring groups to receive funds from the summer sports program?

Mr. PEARSON. The answer is in the affirmative.

Mr. HUMPHREY. May I ask the Senator, Is the group he has set up especially qualified for international competition?

Mr. PEARSON. That is correct.

Mr. HUMPHREY. So there would be no problem of blackballing athletes who participate in some international games, even in the Olympics?

Mr. PEARSON. The Senator is correct.

Mr. HUMPHREY. For example, if the Russians sent a basketball team to the United States, the NCAA would not be able to blackball somebody who played against them?

Mr. PEARSON. That is correct. That is precisely the case. This bill has no relation to domestic competition.

Mr. HUMPHREY. Would the Senator be willing to include in his bill some kind of arbitration machinery for domestic competition?

Mr. PEARSON. I do not think it would be necessary.

Mr. HUMPHREY. The Senator does not think so?

Mr. PEARSON. No.

Mr. HUMPHREY. That is a situation as to which the Senator from Kentucky (Mr. COOK) and I are concerned. While I was originally in favor of the bill an hour ago, I have serious doubts about it at this moment.

I want to ask more questions, but the Senator from California (Mr. TUNNEY) must attend a meeting of the Committee on the Judiciary, so I shall yield to him, since I am not going to that meeting.

Mr. TUNNEY. Mr. President, I shall just take about 3 minutes.

Mr. PEARSON. Mr. President, I yield 3 minutes to the distinguished Senator from California.

Mr. TUNNEY. Mr. President, yesterday the Senate passed S. 1018, the National Olympic Commission Act of 1974. Although this action was a major step toward coming to grips with the severe problems in the area of amateur athletics, I believe still more comprehensive action is necessary.

Amateur athletics in the United States has been marked by the interminable internecine warfare of the organizational baronies that control amateur sports. These organizations have little or no representation in their decisionmaking by the athletes themselves. But the organizations have virtual dictatorial control over who can compete and where. As long as this continues, athletes, the public, and the quality of competition will continue to suffer.

The Commerce Committee over a period of 10 years has suggested voluntary reforms and enlisted the aid of such distinguished Americans as Douglas MacArthur and Archibald Cox. But the reforms have not been forthcoming.

Now it is time that the Congress take strong affirmative action to solve these problems once and for all. S. 3500, the Amateur Athletic Act of 1974, I believe will go far toward fulfilling this goal. S. 3500 is the outgrowth of 4 days of hearings last session and constant discussions with all of the major groups involved in amateur sports.

The act would establish an Amateur Sports Board as an independent agency in the executive branch of the Government. The five members of the Board, including among them one amateur athlete, would be appointed by the President with the advice and consent of the Senate. The primary function of the Board would be to issue charters designating private, nonprofit amateur sports organizations as chartered sports associations. Within 2 years of the passage of the act, no unrestricted amateur athletic competition could take place in the United States without the sanction of an association.

At one time reckless charges were made that the provisions of this act would require the Federal regulation of all amateur sports from the Olympics down to the sandlot.

Mr. President, let me make it emphatically clear that "unrestricted competition" as utilized in this act means amateur competition among teams representing different nations, or domestic competition among members of more than one sports organization for the purpose of qualifying athletes for international competition, such as trials for the Olympic and Pan American games. The scope of "unrestricted competition" is limited even further so as to apply only to competition involving sports on the Olympic program. Unrestricted competition would not include competition between or among teams in a high school or in an intercollegiate league or conference, postseason competition between conference champions, competition between members of athletic clubs and other organizations, or competition among teams from two nations which do not represent those nations; that is, local clubs or schools which cross international boundaries to compete with a local club or school in another nation.

Therefore, clearly these charges are utterly unfounded. In fact, I believe that, though this legislation is being considered by a legislative body of the Federal Government, it will lessen, rather than increase the political aspect of sport by returning the focus to its proper place—the sacrifice and dedication of the individual athlete striving to exceed his personal goals.

Millions of Americans who dedicate large parts of their lives to the pursuit of sporting excellence will be profoundly affected by this legislation, and that effect will be all to the good. It will insure that those who compete stand as the centerpiece of our Olympic sports.

In our hearings it was brought out clearly that in many parts of the country athletic facilities for the average person are totally inadequate and that only the rich can afford the athletic facilities that are available. Therefore, title III of S. 3500 first suggested by Senators Gravel and Thurmond would establish the National Sports Development Foundation. The foundation would not be an agency or establishment of the U.S. Government, but members of its Board of Trustees would be appointed by the President of the United States.

The foundation is authorized to use the proceeds from its trust corpus to plan, coordinate, promote, and support the conduct and development of amateur sports throughout the United States. The committee heard testimony from knowledgeable witnesses to the effect that relatively small grants of funds could be effectively used to develop amateur sports at the local level. These witnesses stated that an indirect consequence of the foundation's development aid would be an improvement in the performance of American teams in the Olympic games and other international competitions.

Foundation grants could be used to provide athletic instruction, facilities, and programs for many Americans who do not now benefit from participation in amateur sports. The foundation would provide funds to open underutilized athletic facilities, attract coaches for children and promising young athletes, and improve the opportunities for participation in sports by the handicapped and the urban and rural poor.

The bill provides that the corpus of the trust fund established by the foundation be composed equally of private gifts and matching public funds, up to a limit of $100 million.

In addition to its funding responsibilities, the foundation is authorized to gather and disseminate information relating directly to the development or modernization of athletic facilities. Similarly, the foundation will develop a body of information on safety and health, an important element of sports development which has received growing attention in recent years.

The foundation is required to submit an annual report of its activities to the President and the Congress. An annual audit and report on such audit are also required.

Mr. President, I would like to compliment the Senator from Kansas for bringing this legislation to the floor. I think it is a very good bill, and I think some things have to be understood by Senators which apparently have not been understood, according to the conversations that I have had leading up to the last vote.

This bill is very simple. It does two things. First, it establishes a National Sports Foundation. Originally this idea was conceived by the Senator from South Carolina (Mr. Thurmond) and the Senator from Alaska (Mr. Gravel) and their original concept was incorporated in this legislation almost in toto.

Their concept was simply this: To provide, on a national basis, through the Federal Government and private contributors paying money into a fund, to develop a foundation which then can be used to promote amateur athletics in this country.

If anyone has had the experience that I have had, not only with myself, but with my children, he knows how difficult it is to find a sports program for them to participate in in the summertime, and he recognizes that one of the best things we could have in this country would be an independent foundation, with money available to it, to be able to promote local athletic programs, be those programs in rural areas or urban areas.

The foundations would be independent, and they would use the profits from the investment of the foundation money for the purposes of promoting amateur athletics.

What we are talking about, if the foundation were fully funded, would be a matter of $100 million, half from private sources and half from the Federal Government, so that we would have a sum of around $10 million a year for those purposes. That is the Gravel-Thurmond approach, which is a good one.

The second aspect of the bill is to create an Amateur Athletic Board. The purpose of that board is to eliminate, once and for all, the internecine warfare that has existed between the NCAA and the AAU, as it relates to Olympic sports. It has no impact whatsoever on college sports, and no impact on high school sports, just on those competitions that relate to Olympic sports and the choosing of athletes to participate in Olympic games.

I think we have to recognize that athletes in the past have been caught up in this warfare that has existed between the NCAA and the AAU, where AAU athletes were not allowed to participate in NCAA sponsored sports events and NCAA athletes were not allowed to participate in AAU events.

The Senator from Minnesota spoke a few minutes ago about the exposition that is going to be held in Spokane. Mr. President, there are two groups in the United States today which say they have the international charter on basketball, and both are going to be competing to invite the Soviet Union teams to participate in those games, and then to choose athletes for the purpose of competing against the Soviet Union, and it may very well be that we will not be able to get the Soviet Union team into this country to play in those games because of that warfare that will exist.

If this bill passes, the Soviet team will be able to come and participate, and we will have a public body, the Amateur Athletic Board, which will designate that association in this country that will have the responsibility for promoting any particular sport, such as basketball.

That association will not be able to exercise monopolistic control, because they are going to have to allow other associations to promote competitions if certain basic guidelines are to be met, for instance, having an adequate coaching staff, having adequate means of assuring that world records will be recognized, making sure there are adequate medical services present, et cetera.

In other words, what we are trying to do with this legislation is very simple. It is to give the amateur athletes in this country who are involved in Olympic sports an opportunity to compete, and compete fairly.

I ask unanimous consent to have printed in the Record a resolution adopted by the NCAA Council at Kansas City, Mo., May 4, 1974, coming out in favor of this legislation. The NCAA is now in favor of it, whereas a few months ago they were opposed to a slightly different version of the legislation.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution

Whereas, there currently exists on the floor of the Senate of the United States legislation designed to solve many of the problems of this nation's international sports programs; and

Whereas, the National Collegiate Athletic Association's primary goal in this area is to ensure America's athletes are provided opportunities to enjoy meaningful international athletic competition under equitable competitive conditions, free from concern about the caliber of administrative support they receive; and

Whereas, it is apparent some of the organizations and individuals currently representing this nation in international amateur athletic administration have failed to provide leadership for our athletes, articulate presentation of our philosophies and goals to other nations, and competent management for our competitive groups; and

Whereas, the bills proposed by Senators James B. Pearson and John V. Tunney offer means for resolution of these problems while limiting Federal involvement to international programs;

Whereas, these bills offer the only available, effective vehicle for improving conditions under which America's athletes compete internationally, and which will ensure adequate athlete representation on sports governing bodies, and, if passed promptly, should achieve improvement before the 1976 Olympic Games; and

Whereas, schools and colleges have concluded after years of private efforts at conciliation no reforms of these amateur sports organizations and problems can be accomplished without some form of Federal intervention;

Therefore, be it resolved, the National Collegiate Athletic Association endorses these bills and urges their passage by the Congress; and

Be it further resolved, this Association commends Senators Pearson and Tunney, their colleagues on the Commerce Committee, and other involved Senators for their interest in these matters involving young people and national prestige; and

Be it finally resolved, this Association earnestly hopes this legislation will lead to new organizations, new leadership and new programs which will provide America's athletes the support they deserve and the resources this country can deliver through responsive, knowledgeable leaders.

Mr. TUNNEY. I have here a letter from Capt. Micki King, chairman of the Athletes Advisory Council to the United States Olympic Committee who has with her approximately 36 athletes, indicating, as of May 8, 1974, that she is in favor of it and all these Olympic athletes whose names she lists are in favor of it also.

I also have here a letter from Phil Brown, the Washington counsel for the National Collegiate Athletic Association, in which he states:

> Time is of the essence, and we hope that Congress will act expeditiously on both these measures.

That is, this measure and another measure that passed the Senate yesterday calling for a review and investigation of the American Olympic Committee.

I ask unanimous consent that these communications be printed in the Record at this point.

There being no objection, the letters were ordered to be printed in the Record, as follows:

USAF Academy,
May 8, 1974.

Dear Senator: I am writing to you once again on behalf of the amateur athletes of the United States. We are asking for your support in favor of the sports legislations, S. 1018 and the Amateur Athletic Act of 1974.

As Chairman of the Athletes' Advisory Council, I represent the athletes of *Every* sport the U.S. supports in Olympic competition. The names of the representatives of these sports are listed below. Since this sports legislation directly affects the athletes, we hope you will consider our opinions when you vote.

Our present system of sports control has been inferior for years. Despite the gross inadequacies in facilities, money and support, U.S. athletes have been great. Now, however, Europe and the rest of the world are beginning to overtake us. The "old" ways must go. United States athletes want change. Why should training and competing be hampered by lack of funds, administrative incompetence and internal bickering? Why should athletes have to overcome such handicaps to be the best in the world?

With your support, the above problems (and *many others*) will be conquered. Please vote "yes" for S. 1018 and the Amateur Athletic Act of 1974.

Sincerely,

Micki King,
Chairman, Athletes' Advisory Council.

P. Gilbert, Field Hockey, New York; L. Hough, Rowing, Virginia; M. Elliot, Nordic Skiing, Colorado; R. Ridland, Equestrian, New Jersey; J. Valdez, Boxing, Texas; W. Baughman, Wrestling; Texas; R. Abrahamson, Handball, Washington; L. Drum, Mod. Pentathlon, Texas; D. Woodall, Women's Basketball, Oklahoma; M. Smoke, Canoe & Kayak, Michigan; J. Writer, Shooting, Illinois; D. Holum, Speed Skating, Wisconsin; C. VanDuyne, Yachting, Washington, D.C.; R. Webb. Water Polo, California; N. Owens, Volleyball, California; I. Owens, Track, Arizona; J. Petkevich, Figure Skating, Montana; S. Chaffee, Skiing, New York; C. Faulkner, Ice Hockey, Minnesota.

J. Melcher, Fencing, New York; J. Allis, Cycling, Massachusetts; E. Williams, Biathlon, New York; W. Wright, Baseball, Tennessee; K. Moore, Track & Field, Oregon; K. Homstad, Luge, Texas; L. Metheny, Gymnastics, Oregon; D. Brown, Track & Field, Washington H. Peterson, Bobsledding, New York; L. Myers, Archery, Pennsylvania; S. Gay, Soccer, California; S. Hildner, Alpine Skiing, Colorado; E. Daniel, Women's Swimming, Pennsylvania; S. Genter, Swimming, California; K. Okada, Judo, California; B. Toomey, Track, California; W. Davenport, Track, Louisiana; T. Gardner, Skating, Massachusetts.

Cox, Langford & Brown,
Washington, D.C., May 8, 1974.

Subject: S. 1018.

Hon. John V. Tunney,
New Senate Office Building,
Washington, D.C.

My Dear Senator Tunney: From the date, early in this Congress, when you first introduced S. 1018 to create a national commission to evaluate and recommend appropriate reform of the organization and conduct in the United States' participation in the Olympic games, the National Collegiate Athletic Association has given the bill its strong support. In view of the recent action by the Commerce and Foreign Relations Committees reporting the bill to the Senate floor, this appears an appropriate point to reiterate the NCAA's support, and its hope that Congress will act expeditiously on your bill.

For many years the school-college community has been painfully aware of fundamental shortcomings in the organization of the U.S.O.C. and the way in which it has discharged its responsibility under its charter from the Congress to administer this country's participation in the Olympic and Pan American games. Recently, public awareness of these issues has grown as the instances of obvious mismanagement and demonstrated unconcern for the welfare of athletes which are the symptoms of the more basic problems have steadily mounted, culminating in the series of disasters suffered by the U.S. team at the Munich Olympics.

The time is clearly at hand for action, and—as many witnesses testified before the Commerce Committee—events have demonstrated that there will be no solution to the problems created by the structure and organization of the U.S.O.C. other than through legislation by the Congress.

An appropriate starting point is establishment of a commission to study in depth the problems involving the U.S.O.C. and American participation in the Olympics and Pan American games, and which will be directed to return to Congress with specific legislative proposals for reform of the U.S.O.C. Moreover, in view of the importance and difficulty of the task assigned the commission, and the relatively brief period which remains before the next Olympic Games, it is critical that the commission's efforts be sharply focused and that it be directed to complete its study and submit its recommendations to Congress as soon as possible. Congress should reject any amendments to broaden or weaken the focus of this study. The provisions of S. 1018 fully satisfy these essential criteria, and the NCAA accordingly urges its enactment by the Congress.

At the same time, Congress should proceed to address the related problem raised by the demonstrated need to replace with better qualified organizations some of the organizations in the United States representing this country in the bodies controlling international competition in individual sports, by creation of a mechanism for such reform. Accordingly, the NCAA has joined the National Federation of State High School Associations and the National Junior College Athletic Association in supporting the "Amateur Athletic Act of 1974" recently reported by the Commerce Committee, and it considers it essential that this bill be enacted either separately or in conjunction with S. 1018.

Time is of the essence, and we hope that Congress will act expeditiously on both these measures, so that the reforms which are so clearly required can be accomplished in advance of the 1976 Olympic Games.

Sincerely yours,

Philip B. Brown,
Washington Counsel for the National Collegiate Athletic Association.

Mr. TUNNEY. What I am trying to say is that now we have the NCAA in favor of the legislation, and the amateur athletes are in favor of the legislation because they recognize the nature of the subject, and if we have another Munich incident coming up again, we have only ourselves to blame if we do not pass this legislation and the House does not pass the legislation passed yesterday by the Senate.

This measure has wide support, and I hope that Senators will react favorably to the circumstances as they exist today, and not the circumstances as they were 6 months ago.

Several Senators addressed the Chair.

Mr. PEARSON. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. PEARSON. I will yield the floor if there are others who wish to speak. I am willing to yield to Senators, or yield the floor.

The PRESIDING OFFICER. Whatever the Senator wishes.

Mr. PEARSON. I yield the floor.

Mr. COOK. Mr. President, may I say that I have been involved in this matter since it has been under active consideration this time around in the Commerce Committee, and may I say to the Senator from Kansas that on balance, the proposal represents a great stride forward in the long-range development of amateur athletics in the United States and in protecting the rights of our athletes. This Senator has absolutely no objection, and favors tremendously the sports foundation which is the basic concept of the Senator from South Carolina and the Senator from Alaska.

My problem is that we are really standing here talking about the young athletes. We have been through many problems; we have been through what is sanctioned and what is not sanctioned, and that is what we are really talking about. We are talking about whether an athlete can or cannot compete.

My only problem is that we are saying to this young athlete, who has had his life, in a way, directed by these various organizations throughout the United States and throughout the world for quite some time: "If you are turned down, you can go into the Federal courts."

Now, that is delightful. We are telling a young basketball player, a young swimmer, or a young track star, "If you are denied the right to compete in the Olympics, if you are denied the right to compete in an international competitive sport because it is not sanctioned by an organization you are already under, go into the Federal courts. We do not have a means by which you can arbitrate this thing, but take yourself to the Federal courts, get yourself a lawyer, file yourself a petition, and see if you can get an injunction against them and solve this problem."

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. PEARSON. If they have a grievance today, what is the athlete's remedy?

Mr. COOK. None.

Mr. PEARSON. They have none. It is to provide a remedy for an athlete who has a very serious grievance that he has nothing to do with, because two competing bunches are going to take away a record he may have won, or his right to compete in international athletic events. The alternative is just to set him afloat.

Mr. COOK. May I say to the Senator from Kansas that when he gets through the federal court, the event is over, he did not compete in it, and he was not a part of it. That is why the NCAA is for this bill. Why was the NCAA against these proposals 6 months ago? Why were all these associations against it? Because we have really given them nothing.

That is why this Senator proposed that they be allowed to submit the grievance to the AAA for arbitration, so it could be resolved within a short period of time. We are really saying to the American athlete, "If you want to compete, file a suit." Everyone here knows how long Federal cases take. There are so many Federal cases floating around today. May I say, we can have a top Olympic star go over there and he will be wondering whether he won or lost. I am sure that we are giving him something more than he had before, but what are we really giving him? We are giving him a recourse to the courts. I am not sure he did not have that recourse before, quite frankly. I am not sure he could not, under his civil rights, have gone into the Federal court. But we wanted to try to find a method by which we could do it more expeditiously.

Let me give you the best example I know, I say to the distinguished majority leader, because he was one of the signatories. We spent 1 weekend, from a Friday to Monday morning, getting 58 Members of the Senate to sign a letter to the head of the NCAA to allow the NCAA players in the United States to compete in the basketball game against the Russians, as they had denied the right to play them. The NCAA had said that any member of the NCAA authorized college basketball team in the United States that was going to play in the games against the Russians would be denied the right to play in the next scholastic year.

We submitted a letter to Mr. Byers on a Monday morning in the House committee and by Monday afternoon he graciously assented to allowing the U.S. athletes to play against the Russian team, so that they could win some of the games instead of losing them. Yet he was adamant that they could not play and would be punished if they did play. What would happen if they all went to court? Would they immediately get an injunction or would there be some retribution against the athletes by the NCAA if they had gone to court?

Mr. BROOKE. Mr. President, will the Senator from Kentucky yield?

Mr. COOK. I yield.

Mr. BROOKE. What is the alternative if they cannot go to Federal court? What will the American athlete do? What will his rights be?

Mr. COOK. Go before the arbitration association——

Mr. BROOKE. The courts take such a long time, as we all know. So what is the alternative the American athlete will have?

Mr. COOK. Immediately to go to the American Arbitration Association and have it immediately arbitrated.

Mr. BROOKE. I have examined that possibility. But what good is that? Is it as simple as that?

Mr. COOK. It is much easier than pleadings. It is much easier than hiring a lawyer. It is much easier than the preparation of a complaint. It is much easier than to allow Federal time to go by for filing an answer. It is much easier to let the time go by to file a reply to that answer.

Mr. BROOKE. What can he do? What will be his rights? How will he fare? How will he fare by going to arbitration? That is, so far as the procedural matter is concerned.

Mr. COOK. He does not know that. The legislation we had originally proposed sets the criteria. I am sorry that I cannot go into all the details with the Senator. I was unprepared when I was called by the Senator from Maryland this morning who said that this bill was presented and had been passed and what to do. I said to the Senator that I have some real reservations about it. I do not need to debate it too seriously because the Senator from Kansas has done a remarkable job up to this point. My only problem is, I think we are saying to the young athlete that we are giving him something when in fact we are not.

Mr. BROOKE. We should know what the athletes' alternative is. But, what is it? The Senator says he has this alternative. However, no one seems to know what it is. The Senator says arbitration. We cannot intelligently say that he should not go into the Federal courts. At least we know what happens there.

Mr. COOK. May I say to the Senator from Massachusetts that in the past, arbitration has worked far better than—as a matter of fact, we have no knowledge of any athlete going into court where those matters have been arbitrated.

Mr. PEARSON. I direct the Senator's attention to section 203 of the bill, on page 19, which states:

> In case of any dispute which involves a chartered sports association and (1) any other chartered sports association or associations; (2) a sports organization; or (3) an amateur athlete, the Board or any duly authorized member of the Board shall act as mediator to conciliate and resolve such dispute. With the consent of the affected parties, the Board shall determine the issues in such dispute, and in such case the decision of the Board shall be final.

So there is a mediation procedure built into this bill.

Mr. COOK. I want the recommendation to come from the membership.

Mr. MAGNUSON. I want to make a little statment about this bill. I was going to ask a simple question although I have no doubt in my mind that if one of these disputes happens and they go to a mediation board and the mediation board decides——

Mr. PEARSON. They will not comply.

Mr. MAGNUSON. No one will go to court with that hanging over his head. A judge would not pay too much attention to it. Here we are, I know we have a right to debate and squabble a little bit among ourselves, but let me tell you something, Mr. President, this thing has been going on ever since I have been a member of the Commerce Committee. Every time we reach the point where we can do something, as you say, on one of the alternatives, as the Senator from Massachusetts says, we do not know. However, this is a start. I was around when MacArthur tried it. I was around when what is his name from New York—the mediator—Kheel—and we have it all fixed up and then I was around when—I call about 5 times a week from that priest in Michigan—at least 5 times a week on one side or the other. Then I could never go home to my State of Washington without my own university saying, "Oh, we are glad to see you." We know why they were glad to see me and what they wanted to see me about. They wanted to get me in a room to talk about this. I was getting tired of it. That is why I am so glad to be trying to do something here. Time is of the essence.

I know who else tried to settle this thing once. It was Kennedy privately, and it did not work. The only ones hurting are the athletes, I am sure we all agree. They are the only ones. Then we have the problem of the grown athletes in the smaller colleges, mainly black, the colleges down South, who furnish a great many of our Olympic stars but who were not in the establishment of the NCAA, and a lot of roadblocks were put in their way.

Now we are hopeful that we can take some Senate action about the Olympic games, because they are coming up, and unless we do something, we will lose badly. Unless we do something, we will lose badly. We can talk all we want about the right they have to appeal. But something has got to come along. Something has got to come along soon. The way this is going on, I am getting concerned. I am getting calls from the people at home in Spokane, Wash., as to whether this will be a bad thing for the Russian basketball team which is coming, and they want to help to do something to settle that. If the Russian basketball team cannot come in, and we have got the Russian gymnasts who are also coming into this country, they are suggesting, well, if we cannot come with our full force of gymnasts, and so forth, and everyone else, the track and field people, maybe we will not come at all. It has that implication. So I am just hopeful that my friend from Kentucky and my friend from Maryland will pass this bill today and if they have some amendments to the bill to put them in. No one can say the Commerce Committee has not worked on this bill hours and hours and hours.

Mr. COOK. If I have the opportunity to put in an amendment, I would try to do so.

Mr. PEARSON. The bill has been on the calendar for 5 days. The Senator knows that.

Mr. COOK. I do not object to the fact that it has been on the calendar for 5 days. As long as the Senator from Kansas and I worked on this bill, I certainly would have been delighted, if I had been notified that the bill would come up today. I am merely saying to the Senator from Washington—and I have the floor—and to the Senator from Kansas, that I do not mind having a 1-hour limitation on the bill and vote it up or down.

I would like to say to the Senator from Massachusetts that I would like to have the opportunity to present some good arguments to him, that there could, in fact, be a better way to protect our young athletes and to vote it up or down on the bill, because he has done a good job. If I fail with my amendment, I will vote for his bill because it is better than what we have today. But I say to the Senator from Massachusetts and to the Senator from Washington, let us have 1 hour. Let us have some time on this floor so that we can present amendments and try to plead a better case for the young athlete in this country who has been in trouble many times in the past because of the tremendous power of these organizations that he cannot fight, that he cannot buck; and therefore we are saying to him, "Go to the Federal courts."

I would like to have a better means for him to resolve his problems, and I would like to present better arguments to the Senator from Massachusetts to accomplish that. If we had a time limitation on this bill, we could do it in the morning—that would be fine—and then resolve it. And I will be in favor of the bill of the Senator from Kansas if I am not successful.

Several Senators addressed the Chair.

Mr. COOK. I have the floor.

The PRESIDING OFFICER. The Senator from Kentucky has the floor.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. MAGNUSON. Mr. President, will the Senator yield me one-half minute?

Mr. COOK. I yield.

Mr. MAGNUSON. As the chairman of the committee, I do not know about notification. All I know is that we have been struggling with this bill, and I was glad to see it come up any time the leadership decided. I did not participate in that at all. I merely felt that with all the hard work put in on this bill by the Senator from Kentucky, the Senator from Kansas, the Senator from California, and myself, we ought to shape up to voting something up or down.

Mr. COOK. I yield 1 minute to the Senator from Maryland.

Mr. MAGNUSON. We do not have a time limitation.

Mr. COOK. I have the floor, and I will yield 2 minutes to the Senator, if he wants to ask a question.

Mr. BEALL. I want to expand on the statement I made earlier.

Mr. MAGNUSON. The Senator from Kentucky does not have to yield to the Senator from Maryland. The Senator from Maryland can have the floor.

Mr. COOK. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Kentucky has the floor.

Mr. COOK. Does the Senator from Maryland desire time?

Mr. BEALL. If the Senator will yield, yes.

Mr. COOK. I yield.

Mr. BEALL. I agree with the chronology, as presented by the Senator from Kansas, as to the events that transpired when this bill was on the calendar this morning and our actions since that time. He is correct as he related this chronology earlier in the debate.

I want to point out that there are two principal problems with which we should be dealing. One is the fact that too many of our young people have been penalized because of disputes that could have been and should have been settled amicably. The other is that too many of our Olympians have been affected by archaic management and organization.

We addressed the latter of these problems, the Olympic problem, yesterday when we passed in this body a bill that, in effect, establishes a commission to review the U.S. participation in the Olympic games and perhaps recommend a new organization to direct that participation.

So the question now becomes one of how we resolve this problem about these continuing disputes. I suggest, with all respect to the Senator from Kansas, who has worked long and hard on this problem and who has a great amount of experience in this area, that we have come up with a cure that is potentially worse than the disease; because in this bill we are creating a Federal amateur athletic board of five members, appointed by the President of the United States, and giving them the authority to establish a permanent bureaucracy. They are going to have the authority to create an executive director, to hire him, to hire all the staff necessary, including investigators, and then they are going to license amateur athletic organizations in this country so that they can participate and sponsor international events.

It seems to me that the problem we should be facing is how we resolve the disputes that exist currently between sponsoring organizations. The Senator from Kentucky has prepared an amendment and a bill, together with the Senator from Minnesota, that addresses this problem. They provide the mechanics for resolving the disputes, and that is the question at issue here. It seems to me that we ought to provide the mechanism whereby athletes could have their disputes resolved without putting amateur athletics totally under the potential control of the Federal Government.

It was pointed out earlier that section 203 of the bill provides for mediation. It does indeed provide for mediation. However, let me point out that the mediation can occur only with the consent of the parties to the dispute. So that if an amateur athlete in this country has a dispute with the NCAA, that dispute cannot be mediated, under this bill, unless the NCAA agrees to it. To me, that is no answer for the amateur athlete. We have to provide the mechanics for him to get some arbitration in this dispute, and the Senator from Kentucky has the answer to that problem. For that reason, I do not favor this bill at this time.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. HUMPHREY. The proposed legislation, of course, is something in which many of us in this body have been involved and concerned about. As the Senator from Kansas has said, there are features in this bill that have been advanced by other Senators, and the features have been discussed in committee; and he has brought forth a bill that represents many initiatives not only by himself but also by other Members of the Senate.

My concern about the bill has been pretty much stated by the Senator from Maryland: the full involvement of the Federal Government in chartering or authorizing or approving what we call amateur athletic associations. I recognize that the situation that presently prevails is indefensible and it is not in our national interest—the kind of clandestine warfare that is carried on between certain amateur athletic groups.

We have denied ourselves, as a country, and we have denied a number of athletes individually, the chance for top-grade competition, simply because of these prolonged disputes, but particularly between the AAU and the NCAA.

I am not a newcomer to this matter. In fact, the distinguished Senator from Washington (Mr. MAGNUSON) took the lead in this matter a few years ago. When I was Vice President, I worked with him and called upon him, and legislation was passed here. A commission was established, the so-called Kheel Commission, to look into these matters, and certain recommendations were made. Some of those recommendations are in this bill, I must say in all candor, and they are solid recommendations.

As I see it, the provision establishing the National Sports Development Foundation is very commendable. I recognize that it does include the possibility of some public funds. But let me say to my colleagues that we have in this country very poor facilities for the training of Olympic athletes. For example, with respect to the bicycling facility needed, we have perhaps one such facility in America. There are other facilities that are not available to our people. Also, there are other basic needs for our athletes that are not really fulfilled, which this legislation would assure would be fulfilled.

I come down to the point of the Senator from Kentucky—and I really appeal to the sponsor of this bill, who is reasonable and who is one of our outstanding public servants—to give very serious consideration to how we settle disputes, not just disputes between athletes who want to participate in international games, or between organizations that are going to sponsor or participate in international sports, but domestic disputes as well.

We have problems domestically that are serious problems, in which American athletes are not permitted to participate in some of the relays, in some of the games in Madison Square Garden and other places, simply because of the sponsorship of those games. If the sponsorship does not seem to appeal to one of the athletic associations or sports associations, there is a boycott or a blacklisting, so to speak, insofar as participation of the athletes is concerned.

What happened here, as was well pointed out, is that the mediation provided for in the bill permits mediation only when all parties are willing to agree to it. I have had experience in these matters and I have been caught up in them, and it is no popularity event, I can assure Senators. If Senators want to get caught up in something that cuts them to ribbons, this is it, right here. The passions and emotions involved in these organizations is almost beyond human description.

If we are going to solve these disputes, there must be some form of arbitration, not arbitration that is looked upon by participants in the sense that somehow or other they will come if they want to and will not come if they do not want to.

But as the Cook measure notes, and I am proud to be a cosponsor, it provides the machinery for an arbitration procedure, and the arbitration ruling is mandatory. I mean, that is it. That is what we should do here.

With respect to going to the Federal courts with a case involving jurisdiction over an athlete, I have a feeling the courts are so heavily loaded today with matters of great concern that some of these cases may not get the attention on a timely basis that they need. In this instance, justice delayed is justice denied. It does not do any good to get a ruling of the court after the event is over.

I am sympathetic to the legislation. In the beginning I had very serious doubts about it. But I do not want to just turn it off. I think the Senator from Kansas is doing a very commendable service by bringing forth this bill.

I did not want the matter tabled because I wanted the Senate to have a chance to discuss it. We are willing to accept a resolution of the Cook amendment up or down, but I believe the proposal that he has presented is so meritorious it should not be dismissed out of hand.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. PEARSON. I yield.

Mr BROOKE. Mr. President, the Senator from Maryland has said that the Senator from Kansas was offering us a cure which is worse than the disease. But the Senator from Minnesota and the Senator from Kentucky state they have a plan to cure the disease. Could the Senator enlighten us what that plan is? We know the problems with the plan offered by the Senator from Kansas, but no one has yet said what the alternative is to the plan of the Senator from Kansas. We would like to find out.

Mr. HUMPHREY. Yes, I would be glad to respond. First, we are not throwing out the Pearson proposal at all. That is the basis for where we should start. There are many merits in the proposal of the Senator from Kansas. But in his bill he provides mediation machinery. However, the mediation can only take place when the participants are willing to be there. Under the proposal of the Senator from Kentucky (Mr. COOK) and me, we set up an arbitration panel and the arbitration panel will take the case, whether anyone likes it or not, and the decision is rendered and is final.

Mr. BROOKE. Is that the only difference?

Mr. COOK. Mr. President, what bothers me, and I do this for the enlightenment of the Senator from Kansas because he may wish to comment on it, is this. Page 19, section 203, sets up the general form of the mediation. In that section it is stated:

> With the consent of the affected parties, the Board shall determine the issues in such dispute, and in such case the decision of the Board shall be final.

Then, with respect to enforcement it is stated on page 20:

> Upon application of (1) the Board through its own attorneys, (2) the Attorney General, or (3) an aggrieved person, the district courts of the United States shall have concurrent jurisdiction . . .

I am not sure that if a young athlete went directly to the Federal courts they might not say to him, "You have not exhausted your administrative remedies," and yet he could say, "I tried to exhaust my administrative remedies, but because both parties have to agree to arbitration, they would not agree."

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. PEARSON. The distinction between the two proposals was arbitration by agreement or compulsory arbitration. Is that right?

Mr. COOK. The unfortunate part is the young athlete has to first go into court and show they would not arbitrate with him and on the basis of their refusal he is asking for relief.

We know many cases are thrown out because one does not exhaust his administrative remedies so his first plea has to be that they refused to arbitrate the case with him, and the only way he could arbitrate was for both parties to agree. Then, the issue could well go back to the board, and they say, "We compel you to arbitrate." In the meantime, it is going to the board, and 5 months have gone by. I do not think there is any question about that.

Mr. BROOKE. Is that the only distinction between the plan of the Senator from Kentucky and the plan of the Senator from Kansas?

Mr. COOK. Yes.

Mr. BROOKE. That the Senator from Kentucky would compel the parties to arbitration.

Mr. COOK. And we set up a procedure.

Mr. BROOKE. And in both plans that would be appealed to the Federal court.

Mr. COOK. We have no permanent—

Mr. BROOKE. They would agree by arbitration. Is that right?

Mr. COOK. Yes.

Mr. BROOKE. Under the plan of the Senator from Kentucky and under the plan of the Senator from Kansas.

Mr. COOK. The Senator is correct.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. PEARSON. I yield.

Mr. METZENBAUM. Mr. President, I have some difficulty in separating two parts of this bill. One has to do with matters to which the Senator from Minnesota, the Senator from Kentucky, and the Senator from Maryland have addressed themselves, and that has to do with the relationship the NCAA and the AAU. I understand that dispute and the distinction as between compulsory arbitration rather than voluntary arbitration.

What bothers me pertains to the question of superimposing this superagency, so to speak, in order to resolve a problem that exists in this country and, in addition, to provide for the super, superagency $50 million by Federal funding and $50 million by voluntary contributions.

I wonder whether or not implicit in this legislation is not the fact that the way the dispute ultimately will be resolved is by cementing the AAU and NCAA with Federal dollars, and saying that they will not be able to get a Federal license unless they get their dispute resolved.

It seems to me that all of the debate revolves around the dispute between the two organizations, and not having to do with having a superagency in this country in the amateur athletic field and second, whether or not there is any reason to provide $100 million in this area, $50 million from the Federal Treasury, some of which would go to both of those organizations.

For those reasons, unless I find something more persuasive that I do not understand about this legislation, even though I think this matter should be resolved between the two organizations, I question whether it should be resolved with the expenditure of $50 million out of the Federal Treasury.

Mr. COOK. Mr. President, I filed additional views in the report which is on the desks of Senators. I ask unanimous consent that my additional views be printed in the RECORD.

There being no objection, the additional views were ordered to be printed in the RECORD, as follows:

ADDITIONAL VIEWS OF MR. COOK

While I am in full accord with the objectives of the Amateur Athletic Act of 1974, and while I agree to a large extent with the approach of the legislation, I do have reservations concerning two provisions of the proposal which I feel are not consistent with the best interests of the amateur athlete or amateur athletics in this country.

My primary objection is the provision which permits an amateur athlete to seek relief in the Federal courts if he feels he is being denied the right to participate in a certified event on an arbitrary or unreasonable basis. I firmly believe that the right of the athlete to participate should be given greater protection. It will obviously be a severe hardship for many amateur athletes to initiate a court action to exercise this right. I feel that a more expeditious, inexpensive mechanism should be provided to allow an athlete to exercise the right of participation which this bill provides. An arbitration mechanism, such as that proposed in S. 3273, would in my opinion add immeasurably to this protection.

Secondly, the legislation restricts any sports organization to holding international franchises in only three sports, and then only if it can demonstrate that those sports can benefit from common management. I do not quarrel with the proposition that umbrella organizations sometimes do not perform the best job in managing some of the sports, for which they hold a franchise. Conversely, however, how can Congress deny the possibility that one organization *could* do the *best* job in managing a number of sports? Since the Committee is proposing the creation of a board which would review the performance of the various franchise holders, why should it set any criteria other than performance in the development of a particular sport? If the Committee is truly committed to the concept of doing the best job for our amateur athletes, let us establish that as the sole criterion and not make presumptions as to the capabilities of sports organizations.

On balance, the proposal represents a great stride forward in the long range development of amateur athletics in the United States and for the rights of our athletes.

MARLOW W. COOK.

Mr. COOK. Mr. President, I yield the floor.

Mr. BEALL. Mr. President, although it does not serve my side of the argument very well, I should point out to the Senator from Ohio that the two sections of the bill are unrelated as to management. The AAU in the first part does not control the funds in the second section. The National Foundation funds are to be handled by trustees appointed by the President. I do not think anyone here finds much fault with the Foundation part of the bill. It is the other part that troubles those that have reservations about the bill.

Mr. MAGNUSON. Mr. President, I wanted to ask the Senator from Kentucky a question. One of the things that has bothered all of us as I listen to this debate is that there would be the Arbitration Mediation Board making decisions. The Federal court would have to be involved if they will not carry it out voluntarily. They have no authority to do that.

Mr. COOK. The Senator is totally correct. Unfortunately, under this bill one cannot mediate unless both sides agree. Let us take a young athlete who wishes to mediate the fact that he has been denied the right to compete. The basic organization says they do not wish to mediate because their rules are clear in their minds. His recourse is to file suit in Federal court to compel them to mediate. They are not going to take it on the basis that the Federal courts will mediate the dispute but they will send it back to the organization and compel mediation.

The only point of it is that it seems rather strange to me, and I would suggest one could look up every single piece of legislation that has ever been written in the field of mediation, and I am quite sure he would find that the only way a dispute can be mediated is if both sides agree.

Mr. MAGNUSON. I was going to offer the suggestion that they mediate, and then a decision is made, and nobody will carry it out.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. PEARSON. I want to commend the Senator from Kentucky. This is a very practical world—in the Senate, in athletics, and everywhere else. There are some interested parties in this dispute. There are people with considerable influence and powers of persuasion, and I say that in a correct way.

It would bother me to provide for compulsory arbitration. What we tried to do was find a way down the middle between the interested parties and have a piece of legislation that would not satisfy anybody. Having done so, I think we would have the kind of bill that would resolve this problem without a lot of dispute on the periphery of the problem. But if there is compulsory arbitration, all the interested parties will oppose the bill, and we will not have any opportunity to resolve it.

There are other parties involved in this matter. It is my understanding that the administration—perhaps I should have said this much earlier—is very much opposed to this proposal. I will tell the Senator why. One reason may be its philosophy, or perhaps it is the mechanism of the bill we have tried to put together. But the proposal it put forward was that the President sign an order setting forth a study commission to study this problem. The administration wanted to have 2 years and an appropriation of $1 million.

If there is anything that ought not to be studied any more after 75 years, it is this situation, after the Attorney General, President Kennedy, General MacArthur, the Kheel Commission, and the Senate Commerce Committee have had all the facts. We have identified the problem. What we have not done is find some way to put together machinery to satisfy it.

The administration's proposal for a 2-year study, with a $1 million appropriation, might be a very good idea, but the Olympics are coming and we really ought to get in shape for it. We really ought to have something that is amenable to the parties in interest and bring forward something to resolve the problem. I think that needs to be done. Perhaps compulsory arbitration is the exact way to do it; we do not know——

Mr. COOK. Mr. President, will the Senator yield?

Mr. PEARSON. I do not have the floor.

The PRESIDING OFFICER. The Senator from Washington has left the floor, so the Senator from Kansas has the floor.

Mr. PEARSON. I yield.

Mr. COOK. Mr. President, may I say it is refreshing to hear someone be so candid about the facts on a piece of legislation. I want to congratulate the Senator for that.

The point I want to make in that regard is that he has said it so well with regard to interested parties and those who are involved. What, in effect, he has really said is that we have done something here that I am not sure really looks after, protects, and gives credence to the one segment that ought to have credence given to it, and that is the young athletes. That is what really bothers me.

Mr. PEARSON. May I say to the Senator there has never been a proposal put forward with as much athlete participation as this proposal.

Mr. COOK. I agree.

Mr. PEARSON. The organization that is eligible for charter must have a membership of 20 percent athletes, and the five-man board must have one athlete representative on that board.

Mr. COOK. The provisions do not protect the athletes. We know the power of the NCAA. We have seen the power of the AAU. We have seen the power of the Olympics. We are saying they have the right to close the door on those athletes, and when they close the door on the athletes they must get Federal redress to get them to open the door for them. There has got to be a better means.

Mr. PEARSON. I repeat, it is the intent and the object and the purpose of this bill to provide another unit, another entity other than the NCAA and the AAU, to judge the athletes.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. PEARSON. I yield.

Mr. BROOKE. Does the Senator see any danger to the athlete if the NCAA does refuse to arbitrate?

Mr. PEARSON. The arbitration under section 203, I may say to the Senator, would involve a charter organization and perhaps the NCAA. That is a dispute between the chartered entity and the existing NCAA. They may not agree to arbitrate. I have some difficulty in pulling together a hypothetical case where a dispute could occur, because, once again, this has no reference to domestic meets; it has reference to meets that have relation to international competition.

Mr. BROOKE. So the Senator does not see any real difficulty with voluntary arbitration?

Mr. PEARSON. I think there is some difficulty, but I might say also the only way we are ever going to get a bill passed in the Senate is not with the compulsory arbitration vehicle in it. I do not know how many compulsory arbitration proposals have gone through the Congress of the United States in the last few years relating to any sort of dispute, whether it be labor or otherwise.

As a matter of fact, to give the Senator some indication of the rigidity of the positions of the parties in interest here, I recall the statement of Theodore Kheel, one of the great labor arbitrators in the country, when he got into this problem. He said that one of the most vicious, one of the most contrary, one of the most difficult labor disputes could not really hold a candle to this.

Mr. BROOKE. I thank the Senator.

I would like to ask one further question of the Senator from Kentucky. It goes to the question of why we should mandate compulsory arbitration. He maintains we should.

Mr. COOK. Well, may I say to the Senator from Massachusetts, the question almost answers itself. We have had some rather, what this Senator believes to be, serious arbitrary decisions—arbitrary decisions in removal of gold medals, arbitrary decisions in the ability of athletes to compete, arbitrary decisions relative to the fact that athletes were disqualified because they did not get where they were supposed to compete and they were immediately turned around—all of them on the Olympic level.

May I say I am sure that, with respect to many of them that would be instantaneous in nature, arbitration would not result promptly, but at least with the concept of arbitration, it is going to eliminate the total and complete arbitrariness we have seen in Olympic positions, for example.

Mr. BROOKE. The Senator does not think mediation would accomplish that?

Mr. COOK. I believe if the Senator reads this provision he would not think it would work.

Mr. BROOKE. I have read it. I wondered why it would not work.

Mr. COOK. We have the tremendous power of the NCAA. We have seen the tremendous power of AAU. We have the tremendous power of the Olympic organization. We have seen their total and complete arrogance toward the U.S. Congress, because the U.S. Congress, the week before the Olympics started, talked about the necessity of the young Bill Waltons and individuals of that caliber being able to play against the Russian basketball team, and the Olympic officials said, "In no way." I think that is the kind of attitude we are talking about.

Mr. PEARSON. The AAU suspended U.S. swimmers for appearing with the People's Republic of China. There is enough blame to go around here. It is only because the problem has reached the stage of seriously affecting American athletes that we have had to do something.

Mr. COOK. The young athlete today has no right to do anything except to withdraw his services if he is told he cannot compete, and he has no right to do anything.

He wants to present his services not to the Olympics, I say to the Senator from Massachusetts. He does not want to present his services to the Olympics. He wants to present his services as an athlete to his country. He is being denied, through the arbitrary process, of being allowed to present his services to his country.

Mr. BEALL. I point out, additionally, that it is an extremely important consideration in the case of a special arbitration board.

Mr. BROOKE. It presupposes that proposals for mediation will be effective.

Mr. BEALL. When the proposal for mediation says it is going to take place, and the parties to the dispute have indicated to me that it is going to be invoked.

Mr. BROOKE. Therefore, the Senator feels that the only recourse available to the athletic is the Federal court?

Mr. BEALL. Yes.

For example, Tom McMillan, of the University of Maryland, wanted to play in a game in which a Russian team was involved. The NCAA said he could not do that. If it was not for the Union, no one would have agreed to the outcome on either side.

Mr. BROOKE. I understand the Senator's view in wanting mediation by compulsory arbitration, so far as the athlete is concerned. Does the Senator think the athlete would be benefited by the NCAA's mandate?

Mr. BEALL. Yes, because the athlete now is the one who is suffering as a result of the continuing disputes that go on in that body.

Mr. HATHAWAY. Mr. President, when the bill is open to amendment, I shall offer an amendment on page 22, line 22, to delete the two provisions there that establish criteria of reasonableness for the rules and regulations to be adopted by high schools and other educational institutions, because I think there may be other reasonable bases on which a school may promulgate such rules and regulations. I would not want their rulemaking activity circumscribed by these two provisions. As long as the word "reasonable" is in there, that is certainly sufficient to circumscribe their rulemaking power.

Mr. PEARSON. Mr. President, what is the pending question?

The PRESIDING OFFICER. The question is on the motion to reconsider the passage of the bill.

Mr. PEARSON. I am ready to vote. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. HUMPHREY. Mr. President, I think it should be noted that if the motion to reconsider carries, that does not mean there is opposition to the bill. There are two or three Senators who have amendments they would like to have considered.

By the way, it is not the leadership's fault that this situation prevails today. There was ample notice that the bill was on the calendar. We have gotten ourselves into a parliamentary snag. I may very well vote to reconsider, as I am for some of the major purposes of the bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maryland to reconsider the vote by which the bill was passed.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that John Craford may be granted the privilege of the floor during the debate and voting on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, I am prepared to vote.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote by which the bill was passed. The yeas and nays have been ordered, and the clerk will call the roll

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska Mr. GRAVEL, the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Rhode Island (Mr. PASTORE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Colorado (Mr. HASKELL), and the Senator from Missouri (Mr. EAGLETON) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL) is absent on official business.

On this vote, the Senator from South Dakota (Mr. MCGOVERN) is paired with the Senator from Rhode Island (Mr. PASTORE).

If present and voting, the Senator from South Dakota would vote "yea" and the Senator from Rhode Island would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY) and the Senator from Hawaii (Mr. FONG) are necessarily absent.

I further announce that the Senator from North Dakota (Mr. YOUNG) is absent to attend the funeral of a relative.

The result was announced—yeas 56, nays 29, as follows:

[No. 215 Leg.]

YEAS—56

Abourezk
Allen
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Byrd,
Harry F., Jr.
Byrd, Robert C.
Clark
Cook
Cotton
Curtis
Dole
Dominick
Eastland
Ervin
Fannin

Goldwater
Griffin
Gurney
Hansen
Hartke
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Jackson
Long
Mathias
McClellan
McClure
Metcalf
Metzenbaum
Montoya
Muskie
Nunn
Packwood
Percy
Roth
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stennis
Taft
Talmadge
Tower

NAYS—29

Aiken
Baker
Burdick
Cannon
Case
Chiles
Cranston
Domenici
Hart
Hatfield
Javits
Magnuson
Mansfield
McIntyre
Mondale
Moss
Nelson
Pearson
Proxmire
Randolph
Ribicoff
Stafford
Stevens
Stevenson
Symington
Thurmond
Tunney
Weicker
Williams

NOT VOTING—15

Buckley
Church
Eagleton
Fong
Fulbright
Gravel
Haskell
Inouye
Johnston
Kennedy
McGee
McGovern
Pastore
Pell
Young

So the motion to reconsider was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the third reading of the bill be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending bill be returned to the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES TO MAKING FINAL REPORT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 830, Senate Resolution 327.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

S. Res. 327, to extend the time of the Senate Select Committee on Presidential Campaign Activities for making its final report to the Senate, and for prosecuting its judicial action against the President for certain taped recordings.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. WILLIAM L. SCOTT and Mr. ERVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WILLIAM L. SCOTT. Mr. President, reserving the right to object, I should like to ask the distinguished chairman of the committee if he might—and I do not intend to object to the consideration of the resolution—if he would give us some idea, in explaining his request, how long the proceedings of the Watergate Committee will continue and how much it will cost, because I do have a concern both as to the duration and as to the cost, and I wonder whether a continuation is in the interests of the American taxpayer.

Mr. President, I withdraw my reservation.

Mr. ERVIN. Mr. President, this is a resolution which the Senator from Tennessee (Mr. BAKER) as vice chairman of the select committee, and I as its chairman, introduced by unanimous vote of all the members of the committee, to extend the time for filing its final report from May 28 until June 30.

This is necessary because while the staff have done a tremendous amount of work in preparing tentative drafts of the final report, it has been imposible and it will be impossible to secure a reading of all the drafts and the actions by all seven Senators prior to May 28.

This resolution provides for an extension of time for filing the final report. It also provides, in effect, that thereafter the committee will be continued into existence merely for the purpose of prosecuting in the courts for specified tapes. It provides also that—I hope that the tapes will be made available to us before June 30—but it does provide, in case the court does not make final adjudication, that the life of the committee will be extended until 30 days after the court makes a decision either adverse to the committee or the committee receives those five tapes by adjudication of the court, or otherwise.

I will say to the distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT) that all the members of the committee wish to make the final report as speedily as possible, that the extension is necessary to enable them to do so.

We are asking, in a separate resolution, for $200,000 additional money, which will make the total appropriation $2 million altogether during the year and a half that the committee has been in existence.

I asure the Senator from Virginia that no one is more anxious to bring these matters to a conclusion than the members of the select committee, who have had to spend an inordinate proportion of their time in these investigations since February 7, 1973.

Mr. WILLIAM L. SCOTT. Mr. President, we all know that this is a matter about which the American people are concerned and Members of the Senate are also concerned about. Yet we do have a Special Prosecutor working on the case and the House Judiciary Committee is holding the hearings. I merely wanted to express concern about continuation of a committee—that maybe whatever effective work it can do has already expired.

Mr. ERVIN. I think to a large extent that is true, but the work of the Special Prosecutor and the House Judiciary Committee have been helped by this investigation.

Mr. BAKER. Mr. President, I shall be brief. I might say that when the matter was first broached in the committee, I opposed an extension of time for the committee to act. I opposed it initially from February 28. Unfortunately, I became convinced by the staff and the weight of logic, that the information we had, with particular reference to the 1,254 pages of the White House transcripts, and the admonition by the chairman, and by me, to the staff, that the report should be limited to take out any references to findings of fact as to the guilt or innocence of a particular party—which I concede not to be our responsibility. But in view of those facts, I was convinced by the staff that the committee could not do this by May 28.

So I reiterate that I did not want to extend it, or to extend it at first, but I came to the reluctant conclusion that this would be the way to do the best job. So I joined the chairman to ask the Senate to indulge us for another 30 days. It will be a better report that it would be if we filed it in its present form on May 28.

Mr. HART. Mr. President, having arrived in the Chamber only a few moments ago, and having expressed some concern about extension of the life of the committee, would it not be helpful to obtain from the Senate an expression of its will in the form of a rollcall vote of support?

Mr. ERVIN. That would be fine, because the recommendation to extend the time was introduced, by this resolution, by Senator BAKER and me, as vice chairman and chairman respectively of the committee, at the instance of all the members of the committee.

Mr. HART. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SYMINGTON. Mr. President, will the Senator from North Carolina yield?

Mr. ERVIN. I yield.

Mr. SYMINGTON. It has been my privilege to work at times during the hearings of the committee on which the distinguished senior Senator from North Carolina (Mr. ERVIN) is chairman.

Inasmuch as he is not going to be with us next year, which is his own decision, I should like to say, with great respect, that in my opinion the performance of the chairman and his committee in this particular situation is one of the great assets I have noticed since I came to the Senate.

Mr. ERVIN. Mr. President, I want to thank the distinguished Senator from Missouri and say that he, as acting chairman of the Armed Services Committee, rendered signal aid to the committee in connection with matters which came to his attention.

Mr. SYMINGTON. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the resolution, Senate Resolution 327.

On this question the yeas and nays have been ordered and the clerk will call the roll.

Mr. DOMINICK. Mr. President, a parliamentary inqury.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMINICK. I believe that the resolution is subject to division, whereby we can have a vote on extending the time to report to June 30 and a separate vote on page 2, which gives the committee the power to go on ad infinitum until they get through with whatever proceedings they apparently want.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMINICK. I ask for a division, so that we can proceed on page 1 first.

Mr. ERVIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ERVIN. Is it in order to have a division after the yeas and nays are ordered on the entire resolution?

The PRESIDING OFFICER. It is in order to demand a division.

Mr. WEICKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. May we have the resolution read? I do not have the resolution.

The PRESIDING OFFICER. The clerk will read the resolution. By unanimous consent, it has not been read.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate while the clerk reads the resolution?

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

Mr. HARTKE. Mr. President, will the Senator withhold that request for a moment?

Mr. BAKER. I will withhold the request for a moment.

Mr. HARTKE. Mr. President, I ask unanimous consent that Mr. Michaels be permitted the privilege of the floor during the consideration of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, some of our colleagues have inquired of me as to the meaning of roughly the second half of Senate Resolution 327. On page 2, line 4, following *"Provided, however,"* there seems to be some doubt in the minds of some about what was intended for the purpose of the continuation of the life of the select committee past June 30, 1974.

It is my understanding, and I would address this question to the distinguished chairman of the select committee, that this resolution in that respect meant to say and does, in fact, that the Watergate Committee, so-called, be continued in existence past June 30, 1974, solely for the purpose of continuing the litigation now pending, which is, in essence, over the tapes and subpenas for tapes, and it does not imply that the committee would have further hearings, it does not imply that the committee subpena power will be extended, and it does not imply that the committee will continue its course of investigation, but to prosecute to a conclusion the litigation now pending, on behalf of the committee.

May I ask the chairman if that accords with his understanding?

Mr. ERVIN. That is what the committee intends. I might state that this proviso is a very difficult proviso to draw. I spent all afternoon trying to draw it.

The committee is unanimously of the opinion that the committee would not conduct further investigations after June 30—the time for reports to be filed, June 30. There is a provision in the original resolution and several resolutions that the committee has 3 calendar months after filing its report in which to wind up its affairs. The committee has several loose ends of investigation it hopes to complete and will complete, I am satisfied, before June 30.

It is the purpose of the committee to conduct no further investigations, barring the possibility that the Angel Gabriel would appear before the committee and say he was the man involved in Watergate; we might get him.

Mr. BAKER. If the Angel Gabriel does that I would recommend to the chairman that we bring him forthwith to the Senate Chamber where we could benefit from his inspiration.

Mr. ERVIN. The proviso is intended to let the committee wind up its affairs by turning over its files to some proper custodian, such as, I would suggest, the Archives Department of the Library of Congress, and to complete the paperwork.

As a member of the committee I would vote against having any more hearings after June. I have already voted against having open hearings. I would vote against having further investigations after June 30.

The purpose of the proviso is simply to take cognizance of the fact that we have a suit now pending in the Court of Appeals to procure the five tape recordings, those of September 15, 1972, February 28, 1973, March 13, 1973, and March 21, 1973, which presumably have recorded conversations between the President and John Dean.

The committee felt it should have those tapes to pass upon the credibility of the witness John Dean, in particular. I am certain no one is more anxious to see the committee complete its labors than the Senator from North Carolina because I have had to devote a major part of my attention to this committee's work since September 7, 1973.

The purpose of this proviso is to make it certain that the committee remain in existence for the purpose of prosecuting its action for those tapes and allowed to have an addendum, if it sees fit, to its final report, based on what the tapes may disclose, if we ever receive the tapes. That is the only purpose of it, and to wind up its paperwork.

Mr. BAKER. I thank the distinguished chairman of the committee. Let me make sure, since it is a point of great importance to all of us, that the committee would not have subpena power past June 30, 1974.

Mr. ERVIN. I would be opposed to issuing subpena powers after that time. It is rather vague and indefinite but I am opposed to any further investigation, I am opposed to any further hearings, and I am opposed to issuing any other subpenas after the 30th of June, if this resolution is adopted. The committee has voted unanimously to that effect.

Mr. BAKER. Well, Mr. President, I once again thank the chairman for that explanation, but it leaves some doubt as to the meaning of the resolution. It is clear to me that the intent of the committee was that we would ask for a continuation to June 30, 1974, in which to file with the Senate the committee's report; and that we would ask for the continuation of the life of the committee as a legal necessity in order to permit the committee to prosecute the litigation now on appeal pertaining to the tapes.

From that I adduced—and I put this in the form of a question to the chairman—that not only would we not favor further hearings, open or closed, but that there would be no authority for further hearings, open or closed.

Does the chairman find himself in disagreement with that?

Mr. ERVIN. I do not know that I can say as an absolute fact that that is so, but that is the objective I would have in view, because I certainly want it to end and I want to get rid of the staff. The only staff I would favor retaining after June 30 might be those necessary in connection with the lawsuit and the clerical help necessary in that connection, and also to help in preparation of the addendum to the final report, based solely on what the tapes would show.

Mr. BAKER. There is no question that if the lawsuit or the appeal is prosecuted successfully, and an order of the Supreme Court or another court with competent jurisdiction is entered giving the Watergate Committee access to the tapes which it seeks, that there can or ought to be an addendum to the report reflecting that information, and that was discussed in the last discussion of the Watergate Committee, as I am sure the chairman will agree, but I have no recollection that we discussed that we would have any authority past what I have just described.

As I said to one of our colleagues here, I wanted an end before June 30. It was only with reluctance that I voted for June 30. But it was my understanding that by extending the committee's life to June 30, we were not extending our subpena authority, the staff, or any other purpose except to file a report and stay in legal existence to prosecute our authority therefor.

Mr. ERVIN. It took me all afternoon to draw this proviso. It is a troublesome one. I do not want anybody to be in a position to raise the question in court that we have ceased to exist and therefore any claim we had to the tapes had become moot.

Frankly, it has been leaked to the press by some leak in the House Judiciary Committee or the House that they have a correct transcription of the tape of September 15. I have to confess that sometimes I think all leaks are not bad, and I wish the other tapes we wanted to receive and the transcripts from the House were leaked to us by June 30, because in that event we could quit by June 30 without any trouble. But I give my solemn word to the Senate that I will vote against issuing any subpenas and

I will vote against holding any further hearings or conducting any further investigations after the 30th of June in the event this resolution is agreed to.

Mr. BAKER. Mr. President, I appreciate those assurances from the chairman, but I think we ought to take some time to consider this matter further, because, very frankly, I would vote against the resolution unless we could agree that the committee expires except for the sole and only purpose of prosecuting the appeal on this litigation, and that the committee does not have authority to issue subpenas, and does not have authority to make further inquiry about anything else except to file a supplement or addendum to its report, if it succeeds in this lawsuit.

I do not want to do that, and I think this resolution does not require that, but I would like at this point, Mr. President, to gain a little time to discuss this with the chairman and others. I therefore suggest the absence of a quorum.

Mr. ERVIN. Mr. President, I would suggest to my friend that the 28th of May will be here pretty soon, and the Senate is going out——

The PRESIDING OFFICER. Will the Senator withhold his request for a quorum call?

Mr. BAKER. I will withhold the request, and I yield to the Senator from North Carolina.

Mr. ERVIN. I think we ought to adopt the resolution in its present form. I hope the assurances that I would not vote for any more subpenas, I would not vote for any more hearings, I would not vote for any more investigations would suffice, because I have given a lot of time to drafting this provision, and I do not want to have a resolution that could be construed as showing that we had gone out of business as long as an active suit was pending and recommendations based on what the tapes disclosed had not been made.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE WHITE HOUSE TAPES

Mr. MAGNUSON. Mr. President, I expect nearly all my colleagues have by now read the May 6 editorial written for the Hearst Newspapers by Mr. William Randolph Hearst, Jr. However, I am asking that it be reprinted in full in today's Record for I think it expresses much that should be made part of the permanent record at this time when Congress confronts the awesome constitutional responsibilities imposed upon it by the Watergate mess. Regardless of the ultimate resolution of this whole matter, it is imperative that future generations fully understand that the congressional proceedings now underway are not motivated by narrow or selfish political concerns. Rather, they spring from the same deep sense of loyalty to the United States that has always motivated Mr. Hearst and that now causes him to express his revulsion to the behavior of a President whom he has so often and so publicly supported in the past.

Mr. President, I ask unanimous consent that Mr. Hearst's editorial be reprinted in full at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Editorial by William Randolph Hearst, Jr.

New York.—This is a very tough column for me to write, but events this week make it imperative. The essence—or lead as we say in the newspaper business—is that President Richard M. Nixon has made it impossible for me to continue believing what he claims about himself in the Watergate mess.

That's about the most reluctant statement made here in the last 20 years. It probably will disappoint, surprise and maybe even shock a lot of people. If so, they will have nothing on the disappointment, surprise and shock I have felt in reading those transcripts of the White House tape recordings during the past few days.

Now any more or less regular reader of these weekly editorial comments knows how consistently the President has gotten my backing—and properly so. Even his worst enemies now have to admit that his strategy for ending the Vietnam War was correct. And absolutely no one can fail to praise his many remarkable initiatives toward a more peaceful world.

It was also proper—certainly in my book—to continue to back and defend the President as strongly as possible when the Watergate scandals began leaking all over the place. As a loyal American, to me it seemed only natural and necessary to be loyal to the nation's elected leader; to accept his explanations and deplore the excesses of his accusers. At the very least, like everyone else, he should be presumed innocent until proven guilty.

That was my consistent position, expressed here many times and in many ways. Not that it was easy. In my heart I often felt he probably knew a lot more than he admitted. And it certainly becomes obvious, despite his claims of executive privilege and national security, that he was far from being as forthright as the people and the Congress had a right to expect.

The real reason for his uncooperative stalling tactics is now abundantly and terribly clear, it is all in the tape transcripts he finally was forced to make public. Even in their heavily edited and possibly inaccurate form, the transcripts add up to as damning a document as it is possible to imagine short of an actual indictment.

Maybe, technically, the President still is justified in claiming he knew nothing in advance about the Watergate break-in, or of the initial cover-up efforts. The point is that those shameful tapes reveal a man totally absorbed in the cheapest and sleaziest kind of conniving to preserve appearance, and almost totally unconcerned with ethics.

The man seems to have a moral blind spot. To me it is simply astonishing that he would make the transcripts public with the avowed belief that they would exonerate him. They may not actually amount to a conviction of criminal behavior. Perhaps the kindest way, of putting it is that they amount to an unwitting confession, in which he stands convicted by his own words as a man who deliberately and repeatedly tried to keep the truth from the American people.

I am not being heartless or simple minded about this. Over the years I have known quite a few presidents and am very much aware of the often ruthless—even deplorable—actions made necessary by the pressures of their awesome power. But I have never heard anything as ruthless, deplorable and ethically indefensible as the talk on those White House tapes.

The voices on the tapes, even the censored parental guidance version, come through like a gang of racketeers talking over strategy as they realize that the cops are closing in on them. Scene after scene sounds like a corny old movie. How can we cover up this and that? How much dough do we need to pay off so and so? Who's going to take the rap for this and that?

An odd fact is that the boss in these sessions—to this reader, at least—fails to radiate even a whiff of the authority of Edward G. Robinson or Jimmy Cagney in the movies, or even Chicago's Big Bill Thompson in real life. Instead the other members of the gang all clearly felt free to keep coming up with tricky ideas and chew them around with as much apparent authority as the chief.

In this sharing of power, this speaking as equals, the atmosphere was solely one of intrigue and self-protection. If any of the participants ever gave any consideration to what was right for the nation instead of themselves, then I must have missed it in the thousand of words I have waded through.

Think how impossible it would have been for any of the Founding Fathers or for Abraham Lincoln to have tolerated two minutes of it.

I also think of Eisenhower—as easy-going a president as we ever had. He instantly chopped off his strong right arm, Sherman Adams, the man who was running the country for him, when his chief aide committed the impropriety of accepting gifts from a man seeking business with the government.

To Lincoln, to Ike, and to most of our presidents, the White House itself had to be just that—a house of pristine integrity, both in reality and appearance.

The symbol of America's faith in its government is sullied beyond measure when it is used as headquarters for a gang whose main concern is the maintenance of personal power—at any cost.

As was declared in the opening paragraph, this is a tough column for me to have to write. Perhaps some of what has been said is overly tough. Certainly it is not my intention to join the persecutors of Richard Nixon.

All the same, honesty and a natural concern for my country's dignity compel me to face the facts. This is something that Richard Nixon, unhappily for both himself and the nation, has repeatedly refused to do in the Watergate affair.

As noted, it is amazing to me that he doesn't seem to realize how damning those tape transcripts are. Even more amazing is the fact that an astute politician, which he is, failed to realize that cleverness is no match for demonstrable truth.

From the very beginning of Watergate I thought he would sit tall and straight in the saddle. His White House clean-up at least partially confirmed my expectations. But then he proceeded, in one razzle-dazzle move after another, to show that he was going to resist Congress and the press in their every effort to get the full truth.

Practically all of his troubles, including the impending threat of impeachment, would have been avoided if he had only had the honesty to tell the whole truth right away. Lacking that, he certainly should have stuck by his original contention that nobody has a right to examine the intimate records of the presidency.

Over a year ago, in this column, the opinion was expressed that only the Supreme Court has the authority to decide whether such records may be opened or not. It was the President's steady retreat from defiant positions—plus the suspicious and renewed attacks each retreat created—that finally compelled him to release at least part of them.

He released them only because he had to, finally, and because he somehow thought the censored versions would do him some good with the public. God knows what the unexpurgated tapes would show.

Incredible? It sure is.

Sickening? Just read the transcripts.

Today, sitting here in a kind of stunned sorrow, it is hard for me to imagine why any informed person would not see the inevitably of impeachment.

VETERANS' EDUCATION AND REHABILITATION AMENDMENTS ACT OF 1974

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3398.

The PRESIDING OFFICER (Mr. McClure) laid before the Senate the amendment of the House of Representatives to the bill (S. 3398) to amend title 38, United States Code, to provide a 10-year delimiting period for the pursuit of educational programs by veterans, wives, and widows, which was to strike out all after the enacting clause, and insert:

That this Act may be cited as the "Veterans' Education and Rehabilitation Amendments Act of 1974".

Sec. 2. Chapter 31 of title 38, United States Code, is amended as follows:

(1) by amending paragraphs (1) and (2) of subsection (a) of section 1502 to read as follows:

"(1) arose out of service during World War II, the Korean conflict, or the Vietnam era; or

"(2) arose out of service (A) after World War II and before the Korean conflict, (B) after the Korean conflict but before August 5, 1964, or (C) after the Vietnam era, and is rated for compensation purposes as 30 per centum or more, or if less than 30 per centum, is clearly shown to have caused a pronounced employment handicap."; and

(2) by amending the table contained in section 1504(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$193	$240	$282	$20
Three-quarter-time	145	180	212	15
Half-time	97	120	141	10
Farm cooperative, apprentice, or other on-job training:				
Full-time	168	203	235	16."

Sec. 3. Chapter 34 of title 38, United States Code, is amended as follows:

(1) by deleting in the last sentence of section 1677 (b) "$220" and inserting in lieu thereof "$250";

(2) by amending the table contained in paragraph (1) of section 1682(a) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$250	$297	$339	$20
Three-quarter-time	188	223	254	15
Half-time	125	149	170	10
Cooperative	201	236	268	16";

(3) by deleting in section 1682(b) "$220" and inserting in lieu thereof "$250";

(4) by amending the table contained in paragraph (2) of section 1632(c) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	$201	$236	$268	$16
Three-quarter-time	151	177	201	12
Half-time	101	118	134	8";

(5) by deleting in section 1696(b) "$220" and inserting in lieu thereof "$250";

(6) by inserting in clause (3) of section 1652(a), immediately after "1661(a)," the following: "except as provided therein,";

(7) by adding at the end of section 1661 (a) the following:

"For purposes of this subsection, in determining the period to which any eligible veteran is entitled to educational assistance under this chapter, the initial period of active duty for training performed by him under section 511(d) of title 10 shall be deemed to be active duty if at any time subsequent to the completion of such period of active duty for training such veteran served on active duty for a consecutive period of one year or more.";

(8) by amending section 1662—

(a) by deleting "eight" in subsection (a) and inserting in lieu thereof "ten";

(b) by deleting "8-year" in subsection (b) and inserting in lieu thereof "10-year";

(c) by deleting "8-year" and "eight-year" in subsection (c) and inserting in lieu thereof "10-year" and "ten-year", respectively; and

(d) by adding at the end thereof the following new subsection:

"(d) In the case of any veteran (1) who served on or after January 31, 1955, (2) who became eligible for educational assistance under the provisions of this chapter or chapter 36 of this title, and (3) who, subsequent to his last discharge or release from active duty, was captured and held as a prisoner of war by a foreign government or power, there shall be excluded, in computing his ten-year period of eligibility for educational assistance, any period during which he was so detained and any period immediately following his release from such detention during which he was hospitalized at a military, civilian, or Veterans' Administration medical facility.";

(9) by deleting in section 1673(d) "chapter 31, 34, or 36" and inserting in lieu thereof "chapter 31, 35, or 36";

(10) by adding at the end of section 1682 a new subsection as follows:

"(d) (1) Notwithstanding the bar in section 1671 of this title prohibiting enrollment of an eligible veteran in a program of education in which he is 'already qualified', a veteran shall be allowed up to six months of educational assistance (or the equivalent thereof in part-time assistance) for the pursuit of refresher training to permit him to update his knowledge and skills and to be instructed in the technological advances which have occurred in his field of employment during the period of his active military service.

"(2) A program of education pursued under this subsection must be commenced within twelve months from the date of the veteran's discharge or release from active duty and must be pursued continuously (except for interruptions for reasons beyond the veteran's control).

"(3) A veteran pursuing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate payable as set forth in the table in subsection (a)(1) or in subsection (b)(2) of this section, whichever is applicable.

"(4) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 1661(a) of this title."; and

(11) by amending section 1685—

(a) by deleting "$250" wherever it appears in subsection (a) and substituting "$500" in each case;

(b) deleting "one hundred hours" wherever it appears in subsection (a) and substituting "two hundred hours" in each case; and

(c) by deleting "(not to exceed eight hundred man-years or their equivalent in man-hours during any fiscal year)" in subsection (c).

Sec. 4. Chapter 35 of title 38, United States Code, is amended as follows:

(1) by amending section 1732(a)(1) to read as follows:

"(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (A) $250 per month if pursued on a full-time basis, (B) $188 per month if pursued on a three-quarter-time basis, and (C) $125 per month if pursued on a half-time basis.";

(2) by deleting in section 1732(a)(2) "$220" and inserting in lieu thereof "$250";

(3) by deleting in section 1732(b) "$177" and inserting in lieu thereof "$201";

(4) by amending section 1742(a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of $250 per month. If the charges for tuition and fees applicable to any such course are more than $78 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed $78 a month upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $8.35 that the special training allowance paid exceeds the basic monthly allowance.";

(5) by amending section 1723(c) by deleting "any course of institutional on-farm training,"; and

(6) by amending section 1732 by redesig-

nating subsection (c) as subsection (d) and by inserting immediately after subsection (b) the following new subsection:

"(c) (1) An eligible person who is enrolled in an educational institution for a 'farm cooperative' program consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—

"(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),

"(B) a three-quarter-time basis (a minimum of seven clock hours per week), or

"(C) a half-time basis (a minimum of five clock hours per week),

shall be eligible to receive an educational assistance allowance at the appropriate rate provided in paragraph (2) of this subsection, if such eligible person is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the person is enrolled.

"(2) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a farm cooperative program under this chapter shall be computed at a rate of (A) $201 per month if pursued on a full-time basis, (B) $151 per month if pursued on a three-quartertime basis, and (C) $101 per month if pursued on a halftime basis."

SEC. 5. Chapter 36 of title 38, United States Code, is amended as follows:

(1) by deleting in section 1786(a)(2) "$220" and inserting in lieu thereof "$250";

(2) by amending the table contained in paragraph (1) of section 1787(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
First 6 months....	$182	$203	$223	$9
Second 6 months..	136	158	177	9
Third 6 months...	91	112	132	9
Fourth and any succeeding 6-month periods..	45	67	86	9":

(3) by amending section 1787(b)(2) to read as follows:

"(2) The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be (A) $182 during the first six-month period, (B) $136 during the second six-month period, (C) $91 during the third six-month period, and (D) $45 during the fourth and any succeeding six-month period.";

(4) by amending section 1784(b) to read as follows:

"(b) The Administrator may pay to any educational institution, or to any joint apprenticeship training committee acting as a training establishment, furnishing education or training under either chapter 34, 35, or 36 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to report to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying $3 by the number of eligible veterans or eligible persons enrolled under chapter 34, 35, or 36 of this title, or $4 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of such institution for temporary custody and delivery and are delivered at the time of registration as provided under section 1780(d)(5) of this title, on October 31 of that year; except that the Administrator may, where it is established by such educational institution or joint apprenticeship training committee that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran plus eligible person enrollment in such educational institution or joint apprenticeship training committee during such calendar year, establish such other date as representative of the peak enrollment as may be justified for such educational institution or joint apprenticeship training committee. The reporting fee shall be paid to such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable."; and

(5) by adding at the end of section 1788(a) the following:

"Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses on a clock-hour basis below the college level may measure such courses of a quarter- or semester-hour basis (with full-time measured on the same basis as provided by clause (4) of this subsection), provided that (A) the academic portions of such courses require outside preparation and are measured on not less than one quarter or one semester hour for each fifty minutes net of instruction per week per quarter or semester; (B) the laboratory portions of such courses are measured on not less than one quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses are measured on not less than one quarter or one semester hour for each three hours of attendance per week per quarter or semester: *Provided*, That in no event shall such course be considered a full-time course when less than twenty-five hours per week of attendance is required.

SEC. 6. (a) Chapter 3 of title 38, United States Code, is amended by adding at the end thereof the following new subchapter:

"Subchapter V—Vietnam Era Veterans Communication Center

"§ 251. Establishment of the Center

"(a) There is established in the Veterans' Administration a Vietnam Era Veterans Communication Center (hereinafter referred to in this subchapter as the 'Center') which shall be headed by a core group composed of not less than five employees of the Veterans' Administration, each of whom is a veteran of the Vietnam era. There shall be at least one employee of the Veterans' Administration in each veterans' assistance office established pursuant to section 242 of this title who shall be a Vietnam era veteran and who shall be responsible to the core group.

"(b) The Center shall consist of such other employees as the Administrator deems necessary to carry out the purposes of this subchapter.

"§ 252. Functions of the Center

"The Center shall make an initial evaluation (and report the results of such evaluation to the Administrator and to the Congress within three months after the effective date of this subchapter) and thereafter make a periodic evaluation of—

"(1) the effectiveness of the veterans outreach services program established by subchapter IV of this chapter, particularly as it applies to Vietnam era veterans; and

"(2) make recommendations, based on its evaluations under subparagraph (A), to the Administrator and to the Congress for establishing new, and improving existing, methods and procedures to be implemented by the Veterans' Administration (whether through such subchapter IV or otherwise) to insure that all veterans are made aware of, and are assisted in applying for, all benefits and services under laws administered by the Veterans' Administration.

"§ 253. Reports to the Congress and the Administrator

"In addition to the initial report required under section 252 the Center shall make a report to the Congress and to the Administrator every six months on its activities under section 252.".

(b) The table of sections at the beginning of chapter 3 of title 38, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER V—VIETNAM ERA VETERANS COMMUNICATION CENTER

"251. Establishment of Center.
"225. Functions of Center.
"253. Reports to the Congress and the Administrator.

SEC. 7. Any veteran who becomes eligible for an additional period of educational assistance under chapter 34 of title 38, United States Code, by virtue of the enactment of item (7) of section 3 of this Act and who was discharged or released from active duty (qualifying him for such additional period) prior to the date of enactment of this Act shall have a period of twenty-four months from the date of such enactment to use such additonal period of educational assistance.

SEC. 8. The rate increases provided by this Act shall become effective on the first day of the second calendar month which begins after the date of enactment.

And amend the title so as to read: "An Act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes."

Mr. HARTKE. Mr. President, I move that the Senate concur in the House amendment with an amendment in the nature of a substitute, as follows:

In lieu of the language of the House amendment, insert the following: That, notwithstanding any other provision of law, the eight year delimiting date for pursuit of educational programs under chapter 34 of title 38, United States Code, for eligible veterans discharged or released from active duty between January 31, 1955, and September 1, 1966 (except for those veterans whose discharges are subject to the provisions of section 1662(b) of such chapter, or who are pursuing courses of farm cooperative training apprenticeship or other training on the job, or flight training under such chapter), shall run from July 1, 1966.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Indiana.

Mr. GRIFFIN. Mr. President, may I ask the distinguished chairman of the Veterans' Affairs Committee whether this action he now proposes has been cleared by the committee, including the ranking minority member?

Mr. HARTKE. Not only cleared, but they are cosponsors.

Mr. GRIFFIN. I thank the Senator.

Mr. HARTKE. Mr. President, today on behalf of all the members of the Committee on Veterans' Affairs, which I am privileged to chair, I offer an amendment in the nature of a substitute to the House amendments to S. 3398. This amendment would temporarily extend the time limit period for using benefits by 30 days thus giving the House and Senate an opportunity to work out final agreement on the overall comprehensive education measure.

As my colleagues will recall on May 13, 1974, the Senate unanimously approved the original version of S. 3398 to provide a 2 year extension of the delimiting date for GI bill benefits to give eligible veterans, wives, and widows 10 years rather than the current 8 years in which to use their GI bill benefits. This measure was introduced on April 29 with every member of the committee and 51 Senators as cosponsors. This measure was also included in S. 2784, the Vietnam Era Veterans Readjustment Assistance Act of 1974 and also as part of the House passed comprehensive GI bill education amendments, H.R. 12628.

The committee believed on May 13 and still believes that this extension must be separated out of the comprehensive education measure to insure that the 285,000 veterans now in training whose entitlement will be exhausted on May 31 can be protected. While there was and continues to be substantial disagreement between the House and Senate as to the level and form of benefits, the extension provision was unanimously approved by both bodies. Unfortunately, the House of Representatives did not agree to separating out this one provision with which neither side is in disagreement. Instead, on May 15, the House amended the language of S. 3398 to include the provisions of the House passed comprehensive bill, H.R. 12628. It should be obvious to my colleagues that the committee is unable to entertain the House amendments to S. 3398 until such time as the full Senate has had the opportunity to voice its opinion on the amendments to the GI bill pending before the Committee on Veterans' Affairs.

As I assured my colleagues when the Senate first passed S. 3398 by a vote of 82 to 0, the Senate committee is proceeding rapidly to report a full comprehensive GI educational measure by the end of this month. In this connection, I want to announce that the Veterans' Affairs Committee will meet in executive session tomorrow and I believe it will ratify a consensus that we have been moving toward which will provide not only rate increases but variable tuition payments as well. Given the differences with the House bill, however, and the previously announced opposition of some senior Members of the House to tuition assistance, agreement obviously will not be reached prior to May 31.

I believe agreement can be reached, however, prior to the end of June if both committees enter into serious good-faith negotiations. Thus, if the real reason the House has previously opposed acting on a separate 2-year extension is its fear that House-Senate agreement may be unduly postponed, the 30-day extension as proposed in this amendment should eliminate those concerns. If, on the other hand, as some have suggested, the refusal by the House committee to consider an extension of benefits is merely a tactic divised by some to enhance a bargaining position to hold GI bill benefit increases to a minimum then I believe it should be clearly understood by all parties concerned. Frankly, Mr. President, while I do not personally believe that this is the case, I do not believe we should play games with the benefits of 285,000 veterans whose benefits are now in jeopardy. In this connection, I ask unanimous consent that an editorial appearing recently in the Stars and Stripes entitled "A Fear Coming True" be printed in the Record at this point.

There being no objection the article was ordered printed, as follows:

A Fear Coming True

Last week we stated in an editorial that this was "No Time For Playing Games" as time was running out for the approximately 285,000 veterans in training whose educational eligibility will expire on May 31 of this year.

It seems that the House of Representatives is playing games on this issue and our fear is coming true.

Previously the House passed HR 12628 which would increase the subsistence allowance by 13.6% and among other things would increase the cut-off eligibility date for approximately 4.1 million veterans from May 31, 1974 to May 31, 1976. This made HR 12628 ready for passage in the Senate.

The Senate, however, is studying the educational needs in all its aspects. The problems of an equitable educational bill for all veterans in all geographical locations have been numerous. The time consumed by the Senate in taking testimony from veterans' organizations, veteran-students and educational institutions from across the nation and the time for the Committee's staff to investigate and assemble all of the pertinent data necessary for the Committee to draw up a comprehensive bill is still on-going.

We commend the Senate Committee and its staff for its detailed approach to give birth to a more workable and up-to-date educational bill. The Committee realizing that the time needed to be able to present to the Senate the best bill possible was going to take more time than veterans with a May 31, 1974 cut-off date could afford, quickly introduced S. 3398 which would extend the delimiting date another two years. This was the sole purpose of S. 3398. It also quickly and unanimously passed the Senate making S. 3398 ready for passage in the House.

We do not mean to detract from our appreciation of the House Committee and its staff members for the strong interest and efforts put forth for the veteran. Nor would we take one ounce of appreciation away for their additional efforts in considering measures beyond those covered in HR 12628. We expect these efforts to go forth and agreement will be reached in conference with the Senate whereby the Congress will approve a badly needed and much improved education bill.

We do, however, take exception to the House playing games with the Senate in holding out for passage of their HR 12628. Instead we expected the House to pass without any hesitation Rep. Biaggi's HR 14464 which would take care of the most pressing need of extending eligibility to May 31, 1976 for those now in training. Such an extension would also open the door to some 2.6 million veterans who have not been able to take advantage of their educational eligibility.

We expect that the majority of the members of the House will not allow themselves to be caught in this "playing games with veterans educational eligibility" and that within the next few days will register their support to Rep. Biaggi's bill and bring about its passage this week by the House thereby preventing our fears from coming true.

Mr. HARTKE. Mr. President, I want to reemphasize that I do not question the good faith of the House concerning this matter. I believe they do want to get a bill passed as soon as possible and a similar good faith acceptance of this amendment by them will allow that to be done expeditiously, while at the same time allowing the full Senate to actively consider measures which have been considered in a month and a half of hearings by the Senate.

Mr. President, as you know, there has been active consideration of tuition proposals on both sides. The House held 7 months of hearings and negotiations before reporting out an education bill. It has also held another 2 months of hearings which are continuing right now on various tuition proposals. In the Senate over half of its Members are on record as supporting some form of variable tuition assistance. Given the foregoing, I was somewhat surprised that the distinguished chairman of the House committee would say:

> I am well aware that there are all sorts of novel tuition schemes being considered in the other body, which is certainly their privilege. If the other body chooses to hold extended hearings on these subjects, certainly it is their right to do so. But I do not think that more than a million veterans in training at this time should be deprived of their cost-of-living increase while talks continue about this controversial subject.

Frankly, I do not believe that I would be fulfilling my responsibilities as chairman of the Senate Committee on Veterans' Affairs if I did not seriously consider tuition proposals sponsored by over half of the Senate. I would also take issue with the remark that these are "novel" approaches to the GI bill benefits when I, 20 of my colleagues in the Senate, and 65 members of the House of Representatives trained under such a "novel" bill which made direct tuition payments. I should also point out that the chairman of the Subcommittee on Education of the House Committee on Veterans' Affairs as well as a majority of the members of that subcommittee have sponsored or cosponsored proposals providing variable tuition assistance. As such, these proposals cannot be ignored, and must be considered in the context of overall GI bill amendments as the House committee suggested when it returned S. 3398 with additional amendments.

Finally, Mr. President, it should be noted that "inaction" is often in the eye of the beholder. I would like to remind my colleagues that the Senate passed S. 284, the Veterans' Drug and Alcohol Treatment and Rehabilitation Act of 1973 by an overwhelming vote of 87 to 2 on March 2, 1973. Yet, over 14 months later, the House has taken no action on this comprehensive measure to aid veterans suffering from drug problems. Indeed, there had not even been a single day of hearings on this measure until May 14, of this past week. I am pleased to note, however, that they are at least proceeding to consider the measure.

Mr. President, I urge my colleagues to support the temporary extension embodied in the amendment to S. 3398. I also urge my colleagues in the House of Representatives to consider the welfare of the 285,000 veterans above their disagreements with the Senate proposals.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Indiana.

The motion was agreed to.

Mr. CRANSTON. Mr. President, I would like to thank the chairman of the committee, the Senator from Indiana (Mr. Hartke) for his leadership in this matter. He has been very diligent in keeping after this effort to get some action on a matter which otherwise expire the 30th of this month. I applaud him for the action he has taken.

Mr. HARTKE. Mr. President, I thank the Senator from California for his confidence.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Clark). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON S. 2439

Mr. ROBERT C. BYRD. Mr. President, I am authorized by the distinguished majority leader to propound the following unanimous-consent request:

I ask unanimous consent that on Tuesday next at 2 p.m., the Senate proceed to the consideration of S. 2439, a bill to amend the Wild and Scenic Rivers Act of 1968; that there be a time limitation for debate thereon of 2 hours, to be equally divided between the distinguished Senator from North Carolina (Mr. Ervin) and the distinguished Republican leader or his designee; that there be a time limitation on amendments thereto of 1 hour, to be equally divided and controlled in accordance with the usual form and that the agreement be in the usual form.

Mr. GRIFFIN. Reserving the right to object, Mr. President, is that 1 hour on any amendment?

Mr. ROBERT C. BYRD. Yes. I thought we had discussed the idea of having amendments on a 30-minute time limitation to a side, but just to be sure that I allowed 1 hour——

Mr. GRIFFIN. I am mistaken. There are several amendments on which there will be 1 hour on each one.

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. I thank the Senator from West Virginia.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES TO MAKE FINAL REPORT

Mr. BAKER. Mr. President, earlier today, the distinguished senior Senator from North Carolina and I were discussing the question of the meaning of the second part of Senate Resolution 327, following, in line 4, the words "provided for." It would appear that we have some disagreement on the effect of it, but it would also appear to me very clearly that we do not disagree on one aspect of it, and that is that nothing in Senate Resolution 327, including the second section thereof, in any way renders the conduct and the prosecution of the committee's appeal on its tapes lawsuit moot. Indeed and in fact, it is my interpretation of Senate Resolution 327 that if that appeal is successfully prosecuted and if we do gain access to the tapes, the committee will have the full authority to proceed further on that information and to do whatever is necessary to put the committee in a position to file a supplemental report or an addendum to its previous report. Therefore, the question can by no means be considered moot, and the committee would be fully continued in existence for that purpose.

Mr. ERVIN. That is my understanding. I might state that I drew the resolution in its present phraseology to make it clear that the suit of the committee for certain specified tapes—five in number—is not moot.

Mr. BAKER. I agree entirely with the Senator from North Carolina. It is not moot, and nothing in this resolution should suggest that it is moot, and nothing in the colloquy between the Senator from North Carolina and the Senator from Tennessee in any way should be interpreted as suggesting that it is moot.

The committee, under any interpretation of this resolution, will continue in existence, with full authority and vigor to prosecute that appeal, hopefully with a successful result, and then will act on that product—that is, on the material which it receives, including the filing of an additional report.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. ERVIN. The Senator from Tennessee has the floor.

Mr. BAKER. I am happy to yield.

Mr. AIKEN. Assuming that the House votes a bill of impeachment, what effect would that have then? Would it mean that the entire Senate would be the body to receive the tapes, if that is possible, or would the subcommittee or the special committee still continue on indefinitely, until it receives them?

Mr. ERVIN. The Senate select committee will have absolutely no official power or jurisdiction in respect to the matter that is mentioned. Our power is separate, and our functions are separate.

Mr. AIKEN. If the House votes a bill of impeachment, it would be the entire Senate that would——

Mr. ERVIN. Oh, yes.

Mr. AIKEN. The work of the subcommittee would naturally come to a conclusion, would it not, within a reasonable length of time?

Mr. ERVIN. Our purpose is to conduct an investigation for legislative purposes and not for the purpose of impeachment at all. They are two separate proceedings, and the select committee would have no authority whatever in respect to the impeachment power. That is entirely outside of our domain. That would be for the full Senate.

Mr. AIKEN. Is there any indication that there would be a court decision in the matter within the length of time specified by this resolution?

Mr. ERVIN. The case was argued in the U.S. court of appeals some weeks ago, and the court of appeals should hand down a decision very speedily. I do not know when the Supreme Court of the United States would operate.

Mr. AIKEN. And the court decision would be handed down before the 30th of June?

Mr. ERVIN. One never knows what courts are going to do, because justice sometimes treads on leaden feet. But I am frank to state that I think the committee has largely completed its work with the exception of three or four loose ends on which we have agreed. We have voted unanimously to hold no more public hearings, and such hearings as we would hold would be held in executive session. I am certain that we could complete them during the month of June. I am certain that we could bring all our work to an end, except just to wind up our clerical affairs, plus prosecuting the case, in the event it goes further.

Mr. AIKEN. I note that the resolution contains a provision for further appropriation. Has that already been voted?

Mr. ERVIN. I have submitted another resolution that would ask for $200,000 more, to wind up the affairs of the committee.

Mr. AIKEN. That would be carried in the appropriation bill, without further authorization?

Mr. ERVIN. No. It would have to be authorized by the Senate.

Mr. AIKEN. I thank the Senator.

Mr. ERVIN. In other words, the importance of the present resolution is that in the absence of its passage, the committee is supposed to file its final report on the 28th of May, although it would have 3 months thereafter, according to the original resolution as amended in February, to wind up its affairs.

My purpose in submitting this resolution is to make it clear that we still can complete our work and get our work approved by the seven Senators who are members of the committee during this month; that thereafter we can await the court's decision, and that in the event we ultimately get the tapes, we can file an addendum to the report.

Mr. AIKEN. I thank the Senator from Tennessee and the Senator from North Carolina.

Mr. ERVIN. I am just trying to prophesy when the court is going to hand down a decision.

Mr. BAKER. Mr. President, I thank the distinguished senior Senator from Vermont for his inquiry, and I thank the distinguished senior Senator from North Carolina for his response.

I think we have done about all we need to do in this situation. I hope that my clarification at this point of my understanding of the situation will not serve to inflame the passions or unduly prolong our deliberation on this resolution. I hope we might proceed with a vote on the resolution, without the necessity of a rollcall. I hope that we might even consider the entire resolution, without dividing it. That, of course, will require unanimous consent, and I do not propound such a request. That, of course, would be up to those who propound it.

By way of reiteration of the situation, so that it is clearly understood: I am a cosponsor of Senate Resolution 327. Senate Resolution 327 does two things. It asks the Senate to authorize the continuation of the time in which the committee can file its report from May 28 to June 30, 1974. It also continues in existence the Select Committee on Presidential Campaign Activities past June 30, 1974, for the purpose of prosecuting its appeal to the court of appeals—and the Supreme Court of the United States, if need be—in our so-called tapes lawsuit.

And it provides that the Select Committee, post June 30, 1973, shall continue in existence, at least for the purpose of pursuing that appeal and for acting on the material gained from such a successful appeal and filing a supplemental report or addendum to the report filed on June 30.

The colloquy between the Senator from North Carolina and the Senator from Tennessee should clearly be interpreted as showing there is no intention to render that question moot; that is, the committee's right to those tapes.

It is the opinion of the Senator from Tennessee, and I believe the Senator from North Carolina stated it is his opinion that the resolution does not limit itself to any such interpretation, and, therefore, the question is not moot.

Beyond that, it is the reluctant conclusion of the Senator from Tennessee that we should not continue the existence of the committee for any purpose save only the prosecution of this lawsuit, and on that rock our colloquy is founded.

We could not agree, the Senator from North Carolina and I, on whether or not our subpena powers continue past June 30, or whether or not to conduct public hearings or executive session hearings, or whether there might be further staff inquiries or not. The Senator from North Carolina suspects if we gave these things up we might pay tribute to the allegation of mootness. I say the situation is vastly different now than last year. Last year the Watergate Committee was the only instrumentality of Congress looking into the allegations attendant on Watergate. By and large I think we did a good job, a bipartisan job, and it is a very difficult matter.

The House is conducting an inquiry into the allegation of impeachment against the President of the United States, a Special Prosecutor is proceeding at great length on a large scale into several aspects of this matter. It is time for us to file our report and go out of business except for the business of proceeding with the litigation now pending. To do otherwise puts us in competition with the House and the Special Prosecutor's Office, and we should recognize that.

But I recognize the great concern which the Senator from North Carolina has and I will not press the issue further except to say if we have a voice vote, and I rather recommend we should, that the Senator from Tennessee will vote no, and I will not encourage or discourage any other Member of the Senate.

Mr. ERVIN. Mr. President, if the Senator from Tennessee will yield to the distinguished Senator from Michigan, we might be able to settle one problem.

Mr. BAKER. I yield.

Mr. HART. Mr. President, I inquired of the Senator from North Carolina (Mr. ERVIN) if it would be useful to have a rollcall vote, following which an order was obtained. Now, it having been made clear to me by the Senator from North Carolina in the ensuing discussion, I am glad to withdraw the request.

Mr. President, I ask unanimous consent to withdraw the request.

The PRESIDING OFFICER. Is there objection?

Mr. MANSFIELD. Reserving the right to object, is the Senator withdrawing the yeas and nays?

Mr. HART. I am asking unanimous consent.

Mr. MANSFIELD. I think we ought to have them.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the yeas and nays are withdrawn.

Mr. ERVIN. Mr. President, I would like to say to the distinguished Senator from Tennessee that I agree with him as a practical matter that the Senate Select Committee should not put itself in the position of being charged it is trying to occupy the stage with the Special Prosecutor or the House Judiciary Committee. I think we have virtually completed the work we were selected to do, with the exception of just three or four odds and ends which can easily be completed in the month of June.

I think if we had had the tapes before this time, which we have been trying to get since last July, we would have completed all our work by June 30 and gone out of existence except for winding up clerical work.

In view of the fact the committee voted unanimously to hold no further hearings, to conduct no further examinations after June 30, I do not think there is any reason for anyone to be concerned about the phraseology of this resolution. I think the phraseology is necessary to make it appear as a legal matter that our claim for the tapes is not moot. I do not anticipate issuing any subpenas, except in the possible event the court decides we are entitled to the tapes, and the President, who is a party defendant, says he has turned the tapes over to some other person. In that case we might have to issue a subpena for some other person. I do not expect that situation to arise.

I think the committee can go along in a nonbipartisan way in this fashion. I know that the majority of the committee desire to bring the work of the committee to a close and would only want to file a supplemental report or addendum in case the tapes are made available.

This agreement is more theoretical than actual and I sincerely hope that the resolution will be adopted.

Mr. President, I take this occasion to commend the Senator from Tennessee on the fine work he has done as vice chairman of this committee and the fine cooperation he has given to me as chairman on all occasions.

Mr. DOMINICK. Mr. President, I was the one who originally asked for a division when the yeas and nays were ordered. I think I should say a few words in this colloguy.

It heartened me greatly and clarified page 2 of the resolution when I heard the comments made by the Senator from North Carolina that he would not vote for any subpena or any witness or any hearing or anything else at this time beyond the June 30 date. I have no objection to extending the time beyond the June 30 date, that having been clarified, and realizing that mootness is no longer an issue, I am perfectly willing to withdraw my request for a division.

I must say in passing when a Senator is defeated in an election, he has only 2 months to clear up his affairs, and get out, even if he has been in office for 20 or 30 years. It seems extravagant to give 3 months to a committee that has been in existence a year in order to clean up its affairs. It looks a little bit as if it is extravagant.

Mr. President, I withdraw my request for a division.

The PRESIDING OFFICER. The request for a division is withdrawn.

Mr. BAKER. Mr. President, I understand the parliamentary situation to be now that the order for the yeas and nays is vacated and the request for a division is vacated. I am prepared to vote.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business for not to exceed 15 minutes with statements limited therein to 5 minutes each.

Mr. ABOUREZK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. PARTICIPATION IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION — UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Wednesday next, at the hour of 12 o'clock noon, the Senate proceed to the consideration or resume the consideration, whichever is the case, of Calendar Order No. 805, S. 2665, a bill to provide for increased participation by the United States in the International Development Association; that there be not to exceed 4 hours of debate thereon, to be equally divided between and controlled by Mr. HUMPHREY and Mr. JAVITS; that time on any amendment in the first degree be limited to 1 hour; that time on any amendment to an amendment be limited to 30 minutes; that time on any debatable motion or appeal in relation thereto be limited to 20 minutes; that no votes on amendments, debatable motions, or appeals occur before 4 p.m.; and that at the hour of 4 p.m. the votes begin to run on any votes on which rollcalls have been ordered, with a final vote on passage of the bill to occur immediately after the votes on amendments that have accumulated up to the hour of 4 p.m.

Mr. JAVITS. Mr. President, I shall not object, of course, as I am a party to the agreement. I want to be sure, however, in the first place, that tabling motions are preserved as to any amendments in this unanimous-consent request. Is that agreeable to the Senator?

Mr. ROBERT C. BYRD. Yes.

Mr. JAVITS. Second, I am a little troubled about the time juxtapositions. If there is a time limitation of 4 hours on the bill, 1 hour on amendments, a half hour on amendments to amendments, does that mean that there is a cutoff of amendments at 4 o'clock; that is, no further amendments can be submitted, except just to be voted on?

Mr. ROBERT C. BYRD. Ordinarily an amendment could come in without debate. The way I have worded the request would probably prohibit any amendments from coming in at 4 o'clock that had not accumulated by the hour of 4 o'clock, had not been called up, on which a rollcall had not been ordered, because I did use the word "accumulated" by 4 o'clock. If the Senator would want to change it——

Mr. JAVITS. No; it is all right. I was thinking about the protection of Senators. I see that the Senator has fully covered it, and that that is in the agreement.

Mr. ROBERT C. BYRD. It gives Senators 4 hours to call up amendments, and if any Senator has an amendment up at the hour of 4 o'clock, he certainly would be entitled to a vote on that amendment. If he called up an amendment at 10 minutes to 4, he would have only 10 minutes in which to debate it. There would be a succession of rollcalls if there had been an accumulation of amendments at that time.

Mr. JAVITS. Is it the understanding of Senators who have control of the time that they would not prevent Senators from offering amendments? They could do that?

Mr. ROBERT C. BYRD. That is right. If the Senator would like to preserve the right of Senators up to the hour of 4 o'clock to call up amendments, and to call them up without debate, that would be fine.

Mr. JAVITS. That is fine, if the rule of germaneness is provided for.

Mr. ROBERT C. BYRD. The order was to be in the usual form.

Mr. President, I ask unanimous consent that the time for debate on the bill be equally divided between and controlled by Mr. HARRY F. BYRD, JR., of Virginia, and the Republican leader or his designee.

The PRESIDING OFFICER. The Chair would like to inquire of the Senator from West Virginia, when he speaks of Wednesday next, does he mean the 22d or 29th?

Mr. ROBERT C. BYRD. I am glad the Chair called that to my attention. The intention is with respect to Wednesday, the 29th.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. ROBERT C. BYRD. Mr. President, I believe that at the hour of 4 o'clock Senators ought to have a right to call up amendments without debate. I think we ought to leave that understanding in.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. JAVITS. Mr. President, does it include provision for tabling motions? Are tabling motions preserved?

The PRESIDING OFFICER. That is right.

Without objection, it is so ordered.

Mr. JAVITS. I thank the Senator.

Mr. ROBERT C. BYRD. I thank all Senators.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the order for the recognition of the distinguished Senator from Wisconsin (Mr. PROXMIRE) tomorrow there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to; and at 5:48 p.m., the Senate adjuroned until tomorrow, Wednesday, May 22, 1974, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate May 21, 1974:

CIVIL AERONAUTICS BOARD

Richard Joseph O'Mella, of Maryland, to be a Member of the Civil Aeronautics Board for the term of 6 years expiring December 31, 1980, reappointment.

FEDERAL COMMUNICATIONS COMMISSION

The following-named persons to be Members of the Federal Communications Commission for the terms indicated:

For the unexpired term of seven years from July 1, 1968:

Abbott Washburn, of the District of Columbia, vice H. Rex Lee, resigned.

For the unexpired term of 7 years from July 1, 1969:

Glen O. Robinson, of Minnesota, vice Dean Burch, resigned.

For a term of 7 years from July 1, 1974:

Robert E. Lee, of the District of Columbia, reappointment.

COMMUNICATIONS SATELLITE CORP.

Edward E. David, Jr., of Illinois, to be a Member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1976, vice Rudolph A. Peterson, term expired.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Ralph Longwell Foster, [redacted] U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. John Alfred Kjellstrom, [redacted] [redacted], Army of the United States, (brigadier general, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. John Howard Elder, Jr., [redacted]-[redacted] U.S. Army.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 21, 1974:

FEDERAL COMMUNICATIONS COMMISSION

Luther Holcomb, of Texas, to be a Member of the Federal Communications Commission for the unexpired term of 7 years from July 1, 1968, vice H. Rex Lee, resigned, which was sent to the Senate on March 19, 1974.

EXTENSIONS OF REMARKS

WILLIAM S. WHITE, WRITER

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. PICKLE. Mr. Speaker, one of the journalistic giants of the United States last week announced the end of his career as a syndicated newspaper columnist and the recommencement of what has always been his second career as a writer of books—books which represent a major contribution to our Nation's political history.

He is William S. White, a Texan who has roamed the Nation and the world to cover outstanding news events and who for the last 16 years has written for hundreds of newspapers an astute and perceptive column of political commentary.

This respected Texas writer—alumnus of the University of Texas, winner of a Pulitzer Prize in literature, confidant of Presidents, understanding observer of governmental affairs—is returning to his native State, where he began his distinguished career a half century ago.

In fact, I am proud to say that he has become my constituent. He is moving to Austin, in the 10th District of Texas. He and his gracious wife June are most welcome additions to the people I represent there. Bill White, as much as any man in America, was the close and confidential friend of President Lyndon Johnson, who trusted and respected and loved Bill White.

Mr. Speaker, I know that hundreds of Bill White's friends in Washington will join me in wishing him the best of good fortune as he turns his full attention and his skilled abilities to his future books. We look forward to them.

His own final words to his newspaper readers preclude the perspective and superb judgment he shall continue to bring to our political affairs through this second medium.

I insert at this time in the RECORD Bill White's final newspaper column as it appeared in the Washington Post on May 18.

The column follows:

LOOKING BACK ON 50 YEARS OF JOURNALISM

(By William S. White)

For nearly five decades (I started at age 18) I have been a professional journalist. For about 40 of those years I have been involved, as correspondent or commentator, in nearly every great story of this world. For the last 16 of those years a syndicated column has emerged three times each week from this typewriter.

This is the last of those columns. I am going back home to Texas, after an absence of 40 years, but not into any "golden retirement"; not into any "leisure village." I am going to recommence what has always been my second career—the writing of books.

This, then, is an hour of farewell and a time, necessarily, of nostalgia. To those editors and readers who have endured me or encouraged me I send my thanks in this way; I have no means to do it in any more personal way.

Nostalgia, of course, means remembrance. And so now, if I may (I apologize for the excessive use of the perpendicular pronoun but what other form could I use?) I turn to some of my own memories. I remember covering the murder trials, large and small from little towns in Texas to courtrooms in Manhattan. I remember watching the agonies of a Tammany Hall which, as a beheaded British king once said in another connection, was unconscionably a long time adying.

I remember the onset of Hitlerism which, in the days of the so-called phony war, made me War Editor of the Associated Press. I remember leaving the AP after Pearl Harbor to enlist (all gung-ho) as a private in the infantry. I remember long months of hospitalization from menengitis—the only time in my adult life when I was truly cut off from the news—and at last being invalided from the Army.

I remember crossing the English Channel on the night before D-Day as a war correspondent; participating in the British assault upon Caen in Normandy; then participating in a vast and endless storm of violence with American forces across Belgium and into Germany at a little place called Roetgen.

I have known many of the world's statesmen. I saw Winston Churchill feeling no pain on a British beachhead in Normandy with a large brandy bottle sticking out of his coat pocket. I saw a President—Lyndon Johnson—weeping in the nighttime when the casualty figures came in from Vietnam. I have heard Golda Meir tell it like it really was—and is—in language they don't teach at any girl's school.

And I have known well scores of senators and congressmen, dozens of prime ministers and platoons of ambassadors. In a word, I have had a great and a privileged life; and of these things I am unashamedly proud: A Pulitzer Prize in literature; the Presidential Medal of Freedom; the Medal of Officer, Order of the Crown (Belgian); a tour of duty as Regents Professor at the University of California, Berkeley; the writing of 48 consecutive essays for Harper's magazine, along with six books.

Finally, I leave Washington—which is now a good place to visit but I wouldn't want to live here anymore—with absolute faith in the basic decency, strength and durability of all our institutions.

INDUSTRIAL PROPERTY RIGHTS

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Tuesday, May 21, 1974

Mr. MAGNUSON. Mr. President, the patent system and its relationship to the transfer of technology between countries is an issue which is fundamental to the interchange of scientific and technological know-how. Recently, Dr. Betsy Ancker-Johnson, Assistant Secretary of Commerce for Science and Technology, headed a delegation of patent and licensing experts on a visit to the Soviet Union. She summarized the results of that visit and subsequent events at a seminar on technology exchange held at the State Department on February 28, 1974. Her remarks shed considerable light on the patent and licensing system in the Soviet Union and the prospects for future cooperation in this area between Russia and this country.

Because of the intense interest in this subject, I request unanimous consent that Dr. Ancker-Johnson's remarks be printed in the Extensions of Remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE ROLE OF INDUSTRIAL PROPERTY RIGHTS PROTECTION IN U.S./U.S.S.R. TECHNOLOGY TRANSFER

INTRODUCTION

Research and development leading to high technology products are very costly as we all know. These high costs must be successfully recovered and recommitted if a company is to continue building its high technology base. Research and development costs are normally recouped not only by marketing the resultant products but also by the licensing of new technology. In some cases, selling the products is the most efficient way to recover costs; this is especially true if the market for that product can be expanded so that the cost per unit is reduced (learning curve effect). On the other hand, research and development costs are sometimes fully recovered and even exceeded by licensing the new technology. This has been the case with Xerox processing, for example. And of course, many companies, such as pharmaceuticals, pursue both goals. Typically, they recover about 10 percent of their R&D costs through licensing while simultaneously marketing products.

The governments of all industrialized nations recognize the importance of giving protection to intellectual property and industrial know-how: Internationally, protection is coordinated by an agreement on industrial property signed in 1883, and last revised in Stockholm in 1967, called the Paris Convention for the Protection of Industrial Property. In 1965, the Soviet Union became a signatory to this Convention and also joined what is now called the World Intellectual Property Organization. Of course, the patent system of each member country differs as to what is patentable and how a patent is granted.

Today I shall discuss some aspects of industrial property protection, particularly comparing the U.S.S.R. patent system with ours. Such a discussion is needed because of the mismatch between the Soviet monolithically planned economic system and our free enterprise system.

Industrial property became a significant issue between the U.S. and the U.S.S.R. when the 1972/1973 Agreement on Exchanges in Scientific, Technical, Educational, Cultural and other fields was signed in April, 1972. This Agreement includes a section on patent management and licensing.

In 1973 I headed a U.S. delegation of industrial property experts on a visit to the Soviet Union. Our main mission was to determine the patent and licensing aspects of bilateral trade with the U.S.S.R. We were interested in the nuances of each step required to obtain a U.S.S.R. patent and the avenues of bringing together prospective licensees with the patent holder. A Soviet group made a return visit to the U.S. in October. During that reciprocal visit, we prepared draft terms of reference on intellectual property rights for the U.S./U.S.S.R. Joint Commission on Science and Technology. The Commission approved these in Moscow in December, 1973. I'll return to this subject.

A summary report of the U.S. Patent and Licensing Delegation findings entitled: "U.S./U.S.S.R. Technology Licensing Prospects 1973" is available from the Department of Commerce's National Technical Information Service (NTIS). This report contains a brief account of our impressions and provides current information regarding the marketing of technology. A more comprehensive report is being published by the Licensing Executives' Society. Members of this society, which specializes in technology transfer and in industrial property rights, were active members of all our patent management and licensing exchanges.

THE NEW SOVIET STATUTE ON DISCOVERIES, INVENTIONS, AND INNOVATION PROPOSALS

The new statute which took effect January, 1974, elevates the Committee for Inventions and Discoveries (C.I.D.) to a state Committee, making its Chairman a member of the Soviet Council of Ministers. The official translation won't be available for several months; however, Chairman Maksarev sent me an unofficial version. The Committee now has greater influence on Soviet economic planning and the power to authorize the use of new inventions whenever it feels such action is appropriate, rather than once yearly as was the case previously. The Committee has also gained greater responsibility in the filing of foreign applications.

It is interesting to note that the Soviet law provides recognition for the originators of scientific discoveries. Perhaps you know that the Soviets have been urging the establishment of an international depository certifying scientific discoveries. In fact, last November, at a meeting in Geneva, they urged that the World Intellectual Property Organization become the functioning body. However, their proposal met with a cold shoulder from the non-socialist bloc, which prefers to base rewards on scientific reputation rather than government sanction. The world scientific community, of which some of us were members before we became executives, has its own unwritten rules for judging the contributions of individual scientists. Evidently, the Soviets are intensely pursuing international recognition of their scientific discoveries.

SOVIET SYSTEM OF INDUSTRIAL PATENT PROTECTION

The new statute provides (as did the old) for a dual system of granting both inventor's certificates and patent issued by C.I.D. after examination of the application.

Inventor's Certificates: The inventor's certificate involves transferring all invention rights to the State. The inventor receives in exchange a remuneration of up to 20,000 rubles (about $28,000) and certain fringe benefits, such as augmented pensions and preferential treatment in employment, housing, and the like. Applicants bear no expense in applying for the certificate. Certificates are exploited by the State and may be used by any Soviet enterprise.

Only two Soviet nationals received a patent, whereas about 39,000 nationals received Soviet inventor's certificates in 1972. For comparison approximately 39,000 U.S. patents were granted to U.S. companies out of a total of about 53,000 patents granted for domestic inventions in 1972.

Soviet Patents: The Soviets grant patents primarily for the benefit of foreign entrepreneurs. They introduced the patent system in 1959 to, as the Soviets put it: "Create a legal basis for economic cooperation of the U.S.S.R. with Western countries."

However, the benefits of the Soviet patent system are restricted by the Soviet economic system. Since the means of production are exclusively under State control, it is impossible to use a Soviet patent to set up a manufacturing plant and produce the patented item. Instead, the patent owner must either sell his patent rights to the U.S.S.R. or sell a license for its use.

Comparison of the U.S. and Soviet Patent Laws: Soviet patent law is similar to that of many countries, especially as it pertains to the subject matter forming a basis for patents and the conditions for patentability.

Term: The term of a Soviet patent is fifteen years, measured from the date of the filing of the application. In the U.S., the patent term is seventeen years from the date of the grant.

Subject Matter: The subject matter which may be covered by the two grants is generally co-extensive, except Soviet law excludes as a basis for patents certain subject matter such as chemicals, pharmaceuticals, and medical processes, although they may qualify for inventor's certificates. Prior to the new law this subject matter was not an acceptable basis even for inventor's certificates. Hopefully, patents for chemical processes will evolve later on.

Condition of Patentability: The Soviet conditions are rather similar to ours. That is, an invention must be new, useful and non-obvious over the prior art.

Novelty: Both use the system of "universal prior art" as negating novelty. In the U.S. there is a one-year grace period from divulgation of the subject matter during which one may file in the U.S. Patent Office without losing the right to a patent. The Soviets have a six month grace period from displaying the invention at an exhibition, and four months from "open utilization of the invention."

Priority of Invention: The Soviets accord priority to the first party to file with the C.I.D. unless foreign priority rights have been established under the Paris Convention. I'll return to foreign priority rights shortly. This system of "first to file," which is almost universally followed today, is easier to administer than our system of "first to invent." Our system requires a rather expensive and complex "interference" proceeding before the Board of Patent Interferences in the U.S. Patent Office.

Government Fees for Securing and Maintaining A Patent: There is an average cost of $235 to secure a patent in the U.S., whereas this cost in the Soviet Union is about $76. On the other hand, there are no maintenance fees in the U.S., whereas maintenance fees in the Soviet Union amount to several thousand dollars if the patent is maintained for its maximum term. Incidentally, all of the above figures omit costs of the services of patent representation before the respective offices, which in the case of Soviets means the U.S.S.R. Chamber of Commerce and Industry.

Representation Before Offices: The Soviet Union requires foreign applicants to use the service of the U.S.S.R. Chamber of Commerce and Industry both to file their applications and represent them before the C.I.D. In the U.S., of course, foreign applicants are free to select one of 9,000 registered patent attorneys or agents to represent them before the U.S. Patent Office.

Compulsory License to State: Soviet law specifies that a patented invention of special importance to the State may be compulsorily licensed. This raises some fears in U.S. industrial quarters. However, this provision, dating back to 1959, has never been employed. Incidentally, this stipulation is not unique. For example, the British have such a provision relating to, as they put it, "Crown us." Our law provides that reasonable and entire compensation must be awarded for patented subject matter used by the U.S. government and the awards to patentees under this provision have been numerous.

Validity of a Patent: Both in the Soviet Union and in the U.S., the validity of a patented invention may be challenged during its term. In the Soviet Union the protest is lodged with the C.I.D. while in the U.S. such a problem is litigated in Federal Court.

Right of Priority under Paris Convention: As stated earlier, the patent prority goes to the first to file in the U.S.S.R. Under the Paris Convention, an applicant may apply for protection in all the other contracting states within one year from his first application. Later applications, within one year, in the U.S.S.R. (or any member of the Paris Convention) receive an effective filing date which is the same as the date of the original filing. This filing date will not be invalidated by any interim acts (e.g., publication or exploitation of the invention).

Previously, inventor's certificates could not qualify, under the U.S. view, for priority rights. However, inventor's certificates may now qualify as a result of the 1967 version of the Paris Convention.

The relevant section of the Convention directs that the date of filing of an application for an inventor's certificate, filed in a country in which applicants have the right to apply at their own option either for a patent or for an inventor's certificate, shall determine the right of priority under the Paris Convention. This provision obviously is directed to such countries as Bulgaria, Romania and the Soviet Union which provide alternatively for patents or inventor's certificates on some types of inventions.

The treaty provision protects us in various ways. For example, we do not give priority rights in pharmaceuticals based on earlier filed certificates since we cannot obtain pharmaceutical patent rights in the U.S.S.R. It could be remembered that under Soviet law any invention created in the course of employment cannot be patented (i.e., the inventor obtains a certificate).

ACTIVITY BY U.S. CITIZENS IN THE U.S.S.R. SINCE SOVIETS SIGNED PARIS CONVENTION

	1965	1966	1967	1968	1969	1970	1971	1972
Patent applications	87	165	347	423	492	512	567	817
Patent grants	7	3	35	65	82	199	196	256

RETROACTIVE PATENT RECOGNITION PROPOSAL

The U.S. Government has been requested by a U.S. company to consider a proposal to negotiate a bilateral agreement with the Soviet government for recognition of U.S. held high technology patents filed in the U.S. prior to 1965 but not filed in the U.S.S.R. While recognizing that U.S. companies customarily negotiate individually for patents and that any nationwide arrangement is extraordinary, an advocate urges that special protection of U.S. interest in high technology is needed.

Let me outline the basic problem. Until just a few years ago, many U.S. companies—including those in certain high technology areas—did not apply for patent protection in the Soviet Union. This was principally because export controls and/or the general climate of East-West relation's made it impossible for them to export their technology to the Eastern Bloc. Today such a company may find itself at a disadvantage when it negotiates with the Soviet Union. Such a company has lost much of its leverage for receiving royalties on the use of its technology. In many cases, it has no way to control the flow of its technology into the Eastern Bloc from a third party.

The solution proposed is that the U.S. and the U.S.S.R. give retroactive recognition to each other's patents. Existing manufacture would be recognized under this arrangement.

As we study the possibility of retroactive patent recognition, we would like to have your comments. My personal opinion, at this point in time, is that the retroactive approach may create more problems than it can solve. However, the study I mentioned will determine whether or not, on balance, retroactive portection is desirable.

A few of the pros and cons on the proposal are:

Pros

1. It would mean the accrual of more licensing fees and royalties.
2. It would reduce the possibility of putting competing U.S. firms against one another to reduce the return on U.S. technology.
3. It would contribute to detente.

Cons

1. It would be necessary to offer similar treatment to other nations under some "most favored nation" agreements.
2. U.S. liabilities are uncertain. A large volume of foreign patents and inventor's certificates would be presented for retroactive protection in this country.
3. The principle of intervening rights would afford Soviet access to confidential technical information to the possible detriment of U.S. firms. U.S. open discovery proceedings are considerably more liberal than the Soviet Union's.

And so we see the issue of retroactive patent recognition is fraught with complications. As I said we welcome your inputs on this proposal.

Let us now put this controversy aside and proceed to examine the trade possibilities that open up when one obtains a Soviet patent.

U.S./U.S.S.R. FOREIGN TRADE

Soviet foreign trade is administered by the Ministry of Foreign Trade as part of an overall trade plan. The purchase of foreign goods and sale of Soviet products abroad is the responsibility of some 60 Foreign Trade Organizations (FTO's).

Each FTO has its own rules determining its legal status and specifying the sphere of its activities. Each is exclusively entitled to trade with other countries in its particular area of activities, to sell for export, to buy abroad, to fill its import requirements, and to consummate technology transfer via licensing.

LICENSINTORG

Until 1962, trade operations in licenses were carried out by the U.S.S.R. foreign trade organizations. However, the expanding trade in licenses demanded the creation of a new FTO. This organization, Licensintorg, exercises monopolistic rights in the field of licensing, although other Soviet FTO's will buy licenses if they are ancillary to another contract (such as the acquisition of a plant).

Licensintorg's functions are to buy, sell and exchange patents and licenses, and to carry on license operations throughout all industry. It operates as an independent economic organization on a commission basis, and acts as an agent in Soviet civil law for the Soviet organization. Licensintorg personnel are stationed at many of the trade delegations throughout the world and it also operates through agents in various developed countries. Mr. Vadim Volkov, for example, is the Licensintorg representative stationed in Amtorg Trading Corporation in New York City.

NEGOTIATION PROBLEMS

The negotiation of a trade contract with the U.S.S.R. is typically fraught with impediments. In spite of the monolithic representation of the Soviet industry by S.C.S.T. in protocol negotiation, responsibility is, in fact, fragmented among the various Soviet departments which may be affected by the transaction. The powers of decision are likewise fragmented to provide checks and balances.

Communication at every possible stage of the negotiations from initial contact to the signing of a contract can be difficult. The cumbersome bureaucracy often keeps apart the technical experts on both sides and thus makes it difficult to identify licensable Soviet technology and prospective licensees of U.S. technology.

The actual "face to face" negotiations between U.S. licensing executives and representatives of Licensintorg are often strained. The negotiators seem inflexible to us. Since only S.C.S.T. is privy to all bids, the Committee may be tempted to play one company against another, not only with respect to licensing fees, but also with respect to the amount of technology any company is expected to disclose without the Soviets incurring an obligation to close a deal.

However, after having crossed all these hurdles, most U.S. companies find, so far, that the Soviets do adhere to and honor the terms of agreements, provided that the agreements are meticulously drafted to protect rights. Let all companies, however, take careful note, that the intellectual properties agreement signed by the U.S./U.S.S.R. Joint Commission on Science and Technology, that I referred to earlier does not provide protection; it only states some guiding principles.

ABILITY TO POLICE PATENT INFRINGEMENT

Another matter of concern to those seeking a Soviet patent is the policing of patent infringement in the U.S.S.R. It is impossible to evaluate either the existence of infringement or the efficacy of available remedies because of insufficient practical experience. However, our belief is that the Soviet system would not normally tolerate patent infringement. There are few Soviet patents to begin with and the system is replete with checks and balances to prevent infringement.

Furthermore, we know of no serious instance of improper invasion of proprietary rights in recent years. In fact, the Soviets have significant cause to "lean over backwards" to avoid a charge of patent infringement. In the first place, it is obviously more economical in the long run to make satisfactory arrangements with the patentee for knowhow associated with the patent technology than to develop it. Secondly, the flow of technology will inevitably depend on development of common ground rules and of relationships of trust, as in the case of trading goods.

Even though it is difficult to obtain information about possible infringements of patents in the Soviet Union, the Soviets are well aware that it would take only one unfavorable infringement to dissipate the climate of confidence they are obviously cultivating.

SOVIET PUBLICATIONS

Soviet interest in patents is extensive. This is manifested in many Soviet patent publications which receive minimal distribution in the U.S. For example, we obtained a 1967 handbook intended to guide applicants in drawing up applications for patents. We are translating this work and hope to make it available to you through the National Technical Information Service (N.T.I.S.). Another Soviet publication which came to my attention just recently is a 1973 English-Russian Patent Dictionary that contains about 7,500 terms. I was surprised to find the organization chart of the U.S. Patent Office in its appendix! We are considering preparing a reverse dictionary.

SOVIET PATENT PROSPECTS

The problems and obstacles to be surmounted to obtain a Soviet patent must not be dismissed lightly. However, it appears that there are two principal advantages to warrant obtaining this patent protection, which should be considered by American businesses interested in penetrating the Soviet market:

First, a patentee is established as the legally recognized owner of the invention with the attendant advantage over foreign competitors in sales and licensing opportunities for the product.

Second, the patentee is in a stronger position to enter into and enforce contractual commitment concerning the use of his invention.

We have surveyed the theory of the Soviet patent system. What we now lack, I feel, is a lot of practical experience in industrial property rights exchange. Obtaining this experience may considerably impact the welfare of the United States.

IMPLICATIONS FOR U.S. WELFARE

Research and development must be pursued vigorously to maintain our technological lead. Accordingly, the U.S. government must make sure that the total technology transferred to the U.S.S.R. is not underpriced, jeopardizing our technological lead. (I am speaking here, of course, of technology that can be transferred under the Export Administration Act, amended in 1972, which controls exports affecting national security.)

U.S. INDUSTRY—GOVERNMENT RELATIONSHIPS

I wish therefore to ask you, as representative of high technology U.S. industry, whether you would benefit from coordination of technical activities to affect a fair recoupment of your R. & D. cost through licensing activities in the U.S.S.R. Our competitors abroad for Soviet trade often get more help from their governments than you do.

For your consideration, here are a few things we could do. I am eager to hear your reactions.

First, would it be useful if we collected and reported negotiating experiences of those U.S. companies who signed licensing agreements in the U.S.S.R.? (Counterpart information would be deleted. The Department of Commerce already maintains a voluntarily provided, confidential file of protocols signed by U.S. companies. It is incomplete, of course, and therefore may not be useful for statistical analysis.

Second, would you benefit from statistics on how many American held U.S.S.R. patents result in licenses?

Third, would it be helpful if we were to provide a regular report on the subject matter of scientific and technological agreements with the U.S.S.R.? Perhaps U.S. business could benefit from the implications of this information on U.S.S.R. priorities for future trade.

Fourth, would it be helpful if U.S. companies face the Soviet government on an industry-by-industry basis, with industry and government representatives forming a consortium for the protection of U.S. interests? Of course, such an arrangement may have antitrust implications and would have to be explored with the Justice Department.

I believe that the Soviet government is anxious to purchase U.S. technology and that we can win increased protection for our industrial property rights under their law. This sidelight will illustrate their intensity of purpose: I have recently learned that a Soviet think tank is studying a model of a multinational company composed of a U.S. firm with a Soviet industry branch! It would seem that they are seriously thinking about new ways of doing business with us.

CONCLUSIONS

As cooperative agreements between U.S. companies and the U.S.S.R. become more specific and as more experience is gained in licensing and in adjudicating disputes that may arise, we will gain a better feel for the way the Soviets treat intellectual property of others. I expect the Soviet government will abide by the cooperative agreements they make given the current political climate. However, each company must obviously weigh the risks of technology loss which might result from a change in the political climate between our two countries.

U.S. companies must understand, as I have stressed, that government agreements do not protect U.S. industrial property. Each specific agreement between a U.S. company and the S.C.S.T. (or an industrial ministry) must clearly spell out all of the required protection. Testing the waters by first immersing a toe is the policy many of you will favor. On the other hand, we don't want to lose the 100 meter freestyle event to our competitors abroad because we are overly cautious in testing the water temperature. Hence, these first agreements you are signing ought to be significant enough to determine if mutually beneficial trade with the U.S.S.R. is in the offing.

The intellectual property risks increased trade with the U.S.S.R. pose are difficult to assess. Monitoring of licensing agreements in a society which restricts travel of foreigners and in which access to government agencies as well as to industrial facilities is tightly controlled is clearly difficult. Monitoring the quantity of production under license is another problem. Probably most significant is the fact that once our industrial property is transferred to any enterprise in the U.S.S.R. it becomes accessible to all Soviet industry, though in principle this may be restricted by contractual agreement.

U.S. industry has had a most enviable record of achievement in competition. Industry leaders are very capable of seeing the overall technical picture in the areas of their competence and assessing the impact of the agreements they sign on the U.S. technical lead. The difficulty for each high level decision-maker lies in the balancing of his stockholders' immediate interests and their long-range interests; in balancing a possible short-term gain via an industrial property transaction against the long-range interests of U.S. industry as a whole. It is my conviction that a decided technological lead is not only necessary for the well-being of individual companies but also of our country—and in my opinion even for the maintenance of world peace.

DISTRICT OF COLUMBIA ADDED TO THE LIST OF MUNICIPALITIES IN WHICH EMPLOYEES SUBJECT TO THE HATCH ACT MAY BE CANDIDATES AND OTHERWISE CAMPAIGN FOR LOCAL OFFICE

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. NELSEN. Mr. Speaker, I wish to take this opportunity to insert in the Record a news release issued by the U.S. Civil Service Commission on May 18, 1974, announcing the fact that the Commission has added the District of Columbia to the list of municipalities and political subdivisions in which employees subject to the Hatch Act may be candidates and otherwise campaign for local office.

I commend the chairman and members of the Civil Service Commission for taking this action in that I believe it places the District of Columbia on a par with other communities in nearby Maryland and Virginia, and it clearly, in my opinion, obviates any need for any Hatch Act amendment by the Congress in future years during the period that partisan elections continue to prevail in the Nation's Capital.

The news release follows:

The U.S. Civil Service Commission today announced that the District of Columbia has been added to the list of municipalities and political subdivisions in which employes subject to the Hatch Act may be candidates and otherwise campaign for local office.

The Commission's action permits Federal and District of Columbia government employees to take an active part in campaigns and elections for the offices of Mayor, Chairman of the Council, and Member of the Council of the District of Columbia, subject to the following restrictions:

1. Federal and D.C. officers and employees subject to the Hatch Act must not neglect their official duties, and must not engage in non-local partisan political activities (e.g., campaign or election of the non-voting Delegate to the House of Representatives).

2. The Home Rule bill provides that for the first election, which will be this November, District and Federal employees who reside in the District may be partisan candidates for the office of Mayor and Member of the Council, notwithstanding the provisions of the Hatch Act. Subsequent to these first elections, employees may only be independent candidates for those offices, and may not be candidates representing partisan political parties.

3. Employees may not campaign for or against partisan candidates for the above offices, even in the first elections to be held. However, they may campaign on behalf of, or in opposition to, independent candidates—both in the first elections and in subsequent elections.

4. The Commission may withdraw or suspend permission granted to a community when in the Commission's opinion the activities resulting from the exception are found to be detrimental to the public interest or inimical to proper enforcement of the political activity law and rules.

Communities granted exceptions by the Commission are now as follows:

MARYLAND

Annapolis; Anne Arundel County; Berwyn Heights; Bethesda; Bladensburg; Bowie; Brentwood; Capitol Heights; Cheverly; Chevy Chase, sections 1, 2, 3, and 4; Martin's additions 1, 2, 3, and 4 to Chevy Chase; Chevy Chase View; College Park; Cottage City; District Heights; Edmonston; Fairmont Heights; Forest Heights; Garrett Park; Glenarden; Glen Echo; Greenbelt; Howard County; Hyattsville; Kensington; Landover Hills; Montgomery County; Morningside; Mount Rainier; North Beach; North Brentwood; North Chevy Chase; Northwest Park; Prince Georges County; Riverdale; Rockville; Seat Pleasant; Somerset; Takoma Park; University Park; and Washington Grove.

VIRGINIA

Alexandria; Arlington County; Clifton; Fairfax County; Town of Fairfax; Falls Church; Herndon; Loudoun County; Portsmouth; Prince William County; and Vienna.

OTHER MUNICIPALITIES

Anchorage, Alaska; Benicia, Calif; Bremerton, Wash.; Centerville, Ga.; Crane, Ind.; District of Columbia; Elmer City, Wash.; Huachuca City, Ariz.; New Johnsonville, Tenn.; Norris, Tenn.; Port Orchard, Wash.; Shrewsbury Township, N.J.; Sierra Vista, Ariz.; and Warner Robins, Ga.

HONORS FOR HON. ROBERT L. F. SIKES

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. WOLFF. Mr. Speaker, on May 17, 1974, I had the honor of attending the 1974 annual awards dinner of the Hap Arnold Chapter of the Air Force Association. Awards were presented to individuals and organizations which have made significant contributions to the Air Force, the Air Force Association, and the chapter.

The first award of the evening which I had the great honor of presenting, was the Man-of-the-Year Award, which is awarded annually to the individual who has accomplished most during the past year in furthering the interests of the Air Force and/or the Air Force Association. The unanimous choice to receive this year's award was Congressman Robert L. F. Sikes. To give my colleagues some idea of the numerous achievements of Congressman Sikes, I would like to insert in the Record a few paragraphs from a speech I made at the dinner:

It is a pleasure for me to introduce to you my distinguished colleague from the House of Representatives, Robert L. F. Sikes.

Bob was elected to the Congress in 1940 and re-elected 16 successive times. He is a senior member of the Florida delegation and key member of the House Committee on Appropriations, serving on the Subcommittee on Defense, Subcommittee on Military Construction, of which he is Chairman, and the Subcommittee on State, Justice, Commerce and the Judiciary.

Bob served in World War II and later retired as a Major General in the Reserve Forces. A mere listing of his honors and organizational affiliations cannot begin to measure the man or the importance of his role in standing up for a strong America and his achievements in behalf of our Free Enterprise System. But even an abbreviated sampling of his past honors may give some idea of the stature of this dedicated American. Among them, he is a recipient of National Affairs League's Leadership Award; the Distinguished Service Award of the Reserve Officers Association of U.S.; American Legion Distinguished Service Award; Navy Times Good Neighbor Award; and the Reserve Officers Association "Minute Man Hall of Fame" Award.

Also, he has been awarded the George Washington Memorial Award; Defender of Free Enterprise Award; "Man of the Year" Award for Contributions to National Defense; AMVETS Special Meritorious Commendation; Toastmasters International Communications and Leadership Award; Man of the Year Award of the National Federation of Independent Business and the Air Force Association Leadership citation.

I could go on and on reading Bob Sikes awards, honors, and accomplishments—they run five typewritten pages in his official biography. But instead, I'd rather read you the inscription on his latest award, Man of the Year of the H. H. Arnold Chapter of the Air Force Association, and then let you meet the man himself.

There were several other awards given at the dinner. The Significant Achievement Award, which is awarded to the chapter member who has accomplished an outstanding feat in his particular field of endeavor, was given to Thomas H. O'Brien, vice president and general manager of PRD Electronics, Inc. The Service Award, which is awarded to the individual or organization which has contributed significantly to the support of the chapter, was given to the U.S. Merchant Marine Academy. Finally, the Airman-of-the-Year Award, which is given to an Airman selected for outstanding performance, was presented to T/Sgt. Donald M. MacDonald, USAF.

I should also mention that the invocation at the dinner was given by John F. Dolan, past president of the AFA H. H. Arnold Chapter and that the national anthem was sung by Mr. Donald Tromblee, the hard-working current president of the chapter.

ANALYZING THE DEFENSE BUDGET

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. ASPIN. Mr. Speaker, every year about this time we are regaled with the stories from the Pentagon warning us that the Russians are about to push us off the map. Of course, this is nothing but an annual exercise in wringing the largest possible military budget out of Congress. This year, with the Pentagon asking for nearly $100 billion—the largest military budget ever—the prophecies of doom emanating from the Pentagon have been particularly frantic.

In the interest of countering some of the Pentagon's budget-time propaganda, I am placing in the Record today, an article by Sanford Gottlieb, "Analyzing the Defense Budget," that appeared in the New York Times of Monday, May 20. Mr. Gottlieb is the executive director of SANE and was, probably not incidentally, included on the White House's enemies list. It was, no doubt, his incisive analyses of administration programs, such as the one I am introducing into the Record today, that earned him the attention of the White House. It is an excellent refutation of the current crop of Pentagon scare stories.

The article follows:

[From the New York Times, May 20, 1974]

Analyzing the Defense Budget

(By Sanford Gottlieb)

Washington.—Defense Secretary James R. Schlesinger is trying to convince Congress to fund the biggest military budget in United States history. His approach blends hoary cold-war assumptions with new and sophisticated rationales.

He wrote in the fiscal 1975 annual Defense Department report: "The United States today, as opposed to the period before 1945, bears the principal burden of maintaining the worldwide military equilibrium which is the foundation for the security and the survival of the free world. This is not a role we have welcomed; it is a role that historical necessity has thrust upon us. . . . There is nobody else to pick up the torch."

The new rationales, mixing some truth with much else, include these: "Defense" is only 29 per cent of the Federal budget and 6 per cent of the gross national product. There are higher costs because of the volunteer Army. The military budget barely keeps up with inflation. The United States cannot afford to stand by idly while the Russians expand their strategic arsenal.

Before an examination of these rationales, there should be scrutiny of the form and size of the Administration's request. It comes in several packages, masking the full extent of the authorization sought for fiscal 1975, which begins July 1. The Pentagon is seeking $92.9 billion in "obligational authority"—funds to be spent in fiscal 1975 plus some down payments on planned weapons systems—as well as $6.2 billion in supplemental funds for the current 1974 fiscal year.

Approving a separate supplement to last year's budget makes fiscal 1974's share look bigger, fiscal 1975's smaller.

John C. Stennis, chairman of the Senate Armed Services Committee, was not fooled. On Feb. 5, he said that "the sum of these two requests is $99.1 billion," and that "this sum compares to $80.2 billion," which was "appropriated for the Department of Defense last year for fiscal year 1974."

When the Atomic Energy Commission's weapons program is added to this sum, it breaks the $100-billion barrier. The size of this request is unprecedented in war or peace.

The Government's bookkeeping system was changed in 1968. Before then, the Federal budget was composed of the total expenditures of the executive agencies. Since then, the budget has also included expenditures from such sources as social security, the highway trust fund and railroad retirement. As a result, largely because of higher social security payments Federal outlays have increased 23 per cent in two years. With a bigger "pie," the slice for "defense" looks relatively smaller even when it sets a record.

The important point about the trust funds is that Congress cannot dip into them for other purposes. When the Federal budget is recalculated along pre-1968 lines the figures look very different: 40 per cent for the military, plus another 19 per cent for the costs of past years—veterans payments and interest on the national debt. This total of 59 per cent is the same for fiscal 1975 as fiscal 1974. The balance of 41 per cent is what Congress might hope to control for such programs as education, health, environment, energy, and agriculture—or return to the taxpayer in tax cuts.

As for the gross national product, the decline in the military's share reflects only a growing national economy; in absolute terms the military budget has been steadily rising. More domestic appliances and buildings need not be matched by more missiles and bombers. If the economy expands during a period of relative international calm, why shouldn't the military's share decline?

Military pay has risen considerably in recent years, but not because of the volunteer Army. The key decision to make military pay comparable to civilian wages, by linking it to civil-service grades, was made in 1967, six years before the end of the draft. The goal was equity, not a volunteer force. Ensuing pay hikes helped close the gap between military and civilian incomes even before the ending of the Vietnam war and the draft. The war was unpopular enough without perpetuating low pay in the armed forces.

Military-personnel costs are indeed swollen, now consuming 56 per cent of the "defense" dollar. A major factor, which the Pentagon fails to cite, is the top-heavy command structure. There are today more senior officers commanding 2.2 million men and women than there were during World War II commanding 12 million—the consequence of years of vested career interests, not of the fledgling volunteer Army.

The ranks of Pentagon civilians are also swollen, with almost one for every two in uniform, at an annual cost of $17 billion.

A staff study by the Joint Congressional Economic Committee estimates that military budget requests are up 8 per cent over last year after allowing for wage and price increases, including fuel costs. Moreover, military spending is a prime source of inflation, pumping large sums of money into the economy without producing goods and services the public can buy.

Exactly one line in Mr. Schlesinger's 237-page annual report is devoted to the statistic that Robert S. McNamara saw in 1967 as the "most meaningful and realistic measurement of nuclear capability": the number of separate nuclear warheads. That line reveals that in mid-1973 the United States had 6,784 strategic warheads, the Soviet Union 2,200. By mid-1974, the United States will have 7,940, the Soviet Union 2,600. Each warhead can destroy a city. We will soon have 36 warheads for each of the Soviet Union's 219 major cities, not counting thousands of tactical nuclear weapons. This is overkill.

But Mr. Schlesinger is worried. The Russians are testing four new missiles with big payloads. Six years after the United States, they are expected to start fitting independently targeted multiple warheads on their missiles. At some future point, the Secretary says, they could have 7,000 powerful warheads with which to threaten American land-based missiles.

Even if one assumes that the Russians could destroy every American intercontinental ballistic missile in its silo, a single hard-to-locate Poseidon submarine could devastate 160 separate major targets in the Soviet Union. Instead of emulating the Soviets in meaningless build-ups, the United States should try to negotiate real reductions in overkill capacity.

THE BLACK PRISONER AND THE CRIMINAL JUSTICE SYSTEM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. RANGEL. Mr. Speaker, I place in the Congressional Record an editorial which appeared in the Sacramento Observer, regarding the relationship of the black prisoner in the criminal justice system. Too little attention has been given to the plight of the black prisoner in America and therefore, I am pleased to bring this excellent editorial to the attention of my colleagues in the House and the Senate:

The Black Prisoner and the Criminal Justice System

Perhaps the most frequent criticism one hears Black people level at the totality of the criminal justice system, relates to the blatant inequities between the treatment of Black and white offenders.

Casting aside the likes of pseudo-justification such as the proclivity of Blacks to engage in criminal behavior, one can find adequate statistics to support the inference that the system incarcerates Blacks at a rate so disproportionately high as to suggest a designed policy of acquiring direct physical control over Blacks whenever possible.

Keeping this in mind, it is appropriate to take a look at a few statistics that relate to non-whites (Blacks in most cases because there is a separate category that identifies Spanish speaking individuals in much of the data) and whites in their respective roles as institutionalized offenders.

32 PERCENT OF INMATES BLACK

During 1970, the State of New York committed 2,561 non-white and 879 white felons to its State penal institutions.

Of approximately 24,000 inmates in California State penal institutions, 32 per cent are Black despite the fact that Blacks account for only about 8 per cent of the state's population.

At the time of the Attica Prison revolt in 1971, the prison population was 54.2 per cent Black, and 8.7 per cent Puerto Rican.

According to the 1970 U.S. Census relating to "Persons in Institutions and other Group Quarters," there were 14,675 whites, 6,071 Blacks and 1,758 persons of Spanish origin in Federal Prisons that year.

According to the same report, whites, Blacks and persons of Spanish origin in state prisons in 1970 numbered 99,933, 74,671 and 11,838 respectively.

FROM U.S. CENSUS

Of course, the figures from the Census Bureau are subject to challenge as even that agency makes no claim as to their accuracy; however, the figures cited respecting the States of New York and California are assumed to be correct, having been supplied by the appropriate departments from those states.

NOT UNIQUE

The shocking thing about all of this is the fact that these figures are by no means unique. Similar percentages exist all across the country regarding those states that have a Black population that is somewhat greater than negligible.

Thus the simple fact of the matter is that Blacks are disproportionately over-represented in the national prison population.

The results of this overly representative population are probably best examined and explained by qualified psychiatrists, psychologists, sociologists and criminologists, but one need not possess any of those credentials to discern that a high Black inmate population and few Black guards (correctional officers) depicts a situation that is somewhat analogous to the plantation system of the antebellum South.

ATTICA'S CLARITY

The Attica uprising brought the prevailing situation into crystal clarity for though that institution had a correctional officer staff of roughly 400 not one was Black, and there was only one who was Puerto Rican.

Further, there are additional problems encountered by Black prisoners and not all of them can be discussed within the confines of this article. Nor is it to be inferred that the treatment of Blacks in prisons is significantly different from that they receive pursuant to arrest and trial. Incidents in Philadelphia—where Black Panthers were forced at gunpoint to strip to the nude and submit to police searches on a public street following a confrontation—and San Francisco—the so-called "Zebra" searches—would seem to support charges that racism abounds throughout the criminal justice system.

NUMBER OF BLACKS

Another existing situation deserving of attention in spite of space constraints is the disproportionate number of Black and other minority prisoners who comprise the population of those housed in solitary confinement. Certainly one should not accept at face value claims that only the most violent inmates or those in need of protection occupy such quarters.

Finally, one must look at the plight of many Black prisoners as being a mere extension of the difficulties Blacks encounter in the society at large. After all, can one really expect the correctional officer who has racist inclinations to sublimate those attitudes simply because he is charged with certain custodial responsibilities? For if anything he may well be prone to exhibit those same tendencies during periods of stress or whenever he can justify his anti-Black behavior as being necessary (after quelling the Attica rebellion many of the correctional officers staged a rally and shouted "White Power!")

Moreover, it would seem that given the negative experiences of many Black people regarding racism, it would be absurd to believe that the Black prisoner is always at fault, especially when being Black has at times been construed as manifestly criminal behavior.

ALTERNATIVE TO BILLBOARDS

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. HUNGATE. Mr. Speaker, for a number of years now, my Subcommittee on Environmental Problems Affecting Small Business has been holding hearings on small business opportunities in outdoor recreation and tourism. Last summer the subcommittee received testimony from over 80 witnesses representing small businesses in Missouri, Minnesota, and Wisconsin and one of the problems we continually heard is the difficulty in acquainting tourists with the location of their establishments. Many resort owners who were located by lakes or rivers and were therefore not adjacent to main highways complained of decreasing business because travelers could not find their establishments.

Recently, Michael A. Olson published an article in the Washington Post which, while it may not be the final answer, offers an interesting approach as to how to solve the problem of acquainting the traveling public with the location of local services.

The text of this article follows:

ADVERTISING ALTERNATIVE

(By Michael A. Olson)

The proliferation of advertising signs along our highways has seriously marred the landscape in many areas. It is time that we look for some alternatives.

The easy solutions are rarely the best. Some would ban outdoor advertising altogether. But this solution, I am afraid, unthinkingly destroys with one hand while it builds with the other. We need a more rational approach, one which acknowledges man's legitimate place on this planet and his needs as well as the place and needs of plants and the animals.

Some businesses, especially those related to tourism, depend heavily on outdoor advertising for their survival, and their survival is in itself a good and desirable thing. We are just as dependent on their products and services as we are on our natural resources.

But instead of each business plastering all the available space along the highways, each competing for attention, with more, larger and gaudier signs, this information could be gathered in modern day "kiosks" or automated information centers near rest areas and near strategic crossroads and junctions. It would seem far more efficient and safe for tourists to be able to pull off the road and get a good idea about the products, services and points of interest in a given area from one source than to have to watch for signs and perhaps miss something they want to see.

Some states have beautiful and effective "Welcome Stations" on major traffic routes, which are effective means of promoting the attractions of the state. Sometimes, however, the information these stations have to offer is not specific enough. Most often such state run "Welcome Stations" are prohibited by law to promote specific private enterprises, such as restaurants, motels and stores—all necessary to tourists. These businesses are then forced to put up billboards. Unfortunately some very worthwhile but small enterprises such as cottage industries, craft shops and the like, which often really have the products which are unique to an area, cannot afford effective outdoor signs.

Simple kiosks placed where people might naturally stop anyway, containing small individual advertising signs with necessary directions, may be sufficient in some areas. Such kiosks could be sponsored and maintained either by towns, counties, civic associations, chambers of commerce, advertising companies or individuals, any group or person who has the imagination and the will to do it on a profitmaking basis. The display would present a challenge in good design so that it is effective, vandal-proof and attractive.

A more elaborate version might include an "information machine" which with modern day technology could be a computerized superguide to any specific area. One feature of such a machine for instance, could be the vending of business cards or brochures of businesses and services. For as little as a penny or a nickel a tourist could obtain the information he wanted and then redeem his small investment plus a bonus, perhaps, at that place of business if he makes a purchase or even if he visits the shop or store. The machine could provide print-outs for people of varying interest: "Where are the fish biting?" "Where can I get my Edsel fixed?" "Where are the local artists and craftsmen hiding out?" "Where is the nearest all night drug store?"

Perhaps a corporation, like the telephone companies, would be interested in developing and managing such automated information centers. They would have to compete with the costs of outdoor advertisers as they are or prove that the new way is more effective. If the job of communicating an ever increasing demand for specific business information to the public on the road is going to be done without further downgrading of the environment, someone is going to have to jump in and take the responsibility—and reap the rewards.

DOCARE RESPONDS TO THE NEEDY

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. McCORMACK. Mr. Speaker, the capacity of the American people to feel and respond to the suffering and deprivation of underprivileged people on this Earth is one of our country's noblest characteristics. While we are a nation of plenty, a deep compassion and humanitarian drive found in the American character has brought forth manifold efforts to share our bounty with those who are less fortunate.

As in all spheres of life, there are those who give more generously of themselves than others. The members of DOCARE International are such individuals. Through their continuing contributions of time, untiring work, and money, 20th century medical care is now easing the plight of isolated Mexican Indians living in a Stone Age environment.

DOCARE stands for Doctors of Osteopathy Care. The organization was founded in 1961 by the late Dr. Ernest A. Allaby, an osteopathic physician who, in learning about the subsistent living conditions of the cave-dwelling Tarahumaras in northern Mexico, sought a way to provide critically needed health care to a people bypassed by modern civilization. He formed a volunteer health team, recruiting members from the Flying Osteopathic Physicians Association, all pilots and licensed physicians. The doctors responded enthusiastically to his call and conducted the first airlift of medical men and supplies into the wild, rugged land of the Tarahumaras.

Since that first trip 13 years ago, DOCARE has flown hundreds of mercy missions into Mexico. From a small membership made up exclusively of osteopathic physicians, the organization today has expanded to a team of some 140 medical personnel, including D.O.'s, M.D.'s, dentists, nurses, pharmacists, optometrists, and other dedicated individuals willing to devote their time without recompense to aid a forgotten people.

Coming from many sections of the United States, the DOCARE members fly across the border in their own lightweight aircraft, the only planes capable of landing on short, mountain-locked airstrips. These perilous flights are made not once a year, but as often as every 6 weeks in order to meet the critical needs of many different native tribes scattered throughout isolated parts of the Sierra Madres in northern Mexico and in the Yucatan.

Cut off from the world by mountains, jungles, ignorance, a language barrier, and deeply inculcated fears and hostilities toward the outside world, the Indians in these areas live a life little changed from that of their Stone Age ancestors. Malnutrition, smallpox, dysentery, typhus, and typhoid are rampant. Four out of five children die before the age of 5; adults rarely live past 45.

With persistence and patient understanding, the DOCARE team has slowly begun to overcome the superstitions and fears that first kept villagers away from their makeshift clinics. The mercy missions are finally winning out over the witch doctors. Some villagers walk as far as 40 miles to receive medical care. In other cases, the doctors must go to the natives, visiting their cave dwellings accessible only by jeep.

Enduring hardship and strain with little thought of their own comfort, the DOCARE team members work 12 hours a day for 6 or 7 consecutive days on each trip. The primitive conditions and language barriers make the task of dispensing care to hundreds of Indians even more difficult. Local missionaries help with advance preparations and serve as interpreters.

Medical supplies, drugs, surgical equipment and food are carried into the villages on each flight, but they are quickly exhausted. Hospital beds, sheets, medical instruments, X-ray equipment and other supplies are always critically needed.

Osteopathic hospitals throughout the country have helped to support DOCARE by collecting usable supplies and equipment. Pharmaceutical companies have responded to the organization's needs with donations of special medicines and drugs. However, much additional equipment, such as jeeps, helicopters, and medical apparatus, is needed to expand the DOCARE program into other remote areas.

Although the Indians do not fully understand the efforts of DOCARE, they know that the doctors are there to help them overcome disease and death. The sounds of aircraft hovering over their heads have come to mean help and hope for their children and future generations.

Indeed, as long as there are individuals with the compassion and dedication shown by the osteopathic physicians who founded DOCARE, and by all the individuals who now support and participate in its efforts, there is help and hope for all those in the world who suffer unduly. DOCARE is truly a source of inspiration for all members of the human race.

IMPEACHMENT IS A PROCEDURE, NOT A CRISIS

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. MATHIS of Georgia. Mr. Speaker, although the term "impeachment" has now become a household word, its precise meaning and implications continue to elude many Americans. Recently, one of my constituents, Judge Julian Webb of the Georgia Court of Appeals, delivered a lucid analysis of the historical aspects of impeachment at Mercer University's Law Day ceremony, and I commend this newspaper account of Judge Webb's speech to the attention of my colleagues and other readers of the CONGRESSIONAL RECORD.

[From the Donalsonville (Ga.) News]

IMPEACHMENT IS A PROCEDURE, NOT A CRISIS, WEBB TELLS LAW DAY AUDIENCE

Acknowledging that the term "impeachment" casts a spell of uncertainty in the hearts of much of the populace, Judge Julian Webb of the Georgia Court of Appeals told a Mercer University Law Day audience Friday that "the mere fact of the procedure should not be viewed as a constitutional crisis."

Carefully avoiding any mention of parties or personalities by name, Judge Webb said, "Regardless of what views we may hold on the national administration and developments of the past eighteen months, there is one constitutional exercise we are going to hear and read much about for the remainder of this year.

"That word is 'impeachment.' It is a constitutional process, contemplated by the founders of our Republic, referred to seven times in scattered references throughout the constitution," he said.

Judge Webb said impeachment is "a political procedure, yes. A constitutional crisis, no. Painful, perhaps. Debilitating, maybe. Cleansing, no one knows."

The judge quoted Alexander Hamilton, who wrote, "The want of confidence in the public councils damps every useful undertaking; the success and profit of which may depend on a continuation of existing arrangements . . . In a word, no great improvement or laudable enterprise can go forward, which requires the auspices of a steady stream of national policy."

"But the most deplorable effect of all is that diminution of attachment and reverence, which steals into the hearts of the people, towards a political system which betrays so many marks of infirmity, and disappoints so many of their flattering hopes," the judge continued with the Hamilton quotation. "No government, any more than an individual, will long be respected without being truly respectable; nor be truly respectable, without possessing a certain portion of order and stability . . ."

Judge Webb, who received both the A.B. and LL.B (J. D.) degrees from Mercer, spoke at a luncheon in Mercer's Connell Student Center during the University's 26th annual Law Day celebration. He was introduced by Judge Irwin H. Stolz Jr., also of the Georgia Court of Appeals.

He urged his listeners to "become better acquainted with the history of our country, and the background and meaning of the Constitution."

"Then we may realize that almost every important action, and interaction, that affects us has a relationship in some way to our nation's supreme law."

Early in his talk, the Judge posed the question: "How can we expect and rightfully ask our people to have respect for, and to uphold, the laws of the land when many of those to whom our citizens have entrusted the responsibility of leadership have little or no knowledge of, or respect for, our organic law?"

"How can our nation continue to survive," he asked, "if we permit violations of the Constitution's terms and provisions almost daily to the detriment of the citizenry?"

Judge Webb traced the genesis of the United States Constitution and the impeachment process, and quoted Hamilton's views on why the House should accuse and the Senate decide in the impeachment proceedings which Hamilton called a "national inquest."

"Hamilton eloquently stated that the courts were not suited to handle such a task," Judge Webb said, and "that a numerous body was necessary because of the nature of the proceeding." Hamilton added, too, the judge said, that it would not be right for the courts to try impeachments and later sit also on a criminal charge.

Concerning the present predicament in which the nation finds itself, Judge Webb said, "I acknowledge that those in high places, and especially some of the sycophants, in pharisaical phrases uttered in public places attempt to reassure the American people that full disclosure will clear those against whom the accusing finger of righteous indignation points. And well it might—indeed I hope so, not only for those who occupy the hot spot, but for the good of our nation. But if indeed 'full disclosure' will clear up those questions that harass us, why the delay?"

". . . If we can gauge the present tenor of the people of this country," Judge Webb said, "it is this:

"The time has come to follow orderly paths to achieve justified results.

"The time has come to face up to the questions when they present themselves.

"The time has come to make our decisions, as a matter of law, on the facts which are before us, taking care to protect the rights and privileges of all our citizens under the Constitution.

"The time has come to get to the heart of issues.

"The time has come to call them like they are."

RESULTS OF THE FOURTH ANNUAL OPINION SURVEY OF THE 19TH OHIO CONGRESSIONAL DISTRICT

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. CARNEY of Ohio. Mr. Speaker, on March 28, and March 29, 1974, I sent approximately 155,000 questionnaires to the residents of the 19th Ohio Congressional District. I asked my constituents their opinion on some of the major issues facing our district and the Nation. Approximately 25,000 questionnaires were completed and returned to me—many of them answered by both husband and wife.

Mr. Speaker, I would like to insert the results of my fourth opinion survey in the RECORD at this time for the information and consideration of my colleagues in the U.S. Congress. The results of the questionnaire together with a news release summarizing the highlights of the survey follow:

CONGRESSMAN CARNEY ANNOUNCES RESULTS OF FOURTH ANNUAL OPINION SURVEY

Congressman Charles J. Carney (19th Ohio District) today announced the results of the fourth annual opinion survey of the 19th Ohio Congressional District.

"On March 28th and 29th, my fourth annual questionnaire was mailed to approximately 155,000 residences in the 19th congressional district. Approximately 25,000 of these questionnaires were completed and returned to my office."

"A majority of those who responded to the questionnaire think that inflation, especially the cost of food and fuel, is the number one problem facing our nation today," Congressman Carney said.

"Nearly three-fourths of all respondents feel that President Nixon should resign or be impeached for his role in the Watergate affair and related scandals, while about one-fourth of all respondents believe that Congress should get off the President's back and let him serve out his term."

"The question on impeachment was answered before the White House released the Watergate tape transcripts to the public," Representative Carney noted.

"Most of the men answering the questionnaire see unemployment and the need for industrial growth and industrial diversity as the most serious problem facing the Mahoning-Trumbull County area, while most women see crime, drugs and court leniency as the most serious problems."

"I am placing the results of the fourth annual questionnaire in the *Congressional Record* for the information and consideration of my colleagues in the Congress," Representative Carney concluded.

RESULTS OF FOURTH ANNUAL QUESTIONNAIRE SURVEY OF THE 19TH OHIO CONGRESSIONAL DISTRICT

1. The President's authority to control wages and prices expires on April 30, 1974. What action should Congress take regarding these controls:

a. Congress should extend the President's authority to control wages and prices for one more year. His 12%, hers 9%.

b. Congress should not extend the President's authority to control wages and prices. His 15%, hers 16%.

c. Congress should pass a new, stronger law that will be more effective in controlling prices and more fair to working people. His 73%, hers 75%.

2. Do you think that year-round Daylight Savings Time should be abolished?

a. Yes. His 57%, hers, 58%. b. No; His 43%, hers 42%.

3. How should campaigns for election to the Presidency and Congress be financed?

a. The present method of financing Federal election campaigns should be maintained. His 8%, hers 6%.

b. There should be strict limits on the amount of money a candidate can spend and also on the amount of money an individual citizen can contribute. His 68%, hers 71%.

c. Each small contribution to a candidate should be matched by an equal amount of public funds. His 5%, hers 3%.

d. Campaigns for Federal offices should be financed totally from public funds and no private individual contributions should be allowed. His 19%, hers 20%.

4. If there is a gasoline shortage this spring and summer, which policy do you favor?

a. Allow the price of gasoline to increase in order to reduce the demand. His 15%, hers 11%.

b. Raise the tax on gasoline in order to reduce the demand. His 3%, hers 4%.

c. Establish a nationwide gasoline rationing program with coupon books. His 32%, hers 34%.

d. Let each State decide how to distribute its gasoline allocation. His 50%, hers 51%.

5. What policy should Congress adopt toward the oil industry?

a) Tax the excess profits of oil companies. His 33%, hers 36%.

b) Regulate the oil industry like the public utilities with a fixed profit. His 46%, hers 43%.

c) Nationalize (government ownership of) the oil industry. His 10%, hers 11%.

d) The government should assume a hands-off position. His 11%, hers 10%.

6. Which statement best describes your views about the Watergate affair and related scandals?

a) I believe that the House Judiciary Committee should stop investigating President Nixon and let him serve out his term. His 28%, hers 26%.

b) I have lost confidence in President Nixon and feel that he should resign. His 26%, hers 29%.

c) I believe the House of Representatives should vote to have the Senate hold a trial to determine President Nixon's innocence or guilt of the charges related to Watergate. His 46%, hers 45%.

7. What do you think is the most serious problem facing our nation?

HIS

1. Inflation, 51%.
2. Corruption, 20%.
3. Nixon, 9%.
4. Energy crisis, 8%.
5. Crime and drugs, 6%.
6. Unemployment, 5%.
7. Miscellaneous, 1%.

HERS

1. Inflation, 49%.
2. Corruption, 23%.
3. Nixon, 9%.
4. Energy crisis, 8%.
5. Crime and drugs, 7%.
6. Unemployment, 3%.
7. Miscellaneous, 1%.

8. What do you think is the most serious problem facing the Mahoning-Trumbull County area?

HIS

1. Unemployment, 30%.
2. Crime and drugs, 29%.
3. Inflation, 11%.
4. Pollution, 9%.
5. Corruption, 6%.
6. Mass transit, 5%.
7. Water and sewers, 4%.
8. Roads, 3%.
9. Miscellaneous, 3%.

HERS

1. Crime and drugs, 29%.
2. Unemployment, 23%.
3. Inflation, 14%.
4. Pollution, 12%.
5. Roads, 6%.
6. Mass transit, 5%.
7. Water and sewers, 4%.
8. Corruption, 3%.
9. Miscellaneous, 4%.

POST-WATERGATE MORALITY: YOU TAKE THE LOW ROAD

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. HARRINGTON. Mr. Speaker, as the issue of impeachment continues to be debated by the Judiciary Committee, and a "crisis of confidence" in the institutions of government continues to develop the possibility that all politicians will come to be seen as suspect is an increasing problem.

I am submitting for the RECORD an article by Richard Reeves of New York magazine, entitled, "Post-Watergate Morality: You Take the Low Road," which deals with this question. In the article, Reeves makes it clear that it is impossible to "take the politics out of politics," and that some ostensible efforts at reform end up slighting legitimate political processes. Mr. Speaker, at this point, I insert Mr. Reeves' article:

POST-WATERGATE MORALITY: YOU TAKE THE LOW ROAD

(By Richard Reeves)

The post-Watergate morality—forget it for a while. It's post-Watergate, all right, but it's not going to be very moral. We're headed for the deep and dirty: low-road politics in the 1974 congressional elections.

Ambitious Democrats are trying to brand each other crooks. Desperate Republicans are going for the groin—racial fear and Teddy at the Bridge. This is how it begins:

Politics under the Napoleonic Code: a politician is guilty until proven innocent. The best example to date is the current Ohio Democratic primary for the U.S. Senate, where John Glenn put himself in contention by charging that it was "unpatriotic" for Senator Howard Metzenbaum to take advantage of legal income-tax deductions. "I'm honest," said the ex-astronaut before he had forced Metzenbaum to release all of his tax returns for the past thirteen years. "What does Metzenbaum have to hide?"

A lot of Republicans feel cornered and they're yelling "black." In the special election in Ohio's First Congressional District (Cincinnati), Willis Gradison, the losing Republican candidate, put it this way: "It bothered me . . . but I had to go with busing." So, his television commercials showed white children being led onto buses in darkness, and his poll ratings jumped, according to private Republican samplings. "Three more days of flooding TV with busing and we would have won," said Edward Maye of the Republican National Committee, the G.O.P. professional in charge of '74 congressional races.

High-minded reformers, particularly at Common Cause, insist on implying that all politicians are crooks—they sometimes seem to be hinting that everybody but them is larcenous at heart. In California, Common Cause is pushing an initiative to require anyone who contributes $50 or more to a campaign to give his or her name, address, and employer's name. That's a terrific way to keep a lot of people out of politics—I don't want my boss to know my politics.

The Teddy factor. Too many Republicans—including a number of congressional candidates I've heard—seem to think America can deal with Watergate by displaying bumper stickers that read: "Nobody drowned at Watergate." Chappaquiddick doesn't excuse Watergate, and Nixon doesn't excuse Kennedy. I can't believe I'm the country's ranking idealist, but I am regularly astounded that the Republican party would allow those stickers to be sold at official party functions.

The traditional alliance of ambitious prosecutors and ambitious reporters is getting more unholy these days. The road to the top in both businesses can be paved with the carcasses of politicians—which is fine if you really have something on the pol. Believe me, though, it's awfully easy to put together general suspicion, a rumor, and a couple of unrelated facts to make a district attorney and a reporter look good while a public official looks like a crook.

All politicians are not crooks. All Americans who contribute to political campaigns are not trying to buy the government. In fact, I've always had the feeling that the public ethic is higher than the private ethic in this country. It may just be that more things are illegal for public officials—they can go to jail if they get caught doing what your friendly corporate purchasing agent does every day.

Personal integrity is obviously going to be the name of the game in 1974. That sounds nice—but try to prove you have it, or, rather, try to disprove an accusation that you don't. The best defense is to never have done anything except stay at home watching television.

Th hottest place in hell may be reserved for those who remain neutral, as John Kennedy was fond of saying, but the seats in the Ninety-Fourth Congress may be reserved for them, too.

Russell Hemenway, the national director of the National Committee for an Effective Congress, which has done extensive polling in preparation for 1974 races, says that nonparticipation may be the major qualification for many members of the new Congress. "Virginal assholes," he has called them in unguarded moments.

Metzenbaum-Glenn was a classic know-nothing campaign. There were no issues raised in the campaign other than the facts that Metzenbaum was negotiating a dispute with the Internal Revenue Service over a challenged $118,000 business depreciation deduction, and paid no federal income taxes in one year, 1969, because of other business deductions. There was no question of illegality; Glenn just said it was unpatriotic to take advantage of loopholes. Metzenbaum's business career and integrity are certainly legitimate issues—tax law and loopholes are vital issues—but they are not the only issues that should be discussed in a U.S. Senate campaign.

If tax returns are going to be the only issues in political campaigns, there are going to be a lot of very good potential candidates who will never even consider going near politics. Maybe they don't want the world to know their alimony payments. Maybe they don't want anyone to know about psychiatric deductions for their children. Maybe they don't want to publicize the profitability of the family grocery store. Or maybe they just don't want their wives traveling the state, as Shirley Metzenbaum had to do, pleading: "If only you knew my husband like I do. He's a wonderful, honest man."

Earlier this year, in the southwestern corner of Ohio, Eddie Maye and the Republican National Committee team moved in to help Gradison try to pull out his losing race against Democrat Thomas Luken. Using television, sound trucks cruising white neighborhoods, and telephone canvassing, the Republicans hit one issue—busing—and their surveys showed a late 10 per cent shift of voters from Luken to Gradison. The message was, "Forced busing to achieve some artificial quota is a cruel experiment with our children." And it will be heard throughout the land, even if some Republicans, like Gradison, are afraid they may be tearing the country apart again. But they think that they have to—that's the shape Nixon has left them in.

The do-gooders—Common Cause, et al.—don't want to divide the country, they just seem to want to take the politics out of politics. They are good people, and I personally agree with most of their specific goals, but they tend to see themselves as *the* good people, so good that they know what's best for everybody. You sometimes get the impression that their idea of perfect democracy is John Gardner giving us a list of five approved names and telling us we may pick a President from it.

Basically, they're disillusioned with the theory of "countervailing forces" that James Madison thought would keep us free. They think certain forces—"special interests"—are too powerful to be countervailed and that something called "the public interest" must be served. I would argue that one man's public interest is another's tyranny.

If Common Cause is interested in some friendly advice from a non-member, maybe it should take another look at the tone of some of its pronouncements. Like: "To put Common Cause's program in perspective, John Gardner has outlined steps that citizens must take to rebuild the foundations of our government." Or maybe it should just publish a little book called "The Thoughts of Chairman Gardner."

My basic gripe with the super-reformers goes deeper than their sanctimonious style, however. They are essentially anti-politics. And politics, per se, is not a bad word; discrediting politics and all politicians in the name of virtue is not my common cause.

The alienation of the super-reformers is a little frightening. Ramsey Clark, who wants to be a senator from New York, proposed a couple of months ago that a national commission be established to investigate F.B.I. and other federal surveillance of radical groups during the 1960's. The commission, in his words, would be composed equally of members of Congress and "representatives of the public."

The Constitution of the United States says that the Congress shall be the representatives of the people, elected by the people. Who would pick these new "representatives"? Ramsey Clark? John Gardner? The President? Themselves?

The Kennedy impact on campaigning is obvious. Once charges about and inquiries into his active private life become more routine, similar peeks into the affairs of other public people become inevitable. And once the dirt begins to fly, a lot of otherwise tempted worthies will stay out of politics if they don't want their tax returns or first marriages discussed on the nightly news.

Prosecutors and reporters have always been in a limited partnership in exposing or just probing other men's problems, indictable or not, and advancing their own careers, ethically or not. When the phone on the metropolitan desk of *The New York Times* used to ring a few years ago, there would sometimes be laughing side-bets on whether the caller would be Robert Morgenthau, then the U.S. attorney for the Southern District of New York, or Burton Roberts, then district attorney of the Bronx. Both men's cases had a way of getting into print before getting near a judge—and both men would be quoted the next day as saying it was their practice never to comment publicly on cases under investigation.

Post-Watergate, the stakes are higher, the headlines bigger, and the information sketchier. In New York, just ask former City Purchase Commissioner Marvin Gersten, former Deputy Mayor Richard Aurelio, or Supreme Court Justice Irwin Brownstein, whose "cases" have been to trial on the front page of *The Times*, but never in a courtroom.

In one state, a prosecutor of small distinction has been bragging that he will be on the state ticket this year because "these guys [party leaders] have to support me; I can go after any one of them if they don't."

Some months ago, then acting district attorney of Queens, Frederick Ludwig, summoned Howard Samuels, then the president of the New York Off-Track Betting Corporation, before a grand jury, simultaneously summoning five television stations and four newspapers. The grand jury questioning turned out to be five minutes about O.T.B. office-easing procedures—which the D.A. could have read in city manuals—but crime-busting Ludwig, using Samuels' media draw, made the *Six o'Clock News*. Viewers were left to speculate as to what they really had on Samuels.

The fact is that every politician is a sitting duck in 1974—and a lot of other politicians have no compunction about taking a few pot shots. It's going to be a dirty year of slander, self-righteousness, and Rum, Romanism, and Kennedy—and more and more people will turn away from politics, this little experiment in self-government we've been running here for a couple of hundred years. Think of it as another going-away present from Richard Nixon and his merry men.

THIRTEENTH ANNUAL CONFERENCE OF NORTHERN SEABOARD LEGION OF HADASSAH

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. LONG of Maryland. I would like to share with my colleagues a speech I gave on May 15 to the 13th Annual Conference of the Northern Seaboard Region of Hadassah in Baltimore, Md.

SPEECH OF HON. CLARENCE D. LONG

I am privileged to be here tonight during the 13th Annual Conference of the Northern Seaboard Region of Hadassah and to be in the company of Charles Vanik—one of the kneenest men in Congress and certainly one of the most respected.

Charles Vanik has led the move to press the Russians to allow free emigration of their minorities. He has proved alert to recognize the problem, to devise a legislative solution, and to mobilize support to get his legislation acted upon. I am proud to have been an early co-sponsor of the Vanik amendment on behalf of Russian Jews.

Charles Vanik has not limited himself to the cause of Soviet Jewry, however important. A member of the powerful Ways and Means Committee, he has fought for energy conservation, Social Security increases, and tax reforms. Here also I have joined with him to abolish the special tax credits enjoyed by American oil companies, tax credits which have encouraged foreign rather than domstic oil exploration and production. Congressman Vanik's victory today in the Democratic Caucus, which has opened the way for flood consideration of his proposal to end foreign tax credits, illustrates yet again his remarkable ability to build support for his initiatives.

Hadassah is to be congratulated on inviting Congressman Vanik here tonight. It is to be congratulated, too, on its devotion to the causes which Mr. Vanik and I have tried to advance. Two years ago, I had the privilege of inspecting the Hadassah Medical Center in Jerusalem with its extensive teaching, research, and healing facilities. Hadassah's other community health and youth programs in Israel are as admirable.

We are all wondering what the current Middle East peace negotiations will produce. Today's murder of Israeli children is one more attempt to abort an Israeli-Syrian disengagement and set back progress toward a general peace settlement.

Tomorrow I am introducing a resolution condemning these murders and calling on the President to ensure that any Middle East peace settlement place squarely on the goverments harboring terrorist groups the responsibility for ending their terrorists activities.

If only these first, halting steps toward peace can continue, the future need not be dark. Given peace. Israel can, with our help, absorb increasing numbers of immigrants. Israel can also play a central role in a renascent Middle East—as a provider of technical expertise in semi-arid agriculture, precision manufacturing, and applied science.

I shall continue to support Charles Vanik's efforts on behalf of Soviet Jewry just as I shall continue to ensure through my position as ranking majority Member of the Foreign Operations Appropriations Subcommittee that the United States continue to appropriate the aid that Israel so desperately needs for its defense, its new immigrants, and an improved quality of life for the average Israeli, who must surely lead the most austere existence of any person in the developed world.

Israel has loyal friends in the United States. Hadassah is high among them. And Hadassah and Israel have staunch friends in the Congress. Among the most unfailing is Charles Vanik of Ohio.

REVENUE SHARING FLAGS AT LOCAL LEVEL

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. RANGEL. Mr. Speaker, this is a year in which many social services are being reorganized. Greater discretion is being delegated to the local and State governments in areas such as welfare, housing, and community development. The rationale behind the dismantling of federally administered programs is that the individual locales can best identify their needs. Our 2-year experience with the revenue sharing program offers an indication of the efficacy of this concept. By title I of the State and Local Assistance Act of 1972, $2.8 billion was made available to local units of government. The report on expenditure of these funds has yielded some disappointing results. I would therefore like to submit the following article which appeared in the Cleveland Press on April 24. Before Federal relief programs are entirely phased out, we must give more serious consideration to the implications and alternatives.

The article follows:

Revenue Sharing Plan for Localities Is Flop

(By Vernone E. Jordan, Jr.)

Revenue sharing has proved itself to be a flop. It's a success if your measurement is how much money the Federal Government can shovel into state and local governments. But if the yardstick is in how that money is used to tackle social problems and economic hardship, then the program is a miserable failure.

The big federal social spending programs of the 1960's were criticized on the ground that they didn't eliminate poverty. The present administration proposed that instead of these federal programs, the money would go to state and local governments to spend as they wished.

The idea was that these units of government were closer to the people and would be better able to judge how to spend money for resolving local problem areas.

Congress wisely didn't buy this wholesale dismantling of vital federal programs. But it did authorize a five-year, $30 billion general revenue sharing program that does not replace existing federal operations.

The federal Office of Revenue Sharing has now come out with a detailed report on how the first $2.8 billion was spent, and it's a sorry story.

The reports breaks down the spending by category. By far the biggest chunk of money, almost half, went into two areas—public safety and education.

Since these are areas that are almost always funded by state and local taxes, this new spending is really a way to avoid local tax hikes. I doubt that much of it represents new money that wouldn't have been spent anyway. And I doubt that much of it went into making ghetto areas safer or schools better.

A lot of communities frankly said that the revenue sharing money enabled them to cut taxes or to defer tax rises. So the program really comes down to the federal government borrowing money to give to state and local governments who use it to keep their own taxes down. Since servicing this debt comes out of our federal taxes, the situation has the aspect of taking from one pocket to put into the other. And it has its share of "the hand is quicker than the eye" razzle-dazzle.

What about programs to reduce poverty? Many people said that Washington is too far away; that local towns would know better where the poor are and would use the money to deal with their problems.

Not so. Out of the $2.8 billion, a measly $125 million—less than 5%—went on the combined categories of social services for the poor and aged, housing and community development, and economic development.

And even this pitiful amount is swollen by expenditures on the state level. County governments put only 2% of their cut of revenue sharing funds into those key categories. And cities and towns only put about 1% into them.

So, by Washington's own figures the revenue sharing program emerges as a giant pork-barrel scheme that spreads federal tax dollars across the country without any appreciable benefit to the sectors of our society most in need.

The President is always saying that he wants to put responsibility for programs at the level of government nearest the people. But, if anything, this experience shows that the lower the level of government, the greater the insensitivity to the problems of poverty.

It proves that, with some exceptions, states and localities are equipped with neither the resources, the experience, nor, often, the will, to deal creatively with social programs. There still is no substitute for creative, adequately financed national programs to deal with national issues, administered by the Federal Government with the advice and counsel of localities and the intended beneficiaries of those programs.

TESTIMONIAL BANQUET HONORS STANLEY LEBIDA AND KAY SUNICK

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. McDADE. The place of the Veterans of Foreign Wars in the heritage of America is one that is well known to all my distinguished colleagues in the House of Representatives. This is an organization of veterans, all of which have served overseas in the wars in which this Nation has been engaged. They are among the forefront of those who give distinguished service to this Nation in peace as well as in war, particularly in their concern for the rights of veterans who have served this Nation.

Side by side with the members of the VFW are the members of their Ladies Auxiliary. Their work is an integral part of the work of the VFW in America, and deserves the commendation and thanks of the Congress and the Nation.

Last Saturday, at the Wozniak-Pavloski Post No. 7963, the Commander of District No. 10 of the VFW, Mr. Stanley LeBida, and the president of the Ladies Auxiliary of District No. 10 of the VFW, Kay Sunick, were paid special tribute by their comrades, sisters, and friends. I was delighted to be able to take part in these ceremonies to honor two most distinguished constituents. Roy Wilson welcomed the guests and led us in the Pledge of Allegiance. District Chaplain Robert Morgan gave the invocation and benediction. Mable O. Love was toastmaster. The distinguished State Commander, Louis Rizzo, delivered the principal address, and we were favored by remarks from Mary Sosnowy, State president of Pennsylvania; Mary Flannelly, State Commander, DAV Pennsylvania; Louise Gulius, president, District No. 11; Theodore Mesh, senior vice commander, District No. 11; as well as remarks from Stanley and Kay, our honored guests of the evening.

I would commend those who arranged the banquet honoring Stan and Kay: Roy Wilson and Mabel Love, general cochairmen; Robert Morgan and Florence Scanlon, ticket cochairmen; Marie Saadi, Madelyn Williams and Elsie Sopinski, decorations; Katherine Boyce, entertainment; Agnes Horvate, programs; Ida Matchko and Gerry Miller, flowers; Anna Stets, hostesses; Janice Pratt, publicity; Peter Marcinkavage, hall; Helen Caryl, guests; and Committee Members Mary Sheridan, Madge Purcell, William Egan, Mary Egan, Liz Woods, Julie Zam, Betty Bianchi, Betty Zelno, Bessie Jones, Betty Provinzano, Josephine Novorosky, and Gerry Sabia.

I am sure that all my colleagues would join me in commending Stanley LeBida and Kay Sunick for the work which earned them this honor. I know how proud Jenette LeBida felt to see her husband so honored, as was Tom Sunick to witness the honor bestowed on his wife.

BRISTOL BAY FISHERIES DISASTER

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. YOUNG of Alaska. Mr. Speaker, I would like to take this opportunity to call my colleagues' attention to a most serious situation which has arisen in Alaska.

The world's largest and most important salmon fishery, located in Bristol Bay in southern Alaska, has met with destruction. Thousands of men and women who have depended on salmon fishing for their livelihood are forced out of work, and salmon fishing has been officially closed to Bristol Bay fishermen. Once-abundant salmon stocks are dangerously close to depletion as a result of inadequate management; a serious cause of this crisis is the Japanese fishing fleets that have taken a substantial share of the United States spawned fish. They are allowed by law to fish practically at our doorsteps and take the fish that the United States and Alaska have spent a great deal on in managing and conserving. It appears to be a wasteful effort for our tax dollars to be spent for the foreign fishing fleets that exploit stocks which rightfully belong to us.

Some of these salmon stocks may be damaged beyond repair. The State of Alaska has officially closed the Bristol Bay salmon fishery, and all those connected with this important industry and their families will be without a traditional source of income in the coming months, for an undefined period of time. Funds must be made available to help these people and to rehabilitate the depleted stocks. The Governor has declared Bristol Bay a State disaster area so that programs can be directly implemented to help this area. This is not enough, however; Federal, and State programs must be employed to rehabilitate and resurrect the destroyed fisheries.

Today the Regional Council for the Federal Disaster Assistance Administration under the President is meeting with the Governor to discuss the possibility of declaring Bristol Bay a national disaster area. It is my sincere hope that the President gives the fullest consideration to this proposal so that we can begin to rebuild the destruction wrought by foreign fishing fleets.

There should be a lesson for all of us in this tragic story. Efforts must be redoubled to establish a meaningful conservation program for U.S. fisheries, a program that will protect our anadromous fish from foreign interests, so that we can build up our fishing industry once again to the point where it is an important part of our economy.

While the law of the sea conference in Caracas this summer will hopefully accomplish such a program, interim measures must be taken before it is too late. The protection of our fishing industry is essential at this critical time.

However, we must first face up to the results of not acting soon enough, and work to rebuild the Bristol Bay fishery. My deepest feelings are extended to the individuals affected in the coming months, and I only hope that we can give them the attention that they deserve.

DEDICATED PERSONS

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. HUNT. Mr. Speaker, the Reverend George F. Hall, father of one of the SLA members who were killed last week in Los Angeles, accused the police and FBI of overreacting. Reverend Hall said:

> They were both (his daughter and Patricia Soltysik) very dedicated persons.

He went on to say that—

> I do not agree with the method, but the causes they were concerned about were of concern to all of us.

Needless to say, Mr. Speaker, this is just another of those all too often attempts to whitewash the actions of a ruthless gang of thugs who have taken the law of the land into their own hands.

About 250 million persons live in our great country, and we have, probably, 250 million points of view on how to deal with our problems. But, thank God, a majority of our citizens respect our Constitution and our laws, and attempt to bring about change in a lawful manner. We are a government of laws, and we have come down the road for 200 years because of that very fact.

We are also a country which, unfortunately, has become all too tolerant and lenient of lawbreakers. These SLA members, regardless of age, are no more than assassins, robbers, and fugitives from justice. I can find no sympathy for them or the likes of them, and take this opportunity to commend the FBI and the Los Angeles Police Department for a job well done. Although it was one of the worst gun battles ever waged between criminals and law enforcement officials no innocent persons lost their lives. The task was accomplished quickly, thoroughly, courageously, and with a sudden finality.

I just hope now the FBI and our Nation's law enforcement personnel can track down the rest of this gang before they can cause further harm and destruction to other innocent citizens. My hope is that they surrender peacefully so as to avert further bloodshed.

I submit for the RECORD Reverend Hall's remarks as reported in the May 20, 1974, edition of the Washington Star-News:

REV. GEORGE F. HALL'S REMARKS

> The Rev. George F. Hall, pastor of St. John's Lutheran Church in Lincolnwood, Ill., a Chicago suburb, accused police of overreacting in staging the massive assault on the Los Angeles house in which his daughter Camilla was killed.
>
> Officials said Camilla Hall had become friends with Patricia Soltysik after college.
>
> Hall said he met Miss Soltysik twice.
>
> "They were both very dedicated persons," he said.
>
> "I do not agree with the method," he said, "but the causes they were concerned about were of concern to all of us. I'm trying to rationalize this in my mind."

TWO DISTURBING TRENDS IN AMERICA

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. HUBER. Mr. Speaker, recently Mr. A. D. Walker, in a column entitled "Dissent" from the Detroit News, February 25, 1974, discussed two very disturbing trends in America. The first problem, as he saw it, was the fact our Federal Government is overly staffed with lawyers, who by virtue of their narrow training, tend to view everything as an adversary relationship and to be more interested in technicalities of the policy rather than its implementation.

The second problem, as he saw it, was the increasing tendency in the United States to try and pull down whoever is rising or has risen to the top, particularly as regards the Presidency. This trend only serves the cause of our enemies and weakens America.

I commend this thought-provoking article to the attention of my colleagues.

THE NAME OF THE GAME IS "GET THE PRESIDENT"

(By A. D. Walker)

> Two dangers areas of federal government operation seem to have escaped the attention and concern of the American people, the media and Congress.
>
> Number 1: The sad fact and extreme danger being overlooked is that President Nixon has almost completely surrounded and suffocated himself with a solid palace guard of lawyers. Men of good but very narrow training and very narrow, lopsided education.
>
> The curriculum of a law school course contains very little training of an advance planning or problem solving nature needed in today's complex government.
>
> The courts and the attorney general's office, of course, need to be lawyers but we have by oversight and neglect allowed both Congress and key positions in the executive branch to gravitate without challenge to a class, caste system of lawyers. This is the very thing the founding father hoped to avoid.
>
> This is not intended in any way to depreciate the worth of outstanding lawyers in government. A heavy predominance of engineers, medical doctors, teachers, professors, bankers, farmers, garage mechanics or real estate agents would be just as stupid and abhorrent a system.
>
> Congress is composed roughly of 65 percent lawyers but translating a sound idea into correct legal phraseology is the complete responsibility of the very expert lawyer-specialists of the legislative council hidden away in their basement dungeons of the House Office Building.
>
> The founding fathers did an excellent job on geographic representation but failed completely in creating a system of reasonable breadth of representation by experience and professional training. This is so essential in a complex world where our government attempts to dabble in every conceivable detail, not only of our daily lives, but is becoming more and more involved in the daily lives of foreign people. Our reward is frequently

"Yankee Go Home!" signs which we fail to read or comprehend.

Turning to the executive branch, the American Bar Association would be the first to admit the impropriety and danger of continuing a government with so little input except from the legal profession with everything tested and reasoned on the "adversary principles."

Presently no law is respected by lawyers until it is "carried all the way to the Supreme Court" (with fat fees of course for everyone.) This concept of creating new laws tends to sloppy, carelessly drawn legislation and a legitimate gnawing suspicion by the general public that Congress likes them that way to create lucrative cases for their law firms back home.

The English language is the most explicit and precise in the world today. There is no good reason why Congress cannot write clearly what it means and intends to accomplish so an average law-abiding, intelligent citizen can read it, understand it, live by it and honor it without going to court. The lawyers could then discard the cute little statues on their desks which say "Let's sue the bastards."

Good clear laws will never hurt us but the interpretation and ministerpretation of bad laws loaded with compromise and special privilege loopholes may some day bring the abrupt end of our young republic.

The overload of lawyers in the executive branch is easily illustrated by the long list of lawyers fired by President Nixon in the past 4½ years and the arrogant lawyers involved in Watergate.

Number 2: The second important facet of democracy needing the serious concern and analysis of the American people is the definite pattern of "Destroy the President" which has evolved in our generation.

The sick, subversive element and shallow thinkers don't care what his name is or what party he belongs to—just "Destroy him by any means available." Feed the media, college professors, non-profit foundations and Congress as much sick and distorted logic on any derogatory subject of current interest they will or can absorb, from ecology to energy. Some of it will rub off.

If you question this hypothesis, just recall that they destroyed President John Kennedy, they destroyed President Lyndon Johnson, they destroyed candidate Robert Kennedy, they destroyed candidate George Wallace and they are feverishly intent on destroying President Nixon.

If by change, Gerald Ford should become President, he would immediately become Target Number 1 on their "Destroy List."

"Nothing personal of course—just destroy enough presidents and eventually we will destroy the presidency and democracy itself."

Every true American worth the right to vote should take time once a year to reread the published Communist Manifesto list of "Ten Sure Ways to Destroy a Democracy" and then gulp a tranquilizer pill to get his blood pressure back to normal. It helps a lot to understand what some congressmen pass off as "Magnanimous Statesmanship."

SOLAR ENERGY CONFERENCE IN COLORADO

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. SHOUP. Mr. Speaker, recently a student-faculty environmental action group at the University of Colorado Denver sponsored—along with Colorado Central Chapter of AIA; Curriculum Information Center; Charles C. Gates Planatarium of Denver Museum of Natural History; Materials Consultants, Inc., NSF: Public Service Co. of Colorado; and Solar Energy Industries Association—a solar energy conference in Denver, Colo.

Interest in the conference was widespread with persons attending from all over the United States and from a number of foreign countries. A wide spectrum of interests was also present as conferees included representatives from government, industry, education, and a large number of individuals from the profession of architecture.

The many excellent presentations, workshops, and displays was convincing evidence that the day of solar energy is much closer than many are willing to admit. Clearly there is a large, growing, and dedicated group of people at work developing and perfecting a diverse and effective solar energy technology.

One message that came through loud and clear from this conference was the strong assertion that as of now the state of the art has reached a point where solar heating and cooling is economically feasible and is rapidly becoming competitive. Present goals are to further refine the various techniques and mechanics and to generate sufficient demand to further activate the increasing number of producers of hardware.

As an inducement to designers, to producers, and to consumers to move even faster and further into this field, I propose that Congress go on record with an expression of its support and encouragement for the development of this infinite and environmentally desirable energy resource. Appropriate to this would be the following resolution:

HOUSE RESOLUTION—

Whereas it would serve the vital interests of the United States to develop reliable, domestic, nonpolluting sources of energy; and

Whereas it would also serve the vital interests of the United States to lessen dependency on foreign petroleum and to conserve domestic fossil fuel reserves to the maximum extent possible; and

Whereas present technology exists whereby solar energy may be utilized as either the sole source of heating and cooling for homes and offices or as a significant supplement thereto; and

Whereas Congress desires to express its support and encouragement for the development of solar energy: Now, therefore, be it

Resolved, That it is hereby declared to be the sense of the House that—

In the planning, designing, and construction of houses, office buildings and other facilities on military reservations, in parks, and on all other federally owned property, full consideration shall be given to the possibility of utilizing solar cooling and heating systems.

GOVERNMENT INTERFERENCE CREATES MORE PROBLEMS

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. ARMSTRONG. Mr. Speaker, right now the Internal Revenue Service and the Federal Energy Office are taking action against over 50 independent propane dealers across the country.

They are not large businesses—most of these firms employ less than 50 people—but they are being prosecuted for violations of the fuel allocation regulations.

One example—a dealer in Colorado Springs made $9,000 in profit last year—but the FEO and the IRS want him to pay back more than $20,000 in refunds. They insist he should have renewed a contract at a price where he would have lost 2 cents a gallon. In another example, 13 other Colorado dealerships have already instructed their attorneys to draw up bankruptcy papers—because the firms have no money to pay the fines.

The Government's action left these small independent businessmen with a Hobson's Choice last winter—to go bankrupt by obeying the law—or to face possible prosecution, fines, and bankruptcy later.

The allocation program allowed no increase in dealer margins for 16 months, and then only a penny-a-gallon increase. This is patently impossible when all costs escalated 20 percent of the same period.

Thirteen million Americans depend on propane for heat. Does the FEO plan to insure them propane next winter by bankrupting the competitive independent dealers this summer?

The FEO says—"file an exception request" but FEO has yet to respond, except to ask for a second exception form, to those requests filed last January and February.

It is time we all realized that further interference with the market system creates more problems than it solves.

Let us take stock—now.

NUCLEAR ENERGY HAZARDS ARE POINTED OUT BY DR. WEINRICH

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. DOMINICK V. DANIELS. Mr. Speaker, in the years to come, nuclear power may well become the world's major source of energy. Despite our limited familiarity with nuclear physics, as Members of Congress we will be called upon to legislate in the area. Our decisions can have irreversible results which will be experienced far beyond our boundaries.

Dr. Marcel Weinrich, distinguished professor of physics at Jersey City State College and a deeply concerned and aware member of the scientific community, took time from his active research and teaching duties at the college to respond to our above-described dilemma. Dr. Weinrich forwarded to me the letter which he wrote to Mr. William Simon, Jr., of the Federal Energy Commission. Communications from men and women of his experience and stature must be received to insure that crucial decisions, made by the Members of Congress, are informed and deliberate ones. I now take the opportunity to insert Dr. Weinrich's letter which I believe merits the careful consideration of my colleagues.

The letter follows:

Jersey City State College,
Jersey City, N.J., April 3, 1974.
Mr. William E. Simon, Jr.,
Administrator, Federal Energy Office, New Executive Office Building, Washington, D.C.

Dear Mr. Simon: In this letter I urge you to call for a world-wide moratorium on the construction of nuclear power reactors for a period of fifteen years following the installation of the hundreds of units which have been ordered prior to this time. This communication is written with the recognition of the need to change our energy utilization patterns and of the important potential of nuclear power. In about two centuries it may indeed represent the only salvation of mankind. We must, however, also be aware of the dangers that such power plants present and that some of them are irreversible in nature. This irreversibility is what distinguishes radiation created risks from those with which we are usually accustomed. The key to the usefulness of nuclear power to the world is an increased knowledge of large reactor technology and safety gained through experience rather than speculation. To make the hazards more controllable and to keep them from becoming terminal, we must achieve a pause in the early stages of the industry's development. An overcommitment in the wrong direction would be too grave. It must also be recognized that other nations are less cautious in their nuclear industry than the United States, yet we will be affected directly by their oversight. The moratorium called for above would be a serious step responsive to the serious problems posed by fission reactors.

A great deal has been written about the safety and hazards of fission reactors. Fundamentally there are three operational categories involved: reactor accidents, fuel processing, and waste disposal. I wish to make some comments for your consideration.

1. Reactor Accidents. The effects of such an event have been judged to affect seriously anywhere from a hundred to a million individuals and everyone else in a minor way. A recent report submitted to the Atomic Energy Commission attaches a debated probability of one in a million to a major accident. That number is not as comforting as it might appear. It was issued after a preliminary report by the same group had stated that such an estimate could not be determined.

Safety always decreases in an industrial environment. A false euphoria develops, inconvenient safeguards are by-passed, impatient or preoccupied workers make mistakes, and unforeseen circumstances always occur. The undersigned having worked in three different dangerous research situations can attest personally to those phenomena, for in each case accidents did occur. They were more foreseeable after the fact. The northeastern power blackout wasn't supposed to occur either. We learned from it, however, how to reduce the possibility of a reoccurrence. The recent revelations of defects in DC-10 aircraft proves that even in well developed safety intensive industries errors occur in the design of new devices.

A great deal of publicity and confidence has centered about the Emergency Core Cooling System designed to cool a reactor core which accidently overheats and vaporizes a hole towards the center of the earth. The system is based on auxiliary diesel engines operating independently. During the northeastern power blackout the airport where I resided had an emergency power system of the same nature, but it would not go on. To compound low probabilities upon low probabilities, the governor of the state was circling about waiting to land when the failure occurred.

Restrained observers have not publicized the susceptibility to sabotage of nuclear reactors in general, and of the Emergency Cooling System in particular, but there should be an awareness that additional special precautions in procedures and in design must be incorporated.

2. Processing and Waste Disposal. No satisfactory solution for radioactive waste disposal and confinement procedures has yet been found. The relatively little amount of waste stored to date has already created numerous problems and substantial amounts have leaked from their container. The difficulty is that we must be able to control these copious wastes for thousands of years in a better way than any containment achieved so far.

The state of our knowledge with respect to the continued performance and safety of large nuclear reactors is somewhere between the arm-chair science of Aristotle and the empiricism of Galileo. In my opinion, the above observations show that we must proceed in deliberate steps and learn about the vulnerability of large reactors by experience. An overcommitment and overdependence on this source of power in an imperfect manner will lead to an irreversible increase in radioactivity on the earth to a degree and distribution yet unknown.

An unrestrained plunge towards a multitude of large fission reactors at this time is fraught with too many plausible dangers. We should not be lured into this action by the convenient availability of such reactors at a competitive price in 1974. We are fortunate that a number of economical alternatives exist for some centuries. We should capitalize on these options while we develop nuclear power safely and in the best way we can invent.

A moratorium, during which we can amass information for a cool sober look is in good order. In view of the irreversibility of the dangers at risk, it seems to me that continuation of present promotion practices needs more justification than would a halt for the purpose of examination.

Respectfully yours,
Marcel Weinrich, Ph. D.,
Professor of Physics.

GOLDEN ANNIVERSARY OF MALDEN KIWANIS CLUB AND ITS OUTSTANDING HISTORY

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. MACDONALD. Mr. Speaker, recently the Kiwanis Club of Malden, Mass., celebrated its golden anniversary, marking 50 years of distinguished service to the Malden community. As a member of the Malden Kiwanis Club, I am especially pleased to be able to call to the attention of my colleagues the many contributions which the club and its members have made throughout the years. Under the current leadership of President John Blake and Vice Presidents Murray Goldman and Phillip Shea, Malden Kiwanis is carrying on the fine tradition which began in 1924.

Some of the many accomplishments of the club are highlighted to the golden anniversary program, entitled "Through the Years With Malden Kiwanis." I include those highlights at this point in the Record as a tribute to work which has been and is being done:

Through the Years With Malden Kiwanis

Fifty years ago a group of leading business and professional men of Malden got together at the Malden Club, now the Knights of Columbus Home, on Washington Street, to organize a club which would promote fellowship and voluntary community service with emphasis on good citizenship and high ideals. The date was February 25, 1924 and this was the date of the first meeting of the Malden Kiwanis Club.

Three days later these men met again, this time to elect James F. Armstrong to be president of the club. He, with Charles W. Hill, Dr. Leslie G. Wright and Arthur B. Guptill conceived the idea of establishing a Kiwanis Club in Malden.

On April 10 of that year, in the Auditorium Theater Ballroom, Malden Kiwanis received its charter from Robert Green, president of the sponsoring Boston Kiwanis Club.

The first Kiwanis Club had been formed in Detroit only nine years earlier.

Kiwanis took its name from an Indian word which means "to know one's own self" and took as its motto, "We Build." Through its 50 golden years, Malden Kiwanis has made that motto live . . . has made itself known to the community through its social welfare programs . . . its vocational guidance . . . its assistance in public affairs and its numerous worthy and generally unpublicized charities.

Since 1924, the Kiwanians have contributed heavily to the improvement of life in Malden, laying strong emphasis on programs for the young. One of the first public functions of the new club was playing Big Brother to hundreds of Malden children for an outing at Salem Willows that summer.

In the years following, Kiwanis became a part of the Malden scene.

Malden Kiwanians "adopted" the Girl Scouts, presenting a $1000 check to that organization when the club was barely a year old and continued to make an annual contribution for many years.

Kiwanians purchased uniforms for the Malden High School Band . . . hosted its first Christmas Party for children in 1926 . . . sent children to the Salvation Army Summer Camp . . . contributed to the Malden High Athletic Treasury . . . dedicated a building at the Health Camp for Children on Waitt's Mount . . . sponsored outings for children . . . set in motion a bicycle registration program for children when a bicycle craze (this one with balloon tires) gripped the nation in 1940 . . . entertained outstanding scholars and athletes annually . . . presented television to the children's wards at Malden Hospital and phonographs to the city's schools . . . sold soap to aid underprivileged children . . . sponsored Kiddie Kamp . . . sponsored youth athletic programs . . . held Christmas parties annually for physically handicapped children . . . donated to ACID to aid youth in the campaign against drugs . . . distributed mittens for needy children . . . and . . . since 1950, sponsored their outstanding fishing derby at Fellsmere Pond.

Perhaps the most noteworthy charity of the Kiwanis was its milk fund, started in 1931 and carried through the bitter depression days. Who can estimate how many school children benefited from this sorely needed humanitarian program?

Kiwanis has worked harmoniously with others. In 1930, when only six years old, Malden Kiwanis had a delegation visit the new Yarmouth, Nova Scotia Kiwanis Club. The following summer, Yarmouth Kiwanians were guests of the Malden Club. That same year, the Malden Kiwanis presented a flag to the new Lynn Kiwanis Club.

Malden Kiwanis was responsible for several innovations locally. The city's first auto shows were sponsored by Kiwanis, and the first midnight show in Malden was given, at the then, new Granada Theater in 1927 with Kiwanis sponsoring the event for its charity fund. Kiwanis set up a guidance night for high school students in 1950, with more than

600 young people taking advantage of the program.

The fellowship, which is so much a part of every Kiwanian's life, is enjoyed at the weekly luncheon meetings which have featured a wide range of guests from the Reverend Isaac L. Seymour, Vicar of Maldon, England, who was here in 1925, to David Rubinoff, who left the Eddie Cantor Radio Show in 1943 to visit . . . to Miss Bebe Shoppe, a former Miss America.

Away back in 1933, at a time when it was not especially a wide-spread practice, Malden Kiwanis had Miss Priscilla Fortescue as its first female guest speaker, and it might also be noted that this Malden Club, which has had among its membership the Mayor of Malden since 1944, once had two of its members, Fred Lamson and Walter J. Kelliher, present their cases for election as mayor when they opposed each other in 1963. In 1935, the city learned of the need for a new public high school from Thornton B. Jenkins, then principal of the school who was the guest speaker.

Malden Kiwanians have been able to carry their fellowship beyond Malden, enjoying their association in outings, in theatre parties, and on tours and cruises.

Kiwanis in Malden is not a part time thing. In 1924, there were 56 Charter Members . . . In 1955, the membership passed 100 . . . Today we have 124 members.

The roll call of Kiwanis over the years has been a roll call of those who have had something to contribute to their fellow man. We expect nothing less in the next 50 years.

THIRTY-FIFTH DISTRICT—CALIFORNIA—SPEAKS ON IMPEACHMENT

HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. VEYSEY. Mr. Speaker, the old adage that bad news travels faster than good news is obviously true when it comes to media coverage. We live in an era of immediate response and instant replay. We see an instant analysis of national opinion almost every day on television and in the newspaper. The reaction is so swift that one begins to wonder whether the media are reporting trends of opinion or blazing new trails for the public to follow. Certainly, we know that the opinion of the folks back home is slower to form and often disagrees with the consensus expressed by opinion leaders of the national media. So it is in the case of impeachment or resignation of the President.

Recently I circulated a questionnaire to voters of the 35th Congressional District of California. Among others, there were two questions:

First, should President Nixon resign, and second, should President Nixon be impeached? I think the answers will be interesting to my colleagues. A tabulation of the nearly 28,000 responses to the questions shows that 62.5 percent are opposed to having the President resign and 59.4 percent are opposed to impeachment.

The responses included in this tabulation were mailed prior to the release of the transcripts of White House tapes. However, a separate tabulation of almost 500 responses postmarked after the release of the transcripts did not show any significant changes in opinion based on that information.

I have the impression that people of my district are tired of Watergate and all the related scandals. They want the questions resolved and resolved quickly so the Congress can get on with solutions to other national problems.

Interestingly, the tabulation by sex and age indicates that support seems to run strongest among males while opposition is strongest among the youth. The female vote was almost as strong as the male vote in support of the President. Nevertheless, a majority of all three groups opposed both resignation and impeachment.

Should President Nixon Resign?

Yes: Male 36.3; female 37.2; youth 44.9.

No: Male 63.7; female 62.8; youth 55.1.

Should President Nixon be impeached?

Yes: Male 39.5; female 41.0; youth 43.8.

No: Male 60.5; female 59.0; youth 56.3.

We must remember that impeachment is not a referendum or a popularity poll. It is a constitutional process that must be decided by each member of the Judiciary Committee, or perhaps later by each Member of the House, purely on the quality of the bona fide evidence at hand.

Many of the accusations aired against the President stem from political and philosophical differences of opinion, and I am sure the Judiciary Committee will discount these. An impeachable offense should be a serious violation to which consensus could be obtained.

Many people, including some of my colleagues in the House, appear to have joined the impeachment lobby. I hardly think that is in keeping with the American system of jurisprudence that holds a man to be innocent until a jury returns a "guilty" verdict.

I intend to reserve judgment. If the Judiciary Committee recommends impeachment, I want to hear the evidence presented before I evaluate the charges. There has been too much speculation about the matter, and I fear further speculation will only impede a fair, impartial, and nonpartisan hearing of the charges.

I urge my colleagues not to get caught in the stampede for impeachment. In due time, the evidence and the charges will be clarified, and the House will act on a bill of impeachment. It would be unfortunate if the outcome depended on a few votes cast not on the evidence, but rather to maintain an earlier position.

LATVIAN HERITAGE FOUNDATION HONORS GEN. DOUGLAS MACARTHUR

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. WHITEHURST. Mr. Speaker, on May 2, 1974, the Virginia Beach, Virginia Chapter of the Military Order of the World Wars gave a dinner in honor of Mrs. Douglas MacArthur. At that time, Baron William Franz von Blomberg presented Mrs. MacArthur with the Captive Nations medals of the highest order, as posthumous recognition of the general's dedication to the cause of freedom.

It is particularly fitting that this award should have been presented to Mrs. MacArthur in Virginia Beach, since the general himself is buried in the neighboring city of Norfolk, in the MacArthur Memorial which stands as a tribute to his brilliant career.

At this point in the RECORD, I would like to introduce material which outlines the award in some detail, as well as the remarks of Baron von Blomberg. I believe that my colleagues will find the information interesting.

LATVIAN HERITAGE FOUNDATION HONORS GEN. DOUGLAS MACARTHUR

The Virginia Beach (Virginia) Chapter, Military Order of the World Wars gave a dinner in honor of Mrs. Douglas MacArthur on May 2, 1974, with the Chapter's commander, Captain Robert H. Alexander, USN (Ret.), presiding. The speaker was Colonel Laurence Eliot Bunker, AUS (Ret.), former aide to General of the Army Douglas MacArthur and President Ad Interim of the MacArthur Memorial Foundation in Norfolk, Virginia. Baron William Frary von Blomberg of Boston, Massachusetts, and Hampton, New Hampshire, represented twenty-eight nations and presented the Captive Nations medals of the highest order to General MacArthur posthumously through Mrs. MacArthur, who accepted. The Baron did this in his capaciy as Chairman of the American Committee of the Latvian Heritage Foundation, of which Sylvester P. Lambergs of Canton, Massachusetts, is chairman of the board.

The Latvian Heritage Foundation grew out of the events of the past, the needs of today, and the responsibilities for tomorrow. This foundation is a non-profit organization with its only source of income from donations by the Latvian-American community. To protect and preserve the centuries-old Latvian culture and to give impetus to new cultural creations and developments by Latvians in the Free World, the Latvian Heritage Foundation was established. Another reason is the education of youngsters of Latvian descent, born in the countries of refuge outside Soviet-occupied Latvia: to introduce them to, teach them about, and make them proud of the heritage that is inborn in them. Of no lesser importance is the introduction of Latvian culture to other nations: it enriches and revitalizes their own existent ones. All this serves toward the responsibility for tomorrow. By preserving, developing, and educating, the continuance of Latvian culture will be assured. The next generations of Latvians will have a firm basis to develop a harmonious life and to build an independent future. And the world will not lose an irreplaceable source of information.

The MacArthur Memorial Foundation, chartered by the Commonwealth of Virginia in 1962, supplements by private resources and a variety of means the public efforts of the City of Norfolk to memorialize the career of General of the Army Douglas MacArthur. It acquires new materials and arranges for their display or incorporation into the present collections; funds and constructs additional facilities; provides scholarship assistance for graduate and undergraduate study of MacArthur's life and times; and funds archival work in conjunction with the City of Norfolk. The Foundation intends to continue or expand each of these actions. It also is planning an additional structure for an entirely new display portraying the importance of General MacArthur's policies in the post-World War II revitalization of Japan.

REMARKS OF BARON WILLIAM FRANZ VON BLOMBERG

Mrs. MacArthur, Colonel Bunker, Captain Alexander, Members of the Virginia Beach Chapter of the Military Order of the World Wars, ladies, and gentlemen: I am delighted to be with you tonight and to have been asked by the Chairman of the Board of the Latvian Heritage Foundation, Sylvester P. Lambergs, who could not be here among us, to perform a very important and pleasant duty.

If the freedom of just one human being is suppressed, then all the free people of the world must be concerned and liberate that individual because the bondage of that *one* jeopardizes the freedom of all!

Today, not only *one* individual but entire nations—millions of individuals—are oppressed, subjugated, and exploited. Tonight I stand before you as the representative of these peoples, these twenty-eight nations, which are held captive by the ideology and tyranny of the cancer of today's world-Communism. You are, of course, familiar with this fact and the names of those twenty-eight nations; therefore, I will not list them.

To mark this tragedy and to give warning to the Free World, the Captive Nations Committee issued silver and bronze medals to be awarded to personalities who have contributed greatly to the fight against oppression and for the freedom of the enslaved. These medals bear a likeness of President Dwight D. Eisenhower, who was the first United States President to issue a Captive Nations Proclamation in 1959; and the reverse side of the medals has the inscriptions: "The President issues a proclamation each year until freedom and independence shall have been achieved for all Captive Nations of the world."

The Latvian Heritage Foundation, with its headquarters in Boston, Massachusetts, in accord with the decision of the Captive Nations Committee, honors by the award of these medals tonight—posthumously—a truly great humanitarian and American patriot—DOUGLAS MACARTHUR.

His entire life was a complete dedication not only to his own country and nation, but also to the freedom and liberty of other nations, other countries. A man who in his own being embodied and represented the spirit of freedom itself.

When freedom was lost, when the word "liberty" became a mere whisper in the dreams of the enslaved, Douglas MacArthur gave hope with the simple, yet most deeply dedicated, statement: "I shall return." This man and his promise are not of the past: they are the inspiration and support of all the enslaved of today and their hope and fulfillment of tomorrow.

The Captive Nations in turn will be highly honored by the acceptance of these medals for addition to the MacArthur memorabilia gathered in the nearby MacArthur Memorial in Norfolk, whose important work is supported by the MacArthur Memorial Foundation, of which your speaker tonight, Colonel Laurence Eliot Bunker, is a leading official.

In deep gratitude to General MacArthur, and at the same time honoring Mrs. MacArthur's own convictions and ideals of freedom and human rights—I present the Captive Nations medals to you, madam.

INTEGRITY, MAN'S GREATEST ASSET

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. HUNT. Mr. Speaker, 2 months ago Mr. George Stringfellow, a resident of Arlington, Va., and former outstanding citizen of my State, New Jersey, gave a most inspirational talk entitled "Integrity, Man's Greatest Asset."

Mr. Stringfellow was addressing the spring class of Crescent Temple, A.A.O.N.M.S., in Trenton, N.J. His civic activities are many and varied. He was one of the founders and the first president of the New Jersey Division of the American Cancer Society and was the recipient of the society's award for distinguished service in cancer control.

In 1958 he received the citation award of the Academy of Medicine of New Jersey and was elected an honorary life member of the academy.

He was chairman of the New Jersey Republican State Finance Committee for 2 years. He served 10 years as president of the New Jersey Taxpayers Association and 2 terms as president of the Chamber of Commerce of the Oranges and Maplewood and was cited as the outstanding citizen in those five cities.

In 1958–59 he served as Imperial Potentate of the Shrine of North America and chairman of the board of directors of the 23 Shriners Hospitals for Crippled Children. He is an emeritus member of the board of trustees of these hospitals. He is a 33d degree Mason.

As a young man he was associated with the late Thomas Alva Edison and was manager of the Thomas A. Edison Industries Washington office.

Mr. Speaker, George Stringfellow has dedicated his life to his fellow man. I would like to share some of his wisdom and philosophy with my colleagues and so at this point I submit for the RECORD, the text of his March 9 speech:

INTEGRITY, MAN'S GREATEST ASSET

(By George E. Stringfellow)

Illustrious Sir, Members of your Divan, Heads of Units, Presidents of Shrine Clubs, Past Potentates, Chairman of the Board of Trustees, Distinguished Guests and Fellow Nobles:

Thank you for your generous introduction and thank you for the warmth of your reception.

I enjoy attending Crescent Temple Ceremonials. Our Divan does a most impressive job in rendering the ritualistic work.

The Units perform earnestly and entertainingly.

I am especially happy to be here today since Crescent is honoring my good friend of long standing, Noble Harry E. Klein. Harry is truly one of God's noblemen. In addition, he is an exemplary citizen. In his 65 years as a member of Crescent, he has made many worthwhile contributions to the Shrine.

Crescent was only five years old when Harry joined its ranks. He has been one of Crescent's great assets. Harry, I congratulate you on receiving this honor and I congratulate our Illustrious Potentate, George Washington Powell, for selecting you as the honoree of our Spring Ceremonial.

I wish also to congratulate this distinguished Class of newly created Shriners for joining the Shrine, particularly Crescent Temple. You will find a happy home here.

Crescent was chartered about 70 years ago. The Shrine was then 30 years old. Its membership was less than 100,000. Today the membership is about 900,000 and we are striving for 1,000,000. Crescent's membership today is approaching 11,000.

Of the 172 Temples in Canada, Mexico and the United States, Crescent was the 94th to be chartered. We are now 12th in membership. Crescent has been blessed with good leadership since its inception.

Our Temple made more progress membership-wise last year than any of our neighbors. I extend sincere congratulations to Illustrious Sir Robert D. Broadley who provided the topflight leadership that produced last year's gain.

Illustrious Sir George Washington Powell, our present Potentate, a capable and successful businessman, has laid the foundation for a successful 1974. If we give him our full cooperation—which he so richly deserves—1974 will be a banner year in the life of our Temple.

Some years ago I was asked to define "a Mason and a Shriner". With your permission I will attempt to do that tonight.

Masons are inspired by the intellectual integrity and the earnestness of purpose of one of the world's greatest leaders, Hiram Abif, "the widow's son." Historians tell us that he was considered by his contemporaries an exemplary citizen. While we Masons respect his brilliance and his executive ability, it was his integrity and perseverance that we admire most. We Masons have walked in his footsteps. We have been impressed by his steadfastness to death. His ethics and his integrity were above reproach . . . and his word was his bond! Integrity is man's greatest asset!

It would add to our happiness and greatly influence our world prestige if we emulated this benefactor in our daily contact with our fellow man.

We Masons proclaim our belief in God and most of us practice it. We Masons proclaim our belief in brotherly love and most of us practice it. We use the symbols of the builder to set our code of life which refines our thoughts, purifies our sympathies and broadens our outlook. It amplifies our friendships, exalts our morality and tames our passions. In other words, our Masonic code of life makes better citizens of us. Was it not Aristotle who said "The greatest compliment one person can pay another is to say he is a good citizen."

Realizing, as we do, that the work of the Craft, exemplifying the high code of morality, requires refreshment, 80 years ago (when Harry Klein was but 9 years of age), Shriners adopted a code of conduct—

> "Pleasure without intemperance,
> Hospitality without rudeness, and
> Jollity without coarseness."

The general public identifies the Shrine by our red fez, gorgeous costumes and spectacular and entertaining parades. However, behind our fun and frolic is the burning desire to be of help to crippled and burned children. Love of crippled and burned children turns Shriners into ministers of healing. The RED FEZ thus takes its place with the RED CROSS as the emblem of mercy and loving-kindness.

Our desire to help crippled and burned children is implemented through our hospitals and burns institutes, the stories of which were so ably presented to you this afternoon by Past Potentates Edmund D. Bowman and Walter S. Gibbs.

Most Shriners strive to emulate St. Paul who, crying that the days were evil, labored to improve them. We radiate good will which is more precious than a gold nugget. Good will is the measure of a man's success. To a large extent it determines his usefulness to society.

An unknown person penned the following:

"He has achieved much who has lived well, laughed often, and loved much; who has gained the respect of intelligent men and the love of little children; who has filled his niche and accomplished his task; whether by an improved poppy or a perfect poem, or a rescued soul; who has never lacked appreciation of earth's beauty or failed to express it; who has always looked for the best in others and given the best he had; whose life is an inspiration, and whose memory is a benediction."

Such a person was Hiram Abif, "the widow's son."

Masons and Shriners get more out of life when they emulate Hiram Abif and at the same time help to make this a better world. That should be the objective of everyone.

THE HOME NEWS IS HONORED AGAIN

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. PATTEN. Mr. Speaker, the Home News, of New Brunswick, N.J., was honored recently for its promotional and research work during 1973 at the International Newspaper Promotion Association conference held in Cleveland, Ohio.

This fine newspaper, under the distinguished leadership of its publisher and president, Hugh N. Boyd, has won awards in the past and will win more in the future, because of its great desire to excel in every phase of newspaper work—from writing to promotion.

At the recent Cleveland conference, the Home News received a first place plaque and two second place awards, so, once more, I am proud to insert in the CONGRESSIONAL RECORD another achievement of one of the best newspapers in the east, the Home News.

THE HOME NEWS HONORED FOR EFFORTS

For its promotional and research efforts during 1973, The Home News has been awarded a first place plaque and two second place awards.

The current honors will be given to The Home News at the annual International Newspaper Promotion Association conference today and tomorrow in Cleveland for three of the newspaper's entries in the 39th annual Promotion Awards competition sponsored each year by Editor and Publisher, the newspaper industry's trade publication.

Competition in the contest is open to all newspapers throughout the country and Canada and is divided into two categories—newspapers under 100,000 circulation and newspapers over 100,000 circulation. The Home News won in the under 100,000 category.

The first place award was for the newspaper's radio commercials which have been aired on three area stations, WCTC, New Brunswick, WHWH, Princeton, and WBRW, Bridgewater. The commercials were prepared by the newspaper's advertising agency, The Ad Works of New York City, under the direction of Frederick H. Hautau, president.

For its direct mail brochures announcing special retail sales events and advertising sections, The Home News won the second place award in the under 100,000 circulation category. The various brochures were prepared by the newspaper's art department staff comprised of Rocco Puccio, JoAnne Merrill and Kay Manzo. The art department is supervised by Thomas A. Howley, display advertising representative.

The newspaper's third award was another second place honor for a research project conducted in its circulation area that provided information on newspaper readers' preferences in where they shop for food, clothing, furniture and appliances; which newspapers they read, which ones are delivered, what time of day they prefer having their newspaper delivered.

The questionnaire provided the newspaper with detailed responses by residents in individual communities. The survey was tabulated also according to the individual areas served by the newspaper's three daily editions.

The Home News promotional and research programs are under the direction of John V. Donnelly, promotion manager. He is assisted by Miss Roseanna H. Murray.

Among the newspaper's various promotional and public oriented programs are the annual High School Band Festival which this year will observe its 10th anniversary, student and scout group tours through The Home News building, the annual Needy Cases Fund during Christmas, awards to high school journalism classes for their second newspapers, newspaper carrier college scholarship awards and the VEC News film strip program which furnishes current news in film strip form to 86 area schools each week.

TRIBUTE TO LT. COL. CHARLES L. MOORE, U.S. ARMY

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. BEARD. Mr. Speaker, I would like to take a few moments to pay tribute to an individual who is an outstanding American, a fine soldier, and a great personal friend of mine, who has spent the last few years being of invaluable help to Members of Congress. Lt. Col. Charles L. Moore, U.S. Army, is a highly decorated military officer who has, of late, been serving in a special "combat zone"—the Halls of Congress—as liaison officer for the U.S. Army.

Colonel Moore has performed efficiently and expertly in this complex and difficult post. As I am sure my colleagues will agree, there are few things more difficult than keeping Members of Congress well-informed, satisfied, and content. Colonel Moore has succeeded in his efforts to do so, and, for this, he deserves our lasting gratitude.

He will be leaving us this week, to accept his new post in Hawaii, a far more tranquil setting than Capitol Hill, to be sure. I am certain I speak for all my colleagues, and especially for those of us on the Armed Services Committee, who have had the opportunity to work especially close with him. I express my personal gratitude to this fine soldier and great gentleman.

Under leave to revise and extend my remarks, I would like to include Colonel Moore's biography in the RECORD at this point.

BIOGRAPHY OF COL. CHARLES L. MOORE

Charles L. Moore was born in Hartford, Tennessee, on 3 August 1936. He graduated from high school at Georgia Military Academy in Atlanta, Georgia, in 1955. He continued his studies and graduated from the Citadel in Charleston, South Carolina, in 1959 and was commissioned as a second lieutenant of Armor.

His first troop assignment as a commissioned officer after completing the Armor Basic Course at Fort Knox, Kentucky, was with the 3d Squadron, 4th United States Cavalry, 25th Infantry Division, Schofield Barracks, Hawaii, as a platoon leader, general support platoon leader, troop executive officer, personnel officer, squadron maintenance officer and troop commander.

In 1963 he attended Rotary Wing Flight training and graduated in early 1964. From there he went to Fort Hood, Texas, and served with the 2d Armored Division and formed the Air Cavalry Troop of the 2d Squadron of the 1st Cavalry.

After completion of the Advanced Armor Course in 1966 he helped form the 213th Aviation Company and deployed with it to the Republic of Vietnam in early 1967. In July 1967 he joined the 1st Squadron, 4th Cavalry, 1st Infantry Division and served in Troop D Air.

In January 1968 he returned to Fort Knox, Kentucky, and helped form the 1st Squadron, 8th (Air) Cavalry serving as S3. In August 1968 he went to the Command and General Staff College at Fort Leavenworth, Kansas.

He was selected to return to the Republic of Vietnam to command Troop D Air, 1st Squadron, 4th United States Cavalry in May 1969. After serving a year as Commander of Troop D Air, he returned with the colors of the 1st Infantry Division to Fort Riley, Kansas, in late April 1970.

Since May 1970 he has been serving in the Office of the Secretary of the Army, Office of the Chief of Legislative Liaison.

His awards include the Silver Star, Legion of Merit, Bronze Star with V (4 OLC), Air Medal with V (69 OLC), Army Commendation Medal with V (4 OLC), Purple Heart and the Vietnamese Cross of Gallantry with Silver and Gold Star, 4 Distinguished Flying Crosses.

He is married to the former Ellen G. Seabrook and they have two children. Mary Ellen age 10 and Charles Jr. age 7.

SOVIET UNION REAFFIRMS HER REFUSAL TO ALLOW FREE EMIGRATION

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. HUBER. Mr. Speaker, since the Trade Reform Act is still before the U.S. Senate, it seems appropriate again to ask whether or not détente is real and whether or not the U.S.S.R. is really mellowing? In one respect she surely is not and by that I mean the right to free emigration and travel by her citizens. Two recent incidents confirm this. The first involves the efforts by the mother of Simas Kudirka to travel to the United States on a visit. Kudirka, it will be recalled, is still serving a sentence in a forced labor camp for attempting to defect to the United States in 1970. His mother is U.S. born and was invited to visit the United States by a friend.

However, the KGB, which knows no law except that of the jungle, has systematically prevented her from leaving or even making contact with the U.S. authorities. She has even been prevented from visiting our consulate in Leningrad, which is a violation of the 1968 consular convention with the U.S.S.R.

A second incident concerns the attempt of an American to return to his homeland after 17 years in the U.S.S.R. He was assaulted by Soviet militiamen attempting to enter the U.S. Embassy grounds and would by now be safely locked away if two of our Embassy personnel had not arrived on the scene.

The two relevant news items from the Christian Science Monitor of May 15, 1974, and the Chicago Tribune of May 16, 1974, follow. More détente and trade anyone?

[From The Christian Science Monitor, May 15, 1974]

SOVIETS BAR TRIP FOR DEFECTOR'S MOTHER

MOSCOW.—The mother of Simas Kudirka, a Lithuanian seaman who is in a labor camp after trying to defect to the United States in 1970, has applied to visit America—but she has encountered many officially inspired difficulties, dissident sources said here.

The sources said Maria Shulskene was invited to go by a friend. She was herself born in the United States and lived in Brooklyn until she was five years old, they added.

Her son was sentenced to 10 years in May, 1971, for treason. In November the previous year, U.S. Coast Guardsmen handed him back to his Soviet trawler after he jumped on to their cutter in an attempt to defect.

The sources said Mrs. Shulskene, who had not received any letters from her son in his Ural labor camp since last September, handed her papers and the invitation—stamped by a U.S. notary's office—to visa authorities in Lithuania in March.

PAPERS REJECTED

But the papers were not accepted on the grounds that the invitation did not have a U.S. Government stamp, they added.

Mrs. Shulskene then turned to Sergei Kovalev, a biologist and member of the unofficial initiative group for the defense of human rights, who agreed to present her case to the U.S. Embassy in Moscow, the sources said.

But Mr. Kovalev was stopped by a uniformed police officer on permanent guard outside the Embassy when he tried to go in. He later phoned the consulate to arrange a meeting with an official on the street, they said.

On his way to keep the appointment, he was stopped by a police captain who took him to a police station where he was interviewed by an official of the Soviet Security Police (KGB), according to his own account.

DETAILS CONFIRMED

U.S. diplomatic sources confirmed all details of Mr. Kovalev's account and pointed out that a U.S.-Soviet consular convention signed in 1968 guaranteed the citizens of each country the right of free access to each other's embassies and consulates.

The KGB officer asked Mr. Kovalev whether he had Mrs. Shulskene's documents and described his behavior as "unbecoming."

However, at the end of the interview, Mr. Kovalev was released and told he could go to the consulate, he said.

DIPLOMAT PHONED

Mr. Kovalev said he learned in a conversation with a consular officer later that an American diplomat had phoned Soviet authorities when he did not turn up for the appointment and asked that he be allowed to enter the Embassy.

Learning that Mrs. Shulskene had been told her documents were inadequately stamped, the diplomat stamped them in several places and sent her an invitation to visit the Embassy, he said.

But on April 28, Mrs. Shulskene, who only speaks Lithuanian, and an interpreter were stopped from boarding a train for Moscow by five plainclothesmen, Mr. Kovalev said.

The men told Mrs. Shulskene to wait until after the May 1 holiday, and the interpreter, who was released from a mental hospital last year, was told not to leave Lithuania, he added.

Mr. Kovalev said he did not know when Mrs. Shulskene would come to the Soviet capital again.

[From the Chicago Tribune, May 16, 1974]

YANK FED UP WITH RUSSIA AFTER 17 YEARS, WANTS OUT

(By Michael McGuire)

MOSCOW, May 15.—An American ex-Marine combat veteran fought his way past three Soviet guards at the American Embassy here today to discuss prospects for returning to the United States from which he defected in 1957.

Dean Hoxsey, 47, a husky Californian, said he was disillusioned with the Soviet Union and Communism and expressed fear for his safety when he left the embassy to return to his residence in Volgograd.

Two embassy officials standing outside the compound answered Hoxsey's call for help as three uniformed militiamen overpowered him and tried to march the struggling man—both of his arms twisted in hammerlocks—to a militia warming shack on a side street adjacent to the embassy.

The militiamen relaxed their grip when the Americans intervened and Hoxsey dashed thru the entrance of the large yellow embassy compound into the U.S. Consular Office.

Consular officials said they would study Hoxsey's case and submit it to the State Department for its recommendation.

"When you are young," a shaken Hoxsey said inside the embassy, "your own country doesn't mean very much. But when you are older, the pull of home gets very strong."

The World War II veteran, who said he was wounded on Okinawa, said he was an unemployed x-ray technician when he came to the Soviet Union at age 30 to attend an international youth congress in Moscow.

While in the Soviet capital, he declared to a Foreign Ministry official that he wanted to remain here to live.

"I was raised as a communist," he said. "My father was a Communist. At one time I believed in it. My father wanted me to believe in it. And I did, too. I thought Communists should be with other Communists. I thought it would be better for me. But after a time I saw they didn't trust me."

Once here, he said, he tried to join the Soviet Communist Party but couldn't do so when he failed to obtain the required number of recommendations.

"Nobody would recommend me," said Hoxsey.

In recent months, he said, he has come under a disturbing harassment by fellow workers and patients in the Volgograd Medical Clinic, where he is employed as a blood and urine analyst.

"I've been harassed," he said. "It can really screw up your brain. They'll cough at you in the hall and they'll walk in front of you and spit. Lately, they started something new. The doorbell started ringing at night and when I go to answer it, nobody is there."

Asked why he thought he was being harassed, Hoxsey said:

"It seems somebody's leaking information and they think it is me."

Hoxsey said he thought that as time passed, the distrust and harassment would decline. "But," he said, "as time goes by it gets worse."

The ex-Marine said he told embassy officials he was afraid to return to Volgograd to await word on whether the State Department had approved his application to return permanently to the United States.

American officials are powerless to give shelter in the embassy to anyone seeking asylum inside the compound. They are required to turn them back into the street after they have completed their business.

When Hoxsey left the U.S. Embassy, he went to the home of a Western resident in Moscow. He said he was not bothered when he left the embassy, but voiced concern over what might happen when he returned to Volgograd.

"I know when I step out on the street," he said, "they [Soviet security police] will give me the business. Before I came here [to the embassy], I was afraid of repression. But I have no way to turn. I wanted to be friends, but I see it is impossible."

American Embassy officers have repeatedly protested to the Soviet Foreign Ministry the stopping by Soviet guards of Soviet citizens seeking entry. Often, Soviets have been dragged away by guards to the warming shack where, according to embassy officials, they are interrogated and warned not to contact U. S. consular officers.

The State Department charges that this violates Article Four of the June, 1964, consular agreement with the Soviet Union, which provides Soviet citizens free access to the U S. Embassy, and is counter to the spirit of detente which the Soviet Union is expressing toward the United States.

Hoxsey said he was sent to medical school after he was given his Soviet internal passport and surrendered his American passport to the Russian police. During his first three months in Russia, he lived in Moscow's Peking Hotel. He said a woman identifying herself as a Soviet Red Cross official gave him spending money every week.

"I toid this girl I wanted to become a doctor," he said. "I spent two years studying with the help of a translator in Stavropol in the northern Caucasus. Then I requested a transfer to a warmer climate in the south."

He was sent to the medical college in Tbilisi, Georgia, from which he was graduated in 1964. He was first employed as a functional diagnostician in a Tbilisi city hospital and moved to Volgograd in 1968.

Hoxsey said he married a Russian girl in Tbilisi in 1962. Later, the couple adopted a daughter.

"It's tough to leave my wife after 12 years," he said. "But at times I even suspected her. I said to her: 'Let's go away.' She said: 'I'm Russian. I can't. I want to go to Riga [in Soviet Latvia].'

"My wife," he said, "is brainwashed. The secret police arrested her in 1950 and sent her into exile in Kazakhistan. They did this because she was one of a few thousand Russians who were born in China. She worked her fingers to the bone in the fields of Kazakhistan for four years."

Asked if he still wanted to be a Communist, Hoxsey replied:

"After the harassment I've been thru I can't make myself. . . . I just want to be neutral. At one time I wanted to be [a Communist], but not now."

COMMUNITY SERVICES ACT OF 1974

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. HAWKINS. Mr. Speaker, for the benefit of my colleagues, I would like to present some additional correspondence in support of the continuation of the Federal poverty programs which I have received from public officials:

EXECUTIVE DEPARTMENT,
Montpelier, Vt., March 25, 1974.

Congressman AUGUSTUS F. HAWKINS,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN HAWKINS: I wish to express my support for the efforts in Congress to continue the Office of Economic Opportunity, as established by the Economic Opportunity Act of 1964.

I support your efforts to continue OEO through HR 12464. I would further support a long term extension that calls for a gradual increase in the amount of state and local match.

Sincerely,

THOMAS P. SALMON.

COLUMBIA, S.C.,
March 29, 1974.

Hon. AUGUSTUS F. HAWKINS,
U.S. Congress, Washington, D.C.

DEAR CONGRESSMAN HAWKINS: I wanted to write you and to assure you that your proposed bill to extend the life of the Office of Economic Opportunity has my complete and full support.

The programs funded by OEO have channeled millions of dollars into South Carolina, but more importantly, the lives of thousands of impoverished and deprived citizens of our State have benefited immeasurably from the programs funded by that office and conducted by the community action agencies throughout our state.

In recognition of the value of the efforts and achievements of the OEO-funded programs and related activities such as Head Start and the various manpower programs from the Department of Labor, our General Assembly appropriated $1.409 million to assist in supporting the human resource and human service effort in South Carolina.

It is my considered opinion that it would be a grave error to allow such a valuable program which has done so much for so many to be discontinued when most of the states are now devoting more and more effort toward the development of their human resources.

Sincerely,

JOHN C. WEST.

APRIL 26, 1974.

Congressman CARL PERKINS,
Chairman, House Education and Labor Committee, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN PERKINS: I would like to take this opportunity to voice my support for federal funding to continue the operation of community action programs in the State of Nebraska. It is my understanding there are several alternatives being considered to continue this funding. I will not concern myself with which of these alternatives is best. I favor any of these alternatives which will allow the community action programs in the State of Nebraska to continue their needed work. I am enclosing a copy of Legislative Resolution 155 which was recently passed by the Nebraska Legislature. You will notice they too favor continued funding for these agencies.

I commend you and your staff for the work I know you have contributed toward this worthwhile effort.

Sincerely,

J. JAMES EXON,
Governor, State of Nebraska.

LEGISLATIVE RESOLUTION 155

Introduced by Cavanaugh, 9th District; Anderson, 37th District; Barnett, 26th District; Burbach, 19th District; C. Carsten, 2nd District; Chambers, 11th District; DeCamp, 40th District; Dickinson, 31st District; Epke, 24th District; Fellman, 4th District; Goodrich, 20th District; Hasebroock, 18th District; Johnson, 15th District; Kelly, 35th District; Keyes, 3rd District; Kime, 43rd District; Kremer, 34th District; F. Lewis, 45th District; Luedtke, 28th District; Maresh, 32nd District; Marsh, 29th District; Marvel, 33rd District; Moylan, 6th District; Murphy, 17th District; Schmit, 23rd District; Simpson, 46th District; Skarda, 7th District; Snyder, 14th District; Stahmer, 8th District; Stull, 49th District; Syas, 13th District; Waldron, 42nd District; Wiltse, 1st District; Richendifer, 16th District.

Whereas, Community Action Programs have played a vital role in the social and economic development of Nebraska communities; and

Whereas, the programs of Community Action Agencies have significantly aided in the alleviation of the problems and plights of the aged and poor; and

Whereas, the Community Action Agency objectives of self development and self determination emphasize the characteristics which have made Nebraska great.

Now, therefore, be it resolved by the members of the eighty-third legislature of Nebraska, second session:

1. That the members of this Legislature, in honor of the tenth anniversary of Community Action Programs hereby commend and pay tribute to our Nebraska Community Action Agencies and encourage the federal legislative bodies to give due consideration to measures to insure the continuation of the efforts of community action, and

2. That the Clerk of the Legislature is directed to send copies of this resolution to Mr. Jim Crisp, Chairman of the Association of Nebraska Community Action Agencies, Fairbury, Nebraska and Mr. Larry Lassek, Chairman of the Nebraska Affiliate of the National Association for Community Development, Walthill, Nebraska.

EXECUTIVE DEPARTMENT,
Dover, Del., April 12, 1974.

Hon. GUS HAWKINS,
Chairman, Subcommittee on Equal Opportunity Employment, House Labor and Education Committee, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN HAWKINS: I firmly support and urge the extension of H.R. 12466 which would extend certain programs under the Economic Opportunity Act of 1964, as amended.

As an indication of the concern in our state for these programs, enclosed is a copy of a Senate Resolution, passed by our Senate just a few days ago, requesting the Federal Government to continue the funding of Community Action of Greater Wilmington, Inc., one of many such programs dependent upon the continuation of federal funding under the intent of the Act.

Sincerely,

SHERMAN W. TRIBBITT,
Governor.

SENATE RESOLUTION NO. 182

Requesting the Federal Government to continue to fund community action of Greater Wilmington, Inc.

Whereas, for the past eight years, Community Action of Greater Wilmington, Inc. has mobilized the forces against poverty in New Castle County; and

Whereas, during this period the Federal Government has funded Community Action of Greater Wilmington, Inc., under the Economic Opportunity Act of 1964; and

Whereas, through such funding CAGW, Inc., has planned, coordinated and carried out such programs as credit unions, neighborhood service centers and Head Start, helping to meet the human needs of 15,000 low-and-no income residents of New Castle County; and

Whereas, the Federal Government has not requested funds for its 1975 fiscal-year budget for CAGW, Inc., and, instead, would place this burden on State and local governments; and

Whereas, these governmental units do not have the revenue resources to assume federal responsibility for these programs.

Now therefore, be it resolved that the Senate of the 127th General Assembly of the State of Delaware requests the President and the Congress to support legislation to continue federal funding of the Community Action Programs, retaining the intent of the Economic Opportunity Act of 1964.

Be it further resolved that copies of this resolution be made available to his excellency, Sherman W. Tribbitt, Governor of Delaware, and to U.S. Senator William V. Roth, Jr., U.S. Senator Joseph R. Biden, Jr., and U.S. Representative Pierre S. duPont, IV for their consideration.

OFFICE OF THE GOVERNOR,
Juneau, Alaska, March 18, 1974.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Subcommittee on Equal Opportunity, House Education and Labor Committee, Washington, D.C.

DEAR MR. HAWKINS: This letter will indicate my support for HB 12464, the extension of the Economic Opportunity Act of 1964 (as amended). As I understand it, the bill is presently in committee and will not be reported out until mid-March.

As you know, the Federal Office of Economic Opportunity, through grants to Alaskan groups, has had a profound influence on Alaskans, particularly on low-income rural Alaskans.

Foremost, among the grantees in Alaska has been Rural CAP, an organization headquartered in Anchorage with 10 Regional Development Corporations located in the rural areas of our State. Mr. Michael Harper, Executive Director of the CAP, has recently been in my office and has explained to me and to my top aides, the extent of RurAL CAPS's beneficial activities in the State.

Among other things, RurAL CAPS through a grant from Health, Education and Welfare, operates 30 Head Start Centers in rural villages, as well as 4 in the city of Anchorage. Also, 7 Alcoholism Counselors receive administrative support and training through the RurAL CAP Central Office.

The 10 Regional Development Corporations are the core of most rural development projects in the State. By following the fundamental philosophy that programs for "poor people" should be defined by, and implemented by the people that they serve, tremendous gains have been made by rural Alaskans. Indeed it is safe to say that RurAL CAP was one of the primary forces behind the Alaska Native Land Claims Settlement Act.

Although some programs will remain, it is safe to say that the core of the rural antipoverty effort will be cut out if OEO monies do not continue to come to Alaska. As a supporter of these programs, I would regret very much to see this happen.

Please keep me informed on the progress of HB 12464.

Kindest regards.

Sincerely,

WILLIAM A. EGAN,
Governor.

OFFICE OF THE GOVERNOR,
Charlotte Amalie, St. Thomas, Mar. 22, 1974.

Hon. AUGUSTUS F. HAWKINS,
U.S. House of Representatives,
Washington, D.C.

DEAR SIR: The Territory of the Virgin Islands and the Federal government have shared locally, the responsibility of eliminating poverty. The genesis of poverty is such that continuous varied programs are required to determine how a nation through its communities can provide an equitable standard of living. The Office of Economic Opportunity has initiated and demonstrated laudable actions in this respect. To discontinue the Agency at this time would work an unnecessary hardship on the people we are serving.

My administration has increased the local effort over 200%. The present fiscal projections of the Virgin Islands limits our ambition to do more. We do not receive "General Revenue Sharing", funds. Therefore, any reduction of the OEO type grant would force the elimination of most of our projects.

As Governor, my priority has been to improve the standard of living and the quality of life in this area of the United States. I am asking your help, through the extension of OEO or any other appropriate means.

Very truly yours,

MELVIN H. EVANS, M.D.,
Governor.

OFFICE OF THE GOVERNOR,
Salt Lake City, Utah, April 15, 1974.

Hon. AUGUSTUS F. HAWKINS,
U.S. Representative from California,
Washington, D.C.

DEAR CONGRESSMAN HAWKINS: Last week I signed an executive order which invokes the Green Amendment to establish a statewide Community Action Agency. This state agency will contract with our seven multicounty associations of government or other units of local government to administer OEO programs locally. Continuation of OEO is imperative for the success of this plan.

Therefore, I urge your support of HR 12464 to secure a simple extension of the Economic Opportunity Act.

Sincerely,

CALVIN L. RAMPTON,
Governor.

OFFICE OF THE GOVERNOR,
Santa Fe, N. Mex., May 10, 1974.

As Governor of New Mexico, I strongly support HR-12464 and urge its passage.

Office of Economic Opportunity programs are now serving some 233,000 persons in New Mexico.

Administration of these programs by our eleven Community Action Agencies has proved fiscally sound and operationally effective.

New Mexico needs continuation of OEO programs. It needs to hold together the staff skills, programmatic experience and community awareness currently assembled on the Community Action Agency staffs.

New Mexico is a rural state with a large low income population. The 1970 census showed 227,000 under the federal poverty guideline.

Most of New Mexico's local governments lack both financial resources and staff capability to pick up programs and carry out planning now carried out by the CAAs.

Communications have been sent to me and to New Mexico's congressional delegation from a great many of our local officials urging continuation of federal funding for OEO programs and the Community Action Agencies. Similar support also has been expressed by many civic organizations, churches, businessmen, and private individuals.

In New Mexico we have developed a long range "poverty action plan." Key elements of this plan are the State Economic Opportunity Office and the Community Action Agencies.

We have neither the time nor the funds to recreate the social service and human resource delivery capabilities now available and functioning effectively in the Community Action Agencies.

In New Mexico, the benefits of aid to our low income population provided by the CAAs are shared by all our citizens.

Without the capabilities of the CAAs, the 25% of our population who are poor, and the state as a whole, will suffer a social and economic shock.

Again, I urge passage of HR-12464.

BRUCE KING,
Governor.

HORNBEAK, TENN.,
April 9, 1974.

Hon. AUGUSTUS HAWKINS,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HAWKINS: I am writing to you to let you know of my support of bill H.R. 12464, which will extend the program of the Office of Economic Opportunity.

O.E.O. is a vital program in our community as well as over the rest of the nation. It has helped the poverty stricken, people of ill health, people without hope, as well as holding down crime.

Would appreciate your help for the continuance of O.E.O. programs.

Very Sincerely Yours,

J. K. WILLIAMS,
Mayor.

RICHMOND, VA.,
March 28, 1974.

Hon. AUGUSTUS HAWKINS,
Chairman, House Subcommittee on Equal Opportunity, House Education and Labor Committee, Washington, D.C.

MY DEAR MR. HAWKINS: The Richmond Community Action Program, Inc., which is a private, non-stock, non-profit corporation that has serviced and assisted the low-income communities in Richmond since its conception seven years ago, was conceived through the creative efforts of the Economic Opportunity Act of 1964.

Since that time the Agency has been a credit to the Richmond community and has demonstrated a keen expertise in the areas of Manpower, Day Care, Senior Citizen Services, Legal Aid, Drug Abuse Prevention, outreach and referral assistance and training, planning and assisting to develop the capabilities and potentialities of the low-income citizenry. In addition, the program has worked in coordinating and helping to create several innovative programs with many of the City departments and State agencies. It is the largest agency of its kind in the Richmond Metropolitan Area.

Unfortunately, the new Federal Revenue Sharing Program does not provide sufficient funds to realize the budget of R-CAP and other social action programs that were previously funded through direct categorical grants from federal sources.

It is because of this problem and the above achievements that I am requesting your serious consideration and support for the passage of the legislation currently pending before your Committee to extend the Authorization of the Economic Opportunity Act of 1964, which would insure the continuance of this very worthwhile agency in the Richmond community.

Sincerely,

THOMAS J. BLILEY, Jr.,
Mayor.

MERIDEN, CONN.,
April 4, 1974.

Hon. AUGUSTUS F. HAWKINS,
Chairman of House Subcommittee on Equal Opportunity, Washington, D.C.

DEAR REPRESENTATIVE HAWKINS: As Mayor of the City of Meriden, I am concerned over the possible termination of the Federal Office of Economic Opportunity 221 funding for Community Action. In the case of the Meriden C.A.A., this would be the termination of the funds necessary for administrating the Agency's social programs and services. These programs and services are valuable to the City and the cost of administrating them is relatively low—about 12%. The $48,000.00 OEO administrative funds regard $400,000.00 worth of services. It could represent that much loss of revenue to the City, but more importantly our administrative ability over programs that cannot be discontinued without grave consequences to our City would be seriously impaired—such programs as elderly nutrition, elderly transportation, job training and placement of low skilled and disadvantaged people otherwise on welfare, health services for those who cannot afford to pay for them, Head Start and tutoring programs for disadvantaged children, so that they can begin an equitable climb up the educational ladder and become citizens who can compete.

I, therefore, as Mayor of the City of Meriden, urge the United States Senate and House of Representatives to vote affirmatively for the bill, H.R. 12464, Hawkins, Bell, and Perkins Bill, the Economic Opportunity Amendments of 1974, to extend program and funding authority for the EOA until June 30, 1977.

Sincerely,

JOHN D. QUINE,
Mayor.

HARRISBURG, PA.,
April 1, 1974.

Hon. AUGUSTUS F. HAWKINS,
U.S. Congress,
Washington, D.C.

DEAR CONGRESSMAN HAWKINS: We take this occasion to support our many constituents who wish to see the Office of Economic Opportunity continued and strengthened.

While some may consider Federal sharing a particular alternative to the worthy achievements of OEO, it is commonly known that local governments are not completely prepared to assume responsibilities at this time for the transitions.

OEO in our district has proven effective in mobilizing our people to participate in civic action with personal pride. OEO has succeeded in helping people help themselves in supporting such worthy programs as Head Start, Upward Bound, Senior Citizens, Legal Aid, etc.

OEO means an involved citizenry where there was apathy, passivity, and disinterest. Such achievements must be recognized, encouraged and supported by our elected officials.

We call upon you and the good graces of your office to counteract those forces who see only the limited failures (failures which many consider common in numerous, less controversial government programs) of OEO, and who wish to penalize effective rural projects while curtailing ineffective urban projects. The people in our district need the continued support of an on-going national OEO program.

Please accept our sincere gratitude for your anticipated positive response to our request.

Sincerely,

PAUL P. YAHNER.

BOSTON, MASS.,
April 10, 1974.

Hon. AUGUSTUS F. HAWKINS,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN HAWKINS: As a member of the Massachusetts State Council of Federal Affairs, I am deeply concerned about the possible termination of funds for the Office of Economic Opportunity. The loss of these funds would cause a serious cutback in services to low-income people in Massachusetts.

Last year programs supported by OEO provided health, education, manpower, child-care, housing, economic development, community development, and social services to more than three-quarters of a million low-income people in Massachusetts. Many of the people served were elderly, young children, teenaged youth, and working parents who suffer from the tragic conditions of poverty.

OEO manpower programs in Massachusetts have provided employment opportunities through counselling, training, and placement. Social services, child care, and homemaker programs have freed many parents to secure gainful employment. And OEO programs provide employment for more than two thousand people in Massachusetts, many of whom were welfare recipients or hard core unemployed before the inception of OEO programs.

At this difficult economic period, the effects of a cutback in funding for the Office of Economic Opportunity would be extremely serious. Consequently, I urge you to support HR-12464 or similar legislation which would continue the necessary funding for the Office of Economic Opportunity and the vital programs it has initiated and maintained.

Sincerely,

Kevin B. Harrington,
President of the Senate.

Centreville, Ill.,
March 5, 1974.

Congressman Augustus Hawkins,
Chairman of the House Subcommittee on Equal Opportunity, Washington, D.C.

Honorable Sir: I am writing you on behalf of our predominately disadvantaged community of Centreville, Illinois and Alorton, Illinois, where for the past seven years, we of this community in St. Clair County, Illinois have been privileged and blessed to have a Neighborhood Opportunity Center under EOC (The St. Clair County Economic Opportunity Commission.) Our Centreville-Alorton N.O.C. has been a focal point for information in every area and great help to youth and adults. The center (N.O.C.) here has formed Block Clubs, Boy and Girl Scout Groups, Homemaking Groups, 4H Groups, attracted tutoring classes and tutors from the local colleges who have evening classes at the center (N.O.C.) They have used clothing banks, large food distributions to the poor, provide work for many N.Y.C. boys and girls. This center has a most popular Day Nursery as their space will accommodate. This center is a popular and relaxing spot for Senior Citizens which is the scene of dinners and meetings. This center provides as a meeting place for groups, committees, and small parties, block meetings, services to Senior Citizens, birth records, letter writing for those who wish that service done correctly.

We are trusting that the funding for 1974–1975 will be re-considered and that the center and its great service in community action services will continue throughout the years and years.

Sincerely,

Ernest Smith, Sr.,
Mayor.

Madison County, Ala.,
March 15, 1974.

Congressman Gus Hawkins,
Subcommittee on Equal Opportunity Employment, House Labor and Education Committee, House of Representatives, Washington, D.C.

Dear Congressman Hawkins: There has been considerable protest in this area concerning the proposed termination of categorical Federal Funding for Community Action Agencies.

I am joining also in requesting that these programs not be terminated, inasmuch as I happen to be one of the officials who strongly supported Revenue Sharing, after hearing personally no less a personage than the Vice President of the United States tell us that categorical Federal Funding would not be effected. We were obviously mislead, if such funding is terminated.

I am particularly anxious that Federal Funding Programs be retained here which will help our low income and disadvantaged people, particularly those who are elderly—infirms. Your support of appropriate legislation is requested strongly.

Sincerely,

James Record,
Chairman, Madison County Commission.

Henderson, Nev.,
March 29, 1974.

Hon. Augustus F. Hawkins,
House of Representatives,
Washington, D.C.

Dear Sir: I would like to strongly urge that you consider extending the present Economic Opportunity Act or passing new legislation on this subject in the near future. What most concerns me at this point is the expiration, on June 30, 1974, of the Community Action portion of the Act. This section, to me, is the most valuable portion of the current legislation in that it provides for an advisory board comprised of persons of all sectors of the community. I feel that our community can best utilize the many resources provided by our federal government by following the direction of those who know its problems. I feel that this interaction between the national administration and the recipients is essential to an effective and efficient program.

Thank you for your consideration in this matter.

Very truly yours,

Cruz M. Olague,
Mayor.

Richmond, Va.,
March 28, 1974.

Hon. Augustus Hawkins,
Subcommittee on Equal Opportunity,
Washington, D.C.

Dear Congressman Hawkins: The Richmond Community Action Program, Inc., which is a private, non-stock, non-profit corporation that has serviced and assisted the low-income communities in Richmond since its conception seven years ago, was conceived through the creative efforts of the Economic Opportunity Act of 1964.

Since that time the agency has been a credit to the Richmond community and has demonstrated expertise in the areas of manpower, day care, senior citizen services, legal aid, drug abuse prevention, outreach and referral assistance and training, planning and assistance in developing the capabilities and potentialities of the low-income citizenry. In addition, the program has worked in coordinating and helping to create several innovative programs with many of the City departments and State agencies. It is the largest agency of its kind in the Richmond Metropolitan Area.

Unfortunately, the new Federal Revenue Sharing Program does not provide sufficient funds to realize the budget of R–CAP and other social action programs that were previously funded through direct categorical grants from Federal sources.

It is because of this problem and the above achievements that I am requesting your serious consideration and support for the passage of the legislation currently pending before your Committee to extend the Authorization of the Economic Opportunity Act of 1964, which would insure the continuance of this very worthwhile agency in the Richmond community.

Thank you in advance for your consideration.

Sincerely,

William J. Leidinger,
City Manager.

EQUAL CREDIT OPPORTUNITY ACT

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. BURGENER. Mr. Speaker, I am pleased to join with the gentleman from New Jersey (Mr. Widnall) in introducing our own version of the Equal Credit Opportunity Act prohibiting discrimination in the granting of credit on the basis of sex or marital status. We agree wholeheartedly with other Members who advocate the prompt enactment of legislation which will be really effective in eliminating discriminatory lending practices. However, our bill differs in some important respects from that sponsored recently by other members of our committee. We hope the introduction of this bill will facilitate comparison.

Mr. Speaker, we believe that the maximum value to be derived from this type legislation will come from legislation which is clear as to its intent. Of the many witnesses who appeared before the Consumer Affairs Subcommittee during its hearings last fall, all agreed on this point. By and large, the business community, although recognizing that some discrimination continues, expressed no real opposition to legislation to eliminate it. They are resigned to the fact that this is an idea whose time has come. However, they were most vociferous in requesting that we be as explicit as possible in defining what was considered discriminatory and in clarifying the resulting conflicts with various State laws.

We have attempted to do this in our bill. We believe that the approach to State laws contained in this measure goes further toward meeting women's objections to discrimination than some other bills. However, this is a complex area and we solicit further comment from interested parties.

Another area where our bill differs significantly from the other bill is in the matter of civil penalties. Both in testimony and extensive discussions with representatives of women's organizations, we were given the impression that the responsible elements preferred strong penalties to redress actual cases of discrimination to the nonproductive penalties of punitive class actions. We have attempted to draw this legislation to achieve this result.

As background, it should be noted that a number of class action suits have been brought under the Truth in Lending Act. To our knowledge, they have all been brought for technical violations of the act. None that we know of allege actual damages to any individual. Although the courts have not allowed any of these suits, hundreds of thousands of dollars have been spent in defending against them or out-of-court settlements to avoid even higher legal expenses. These costs are all passed on to the consumers, the result being that consumers have had to absorb hundreds of thousands of dollars of added cost despite the fact that no one is alleged to have suffered any actual damages.

What has happened under truth in lending, and what we feel sure could happen under this act, is that the large creditors with good legal counsel and adequate resources have achieved a high degree of compliance while compliance has been much slower among small businesses. This is borne out by FTC and Federal Reserve surveys. But the class actions have been brought against larger firms for alleged technical violations. It appears that these suits have been brought more to enrich legal firms than to correct ills or benefit consumers.

With these thoughts in mind, this bill has been drawn to permit class action suits where actual damages to consumers can be demonstrated. This means that any individual acting on his or her own behalf, or on behalf of a class who can prove actual damages as a result of discrimination can sue for recovery of those damages plus legal fees and court costs. However, class action suits for some technical violation which does not result in any damages would not be authorized.

Because we anticipate that the real problem will not result from the deliberate continuation of discriminatory practices as a matter of policy but from the failure of operating level employees to follow nondiscriminatory policies, we have provided—in section 706(b)—for a punitive fine of up to $10,000 in addition to the recovery of damages and costs. It was felt that a large fine of this nature would create the incentive for management to supervise operating level employees to achieve really equal credit opportunities.

The entire thrust of the civil liabilities section is to create real incentives for compliance without generating unproductive harassment. Because actual damages are likely to be relatively small, but we want the legislation to achieve real progress and be a true help to those individuals actually damaged by discrimination, we have allowed a maximum penalty large enough to make a court action attractive whenever any damages are provable.

Mr. Speaker, we are committed to the passage of legislation this year to eliminate this needless discrimination. We hope that an enlightened discourse in the weeks ahead will bring forth the best possible bill.

THE CASE FOR A FEDERAL OIL AND GAS CORPORATION—NO. 35

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. HARRINGTON. Mr. Speaker, the specter of nationalization has often been invoked by opponents of a Federal Oil & Gas Corporation in order to discredit the concept. Opponents of the FOGC suggest it represents "creeping socialism."

There is, however, a significant, and very clear-cut difference between the proposed Federal Oil & Gas Corporation and nationalization of industries.

The Federal Oil & Gas Corporation would not preempt energy development on publicly owned lands, but would instead control 20 percent of the available tracts of these areas.

Lee White, former Federal Power Commission chairman and originator of FOGC, adamantly emphasizes that the Corporation is not a step toward nationalization. Instead, he says, FOGC would act as a pace-setter in mining and marketing energy with proper regard for environmental concerns, and could develop reliable data on the actual costs of energy development, data which could be compared to that reported by the major oil companies. James M. Collins of the Oil Daily, an opponent of FOGC, nevertheless reports that Mr. White "has a good grasp of energy issues" and "is familiar with the basic underlying economic factors surrounding the energy issues." Mr. White's credibility with all sectors of the industry is a major element in the growth of respect for the Corporation idea.

The Corporation would be created for much the same reason the Congress created the Tennessee Valley Authority in the 1930's—to measure the investments and profits of private industry while providing needed energy for consumers.

It is, therefore, not an ill-conceived extension of government, but a thoughtful alternative to the monopolization of our energy production by a few major oil companies. I urge my colleagues to give serious consideration to the Federal Oil & Gas Corporation.

COURAGEOUS JUDGE

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. HUNT. Mr. Speaker, Suffolk, Mass., Superior Court Chief Justice Walter H. McLaughlin blasted a jury of nine men and three women after it acquitted the defendant in a rape case.

He told them:

> Rape is going to continue until the jurors by their verdicts convict and punish, when the evidence is overwhelming, as I think it was in this case.

He went on to say:

> I wish I could say to you that you performed your jury service in the highest traditions of this commonwealth, and I can't.

Mr. Speaker, for the Record, I submit the following article from the Sunday, May 19, 1974, Philadelphia Bulletin:

Judge Blasts Rape Jurors for Acquittal

Boston.—A jury of nine men and three women was denounced by Suffolk Superior Court Chief Justice Walter H. McLaughlin after it acquitted the defendant in a rape case.

McLaughlin told the jurors he was "reluctantly coming to the conclusion . . . at least as far as jurors are concerned, rape is no longer a crime," he said the situation "has gotten to be almost a national scandal."

His scathing remarks were made from the bench after the jury found a 27-year-old man innocent of raping a 22-year-old woman.

FIRST TIME

Justice McLaughlin said it was the first time he had ever criticized or rebuked a jury. He also dismissed the jury from further service.

The prosecution maintained that the woman met the defendant in a singles bar and had been coerced into going to his apartment after he took her handbag and refused to return it. At the apartment the defendant raped her, the prosecution contended.

Two residents of the building testified they heard the woman screaming inside the defendant's apartment for about 20 minutes.

EVIDENCE OVERWHELMING

Referring to that testimony, McLaughlin said "Can it be, ladies and gentlemen, that you believed the screaming, terrified girl, with blood-curdling calls, consented to the advances of this defendant?"

He told them: "Rape is going to continue until jurors by their verdicts convict and punish, when the evidence is overwhelming, as I think it was in this case.

"Girls don't report rape for the humiliation involved in it. the degradation they go through in a trial. When we have a trial, instead of trying the defendant, you make the poor girl the defendant. I wish I could say to you that you performed your jury service in the highest traditions of this commonwealth, and I can't."

RAIL SERVICE FOR MICHIGAN'S FIFTH DISTRICT

HON. RICHARD F. VANDER VEEN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. VANDER VEEN. Mr. Speaker, on May 15, 1974, hearings were held in Grand Rapids, Mich., to determine the reactions of the people and officials in Western Michigan to the rail reorganization plans prepared under the authority of the Regional Rail Reorganization Act of 1973.

Testimony was presented in my behalf, expressing my concern with the proposed abandonment of direct rail service between Grand Rapids and Ionia, Cadillac, Muskegon, Grand Haven, Allegan, Kalamazoo, and Battle Creek.

In my statement, I indicate general approval of the goals of the act and the way in which the Department of Transportation has tried to carry out directives contained in the act. However, I point out that the wholesale abandonments contained in the initial plan are biased against the consumer, ignore external economies inherent in efficient rail transport, and are based on faulty economic methodologies.

Mr. Speaker, the proposed rail reorganization plan affects the residents of many congressional districts. It is for this reason that I wish to share my thinking on this issue with my colleagues. I include my testimony at this point in the Record:

Testimony of Hon. Richard F. Vander Veen

INTRODUCTION

The Regional Rail Reorganization Act of 1973 (RRRA) has profound implications for every person living within the area to which it applies. I want to commend the Rail Services Planning Office and the public counsel for their efforts to alert the public to the importance of the railway system plan, and for their eagerness to solicit ideas and reactions from local government units, from rail users, and from other interested parties.

Despite the fact that the RRRA was passed by the House of Representatives before I became a member, I think it is in most respects a sensible response to the disrupted condition of existing rail operations in the Northeastern United States. I concur in the general tenor of the public testimony, however, that the initial system plan which was produced by the Secretary of Transportation, and which proposes to abandon direct rail service between Grand Rapids and Ionia, Cadillac, Muskegon, Grand Haven, Allegan, Kalamazoo, and Battle Creek, is totally inadequate, based upon slipshod methodology, and biased against the public interest. In my testimony, I want to comment briefly on the relationship of the Department of Transportation Report to the RRRA as a whole, on the more obvious faults of the DOT Report, on some inherent contradictions in the plan for railway reorganization, on ambiguities in the RRRA, and finally, on the necessity for continuing public participation in the remainder of the planning process.

THE DOT REPORT AND THE RRRA

There has been considerable misunderstanding about the fact that the proposed abandonment of railroad branch lines is no more than a recommendation of the Secretary of Transportation, and that it is the United States Railway Association, taking advice from the Rail Services Planning Office, which is to submit both the preliminary system plan in October of 1974 and the final system plan, subject to Congressional review, about March of 1975. I believe it is safe to predict that the Secretary's recommendations will not be adopted by the Railway Association, since both the public testimony and the Planning Office have shown those recommendations to be conceptually faulty and in conflict with the clear intent of Congress.

OBVIOUS FAULTS OF THE DOT REPORT

The two major faults of the Secretary's Report are its inadequate measurement of profitability and its neglect of those benefits of rail transport which are not reflected in railroad company profits. As the testimony in these and prior hearings has shown, current profits on branch lines are systematically underestimated by the Secretary's criterion, and an estimate of potential future profits from efficient service on those lines is not even attempted.

It is stated in the RRRA as a Declaration of Policy that "Rail service and rail transportation offer economic and environmental advantages with respect to land use, air pollution, noise levels, energy efficiency and conservation, resource allocation, safety, and cost per ton-mile of movement, to such extent, that the preservation and maintenance of adequate and efficient rail service is in the national interest." Most of these considerations do not show up in railroad company balance sheets. In the economist's jargon, rail service is subject to considerable external economies. The fact that such economies are left out of the DOT Report assures that many lines proposed for abandonment will be reinstated in the final system report, if it is to have any chance of being accepted by Congress.

INHERENT CONTRADICTIONS IN RAIL REORGANIZATION

Mention of external economies points to a recurring problem in our society, and that is the reconciliation of private decision-making with the social implications of those decisions, a reconciliation made far more difficult in the presence of monopoly control. The current rip-off of the consumer by the major oil companies serves to remind us why railroad rate structures initially came under the control of the Interstate Commerce Commission in the 19th Century, but the suffocation of the Penn Central under the inflexible apparatus which grew up serves to remind us of the stultifying effect of government bureaucracy.

In our modern economy, exposed to sudden shock and complex change, it is imperative that the rail system maintain contact with the marketplace, including incentives to modernize fixed capital investment facilities and rolling stock. Perhaps sufficient competition has developed among all modes of transport to permit relaxation of bureaucratic controls in each, depending on the competition to protect the final consumer. Otherwise, the final system plan should devise alternative means to increase flexibility in order that the new Consolidated Rail Corporation can achieve and sustain a profitable status. In my opinion, management and unions, which are responsive to change, will do far more to insure a viable rail system than the abandonment of branch lines.

A second inherent contradiction in RRRA is the attempt to separate the final system plan from formulas for rail continuation subsidies for lines left out of the final plan. If the current proposals of the Secretary of Transportation and the Rail Services Planning Office were adopted, for example, it would be likely that some branches, slated for abandonment because the Secretary's Report finds them unprofitable, are found to be profitable under the Planning Office formula and therefore ineligible for a subsidy! Obviously, the decisions are the opposite sides of the same coin, and all branch lines left out of the final plan should be ones for which a subsidy is needed to remain in operation. A separate formula is required to determine whether a given subsidy should be undertaken, by comparing abandonment with the external economies of a continuation.

AMBIGUITIES IN RRRA

Although I believe the Reorganization Act to be basically sound, it is the result of intensive lobbying efforts and eventual compromise. As such, there are many ambiguities in the Bill which will have to be resolved in the final plan. Among these unanswered questions are the following: (1) The Consolidated Rail Corporation is to be profitable, but it is never determined whether this is to be accomplished on a system-wide basis or by applying some profitability formula to each branch separately.

In other words, abandonment implies unprofitability, but does unprofitability imply abandonment? (2) Because Congress specifically recognized external economies, it is definite that some lines will be kept in operation via subsidies, and it is prescribed that each State is entitled to a formula amount to be appropriated each fiscal year. In a later clause, however, it is stated that a rail service continuation subsidy may not exceed a term of two years. Since external economies do not disappear over time, I presume the intent is to have renewable two-year subsidies, but the language of the Bill is unclear. (3) The final system plan includes all railroads in the region, but the relationship between currently-bankrupt companies and currently-profitable companies is extremely vague. Apparently, a profitable railroad must turn over "substantially all of its rail properties" to the Consolidated Rail Corporation in order to be allowed to abandon a line left out of the final plan. This incentive to join the Corporation seems in conflict with the statement elsewhere that no acquisition by the Corporation is to impair the profitability of other railroads operating in the region.

THE NEXT STEPS

The mechanism for public response has been geared up by this Report of the Secretary of Transportation, but an even larger effort is needed when the preliminary system plan is published by the Railway Association in October. I urge all users of rail services to prepare statistics on current and projected traffic for testimony during the 60-day period following publication of the preliminary plan. If your line is slated for exclusion at *that* time, only specific rebuttal will be able to effect change. As an example of a local firm which has been doing its homework on the issue, I'd like to specifically cite the Amway Corporation.

Once the final system plan is published, there is no provision for public testimony. There is, however, a 60-day period during which Congress can reject the proposal. If there is any doubt about what is in the best interests of the 5th District, I will hold hearings in Grand Rapids to help determine what my vote should be.

THE SHOCKING TRUTH ABOUT OUR CHILDREN'S HEALTH CARE

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. SYMINGTON. Mr. Speaker, in this month's Reader's Digest there appears an excellent article on our Nation's approach to the health care of children. The article pointedly examines the paucity of available preventive health services for all children, especially for those of the poor. It also chides the administrators of the Federal Government's child health programs and the relatively small amount of Federal health dollars which go for the care of children.

This is a thought-provoking article on a topic of vital importance.

I know all my colleagues will share my concern.

The article follows:

THE SHOCKING TRUTH ABOUT OUR CHILDREN'S HEALTH CARE

(By Lester Velie)

Seven-year-old Philip has a strange family doctor. He doesn't know Philip or his family, and they don't know him. The best time to see him is at midnight. Sometimes he plays blindman's bluff with patients, for, not knowing their full medical history, he diagnoses and treats by guess and by hunch.

Philip's family doctor is the emergency clinic at Jackson Memorial Hospital, in Miami. Few of the 33,000 children treated there yearly are accident victims. Most are sick youngsters whose mothers have nowhere else to turn.

There's a doctor three blocks from Philip's home and a private clinic a mile away. But they charge $10 cash in advance, plus the cost of lab tests and prescriptions, which the family can't afford on the father's $100-a-week take-home pay. So when Philip or either of his two sisters suffers a scrape, fever, diarrhea or any ailment short of a true emergency, his mother heads for the county hospital—eight miles, two buses and one hour away. Most of her 30-odd visits over the last three years have been in the middle of the night; an hour she has found the waiting can take the better part of a day.

Ours is a two-class medical system. First class is for those who can pay, directly or with insurance, for private care. The others, like young Philip, rely on a subsystem of emergency rooms, "free clinics" manned by volunteers, and federally funded neighborhood health centers—or get infrequent health care or none at all.

Price is one barrier to adequate health care. Some 25 percent of children under 21—about 20 million in all—are "medical indigents": their families earn less than $6,000 a year. In big cities, the percentage is higher. Of Baltimore's 320,000 children, fully half are medical indigents.

To this, add the barrier of acute doctor scarcity in inner cities and rural areas. The Kingsman Park section of Washington, D.C. (population 85,000), for example, has no pediatrician. Its only general practitioner has a case load of 9500 patients, who must make appointments three months in advance! As for rural areas, the American

Medical Association reports 140 counties (total population, a half-million) with not a doctor among them.

The consequences? A recent Health, Education and Welfare poll of 40,000 households, ranging from poor to middle class, found that 29 percent of the children had not seen a doctor for a year, and 14 percent not for two years.

To break the cost and scarcity barriers, then, more and more of the poor, near-poor and even lower middle-class have turned to "emergency-room medicine" as a stopgap. Use of emergency rooms more than doubled during the 1960s. At the Children's Hospital Medical Center in Boston, it nearly tripled in a decade. And what kind of health care does this mean of children?

OUT OF GEAR

"I come here so often I feel I own the place," said one mother of five, who lives 17 miles from Jackson Memorial. "But I don't ever get the same doctor or nurse. So each time we start all over."

A young intern said, "I've taken an oath to give quality care. But how can I, without more observation and knowledge of the child? I don't know if this is a kid whose sore throat turns into something more serious, or whether his mother is hysterical and runs to the doctor every day. We have to discount so much, and guess so much."

"No doctor should work more than six hours straight in an emergency room," said a resident (a medical-school graduate studying a specialty). "But I work 24, with every other day off, and interns work a 15-hour day. A tired doctor cuts corners, misses symptoms. It's hard to spot typhoid after you've seen 50 cases of diarrhea in one day."

From observing emergency rooms in Los Angeles, Washington, D.C., Chicago, Miami and Brooklyn, I've learned that many children come in with diseases that are supposed to be obsolete—measles, mumps, sometimes diphtheria and polio. Why? Because only a minority of children who come have received their immunization shots.

Last year, only 43 percent of preschool children in inner-city areas had been fully immunized against polio, according to Dr. John J. Witte, director of the Immunization Division of the U.S. Center for Disease Control. Only 55 percent had been immunized against measles, diphtheria, whooping cough and tetanus. Crisis-oriented, emergency-room medical care is simply not geared to medical-history keeping. Says Dr. Witte, "A child with a dog bite or puncture wound will get a tetanus shot. But a parent who brings a child with a rash or stomach ache is not likely to be asked what immunizations the child has had and when."

Neglect of pregnant mothers—on whose health the health of the newborn depends—compounds the problem. In Wisconsin, the state Division of Health and the Academy of Pediatrics found that some 70 percent of all obstetrical emergencies in 1970 could have been predicted—and many of them averted—with proper prenatal care. Yet in some low-income areas in Brooklyn, Chicago and Washington, D.C., almost 33 percent of pregnant mothers get *no* prenatal care. So a baby born in Iceland, Japan or any of 12 other countries has a better chance of surviving its first year than one born here.

Even more scandalous: The U.S. mortality rate for children in their first year who were born to poor or near-poor parents is twice as high as for middle-class children. Further, some 200,000 children a year are born blind, or deaf, or with muscular dystrophy or impaired hearts—many for want of proper care prenatally and at birth.

Who is to blame?

Curiously, we have the best-equipped hospitals, the best-trained doctors, the most advanced biomedical research in the world. All these are a part of a $94-billion health-care industry. The trouble is, as Dr. George Silver of Yale University Medical School says, "This giant industry relies on an inefficient, corner-grocery distribution system." Or, as former U.S. Surgeon General Dr. Jesse L. Steinfeld puts it, what we have is "not a medical system, but high-priced chaos." No group—whether the doctors, hospitals, health-insurance industry or federal government—takes responsibility for the distribution of medical resources, or for setting a national health strategy that would include health care for all our children.

FEDERAL CRUMBS

Consider the federal government, which via Medicare, Medicaid and other programs foots the biggest share of our country's total hospital and doctor bills—40 percent. (Private insurance covers about 27 percent, direct cash payments cover the remaining third.) Who heads the line for the federal dollars? Not the children. The aged and the war veterans shared more than half the 1973 federal health budget of $24.6 billion. The children, one third of our total population, got the crumbs—12 percent. For every 65 cents spent on an elderly person, the government spent a nickel on a child. The elderly do not have to take a means test to qualify for Medicare, but children must be paupers to qualify for Medicaid or for care in the federally funded neighborhood heath centers.

Few would suggest that we diminish our health care for the aged. But should a country put its past—the retirees—first, and its future—the children—last?

It is clear that children don't vote but adults do. The elderly have two principal sets of lobbyists, maintained by the National Council of Senior Citizens and the American Association of Retired Persons. They also have an effective policy-making voice in government through HEW's Administration for the Aging, headed by ex-HEW Secretary Arthur Fleming. Meanwhile, the Children's Bureau, which spoke for children and handled all federal child-health programs from 1912 onward, was gutted in 1969 and its functions were scattered throughout HEW.

The Office of Child Development, which inherited some of these functions, has had no permanent director since June 1972. The Maternal and Child Health Service, which was supposed to administer the health programs, was slashed last year from a staff of 130 to a staff of six. This is the agency that conceived and nurtured the model maternity-and-infant-care programs as well as the comprehensive health programs for preschool and school-age children acclaimed by the American Medical Association and the American Academy of Pediatrics. In July, the federal funds earmarked for children's-health projects will be replaced by formula health grants, which give the states some freedom in spending. To date, the states have been notoriously neglectful of child health.

DEPRESSING PERCENTAGES

Nobody is minding the children of the poor and near-poor in health insurance, either. Of families earning between $3000 and $5000 yearly, only about 42 percent are even partially covered (usually with health insurance purchased by employers). Among families, earning between $5000 and $10,000, the figure is about 77 percent. But, as the American Academy of Pediatrics recently charged. "Insurance programs are designed primarily for the care of adults." Most policies provide for hospital care only. What children need chiefly is "well care"—checkups, treatment of minor ailments before they escalate. Since most policies don't cover doctor's visits, children of the working poor are unlikely to see a doctor until they become seriously ill.

Meanwhile, our medical schools are not providing enough "primary child-health caretakers" to keep pace with the rising population. Of 10,391 medical-school graduates in 1973, fewer than ten percent are training in pediatrics. And the combined number of general practitioners and pediatricians per 100,000 children has declined since World War II.

Furthermore, the supply of U.S. medical-school graduates flows to where the most dollars are—in the suburbs and middle-class neighborhoods. Inner-city parents, turning to county-hospital emergency rooms, find these largely staffed with the products of medical schools in such underdeveloped countries as the Phillippines, Korea, India, Pakistan.

TOWARD "WELL CARE"

As noted, what children mostly need is preventive care. (For example, early attention to strep throat in children could markedly reduce cases of heart-damaging rheumatic fever.) But medical school emphasis is not on prevention; it is on treatment and cure. "Physicians contribute little to good health." Dr. Marvin Cornblath of the University of Maryland Medical School said to me. "We're trained to treat sickness."

"Our medical system is able to meet with high efficiency the kind of medical problem that was dominant until about 40 years ago," says Dr. William E. Glazier of the Albert Einstein College of Medicine. But the diseases that once killed us have been brought under control. Today we need a new approach, an improved health-care-delivery system to deal with today's problems. Specifically, we need a medical system geared to periodic checkups, screening, early intervention, maintenance care—*i.e.*, a system in which we pay the doctors to keep us well. Such a system would help put our children first instead of last.

When it comes to environment and energy resources, concern for our future results in national action. Our children, our most precious resource, deserve the same.

LOWER BREAD PRICES

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. FINDLEY. Mr. Speaker, on May 13, I inserted in the RECORD—page 14385—a copy of a letter I wrote to Bill Mead, chairman of the American Bakers Association. It was Mead who forecast $1-per-loaf bread prices earlier in the year. This price, he said, would result from an increase in the cost of wheat to $8, $10, or $12 per bushel.

Since that time, however, wheat prices have fallen by 40 percent, but Mead has yet to forecast resultant falling bread prices. I called upon him to apply the same logic that resulted in the January statement to the current situation—which could only result in the prediction of lower bread prices.

I admitted to Mead that I may have sounded a bit "crusty." But who would not be when bread prices stay up despite a big drop in wheat prices, I asked.

Mead has not responded to my letter, but it has drawn some interesting responses, including this delightful note from Harold B. Steele, president of the Illinois Agricultural Association:

DEAR PAUL:

May I add my name to the "roll" of Illinois farmers who were pleased that you saw fit to "rise" to the occasion—in your recent letter to Mr. Mead—and "toast" him just a bit for his earlier allegations. Although your verbiage may have been a bit "yeasty", your message got to the "kernel" of the matter and should serve to show your constituents that their representative is not "loafing" or ignoring the "bread and butter" issues.

I only hope you will not overlook the plight of the pork producers, either. We also tend to "bristle" a bit when retail prices fail to reflect the fact that we're not "eating so high on the hog" as we were several months ago. I'm not sure where the "gilt" lies, but maybe a little more of your "ribbing" might be in order. All in all, Paul, a "crackling" good job.

COMMUNITY SERVICES ACT OF 1974

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. HAWKINS. Mr. Speaker, I would like to bring to the attention of my colleagues some additional support for the continuation of the Community Action program. My office is continuing to receive letters of support daily from Governors, mayors, and city officials urging the extension of the poverty program.

Later this week the House will take up H.R. 14449, the Community Services Act. This legislation will continue the Community Action program and other programs currently under the Office of Economic Opportunity. I need not go into the turmoil and controversy which have ensued over the past year with the announcement of the President's expressed intention to eliminate Community Action and the Office of Economic Opportunity.

In view of the administration's position and the controversy over the poverty program in the past, I have been particularly gratified to learn of the widespread support which Community Action now enjoys. Public leaders from all sectors of the country and reflecting the entire spectrum of political persuasion have endorsed continuing Federal support for Community Action. Literally hundreds of mayors, State legislators, and local and county officials have urged Congress to pass new legislation to extend Community Action.

For the benefit of my colleagues, I would like to share just some of the letters which I have received from public officials on the continuation of the Federal poverty program:

STATE OF ALABAMA,
GOVERNOR'S OFFICE,
Montgomery, February 26, 1974.

Congressman GUS HAWKINS,
Chairman, Subcommittee on Equal Opportunity Employment, House Labor and Education Committee, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN HAWKINS: I have received a great deal of correspondence, personal visits, resolutions and other communications from local elected officials, community leaders, low income participants, and others, protesting the proposed termination of categorical federal funding for Community Action Agencies.

There is strong support in Alabama, from all segments of the Local Communities, for the continued federal funding of CAA's I am informed that many of these agencies have developed service delivery systems which are recognized as very effective resources for reaching low income and disadvantaged people, particularly the elderly who are often isolated.

It is because of this strong local support that I urge the passage of legislation to assure the continued categorical federal funding of effective and well administered Community Action Agencies.

Sincerely yours,
GEORGE C. WALLACE,
Governor.

STATE OF TEXAS,
OFFICE OF THE GOVERNOR,
Auston, March 8, 1974.

Hon. AUGUSTUS F. HAWKINS,
Chairman, House Education and Labor Committee, Subcommittee on Equal Opportunity, House Office Building Annex, Washington, D.C.

DEAR CONGRESSMAN HAWKINS: At the suggestion of Congressman Bob Eckhardt of Texas, I am submitting today a text of a recent letter which I have sent to Democratic members of the Texas Congressional delegation concerning HR 12464, which would extend the Economic Opportunity Act of 1964, as amended.

I appreciated the invitation to appear before your Subcommittee on March 6, 1974, however, my scheduled meetings at the National Governors' Conference prevented me from being able to appear.

An overwhelming majority of the poor in Texas fall into three groups: the very young, the elderly, and the working poor. In our State poverty touches all ethnic and racial groups including Anglos, Mexican-Americans, and Blacks. All of these people have a legitimate need for continuation of the services that community action agencies provide.

Because of my deep concern for the problems of the more than two million poor Texans, I am interested in seeing federal legislative action that will allow community action agencies to continue to assist the poor to become self-sustaining citizens of our great state and nation.

Sincerely,
DOLPH BRISCOE,
Governor of Texas.

OFFICE OF THE GOVERNOR,
Austin, Tex., February 27, 1974.

DEAR ———: The Texas Association of Community Action Agencies, has adopted a resolution asking me to support H.R. 12464, and that I respectfully urge you to give your support to this legislation.

As you may know, H.R. 12464, sponsored by Representatives Carl Perkins, Augustus Hawkins and Alphonzo Bell, provides for extension of the Economic Opportunity Act of 1964, as amended through June 30, 1977. This action would assure that the network of human resource organizations—community action agencies—would continue to be available to deliver services to the more than two million poor in Texas.

Community action in Texas means a network of 57 private, non-profit and public agencies conducting programs last year in 195 Texas counties for three-fourths of the State's two million poor. These programs also provided vital outreach and linkages for the poor to a wide variety of state and local government administered programs such as nutrition, health care, employment services, welfare, and day care. A large portion of the 5,500 employees providing these services were poor themselves and have an unparalleled capacity to communicate with the poor. The passage of H.R. 12464 will prevent the scrapping of this vital network, which has been built up over the past decade and proven its ability to serve the poor as no other system in the history of mankind has been able to do.

In its analysis of the President's FY 1975 budget, the National League of Cities and the U.S. Conference of Mayors said, "the most significant loss for cities is the loss of Community Action Operations monies. . . . the termination of Community Action Agencies can cause the closing or disruption of numerous services which the low-income areas of cities desperately need. This in turn will place considerable pressure on cities to provide funding for these services, thus increasing the burden on the steadily diminishing financial resources of cities."

In my judgment, the nation—and Texas—can ill afford to lose the capability which community action has developed to provide programs tailored to meet the needs of the poor. Therefore, I request your careful consideration of this bill now before the Congress.

Sincerely,
DOLPH BRISCOE,
Governor of Texas.

STATE OF MISSISSIPPI,
Jackson, April 10, 1974.

Congressman GUS HAWKINS,
Chairman, Subcommittee on Equal Opportunity Employment, House Labor and Education Committee, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN HAWKINS: Joining with other governors, and speaking for local elected officials, community leaders, low income participants and others, I am supporting and urging the passage of HR 12,464 especially in its support of Federal funding of Community Action Agencies.

The legislature of the State of Mississippi has enacted legislation supportive of Community Action Agencies which I signed into law on April 3, 1974. Because of strong local support expressed through the passage of this state legislation, I urge the passage of legislation to assure the continued categorical Federal funding of effective and well administered Community Action Agencies.

Yours sincerely,
WILLIAM L. WALLER,
Governor.

STATE OF MICHIGAN,
OFFICE OF THE GOVERNOR,
Lansing, April 29, 1974.

Hon. CARL D. PERKINS,
Chairman, Standing Committee on Education and Labor, U.S. House of Representatives, Washington, D.C.

DEAR MR. PERKINS: I support the continuation of federal funding for Community Action Programs in this State. As an indicator of my support, I have sent special messages to you and other congressional representatives. I have also written to the Vice President, expressing my concern for our poor and disadvantaged citizens, if these essential services are terminated.

I know that the Congress is now considering specific legislation to preserve the more worthwhile programs created under the Economic Opportunity Act. As the Governor of this State, I am grateful for the opportunity to assist your Committee in its deliberations by offering some evidence of the Community Action Agencies' performance in Michigan.

Please consider our experience and our needs in Michigan as part of your decision toward establishing services for the disadvantaged. These should be carried out through federal and non-federal agencies.

Our State Economic Opportunity Office conducted an on-site survey of the CAA's in March 1974. This produced extensive data regarding the entire scope of CAA operations, as related to their services to people, finances, citizen involvement, community organization and economic impact. The following are examples of the facts revealed in that survey:

A. FINANCIAL RESOURCES

Due to the unique provisions of the EOA, CAA's are eligible to receive and disburse funds from nearly every federal agency. Consequently, we may find a CAA involved in child development, employment training and placement, acute health care, drug programs and housing rehabilitation.

The gross total of all programs sponsored by Michigan's 30 agencies during the year 1973 was $67,186,420. Of that total $59,680,429 went to the cost of services provided to poor people. The administrative cost for these programs was less than 12% of the total expenditures.

B. PEOPLE SERVED

Of the 8,697,689 people in Michigan, 819,438 individuals had incomes below the poverty line. Our March, 1974 survey showed that CAA's contracted to serve 573,818 people during 1973 and made a total of 462,378 referrals and/or contacts in several areas such as housing, family planning, emergency food, employment, education, day care and many others.

Our State Economic Opportunity Office is the prime sponsor for $19.8 million in USDOL manpower funds through Community Action Agencies. We have subcontracts serving all 83 counties with manpower programs.

The second largest federal funding source is HEW-OCD for Head Start programs in the amount of $8.3 million. Thirty-three of our thirty-eight Head Start programs are operated by CAA's. In addition, each day, 21 CAA's are providing nutritious, hot meals for 2,335 senior citizens.

For the vast majority of CAA's, EOA 221 funds are the heart and the head of their operations. Other federal, state and local programs have been able to apply a very high percentage of their funds directly to program services, because of the CAA's 221 money paid the administrative cost.

Further, my office recognizes and supports citizen participation in local decision-making as developed through the community programming activities of the CAA's. These activities allow citizens input into deciding how money is spent by providing the persons using these programs the means to serve as monitors and evaluators. Although CAA projects with USDOL and HEW are allowed five percent to support administrative expenses, the amount spent in most instances, was 1.5 percent.

Let me emphasize, that I believe Community Action Agencies have proven their worth as operators of a wide variety of Human Service Programs. Because Michigan administers $54.5 million in CAA programs, this system is in real jeopardy, unless a way is found to maintain the $12.7 million presently available to CAA's through EOA 221 grants.

The record of Community Action performance in Michigan and the needs of our disadvantaged persons have been clearly established. For these reasons, I, therefore, urge your prompt and affirmative action in passing legislation which will continue to provide hope and a way out of poverty, not only for the people of Michigan, but also, for the benefit of all the people in our great land.

Sincerely,

WILLIAM G. MILLIKEN,
Governor.

STATE OF MARYLAND,
EXECUTIVE DEPARTMENT,
Annapolis, Md., March 25, 1974.

Hon. CARL D. PERKINS,
Chairman, Committee on Education and Labor, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN PERKINS: The Community Action Agencies in Maryland have been contributing greatly to the anti-poverty efforts in this State for the past eight years. They have had tremendous successes and have caused socio-economic changes in the local communities which have had an impact on the causes of poverty in our State.

It has come to my attention that your Committee is now considering H.R. 12464 which calls for a three-year continuation of the Economic Opportunity Act.

I strongly urge the passage of this legislation or substitute legislation that would continue the categorical Federal funding of the Community Action effort in the State of Maryland.

Sincerely,

MARVIN MANDEL,
Governor.

CITY OF TIPTONVILLE, TENN.,
March 27, 1974.

Hon. AUGUSTUS HAWKINS,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HAWKINS: I speak for the citizens of Tiptonville when I say we wholeheartedly support the passage of H.R. 12464 to extend the essential programs of the Office of Economic Opportunity for another three years.

We have a great amount of poverty in this area, but fortunately the people have had OEO to turn to for help in the past seven years. They have provided jobs for the unemployed, food for the hungry, other services too numerous to mention, and above all hope for a brighter future. Abolishment of OEO would be crucial to the poor in our city and the nation.

Saving OEO could possibly mean reduction of poverty in this "Land of Prosperity" by helping people help themselves.

Sincerely,

JERRY DON YATES, *Mayor.*

STATE OF MICHIGAN,
HOUSE OF REPRESENTATIVES,
Lansing, Mich., April 4, 1974.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Subcommittee on Equal Opportunities, Committee on Education and Labor, U.S. House of Representatives, Washington, D.C.

DEAR REPRESENTATIVE HAWKINS: I would like to take this opportunity to express my deep concern that Community Action Agencies continue to be funded by Congress at their present levels, or at a higher level, if possible. In Michigan the CAA's have proved themselves generally throughout the State to be effective both as mechanisms for grass roots people participation in planning and as human service delivery systems. Their importance to the community was brought forcefully to our attention at three public hearings where 500 people turned out in Detroit, 550 in Gaylord in the northern part of the State, and 4,000 people at the hearing here in Lansing.

Our Community Action Agencies do reach out to the poor and make them aware of services of which they have no knowledge. They provide them with medical, dental, feeding and a multitude of other services that were never before available to the poor. Michigan, as you know, is in a recessionary state close to depression levels in parts of the State. It is a time when services to the disadvantaged are more needed than ever before in recent history.

The State's budget is extremely tight this year, mainly because of the downturn in economic activity. Thus Michigan is in no position to pick up the funding of Community Action Agencies. At best, we could fund a fraction of their administrative costs, but I do not see how we could pick up the local initiative part of their Section 221 funding. Without that funding, the unique role of Community Action Agencies will be lost because they would have to close down their neighborhood centers, cease their outreach programs and be without funds for continuation of some programs not presently provided in their local communities.

I hope that you will do everything in your power to see that the Community Action Agencies continue to be funded and receive authorization for a continuing number of years. I also believe that the Office of Economic Opportunity or some other office with autonomy be retained or created whose charge will be to advocate the special interests of the poor. I understand that Mr. Arnett, Director of O.E.O., has stated his view that such an office is necessary.

I thank you for your attention to this matter.

Very truly yours,

WILLIAM A. RYAN, *Speaker.*

STATE OF MAINE,
HOUSE OF REPRESENTATIVES,
Augusta, Maine, May 3, 1974.

Representative AUGUSTUS F. HAWKINS
Rayburn House Office Building, Washington, D.C.

DEAR MR. HAWKINS: I am writing to you to request your continued support of the Office of Economic Opportunity.

As you may be aware, Maine is a rural State and despite the efforts of the State Department of Health & Welfare and numerous private voluntary agencies, human service delivery systems in our rural areas are provided by numerous OEO funded programs. These agencies are now primarily service organizations for the poor and many of the workers are former welfare recipients or underemployed low income people. These agencies' service delivery systems are recognized as resources for reaching low income people, the handicapped, and the elderly in the absence of other service delivery systems.

I trust you will, in these days of federal cutbacks and impounded funds, look upon the continuation of the Office of Economic Opportunity as an effective instrument in helping the poor of Maine, and this country.

Respectfully,

THOMAS R. LAPOINTE,
Representative, Portland.

STATE OF VERMONT,
SENATE CHAMBER,
Montpelier, Vt., March 29, 1974.

Congressman AUGUSTUS F. HAWKINS,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN HAWKINS: I wish to express my support for the efforts in Congress to continue the Office of Economic Opportunity, as established by the Economic Opportunity Act of 1964.

I support your efforts to continue OEO through HR 12464. I would further support a long term extension that calls for a gradual increase in the amount of state and local match.

Sincerely,

Senator EDWARD G. JANEWAY,
President pro tempore.

STEWART COUNTY COMMISSIONER,
Lumpkin, Ga., March 26, 1974.

HAWKINS COMMITTEE,
Washington, D.C.
To the Committee:

I am for your continued support of Community Action and am asking for your continued support of this Program, which has meant so much to Stewart County.

Mainstream, N.S.C. and the Neighborhood Service Center has given employment to so many unemployed people. Through the Neighborhood Service Center personnel, there has been so many children helped through immunization shots and regular check-ups.

Young mothers are given training in home making and the Senior Citizens in this County are being made to feel useful, needed and helpful.

With the help of the Neighborhood Service Center Staff Community Action in Stewart County is most important to the indigent of this County.

I am asking the Committee to continue supporting Community Action.

Yours truly,
PERRY T. USHER,
Commissioner.

OFFICE OF THE MAYOR,
City of Saint Louis, Mo., April 22, 1974.
Hon. CARL D. PERKINS,
Chairman, House Education and Labor Committee, House Office Building, Washington, D.C.

DEAR CONGRESSMAN PERKINS: As you know the fate of OEO is a great concern to we Mayors in central cities who have been forced to rely on federal funds to meet our many social and physical needs in the absence of local generated tax dollars.

In following closely Congressional action on the continuation of OEO through hte Agency for Development, Volunteer and other Community Assistance Programs (ADVOCAP) we were dismayed to learn of the sub-committee's bill to increase the matching contributions of cities (local share) to thirty (30%) percent over a three (3) year period. Quite frankly any increase in local share requirements would impede rather than expand OEO type programs. We have opposed similar language in the Senate's Community Development bill (requiring a 10% cash match) as similarly detrimental to the programs. Cities simply have no funds to pledge to generate other funds necessary to carry on these activities.

The ability to provide minimal in-kind contributions to meet local share requirements enables us to barely meet the portion necessary to generate federal monies as it stands now. Any changes would jeopardize our position in that regard.

We urge your committee to reconsider the revised matching requirements and maintain them at existing levels or lower levels in order to make certain that no city is inhibited from participation.

Thank you for your consideration.

Sincerely,
JOHN H. POELKER,
Mayor.

TOWN OF JONESTOWN,
Jonestown, Miss., April 26, 1974.
Hon. AUGUSTUS C. HAWKINS,
House Office Building Annex,
Washington, D.C.

DEAR HONORABLE HAWKINS: Your efforts to extend the Economic Opportunity Act are greatly appreciated and are to be commended. We have received copies summarizing your sub-committee Bill 14094 and wish to extend our support for it with hopes for approval with an overwhelming majority in support.

We are taking the liberty of communicating with Congressman Whitten from Mississippi and asking for his support.

Jonestown is on the threshold of a new and promising future. This bill, H.R. 14094, will assure the continuation of the tremendous support and services now being provided through the resources of community action. Be assured that they are vital.

Again, thank you.

Yours sincerely,
JAMES A. SHANKS,
Mayor.

CITY OF ALLENTOWN, PA.,
April 15, 1974.
Representative CARL D. PERKINS,
Chairman, Equal Opportunity Subcommittee, Labor and Education Committee of the House of Representatives, Sam Rayburn Building, Washington, D.C.

DEAR REPRESENTATIVE PERKINS: I am concerned that the Administration desires to discontinue funding of community action agencies and their programs after 30 June 1974. Instead, I urge Congress and the Administration to continue funding of such social programs.

The community action agency serving Lehigh Valley, of which the City of Allentown is a principal component, has been in existence for seven years. During this time, this agency has continually improved their capability of administering programs and delivering services to the low income residents of the Valley. At present, its Board and staff are coordinating social planning efforts with other major agencies and public-elected officials throughout the Valley. Its programs are geared to avoid duplication of effort and yet return optimum gain for every Federal, State, and local dollar invested, while attempting to alleviate the causes and conditions of poverty found in our community.

It would be a waste of talent and manpower hours spent to now discontinue such a potential base for future efforts. Again, I urge continuation.

Thank you for your consideration in this matter of national importance.

Yours truly,
JOSEPH S. DADDONA,
Mayor.

HOUSE OF REPRESENTATIVES,
THE STATE OF COLORADO,
Denver, April 3, 1974.
Hon. GUS HAWKINS,
U.S. Congressman,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HAWKINS: I am writing you in regard to House Bill 12464 which you are sponsoring.

In behalf of many people in Colorado and specifically southern Colorado where the Economic Opportunity Act, has had such a good impact on the disadvantaged people, I solicit your support.

I wish to commend you in your efforts to secure these funds for the next three years. This program (Community Organization Outreach) which comes under the E.O.A. has been very functional in our area and recently more so.

Thank you for your time concerning this letter.

Sincerely yours,
LEO LUCERO,
State Representative.

CITY OF BRIDGEPORT, CONN.,
March 28, 1974.
Hon. AUGUSTUS HAWKINS,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HAWKINS: This letter is to inform you of my support and endorsement for the passage of legislation, to extend the life of vital programs of the United States Office of Economic Opportunities.

Community Action Agencies, not only in Bridgeport, but throughout the Nation, have proven themselves extremely effective in the provision of services to the poor, and I feel that, to eliminate them now, would be a national disaster.

The Federal Government must make a commitment to alleviate poverty, and I strongly urge the passage of legislation to continue the Office of Economic Opportunities.

Sincerely,
NICHOLAS A. PANUZIO,
Mayor.

SPACE FOR THE PERFECT FACTORY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. TEAGUE. Mr. Speaker, in the March 4, 1974, edition of the Daily Telegraph, Adrian Berry points to the success in manufacturing of electronic crystals and purification of chemicals on board the now successfully completed Skylab program. These successes are only an indication of the opportunities for the direct utilization of space for manufacture of products heretofore either unavailable or available at a lesser quality. Space offers unique opportunities in this area and Mr. Berry's article does much to outline the significance and importance of this effort as the low-cost transportation system—the Space Shuttle—is developed. Manufacturing in space will become an important part of our national commerce. The article follows:

SPACE FOR THE PERFECT FACTORY

(By Adrian Berry)

A new era of industrial technology has just been born. Almost unnoticed by the public, who have been obsessed with more immediate affairs, events have just occurred which, by the last decade or so of this century, will mean tremendous steps forward in human prosperity.

I refer to the success of the industrial experiments on board the Skylab space station. I do not mean the sad antics of Arabella the spider, slowly dying in weightlessness, which attracted a lot of mawkish publicity, but rather those experiments which included the manufacture of super-pure chemicals and near-perfect crystals.

What is so marvellous about pure chemicals and good crystals? The answer is that in the weightlessness of an orbital station, these, and many other things, can be made with a perfection far greater than will ever be possible on Earth. This fact will eventually provide a new technical basis for the metallurgical, electronic, pharmaceutical and optical industries.

It has long been suspected, for example, that weightlessness would make possible the construction of the near-perfect ball-bearing, and the medical vaccine that is 99 per cent, reliable, and the three Skylab manned missions have virtually proved it.

To put it simply, a ball-bearing made on Earth *must* fail to be perfectly round, because it is distorted even during final manufacture by the normal pull of gravity. And so it wears out after a certain number of hours of use. But a ball-bearing produced in weightlessness, unaffected by this pull, will be much rounder and will therefore last many times longer.

These are some of the early conclusions reported from Huntsville, Alabama, where the Skylab experiments are being studied. They imply really sensational changes in many industries when the American space shuttle flies in the eighties, and manned missions are launched about once a week.

THE SECOND ANNIVERSARY OF THE UNITED CLERGY OF VAUXHALL, UNION, N.J.

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. RINALDO. Mr. Speaker, on Friday, May 31, the United Clergy of Vauxhall and vicinity will mark its second anniversary with a dinner in the Club Diana, in Union Township.

Although the world normally takes little note of second anniversaries, I believe this one is different and should be singled out. The United Clergy of Vauxhall, in the 2 years of its brief existence, has been a tremendous force for good in the community.

Essentially, credit for the formation of the United Clergy of Vauxhall must go to the Reverend Marion Franklin, pastor of the First Baptist Church of Vauxhall. The Reverend Franklin, whom I am proud to number among my friends, has been a visionary leader in the Vauxhall area.

The United Clergy has been instrumental in setting up a joint ecumenical worship service on a monthly basis. This has helped to bring people of the community together during a time when divisive forces are afoot in the Nation.

The United Clergy of Vauxhall has been one of my most valuable allies in my fight to win a new post office facility for the Vauxhall community, which has been forced to get along with an antiquated and inadequate postal station.

In addition, the United Clergy of Vauxhall has been most helpful in cementing better community relations between the black and white communities of Union Township. Time and again, the voices of reason and moderation have prevailed, thanks to the stabilizing influence of the United Clergy. The governing body of Union Township has come to regard this organization as the voice of the Vauxhall community. This is because the concerned clergymen who have banded together to form the organization have spoken out effectively and articulately as a means of curing the social ills that have infected.

So, on May 31, when the Vauxhall United Clergy of Vauxhall meets to mark its second anniversary of outstanding public service, I plan to be among those present, saluting the men of God who have done so much to advance his work in the Vauxhall community of Union Township.

PUBLIC DOCUMENTS ACT OF 1974

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. LUKEN. Mr. Speaker, today I am introducing legislation that declares once and for all that papers produced by officials serving the public belong to the public. The Public Documents Act of 1974 is designed to assure the American public that anything produced on Government time, at Government expense, and of a governmental purpose, is the property of the U.S. Government and her citizens.

No elected public official, whether they be a President or a Congressman, should be allowed to receive any monetary compensation for work produced in public service.

In 1969, in order to protect taxpayers from having to pay for what I believe to be their own property, Congress passed legislation which prohibited tax deductions for so-called private papers. What Congress did not do however was to make a definitive judgment as to whether such papers are private property or public property.

The only known judiciary decision supports my view that such papers are public property. When President Roosevelt died, his will did not include any declaration concerning his papers. The courts ruled that "the official documents of President Franklin D. Roosevelt are the property of the United States."

The documents of elected public officials contain a wealth of information that are fascinating to the historian as well as the average citizen. My bill would enable an elected official to designate any public or nonprofit library, school, college, or university as the recipient of these papers. In this way, an elected official would be able to leave his public record to the public he served. If, on the other, the elected official did not wish to exercise this option, the documents would automatically accrue to the National Archives.

Mr. Speaker, if Presidents and other elected public officials of the U.S. Government are permitted to retain documents produced in their public capacity, the citizens of the country will continue to harbor suspicions and doubts about the integrity of their leaders. In a free and open democracy, the right to know is an overriding principle. I hope my colleagues will join with me in this effort to return to the people what is rightfully theirs.

NATIONAL ELECTRIC SIGN ASSOCIATION AWARDS MOE KUDLER DISTINGUISHED SERVICE AWARD

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. ROYBAL. Mr. Speaker, from Sunday, May 12, to Wednesday, May 15, 1974, the National Electric Sign Association held its annual convention at the Washington Hilton Hotel in Washington, D.C. This association consists of some 800 member companies dedicated to continuing research and development in materials, design, energy conservation, effectiveness, and appearance of on-premise electric signs—the medium of communication between business and the public.

At this convention Mr. Moe Kudler of Los Angeles, a constituent and very good friend of mine, was awarded the Distinguished Service Award of the Electric Sign Industry in recognition of his outstanding service to the industry.

It is a great pleasure for me to share the following citation with my colleagues and to join Moe's many friends of NESA in extending warmest congratulations.

The citation reads as follows:

CITATION

Whereas, Mr. Kudler did serve the National Electric Sign Association ably as its President in 1960; and,

Whereas, he has represented the industry and the association on many occasions as a speaking ambassador with resultant excellent benefits; and,

Whereas, he has served with distinction on the NESA Tri/Trade Committee, furthering labor progress within the industry; and,

Whereas, he has further initiated positive results within labor relations on a national level through programs begun in California;

Now be it known that these contributions are sincerely appreciated and in recognition thereof, this proclamation is issued by the Board of Directors of the National Electric Sign Association on this 12 day of May, 1974.

WADE M. CRAIG,
President.

CHICAGO'S NINTH ANNUAL GREEK INDEPENDENCE DAY PARADE

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. ANNUNZIO. Mr. Speaker, in March I was proud to join many of my colleagues on the floor of the House of Representatives in commemoration of Greek Independence Day—the day, 153 years ago, when the Greeks won their freedom from the Turkish empire.

On May 25, during the warmer springtime weather, this stirring event will be celebrated in Chicago by 300,000 Americans of Greek descent, and all Chicagoans, with the Ninth Annual Greek Independence Day Parade. The 1974 parade will be the biggest and longest in the history of the event with 30 floats. Young men from the Greek community will march in the manner of the Royal Palace Guards contingent of Evzones dressed in colorful kilts, long white stockings, and red fez caps.

Along with floats depicting famous historical events in Greece's struggle for independence in 1821 and also the contributions of Greek immigrants to the United States, special emphasis will be given to the Greek contributions to the world of sports, from the original Olympic games in ancient times to the present. Jim Londos, the champion wrestler, will be the grand marshal of the parade and the parade queen will be Lea Poulos, the world sprint skating champion who also participated in the Olympic games in Munich in 1972.

Many high school bands and other marching units representing various Greek Orthodox churches and parochial schools of the Chicago area will parade past the reviewing stand at State and Madison Streets dressed in colorful costumes native to Greece. Also included will be the bands of the police, fire, and post office departments, a number of drum and bugle corps, and veterans' color guards. A reception will follow the parade at the Illinois Athletic Club.

The general chairman of the parade is Nicholas J. Melas, and honorary chairmen include His Grace Bishop Timotheos; Hon. Nicolas Macridis, Consul General of Greece; and the honorary grand marshal is Hon. Richard J. Daley, mayor of Chicago.

Members of the financial committee include Thomas Gregos, Anthony Antoniou, James Maros, Mary Paleologos, and Tom Costopoulos. The float committee includes John Lanbrou, James Tzakis, Constantine Stamis, Steve Makropoulos, Evangelos Sorogas, and Maria Boundas. On the publicity committee are Mark Tiniakos, Nich Philippidis, Andrew Nickols, and Ann Tzakis, secretary. The special events committee members are Hon. James Geocaris, George Skontos, Tom Pantazopoulos, and Thomas Gregos, treasurer. The general committee members are Rev. A. N. Andrews, George Lekas, Mrs. P. Rexines, Arthur Peponis, Chris Karafotias, Rev. C. Selimos, Rev. G. Kaloudis, and Rev. J. K. Kutulas.

Mr. Speaker, the parade is a memorial to those of Greek ancestry who have given their lives to secure the basic freedoms enjoyed by man throughout the world and it is a pleasure for me to extend greetings to Americans of Greek heritage in the 11th Congressional District, which I am proud to represent, as well as those in all of Chicago on the occasion of their Independence Day parade.

NO COMPROMISE WITH REDS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. ASHBROOK. Mr. Speaker, Joseph Cardinal Mindszenty, former primate of Hungary who has spent 23 years in Nazi and Communist prisons or in exile, made an appearance on Capitol Hill on May 20 where he declared that Communist policies have turned Hungary into "the most orphaned, most lonely nation in the world"—a nation of the "old and dying."

In an interview given to the Washington Star-News of that date, the 82-year-old cardinal, whose warm eyes contrast with a determined jut of jaw, stated that—

> The Church cannot and must not agree upon the physical and moral destruction and killing that is going on in Hungary.

The Vatican's action in declaring the former primate's seat in Hungary vacant was reportedly the result of pressure from the Communists. Excerpts from the Star-News article of May 21, 1974, by William Willoughby follow:

NO COMPROMISE WITH REDS, MINDSZENTY INSISTS

(By William Willoughby)

Joseph Cardinal Mindszenty, a legend for his stubborn insistence on the religious and civil liberties of his fellow Hungarians, says there must never be a compromise of the Catholic Church with the Hungarian Communist regime "as long as they stick to their atheistic and completely inhuman practices."

In a rare interview yesterday, the 82-year-old cardinal who spent 23 years in Nazi and Communist prisons or in exile, told the Star-News that "the church cannot and must not agree upon the physical and moral destruction and killing that is going on in Hungary."

He made the comments immediately after meeting with several senators and representatives at the Rayburn Building, urging that they work to defeat any efforts to return the Crown of St. Stephen to Hungary. There has been pressure from Hungary for return of the crown, held in trust in the United States since the end of World War II. The thousand-year-old crown is the symbol of legitimate government in Hungary. Its return would give an air of legitimacy to the Communist government, he said.

Mindszenty, who stands only 5 feet tall, leaned forward in his seat and with intensity in his eyes and voice said the Communist policies have meant that "the life of the nation . . . has only deteriorated. As long as the leaders do not change their policies and practice in terms of human lives, there is no reason to believe the church should go along with them."

The former primate of Hungary, whose seat was declared vacant by the Vatican in February, made no direct reference to what are considered widely to be compromise or "peace" moves on the part of the Vatican to gain concessions for Hungarian Catholics and nearly 60 million other Catholics behind the Iron Curtain. Before the Communist takeover in the late 1940s, two-thirds of Hungary was Catholic.

But Mindszenty showed signs that he is chafing under Vatican limitations on what he can say about his removal from an office he said had been promised to him for life. He also appeared to want to speak freely about his views on the new Vatican stance toward Budapest and Communist-Church relations.

After giving a review of Communist-Church relations in Hungary and thanking the American legislators for their efforts in behalf of Hungary, he confessed, "What I have said is not in the manner in which I want to say it."

Part of his pastoral visit to 35 cities in the United States is sponsored by the Hungarian Freedom Fighters' organization that has headquarters in the District. Rep. William J. Scherle, R-Iowa, who is of Hungarian descent, said he concurs with the organization that Mindszenty's removal is "a capitulation by the Vatican to Communist encroachment."

He said the cardinal's removal "indicates that the Vatican is unable to resist blackmail, it lacks courage to stand up for one of its princes and it is unwilling to fulfill the implied conditions of the cardinal's 1971 voluntary departure from the U.S. Embassy in Budapest."

Mindszenty's removal from office came on the eve of his being sentenced to life imprisonment for treason by the Communist government and only a few weeks before his 82nd birthday.

In 1956, when Hungarians staged an abortive uprising against the Communist government, freedom fighters freed the primate from prison. After four days of freedom he fled for asylum to the American Embassy in Budapest where he stayed in exile for 15 years. Two years ago he accepted safe passage to Vienna. Mindszenty's insistence on remaining primate in exile proved to be a major roadblock in the Vatican's relations with the Communist bloc.

The Vatican, under what was described as "extreme pressure" from the Communists, acceded to declaring Mindszenty's seat vacant on the theory that the fate of 60 million Catholics behind the Iron Curtain is more important than maintaining a title the Communists will not allow the cardinal to function under.

Mindszenty said Communist policies have turned Hungary—"the most orphaned, most lonely nation in the world"—into a nation of the "old and dying." In the last 15 years, he said, in a country of 10 million people, there have been an estimated 3.2 million abortions, in effect a method of genocide for the country. Abortion for any reason runs strictly against Catholic teaching.

About 200 persons from the scanty Hungarian communities in Washington, Baltimore and Richmond turned out at Union Station to see the man who is the symbol of resistance to Communism. A few of them carried signs saying "God Bless Cardinal Mindszenty."

The first man to greet him was Patrick Cardinal O'Boyle, followed by Archbishop William W. Baum and Sen. Vance Hartke, D-Ind. Hartke played a large role in obtaining political asylum for the cardinal.

Last night the cardinal celebrated a Hungarian Mass at the Shrine of the Immaculate Conception and confirmed 42 children. Today a prayer breakfast honored him at the Statler-Hilton Hotel. He was to cocelebrate an afternoon mass at St. Matthew's Cathedral, after which he was scheduled to visit the much larger Hungarian community in Buffalo. The combined Hungarian communities of Washington, Baltimore and Richmond include fewer then 1,000 persons, a spokesman said.

TRIBUTE TO DEAN KERMIT DALE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. ANDERSON of California. Mr. Speaker, on June 8, 1974, the Los Angeles Harbor College faculty and staff will honor Kermit Dale, the dean of instruction, upon his retirement from the teaching profession.

Dean Dale, a teacher and administrator since 1935, is widely respected and admired by students, faculty members, and the administrators throughout the Los Angeles community college district. His ability to listen to all points of view, to evaluate the needs of each individual, and to be scrupulously fair in his decisions has earned him the deep respect of all who have come to know him. It is my pleasure to bring to the attention of my colleagues this man's career to serve as an inspiration to others.

Kermit Dale was born in Sleepy Eye, Minn., August 5, 1909, in an upstairs room over the hardware store operated by his father. Kermit is a second-generation American of Danish extraction and as a youth learned the lessons of social concern that became a hallmark of his career.

When the Dale family moved to Arizona in the 1930's, Kermit attended Phoenix Union High School. Upon graduation, he enrolled at Phoenix Junior College and then Arizona State College at Tempe for his B.A. in mathematics, and the University of Arizona for his M.A. degree in mathematics. Later he did graduate work at the University of Chicago where he met a lovely, gracious, and charming lady, Louise Hofftauir, who later became his wife.

Kermit began his teaching career from 1936 to 1947 at Mesa High School in Arizona. He then moved to Compton where he taught mathematics at Compton Junior College from 1947 to 1949, and later became one of the original faculty members at Los Angeles Valley College in 1949. In 1958 he became an administrator where he advanced in various positions until 1967 when he became dean of instruction at Los Angeles Harbor College, the position from which he is now retiring.

Kermit has always been active in various teacher organizations. While in Arizona he helped secure the first teacher salary with a cost-of-living adjustment tied to a Bureau of Labor Statistics Index. In Los Angeles he ultimately rose to become president of the Associated Teachers of Los Angeles, a position he used effectively in several board of education elections and in teacher negotiations with the board of education.

Louise Dale also became a teacher in the Los Angeles schools and she retired 1 year ago after a very active role in teaching and teacher organizations. They have two daughters, Marian D. Shellenberger of Westminster, Calif.; and Barbara D. Rosenblatt of Fairfield, Calif.

Mr. Speaker, I bring Kermit Dale's career to the attention of my colleagues as one worthy of emulation by our young people in the future, and by those in positions of authority in the present.

THE GREAT PROTEIN ROBBERY: NO. 25—THE STUDDS-MAGNUSON 200-MILE FISH BILL

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. STUDDS. Mr. Speaker, this week I am circulating the Studds-Magnuson 200-mile fish conservation zone bill for cosponsors to give my colleagues a chance to add their support to this desperately needed legislation. I first introduced this bill on the House floor on June 13 of last year and since then have gained the support and cosponsorship of 73 Members of the House. Senator WARREN MAGNUSON, chairman of the Senate Commerce Committee, also introduced this bill in the Senate last June 13 and he now has 23 cosponsors.

Mr. Speaker, the choice is very clear. Massive foreign overfishing of the valuable marine resources off our coast is depleting fish stocks and endangering the future of our commercial fishing industry. We must begin to protect our fish while we still have fish left to protect—before the haddock, cod, and yellowtail flounder become as extinct as the passenger pigeon.

I will be reintroducing the Studds-Maguson bill on Thursday of this week with additional cosponsors and I urge any interested Member to contact me or my office if they wish to add their support to this very worthwhile legislation. For the further information of my colleagues I should like to enter in the RECORD at this point the lead editorial from the Boston, Mass., Sunday Herald Advertiser of May 19, 1974. This editorial gives a brief but balanced description of the problem and I urge my colleagues to read it:

[From the Sunday Herald Advertiser, May 19, 1974]

HELP FOR FISHERMEN

Commercial fishermen on the East Coast face destruction of both their industry and the once bountiful supplies of fish that for generations have fed much of America. For a generation nations have been sending fleets of highly mechanized fishing vessels into New England's off-shore waters where by voracious overfishing they now are close to exterminating many vital species of food fish.

In the past ten years haddock has been reduced to two percent of its former supply. Herring has been diminished by 90 percent. The yellow-tail flounder is disappearing and even the cod, symbolic of the riches the sea once provided for New Englanders, faces extinction.

Between 1950 and 1967 the number of fishermen sailing out of Gloucester fell from 1643 to 700. Other fishing cities were similarly affected. But ironically, while the native fishing industry was being diminished by 50 percent, fish consumption in the U.S. increased—with New Englanders often buying fish imported from other countries after it was caught only a few miles off their own shores.

Clearly the fishermen now need help.

They are making a desperate plea for it from the federal government through a bill to extend U.S. jurisdiction over fishing from the present 12 miles from shore to 200 miles.

Co-sponsored by Rep. Gerry E. Studds, who represents New Bedford and other fishing centers, the bill had the enthusiastic support of state and federal officials at a hearing last Tuesday.

It is a strong bill, and it is not universally favored even by fishermen: West Coast tuna and shrimp fishermen fear that it might restrict fishing off the South American coast where, Peru, for example, already enforces a 200-mile off-shore jurisdiction.

But the bill has much to commend it. It is an interim measure at most, a stop-gap that would automatically end when and if an international agreement is reached at the Law of the Sea Conference which will open next month in Venezuela. But that agreement is not expected to take effect for years—perhaps more than a decade. In the meantime, without some effective control, both fishermen and fish may disappear from New England waters as Russia, Japan and other nations continue their relentless and systematic plunder of one of the world's most important fishing grounds.

And it would not prohibit foreign powers from fishing within the limit, only restrict what they could do and how much fish they could take.

Unilateral extension of territorial waters is not very diplomatic. But existing treaties have been wantonly disregarded by foreign powers, with the shocking results now being aired.

The federal government has been lax in its efforts to protect New England's fishing industry against foreign depredations of off-shore waters.

Effective diplomatic action to curb foreign fishing fleets has been wanting.

Now there is a crisis and if immediate and effective diplomacy cannot do what must be done—and nothing has worked in the past—the government must take a harder course.

As a last resort and as an interim measure that will save a vital American industry and a source of food for many countries, we think proclaiming a 200-mile fishing jurisdiction is justified.

We can no longer simply sit by and watch while a vital natural resource and an important industry are destroyed by others.

BICENTENNIAL FOREST IN ILLINOIS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. FINDLEY. Mr. Speaker, a "bicentennial forest" plan to plant 10,000 flowering trees in downstate Illinois has been recently undertaken by the Capital Bicentennial Commission of Springfield, Ill. The plan, envisioned by Alvin Mavis, who is a civic leader, farmer, and horse breeder from nearby Rochester, makes flowering trees available at low cost, and has met with enthusiastic response from government agencies, civic groups, business and labor leaders, and the public at large.

The planting of the 10,000 flowering trees—redbud, plum, and dogwood—was to be completed by this past weekend. It shows the great interest the American people have in keeping our Nation's streets and yards lined with beautiful trees.

I am proud to represent Sangamon County and the people who planned and implemented this improvement project. Not only have they bought trees for their own use, but they have also purchased trees to line public streets and parkways and to beautify local schools and the Girl Scout camp nearby.

I commend Mr. Mavis, the Capital Bicentennial Commission, the Rochester American Legion, and the many persons who have given their time to make the Bicentennial forest project a success in Illinois. I hope that others will be inspired by this project to undertake a similar endeavor in their own communities. This project has not only resulted in the planting of trees to make our land more beautiful, but in the process, it has brought together persons of all ages and walks of life. I hope that the planting seasons of next fall and the spring and fall of 1975 will see the Bicentennial forest idea adopted all across the United States.

DELIVERY OF LEGAL SERVICES REVIEWED

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. WOLFF. Mr. Speaker, I would like to insert in the RECORD the second of two parts of an article about the delivery of legal services. The article was written by Judge Jack B. Weinstein, who sits in the U.S. District Court of New York. I would also like to bring a Long Island Press editorial in support of Judge Weinstein's ideas to the attention of my colleagues. The article and editorial follow:

DELIVERY OF LEGAL SERVICES REVIEWED

(By Judge Jack B. Weinstein)

(In the first part of this paper, published yesterday, the author expressed a need to preserve the federal Office of Economic Opportunity and similar legal services programs but that changes should be made to make them even more responsive than they are to the needs of the poor. The following second part continues the discussion.)

The Office of Economic Opportunity programs do not suffice for indigent persons and do not help the middleclass at all. There are an enormous number of rights of a legal or quasi-legal nature that even the most educated fail to understand. For example, social security benefits for disabled persons are often lost because of lack of awareness.

The poor, at least while O.E.O. programs continue, qualify for some free legal assistance, and the rich have the means to pay legal fees, but for citizens who earn between $6,000 and $20,000 a year, and who cannot deduct the fees as business expenses on their income tax returns, the need to pay for legal services often comes as a crushing financial blow. An arrest can easily entail legal fees exceeding $500 even though the case is dismissed the next day. In 1969, the Nassau County Bar Association suggested that the minimum fee for an uncontested divorce should be $750. A separation agreement would cost a minimum of an additional $350. We all know what has happened to the cost of living since 1969.

Victims of a harassing landlord, an unhappy family situation, or a consumer credit dispute may forego legal redress because of cost; as already noted they may lose affirmative legal rights such as those to social security because of lack of knowledge. At this time we do not even know how many persons would avail themselves of legal services if they could afford them. The American Bar Association estimates that the middle 70 per cent of our population is receiving inadequate legal care. Adequate legal care should be a matter of right, not financial status.

One curious aspect of the matter is that improving services for the poor may disadvantage the near poor. For example, it is well for a poor person to have redress against his landlord or local storekeeper but those entrepreneurs may be but one step up the financial ladder with insufficient assets to retain an attorney. The matter was brought forcibly to my attention recently in two cases where former prisoners sued wardens, policemen and guards in their individual capacities under the Civil Rights Act. The plaintiffs had counsel but the defendants had none and the City refused to represent them.

Only after my request to the Committee on Federal Courts of the Association of the Bar of the City of New York were volunteers from some of the large New York law firms obtained. At the moment civil rights groups and young lawyers appear more willing to undertake representation of plaintiffs than defendants in these civil rights cases. Since the court is indifferent as between litigants, it is vital that both sides receive adequate representation.

SAME SYSTEM

We are still using essentially the same system of delivering legal services that existed seventy-five years ago. But at the turn of the century, the average American probably did not own his own home, he certainly did not own a car, he was much less likely to get divorced, he was not buying appliances on the installment plan, or borrowing money from finance companies to do so. He did not have to file income tax returns, pay for Social Security, or come into contact with the myriad of government agencies on the municipal, state and federal levels, which now affect our daily lives. All of these developments have had legal implications for the average person which have for the most part been ignored.

It is time for the delivery of legal services to move into the modern world just as the delivery of medical services has begun to do. No one would now be willing to return to a way of life without health insurance, hospital clinics, medical coverage stemming from employment, or Medicare. Yet these are all fairly recent innovations which have appreciably bettered the quality of life of every citizen. The time has come to view legal services in the same light—as services which are every citizen's right and within every citizen's financial grasp. There are a number of useful devices worth considering, a subject to which I now turn.

PREPAID LEGAL SERVICES

Prepaid legal services can work. This is a system, something like Blue Cross or Blue Shield, which entitles the payor of an annual premium to a schedule of benefits for different categories of legal services such as consultations, negotiations, real estate closings, court appearances, witness fees, and tax advice with deductibles and exclusions. A pilot project in Shreveport, La., seeded with money from the Ford Foundation and the American Bar Association, is already operating without a subsidy.

In New York, some labor unions, such as District Council 37, American Federation of State, County and Municipal Employees, have adopted forms of such plans, and the New York State and local bar associations and the commercial insurance industry have been busy studying the situation and issuing reports. At the midyear 1974 American Bar Association meeting the delegates voted to set up a legal services corporation and to revise the Code of Professional Responsibility to encourage prepaid plans—favoring open panels as opposed to closed ones. The resolution of the New York State Bar Association's House of Delegates approving legislation authorizing legal services insurance contracts is but one sign of widespread bar association interest in the state.

Representatives of labor, the bar and the insurance industry need to coordinate their efforts. Among themselves they have sufficient data and resources for a statewide pilot plan to be put into effect in a very short time. The interests of these three groups are not opposed—the legal services field is as vast as is the field for medical services, and all types of coverage are needed and will complement each other. It is time for our average citizen to be afforded the opportunity of paying a preset reasonable amount in advance in order to protect himself against possibly financially crippling legal expenses, and to enable him to affirmatively vindicate rights which have legal implications.

NEIGHBORHOOD LEGAL SERVICES

We could also provide far cheaper legal care for our citizens of moderate means if we established legal clinics which would serve clients on a sliding scale geared to their financial resources. Such neighborhood law offices can be financially feasible if the lawyer's overhead can be kept down. This can be done in a number of ways. First, we might press for revision of the rules of the court on admission of attorneys to make clinical experience for law students mandatory. Hospital clinics would have to close tomorrow if they had to depend solely upon licensed and certified physicians.

We have several thousand full time students attending law schools in the New York City area alone, or in Washington, D.C.; and in New York State there are law schools in Albany, Buffalo, Ithaca, Syracuse and on Long Island. George Washington University's Consumer Protection Center, while its law students render a great deal of help to consumers, finds itself handicapped by an inability to provide full legal services. Under our present system, law students complete school and become fully licensed if they pass the bar examination, even if they have never set foot in a courtroom or dealt with a live client.

Use of law students in neighborhood law offices would confer a dual benefit—an educational one for the student, and legal services at a lower cost for the client. Surely the assistance of a law student is not greater cause for alarm than the participation of the medical student in the emergency room. The Council on Legal Education for Professional Responsibility, Inc., has for several years funded test clinical programs that have been gaining useful experience all over the country.

Paraprofessional personnel can also be used far more extensively than they are at present. Some of our Community Colleges are beginning to turn out specialists in this area but many members of the public and the bar are still unaware—or are unwilling to accept the fact—that many legal procedures can be easily routinized so that they can be handled effectively by nonlawyers. This is particularly true in real estate and estate administration.

Second, the location of family and other courts in neighborhoods, effective calendar and other controls, and more effective use of telephones by courts, would save lawyers substantial time and thus enable them to charge lower fees.

Third, if class actions were adopted in the states as they have been in the federal courts and in California and Illinois, a lawyer would be able to handle similar claims of more than one client in the same proceeding.

Public opinion concerning the role the federal government should play in improving the average citizen's legal care needs to be mobilized. There is some question as to whether personal legal expenses exceeding a certain percentage of one's income should be tax deductible as are medical expenses. Preferably both medical and legal services should be arranged so that catastrophic fees can be borne. If this is done then no tax deduction is warranted. Tax deductions favor the rich who are at the top tax brackets. They do nothing for the poor and little for the near poor. Recent amendment to the Taft-Hartley Act to permit negotiations for legal assistance to workers is a small step in the direction of providing them with adequate protection.

We might consider the feasibility of governmental subsidies for legal care. The British have had a system since 1949 providing specified fees for solicitors of the client's choice. The recipient of legal aid under this program may be required to contribute according to his means. Virtually the entire legal profession participates in this subsidy plan for which approximately three-quarters of the population is eligible.

While recent Supreme Court decisions have breached state bar association barriers to some union plans for providing lawyers, a great deal of resistance remains. For example, some former O. E. O. lawyers who wanted to provide services modeled on the Kaiser-Permanente medical plan, have reported opposition by the organized bar in California. Rules against advertising are also utilized to discourage all but narrow insurance plans.

But merely making more lawyers available will not suffice. In fact, increased availability of counsel will increase pressures on the courts and, therefore, the need to make them operate more effectively. Many uncontested matrimonial actions or simple estate administrations, for example, could be handled swiftly and cheaply with simple forms by a court clerk rather than by courts and lawyers at great expense to taxpayers and clients alike.

USE OF LAY PERSONS

Lay persons and organizations must become involved in reform of the legal system to prevent vested interests from blocking change. I was delighted, for example, to see the Alliance for a safer New York—an organization of eighty member groups ranging from the AFL-CIO Human Resources Development Institute to the Young Women's Christian Association of the City of New York—develop a program of systematic court visits to see what was going on in our criminal justice system. When I visited Rochester, N.Y., a consortium of church groups had just been engaged in such a program that, I am told, resulted in visible humanization of the actual criminal justice system. And in my own home town a group called Community Advocates, Inc., devoted to seeing that private and government agencies meet their responsibilities in the health and welfare field, is having a subtle impact in the Family Court as it begins to investigate the treatment of child abuse cases. This concept of citizen participation is now gaining substantial support, as witness the recent pamphlet of the Chamber of Commerce of the United States, "Modernizing Criminal Justice Through Citizen Power."

As in the case of medicine, there should be pressure to have lay persons participate in checking on discipline of incompetent lawyers. Following the medical pattern again, compulsory postgraduate study by lawyers, now proposed in at least one state, is desirable if people are to get sound legal protection.

Much of the future reform of our legal delivery system will depend upon laymen becoming involved. The law is too important to society to leave to the lawyers and judges alone. When taxpayers begin to apply their political power to reform the courts and the bar, when lay organizations begin to visit the courts regularly and report on inadequacies, when those such as organized consumers, whose rights are not adequately enforced, insist on effective remedies, we will more swiftly close the gap between what the law promises and what it delivers.

It is time to move the delivery of legal services into the twentieth century. It is time that we realized the American ideal of justice for all by making legal resources available to all of our citizens.

[From the Long Island Press, May 2, 1974]

MONEY AND THE SCALES OF JUSTICE

Wealthy people can afford high legal fees. The very poor get some help, although not nearly enough to balance the scales of justice. But the real losers are the millions of Americans who are neither rich enough to pay their way in court or poor enough to qualify for free legal aid.

U.S. District Court Judge Jack B. Weinstein of Great Neck told educators attending a Bill of Rights class the other day that adequate legal care is a matter of right, not financial status. He is correct and right on target in suggesting how to equalize the way justice is dispensed in a free society.

Judge Weinstein favors prepaid legal services, neighborhood law clinics, greater use of paraprofessionals, and—if necessary—government-subsidized legal care to help people who earn between $6,000 and $20,000 a year.

If this requires reorganization of the judicial system—for example, to mandate clinical experience for law students—then let's begin. Judge Weinstein also wisely recommends that funding of legal services be done on a long-term basis to attract committed lawyers, and that some way be found to raise fees for these low-paid lawyers.

Importantly, Judge Weinstein warns that while greater local participation in federally funded legal services is highly desirable, it must not be done at the cost of political independence. As the judge says, "How to keep those who control public funds from asserting operating control . . . is one of the most difficult problems in this area."

That's a potentially serious problem, but it can be overcome through vigilance by the courts, bar associations, responsible political leaders, and such wide-awake legal groups as the Civil Liberties Union.

Judge Weinstein may not have all the answers to the overriding problem of how to give everyone a fair shake in court, or even the right ones. But he has turned a badly needed spotlight on the root cause of public disenchantment with our legal system: Scales tipped by money. We thank him for it.

SOCIAL SECURITY—THE GREAT RIPOFF—NO. 2

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. CRANE. Mr. Speaker, in part two of a series concerning social security, reporter Warren Shore of Chicago Today asks whether or not social security is a big mistake for wage earners, particularly young people.

He concludes that,

> For the American wage earner under 40, today's Social Security is a $200,000 mistake.

Mr. Shore notes that,

> The current generation of workers is getting the bill for poliitcal promises made as long ago as 1936 and as recently as 1970.

This generation of workers, he writes, will pay dearly for the social security system. They will pay with losses including:

A pension worth less than half what is put in.

Discrimination against women which can cost more than $10,000 in cash or $5,000 a year in benefits.

A disability protection plan costing more than any private insurance and worth less than $10 a month.

A better than $100,000 retirement bonus they will never get.

Warren Shales has spent many months examining the Federal law, talking to recipients, representatives in the field and insurance experts. In addition, he set up a special computer program from which many of the figures in his five-part series are based.

This series is uncovering facts about the social security system which should be known to all Americans. I wish to share this series with my colleagues and today am inserting part 2, which appeared in Chicago Today of May 1, 1974. The subsequent parts of this series will be placed into the RECORD at a later time:

SOCIAL SECURITY—WAGE EARNERS' BIG MISTAKE?

(By Warren Shore)

For the American wage earner under 40, today's Social Security is a $200,000 mistake. If you don't think you have that much money to lose, keep reading.

The current generation of workers is getting the bill for political promises made as long ago as 1936 and as recently as 1970. They will pay dearly with losses including:

A pension worth less than half what is put in it.

Discrimination against women which can cost more than $10,000 in cash or $5,000 a year in benefits.

A disability protection plan costing more than any private insurance and worth less than $10 a month.

A better-than-$100,000 retirement bonus they'll never get.

These kinds of losses will be sustained by young couples like Jeffery and Eva Alfred of Chicago. Jeff Alfred is 23 years old and has just finished a two-year technical course in office machine repair. His present job pays $230 a week.

This year, Jeff will have $676 taken out of his pay by the Social Security Administration for "disability and retirement protection." His employer will pay another $676 for the same purpose.

That's a total of $1,352 paid in one year for Jeff's protection. How much protection should that buy? By normal industry standards the money would more than provide for a $100,000 insurance policy on Jeff's life including full cash benefits.

In other words, if Jeff Alfred never got another raise in his life [i.e., his Social Security contribution remained the same his whole working career] the amount of money paid in his name last year would continue to pay for $100,000 insurance coverage without the need for a tax increase.

There is considerable difference between $100,000 private insurance coverage and the plan Social Security offers Jeff for the same money—the kind of differences that could change the Alfred's lifestyle.

If Jeff Alfred were to die today, under Social Security protection, his wife, Eva, would receive less than $300 in "burial benefits." As a widow with no children, Eva would get nothing until she was 62—40 years from now.

"But if Jeff died," says Eva, "I would certainly have to work to support myself, wouldn't I?"

Of course she would. But if Mrs. Alfred does go back to work, she will lose even the small widow's benefits—now 40 years away. The law says that if a women is entitled to both widow's benefits and retirement benefits, she can draw only the larger of the two checks. Jeff's money would be lost.

Under private insurance of the same cost, if Jeff Alfred died today Mrs. Alfred would receive $100,000 to use as she saw fit. The amount would be taxfree.

If applied to even the most conservative of corporate bonds, the money would produce at least a $7,000-a-year income for Eva over the next 20 years and still be available, in full, in 1994 to be used again.

But let's say that Jeff Alfred doesn't die. Let's say he goes on working and getting normal cost-of-living raises in salary. Since the new Social Security law demands raises in premiums for every cost of living increase, Jeff's Social Security bill would go up every year.

By age 26, even with a minimal cost of living rise [3 per cent], Jeff and his employer would be paying $1,634 a year in insurance taxes.

Since private insurance costs would have remained the same, Jeff would then be paying $309 more per year for Social Security than he would need to pay for better coverage.

If we look ahead until Jeff is 36, the comparison between Social Security and private insurance grows much worse. Under Social Security:

Jeff and his employer would be paying $2,268 a year.

His insurance costs would have risen 61 per cent.

Without children, his wife still could not collect on his death.

Without children, his wife still could not collect on his full, permanent disability.

He would not have accumulated any cash value.

Compare this with the same amount of money spent on private insurance. By the time Jeff is 36, the following would be true:

His life insurance coverage would have grown to $151,400.

The cost would have been so much less than Social Security that Jeff could have accumulated $2,487 while still paying for the higher private coverage.

The death benefit would be enough for a

20-year, $1,000-a-month income for Eva without ever depleting the $151,400. [It would remain intact after the 20 years.]

The policy, even with Jeff alive, has an accumulated cash value of more than $20,000.

The comparison, in short, is the difference between effective protection and meaningless tax collecting. For Jeff and Eva Alfred [and 30 million others in their age group], the "security" in Social Security is a hoax.

"The biggest reason we can't afford any more than a small private insurance policy," laments Jeff, "Is that they dock my pay 60 bucks a month for Social Security insurance that's almost useless to me."

A SPECIAL SALUTE TO MADISON HIGH SCHOOL

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. BOB WILSON. Mr. Speaker, this is not the first time James Madison Senior High School in San Diego has made it to the top with the Freedoms Foundation. However, this year marks something of a remarkable anniversary: The 12th successive year of distinguished effort promoting citizenship among the entire student body.

I submit for the Record a tribute to Madison High School by the San Diego Women's Chapter, Freedoms Foundation publication, The Forge of April 1974:

A Special Salute to Madison High School

On George Washington's Birthday, February 22, Mr. Oscar Baer and students from his Fall History classes traveled to Knotts Berry Farm to perform their play, "The Declaration of Independence" for a special holiday celebration in the John Wayne Theater. They were accompanied by the Madison High Symphonic Orchestra under the direction of Mr. Leonard Wolfe.

It was no small undertaking for this wonderful group to accomplish this performance. The students, no longer in class together, polished and refined the script that they had written and directed for presentation in a double assembly at Madison in December. Special arrangements had to be made for the orchestra to make the trip. The Battle Hymn of the Republic rang out that evening, and the play with its musical accompaniment received a standing ovation for their spectacular performance!

Madison High is one of our county schools who have received many awards for their wonderful work. Last year, they were given the Distinguished Service Award (for 10 school awards) and this year, for the second time, they were honored with the Principal School Award—the highest school award given which includes the Valley Forge Pilgrimage for a teacher and student representative.

While our county schools have received a number of these top awards, Madison is the only High School in the county to be so recognized in recent years. Our hats are off to their proud achievements! Our congratulations to Mr. Baer and Mr. Wolfe and their dedicated students for this fine showing!

These young people took it upon themselves to make their own costumes, pay their own expenses for all props, flags, bell tower, and stage designs out of their own pocket and their own workmanship to produce the Declaration of Independence in five separate programs including the John Wayne Theatre at Knotts Berry Farm on Washington's birthday, February 22, 1974.

But what should be given special mention is that the students under their American Government teacher wrote the entire script and composed the music for the play and elected their own student director and then solicited the graphic arts class to print this memorable play.

CATHOLIC BISHOPS CITE "CLIMATE OF FEAR" IN CHILE

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Ms. ABZUG. Mr. Speaker, the military junta that assassinated President Allende of Chile and overthrew his democratically elected government has been charged by the Roman Catholic Church with creating a "climate of insecurity and fear" in Chile.

This very significant statement comes as the junta is conducting rigged trials of political prisoners and former members of the Allende government.

I support the rising protests around the world against the oppressive actions of the Chilean military regime and oppose the extension of U.S. assistance to this country as long as its leaders imprison and torture political opponents and deny democratic rights.

At this point, I insert in the Record a statement I sent to a protest rally held in New York, May 11 by the Chile Action Committee, the text of the Chilean bishops' statement, and a New York Times article.

Statement by Congresswoman Bella S. Abzug

I stand with you in denouncing the junta's destruction of democracy and freedom in Chile. While the fascist militarists place former members of the Allende government on trial, it is they who stand accused in the eyes of world democratic opinion. The statement by the Roman Catholic Church of Chile accusing the junta of using torture and imprisonment to wipe out opposition and oppressing the poor confirms charges that I and other Members of Congress have made. I salute your efforts today and pledge to continue to fight in the House to halt U.S. assistance to the junta, to demand the release of political prisoners, and the restoration of democratic rights to the people of Chile.

[From the New York Times, April 25, 1974]

Excerpts From Chilean Church Text

Santiago, Chile, April 24.—Following, as translated by The New York Times, are excerpts from the text of a statement issued today by Raúl Cardinal Silva Henriquiez under the title "Reconciliation in Chile":

We Christians must not only reconcile ourselves with each of our enemies or adversaries of yesterday or today. We must also be "artisans of peace" (Matthew, v. 9). For the love of our country we must help establish a regime of coexistence in which all Chileans can live and feel as brothers.

We want to briefly point out what are, in our judgment, the minimal conditions for reaching that goal. But before beginning to develop them, we believe it is essential that all of us ask ourselves sincerely whether we want to reach that goal. Without this sincere will, it is useless to accumulate declarations and measures.

The basic condition for a peaceful coexistence is the full enforcement of a state of law, in which the Constitution and the law are a guarantee for all of us. That is why we are interested in the rapid elaboration of a new Constitution. And that is why we consider it opportune that, in the meantime, the Government has published a Declaration of Principles.

Its explicitly Christian inspiration is valuable, and we believe that, notwithstanding certain insufficiencies in the formulation of the Christian ideal for the social and political life, it constitutes a basis for orienting civic and social action in this emergency situation.

Hopefully everyone, governors and governed, will faithfully follow its spirit in the search for the common good. But we are the first to hope that Christian principles will be incorporated into the Constitution of our country by the free acceptance of our people and after a discussion in which all citizens can participate.

We recall—and it is stated in the Declaration of Principles to which we have referred—that it is permissible to disagree with this or with any government, but that the peace and well-being of the country require that we collaborate with the authorities in everything that is clearly for the common good.

We do not doubt the righteous intention nor the goodwill of our governors. But, as pastors, we see objective obstacles to reconciliation among Chileans. Such situations can be overcome only by the unrestricted respect for human rights as formulated by the United Nations and by the Second Vatican Council.

We are concerned, in the first place, by the climate of insecurity and fear, whose roots we believe are found in accusations, false rumors, and the lack of participation and information.

We are concerned also by the social dimensions of the current economic situation, among which we could point out the increase in unemployment and job dismissals for arbitrary or ideological reasons. We fear that, by accelerating economic development, the economy is being structured in such a way that wage earners must bear an excessive share of sacrifice, without having the desired level of participation.

We are worried that the educational system is being structured and oriented without enough participation by parents and the academic community.

We are worried, finally, in some cases, over the lack of effective legal safeguards for personal security that is evident in arbitrary or excessively long detentions in which neither the persons concerned nor their families know the specific charges against them; in interrogations that use physical and moral pressures; in the limited possibilities for a legal defense; in unequal sentences in different parts of the country; in restrictions of the normal right of appeal.

We understand that particular circumstances can justify the temporary suspension of certain civil rights. But there are rights that affect the very dignity of a human being, and those are absolute and inviolable. The Church must be the voice of all, especially of those who do not have a voice.

We must not forget that it is God who calls us to reconciliation; and it is He also who offers it to us as forgiveness in the sacrament of penitence. That is why we make the words of St. Paul our own:

"We beg you in the name of Christ: let

yourselves be reconciled with God (II Corinthians, v, 20).

[From the New York Times, Apr. 25, 1974]

CHILEAN BISHOPS ACCUSE JUNTA OF "CLIMATE OF FEAR"

(By Jonathan Kandell)

SANTIAGO, CHILE, April 24.—The Roman Catholic Church of Chile today issued a declaration accusing the military junta of the use of torture, arbitrary and lengthy detentions, of causing large-scale unemployment, of making job dismissals for political reasons, and of establishing an economic policy that church leaders said had shifted the burden to the poor.

Chile is living in a "climate of insecurity and fear," the church said.

In response to the statement, Gen. Gustavo Leigh, a member of the junta, said:

"I have great respect for the church, but like many men, without realizing it, they are vehicles for Marxism."

General Leigh said the Government would begin proceedings next week against all political prisoners, and speed the release of those with no charges against them. He added that foreign embassies would be cleared of asylum-seekers within 30 days. More than 200 leftists are still staying in embassies.

"We do not doubt the righteous intention nor the good will of our governors," the bishop's statement said. "But as pastors, we see objective obstacles to reconciliation among Chileans. Such situations can be overcome only by the unrestricted respect for human rights as formulated by the United Nations and the Second Vatican Council."

The statement was distributed by the Cardinal, Raúl Silva Henriquez, who said it had the backing of the majority of the bishops. It was the most important public stand taken by the church since the military coup that overthrew the elected Marxist coalition government last September.

More than 2,500 people died in the aftermath, most of them victims of summary executions after resistance to the armed forces had ended.

According to church sources concerned with legal aid for political prisoners, tens of thousands have passed through detention centers, and more than 6,000 still remain imprisoned, the majority without official charges.

The Catholic Church, which counts more than 90 per cent of Chileans among its faithful, has been under increasing pressure from both supporters and opponents of the junta to define its political position.

The 2,000-word statement issued today was a result of an episcopal conference last week attended by the bishops. It was mainly a call for national reconciliation between the anti-Marxist majority and the Marxist minority, which supported the late President Salvador Allende Gossens.

Turning to the economic situation, which has been marked by price increases and a decrease in real purchasing power, the clergymen noted an "increase in unemployment and job dismissals for arbitrary or ideological reasons."

A LAISSEZ-FAIRE POLICY

The junta, which inherited an economy devastated by shortages, production decreases, inflation, and distortion caused by price subsidies, has instituted a laissez-faire policy designed to raise the price of products to their market value.

But the Church leaders noted that ("the economy is being structured in such a way that wage earners must bear an excessive share of sacrifice.")

The economic situation is particularly precarious in the poor neighborhoods, where residents have complained that their wages leave them hardly enough money to live even on a meatless diet.

The Church also expressed concern that the educational system "is being structured and oriented without enough participation from parents and the academic community."

The junta, whose members have reiterated their desire to "extirpate the Marxist cancer" from Chilean society, has pursued a vehemently anti-Marxist policy in education.

At the university level, thousands of students and hundreds of professors have been suspended for alleged Marxist sympathies. Courses, particularly in the social science area, have even been dropped for alleged leftist content.

But the junta's efforts to reform education have also been directed at primary and secondary schools, where the authorities have called for a nationalist orientation emphasizing conservative patriotic values.

"The basic condition for peaceful coexistence is the full enforcement of a state of law, in which the Constitution and the law are a guarantee for all of us," the churchmen wrote.

During the seven months after the coup, the church has slowly developed into the focus of political dissent. The junta has dissolved Congress and labor organizations, banned the Marxist parties and declared other political groups in "indefinite recess" and has instituted strict control over the press.

In January, leaders of the Christian Democratic Party, historically the largest political organization in the country, wrote President Augusto Pinochet a private letter covering many of the points made by the Church leaders. But the center-left party, many of whose members supported the coup, has proved to be politically impotent and has been largely ignored or attacked by the junta.

PROMISED LAND IS FAIRY TALE

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. HANRAHAN. Mr. Speaker, I wish to enter the following article from the May 5, 1974 edition of the Chicago Tribune in the RECORD for the benefit of my colleagues. This article reveals that even in these times of great uncertainty concerning our modern way of life, there still is hope that America can fulfill the promise of its ideals.

The article follows:

[From the Chicago Tribune, May 5, 1974]

AN EXPATRIATE'S VIEW—THE PROMISED LAND IS A FAIRY TALE

(By David Hackworth)

(The author is an expatriate American who now works as a waiter in a resort in Coolangatta, Australia. The accompanying box tells the story of his decision to leave the United States.)

COOLANGATTA, AUSTRALIA.—There are 16 million unhappy Americans who want to leave America and live abroad. This stunning revelation was announced recently in a Gallup Poll report. The disenchanteds' litany of complaints includes: run-away inflation; pollution; White House scandals; assassinations; violence; crime; the shock of future shock; being fed up to the eyeballs with the rat race; and too much of Big Brother's eye-in-the-sky.

I would like to say "right on" to all these unhappy souls and advise them to cut and run while they still can. For it is not an everyday occasion when an individual can tell millions of people. "You see, I told you so."

The "I told you so" thing started four years ago when I became disillusioned with America for many of the reasons that bother the 16 million. And for a few pet complaints of my own, such as: America's insane Viet Nam bloodbath that reached a new depth of despair during the 1970 Hitler-like invasion of neutral Cambodia; and the establishment's Stalin-like attempted vendetta in response to my public stand that the war was a bad scene.

At that time, I got out the world map; and with a bitter taste in my mouth, I started planning an expatriate life that would lead, of course, to the Promised Land.

For three years now I have been a rolling stone. I have wandered thru all of Europe, across Africa, and down South of the border to look at Latin America. I have seen most of freedom and liberty to Big Brother, and all the concomitant fallout unhappiness exist in abundance in every country in which I have spent any time.

It seems too as tho the world is copying our sad blueprint for the Great American Dream with a vengeance. Downtown Sydney looks like uptown Los Angeles and acrosstown Torremolinos seems like aroundtown Miami. And they come replete with identical problems as well as the same appearance. An American abroad can feel at home anywhere today, because ticky-tacky Pizza Huts, The Colonel's fried chicken, and Coca-Cola signs litter real estate from the halls of Montezuma to the shores of Tripoli.

And then there is the international suburbia. In every country there stand row upon row of square little cardboard houses, each with a pathetic green splotch of lawn and credit payments amounting to just a little less than the occupant is bringing home. Yes, everywhere there are the same parasites, neon lights, and all the other sorry sights that have become the accepted hallmarks of "making it."

Nor does America have an exclusive on ripping things down. The mighty bulldozer is doing its thing all around the globe. Beautiful landscapes and historical landmarks are being hungrily pushed aside or turned asunder so glittering Las Vegas-like plastic cities can be built. All are made of concrete and chrome and filled with peaceless people whose degree of unhappiness depends upon the exact state of "technological advancement" their country has attained.

Many of these poor souls do not know the source of their unhappiness, for they are constantly being told by their particular Big Brother that "they are progressing and have never had it so good." But they too often have a fuzzy feeling in the pit of their stomachs that bears witness that all is not right.

So I no longer believe that running away from problems indigenous to the U.S.A. will solve anything. For most of us, it could well become a move from the frying pan into the fire. Looking and living elsewhere seems to consist of merely exchanging one geographical and cultural setting for another. The problems that exist in America are now universal. The fast moving 20th century has converted this planet into a monster bent on rushing, ripping, grabbing, shoving, pulling, and dehumanizing thinking man. Or what's left of him.

I do think that good changes—and answers—are blowing in the wind for America. I think that we stand a chance of getting our mess sorted-straightened-worked out and our values returned before anyone else, a first-in first-out type of thing.

And perhaps one can deal more effectively with sorting out these problems in one's native land, without such additional hassles as a language difficulty, culture gap, employment problem, adjustment to a different standard of living, etc. For example, just making a simple phone call in many countries can turn into an energy-sapping nightmare.

Lastly and perhaps most importantly, it is a real bummer to give up one's national heritage and, even with all of its faults, that super American way of life and unequalled standard of living. Both are easy to knock and abuse when you've got them. I can assure you that they are an immeasurable loss when they're no longer around.

SUPPORT FROM MAYORS FOR A HOUSE COMMITTEE ON URBAN AFFAIRS

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. BADILLO. Mr. Speaker, interest is mounting in my proposal to create a standing Committee on Urban Affairs in the House through an amendment to the committee reform bill, House Resolution 988. Quite naturally, the earliest expressions of support are coming from mayors of big cities, and I would like to share these endorsements with my colleagues by inserting several of the letters in the RECORD.

CITY OF OMAHA,
Omaha, Nebr., May 16, 1974.

Hon. HERMAN BADILLO,
Cannon Building,
Washington, D.C.

DEAR CONGRESSMAN BADILLO: As Mayor of a medium size metropolitan city in the Mid-West, I applaud and support your amendment to the Bolling Committee Reform Bill exactly for the reasons you stated in your House floor speech of April 30, 1974.

As an element of necessary Congressional reform, I believe such a standing committee as you suggest would be of vital interest to American cities and, at the same time, meet the overall objective of streamlining the committee structure of the House of Representatives to be more responsive to the needs of our people.

Confident that such a committee should enjoy broad bipartisan support, I am enclosing a copy of this letter to our Congressman, John Y. McCollister, and to John Gunther of the United States Conference of Mayors urging their support of the Badillo Amendment to the Bolling Committee Reform Bill.

Sincerely,

EDWARD ZORINSKY,
Mayor.

CITY AND COUNTY OF HONOLULU,
Honolulu, Hawaii, May 16, 1974.

Hon. HERMAN BADILLO,
U.S. House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE BADILLO: I read with much interest your House floor speech on the needs for an Urban Affairs Committee. As you have noted, the present approach to the urban affairs is inadequate. If the accelerating and pressing urban problems both in terms of type and magnitude are to be solved, there is a need for a generalist or coordinated approach. The present system has caused an inordinate demand on local agencies to plan and coordinate programs related to federal assistance. Despite the existing federal program and funding situation, timely availability of programs and funds must coincide with local urban requirements.

I have noted that the House has recommitted the House reforms proposals to a caucus subcommittee. The House reforms proposals are in the right direction of committee restructuring and redefinition of major areas of jurisdiction. It appears that the fate of the reform proposals rests with Representative Julia B. Hansen, Chairman of the Caucus Subcommittee.

Despite the difficulties before you in your proposal to create an Urban Affairs Committee, I wish to strongly endorse your concept.

Warm personal regards.

Sincerely,

FRANK F. FASI,
Mayor.

CITY OF SAINT PAUL,
May 16, 1974.

Hon. HERMAN BADILLO,
U.S. Representative, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN BADILLO: I am totally in accord with your proposal to establish a standing Committee on Urban Affairs in the United States House of Representatives, and I would fully support any moves to establish such a committee.

You are to be commended for considering such a progressive and necessary move.

My best personal wishes for success in this effort.

LAWRENCE D. COHEN,
Mayor.

CITY OF ROCHESTER, N.Y.,
Rochester, N.Y. May 13, 1974.

Congressman HERMAN BADILLO,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN BADILLO: Thank you for informing me of your proposal to establish a standing Committee on Urban Affairs in the U.S. House of Representatives.

I am in total agreement that the needs of cities around the nation are currently not being met. Your amendment to the Select Committee on Committees reform bill, establishing a Committee specifically for City needs, is an excellent one, and certainly long overdue.

The lack of a comprehensive approach to our urban crisis has led to serious and overwhelming problems for local governments. The adoption of a proposal such as yours would be a first step towards reordering our national priorities, a step desperately needed.

My personal thanks to you for your efforts on behalf of this nation's cities.

Sincerely,

THOMAS P. RYAN, Jr.

CITY OF NORFOLK, VA.,
May 9, 1974.

Hon. HERMAN BADILLO,
Cannon Office Building,
Washington, D.C.

DEAR MR. CONGRESSMAN: Your letter of the seventh has today been received in my office. I appreciate your writing and would also like to thank you for sending me a copy of your speech made to the House concerning the establishment of a standing Committee on Urban Affairs. I have read your remarks with great interest and feel that such a committee would be most beneficial to the urban areas of our country.

Sincerely yours,

ROY B. MARTIN, Jr.,
Mayor.

A MESSAGE TO VENEZUELA

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. GUNTER. Mr. Speaker, as not all of our colleagues in the House may have had an opportunity to become aware, an effort was begun in the Committee on Agriculture to review the appropriateness of continuing to extend a quota under the U.S. Sugar Act to the country of Venezuela in light of what I and some of our other colleagues view as that country's predatory oil pricing policies and the consequent hardship worked on American consumers and businessmen.

Those of use who have examined this matter and remain concerned about it intend at the appropriate time to raise this matter legislatively on the House floor.

But it is perhaps useful at this time, in an effort to begin familiarizing the House and the country with the issue involved, to briefly indicate the nature and extent of our concern and the reasons for the remedy we propose.

First and foremost, I think it helpful and useful to state simply and clearly that the intentions behind the floor amendment we will offer are neither frivolous nor mischievous, but the result of much sober consideration and the attempt to grasp firmly the full long-range implications of the action we propose if it is successful. Nor do I believe that effect would be mischievous, but rather a positive and constructive step toward reestablishing the economic equilibrium of the world and, indeed, in the eyes of some respected economists, is a prerequisite to such a restoration.

It is an action proposed because of a continuing void in American policy abroad that requires affirmative action by us.

I well recognize that the amendment we will offer to strike or suspend Venezuela's sugar quota in response to their oil pricing policies easily lends itself to the suggestion—particularly from some of our most responsible and thoughtful colleagues—that such an amendment represents so serious a step that such action by its nature can only be regarded as frivolous or mischievous.

But I believe on close examination it will be seen that the amendment is neither and indeed that it is required that we in the Congress send a strong, clear signal to those countries which have come to believe economic blackmail is now an inviting and winning game to play, at the expense of the United States, that they may wish to reexamine that view from the standpoint of their own self-interest.

The amendment is proposed not out of the momentary concern or anger arising from the recent oil supply and pricing developments, or as a mere vehicle for giving vent to our frustration, real as that may be; or as a means of providing instant political gratification by giving voice to those frustrations in an ill-considered or frivolous way.

Rather, this amendment goes to the basic heart of the economic turmoil and disequilibrium afflicting the world today, particularly the poorer countries of the world, as a result of the total mischievousness, complete irresponsibility and economically frivolous—but devastating—pricing and supply policies pursued by those nations of the world whose richness of oil resources so far exceeds their

richness of economic wisdom and political judgment.

Venezuela is a leader among those countries in setting forth, pursuing, and urging others to follow policies which are indeed mischievous in the extreme.

I have been asked by some why Venezuela, among these countries, should be singled out for the kind of response my amendment contemplates.

The answer, first of all, is that they have taken the forefront in establishing the policies pursued in pricing by the Organization of Petroleum Exporting Countries.

The second answer, I believe, is that it is appropriate, in terms of maintaining our own responsibility, that we begin the effort to transmit a clear signal to those oil exporting countries not by the adoption of far sterner and harsher retaliatory measures against all of them, but by sending at this time a milder message—yet one that will be clear and unmistakable.

I am persuaded, in fact, that if the Congress and the Government of the United States do not do so at this time, the day will come when the full economic power of the United States will, indeed, be invoked by the Congress responding to the mood of constituents who have grown quite frankly sick and tired of being victimized by outrageous extortion and blackmail demands from countries such as Venezuela.

The mood of the Congress today, I believe, is one of extreme concern, perhaps much uncertainty, and yet is a responsible and thoughtful mood.

There are signs that the mood of the people is one of less patience, and less uncertainty over what the response of the United States toward the oil exporting countries ought to be.

There is no indication of ambiguity in terms of what they believe the posture toward our own oil companies ought to be, and it was reflected in the vote of the members of the House Democratic caucus with respect to the oil depletion allowance.

There is every indication the OPEC countries intend to pursue policies of economic extortion they believe, with no small amount of justification, have been highly successful and, in the absence of a coherent and strong response by us, will continue to be successful in the future.

If that occurs, Mr. Speaker, we will not, as my amendment would do, simply be sending a message to Caracas that hopefully will serve as a timely and useful warning to the OPEC countries in general. We will, at that point, be formulating and implementing the harshest kind of world economic response—one that we do not wish to have to implement, one most assuredly the OPEC countries would bitterly regret if implemented, and one, indeed, that for at least the period of its imposition would have the most serious economic consequences and be a step of complete gravity indeed.

We are, at the same time, unprepared to continue providing encouragement for the victimization of our own people.

Venezuela, for additional reasons, is an appropriate choice for the kind of response I propose. For the actions of Venezuela have had a direct bearing on the economic hardships worked on the American people, not only in my own State of Florida, but all around the country, in recent months. During the course of discussion and debate leading up to the offering of this amendment, that record of extortion will be made amply clear to the House, I believe.

It is also an appropriate choice in terms of both opportunity and symbolism in that at the very moment Venezuela continues to engage in price-gouging prices on oil, and has announced it will proceed immediately with nationalization of foreign oil companies, Venezuela has also come before the Congress asking for favored trade treatment by the United States with respect to a U.S. sugar quota.

Mr. Speaker, finally, I want to make it clear that the intention of this amendment in no way embraces an expression of parochial hostility toward Venezuela or any other country, nor does it in any sense reflect a spirit of isolationism or a philosophical protectionist attitude. Quite the opposite. It reflects, in my view, a realistic and sober assessment of the economic turmoil that exists today and it seeks, in what I believe is a careful, limited and wholly responsible manner, to inaugurate a process designed to restore that equilibrium on which the economic health of all countries of the world, not simply the United States, is utterly dependent. It establishes the basic response from which mutual adjustments in pricing policies by all, including the United States where merited, may be arrived at. It seeks to do so by removing the most potent tool in the hands of countries which have no need to so negotiate so long as the United States remains impotent in responding to successful economic blackmail and continues to prove unwilling to respond. So long as we continue to pay the extortionist's price, and continue furnishing our resources gladly and willingly to those who extort us, the basis for beginning true readjustments and arriving at a sane equilibrium will not exist.

To date, there has been no effective response by any branch of the Federal Government toward policies of extortion directed against the United States now more than a year old, led aggressively by the country of Venezuela.

There are no signs of any such response by our country being formulated or contemplated.

The longer we delay in formulating a strong and effective response, the entire world, not just our own consumers, continue to suffer—some, in the poorer countries, miserably so.

It is time to act. I believe my amendment offers the opportunity to do so in a careful, precise, responsible and measured way.

Should the message contemplated to the OPEC countries be sent and yet remain unclear or ignored, harsher messages must inevitably be sent.

But ultimately, without a change in OPEC policies, they will be sent anyway, and, as I have suggested, in a form and with a weight far more serious and grave indeed.

I hope the requirement that the equilibrium of the world economy be restored and restored rather quickly now does not make such action by the United States necessary. Indeed, my amendment seeks in part to avoid our reaching just that point.

But it also seeks to do what we ought to do and must do anyway, and that is have the economic policies of the United States effectuate a basic, minimum protection for the economy of our own Nation and the citizens of our own country.

In the coming days before the Sugar Act reaches the floor, I hope to further bring this matter to the attention of the House.

At this point in the RECORD, Mr. Speaker, I include the text of the separate views filed to the report of the Committee on Agriculture of the House by myself and my able colleague from North Carolina (Mr. ROSE).

The text follows:

SEPARATE VIEWS OF MR. ROSE, OF NORTH CAROLINA; AND MR. GUNTER, OF FLORIDA

In view of press accounts May 17, 1974 quoting President Carlos Andres Perez's announcement that Venezuela will "proceed immediately" to nationalize the foreign-owned oil industry, the House should now "proceed immediately" to cut off the U.S. sugar quota of Venezuela until such time as that nation begins to act responsibly toward the United States with respect to the pricing and availability of oil.

The price increases of Venezuelan oil over the last year have been disastrous not only to the average American consumer in the form of skyrocketing utility rate increases and increased prices for gasoline, but to the entire economy.

As a vociferous leader of the Organization of Petroleum Exporting Countries (OPEC), Venezuela has seen fit to agitate for increased prices to the United States while at the same time attempting to take advantage of trade agreements such as those outlined in the U.S. Sugar Act. To allow such a strategy to succeed invites further actions aimed at the American consumer, not only by Venezuela but other nations which believe they have discovered successful methods of extorting economic advantage from the United States by means of economic, political and moral blackmail.

We believe that the time has now come for the Congress to stand up and say "Enough!"

The clear and unmistakable record of actions taken by Venezuela having the predictable effect of victimizing American consumers and businessmen, and their clear statement of intention to continue doing so in the future, makes it not only appropriate but mandatory in our view that the line now be drawn by the Congress against this type of blackmail activity and do so beginning with Venezuela.

It is clear that for the past year at least this economic blackmail by petroleum exporting countries has succeeded in the absence of any coherent and effective policy by the government of the United States designed to establish again a sound and sane economic equilibrium and designed to protect the economic interests of American citizens.

It is also apparent that the formulation of such a policy by the United States designed to serve and protect the most basic and profound American economic interests remains uncontemplated by the Government of the United States.

So critical is the economic problem posed by this successful exercise in extortion against American consumers by the petroleum exporting countries of the world, that the Congress, in the absence of a formal Administration policy, and in recognition of the rightful demands of American citizens for action, must itself now establish and mandate the formulation of such a policy.

The consequences in economic terms for the economy of our own country and for our own citizens are too grave and threatening to be any longer ignored by the Congress.

The respected economist Eliot Janeway in a recent article for Newsday, printed in the Sacramento Bee of Sunday, Feb. 10, 1974 under the heading, "Agripower: Potent U.S. Weapon for Oil Showdown," correctly asserts, in our view, that, "It is not blind nationalism to recognize that what's good for the American economy is best for the world, because international stability is impossible so long as America remains off balance in her international dealings."

We also agree with Mr. Janeway that, "America's commanding position as the world's sole Agripower offers her a golden opportunity to emerge again as a decisive international force for peace and prosperity."

But, as Mr. Janeway goes on to note: "The problem lies in America's refusal to recognize that she is wasting her own resources internationally, instead of bargaining with them. Her failure to bring her distinctive sources of economic strength to the trading table is preventing a solution . . .

"Any who doubt the potency of the technological leverage America can bring to bear on the petropowers will do well to ponder the meaning of the offer from the Venezuelans to cut back their new selling prices in return for price concessions on the American products and services their oil industry needs. After all, the Venezuelans were the organizers of the oil producers' union.

"A retaliatory U.S. export-price increase would be the effective response. If combined with a parallel one for the proprietary agritechnology Venezuela is so hungry for, the price bargaining between the petropowers and all their customers would take a dramatic and reassuring new turn back toward the stability the world economy needs if it is to be spared a depression."

We agree it is well past the time to indicate that further economic extortion and political blackmail by oil rich countries will not be tolerated. It is time to recognize we are the only true agricultural power in a world that needs our food, our feedstuffs, our protein, our fertilizer, our technology—and our goodwill.

We have shared these precious resources generously and continuously with the rest of the world, including the Arab nations—often at a sacrifice to American consumers, and even at a time when many of the recipients were victimizing our own consumers.

We are now asked by one country after another to continue this generous sharing of resources and technology—even as they announce policies of continued price gouging, from the Mideast all the way to Venezuela.

We are urging no international trade war. We favor no return to isolationism. We believe in international commerce as one of the potentially most important economic and political stabilizing forces in the world.

It is precisely because of that belief that we suggest we have no such stability now, and will not have unless the petroleum exporting countries of the world understand we intend to give ourselves the same fair shake at the bargaining table which they demand, at our expense, for themselves.

It is time to send a message to Caracas.

THE DHOFAR REBELLION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. HAMILTON. Mr. Speaker, for the last 9 years, a rebellion has been raging in the isolated and poorly developed southeastern corner of the Arabian peninsula in the Dhofar Province of Oman. While this rebellion used to be largely tribal in origin, recently it has taken on an increasing global and ideological flavor. The rebels are supplied and sustained by the People's Democratic Republic of Yemen and its main ally, the Soviet Union. The Omani Government, under Sultan Qabus, is now supplied and sustained in its efforts to quash the insurrection by the British, Iranians, and to a lesser degree, the Saudi Arabians and Jordanians, all close friends of the United States.

Last year it is estimated that this little war consumed over 40 percent of Oman's budget. That percentage will decrease this year only because Oman's modest oil output will garner substantially more income due to increased prices. This increased ability to pay for an expensive counter offensive and the eagerness with which Oman's supporters want to end the rebellion before it can lead to overthrows along the southern bank of the Persian Gulf may well lead to intensified efforts to escalate the fighting and try to end the rebellion. The already 1,500 Iranian troops now in Oman may even have to be increased if the entire Oman-Yemen border is to be sealed off. Whether this push will lead to more Yemeni or Soviet involvement is a matter that should be followed closely. It is also unclear whether the focus of Middle East parties on the diplomacy of ending the Arab-Israeli conflict will divert attention from or to this rebellion.

As the following hearing and letter exchanges indicate, the U.S. Government says that it is not at all involved in the war although its friends are. Of course, U.S. sympathies are with the Omani Government, and U.S. equipment sold to Persian Gulf States has played a decisive role in the war. Any costly or extended rebellion may well lead to more direct requests for U.S. materiel.

Mr. Speaker, I think it is important for Members of Congress to keep informed about this mini-war which may be largely contained today but which could escalate tomorrow. No matter how crucial the Persian Gulf and its resources may be for the West, the Dhofari problem will not be settled ultimately on the battlefield. It is basically a political issue and one which neither Yemen, Iran, nor any great power can solve. Its outcome will hinge on the ability of the Omani Government to develop this poor and long neglected region. It is on that course that the Omanis have put more attention since 1970 when Sultan Qabus came to power and it is that endeavor that we should encourage.

The following exchanges with Deputy Assistant Secretary of Defense for International Security Affairs James H. Noyes took place in a March 1974 hearing and subsequent letters. These exchanges relate mainly to the transfer authority for U.S. sold military equipment and to the circumstances for which states need U.S. approval to use U.S. equipment in countries other than their own:

U.S. INVOLVEMENT IN DHOFAR

Mr. HAMILTON. Iran has—the press reporting—about 1,500 troops in Oman and there are British and Jordanian officers there. Have we provided any equipment in that war at all?

Mr. NOYES. Absolutely none, Mr. Chairman, that I can think of.

Mr. HAMILTON. Has any of the equipment we provided to Saudi Arabia or Jordan or Iran been transferred to that war?

Mr. NOYES. Saudi Arabia has loaned the Government of Oman—with our express permission—two helicopters for us in the Dhofar rebellion. Although these items were only loaned to a third party, it is my understanding of the statutory obligation that a loan is comparable to a transfer, that is, it must have the permission of the U.S. Government. In this case, such permission was granted prior to the transfer of the helicopters.

Mr. HAMILTON. Do you have any judgment as to how that fight is going in Oman?

Mr. NOYES. It is my impression, Mr. Chairman, assuming one desires a victory for Sultan Qabus, it is going well, and that they have been able to reduce the area of action of the rebel forces. Putting it in a more positive sense, it is my impression that the Government of Oman is making considerable progress in economic development in the area of the rebellion.

This is tending to woo some of the rebels away from their profession as rebels and some of them are beginning to come back and settle into the areas which are under—

Mr. HAMILTON. We would like to know in a report to what extent any U.S. military equipment is involved in that rebellion.

Mr. NOYES. We will provide that.

[The following information was supplied:]

I have already mentioned the helicopters loaned to Oman with US permission. In addition, as you are aware, Iran has sent military units to assist the Sultan of Oman in his attempt to contain the rebellion in Dhofar. These units—like other units of the Iranian Armed Forces—are equipped with materiel purchased from the United States. There is no question of transfer, however, since the materiel remains under the control of the Imperial Iranian Army.

[Security deletion.]

Mr. HAMILTON. Whether it has been loaned or transferred or whatever.

Mr. NOYES. We will provide that, Mr. Chairman.

CONGRESS OF THE UNITED STATES,
COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, D.C., April 25, 1974.
Mr. JAMES H. NOYES,
Deputy Assistant Secretary of Defense for International Security Affairs, the Pentagon, Washington, D.C.

DEAR MR. NOYES: Thank you for answering all the questions submitted for the record of the hearings on Diego Garcia. The hearings are now being printed and I hope to have them published within a couple of weeks.

On page 150 of the transcript, I noticed your answer to the question concerning the use of United States equipment in the Omani war in Dhofar and the law regarding transfers. You state in the non-classified portion of your answer: "There is no question of transfer . . . since the materiel remains under the control of the Imperial Iranian Army."

This prompts a series of questions which concern me:

(1) Does a friendly country which buys U.S. military equipment seek or need tacit or official U.S. permission before its armed forces can use that equipment beyond its frontiers?

(2) Does the "transfer to a third country" provision apply only to equipment whose ownership or use changes nationality or does it also apply to equipment which is physically transferred to a third country and may or may not in fact be used exclusively by

nationals of the original country of purchase?

(3) Did Iran seek or obtain tacit or official U.S. permission to use previously sold U.S. equipment in Oman? Does U.S. acquiescence imply approval?

(4) Is the main leverage of the United States to show disapproval of third country use the delay or denial of spare parts or future sales?

(5) Would the transfer permission authority be any different in the hypothetical cases of Iran using U.S. equipment in Pakistan or Saudi Arabia using U.S. equipment in Arab-Israeli hostilities? If so, why?

I would appreciate your consideration of these questions.

With best regards.

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on the Near East and South Asia.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., May 13, 1974.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on the Near East and South Asia, Committee on Foreign Affairs, House of Representatives, Washington, D.C.

DEAR MR. HAMILTON: Thank you for your letter of April 25, 1974, requesting additional information concerning policy on the transfer of U.S. equipment to third nations.

You ask, first of all, whether military equipment sold under the Foreign Military Sales Act (FMSA), as amended, to a friendly foreign country may be used by its armed forces beyond the frontiers of that country without United States permission. There is, of course, no territorial limitation contained in section 4 FMSA relative to the purposes for which military sales by the United States are authorized. Any such limitation would be unrealistic. For example, FMS transactions are authorized for the purpose of legitimate self-defense. Few purchasers, if any, would likely be prepared to accept a commitment not to use USG-sold military items which they own and control, if attacked, against the attacker's forces in the attacker's own territory, nor does the concept of self-defense itself prohibit such use. Section 4 FMSA likewise authorizes FMS transactions for the purpose of permitting the purchaser to participate in regional measures consistent with the U.N. Charter. Any proposed statutory limitation with regard to the purchaser's territory would be equally inconsistent with that purpose. You also ask whether such purchasers seek tacit or official United States permission for extra-territorial use of USG-sold military equipment by the purchasing armed forces. While no rule can be established for all instances, you can be assured that such uses would normally come to the attention of our representatives both within and outside of the context of continuing consultations at various inter-governmental levels and that foreign governments do generally desire U.S. support for their own actions and policies.

Second, you ask whether third-country transfer provisions contained in the final paragraph of section 3(a) FMSA are limited to instances in which the title to USG-sold military items passes from the purchasing government to another foreign government. The third-country transfer provision must be read in the context of section 3(a)(2) FMSA which requires the purchaser to agree not to transfer title to, or possession of, any defense article sold under the FMSA to anyone not an officer, employee, or agent of the purchaser and not to use or permit the use of such article for purposes other than those for which furnished without prior U.S. consent. In that context it is clear that a transfer of possession but not of title to the personnel or agents of a third government or other entity (by loan, lease, or other form of temporary custody without a right of further disposition) is subject to the restrictions of the final paragraph of section 3(a) FMSA as well as an outright transfer of title to the subject articles by the purchasing government. On the other hand, that paragraph refers to transfers to another country where the United States itself would transfer the article to that country. "Transfer" in this context certainly means more than mere physical deployment in foreign territory by the government involved, else the test would amount to nothing more than one of whether the United States Armed Forces would be deployed, equipped with the subject article, in the third country's territory. Rather, the test is whether the United States itself would transfer title or possession of the article in question to the third government, its personnel, or agents. The final paragraph of section 3(a) FMSA refers to transfers to a proposed recipient foreign country; countries are not usually considered to be "recipients" of property simply because the property is present in its territory. In short, a purchaser of military items under the FMSA from the U.S. Government is not legally obliged to obtain prior U.S. consent in order to deploy such defense articles outside of its territory, so long as those articles remain in the actual custody and physical control of its armed forces and continue to be used for the purposes authorized by section 4 FMSA.

Consequently, Iran was not obliged to seek U.S. approval for the operation of its forces in Oman, even though their forces were largely equipped with materiel purchased from the United States. With respect to the hypothetical cases raised in your final questions, it is clear that the U.S. Government retains the right to express its views regarding the policies of other states, including those which purchase arms through Foreign Military Sales. The form which such views might take is a policy decision which must be made on a case-by-case basis, and speculation about what action might be taken in various hypothetical contingencies would be pointless and possibly misleading.

I hope that this information will be useful to you in your continuing evaluation of the FMS program and its relationship to our foreign policy in the Near East and South Asia.

Sincerely,

JAMES H. NOYES,
Deputy Assistant Secretary, Near Eastern, African and South Asian Affairs.

WALLACE STRATTON OGILVY

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1974

Mr. MINSHALL of Ohio. Mr. Speaker, there are people who contribute to society through their career accomplishments. There are others who are valued for their personal relationships. Then there are those rare people who have a gift for integrating their career with the private life to the great benefit and joy of all who come in contact with them. Such a unique individual is Wallace Stratton Ogilvy, a teacher in the classical sense of the word. His expertise is not confined to the classroom. Last April 13 marked his 85th birthday. Although he has retired from the educational profession, he continues to contribute actively to his community and to provide a good influence for the young and the old alike.

At this time I would like to insert in the RECORD two newspaper articles that were written on the occasion of Wallace Ogilvy's 85th birthday celebration. In doing so, I wish to express both my appreciation and my district's appreciation for the inspiration Wallace has given us through his lifestyle. I hope that my colleagues will join with me, the Cleveland Press, and the Berea Sun Post in our tributes to this outstanding man:

[From the Cleveland Press, Apr. 12, 1974]

CAMPUS OCTOGENARIAN

(By Bob Seltzer)

For three days a week, Wallace Stratton Ogilvy, a retired educator, who turns 85 tomorrow, serves as confidant and adviser to students of Baldwin-Wallace College, his alma mater, at its Humanities Center.

Ogilvy, a teacher and principal for 44 years in West Side and western suburban schools until 1956, finds an elixir in his work as he repudiates time and makes a mockery of geriatrics. Of medium build, with a fringe of white hair. Ogilvy, widower, long has had a rapport with young students.

"The student body has its feet on the ground, and for the most part we have a fine college family," said the inspirational octogenarian. "The students are more earnest and determined than many people assume."

Ogilvy and his wife Ethel, who died in 1963, tutored many foreign students who attended BW. Mrs. Ogilvy was interested in the missionary work of the Presbyterian Church. The Ogilvys raised a Chinese boy as a foster son while he attended the college, and befriended other Chinese youths who lived elsewhere in Berea.

Ogilvy was born in Batavia, Ill. His father was on the staff of Bellevue Hospital, in which the wife of President Abraham Lincoln once was a patient. Ogilvy's family moved to his father's family homestead in Strongsville when he was 12.

After graduation from Strongsville High School, Ogilvy attended BW for a year, and then studied at the College of Wooster in the summer of 1910. There he met his future wife Edith Holmes, a teacher. He returned to BW, majored in education and began his teaching career at Valley City.

He left an Olmsted Falls school during World War I, and served several years as secretary of the Central YMCA in Cleveland. Then for 12 years, he was principal of Nathaniel Hawthorne School at 3575 W. 130th St.

From there, he went to John Marshall High School, and for 25 years taught history and government. He was Hi-Y adviser, and was so popular he was named Hi-Y honorary chairman.

Ogilvy is a charter member of the Berea Civil Service Commission, which he has served for 42 years. He is a 32d degree Mason and a member of Berea Lodge No. 384. For 60 years he has been a member of the Berea United Methodist Church, where he taught Sunday school classes for 40 years and served as a trustee.

He is a lifetime member of the Southwest YMCA and a member of its board of managers, and is a 30-year member of the Berea Kiwanis Club, a member of the Berea Golden Age Club and Berea Senior Center.

Ogilvy, who has traveled extensively, has lived at 63 E. Grand St., Berea, for 45 years, and previously lived in an adjacent house on Beach St. for 15 years. He is the father of Mrs. Paul Gensler of Rocky River, head of the home economics department of John Marshall High School, and Lester E., 59, associated with the Department of Housing and Urban Development in Washington. There are three grandchildren.

[From the Berea Sun Post, Apr. 19, 1974]

AROUND THE TOWN WITH MURIEL HARDY: AT 85 WALLACE OGILVY IS ACTIVE MAN ABOUT TOWN

Just about everyone in Berea knows Wallace Ogilvy.

They know him at the Methodist Church, which he attends regularly, and where he taught Sunday school for 40 years.

He's a familiar figure at Baldwin-Wallace College, his alma mater. He works three days a week in the Humanities Center at the Art and Drama Center and is seen at many campus functions.

The fellows at Kiwanis Club know him as a long-time, active member, as do the "boys" at the Bias Club, retirees who meet weekly for lunch at the B-W Colony Room.

He's a charter member of the Berea Civil Service Commission, which he has served for 42 years; a lifetime member of Southwest YMCA and member of its board of managers, and a member of Berea Masonic Lodge.

In recent years he has added Berea Senior Center, where he's dabbling in ceramics, and Berea Golden Age Club to his activities.

Last Friday Wallace Ogilvy marked his 85th birthday and friends from all these groups and many more shared in the celebration. Cards, flowers and other remembrances came pouring into his home at 63 Grand St. as they do every birthday.

But Wallace was hardly prepared for the visitors who began to arrive for the surprise party planned by his daughter, Mary Gensler, and attended by everyone who was "loose" Friday afternoon.

They came knocking on his door after he returned from Bias Club, and they filled the house well into the early evening.

Later his son, Lester, arrived from Washington, D.C., where he is with the Department of Housing and Urban Development. The family celebrated Saturday at the Wooster Inn on the campus where Wallace met his wife, the late Ethel, and where he took a year of his college studies.

Few can look back at as many years in the Southwest Area as Wallace Ogilvy. His forebears had their roots here, including a great uncle, John Ogilvy, whose gift made possible the building of St. Thomas Episcopal Church.

When Wallace was 12 his family moved to Strongsville, where he later graduated from high school. He began his teaching career at Valley City, and he also taught in Berea and at Olmsted Falls.

During World War I, he served as secretary of Central YMCA in Cleveland for several years, then returned to teaching which he loved best. He was principal of Nathaniel Hawthorne for 12 years and taught history and government at John Marshall for 25.

"Some of my old pupils from Cleveland live in Berea today. In fact, some of those 'kids' are now fellow members of the Golden Age Club," he pointed out with obvious delight.

Other former pupils often visit him with their grandchildren, and many of the birthday cards piled high on the coffee table were from them, he said.

While raising their own children, the Ogilvys also shared their home with two Chinese boys which was unusual for the times. Many here remember Frank Seen, who graduated from B-W, and his cousin, George Hinn, who later became a successful restauranteur.

Daughter Mary is head of the home economics department of John Marshall, where her father taught for so many years. She and her husband, Paul, have made their home in Rocky River in recent years. Their daughter, Paula, is one of three grandchildren.

Blessed with good health and a happy outlook, Wallace keeps house for himself in a home filled with family photos and mementos of a life that continues to be rich with friends and meaningful activities.

"It's getting out and being with people that keeps life interesting," he said with conviction.

RESERVATION MADE

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. GUBSER. Mr. Speaker, several years ago, a program to help "high risk" minority women return to the classroom was initiated at DeAnza College in Cupettino, Calif. This program, known as the Women's Reentry Education Program—WREP—has been so successful that it has been duplicated with comparable results at other colleges in the Santa Clara Valley area. Recently, an article about this program appeared in American Education, issued by the U.S. Office of Education. I believe this article will be of interest to readers of the CONGRESSIONAL RECORD, and am, therefore, submitting it for inclusion at this time:

RESERVATION MADE

(By Dru Anderson)

"I went through the fourth grade, that's all," says a middle-aged mother of two, now turned college student. "In my 'old age,'" she smiles, knowing that age was far from taking its toll, "I decided I should have an education."

But this woman knew that she never would have made it without the support of other women who, like herself, are finding their way back to college through a novel enterprise called the Women's Re-Entry Education Program (WREP). Launched five years ago with funding support under Part F, Vocational Education Act of 1965 and Title I of the Higher Education Act, WREP has become one of the more noteworthy offerings of De Anza College in Cupertino, California, located in the agriculturally fertile but rapidly urbanizing Santa Clara Valley, just south of San Francisco Bay.

The program serves women who, in education's traditional sense, are "high risk." They come from low-income areas marked by a high incidence of unemployment. Most are from minority cultures—predominately Mexican-American, black, and Asian-American—and have had limited schooling. Perhaps for that very reason education figures large in their thinking.

Some of the women have a purely pragmatic interest; they may head up a household or have a disabled husband and are seeking ways to improve their support of their families. Others look upon education as a means of gaining a sense of self-worth. Whatever the attraction, all the women—even the few who had been in college before—felt paralyzed by a fear of college entry requirements. Characteristically they have been out of school for from ten to as many as 40 years, the result being such deep attrition of their confidence that they found it almost impossible to take the first step toward returning to the classroom.

WREP answers their fears by inviting the women into the college environment without regard to high school diplomas, placement examinations, or the nerve-rattling experience of registration lines. Every effort is made to make them feel at ease in the college environment, to make it clear that they are not only welcome but wanted. Almost without exception that approach does wonders to enable the women to deal more realistically with their anxieties and to accept the opinion that low-income and low-educational backgrounds do not dictate low potential.

Enrollments in WREP have averaged 40 women per quarter ever since the program began. Of the 348 women who have entered the De Anza program so far, 47 percent identified themselves as being married and 30 percent divorced, with the others listing themselves as separated, widowed, or single. Financially, 40 percent were on welfare, 37 percent were low income, and 19 percent were of middle-class income. The program stresses academic excellence, and the women have maintained a grade point average well above the "B" level. Teachers, when discussing WREP students, are given to such terms as "terrific students," "highly motivated," "bring maturity and life experiences to the college classroom." Thus far 33 women have earned AA degrees and are in vocational careers, while many others have transformed to four-year colleges, and at least four are in graduate school.

Academic achievements aside, the De Anza staff is struck by the self-confidence and self-esteem the women achieve even after only one quarter in the program. "It's like seeing two different sets of students," says Curtis Baldwin, a sociology teacher who helped put the program together and now coordinates the effort to carry the concept to other colleges and community areas.

A spunky, grey-haired woman, good naturedly calling herself a representative of the "over 60s," illustrates Mr. Baldwin's point. "I never dropped into high school, let alone dropped out," she says. "But here I have a 3.52 grade average. The staff and my friends just wouldn't let me quit. I've learned that I don't need anything but courage."

She tells the story of chiding Mr. Baldwin for using big words that were hard to understand, then one day of thanking him for finally making his language simpler—except he told her that he was still talking the same way. "Why, it took him all semester to convince me I was not a stupid old woman. I finally realized it was I who had changed and that I could learn to understand those two-dollar words."

Another woman who also had failed to finish high school said the idea of returning seemed out of the question. "I felt there was no way I could feel comfortable," she says. "But with women of similar age with similar problems—children and husbands to care for—we could help one another, and after a while the idea of going back seemed less scary." Pausing, she adds softly, "Now we will never be the same. Having gone back to school has made us different people."

WREP's success at De Anza is such that the program has been initiated at several other colleges in the Santa Clara area: West Valley College in Saratoga, Gavilan College at Gilroy, and San Jose City College in urban San Jose. Enrollments amount to some 70 students each at West Valley and Gavilan, with retention rates topping 65 percent. Early indications are that the program at San Jose, which began last fall, is also going well.

In each case, Mr. Baldwin says, "The WREP focus is on support services and on peer counseling and tutoring." There is a one-year curriculum plan for the program, and the women entering each quarter remain together as a group in the WREP "block" of courses. This grouping, it was found, eliminated initial competition with the regular college students and provided opportunity for the women to identify and support one another through, for example, tutoring. The arrangement also provided greater personalization in instruction.

During their first quarter, all students are required to take specially oriented courses in guidance, home economics (consumer education), sociology for women, and basic English and communication skills. Should they have preschool children in De Anza's companion Child Development Center, they are also required to take parent education courses each quarter to support their children's learning experiences and to reinforce the idea of cooperation among home, school, and community.

All classes are scheduled between the hours of 9 a.m. and 1 p.m., five days a week, with the Child Development Center coordinated to the same hours. After the first quarter, students are assisted by counselors to select courses outside of the program block as well as within it. What the staff sees as the critical test of the program's effectiveness occurs when the women enter and cope with the regular college classes.

Beatrice Cossey, a mother as well as the full-time director of the De Anza WREP, became involved in the initial development of the program as a vitally interested volunteer from the community. By background a medical technologist, Ms. Cossey feels that the "only way you get things done is to get in the middle of them." She assisted Barbara Adams, who was then a home economics instructor at De Anza, to spread her idea of reaching women in low-income areas with a short course in consumer-homemaking. First offered on an experimental basis in late spring of 1970, the course developed into a broad effort by the college to meet the special needs of disadvantaged adult women.

Creating such a program—bringing adult women to college without regard to the traditional entry mechanisms and requirements and doing so in a way that would enable them to stay there through a complex interaction of college departments and community service agencies—was not without its difficulties. Nor was it a simple matter to get such a program accepted once it had been blueprinted. "In many ways," says Richard Wright, Dean of Continuing Education at De Anza, "it was like trying to swim upstream."

Ultimately, however, the program was written, it was accepted, and after vigorously shaking up some college routines in registration, counseling, financial aid, tutoring, and instruction, it was solidly established. "Today," says Dr. Wright, "its need and value are well-recognized by the college administration and faculty."

Because initial exposure to instruction is crucial to the entering woman student, Ms. Cossey says, one of the more touchy processes is the selection of instructors to teach the WREP women. The goal, she says, is to find people who will be flexible with these special students and sympathetic with their needs and problems, but who will nevertheless insist on high academic standards. "Catering to them," Ms. Cossey stresses, "would only reinforce the feelings that they're trying to shed—that they 'can't do it.' "

Tutoring, another supporting pillar of the program, likewise calls for flexibility on the part of the college administration. The 18- and 19-year-old tutors in the college learning center were not available in the evenings when the women usually needed assistance. Also there were barriers and misunderstandings between the age groups. For these reasons peer counseling and tutoring were established and, once again, the concept of the women helping one another came into play. Bea Cossey has come to view such terms as "support services" and "counseling" as being crucial.

One of the major WREP "support services" is its companion State Preschool Child Development Center (CDC) for youngsters of the women students. From the beginning, it was considered vital to a woman's educational progress to have her feel confident that her children were well taken care of while she went to school. Equally important was the consideration that her child receive not merely custodial child care but a learning experience.

Making sure they have one is the responsibility of CDC director Wanda Armstrong, whose talents include a dexterity with hammer and nail. Thanks to her good right arm as well as her training and experience, a good many attractive, as well as educationally useful, materials have been created for the 40 to 60 youngsters attending the center each quarter. Ms. Armstrong and Rose Crowder of the DeAnza home economics faculty, who is in charge of the center's curriculum design for both youngsters and parents, plan and direct the work of the child development staff, which includes two men as teachers and some of the mothers themselves.

The CDC is where the concept of interdependence of home, school, and family comes to the forefront in the WREP. The philosophy on which the center was founded is termed "community-family guided education," and it was initiated by Thomasyne Lightfoote Wilson, associate professor of elementary education at California State University at San Jose and an educational consultant to the Child Development Center. Dr. Wilson likens her philosophy to the "extended family" concept which prevails among many cultures, including Mexican-American and African, and in which, she explains, they somehow "get it all together." Community-family guided education, she says, affirms the proposition that everyone is needed and important. "To be sure," she says, "there is a rough hewing out as we rub shoulders, sometimes abrasively. The important thing though is that here we value distinctiveness as opposed to sameness. In working with others, in this spirit, women gain the concept of not giving up; they acquire a sense of 'I can modify the conditions, and if I can't somebody else can.' This opposes the idea of 'It cannot be done.' "

Such a philosophy opens the possibilities and potential of self-direction to WREP women, Dr. Wilson says, with the result that they in turn take on responsibility to do something about conditions around them in the community. She notes that more and more of the WREP women are contributing to their communities by becoming involved in governmental affairs, in churches, and in various social agencies. One WREP woman serves on the school board in her community.

And communities not only receive benefits, they give them. For instance, St. Jude's Episcopal Church, located a few blocks away from the college, has made its Sunday school classrooms available during the week to the Child Development Center. "It's a mutual relationship," says St. Jude's pastor, the Reverend John Buenz. "We're receiving as much as we're giving. It provides us with an outreach to the community, and it's not the church telling people what to do. It's their program and we have the facilities to meet their need."

This functioning example of community-family guided education has led to a pulling together and helping of one another by the WREP students. As one woman put it, "I never realized before that you could love others as much as you could love your family."

The program's focus on women, members of the staff say, inevitably provokes the question of whether it is an exercise in reverse chauvinism. "Not at all," says Bea Cossey. "Nor is it a woman's liberation thing. It is a program geared to community and family." Women who are raising children, she says, need to know what excellence in education consists of, so that they can take community responsibility to see that their children are indeed getting excellence. She adds: "It is consumer education in the broadest sense. It is important for people to understand that we are all 'consumers' not only of goods but of services, which most certainly includes education. They must be made aware of what is available to them and encouraged to take responsibility to insure quality for themselves, their families, and their communities."

WREP is turning out a new breed of such consumers. One such is a woman from a migrant worker family whose mother had never been to school at all. She recalls picking fruit in the area where the suburban Cupertino college now stands.

As she walks along the shaded pathways of the campus she points with pride at the buildings her husband, a construction worker, had worked on. "He says he came to college before I did," she says with a smile, "because he helped build it. And now I'm here, and we're both part of the college—and it's part of both of us."

ADDRESS BY HON. EARL WARREN

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. McCLOSKEY. Mr. Speaker, on May 11, I was privileged to hear retired Chief Justice Earl Warren deliver the commencement address at Santa Clara Law School's graduation exercises. As always, his words evoked both inspiration and confidence in the future of America, our institutions, and our system of law.

In the latter third of his address, the Chief Justice spoke to an issue of great importance, the recent proposal to strip the Supreme Court of some of its powers.

This proposal, adopted after relatively cursory debate by the House of Delegates of the American Bar Association, is one which goes to the heart of the fundamental constitutional responsibilities of the Supreme Court, and which deserves, in the Chief Justice's words, the "most serious study and reflection" by the legal profession.

I, therefore, am pleased to insert Chief Justice Warren's comments in the RECORD at this point, and particularly commend to the House the latter portion of those comments as they relate to the High Court:

ADDRESS BY THE HONORABLE EARL WARREN

I am happy to share with you this important hour in your lives. It is your hour of achievement, and I cannot resist the temptation to make a brief comparison between law schools of this and former generations.

The law school of today is greatly different than in my day as a student. At that time, the law was simple in comparison. Then property, contractual relations, torts, crimes, pleading, evidence and simple constitutional law were the essence of law school training. There was no tax law in the modern sense; no income tax; no sales or use tax; no social security taxes, and no special corporate taxes. There were no anti-monopoly laws. The Sherman Antitrust Act had been recently enacted but not tested. There was no Securities and Exchange Commission and no Blue Sky Laws. Collective bargaining had not became a national policy; there was no Labor Relations Board, and no regulation of public utilities except that contemplated for the Interstate Commerce Commission which had been established but not yet implemented. With the lone exception of it, there were none of the independent Commissions such as Federal Power, Federal Communications, and a dozen others which were then not conceived of.

The interpretation of the Commerce Clause was in its infancy, and the constitutional problems spawned by the Industrial Revolution had not yet surfaced. Neither had the basic rights of all Americans been explored under the Thirteenth, Fourteenth and Fifteenth Admenments, adopted after the abolition of slavery, with their guarantees of due process and equal protection of the laws.

All of these governmental activities have come into the law schools since those days, and you have been required to learn, not only the principles that have brought them into being, but also the manner in which they have or should have been administered to serve the basic needs of American life. To use a sports colloquialism, it is a "brand new ball game."

I know it has seemed a long and often confusing task for you to absorb these principles and to fit their implementation into the complex and often conflicting interests in society. I am sure it has often appeared to you as trying to put together a gigantic and intricate jig-saw puzzle. But you have satisfied the faculty of this fine law school that you have absorbed these essentials for the profession which today you are entering.

All your lives, you will need the disciplines you have acquired here, because in this age there is no place for reliance on the status quo. Unthought of problems arise daily between morning and night. To the thoughtful lawyer, these changes call for constant reappraisal and readjustment into the Mosaic of American life. They can be both a challenge and an inspiration to lawyers to help keep alive all the freedoms that were envisioned by the Founding Fathers when they proclaimed to the world that they were establishing a Government by the people who were to be governed in accordance with the principle that all men are created equal with certain unalienable rights among which are "life, liberty and the pursuit of happiness."

I will not attempt to advise you on how you should meet the challenges of your day or achieve the satisfactions that I believe are inherent in this profession. It has been said, and I believe wisely, that birth right cannot be relied upon for freedom; that it must be rearned and reinforced by every generation in the ever-changing world if it is to remain permanently the greatest achievement of our civilization.

It is in this context that every lawyer, because of the nature of the profession, must meet the challenges of his day, and determine for himself the approach he will make to achieve the satisfactions he considers most desirable in life. No one can supply for him the means of accomplishing either. Each must be left to his or her basic objectives and instincts.

This much I can say without reservation. I do believe in the new generation of lawyers and law students. I believe they have already manifested an interest in making the law better serve society; that they have been responsible for improving the protection of rights of the poor, the underprivileged and the oppressed which have too often been neglected in the past mad scramble for material success. I commend you and them on this wholesome approach, and offer the fervent hope that it will continue unabated throughout your careers.

While I have the opportunity, I would like to say a few words about the profession itself because in a very short time you will be in the thick of it. To use a cliché now in common use, I bring you both good news and bad news, and I will give you the good news first.

It is a great and good profession, and it is as old as civilization itself. In the upward climb of civilization, it has played an important role. It has been said by the ancients that law is the mother of order and without order there is anarchy. In anarchy, only the strong prevail, and the weak are oppressed. The code of Hammurabi, the earliest known to our civilization, proclaimed that it was designed to protect the weak against the strong. This standard has been the avowed objective of law for the past forty centuries, and is still a growing concept. We call it justice, and it has developed largely through the efforts of lawyers to improve its vision and its administration.

However, the profession's standing in society, as with other professions, has risen or fallen in different ages according to its adherence to its avowed principles, but the onward course in general has been upward. It rose to a high estate when so many young American lawyers fought for our freedom, and a short time later wrote its principles into the Constitution of the United States of America for the protection of their own and future generations.

Now the picture has changed. Many thoughtful people believe that in America our profession has plummeted to the nadir of its existence. The public is shocked by the accusations and admissions of many lawyers in the White House itself of fraud, corruption, burglary, obstruction of justice, and related crimes. Of twenty-one so charged with such crimes, sixteen are lawyers, and still others are under criminal investigation.

The Vice President of the United States, after being accused of bribery, on the confirming evidence of his close political friends and associates, pleaded guilty to defrauding the Government by falsifying his income tax returns, and resigned his high office in disgrace. Only last week, he was permanently disbarred from the practice of law in his State as being unworthy of remaining a member of the profession.

Former Cabinet officers and high Presidential advisors have been charged with criminal offenses pertaining to serious violations of our system of justice and to the performance of basic functions of Government. Even the inner sanctum of the White House has been tarnished, and the end of the debacle is not yet in sight.

I am not here today to discuss the merits of this massive explosion, compendiously referred to as Watergate. That is the prerogative of the criminal courts and of Congress in the discharge of its responsibility in connection with the impeachment provision of the Constitution.

However, I do want to talk to you about some of the side effects of that explosion because I believe they bear, not only upon the actual practice of the law and the lifelong commitment of young people to the profession whose proud emblem is the cause of justice, but because when the law and its administration are thus demeaned a resulting cynicism on the part of the public invariably ensues. Today that certainly is true. Not only is a large segment of our citizenry skeptical about the conduct of those accused of these public crimes, but there is generalization to the effect that corruption is a common practice in public office. And what is even more serious is a feeling of cynicism about our underlying institutions upon which we must rely and participate in if we are to have a Government of, by, and for the people.

The attitude toward lawyers has been feelingly expressed by Mr. Chesterfield Smith of Florida, President of the American Bar Association, and by Mr. Robert W. Meserve of Massachusetts, his immediate predecessor.

Mr. Smith recently, in many places throughout the Nation, has publicly deplored the tawdry details of Watergate, and has urged the discipline by the profession of those guilty of misconduct. From the press, we learn that such proceedings have been initiated in some States. This has all been in the interests of restoring the image of our profession to the place of honor it must have to serve its true purpose in our society.

And this was no aberration on his part because his predecessor, in turning the high office over to him, had this to say—

"The Watergate scandal, its ramifications still unfolding, is certain to rank as a dark episode in our political history. It has posed serious challenges to the legal profession because lawyers in high places are among those linked with it and because the faith of the American people in the justice system and in the government structure itself, are at stake."

He went on to say—

"Many Americans and most lawyers have been brought by the Watergate affair to remember once again the importance of fundamental constitutional principles and of morality in public life—of the meaning of the protections assured to each citizen by our Bill of Rights."

In summary, he concludes—

". . . the number of lawyers, many formerly of distinction in our profession, accused of implication in the greatest political scandal in American history, continues to grow—some having confessed their complicity in conduct in violation of laws and common decency, let alone ethics."

After stating his abiding faith in the greatest majority of lawyers, he ended by saying—

"Yet I suspect that my personal knowledge that this is true is not accepted today by many of our fellow citizens and that the lawyer in America is more generally disliked and distrusted than ever before in the history of our profession in the United States, to the sorrow of hundreds of thousands of moral, ethical, and law-abiding judges and lawyers of this land."

This is strong language, but cannot be faulted because the people of our Nation are shocked by the disclosures, and many are becoming so cynical that they are even doubting the soundness of our constitutional system. They overlook the fact that these transgressions do not stem from following the Constitution but rather from circumventing it. In frustration then, too many are willing to accept half-baked proposals to change provisions that over a period of almost two hundred years have served us well through enormous expansion and almost unbelievable change. They ignore the truism that we do not tear down good buildings merely because they have been occupied by bad tenants.

It has been suggested, for instance, that the Department of Justice be removed from the Executive Branch of the Government, and set up in an independent agency subject to the supervision of and in some respects under the control of the Congress. A somewhat similar proposal has been made concerning the Federal Bureau of Investigation. Only recently, I have been importuned to participate in a movement to abolish the Vice Presidency and leave the succession to the Presidency to the Speaker of the House, the President Pro Tem of the Senate, or some member of the Cabinet.

I shall not discuss the wisdom of these proposals other than to say that the problems such changes might bring into being cannot, in time of distrust and confusion, be foreseen much less protected against.

But the proposal that I do wish to discuss with you as lawyers and potential lawyers is one that would substantially change, in a demeaning manner, the jurisdiction of the Supreme Court of the United States.

The Supreme Court of the United States has not been immune from the destructive cynicism of our age. No one has yet suggested that it be abolished outright. But in far more subtle and sophisticated ways, often masquerading under the guise of procedural reform, there are those in the land who would have the jurisdiction and effectiveness of the Supreme Court substantially weakened.

At the Mid-Winter meeting of the House of Delegates of the American Bar Association, a plan to do exactly this was overwhelmingly endorsed after a most superficial debate, which omitted any delineation or discussion of the details of the plan. All that we know is that the House of Delegates approved the bare contours of a plan to strip the Supreme Court of some of its vital powers to decide certain types of cases and to transfer those powers to a new court, a Mini Supreme Court.

Vagueness and impreciseness appear to be the hallmarks of the proposal. Even as late as April 1, when one spokesman presented the proposal to the Commission on Revision of the Federal Court Appellate System, the plan was shifting, hauling and tacking in some of its critical details.

But, while some of the details may be unclear, the message conveyed has both loudness and clarity. The message is that the Supreme Court should no longer be allowed to exercise all of its authority to adjudicate cases that fall within its jurisdiction. The very essence of both proposals is that a new *ad hoc* tribunal should be established by Congress, a tribunal composed of lower court judges temporarily assigned on a rotating basis. And to that new tribunal are to be delegated some of the Supreme Court's functions of preserving the Constitution and of assuring the primacy and uniformity of federal law. I can say to you with assurance that such a delegation of functions would seriously weaken the Supreme Court in the performance of its historical mission in our constitutional way of life.

In addition to this, it proposes that the Supreme Court may of its own volition divest itself of jurisdiction in any class of cases it desires by delegating it to the Mini-Court. This is an unheard of suggestion. It is not the province of any court to change its jurisdiction at will. It is the province of the law-making body. It has always been understood that the courts may establish rules to regulate their procedures, but never to define their jurisdiction.

There are other factors in the proposal which are equally controversial, but time will not permit a full discussion on this occasion. I would not mention it at all were it not for the fact that it has been a closed door operation. The views of the law schools, the learned societies and the local bar associations have not been solicited; yet the foundation has been laid for a quick approval of the American Bar Association in August by a recent approval of its House of Delegates arrived at after a mere recital of the proposal and cursory debate without the thorough study that should precede any proposal of constitutional proportions.

Any such approval at the Convention this August would give it an unwarranted appearance of consensus in spite of the fact that not one in a hundred American lawyers have ever heard of it.

Normally, a proposal of such a drastic change would not be proposed to the Nation until all interested parties have been afforded the opportunity for serious study and vigorous debate. But in these days of cynicism, revisionists feel justified in hurrying to acceptance their ideas for restructuring the Government to their liking. My response to it is simply that it is something every Law School in the Nation should recognize and discuss in its classrooms, in its Law Review, and in its extracurricular activities before any consensus is sought.

The proposal, if activated, will not be an evanescent one, and will not go away if discovered later to be detrimental to the cause of justice. It is something every student in every law school would be obliged to live with throughout his professional career, and I trust they will give it the scrutiny it deserves. If, for any reason, the determination to denigrate the jurisdiction of the Supreme Court in favor of a court of limited tenure and changeable jurisdiction is permitted to be rushed to an apparent consensus without critical study at an annual convention of the Bar Association and without the grand debate constitutional changes call for, it would be a sad day for the cause of justice. I commend this proposed revision of our basic institutions to your most serious study and reflection.

I wish for all of you who are part of this splendid Law School continued success and lasting satisfaction in your adherence to the spirit as well as the letter of the Constitution which has served us so well for almost two centuries. That great document is our heritage, and in spite of all our current problems still is the sheet anchor of our faith in the future.

Finally, I would like to join in welcoming you to the growing body of alumni of this fine University which was the first institution of higher learning chartered by our State Legislature in 1851 even before there was a public school system functioning throughout the State.

I feel justified in doing this because I was accorded an honorary degree at the hands of my long-time friend, then President, Father Ginaro, in 1951 on the occasion of the Centennial of the University. I have always cherished this honor, and although I did not earn mine as you have yours, I shall be happy to share with you the distinction of being a degree-holder from the University of Santa Clara.

TELEPHONE CONVERSATION FROM MOSCOW

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. BELL. Mr. Speaker, today, I am submitting another conversation between my constituent, Stuart Lotwin, and Yevgenia Lapidus of Moscow. This will serve as a follow-up to the conversation that I inserted in the Congressional Record yesterday:

Excerpt From Telephone Conservation, April 23, 1974—Paricipants: Stuart Lotwin of Los Angeles, Calif., Yevgenia Lapidus of Moscow, U.S.S.R.

S.L.: Let me ask you about your husband. Tell me his name again.

Y.L.: Simon

S.L.: Is that his first name or last name?

Y.L.: His first name. His last name is Pezzner.

S.L.: And he is 20 years old? And he studied at the Computer Institute?

Y.L.: He was studying. Now he doesn't study anywhere.

S.L.: The last time you told me that he was working in a factory.

Y.L.: He works as a stone setter. It's two bags now. But he works mostly—nothing! Because if you have bad (inaudiable), you are registered at a certain place when you work. If they have work for you, they call and you come and do and they pay. If they have nothing so you———for a few years without earning anything. Do you understand what I mean?

S.L.: Yes, I do. Is he working now?

Y.L.: Yes, he is.

S.L.: Is he still earning 60 Rubles a month?

Y.L.: Yes.

S.L.: We are glad that he's working. The Congressman is very concerned. He wants to make sure he is still working.

Y.L.: Do you know what the minimum for food for one in person in Moscow?

S.L.: No—what is it?

Y.L.: 50 Rubles.

S.L.: 50 Rubles! So things are difficult. I imagine that's why you are living with your parents.

Y.L.: No, that's not, really. When we applied for the visas and were given them, we left our flat and we left the papers to let us go. That was on behalf of KGB offices. Do you know what I mean?

S.L.: Yes, I am familiar with the process.

Y.L.: And we left there about a year and one half more—not being the oldest member of the household. Do you understand?

S.L.: Yes. You were 18.

Y.L.: And they told us that was the reason they didn't allow us to go. For a year and one half they didn't allow us to go without any reason. And when they found it (papers?), they hadn't told us they wouldn't allow us to go because we live in the dwelling houses of KGB offices. My mother was an architect, and you know the dwelling prices—apartment prices—in Moscow. When she found an apartment for us, we were very happy, and it appeared to be the houses for KGB.

S.L.: Huh! Huh!

Y.L.: And I never thought we'd have any difficulty to leave because, you know, they have sleepers there that have not any connection with the KGB. Do you understand what I mean?

S.L.: Yes.

Y.L.: . . . dwelling house, that's all.

S.L.: Your parents are well known here and in Israel. Many people are very concerned about your mother and father. I will pass this information on to them.

Y.L.: I have a request for you, if you don't mind.

S.L.: Please . . . do.

Y.L.: Would you please find Dr. Kay Rothschild. I'll give you his address and ask him to call me in 10 days. His address is 3906 Ackerman Drive, Fairlawn, New Jersey 07410. It's very important to me.

S.L.: Alright, I will do that.

Y.L.: So, please try if you don't mind.

S.L.: I will be glad to . . . Now, last time we talked you said an uncle sent you a parcel for your baby. What is your uncle's name and where does he live?

Y.L.: He lives in Israel—in Haifa. Valery Lapidus.

S.L.: Two questions—How is your baby?

Y.L.: Ah—that is a very important question. He is now 5½ months old. He is — lbs., very rosy. Very gay.

S.L.: Well, that's good. What is the baby's name?

Y.L.: Luth.

S.L.: That's a nice name.

Y.L.: Thank you. That's the name of Soviet Jews.

S.L.: That's very nice. Listen, we will call you next month.

Y.L.: What day? I must know for sure. Do you understand, it is very important since they cut off telephones.

S.L.: We will call you the same time on May 21.

Y.L.: Alright—what do you want me to find out for you in Moscow?

S.L.: Just the general situation—what's going on! But the synagogue in Los Angeles has decided to do everything it can—all its 3000 members—and to be responsible to do everything it can to help you leave Russia and go to Israel. We intend to call you not only in the month of May but every other month until the time that you and your parents leave Russia and arrive in Israel.

Y.L.: Then you will spend a lot of money on us.

S.L.: That will be our pleasure, do you know what I mean?

Y.L.: This won't be our pleasure. Do you know what I mean? (laughter)

S.L.: Yes, I do. (laughter) and we are deadly serious about it. We intended to discharge the responsibility and that we intend to see you in Jerusalem this year—not next year.

Y.L.: If you see us in Jerusalem, I will be the happiest person on earth. Do you know what I mean—do you!

S.L.: Wonderful. That is what we want to see and I assure you that we will do everything possible within our power and our ability to see you there.

Y.L.: No other person on earth will be happier.

S.L.: We hope it will happen. Just as David Azbel got out, you will get out. We are concerned just for you to get out. We will do everything we can do to help you get out.

Y.L.: Thank you. I am not Azbel and a lot of people were concerned about him. I think that—if a person is concerned—one of the surest ways to make people come out. Do you understand what I mean, do you?

S.L.: Yes, I do. I want to tell you that, in this room, there are more than 10 Jews very concerned about you. They are going to work hard to make sure you get out.

Y.L.: You know, if not for American Jews, we would have perished already. Only because of your support we are still alive. You are our only hope for living.

S.L.: And you . . . You are our reason for being. We will do what we can, but in the meanwhile, you, your parents and your husband—keep up your courage, your strength. Know that there are people who are concerned about you, and we are going to do everything we can to help you. The important thing is for you to remain strong through this entire ordeal. Not only ourselves, but many other people, some of whom will not be Jewish, will do everything they possibly can to get you out.

Y.L.: Thank you very much. (Lapidus starts to cry). The only words I can say—you know, our lives here is very hard, and I never thought that I should be able to stand it all what I managed to stand. The same thing is with my parents. No one of us could ever make it without . . . Do you understand what I mean. Do you!

S.L.: Yes, Yes.

Y.L.: That's all!

S.L.: Yevgenia, let us say goodbye for this month (April). We will talk to you next month on May 21. Take care of yourself, and take care of your baby.

Y.L.: (sobbing) Thank you. I shall do my best.

S.L.: Fine. We will talk to you next month. Shalom.

Y.L.: Alright, goodbye.

S.L.: Goodbye.

THE FUTURE OF PROFESSIONAL FOOTBALL

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. KEMP. Mr. Speaker, there is much talk these days about what is going on in pro football and several of my colleagues have asked about the new World Football League and invited comments on recent developments in professional football generally.

I have definite views on certain of these developments. They are views based on what I consider to be the interest of the game—the players best interests, the public's best interest, as well as respect for the game and its future.

First, there is no reason whatever for anyone to criticize efforts to form a second professional football league. New business initiatives and free market competition have been cornerstones of the United States for nearly 200 years. In fact 10 of my 13 years in pro football were with the American Football League.

Nor is there any reason why professional football players should be denied the opportunity to earn higher salaries in a market which includes three rather than two professional football leagues. In the last analysis, no professional football player owes any obligation to remain with his current team beyond the period when his contract expires.

I am, however, concerned with efforts now being made by World Football League clubs to sign players under contract to NFL teams while they still owe 1, 2, or more years of football obligations to their present teams. Similarly, I would be troubled if the NFL used such tactics to raid the WFL in retaliation. As a former professional football player, I know the difficulties such circumstances can create for the players involved, for their teammates, for the coaches of such teams, and for the fans of each team. The game of football is such that each player owes the last ounce of his commitment to his present teammates, his present coaches, and his present team. The fans of professional football expect this. They identify with the players who represent their home teams. I have grave doubts that the fans, the coaches, and the teammates of a professional football player can be guaranteed this type of commitment when he is simultaneously being compensated by teams of other leagues, when he is assisting in the promotion of a competing team and league, and when he is generally undertaking to advance the interest of teams other than that with which he is presently associated.

There is no question as to the availability of NFL players for signing with World Football League teams. NFL contracting procedures are such that large numbers of NFL players will become annually available for signing by WFL teams following the close of each season. In fact the AFL got its start in precisely this manner.

But there is all the difference in the world between the signings of players who had fully completed their contract obligations to their NFL clubs—and the signing of players who still owe one or more seasons of loyalty and commitment to their present teams, their present teammates, and to their local fans.

You can imagine the situation which would have been created in Buffalo if, during the period in which I was the quarterback of the AFL Buffalo Bills team, I had publicly announced that I was contractually obligated to play for the NFL New York Giants after I had completed the remaining 2 years of my contract with the Bills; had thereafter appeared on television with Giants owner, Wellington Mara; and had thereafter publicly announced that I would do whatever I could to advance the interests of the New York Giants and the National Football League.

In my opinion, the tactics currently being followed by the World Football League are not necessary for the development of sound football teams. Nor were they necessary for the development of AFL teams which demonstrated that they could hold their own with any NFL team in the midsixties.

Lastly, I am concerned with whether the popular interest in professional football, and the current public respect for professional football and its players, will long survive if any significant numbers of professional football players are placed in a potential conflict of interest position with respect to their personal interests and their loyalties to their home teams. "Lameduck" football players already committed to other teams may not be effective members of their current teams.

That is, in a nutshell, where the problem lies. Pro football in the last analysis depends upon the perception that pro football consumers have that the game has integrity, credibility, competition, and stability.

If this equation is ever upset, pro football and all that it means to fans, players, and owners alike could be seriously compromised.

SAFEGUARDING SPECIAL NUCLEAR MATERIALS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. FRASER. Mr. Speaker, as our national commitment to the development of nuclear power grows, so does the need to prevent unauthorized use of fissionable material.

In a May 3 survey prepared by Warren H. Donnelly, senior specialist in conservation-energy, Library of Congress, the problem is defined succinctly:

> The adequacy of measures to prevent the theft or robbery of special nuclear materials (SNM)—enriched uranium and plutonium—is being questioned. Diverted materials might be made into atom bombs or other devices for blackmail and terror. While the risk is now small, the anticipated growth of nuclear power and use of these materials is causing some concern, particularly if the breeder reactor is widely used. The adequacy of AEC safeguards measures has received recent attention from the General Accounting Office, the AEC, critics of nuclear energy, and the Congress. This interest and possible controversy is likely to grow as the Nation approaches a point of no return for its reliance upon nuclear power.

Dr. Donnelly concludes by listing some of the major policy issues involved:

> (1) The adequacy of recent AEC revisions to its safeguard regulations.
>
> (2) The need for improved safeguards, some of which would require Federal legislation.
>
> (3) The cost-benefit ratio between the greater protection of society through increased security for nuclear explosives materials on one hand and the increased costs paid by users of nuclear power on the other.
>
> (4) The implications of establishment in a Federal system without a national police force of a national protective force authorized and equipped to use armed force in protection of nuclear materials.
>
> (5) The implications of proposals for a national intelligence operations to anticipate or discover planned attempts to seize such materials.
>
> (6) Whether or not the difficulties and limitations associated with safeguards are so great as to give reason to slow down or to stop the commercial use of nuclear power.

Mason Willrich and Theodore B. Taylor, in a report recently published by the Ford Foundation's energy policy project, call attention to the danger of nuclear theft and propose various ways in which security risks could be minimized. They stress that "informed public opinion is essential to effective safeguards."

I have recently received a letter from a Twin Cities neighborhood association, which shows the kind of citizen awareness needed if we are ever to have an effective national program to prevent nuclear theft. The letter, from the board of directors of the St. Anthony Park Association of St. Paul to the Chairman of the Atomic Energy Commission, the Federal Energy Administrator, the chairman of Common Cause, and the Minnesota congressional delegation, follows:

Madam and Gentlemen: Because the technology required for non-authorized, clandestine private manufacture of enormously destructive atomic weapons is now public property and available in print; and because materials in or readily convertible into explosive device form are being produced and accumulating in large quantity; and because shipped by common carrier widely around the country, with varying safety precautions (against theft and diversion); and because the costs of private manufacture are estimated at a minimal figure, such as $2,000 to $3,000; and because plutonium in some forms is an ultimate weapon of devastation and unbelievable toxicity in itself due to its dispersion capability and the fact that minute quantities can kill all breathing life exposed to it; and because the materials-safeguard aspect of atomic energy seems to be discussed or acted upon by no one in authority with any sense of urgency; and because the private power industry and its people seem to look first to cost in the absence of stringent regulation and inspection and are reasonably not inclined to maximize expensive and time-consuming safeguard activity beyond pro forma plant safety requirements;

We urge your immediate and continuing constructive thought and activity in the following areas:

1. Defining, assigning, and implementing ultimate responsibilities for safeguarding atomic materials at all stages of the energy and weapons process against theft or diversion.
2. Specifically assigning responsibility for and implementing more effective and continuous inventory control of all atomic materials at all points in the processes.
3. Full public disclosure of the effectiveness—or lack of it—of current disposal methods for handling of generations-dangerous atomic wastes, or any newly proposed methods.

Your early response will be appreciated.

Very truly yours,
The Board of Directors,
Saint Anthony Park Association.

THE WORLD FOOD CRISIS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. SEIBERLING. Mr. Speaker, the world food crisis is reaching tragic proportions. The Director of the United Nation's Children's Fund recently indicated the extent of the tragedy when he estimated that there are between 400 and 500 million children suffering from severe malnutrition in the world today. Many of these children will not live beyond the age of 5. That this kind of massive famine could occur in the 20th century when man has the technology to put men on the Moon is shocking.

Unfortunately, such reports of massive starvation will be common in the years ahead unless the wealthy nations of the world take immediate action to increase global food supplies and distribute them to needy nations. The U.N. World Food Conference scheduled to take place in Rome in November offers an opportunity for such action.

Recently, a group of 1,000 concerned citizens from nearly 100 countries signed a Declaration on Food and Population calling on the developed nations to formulate a world food plan for adoption at the World Food Conference. The declaration warned that "tens of millions of lives are suspended in the delicate balance between world population and world food supplies" and called for the adoption of population planning policies as well.

The declaration was presented to U.N. Secretary General Kurt Waldheim by British author C. P. Snow and signed by an impressive array of Nobel Prize winners, scientists, authors, scholars, and world leaders. Among them were such emminent names as Dean Rusk, William Rogers, Leon Jaworski, Mrs. Martin Luther King, Jr., Arthur Goldberg, Elliot Richardson, Jonas Salk, Lon Nol, Ellsworth Bunker, 19 U.S. Senators, 32 U.S. Representatives, and numerous heads of governments around the world.

The declaration is a forceful display that the motivation to come to grips with the world food shortage exists. It is now up to our Government to cooperate with other developed nations in seeing that this motivation is carried into action.

I think all Members of the House would benefit from reading the Declaration on Food and Population, and I insert it at this point in the Record:

[From the U.N. Centre for Economic and Social Information, May 2, 1974]

Declaration on Food and Population

Following is the Declaration on Food and Population, signed by some 1000 prominent citizens from nearly 100 countries, which was presented to United Nations Secretary-General Kurt Waldheim at a ceremony in New York on 25 April 1974.

To governments, organizations and to men and women everywhere we, the undersigned, address this Declaration on Food and Population.

No link unites the family of man more than his need for food. For food is an essential condition of life, common to all people; wherever they are, whatever they do, they share alike in this need.

The stark truth is that man's ability to produce food is not keeping pace with his need. Despite efforts by governments and the international community to solve world food problems, more people are hungry today than ever before.

Hundreds of millions of the world's peoples are undernourished. Population growth is adding 75 to 80 million more people each year, 200,000 each day. Within the next 25 years or so our present numbers of nearly 4 billion will be nearly 7 billion. They must all be fed.

The world food situation took a sharp turn for the worse in 1972 and 1973:

1. Stocks of grain have hit an all-time low since the end of World War II. Surplus stocks formerly held in reserve have nearly been exhausted and no longer offer security against widespread hunger and starvation.
2. Food prices have reached new highs. Last year, despite a record world harvest, escalating demand nearly doubled grain prices. The increasing cost of food threatens to cause serious hardship for many people already spending most of what they have on food.
3. Less of the cheaper protein foods, which normally supplement grain diets, is available. The world's fish catch and per caput production of protein-rich legumes, the staple diet in many countries, have declined.
4. Food shortages have created serious social unrest in many parts of the world and are particularly severe in countries where hunger and the diseases that thrive on undernourished bodies are prevalent. This scarcity has been aggravated by the consumption of more and more grain to produce meat, eggs and milk.
5. Mounting fertilizer and energy shortages are reducing food production in certain areas and increasing food prices.

In this new and threatening situation, a bad monsoon in Asia (which could occur in any year), or a drought in North America (like those in the 1930's and 1950's), could mean severe malnutrition for hundreds of millions and death for many millions.

This dangerously unstable world food picture, when seen against an unprecedented population increase, has created an immediate sense of urgency. The dangers of food shortages could remain a threat for the rest of this century—even if, hopefully, bumper crops in some years create temporary surpluses and even if the trend toward reduced birth rates becomes general throughout the world.

World food production in the years ahead must rise at least 2 per cent a year to keep pace with the present rate of population growth. But it must rise a good deal more if the world's people are to be provided with an adequate diet. This required annual increase in food production is considerably greater than that which occurred during recent decades—and seems to be increasingly harder to achieve each year. But unless there is this necessary and continous increase in food production, there will be even more hunger and malnutrition and soaring food prices.

The need to seek solutions is pressing. The nature of the problem, the precarious state of world food production made critical by predicted expectations of continued population growth, calls for concerted action by the world community. There is only one cure for hunger and that is food. No palliatives or panaceas in the form of reports or resolutions can alleviate the pain of empty stomachs that must be filled. International resolutions, however high-minded, are a mockery if they do not have a tangible impact on the human condition.

The United Nations is now providing leadership on both these problems. In August the United Nations will convene the World Population Conference in Bucharest, In November it will convene the World Food Conference in Rome. These are the first occasions when governments have agreed to meet to consider these crucial questions and to consider taking action on them.

With these two conferences only a few months away, we urge governments, acting before, at and after these two global conferences, to consider realistic and purposeful measures such as the following:

1. Give high priority to programs in each country which will increase the production of grains, legumes and other staple food crops; ensure the availability of protein-rich foods, particularly to the more vulnerable population groups; expand the production of fertilizer; and improve the opportunities for small farmers to make a reasonable living. Develop a comprehensive and

constructive World Food Plan for adoption at the World Food Conference.

2. Support sound population policies relevant to national needs which respect national sovereignty and the diversity of social, economic and cultural conditions; accept and assure the human right of each couple to decide for themselves the spacing and size of their families; [1] and recognize the corresponding responsibility of governments to provide their peoples the information and the means to exercise this right effectively.[2] Embody these policies in a World Population Plan of Action to be agreed upon by governments at the World Population Conference.

3. Recognize that the interdependence of the world community creates an obligation to assist in the necessary funding of food and population programs by both developing and developed countries. This calls for the elaboration and implementation of a global strategy by the United Nations and its family of agencies, including the Food and Agriculture Organization of the United Nations and the United Nations Fund for Population Activities.

4. Establish sufficient food reserves through national and international efforts to provide continuing vital insurance against food shortages.

5. Recognize that, in our finite world where resources are limited, the family of man must one day, and hopefully fairly soon, bring birth rates into reasonable balance with the lowered death rates that have been achieved. Many governments see the need to guide national policy towards this objective.

A solution to the present world food crisis must be found within the next few years. The social transformation which can lead to a reduction in the world rate of fertility, along with lowering the rate of mortality, will take decades to accomplish. But a start must be made now because the millions of people being born each year place a heavy burden on the resources available to many nations for education, health, employment and the maintenance of environmental quality. A reduction in population growth could help alleviate this burden. Effective measures toward resolving both the world food and population problems must come within a total strategy of development. Not only is social and economic development desirable in itself, but also it contributes to moderating population growth. All these measures are designed to improve the quality of life.

In this Declaration, we focus on food because it is the most critical of the pressures on the world today. It is the greatest manifestation of world poverty, which has many aspects. The absolute numbers of desperately poor are far greater today than ever before in history. The need to eradicate acute poverty is being recognized more than ever as a collective responsibility. It is a task which global partnership and the demands of social justice make imperative.

We repeat, food is crucial because literally tens of millions of lives are suspended in the delicate balance between world population and world food supplies. Growing populations, denied sufficient food needed for survival, resist all efforts to secure a peaceful world. With increased production and more equitable distribution of food, the future could provide a prospect of less misery and more hope for countless people now deprived of the basic necessities that are their right.

The World Food Conference represents a unique opportunity. This opportunity must not be missed. Comprehensive international agreements must be reached to assure at least minimal food supplies, with sufficient annual carry-over stocks. Disastrous breakdowns in the world food supply can thus be avoided. All nations may then rest secure in the knowledge that this, the most critical of their immediate problems, is being attacked with wisdom, vigor and unity of purpose.

In the name of humanity we call upon all governments and peoples everywhere, rich and poor, regardless of political and social systems, to act—to act together—and to act in time.

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[1] United Nations Teheran Declaration of Human Rights, 1968 (para. 16).

[2] Resolution 1672 (LII) of the United Nations Economic and Social Council, 1969.

WHERE DO INCREASES IN SOCIAL SECURITY BENEFITS REALLY GO?

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. RARICK. Mr. Speaker, where do the increases in social security benefits go?

According to one of my constituents, her mother's social security payments were increased by $11 a month and her grandmother's by $4 a month. However, immediately upon receiving the increase, her mother's food stamps were increased in cost by $10 and her grandmother's nursing home bill went up $4. The net increase she explained was $1 to her mother and nothing to her grandmother.

The constituent's conclusion is:

> I fail to see how Senators and Representatives can make such false claims to the public that they have increased help given the aged, when in truth and in fact, they are receiving no more than they were prior to the passing of said bill. I certainly think the public should be made aware of the fraudulent claims being made about this situation because my mother and grandmother are just two examples of the millions of aged entirely dependent upon social security, old age benefits and food stamps to stay alive. Perhaps some of the money given to undeserving welfare recipients, who are very able to work, but refuse to, (and there are thousands) could be taken from them and given to these deserving older people who have worked and earned their own living, and paid taxes while working, but are no longer able to do so.

On the other hand, the workers who are paying the social security taxes can look forward to a certain tax increase in 1975, as well as those who employ them. The social security tax wage base as well as the benefits are tied to the cost of living. The cost of living rise is estimated at 7 percent in 1974, which would automatically raise the wage base at which taxes are to be collected at $14,100. To those who earn $14,100 or more, the social security "contribution" in 1975 would be $824.85, compared with $631.80 as recently as 1973, or double since just 1970. For millions of Americans in the middle-income brackets the social security tax looms as large a deduction as Federal income taxes. For millions in the low-income brackets the social security tax can be larger than the income tax.

Where do the social security taxes go, when, as in the cases my constituent states, the elderly and disabled get no benefit from the increase?

This is why I introduced H.R. 1639 to allow deduction of social security taxes from income taxes. At present, this constitutes a double tax on the working people of America.

I include my constituent's letter, a related clipping, and the text of H.R. 1639:

Hon. JOHN R. RARICK,
House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE RARICK: During the last session of legislature a bill was passed increasing social security benefits by $11.00 per month for my mother, Mrs. ——— ———, Louisiana. At the same time a bill was passed increasing old age benefits for my grandmother, ——— ———, Hertge Manor Nursing Home, Hammond, Louisiana, by $4.00 per month.

Prior to receiving this increase in her check my mother was paying $4.00 per month for food stamps. Upon receipt of the $11.00 increase in her check she had to pay $14.00 per month for food stamps, causing her to have to use the increase in her check for the same amount of food stamps she had received prior to this for $4.00. My mother is 64 years of age, a widow with no other source of income and has had to have surgery twice within the past year.

The first time we paid the bill for my grandmother at Hertge Manor Nursing Home after the $4.00 increase in her check the bill had gone up exactly $4.00, the identical amount her check had been increased.

I fail to see how Senators and Representatives can make such false claims to the public that they have increased help given the aged, when in truth and in fact, they are receiving no more than they were prior to the passing of said bill. I certainly think the public should be made aware of the fraudulent claims being made about this situation because my mother and grandmother are just two examples of the millions of aged entirely dependent upon social security, old age benefits and food stamps to stay alive. Perhaps some of the money given to undeserving welfare recipients, who are very able to work, but refuse to, (and there are thousands) could be taken from them and given to these deserving older people who have worked and earned their own living, and paid taxes while working, but are no longer able to do so.

Your assistance in this matter would be greatly appreciated.

Very truly yours,

TAX CUT? . . . NO, A TAX INCREASE

(By Sylvia Porter)

While Washington's vote-hunting politicians mumble about a tax cut to make it easier to survive today's cost-of-living squeeze, the brutal fact is that millions earning more than $13,200 a year are facing a certain tax increase in 1975—and so are all those who employ them.

This tax rise will come in the form of another increase in the wage base on which we pay Social Security taxes, from this year's record high of $13,200 to at least $14,100—and maybe more.

The reason: The law now ties the Social Security tax wage base as well as Social Security benefits to changes in the cost of living.

Even the administration estimates that the rise in the Consumer Price Index (cost of living index) will come to 7 percent in 1974. That rate of rise would put the wage base at $14,100. If the rate of inflation for the year is higher, so may be the increase.

Let's say, though, that later in 1974, today's double-digit inflation rate can be reduced so that the pace for the 12 months comes to only 7 percent:

Then, all who earn more than $13,200 and all of your employers and all the millions of self-employed at this income level will pay higher Social Security taxes.

If you earn $14,100 or more, you'll pay a Social Security tax of $824.85 as against $772.20 this year and $631.80 as recently as 1973. Your Social Security tax has more than doubled just since 1970!

All of your employers must match that tax of $824.85, so the combined tax on employe-employer will come to $1,649.70, up $386.10, or more than 30 percent in only two years.

If you are self-employed and earn $14,100 or more, your Social Security tax will rise to $1,113.90 in 1975, up from $1,042.80 this year and $864 in 1973.

And this increase is taking place with the Social Security tax rate standing still at 5.8 percent. That rate won't remain much longer; under today's law, it will rise above 6 percent in 1978. And with the wage base going up in automatic leaps, the burden of this form of tax will become heavier and heavier.

For millions in the middle-income brackets, the Social Security tax each year is now almost as large as the federal income tax.

For millions in the low-middle income brackets, your Social Security tax is higher than your federal income tax.

For millions in the low-income brackets, the Social Security tax is the big load, not the income tax. A married man earning $5,000 a year who has five children owes no federal income tax if he uses the standard deduction. But he'll pay $292.50 for Social Security.

As for employers, the load is particularly oppressive on industries in which wages are a major operating cost—restaurants, resort businesses, hospitals, health care, etc.

It is inconceivable that we, as a nation, would refuse to help our elderly and disabled stay alive by increasing their benefits from time to time. It is inconceivable that younger workers would simply refuse to pay the taxes that finance the benefits.

H.R. 1639

A bill to amend the Internal Revenue Code of 1954 to add social security benefits to the annuity and pension payments which are exempt from levy thereunder

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (6) of section 6334(a) of the Internal Revenue Code of 1954 (relating to exemption of certain annuity and pension payments from levy) is amended by inserting after "benefits under the Railroad Unemployment Insurance Act," the following: "monthly insurance benefits under title II of the Social Security Act,".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to levies made on or after the date of the enactment of this Act.

MINORITY VIEWS ON THE COMMUNITY SERVICES ACT OF 1974

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1974

Mr. ASHBROOK. Mr. Speaker, last week the Education and Labor Committee released its report on H.R. 14449, the Community Services Act. In that report, Congressman EARL F. LANDGREBE, Congressman ROBERT J. HUBER, and I submitted the following minority views:

MINORITY VIEWS OF CONGRESSMEN ASHBROOK, LANDGREBE, AND HUBER

One cannot help but be amazed at how difficult it is to terminate a federal program—even a program that has failed. Community Action Agencies, one of the most wasteful federal boondoggles in recent memory, are a case in point.

Since their inception in 1965, Community Action Agencies have spent in the neighborhood of 7.4 billion dollars. And where has all the money gone? Approximately 78 percent of the federal dollars have gone into salaries and overhead. If our goal is to help the poor, why should we subsidize a national apparatus of "non-profit" organizations and bureaucrats whose salaries devour between three-fourths and four-fifths of the program's money?

Millions more taxpayer dollars have been misspent and mismanaged. This is not a narrow partisan view. A GAO report released in April of 1973 found in 63 percent of the OEO programs it reviewed there were "significant deficiencies" in the financial operations. These deficiencies included "inadequate controls over cash, payroll, travel expense, procurement, consultant services and property." In 8 percent of the cases, misappropriations of funds had occurred which were directly traceable to improper management controls.

The staggering cost and waste perhaps could be justified if Community Action Agencies did in fact elevate persons out of poverty. This has not come to pass, however. And really, how could these agencies be expected to achieve results when so little of each dollar is used to fight poverty.

High overhead and misuse of funds are not the only problems. A utilization test survey of 591 of the nation's 986 CAA's asserts that during the period studies these agencies mobilized approximately $1.3 billion in resources at the community level, while receiving $1.6 billion in OEO funds. Even if one takes this OEO-prepared survey at face value rather than as a self-serving document, this means that Community Action Agencies are getting a disappointing 80 cent return for each federal seed dollar.

In fact, however, the true picture is far more dismal than the $1.3 billion figure would suggest. Approximately $550 million of these funds were channeled into the communities from other federal agencies, well over two-fifths of the funds claimed to have been "mobilized" by CAA's. Even if community action programs were non-existent, some other institution could have handled distribution of the federal funds. Another $490 million came from funds of state, county and local governments—more taxpayer dollars, not private donations—while $95 million is the result of programs and services from public hospitals, schools and similar institutions. Only $165 million of the $1.3 billion falls into the category of non-government contributions, such as churches, foundations, business and civic interests.

A further measure of the program's lack of success is reflected in its failure to get jobs for those in need. According to the utilization survey, each CAA persuaded only an average of three organizations and two-and-a-half employers to change their policies and hire more of those stricken by poverty. This means that each CAA is influencing less than one institution and one employer per year to alter its hiring policies.

Our negative view of CAA's is shared by Dr. Edward C. Banfield, author of *The Unheavenly City*. Dr. Banfield, who has spent a great deal of time studying these programs, states:

"There is no evidence so far as I am able to discover, that the Community Action and other Great Society programs designed to stimulate upward mobility have succeeded in doing so. Where motivation developed it may have done so in spite of these programs rather than because of them."

Community Action Agencies have had nine years to prove their worth. Instead, their history has been a record of failure. We are unable to justify any further extension of this program.

Testimony and experience of the individual members recognize that some of the thousands of CAAs have made modest contributions and others have even been successful. These examples are remote, however. Particularly in the large cities have the results been negligible. In many cases the CAA is tied to the political machine and used for narrow partisan or radical activist purposes. At any rate, these narrow areas of success cannot be used to give the stamp of approval to a nationwide failure. Those few which have been successful should be able to continue by local support and use of revenue sharing funds.

Even those who favor an extension of Community Action Agencies, however, should seriously consider voting against this bill. H.R. 14449 does far more than continue community action under HEW. It also provides for the following:

(1) A legal services program, transferring the present legal services activities to HEW without reform.

(2) A Design and Planning Assistance Program, providing free services to organizations "not otherwise able to afford" their own architects.

(3) A Community Food and Nutrition Program, distributing free food "without regard to the requirements of such laws for local or State administration or financial participation."

(4) An Environmental Action Program, furnishing a federal subsidy for "cleanup and sanitation activities, including solid waste removal."

(5) A Family Planning program, with language which will allow continued use of federal funds for abortion and sterilization.

We urge our colleagues to join with us in defeating this bill.

JOHN M. ASHBROOK.
ROBERT J. HUBER.
EARL F. LANDGREBE.

SENATE—*Wednesday, May 22, 1974*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, may that righteousness which exalts a nation become the code of conduct for all citizens and the pattern of political life for our leaders. Forbid that the lofty standards of our Founding Fathers should ever be jettisoned or our youthful idealism sour into cynicism. Keep our faith steadfast and sure. Above all the harsh, discordant, and confusing notes, above all selfishness and suspicion may we heed Thy voice calling us to forgiveness, conciliation, good will, and peace. Help us, O God, to work this day and every day in the sincere pursuit of knowing and doing Thy will.

We pray in His name who lived and died doing the will of our Father—God. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, May 21, 1974, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

DEPARTMENT OF STATE

The second assistant legislative clerk read the nominations in the Department of State, as follows:

Joseph W. Twinam, of Tennessee, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Bahrain.

Michael Sterner, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Arab Emirates.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT

The second assistant legislative clerk read the nomination of William C. Turner, of Arizona, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ADDITIONAL FUNDS FOR CERTAIN WILDLIFE RESTORATION PROJECTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 823, H.R. 10972.

The PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

H.R. 10972, to delay for 6 months the taking effect of certain measures to provide additional funds for certain wildlife restoration projects.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a letter from the distinguished chairman of the Committee on Finance, the Senator from Louisiana (Mr. Long) be printed in the Record. The purpose of this letter is to indicate Senator Long's continuing interest in this matter, which does have a certain relationship to the Committee on Finance.

The PRESIDENT pro tempore. Without objection, it is so ordered.

U.S. Senate,
Committee on Finance,
Washington, D.C., May 21, 1974.

Hon. Mike Mansfield,
Majority Leader, U.S. Senate,
Washington, D.C.

Dear Senator Mansfield: This letter concerns H.R. 10972, a bill to delay for six months the effective date of certain measures to provide additional funds for certain wildlife restoration projects. This bill was reported by the Committee on Commerce on May 15 and was assigned calendar number 823.

Public Law 92–558, enacted in October, 1972, amended the Internal Revenue Code to establish a new 11 percent tax on manufacturers' sales of bows and arrows. This tax was to begin July 1, 1974. One provision of H.R. 10972 would amend the effective date of this provision of the tax law by postponing the imposition of the tax for six months, until January 1, 1975.

The Committee on Finance discussed this matter in executive session this morning and had no disagreement with the proposed postponement of the tax. However, the Committee would like to make it clear that it retains jurisdiction over the tax aspects of the bill.

I would appreciate it if you would insert a copy of this letter in the record when H.R. 10972 is taken up by the Senate.

With every good wish, I am
Sincerely,

Russell B. Long,
Chairman.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Wisconsin (Mr. Proxmire) is recognized for not to exceed 15 minutes.

WHAT'S RIGHT WITH THE FEDERAL GOVERNMENT: FOREIGN POLICY

Mr. PROXMIRE. Mr. President, this is the 13th time I have spoken on the subject "What's Right With the Federal Government." The deeper we become embroiled in domestic turmoil, the more uncertainty and confusion there is regarding the role of Congress and the Presidency, the more Americans question the basic values of our Nation, then the more we need to keep our perspective.

It is easy to forget that we are the most progressive society on Earth. While we have made many mistakes as a society and a nation, there can be no question about the positive contribution of the United States.

Measure, for example, the contribution of U.S. diplomacy in the international arena. In my opinion since 1957 the United States has exerted the most positive influence on international diplomacy of any country in the world.

This is true in spite of our tragic and mistaken involvement in Vietnam and in spite of our failure to provide either the support or the leadership in the United Nations we should have provided.

It is true that we also can and should do far better by helping build a world food reserve, by vigorously supporting the World Bank, by more aggressively pursuing strategic arms limitations.

And yet even considering these deficiencies, U.S. foreign policy has not only been the catalyst for numerous treaties but has contributed to a lasting impression of American technical knowledge and moral leadership. That is why I can say that U.S. foreign policy has been the dominant diplomatic influence in the world the last 15 years.

The shape of world history has been changed as a result of U.S. initiatives toward the Soviet Union and the People's Republic of China. In no small measure, credit for this must be given to the President and to Secretary of State Henry Kissinger

By opening up relations with China and by creating an era of cooperation with the Soviet Union, Secretary Kissinger has provided this country with a lasting contribution to world peace and political realism.

The United States already is the second largest trading partner with the Peoples Republic of China. As such we are in a position to have a positive influence on that country and in turn learn more about this most populous nation on Earth which only 10 years ago we deliberately shut out of the international community.

The Soviet Union is our primary adversary in the competition for influence and leadership in the world. But there is far less hostility and tension between our two countries now than in the past generation. Through a succession of arms control treaties, trade agreements, and by the exchange of ideas and people, a new era of muted competition is possible.

Make no mistake about the aggressive goals of the U.S.S.R. These remain intact. But the form of competition is now less violent and the threat of war has receded.

In no other place in the world has this

new great power relationship proven its value than in the Middle East. There the potential for confrontation and world war has been tested time and again. It has been competition by proxy but no less real than a direct showdown.

Now as a result of the tireless mediating efforts of Secretary Kissinger and the good sense of all parties involved, U.S. diplomacy has put us on the brink of a peaceful solution to a problem many have thought unsolvable. It is as close to a miracle of international diplomacy as could be hoped for.

Even the interminable and tragic Vietnam war was brought to a close, in terms of American participation, at the bargaining table. History will judge the United States severely for its role in this war and the final outcome of that internal struggle is yet to be seen. But at least the end came at the conference table instead of with the continued loss of American lives.

Fifteen years ago it would have been folly to proclaim that the United States would open up relations with China, reach a working accord with the Soviet Union on arms control, dampen the apparently endless war of nerves and guns in the Middle East, and enter into and depart from a land war in Asia against an irregular army. Such a prediction would have been met with scorn and cries of foolishness. And yet all this has come to pass and more.

It has been a period of tragic loss and soaring hopes; prolonged warfare and prospects of enduring peace; blindness and visions of light. It has shown the promise of the American spirit and the failure of the men behind it. But the trend has been more than positive. Overall we can be proud of our recent accomplishments.

Consider the record.

U.S. leadership in the field of arms control has been particularly bright. In 1959 we signed the Antarctic Treaty which prohibits military activity on that continent and encouraged its exploration for scientific research such as during the International Geophysical Years. The treaty has been in force since 1961.

The 12 original signers to this treaty have been joined by 5 additional states. At present, the treaty members are considering the question of territorial claims in Antarctica by states that are not party to the treaty. Nonetheless, the Antarctica Treaty may be a model for future arms-free zones in other regions of the world.

In 1963 the United States entered into the partial test-ban agreement, which curtails all above-ground nuclear tests by signatory states. While the United States and U.S.S.R. led the way, France and the People's Republic of China have refused to join and continue to test nuclear weapons above ground, in opposition to the 106 nations now committed to the treaty.

French testing in the Pacific has raised serious environmental questions. Both the Stockholm Conference on the Human Environment and the United Nations have urged France and the Peoples Republic of China to discontinue testing.

Recent statements by U.S. experts indicate that a comprehensive test ban treaty may be a possibility in the near future. The obstacle has been verification. The United States has insisted on on-site inspections whereas the U.S.S.R. has called for national means of detection.

Also in 1963 the United States took a major step toward reducing the risk of nuclear war by entering into the "Hot Line" agreement with the Soviet Union and thereby opening direct communications in times of emergency. It is hard to believe that there was no direct channel of communications before this agreement.

Four years later the United States again assumed the initiative with the Non-Proliferation Treaty.

This agreement prohibits the transfer of nuclear weapons or technology of non-nuclear countries and provides safeguards through the International Atomic Energy Agency. With the recent announcement of the underground nuclear test by India, the strength of the Non-Proliferation Treaty is in doubt. Canada, which has been assisting India in the development of peaceful nuclear research, has found itself the unwitting accomplise to the test and has reacted vigorously.

The obvious conclusion is that any country with financial and intellectual resources can develop and test nuclear weapons, given time. This makes for an extremely unstable world situation, and is another severe challenge to our imagination, initiative, and capacity for limiting a great threat, not only to peace but also to the existence of our country, the Soviet Union and other nations. A nuclear war would result in the virtual destruction of these countries.

The Non-Proliferation Treaty was reinforced substantially in 1968 by the Treaty of Tlatelolco. This agreement creates a nuclear free zone of 8 million square kilometers in Latin America containing 140 million people. It is a comprehensive treaty that prohibits the testing, use, manufacture, production, or acquisition by any means and the storage, installation, and deployment of nuclear weapons by Latin American countries. It was signed in Mexico City on February 14, 1967.

Argentina and Brazil, the two largest countries in the region have not signed the treaty. The Peoples Republic of China has made public statements consistent with the terms of the treaty but as yet has not signed. The principal effect of the treaty is to preclude nuclear countries from shipping nuclear weapons into the region.

One of the most successful examples of U.S. diplomacy has been the 1967 Outer Space Treaty which now has 69 signatories. Under its provisions no weapons of mass destruction may be placed in orbit or in outer space and no military installation or activities may be established on other celestial bodies such as the Moon.

Although the fear of nuclear weapons in space has been reduced, the Soviet Union has tested from time to time a fractional orbit bombardment system (FOBS) which has some characteristics of a space nuclear weapon system. It does not technically violate the treaty but it comes close to violating the spirit of the agreement.

A great deal of credit must be given to the current administration for its accomplishments in foreign affairs. For example, the Sea Bed Treaty of 1971, joined by 46 nations, excludes nuclear weapons from the ocean floor. Under article V of that treaty, further negotiations are called for to prevent an arms race on the sea bed but no specific action has resulted. Perhaps the forthcoming Conference on the Law of the Sea will show promise in this direction.

A new improved "hot line" agreement was signed in 1971. In order to increase reliability, two additional circuits between the United States and U.S.S.R. was established using satellites. The U.S.S.R. employs the Molyniya system while the United States uses Intelsat. Ground terminals in both countries were expanded.

The United States recently initiated an agreement to reduce the risk of outbreak of nuclear war called the Nuclear Accidents Agreement. It provides for the immediate notification to the other party in the event of an accident or unauthorized detonation of a nuclear weapon. It also covers early warning notification of unidentified objects or indications of interference with the long-range detection radars. Missile launches into international waters are to be announced publicly well in advance of such testing.

In 1972, our country succeeded in reaching agreement with the U.S.S.R. on incidents on the high seas, thereby reducing the risk of an inadvertant sea battle. For years, the United States and Soviet Navies had been engaged in an extremely dangerous game of oneupmanship at sea. Provocative actions were taken by both fleets which endangered ships and men. There was tension afloat.

The 1972 agreement establishes procedures for navigation and military airflights at sea and for the exchange of information between parties about collisions or other incidents at sea.

Two of the most significant treaties were also signed in 1972, the Biological Weapons Convention and the SALT I agreement.

By prohibiting the production, stockpiling, or development of biological agents, over 100 nations have renounced this highly dangerous and uncontrollable form of warfare. Nine months after the convention went into force, biological agents, toxins and related weapons were to have been destroyed.

Biological weapons have a special horror. They can destroy vast populations with extremely small amounts of virulent agents. They could drastically affect other environmental conditions. But most of all the consequences of biological warfare cannot be predicted. We do not know where it would stop. That is why the Biological Warfare Convention is so meaningful.

Unfortunately both France and the People's Republic of China have not seen fit to sign this convention.

While accenting arms control policy,

the United States also has taken a long overdue step toward normalizing our diplomatic relations with the Peoples Republic of China which represents over one quarter of the world's population. During 1972 the first U.S. diplomats in 23 years were residing in Peking.

The United States consistently has supported international peacekeeping operations. By providing manpower, equipment and transportation in 1960, the Congo was kept from turning into a major power confrontation. We have also contributed men to the U.S. Truce Supervisory Organization currently on line in the Middle East. We have helped fund the U.S. force in Cyprus guarding the shaky truce on that island.

Through the United Nations the United States has contributed funding and manpower to such humanitarian programs as UNICEF and the food and agricultural efforts which went to Bangladesh following the civil war of 1977 and now to the Sahel in Africa. We have also supported the U.N. Refugee Works Agency which has been a buffer to violence in the Middle East by providing vocational training and health assistance to the displaced populations there.

The future promises more leadership from the United States in the international arena. Continuing negotiations on the number of troops in Europe (MBFR) and political questions in the Conference on Security and Cooperation in Europe (CSCE) will one day bear fruit. And the SALT negotiations still hold promise though there is difficult bargaining ahead.

The list of U.S. contributions is in fact greater than by any other nation of the world, and certainly greater than at any other time in our history. This is not a prideful boast but a fact. It does not ignore our serious mistakes, and undoubtedly we will make more mistakes in the future. It is to put into perspective a period of remarkable accomplishment by the United States.

We have reason to be proud of this country. We have made great progress in the foreign policy area. We have ignored and neglected our achievements because of our concern about scandal and emphasis on our mistakes. It is proper to have that kind of concern, but I think we should put our achievements in perspective. Day by day, the United States has been the stable force behind many of the world's peaceful accomplishments. Without our moral, economic, and political leadership, the world's problems would seem much larger.

QUORUM CALL

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 15 minutes, with statements therein limited to 5 minutes.

Is there morning business?

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WILLIAMS, from the Committee on Banking, Housing and Urban Affairs, with amendments:

S. 2519. A bill to amend the Securities Exchange Act of 1934 to facilitate the development of a national market system, to provide for regulation of securities information processors, to remove unnecessary burdens on competition, to strengthen and improve the Securities and Exchange Commission's oversight of self-regulatory organizations, and for other purposes (Rept. No. 93-865).

By Mr. BROCK, from the Committee on Banking, Housing and Urban Affairs, with an amendment:

S. 3164. A bill to provide for greater disclosure of the nature and costs of real estate settlement services, to eliminate the payment of kickbacks and unearned fees in connection with settlement service provided in federally related mortgage transactions, and for other purposes(Rept. No. 93-866), together with additional views.

STATEMENT OF SENATOR BROCK ON REPORTING S. 3164

Mr. BROCK. Mr. President, I am reporting to the Senate today a bill cited as the "Real Estate Settlement Procedures Act of 1974." This bill would protect the home buyer from excessive cost of real estate settlement services by providing for greater disclosure of the nature and cost of such services, by eliminating the payment of kickbacks and unearned fees in connection with settlement services, by reducing amounts home buyers are required to place in escrow accounts, and by providing for reform and modernization of local recordkeeping of land title information.

Today the consumer faces serious problems in purchasing a home.

Interest rates are at a historic high.

Building costs are escalating.

The price of land is soaring.

To top this off, at the time of closing, the consumer is faced with a long list of settlement costs. The Real Estate Settlement Procedures Act would relieve the consumer from unnecessary high costs of settlement charges.

The HUD-VA Mortgage Settlement Cost Report of 1972 found three major areas that must be dealt with if settlement costs are to be kept within reasonable bounds:

Abusive and unreasonable practices within the real estate settlement process that increase settlement costs to home buyers without providing any real benefits to them;

The lack of understanding on the part of most home buyers about the settlement process and its costs, which lack of understanding makes it difficult for a free market for settlement services to function at maximum efficiency; and

The basic complexities and inefficiencies in the present system for the recording of land titles on the public records, which has been identified as the single most important barrier to reduce significantly the present level of settlement costs.

The bill would proceed directly against these problem areas in three basic ways: First, by prohibiting or regulating abusive practices, such as kickbacks, unearned fees, and unreasonable escrow accounts; second, by requiring that home buyers be provided both with greater information on the nature of the settlement process and with an itemized statement of all settlement charges well in advance of settlement; and third, by taking steps toward the simplification of the land recordation process, by establishing, on a demonstration basis in various areas of the United States, a model system for the recordation of land parcels in a manner calculated to facilitate and simplify land transfers and mortgage transactions.

There are two sections of this legislation which when enacted into law would immediately effect savings for consumers.

First, section 7 would prohibit all kickbacks or referral fee arrangements whereby payments are made for services which are not performed. The New York State Insurance Department has estimated that the kickbacks going to the attorneys in that State comes to some $4 to $6 million annually.

The limitation on the requirement of advanced deposits in escrow accounts contained in section 8 of the bill would also bring immediate savings for the consumer. At the present time, many lenders require that a home buyer establish an escrow account at the time of settlement and pay as much as 6 months, 1 year, or even 2 years advanced taxes and insurance premiums into the account.

Section 8 would limit the amount of these payments to one-twelfth of the taxes and insurance premiums estimated to become due and payable during the 12 months following the date of settlement. Here again, consumers would save millions of dollars annually.

Equally important is section 9 of the bill which would establish on a demonstration basis in various areas a computerized system for recording land parcels in order to facilitate real estate transfers and transactions at reduced costs. The Secretary of Housing and Urban Development also would be directed to make studies and recommendations for modernization of land title recording systems.

Mr. President, it is my understanding that the House Banking and Currency Committee is working on legislation of similar scope. It is my hope that the

Senate will act promptly on the Real Estate Settlement Procedures Act and that we can have a bill on the President's desk before the end of the session.

By Mr. HATHAWAY, from the Committee on Banking, Housing and Urban Affairs, without amendment:

H.R. 1817. An act to provide for the striking of national medals to honor the late J. Edgar Hoover (Rept. No. 93-872).

By Mr. MANSFIELD, for Mr. Randolph, from the Committee on Public Works, with amendments:

S. 2201. A bill to provide for the settlement of damage claims arising out of certain actions by the United States in opening certain spillways to avoid flooding populated areas (Rept. No. 93-867).

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 86. Concurrent resolution authorizing the printing of additional copies of the hearings and final report of the Senate Select Committee on Presidential Campaign Activities (Rept. No. 93-869).

By Mr. CANNON, from the Committee on Rules and Administration, with an amendment:

S. 2137. A bill to amend the act of October 15, 1966 (80 Stat. 953, 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act (Rept. No. 93-868).

By Mr. CANNON, from the Committee on Rules and Administration, with amendments:

S. Res. 321. Resolution authorizing expenditures by the Committee on Appropriations (Rept. No. 93-870); and

S. Res. 328. Resolution to increase by $200,000 the sums allotted to the Senate Select Committee on Presidential Campaign Activities (Rept. No. 93-871).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. LONG, from the Committee on Finance:

Frederick L. Webber, of Virginia, to be a Deputy Under Secretary of the Treasury; and

Theodore Tannenwald, Jr., of New York, to be a judge of the U.S. Tax Court.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MANSFIELD (for himself, Mr. Hugh Scott, Mr. Robert C. Byrd, Mr. Griffin, Mr. Brock and Mr. Javits):

S. 3523. A bill to establish a Temporary National Commission on Supplies and Shortages. Referred jointly, by unanimous consent, to the Committees on Government Operation and Commerce.

By Mr. HUGH SCOTT:

S. 3524. A bill to amend title 18 of the United States Code to permit the mailing, broadcasting, or televising of lottery information and the transportation, mailing, and advertising of lottery tickets in interstate commerce but only concerning lotteries which are lawful. Referred to the Committee on the Judiciary.

By Mr. CURTIS (for himself, Mr. Bellmon, Mr. Bartlett, Mr. Domenici, Mr. Fannin, Mr. Goldwater, Mr. Gurney, Mr. Hansen, and Mr. Hruska):

S. 3525. A bill to amend Public Law 88-482, an Act of August 22, 1964. Referred to the Committee on Finance.

By Mr. DOLE:

S. 3526. A bill to prohibit the importation into the United States of certain meat and meat products. Referred to the Committee on Finance.

By Mr. FANNIN (for himself and Mr. Goldwater):

S. 3527. A bill to provide for national cemeteries in the State of Arizona. Referred to the Committee on Veterans' Affairs.

By Mr. METCALF:

S. 3528. A bill to amend the Mineral Leasing Act of 1920, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. HATFIELD (for himself and Mr. Packwood):

S. 3529. A bill to authorize the Secretary of the Interior to construct necessary interim anadromous fish passage facilities at Savage Rapids Dam, Grants Pass Division, Rogue River Basin project, Oregon, under Federal reclamation laws. Referred to the Committee on Interior and Insular Affairs.

By Mr. STEVENS:

S. 3530. A bill to authorize the Secretary of the Interior to enroll certain Alaskan Natives for benefits under the Alaska Native Land Claims Settlement Act. Referred to the Committee on Interior and Insular Affairs.

By Mr. SPARKMAN (for himself and Mr. Allen):

S. 3531. A bill to amend the Clean Air Act. Referred to the Committee on Public Works.

STATEMENTS ON INTRODUCED BILLS AND RESOLUTIONS

By Mr. MANSFIELD (for himself, Mr. Hugh Scott, Mr. Robert C. Byrd, Mr. Griffin, Mr. Brock, and Mr. Javits):

S. 3523. A bill to establish a Temporary National Commission on Supplies and Shortages. Referred jointly, by unanimous consent, to the Committees on Government Operation and Commerce.

ANOTHER STEP TO PROVIDE ECONOMIC FORESIGHT IN AMERICA

Mr. MANSFIELD. Mr. President, I introduce a bill which would create a Temporary Commission on Supplies and Shortages. The measure sponsored by the joint leadership—Senator Hugh Scott, Senator Robert C. Byrd, Senator Griffin, Senator Brock, of Tennessee, and Senator Javits—has resulted from joint congressional-executive efforts to deal with the question of economic foresight in the United States. Those efforts were initiated at the joint suggestion of the President and the congressional leadership on an issue of surpassing significance. Of sorts, it was an unprecedented gathering. I would hope that it foreshadows future contacts of a similar nature at the emergent stages of other issues which go to the core of our national well-being.

As to the immediate concern and the results of these meetings—they represent a step in a process which began last February. Let me begin by noting those who were involved—from the executive branch: William E. Simon, Herbert Stein, Roy L. Ash, John T. Dunlop, Peter M. Flanigan; from the House: Carl Albert, Thomas P. O'Neill, Jr., John Rhodes, Leslie Arends, and from the Senate: Robert P. Griffin, Robert C. Byrd, Hugh Scott, and myself.

As I perceive the underlying issue it involves such matters as scarcity, diminishing sources, expanding usage, cartels, production restrictions, steep price rises, and crash-based planning. In a more fundamental sense, the questions we confront in America today involve the manner in which vital elements of our national economic life have come to be organized. In particular, we need to ask ourselves: How are we equipped—or ill-equipped—to address the next crisis in resources or materials or commodities that may engulf the Nation? What we have explored in our joint congressional-executive efforts is the possibility of creating an instrumentality which would, first, perceive what the fundamental needs of the Nation will be now and in the years ahead and then sort out the information that relates thereto and, finally, provide alternative policy recommendations that might help us—in the Congress and in the executive branch—to take the action deemed essential to avert catastrophes and to minimize hardships in the future.

On this very point let me quote briefly from the report of a highly distinguished commission on a major aspect of the problem:

> For all its wide diversities the materials problem is indivisible. There must be, somewhere, a mechanism for looking at the problem as a whole, for keeping track of changing situations and the interrelation of policies and programs. This task must be performed by an agency near the top of the administrative structure.
>
> Such an agency—should review all areas of the materials field and determine how they can best be related to each other. It should maintain on a continuing basis, a forward audit; collect and collate the facts and analyses of various agencies; and recommend appropriate action for the guidance of the President, the Congress and the Executive agencies.

The quotation is from the report of the President's Materials Policy Commission—the so-called Paley Commission. The date: June 2, 1952, 22 years ago. Many of the same conclusions were drawn by the National Commission on Materials Policy whose findings were reported a year ago. A few weeks ago, the General Accounting Office reported similar conclusions.

In short, for at least a quarter century experts have warned about coming crises with regard to vital basic materials. What manifested itself so clearly last year when long lines of cars began stacking up for short rations of gasoline, was not so much a lack of data and information, but more importantly that we simply had no systematized method of assessing information in order to determine our needs early enough and to move quickly enough to provide a reasoned answer, or even to make the attempt.

What if Government at any time in the past two decades had established a central information unit—a data bank so to speak—charged with compiling statistics on energy resources, analyzing on a continuing basis the status of supply and sources, projecting consumption rates, reporting refining capacity, evaluating current technology and future application and equipped to report anticipated deficiencies directly to Congress and to the President with specific recommendations. There is little doubt, I think, that had such an agency existed, there would have been no fuel crisis, and, certainly, no reason to have addressed the matter on a crash basis merely to meet immediate requirements for heat, light, and transportation.

And if it is energy today, of what will we as a nation be in dire need tomorrow? Three or 4 years ago, the Interior Department told us that there were at least 13 basic minerals for most of which we depend upon sources outside the United States. The figure has grown to 40 or more. They range from aluminum and chromium, to tin, lead, nickel, and so on. For at least 30 of these materials, the Nation has already become over 60 percent dependent upon other countries. In part, the dependence may be answered at some unknown future date by new technologies such as the recapture and recycling efforts that are just now barely more than an idea. For now, however, that dependence is with us and it is complicated by what happens when supplier nations gang together.

I realize full well that the President and Secretary Kissinger are trying to improve the bargaining strength of the consumer nations insofar as petroleum is concerned. But what happened with oil is very likely to happen with bauxite, or copper or nickel or zinc or tin or whatever, when the basic needs of heavy consumer societies must be met by sources beyond their national boundaries. Secretary Kissinger has stressed that the interdependence of developed and developing nations with regard to key resources was essential to global stability. But the international instrumentalities he envisions to accommodate cooperation between producer and consumer nations can be established, it seems to me, only after there is constructed within our Nation a mechanism able to grasp what is needed for our own people not only today but 5 or 10 years hence.

The problem goes well beyond metals or minerals and does not relate only to those in which we are in a dependent status. In 1973, the Nation experienced the biggest boost in the cost of groceries in over 25 years. Prices for fibers have risen 93 percent. The story of how inflation continues to wrack our people on every front was written graphically in the double digit figures released recently: 10½ percent from March of 1973 to March of 1974; 14½ percent for the first 3 months of this year.

And while Americans are made to pay more let us not forget that in some areas of the world, the basic commodites are not even available. The problem is worse in Europe, Asia, and Latin America. A whole corridor spanning the African continent is now caught in a struggle for survival under the twin burdens of drought and famine.

In the United States, however, I believe it is largely the question of basic shortages and related matters which will mandate the crises. And the crises, one after another, will pounce on us most assuredly unless and until as a nation we are prepared to adjust our Government apparatus to meet the fundamental problem. That problem is not really so much one of the absence of information. At last report, more than 50 Federal agencies and administrations were collecting and compiling relevant data and that was before any apparatus was set up to address environmental concerns or to monitor product safety or to perform a host of other recently legislated activities.

Take a specific example. In the Commerce Department there are some 160 professionals in the Office of Business Research and Analysis and 20 or 30 of them alone are dealing with information on industrial commodities. Look at it in broader terms. We find that for data on imports and exports, we can turn to the Agriculture, Treasury, and Commerce Departments, the Council on Economic Policy, FEO, the special trade representatives and more; for production, there are the Interior and Agriculture Departments, HUD, FEO, and more; for basic regulatory decisions, there are DOT, ICC, FTC, EPA, the Federal Reserve, and more; and so it goes. While the mint wants to watch silver for one reason, DOD has a different objective in mind. In some instances, two or three different agencies with overlapping responsibilities arrive at contradicting appraisals of the present state and future prospects of the same industry.

The situation is not very different here in the Congress, except in magnitude. When it comes to our diverse and seemingly insatiable appetites for economic information, our committees reflect the same fractured state as the executive: In the Senate, it is Agriculture and Forestry for agriculture, minerals, pesticides, fertilizers, timber, and wood materials; Armed Services for strategic materials, stockpile; Banking, Housing and Urban Affairs for materials export policy, foreign trade, silver and gold production; Commerce for materials recycling, resource development, materials allocation, materials commodity controls; Foreign Relations for the importation of Rhodesian chrome; Interior and Insular Affairs for mining and minerals policy; Public Works for national materials policy, materials recycling; Select Committee on Small Business for materials production; Finance for the gamut of trade; Joint Committee on Atomic Energy for fissionable materials; Joint Economic Committee for materials recycling; Joint Committee on Defense Production for strategic materials, stockpile; Government Operations on any or all of the above, and so on.

In the House, it is much the same story.

So, I repeat, it is not necessarily the lack of knowledge that confronts us. Nor is it that we are seeking governmental intervention, controls or what-have-you. It is, rather, the question of how to coordinate and apply available knowledge in a manner which permits wise and rational policy choices to surface in a timely fashion and at a sufficiently high level of Government to make them useful.

In 1952, the Paley Commission called for an organization to discharge this overall function which would be neither an operating agency nor a supervisory agency, but rather one with the function of "forward audit" concerned with: the total pattern of activities in the materials and energy field; the relationships of individual programs to each other; the scope and dimensions of foreign production materials programs and their relationship to domestic programs; the probable effects of current production programs on the long-term materials position, the selection and development of current programs in the light of long-term requirements; programs for both scientific and technological research on materials, and their interrelations; and the relationship of materials policies to manpower, and to fiscal and foreign policies which may in various measure bear on materials.

Needless to say, little was heard of these suggestions subsequently. At best, pieces of these overall functions were scattered through the Government in the usual pattern of fragmentation. So we are today attempting to try once more. What we are seeking with this proposal is to explore at the highest level of national life whether or not there can be created a meaningful instrumentality, to coordinate and to interpret and to forecast, which will enable the Nation to expand its field of vision in this fundamental area.

The Senate minority leader, Mr. Hugh Scott, and I put in these words in our letter to the President initiating our later discussions:

> It is our suggestion that we consider bringing together representatives of the Legislative and Executive Branches of the government on a regular basis with those of industry and labor and other areas of our national life for the purpose of thinking through our national needs, not only as they confront us, today, but as they are likely to be five, ten or more years hence and how they are best to be met. If the government is to intervene in these matters, as it is now doing, an effort ought to be made to put that intervention, as far as possible, on a rational and farsighted basis.

To sort out information, to look at the whole and to identify potential areas of crisis and to provide alternative policy recommendations in that perspective, that is how I personally think the mandate of a new instrumentality, if it were to be established, ought to be envisioned. To this instrumentality would fall the responsibility of perceiving the relationship of an adversity in one narrow economic segment to other segments; of how, for example, a fertilizer shortage might affect food supplies on down the line, and what might be done to remedy that, since fertilizer depends on such essentials as natural gas, phosphates, and nitrogen. Do we not also need the capacity to perceive the whole of Federal intervention in the economy if it must occur and how the individual parts of that intervention relate to one another? That such a capacity did not exist when we sold off our wheat reserves is obvious. Did it not exist, too, when we sold abroad in the last 6 or 8 months half of our national tin reserves—a material the source of which we classify as 100 percent foreign dependent? Does it exist when we overseed our fields with soybeans today knowing that price instability lies even now on the horizon as evidence accumulates of a replenished protein feed source off the coast of South America?

I think a vast majority of Americans sense that there exists some kind of requirement to deal with questions of this kind. I think, too, that we have begun to clarify our thinking on some additional questions—such questions as: What kind of instrumentality, if any, might meet this requirement? As proposed in the Leadership letter to the President, it was the thought of Senator Scott and I that it should be one that is representative of the Nation if it is to be effective, one, therefore, that would embrace representatives not only of the legislative and executive branches, but elements of industry, labor, agriculture, and other significant segments of our national life. It shoud be a continuing instrumentality equipped, first, to draw on information from all sources on the status of resources, materials and commodities, and other aspects of our economy—tasks performed now by dozens of agencies and organizations across the spectrum of national life, both public and private. Second, it must have the means to forecast the problems by drawing information out of the present massive but fragmented system. Third, it must have the capacity to convert its projections into recommended policy options that might embrace such measures as conservation, research, stockpiling, allocation, modernization, manpower, export controls, and whatever else may be necessary to keep vital, the Nation's economy. Finally, it must be in a position to report its findings authoritatively to the President and the Congress, the ultimate arbiters of policy and the sources of action for the Federal Government. That is only one possible approach to this question. Others might see the requirement in different terms.

In any case, what is reflected for me and for many others today is a deep frustration with the disjointed way Government has tended for decades not so much to act but instead to react when a component of this gigantic, intricate machine of the U.S. economy gets out of whack. It is not only, for example, that a decision to build or not to build a new steel mill or chemical plant, or to start a mining operation can have major repercussions throughout a community, the Nation, and even abroad, it is also that a shortage of raw materials derived from petroleum can shut down auto plants in Detroit and manufacturers of recording tapes in Los Angeles. As one noted economist characterized our present approach not long ago, it is like the old circus act with five clowns in a car, one pressing the gas, another pulling the brake, the third spinning and steering the wheel, the fourth blowing the horn and one sitting on top holding on for dear life. That one on the top, I suppose, is the American public.

In introducing this measure today, I would note that a number of congressional committees are interested in aspects of this problem and are advancing concepts and proposals which are designed to deal with, at least, parts of it. There comes to mind, for example, the work in the Senate Commerce Committee and the Senate Government Operations Committee. There are probably other explorations underway in House committees and undoubtedly in other Senate committees. Others, I would assume, are working on the problem in executive agencies, not to speak of the activity of the United Nations, of private foundations, and the universities. In any event, what we are proposing with this bill is the establishment of a temporary Commission of executive and legislative representatives and private citizens to examine all of these proposals and any others having to do with this question. Such a Commission might propose the design of a continuing instrumentality which would be capable of giving the President and the Congress the kind of integrated perception of our national requirements now and in the future which has heretofore been lacking.

I should like to conclude these remarks on this note. This bill has been prepared to minimize political factors and to place the consideration of this fundamental national problem on a basis of equality as between the branches and as between Government and the private sector. In my judgment, the system under which this Nation survives and grows depends as much on cooperation as it does on competition among the cores of power and responsibility within the Government and within the Nation. If there is any area in which the element of cooperation is imperative, it is in safeguarding the livelihood and well-being of the Nation, not only in terms of needs, today, but in terms of the needs of tomorrow and tomorrow. Whatever we do, therefore, let us try to do it in that context, in the context of cooperation between the two parties, cooperation between the two branches and cooperation between the basic segments of our national life. When it comes to the Nation's basic economic needs, and the availability of adequate materials to meet those needs, there is no advantage to be gained for any particular segment in Government or private life. If we do not work together, today, in this sphere, there will be no need to ask tomorrow why we failed. The reason will be imprinted in terms of the hardship and deprivation visited upon the people of this Nation.

Since both the Government Operations Committee and Commerce Committee are now jointly considering issues similar to those presented in this bill, I ask unanimous consent that the bill be referred jointly to those committees for a period of 2 weeks to be reported back on June 5 and that on that day should no report be made, the committees be considered as having been discharged from further consideration of the bill and the bill be placed on the calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, it should be noted that this procedure is being invoked by the joint leadership solely for the purpose of accommodating those committees indicating an interest in this matter and it should be further pointed out that the joint leadership in invoking this procedure has foreclosed its option of having the bill placed on the calendar through the procedures available under Senate rule XIV.

There being no objection, the joint statement was ordered to be printed in the Record, as follows:

Joint Statement of Senator Mike Mansfield and Secretary of the Treasury, William E. Simon

An unprecedented joint Executive-Congressional leadership group has met during the past three weeks to discuss questions relating to supplies and shortages within the American economy and the probable approach that should be taken to address these questions on a long term basis. Members of the group included:

EXECUTIVE BRANCH

William E. Simon, Secretary of the Treasury.

Herbert Stein, Chairman, Council of Economic Advisers.

Roy L. Ash, Director, Office of Management and Budget.

John T. Dunlop, Director, Cost of Living Council.

Peter M. Flanigan, Exec. Dir., CIEP.

HOUSE OF REPRESENTATIVES

Carl Albert, Speaker.
Thomas P. O'Neill.
John Rhodes.
Leslie Arends.

SENATE

Mike Mansfield.
Hugh Scott.
Robert C. Byrd.
Robert P. Griffin.

The group unanimously approved the establishment of a temporary commission consisting of representatives from the Legislative and Executive Branches, as well as from private life. The commission will review these questions and report its recommendations to the President and the Congress by December 31, 1974. As part of this report, the commission will include recommendations with respect to institutional adjustments including the advisability of establishing an independent agency to provide for a continuing and comprehensive examination and analysis of supplies and shortages in the economy of the United States and in relation to the rest of the world.

This joint group represented an unusual effort to bring together leading officials from the Executive and Legislative Branches of the government to address a problem of great national importance on a fully bi-partisan basis. It was initiated by an exchange of letters between the President and the joint leaders of the Senate on March 25, 1974.

Mr. HUGH SCOTT. Mr. President, I rise simply to state that I am in full agreement with the way in which this important matter is being handled. This is not only a joint leadership move but a move in cooperation with the administration, in order for us to provide the machinery, and perhaps ultimately the technology, to determine what critical shortages exist in this country, particularly in the area of raw materials and natural resources, and what can and should be done about it.

In pursuit of that very important objective, what we are trying to do is to avoid what happened in 1952 after the filing of the Paley report, which was very foresighted in pointing out the ultimate energy crises which the United States might be expected to face.

They projected, for example, the need for an Alaska pipeline. They projected a number of developments which occurred 20-some years later.

This time, instead of ignoring the report, as the Paley report, unfortunately, was ignored by each administration so far as its effective implementation was concerned, we should first find out what the facts are and then do whatever is necessary as a nation, as a people, and as a government to avoid the shortages before they occur.

By Mr. HUGH SCOTT:

S. 3524. A bill to amend title 18 of the United States Code to permit the mailing, broadcasting, or televising of lottery information and the transportation, mailing and advertising of lottery tickets in interstate commerce but only concerning lotteries which are lawful. Referred to the Committee on the Judiciary.

Mr. HUGH SCOTT. Mr. President, I am today introducing a bill to permit the broadcasting, mailing, and transporting of lottery information and materials in interstate commerce. This legislation would apply only to those lotteries authorized by law and conducted by a State, the District of Columbia, and any territory or possession of the United States.

The present Federal lottery laws are discriminatory against small weekly and daily newspapers. Today, the large newspapers which are carrier delivered and circulated in the State where published are permitted to contain newsstories, advertisements, and lists of winners for any kind of legal lottery. The larger papers can print an extra edition without the lottery information for any out-of-State distribution. The tremendous expense of a separate or "split" edition rules out the possibility of the small weekly or daily paper using this technique. Current laws also prohibit the broadcasting of lottery information in any State.

I do not wish to express my approval or disapproval of the general concept of Government-sponsored lotteries by the introduction of this bill. It must be up to each State whether or not the State wishes to allow lotteries within its jurisdiction. However, once a State has made this determination, it is not good to restrict the means by which it can be carried out.

There are eight States today, including my own Commonwealth of Pennsylvania, that conduct regular lotteries. Also, there are four States which have approved lotteries not yet in operation. The revenues raised by the Pennsylvania lottery go toward providing better services for Pennsylvania's senior citizens. To place unreasonable restrictions on the dissemination of information concerning these lotteries is to subject them to possible failure.

Representative PAUL FINDLEY, of Illinois, has already introduced an identical bill in the House. I agree with the comment he made on the present situation:

> Newspapers and the broadcasting industry are placed in an absurd position. Most papers are trying to serve the public by offering information on all subjects of general interest, but if they attempt to do so for lotteries, they are breaking the law.

Hopefully, the confusion and problems created for the broadcasting industry and newspapers by our current lottery laws can be corrected by the bill I am introducing today.

By Mr. CURTIS (for himself, Mr. BELLMON, Mr. BARTLETT, Mr. DOMENICI, Mr. FANNIN, Mr. GOLDWATER, Mr. GURNEY, Mr. HANSEN, and Mr. HRUSKA):

S. 3525. A bill to amend Public Law 88–482, an Act of August 22, 1964. Referred to the Committee on Finance.

Mr. CURTIS. Mr. President, on behalf of myself, the Senator from Oklahoma (Mr. BELLMON), and others, I am introducing a bill that will bring some measure of relief to American cattlemen and cattle feeders.

Mr. President, since June 1972 American cattlemen and cattle producers of other livestock have borne the brunt of a number of actions which have driven many of them to the brink of disaster.

In June 1972 the President suspended quotas on imports of meats into the United States and quotas have been suspended since that time. Subsequently, actions under the Economic Stabilization Act freezing beef prices in the summer of 1973, and the truckers' strike on February of this year, compounded the problems facing livestock producers.

Since last September cattle feeders alone have lost nearly $1.5 billion in cold hard cash. In addition, we are now in a situation where the United States is the only major market open for the importation of foreign beef. Japan has a total embargo upon the importation of meat, the Common Market and Canada have placed restrictions on meat imports which have the same effect as the embargo.

Mr. President, livestock producers are on the ropes, and unless something is done soon, consumers will be wishing for the "good ol' days" of just a few weeks ago when beef prices were at what was then frequently referred to as all-time high levels.

Congress can take at least one action to help prevent further bankruptcies among livestock producers and feeders and to ameliorate the almost certain meat shortages that will be upon us in the near future unless it once again becomes profitable to place livestock on feed.

I am introducing today legislation to amend the meat-import law to give Congress a voice in determining when limitations should be placed upon imports of meat into the United States.

Mr. President, I shall ask unanimous consent that the text of my bill be printed at the conclusion of my remarks. However, it is very simple. It merely provides that the present suspension shall be terminated and from this time forward the President may not suspend meat-import quotas for a period in excess of 60 days without the concurrence of Congress. In addition, it provides that, if Congress does agree to such suspension of quotas, it not be for a period in excess of 6 months.

Mr. President, in announcing the suspension of import quotas at regular intervals since June 1972, the President has pointed out that this is necessary to lower the cost of meat to the American consumers. All of these actions that have been taken have not succeeded in lowering prices received by producers.

Mr. President, I hope that the Congress will take speedy action on this legislation in order that we may then have a voice in determining the fate of American livestock producers.

Mr. President, I ask unanimous consent that the bill may be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3525

A bill to amend Public Law 88–482, an Act of August 22, 1964

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of August 22, 1964 (78 Stat. 594, 19 U.S.C. 1202 note), is amended as follows:

(1) By striking the period at the end thereof and inserting the following:

"Provided, That any such suspension in effect on the date of the enactment of this proviso is hereby terminated and any suspension proclaimed hereafter shall not extend beyond a period of sixty (60) days unless agreed to by the Congress in a concurrent resolution. If such concurrent resolution is adopted, the suspension shall not continue in effect for more than six months."

(2) By striking subsection (f).

Mr. HRUSKA. Mr. President, I am pleased to join my colleague, Senator CURTIS, as a cosponsor of S. 3525 proposing amendment of the beef import quota law.

As Senator CURTIS has pointed out in his remarks upon introduction of his bill, the farmers and ranchers of America have suffered devastating losses in recent months. It is altogether appropriate that the Congress consider this problem because of the impact it has not only on American agriculture, but upon the national economy as a whole.

Whether the bill introduced today is perfect in all respects is not the issue. What is important is that hearings be held and a full discussion and examination of the entire meat-import picture be undertaken. We owe that to the cattle industry, one of the most vital in our Nation.

It is my sincere hope, Mr. President, that hearings on this bill will be scheduled as soon as possible because the situation literally grows worse with each passing day.

By Mr. DOLE:

S. 3526. A bill to prohibit the importation into the United States of certain meat and meat products. Referred to the Committee on Finance.

MEAT IMPORTS

Mr. DOLE. Mr. President, for the past 8 months, cattlemen in Kansas and throughout the country have faced depression-level prices for beef. Without exception, they have taken extremely severe financial losses and many have already been forced out of business.

At the same time cattlemen have struggled to avoid financial ruin, they have seen imports of cheap, low-quality beef steadily rise. These imports have served to help keep the cattle market depressed and to further tighten the economic squeeze on cattlemen.

Mr. President, a continuation of the present disastrous situation can only result in the widespread destruction of the beef cattle industry as we know it today, and the final impact will be felt by every housewife and consumer in this country.

Something needs to be done quickly to avoid further losses. The legislation I offer today to impose a 90-day total embargo on meat imports would provide temporary relief until the problems of the industry can be assessed and more positive action can be taken.

IMPORTS RISING

Since beef import quotas were lifted in 1972, we have seen the United States become "'the world's dumping ground for beef." We have seen incoming shipments of beef rise to 1,354,000,000 pounds of beef in 1973.

In 1974, imports are expected to rise to 1.55 billion pounds. This is about 200 million pounds more than last year's shipment for an astounding increase of nearly 15 percent. Such a level of imports is equivalent to about 3.25 million head of cattle.

In terms of the overall beef industry in the United States, the 1.55 billion pounds of beef imports expected this year represents over 7 percent of the total quantity of beef produced in this country last year. Clearly this portion of the market is enough to have a harmful effect on prices.

And the true level and impact of beef imports this year may not have been properly evaluated yet. Large numbers of cattle are reportedly being fattened in Australia for export. This beef is expected to hit the U.S. market later this summer at the same time increased numbers of American cattle will be ready for sale.

MARKET DEPRESSED BY IMPORTS

The impact of beef imported into this country will be to further depress the market. This meat comes from countries where cattle are fattened for market on grass. While grass-fed cattle can be fattened more cheaply, the meat from these animals is not of the quality most desired by American consumers. The major portion of grass-fed beef will find its way into cheaper cuts such as hamburger and lunch meat.

The deluge of Australian meat expected later this summer will drive the market ever lower. The effect is likely to be that most commercial feedlots where prime American beef is produced will be driven out of business and the domestic output of meat will decline.

GOVERNMENT ACTION AT FAULT

Cattlemen did not get into this predicament by themselves. Depression-level prices began last year because of price controls.

Putting price controls on the beef industry last summer encouraged the holding of beef until the artificial constraints were lifted. My colleagues will recall that a price freeze was kept on the retail beef industry longer than for any other food sector. Repercussions have been felt throughout the cattle business ever since.

PRICE CONTROL FIASCO

Because of price controls, choice steer prices in Omaha dropped 27.4 percent from a peak in August to a low in December. After a brief respite earlier this year, the industry was hit again, this time by the truck strike.

The financial losses have been staggering. And Congress, because of its role in supporting or permitting price controls, bears part of the responsibility. In my opinion, we in the Congress, because of our failure to halt price controls sooner, should act all the more promptly to help the cattle industry by passing this legislation.

HIGH COST OF GRAIN

Cattlemen have been caught in an especially severe squeeze by rising costs and declining prices. It is highly questionable that any industrial enterprise with shares on the Wall Street Stock Market could have withstood a 27-percent decline in prices.

During the same period of declining prices, cattlemen have been faced with rising costs of feed and other expenses. The price of feed began going up sharply in 1972 with the failure of the anchovy catch off Peru and the general worldwide protein shortage. Transportation and other essential materials and services have become more expensive because of inflation and the energy crisis.

CONSUMER HURT IN THE END

The most important point is that consumers will ultimately be hurt by economic disaster in the cattle business. Cheap imported meat this summer may lower the food bill for housewives for awhile. But the disruption in the domestic production of beef will ultimately lead to higher prices.

A continuation of the present trend will lead to cowherds being thinned, feedlots being shut down, and a general decline in the production of meat. As every cattleman knows, it takes a 3-year cycle to increase the production of beef again, once it has dropped.

If our capacity to produce is hurt this year, consumers can ultimately expect a long and higher priced road back to an ample supply of tender and juicy choice beef.

TRADE POSITION NOT AT STAKE

A final comment should be made about the effect an embargo of meat imports would have on our trade position. Some advocates of lifting import quotas have argued that reducing barriers would encourage other countries to do the same with the final result of liberalizing world trade and improving the sales of U.S. products overseas.

While this concept may appear to have some merit, it is difficult to see how such reciprocity would work in the production of beef. We have seen Japan, Canada, and the European Common Market close off imports of American beef.

The liberalization of world trade certainly holds great promise for American agriculture and for the meat industry in particular. However, the way to achieve this is not through the destruction of our livestock markets.

The lifting of import quotas in conjunction with similar action by other major beef consuming countries would be more rational. American cattlemen and other meat producers can compete in open markets on their own merits of efficiency and high quality.

However, to unilaterally keep import quotas off is to invite disaster.

Mr. President, it is to prevent disaster in the cattle and meat producing industries that I offer this bill. It is to avoid ultimately higher meat prices for all American consumers that I urge every Senator to support this measure.

I request unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3526

A bill to prohibit the importation into the United States of certain meat and meat products

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, Notwithstanding any other provision of law, the importation into the United States of all articles specified in items 106.10 (relating to fresh, chilled, or frozen cattle meat) and 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (except lambs)) of the Tariff Schedules of the United States is hereby prohibited. The prohibition on the importation of the specified meat and meat products shall be effective for a period of ninety days from the date of enactment of this Act, except that the prohibition may extend for a lesser period of time upon a determination and proclamation by the President that such lesser period of time is required by the national security interests of the United States.

By Mr. FANNIN (for himself and Mr. GOLDWATER):

S. 3527. A bill to provide for national cemeteries in the State of Arizona. Referred to the Committee on Veterans' Affairs.

Mr. FANNIN. Mr. President, today for myself and Senator GOLDWATER I am introducing a bill to establish a national cemetery in Arizona.

Arizona has a large number of veterans, both those who are native to our State and those from elsewhere who have retired from the military. With all of the federally owned land that we have in Arizona, it should not be difficult to find a suitable location.

Over the past 15 years our legislature has passed memorial after memorial requesting a cemetery in the State. Each year it is estimated that the veteran population of Arizona grows by 5,000 or more.

Many of the veterans, as I have indicated, are retired and have established homes in Arizona. It is tragic that when one of these veterans dies, he cannot be buried in a national cemetery with some proximity to his widow and other survivors who wish to remain in Arizona.

Mr. President, there is a great need for a national cemetery in Arizona and I hope that the Congress will rectify this situation.

By Mr. METCALF:

S. 3528. A bill to amend the Mineral Leasing Act of 1920, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

FEDERAL COAL LEASING AMENDMENTS ACT OF 1974

Mr. METCALF. Mr. President, I am introducing today the "Federal Coal Leasing Amendments Act of 1974." This bill would make six basic changes in the Mineral Leasing Act of 1920. These changes would correct the most glaring deficiencies in the existing law which have been identified by the Secretary of the Interior and many others.

There is a critical need to make these changes before the Department of Interior embarks on any large-scale leasing program. Otherwise, billions of tons of coal may be placed into private hands under a law which the administration, citizens of the area involved, the General Accounting Office, and other independent analysts all agree is outmoded and not in the public interest.

My bill is based on extensive hearings held by the Subcommittee on Minerals, Materials and Fuels and on a number of independent studies of Federal coal leasing policies. The subcommittee held hearings on Federal coal leasing policy in the northern Great Plains on March 13, April 1 and 2 in Washington, D.C. and on April 18 in Casper, Wyo., and April 20 in Billings, Mont. The subcommittee also had hearings on March 27 and 29 on legislation to revise the mineral leasing laws. These included S. 1040 submitted by the Secretary of the Interior. My bill is entirely consistent with S. 1040.

In addition to the deficiencies pointed out by numerous witnesses at these hearings, the General Accounting Office has identified a number of needed changes in its 1972 report entitled, "Improvements Needed in Administration of Federal Coal-Leasing Program" (B-169124). Also, the Council on Economic Priorities has made a comprehensive study of existing Federal coal leases which identifies the same problems with existing law. Their report released on May 20 is entitled "Leased and Lost."

My bill makes the following changes in the 1920 Mineral Leasing Act.

First. Coal leases would be issued by competitive bidding only.

Second. Leases would be issued after adoption of comprehensive land use plans prepared in consultation with State and local governments and with ample opportunity for public review. The need for this kind of advance planning is emphasized in the draft environmental impact statement on proposed Federal coal leasing program released by the Department of the Interior on May 7. This requirement is particularly critical in light of the anticipated Federal coal leasing program in the northern Great Plains. Many people are very concerned about the possibility that the current energy situation will lead to premature decisions to proceed with large-scale coal leasing when the impacts of such action are not fully understood. We are particularly concerned that the issuance of leases would, for all practical purposes, commit the land, water, and air resources of the area to development of surface mines, electric generating plants, coal gasification and liquefaction plants, water impoundments and new communities without adequate consideration of other energy alternatives and environmental, social, and economic impacts, and without adequate opportunity for advance planning by the communities involved.

Third. Prospecting permits and preference right leases would be eliminated.

Fourth. Coal leases would be for a specified term of 20 years and so long thereafter as coal is produced. The present law grants leases for an unspecified period of time.

Fifth. One year after obtaining a coal lease, lessees would have to submit a development and reclamation plan. When the plan is approved, it would have to be followed, unless it was amended. No such plan is required under existing law.

Sixth. The revenue sharing provision of the Mineral Leasing Act of 1920 would be amended to broaden the purposes for which moneys paid to the States can be used. Under existing law, these funds can only be used for roads and schools. This change would help relieve the heavy burden that rapid large-scale development would place on State and local government for public services including schools, roads, police and fire protection and water and sewer facilities. It is similar to S. 3009, dealing with oil shale revenues, which recently was passed by the Senate.

Mr. President, no Federal coal leasing program should be started until the Congress has exercised its Constitutional responsibility for public land policy in two ways. The first will be the adoption of a Federal surface mining law. You will recall that the Senate passed S. 425 last October. The House Committee on Interior and Insular Affairs has ordered a bill reported, and I am hopeful that we will have a strong bill sent to the President this summer.

The second will be to revise the Mineral Leasing Act of 1920 to make it consistent with modern Federal land and resource management policy.

By Mr. STEVENS:

S. 3530. A bill to authorize the Secretary of the Interior to enroll certain Alaskan Natives for benefits under the Alaska Native Land Claims Settlement Act. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, it is estimated that approximately 1,000 Native people who should be enrolled for benefits under the Alaska Native Claims Settlement Act have not been included in the final role because they missed the March 30, 1973 deadline. I have had correspondence with the Bureau of Indian Affairs to determine what action could be taken on behalf of these people.

In a letter to me Commissioner of Indian Affairs Morris Thompson stated that the Bureau was aware of the fact "that there are a number of otherwise eligible Natives who filed late applications, or did not file at all." The Bureau's position on this matter is that it would be inequitable to those who did file on time to reopen the roles. In my opinion, it is only fair and equitable to insure that all Alaskan Natives share in the benefits of the land claims settlement regardless of a failure to meet a technical deadline imposed on submission of applications.

The bill which I am introducing today would authorize the Secretary of the Interior to accept those applications which were received by people claiming benefits under the Land Claims Act prior to June 30, 1974.

Mr. President, I ask unanimous consent that a news articles on this subject be printed in the RECORD immediately following my remarks and that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill and articles were ordered to be printed in the RECORD, as follows:

S. 3530

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, The Secretary of the Interior is authorized to review those applications submitted on or before June 30, 1974, by applicants who failed to meet the March 30, 1973, deadline for enrollment established by Sec. 5(a) of Public Law 92–203, the "Alaska Native Claims Settlement Act," and to enroll those Natives under the provisions of said Act who would have been qualified if the March 30, 1973, deadline had been met.

NATIVES VOW FIGHT OVER LATE CLAIM DEADLINE

(By Donn Liston)

The Department of Interior has ruled tardy Natives will not receive their land claims, and Alaska Federation of Natives leaders say they will continue to fight.

On December 18, 1973, Interior certified 75,853 Alaska Natives for settlement under the claims act. About 8,000 persons were deemed eligible and another 828 were enrolled between Dec. 17 and March 30, 1973.

But late last week Secretary Morton's office notified enrollment officials those 828 late filers would not be qualified under the land claims act.

"It's Interior's responsibility to enroll all Natives, not Natives' responsibility to find Interior," said John Shively, AFN executive vice president of Alaska Federation of Natives, and "They're saying because you missed an arbitrary deadline, you aren't Native."

Deadline for final roll was changed to June 1, allowing the enrollment office to correct any mistakes and deal with a change in policy regarding Natives living outside Alaska.

"The Secretary says the number affected is less than one per cent," added Shively. "But that isn't the issue. If someone is entitled to settlement then he should be able to enroll."

Although the Alaska Native Land Claims Act allows two years for enrollment, much of that time was spent establishing an agency to do the work. Within 11 months, the enrollment office took 95,000 applications. Native regional corporations were contacted to carry out enrollment in specific areas.

"It's a (expletive deleted) decision based on no consultation with either the regional corporations or the individuals involved," said Roger Lang, AFN president. "Again it will cost us money to prove Interior wrong in court."

Lang said AFN was concerned; if so much as one Native was "denied his heritage—it's enough to go to battle."

If approved the roll would have been delayed for confirmations, hindering the next payment due in July. Any newly accepted individuals would be identified by respective villages within another 30-day period. If declared ineligible by their claimed village, applicants would have 45 days to protest. The village would then have another 30 days to appeal any decision by the enrollment office to override a village rejection.

Now Native leaders say the process will be necessary anyway—after another Natives vs. Interior court battle.

WHOSE FAULT?

Natives have a good point when they argue that it's the Interior Department's responsibility to enroll all Natives, not the Natives' responsibility to find Interior, if the land claims settlement is to work fairly.

A minor controversy with major possibilities has erupted over the deadline for filing individual claims. Interior Secretary Rogers C. B. Morton has ruled that 828 persons who filed after the December 1972 deadline will not be eligible under the claims act.

It is unfortunate because the 828 Natives are qualified for claims act benefits; they simply missed a prescribed date.

John Shively, Alaska Federation of Natives executive vice president commented: "They're saying because you missed an arbitrary deadline, you aren't Native."

Surely, if Interior followed the spirit of the claims act, this enrollment problem could be rectified.

Moreover Congress allowed two years for the Natives to enroll for claims, yet much of that precious time—13 months—ticked away as Interior established the framework to accomplish the enrollment work. Even now, Interior has established a June 1 deadline to deal with mistakes in the final rule. Why couldn't the late filings be considered "mistakes?"

The Natives have vowed to fight Interior's decision. Unfortunately, the court battles between Native organizations and the federal bureaucracy are becoming more and more frequent as implementation of the land claims settlement progresses. It is a costly and divisive trend that shouldn't be.

By Mr. SPARKMAN (for himself and Mr. ALLEN):

S. 3531. A bill to amend the Clean Air Act. Referred to the Committee on Public Works.

BRIEF EXPLANATION OF BILL TO AMEND THE CLEAN AIR ACT

Mr. SPARKMAN. Mr. President, section 1 provides the act may be cited as the "Clean Air Amendments of 1974".

Section 2 would clarify the meaning of "protect and enhance" as used in the findings and purposes, and would encourage consideration of total environmental, economic, and social impact of air quality control measures.

Section 3 deals with implementation plans. Subsection (a) would specify procedures for determining emission limitations and would authorize alternative control strategies; subsection (b) would require periodic updating of State implementation plans; and subsection (c) would permit a source owner or operator to apply to the State agency for promulgation of alternative emission limitations, if compliance costs exceed benefits and ambient air quality standards will be attained and maintained.

Section 4 would permit an owner or operator of a new stationary source to petition the Administrator for a permit to operate with emission limits in excess of standards of performance, if control costs exceed benefits and ambient air quality standards will be attained and maintained.

Section 5 would require revision of State implementation plans to conform with the amendments.

ADDITIONAL COSPONSORS OF BILLS

S. 3213

At the request of Mr. BROCK, the Senator from Kentucky (Mr. COOK) was added as a cosponsor of S. 3213, a bill to establish an independent Foreign Economic Policy Board to assist the Congress in the development of policies affecting U.S. international finance, trade, investment, and aid; and for other purposes.

S. 3286

At the request of Mr. KENNEDY, the Senator from Nevada (Mr. BIBLE), the Senator from Massachusetts (Mr. BROOKE), the Senator from Iowa (Mr. CLARK), the Senator from Hawaii (Mr. INOUYE), the Senators from Montana (Mr. MANSFIELD and Mr. METCALF), the Senator from Utah (Mr. MOSS), the Senator from Rhode Island (Mr. PELL), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from California (Mr. TUNNEY), were added as cosponsors of S. 3286, the Comprehensive National Health Insurance Act of 1974.

S. 3411

At the request of Mr. METCALF, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 3411, a bill to provide for a First Americans Museum.

SENATE RESOLUTION 329—SUBMISSION OF A RESOLUTION RELATING TO AN INTERNATIONAL EFFORT TO REDUCE THE RISK OF FAMINE AND LESSEN HUMAN SUFFERING

(Referred to the Committee on Foreign Relations, by unanimous consent.)

WORLD FOOD ACTION PROGRAM

Mr. HUMPHREY. Mr. President, I send to the desk for appropriate reference a world food resolution. I introduce this measure with three friends and colleagues, Senators AIKEN, YOUNG, and MCGEE. I have worked with these distinguished colleagues on many occasions in the past. They share my fundamental belief in a positive and humanitarian world role for our country.

The warnings concerning the danger of famine have been growing. Dr. Norman Borlaug has reported for some time that millions could perish. World food reserves have dropped dramatically, and are now estimated to be approaching the 3-week level.

A recent UNICEF report indicates that malnutrition and possibly famine is a likely prospect for 400 to 500 million children throughout the world. Across Africa's broad equatorial belt, famine already stalks, and that same threat is near for other areas of the world—especially South Asia.

In my speech at the United Nations on May 9, I outlined a four-part world food action program—including increased food aid, establishing national and world food reserve programs, stepping up fertilizer production and expending agriculture production. The two longer range proposals—stepping up agriculture production and establishing national and world food reserves—are important, and they are being handled separately.

The other two elements of the program—increasing U.S. food assistance and expanding world fertilizer production—are the substance of this resolution.

Unfortunately, our Government has divided counsel over how or even whether to respond. Secretary Kissinger recently gave an eloquent statement of the problem at the United Nations. But a U.S. initiative, calling for a $4 billion program, submitted late in the session, was unfortunately rejected.

Secretary Butz has just returned from a trip to the Far East to promote further exports of American agricultural produce. Despite this trip, there seems to be almost no understanding of the gravity of the world food crisis in the Department of Agriculture. The overriding concern there is to sell as much as possible for the benefit of the U.S. balance of payments.

Mr. Butz has been quoted as saying "hunger is relative—if your larder is empty, you cut back some." I am not sure how you cut back on an empty larder. That sounds like starvation to me.

Secretary Butz recently conceded that the U.S. might be able to step up its assistance because of the strong prospect for a bumper crop. He also conceded that there was likely to be a need for increased U.S. food assistance. Unfortunately, I do not see or hear in this any urgency or call to action.

Now is the time to respond to this emergency. We must realize that with the new harvest, the prices for grains are likely to drop even lower than at present. Foreign nations may come in and buy up the bulk of our crop, leaving us unable to respond or even adequately meet our own needs.

I have called, in my world food action program, for the United States to restore its food assistance to at least the 1972 levels. I also urged other food surplus countries to join in the effort on a sharing basis, proportionate to the volume of their exports.

For the very poorest countries, I recommended providing increased food on conventional, concessional food for peace terms. In the case of other developing countries, the terms might be cash paid in the amount of the July 1972 price, with the balance between that and the present market price to become a long term concessional credit.

Regardless of the final decisions on terms, our Government should make it clear that we are prepared to take the lead. I am convinced that others will join us.

We now have fairly firm estimates that our wheat production for the coming year will be around 2.06 billion bushels, our exports 1 billion bushels and domestic requirements 760 million bushels. With an estimated 178 million bushels left over from this year and 300 million bushels from the upcoming crop, there may be a reserve stock of around 478 million bushels on hand at the end of the next crop year, June 30, 1975.

There are a lot of "if's" in this calculation and particularly, the weather. Since we will not want to draw down our reserves to the danger level, as happened this year, I would recommend making certain that famine needs are met early in the coming harvest and ahead of some of our exports. We need to make plans to set aside food for disaster needs right now.

Contrary to Secretary Butz, this would not disrupt the market or prices since, barring further disaster, it would reduce our estimated $20 billion regular commercial export market by only about $1 billion. The requirements of this grave hour must be met and not left to chance.

The fertilizer problem, in the short term, can be addressed at least in part by conservation of nutrients by farmers, reducing nonfood production uses, and expanding fertilizer production in already existing facilities. We have found that many facilities are not operating above two-thirds of capacity.

For the longer term, new facilities will be needed, and I have urged our Government to cooperate with oil exporting Middle Eastern countries in providing technical assistance and spare parts to expand fertilizer production.

Mr. President, the main point I wish to emphasize today is the need for immediate action.

That is why I and these other three Senators have joined in this bipartisan resolution. We do not want anyone to play politics with food.

We need to remember that the American people have always responded generously in time of need. In Europe's dark hour after World War II, we responded with great generosity. The Marshall plan is without question one of America's shining achievements.

It is important to remember that delay means lives. Delay also means less time for a well-planned response. It is in our interest to be forthcoming and set a positive example for the world in dealing with raw materials.

We can and we must respond. I call upon the Administration to take action to meet this crisis without delay.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD at this point, and that the resolution be referred to the Committee on Foreign Relations, since it relates to the World Food Conference.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution reads as follows:

S. RES. 329

Resolution relating to the participation of the United States in an international effort to reduce the risk of famine and lessen human suffering

Whereas world food reserves are at a dangerously low level with less than four weeks supply remaining; and

Whereas dramatic increases in the prices of petroleum, food and industrial commodities have placed needed quantities of these critical items beyond the financial reach of some 40 of the poorest and most seriously affected developing countries with over one billion people; and

Whereas the immediate capability of these countries to produce adequate supplies of food for their people is further limited by the worldwide shortage of high-priced fertilizer thus creating a critical world food situation for hundreds of millions of people; and

Whereas the American people have a long and proud tradition of acting to combat famine and to relieve the needs of hungry people at home and abroad; and

Whereas it is in the self interest of the United States to relieve starvation and hunger, which are the breeding ground for economic and political instability; and

Whereas the United States has recently announced its willingness to work with other nations in a cooperative effort over the next 18 months to help those nations most severely affected by the recent price rises and food supply shortages; and

Whereas the dimensions of the present crisis call for an immediate response on the part of all governments over and above what has been forthcoming in the past; Now, therefore, be it

Resolved, **That it is hereby declared to be** the sense of the Senate that—

(1) the contribution by the United States to the growing economic and human crisis in the developing world should be primarily in the form of food and the means and technology to produce it;

(2) the President, the Secretary of State and the Secretary of Agriculture and their advisors should (a) give the highest priority to the immediate expansion of American food assistance through the existing authority of the PL 480 legislation restoring Title I sales and Title II grants to at least the 1972 commodity levels and (b) take such additional steps as might be necessary to expedite the transfer of American food commodities on concessional and donation terms to those nations most severely affected;

(3) the United States should increase its matching pledge to the World Food Program for 1975–1976 and encourage other nations to do so;

(4) the President and the Secretary of State should (a) negotiate with other major food exporting nations to seek to obtain their participation in this emergency effort proportionate to their share of world food exports; and (b) strongly encourage oil exporting nations to contribute a fair share to these efforts to assist the most severely affected nations.

(5) the United States should announce its desire to work with the oil exporting and other nations in a major effort to increase world fertilizer production with the possibility of including the offer of American technology and capital;

(6) the President should encourage the American people to reduce the non-critical, non-food-producing uses of fertilizer which now total nearly three million tons of nutrient a year, to make available increased fertilizer supplies for raising food production at home and in the developing world.

SEC. 2. It is further declared to be the sense of the Senate that the President of the United States and the Secretaries of State and Agriculture should, and are hereby urged and requested to, (a) maintain regular and full consultation with the appropriate committees of the Congress and (b) report to the Congress and the Nation at regular intervals on the progress toward formulating an American response in a cooperative framework to the world food crisis and the needs of the most severely affected developing countries.

SEC. 3. The Secretary of the Senate is directed to transmit copies of this resolution to the President, the Secretary of State, and the Secretary of Agriculture.

RENSSELAERVILLE CONFERENCE ON WORLD FOOD AND ENERGY CRISES

Mr. HUMPHREY. Mr. President, on May 9, I had the pleasure of addressing an outstanding group of governmental and international organization officials, U.N. Ambassadors, businessmen, scholars and scientists, meeting at Rensselaerville, N.Y., on the world food and energy crises.

I would like to share with this body a statement of the conclusions of that conference which were issued by the conference chairman, Richard N. Gardner. A more detailed report will follow.

Mr. President, this statement bears directly in the resolution I am introducing today. This was an outstanding group of people and their conclusions should be given careful consideration.

Mr. President, I ask unanimous consent that the statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RENSSELAERVILLE CONFERENCE ON THE WORLD FOOD AND ENERGY CRISES—THE ROLE OF INTERNATIONAL ORGANIZATIONS

STATEMENT OF CONCLUSIONS

The old international economic order is breaking down. This order was characterized by unacceptable inequality in the distribution and management of the world's wealth. It needs to be replaced by a new order that corresponds to the new balance of economic and political power and new demands for welfare and social justice.

We have witnessed in particular a breakdown in historic patterns of production and trade in food and energy, two vital ingredients in the economic life of nations. In the short and middle run, the world faces the real possibility of severe shortages of food and energy, if not on a global basis, at least in particular countries and regions. Large portions of the population in developing countries are already malnourished and suffer from inadequate supplies of energy. There is a clear and present danger that this situation will get worse in the months and years ahead.

We see an inextricable link between the way the world manages its peace and security problems and the way it manages its economic and social problems. Renewed efforts will be necessary to reduce spending on armaments—now totaling some $220 billion a year—if we are to have sufficient resources to cope with our food, energy and other economic problems.

We are also convinced that the solution of these problems will require a cooperative attack on the problem of inflation, which is eroding monetary values and discouraging long-term investment. One of the essential ingredients in a cooperative attack on inflation is the reform of the international monetary system to provide a mutually acceptable international reserve asset and a more effective international adjustment process.

We believe that solutions to our international economic problems, including those of food and energy, should be sought through cooperation rather than confrontation.

The United Nations system should be the focal point for a new system of international cooperation and bold new programs to deal with the world's food and energy crises. The aim should be a world food policy and a world energy policy that will harmonize the interests of exporting and importing nations, assure minimum standards of consumption to the poorest segment of humanity, and reduce waste and over-consumption in the most affluent segment.

As a general principle, countries endowed with abundant food and energy resources have an obligation both to their own people and to the international community to develop those resources consistently with sound conservation and environmental practices and to make them available to other countries on fair and mutually beneficial terms.

A reduction in the rate of world population growth is an essential part of an international program to solve the food and energy problems. A plan of action to deal with the world population problem was set forth in the report of last year's Rensselaerville conference. Accordingly, we do not include any recommendations on population in this statement.

NEW ACTION ON FOOD

The World Food Conference to be held in November in Rome represents an historic opportunity which should not be missed. We believe the following measures should be undertaken at that conference—and in some cases, even before the conference meets:

1. A world agricultural information system should be inaugurated with the participation of all the countries of the world (including those not presently participating in the Food and Agriculture Organization) to exchange data on developments in agricultural supply and demand. In this connection, international efforts to improve the reliability of long-range weather forecasting are of central importance.

2. A system of national food stocks should be established, operating under agreed international rules, to provide security against famine as well as fair prices for producers and consumers.

3. There should be a great expansion—at least a doubling—of international food aid to help the poorest sections of the population in developing countries.

4. New measures should be taken to increase the supply of fertilizer in the developing countries. These should include conservation of fertilizer in developed countries, elimination of export controls on fertilizer, and new arrangements for the establishment of fertilizer production in the oil exporting countries, particularly those of the Middle East, combining the abundant oil and gas of these countries with the capital and technology of the industrialized world.

5. Most important of all in the long run, a vast international effort should be undertaken to expand agricultural production in the developing countries. As a central element in this effort, the productivity of the small farmer must be increased by a minimum of 5% a year by 1980. To accomplish this aim, the World Food Conference should adopt an action plan to be carried out by FAO in collaboration with other parts of the United Nations system and harnessing the resources of private companies, foundations and research centers. The action plan should provide for more agricultural research adapted to the special needs of developing countries, more technical assistance and training, more public and private investment in the agricultural sector, and more aid in changing agricultural institutions and practices that presently impede productivity.

NEW ACTION ON ENERGY

We call for a new set of institutions centered in the United Nations and working in collaboration with the Organization for Economic Cooperation and Development (OECD) and the Organization of Petroleum Exporting Countries (OPEC), as well as other institutions, to undertake the following tasks:

1. World-wide monitoring of energy supply and demand, including both collection and assessment of data. This should be done by the United Nations Secretariat in collaboration with the world scientific community and industry. The possibility of a new and autonomous center to assist the United Nations in energy data collection and assessment should also be considered.

2. Assisting developing countries to adjust to the new energy situation by developing their own energy resources with the help of external capital and internationally-supported training and research, with financial contributions from industrialized countries and oil exporting countries.

3. Encouragement of research and development of new sources of energy and ways of conserving energy in the industrialized countries, with the help of ventures jointly financed by the industrialized countries and the oil exporting countries. In this connection, we note the estimate of one member of our conference that the development of new energy sources and new conservation methods might require as much as $1 trillion between now and the end of the century.

4. Providing a Secretariat and a framework for regular meetings between the exporters and importers of petroleum and other basic commodities with a view, at a minimum, to advance notification of policy changes affecting the interests of different countries and, at a maximum, as soon as the time is ripe, to negotiating long-term arrangements which would assure adequate supplies to consumers, satisfactory prices to consumers and producers, and the diversification of the economies of raw material exporting countries to assure them of a sound economic future after their raw materials are depleted.

5. On the institutional level, we discussed the following ideas which, without reaching final decisions, we feel deserve at least serious consideration:

(a) The International Atomic Energy Agency could be transformed into a World Energy Agency to provide advice and assistance to governments on the whole range of energy problems. Alternatively, in view of the reservations of some participants about the present structure of IAEA, and the concern of others that the existing work of IAEA in the nuclear field should not be impaired, a separate and wholly new international agency could be created to deal with energy problems.

(b) A new intergovernmental forum for policy making could be created within the framework of the Economic and Social Council, served by an appropriate Secretariat unit, to deal with both energy and raw material questions.

(c) A group of "wise men" could be appointed, serving in their individual capacities, to report within a year on new measures of international cooperation that should be undertaken in the field of energy and raw materials.

EMERGENCY ACTION

We believe emergency measures are required in the next few months to deal with the desperate plight of nearly one billion people in some 30 resource-poor developing countries whose governments cannot pay the increased bills for oil, food, fertilizer and other products. At least $3 billion in extra concessional aid must be found for these countries in 1974–1975 to avoid economic disaster. This situation calls for an extraordinary act of cooperation between the industrialized countries of OECD and the oil exporting countries of OPEC. The former bear a special responsibility because they have a vastly greater total national income and the latter bear a special responsibility because of the dramatic increase in their export earnings and therefore in their capacity to invest sums abroad.

We call upon the 44 governments to whom the Secretary-General has addressed his appeal for emergency assistance to make prompt and generous contributions. These contributions could take the form of cash, concessional sales of food, oil and fertilizer, or the postponement or cancellation of debt repayment.

In view of the need for urgent action, time should not be lost in arguments about institutional mechanisms. Assistance can be given through bilateral arrangements, institutions of the OPEC countries, or existing multilateral financial institutions such as the International Bank/International Development Association and the Regional Development Banks. The important thing is that the assistance be made available quickly—and in sufficient amounts.

We note that the combined gross national products of the industrialized countries of the OECD equals about $2 trillion and that the combined gross national products of the OPEC countries totals about $150 billion. The United Nations has asked developed countries to provide .7% of their gross national products each year in concessional aid. By this standard, the OECD countries would provide $14 billion of assistance each year—about double the existing level—and the OPEC countries about $1 billion. If liquidity as well as gross national product is taken into account, the OPEC countries would do considerably more.

However, time should not be lost now in arguments about burden-sharing formulae. We note with appreciation the statement made to our conference by Dr. Abderrahman Khene, Secretary-General of OPEC, that the oil exporting countries intend to grant concessional assistance in excess of the .7% target, in view of the highly liquid position in which many of these countries now find themselves. We believe it is incumbent upon the industrialized countries that have not yet met the .7% target to reach it as soon as possible—and upon those countries that have reached the target to increase their aid levels further, if possible. We direct a special appeal to the two most populous countries of the OECD group, the United States and Japan, which have not yet reached one-half of the .7% target, to increase their concessional aid. In this connection, we hope for implementation of the proposal made at the opening of our meeting by Senator Hubert H. Humphrey that the United States substantially increase its concessional food aid.

Beyond the emergency needs of 1974–75, it is estimated that in the period 1976–80 the developing countries will require $4 to $5 billion a year of extra concessional aid in order to meet their minimum development goals. This additional requirement will result not only from the increased cost of imports but from the running down of the developing countries' monetary reserves and the expected deterioration in their terms of trade associated with the slowing down in the growth rate of the developed countries.

Action needs to be taken soon to cope with this longer term problem. Some part of the $4–$5 billion increase in annual concessional aid required in 1976–80 may be supplied through bilateral aid and through the activities of new financial institutions of the OPEC countries. In addition, we believe an effort should be made to restructure the existing international financial institutions such as those of the World Bank group to encourage greater financial contributions from the OPEC countries. Such a restructuring would mean increasing the voting rights of the OPEC countries and increasing their representation in the staff of these organizations.

PERSONAL STATEMENT OF PROFESSOR GARDNER AT THE CLOSING SESSION

The scarcest commodity in the world today is not food or energy or any commodity, but political leadership with the vision, the integrity and the courage to talk sense to the people. The crisis we face is serious not only because of the inherent difficulty and complexity of the problems, but because so many countries are now undergoing political instability or at the very least a difficult political transition. In this leadership vacuum we have to look to international agencies and private groups to take the initiative and stimulate action.

Perhaps the most dangerous element in the situation is the pervasive atmosphere of cynicism and despair. In the midst of political instability, accelerating inflation and social unrest, there is not much ground for optimism. Yet the logic of the proposals made by this conference is overwhelming.

A wise historian once wrote that all revolutions seem impossible before they occur and inevitable after they occur. Let us try to prove the wisdom of that statement in the peaceful revolution toward a new international economic order that is now underway.

SENATE RESOLUTION 330—ORIGINAL RESOLUTION REPORTED TO PAY A GRATUITY TO LILLIAN G. McCOY

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following original resolution:

S. RES. 330

Resolution to pay a gratuity to Lillian G. McCoy

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Lillian G. McCoy, widow of Victor J. McCoy, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 331—ORIGINAL RESOLUTION REPORTED TO PAY A GRATUITY TO EDITH A. RYAN

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following original resolution:

S. RES. 331

Resolution to pay a gratuity to Edith A. Ryan

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Edith A. Ryan, widow of Payson H. Ryan, an employee of the Senate at the time of his death, a sum equal to three months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 332—ORIGINAL RESOLUTION REPORTED TO PAY A GRATUITY TO LENORE A. YOUNG

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following original resolution:

S. RES. 332

Resolution to pay a gratuity to Lenore A. Young

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Lenore A. Young, mother of Marilyn J. Young, an employee of the Senate at the time of her death, a sum equal to six months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 324

At the request of Mr. HUMPHREY, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. Res. 324, relating to the condemnation of terrorist acts.

ADDITIONAL COSPONSOR OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 81

At the request of Mr. SPARKMAN, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of Senate Concurrent Resolution 81, expressing the sense of the Congress to pursue all diplomatic means to secure the status of MIA's.

OFFICE OF SPECIAL PROSECUTOR—AMENDMENT

AMENDMENT NO. 1352

(Ordered to be printed, and to lie on the table.)

Mr. STEVENSON submitted an amendment intended to be proposed by him to the bill (S. 2611) to insure the enforcement of the criminal laws and the due administration of justice; establish an independent Special Prosecutor.

Mr. STEVENSON. Mr. President, as one who has worked to assure the independence of the Office of Special Prosecutor from the beginning, I am the more concerned by the disclosures that the President, acting through Mr. St. Clair, has taken the position that he, the investigated, retains control over the investigation. While that position is consistent with the President's refusal to comply with subpenas issued by the House Judiciary Committee, it is utterly inconsistent with the fair administration of justice, the maintenance of public confidence in the integrity of our constitutional processes and the President's own solemn assurances to the Senate.

If ours is to remain a government of laws, all Federal officials, including the President, must be held to their promises and their oaths to uphold the Constitution. In this instance, it appears the President is again prepared to disregard his oath of office and the solemn assurances made to the Congress with his authorization. If the Congress does not act, history may repeat itself. Mr. Jaworski could be removed or forced to resign an impotent office. If the President obstructs Mr. Jaworski's pursuit of the evidence in court, he would, as Mr. Jaworski put it, "make a farce of the Special Prosecutor's charter."

The way to assure the Special Prosecutor the independence he was promised is by law. Last year the Judiciary Committee reported out legislation (S. 2611) to grant a Special Prosecutor the requisite authority and power and provide for his selection. It was held upon the calendar should the need for its enactment arise. The need for a statutory guarantee of independence is now evident. For the reasons set forth below, I am, therefore, now offering a new amendment as a substitute for S. 2611.

The substitute incorporates elements of my original Special Prosecutor bill (S. 2603), of the bill which Senator Hart subsequently introduced (S. 2611), and of the Percy-Baker amendment No. 759 to S. 2611.

It gives the Office of Special Prosecutor a firm statutory basis for a 2-year period.

It provides the Office with a broad mandate to investigate and prosecute Watergate-related offenses, as well as any other offenses committed by present or former high Federal officials.

It confers upon the Special Prosecutor primary jurisdiction over all such offenses.

It vests in him all the powers of a U.S. attorney.

It provides him with staff and support services.

Most important of all, it establishes constitutionally sound procedures for the selection and removal of the Special Prosecutor.

The provisions in my proposal dealing with selection are designed to deter the President from dismissing the Special Prosecutor because he is doing his job too well; and to provide for the immediate appointment of an interim Special Prosecutor by the courts in the event that deterrence fails or the Office otherwise becomes vacant.

The amendment provides that in the event of a vacancy a panel of judges will appoint the interim Special Prosecutor to serve until such time as a permanent successor is appointed by the President and confirmed by the Senate.

The panel would be composed of three judges of the U.S. District Court for the District of Columbia. The three members of the panel would be selected by all the judges of the district court.

Although I am convinced that the appointment of a permanent Special Prosecutor by the courts pursuant to statutory authorization is constitutional, a small minority of constitutional law scholars take the position that it is not. This raises the possibility that the legality of actions taken by a permanent Special Prosecutor appointed by the courts will remain in doubt until the constitutional question is resolved. We cannot—and need not—run the risk of such delay and uncertainty; rather, we must get Watergate behind us as soon as we can, consistent with the ends of justice.

The interim appointment procedure provided for in my amendment is clearly constitutional. A statute authorizing interim judicial appointments of U.S. attorneys (28 U.S.C. 546) is already on the books. Its constitutionality has already been upheld by the courts. For that reason, my amendment offers the best available alternative under present circumstances. Its enactment would assure a continuation of the investigation with a minimum of delay and disruption from the President.

With respect to dismissal, my proposal provides that a Special Prosecutor appointed by the President may be removed only by the President, and a Special Prosecutor appointed by the panel of judges may be removed only by the panel of judges. In either case, removal is permitted only for cause. A Special Prosecutor whom the President seeks to remove is assured the opportunity to contest the removal in court before it takes effect.

I ask unanimous consent that the text of my amendment and a copy of Mr. Jaworski's May 20 letter to Senator Eastland be printed at this point in the Record.

There being no objection, the amendment and letter were ordered to be printed in the Record, as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Special Prosecutor Protection Act of 1974".

Sec. 2. The Congress hereby finds and declares:

(a) Alleged crimes arising out of the Presidential campaign and election of 1972 have raised serious questions whether a full and complete investigation and prosecution of such charges will proceed without partisanship or favor;

(b) Although the Justice Department is composed of men and women of the highest integrity and ability capable of conducting a fair, full, and impartial investigation and prosecution of these alleged crimes, a significant doubt still remains as to whether the public need for the appearance as well as the fact of justice would be satisfied;

(c) The appointment of a Special Prosecution Force in the executive branch of Government on May 24, 1973, had begun the process of restoring the faith of the American people in the integrity of this administration and in particular in the belief that the ends of justice were to be served;

(d) The dismissal of the Special Prosecutor on the direct order of the President of the United States on October 20, 1973, undermined this growing faith, and has further eroded the American people's confidence in its Government and in those who have been elected to lead the Government;

(e) The May 20, 1974 disclosure that the President insists, despite prior assurances to the contrary, that he has ultimate control over the activities of the Office of Special Prosecutor jeopardizes that Office;

(f) In order to restore the public confidence, the investigation and prosecution of any offense arising out of the Presidential campaign and election of 1972 should be in an independent prosecutorial force.

Sec. 3. There is hereby established an Independent Special Prosecution Office, responsible for investigating and initiating prosecution of all offenses arising out of the Presidential election of 1972 and matters relating thereto and arising therefrom, including all matters which were under investigation by the Special Prosecutor force prior to October 19, 1973, pursuant to the agreement made between the former Special Prosecutor and the Attorney-General-designate on May 19, 1973.

Sec. 4. (a) The President of the United States is authorized and directed to nominate a Special Prosecutor, by and with the advice and consent of the Senate.

(b) Until such time as a nominee submitted by the President is confirmed by the Senate, there shall be a vacancy in the Office of Special Prosecutor, which shall be filled pursuant to section 12(e) of this Act.

Sec. 5. (a) The Special Prosecutor is authorized and directed to investigate, as he deems appropriate, and prosecute on behalf of the United States—

(1) offenses arising out of the unauthorized entry into Democratic National Committee headquarters at the Watergate;

(2) other offenses arising out of the 1972 Presidential election;

(3) offenses alleged to have been committed by the President, present and former Presidential appointees, or present and former members of the White House Staff, or offenses in which any such persons are alleged to have been involved;

(4) all other matters heretofore referred to the former Special Prosecutor pursuant to regulations of the Attorney General (28 C.F.R. sec. 0.37, 0.38 rescinded October 24, 1973); and

(5) offenses relating to or arising out of any such matters.

(b) The Special Prosecutor shall have primary jurisdiction over any of the offenses or matters enumerated in subsection (a) of this section. However, he may waive jurisdiction when he determines that such jurisdiction is not necessary for the proper performance of his duties under this Act.

(c) The Special Prosecutor shall appoint a Deputy Special Prosecutor who shall assist the Special Prosecutor as the Special Prosecutor shall direct in the performance of his duties, and, in the event of the disability of the Special Prosecutor or vacancy in the Office of Special Prosecutor, shall act as Special Prosecutor until his successor is appointed in accordance with section 12(e) of this Act.

(d) The Deputy Special Prosecutor shall assist the Special Prosecutor as the Special Prosecutor shall direct in the performance of his duties, and, in the event of the disability of the Special Prosecutor or vacancy in the Office of the Special Prosecutor, shall act as Special Prosecutor until his successor is appointed in accordance with section 12(e) of this Act.

Sec. 6. The Special Prosecutor shall have full power and authority in carrying out his duties and responsibilities under this Act:

(a) To conduct proceedings before grand juries and other investigations he deems necessary;

(b) To review all documentary evidence available from any source;

(c) To determine whether or not to contest the assertion and scope of "executive privilege" or any other testimonial privilege;

(d) To receive appropriate national security clearance and review evidence sought to be withheld on grounds of national security and if necessary contest in court, including where appropriate through participation in camera proceedings, any claim of privilege or attempt to withhold evidence on grounds of national security;

(e) To make application to any Federal court for a grant of immunity to any witness, consistent with applicable statutory requirements, or for warrants, subpenas, or other court orders;

(f) To initiate and conduct prosecutions in any court of competent jurisdiction, frame and sign indictments, file informations, and handle all aspects of any cases over which he has jurisdiction under this Act, in the name of the United States; and

(g) Notwithstanding any other provision of law, to exercise all other powers as to the conduct or criminal investigations and prosecutions within his jurisdiction which would otherwise be vested in the Attorney General and the United States attorneys under the provisions of chápter 31 and 35 of title 28, United States Code, and the provisions of 26 C.F.R. 301,6103(a)-1(q), and act as the attorney for the Government in such investigations and prosecutions under the Federal Rules of Criminal Procedure.

SEC. 7. (a) All materials, tapes, documents, files, work in process, information, and all other property of whatever kind and description relevant to the duties and responsibilities of the Special Prosecutor under this Act, tangible or intangible, collected by, developed by, or in the possession of the former Special Prosecutor or his staff established pursuant to regulation by the Attorney General (28 C.F.R., sec. 0.37, rescinded October 24, 1973), or his successors shall be delivered into the possession of the Special Prosecutor appointed under this Act.

(b) All investigations, prosecutions, cases, litigation, and grand jury or others proceedings initiated by the former Special Prosecutor or by his successors pursuant to regulations of the Attorney General (28 C.F.R., sec. 0.37, rescinded October 24, 1973), shall be continued, as the Special Prosecutor deems appropriate, by him, and he shall become successor counsel for the United States in all such proceedings, notwithstanding any substitution of counsel made after October 20, 1973.

SEC. 8. (a) The Special Prosecutor shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5 of the United States Code. The Deputy Special Prosecutor shall be compensated at the rate provided for level V of the Executive Schedule under section 5316 of title 5 of the United States Code.

(b) The Special Prosecutor shall have power to appoint, fix the compensation, and assign the duties of such employees as he deems necessary, including but not limited to investigators, attorneys, and part-time consultants, without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title. The Special Prosecutor is authorized to request any officer of the Department of Justice, or any other department or agency of the Federal or District of Columbia government, to provide on a reimbursable basis such assistance as he deems necessary, and any such officer shall comply with such request to the fullest extent practicable. Assistance by the Department of Justice full access to any records, files, or other material relevant to matters within his jurisdiction and uses by the Special Prosecutor of the investigation and other services, on a priority basis, of the Federal Bureau of Investigation.

SEC. 9. The Administrator of General Services shall furnish the Special Prosecutor with such offices, equipment, supplies, and services as are authorized to be furnished to any other agency or instrumentality of the United States.

SEC. 10. Notwithstanding any other provisions of law, the Special Prosecutor shall submit directly to the Congress requests for such funds, facilities, and legislation as he shall consider necessary to carry out his responsibilities under this Act, and such requests shall receive priority consideration by the Congress.

SEC. 11. The Special Prosecutor shall carry out his duties under this Act within two years, except as necessary to complete trial or appellate action on indictments then pending.

SEC. 12. (a) Any Special Prosecutor appointed by the President may be removed by the President only for cause.

(b) When the President believes there is cause to dismiss a Special Prosecutor, he shall prepare a notice of dismissal. Such notice of dismissal shall be delivered to both Houses of Congress, stating the reasons for such. The dismissal shall become effective at the end of the first period of thirty calendar days of continuous session of Congress after the date on which the notice is delivered to it, unless pursuant to subsection (d) of this section, a court shall have issued an order continuing the Special Prosecutor in office.

(c) For the purpose of subsection (b) of this section—

(1) continuity of session is broken only by an adjournment of Congress sin die; and

(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

(d) The district courts shall have original jurisdiction of any action brought by the Special Prosecutor with respect to his removal or attempted removal under subsection (a) of this section. Upon a finding of removal in violation of subsection (a), the district court shall grant a temporary restraining order, preliminary injunction, order compelling forthwith the reinstatement of the Special Prosecutor, or such other relief as it deems appropriate. Any district court in which a proceeding is instituted under this section shall assign the case for hearing at the earliest practicable date and cause the case to be in every way expedited.

(e) In the case of the disability of the Special Prosecutor or the vacancy of such office, the President shall appoint a successor, by and with the advice and consent of the Senate. Not later than 15 days after the date on which a vacancy in the office of Special Prosecutor occurs, the United States District Court for the District of Columbia is authorized and directed to appoint, in the following manner, an interim Special Prosecutor who shall have the duties and powers prescribed in this Act and shall serve until such time as a Presidential nominee for the office is confirmed by the Senate. The district court, sitting en banc, shall designate a panel of three of its members (hereinafter referred to as the "panel"). The panel shall appoint an interim Special Prosecutor with the experience, abilities, and reputation necessary to perform the responsibilities of the office. The panel shall fill any vacancy which may occur thereafter in the position of interim Special Prosecutor not later than 15 days after the date on which such vacancy occurs. Any vacancy in the panel, itself, shall be filed in the same manner as the original designation of the panel. No member of the district court who has supervised any grand jury or presided at any criminal trial pertaining to matters within the jurisdiction of the Special Prosecutor shall be eligible to be a member of the panel. Participation in any proceedinig in which the Special Prosecutor or his staff is involved in any official capacity. The panel has the sole and exclusive power to remove an interim Special Prosecutor appointed by the panel. The panel shall remove such a Special Prosecutor only for cause. Neither the Chief Judge or the President of the United States, nor any other officer of the United States shall have any authority to direct, countermand, or interfere with any action taken by the Special Prosecutor pursuant to this Act.

SEC. 13. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SEC. 14. If any part of this Act is held invalid, the remainder of the Act shall not be affected thereby. The provisions of any part of this Act, or the application thereof to any person or circumstance if held invalid, shall not affect the provisions of other parts and their application to other persons or circumstances.

WATERGATE SPECIAL PROSECUTION FORCE,
Washington, D.C., May 20, 1974.
Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: When I appeared before your Committee during the hearings on the nomination of the Honorable William B. Saxbe to be Attorney General, I assured the Committee in response to a question by Senator Byrd that I would inform the Committee of any attempt by the President "to circumvent or restrict or limit" the jurisdiction or independence of the Special Prosecutor. I am constrained to advise you and the members of your Committee, consonant with this and other promises made when I testified at hearings before your Committee on the Special Prosecutor bill, that in recent days these events have occurred:

Following the issuance of a subpoena for White House tapes to be used as evidence in the trial of *United States* v. *Mitchell*, et al (which are needed for prosecution purposes and perhaps to comply with the rights of the defendant under Supreme Court rulings), the President, through his counsel, filed a Motion to Quash the Subpoena.

Because of sensitive matters involved in our response to the Motion to Quash, I joined with White House counsel in urging Judge Sirica to conduct further proceedings *in camera*. After the court determined to hold further proceedings *in camera*, White House counsel for the first time urged the Court to quash the subpoena on the additional ground that the Special Prosecutor had no standing in court because the matter of his obtaining the tapes in question involved "an intra-executive dispute." As stated by counsel for the President in the argument before Judge Sirica, it is the President's contention that he has ultimate authority to determine when to prosecute, whom to prosecute, and with what evidence to prosecute. Judge Sirica has now ruled that I am released from *in camera* secrecy.

The crucial point is that the President, through his counsel, is challenging my right to bring an action against him to obtain evidence, or differently stated, he contends that I cannot take the President to court. Acceptance of his contention would sharply limit the independence that I consider essential if I am to fulfill my responsibilities as contemplated by the charter establishing this office.

The position thus taken by the President's counsel contravenes the express agreement made with me by General Alexander Haig, after consulting with the President, that if I accepted the position of Special Prosecutor. I would have the right to press legal proceedings against the President if I concluded it was necessary to do so. I so testified in the House Judiciary Committee hearing and in the hearings conducted by your Committee. Thereafter, at the suggestion of members of your Committee, I sent a copy of my testimony on this point to counsel for the President, Mr. J. Fred Buzhardt, who acknowledged its receipt without questioning my testimony. I should add that when my appointment was announced by Acting Attorney General Bork on November 1, 1973, he stated that as a part of my agreement to serve, it was "absolutely clear" that I was "free to go to court to press for additional tapes or Presidential papers," if I deemed it necessary.

You will recall, Mr. Chairman, that when I testified at the session of your Committee on the Special Prosecutor bill, the following exchange took place between us:

"The CHAIRMAN. You are absolutely free to prosecute anyone; is that correct?

Mr. JAWORSKI. That is correct. And that is my intention.

The CHAIRMAN. And that includes the President of the United States?

Mr. JAWORSKI. It includes the President of the United States.

The CHAIRMAN. And you are proceeding that way?

Mr. JAWORSKI. I am proceeding that way." (Part 2, page 571.)

Senator McClellan put the question to me this way:

"May I ask you now, do you feel that with your understanding with the White House that you do have the right, irrespective of the legal issues that may be involved—that you have an understanding with them that gives you the right to go to court if you determine that they have documents you want or materials that you feel are essential and necessary in the performance of your duties, and in conducting a thorough investigation and following up with prosecution thereon, you have the right to go to court to raise the issue against the President and against any of his staff with respect to such documents or materials and to contest the question of privilege?

Mr. JAWORSKI. I have been assured that right and I intend to exercise it if necessary." (Part 2, page 573.)

Senator Hruska also examined me on this point as is shown by the following questions and answers:

"Senator HRUSKA. And it was agreed that there would be no restrictions or limitations, that even as to those items on the tapes, whether they were asked for or not, you would be given access to them.

However, if there would occur an impasse on that point on the availability of any material, that there was expressly, without qualification, reserved to you the right to go to the courts. So that it would be at a time when General Haig, acting on behalf of the President, or in his stead, would say no to this particular paper, I don't feel that you should have it, this has high national security and other characteristics, and if you felt constrained to differ with him at that point, you could go to court, and there would be no limitation in that regard?

Mr. JAWORSKI. That is a correct statement.

Senator HRUSKA. That is your testimony?

Mr. JAWORSKI. Yes, sir.

Senator HRUSKA. So that by the charter and by your agreement and your discussions you are not to be denied access to the courts . . ." (Part 2, page 600.)

When my Deputy, Henry S. Ruth, Jr., was testifying in connection with the Special Prosecutor bill, Senator Scott asked him the following question:

"Senator SCOTT. I imagine it may be clear that he has no doubt of his right to bring action in the courts against the Executive if he so deems it to be proper?

Mr. RUTH. Well, Senator, he understands his instructions are to pursue all of the evidence he needs, including to go to court if the evidence is not forthcoming." (Part 2, page 518)

At the time of the Saxbe nomination hearings, Senator Byrd exacted the assurance from me that I would "follow the evidence wherever it goes, and if it goes to the Oval Office and to the President himself, I would pursue it with all my vigor." And at the same time, he obtained the assurance from Mr. Saxbe that he would give me full support in matters that were within the performance of my duty even if "there are allegations involving the President" (page 22 of the hearings before the Committee on the nomination of William B. Saxbe, December 12 and 13, 1973).

Of course, I am sure you understand, Mr. Chairman, that I am not for a moment suggesting that the President does not have the right to raise any defenses, such as confidential communications, executive privilege, or the like. It is up to the court, after hearing, to determine whether his defense is sound. But any claim raised by White House counsel on behalf of the President that challenges my right to invoke the judicial process against the President, as I am doing in an effort to obtain these tapes for use at the trial in *U.S.* v. *Mitchell, et al.* would make a farce of the Special Prosecutor's charter and is in contravention of the understanding I had and the members of your Committee apparently had at the time of my appointment.

In a letter to me from Mr. St. Clair, counsel for the President, Mr. St. Clair undertakes to circumvent the clear and unmistakable assurance given me by the President by contending that: "The fact that the President has chosen to resolve this issue by judicial determination and not by a unilateral exercise of his constitutional powers, is evidence of the President's good faith." Of course, under Mr. St. Clair's approach, this would make the assurance of the right to take the President to court an idle and empty one. Counsel to the President, by asserting that ultimately I am subject to the President's direction in these matters, is attempting to undercut the independence carefully set forth in the guidelines, which were reissued upon my appointment with the express consent of the President. It is clear to me that you and the members of your Committee who were familiar with the public announcements of the President and the Acting Attorney General, did not construe them in so meaningless a manner (as is evident by the above referred to statements in questions that were propounded to me), and neither did I. To adopt Mr. St. Clair's version would give rise to this anomaly—"the President has no objection to the Special Prosecutor filing his action against him but once filed, the President will stop the Special Prosecutor from proceeding with it by having his counsel move to dismiss on the ground that the Special Prosecutor cannot sue him."

Judge Sirica in overruling this contention of the President in an opinion made public by the Court this afternoon, pointedly said:

The Special Prosecutor's independence has been affirmed and reaffirmed by the President and his representatives, and a unique guarantee of unfettered operation accorded him: "the jurisdiction of the Special Prosecutor will not be limited without the President's first consulting with such Members of Congress [the leaders of both Houses and the respective Committees on the Judiciary] and ascertaining that their consensus is in accord with his proposed action." The President not having so consulted, to the Court's knowledge, his attempt to abridge the Special Prosecutor's independence with the argument that he cannot seek evidence from the President by court process is a nullity and does not defeat the Court's jurisdiction.

Because the members of your Committee exacted from me the promise at the hearings that I would report a development of this nature, I am submitting this letter.

Respectfully yours,

LEON JAWORSKI,
Special Prosecutor.

MODIFICATION OF TAX TREATMENT OF CERTAIN PERSONS—AMENDMENT

AMENDMENT NO. 1353

(Ordered to be printed, and referred to the Committee on Finance.)

Mr. CRANSTON submitted an amendment, intended to be proposed by him, to the bill (H.R. 8214) to modify the tax treatment of members of the Armed Forces of the United States and civilian employees who are prisoners of war or missing in action, and for other purposes.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 1335

At the request of Mr. BROCK, the Senator from Utah (Mr. BENNETT), the Senator from Kentucky (Mr. COOK), and the Senator from Texas (Mr. TOWER) were added as cosponsors of Amendment No. 1335, intended to be proposed to the bill (S. 1486) to authorize the Secretary of Commerce to engage in certain export expansion activities, and for related purposes.

ANNOUNCEMENT OF OVERSIGHT HEARINGS ON GENERAL REVENUE SHARING

Mr. MUSKIE. Mr. President, the Subcommittee on Intergovernmental Relations, Committee on Government Operations, has scheduled 4 days of oversight hearings on general revenue sharing—June 4, 5, 11, and 12. These hearings will provide the first congressional forum to assess the overall impact and progress of the program to date.

Anyone wishing to submit a statement for the hearing record should contact Mrs. Lucinda T. Dennis, chief clerk of the subcommittee (202—225–4718).

ADDITIONAL STATEMENTS

THE UNFAIR PRESS

Mr. CURTIS. Mr. President, we are fortunate that in America we fight political battles with words, not bullets. Words are the suitable ammunition of a democracy, for they can flow freely and equally to the public judgment from all points of view.

However, when the control of the word flow to masses of people rests in biased hands, chances for a fair fight are destroyed.

In two recent incidents involving the President of the United States and the press, two major U.S. newspapers displayed undeniable bias and unmistakable double standards with regard to the printing of articles which did not spout currently fashionable venom against the President.

I had an experience with the New York Times that I will cite first.

After publishing the report of the staff of the Joint Congressional Committee on Internal Revenue Taxation in reference to President Nixon's tax problems, the Times expressed a desire for an article presenting the opposing view. I submitted an article based on a speech I had made in the Senate pointing out my reasons for arguing that the President had been treated unfairly.

With profuse apologies, the Times refused to print my article, not because the quality of the article was at fault—in fact, they had found it "interesting"—but because the largest newspaper in the country "just could not find the space."

I ask unanimous consent that my article and the letter I received from the New York Times be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The Unfair Press

(By Carl T. Curtis, United States Senator)

Last December, President Nixon asked the Joint Committee on Internal Revenue Taxation to examine two transactions—a gift of his papers claimed as a deduction for 1969 and the sale of 23 acres in San Clemente—to see if they were properly reported on his tax return.

The Committee directed its staff to go to work investigating the President's tax returns. The Committee never held another meeting until April 3, 1974, the day that a printed staff report consisting of 210 pages plus an appendix of 784 pages was first shown to Committee members. On that same day, the staff report was filed in Congress and released to the press.

The staff report is not based upon statements taken under oath subject to cross-examination. The President's lawyers were not present when the witnesses were interviewed, nor was any member of the Committee itself.

Considerable space in the report is given to statements which are mere conclusions. In reviewing the report, certain items literally cry out for cross-examination under oath. By no means does it contain all of the facts that are available.

Two key points emerge from the aftermath of this lengthy and complex examination of the President's tax returns.

First, Richard Nixon will pay every cent the Congressional Committee and the Internal Revenue Service say he owes.

Second, the President of the United States has been singled out for harsher treatment than any other taxpayer.

Close examination of the entire matter clearly indicates the case of Richard Nixon was handled differently from any other taxpayer. Whenever there was a question—and there were many real issues of tax law interpretation—the Committee decision came down on the high side.

There are at least three major points for debate:

First, concerns his donation of the Vice-Presidential papers, a deduction which was disallowed, accounting for the largest portion of the new tax bill.

Appraised at nearly $2 million, these papers had been given to the National Archives. But the Joint Committee staff said this was not a valid gift because he placed access restrictions on them and because he failed to give sufficient evidence in 1969 of his intent to donate them.

Every President who has donated his papers to the Archives has placed restrictions on their access—such as dates and times when the papers are open to scholars and the public. Yet, Richard Nixon was not allowed to receive a deduction, even though he followed the practice of every President in this century.

On the point of his intentions to donate the gifts, one needs to look at the case of Franklin Roosevelt. FDR, in 1938, announced at a garden party he would donate his papers to the United States. Some of those papers were given during his lifetime—but when he died, many of them had not been delivered and there was no deed.

The courts held that Roosevelt had made a valid gift of all the papers despite access restrictions, despite lack of delivery and despite the absence of a deed. The general law is that a deed is not necessary in the gift of personal property and there is no regulation requiring a deed.

President Nixon's gift stands on much firmer footing than FDR's—yet Nixon was denied the tax deduction.

Another major part of President Nixon's tax bill was rendered because he was assessed for capital gains which the Committee staff and the IRS reports said he received on the sale of his New York apartment and the purchase of the San Clemente property.

The Internal Revenue Code permits every taxpayer to sell his home and invest the proceeds in another principal residence within a year. And, no tax is assessed on capital gains. This applies in every case, except Richard Nixon's.

When the Nixons sold in New York and bought in California, they were told this provision applied equally to them. But the report ruled this out because it maintained the San Clemente home was not a "principal residence." The White House, said the report, was their home—even though they live there for a limited time and by tradition leave their personal household effects behind.

Another point on which the President was assessed taxes was on the use of government aircraft.

As a result of the wave of aircraft hijacking, the Secret Service advised the Nixon family to travel by government air service—rather than on commercial flights—and the Nixons prudently complied. The President, however, volunteered to absorb some of the cost, becoming the first President in history to do so.

The Committee said the President must treat these flights as income and even questioned the fact that his dog sometimes went along on the presidential plane.

No previous President—Truman, Eisenhower, Kennedy or Johnson paid for any government flights taken by their family members. Richard Nixon did—yet he is now told he must pay full fare retroactively.

There are other points on which President Nixon was singled out for heavy-handed treatment. His tax counsel, for example, was never given an opportunity to see, much less contest, more than 90 per cent of the committee staff report—despite Committee promises that they would have such a right.

But the President has said he will pay—and pay in full, he will.

It comes not only at great personal cost but it comes in a manner which should outrage every American taxpayer who now knows the President of the United States was treated unfairly.

THE NEW YORK TIMES,
New York, N.Y., April 17, 1974.

Hon. CARL T. CURTIS,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR CURTIS: We are most grateful that you submitted your interesting tax article to us. Unfortunately, the amount of space available for publication of such articles is so limited that much material of value and interest must be returned. We just couldn't find the space.

We're sorry about this, and hope that you will consider the Op-Ed page again. We would very much like to have you represented.

Most sincerely,

CHARLOTTE CURTIS.

Mr. CURTIS. Mr. President, interestingly, the New York Times did print an article by Franklin B. Smith on its "Op-Ed" page on April 7 which criticized the media coverage of the Watergate affair.

The editors of the Times must have awakened one morning and looked into a mirror. I am not sure they saw themselves, but perhaps they saw some of their friends among the eastern metropolitan press.

At any rate, this article which the Times published by Franklin B. Smith, editor of the editorial page of the Burlington, Vt., Free Press, did contain two items referring to President Nixon's tax problems among 13 cited instances of distortion and neglect on the part of the media in covering Watergate. One of these two items went into detail about the President's tax problems. It consisted of 13 printed lines of type which took up approximately two inches in the article's 37 column inches of print.

I suppose it is possible that the editors of the Times felt this was sufficient answer to those including myself who felt some detailed presentation of the President's side of his tax problems should be printed to offset the great volume of words that were published in criticism and condemnation of the President.

However, a few days later, here in the city of Washington, the Washington Post apparently was not able to see the matter quite as gratuitously from the President's standpoint. Perhaps the editors of the Post did not care to look into a mirror, or if they did, certainly they did not see themselves as members of a profession which might have erred in failing to provide balance in the coverage of news developments and editorial comments on Watergate.

The Post showed its bias in refusing to reprint the New York Times article by Franklin B. Smith criticizing the press.

Now, Mr. President, it might be understandable that the Post would not see itself as a possible violator of the principles of fair journalism in refusing to publish the editorial-type article in question. But the reason given by the editor of the Post, Mr. Benjamin Bradlee, is something else.

The Post did not refuse to publish the article on grounds that it was untrue or poorly written, but because "we do not, as a rule, print columns that have appeared in other papers—particularly in the New York Times."

That is the stated reason as set forth in a letter by Mr. Bradlee, and I want the RECORD to show the stated reason, Mr. President, because it is a curious response indeed when one considers the Post's eagerness to reprint in its entirety an editorial from the traditionally conservative Chicago Tribune which happened, for one time in perhaps a thousand, to parallel an editorial view expressed by the Washington Post.

The Chicago Tribune editorial, of course, called for the resignation of President Nixon. I might add that the Post also saw fit to reprint in part a similar editorial which had appeared in the Omaha World-Herald, similarly regarded as a conservative newspaper. Those are two specific examples, Mr. President, where within a very short period of time the Washington Post violated one of its own stated rules in order to print anti-Nixon material while at the same time refusing to print an article favorable to the President's criticism of the press.

I ask unanimous consent to print in the RECORD at this point an exchange of correspondence between Mr. Robert Bradford of an organization called "Americans for the Presidency" and Mr. Bradlee of the Washington Post together with Mr. Franklin B. Smith's column as it appeared in the New York Times on April 7.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

APRIL 18, 1974.

Mr. BENJAMIN BRADLEE,
Editor, The Washington Post,
Washington, D.C.

DEAR MR. BRADLEE: Enclosed is an op-ed piece from the *New York Times* of April 7.

As a matter of fairness, it is our hope that you would reprint Mr. Smith's article at an early date. We feel that this article outlines in rather succinct detail some of the many charges of unfair press coverage which can be documented in the entire Watergate matter.

I look forward to hearing from you.

Sincerely,

ROBERT E. BRADFORD.

THE WASHINGTON POST,
Washington, D.C., April 25, 1974.

Mr. ROBERT E. BRADFORD,
Associate Director, Americans for the Presidency, Washington, D.C.

DEAR MR. BRADFORD: I receive Mr. Smith's writings frequently. We do not, as a rule, print columns that have appeared in other papers—particularly in The New York Times.

Sincerely,

BENJAMIN BRADLEE.

AMERICANS FOR THE PRESIDENCY,
Washington, D.C., May 10, 1974.

Mr. BENJAMIN C. BRADLEE,
Executive Editor, The Washington Post,
Washington, D.C.

DEAR MR. BRADLEE: I see that you could hardly wait to rush into print the editorials from the Chicago *Tribune* and the Omaha *World-Herald* which were unfavorable to the President.

This is interesting for two reasons. First, I can't recall that you made space for any of their previous columns defending the President. Second, I have before me your letter of April 25 in which you declined to reprint Franklin B. Smith's New York *Times* article in which he blasted media treatment of the President because (to quote you) "We do not, as a rule, print columns that have appeared in other papers . . ."

I assume that any column or editorial which attacks the President is an exception to your rule. Of course, this is only typical of your paper's policy and bears out Mr. Smith's contention that your handling of the Watergate affair is "the darkest chapter in the long history of American press freedom."

Those of us who ask only for fair treatment for the President have long ago despaired that we can expect such basic honesty and integrity from the (expletive deleted) Washington *Post*.

Sincerely,

ROBERT E. BRADFORD.

FEAR AND LOATHING IN VERMONT

(By Franklin B. Smith)

BURLINGTON, Vermont.—As a veteran newspaperman dedicated to the principle of objective and fair reporting without fear or favor, I find repugnant the vast coverage of the Watergate affair. Much of this coverage by the press—and here I include newspapers, television, radio and magazines—has been blatantly abusive both of our traditional American sense of justice and of the First Amendment's guarantee of press freedom.

There have been countless instances of clear distortion or curious neglect on the part of the press in the coverage of this unhappy affair, but for starters I offer the following baker's dozen:

Item 1: For several weeks now the press has carried reports suggesting that President Nixon's tax problems may encourage a great many Americans to take every conceivable tax deduction, thus costing the Treasury untold millions of dollars in revenue. These reports are highly inflammable, intended to "make news" rather than report it.

Item 2: Relatively few Americans had ever heard of the junior United States Senator from New York, James L. Buckley, until he recently issued a call for President Nixon's resignation. The press suddenly found him to be a prominent and effective leader and spokesman for Republican conservatives nationally, something which he clearly is not.

Item 3: The press has conducted wide-ranging investigations into allegations that the Nixon Administration provided ambassadorships to well-heeled campaign contributors. The American people have been led to believe that this practice, corruptible or not, is peculiar to this Administration, an assumption that is demonstrably erroneous.

Item 4: The press has quoted again and again the comment of Gerald R. Ford, when he was minority leader of the House and was promoting the impeachment of Supreme Court Justice William O. Douglas, that an impeachable offense is "whatever a majority of the House of Representatives considers" it "to be at a given moment in history."

But the press has nearly totally ignored the fact that Mr. Ford also said the following in the 1970 debate: "The President and Vice President can be thrown out of office by the voters at least every four years. To remove them in midterm . . . would indeed require crimes of the magnitude of treason and bribery. . . ."

Item 5: The press has recently carried headline stories on Representative Wilbur D. Mills' prediction that President Nixon would be forced to resign over his tax troubles. But almost completely ignored by the press, during the same period, was a speech in Cleveland on March 10 by the Senate Watergate Committee's chairman, Sam Ervin, Jr., in which he declared that no evidence had been produced in the Senate Watergate hearings to support impeachment of Mr. Nixon.

Item 6: The press appears to be vitally interested whenever Archibald Cox, the former special Watergate prosecutor, comments on the culpability of the Nixon Administration. But apparently the national media discerns no "news value" whatever when Mr. Cox criticizes the role of the press itself, as he did recently in New Hampshire when he declared that the media was trying to shape events in the Watergate affair.

Item 7: Last November the Roper organization, in a survey of public reaction to discussion of possible impeachment conducted for 51 subscribers, including the American Civil Liberties Union, found that 79 per cent of the respondents believed one or more of the most serious charges against President Nixon to be justified.

The press exploited the poll for weeks but consistently failed to note that the poll had been conducted among a sample of 2,020 people who had been presented with a list of 13 charges or criticisms against the President and asked to "go down the list and call off any that you personally are concerned about both because you think it is a serious offense and because you think he may be responsible for it."

Surely even the most ardent Nixon supporter would agree that some of the 13 were serious offenses and that the President might be responsible for one or more of the 13, and this meant that he would be included in the 79 per cent who thought the charges against the President were justified. This is a plain absurdity that the press made no attempt to clarify.

Item 8: The press has fostered the notion that President Nixon's huge tax deduction of $576,000 for the gift of his Vice-Presidential papers to the National Archives is a unique situation. Yet the General Services Administration has reported that a great many high Government officials have received tax deductions by contributing their private papers to tax-deductible institutions. The press quickly noted this report, and just as quickly forgot it.

Item 9: The involvement of E. Howard Hunt in the Watergate affair is a matter of common knowledge, and rightly so. Yet last December he told the Senate Watergate Committee that he spied on Barry Goldwater for the Democrats during the 1964 Presidential campaign—a vital fact that would provide essential perspective if only the press had not failed to acknowledge it.

Item 10: Much continues to be made of the financial contributions to President Nixon's re-election campaign by various special-interest groups. But the press has studiously avoided more than cursory mention of the fact that the American Federation of Labor and Congress of Industrial Organizations—which is vigorously pro-impeachment—contributed about $191,000 to the 1972 campaigns of members of the House Judiciary Committee, which is considering impeachment charges against the President. The biggest contribution, $30,923, was received by the committee's chairman, Peter W. Rodino Jr. Why has the press failed to report adequately this volatile matter?

Item 11: This year's first special Congressional election, in the Johnstown area of Pennsylvania, was billed weeks in advance as a Watergate referendum of national significance. Yet when the Democrat won by fewer than 300 votes out of more than 120,000 cast, the national press decided it was not significant after all. But then the Democrats won two more special Congressional elections in Michigan and Ohio, and the Pennsylvania election quickly regained significance as one of the three straight Democratic victories.

It did not seem to matter that a Republican had won more than 50 percent of the vote against a field of seven Democrats in yet another special Congressional election, in California. The press described the Republican's margin of victory as "slight," although it was larger than the Democratic margins of victory in two of the other three elections. This was advocacy reporting and it was irresponsible.

Item 12: The national press seems determined not to give President Nixon credit for accomplishment. When the accomplishment is undeniable the credit is given to others—as the credit is being given now to Secretary of State Kissinger for the apparent success of America's negotiating posture in the Middle East.

It is profoundly sad that Egypt's President, Anwar el-Sadat, through an interview in Newsweek magazine, had to be the one to acknowledge that Mr. Kissinger "under the guidance of President Nixon—and you cannot separate the two"—was doing "the unthinkable in the Mideast." The American press, not Mr. Sadat, bore the obligation to acknowledge as much.

Item 13: Two months ago Robert G. Baker, the long-time aide to Lyndon B. Johnson when he was the Senate Majority Leader, agreed to pay $40,000 into the Treasury in return for the dropping of a Federal suit charging him with influence-peddling. Thus the Bobby Baker case, first reported a decade ago, came to a quiet end—so quiet, in fact, that much of the press completely ignored it. The plain and unvarnished truth is that if the press had handled the Watergate affair in the same manner it handled the Baker case there would be no controversy today over alleged Government corruption.

Nearly a year ago I wrote the following: "If the press continues in its zealous overkill on this affair, it is not likely to destroy either President Nixon or the Nixon Administration but it will gravely injure something more important: The faith of the people in our system of government and all that it provides and protects—including, most pointedly, freedom of the press."

This has now come to pass, and most certainly this period will be remembered, with more sadness than outrage, as the darkest chapter in the long history of American press freedom. As a veteran newspaperman of principled dedication, I grieve for my profession.

(Franklin B. Smith is editor of the editorial page of The Burlington Free Press in Vermont.)

Mr. CURTIS. Mr. President, in light of these examples, I am wondering what kind of game these two major eastern newspapers are playing with the vital flow of information and opinions which they disseminate.

Is it a game of "get the President?" Is it a game more designed to score a goal than to play by rules that are fair and just and moral?

Is this a game reflecting the same type of dictatorial control and censorship of the flow of information that we abhor when we speak of practices employed by the Government of the Soviet Union?

Oh, yes, the game must be more subtle in America. To avoid charges of blatant hypocrisy, the Washington Post and the New York Times must make token concessions to opposing points of view and concoct flimsy excuses for their actions.

The New York Times, which has more printable space than any other newspaper in the world, told me in a letter dated April 17, 1974, that "we just could not find the space" to print an article citing facts in favor of the President's position in regard to his tax problems.

The Washington Post applied a rule against printing columns that had appeared in other papers—until it served the Post's editorial purposes—and then it printed two editorials from other papers within a very brief period of time.

This sort of flimflammery, Mr. President, seems to me to be the antithesis of the responsibility of a free press, especially when the metropolitan media in many parts of the United States have grown so large as to exercise thought control by the amount and type of information they publish on one side or the other of a public question.

Much of the information published by these two newspapers, the Post and the Times, becomes the gospel of the day when it is picked up and transmitted by wire services to newspapers and broadcast stations throughout the United States.

Is it possible that two newspapers through their various mechanisms of control, including cross-ownership of other newspaper and broadcast outlets, could direct the thought processes of large numbers of Americans in such a manner as to give those papers control of the Government of the United States?

Is control of the Federal Government the goal they seek in this game they are playing? Are they trying to "get rid of Nixon" because he would not kowtow to their wishes? Do not the American people have the "right to know" both sides in this dispute?

A BLUEPRINT FOR ACTION—STATEMENT OF ROBERT W. LONG, ASSISTANT SECRETARY OF AGRICULTURE

Mr. METCALF. Mr. President, I recently read the remarks of Robert W. Long, Assistant Secretary of Agriculture, made at the Seaboard Coast Line Railroad Forestry Conference, April 18, 1974. This speech unveils a disturbing philosophy in the man to whom Secretary Butz has delegated primary natural resource responsibility within the Department of Agriculture. Mr. Long's remarks advocate the exploitive alternatives of public land use. In light of the urgent need for sound multiple-use objectives on our forest resource lands, I feel compelled to bring his words to the attention of the Senate.

Mr. Long opens his speech with a description of his commitment: "my commitment is to the Secretary." There must be a higher commitment made by those whose responsibilities call for service to the public—a commitment to the resource needs of this nation and to its people. The results of the selection policies of this administration—selection of individuals committed to a man, rather than an ideal or the public good—are clear for all to see.

In this speech, Mr. Long itemizes seven principal resources issues that his administration must address. Five of these issues are stated in positive terms and are commendable objectives. But a reading of the remaining two raises a flag of warning to all concerned with balanced management of our public lands. Mr. Long states:

> We must strongly resist court actions which are designed to favor limited special interests. We must limit additions to our wilderness system until all affected uses are fully known.

These statements imply a direct executive branch challenge to the constitutional roles of the other branches of Government. Phrased in another way, Mr. Long is saying that he and his staff must limit what the legislative branch recommends and resist what the judicial branch determines to be lawful on resource matters. In recent months we have seen numerous examples of attempts by this administration to limit the Congress and resist the courts.

Mr. Long's talk contains a series of contradictory statements which are used to justify exploitive objectives. He praises the President's record and program for rural development when the facts tell us that this administration has impounded most of the funds which the Congress appropriated to solve the crucial problems which rural America struggles to overcome today.

Mr. Long correctly recognizes that "man is not independent of Nature, but a part of it." Yet he indicates willingness to challenge natural law and minimizes the consequences of such challenges.

He says:

> We have learned that careless exploitation of our forests is an exercise in self-destruction so we have reversed that practice—many years ago.

Considering the many lawsuits brought against the Forest Service for permitting exploitive operations to take place on the public lands, it appears that this practice is still with that agency today.

Mr. Long states:

> It is my personal feeling that we may already have gone the full cycle toward the preservation side.

Such a personal attitude is perfectly legitimate, but when it becomes part of the administrative policy of an agency that has a responsibility to make multiple-use management decisions in the interest of all Americans, then I for one, feel uneasy about true service to the public by that agency.

Mr. Long apparently misunderstands the wilderness designation process when he calls for national decisions related to the wilderness system. National decisions are made. Each wilderness proposal is deliberated by the Congress and a decision is made by the national representatives of the people. When he says "Have we already locked away too much land that could provide valuable products and services to millions of people?" is he ignoring the benefits of natural lands? Land in the wilderness system is not locked away. Does he mean that products and services such as pure water, natural beauty, flood control, outdoor recreation, soil stabilization, wildlife, clean air, open space, et cetera, have no value?

Mr. Long's statement that "wilderness is not for the masses—it is very limited in its usefulness to the public." is disturbing for several reasons. He once again ignores the benefits of natural undisturbed lands to the Nation and all its people. And his use of the word "masses"—a word that always seems to carry an implication of contempt—to describe the people whose long-range needs should be his only concerns, sends up another warning flag to me. The leader of the present administration once characterized the American people as children and his appointees appear to look down on us in a similar way

The stream of emphasis throughout this speech is one of serving those who favor exploitation of our public forest resources. Mr. Long expresses concern that the National Environmental Policy Act has become a club to halt certain projects and practices. If he would examine what has happened to our natural resource base over the past 100 years, he would recognize the need, as most Americans have, for a NEPA to give us some protection. If NEPA is a club, it is a club used in the public interest.

I was deeply disturbed by the following statement in Mr. Long's speech:

> I mean only to sound a warning of the signs I see that the national ardor for environmental protection can hit us right in the quality of life.

This statement sums up his disregard for a national concern in favor of the exploitive interests of those who misuse the public lands. Does Mr. Long really see environmental protection as a threat? The truth of the matter is that quality of life is not possible without protection of our environment. Our environment is where we live, the source of all that sustains us and permits us to develop and grow.

Environmental protection does not mean a return to the cave, it simply means developing our resources, industries, and communities in a way which will minimize environmental damage. It is not something to fear but is insurance for a future that we should welcome and incorporate into the basic planning process of every agency and industry. Environmental protection will insure future Americans clean air, pure water, growing forests and farmlands, mental and physical health, prosperous industries and communities, protective mineral and other resource development, and all the components of life quality that we need.

Mr. President, I ask unanimous consent to have Mr. Long's remarks printed in their entirety in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A BLUEPRINT FOR ACTION

(By Robert W. Long)

When I came to Washington about a year ago, I was told that I would be a Presidential spokesman. That may be technically true, but I would never presume to speak personally for the President. I joined the Department of Agriculture a year ago and my commitment is to the Secretary and only through him do I speak for the Administration.

This commitment was not only to the Secretary but to what he stands for . . . an opportunity-oriented free market guided by supply and demand rather than an agriculture and an economy stifled by government regulation. Secretary Butz has provided remarkable leadership in working with the Congress to help our Nation's agriculture shuck four decades of ill-conceived farm programs. His success was greatly enhanced by the simple economics of strong farm earnings that allowed us to pull out the old props.

I support the President's overall domestic program. His has been the strongest bid ever to reverse the massive concentration of Federal power in Washington. In an all-out effort to give the States and local communities a voice in decisions, he has preached the doctrine of regionalism, revenue sharing, a State-oriented welfare program, and rural development. This we call the New Federalism. It will be a shame indeed if these efforts go unheeded.

As for my specific input, the Secretary has delegated to me the primary responsibility for natural resources. We have moved cautiously in this sensitive area because many view the answers in extremes. The crying need is for even-handed action. In this regard we must find the way to persuade by the "rule of reason."

These are the principal issues as I see them:

1. We must *support* the principle of a capital fund for badly needed improvements in timber stands, recreation, range management, watershed protection, and preservation of wildlife in our National Forest System.

2. We must *control* surface damage from careless mining exploration.

3. We must *limit* additions to our wilderness system until all affected uses are fully known.

4. We must strongly *resist* court actions which are designed to favor limited special interests.

5. We must *encourage* long range planning for the management of our natural resources held in trust for public uses.

6. We must *strengthen* State and private forestry cooperation through incentives and direct assistance.

7. We must *increase* our research effort to reduce to acceptable levels the losses from damaging forest insects.

My remarks are based on the premise that man is not independent of Nature, but a part of it. As with all other creatures, he reaps his physical needs from the natural resources available to him, as well as some of his spiritual and social values.

But he has something more going for him. He has the knowledge and power to improve on Nature. He also has the power to do great harm. Yet this latter course is self-regulating. If the natural environment refuses to produce because of man's harsh treatment, man himself is soon the victim.

In any case, man has been manipulating the environment for greater bounty and a fuller life since the first "streakers," Adam and Eve, set foot on the earth.

The results of that manipulation have been somewhat spotty over the centuries, including those in this richest of all Nations.

But I think the United States has reached that level of civilization in which knowledge, temperament and technology are coming into phase. We now know we can manage our environment for our physical needs without exacting an unacceptable price from Nature.

In the case of the third of the United States which is forested, we can even improve environmental qualities and performance.

We have learned that careless exploitation of our forests is an exercise in self-destruction. So we have reversed that practice—many years ago, as the forests of the South attest.

But as we went too far in the exploitation of forests many years ago, we may now be in danger of rebounding too far in the case of preservation.

We must have the wood products, the metals, the oil, the water, and the forage that our forestlands can provide. We can have the wilderness, the recreation sites, the research natural areas, the National Parks, the wildlife refuges and habitats and the beauty, too. What's more, we can have all these things without degrading the surface environment.

Yet to have all these things, we must abide by a rule of reason. A rule which applies the concept of what is practical, what is manageable, and what is fair. In the realm of our real world, we must avoid extremes.

The rule of reason as applied here is wise use of our natural resources which assures protection of forests and grasslands, stability of soils, reclamation of mined areas, integrated land-use planning and other complex elements of natural beauty. It also means that those renewable resources of timber, water, air, and forage are available for the physical needs of our Nation.

I am convinced that this wise use principle can work. I believe it *is* working, with USDA leadership.

The Department is so often regarded as an agency dedicated only to improving the farmer's lot. Yet it is far more than that. It is a natural resources management agency as well.

Because of its extensive involvement in renewable natural resources, USDA might well be called the Department of Agriculture and Natural Resources.

To begin with, the Department is a major land manager. Through its Forest Service, it directly manages more than 8 percent of the surface of the United States in the 187 million acres of the National Forests. When this direct management responsibility is combined with Forest Service programs in State and private forestry cooperation and forestry research, we see that the agency influences management on a third of the Nation's land area classified as forest. Yet Departmental influence on surface resource management reaches out even further.

No organization in or out of government has a more extensive research program for plant growth, soils, water, air, and plant pathology. In addition, USDA has mineral specialists, landscape architects, archaeologists and geographers. The Agricultural Stabilization and Conservation Service administers the Rural Environmental Conservation Program, designed to improve and preserve the natural resources in rural America. The Soil Conservation Service, an early participant in favor of protecting the environment, is deeply involved in soil and water programs, survey and resource analysis and a host of other activities—all largely in the private sector and not just on our farms. USDA also has some 80 programs related to land-use planning.

These are the Department's credentials in natural resources management.

Now, you might ask, what policy is this "Department of Agriculture and Natural Resources" following in its role of public land manager, technical service support to private ownership, and resource management leader?

As I mentioned earlier, we are the people in the middle. And I don't say that in an apologetic way. The middle is where we ought to be.

We think there is enough for both the production and preservation interests, but we don't think the Nation oan afford to give too much to either interest at the expense of the other.

In light of physical product needs now rapidly overtaking us, it is my personal feeling that we may already have gone the full cycle toward the preservation side.

Let's consider the record:

The Department's Forest Service recently unveiled its "Outlook for Timber in the United States." This is the study made every 10 years to inventory all the Nation's supply of timber and compare it with present demand. It then takes a careful look at future supplies and makes an assessment as to how they match up.

The latest "outlook" report paints a rather bleak picture for the rest of this century, unless we change our forest management practices.

If prices for timber products hold at 1970 prices relative to other materials, demand will nearly double by the year 2000. Meanwhile, the half billion acres of commercial forest lands available today are producing at only about half their potential.

This means we must invest far more effort and money than we are now in the growing, processing and utilization of timber. We are taking steps in this direction, but they have been painfully small steps.

You may question whether the Administration actually is supporting adequate levels of investment in our National Forest System. So do I, and it seems to me that a fresh look at our budget priorities might be in order.

Meanwhile, the outlook report describes another development which can have a significant effect on our production needs. It says that the commercial timber land base in the 1960s started a decline because of increasing allocation of this land for other uses. It estimates the declining trend will continue at the rate of five million acres each decade through the next 50 years.

One of these other uses is wilderness, for which there is a vocal public demand. We want to have a well-rounded and accessible wilderness system, but I feel we need to make some national decisions soon on how big a wilderness system should be.

Have we already locked away too much land that could provide valuable products and services to millions of people? I'm not saying we have reached that point—only that we should determine if we can afford an open-ended wilderness designation program. Wilderness is not for the masses—it's very limited in its usefulness to the public.

The same caution should prevail in our vital environmental protection programs. In its report last year, the National Materials Policy Commission articulated my point concisely when it said: "Both the need to produce goods and the need to protect the environment are vital; neither should be compromised."

Sometimes I fear that we may have already compromised too much. For example, the National Environmental Policy Act has become a club in some cases to halt timber sales in the national forests, to stop use of herbicides in building firebreaks in my own State of California, and in others to foreclose mining and recreation development. Groups like the Sierra Club have arbitrarily and unilaterally decided what national recreation should be and are trying to impose their verdict on the rest of America. I think this is outrageous. It's ridiculous to take the definition of a limited special interest group and say it necessarily applies to the interest of all Americans.

Wake up; America, it's your land too!

Because of fear of possible ill effects to man and other organisms, we have been hamstrung in emergency efforts to hold back the tide of major insect epidemics in the interim until we find safe integrated control programs. We just cannot afford to pay the staggering prices of the depredation to our forests by the gypsy moth, tussock moth and southern pine beetle, to name only three. The price of doing nothing can sometimes be more than the welfare of the country can stand.

Naturally our national resource situation is not all bleak. I mean only to sound a warning of the signs I see that the national ardor for environmental protection can hit us right in the quality of life.

On the brighter side, I must emphasize that our natural resource management is basically headed on the right direction.

Let me cite some examples of Department programs in land management reflecting this policy:

The Forest Service is now putting the final touches on a planning program for the next 10 years, encompassing goals and costs of achieving them in all major programs. It establishes three levels of goals, ranging from a minimum effort to an optimum effort in forest management. All three levels are designed to provide balance among the programs and uses, as well as environmental protection.

We feel this *Environmental Program for the Future* will give both the Administration and the Congress a clearer and more systematic grasp of the financing needed to achieve certain levels of quality management. Each year's programming and financing can be tailored to the long-term plan, rather than being limited simply to the goals for a single year.

We are gearing more and more of our forestry research to the dual roles of producing more forest products and services, and establishing more environmental safeguards. With both the gypsy moth and the tussock moth, researchers are working on several fronts to bring together an integrated collection of safe tools, including biological, chemical and mechanical methods to control forest pests.

With heightened interest in coal, the Department has established a research, development and applications program in the West to deal with problems of surface reclamation in areas where coal and other minerals are extracted. Its purpose will be to provide land managers with planning and reclamation alternatives by which they can satisfy mineral needs while assuring environmental protection.

We also have just recently proposed new mining regulations for 140 million acres of National Forest. This is not aimed at restricting mineral production. It merely means that we will not tolerate unplanned, indiscriminate gouging and tearing out of our land surface.

And this year the Department launched a forestry incentives program for the small, non-industrial private landowner. It is only a pilot program, but we know very little will happen to increase wood supplies on the large acreage in this category without incentives, and we fully intend to accelerate the program. And because the greatest potential for high returns are here in the South, we will channel much of the initial effort to the Southern States.

These are few of the activities of the Department of Agriculture which, I think, provide a reasonable approach for fulfilling the Nation's production and conservation needs. We are certain that preservation and full production can go hand-in-hand. But both will suffer if we become too zealous in promoting one at the expense of the other.

Neither the production interests nor the preservation interests can have all they want. Good natural resource management decisions can be made and measured only as they benefit the general public interest. We contend that the public interest is best served by balanced multiple use for present and future generations.

The rule of reason among people of good will should prevail.

THE CROWN OF ST. STEPHAN

Mr. HUGH SCOTT. Mr. President, a few days ago, the Washington Post had an article about the desire of some to return the Crown of St. Stephan to its rightful home, Budapest, Hungary. I am happy to report today that if that should be done—and I believe it is right and proper that we do so—the United States will suffer no loss for we have with us for the next few days the living embodiment of St. Stephan, Hungary's first Christian king of the 10th century.

I speak of Joseph Cardinal Mindszenty, the prince prelate of Hungary, a martyr to the Christian faith, a champion of justice for all, a protector of the persecuted, and a hero among men.

Just over 2 years ago, I congratulated the cardinal on the floor of this Chamber for having reached the august age of 80. At that time, I singled out for special attention his imprisonment in 1919 by an authoritarian Hungarian Government, his opposition and jailing by the Nazis when they invaded his homeland, his brainwashing, torture, and 5-year suffering in various jails when Stalinist forces took over Hungary and, finally, his 15 years of confinement in the American Legation in Budapest after being released by the Hungarian revolutionaries of 1956.

Few men have endured so much for their convictions over such a breadth of decades. Cardinal Mindszenty now returns to our shores to offer to Americans and Hungarian-Americans and all others who believe in a Supreme Being an exemplary attestation of personal conviction, religious principle, and moral intrepidness. His name will be remembered long after all those who have tried through the years to bring him to his knees have disappeared from the Earth and are forgotten.

I urge all my colleagues to join me in recognition of this prince of the church who, despite threat or blandishment, prefers a pallet to a bed even in a palace, prayer, and meditation even to food and drink, and independence for all even more than his own freedom.

CIVIL SERVICE SALARIES

Mr. MOSS. Mr. President, the recent defeat of the President's proposals for adjustment of congressional, judicial, and executive salaries threatens to escalate executive pay inequity from a problem to a crisis. Legislation enacted by the Congress in 1967 linked the salary rates of the upper levels of the civil service to the mechanism for periodically adjusting the pay of the other branches of government. While this was genuinely intended to make this an objective procedure, free of election year and other political considerations, it has, in its first major test, clearly fallen victim to those very considerations.

My concern, as it should be of every Senator, is for the effective functioning of the Federal Establishment. The men and women affected by this pay system are those entrusted with the administration of the $300 billion we appropriate for Federal programs and with the operation of multibillion dollar capital investments. The Congress, which establishes these programs and oversees them, is responsible also for the consequences of our pay actions—or inactions—on the way these programs are administered.

Our top Federal executives have not had their salary rates raised since 1969. While this in itself, in an era of rampant inflation, may appear as an obvious inequity, the truly serious consequences are only now beginning to unfold. Under the statute I have mentioned, there will be no further salary reviews for another 4 years. And while, as I noted before, some may take the position that $36,000 is a desirable salary today and likely to be even 4 years from now, we must consider what the perpetuation of this ceiling means for the functioning of the Government.

I have been a close observer of Federal personnel matters for some years as a member of the Committee on Post Office and Civil Service. During the past 2 years, I have had the additional opportunity, as chairman of the Committee on Aeronautical and Space Sciences, to become familiar with activities of the men and women who staff the National Aeronautices and Space Administration. It has been impressed upon me, as never before, that the continued successes of this Nation in science and technology depend upon the leadership and ingenuity of these dedicated and capable career civil servants. And to get a fair return on the money we have wisely invested in the space program—and all of our worthwhile programs—we must be able to attract and retain this high calibre of human resources.

Material rewards have never been the chief attraction to prospective Federal executives and technical experts who can look to private industry for much greater compensation. Nor should they be the prime motivation for high office in the United States. But surely the Government's failure to maintain some semblance of internal pay equity and to address itself to inflationary pressures can only cripple the Government's ability to recruit and retain the best talents available. Adverse consequences are already discernible in both recruitment and retention. For example, NASA has been searching for replacements for several of its highest positions for many months. The qualifications for such jobs are necessarily quite rigorous, and individuals possessing them are found to be earning far in excess of the $36,000 NASA is able to offer. Half a dozen people who would otherwise have made excellent candidates have declined interest citing the pay ceiling as a prime or important reason.

For those already at the salary ceiling, the failure to afford pay recognition to increasing degrees of responsibility tends to dull incentive and encourages resignation or retirement. Salaries of $36,000 exist at as many as four organizational levels below the Administrator of NASA at headquarters and at several levels below field center directors as well. Four more years of this restraint will blanket positions of even less complexity and responsibility into a common pay group, compounding the present imbalance.

While the ceiling now dips down to the 10th step of GS–15, a 5.5-percent statutory pay increase for general schedule employees next October without legislative relief at the top level could lower its restraining effect to the 8th step of GS–15. Each year thereafter would see a further erosion of the congressionally enacted salary comparability principle. By the time of the next statutory pay review in 1978, employees in four steps of GS–14 will have joined virtually all of the GS–15's and everyone at higher levels at the ceiling. In professional scientific and technical work, GS–14 is frequently just one grade above journeyman level and includes many specialists with no supervisory or management responsibilities.

Finally, an executive whose salary has already been frozen for up to 5 years and who has no prospect of upward movement for several more years is suffering in terms of retirement income as well. Automatic Consumer Price Index-related increases apply to existing pensions while the salary forms the "high-three" base for the future annuity computation remains fixed.

A Federal executive can hardly be blamed for concluding that his economic interest—and that of his family—can best be served by exchanging a frozen salary for an appreciating pension while one is still able to obtain new employment. This trend can only accelerate under the existing circumstances, prematurely depriving the Nation of valuable experience and knowledge.

It is, therefore, clear that the artificial, indefinite restraint on upper level civil service salaries—never intended by Congress—represents a growing handicap to the efficient and effective management of Federal programs and missions by discouraging both prospective high-caliber candidates and incumbents of key positions.

On May 7, the President proposed a short-term remedy for this critical problem. He has proposed legislation which would raise the salaries of those in the lowest three levels of the executive schedule and thereby permit a significant increase in the salaries of those in the highest grades of the civil service general schedule. While no Federal official earning more than $42,000 a year would receive a raise, those in levels V, IV, and III would go to $41,000, $41,500, and $42,000, respectively. This in turn would lift the artificial $36,000 career civil service general schedule ceiling and not only permit merited and needed raises but also restore pay distinctions for different levels of responsibility.

Such action can curb much of the growing dissatisfaction in the top career and executive ranks and stem the loss of existing and potential talent. Our mandate to see to the economical and effective execution of those programs we create and support dictates that we eschew false economy and provide the wherewithal to attract and retain the best leadership the Nation can offer.

PROTECTION AGENCY CONCEPT HIT

Mr. BROCK. Mr. President, I would like to submit for the RECORD an editorial by the Wall Street Journal from earlier this month. This editorial well portrays the bigness of the bureaucracy that has become such a monster in Washington. If the Consumer Protection Agency becomes a reality as presently proposed, we will see another uncontrollable organism slapped on the Government and on the people of this Nation. I ask unanimous consent that this editorial against the CPA be printed in the RECORD.

There being no objection, the editorial was ordered printed in the RECORD as follows:

PROTECTION AGENCY CONCEPT HIT

On January 1, Ralph Nader announced that his resolution for 1974 would be to win enactment of a Consumer Protection Agency. In years gone by, his problem has been to get the House, Senate and White House to act in concert. So far, so good. The House has acted, the Senate can hardly wait and the President will sign just about any CPA legislation the Congress sends him.

Too bad. While the creation of another federal bureaucracy did not top our list of New Year's wishes, neither did we oppose the general idea. But the agency now being fashioned to Mr. Nader's specifications goes so far beyond the cute little office we had in mind that opposition is in order.

To begin with, the $10-million-a-year consumer agency will not simply institutionalize the consumer advocate. An agency that could somehow divine a consumerist version of the public interest and make that view known throughout the federal establishment is not an altogether objectionable idea. If the CPA seriously weighed costs as well as benefits it might do some good.

What is emerging, though, is an agency empowered to force its subjective view of consumer interest into almost every administrative procedure and to initiate legal action against any decision it disagrees with. Routinely we can expect to see government lawyers battling government lawyers in The United States of America vs. The United States of America. Is it any wonder the American Bar Association thinks the idea is dandy?

Nor is it surprising that organized labor thinks this would be grand. About the only area specifically exempted from CPA meddling is that which covers labor. The last thing George Meany wants is to have a consumer advocate rustling through a proceeding on unfair labor practices and announcing the cost to the consumer of meeting an AFL–CIO complaint, then pitting the consumer against a union in a court action. . . .

There exists no individual or group of individuals who could consistently learn the consumer interest through contemplation. There are too many classes of consumers, both those consuming today and those who will be consuming in the future. Does the government's consumer advocate, in the Alaska pipeline case, represent the consumer whose highest priority is to view an unsullied tundra? Or the one who wants to buy gasoline in 1980? Does the CPA represent the consumer's health, safety, environmental interests? Or the consumer's short-run pocketbook interest? Or the consumer's long-term pocketbook interest? Nobody will know until this wise person is named and examined.

For the life of us, we can't even understand why Mr. Nader wants to have this unknown wise person installed in a powerful bureaucracy. As it is, private consumer organizations have a good thing going. There are enough of them around to represent both the tundra viewer and the 1980 gasoline buyer, the consumer's health interest, safety interest and long and short-term economic interests. All these consumer views are reflected through the myriad federal departments and agencies, and there is thus intense concern for the consumer.

What can only happen with a CPA, which presumes it can somehow strike the balance, is an inexorable erosion of Washington's concern for the consumer movement. After every federal agency has been challenged in court by the CPA, after having labored mightily to compose competing interests into an administrative decision, the wise person who runs the CPA will be ground to bits by Capital politics. If the CPA is adopted in its present form, we have a hunch Mr. Nader's New Year's resolution in, say 1977, will be to win repeal of the Consumer Protection Agency.

UNITED NATIONS

Mr. MUSKIE. Mr. President, on May 11, United Nations Secretary General Kurt Waldheim delivered a most perceptive commencement address at the Catholic University of America, Washington, D.C. In his remarks, Waldheim discussed in some detail "the dominant reality of our time—the interdependence of all life on this planet."

In the present era of global scarcities, self-sufficiency is a misguided delusion and interdependence is an inescapable fact. It is becoming increasingly clear to the world's leaders that many of the problems of both the rich and the poor nations are best solved in multilateral efforts through international organizations that benefit all the peoples of the world. Secretary General Waldheim's remarks analyze some of these problems as well as point out some of the opportunities which global resource scarcities have created for meaningful international action.

Mr. President, I ask unanimous consent that Secretary General Waldheim's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Commencement Address by the Secretary-General of the United Nations, Mr. Kurt Waldheim

President Walton, Archbishop Iakovos, Mr. Watson, Your Excellencies, ladies and gentlemen: I am greatly honoured to receive the Honorary Degree of Doctor of Laws from the Catholic University of America, and to be invited to deliver the Commencement Address. I am particularly glad to receive this Degree in the distinguished company of Archbishop Iakovos and Mr. Thomas Watson. The record of Archbishop Iakovos' service to humanity, and particularly in his active involvement in the civil rights movement, in which this University takes such a close interest is an inspiration to all. Mr. Watson has served his country with great distinction in war and peace, and his close and continuing interest in educational matters is one of the many reasons which has prompted the honour he has received today.

The honour which this great University has given me is one which I appreciate personally, but I am grateful also because it is a recognition of the work and achievements of the United Nations. It is a source of deep encouragement to me that the Catholic University of America should wish to renew its public commitment to an organization and to ideals which are deeply rooted in the fundamental verities of the Christian religion.

The United Nations contains many different faiths, ideologies, and beliefs. It embraces all the doctrines and attitudes of mankind, and it was the genius of the Founders to create a Charter to whose principles all nations could freely and willingly subscribe. The words of the Charter, "to practice tolerance and live together in peace with one another", have a particular and profound meaning to Christians and non-Christians alike. And the words of Pope Paul VI, in his message for the Day of Peace in 1972, have a universal message: "We believe that the idea of Peace still is, and still must be, dominant in human affairs. It is a necessary idea, an imperative idea, an inspiring idea".

For those who have experienced war and have seen its appalling legacies of fear, suffering, anguish, and hatred, such a statement brings a swift and fervent response. For them, peace is indeed "an inspiring idea", opening new visions of human progress and happiness. It is often more difficult for those who have not had this experience to realize how blessed and fortunate they are.

It is the experience of my generation, which has passed through the grief and tragedy of war, and has spent most of its life in a shadowy hinterland of a precarious and fragile half-peace, that mankind has yet to realize that the establishment of a true and lasting peace requires intense work, vigilance, and application. It is important that we pass on this experience to later generations.

It is now thirty years since the first positive steps were taken in this city, at Dumbarton Oaks, to translate the United Nations concept into a practical reality. It was the creation of a generation which had passed through two world wars, and which knew only too well the consequences of international anarchy. Their intention was to create a new framework for international co-operation, based on the premise of "faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women, and of nations large and small."

In many respects, the objectives of the Founders of the United Nations were very similar to those of the Founding Fathers of the United States. The feeling, in Thomas Paine's words, that "we have it in our power to begin the world over again" was present in Dumbarton Oaks in 1944 and in San Francisco in 1945. So, too, were the precepts of Thomas Jefferson that "all men are created equal," and that man's inalienable rights are "life, liberty, and the pursuit of happiness."

But the omens were not wholly propitious. The gulf between ideals and realities was very great. The war had already transformed the balance of power in the world. Large areas of it—particularly in Europe and South-East Asia—were already devastated. Although only very few knew of the awful potentialities of nuclear weapons, two world wars had already killed, maimed, and made homeless tens of millions of people by so-called "conventional" means. In July 1914 a bullet fired in Sarajevo plunged Europe into a war which spread to Africa, the Middle East, and Asia, and which eventually involved the United States of America. In 1939 the invasion of Poland set off another—and even more totally global and terrible—inferno.

As has been rightly said, great conflicts often begin from small events, but never from small causes. The foundations of the events of 1914–1918 and 1939–1945 had been laid long beforehand.

The most potent ingredient of all was a form of nationalism and a concept of national interest which had been relevant for centuries, but which was now fatally outdated. No one, in 1914, had any comprehension of what modern war meant. But, even if the statesman of 1914 *had* realised what lay ahead, they lacked the machinery, and above all, the comprehension, to check the tide that swept them to disaster. Conventional diplomacy had no answer to these new forces. The argument that politicians can be victims of events rather than their controllers had never been more clearly demonstrated.

Tragically, this lesson was not learnt after the First World War. The League of Nations was a nervous half-step in the right direction but few of its Founders placed much faith in its practicality, and most were secretly relieved when the United States refused to join and the Soviet Union was deliberately excluded. Behind the facade of protestations of faith to the ideals of the League, nations pursued their own narrow interests and maintained old enmities.

It is appropriate, at this point, to recall the much misunderstood vision of President Woodrow Wilson. He failed in his task of convincing the European leaders and his own countrymen. Indeed, it was while he was engaged in this campaign that he was fatally stricken. As the years pass, as we look back on what happened subsequently, we can see better than his contemporaries the true scale of his vision.

It was the combination of vision and realism that created the United Nations. For, if the lessons of 1914 had not been learned by 1919, they had been by 1944. The delegates at Dumbarton Oaks were not attempting to create a perfect world order, only a better one than that which they had inherited, and which had brought mankind to the brink of disaster. This mood of hard realism was not understood by all, and there were those who believed that mankind had devised some magic formula which would swiftly resolve his problems—something called "the United Nations." These people are those who have been most disillusioned, and who tend to blame the continuing problems and difficulties of the world on something called "the United Nations."

The Founders of the United Nations, on the other hand, did not expect human nature or political realities to change suddenly. They did not expect ancient enmities and jealousies to be dramatically resolved. But they grasped what Senator Fulbright has described as "the one great new idea of this century in the field of international affairs." In spite of many difficulties, many setbacks, many disappointments, the organization which they established has survived, has been strengthened, and has become an almost universal community of nations. But, in spite of all these changes, which reflect the series of revolutions through which the world has passed since 1945, the fundamental purposes remain—to save succeeding generations from the scourage of war, and to promote social progress and better standards of life in larger freedom. It is within the framework of these objectives that the United Nations has expanded and developed.

The fact is that the United Nations as it has evolved is many things. It is a unique forum for international debate and dialogue; its peacekeeping role is a vital element in the limitation of conflict and the establishment of peace; it is a world-wide inter-governmental diplomatic organization; it has become a global economic, social and humanitarian organization. Today, there is hardly any aspect of human activity in which the United Nations is not, to some extent, involved.

Perhaps most important of all, the United Nations has become a mirror of the hard facts of the world. The United Nations reflects profound political, national, and ideological differences. The United Nations reflects the anguish of the two-thirds of mankind which live in abject poverty. The United Nations reflects the desperation of those with no education, those with no employment, those with no food and with no hope. The United Nations reflects racial discrimination, denial of basic human rights, injustice, and persecution. The United Nations reflects a world which spends three times the amount of money on armaments than it does on health. If ever the United Nations, now almost a universal organization, ceases to reflect realities, then it will have ceased to have its unique value. For it is only on the basis of true knowledge of the problems of the world that mankind can begin to resolve them.

But if the United Nations reflects much that is tragic, it also reflects much that is good and encouraging in the human spirit. And perhaps the most remarkable of all has been the development of the ideal of international service into a practical reality. There were many at Dumbarton Oaks and San Francisco who were skeptical about the practicality of the concept of men and women from all nations voluntarily serving an international cause, but we have seen in the lives of people like the late Ralph Bunche that it *can* be, and has been, achieved. We see it today in the selfless dedication of people all over the world working for the United Nations in social and humanitarian relief programmes. We see it in the peacekeeping forces who risk their lives in the quest for peace. We see it in those who work in the United Nations refugee camps, in our health, education, and agricultural programmes, and in the provision of food to those most desperately in need through the World Food Programme.

The United Nations is essentially a great and unique human experiment. As such, it is open to all the human shortcomings and weaknesses. But it is *because* it is a human organization, served by individual human beings from every continent, that its strength and relevance derives.

I hope that most of you will concern yourselves with public service—not necessarily as a career, but in the other ways open to all citizens. I hope that you will recognize your responsibility to your community, to your state, and to your country. But I also hope that you will recognize your responsibilities as a citizen of this planet. Again I should like to quote from His Holiness the Pope: "Peace is something difficult; indeed very difficult; but it is possible, and it is a *duty*. That means that much work must be done in order to obtain peace. Peace does not come of itself. It does not stay of itself. It results from great efforts, from great plans. We must desire it, we must deserve it . . . Peace is everyone's good, and *everyone* must collaborate to preserve it and make it advance. In some measure each and every one of us can and *must* collaborate".

For what is the dominant reality of our time, and of the time ahead of us? It is interdependence—the interdependence of all life, and not only human life, on this planet. It is impossible to deal with the great problems which confront the world individually. Population, environment, energy, raw materials, natural resources, health, employment, education—each element is interconnected with the others. These are global problems, which require a global response. No nation, however large or powerful, can escape from the fundamental reality of our interdependence. No individual can escape from it. War or the threat of war anywhere affects us all. A trade recession, international monetary instability, inflation, a great natural disaster—any of these, occurring anywhere in the world, to some extent affects us all. International peace and stability are fragile. Just as in 1914 a single bullet was the catalytic agent that plunged the world into war, so, even more today, can events in far-distant countries affect our daily lives. If the recent Middle East crisis and its aftermath has not reminded us of that fact, then man is not the rational creature whom we like to think he is.

Thus, although you must serve your nation, you must never forget your duty as a world citizen. Nationalism as such is a fine quality, but, as the history of this terrible century so clearly demonstrates, it can degenerate into attitudes which are disastrous for all.

Of all the evils which have beset mankind in its recent history, that of ignorance is perhaps the worst. For out of ignorance there comes intolerance; out of intolerance there comes hositility; and out of hostility there comes conflict. In our interdependent world it is dangerous to be ignorant of other nations, other faiths, other ideologies, other interests, other ambitions, other hopes. From knowledge of these you will learn how it may be possible for the world—*your* world—"to practice tolerance and live together in peace".

President Walton, ladies and gentlemen. The problems which confront us are so large, so complex, and so profound that many individuals feel an emotion of helplessness. But the record of the United Nations since Dumbarton Oaks has shown that no problem is incapable of solution if—but *only* if—the nations and the peoples of the world resolve to face them realistically together with determination, understanding, and shared concern. In this task the active involvement of the individual citizen is crucial. So I urge you to involve yourself in public service; to concern yourselves with the realities of the world; and to resolve to play whatever role you feel is most valuable. Above all, never despair, and never give in. And always bear in mind the bitterly-learned experience of my generation—that the alternative to human co-operation and goodwill is human suffering and anguish.

The aim of this great University is "to search out truth scientifically, to safeguard it, and to apply it to the moulding and shaping of both private and public life". I am confident that these beliefs will always dominate your lives, and that you will prove worthy of the trust and faith which we, another generation, place in you.

I thank you for the honour you have given me. I give to each and every one of you my warmest good wishes for the future.

HIS EMINENCE JOZSEF CARDINAL MINDSZENTY

Mr. BROCK. Mr. President, in the history of the world, there are many men and women who have put aside personal safety and comfort in the name of principle. Today, we have the unique opportunity to honor such a man—His Eminence Jozsef Cardinal Mindszenty, the Archbishop Emeritus of Esztergom and the former Primate of Hungary. Cardinal Mindszenty is a beacon to us all.

He could not and did not compromise principle during the harsh years in Hungary when it would have been so easy to buckle under the pressure brought to bear against him. He stood firm in the face of adversity. Even more, he maintained the strong principle of preserving human dignity. We can learn much from this gallant man.

I wonder how many of us could endure the strain that he has endured. I wonder how many of us could maintain the principles that we know to be correct as he has done.

Cardinal Mindszenty has given his entire life for God but we shall remember him for his gifts to man—a continuing example of the dignity of human freedom. It is only fitting that a nation, conceived as was the United States, honor this man who has stood firm for the principles of freedom and liberty and the destruction of oppression.

WHEN BABIES GO HUNGRY

Mr. HUMPHREY. Mr. President, an excellent, thought-provoking article, entitled "When Babies Go Hungry," appeared in the June 1974 issue of Good Housekeeping magazine. The author, Joseph N. Bell, is to be highly commended for this clear and sharp analysis of the vital importance of the Federal program of supplemental food assistance for women, infants, and children—popularly known as WIC.

Mr. Bell focuses on the urgent need for this program, which I had the privilege of jointly authoring and which was enacted into law almost 2 years ago, to address the direct cause-and-effect link between diet and mental retardation, correcting the malnutrition that adversely affects the human brain.

Combating malnutrition among pregnant women, infants, and children of pre-school age clearly should be one of our national priorities in promoting the general welfare. But the administration delayed for months on end in implementing this program and allocating the funds appropriated by Congress. I finally found it necessary to participate in the successful prosecution of a court suit to force the administration to carry out the mandate of Congress.

The publication of this article is particularly well timed, in light of the Senate passage, on May 21, of legislation which included an authorization to increase the required expenditure for the WIC program from $40 million to $131 million for fiscal year 1975. $100 million of this authorization is urgently needed to prevent major cutbacks in this program in the coming fiscal year. The further $31 million would be available to fund new program applications that were on file as of 5 months ago but which have not been funded.

I strongly urge that Congress complete action on this vitally important legislation—which also increases Federal assistance for our nationwide school lunch program—without delay. Dangerously inadequate diets are an all too frequent phenomenon among expectant mothers and babies of lower income families, and among schoolchildren of all family income levels. It is incumbent upon the Federal Government to provide effective help to meet this need, and meet it now.

Mr. President, I ask unanimous consent that the article from Good Housekeeping magazine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHEN BABIES GO HUNGRY

(By Joseph N. Bell)

During the first months of life, malnutrition takes its cruelest toll. Here is a shocking report on that damage, and on what could be done about it—but isn't if $60 could save a baby from mental retardation, would you pay it?

Of course you would. And in 1972, you did—or at least committed yourself to paying it by way of your elected representatives in Washington. At that time Congress appropriated $40 million in an attempt to salvage some half a million high-risk newborn babies and rescue many of them from the tragedy of lifetime dependency, if not actual hospitalization.

The program, which went by the acronym of WIC (Women, Infants and Children) hinged on a vastly important scientific discovery: that there is a direct cause-and-effect link between diet and mental retardation, that malnutrition can actually stunt the human brain. Science has also learned that the damage is done very early in life, during the last months in the womb and the crucial first year of life when brain cells are grown. If a baby hasn't developed a full complement of cells by the time he's 18 months old, it is known now that he never will. Ill-nourished children have been found to have 40 percent fewer cells than those who've been well fed.

What all this means is that, although mental retardation is not curable, it *is* preventable—at least in a substantial number of cases. And that what's needed to prevent it is not any wonder drug or magic bullet, but simply getting the right food at the right time to mothers and infants who might not otherwise get it.

Congress had all this in mind when it launched its war against mental retardation. Although its decision created scarcely a ripple among the public at large ($40 million is, after all, not even a drop in the Federal budget and produced no headlines), it was greeted with cheers from the experts in a dozen fields. Now, at last, something was being done to break the vicious cycle of poverty and social problems, and to check, at very little cost, what scientists saw as a serious threat to the brainpower of future Americans.

Today those same experts are not cheering. For 18 months the WIC program was bogged down in the bureaucratic snarls and confusion of post-Watergate Washington. Now, although some funds are finally being disbursed, no one agrees on how much is left. And, at this writing, nothing has been done about renewing the appropriation. As of now, unless all of us—you and your husband and your friends—bring pressure on Washington, what WIC promised may turn out to be no more than a promise.

Here, then, are the facts.

Some 26 million Americans now live below the poverty line as defined by the Social Security Administration. One out of every four children under six years of age presently lives in a home where, according to Dr. Charles Lowe of the National Institute of

Child Care and Human Development, "there is not enough income to meet the costs of many of the essentials of life." Including the most essential essential of all: proper food.

In 1971, a subcommittee of the U.S. Senate began looking into the relationship between poverty and mental retardation. The hearings were triggered by a remarkable four-year investigation by a team of doctors and researchers at St. Jude's Children's Research Hospital in Memphis, Tenn. Through a carefully chronicled supplemental feeding program in a low-income black neighborhood of Memphis, the St. Jude's team proved that the height, weight and intelligence distribution of these terribly poor children could be raised significantly through the proper practice of maternal and infant nutrition. A number of other medical experts corroborated the St. Jude findings.

What this adds up to for you and me is that the billions of dollars we now spend to care for people who cannot care for themselves might be materially reduced if the problem were attacked at its source. What it would cost, according to the experts, would be about $20 for the right kind of supplementary food for each prospective mother during her pregnancy and about twice that amount for an infant during his first 18 months of life. As Senator Hubert Humphrey pointed out: "The *total* cost of this kind of supplemental feeding program would be less to a community than the expense of caring for only a few retarded infants over their lifetimes."

So positive action—for once—seemed clearly defined: The job was to see to it that every prospective mother in the United States unable to provide nutrition for herself and her unborn baby be given proper food. There were no grinding social or political issues involved. The need had been demonstrated. The means were at hand. The cost was relatively small. And the benefits—to mothers, infants, and every American taxpayer—were extraordinary.

Faced with such simple imperatives, even Congress can move quickly. In mid-1972, a Special Supplemental Food Program (later to be known as WIC) was passed. It provided $40 million over the next two years to feed an estimated half million pregnant women and infants in low-income areas. Results were to be tabulated and carefully studied to determine how effectively the program was working.

Nutritionists and pediatricians in thousands of community public health centers were elated. Up to that point, all they had been able to offer had been advice—which the poor people they were counseling often couldn't afford to follow. Now they could give food, too. So they waited eagerly for the U.S. Department of Agriculture—which had been charged with administering the WIC program—to gear up and get started.

And nothing happened. Absolutely nothing—no application forms, no advisories, no food. After a year of that, interested citizens brought a class-action lawsuit against the Agriculture Department to force it to put the appropriated funds to work. The judge didn't mince words in his decision; he gave the USDA one month to draw up the regulations for WIC and request applications for funds.

At the same time, the outraged Senate subcommittee reconvened its hearings and blistered the USDA representatives summoned before it. When the USDA people insisted they understood WIC's job was one of medical evaluation, the Senators stressed again their intent that the $40 million should be used immediately to feed hungry babies and expectant mothers.

The applications for supplementary feeding funds that poured in from all over the nation after the court decision were tangled for months in bureaucratic red tape. First approvals were granted late in 1973, and a month later, a few of the programs finally got money that had been appropriated.

The first statewide WIC operations were in Arizona, where the need was urgent and the machinery had long been readied by a dynamic young state nutrition director with snapping eyes and a no-nonsense approach named Anita Yanochik.

One of Anita's assistants—a tall, attractive graduate of the University of California named Carol Eichelberger, took me in hand when GH sent me to Arizona to see how the WIC program worked. For her demonstration, Carol chose the desert town of Florence, a place of adobe and brick and sand and dust where men wear boots and drive pickup trucks, where water makes acrid soil productive, and billboards advertise rodent control. The population is a broad mix of native-born whites, blacks and Mexican-Americans.

On that morning there was a birth control clinic at the health center. Later the WIC mothers began arriving—a stream of pregnant women and new mothers applying for food vouchers for the first time or picking up new ones.

I listened as field nutrition worker Sally Lewis—effervescent and friendly—interviewed two WIC applicants. The first was Maria, 23, Mexican-American, with huge, luminous brown eyes, who was married to an unemployed agricultural worker. She had two small children with her and was expecting her third in five months. The second, Billie Sue, was American-born, heavy-set, 24. She had recently married a widower ranch hand with 12 children. She had three small children in tow and was visibly pregnant.

Sally checked their blood for anemia and took detailed personal information. She learned that Maria and her husband had recently moved from her parents' home into their own apartment, but that then her husband had been unexpectedly laid off. Although he hoped to be working soon, there was no income meanwhile and Maria had to use what cash they had to buy food for the family rather than the special foods she had been told she needed. Billie Sue was scarcely better off. Her husband was earning less than $500 per month, from which she had to feed the ten children still at home. She, too, had to think of stretching food for the family rather than of special foods for herself and her unborn child.

Both women were obviously within the scope of the WIC program, and Sally Lewis provided them with food vouchers on the spot. The voucher looks like a blank check, but on the bottom of the form is a list of vital foods—iron-fortified formula, fruit juices, whole, skimmed or low-fat fluid milk, nonfat dry milk ("Some of these people," explained Sally, "don't have refrigerators"), and so on. The nutritionist prescribes an individual diet for each mother and infant, then indicates it on the form. The recipient can exchange the voucher in any food store for the precise nutrition she needs—and for nothing else.

Several dozen expectant mothers had been provided with food vouchers by late afternoon. When the lines of patients began to dwindle, the staff—two public health nurses and three nutritionists—had a few minutes to breathe and to talk to me. From them I learned about some of the people WIC had come along too late to help. Fifteen-year-old Brenda, for example, who had been abandoned by her father and beaten by her stepfather and made pregnant by a schoolmate from a wealthy family that refused help when they found they were not legally obligated. Brenda had shown up on Sally Lewis' doorstep one night, huddled against the cold, and eight months pregnant. Sally had taken her in and done what she could for her—and later for her baby. The child, who is now two and being raised by Brenda's grandmother, already shows signs of subnormal intelligence. WIC might have saved her.

There were dozens of similar stories, told with a kind of compassionate detachment. Cases of mental retardation are tragically familiar to the people who work with the poor. (A recent seminar of the American Medical Association reported that "three-fourths of all retarded children come from impoverished families; and seven percent of all children from poverty appear mentally retarded. Thus countless children become handicapped simply because they were born to poor families.")

The distance between WIC field workers in Florence, Ariz., and the Washington bureaucrats who delayed WIC for so long is more than geographic. Community nutritionists take violent exception, for example, to the Department of Agriculture's contention that WIC wastefully duplicates the two supplementary feeding programs already in existence: food stamps and commodity distribution. Sally Lewis told me: "Buying food stamps requires accumulating money once or twice a month. It may seem like a pittance to you and me, but for a lot of these people it is simply impossible. They literally live from day-to-day and from hand-to-mouth."

Another shortcoming of the food-stamp program is that millions of Americans in desperate need do not apply for stamps at all because of ignorance, fear, language barriers, lack of transportation, helplessness—or pride. (One young mother in Florence told me sadly how her husband had hidden in humiliation outside when she had been forced to cash food stamps at their local grocery.)

But, according to WIC staff members, the most serious shortcoming of both the food-stamp and commodity programs as far as expectant mothers and babies are concerned is the dubious nutritional value of the food the poor will obtain. Under the commodity program, a person can be given only what food is in surplus and therefore available. Under the food-stamp system, a woman may select whatever food she wants, but her own requirements must be weighed against a lot of competing family needs. By contrast, WIC specifies foods required for each mother and infant and provides redeemable vouchers free for those foods alone. The mental and physical lifeline it offers is not available except to mothers and new babies.

Each WIC center must be approved by the Department of Agriculture before it can begin to serve the poor. Such approval has not been easy to come by. I visited a clinic in East Los Angeles—an area where there had been bloody riots a few years ago—that had been turned down for WIC funds. The nutritionists there—headed by a dark-haired, green-eyed, intensely dedicated young woman named Kathleen Kerrigan—are confused and angry over their rejection, and they plan to reapply. Meanwhile, they continue to do the best they can by providing nutrition advice. But they are full of frustration because they know there *is* WIC money to buy the food their mothers and babies need—but that it's out of their reach, mired down in Washington.

A social worker named Miryam Vierra took me to the home of an East Los Angeles mother we'll call Josephine. Josephine is 38 years old and lives in a four-room house, of sorts, with nine children and a huband who earns $400 a month and drinks a lot of beer. There is no heat in the house, which rents for $85 a month. Huge cracks around the front door and window casements let in constant drafts. Josephine has two children under two years of age, the last one born under clinic care. The East Los Angeles nutrionists know that neither Josephine nor her children are eating properly, and they try—a little helplessly—to urge her to set aside at least a portion of her tiny food budget (she feeds 11 people on $40 a week) for fresh milk, fresh vegetables, citrus fruits, lean meats and wholegrain cereals. Josephine listens and says she will. The children—who have constant colds—watch, empty-eyed, and apathetic.

I found the waiting room at the East Los Angeles clinic crowded with several dozen younger Josephines, sharing a common need for prenatal and postnatal nutrition help. There was a 12-year-old child named Rosa—frightened, obese, terribly withdrawn—raped, apparently, by a man visiting her mother, and delivered to the clinic five months pregnant. And a 15-year-old named Maria, sitting patiently in line with her eight-month-old baby who is spectacularly fat, the result of eating heavy foods—flour tortillas, beans, greasy pasta—off the family table. Ms. Kerrigan shook her head in disapproval. "Overweight," she said, "can be just as indicative of poor nutrition as underweight."

All the nutritionists with whom I talked repeatedly made this distinction between hunger and malnutrition, referring to the Institute of Human Nutrition bulletin that says: "Malnutrition comes from not eating enough of the *right kinds of foods*. You can eat just about anything and hunger will go away. But you have to eat the right kind of foods for malnutrition to go away."

We all know that malnutrition is not confined to the poor. The potato-chip-and-cola diet of many middle-class teen-agers can also add up to malnutrition that can be passed along to their progeny. So can the emphasis—for the sake of appearances as well as for mistaken health reasons—long put on holding down weight during pregnancy.

But even though affluent mothers are vulnerable, current research shows that malnutrition is 15 times higher among poverty mothers. As Senator Charles Percy pointed out: "Many of the well-to-do have poor dietary care in spite of their affluence. . . . So malnutrition isn't entirely a matter of dollars available. But the low-income woman has to be a very, very good shopper, while higher income people tend to get better nutritional balance simply because they have more money to spend."

And of course the problem of nutritional balance is compounded many times over for the low-income mother and her baby because they are frequently hungry as well as malnourished.

All that might have been changed by WIC, but, as we've seen, the WIC program, barely launched, is seriously threatened. The Agriculture Department has little enthusiasm for it. One USDA official told me: "The program is in the wrong place. It should have gone to Health, Education and Welfare. It deals primarily with medical evaluation, and we don't have a single medical doctor. It also involves state agencies with which we have no rapport."

Whether by design or bureaucratic reflex then, the USDA is entangling the program in skeins of red tape. And even though most of the WIC field operations didn't get under way until the spring of 1974, all of them will have to reapply for funds before the first of July. The nutritionists are furious about this time-consuming paper-pushing. But they are even more fearful that after they reapply, there won't be enough money to continue the program so painfully started.

One angry state nutritionist told me: "The need is urgent, and it would be criminal to let this program die now that we've finally got it under way."

The danger is imminent. There is a good deal of confusion between the USDA and the Senate Nutrition Committee as to how much money is still available to run WIC. About the only thing certain is that funds are committed for two dozen special medical evaluation programs of WIC, but that unless Congress acts, some—or possibly many—of the other programs, like the one I watched in Florence, may have to be suspended next year for insufficient funds. Given their lack of enthusiasm thus far, there is little hope that either the USDA or the Nixon Administration will request such funds. So it seems up to Congress to make sure WIC continues.

The potential benefits are great and the price is low—an unusual combination these days. Says Dr. Paulus Zee, director of nutrition at St. Jude's in Memphis: "It is ironic to be spending up to $150 a day on hospital care for a baby that has been damaged by a disease—malnutrition—that can be prevented for a $1.50-a-week."

That $1.50-a-week will buy a fighting chance for the baby of Jean, a $250-per-month waitress with a sixth-grade education, two small children, and a husband who abandoned her when she got pregnant again. Or the child of a woman widowed by an agricultural accident while she was pregnant for the ninth time. Or the child of 14-year-old Celeste, who was raped by a man who offered her a ride after school, then was dragged—shamed, humiliated and pregnant—to the public health clinic by her parents when it was too late even to consider an abortion.

To most of us in our middle-class homes, these people are invisible. But they are out there, hundreds of thousands of them. They need and deserve compassion and help. And we can only speculate how many future problems might thus be prevented.

The knowledge and facilities to accomplish this are close at hand. Only a push from a determined public and a relatively small investment of Federal funds are required to extricate the program from official indifference and red tape, and get it firmly established in the business for which it was designed: feeding mothers and infants who desperately need decent nutrition to save them, and all of us, from the horrors that flow from their neglect.

IN MEMORIAM—DR. N. R. DANIELIAN

Mr. AIKEN. Mr. President, on last Friday, May 17, I attended memorial services for Dr. N. R. Danielian at the Sanctuary of St. Albans School here in Washington.

Dr. Danielian was an outstanding citizen who had come to America from Turkey as a youth. He graduated from Harvard with highest honors. His talents were recognized by Presidents from President Roosevelt down through the administration of President Nixon.

His work on behalf of the development of the St. Lawrence River was outstanding and after the St. Lawrence Seaway was approved in 1954, he founded the International Economic Policy Association and continued his efforts in the field of international economic studies.

At the memorial services conducted by Canon Charles Martin, I delivered a eulogy to Dr. Danielian which I now ask to be printed in the Record, together with the press obituary.

There being no objection, the eulogy was ordered to be printed in the Record, as follows:

Eulogy for Dr. N. R. Danielian

(By Senator George D. Aiken)

One of the first persons I met when I came to Washington in 1941 was Dan Danielian.

He had been here for some time previously and it was our mutual interest and my awareness of the work which he was doing that brought us together.

From that time on, we had what might be called a working partnership looking to the improvement of the economy, not only of the United States, but of the entire world.

And, we knew that by improving the economy, the result would be improvement in the welfare of all our people.

My particular interest at that time was in promoting the St. Lawrence Seaway which I knew would be of great benefit, not only to my State of Vermont, but to the Nation.

We also worked closely with Senator Bob LaFollette of Wisconsin, Congressman John Blatnik and others who were as dedicated as we were.

Dan, however, was our authority because he understood the technical, the political and the economical implications of this great project.

I will not undertake to describe his efforts in detail which include visits to Chicago publishers and to one of the greatest contributors to the American economy, Henry Ford, Sr., in Detroit.

The opposition to his efforts was most powerful.

But, Dan Danielian never gave up and when President Eisenhower came into office in 1953 and signed the St. Lawrence enabling act the following year, the great objective had been accomplished.

And, if there is a scroll listing the names of those who did the most to bring about the accomplishment of this purpose, the name of Dan Danielian must lead.

The work of this great man, however, did not come to an end or even taper off materially with the achievement of the plan to harness the mighty St. Lawrence River.

Dan Danielian was always a restless person unless he could be working to improve the lot of all people.

With the founding of the International Economic Policy Association in 1957, he found a means of continuing his efforts in the field of international economic studies.

His work had been recognized by Presidents of the United States from Franklin D. Roosevelt through succeeding Administrations down to 1971 when President Nixon appointed him to the National Tourism Resources Review Commission.

The work which Dan Danielian has done throughout all these years could fill many volumes of interesting and instructive reading, but I do not intend to delineate on this subject at this time.

The records of economic accomplishment and international understanding should inscribe his name in anybody's Hall of Fame.

In my humble opinion, Dan Danielian's outstanding characteristic was his devotion to his family.

Many times have I visited his home and this virtue was discernible at every turn.

Grace was as devoted a wife and mother as anyone I ever knew.

I watched the children, Ronnie and Sandra, grow up.

And, setting aside the St. Lawrence Seaway, the economic interests of the world and a host of other achievements, I knew that his first interest lay with his wife and children and grandchildren.

His life was rich from the time he came to America and graduated from college with the highest possible degrees down through the years when he was continually giving of his knowledge to others.

But, the highest reward of all which he could have received was the satisfaction of knowing that he was head of a family of the highest caliber.

I just want to say Dan Danielian lived a truly great life.

Obituary Notice for the Press

Dr. N. R. Danielian, 67, an internationally known economist who was recognized by many as the "father of the St. Lawrence

Seaway," died today at his home in Potomac, Maryland. At the time of his death he was Chairman of the Board of the International Economic Policy Association of Washington, D.C., which he founded in 1957, and served as its President and chief executive officer until April 1974.

Throughout his life, Dr. Danielian was a leader in many causes; often as a lone advocate at first. The first to publicly warn in the 1950's of the impending dangers of U.S. balance of payments deficits, he authored and edited several major studies on the subject, and was a frequent expert witness before committees of the Congress concerned with U.S. trade, foreign aid, investment, tourism, taxation and multinational corporations. His last congresional appearances were before the House Committee on Ways and Means on general tax reform on April 3, 1973, and the House Interstate and Foreign Commerce Committee in October of 1973 on international tourism.

His ideas were often ahead of their time: Congressman Henry Reuss once said that the ideas Dr. Danielian "first espoused are now common currency in both the Senate and the House. . . . But there was a time when they were considered quite far out." Other congressmen before whom Dr. Danielian testified, have characterized him as "one of the world's foremost experts in the field of international economic policy."

Born on September 12, 1906, Dr. Danielian received his A.B. degree from Harvard (Magna Cum Laude, Phi Beta Kappa) in 1928. He also received an M.A. (1929) and Ph.D. (1932) from Harvard and was an instructor in the Department of Economics there from 1929 to 1935. When Dr. Danielian retired as President of IEPA to become Chairman, the Association's Board of Directors voted to recognize his many achievements in international economics by establishing an award for excellence in that field in his name at Harvard.

From 1935 to 1938 Dr. Danielian was a financial utility expert with the Federal Communications Commission, working on the AT&T investigation during Franklin D. Roosevelt's first term. He then became director and author of the seven-volume St. Lawrence Survey, working from 1939 to 1943 at the direction of the White House under the then-Secretary of Commerce, Jesse H. Jones. The Survey was the first comprehensive report on the economic advantages and historical aspects of the St. Lawrence Waterway and Power Project. It was the main work upon which the justification for the Seaway rested. After working as a consultant for the Secretary of Commerce and Undersecretary of State, and as assistant to Wisconsin Senator Bob LaFollette, Dr. Danielian served as Director of the Program Staff for the Foreign Economic Administration during World War II.

For ten years after leaving government service, he fought for the realization of the St. Lawrence Seaway against the opposition of various seaway competitors. As Executive Vice President and President of the Great Lakes-St. Lawrence Association, he directed an effort to mobilize support for the project. In 1950, Fortune magazine, in reviewing the "Battle of the St. Lawrence," characterized Dr. Danielian as a "vocal and energetic Ph.D. from Harvard . . . who over the past ten years, both in government and out, has conducted a somewhat lonely operation in favor of the Seaway . . . Dr. Danielian is probably more learned in the ins and outs of the St. Lawrence project than any other living man." In 1954, the realization of fourteen years of work culminated in the signing by President Eisenhower of the Seaway Act. President John F. Kennedy, who was one of the first East Coast senators to support the Seaway, appointed Dr. Danielian to the St. Lawrence Seaway Advisory Board in 1961 in recognition of his key role in its realization.

In 1957, Dr. Danielian founded the International Economic Policy Association, a nonprofit public policy research organization. The Association includes many of the nation's leading industrial corporations. It specializes in international economic studies on monetary issues, the balance of payments, trade, investment, tourism, and related matters. Under Dr. Danielian's direction, IEPA has published a three-volume series on the United States balance of payments, as well as a number of occasional papers issued by the Association's affiliated Center for Multinational Studies. In 1971 President Nixon appointed Dr. Danielian to the National Tourism Resources Review Commission whose June 1973 report made 33 recommendations to the President and Congress for the development of an overall U.S. tourism policy.

Dr. Danielian traveled extensively throughout the world and enjoyed the confidences of foreign bankers, industrialists, and government officials. Although his recommendations were often based on knowledge gained from these confidences, he made it a practice never to divulge his sources of information, nor to compromise his independence. He was often invited to address distinguished forums including an all-party meeting held in the British House of Commons in 1967 on the consequences of British EEC entry, the Societe d'Economie Politique in Paris, the American Belgian Association in Antwerp, and many international conferences.

In the early 1950's, Dr. Danielian was editor and publisher of the magazine, Heartland, a United States-Canadian quarterly of inland America. During the 1960's he participated frequently in the Georgetown University Forum television programs. He has also been a speaker and moderator at many university and business seminars on international economic policy throughout the United States, such as the Stanford Research Institute's Long-Range Planning Conference which he addressed on September 25, 1973. He contributed articles to the Reader's Digest, the Atlantic Monthly, and Harpers, and his writings have appeared in numerous symposia, most recently Strategy for the West: American Allied Relations in Transition, published in 1974 for the Stanford Research Institute.

He was port consultant to the City of Detroit (1955–56) and economic advisor to Lorain, Ohio (1955–59) and recipient of the Certificate of Merit, American Veterans (1955).

He was a member of the Metropolitan Club, the International Club, the Congressional County Club, and the National Press Club in Washington, of the Harvard Clubs of Washington and New York, and the Detroit Club, as well as many professional economic groups.

Mr. Danielian is survived by his wife Grace A. Danielian, his son Ronald L. Danielian of Bethesda, Maryland, and a daughter Sandra (Mrs. Milan) Kerno of Scarsdale, New York, and five grandchildren.

OLDER AMERICANS MONTH IN DELAWARE

Mr. BIDEN. Mr. President, the State of Delaware has consistently been in the vanguard of efforts to assist our senior citizens. Delaware was among the first States to establish senior centers and hot lunch programs, and just recently I was fortunate enough to participate in the senior intern program. Mrs. Marion Borst, of Newark, Del., spent a week in my Washington office as a senior intern, and I learned a great deal from her analysis of the needs of the elderly.

The State of Delaware recognizes the contributions of our older Americans, and will honor them on May 23 at ceremonies celebrating Senior Citizens Day. As further recognition of these senior citizens, Gov. Sherman W. Tribbitt has designated the month of May as Older Americans Month in Delaware.

Mr. President, I, too, honor our older Americans; they have contributed greatly to the growth and development of our Nation, and I ask unanimous consent that the statement of Hon. Sherman W. Tribbitt, designating May as Older Americans Month, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY GOV. SHERMAN W. TRIBBITT IN OBSERVANCE OF OLDER AMERICANS MONTH

Whereas, it has become a national tradition to designate the month of May as a time to give recognition to the older members of our population; and

Whereas, May 23, 1974, is Senior Citizens Day in Delaware and appropriate ceremonies will be held recognizing our senior citizens; and

Whereas, these senior members of our population have contributed significantly to the growth and development of our present generation; and

Whereas, our older citizens have contributed to America's progress; and

Whereas, the Division of Aging, through the Department of Health and Social Services, has helped make life more meaningful for our State's older citizens;

Now, therefore, I, Sherman W. Tribbitt, Governor of the State of Delaware, do hereby designate the month of May as Older Americans Month in the State of Delaware and urge all Delawareans to recognize the important contributions older citizens have made to the prosperity and progress of this great nation.

BOB ABBOUD

Mr. PERCY. Mr. President, the Chicago Daily News recently carried an article on an outstanding Chicagoan, A. Robert Abboud. Sixteen years ago, Mr. Abboud, fresh from school, joined the First National Bank of Chicago. Last month, he was named deputy chairman of the First Chicago Corp., the holding company of the First National, and is said to be next in line to be chairman of the board.

The dramatic rise of this grandson of Lebanese immigrants to the top of a powerful bank with $17 billion in assets has been accomplished through ability and persevering hard work. His is a stirring personal success story, and I ask unanimous consent that the article entitled "The view from the 57th floor" from the April 22, 1974 issue of the Chicago Daily News be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE VIEW FROM THE 57TH FLOOR

(By Dick Griffin)

Looking out the massive windows of the elegant private dining room on the 57th floor of the First National Bank Building, Alfred Robert Abboud has a clear view from the top of the city.

And that's where he was Monday—at the top, moving into a position of enormous influence and power as deputy chairman of

First Chicago Corp., holding company for the giant First National Bank of Chicago. This means he will probably be the next chairman of the board.

And that's light-years away from the dangerous days of 1952, when he was a Marine second lieutenant dodging bullets and watching friends die in Korea.

But he thought then he'd like the life of a career Marine officer because "I enjoyed the discipline of the organization and I saw what teamwork and espirit could accomplish."

Abboud (pronounced "uh-booed") wanted to be where the action was, however, and told the Marines he'd stick around if they'd send him to Indochina as a liaison officer with the French.

"I guessed that's where the next war would be," he said, '"but the Corps turned me down."

So he came home and returned to Harvard University, where earlier he had earned a bachelor's degree cum laude with a major in Latin and minor in classical Greek.

Sensing he'd have trouble making a living with that background, he went to Harvard Law School, "which I really didn't enjoy." He graduated from law school, but decided not to be a lawyer, so he returned again to Harvard, this time to its famed business school, where he earned a master's degree in business administraiton—with distinction—in 1958.

And there he was, a 28-year-old super-educated second-generation American with little idea what he was going to do for a living, when he agreed to meet with an aggressive 47-year-old Chicago bank vice president named Gaylord Freeman.

Freeman didn't offer him much money but he painted a picture of a modern and growing bank that was going to be as aggressive as Freeman himself.

Abboud bought the story and signed on for a skimpy $5,600 a year. Last year, after only 16 years with the bank, Bob Abboud earned $161,713 from First Chicago.

And on Monday First Chicago identified Abboud, now 44, as the probable successor to the chairman of the board when he retires within the next two years.

The chairman is the same Gaylord Freeman, now 64, one of the best known and most powerful bankers in the world and one of a handful of men with the power and know-how to move and shake Chicago.

Abboud stands to inherit that mantle of power from Freeman if all goes according to plan over the next year or two.

"I'll retire when Bob (Abboud) and the rest are ready to take over," Freeman said. He added with a smile, "That's when I think they're ready. They thought they were ready a long time ago."

Abboud, if he rises as expected, will inherit Freeman's elegant 9th-floor suite of offices in the bank's Loop building and that private 57-floor dining room.

He will direct a financial monolith with operations in 32 countries, assets of $17 billion and the life savings of 360,000 Chicagoans.

He may even in time inherit Freeman's title as the nation's highest-paid banker, a position that brought the chairman nearly $400,000 last year.

That's a far cry for Abboud from the campus of a black college where his father taught in the 1930s after he went broke in the Depression.

A Boston banker refused a crucial loan to Alfred Abboud and as a result his heating and ventilation business collapsed. He accepted an offer to teach about heating and ventilating at the Hampton (Va.) Institute, and the Abbouds lived on campus.

The father saved every cent he could and finally paid off the $5,000 his defunct business owed to its creditors.

"That example of responsibility set a standard for my sister, Mona, and me that I've never forgotten," Abboud said.

He lives today with his wife, Joan, and three children in a rambling old house in northwest suburban Fox River Grove.

He commutes daily on the Chicago & North Western, riding a 6:30 a.m. train to the Loop and a 6:30 p.m. train home. His executive assistant lives nearby and they ride together, working with briefcases on their laps the whole way.

He arrives in his office about 7:45 a.m., which is early for a top corporate executive in Chicago. But Freeman has already been at work for 45 minutes. (Actually, the work ethic may be slipping a little at the First, where Freeman's predecessor used to start at 6:15 a.m.)

Abboud then spends a nonstop day in meetings, studying figures, worrying about the world monetary system (on which he's an expert), working with the dozen civic and charitable organizations he's associated with, and planning—planning—planning.

He's standing in the wings for a job he's convinced he never could have been considered for even a decade ago in any major U.S. bank.

"People had an image of what a corporate leader should look like, and I certainly don't fit. I am short (5-foot-6, stretching), I'm dark, I'm swarthy, I'm not the best-looking guy in the world, I speak colloquial Arabic brokenly and I have a name like Abboud."

He's a grandson of Lebanese immigrants—poor farmers and laborers who worked their way from the suffering Middle East to Boston at the turn of the century.

Might his Mideast heritage have helped him to the top in these times of worry over Arab oil power? Nonsense, he insists. His background has nothing to do with his promotions, he thinks, except as it has influenced the kind of person he has become.

And the kind of person is this:

He's "close enough to immigrant status to still have cornball values," he says. "Love of the flag, love of country, I . . . I . . . love this country."

"I'm a liberal in social matters. I believe, for example, that there should be a poverty level below which a person should not be allowed to fall. But I am a conservative in monetary and economic matters."

"I believe individuals should have certain basic values, such as honor and loyalty."

"I believe in the work ethic. I believe hard work and talent should result in direct, tangible rewards." But he also believes people should be allowed to inherit great wealth without working for it because the money "if it's used properly" would give them "the opportunity to devote themselves to the good of society."

He believes passionately in a strong currency. "There isn't much I wouldn't do to get that. Inflation hurts the poor. Inflation doesn't hurt people like me. I know how to protect myself." He calls inflation the worst problem facing the nation. "With Watergate we have institutions that are correcting that problem. But we have no institutions to correct inflation. In fact, our institutions are aggravating it."

"I love the land. We have 16 acres and we're going to put in a little patch of wheat, soybeans, corn and assorted vegetables. I want to get back to basics, back to working with our hands." His parents, who live nearby, and his children do most of the farming, he said.

He's determined to continue the diversification and growth of his company overseas and in other states in this country, and to "put major thrust into our Illinois operations. There will be no flagging in these efforts," he insists.

He believes the Loop will become an around-the-clock work and recreation center for both blacks and whites within 10 years. He expects the Chicago River to become a recreational center for all.

He plays "a very bad game of golf," likes the Cubs but has "died a little each year as a Bears fan. I'm irritable every Sunday during football season, the way they play."

Does he fear—as many do—what the Arab countries might do with the billions of dollars they're accumulating from the industrial countries that are buying their enormous oil supplies?

"The importance of the Middle East was underemphasized in the past and it's overemphasized now," he said. "What's going to happen is that all that money is going to go into the money stream of the world just as if Japan or Germany had it."

The cash-rich Arab nations, almost wholly without industrial and civic development and personal possessions, aren't a threat to the United States and the rest of the world, he said.

"They're never going to have enough money to buy what we have to sell them," he insists. "This is an opportunity for America, not a problem."

SCHOOLS, COURTS, AND THE HANDICAPPED

Mr. WILLIAMS. Mr. President, there can be no question that Senate action on Monday approving, as part of the education bill, the Mathias amendment to provide an entitlement of $630 million for interim funding for the education of handicapped children was an important and landmark decision. Today, an editorial in the Washington Post commented on this action, pointing out the need for this emergency funding and also the need for speedy action on comprehensive and permanent legislation to underwrite and assure the right to education for all handicapped children. This editorial was timely and important, and points out the need for swift action, and strong commitment to both the Mathias amendment and S. 6, the legislation introduced by myself, the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Washington (Mr. MAGNUSON) as well as Congressman JOHN BRADEMAS in the House. As I said to my colleagues on Monday, the Committee on Labor and Public Welfare will be moving this legislation to the Senate floor by the end of July. The concerns expressed in the editorial regarding impeachment proceedings and issues in the conference on busing provisions need not and must not stall action on insuring the right to education for all handicapped children—neither enactment of the Mathias amendment or enactment of S. 6.

In the light of this action, I would also like to share with my colleagues important testimony given before the committee this morning from nominees, Dr. Virginia Trotter to be Assistant Secretary for Education and Dr. Terrell Bell to be Commissioner of Education. Dr. Trotter pointed out in response to my questions about the priority of education of handicapped children, that the tax savings to this Nation which could result from appropriate education programs for all handicapped children would be in the countless millions of dollars. In her mind, the importance of providing equal opportunity and equal access to these children is paramount, and the independence that good educational programing could provide must be an immediate goal. Dr. Bell responded that the role of the Federal Government in stimulating State action and State protection of the rights of handicapped children is critical.

As we discussed on the Senate floor Monday during consideration of the Mathias amendment, it is now time for the Federal Government to act. As the Post editorial points out, facilitating equal opportunity for all handicapped children is a job much better done by the Congress than by the courts. This job cannot be done without recognizing the large expense involved in educating handicapped children. It cannot be accomplished without providing assistance to the States in a comprehensive and permanent way which will underline the rights of handicapped children. Mr. President, I commend the Post editorial to my colleagues, and reiterate that the committee will report S. 6 to the floor of the Senate in the next 2 months. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SCHOOLS, COURTS, AND THE HANDICAPPED

Handicapped children have a right to public education, and throughout the country the courts are beginning to enforce that right. The most recent decision was in Maryland where, last month, Judge John E. Raine Jr. of Baltimore County ordered the state to provide education for severely handicapped children by September 1975. Like most states, Maryland does not provide for many of the children who suffer most grievously from retardation and physical disabilities. The costs of schooling these children runs high—perhaps five or six times as high as normal children—and it demands highly specialized teachers. These requirements make it a particularly appropriate target for federal aid.

The difficult and complex job of drafting landmark legislation is now under way in Congress, under the leadership of Harrison Williams (D-N.J.) and Jennings Randolph (D-W. Va.) in the Senate and John Brademas (D-Ind.) in the House. But as the probability of a presidential impeachment rises, the chance of enacting legislation on this scale in 1974 steadily falls. The bill is necessary, and it will be very welcome when it finally arrives. But the courts are pressing the states to begin meeting their responsibilities immediately.

Sen. Charles McC. Mathias (R-Md.) has now persuaded the Senate, correctly, to vote for a stopgap provision to help these children until the larger bill can be passed. Some of the supporters of the Williams-Randolph-Brademas bill have evidently been inclined to resist the Mathias amendment, on grounds that a partial remedy may undercut a comprehensive one. But the Mathias amendment is explicitly only an interim measure, authorizing $630 million for one year, and it lacks the refinements that permanent legislation will require.

The Senate has now attached the Mathias amendment to the bill extending the Elementary and Secondary Education Act. Since the House has already passed a similar bill, the issue of school aid for these children will be settled in the conference committee. "Unfortunately the attention of the conference will be mainly turned to the various regrettable anti-busing amendments that have been hung onto the bill. However angry that debate becomes, it is crucial that the conferees keep clearly in mind the more urgent business before them. If Congress does not act promptly, the courts will press states harder and, in the absence of legislation, judges will be drawn into the process of designing and overseeing school programs for handicapped children. It is a job that Congress can do much better than the courts, but to do it Congress will have to move quickly.

THE ALTOONA SHOPS: A VITAL NECESSITY

Mr. HUGH SCOTT. Mr. President, on Friday, May 17, the Interstate Commerce Commission's Rail Services Planning Office held a hearing on Northeast rail reorganization in Altoona, Pa. I submitted to that hearing a statement in which I stressed the vital necessity of preserving a proper role for the rail repair and building facilities known as the Altoona Shops. Because I view this as a matter of considerable importance, I ask unanimous consent to print my statement in the RECORD so that other Members of Congress may become familiar with this issue.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF U.S. SENATOR HUGH SCOTT

I deeply appreciate the cooperative spirit evidenced by the decision of the Interstate Commerce Commission's Rail Services Planning Office to hold this hearing on Northeast Rail Reorganization in Altoona, Pennsylvania.

As you know, I filed on April 8th of this year in Washington, D.C. a detailed statement outlining my views in reaction to the Department of Transportation's preliminary report required by Public Law 93–236 as the first step in the long and complex task of rail reorganization. I expressed in that statement a recognition of the fact that time constraints had an obvious impact on the quality of the DOT report. Therefore, while not being overly critical, I did feel it necessary to point out a number of vital, long-range public policy issues, the consideration of which seemed totally lacking in the statistical approach taken by DOT.

I am happy to see that many of these—including the obvious deficiencies on data taken from the 1972 year of Hurricane Agnes, the need to consider the quality of service offered in the past and its impact on rail utilization, the need to consider the relation of branch to main lines, the need to consider the potential of future opportunities in addition to traffic patterns of the past, and the need to consider national defense requirements—are reflected in the Rail Services Planning Office's Report of May 2nd. In short, I find the RSPO's report commendable; and I urge the fullest possible consideration of its recommendations by the United States Railway Association in the ongoing process of developing a final system plan for the railroads of the Northeast and Midwest.

In this connection, I believe it is worth noting that I have formally urged the President to appoint to the Association's Board of Directors former Pennsylvania Governor William Scranton. I am confident that the announcement of his appointment will be forthcoming in the very near future, and that his participation in the Board's work will be of significant importance not only for Pennsylvania, but for all of the States involved in the forthcoming rail reorganization.

In considering the preliminary DOT report, another deficiency must be mentioned which is particularly relevant to this Altoona hearing. That report's zone analyses take into account only the historical movement of rail traffic from and to the points at which they were originated, terminated or billed; conspicuously absent is any mention of which railroad yards, terminals and facilities should also be included within the final system plan. By contrast, the ICC report is emphatic in its recommendation that the United States Railway Association "give consideration to the selection of car building and car engine repair facilities necessary to sustain the operation" of the restructured railroad or railroads to be run ultimately by the Consolidated Rail Corporation.

The railroad maintenance and repair facilities in this area, generally identified as the Altoona Shops, are well known. They comprise the largest shop complex on the Penn Central System. In 1973, the car facilities repaired 11,707 freight cars and 1,528 units of other rolling stock, while 306 locomotives were repaired or upgraded in the locomotive shops. In addition, many of the components and parts required to keep the Penn Central System moving are built in the Altoona Shops; in fact, an estimated 54 percent of the work activity within the complex is devoted to this activity. Third generation computers, industrial engineering, production control and quality control techniques are continually being used to improve the equipment produced and repaired here. Projections indicate that these facilities have the capacity to produce approximately 10,000 new cars and to repair some 8,000 old cars. While contributing to the nation's new car fleet, the performance of Altoona Shops has proved that they can compete nationally in producing a quality product economically.

The Altoona Shops are the largest of their kind in the Northeast Region, and the largest single employer in this area. Management-labor relations are good, and the complex includes among its work force some of the most highly skilled and trained workers in America; workers with a proven ability to do the job.

In my opinion, the survival of these facilities is absolutely vital, not only to the local, but also to the State's economy. I feel strongly that the Altoona Shops must be given a proper role in the final Rail System Plan for the Northeast Region, and I reaffirm here my support and hope that the Rail Services Planning Office, the United States Railway Association and the Department of Transportation will give this matter the fullest possible consideration. Of course, I stand ready to be of assistance, wherever possible, in achieving this important goal.

HELPING THE EMOTIONALLY DISTURBED CHILD

Mr. BIDEN. Mr. President, in an age of modern medicine, in which we reap the benefits of miracle drugs, we cannot look with equal pride at our advancements in treating emotionally disturbed children. And yet there are over 1 million emotionally disturbed children whose problems are so severe that they require urgent attention. Another 10 million need psychiatric treatment if they are to reach their full potential in our society.

In light of this, the administration's proposal to phase out Federal funding of community mental health centers seems almost bizarre. The importance of continued support of community mental health centers cannot be understated. Further, as we begin more intensive consideration of comprehensive health insurance programs, we must recognize the need to insure adequate mental health care for those who require it. And, certainly it is in our best interest to cultivate the welfare of our youth—to insure their physical and mental wellbeing.

Fortunately, we have made some strides in treating the emotionally disturbed child. Litigation initiated against public school districts has resulted in court determination that all handicapped youngsters, including the mentally disabled, are entitled to a public education under the 14th amendment. With the upswing in young patients requiring psychiatric care, these court decisions offer welcome recognition to the problem and the need to resolve it.

In this regard, I would like to share with my colleagues a particularly incisive article, "Troubled Children: The Quest for Help," which appeared in Newsweek on April 8. This article, authored by Matt Clark, hammers at the root of this tragic problem. Therefore, I ask unanimous consent that the text of the article, "Troubled Children," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Newsweek, Apr. 8, 1974]

TROUBLED CHILDREN: THE QUEST FOR HELP

(By Matt Clark)

The control of the often deadly diseases of childhood is the proudest achievement of medical progress in this century. Thanks to vaccines and antibiotics, the average American child no longer must run a gauntlet of physical threats such as the crippling effects of polio, the heart damage of rheumatic fever or diphtheria's death by slow strangulation. Thanks to better nutrition, today's children grow inches taller and pounds heavier than their forebears did. In short, the American youngster has never had better prospects for a long and healthy life.

But for all that modern medicine has done to protect and nourish the child's body, surprisingly little has been done to assure him of an equally healthy mind. Despite all the talk about America's child-centered society and all the best sellers purporting to tell parents how to raise happy, well-adjusted youngsters, the number of emotionally troubled children is appallingly high.

By the most conservative estimate, at least 1.4 million children under the age of 18 have emotional problems of sufficient severity to warrant urgent attention. As many as 10 million more require psychiatric help of some kind if they are ever to achieve the potential that medical progress on other fronts has made possible. "If we used really careful screening devices," says Dr. Joseph D. Noshpitz, president of the American Academy of Child Psychiatry, "we would probably double and maybe treble the official statistics."

The hard core of these children are those who are autistic or schizophrenic. They are helplessly withdrawn from reality and exist in an inner world that is seldom penetrated by outsiders. More than 1 million other children are hyperkinetic. They turn both living rooms and classrooms into shambles by their frenetic and uncontrollable physical activity. Millions more troubled children are plagued by neurotic symptoms. They are haunted by monster-ridden nightmares, frightened of going to school, held in the grip of strange compulsive rituals or lost in the loneliness of depression. Harder to pinpoint but just as troubled are those who simply don't function in society. They fail in school, they run away, they fight, they steal. Eventually, they fill reform schools and prisons.

Until recently, childhood emotional disorders have been tragically neglected as a national health problem of dramatic proportions. Because of his bizarre and often repellent behavior, the emotionally disturbed youngster has never made an appealing poster child for mothers' marches and annual fund-raising drives. While most of the nation's 7.6 million physically handicapped children receive educational and medical services through a variety of public and private channels, fewer than 1 million of the emotionally handicapped are receiving the help they need. All too often, the disturbed child has been expelled from public school as unteachable, or shunted into special classes for retarded children with brain damage. "We are in the Year One in care and treatment of these children," declares Josh Greenfeld, a 46-year-old writer whose 1972 book, "A Child Called Noah," vividly described his own agonizing search to find help for his autistic son. "We are going to have to shock ourselves into the fact that we are killing these children as well as destroying the lives of the families the kids are part of."

But within the past few years, parents like the Greenfelds have made some important gains in winning better care for their troubled children through the legislators and the courts. In one of the most far-reaching decisions of all, a District of Columbia Federal judge ruled in 1972 that all handicapped youngsters—including the emotionally disturbed—are entitled to public education under the Fourteenth Amendment. Thanks to the relentless lobbying of the National Society for Autistic Children in Albany, N.Y.—composed largely of parents—more than 30 states have passed laws providing special education for autistics in the last four years.

One reason for the increasing recognition of the needs of the troubled child is the strong evidence that his ranks are growing. The number of children receiving treatment for emotional problems in institutions and outpatient facilities has risen nearly 60 per cent in the last seven years—from 486,000 to 770,000. "The drift," says Noshpitz, "is toward seeing more and more very disturbed children, youngsters who need residential treatment." And psychiatrists in private practice note similar trends. "There is now a widening scope of patients with childhood disturbances," says one veteran New York psychoanalyst, "and it is not just because more people are deciding to put their children in therapy."

Freud, who preached that the root causes of emotional disorders were to be found largely in a disturbed relationship between parent and child in early life, is no longer quite so predominant an influence on child-care professionals. The more eclectic psychologists and psychiatrists hold that childhood mental ills seem to arise from three intertwining influences: predisposing physical and hereditary factors, forces within the family—including the Freudian traumas—and stresses imposed by contemporary life. "The fortunate child," says Ner Littner of Chicago's Institute of Psychoanalysis, "is the one with good heredity and adequate care provided by two parents who are able to recognize and meet the child's needs in early life, and a minimum of chronic, overwhelming stress situations as the child grows up."

But now more than ever before, the triad of forces seems to conspire against the emotional well-being of the American child. First, there is a growing recognition that children born prematurely or as a result of difficult labor, those suffering from complications of measles and other viral infections and those raised by parents who are themselves victims of mental disorders run a high risk of emotional disturbance. Boys, for reasons perhaps attributable to hormonal differences, are up to five times more vulnerable than girls.

Second, today's mobile society has all but abolished the extended family. Parents can no longer count on grandparents, aunts and uncles to act as authority figures in the raising of their children. "I'm personally convinced that no two parents can rear a child entirely alone," says Dr. Sally Provence of Yale's Child Study Center. "Yet young parents have fewer supports for parenting than ever before—it's either drag the kids along or get a sitter." With the increasing number of young women carving out careers for themselves, some experts see a threat even to the integrity of the nuclear family. "I'd much rather see people not have children at all than leave infants in a day-care center," says Dr. Lee Salk, chief child psychologist at New York Hospital-Cornell Medical Center and author of the best seller "What Every Child Would Like His Parents to Know."

Third, in today's push-button society children tend to learn about the world around them vicariously by television. "Many of our children and young people have been everywhere by eye and ear," notes a recent report of the Joint Commission on Mental Health of Children, "and almost nowhere in the realities of their self-initiated experiences." And much of what the children see is the vivid depiction of war, violence and social upheaval; aggression has become one of the most pervasive childhood experiences of all, says Dr. Ebbe Ebbesen of the University of California at San Diego. "Children learn abnormal behavior from observing other people," the California psychologist contends. "The more aggression a child is exposed to, the more likely that he himself will be aggressive."

Because there is no one cause of childhood emotional problems, many methods of treatment have evolved in recent years. Since a young child can hardly be expected to lie still for long, deep-probing sessions of analysis on the couch, psychiatrists have developed other ways to get at the source of his troubles. One involves watching how he plays with his toys or interpreting the pictures he draws. Other therapists ignore the deep-rooted sources of a child's problem and use reward-and-punishment conditioning techniques to modify the child's abnormal behavior. In many cases, the children with the overactivity syndrome of hyperkinesis can be helped with drugs. Unfortunately, no truly effective treatment has yet been found for the child afflicted with the most devastating of all the disorders—autism.

AUTISM

The term "early infantile autism," from the Greek for "self," was coined 30 years ago by Dr. Leo Kanner of Johns Hopkins to describe a group of disturbed schizophrenic children who showed a uniform pattern of disabilities in responding to their environment. As an infant, the autistic child may go limp or rigid when his mother picks him up. He may seem deaf to some sounds but not to others. He may show no sensitivity to pain, even to the extent that he can blister his fingers on a hot stove without flinching. For long periods, he may rock monotonously back and forth, flap his hands in front of his face, walk on the tips of his toes or whirl about like a dervish.

Autistics show unusual deviations in reaching the milestones of development. They may never sit up by themselves or crawl, but instead suddenly start walking. Some start to talk, but then abruptly stop using language altogether, or only echo words and phrases they have overheard. They reverse personal pronouns, such as saying "you" for "me." They seldom look anyone in the eye. When an autistic child wants something, he may, without looking at his mother, steer her hand toward the object as if manipulating a pair of pliers. Because many autistic children show certain "splinter skills" above and beyond their otherwise poor level of functioning—such as the ability to rattle off strings of numbers—they have traditionally not been classified as retarded or brain-damaged.

After Kanner's description of autism was published, some psychiatrists observed that the parents of such children tended to be intellectual, emotionally detached and with a tendency to think in abstractions. With the prevailing influence of Freud on child psychiatry at the time, it was hardly surprising that the condition should be blamed on these "refrigerator parents." Autism was supposed to result from rejection of the child by the mother at an early stage in infancy. Dr. Bruno Bettelheim, a distinguished psychoanalyst who recently retired after 30 years of dealing with autistic children at the University of Chicago's Orthogenic School, is a forceful exponent of the Freudian view.

The autistic child has an inherited predisposition to emotional trauma, Bettelheim says, but unconscious rejection by the mother is the major traumatizing event. The parents, he says, tend to deal with the child in a mechanistic way, out of a sense of obligation rather than genuine affection. "This is interpreted by the child as a feeling he shouldn't be alive," says Bettelheim. "When animals are threatened, they either play possum or fight back. Some children fight back, but the autistic child plays dead."

But the current trend is away from the Freudian view. Recent studies show that the parents of autistic children display no emotional traits that set them apart. "The only differences these parents show from other parents," notes Dr. Eric Schopler of the University of North Carolina School of Medicine, "is that they are all under stress themselves because they have a difficult child."

Moreover, researchers have made a number of observations that suggest that autism is more of a neurologic problem than an emotional one. A number of autistics, for example, show so-called "soft signs" of neurologic impairment, such as poor muscle tone, uncoordination and exaggerated knee-jerk responses. Drs. Edward Ornitz and Edward Ritvo of the UCLA School of Medicine have studied the eye reactions of normal and autistic children placed in a spinning chair. If the chair spins to the left, a normal person's eyes will move to the right, snap back and wander right again; when the chair stops, the eyes will reverse their movement. Autistic children show the same pattern of eye movement, but for a much shorter period. This suggests that the disorder involves a malnutritional lag in neural development. "The overwhelming evidence," says Ornitz, "is that this is an organic condition."

Because of the evidence suggesting that a physical abnormality is involved, there is a tendency among experts today to regard autism as a form of mental retardation rather than an emotional illness. "Autistic children both will not and cannot perform many tasks," says Ornitz. About 75 per cent of autistics remain retarded through life, he notes, and more than half eventually are institutionalized.

It is the parents of an autistic child who suffer the most. Many of them spend years going from specialist to specialist in a fruitless search for cures. At first, a pediatrician may tell them their child is deaf or simply "spoiled." Psychoanalysts may suggest that they, the parents, need treatment as much as their child does, only adding to an already unbearable burden of guilt. Psychiatrists may give the child tranquilizers, stimulants or even electroshock therapy. But the child remains his autistic self. Recently, some physicians have prescribed massive doses of such B vitamins as niacinamide, pyridoxine and pantothenic acid for both autistic and schizophrenic children. But most experts insist that the so-called megavitamin therapy has no scientific basis. "This is the false-hopes business," says one researcher, "and it causes a lot of anguish." "Every time you go to someone you're desperate, says Connie Lapin, a Los Angeles mother of an autistic son (box). "They say they'll treat him. But then they can't reach him and they give up."

But while there is no specific treatment for autism, a number of centers now offer special training that has produced promising results in some children. One of them is TEACCH (Treatment and Education of Autistic and related Communications handicapped Children), begun by Drs. Eric Schopler and Robert J. Reichler eight years ago and now funded by the State of North Carolina. One of the outstanding features of the program, according to Schopler, is the participation of parents as co-therapists in training their own children.

Basically, the parents are instructed how to use reward-and-punishment behavior modification to train their children during daily half-hour sessions in their homes. Through a one-way glass, therapists show parents how to reward the child with hugs, or candy, when he performs an expected task. The early exercises focus on such basics as looking the parent in the eye, learning concepts such as "same" and "different" by sorting knives, forks or other objects, and learning to identify objects with words. Parents are taught to distract their children from psychotic movement, such as rocking. When a child fails to respond, the parent is assured that it is correct to show displeasure.

The road to advancement is painfully arduous, but many children do improve. Michael, a brown-haired 5-year-old, couldn't talk and was unmanageable when he entered TEACCH a year and a half ago. Now he has a vocabulary of 750 words and behaves well enough to attend a special school. David, who had an IQ of 70 when treatment began nine years ago, now scores 30 points higher and is getting average grades at a regular private school. By getting to them early," says Schopler, "some children can be salvaged."

SCHIZOPHRENIA

Schizophrenia in children bears some resemblance to autism and many psychiatrists consider them related. The child may be withdrawn and fail to use words. He may also be overactive and aggressive. Unlike schizophrenic adults, children affected by the disorder don't usually hear voices or otherwise hallucinate. But they do fantasize, according to psychiatrists and they often can't distinguish between the real and the imaginary.

In the past, psychoanalysts tended to ascribe schizophrenia largely to the influence of a castrating "schizophrenogenic" mother. Many psychiatrists today believe the emotional environment of the home may play a greater part in the disorder than is the case with autism. But a growing number of the experts are now persuaded that a genetic defect, coupled with neurologic impairment of some kind, constitutes the underlying cause of the disorder.

The influence of genetics in childhood schizophrenia has been demonstrated by Dr. David Rosenthal of the National Institute of Mental Health. Rosenthal compared children with a schizophrenic mother or father who were raised by normal adoptive parents with adopted children of normal parents. In this way, the possible environmental influence of parenting was equalized. It turned out that the children of psychotic parents in the study had about twice the incidence of schizophrenic disorders as did those of normal parents.

The outlook for the schizophrenic child is considerable brighter than it is for the autistic. Many of these children are educable and never have to be institutionalized. Brooklyn's League School is typical of centers across the country that use a "psycho-educational" approach to treating schizophrenic children while the child lives at home.

Children are usually accepted at the school between the ages of 3 and 5 and most stay several years. Tommy Harper of Brooklyn began when he was in second grade. Throughout his childhood he had displayed a vicious temper. He threw blocks at his teachers when he couldn't get his way, and once pounced on a little girl and broke one of her teeth. Consigned to the cloakroom, he was later found sitting on a shelf, beating himself over the head with a toy gun and crying, "I want to die."

With the structured environment and intensive individual attention he received at the League School, Tommy settled down and learned to read, do math and function in groups. He was bright, a fast learner and in four years he was back in regular school. Today, at 15, Tommy is still a bit of a loner. But he can play sports such as football and not lose his temper in defeat; more important, he is an honor student. Dr. Carl Fenichel, director of the school, estimates than about 80 per cent of the children at the school had been destined for state institutions. Now, the majority go on to satisfactory jobs, regular schools and some even to college.

HYPERKINESIS

Of the more serious childhood behavior disorders, hyperkinesis has become the most widely publicized of late because it is being diagnosed in an increasing number of schoolchildren. The symptoms may be discernible in infancy, when the mother finds that her baby is unusually restless and difficult to soothe. They become more obvious when he reaches school age. Typically, hyperkinetic children are highly excitable, easily distracted and impulsive. They have trouble concentrating and therefore become disruptive in the classroom. Because they are failures in their work, they develop the emotional side effect of low self-esteem and frequently compensate by delinquent acting-out. "These youngsters consider themselves worthless," says Dr. Lawrence Taft of the College of Medicine and Dentistry of New Jersey, "because everyone is telling them they're no good."

Hyperkinesis seems to run in families, but there is also evidence that the disorder may be related to minimal brain damage, possibly occurring at the time of birth or after a viral infection such as measles. There is also evidence that lead intoxication may produce hyperkinesis among ghetto children who habitually put pieces of peeling lead-based paint into their mouths.

At least a third of hyperkinetic children show marked improvement on daily doses of stimulants such as amphetamines and even coffee (NEWSWEEK, Oct. 8, 1973). Just how the stimulants have this paradoxical calming effect isn't known, but they seem to improve the child's ability to concentrate.

Dosing large numbers of schoolchildren with the very drugs that constitute a major abuse problem in the U.S. has stirred controversy among many parents and even some psychiatrists. Some charge that the stimulants are prescribed as "conformity pills" for rebellious children. The drugs may produce side effects, including loss of appetite and sleeping difficulties. As a result, children who take them for several years may not grow as tall as they might have otherwise. But the effect of the drugs can be so dramatic, says Taft, "that you wonder whether an extra bit of height is all that important."

DEPRESSION

Among the childhood emotional disorders in which the relationship with the parents is of unquestioned importance, the outstanding example is depression. Some experts estimate that depression accounts for at least a quarter of the troubled children they see. The so-called "endogenous" form of depression, which seems to arise without any evidence of a traumatic life experience to account for it, is rarely diagnosed in youngsters. In nearly all cases, childhood depression is "reactive," associated with an event in the child's life, usually involving the parents. "The child-psychiatry books of twenty years ago may not have even mentioned it," says Dr. Leon Cytryn of the George Washington University School of Medicine. "But we're beginning to realize that there are many depressed children and we suspect a lot of them become depressed adolescents and depressed adults."

Its most pathetic form is the "anaclitic" (from the Greek, "leaning on") depression that is observed in infants separated from their mothers in the first six months of life and raised in institutions where they get little attention and neural stimulation. These babies, starved for warmth, withdraw and display some of the signs of autism, such as monotonous rocking and, as they grow older, difficulties with language. They will improve with regard to language and motor skills if moved to a favorable environment, but the profound emotional impact of their early experience may be devastating.

Beyond the age of 6, the depressed child may show signs of sadness, social withdrawal and apathy similar to the symptoms of adult depression. But usually it is masked. In young children it may be expressed in psychosomatic headaches or vomiting; in older children it may show up in aggressive behavior, truancy, vandalism and, particularly among girls, sexual promiscuity. The periodic episodes of sadness that are the tip-off, notes Dr. Donald H. McKnew Jr. of the Children's Hospital of the District of Columbia, may be overlooked by the parents for months, but psychological testing may bring out the true extent of the child's depression quite quickly.

Asked to draw a picture and then tell a story about it, an 8-year-old boy brought to McKnew recently drew a picture of a small whale. Then he told how the whale was lost and was trying to get home. He tried to hitch a ride with another whale, but slipped off its back. Then he joined a school of whales, but they swam too fast for him to keep up. So the whale in the picture was lying with another whale, also lost, waiting to be found. "If an adult told you a story like that," notes McKnew, "you'd immediately give him antidepressants."

Depression in children almost always follows a sense of loss. Acute reactions occur, understandably enough, after the death of a parent or close relative, divorce or a move to a new community. Often, they are more like grief reactions and disappear with time. But many depressions occur because the child senses a withdrawal of interest and affection through frequent separations from, say, a father who travels a lot; or because a parent conveys an attitude of rejection or deprecation. In most instances, one or another of the parents has a depressed personality, McKnew observes.

Antidepressant medication is seldom prescribed for children. Most often, psychiatric counseling, involving both parent and child, is required. Fortunately, psychotherapy usually is effective. Here psychiatrists have devised methods that sidestep the completely verbal methods of communication used in more adult forms of psychotherapy. One of the most widely used is play therapy, in which the child uses a variety of toys to expose, under the therapist's watchful eye, the situations that may be at the bottom of his problem. The play-therapy concept is based on the common-sense notion that play is a more natural mode of expression for a child than verbalizing dreams.

One of the most common problems that call for psychiatric attention in children is school phobia. It may be a symptom of depression, but may also have a far more readily treated cause. Dr. Lee Salk recalls the case of Stephen, age 5, who lived on the twelfth floor of a New York apartment with his parents and grandparents, who continually expressed their fear of burglars. His mother warned him constantly of the evils that could befall him when he went out to play and often warned him not to let the elevator doors close on him. Soon, he had developed a fear of both burglars and elevators, and was afraid to go out alone.

Not surprisingly, his anxieties continued at school; his mother would drop him off at the door but could count on his coming out again minutes later. The problem, as Salk explained, was that the child had become totally helpless outside his mother's purview and dependent on her attention—a common source of school phobias. Salk explained to the overanxious mother that Stephen should hear fewer dire predictions about the world outside and be allowed more independence. In weeks, he was spending full days in school.

The relief of the most serious problems of troubled children—autism, schizophrenia and hyperkinesis—must await much further research into the physical and biochemical mysteries of the brain. What is required is the same sort of commitment on the part of private agencies and the government that has lately been mounted in the war against cancer and heart disease. At the same time, the children who are already victims of these tragic disabilities must be afforded the special training that will give them the best chance of finding a useful life. In view of the fact that 10 per cent of the nation's children are now destined to develop some form of emotional disability, the effort would seem a small price to pay.

Meanwhile, in the view of child experts, there is a good deal that parents can do to protect their children from many kinds of serious emotional damage. First, says Salk, is to recognize the child's dependency during the first year of life and respond unstintingly to his need for warmth and affection. Once the child has learned to trust his parents, it is time to set limits that prepare him for his encounters with the world. To contend with the child's impulse to explore his environment, knocking over countless glasses of milk as he goes, may be a frustrating and seemingly endless task. Salk concedes. "But," he adds, "for the parent who loves his child, has patience and can still see the world through a child's eyes, the rewards are beyond measure."

IN TRIBUTE TO CARDINAL MINDSZENTY

Mr. BROOKE. Mr. President:

"The soul, secured in her existence, smiles
At the drawn dagger, and defies its point."

The words of the English essayist Addison spring to mind in our reflections on the life and character of one of this century's greatest men, Joseph Cardinal Mindszenty, former primate of the Catholic Church in Hungary and courageous upholder of liberty for his people against the oppressive hand of tyranny.

At the time of the Hungarian revolt against Russia in 1956, freedom-fighters liberated Cardinal Mindszenty from the captivity to which he had been sentenced 7 years earlier—in 1949—by the Communist regime on charges of treason. His reaction to his trial and subsequent imprisonment won him the admiration of free peoples everywhere.

The tragic events of 1956 are well known—the brutal Soviet intervention, the presence of Russian tanks in the streets of Budapest, and the dramatic escape of the cardinal to safety of the American mission. For some 16 years he remained a voluntary prisoner of the mission, unable to venture forth, unwilling to surrender his freedom. Then, 2 years ago, he was permitted to leave for Vienna.

Yet, though today he is able to move freely among the peoples of the non-Communist world, his heart's love, and loyalty remain in Hungary with the people he has served with such courage, and whose liberty he had so valiantly championed. Over two decades of isolation—first of imprisonment—and who can forget the pictures of the Cardinal's grim face during the ordeal of the court trial?—then of enforced asylum in the American diplomatic compound—followed by what appears to be permanent exile from his homeland have given to the cardinal's life the quality of genuine martyrdom.

In his letter formally replacing Cardinal Mindszenty as Primate of Hungary—an office he had held since 1945—Pope Paul wrote—

> We bow in deep respect before thee and thank thee from the bottom of our hearts for the numerous examples of virtue that in the course of so many years thou has given to the entire Catholic family.

To which I would add—to the entire world community, to all those who value liberty and who honor courage.

Recalling the People's court trial in 1949, the Pope did not hesitate to speak of "the crown of thorns placed on thy head, no less precious than thy faithfulness to the Church of Christ." And it is true that the sufferings of Cardinal Mindszenty, his unfailing dignity in the face of abuse and torment, are cast not only in the heroic mold of history's greatest advocates of freedom but call to mind the nobility of Christ's own passion. There is no doubt that Cardinal Mindszenty has indeed walked in the Way of the Cross and has found it a source of life and hope.

The cardinal's uncompromising stand against communism goes back to the days after World War I which saw the brief rule of the Bela Kun regime and the so-called Red terror. During that time the cardinal has also been arrested on charges similar to those of 1949—conspiracy to overthrow the regime and illegal dealings in foreign currency. The collapse of the Kun regime in 1919 brought him his freedom.

We are living now in a time of détente, in which, despite the hostilities and tensions of the past, a new spirit of common interest is being cultivated. While we welcome every move toward better relations with other nations, let us not forget the example of courage and of faith, that passionate love of liberty, which is given in the life of Cardinal Mindszenty. At 82 he remains a symbol of the values and ideals which give enduring greatness to man, particularly that faith in God and in his purposes which marks the lives of those men and women who have suffered for the cause of truth and justice.

For many centuries the Hungarian people have displayed a deep religious faith, which has been central to their national identity. Two years ago the world celebrated the 750th anniversary of the Bulla Aurea or Golden Bull, issued by the Hungarian Diet in 1222, the Magyar equivalent of the English Magna Carta. That proud tradition of individual freedom and intense personal faith is crucial to the history of the Hungarian people. It cannot be extinguished.

The life and character of Cardinal Mindszenty, to whom the world pays tribute, are a living witness to the indomitable spirit of Hungary, a spirit which can inspire the hearts of men and women everywhere with the counsel of Scripture: "Be strong and of good courage, fear not, nor be afraid—for the Lord thy God, He it is that doth go with thee; He will not fail thee, nor forsake thee"—Deuteronomy 31:6.

WHILE WE HELP THE RUSSIANS, FEDERAL BUNGLING PROHIBITS FERTILIZER PRODUCTION EXPANSION IN THE UNITED STATES

Mr. TALMADGE. Mr. President, I rise today to call attention to the fact that the Export-Import Bank plans to make $180 million in guaranteed loans to Russia for the construction of fertilizer manufacturing facilities.

I find it difficult to criticize this loan. Certainly it is a far better deal than we got on the Russian wheat deal. First, this loan, combined with loans from American banks will add about a billion dollars to our economy, because all of the equipment and talent used to build these plants will come from this country. Second, we will also be guaranteed a sizable amount of the fertilizer production from these new facilities, which we vitally need.

However, there are a number of ironies involved in this situation which I find most distasteful.

First of all, this loan is going to make us more dependent on foreign-produced fertilizer. It seems to me that when it comes to the Nation's food supply, that we should be trying to achieve fertilizer self-sufficiency as well as energy self-sufficiency.

Second, while we seemingly find it quite simple to expand other nations' capacities to produce fertilizer, bungling by our Federal agencies makes it impossible for American firms to expand their capacity.

For example: In Georgia there are two companies that are ready to expand production for a total investment of $68 million. Yet they cannot move ahead because the Federal Government refuses to allocate to them the natural gas which they must have to expand production. It seems to me that if the United States can make the kinds of commitments necessary to expand fertilizer production in Russia, it should then be able to resolve any policy problems in this country that are preventing American manufacturers from expanding capacity.

Finally, I think there could be one more fly in the ointment. There is primarily one company in this country which has the capability to design and build fertilizer production facilities, the N. W. Kellogg Co. I am concerned that this firm could get over-committed to the Russian projects, making it difficult for the company to free up talent and manufacturing capacity for vitally needed American expansion.

Mr. President, it is clear that we need research to determine methods of using effluent and other kinds of wastes for agricultural fertilizer. It is clear that this deal with Russia will have many benefits for our country.

But we must also deal in first principles insofar as our own national interests are concerned. Therefore, I call on President Nixon to use his influence with the Federal Power Commission and other necessary agencies to make the policy adjustments that are essential if we are not to have to rely on the delivery of foreign-produced fertilizer to keep the American food machine running.

FOOD DISTRIBUTION AND SCHOOL LUNCH AMENDMENTS

Mr. EAGLETON. Mr. President, as a cosponsor of S. 3458 and S. 3459, I strongly support their passage by the Senate.

Earlier this year, administration officials disclosed their plan to terminate the distribution of foods to schools, day care centers, charitable institutions, supplemental food programs, and for all other purposes by June 30, 1975. The donation of foods to institutions would be terminated by June 30 of this year.

SCHOOLS NEED CONTINUED COMMODITY SUPPORT

School food service officials in Missouri have advised me that the elimination of Government-donated commodities would be a severe blow to the ability of school districts in my State to provide low-cost nutritious lunches to schoolchildren.

During the 1972–73 school year, 2,789 schools in Missouri served a total of 99,222,024 type A lunches to an average of 581,000 children daily.

Donated commodities covered almost 12 percent of total school lunch costs in that year, 371 train carloads of foods, with a wholesale value of $6,842,099, were received and distributed to participating schools. An additional $1,705,545 in cash in lieu of commodities was distributed to schools when the Department of Agriculture was temporarily unable to purchase sufficient food.

Witnesses before committees of the Senate have testified that it would be impossible for local school districts to buy the quantity and quality of food that the Department of Agriculture can buy with an equivalent amount of money. Prices to local school districts would inevitably be higher because they would buy in smaller quantities and would lack the capability that USDA has to make mass purchases when prices are at their lowest. In addition, USDA food inspection and grading expertise could not be duplicated at the State or local level.

FOOD FOR INSTITUTIONS IN IMMEDIATE JEOPARDY

The administration's plans present an even more immediate problem for institutions and child care programs in Missouri.

Some 208 public or nonprofit institutions in Missouri, serving over 19,000 needy persons, have been receiving donated commodities. Of these institutions, 76 serve primarily children and 92 serve primarily the elderly. In fiscal 1973, these institutions received commodities with a wholesale value of almost $800,000.

The institutional distribution program in Missouri also includes 220 day care centers, serving 6,500 children, and 215 summer camps, serving over 25,000 children. In fiscal 1973, these programs received commodities with a wholesale value of about $230,000.

The abrupt termination of donated foods this summer, as contemplated by the Department of Agriculture, would seriously handicap these institutions and child care programs in Missouri.

As chairman of the Senate Subcommittee on Aging, I am especially concerned that nutrition programs for the elderly, recently inaugurated across the country under title VII of the Older Americans Act, would under the administration's plans become ineligible for commodities after June of this year.

AUTHORITY TO PURCHASE NONSURPLUS COMMODITIES

Historically, commodities donated to schools and other food assistance programs have been purchased under the various surplus removal authorities of our agricultural laws.

When, during 1973, there were no longer sufficient food surpluses available, Congress gave the Department of Agriculture temporary authority to purchase nonsurplus commodities in order to maintain programed levels of assistance to schools and other food assistance programs. That authority is scheduled to expire on June 30.

S. 3458 would make permanent and mandatory the authority to purchase nonsurplus commodities where that is necessary to continue traditional levels of commodity donations to food assistance programs, including school lunch and other child nutrition programs, charitable institutions, supplemental food programs, and disaster relief.

COMMODITY SUPPORT FOR SCHOOLS UPDATED

In a statement I submitted to the Senate Subcommittee on Agricultural Research and General Legislation on March 27, I pointed out that schools are already experiencing a decline in commodity assistance as a result of both decreases in funds programed for commodity purchases and the erosion of the food value of those purchases by increased food prices. I asked the subcommittee to consider an amendment to the National School Lunch Act to provide that the value of commodities—or of cash in lieu of commodities—be increased as the cost of food increases.

Therefore, I am especially pleased that S. 3459 would increase the value of commodities donated to schools from the present 7 cents per meal to 10 cents per meal and would require this figure to be adjusted annually in keeping with changes in the cost of food.

OTHER SCHOOL FOOD SERVICE AMENDMENTS

S. 3458 and S. 3459 contain other important provisions for school food service programs.

S. 3458 would increase the reimbursement under the special milk program from 4 cents to 5 cents per half pint and would authorize annual adjustments to reflect changes in the series of food away from home of the Consumer Price Index.

S. 3459 would make permanent the authority of the States to serve reduced price lunches to children from families with incomes up to 75 percent above the income poverty guidelines.

It would also increase the authorization for school food service equipment assistance from $20 million to $40 million for fiscal 1976 and succeeding years.

Mr. President, the provisions of these two bills are vitally important if schools in Missouri and other States in a time of rapidly rising costs are to continue their progress toward the goal of making available a low-cost nutritious lunch to every American child.

OLDER AMERICANS MONTH

Mr. PERCY. Mr. President, May is Older Americans Month. It is altogether fitting and proper that we set aside this month each year to recognize and honor this significant segment of our population.

All too often in this youth-oriented culture of ours we ignore or even shun the aged. This is tragic not only because of its effect on the individual but also because of its effect on the society as a whole.

"Older Americans are a National Resource" is the theme of Older Americans Month this year. It is a reminder that senior citizens want to contribute and can contribute significantly to improving the quality of life for all of us, young and old alike.

I often wonder why we automatically assume that a person at age 60 or 65 no longer can be a productive worker or no longer has any knowledge or experience relevant to society's concerns. I believe we are wasting a national resource, as the theme pointedly suggests, by continuing to adhere to shopwarn assumptions about senior citizens.

Some persons certainly are capable of continuing to work and of contributing to our economy well into their sixties and beyond. They should be given this opportunity.

Most elderly persons, with the obvious asset of long years of experience, are repositories of wisdom and insight which may benefit all of us. We should listen to them.

Senior citizens possess the time, energy, and desire to contribute to their communities. Fortunately, we are making some progress in providing opportunities for service through the programs of Action, the Administration on Aging, and the Department of Labor.

Nothing demonstrates better what an elderly person has to give and what others may gain from contact with this person than the foster grandparents program. So many lives have been enriched, because of the love and affection uniting the young and old participating in this unique and highly successful program. The potential of this program, it seems to me, is limitless. It is limitless because of the best reservoir of senior citizens who want to give of themselves for the benefit of others.

Mr. President, older Americans are indeed a national resource. I hope that the special events which have taken place around the country during the month of May will awaken many of us to this fundamental truth. I hope that we shall act on the basis of our new insight throughout the year.

HUNTSVILLE, ALA., S. R. BUTLER HIGH SCHOOL HAS TOP AIR FORCE JUNIOR ROTC UNIT IN NATION

Mr. ALLEN. Mr. President, I would like to call to the attention of the Senate today a success story—one which reaffirms the strength and validity of a fine youth program.

I speak specifically about the Air Force Junior ROTC program which began in 1966 with 20 schools and is now established in 275 high schools across the Nation and in military dependent schools abroad. More importantly, it is one of the few courses of instruction in our high schools which offers, in addition to aerospace-related studies, an introduction to leadership and citizenship skills.

The Air Force Junior ROTC program is designed, in part, to instill discipline and respect for authority in students. It is also concerned with promoting habits of orderliness, developing patriotism, and encouraging a high sense of personal honor in the cadets. In short, the students enrolled in this program will learn the principles that will assist them in becoming future leaders.

This month I had the opportunity to meet with three young men enrolled in one of these courses. They were from the S. R. Butler High School in Huntsville, Ala., and they were in Washington to accept an award for their winning entry in a national contest sponsored by the Aerospace Education Foundation, an affiliate of the Air Force Association.

This contest, whose theme was "The Air Force as a Unique National Resource," was open to all AFJROTC units. S. R. Butler High School's winning sound-slide entry was adjudged the best. The top prize is a $4,000 scholarship for the unit, and, in addition, these three young men and their aerospace education instructor were the guests of the Air Force Association for this trip to Washington, D.C.

This is the second year that the Aerospace Education Foundation has sponsored such a contest. The Air Force Association—the parent organization—is a nonprofit group, with more than 125,000 members and more than 280 local chapters in 49 States and is dedicated to the advancement of aerospace-related activity.

The people in Huntsville are proud of their young AFJROTC cadets. Mr. President, I ask unanimous consent to have printed in the Record, an article about these fine young Americans, which appeared on the front page of the Madison County Record, Alabama's largest weekly newspaper, for the week of May 15, 1974.

There being no objection, the article was ordered to be printed in the Record, as follows:

Local AFJROTC Win National Awards

Air Force Junior ROTC Group 31, from S. R. Butler High School, Huntsville, Alabama, was recently declared the winner of the Aerospace Education Foundation's annual contest for its sound-slide presentation on "The Air Force as a National Resource". Dr. Wayne O. Reed, Foundation President, announced the winning school at a Washington reception attended by more than a hundred high ranking military and civilian leaders, headed by Secretary of the Air Force John L. McLucas.

In congratulating the winning school, Dr. McLucas said: "I had the pleasure of visiting with these three cadets here today along with Colonel Newman, their AEI: Cadets Ellis, Johnson and Dodd. That was really a nice experience for me, to see how some of our youngsters are reacting to the Air Force Junior ROTC program and the enthusiasm they have for it, and what it means to us in increasing interest in flying and Air Force activities in general throughout the country.

I was reminded last night and again today, that the Air Force really is a group of people working together. We have our equipment and all the rest, but basically we are a people-related organization and the activities of our people, and the relations between our people, is really what it is all about."

This is the second year that the Foundation, an affiliate of the Air Force Association, has sponsored a contest for high school students enrolled in AFJROTC programs worldwide. This year's contest theme called on the students to "project to the public in any medium" what the Air Force has done for the country beyond providing weapons and men for America's defense. It was inspired by the thought that major Air Force contributions to civilian society may have gone unnoticed, according to Dr. Reed, who is a former Associate Commissioner, U.S. Office of Education, presently serving as adviser to the President, University of Nebraska.

Huntsville's winning entry consisted of a sound-slide presentation which included guitar music in the background as well as a song composed and sung by an AFJROTC cadet. A variety of presentations were submitted by the 128 schools entering the contest (representing 36 states and dependent schools in four foreign countries). Two panels (preliminary and final) of top military, government, and civilian judges thoroughly evaluated the entries to arrive at the final order of precedence. It is estimated that the contest involved more than 10,000 AFJROTC cadets, and that many more times that number of parents, teachers, and local community people have become more knowledgeable about the Air Force as a unique national resource, as a result.

The winning unit will select from among its ranks a representative or representatives to be awarded a $4,000 scholarship to a college of choice. The four runners-up will receive distinctive plaques suitable for permanent display and the twenty Honorable Mention winners will receive Certificates of Merit.

Additionally, the five winning entries will be on display during the Air Force Association's Aerospace Development Briefings and Displays held during its National Convention in Washington, D.C. in September, 1974.

The winning entry was put together by an Aerospace Team of the 31st Group, consisting of about 20 cadets, both male and female. Members of the team, at one point, travelled to Maxwell AFB, Montgomery, Alabama, to do research in the Air University Library. Other research was done by specified team members, on different and specifically assigned aspects of the overall topic.

After writing their preliminary script they prepared their slides, using such resources as pictures cut from aerospace magazines, posters, models and so on. Final taping of the narration and accompanying guitar background required about seven "run throughs".

Representatives of the winning S. R. Butler High School also were guests of the Air Force Association in Washington, D.C., May 7 through May 9. These representatives were: Colonel (USAF Retired) Ralph A. Newman, The Aerospace Education Instructor, and Cadet Colonel Steven Ellis, 16, the 31st Group Commander and narrator for the presentation; Cadet Lieutenant Colonel Charles Dodd, 17, who played the guitar accompaniment for the presentation and sang the song heard on the tape; and Cadet Captain Hurley Johnson, 16, who was President of the Aerospace Team providing overall coordination for the presentation. They toured the Pentagon, visiting Dr. McLucas; General George S. Brown; Air Force Chief of Staff; Major General Oliver W. Lewis, Director of Personnel Programs; Major General Robert H. Ellis, Vice Chief of Staff; Major General Robert N. Ginsburgh, Director of Information; and General Richard H. Ellis, Vice Chief of Staff.

In addition to an intensified sightseeing tour of Washington, they also met with the Honorable Robert Jones, U.S. Congressman from the 5th District, Alabama, and lunched with Alabama Senator James B. Allen.

During the reception that evening, honoring the cadets, a telegram from Alabama Governor George C. Wallace was read. It congratulated the Butler High School on winning the competition and also complimented the Air Force for its excellent community relations program in the State of Alabama. It concluded, "Again, let me say, on behalf of the State of Alabama, congratulations to the S. R. Butler High School Air Force Junior ROTC unit. Your entire state is proud of you for the honor that you have brought, not only upon yourself, but also to the State as a whole."

During the reception, a letter to Dr. Reed was also read, from Mr. Wayland Cooley, Principal of S. R. Butler High School. Further, each cadet spoke briefly about what the contest and the AFJROTC program meant to him. Then they presented an inscribed copy of the school yearbook to Dr. Reed.

The primary contribution of the Air Force as a national resource is, of course, its employment of aerospace power for national security. However, the contest went far beyond national security aspects and was pointed directly towards the non-military contributions of the Air Force to civilian society.

THE CONTINUING IMPORTANCE OF ENERGY CONSERVATION

Mr. PERCY. Mr. President, as vacation time approaches and Americans find themselves with seemingly adequate gasoline supplies, it is very possible that the recent gasoline shortage will begin to seem like a phenomenon from the distant past and that the public will return to preembargo fuel consuming habits.

The Federal Government must play a leading role in keeping the public informed of the continuing need for cautious and efficient energy use. One of the measures we can take is to continue the 55 mile-per-hour speed limit on our Nation's highways. Senator Randolph, Senator Stafford, and I intend to introduce legislation to that effect in the near future.

Another measure the Federal Government can take is to continue to keep before the public the available information on the energy situation in this country. Since John Sawhill took over as head of the Federal Energy Office, he has done an admirable job not only of keeping the public informed, but also of regularly urging continued conservation efforts.

In the May 22 issue of U.S. News & World Report, Mr. Sawhill provides a realistic appraisal of the current situation, predictions of what we can expect in the months to come, and warnings about what can happen if the public does not learn to view energy conservation as a way of life.

I ask unanimous consent that the interview with Mr. Sawhill be printed in the Record.

There being no objection, the interview was ordered to be printed in the Record, as follows:

Enough Gasoline—What It Will Cost

(Interview with John Sawhill, Federal Energy Chief)

Can Americans safely plan on 1974 vacations on wheels? Will power blackouts be avoided? What's ahead for natural gas, other fuels? The top policy maker on energy came to the magazine's conference room with answers.

Q. Mr. Sawhill, will there be enough gasoline this summer so that Americans can plan to take vacations as usual?

A. The answer to that question is a qualified yes. We expect sufficient gasoline to be available for people to take vacations if they continue to practice conservation. Now, while that may not mean the kind of rigid conservation measures we had to have during the embargo, it nevertheless still means that people should continue to observe the 55-mile-an-hour speed limit and should keep on car pooling.

Q. Would it be safe to plan a long trip—say, from one coast to the other and back?

A. We want people to drive and use their cars in an energy-efficient way. And it's more energy-efficient to take the train or the bus or perhaps even the airplane for longer trips than it is to take an automobile. So we'd rather see families use one of these alternative forms of transportation if they're going to take a long trip.

Q. How much higher will gasoline prices go?

A. I think prices probably will begin to stabilize at about current levels. We've seen some increases in May due to the increasing proportions of high-cost imported oil in our total mix of fuel supplies in this country.

Q. What is the average price of regular-grade gasoline per gallon across the country now?

A. In April it was about 53 cents per gallon. We predicted some months ago that the price would not go much over 60 cents. I still hold to that forecast. There are instances where some stations are charging prices higher than 60 cents because they have a higher component of the expensive imported oil in their supplies.

Q. Do you think gasoline will go to a dollar a gallon?

A. I think we can forget about dollar-a-gallon gasoline. The only way in which I could see that happening would be if we had a very substantial price increase in the oil that we import. I regard the chances of such an increase as highly unlikely.

Q. Do you see any sign that higher gasoline prices are prompting people to curb their driving?

A. To date, we haven't seen significant reductions in driving as a result of higher prices. The Federal Energy Administration has been watching traffic flows around the country. For example, we've been monitoring traffic flows at the tunnels and bridges in New York City, and we've seen traffic return to approximately the pre-embargo levels in recent weeks. It's not quite back up to what it was at this time a year ago, but it's beginning to move in that direction.

Q. Are State and local governments enforcing the 55-mile-an-hour speed limit?

A. We don't have accurate reports on that, but just from talking to people in the Federal Energy Administration, my impression is that enforcement is not as strict as it was during the embargo.

Q. If people do start slacking off on conservation efforts, will you take measures to make them cut back?

A. We can't take punitive measures, as such, but our allocation program would automatically go back into effect if supplies dwindle, and spot shortages could show up around the country.

Q. Are you saying that lines at gasoline stations could reappear if conservation doesn't persist?

A. Yes, that's very possible.

Q. What would happen if the Arabs suddenly reimpose the oil embargo on the U.S.?

A. If we had a reimposition of the embargo, we probably would find ourselves in about the same situation we were in last winter. We would have to begin reducing allocations of gasoline; and, in some cases, of other kinds of fuels as well. And we would have to step up conservation programs. We're still somewhat vulnerable to a reimposition of an embargo.

Q. Are we as vulnerable this time as last autumn, when the embargo was first applied?

A. I don't think we're quite as vulnerable. The reason I say that is I think we've learned now how to manage a shortage much more effectively.

Last winter we had 200 people in the Federal Energy Office when we started in early December. Today we have over 2,000 employes, and these people are much better trained and much better acquainted with the regulatory program. Last winter we had to start a program from scratch. Now we have one in place.

Q. Do you think the Arabs will reimpose the embargo?

A. I think that is very unlikely.

Q. Even if the Mideast war should flare out of hand again?

A. Situations can change very rapidly in the Mideast—and this is really in Secretary Kissinger's area rather than mine—but my understanding from our own staff of international experts is that a reimposition is not likely.

Q. Is the danger of gasoline rationing past?

A. The likelihood of going to rationing right now is near zero. If there were a reimposition of the embargo, we would hope we could avoid rationing, as we did during the last embargo. However, we have to maintain the capability to go to rationing.

Q. Can brownouts and blackouts be avoided this summer when the electricity demand for air conditioning in many parts of the country hits a peak?

A. Our staff is now taking a comprehensive look at the whole utilities industry. The early reports indicate that we will be able to avoid brownouts and blackouts, but here again, we need energy conservation. People must continue to use less electricity for heating, air conditioning and lighting. We are asking Americans to turn up their air-conditioning-system thermostats to 78 degrees this summer and, to set an example, the Federal Government will do this in all of its office buildings.

We expect that fuel supply and generating capacity will be adequate this summer. It varies around the country, and it could be that there will be spot shortages, but I hope that people will continue conservation in electricity. We've seen some fall-off in that, as we've seen fall-off in the conservation of gasoline.

Q. Why should people continue to conserve electricity and natural gas when the result often is that rates are raised, because utilities say they aren't taking in enough money?

A. In those instances, I think we're seeing utilities which have been hit by substantially higher fuel costs. They're going to have those higher fuel costs whether people conserve electricity or not. As a result, if people don't conserve electricity, their bills may go even higher.

"DRILLING ACTIVITY IS UP"

Q. Oil-industry officials have long claimed that higher prices would stimulate more production of oil and natural gas. Yet prices, especially of oil, are up sharply and production is not increasing. Why is that?

A. It takes time for higher prices to be translated into higher production, because it takes time to get drilling rigs out into the oil fields, to drill the wells, and to develop the fields that are subsequently produced.

Drilling activity is up substantially in this country. It was up 10 per cent in January '74 over January '73—20 per cent in February, and 30 per cent in March, which indicates to us that the higher prices will eventually result in more production.

Q. Are you forecasting an upward trend in production of crude oil?

A. Crude-oil production in this country actually began declining in 1970. Exploration started declining in 1956. Now with the increase in exploration activity, we would expect to see an upturn in crude-oil production, particularly if we can begin exploring in new areas on the outer continental shelf, such as off the Atlantic—especially along the northeastern coastline—and other frontier areas like the Gulf of Alaska.

Q. How soon do you expect this new oil to begin flowing to the market?

A. We could see increased production as early as next year, depending on how rapidly new offshore oil fields are developed, and how quickly increased secondary and tertiary recovery is expanded. However, it may take a few years before we see a really significant upturn.

Q. Is there any prospect that oil imports can be reduced?

A. Imports, I believe, will keep going up for a few years, then begin to stabilize and decline. By 1980, we hope to be in a position where we're not as dangerously dependent on foreign imports as we are today.

Q. What is the production outlook for natural gas?

A. It is not very favorable right now. The problem in natural gas is that the regulated prices have reduced drilling to the point where we are using natural gas faster than we are discovering new additions to our reserves. This is a serious problem, because about 50 per cent of industrial energy in this country comes from natural gas. We face serious curtailments in that industrial usage over the next six or seven years. We could see curtailments of a large percentage of this gas for industrial use if we don't move quickly to bring on new supplies.

The solution to the problem is to deregulate the price of new natural gas at the wellhead, and encourage producers to drill more natural-gas wells which should ultimately lead to greater supplies.

Q. Is there likely to be deregulation?

A. I see evidence that the Congress is moving closer to some kind of deregulation bill. It could pass this year.

Q. Will that mean higher natural-gas prices to consumers?

A. Deregulating the price of new natural gas and maintaining fixed prices on the long-term contracts for old gas would not mean significant cost increases to consumers initially. The average consumer spends $150 to $180 a year for his heating bill if he's using natural gas. We believe that deregulation would increase annual consumer heating cost by $8 to $10 a year.

Let me add, incidentally, that the wellhead price of natural gas is about 25 cents per thousand cubic feet, yet the individual consumer pays from $1.50 to $2 per thousand cubic feet. The bulk of the consumer cost is clearly the result of transportation and distribution costs.

Even if the wellhead price of natural gas doubled after several years, it would only result in a 12 to 20 per cent increase to the consumer.

Q. There are recurrent charges that the industry is holding back on the production of oil and of natural gas to keep prices high. Is there any evidence of this?

A. We have no evidence that production in this country is being held back or that wells are being capped in anticipation of higher prices. It is true that there's some production in this country that is not being developed because it's uneconomical to do so at current price levels. That's particularly true in the case of natural gas. In fact, there is no evidence that oil or gas which is economical to produce at current prices is not currently being produced.

Q. Why do prices for gasoline and other fuels have to be so high when oil companies are making record profits?

A. The oil industry, actually, has a return on investment which is about comparable to that of other industries in this country. We have analyzed the 1973 profits of the oil companies, and we found that 85 per cent of the profit increase came from foreign earnings as opposed to domestic earnings.

In effect, the oil companies are making very large profits abroad and reinvesting that money in the United States to build new energy facilities, to explore for more oil and do the things necessary to bring on new energy supplies. We think this is a very constructive development.

Q. Do you think oil-industry profits are excessive?

A. The first-quarter profits indicated a return on investment of roughly 15 to 16 per cent. That's somewhat above the national average for industry profits. I don't think, however, that you can measure industry profits on the results of one quarter alone. If we look at the profitability of the oil industry over the last five or 10 years, we do not feel that it has been excessive.

Q. Do you favor an excess-profits tax on the oil industry?

A. Yes. We favor a measure that would tax away the oil companies' excess profits that are generated as a result of the higher crude prices. Our plan, however, contains a provision that if the oil companies reinvest this money in domestic exploration or production, then the tax would be rebated.

A tax-reform bill approved by the House Ways and Means Committee contains an excess-profits provision quite similar to the Administration's proposal.

Q. Mr. Sawhill, just what are these "integrated" oil companies that seem to dominate the industry?

A. An "integrated" oil company is one that operates in all phases of the oil business, including production, refining, transportation and marketing—all the way from the petroleum geologist to the gasoline tank of your car.

Q. If these integrated companies were broken up, would there be more competition that would benefit consumers?

A. It might make for more competition, but I'm not sure that it would benefit consumers. Consumers do benefit from the experience and management of the large, integrated oil companies and their access to capital markets and their technical know-how.

We're doing a comprehensive study of competition in the oil industry right now. At this point, I would certainly feel that any kind of major breakup of the oil companies would be a mistake.

We may want to take some actions, however, to limit their growth in certain segments of the market. And we especially want to make sure that the majors do not take advantage of the current shortages to eliminate competition from independent refiners or marketers.

OPPOSED: A FEDERAL OIL COMPANY

Q. Do you favor creation of a Government oil-and-gas company to serve as a yardstick for the industry, as the Tennessee Valley Authority is said to do for the utility industry?

A. We do not favor this proposal. As a matter of fact, I was quite interested in reading the other day an article by the president of the Sierra Club which characterized this proposal as a "rubber yardstick." He felt that it would not be an effective measure. It's not often that we get support for our views from an environmentalist organization like the Sierra Club.

The proposal that has been advanced by Senator Adlai Stevenson (Illinois Democrat) would provide a 50-million-dollar-per-year subsidy to get this Government company off the ground. It would also provide significant tax advantages and advantages in leasing of federal land to this company. Therefore, it would have an unfair competitive advantage and be a very uneven yardstick at best.

Q. You've said that President Nixon's Project Independence—the goal of energy self-sufficiency in this country by 1980—would be difficult, if not impossible, to reach. Do you think it ever can be attained?

A. It really depends on how you define energy self-sufficiency. We believe that we can attain the goals of Project Independence, but the objective is not to have zero imports by 1980. It is to remove the dangerous degree of foreign dependency on imported oil that we have had in this country. I believe we can reduce our dependence on foreign oil significantly by 1980.

Q. Do you think it can be brought below the current level of 35 per cent or more?

A. I certainly do. President Nixon has given the Federal Energy Administration a mandate to prepare for him a comprehensive plan outlining the objectives of Project Independence and the detailed work necessary to achieve them.

We hope to have this plan in front of the President by November 1.

In this plan we will be discussing the legislation needed to achieve the goals of Project Independence, as well as the budgetary resources required and the new types of relationships that will have to be forged between the Government and private industry. This will be a major task. But we've undertaken major tasks in this country before, such as the Apollo space program.

There are really two dimensions to the Project Independence effort: One is the effort to bring on new energy supplies; the other is conservation. I believe that, with higher prices for energy—as well as with a conservation ethic, which I hope to see become a permanent part of our lives—we will be able to reduce our growth rate in energy consumption from the current level of 4.8 per cent per year back to something like 3 per cent, or maybe even less.

Q. By higher prices, do you mean higher than those that now prevail?

A. No, I don't think we need to increase oil prices above present levels to achieve the objectives of Project Independence. Current product prices seem sufficient to enhance our conservation efforts and certainly have boosted the trend to smaller, more-energy-efficient cars.

As for oil prices, they appear to be high enough to stimulate new drilling activity. Again, however, we simply can't afford to hold natural-gas prices at a level that discourages exploration as well as conservation measures with our most premium fuel.

DEVELOPING NEW ENERGY SOURCES

Q. What new sources of energy can be most quickly developed in this country?

A. There are really four: coal, nuclear, oil and gas. As far as coal is concerned, we sit atop the free world's largest coal bin. We have 1 trillion, 600 billion tons of coal resources in this country. That is 48 per cent of the free world's resources.

Q. Can coal production be tripled in this next decade, as some energy experts are saying it must be?

A. We'd like to see coal production increased at about 10 per cent a year. Unfortunately, we aren't off to a very good start. We had hoped to raise production from slightly under 600 million tons per year in 1973 to about 650 million tons per year this year. So far the gain through the middle of April has only been about 8 million tons. So we are falling somewhat short of our objectives.

Nevertheless, I believe with good strip-mining legislation and improved technology that we can significantly expand coal production.

Q. Do you think that strip mining can be expanded fast enough to get a 10 per cent increase in coal output without wrecking the landscape?

A. I wouldn't expect all of the increase to come from strip mining. I think a substantial portion of it can come from deep mining. One of the things the Government needs to do is to improve deep-mining technology, and this, of course, will require an effort on our part to encourage the industry to adopt improvements, and literally to bring on line a new generation of technology that will make coal mining safer and environmentally sound. I would like to see the Government, perhaps in concert with the industry, demonstrate the benefits of improved mining technology.

Q. Would you set up a federal corporation to go into coal mining?

A. I don't think that will be necessary, but I do think the Government will have to provide economic incentives so that coal companies can expand rapidly and take advantage of some of the new technology that is available in the world today.

Q. Do the prospects for shale oil look promising?

A. I think shale oil is promising in the long run, although we don't expect to see significant production by 1980 or even by 1985. We have to build the pilot plants and the first commercial-sized plants, and study the environmental impact they have before we can really swing into full-scale shale-oil production.

Shale oil is still a question mark.

Q. What about atomic power? It's been plagued with one problem after another—

A. The real reason why atomic power has not lived up to its earlier expectations has been a combination, I think, of Government red tape and lack of industry expertise. We're moving on both fronts right now. We have proposed legislation to the Congress which would simplify the licensing process for nuclear plants. We're about to propose an energy-facility-siting bill which should expedite the siting of nuclear facilities.

It's incredible when you consider that it takes nine to 10 years to bring a nuclear plant on line in the U.S., in comparison with four to five years in France or Japan. In fact, after an almost three-decade commitment to nuclear power, we still get only 1 per cent of our total energy from the atom. I think we can do better.

On the industry front, there are a number of exciting new developments which should enable companies to manufacture and construct nuclear plants much more rapidly than they have in the past. There's a great deal of work going on in the area of standardizing the design of plants.

Q. Congress and the White House, during the two or three years of the energy crisis, have seemed to talk a lot about what needs to be done, but have had trouble agreeing on the necessary laws. Do you think there will be more cooperation?

A. Maybe I'm optimistic, because Congress has just passed the bill creating our Federal Energy Administration to replace the Federal Energy Office. That will give us an agency which for the first time will bring together energy policy and program implementation under one roof. It will give us a base from which we can launch the programs necessary to achieve the goals of Project Independence.

It will also give Congress one agency to which they can look for energy policy. We have been working with Congress on several bills; for example, the natural-gas-deregulation bill. The prospects for that look good.

There's strong sentiment in Congress to get on with some of the legislation we've proposed in the conservataion area, such as the bill for mandatory labeling of appliances as to energy efficiency.

I believe we can also work closely with Congress in developing good strip-mining legislation.

HOW TO PAY FOR IMPORTED OIL

Q. One economist has estimated that the U. S. bill this year for imported oil will come to around 20 billion dollars, compared with 7.5 billion in 1973. Where are we going to get the money to pay this bill?

A. We will have to get the money through expanding exports, or by encouraging and allowing the OPEC [Organization of Petroleum Exporting Countries] nations to "recycle" their investments here in the U. S. Expanding exports of food, for example, could be one source.

The balance-of-payments implications of the current energy problem are critical. If this year's import bill causes serious problems, what will happen if we let imports rise to double the 1974 level by 1980? This is the reason why it's important for us to get on with the job of achieving the goals of Project Independence.

KEY POINTS MADE BY MR. SAWHILL

Gasoline prices: "We predicted some months ago that the price would not go much over 60 cents. I still hold to that forecast."

If Arabs boycott U. S. again: "We're still somewhat vulnerable to a reimposition of an embargo."

Brownouts and blackouts: "Fuel supply and generating capacity will be adequate this summer. . . . It could be that there will be spot shortages."

Oil-company profits: "We favor a measure that would tax away excess profits that are generated as a result of the higher crude prices."

Project Independence: "The objective is not to have zero imports by 1980. It is to remove the dangerous degree of dependency on imported oil."

The oil-import bill: "If this year's import bill causes serious problems, what will happen if we let imports rise to double the 1974 level by 1980?"

TAX ACTION FOR INFLATIONARY TIMES

Mr. HUMPHREY. Mr. President, on Tuesday, Senator MONDALE, Senator KENNEDY, and Senator BAYH introduced two amendments to H.R. 8217. These amendments would implement a modest tax reduction for all individual taxpayers, balanced by revenue from four badly needed tax reforms. I am one of the six additional cosponsors of these amendments.

This is one of the most important measures now awaiting congressional action. As I have pointed out several times recently, the extraordinary inflation of the past 18 months has lowered the purchasing power of most Americans who live on wages and salaries or private pensions—and lowered it substantially. These facts were documented in a Joint Economic Committee study which I released in January. Since then things have gotten worse.

People on average and below-average incomes, who never lived luxuriously but who typically work hard to improve their situations year by year, are being pushed back down by inflation. They are the ones who are hurting and they need help.

If we wish to avert social unrest accompanying a struggle to recoup these losses, then the enactment of tax reforms to restore equity and permit tax relief for the average American family is absolutely necessary. And it is necessary now. Clearly the tax relief proposed here cannot make up all the costs of inflation. But it could remove some of the pressure on family budgets and let people know that their representatives in Congress are acting to help them.

TAX REFORMS

The tax reform package that we are offering would eliminate three unwarranted tax preferences in the corporate tax structure and tighten the minimum tax so that individuals with very high incomes cannot get away tax free by ducking through loopholes. The changes bearing on corporations are the repeal of the percentage depletion subsidy for oil and gas producers; the repeal of tax preferences for Domestic International Sales Corporations (DISC's)—a form of export subsidy; and repeal of the accelerated depreciation range provisions (ADR)—a subsidy to plant and equipment investments.

Among the main causes of citizen disillusionment with Government are the inequities in our tax laws. Recent events have made everyone acutely aware of these defects. Such disenchantment must be met by forceful leadership from within the Government to rectify the situation. By taking a major step in this direction, the Senate can take the lead toward the moral renewal for which America is yearning.

OIL DEPLETION

The repeal of percentage depletion is a major reform that is particularly long overdue. As everyone knows, oil prices have gone up very, very sharply. Ironically, as prices and profit multiply, so does the size of the subsidy from percentage depletion. The higher the profits, the bigger the subsidy. You do not have to be a tax expert to see that this makes no sense.

Much is being made of the oilman's plea not to withdraw the incentive to find and produce more oil, especially now that we are attempting to reduce our dependence on imports. But if today's crude oil prices are not high enough to induce the oil industry to find oil without special taxpayer assistance, then how high do prices have to go to tempt them to do so? The truth, is that prices now are so high that all available equipment and manpower the oilmen can find is in action. This effort is exactly what the Nation needs to ease its energy problems. But it no longer requires a special tax subsidy.

If anything is now clear, it is that the majority of the people we represent no longer are willing to pay more than their fair share in taxes so that the oil industry, while exploiting the current sellers' market, continues to get off with less than its share. I intend to fight hard to see that this $2 billion loophole is closed, and closed now.

THE DICKEY-LINCOLN POWER PROJECT

Mr. BROOKE. Mr. President, the Nation's oil crisis has lead to renewed efforts in developing reliable alternative energy sources. Whether it be energy from the Sun or the wind, every possible power source is being eagerly evaluated. New England, so dependent upon expensive foreign oil, is particularly interested in such alternatives.

One alternative which has caught the fancy of many New Englanders is the Dickey-Lincoln hydroelectric power project, slated to span the lovely St. John River in northern Maine. Under consideration for nearly 40 years, this project has long lured supporters with its enchanting promise of clean and abundant electricity for the entire New England region. Only the House Appropriations Committee has prevented it from becoming a reality.

Admittedly Dickey-Lincoln did look quite attractive at first glance, especially last winter when residual oil, which accounts for almost 90 percent of New England's electrical generation, was in short supply. Indeed, I recall telling several constituents that perhaps the time had finally come to develop this potential power source. However, further investigations have lead me to uncover some very disturbing facts regarding this project—facts which raise more questions than they answer. For instance, despite its enormous size, Dickey-Lincoln's electrical output would meet less than 1 percent of New England's projected electricity demands by 1983. Moreover, the entire project could cost as much as $800 million, if not more, and it will entail very serious environmental risks—risks I do not believe are worth accepting for such a minimal return.

Mr. President, we cannot allow the exigencies of the moment to dictate pursuit of ill-planned energy alternatives, the effects of which will come back to haunt us in the future. Rather we need a calm, rational debate which fully and frankly explores the pro's and con's of each proposal. This is particularly needed in regard to Dickey-Lincoln. And to facilitate such a discussion, I bring to my colleagues' attention an interesting background paper on the project. I hope it can be useful in this ongoing debate.

Mr. President, I ask unanimous consent that the background paper on the proposed Dickey-Lincoln hydroelectric project be printed in the Record.

There being no objection, the paper was ordered to be printed in the Record, as follows:

Background Paper on the Proposed Dickey-Lincoln Hydroelectric Project on the St. John River in Maine

WHAT IS THE DICKEY-LINCOLN PROJECT?

The Dickey-Lincoln Project is a proposal to build two dams on the upper St. John River in northernmost Maine for the purpose of generating hydroelectric power.

The larger dam would be built at Dickey and would have a capacity to generate 760 megawatts (MW) of electricity. Of this, 725 MW would be used to generate peaking power for southern New England (656 MW in Boston after transmission losses). This dam could operate only 2½ hours per day because of limited water flow in the St. John River. The second dam would be downstream at Lincoln School and would even out the flow from the dam at Dickey. Its additional electric generating capacity of 70 MW would allow the generation of 105 MW of power for 12 hours a day for Maine customers.

In addition to constructing the two dams, five smaller dikes would have to be built at various sites around the edge of the reservoir to keep it from spilling over into adjacent watersheds, and a minimum of about 150 miles of new transmission line rights-of-way would have to be cut through the Maine woods.

HOW BIG WOULD THE DAM BE?

The dam at Dickey would have to be very big. It would rise more than 300 feet over the existing streambed, would have a crest length of nearly two miles (9200 feet), and contain 65 million cubic yards of rock and earthwork. In total volume it would be the eleventh largest dam in the world and the sixth largest in the U.S., larger than Egypt's Aswan Dam. It would take seven years to build.

By comparison, the dam at Lincoln School would be small—87 feet high, 1290 feet long, and 2.2 million cubic yards.

HOW BIG WOULD THE LAKES BE?

At high water, the dam at Dickey would flood 88,600 acres and the dam at Lincoln School an additional 2,200 acres (a total of about 140 square miles). At low water, the area of the lake behind the Dickey dam would shrink by about 30,000 acres. The water elevation behind the Dickey dam could vary up and down by as much as 40 feet, depending on the time of the year. It would take more than two years of annual average runoff to fill the larger reservoir.

WOULD THE DICKEY-LINCOLN DAMS MAKE AN IMPACT ON NEW ENGLAND'S ELECTRICITY SUPPLY?

Very little, the claims of the proponents notwithstanding. Despite the size of the project, its electric output would meet *less than one percent* of the electricity demands of New England in 1983, when the project would be completed. This is because there is not enough water flow in the St. John to keep the turbines running more than a small fraction of the time. The major part of the generating capacity would sit idle most of each day until the few hours of peak electric demand.

As a source of peaking power, Dickey-Lincoln would be somewhat more significant, supplying about ten percent of what traditional analysis would say peak loads will be in 1983.

The significance of Dickey-Lincoln as a power source will diminish with time as the size of New England's energy demand increases.

WOULD THE DICKEY-LINCOLN DAMS TAKE THE PLACE OF NUCLEAR POWER PLANTS?

No. You would need four or five projects the size of Dickey-Lincoln to generate the same number of kilowatt-hours of electricity as one reactor the size of Maine Yankee or Boston Edison's Pilgrim I. Besides size comparisons, Dickey-Lincoln would be used to generate "peaking" power during the several hours a day when demand is highest for electricity. Nuclear plants operate steadily to produce "base load" power.

THEN WHAT WOULD DICKEY-LINCOLN REPLACE?

If Dickey-Lincoln were available, we could reduce the size of *one* fossil fuel unit somewhere in Maine by 105 megawatts (for example from 605 MW to 500 MW). It is unlikely, however, that Dickey-Lincoln would also allow us to reduce the installed capacity of fossil fuel-fired peaking plants, because during the summer the peak in demand begins around 11 a.m. and extends to about 5 p.m., requiring the peaking units to operate for about six hours. While Dickey-Lincoln could supply two and one-half hours of that peaking load, there would still have to be enough fossil fuel generating equipment to meet peak demands for the remaining three and one-half hours.

WILL DICKEY-LINCOLN HAVE A MAJOR IMPACT ON THE ENVIRONMENT?

Yes. The effect of the project on the lands and streams that would be buried under the lakes would be total devastation. The free-flowing St. John River, its tributaries, and the fertile bottomland bordering the river would be replaced by a large lake. Because of fluctuating water levels, the edge of this lake would have minimal value to wildlife and recreation.

During construction, there would be major disruptions of substantial areas near the reservoir site, including major quarrying operations in the Deboulie Mountain region, a particularly outstanding scenic resource.

Construction of the necessary transmission lines would produce major environmental and aesthetic impacts.

On the beneficial side, approximately 5000 barrels of oil equivalent could be saved daily, if Dickey-Lincoln produces power that would otherwise be generated by burning non-renewable fossil fuels. By comparison, New England consumes more than a million barrels a day of petroleum products. It should be borne in mind, however, that the free-flowing St. John River and the timber and wildlife that would be lost to the dams are also non-renewable natural resources.

WHAT IS THE SIGNIFICANCE OF THE ENVIRONMENTAL IMPACTS?

If the St. John River and the surrounding wild lands were just like any other river and forestland in northern New England, the signifiance to the region of the losses caused by the Dickey-Lincoln Project would not necessarily be great. However, the upper St. John basin is not just more of the same. The area has unique recreational potential to the hunter, the fisherman, and the white-water canoer.

Of the 89,000 acres that would be inundated, 17,600 are deer yards, areas of bottomland which naturally provide the right kind of habitat to help the deer population get through the severe winters. Studies have shown that these areas support about 2200 deer and that such a population is capable of supplying as much as 30,000 hunter-days each year. If these deer yards are flooded out, the deer cannot simply move to other areas, because the other areas are either not suited or they are already occupied. It would be possible to mitigate some, but not all, of this loss by acquiring 36,000 acres of neighboring forestland and managing it for deer production at considerable expense.

The upper St. John and its tributaries today provide some of the best brook trout fishing in the nation. The reservoir behind the Dickey dam would flood 57 miles of the St. John and many more miles of its tributaries, thereby eliminating the river habitat that this species needs to survive in the upper basin. The lake fishery that would result from the dams would, according to the Fish and Wildlife Service, only partially compensate for the loss.

The Appalachian Mountain Club New England Canoeing Guide says of the St. John River: "an area which has no equal in the eastern United States in the number and diversity of wilderness canoe trips which can be made." One of the features that makes it unique is the extraordinary length of the run on the St. John mainstream. This would be broken by the proposed dams.

The demand for the sort of recreational experience that the upper St. John River is uniquely suited to provide is rapidly increasing in the heavily urbanized northeastern United States.

WILL DICKEY-LINCOLN HAVE A MAJOR IMPACT ON THE MAINE ECONOMY?

It has been estimated that 11,200 man-years of labor would be needed to build the Dickey-Lincoln Project of which 3,950 man-years could be provided from the local labor pool. The rest would have to be imported. Most of the jobs for local laborers would be in unskilled and semi-skilled classification, jobs paying $3600 and $4000 per year, respectively (in 1967 figures). There is some concern that this labor will be provided at the expense of the local lumbering and potato farming industries. Because the dams would provide very few permanent jobs, there is also a worry about the economic and social impacts of the "boom and bust" economy that would accompany the construction and completion of the dams.

The land that would be flooded by the dams is presently harvested for its timber. Estimates are that 25,000 to 40,000 cords of wood, a renewable resource, would be lost to the local economy each year. The mill value of this wood has been estimated at $660,000 annually (1970 figure) and the total value added in the local economy could run as high as $8 million annually. Thus, jobs would be lost as well as gained, if the dams are built. The income from timbering and from guide services associated with recreational use of the area, if preserved in its natural state, will flow each year to support the local economy. The power revenues from the dams will flow to the federal government to repay the low-interest, tax-free bonds that will be held largely by higher-income out-of-state investors.

HOW MUCH WILL DICKEY-LINCOLN COST?

Lots! The Corps of Engineers' latest official estimate (January 1974) is that the dams would cost $356 million plus $52 million in interest during construction (IDC) and that the transmission lines needed to bring the power to market would cost an additional $123 million plus $11 million in IDC (possibly less if a deal can be made to hook into an already-full transmission line that runs to New Brunswick and that is 150 miles away from Dickey-Lincoln). The Corps' estimate is almost certainly low because their estimate doesn't figure in the effects of inflation on construction costs during the seven years it would take to build the dams nor a profit for the contractor. Some people have estimated that the price tag will end up at $800 million or even $1 billion!

WON'T DICKEY-LINCOLN POWER STILL BE CHEAPER THAN THAT GENERATED FROM EXPENSIVE OIL?

Despite claims of cheap power, savings to consumers would be minimal, if there are savings at all. This point is very much in dispute. The answer depends very much on what assumptions you make in comparing Dickey-Lincoln with alternative power sources.

The Army Corps of Engineers' comparison indicates that Dickey-Lincoln electricity would cost 2.5¢ per kilowatt-hour (KWH), while the fossil fuel alternative would produce electricity at a cost of 3.4¢ per KWH. If this savings can actually be realized, New England consumers would pay $11.7 million less for their electricity, but since they now pay $1.6 billion each year for electricity anyhow, the savings could amount to no more than a fraction of one percent.

Today's high price of imported oil (about $12.50 per barrel) is figured by the Corps into the fossil fuel alternative's price estimate. However, probable increases above the Corps' estimate of a $458 million project cost are not considered in the Dickey-Lincoln electricity price estimate. If there should be cost overruns for the dams, the price advantage of Dickey-Lincoln power would vanish.

In addition, the 2.5¢ per KWH estimates for Dickey-Lincoln power assumes substantial subsidies from federal, state, and local taxpayers. Because Dickey-Lincoln would be a federal project, it would be exempt from taxes. It would be financed by low-interest, tax-free federal bonds (with an assumed 5⅞ % interest rate) which produce a tax break for individuals in high-income tax brackets but which reduce regular tax revenues.

Dickey-Lincoln power would actually be very expensive. The only reason why the price of electricity from Dickey-Lincoln has a chance of being lower than the price of electricity from alternative sources is because some of its cost would show up on your tax bill.

BUT, ISN'T THE BENEFIT-COST RATIO FOR THE PROJECT FAVORABLE?

According to the Corps of Engineers' analysis, the so-called "benefit-cost ratio" for the Dickey-Lincoln dams is now 2.6. It is not correct to say, however, that for every dollar invested in the project, the government would "get back" more than double its money. By the rules of "benefit-cost" analysis, the price charged to the consumer by the government for electricity from the project is completely unrelated to either the "cost" or the "benefit" of the dams. Using the Corps' figures, buyers of power from Dickey-Lincoln would pay $30.8 million each year for power from a project whose annual "cost" is only $17.7 million and whose "benefit" is $46.5 million. This demonstrates how artificial the Corps of Engineers' analysis is.

Because of the strength of the of the dam-builder's lobby in Congress, the Army Corps of Engineers is permitted to use a borrowing rate of 3¼ % to calculate the annual "cost" for the benefit-cost ratio. On the other hand, they use a borrowing rate of 8¾ % to judge the cost of the alternative which they don't want to see come to pass. They also build taxes into the cost of the power from the fossil fuel alternative, while the federally financed dams would produce power "tax-free" (meaning taxpayer-subsidized). If the Corps had to use the 8¾ % borrowing rate in figuring the annual "cost" of the dams, this number would jump from $17.7 million to $46.8 million or *more* than the alternative. If, in addition, you figure in what a private uility would have to pay in taxes on a capital investment the size of Dickey-Lincoln, you would have to add $20–30 million more in taxes. Thus, a private utility would find that Dickey-Lincoln power would be 60–80% more expensive than equivalent power generated from fossil fuel.

The Corps' analysis is also misleading in that it counts recreational, area redevelopment, and flood control "benefits" without considering the loss of recreational use of the wild river or economic losses that would accompany dam construction.

WOULDN'T DICKEY-LINCOLN, WHICH WOULD BE A PUBLIC POWER PROJECT, BE USEFUL AS A "YARDSTICK" AGAINST WHICH THE PERFORMANCE OF THE PRIVATE UTILITIES IN NEW ENGLAND COULD BE JUDGED?

Dickey-Lincoln would be more useful as a yardstick against which to measure federal boondoggles

If we want to establish public power to serve as a "yardstick," it would be more sensible to build something more common to New England than an enormous, publically subsidized hydroelectric project and to use more competitive assumptions.

ARE THERE ANY ALTERNATIVES TO DICKEY-LINCOLN?

Yes. Almost anything will provide more electricity than Dickey-Lincoln; so alternatives are not lacking.

We specifically recommend broadening the daily peaks in demand through modifications to utility rate structures to encourage use of electricity for such things as hot water heating in off-peak hours. This can and should be accomplished by 1983.

We also recommend substantial investments in insulation of homes and installation of storm windows. The reduction in base load demand that these steps would achieve would save many more kilowatt-hours of electricity than Dickey-Lincoln would produce and would allow us to retire some of the more expensive, less efficient fossil fuel plants now in operation as base load or cycling units to service as peaking units.

More efficient fossil fuel combustion (in combined cycle units and in fuel cells), the use of solar energy for space heating and cooling, and wind turbines all offer more promise for the intermediate term than Dickey-Lincoln hydropower.

And for those who were interested primarily in the public power aspects of Dickey-Lincoln, the prospect of a public role in the exploration for oil on the continental shelf or public development of alternative energy sources should offer a more attractive alternative than Dickey-Lincoln.

THE DROUGHT IN THE SAHEL

Mr. HUMPHREY. Mr. President, I would like to bring to the attention of my colleagues two thoughtful and perceptive articles on the continuing drought in Africa's six Sahelian nations. Mr. Ray Vicker of the Wall Street Journal has written an on-the-spot analysis of the drought's devastating effects on the people and the region. Mr. David B. Ottaway of the Washington Post has prepared an interesting analysis of the Carnegie Endowment's recent study of the Sahelian aid efforts entitled "Disaster in the Desert."

Both of these articles reveal the extent of human suffering as well as the almost insurmountable problems of providing quick and effective relief to people spread over a parched land which is larger than the continental United States.

As chairman of the African Affairs Subcommittee of the Senate Foreign Relations Committee I have taken a special interest in the Sahelian drought. The Senate has recently passed disaster relief package which will provide at least $50 million to these stricken countries as well as $10 million for Ethiopia and $25 million for other African drought relief efforts in the non-Sahelian zone.

The American contribution to the relief efforts has done much to alleviate suffering. However, despite our good intentions, major problems remain which will continue to call for a commitment of resources as well as our dedication to finding solutions to such problems as improved food distribution, grain storage, rebuilding of herds and development of underground water resources. This region will continue to require assistance from the community of more affluent nations until its basic agricultural economy can be rebuilt and made viable once again.

Mr. President, I ask unanimous consent that the articles by Mr. David Ottaway and Mr. Ray Vicker be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

DISASTER IN THE DESERT

(By David B. Ottaway)

The Carnnegie Endowment for International Peace has recently issued a report that amounts to a searing indictment of the international community in general and the U.S. Agency for International Development in particular for their failure to prevent the death of untold thousands in the now 5-year-old drought in Africa. The report raises a major issue: Is there an international moral imperative to save lives that overrides even the prerogatives of national sovereignty?

The drought afflicting the African Sahel, that 2,500-mile belt of near wasteland just south of the Sahara Desert, has galvanized the world community into mounting an emergency relief effort the likes of which that neglected continent has not seen since the civil war in Nigeria. Some $340 million has been spent so far on food and medical supplies to keep alive several million nomads and peasants living even in the best of times on some of the world's most wretched earth.

Nonetheless, thousands have died, many of them needlessly. Why has this happened?

Roger Morris and Hal Sheets, the two authors of "Disaster in the Desert, Failures of International Relief in the West African Drought," tell us it was because of a "pattern of neglect and inertia within U.S. and U.N. agencies, first in spotting the approaching calamity and then in administering relief to the millions of victims.

"An administrative and bureaucratic disaster was added to the natural calamity—inevitably at a higher cost in human lives and suffering," the report charges. Both AID and the U.N. Food and Agricultural Organization were "haunted by rudimentary failures to heed early warnings, to plan in advance and to monitor and coordinate the rescue efforts."

The 66-page report is relentless in its pursuit and expose of the rivalries, jealousies and inadequacies of international relief agencies in their handling of relief operations in the Sahel. But it seems excessively belligerent and unusually sparing in complement toward organizations that nonetheless managed to save several millions of lives under exceptionally difficult circumstances.

The authors seem well aware of the physical handicaps under which relief groups are operating: few coastal ports capable of handling supplies, rudimentary inland rail-and-road systems, almost meaningless guestimates of everything from crop production to population censuses and often slow-moving local bureaucracies.

They are even aware of the thornier moral and political issues. At one point, they ask:

"What responsibility did the Africans have to distribute relief supplies equitably? What international presence, if any, did massive outside relief obligate the Africans to accept in order to assure the international community that the aid was used properly?"

The two authors continue:

"Was it possible, in the midst of crisis, for the African states to suspend for a time some of their sovereignty to help save their own people? Or would the unpleasant political subjects, as for AID policy-makers, have to be someone else's problem?"

These questions are never answered. Yet they have been far tougher to deal with than most of the physical obstacles. While the international relief agencies have had their share of failings, which have accounted for many needless deaths, the drought-stricken African nations have been responsible for many more because of stubborn pride over their national sovereignty.

The problem was no better illustrated to this correspondent than in Mali last summer when thousands of nomads, having lost their camels and other animals, began to congregate around the few small remote towns, particularly Timbuktu, in the northern part of the country.

At one point, I visited Timbuktu to find that food supplies were scarce indeed and medical provisions practically nonexistent. Famine-weakened nomads, particularly the children and elders, were dying from diarrhea provoked by American-supplied sorghum which they had never before eaten. Yet there were food and medical supplies stocked in the Malian capital of Bamako, the United States had three C-130 transports shuttling relief goods about the country and there were foreign medical experts available to help.

The problem lay less with AID or the United Nations than with the Malian government, which was determined to run the relief campaign itself and would brook no outside interference in its internal affairs. The more outsiders pushed, prodded and criticized, the more irritated and stubborn the Malians became.

It was not that the Malian government was doing nothing. It had already mobilized its army and even its prisoners to help get relief supplies distributed to the distant north. But its sense of priorities did not always match those of foreign relief workers, nor did its judgment of the seriousness of the situation.

The issue of national sovereignty is no less burning for being 10 years older in black Africa (most of the countries there gained their independence in the early 1960s). This is certainly understandable given most black African states' prolonged and often bitter experiences under Western colonial rulers and the fact that Western and Eastern aid "experts" are still trying to tell them how to run their economies and governments.

The drought seems even to have quickened the issue as hordes of well-meaning outsiders have descended upon these hapless countries in an effort to save their peoples from starvation. In some cases, governments have sought to hide the seriousness of the drought from the outside world, sometimes out of legitimate fears of damaging the tourist trade and sometimes out of a more selfish concern for possible political repercussions at home. (The drought has been a major factor in the fall of both the Ethiopian and Niger governments already this year.)

The Carnegie report argues in effect that the solution to the problem of national sovereignty, as to all the failings of the relief agencies, is international sovereignty. It proposes the establishment of a supra-national relief organization incorporating an early warning system and standing facilities for rushing supplies to the disaster area and then monitoring the equitable distribution of food.

But that such a super international relief agency would be any better equipped morally or politically to deal with national sovereignty than AID or the FAO remains doubtful in this writer's opinion. African governments have shown no less sensitivity and resistance to the proddings of U.N. officials than to those of U.S. or French diplomats.

It might, however, eliminate some of the petty jealousies and rivalries among Western goverments, and between them and those of the Communist East, that has been responsible for some of the disorganization in the international relief effort in the Sahel. Any steps that can be taken to save lives in times of natural disaster would certainly be welcome in Africa as elsewhere in the world.

ANCIENT ENEMY: DROUGHT, LIKE THE ONE IN AFRICA, DEEPLY SCARS A LAND AND ITS PEOPLE

(By Ray Vicker)

LAZARET CAMP, NIGER.—At a well on a sandy, treeless flat here, a half dozen turbaned blacks draw water in goatskin bags tied to the ends of long ropes. A hundred robed men, barefoot women in black and half-naked children eagerly hold out empty, two-gallon kerosene cans for a share of the brackish fluid.

Beyond the well, row after row of palm-mat huts of Tuareg and Peul tribesmen squat on the desert, wrapped in the haze of 120-degree heat. Most of the 16,000 inhabitants of this sub-Sahara relief camp lie in the shade of the huts, listlessly waiting for the next distribution of food.

Scenes such as this are commonplace here in the Sahel—the arid land along the southern edge of the Sahara desert—where land and people are suffering from the worst drought in living memory. Many wells have dried up. Pastures are denuded. Farmers watch their unwatered fields blow away. Malnutrition is rampant, and thousands of people have died. Some estimates put the African death toll from drought at more than 100,000, but the truth is there aren't any accurate figures.

This is far more than a local drought. It extends across Africa from the 10th to the 20th parallels of latitude and from the Atlantic to the Indian Ocean—an area of some two million square miles, more than two-thirds the area of the Continental U.S. Ethiopia and Niger are hardest hit, but the drought also encompasses Mauritania, Upper Volta, Mali and Chad, as well as parts of Senegal, Kenya, Nigeria, Dahomey and other countries.

DROUGHT'S DEVASTATION

Drought is one of man's most ancient—and as yet unconquerable—enemies. But few droughts in history have had the repercussion on this one, if for one other reason than that populations today are far larger. Perhaps six to eight million Africans are in acute distress, but altogether some 25 million people in the Sahel are affected by the drought in one way or another. They are living in its wake of wrenching social and economic changes, political upheavals, scarred geography, limbs and emotions, and death.

The United Nations' World Food Program terms this the greatest catastrophe the program has ever faced. The world's relief agencies are straining to help, but available food supplies are being stretched to the limit. And there isn't any assurance that this is a cyclical drought rather than a long-term change in basic weather patterns. If it is the latter, the catastrophe may increase progressively to the point that it becomes the greatest disaster of all time.

This drought started in 1968. Each succeeding year has brought less rainfall to most of the affected areas, and the precipitation was distributed unevenly when it did come.

"Each year we could see our pastures growing drier and drier," says Ibrahim Omar, a Tuareg (pronounced twah-reg) who once had 100 cattle, 20 camels and 40 goats. "We had to drive the animals for 20 kilometers from water to find food for them. Then, it was 30 kilometers and then 40, and then all the animals but the camels began to die. The camels? They were sold for almost nothing to traders from Dahomey, for I could see they would not last long, either. Now I have nothing."

AFFECTING LAND AND PEOPLE

His tale is repeated by others of these Berber descendants who have roamed the

Sahara and its edges for millennia as fiercely independent, hardy warriors. Their sedentary neighbors to the south tell of crops burning in the ground and of people eating the seeds that might have been used for next year's crops.

Drought changes the appearance of the land it visits. In Africa, where the drought is more intense in the north, semiarid pasture is becoming desert. Water tables are declining, and oases are disappearing. Rivers become trickles and sometimes dry up completely. In Niamey, the capital of Niger, a black man swimming in the Niger River tells a visitor that he can wade across the mud-brown stream although it is chin-deep in places. This is the first time in anybody's memory that the river has been so shallow at this point.

At Lake Chad, the great inland sea in central Africa, the desert meets the water in a reedy swamp that now is far down from the original shoreline. On the north side of the lake the jetty of a fishing village on the old shore thrusts into what is now a sandy field. The lake has receded so far that the water is now 18 miles from the jetty. In wet years, Lake Chad has covered as much as 9,000 square miles. It now covers about a third of that and is actually three small lakes instead of one.

Even more profoundly, drought changes people. It forces them to migrate en masse from their homes and often change their way of life. In Africa, millions of people are on the move, hoping that pastures may be a little greener on the other side of the sand dune.

As the cattle die and the grass disappears, the rural people migrate to the cities to beg food. Nouakchott, capital of Mauritania, normally has about 40,000 people; today, it has three times as many. Temporary huts stretch far into the desert around the city and robed men swarm the streets waiting for relief food shipments. Mopti, Mali, normally has about 55,000 people. Today it has 125,000.

"Wherever you have towns you have (drought refugee) camps," says Alexander H. Rotival, a New Englander who is the chief UN officer in Niger. Records of the Food and Agriculture Organization in Rome indicate that as of mid-April there were 267,000 people in camps in Niger alone. Mali has about 55,000 in camps. In Ethiopia, each town along the single north-south road through Wollo province has growing clusters of thatch huts as desperate, dependent suburbs. Food-relief agencies distribute daily rations of about 1.1 pounds of grain per person.

"Those in camps are the lucky ones," asserts a government official in Niamey. "They were able to reach help before being trapped in outlying areas. Many of these latter people are now too weak to move."

But the camps are especially vulnerable to disease. Usually, few people die of starvation in a drought, even one as bad as this. But malnutrition is widespread and invites often fatal disease. Camps have had influenza epidemics, measles outbreaks, numerous cases of meningitis and various other diseases. Now, "we fear a cholera outbreak," says a World Health Organization official in Niamey.

Medical care is scarce to nonexistent. Chad, which has nearly four million people and is one of the countries hardest hit by the drought, has only 44 doctors. The hospital in N'Djamena, the capital, has no oxygen, anesthetics or antibiotics. Near Dessie, Ethiopia, at least a thousand people wait in line before a canvas tent with a wide awning where a lone medical orderly attends them. A bottle of alcohol used sparingly on his hands is his only disinfectant between patients. His supply of drugs is small enough to be carried in a suitcase.

Malnutrition poses a special threat to children. Some medical authorities believe that protein deficiences in a growing child may result in permanent brain damage. If so, hundreds of thousands of African children may be condemned to this life-long fate because of the drought.

Despite the traumas that the drought has caused them, the nomads of the Sahel seem willing to go back to their homelands if somebody would give them a few cattle and camels for a fresh start. "It is our way of life," one Tuareg in Lazaret Camp says simply.

But R. S. Temple, a Colorado native who is the senior livestock policy and planning officer for FAO, says that it might take seven years to rehabilitate Sahel pastures if rainfall returns to pre-1968 levels, and it could take 15 years to restore the land fully. If that's the case, what is to be done with the nomads?

"This is one of Africa's great unsolved problems," a Malian government official in Bamako says. "There isn't enough money available to resettle the nomads, and where would the land come from anyway?"

So, this drought might spawn permanent welfare camps, which could be fertile breeding ground for social discontent. Already, the political effects of drought are evident in near anarchy in Ethiopia, a military coup in Niger that replaced President Haman Diori's regime with a junta, and political unrest in Chad.

"This drought raises questions about the ability of some of these countries even to survive as countries," one UN official says.

Ethiopia had its troubles before, but the drought heightened social and economic stresses in the country, the enmity between the ruling Amhara tribe and the Gallas, and the animosity of the rich landowners and the landless peasants. Aging Emperor Haile Selassie is losing his control over these tugging factions, raising the possibility of a free-for-all for the succession.

The economic problems that led to the revolt in Niger are typical of the drought's devastations. Nearly all of Niger's 4.3 million people are dependent on agriculture and livestock. In 1971, Niger had 4.1 million cattle; now there are less than two million. Production of shelled peanuts, a key crop, dropped to 20,000 metric tons in February's withered harvest, down from 164,000 metric tons in 1970. Grain production is off by as much as 50% from the predrought output, and fishing is off by 50% at Lake Chad and in the Niger River and its tributaries.

The anticipated national operating budget for this year amounts to $59.4 million. That's up 9% from last year, but $12.5 million will have to be brought in from outside the country if the budget is to be balanced.

That money could come from the Arab oil-producing countries, which are beginning to spread some of their money around among their fellow Moslem nations to the south. When Niger's new military junta had installed itself just recently, its first visitors were a delegation from Libya's Col. Moammar Khadafy, who wanted to know if there was anything he could do to help. Chad is understood to have received at least $9 million in subsidies from Libya and has been promised a $12 million loan by Iraq.

Growing nationalism and closer ties with Arab countries may well be the drought's legacy in international relations. For instance, the Mauritanian government has cut loose from the French franc and created its own currency, the ouguiya. It has solicited help from Saudi Arabia, Kuwait, Algeria and Libya for support of this currency, and it seems to be forthcoming in the form of money deposits.

The new Niger government is likely to be much more nationalistic regarding the uranium ore that French interests have been mining there. Col. Khadafy's price for subsidizing the Chad government and ceasing to support rebel forces in the country is said to be that Chad loosen some of its close ties to France. (Many of these countries are former French colonies.)

Arab countries have contributed very little to African nations for food relief, apparently preferring to use their money for political deals rather than aid that might be dispensed by international groups. Currently, the U.S. is providing 40% to 50% of the food reaching the drought areas, followed by France, the European Common Market as a body and by European nations individually.

SOLAR HEATING AND COOLING

Mr. MAGNUSON. Mr. President, it is with great pleasure that I rise to commend the Senate on its passage of H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1974. I believe that this bill may be unique in that it was referred to five separate committees of the Senate. Many observers said that the bill would get bogged down in jurisdictional disputes and never see the light of day. Well, they could not have been more wrong. The cooperation exhibited by the five committees is a tribute to the ability of the Senate to move expeditiously on important legislative matters. The Commerce Committee held 2 days of hearings on this bill, and while the Commerce Committee did not take any formal action, the committee worked closely with the other four committees involved to develop mutually acceptable legislative language. These efforts paid off, and the bill which we passed yesterday was the product of that cooperative spirit which each of the five committees demonstrated.

H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1974, represents a major breakthrough for the practical utilization of solar energy. Practical solar technology is here or will soon be available. But it has not enjoyed wide-scale application to date because of prohibitive costs. Equipping a building with solar energy devices is more expensive than other energy alternatives. So there has not been much of a market. On the other hand, manufacturers have been reluctant to launch into the mass production of solar equipment, and thus drastically reduce the cost per unit, because there has been little market demand. This federally sponsored demonstration program will break the log jam and stimulate demand for solar devices. At the same time, the bill provides significant incentives for large-scale production of solar equipment. So production costs-per-unit will decline drastically.

I have high hopes that, as a result of this legislation, we will achieve a major breakthrough in the manner in which many American buildings will be heated and cooled.

Mr. President, solar energy holds out the possibility for a readily available, clean, and economical source of energy. I strongly support the Senate's action on H.R. 11864.

MARY LASKER

Mr. PERCY. Mr. President, Mary Lasker is a woman with a vision. She wants to brighten and enliven New York City with thousands of flowers and trees. And unlike many visionaries, Mrs. Lasker has the wherewithal and determination to begin to bring her vision into reality. She has already donated hundreds of thousands of flowers—daffodils, tulips, and azaleas—and hundreds of trees to New York to help offset what she sees as "the coldness and steeliness of cities."

The beautification of our cities is not the only, or even the primary, interest of Mrs. Lasker. Her major concern is with medical research. With her late husband, Chicago advertising magnate, Albert D. Lasker, she established the Albert and Mary Lasker Foundation in 1942 to provide funds to forward research into medical problems.

Mary Lasker's energy, beneficence, and civic pride set a fine example for all of us. I ask unanimous consent that an April 28 New York Times article on Mrs. Lasker written by Enid Nemy be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Mary Lasker: Still Determined To Beautify the City and Nation

(By Enid Nemy)

Mary Lasker, a soft-spoken philanthropist who thinks in grand terms, over the years has contributed hundreds of thousands of daffodils, azaleas, tulips, chrysanthemums, flowering shrubs and trees to the city. She has also watched a good portion of them wilt and disappear, through indifference, neglect and inadequate supervision.

She is, she said, a "frustrated" citizen.

Frustrated she may be, but the woman who has been called "Primavera in an asphalt desert" hasn't given up the battle to beautify the city and the nation. It isn't her only concern—her front-line effort is reserved for medical research ("You have to be alive to enjoy flowers")—but Mrs. Lasker's reserves are formidable.

"What I've done has really been an act of despair on my part," she said, sitting in a tree-framed, flowerfilled room of her East Side townhouse. "It's not adequate or sufficient."

It never will be adequate or sufficient unless governments—city, state, and Federal—find a dynamic person to act as a catalyst and step in with "big" plans, she added, leafing through one of her many fat leather-bound albums illustrating plantings throughout the country.

Mrs. Lasker, the widow of Chicago advertising magnate, Albert D. Lasker, and a top-notch button-holer and lobbyist for a dazzling number of causes, has put herself out of the running for that particular job.

"I'm too busy doing something about the matter of surviving," she said. ". . . I'm very good on what we don't know in medicine . . . it's not the will of God, it's the dumbness of man, and the lack of enterprise and money that's the problem."

A small part of the problem is being helped by the Albert and Mary Lasker Foundation, which she and her husband established in 1942. Half of Mr. Lasker's residual estate, estimated in excess of $11-million, was willed to the foundation after his death of cancer in 1952.

The foundation supports medical research, presents annual awards in basic research and clinical studies, and gives awards for outstanding medical reporting.

Mrs. Lasker's priorities have remained constant since her marriage to her late husband in 1940 (an earlier marriage, to Paul Reinhardt, an art dealer, ended in 1934).

During their courtship, Mr. Lasker asked her what she wanted to do most in life.

"I want to push the idea of health insurance, and promote research in cancer, tuberculosis and other major diseases," she said.

Friends are still apt to relate a story about the early days of the marriage when Mrs. Lasker was asked by her husband what would make her happy.

"Just fill the house with fresh flowers every day," she said. He did.

A veteran of countless boards and committees involved in medical, charitable and beautification work, Mrs. Lasker is on none of the committees for the country's bicentennial.

"I don't want to be," she said emphatically, but as Agatha Christie would put it, her "little gray cells" have been at work. Mrs. Lasker, herself, probably wouldn't admit to gray cells; she disapproves of depressing colors. Her 7½-story house, facing the East River, is a landscape of impressionist paintings, crystal, silver, inscribed photographs, all of it set in a snowstorm of white, white and more white—walls, carpets, furniture.

The cells, no matter the color, have come up with a practical idea for a national anniversary tribute. Practical, in Mrs. Lasker's vocabulary, means permanent and beautiful.

"I'm not against learned tracts and giving parties . . . banquets, tableaux, charades and parades," she said, looking at once doubtful but amenable to accepting another point of view. "But I think we should do something to permanently improve our country."

The bright blue eyes shadowed a little, but nothing could dim the pink and white complexion, as she continued: "It's hard to get through to politicians."

"Politicians," she elaborated, 'don't understand that people are lonely, depressed and deprived for lack of oxygen and pleasure in green leaves and flowers in big cities."

Some of her current suggestions include planting the highway entrances to New York, including the Major Deegan Parkway, the West Side Highway and the Harlem River Drive, planting daffodils, azaleas and flowering cherries and pears in the parks, and planting trees "all over."

"It's a simple thought to celebrate—and people feel so resentful by the coldness, the steeliness of cities."

Mrs. Lasker's simple thoughts are rarely inexpensive but, she suggested, taken in the context of city and industrial budgets, the cost would not be prohibitive.

"It would take about $12-million to plant all of Manhattan with trees . . . we'd need about $90,000 to $100,000," she estimated. "That's nothing for a city with a budget of $10- to $12-billion . . . and maybe the corporations would give big gifts to see the city planted. It makes sense financially, it would help real estate values."

She hoped, too, that public-spirited, wealthy individuals would contribute but, she said, with a voice of experience, she would not do the asking.

"My husband always said don't try to raise money from other people—get it from government—and give what you can yourself. If you get private funds, you are constantly in the position of exchanging money with friends—you know, 'I supported your interest, now you support mine.' "

However, she added, hastily, there was no reason why individuals couldn't plant ivy around trees, or telephone the Parks Commissioner with indications of interest, or offers of help, no matter how small.

About six years ago, Mrs. Lasker gave Central Park 300,000 daffodils and planted 10,000 daffodils and 350 cherry trees along the West Side Highway. Some of the flowers were cut too quickly and many of the trees were left unpruned and untended.

"The Wagner Administration was receptive to the plantings we did," she reflected. "The Lindsay Administration was unwilling to continue . . . they thought I should not only give the flowers but help with the maintenance."

The tribulations—and Mrs. Lasker still looks a little forlorn and peeved about them—didn't permanently damage her espirit. The 73-year-old woman who left Watertown, Wis., more than half a century ago for Radcliffe, Oxford and New York, can still remember the trees, flowers and fresh air of her hometown. Her own childhood, with a mother who loved and founded parks, enables her now to make excuses for less fortunate children.

"They shouldn't do that," she will say as she comes across a photograph of youngsters walking over the daffodils in Central Park. "But it is lovely to walk in flowers."

Mrs. Lasker said that she had already asked Mayor Beame to plant the city streets. "He said he didn't have the money . . . he can't do everything he'd like to do."

But she has contributed 20,000 tulips to Park Avenue this year, in honor of Mrs. Enid Haupt, a well-known amateur horticulturist (who herself planted 150 cherry trees on Park Avenue and around various churches and hospitals). And she joined her stepchild in giving hundreds of azaleas, 10,000 daffodils and 300 cherry trees to United Nations Park, in memory of her husband.

Despite her love of flowers, Mrs. Lasker admits that her own skill at gardening leaves something to be desired.

"I'm a planner," she said.

Was she not also a power—one of the most powerful women in the country?

"Powerful? I don't know." She thought for a moment. "No, if I were really powerful, I'd have gotten more done."

PUTTING TRANSPORTATION FIRST

Mr. STEVENSON. Mr. President, on Friday, May 3, I addressed a meeting of the Illinois Public Airports Association in Springfield, Ill., on transportation policy. I stressed the need to reorder our priorities and emphasize that near the top of any new list of priorities must be the revitalization of our transportation system so that it can better serve all the people and the necessities of a sound economy.

I ask unanimous consent that the full text of my remarks before the Illinois Public Airport Association be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Adlai E. Stevenson

I ask you to reflect for a moment on the state of the economy of this greatest and richest, most technologically advanced nation on earth.

We are in a recession. In the first quarter of the year the gross national product declined by 5.8 percent.

Unemployment hovers above 5 percent and will rise. We are afflicted by an epidemic of shortages. Prime interest rates have hit 11 percent. The American dream of home ownership is a nightmare.

And there is runaway inflation. In the first quarter, consumer prices rose at an annual rate of almost 15 percent; wholesale prices by about 30 percent. Robbed of its buying power, the paycheck is shrinking. Real incomes are declining.

And with authority to impose controls expired, prices are predictably exploding—including those for aircraft.

What is wrong with our economy? Why recession, inflation, unemployment, and shortages in the midst of plenty?

Why is it—and how did it happen? a lack of vision and courage is the main reason.

The government and the oil industry didn't foresee the energy crisis. Instead of preventing it, they caused it, hand in hand.

We learn little from history. The Japanese and West Germans rose from the ashes of world war to become our principal economic competitiors. They ploughed their resources back into their economy. We ploughed billions of inflationary dollars into a misbegotten war, into unnecessary weapons systems and foreign military aid. They ploughed money into transportation systems on earth; we bought space shuttles. In the name of national security the U.S. bought national insecurity, including economic insecurity.

Now it relies on a restrictive monetary policy to fight inflation, and so it causes more inflation. The high cost of money dampens spending to increase essential production capacity. High interest rates do not increase the supply of food or fuel or transportation—they deepen the recession.

We squandered raw materials in the 50's and 60's, paid the Soviet Union to buy our wheat and now are short of virtually everything. By 1985 it is estimated that the U.S. well be dependent on foreign sources for all its major raw materials, except phosphate.

The litany of causes is lengthy—but it all adds up to a colossal failure of leadership. The litany of answers is lengthy too—and it all begins with a renewal of leadership. It is time we put transportation near the top of our priorities.

While the U.S. poured billions of dollars into South Vietnam, six railroads in the northeastern United States, including the once mighty Penn Central, went bankrupt.

While the U.S. built a needed and still unfinished national highway system, it allowed mass transit systems to deteriorate. Mass transit ridership declined from 20 billion passenger trips annually in the late 1940's to seven billion by 1971. Since 1956—the year the highway trust fund was established—about 270 transit systems around the country have gone out of business, leaving millions of Americans with little or no access to public transportation.

While the U.S. spent billions of dollars puting men on the moon, it grew harder for a citizen of Springfield or Rockford to fly to New York City.

Our transportation system is unbalanced. We have no easy access to the most efficient modes of transportation. We tend to rely on the most inefficient and polluting modes, the auto and truck—and let the more efficient, the plane and train, run down. And the trend has been toward more distortion in the allocation of resources for transportation.

Air service is a case in point. Although 35 percent of the population of Illinois lives outside the Chicago metropolitan area, 96 percent of all enplanements occur in Chicago; 98 percent of all the freight and mail moved in Illinois must be enplaned in Chicago; passengers needing flights of any appreciable distance must enplane at either Chicago, St. Louis or the quad cities. Of the 14 Illinois cities with certificated airline service, only Chicago and the quad cities are served by more than one airline.

The imbalance is reflected in the air service here and in neighboring states. Eliminate Chicago, Indianapolis and the quad cities, all of which are special situations, and Indiana communities have direct service to 14 major hubs in 13 states; Iowa communties have direct service to 15 major hub airports in 12 states; but Illinois communities have direct service to only six major hubs in five states, including Chicago.

Compare, if you will, cities of like metropolitan populations. The population of the Peoria SMSA is 341,000. That of Albuquerque, New Mexico, is 315,000. Peoria is served by one airline. Albuquerque is served by five airlines. Peoria has non-stop service to only one hub—Chicago. Albuquerque has this service to six hub airports. El Paso, Texas, with an SMSA population of 359,000 is served by the five airlines which fly non-stop to six hub airports. Madison, Wisconsin, 290,000 people; three airlines. Des Moines, Iowa, 286,000 people; three airlines.

These numbers reveal the relative difficulty of moving people and freight from one place to another. They represent not just a numerical inferiority but a severe handicap for the citizens and economy of Illinois.

The rail situation is no better. The quality and quantity of rail service throughout the country has been declining. A major cause is the deterioration of track and roadbeds. In 1973 there were 9,396 train accidents from all causes, up 25 percent from 1972. And whereas there were 691 derailments on all U.S. railroads in 1963, by 1973 this figure had climbed to over 3,200.

And now the Department of Transportation has issued its report on "rail service in the midwest and northeast region" pursuant to the Regional Rail Reorganization Act. This report suggests that upwards of 25 percent of the rail tracks in 17 midwestern and northeastern States should be abandoned, including 2,650 miles in Illinois, 24 percent of Illinois' trackage. If anywhere near this amount of track is abandoned, the effects on transportation service to Illinois agriculture and industry will be devastating.

Some railroads have already gone bankrupt; others are on the brink of bankruptcy, including the Rock Island which serves much of Illinois and the midwestern farm belt. I succeeded during the Senate Commerce Committee's consideration of the Regional Rail Reorganization Act in restoring a provision which would make railroads on the verge of bankruptcy eligible for Government-guaranteed loans in the same manner as the bankrupt carriers. It made little sense to let more railroads go into bankruptcy—which would probably mean more Government subsidies—if some interim aid now could avoid greater subsidies later.

Mass transit systems in Illinois and across the country are in dire financial straits. Almost 270 transit systems have gone out of business since 1956. Many of the remaining systems are expensive to the rider and generally poor in service. Almost yearly there is a Chicago transit authority financial crisis; and the pattern holds true in other States. The Senate has passed legislation three times to provide $800 million in operating subsidies to mass transit systems—including $56 million for transit systems in Illinois. That legislation has now emerged from a House-Senate Conference, but it has been stalled becaues of a veto threat by the White House.

What can we do about our transportation system? How can we begin to reorder our priorities?

First, I suggest some things we should not be doing.

We should not abandon air service in smaller and medium sized communities just to serve the convenience or profitability of the carriers. It is the Nation's policy to develop a transportation network adapted to the public's convenience and necessity—not the carriers'. The Civil Aeronautics Board is charged with the promotion of an adequate, economical and efficient public service everywhere and at reasonable charges. Yet, the board has demonstrated more concern for the profits of the carriers than the welfare of the public.

During the recent full crises, the board fast and loose with the skip-stop provisions of the local service carriers' certificates of public convenience and necessity. Without requiring any showing that cutbacks were required by the fuel shortage, the board issued a series of orders which exempted local service carriers from the skip-stop provisions, requiring only that they maintain at least one roundtrip a day, five days a week at each point. It invited the airlines to all but eliminate service at whatever point they chose.

In response to the CAB's actions, I introduced legislation to serve as a warning to it. That one bill established standards for the reduction by more than 50 percent of service to a community. It received overwhelming support in the Senate and was cosponsored by 25 senators including the chairman of the commerce committee. But there should have been no need for it. The CAB should protect the public interest on its own initiative. And now with adequate fuel supplies it should be requiring a reinstatement of suspended service.

In the case of rail transportation, we need not, and should not, accept the DOT rail service report. It was the first step in a long process which will end with a proposal to congress next March for reorganizing railroads in the midwest and northeast. To develop this proposal, Congress has established the United States railway association. Unlike the DOT's mandate to suggest which areas should be connected by service—a mandate DOT exceeded by suggesting which rail lines should be abandoned—the railway association must follow eight criteria in developing the "final system plan," including "the establishment and maintenance of a rail service system adequate to meet the rail transportation needs and service requirements of the region" and "the preservation, to the extent consistent with other goals, of existing patterns of service by railroads . . ."

Now we must make certain the railway association recognizes the needs of Illinois—and if it fails, the Congress must reject its action. We should not act on transportation problems in a piecemeal fashion, or after they have matured into crises. We should not wait until local air service seriously deteriorates before reinvigorating it. We shouldn't wait until our mass transit systems have gone out of business to provide funding for capital and operating subsidies. We shouldn't wait until railroads go bankrupt before acting to revitalize our railroad system.

The transportation planning process must be reformed. Transportation is a regulated industry, and much of this regulation occurs at the Federal level. But, Washington needs your involvement; it needs the State Government's involvement; it needs the Illinois consumer's involvement.

We must all think about the best ways to meet the nation's transportation requirements and Illinois'.

We need better access to a greater number of hub airports outside of Illinois. Trunk line service to cities such as Rockford, Peoria, Champaign and Springfield should be considered.

We need better local carrier service. We should encourage our local service carrier (Ozark) to upgrade the frequency and level of service it provides. We should invite complementary service by another carrier, and healthy competition from another local service carrier and commuter carriers.

We must determine the proper role of the commuter airlines in Illinois. A regional carrier cannot be required to provide service to every city in Illinois. There must be a better mix of second and third level service.

We need lower fares—not a guaranteed

12½ percent return to the airlines no matter how inefficient they are. If PSA can deliver efficient low cost service in California, then Airlines could in other States.

It is not for the CAB alone to tell Illinois what level of service it should have.

The State deserves credit for establishing an agency, the Illinois aeronautics board, to regulate commuter carriers. It fills a function overlooked by the Federal Government. But that board can only begin the discussion of the mix of service to be provided by trunk, local service and commuter airlines.

I have, therefore, invited the aviation subcommittee of the Senate Commerce Committee to conduct a hearing in Illinois on the adequacy of Illinois air service. Senator Cannon, chairman of the Subcommittee, has agreed and it is the subcommittee's intention to invite Chairman Timm of the Civil Aeronautics Board to testify. I want him to listen to what you can tell him about air service in Illinois. I expect the hearing will be held in the near future

The need for greater State and local involvement in the transportation process was reflected in the northeast rail legislation. Congress was aware of the impact rail reorganization might have on localities, and it therefore provided for public hearings by the ICC in the affected States, not once, but twice—after the initial DOT report and after the preliminary system plan which will be in late October of this year.

We must remain open to new ideas. Existing law effectively prevents railroads from entering the trucking business and vice versa. Perhaps it is time to reexamine this policy and think about forming "transportation companies"—new ways to deliver transportation services by the most efficient modes to every community in the nation. It is time for Congress to review the Interstate Commerce Act which has not been subject to major revision since 1940.

We must never stop seeking a proper balance between the public interest and the private interest. And we must remember that while the aim is to provide the most efficient transportation it must be delivered with as little adverse impact to our environment, and as little use of energy as possible.

Finally, I suggest that we not slight the good things about our transportation system. Our highway system is good, though there is a need to improve it, particularly in downstate Illinois. The element of our transportation network most adequate is our system of airports. Your leadership has developed one of the finest systems of airports in the nation. Good airports are one reason for the economic growth of Illinois. You can travel to almost any point in our State, and still be within 30 miles of a paved, 3000 foot landing strip. We have more to do and I pledge my support to adjust and increase authorizations of expenditures for airports from the airport and airway development fund.

I stress again the need to reorder our priorities with a new order of leadership—near the top of any new list of priorities must be the revitalization of our transportation system so that it can better serve all the people and the necessities of a sound economy.

I will take advantage of my new membership on the Senate Commerce Committee and the Subcommittee on Aviation and Surface Transportation to involve Illinoisans in transportation policy making, and, with your help, to give the public adequate passenger service and our economy the means with which to move our grains and all our industrial products to the markets which await them at home and in the world.

FOR A WELFARE FAMILY, INFLATION HAS MEANT CUTTING INTO THE BONE

Mr. HUMPHREY. Mr. President, in our public discussions and debate over inflation, and how to deal with it, we normally talk in the impersonal, generalized, antiseptic, terminology of the economists.

While this may facilitate discussion and clarify options, this shorthand language hides the real direct impact of soaring prices on the way people live.

Yesterday, the Wall Street Journal published an article by David Gumpert which brings inflation down to the personal level. It details the effects of runaway inflation on the life of one poor family in New England.

Regardless of our economic and political philosophy, I believe we all must strip away the generalities and look at the facts of inflation in people's lives, as we consider congressional action to reduce the cost of inflation to low and moderate income families.

Mr. Gumpert's article clearly portrays the growing sense of helplessness among many Americans who find themselves continually losing ground to ever higher prices. The picture he paints is not a pleasant one—it shows a family that has no luxuries to cut back on, no fat to cut from the family budget; inflation for them means cutting into the hard and essential sinew and bone of the family budget.

I commend this article highly to the attention of my colleagues. Mr. President, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOR A WELFARE FAMILY, INFLATION HAS MEANT CUTTING INTO THE BONE

(By David Gumpert)

LOWELL, MASS.—A few months ago, 10-year-old Jimmy Steere and his older brother, Kenny, 12, decided to do their bit in the Steere family's battle against inflation: They voluntarily gave up their 50-cents-a-week allowance. "We wanted to help our mother save something," says Jimmy.

The gesture was more than symbolic to Claire Steere, the boys' mother. That's because the Steeres are on welfare and must live on the $346.27 they receive each month from the state of Massachusetts. The family also receives surplus government food, which consists mostly of supplemental items like oatmeal, flour and butter.

Mrs. Steere and her three young boys (the youngest son, John, six, didn't get any allowance) have been on welfare for the past two years. Mrs. Steere sought—and was granted—welfare aid shortly after she separated from her husband of 12 years; the basis of her application was that her husband had become unemployed and couldn't continue family support payments. The Steeres now are divorced. Like more than half the welfare recipients in Massachusetts, Mrs. Steere receives Aid for Dependent Children—payments to families in which parents are unable to support their offspring.

HARDER AND HARDER

Even before welfare, Mrs. Steere says, times weren't easy because her husband rarely brought home more than $100 a week from his various factory and truck-driving jobs. In the intervening two years inflation has roared ahead by more than 14% while the Steere family's welfare payments have risen only 5%. As a result, simple survival "gets harder and harder all the time," says Mrs. Steere, a slender, soft-spoken woman of 35. "Sometimes I wonder how I get by."

Cuts in the Steere's living standard are easier said than done. The family has never ventured beyond a 100-mile radius of Lowell, a grimy industrial city of 94,000 in northern Massachusetts, so there's no leisure travel to cut. There are no liquor bills to eliminate because Mrs. Steere doesn't drink and almost never entertains. And there are no magazine subscriptions or purchases of books, records or art to be cut from the budget because they've never been part of the budget. The family can't lean on savings because there are none.

So the cuts have been cuts of basics rather than excess. Mrs. Steere now serves meat only every other day compared with almost every day a year ago. She has entirely eliminated carbonated drinks from her purchases and only rarely buys the fresh apples and cupcake-type snacks that are among her children's favorite foods. All were regular purchases when she first began receiving welfare.

FALLING FARTHER BEHIND

Mrs. Steere is also daily falling farther behind in her efforts to maintain the family's small, six-room, linoleum-floored house. She and her husband bought the house 14 years ago shortly after their marriage; they paid $8,500, using Mrs. Steere's savings of $2,000 as a down payment. The monthly $48.72 she pays on the 20-year mortgage with its 6% interest rate and the $43.28 for real estate taxes are among the family's few costs that have stayed fixed over the past several years, she says. The house is also Mrs. Steere's only real asset, except for a $3,000 savings-type life insurance policy she started two years ago. But never in the past 14 years has the two-story house been as run-down as it is now, she says.

It badly needs new siding to replace the brown composition covering that's peeling and chipping away in ever-larger patches. Repair men often stop unsolicited at the house, which is on a nearly treeless street of other aging houses, and offer to estimate the cost of new siding. "They say they can budget it for my income," says Mrs. Steere. "I tell them I can't afford it no matter how they budget it."

Claire Steere is discovering, however, that ignoring repairs leads to another special kind of inflation. A front porch door that won't close because the door frame is rotten has been ignored for several months; and now the linoleum on the floor of the porch is beginning to peel away, a casualty of the rain and snow that seeped in. "I don't know what I'm going to do about it," says an exasperated Mrs. Steere. "It's ruining my whole porch."

HELPLESS FEELING

Despite cutting food purchases and ignoring needed repairs, Mrs. Steere has been helpless to do anything about some of inflation's inroads. Even though she turned down the thermostat and stapled sheets of plastic over the house's existing storm windows, the heating-oil bill rose to about $225 this past winter from $178 the previous winter. That was because her heating-oil prices increased to more than 32 cents a gallon from 22 cents a gallon the prior winter. The family's electric bills have been running $18.50 a month lately versus $14 monthly a year ago.

With her welfare checks, Mrs. Steere can only hope to cover her most basic costs. She figures she spends about $40 weekly for food, or about $160 a month. When that's added to $92 for the mortgage and real-estate tax bill and $55 for electricity, gas, oil heat and telephone, as well as $11.23 for her life insurance she's left with $28.04 to pay her other expenses, like clothing, house repairs and all the various incidentals of daily life.

Even the temporary infusion of $18 weekly into the Steere budget hasn't halted the erosion in the family's living standard. Mrs. Steere began receiving the extra grant three months ago because of her involvement in a state job-aid program; she works as a part-time office clerk in a branch of the federal Office of Economic Opportunity but has been warned that her salary could fall victim to budget cuts at any time. So far, the salary has found quick use. Mrs. Steere used one week's pay to buy four plastic garbage cans to replace badly bent and rusted metal ones and another week's pay to replace torn cushions and backs on her four kitchen chairs. Some of the money goes toward buying food, but with rising food prices Mrs. Steere says she still can't restore the items she has cut from the family diet.

Not surprisingly, Claire Steere has been relying increasingly for help on her parents, both of whom work full-time. They often buy clothes for their daughter and her three children and have even chipped in with the only appliances the family has acquired during the past two years—a new washing machine and a new power mower, both replacements for broken-down models. They've also loaned her a car to use for errands around town. "At Christmastime, what's under the tree is from my parents," says Mrs. Steere.

Contributions from parents and other relatives for welfare recipients "are very common," says Florence Wardwell, supervisor of community services for Lowell's Community Action Project, an Office of Economic Opportunity program to aid low-income families. That's because welfare "is not enough to live on" with the current inflation, she says. The Massachusetts welfare department agrees and has been pushing a proposal in the state legislature that would tie welfare increases to rises in the cost of living.

Although the payments Mrs. Steere receives are inadequate to support her family, Mrs. Steere isn't bitter. "Before I went on welfare I resented the people who were on it," she says, sitting in her spacious kitchen, the largest room in the house. "Now I feel a little guilty about getting it."

MEATBALLS, TUNA ON TOAST

On a day-to-day basis, the Steere family's life seems to progress in two-week cycles—the time between welfare checks. Mrs. Steere is usually out of both money and food when the welfare check arrives and immediately heads out shopping—almost invariably for staples such as milk, hamburger, eggs and bread. However, for the sake of family morale, she'll sometimes splurge and shell out $5 on a New York sirloin or rump-steak dinner. It goes over well. "We don't have steak often, but when we do, it's great," says 12-year-old Kenny.

But meat meals in the Steere household are mostly one or another variation of ground beef. Mrs. Steere makes three varieties each of meat loaf and meatballs. Other dinners are bacon, lettuce and tomato sandwiches and tuna on toast. By the end of the two-week period, she's serving increasing numbers of meatless dinners like macaroni and cheese, pancakes with corn syrup or baked beans with cole slaw and bread. Because of the dubious nutritional value of some dinners, Mrs. Steere is appreciative of the hot lunches her boys get at school, which are free to them because of their low-income status. Mrs. Steere takes vitamin pills to help compensate for what she might be missing nutritionally, at a cost of $3 monthly.

As grocery prices surge, Mrs. Steere finds herself leaning ever more heavily on the surplus government food she receives once a month. Two years ago, she wouldn't even accept much of the food simply because the family didn't like many of the surplus items such as oatmeal and rice. Now she figures she incorporates half or more of the food into her meals. Trying to use all the food is frustrating, she says, simply because there's more of some items than she can use—in most months, for example, 20 pounds of flour and four pounds of butter. So she winds up giving what she can't use to her mother or a friend.

Mrs. Steere says she's looking forward to July 1, when a federal-food stamp program is supposed to replace the surplus food program for low-income families in Massachusetts. Under the food-stamp program, she will be able to purchase stamps redeemable at the supermarket for food of her choice that is worth more than her cost for the stamps.

Hardened as Mrs. Steere is to price rises, there's usually at least one shock awaiting her when she visits the supermarket. On a recent Monday, the shock occurred at the ice-cream counter. Looking at the price on a half gallon of ice cream, she gasped. "Oh my gosh, 89 cents." The last time she was there, she said, the same item was 84 cents, and the time before that it was 79 cents. A few months ago, it was 69 cents. She considers the ice cream a money-saving item, though, because each time an ice-cream truck comes through the neighborhood and her boys want 20 cents each, she gives them the store ice cream. So she bought the ice cream at the new higher price.

CUTTING CORNERS

To cut corners, Mrs. Steere closely scans the daily paper for food sales. Except for ground beef and her occasional steak, she'll buy meats like chicken or roasts only when they're on sale. The same goes for fresh fruit and fruit juice. She buys her large quantities of milk at a farm outlet on the outskirts of Lowell where it's 35 cents a quart versus 45 cents in the supermarket.

Mrs. Steere has also come up with a few strictly personal tactics to cut back on food purchases. For instance, she has stopped taking the boys along to the supermarket. "I used to like to take them shopping," she says. "But they want everything they see." She even tries to limit her own trips to the supermarket. "I'm better off when I need a loaf of bread to send one of the kids down to the corner store to get it. If I go, I wind up spending $10."

Even the few luxuries the family enjoys have had to be pared some. For instance, one of the biggest events of each month for Mrs. Steere and the boys is a trip to a local pizza restaurant. Over the year-and-a-half period since the family has been going to the restaurant, though, the price of the two plain cheese pizzas they always order has risen to $1.89 each from $1.10 each. So in recent months, the family has taken to bringing the pizzas home instead of eating them in the restaurant. "That way I don't have to leave a tip or buy tonic (soft drinks)," says Mrs. Steere.

THE BOYS PITCH IN

She recoils from the thought of cutting out the pizza completely. "It's such a big treat for me and the kids," she says. "You've got to live a little bit." The family's only other restaurant treat is a once-a-month venture to McDonald's.

Besides giving up their allowances, the Steere boys have come up with other tactics to help their mother. A few months ago, Jimmy started selling TV Guides in the neighborhood and now earns about $2 weekly—money he's putting toward a new bike for when his birthday rolls around to save his mother any expense. Even Kenny, for whom extra money "burns a hole in his pocket," according to his mother, has resolved to mend his ways. Coming home from school one recent afternoon, he displayed a quarter he was paid to help clean the school floors. "I'm going to start saving," he announced.

One area that Mrs. Steere has tried to leave untouched is the family's social life. Jimmy is a Cub Scout and Kenny is a Boy Scout and both need an occasional few dollars for their activities. Mrs. Steere herself a year ago joined an organization known as Parents Without Partners, which sponsors social activities for divorced and widowed individuals with children. The organization holds dances and socials every Saturday night for parents and Sunday picnics and sports activities for parents with their children.

Mrs. Steere and her children participate in only about half the events, but she still winds up paying about $15 monthly for Saturday night baby-sitters and her share of costs for events. Although the activities are clearly an extravagance for the family, Mrs. Steere views them as a way of maintaining family stability in difficult times. "After I was separated from my husband, I didn't know what to do with the kids on Sunday," she says. "When you're with a group, it's always better."

NATIONAL MARITIME DAY

Mr. MATHIAS. Mr. President, today is National Maritime Day, a day designated for the purpose of honoring our American merchant marine.

It is important on this day for all Americans to remember the contributions our privately owned merchant fleet has made to strengthening and protecting our Nation's security. Through the years, the United States has depended heavily on its merchant marine for the carriage of men and equipment to all corners of the world in time of crisis: In both World Wars, in Korea, and most recently, during the Vietnam conflict.

Equally important is the fact that today, due to neglect on our part, the United States is dependent upon vessels flying the flags of other nations for necessary ocean transportation. The United States, with over 3,500 vessels 25 years ago, today has less than 600 active vessels, carrying only about 5 percent of our Nation's trade. Almost all of our oil imports are brought to our shores in foreign tankers.

A strong, modern U.S.-flag merchant fleet is essential to the United States. This matter is too important to be left to the vagaries of a marketplace that is neither open or competitive.

That is why I have joined in introducing S. 2089, a bill to require that a percentage of U.S. oil imports be carried on U.S.-flag tankers. A companion measure, H.R. 8193, was passed by the House of Representatives on May 8 by an overwhelming vote of 266 to 136.

Presently, the world tanker shipping market is dominated by the integrated multinational oil companies who control the supply of oil and who do not employ independent U.S.-flag tankers even when they are available. In addition to this barrier to U.S.-flag utilization in our oil import trade is the fact that many oil importing and exporting nations are reserving major portions of the oil trade to their flag vessels. These factors work against the development of a U.S.-flag tanker capability so urgently needed to relieve our present dangerous dual dependency on foreign nations for both the source of our oil in ports and the means of transporting this oil to our shores.

The passage of S. 2089 would overcome these barriers and act as a buffer against the alternating boom-and-depression periods in world tanker shipping that have adversely affected the economic stability of our small U.S. tanker fleet. In 1972, more than a million tons of U.S. tankers were laid up without work. In 1973, freight rates for U.S. tankers, aided by the demand for shipments of Russian wheat, were at profitable levels. Each shipping depression has led to the layup, foreign sale and scrapping of many U.S. vessels. Not only does this weaken the U.S. fleet, but it also bankrupts its owners and leaves its workers unemployed.

Some shipping economists are predicting another depression for U.S. shipping in the next few years that may again wreak havoc on the U.S. merchant marine.

To smooth out these shipping cycles and to provide the U.S. fleet with steady shipping markets for the future, S. 2089 would assure the U.S. fleet at least 30 percent of U.S. oil imports, rather than the fragment of trade which they now carry.

The recent Arab oil boycott of the United States has made it clear that the economic well-being and security of the United States depends on an uninterrupted flow of oil imports. While the United States is taking steps to decrease its reliance on imported oil, we are increasingly dependent on foreign tankers.

This dependency is in stark contrast to the Nation's long history of total reliance on U.S.-flag vessels for the movement of our oil needs. It is only recently, as oil movements have shifted from the U.S. domestic trades which are reserved for U.S. vessels to foreign imports, that the U.S. fleet has seen its role taken over almost entirely by foreign vessels. Allocating a percentage of this cargo to U.S. vessels would again put a significant portion of vital U.S. oil requirements on U.S. ships.

Our increasing dependence of foreign-flag vessels and foreign crews places the U.S. in grave danger of a shipping cutoff.

Of special significance is a report in the March issue of Seatrade, the prestigious and authoritative British shipping magazine, describing the stepped-up efforts of the Arab nations to quickly develop tanker fleets.

The article points to the fact that their objective is to carry "40 percent of Arab crude exports."

The employment of U.S.-flag vessels to carry a portion of our oil imports would assure the Nation of the tanker capability to carry oil from friendly nations. It would give us needed leverage in dealing with these nations. This is especially important in those periods when some shipping and oil producing nations act to deny us either oil or the tankers to carry it.

To the degree that we are able to develop our own U.S.-flag fleet we will make it more difficult for foreign interests to coerce the United States in the world political arena.

We recognize our merchant marine through National Maritime Day to express our appreciation for the numerous benefits gained through the utilization of the U.S.-flag fleet in time of peace and war.

The legislation I am discussing is in the true spirit of National Maritime Day. S. 2089 will enable the U.S.-flag merchant marine to continue to provide benefits for all Americans in all parts of our Nation.

This legislation would help to create thousands of additional job opportunities for American workers on board ships, in shipyards and in service and supply industries. Shipyards throughout the country—in Massachusetts, Mississippi, California, Maryland and other States—will be guaranteed many years of work. Such a backlog of orders is necessary if the shipyard is to plan ahead and maintain efficiency.

To build the ships, steel mills will be working to provide the needed steel. Manufacturers of electronic equipment, paint, glass—these and many other industries all across our country—will all be active in providing the materials to build our tanker fleet.

As ships are built in this country and manned by American seamen, our balance-of-payments deficit will be reduced. This in turn strengthens the American dollar on the international money market and helps to curb inflation here at home.

In the last 6 months, the American people have experienced extreme hardships because our Government had not acted to achieve energy self-sufficiency for the Nation. Thousands of Americans were thrown out of work because of the shortages of fuel. At the same time, the price of whatever fuel was available rose to exorbitant levels.

It is fitting to recall on this National Maritime Day that S. 2089 would provide the American people with a safeguard against further hardships and unreasonable prices.

The increased use of U.S.-flag tankers will provide us with the shipping flexibility and security we need to be assured of uninterrupted delivery of our oil imports. And, the use of U.S.-flag tankers will afford protection to the consumer through the establishment under this legislation of a cost monitoring system for tanker transportation.

The legislation requires the Secretary of Commerce to make a determination as to "fair and reasonable rates." To fulfill this requirement, all information relevant to the cost of shipping on U.S. bottoms must be made available to the Secretary.

Today, the American people are forced to pay whatever price the major oil companies charge themselves for transportation of oil in their proprietary foreign-flag ships. The American people do not know how the oil companies arrive at the rates for their foreign-flag ships, nor do they know what costs are considered.

This legislation, for the first time, will provide a means for assuring that only justifiable and necessary costs are passed on to the consumer.

In conclusion, I would like to express to the U.S. merchant marine and the brave men who sail our merchant ships the gratitude of the American people for the contributions made by the merchant marine throughout our history.

THE GENOCIDE CONVENTION—25 YEARS LATER

Mr. PROXMIRE. Mr. President, the Senate has delayed long enough in dealing with the matter of the Genocide Convention. It has been a quarter of a century since the convention was originally submitted for ratification by President Truman. Since that time all other charter members of the United Nations except for the Union of South Africa and the United States have ratified it.

It was reported favorably by the Foreign Relations Committe in 1973 and has received support from every administration since President Truman. Its merits have been thoroughly discussed and every objection considered has been dismissed.

We must act now and reestablish our role as the champion of human rights and international peace. It is time we make clear to the rest of the world our opposition to mass violence. It is time to ratify the Genocide Convention.

How long must we wait? Will another 25 years pass before this country lives up to its international obligations? The burden of responsibility rests here in the Senate. We must take action.

THE PRESS IN A FREE SOCIETY

Mr. HRUSKA. Mr. President, in these times when the news media are assuming an increasing importance in the affairs of Government, it is good to know that someone like Harold W. Andersen, president of the Omaha World-Herald, will be playing a vital role in the prestigious American Newspaper Publishers Association.

Mr. Andersen is the new chairman of the ANPA, which has 1,100 members and represents more than 90 percent of the daily newspaper circulation in the United States.

I am sure he is very much aware of the shortcomings and achievements of the press in this country. He is especially concerned about the problems of credibility of press reports in the highly-charged political atmosphere of Watergate.

Mr. Andersen said recently in an article published in Editor & Publisher, the trade magazine for newspapers—

> We must work harder at convincing the public that we believe in balance and fairness in reporting.

In the same article, he said that all the news media are affected by unfair reporting "because the actions of a Dan Rather or the slant in Time magazine's columns have a tendency to diminish the credibility of all news media in some people's eyes."

The Nation's press would do well to follow the leadership of Harold Andersen and heed the philosophies that have guided the Omaha World-Herald.

Because I feel my colleagues would be interested in knowing more about Mr. Andersen and his theories of the press in a free society, I ask unanimous consent that the following article appearing in the May 5, 1974 edition of the Omaha World-Herald be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YOUR NEWSPAPER: "WE'D BETTER LISTEN"

This week's column space is turned over to the reprint of portions of an article in Editor and Publisher magazine devoted to the new chairman of the American Newspaper Publishers Association, Harold W. Andersen, who is president of this newspaper.

Founder in 1887, ANPA is the largest daily newspaper trade association in the world. It has a paid staff of more than 100 headed by President Stanford Smith. New headquarters are at Reston, Va., just outside Washington, the ANPA Research Institute is at Easton, Pa., and labor relations office is in Chicago.

The ANPA Foundation, of which Andersen is a former vice-president, has raised a $6 million endowment to help finance public understanding of the press.

"Newspapers today are doing the best job they've ever done—but when even our friends lecture us on the subject of fairness, we'd better listen."

So believes Harold W. Andersen, incoming chairman of the American Newspaper Publishers Association. Andersen, 50, president of the Omaha World-Herald Company, succeeds Davis Taylor, publisher of the Boston Globe, as head of the ANPA, whose 1,100 members represent more than 90 per cent of the daily newspaper circulation in the United States.

Asked his opinion as to problems facing the nation's newspapers, Andersen replied:

"Any list, of course, would have to include increasing costs, especially newsprint costs, and in some cases an unrealistic union attitude toward modern printing methods by which we can offset some of these escalating costs."

But along with these problems, with which publishers traditionally have contended. Andersen said the people who run the nation's newspapers should give more personal attention to the matter of credibility.

BALANCE, FAIRNESS

"We must work harder at convincing the public that we believe in balance and fairness in reporting," said Andersen, 40th elected head of ANPA since its founding in 1887.

A Phi Beta Kappa graduate of the University of Nebraska, where he was editor of the campus newspaper, Andersen spent his first 15 newspaper years as a reporter and editor.

Andersen notes that Vermont Royster, former editor of the Wall Street Journal, recently devoted a column in the Journal to the subject of fairness. Royster quoted Sen. Sam Ervin as saying we must engender in the public mind "the confidence that the media are fair as well as free."

Royster called Sen. Ervin's remarks "a splendid sermon" and concluded: "The question is, how much of the congregation is listening?"

Andersen said: "I'd suggest that all of us in the news business—specifically including newspaper and news magazine publishers and presidents of press services and broadcasting companies—had better listen when friends of the 1st Amendment like Sam Ervin and Vermont Royster feel compelled to preach to us on the subject of fairness."

Andersen said he stressed all news media "because the actions of a Dan Rather or the slant in Time magazine's columns have a tendency to diminish the credibility of all news media in some people's eyes."

He said he believes that newspapers are doing the best job ever and that more people are praising the press for its investigative job on Watergate than are criticizing that job as unfair.

FAIRNESS

"Everything from investigative reporting as in the Watergate disclosures, to reader service features like the World Herald's Action Editor—never before have we worked so hard or so effectively to serve the public.

"I also believe that newspapers are working diligently and more successfully to assure fairness and balance and to give access to a variety of viewpoints.

"I don't believe we have done a good enough job of explaining our efforts toward fairness and balance. Most newspapers are fairer and better balanced in their news columns than they are generally given credit for.

"However, we all see examples, including some that are unintentional but nonetheless damaging, of cases where we simply haven't been fair and objective.

"We're right there in the spotlight with the actors in the Watergate drama," he said. "The public is looking hard at us, perhaps harder than ever before, and we are looking harder at ourselves."

DIGGING

"Out of this process, we have the opportunity to emerge better off than before—with both press and public convinced of the continuing importance of digging, determined reporting and, hopefully, with press and at least most of the public convinced that this kind of reporting can be balanced and objective."

Andersen, the first ANPA head from west of the Mississippi River since Harry Chandler of the Los Angeles Times led the organization 42 years ago, said he takes on the job with optimism both about the future of newspapers and the future of the ANPA.

"I expect that newspapers will be around in approximately their present form for a long time," he said, "although ownerships will change, content will improve and electronic technology will be used increasingly.

"One reason I expect newspapers to continue to prosper is because they are the primary medium of information in the community they serve. We still fulfill that responsibility very well."

RIGHT TO KNOW

On the subject of Washington-oriented activity, Andersen said the nation's newspapers need to do a better job of informing the public that "in our resistance to government restrictions, what we are really battling for is the public's right to know.

"We realize that freedom of the press is a trust we hold for the public. Guardianship of that trust doesn't confer on us any special privilege—just a heavy responsibility."

He said that if more people, "including more people in public office," were convinced that the news media consistently practice fairness in their reporting, "we would be faced with fewer restrictive legislative proposals and court decrees—and we would have a better chance of rallying public opposition to those restrictions which we do face."

Andersen said he does not suggest that the news media relax their investigative efforts or "attempt the impossible job of pleasing every reader or politician." But conceding that newspapers can't expect to be universally popular, "we can do more to persuade our readers that we believe in consistent fairness in our reporting.

QUESTIONS ABOUT THE HIRSHHORN MUSEUM

Mr. CLARK. Mr. President, in 1966, the Congress passed Public Law 89–788, authorizing the establishment and construction of the Joseph H. Hirshhorn Museum and Sculpture Garden. Last month, the construction of the museum was finally completed, and museum personnel are now preparing for a scheduled opening October 1st.

From its inception, however, the Hirshhorn Museum has been surrounded by controversy, and a number of disturbing questions have been raised about certain aspects of the project:

Mr. Hirshhorn's role in selecting the museum's architect, director, and members of the board of trustees;

Irregularities in the construction contract award procedure, and construction delays and cost overruns;

The tax deductions that may be received in return for the collection; and

Mr. Hirshhorn's personal background, and the propriety of naming a museum after the donor.

Unfortunately, these issues remain largely unresolved, and criticism of the museum project has continued.

In 1970, the House Administration Subcommittee on Library and Memorials, chaired by Congressman FRANK THOMPSON, JR., held extensive oversight hearings on the operations of the Smithsonian Institution. Some of the same questions were raised then about the Hirshhorn Museum, and in its report (House Report No. 91–1801) the subcommittee declared:

> The Congress did not give full consideration to all the implications of the [Hirshhorn] arrangement and the Subcommittee recommends that any such arrangement in the future be given meticulous and deliberate study by the appropriate committees of the Congress.

In additional views provided by the minority Members, led by Iowa Congressman FRED SCHWENGEL, the sentiments expressed were even stronger:

> The minority members believe the questions which have been raised about the Hirshhorn project are of a serious nature. They are of sufficient importance to demand a reconsideration of action taken earlier by the Congress.
>
> The minority members recommend that new hearings be held next year which would deal solely with the Hirshhorn project. Mr.

Hirshhorn should be invited to testify and given the opportunity to clear his name and reputation of the charges and allegations which have been made.

Upon the conclusion of the hearings and after all competent witnesses have been heard final recommendations should be made as to the final disposition of the entire matter.

FRED SCHWENGEL,
JAMES HARVEY,
PHILIP M. CRANE.

Unfortunately, the recommended hearings were never held, and the serious questions raised never have been answered. That is why I am requesting a General Accounting Office investigation of the Hirshhorn Museum project. This investigation represents the first step toward hearings on the museum project which I plan to hold later this year in the Public Works Subcommittee on Buildings and Grounds.

Hopefully, these efforts will allow the museum to open this fall free from the doubts that have persisted over the past years—and with the taxpayers confident that their money has been well spent.

THE DICKEY-LINCOLN SCHOOL HYDROELECTRIC PROJECT

Mr. MUSKIE. Mr. President, no greater challenge faces the Congress and the American people than that of devising new sources of energy which will lessen our dependence upon foreign petroleum products while recognizing both the finite limitations of our own supplies of fossil fuel and the dangers to our environment posed by the development of these resources.

The proposed Dickey-Lincoln School hydro-electric project in northern Maine is a perfect illustration of the dilemma created by these three, often competing, considerations.

New Englanders, in part because of their traditional respect for the economic and recreational value of their natural surrounding—the sea, the mountains, the forests—and in part because of the growing pressures on their environment, have in recent years demonstrated a deep concern for protecting the environment through strong local and State legislation.

At the same time, however, the impact of skyrocketing prices of oil in the region has been severe, particularly for industry and electric utilities who depend on imports for virtually 100 percent of their residual fuel requirements. In one typical instance, the cost of residual oil rose from $2.77 per barrel in January 1973 to $11.70 per barrel in March 1974.

These cost increases—perhaps most noticeable to the average consumer in the form of fuel adjustment allowances in his monthly electric bill—are placing an added burden on consumers already suffering from the effects of severe inflation. Moreover, the extra cost to industry is placing our region at a competitive disadvantage with other sections of the country which may very well have a dampening effect on future economic development.

But the impact of the energy crisis is by no means a short term problem. The six New England States contain more than 12 million people who are expected to consume 72 billion kilowatt hours of electricity this year. This present level of consumption is expected to double by 1983, and triple by the early 1990's.

Even with the most stringent energy conservation measures, therefore, our region's electric generating capacity will have to be greatly expanded. These facts are simply unavoidable and we have a responsibility to plan now as to how best to meet this need.

The question, therefore, is not whether New England's population and economy will continue to grow—for, clearly, they will—or whether our natural environment should be protected from unplanned and unthinking development—for, clearly, it should.

Rather, the question which we in New England must seek to answer is how we can accommodate the demands of our anticipated growth with our concern for our environment; how we can meet our future energy requirements with the least impact on our environment and without an unacceptable degradation of the quality of our air, our water and our limited natural resources.

This is the question, in my opinion, which should be used as the basis for evaulating the issues which have been raised by the Dickey-Lincoln School project.

WHAT IS DICKEY-LINCOLN?

Dickey-Lincoln would be constructed in extreme northern Maine and would encompass a 91,100 acre area. The completed project would have a total capacity of 830 megawatts and would provide 740 million kilowatt hours of peaking power for Maine and New England with 460 million kilowatt hours of base load power for Maine. It would be constructed and operated by the Federal Government and the proceeds from the sale of its power would be paid back to the Federal Treasury. The project also would provide much needed flood control for the St. John River Valley and recreational benefits to the region.

There is no question that the construction of the project will alter the present state of the river and surrounding terrain. And it is this fact, in addition to questions concerning the value of the power the project will produce, which has given rise to most of the recent criticism of the project.

Mr. President, the planning of Dickey-Lincoln has been started but not completed. This year, I am hopeful the Senate Appropriations Committee will recommend funds to continue that planning as well as to begin the task of preparing a detailed environmental impact statement on the project as required under the National Environmental Policy Act.

However, a preliminary environmental analysis is available and I would ask unanimous consent to include in the RECORD at the conclusion of my remarks a copy of this report. It was prepared by the Army Corps of Engineers and attemps to answer the questions most often raised concerning the project. This information speaks for itself and is a useful reference for those who wish to learn more of the project. It attempts to put to rest some of the greatest misconceptions of the nature and impact of the project. Moreover, it provides a preliminary analysis of some of the environmental considerations involved in the project.

I would also ask unanimous consent to print in the RECORD at the conclusion of my remarks a letter from my colleague, Senator WILLIAM HATHAWAY, to the Maine Sunday Telegram which provides further useful commentary on the project.

THE ISSUES RAISED BY DICKEY-LINCOLN

There will be other opportunities for me to comment at greater length on Dickey-Lincoln, so I would limit my observations today to a few of the issues which I find most troublesome:

First. Peaking power and base load power. In opposition to the project, it has been stated that large nuclear powerplants or oil-fired plants could produce far greater power than Dickey-Lincoln at less cost.

Such statements are misleading. Thermal and nuclear units are intended for base load power, while Dickey would be peak load facility. Comparing a base load power facility with a peaking power facility is akin to comparing apples and oranges. During peak demand periods of the day, our total electrical generating system must have the capacity to expand by as much as 15–20 percent. A nuclear plant which is most economically and efficiently run for 24 hours per day at close to capacity is a totally inappropriate vehicle for peaking power.

For peak power demands, our generating system must depend upon thermal units, pump storage facilities, or hydroelectric power. Hydroelectric power, with its low operating cost, is by far the most economical means of meeting this demand.

Second. Dickey-Lincoln's share of total power demand. It has also been argued that the power generated by Dickey would provide only a small percentage—given variously as one-half percent, 1 percent and 1½ percent—of New England's total power needs. This, too, is an elusive statistical comparison, since it attempts to relate a peaking power facility with total consumption from all sources. Even the large nuclear plants which have been proposed would only provide 4 to 5 percent of our region's total demand.

More to the point, the Federal Power Commission has estimated that New England's total peaking capacity needs in 1980–90 will be 4,422 megawatts. Dickey-Lincoln's 830-megawatt capacity would provide 18.7 percent of this estimated requirement.

Third. Loss of recreational opportunities. As one who thoroughly enjoys the Maine outdoors, I am perhaps most sensitive to those who express their concern to me that Dickey would destroy a wilderness river.

It was precisely this concern which led me to ask President Kennedy in 1962, to evaluate not only the power potential of the original proposal, but also the recreational and environmental values of the proposed site. And it was this concern which convinced Federal officials that the original site of the project should be shifted to a site at the town of Dickey in order to preserve another river, the Allagash, in its natural wilderness state. The Allagash was thus protected for the enjoyment of all.

Yet Dickey-Lincoln, too, will offer recreational opportunities and I am not convinced that the recreational benefits of its manmade lakes would be inferior to those now offered by the St. John River in its present state. To the contrary, the lakes would provide greater and more varied opportunities for more people.

Fourth. Environmental impact statement. I am acutely aware of the fact that the environment of the upper St. John River valley would be altered by an undertaking of this magnitude. But this far in the long history of the project I have seen no indication that these changes would be unacceptable.

However, one of the purposes of continued planning funds for the project is to provide all interested parties with the data and information necessary to make a more accurate assessment of the environmental impact of the project. Until we have such information, I find it difficult to understand the assurance and finality with which many statements concerning the allegedly adverse environmental impact of Dickey are made.

Fifth. Flood control benefits. This year, as in many years past, the communities of Fort Kent, Allagash, St. Francis and others located along the St. John River are experiencing the disastrous effects of severe flooding. One of the most important benefits of the Dickey-Lincoln project, therefore, would be its ability to regulate the flow of the St. John so that the danger of such flooding can be eliminated in the future.

There are those who say that Dickey is not needed for this purpose; that a system of dikes would be sufficient to provide protection from flooding. I support the necessity of constructing dikes and other impoundments along the low-lying flood plains of the St. John Valley and have urged that work on such a system be commenced without delay.

But dikes are simply not an effective alternative to the regulatory mechanism which Dickey would provide. Anyone who has visited flood ravaged sections of the Mississippi and seen the ineffectiveness of its elaborate network of dikes in the face of major flooding should recognize this. Dikes will not supplant the need for a dam on the upper St. John.

Sixth. Changes in the water level of Dickey's reservoir. Another of the persistent concerns expressed with Dickey is based on the claim that there would be a 40-foot drawdown on the reservoir which would leave an unsightly and unusable "bathtub ring" in the form of mudflats.

This claim, too, is based on erroneous information. First, the 40-foot drawdown represents the maximum possible drawdown and would occur, if at all, under the most adverse circumstances—for example, during prolonged operation of Dickey's generators in the event of a major power blackout along the east coast.

On the other hand, the typical drawdown during the period of greatest recreation use—June 15 to October 15 would be only 4 feet. While termination of planning funds prevented completion of precise figures for the winter months, it is estimated that the average drawdown during this period, when the reservoir and its banks would be generally frozen and snow-covered, would be 6 to 8 feet.

Moreover, there is no reason to believe that the area uncovered by the changes in water level would be "mudflats", as is often asserted, due to the generally steep terrain in the area. In comparison to Dickey's fluctuations, the St. John River in its present state registers a normal high level of 16 feet at the town of Dickey and a normal low level of 3.1 feet—a variation of 12.3 feet, more than that of the proposed reservoir.

I should also take note of the fact that on May 1 of this year, the river reached a flood crest of 28 feet in Fort Kent, inundating the community. In the dry periods of the summer, the river at the same point will be as low as 4 to 6 feet. This means that the extreme fluctuations of the St. John River, without the dams, have been more than 24 feet.

Despite this wide variation, I have never heard of any compliants concerning either mudflats or unsightly river banks—except, of course, the normal frustration which canoeists experience with low water and rocks during the dry periods.

Seventh. Loss of timberland. Construction of Dickey-Lincoln will result in the loss of timberland and this fact is cited also by critics. To place this in perspective, however, it should be recognized that the State of Maine has more timberland per capita than any State in the Nation, with over 87 percent of our land area forested.

The timberland which would be acquired for Dickey represents less than six-tenths of 1 percent of the forested land in the State of Maine. The amount of timber is not insignificant, to be sure, but ought to be considered in relation to its total impact on Maine's forest resources.

Eighth. Hydroelectric power as a renewable resource. The oil shortages we experienced this winter have brought home the great social and economic price we Americans pay for our heavy dependence upon fossil fuels. As we develop an increasing appreciation of the fact that petroleum is a limited, finite resource, I believe that we should encourage the development of alternative, renewable energy sources such as hydroelectric power.

Certainly, hydroelectric power is not the sole solution to the energy crisis, nor should strenous conservation measures be ignored. But, hydropower is, in my opinion, a significant step in the right direction which could bring important benefits to Maine and New England.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PROJECT: DICKEY-LINCOLN SCHOOL LAKES, MAINE

Summarized financial data

Estimated total appropriation requirement	$356,000,000
Future non-Federal reimbursement	341,500,000
Estimated Federal cost (ultimate)	14,500,000
Estimated non-Federal cost	
Reimbursement:	
Power	341,235,000
Recreation	265,000
Total estimated project cost	356,000,000
Allocations to date	2,154,000
Balance to complete preconstruction planning	2,046,000
Amount that could be used in fiscal year 1975	800,000

Authorization: Flood Control Act of 1965.

LOCATION AND DESCRIPTION

Dickey Lake is located on the Upper Saint John River near the Town of Dickey, Aroostook County, Maine immediately above its confluence with the Allagash River. The project provides for an earth-fill dam and supplemental dikes impounding reservoirs with gross storage capacity of 7,700,000 acre-feet for power, flood control and recreation. The Lincoln School Lake is located on the Saint John River 11 miles downstream from Dickey Lake and provides for an earth-fill dam impounding a reservoir with usable storage capacity of 24,000 acre-feet for purposes of regulating discharges from Dickey Lake and power generation.

PROPOSED OPERATIONS

The amount of $800,000 would be used to resume preconstruction planning.

JUSTIFICATION

The Dickey-Lincoln School Project is an integral unit of the comprehensive development and conservation of the water and power resources of the Saint John River Basin. Electric power will constitute the major benefits from the project and, due to power revenues, is fully reimbursable including interest. On-site annual power generation of about 1.2 billion kilowatt-hours resulting from an installed capacity of 830 MW will provide needed power to the New England area. Additional power benefits will be realized at downstream Canadian power plants. Flood control storage provided by the project will eliminate flood damages below the site. The advent of low-cost power and flood protection would contribute significantly to the advancement of the economic climate of the State of Maine and the New England area. The Dickey-Lincoln School Project is located in the part of Aroostook County, Maine which is classified as a Title IV (1) Economic Development Area. The benefit-cost ratio is 2.6 to 1. Average annual benefits are estimated as follows:

Power	$44,365,000
Flood control	60,000
Area redevelopment	817,000
Recreation	1,250,000
Total	46,492,000

STATUS

Of the approximate $2.2 million spent to date, $1.5 million or 68 percent was allocated to surveys and foundation and soils exploration. Remaining funds were expended on real estate investigations and general design effort. No detailed engineering for actual bid plans and specifications has been started. No planning has been accomplished since November 1967 because of lack of funds. Preconstruction planning is approximately 60 percent complete, but some lost effort will be realized in resuming design.

Previous allocation of funds

Fiscal year:	*Allocations*
1966	$780,000
1967	1,034,000
1968	340,300
1969–1974	0
Total	2,154,300

POSSIBLE PLANNING AND CONSTRUCTION SCHEDULES

Subject to funding, preconstruction planning would require 18 months to complete, and construction would require seven and one half additional years.

COMMITTEE ON LABOR
AND PUBLIC WELFARE,
Washington, D.C., May 3, 1974.

EDITOR, MAINE SUNDAY TELEGRAM,
Congress Street,
Portland, Maine

DEAR SIR: Your editorial "The Bad Side to Dickey-Lincoln Dam" (MST 4/14) which was based on Bob Cummings' carefully written article, "Dickey: Boon or Boondoggle?" (MST 4/7) raises a number of important issues which need to be clarified and questions which need to be answered.

Let me begin by explaining the significance of the fact that the Dickey-Lincoln Hydroelectric plant will be a "peaking power" plant. As Bob Cummings accurately stated, it would run for two or three hours every day, probably during the late afternoons when there is a sudden upsurge in demand for electrical power. Now the value of a peaking plant is not in terms of its output, but in terms of its capacity as a source of quick electric power. To compare Dickey-Lincoln to base-load plants like Maine Yankee at Wiscasset and CMP on Cousins Island (which operate 24 hours a day) in terms of output is misleading.

In terms of capacity, if Dickey-Lincoln power were to come "on line" right now, it would constitute a 60% addition to the electric capacity of the state.

The Dickey-Lincoln Project is to be one of a network of peaking plants to be built in New England before the end of this century. These quick starting, economical plants are essential to meeting daily peak demands because the demand for electricity is growing very fast in Maine. Electricity demand for household use is expected to grow 331% (in kilowatt hours) between now and the year 2000.

The "base-load" plants, like Main Yankee at Wiscasset and CMP on Cousins Island, are not suitable for peaking use because of economic and operating considerations. They have their greatest vale in operating as base-load plants and constitute desirable partners of peaking plants such as Dickey-Lincoln.

The initial cost of any power installation is not a full measure of the cost of producing power. Hydroelectric sites normally have high initial construction costs in relation to other alternatives. However, the annual operation and maintenance expenses are significantly lower. For instance, a project such as Dickey-Lincoln is not dependent on costly fuels, like oil, for its operation. Water is a continuous and free source of power.

The interest rate of 3¼%, which has been used to determine the project's net worth in terms of its benefit to cost ratio, is consistent with governing policies enacted by the Congress and the Water Resources Council. While the Water Resources Council did introduce a revised procedure for determining interest rates in 1968, it provided for an exception for those projects, like Dickey, which had been authorized previously, and thus the 3¼% interest rate was retained. Just as a point of interest, even if the higher interest rate of 6⅞%, as proposed by the council in 1973 but precluded by enactment of the 1974 Water Resources Development Act, should be applied to Dickey-Lincoln, the benefit-to-cost ratio would be 1.3 to 1 indicating that the project remains justified.

Perhaps of more significance is the rate at which power must be marketed to repay all costs, including the first cost, interest during construction, and annual operation and maintenance expenses. This figure is based on a 5⅞% interest rate and a 50-year repayment period. Power from Dickey-Lincoln could be marketed at 25.05 mills per kilowatt hour as compared to 34.43 mills per kilowatt hour for the privately financed equivalent alternatives. This represents an $11.7 million savings on an annual basis.

Both the editorial and the Cummings article state that 65 million cubic yards of fill required for the dam might be taken from the Debouillie Mountain range. I have been advised by the Corps of Engineers that the earth fill material required for the Dickey Dam will be taken from sources within the reservoir area and not from the Debouillie Mountain range.

Another point raised in the editorial was the fact that Maine would be cut off from 200,000 acres of timberland by Dickey lake. The authorizing document for the Dickey Hydroelectric Project included provisions for a ferry with landings on the north and south sides of the reservoir to avoid isolation of the timberlands on the north side of the St. John River. The feasibility of providing a bridge crossing in lieu of a ferry system was being explored at the time design studies ended. Preliminary estimates developed at that time indicated a bridge could be constructed for approximately $3 million.

Let me close with a comment regarding the potential threat that construction of the Dickey-Lincoln dam might pose to the environment of northern Maine. All aspects of Dickey's environmental impact will be examined very closely both at the federal and state levels. A good portion of the $800,000 which I have asked for to complete pre-construction planning for Dickey will be used to make an environmental impact study as now required by law. Our own state environmental protection laws are among the strictest in the nation and I feel certain that the Board of Environmental Protection will look at Dickey very closely. Before any approval would be granted by the Board, there would be public hearings so that the people could make their concerns known.

I would be less than candid if I did not admit that we have to make some sort of trade-off if we want to construct the Dickey-Lincoln Dam. There will be certain hunting, wilderness and canoeing areas that will be flooded by the Dickey Lakes, and I can understand the concern of those who oppose this project because they do not want to see these lost. In view, however, of the vast expanse in our state which will remain untouched by this project and thus capable of providing timber and recreation, coupled with the growing demand for electric power between now and the year 2000, I believe it is in the interest of the people of Maine and New England to construct another source of clean, economical electric power.

There are approximately 1600 streams and 2000 lakes in the State of Maine. A total of five streams will be affected by the Dickey-Lincoln Project. Maine is 90% forested; ½ of 1% of this forested area will be flooded. That construction of Dickey will cause monumental damage to Maine's environment is in view of these facts, questionable; I believe that any damage will certainly be slight.

My public statements as well as my voting record during more than a decade in Congress show that I have been a staunch supporter of environmental safety legislation. I do not believe that my support for Dickey is inconsistent with this record.

Sincerely,

WILLIAM D. HATHAWAY,
U.S. Senator.

DICKEY-LINCOLN SCHOOL LAKES, MAINE

Pertinent data pertaining to:

1. Economic analyses.
2. Repayment rates.
3. Environmental aspects; and
4. Role of preference customers.

1. ECONOMIC ANALYSES

The justification for authorization of all Corps of Engineers' projects is measured in terms of the benefit-to-cost ratio. The economic analysis used to develop this yardstick is based on standards prescribed by Senate Document No. 97, 87th Congress, entitled *Policies, Standards and Procedures in the Formulation, Evaluation and Review of Plans for Use and Development of Water and Related Land Resources.* Total project benefits for Dickey-Lincoln School Lakes are comprised of at-market power, total downstream energy, flood control, recreation and area redevelopment type benefits. The power benefits for Dickey-Lincoln School Lakes are equated to the cost of privately-financed equivalent alternative sources of power. The unit power values, furnished by the Federal Power Commission, are based on gas turbines for that portion of project power expected to be marketed in the Boston area for peaking purposes and a base load fossil fuel steam plant as an alternative for that portion to be marketed in Maine.

The project cost is evaluated on an annual basis reflecting amortization of the investment and annual operation and maintenance expenses. The cost has been increased to provide for the transmission of power by adding 50 percent of the annual cost of a line between the project and Boston. It has been assumed that the remaining one-half of the annual cost will be derived from the wheeling by others of off-peak power. The interest rate used in the economic evaluation is 3¼% and the period of analysis is 100 years.

The 3¼ percent interest rate used in the economic analysis has been the subject of considerable discussion in the past. Accordingly, an explanation of the derivation of this rate is appropriate. The interest rate is in accordance with a Water Resources Council (WRC) regulation implemented in December 1968. This regulation revised the method of computing the interest rate as previously outlined in SD 97.

The regulation permitted an exception, however, for already authorized projects such as Dickey-Lincoln School Lakes which was authorized in 1965. The exception noted that if an appropriate non-Federal agency provided—prior to 31 December 1969—satisfactory assurances that requirements of local cooperation associated with the project would be met, then the previous interest rate would be retained.

At Dickey-Lincoln School Lakes, local cooperation would be required for the cost sharing of recreational facilities. Assurances were received from the Governor of Maine by letter, dated 24 February 1969, that the non-Federal requirements would be fulfilled at the appropriate time. As a result, the interest rate was retained at 3¼ %.

The WRC subsequently established new principles and standards for water resource planning effective in October 1973. A section of these new standards includes the provision for increasing the interest rate of 6⅞ %.

However, the Water Resources Development Act of 1974, enacted on 7 March 1974, includes a section which requires that interest rates used for water resource projects be consistent with the implementation of the December 1968 WRC regulation. Accordingly the 3¼ % interest rate remains firm for Dickey-Lincoln School Lakes. As a point of interest if the project were evaluated on a 6⅞ % interest rate, it remains justified with a 1.3 to 1 ratio.

The Corps of Engineers also uses a procedure referred to as an "economic efficiency test" to comprehensively evaluate proper resource development. The objective of an ideal system operation is to meet area power demands at least cost to consumers. Therefore the least costly addition to a region's capacity could be considered as a yardstick for purposes of making a decision regarding such additions.

The "economic efficiency test" provides for such a determination. Basically the test provides for a comparison of the costs of providing equivalent benefits from the most economical alternative likely to develop in the absence of the project evaluated on a basis comparable with the determination of the project costs (with respect to interest rates, taxes and insurance).

The Corps "economic efficiency test" indicates that the annual at-market charge for Dickey-Lincoln School Lakes power amounts to $17,742,000 while alternative equivalent power charges amount to $37,014,000. This results in a ratio of 2.1 to 1 in favor of Dickey-Lincoln School Lakes. This means that even if the private utilities could obtain financing equivalent to the Federal rate, i.e., 3¼ %, water resource benefits could be provided by Dickey-Lincoln School at less than half the cost by the private utility alternatives.

2. REPAYMENT ANALYSIS

The above analyses are used to define the economic worth of the project. The financial value of power, however, is determined through the repayment analysis. Marketing of electric power from Federal projects is the basic responsibility of the Secretary of Interior as authorized by Section 5 of the 1944 Flood Control Act. Repayment rates must be sufficient to recover costs of power production and transmission including annual operation and maintenance expenses. The total investment allocated to power must be repaid over a reasonable period of years.

As a matter of administration policy, this period has been specified as 50 years. On 29 January 1970 the Secretary of Interior, under his administration discretion to establish power rates, instituted new criteria for determining interest rates for repayment purposes for projects not yet under construction. The current interest rate used for Dickey-Lincoln School Lakes repayment under this revised criteria is 5⅞ %. The analysis notes that power from Dickey-Lincoln School Lakes could be marketed at 25.05 mills/Kwh as compared to 34.43 mills/Kwh for the private alternatives. On an annual basis this represents a savings of about $11.7 million.

The difference between the economic analyses previously described and the repayment analysis warrants further clarification. This has caused a considerable amount of misunderstanding and misinterpretation. The economic analyses—both for the benefit-to-cost ratio determination and the "economic efficiency test" are *economic* parameters measuring a project's net worth. These analyses are not unique to Dickey-Lincoln School Lakes. The benefit-to-cost ratio is employed universally by the Corps in measuring a project's economic justification.

The "economic efficiency test" is also universally used by the Corps in conjunction with projects having generation of electric power as a project purpose. The economic analyses utilized a 3¼ % interest rate and 100-year period of evaluation. On the other hand, the repayment analysis—which will ultimately be computed by the Department of Interior—is a *financial* analysis which determines the appropriate charge at which power costs must be marketed to return the total annual investment allocated to power. For this analysis an interest rate of 5⅞ % and a 50-year repayment period have been used.

3. ENVIRONMENT ASPECTS

The following information will address some of the environmental aspects related to the project. The discussion must be prefaced by acknowledging that detailed data essential to a comprehensive environmental evaluation consistent with the National Environmental Policy Act of 1969 (NEPA) have not been developed for Dickey-Lincoln School Lakes. Preconstruction planning was terminated in the fall of 1967 prior to passage of NEPA. No work has subsequently been accomplished because of the lack of funds. Environmental studies and preparation of an Environmental Impact Statement would receive priority attention should design activity resume. A final Environmental Impact Statement must be on file with the Council on Environmental Quality prior to initiating any construction.

Members of this Division had a series of meetings with the Bureau of Outdoor Recreation, the U.S. Fish and Wildlife Service, the Maine Division of Inland Fisheries and Game, and the Maine State Park and Recreation Commission during 1967 prior to termination of design. The objective of the meetings was to determine the impact of the project on recreation and conservation as well as determining what input would be provided by each group. All parties realized the need for detailed studies before final determinations could be made. Should future appropriations become available, coordination would again be established with these agencies to evaluate the project's environmental impact.

The following are some of the environmental concerns that have been noted, as well as comments relating to each. It is reemphasized, however, that these comments are offered in the light of information developed during the relatively short design period. Some of the concerns can only be fully answered through future environmental studies.

Loss of the Allagash.—There has been a general misconception that the project will adversely affect the Allagash waterway. The Dickey damsite was relocated to a point immediately above the confluence of the Allagash River with the St. John River for the specific purpose of preventing any interference with the free flow of the Allagash waterway. In fact, future analyses may reveal that the project could further preserve the Allagash's environmental assets. There is a growing concern that heavy use of the Allagash will detract from its unique experience. The Dickey-Lincoln School Lakes project would provide an adjacent large wilderness lake which would serve to alleviate these growing pressures on the Allagash River.

Loss of Deeryards.—A draft report prepared by the Bureau of Sport Fisheries and Wildlife estimated that approximately 2,200 deer would be displaced by the project but that an estimated 1,800 of these could be replaced through mitigation measures. All possible measures will be taken to minimize the adverse effects of the project. Mitigation measures would be explored including acquisition of suitable land and proper management to replace the lost deeryards.

Loss of Stream Fishing.—Some stream fishing will be lost, however the magnitude is certainly subject to further investigation. There are two problems allied with current utilization of stream fishing capability of the St. John River, namely, 1) difficulties of access, and 2) varying stream conditions The St. John River Basin is a wilderness resource. The area is generally inaccessible except by foot or by water. The latter access is particularly undependable during mid-summer because of the low water conditions thus necessitating frequent portages. In addition, a major part of the basin is owned by paper companies. Undoubtedly, access to the basin by a large number of fishermen would be restricted because of the significantly increased risk of fire.

The dominant fish species within the project area is the native brook trout. These trout reportedly can be found in the lakes and smaller tributary streams during the entire year. However, this even distribution of trout is not true of the main stem of the St. John River and its larger tributary streams during the late summer and early fall months. This is a period of low stream flows and increased stream temperatures which force the fish to seek other cooler tributaries.

The 86,000 acre lake impounded by Dickey dam will provide access to wilderness areas never before accessible. The lake itself will provide a multiple warm and cold water fishery. Access to the wilderness lake will provide areas for hunting, camping, pack trips and enjoyment of the wilderness experience. The project in essence will provide a trade-off between stream fishing and lake fishing. However, due to the increased accessibility the project would undoubtedly support more users.

Loss of Forested Land.—The State of Maine, with over 87 percent of its land area in timberlands, has more forested acres per capita than any state in the nation. Construction of the project would result in the loss of approximately 90,000 acres of forested land. This represents less than six-tenths of one percent of the forested acres in the State of Maine.

Loss of Canoeing on St. John River.—The Allagash River is a far greater canoe stream than the St. John River. For example, a reconnaissance trip was made of the St. John River in the early summer of 1967 by an engineer and a fishery biologist of this Division. They canoed the river from the southwest branch approximately 110 miles to the Dickey damsite in four days. Both were experienced avid canoeists. Although the trip was very enjoyable and exciting to both, they found the river to be very shallow in many areas requiring them to often push and pull the canoe while walking alongside of it. The river has considerably reduced flows in mid-summer making canoeing even more difficult. They also learned that 30 parties made a similar trip in 1966 as compared to 3,000 on the Allagash. The Dickey dam was located above the mouth of the Allagash expressly to preserve the wilderness canoe trip region of the Allagash, although a dam located farther downstream in the vicinity of Rankin Rapids would be more advantageous from the viewpoint of power production.

Loss of Streams.—The project would create an 86,000 acre lake at Dickey and a 2,150 acre lake at Lincoln School, at maximum pool elevations. These reservoirs would inundate 64 miles of the St. John River of which 53 miles would be upstream of Dickey dam. The St. John River is about 420 miles long, of which 100 miles are above Dickey dam and 320 miles below the dam. In total (including all tributaries to the St. John), the project will flood 219 miles of streams. This is less than two percent of the estimated 14,000 miles of rivers, streams and branches in the St. John River Basin.

Effect of Reservoir Drawdown.—The maximum drawdown of the project would be 40 feet between Elevations 910 and 870. However, this would not happen in any one year. The average annual drawdown between 15 June and 15 October would be four feet. The heaviest drawdown period would be in the winter months because of the large power demands in that season. Due to the generally precipitive nature of the Dickey reservoir area, it is not considered that the shoreline areas, when exposed, would have the graphic features of mud flats. Winter months are also periods of heavy snowfall which would tend to cover drawdown areas. The reservoir will be cleared of all standing timber within the drawdown area to eliminate any unsightly tree kill.

Siltation in the Reservoir.—The St. John River currently has three downstream power reservoirs in the Canadian reaches of the river. Silting has not been a problem at these sites due basically to the natural ability of the forested watershed—comprised principally of a coniferous forest dominated by a northern spruce-fir cover—to retain its soil. According to information obtained from the New Brunswick power interests, sedimentation has been no problem at their Grand Falls hydroelectric project located 90 miles downstream of the proposed project. Also, observation of similar nearby watersheds revealed no sediment problems at impoundments there.

Aquatic Weed Growth.—Studies to date indicate that there should be no problem with aquatic weeds. In general, the incoming water to the Dickey-Lincoln School Lakes project does not have an overabundance of nutrients and the water will be deep and rather cold minimizing the amount of weed growth.

Effects on the St. John River Flow Regimen.—The project will effectively augment St. John River flows during normally low flow periods, resulting in improved fishery conditions and enhanced water quality. Based on over 20 years of flow records in the area, minimum monthly flows on the St. John River downstream of the Dickey-Lincoln School site have been less than 1,000 cfs in 8 out of 12 months of the year with minimum flows during some months being 500 cfs or less. However, the proposed treaty with Canada stipulates that a minimum monthly average flow of 2,500 cfs will be maintained downstream of the project. This resulting flow augmentation will provide considerable enhancement of the downstream flow regimen during normally low flow periods.

At the other extreme, the project will eliminate flood flows that have plagued downstream areas. The Town of Fort Kent, located about 30 miles below Dickey dam, has experienced nine floods during the past 46 years of record. The most recent floods have occurred in May 1961, May 1969, April 1973, and April 1974. The April 1973 flood stages exceeded the record flood of May 1961 and caused damages estimated at $1 million. These losses would be prevented by the project.

Effects on the St. John River Estuary.—It can be reasonably stated that there will be no impact on the lower river area. Flows will be regulated for power purposes but these regulations will not be detected at the estuary due to the Canadian storage reservoirs downstream of Dickey-Lincoln School Lakes plus flows from intervening drainage areas.

Environmental Effects During Construction.—Much of the construction activity, including the stripping of borrow areas, will be located in the reservoir area so that once the reservoir fills, most traces of construction activity will be obliterated. During construction, measures defined by Federal standards and specifications will be taken to reduce adverse effects on the environment. Controls will be exercised over the contractor to minimize air, noise and water pollution. Such items as burning of waste, soil erosion, dust control, revegetation of borrow areas, batch plant spills, waste concrete, oil and fuel spillage, operation of motorized equipment, and personnel sanitation facilities will be evaluated and controlled to minimize temporary environmental impacts.

Costs Not Included for Value of Standing Timber Which Will Be Lost Due to Project.—The environmental impact due to loss of timber cannot be quantified. However, the economic loss has been included in the project cost estimate. The estimate for land acquisition includes the estimated stumpage value of standing merchantable timber and also the value of the cut-over land based on its residual highest and best use.

Social Disruption.—A prime environmental consideration in conjunction with any large reservoir project is the disruption of man's social environment due to relocation. At Dickey-Lincoln School, developed areas are minor in contrast to the size of the project, as most of the upper reservoir areas are timberlands. A real estate survey conducted in 1967 revealed that 238 improved properties in the vicinity of the damsites in St. Francis and Allagash would be acquired for the project. These consist principally of residences and camps, with some commercial properties, small lumber mills and marginal farm units.

There is no question that a project of the magnitude of Dickey-Lincoln School Lakes has considerable environmental impacts. There will be environmental losses as well as environmental gains—these losses and gains often being interpreted and measured through the exercise of personal preference. The integration of the Dickey-Lincoln School Lakes project and the Allagash should ultimately provide the optimum resolution to the divergent desires and needs of many. It will also result in a valuable resource balance to the upper region of Maine.

4. ROLE OF PREFERENCE CUSTOMERS

As stated earlier, the Department of Interior is vested with the responsibility of marketing the electric power from Dickey-Lincoln School Lakes per authority of Section 5 of the 1944 Flood Control Act. This Section states that power will be sold in such a manner as to encourage the most widespread use thereof at the lowest possible rates consistent with sound business practices. Section 5 further states that preference in the sale of power and energy is to be given to public and cooperative power interests. A list of preference customers that had requested project power from the Department of Interior in 1966 and 1967 is noted on Page 428 of the FY 1968 Hearings before the House Public Works Subcommittee of the Appropriations Committee.

It will not be known how much power—if any—will be available to private utilities until Interior finalizes its marketing plans. Historically, the Department of Interior has not proceeded with definitive marketing and transmission plans until construction of the project is underway and the power-on-line date is capable of being met with some degree of certainty. Prior to that time, their studies are of sufficient depth to determine marketability and evaluate the financial feasibility of the power installation.

The largest reduction will be realized by preference customers. However, in the spirit of the objectives of the New England NEPOOL system—namely, to achieve maximum economy consistent with standards of reliability in generation and transmission of bulk power through joint coordinated efforts—the Dickey-Lincoln School Lakes project represents the most economical addition to the system when compared to equivalent alternatives.

THE BUDGET AND HEALTH CARE

Mr. CLARK. Mr. President, good health care for every American ought to be a national goal. The Congress now has before it a number of comprehensive bills to improve this country's health care system, and President Nixon listed health care legislation as a high priority in his state of the Union message.

However, the administration has requested that Congress appropriate only $4.75 billion for Federal health programs—excluding medicare and medicaid—for the 1975 fiscal year—more than half a billion dollars less than the amount appropriated this year. Under the administration's budget proposal, manpower training in the health fields and construction programs for health care facilities would be phased out, and many other health programs would be forced to operate at levels below or equal to fiscal year 1972.

Considering the impact of inflation, it has been estimated that the administration budget would reduce the Federal commitment to controllable health programs by as much as 40 percent in just a 4-year period. In my judgment, this is not the way to improve health care services for the American people.

The Coalition for Health Funding, a group of 45 national, nonprofit health organizations, has published a report analyzing the President's health budget. In reviewing the administration's budget proposal, the coalition is recommending a minimum 1975 budget of $6.1 billion appropriation for Federal health programs that would help guarantee that the American people do get the kind of health services they deserve.

A spokesman for the Coalition for Health Funding has said that:

> The President's health budget would seriously impair the excellence of the federal health investment and would jeopardize the integrity of the national health services research and planning network.

I agree with this assessment.

Last year, Americans spent $94.1 billion on their health care—almost $450 for each man, woman, and child. Yet, despite that massive amount of money, millions of Americans are not getting the kind of health care they need. In Iowa, for example, nearly half the State's physicians are located in the 6 most populous counties, and 25 of the State's 99 counties have no specialists at all. Certainly, people living in rural areas are not getting the health care they need—some because they cannot afford it, and others because it is not available to them.

A number of current programs—such as Community Health Services and the

National Health Service Corps—are designed to help bring inner city and rural areas, deficient in health manpower and facilities, to a level even with other areas of the country. But unfortunately, both of these programs would suffer heavy cuts under the President's budget.

The Coalition for Health Funding, in its counter budget message, stresses four issues.

First, the administration's budget would result in the elimination of Federal assistance to schools which train nurses, public health officials and allied health personnel, and severely cut back Federal assistance to schools which train doctors and other professionals.

Since other sources of support also are diminishing, the Coalition warns that:

> Dozens of schools would face the prospect of closing, and the high cost of education would force many of the poorer students to drop out or never consider health professions. Geographical and specialty maldistributions in the health professions would not be redressed. Indispensable training facilities would not be built.

Second, the only facility of the National Institutes of Health which would receive a respectable funding increase is the National Cancer Institute. Most of the other institutes, by contrast, would receive budget cuts or minimal increases. This is a shortsighted strategy, in my view, since progress in a single medical field depends to a great extent on progress in all medical research areas.

One of the institutes which needs an increased budget is the National Institute of Allergy and Infectious Diseases. This institute is carrying out research on gonorrhea and syphilis and, with the rampant upsurge in venereal disease in the United States, any budget cut would hamper the Institute's efforts to get VD under control. Clearly, an increase in funding is needed, and that is not what the administration has proposed.

Third, health services would be forced to cut back their work if the President's fiscal year 1975 budget were approved. Community Mental Health Centers, a program which has saved this Nation's State mental hospitals millions of dollars, would be especially hard hit. Alcoholism programs would be reduced, at a time when alcoholism has been identified as one of the Nation's most serious health problems. Maternal and Child Health and Family Planning Services—so vital to the health and well-being of hundreds of thousands of Americans—would have to reduce their activities and productivity. Only the Indian Health Service, a program that long has deserved a budget increase, would be given a small increase.

Fourth, the coalition wisely points out that as the Congress considers national health insurance proposals, auxiliary Federal health programs cannot be forgotten. Instead, these programs deserve increased attention. The Coalition for Health Funding has said:

> If anything, the federal commitment to public health programs ought to be stepped up, as a prelude to guarantee that we have the competence, mechanisms, morale and personnel to make any national health insurance program a success.

The coalition has estimated that $6,129,889,000 is what this country needs to spend as compared with the President's requested $4,755,782,000 to allow the Federal health programs to continue at their current levels of service, described by the coalition as "already constrained."

Mr. President, I hope that the Congress will heed the advice of the coalition and vote not to reduce health programs by nearly a half billion dollars. The United States may be "first" in many areas, but not in health care.

We need to do much more to insure that the health care available in this country is the best available anywhere.

Mr. President, I ask unanimous consent that the 45 organizations which are members of the Coalition for Health Funding be printed in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

List of Organizations

American Academy for Cerebral Palsy.
American Academy of Child Psychiatry.
American Academy of Pediatrics.
American Association of Colleges of Nursing.
American Association of Colleges of Osteopathic Medicine.
American Association of Colleges of Pharmacy.
American Association of Colleges of Podiatric Medicine.
American Association of Dental Schools.
American Digestive Disease Society.
American Federation of State, County and Municipal Employees, AFL–CIO.
American Heart Association.
American Nurses' Association.
American Occupational Therapy Association.
American Optometric Association.
American Psychiatric Association.
American Public Health Association.
American Society for Medical Technology.
American Speech and Hearing Association.
Arthritis Foundation.
Association of American Medical Colleges.
Association of Independent Research Institutes.
Association of Pediatric Pulmonary Centers.
Association of Schools and Colleges of Optometry.
Association of Schools of the Allied Health Professions.
Association of Schools of Public Health.
Association of University Programs in Hospital Administration.
Citizen's Committee for the Conquest of Cancer.
Council for the Advancement of the Psychological Professions and Sciences.
Federation of Associations and Schools of the Health Professions.
Friends of Regional Medical Programs.
Group Health Association of America.
Human Growth Foundation.
National Association of Social Workers.
National Committee Against Mental Illness.
National Council of Community Mental Health Centers.
National Council of Senior Citizens.
National Health Education Committee, Inc.
National League for Nursing.
National Student Nurses' Association.
Planned Parenthood/World Population.
State University of New York, Washington Office.
United Steelworkers of America.
United Auto Workers.
Council of State Administrators of Vocational Rehabilitation.
American Association of Psychiatric Services for Children.

WHERE DO WE END?

Mr. BIDEN. Mr. President, one of the most difficult problems facing our Government and the Congress is the determination of regulations governing trade, the exchange of goods and services.

One dilemma that businesses face is when does trade stop benefiting their interests. An example of this question is a U.S aerospace industry deal with the Soviet Union. The Soviets would like U.S. help to build a commercial jet aircraft complex. In addition to buying the technology to build the whole plant, the Soviets would buy some 30 wide-bodied jet transports.

I think that an article from Armed Forces Journal that discusses this particular case is worth reading because of some of the questions that it raises. There is more to think about than the initial sale.

> Government agencies responding to an interagency questionnaire on the proposed Soviet airworthiness bilaterals, for instance, voice concern that Russia is really more interested in buying this know-how than in any outright purchase of American aerospace products on a continuing basis.

Mr. President, I ask unanimous consent that this article by Benjamin F. Schemmer found in the Armed Forces Journal of February 1974, be printed in the Record:

There being no objection, the article was ordered to be printed in the Record, as follows:

Russia Asks U.S. Help on New Plane Factory Three Times the Size of Boeing's Commercial Jet Facility—U.S. Companies Differ on What Technology To Export

(By Benjamin F. Schemmer)

Soviet Union wants U.S. help to build a commercial jet aircraft complex in Russia that would employ over 80,000 people, three times the commercial airplane labor force at Boeing or McDonnell Douglas. Export of American know-how to build the multiplant Russian complex is one of several conditions laid down by Soviet negotiators as a prerequisite for buying up to 30 wide-bodied U.S. jet transports, a sale U.S. firms are generally anxious to make. Russia has been discussing the potential $500 million deal with McDonnell Douglas, Boeing, and Lockheed since October, 1973.

Russian negotiators have pegged annual output of the proposed new Soviet plant at over 100 planes. This would equal almost half of all commercial transports built by the U.S. in 1972 and more than a third of all large U.S. jet transports delivered last year.

U.S. manufacturers are taking widely different stands on how far to go in exporting U.S. know-how to make the deal. McDonnell Douglas, for instance, delivered 57 DC–10s in 1973, but deliveries have slowed down as a result of airline belt-tightening and the energy crisis; Boeing delivered 30 747s and Lockheed delivered 39 L–1011s. Thus, a sale of 30 planes to Russia or any other customer is an important new sales prospect for each of the companies.

Soviet negotiators have also approached Lockheed, Boeing and McDonnell Douglas about undertaking joint design efforts on "derivative" models of the DC–10, L–1011 or 747, and in some cases, on completely new aircraft using advanced technologies. Concurrently, Russia is pressing for a bilateral airworthiness agreement with the U.S. government that would permit Soviet planes to operate and be sold in the United States as if they had already been certificated to the Federal Aviation Administration's stringent airworthiness standards. Some government officials believe such an agreement would be highly publicized by the Russians to enhance sales prospects of Soviet aircraft in nations where Russia has been unable to penetrate commercial aviation markets heretofore dominated by American manufacturers. Developing countries in the past have often rejected offers of Russian aircraft even when offered at extremely liberal terms, because they lacked U.S. certification.

One concern of U.S. firms and some government officials is the impact such an airworthiness agreement, coupled with a modern Soviet commercial aircraft manufacturing complex built to U.S. standards, might have on future foreign sales of U.S. planes, a market where U.S. technology has been dominant.

Aerospace products account for 8% of all U.S. exports and are the biggest single contributor to the nation's positive trade balance. In 1973, Commerce Department figures show, over 27% of U.S. aerospace production was exported, accounting for $5.3 billion in foreign sales, the highest in history. Over 160 civil jet transports valued at more than $2 billion were exported in 1973; these represent 60% of all large transports delivered and over 55% of their dollar value. Worldwide, 72% of all carrier jets are now U.S. manufactured.

The Soviets have also asked for licensing rights and U.S. production know-how to build in Russia a substantial part of however many wide-bodied jets it might buy. U.S.S.R. negotiators have been vague about the prospect of an outright sale, indicating that a substantial part of the payment would be by credit or offset sales.

Until now, there has been no hint in the public press of the extensive preconditions with which Soviet negotiators have qualified their prospective wide-bodied jet sales buy. The deal, however, is picking up momentum. A Soviet team visited all three firms last October; Boeing and Lockheed teams visited Russia recently to further the negotiations and a McDonnell Douglas team will visit Russia this month. Lockheed announced on 30 January that it had just signed a commercial protocol agreement with the Soviet Union which, according to chairman Daniel J. Haughton, anticipates cooperation in the areas of civilian aircraft and helicopter construction and related systems, as well as other commercial products. The Lockheed protocol was signed for Russia by the deputy chairman of the State Committee of the Council of Ministers of the U.S.S.R. on Science and Technology.

All three U.S. firms are reluctant to discuss specifics of their proposals, although senior company officials and spokesmen have given *Armed Forces Journal* enough details to outline the conditions spelled out above. Soviet negotiators have suggested some conditions to one company not spelled out to the others; thus, each U.S. firm has a slightly different interpretation of what *quid pro quo's* the deal really involves.

The prospect of a major sale to Russia is real enough, however, and Russia's intent to buy U.S. aerospace know-how (as well as planes) has been made clear enough, that U.S. government officials called the three companies together on 13 December and asked them to spell out in writing what technologies each felt could and could not be safely exported to the Soviet Union.

The answers vary widely. The companies' replies were sent on January 10 and 11 to Steven Lazarus, Commerce's Deputy Assistant Secretary for East-West Trade and to Jack F. Bennett, Treasury's Deputy Under Secretary for Monetary Affairs. Company officials decline to provide any specifics of their proposals, calling the letters "proprietary" or "confidential" (although none were so marked) and private information. Without revealing any one firm's proposal (and thus, perhaps, its proposed negotiating stance with the Soviet Union), AFJ can report that the three firms collectively have recommended exporting currently certificated U.S. transports as well as the technology needed to operate, support and maintain the aircraft.

Where Boeing, Lockheed, and McDonnell Douglas differ is on the kind of technology and manufacturing know-how which should *not* be exported to Russia:

One firm says that licensing of current wide-bodied jets for co-production in Russia should be limited to 50% of the weight of the aircraft, with a further limitation that the license apply only to planes ordered by the U.S.S.R. or U.S.S.R. bloc countries. It has proposed, informally, a minimum sale of 30 wide-bodied jets before any such licensing agreement is undertaken for joint production.

Another firm is flatly opposed to providing Russia any "technical assistance in the design and construction of a new aviation complex." At the opposite extreme, however, a third U.S. manufacturer says that the U.S. could safely undertake a "prime systems management role in the design and construction of a complete manufacturing facility for commercial type subsonic aircraft in the Soviet Union."

None of the firms endorse exporting the technology implicit in the "joint design of a new aircraft with the use of advanced technology." One company says that although it has discussed "derivative models of [its wide-bodied jet] with the Soviets, we have not contemplated licensing a brand new transport." The firm said it would agree "to exclude such a technology transfer."

Noting that a "modern transport aircraft is one of the most complex products in our economy," another company chairman says that "If the U.S.S.R. were to acquire . . . in the form of broad technical assistance for licensed production of our latest commercial jet transports and the technology transfer inherent in providing (Russia) with a turnkey aviation complex, . . . our primary remaining element of dominance in the field of aviation would vanish." In the competitive atmosphere stimulated by U.S. government policies, he cautioned, "it is likely that a rationale for giving away (this) valuable and deep-rooted technology can be developed, justified, and approved."

All of the companies, understandably, have cautioned against exporting technology or manufacturing know-how unique to the military sector (although two of them differ somewhat on how specifically to define that know-how).

The prospective Soviet buy of L-1011s, DC-10s or 747s is especially appealing to U.S. firms because Russia represents a huge but unpenetrated market for commercial jet transports and because the free-world market, as one company official told AFJ, "is pretty well sold out" at the moment. Aeroflot, the Soviet state-owned airline, is the world's largest and operates over 1,720 planes. (The largest U.S. carrier, by comparison, is United Airlines with 364 planes: 36 of these are wide-bodied jets, 18 747s and 18 DC-10s.) By one estimate, Aeroflot may have in service as many airplanes as *all* U.S. scheduled carriers put together, 2,246 as of the last count compiled by the Air Transport Association. One informed Commerce Department official says the U.S.-Soviet sale could entail as many as 100 planes, although he takes "30 as a serious number."

Government officials are somewhat divided on how far to go in exporting American technology in order to sell the Soviets a wide-bodied jet order that U.S. firms need. Senior officials in Commerce, the State Department and the Pentagon all tell AFJ they have "grave doubts" that a bilateral airworthiness agreement would be accepted by the U.S. Japan currently has the broadest form of such an agreement, which in lay terms means that the U.S. accepts Japan's word that any plane it certificates also meets equivalent FAA standards. The "narrowest" airworthiness bilateral is with Poland and it covers only gliders. One senior government official told AFJ, "Rather than sign the agreement Russia wants, we should pay American companies to keep the business here."

Almost all of the government officials AFJ talked to in recent weeks agree that there is "no way" the U.S. would agree to build in Russia a "turnkey" modern aviation complex. One U.S. firm acknowledges that the Soviet Union is talking of a 7 plant complex that would not only design and build modern wide-bodied jets, but their engines and avionics as well, in addition to providing for their maintenance and overhaul. No such integrated facility exists in this country, in part because of antitrust laws. One official summed up the chance of such a deal being approved as "less than zero, if you can find such a number."

Government officials share 3 major concerns as the Soviet-U.S. negotiations progress. One is "how to keep U.S. firms from being 'whip-sawed'," lest Russian negotiators play one against the other. (The problem wouldn't exist were the Soviets negotiating with France or England, since those countries negotiate major export sales on a government-to-government basis; the U.S. generally exercises a "hands-off" policy on such negotiations and exercises only a veto power over proposed exports.)

A second concern is defining in specific terms what aerospace technologies could safely be exported to the Soviet Union, without risking "leakage" of technology with military applications.

A final concern is the extent to which Soviet licensing of U.S. knowhow could eventually cut into U.S. commercial airplane sales in free-world markets. This field has played a dominant role in America's balance of payments and aerospace employment (161,000 fulltime jobs in 1973 were directly attributed to U.S. aerospace exports, according to the Department of Commerce.) It is also an area in which U.S. production management, marketing expertise and after-sales service clearly lead the Soviet Union, knowhow which Russia obviously would like to import. Government agencies responding to an interagency questionnaire on the proposed Soviet airworthiness bilaterals, for instance, voice concern that Russia is really more interested in buying this know-how than in any outright purchase of American aerospace products on a continuing basis. Moreover, it is feared, the Soviet Union might offer its aircraft products in normal U.S. markets at prices and financing terms with which the U.S. could not compete. This has happened in the past, especially in the case of the Soviet Yak-40, a 27 passenger jet powered DC-3 replacement which Russia hopes to sell in the Americas and is offering at $1.3 million. The Yak-40's closest competitors are Europe's VFW-614, which sells for close to $3 million and the 65 passenger Fokker F-28, which sells for $3.5 million. Because of its non-market economy, Russia can price its planes without regard to true costs. Soviet ads in western aviation trade journals frankly proclaim: "The Yak-40 has opened the horizon of the export age to the entire range of commercial aerospace products manufactured in the Soviet Union." Some observers feel the plane is being sold at a deliberate loss as a relatively cheap way for Russia to penetrate the huge western commercial aviation market. Knut Hagrup, President of Scandinavian Airlines System, wrote in an AFJ article in November 1972: "The plane is formidable. It can compete with any other airplane. And the price is half!" Rockwell International has been negotiating with the Soviet Union to modify the Yak-40 in the U.S. to meet FAA standards and the U.S. market for the plane is estimated at between 50 and 150 planes.

A senior officer of one of the three U.S. manufacturers, whose firm is particularly anxious to close the Soviet sale, discounts the risk of Soviet competition. He told AFJ that it is "ridiculous to think the Russians could compete effectively in 1978 or 1980 [when their first U.S. designed wide-bodied jet could be built] with a plane based on 1967 technology." By that time, he notes, U.S. industry will be offering second generation models of today's L-1011s, DC-10s, and 747s.

NRTA-AARP STATEMENT SUPPORTS S. 2695, HOME HEALTH SERVICES ACT

Mr. MUSKIE. Mr. President, the American Association of Retired Persons and the National Retired Teachers Association recently presented a statement to the Subcommittee on Health of the Senate Committee on Labor and Public Welfare which not only strongly supports S. 2695 but persuasively argues that there is an imbalance in our utilization of health services.

In reviewing the performance of medicare, the associations state:

> There is a clear indication that the use of inhospital services rose with the introduction of the program and continues to increase. The program has responded reasonably well in treating acute ailments. However, there has been very little use of the posthospital alternatives—extended care facilities and home health services. In short, insurance coverage is heavily skewed among the different services, causing an imbalance in benefit coverage and an unbalanced and generally expensive pattern of utilization.

I heartily concur with this statement, for the Subcommittee on Health of the Elderly, of which I am chairman, has received a wealth of evidence that home health services and other alternatives are not adequately covered by medicare. As a result, the elderly may be treated inappropriately in acute care hospitals simply because the reimbursement mechanism favors such treatment.

Aged persons often have chronic and disabling ailments which require different types of services from those provided to the acutely ill. Yet the lack of alternatives forces them into the acute care system.

The lack of coverage by medicare is a major reason why our home health resources are so underdeveloped and in short supply almost everywhere. On the other hand, we have developed an oversupply of hospital beds in many areas. This imbalance in resources needs to be closely examined as the Congress considers national health insurance legislation.

S. 2695 would be a first step in correcting this imbalance and 26 Senators have joined in cosponsoring this legislation which is a part of the home health legislative package introduced by Senator FRANK CHURCH, chairman of the Committee on Aging, and myself.

Mr. President, I request unanimous consent that the statement by the associations be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF CYRIL F. BRICKFIELD, LEGISLATIVE COUNSEL

On behalf of the American Association of Retired Persons and the National Retired Teachers Association, with a combined membership of more than six million older Americans, I would like to express our strong support of legislation introduced by Senator Church to stimulate the expansion of home health agencies and services (S. 2695).

Before turning our attention to this important legislation, Mr. Chairman, I would appreciate your indulgence in a brief discussion of our Associations' position on home health care.

Earlier this year, our twenty-member Legislative Council—a volunteer panel of experts which formulates our Associations' legislative policy—adopted the following policy statement:

The cost of institutional care requires the upgrading of home health services to provide a viable alternative in the health care of older Americans.

Working from this policy directive, my staff, in conjunction with program components of our Associations, developed three key objectives for Congressional action:

1. An expansion and clarification of the eligibility for home health care under Title XVIII and Title XIX (Social Security Act) to make home health care a realistic alternative to institutional care. Such redefinition should include vital homemaking services, necessary transportation costs and inhalation therapy as reimbursable items. Existing eligibility restraints should be eliminated.

2. We urge the elimination of the three-day prior hospital stay requirement for home health care benefits under Part A of Medicare.

3. We urge a federal grant and loan program to assist and encourage the development of home health agencies.

Legislation containing the first two objectives has been introduced and referred to another committee for consideration. I speak of S. 2690, introduced by Senator Muskie and Senator Church, which has been referred to the Senate Finance Committee and S. 3154 (the Comprehensive Medicare Reform Act of 1974), introduced by Senator Ribicoff, which has also been referred to the Senate Finance Committee.

Reviewing the performance of Medicare, there is clear indication that the use of inhospital services rose with the introduction of the program and continues to increase. The program has responded reasonably well in treating acute ailments. However, there has been very little use of the posthospital alternatives—extended care facilities and home health services. In short, insurance coverage is heavily skewed among the different medical services, causing an imbalance in benefit coverage and an unbalanced and generally expensive pattern of utilization.

Our Associations are concerned that the elderly are not utilizing the kind of health services they probably need to the extent necessary, with the possible exception of acute inpatient hospital care. Despite increased social visibility and increased levels of public funding in their behalf, there is ample evidence to indicate that the aged, and particularly the chronically ill and disabled, have not been particularly successful in securing appropriate health services.

The importance of our failure to service the aged chronically ill and disabled has broad implications when one realizes that 40 percent of persons 65 years and over suffer some limitation of activities because of chronic conditions. Recognizing that the oldest part of the older population is growing faster—that segment of the population which has a significantly higher impairment of functions due to chronic illness—our need for direct action to stimulate health programs to meet the needs of this growing population becomes apparent.

With this as a means of introduction, let us turn our attention to our third legislative objective—the provision of aid to home health agencies—which is encompassed in S. 2695, the Home Health Services Act now before this Committee.

The demand for medical services is greater today than ever before, and the capacity of our nation's medical care system is being severely strained by these demands. There is a major need to refocus our health strategies to improve efficiency and insure optimum utilization of our scarce medical resources. Although we view no one approach as the panacea, neither should one course of action be discouraged. In this light, we believe that home health services may well be one of the more promising approaches to help resolve the complex problems hampering the efficient delivery of health care in our nation.

As the Senate Special Committee on Aging report on *Home Health Services in the United States* points out:

> "The availability of comprehensive home health services in the United States could substantially affect the appropriate utilization of all health care resources. Such comprehensive services are not available at the present time. The potential of broad community-based home health programs capable of serving large population groups with varying and fluctuating needs has barely been demonstrated. Hospital-based programs are also in short supply and are not being developed in proportion to need. Focused upon short-term concentrated care, they do not have available in the community those services which can be extended to meet long-range need. Home health services, where they do exist are under-financed, limited in their capacity to cover the population in need and frequently lacking in essential components which might make them an effective resource."

We view the Home Health Services Act as a viable incentive to stimulate home health care. Now, no mechanism exists for home health agencies to expand or for new ones to be established in communities without services. Home health agencies do not have sufficient funds to finance the expansion of services since their reimbursement barely covers operating costs. S. 2695 offers a plan of action to assist public and non-profit home health agencies in extending their services to those in need as well as a structured grant program to initiate new home health agencies where none exist. Equally important, S. 2695 authorizes a much needed program for training home health personnel.

A review of home health services leads to the conclusion that they do not constitute a valid resource for the population which could make appropriate use of them. They are in short supply; they do not offer the comprehensive range of services required; they are limited in their capacity to provide for any significant volume of the population in need; and they have no geographic coverage. Where they do exist, the services are fragmented and are decreasing rather than expanding.

Our Associations believe that home health services are an essential component of any system of comprehensive health care. The Home Health Services Act (S. 2695) is an important program to make these services available, and we urge immediate passage of this legislation.

EXPLANATION OF VOTES ON S. 1539

Mr. STEVENSON. Mr. President, I rise to reiterate my position on the busing of schoolchildren for purposes of maintaining racial balance, and to explain again my votes on antibusing amendments—this time offered to the Elementary and Secondary Education Act Amendments of 1974.

Busing is a slogan—a divisive and deceiving word which plays upon the fears of people who, white and black, want the same thing, a decent education for their children.

It is the role of a leader to allay such fears with truth and action—in this case the action which will give every child an adequate and an equal educational opportunity without forced busing. That is the real issue—how do we give every child an adequate and an equal educational opportunity? Busing is not an answer, and I recognize that. But the Congress cannot repeal the 14th amendment and its guarantees. The courts put the Nation in this position, and only the courts can get it out. To suggest otherwise is to perpetuate another political fraud upon the people.

No responsible political leader would exploit the fears of parents nor the education of their children with slogans and phony solutions—but that is precisely what many including our President, are doing. What is the problem? Simple, they say, "busing." What is the answer to the problem? Simple, have Congress pass a law stopping busing. It is an approach which insults the good sense, as well as the decencies, of the people.

The desegregation of segregated school districts is required by the Constitution. The means of doing so at times go beyond traditional concepts of free choice within a school district or of attending a neighborhood school. The local school board, under a mandate to desegregate, chooses the methods of desegregating that are the least expensive and the least damaging to such traditional concepts. It need never adopt busing when the safety or the educational process of the individual child is endangered.

Instead of explaining what busing is all about, some political leaders use the overworked phrase, "the busing of little schoolchildren," to imply the demise of every neighborhood in every city, a threat to the health and safety of every child and the destruction of the educational system itself.

The political irresponsibility does not end there. To be popular, and hence to be reelected, the politicians who have defined the problem as "busing" propose a solution to the problem. Some recognize that one way to change the situation is to adopt a constitutional amendment—but then they propose a blunderbuss amendment that virtually wipes out the 14th amendment.

Others are less candid. They promise legislation to "end busing"—legislation telling the Court which remedies to employ—no matter that they are unconstitutional.

The inspiration for this deception of the public came from President Nixon. In March of 1972, a few days after the Florida referendum on busing, Mr. Nixon spoke to the Nation on busing. He said that he had considered a constitutional amendment, and that Congress should, too, but that the constitutional amendment method of effecting a solution would take too long. So Mr. Nixon moved on to legislation, which he had the temerity to call the Equal Educational Opportunities Act of 1972.

The Gurney amendment which was the primary focus of the busing debate in the Senate last week, the Griffin amendment and the House-passed bill before the Senate in October 1972 are all versions of the legislation Mr. Nixon first proposed.

All the versions of this legislation purport to define what "equal educational opportunities" are, and then to mandate that such opportunities be provided to all students by all school districts. This is well and good, but then the legislation specifies what remedies the Federal courts may utilize to correct denials of equal educational opportunity. Busing is to be the last remedy a Federal court could use and in no event could a court order or enforce busing beyond the "next closest school."

The child's right is to an equal educational opportunity under the 14th amendment. If this right is violated, and no other remedy short of busing beyond the "next closest school" is effective, the courts would be prevented from applying any solution to remedy the constitutional wrong.

Congress has no authority to emasculate the 14th amendment by preventing its enforcement. The Gurney-Esch and the Griffin amendments are unconstitutional. And that is why such legislation is deceptive. Passing it would signal to the people that Congress had put an end to busing, when in fact Congress had done nothing of the kind.

My opposition to the 1972 antibusing legislation, and now to the 1974 legislation, is based not only on its unconstitutionality, but also on a belief that the matter for the time being should remain in the Federal courts. My belief then, and my belief now, is that the courts got us into this situation and they can get us out.

The Supreme Court has already upheld a Court of Appeals decision which forbade cross-district busing in Richmond. The decision had no precedential value because the vote was 4 to 4, with Justice Powell abstaining. However, all nine of the Justices should participate in the Detroit case, Bradley against Milliken, which will be decided by the Court in the near future. And just a few weeks ago, in the case of Northcross against Memphis, the Court gave notice that acceptable desegregation might be considerably less than total. In that case, almost 30 percent of black students in the Memphis district would continue to attend virtually all-black schools under the plan developed for the district and upheld by the Court.

So the Court is establishing limits to busing and practical outer limits to the Brown decision. It should be allowed to continue to set those limits without undue interference from Congress.

The Congress should act positively to end the inequality and change the reality upon which the courts have been acting. It could provide the funds to make equal educational opportunity a reality. In part we did so yesterday by passing S.1539.

We can do more. I have proposed, along with Senators MONDALE and JAVITS, S.2414, which would provide $5 billion a year in Federal funds to local school districts. These funds would be used to equalize per pupil expenditures among school districts, take pressure off of property taxes, and offer incentives for the improvement of educational achievement in the elementary and secondary schools.

That is a way to act constructively. The attractiveness of busing as an issue for politicians is owing to the simple fact that no one, white, black, brown, or red, wants it. Since the 1954 Brown decision racial and cultural consciousness has mounted. Blacks consider the suggestion that a black must go to school with a white in order to receive an equal education offensive. Most ethnic groups want their own communities, their own schools, good schools, and a degree of local control.

Evidence is mounting that "the greatest possible degree of actual desegregation," or something close to integration for the sake of integration, offers little improvement, if any, in the education of the formerly deprived child. And if integration is the object, we ought to face that fact that enforced integration is in some communities results in more segregation.

What we must do, it seems to me, is improve the quality of every school and neighborhood. And that is what I have proposed and supported time and again. Never have I supported busing—but never will I violate my oath to uphold the Constitution. We ought to end the per pupil spending disparities which make the quality of a child's educational opportunity depend upon the accidents of race and residence. And we ought not deceive the people with cheap and easy antibusing amendments.

I voted to table the Gurney (Esch) and Griffin amendments to S. 1539 because they were unconstitutional, and Congress should not interfere with the courts.

I voted against the Bayh amendment for a similar reason. The Bayh amendment purports to prohibit cross district busing except in two limited instances: where both or all of the involved districts are in violation of the Constitution, or where the district line itself was drawn to effectuate segregation. But the Supreme Court in the Richmond case disallowed cross district busing altogether, and although that decision is without precedential value, the Court should rule definitively on cross district busing in the near future in the Detroit case. This is not the time, nor is it Congress' place, to tell the Supreme Court what to do in regard to cross district busing. Indeed, the Court may not go as far as the Bayh amendment to authorize busing.

I voted for the Hugh Scott substitute amendment for the Griffin amendment because it recognized our duty to uphold the Constitution.

I voted in favor of the Beall amendment which would prohibit implementation of court-ordered school busing during a school year. Like the amendment's sponsor, I believe that such implementation during a school year is disruptive of the educational process, counterproductive, and is better left to the beginning of the next full school year if necessary at all.

And finally, I voted against such amendments as the Ervin freedom-of-choice amendment, the William L. Scott amendment, the Buckley parental consent amendment, and the Helms amendment because of their clear unconstitutionality.

In sum, Mr. President, I have cast my votes against deceiving the American people. I have refused to vote for amendments that are unconstitutional. Now I urge my colleagues to get on with the true business of ending unequal and inadequate educational opportunities and to enact legislation such as S. 2414 which moves toward equal educational opportunities for all American school children—without busing.

INDIA AND A COMPREHENSIVE TEST BAN

Mr. KENNEDY. Mr. President, the Government of India exploded a nuclear device underground 4 days ago to shatter the exclusivity of the club of nuclear powers.

The capability of developing nuclear weapons now exists within a sixth nation, although the Indian Government has stated that it intends only to use its new knowledge in peaceful pursuits—an intention which we must hope India will maintain in the future as well.

Since India's entrance into the nuclear arena, criticism of its actions has reverberated around the world, particularly among the superpowers. The message is that India should, in some way, be punished for having dared to develop what is unfortunately the ante for entering the circle of superpowers.

The real failure to prevent the spread of nuclear weapons rests not with India, but with the United States, with the Soviet Union, with France, with China, and with Britain. Although France and China have declined to accede to the partial test ban treaty, the United States and the Soviet Union bear the major responsibility for our failure to conclude a comprehensive test ban treaty.

Although we have endorsed, encouraged, and proselytized on behalf of the Non-Proliferation Treaty, we have refused to take the basic steps that could have dissuaded India from its action—we have refused to announce a mutual moratorium with the Soviet Union on testing nuclear weapons underground and we have refused to negotiate a permanent treaty banning all nuclear tests.

Instead, we have acted as if the last thing in the world we wanted was an end to testing. Despite a proliferation of scientific advances which raise the quality of national means of verification substantially, we have not tabled a single new proposal at Geneva since 1963, when we demanded seven onsite inspections as a hedge against Soviet cheating. In fact, in testimony a year ago, Acting Director of the Arms Control and Disarmament Agency Philip Farley acknowledged that we had not changed our position—despite the admitted scientific breakthroughs of the past decade.

It was with this record of virtual disregard of the obligation undertaken in the Partial Test Ban Treaty "to seek the discontinuance of all test explosions of nuclear weapons for all time * * *" that we find the Indian delegate to the Geneva Conference of the Committee on Disarmament stating on April 2, 1973:

> "This is the Committee's 600th plenary meeting. The central role of the Committee in disarmament negotiations needs no reiteration. However, the present atmosphere prevailing in the Committee . . . is characterized by growing disappointment among its many members over the lack of genuine progress in disarmament. This disappointment extends much beyond the narrow confines of the Committee and is shared by most governments and peoples. The armament race is constantly spiralling upwards, taking an ever-increasing share of the world's much needed resources and spreading a helplessness and gloom everywhere. The continuing and unabated production of sophisticated weapons and stockpiling of nuclear and other weapons of mass destruction have been consuming the limited resources of the world. This is exposing us ever more to the inherent danger of nuclear war. . . ."

And then the Indian delegate urged a suspension of all testing of nuclear weapons underground and conclusion of a comprehensive test ban treaty prohibiting all nuclear weapons tests in the underground environment.

President Kennedy said in March 1963:

> I am haunted by the feeling that by 1970, unless we are successful, there may be ten nuclear powers instead of four, and by 1975, fifteen or twenty. . . . I see the possibility in the 1970's of the President of the United States having to face a world in which fifteen or twenty nations may have these weapons. I regard that as the greatest possible danger.

Although the timetable he set forth may have been off by 5 years, the specter he described may be in the process of being realized and it is a specter that endangers the peace of the world.

However, the United States still is not committing its efforts to the pursuit of a comprehensive test ban treaty. The dominant voices within the administration on whether we should seek a ban on all nuclear tests do not come from arms controllers at ACDA; rather they emanate from the arms developers at DOD.

Instead of the pursuit of a comprehensive test ban treaty, an action which it is generally agreed would set firm supports under the Non-Proliferation Treaty, we find the Administration centering its attention on a threshold treaty. Such a treaty unfortunately will be seen by many nations, particularly by those which have not yet ratified the NPT—as India, Pakistan, Israel, Egypt, Japan, and West Germany have not—as continued hypocrisy by the superpowers. Once again, they will see the United States and the Soviet Union urging others to accept a treaty that enables the superpowers to maintain their own below-threshold weapons-development programs.

If we are comitted to prevent the spread of nuclear weapons, the surest path to that goal is for the United States and the Soviet Union to announce a mutual moratorium on all testing and to negotiate a permanent treaty banning all nuclear tests. Thus, I share the view of UN Secretary General Kurt Waldheim who wrote on April 1 that:

> Whatever may be the differences on the question of verification, there is no valid reason for delaying the conclusion of a Comprehensive Test Ban of the nature contemplated as long as ten years ago in the preamble to the treaty banning nuclear weapon tests in the atmosphere, in outer space, and underwater. . . ."

What has been lacking in the past and what is lacking today is not the technology to provide a high degree of confidence in our ability to verify a treaty, but the will to conclude one.

I believe that the time to act is now and that we should press for negotiation of a Comprehensive Test Ban Treaty this year.

I ask unanimous consent for editorials and articles on this subject to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, May 22, 1974]

INDIA JOINS THE CLUB

The first successful test of a nuclear device occurred at Alamagordo, N.M., nearly 29 years ago and it is not surprising that India was able to trigger one last weekend. For many years she has had a strong scientific tradition, particularly in physics. She already has four nuclear power plants in operation, which appear to be the source of the fuel.

The important question is why she did it, why she wanted to become the sixth member of the exclusive but notorious nuclear club. The successful test was greeted with jubilation in India. For once India's squabbling political parties were united in their pride of national accomplishment and for a little while the people could take their minds off such troubles as the railroad strike which has crippled the Indian transportation system and the food shortages which appear to be heading the country toward famine. There is no doubt that the test boosted national morale when it was at a low point.

The test also has had a major effect on India's international prestige. Suddenly, she is miles ahead of Pakistan, which has no nuclear capability, and has taken a long step toward catching up with China. There are disadvantages to this new status. Canada, which helped India with her atomic program, says that India violated the terms of her agreement about how she would use her new knowledge. Although India insists that the test was made only for peaceful purposes. American experts have said that it is as yet to be proved that such experiments can lead to economic advantages.

Furthermore, India's image is not enhanced in the world which sees a country which has serious food and energy problems and yet spends millions on setting off a nuclear firecracker. Why should we give aid to India, it will be asked, when it has the money and research capability to indulge in such an elaborate experiment?

But the earlier members of the nuclear club have nothing to boast about. The shock waves from the Indian blast may encourage further nuclear proliferation around the world and that would be tragic. However, it would be hypocritical for the other five members to accuse India of leading the world toward disaster.

[From the New York Times, May 20, 1974]

ON TO ARMAGEDDON

The explosion of a nuclear device by India raises another monument to human folly. Indians leaders may pride themselves on a scientific and technological achievement so far equalled by only five other nations. The more appropriate reaction would be one of despair that such great talent and resources have been squandered on the vanity of power, while 600 million Indians slip deeper into poverty. The sixth member of the nuclear club may be passing the begging bowl before the year is out because Indian science and technology so far have failed to solve the country's fundamental problems of food and population.

Although the Indian Government insists its intentions are strictly peaceful—"there is nothing to get excited about," says Prime Minister Indira Gandhi—the military significance of this nuclear breakthrough will not be lost on India's neighbors—or others. It will almost certainly inhibit, if not reverse, the recent promising trend toward reconciliation and peace in South Asia. It will encourage other nations to take the nuclear path and thus destroy the 1968 nonproliferation treaty which India refused to sign but had pledged to honor.

India's descent from the idealism of Mahatma Gandhi to the current cynicism of Indira Gandhi cannot be blamed on Indians alone. In placing considerations of national power and prestige above the needs of its people, in seeking security through the weapon of ultimate insecurity for all, New Delhi is pursuing aberrations common to most nations.

The major powers bear the heaviest responsibility for the world's current preoccupation with arms, at the expense of development, and for the spreading nuclear scourge. When the United States and the Soviet Union pressed the nonproliferation treaty on lesser powers six years ago, they pledged to move expeditiously to reverse their own nuclear arms race. They have yet to honor that promise. Unless the superpowers, by their own example, soon point the way toward sanity, Friday's blast under the Rajasthan Desert constitutes a dangerous move away from the world's essential efforts to render a nuclear holocaust impossible.

[From the New York Times, May 21, 1974]

INDIA'S NUCLEAR BOMB

India's "peaceful nuclear explosion experiment" is, first of all, the test of a bomb. Not only is there no real distinction between a military and peaceful explosion, but even the United States, with all its time and technology, has yet to find a single feasible peaceful use for nuclear explosives. For India to call its explosion "peaceful" and to abjure all military intent is, in a word, rubbish. It is immaterial that other countries, in going nuclear, have used the same hyperbole. Indian scientists, if not Indian politicians, are too knowledgeable to claim otherwise with a straight face. The fact is that India, which has long had the capability to do so, has now gone nuclear in the political-military sense. It becomes the first country in 10 years—an interval which many had hoped would itself create a permanent barrier against new members—to join the nuclear club.

Its "right" to join is undisputed: it is a sovereign state. Nor can it be faulted for violating the nuclear non-proliferation treaty, which it never accepted. New Delhi did accept the partial test-ban treaty forbidding underground tests which vent and spew fallout across national frontiers, but no such pollution has been reported—so far. Certainly no American or Russian or Briton or Frenchman or Chinese can fairly contend that his country has set an example of nuclear restraint deserving emulation by other states. Nor have the first five members of the nuclear club made the international environment so safe and orderly that no "nth" country could possibly have political reasons to make its own bomb.

For all this, the Indian explosion is the height of irresponsibility. Whatever the supposed gains in national pride and governmental prestige and regional political standing, the blast can only further aggravate Pakistan's fears of Indian domination and slow the normalization process that had been unfolding recently in the South Asia subcontinent. In a wider orbit, the Indian test will in effect license and strengthen in various other countries—Japan comes quickly to mind—the internal forces partial to building national nuclear bombs. Many people and many nations have become habituated to the existence of nuclear weapons, but their proliferation is no more safe and acceptable now for having been out of our immediate consciousness in recent years. The United Nations is scheduled to hold a conference next year to review and firm up the nonproliferation treaty. The conference and its cause have been dealt a heavy blow.

But the most disturbing aspect of India's "achievement" is that Mrs. Gandhi's government could have chosen to spend on it tens if not hundreds of millions of dollars that could have been so much better spent on the needs of the Indian people. In the light of the immense *and growing* privation spread through India, it is appalling that a symbolic prestige project has taken priority over steps to alleviate mass poverty. India is asking the United States for food and economic aid these days. Americans can hardly avoid asking in turn to what extent their help merely serves to buy India a nuclear bomb.

[From the New York Times, May 20, 1974]

ATOM TEST BUOYS INDIANS' MORALE

(By Bernard Weinraub)

NEW DELHI, May 19.—India's explosion of a nuclear device has abruptly lifted the sagging morale of Prime Minister Indira Gandhi's Government and firmly cemented the nation's military dominance on the subcontinent.

But the powerful nuclear blast yesterday probably in the Rajasthan desert in northwestern India, raised among many here fundamental questions about the nation's priorities.

Should India spend her meager resources on nuclear energy? How does an impoverished nation balance her technological, military and social needs? What are the goals of a nation where nearly 80 per cent of the children are malnourished, where food production maintains a harrowing race with population?

As the world's sixth nuclear power, India joins the United States, the Soviet Union, Britain, France and China. India's pronounced sense of achievement at exploding an underground device of 10 to 15 kilotons was evident this morning. The newspaper headlines said: "Nation Is Thrilled," "Indian Genius Triumphs," "A Great Landmark."

Mrs. Gandhi's Government, under increasing stress, was uniformly applauded by the Opposition, a rare moment in Indian politics. "It's one of the most heartening bits of news in recent years," said L. K. Avani, the president of the right-wing Jan Sangh party, which is second in size to the governing Congress party.

But beyond the exultant mood in Government circles and the element of self-congratulation, there seemed a kind of frank uneasiness about what India was doing. "What this test proves more than anything else is that given clear policies, India has the talent, the resources and the infrastructure that makes for high, achievement capability," said The Hindustan Times.

"The contrast between this and the bumbling, groping and muddle elsewhere is all the more painfully apparent," the newspaper said. "A nuclear bank, albeit peaceful, means little without a corresponding release of economic and political energy."

It is the lack of political and economic energy, the sense of torpor mingled with crisis, that makes India's surprise nuclear explosion something less than a triumph and raises questions about the decision to go ahead with the project. Essentially, the contradictions in India are so stark and the needs so great that the development of nuclear technology is seen by many as a perplexing cart-before-the-horse step.

Even with the peaceful aims of India's nuclear energy program—and blasts like the one yesterday could help India explore her mountains and mines in search of mineral ore—the money and effort spent seem, at first glance, virtually counter to what the nation needs.

At present, officials admit that India is in desperate shape. The population of 580 million is growing by 13 million each year. Perhaps 30 per cent, about 175 million, live below the poverty line, or $30 a year. Consumption of food, edible oil and cloth has declined; industrial production is stagnant; more than 70 per cent of the populace is illiterate. About 75 per cent of current university graduates are unemployed. Production of coal, steel and fertilizer is lagging.

Nevertheless, India spent $173-million during the five years from 1969 to 1974 for "research, design and development" in the Government's Department of Atomic Energy. In the same period, India spent about $200-million on housing, $370-million on family planning and $1-billion on education.

In the next five years, until 1979, India is tentatively set to spend $315-million on Atomic Energy, $700-million on family planning, $773-million on housing and $2-3-billion on education.

CAREFUL TIMING SEEN

India's yearning for atomic energy—but not necessarily a nuclear device—began with Mrs. Gandhi's father, Prime Minister Jawaharlal Nehru, who spurred the growth of a nuclear energy program designed initially to generate electricity and develop and apply radioisotopes and radiation in agriculture, biology, medicine and industry. At the time Mr. Nehru was consistently campaigning for a ban on the use of atomic energy for military purposes.

"A qualitative change came about in India's stand after China exploded its first bomb in 1964," said G. K. Reddy, a leading commentator. India "did not consider its policy of unilateral renunciation of nuclear weapons as something that was binding for all time to come irrespective of other international developments," he said.

It was widely reported in the nineteen-sixties that India could construct a nuclear device but would not do so. Four years ago, however, Mrs. Gandhi told Parliament that research was going on for a nuclear explosion. Although details about yesterday's blast remain sparse, there was a general consensus today among Indian journalists and some officials that the timing of the nuclear test had been carefully arranged by Mrs. Gandhi.

The successful underground Indian test has touched off a wave of resentment and uncertainty in neighboring Pakistan, at a time when the two nations were seeking a mutual accommodiation. Tonight the Pakistani Prime Minister, Zulkikar Ali Bhutto, said in Lahore that Indian's nuclear explosion was a "fateful development" and a threat. "Pakistan is determined not to be intimidated," he declared.

With the nuclear blast, India has reinforced her dominant military position on the subcontinent and Pakistan seems certain to step up her hunt for arms. Mr. Bhutto said that his Foreign Secretary, Agha Shahi, was being sent to China, France and Britain, presumably to seek out armaments.

[From the New York Times, May 19, 1974]

INDIA BECOMES SIXTH NATION TO SET OFF NUCLEAR DEVICE

(By Bernard Weinraub)

NEW DELHI, May 18.—India conducted today her first successful test of a powerful nuclear device.

The surprise announcement means that India is the sixth nation to have exploded a nuclear device. The others are the United States, the Soviet Union, Britain, France and China.

A brief Government statement said that India's Atomic Energy Commission had carried out "a peaceful nuclear explosion experiment." The underground blast took place "at a depth of more than 100 meters," or about 330 feet, the statement said.

FEW DETAILS GIVEN

In exploding the device, India was entirely within her rights in international law, Government officials said. India is a signatory of the Moscow test-ban treaty of 1963, forbiding explosions on land, in the air or underwater in the seas. In exploding the device beneath the ground, officials say, India adhered to the treaty.

Although India has signed the nuclear test ban treaty, she has refused to sign the 1968 treaty to prevent the spread of nuclear weapons.

[In Geneva, sources at the Disarmament Conference viewed the Indian explosion as a setback to the efforts of the United States and the Soviet Union to restrict the spread of nuclear weapons. The Soviet press in announcing the explosion stressed that it had no military significance, while in Washington a State Department spokesman restated American opposition to "nuclear proliferation." Page 19.]

Although the announcement gave few details, one Indian scientific analyst told a news agency here that "it can be inferred" that the explosion was as powerful as the atomic bomb dropped by the United States on Nagasaki in World War II. That bomb had a force equivalent of 20,000 tons of TNT.

This evening, however, Dr. H. N. Sethna, chairman of the Atomic Energy Commission, said the device had been in the range of 10 to 15 kilotons, indicating that it was smaller than the Nagasaki bomb.

Dr. Sethna said at a news conference: "It was a 100 per cent Indian effort and the plutonium required for the explosion was produced in India."

The disclosure today strengthens India's powerful military position on the subcontinent and provides firmer leverage over the nation's major rival, Pakistan. Government officials insisted, however, that the nation's nuclear program was intended solely for peaceful purposes.

A Government statement emphasized that India's advancing nuclear program was designed for "peaceful uses" such as mining and earth moving. India has "no intention of producing nuclear weapons and reiterated its strong opposition to military uses of nuclear devices," the statement said.

FOREIGN DIPLOMATS NOTIFIED

Prime Minister Indira Gandhi said that the nuclear breakthrough was "nothing to get excited about." But Mrs. Gandhi called on the President, V. V. Giri, to convey the news, convened a cabinet meeting and ordered the Foreign Secretary, Kewal Singh, to notify the diplomatic representatives of the major nations here.

Mrs. Gandhi, who appeared cheerful, chatted briefly with newsmen this afternoon at New Delhi's Palam Airport where she had gone to receive the President of Senegal, Leopold Sedar Senghor.

Asked if the explosion would raise India's prestige among developing nations, Mrs. Gandhi said: "I never bother about prestige. It is nothing to get excited about. We are firmly committed only to the peaceful uses of atomic energy."

Later in the day, Mrs. Gandhi publicly congratulated the scientists at a news conference with Mr. Sethna. "It is a significant achievement for them and the whole country," Mrs. Gandhi said of the scientists. "We are proud of them. They worked hard and have done a good, clean job."

The Atomic Energy Commission said that it had carried out its "peaceful nuclear explosion experiment using an implosion device." One Indian scientific analyst said that the implosion technique implied that India had perfected a technology more sophisticated than that used by the United States for the first atomic weapon dropped on Japan.

In the implosion method, according to tht analyst, several pieces of the bomb material are kept apart within a spherical container. They are brought together by a chemical explosive charge to form the crucial mass necessary for an exploration of the nuclear device.

USE FOR MINING SUGGESTED

There was no mention in today's announcement about where the nuclear device had been exploded, but speculation centered on the northwest state of Rajasthan, which has vast desert areas. An official spokesman said after the announcement that the explosion took place at about 8 o'clock this morning, local time.

The blast immediately aroused discussion about the uses of nuclear energy here. There was some belief that it was likely to revolutionize mining operations, especially in regions containing large amounts of mineral resources, especially copper, that would take a long time for exploitation by conventional methods.

India's atomic energy program originated in the early years of the nation's independence when the first Prime Minister, Jawaharlal Nehru, established a Department of Atomic Energy and then an Atomic Energy Commission designed to spur the long-term industrialization of India. The nation's first nuclear reactor was inaugurated in January, 1957, in Trombay, a 1,200-acre hillside site northeast of Bombay, which is the center of India's nuclear activity.

[From the New York Times, May 20, 1974]

INDIA SEEMS NEAR NUCLEAR WEAPONS

(By Walter Sullivan)

India's explosion Saturday of a nuclear device inevitably raises the question of how near is she to membership in the club of nations armed with nuclear weapons?

Strictly speaking the answer is that, should India so choose, she could be very close to such membership, although the Government in New Delhi has stated emphatically that this is not its intent.

During the long negotiations on a treaty limiting the spread of nuclear weapons to new nations, India stressed that she would sign no agreement limit in her use of atomic explosions for peaceful purposes.

The step from exploding a nuclear "device" to producing a bomb that could be delivered by plane is not a great one. However, the delivery systems of the great powers are so extensive and sophisticated that it is unlikely they could soon be matched by India.

Thus the nuclear weapons now within India's reach could threaten neighbors lacking such weapons. But to match even the limited missile abilities of China, India would have to embark on a costly development program.

Such a step would have to be weighed against other heavy demands on the country's budget and industrial establishment.

The first atomic explosion ever fired, detonated atop a tower at Alamagordo, N.M., on July 16, 1945, was followed only three weeks later by delivery of a bomb over Hiroshima. Then, however, the device had been developed from the outset as a deliverable weapon.

On Nov. 1, 1952, a thermonuclear "device" was fired at Eniwetok Atoll in the Pacific. In essence it was a laboratory experiment in which the laboratory was blown up as prelude to the development of a hydrogen bomb. However, the first deliverable hydrogen weapon was not tested by the United States until March, 1954.

FOUR NUCLEAR PLANTS

Although India's underground explosion, detonated at 8 A.M. Indian time on Saturday, according to reports from New Delhi, took the world by surprise, it was not entirely unexpected.

India has at least four large nuclear power plants producing plutonium as a by-product.

In addition, since 1964, there has been a plant at Trombay capable of extracting plutonium from the spent fuel elements of those power plants. The plutonium could be used in reactors for power generation—or to produce explosions.

India's ability to quietly divert plutonium to develop an explosive device underlines the difficulties facing international control of plutonium usage.

At present the world produces relatively small amounts of that radioactive and highly poisonous substance. However, if plans for major dependence on breeder reactors are carried out in this country and in other industrial nations, the stock piles of plutonium will be reckoned in hundreds or even thousands of tons.

That India should be the first nation beyond the major powers to achieve an atomic explosion is not surprising to those familiar with the nation's history of brilliant research in physics.

During the colonial period some of the Indian aristocracy were often to be seen at such universities as Oxford and Cambridge, and many of them took advanced scientific degrees. But Indians also had a long indigenous tradition of scientific work.

Sir Chandrasekhara Raman, a product of India's own education system, discovered a form of light scattering that now bears his name and won a Nobel Prize for this work in 1930. In astrophysics, Subrahmanyan Chandrasekhar explained the nature of the superdense stars known as white dwarfs.

India's effort to exploit atomic energy was set in motion in the nineteen-forties by Homi J. Bhabha, who achieved a worldwide reputation for his studies of cosmic rays. As a member of the wealthy Tata family, which controlled much of Indian industry, he helped create the Tata Institute of Fundamental Research.

India's industrial establishment expanded rapidly during World War II and included an armament industry that was a major pillar of the allied effort in the Middle East. Typical of the sophistication of Indian industry then was that in one year—1943—India shipped 80,000 medical instruments to the Soviet Union.

In the past it has been possible to evaluate the early weapons of a new atomic nation because they were fired above the ground, scattering into the atmosphere particles that could be analyzed to learn much about the device's fuel and components. Because the Indian device was fired underground, this will not be possible unless, as sometimes happens, radioactive material leaks into the air.

[From the New York Times, May 21, 1974]

Canada Says India's Blast Violated Use of Atom Aid

(By Robert Trumbull)

St. John's, Newfoundland, May 20—The Canadian Government, which has aided India's nuclear energy program, regards the Indian nuclear blast of Saturday as a violation of a 1971 understanding between the two countries, a key aide to Prime Minister Pierre Elliott Trudeau said today.

Ivan Head, who is the Prime Minister's chief foreign policy adviser, said Mr. Trudeau and Prime Minister Indira Gandhi had agreed in January, 1971, on the conditions of Canadian aid.

"Mrs. Gandhi guaranteed peaceful use of nuclear energy according to our definition, which did not extend to explosions," Mr. Head declared.

He said Mr. Trudeau had "made it clear to Mrs. Gandhi that Canada would regard any nuclear explosion" as a "nonpeaceful act."

The adviser said Prime Minister Trudeau had ordered Canada's High Commissioner, or envoy, in New Delhi, Bruce Williams, to "demand all information" on how India obtained the materials for the explosion of a nuclear device and for all details on the blast itself.

Mr. Head spoke in an interview aboard the chartered jet on which Mr. Trudeau flew from Ottawa to this eastern Canadian city to campaign for candidates of his Liberal party in the general elections July 8. During the flight Mr. Trudeau conferred with Mr. Head on the Indian action.

[In Washington, Pakistan's Foreign Minister, Aziz Ahmed, called India's nuclear explosion "a new threat to our security and said he would ask the United States and other major powers for protective guarantees against nuclear attack by India. Page 4.]

It was recalled today that Mr. Trudeau had taken up the nuclear situation with Mrs. Gandhi during a trip to New Delhi in 1971 because of strong reservations expressed by Pakistan during that period over India's nuclear energy program.

Mr. Head declared that neither the two nuclear reactors nor the technological information furnished to India by Canada would have enabled the Indians to transform the waste from the reactors into plutonium, the key element for a nuclear explosion.

"We don't know yet where the plutonium came from," he said, adding that Canada cannot produce plutonium herself.

MRS. GANDHI WARNED

According to Mr. Head, Mr. Trudeau had warned Mrs. Gandhi in 1971 that Canada would "immediately review the nuclear program with India" if New Delhi used the experience gained with Canadian assistance to produce an explosion.

The Secretary of State for External Affairs, Mitchell W. Sharp, announced Saturday that such a re-examination of Canadian nuclear arrangements with India had been set in motion by the blast.

Mr. Head said that Mrs. Gandhi had argued insistently against the Canadian restrictions at the New Delhi meeting but that the Canadian leader held firmly to Ottawa's reservations in "very, very tough" negotiations.

The program of cooperation between Canada and India in the development of nuclear power originated in an agreement in the nineteen-fifties between Prime Minister Louis St. Laurent and the late Prime Minister Jawaharlal Nehru, Mrs. Gandhi's father.

Mr. Head said the agreement had derived from Canada's realization that "the economic needs of India were so great that only the use of the most modern technology available could assist in raising the Indian standards of living within the time-frame seen by Nehru."

The Canadian assistance consisted of "education and the supply of facilities" for Indian nuclear scientists, including a research reactor for training and later a second reactor to produce atomic power, he said.

Mr. Head said that when Canada signed the 1968 treaty to prevent the spread of nuclear weapons, she informed New Delhi of this country's responsibility under the new agreement to safeguard nuclear devices. "New Delhi was informed that Canada expected India to submit to those safeguards," Mr. Head added.

Meanwhile he said Canada had made a decision not to become a nuclear power. "We saw the advantages from power, medicine and so on and concentrated there," he said. "We expected this would also be the Indian attitude. We were assured that India had every peaceful intent."

In the 1971 meeting with Mr. Trudeau in New Delhi, according to Mr. Head, Mrs. Gandhi took the position that the treaty was "discriminatory," and she said that India would not sign until France and China did. The three nations have yet to sign.

However, Mr. Head said, Canada held that the principles of the agreement between Ottawa and New Delhi for peaceful use of atomic energy "superseded all other considerations."

In announcing the nuclear blast, India stressed that her nuclear program was designed for peaceful uses such as mining and earth moving. Government officials said that India, which subscribed to the treaty, of 1963 that forbade nuclear explosions everywhere except underground, was within her rights in conducting the test.

[From the Washington Post, May 21, 1974]

India Hints of Second A-Blast

Bombay.—Chairman Homi Sethna of India's Atomic Energy Commission said yesterday the country may set off a second nuclear explosion soon if it is felt that more data is required.

Sethna said a complete evaluation of India's first nuclear test in the western Indian desert last Saturday would take six months and there could be more explosions after that.

Sethna denied that India had broken international commitments by exploding the bomb. His denial was in response to criticism voiced by Canadian External Affairs Minister Mitchell Sharp.

Sharp said Canada had cooperated with Indian research into nuclear energy on condition that it be confined to peaceful purposes. He said Canada saw no distinction between nuclear explosions for peaceful and military purposes.

Earlier, Indian Defense Minister Jagjivan Ram said in an interview that India would never use its nuclear capacity for military purposes.

"Our armed forces know this is not for their use," Jagjivan told the Indian Express.

At the United Nations in New York, Secretary General Kurt Waldheim expressed "serious concern" over the Indian nuclear explosion.

[From the Washington Post, May 19, 1974]

A-Device, Cites "Peaceful Use"

(By Lewis M. Simons)

New Delhi, May 18.—India exploded its first atomic device early this morning, thus becoming the world's sixth nuclear power.

The government immediately described the underground blast, which apparently took place somewhere in the Great Indian Desert in Rajasthan state, as "a peaceful nuclear explosion experiment."

The Indian Atomic Energy Commission said that India had "no intention of producing nuclear weapons," and reiterated its strong opposition to military uses of nuclear explosives.

Prime Minister Indira Gandhi told newsmen, "There's nothing to get excited about. This is our normal research and study. But we are firmly committed to only peaceful uses of atomic energy."

A senior Western diplomat called the claim "gobbledygook." The diplomat, along with other representatives of major powers and some of India's neighbors, had been informed of the explosion by the Foreign Ministry a few hours before it was announced to the public.

"It is goobledygook for them to claim that now that they have the ability they won't use it to make weapons," the envoy said. He added that the emergence of India as a nuclear force would be "a good thing" which would free the country from dependence on the Soviet Union and enable it to negotiate a detente with China from a position of strength.

Debate over the government's real intentions began almost immediately after All-India Radio carried the first broadcast of the announcement.

K. Subramanyam, director of the Institute of Defense Studies and Analyses, a semi-governmental adjunct of the Defense Ministry, denied vehemently that India would arm itself with nuclear weapons.

Subramanyam, widely considered the country's foremost defense analyst, said there was a qualitative difference between India's attitude and that of the world's other nuclear powers—the United States, the Soviet Union, China, France and Britain.

"We are the first nation which has conducted tests and then announced the successful results by declaring that we would not become a nuclear military power," Subramanyam said in an interview.

When other nations told the world of their entry into the nuclear power club, he said, they accompanied the announcement with a declaration of their intention to produce atomic weapons.

"We propose to demonstrate that, despite our capability, we are not gong to become a nuclear military power," he said. "We will use this as a new concept to challenge the other powers into adopting new disarmament measures."

Subramanyam denied that today's explosion would raise tensions in South Asia and would result in Pakistan producing its own atomic weapons or seeking them from its allies. "As for China," he added, "they've already got their weapons."

Despite these assurances, Pakistan—which opened its first small nuclear power plant 18 months ago—is certain to develop a serious case of nervousness over today's development. Just two months ago, India, Pakistan and Bangladesh achieved agreement on basic issues which had blocked normal relations for three years.

Beyond Pakistan, it is clear that India's entry to the tiny club of nuclear nations changes many things. For one, its prestige among developing—and developed—nations takes in a whole new dimension.

"I'm never bothered about prestige," Mrs. Gandhi told reporters at Palam airport, where she had gone to welcome President Leopold Sedar Senghor of Senegal. But India is bound to look less pitiful today—if perhaps not quite menacing—than it did yesterday.

It may also look considerably less convincing as a proponent of an end to the nuclear arms race—as well as a nation deserving foreign aid.

Public reaction was not yet measurable. A leading opponent of India's development of nuclear capability, Bupesh Gupta, the leader of the Communist Party of India in the upper house of Parliament, said he had not been officially informed of the explosion.

"We've all been too busy trying to do something about the rail strike," Gupta said in a telephone interview, referring to the 11-day-old nationwide railway walkout. In earlier debates on the question of whether India should experiment with a nuclear blast, Gupta has argued strongly against it.

The subject has been debated in Parliament for several years. Two years ago, Defense Minister Jagjivan Ram told Parliament that the government was considering a program of underground explosions "for peaceful purposes."

At about the same time, the Stockholm International Peace Research Institute, headed by Dr. Gunnar Myrdal, noted that of all the nations considered possible entrants into the nuclear weapons race, "India is probably closest to acquiring nuclear armaments."

Speaking at a news conference tonight, the chairman of the atomic energy commission, Homi Nusserwanji Sethna, said the explosion, which was detonated at 8:05 a.m. local time, was "totally contained."

The plutonium device was buried more than 325 feet underground, Sethna said.

India, long among the world's leaders in atomic power generation, has a two-reactor nuclear power plant in Rajasthan, built with assistance from Canada.

Sethna said the magnitude of the explosion was between 10 and 15 kilotons (equal to 10,000 to 15,000 tons of dynamite), a relatively small blast by modern standards, but about the same as the Hiroshima bomb.

Within a half hour of the explosion, he said, a helicopter flew low over the site and detected no radioactivity," Sethna said.

The helicopter then flew downwind for about 20 miles, he said, and found "very little venting of radioactive material."

Ninety minutes after the blast went off, scientists and technicians reportedly walked within 300 feet of the site.

The blast had created a crater with a 650-foot radius and an artificial hill. "It was a spectacular sight," said Dr. Raja Ramanna, director of the Bhabha Atomic Research Center at Trombay.

Sethna told newsmen that no future experiments were planned until the results of today's blast were thoroughly analyzed. However, he said, such blasts could be useful in earth moving and for cracking underground rock formations in the search for oil and natural gas deposits.

The nuclear device was built entirely in India by Indian scientists and technicians, Sethna said. This point is important, because India, which has not signed the nuclear nonproliferation treaty, has until now been forbidden to use any of the plutonium its reactors produced for anything other than running the reactors themselves.

These restrictions were imposed by the United States and Canada, which have cooperated with India for many years on peaceful nuclear energy projects.

India refused to sign the 1968 nonproliferation treaty, contending that this would impose obligations on the non-nuclear powers while not restricting countries with nuclear capability.

This view was repeated as recently as last Thursday by Brajesh Mishra, India's representative to the U.N. disarmament conference, who described the 1968 treaty as "a discriminatory instrument."

In the last year, France, which has also refused to sign the treaty, has been assisting India in planning so-called fast-breeder reactors, which produce more "weapons grade" plutonium than they consume.

It is believed that plutonium from a new reactor near Madras in southern India was used in the device set off today.

Sources in the Japanese defense agency suggested the Indian test might touch off a nuclear arms race among smaller countries, especially Israel.

The official Soviet news agency Tass reported the Indian blast just minutes after it was officially announced in New Delhi.

The agency said India was "striving to keep at the level of world technology in the peaceful uses of nuclear explosions."

The Soviets have developed a strong relationship with India over the years as part of an effort to neutralize the United States in South Asia and to offset growing Chinese power.

There was no immediate reaction from China, Britain or France, although informed sources at the French Atomic Energy Commission did say that the Indian device almost certainly contained plutonium.

In Islamabad, a Pakistan foreign office spokesman said India's test "cannot but be viewed with concern . . . by the whole world, and more especially by India's neighbors."

The two countries have warred three times in the past quarter century, and Pakistan's chief delegate to the Geneva disarmament conference in Switzerland said the test would have "far-reaching consequences."

Ambassador Niaz A. Naik said, "We have always maintained there is no difference between tests for peaceful purposes and those for military purposes. The technology is the same. We have kept warning the international community against the dangers of this backdoor entry into the nuclear club."

U.S. defense officials said that, if India does move to develop nuclear weapons, it probably would be to counter China. But they said India could hardly hope to catch up with China because India is so far behind.

Other U.S. officials said the development of India's nuclear capacity could disrupt American-India relations at a time when they were beginning to improve.

There could be questions raised in Congress about giving New Delhi economic aid after India spent millions of dollars on atomic development.

As one U.S. official said, "I don't see how this is going to grow more rice, which is what the Indians need."

[From the Washington Post, May 19, 1974]

EXPERTS FEAR INDIA'S A-BLAST MAY TRIGGER NEW RIVALRIES

(By Thomas O'Toole)

The news that India has exploded an atomic bomb came as no great surprise to American nuclear experts. They were nevertheless dismayed by it out of a fear that other nations might now follow India's example.

"I'm very discouraged that they joined the club," said Dr. Theodore B. Taylor, a one-time designer of nuclear weapons at the Los Alamos Scientific Laboratory. "Peaceful or not, whatever they want to call their reason for blowing up a bomb, it still means they now have nuclear weapons."

What worries experts like Taylor is that India's action could trigger similar moves by as many as a half dozen countries that have the material, personnel, money and motives to develop and explode atomic bombs. The most likely candidates are Israel, Egypt, Pakistan and South Africa, in roughly that order.

"India's move takes some of the heat off countries like Israel, who might have been afraid of world reaction if they had gone first," one U.S. official said. "There's little doubt in our minds that Israel has the wherewithal to blow up their own bomb."

The fact that it was a plutonium bomb almost certainly means that India used the plutonium out of its own nuclear power program to build the bomb. India operates several research reactors and three nuclear power plants, all of which create plutonium as a byproduct of uranium fission.

This is the same way four of the other five nuclear club members developed their first atomic bombs. The exception was the People's Republic of China, which detonated a uranium bomb first.

It is much easier to build a bomb from plutonium. Less material is needed, and a uranium bomb can only be built using uranium enriched with at least 90 per cent of uranium-235. This isotope of uranium can only be made by an expensive process that requires huge amounts of electricity.

Plutonium is also a man-made metal but is a byproduct of fissioning uranium in nuclear power plants. The difficulty is separating the plutonium from the other fission products in the uranium fuel supply, a costly * * * job that must be done by remote control.

India's three atomic power plants produce about 600,000 kilowatts of electricity, which means that after five years of operation they generate about 600 pounds of plutonium a year as by-products.

U.S. atomic experts do not believe India has a large reprocessing plant to extract plutonium from a spent uranium fuel supply, but think it has a small pilot plant that could remove plutonium for a bomb. The precise amount of plutonium needed to make a bomb is a secret, but is understood to be no more than 20 pounds.

The three nuclear power plants in India have been fueled by uranium supplied by itself, the United States and Canada, raising anew the question of whether countries like the United States and Canada will go on supplying countries like India with uranium for their nuclear power plants.

India has never signed the non-proliferation treaty prohibiting the spread of nuclear weapons, claiming that it wanted its own nuclear explosives to use as tools for digging irrigation canals. Brazil has used the same argument to justify not signing the treaty.

Twenty-nine countries have failed to sign the nonproliferation treaty. It comes up next year for a full review by the United Nations. Among the countries that have not signed the treaty are Pakistan, Israel, South Africa, Argentina, Brazil and several Arab states.

India's development and detonation of the bomb poses a severe threat to the future of the nonproliferation treaty. The U.N. had hoped that next year's review in Geneva would stimulate nonsigners into signing. The United States and the Soviet Union have begun discussions aimed at limiting the size and number of their underground nuclear tests, which they had hoped would also encourage other countries to sign the treaty.

India said that it exploded its plutonium bomb by implosion, meaning it surrounded its plutonium device with a spherical arrangement of chemical explosives to squeeze the plutonium down. The detonation of a chemical explosive literally compressed the plutonium into what nuclear scientists call a "critical mass," which then triggered the chain reaction that takes place in an exploding nuclear bomb.

In making an atomic bomb, the hardest job is safely machining the plutonium metal so that when it is squeezed by an explosion it comes together at just the right speed to form the critical mass.

Only two weeks ago, a study group formed by the Atomic Energy Commission warned that safeguard regulations against the possibility of nuclear theft would have to be strengthened because of the relative ease with which a bomb can now be made. It said that "precise and accurate instructions" on how to make a bomb in a basement were mostly available in unclassified literature.

U.S. arms experts believe it took the Indians about five years to produce their first bomb. The U.S. experts think that India did it all on its own, using the efforts of about 100 scientists and technicians and $10 million to $20 million.

SENATOR HUMPHREY RECEIVES TOP AFL–CIO AWARD

Mr. MONDALE. Mr. President, last Thursday evening, my friend and colleague from Minnesota, Senator Hubert Humphrey, was presented with the Murray-Green Award.

This is the highest award of the AFL–CIO and is given in recognition of outstanding achievement in promoting the health and welfare of American workers and their families.

Prior recipients include such great Americans as Presidents Harry Truman and Lyndon Johnson, and former Senators Paul Douglas, Estes Kefauver, Herbert Lehman, James Murray, and Robert Wagner.

I congratulate Senator Humphrey on this well-deserved honor—the AFL–CIO could not have chosen a more worthy recipient. And I think the Senator's eloquent and sensitive remarks will be of interest to the Senate.

Mr. President, I ask unanimous consent that Senator Humphrey's remarks be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Acceptance Address of Senator Hubert H. Humphrey

It is a great honor to be selected to receive the Murray-Green Award for 1974.

To be identified as a partner with American Labor in its efforts to improve the quality of life for all our people is recognition in which I take great pride.

Throughout our nation's history the American labor movement has been the cutting edge for social progress.

It has championed the cause of people in every generation. And in all its deeds, it has shown it shares with Thomas Jefferson the fundamental belief that:

"The care of human life and happiness is the first and the only legitimate object of good government."

It is with a mixture of pride and humility that I accept this award tonight.

As I stand here, the memory of the great Americans who have been so honored by you in the past flash through my mind.

It is an honor roll that includes two of the greatest Presidents in our nation's history—Harry Truman and Lyndon Johnson—and five outstanding Senators with whom I was privileged to serve—Herbert Lehman, Estes Kefauver, Paul Douglas, James Murray and Robert Wagner.

I am also reminded of the two outstanding Americans and dear friends in whose memory this award is presented.

I will never forget that day in 1948 when William Green came to Minnesota to endorse my candidacy for the United States Senate. Great speech.

Nor will I ever forget that great Steelworkers convention in Boston in 1948 when Philip Murray presented me to his union. With his hand on my shoulder, he pledged his support for me and that of the Steelworkers Union. Tonight I salute the tradition of Phil Murray—I. W. Abel.

I am proud of the American labor movement, proud to have worked with you, and proud to be one of you.

Labor has been a strong and steady voice not only for the American worker and his family, but also for the poor, the elderly, the disabled, and those who are the victims of discrimination and prejudice.

American labor has stood up for those too weak to stand for themselves, fought for those too weary to fight for themselves, and given visibility to those whose only crime was that "they were not seen."

American labor through community services—to the victims of natural disasters, to those whose lives have been crippled by alcohol and drug abuse, to the consumer as its "watchdog" over prices, to the entire community through a variety of voluntary programs, and most recently in the new and promising area of pre-paid legal services—and through political action has brought progress for our people and honor to America.

For decades, American labor has been the great equalizer in American politics.

Working with other liberal and progressive forces, labor's support of the great presidencies of Franklin Roosevelt, Harry Truman, John Kennedy, and Lyndon Johnson, has made tremendous progress in our nation possible.

The American labor movement has lent its great weight to protecting and strengthening the process of popular democracy.

It has succeeded admirably in avoiding the extremes of both the self-serving right and the self-righteous left.

And let us not forget that it was labor that first perceived and warned America of the dangers of Nazism and Fascism prior to World War II.

Labor has always understood those basic truths that provide the foundation for our political system. And today, more than ever, we must return to these fundamentals and renew our spirit as a nation from the strength and unity of purpose that they provide.

The preamble to the Constitution says it all. It spells out the faith, aspiration and purpose of America.

The first three words are the most important. They establish for all time that America is "We the People."

Not we the government, not we the politicians, not we the political parties, not we the rich, not we the white, but "We the People." This is the central reference, the focal point of American government.

"In order to form a more perfect Union"—Interesting that even way back then the word "union" was prominent in the major political documents. But, really, the notion here is a very important one. With all of the differences between regions of our country, economic interests, religions, ethnic backgrounds, and a whole range of other factors, the Founding Fathers recognized that keeping our nation together would be a constant effort.

In 1776, we united our thirteen colonies to forge a new nation and create a new unity. As we approach our bicentennial anniversary in 1976, we must forge the people of this country into a "more perfect union" with each other. This is not possible in a bitter land—in a country where interests are narrowly defined and relentlessly pursued. It is only possible if tolerance and compromise are understood as working principles in a democracy as diverse as ours, and not condemned as excuses for those who have no principles.

"Establish Justice"—not simply to enact laws, but to establish justice. Establishing justice for all the people. Justice that is blind to wealth, to color and to religion. Justice that treats all men equally. This is the test of a democracy.

"Insure domestic Tranquility"—this is not the same as apathy or indifference. Tranquility means peace and harmony. It is akin to the Hebrew word "Shalom." It implies a respect for our fellow man and a concern for his well being.

"Provide for the common defense"—The Founding Fathers were not fuzzy-thinking idealists. They knew that all of the things we valued could only be nurtured if we were secure from the dictates of others.

"Promote the general Welfare"—the important word here is "promote." This is an active word. It implies that if the well being of citizens is threatened you do something about it. It does not say government is to be "neutral." It says that government is to be responsible for improving the lives of the people.

And—"Secure the Blessings of Liberty to ourselves and our Posterity"—The blessings of liberty is the way it is put.

Today we usually take it for granted. But the people who wrote this had just gone through a bloody war to secure their freedom from foreign dominance.

Their courage purchased this "blessing" of liberty and we must never forget that it can be lost. Nor should we overlook the fact that liberty can be eroded from within as well as attacked from without.

Not a single reference in our Constitution to protecting the Government from the people—but rather, to protect the People from the abuse of Power by those in Government.

These are the fundamentals on which the Constitution, indeed American government itself, is based.

The American labor movement has led the way in making these basic purposes and aspirations realities in the lives of our people.

Labor has led the fight:

To assure every boy and girl a good education;

To guarantee quality health care at reasonable prices, as a basic right of all Americans;

To promote the dignity and self-respect of every man;

To provide every American citizen with the full benefits and opportunities of his civil rights;

To assure that the burden of taxation is equitably borne by all, a sure test of a society's justice;

To curb monopoly and unconscionable profiteering, and to insure the benefits of competition in the marketplace;

To see to it that all our citizens have decent communities in which to raise their families, with safe streets, decent housing, quality education, and good jobs.

And, the American Labor movement has worked to establish the principle that any man or woman, should be able to reach as high as ability will take them, but be protected by a floor below which no person in America will be allowed to fall.

Labor has delivered its blows for the common man, and it has made them count.

But perhaps more important than the specific achievements, this great coalition of labor and progressives has clearly led our nation in the "politics of compassion."

Democracy can only work if it has a heart as well as a brain. Government by computer may be more efficient, but it can never be of, by, and for the people. And it can never be more just.

Democracy can only flourish when the tears and laughter, anguish and joy, fears and hopes of the people are a very part of the political process.

Democracy can only survive when there is a partnership between the government and the people that is based on and held together by a mutual trust and faith.

If the coalition of labor and progressive forces have demonstrated anything, it is that compassion and common sense can go hand in hand for the common good.

But while it is flattering to our egos to look back over the miles we have traveled together, our eyes must be focused on the future.

What are our dreams for America? What values shall we give to our children? What shall our priorities be?

Tonight I would like to outline three goals of great concern to me. I believe they deserve our attention.

First, we must remove the shadow of

shame, doubt and mistrust that has been cast over the entire political process.

For its victims are "all persons" in political life, regardless of political party.

Yet, there is an even greater loss—the loss of confidence—the loss of faith in self-government, and it is this trust and faith that give meaning to the social contract of popular government.

We know that the loss of public confidence in any public official can be rectified at the ballot box. But the restoration of public confidence in the institutions of government is a slow process which requires constant building and rebuilding.

If it is delayed, the very foundations of government which guarantee our freedom and insure our civil liberties and civil rights will be called into question.

None of us can afford to let this happen; there is too much at stake.

Therefore, our political processes must be cleansed.

We are making progress, campaign and election reform are coming and that will help.

Never again will big money play the role in politics it has in the past.

No campaign in the future will be run as they have been in the past. Integrity has become the most precious asset of the politician.

But cleaning up campaigns is just the beginning.

Unless our government buckles down and begins to meet the needs of our people, and unless our politicians become more responsible in pursuing the public interest and in leveling with the people, all the campaign and election reform in the world will not restore the people's faith in government.

Second, we must reverse the growing income gap between the rich and the poor, the "haves" and the "have nots" in America throughout the world. We must rededicate ourselves to the progressive moderation of this unjust disparity in living standards. This gap, which was reduced continually in the United States from 1960 to 1968, not surprisingly, has been allowed to widen during recent years.

Several major steps must be taken.

These should include a new commitment by our government to full employment and the fiscal and monetary policies that such a commitment requires. We must rededicate ourselves to the pursuit of policies to maximize employment, maximize production, and maximize income—a commitment made by the President and the Congress to the American worker and his family in the "Employment Act of 1946."

It also requires tough and effective measures to protect the purchasing power of our workers' pay-checks from the ravages of uncontrolled inflation. The runaway prices have seriously cut into the living standard of the old, the poor, and the working families of America.

Basic tax reforms to close corporate loopholes, to assure that a minimum tax is paid by all, and to guarantee that the burden of taxation is related to the ability of the taxpayer to pay, are long overdue.

To permanently reduce the differences in living standards in America, we must also work to give the most deprived in our society a chance at equality when they reach the starting line in this competitive world.

Children from low and middle income families must be guaranteed nutritious food from birth, the availability of quality health care, and true equality in the opportunity for education.

While our primary responsibility must be at home, the growing gap in the quality of life between the rich and the poor nations of the world endangers peace and violates human dignity.

We must ask ourselves how long will the world's poor be content to live a "hand to mouth" existence as the "hewers of wood and haulers of water" for the world's wealthy? Such economic and human injustice may have been tolerable in a former age, but not as we enter the last quarter of the twentieth century.

The "politics of compassion," knows no race, no color, no creed, and no nationality, it knows only human beings.

We cannot rest contented while children starve in the streets of Harlem or Calcutta, in Appalachia or West Africa; while the pride of able-bodied men is ground away by unemployment in Washington, D.C., or Lagos, Nigeria; while decent families are forced to live in the decaying slums of America's great cities or the inhuman barrios of Latin America.

A world of peace and prosperity is only possible if standards of living are improved from generation to generation.

As Pope Paul has so accurately stated—"The new name for peace is development."

Third, rapid change and increased complexity in many basic socio-economic factors are the characteristics of a modern society. As a result, it is essential that we find ways to anticipate change and direct it.

The energy crisis, the critical world food situation, and the psychological and social consequences of increased mobility, are only a few of the most obvious examples of failures to anticipate basic changes and their results.

At present, we do not have the instruments of government that are needed for planning our nation's balanced growth and development.

It is incredible that the United States, the first nation in the world to enter the modern world of the 20th century, may well be the last nation to develop the institutions and processes needed to deal with the complexity and rapid change that come with a modern technology society.

If we are to "design" our future and not simply "resign" ourselves to it, we must fashion a system of planning for growth and development.

People, are fed up with vague and empty promises.

Our people have not thrown in the towel and given up on achieving our treasured goals of economic and social justice, but they are finished chasing rainbows. They want politicians with dreams and imagination, but they want more. They want people in government who are effective. The premium today is on results.

A policy of balanced growth and development would be a major step toward that kind of government.

For six years the "politics of compassion" have taken a back seat to the "politics of indifference."

We have seen the bitter fruits of negative politics in the sacking of the poverty programs, impounding of funds for the sick and the needy, the gutting of housing programs, the retreat from the commitment to make our cities liveable, and the callous abuse of the veto power to block programs for some of those in America that most need the help of this government—the physically and mentally handicapped and our working poor.

It reminds me of something Franklin Roosevelt once said that has always stayed with me:

"Governments can err, Presidents do make mistakes, but the immortal Dante tells us that Divine Justice weighs the sins of the cold-blooded and the sins of the warm-hearted on a different scale. Better the occasional faults of a government living in the spirit of charity than the consistent omissions of a government frozen in the ice of its own indifference."

Government of the few, by the few and for the few has no place in America.

We must refocus the attention and energies of America on those human problems that the indifferent, the preoccupied, and the faint of heart turn away from and ignore.

But I have great faith in America. I have confidence in the American people. I do not agree with the pessimists, the prophets of gloom and doom. Rather I share the view of Carl Sandburg who said:

"I see America, not in the setting sun of a black night of despair ahead of us. I see America in the crimson light of a rising sun fresh from the burning, creative hand of God. I see great days ahead, great days possible to men and women of will and vision."

LOSS TO INDIANA IN MUNICIPAL SEWAGE WORKS GRANTS

Mr. BAYH. Mr. President, I recently had occasion to join with fellow Members of Congress from my State in a letter to Mr. Francis Mayo, Regional Administrator of the Environmental Protection Agency in Chicago. In that letter we asked that the EPA reconsider its procedures for making municipal sewage works grants. If changes are not made in the present system, Indiana cities will lose $15 million in Federal grants for waste treatment facilities on June 30, 1974. I ask unanimous consent that a copy of our letter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BAYH. Mr. President, in October 1972, the Congress voted overhelmingly to override the President's veto and enacted the Federal Water Pollution Control Amendments of 1972. The congressional action was considered a major step toward the goal of a cleaner environment. In the years 1973 to 1975, Congress envisioned that $18 billion would be spent for building community waste treatment facilities. This level of funding clearly indicated the high priority that Congress placed on the clean water program.

Unfortunately, the administration chose not to follow the mandate of Congress. Having failed to kill the program through the constitutional power of the veto, it looked to extraordinary means of questionable validity to undermine the legislation. First, it surrounded the clean water program in such a mass of confusing regulations and guidelines, that the very tangle of the redtape brought the program to a standstill. Second, the administration refused to obligate more than half of the funds authorized by Congress. These actions amount to a most arbitrary and capricious impoundment which has resulted in the loss of billions of dollars to cities across the country; cities which need help in constructing waste disposal facilities.

Had the administration carried out its constitutional duties and followed the will of Congress, my State of Indiana would have received over twice the moneys which EPA is making available. Specifically, Indiana would have been allocated $168.4 million in fiscal year 1973, $202 million in fiscal year 1974, and $113.3 million in fiscal year 1975. Funds actually available for Indiana, if we succeed in cutting the redtape, are $67.3 million, $101 million, and $63.7 million for the respective fiscal years.

Mr. President, I have prepared lists showing which communities in Indiana will not receive Federal grants for waste treatment due to the executive refusal to obligate funds. The lists indicate how much will be lost to each community in fiscal year 1973, 1974, and 1975 funds, because of the administration's decision to thwart the will of Congress.

Mr. President, I believe we must inform the public of the disastrous course the administration has followed in this and other areas. Time and again arbitrary executive impoundment has denied our cities Federal funds which they sorely need in their efforts to improve the communities in which we live.

I ask unanimous consent that the lists be printed in the RECORD.

There being no objection, the lists were ordered to be printed in the RECORD, as follows:

Cities which will lose Federal sewage works grants for Fiscal Year 1973 due to executive impoundment

[Funds lost, in thousands]

Anderson	6,675
Michigantown	32
Rome City	2,022
Birdseye	660

Cities which will lose Federal sewage works grants for fiscal year 1974 due to Executive impoundment

[Funds lost in thousands]

Griffith	7,200
Jeffersonville FCD	19
Jeffersonville	225
Orestes	27
Leesburg	68
Washington	95
W. Terre Haute	22
L. Monroe Reg RSD	227
New Point	29
Napoleon	11
Bethany	3
Mooreland	29
Mount Summit	29
Laduga	4
Oxford	4
Boswell	612
Pendleton	58
Markleville	32
Shoals	1,056
Galveston	46
Monon	30
Columbus	270
Hartsville	4
Windfall City	35
Sharpsville	30
Michigantown	638
St. John	120
Demotte	118
Warsaw	62
Morgantown	9
Kendallville	32
New Chicago	927
Hebron	23
Kuuts	30
Bourbon	13
Chandler	36
Haubstadt	20
Mitchell	33
Wash. Twp	43
Georgetown	30
Frankton	41
Monroeville	12
Clay City	968
Greentown	17
Beverly Shore	30
Kingsford Height	32
Pierceton	14
Lapaz	30
Kentland	21
Osceola	127
Sweetzer	862
Hymera	537
Francesville	36
Owensville	11
Poseyville	1,004
Curydon	29
Leavenworth	29
Knightsville	389
Russville	11
Roachdale	12
Remington	12
Morristown	14
Carlisle	45
Wolcott	48
Ossian	12
Jamestown	8
Fishers	1,027
Wheatfield	76
Darlington	41
Lynn	56
Argos	11
Walton	13
Goodland	61
New Market	7
Medaryville	107
Clayton	10
Brookston	8
Lacrosse	68
Colfax	10
Dublin	21
Gosport	109
Logansport	495
Shirley	10
Spiceland	26
Columbia City	370
Bainbridge	35
Royal Center	13
Advance	116
Winona Lake	52
Greenville	66
Monroe City	10
Wheatland	70
Monroe	111
Churubusco	12
Chesterfield	65
Spurgeon	23
North Salem	134
Monticello	64
Gas City	50
Williams Creek	86
Thorntown	20
Etna Green	39
Lynnville	38
Hamlet	116
Waveland	42
Martinsville	1,752
Paragon	639
Oldenburg	41
Plymouth	110
Sandborn	127
Oaktown	63
Van Buren	6
West Lebanon	120
Wanatah	51
Schneider	29
Milton	54
Claypool	32
North Webster	1,466
Walkerton	37
Medora	7
Linden	847
Millersburg	66
Montgomery	3
Bruceville	41
Converse	70
Cynthiana	41
Coatsville	35
Amo	36
Marengo	49
Kewanna	64
Burlington	41
Akron	11
Rochester	132
L. Manitou Con. Dt	110
Marshall	30
Burnettsville	51
Kennard	21
Dale	10
Albany	20
English	51
Earl Park	32
Holland	20
Cannelburg	14
Hudson	32
Shipshewana	540
Bloomington S.	233
Lanesville	47
Twin Lake RSD	186
Burns Harbor	72
Centerville	23
W. Lafayette RSD	6
Rensselaer	10
Dunreith	22
Decatur	71
La Grange	29
Lewisville	58
Francisco	643
Indianapolis No. 1	6,599
Dana	23
Morocco	54
Fountain City	46
New Richmond	34
Decker	6
Cordry Swt. Consy	63
Princes Lakes	88
Palmyra	4
Silver Lake	39
Denver	43
Ambia	29
Mentone	66
Larwill	29
Eaton	13
Winslow	115
Kokomo	750
Hamilton	110
Shelbyville	111
Tell City	120
Troy	13
Wingate	41
Andrews	10
Tennyson	29
Waynetown	8
Winamac	80
Brook	49
Carbon	29
Cambridge City	20
St. Joe	39
Charlestown	50
Edwardsport	25
Switz City	29
Patoka	44
Newburgh	15
Newport	25
Seymour	86
Lafayette	858
Hillsboro	39
Bedford	116
Mishawaka	371
Noblesville	66
Roanoke	8
New Pekin	18
Fredricksburg	29
Cumberland	4
Covington	645
Laurel	26
Bloomington N.	257
Waldron C. D.	8
Montpelier	20
Roann	24
Cannelton	19
Lagro	39
St. Paul	8
Montezuma	83
Fairview Park	50
Cayuga	75
Perrysville	43
Edinburg	8
Worthington	61
Newberry	10
Veedersburg	18
Rising Sun	19
Milltown	7
Milford Junction	103
Mount Vernon	68
Bloomfield	4
Greendale	33

Cities which will lose Federal sewage works grants for fiscal year 1975 due to executive impoundment

[Funds lost in thousands]

Westfield	2794
Lapel	1239
Portland	364
Alexandria	867
Westport	33
Hammond	4050
Trail Creek	1425
Scott County RSD	2250
Lebanon	1440
Paoli	60
French Lick	67
Auburn	930
Greencastle	3310
Orleans	38
E. Barthlomew RSD	3375
Milan	45
Hope	112
Michigan City	2063
Town of Pines	895
Zionsville	38
Trafalgar	450
Redkey	188
Parker City	45
Campbellsburg	81
Selma	749
Brookville	29
Marion	20864
Matthews	157
Avilla	21
Bremen	1027
Jackson Cty. RSD	225
Dillsboro	14
Huntertown	18
Ingalls	445

EXHIBIT 1

MAY 10, 1974.

Re Municipal Sewage Works Grants—State of Indiana.

Mr. FRANCIS MAYO,
Regional Administrator, Environmental Protection Agency, Chicago, Ill.

DEAR MR. MAYO: On May 9, the Indiana Congressional Delegation and their aides met with Lieutenant Governor Robert Orr and representatives of the Indiana Stream Pollution Control Board to discuss problems that exist with the Municipal Sewage Works Grant program in Indiana. Of special concern to us were the problems associated with the expenditure of the remaining $41.3 million in FY '73 federal funds that must be obligated before June 30, 1974.

The Stream Pollution Control Board representatives described 20 projects totalling less than $26 million that have met all major grant requirements and appear likely to receive a grant before the June 30, 1974, deadline. Eligible projects remain to be developed for purposes of encumbering the remaining $15 million. The remaining 28 communities on the MPL that are listed as eligible for FY '73 money appear unlikely to qualify for any grant other than step 1 planning money. Review of the FY '74 MPL through 143 does not reveal a sufficient number of communities that can fully qualify for grants. Therefore, it is apparent that expenditure of the $41.3 million within the eligible 143 on the MPL is very unlikely.

The reasons for the problems in obtaining a sufficient number of eligible projects are as follows:

1. The delay in the development of an approved priority rating system and MPL for the grant program.
2. The late (February 11, 1974) publication of final construction grant regulations and the late publication of guidelines for facility plan preparation and infiltration-inflow requirements, prohibited an early, timely response on the part of communities and consultants.

There are projects beyond 143 on the MPL that have plans and specifications completed and are prepared to commence construction. It would seem desirable to us to award grants to these communities. These communities would have been funded based on the Board's original FY '73 MPL. The communities were advised of their pollution control needs in the plan of implementation and proceeded to qualify for funds as a direct result of that requirement. Several are under Stream Pollution Control Board orders and two under U.S. EPA 180 day notice orders. A few communities are under a sewer ban because of overloaded treatment plants and development has been restricted. The communities sincerely believed that they would be funded and proceeded to invest considerable sums of money in engineering. At this time, the 1972 amendments and the subsequently promulgated regulations resulted in a revised priority rating system.

There are clear indications that this sequence of events produced significant inequities. We were advised by the Stream Pollution Control Board representatives that there are projects beyond position 143 on the MPL that are ready to proceed and should be considered for available FY '73 grant funds in priority order. These projects deserve every consideration.

We urge your reconsideration of the present situation which not only penalizes the citizens of Indiana, but also delays the implementation of the objectives of the Municipal Sewage Works Grant program developed by the U.S. Congress.

VANCE HARTKE,
BIRCH BAYH,
U.S. Senators.

RAY J. MADDEN,
EARL F. LANDGREBE,
JOHN BRADEMAS,
J. EDWARD ROUSH,
ELWOOD H. HILLIS,
WILLIAM G. BRAY,
JOHN T. MYERS,
ROGER H. ZION,
LEE H. HAMILTON,
DAVID W. DENNIS,
WILLIAM H. HUDNUT III,
Members of Congress.

THE NATIONAL RESOURCE INFORMATION ACT

Mr. WILLIAMS. Mr. President, the need for decisive action on many shortage problems and natural resource issues is confronting us now as at no time in the past. Recent events in the energy field and with basic industrial materials have highlighted many other problems which we will continue to face. For example, the expected shortages of food in many parts of the world—aggravated by uncertainties over the availability of fertilizer—must be one of the priority issues with which all policymakers must deal, as must be population control measures. We can no longer afford to consider these various decisions in isolation from each other.

The recent rejection of the U.S. aid proposal at the U.N. special session on Third World resource and economic problems is unfortunate. Nevertheless, we must urge that an active participation in the formulation of new policies in these critical areas continue. Our national self-interest requires that we insure that these policies are coordinated with domestic economic conditions to avoid negative effects both at home and abroad. A wheat deal, for example, should not inevitably result in higher prices and dislocations in the domestic economy. Planning ahead and combining foreign policies with domestic economic realities can help to avoid disastrous programs, while insuring the maximum amount of cooperation.

Among Federal agencies, there are examples of a lack of coordinated policies. The near-embargo in 1973 of soybean exports has been criticized by the General Accounting Office as a decision that ignored consultation between the Department of Commerce and the Department of State—resulting in consequences which counteracted several established policies. The GAO reported that the soybean embargo worsened an existing world food shortage, ran counter to efforts to increase exports, had adverse effects on the balance of payments, and also depressed domestic agriculture. Other such conflicting actions lately have involved the Agriculture Department and the Cost of Living Council in disagreements over the relative needs for increasing agricultural exports and the stabilization of domestic food prices.

The United States must take an active role in this effort by virtue of our enormous stake in the world community and the international economy. We have 6 percent of the global population and consume at least 27 percent of all raw materials—including 34 percent of the energy resources. As the world's largest exporter of food, our policies in part determine the well-being of millions of people around the globe, while, on the other hand, the United States is directly affected by the export policies of other nations. Our reliance on foreign sources for energy and mineral materials has demonstrated the necessity for cooperative policies. The nations of this world are becoming increasingly interdependent so that inflated prices and withheld supplies have a ripple effect throughout all economies.

Present shortages result from a combination of at least seven factors:

First, the United States has been relying increasingly on foreign sources for petroleum and certain other scarce minerals. In the 1970's, growing demand and worldwide competition for these resources has caused a problem of constraints on global supply. The Arab oil embargo, following the outbreak of war in the Middle East, in particular, strained the capacity of U.S. energy industries to adjust to a very significant interruption of foreign imports;

Second, the effects of the Arab oil embargo also reduced allocations to users of petroleum-related products;

Third, some industries, including those producing metals, petrochemicals, and textiles, are emerging from a prolonged period of overcapacity and depressed prices, which makes them unable to meet sharply increasing demands;

Fourth, economic price controls were imposed at a time when some commodity prices were at long-term or seasonally low levels;

Fifth, demand for durable goods has been increasing;

Sixth, some 1973 crop yields were lower

than expected, or were limited by acreage allotments; and

Seventh, exports of many commodities have expanded rapidly due to favorable overseas prices.

Proposals before the Congress which would establish broad policies and a comprehensive mechanism for averting future shortages and resource crises deserve our immediate attention. The National Resource Information System, which is embodied in Senate bill 3209, is the proposal which I must prefer for implementing a sophisticated and credible organization to accomplish the complex task of monitoring and analyzing our resource scarcity problems. As originally drafted, S. 3209 would establish a Bureau of Resource Information in the Department of Commerce. This office was modeled on a similar provision in the Energy Information Act, which in turn was patterned after the functions of the Bureau of the Census, as an independent and highly credible source of raw data and information analysis.

However, I have concluded, as did Senator Nelson, the sponsor of this National Resource Information Act, in recent testimony on the bill, that a new and altogether independent agency—preferably one responsible to the Congress—would be the most effective institutional setting for such an important function. Senator Nelson testified that the mission of this agency would be to monitor the use of all resources and to collect data so that country would know—

> What and when to conserve, how much to produce, how to avoid shortages or gluts caused by ignorance, and when to begin significant research programs.

The report just released by the General Accounting Office on the Government's ability to cope with shortages concluded that, for the future, basic commodity problems "have not even been adequately defined, let alone agreed upon." The GAO has also tentatively endorsed the idea of making the agency an independent unit.

An independent agency would give the necessary objectivity and integrity to the gathering of information which would then be used for determining policy, not only by decisionmakers throughout government, but in the private sector and on the international level. This common base of data reporting and statistical analysis is crucial if we are to make sense out of the present conflict of facts and policies which are often generated for special purposes or to support foregone conclusions or decisions. Recent criticism of the validity of the Consumer Price Index—CPI—and the Wholesale Price Index—WPI—shows them to be examples of another problem with economic data.

Many of these problems could be overcome by a new and independent agency addressing itself to contemporary and long-range questions on resource information. A new agency might involve totally new personnel, or it could take the form of selected reorganization in order to create the most effective and efficient operation. But questions about organizational arrangements or an affinity for existing programs should not obscure our thinking about the best way to approach this issue. Although much useful work is being done on this problem, our activity has been fragmented and uncoordinated with regard to information capabilities for planning and policymaking. This has been documented in the introductory statement on the National Resource Information Act. Computer technology, for instance, is not being used to its fullest advantage in maintaining and coordinating Government data gathering programs in the natural resources field, especially for the sharing of unique or costly information activities. Thus, an information shortage affects our ability to anticipate, avoid, or manage shortages of materials. Too much confusion, too many conflicting facts and arguments have slowed our efforts to come to grips with our current dilemmas in energy, environment, and economics. We clearly do not have the kind of advance warning and step-by-step planning needed for the future.

Concern over the long-term availability of some commodities focuses on increasing consumption rates worldwide, when contrasted with decreasing amounts of known reserves of nonrenewable minerals, and the potential threat of the formation of cartels to withhold supplies for a variety of reasons. Of the 14 to 18 basic raw materials considered necessary for an industrial society, the United States depends on imports for more than half its supply of six of them: aluminum; chromium; manganese; nickel; tin; and zinc. One principal factor for some imports has been their lower cost compared to economically-exploitable resources in the United States.

The U.S. Geological Survey has completed the first overall assessment of the Nation's mineral resources in 18 years and reported a "mineral crisis." Many known mineral deposits are seriously depleted and future supplies have either not yet been discovered or are too deep to be economically mined. Minerals for which "large" or "huge" resource bases remain include iron, coal, uranium, petroleum, aluminum, copper, zinc, lead, manganese, nickel, gypsum, sulfur, and molybdenum. "Small" or "insignificant" reserves are reported for tin, asbestos, chromium, fluorine, mica, and mercury.

For these and most of the remaining 50 or so mineral commodities, U.S. ability to meet projected needs will depend on increasingly sophisticated, yet economical, technology; recycling and conservation in mineral production and use; and imports. In addition, many minerals are being lost or wasted because of insufficient economic incentive for their recovery.

The final report of the National Commission on Materials Policy in June 1973 outlined the following summary directives for policymakers:

First, strike a balance between the need to produce goods and the need to protect the environment by modifying the materials system so that all resources, including environmental, are paid for by users;

Second, strive for an equilibrium between the supply of materials and demand by increasing primary production, by accelerating waste recycling, and improving efficiency-of-use of materials; and

Third, manage materials policy more effectively by recognizing the complex interrelationships of the materials/energy/environment system so that laws, executive orders, and administrative practices reinforce policy and do not counteract it.

The National Commission's studies reveal that—

> Extensive interdependence exists among the nations of the world for raw materials [and that] . . . [n]o major nation nor group of nations is completely self-sufficient in all raw materials essential to an industrial economy.

Using data from the Geological Survey, the Commission found that domestic production remains the primary source of materials for the United States, although the Commission notes that in the last 20 years the percentages of imports, in the aggregate, for domestic consumption "have grown slightly" as a percentage of domestic consumption. This trend is anticipated to continue, according to the report. However, the Commission recommends relying on market forces to determine the mix of imports and domestic production, but with the proviso that—

> Where costly and dangerous reliance upon imported materials . . . the Government must intervene.

Two problems found by the Commission which are related to the domestic minerals position of the United States vis-a-vis its imports are that—the proportion of recycled materials is declining, and—policy formulation for materials management is "handicapped by inadequate, inaccurate, or inaccessible information."

Population increases indicate a doubling time of about a generation for the present population which will necessitate a doubling of food production in the next generation unless that growth rate is reduced.

Otherwise we can anticipate no solution whatever. The same spectre confronts us for minerals, fuels, and other nonrenewable resources; although in this case, most of the resources are of finite quantity and eventually will be depleted.

In light of such projections, with their assumptions of present rates of increase and based on known mineral resources, we cannot sit idly by while such prophecies, if reasonably accurate, are allowed to fulfill themselves. We cannot allow it to happen in the absence of an examination of our consumption and growth patterns to determine our response with new policies designed to meet such challenges. It is for these reasons that I call for urgent action on the National Resource Information Act.

Mr. President, I ask unanimous consent to print information on this issue in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

SELECTED U.S. MATERIALS POSITIONS

Materials (and uses)	Forecast annual growth in demand	Percent of consumption imported	Percent of product exported	Percent of consumption recycled
1. Mica (sheet) (electrical items)	7.0	100	46	0
2. Platinum group [1] (alloys and catalysts)	3.0	100	24	22
3. Chromium [1] (alloys, compounds) political or environmental uncertainty	5.0	100	15	12
4. Strontium [1] (electronic tubes, fireworks, zinc refining, ceramics)	4.0	100	(2)	0
5. Cobalt (steel alloys, chemical uses) nickel is substitutable	2.0	98	6	<1
6. Tantalum [1] (electronics, anticorrosive)	4.0	97	17	11
7. Bauxite (aluminum) most abundant metalelic element	7.0	87-96	15	23
8. Manganse [1] (alloys, etc.)	3.0	95	2	<1
9. Fluorine (chemicals, smelting)	3.0	87	<1	(3)
10. Titanium, rutile (pigments, metals, ceramics)	5.0	86	1	1
Ilmenite	18.0	(2)		
Sponge	35.0	26		
11. Asbestos (concrete, tile, abrasives, insulation)	0	85	63	0
12. Tin (tinplate, solders, chemical alloys) heavy reliance on overseas sources and recycling	4.0	77	2	24
15. Bismuth (metal alloys, chemical compounds)	<3.0	75	13	(4)
14. Nickel (alloys)	[5] 3.0	74	3	34
15. Columbium (steel, super alloys)	6.0	67	<1	<1
16. Antimony (lead hardener, flame retardant, ceramics)	4.0	65	<1	[6] 60
17. Zinc (alloys, comp unds)	3.0	52	1	5
18. Iron ore (iron, steel)	1.5-2.5	28	3	33
19. Lead (pure, alloys, compounds)	1.6	26	<1	35

[1] Denotes nonavailability of substitutes for major applications.
[2] Not available.
[3] Small amount.
[4] Small part.
[5] From imports.
[6] Of consumption.

Source: Mining and Minerals Policy, 1973, pt. 2 (appendices), U.S. Department of Interior

TABLE 4.—NONRENEWABLE NATURAL RESOURCES*

Resource	Known global reserves [a]	Static index (years) [b]	Projected rate of growth (percent per year) [c]			Exponential index (years) [d]	Exponential index calculated using 5 times known reserves (years) [e]	U.S. consumption as percent of world total [i]
			High	Average	Low			
Aluminum	1.17×10^9 tons [j]	100	7.7	6.4	5.1	31	55	42
Chromium	7.75×10^8 tons	420	3.3	2.6	2.0	95	154	19
Coal	5×10^{12} tons	2,300	5.3	4.1	[k] 3.0	111	150	44
Cobalt	4.8×10^9 lbs	110	2.0	1.5	1.0	60	148	32
Copper	308×10^6 tons	36	5.8	4.6	3.4	21	48	33
Gold	353×10^6 troy oz	11	4.8	4.1	[l] 3.4	9	29	26
Iron	1×10^{11} tons	240	2.3	1.8	1.3	93	173	28
Lead	91×10^6 tons	26	2.4	2.0	1.7	21	64	25
Manganese	8×10^8 tons	97	3.5	2.9	2.4	46	94	14
Mercury	3.34×10^6 flasks	13	3.1	2.6	2.2	13	41	24
Molybdenum	10.8×10^9 lbs	79	5.0	4.5	4.0	34	65	40
Natural gas	1.14×10^{15} cu ft	38	5.5	4.7	3.9	22	49	63
Nickel	147×10^9 lbs	150	4.0	3.4	2.8	53	96	38
Petroleum	455×10^9 bbls	31	4.9	3.9	2.9	20	50	33
Platinum group [m]	429×10^6 troy oz	130	4.5	3.8	3.1	47	85	31
Silver	5.5×10^9 troy oz	16	4.0	2.7	1.5	13	42	26
Tin	4.3×10^6 long tons	17	2.3	1.1	0	15	61	24
Tungsten	2.9×10^9 lbs	40	2.9	2.5	2.1	28	72	22
Zinc	123×10^6 tons	23	3.3	2.9	2.5	18	50	26

[a] Source: U.S. Bureau of Mines, "Mineral Facts and Problems, 1970" (Washington, D.C.: Government Printing Office, 1970).

[b] The number of years known global reserves will last at current global consumption. Calculated by dividing known reserves (column 2) by the current annual consumption (U.S. Bureau of Mines, "Mineral Facts and Problems, 1970").

[c] Source: U.S. Bureau of Mines, "Mineral Facts and Problems, 1970."

[d] The number of years known global reserves will last with consumption growing exponentially at the average annual rate of growth. Calculated by the formula exponential index $=\ln((r\cdot s)+1)\div r$; where r=average rate of growth from column 4, s=static index from column 3.

[e] The number of years that 5 times known global reserves will last with consumption growing exponentially at the average annual rate of growth. Calculated from the above formula with $5s$ in place of s.

[f] Source: U.S. Bureau of Mines, "Mineral Facts and Problems, 1970."

[g] Source: U.N. Department of Economic and Social Affairs, "Statistical Yearbook 1969" (New York: United Nations, 1970).

[h] Sources: "Yearbook of the American Bureau of Metal Statistics 1970" (York, Pa.: Maple Press, 1970). "World Petroleum Report" (New York: Mona Palmer Publishing, 1968). U.N. Economic Commission for Europe, "The World Market for Iron Ore" (New York: United Nations, 1968). U.S. Bureau of Mines, "Mineral Facts and Problems, 1970."

[i] Source: U.S. Bureau of Mines, "Mineral Facts and Problems, 1970.

[j] Bauxite expressed in aluminum equivalent.

[k] U.S. Bureau of Mines contingency forecasts, based on assumptions that coal will be used to synthesize gas and liquid fuels.

[l] Includes U.S. Bureau of Mines estimates of gold demand for hoarding.

[m] The platinum group metals are platinum, palladium, iridium, osmium, rhodium, and ruthenium.

*Source: Meadows, Donella H. and Dennis L., Randers, Jorgen, and Behrens III, William W. The Limits to Growth; A Report for the Club of Rome's Project on the Predictment of Mankind. New York, Universe Books, 1972.

Additional sources: P. T. Flawn, "Mineral Resources" (Skokie, Ill.: Rand McNally, 1966). "Metal Statistics" (Somerset, N.J.: American Metal Market Company, 1970). U.S. Bureau of Mines. "Commodity Data Summary" (Washington, D.C.: Government Printing Office, January 1971).

UNEQUAL UTILITY RATE STRUCTURE

Mr. METCALF. Mr. President, residential consumers continue to subsidize large industries through a utility rate structure which encourages waste of electricity, despite the energy shortage.

The average residential rate of the large investor-owned utilities is 2.42 cents per kilowatt-hour, more than twice the average industrial rate of 1.16 cents per kilowatt-hour.

The average commercial rate, 2.29 cents per kilowatt-hour, is only slightly less than the residential average, and the overall average is 1.86 cents per kilowatt-hour.

These 1972 averages, as compiled and provided to me by the Federal Power Commission from the reports to it by the utilities themselves, can be compared with similar 1970 data which I inserted in the CONGRESSIONAL RECORD on July 6, 1972. The comparison shows that the residential average has increased from 2.22 to 2.42 cents per kilowatt-hour, the industrial average from 1.02 to 1.16 cents per kilowatt-hour, the commercial average from 2.08 to 2.29 cents per kilowatt-hour and the overall average from 1.67 to 1.85 cents per kilowatt-hour.

A review of the 1972 data shows that several utilities and their State regulatory commissions have instituted a rate structrue that is relatively equal.

Granite State Electric Co. in New Hampshire, for example, has an average rate of 2.7 cents per kilowatt-hour. The averages for residential, commercial, and industrial customers are, respectively, 2.9, 2.34, and 2.3 cents per kilowatt-hour.

Kingsport Power Co. of Tennessee has an average rate of 1.26 cents per kilowatt-hour. The averages for residential, commercial, and industrial customers are, respectively, 1.3, 1.7, and 1 cent per kilowatt-hour.

Potomac Edison of Pennsylvania has an average rate of 2.18 cents per kilowatt-hour. There the averages for residential, commercial, and industrial customers are, respectively, 2.02, 1.56, and 2 cents per kilowatt-hour.

In contrast, a number of the large energy systems charge residential consumers, on the average, two and a half or three times as much as they charge industries. They include the following companies:

Company and State	Residential	Commercial	Industrial	Overall average
Gulf States, Louisiana	2.23	1.96	0.75	1.19
New Orleans Public Service, Louisiana	2.02	1.78	.85	1.62
Potomac Edison of Maryland, Maryland	2.08	1.92	.82	1.26
Montana Power, Montana	2.25	2.04	.75	1.37
Idaho Power, Idaho	1.73	1.41	.55	1.08
Portland General Electric, Oregon	1.24	1.27	0.46	1.02
Central Power & Light-Texas, Texas	2.26	2.04	.83	1.50
Community Public Service, Texas	2.15	2.14	.73	1.53
Houston Lighting & Power, Texas	1.80	1.66	.71	1.13

Mr. METCALF. Mr. President, these figures show why residential consumers provide approximately 37 percent of the revenue for the large utilities, even though they buy only about 26 percent of the electricity. The large industrial users buy about 35 percent of the electricity, but pay only about 23 percent of the bill. This disparity prevails despite the fact that cost of service to residential customers is frequently low in urban areas.

Because of the declining block rate structure commonly used, the people who use the least electricity, who are usually those least able to pay, are often required to pay 3 times as much or more, per unit of electricity, as the large industries which are generally favored by the present rate structure.

In a number of States consideration is being given to the "Lifeline" rate which would reduce this inequity. A typical "Lifeline" rate, which is of special importance to retired persons and others of very limited means, would provide 400 kilowatt-hours of electricity a month for $10. Surely this idea deserves more consideration than has so far been reflected in rate structures. The idea is gathering momentum. It deserves encouragement, support, and most importantly, advocacy before the State commissions which regulate retail rates.

One useful new tool for persons and organizations who wish to present this and other issues to the regulatory commissions is the 106-page booklet, "How to Challenge Your Local Electric Utility: A Citizens Guide to the Power Industry," written by Richard Morgan and Sandra Jerabek. It is published by the Environmental Action Foundation, 720 Dupont Circle Building, Washington, D.C. 20036.

The new publication "Peoples Energy," published by the Movement for Peoples Power, 1520 New Hampshire Avenue NW., Washington, D.C., carried articles on "Lifeline" rate and other issues before regulatory commissions in its first issue. And the Citizen Action Group at 133 C Street SE., Washington, D.C.—one of Ralph Nader's groups—has developed a paper on the "Lifeline" rate.

In the belief that these materials may be of use to Members and to their constituents who are active in this area, I ask unanimous consent to print in the RECORD the April 26 letter to me from Chairman John Nassikas of the FPC, the comparison of average costs of electricity, by class of service, which accompanied his letter and the articles in "Peoples Energy."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEDERAL POWER COMMISSION,
Washington, D.C., April 26, 1974.

Hon. LEE METCALF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR METCALF: This is in further response to your letter of April 10, 1974, requesting a comparison of residential, commercial and industrial power rates of major electric utilities.

Transmitted herewith, in accordance with your request, are the average costs per kilowatt-hour for residential, commercial and industrial retail service for Class A and B electric utilities for 1972. The average cost per kilowatt-hour for all categories is also provided for each utility. The national average for each category may be found at the end of the computer run.

Sincerely,
JOHN N. NASSIKAS, *Chairman.*

UTILITIES—GROUPS OPPOSE NEW POWER PLANTS

As their growth strains our country's resources, the electric utilities find themselves facing determined citizen opposition almost everytime they announce a new power plant or transmission line. Citizens are angry because they must pay the high economic and environmental costs of the new plants and lines, while the utilities are responsible, at least in part, for creating the need for these facilities through their aggressive promotional efforts. Citizens' organizations in many states are now working to get better pollution controls included in the design of new facilities and trying to stop new plants by showing that the extra power is not needed in their communities.

Struggles against new power facilities are going on in Arkansas, Georgia, Illinois, Iowa, Michigan, Montana, Nebraska, North Dakota, Ohio, Pennsylvania, Virginia, Wyoming and many other states. On March 6, Citizens for a Better Environment (CBE) filed a complaint with the Illinois Pollution Control Board, charging Commonwealth Edison with operating its 765 kilovolt transmission line without a permit; the group alleges that the permit is necessary because such lines are a potentially serious source of air pollution. CBE is also attempting to block the construction of nuclear reactors by thwarting their financing. Earlier this year, the group petitioned the Illinois Commerce Commission, demanding that it deny certification of Comm. Ed.'s latest stock offering because the proceeds would be used to finance unsafe nuclear power reactors. The Commission refused, and CBE has taken the case to Federal Court.

Elsewhere, similar battles are being fought. In Virginia, 2,000 people signed up to speak at a State Corporation Commission hearing in March on the proposed routing of an extra-high-voltage line across Bedford County and the Blueridge. In the Northern Great Plains region, the Sierra Club is opposing or monitoring a total of 15 new power plants planned for that area. Much of the power from this new capacity would be shipped out of state to points East and West. And in Ohio, a landmark victory was won recently by citizens against the Cleveland Electric Illuminating Company's plan to route nine miles of transmission line across a park and preserve. The judge in the case ruled that the public's enjoyment of natural beauty in a state park is more important than an electric company's power of eminent domain.

Citizens in Arkansas battling a huge coal burning plant proposed by Arkansas Power and Light (AP&L) have utilized some striking tactics. The Arkansas Community Organizations for Reform Now (ACORN) has already successfully challenged the environmental impact statement for the plant as deficient on more than 150 counts. The group is still asking AP&L to reverse its refusal to install sulfur controls on the plant. During its campaign, ACORN has asked that AP&L put up a "utility deposit in reverse" to cover possible damages to farmers' crops from the plant's emissions. The citizens' group has also called on Harvard University to exercise its duty as the single largest shareholder in Middle South Utilities, the holding company which owns AP&L. The response at Harvard has been good, and ACORN has also picked up a good deal of support for its proposals in its own state, including endorsements by the Attorney General and the Governor.

The hazards and problems associated with very high voltage transmission are detailed in Louise Young's book "Power Over People" (Oxford University Press, 1973). In addition, the Environmental Action Foundation, 1346 Conn. Ave. NW, Washington D.C. 20036, can direct people to information in aid to them in opposing new plants and lines.

CONSUMERS REBEL AGAINST RISING ELECTRIC RATES

The nation's 200 large electric utilities are faced with a rebellion by their customers. These companies which have quietly enjoyed excess profits and monopoly markets for decades are now faced with a serious threat due to the rising costs of generating electricity. Most of these 200 utilities will be applying for large rate increases in 1974 and most of them will be returning to their state regulatory commissions for more next year. Consumers who hardly ever saw a utility rate increase until the late '60's are wondering why the cost of electricity is suddenly rising faster than practically everything else. In the next few years, the electric utility industry will experience a consumer revolt that will dwarf last year's meat boycott. Not only are the power companies' excess profits at stake; the right of the private corporations to make profits from providing a public necessity will be seriously questioned.

On February 5, 400 people joined a rally at the California Public Service Commission, demonstrating their opposition to a Pacific Gas and Electric rate increase. In the next few weeks, hundreds of people turned out for rallies in Providence, Rhode Island, protesting Narragansett Electric's rate increase. In March, 600 angry customers of Consolidated Edison attended a New York Public Service Commission hearing on Con Ed's latest rate increase proposal.

It's no wonder consumers are getting upset. Some utility customers have seen their electric bills rise up to 88% in one year. In some cases, owners of all electric homes are paying monthly bills of over $400. Many cussumers are simply refusing to pay their electric bills. That really scares the utilities. But what scares them even more is that organized consumer groups are doing their homework; they are intervening in the rate proceedings and putting on strong cases before the public utility commissions. Dozens of citizens' groups have investigated their utilities' profits, advertising programs, executive salaries, legal expenses, construction programs and fuel costs. For the first time, utility commissions are hearing the consumers' side of a rate case. And the scores of citizens at the hearings are persuading the commissioners to listen. Substantial opposition to rate increases is underway in California, New Mexico, Rhode Island, New York, Massachusetts, North Carolina, Georgia, Pennsylvania, and Arkansas.

FUEL ADJUSTMENT CLAUSES

The greatest single source of consumer discontent with rising electric rates is the "fuel adjustment clause". Most power companies have a clause written into their rates which allows them to pass on increases in fuel costs to their customers without formal rate increase proceedings or public hearings. The utilities maintain that such a procedure is necessary in order to keep them from coming in for a rate increase every few months. Critics charge that fuel adjustment clauses remove any incentive for utilities to search for the cheapest fuels and offer a convenient way for the nation's energy companies to increase prices. Consolidated Edison used fuel adjustment clauses to raise its rates by 25% during the last three months of 1973, without any price hearings. Some utility companies, such as Duke Power, which own their own coal mines, have apparently been reaping fantastic profits by charging themselves higher prices for their own coal. It's no wonder electric utilities are buying up coal mines.

Citizens' Groups in Rhode Island, California and North Carolina are opposing fuel adjustment clauses altogether. Congressman Michael Harrington (D-Mass.) has introduced a bill that would limit fuel adjustments to 50% of the increased cost of new fuels. Harrington charges that the Massachusetts Electric Company has found a way to pass more than 100% of its increased fuel costs on to customers.

LIFELINE

Support is growing nationwide for a new concept in utility service called "lifeline." Lifeline is a radical new rate design which would provide a basic minimum amount of electricity to everyone at a fair and reasonable cost. In Vermont, for example, the lifeline proposal provides for 400 kilowatt hours of electricity at a rate of $10—substantially lower than current residential rates in that state for the same amount of electricity. The price would never be subject to rate increases. Utilities would make up the difference by passing on the costs of the service to all those using above 400 kilowatt hours.

Lifeline was first introduced last summer in Vermont by a coalition of low income organizations, senior citizens, environmentalists and labor groups. It has since been adopted by other citizens' organizations, churches, and the Vermont Governor's Commission on Electrical Energy. The lifeline idea has also spread to other states. Ralph Nader's Public Interest Research Groups (PIRGs) and other citizens' groups in at least nine states (Calif., Fla., Ind., N.J., N.Y., Mass., Mich., Ore., and Vermont) are working to promote the lifeline concept.

New bills to establish lifeline have already been introduced in three state legislatures. In Vermont the lifeline legislation was defeated when it came to a vote several weeks ago. However, Vermont activists report that this reflects a feeling on the part of legislators that lifeline is more properly the domain of the state's utility regulatory commission. Citizens now plan an aggressive campaign before the Vermont Public Service Board during an upcoming barrage of rate cases. Hearings on lifeline bills in the New York and Massachusetts legislatures are slated for later spring.

NEW INTEREST IN PUBLIC POWER

In response to skyrocketing power costs, citizens' groups in many parts of the country are attempting to set up publicly controlled utilities to replace the private corporation which now sells electricity. In a 1973 campaign the citizens of Berkeley almost succeeded in kicking Pacific Gas and Electric out of their city and replacing it with a municipal power system. A multi-million dollar media blitz by PG&E put down the Berkeley rebellion just as citizens across the bay began working to establish a municipal power system in San Francisco. A feasibility study conducted by Accountants for the Public Interest determined that San Francisco residents could save millions of dollars if the city would purchase PG&E's property through eminent domain.

In Maine, a proposal for a state-wide public power agency lost a referendum by a 3 to 2 margin. The grassroots public power campaign received surprising support despite a media onslaught by the Central Maine Power Company. Congressman Michael Harrington (D-Mass.) has proposed a public power agency to serve all of New England. Consumers in New England faced with monumental rate increases due to fuel adjustment clauses are quite interested in the Harrington proposal. Citizens in Wisconsin, Michigan, North Carolina, Arkansas and other states are looking to public power as a solution to the high rates charged by privately owned utilities.

Environmentalists are also showing an interest in public power. As the environmentalist impact of the power industry increases environmental groups are questioning whether corporate executives should be making society's decisions about pollution control, growth and other issues.

THE LATEST RIP-OFFS: CONSERVATION ADJUSTMENTS

About a dozen electric utilities have asked for permission to increase electric rates because their customers aren't using enough electricity. Many more companies are expected to follow. The utilities argue that they've spent massive amounts of money on new construction, but their customers aren't buying enough power to pay for it. In order to boost their profits back to normal levels, utilities are asking for "conservation adjustments", which would automatically raise customers' electric bills back to where they were before people started conserving energy.

It sounds like a rip-off. doesn't it? It is! The utilities decide what sort of power demands are considered "normal". They build power plants and other facilities to meet this demand, often despite environmentalists objections that the plants would not be necessary if the company were promoting energy conservation. Now that it is apparent that such plants are not necessary, not only do the utilities expect to receive a normal return on the unnecessary equipment, they want higher rates because their customers aren't using enough power!

Citizen groups in New York, Massachusetts, Rhode Island and other states are opposing conservation adjustments.

Elected officials have been bombarded with letters from citizens enraged by this latest insult from the power industry. It is unclear how utility commissions will rule on this "catch 22" clause for utility rates, but it is certain that few utility issues have generated as much public-concern as conservation adjustments.

Peoples Energy is published by the Movement for Peoples Power, 1520 New Hampshire Ave. N.W., Washington, D.C. 20036, 202-234-9382.

FEDERAL POWER COMMISSION—1972 AVERAGE COST PER KILOWATT HOUR OF CLASS A AND B UTILITIES BY CLASS OF SERVICE

Utility name	Cents per kilowatthour			
	Residential	Commercial	Industrial	Overall sales
ALABAMA				
Alabama Power Co	1.8982	1.9685	1.0160	1.4828
Southern Electric Generating Co				
ALASKA				
Alaska Electric Light & Power Co	4.1377	---------	4.6923	4.4719
ARIZONA				
Arizona Public Service Co	2.4131	2.0980	1.2593	1.9453
Citizens Utilities Co	2.9643	3.6931	2.3763	2.9446
Tucson Gas & Electric Co	2.7512	2.4289	1.1787	1.8387
ARKANSAS				
Arkansas-Missouri Power Co	2.7352	2.6568	1.0779	1.7479
Arkansas Power & Light Co	2.0928	2.1732	.9711	1.5031
Arklahoma Corp., The				
CALIFORNIA				
Pacific Gas & Electric Co	2.2072	1.8988	.9925	1.7577
San Diego Gas & Electric Co	2.2220	2.4417	1.3349	1.8877
Southern California Edison Co	2.7063	2.0932	1.0586	1.8443
COLORADO				
Home Light & Power Co	2.1714	2.1685	1.2037	1.9232
Public Service Co. of Colorado	2.6441	1.9404	1.1516	1.9632
Western Colorado Power Co., The	2.3657	2.7390	1.5981	2.2747
CONNECTICUT				
Connecticut Light & Power Co., The	2.7994	2.6869	1.7905	2.4948
Connecticut Yankee Atomic Power Co				
Hartford Electric Light Co., The	2.9455	2.4794	1.7647	2.5002
Millstone Point Co				
United Illuminating Co., The	2.6430	2.5310	1.7106	2.3461
DELAWARE				
Delmarva Power & Light Co	3.1041	2.5152	1.4505	2.1155
DISTRICT OF COLUMBIA				
Potomac Electric Power Co	2.4756	2.1846	1.4248	2.0987
FLORIDA				
Florida Power Corp	2.0912	2.1572	1.0858	1.8535
Florida Power & Light Co	2.0668	2.1312	1.4684	1.9973
Florida Public Utilities Co	2.2952	2.6809	1.7093	2.2692
Gulf Power Co	2.0301	2.2088	1.1392	1.7692
Tampa Electric Co	2.2807	2.1719	1.0568	1.7408

Utility name	Cents per kilowatthour			
	Residential	Commercial	Industrial	Overall sales
GEORGIA				
Georgia Power Co	1.8992	2.0649	1.0634	1.6073
Savannah Electric & Power Co	2.1571	2.1961	1.0097	1.7881
HAWAII				
Hawaiian Electric Co., Inc	2.5841	3.1558	1.4691	2.1174
Hilo Electric Light Co., Ltd	4.2760	4.7903	2.8900	4.0939
Maui Electric Co., Ltd	3.7749	4.9652	3.5016	3.9872
IDAHO				
Idaho Power Co	1.7300	1.4064	.5466	1.0829
ILLINOIS				
Central Illinois Light Co	2.6111	2.5342	1.1237	1.8339
Central Illinois Public Service Co	2.7251	2.5874	1.2134	2.0861
Commonwealth Edison Co	2.9786	2.5180	1.3270	2.1890
Electric Energy Inc			.6702	.6702
Illinois Power Co	2.5656	2.9492	1.2414	1.8527
Mount Carmel Public Utility Co	2.6433	3.4062	1.8549	2.3295
Sherrard Power System	2.7943	2.7605	----------	2.7908
South Beloit Water, Gas & Electric Co	2.4589	2.4744	1.5287	1.9506
INDIANA				
Alcoa Generating Corp			.4581	.4851
Commonwealth Edison Co. of Indiana, Inc				
Indiana-Kentucky Electric Corp				
Indiana & Michigan Electric Co	1.8043	1.9281	1.1977	1.5817
Indianapolis Power & Light Co	2.2324	2.5426	1.2959	1.7909
Northern Indiana Public Service Co	2.6916	3.2275	1.2255	1.6551
Public Service Co. of Indiana, Inc	2.4434	2.1415	1.2547	1.8532
Southern Indiana Gas & Electric Co	2.6143	2.1591	1.1833	1.8370
IOWA				
Interstate Power Co	3.0187	2.7571	1.2344	2.1950
Iowa Electric Light & Power Co	2.6013	2.7861	1.6347	2.3832
Iowa-Illinois Gas & Electric Co	3.0691	2.3738	1.3413	2.1383
Iowa Power & Light Co	2.6194	2.6061	1.3851	2.1711
Iowa Public Service Co	3.1159	2.8932	1.8348	2.6919
Iowa Southern Utilities Co	2.7640	3.2697	2.5333	2.3827
KANSAS				
Central Kansas Power Co., Inc	2.9443	2.0188	----------	2.2936
Central Telephone & Utilities Corp	2.7865	2.7860	1.1879	2.1844
Kansas Gas & Electric Co	1.9600	1.9407	1.0372	1.5450
Kansas Power & Light Co., The	2.2654	1.7412	1.1179	1.7435
KENTUCKY				
Kentucky Power Co	2.0784	2.0650	1.0991	1.5208
Kentucky Utilities Co	2.2719	2.1702	1.2589	1.7978
Louisville Gas & Electric Co	2.0290	2.4500	1.0627	1.4669
Union Light, Heat & Power Co., The	2.3470	2.1328	1.1362	1.8541
LOUISIANA				
Central Louisiana Electric Co., Inc	2.5156	2.7130	1.0803	1.9285
Gulf States Utilities Co	2.2283	1.9576	.7483	1.1947
Louisiana Power & Light Co	1.9546	2.0981	.8595	1.4246
New Orleans Public Service, Inc	2.0166	1.7768	.8474	1.6226
MAINE				
Bangor Hydro-Electric Co	2.8337	2.7499	1.3240	2.0954
Central Maine Power Co	2.6581	2.6637	1.2150	2.1358
Maine Electric Power Co., Inc				
Maine Public Service Co	3.0327	5.2472	1.6543	2.6111
Rumford Falls Power Co			.6552	.6552
MARYLAND				
Baltimore Gas & Electric Co	2.8451	3.0637	1.6307	2.3159
Conowingo Power Co	2.1748	2.6525	1.3466	1.9436
Delmarva Power & Light Co. of Maryland	2.7360	2.9237	1.8439	2.5800
Potomac Edison Co., The	2.0821	1.9196	.8197	1.2641
Susquehanna Electric Co., The				
Susquehanna Power Co., The				
MASSACHUSETTS				
Boston Edison Co	3.4691	2.8622	1.9007	2.8563
Boston Gas Co	4.2888	5.2543	1.9837	2.6947
Brockton Edison Company	2.7078	2.5006	1.6314	2.5930
Cambridge Electric Light Co	3.4736	2.8529	1.8687	2.5001
Canal Electric Co				
Fall River Electric Light Co	3.2205	2.4696	1.4419	2.6510
Fitchburg Gas & Electric Light Co	3.6951	4.6941	2.1499	2.8990
Holyoke Power & Electric Co			1.7377	1.7377
Holyoke Water Power Co			1.7749	1.7634
Massachusetts Electric Co	3.0279	2.6829	1.8711	2.6285
Montaup Electric Co				
Nantucket Gas & Electric Co	3.8568	4.8328	----------	4.1967
New Bedford Gas & Edison Light Co	3.3907	2.9921	1.8326	2.9490
New England Power Co		1.3070	1.4826	1.4120
Western Massachusetts Electric Co	2.7483	2.5398	1.6520	2.3527
Yankee Atomic Electric Co				
MICHIGAN				
Alpena Power Co	2.1538	2.5226	1.4674	1.8572
Consumers Power Co	2.3156	2.2612	1.3754	1.8910
Detroit Edison Co., The	2.5454	2.6440	1.3311	1.9455
Edison Sault Electric Co	1.9413	2.6259	1.2636	1.7436
Michigan Power Co	1.8915	2.1162	1.3488	1.7157
Upper Peninsula Generating Co			.9723	.9723
Upper Peninsula Power Co	2.9908	3.2187	2.1169	2.7709
MINNESOTA				
Minnesota Power & Light Co	2.5897	2.7368	1.1443	1.5642
Northern States Power Co	2.5951	2.9279	1.5871	2.1626
MISSISSIPPI				
Mississippi Power Co	1.8689	2.1658	1.1266	1.6042
Mississippi Power & Light Co	1.8742	2.1180	1.3355	1.7317
MISSOURI				
Empire District Electric Co., The	2.3588	2.4926	1.1109	1.7876
Kansas City Power & Light Co	2.6345	2.1990	1.3035	2.1043
Missouri Edison Co	2.7883	2.6762	1.0292	1.9633
Missouri Power & Light Co	2.8008	3.1382	1.5774	2.3669
Missouri Public Service Co	3.5211	2.6687	1.4462	2.6913
Missouri Utilities Co	2.9671	2.6002	1.1588	2.5993
St. Joseph Light & Power Co	2.6434	2.4130	1.4082	2.1938
Union Electric Co	2.4500	3.0846	1.3133	1.8703
MONTANA				
Montana Power Co., The	2.2515	2.0400	.7468	1.3691
NEVADA				
Nevada Power Co	1.2704	1.5749	.9123	1.3244
Sierra Pacific Power Co	2.3626	2.0923	1.2013	1.9972
NEW HAMPSHIRE				
Concord Electric Co	2.3071	2.6398	1.5295	2.2040
Connecticut Valley Electric Co., Inc	2.6365	3.2138	1.4394	2.0769
Exeter & Hampton Electric Co	2.6879	2.8238	1.4532	2.4423
Granite State Electric Co	2.9232	2.3433	2.3042	2.7012
Public Service Co. of New Hampshire	2.6212	2.9696	1.3427	2.1156
NEW JERSEY				
Atlantic City Electric Co	2.9591	3.0302	1.8222	2.7277
Jersey Central Power & Light Co	2.8248	2.648[illegible]	1.4762	2.3659
Public Service Electric & Gas Co	3.2166	2.7769	1.6675	2.4709
Rockland Electric Co	3.0457	2.97[illegible]	1.6523	2.6153
NEW MEXICO				
New Mexico Electric Service Co	2.5375	2.3372	1.1342	1.5009
Public Service Co. of New Mexico	2.5114	1.9703	1.1058	1.9000
NEW YORK				
Cenral Hudson Gas & Electric Corp	2.6111	2.7962	1.3907	2.1845
Consolidated Edison Co. of New York, Inc	4.6026	3.8443	3.4564	3.7729
Long Island Lighting Co	2.7944	3.0729	2.0936	2.5659
Lona Sault, Inc			.4379	.4021
New York State Electric & Gas Corp	2.7197	2.1646	1.2621	2.1357
Niagara Mohawk Power Corp	2.5928	2.0178	.9659	1.7161
Orange & Rockland Utilities, Inc	3.[illegible]750	3.0955	1.7557	2.6360
Rochester Gas & Electric Corp	2.6[illegible]54	2.5314	1.8193	2.3747
NORTH CAROLINA				
Carolina Power & Light Co	1.9825	1.8190	1.0601	1.5130
Duke Power Co	1.9982	1.6036	.8854	1.3353
Nantahala Power & Light Co	1.6451	2.0486	.7592	1.3815
Yadkin, Inc			.3538	.3538
NORTH DAKOTA				
Montana-Dakota Utilities Co	2.6576	3.4821	1.4619	2.4654
Otter Tail Power Co	2.9750	3.5810	1.7636	2.7342
OHIO				
Cincinnati Gas & Electric Co., The	2.5420	2.2661	1.3254	1.9404
Cleveland Electric Illuminating Co., The	2.6510	2.2343	1.3691	1.9114
Columbus & Southern Ohio Electric Co	2.5107	2.8637	1.5682	2.0154
Dayton Power & Light Co., The	2.2220	2.0407	1.3068	1.8117
Ohio Edison Company	2.4806	2.3822	1.1168	1.8061
Ohio Power Co	1.9751	2.0118	.8091	1.1306
Ohio Valley Electric Corp			.5321	.5321
Toledo Edison Co., The	2.5385	2.4150	1.2548	1.8424
OKLAHOMA				
Oklahoma Gas & Electric Co	2.1980	2.0263	.9939	1.6927
Public Service Co. of Oklahoma	2.3778	1.9175	1.0463	1.7990

FEDERAL POWER COMMISSION—1972 AVERAGE COST PER KILOWATT HOUR OF CLASS A AND B UTLITIES BY CLASS OF SERVICE—Continued

Utility name	Cents per kilowatthour			
	Residential	Commercial	Industrial	Overall sales
OREGON				
California-Pacific Utilities Co	1.7168	2.0275	1.0893	1.6992
Pacific Power & Light Co	1.4732	1.6239	.8055	1 2629
Portland General Electric Co	1.2358	1.2746	.4559	1.0243
PENNSYLVANIA				
Citizens Electric Co	1.8357	2.2053	1.3921	1.7486
Duquesne Light Co	2.9284	9.9642	1.2561	1.8558
Hershey Electric Co	2.4881	2.0305	1.3302	1.7133
Metropolitan Edison Co	3.0439	2.8553	1.6133	2.2873
Pennsylvania Electric Co	2.8376	2.6304	1.5063	2.1861
Pennsylvania Power Co	2.5327	2.3545	1.0545	1.5837
Pennsylvania Power & Light Co	2.3827	2.3532	1.4276	2.0156
Philadelphia Electric Co	3.2724	3.5362	1.6343	2.3192
Philadelphia Electric Power Co				
Potomac Edison Co., of Pennsylvania, The	2.1834	2.0200	1.5663	2.0044
Safe Harbor Water Power Corp				
UGI Corp	3.3331	3.0205	2.1111	3.0525
West Penn Power Co	2.2565	1.7597	1.0186	1.4868
RHODE ISLAND				
Blackstone Valley Electric Co	3.2140	2.6774	1.7787	2.3903
Narragansett Electric Co., The	3.1116	2.4705	1.9057	2.6148
Newport Electric Corp	2.7581	2.7922	1.7296	2.4053
SOUTH CAROLINA				
Lockhart Power Co	2.2382	2.1452	.9009	1.1157
South Carolina Electric & Gas Co	2.2149	1.8084	.8818	1.5675
SOUTH DAKOTA				
Black Hills Power & Light Co	2.8582	2.9314	1.3179	2.4041
Northwestern Public Service Co	2.5875	2.5901		2.6014
TENNESSEE				
Kingsport Power Co	1.3013	1.7065	1.0071	1.2606
Tapoco, Inc			.2303	.2303
TEXAS				
Central Power & Light Co	2.2574	2.0435	.8280	1.5019
Community Public Service Co	2.1507	2.1384	.7307	1.5253
Dallas Power & Light Co	1.8087	1.4463	1.0988	1.5228
El Paso Electric Co	2.1778	1.8588	1.0721	1.6529
Houston Lighting & Power Co	1.7996	1.4631	.7053	1.1309
Southwestern Electric Power Co	2.3449	1.9850	1.1631	1.7641
Southwestern Electric Service Co	2,5059	2,4178	1.3589	2.0480
Southwestern Public Service Co	2,6910	2,0390	1.0109	1.5587
Texas Electric Service Co	2.0248	1.8169	.9852	1.5266
Texas Power & Light Co	2.0964	1.9668	.8534	1.5800
West Texas Utilities Co	2.5708	2.1515	1.2176	1.8226
UTAH				
Utah Power & Light Co	2.1571	2.0247	1.1343	1.6147
VERMONT				
Central Vermont Public Service Corp	2.6678	3.6492	1.7639	2.4528
Green Mountain Power Corp	2.2595	2.1315	1.4087	2.0739
Vermont Electric Power Co., Inc				
Vermont Yankee Nuclear Power Corp				
VIRGINIA				
Delmarva Power & Light Co. of Virginia	2.8937	2.3040	1.8194	2.4834
Old Dominion Power Co	1.9710	2.3246	1.3331	1.8060
Potomac Edison Co. of Virginia, The	2.0873	1.9422	1.1918	1.7162
Virginia Electric & Power Co	2.1870	2.0183	1.1447	1.7429
WASHINGTON				
Puget Sound Power & Light Co	1.2649	1.5974	.6139	1.2017
Washington Water Power Co., The	1.1936	1.3296	.6228	1.0546
WEST VIRGINIA				
Appalachian Power Co	2.0167	1.9610	1.0916	1.5266
Monongahela Power Co	2.4215	2.2275	1.0495	1.5501
Potomac Edison Co. of West Virginia, The	2.1840	2.0528	1.2062	1.7810
Wheeling Electric Co	2.1154	1.9456	.9183	1.2406
WISCONSIN				
Consolidated Water Power Co	2.0039	1.8888	1.0600	1.1248
Lake Superior District Power Co	2.6507	3.0501	1.8107	2.4553
Madison Gas & Electric Co	2.0811	1.8874	1.2721	1.8276
Northern States Power Co	2.1953	2.9049	1.4736	2.0010
Northwestern Wisconsin Electric Co	2.6558	2.6748		2.6878
Superior Water, Light & Power Co	2.4774	2.7962	1.5562	1.8462
Wisconsin Electric Power Co	2.4655	2.5941	1.4371	2.1404
Wisconsin Michigan Power Co	2.4202	2.5707	1.4012	1.9567
Wisconsin Power & Light Co	2.4159	2.4950	1.3965	2.0426
Wisconsin Public Service Corp	2.6389	2.7996	1.6064	2.1160
Wisconsin River Power Co				
WYOMING				
Cheyenne Light, Fuel & Power Co	2.3065	2.0619	1.0820	1.7965
U.S. cumulative average	2.4213	2.2950	1.1634	1.8574

OIL DEPLETION ALLOWANCE

Mr. MAGNUSON. Mr. President, I rise to call the Senate's attention to the proposal to repeal immediately the tax subsidy known as the oil and gas depletion allowance. Senators RIBICOFF, JACKSON, and myself plan to offer the proposal as an amendment to H.R. 8217, the vessel repair tariff bill.

Proposals for repeal of oil depletion are certainly not new. The sponsors of subsidies to the oil industry have been around as long as the income tax, and so have those who oppose such special treatment. But it is the time now to give serious scrutiny to the philosophy underlying continuation of depletion allowances. Depletion allowances are simply direct out-of-pocket subsidies from taxpayers to producers. Any rationale that such subsidies were necessary in 1972 simply do not apply under the energy economy of 1974.

Formerly, depletion was defended as needed to make domestic oil and gas exploration and development financially competitive with cheap foreign crude oil. But today, the new high prices of foreign oil provide a distinct price advantage to domestic producers.

Current windfall profits for the production of domestic oil and unregulated natural gas provide plenty of incentive for domestic development without additional taxpayer subsidies which make domestic production even more profitable. Today, domestic development activity is constrained not by lack of capital or profit incentive, but rather by the physical capacity of the industry and its equipment suppliers. The industry is suffering severe resource shortages. Retention or repeal of the depletion allowance will not relieve or eliminate these shortages. However, retention of depletion will provide an added $2 billion windfall to oil producers this year alone.

I am proud to be playing a role in this current effort to provide taxpayers some relief from further unnecessary oil and gas profits. I want to point out that many, many other Senators have been advocating this same position. Senators HASKELL, NELSON, HUMPHREY, KENNEDY, and MONDALE all have proposed similar amendments. I am happy to report that these and other Senators are actively supporting the Ribicoff, Magnuson, Jackson amendment.

Mr. President, I would like to state for the RECORD the names of Senators who have already announced their intentions to cosponsor amendment No. 1326:

Ribicoff, Magnuson, Jackson, Aiken, Bayh, Case, Clark, Hart, Hughes, Humphrey, Kennedy, McIntyre, Mondale, Moss, Muskie, Pastore, Proxmire, Tunney, and Williams.

The list is growing daily. The Senators represented on the list show that repeal of depletion is not a partisan issue. Nor is it a geographical or philosophical issue. The list includes senior and junior Senators, fiscal conservatives and liberals, Republicans and Democrats. I believe the list of cosponsors indicates the clear choice before the Senate when this amendment is presented. It is a simple choice: Do we wish to increase oil company windfall profits further? Or do we wish to restore equity and fairness to the tax system?

Mr. President, the following table demonstrates how much money will be saved taxpayers through immediate repeal of oil depletion. The second column in the table presents the revenue savings from a slower, phased-in repeal proposed by the House Ways and Means Committee. The third column presents the increased savings to taxpayers in the Senate proposal over the Ways and Means approach.

[In billions of dollars]

Calendar year—	Immediate depletion repeal	Ways and means phased-in repeal	Difference
1974	2.0	0	2.0
1975	2.2	.62	1.58
1976	2.7	1.26	1.44
1977	3.3	2.09	1.21
1978	3.7	2.37	1.33
1979	3.8	3.48	.32
Total	17.7	9.82	7.88

I expect that we will all hear the argument that this amendment is an inappropriate vehicle for consideration of such a dramatic change in the tax laws. I understand such concerns. I do not lightly recommend that the Senate act without further hearings on this matter. But I believe we must. Tax subsidies are flowing to domestic oil producers at the rate of $5.5 million every day the current depletion allowance is retained. Further Senate hearings will not add significant new information to the public record. The operation of the depletion allowance is widely understood. The literature on the subject is vast. Proponents and opponents of depletion have appeared many times on Capitol Hill over the last decades. Further hearings simply are not needed.

Mr. President, I ask unanimous consent to print in the RECORD the following materials which demonstrate that an adequate public record has been made to act now on depletion reform. The first item is an annotated bibliography compiled by the Congressional Research Service for the National Fuels and Energy Policy Study, under the direction of Senator JACKSON. The bibliography is only a listing of a few of the many public statements and writings on the issue of oil industry taxation and depletion allowances.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ANNOTATED BIBLIOGRAPHY

Adelman, M. A. The world petroleum market, Baltimore, Johns Hopkins Press, Inc., 1972. 438 pages.

Adelman's book is not directed specifically toward taxation, but it contains material relevant to the considerations of the tax treatment of U.S. oil companies. He generally dismisses the special U.S. tax provisions (percentage depletion, intangible drilling costs) as they apply to foreign operations as not having much effect.

Agria, Susan. Special tax treatment of mineral industries. *In* The taxation of income from capital. Washington, D.C., 1969, pp. 77–122.

This theoretical analysis suggests that percentage depletion results in an over-investment in oil. Percentage depletion is also more favorable to drilling in proven tracts and provides an incentive for the creation of integrated firms. This analysis addresses the question of tax neutrality. Note annotation under Harberger, below for a list of contributors to this debate.

Allvine, Fred C. Oil Prices and Phase II. Hearings before the Subcommittee on Priorities and Economy in Government of the Joint Economic Committee, 92nd Congress, 1st sess., January 10, 11, and 12, 1972. Washington, U.S. Gov't. Print. Off., 1972, pp. 131–164.

This statement discusses the impact of tax provisions on industry structure and the effect of these provisions on foreign versus domestic production.

American Petroleum Institute, Division of Taxation. Comment on the Erickson-Millsaps Paper published by the Joint Economic Committee, July 15, 1972. Hearings, Tax subsidies and tax reform before the Joint Economic Committee, 92nd Congress, 2nd Session, July 19, 20 and 21, 1972. Washington, U.S. Govt. Print. Off., 1973, p. 271.

The Erickson-Millsaps paper held that national defense was the only rationale for special tax treatment and that less costly methods could be devised to reach the national security goal.

This comment criticizes the Erickson-Millsaps paper primarily on two grounds: that risk in the oil industry is not predictable and that other taxes than the corporate income tax should be considered.

Averitt, Paul, United States Mineral Resources, Coal. U.S. Geological Survey Professional Paper 820, pp. 133–142.

This paper examines the extent of world and U.S. sources of coal.

Campbell, D.R.G. Comment "Policy problems of the crude oil industry," American Economic Review, Vol. 54 March 1964, 114–118.

Davidson held that the effects of percentage depletion primarily fall on landowners. This comment criticizes Davidson, arguing that the result is exploration of less attractive prospects.

CONSAD Research Corporation. The economic factors affecting the level of domestic petroleum reserves. Part 4. U.S. Congress. Committee on Ways and Means and Senate Committee on Finance, Tax reform studies and proposals, U.S. Treasury Department. Washington, U.S. Gov't Print. Off., 1969.

This report was a quantative study of the effects of special tax provisions on the level of reserves, prepared for the Treasury Department. The study concluded that a tax loss of $1.4 billion a year resulted in increases in petroleum reserves worth $150 million.

Cox, James C. and Arthur W. Wright. "Federal tax policy and energy problems," Statement in Panel discussions on tax reform, No. 9: Natural resources. U.S. Congress. House. Committee on Ways and Means, 93rd Congress, 1st Sess., February 26, 1973, pp. 1392–1412.

This statement discusses tax impacts and alternatives for various types of energy resources.

Davidson, Paul. "Public policy problems in the crude oil industry." American Economic Review, Vol. 53, March, 1963, pp. 85–108.

Davidson examines the impact of the percentage depletion allowance and concludes that percentage depletion does not encourage exploration of presently non-productive oil lands but provides a subsidy to owners of mineral rights.

Department of the Interior, Proposed deregulation of natural gas, July, 1973.

This statement presents and discusses supply and demand elasticities for natural gas.

Eldridge Douglas H. Rate of return, resource allocation and percentage depletion. National tax journal, Vol. XVM, No. 2, June, 1962, pp. 209–217.

Eldridge criticizes McDonald's thesis that the percentage depletion provisions to restore neutrality, on several grounds, primarily focusing on his rate of return data.

Erickson, Edward W., Economic incentives, industrial structure and the supply of crude oil in the U.S., 1946–1958/59. Unpublished Ph. D. dissertation, Vanderbilt University, 1968.

This study updated estimates of supply elasticity in petroleum, originally presented by Fisher in Supply and costs in the U.S. petroleum industry: two econometric studies, Baltimore; Johns Hopkins Press. 1964.

Erickson, Edward W. and Stephen W. Millsaps, "Taxes, goals and efficiency: petroleum and defense," The economics of Federal subsidy programs. A compendium of papers submitted to the Joint Economic Committee, July 15, 1972. Washington, U.S. Gov't Print. Off., 1972 pp. 286–304.

The authors examine the arguments for percentage depletion and expensing of the CONSAD report suggesting that the report understated the effect of this treatment. They suggest that there may be less costly methods of dealing with the national defense objective. The article also includes a critique of the CONSAD report suggesting that the report understated the effect of the provisions on reserves.

Federal Trade Commission. Investigation of the petroleum industry, U.S. Congress, Senate Committee on Government Operations, Committee Print, July 12, 1973, 62 pages.

Included in the general investigation of the petroleum industry is an analyst of the role of the special tax provisions. The investigation concludes that these provisions, particularly percentage depletion, act to encourage vertical integration and concentration in the oil industry.

Field, Thomas F. "The tax treatment of oil." Oil prices and phase II. Hearings before the Subcommittee on Priorities and Economy in Government of the Joint Economic Committee, 92nd Congress, 1st Sess., January 10, 11 and 12, 1972. Washington, U.S. Gov't Print. Off., 1972, pp. 30–41.

This statement discusses the impact of distinctive tax provisions, arguing that percentage depletion encourages high crude prices and the foreign tax credit and the crediting of "royalty" taxes produces a preferential treatment for foreign operations.

Field, Thomas F. Statement before the Subcommittee on Treasury, U.S. Postal Service and General Government Appropriations of the Senate Committee on Appropriations, 1973.

A section of this statement discusses statistical shortcomings in the Treasury department, citing the lack of recent data on percentage depletion and other tax provisions affecting the oil industry.

Fisher, Franklin. Supply and costs in the U.S. petroleum industry: two econometric studies. Baltimore: Johns Hopkins Press, 1964.

This study estimated supply elasticity in the petroleum industry.

Gaffney, Mason. Extractive resources and taxation. Madison, Wisconsin, University of Wisconsin Press, 1967. 450 pages.

Proceedings of a symposium sponsored by the Committee on Taxation, Resources, and economic Development in 1964 covering Federal, State, and foreign taxation of both oil and gas and other extraction. Of particular interest are Henry Steele, "Natural resources taxation: resource allocation and distribution implication," Stephen McDonald, "Percentage depletion, expensing of intangibles, and petroleum conservation," and William Vickery, "Economic Criteria for optimum rates of depletion."

Gonzalez, Richard J. "Percentage depletion for petroleum production," presented to House of Representatives, Committee on Ways and Means, December 1, 1959. Reprinted in Panel discussions on tax reform. Panel 9: Natural resources. U.S. Congress. House Committee on Ways and Means, 93d Congress, 1st Sess., February 26, 1973. Washington, U.S. Gov't Print. Off., pp. 1345–1364.

This paper may be said to present the "classical" industry case for percentage depletion.

Gonzalez, Richard J. "Prepared statement, Panel discussions on tax reform. Panel 9: Natural resources. Committee Print. House, Committee on Ways and Means, 93rd Congress, 1st Session, February 26, 1973, Washington, U.S. Gov't Print. Off., 1334–1345.

This statement argues in favor of retaining the present tax treatment on the grounds of unusual risks, inflationary effects, the nonrenewable nature of oil and gas wells, the capital intensity, and the existence of heavy State and local taxes.

Gravelle, Jane. Special provisions of the Federal income tax affecting the oil and gas industry: a summary of provisions, pros and cons and selected references. Washington, D.C.: U.S. Library of Congress, Congressional Research Service, August 25, 1972. 16 pages.

This brief background paper describes percentage and most depletion, intangible drilling cost deductions and the foreign tax credit and summarizes the arguments commonly made for and against them

Hambrick, J. Reid. The elimination of double benefits in the income tax treatment of oil and gas production: four modest proposals. Panel discussions on general tax reform, Panel No. 9—Natural resources, U.S. Congress, House Committee on Ways and Means, February 26, 1973, Washington U.S. Gov't Print Off., pp. 1367–1375.

This statement suggests reform in four areas—the rate of percentage depletion, intangible drilling costs, the treatment of tangible well equipment and the foreign tax credit.

Harberger, Arnold C. The taxation of minerals industries. *In* U.S. Congress, Joint Committee on the Economic Report, Federal tax policy for growth and stability, Washington U.S. Gov't Print. Off., 1955, pp. 439–449.

The author argues that the special provisions for the oil and gas industry create nonneutrality with respect to oil and gas and misallocates resources to the oil and gas industry. Until recently, the tax neutrality question figured prominently in the debate over the tax treatment of oil and gas. For other contributors to this literature see citations under Agria, Campbell, Davidson, McDonald, Eldridge, Musgrave and Steiner.

Johnson, William A. Special Assistant to the Deputy Secretary on Energy and Natural Resources, Treasury Department. Testimony before the House Ways and Means Committee, December 4, 1973 (hearings not printed).

This statement discusses various alternatives for dealing with the current energy shortage, including price rises, deregulation of natural gas, gasoline taxes, rationing. The percentage depletion allowance and possible excess profits taxes are also discussed.

Litchblau, John H. Some comments on the differential tax treatment of the petroleum producing industry. *In* Proceedings of Rocky Mountain Petroleum Economic Institute, June 25–28, 1967, pp. 39–52.

Litchblau argues in favor of the tax provisions that removal of percentage depletion might adversely affect marginal wells and that the overall tax burden on oil and gas is the same or higher than other industries. He suggests that intangible drilling costs deduction has been more important for purposes of national security.

McDonald, Stephen L. Federal tax treatment of income from oil and gas. Washington, Brookings Institution, 1963. 163 pages.

A general background paper prepared for a conference of experts held in 1962, together with a summary of the conference discussion. Selected bibliography on pages 155–158.

McDonald, Stephen L. Percentage depletion and tax neutrality: a reply to Messrs. Musgrave and Eldridge. National tax journal. Vol. XV No. 3, September 1962, pp. 314–326.

McDonald responds to criticisms of Musgrave and Eldridge, arguing his purpose was not to deal generally with the neutrality of the corporate tax but to challenge the argument that percentage depletion creates nonneutrality. While he admits problems with the empirical base of his argument, he retains his general conclusions.

McDonald, Stephen L. Percentage depletion and the allocation of resources: the case of oil and gas. National tax journal, Vol. XIV, No. 4, December 1961, pp. 323–336.

McDonald challenges the proposition made by Harberger and others that the special tax provisions for oil and gas create non-neutrality. He argues that special provisions are consistent with neutrality because they apply to a risky, capital-intensive industry.

Mid-Continent Oil and Gas Association, "Analysis and comment relating to the CONSAD report on the influence of U.S. petroleum taxation on the level of reserves. Tax reform, 1969, hearings before the Senate Finance Committee, 91st Cong., 1st Sess., Part 5 of 7 parts, pp. 4627–4647.

This critique of the CONSAD report charges that the conclusions of the report are invalid because the model is inappropriate, the quality and manipulation of the data questionable, the report contains factual errors and the study uses doubtful promises about the economics of the petroleum industry. The critique also notes that the numerous cautions made by CONSAD itself suggests that the results should not be accepted without further inquiry. One of the most serious criticisms appears to be the holding of production constant.

Musgrave, Richard A. Another look at depletion. National tax journal. Vol. XV, No. 2, June 1962, pp. 205–208.

Musgrave criticizes McDonald's thesis that the percentage depletion allowance acts to restore neutrality. He suggests that the argument is overstated due to the assumption that capital is perfectly inelastic.

Natural resources journal, Vol. 10. No. 1, January 1970, 125 pages.

This issue presents a symposium on Federal treatment of oil production. The symposium includes contributions by Paul Davidson, John Due, Edward W. Erickson, Alfred E. Kahn, Wallace F. Lovejoy, Stephen McDonald and Walter Mead.

Nixon wildcat "incentives" curtail the search instead, Oil and gas journal, June 14, 1973, pp. 19–22.

This article criticizes administration proposals made in April 1973, including a credit for exploratory drilling. The article charges that the definition of exploratory wells is too narrow.

Peach, W. N. The energy outlook for the 1980's. A study prepared for the use of the Subcommittee on Economic Progress of the Joint Economic Committee. December 17, 1973, 39 pages.

This study examines the outlook for developing energy resources in the United States including coal, offshore oil and gas, Alaskan oil and gas, oil shale, nuclear energy, geothermal energy, and tar sands.

Peel, Fred W. Corporations and the 10 percent "minimum" tax. The tax executive. Vol. 23, No. 4, July 1971, pp. 588–596.

The author charges that large integrated corporations are better able to avoid the minimum tax because they are more likely to have regular income taxes to offset preferences. He deals specifically with percentage depletion.

Petroleum Industry Research Foundation, Inc., The tax burden on the domestic oil and gas industry, May 1972, 32 pages.

This pamphlet compares total taxes (Federal, State and local) as a percentage of gross income and value added of the oil and gas industry with that paid by other business.

Price-Waterhouse and Company. Statistical data for selected petroleum companies compiled for use in analysis of taxes and effective Federal income tax rates. Year 1970, 8 pages.

This aggregation of data prepared for the American Petroleum Institute is based on conditional information supplies by 18 major oil companies. It includes data on tax versus book depletion, depreciation and intangible drilling costs deductions, divided into foreign and domestic, expenditures on exploration and development, taxes paid to State and local and foreign governments and other items.

Spann, Robert M., Edward W. Erickson and Stephen W. Millsaps, Percentage depletion and the price and output of domestic crude oil, Panel discussions on general tax reform. Panel No. 9; Natural resources. U.S. Congress, House Committee on Ways and Means, 93rd Cong., 1st Sess., Washington U.S. Gov't Print. Off., pp. 1309–1328.

This study, using a supply and demand analysis attempted to measure the effect of percentage depletion and intangible drilling costs on prices, productions and reserves.

Stauffer, Thomas R. Economic cost of U.S. crude oil production. Journal of petroleum technology, June 1973, pp. 643–657.

This study estimated the impact on production of removing the percentage depletion allowance, intangible drilling cost expensing and expensing of dry holes and various combinations of these provisions. The study examined what portion of production would become uneconomic because of revenue loss from the provision.

Steiner, Peter O. The non-neutrality of corporate income taxation—with and without depletion. National tax journal. Vol. XVI, No. 3, September 1963, pp. 238–251.

Steiner reviews the tax neutrality debate regarding percentage depletion (see Eldridge, Harberger, McDonald, Musgrave and Steiner). He suggests that neutrality is not a sacred principle and that sound national policy may find overriding reasons for reallocating resources.

Steiner, Peter O. Percentage depletion and resource allocation. *In* Tax revision compendium. U.S. Congress, House Committee on Ways and Means, Washington, U.S. Gov't. Print. Off., 1959, pp. 949–966.

Steiner suggests that tax provisions regarding oil and gas cause non-neutrality in the tax system, but finds re-allocation of resources to be less than that suggested by Harberger.

Stone, Lawrence M. Taxation of foreign income. *In* Panel discussions on tax reform, Panel No. 11, Taxation of foreign income, U.S. Congress, House Committee on Ways and Means. 93rd Congress, 1st Sess., February 28, 1973, pp. 1835–1841.

This statement on the tax treatment of foreign income in general also deals specifically with the tax benefits to foreign exploration and development of natural resources including the deduction of percentage depletion and intangible drilling costs and the crediting of royalties as foreign income taxes.

Taxation with Representation. Compendium prepared for the House Committee on Ways and Means and the Senate Committee on Finance, regarding the petroleum industry's tax burden, 1973. Appears in U.S. Congress, House Committee on Ways and Means, hearings on General tax reform, Part of 18 parts, March 19, 20, 1973, Washington, U.S. Gov't Print. Off., pp. 2295–2358.

This compendium examines data from U.S. Oil Week and that compiled by Price-Waterhouse for the American Petroleum Institute and the Petroleum Industry Research Foundation, Inc. Compendium statements include "The economics of the oil industry's tax burden," by James C. Cox and Arthur W. Wright; "Taxation and the petroleum industry," by Edward W. Erickson, David M. Hyman, Robert M. Spann and Stephen W. Millsaps and "Tax payments by the petroleum industry," by an attorney who has specialized in tax matters and submitted his comment under the pseudonym "Agricola" since his employment would make it awkward to submit a comment under his own name. Senator Proxmire's insertion into the Congressional Record of the U.S. Oil Week Data, October 27, 1971 and a letter from Frank Ikard of the American Petroleum Institute submitting the Price-Waterhouse data and the Petroleum Industry Research Foundation, Inc. study to Congressional offices are reprinted. Taxation with Representation is a public interest tax lobby.

Tussing, Arlon R. Discussion of "Estimated economic cost of U.S. crude oil production," by Thomas R. Stauffer. Journal of petroleum technology, June 1973, pp. 657–658.

This critique was not specific to the section of the paper dealing with taxation since the author felt the methodology to be unclear. He questioned whether Stauffer was examining the impact on average cost wells or high cost wells.

U.S. Congress, House Committee on Ways

and Means. Legislative history of depletion allowance. Prepared by the staff of the Joint Committee on Internal Revenue Taxation, March 1950, 36 pages.

This legislative history presents the early development of the depletion allowance in detail.

U.S. Congress, Senate Committee on Finance, Fiscal Policy and the Energy Crisis, Subcommittee on Energy, Committee Print, 93rd Cong., 1st Sess., Washington, U.S. Gov't Print. Off., November 20, 1973, 144 pages.

This committee print contains briefing materials on the use of fiscal policy to deal with the energy crisis.

U.S. Congress, Senate Committee on Interior and Insular Affairs. Financial requirements of the nation's energy industry, Serial No. 93–5, March 6, 1973, 93rd Cong., 1st Sess., Washington, U.S. Gov't Print Off., 1973. Submissions of the Federal Power Commission, pp. 218–219, the Department of the Interior, pp. 225–233 and the Treasury Department, pp. 234–249.

These statements were solicited in regard to the capital needs of the petroleum industry. Of particular interest are the discussions of the Treasury Department regarding the effects of percentage depletion, expensing of intangibles and dry hole costs.

U.S. Treasury Department. Proposals for tax change. April 30, 1973 (Presented before the Ways and Means Committee Hearings on tax reform) 175 pages.

This proposal of the Treasury Department included a tax credit for exploratory drilling.

U.S. Treasury department. Staff analysis of the preliminary Federal Trade Commission staff report on its investigation of the petroleum industry, July 2, 1973. Senate Committee on Interior and Insular Affairs, Committee Print, Serial No. 93–98, 1973 (Letter of transmittal dates August 29, 1973) 75 pages.

This analysis refutes the charges made by the Federal Trade Commission regarding the effect of tax and other conditions on concentration in the petroleum industry.

U.S. Treasury Department. Tax reform studies and proposals. U.S. Congress. House Committee on Ways and Means and Senate Committee on Finance. Washington, U.S. Gov't Print. Off., 1969, pp. 413–433. Part 3. Tax treatment of minerals.

A summary of the issues with regard to tax treatment of minerals and an evaluation of the Fisher-Erickson and CONSAD estimates.

Wheatley, Charles F. Statement in U.S. Congress, Senate Committee on Interior and Insular Affairs, February 25, 1969 and March 2, 1972, Serial No. 92–22, Part 2, pp. 770–772.

This section of Wheatley's testimony deals with the effect of Federal income taxation on natural gas prices and production.

World Oil Developments and U.S. Import Policies. A Report prepared by the U.S. Tariff Commission. U.S. Congress. Senate Committee on Finance, December 17, 1973.

An analysis of the questions of substituting tariffs for quotas to control oil imports.

Mr. MAGNUSON. Finally, Mr. President, I wish to introduce for the RECORD the following letters I have received from the academic community around the Nation since the depletion repeal amendment was introduced. The letters are noteworthy because they represent the opinions of the very best minds in the fields of tax law, tax policy, and tax economics.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

GEORGETOWN UNIVERSITY,
Washington, D.C., May 14, 1974.
Senator WARREN MAGNUSON,
Washington, D.C.

DEAR SENATOR MAGNUSON: I understand that you plan to introduce as an amendment to an energy bill in the Senate language incorporating the substance of those provisions of the bill recently reported by the Ways and Means Committee of the House removing percentage depletion on oil and gas. Your bill would incorporate some improvements in the Ways and Means bill which will be proposed by Congressman William Green.

I have no useful opinion about the tactical considerations involved in moving the legislation in this way as compared to following the traditional channels of Senate action on the House bill. I do, however, want to applaud your decision to advance the substance of this proposal.

Percentage depletion is a bad tax provision. It provides basically that value added through exploiting our limited natural resources will be taxed less heavily than value added through manufacture. Thus, when oil is selling at $7 a barrel, the percentage depletion tax benefit is worth as much as $1.30 additional price. For oil manufactured from coal and selling at $7 a barrel, the tax benefit is worth about 10 cents. For energy generated from solar heat there is no percentage depletion benefit. For additional investment in equipment or insulation that saves a barrel of oil there is no tax benefit.

This highly discriminatory benefit is surely an insane way to deal with an energy crisis.

There may have been a shadow of justification for percentage depletion when U.S. policy was directed at protecting the high cost U.S. oil industry from foreign price competition. In the last year, however, we have seen the foreign oil price jump to previously unheard of levels such that U.S. energy producers are enjoying windfall profits. It is appropriate in this circumstance for the U.S. price to rise.

We want to exploit every U.S. energy source that can deliver oil at less than the import price; and we want a higher price for energy to discourage U.S. consumption of energy. The proper U.S. policy is:

To remove Treasury support for the oil industry,

Permit oil and other energy producers to get their incentives in the market place,

Tax the profits of energy producers, and

Use the increased revenues to reduce the taxes paid by consumers.

When a tax provision is long in the tax law, it will have lead to additional supply in the affected industries and its sudden removal could impose losses on producers who expanded in reliance upon it. In the present circumstances, however, the tripling of the world oil price is a far greater benefit to producers than percentage depletion so percentage depletion should be removed in full, effective for all of 1974.

You should not be concerned about the effect of this action on investment in the energy industries. In our capitalist system, profitable industries will expand even without the need of an implicit subsidy provided by less than normal taxes on windfall profits. Actually, a failure to repeal percentage depletion fully and immediately will serve to finance the expansion of existing large oil companies in proportion to their share of the windfall profits. This can only serve to reduce competition in the energy industries.

Neither should you be concerned by the complaints that this repeal will hurt "independents." The independent producers in the oil industry, which includes firms with sales up to $50 million, will, like other firms, be enjoying windfall profits and are not about to go out of business.

The Ways and Means Committee bill, even with the Green amendment, is still a very generous bill to the oil industry. It leaves untouched the existing provisions for the deduction of intangible drilling expenses on successful wells, a capital cost recovery system which is far more generous than that extended to other firms.

Sincerely,

GERARD M. BRANNON.

PHILADELPHIA, PA., *May 13, 1974.*
Hon. WARREN G. MAGNUSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MAGNUSON: I am writing to indicate my strong endorsement of your proposed effort to seek the immediate repeal of the percentage depletion allowance for oil and gas. Further hearings on the subject are unnecessary. All that needs to be said has been, time and time again.

The case for repeal is clear. Further delay works substantial injustice.

Sincerely,

BERNARD WOLFMAN.

PUBLIC INTEREST ECONOMIC CENTER,
Washington, D.C.

To the Congress of the United States:

For many years the Federal government has lightened the tax burden of the petroleum and other extractive industries by special provisions of the tax code. These indirect subsidies have been one of the causes of our long-run energy problem. They have stimulated production and consumption, draining the U.S. of our oil and increasing our dependence on foreign sources. And they have inhibited the development of substitute sources of energy, such as geothermal and solar, which do not benefit from these special provisions.

One alternative—to keep the present provisions intact and add on a "temporary" excess profits tax and a special investment tax credit—seems likely to be a mistake. The excess profits tax may indeed prove temporary while the special investment tax credit proves permanent, which has been the history of minerals taxation. This would further complicate an already too complicated tax code, creating new inequities and distortions, further lightening the oil industry's tax burden and worsening our long-run energy problem. On the contrary, the remedy is to simplify the tax code and move toward greater tax neutrality by eliminating the special privileges.

We should eliminate the percentage depletion allowance and treat capital expenditures in the extractive industries on the same basis as those in other industries. In the past, petroleum companies have been permitted to treat what are essentially royalty payments and excise taxes as foreign income taxes subject to the foreign tax credit. This practice should be reformed. If we eliminate the special provisions for the extractive industries, then it is doubtful that we would need an excess profits tax for petroleum. Incentives for exploration and development should not be made in the tax code. If such incentives are needed, they should be made explicitly on the expenditure side of the budget.

Respectfully submitted,

SIGNATORS

Allen R. Ferguson, President, Public Interest Economics Center.

Dr. Armen A. Alchian, Los Angeles, California.

Professor Kenneth J. Arrow, Department of Economics, Harvard University.*

Professor Robert T. Averitt, Department of Economics, Smith College.

Carolyn Shaw Bell, Katharine Coman Professor of Economics, Wellesley College.

Professor Charles A. Berry, Department of Economics, University of Cincinnati.

Professor Bradley B. Billings, Department of Economics, Georgetown University.

Professor Stanley W. Black, Department of Economics, Vanderbilt University.*

Dr. Gerard M. Brannon, Research Professor of Economics, Georgetown University.

Professor Charles J. Cicchetti, Department of Economics, University of Wisconsin.

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Professor James Crutchfield, Department of Economics, Graduate School of Public Affairs, University of Washington.

Professor John H. Cumberland, College of Business and Public Administration, University of Maryland.

Professor Paul Davidson, Department of Economics, Rutgers University.

Professor Robert K. Davis, Department of Geography and Environmental Engineering Johns Hopkins University.

Professor Fred C. Doolittle, Joint Program in Law and Economics, University of California at Berkeley.

Professor Thomas D. Duchesneau, Department of Economics, University of Maine.

Professor Robert Eisner, Department of Economics, Northwestern University.

Professor Arthur M. Freedman, Finance Department, Wharton School, University of Pennsylvania.

Professor A. Myrick Freeman III, Department of Economics, Bowdoin College.

Dr. John W. Fuller, Wisconsin Department of Transportation.

Professor Daniel R. Fusfeld, Department of Economics, University of Michigan.

Professor J. K. S. Ghandhi, Finance Department, Wharton School, University of Pennsylvania.

Professor Arnold C. Harberger, Department of Economics, University of Chicago, and Visiting Professor of Economics, Princeton University.

Professor Steve H. Hanke, Department of Geography and Environmental Engineering, Johns Hopkins University.

Professor Robert Haveman, Department of Economics, University of Wisconsin.

Professor Edward S. Herman, Finance Department, Wharton School, University of Pennsylvania.

Dr. Allen V. Kneese, Washington, D.C.

Professor Edwin Kuh, Department of Economics, Massachusetts Institute of Technology.

Dr. Jack L. Knetsch, Environmental Defense Fund.

Dr. John V. Krutilla, Washington, D.C.

Professor Wassily Leontiev, Department of Economics, Harvard University.

Professor Ervin Miller, Finance Department, Wharton School, University of Pennsylvania.

Professor James R. Nelson, Department of Economics, Amherst College.

Professor Roger G. Noll, Department of Economics, Division of the Humanities and Social Sciences, California Institute of Technology.*

Dr. Benjamin A. Okner, Washington, D.C.

Professor Charles E. Olson, College of Business and Management, University of Maryland.

Dr. Talbot Page, Washington, D.C.

Dr. Joseph Pechman, Washington, D.C.

Professor Giulio Pontecorvo, Graduate School of Business, Columbia University.

Dr. Ronald G. Ridker, Washington, D.C.

Professor Stefan H. Robock, Graduate School of Business, Columbia University.

Professor Paul A. Samuelson, Department of Economics, Massachusetts Institute of Technology.

Professor James D. Smith, Department of Economics, Penn State University.

Professor V. Kerry Smith, Department of Economics, State University of New York at Binghamton.

Profesor Robert M. Solow, Department of Economics, Massachusetts Institute of Technology.

William Vickrey, McVickar Professor of Political Economy, Columbia University.

Professor Charles Waldauer, Department of Economics, Widener College.

Professor Harvey E. Brazer, Department of Economics, University of Michigan.

Professor Duane Chapman, Department of Economics, Cornell University.

Professor George M. Eastham, Department of Economics, California Polytechnic State University.

Professor Robert J. Gordon, Department of Economics, Northwestern University.

Professor Byron Johnson, Department of Economics, University of Colorado, Member, 86th Congress.

Professor Warren J. Samuels, Department of Economics, Michigan State University.

Professor Carlos Stern, Department of Environmental Economics, University of Connecticut.

G. L. Stevenson, Temporary New York State Charter Commission for New York City.

Professor Lester C. Thurow, Department of Economics, Massachusetts Institute of Technology.

Professor T. Nicolaus Tideman, Department of Economics, Virginia Polytechnic Institute and State University.

Professor James Tobin, Department of Economics, Yale University.

PART-TIME COMMUNITY SERVICE EMPLOYMENT

Mr. ABOUREZK. Mr. President, the other day we voted favorably on H.R. 14013 making supplemental appropriations for fiscal year 1974. Included in that bill was the amount of $10 million on an amendment introduced by Senator KENNEDY for the purpose of funding meaningful part-time community service employment for workers of 55 years and older under title IX of the Older Americans Comprehensive Services Amendments of 1973. Title IX was intended, as this Congress repeatedly made clear in the legislative history of the measure, to provide for a distinct categorical program for needy Americans whom advancing years have overtaken and rendered helpless and hopeless in the critically tight job market. For good reasons, it was deemed unacceptable to place the operations of this program under the rubric of special revenue sharing. Instead we decided to continue to contract out its administration to a group of so-called "national contractors," whose pilot programs had proved their worth over 6 years past.

In his remarks on the floor on May 7, Senator KENNEDY roundly criticized the administration language which would provide for the replacement of the successful national contract agencies by State and local governments under revenue sharing. I endorse the sentiments of the gentleman from Massachusetts and have studied the matter further.

I learned last week that the Assistant Secretary for Manpower of the Department of Labor, Mr. William H. Kolberg, met with representatives of these contracting groups on Tuesday, May 14, and informed them that his mind was made up to continue on his course of decentralizing the categorical programs by administering them through revenue sharing. He announced that the regulations for reversing the operation of the program would be published in the Federal Register in the immediate future.

I undertook to express my strong reaction to this news by a letter to Mr. Kolberg. I ask unanimous consent to have this letter printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ABOUREZK. Mr. President, if the Department of Labor carries through with its announced defiance of congressional intent, our legislative bodies will not be the only losers. An array of fine, devoted service groups which have been operating work programs for older citizens will have been betrayed in their expectations of becoming permanently associated with the national effort to make the advancing years of less fortunate Americans a worthwhile experience and not a dreaded interval of deprivation and want before death. These contracting agencies include the National Council of Senior Citizens, the National Council on the Aging, Green Thumb, the National Farmers Union, and the AARP/NRTA—associations of retired teachers and others. I salute their excellent record on behalf of older Americans.

To substitute for these groups, which have turned in a commendable performance, we would soon see the State and local governments involved in the general revenue sharing, which, the General Accounting Office has told us, has resulted in less than one-half of 1 percent of the funds reaching the supposed beneficiaries. Of the $10 million we voted to appropriate a few days ago, therefore, only $50,000 could be expected to benefit the low-income elderly of the Nation. Surely, our concern for this segment of our population cannot be so cynically betrayed.

Out in the State of South Dakota we have a reservation of the Rosebud Sioux Tribe. It is well known that the plight of the American Indian surpasses the poverty and hardships of any other group in the country. At Rosebud, with a population of over 7,500 persons, the rate of underemployment and unemployment was 44 percent in March 1973. This is not the most depressed Indian reservation in my State and it is far from being the hardest hit of the Nation's Indian communities. But it means a dismal reality for the elderly Rosebud Sioux whose declining years are shadowed and uncertain.

Through the National Council of Senior Citizens, however, the Rosebud Sioux and I had hoped to alleviate this dismal condition in the next few months. But now these aging First Americans may be condemned to seeing their hopes defeated, thanks to the obstinacy of the Labor Department.

I call upon my colleagues in this body to make known their resentment at the arbitrary and callous manner in which our purpose to lighten the load borne by aging Americans is being disregarded.

EXHIBIT 1

COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS,
Washington, D.C., May 21, 1974.

Hon. WILLIAM H. KOLBERG,
Assistant Secretary for Manpower, U.S. Department of Labor, Washington, D.C.

DEAR MR. SECRETARY: On May 14 you announced to representatives of national contracting groups operating programs under Title IX of the Older Americans Comprehensive Services Amendments of 1973 that you intended in the future to administer the Title IX programs through revenue sharing. I wish to register my protest to this arbitrary and cavalier treatment of the will of Congress, the dedicated services of the contracting agencies, and the needs of deprived aging Americans.

The legislative history of the authorization measure makes clear the intent of Congress that Title IX be insulated from the uncertainties of the revenue sharing concept through the use of national contractors whose commitment is to the older citizens, rather than to the political exigencies of local government or to the total constituency of your office. This intention was reiterated in appropriations bills, furthermore. It is inconceivable that it could have been overlooked, so I must conclude that it was purposely ignored.

The sponsorship by the national contractors of the Older Workers Community Service Employment Program has been a successful venture in contracting out of functions of the Executive Branch. In contrast to comparable programs operated by federal, state, and local agencies, which too frequently achieve little beyond the expenditure of budgeted funds, the pilot programs of the national contracting groups have been universally applauded. Cutting out proved operating agencies and subjecting Title IX funds to the reported mismanagement characteristic of general revenue sharing appears to be an abuse of administrative discretion.

The concerned response of Congress to the plight of low-income and aging citizens trapped in low employment, rising costs conditions was represented in the recent supplemental appropriation of $10 million for Title IX. The prospect of these funds never reaching the needy and helpless beneficiaries except in the form of seepage out of general revenue sharing mocks at their destitution and their trust.

I find your proposal to convert the management of the program from the contractual basis of proven merit to the suspect aegis of revenue sharing lacking in responsiveness to most of the vital elements involved, and I have not yet learned of any extenuating circumstances.

Sincerely,

JAMES ABOUREZK,
U.S. Senate.

ANNIVERSARY OF THE INDEPENDENCE OF SRI LANKA

Mr. HARTKE. Mr. President, today marks the 26th anniversary of the independence of the island country of Sri Lanka, formerly known as Ceylon, which is located off the tip of India.

Sri Lanka has been hailed as a model among developing countries for having achieved economic growth alongside social justice within a democratic system. It has reason to be proud of its strong democratic traditions, particularly as a result of its parliamentary system. It is perhaps the only country in Asia which has witnessed changes of government by means of peaceful democratic elections in which 18-year olds have been allowed to vote.

For a country with a multiracial population, this is certainly an enviable record. Sri Lanka has the highest literacy rate among the developing nations, with 94.7 percent of those between the ages of 5 and 40 able to read and write.

The Prime Minister, the Honorable Sirimavo R. D. Bandaranaike, stated recently that his country was:

> The depository of the doctrine of the Buddha with its peoples influenced by the doctrines of kindness, compassion and humility and where adherents of various religions lived together in peace and brotherhood.

Sri Lanka has been able to achieve a level of income and wealth distribution which, at the last annual meeting of the International Bank for Reconstruction and Development, was hailed by its President, Robert McNamara, as one of the few countries of the world in which there has been both economic growth and social development.

When Sri Lanka gained independence in 1948, the late Prime Minister, S.W.R.D. Bandaranaike, stated that:

> The political freedom for the people of his country had been achieved would have little meaning unless it was accompanied by the larger economic freedoms from want, poverty, hunger and disease.

Several months ago, I had the opportunity to visit with the leaders of Sri Lanka. I came away with the feeling that we have a true friend in this island and its government. The high rate of literacy, coupled with the profusion of schools throughout the island, lend tremendous advantages to businesses that would like to establish manufacturing and agricultural concerns in this part of the world.

While there, I had the opportunity to partake of a very refreshing fruit drink which, I might note, would soothe the tastes of those long, hot summer days which are drawing closer.

Sri Lanka has continued to maintain a policy of strict nonalinement with both the superpowers and the third world movement. She has received assistance from the United States, the Soviet Union, India, Pakistan, the United Kingdom, Yoguslavia, and the United Arab Republic. One of the highlights of Sri Lanka's foreign policy was the adoption by the General Assembly of the United Nations of a resolution to establish a special ad hoc committee to study and report on the implementation of a resolution declaring the Indian Ocean as a Peace Zone.

Indeed, Sri Lanka is a beautiful island country that welcomes Americans and the principles of human dignity and freedom.

NATIONAL HEALTH INSURANCE: THE NEED IS NOW

Mr. HARTKE. Mr. President, the Senate Finance Committee has begun hearings on national health insurance. With similar action taking place on the House side, it now appears possible that Americans will have a national health insurance program by the end of this year.

I ask unanimous consent that the text of my opening statement this morning to the Senate Finance Committee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR VANCE HARTKE

There is not a person living on the face of this earth who does not want good health. The opinion polls may not show it, but health is constantly on the minds of every American. We may not think about good health when we have it, but we are likely to pray for it when we do not. From the simplest cold to the most dreaded cancer, illness can strike anyone, at any time, at any age. At its very best, it can leave us uncomfortable; at its very worst, it can kill.

THE NEED FOR NATIONAL HEALTH INSURANCE

This week, we begin an historic effort to assure that every American has access to quality health care regardless of his income, his age, or his place of residence.

The plain fact is that many Americans cannot see a doctor when they need one; they cannot get the hospital care they need; in short, they cannot enjoy their right to quality health care simply because they cannot afford it. People are dying this very day who might otherwise be kept alive if they had the money to pay for health care. We can discuss this problem in terms of dollars lost in the gross national product, but I prefer to discuss it in terms of human life and human happiness.

I long for the day when complicated medical machines, difficult surgical procedures and expensive medicines will be within the reach of any American in need. Why should some kidney patients be dying simply because they cannot afford a dialysis machine? Or why should a hemophiliac bleed to death because he cannot afford corrective medication? We can talk all we want to about the realities of health care, but there is only one reality that counts: the only way to assure every person's right to the care provided by doctors and hospitals is to establish a national health insurance program.

We have waited too long to take this step. As far back as World War I, the American Medical Association proposed comprehensive tax-financed national health insurance coverage. Similar ideas were offered during the Roosevelt and Truman administrations, but never enacted. In the meantime, we have inaugurated both Medicare and Medicaid to care for the elderly and the indigent. It is now time that we recognize that the spectre of illness knows neither age nor income barriers. We can no longer say that only the aged and the poor need health insurance assistance, for it's only the very wealthiest of Americans who can rest assured that they will be able to bear the cost of any illness or any accident. The rest of us must live with the burden of worrying what will happen to ourselves and our loved ones if we become sick.

In a country which has recognized the need to guarantee that every person is well-fed and properly housed, and that no person need live in poverty because of old-age or lack of available jobs, it is ironic that it has taken so long to guarantee that every American will have access to one of the finest health care systems in the world.

We need to guarantee proper medical attention to pregnant women; we need to guarantee proper medical attention from the time a child is born into this world; we need to guarantee that no illness will bankrupt a family. National health insurance can meet these goals, and I urge this Committee to recomend such a program this year.

INADEQUACY OF PRESENT INSURANCE COVERAGE

While most Americans have private health insurance coverage, it is often inadequate. For instance, half of all Americans have no coverage whatsoever for home and office visits. Even lower numbers have coverage for out-of-hospital prescription drugs, nursing home care and dental care. Nearly 38 million Americans have no health insurance coverage at all, and all too many of these are the poor and the children of poor families.

All of these statistics may have a hollow ring, but they can be translated into more concrete terms. The higher a person's income, the more likely he is to have hospital and surgical coverage. The higher a person's income, the more likely he is to be healthy.

Let me emphasize, however, that the need for national health insurance cuts across income lines. We need national health insurance for both the poor and the non-poor. Both groups are suffering under the strain of the high costs of hospital and doctor care.

Both groups have a right to quality health care; and both groups will benefit from national health insurance.

BASIC PRINCIPLES FOR NATIONAL HEALTH INSURANCE

These hearings afford an opportunity to discuss the basic elements which must be a part of national health insurance. Let me suggest what I believe those elements to be.

First, good health is the hope of every American and access to quality health care is the right of every American. National health insurance must guarantee that right.

Second, there are Americans who, because of income, employment status, or geographic location, do not have sufficient access to quality health care. National health insurance must guarantee that access.

Third, national health insurance must cover the costs of preventive as well as remedial care.

Fourth, it must cover the cost of hospitals and health care practitioners.

Fifth, it must cover the costs of both short-term illnesses and long term sickness and debilitation.

Sixth, it must cover the costs of home health care and mental health care.

Seventh, it must allow patients to choose their own doctors.

Eighth, it must provide a means to establish a system of health insurance coverage for lower income individuals and families.

Ninth, it must not differentiate between the scope of coverage afforded to the poor and the non-poor.

Tenth, it must not provide for any unnecessary governmental intervention in the health care delivery or insurance system.

Eleventh, it must seek to avoid unnecessary paperwork, regulations or other complications which only serve to inhibit the provision of quality health care and heighten suspicion and frustration among the people.

Twelfth, the extent of financial assistance provided by the Federal government should be related in a rational and responsible manner to family income. In other words, those most in need, should get the most financial assistance.

Thirteenth, national health insurance must provide expanded benefits for those 65 and older which are similar, if not identical, to those provided for people under 65.

Fourteenth, it must include reasonable provisions for cost control and utilization review.

These are the basic principles which must be a part of any national health insurance policy. To them, I add a word of caution. National health insurance is more than a matter of political importance. Millions of Americans will benefit from it, but they will not get that benefit if we enact a program which promises far more than it can deliver. We must look at the present capabilities of our own health care delivery system before we enact any program which is designed to encourage a major increase in the use of that system. We must look to the national health programs of other countries, so that we can adopt their strengths and avoid their pitfalls.

HEALTH CARE INSURANCE ACT

I have sponsored legislation which meets the basic criteria for a national health insurance program. The Health Care Insurance Act has been co-sponsored by more than 180 members of the Senate and House, including my distinguished colleagues, Senator Hansen, Senator Dole, Senator Fannin, and Senator Packwood of this Committee. It is a good bill—a rational approach to America's health insurance needs.

The Health Care Insurance Act provides broad doctor and hospital coverage for everyone. It provides catastrophic illness protection at no cost. It sets a minimum of co-insurance and deductibles for basic coverage, and hinges the catastrophic deductible on family income tax liability. Above all, it provides tax credit assistance for the purchase of health insurance to every American—assistance which is also based on family income tax liability.

No family would have to pay more than $100 a year for medical care; no family would have to pay more than $100 a year for out-patient or emergency care; no family would have to pay more than $100 a year for dental care for children up to 6 years of age; no person would have to pay more than $50 for each hospital or post-hospital extended care stay. In no year, would a family have to put out more than 10 percent of its taxable income in covered health expenditures. That means for a family with taxable income of $10,000 even the most dreaded of illnesses would cost no more than $1,000. For most families, the average expenditure during the course of a year would be more like $250 to $350—less than they are currently spending out of pocket.

Let me take a few moments to discuss a few special concerns which ought to be brought to the attention of this Committee.

MENTAL HEALTH SERVICES

I believe that any national health insurance program we adopt must provide comprehensive coverage for mental health services, including psychology as well as psychiatry. Psychology as a profession has come of age in the United States, and consumers should have the right to choose among the major health care professions. Psychology is oriented toward out-patient intervention rather than hospitalization. With the increasing costs of hospital care and the rising tensions and frustrations in our society, independent practitioners of clinical psychology must not be ignored by national health insurance.

OPTOMETRY

Optometrists currently provide 70 percent of the nation's vision care services. One out of every ten persons is 65 years of age or older, and 95 percent of this group has problems with vision. Forty-five percent cannot even read a newspaper.

But this problem does not relate to the elderly alone. An unknown number of children suffer in the learning process because of uncorrected vision impairments. With half of our population over the age of 3 requiring some type of corrective lenses, it is essential that national health insurance cover the services of optometrists.

PODIATRY

I also advocate the inclusion of podiatry under national health insurance. Congress recognized the value of podiatry when it included podiatrists within the definition of physicians' services under Medicare. We must continue this recognition under national health insurance.

VETERANS' MEDICAL PROGRAMS

Too little attention in the debate over national health insurance has been given to the various medical programs run by the Veterans Administration. The V.A. system has served the dual purpose of providing specialized treatment facilities for veterans while making substantial contributions to the quantity and quality of medical care in this nation. As long as I am Chairman of the Senate Committee on Veterans Affairs, I do not intend to allow the veterans hospitals and other medical programs to be obliterated by national health insurance.

KIDNEY DISEASE

In the fall of 1972, the distinguished Chairman of this Committee (Senator Long) and I sponsored an amendment to the social security bill to assure that no one with chronic kidney disease need die because he or she lacked the money to pay for the necessary treatment. That legislation was the culmination of years of study on the part of many dedicated individuals and organizations.

When it was signed into law by the President, many in Congress and in the Administration touted it as a forerunner of national health insurance. If that was an accurate description—and I believe it was—we must look at the experience under this program so that we can learn from its mistakes.

There were eight months between the time the kidney program became law and the time it went into effect, yet the regulations did not reach many hospitals and doctors until after the program had begun. Final regulations have yet to be developed. What is even more disturbing, the regulations and their interpretations were confusing and often arbitrary.

For six months, Federal reimbursement was almost nonexistent for virtually all kidney centers. This fact, coupled with the confusion caused by the regulations and the massive and unnecessary amounts of paperwork required by the government have caused patient services to be cut back.

Let me emphasize that point. Some hospitals have been forced to cut back chronic kidney disease care—even cut off some patients from care—because of the chaos of the Federal program.

I was alerted to this problem by doctors and hospitals in Indiana, but the difficulties are not limited to Indiana alone. I have sent questionnaires to doctors and hospitals throughout the country. Nearly every response has cited major problems with the kidney disease program. One letter suggested the death of a girl could be attributed to the arbitrariness and shortsightedness of the Federal regulations.

I will be completing my nationwide survey shortly. The information from the questionnaire will be analyzed by doctors, hospital administrators and patient-oriented groups. I intend to make this information available to the Finance Committee so that you can share my concern that there are people in this country today who are worse off with the Federal kidney disease program than without it.

The only way we can correct this tragic situation is to set aside two or three days of these hearings on national health insurance to examine the kidney disease program so that we can correct its weaknesses and learn from its mistakes.

THE INEQUITIES OF PAYROLL TAX FINANCING

Several of the national health insurance proposals before this Committee use a form of payroll tax to pay for the costs of the program. Let me just say that the social security payroll tax is the most regressive tax we have in our country today. Half of the people who file income tax returns pay more in payroll taxes than income taxes. From 1960 to 1973, an employee's average tax rose from $144 to $632, and employers have to pay an equal sum.

We simply cannot afford to use the payroll tax in its current form as a method of financing national health insurance. If we do, we risk losing the public support which will be necessary to make the program work.

CONCLUSION

There will be a great temptation in the coming days of hearings for individuals and groups to come before this Committee to expound on the virtues of their respective national health insurance proposals. But we have talked about individual bills too long. What is required is for this Committee to decide what the extent of the national health care need is, what health insurance measures will be necessary to meet that need, and—only then—how that need should be met.

I am proud of the bill I have introduced, and I have been pleased to see most of the other bills introduced subsequent to mine adopt many of its essential features. But there is no single bill before this Committee which is perfect. Each of the bills, including my own, is in need of improvement.

I approach these hearings, therefore, with an open mind—anxious to hear what the public has to say about national health care needs. And I intend to play an active role both in the hearings and in any subsequent proceedings of the Committee so that all of us can work together to write a national health insurance bill which will meet the needs of the American people.

GOVERNOR OF PUERTO RICO CALLS FOR INCREASED SELF-GOVERNMENT FOR THE COMMONWEALTH

Mr. ABOUREZK. Mr. President, the unique relationship between the United States and the Commonwealth of Puerto Rico has long been of interest to me as a model of two free and distinct peoples joined together in a voluntary and permanent union. It was with special interest, therefore, that I read the recent statement made by the Honorable Rafael Hernández Colón, Governor of Puerto Rico, in which he defined a new shape for this unique relationship, giving greater autonomy to the Puerto Rican people while at the same time strengthening the ties between the Commonwealth and the United States.

I would like at this time, Mr. President, to call the attention of my colleagues to an especially relevant portion from this outstanding, young Chief Executive's views, in which he calls for "vision, creativity and purpose in shaping the new Articles of Association between Puerto Rico and the United States."

I also urge my colleagues to read in full the Governor's statement, as it appeared in the Congressional Record of May 2, 1974. It was delivered before the ad hoc advisory group now considering future development of the commonwealth.

STATE DEPARTMENT DETAILS CAMPAIGN TO CUT AID TO SOUTH VIETNAM

Mr. HANSEN. Mr. President, I think it is obvious to all who follow activities on this floor in the Record that there is an ongoing propaganda campaign on the part of individuals sympathetic to the imperialist aggressors of Hanoi and the PRG to persuade the Congress to cut further aid to South Vietnam. Already, the Congress has seen fit to deny any increase or adjustment in that aid; the question now is whether we will continue to provide aid to South Vietnam at the current levels.

As I have said before, I am opposed to foreign aid in general, but I feel that the nature of the promises made by the United States to South Vietnam incidental to the Paris agreement makes it incumbent upon us to continue to supply South Vietnam with military assistance sufficient to maintain the country's national security in the face of PRG and Hanoi-backed acts of aggression.

Those who would persuade the Congress to cut off all aid to South Vietnam are a hard-core group of professional activists, left over from the antiwar movement of the late 1960's. Many of their leaders are openly sympathetic to the imperialist aims of Hanoi to dominate South Vietnam. So that my colleagues in the Congress may know a little more about them and their activities, Mr. President, I ask unanimous consent that a State Department document outlining their activities and organization be printed in the Record at the conclusion of my remarks.

There being no objection, the document was ordered to be printed in the Record, as follows:

Campaign To Cut Aid to Vietnam

A number of "peace" organizations and activists have mounted a sophisticated, long-term, coordinated campaign to pressure the Congress into eliminating or drastically cutting American assistance to South Viet-Nam. While such campaigns are a proper part of the American political process, we believe the Congress and the public should be aware of the nature of this effort. (In other papers we are addressing the substantive charges raised by the anti-aid campaign and the reasons why continued US assistance to South Viet-Nam is necessary to build up the structure of peace established by the 1973 Paris Agreement and to achieve South Vietnamese self-sufficiency.)

Last October 26–28, some 200 long-time, more or less professional anti-war activists met in Germantown, Ohio, at the invitation of Tom Hayden's "Indochina Peace Campaign" (IPC) to map future strategy and to reinvigorate the flagging "movement." The delegates represented 15 organizations, including American Friends Service Committee, Indochina Resource Center, Coalition for Peace and Justice, War Resisters League, Women's International League for Peace and Freedom, Women Strike for Peace, and others. According to the IPC newspaper, which headlined its coverage of the meeting "United Campaign to Pressure Congress," the participants "shared the view that the anti-war movement now has the objective capacity to actually force an end to US aid to the Thieu and Lon Nol dictatorships . . . (They) have a sense that the conference marked a new phase for the anti-war movements . . . Pacifists, church people, civil libertarians, Marxists, liberals and anarchists had spent a week-end learning how to cooperate."

The present campaign to cut American aid to Viet-Nam (of which Jane Fonda's recent direct lobbying effort based in a House of Representatives Committee room is a highly visible element) is a direct outgrowth of the Germantown conference, where it was decided to work within the American political system. Serious research was done, including a tabulation of how every member of Congress voted on pertinent legislation and case studies of successful and unsuccessful lobbying efforts. An instruction sheet on "Effective Lobbying Technique" was disseminated by the "Coalition to Stop Funding the War," which gives advice on writing letters ("Ask a question that can't be answered by a form letter or by someone who routinely deals with constituent mail"); on arranging meetings ("Be prepared with background information and know something of the Member's voting record); and other lobbying techniques. In addition to generating letters, meetings, etc., the campaign is currently promoting an "Indochina Peace Pledge" to be signed by Members of Congress and candidates, in which they are asked to pledge to support cuts in aid to South Viet-Nam.

Some of the most important of the propaganda lines which have been stressed repeatedly in this campaign are that:

The South Vietnamese Government is holding and systematically mistreating 200,000 "political prisoners."

The South Vietnamese Government, not the Communists, has been the aggressor in the fighting since the cease-fire.

US aid props up a repressive regime in South Viet-Nam which does not have popular support, and encourages it to continue the war.

The "peace" organizations, using these and other misrepresentations of the Viet-Nam situation in their sophisticated lobbying and propaganda campaign, have generated considerable attention in some segments of the US press, and public opinion.

MEDIA ACCESS

Mr. HANSEN. Mr. President, one of the bright young newspaper men of our time is Mr. Paul M. Bruun, the editor of the Jackson Hole Guide.

Those of my colleagues who have had the privilege of visiting the Jackson Hole area, which is my home, and which is the heart of the U.S. National Park System with both Yellowstone and Grand Teton Parks located in the vicinity, are aware of the picturesque beauty, and probably of the friendly and principled nature of the people of Teton County. But probably these same colleagues who saw the county seat, Jackson, did not think it was much of a city, with a population of less than 4,000 that some once said you could divide by 10 during the winter. They do not say that anymore, of course, since the Nation's ski enthusiasts have become aware of the great challenge offered by the Jackson Hole slopes. And those who saw the size of Jackson Hole probably felt a town like that couldn't have much of a newspaper.

But they failed to take into account the fact that several million Americans visit the Jackson Hole area every year. The fact is, Jackson has two newspapers—the Guide, which is senior, and the Jackson Hole News.

My distinguished colleagues might be surprised to know that chances are there are regular readers of the Guide in their own home towns. It is my understanding that because of the great influx of visitors to Jackson Hole every year, the out-of-State subscriptions to this newspaper are significantly higher than the in-State subscriptions, and the latter is significant. Many of those who visit Jackson Hole are so taken with the area that they repeat their visits annually, and during the interim, when they cannot be in Jackson Hole, they like to know what is going on there, and many of them find this out by reading the Guide.

Mr. Bruun, a former resident of Florida, on May 2, in an editorial entitled "Our View of the 'Right to Reply' " commented concisely upon the recent Tornillo appeal from Dade County, Fla., having to do with the national, and perhaps international, question of what constitutes adequate and fair access to the media.

The Guide editor concludes that it is his hope his readers will remain interested in the future of the free press. He states:

> It is the readers' views that this paper is eager to hear, not that of the government enforcing its own version of a 'fairness' doctrine.

This would seem a fair enough policy for most of us, because certainly we qualify as newspaper readers. But the statement recalls an article by Wall

Street Journal reporter John Pierson May 1, 1973, entitled "A Group Keeps Busy Trying To Ensure Accuracy of Media." Mr. Pierson recounted the difficulties a reader, Abraham Kalish of Accuracy in Media, Inc., has experienced in getting his letters to editors printed in his efforts to point out erroneous newspaper and broadcast reporting and commentary.

I request unanimous consent that following my remarks, the articles by Mr. Bruun and Mr. Pierson be printed in the Record for the benefit of those who may not have had opportunity to read them.

Mr. President, Mr. Bruun's article has reminded me of the thoughtful remarks on February 4 by the distinguished senior Senator from Arkansas (Mr. McClellan) on the question of access to the media.

The Senator pointed out that because the matter was pending before the Supreme Court, he did not feel it proper to advocate a particular point of view at the time. But he did note that the issue is of such transcendental importance that the Senate cannot afford to ignore it.

Mr. President, I agree with the distinguished senior Senator, and with Mr. Bruun, that access to the media is an important matter worthy of close examination, and urge that my colleagues consider the matter.

There being no objection, the article was ordered to be printed in the Record, as follows:

Our View of the "Right To Reply"

(By Paul Bruun)

Though Pat Tornillo is not a giant of a man, he may well be preparing to make an impact in the communication world that would do credit to a man hundreds of times his size. Tornillo is the director of the Dade County (Florida) Classroom Teacher Assn. (CTA) and has tried twice unsuccesfully to be elected to the Florida Legislature.

This in itself is not unusual except for a little-known Florida statute that has given Tornillo the chance to achieve notoriety far beyond his wildest dreams should he have reached the elected office.

In both of his campaign efforts, Tornillo incurred the wrath of the daily Miami Herald, a paper owned by Knight Newspapers and extremely outspoken in its political endorsements and criticisms. Even when Tornillo was not campaigning but only pursuing his daily CTA activities, the Herald was not particularly fond of the director.

The situation came to a head in 1972 when the Herald editorialized severely against Tornillo. The candidate's replies were not printed by the Herald even though he cited a 1913 right-to-reply statute that granted all candidates such an opportunity.

Tornillo, with the help of CTA attorney Tobias Simon and Jerome Barron brought a suit against the Miami Herald that was to really begin a controversy that this week reached the U.S. Supreme Court.

A lower court dismissed the first case but the Florida Supreme Court ruled in favor of the plaintiff. The Herald then appealed on the grounds that the right-to-reply law would kill further controversial coverage.

Of course it is no secret that media rights today are a constant source of discussion due to the current administration's attitude and concern over such matters. Even in light of the Supreme Court's consideration of the Tornillo vs. Miami Herald case, lawmakers are growing more interested in introducing such specific right-to-reply laws that would effect printed media in the same manner as the equal time "fairness" doctrine of the Federal Communications Commission covers radio and television networks.

Along with such proposals has come a notable Senate debate between Alan Cranston (D., Calif.) and John McClelland (D., Ark.) Cranston has absolutely opposed the right-to-reply extension to printed media while Sen. McClellan has endorsed such a procedure to protect candidates from severe attacks by the press.

The Supreme Court's decision on the right-to-reply situation is being watched closely by the nation's press representatives but perhaps has not caught the eye of the average citizen as much of an important issue.

While many of us in the media may blanch a little at the continued attacks by the administration on the credibility of the news gathering procedure, we are continuously striving for the best possible product. This means accuracy. And government power to interfere will not in any manner improve this product. With only a little imagination, the reader can see that numerous revealing articles would never have been printed and power packed editorials would not have been forthcoming if the worry of equal space and right-to-reply guaranteed every party free space.

Many of us make our pages open for comment and are often disappointed by the return. Letters are sometimes few and far between, but always welcome. Reader surveys show that "Letters To The Editor" are very popular even though they occupy less space. This situation is changing.

We will be watching for the decision on the part of the Supreme Court. It is guaranteed to be one that will greatly effect the future of the American press. Unfortunately, broadcasters have already felt the pressure of the "fairness" doctrine and are daily avoiding important articles that may involve controversy. This is not the foundation which created the United States and has helped to keep it strong both outside and from within.

We hope that our readers, too, will take an interest in the future of the free press. It is the readers' views that this paper is eager to hear, not that of the government enforcing its own version of a "fairness" doctrine.

A Group Keeps Busy Trying To Insure Accuracy of Media

(By John Pierson)

Washington.—The Washington Post, it seems, has discovered a nifty way to make money.

First, it prints some slanted and/or inaccurate stories. This stirs up an organization called Accuracy in Media Inc., which writes several letters to the Post to complain. Then the Post publishes only one.

So AIM buys space in the paper to advertise its "letters the editor of the Washington Post refused to print." This cost AIM $1,800.

Next, a reader writes in to ask why the Post didn't run AIM's letters in the first place. And the Post explains that printing all of them wouldn't have left any room for anybody else to voice his opinions. And AIM writes back that correction of error deserves top priority. But the Post won't run this letter, either.

So AIM buys more space—for the original letters from its first ad, for the Post's reply, for AIM's reply to the reply and for a ballot so readers can say how they feel about it all. That's $2,400 more for the Post, and the end may not be in sight.

This said, it now is necessary to report, in the interests of accuracy and fairness, that the Post thinks its original stories were both fair and accurate and that if AIM wants to spend money to print letters that didn't make the paper free of charge, that's AIM's business.

"They are biased, and they're trying to substitute their news judgment for ours," declares managing editor Howard Simons. "But I don't really worry about them. They're more of a pest than anything."

AIM doesn't mind being called a pest, although it would prefer the more dignified "gadfly." But the group rejects the idea that the nips it has been taking out of the hide of the Post, The New York Times, the TV networks and others of the allegedly liberal media are having no effect.

"I like to feel we have a sort of background influence, that writers are a little more careful of their facts after we've had a paid ad in the Times or the Post," says Abraham Kalish, AIM's executive secretary.

SOME ALLEGATIONS

Although go-rounds with the Post are taking the lion's share of AIM's time just now, during the past year the Washington-based organization has:

Run an ad in The New York Times criticizing Times columnist Anthony Lewis for reporting that the North Vietnamese might be clearing mines from Haiphong harbor as quickly as U.S. planes dropped them. (Mr. Lewis replies that "some of the AIM criticism in that ad was justified—indeed I filed a corrected piece from Hanoi immediately—some of it was quite wrong.")

Placed another ad in The Washington Star-News demanding that another New York Times columnist, Tom Wicker, correct eight "serious" errors concerning electric power projects in the Southwest, a State Department computer and the Communist massacre of civilians in Hue in 1968. (Mr. Wicker concedes he "probably should have run a correction" of his computer mistake, but he says his Southwest power errors were "not fundamental" and maintains the Hue massacre is "a matter of how you read history.")

Filed a complaint with the Federal Communications Commission charging that NBC had violated the "fairness doctrine" with its documentary "Pensions: The Broken Promise." (NBC says that "the program was fair, and in addition to focusing on abuses in private pensions, it did acknowledge the existence of many good private plans and satisfied participants.")

Brought a Rand Corp consultant to Washington to take part in a televised discussion of whether a bloodbath would follow a Communist takeover of South Vietnam. Mr. Kalish told Martin Agronsky, host of WETA-TV's Evening Edition, that the consultant was needed to "balance the anti-bloodbath views" of other participants. (Mr. Agronsky says that Mrs. Howard Nutt was a welcome addition to the program but denies that without her it would have been one-sided.)

Helped persuade ABC to correct five factual errors in a documentary, "Arms and Security; How Much is enough?" ABC senior vice president William Sheehan says, "There was one bad error, but the rest were trivial.")

Urge businessmen to insist on seeing the text of any program they sponsor before it's broadcast on radio or TV.

"RIGHT-WING POINT OF VIEW

Many of AIM's targets refuse to take the organization seriously, because they feel its criticisms are so one-sided. They note, too, that AIM almost never finds error or bias in conservative columns or publications. "Kalish is for accuracy as long as it's his kind of accuracy," says Charles Seib, managing editor of The Washington Star-News. "He obviously represents a right-wing point of view."

But Mr. Kalish says AIM has remonstrated with a Midwest paper over an article blaming fluorinated water for causing sickle-cell anemia. He says AIM has challenged the National Review, a conservative periodical, for at least four "errors."

"Most of the news media are liberal-oriented, and most of the complaints that come to us concern the liberal media." Mr. Kalish says. "I make a special effort to find conservative error, but we can't make up cases if they don't exist or if we don't get complaints."

Complaints come in from ordinary citizens as well as special-interest groups. The NBC documentary on pensions, for example, was brought to AIM's attention by businessmen, business groups and actuaries, AIM says. In addition, AIM's officers and advisory-board members are also careful newspaper readers and TV watchers.

AIM's president is Francis Wilson, professor emeritus of government at the University of Illinois, and its chairman is Reed Irvine, an economist with the Federal Reserve Board. But the man who does most of the work is Mr. Kalish, a Harvard classics major and retired professor of communication at the Defense Intelligence School. Mr. Kalish, who favors fluorescent bow ties, gaudy shirts and lizard-skin shoes, says he takes no pay from AIM and lives on his government pension. He holds down expenses by renting office space at a cut rate from his wife, who has a secretarial and phone-answering service.

AIM started small in 1969, and even in the year that ended last April 30—the first year AIM had tax-exempt status—contributions totaled only $6,412 and expenses $5,047. But business is picking up. This year's budget should be about $65,000, Mr. Kalish says, and next year's goal is $100,000.

AIM's two largest donors so far are an undisclosed foundation ($10,000) and an anonymous company ($10,000). The 1,200 other contributors include, according to Mr. Kalish, foundations, trade associations, professional groups, labor unions, women's clubs, business firms and individuals. He declines to identify any contributor, because some are worried about getting "on every mailing list in the world" while businessmen have expressed fear of "bad publicity that would hurt their business."

In answer to one question sometimes asked, Mr. Kalish says AIM receives no money from the White House. Nor does the White House send AIM complaints about the media, he adds. Lyndon Allin, the man who prepares President Nixon's daily news summary, agrees. "They've done some very good stuff," he says, "but we haven't had any contact with them."

When a complaint comes in, Mr. Kalish normally farms it out to one of some 30 "consultants." They prepare rebuttals, often in the form of letters to the editor.

If a paper or network refuses to run a letter or recant error, AIM urges the 4,000 readers of its monthly report—contributors, newsmen, librarians, and others—to complain to the editor, the network president, the network's affiliated stations, their Senators or their Congressmen.

How effective is all this? Mr. Kalish claims AIM's biggest success was in getting ABC to admit those five errors in its defense documentary. But ABC's Mr. Sheehan says the network received a lot more complaints from another conservative organization, the American Security Council.

Mr. Kalish thinks Martin Agronsky's panel show has "gotten better" since AIM began hounding him about "lack of balance." (Mr. Agronsky calls Mr. Kalish "utterly irresponsible" and adds: "If we're going straight according to him, I'm ashamed of myself.")

Mr. Kalish claims he has forced the FCC to take speedy action on his "fairness doctrine" complaints. "But, of course, they're ruling against me in every case." he concedes.

And AIM achieved "sort of a breakthrough," Mr. Kalish adds, when The New York Times finally printed one of his letters to the editor. In fact, Mr. Kalish's proudest possession appears to be a framed letter to him from Times publisher Arthur Ochs Sulzberger, which begins: "I believe you must be the most thorough reader that The New York Times has, and I think in the particular instance that you mention in your letter of January 24 you are correct." (The January 24 letter called the publisher's attention to a column by correspondent Lewis which, as Mr. Kalish put it, erred by suggesting that the British involvement in World War II "was in response to a German attack on Britain;" Mr. Kalish pointed out that Britain entered the war after Germany invaded Poland and before Britain itself had been attacked.)

Beyond this, what about that "background influence" Mr. Kalish likes to think AIM brings to bear upon reporters to keep them straight? The Post's Mr. Simons doubts this influence is very influential, and so do a lot of other newsmen.

But the Star-News' Mr. Seib gives AIM more credit. AIM, he says, "keeps us on our toes. Only I wish we had someone on the other (liberal) side doing the same thing."

BASICS OF NATIONAL HEALTH INSURANCE—PART II

Mr. HANSEN. Mr. President, this is the second of three statements that I desire to make as the Senate Finance Committee, of which I am a member, begins to hold hearings on national health insurance. Two days ago I pointed out what, in my view, are the basic issues before us in formulating a national health policy. I laid out several general principles as a guide to work from in writing a national health insurance bill. Today I wish to apply these principles to the health proposals before us and compare each in general terms. In particular, I hope to show why the "medicredit" bill, of which I am a cosponsor, is the most consistent with fundamental principles of health care.

May I summarize yesterday's statement in terms of the following conclusions:

First, cost of health care is a matter of prime concern to every American. A national health insurance plan must deal head on with the problem of cost of medical services.

Second, availability of health care to every American is equally important. Most people agree that the present system is doing a good job in providing health care and insurance, but that it needs improvement, particularly in the areas of health insurance coverage, availability, and scope of benefits.

Third, the quality of health care resulting from a national health insurance plan will be of final importance. Foreign health experiments have shown that reducing out-of-pocket costs and increasing availability to all persons does not necessarily guarantee a corresponding maintenance of high-quality medical care that is satisfying to the patient.

We need a health bill, then, that will:

First, supplement the existing health insurance inequities, enabling every American to procure a good health insurance policy; second, control spiraling medical care costs; and third, preserve high-quality medical care.

I submit that the medicredit bill, sponsored by the Senate Finance Committee member Mr. VANCE HARTKE, is the best and most realistic piece of legislation before the Congress. It is the only bill that deals with each of these areas head-on fundamentally sound with basic social and moral principles.

Medicredit is built upon four basic premises:

First, health care should be available to every American. No citizen should go without it because of circumstances beyond his control.

Second, the health care system must reaffirm the traditional American values of hard work, self-reliance, and responsibility to provide for one's own self what one can. Assistance from the Government should be based on one's financial need.

Third, the health care system should be voluntary to all.

Fourth, catastrophic health care coverage should be available to every citizen so that no person will have to sustain the debilitating expenses of major, long-term hospital or medical care.

Here is how medicredit would work.

The Federal Government would take the responsibility to provide financial assistance to families and individuals to buy certified health insurance policies. These policies would have to offer a comprehensive set of benefits, such as the following:

First, inpatient care—60 days in a hospital or skilled nursing facility. Subject to $50 deductible for each stay.

Second, emergency or outpatient hospital services, home health services, and ambulance services. Subject to 20 percent coinsurance on first $500.

Third, medical care by physician or osteopath in hospital, office, home, or elsewhere, psychiatric care, preventive medical services, immunizations, well-baby care, physical exams, radiation therapy, anesthesiology services, services for pregnancy, et cetera, subject to 20 percent coinsurance on first $500.

Fourth, dental care for diagnosis, therapy, and treatment of children from 2 through 6 years of age, and emergency dental services and oral surgery for all ages. Subject to 20 percent coinsurance on first $500.

Fifth, catastrophic expense coverage—unlimited inpatient hospital care and up to 30 additional days in skilled nursing facility, prosthetic aids. Subject to deductible of 10 percent of combined taxable income, reduced by total of deductibles and coinsurance incurred under basic coverage. Physicians services continue without limit under basic coverage provisions.

Medicredit is designed to give maximum help to those who need it most, and minimum help to those who are best able to pay their own way. Financial condition is determined solely by the amount of Federal income tax a person or family pays whether by withholding or direct payment by the individual when he files his tax return. Government assistance is given in the form of a tax credit.

LOW INCOME FAMILIES

If a person or family owes no Federal income tax for the year—whether because of no income, low income or number of dependents—the total cost of the basic and catastrophic coverage is paid by the Federal Government. The family would receive a "certificate of entitlement" which would cover the entire premium or membership cost for an approved program from whatever insurance company or plan the family chooses.

For families or individuals who pay Federal income tax, the formula is different.

The Federal Government pays for the catastrophic coverage for everyone. It pays a percentage of the cost of basic coverage according to the amount of income tax the family or person owes, as follows:

An example shows how the sliding scale would work. A man with a wife and two children who makes $8,000 a year, taking standard deductions, would owe $573 in income taxes. That would put him in the 42 percent medicredit category—see table.

[Percent Government Pays]

Income tax owed:	
$1-10	99
11-20	98
21-30	97
31-40	96
41-50	95
51-60	94
61-70	93
71-80	92
81-90	91
91-100	90
101-110	89
111-120	88
121-130	87
131-140	86
141-150	85
151-160	84
161-170	83
171-180	82
181-190	81
191-200	80
201-210	79
211-220	78
221-230	77
231-240	76
241-250	75
251-260	74
261-270	73
271-280	72
281-289	71
291-300	70
301-310	69
311-320	68
321-330	67
331-340	66
341-350	65
351-360	64
360-370	63
371-380	62
381-390	61
391-400	60
401-410	59
411-420	58
411-430	57
431-440	56
441-450	55
451-460	54
461-470	53
471-480	52
481-490	51
491-500	50
501-510	49
511-520	48
521-530	47
531-540	46
541-550	45
551-560	44
561-570	43
571-580	42
581-590	41
590-600	40
601-610	39
611-620	38
621-630	37
631-640	36
641-650	35
651-660	34
661-670	33
671-680	32
681-690	31
691-700	30
701-710	29
711-720	28
721-730	27
731-740	26
741-750	25
751-760	24
761-770	23
771-780	22
781-790	21
791-800	20
801-810	19
811-820	18
821-830	17
831-840	16
841-850	15
851-860	14
861-870	13
871-880	12
881-890	11
891 and over	10

Assume that an approved program for his family cost $700 and that $650 was for basic coverage and $50 for catastrophic. His medicredit benefit would be 100 percent of the catastrophic premium—which everybody gets—plus 42 percent of the basic premium—which he is entitled to because of the amount of his income tax.

Consequently: 100 percent of $50 equals $50; 42 percent of $650 equals $273 for a total of $323.

Of the $700 for his basic and catastrophic coverage, the Government would pay $323. He would pay only $377. He could choose a "certificate of entitlement" for the $323 or could subtract it from the income tax he owed. In figuring his medicredit benefit, he also is allowed to count 80 percent of the money his employer spends to buy his approved program as his own contribution.

DEDUCTIBLES

Any insurance policy, prepayment plan, or membership group offering as many benefits as those offered by medicredit's approved programs must have financial safeguards built in. The safeguards are almost always in the form of deductibles—or coinsurance—amounts the patient pays before the program itself begins to meet expenses.

The medicredit deductibles are small, compared with the benefits, but they serve very important purposes.

Primarily, they keep the total cost of the program lower. Because most citizens will share that cost with the Government, economy is an important consideration.

Second, deductibles—even though small—prevent abuse or overuse of the program by patients or physicians. The policyholder or plan member knows—and so does his physician—that the medicredit program will give him a great deal of help. But both also know that he must pay a certain amount before receiving its benefits. So he will not unnecessarily go to a physician just because it is paid for, or enter a hospital just because it is more convenient.

BASIC COVERAGE

Under the basic coverage portion of medicredit's approved programs:

First, the patient pays $50 per stay in the hospital or a skilled nursing care facility.

Second, the family pays 20 percent of the first $500 of expenses for outpatient or emergency care, including ambulance service, and home health care—maximum of $100—in a 12-month period.

Third, the family pays 20 percent of the first $500 of expenses for medical care services—maximum of $100—in a 12-month period.

Fourth, the family pays 20 percent of the first $500 for dental services—maximum of $100—in a 12-month period.

For example, a mother takes her child to the eye doctor. The charge for the office call is $10. Basic coverage pays $8 and the mother is billed for only $2. If a visit to a hospital emergency room cost $27, basic coverage would pay $21.60 and the patient would be billed for $5.40.

All money spent by the family on any or all of the basic coverage deductibles then applies toward satisfying the deductible for catastrophic coverage explained in the next section.

CATASTROPHIC COVERAGE

Persons who need the additional help of catastrophic hospital or skilled nursing facility coverage beyond the 60 days provided under basic coverage, are required to pay a deductible before the catastrophic coverage begins.

This catastrophic deductible is based on the family's taxable income—the amount left over on the income tax from after all deductions and personal exemptions have been taken. The deductible is figured by taking 10 percent of the taxable income and then reducing it by any deductibles incurred under basic coverage.

As a family's income rose, so would the deductible. The family of four in the earlier example, making $8,000 a year and taking the standard deduction, would have a taxable income of about $3,800.

For the low-income family with no taxable income, there would be no catastrophic deductible.

So you see, the medicredit bill is a middle-of-the-road approach, boasting wide benefits, low-cost deductibles, and an excellent catastrophic provision.

Medicredit differs from the administration bill, the Kennedy-Mills bill, and the Long-Ribicoff bill principally in the financing mechanism. All of these bills, if you will note, finance a part of their health insurance coverage through the social security system. The administration bill extends medicare coverage broadly. The Federal Government becomes in effect the insuring agent for the poor, whose choice of insurance becomes limited to a single Government-offered policy. The Kennedy-Mills bill finances health insurance through a 4-percent payroll tax that is funneled through the Social Security Administration; and the Long-Ribicoff bill, while limiting coverage to the poor and to catastrophic provisions, retains essentially the same basic mechanism—a 0.3-percent payroll tax administered through social security.

The danger that I see is this: after initial implementation of such a plan, the trend will be to reduce the maximum liability, the copayments and deductibles, and increase the coverage until the end result could well be a complete Government-financed and controlled medical care.

The political realities of Government programs inevitably lead to broadening of benefits of such programs. This can be seen by the gradual, yet constant, increase in coverage and benefits provided by medicare and medicaid programs.

Originally, the medicare and medicaid programs covered a relatively specific portion of the population with limited benefits. But now this coverage has been increased to provide for many more people with vastly increased benefits.

A payroll tax funneled through a Government agency will inevitably lead to the results I have described. We have seen the payroll tax mushroom under the Social Security Administration's programs and I believe that we may well have reached the breaking point in what we're asking the American worker to do involuntarily. We can no longer resort to the payroll tax as a "painless" way to separate a man and his money because it has already started to hurt.

If national health insurance is here, we must find an alternate method of financing.

A viable alternative approach is evidenced in the medicredit bill—the tax credit. This, I believe, is perhaps the most important feature of medicredit. It is an alternative method of financing that avoids the evils of a social security payroll tax or mandatory employer-employee financing.

In addition, this is the only mechanism that preserves individual responsibility for health care. It speaks to the citizen like this: "Look, through no fault of your own, you may not have sufficient funds to buy a good health insurance policy. We will help you buy that policy by reimbursing you for part of its cost. You need not go without health insurance." This way, the citizen retains the responsibility and privilege to search out and buy the policy that he prefers when he prefers. He is not forced to buy a single governmental scheme. This requires that he exert a measure of self-reliance, self-incentive, and fiscal responsibility. By encouraging the citizen so, we at the same time contribute to the character, motive, and ability to improve his condition to the point where he will be self-sustaining. The Government does not do it for him—it helps him to do it himself.

Under this plan, no citizen need go without adequate health insurance.

This, in my view, is the hallmark of medicredit—the tax credit financing based on a sliding scale according to ability to pay.

It is interesting to see how widely the tax credit approach is supported. The Council of Economic Advisers advocated that the Nixon administration adopt a plan which would include tax credit arrangements inversely related to income for the purchase of public- or private-offered coverage.

A study for the Brookings Institution entitled "Setting National Priorities—the 1974 Budget" advocated a tax credit approach.

> Such an approach would have several advantages over a tax deduction . . . benefits under the tax credit plan would be funneled much more heavily toward low-income people.

Some will say that Chairman WILBUR MILLS of the House Ways and Means Committee and the Senate Finance Committee are opposed to any kind of tax credit. But both the House Ways and Means Committee and the Senate Finance Committee have previously authorized investment credits, retirement income credits, work incentives credit and job development credits. The medicredit tax credit approach is a similar incentive approach. I see no reason as a member of the Finance Committee to think that it will not receive consideration in both committees. In fact, Chairman RUSSELL LONG of the Senate Finance Committee yesterday at the first hearing of the Senate Finance Committee on national health insurance expressed interest in the tax credit approach and indicated that it deserves serious consideration as a finance mechanism for a national health bill.

COST CONTROL

Medicredit is the only plan that takes a realistic view of medical care costs. It recognizes that high medical costs are caused by insufficient supply and high demand. It does not seek to impose artificial cost controls upon medical prices. Rather, it seeks to stimulate competition and the development of medical care resources through the best and most proven way known: the capitalistic incentive. It promotes competition among private insurers which encourages cost-consciousness among providers. It does not separate the individual from a realization of the costs of medical care. It provides him with the means to procure health care, but he still knows how much it costs, and as such, will appreciate more the full value of his health care.

Artificial cost controls have proven to be only of temporary or short-term value in actually holding prices down. Such arbitrary controls are a disincentive to increase production, they are discriminatory, they alienate health profession workers, and they represent an inappropriate infringement of the government into private health practice.

AVAILABILITY

As the above commentary has shown, medicredit builds upon that which is best in our present system. It supplements existing coverage; it spurs additional private coverage of existing inequities; it promotes private enterprise, individuality, and inventiveness in improving health care coverage. As a result, no person would have to go without health care insurance because he could not pay for it. No family would have to endure the heavy burden of catastrophic illness without means to pay for it.

QUALITY

The medicredit approach insures preservation of the present high-quality medical care that Americans enjoy. It does not accept nor will it restrict the system to the status quo. Rather, by preserving individuality, self-initiative, and variation in the health care delivery structure, it will encourage further strides in quality of health care. The doctor-patient relationship, so essential to high-quality health care and patient satisfaction, will not be destroyed by such plan, but encouraged and supported.

The medicredit plan is consistent with basic principles and philosophy of health care, as I outlined 2 days ago. It is doubtful that such plan will create many of the problems incident to other plans requiring massive governmental planning, financing, and administration. I do not claim that it will solve all of our health care problems. But I do believe it to be the best and most realistic piece of health legislation before this Congress.

I ask that a summary of the prominent features of medicredit be inserted following my remarks.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SOME PROMINENT FEATURES OF "MEDICREDIT"

1. It reaffirms the traditional American value of self-reliance and responsibility to provide for one's own self what one can. It encourages people to be responsible for their own health care.*

2. Assistance from the government is based upon financial need. Medicredit would provide comprehensive health insurance for those with no income, or for the wealthy. Medicredit would provide help on a decreasing scale.

3. Unlike most other health insurance proposals, Medicredit would not require any additional taxes upon the working people, or for any other group.

4. Medicredit is wholly a voluntary program, making health care available to those who want it. It is an *incentive* program, not a compulsory one.*

5. Medicredit builds upon that which is best in our present system. It encourages healthy competition between providers; it promotes private enterprise, individuality, and inventiveness in providing health care.

6. Medicredit recognizes that high medical costs are caused by insufficient supply and high demand. It does not seek to impose artificial cost controls upon medical prices; rather, it seeks to stimulate the development of medical care resources through the best and most proven way known: the capitalistic incentive. It also encourages wise use of medical resources by making each person individually responsible and accountable for judicious utilization of his insurance policy.*

7. Catastrophic coverage is included for everyone. Catastrophic benefits include unlimited inpatient hospital care, 30 days of skilled nursing facility care, and prosthetic aids ordered by a physician. Physicians' services continue without limit under basic coverage provisions. Deductibles include previous amounts spent on insurance and costs, and amount roughly to 10% of taxable income.

8. Medicredit provides unlimited benefits for psychiatric care, unlike most other insurance proposals, which impose day limits of 30–45 days.*

9. Medicredit provides incentive for employer-employee plans, which are often more economical and efficient than separate individual plans. Employers must maintain a qualified plan providing the specified benefits; the employer is entitled to take a full tax deduction equal to the full cost of his premium contributions for health insurance. The employee would count 80% of the employer contribution to a certified plan as if it were his own contribution.

10. Medicredit preserves freedom of choice in the selection of a doctor, hospital, and insurance company or policy.

11. Medicredit preserves the rights and responsibilities of physicians to practice good medicine while being directly accountable to the public.

12. Medicredit will not create a new administrative arena of redtape—no new huge government fund-dispersing organization. It will be easy to correlate with the Internal Revenue Service the tax credit and reimbursement features.

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* Unique to Medicredit.

13. Medicredit provides for regulation in principle only by the Federal Government through a cabinet-level health insurance advisory board.

OPERATION MANGLE AT FHA?

Mr. ABOUREZK. Mr. President, on February 8, I made some rather lengthy remarks in the Record directing attention to something called Operation Mangle in the SRS bureaucracy in HEW.

My remarks dealt with bureaucratic changes brought to SRS by a so-called "new management" team at that agency—and tried to assemble a picture of what continued high personnel turnover, reorganizations and decentralizations would mean in terms of that agency's ability to fulfill its mandate and serve its consumers.

I dubbed this process Operation Mangle, and pointed out that its many techniques seemed to have the cumulative effect of frustrating congressional oversight, leaving the programs and the agencies in a mess and thus rendering them ripe for political attack which would ultimately get the programs shut down.

At the time I pointed out that things of this kind might very well be happening in other agencies as well.

Since February, there has been much commentary in the housing industry press to the effect that something was going on in, or being done to, the Federal Housing Administration in HUD. It all had overtones of the same kind of thing which I protested in the February 8 speech concerning SRS.

Now I find that Joan Briscoe, an assistant vice president for Associated Mortgage Companies, Inc., has written a piece which points to many of the identical features of Operation Mangle happening in FHA.

Her article appeared in the February-March issue of Network, a publication of the National Urban Coalition. I ask unanimous consent to have it printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Continuity Lacking at FHA

(By Joan E. Briscoe)

Note.—The following is a critique of the current Federal Housing Administration policies written for Network by Joan E. Briscoe, assistant vice president of the Associated Mortgage Companies, Inc.

HUD's sequence of reorganizations has left FHA in a state of confusion which it has not yet overcome. Regardless of HUD's good intentions, the results of continuing reorganization include incompetency, taking too long to process, and unequal treatment of sponsors from one FHA office to the other. Looking at each of the above gives insight into the many problems in doing business with FHA and into some solutions.

The problem of incompetency came about when competent personnel were shifted or laid off, and lists of employee status were posted—visible for all who wanted to see. As a result, many competent employees left HUD to take jobs in a more stable environment.

So, reorganization was handled in such a way that good employees wanted to leave FHA or be transferred; new employees did not know their job, and a gloomly atmosphere took over the FHA. The gloomy atmosphere is still present in many offices.

The reduction of personnel has made those employees still with HUD feel overwhelmed by a massive workload and frustrated because they have not been properly trained for their increased job assignments.

The Section 236 moratorium, the revoked feasibility letters, the process of having their work checked by Regional offices and HUD's central office before action is taken on any 236 grant, add up to an unworkable production system and a severe morale problem.

FHA's inability to process projects from feasibility to firm commitment within a reasonable amount of time (approximately six months), has caused many firms to cease involvement in FHA projects because private industry knows that when construction cost estimates are more than six months old, they are no good.

Rarely can you get a low cost option for more than a year. No firm wants to be involved in a project for a whole fiscal year without any return on investment. Utilities are not available forever—it is not uncommon for a project to lose the availability of utilities because processing has taken too long.

The housing industry has lost a great deal of faith in the FHA. There are instances where cities have donated land free and clear for 236 projects but FHA still has not given the projects funding. Millions of dollars have been wasted in front money on FHA projects which have not worked because the Administration changed the rules without giving ample notice to the housing industry and, in the case of revoked feasibility letters—no notice at all.

There was a time in FHA when you could take a grievance to the HUD central office and have the matter resolved objectively. But part of the reorganization was to make the regional office autonomous.

This meant that there would no longer be equal treatment for sponsors doing business with FHA. Sponsors are now subject to the idiosyncrasies and ignorance (in some cases) of the area and regional offices.

Understanding and knowledge of FHA programs vary widely from one region to the other. Sponsors working in an incompetent region are drastically shortchanged.

In spite of all the problems, FHA can become a viable, effective agency as it once was, if it would recognize its present shortcomings and take steps to correct them. Some of those steps are:

1. Centralization of authority in HUD—Washington, D.C., so that processing is standardized and fair treatment extended to all projects regardless of location.
2. Target dates set and kept so that processing can be completed from feasibility to firm commitment within six months or less.
3. Production incentives established so that FHA employees are rewarded for doing a good job.
4. Create a working atmosphere conducive to positive thinking and maximum production.
5. Establish a personnel policy which retains human dignity and encourages competent employees to stay. Incompetent personnel should be placed in positions commensurate with their ability.

There is a place for FHA insured loans within our economy. There is no way in the foreseeable future that conventional housing can be made available for families making $15,000 per year and under. Inflation and higher interest rates may make FHA insured housing the only housing available for 75% of the American people. Why then is this administration killing the only viable chance most Americans have for a decent home? The FHA is self-supporting, so why all the fuss about budget problems?

The housing industry must support an efficient FHA—it is the only hope for most Americans.

SLOWING THE CLOCK OF AGE

Mr. ABOUREZK. Mr. President, when the generation of the postwar baby boom reaches retirement age, about the year 2000, the percentage of our population over 65 years of age is projected to be about 25 percent. Today that percentage is over 10 percent, while at the beginning of this century that percentage was only 4 percent. And yet even with these facts and projections, 3 cents is spent for old age study for every $2 spent on the study of cancer.

An article by Rona and Laurence Cherry in the New York Times Magazine entitled "Slowing the Clock of Age" describes the physiological theories of the aging process; studies conducted on retarding the aging process; and the complementary research in the psychological and sociological aspects of aging.

The capability to slow the aging process in the near future seems not to be disputed by the article, the real question seems to be the implications of such results. But as Alex Comfort concludes the article:

> Every gain in our ability to stave off death increases our respect for life—our own and others.

Mr. President, I ask unanimous consent to have the article printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times Magazine]

Slowing the Clock of Age

(By Rona Cherry and Laurence Cherry*)

Mrs. Anna Olinger has no real explanation for her age of 103 years. "I suppose it's just that I've managed to change with the times," she told an interviewer not long ago. Born in 1871 in a rugged part of eastern Kansas, she went to college in Michigan (and was, in fact, one of the first women to attend Michigan State University), married a Presbyterian minister and a few years after his death in 1921 became associate director of the Presbyterian student center at the University of Kansas in Lawrence. Still living in a house on the edge of campus, she belongs to two women's groups and a literary club, attends church and occasionally gardens. "I'm the busiest women in town," she said. "I can't wait to get up in the mornings."

There are approximately 13,000 Americans over the age of 100, according to the Social Security Administration. Many of them, of course, are withered and frail. But there are others like Mrs. Olinger who are vigorous and alert at an age when most of their contemporaries have long been dead. They pose a fascinating puzzle for science: How is it that this tiny group of centenarians manages to survive far longer than most other people in our society?

Today, we are a lot closer to understanding the process of aging—so much closer, indeed, that it is now possible to hope that eventually we will be able to keep time at bay for decades longer than at present. Already, scientists are able to prolong youthful vigor and extend life in laboratory animals; other discoveries can reverse at least some of the distressing signs of old age in humans. Some day, many gerontologists believe the Seventh Age of Man may be very different from the one which Shakespeare described as being "sans teeth, sans eyes, sans taste, sans everything."

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*Rona Cherry is an associate editor of Newsweek and a member of the National Association of Science Writers. Laurence Cherry, her brother, is a freelance writer. They are both in their 20's.

"Recent scientific developments have led me to the conclusion that the aging puzzle will be essentially solved by the year 2000—perhaps sooner," says Dr. Bernard Strehler, a professor of biology at the University of Southern California at Los Angeles and president of the Association for the Advancement of Aging Research. "We will then have the tools to considerably lengthen man's life-span."

In many ways, the traditional attitude of unhappy resignation toward old age has begun to change. "People generally accept that it is becoming possible to live much longer and healthier lives," says Dr. Strehler. "This wasn't the case even three or four years ago." Suddenly, the two sciences that are most intimately connected with aging, gerontology—the study of the aging process—and geriatrics—the study of the diseases of old age—find themselves pushed from a shadowy area of neglect into the full glare of public attention. The always disappointing rivulet of funds for aging research (for every $2 spent to study cancer, an estimated 3 cents is spent on old age) has hardly grown into a flood. But politicians seem to have become slightly more interested in providing money to study old age—something once regarded as almost a luxury appropriation.

Part of the reason for that switch is what one sociologist calls the "truly astonishing population revolution in America." While in 1900 only 4 per cent of the population was over 65, the proportion has risen to 10 per cent today, or 21 million people. Diseases such as diphtheria or tuberculosis that once killed off many people before they passed middle age have slowly come under control; more and more people survive into their 60's and 70's. By 2005, when the generation of the postwar baby boom reaches retirement age, some experts estimate almost a quarter of the population will be 65 years and over. By the simple fact of demography, old age has become a major medical preoccupation.

Every species seems to have a fixed life-span: a single day for the May fly, about six years for a frog and about 15 for the dog. For humans, the extreme border of life probably lies somewhere not far beyond 100 years. The existence of seemingly fixed life-spans for different species suggests to most scientists that there is a biological clock, ticking relentlessly in all of us from birth to death. Most human beings begin to walk and talk at relatively constant ages, they pass through puberty in their early teens and menopause for women occurs almost uniformly between the ages of 40 and 50. Similarly, different body systems usually grow old in regular sequence: In the 20's hormone production already begins to slow slightly; by the 30's the lungs take in less and less all-important oxygen and the heart sends the blood moving more sluggishly through the miles of bodily canals. By the time a person reaches his late 40's he may possibly already notice that his body's urinary system is beginning to become more troublesome and inefficient, as kidney function starts to decline markedly.

Until recently, scientists did not know what first activated the clock of aging. But accumulated laboratory evidence hints that the answer may lie in the billions of cells that compose the body. Human cells, with the exception of nerve, muscle, kidney and brain cells, are constantly renewing themselves. The body you now have is not made up of the tissues it was some years ago; for the most part, they are all new cells. This change occurs through the process of mitosis, or cell division. A cell splits, and where there was one cell there now are two. Along the way all kinds of physical wear and tear continually destroy cells and keep their number within definite limits. However, for years, experiments had convinced scientists that most human cells, if placed in a proper kind of cell-culture environment, could go on multiplying forever. Cells taken from a woman's cervix in 1952 by Dr. George O. Gey of Johns Hopkins University Medical School, for example, have continued to flourish, producing a famous strain called the He La cells that still grow and divide in laboratories all over the world. Whatever the cause of aging and death, it seemed, the cell had little connection with it.

But in the early nineteen-sixties, laboratory investigators discovered that supposedly immortal cells such as those belonging to the He La strain had actually undergone an ugly metamorphosis. Where normal human-tissue cells have 46 chromosomes, the mutant cells of He La contained anywhere from 50 to 350. Under the microscope, they had a radically altered appearance, reacted unusually to staining techniques and when injected into laboratory animals produced cancerous tumors. Immortality, then, had its cost: the transformation of normal cells into malignant ones, whose development was only a grotesque parody of normal growth.

Cells that remain normal seem to have a different fate. In 1961, while doing cancer research at the Wistar Institute in Philadelphia, Dr. Leonard Hayflick chanced upon a discovery: Fibroblast cells (a kind of skin cell that is one of the main components of most body tissues) seemed to be programed to die. Those taken from embryos and aborted fetuses divided vigorously for a time, then slowed down and died somewhere around the 50th division. Cells taken from young adults divided about 30 times before they entered what Hayflick called "Phase III"—the slowdown period immediately preceding death—and those cells taken from mature adults and old people divided only about 20 times before dying. At first, Hayflick suspected something was wrong either with his procedures or his cells, but his results were duplicated by other investigators.

Interestingly, Hayflick found that although freezing the cells completely halted their biological clock, it continued to tick on inexorably when the cells were thawed. Thus, if cells were frozen at the 10th division, they would undergo the usual 40 additional doublings when unfrozen. Nothing, it seemed, could interfere very much with the program. Moreover, Hayflick found that the cell doubling limit was closely related to the life-span of a species: Cells from a mouse, which lives for three years, doubled only 12 times, while cells from a chicken, which can live up to 30 years, doubled about 25 times.

At first the scientific community reacted coolly to Hayflick's findings. "I still have a letter from one of the most prestigious journals in the biomedical field which rejected our original report," the 46-year-old professor of microbiology, who is now at the Stanford University School of Medicine, recalls. "The conventional wisdom was that cells grown in culture had to be immortal. Dogmas did not die in the last century, I found. Even today, 13 years after our initial report has been confirmed in literally hundreds of labs around the world, many still refuse to accept our findings. Just as people find it hard to accept their own deaths, many scientists are reluctant to face the fact of cell death."

Additional support for Hayflick's limit comes from research into an extremely rare and largely untreatable disorder called progeria. The disease, which is inherited, causes young children who have hardly begun to walk to show premature signs of aging such as gray hair; by the age of 8 or 9, they look much as though they were in their 90's—wrinkled, wizened and bald. The children are troubled by a host of diseases that afflict mostly older people, such as cataracts, failing hearts and hardened arteries; they usually die of heart attacks by the age of 12.

"It is true that they do tend to be bright and attractive children before their unfortunate disease strikes," says Dr. F. Marott Sinex, chairman of the Boston University School of Medicine's biochemistry department. "They all look like brothers and sisters—tiny, beaky and birdlike. Their eyebrows and hair drop out, and, possibly because they lose most of their teeth prematurely, they tend to have receding jaws." But Dr. Sinex doubts that the children are little old men and women; probably, he says, the disease only mimics old age. Interestingly, however, other investigators have found that, as with extremely old people, cells taken from children with progeria divide only two to ten times before dying.

If Hayflick's limit is valid, the biological clock is wound for no more than 110 to 120 years, the estimated time that it would take for cells to double the maximum of about 50 times. (The cells divide much more quickly in their perfectly controlled, cell-culture environment, and divide the 50 times within a few months.) Many scientists feel that Hayflick's limit applies not only to fibroblast cells, but to most of the other cells of the body as well.

Actually, however, Hayflick points out that his limit is more a theoretical one than anything else; it is rarely, if ever, reached. Although the fibroblast cells of almost all people die after approximately 50 doublings, most human beings have the potential to live 110 to 120 years—but long before then most people have already died from disease, accident or some other assault from the environment. Why one person lives to be 100 and another only to 70 might depend, then, on differences in the severity of the environment or, most important, resistance to disease. The fact that longevity seems to run in families might be explained simply by a greater inherited invulnerability to the assaults of the environment; but it seems that almost no one is able to stave off death as long as Hayflick thinks is theoretically possible.

Even before the cells in Hayflick's culture reached Phase III, they showed signs of deterioration: They became larger, were dotted with age spots, and tended to divide slowly and in a peculiar fashion. These changes, occurring in the hundreds of thousands of cells that make up any tissue, might result in the kind of impairment we see with age. Why this happens is unclear, but it seems obvious that scientists must search for the answers in the genes, the little dabs of protein that cluster by the hundreds of thousands on every chromosome in every cell.

Little was known about how genes functioned even a few years ago; today it seems they carry the blueprints that make up physically the unique persons we are. The blueprints themselves come in the shape of long spiral molecules of deoxyribonucleic acid (DNA) that contain all the information needed to maintain a body that is constantly, like a huge city, in the process of being worn down and rebuilt.

One theory holds that aging is simply part of the genetic master plan imprinted into the cells, much the same way puberty is. "There may be a specific gene carrying a specific program for aging," says Dr. Hayflick. "Or a sequence of genes at the end of the DNA strain that says in effect: "That's enough, let's start closing quite early in life; brain cells, for example, begin to die at the rate of 100,000 cells per day after the late 20's (although there is such an extravagance of brain cells that their loss seems to have little effect on intelligence):

likewise, the number of taste buds per papilla of the tongue drops from an average of 295 in young adults to 88 in the elderly. In an experiment conducted in 1970 on young and old cotlyledons, leaves of the soybean plant, Dr. Strehler and Mr. Michael Bick, now at Harvard, found that the other leaves contained substances that blocked production of necessary proteins, leading to old age and death. The cells of the leaves "seem to be genetically programed to make materials that accumulate and ultimately inhibit important steps in protein production," Strehler says.

Another theory holds that the genetic program, like a completed computer tape, simply runs out, depriving cells of necessary instructions and leading to greater and greater disorganization in the body—and finally complete anarchy and disintegration. According to this theory, nature is concerned only that organisms survive long enough to reproduce themselves; afterward, she loses interest in them. For example, once the Pacific salmon reaches its spawning ground and dutifully deposits its load of eggs, it passes from youthful vigor to senile weakness in a bare two weeks. A similar process may take place over several decades in human beings but still be essentially the same.

Other scientists believe that although the genetic program may continue functioning, the blueprint DNA molecules may become smudged with an accumulation of errors. The errors may result from mutation, possibly due to cosmic radiation that continually bathes the earth, or other damaging environmental factors such as pollution. "Man may live longer than most other mammals because his cells have evolved to cope with these kinds of errors," says Dr. Hayflick. "Such an evolution would account for the generally progressive lengthening of the fixed life-span from the lower to the higher animals. But it is clear that even in man this system is far from perfect."

Until recently, most gerontologists assumed that controlling the aging process by tampering with the genes was clearly impossible. But in 1971, scientists at the National Institutes of Health were able to modify the instructions of the genes. They removed skin cells from a patient with galactosemia, a condition that prevents the body from properly digesting milk because of the lack of an important enzyme. They then took a virus called lambda phage, which can produce the enzyme, and in a delicate procedure were able to transfer the genetic information to the skin cells so they could start manufacturing it themselves. Gerontologists now talk about finding other viruses and using them to regulate the biological clock by turning on some genes and switching off others. No matter what the genetic reasons for aging, therefore, it may be possible to counter them. Conceivably, in the not very distant future, the Hayflick limit may turn out to be not so much of a limit after all.

Along with genetic approaches, scientists are investigating other causes for aging:

The brain. Many gerontologists believe that the hypothalamus, a small part of the brain that acts as an overseer of all the body's endocrine glands, may be the trigger for many of the changes we see in old age. After menopause, for example, a woman's ovaries halt over 90 per cent of their production of estrogens, the female hormones, and all of a woman's tissues which changed at puberty change again—this time undergoing a regression in which they lose their youthful shape and resiliency. But the ovaries themselves seem not to be at fault: If a barely functioning ovary is transplanted from an old female rat to a young one, it will resume manufacturing hormones and normal eggs which, if fertilized, can produce healthy offspring. Instead, the culprit seems to be the hypothalamus, which alters the signals it first began sending the ovaries at puberty. Dr. Joseph Meites of Michigan State University recently found that by merely stimulating the hypothalamus of an old female rat with a tiny thousandth of a volt of electricity, he was able to make the ovary resume functioning. "This is remarkable because it suggests that a large number of changes resulting from the ovary's function may actually result from changes in a very small region of the brain," says Dr. Caleb Finch, a professor of biology at the University of Southern California. "In other words, there may be pacemakers of aging in certain parts of the body which regulate the course of aging."

MAO. What first spurs this kind of brain pacemaker is unknown, but researchers have recently focused on an enzyme called monoamine oxidase (MAO), widely distributed throughout the body but most heavily concentrated in the central nervous system. The enzyme breaks down an important group of compounds called the biogenic amines, which are closely involved with transmission of nerve impulses and also with fluctuations in mood. After the age of 45, the levels of MAO in a person's brain shoot up dramatically and there is a corresponding decline in the amount of the amines. Some gerontologists have hypothesized that the higher levels of MAO may be what causes the hypothalamus to change its signals to the various endocrine glands under its control; the resulting changes may be much of what we call aging.

The immune system. Other scientists claim we grow old in part because of increasing flaws in the body's immune system—its main line of defense against disease. As a person ages, many changes seem to warp his antibodies, which are produced by the body's specialized white cells. Either the antibodies become weak and almost useless, or else, in a bizarre kind of betrayal, turn against the very body they were supposed to protect. (This autoimmune reaction possibly causes, among other diseases, arthritis.) One way to deal with the problem has been suggested by Dr. Takashi Makinodan of the National Institute of Child Health and Development in Baltimore. Makinodan injected old rats with white cells from young rats; their disease resistance shot up and they survived what would have been lethal doses of disease bacteria. In the not too distant future, he suggests, people may freeze their still-efficient white blood cells and use them later on for a disease-free old age.

The role of one of the most important parts of the immune system, the thymus gland, was discovered only recently. Most scientists had thought that the tiny gland, lodged on the breastbone, had no function at all—or, since it grew smaller as the person neared puberty, was somehow connected with sexual maturation. Instead, it turns out that the thymus gland plays a crucial role in the body's resistance to disease. Last year, Dr. Allan Goldstein and colleagues at the University of Texas demonstrated how thymosin, a hormone produced by the thymus, may be involved in aging. Dr. Goldstein showed that the thymosin levels drop markedly between the ages of 25 and 45; however, he also found that he was able to increase the vigor and disease resistance of lab mice—and therefore their life-spans—by giving them injections of thymosin. "We have good reason to suppose the hormone will do the same in man," Dr. Goldstein says.

Free radicals. There is other evidence that aging is influenced by extremely reactive, roving molecules called "free radicals," which are formed when oxygen, omnipresent throughout the body, reacts with unsaturated fats. Alex Comfort, a noted gerontologist, has compared a free radical to "a convention delegate away from his wife; it's a highly reactive chemical agent that will combine with anything that's around." But the free radicals apparently do no good to their partners; it appears they interfere with the functions of important proteins, including the vital stuff of genes and collagen, a fiberlike material that lines, among other things, artery walls. The free radicals also form yellowish-brown age pigments called lipofuscin that clog the cells like strewn garbage. (The same chemical reaction causes varnish, composed of unsaturated fats, to harden and turn yellow as it dries and ages); no one is absolutely certain yet whether they disrupt cell function, but it seems quite likely that they do.

While the investigation of causes goes on, some researchers are working on pragmatic means to combat aging. Since 1917, for example, it has been known that reducing body temperature slows down the aging process. Just as refrigeration can slow the growth of bacteria that devour food, cold slows down the rate of chemical reactions in higher organisms—and thereby extends their lives. The life-span of a fruit fly is roughly doubled every time its body temperature is lowered 14 degrees Fahrenheit. Other cold-blooded creatures show the same increased longevity in chillier surroundings. "There's no evidence that reducing human body temperature by 3.5 degrees or 5.5 degrees would interfere in any crucial way with body function," says Bernard Strehler. "If this is so, by reducing body temperature, a human being's life-span might be increased from 25 to 40 years." Some gerontologists have even suggested, only half-jokingly, that a person might live longer by trying to sleep in a freezing bedroom or on a block of ice.

The main obstacle to lowering a person's body temperature is that the internal temperature of a warm-blooded human being is regulated by his body thermostat—the many-functioned hypothalamus in the brain, "set" at 98.6 degrees. Temperature fluctuations either up or down are uncomfortable, leading at one end of the temperature range to the blurry misery of a fever, and, at the other, to the sharp pains of the chills. Lowering the body temperature without somehow readjusting the hypothalamus would probably send most of us hurrying for the nearest electric blanket. "Your body temperature is a few degrees lower in the morning when you wake up, before you have your coffee," says F. Marott Sinex. "You feel like hell. If you want to go through life feeling like that, it's your business."

But if the body thermostat itself could be lowered, the problem might be eliminated. Researchers have already done just that. In 1972, neurophysiologist Robert D. Myers and coworkers at Purdue University were able to lower body temperature in monkeys by about 7 degrees by inserting tiny amounts of calcium ions into the hypothalamus; none of the monkeys seemed to suffer any unfortunate reactions. While not enough time has elapsed to be positive about results, most scientists believe that the monkeys' lives will be lengthened.

Dr. Strehler believes such a complicated procedure to be unnecessary, however. "Research indicates that we may be able to learn to lower body temperature without artificial stimuli," says the U.S.C. biologist. Australian aborigines, for example, live in a climate where blistering hot days become freezing nights; sleeping out in the open with almost no clothing, they are able to lower their body temperatures several degrees. "They do this in part," says Strehler, "by repressing the reflex that causes shivering, which is a heat-producing reaction to cold. When they awaken, the aborigines shiver, raise their body temperatures and resume their daily routines." (Although the aborigines live no longer on the average than other Australians, one reason for this, says Strehler, might be that their medical care tends to be far inferior to that of the whites.)

The same ability could very likely be taught the rest of us through the much-publicized technique of biofeedback. Psychologist Neal E. Miller at Rockefeller University in New York was able to teach people to control their heart rate, blood pressure and other body functions, all supposedly beyond the range of voluntary control. Biofeedback can also teach older people to control their brain waves, which seem to have something to do with aging, too. As people age, the waves tend to slow; the dominant alpha frequency in young adults, for example, hovers between 10 to 12 cycles per second, but by age 70 has dropped to 7 or 8 cycles. Many psychologists are more than willing to wager that the alpha rhythm may be one of the body's pacemakers; its slowing in the elderly, they believe, may be partly responsible for the painfully slow movements and lengthened reaction time many old people show. Diana Woodruff, a psychologist at U.S.C., however, has been able to train older people to increase their brain alpha; and she has found that both their movements and their responses tend to quicken.

Other hints about how to retard the aging process come from three communities in widely separated parts of the world where longevity seems to run in whole populations: Vilcabamba, a village tucked into a lush valley in the Andes of Ecuador; Hunza, in the mountainous parts of the Pakistani Kashmir, and the region of Abkhasia in Soviet Georgia. All three places have lured investigators with reports that Methuselah ages as high as 130, 140 years are not uncommon. One old man named Muslimov died a few months ago not far from Abkhasia at the alleged age of 168. Many scientists consider the ages reported apocryphal; the written evidence produced to prove them is by no means watertight. "I wouldn't care to bet they're 130," says Dr. Ruth Weg, associate director for training at the U.S.C. Gerontology Center. "But I would accept, yes, that they're probably around 100. And for people that age, they're in very good shape indeed."

Investigators seeking to at least partially explain these long-lived communities have found some interesting similarities between them. In all three places, there is a very high level of physical activity for people of all ages. Rocking chairs are nonexistent; even the old men and women purported to be 130 are supposed to work at least a few hours each day. "In the areas I visited, physical fitness was an inevitable consequence of the active life of the inhabitants," says Dr. Alexander Leaf of Harvard Medical School, who visited all three communities.

Exercise is being increasingly promoted as a rejuvenator as well. "Exercise is the closest thing to an antiaging pill now available," says one gerontologist. The inevitable tendency for most people in our culture is to grow more sedentary with age. Young people who are forced into protracted inactivity often show signs of the same fatigue and poor body tone as old people. Dr. John E. Dietrick, a professor at Cornell University Medical College, found that healthy young volunteers put into girdlelike pelvic casts for six to eight weeks showed muscle changes, generalized weakness—and, interestingly enough, for each pound of muscle the young men lost while inactive, they gained about a pound of fat. After their casts were removed, it took weeks of exercise before their physical symptoms disappeared.

Similarly, older people can recapture at least part of their youthful energy with special exercise programs. Dr. Herbert A. deVries, a physiologist at U.S.C., found that a vigorous six-week regimen of toe-touching, jogging and swimming for one hour, three times a week, transformed a volunteer group of more than 100 men ranging in age from 52 to 87. Their hearts and lungs functioned better, the flow of oxygen through the body improved and blood pressure dropped; the men reported that they were able to work longer and better, and that their sex lives had improved. Most encouraging of all for nonathletes, the improvement seemed to have little connection with how athletic a man had been in his youth.

Diet may also play an important role in controlling the aging process. In the nineteen-thirties, Dr. Clive M. McCay showed he could add years to the lives of rats by cutting calories in their diets. The calorie cutback prolonged the early part of life; the semistarved rats seemed just about to enter their prime when normally fed rats were gray and feeble.

There is no conclusive evidence that human life expetancy can be greatly increased by extreme dieting. But inhabitants of Hunza, Vilcabamba and Abkhasia all have meager, low-calorie diets. The average American, in contrast, consumes about 3,300 calories a day; the inhabitant of Vilcabamba about 1,700 (500 calories lower than the average for other parts of Ecuador). In Abkhasia, overweight people of all ages are considered dangerously ill. In all three places, the intake of animal fats and proteins is extremely low—in Hunza less than 1 per cent of the diet. (The Abkhasians' habit of eating cheese with every meal seemed to make them an exception, until nutritionists discovered that the cheese was a local variety, particularly low in fat.) Instead, the inhabitants mostly consume vegetables, rough grains and fruits.

Women may be able to stay younger thanks to estrogen replacement therapy (ERTR), the routine administration of female hormones, to compensate for the inevitable depletion after menopause. After estrogen levels fall in middle age, women are more prone to heart attacks and to a condition called osteoporosis, which actually causes shrinkage of the bone: One woman in her late 60's lost six inches in height in a period of only a few years. But with ERT, women have fewer heart attacks, osteoporosis is almost completely arrested, and ERT even seems to slow the rate of skin wrinkling. "The tragic caricature of an elderly woman, hunched over, with tufts of hair coming out of her chin may be an unnecessary predicament," says Dr. Finch. "And it may, with the right doses of hormones, be entirely avoidable. This will, of course, offer a tremendous possibility for a greater length of vitality to women in their 60's, 70's and 80's."

Much attention recently has focused on a Rumanian drug called Gerovital H3, which stands at the moment in a vague limbo between scientific skepticism and eager popular approval. A recent article by Dr. M. David MacFarlane, a professor of pharmacology at U.S.C., praised the drug's effectiveness in blocking MAO, the enzyme that may influence the hypothalamus and help bring on the signs of aging. According to its most enthusiastic promoters, Gerovital has the power to darken graying hair, smooth away wrinkles, cure depression and, most dramatic of all, extend life by an estimated 30 per cent. In Europe and South America, where the drug and several less successful imitators are pharmaceutrical best-sellers, Gerovital can be bought over the counter. But while it is peddled quietly in the U.S. at a handsome profit, the Food and Drug Administration refused to approve its open sale after tests in the late nineteen-fifties and early nineteen-sixties showed that its principal ingredient, procaine hydrochloride (also the main ingredient of Novocain, a local anesthetic well known to millions of dental patients), had no clear-cut effect in slowing down aging in lab animals.

A year and a half ago, Dr. Josef P. Hrachovec, then a research associate at U.S.C., found that Gerovital's effects were different, presumably because of small amounts of chemical buffers added by the Rumanians during the manufacture of procaine hydrochloride. Hrachovec found that Gerovital was a highly efficient muzzler of MAO in rat brain tissue: It resulted in an impressive 87 per cent MAO inhibition, which might be responsible for its effectiveness against aging and mental depression, which tends to be more common among older people.

The drug was first used against aging by a Rumanian, Dr. Ana Aslan. In the nineteen-forties, Aslan read a report in a foreign medical journal about the effectiveness of procaine in alleviating arthritis. Using it to treat elderly arthritic patients, Aslan found that not only did it help their arthritis but that it also improved their memory and muscular strength, and cured other infirmities of old age. In 1957, Aslan announced her discovery to a general skeptical medical conference in Germany.

Today, at a vigorous 77 years of age, Aslan (who says that she has taken Gerovital herself for the past 20 years) is a European celebrity talked about by some as if she were the Madame Curie of geriatrics. Gerovital is doled out by the Rumanian Government at 144 treatment centers throughout the country, and thousands of wealthy patients (among them, according to past reports, Charles de Gaulle, Lillian Gish and Kirk Douglas) have passed through the elegant villa-turned-sanatorium that the Government operates for foreigners at Otopeni, not far from Bucharest. For a two-week stay in the sanatorium, which has its own park, tennis courts, cinema and concert hall, a visitor pays about $430 for room, board, physical examinations and a round of Gerovital injections. Not surprisingly, Otopeni is solidly booked months in advance; but its resortlike atmosphere has somewhat lowered the credibility of the glowing reports of returning Aslan patients. "I'm sure Aslan's treatment center is a very fine spa," says F. Marott Sinex. "That's one of the problems about evaluating the claims for Gerovital. It's clear that people who are wealthy enough to go to Rumania come back sold on Gerovital and feeling much better. But would they have felt the same if they had been given aspirin?"

In the late nineteen-sixties, the F.D.A. was encouraged to take another look at Gerovital by American psychiatrists intrigued by European reports that the drug was able to fight depression—without the usual side effects of most antidepressant drugs. A great many of the antidepressants developed in the past 20 years seem to work by blocking MAO—which Gerovital can do also. In 1972, the cautious F.D.A. authorized new long-term tests at medical centers around the country, but only for Gerovital's role as an antidepressant, not as an antiaging drug.

Most gerontologists, after long experience with supposed aging panaceas, seem to be reserving judgment about Gerovital. "I think they have a wait-and-see attitude about it," says Dr. Ruth Weg. "It might turn out to be a very useful euphoriant—that is, it might make older people feel happier and, because of that, temporarily believe themselves to be physically better. But very few scientists are prepared to say the drug can keep you young, even a little. We just don't know."

The war against aging is also being fought on a broader front: Psychologists and sociologists are studying the effect of culture on the physical well-being of an older person. Hunza, Vilcabamba and Abkhasia, the aged are esteemed and almost envied for their years, which are believed to bring them wisdom. But in a youth-loving culture like our own, the old seem somehow alien, inhabitants of a twilight world of fading body and failing mind. "Old people are the despised outsiders of our society," says one New York psychiatrist. "This must take its toll on the average older person's mental, and then physical, well-being."

Part of the problem is that our perception of old age is fogged by a host of myths. "Most of our ideas about old people are really grotesque stereotypes forced on them by this society," says Dr. Margaret Clark, an anthropologist at Langley Porter Neuropsychiatric Institute in San Francisco who has studied aging in many cultures. "People believe them and so they become self-fulfilling prophecies. Anthropological evidence shows us it needn't be so—in many parts of the world, old people function very effectively in very active roles."

One of the most popular stereotypes Clark cities is "the idea of the old fuddy-duddy." Mental deterioration in the aged has long been regarded as sadly inevitable. Freud, for example, although he continued to write books and make new discoveries well into his 70's, was pessimistic about the intellectual abilities of older people, and many others in psychiatry and psychology have felt the same way. "I think since Freud there has been a persistent tendency to downgrade the intelligence of older people," says Marjorie Fiske Lowenthal, director of the human-development program at the University of California, San Francisco, who has written extensively about aging.

For years it was regarded as almost axiomatic that a person's I.Q. tended to rise through youth and adolescence, reached a plateau in the 30's and then, after 40, began a slow, dismal decline. New evidence, however, disputes this. "General intellectual decline in old age is largely a myth," writes Paul B. Baltes, a professor at Pennsylvania State University, and K. Warner Schaie, professor of psychology at U.S.C.'s Gerontology Center, after studying many old people. Intelligence, of course, is an umbrella term that covers many kinds of abilities—in many areas, such as information storage, many people even show actual improvement with age. "Where the performance of older people does tend to decline is on those tests that emphasize speed," says Ruth Weg. "A younger person is able to respond more quickly. But if you let older people take their time, there seems to be very little decrement [in performance]."

Almost any emotional change in older people is often shrugged off as a sign of senility, a kind of doom that seems to await us all in our last years. "But really senility is a garbage-can type of word," says Dr. James Birren, director of U.S.C.'s Gerontology Center and a former director of the National Institute of Child Health and Development's aging program. "There's a lot of misdiagnosing that goes on." Actually, says Birren, only about 12 per cent of the population even has a genetic predisposition for the type of brain disorders that cause senility, and only about 5 per cent ever show them. Yet older people who suffer from things such as occasional memory lapses—which occur in people of all ages—are frightened by the bogey of creeping senility, and fall into a vicious circle of worry, depression and physical decline.

Happiness in older people in our society, says Birren, depends on what kind of adjustment the older person can make to the assortment of myths and stereotypes all around him. Some older people passively submit to being an "old man" or "old woman"; others fight stubbornly against it. "We have an old people's residence in Los Angeles, where many of the women were the very politically activist young women of the nineteen-twenties," he says. "They're still raising the same devil now they did 50 years ago when they were young."

More and more older people have recently sought to escape the pressures of a youth-dominated society in recent years. There has been a sharp rise in the number of separate residences for the old, ranging from publicly subsidized housing for the elderly poor to deluxe Leisure Worlds and Sun Cities for the affluent. This phenomenon of voluntary isolation by the old has been widely deplored. But Dr. Irving Rosow, a sociologist at the University of California at San Francisco who has probably conducted the most influential study on separate housing for older people, found that by almost every index, those living together by their own choice (as opposed to those who were forced to move against their will), are happier than those scattered through the community. Other investigators have found substantially the same thing: Older people who voluntarily live in their own communities tend, on average, to look better, live longer and enjoy better health.

Rosow admits he came to his conclusion with some reluctance. "When I entered this field some years ago," he says, "the prevailing wisdom was that the best way to revitalize old people was to mix them up with a lot of young people. It sounded good, but unfortunately it was the surest way to alienation and isolation. Having their own community gives older people an insulation from an outside world that demeans, rejects and degrades them. They profit from it in many ways. It may not sound very nice, but it's an unfortunate fact of life."

Several organizations have arisen in recent years to fight the stereotypes of old age. The American Association of Retired Persons (A.A.R.P.), with its sister organization, the National Retired Teachers Association, has the largest membership, with over five million people. The A.A.R.P., which restricts membership to those over 55, offers an impressive array of services, from adult education courses to travel tours. It also maintains a strong lobby in Washington to keep a watchful eye on legislation affecting the elderly.

One result of the activity of organizations like the A.A.R.P. is a new kind of self-awareness among older people. "These older people's organizations are beginning to have an impact on the terribly negative self-image most older people have," says Margaret Clark of Langley-Porter Neuropsychiatric Institute. "Older people are starting to accept not only themselves, but also other older people. As long as women were conditioned to believe they were inferior, they didn't like other women. Similarly, you find old people who says, 'I can't stand being with old people.' That's beginning to change. Older people are looking at one another and saying. 'Hey, you're not so bad after all.' "

As research into aging accelerates, it seems to be matched by a growing concern among researchers about the implications of their work. "I think the major findings about aging have already been made," says F. Marott Sinex. "Now we have to sort them out and make some value judgments about them. I would hate people to say 10, 15 years from now, 'You scientists were in your laboratories and never considered what you were playing with,' I think we are aware of what we're playing with, and would like to have some lay people start listening."

One common fear many laymen already express is that once the life-span is extended, the world's population will be swollen with vast numbers of decrepit, half-senile men and women, anchored in wheel chairs and kept alive only through the ministrations of countless tubes and endless injections. "This ugly picture is totally false," insists Bernard Strehler, "for there is no way to appreciably increase life-span except by improving the body's physical state." Men and women in their 80's, he says, "will look and feel 20 years younger than they do right now."

Strehler admits that the eventual understanding and control of the aging process "will cause a revolution in human affairs." Our society is geared to the basic lifespan of 70 years; our social customs as well as our pension systems and insurance plans depend on it. But what if the upper ceiling of life were to be almost doubled to 120? The sudden gift of years might make second and third careers the rule rather than the exception, as well as second and third marriages. (Although couples may marry for better or worse, does that include being wed for a century?)

Possibly we are treading where in fact we have no desire to go. The value of the turnover of generations was once almost unquestioningly accepted—partly, of course, because we had no choice but to accept. The theory was that nature used constant birth and constant death to endlessly reshuffle the genes, thereby creating superior versions of the human model; and cultural progress as well as biological evolution seemed to depend on fresh minds capable of new and original insights.

Now that we do appear to have a choice—or are about to have one—might we not elect to keep our lifespans the way they are at present? "The science and politics of today are already dictated by what their exponents learned 40 years ago," writes Alex Comfort in a magazine article. "Can we afford a 20 per cent increase in life-span, if that means a 40 per cent increase in the tenure of professors, Senators, and company presidents?"

Strehler, however, objects to the belief that biological improvement and cultural progress are more important than the happiness of people now alive. "If enjoyment of life is a good, and the happiness of one person is worth as much as the happiness or enjoyment of any other, it seems cruel to deny people alive today a chance for more years for the sake of people who don't even exist yet."

Most gerontologists believe that no matter what strange permutations in our life-style are brought about by the new scientific investigations into aging, their work will be continued. "The potential misuse of aging research doesn't keep me awake at night," says Alex Comfort. "If it did, I wouldn't devote my time to it. Partial control of human aging is something that's going to happen. Unless we are slothful or overcome by disaster, it's probably going to happen within our lifetime, and some of us will be beneficiaries. Morally, it should be beneficial. Every gain in our ability to stave off death increases our respect for life—our own and others."

STATEMENT BY SENATOR JACOB K. JAVITS OF 1973 DIRECT AND INDIRECT FINANCIAL INTERESTS AND TAX INFORMATION

Mr. JAVITS. Mr. President, under the Senate rules, I filed with the Secretary of the Senate on May 4, 1974 a "Statement of Contributions and Honorariums" which discloses all contributions or honorariums received by me during the calendar year 1973; and it incorporates by reference all reports of campaign contributions which are also on file with the Secretary of the Senate. These reports are public documents.

In addition on May 14, 1974, I filed under the Senate rules with the Comptroller General of the United States a "Confidential Statement of Financial Interests" which includes a list of my assets and liabilities and my 1973 tax return. However, that report is not available to the public and therefore I am publishing a list of my assets and liabilities for calendar year 1973 as filed on May 14, 1974. The listing includes: First, each of my interests in property having a value of $10,000 or more*; second, the assets held in a family trust established in 1937, of which I am the trustee and in which as a beneficiary I have a life interest, each item having a value of $5,000 or more; and third, each of my liabilities having a value of $5,000 or more.

Finally, I am including a summary of Mrs. Javits and my 1973 Federal income tax return and the amounts of State and local taxes paid for 1973.

I ask unanimous consent that these items be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

JACOB K. JAVITS

INTERESTS IN PROPERTY (1973)[1]

Nature of interest, type of property and location

Home-Stake Production Co.,[2] Oil and Gas Interest: Oil and gas; Tulsa, Oklahoma.

Indian Trail Groves, Ltd.: Orange groves; Miami. Florida.

Shareowner—Indian Trail Ranch Inc., Real Estate Interests: Land; Miami, Florida.

Big Mound Trail Corp., Trust: Land; Miami, Florida.

Magic Marker: Corporate Stock; New York, N.Y.

Westmorland Coal Co.: Corporate Stock; New York, N.Y.

Watergate West, Inc., Stock: Residence; Washington, D.C.

Chubb Corp., Stock: Corporate Stock; U.S.

Southern Tier Cattle: Cattle; Kansas City, Mo.

Terra Bella Vineyards & TBV Lessors: Vineyards; California.

Southgate Associates: Land & Buildings; Chicago, Ill.

Checking Account: Cash; First National City Bank, New York City.

BENEFICIAL INTEREST IN TRUSTS (1973)

Trust Holdings[3]

Belco Oil & Gas Fund, land interest.

East Hampton Property, land interest.

Loxahatchee Real Estate, land interest.

Martinco Realty, land interest.

Arrow Head Associates, land interest.

American Telephone & Telegraph Co., bonds.

Bartell Media, bonds.

Carolina Tel. & Tel., bonds.

Government Employees Ins. Co., bonds.

Government Employees Financial Corp., bonds.

Royal Palm Beach Colony, Inc., bonds.

Sears Roebuck Acceptance Corp., bonds.

U.S. Treasury, bonds.

Alum. Co. of America, stocks.

American Telephone & Telegraph Co., stocks.

Archer-Daniels-Midland Co., stocks.

Atlantic Richfield Co., stocks.

Bankers Securities Corp., stocks.

Belco Petroleum Corp., stocks.

Cenco Hospital & Convalescent Homes Corp., stocks.

Cenco Instruments Corp., stocks.

Cities Service Co., stocks.

Consolidated Marbenor Mines Ltd., stocks.

Criterion Insurance Co., stocks.

Crown Zellerbach Corp., stocks.

Equity Commercial Corp., stocks.

First National City Bank Corp., stocks.

First Chicago Corp., stocks.

Flying Tiger Corp., stocks.

Ford Motor Co., stocks.

Fuji Photo Film Co., Ltd., stocks.

Gillette Co., stocks.

Government Employees Financial Corp., stocks.

Government Employees Insurance Co., stocks.

Government Employees Life Insurance Co., stocks.

Great Northern Nekoosa, stocks.

IBM, stocks.

IDB Bank Holding, stocks.

Indian Trail Ranch, Inc., stocks.

Inland Container Co., stocks.

IMC Magnetics Corp., stocks.

Intercraft Industries Corp., stocks.

Kaiser Alum. & Chem. Corp., stocks.

Magic Marker Corp., stocks.

Marathon Oil Co., stocks.

Peerage Properties Corp., stocks.

Polaroid Corp., stocks.

Royal Palm Beach Colony, Inc., stocks.

Royal Dutch Petr. Co., stocks.

Ryder Systems Inc., stocks.

Sherritt Gordon Mines, stocks.

South Carolina Electric & Gas Co., stocks.

Southern Company, stocks.

Standard Oil of Ohio, stocks.

Telco Marketing Service, stocks.

Transamerica Corp., stocks.

Tubos De Aero De Mexico, stocks.

Union America Inc., stocks.

Union Camp, stocks.

Welch Scientific, stocks.

White Shield Oil & Gas, stocks.

Zenith Radio Corp., stocks.

LIABILITIES (1973)

[Not including current trade bills]

Name of creditor and type of liability

Ida Javits Trust, income advances unliquidated.

First National City Bank, New York, New York, loan of Senator and Mrs. Javits for the purchase of a co-op apartment at 322 East 57th St., New York City. Secured by the proceeds of sale of co-op apartment at 911 Park Avenue, New York City, which closed on February 2, 1973, and loan repaid.

First National City Bank, New York, New York, loan of Senator and Mrs. Javits for home improvements at 322 East 57th Street (secured).

First National City Bank, New York, New York, contingent liability on partnership loan re Southgate Associates.

Northwestern Life Insurance Company, Travelers Insurance Company, Union Labor Life Insurance Company, Equitable Life Assurance Society, New York Life Insurance Co., Massachusetts Mutual Life Insurance Co., Mutual of New York, loans on life insurance policies secured by cash surrender value of policies.

SUMMARY OF 1973 JOINT FEDERAL INCOME TAX RETURN OF SENATOR AND MRS. JAVITS[4]

Income

Senate salary	$42,500
Dividends	1,639
Interest	2,341
Income other than wages, dividends and interest (includes rents and royalties, articles and lectures, investments and rebuy-out of interest in law firm (Javits, Trubin, Sillcocks & Edelman) from which Senator Javits retired Sept 30, 1971) to which is to be added a figure of about $50,000 collected in 1973 as share of legal fees earned before September 30, 1971 by such law firm; and, after deductions appropriate to this item	$74,603
Total	121,083
less payment to self-employed pension plan	2,500
Adjusted gross income	118,583
Other Deductions (includes charitable contributions of $8290)	56,231
Federal Tax	20,512
State and Local Taxes:	
New York State Tax	7,138
New York City Tax	1,522

CRUDE OIL PRICE ROLLBACK NEEDED

Mr. ABOUREZK. Mr. President, the major oil companies, the oil industry as a whole and the administration have been arguing that higher prices for crude oil will stimulate increased exploration and production; and conversely lower crude oil prices will inhibit increased exploration and production.

For example, on May 2, 1974 the Gulf Oil Corp. ran a full page ad in major American newspapers announcing in bold face type that—

> There is simply no way to roll back crude oil prices without rolling back crude oil production.

And on April 22, 1974 before the Senate Commerce Committee, Dr. John F. Sawhill argued that—

> Where prices elicits new supply it serves a useful economical function and benefits consumers with increased supply, which ultimately results in lower prices.

These are the same kind of arguments that were made by Dr. John Dunlop, President Nixon's former Director of the Cost of Living Council when he defended his raising of crude oil prices on May 15 and December 19, 1973. In testimony before the House Permanent Select Committee on Small Business, Dunlop stated on October 24, 1973 that the Cost of Living Council's 35 cents per barrel price increase and its decision to set up a two-tiered pricing system—in effect, allowing so-called "new" and stripper well crude oil prices to rise freely—were put into effect to stimulate production. "The purpose—of the two-tiered system, which allowed producers to get the unregulated price for every barrel of old oil they produced, if they produced a barrel of "new" oil—was obviously to encourage oil wells to expand output. It was designed to encourage producers to open up new wells. It was designed to stimulate, as I say, the output of our domestic oil production, given the international situation," argued Dunlop.

On May 15, 1973 the Cost of Living Council announced that the price producers could charge for "old" oil would be set at $4.25 a barrel, and in August 1973 the COLC promulgated a ruling which set up a two-tiered pricing system which allowed "new" oil and stripper well oil prices to rise freely. Did these price increases stimulate increased production? Not according to the production statistics of the American Petrolum Institute. The average daily production of crude oil and condensates for the 4-week period ending May 25, 1973 was 9,365,000 barrels. Seven months later, just before the Cost of Living Council's second round of price increases, the daily average had fallen to 9,110,000 for the 4-week period ending December 21, 1973—a decrease of 255,000 barrels a day.

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*I have published similar reports on my own and the trust's investments in the CONGRESSIONAL RECORD for many years.

[1] In all cases these are for normal investment only and do not represent any element of control or of relative major size.

[2] Now believed to be without value.

[3] In all cases these are for normal investment only and do not represent any element of control or of relative major size.

[4] Filing date June 15, 1974 (per IRS extension) and subject to adjustments before filing.

On December 19, 1973, the Cost of Living Council decided to allow the price of "old" crude oil to be raised to $5.25 per barrel. Dr. Dunlop's argument this time for allowing the increase in "old" crude (oil which was already flowing out of the ground before the two-tier system was set up in phase IV regulations) was the same one which was used in September for allowing "new" crude to float.

Said Dunlop:

> The announced increase will create additional incentive for the petroleum industry to pursue further research and development efforts, new exploration and new technology to augment our energy resources.

Again, according to the production statistics of the American Petroleum Institute, the 4-week average ending May 4, 1973, amounted to 9,346,000 barrels per day compared with the 4-week average ending May 3, 1974, amounting to 9,032,000 barrels per day, a decline of 314,000 barrels per day.

It can be reasonably argued that the greatest decline in production has come from the major crude oil producers in the United States, the same companies who are among the largest producers in the world. The following are the production figures for the United States in 1972 and 1973 for the major producers (these statistics are derived from the annual financial and statistical supplements to the companies' 1973 annual reports):

[In thousands of barrels per day.]

Company	*1973*	*1972*
Exxon (gross)	1,084	1,114
Texaco (gross)	876	916
SoCal (gross)	509	528
Mobil (gross)	441	457
Gulf (gross)	525	566
Shell (gross)	732	739
Total	[1] 4,167	4,320
St. Ind. (net)	529	487
Arco (net)	433	437
Union (net)	277	291
Getty (net)	283	285
Phillips (net)	257	268
Cities Service (net)	227	227
Continental (net)	219	220
Amerada Hess (net)	99	94
Sohio (net)	29	29
Ashland	24	20
Total	[2] 6,544	6,678

[1] 153,000 barrels per day decline.

[2] 134,000 barrels per day decline.

According to the Bureau of Mines the daily average production of crude oil and liquids in December 1973 was 186,000 barrels per day less than in December 1972. Thus, it is logical to conclude that the largest six crude producers were responsible for the cutback in domestic crude oil production in 1973, despite the fact that prices were increasing during the entire year.

As far as the National Petroleum Council, a major oil company dominated oil industry advisory group to the Secretary of the Interior, was concerned in December 1972 increased oil production depended on allowing prices to increase to the level "at which the industry can attract and internally generate the risk capital needed to expand activity to its minimum capability." Yet, the prices the NPC believed were necessary were much closer to the prices that existed on May 15, 1937, than to the prices which the administration has allowed.

The following are some of the conclusions of the National Petroleum Council's December 1972 publication, "U.S. Energy Outlook":

> The volume of domestic oil and gas remaining to be found will not be a limiting factor on domestic supply prior to 1985. There remains to be discovered almost as much oil-in-place (OIP) and twice as much non-associated gas as had been found by the end of 1970.
>
> The most effective economic incentive would be to allow prices to increase to the level at which the industry can attract and internally generate the risk capital needed to expand activity to its maximum capability. This requires both a fair return on total investments (e.g., return on net fixed assets), as well as the anticipation of attractive returns on current and future investments.
>
> Assuming a 15-percent annual rate of return in constant 1970 dollars, 1985 average oil "prices" may have to range from $5.06 to $7.21 per barrel to support the activity levels assumed (from a case of high finding rate and downward drilling trend to a case of low finding rate and increased drilling trend).
>
> According to these same criteria the NPC came to the following conclusions for the "average required 'prices'" in terms of constant 1970 dollars. For the year 1975, a range of $3.54 to $3.70; and for the year 1980 a range of $4.26 to $5.16.

An important statistic was revealed in an article in the April 1, 1973 issue of Forbes magazine. The article pointed out an often overlooked fact; namely, that the rate of return on a barrel of oil produced in the United States is the highest in the world:

> The most profitable crude oil of all comes from the lower 48 states of the U.S., where, thanks to lower taxes and higher selling prices, it is possible to net $1.50 to $2 per barrel. Exxon still is the biggest producers of U.S. crude at around 1 million barrels per day. The U.S. accounts for about 18% of Exxon's daily production of 6 million barrels, but more than a third of its total profits.

This fact was supported by Exxon president George Piercy in response to a question by Senator Case before Senator Church's hearings on the multinational oil companies. Piercy stated that Exxon's profit "would be much higher in cents per barrel within the United States."

The first quarter 1974 profit figures for the major companies reveal that a substantial proportion of their increased earnings were a direct result of the adminstration's pricing policies. Company after company admitted that a large part of their profits were earned on inventories of crude oil which were sold at the higher prices permitted by the administration.

The following are examples of some first quarter reports of major oil companies. Many of them indicate that while their production and sales in the United States declined, their earnings nevertheless increased precipitously:

> Mobil: 1974 1st quarter income was $258.6 million, an increase of 66% over the 1st quarter of 1973.
>
> Because of the Administration's crude oil price increases, "Mobil's increased income from U.S. exploration and producing contributed more than the entire 33% increase in U.S. petroleum earnings . . ." (from Mobil's 4/26/74 press release)
>
> According to Mobil's April 26 press release, Mobil's worldwide crude oil and natural gas liquids production was "down 3.3% from the same period last year. Production of natural gas was 3.9 billion cubic feet a day, a decrease of 0.2% from last year. Refinery crude runs were down 4.5% this year . . ." Product sales volumes decreased "9.1% from last year."
>
> Texaco: 1974 1st quarter net income was $589.4 million, an increase of 123.2% over the first quarter of 1973.
>
> Because of the Administration's crude oil price increases, Texaco made profits totalling $258-million from "the sale of lower cost inventories at substantially increased prices in effect during the first quarter."
>
> According to Texaco's April 23, 1974 press release, Texaco's "refinery runs were down 3.5% . . . petroleum product sales declined 3.1% . . . natural gas sales decreased 4.3%." Gross production of crude oil and natural gas liquids declined 6% in the U.S.
>
> Exxon: 1974 1st quarter net income was $705-million, an increase of 39% over the 1st quarter of 1973. The Associated Press reported, however, that the company would have increased its 1st quarter profits by 118% if it had not reduced these earnings by about $400-million to take into account future taxes and variations in foreign crude prices.
>
> Because of the Administration's crude oil price increases, Exxon's 1st quarter earnings from petroleum and natural gas operations in the U.S. totaled $220-million compared to a total of $189-million in the 1st quarter of 1973. "The U.S. government policies designed to stimulate development of domestic oil and gas production resulted in higher prices beginning in the fall of 1973," said the press release of April 23, 1974.
>
> According to Exxon's press release, the company's gross production of oil and natural gas liquids declined from 6,578,000 in the 1st quarter of 1973 to 5,846,000 barrels per day in the 1st quarter of 1974. Similarly, refinery runs decreased from 5,707,000 barrels a day to 5,281,000 bbls/day. Natural gas sales declined from 10.6 billion cubic feet per day in the 1st quarter of 1973 to 10.4 billion cubic feet per day in the 1st quarter of 1974. And petroleum product sales declined for the same period from 6,578,000 bbls/day to 5,846,000 bbls/day.

One oil company executive, Fred L. Hartley, president of the Union Oil Co. of California, believes the high crude oil prices are not necessary to stimulate exploration. "It is my belief," said Hartley, "that prices of new and released crude oil have risen beyond levels necessary to provide" incentives to stimulate exploration.

Phillip L. Essley, Jr., deputy assistant administrator for FEO policy analysis and evaluation, stated (according to the April 29, 1974 issue of The Oil & Gas Journal) that many oil companies are using "every accounting trick possible" to reduce reported profits in order to escape public criticism. These include full funding of pension accounts, writing off previous investments, and changing inventory methods. The Journal reports that "these steps can be used only once, and reported profits may continue to climb through 1974 and 1975. One reason is that not all profits have yet shown up in income statements because of delays in the methods some companies use to report foreign-subsidiary profits."

The industry has consistently denied that it has earned excessive profits. An economic analysis, however, by Senate Antitrust and Monopoly Subcommittee economist, Dr. Walter S. Measday, indicates that the profits earned by the oil industry are much greater than other industries, because of the nature of the capital structure of the major oil companies. Measday argues:

> The capital structure of the oil industry may itself help to hold down rate of return figures. Finally, the industry was able to finance a much higher percentage of its growth through profits than the average manufacturing industry.

Measday provides a number of tables and statistics to support the above contention.

Another problem which must be considered is the fact that even though prices have increased, reserves have not. According to the definition of reserves given by the American Petroleum Institute, proved reserves are "the estimated quantities of crude oil recoverable under existing economic and operating conditions." But, while the economic conditions have changed dramatically in the last year, the official figure for crude oil reserves has not.

The average cost of producing a barrel of oil in the United States is $1.50 according to this Fortune article. This again confirms the Forbes article statement that in April, 1973 the average net profit was $1.50 to $2.00 per barrel. With current prices averaging $7.00 per barrel, the net profit is approximately $5.50 per barrel.

The prevailing belief among many people is that the small producers make up a large part of a highly competitive industry. But, according to the statistics published by the Federal Trade Commission staff study in July, 1973, this belief is mistaken.

According to the FTC study:

> 1. The top 20 oil companies controlled 93% of the nation's crude oil reserves and the top eight companies (Exxon, Texaco, Gulf, Standard Oil of California, Standard Oil of Indiana, Arco, Shell and Mobile) own 64% of America's crude oil reserves.
>
> 2. The top 20 oil companies controlled over 70% of crude oil production in the United States in 1970.

On February 22, 1974 the Federal Trade Commission filed a complaint against the eight largest companies for anticompetitive and monopolistic practices in the oil industry.

The FTC argued that these eight companies "are heavily concentrated in crude oil production and as a result exert substantial control over the price and supply of crude oil." The complaint goes on to state that these eight companies: "as the dominant purchasers of crude oil, post the price at which crude oil changes hands. Their power to set and maintain the price derives from their concentration in crude oil production, their control of crude oil pipelines and their control over international crude oil. Moreover, they have bolstered their power to control the price of crude oil by their exploitation of State and Federal legislation, particularly State prorationing laws and the oil import quota, which assist them in restricting the quantity of crude oil produced to a level with the posted price."

The FTC complaint further alleges that the companies in question own approximately half of the crude oil production in the relevant market. They also produce a substantial part of this oil in "various combinations with each other":

> But the ownership of production does not give a true picture of (the companies') control over the supply of oil. This control is substantially augmented by their ownership—largely joint ownership—of the system by which crude oil is transported from the producing field to the refining areas. Control of this system is tantamount to control over crude oil production itself.

In conclusion, it is apparent that the major oil companies, which control the production and sale of crude oil in the United States, have been able to exert their will on the American economy by restricting output and earning excessive profits as a result of high prices set by a friendly administration. Rolling back crude oil prices could provide a great deal of relief for consumers and small businesses and would not damage the incentives (price and tax) that still exist for the oil producers.

I ask unanimous consent to have certain charts and the report U.S. Energy Outlook printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAJOR OIL COMPANY 1ST QUARTER PROFITS

1ST QUARTER PROFITS FOR 30 U.S. FIRMS

[Dollar amounts in thousand]

	Net profits [1]	
	1st quarter 1974	Percent increase from 1973
Exxon	$705,000	38.8
Texaco	589,412	123.2
California Standard	293,000	91.5
Gulf	290,000	75.7
Mobil	258,600	65.9
Subtotal	2,136,012	71.5
Indiana Standard	219,000	81.0
Shell	121,800	51.9
Continental	109,151	129.9
Atlantic Richfield	93,900	86.7
Sun	90,825	84.8
Tenneco	83,982	57.2
Phillips	80,900	86.4
Getty [2]	73,644	172.7
Union	72,960	90.7
Cities Service	68,800	87.0
Occidental	67,769	717.6
Amerada Hess	49,851	35.8
Pennzoil	41,347	110.7
Marathon	30,620	52.5
Louisiana Land	27,963	79.1
Murphy	25,498	232.7
Kerr-McGee	23,619	98.9
Ohio Standard	22,600	29.1
Skelly	19,700	97.0
Ashland	19,400	22.0
Superior	14,500	208.5
American Petrofina	13,083	176.3
Mapco	8,687	50.4
Quaker State	5,330	47.9
Apco	3,024	240.1
Subtotal	1,387,953	90.1
Total	3,523,965	78.4

[1] Excludes extraordinary items.

[2] Includes Getty's share of Mission Corp. and Skelly Oil Co.

Source: The Oil & Gas Journal, May 13, 1974.

TABLE 15.—NET INCOME AFTER TAX AND THE RATE OF RETURN ON EQUITY OF SELECTED OIL COMPANIES (1963–73)

[Dollar amounts in millions]

Company	1973		1972		1971		1970		1969	
	Net income	Percent return [1]	Net income	Percent	Net income	Percent	Net income	Percent	Net income	Percent
Total	$9,087.3	15.1	$5,951.7	9.7	$6,007.3	10.2	$5,556.7	10.4	$5,549.9	10.9
Amerada Hess Corp [2]	151.8	23.5	46.2	8.3	133.3	24.0	114.0	25.7	86.5	23.7
Ashland Oil Corp	98.3	17.3	68.0	13.5	40.5	8.8	52.0	11.7	56.9	13.3
Atlantic Richfield Co	270.2	8.9	192.5	6.5	210.5	7.3	209.5	7.5	230.1	8.5
Cities Service Co	135.6	9.8	99.1	6.9	104.5	7.7	118.6	8.9	127.2	10.0
Clark Oil & Refining Corp	30.5	29.9	8.3	9.8	3.6	4.7	10.8	14.0	13.0	18.7
Continental Oil Co	242.7	14.0	170.2	10.4	140.1	9.1	160.3	10.7	146.4	9.8
Exxon Corp	2,440.0	18.5	1,531.8	12.5	1,516.6	13.1	1,309.5	12.0	1,242.6	12.3
Getty Oil Co	135.0	8.8	76.1	5.2	120.1	8.5	103.2	7.8	105.8	8.3
Gulf Oil Corp [2]	760.0	14.0	447.0	8.3	561.0	10.2	550.0	10.4	610.6	12.1
Kerr-McGee Corp [2]	58.8	10.8	50.6	10.1	40.7	10.8	35.9	10.3	33.6	10.3
Marathon Oil Co	129.4	15.2	79.8	10.2	88.7	11.7	86.5	11.8	89.4	12.1
Mobil Oil Corp	842.8	15.7	574.2	10.9	540.8	10.9	482.7	10.4	456.5	10.4
Murphy Oil Corp	53.6	24.4	14.3	7.6	11.1	6.2	9.3	6.5	6.2	4.5
Phillips Petroleum Co	230.4	12.1	148.4	8.1	132.3	7.6	132.3	7.8	127.8	7.7
Shell Oil Co	332.7	10.9	260.5	8.9	244.5	8.7	237.2	8.6	291.2	10.9
Skelly Oil Co	44.0	7.5	37.6	6.8	38.3	7.0	36.1	7.0	38.4	7.7
Standard Oil of California	843.6	14.4	547.1	10.5	511.1	10.4	454.8	9.8	453.8	10.3
Standard Oil Co. (Indiana)	511.2	12.4	374.7	10.0	340.6	9.6	314.0	9.3	321.0	10.0
Standard Oil Co. (Ohio)	74.1	6.6	59.7	5.6	58.8	5.7	64.4	6.3	51.9	5.3
Sun Oil Co	230.0	12.3	154.7	8.8	151.6	8.9	139.1	8.4	152.3	9.4
Texaco Inc	1,292.4	25.0	889.0	12.4	903.9	13.4	822.0	13.1	769.8	13.1
Union Oil of California	180.2	10.6	121.9	7.6	114.7	7.4	114.5	7.6	138.9	9.5

Footnotes at end of table.

TABLE 15.—NET INCOME AFTER TAX AND THE RATE OF RETURN ON EQUITY OF SELECTED OIL COMPANIES (1963–73)—Continued

[Dollar amounts in millions]

Company	1968 Net income	1968 Percent	1967 Net income	1967 Percent	1966 Net income	1966 Percent	1965 Net income	1965 Percent	1964 Net income	1964 Percent	1963 Net income	1963 Percent
Total	$5,539.4	11.8	$5,175.6	12.0	$4,701.9	11.7	$4,203.7	11.2	$3,846.9	10.8	$3,579.7	11.0
Amerada Hess Corp [2]	89.8	19.8	76.8	22.2	73.1	22.6	63.4	22.2	59.4	23.0	52.4	22.7
Ashland Oil Corp	53.6	14.6	48.4	15.5	45.0	17.6	35.8	15.5	23.7	14.0	18.1	11.7
Atlantic Richfield Co	105.8	7.8	130.0	10.2	113.5	9.4	90.1	8.1	47.1	7.3	44.0	7.0
Cities Service Co	121.3	9.9	127.8	10.9	120.1	11.0	100.6	10.2	84.5	9.1	77.5	8.6
Clark Oil & Refining Corp	12.1	20.4	11.5	23.4	9.6	24.2	8.7	27.8	2.1	8.9	1.5	6.8
Continental Oil Co	150.0	10.6	136.1	10.1	115.6	10.3	96.2	10.2	100.1	11.1	87.4	10.5
Exxon Corp	1,276.7	13.0	1,155.0	12.3	1,090.1	12.1	1,021.4	11.9	1,050.6	12.6	1,019.5	12.8
Getty Oil Co	98.3	8.3	118.2	10.5	92.3	9.0	57.7	6.9	43.0	5.6	43.0	6.1
Gulf Oil Corp [2]	626.6	13.2	568.3	12.9	504.8	12.3	427.2	11.2	395.1	11.0	371.4	10.9
Kerr-McGee Corp [2]	36.4	12.0	32.1	11.5	33.0	12.9	25.1	14.6	20.7	14.7	18.8	15.8
Marathon Oil Co	83.3	12.7	73.9	12.3	68.8	12.3	60.1	11.3	60.4	11.8	49.1	10.2
Mobil Oil Corp	430.7	10.3	385.4	9.8	356.1	9.5	310.2	9.1	294.2	8.8	271.9	8.6
Murphy Oil Corp	7.3	5.4	8.2	6.2	8.4	7.6	6.4	6.1	4.3	4.9	4.8	5.7
Phillips Petroleum Co	129.9	8.0	164.0	11.0	138.4	10.3	127.7	9.9	115.0	9.3	108.1	8.9
Shell Oil Co	312.1	12.3	284.9	13.8	255.2	13.4	234.0	13.4	198.2	12.3	179.9	12.0
Skelly Oil Co	40.3	8.5	42.0	9.3	37.0	8.8	34.0	8.8	25.7	7.1	24.2	7.0
Standard Oil of California	451.8	10.7	409.4	10.3	401.2	10.8	391.2	11.1	345.3	10.5	322.1	10.5
Standard Oil Co. (Indiana)	309.5	10.1	280.9	9.6	255.9	9.1	219.3	8.1	194.9	7.5	183.1	7.3
Standard Oil Co. (Ohio)	70.1	13.0	67.1	14.5	56.9	13.3	49.7	12.7	43.8	12.0	38.9	11.4
Sun Oil Co	164.4	10.9	156.2	15.2	100.6	10.8	85.5	10.1	68.5	8.8	61.2	8.4
Texaco Incorporated	819.6	14.5	754.4	14.8	692.1	15.0	636.7	14.9	577.4	14.6	547.6	15.6
Union Oil of California	149.8	10.9	145.0	11.2	134.2	11.2	112.8	10.4	92.9	14.7	55.2	9.9

[1] Equity as of Sept. 30, 1973.

[2] Full years income estimated on the basis of income reported for the first 9 months of 1973.

Source: Standard and Poors' Industrial Survey, Moody's Industrial Manual, Quarterly Financial Statements filed with the Security Exchange Commission (10 Q forms). Office of the Secretary of Treasury, Office of Tax Analysis, Feb. 1, 1974.

U.S. ENERGY OUTLOOK: A REPORT OF THE NATIONAL PETROLEUM COUNCIL'S COMMITTEE ON U.S. ENERGY OUTLOOK

* * * * *

Six oil and gas supply cases resulting from combinations of these two finding rates and three drilling rates were analyzed. Also, the initiation of production from the North Slope was delayed in two of the cases. The configuration of these variables, as they define the six cases investigated, is outlined in Table 32.

TABLE 32.—OIL AND GAS CASES ANALYZED

Variable	Highest supply I	IA	II	III	IVA	Lowest supply IV
Finding rate	High	Low	High	Low	High	Low.
Drilling rate	High growth	High growth	Medium growth	Medium growth	Current downtrend.	Current downtrend.
North Slope production starts:						
Oil	1976	1976	1976	1976	1981	1981.
Gas	1978	1978	1978	1978	1983	1983.

For brevity, four of these six cases (I, II, III and IV) were selected to display the results whenever possible. These cases represent the three drilling rates and cover the widest range of supply results. Case I is the highest supply case; Cases II and III are intermediate supply cases, combining the medium drilling rate with both the high and low finding rates; and Case IV is the lowest supply case and includes delays in Alaskan development.

GENERAL APPROACH—SUPPLEMENTAL SUPPLY

The principal sources of domestic oil and gas supply during the 1971–1985 period will be conventional production. However, sufficient progress in research and development (R&D) and/or experience in certain energy fuel conversion applications has been made to support a reasonable range of estimates for certain potential supplemental sources of supply. This category of supply includes: liquefaction and gasification of coal, production of liquids from oil shale and tar sands, reforming of certain petroleum liquids to produce substitute natural gas (SNG), and utilization of nuclear explosives to stimulate production in low-productivity natural gas reservoirs.

Analyses of the volumes, capital investments and required "prices" for the production of oil or gas from coal, oil shale and tar sands are contained in Chapters Five, Seven and Eight, respectively. Analyses of SNG production and nuclear explosive stimulation are contained later in this chapter.

Generally, such forms of supply will require large capital investments and "prices" considerably higher than those for conventional supplies at present and will make limited contribution to total supply in the projected period.

SUMMARY: RESERVE ADDITIONS

Table 33 shows actual and projected reserve additions of petroleum liquids and natural gas in the lower 48 states. In addition to the reserve additions shown, it is estimated that average annual reserve additions in Alaska will range between 0.3 and 0.6 billion barrels of petroleum liquids for Cases IV and I, respectively, and between 1.3 TCF (Case IV) and 4.2 (Case I) of gas over the 15-year period 1971–1985.

TABLE 33.—SUMMARY OF ANNUAL RESERVE ADDITIONS IN LOWER 48 STATES

	Actual	Projected Case I	Case II	Case III	Case IV
Petroleum liquids (billion barrels per year):					
1950	3.1				
1965	3.9				
1970	3.4				
1975		3.8	3.7	2.9	2.5
1980		4.9	4.3	3.5	2.7
1985		5.3	4.7	3.7	2.6
Total natural gas (TCF per year):					
1960	13.8				
1965	21.2				
1970	11.1				
1975		19.3	17.3	11.6	8.8
1980		27.2	21.8	14.2	7.4
1985		25.9	21.1	14.1	5.9

PRODUCTION

Tables 34 and 35 show the projected daily average production of petroleum liquids and the annual production of natural gas.

REQUIRED "PRICES" *

Actual "prices" for several prior years and the computed average "prices" required for a 15-percent return on net fixed assets to achieve the levels of reserve additions and production for all cases investigated are shown in Table 36. These are average "prices" for all vintages and all qualities of oil and gas. Five rates of return on net fixed assets between 10 and 20 percent were investigated; only the mid-level of 15 percent is shown for the projection in Table 36.

* Not a specific selling price as between producer and purchaser and does not represent a future market value. The term "price" is used to refer generally to economic levels which would, on the basis of the cases analyzed, yield the selected level of return on net fixed assets for given levels of activity for the particular fuel under the assumptions made. For a discussion of "constant" and "current" dollars, see Glossary.

TABLE 34.—SUMMARY OF WELLHEAD PRODUCTION[1]

PETROLEUM LIQUIDS

[Million barrels per day]

	Actual	Projected Case I	Case II	Case III	Case IV
Lower 48 States:					
1960	8.0				
1965	8.9				
1970	10.9				
1975		9.9	9.9	9.5	9.4
1980		10.8	10.4	9.2	8.6
1985		12.0	11.1	9.3	8.0
Alaska:					
1960					
1965					
1970	.2				
1975		.3	.3	.3	.2
1980		2.8	2.5	2.4	.3
1985		3.5	2.8	2.5	2.4
Total United States:					
1960	8.0				
1965	8.9				
1970	11.1				
1975		10.2	10.2	9.8	9.6
1980		13.6	12.9	11.6	8.9
1985		15.5	13.9	11.8	10.4

[1] In addition to these volumes of conventional production, projected volumes of synthetic liquids are discussed in chapters 5 and 7. Oil supply from all sources is shown in table 82.

TABLE 35.—SUMMARY OF WELLHEAD PRODUCTION[1]—TOTAL NATURAL GAS

[TCF per year]

	Actual	Projected Case I	Case II	Case III	Case IV
Lower 48 States:					
1960	13.0				
1965	16.3				
1970	22.2				
1975		23.5	23.4	21.8	21.6
1980		24.2	22.8	19.1	17.1
1985		26.2	23.0	17.5	13.2
Alaska:					
1960					
1965					
1970	.1				
1975		.2	.2	.2	.2
1980		1.7	1.5	1.3	.2
1985		4.4	3.5	2.9	.18
Nuclear stimulation:					
1970					
1975					
1980		.2	.1	.1	
1985		1.3	.8	.8	
Total United States:					
1960	13.0				
1965	16.3				
1970	22.3				
1975		23.7	23.6	22.0	21.8
1980		26.1	24.4	20.5	17.3
1985		31.9	27.3	21.2	15.0

[1] In addition to domestic wellhead production, volumes of substitute natural gas from liquid hydrocarbon feedstocks (discussed (later in this chapter) and coal (discussed in chapter 5) were projected. Gas supply from all sources is shown in table 83.

TABLE 36.—SUMMARY OF AVERAGE REQUIRED "PRICES"—LOWER 48 STATES

[Constant 1970 dollars]

		Projected (15 percent return on net fixed assets)					
		High finding rates—Case—			Low finding rates—Case—		
	Actual[1]	I	II	IVA	IA	III	IV
Crude oil price (dollars per barrel):							
1960	3.33						
1965	3.26						
1970	3.18						
1975		3.65	3.63	3.54	3.70	3.67	3.57
1980		4.90	4.73	4.26	5.16	4.95	4.39
1985		6.69	6.18	50.6	7.21	6.60	5.28
Gas field prices (cents per thousand cubic feet):							
1960	16.2						
1965	17.8						
1970	17.1						
1975		26.7	26.2	25.1	28.5	27.9	26.6
1980		33.7	31.8	27.6	40.9	37.8	31.6
1985		43.6	39.8	31.2	59.4	53.0	38.7

[1] Actual data are average wellhead values at unspecified rates of return reported by the Bureau of Mines and converted to constant 1970 dollars.

CONCLUSIONS AND IMPLICATIONS: RESOURCES OF OIL AND GAS

The volume of domestic oil and gas remaining to be found will not be a limiting factor on domestic supply prior to 1985. There remains to be discovered almost as much oil-in-place (OIP) and twice as much non-associated gas as had been found by the end of 1970.

The geographic location of the remaining potential resources is an important factor. About half of the remaining oil and gas is estimated to lie in the frontier areas of Alaska and offshore, while very little may be left in some of the mature inland provinces.

The key factors determining the volume of these resources which will be developed during the 1971–1985 period are access to prospective areas, drilling rates and finding rates. Appropriate economic and political conditions are also essential to the attainment of the projected results.

DRILLING RATES AND ADDITIONAL RECOVERY ACTIVITY

The industry has been in a phase of diminishing activity for several years. With positive incentive and areas to explore, the petroleum industry can reverse its recent trend of declining drilling activity and begin expanding to rates achieved in the post-World War II decade. Such a reversal in drilling rates, without a change in the finding rate, results in increasing 1985 total liquids and gas production (including Alaska) by about 2.6 MMB/D and 8 TCF per year above the level that would occur if the historical downtrend in drilling were continued (Case IA *vs.* Case IV).

In addition to increased exploration activity, adequate incentives could stimulate the oil industry to expand its application of secondary and tertiary oil recovery processes. By 1985, these additional recovery methods might account for about half of the oil production from the lower 48 states.

FINDING RATES

The difference between the projected high and low finding rates is substantial—the high finding rate discovers approximately half again as much as the low finding rate per foot of hole drilled. Measured in terms of wellhead production in 1985, assuming the medium growth drilling rate (Cases II and III), the high finding rate provides above 2 MMB/D of oil and 6 TCF of gas per year more than the low rate. The impact on required unit "prices" to yield a 15-percent return would be a reduction of $0.42 per barrel and $0.13 per MCF.

LEAD TIME

The lead time between a producer's decision to expand exploration activity and the resultant increase in oil and gas production is unavoidably long. Geological and geophysical work must be done to identify new drilling prospects, adequate funds to finance the effort must be made available, land must be leased, drilling rigs must be acquired (or built), manpower trained, drilling accomplished, production and transportation facilities built, and gas contracted. The lead time in the frontier areas where the major potential exists can be as long as 5 years or more. Thus, not only are immediate incentives required, but the *expectation* by the industry of a stable, satisfactory economic and political climate is essential.

PRICE INCENTIVE

The most effective economic incentive would be to allow prices to increase to the level at which the industry can attract and internally generate the risk capital needed to expand activity to its maximum capability. This requires both a fair return on total investment (e.g., return on net fixed assets), as well as the anticipation of attractive returns on current and future investments.

During the last 10 to 15 years, real prices of oil and gas at the wellhead have declined while real costs have been increasing. As a result, both drilling activity and addition of new reserves have declined rapidly. Assuming a 15-percent annual rate of return in constant 1970 dollars, 1985 average oil "prices" may have to range from $5.06 to $7.21 per barrel, and 1985 average gas "prices" may have to range from $0.31 to $0.59 per MCF to support the activity levels assumed (Cases IA and IVA). If prices for gas found prior to 1971 and prevented from increasing by regulatory or contractual restrictions, the required "price" in 1985 for gas found after 1970 would be on the order of 30 to 50 percent greater than the average "prices" calculated.

Even a continuation of drilling activity along the current declining trend will require "price" increases of about $2.00 per barrel and $0.15 per MCF by 1985 if the petroleum industry is to realize a 15-percent return on its next fixed assets.

THE INDEPENDENCE OF THE SPECIAL PROSECUTOR

Mr. ROBERT C. BYRD. Mr. President, U.S. District Judge John Sirica, on Monday, May 20, ordered President Nixon to turn over to the court the subpenaed tapes and other records of 64 White House conversations relating to the Watergate coverup.

Judge Sirica also criticized what he called an "attempt" by President Nixon to "abridge" the independence of the Special Prosecutor, Leon Jaworski.

Mr. Jaworski, on that same day, May 20, wrote to the chairman of the Senate Committee on the Judiciary, charging that the attempt by the President, through his lawyer, James D. St. Clair, to limit the prosecution's right "to invoke the judicial process" to obtain necessary tapes for use at the Watergate trials "would make a farce of the Special Prosecutor's charter."

Mr. Jaworski's letter to the Judiciary Committee was in compliance of his assurances to that committee, responding to a question from me, during the hearings on the Saxbe nomination, that he, Jaworski, would inform the committee of any attempt by the President "to circumvent or restrict or limit" the jurisdiction or independence of the Special Prosecutor.

Judge Sirica, rejected President Nixon's motion made through lawyer St. Clair to quash a subpena duces tecum issued by the Watergate Special Prosecutor.

Mr. St. Clair contended, on behalf of the President, that the court lacked jurisdiction to enforce the subpena on two grounds: first, that the courts are without authority to rule on the scope or applicability of executive privilege when asserted by the President, and second, that a dispute between the President and the Special Prosecutor regarding the production of evidence is an intrabranch controversy wholly within the jurisdiction of the executive branch to resolve.

As to the first of these grounds, the judge rules that the contention was without legal force.

Regarding the second argument, the judge stated:

> Whatever its merits in the setting of a disagreement between the President and a cabinet officer, for example, has no application to the present situation. The current Special Prosecutor is vested with the power and authority conferred upon predecessor pursuant to regulations which have the force of law. Among other prerogatives, the Special Prosecutor has "full authority" to determine "whether or not to contest the assertion of 'Executive Privilege' or any other testimonial privilege." The Special Prosecutor's independence has been affirmed and reaffirmed by the President and his representatives, and a unique guarantee of unfettered operation accorded him: "the jurisdiction of the Special Prosecutor will not be limited without the President's first consulting with such Members of Congress (the leaders of

both Houses and the respective Committees on the Judiciary) and ascertaining that their consensus is in accord with his proposed action." The President not having so consulted, to the Court's knowledge, his attempt to abridge the Special Prosecutor's independence with the argument that he cannot seek evidence from the President by court process is a nullity and does not defeat the Court's jurisdiction.

Mr. President, in my judgment, the court made the right decision in rejecting the President's arguments and in rejecting the President's motion to quash the subpena.

The President's argument that the Special Prosecutor had no standing in court because the matter of his obtaining the tapes in question involved "a intra-executive dispute," in my judgment, constitutes a violation of assurances that have repeatedly been made to the Senate Committee on the Judiciary that the Special Prosecutor would have full independence in pressing legal proceedings when the Special Prosecutor concluded that it was necessary to do so. For the record, I wish to call attention to these various assurances.

Mr. St. Clair responded last night to Mr. Jaworski's complaint to the Judiciary Committee by stating that he, Mr. St. Clair, has the right to raise any and all defenses that would be beneficial to the President's case. I agree that Mr. St. Clair has the right to raise defenses on behalf of his client. However, the particular defense that was raised had previously been waived by the President through assurances to the contrary given by Acting Attorney General Robert Bork, by General Haig, Senator Saxbe, and the guidelines themselves. Mr. St. Clair failed to say that the President had granted full authority to Mr. Jaworski to proceed through the judicial process to secure whatever evidence is needed to punish the guilty and clear the innocent in matters pertaining to the Watergate case and related affairs.

It ill behooves the President, through his lawyer, to now argue against these public pronouncements in the secrecy of an in camera court proceeding. Such arguments do not constitute good faith in living up to the public assurances repeatedly given to the American people. Nor does such reneging on these public assurances constitute a good faith effort to cooperate with the Special Prosecutor, the Federal grand juries, and the courts to put Watergate behind us. Mr. President, I ask unanimous consent to have printed in the RECORD pertinent documents relating to the independence of the Special Prosecutor.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

DOCUMENTS

The opinion and order of Judge John J. Sirica denying the motion of President Nixon to quash a subpoena duces tecum issued to him by the Watergate Special Prosecutor:

[In the U.S. District Court for the District of Columbia, Criminal No. 74–110]

UNITED STATES OF AMERICA V. JOHN N. MITCHELL, ET AL.

OPINION AND ORDER

This matter comes before the Court on motion of President Richard M. Nixon to quash a subpoena *duces tecum* issued to him by the Watergate Special Prosecutor with leave of this Court.

On April 16, 1974, Special Prosecutor Leon Jaworski moved the Court for an order, pursuant to Rule 17(c),[1] Federal Rules of Criminal Procedure, directing the issuance of a subpoena for the production of specified materials prior to trial in the case of *United States v. John N. Mitchell, et al.*, CR 74–110, DDC.[2] The proposed subpoena, prepared by the Special Prosecutor and directed to the President "or any subordinate officer, official, or employee with custody or control of the documents or objects" described, listed in 46 paragraphs the specific meetings and telephone conversations for which tape recordings and related writings were sought. Relying on the legal memorandum and affidavit of the Special Prosecutor in support of the motion, the Court on April 18, 1974, ordered that the subpoena issue forthwith to the President commanding production before the Court.

Prior to the May 2, 1974, return date of the subpoena, the President filed a Special Appearance and Motion to Quash (eo nomine) which included a formal claim of privilege against disclosure of all subpoenaed items generally as "confidential conversations between a President and his close advisors that it would be inconsistent with the public interest to produce."[3] Thereafter, within time limits fixed by the Court, the Special Prosecutor and five defendants filed papers opposing the President's motion to quash on various grounds.[4] The government's submission, containing a lengthy and detailed showing of its need for the subpoenaed items and their relevance, has been placed under seal as have the various reply briefs and motions for protective orders and to expunge that were subsequently filed.[5] The matter came on for oral argument *in camera* on May 13, 1974.

In entering a special appearance, the President contends that the Court lacks jurisdiction to enforce the instant subpoena on two grounds: First, courts are without authority to rule on the scope or applicability of executive privilege when asserted by the President, and Second, a dispute between the President and Special Prosecutor regarding the production of evidence is an intra-branch controversy wholly within the jurisdiction of the executive branch to resolve. The first contention, as the President admits, is without legal force in this Circuit.[6] See *Nixon* v *Sirica*, — U.S. App. D.C. —, 487 F.2d 700 (1973).

The second argument, whatever its merits in the setting of a disagreement between the President and a cabinet officer, for example, has no application to the present situation. The current Special Prosecutor is vested with the powers and authority conferred upon his predecessor pursuant to regulations which have the force of law.[7] Among other prerogatives, the Special Prosecutor has "full authority" to determine "whether or not to contest the assertion of 'Executive Privilege' or any other testimonial privilege." The Special Prosecutor's independence has been affirmed and reaffirmed by the President and his representatives,[8] and a unique guarantee of unfettered operation accorded him: "the jurisdiction of the Special Prosecutor will not be limited without the President's first consulting with such Members of Congress [the leaders of both Houses and the respective Committees on the Judiciary] and ascertaining that their consensus is in accord with his proposed action."[9] The President not having so consulted, to the Court's knowledge, his attempt to abridge the Special Prosecutor's independence with the argument that he cannot seek evidence from the President by court process is a nullity and does not defeat the Court's jurisdiction.

The President advances the principal arguments on the merits supporting his motion to quash. Primary among these is his assertion that the subpeona, together with the Special Prosecutor's showing of relevancy and evidentiary value filed May 10, 1974, fails to comply with the requirements of Rule 17(c). It is conceded by all parties that Rule 17(c) cannot be employed as a vehicle for discovery, and that a showing of good cause is necessary. The landmark cases interpreting Rule 17(c), *Bowman Dairy Company v. United States*, 341 U.S. 214 (1951) and *United States v. Iozia*, 13 F.R.D. 335 (SDNY 1952), are cited and relied upon by both sides. Basically, good cause under Rule 17(c) requires a showing that (1) subpoenaed materials are evidentiary and relevant; (2) they are not otherwise procurable reasonably in advance of trial; (3) the party cannot properly prepare for trial without them, and failure to obtain them may delay the trial; and (4) the application is made in good faith, and does not constitute a "fishing expedition." See *United States v. Iozia, supra*, 13 F.R.D. at 338. It is the Court's position that the Special Prosecutor's May 10, 1974 memorandum correctly applies the Rule 17(c) standards, particularly in the mere unusual situation of this kind where the subpoena, rather than being directed to the government by defendants, issues to what, as a practical matter, is a third party. It is the Court's conclusion as well, supported again by reference to the Special Procecutor's memorandum and appendix, that the requirements of Rule 17(c) are here met.[10]

With regard to the confidentiality privilege interposed by the President, the Court agrees that his claim is presumptively valid. The Special Prosecutor's submissions, however, in the Court's opinion, constitute a *prima facie showing* adequate to rebut the presumption in each instance; and a demonstration of need sufficiently compelling to warrant judicial examination in chambers incident to weight claims of privilege where the privilege has not been relinquished.[11] In citing relinquishment of privilege, the Court has reference to the portions of subpoenaed recordings which the President has caused to be reduced to transcript form and published. For such, the Court finds the privilege claimed non-existent since the conversations are, to that extent at least, no longer confidential. See *Nixon v. Sirica*, supra, 487 F. 2d at 718.

The President's third argument on the merits speaks to the defendants' contention that the subpoenaed materials are necessarily producible to them under the principles enunciated in *Brady v. Maryland*, 373 U.S. 83 (1963) and its progency, the Jencks Act, 18 U.S.C. § 3500, and rules of discovery for criminal proceedings. The President maintains instead that defendants cannot require production under *Brady* of material in the possession of a non-investigatory government agency or items made unavailable because of their privileged character. The Court finds it unnecessary, due to its disposition of the motion to quash, to reach this question. Under Rule 37(c), the Court "may permit" the materials produced "to be inspected by the parties or their attorneys." The Court intends to supply defense counsel with any and all exculpatory matter that may be found in the items produced, and to deliver any and all non-privileged matter to the Special Prosecutor. It is, of course, the Special Prosecutor's continuing obligation to furnish defendants with *Brady* material that comes into his possession. Defendants' requests for access to the whole of materials produced will be more appropriately considered in conjunction with their pretrial discovery motions.

In requiring compliance with the subpoena, that is, production before the Court, and in ruling on claims of privilege, the Court adopts in full the procedures and criteria established by the United States

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Footnotes at end of article.

Court of Appeals for this Circuit in *Nixon v. Sirica, supra,* 487 F.2d at 716–721 (parts IV, V, and VI of the majority opinion). Thus, adequate time will be allowed for preparation of an index and analysis detailing particular claims of privilege the President wishes to make. The originals of all subpoenaed items will accompany the index and analysis when transmitted to the Court. In addition, a separate tape recording, copies from the originals, containing only those portions of conversations since transcribed and made public should be prepared and delivered along with the subpoenaed materials.

To protect the rights of individuals, various of the proceedings and papers concerning this subpoena have been sealed. Such matters will remain under seal, and all persons having knowledge of them will remain subject to restrictions of confidentiality imposed upon them pending further order of the Court. The foregoing, of course, does not affect the transmittal of such materials to appellate courts under seal as a necessary part of the record in this matter. The Court sees no need to grant more extensive protective orders at this time or to expunge portions of the record. Matter sought to be expunged is relevant, for example, to a determination that the presumption of privilege is overcome.

Now, therefore, it is by the Court this 20th day of May, 1974.

Ordered, That the President's motion to quash be, and the same hereby is, denied; and it is

Further ordered, That on or before May 31, 1974, the President or any subordinate officer, official, or employee with custody or control of the documents or objects subpoenaed by the Special Prosecutor with leave of Court on April 18, 1974, shall deliver to the Court the originals of all subpoenaed items together with an index and analysis and copy tape recording as described in the foregoing opinion; and it is

Further ordered, That motions for protective orders and to expunge filed or raised orally in this matter, except to the extent already granted by the Court in proceedings heretofore, be, and the same hereby are, denied; and it is

Further ordered, That should the President initiate appellate review of the Court's order prior to 4:00 p.m., Friday, May 24, 1974, the Court's order shall be stayed pending the completion of such review.

JOHN J. SIRICA,
U.S. District Judge.

FOOTNOTES

[1] Rule 17, Subpoena.

(c) For Production of Documentary Evidence and of Objects. A subpoena may also command the person to whom it is directed to produce the books, papers, documents or other objects designated therein. The court on motion made promptly may quash or modify the subpoena if compliance would be unreasonable or oppressive. The court may direct that books, papers, documents or objects designated in the subpoena be produced before the court at a time prior to the trial or prior to the time when they are to be offered in evidence and may upon their production permit the books, papers, documents or objects or portions thereof to be inspected by the parties and their attorneys.

The motion asked that the subpoenaed materials be ordered produced before the Court with permission granted to Government attorneys to inspect them. Three of the seven defendants in United States v. Mitchell have filed motions joining in that of the Special Prosecutor with the stipulation that materials produced be made available to the defendants in full. A fourth defendant filed a response in support of the subpoena, but in opposition to the Special Prosecutor's motion insofar as it failed to assure defendants access to the materials upon production.

[3] The document noted, however, that "[p]ortions of twenty of the conversations described in the subpoena have been made public and no claim of privilege is advanced with regard to those Watergate-related portions of those conversations."

[4] Defendant Strachan also filed a motion for an order directing the issuance of a subpoena identical to that of the Special Prosecutor in the event that enforcement of the government subpoena is abandoned.

[5] Although initially accepted under seal, the Court has released those portions of briefs relating to the jurisdictional issues of "intra-executive controversy" discussed in the text below.

The Court has granted a motion of the Special Prosecutor made pursuant to Rule 6(e), Federal Rules of Criminal Procedure, for leave to disclose grand jury proceedings as necessary in support of the subpoena with the proviso urged by defense counsel that, for the present, such disclosures not be made public.

[6] The President has asserted the point to preserve it, in his words, "should it be necessary for this case to reach a court in which *Nixon v. Sirica* is not a controlling precedent."

[7] Nader v. Bork, 366 F. Supp. 104 (DDC 1973). Former Special Prosecutor Archibald Cox received a delegation of powers and responsibilities from the Attorney General acting by authority of 28 U.S.C. §§ 509, 510 and 5 U.S.C. § 301. The terms of this delegation were promulgated by Department of Justice Order No. 517–73, 38 Fed. Reg. 14,688 (June 4, 1973) and reaffirmed as to Mr. Jaworski in Department of Justice Order No. 551–73, 38 Fed. Reg. 30,738 (November 7, 1973).

[8] *See, e.g., The President's News Conference of October 26, 1973,* 9 Weekly Compilation of Presidential Documents, p. 1289 (Oct. 29, 1973); Letter of Acting Attorney General Robert H. Bork to Leon Jaworski, Esq. dated November 21, 1973; and Hearings Before the Senate Committee on the Judiciary on the Special Prosecutor, 93rd Cong., 1st Sess., pt. 2, pp. 571–573.

[9] Department of Justice Order No. 554–73, 38 Fed. Reg. 32,805 (November 27, 1973).

[10] The Nixon v. Sirica case, arising out of the grand jury investigation which produced the indictment herein, presented circumstances warranting the Court's *in camera* inspection of subpoenaed items. 487 F. 2d at 718, 719. The need for evidence presented here is, if anything, more compelling since the matter has developed into a criminal trial where the standard of proof is not simply probable cause but proof beyond a reasonable doubt, and where defendants confront a more direct threat to their reputations and liberty. The President contends that because the Special Prosecutor would not have commenced this case without evidence sufficient, in his opinion, to convict the defendants, the need for other evidence is insubstantial. Such an argument, however, ignores the fact not only that it is the Special Prosecutor alone, in this instance, who has the duty to determine the quantity and quality of evidence necessary to prosecute, but that the Prosecutor has an obligation to obtain and present *all* the relevant evidence. It has never been the law that once an indictment issues, evidence beyond that at hand is unnecessary and should not be sought.

[11] In this connection, it is significant that although the Special Prosecutor is forced in part to rest his showing on circumstantial evidence, having been denied access to the material solicited, in the approximately 20 instances where contents of subpoenaed tapes have been made public, the Prosecutor's assertions that "Watergate" was discussed have been shown accurate without exception. Counsel for the President is unable to state that other subpoenaed items are or are not relevant to this case because he has not seen or heard them. (Transcript of Proceedings In Camera, May 13, 1974, pp. 61, 62.) Nevertheless, he cites the President's April 29, 1974 public characterization of edited transcripts produced from tape recordings including some of those here subpoenaed:

> They include all the relevant portions of all of the subpoenaed conversations that were recorded—that is, all portions that relate to the question of what I knew about Watergate or the cover-up, and what I did about it. They also include transcripts of other conversations which were not subpoenaed, but which have a significant bearing on the question of Presidential actions with regard to Watergate.
>
> As far as what the President personally knew and did with regard to Watergate and the coverup is concerned, these materials—together with those already made available—will tell it all.

Be that as it may, "what the President personally knew and I did" is not dispositive of the issues in this case.

A letter addressed to the Chairman of the Judiciary Committee by Special Prosecutor Leon Jaworski, dated May 20, 1974, calling to the attention of the Committee that the argument made by the President's counsel in his motion to quash a subpoena issued by the Special Prosecutor was in contravention of express agreements of the Special Prosecutor's jurisdiction made to Mr. Jaworski by General Haig, after consulting with the President; by Acting Attorney General Bork to Mr. Jaworski and the Senate Judiciary Committee; and the expressions in the guidelines for the Special Prosecutor published in the Federal Register.

WATERGATE SPECIAL
PROSECUTION FORCE,
U.S. DEPARTMENT OF JUSTICE,
Washington, D.C., May 20, 1974.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: When I appeared before your Committee during the hearings on the nomination of the Honorable William B. Saxbe to be Attorney General, I assured the Committee in response to a question by Senator Byrd that I would inform the Committee of any attempt by the President "to circumvent or restrict or limit" the jurisdiction or independence of the Special Prosecutor. I am constrained to advise you and the members of your Committee, consonant with this and other promises made when I testified at hearings before your Committee on the Special Prosecutor bill, that in recent days these events have occurred:

Following the issuance of a subpoena for White House tapes to be used as evidence in the trial of *United States* v. *Mitchell, et al.* (which are needed for prosecution purposes and perhaps to comply with the rights of the defendant under Supreme Court rulings), the President, through his counsel, filed a Motion to Quash the Subpoena.

Because of sensitive matters involved in our response to the Motion to Quash, I joined with White House counsel in urging Judge Sirica to conduct further proceedings *in camera.* After the court determined to hold further proceedings *in camera,* White House counsel for the first time urged the Court to quash the subpoena on the additional ground that the Special Prosecutor had no standing in court because the matter of his obtaining the tapes in question involved "an intra-executive dispute." As stated by counsel for the President, in the argument before Judge Sirica, it is the President's contention that he has ultimate authority to determine when to prosecute, whom to prosecute, and with what evidence to prosecute. Judge Sirica has now ruled and I am released from *in camera* secrecy.

The crucial point is that the President, through his counsel, is challenging my right to bring an action against him to obtain evidence, or differently stated, he contends that I cannot take the President to court. Acceptance of his contention would sharply limit the independence that I consider essential if I am to fulfill my responsibilities as contemplated by the charter establishing this office.

The position thus taken by the President's counsel contravenes the express agreement made with me by General Alexander Haig, after consulting with the President, that if I accepted the position of Special Prosecutor, I would have the right to press legal proceedings against the President if I concluded it was nesesary to do so. I so testified in the House Judiciary Committee hearing and in the hearings conducted by your Committee. Thereafter, at the suggestion of members of your Committee, I sent a copy of my testimony on this point to counsel for the President, Mr. J. Fred Buzhardt, who acknowledged its receipt without questioning my testimony. I should add that when my appointment was announced by Acting Attorney General Bork on November 1, 1973, he stated that as a part of my agreement to serve, it was "absolutely clear" that I was "free to go to court to press for additional tapes or Presidential papers," if I deemed it necessary.

You will recall, Mr. Chairman, that when I testified at the session of your Committee on the Special Prosecutor bill, the following exchange took place between us:

The CHAIRMAN. You are absolutely free to prosecute anyone; is that correct?

Mr. JAWORSKI. That is correct. And that is my intention.

The CHAIRMAN. And that includes the President of the United States?

Mr. JAWORSKI. It includes the President of the United States.

The CHAIRMAN. And you are proceeding that way?

Mr. JAWORSKI. I am proceeding that way. (Part 2, page 571).

Senator McClellan put the question to me this way:

May I ask you now, do you feel that with your understanding with the White House that you do have the right, irrespective of the legal issues that may be involved—that you have an understanding with them that gives you the right to go to court if you determine that they have documents you want or materials that you feel are essential and necessary in the performance of your duties, and in conducting a thorough investigation and following up with prosecution thereon, you have the right to go to court to raise the issue against the President and against any of his staff with respect to such documents or materials and to contest the question of privilege.

Mr. JAWORSKI. I have been assured that right and I intend to exercise it if necessary. (Part 2, page 573).

Senator Hruska also examined me on this point as is shown by the following questions and answers:

Senator HRUSKA. And it was agreed that there would be no restrictions or limitations, that even as to those items on the tapes, whether they were asked for or not, you would be given access to them.

However, if there would occur an impasse on that point on the availability of any material, that there was expressly, without qualification, reserved to you the right to go to the courts. So that it would be at a time when General Haig, acting on behalf of the President, or in his stead, would say no to this particular paper, I don't feel that you should have it, this has high national security and other characteristics, and if you felt constrained to differ with him at that point, you could go to court, and there would be no limitation in that regard?

"Mr. JAWORSKI. That is a correct statement.

Senator HRUSKA. That is your testimony?

Mr. JAWORSKI. Yes, sir.

Senator HRUSKA. So that by the charter and by your agreement and your discussions you are not to be denied access to the courts . . . ." (Part 2, page 600).

When my Deputy, Henry S. Ruth, Jr., was testifying in connection with the Special Prosecutor bill, Senator Scott asked him the following question:

"Senator SCOTT. I imagine it may be clear that he has no doubt of his right to bring action in the courts against the Executive if he so deems it to be proper?

Mr. RUTH. Well, Senator, he understands his instructions are to pursue all of the evidence he needs, including to go to court if the evidence is not forthcoming." (Part 2, page 518).

At the time of the Saxbe nomination hearings, Senator Byrd exacted the assurance from me that I would "follow the evidence wherever it goes, and if it goes to the Oval Office and to the President himself, I would pursue it with all my vigor." And at the same time, he obtained the assurance from Mr. Saxbe that he would give me full support in matters that were within the performance of my duty even if "there are allegations involving the President" (page 22 of the hearings before the Committee on the nomination of William B. Saxbe, December 12 and 13, 1973).

Of course, I am sure you understand, Mr. Chairman, that I am not for a moment suggesting that the President does not have the right to raise any defenses, such as confidential communications, executive privilege, or the like. It is up to the court, after hearing, to determine whether his defense is sound. But any claim raised by White House counsel on behalf of the President that challenges my right to invoke the judicial process against the President, as I am doing in an effort to obtain these tapes for use at the trial in *U.S.* v. *Mitchell, et al.*, would make a farce of the Special Prosecutor's charter and is in contravention of the understanding I had and the members of your Committee apparently had at the time of my appointment.

In a letter to me from Mr. St. Clair, counsel for the President, Mr. St. Clair undertakes to circumvent the clear and unmistakable assurance given me by the President by contending that: "The fact that the President has chosen to resolve this issue by judicial determination and not by a unilateral exercise of his constitutional powers, is evidence of the President's good faith." Of course, under Mr. St. Clair's approach, this would make the assurance of the right to take the President to Court an idle and empty one. Counsel to the President, by asserting that ultimately I am subject to the President's direction in these matters, is attempting to undercut the independence carefully set forth in the guidelines, which were reissued upon my appointment with the express consent of the President. It is clear to me that you and the members of your Committee who were familiar with the public announcements of the President and the Acting Attorney General, did not construe them in so meaningless a manner (as is evident by the above referred to statements in questions that were propounded to me), and neither did I. To adopt Mr. St. Clair's version would give rise to this anomaly—"the President has no objection to the Special Prosecutor filing his action against him but once filed, the President will stop the Special Prosecutor from proceeding with it by having his counsel move to dismiss on the ground that the Special Prosecutor cannot sue him."

Judge Sirica in overruling this contention of the President in an opinion made public by the Court this afternoon, pointedly said:

The Special Prosecutor's independence has been affirmed and reaffirmed by the President and his representatives, and a unique guarantee of unfettered operation accorded him: "the jurisdiction of the Special Prosecutor will not be limited without the President's first consulting with such Members of Congress [the leaders of both Houses and the respective Committees on the Judiciary] and ascertaining that their consensus is in accord with his proposed action." The President not having so consulted, to the Court's knowledge, his attempt to abridge the Special Prosecutor's independence with the argument that he cannot seek evidence from the President by court process is a nullity and does not defeat the Court's jurisdiction.

Because the members of your Committee exacted from me the promise at the hearings that I would report a development of this nature, I am submitting this letter.

Respectfully yours,

LEON JAWORSKI,
Special Prosecutor.

Excerpts from the hearings before the Senate Judiciary Committee on the nomination of Senator William Saxbe to be Attorney General.

From the Saxbe hearings of December 12, 1973, pages 17–20 which state the guidelines for the Special Prosecutor as published in the Federal Register of November 7, 1973, and as amended November 19, 1973.

[The amended guidelines for the Special Prosecutor, dated November 2, 1973, as published in the Federal Register of November 7, 1973, follow:]

TITLE 28—JUDICIAL ADMINISTRATION

CHAPTER I—DEPARTMENT OF JUSTICE

[Order 551–73]

PART O—ORGANIZATION OF THE DEPARTMENT OF JUSTICE

ESTABLISHING THE OFFICE OF WATERGATE SPECIAL PROSECUTION FORCE

By virtue of the authority vested in me by 28 U.S.C. 509, 510 and 5 U.S.C. 301, there is hereby established in the Department of Justice, the Office of Watergate Special Prosecution Force, to be headed by a Director. Accordingly, Part O of Chapter I of Title 20, Code of Federal Regulations, is amended as follows:

1. Section 0.1(a) which lists the organization units of the Department, is amended by adding "Office of Watergate Special Prosecution Force" immediately after "Office of Criminal Justice."

2. A new Subpart G–1 is added immediately after Subpart G, to read as follows:

SUBPART G–1—OFFICE OF WATERGATE SPECIAL PROSECUTION FORCE

Sec.
0.37 General functions.
0.38 Special functions.

Authority: 28 U.S.C. 509, 510. and 5 U.S.C.

SUBPART G–1—OFFICE OF WATERGATE SPECIAL PROSECUTION FORCE

§ 0.37 General functions

The Office of Watergate Special Prosecution Force shall be under the direction of a Director who shall be the Special Prosecutor appointed by the Attorney General. The duties and responsibilities of the Special Prosecutor are set forth in the attached appendix below which is incorporated and made a part hereof.

§ 0.38 Specific functions

The Special Prosecutor is assigned and delegated the following specific functions with respect to matters specified in this subpart:

(a) Pursuant to 28 U.S.C. 515(a), to conduct any kind of legal proceeding, civil or criminal, including grand jury proceedings, which United States attorneys are authorized by law to conduct, and to designate attorneys to conduct such legal proceedings.

(b) To approve or disapprove the production or disclosure of information or files relating to matters within his cognizance in response to a subpoena, order, or other demand of a court or other authority. (See Part 16(B) of this chapter.)

(c) To apply for and to exercise the authority vested in the Attorney General under 18 U.S.C. 6005 relating to immunity of witnesses in Congressional proceedings.

The listing of these specific functions is for the purpose of illustrating the authority entrusted to the Special Prosecutor and is not intended to limit in any manner his authority to carry out his functions and responsibilities.

Dated: November 2, 1973.

ROBERT H. BORK,
Acting Attorney General.

APPENDIX—DUTIES AND RESPONSIBILITIES OF THE SPECIAL PROSECUTOR

The Special Prosecutor. There is appointed by the Attorney General, within the Department of Justice, a Special Prosecutor to whom the Attorney General shall delegate the authorities and provide the staff and other resources described below.

The Special Prosecutor shall have full authority for investigating and prosecuting offenses against the United States arising out of the unauthorized entry into Democratic National Committee Headquarters at the Watergate, all offenses arising out of the 1972 Presidential Election for which the Special Prosecutor deems it necessary and appropriate to assume responsibility, allegations involving the President, members of the White House staff, or Presidential appointees, and any other matters which he consents to have assigned to him by the Attorney General.

In particular, the Special Prosecutor shall have full authority with respect to the above matters for:

Conducting proceedings before grand juries and any other investigations he deems necessary;

Reviewing all documentary evidence available from any source, as to which he shall have full access;

Determining whether or not to contest the assertion of "Executive Privilege" or any other testimonial privilege;

Determining whether or not application should be made to any Federal court for a grant of immunity to any witness, consistently with applicable statutory requirements, or for warrants, subpoenas, or other court orders;

Deciding whether or not to prosecute any individual, firm, corporation or group of individuals;

Initiating and conducting prosecutions, framing indictments, filing informations, and handling all aspects of any cases within his jurisdiction (whether initiated before or after his assumption of duties), including any appeals;

Coordinating and directing the activities of all Department of Justice personnel, including United States Attorneys;

Dealing with and appearing before Congressional committees having jurisdiction over any aspect of the above matters and determining what documents, information, and assistance shall be provided to such committees.

In exercising this authority, the Special Prosecutor will have the greatest degree of independence that is consistent with the Attorney General's statutory accountability for all matters falling within the jurisdiction of the Department of Justice. The Attorney General will not countermand or interfere with the Special Prosecutor's decisions or actions. The Special Prosecutor will determine whether and to what extent he will inform or consult with the Attorney General about the conduct of his duties and responsibilities. In acordance with assurances given by the President to the Attorney General that the President will not exercise his Constitutional powers to effect the discharge of the Special Prosecutor or to limit the independence that he is hereby given, the Special Prosecutor will not be removed from his duties except for extraordinary improprieties on his part and without the President's first consulting the Majority and the Minority Leaders and Chairmen and ranking Minority Members of the Judiciary Committees of the Senate and House of Representatives and ascertaining that their consensus is in accord with his proposed action.

STAFF AND RESOURCE SUPPORT

1. *Selection of Staff.* The Special Prosecutor shall have full authority to organize, select, and hire his own staff of attorneys, investigators, and supporting personnel, on a full or part-time basis, in such numbers and with such qualifications as he may reasonably require. He may request the Assistant Attorneys General and other officers of the Department of Justice to assign such personnel and to provide such other assistance as he may reasonably require. All personnel in the Department of Justice, including United States Attorneys, shall cooperate to the fullest extent possible with the Special Prosecutor.

2. *Budget.* The Special Prosecutor will be provided with such funds and facilities to carry out his responsibilities as he may reasonably require. He shall have the right to submit budget requests for funds, positions, and other assistance, and such requests shall receive the highest priority.

3. *Designation and responsibility.* The personnel acting as the staff and assistant of the Special Prosecutor shall be known as the Watergate Special Prosecution Force and shall be responsible only to the Special Prosecutor.

Continued responsibilities of Assistant Attorney General, Criminal Division. Except for the specific investigative and prosecutorial duties assigned to the Special Prosecutor, the Assistant Attorney General in charge of the Criminal Division will continue to exercise all of the duties currently assigned to him.

Applicable departmental policies. Except as otherwise herein specified or as mutually agreed between the Special Prosecutor and the Attorney General, the Watergate Special Prosecution Force will be subject to the administrative regulations and policies of the Department of Justice.

Public reports. The Special Prosecutor may from time to time make public such statements or reports as he deems appropriate and shall upon completion of his assignment submit a final report to the appropriate persons or entities of the Congress.

Duration of assignment. The Special Prosecutor will carry out these responsibilities, with the full support of the Department of Justice, until such time as, in his judgment, he has completed them or until a date mutually agreed upon between the Attorney General and himself.

* * * * *

[A further amendment to the guidelines for the Special Prosecutor dated November 19, 1973, as published in the Federal Register of November 28, 1973, follows:]

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C.

TITLE 28—JUDICIAL ADMINISTRATION

CHAPTER 1—DEPARTMENT OF JUSTICE

PART O—ORGANIZATION OF THE DEPARTMENT OF JUSTICE

Subpart G-1—Office of Watergate Special Prosecution Force

[Order No. 554-73]

AMENDING THE REGULATIONS ESTABLISHING THE OFFICE OF WATERGATE SPECIAL PROSECUTION FORCE

By virtue of the authority vested in me by 28 U.S.C. 509, 510 and 5 U.S.C. 301, the last sentence of the fourth paragraph of the Appendix to Subpart G-1 is amended to read as follows:

In accordance with assurances given by the President to the Attorney General that the President will not exercise his Constitutional powers to effect the discharge of the Special Prosecutor or to limit the independence that he is hereby given, (1) the Special Prosecutor will not be removed from his duties except for extraordinary improprieties on his part and without the President's first consulting the Majority and Minority Leaders and Chairman and ranking Minority Members of the Judiciary Committees of the Senate and House of Representatives and ascertaining that their consensus is in accord with his proposed action, and (2) the jurisdiction of the Special Prosecutor will not be limited without the President's first consulting with such Members of Congress and ascertaining that their consensus is in accord with his proposed action.

Date: November 19, 1973.

ROBERT H. BORK,
Acting Attorney General.

From the Saxbe hearings, December 12, 1973, page 22 where Senator Robert C. Byrd questions Mr. Jaworski as to his intentions in following the guidelines in pursuit of evidence and Senator Saxbe as to his support of the Special Prosecutor in his investigation.

Senator BYRD. Now, Mr. Saxbe, I proceed with the third question, again linking up the phraseology in the later clause with the leadoff words:

The Special Prosecutor shall have full authority for investigating and prosecuting . . . allegations involving the President——

Do you have any compunctions here, Mr. Saxbe, about giving Mr. Jaworski your absolute full, complete, and total support if in his judgment there are allegations involving the President and his duty requires that he investigate and prosecute those allegations?

Senator SAXBE. I do not.

Senator BYRD. Mr. Jaworski, is it your intent to fulfill your duty set forth in that paragraph?

Mr. JAWORSKI. It is, sir.

Senator BYRD. To the best of your ability?

Mr. JAWORSKI. It is, sir.

Senator BYRD. In other words, you will follow the evidence wherever it goes and if it goes to the oval office and to the President, himself, you will pursue it with all of your vigor?

Mr. JAWORSKI. That is my obligation and I intend to fulfill it; yes, sir.

From the Saxbe hearings, December 12, 1973, page 31, a letter addressed to Leon Jaworski, the Special Prosecutor, from Acting Attorney General Robert Bork, dated November 21, 1973, setting forth the President's assurances to Mr. Bork of the independence of the Special Prosecutor.

OFFICE OF THE SOLICITOR GENERAL,
Washington, D.C., November 21, 1973.
LEON JAWORSKI, Esq.,
Special Prosecutor,
Watergate Special Prosecution Force,
Washington, D.C.

DEAR MR. JAWORSKI: You have informed me that the amendment to your charter of November 19, 1973 has been questioned by some members of the press. This letter is to confirm what I told you in our telephone conversation. The amendment of November 19, 1973 was intended to be, and is, a safeguard of your independence.

The President has given his assurance that he would not exercise his constitutional powers either to discharge the Special Prosecutor without first consulting the Majority and Minority leaders and chairmen and ranking members of the Judiciary Committees of the Senate and the House, and ascertaining that their consensus is in accord with his proposed action.

When that assurance was worked into the charter, the draftsman inadvertently used a form of words that might have been construed as applying the President's assurance only to the subject of discharge. This was subsequently pointed out to me by an assistant and I had the amendment of November 19 drafted in order to put beyond question that the assurance given applied to your independence under the charter and not merely to the subject of discharge.

There is, in my judgment, no possibility whatever that the topics of discharge or limitation of independence will ever be of more than hypothetical interest. I write this letter only to repeat what you already know: the recent amendment to your charter was to correct an ambiguous phrasing and thus to make clear that the assurances concerning congressional consultation and consensus apply to all aspects of your independence.

Sincerely,

ROBERT H. BORK,
Acting Attorney General.

From the Saxbe hearings, December 12, 1973, page 32, a letter addressed to the Honorable James O. Eastland from Leon Jaworski, dated December 19, 1973 setting out Mr. Jaworski's understanding of the agreement made with the President through General Haig regarding the independence of the Special Prosecutor.

WATERGATE SPECIAL PROSECUTION FORCE, U.S. DEPARTMENT OF JUSTICE,
Washington, D.C., December 19, 1973.
Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: In the course of my testimony before the Senate Judiciary Committee, Senator Byrd requested me to furnish the Committee a written summary of my understanding of the arrangement made with the President through General Haig (and confirmed by Acting Attorney General Robert H. Bork and Attorney General-nominee, William B. Saxbe) regarding the independence I was to have in serving as Watergate Special Prosecutor. I agreed to do so and the statement below is made in compliance with my promise.

It was expressly confirmed that I was to proceed in the discharge of my responsibilities with complete independence, including the right to sue the President, if necessary, and that if an impasse occurred between us, the President would not discharge me or take any action that interfered with my independence without first consulting the Majority and Minority leaders and chairmen and ranking members of the Judiciary Committees of the Senate and the House, and obtaining a consensus view that accorded with his proposed action.

Sincerely yours,

LEON JAWORSKI,
Special Prosecutor.

From the Saxbe hearings, December 13, 1973, page 85, testimony of Acting Attorney General Robert Bork relating his understanding of the agreement between the President and Mr. Jaworski which Mr. Bork publicly stated was the understanding as to the Special Prosecutor's independence.

Mr. BORK. Which I think is an issue much misunderstood.

The amendment to the charter was designed to put back in what the President had originally stated, and let me just run through the series of events.

I discussed with the President and with Mr. Garment what the President's personal assurances would be, and at the press briefing on November 1, 1973, at the White House, I read the following statement. I will not read the entire statement. I will merely read the paragraph that is relevant.

And after stating that there would be no restrictions placed upon Mr. Jaworski's freedom of action, I said—and this is a quotation, "there is no expectation whatever that the President will ever have an occasion to exercise his constitutional right to discharge the Special Prosecutor, or that it would ever be necessary in any way to limit the independence that he is being given. Should that expectation prove to be ill-founded, the President has given his personal assurance that he will not exercise his constitutional powers with regard to the Special Prosecutor without first consulting the majority and minority leaders, and chairmen and ranking members of the Judiciary Committees of the Senate and the House, and ascertaining that their consensus is in accord with his proposed action." That is the end of the quotation.

Now, you will see that in that statement are the President's personal assurances to me, and through me to the Nation. The limitation, the President's promise to consult and obtain a consensus, applied both to the discharge of the Special Prosecutor and to any limitation imposed upon his independence.

Excerpts from the hearings before the Senate Judiciary Committee on the Special Prosecutor.

From the Special Prosecutor hearings, November 14, 1973, page 450, testimony of Acting Attorney General Robert Bork stating the President's assurances of Mr. Jaworski's independence and his power to use the judicial processes to pursue evidence.

A week ago this past Monday, the new Special Prosecutor, Mr. Leon Jaworski, took office with precisely the same charter that Mr. Richardson established for the former Special Prosecutor, with the sole exception that the new charter contains an additional safeguard of the Special Prosecutor's independence. That safeguard is the President's assurance that he will not exercise his constitutional power to discharge the Special Prosecutor or to limit his independence in any way without first consulting the majority and minority leaders and chairmen and ranking members of the Judiciary committees of the Senate and the House, and ascertaining that their consensus is in accordance with his proposed action.

Although it is anticipated that Mr. Jaworski will receive cooperation from the White House in getting any evidence he feels he needs to conduct investigations and prosecutions, it is clear and understood on all sides that he has the power to use judicial processes to pursue evidence if disagreement should develop.

This is the posture of affairs and I am perfectly satisfied that Mr. Jaworski and his staff will conduct the investigations and prosecutions with complete impartiality and diligence.

From the Special Prosecutor hearings, November 14, 1973, pages 459–460, testimony of Acting Attorney General Bork stating that the President had committed himself to the independence of the Special Prosecutor and would not attempt to limit his freedom of action.

Mr. BORK. Yes, Senator Hart, I would. I think there are a number of safeguards in this situation which ought to be spelled out. The President, as Mr. Elliot Richardson has pointed out, has committed himself to the independence of this Special Prosecutor, specifically and explicitly in a way he had not previously. Mr. Jaworski is a man far on in a very distinguished career. Mr. Jaworski is not going to pull any punches or do anything that would in any way tarnish what is a magnificent career.

Moreover, Mr. Jaworski in addition to that is presiding over a staff of 42 lawyers who are, I think, no one can doubt, diligently prosecuting these cases. If it were someone other than Mr. Jaworski, and let us assume that I had appointed somebody who had bad intent and who wanted to pull punches, or cover things up, I submit to you, sir, that that would be absolutely impossible for such a man to do given a staff that is working for him and developing the evidence like the present one. It cannot be done.

Let me go on further. The President has given his assurance that he will not either discharge or attempt to limit in any way the freedom of action of the Special Prosecutor without consulting with eight specified congressional leaders and it is important to that list of leaders that that list now includes: Senator Mansfield, Senator Scott, Representative O'Neill, Representative Ford or his successor, Senator Eastland, Senator Hruska, Representative Rodino, and Representative Hutchinson, not by name but because of the positions they hold. Those are assurances to the American people, they are made explicitly by the President and I am sure he would not dream of going back on those assurances.

From the Special Prosecutor hearings November 20, 1973, pages 569–571, testimony of Leon Jaworski regarding assurances of independence given to him by the President, through General Haig before he accepted the position of Special Prosecutor.

The CHAIRMAN. What terms if any were put on your appointment?

Mr. JAWORSKI. Mr. Chairman, I tried to let the final arrangements be such so that there would be no terms of any kind, and therefore no restraints. And if I could have thought of any others to ask for, I would have done so. I was expressly assured that I would have the right to prosecute, and take the President to court, to use the expression of General Haig, if it was necessary to do so.

There was an additional proviso, as you have undoubtedly been informed, with respect to the matter of an impasse, if one should be reached, between the President and me that might cause him to feel that he should exercise the right of discharge in which event I would have a hearing before the leadership of the Congress, as delineated in the charter.

Now, it has been made a part of it. * * *

The CHAIRMAN. Were you employed by the White House; by Secretary Richardson? Who employed you?

Mr. JAWORSKI. Mr. Chairman, the call originally came from General Haig. He called me at my office in Houston.

And I told General Haig that I did not think there was any purpose in my coming to Washington to pursue the matter. He had suggested that I at least come and discuss it with him. And I told him that I had been approached, I imagine, some 2 or 3 weeks before Mr. Cox was employed, and the matter had been discussed with me by a gentleman who identified himself as the general counsel of then Secretary Elliot Richardson, a gentleman by the name of Hastings, I believe.

That had been a rather lengthy discussion over the telephone. And I had thought that the framework within which I was to operate was not one that gave me the independence that I wanted, that I thought I should have, that I thought was necessary in order to pursue the endeavor. And accordingly, I indicated no interest in the matter. And I did discuss with him others that might be interested, but cautioned him that I thought that the caliber of individual that was obtained would have direct relationship to the independence that was given to the Special Prosecutor.

General Haig told me that he thought I could proceed on a different basis. And I mentioned to him—and I am trying to mention all of the highlights—that I felt unless there was such an independence as really reached the maximum within the President's power to give in connection with the appointment, that I first felt that I should not accept, and second, that I did not think it would be acceptable to the American people.

Whereupon General Haig suggested to me that the least I could do was come to Washington and discuss the matter with him.

I finally agreed to do this. And when I came to Washington I first met with General Haig for probably an hour or an hour and a half, during which time this matter was discussed in detail. And as a result of that discussion. there eventuated the arrangement that we have mentioned.

General Haig assured me that he would go and talk with the President, place the matter before him. And he came back and told me after a while, after maybe a lapse of 30 minutes or so, that it had been done, and that the President had agreed.

The Chairman. You are absolutely free to prosecute anyone; is that correct?

Mr. Jaworski. That is correct. And that is my intention.

The Chairman. And that includes the President of the United States?

Mr. Jaworski. It includes the President of the United States.

The Chairman. And you are proceeding that way?

Mr. Jaworski. I am proceeding that way.

From the Special Prosecutor hearings, November 20, 1973, page 573, testimony of Leon Jaworski stating that he was assured the right to go to court to get documents that he considered necessary and that he would not have assumed the post of Special Prosecutor if he had not been so assured.

Senator McClellan. May I ask you now, do you feel that with your understanding with the White House that you do have the right, irrespective of the legal issues that may be involved—that you have an understanding with them that gives you the right to go to court if you determine that they have documents you want or materials that you feel are essential and necessary in the performance of your duties, and in conducting a thorough investigation and following up with prosecution thereon, you have the right to go to court to raise the issue against the President and against any of his staff with respect to such documents or materials and to contest the question of privilege.

Mr. Jaworski. I have been assured that right. And I intend to exercise it if necessary.

Senator McClellan. Are you satisfied that that assurance has been given to you in good faith, and are you relying upon it in order to enable you to carry out your functions?

Mr. Jaworski. Yes, sir.

Senator McClellan, it was that assurance that caused me to agree to come. But for the assurance and my believing that it was made in good faith, I would not have come.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATUS OF MAJOR LEGISLATION

Mr. MANSFIELD. Mr. President, as of yesterday, the Senate has been in session for exactly 4 months. During that time, we have met 65 days for a total of 390 hours. We have conducted 207 rollcall votes in dealing with some very important issues. I shall mention only the highlights in a chronological review.

Soon after convening in January, the Senate passed the Legal Services Corporation bill for the purpose of providing legal assistance in noncriminal proceedings to persons financially unable to afford counsel. The conference report on this bill will be considered in the Senate next week.

With regard to housing needs, the Senate debated and passed a comprehensive housing bill which will consolidate and improve present laws relative to housing and housing assistance. This measure is designed to assist local governments in support of community development activities. The House is presently marking up its version of this matter.

The next major item to pass the Senate was the minimum wage increase, a measure which had been vetoed by the President last year but which was repassed in March of 1974 and which was signed into law. The enactment of the increase in the minimum wage marked the fruition of efforts by many Senators to make the wage rates more equitable in the light of the continuing inflation, by affecting this first change in the law since 1966.

On March 22, the Senate passed the congressional budget reform measure establishing a congressional budget process through which all spending decisions will be related to each other and to revenues. This bill will improve congressional control over budgetary outlays and receipt totals and I cannot emphasize adequately its importance. Final action on this bill awaits the action of House and Senate conferees.

On April 11, the Senate passed an important campaign financing and reform bill which is presently being considered in House committee. The passage of this bill represents the Senate's will over a number of years with regard to the pressing need for fair campaign practices and the use of public funds to finance the election of public officials. The events surrounding Watergate have made the need for this legislation abundantly clear.

Another issue which has concerned the Senate for several years involves no-fault automobile insurance. For the first time, the Senate on May 1 passed a bill to establish a nationwide system of no-fault insurance in an effort to reduce the cost of insurance to the consumer and to provide prompt and adequate benefits for all persons injured in motor vehicle accidents.

The last major measure which I shall mention just passed the Senate this week. I refer to the education bill which amends and extends present laws relating to elementary and secondary education programs. This bill which affects the education of our children is of widespread concern and importance. It will be carefully considered in House-Senate conference before final Senate action later this year.

These seven measures I have mentioned are, indeed, impressive pieces of major legislation. This list is even more impressive when added to those major bills from the 1st session of the 93d Congress—the agriculture and consumer protection bill, the Alaska pipeline, District of Columbia home rule, mandatory petroleum allocation, energy emergency, land use planning, pension plan reform, strip mining controls, and the war powers resolution.

With regard to these bills and to a comprehensive report on measures passed by the Senate this year, I refer you to the list below and the report prepared by the staff of the Democratic Policy Committee which I ask unanimous consent to have inserted in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

Status of Major Legislation of the 93d Congress

ENACTED INTO PUBLIC LAW

Agriculture and Consumer Protection—Public Law 93-86.
Alaska Pipeline—Public Law 93-153.
D.C. Home Rule—Public Law 93-198.
Minimum Wage Increase—Public Law 93-259.
War Powers—Public Law 93-148.

IN CONFERENCE

Congressional Budget Reform.
Elementary and Secondary Education.
Federal Impoundment Control.
Legal Services Corporation—Senate to consider conf. rept. next week.
Private Pension Plan Reform.
Urban Mass Transit.

PASSED SENATE

Campaign Reform.
Housing Programs.
Land Use Planning.
No-Fault Auto Insurance.
Strip Mining Controls.

PASSED HOUSE

Foreign Trade.

ON SENATE CALENDAR

Consumer Protection Agency.
Standby Energy Authority—Senate debating.

HOUSE MUST ACT FIRST ON

National Health Insurance.
Tax Reform.

Senate Legislative Activity Index

(93d Cong., 2d sess.)

(By Senate Democratic Policy Committee)

AGRICULTURE

Agriculture Commodities—Food Stamps—Milk Programs (S. 3458).
Animal Health Research (H.R. 11873).
Fertilizer (S. Res. 289).
Forest Management (S. 2296).
Forest Pest Control (S. 3371).
Poultry Indemnity Payments (S. 3231).

Rice Allotment Transfers (S. 3075).
Top Level Positions in the Department of Agriculture (S. 3031).
Wheat Supplies (S. Con. Res. 70).

APPROPRIATIONS, 1974

Supplemental (H.R. 14013).
Veterans' Administration Supplemental (H.J. Res. 941).

CONGRESS

Budget Reform (H.R. 7130).
Congressional Record Postal Rates (S. 3373).
Office of Management and Budget (S. 37).
Senate Committee Employees Pay—Franked Mail (S. 2315).

CRIME-JUDICIARY

Canal Zone Marriage Licenses (S. 2348).
Commission on Revision of the Federal Appellate System (S. 3052).
"Cooly Trade" Laws (S. 2220).
Legal Services Corporation (H.R. 7824).
Mandatory Death Penalty (S. 1401).
Narcotic Treatment (S. 1115).

DEFENSE

Aviation Crew Incentive Pay (H.R. 12670).
Coast Guard Laws (H.R. 9293).
Enlistment and Reenlistment Bonuses (S. 2771).
Enlistment Qualifications (H.R. 3418).
Medical Officers' Pay (S. 2770).
Military Procurement Supplemental Authorization (H.R. 12565, S. 2999).

DISTRICT OF COLUMBIA

Advisory Neighborhood Councils (H.R. 12109).
Executive Protective Service (S. 3124).
Taxability of Certain Dividends—D.C. Election (H.R. 6186).

ECONOMY-FINANCE

Abandoned Money Orders and Traveler's Checks (S. 2705).
Check Forgery Insurance (H.R. 6274).
Housing and Community Development (S. 3066).
Pension Reform (H.R. 2, H.R. 4200).
Securities and Exchange Commission (SEC) Paperwork Reduction (S. Res. 173).
Supplemental Security Income—Unemployment Compensation (H.R. 13025).

EDUCATION

Educational Funding and Guaranteed Student Loans (H.R. 12253).
Elementary and Secondary Education (H. 69).

ELECTION REFORM

Campaign Reform (S. 3044).
Watergate Committee (S. Res. 287), (S. Res. 288), (S. Res. 286), (S. Res. 327).

ENERGY

Energy Allocation for Tourism Industry (S. Res. 281).
*Energy Emergency (S. 2589).
Energy Supply—Clean Air (H.R. 14368).
Federal Energy Administration (H.R. 11793 [S. 2776]).
Oil Price Increase (S. Res. 249).
Oil Shale Leasing Funds (S. 3009).
Solar Heating and Cooling (H.R. 11864).
Truck Fuel Prices (S.J. Res. 185).
Washington Energy Conference (S. Res. 279).

ENVIRONMENT

Environmental Education (S. 1647).
Ocean Dumping (H.R. 5450).
Oil Pollution (S. 1070).
Woodsy Owl (S. 1585).

GENERAL GOVERNMENT

Atomic Energy Commission Authorization
Commission on Productivity (S. 1752).
(S. 3292).
Disaster Relief (S. 3062).
Federal Procurement Policy (S. 2510).
Fire Prevention and Control (S. 1769).
Historical and Archeological Data (S. 514).
Idaho Admission Act (S. 939).
NASA Authorization (H.R. 13998).
National Science Foundation Authorization (H.R. 13999).
No-Fault Motor Vehicle Insurance (S. 354).
Postal Rate Adjustments (S. 411).
Small Business Administration Authority (S. 331).
Vice Presidential Residence (S.J. Res. 202).

GOVERNMENT EMPLOYEES

Civil Service Retirement Annuities (S. 1866).
Civil Service Survivor Annuities (S. 628).
Civil Service Survivors Eligibility (S. 2174).
Executive, Legislative and Judicial Salaries Increase (S. Res. 293).
Privacy and Rights of Federal Employees (S. 1688).

HEALTH

Alcohol Abuse and Alcoholism Prevention (S. 1125).
Biomedical Research (H.R. 7724).
Diabetes Mellitus (S. 2830).
Health Services (H.R. 11385).
Medical Devices (S. 2368).
National Cancer Program (S. 2893).
National Institute on Aging (S. 775).
School Lunch and Child Nutrition (S. 3459).
Sudden Infant Death Syndrome (S. 1745).

INDIANS

Assistant Secretary for Indian Affairs (S. 2777).
Chippewa Cree Tribe, Montana (H.R. 5525).
Constitutional Rights of Indians (S. 969).
Indian Financing (S. 1341).
Indian Self-Determination (S. 1017).
Kootenai Tribe, Idaho (S. 634).
Sisseton and Wahpeton Sioux Tribe, North and South Dakota (S. 1411).
Spokane Tribe, Wash. (H.R. 5035).

INTERNATIONAL

American Hospital of Paris, Inc. (S. 1836).
Arms Control and Disarmament Agency (H.R. 12799).
China Indemnification Agreement (S. 3304)
Foreign Disaster Assistance (H.R. 12412).
Foreign Service Buildings (H.R. 12465).
International Court of Justice (S. Res. 74), (S. Res. 75), (S. Res. 76), (S. Res. 77), (S. Res. 78).
International Ocean Exposition '75 (S. 2662).
Middle East Terrorists (S. Res. 324).
Migratory Birds (H.R. 10942).
Military Assistance to Greece (S. 2745).
Missing in Indochina (S. Con. Res. 81).
Missing Newsmen (S. Res. 291).
National Olympic Commission (S. 1018).
Overseas Private Investment Corporation (OPIC) (S. 2957).
Peace Corps Authorization (H.R. 12920).
State Department Supplemental Authorization (H.R. 12466).
State Department—USIA Authorizations (S. 3473).
Treaties:
Customs Convention on the International Transit of Goods (Ex. P, 93d—1st).
Extradition Treaty with Denmark (Ex. U, 93d—1st).
1980 Winter Olympic Games (S. Con. Res. 72).

LABOR

Minimum Wage Increase (S. 2747).
Nonprofit Hospital Employees (S. 3203).

MEMORIALS—TRIBUTES

B. Everett Jordan, Death of (S. Res. 298).
Georges Pompidou, Death of (S. Res. 304).
Hank Aaron Home Run Record (S. Res. 303), (S. Res. 305).
Lyndon B. Johnson Conservation Corps Center and Lyndon B. Johnson National Grasslands (S. 2835).

NATURAL RESOURCES

Fish and Wildlife Service (H.R. 13542).
Lone Rock Lake Project (S. 1961).
National Ocean Policy Study (S. Res. 222).
Recreation Use Fees (S. 2844).
Rivers and Harbors—Public Works (H.R. 10203 [S. 2798]).
Rocky Mountain National Park, Colorado (S. 2394).
Wild and Scenic Rivers—Chattooga River (H.R. 9492 [S. 921]).
Wilderness Areas:
Weminuche Wilderness (S. 1863).

NOMINATIONS (ACTION BY ROLLCALL VOTE)

Brig. Gen. Charles A. Gabriel to Maj. Gen., USAF.
Maj. Gen. Alton D. Slay to Maj. Gen., USAF.

PROCLAMATIONS

Americans Business Day (S.J. Res. 195).
First Continental Congress Anniversary (S. Con. Res. 85).
National Agriculture Week (S.J. Res. 163).
National Amateur Radio Week (S.J. Res. 197).
National Historic Preservation Week (S.J. Res. 175).
National Volunteer Week (S.J. Res. 179).

TRANSPORTATION—COMMUNICATIONS

Aircraft Hijacking (S. 39).
Aircraft Piracy (S. 872).
Alien Radio Station Licenses (S. 2457).
Communications Common Carrier Charges (S. 1227).
Communications Common Carrier Service Applications (S. 1479).
Cumbres and Toltec Scenic Railroad (S. 2362).
Tariffs and Freight Rates (S. 1488).
Urban Mass Transit (S. 386).
Vessel Tonnage Deductions (S. 1353).

VETERANS

American War Mothers, Inc. (S. 2441).
Disability Compensation and Survivor Benefits (S. 3072).
GI Bill Benefits (S. 3398).
Life Insurance (H.R. 6574).
POW Families, Funeral Transportation for (S. 3228).
U.S. Flag Presentation (H.R. 5621).

SENATE LEGISLATIVE ACTIVITY—93D CONGRESS, 2D SESSION

(By Senate Democratic Policy Committee, May 21, 1974)

Days in Session	65
Hours in Session	390:00
Total Measures Passed	220
Public Laws	284
Treaties	2
Confirmations	27, 648
Record Votes	207

Symbols: P/H—Passed House; P/S—passed Senate; *—Vetoed 1974; (VV)—Passed by Voice Vote; numbers in parenthesis indicate number of record vote on passage, conference report, or reconsideration.

AGRICULTURE

Agriculture commodities—food stamps—milk programs

Makes permanent and mandatory the authority of the Secretary of Agriculture to purchase agricultural commodities that are not in surplus supply for donation to the child nutrition, institutional feeding, supplemental feeding, disaster relief programs, and other traditional recipients of commodities; provides a 5 cent per half-pint minimum rate of reimbursement for the special milk program with a requirement that this amount be adjusted annually to reflect increased costs; requires the continuation of the family commodity distribution program until July 1, 1976, only for families on Indian reservations not requesting the Food Stamp program; authorizes the Secretary of the Interior or the governing bodies of Indian tribes to administer the Food Stamp Program on behalf of Indians; requires the Secretary of Agriculture to consult with the Depart-

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Vetoed 1974.

ment of the Interior and the Indian tribes affected before issuing regulations affecting the administration of the Food Stamp Program on reservations; requires 100 percent payment of the administrative costs of the Food Stamp Program on Indian reservations; and authorizes the Secretary of Agriculture to pay State agencies 62.5 percent of all the administrative costs of the Food Stamp Program. S. 3458. P/S May 22, 1974. (VV)

Animal health research

Authorizes $75 million annually to increase funding for animal health research at colleges of veterinary medicine, or, at institutions where there are no such colleges, the State agricultural experiment stations conducting animal health research; sets a formula for distribution of funds based on the value of and income generated by livestock and poultry in each State and on the animal health research capacity at the eligible institutions; provides for additional grants for research on specific national or regional animal health problems; and establishes an Advisory Board appointed by the Secretary of Agriculture to make recommendations on matters related to the administration of the Act. H.R. 11873. P/H Feb. 7, 1974; P/S amended Mar. 28, 1974. (VV)

Fertilizer

Expresses a sense of the Senate that: all Federal agencies should give the highest priority to the U.S. fertilizer industry in establishing allocation priorities for distribution; the U.S. fertilizer industry should distribute fertilizer supplies among farmers in a timely and equitable manner, and at reasonable prices; the Federal Power Commission, and appropriate State regulatory agencies, should establish priorities for the allocation of natural gas to nitrogen fertilizer producers sufficient to insure them of supply levels required to maintain maximum production levels; the Federal Energy Office should give the highest priority allocation to the fertilizer industry's needs for gasoline, middle-distillates, and other liquid fuels utilized in the production, distribution, and application of fertilizer; the Cost of Living Council and the Department of Agriculture and Commerce should continue their monitoring and reporting of fertilizer supply availabilities, wholesale and retail prices, and export shipments; and the Cost of Living Council should establish a monitoring and investigatory program through the office of the IRS to determine the factual basis of any alleged price gouging involving either fertilizer wholesalers or retailers. S. Res. 289. Senate adopted Feb. 27, 1974. (VV)

Forest management

Requires the Secretary of Agriculture to prepare a National Renewable Resource Assessment not later than December 31, 1974, and to update it during 1979 and each 10th year thereafter; expands the resource surveys under 16 USC 581h to include all renewable resources, and changes the authorization therefor from $5 million annually to the amount needed; requires the Secretary to prepare a Forest Service Renewable Resource Program not later than December 31, 1974, covering the five fiscal years beginning July 1, 1975, and at least each of the next 4 fiscal decades, and to update such program each five years thereafter; requires transmission of the Assessment and Program to Congress in 1975 and after each updating; requires expenditure of appropriated funds except to the extent the appropriation act provides for discretion, or events occurring after enactment of the appropriation prevent the accomplishment of its purpose; requires an annual progress report by the Secretary; requires national forest system management to be on a current basis by the year 2000; encourages the use of appropriated funds for forest road and trail construction; directs the Secretary to avoid use of purchaser road construction authority in a manner that would unduly affect forest revenues and payments to a particular county; and requires Forest Service offices to be located near Forest Service operations. S. 2296. P/S Feb. 21, 1974. (VV)

Forest pest control

Amends the Forest Pest Control Act to provide that funds appropriated to carry out the program of eradication and control of forest insect pests and diseases are to remain available until expended. S. 3371. P/S May 7, 1974. (VV)

Poultry indemnity payments

Authorizes the Secretary of Agriculture until December 31, 1974, to pay compensation for contaminated poultry, eggs, and poultry and egg products, including the costs of disposing of such items, to producers, growers, and processors who have been advised after January 1, 1974, that their products contained unsafe residues of the pesticide dieldrin or other chemicals registered and approved for use by the Federal Government at the time of such use, and to compensate their employees for wages lost as a result of this condition, and to investigate and report to Congress within a year on the circumstances, which resulted in the economic loss. S. 3231. P/S Apr. 23, 1974. (141)

Rice allotment transfers

Permits rice growers who are unable to plant part or all of their farm acreage allotments because of floods or other natural disasters to transfer their allotments to other farms in the same or a near county on which they will have an interest in the particular commodity. S. 3075. P/S Mar. 13, 1974. (VV)

Top level positions in the Department of Agriculture

Upgrades the position of Under Secretary of Agriculture to Deputy Secretary of Agriculture; establishes two new positions of Assistant Secretary of Agriculture; changes the position of Administrator, Animal and Plant Health Inspection Service, from GS-18 to Executive Level V; increases the membership of the Board of Directors of the Commodity Credit Corporation from six to seven, in addition to the Secretary; and abolishes four existing positions. S. 3031. P/S May 8, 1974. (VV)

Wheat supplies

States a sense of the Senate that the Secretary of Agriculture should: immediately conduct a survery of all wheat milling firms and bakeries to determine their position with regard to wheat supplies and requirements during the remainder of the 1973–74 marketing year; conduct a county-by-county survey to determine the amount of uncommitted wheat stocks remaining in the ownership of all grain dealers and farmers; and work with the Interstate Commerce Commission to expedite transportation of existing wheat stocks to the millers and bakers in need of additional supplies. S. Con. Res. 70. Senate adopted Feb. 25, 1974. (VV)

APPROPRIATIONS—1974

Supplemental

Makes second supplemental appropriations for fiscal year 1974 for a grand total in new budget authority of $9,645,935,398 which includes $2,330,112,000 for the Department of Defense, Military, to be considered as an "advance" on fiscal year 1975 appropriations; $133,200,000 (termed "Middle East Payback") for replacement in the U.S. defense inventory of equipment sold to Israel which must be replaced at a current price higher than that received at the time of transfer to Israel; $7 million for synthetic flight trainer simulators for the Army contingent on authorization under the Military Procurement Supplemental Authorization, 1974; also includes $25 million for the Department of Agriculture for emergency flood rehabilitation work;

Appropriates for foreign operations a total of $54 million of which $15 million is for Indochina postwar reconstruction assistance; reallocates $15 million in disaster relief originally allocated to Pakistan to help the starving in African countries stricken by drought;

Includes $100 million for disaster relief in the United States caused by tornados during the spring; includes $2,546,584,000 for comprehensive manpower assistance; includes an additional $10 million for community service employment opportunities for older Americans; appropriates $2 million to alleviate the present crisis in the District of Columbia criminal justice system caused by lack of funds to pay court-appointed counsel, of which $800,000 is for liquidation of obligations incurred prior to fiscal year 1974; $56 million for Amtrak for expansion and acquisition of stock; and also includes $3,380,443,595 to meet costs directly related to recent Federal salary increases. H.R. 14013. P/H Apr. 10, 1974; P/S amended May 7, 1974; In conference. (174)

Veterans' Administration supplemental

Appropriates $750 million to the Veterans' Administration to insure the availability of funds for financing Readjustment Benefits of the Nation's post-Korean conflict veterans, their sons and daughters, and their wives and widows. H.J. Res. 941. Public Law 93-261, approved Apr. 11, 1974. (VV)

CONGRESS

Budget reform

Establishes a new congressional budget process; establishes a standing Senate Committee on the Budget with members selected in the same manner as other standing committees; creates an independent office of the Congress called the Congressional Office of the Budget (COB);

Changes the Federal fiscal year from July 1–June 30 to October 1–September 30 and establishes the following timetable for the budget process:

By November 10: The President submits the current services budget (a document showing programs and funding levels for the year just past), thus giving the Congress line-item information with which to begin analysis and preparation of the budget for the coming fiscal year prior to receipt of the President's budget;

By February 15: The President submits his budget;

By April 1: Committees and joint committees submit reports to the Budget Committees;

By April 15: COB submits its report to Congress;

By May 1: The Budget Committees report the first concurrent resolution on the budget to their Houses, setting forth (1) the appropriate levels of total budget outlays (including outlays from carryover budget authority) and total new budget authority, (2) an estimate of budget outlays and an appropriate level of new budget authority for each major functional category, for contingencies and for undistributed intra-government transactions, (3) estimated revenues and their major sources, (4) the recommended surplus or deficit, (5) appropriate level of and recommended changes, if any, in the statutory limit on the public debt, and (6) such other matters relating to the budget as may be appropriate;

By May 15: The appropriate committees report authorization bills;

By June 1: Completion of all action on the first concurrent budget resolution;

By August 7 or 5 days before August adjournment: Completion of enactment into law of all authorization bills;

By August 15 or 3 days before August

adjournment: The Budget Committees report a second required concurrent budget resolution assessing actions to date and either reaffirming or revising the most recent concurrent resolution (either the first required budget resolution or if other later resolutions have been adopted, the latest budget resolution), and specifying any needed remedial changes in budget authority, revenues, or the statutory public debt limit legislative action (which after preparation by the appropriate committees, shall be incorporated into a reconciliation bill);

Three days after the end of August adjournment or 4 days after Labor Day when no August adjournment: Completion of all action on the second required concurrent budget resolution;

By September 25: Completion of action on reconciliation bill containing provisions necessary to accomplish any change or changes in budget authority, revenues, or the statutory public debt directed by the second required budget resolution;

October 1: The fiscal year begins;

And contains other provisions. H.R. 7130. P/H Dec. 5, 1973; P/S amended Mar. 22, 1974; In conference. (81)

Congressional Record postal rates

Provides that the Congessional Record be entitled to be mailed at the same rates of postage at which any newspaper or other periodical publication, with a legitimate list of paid subscribers, is entitled to be mailed. S. 3373. P/S May 7, 1974. (VV)

Office of Management and Budget

Amends the Budget and Accounting Act, 1921, to require Senate confirmation of future appointments to the offices of Director and Deputy of the Office of Management and Budget, effective in each case, immediately after the individual holding that office on the date of enactment ceases to hold the office and, effective immediately in the case of a vacancy in either position on the date of enactment. S. 37. Public Law 93–250, approved Mar. 2, 1974. (VV)

Senate committee employees pay—franked mail

Eliminates the statutory minimum rate of compensation for Senate committee employees and eliminates the requirement that the words "Postage paid by Congress" be printed on franked mail. S. 2315. Public Law 93–255, approved Mar. 27, 1974. (VV)

CRIME-JUDICIARY

Canal Zone marriage licenses

Transfers the duties for issuing and recording marriage licenses and related activities, from the United States District Court of the Canal Zone to the civil affairs director of the Canal Zone Government. S. 2348. P/S Mar. 29, 1974. (VV)

Commission on Revision of the Federal Court Appellate System

Extends the final date for the report of the Commission on Revision of the Federal Court Appellate System from September 21, 1974, to June 21, 1975, and increases its authorization from $270,000 to $1 million. S. 3052. P/S Mar. 26, 1974. (VV)

"Cooly trade" laws

Repeals the "Cooly Trade" laws which prohibit the procuring, transportation, disposition, sale, or transfer of Oriental persons as servants or apprentices, or to be held to service or labor. S. 2220. P/S May 6, 1974. (VV)

Legal Services Corporation

Establishes a private nonprofit, federally funded legal services corporation (to which the duties and responsibilities of the current legal services program in the Office of Economic Opportunity will be transferred) for the purpose of providing high quality legal assistance to those who cannot afford adequate legal counsel; places the administration of the Corporation in a Board of Directors consisting of 11 members appointed by the President with the advice and consent of the Senate and provides that not more than six shall be of the same political party, that a majority be members of the bar of the highest court of any State, and that none be full-time employees of the United States; provides that the Chairman shall be selected from the Board members by the President for a 3-year term and thereafter the Board shall elect annually the Chairman from its members; provides that within 6 months after the first meeting of the Board, the Board shall request the Governor of each State to appoint a nine-member advisory council for the State which shall be charged with notifying the Corporation of any alleged violation of this Act; makes statury provision for a 15-member National Advisory Council (which shall be representative of the organized bar, legal education, project attorneys, eligible clients and the general public) to consult with the Board regarding the rules, regulations and activities of the Corporation;

Authorizes the Board to appoint a President of the Corporation, who shall be a member of the bar of the highest court of any State, and any other corporate officers; provides that no officer of the Corporation may receive any compensation from any source other than the Corporation during employment by the Corporation except as authorized by the Board;

Provides that all officers and employees of the Corporation are to be treated as private employees except for certain rights and benefits of employees of the Federal Government (work injuries, retirement, and health and life insurance); further provides that the Corporation shall be considered a private nonprofit entity for all statutory purposes, including those concerning labor relations, except as otherwise specified;

Authorizes the Corporation to make grants and contracts with individuals, partnerships, firms, and nonprofit organizations and corporations for the purpose of providing legal assistance to eligible clients; authorizes the Corporation, either directly or by grant or contract, to provide for research, recruitment, training, and information clearinghouse activities, to enhance the efficiency and effectiveness of legal services programs; authorizes technical assistance in connection with legal assistance activities; sets requirements and procedures for insuring compliance with the law, rule, regulations and guidelines under which the recipients of assistance, grants or contracts will operate; provides that the Cannons of Ethics or the Disciplinary Rule of the Code of Professional Responsibility would be fully applicable to the actions and responsibilities of attorneys in the legal service program; prohibits an attorney from receiving compensation for providing legal assistance under this Act unless he or she is admitted to practice in the juridiction where such assistance is initiated; prohibits employees of the Corporation or any recipient from engaging in or encouraging any public demonstration or picketing, boycott, or strike; makes special provision for bilingual legal assistance; prohibits the Corporation from influencing the passage or defeat of any legislation by the Congress or any State or local legislature; prohibits contributions of funds, equipment, or personnel to any political party or campaign or for use in influencing any ballot measures or referendums;

Provides that the Corporation, in consultation with the Director of the Office of Management and Budget and with the Governors of the States, establish maximum income levels (taking into account family size, urban and rural differences, and substantial cost-of-living variations) for individuals eligible for legal assistance; prohibits the use of funds for legal assistance with respect to a criminal proceeding, or to make grant to, or contracts with, any public interest law firm which expends 50 percent or more of its resources litigating issues in the broad interests of a majority of the public; makes special provisions for legal assistance to person 18 years of age; authorizes $71.5 million for fiscal year 1974, $90 million for fiscal year 1975 and $100 million for 1976 and thereafter;

And contains other provisions. H.R. 7824. P/H June 21, 1973; P/S amended Jan. 31, 1974; House adopted conference report May 16, 1974. (28)

Mandatory death penalty

Imposes by statute a mandatory death penalty for offenses for which the death penalty is available because death resulted, as follows where: (1) the offense involves flight by a prisoner from the custody of an officer or from an institution, gathering or delivering defense information to aid a foreign government, transportation of explosives in interstate commerce, destruction of government property, destruction of property in interstate commerce, kidnaping, treason, and aircraft piracy; (2) the defendant has been convicted of another offense, State or Federal, for which a sentence of life imprisonment or death was authorized by statute; (3) the defendant has previously been convicted of two or more offenses, State or Federal, which carried a penalty of more than 1 year's imprisonment and which involved the "infliction of serious bodily injury upon another person"; (4) the defendant knowlingly created a grave risk of death to another person in the commission of the offense; (5) the offense was committed in an especially heinous, cruel, or depraved manner; (6) the defendant procured commission of the offense by payment or promise of payment; (7) the offense was committed for money or anything of pecuniary value; and (8) the offense was committed against the President, Vice President, President or Vice President elect, or if no Vice President, the officer next in order of succession, a chief of state of a foreign nation, certain foreign officials in the United States because of official duties, a Justice of the Supreme Court, a Federal law enforcement officer or an employee of a Federal prison;

Also provides in regard to offenses concerning defense information or treason that the sentence of death shall be imposed in cases where (a) the defendant has been convicted of another previous offense concerning defense information or treason, for which a sentence of life imprisonment or death was authorized by statute; or (b) in the commission of the offense the defendant knowingly created a grave risk of substantial danger to the national security and it is found that the offense directly concerned nuclear weaponry or other major weapons system or major element of defense strategy; or (c) in the commission of the offense the defendant knowingly created a grave risk of death to another person;

Makes the following exceptions to the imposition of the death sentence where, at the time of offense, (1) the defendant was under 18 years of age; (2) his or her capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired but not so much as to constitute a defense or prosecution; (3) he or she was under unusual and substantial duress, although not such as to constitute a defense for prosecution; (4) he or she was a principal in the offense, which was committed by another, but the participation was relatively minor, though not so minor as to constitute a defense; (5) he or she could not reasonably have forseen that his conduct in the course of the commission of the offense which resulted in the death for which he or she was convicted would cause, or would create a grave risk to causing, death to any person; or (6) as allowed by the court when hostages have been released by the defendant on the assurance of the Attorney General that their release would be a factor mitigating the application of the madatory death sentence;

Establishes a procedure whereby a hearing shall be held after conviction or plea of guilty for the purposes of determining whether any of the exceptions apply; contains provisions concerning appeal from a sentence of death under this procedure; and contains other provisions. S. 1401. P/S Mar. 13, 1974. (69)

Narcotic treatment

Amends the Comprehensive Drug Abuse Prevention and Control Act of 1970, Public Law 91–513, commonly called the Controlled Substances Act, to provide new authority for the regulation of the use of narcotic drugs in the treatment of narcotic addicts; provides definitions of "maintenance treatment" to enable the Attorney General to establish more specific and comprehensive regulatory control over the handling of narcotic drugs used in the treatment of narcotic addicts; requires practitioners who dispense or administer narcotic drugs in the treatment of narcotic addicts to obtain a special registration predicated on the approval of treatment standards by the Secretary of Health, Education, and Welfare and the approval of security standards by the Attorney General; enables the Attorney General to deny, revoke, or suspend the special registration for failure to comply with the new standards; makes the full range of civil remedies and felony penalties available under the Controlled Substances Act applicable to practitioners who provide narcotic drugs without obtaining the special registration, in violation of the registration; and requires the special registered practitioners to keep complete records of narcotic drugs directly administered to patients in their presence. S. 1115. Public Law 93–281, approved May 14, 1974.

DEFENSE

Aviation crew incentive pay

Restructures the flight-pay system of the uniformed services in order to achieve a more equitable distribution of flight pay and to increase the ability of the uniformed services to attract and retain officer aviator crew-members in an all volunteer environment. H.R. 12670. P/H Feb. 21, 1974; P/S amended May 22, 1974. (VV)

Coast Guard laws

Changes the Coast Guard's authority relating to aids of navigation by extending its jurisdiction to additional water areas within and beyond the territorial waters of the United States and to non-navigable waters covered by the Federal Boat Safety Act of 1971; provides the authority necessary to carry funds over until the completion of projects for which funds were originally appropriated and provides continuing authorization for the payment of certain confidential investigative expenses; authorizes funds to provide for primary and secondary education for dependents of Coast Guard personnel stationed outside the continental United States whenever schools in the locality are unable to meet their educational needs; and makes changes in certain Coast Guard laws pertaining to personnel matters in the areas of housing, promotion, the Coast Guard Reserve, and the Coast Guard Auxiliary. H.R. 9293. Public Law 93–283, approved May 14, 1974. (VV)

Enlistment and reenlistment bonuses

Revises the special pay bonus structure relating to members of the Armed Forces to provide enlistment and reenlistment incentives designed to ensure adequate manning in an all-volunteer environment; provides, through June 20, 1977, for a maximum reenlistment bonus of $15,000 with the understanding that this maximum would be limited to the nuclear field only; and provides a bonus of up to $3,000 for an enlistment of at least 4 years in any critical skill area in any service. S. 2771. Public Law 93–277, approved May 10, 1974. (VV)

Enlistment qualifications

Establishes uniform enlistment qualifications with regard to age, parental consent, and time of enlistment options for male and female persons in the armed services retaining however, the discretionary authority of the Secretary to set as a matter of policy a higher minimum age than seventeen or a lower maximum age than thirty-five for accepting enlistments. H.R. 3418. Public Law 93– , approved , 1974. (VV)

Medical officers' pay

Increases the special pay bonus for physicians (including physicians of the Public Health Services) for each year's extension of active duty to reduce the gap between the incomes of civilian and military physicians to ensure a level of staffing in an all-volunteer environment; limits the new bonuses to officers in the pay grade O–6 (colonel) and below; provides a maximum bonus of $13,500 per year excluding those undergoing initial residency training and the first 4 years of obligated service; and contains other provisions. S. 2770. Public Law 93–274, approved May 6, 1974. (VV)

Military procurement supplemental authorization

Authorizes $571,274,000 ($15,474,000 in new authority and $155,800,000 to be funded by transfer) in supplemental appropriations in fiscal year 1974 for procurement including replacement of and support items for aircraft and synthetic flight trainer simulators, missiles, tracked combat vehicles, and other weapons for the armed forces; includes authority for the transfer of funds provided under the Emergency Security Assistance to Israel Act to fund the incremental costs for replacement of equipment provided to Israel during the Middle East war; provides, under the military family housing program, the necessary funding authority to cover pay increases already approved by law; prohibits the use of any funds for the Military Assistance Service Fund (MASF) obligations for Southeast Asia; and contains other provisions. H.R. 12565 (S. 2999). P/H Apr. 4, 1974; P/S amended May 7, 1974; In conference. (VV)

DISTRICT OF COLUMBIA

Advisory neighborhood councils

Amends the District of Columbia Self-Government and Governmental Reorganization Act (Public Law 93–198) to make clear that only a majority of voters voting on the issues in the May 7th referendum are needed to ratify the Advisory Neighborhood Council. H.R. 12109. Public Law 93–272, approved Apr. 24, 1974. (VV)

Executive Protective Service

Increases the authorized size of the Executive Protective Service from 850 to 1,200 in order to expand protection for embassies and other diplomatic facilities in the D.C. area. S. 3124. P/S May 6, 1974. (VV)

Taxability of certain dividends—D.C. election

Amends the existing District of Columbia tax laws to provide with respect to all taxable years ending after December 31, 1973, that dividends and interest received by a corporation from an insurance company, bank, and other savings institution subject to the 2 percent net premium tax imposed under present law shall not, when paid to the parent corporation, be considered as income from sources within the District, and thus shall not be subject to the District of Columbia income tax; provides that, upon ratification of the Charter by D.C. residents on May 7, 1974, employees shall be permitted to be candidates in the first elections for the offices of Mayor, Chairman or member of the Council; provides that employees who are duly qualified candidates may take an active part in political management or political campaigns for such elections; and exempts the Mayor, and members of the city council or the Chairman of the Council from prohibitions against active participation in political management and political campaigns contained in the Hatch Act. H.R. 6186. Public Law 93–268, approved Apr. 17, 1974.

ECONOMY-FINANCE

Abandoned money orders and traveler's checks

Permits the State in which a money order or traveler's check was purchased to claim the money in the event the money order or traveler's check becomes abandoned unless that State's law does not provide for escheat or there is no record of place of purchase, in which case the State in which the obligor has its principal place of business may claim the moneys. S. 2705. P/S Feb. 28, 1974. (VV)

Check forgery insurance

Extends the availability of Check Forgery Insurance Fund to permit payment to payees and special indorsees on forged checks drawn on United States dollars or foreign currencies on depositaries designated by the Secretary of the Treasury in the United States or abroad, by Government disbursing officers. H.R. 6274. P/H Sept. 17, 1973; P/S amended Mar. 25, 1974. (VV)

Housing and community development

Consolidates and simplifies existing programs and authorizes the development of several new programs, and authorizes appropriations for these new programs of $4,402,000,000 for fiscal year 1975 and $4,646,500,000 for fiscal year 1976, making a total of $9,048,500,000;

Consolidates and revises the FHA (Federal Housing Authority) mortgage insurance programs, presently under the National Housing Act, into a new Revised National Housing Act and the low-rent public housing program which originated under the United States Housing Act of 1937;

Contains, in the new Community Development Assistance Act of 1974, consolidation provisions for community development programs involving the urban renewal program authorized by the Housing Act of 1949 and rewritten by the Housing Act of 1954, the Model Cities program authorized by the Housing Act of 1966, and several community facility programs authorized by the Housing Acts of 1954, 1955, 1961, and 1965; authorizes a new block grant program to provide Federal assistance to localities for community development by consolidating and simplifying ten categorical urban development grant programs and replacing them with the new program, which includes provisions for the development of a 2-year Federal funding cycle at an assured and adequate level so that localities are always working with a known level of Federal grants for the next year as well as the current year subject only to the meeting of minimum Federal performance standards; provides funding under Federal supervision using an applications procedure requiring a summary of a 4-year plan for meeting the community's development needs, a description of proposed activities and expenditures, a certification that the applicant has met certain requirements, and a performance report, with an exception made for cities of under 25,000 population applying for a single activity other than an urban renewal activity;

Rewrites the comprehensive planning assistance program and provides a new Federally assisted State housing program;

Amends title V of the Housing Act of 1949 on rural housing to broaden or liberalize existing provisions to cover deficiencies relating to the authority of the Farmers Home Administration to provide assistance for lower income rural families;

Requires the Secretary of Housing and Urban Development (HUD) to establish Federal mobile home construction and safety standards which would supersede State standards not identical to the Federal standards;

Authorizes the establishment of a special financing association in HUD (the Housing Cooperative Finance Association) to provide financing for consumer-oriented housing cooperatives;

And contains other provisions. S. 3066. P/S Mar. 11, 1974. (59)

Pension reform

Seeks to strengthen and improve the protections and interests of participants and beneficiaries of private employee pension and welfare benefit plans by establishing minimum standards for participation in and funding of such plans and by making provision for vesting of rights, portability and plan termination insurance.

Office of Employee Plans and Exempt Organizations.—Creates within the Internal Revenue Service a new office of Assistant Commissioner for Employee Plans and Exempt Organizations, which will have the responsibility within the Service for enforcing requirements pertaining to private pension plans and charitable and other exempt organizations; provides for a $1 audit fee excise tax on the employer for each plan participant to pay for the administrative costs of the new unit;

Participation.—Sets minimum standards for participation in pension plans by employees; requires coverage of an employee the later of 1 year of service or the date the employee reaches age 30; permits an individual who has been working from age 25 to count years of service from age 25 for the purpose of the vesting rule when he or she reaches age 30; defines a year of service as employment for more than 5 months in a year for at least 80 hours in each of the 5 months; applies these standards in general for new plans beginning the year after the date of enactment and to existing plans for plan years beginning after December 31, 1975, or in the case of collective bargaining agreements the earlier of the date the agreement terminates or December 31, 1980:

***Vesting*—Sets minimum standards for vesting of benefit rights derived from employer contributions which in general provide for 25 percent vesting upon 5 years of service increased by 5 percent yearly through the 10th year and by 10 percent from the 10th to 15th year when 100 percent vesting is reached, with the effective date, generally, for the vesting rules to apply being plan years beginning after December 31, 1975;**

***Funding*—Establishes minimum standards for funding of plans to insure adequate financing which are to be enforced through the tax laws; provides that "current service costs" shall be contributed on a current yearly basis by the employer; requires generally that initial past service costs (which occur where plans give a worker credit for service before the plan went into effect or improvements are made with respect to past service) be amortized by the employer over a period of not more than 30 years, with a 40-year period allowed for multiemployer plans; requires experience losses (where the estimates of funding requirements are too low) and experience gains (where they are too high) to be amortized over the shorter of 15 years or the average remaining service life of covered workers; authorizes waiver of minimum funding requirements in the case of a single employer plan upon a showing of substantial business hardship, with the waived amounts to be amortized over no more than 10 years, and in the case of multiemployer plans, extension of the 40-year amortization period for the past service costs for a period of up to 50 years; subjects an employer who fails to contribute the minimum amount required to an initial 5 percent tax on the funding deficiencies, and if the funding deficiencies are not corrected within the period allowed to a tax of 100 percent of the funding deficiency; makes these standards effective the same date as** the vesting provisions;

Portability.—Includes a voluntary portability program for both employers and employees; establishes a Pension Benefit Guaranty Corporation within the Department of Labor; provides that a Pension Benefit Portability Fund shall be established in the Treasury Department; provides that workers who change jobs may have their vested retirement credits transferred to an account in the Fund, with the Corporation to invest the Fund's assets and pay benefits upon the worker's retirement, or, alternatively, may have the amount transferred to a retirement plan of his or her new employer, which can be used to buy actuarially equivalent benefits in the new employer's retirement plan;

Plan Termination Insurance.—Provides a plan termination insurance program to be managed by the Corporation and funded by a tax on the employers based on the number of participants in a plan, with, generally, premium taxes payable by employers beginning in 1975 and coverage to begin no later than 1977;

Disclosure and Fiduciary Standards.—Divides enforcement of fiduciary responsibilities between the Department of Labor and the Internal Revenue Service; contains reporting and disclosure requirements; provides a declaratory judgment procedure whereby in certain situations employers or employees may appeal determination letters issued by the Internal Revenue Service to the U.S. Tax Court; requires, with respect to claims, that plans must contain arbitration procedures in accordance with regulations of the Department of Labor;

Retirement Savings and Limitation on Employee Contributions.—Allows a deduction for retirement savings for persons not covered by a qualified plan or governmental plan of a minimum $1,000 a year and a maximum of 15 percent of earnings up to a maximum of $1,500; increases the present limitation on deductible contributions by self-employed individuals to a qualified plan from 10 percent of earnings up to $2,500 to 15 percent of earnings up to $7,500; places a limitation on deductions for contributions on behalf of all corporate employees, using a formula basing benefits on 75 percent of the highest 3 years of earnings of up to no more than $100,000 in any one year, thus placing a limitation of $75,000 a year on pensions for corporate employees from tax-free contributions; provides a new method of taxing lump-sum pension distributions:

Servicemen's Benefits—Amends the Internal Revenue Code of 1954 for the purpose of continuing the same tax treatment for servicemen and former servicemen under the Survivor Benefit Plan, Public Law 92–425, as was formerly available for them under the Retired Serviceman's Family Protection Plan in the case of annuities for surviving spouses or certain child beneficiaries;

And contains other provisions. H.R. 2 (H.R. 4200). P/H Feb. 28, 1974; P/S amended Mar. 4, 1974; In conference. (VV)

Securities and Exchange Commission (SEC) paperwork reduction

States as a sense of the Senate that the SEC should immediately proceed to evaluate the role of the small broker-dealer in the U.S. securities markets and determine if their survival is being jeopardized by unnecessary, overlapping, and duplicative reporting requirements and urges the SEC to examine the paperwork burden of the small broker-dealer consistent with SEC's statutory mandate to protect the investor and, where possible, reduce and consolidate duplicative and excessive reporting requirements. S. Res. 173. Senate adopted Feb. 7, 1974. (VV)

Supplemental security income—Unemployment compensation

Authorizes payment of supplemental security income (SSI) benefits on the basis of presumptive disability, for up to 12 months, to otherwise eligible individuals who were formerly on the rolls of State programs of aid to the blind and disabled in order to allow benefits to continue while the Social Security Administration, which administers SSI, completes its eligibility review; extends a temporary provision in Public Law 93–233, amending the Social Security Act, whereby a State can elect to come under the extended unemployment compensation program which provides for 13 weeks of extended benefits beyond the expiration of regular unemployment benefits, if the insured unemployment rate in the State is at least 4 percent without meeting the permanent law requirement that the rate also has increased by 20 percent over the prior 2 years; and provides a 1-year delay for the repayment by a State of funds it has received from the Federal government to pay unemployment compensation benefits. H.R. 13025. Public Law 93–256, approved Mar. 28, 1974. (70)

Educational funding and guaranteed student loans

Provides that funds appropriated for fiscal years 1973 and 1974 for any program to which the General Education Act applies shall remain available for obligation and expenditure until June 30, 1975, and amends the Higher Education Act of 1965 to clarify congressional intent concerning the Guaranteed Student Loan Program so that students whose family incomes are less than $15,000 per year will be eligible for a $2,000 subsidized loan without a needs test and an additional $500 if they qualify under a needs test which is required for students whose family incomes are $15,000 or more to receive a subsidized loan up to $2,500. H.R. 12253. Public Law 93–269, approved Apr. 18, 1974. (VV)

EDUCATION

Elementary and Secondary Education

Authorizes the President to call and conduct a White House Conference on Education in 1977 to stimulate a national assessment of education conditions, needs, and goals; extends and revises various education programs, including the amendment of title I of the Elementary and Secondary Education Act to change the formula for allocation of funds to local educational agencies in the States; states the findings of Congress regarding busing; provides that the failure of an educational agency to attain a balance of students on the basis of race, color, sex, or national origin, shall not constitute a denial of equal educational opportunity or equal protection of the laws and that assignment on a neighborhood basis is not such a denial;

Gives priorities of remedies for denial of educational opportunity or equal protection of the laws, and provides that no court, department, or agency of the United States in formulating a remedy may order the implementation of a plan requiring busing of any student to a school other than the school closest or next closest to his or her place of residence which provides the appropriate grade level and type of education for such student; provides that school district lines shall not be ignored or altered except where the lines were drawn for, and had the effect of, segregation of children; and contains other provisions. H. 69, P/H Mar. 27, 1974; P/S amended May 20, 1974. (204)

ELECTION REFORM

Campaign reform

Authorizes public financing from income tax revenues for primary and general elections for Federal office, effective January 1, 1976:

Source of public financing.—Bases appropriations for public funding on amounts designated on Federal income tax returns for the Federal Election Campaign Fund established in the Treasury by this act; increases the present tax checkoff amount from $1 to $2 per person, with the designation now to be automatic unless the taxpayer elects not to make the designation; doubles present tax credit and deduction limits to $25 and $100 per person; authorizes gifts to the fund;

Public financing.—Sets requirements for eligibility for candidates choosing public funding, including agreement to reporting requirements and the meeting of a threshold amount of money from private contributions before receiving public moneys, and limits private contributions, total permissible campaign expenditures by a candidate (both publicly and privately financed), and expenditures by a political party, with provision for cost-of-living adjustments in the amounts which may be spent, as follows:

Primaries.—Defines a primary election to include a runoff election and a convention or caucus of a political party to nominate candidates or select delegates to a national nominating convention; authorizes partial public funding as follows: *Presidential:* Threshold, $250,000 from first $250 of each contribution with $100,000 met by matchable contributions totaling $5,000 from legal residents of each of at least 20 States; public matching first $250 of a contribution; campaign spending limit, greater of 16 cents times voting age population (VAP) or $250,000 for each State subject to overall limit of 10 cents times VAP; *Senate* (and House where a State has only 1 Representative): Threshold, lesser of 20 percent of spending amount or $125,000 from first $100 of each contribution; public matching, first $100 of a contribution; spending limit, greater of 8 cents times VAP or $125,000; *House:* Threshold, $10,000 from first $100 of each contribution; public matching, first $100 of a contribution; spending limit, greater of 8 cents times VAP or $90,000;

General elections.—Permits candidates to choose to receive all private contributions and no public funding, a blend of private and public funding within the limitations of expenditures for general elections, or, in the case of major party candidates, exclusively public funding; provides different funding for major and minor party candidates; defines a major party as one whose candidates for President and Vice President in the preceding election received at least 25 percent of the total number of popular votes cast in the United States for all candidates in the election;

Major party candidates, Presidential.—Public funding up to 12 cents times VAP; *Senate* (and House in States entitled to only one Representative): up to the greater of 12 cents times VAP or $175,000; *House:* for candidates from States entitled to more than one Representative up to the greater of 12 cents times VAP or $90,000;

Minor party candidates.—Defines a minor party to mean any political party whose candidates for President and Vice President in the preceding election received at least 5 percent but less than 25 percent of the total number of popular votes cast in the United States for all candidates in the election; provides for partial public funding up to an amount which is in the same ratio as (1) the average number of popular votes cast for all the candidates of the major party bears to (2) the total number of popular votes cast for the candidate of the minor party; provides that where only one party qualifies as a major party that the party whose candidate for election to a particular office at the preceding general election received the next greatest number of votes (but not less than 15 percent of the total voters cast, and also, if voters are registered by party, 15 per cent of those registered) shall be treated as a major party; provides that a candidate who ran at the preceding election as a Democrat or Republican and received more than 25 percent of the votes cast and then runs at the following election as an independent must again qualify for public financing by receiving at least 5 percent of the votes at the current elections;

Unopposed candidates.—Limits public funding in a general election to 10 percent of the otherwise applicable limit;

Post-election payments.—Available (1) where a minor party or independent candidate entitled to payments before the election in an amount less than that payable to the major party candidate before the election receives a greater percentage of the votes than the candidate of his party received in the last election and (2) where a candidate who is not the nominee of a major party and who did not receive more than 5 percent of the votes in the most recent general election for the same office receives 5 percent or more of the votes in the current election;

Expenditures by a political party in a general election.—Authorizes a national party committee in Presidential elections to spend up to a limit of 2 cents times VAP of the U.S., and a State committee for a candidate for the Senate or for the House where the candidate is required to run statewide up to the greater of 2 cents times VAP population of the State or $20,000, and for a House candidate in any other State, $10,000;

Contribution limits.—Individual, $3,000, organization, $6,000, for the entire campaign of any particular candidate, $25,000 in the aggregate; independent expenditures on behalf of a candidate without his authorization by anyone other than the national State party committee, $1,000 per year per candidate; prohibits contributions over $100 other than by a written instrument identifying the contributor; candidate's personal and family funds, retains present limit of $50,000, Presidential and Vice Presidential, $35,000, Senate, $25,000, House;

Political broadcasting.—Repeals the Campaign Communications Act, imposing spending limits for the use of broadcast and printed media; amends the Communications Act of 1934 (1) to permit automatic waiving of the equal time requirements for Presidential and Vice Presidential races, and for other elections, Federal, State or local, only if the broadcast station offers 5 minutes of free time to all candidates seeking the same office; (2) to require broadcasters to demand a certification by any Federal candidate, before charging him for broadcast time, indicating that the payment of charges for that time will not exceed his expenditure limit under title 18, United States Code, and to apply this provision to State and local candidates wherever similar limits are imposed on them by State law; and (3) to require broadcasters to make certain announcements and keep certain records in connection with political broadcasters;

Reporting, disclosure, and enforcement.—Makes a general revision of title III of the Federal Election Campaign Act of 1971 (relating to the disclosure of Federal campaign funds); establishes a Federal Election Commission to enforce reporting and disclosure requirements; requires a candidate to designate a central campaign committee to serve as central reporting and disclosure agent, and campaign depositories for all contributions and public payments from which all expenditures other than petty cash must be made; increases criminal penalties; requires expenditures over $1,000 for a Presidential campaign to be approved by the national party committee; permits excess campaign contributions to be used by elected candidates for expenses or a charity; requires a 5-year audit of tax returns of Members of Congress and Federal employees earning over $20,000; and contains other provisions. S. 3044. P/S Apr. 11, 1974.

Watergate Committee

Extends for 3 months from February 28, 1974, to May 28, 1974, the date for the Select Committee on Presidential Election Campaign Activities to make its final report to the Senate of the results of the investigation and study conducted by it together with its findings and recommendations for new congressional legislation. S. Res. 287. Senate adopted Feb. 19, 1974. (VV)

Authorizes the Committee to make available to the Internal Revenue Service (IRS) such information requested by that agency and to investigate, receive, and inspect any data, documents, or other information held by the IRS directly related to the investigation being conducted by the IRS and the Committee. S. Res. 288. Senate adopted Feb. 21, 1974 (VV)

Increases the authorization for expenses of the Committee through May 28, 1974, from $1.5 million to $1.8 million, of which not to exceed $70,000 shall be available for the procurement of the services of individual consultants or organizations. S. Res. 286. Senate adopted Mar. 1, 1974. (VV)

Extends from May 28, 1974 to June 30, 1974, the date for the Select Committee to make its final report to the Senate of the results of the investigation and study conducted by it together with its findings and provides that the Committee may submit any interim reports it considers appropriate; terminates the Committee three months after the submission of its report provided, however, that if the judicial action brought by the Committee against the President for certain specified taped recordings of conversations between the President and his former counsel, John W. Dean, is not adjudicated, the Committee shall remain in existence until 30 days subsequent to a judicial determination; and empowers the Committee to report to the Senate an addendum to its final report based on what the taped recordings disclose in the event they are received pursuant to the final adjudication. S. Res. 327. Senate adopted May 22, 1974. (VV)

ENERGY

Energy allocation for tourism industry

Expresses the sense of the Senate that in any allocation of energy supplies or other actions by Federal departments and agencies to alleviate the energy shortage, proper consideration should be given to the provision of adequate supplies of energy to all segments of the tourism industry. S. Res. 281. Senate adopted Apr. 29, 1974. (VV)

Energy emergency

Declares that current and imminent fuel shortages have created a nationwide energy emergency; calls for proposals for energy emergency rationing and conservation measures and authorizes specific temporary emergency actions to be exercised, subject to congressional review and right of approval or disapproval, to assure that the essential needs of the United States for fuels will be met;

Establishes a Federal Energy Emergency Administration (FEEA) until May 15, 1975, to be headed by an Administrator who will be appointed by the President with the advice and consent of the Senate; transfers certain powers and duties of the President under the Emergency Petroleum Allocation Act of 1973 to the FEEA Administrator; authorizes the promulgation of a rule to order priorities among users of crude oil, residual fuel oil, or any refined petroleum product, and for the assignment of rights entitling certain users to obtain products in precedence to others; requires the President to provide procedures by which any user may petition for review of priorities and entitlements;

Authorizes the FEEA Administrator to promulgate by regulation energy conservation plans to reduce energy consumption to a level which can be supplied by available energy resources through transportation controls, including highway speed limits, or other necessary and reasonable restrictions on the public or private use of energy, including limitations on energy consumption by businesses; provides that no energy conservation plan promulgated by regulation under this authority may impose rationing or any tax or user fee, or provide for a credit or deduction in computing any tax; terminates any such energy conservation plan on May 15, 1975; requires transmission of any plan to each House of Congress, and makes any plan which would become effective before March 15, 1974, subject to congressional disapproval; provides that any energy plan which would become effective on March 15, 1974, and before September 1, 1974, shall go into effect 15 days after its transmission to Congress if neither House disapproves; provides that any energy plan which would become effective on or after September 1, 1974, must be approved by act of Congress; provides procedures for congressional review of the plans;

Directs the Administrator, to the extent practicable, to prohibit, as its primary energy source, the burning of natural gas or petroleum products by any major fuel-burning installation (including any existing electric powerplant) which, on the date of enactment, has the capability and necessary plant equipment to burn coal;

Directs the Administrator, within 30 days after enactment, to propose a contingency plan for allocation of supplies of materials and equipment for exploration, production, refining, and required transportation of energy supplies and for the construction and maintenance of energy facilities, implementation of such a plan to be subject to congressional approval by a means similar to that for any energy conservation plan;

Authorizes the Administrator, in order to supplement domestic energy supplies, to require production of oilfields to be designated by the Secretary of the Interior or the Secretary of the Navy at the maximum efficient rate of production and, in certain cases, in excess of the maximum rate;

Requires the President to specify equitable prices for domestic crude oil, all residual oil, and all refined petroleum products; provides that within 30 days of enactment the ceiling price for all crude oil be the price for that grade of oil in that field at 6:00 a.m., May 15, 1973, plus $1.35, making the average basic price $5.25 per barrel with savings from a price rollback to be passed on to consumers on a dollar-for-dollar basis; provides that the President may establish a higher ceiling price up to $7.09 per barrel, upon proper justification to Congress, that a higher price is necessary for a recovery of costs as in the case of crude oil produced from stripper wells or by secondary or tertiary recovery;

Contains provisions for the protection of franchised dealers; provides, in relation to antitrust provisions, for procedures to achieve the goals of this act while retaining the integrity of the antitrust laws; authorizes the appropriate agencies to take action for conserving energy consumption by regulated carriers; authorizes certain restrictions on exports; provides for employment impact and unemployment assistance to those adversely affected by the energy emergency; directs the Secretary of Transportation to encourage the use of carpools; prohibits the use of limousines by Federal officials in the executive branch below the level of a Cabinet officer except for the Federal Bureau of Investigation and the Department of State for diplomatic assignment; prohibits the use of funds for furnishing a chauffeur for individual use to any Federal official; provides for administrative procedures and judicial review; and contains enforcement provisions; authorizes to FEEA to carry out its functions and to make grants to States $75 million annually for fiscal years 1974 and 1975, with an additional $50 million for 1974 and $75 million for 1975 grants to States to carry out conservation measures and $500 million for fiscal year 1974 for grants to States for unemployment assistance;

Amends the Clean Air Act to permit the Administrator of the Environmental Protection Agency to suspend, until November 1, 1974, any stationary source fuel or emission limitation; provides for implementation plan revisions; extends the interim standards for motor vehicle emissions to 1977; and contains other provisions. S. 2589. Vetoed Mar. 6, 1974. Senate sustained veto Mar. 6, 1974. (34, 53)

Energy supply—Clean air

Permits the Administrator of the Environmental Protection Agency (conditioned upon necessary reporting requirements and inapplicability during a period when clean fuels are available) to suspend until not later than June 30, 1974 (or 1 year after the date of enactment of this act), any stationary source fuel or emission limitation as it applies to any person upon a finding that such person will be unable to comply because of unavailability of types or amounts of fuels; requires the Administrator to notify the public of a suspension in order to afford them an opportunity for written and oral presentation of views prior to granting a suspension and directs the Administrator to give notice to the Governor of the State, and to the chief executive officer of the local government unit where the source is located; restricts judicial review of suspensions to certain specified grounds; authorizes sources which either were ordered to convert to coal or which began to convert to coal during the 90-day period prior to December 15, 1973, to continue to use coal in compliance with the Clean Air Act, as amended by this act, until as late as January 1, 1979, provided that the conversions would not cause concentrations of pollutants in excess of primary public health standards; continues emission standards established for 1975 model year automobiles during the 1976 model year; provides that after January 1, 1975, an automobile manufacturer may seek a 1-year suspension of the statutory standards for hydro-carbons and carbon monoxide applicable to the 1977 model year and requires the Administrator to establish such standards if he grants the suspension; establishes a maximum emission standard for oxides of nitrogen of 2 grams per mile applicable nationwide to 1977 model year automobiles; clarifies the relationship between the National Environmental Policy Act and the Clean Air Act; and extends the Clean Air Act authorizations for 1 year. H.R. 14368. P/H May 1, 1974; P/S amended May 15, 1974; In conference. (VV).

Federal Energy Administration

Establishes the Federal Energy Administration (FEA) as an independent executive agency, to be headed by an Administrator to be appointed by the President with the advice and consent of the Senate; transfers to the Administration four existing agencies now in the Interior Department—the Offices of Petroleum Allocation, Energy Conservation, Energy Data and Analysis, and Oil and Gas; transfers the Energy Division of the Cost of Living Council into the new Administration; requires policy coordination with the Environmental Protection Agency; authorizes the Comptroller General to monitor FEA operations and make public its reports; authorizes the Government Accounting Office to issue subpenas to obtain information from companies engaged in any phase of energy supply or major consumption of energy; creates an Office of Private Redress and Grievances to handle complaints; requires the Administrator to prepare a comprehensive energy plan mapping out the Administration's proposed course of action for the next two years; and contains other provisions. H.R. 11793 (S. 2776). Public Law 93-275, approved May 7, 1974. (VV)

Oil price increase

States a sense of the Senate that it be an urgent matter to communicate to the governments of Canada, Venezuela, and the Arab oil producing countries that the United States views with the utmost concern the recent oil price increases as detrimental to prices, real income and employment in the United States and that such actions should not be taken by these countries without regard for these effects on the life of the American people and for the possibility of reciprocal economic action by the United States which might adversely affect the economies of these countries. S. Res. 249. Senate adopted Jan. 29, 1974. (VV)

Oil shale funds

Amends the Mineral Leasing Act of 1920 to permit each State to use its share of oil shale revenues for purposes other than public roads and schools. S. 3009. P/S May 9, 1974. (VV)

Solar heating and cooling

Authorizes $5 million to NASA and $5 million to HUD for fiscal year 1975 and $10 million to HUD (which includes funds for transfer to the Department of Defense, the National Bureau of Standards, and the General Services Administration to carry out their respective functions) for each of fiscal years 1976 through 1979 for further development and testing for large scale commercial use of solar systems in heating and cooling residential and commercial buildings. H.R. 11864. P/H Feb. 13, 1974; P/S amended May 22, 1974. (VV)

Truck fuel prices

Provides that the Interstate Commerce Commission shall issue its final order in Docket No. MC 43 (Sub. No. 2) as soon as possible which shall become effective not later than February 15, 1974, in order to alleviate the threat of a national transportation crisis caused by the requirement that carriers reimburse their owner-operators for all increases in the price of fuel over the base period May 15, 1973. S.J. Res. 185. Public Law 93-249, approved Feb. 8, 1974. (VV)

Washington Energy Conference

States as the sense of the Senate that the Washington Energy Conference, called by the President to provide a forum for the discussion of the common problems faced by the oil consuming nations, should consider (1) conservation measures necessary to reduce demand; (2) procedures for the emergency sharing of oil resources; (3) guidelines for bilateral agreements between oil consuming and oil producing countries; (4) coordination of research efforts in developing conservation practices and alternative sources of energy; (5) the responsibility for and the means to help to alleviate the plight of the developing countries in the oil crisis; and (6) closer coordination of fiscal and monetary policies; and further states that the United States should continue to bring about conditions of peace and stability in the Middle East. S. Res. 279. Senate adopted Feb. 6, 1974; Reconsidered and adopted by Senate amendded, Feb. 7, 1974. (VV)

ENVIRONMENT

Environmental education

Extends to July 1, 1977, the Environmental Education Act and reestablishes the Advisory Council on Environmental Education (which was terminated when on May 17, 1973, the Commissioner on Education published his intent to abolish the Council and Congress did not, within 90 days, disapprove of this action); authorizes therefor $5 million, $10 million, and $15 million for fiscal years 1975, 1976, and 1977 respectively; and permits the Commissioner to abolish the Council only after such intent is published in the Commissioner's annual report to Congress and only if either House of Congress does not disapprove of this action. S. 1647. Public Law 93–278, approved May 10, 1974. (VV)

Ocean dumping

Amends Public Law 92–352, relating to ocean dumping, in order to implement the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, signed by the United States on December 29, 1972, and ratified by the Senate on August 3, 1973; extends U.S. law to include regulation of the carriage and dumping of foreign-source waste material by U.S. vessels and aircraft; expands the definition of "material" to include oil taken on board a vessel or aircraft for the purpose of dumping at sea; seeks to give guidance to those administering the Act in instances where the standards of the Act differ from those of the Convention, particularly where the requirements of domestic law are stricter than those of the Convention; and contains other provisions of a technical or conforming nature. H.R. 5450. Public Law 93–254, approved Mar. 22, 1974. (VV)

Oil pollution

Incorporates into statutory law the rights, duties, and responsibilities of the United States under the International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties, signed November 29, 1969, at Brussels, which permits a coastal nation to take whatever action it deems necessary to prevent, mitigate, or eliminate a threat of oil pollution resulting from a maritime accident beyond that coastal nation's territorial limits by vesting such authority in the Secretary of the Department in which the Coast Guard is operating; gives the Secretary the authority to determine the extent of danger resulting from a collision, stranding, or other disablement of a vessel carrying oil, and to remove and, if necessary, destroy the ship and cargo which is the source of the danger; incorporates general guidelines for determining the permissible scope of intervention actions; authorizes actions against the United States in the Federal courts by persons claiming compensation; creates a mechanism for settling controversies between signatory nations, or between such nations and claimants relating to compensation for excessive measures; authorizes the Secretary to issue rules and regulations to carry out the purposes of this Act; imposes criminal penalties to insure full compliance with the legislation; and extends the right of intervention now inherent in the Federal Government for vessel incidents in territorial waters to incidents on the high seas involving potential oil pollution damage. S. 1070. Public Law 93–248, approved Feb. 5, 1974.

Woodsy owl

Authorizes the Secretary of Agriculture to establish and collect use or royalty fees for the manufacture, reproduction, or use of the character and name "Woodsy Owl," the symbol of the Department of Agriculture's Environmental Protection Agency, and the associated slogan "Give a Hoot, Don't Pollute," and contains other provisions. S. 1585. P/S June 14, 1973; P/H amended Apr. 2, 1974.

GENERAL GOVERNMENT

Atomic Energy Commission authorization

Authorizes $3,677,433,000 for the Atomic Energy Commission for fiscal year 1975 of which $2,551,533,000 is for operating expenses and $1,125,900,000 is for plant and capital equipment. S. 3292. Public Law 93–276, approved May 10, 1974. (VV)

Commission on Productivity

Renames the President's National Commission on Productivity as the National Commission on Productivity and Work Quality; sets the promotion of the productivity of the American economy and improvement of worker morale and work quality as objectives of the Commission and defines its functions; and contains other provisions. S. 1752. P/S May 10, 1973; P/H amended May 14, 1974.

Disaster relief

Continues and expands the basic programs and mechanism established in the Disaster Relief Act of 1970; amends the definition of major disaster to create a new "emergency" category to make it more practicable to extend help during lesser emergencies which the President has not declared a major disaster (at present the President must declare an area a "major disaster" to "trigger" all benefits authorized by Federal disaster legislation); authorizes a one-time grant of $250,000 to each State to assist them in developing comprehensive plans and programs to combat major disasters; stipulates that publicly owned facilities must obtain insurance adequate to protect against future loss for any disaster-damaged property which has been replaced, restored, repaired or constructed with Federal disaster funds; provides for a fine of not more than $10,000 or 1 year's imprisonment, or both, for persons who willfully make fraudulent claims; provides that assistance for damaged or destroyed public facilities, including park and recreational facilities, can be provided under one of two plans: direct grants not to exceed 100 percent of cost for repair or reconstruction on a project-by-project basis or a Federal contribution based on 90 percent of the total estimated cost of restoring all damaged public facilities within its jurisdiction; authorizes the expenditure for "mini-repairs" to make a damaged home habitable as a substitute for other temporary housing which the Federal Government might otherwise provide; authorizes grants to States on a 75 percent Federal–25 percent State matching basis of the actual cost of providing direct financial assistance to persons adversely affected by a major disaster to meet extraordinary disaster-related expenses up to $5,000 per family to be retroactive to April 20, 1973, authorizes the President to provide disaster unemployment compensation through agreements with States which, in his judgment, have adequate systems for administering the program; authorizes the President to provide professional counseling services to help relieve mental health problems caused by a disaster; provides loans to local governments suffering a substantial loss of tax and other revenues because of a major disaster for up to 25 percent of its annual operating budget and includes forgiveness provisions in specified situations; amends the Public Works and Economic Development Act of 1965 by adding a new title VII—Economic Recovery for Disaster Areas regarding long-range recovery; and contains other provisions. S. 3062. Public Law 93– , approved 1974, (125)

Federal Procurement Policy

Establishes an Office of Federal Procurement Policy within the Executive Office of the President to provide overall leadership and direction for the development of procurement policies and regulations for executive agencies in accordance with applicable laws in order to promote economy, efficiency and effectiveness in the procurement of goods, services, and facilities. S. 2510, P/S Mar. 1, 1974. (VV)

Fire prevention and control

Provides for the establishment, by the Secretary of Commerce, of a coordinated Program for Fire Prevention and Control, under the administration of a new Assistant Secretary of Commerce for Fire Prevention and Control, with the purpose of the program to be to reinforce and support the fire prevention and control activities of State and local governments and volunteer fire companies through a research and development program, an annual conference of professionals in fire prevention, fire control, and treatment of burn injuries, the establishment of a National FIREPAC Academy, a national data center, a technical assistance program for State, local, and private fire services, a master-plans demonstration project, citizens' participation programs, and relevant studies; and contains other provisions. S. 1769. P/S Nov. 2, 1973; P/H amended Apr. 29, 1974; In conference.

Historical and archeological data

Amends a 1960 law under which the Secretary of the Interior, through the National Park Service, conducts archeological salvage programs at reservoir construction to broaden the scope of activity to include all Federal or federally assisted or authorized construction projects which result in alteration of the terrain; authorizes the Secretary to conduct a survey and salvage program upon notification not only by the instigation agency but also by any other Federal or State agency or responsible private organizations or individuals; authorizes construction agencies to use or transfer up to one percent of funds appropriated for a project to the Secretary for survey and salvage work; provides that the costs incurred in connection with public works projects for archeological work under this act would become non-reimbursable project costs; and contains other provisions. S. 514. Public Law 93– , approved 1974.

Idaho Admission Act

Amends section 5 of the Admission Act for the State of Idaho to permit the State to exchange lands granted to it for educational purposes for other public or private lands of approximate value, or if the land values are equalized by payment of money; ratifies exchanges already made with the United States involving land granted for educational purposes; and adds exploration for and production of geothermal resources and byproducts to the purposes for which the educational lands may be leased by the State for more than ten years. S. 939. P/S Mar. 26, 1974. (VV)

NASA authorization

Authorizes $3,267,000 to the National Aeronautics and Space Administration for fiscal year 1975 as follows: $2,370,115,000 for research and development including continued funding of the space shuttle and space station programs; $147,490,000 for construction of facilities; and $749,624,000 for research and program management. H.R. 13998. P/H Apr. 25, 1974; P/S amended May 9, 1974; House requested conference May 15, 1974. (VV)

National Science Foundation authorization

Authorizes $829,800,000 to the National Science Foundation for fiscal year 1975 and $5 million in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States. H.R. 13999. P/H Apr. 25, 1974; P/S amended May 16, 1974. (VV)

No-fault motor vehicle insurance

Establishes a system of nationwide insurance for medical expenses and loss of wages of victims of motor vehicle accidents regardless of fault; supersedes present State law to the extent of the bill by the enactment of a no-fault plan in title III of the bill which applies unless a State adopts a non-fault plan which meets, at a minimum, the standards of the no-fault plan in title II of the bill;

Requires, under the title II plan, insurance which provides unlimited coverage for "allowable expenses" professional medical treatment and care, emergency medical services, and medical and vocational rehabilitation services, coverage for funeral expenses not to exceed $1,000, for work loss—income and reasonable expenses for hiring a substitute to perform self-employment services—with minimum coverage of the lessor of a monthly amount equal to $1,000 multiplied by State average per capita income over nationwide average per capita income or actual monthly earned income up to a total of $25,000 multiplied by the same formula or such total amount as may be determined by the State but not less than $15,000, and for replacement services and survivor's loss subject to reasonable limits and exclusions, and permits a deductible of not over $100 per individual and a maximum 1-week waiting period; permits the offering of greater basic work loss benefits or added benefits for work loss or for noneconomic detriment; requires that the no-fault insurer offer added insurance for collision and upset damage;

Sets other requirements that a State must meet which include making insurance available to all, and the authorizing of the State insurance commissioner to provide an accountability program for medical and vocational rehabilitation services and to take steps to assure the availability of emergency health services and medical and vocational rehabilitation services in the State; permits in section 204(f) entities providing benefits other than no-fault on account of an injury to coordinate such benefits with benefits payable by a no-fault insurer on account of the same injury if this would result in lower cost to the purchaser of such other benefits; makes health insurance the primary coverage for "allowable expenses" (by subtracting health insurance benefits from total loss for "allowable expenses" under no-fault insurance) if it provides unlimited coverage and meets the same obligations unless the State determines with the approval of the Secretary of Transportation that this would affect adversely or unreasonably discriminate against the interests of persons required to provide security covering motor vehicles in the State;

Requires, except as provided in the section on assigned claims, subtraction from net loss of any benefits and advantages from social security, workmen's compensation, any State-required temporary, nonoccupational disability insurance, and all other benefits except the proceeds of life insurance available from any government unless the law providing them makes them excess or secondary to the benefits under this act, and provides for subtraction of up to 15 percent of income tax saving in calculating net work loss where benefits are not taxable income;

Abolishes tort liability for injury under the title II no-fault plan with the following exceptions: (1) uninsured motorist; (2) manufacturer's products liability; (3) intentional injury to self or others; (4) for work loss over the maximum coverage for amounts excluded from work loss for replacement services loss or for survivor's loss; (5) for noneconomic detriment—pain, suffering, inconvenience, physical impairment, and other nonpecuniary damage recoverable under the applicable tort law—if the accident results in (a) death, serious and permanent disfigurement, or other serious and permanent injury or (b) more than 90 continuous days of total disability; (6) a person or government if such injury was caused or not corrected by an act or omission not connected with the maintenance or use of a motor vehicle; does not immunize an individual from liability to pay a fine on the basis of fault, and prohibits payment of any such fine by an insurer; permits the State to treat auto damage on a fault basis as it is presently done, or place it under a no-fault system;

Provides greater benefits in the title III plan, which places no limitation on the total benefits payable for allowable expenses, contains the same formula for monthly payments for work loss benefits but does not limit the total amount payable in all; provides benefits for replacement services loss and survivor's loss subject to a $200 per week ceiling, and abolishes tort liability for injury, including liability for non-economic detriment, except with regard to an uninsured motorist, manufacturer's products liability and intentional injury to self or others;

And contains other provisions. S. 354. P/S May 1, 1974. (156)

Postal rate adjustments

Increases the number of years before users of certain classes of mail have to pay higher postage rates as follows: (1) second-class regular (magazines and newspapers), special or book-rate fourth class (books or records), and controlled circulation publications phasing to be increased from the present five years to eight; (2) preferred second-class, non-profit class (circulars from charitable organizations), and the special fourth-class library rates phasing to be increased from the present 10 years to 16. (Under the Postal Reorganization Act, Public Law 91–375, all classes of mail are required to pay postal rates established by the Governors of the Postal Service. For those classes of mail which formerly received reduced or preferential rates by law of practice, the impact of the rate increase is amortized—or phased—over a 5-year period which provides that Congress is to appropriate the revenue foregone by the Postal Service—the difference between the rate actually paid and the rate which would have been paid except for the phasing.) S. 411. P/S May 9, 1974. (178)

Small Business Administration authority

Transfers to the Small Business Act the complete authority to provide financial assistance to socially or economically disadvantaged persons previously authorized under title IV of the Economic Opportunity Act of 1964, the economic opportunity loan program and the 406 management and technical assistance programs; amends the Small Business Act to increase the total amount of loans, guarantees, and other obligations or commitments outstanding by SBA as follows: (1) increases from $4.875 billion to $6 billion the amount which may be outstanding from the business loan and investment funds at any one time for direct, immediate participation and guaranteed loans under displaced business loans, trade adjustment loan program prime contract authority program, and economic opportunity loans, (2) increases from $556.25 million to $725 million SBA commitment authority to Small Business Investment companies, and (3) increases from $381.25 million to $540 million SBA commitment authority for loans to low-income individuals and for businesses located in areas of high unemployment or low income areas; authorizes SBA to increase its loan ceilings so that it may spend funds that it will obtain through the appropriation process or through repayment of prior loans; revises the interest rate language directing participating lenders to charge a legal and reasonable rate of interest as they do on all other loans programs; and elevates the position of Assistant Administrator for Minority Enterprise to that of an Associate Administrator. S. 3331. P/S May 2, 1974. (VV)

Vice Presidential residence

Designates the permises occupied by the Chief of Naval Operations, consisting of approximatley 12 acres located on the grounds of the Naval Observatory in the District of Columbia, as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; places the responsibility for the custody, control and maintenance of the residence and grounds with the Administrator of the General Services Administration, such functions to be carried out in the meantime by the Secretary of the Navy subject to the supervision and control of the Vice President; precludes the expenditure of public funds on any other residence for the Vice President unless specifically authorized by Congress; and permits the use of the Executive Protective Service to provide security for the permises. S.J. Res. 202. P/S May 16, 1974. (VV)

GOVERNMENT EMPLOYEES

Civil service retirement annuities

Establishes a minimum civil service retirement annuity equal to the social security minimum primary insurance amount including any cost of living increase; provides minimum amounts to a surviving child in an amount not less than the minimum monthly amount allowed under social security or three times such amount divided by the number of surviving children, whichever is lesser; excludes any individual who receives Social Security benefits from receiving payments under a military or civilian retirement system; increases annuity payments to former Federal employees who retired prior to October 20, 1969, by $240 to an annuitant and $132 to the surviving spouse of an annuitant (resulting in monthly increases of $20 and $11 respectively); and contains other provisions. S. 1866. Public Law 93–273, approved April 26, 1974.

Civil service survivor annuities

Amends chapter 83, title 5, U.S.C. by eliminating the reduction in annuity that a retiree takes to provide survivor benefits for his spouse during periods of nonmarriage allowing in effect, full annuity to an annuitant during these periods. S. 628. P/S July 31, 1973; P/H amended Apr. 24, 1974.

Civil service survivors eligibility

Amends the Civil Service Retirement Act to change the 2 year marriage requirement regarding eligibility for survivor benefits under the Federal retirement system to a 1 year requirement. S. 2174. Public Law 93–260, approved Apr. 9, 1974.

Executive, legislative, and judicial salaries increase

Disapproves, in its entirety, the President's recommendations for pay raises of 7½ percent per year for 1974, 1975, and 1976, for Members of Congress, Federal judges, cabinet and subcabinet officers, agency heads, and certain other officials in the executive, legislative, and judical branches. S. Res. 293. Senate adopted disapproval resolution Mar. 6, 1974. (52)

Privacy and rights of Federal employees

Prohibits indiscriminate executive branch requirements that employees and, in certain instances, applicants for Government employment: disclose their race, religion, or national origin; attend Government-sponsored meetings and lectures or participate in outside activities unrelated to their employment; report on their outside activities or undertakings unrelated to their work; submit to questioning about their moral beliefs, personal relationships or sexual attitudes through interviews, psychological tests, or polygraphs; or support political candidates or attend political meetings; makes it illegal to coerce an employee to buy bonds or make charitable contributions; prohibits officials from requiring an employee to disclose his own personal assets, liabilities, or expenditures, or those of any member of his family unless, in the case of certain specified employees, such items would tend to show a conflict of interest; provides a right to have counsel or other person present at an interview which may lead to disciplinary proceedings; accords the right to a civil action in a Federal court for violation or threatened violation of the Act; and establishes a Board on Employees' Rights to receive and conduct hearings on complaints of violations of the Act and to determine and administer remedies and penalties. S. 1688. P/S Mar. 7, 1974. (VV)

HEALTH

Alcohol abuse and alcoholism prevention

Extends for 2 years, through fiscal year 1976, the State formula grant program originally authorized by the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, Public Law 91–616, maintaining the annual authorization level at $80 million; extends the contract and project grant authority of the Act of 1970 for an additional 3 years, through fiscal year 1976, and authorizes therefor appropriations of $90 million for fiscal year 1974, $100 million for fiscal year 1975, and $110 million for fiscal year 1976; adds a new special grant authority providing an additional allotment of $100,000 plus 10 percent of its formula allotment for each State which adopts the Uniform Alcoholism and Intoxication Treatment Act, or legislation substantially similar to that Act, which requires intoxication to be treated as a responsibility of the community's public health and social service agencies rather than of its criminal justice system; prohibits public or private general hospitals receiving funds from Federal agency sources from discriminating in their admissions or treatment policies against any person solely because of his alcohol abuse or alcoholism; deletes the language of the Act of 1970 placing the National Institute on Alcohol Abuse and Alcoholism within the National Institute of Mental Health and substitutes language placing it within the Department of Health, Education, and Welfare, thereby permitting, not requiring, the Secretary to place the Institute elsewhere within the Department; gives the National Institute on Alcohol Abuse and Alcoholism authority for eleven top level positions; places alcoholism project and contract authority under the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act; eliminates duplication by deleting section 247 of the Community Mental Health Centers Act; and contains other provisions. S. 1125. Public Law 93–282, approved May 14, 1974.

Biomedical research

Consolidates in title I, the National Research Service Award Act, the existing research training and fellowship programs into a single National Research training and Awards authority which would be the major element in the training programs of the National Institutes of Health (NIH) and National Institute of Mental Health and would increase their capability of maintaining a superior national program of research, and provides a revised procedure whereby awards would be provided through the Office of the Director of NIH by the Secretary of Health, Education, and Welfare in consultation with the Director of NIH and the National Institute for Mental Health;

Establishes in title II, the Protection of Human Subjects Act, a National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research within the Department of Health, Education, and Welfare, to be composed of 11 members appointed by the President for 4 year terms, with not more than five members to have been engaged in biomedical or behavioral research involving human beings; provides that the Commission is first to undertake a comprehensive investigation and study to identify the basic ethical principles and develop guidelines which should underlie the conduct of biomedical and behavioral research involving human subjects, and second, to develop and implement policies and regulations to assure that research is carried out in accordance with the ethical principles they have identified, develop procedures for and make recommendations to the Congress in the areas of sanctions, compensation for injuries or death, and appropriate mechanisms to extend the scope of the Commission's jurisdiction;

Provides protection for individuals and institutions in matters of religious beliefs or moral convictions; prohibits research and experimentation on human fetuses until such time after certification of Institutional Review Boards has been established and the Commission develops policies with regard to the conduct of research on the living fetus or infants;

Contains interim provisions denoting that, until the certification of Boards has been established, it is the responsibility of each institution engaged in such research to determine that the rights and welfare of the subjects involved are fully protected, that the risks are outweighed by the potential benefits to the subject or the importance of the knowledge to be gained, and that informed consent is to be obtained by adequate methods in all but exceptional cases as specified in this act;

Calls for the Commission, in title III, the Special Study of Bio-medical Research Act, to make a comprehensive investigation and study of the ethical, social, and legal implications of advances in biomedical research and technology, with a report to be sent to the President and the Congress at least every 2 years together with recommendations for needed legislation or appropriate action by public or private organizations or individuals;

And contains other provisions. H.R. 7724. P/H May 31, 1973; P/S amended Sept. 11, 1973; In conference.

Diabetes mellitus

Amends the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus. S. 2830. P/S Dec. 20, 1973; P/H amended Mar. 19, 1974.

Health services

Extends authority for the support of health services research and development, health statistical activities, and the program of assistance to medical libraries through June 30, 1978, and authorizes $370.2 million, $120 million, and $77.5 million, for each program over the 4-year period; gives a statutory status to both the National Center for Health Services Research (NCHSR) and to the National Center for Health Statistics within the Department of Health, Education, and Welfare; gives broad legislative authority to NCHSR to design and conduct research aimed at the stimulation of an aggressive pursuit of activities in this area and consolidates and broadens present authorities for the collection, analysis, and publication of health statistics over a broad range of contemporary health topics; establishes two special emphasis centers: one the Health Care Technology Center, to focus on technology, including computers and electronic devices, and its applications in health care delivery, and the other the Health Care Management Center to focus on the improvement of management and/or organization in the health field, the training of health administrators, and the development of leaders, planners, and policy analysts in the field; and contains other provisions. H.R. 11385. P/H Jan. 21, 1974; P/S amended May 2, 1974. (170)

Medical devices

Authorizes the Food and Drug Administration to regulate the development and marketing of medical devices; requires that medical devices used in life-supporting situations, such as heart valves or pacemakers, shall be subject to premarket scientific testing; authorizes the Secretary of Health, Education, and Welfare to establish protocols for testing medical devices and requires that test data be submitted to HEW when a manufacturer seeks approval of a life-supporting medical device for marketing; provides that medical devices for which experts agreed standard-setting is sufficient to protect the public health and safety need only meet performance standards; provides that the third classification of devices which are generally safe when used in accordance with their instructions, such as tongue depressors, are exempted from either procedure; and contains other provisions. S. 2368. P/S Feb. 1, 1974. (VV)

National cancer program

Authorizes the extension of the National Cancer Act of 1971 with increased funding for the research program at $750 million for fiscal year 1975, $830 million for 1976 and $985 for 1977, with an additional $200 million for the cancer control program; removes the present ceiling on the number of comprehensive cancer centers and clarifies the present act with respect to training of cancer researchers and construction assistance; and establishes a President's biomedical research panel to oversee and monitor the biomedical research program of the National Institutes of Health, including the research programs of the National Institute of Mental Health. S. 2893. P/S Mar. 26, 1974; P/H amended May 2, 1974. (82)

National Institute on Aging

Amends title IV of the Public Health Service Act to provide for the establishment by the Secretary of Health, Education, and Welfare (HEW) of a National Institute on Aging (NIA) in the National Institutes of Health (NIH) for the conduct and support of biomedical, social, and behavioral research and training related to the aging process and the diseases and other special problems and needs of the aged, as authorized under section 301 of the Public Health Service Act and presently focused in the National Institute of Child Health and Human Development; provides that the Director of NIH shall assign functions to NIA or another institute when the activities overlap; directs the Secretary of HEW to (1) conduct scientific studies, through the Institute, for the purpose of measuring the impact on the biological, medical, and psychological aspects of aging, of all programs conducted or assisted by HEW to meet the needs of the aging in order to obtain data for assessment of the programs by the Institute, (2) carry out public information and education programs to disseminate information developed by the Institute which may aid in dealing with, and understanding, the problems associated with aging, and (3) prepare a comprehensive aging research plan within 1 year after enactment for presentation to the Congress and the President, along with a statement of the staffing and funding requirements necessary to implement the plan; and contains other provisions. S. 775. Public Law 93– , approved 1974.

School lunch and child nutrition

Requires a minimum 10 cent per meal level of donated food assistance for the school lunch program for fiscal year 1975, or cash payments in lieu thereof, and requires that this level of assistance be adjusted annually each year thereafter to reflect changes in costs; makes permanent the authority of States to serve reduced price school lunches to children from families with incomes up to 75 percent above those in the Secretary's income poverty guidelines; increases the authorization for school food service equipment assistance funding from $20 million to $40 million for fiscal year 1976 and for succeeding years; and increases the required expenditure for the special supplemental food program for women, infants, and children from

$40 million to $131 million for fiscal year 1975 only. S. 3459. P/S May 22, 1974. (VV)

Sudden infant death syndrome

Directs the National Institute of Child Health and Human Development at the National Institutes of Health to carry out a research program to identify the causes and preventive measures needed to eliminate Sudden Infant Death Syndrome and provides for public information and counseling services to families affected by Sudden Infant Death Syndrome and to personnel who come in contact with the victims or their families. S. 1745. Public Law 93-270, approved Apr. 22, 1974.

INDIANS

Assistant Secretary for Indian Affairs.

Establishes an Assistant Secretary of the Interior who will be an additional Assistant Secretary only for Indian Affairs, and establishes, by amending the Alaska Native Claims Settlement, a thirteenth region for Alaska Natives who are not residents of Alaska. S. 2777. P/S Feb. 4, 1974. (VV)

Chippewa Cree Tribe, Mont.

Declares that certain mineral interests are held by the United States in trust for the Chippewa Cree Tribe of the Rocky Boy's Reservation, Montana. H.R. 5525. Public Law 93- , approved 1974. (VV)

Constitutional rights of Indians

Amends section 701(c) of title VII of the Civil Rights Act of 1968 to authorize the appropriation of funds for the printing of certain legal materials relating to the constitutional rights of American Indians. S. 969. Public Law 93-265, approved Apr. 12, 1974.

Indian financing

Provides capital to Indian organizations and individual Indians in the form of loans and grants that is needed to promote their economic development; authorizes a $50 million increase for the Revolving Loan Fund; provides a Loan Guarantee and Insurance Program which could generate as much as $200 million in new private capital; authorizes an Interest Subsidy Program; and provides an Indian Business Development Grant Program. S. 1341. Public Law 93-262, approved Apr. 12, 1974.

Indian self-determination

Declares that a major goal shall be to provide the quantity and quality of educational services and opportunities which will permit Indian children and adults to compete and excel in the life areas of their choice, and to achieve the measure of self-determination essential to their social and economic well-being; provides basic authority for the Secretaries of the Interior and Health, Education and Welfare to enter into contracts with tribal organizations; amends the Intergovernmental Service Act of 1970 to bring "tribal governments" within the definition of "local government," to enable civil service personnel to be assigned to tribal organizations; exempts tribal contracts from Federal Procurement regulations which have served as obstacles to such contracting in the past; provides for a study of the Johnson-O'Malley Act (enrolling Indian children in public schools under contract) to be transmitted to Congress not later than October 1, 1974; amends the Johnson-O'Malley Act to provide criteria governing contracts between the Secretary of Interior and prospective contractors to assure that educational needs of Indian student beneficiaries of such contracts are met; provides criteria for the establishment of parental committees to insure funds expended in public school districts are in accordance with programs and plans developed by the Indian community; authorizes $65 million for each of the fiscal years 1975 and 1976 for education of Indians under the Johnson-O'Malley Act; and authorizes $35 million for assistance in the construction of school facilities serving Federally-recognized Indian children on or near reservations. S. 1017. P/S Apr. 1, 1974. (VV)

Kootenai Tribe, Idaho

Transfers 12.5 acres of Federal land into trust status for the Kootenai Tribe of Idaho. S. 634. P/S May 13, 1974. (VV)

Sisseton and Wahpeton Sioux Tribe, North and South Dakota

Authorizes the Sisseton and Wahpeton Sioux Tribe of North and South Dakota to acquire additional trust lands within its Lake Traverse Reservation, and enables the tribe to mortgage its land, subject to approval of the Secretary of the Interior, in order to consolidate land holdings, alleviate the problem of fractionated heirship of allotted lands, and acquire lands for tribal programs. S. 1411. P/S May 13, 1974. (VV)

Spokane Tribe, Wash.

Deletes the provision of present law which requires that the value of nontrust lands acquired by the Spokane Indian Reservation in any year shall not exceed the value of lands passed from trust status to tax free status in order to enable the Spokane Tribe to consolidate its land base. H.R. 5035. Public Law 93- , approved 1974. (VV)

INTERNATIONAL

American Hospital of Paris, Inc.

Amends the Act incorporating the American Hospital of Paris by eliminating the maximum 20 member limitation on the Board of Governors. S. 1836. Public Law 93-266, approved Apr. 12, 1974.

Arms Control and Disarmament Agency

Authorizes $10.1 million for fiscal year 1975 and $10.9 million for fiscal year 1976 to finance the operations of the Arms Control and Disarmament Agency, and changes the per diem limitation for the payment of consultants and experts from $100 a day to a maximum of $138 a day and permits their fiscal year employment limitation from 100 days to 130 days. H.R. 12799. P/S Apr. 24, 1974; P/S amended May 15, 1974. (VV).

China indemnification agreement

Authorizes the Secretary of State to conclude an agreement with the Government of the People's Republic of China for indemnification for any loss or damage suffered by objects in the "Exhibition of the Archological Finds of the People's Republic of China" while in the possession of the United States. days to 130 days. H.R. 12799. P/H Apr. 24, (VV)

Foreign disaster assistance

Authorizes $150 million for disaster relief, rehabilitation, and reconstruction assistance to Pakistan, Nicaragua, and the drought stricken regions of Africa as follows: $50 million to Pakistan; $15 million to Nicaragua; and $85 million to the African nations, of which at least $10 million will be solely for assistance to Ethiopia. H.R. 12412. P/H Mar. 28, 1974; P/S amended May 15, 1974 (VV)

Foreign Service buildings

Authorizes additional appropriations for Foreign Service Buildings of $2,732,000 for fiscal years 1974 and 1975, made necessary in inflation and devaluation of the dollar. H.R. 12465. Public Law 93-263, approved Apr. 12, 1974. (VV)

International Court of Justice

Calls on the Secretary of State to submit to the Court any outstanding territorial disputes involving the United States which cannot be resolved by negotiations, and specifically to consider submitting 28 such disputes over desolate and largely uninhabited islands in the Caribbean Sea and the Pacific Ocean. S. Res. 74. Senate adopted May 20, 1974. (VV)

Recommends the inclusion in all future treaties and other international agreements of clauses providing that any dispute arising from the interpretation or application of their provisions, not otherwise settled by agreement between the parties, shall be subject to the jurisdiction of the Court or other appropriate body. S. Res. 75. Senate adopted May 20, 1974. (VV)

Declares that the Secretary of State should give favorable consideration to making use of the various chambers of the Court, calls on the President to take all appropriate measures to attempt to expand the range of international bodies eligible to request advisory opinions of the Court; urges the President to seek to improve the process by which judges are nominated and elected; and advises the President to encourage the Court to exercise its functions outside of the Hague from time to time. S. Res. 76. Senate adopted May 20, 1974. (VV)

Urges the President to direct the Secretary of State to encourage the maximum use of the procedures for the specific settlement of international disputes as outlined in Chapter VI of the Charter of the United Nations, particularly those procedures providing for the reference of legal disputes to the Court. S. Res. 77. Senate adopted May 20, 1974. (VV)

Calls on the Secretary of State to undertake a study examining the various ways of granting direct and indirect access to the Court and other international tribunals to individuals, corporations, non-governmental organizations, intergovernmental organizations, regional organizations, and other natural or legal persons, including the feasibility of establishing a special committee of the United Nations General Assembly with authority to request from the Court advisory opinions on behalf of these groups. S. Res. 78. Senate adopted May 20, 1974. (VV)

International Ocean Exposition '75

Authorizes a supplemental appropriation to the United States Information Agency of $5.6 million, without fiscal year limitation, to fund U.S. participation in the International Ocean Exposition to be held in Okinawa, Japan in 1975. S. 2662. P/S Mar. 11, 1974. (VV)

Middle East terrorists

Condemns the terrorist threat made against the lives of 90 Israeli school children as well as all acts of terrorism and urges the President and the Secretary of State to call upon all governments to condemn this inhuman act of violence against innocent victims, and the countries where these groups and individuals are found to take appropriate action to rid their countries of those who subvert the peace through terrorism and senseless violence. S. Res. 324. Senate adopted May 15, 1974. (VV)

Migratory birds

Implements the Convention with Japan concerning migratory birds (Ex. R, 92d-2d) which provides for the protection of certain species of birds common to both countries or which migrate between them; prohibits the taking, sale, purchase or exchange of migratory birds, their eggs or products thereof with certain exceptions including special provisions for Eskimos, Indians, or inhabitants of the Trust Territory of the Pacific Islands; and requires each country to control the exportation or importation of migratory birds, and products thereof, to encourage their conservation, and to preserve and enhance their environment. H.R. 10942. Public Law 93- , approved 1974. (VV)

Military assistance to Greece

Prohibits all military grant assistance, sales, credit sales, and guaranties to Greece until (1) the Executive Branch completes a review of United States policy toward Greece with specific attention to whether the Government of Greece is in a position to fulfill its political obligations under the preamble to the North Atlantic Treaty which states "The Parties to this Treaty * * * are determined to safe-guard the freedom, common heritage and civilization of their peoples, founded on the principles of democracy, individual liberty and rule of law."; (2) reports the results of such review to the Congress; and (3) the President finds that Greece is in full compliance with its obligations under NATO, except that the President may extend assistance to Greece if he finds that such action would be in the overriding national interest and gives Congress 30 days' advance notice. S. 2745. P/S Jan. 23, 1974. (VV)

Missing in Indochina

States as a sense of the Congress that new efforts should be made by the United States to persuade North and South Vietnam and Laos to comply with their obligations with respect to an accounting of personnel captured, killed or missing during the Vietnam conflict, and further states that every effort should be made to obtain the cooperation of the various parties in the conflict in Cambodia to provide information with respect to missing personnel. S. Con. Res. 81. Senate adopted Apr. 10, 1974. (VV)

Missing newsmen

States as the sense of the Senate that the President should make every possible diplomatic effort through the Department of State and other relevant agencies to ascertain the truth of the present whereabouts or fate of United States newsmen missing in Southeast Asia, and obtain the release of those still alive and an accounting of those who may be dead. S. Res. 291. Senate adopted Feb. 26, 1974. (VV)

National Olympic Commission

Establishes a National Commission on the Olympic Games composed of nine members appointed by the President; directs the Commission to (1) review continued U.S. participation in the quadrennial world Olympic Games, (2) conduct a review and oversight of the past performance of the United States Olympic Committee (USOC) in managing U.S. involvement in the Games, (3) examine ways to improve the management of U.S. involvement in the Games, and (4) submit a report of its recommendations to thé President and Congress not later than December 31, 1974, or 180 days after the appointment of the ninth member of the Commission, whichever is later; and authorizes therefor $750,000. S. 1018. P/S May 20, 1974. (VV)

Overseas Private Investment Corporation—OPIC

Extends until December 31, 1976, the authority of the Overseas Private Investment Corporation to issue political risk insurance to protect private overseas investments against war, expropriation of property and inconvertibility of currency; seeks to promote the transference of OPIC's insurance functions to private insurance companies and multinational organizations by requiring OPIC to cease writing expropriation and inconvertibility insurance after December 31, 1979, and war risk insurance after December 31, 1980, and by authorizing OPIC to assume the role of reinsurer after these dates; and contains other provisions. S. 2957. P/S Feb. 26, 1974; P/H amended May 16, 1974. (40)

Peace Corps authorization

Authorizes $82,256,000 to finance operations of the Peace Corps during fiscal year 1975; authorizes an additional $1 million for increases in salary, retirement and other employee benefits; authorizes the transfer of $315,000 from any sums appropriated to the Peace Corps for fiscal year 1975 to ACTION's readjustment allowance account at the Department of Treasury; and authorizes the waiver of claims resulting from the erroneous payments of readjustment allowances to Peace Corps volunteers between March 1, 1961, and February 28, 1973, and relieves the disbursing officers involved from liability for such erroneous payments. H.R. 12920. Public Law 93— , approved , 1974. (164)

State Department supplemental authorization

Increases the authorization level of the State Department Authorization Act of 1973 in three categories: administration of foreign affairs, international organizations and conferences, and pay raises; reduces the authorization level in four categories: international commissions, educational exchange, devaluation costs, and antiterrorism measures; and increases the permanent authorization for annual contributions to the International Committee of the Red Cross, from $50,000 to $500,000. H.R. 12466. P/H Mar. 13, 1974; P/S amended Mar. 29, 1974. (VV)

State Department—USIA Authorizations

Authorizes $741,915,000 to the Department of State and $238,000,000 to the United States Information Agency for fiscal year 1975 plus any additional funds that may be required for salary and employee benefit increases; reorganizes the annual foreign affairs authorizing legislation beginning in fiscal year 1976; places into law a delineation of the authority and responsibilities of ambassadors; requires Congressional approval of all significant executive agreements pertaining to U.S. military bases abroad and specifically requires such approval regarding the U.S. base on Diego Garcia; requires certain reductions in U.S. personnel stationed abroad under the jurisdiction of American ambassadors; requires that the Administration submit to Congress a detailed plan for future U.S. economic and military assistance to South Vietnam; calls for a review and reformulation of U.S. policy toward Cuba; creates in the State Department a new International Materials Bureau; establishes the requirement that a foreign Service officer's career include two years of non-State Department service in state or local government, public schools, or other public organizations; requires publication in the Congressional Record of political contributions of all ambassadorial nominees; repeals the Formosa Resolution of 1955 which authorizes the President to use the Armed Forces for the protection of Formosa and the Pescadores Islands; and authorizes expenditures for an annual trip to and from schools in the United States for dependents of government employees assigned abroad; and contains other provisions. S. 3473. P/S May 20, 1974. (VV)

Treaties

Customs convention on the international transit of goods

Provides simplified customs control mechanisms and uniform documentation procedures for transport by bonded trailers, railway cars, vessels, and large containers, such carriers to have the option to use the International Transit of Goods procedures or another system if more advantageous. Ex. P, 93d-1st. Resolution of ratification agreed to Jan. 21, 1974. (2)

Extradition treaty with Denmark

Provides for the extradition of fugitives charged with any of 28 specific offenses, including offenses relating to narcotics and aircraft hijacking, as well as conspiracy to commit any of the specified offenses; defines territorial application to include territorial waters and airspace as well as registered aircraft in flight; provides for extradition for offenses committed outside the territory of either party if the offense is punishable under the laws of both parties; provides discretionary power to either party to extradite its own nationals, with the requested state to try the individual when the offense is punishable under its own laws; and permits refusal of extradition unless assurances are received that the death penalty will not be imposed for an offense not punishable by death in the country from which extradition is requested. Ex. U, 93d-1st. Resolution of ratification agreed to Mar. 29, 1974. (92)

The 1980 Winter Olympic games

Extends an invitation to the International Olympic Committee to hold the 1980 winter games at Lake Placid, New York; expresses the hope that the United States will be selected as the site for these games; and pledges cooperation and support in their successful fulfillment. S. Con. Res. 72. Senate adopted Apr. 8, 1974. (VV)

LABOR

Minimum wage increase

Provides a statutory minimum wage of $2.30 an hour for all covered workers according to the following time schedule:

For those covered prior to 1966, $2.00 on the effective date of this act, $2.10 effective January 1, 1975, and $2.30 effective January 1, 1976;

For nonagricultural employees first covered by the 1966 and 1974 amendments, $1.90 on the effective date of this act, $2.00 effective January 1, 1975, $2.20 effective January 1, 1976, and $2.30 effective January 1, 1977;

For agricultural employees, $1.60 on the effective date of this act, $1.80 effective January 1, 1975, $2.00 effective January 1, 1976, $2.20 effective January 1, 1977, and $2.30 effective January 1, 1978;

Extension of coverage: Extends coverage of the act to employees of individual retail and service establishments (except "Mom and Pop" stores) which are part of enterprises with gross annual receipts of more than $250,000 (thus including individual establishments with gross receipts of less than $250,000 if they are part of a chain with annual receipts over $250,000) with the $250,000 establishment test for smaller stores of large covered chains to be phased out by July 1, 1976;

Brings under the minimum wage and overtime provisions of the Act all employees in private household domestic service earning "wages" ($50 per quarter) for purposes of the Social Security Act, but retains a minimum wage and overtime exemption for casual babysitters and companions and an overtime exemption for live-in domestic service employees;

Extends coverage of Federal employees to most employees including wage board employees, non-appropriated fund employees, certain employees in the Canal Zone and any other civilian employee working for the armed services; and extends coverage of State and local government employees;

Retains the present basis for coverage of agricultural employees, which requires at least 500 man-days (one-man-day being any day during which an employee performs any agricultural labor for not less than one hour) during the peak quarter of the preceding year, but alters the computation of man-days by adding to the definition of "employee" the previously excluded group of all local, seasonal hand-harvest laborers, with such employees and farmworkers under 16 working with a parent continuing to be exempt from the minimum wage if they are paid the adult piece rate;

Child farm labor: Amends the Fair Labor Standards Act by prohibiting the employment in agriculture of all children under the age of 12, except those working on farms owned or operated by their parents, or on farms not covered by the act under the 500 man-day test, or on conglomerate farms, with parental consent required for children on noncovered farms; permits children ages 12 through 15 to work only during hours school is not in session, provided that all 12 and 13 year olds must either receive written parental consent or work only on farms where their parents are employed;

Puerto Rico and the Virgin Islands: Provides for the gradual achievement of minimum wage parity for workers in Puerto Rico and the Virgin Islands with workers on the mainland as follows:

For certain hotel, motel, restaurant and food-service employees, as well as employees of the Federal and Virgin Islands Governments, the same as the minimum wage for counter-part mainland employees on the effective date;

For other covered workers, effective on the effective date of the legislation, presently covered employees are to receive: (A) an increase of 12 cents an hour if their wage order rates are less than $1.40 an hour, and (B) an increase of 15 cents an hour if their wage order rates are $1.40 an hour or higher;

For newly covered employees (including commonwealth and municipal employees), wage rates to be set by special industry committees which may not be less than 60 percent of the otherwise applicable rate under section 6(b) or $1.00 an hour, whichever is greater;

For all employees (other than commonwealth and municipal employees), yearly increases beginning one year after the effective date of this legislation as follows: (A) 12 cents an hour yearly if their wage order rates are less than $1.40 and (B) 15 cents an hour yearly if their wage order rates are $1.40 an hour, whichever is greater;

Exemptions: Repeals or modifies a number of present exemptions, including some of the complete minimum wage and overtime exemptions as well as some which apply only to the overtime standard, in relation to: motion picture theaters, small logging crews, shade-grown tobacco, agricultural processing industries, railroads, and pipelines, seafood processing, local transit, hotels, motels, and restaurants, tip allowance, nursing homes, salesmen, partsmen, and mechanics, cotton ginning and sugar processing, catering and food service employees, telegraphic message operations, bowling establishments, and house parents for orphans; sets a certain overtime exemption for police;

Youth differential: Permits a lower minimum wage for full-time students as follows:

In retail and service establishments of not less than 85 percent of the applicable minimum wage of $1.60, whichever is higher for a period of up to 20 hours per week, and permits the hiring of up to 4 students without the need for the traditional percertification procedure;

In agriculture, the higher of 85 percent of the applicable rate or $1.30 an hour for the same period, and up to 4 students without certification;

And in higher education institutions, 85 percent of the applicable rate of $1.60 for the same period;

Provides that the Secretary of Labor, to the extent necessary to prevent curtailment of opportunities for employment, shall by regulation or orders provide for the employment of learners, apprentices, and for messengers employed primarily in delivering letters and messages, under special certificates at lower wages;

Age discrimination: Amends the Age Discrimination in Employment Act of 1967 to include within its coverage Federal, State and local government employees (other than elected officials and certain aides not covered by civil service), and to expand coverage from employers with 25 or more employees to employers with 20 or more employees;

And contains other provisions. S. 2747. Public Law 93–259, approved Apr. 8, 1974. (58, 85)

Nonprofit hospital employees

Extends coverage under the National Labor Relations Act to employees of private nonprofit hospitals; establishes certain new procedures governing labor relations in health care institutions (which is defined to include hospitals, nursing homes, health maintenance organizations, extended care facilities, health and medical clinics and other similar institutions caring for the sick, infirm or aged); and contains several provisions designed to facilitate collective bargaining settlement and to provide advance notice of any strike or picketing involving a health care institution as follows: (1) the requirement for notice of termination or expiration of a contract will be 90 days; (2) the Federal Mediation and Conciliation Service (FMCS) must be given 60 days notice of such termination or expiration; (3) in initial contract negotiation a 30 day notice of a dispute to FMCS will be required; (4) the health care institution and labor organization will be required to participate in mediation at the direction of FMCS; and (5) the health care institutions must be given a 10 day notice by a labor organization before any picketing or strike (whether or not related to bargaining) can take place. S. 3203. P/S May 7, 1974. (177)

MEMORIALS—TRIBUTES

B. Everett Jordan, death of

Expresses the sorrow of the Senate in respect to the death of former Senator B. Everett Jordan (D., N.C.). S. Res. 298. Senate adopted Mar. 22, 1974. (VV)

Georges Pompidou, death of

Expresses the sorrow of the Senate in respect to the death of Georges Pompidou, President of the Republic of France. S. Res. 304. Senate adopted Apr. 4, 1974. (VV)

Hank Aaron home run record

Expresses the congratulations of the Senate to Hank Aaron, of the Atlanta Braves baseball team, on hitting home run number 714 on April 4, 1974, thereby tying the home run record of Babe Ruth. S. Res. 303. Senate adopted Apr. 4, 1974. (VV)

Expresses the congratulations of the Senate to Hank Aaron on hitting his 715th home run on the night of April 8, 1974, thereby surpassing the home run record set by Babe Ruth in 1935. S. Res. 305. Senate adopted Apr. 9, 1974. (VV)

Lyndon B. Johnson Conservation Corps Center and Lyndon B. Johnson National Grasslands

Renames the Arrowhood Civilian Conservation Corps Center, near Franklin, North Carolina, and the Cross Timber National Grasslands, in Wise and Montague Counties, Texas, in honor of Lyndon B. Johnson. S. 2835. Public Law 93- , approved 1974. (VV)

NATURAL RESOURCES

Fish and Wildlife Service

Abolishes, within the Department of the Interior, the position of Commissioner of Fish and Wildlife, the Bureau of Sport Fisheries and Wildlife and its Office of Director and vests all such duties and responsibilities in the redesignated United States Fish and Wildlife Service to be headed by a Director at an increased level of pay. H.R. 13542. Public Law 93–271, approved Apr. 22, 1974. (VV)

Lone Rock Lake project

Provides for deauthorization of the Lone Rock Lake project on the Buffalo River, Ark., as a modification of the flood control program for the White River Basin, Missouri and Arkansas. S. 1961. P/S Jan. 23, 1974. (VV)

National ocean policy study

Authorizes the Committee on Commerce to make a full and complete National Ocean Policy Study to be undertaken with representative ex officio membership from other standing Committees of the Senate having a jurisdictional interest over the elements of the Study as well as six members from Coastal States to be selected by the President Pro Tempore without regard to Committee membership (such study to include, but not limited to, a thorough examination of the issues involved in the following areas: marine fisheries and other living resources: mineral resources of the seabed and subsoil; coastal zone management; ocean transportation; research and technology; law of the sea; government organization; pollution; Federal budget; and education), and to submit a report of its findings together with any legislative recommendations to the Senate. S. Res. 222. Senate adopted Feb. 19, 1974. (VV)

Recreation use fees

Amends the Land and Water Conservation Fund Act to detail those facilities on Federal recreation lands for which no use fee may be charged and retains general criteria for fee requirements for all other locations. S. 2844. P/S Mar. 29, 1974. (VV)

Rivers and harbors—public works

Authorizes, in title I, water resources development projects; and authorizes, in title II, the River Basin Monetary Authorization Act of 1974, a monetary increase for certain comprehensive river basin plans previously authorized by Congress, at an approximate cost of $1.33 billion, of which $550 million is for title I projects and $780 million is for title II river basins;

Establishes a new procedure for authorization of major water resources development projects of the Corps of Engineers which authorizes the Secretary of the Army, acting through the Chief of Engineers, to undertake the Phase I design memorandum stage of advanced engineering and design of certain named major water resources development projects, substantially in accordance with, and subject to conditions recommended by the Chief of Engineers, and authorizes the Secretary of the Army to undertake advanced engineering and design for the projects after completion of the Phase I stage only upon a finding by the Chief of Engineers, transmitted to the Committees on Public Works of the House and the Senate, that the project is without substantial controversy, is substantially in accordance with the conditions recommended by the Chief of Engineers or the Secretary of the Army, respectively, and that the advanced engineering and design will be compatible with any project modifications which may be under construction;

Provides for deauthorization of projects through the Chief of Engineers, and submission to Congress of a list of those authorized projects which have been authorized for at least 8 years without any congressional appropriations within the last 8 years and which he determines should no longer be authorized, which then become deauthorized unless either the House or Senate Committee on Public Works, within a certain time, adopts a resolution stating that the project shall continue to be an authorized project;

Enacts into law the discount rate of 5⅝ percent approved by the President May 29, 1962, as amended and published in the Federal Register December 24, 1968, and the pre-1968 discount rate for projects authorized prior to 1969 which have assurances as to non-Federal payment of project costs;

Authorizes a streambank erosion control demonstration program and a national shore line erosion control development and demonstration program;

And contains other provisions. H.R. 10203 (S. 2798). Public Law 93–251, approved Mar. 7, 1974. (7,35)

Rocky Mountain National Park, Colo.

Revises the western boundary of the Rocky Mountain National Park in the State of Colorado to include an additional 1,556.21 acres, consisting of several parcels in the Kawuneeche Valley. S. 2394. P/S Feb. 25, 1974. (VV)

Wild and scenic rivers—Chattooga River

Extends for 5 years, to October 2, 1978, the protection period for water resource projects for the 27 rivers now under study for possible inclusion in the national wild and scenic rivers system; increases the funding authorization from $17 million to $37.6 million to permit completion of acquisitions for seven of the eight rivers designated as the first components of the system and establishes a deadline of June 30, 1979, for expenditure of authorized funds; authorizes the Secretaries of the Interior and Agriculture to acquire State land within the river corridors for components of the system not only by donation but also by exchange of Federal land in other areas; removes the authority of either Secretary, without ever reporting to Congress, to terminate a study of, and remove protection for, any river which Congress has designated for study; requires the President to report to Congress on each river study; designates a section of the Chattooga River, North Carolina, South Carolina and Georgia, as a part of the national Wild and Scenic River System and authorizes therefor $2 million for acquisition of lands and interests and $809,000 for development; and contains other provisions. *NOTE:* (The general amendments to the Wild and Scenic Rivers were contained in S. 921 which passed the Senate Sept. 24, 1973.) H.R. 9492. Public Law 93– , approved 1974. (VV)

Wilderness Areas

Weminuche Wilderness

Designates approximately 433,745 acres in the Rio Grande and San Juan National Forests, in Colorado, as the "Weminuche Wilderness." S. 1863. P/S Feb. 7, 1974. (VV)

NOMINATIONS

(Action by roll call vote)

Brig. Gen. Charles A. Gabriel to the temporary rank of major general, U.S. Air Force

Nomination confirmed Apr. 24, 1974. (143)

Maj. Gen. Alton D. Slay to the permanent rank of major general, U.S. Air Force

Nomination confirmed Apr. 24, 1974. (142)

PROCLAMATIONS

American Business Day

Designates May 13, 1974, as "American Business Day". S.J. Res. 195. P/S May 2, 1974. (VV)

First Continental Congress anniversary

Proclaims October 14, 1974, a day of national observance for the two hundredth anniversary of the First Continental Congress. S. Con. Res. 85. Senate adopted May 14, 1974; House adopted May 16, 1974. (VV)

National Agriculture Week

Designates the last full week of March of each year as "National Agriculture Week". S.J. Res. 163. P/S Mar. 19, 1974. (VV)

National Amateur Radio Week

Designates the week beginning June 17, 1974, as "National Amateur Radio Week". S.J. Res. 197. P/S May 2, 1974. (VV)

National Historic Preservation Week

Designates the week beginning May 6, 1974, as "National Historic Preservation Week". S.J. Res. 175. P/S May 2, 1974. (VV)

National Volunteer Week

Designates the week of April 21–27 as "National Volunteer Week". S.J. Res. 179. P/S Mar. 19, 1974. (VV)

TRANSPORTATION—COMMUNICATIONS

Aircraft hijacking

Amends the Federal Aviation Act of 1958 to provide a more effective program to prevent aircraft piracy on both the international and domestic levels; implements, in Title I, the Convention for the Suppression of Unlawful Seizure of Aircraft (Hague Convention—Ex. A [92d—1st]) to which the United States is a party and which came into effect on October 4, 1971; provides the President authority to suspend air service between the United States and any foreign nation he determines is not acting consistently with the provisions of the Hague Convention, in effect imposing, unilaterally, a U.S. air transport boycott; permits the Secretary of Transportation, with the approval of the Secretary of State, to restrict, limit, or revoke the operating authority of any foreign air carrier failing to afford necessary security safeguards to the traveling public; provides, in Title II, for the screening of all passengers and carry on baggage by weapons detecting devices prior to their being boarded on the aircraft; establishes under the Administrator of the Federal Aviation Administration an Air Transportation Security Force to provide a Federal law enforcement presence at the nation's major airports; and contains other provisions. S. 39. P/S Feb. 21, 1973; P/H amended Mar. 13, 1974; In conference.

Aircraft piracy

Amends the Federal Aviation Act of 1958 to establish specific offenses for imparting or conveying threats to do certain proscribed acts and make more explicit the requisite intent for these felony sanctions; distinguishes "threats" from "false information" prosecutions; broadens current law by making it a Federal crime for a person to knowingly carry aboard or place aboard an aircraft in air transportation a concealed explosive or other dangerous substance except for law officers and certain other purposes; and contains other provisions. S. 872. P/S Mar. 12, 1974. (VV)

Alien radio station licenses

Amends the Communications Act of 1934, as amended, to permit direct licensing of aliens and corporations with certain alien officers, directors, or stockholders rather than licensing them indirectly as a subsidiary corporation and deletes the requirement that the FCC follow certain prescribed procedures to make an intra-government security check on aliens who apply for permission to operate their amateur radio stations in the United States pursuant to a bilateral agreement extending such privileges to United States citizens on a reciprocal basis. S. 2457. P/S May 2, 1974. (VV)

Communications common carrier charges

Amends the Communications Act of 1934, as amended, to extend from one to two years the period of limitations applicable to proceedings against communications common carriers for the recovery of overcharges or damages not based on overcharges and for actions at law by such carriers for recovery of their lawful charges. S. 1227. P/S May 2, 1974. (VV)

Communications common carrier service applications

Amends the Communications Act of 1934, as amended, to designate (in addition to the Secretary of State) the Secretary of Defense, rather than the Secretaries of the Army and Navy, as the person entitled to receive the required official notice whenever a communications common carrier files an application with the Federal Communications Commission for permission to extend its lines, discontinue or curtail existing services or effect certain mergers or consolidations and designates the Secretaries of Defense and State as the persons to whom such notices should be directed with respect to applications involving service to foreign points. S. 1479. P/S May 2, 1974. (VV)

Cumbres and Toltec scenic railroad

Grants consent to the Cumbres and Toltec Scenic Railroad Compact between the States of Colorado and New Mexico to provide for the joint operation of an interstate narrow guage scenic railroad which will preserve as a living museum a mode of transportation that helped in the development of the territories and states. S. 2362. P/S Mar. 22, 1974. (VV)

Tariffs and freight rates

Improves the ability of the Federal Maritime Commission to deal with freight rate disparities which discriminate against American shippers in the foreign trade of the United States by (1) requiring the Commission to develop and adopt a system of uniform commodity descriptions and codes to be used by all common carriers by water and all conferences of such carriers when filing any rate, charge, or tariff and (2) prohibiting common carriers and conferences from filing or maintaining an outbound or inbound rate or charge without including a statement of the applicable reciprocal rate or charge of the identical commodity between the same two points and gives the Commission the power to reject rate filings without the required statement and to suspend for no more than 180 days a filing which is being investigated. S. 1488. P/S Apr. 23, 1974. (VV)

Urban mass transit

Authorizes not to exceed $800 million ($400 million for fiscal year 1974, and an aggregate of not to exceed $800 million for fiscal year 1975) for fiscal years 1974 and 1975 for the Secretary of Transportation, on such terms and conditions as he may prescribe, to make grants or loans to State or local public bodies in order to assist them in maintaining adequate transportation services in urban areas by providing financial assistance (requiring one-third local contribution) to pay operating expenses incurred as a result of providing such services; provides for the establishment of a reasonable fare structure for each area according to its particular local needs; authorizes an additional $20 million for each of fiscal years 1974 and 1975 for research and development, establishment, and operation of demonstration projects to determine the feasibility of fare-free urban mass transportation systems; and contains other provisions. S. 386. P/S Sept. 10, 1973; P/H amended Oct. 3, 1973; Conference report filed.

Vessel tonnage deductions

Amends the present vessel admeasurement laws to allow as deductions from gross tonnage, in determining net or register tonnage, certain non-revenue earning spaces which are used in collecting, processing or carrying shipboard-generated waste materials. S. 1353. P/S Mar. 13, 1974. (VV)

VETERANS

American War Mothers, Inc.

Amends the Act incorporating the American War Mothers, Inc to permit certain stepmothers and adoptive mothers to be members of that organization. S. 2441. Public Law 93–267, approved Apr. 12, 1974.

Disability compensation and survivor benefits

Provides cost-of-living increases in the rates of disability compensation for service-connected disabled veterans ranging from 15 to 18 percent; provides a 15-percent cost-of-living increase in the rates of additional compensation for dependents for veterans whose disability is rated 50 percent or more; provides a 17 percent cost-of-living increase in the rates payable for dependency and indemnity compensation (DIC), for widows and children, and for additional allowances for those in receipt of DIC and death compensation in need of aid and attendance; extends longstanding presumption of service-connection for wartime veterans to those veterans who served between the end of World War II, December 31, 1946, and before June 25, 1950, the beginning of the Korean conflict thus according to Veterans of this period the same wartime presumption of service-connection; provides for the equalization of the rates of death compensation to the survivors of veterans of peacetime and wartime service where death occurred prior to January 1, 1957, thereby eliminating the distinction between the two periods of service; authorizes a study to be conducted by the Veterans' Administration and submitted to the Congress at the beginning of the 94th Congress of applications for DIC by widows of veterans who had a total and permanent disability at time of death; authorizes the Administrator to make monetary benefit payments to the beneficiary upon the determination that the interest of the beneficiary would be served thereby, notwithstanding that a fiduciary has been appointed and regardless of any legal disability on the part of the beneficiary; and provides that the increases in disability, dependency and indemnity compensation shall be retroactive to May 1, 1974. S. 3072. P/S May 2, 1974; P/H amended May 7, 1974; Senate agreed to House amendment with an amendment in the nature of a substitute May 20, 1974. (VV)

GI bill benefits

Extends for 30 days the 8 year delimiting date for which an eligible veteran discharged or released from active duty between January 31, 1955, and September 1, 1966, may utilize his educational assistance benefits. S. 3398. P/S May 13, 1974; P/H amended May 15, 1974; Senate agreed to House amendment with an amendment in the nature of a substitute May 21, 1974. (184)

Life insurance

Provides full time coverage under Servicemen's Group Life Insurance (SGLI) for all members of the Ready Reserve, National Guard, and certain members of the Retired Reserves who are under 60 years of age and have completed at least 20 years of service; provides for the automatic conversion of SGLI to a non-renewable 5-year term policy, the Veterans' Group Life Insurance (VGLI), effective the day coverage under SGLI expires for the veteran (120 days after discharge) and provides coverage under VGLI for any person whose coverage under SGLI terminated less than four years prior to the date the VGLI program became effective for a period equal to five years less the time elapsing between the two policies; increases the maximum amount of coverage under both programs from $15,000 to $20,000; authorizes the return of excess premiums paid by Korean conflict veterans for Veterans' Special Term Life Insurance as a dividend to the insured; allows the Secretaries of the Army and Air Force to permit allotments from the pay of members of the Air Force, who are not on active duty, to make payment for group life insurance premiums of programs sponsored by the State military department or State associations of the National Guard; and contains other provisions. H.R. 6574. Public Law 93–   , approved   1974. (117)

POW families, funeral transportation for

Authorizes the Secretary of Defense to pay funeral transportation and living expenses for the families of prisoners of war who died while listed as a POW or MIA in Southeast Asia during the Vietnam conflict. S. 3228. Public Law 93–257, approved Mar. 29, 1974. (VV)

U.S. flag presentation

Authorizes the presentation of a flag to the person designated to direct the disposition of the remains of any member who dies under honorable conditions who was in a Ready Reserve status or who had completed all of their requirements for Reserve retirement but who were not eligible to receive retired pay because they had not reached age 60. H.R. 5621. P/H Dec. 17, 1973; P/S amended May 13, 1974. (VV)

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS TO 12 NOON

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 12 noon.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Thereupon, at 10:45 a.m., the Senate took a recess until 12 noon; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. ROBERT C. BYRD).

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. ROBERT C. BYRD). Is there further morning business? If not, morning business is concluded.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. ROBERT C. BYRD) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills in which it requests the concurrence of the Senate:

H.R. 7768. An act for the relief of Nolan Sharp;

H.R. 8543. An act for the relief of Viorica Anna Ghitescu, Alexander Ghitescu, and Serban George Ghitescu;

H.R. 12526. An act to amend sections 306 and 308 of the Rural Electrification Act of 1936, as amended;

H.R. 13221. An act to authorize appropriations for the saline water program for fiscal year 1975, and for other purposes; and

H.R. 14225. An act to amend and extend the Rehabilitation Act of 1973 for one additional year.

The message also announced that the Speaker appointed Mr. ROGERS and Mr. NELSEN as additional managers on the part of the House in the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 14368) to provide for means of dealing with energy shortages by requiring reports with respect to energy resources, by providing for temporary suspension of certain air pollution requirements, by providing for coal conversion, and for other purposes.

The message further announced that the House had agreed to the concurrent resolution (H. Con. Res. 501) providing for a conditional adjournment of the Congress from May 23, 1974, until May 28, 1974, in which it requests the concurrence of the Senate.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 7768. An act for the relief of Nolan Sharp; and

H.R. 8543. An act for the relief of Viorica Anna Ghitescu, Alexander Ghitescu, and Serban George Ghitescu; to the Committee on the Judiciary.

H.R. 12526. An act to amend sections 306 and 308 of the Rural Electrification Act of 1936, as amended; to the Committee on Agriculture and Forestry.

H.R. 13221. An act to authorize appropriations for the saline water program for fiscal year 1975, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 14225. An act to amend and extend the Rehabilitation Act of 1973 for one additional year; to the Committee on Labor and Public Welfare.

MALMSTROM MISSILE TEST PROGRAM

Mr. MANSFIELD. Mr. President, today, 10 Senators from the Northwest sent the following communication to the Honorable James R. Schlesinger, Secretary of Defense.

The communication reads as follows:

Dear Mr. Secretary: As Senators for the Pacific Northwest states, we continue to have considerable concern about the Department of the Air Force's plant to test the Minuteman II intercontinental ballistic missiles in the Malmstrom Air Force Base complex and several other sites during the next several years.

A number of basic issues still remain unsettled. We direct your attention to the attached editorial from the May 9, 1974 issue of *The Missoulian*, Missoula, Montana, which raises a number of vital questions. These questions are similar to some of those raised in our communication of January 31, 1974, a copy of which we are also enclosing. We would appreciate having detailed responses to these questions and ask that this same information be provided to both the Senate Armed Services Committee and the Senate Subcommittee on Defense Appropriations. We ask further that the most serious consideration be given to cancelling Giant Patriot, because we are not aware of any value which cannot be achieved through continued testing at Vandenberg Air Force Base, California.

With best personal wishes, we are

Sincerely yours,

HENRY JACKSON,
FRANK CHURCH,
MARK HATFIELD,
BOB PACKWOOD,
JAMES MCCLURE,
MIKE MANSFIELD,
LEE METCALF,
GEORGE MCGOVERN,
JAMES ABOUREZK,
WARREN MAGNUSON,
U.S. Senators.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a copy of a letter addressed to the Secretary of Defense, an article from the Missoulian of May 9, 1974, and an article from today's Wall Street Journal.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF THE MAJORITY LEADER,
Washington, D.C., January 31, 1974.
Hon. JAMES R. SCHLESINGER,
Secretary, Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: As United States Senators representing the Pacific Northwest, we share a great concern about the Department of the Air Force's plan to proceed with the testing of Minuteman II intercontinental ballistic missiles from operational silos in the Malmstrom Air Force Base complex and several other sites. We believe benefits from such a test will not be commensurate with potential dangers to lives, properties, and international implications.

The Minuteman II reportedly has performed very well during a series of tests at the Vandenberg Air Force Base in California. What more can be learned from the proposed launches in Montana? Publicity associated with these tests and the extensive safety precautions would not contribute to a realistic combat situation. We doubt that data provided by such tests would contribute anything that has not already been determined from the heavily instrumented test range in California. Based on information available we find it difficult to justify an expenditure of $26.9 million for this purpose.

In addition, our constituents have expressed grave concern with regard to lives and property. We recognize that, as envisioned, the danger would be relatively small and it would be limited to sparsely populated and National Forest areas. Should something go wrong, however, the risks would be far more serious in one or more of our states. A disaster of this nature would have severe repercussions for domestic attitudes toward the military. Also, there is no guarantee that the chartered course of the missiles is firm. Newspaper accounts indicate that in several tests our U.S. missiles have gone off course and crashed in Mexico and as far away as Brazil.

Presentations made in behalf of these tests have indicated that they may be an important part in our international negotiations. The need for a show of strength is questionable and, should the inland test fail, it would erode United States confidence in, and reduce Soviet respect for, the United States nuclear deterrent. At the present time, the Minuteman Missile System is considered to be very reliable and we question the need for additional test sites.

The budget for Fiscal Year 1975 containing funds for the Minuteman II testing proposal will be scrutinized in great detail and we ask that your office review this matter in light of the concerns expressed above and withdraw your budget request for the Minuteman II Operational Base Launch.

Sincerely,

MIKE MANSFIELD,
LEE METCALF,
MARK HATFIELD,
FRANK CHURCH.

[From the Missoulian, May 9, 1974]

MALMSTROM MISSILE TEST PROGRAM "VERY MUCH ALIVE"

Sen. Lee Metcalf recently wrote The Missoulian: "I am informed that the proposed test firing of Minuteman missiles from Malmstrom is very much alive." He enclosed a copy of "The High Price of Waste" by A. Ernest Fitzgerald.

Fitzgerald was the civilian Defense Department management systems expert who blew the whistle on the vast cost overruns in the C–5A transport plane project.

For going public with his information of institutionalized waste—namely for telling Congress about it—his job was eliminated. After a lawsuit he was reinstated with back pay.

One chapter of the book deals in part with the Minuteman II project. The Air Force, which wants to spend more than $26 million to fire eight of these missiles over western Montana and Idaho, has given repeated assurances that the tests will be safe.

According to Fitzgerald, banking on Air Force performance promises is much like speculating from afar in Florida swampland real estate.

Fitzgerald delves deeply into the horrendous system where making waste—and vast profits for the industrial wastemakers—was a built-in part of the defense purchasing system. Omitting data, obscuring adverse facts, covering up mistakes, actual lying and excessive spending were systematized.

Concerning the Minuteman II, Fitzgerald found "inherent reliability problems in the advanced guidance system" of the missile as early as 1963. The Minuteman II, contrary to Air Force propaganda in selling the Montana testing project, had an "exceedingly high failure rate of the Autonetics (the contracting firm) guidance sets."

Air Force performance data on Minuteman II test shots were doctored by "counting only the relatively good shots, omitting entirely the worst misses." The costs of the program ran utterly out of control.

The proposed Montana Minuteman II tests would launch four missiles next winter and four missiles the winter after from silos near Malmstrom Air Force Base. The 4,800-pound first stage and two 60-pound panels per missile will strike ground in federal forest land in Idaho PROVIDED the tests go successfully. It is possible the missiles will drop junk on populated areas if the tests go awry.

The objections to the tests are:

1. They are an unnecessary waste of the taxpayer's money.

2. They are potentially dangerous to people down range.

3. Key data gained at Malmstrom tests would not be pertinent to other Minuteman II sites or to Minuteman III missiles, which are expected to replace the Minuteman IIs.

4. The same tests can be made at Vandenberg Air Force Base by the Pacific Ocean.

5. If the Malmstrom tests occur, they will clear the way for later tests over populated areas.

6. Testing these missiles will tend to harm, not help, diplomatic efforts to ease the mutual danger which missiles pose to both the United States and the Soviet Union.

7. The missile testing program, if it's being handled by the same kind of boobs who messed things up in Fitzgerald's description, is not in the hands of giant competents or Giant Patriots. Quite the contrary on both counts.

The matter still pends in Congress, which must provide the money before the tests can take place. Renewed pressure on our congressmen to block the program would be the right thing to do.

REYNOLDS.

[From the Wall Street Journal, May 22, 1974]

PENTAGON SEEKS TO FIRE ICBM'S OVER THE UNITED STATES; DEBRIS WORRIES FIVE STATES POSSIBLY IN PATH

(By John Emshwiller)

Residents of Idaho may get a special present from Uncle Sam early in 1975. The gift: roughly 2½ tons of metal that will hurtle none too gently to earth from a height of 50 miles, compliments of the "Giant Patriot."

"Giant Patriot" is the Defense Department's name for a series of eight test launches of Minuteman intercontinental ballistic missiles—minus their warheads—that the Air Force wants to make from bases inside the U.S. in 1975 and 1976. The metal falling into Idaho would come from the burned-out first and second stages of each missile on its way to splashdown at a site in the Pacific. If Congress appropriates the necesary $26.9 million, the Air Force will make the first four launches this winter from Malmstrom Air Force Base in Montana.

This would be the first full-scale firing of ICBMs from an operational missile base in this country—and they would be the first ever to fly over the continental U.S. "These tests will demonstrate the effectiveness and reliability of the Minuteman strategic and deterrent force," a Defense Department spokesman says.

Although the Pentagon and the Air Force are ballyhooing the importance of these tests, more than one politician in the five Western states that could be in the missiles' paths is less than enthusiastic about the plans. "Chicken Little should be so lucky," laments Idaho Gov. Cecil Andrus, who, unlike the fairy-tale character, faces the prospect of real objects falling from his sky. With four separate firings over three months, "Idaho skies will be raining parts," says the governor, who seems more than a little worried where and on what all of it might fall.

PENTAGON DEFENDS PRECAUTIONS

The Pentagon contends that it is taking all precautions possible to ensure that no one is harmed. "Our primary objective is safety and finding areas for the debris drops where there isn't any population," says a spokesman for the Strategic Air Command, which is handling the launch operations. (There will be one debris drop for the 4,800-pound first stage and another for four 60-pound parts of the second stage.) The command says it has calculated that the chance of injury to humans is only one in 5,000.

Whatever the debris does hit, it promises to make something of a dent. Asked for an estimate of the impact force of the 4,800-pound first stage, scientists at the University of Chicago said it would be similar to a full-size car, "like an Oldsmobile," smashing into the ground at 100 miles an hour.

There is enough risk, the Pentagon concedes, to necessitate the evacuation of the area around the launch site, up to a distance of about five miles downrange. At various times, the Pentagon has also raised the possibility that other evacuations might be necessary. Because the final launch site and missile trajectory haven't been decided on, the Defense Department spokesman says he doesn't know how many people might have to leave their homes but adds that "I don't believe it would even reach the hundreds."

It may never get a chance to reach even those numbers if certain powerful opponents in Congress have their way. One is Idaho Sen. Frank Church, who worries that whatever precautions the military takes, Idahoans will still be unnecessarily endangered. The Democratic Senator also says that the tests are an "extravagance," because over the past decade, the Air Force has test-fired hundreds of Minutemen missiles from Vandenberg Air Force Base on the California coast. "The Air Force has publicly said these missile firings were 'highly successful,'" says the Senator, a critic of military spending. "The added data that overland firings would provide are minimal."

"ENHANCING" CONFIDENCE

Earlier this year, Sen. Church, Senate Majority Leader Mike Mansfield and two other Senators sent a letter to Defense Secretary James Schlesinger opposing the plan. In response, Deputy Defense Secretary W. P. Clements Jr. argued that while tests at Vandenberg have shown that the Minuteman is "reliable," the Pentagon feels that the operational tests will "enhance" confidence in that reliability "much in the same manner as do tests of other weapons systems in their operational environments."

Some in Congress say such arguments are just rhetoric to hide the main purpose of the tests: a show of strength to the Soviet Union, perhaps in the hope of aiding the U.S. position in arms-limitation talks. "They want it as part of a flexing of muscles for the Russians," says Sen. Mansfield, a Montanan.

Insiders are divided on the Pentagon's

chances of getting the appropriation. In 1970 Congress refused to go ahead on the project, although it did give some partial financing for further development. While some in the Congress believe that it will again be turned down, others say the matter will hinge on the stands that some influential Senators, such as Henry Jackson, finally take as the debate develops. Sen. Jackson, a Washington Democrat, has said he feels there is a "serious question" about the need for the tests, but an aide says the Senator is still studying the matter.

"SMALL" BENEFITS

The Pentagon position has support among some outside weapons experts. Harold Agnew, director of the Los Alamos scientific laboratory, which designs and tests America's nuclear weapons, calls the tests "long overdue." He contends that "until you really try something, you can't be absolutely certain it will work, and Vandenberg just isn't adequate."

Such statements bring disagreement from Alton Quanbeck, a senior fellow and director of defense analysis for the Brookings Institution, a Washington-based private research organization. He says the benefits of the tests are "small" compared with "the risks and problems" if one or more of the test missiles fail. For one thing, the sample of eight missiles (out of 450 that are deployed) is "so small you don't know whether they are typical or not," says Mr. Quanbeck, a former systems analyst for the Defense Department.

He adds that the only other time the Pentagon tried any sort of operational-base testing with Minuteman missiles, the results were less than smashing. These tests, made in the late 1960s, used four Minuteman missiles, each with seven seconds worth of fuel, to test how well the missiles got out of their silos. The Air Force admits that only one of these "seven-second pop-up tests" was completely successful. Two were "partly" successful, and the fourth missile failed to ignite and never left the silo, a Pentagon spokesman says.

Mr. Quanbeck contends that if something like that happens with Giant Patriot, "it would be unnecessarily damaging to our confidence," particularly since he believes that Vandenberg tests have shown the missiles will work. "As of now, we believe they will work, and so do the Russians, and that's what is important," he says.

While critics like Mr. Quanbeck think that the Air Force has managed to reduce the safety risk from Giant Patriot, they say the unexpected is always possible. Over the past two decades, they add, test missiles have occasionally gone astray. One in the 1950s, aimed down the Atlantic test range, somehow ended up in Brazil. Apparently the most recent such mishap occurred in 1970, when a missile, aimed to land in the White Sands missile-test range in New Mexico, overshot its mark and crashed 400 miles away in the Mexican desert.

The Pentagon says it is sure such problems won't come up in Giant Patriot. It says that it has developed equipment to monitor the flight constantly and that it will be able to destroy instantly the Minuteman if the missile strays off course. This, combined with careful choosing of the flight paths, leaves "zero probability" that population centers will be endangered, the spokesman says.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATIONS

Mr. MOSS. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 13998.

The PRESIDING OFFICER (Mr. HATHAWAY) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 13998) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MOSS. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Moss, Mr. STENNIS, Mr. CANNON, Mr. GOLDWATER, and Mr. CURTIS conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination at the desk, and which was reported earlier today.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF THE TREASURY

The second assistant legislative clerk stated the nomination of Frederick L. Webber, of Virginia, to be a Deputy Under Secretary of the Treasury.

The PRESIDING OFFICER (Mr. BIDEN). Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

FREEDOM OF INFORMATION ACT—UNANIMOUS CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when S. 2543, a bill to amend section 552 of title 5, United States Code, commonly known as the Freedom of Information Act, is called up, there be a limitation of 3 hours on the bill, 2 hours on the Muskie amendment, 1 hour on other amendments, and one-half hour on amendments to amendments, and that it be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I want to indicate that this request has been cleared with the ranking minority member of the Committee on the Judiciary (Mr. HRUSKA), and that there are some understandings about when the bill might be called up. However, they need not be incorporated in the order.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF FREEDOM OF INFORMATION ACT THURSDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at some time after the hour of 12 o'clock noon on Thursday, May 30, 1974, the Freedom of Information Act be made the pending business before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSE CONCURRENT RESOLUTION 501—ADJOURNMENT RESOLUTION

Mr. MANSFIELD. Mr. President, it is my understanding that a House concurrent resolution is at the desk. I ask that it be considered at this time.

The PRESIDING OFFICER. The Chair lays before the Senate a House concurrent resolution, which will be stated.

The second assistant legislative clerk read as follows:

H. CON. RES. 501

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Thursday, May 23, 1974, they stand adjourned until 12 o'clock noon on Tuesday, May 28, 1974, or until 12 o'clock noon on the second day after their respective Members are notified to reassemble in accordance with section 2 of this resolution, which ever event first occurs.

SEC. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and Senate, respectively, to reassemble whenever in their opinion the public interest shall warrant it or whenever the majority leader of the House and the majority leader of the Senate, acting jointly, or the minority leader of the House and the minority leader of the Senate, acting jointly, file a written request with the clerk of the House and the Secretary of the Senate that the Congress reassemble for the consideration of legislation.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the concurrent resolution.

Mr. MANSFIELD. Mr. President, I send to the desk an amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

On page 1, line 3, strike out "two Houses adjourn" and insert "House adjourns" and strike out "they" and insert "it" and at the end of line 4 insert the following: "and that when the Senate adjourns on Wednesday, May 22, 1974, it stand adjourned until 12:00 noon on Tuesday, May 28, 1974,".

Mr. MANSFIELD. Mr. President, as the Senate is aware, it will begin its recess at the close of business today, rather than the close of business tomorrow. The reason for this change is the defeat of the energy bill in the House on yesterday. This has created a situation which calls for some consideration. Therefore, in explanation, I make this statement.

It is not the intention of the joint leadership to keep the Senate in session just for the purpose of being in session. When we are in session, we expect work to be done and the work to be satisfactory and accomplishments to be achieved.

On this basis, Mr. President, we see no hope of anything of that nature being done tomorrow. So, we have agreed among ourselves to this course of action. Furthermore, on the first 3 business days next week following our return—Tuesday, Wednesday, and Thursday—we have agreements providing for legislation to be laid before the Senate, with time limitations. So the Senate can expect votes next week from Tuesday on.

The PRESIDING OFFICER. The question is on agreeing to the amendment (putting the question).

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution (H. Con. Res. 501), as amended, was agreed to, as follows:

H. CON RES. 501

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, May 23, 1974, it stand adjourned until 12 o'clock noon on Tuesday, May 28, 1974, and that when the Senate adjourns on Wednesday, May 22, 1974, it stand adjourned until 12 o'clock noon on the second day after their respective Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.

SEC. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and the Senate, respectively, to reassemble whenever in their opinion the public interest shall warrant it or whenever the majority leader of the House and the majority leader of the Senate, acting jointly, or the minority leader of the House and the minority leader of the Senate, acting jointly, file a written request with the Clerk of the House and the Secretary of the Senate that the Congress reassemble for the consideration of legislation.

The title was amended so as to read: "Concurrent resolution providing for a conditional adjournment of the two Houses over the Memorial Day Holiday, 1974."

Mr. SPARKMAN. Mr. President, I just wanted to ask the majority leader, since, if I understood correctly, we do not have a session tomorrow, and in one of his earlier requests the majority leader mentioned that a piece of legislation would be laid before the Senate on Thursday next, which is of course tomorrow, whether he would wish to modify the order.

Mr. MANSFIELD. Mr. President, the Senator caught me on that one. A week from tomorrow. I ask unanimous consent that the RECORD be corrected accordingly.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. There will be no session of the Senate tomorrow, unless extraordinary circumstances develop.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 6541. An act to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina;

H.R. 6542. An act to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina;

H.R. 7087. An act to authorize the Secretary of the Interior to sell reserved mineral interests of the United States in certain land in Missouri to Grace F. Sisler, the record owner of the surface thereof;

H.R. 10284. An act to authorize the Secretary of the Interior to sell certain rights in the State of Florida; and

H.R. 12920. An act to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes.

The President pro tempore subsequently signed the enrolled bills.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. There is no business pending at the moment.

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The PRESIDING OFFICER. The energy bill, S. 3267.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 805, S. 2665, that it be laid before the Senate and made the pending business.

Mr. GRIFFIN. Mr. President, reserving the right to object, may I ask what that bill is?

The PRESIDING OFFICER. The bill has reference to the International Development Association.

Mr. GRIFFIN. I withdraw my reservation.

U.S. PARTICIPATION IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION

The PRESIDING OFFICER. Without objection, the bill will be stated by title.

The assistant legislative clerk read as follows:

S. 2665, to provide for increased participation by the United States in the International Development Association.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with amendments on page 1, line 8, after the word "Association", strike out "$1,500,000,000" and insert "four annual installments of $375,000,000 each"; and, on page 2, line 5, after the word "limitation", strike out "$1,500,000,000" and insert "four annual installments of $375,000,000 each"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the International Development Association Act (22 U.S.C. 284 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 14. (a) The United States Governor is hereby authorized to agree on behalf of the United States to pay to the Association four annual installments of $375,000,000 each as the United States contribution to the Fourth Replenishment of the Resources of the Association.

"(b) In order to pay for the United States contribution, there is hereby authorized to be appropriated without fiscal year limitation four annual installments of $375,000,000 each for payment by the Secretary of the Treasury."

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR THE COMMITTEE ON THE INTERIOR TO FILE REPORTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on the Interior have until midnight Thursday, May 23, 1974, to file reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I understand the pending business is S. 2665.

The PRESIDING OFFICER. The Senator is correct.

Mr. SPARKMAN. Mr. President, the purpose of S. 2665 is to authorize an appropriation of $1.5 billion as the U.S. contribution to the fourth replenishment of the resources of the International Development Association—IDA. Under the provisions of the bill, the amount is authorized to be appropriated in four annual installments of $375 million each. According to the administration, since the appropriation for the last installment of the third replenishment will apply to fiscal year 1975, the first installment of the fourth replenishment will not be requested until fiscal year 1976.

By way of background, I should point out that since IDA was founded in 1960, it has received supplementary increases in its resources under three major replenishment agreements which became effective in 1964, 1969 and 1972. The 1964 agreement provided a replenishment of $750 million of which the U.S. share was $312 million, and the 1969 agreement provided $1.2 billion with the U.S. contributing $480 million.

The third replenishment in 1972 called for contributions totaling $2.4 billion, of which the United States pledged $960 million in three equal installments. Of this pledge, $640 million has already been appropriated and Congress is presently considering the appropriation for the final installment.

In September of 1973, IDA negotiated a fourth replenishment of $4.5 billion. Subject to congressional approval, the United States agreed to pay $1.5 billion, or one-third of the total. While the United States share will decrease from 40 to 33 percent—when compared with the $2.4 billion third replenishment—increased contributions are expected from Japan, Germany, and other major contributors. Moreover, in order to assist the United States in meeting its obligations under the agreement, an option was included to allow for payment of contributions over a 4-year period, as compared to the usual 3-year period for the payment of contributions under the first three replenishment agreements. Accordingly, the administration expects to seek appropriations for the payment of U.S. contributions in each of the fiscal years 1976 through 1979.

Mr. President, I believe it might be helpful if I were to comment briefly on IDA's lending policies and operations. As of June 30, 1973, IDA had authorized a total of 428 development credits amounting to $5.8 billion in 66 member countries with an aggregate population of 1.4 billion people. Moreover—and this is important—80 percent of these countries have per capita incomes of $200 or less and none has a per capita income in excess of $375. At the current lending rate it is expected that something over $1 billion of additional credits will be authorized by mid-1974.

About 28 percent of the credits have gone for agriculture, 25 percent for transportation, 8 percent for electric power, 7 percent for education, 5 percent for industry, and 3 percent for water projects. Approximately $3.9 billion in credits have gone to Asia, roughly $1.1 billion to Africa, $235 million to the Western Hemisphere, and $520 million to the Middle East and North Africa.

As everyone in this body knows, IDA lends on minimum terms. Countries eligible for IDA credits are those whose ability to absorb external loans for development purposes is substantially greater than their ability to service such debt on conventional terms.

All of IDA's development credits to date have been for terms of 50 years and bear no interest. After 10-year grace period, 1 percent of the principal is repayable annualy for 10 years and 3 percent in each of the remaining 30 years.

There is an annual service charge of three-quarters of 1 percent on the disbursed portion of each loan to cover administrative costs. These charges, as well as the principal amount of the loan, are repayable in convertible currency.

It is important to bear in mind that IDA grants credits only for soundly conceived and productive development in the countries where it lends. In assessing the quality of its commitments, it is essential to take into account that IDA is an integral part of the World Bank, with the same directorate, management, and staff.

The World Bank has been in operation for nearly 28 years. In that time it has lent, without loss, more than $20 billion for development in some 90 of the less developed countries. Over the years the Bank has acquired a vast store of knowledge and expertise in lending for or otherwise assisting development. It has also acquired a high skilled staff and has fashioned policies and standards that insure the soundness and effectiveness of its lending operations.

The same high standards in policies and operations that have contributed to the effectiveness of the World Bank are applied by the Bank to the operations of IDA. By requiring international competitive bidding on items purchased with loan and credit proceeds, the Bank and IDA insures that borrowers acquire goods and services for development at the best available prices and terms. Moreover, by requiring receipt of proper documentation attesting that funds to be disbursed are being expended for items called for under loan and credit contracts, the Bank and IDA insure that their commitments are used only for the purposes for which they are made.

Thus, the World Bank and IDA work closely together in promoting sound economic and social development in the poorer countries of the world. These poorer countries must obtain an increasing proportion of the external financial assistance they need on concessionary terms in order to raise or even maintain their rate of economic growth, and IDA provides an urgently needed supplement to the World Bank's lending activities. The only distinction between World Bank and IDA lending is based on the needs and creditworthiness of the borrowing countries; no distinction is made between the two institutions in the preparation of projects.

Mr. President, it is significant to note that American businessmen benefit from World Bank and IDA loans. As I mentioned, borrowing countries are required to procure their goods and services on the basis of international competitive bidding, and over the years, a total of 22 percent of all procurement by the World Bank and IDA has been placed in the United States. As of June 30, 1973, procurement payments received by U.S. suppliers from loans and credits disbursed by IDA and the Bank amounted to approximately $3.6 billion.

As one witness stated when he appeared before the Committee on Foreign Relations—

> IDA is good business for the United States because it rings the cash register.

In this connection, he pointed out that the 66 countries receiving IDA assistance account for 36 percent of the world's population, and yet, they receive less than 10 percent of our exports. Since the U.S. exports tend to do better in more advanced economies, our investment in IDA could result in a potentially expanded market for U.S. goods and services. As the witness said—

> Our exports tend to go to those countries which are more highly developed; therefore the more that we do to assist the developing countries to increase their per capita income the more we can export to them. What the IDA can then do is provide the seed capital to create infrastructure development.

In addition, he observed that these developing nations are a vital source of essential raw materials. At the present time, he said, about one-third of our total raw material imports come from the developing nations and this percentage is expected to increase substantially in the years ahead. Obviously, the ability of these countries to supply our ever increasing needs for raw materials is tied closely to their level of development and IDA is one important instrument to provide the necessary capital for that development.

Mr. President, I wish to emphasize that the failure to approve the fourth replenishment for IDA resources could severely damage the development plans of many of the world's poorer countries and could lessen the value of much of the assistance which they have already received. Therefore, if IDA's funds are not replenished, or if the fourth replenishment is subject to serious delays, the prospects of the poorer developing countries will be gravely diminished.

I hope, therefore, that the Senate will pass S. 2665 without delay.

As a matter of fact, I had hoped, Mr. President, that we might get final action on this measure before the recess. But we are not going to be able to do that. I believe that a vote has already been set for May 29, at 4 in the afternoon, if I recall correctly.

The World Bank is meeting on the day after tomorrow, and at that time the IDA question will be called up, so far as the nations that participate in this replenishment are concerned. I wish that we could have gotten a vote on it before that.

I hope that we can send a message to the World Bank and IDA at their meeting. I am confident that the Senate and the House of Representatives will approve our participation in this replenishment by an overwhelming majority, so that we may join with the other developed nations of the world to make it possible for the lesser developed countries to develop strong economies that will justify our making the investment.

Mr. GRIFFIN. Mr. President, will the Senator yield for an observation?

Mr. SPARKMAN. I yield.

Mr. GRIFFIN. Mr. President, I wish to commend the acting chairman of the Committee on Foreign Relations, who is also chairman of the Committee on Banking, Housing, and Urban Affairs, for his very important and hopeful statement. I am sure also that it will be a helpful statement when the international meeting already referred to is conducted.

Even though the Senate has not yet passed this bill, it should be important to those participating in the international conference that the bill has been called up and is pending before the Senate. There is no question that we will vote on the bill on Wednesday following Memorial Day. And, while no one can speak with absolute certainly on such matters, it is my best judgment that the bill will pass by a substantial majority.

So, I wish to indicate that I share the viewpoint of the Senator from Alabama that prospect for passage of the bill in the Senate are good.

Mr. SPARKMAN. Mr. President, I hope that they can accept that assurance, even though we cannot promise it unqualifiedly.

I feel very strongly that the Senate will approve it. And I believe that when it goes to the House, the House will do likewise.

The Senator from Michigan (Mr. GRIFFIN), a member of the Committee on Foreign Relations, knows that it was reported out of the Foreign Relations Committee without dissent and what I consider to be a very good report has been filed on the bill.

That report, by the way, shows that it is supported generally by the countries that have the upper incomes, and none of it goes to any nation except those with very low incomes.

I point out also that I believe the average per capita income of the countries to which it will go is perhaps less than $200 a year. No country, as I recall, with individuals receiving more than $375 a year in income would receive that help.

Mr. HARRY F. BYRD, JR. Mr. President, I regret to find myself in opposition to the able Senator from Alabama and the able Senator from Michigan, the Republican whip. The Senator from Alabama and, I believe, also the Senator from Michigan expressed the view that it was their hope that this legislation could be passed today. That also, I might say, is the hope and the desire of the Treasury Department, of the World Bank, of many other high officials of our Government, and of many various Members of the Senate.

I am pleased to take the responsibility for preventing this measure from coming to a vote this week. There is a meeting of the donor nations to the International Development Association in Bonn, Germany, this week. Officials in the Treasury Department and others in the World Bank wanted the legislation enacted by the Senate, so that the United States representatives could take this cookie jar full of giveaway money to that Bonn Conference.

That argument does not appeal to me at all. As matter of fact, I was determined, if there was any way possible, to prevent this legislation from passing until that meeting has adjourned.

I know not how other Senators may feel. They may think it is all right for officials of our Government to go around the world promising more and more of our tax funds to more and more countries. But as far as the senior Senator from Virginia is concerned, I have become pretty well aggravated by the President of the World Bank going all over the world and saying, "Oh, we are going to give you *x* number of dollars of American tax funds," the officials of the Treasury Department going from country to country and saying, "We are going to have millions of dollars to give to you of American tax funds," and officials of the International Development Association going all over the world and saying, "Just look how fine the United States is, we have got millions of dollars we want to give to you."

Those officials have no right to speak for the American taxpayer. They cannot appropriate tax funds. That can only be done by the Congress of the United States.

Let us look at this program. Here is what is proposed to be done: For the Federal Government to go into the money market, borrow money at 9 percent interest, and give that money to the World Bank for it to lend to another country at 1 percent interest.

No wonder we have such high interest rates in this country. The more the Government goes into the money market, the more it competes for the available money supply, the higher the interest rates are going to be.

Mr. President, the distinguished assistant minority leader says, and the able Senator from Alabama also, that they want the word to go to this conference in Bonn, Germany, that the Senate next week will pass this legislation. Perhaps it will.

I do not know. The Senate is very much inclined to vote for any giveaway program that comes along; I know that much. So probably they will vote for this giveaway program. As I say, I do not know.

But very fortunately, the Senate cannot make the final decision. The House of Representatives has already considered this program, and it voted it down overwhelmingly. The total vote in the House was 155 in favor of this new giveaway program and 248 against it—almost a 2-to-1 vote. I would call that a rather convincing margin.

So when the word goes back to Bonn as to what the Senate is going to do, let the word also go back to Bonn as to what the House of Representatives might do.

Let us analyze that vote. In the overwhelming rejection of this new proposed foreign giveaway program of $1.5 billion, the rejection by the House of Representatives was truly national in character. I have analyzed the vote.

The entire delegations from Kansas, Maine, Montana, Nebraska, New Hampshire, New Mexico, Rhode Island, South Dakota, West Virginia, and, I am proud to say, Virginia voted against this $1.5 billion to contribute to the International Development Association.

Furthermore, the single at large Representatives from Delaware, North Dakota, and Wyoming voted in the negative. So this overwhelming rejection came from all parts of the country.

More than half the Representatives from California who voted on this issue voted against the contribtuion.

Eighteen Members of the New York delegation—almost half—voted for rejection of what the Senate is being called upon to approve.

Fourteen Representatives from Illinois out of twenty-three who voted "No." That is a 60 percent rejection by Illinois.

Here is how some of the other delegations voted:

Five out of six of the voting Representatives from Alabama voted "No." The sixth was paired "No."

All three voting Representatives from Arkansas voted "No."

Five out of six Connecticut Representatives voted "No."

Ten of the fifteen Representatives from Florida voted "No."

Eight of the ten Georgia Representatives voted "No."

Eight of the eleven Indiana Representatives voted "No."

Six of the seven Kentucky Representatives voted "No."

All four voting Representatives from Mississippi voted "No."

Six out of nine voting Representatives from Missouri voted "No."

Ten out of eleven North Carolina Representatives voted "No."

I see in the Chamber now the able and distinguished junior Senator from North Carolina (Mr. HELMS), who is making such a splendid contribution to the debates in this body. I know that he is very proud, as I am, of those 10 out of 11 North Carolina Congressmen who voted "No."

Fourteen out of twenty-two voting Representatives from Ohio voted "No."

Four out of five voting Representatives from South Carolina voted "No." Here again, I see in the Chamber the distinguished and able senior Senator from South Carolina (Mr. THURMOND) who has been such an important leader in the fight for sound fiscal sanity in our Government.

Seven out of eight Representatives from Tennessee voted "No."

Nineteen out of twenty-four Texas Representatives voted "No."

I say, Mr. President, that that is a national rejection of continuing these huge giveaway programs to foreign nations.

Mr. President, in listening to the debates in the Senate, one would tend to come to the conclusion that the pending legislation is the only foreign aid appropriation in the current budget proposals, but this is only one of dozens in the current budget. There are programs totaling $10 billion for foreign aid, not including this $1½ billion program.

That $10 billion does not include the large sums which are requested in the budget for the Export-Import Bank. This country is in a very grave financial situation. The deficits are continuing. They are accelerating. They are smashing.

It is these continued Government deficits that represent the major cause of the inflation facing this Nation.

Now we come to this particular piece of legislation. We are in a time of the highest interest rates this Nation has had in its history. The prime rate, meaning the rates at which the best credit risks, the largest companies in the United States can borrow, is 11¾ percent; 11¾ percent is the prime rate. When the average man and woman goes to borrow money, the rate is substantially above that—some 12 to 14 percent.

Yet the Government proposes, under this proposal before the Senate today to go into the money markets in the United States and borrow that money at higher than average interest rates and turn that money over to the World Bank which in turn lends that money to foreign countries at 1 percent—actually it is three-quarters of 1 percent which they call a service charge.

That brings me to the first question

that I should like to ask the distinguished manager of the bill.

May I ask this question of the Senator from Minnesota (Mr. HUMPHREY) who. I believe, is now handling the bill instead of the Senator from Alabama (Mr. SPARKMAN).

When a foreign country receives a loan from IDA, is there any restriction against that money being re-lent by the recipient government?

Mr. HUMPHREY. Might I say to the Senator, when a foreign government receives a loan from IDA, which is part of the World Bank—and the World Bank, may I say to the American citizen, is one of the best moneymakers for the United States that we have. It has a tremendous, positive effect on our balance of payments, running into the billions of dollars plus for the United States. When that loan is made, the terms of the loan can be precise.

I do not think the World Bank is made up of soft-headed, social idealists. It is made up of hard-minded bankers. If the terms of the loan are such that it cannot re-loan, that is what it will be. If the terms of that loan are that it can be re-loaned, then that is what it will be. It will be whatever the terms of the loan are.

Mr. HARRY F. BYRD, JR. Does the Bank put restrictions on loans or not?

Mr. HUMPHREY. The United States is a member of that Bank. We do not run or control the Bank. We decide what we think is a good operation. The Bank can, if it so desires, agree with it. If it does not feel it is necessary, then it will not do it. We have an American director on the Bank who is required to represent our interests.

Senator, that is exactly the way all loans are made, whether public or private. Those are the terms that will be worked out under the agreement.

So I will give the Senator the answer, yes, funds can be re-loaned.

Mr. HARRY F. BYRD, JR. The question I am asking of the able Senator from Minnesota is, Does the the Bank put restrictions on the loans?

Mr. HUMPHREY. It has, in most instances.

Mr. HARRY F. BYRD, JR. Is it the policy of the Bank?

Mr. HUMPHREY. That I do not know because the Bank Board—I am not here trying to weigh out what the policies of the Bank Board are—we have a Governor on the Bank, and American representation on the Bank Board—but that is an international institution.

All I want to say is, instead of going into all these details, I say that the Bank is a moneymaker. Would that everyone did as well. The World Bank has over $3 billion in favorable balance of payments in the United States over and above anything that it may have in negotiations for IDA, which is a pretty good proposition.

So let us not have the word go out from this body that we are a bunch of do-gooders, throwing away our money. If every enterprise in the United States was as profitable as the World Bank and IDA, we would not have any Federal debt.

Now, Mr. President, I have some notes, so that I can answer more precisely the very important question the Senator from Virginia raises, a question concerning interest rates—a matter about which I am deeply concerned.

I am a populist. I am against these interest rates. I have been more against them than the Senator from Virginia, and my father before me opposed high interest rates. I believe in 2-percent money, if we can get it. We financed World War II on 2-percent money. I do not know what the banks have done to the country since then, but with a $90 billion budget deficit in World War II—talking about fiscal policy—we had 2-percent money; but now when we have small deficits of $8 billion or $9 billion, we have 10-percent and 11-percent money. So I do not buy the argument that what we do about the Federal budget controls the interest rate, because we would have paid 100 percent on our World War II financial obligations.

The question is whether IDA money can be reloaned.

The first thing we have to understand is that IDA is part of the World Bank and IDA has the same staff as the World Bank. It has sound economic policies, and rigorous standards of project analysis and supervision as the World Bank. International competitive bidding insures that project components are purchased on purely economic grounds. IDA funds are disbursed only after proper documentation attests that money is being spent for items called for under project agreements.

In other words, the project is agreed to and that is the only thing for which this money can be used.

It cannot be reloaned. It can be used only for the project that is agreed upon.

The Bank group is well aware that development efforts often do not filter down to those most in need and has been emphasizing attacking poverty directly, by increasing the productive capacity of the poorest 40 percent in the developing countries.

Listen to this:

IDA grants credits only for soundly conceived and productive development in the countries where it lends. In assessing the quality of its commitments, it is essential to take into account that IDA is an integral part of the World Bank, with the same directorate, management, and staff.

The World Bank has been in operation for nearly 28 years. In that time it has lent, without loss, more than $20 billion for development in some 90 of the less-developed countries. Over the years the Bank has acquired a vast store of knowledge and expertise in lending for or otherwise assisting development.

Illustrative of the soundness of the World Bank's policies and operations is that they have passed the test of acceptability in the international securities market on which it relates heavily for its financing. The Bank's bonds and other obligations are rated AAA. Not even Minnesota or Virginia does better than that, I say to the Senator. That is the highest investment rating, and they are held by institutions and other investors in more than 80 countries.

Much of the money in this Bank is on deposit in the United States of America, right here, to be made available right in our own banking institutions. So all this talk that, somehow or other, we are just going to shovel it out, and some poor, poverty stricken soul is going to come in and get the money and buy pop and root beer is nonsense.

The fact is that every project has to be approved, every project has to be signed and sealed, every project has to be approved by the Bank Board of the World Bank.

Few have a better record on financing than does the World Bank. If we are going to talk about giving away money, let us get the welfare department in here. We are talking about a bunch of hard-nose bankers, and just because they have established IDA for the very poor nations does not mean they are losing money.

I ran a business, and we had some losses but in other areas we made a profit, and that is exactly what happens to IDA. IDA takes care of the poorest of the poor; and when all is said and done, what happens to the United States, the Senator's country and mine? Do we lose? The fact is—and the Senator cannot dispute it—that on the balance-of-payments situation, we get a plus. These funds come back to us, like bread cast upon the waters. It is like the Bible story relived—the fishes and the loaves. When you are dealing with bankers, you are not going to lose money when they lend it on strict terms. They will make you some money, even when they deal in concessional loans.

That is the answer to that question. [Laughter.]

Mr. HARRY F. BYRD, JR. I will just comment on the answer to that question. I think the Senator from Minnesota made a very important point when he pointed out, as he did a number of times, that IDA is a part of the World Bank—and it most certainly is—and in effect he says that we cannot control it because it is part of the World Bank. We cannot control the World Bank.

Mr. HUMPHREY. We ought to be glad that it makes money. If we controlled it completely, we might lose.

[Laughter.]

Mr. HARRY F. BYRD, JR. We certainly would lose, if we ran the World Bank, if we ran any financial institution or any business the way the Senate of the United States and the House of Representatives handle the taxpayers' money. Then we would lose.

Mr. HUMPHREY. The taxpayers of America ought to stand up and say three Hail Mary's and hallelujah, on the basis of what the World Bank does for us. It makes money for us, and the Senator cannot dispute it.

Mr. HARRY F. BYRD, JR. I do dispute it.

Mr. HUMPHREY. The Senator is wrong.

Mr. HARRY F. BYRD, JR. The money does not come back to the Federal Treasury.

Mr. HUMPHREY. It comes back to the economy. We are talking about the balance of payments.

Mr. HARRY F. BYRD, JR. The Senator from Virginia is basically concerned about the money that comes out of the pockets of the wage earners of our country. Not 1 penny that goes to the World Bank comes back to the pockets of the wage earners of our country through the World Bank.

Mr. HUMPHREY. I disagree, because the only way you can get money out of the pockets is to get some in. A good deal of the money that goes in does so because of the World Bank.

These poor countries that will be helped under IDA are countries that in the days to come will have minerals for which this country will be needing. We need them for our industrial economy. What about the workers' jobs? The World Bank creates jobs for Americans. What about their jobs? IDA creates jobs for Americans. Much of this money is spent in the United States of America for goods produced by American workers in American factories under American management with American labor. This business of saying you cannot take it out of the taxpayers' pockets—what about getting something in their pockets? What about getting rid of unemployment? What about the balance of trade? IDA helps that.

Mr. HARRY F. BYRD, JR. Let us get down to the facts and get back to the question I asked the Senator originally. I asked:

> **Are any restrictions placed on the terms of the loan, and is it not a fact that money received virtually interest free by less-developed countries is sometimes lent by those countries at exorbitant interest rates?**

I will answer that by reading the colloquy that took place in the House of Representatives, in which one of the managers of the measure took part, when the matter was before the House:

> **Mr. LONG of Maryland. When the borrowing nations turn around and lend farmers and others, at what rates do they lend? They lend at the prevailing rates of the country. Is that not right? At between 12 and 20 percent to local people.**

Mr. JOHNSON of Pennsylvania, one of the managers, replied, "Yes."

So the country to which the World Bank lends money at 1 percent then turns around and lends that money to the poor people of that country at anywhere from 12 to 20 percent.

Mr. HUMPHREY. The reason is that without the money, they would not have any money to lend at all; and without that money, the interest rates would be 50 percent, 60 percent, or 70 percent, and the Senator and I know it. The interest rates in other countries are much higher than they are in the United States. The question is whether they are going to have any money. The reason those interest rates are there is so that those countries can pay back the money they borrowed. This money is being loaned to the poorest of the poor.

Any Senator who thinks that the United States can be an island of wealth in a city of poverty is deluding himself. We had better learn that we are part of the world community. We cannot be a cathedral of plenty in a field of poverty.

That is what we are talking about. We are talking about nations who cannot get money under ordinary interest rates from international institutions. We are talking about lending this money through the World Bank—not ourselves. We are not lending money. We are doing it through the World Bank, and the World Bank has a good financial track record. This should be emphasized. The World Bank's record is one of the best. We are contributing, as other nations are. We are not the sole contributor. It is not as though the United States of America is saving the whole world. Other countries are contributing an equal share, on the basis of their gross national product, or more. Canada gives more money per capita to foreign assistance than does the United States. Norway puts in more money per capita than does the United States.

We are a very wealthy country, compared to the rest of the world—not as wealthy as we would like to be, but look at the rest of the world. We use 38 percent of all the energy, with 5 percent of the population. We are a nation that uses 40 percent of all the natural resources of the world. We are fortunate, indeed.

We are not giving money away. We are not giving anything away. We are making funds available for the purposes of development. And who supports this legislation? The Chamber of Commerce is for it—the U.S. Chamber of Commerce, that group of "soft money artists." Like fun. The Chamber of Commerce is composed of hardheaded, practical, talented business people. What do they say to the Members of the U.S. Senate? They say about IDA, first, that it works. Listen to this:

> First, it works. It produces results that benefit the economies of eligible countries.

Then they point out:

> Second, the program is available only to the poorest countries and does not benefit those with the means to satisfy their capital development needs.
>
> Third, without IDA, the growth prospects of the poorest countries would decline significantly.

Then, the Chamber of Commerce of the United States says:

> We respectfully urge you to vote for continued U.S. participation in the funding of IDA.

I do not recall that the Chamber of Commerce came to the Congress of the United States and said, "Forget about the budget, forget about interest rates, forget about everything; just shovel it out." No, they are a pretty prudent outfit, and they are rather conservative economically; yet they know this is necessary to save the capitalist system and the system of government in which we believe.

Who else is for it? The National Manufacturers Association is for it. Who else? The American labor movement, the AFL–CIO. Who else is for it? The bankers are for it. These are people who handle large amounts of money and appreciate the need for international economic stability.

It is interesting that we have an issue here in which we get the Chamber of Commerce of the United States, the National Manufacturers Association, the American labor movement, and bankers all saying, "Let's do it. It is to our interest to do it. It is sound investment. It represents good judgment."

Yet we sit around here and we say they are all wrong—the labor movement, the Chamber of Commerce, the World Bank, and even though it does better than any Senator does; that the American Manufacturers Association is wrong. Everybody is wrong, Mr. President, except you and me. I do not think that makes sense.

Mr. PERCY. Mr. President, will the Senator from Virginia yield?

Mr. HARRY F. BYRD, JR. I shall yield in a moment.

Mr. President, I must say frankly to the Senator from Minnesota that the Senator from Virginia frequently when he is here in Washington, frequently when he is in the Senate discussing the financial problems of our Government, feels he must be wrong because he does not see how he can be right about the grave problems we face because of the overwhelming deficits our country has been running, while the majority of his colleagues feel otherwise. How could that be? I frequently feel that I may be wrong in pointing out the grave danger to our Nation, when I view with alarm the fact that we have run up a Government deficit of $133 billion in 6 years, when in that short period of time we have incurred one-fourth of the national debt of the United States, when I feel that that is cause for alarm. When I am in the Chamber and listen to the majority of my colleagues, I feel that I must be wrong and they must be right.

Then, I go out to the State of Virginia and I go out among the average citizens of this country, I go out among the taxpayers, I go out among the people who have to borrow money at these high interest rates, and I go out among the young people who cannot borrow money to build or buy a house because of this high inflation. Even though I may be the only Member of the Senate to believe so, I submit that this high inflation is a direct result of the smashing Government deficits that are accelerating year after year. That is why I am going to oppose new spending and giveaway programs such as the one before us.

Mr. PERCY. Mr. President, will the Senator from Virginia yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. PERCY. Mr. President, I think the Senator from Virginia, as he always does, has raised pertinent questions that must be and should be answered before we pass this legislation. He is standing here as a representative of the taxpayers and asking, "What kind of return are we getting on our investment?" It is a question I had to answer for stockholders for a quarter of a century and I now try to answer it for the residents of the State of Illinois.

We faced a similar question in Congress several years ago when I first arrived, as to whether we should find a way to subsidize interest costs on home purchases by low-income families so they could become homeowners and have a share in the American dream. We had a tremendous debate on the subject but overwhelmingly decided it was in the interest of the country to give the poor a chance to own something because we recognized that the stability of our country would be affected if millions of people continued to think that the American dream did not apply to them.

Now, as a result of this legislation, countless Americans are living in their own homes through the subsidization of interest costs, so that they are homeowners rather than tenants in Federal housing. The default rate has been relatively low. We have given them an incentive.

Mr. President, what we are talking about in S. 2665 is the basic decision of whether we are going to take $1.50 a year of American taxpayer money per capita and invest it in IDA. The purpose is simply to ask ourselves the question of whether we are going to join with the rest of the developed world in the fourth replenishment of the International Development Association.

S. 2665 is a proxy issue. The real questions on which we are voting are two. First, will this body and this Nation continue to be committeed to the concept of multilateral aid and, second, does this country care to contribute to the welfare of the world's poor?

Certainly we have learned through years of experience that if we can wean ourselves away from bilateral aid with all the problems it creates, and if we can stimulate contributions from all developed nations of the world and provide assistance and help in terms of a banking relationship rather than a debtor-creditor relationship, from a people and a nation to another people and a nation, that is a far better way to do it.

As we experienced in the aftermath of World War II, when we had this tremendous load on us, and all alone, how much better it is to have this load shared by other nations.

I really dispute the fact that this is a giveaway not requiring any effort by the people who would be the recipients of it.

We tend to forget in this country of wealth the real state of humanity. If we were to describe humanity by averages we would find it suffering from hunger and malnutrition with physical growth and minds stunted by lack of adequate food. One-fourth of its offspring die by the age of 5. One-fourth to one-third can neither read nor write. Most humans at birth are condemned to a death falling much earlier than their genetic potential.

This bleak picture is a discouraging one. It makes Charles Dickens' world look kind and beneficent. This is the world that IDA is aiding. Not the rich. Not the relatively poor. But the very poor, the truly poverty stricken. The literature on IDA emphasizes that no IDA funds go to aid nations with a per capita annual income of more than $375. In reality 70 percent of IDA goes to countries with a per capita annual income of less than $120, or some 30¢ a day. What is astounding to me is that even at these low levels of income the poor countries on an average contribute 80 percent of the cost of IDA projects. IDA funds are used almost exclusively for foreign exchange support to purchase items outside the project country.

Not only are we spending, instead of 100-cent dollars, 40-cent dollars, or something like that, but 80 percent comes from the poor countries themselves. This is a case, if there ever was one, of not only sharing the load with those we help, but also having an investment of time, energy, and resources from the very people who are the recipients of this assistance.

It is the poor helping themselves, and in return for getting assistance and help from others, the cost is not that high when we consider we are increasing the wealth of the have-not nations, whose raw materials we must import. We must import those raw materials from countries where there is a degree of stability. We must import them from developing nations where there is a degree of hope.

On a dollar percentage basis, or on a dollar-cents basis, certainly on a return-of-investment basis, I would say the return to the American people for their contribution of a dollar and a half per capita per year for a period of 4 years is very, very high indeed.

In fact, I can justify it to the citizens of Illinois. I know it can be justified to the citizens of Virginia as well. It is a good investment, it is not only sound financially, but I do not see how we—as the richest nation on earth—can live in a world were there is abject poverty in other countries and feel that our peace and stability are not endangered if we do not offer this help, not through a bilateral means which we realize has some disadvantages, but through the multilateral means available through the World Bank.

I think my distinguished colleague for his patience in yielding to me.

Mr. HARRY F. BYRD, JR. The Senator has made a very strong case for a worldwide antipoverty program. I do not believe the taxpayers of this country are in a position to finance any worldwide antipoverty program. We tried under the administration of President Johnson an antipoverty program in the United States, and we could not finance that. We are no better off now than we were before a lot of that money was wasted and was appropriated. So I am not persuaded that this country is in any position to go into a worldwide antipoverty program.

The able Senator from Illinois, as did the able Senator from Minnesota, pointed out that this was a multilateral program instead of a unilateral program. When the money comes out of the pockets of the taxpayers, I do not think it makes any difference, really, whether that money is given directly to a foreign country or whether it is given to one of the international financial institutions that dish it out to a foreign country. It does not make any difference to the taxpayer on that score.

Another very interesting point, I think, is that the emphasis today has been that only the large number of underdeveloped, the very poorest, countries obtain this money. Well, the records show that 40 percent of all IDA funds have gone to India, and India has had enough money to develop a nuclear bomb. India has refused to participate in the Nonproliferation Treaty dealing with nuclear weapons. Yet 40 percent of all the money of the International Development Association has gone to that one country. So we have helped to subsidize the building of an atomic bomb for India.

I see that some of our officials are not too happy that India has developed a nuclear bomb. Certainly I am not happy about it. But our Government must take responsibility for it, because our Government has poured billions of dollars into that nation, and while those precise billions of dollars may not have gone to build the bomb, had it not been for those billions of dollars put in by the United States, the bomb very likely never would have been built.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I am going to read into the Record an editorial from the Washington Post of Tuesday, May 21, dealing with this subject, captioned "India's Nuclear Bomb:"

> India's "peaceful nuclear explosion experiment" is, first of all, the test of a bomb. Not only is there no real distinction between a military and peaceful explosion, but even the United States, with all its time and technology, has yet to find a single feasible peaceful use for nuclear explosives. For India to call its explosion "peaceful" and to abjure all military intent is, in a word, rubbish.

That is the Post's word. I did not say that. Continuing with the editorial:

> It is immaterial that other countries, in going nuclear, have used the same hyperbole. Indian scientists, if not Indian politicians, are too knowledgeable to claim otherwise with a straight face. The fact is that India, which has long had the capability to do so, has now gone nuclear in the political-military sense. It becomes the first country in 10 years—an interval which many had hoped would itself create a permanent barrier against new members—to join the nuclear club.
>
> Its "right" to join is undisputed: it is a sovereign state. Nor can it be faulted for violating the nuclear nonproliferation treaty, which it never accepted.

We have given, through IDA, billions of dollars to India, and yet we were unable to influence her to sign the Nuclear Nonproliferation Treaty. I say the more we try to buy friendship, the worse off we have gotten ourselves.

I will continue to quote from the editorial. That last statement was mine:

> New Delhi did accept the partial test-ban treaty forbidding underground tests which vent and spew fallout across national frontiers, but no such pollution has been reported so far. Certainly no American or Russian or Briton or Frenchman or Chinese can fairly contend that his country has set an example of nuclear restraint deserving emulation by other states. Nor have the first five members of the nuclear club made the international environment so safe and orderly that no "nth" country could possibly have political reason to make its own bomb.

> For all this, the Indian explosion is the height of irresponsibility.

The height of irresponsibility, the Post says, and I submit that this Government, by furnishing such vast sums of money to India, has a direct responsibility for what occurred.

I continue with the quotation:

> Whatever the supposed gains in national pride and governmental prestige and regional political standing, the blast can only further aggravate Pakistan's fears of Indian domination and slow the normalization process that had been unfolding recently in the South Asia subcontinent.

And when the word "Pakistan" comes in—I deviate from reading the editorial—between Pakistan and India, 60 percent of IDA funds have gone just to those two countries.

I continue reading:

> In a wider orbit, the Indian test will in effect license and strengthen in various other countries—Japan comes quickly to mind—the internal forces partial to building national nuclear bombs. Many people and many nations have become habituated to the existence of nuclear weapons, but their proliferation is no more safe and acceptable now for having been out of our immediate consciousness in recent years. The United Nations is scheduled to hold a conference next year to review and firm up the non-proliferation treaty. The conference and its cause have been dealt a heavy blow.
>
> But the most disturbing aspect of India's "achievement" is that Mrs. Gandhi's government could have chosen to spend on it tens if not hundreds of millions of dollars that could have been so much better spent on the needs of the Indian people. In the light of the immense *and growing* privation spread through India, it is appalling that a symbolic prestige project has taken priority over steps to alleviate mass poverty.

So we want to come along and say, "Well, India spent her money on developing a nuclear bomb so we want to come along now and help out so that people do not starve. Nobody wants people to starve and we will give commodities to starving people." But this bill does not do that. It does not do that at all. What it does is permit countries like India to use her own resources to develop a weapon that could plunge this country into chaos and eliminate the world by the development and use of a nuclear weapon.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. (continuing):

> India is asking the United States for food and economic aid these days. Americans can hardly avoid asking in turn to what extent their help merely serves to buy India a nuclear bomb.

That is from the Washington Post.

Mr. HUMPHREY. I think the editorial is very meritorious. They should properly criticize what is developing in India. It does raise very serious questions.

Mr. HARRY F. BYRD, JR. The whole IDA program is an Indian program.

Mr. HUMPHREY. Who are we to be lecturing the world about bombs?

Mr. HARRY F. BYRD, JR. Only when American money is involved——

Mr. HUMPHREY. Wait a minute. We just authorized $100 million on one military project. We could get by with one less Trident submarine, I think. We do not even know where to store our bombs, and the Senator knows it. The question before the Pentagon is where to store the bombs.

Mr. HARRY F. BYRD, JR. Mr. President——

Mr. HUMPHREY. Wait a minute. We are talking about defense. We are talking about what money we ought to spend.

I am telling the Senator that we spend and have spent money on items that have no more justification than the man on the moon. We are a poor bunch of people to be lecturing the other countries of the world on how to spend money on bombs.

We bailed the British out. The Senator from Virginia and I voted for that bill. We bailed them out.

Mr. HARRY F. BYRD, JR. We——

Mr. HUMPHREY. Wait a minute. They got loans from the United States that they have not paid back. The French never did pay us back. And we got nothing from them following World War II except the two vases in the lobby entering the Senate Chamber. They are worth perhaps $100 apiece. I think that every citizen ought to see them. One vase is at the end of the lobby and another at the other end. They are the most expensive vases the world has ever seen. And we got them after World War II.

But the French did build a bomb. And now India has built a bomb.

Mr. HARRY F. BYRD, JR. Mr. President——

Mr. HUMPHREY. Wait a minute. They did this to prove that everybody can get foolish. We have a mighty good example.

I do not share the views of those who seek to defeat the bill on the grounds that the testing of a nuclear device by India characterizes a serious diversion of public funds by a major developing nation to nonproductive uses.

In terms of India's budget expenditures, its atomic energy development program costs about $42 million out of total central government budget expenditure of $11.7 billion in fiscal year 1975, or three-tenths of 1 percent of the budget. By way of contrast, the Indian Government plans to devote over 50 percent of its Federal expenditures in 1974–75 to economic and social development.

As to India's defense expenditures, the nation's defense budget constitutes 22 percent of the total Indian budget expenditures for fiscal year 1975. In nominal terms defense expenditures are expected to rise by $400 million, of which nearly one-half is accounted for by salary increases. With inflation in India running on the order of 20 to 25 percent, defense expenditures in real terms may even decline in fiscal year 1975.

We do and should, of course, continue to oppose the proliferation of nuclear weapon capabilities. Such proliferation is a frightening thing and leads to instability among nations. Nevertheless, the Indians say they intend to use these devices only for peaceful purposes, as an alternate source of energy. Also the development of atomic energy production in India is an integral part of the nation's long-term economic programs, as the country is presently dependent on foreign sources for petroleum requirements. Further, there is no direct relationship between an Indian nuclear research effort—which has been carried out over the past 20 years—and the kind of developmental assistance proposed under IDA financing.

Long term IDA credits are an essential part of India's development program; the country's foreign debt obligations already exceed 20 percent of current export earnings and are growing. Meanwhile, IDA has steadily given less of its annual credits to India. India was lent an average of 49 percent of total IDA credits in the 1960's. This has fallen to 36 percent in dia's share of IDA loans was only 82 cents fiscal year 1973. In per capita terms, In- per person in the 2-year period 1972–73 as compared to 91 cents per person for IDA lending as a whole.

I am not saying that India did the right thing. On the contrary, we are very foolish. That is the reason why I worked to get a nonproliferation treaty adopted. I went to India, as your Vice President, to get a treaty implemented.

India's share of IDA—we have taken the percentages which are very misleading—is 80 cents per person. That is India's share as compared with 90 cents per person that IDA lent as a whole. India's share was not exorbitant.

Let us go back again. I agree with the Senator from Virginia that this is an expensive program. However, I am not going to go into that until we discuss the defense budget, when that measure is called up for consideration. I think that we have poured more money down rat holes in respect to national defense. I believe in national defense. I believe in national security. I served on the National Security Council. I know that we have built tanks that cannot work. I know that we have built planes that cannot fly. We have spent a tremendous amount of money on tanks that have not even moved on the ground. We have spent enormous sums of money on a plane that never did get off the ground.

Then, as to the cost of IDA, what about that? The Senator from Illinois said that it costs the American people $1.50. That is the cost of one martini. That is one martini without a tip each year.

My fellow Americans, will you give up one martini a year? Will you give up three or four packages of cigarettes a year just to develop the economy of a foreign country? Will you give up four packages of cigarettes a year or one martini a year? That is what we are asking our fellow citizens to give up. That is about the cost of a baby's rattle.

That is what it costs to buy a toy for my little granddaughter Andrea—$1.50. She can get along without that in order to save lives.

What else are we being asked to give up? We are not the only ones who contribute. Germany gave $234 million or 10 percent of the total third replenishment. Britain gave $311 million or 12.7 percent of the last replenishment. Japan gave $144 million or 5.9 percent of the last replenishment.

It is not as if the United States is the only country involved in this. And all of these countries—except the United States—are increasing their share under the replenishment we are considering today.

I would like to say that we are saving the world single handedly. However, we are not. On a per capita basis, many countries gave more than we did. Some have given less.

I will plead my case before any jury in the land. If we can make a deal in which through our participation in the 28-year period we end up with $3,319,000 on the plus side, would that be a loss? I think, on the other side, that a good deal more significant is the fact that this is not money, even though the money is what is in dispute. We have $1 billion or more of World Bank funds—$1,032 million—on deposit in this country that our citizens can use, to keep our country and our American citizens going.

The important thing is the thing that the Senator from Illinois (Mr. PERCY) said; it is what I want to say when I make my major speech. The important thing is, Do we think the United States can ignore the fact that millions of people in the world are in a stage where they are ripe for revolution and will gang up on us if they wish to do so? More important, I really think it is a situation in which we should ask whether we should let them suffer and starve. We are not in this program alone. The World Bank is an international organization.

We are contributing a fair and good share. But we are not contributing more than others. And we get the lion's share of it back. For every dollar we contribute, we get 50 cents back in goods. Fifty cents.

So it is not as if, somehow or other, it is a Santa Claus program, motivated only by the soft hearted people, even though I might say I am not ashamed of compassion.

I am not ashamed of compassion. I remember Franklin Roosevelt saying one time that the good Lord will judge us differently, that divine justice will be measured differently for those who have some weaknesses and compassion of heart, as compared to those who are frozen in the ice of their own indifference.

The United States of America is a citizen of the world. We cannot ignore the facts of the world in which we live. We learned that from the oil embargo, I thought. We are learning that, may I say, from the fact that this country is a great exporter. We need world markets.

We also need access to supplies. And the worst thing this country can do today is cut off its contribution to the International Development Association. If we did, those countries of the world that still have the few products we need, like copper, bauxite, manganese, and titanium—of the 17 minerals needed for American industry, we have to import 13. If we cut these funds off, those countries would be justified in saying, "Not one bit will you get from us; we will not contribute to your growing wealth."

What we are talking about today is development. What are the facts of the matter? We are talking about funds going into agriculture, funds going into transportation, funds that are going into irrigation, into highways, schools, industries—not funds that are going into nightclubs and racetracks. We are talking about the development of a country.

Might I add that the American people seem to like it. Aid to poor nations, according to a national poll, is favored by 68 percent of the people of the United States. Aid to poor nations; the American people are compassionate people. The American people are moral people. The American people are decent people. They are willing to share. That is why the United Fund works. That is why voluntary associations in this country work. That is why the Red Cross works: because we are willing to share our abundance.

What difference does it make, when you stop to think of what the world is like, whether we share it with someone in Bangladesh or India, or someone in New Jersey or Minnesota? We are citizens of the world. We are all God's children.

The peace and well-being of this country is not going to depend only on what we do here. I come from the Midwest. I am of the opinion that what happens in the Middle East will affect my life and the lives of my children and grandchildren much more than anything that happens in the Middle West.

If we cannot offer some hope for people in the world who are literally down and out, the whole world can be brought down and out. Here we are, a mighty nation with atom bombs, and there is West Germany, with its giant economy, and there is Japan, the economic miracle of the world; and Saudi Arabia—Saudi Arabia, with a rate of illiteracy of 50 percent and more—brought these great powers to their knees and said, "Change your policy."

We have not been able to do that even with the threat of the atom bomb, but they did it with oil. I think it is about time that we recognize the poor nations are going to have something to say in this world. We have found out, in the United States, that no matter how powerful you are, you have only one vote. You can be educated in Harvard, or never have been to school; you still have political power. These poor nations have political power, and it is time for the United States to make up its mind whether it wants to be part of the world family or to live in isolation.

We cannot take care of ourselves alone any more. The nations of the world are interdependent. I do not like to see people in America denied anything, but I am sure that if we cut off what we are doing, we will have less. I am confident of it.

As a young man, I remember when we closed our doors to immigration. I remember when we closed off our foreign policy. I remember when America began pursuing a course of isolation. We closed off our relations with other countries.

I remember when the London Economic Conference collapsed, and I want to remind the Senate that when that happened, we closed our factories, we closed our banks, we lost our farms, and we stood here helpless. Here was this great American people, this wonderful, beautiful, big country, and yet we were a victim of a worldwide depression that brought us a Hitler, a Tojo, a Mussolini, and World War II.

What more do we need to remember? Isolationism is not a policy, it is suicide. It is not even a policy option; it is fantasy. Yet we are talking again just the way we used to years ago, that somehow or other we can ignore it all.

The amount of money we are talking about here would not pay for a regiment. Armies are not going to save us. Bombers are not going to save us. The hydrogen bomb is not going to save us, and it is not going to save India.

I will tell you what will save us: understanding and love. A vote for economic development is a vote toward peace. "Development is the new name for peace," as Pope John XXIII said.

There is no peace in the world of the hungry. There is no peace in the world of the impoverished. And we know it. We know it in our own cities, in our ghettos, where violence grows.

When are we going to wake up? I have not lived 62 years, gone through a depression, seen what has happened, seen America close its gates and its minds to the world, and seen the disaster which follows, to be willing to come in here and try it all over again. Not on your life.

We know it will cost money, but I would rather try. I do not want to be frozen in the ice of my own indifference. I would rather be held guilty of the politics of compassion than guilty of the politics of indifference to other people's needs. Sure, there is money involved, but I submit to you that much of that money comes home, and more importantly, it develops the poor of the world.

That is what we are talking about. That is why I am here. I know it is not popular. I know I could be a demagogue. I know what I could do out on the stump. I could go tell the people, "Look, if you give it away you will not have it for yourself."

We did it before. We raised a tariff wall. I remember Smoot-Hawley; I saw my father fight that miserable tariff law. I saw how we closed off commerce; I saw how we cut off competition from abroad; and I saw America fall into the dirt. I saw our country come tumbling down, as a boy and a young man.

I hope we have learned our lesson. Yet today, we pour billions into our military machine, as if it could save us. It will not save us, and you know it. For every dollar we put in, the Russians put one in, and we are off on a crazy arms race, when we should be calling upon the world to relieve human suffering, when we should be calling upon the world to put its money into the development of the resources which God Almighty has given us, when we should be calling upon the world to heal the sick, to help the disabled and the needy, instead of having to argue about it here.

Human life and suffering; that is what we are talking about. We are not talking about a few B-1 bombers that I am not sure will ever be needed.

When we get around to talking about

fertilizer plants, so people can grow food, when we get around to talking about irrigation projects, so they can water the land, or resources so they can build railroads to move their commerce, or build factories to create jobs; when we talk about whether they will have a fertilizer cooperative to market their products, someone says, "Wait a minute: The taxpayer objects."

As a taxpayer, let me tell you, you are not going to be riding on any $750 million aircraft carriers. If you do, it will be because you are drafted, or you will have been paid to volunteer in the military.

We have to make some choices, and I think the choices are pretty clear: A choice between what we know we need in the hardware of national security and what we know we need in the software of economic development. That is what we are talking about. We are turning it over to the World Bank. We are turning it over to Robert McNamara and the Board of the World Bank. We are turning it over to a bank that has had 28 years of success. We are turning it over to a bank that has a unique record of repayment of its loans. We are turning it over to a bank that examines every project, and we are turning it over to a bank whose securities are AAA securities in the international money market. I happen to believe with that, that we are wasting a lot of time arguing. We should be grateful that we have this chance.

I thank the Senator from Virginia. I respect him. I admire him. I know of his sincerity, but we have honest philosophical disagreements. There comes a time in Congress when we should get away from the trivia we get here and get down to basic facts. This is basic with me, whether America will turn its back on the world, or whether we will contribute to allieviate human suffering. The concept of fortress America is dead.

Americans are filled with understanding, affection, kindness, and consideration. Our country will not only survive, it will lead if it makes these traits part of our foreign policy. It will lead the world, and that is what we need to do.

When we get ready to scold India about the atom bomb, we can scold her better if we say we have fulfilled our duties and responsibilities to the world's poor.

May I say, before I sit down, that India is still a democracy. China is not. The nations in Southeast Asia are not. At least they still have elections in India. Of course, India has a population of 550 million people. It gets into bad habits as it watches the United States, the Soviet Union, Great Britain, and France. China is alongside it with a substantial military potential and atom bombs.

Should the Indians say, "I guess we will follow the stupidity of others and we will try one for size, too." But we should not compound that mistake out of anger by turning our backs on the people of Africa, Asia, or Latin America.

Who are these people? Eighty percent of them have a per capita income of $200 a year.

No one can get any help under IDA if they have a per capita income above $375 a year.

As the Senator from Illinois (Mr. PERCY) pointed out, the dollars that we extend have lost much of their purchasing power. In every country that receives our dollars, they are the victims of inflation more than we are. Inflation is rampant in India at 38 percent, and in Japan at around 30 percent. The prosperous, rich nations in the countries of Latin America and Africa have a rate of inflation that runs 50 percent or more in many of them. So it is not as if we have opened the floodgates and poured out the taxpayers' money.

The time is at hand for the Government of the United States to think in terms of investments. I will guarantee you, Mr. President, that if General Motors owned the highways of the United States, it would call them a capital asset and General Motors would borrow money on them.

The people of the United States own the highways of the United States and we call it an expenditure.

If General Electric owned the Columbia River dams or Grand Coulee, and so forth, General Electric would call them an asset. We call them an expenditure.

Mr. President, I want the American taxpayers to know that we have many assets in America which are publicly owned and that we build and work on, and every time we spend any money on them we call it an expenditure.

Mr. President, if a company or corporation adds an extra building, they call it an asset. If a bank wants to add an extra floor to its building, they call it an asset. If the Government builds an extra wing on a building, we call it an expenditure.

No wonder we are mixed up. No wonder the American people do not understand, because we confuse them.

When we dam a river or create electric energy, we should think of it as an asset just as General Electric or Westinghouse would. They call it an asset, but we call it still an expenditure.

Mr. President, I ask unanimous consent to have printed in the RECORD additional information bearing on this subject.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

IS IDA EFFECTIVE?

The issue: There are those who hold that foreign aid is ineffective in that it finances wasteful projects, and that whatever benefits are derived from such aid go to the bureaucracy and the well-to-do minorities within the developing countries. Is this true of IDA?

The answer:

SUMMARY

IDA has the same staff, sound economic policies, and rigorous standards of project analysis and supervision as the World Bank. International competitive bidding ensures that project components are purchased on purely economic grounds. IDA funds are disbursed only after proper documentation attests that money is being spent for items called for under project agreements. The Bank Group is well aware that development efforts often do not filter down to those most in need and has been emphasizing attacking poverty directly, by increasing the productive capacity of the poorest 40% in the developing countries.

1. IDA grants credits only for soundly conceived and productive development in the countries where it lends. In assessing the quality of its commitments, it is essential to take into account that IDA is an integral part of the World Bank, with the same directorate, management and staff.

2. The World Bank has been in operation for nearly 28 years. In that time it has lent, without loss, more than $20 billion for development in some 90 of the less developed countries. Over the years the Bank has acquired a vast store of knowledge and expertise in lending for or otherwise assisting development. It has also acquired a highly skilled staff and has fashioned policies and standards that insure the soundness and effectiveness of its lending operations.

3. Illustrative of the soundness of the World Bank's policies and operations is that they have passed the test of acceptability in the international securities market on which it relies heavily for its financing. The Bank's bonds and other obligations are rated AAA—the highest investment quality rating—and they are held by institutions and other investors in more than 80 countries.

4. The same high standards in policies and operations, that have contributed to the effectiveness of the World Bank, are applied by the Bank to the operations of IDA. Through requiring international competitive bidding on items purchased with loan and credit proceeds the Bank and IDA ensure that borrowers acquire goods and services for development at the best available price and terms. Moreover, by requiring receipt of proper documentation attesting that funds to be disbursed are being expended for items called for under loan and credit contracts, the Bank and IDA ensure that their commitments are used only for the purposes for which they are made.

5. The Bank and IDA are aware that the poorer among the populations of the developing countries have not benefited significantly from the process of development. They intend to do something about this. As Robert S. McNamara stated in his address to the Bank/IDA Board of Governors meeting in Nairobi in September 1973: "Far greater emphasis will be placed on assistance designed to increase the productivity of that approximately 40% of the population of our developing member countries, who have neither been able to contribute significantly to national economic growth, nor to share equitably in economic progress." The Bank's emphasis on integrated rural development is recognition that poverty must be attacked directly in the areas where it is most prevalent.

IDA's "THREE-QUARTERS OF 1 PERCENT RATE"

The issue:

How do you justify Governments borrowing from IDA at a service charge of ¾ of 1% and then relending funds for development projects at domestic interest rates which may be 12 or 15%?

The answer:

1. The reason for the low interest charged to IDA countries is to minimize the burden on their balance of payments, not to subsidize the execution of development projects within the country's economy.[1]

2. The IDA credit with a ¾ of 1% service charge and 50 year maturity provides a coun-

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[1] (According to its Articles of Agreement, the purposes of IDA are "to promote economic development, increase productivity and thus raise standards of living in the less developed areas . . . in particular by providing finance to meet important development requirements on terms which are more flexible and bear less heavily on the balance of payments than those of conventional loans.")

try with substantial balance of payments relief on money spent for development efforts.

3. The IDA project, however, like a Bank project, is not based on subsidized capital; it must be viable, i.e., have an economic return comparable to that of other capital investments in the country. The return on many IDA projects exceeds 20%. A government receiving an IDA credit on-lends the money at rates of interest prevalent in the country in order to maintain the financial discipline required for the prudent execution and administration of projects.

4. IDA credits in many cases allow poor people outside national capital markets to borrow money at normal interest rates. Small farmers who may have to pay from 50 to 100% per annum for loans from local sources such as village money lenders can borrow at more normal rates as a result of IDA projects.

IDA LENDING—DISTRIBUTION BY REGION AND SECTOR

DISTRIBUTION BY REGION, AS OF JUNE 30, 1973

Area	Number of credits	Amount (millions of U.S. dollars)	Percent
Africa	172	1,107.8	19.2
Asia	176	3,899.3	67.7
Europe, Middle East, North Africa	55	520.7	9.0
Latin America and the Caribbean	36	235.6	4.1
Total	439	5,763.4	100.0

DISTRIBUTION BY SECTOR, AS OF JUNE 30, 1973

	IDA credits (millions of U.S. dollars)	Percent
Agriculture	1,612.9	28.0
Education	380.3	6.6
Industry	280.7	4.9
Nonproject[1]	1,000.0	17.4
Population	39.2	.7
Electric power	481.6	8.4
Technical assistance	14.0	.2
Telecommunications	320.4	5.5
Tourism	14.2	.2
Transportation	1,428.3	24.8
Urbanization	30.3	.5
Water supply and sewerage	161.5	2.8
Total	5,763.4	100.0

[1] Includes industrial imports, reconstruction, and rehabilitation.

Commercial Bank Deposits

The issue: How much does the World Bank have on deposit with commercial banks in the United States?

The answer: As of March 31, 1973, the World Bank had time deposits with U.S. commerical banks aggregating $1,032 million making it one of the largest depositors in the country. The deposits were held by 53 commercial banks located in 20 cities throughout the country. The average yield, as of above date, on these deposits was 7.85%, with the range being from a low of 5.9% to a high of 10¼%.

The funds involved in these deposits are derived either from borrowings by the Bank in the investment markets or from its net income from operations. No funds derived from the paid-in capital of member governments are invested by the Bank in time deposits or other forms of investment. Such funds, when not on loan, are deposited with the contributing government's central bank or with its Treasury on a non-interest bearing basis.

IBRD certificates of deposit and time deposits with U.S. commercial banks—as of March 31, 1974

[Expressed in Millions]

	IBRD Deposits
Algemene Bank Nederland, New York	$15.0
Banca Commerciale Italiana, New York	5.0
Bank of America, New York	10.0
Bank of America NTSA, San Francisco	140.5
Bank of California N.A., San Francisco	6.0
Bank of New York, New York	10.0
Bank of Tokyo Trust Company, N.Y.	13.0
Bank Leumi Trust Co. of New York	3.5
Bankers Trust Company, New York	3.4
California Canadian Bank, San Francisco	2.0
Central National Bank of Cleveland	5.5
Chase Manhattan Bank N.A., New York	56.5
Chemical Bank, New York	24.4
City National Bank of Detroit	1.0
Commerzbank, A.G., New York	3.5
Connecticut Bank & Trust Co., Hartford	5.0
Continental Illinois National Bank, Chicago	75.5
Credit Lyonnais, New York	1.0
Crocker National Bank, San Francisco	50.0
Dresdner Bank, New York	3.0
European-American Bank & Trust Co., New York	10.0
Fidelity Bank, Philadelphia	5.0
The Fifth Third Bank, Cincinnati	2.0
First City National Bank of Houston	11.0
First National Bank of Arizona, Phoenix	7.0
First National Bank of Boston, Boston	61.0
First National Bank of Chicago	40.0
First National Bank of Dallas, Dallas	5.0
First National City Bank, New York	51.0
1st Pennsylvania Banking & Trust, Philadelphia	19.0
First Union National Bank	5.0
First Wisconsin National Bank of Milwaukee	10.0
French-American Banking Corp., New York	1.0
Harris Trust & Savings Bank, Chicago	10.0
The Hong Kong Bank of California	0.5
Industrial National Bank of Rhode Island	2.2
Lloyds & Bolsa International Bank, Ltd., New York	2.0
Manufacturers Hanover Trust Co., New York	52.0
Marine Midland Bank-New York, New York	50.0
Mellon National Bank & Trust Co., Pittsburgh	30.0
Morgan Guaranty Trust Co., New York	20.0
National Bank of Detroit	5.0
National City Bank of Cleveland	8.5
North Carolina National Bank, Charlotte	5.0
Pittsburgh National Bank, Pittsburgh	7.0
Seattle-First National Bank, Seattle	7.0
Security Pacific National Bank, Los Angeles	54.0
State Street Bank & Trust Co., Boston	10.0
Swiss Bank Corporation, New York	2.0
Texas Commerce Bank, N.A. Houston	5.0
Union Bank, Los Angeles	36.0
Wachovia Bank & Trust Co., Winston-Salem, N.C	20.0
Wells Fargo Bank N.A., San Francisco	$30.0
Whitney National Bank of New Orleans	2.0
Total (in billions)	1,032.0

Balance of Payments—United States

In its 28-year history the World Bank Group has had a net favorable impact on the U.S. balance of payments of over $3,175 million. The inflow of funds to the United States has included $4,391 million in equipment and materials procured in the United States, $1,308 million in interest to holders of Bank bonds, and $618 million in World Bank Group administrative expenses in the U.S.

The Bank by itself has been a net contributor of $3,319 million; IDA which received contributions from the United States, has created a counterflow of slightly more than 10% of this amount, or a drain of $344 million.

In fiscal 1973 the net impact of the Bank on the U.S. balance of payments was a positive $273 million as compared to a drain of $50 million by IDA.

U.S. BALANCE OF PAYMENTS IMPACT IBRD AND IDA

[In millions of U.S. dollars]

	IBRD[1]	IDA[2]
Received from United States (respectively, IDA contributions, sale of IBRD bonds, income from investments, etc.)	4,356	880
Project procurement in United States	3,965	426
Interest to U.S. bondholders	1,308	----------
Administrative expenses in United States	508	110
Total from IBRD and IDA to United States	5,781	536
Long term investments in United States	2,094	----------
Net to or from United States	+3,519	−344

[1] IBRD—April 1947 to June 30, 1973.
[2] IDA—April 1961 to June 30, 1973.

[From the New York Times, Mar. 20, 1974]

Aid to Poor Nations Favored by 68 Percent in United States

(By John W. Sewell)

The refusal in January of the House of Representatives to authorize United States participation in the World Bank's "soft loan" program—the International Development Association (IDA)—was taken by many in Washington as one more indication that Americans would no longer support any form of foreign aid.

The vote also was seen as further evidence that the mood of the public was becoming increasingly isolationist. Now that the Senate Foreign Relations Committee is about to open hearings on U.S. participation in IDA, it may be well to take a look at what Americans do think about the developing countries.

No one doubts that the mood in Washington is unfavorable to foreign aid, or indeed to any major American role in helping to solve what Robert S. NcNamara calls the problems of "absolute poverty."

The annual passage of foreign-aid bills has come to resemble the "Perils of Pauline"; the legislation is constantly in peril and saved from imminent destruction only by the most incredible of feats.

But does Washington reflect the mood of the public in this case, or as in so many other cases, is Congress only an imperfect mirror of what the public actually thinks? The latter may well be the case.

Support for development is one issue on which the perceptions of the policymaker seems to be very different from the feelings of the American people.

AMERICANS SYMPATHETIC

A recent survey published by the Overseas Development Council asked a cross section of Americans about attitudes on global development, U.S. foreign aid and trade policies, and a range of other issues concerning world poverty and development. The results indicated that the public has not become isolationist.

Rather Americans do have a basic sympathy for the problems of the poor abroad despite the fact that most are unaware of the true dimensions of world poverty and erroneously believe that this country is spending far more in terms of relative wealth than other rich countries.

Americans consider world hunger and poverty a very serious problem. While they give higher priority to domestic poverty programs, they do not see the solution of domestic and international problems as conflicting.

Interestingly enough, the cold war no longer provides any part of the rationale for development assistance; the basic reason for the concern of Americans with the poor abroad is moral and humanitarian.

More than 68 percent of the public supports the principle of providing assistance to the poor countries; even when faced with budgetary choices, nearly 1 of every 2 Americans favors maintaining or increasing the allocation for foreign economic assistance.

Nevertheless, Americans remain to some degree skeptical about official U.S. aid, feeling that too often in the past, assistance has been wasted, tied up in red tape, or siphoned off by corrupt officials in recipient countries.

This sympathetic attitude is reflected clearly in support for private programs. Voluntary contributions to private aid programs have increased 60 percent over the past decade, the same period in which official U.S. aid has been declining.

Why this discrepancy between public opinion and public policy? First, no channel to mobilize this sympathy now exists. In the 1950's and early 1960's, public support was mobilized by a partnership of the executive branch (which saw aid as an important tool in the cold war) and key members of Congress and private organizations who supported the program for a variety of reasons.

REAL NEEDS DISREGARDED

Today the support of the executive branch is lukewarm. Many sympathetic congressmen and private leaders consider current American policies irrelevant to the real needs of the poor countries and are therefore paying more attention to domestic needs.

Second, Congress has its own perspective and, in the absence of any strong public pressure one way or the other, gives low priority to issues concerning the poor countries. The result is that both the executive and the legislative branches generally disregard the needs of the developing world.

The survey shows Americans prefer programs aimed not at gaining short-term political advantage but at alleviating such basic human problems as hunger and malnutrition, disease, illiteracy.

These, of course, are precisely the kinds of programs that IDA was designed to support. Therefore, when Congress again considers the issue of U.S. participation, it should understand that this is one case where wise public policy coincides with the wishes of the American people.

Mr. HUMPHREY. Mr. President, I am very grateful to the Senator from Virginia, but he asked me to come over and have some debate and argument and to answer some questions, and I thought I would accommodate him. [Laughter.]

Mr. HARRY F. BYRD, JR. The distinguished Senator from Minnesota (Mr. HUMPHREY) is the most eloquent man in the Senate. He certainly has given us a very eloquent address today.

Mr. HUMPHREY. I thank the Senator.

Mr. HARRY F. BYRD, JR. Of course, he did some wandering all over the lot, but——

Mr. HUMPHREY. I missed my lunch with the Secretary and the Foreign Minister of Great Britain, but I would rather be with the Senator from Virginia——

Mr. HARRY F. BYRD, JR. I missed my lunch also. [Laughter.]

The Senator from Minnesota talked about so many things and so eloquently that I cannot cover them all, I do not suppose. But I do want to mention his concern about compassion.

I do not suppose any other people in the history of the world have shown more compassion for the peoples of other nations than have the American people. Since World War II, which is not very long ago, the United States has given away to other countries $160 billion plus the interest on that huge sum of money.

The American people are a compassionate people. They have proved that they are compassionate. The Senator from Minnesota noted that Franklin D. Roosevelt was compassionate. I remember another statement of the late President Roosevelt who said that taxes are paid by the sweat of every man who labors because taxes are a burden on production and can be paid only by production.

We have got to attempt to balance compassion with a reasonable regard for the wage-earning people of the Nation, the men and women who work for a living.

The bulk of the program under discussion has gone to two countries, India and Pakistan, with India getting the bulk of it.

Let me read from the hearings held before the Subcommittee on International Finance and Resources of the Committee on Finance. The witness was Hon. John M. Hennessy, Secretary of the Treasury for International Affairs.

I put these questions to him:

> Senator BYRD. Is it not correct, and would you give us the figure, that the bulk of the loans from the soft loan window, you might say, have gone to India and Pakistan?
>
> Mr. HENNESSY. A large part of the loans of the International Development Association, which is the soft loan affiliate of the World Bank some 40 percent of their loans—have gone to India. Of course, we are one contributor out of many there.
>
> Senator BYRD. But we are the major contributor?
>
> Mr. HENNESSY. Yes; we are the major contributor.
>
> Senator BYRD. So 40 percent of the capital of IDA has gone to India?
>
> Mr. HENNESSY. I think it has declined from about 43 percent down to 39 percent.
>
> Senator BYRD. In round figures 40 percent of the capital of IDA has gone to that one country of India?
>
> Mr. HENNESSY. That is correct, sir.
>
> Senator BYRD. And we are the major contributor of that international financial institution?
>
> Mr. HENNESSY. That is correct, Senator Byrd.
>
> Senator BYRD. In addition to that, we have made 2 percent 40-year loans to India through AID, or associated earlier agencies of the same type, of roughly $3 billion?
>
> Mr. HENNESSY. That is correct. I think what has happened overtime is that the burden which used to fall almost entirely or exclusively on the United States has, through the mechanisms of the financial institutions and the World Bank particularly, shifted to other developed countries, so that our AID loans have come down from the high figures which you mentioned. The United States was annually giving several hundred million dollars to India——
>
> Senator BYRD. But India now owes $3 billion, is that correct?
>
> Mr. HENNESSY. That is correct. That is from loans made in past years.

Mr. President, I further discussed the money owed by India, which has not been settled, incidentally, for a fraction of the total amount of money that India owed us, and I want to emphasize that this loan was over and above and entirely separate from the gifts which were made by IDA to India. So India has received huge sums of money, billions and billions and billions of dollars, from the United States. Had it not been for that, I submit that she would not have developed a nuclear weapon which in the future could be very dangerous to the future of the world.

Mr. SYMINGTON. Mr. President, will the able Senator from Virginia yield to me?

Mr. HARRY F. BYRD, JR. I am pleased to yield to the distinguished Senator from Missouri (Mr. SYMINGTON).

Mr. SYMINGTON. First, I commend and congratulate the able Senator from Virginia for bringing out the facts in the soft-loan case in the same able fashion in which he has done in so many other soft-loan efforts constantly brought before the Senate.

For some reason, we call these loans. The able Senator has had considerable experience in finance. Does he believe that lending money to a country for 50 years, with no interest rate and no repayment of principal for 10 years, would be considered in a normal banking situation as a loan or a gift?

Mr. HARRY F. BYRD, JR. I think that if any bank considered that to be a loan, the bank examiners would close that bank rather quickly. Clearly, in my judgment, it is a gift.

Mr. SYMINGTON. The Senator might be interested in an experience I had in one of these efforts to give to foreigners American dollars which are badly needed at home.

One day, the great international banker, Mr. Eugene Black, asked me if I would go with him for the setting up of the Asian Bank. We went to the Far East, and the bank was established under his guidance. All I requested was that the new bank not have a soft-loan window. He said that he agreed, although there was great pressure to include soft loans.

About a year later, the distinguished former Senator from Tennessee (Mr.

Gore), inquired how much of that billion dollars that we set up for normal loans had been lent.

I know that the able Senator and the Senate itself would be interested to know that, upon examination, it was discovered that not 1 cent of that billion dollars had been loaned, because these people were confident that under the steady lobbying that is characteristic of this town, they would ultimately get this soft-loan window. Then instead of having to pay a normal amount of interest as any American citizen or businessman does who borrows money, they would be able, in effect, to get the money for nothing.

Another reason why I commend the able Senator for his position in this matter is that one of the people involved heavily in one of these soft-loan windows said, "Why did they call it a loan? We have to go through all the bureaucracy and the cost of following it, when actually it is a gift. Why do we not simply give the money to the country and forget about it?"

That came up in a discussion in which it turned out that one of the countries to which we were lending money at no interest rate and no repayment of principal for 10 years was relending the money to its own citizens at 15-percent interest per year.

Mr. HARRY F. BYRD, JR. In the House debate, it was pointed out that the money is being loaned by various governments to their own citizens—the ones the taxpayers are trying to help—at interest rates of 12 to 20 percent.

Mr. SYMINGTON. It is even higher than I thought.

I ask this question of the Senator, who is one of the experts, if not the expert, on financial matters in this body: Does he think that the economy of the United States is in unusually good shape at this time, so that we can afford to continue to give this money away?

Mr. HARRY F. BYRD, JR. No. I think our Government is in a very grave financial situation.

I might preface my remarks by saying that the Senators from Missouri and the Senator from Virginia are in a minority, I feel, in our belief that our country is in a very grave, serious financial situation.

When we realize that the total Federal funds deficit for a 6-year period ending the next fiscal year will total $133 billion, or that 25 percent of the total national debt has been incurred during that short period of time, I think that is cause for grave concern. When we know that the average citizen cannot buy a home now or build a home or even obtain loans for other purposes because of the very, very high interest rates that are being charged—which I contend goes back to the fact that the Government itself is borrowing so much money that it is driving the interest rates up—I think that is cause for grave concern.

Mr. SYMINGTON. The Senator is absolutely correct.

I have seen a lot of bad management around this town. The worst I have ever seen is the so-called Redevelopment Land Agency. It was pointed out last winter that they were running Government apartment houses or residences within a few blocks of the Capitol and were charging rental fees for properties but provided no heat and no light in the buildings. Pictures showed the people wrapped in overcoats, and so forth.

Without getting into any biblical admonition, such as "charity begins at home," does not the Senator believe that if we can afford this type and character of investment—which is really not an investment but a gift—for foreign countries, then we ought to be able to give more consideration to the problems of the people in the United States?

Mr. HARRY F. BYRD, JR. Yes, I think so. I believe that we have an obligation to the American people first, to try to take care of the great problems facing this country, right here. We have tremendous problems here in many fields of endeavor.

While no person I have met is more compassionate than the Senator from Missouri, I like to feel that I am a man of compassion; but I do not believe that we can go around the world on an antipoverty program and try to eliminate poverty for the rest of the world until we can do something about our own problem in the United States.

Mr. SYMINGTON. Mr. President, it is a privilege to join my colleague, the senior Senator from Virginia, in his logical and wise criticism of the proposed legislation. I thank him for yielding to me.

Mr. HARRY F. BYRD, JR. Mr. President, I am very grateful to my colleague, the senior Senator from Missouri. I might say to the Senate that it was his eloquence, his information, and debates here on the floor of the Senate several years ago that caused me to take such a keen interest in this giveaway program.

Mr. SYMINGTON. The Senator is very kind.

Mr. HARRY F. BYRD, JR. Mr. President, I wish to read into the RECORD at this point the statement made in the House of Representatives by the distinguished chairman of the Committee on Appropriations of the House, Mr. MAHON of Texas. I shall not read it all but I do wish to read one paragraph. This is what he said:

> I am not going to vote to increase our commitments at a time when we cannot take care of the folks at home, when the dollar has been under heavy pressure, when the national debt has increased by about one-fifth in the last four years, and when we are going into debt this year another $15 billion.

Actually, it will be more than $15 billion.

Mr. President, the defeat of this legislation does not eliminate the IDA program. It still has funds in the program. This would merely mean we do not again replenish that fund. We have been doing this since 1960; but we do not again replenish the fund because somewhere down the line we have to call a halt if we are going to get Government spending under control and get inflation under control. I submit we are not going to get the cost of living under control until we get the cost of Government here in Washington under control.

I want to say again it is not pleasant to have to oppose this program. I do not relish the idea at all. I do not like to say what I am going to say now. But I am not convinced that the money the taxpayers are putting up which is going to the World Bank and from the World Bank through the soft-loan window to various countries at no interest rate, is really getting down to help the people in those countries.

It has been established throughout the RECORD that those governments take that money which they obtain from the soft-loan window of the World Bank and then loan that money to their own citizens at a very high interest rate.

We also know that most of these countries which will get the benefit of the soft loans or this giveaway program are not democratic governments. The Senator from Minnesota correctly said that India is, but so many of them are not democratic governments. I would like to have some proof that these huge sums of money are not being siphoned off the top by the governments in some of these countries.

I realize that the Senate has a propensity and desire to appropriate funds, to vote more and more money for almost any purpose.

Mr. President, in this legislation we are not dealing with the World Bank as such. We are dealing with one part of the World Bank. In reviewing the effectiveness and the efficiency of the International Development Association loan procedures—and that is what we are talking about in this legislation—the World Bank itself highlighted the following weaknesses:

First. Cumbersome and outmoded operating procedures.

Second. Duplicated services.

Third. Understaffing and lack of technical expertise.

Fourth. Lack of preparedness in contracting for project.

Fifth. Lack of basic financial data.

Sixth. Procedure for establishing investment priorities inefficient or lacking.

Seventh. Indefinite lines of responsibility.

Eighth. Loans granted for the construction of roads when roads constructed under prior loans were not being adequately maintained.

That is what the World Bank itself had to say about the International Development Association.

Mr. President, knowing the desires and the propensities of the Senate of the United States to vote tax funds, I suspect that I am in a minority when it comes to a vote on this issue. I am used to being in the minority on financial matters in the Congress. I do not particularly like it; nevertheless, I am used to it. But I think it is significant, Mr. President, that the branch of the Congress which is closest to the people of the United States; namely, the House of Representatives, has overwhelmingly voted down the proposal which the Senate has been debating today.

In analyzing the vote of the House of Representatives, which defeated this $1.5 billion program, the vote in the House was 155 in favor and 248 against—a very substantial majority.

Moreover, and what to me is quite significant, the rejection of this $1.5 billion contribution to the International Development Association was truly national in character. I have analyzed the vote. The entire delegations from 13 States voted in opposition. I repeat, the entire delegations from 13 States voted against it.

Including those 13 States and the total delegations from 30 States, more than half of the Representatives voted against this proposal.

To break that down into more detail, the entire delegation of Kansas, Maine, Montana, Nebraska, New Hampshire, New Mexico, Rhode Island, South Dakota, Virginia, and West Virginia voted against the IDA contribution.

Furthermore, the single at-large Congressmen from Delaware, North Dakota, and Wyoming voted in the negative.

This overwhelming rejection came from all parts of the country.

More than half of the Representatives of California who voted on this issue voted against the pending legislation.

Eighteen members of the New York delegation, almost half, voted for rejection.

Fourteen Representatives from Illinois out of 23 who voted "no." That is 60 percent rejection in Illinois.

Here is how some of the other delegations voted:

Five out of six voting Representatives from Alabama voted "no." The sixth was paired against the bill.

All three voting Representatives from Arkansas voted "no."

Five out of six Connecticut Congressmen voted "no."

Ten of the fifteen Representatives from Florida voted "no."

Eight of ten Georgia Representatives voted "no."

Eight of eleven Indiana Representatives voted "no."

Six of seven Kentucky Congressmen voted "no."

All four voting Representatives from Mississippi voted "no."

Six out of nine voting Representatives from Missouri voted "no."

Ten out of eleven North Carolina Representatives voted "no."

Fourteen out of twenty-three voting Representatives from Ohio voted "no."

Four out of five voting Representatives from South Carolina voted "no."

Seven out of eight voting Representatives from Tennessee voted "no."

Nineteen out of twenty-four Texas Congressmen voted "no."

So I say that that rejection by the House of Representatives was a national rejection of this unwise, expensive, and, in my judgment, completely injustified giveaway program.

It is different from the normal functions of the World Bank. It is administered by the World Bank, but it is a program entirely separate from the other functions of the World Bank.

The money will be borrowed. We will be borrowing money at 9-percent interest. And that is what the Government is paying for the money to give that money to the World Bank which, in turn, will loan it to other countries at 1 percent. And those other countries will loan it to their own citizens at anywhere from 12 percent to 20 percent. I think it is not a program that would be wise for the Senate to approve in view of the very desperate financial condition of the Federal Government itself.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is S. 2665.

Mr. JAVITS. Mr. President, in respect of that bill, I wish to state my support of the bill.

It was based on my own view of the urgency of this matter that we had an amendment to the bill which properly spread over a 4-year period the $375 million figure per year, rather than a total figure in excess of $1 billion for the U.S. contribution to the replenishment.

Mr. President, I am convinced that this is a most urgent aspect of the foreign policy of the United States.

I realize our own problems, our own serious deficiencies in many of the areas in which IDA would help other countries. However, the ability to cope with the problems of poverty, disease, and backwardness in the world is relative. And relatively speaking, the needs of the world are so urgent and our ability to help supply those needs relative to the ability of others is of such a nature that we simply must contribute.

Let us remember that 25 countries are participating, of which 25 we are 1. And this is a rather new aspect of the post-World War II history. We have thought a lot on what has to be done.

If anyone thinks for a moment that this is a light matter that we are dealing with, let us remember that hundreds of thousands have died, are dying, and will die in the famine in Sahel and elsewhere in Africa, from which I have just come myself in the last few months, and in the other parts of the world.

When we compare those sections of the world with our own, two-thirds of the population of the world still lives in abject poverty. There is great poverty. However, that is endemic in the problem in the poor lands and in the problem with which we are trying to cope.

Mr. President, for all of those reasons, I believe that IDA would be extremely important and vital to the foreign policy of the United States and to the peace of the world.

I hope that prompt action can be taken on this matter by the Senate.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGH SCOTT. Mr. President, S. 2665, a bill to provide for increased participation by the United States in the International Development Association was reported out of the Foreign Relations Committee on May 9, 1974 and is pending approval by the Senate. This bill authorizes the Secretary of the Treasury to pay annual installments of $375 million each as the United States' contribution to the Association. I understand our share is in excess of 21 percent of the total contributed by all nations.

I make note of the status of the bill because of its indirect but potentially harmful effect on a small industry in the Commonwealth of Pennsylvania. During the fiscal year 1973, mushroom growers in Pennsylvania accounted for over 55 percent of the total of the U.S. market with the remainder grown primarily in the States of Michigan, New York, and Ohio. In fact, this industry represents the largest cash value agriculture crop in the State with total sales of nearly $60 million in fiscal year 1973.

Unfortunately, in recent years the economic viability of this industry has been seriously impaired by Government subsidized imported canned mushrooms. Several of my colleagues in the Senate, Chairman MORGAN of the House Foreign Affairs Committee, and governors and leaders of the affected States have joined me in an unsuccessful bid to limit imported mushrooms by directing section 204 negotiations. However, there is every reason to believe the State Department is now prepared to strongly recommend this action.

Because of the already depressed condition of the industry, the recent publicity surounding an FDA investigation for botulism in canned mushrooms has crippled it even more and could well provide the final blow. Had our Government acted to limit the imports, the industry might well be able to pull through this crisis. It is important to note that the FDA reports no findings of any sickness or deaths resulting from botulism in canned mushrooms.

As a result of the botulism scare, the industry has applied to the Small Business Administration for long term, low interest loans to survive. However, it appears the loans will not be approved because of a requirement that the disaster be directly related to a natural cause. My review of the enacting legislation shows the SBA has the authority to make a favorable determination, and I shall continue to urge it be done.

It appears that our competitors in other countries have a far easier time obtaining financial assistance from our Government. The World Bank, IDA's parent organization, is reported about to approve a $13 million agricultural loan to South Korea. $4.5 million of this money is to be used to upgrade facilities used to process canned mushrooms and peaches. Simple mathematics shows the U.S. share of the loan will amount to over $2.5 million. We have received assurances from the Department of Treasury that the improved facilities will not be used to compete with the U.S. mushroom industry, but instead to meet the growing demands of the world market. Who is to police this requirement and what happens after the terms of the loan are complete?

I do not think it improper to suggest that representatives to the IDA should consider the full ramifications of their actions. It is no wonder that funding for the IDA finds resistance in the Congress when situations like this are permitted to occur. The future of the United States' participation in this program could well revolve around the degree to which the IDA takes notice of untoward impact on U.S. domestic interests.

Mr. HUMPHREY. Mr. President, the Senate considers the American contribution to the World Bank's International Development Association at a critical moment for over 1 billion of the world's poor in more than 30 of the poorest developing countries.

As a result of the doubling and trebling of the prices for food, fertilizer, oil and industrial commodities, the poorest nations are faced with an unprecedented financial crisis.

Their meager holdings of foreign currency stand to be depleted as they slip into depression and bankruptcy.

Unemployment, already soaring in the cities of Africa, Asia and Latin America, will increase dramatically.

And, most serious of all, the threat of famine and malnutrition hangs over millions upon millions of people as fertilizer-starved land fails to produce the yields necessary to avert disaster.

The crisis of the world's poor poses a moral dilemma for the relatively affluent industrial world. Either we take immediate steps to deal with this growing human crisis or we will stand accused of contributing to the suffering of great numbers of people.

Our Nation has never turned its back on those in desperate need. The authorization before us today is one essential element in what I hope will become a cooperative global effort to aid those nations unable to bear the burden of skyrocketing worldwide inflation and shortages in agricultural production.

As an affiliate of the World Bank, the International Development Association has been promoting economic development since its founding in 1960.

IDA was founded largely as a result of an American initiative. And to be even more precise, it was established as an initiative of the U.S. Senate. Its objective is to provide funds to those countries who cannot afford to borrow money needed for vital development projects at going rates of interest. Its concessional loan program has already provided 66 member countries with over $5.8 billion.

S. 2665 provides an authorization for the fourth IDA replenishment. This replenishment agreement was reached in Nairobi in September 1973 after many months of negotiations. The agreement as it now stands has reduced the U.S. share from 40 percent—the past level—to 33⅓ percent of the total contributions.

IDA funds go to the poorest nations who simply cannot afford the lending rates of commercial institutions or the regular World Bank rates. It is clear that IDA plays a vital role in increasing the flow of financial resources to countries that are not creditworthy in the traditional sense or have exhausted their borrowing capacity on conventional terms.

The per capita incomes of the countries receiving IDA funds average well under $200 per year. The economies of these poor nations are agricultural. Thus, the majority of IDA funds go to projects related to increased agricultural production and rural development efforts. Millions of people will benefit from a $14 million IDA tubewell project in Bangladesh. The victims of drought and disease in the Sahel will be aided by $14 million for drought relief. Earthquake rehabilitation in Nicaragua will be helped with $20 million in IDA funds.

These are just a very few of the projects which IDA is currently funding and which will have to be halted if the United States refuses to contribute to this important multilateral institution. In the fields of fertilizer production, road and railway construction, irrigation projects, educational development, disease prevention, just to name a few, IDA is working with the very poor nations in improving the quality of life in the poorest parts of the world.

We must realize that the problems IDA attacks on a daily basis are global problems which threaten the security of rich and poor nations alike. There can be no economic and political stability in a world faced with widespread famine and malnutrition. The growing chance of political and economic confrontation between rich and poor nations is fueled by the feeling of desperation and isolation of the very poorest members of the international community. Our only hope of ending the cycle of severe poverty in the developing world, which in turn perpetually requires our financial assistance, is to enable these countries to embark on development projects which will make them less dependent on the industrialized world for food and basic industrial commodities.

The Senate must act favorably on this authorization if IDA is to stay alive. Defeat by the Senate will surely cause the organization to collapse because other industrialized nations would withdraw their support.

Although I understand the atmosphere in which the House considered this authorization, I consider the action taken to be a regrettable and harmful response to an international economic crisis.

It was further argued in the House that loans to the least developed nations would only go to the Arab oil exporting states to pay for needed petroleum imports. Those who made this argument were not familiar with the nature and purpose of IDA loans. IDA was not designed to subsidize cost increases in the importation of petroleum and petroleum products. In disbursing foreign exchange, IDA does so only for imports of specific goods and services required for the execution of the project for which the credit was granted. Consequently, IDA funds cannot be siphoned off by a borrower to pay for items not related to the project.

The Senate Foreign Relations Committee has carefully considered this legislation. It held another set of hearings to answer many of the charges against IDA made in the House debate. It is clear that the Senate today is to approve an agree- the only responsible course of action for ment negotiated fairly by the executive branch which is in the best interests of the United States.

An American withdrawal from the activities of the International Development Association would be a clear signal to the industrialized world that we are no longer willing to pay our fair share in eradicating poverty and hunger in the developing world. I cannot believe that this would be the response desired by the American people.

Failure to approve this replenishment would also be a signal to the world's poor that we are not interested in contributing to a minimal effort to help them at a time of desperate need. The reaction to a negative vote here would have political reverberations around the world. And the economic consequences of such action would follow shortly. To expect that our Nation can say "no" to the world's poor and then have their cooperation in the extraction of raw materials under their control, as well as the opening of their markets to American products, is sheer folly.

It is in our self-interest to act to approve this authorization. It is our moral obligation to aid those who face hunger and economic deprivation. I strongly urge my colleagues not to abandon those nations who ask us to help them so that they may help themselves.

I wish to call to the attention of the Senate a letter signed by five former Secretaries of the Treasury. This letter expresses the support of these able and experienced men for the pending legislation. I ask unanimous consent that the letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 14, 1974.

Hon. JOHN SPARKMAN,
Acting Chairman, Senate Foreign Relations Committee, Senate Office Building, Washington, D.C.

DEAR SENATOR SPARKMAN: As former Secretaries of the Treasury, we wish to express to your Committee and to the Senate at Large how extremely important we regard United States support for the Fourth Replenishment of the Internatonal Development Association (IDA). In terms of vitally needed resources for the development of less developed nations, IDA occupies a unique and preeminent position. As the largest single provider of development funds on a concessional basis, with its loans going to the poorest of the poor countries, IDA has become a key to cooperative development efforts. Under the sound and professional management of the World Bank, its impressive record in the thirteen years of its operations has helped provide a catalyst for other development efforts.

Each of us has served as U.S. Governor of IDA or its parent organization, the World Bank. Each of us knows that U.S. participation in IDA and similar multilateral institutions is of very broad significance for the United States and for the nature of the world economy.

For the United States, the process of development that IDA supports means expansion of markets abroad for the products of our farms and industries, as well as better and cheaper sources of supply for raw materials we require in increasing amounts.

For the world economy, IDA is an essential element in a cooperative approach to the entire spectrum of international economic problems, an approach that is a cornerstone of our efforts.

Cooperation with other nations is integral; we cannot realistically expect other countries to respond to our negotiating objectives in other major fields such as international trade, investment and monetary reform, and not ourselves be a full participant in as important an arena for cooperation as IDA, The serious new problems posed by the oil crisis for the U.S. and for developing countries in no way change this view, but rather reinforce the necessity to proceed promptly to maintain our national commitment to orderly development.

We are well aware of the domestic and other international financial burdens borne by the United States. However, we do not believe that the proposed IDA replenishment, which would require U.S. contributions of $375 million a year over a four-year period, can remotely be considered as beyond our economic capacities. In comparison to magnitudes such as our gross national product or the Federal Budget, the cost to us of the IDA Fourth Replenishment will clearly be lower than in the past.

The Fourth Replenishment Agreement negotiated last year in Nairobi impresses us as an exceptionaly favorable one from the standpoint of the United States, particularly in view of the reduction in the U.S. share to one-third.

IDA will be out of funds by June 30. Our negotiating partners in the other developed countries are prepared to move ahead on the Fourth Replenishment now, provided there is evidence that the United States will take up its fair share. Only prompt and affirmative action by the Senate can provide that evidence. The alternative to such action is grave jeopardy to the survival of what has been a major element of U.S. foreign economic policy. We urge that your Committee exert the strongest possible effort toward restoring a full and cooperative U.S. role in the affairs of the International Development Association.

Sincerely yours,

Robert B. Anderson,
Joseph W. Barr,
John B. Connally,
C. Douglas Dillon,
Henry H. Fowler.

Mr. JACKSON. Mr. President, as a cosponsor of S. 2665, I urge my colleagues to support this legislation to authorize continued U.S. participation in the International Development Association—IDA—the soft loan agency of the World Bank. Participation of the United States and other donor nations in this fourth replenishment of funds to the IDA was negotiated in Nairobi in September, before the onset of the world oil crisis.

The world oil crisis began as a crisis of supply; after the Organization of Petroleum Exporting Countries—OPEC—quadrupled its prices, the crisis turned into one of ability to pay. OPEC's oil price hikes represent a threat to both the economic and political stability of nations all over the world. The price rises have brought inflation, industrial slowdowns, and economic dislocations. They have caused balance-of-payments problems, as well as domestic and international political problems, for most of the oil-importing nations.

However, there is little doubt that the developing countries have been hurt most. There is a real danger that OPEC's arbitrary pricing policies will have a devastating effect on the development efforts of these countries.

OPEC's new oil prices alone are expected to cost these countries $10 billion more than last year, thus exceeding the entire $8 billion in net aid that they received that year. Their already struggling economies will be further squeezed by the higher cost of their considerable fertilizer imports. The crisis is particularly severe for the millions of people fighting starvation in nations suffering from the African drought.

The OPEC policy has in effect created a fourth-world bloc of countries by consolidating and exploiting cartel power. The world oil crisis underlines the common interest of the developed and less-developed countries in cooperative efforts to protect our economies from this abuse of power.

Despite the hardships we ourselves have incurred as a result of the energy crisis, we must remember that our Nation has by far the most abundant economy in the world.

We cannot in conscience withdraw our financial support for multilateral IDA loan assistance programs to developing nations whose need is so great at this critical time. We are talking about countries where economic progress or regression can literally mean life or death for so many of our fellow human beings. We can well afford to continue to contribute a reasonable share to the economic growth on which their economic survival ultimately depends. What we cannot afford is to be driven by the arbitrary actions of third parties to retreat from a longstanding commitment which is well founded in terms of both our humanitarian interest and our national self-interest.

I would like to point out that IDA moneys can be used only to finance development efforts and cannot be diverted to pay for the increased oil import burden of the recipient countries. In other words, our IDA contribution cannot wind up in the overstuffed coffers of oil profiteers.

Whether or not each of the OPEC countries accepts its responsibility toward the less developed countries remains to be seen. In the meantime, we must continue our modest efforts to help them develop economically.

Mr. President, I urge the Senate to move promptly to continue American participation in the vital IDA programs.

I would like to call the attention of my colleagues to some important information developed by Mr. James P. Grant, president of the Overseas Development Council, in an article "Energy Shock and the Development Prospect," which was included in full in a print issued in April by the Committee on Interior and Insular Affairs entitled, "Implications of Recent OPEC Oil Price Increases."

I ask unanimous consent to include a summary of this article in the Record at this point.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Summary: "Energy Shock and the Development Prospect"[1]

(By James P. Grant)

Early in 1973, the growth prospects of most developing countries for the decade ahead appeared good. Twelve months later, these prospects are in grave jeopardy because of the jolt of sudden massive price increases of their essential imports—primarily oil, food, and fertilizers. They also will be hurt by the deepening of the global economic slowdown already in prospect for 1974 even before the announcement of the Arab oil embargo and the OPEC price increase for oil. The result of these massive changes is that some developing countries will suffer severe, but manageable, shocks; others now face catastrophe and their development prospects are endangered for the rest of the decade.

The "energy shock" which these countries are experiencing comes from two different factors: (1) the increase in oil prices, and (2) higher prices for food and fertilizer, both of which are essential commodities which they import in large quantities from developed countries. If prices remain at current levels (which are four times those of 1972) the non-oil exporting developing countries will have to pay $10 billion more for necessary oil imports in 1974 than in 1973. Moreover, it is likely that most of this money will be "recycled"—in the form of oil-country purchases and investments—*not* into these economies but into those of the developed countries. And with wheat and nitrogenous fertilizer prices three times as high as those of 1972, increased costs for imports of these two commodities alone (primarily from the United States) will be over $3.5 billion.

As a consequence of these rises, *the developing countries will need to pay some $15 billion more for essential imports in 1974.* The massive impact of these price increases is indicated by the fact that they are equivalent to nearly five times the total of net U.S. development assistance in 1972, and almost double the $8 billion of all development assistance that the developing countries received from the industrial countries in the same year.

[In billions of dollars]

	1972	1973	1974 estimate
All oil imports from OPEC (CIF)	20.0	36.0	100.0
Developing country oil imports	3.7	5.2	15.0
OPEC governmental oil revenues	14.5	22.7	85.0
OPEC current account surplus	1.6	6.1	66.0

Equally important, the developing countries will be further damaged if the present worldwide economic slowdown drifts into a major global recession. Their export earnings would be reduced, and those countries depending heavily on workers' remittances and on revenues from tourism would suffer additional harm. Whether a global depression can be avoided depends on how the developed countries (and notably the U.S.) react to the new situation.

For many developing countries, however, an offsetting factor is the higher prices they now receive for their commodity exports. Thus, Brazil's increased oil bill for 1974 of some $1.2 billion is partially offset by the much higher prices for its commodity exports.

THE EFFECTS WILL VARY

The developing countries as a whole can be divided into four separate categories on the basis of how they will be affected by these new scarcities.

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[1] This paper will apepar as Chapter II in ODC's annual publication: *The United States and the Developing Countries: Agenda for Action 1974,* which will be published for the Council by Praeger Publishers in early April, 1974.

1. The oil exporters. These countries, with a combined population of more than a quarter of a billion (greater than North America, the European community, or Latin America) and whose governmental oil revenues will increase from $14.5 billion in 1972 to an expected $85 billion in 1974, obviously will be in a greatly improved position. Countries such as Nigeria and Indonesia, which have large impoverished populations, will now have sufficient resources to support and expand existing developing programs.

2. A group which either will not suffer significant injury or who appear to be net beneficiaries. (Some are virtually self-sufficient in energy or even small exports (e.g., Colombia, Mexico, China); others, such as Malaysia, Morocco, Zambia, Zaire, are benefiting from the greatly increased prices for their raw material exports.

3. A group of countries which will suffer disproportionately from serious slowdowns in the developed countries because major sectors of their economies (tourism, worker migration, fruits and vegetables) are closely linked by proximity with the developed countries (as, for example, Turkey and Tunisia) or who are integrated into the world economy through the processing of goods (South Korea, Taiwan, Singapore). The inherent economic strength of these countries and their access to the world financial markets will help them overcome the short-term difficulties.

4. Some 30 mostly very poor countries which together contain some 900 million people and which have very dismal prospects for the future. These countries urgently need aid in meeting an increased import bill of some $3 billion in 1974 for essentials, and will need additional capital to increase domestic food and energy production so as not to be permanently disadvantaged by the higher prices (e.g., India, Bangladesh, Philippines, Sahelian Africa).

THE ROLE OF THE UNITED STATES

Paradoxically to most Americans, the United States may be the only major industrialized country currently able to take a lead in a cooperative global effort to counteract the effect of these recent price changes. The United States is least dependent upon oil imports and is benefitting by about $6 billion in F/Y 1974 from higher prices for its food exports. Its balance of payments in 1974 and 1975 should be strongly favorable despite a possible trade deficit, reflecting the fact that the United States will provide the most attractive investment opportunity for the oil exporting countries with their potential $50 billion to $66 billion annual capital surplus. However, the moral and logical position of the United States in urging OPEC action to ease the world crisis would be greatly strengthened by an initiative to use our dominance (together with that of Canada and Australia) of the world food supply to work together with the OPEC countries who dominate the world's energy.

ELEMENTS OF A SOLUTION FOR THE DEVELOPING COUNTRIES

Possibly most important is the need to avoid a serious global recession. This requires that (a) the United States, with the potentially strongest economy, return to a healthy economy in 1974 and that (b) means be found for recycling funds from the foreign exchange surplus nations (OPEC and the United States) to the most seriously injured industrial and developing countries. Most developing countries will require special help:

1. The International Monetary Fund. Only the IMF is in the position to help the developing countries absorb the short-run impact of the price increases. However, its short-term, relatively high interest facilities are far better suited to helping the relatively advanced developing countries (e.g., Mexico, Brazil) than those facing major problems with already limited repayment capacity (e.g., India, Sri Lanka).

2. The OPEC Countries. The oil exporters must play an important role through a combination of: (a) concessional sales of oil, (b) bilateral aid, (c) massive new support for international financial institutions, and (d) investment in fertilizer production and raw material development in the developing countries.

3. The Developed Countries. They need to provide additional help to the poorest countries through such means as (a) arranging a debt moratorium for the most acutely hurt developing countries, (b) making available an additional two to three billion dollars annually to finance needed imports of food and manufactured goods by those countries, with one possible means being an international food program to finance the needed food and fertilizer imports of these countries

4. The International Financial Institutions. The World Bank, the Asian Development Bank, and the Inter-American Development Bank all play major roles both in transferring more resources and in providing leadership and coordination for a global effort to assist the hard-hit developing countries meet their needs for greatly increased production of food and energy. They can assist the IMF in meeting the short-term requirements by increased use of sector and program loans, and they can play a major role in an expanded development assistance effort which would include major contributions from the OPEC countries.

The world faces a crisis comparable in scale to those of the 1930s and the late 1940s and one which requires a major response if disaster is to be avoided. In the next several months, the nations of the world will be participating in a number of international negotiations that provide a series of forums for the crafting of a new global effort that must include substantial new help—in several forms—to those poor countries which are most grievously injured. The energy conferences provide the first opportunity for exploring such broad approaches. In addition, the World Food Conference set for November could provide an opportunity to create a global program going far beyond food to encompass problems arising out of the energy crisis as well.

Mr. WILLIAMS. Mr. President, the current interest in continued American participation in the International Development Association has generated some outstanding evaluations of what IDA means to the developing nations.

U.S. congressional initiatives provided the basis for the establishment of the International Development Association in 1960. IDA provides credits for self-help projects in those countries with an average per capita income of less than $375 per year which cannot afford the loan rates of the World Bank. The IDA credits are limited to specific infrastructure projects that are carefully formulated and regulated by the World Bank to avoid waste and misuse.

International Development Association projects have directly benefited millions of people in 21 countries over the past 14 years. Its agricultural projects have assisted 1¼ million farmers and placed 3½ billion acres into cultivation. IDA has provided health care for 21 million people, improved water supplies and sewage treatment for 9 million more and is combating epidemics and drought in the areas where the populations are most defenseless against them.

Economists indicate that if IDA programs are suspended, it will mean the difference between survival and disaster for recipient countries.

I have received overwhelming expressions of support for IDA from a variety of sources. These include the Departments of Treasury and State, the League of Women Voters, Americans for Democratic Action, World Federalists, U.S. Chamber of Commerce, American Jewish Committee, United Automobile Workers, League for Economic Assistance and Development, United States Catholic Conference, United Methodist Church, and Members of Congress for Peace Through Law.

I wish to add my strongest support for S. 2665 which authorizes a fourth replenishment of IDA. If Congress fails to renew its commitment to this humanitarian program, IDA will be out of money for future loans on June 30.

In these times of pervasive economic uncertainty at home, there is greater resistance to international assistance programs, no matter how meritorious they may be. I wish to point out that U.S. participation in IDA has several direct benefits for the United States.

IDA helps assure the U.S. access to raw materials from abroad. These funds build power facilities, roads, ports, and assist in mining projects. Now, one-third of our raw materials come from nonindustrialized countries, and by 1985 we will be dependent on them for 10 of the 15 minerals critical to our economy. We must insure access to these essential resources.

IDA credits frequently go directly for the purchase of U.S. goods used in these projects. Last year developing nations provided a $15 billion export market for U.S. goods. IDA expands the ability of poorer nations to purchase our supplies, and it expands our markets abroad.

In addition, these funds alleviate the frustration and potential for violence inherent in poverty. In a world that is increasingly interdependent, it is clearly in our national interest to promote stability.

Finally, I do not think that we should overlook our moral responsibility to help those confronting overwhelming problems in survival. I believe we do have a duty to reduce the toll in human deaths and misery in this world to the extent that we reasonably can.

Albert Camus is reported to have said:

> Perhaps this is a world in which children suffer, but we can lessen the number of suffering children.

We now have before us a measure that can do something to lessen that suffering; at the same time, it will make a substantial contribution to our national interest as well. Therefore, I urge the Senate to adopt the authorization for replenishing the fund of the International Development Association.

NEW DIRECTIONS IN DEVELOPMENT

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Record an article entitled "A 'People' Strategy of Development," written by Barbara Ward.

It is important that we signal our support for and interest in development at a time when the focus of development is being placed directly on those in greatest need.

The World Bank has changed its policies to place greater emphasis on people programs, and that is a major reason why we need to support S. 2665.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A "People" Strategy of Development

(By Barbara Ward)

A major revolution has been taking place in the 1970s in the thinking of development experts of the interaction of social justice and economic growth.

Contrary to earlier expectations, the unprecedented increases in output of the past decade have failed to "trickle down" significantly to the poorest majority of the people. Fortunately, there is growing evidence that new development policies carefully designed to raise the well-being of the poor—by increasing their ability to participate in the development process through such measures as labor-intensive production and broad access to education, health, and credit facilities—can actually accelerate, rather than hinder, economic growth. This new approach has the additional virtue of lessening the insecurities which are the major motivation for high birth rates in developing countries.

Discussion of the new strategy has now reached policy-making circles in both developed and developing countries, shifting attention from "the high abstractions and generalities of economic growth to the immediate and critical needs of human beings."

The World Bank, under the leadership of Robert McNamara, and the U.S. Congress, in redesigning the American bilateral aid program, have taken important steps in support of the new strategy, giving spur to the new, more humane order of priorities and urgency.

INTRODUCTION

The greatest obstacle to a renewed emphasis on international economic development is the widespread suspicion among governments and their constituents that development assistance "does not work" and that further efforts will be no more than throwing good aid money after bad. "We have had nearly twenty years of various programs," the critics say, "and at the end of it all we learn there are more poor people, more illiterates, worse income distribution and higher pressure on food resources than at the beginning. Surely it is folly to carry on strategies which seem so clearly to miss their targets."

But, in fact, the times are not impropitious for a new approach to development strategy. The first reason is, in a sense, negative. We have mistakes to learn from. The twenty years have produced quite a crop. It is fairly clear that, when the broad lines of aid policy were formulated in the 1950's, some of the preconceptions were wrong. Thinking was dominated by the recent history of the already industrialized world, especially by the industrial and technological triumphs of the two great victors of the Second World War—the United States, "industrial arsenal of the democracies," and the USSR, the inventor of planned industrialization by the forced draft mobilization of capital for heavy industry. An emphasis on seeking development by way of rapid investment in industry and its essential infrastructure—power, transport, technical training—was, as it were, built into the aftermath of victory. It was confirmed by the triumphant success of the Marshall Plan, which transferred American capital for rebuilding Europe's shattered industrial base.

Moreover, the strategy fitted very well into the suspicion of many ex-colonial nations that their late imperial masters had not been too anxious to endow them with a local industrial base. India compared its industrial progress inside the British Empire with Japan's outside and did not find it irrational to conclude that the highest mobilization of savings for the most rapid expansion of industry—as substitute for importing, as the basis of economic independence, as the guarantor of power—should be at the core of its development strategy.

TROUBLES OF A TRANSPLANTED STRATEGY

The trouble about this approach has not been that rapid expansion did not take place. In fact, the average 5 percent rate of growth in gross national product (the sum of goods and services) in the developing world throughout the 1960's is the highest sustained growth rate ever achieved by modernizing states in the early stages of technological change. It is at least twice that of the 19th century average.

Nor, clearly, has there been anything wrong with growth as such. People are not poorer because there is more electric power to lessen backbreaking work, more steel to build the power stations and railway tracks, more fertilizer for farms, more output per acre. A certain sophistry is growing up among the already rich, feeling the surfeit of pollution, littered parks, filthy beaches and congested highways. They denounce "growth" when they mean excess. There is no excess in developing lands and *real* growth—in materials and power and skills—is the only way of improving human standards of living.

The trouble is that even with five percent growth, the development strategy underlying it has proved inadequate and it has not broken what we are now beginning to recognize as the vicious interlocking circles of "obdurate underdevelopment," a condition which makes it possible for gross national product to grow by 5 and 6 percent a year, but the 40 percent of the population at the base of society to be actually worse off. National income improves. The distribution worsens. And within the existing strategy of planned investment, still largely following its models of already developed lands, there is no way out of the deadlock.

The nature of the problem is becoming clear. Population increasing at twice the 19th century rate swamps the ability of a normally unreformed and often overcrowded agriculture to absorb the rising labor force. Migrants stream to the shantytowns of cities which grow at four to eight times the rate of population. But in these exploding metropolises, industrial investment has all too often gone into capital-intensive industrial technology imported from development lands. It needs not unskilled labor, which is abundant, but capital and skills, which are not. The persistence of mass poverty in farms and slums inhibits the growth of internal markets. Foreign markets are often preempted by developed firms and multinational enterprise. Income distribution is postponed in the name of prior capital accumulation and again limits the market. The economy thus tends to combine growth with rising unemployment, continuing and even increasing poverty for more people and, eventually, growing risks of social dislocation.

CAPITAL FOR JOBS AND MARKETS

In the early stage, a critical element is adequate capital. The strategy of the 1950's was not wrong in stressing this. It simply directed it faultily. Over time, small savings by a very large number can equal the large savings of a few. But the early stages of any decentralized and "popular" strategy can be crippled by lack of capital while the habits and cooperative institutions for small savers are being built up. Outside help is essential. It has to be said that the new development strategy is not going to be cheaper. It demands a return to the ideal of a transfer from rich to poor nations of at least the proposed one percent of GNP. But the funds can now have some hope of reaching the critical elements—credit for the small farmer and entrepreneur, the regional infrastructure of roads and power, and, above all, the new urban "grid."

Moreover, these are three areas in which capital released from international development funds can become a multiplier both of employment and saving. Farmers in cooperative groups can be issued credit with careful provisions for repayment. The original grant leads to a revolving fund. Public works based on mass use of labor can be combined with popular saving schemes. Widespread urban construction has been, throughout the industrial era, the largest absorber of unskilled labor and also a most effective multiplier of effective demand as citizens begin, through mortgage banks and home loan associations, to save for their own houses and spark demand for building materials. The whole program lessens the risk of markets too narrow to absorb the economy's increasing productivity and begins to build up the mass market at home which is the best guarantee of an effective export effort.

Hitherto, development aid, by giving priority to the concept of economic and largely industrial growth irrespective of historical realities or social consequences, has tended to produce an economic market too limited for further expansion and social benefits too narrow for long-term acceptance. By putting employment, participation and regional development at the head of the priority list, the new strategy promises to produce not only greater social coherence but more rapid and widespread growth as well.

Nor are the advantages confined to developing lands. Provided development is going forward on this new wide and popular basis, the developing world will become an expanding market for already developed producers. If for at least another two decades it could enjoy, thanks to the funds made available through development assistance, a negative balance of payments, it would steadily absorb more goods than it could sell. This process would allow the developed producers to enjoy that surplus trade balance they all seek and to do so without ruining each other in super-competition for the third car and fifth television set. It could do more. Given the inflationary pressures generated in the world economy since 1972, a marked rise in food production and an increase in local supplies of energy and fertilizer could at least help to take some of the strain off the world's present condition of hyper-demands for scarce resources. Without such a development, continued inflation—or a supercrash—could be unavoidable.

A STRATEGY FOR PEOPLE

But perhaps the most important feature of the new strategy is that it shifts the attention of developed and developing nations, and of the institutions which serve them internationally, away from the high abstractions and generalities of "economic growth" to the immediate, concrete and critical needs of human beings. We should be very clear about this. The new strategy in no way diminishes the importance of economic growth. Without more resources, without higher productivity, without power, without food, what lies ahead but increasing misery and the deepening risk of mass famine? But the switch from "sectors" to "people" is a switch to the kind of investment that produces the most needed forms of growth, encourages and enhances the people who have to do the bulk of the work and gives them the highest incentives—the hope of sharing, with some justice, in the fruits of their labor. Here, surely, we can see a genuine key to the chance of a peaceful world.

New Directions in Development

The first point to be noted is that, like our new analysis of the interlocking nature of the obstacles to development, the strategy represents a "systems" approach. It takes account of the interdependence of the obstacles to be overcome and suggests an equally coherent and interdependent response. In bringing the various elements together, analysts have relied on concrete experiences of successful action in such areas as South Korea, Taiwan, Egypt and Yugoslavia. The historical experience of earlier developing nations and quite especially of Japan is now given due weight. A partial knowledge of the decentralized policies pursued in the Chinese People's Republic is having considerable impact. The strategy is therefore not based, as was that of the 1950's and 1960's, on largely misleading historical nineteenth century analogies. It is rooted in a saner reading of history and in confirmed contemporary fact.

The elements of the new development strategy or "system" can be briefly summarized.

1. A firm priority in funds and trained manpower for the agricultural sector.

2. The provision of credit, extension services and basic inputs—fertilizer, water, improved seeds—in such a way as to include and enhance the efforts of the small farmers. At present the incomes of nearly a billion people depend upon farms of less than 5 hectares in size; but on these mini-holdings output per hectare can be a third as large again as in the largest farms—this is the case in Brazil—or even twice as large, as in Guatemala. Even on farms as small as 2 hectares, Taiwanese farmers have been increasing output by as much as 5 percent a year. The critical factor is security of tenure, access to credit and to the essential inputs of productivity, above all, fertilizer and water. Yet in Iran, only 10 percent of institutional credit gets to the small farmer. For every $4 an Indian farmer receives, a Japanese farmer receives $42. Here is the critical gap in capital, productivity and, above all, food that the new development approach is beginning to put at the center of its strategy.

3. Access for peasant farmers to the regional and national economy by the provision of power, water and roads and by the building of intermediate market towns and regional cities. Without these symbols and active centers of modernization, the drift to the largest cities will continue. The "peasant" life is not for the young, and if Buenos Aires is the chief center of "modern" attraction, nearly 60 percent of the people will live there. Education for one's children is about 5 percent rate of growth in gross national products (the sum of goods and services) in the developing world throughout the 1960's and is the highest sustained growth rate ever achieved by modernizing states in the early stages of technological change. It is at least twice that of the 19th century average.

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The trouble is that even with five percent growth, the development strategy underlying it has proved inadequate and it has not broken what we are now beginning to recognize as the vicious interlocking circles of "obdurate underdevelopment," a condition which makes it possible for gross national product to grow by 5 and 6 percent a year, but the 40 percent of the population at the base of society to be actually worse off. National income improves. The distribution worsens. And within the existing strategy of planned investment, still largely following its models of already developed lands, there is no way out of the deadlock.

The nature of the problem is becoming clear. Population increasing at twice the 19th century rate swamps the ability of a normally unreformed and often overcrowded agriculture to absorb the rising labor force. Migrants stream to the shantytowns of cities which grow at four to eight times the rate of population. But in these exploding metropolises, industrial investment has all too often gone into capital-intensive industrial technology imported from developed lands. It needs not unskilled labor, which is abundant, but capital and skills, which are not. The persistence of mass poverty in farms and slums inhibits the growth of internal markets. Foreign markets are often preempted by developed firms and multinational enterprise. Income distribution is postponed in the name of prior capital accumulation and again limits the market. The economy thus tends to combine growth with rising unemployment, continuing and even increasing poverty for more people and, eventually, growing risks of social dislocation.

It is this picture of growth and poverty combined, of rising output and sinking standards, of traditional societies dislocated before workable modern societies take their place, that has cast such a pall of discouragement over the liberal supporters of economic assistance and given such powerful new arguments to those who disapproved of it in any case.

DEVELOPMENT HISTORY REVISITED

But at this point we can see how, by careful study and feedback, the negative results can be transformed into creative tools of analysis. A wiser strategy can be devised to make the next phase of development far more productive and successful. The first point to realize is that the historical conditioning of the development strategies of the 1950's and 1960's played a considerable part in lessening the effectiveness of their impact. Developing countries could not spring, fully equipped, into the results of nearly two hundred years of historical economic development. Britain, Europe, the United States had gone through their own stages of economic growth and diversification. So had Russia, by a different route. So above all, had Japan, a loser on such a scale in the holocaust of 1945 that, for a time, nobody much bothered even to look at its economic history.

Yet a more careful look at the earlier phases of all these modernized states would have revealed two things. The first was the critical role played by agricultural expansion (including the ending of feudalism in Europe and Japan), by the downward extension of credit, marketing, services, small-scale enterprise in manufacturing and commerce to a wide network of regional urban centers and the resulting spread of economic activity away from single big centers.

Britain's eighteenth century market towns with their elegant Georgian corn exchanges, town halls and merchant houses were the foundations upon which a diffused prosperity reached out from London, hitherto the only financial center. Without this diffusion, regional industries—cottons in Lancashire, woolens in Yorkshire—would have lacked the means of mobilizing enough capital for their own expansion or of basing their exports on a rising internal market.

In America, as Professor John Kenneth Galbraith has pointed out, it was the building of the Erie Canal and the opening of the great plains to agriculture, with a hundred growing urban centers a thousand miles removed from the old coastal cities, that put the whole continental experiment into high gear.

Mr. BARTLETT. I am pleased to speak on behalf of S. 2665, the authorization bill for the International Development Association. IDA is an example of multilateral foreign assistance in which the United States can take great pride. It was established in 1960 under the leadership of then Oklahoma Senator Mike Monroney.

Since 1960, 66 countries in Africa, Asia, and Latin America with per capita incomes of less than $375 have received IDA loans.

The primary beneficiaries of IDA have been India, Indonesia, Pakistan, Bangladesh, Turkey, and Ethiopia. Most of these countries have per capita incomes of less than $200 per year.

The projects which have been financed through IDA include a wide range, but primary recipient areas have been agriculture, transportation, power, and education.

It should be emphasized that IDA makes loans, not grants. The recipient governments are expected to pay back the principal as well as a modest service charge. Thus far no country has defaulted in its obligations.

While the primary purpose of IDA is humanitarian assistance for underdeveloped countries, there are other beneficial aspects for the United States.

Approximately 60 percent of the U.S. contribution to IDA will be returned directly to the United States through procurement and local expenditures. Additionally, as recipient countries develop, new markets should open up for American goods.

We in the United States cannot ignore our obligations as well as our opportunities as leaders of the free world.

While there have been serious abuses in some foreign aid programs, this should not overshadow the good which has been accomplished by others. We should be intelligent enough to eliminate the bad and support the good.

IDA is an example of the good. Through IDA we have helped irrigate 180,000 acres in Bangladesh, established schools in Paraguay, provided drought relief in Africa, and earthquake rehabilitation in Nicaragua.

I am proud of the U.S. efforts through IDA, and I wholeheartedly support S. 2665.

VISIT TO THE SENATE BY THE DEPUTY PRIME MINISTER AND THE AMBASSADOR OF PEOPLE'S REPUBLIC OF POLAND

Mr. MUSKIE. Mr. President, it has been my pleasure this noon to join with several of our colleagues to welcome distinguished visitors from the People's Republic of Poland. We have present in the Senate chamber Deputy Prime Minister Jan Mitrega and Ambassador Witol Trampczynski, of the People's Republic of Poland.

The Deputy Prime Minister is in this country and has been here some 12 days seeking to broaden the contacts between our two great countries. His particular mission is to explore the possibility of expanding trade. We have had most useful discussions with him around the dinner table this noon.

It is my pleasure to welcome him to the Senate.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. JAVITS. Mr. President, I am the only member from the minority side of the Committee on Foreign Relations in the Chamber at the moment, and I would like to join the Senator from Maine in welcoming our visitors.

The historic relations between our countries are not only very substantial and basic, but also the relationship of so many millions of Americans in the sense of their own ancestors and the culture of Poland are very real and vivid in our country. These discussions are very useful and constructive in our relations with Poland, and it is very auspicious that they should be visiting with us today.

Mr. President, on behalf of the minority, I would like to welcome them to the Senate.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield to the Senator from Minnesota and I take particular pride in doing so, because it was as a result of his invitation that this Senator was privileged to ride on the national ticket with him in 1968.

Mr. HUMPHREY. That was my good fortune.

Mr. President, I wish to join the Senator from Maine and the Senator from New York in welcoming our distinguished guests from Poland.

As one individual citizen in America and a U.S. Senator, I am everlastingly grateful for the courtesy and hospitality extended by the people and the Government officials of Poland on the occasion of my visits to Poland. Mrs. Humphrey and I were in Poland only recently to attend ceremonies for the Children's Hospital at Krakow, one of the great hospitals of the world, which is the product of the great cooperation between our two countries. The Senator from Maine and the Senator from New York have worked together to make this possible.

Poland represents a great people and a great history, and the relationship between our countries has grown warmer and more solid year by year. We hope this mission will be a great success, and they will have our complete cooperation.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. HARRY F. BYRD, JR. Mr. President, I would like to say to the parliamentarians from Poland that I, too, have been to that wonderful country and I have been very much impressed by the people of Poland. I have great admiration for them and the way they have endured many hardships during the centuries.

Welcome to the Senate.

Mr. MUSKIE. I thank my good friend from Virginia.

Mr. President, I ask unanimous consent that the Senate stand in recess for not to exceed 5 minutes to welcome our distinguished guests.

[Applause, Senators rising.]

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Thereupon, at 2:30 p.m. the Senate took a recess until 2:33 p.m. During the recess the Deputy Prime Minister and the Ambassador of the People's Republic of Poland were greeted by Members of the Senate.

On expiration of the recess, the Senate reassembled and was called to order by the Senator from New Mexico (Mr. DOMENICI).

ORDER FOR RECOGNITION OF SENATORS CLARK AND ROBERT C. BYRD ON TUESDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Iowa (Mr. CLARK) be recognized for not to exceed 15 minutes, that he be followed by the junior Senator from West Virginia for not to exceed 15 minutes, and that there then be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate take a recess subject to the call of the Chair, with the understanding that the recess will not extend beyond 4 p.m. today.

The PRESIDING OFFICER. Is there objection?

There being no objection, at the hour of 2:54 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 3:56 p.m., when called to order by the Presiding Officer (Mr. HARRY F. BYRD, JR.).

VACATION OF ORDER FOR THE SENATE TO CONVENE TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the convening of the Senate on tomorrow be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR CERTAIN ACTION TO BE TAKEN DURING THE ADJOURNMENT OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the forthcoming Memorial Day adjournment, on Thursday, May 23 and Friday May 24, the Secretary of the Senate be authorized to receive messages from the President of the United States; that on Thursday, the Secretary of the Senate be authorized to receive messages from the House of Representatives, and that all committees be authorized to file reports until 4 o'clock on that date; that the Vice President, the President pro tempore, and the Acting President pro tempore be authorized to sign duly enrolled bills and joint resolutions.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(Mr. ROBERT C. BYRD assumed the Chair as Presiding Officer at this point.)

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GEN. STONEWALL JACKSON'S PHYSICIAN

Mr. HARRY F. BYRD, JR. Mr. President, Gen. Thomas J. Jackson "Stonewall Jackson," Gen. Robert E. Lee's strong right arm, died on May 10, 1863. He died in Virginia near Chancellorsville where he had been shot a few days before. The death of General Jackson had a profound effect on the military history of the War Between the States.

The Winchester Evening Star of Monday, May 13, 1974, published a very interesting account of the last days of General Jackson. The article is written by a staff writer, Mrs. Shirley Byrd. It is of considerable interest.

The attending physician to General Jackson, the first one to see him, was Dr. Hunter Holmes McGuire of Winchester, Va. He was the great uncle of Dr. William Province McGuire who is today one of the outstanding physicians in the United States. He is a citizen of Winchester, Va. Indicative of his standing in his profession, he is now the president of the American Ophthalmology Society.

I might say, too, that Dr. William Province McGuire, the present president of the American Ophthalmology Society is the son of Dr. Hunter Holmes McGuire who, likewise, was president of the American Ophthalmology Society some years ago.

The present Dr. McGuire is the fourth generation of doctors in his family.

I mentioned the doctor who attended Gen. Stonewall Jackson as being Dr. Hunter Holmes McGuire. His brother was Dr. William Province McGuire and his son was Dr. Hunter Holmes McGuire, and his son is currently a resident of the city of Winchester and a close and dear friend of Dr. William Province McGuire.

Mr. President, I ask unanimous consent to have this very interesting article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROLE OF DR. HUNTER MCGUIRE: DEATH OF A GENERAL

(Editor's Note: Returning to Confederate lines near Chancellorsville, Va. on a moonlit night 103 years ago, Gen. Thomas J. (Stonewall) Jackson was wounded when fired upon by his own troops who apparently mistook him for the enemy. The first physician to see the general was Dr. Hunter McGuire, great uncle of Dr. William P. McGuire of Winchester, a former city councilman. Here is the story of the wounding of Jackson and the role played by Dr. Hunter McGuire until the general's death.)

(By Shirley Byrd, Star Staff Writer)

When he was 19-years-old, Hunter Holmes McGuire had graduated from the Winchester Medical College with the degree of M.D. The year was 1855. Eight years later, Dr. McGuire's fate was to be linked with an incident that changed the course of the Civil War.

On a moonlit night near Chancellorsville on May 2, 1863, General Jackson with members of his staff and signalmen and couriers, was riding towards the enemy, having passed his own front lines. Shortly before, he had sent a message to General A. P. Hill to press on, as the enemy was retreating.

Having heard sounds of the enemy relocating themselves, General Jackson turned back to ensure that his orders to advance were being carried out.

He was greeted by a volley which killed two members of his staff. The volley had been fired by General Hill's men who, confused by the darkness, did not know they were firing on their own comrades. In spite of orders from Hill himself to cease firing, the soldiers continued, thinking it was a trick.

Jackson's horse had bolted into the woods at the first volley, and the general, still mounted, was hit twice in the left arm and once in the back of the right hand by musket balls.

Jackson managed at last to control his horse with his wounded right hand. His left arm hung useless at his side, the gauntlet full of blood. Two of the officers who had been with him caught up with the wounded general and lifted him off his horse.

They sent for Dr. Hunter McGuire.

Dr. McGuire had first met General Thomas Jonathan Jackson at Harpers Ferry in 1861. McGuire had enlisted as a private, but was soon made medical officer, and then appointed chief surgeon of Jackson's command.

McGuire encountered the wounded general and his aides after the general has been carried under fire, in a stretcher, through the woods. Jackson had insisted upon trying to walk, but had proved to be too weak.

At one point, one of the stretcher bearers had tripped and the general had fallen out of the stretcher heavily, landing on his unwounded arm.

Finally, it was decided to risk taking him by the open road, rather than struggling through the woods. There, they came upon an ambulance, and a place was made for the general.

The ambulance brought Jackson to the house where his friend and the personal physician, Dr. McGuire, was waiting to meet him.

Dr. McGuire briefly examined his patient, noting his calmness and politeness in spite of his intense suffering. Then the general embarked on yet another journey, this time to the field hospital at the Wilderness Tavern.

At 2 a.m. on Sunday, May 3, after some two-and-a-half hours rest at the hospital to enable his patient to recover from shock, Dr. McGuire judged that Jackson was ready for a more thorough examination.

Before proceeding, the 27-year-old doctor warned General Jackson that he might have to amputate the left arm. "Yes, certainly, Dr. McGuire," came the reply. "Do for me whatever you think best."

To the patient's very evident relief, chloroform was administered for the examination.

A musket ball, which was indeed Confederate, was removed from Jackson's right hand, and two other doctors present agreed with McGuire that there was nothing to be done for the left arm but to amputate. This was done and, after the operation, the general slept for several hours.

He was disturbed once, shortly after the operation, by Major Sandie Pendelton, who had come from Jeb Stuart seeking military advice. They had conferred shortly, and Jackson had asked some questions, but ultimately had left it up to General Stuart to make his own decisions.

When he awoke the next morning, General Jackson's condition was encouraging. However, at about 10 a.m. he developed severe pain in his right side.

McGuire could find no evidence of an injury, and the lung seemed healthy, and during the course of the day Jackson improved—ordering his attendants back to their posts and listening with enthusiasm and pride to accounts of his brigade's performance in the battle which still raged.

By 8 p.m. on Sunday night the pain in his side had disappeared, and the general slept peacefully.

He spent Monday and Monday night resting at the hospital, and on Tuesday morning, at General Lee's insistence, he was moved to Guiney's Station, accompanied by Dr. McGuire.

Lee feared that there was danger of Jackson's capture at Wilderness Tavern.

Apart from some nausea, Jackson's journey was uneventful, and he slept comfortably on Tuesday night in a small office building in the grounds of Mrs. Chandler's house at Guiney's Station.

Dr. McGuire dressed his wounds on Wednesday, and was pleased with their healing progress.

At 1 a.m. on Thursday, Jackson was nauseated, but refused to send for McGuire, knowing that the doctor had had almost no sleep for three nights.

When the doctor did see his patient at dawn on Thursday, he diagnosed pleuropneumonia on Jackson's right side, brought on, he felt, by the fall from the stretcher.

Specialists were sent for, and General Jackson's wife arrived. Her husband, a Presbyterian, and a very devout man, asked her to pray for him, ever omitting "Thy will be done".

Friday was a bad day.

Jackson said he was not afraid to die, but that he did not feel his time had come.

His wounds seemed to be doing well. Yet the surgeons were all pessimistic. The patient was restless and exhausted, and was having difficulty breathing. At times he was delirious.

An authority on the treatment of pneumonia, Dr. David Tucker, arrived from Richmond on Saturday, but was unable to suggest any treatment that had not already been done.

General Jackson realized, from the number of doctors present, that his condition must be serious, but he refused to give up hope.

On Sunday, May 10, 1863, the gallant patient at least began to accept his fate. His wife, who had been brave until the last, finally broke down and threw herself weeping on his bed.

Jackson asked McGuire if it was indeed true that he was to die. The doctor told him that everything that could be done had been done.

Jackson tried to comfort his wife.

"Let us cross the river and rest under the shade of the trees," he said.

They were his last words.

At 3 p.m. he died.

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO CALL OF THE CHAIR

Mr. HARRY F. BYRD, JR. Mr. President, I move that the Senate now stand in recess, subject to call of the Chair.

The motion was agreed to, and, at 4:06 p.m., the Senate took a recess, subject to call of the Chair. At 4:09 p.m. the Senate reassembled when called to order by the Presiding Officer (Mr. ROBERT C. BYRD).

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess, awaiting the call of the Chair.

The motion was agreed to; and at 4:13 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 4:34 p.m. when called to order by the Presiding Officer (Mr. LONG).

VIRGINIA CONGRESSIONAL DELEGATION DURING WORLD WAR I

Mr. HARRY F. BYRD, JR. Mr. President, the historical record of the Congress is always interesting and instructive, and a close look at some of the Members who have served during difficult times in the past often can provide a guide for us as we deal with the problems of our own time.

In the November 1973 volume of Virginia Social Science Journal, an article describing the Virginia congressional delegation during World War I was published. The author is Dr. Philip A. Grant, Jr., associate professor of history at Pace College, Pleasantville, N.Y.

After describing the members of the Virginia delegation of that period, Dr. Grant comments that they "performed with notable distinction." Perhaps the records of the Virginians in the Senate and the House of that period will provide some insight both into their time and into our own.

I might say that during that period of time Virginia was represented in the U.S. Senate by Senator Thomas S. Martin, of Charlottesville, and by Senator Claude Augustus Swanson, of Pittsylvania County. Senator Martin was both majority leader of the Senate and chairman of the Appropriations Committee.

Dr. Grant says that the two most influential Virginians reelected to the House of Representatives in 1916 were Congressmen Henry D. Flood and Carter Glass. Senator Glass subsequently became a Member of the U.S. Senate after first serving as Secretary of the Treasury.

In Virginia politics at that time, Virginia had what was known then as the "Big Four" in the political arena—Senator Martin, Senator Swanson, Congressgressmen Flood—who, incidentally, was my grandmother's brother—and Richard Evelyn Byrd, who was my grandfather and was then Speaker of the Virginia House of Delegates. They were known as the "Big Four" of Virginia politics.

This article by Dr. Grant, which was published in the Virginia Social Science Journal, deals with three of those four figures.

I ask unanimous consent that the article, "The Virginia Congressional Delegation during World War I," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE VIRGINIA CONGRESSIONAL DELEGATION DURING WORLD WAR I

(By Philip A. Grant, Jr.*)

On April 2, 1917 the Sixty-Fifth Congress was called to order and on the same evening met in joint session to hear President Woodrow Wilson request a declaration of war against Germany. Within four days both the Senate and House of Representatives had acceded to the President's request. Between the time of Wilson's historic address and the adjournment of the Sixty-Fifth Congress on March 3, 1919 the United States played a pivotal role in the winning of World War I, experienced the difficulties of adjusting to a wartime economy, and faced a multitude of serious domestic and international problems.

Throughout this fateful twenty-three month period the Virginia congressional delegation wielded pronounced influence both in domestic and foreign affairs. The Virginia delegation at this time consisted of two senators and ten members of the House of Representatives, all but one of whom were Democrats. Most of these Virginians occupied positions of high responsibility during these crucial years and proposed a substantial amount of the major legislation enacted by the two houses of Congress.

Four veteran Virginia congressmen reelected in 1916 were Representatives Edward W. Saunders, Charles C. Carlin, William A. Jones, and Andrew J. Montague. Saunders, Carlin, Jones, and Montague compiled long and distinguished records of public service and each of these gentlemen was prominent during America's involvement in World War I.

A former Speaker of the Virginia House of Delegates, Saunders in April 1917 was beginning his seventh term in the House of Representatives.[1] At that time Saunders was the ranking Democratic member of the Roads Committee,[2] and in December 1917 he also became the ranking Democrat on the newly created Woman Suffrage Committee.[3] In the latter capacity he led an unsuccessful attempt to prevent House approval of the proposed Nineteenth (Woman Suffrage) Amendment.[4] Highly respected as a parliamentarian, Saunders was designated Speaker *pro tempore* on more than thirty occasions during the Sixty-Fifth Congress.[5]

Carlin was the ranking Democrat on the House Judiciary Committee between 1917 and 1919.[6] During these years the Judiciary Committee considered an exceptionally large number of important legislative proposals, including the Eighteenth (Prohibition) Amendment to the Constitution and several far reaching internal security bills. Carlin was not only involved in the committee's deliberations on the prohibition question,[7] but also was appointed by the Speaker to serve on the House-Senate conference committees authorized to finalize the details of such major legislation as the Espionage Act, Export Trade (Webb-Pomerene) Act, Sabotage Act, and Sedition Act.[8] Although reelected without opposition to his seventh term in 1918, Carlin resigned from the House on the final day of the Sixty-Fifth Congress and resumed the private practice of law.[9]

Jones was Chairman of the Insular Affairs Committee, ranking Democrat on the Industrial Arts and Expositions Committee, and dean of the House of Representatives when the Sixty-Fifth Congress assembled in 1917.[10] As a consequence of his authorship of the Organic Acts for the Philippine Islands and Puerto Rico, he was generally acknowledged as Congress' foremost expert on the nation's overseas possessions.[11] At the time of his death in April 1918 Jones had established a record among Virginians for continuous service in the House.[12]

Montague, a former Governor of Virginia,[13] was an unwavering supporter of President Wilson's domestic and foreign policies. A member of the Interstate and Foreign Commerce Committee, Montague's committee colleagues included Sam Rayburn of Texas, a future Speaker of the House, and Alben W. Barkley of Kentucky, later Vice-President of the United States.[14] Montague was one of the congressmen most deeply involved in the spirited House debates over federal regulation of the nation's food and fuel resources and operation of its railroads and telephone and telegraph facilities during World War I.[15] His foremost legislative contribution, however, occurred in 1917, when he served as floor manager of the bill which became known as the Trading-with-the-Enemy Act.[16]

The two most influencial Virginians reelected to the House in 1916 were Congressmen Henry D. Flood and Carter Glass. Representing adjacent congressional districts, Flood and Glass had previously served together in the Virginia State Senate, and in April 1917 were chairmen of standing committees of the House. Indeed Flood and Glass rank among the most renowned public figures from Virginia during the twentieth century.

Beginning his ninth term in the House, Flood had presided over the Foreign Affairs Committee since 1913.[17] The key participant in the momentous House debates over American neutrality after the outbreak of World War I in Europe, Flood became recognized as one of the Democratic Party's principal spokesmen on foreign policy matters. In 1917 he introduced and guided to passage the joint resolutions by which the United States declared war on Germany and Austria-Hungary.[18]

Having achieved national stature as a consequence of his identification with the Federal Reserve (Glass-Owen) Act of 1913, Glass in 1917 was in his fifth year as Chairman of the House Banking and Currency Committee.[19] Twice during the Sixty-Fifth Congress Glass was instrumental in the passage of laws to strengthen the Federal Reserve System.[20] Glass' congressional career[21] was temporarily interrupted in late 1918 when he was appointed Secretary of the Treasury he assumed primary responsibility for solving the numerous and complex economic problems plaguing the nation during the immediate postwar period.[22]

At the opening of the Sixty-Fifth Congress in 1917 Virginia's two United States Senators were Claude A. Swanson and Thomas S. Martin who spent a combined total of nearly seventy years in federal service, during most of which they were the two dominant political figures in Virginia. Both were extremely influential during World War I.

A former member of the House of Representatives and Governor of Virginia, Swanson had entered the Senate in 1910.[23] He was Chairman of the Public Buildings and Grounds Committee, 1913–1918, and the Naval Affairs Committee, 1918–1919.[24] After the United States became involved in World War I, Swanson worked diligently in behalf of legislation to increase the nation's naval strength.[25] Swanson also served on the pres- and in 1918 and 1919 was one of Congress' most steadfast and articulate proponents of American participation in the League of Nations.[26]

Martin in 1917 was completing his fourth term in the Senate, having first presented his credentials to that body in 1895.[27] During World War I he was perhaps the most powerful figure in Congress, occupying the positions of Senate Majority Leader and Chairman of the Appropriations Committee.[28] In the latter capacity Martin assumed responsibility for the enactment of numerous bills to finance the vastly increased expenditures of the federal government during the wartime period.[29]. After the armistice he coauthored laws providing emergency relief to the ravaged nations of Europe and the Near East and returning to the Treasury several billion dollors which had been appropriated for anticipated wartime purposes.[30] Re-elected without opposition in 1918, Martin was the senior Democrat in either House of Congress and in March 1919 became the first Virginian ever to be sworn in to a fifth term in the Senate.[31]

The Virginians chosen to serve in the Senate and House of Representatives during the Sixty-Fifth Congress performed with notable distinction.[32] These gentlemen compiled admirable records of public service at a crucial time in the nation's history. The Virginia delegation was probably the most influential one in Congress throughout these two years and ranks among the most outstanding groups ever to serve in a comparable period.

FOOTNOTES

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[1] Clifford P. Reynolds (comp.), *Biographical Directory of the American Congress, 1774-1961* (Washington: United States Government Printing Office, 1961), p. 1563.

[2] United States Congress, *Congressional Directory*, Sixty-Fifth Congress, First Session (Washington: United States Government Printing Office, April 1917), p. 193.

[3] *Ibid.*, January 1918, p. 194.

[4] House of Representatives, *Minority Report of the Committee on Women Suffrage on the Joint Resolution Proposing an Amendment to the Constitution of the United States*, January 8, 1918; United States Congress, *Congressional Record*, Sixty-Fifth Congress, Second Session (Washington: United States Government Printing Office, 1918). LVI, 762–811.

[5] *Congressional Record*, LV, 960, 1027, 1091, 1368, 1502, 2620; LVI, 1953, 1994, 2878, 2928, 3391, 3446, 3501, 5518, 5652, 5707, 5778, 5835, 6695, 6747, 6793, 6856, 8431, 10089, 10147 10199, 10229, 10409, 10447, 10499, 10538.

[6] *Congressional Directory*, April 1917, p. 190.

[7] On Decmber 14, 1917 Carlin submitted the Judiciary Committee's report on the Prohibition Amendment to the House. Within four days both the House and Senate approved the amendment, and on January 11, 1918 Virginia became the second state to ratify it. *Congressional Record*, LVI, 422–470, 477–478; United States Congress, *The Constitution of the United States of America; Analysis and Interpretation* (Washington: United States Government Printing Office, 1964), p. 68.

[8] House of Representatives, *Conference Re-*

port on the Espionage Bill, June 6, 1917; *Conference Report on the Bill to Promote Export Trade,* April 12, 1918; *Conference Report on the Bill to Punish Destruction or Injury of War Material,* April 13, 1918; *Conference Report on the Bill to Amend The Espionage Act,* April 23, 1918; *Congressional Record,* LV. 2375, 3124–3145, 3301–3307; LVI, 857, 3266, 4441, 4722–4725, 4978, 5092–5097, 5217, 6171–6187.

[9] *Biographical Directory of American Congress,* p. 662.

[10] *Congressional Directory,* April 1917, pp. 141, 189.

[11] President Wilson had signed the Philippine Organic Act on August 29, 1916 and the Puerto Rican Organic Act on March 2, 1917. United States Government, *The Statutes at Large of the United States of America, 1915–1917,* (Washington, 1917), XXXIX, 545–546, 951–968.

[12] Jones served in the House for twenty-seven years, one month, and thirteen days. A thorough study of Jones' years in public life is Harold G. Wheatley, "The Political Career of William Atkinson Jones," Unpublished M. A. Thesis, University of Virginia, 1953. Tributes to Jones may be found in the following sources: United States Congress, *William Atkinson Jones: Memorial Addresses Delivered in the House of Representatives of the United States* (Washington: United States Government Printing Office, 1919); *Report of the Twentieth Annual Meeting of the Anti-Imperialist League* (Boston, 1919), pp. 14–18; *Daily Bulletin,* Manila, P.I., April 22, 1918; p. 4; *Daily Star,* Fredericksburg, Va., April 18, 1918, p. 2; *El Tiempo, San* Juan, P. R., April 19, 1918, p. 9; *La Democracia,* San Juan, P. R., April 19, 1918, p. 4; *Times,* Manila, P. I., April 19, 1918, p. 4; *Times-Dispatch,* Richmond, Va., April 19, 1918, p. 6; *Virginian-Pilot,* Norfolk, Va., April 19, 1918, p. 6.

[13] Montague was United States Attorney for the Western District of Virginia, 1893–1897, Attorney General, 1898–1902, Governor, 1902–1906, and a member of the House of Representatives, 1913–1937. During his final six years in the House, he was the ranking Democrat on the Judiciary Committee. A detailed account of Montague's career is William Larsen, *Montague of Virginia* (Baton Rouge: "Louisiana State University Press, 1965).

[14] *Congressional Directory,* April 1917, p. 189.

[15] *Congressional Record,* LV, 4077–4079; LVI, 2553–2584, 2629–2665, 2686–2721, 2807–2836, 8719–8736.

[16] *Conference Report on the Trading with the Enemy Bill,* September 11, 1971; *Congressional Record,* LV, 4840–4853, 4855–4879, 4907–4930, 4968–4969, 7417–7430; *Statutes at Large,* XL, 411–426.

[17] *Congressional Directory,* April 1917, p. 188.

[18] *Report of the Committee on Foreign Affairs on War with the Imperial German Government,* April 4, 1917; *Report of the Committee on Foreign Affairs on War with the Imperial and Royal Austro-Hungarian Government,* December 6, 1917; *Congressional Record,* LV, 129, 299, 306–413; LVI, 50–53, 84–101; *Statutes at Large,* XL, 1, 429; Burton I. Kaufman, "Henry De La Warr Flood: A Case Study of Organization Politics in an Era of Reform," Unpublished Ph.D. Dissertation, Rice University, 1966, pp. 222–247; Arthur S. Link, *Wilson: Campaigns for Progressivism and Peace, 1916–1917* (Princeton University Press, 1965), pp. 422–431.

[19] *Congressional Directory,* April 1917, p. 185.

[20] *Conference Report on Amendments to the Federal Reserve Act,* June 9, 1917; *Conference Report on Amendments to the Federal Reserve Act,* September 18, 1918; *Congressional Record,* LV, 1577–1590, 1874–1888, 2074–2079, 3517–3535, 240, 967–973; *Annual Report of the Federal Reserve Board, 1917* (Washington: United States Government Printing Office, 1918), pp. 11–13; *1918, pp.* 79–81; Carter Glass, *An Adventure in Constructive Finance* (Garden City: Doubleday, Page and Company, 1927), pp. 290–296; William P. G. Harding, *The Formative Period of the Federal Reserve System* (Boston: Houghton Mifflin Company, 1925), pp. 82–90; Alexander D. Noyes, *The War Period in American Finance,* 1908–1925 (New York: G. P. Putnam's Sons, 1926), pp. 207–214.

[21] Glass resigned from the House on December 16, 1918. He was the first Virginian to serve in the Cabinet since the Administration of James G. Buchanan. Editorials praising Glass' appointment may be found in the following newspapers: *Christian Science Monitor,* Boston, December 11, 1918, p. 16; *Constitution,* Atlanta, December 9, 1918, p. 4; *Evening Post,* New York, December 5, 1918, p. 8; *Post,* Washington, December 6, 1918, p. 6; *Post-Dispatch,* St. Louis, December 6, 1918, p. 20; *Sun,* New York, December 6, 1918, p. 6; *Times,* New York, December 6, 1918, p. 14; *Times-Dispatch,* Richmond, December 7, 1918, p. 6; *Tribune,* New York, December 6, 1918, p. 8; *World,* New York, December 6, 1918, p. 10.

[22] Detailed accounts of Glass' tenure as Secretary of the Treasury may be found in James E. Palmer, Jr., *Carter Glass, Unreconstructed Rebel* (Roanoke: Institute of American Biography, 1938), pp. 143–164 and Rixey Smith and Norman Beasley, *Carter Glass, a Biography* (New York: Longmans, Green and Company, 1939), pp. 154–199. Glass remained in the Cabinet until February 2, 1920, at which time he became a member of the United States Senate. He served in the Senate until his death on May 28, 1946, co-authored the Credit Expansion (Glass-Steagall) Act of 1932 and the Banking Acts of 1933 and 1935, and was Chairman of the Appropriations Committee, 1933–1946, and President *pro tempore,* 1941–1945.

[23] Swanson served in the House, 1893–1905, as Governor, 1906–1910, and as United States Senator, 1910–1933. In March 1933 he was appointed Secretary of the Navy by President Franklin D. Roosevelt, a position which he occupied until his death on July 7, 1939. A scholary treatment of his career is Henry C. Ferrell, Jr., "Claude Swanson of Virginia," Unpublished Ph.D. Dissertation, University of Virginia, 1964.

[24] *Congressional Directory,* April 1918, p. 169; January 1919, p. 178.

[25] United States Senate, *Report on the Bill to Increase the Enlisted Strength of the Navy and Marine Corps,* May 11, 1917; *Report on the Bill on Enrollment in the Naval Reserve,* May 11, 1917; *Congressional Record,* LV, 2306–2324, 2575; LVI, 6886–6910, 8169–8171, 8307–8308, 8500; Josephus Daniels, *The Wilson Era: Years of Peace, 1910–1917* (Chapel Hill: University of North Carolina Press, 1944), pp. 338–339.

[26] Denna F. Fleming, *The United States and the League of Nations, 1918–1920* (New York: G. P. Putnam's Sons, 1932), pp. 241–244; Dewey W. Grantham, Jr., "The Southern Senators and the League of Nations, 1918–1920," *North Carolina Historical Review,* April 1949, pp. 187–205.

[27] *Biographical Directory of American Congress,* pp. 1270–1271.

[28] *Congressional Directory,* April 1917, p. 162.

[29] United States Senate, *Report on the General Deficiency Bill,* 1917, April 6, 1917; *Report on the Sundry Civil Appropriation Bill,* 1918, April 9, 1917; *Report on Urgent Deficiencies in the Military and Naval Establishments, 1917,* May 11, 1917; *Report on Urgent Deficiency Appropriations, 1918,* September 24, 1917; *Report on Urgent Deficiency Appropriations, 1918,* March 2, 1918; *Report on Sundry Civil Appropriation Bill, 1919,* June 24, 1918; *Report on General Deficiency Bill, 1918,* July 2, 1918; *Report of First Deficiency Appropriation Bill, 1919,* October 24, 1918; *Congressional Record,* LV, 442–447, 569–604, 2382–2386, 2501–2532, 2577–2595, 3152–3153, 3212–3213, 3427–3437, 3546–35550, 7389–7416, 7501–7502, 7708–7710; LVI, 3261–3263, 3316–3328, 3362–3388, 3595, 4001–4004, 8172–8182, 8226, 8457–8458, 8634–8336, 8672, 8676, 11429–11449, 11485; *Statutes at Large,* XL, 2–34, 105–181, 182–217, 345–384, 459–498, 594–602, 634–704, 821–843.

[30] *Congressional Record,* LVII, 1580, 1653–1666, 1743–1760, 1789–1814, 1851–1870, 1870–1911, 1913–1927, 1964–1996, 2193, 2520–2521, 2972, 3062–3073, 3194–3195; *Statutes at Large,* XL, 1161–1174.

[31] Martin was outranked by only two Republicans in Congress, Senator Henry Cabot Lodge and Representative Frederick H. Gillett, both of Massachusetts. Previously Senator John W. Daniel had been elected to five years, but had died between his election and the opening of the following Congress. An interesting biographical sketch of Martin is Paschal Reeves, "Thomas S. Martin: Committee Statesman," *Virginia Magazine of History and Biography,* July 1960, pp. 344–364.

[32] Other Virginians serving in Congress during these years were Representatives Schuyler Otis Bland, Thomas W. Harrison, C. Bascom Slemp, and Walter A. Watson. Bland was Chairman of the Merchant Marine and Fisheries Committee, 1933–1947 and 1949–1950. A member of the Military Affairs Committee, Harrison was especially active in the deliberations culminating in the Selective Service Acts of 1917 and 1918. The only Republican on the Virginia delegation and the sole Virginian of either party serving on the powerful House Appropriations Committee, Slemp later became Secretary to President Calvin Coolidge. Watson was the ranking Democrat on the House Labor Committee, 1917–1919.

RECESS SUBJECT TO CALL OF THE CHAIR

Mr. HARRY F. BYRD, JR. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to; and (at 4:30 p.m.) the Senate took a recess subject to the call of the Chair.

The Senate reconvened at 4:44 p.m. when called to order by the Presiding Officer (Mr. GRIFFIN).

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. HARRY F. BYRD, JR. Mr. President, I move that the Senate stand in recess until the hour of 5:30 p.m.

The motion was agreed to; and (at 4:45 p.m.) the Senate took a recess until 5:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HUDDLESTON).

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

OVERSEAS PRIVATE INVESTMENT CORPORATION AMENDMENTS ACT OF 1974

Mr. HARRY F. BYRD, JR. Mr. President, I ask the Chair to lay before the

Senate a message from the House of Representatives on S. 2957.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2957) relating to the activities of the Overseas Private Investment Corporation, which were to strike out all after the enacting clause, and insert:

That this Act may be cited as the "Overseas Private Investment Corporation Amendments Act of 1974".

SEC. 2. Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191–2200a) is amended—

(1) by striking out "progress" in the first sentence of section 231 and inserting "development" in lieu thereof;

(2) by inserting ", insurance, and reinsurance" after "financing" the first time it occurs in clause (a) of section 231;

(3) by inserting "in its financing operations" after "taking into account" in clause (a) of section 231;

(4) by striking out ", when appropriate," in clause (d) of section 231;

(5) by inserting "and reinsurance" after "efforts to share its insurance" in clause (d) of section 231;

(6) by striking out clause (e) of section 231 and inserting in lieu thereof the following:

"(e) to give preferential consideration in its investment insurance, financing, and reinsurance activities (to the maximum extent practicable consistent with the Corporation's purposes) to investment projects involving businesses of not more than $2,500,000 net worth or with not more than $7,500,000 in total assets;";

(7) by inserting "and employment" after "balance-of-payments" in clause (i) of section 231;

(8) by striking out "and" after the semicolon in clause (j) of section 231;

(9) by striking out the period at the end of clause (k) of section 231 and inserting a semicolon in lieu thereof;

(10) by inserting at the end of section 231 the following:

"(l) to the maximum extent practicable, to give preferential consideration in the Corporation's investment insurance, financing, and reinsurance activities to investment projects in the less developed friendly countries which have per capita incomes of $450 or less in 1973 United States dollars;

"(m) to identify foreign investment opportunities in less developed friendly countries and areas, and to bring information concerning such opportunities to the attention of potential eligible investors in such countries or areas; and

"(n)(1) to decline to issue any contract of insurance or reinsurance, or any guaranty, or to enter into any agreement to provide financing for an eligible investor's proposed investment if the Corporation determines that such investment is likely to cause such investor (or the sponsor of an investment project in which such investor is involved) significantly to reduce the number of his employees in the United States because he is replacing his United States production with production from such investment which involves substantially the same product for substantially the same market as his United States production; and (2) to monitor conformance with the representations of the investor on which the Corporation relied in making the determination required by clause (1).";

(11) by amending the section heading of section 234 to read as follows: "INVESTMENT INSURANCE AND OTHER PROGRAMS.";

(12) by inserting at the end of subsection (a) of section 234 the following new paragraphs:

"(4)(A) It is the intention of Congress that the Corporation should achieve participation by private insurance companies, multilateral organizations, or others in at least 25 per centum of liabilities incurred in respect of the risks referred to in subparagraphs (1) (A) and (B) of this subsection under contracts issued on and after January 1, 1975, and in at least 50 per centum of liabilities incurred in respect of such risks under contracts issued on and after January 1, 1978. If it is not possible for the Corporation to achieve either such percentage of participation, the Corporation shall report in detail to the Senate Foreign Relations Committee and the Foreign Affairs Committee of the House of Representatives the reasons for its inability to achieve either such percentage of participation, and the date by which such percentage can be achieved.

"(B) It is the intention of Congress that the Corporation should not participate as insurer under contracts of insurance issued after December 31, 1973, in respect of the risks referred to in subparagraphs (1) (A) and (B) of this subsection.

"(5)(A) It is the intention of Congress that the Corporation should achieve participation by private insurance companies, multilateral organizations, or others in at least 12 per centum of liabilities incurred in respect of the risks referred to in subparagraph (1) (C) of this subsection under contracts issued on and after January 1, 1976, and in at least 40 per centum of liabilities incurred in respect of such risks under contracts issued on and after January 1, 1979. If it is not possible for the Corporation to achieve either such percentage of participation, the Corporation shall report in detail to the Senate Foreign Relations Committee and the Foreign Affairs Committee of the House of Representatives the reasons for its inability to achieve either such percentage of participation, and the date by which such percentage can be achieved.

"(B) It is the intention of Congress that the Corporation should not participate as insurer under insurance policies issued after December 31, 1980, in respect of the risks referred to in subparagraph (1)(C) of this subsection.

"(6) Notwithstanding any of the percentages of participation under subparagraphs (4)(A) and (5)(A) of this subsection, the Corporation may agree to assume liability as insurer for any insurance contract, or share thereof, that a private insurance company, multilateral organization, or any other person has issued in respect of the risks referred to in paragraph (1) of this subsection, and neither the execution of such an agreement to assume liability nor its performance by the Corporation shall be considered as participation by the Corporation in any such insurance contract for purposes of such percentage of participation. However, it is the intention of Congress that on and after January 1, 1981, the Corporation shall not enter into any such agreement to assume liability.

"(7) It is the intention of Congress—

"(A) that the Corporation should not manage direct insurance issued on and after December 31, 1979, by any other person in respect of risks referred to in subparagraph (1) (A) or (B) of this subsection;

"(B) that the Corporation should not manage direct insurance issued on and after December 31, 1980, by any other person in respect of risks referred to in subparagraph (1)(C) of this subsection; and

"(C) that on and after December 31, 1980, the Corporation should act only as a reinsurer except to the extent necessary to manage its outstanding insurance or reinsurance contracts and any policies the Corporation assumes pursuant to paragraph (6).";

(13) by inserting at the end of section 234 the following new subsection:

"(f) OTHER INSURANCE FUNCTIONS.—

"(1) to make and carry out contracts of insurance or reinsurance, or agreements to associate or share risks, with insurance companies, financial institutions, any other persons, or groups thereof, and employing the same, where appropriate, as its agent, or acting as their agent, in the issuance of servicing of insurance, the adjustment of claims, the exercise of subrogation rights, the ceding and accepting of reinsurance, and in any other matter incident to an insurance business;

"(2) to enter into pooling or other risk-sharing arrangements with other national or multinational insurance or financing agencies or groups of such agencies;

"(3) to hold an ownership interest in any association or other entity established for the purposes of sharing risks under investment insurance; and

"(4) to issue, upon such terms and conditions as it may determine, reinsurance of liabilities assumed by other insurers or groups thereof in respect of risks referred to in subsection (a)(1).

The authority granted by paragraph (3) may be exercised notwithstanding the prohibition under section 234(c) against the Corporation purchasing or investing in any stock in any other corporation. The amount of reinsurance of liabilities under this title which the Corporation may issue shall not exceed $600,000,000 in any one year, and the amount of such reinsurance shall not in the aggregate exceed at any one time an amount equal to the amount authorized for the maximum contingent liability outstanding at any one time under section 235(a)(1). All reinsurance issued by the Corporation under this subsection shall require that the reinsured party retain for his own account specified portions of liability, whether first loss or otherwise, and the Corporation shall endeavor to increase such specified portions to the maximum extent possible.";

(14) by striking out "1974" in section 235 (a)(4) and inserting "1977" in lieu thereof;

(15) by striking out "insurance issued under section 234(a)" in subsection (d) of section 235 and inserting in lieu thereof the following: "insurance or reinsurance issued under section 234";

(16) by striking out subsection (f) of section 235 and inserting in lieu thereof the following:

"(f) There are authorized to be appropriated to the Corporation, to remain available until expended, such amounts as may be necessary from time to time to replenish or increase the insurance and guaranty fund, to discharge the liabilities under insurance, reinsurance, or guaranties issued by the Corporation or issued under predecessor guaranty authority, or to discharge obligations of the Corporation purchased by the Secretary of the Treasury pursuant to this subsection. However, no appropriations, after appropriations for fiscal year 1975, shall be made to augment the Insurance Reserve until the amount of funds in the Insurance Reserve is less than $25,000,000. Any appropriations to augment the Insurance Reserve shall then only be made either pursuant to specific authorization enacted after the date of enactment of the Overseas Private Investment Corporation Amendments Act of 1974, or to satisfy the full faith and credit provision of section 237(c). In order to discharge liabilities under investment insurance or reinsurance, the Corporation is authorized to issue from time to time for purchase by the Secretary of the Treasury its notes, debentures, bonds, or other obligations; but the aggregate amount of such obligations outstanding at any one time shall not exceed $100,000,000. Any such obligation shall be repaid to the Treasury within one year after the date of issue of such obligation. Any such obligation shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of any obligation authorized by this subsection. The Secretary of the Treasury shall purchase any obligation of the Corporation issued under this subsection, and for such purchase he may use as a public debt transaction the proceeds of the sale of any securities issued under the Second Liberty Bond Act after the date of enactment of the Overseas Private Investment Corporation Amendments Act of 1974. The purposes for which securities may be issued under such Bond Act shall include any such purchase.";

(17) by striking out "and guaranties" in subsection (a) of section 237 and inserting in lieu thereof the following: ", guaranties, and reinsurance";

(18) by striking out "or guaranties" in subsection (a) of section 237 and inserting in lieu thereof the following: ", guaranties, or reinsurance";

(19) by striking out "or guaranty" both times it occurs in subsection (b) of section 237 and inserting in lieu thereof both times the following: ", guaranty, or reinsurance";

(20) by inserting ", reinsurance," after "insurance" both times it occurs in subsection (c) of section 237;

(21) by inserting ", reinsurance," after "insurance" the first two times it occurs in subsection (d) of section 237;

(22) by striking out "or insurance" in subsection (d) of section 237 and inserting in lieu thereof the following: ", insurance, or reinsurance";

(23) by striking out "or guaranty" in subsection (e) of section 237 and inserting ", guaranty, or reinsurance" in lieu thereof;

(24) by inserting ", reinsurance," after "insurance" both times it occurs in subsection (f) of section 237;

(25) by adding at the end of subsection (f) of section 237 the following: "Notwithstanding the preceding sentence, the Corporation shall limit the amount of direct insurance and reinsurance issued by it under section 234 so that risk of loss as to at least 10 percent of the total investment of the insured and its affiliates in the project is borne by any person other than the Corporation on the date the insurance is issued. The preceding sentence shall not apply to any loan by an insurance company, pension fund, or other institutional lender, or to any investment by a small business.";

(26) by inserting ", insurance, or reinsurance" after "guaranty" in subsection (g) of section 237;

(27) by striking out "or guaranties" in subsection (h) of section 237 and inserting ", guaranties, or reinsurance" in lieu thereof;

(28) by inserting ", reinsurance," after "insurance" in subsection (i) of section 237;

(29) by inserting ", reinsurance," after "insurance" both times it occurs in subsection (k) of section 237;

(30) by adding at the end of subsection (f) of section 239 the following: "The Council shall terminate on December 31, 1977.";

(31) by adding at the end of section 239 the following:

"(h) Within six months after the date of enactment of the Overseas Private Investment Corporation Amendments Act of 1974, the Corporation shall develop and implement specific criteria intended to minimize the potential environmental implications of projects undertaken by investors abroad in accordance with any of the programs authorized by this title.

"(i) It is the intention of Congress that on or after December 31, 1979, the President should transfer all programs under section 234 (b) through (e) or section 240, and all obligations, assets, and related rights and responsibilities arising out of, or related to, such programs to any other agency of the United States.

"(j) On and after December 31, 1979, all programs authorized under section 234 (b) through (e) or section 240 shall be limited to countries with a per capita income of $450 or less in 1973 United States dollars.";

(32) by striking out "in Latin America, the authority conferred by this section should be used to establish pilot programs in not more than five Latin American countries" in subsection (a) of section 240 and inserting in lieu thereof the following: ", the authority conferred by this section should be used to establish programs in such countries";

(33) by striking out "not more than five Latin American countries" in subsection (b) of section 240 and inserting "less developed countries" in lieu thereof;

(34) by striking out "25 per centum" in subsection (b) of section 240 and inserting "50 per centum" in lieu thereof;

(35) by striking out "1972" in subsection (g) of section 240 and inserting "1976" in lieu thereof;

(36) by striking out "pilot" in subsection (g) of section 240;

(37) by striking out "1974" in section 240 (h) and inserting "1977" in lieu thereof; and

(38) by striking out subsection (b) of section 240A and inserting in lieu thereof the following:

"(b) Not later than January 1, 1976, the Corporation shall submit to the Congress an analysis of the possibilities of transferring all of its activities to private insurance companies, multilateral organizations or institutions, or other entities."

And to amend the title so as to read: "An Act to amend the title of the Foreign Assistance Act of 1961 concerning the Overseas Private Investment Corporation to extend the authority for the Corporation, to authorize the Corporation to issue reinsurance, to suggest dates for terminating certain activities of the Corporation, and for other purposes."

Mr. HARRY F. BYRD, JR. Mr. President, I move that the Senate disagree to the amendments of the House and request a conference with the House on the disagreeing votes of the two Houses and that the Chair be authorized to appoint the conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. SPARKMAN, Mr. MANSFIELD, Mr. CHURCH, Mr. SYMINGTON, Mr. AIKEN, Mr. CASE, and Mr. JAVITS conferees on the part of the Senate.

NATIONAL DIABETES MELLITUS ACT OF 1974

Mr. HARRY F. BYRD, JR. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2830.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2830) to amend the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus which were to strike out all after the enacting clause, and insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "National Diabetes Mellitus Act of 1974".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress makes the following findings:

(1) Diabetes mellitus is a major health problem in the United States which directly affects perhaps as many as ten million Americans and indirectly affects perhaps as many as fifty million Americans who will pass the tendency to develop diabetes mellitus to their children or grandchildren or to both.

(2) Diabetes mellitus is a family of diseases that has an impact on virtually all biological systems of the human body.

(3) Diabetes mellitus is the fifth leading cause of death from disease, and it is the second leading cause of new cases of blindness.

(4) The severity of diabetes mellitus in children and most adolescents is greater than in adults, which in most cases involves greater problems in the management of the disease.

(5) The complications of diabetes mellitus, particularly cardiovascular degeneration, lead to many other serious health problems.

(6) Uncontrolled diabetes mellitus significantly decreases life expectancy.

(7) There is convincing evidence that the known prevalence of diabetes mellitus has increased dramatically in the past decade.

(8) The citizens of the United States should have a full understanding of the nature of the impact of diabetes mellitus.

(9) The attainment of better methods of diagnosis and treatment of diabetes mellitus deserves the highest priority.

(10) In order to provide for the most effective program against diabetes mellitus it is important to mobilize the resources of the National Institutes of Health as well as the public and private organizations capable of the necessary research and public education in the disease.

(b) It is the purpose of this Act to establish a long-range plan to—

(1) expand and coordinate the national research effort against diabetes mellitus;

(2) advance activities of patient education, professional education, and public education which will alert the citizens of the United States to the early indications of diabetes mellitus; and

(3) to emphasize the significance of early detection, proper control, and complications which may evolve from the disease.

DIABETES PLAN

SEC. 3. (a) The Director of the National Institutes of Health, with the advice of the advisory council to the Director, shall, within sixty days of the date of the enactment of this section, establish a National Commission on Diabetes (hereinafter in this section referred to as the "Commission").

(b) The Commission shall be composed of seventeen members as follows:

(1) The Directors of the seven Institutes named in subsection (e) (1).

(2) Six members appointed by the Secretary of Health, Education, and Welfare from scientists or physicians who are not in the employment of the Federal Government and who represent the various specialties and disciplines involving diabetes mellitus and related endocrine and metabolic diseases.

(3) Four members appointed by the Secretary of Health, Education, and Welfare from the general public. At least two of the members appointed pursuant to this paragraph shall be diabetics or parents of diabetics.

The members of the Commission shall select a chairman from among their own number.

(c) The Commission may appoint an executive director and such additional personnel as it determines are necessary for the performance of the Commission's functions.

(d) Members of the Commission who are officers or employees of the Federal Government shall serve as members of the Commission without compensation in addition to that received in their regular public employment. Members of the Commission who are not officers or employees of the Federal Government shall each receive the daily equivalent of the rate in effect for grade GS–18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Commission. All members of the Commission shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission.

(e) The Commission shall formulate a long-range plan to combat diabetes mellitus with specific recommendations for the utilization and organization of national resources for that purpose. Such a plan shall be based on a comprehensive survey investigating the magnitude of diabetes mellitus, its epidemiology, its economic and social consequences, and an evaluation of available scientific information and the national resources capable of dealing with the problem. The plan shall include at least the following:

(1) A plan for a coordinated research program encompassing programs of the National Institute of Arthritis, Metabolism, and Digestive Diseases, the National Eye Institute, the National Institute of Neurological Diseases, the National Heart and Lung Institute, the National Institute of General Medical Sciences, the National Institute of Child Health and Human Development, and the National Institute of Dental Research, and other Federal and non-Federal programs. This coordinated research program shall provide for—

(A) investigation in the epidemiology, etiology, prevention, and control of diabetes mellitus, including investigation into the social, environmental, behavioral, nutritional, biological, and genetic determinants and influences involved in the epidemiology, etiology, prevention, and control of diabetes mellitus;

(B) studies and research into the basic biological processes and mechanisms involved in the underlying normal and abnormal phenomena associated with diabetes mellitus, including abnormalities of the skin, cardiovascular system, kidneys, eyes, and nervous system, and evaluation of influences of other endocrine hormones on the etiology, treatment, and complications of diabetes mellitus;

(C) research into the development, trial, and evaluation of techniques and drugs used in, and approaches to, the diagnosis, treatment, and prevention of diabetes mellitus;

(D) establishment of programs that will focus and apply scientific and technological efforts involving biological, physical, and engineering science to all facets of diabetes mellitus;

(E) establishment of programs for the conduct and direction of field studies, large-scale testing and evaluation, and demonstration of preventive diagnostic, therapeutic, rehabilitative, and control approaches to diabetes mellitus;

(F) the education and training of scientists, clinicians, educators, and allied health personnel, in the fields and specialties requisite to the conduct of programs respecting diabetes mellitus; and

(G) a system for the collection, analysis, and dissemination of all data useful in the prevention, diagnosis, and treatment of diabetes mellitus, including the establishment of a diabetes research data bank to collect, catalog, store, and disseminate insofar as is practicable the results of diabetes research undertaken for the use of any person involved in diabetes research.

(2) Proposed Federal, State, and local programs for—

(A) the screening of and detection in members of the general public for the overt symptoms of diabetes and, where appropriate methods exist, for cardiovascular degeneration occurring prior to the onset of such overt symptoms and referral for appropriate treatment of those who require it; and

(B) continuing counseling and education of doctors, diabetics, and relatives of diabetics (especially parents of diabetic children) on the steps that must be taken in order to live with diabetes.

The counseling and education described in subparagraph (B) shall include the dissemination of information on the importance of diet, on how to cope with the gradual progression of the disease, and on the critical importance of self-discipline and compliance with medical directives.

(f) The Commission may hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable to develop the long-range plan required by subsection (e).

(g) (1) The Commission shall prepare for each of the Institutes whose programs are to be encompassed by the plan described in subsection (e) (1) budget estimates for each Institute's part of the coordinated diabetes research program described in that subsection. The budget estimates shall be prepared for the fiscal year ending June 30, 1975, and for each of the next two fiscal years.

(2) Within five days after the budget is transmitted by the President to the Congress for the fiscal year ending June 30, 1975, and for each of the next two fiscal years, the Secretary shall transmit to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Labor and Public Welfare of the Senate, and the Committee on Interstate and Foreign Commerce of the United States House of Representatives an estimate of the amounts requested for each of the Institutes for diabetes research, and a comparison of such amounts with the budget estimates prepared by the Commission under paragraph (1).

(h) (1) The Commission shall publish and transmit directly to the Congress (without prior administrative approval) a final report within two hundred and ten days after the date funds are first appropriated for the implementation of this section. Such report shall contain the long-range plan required by subsection (e) and the budget estimates required by subsection (g).

(2) The Commission shall cease to exist on the thirtieth day following the date of the submission of its final report pursuant to paragraph (1) of this subsection.

(i) There are authorized to be appropriated to carry out the purposes of this section $1,000,000.

RESEARCH AND TRAINING CENTERS; DIABETES COORDINATING COMMITTEE

Sec. 4. Part D of title IV of the Public Health Service Act is amended by adding at the end thereof the following new sections:

"DIABETES RESEARCH AND TRAINING CENTERS

"Sec. 435. (a) The Secretary may provide for the development, or substantial expansion, of centers for research and training in diabetes mellitus and related endocrine and metabolic disorders. Each center developed or expanded under this section shall (1) utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research and training qualifications as may be prescribed by the Secretary; and (2) conduct (A) research in the diagnosis and treatment of diabetes mellitus and related endocrine and metabolic disorders and the complications resulting from such disease or disorders, (B) training programs for physicians and allied health personnel in current methods of diagnosis and treatment of such disease, disorders, and complications, and (C) information programs for physicians and allied health personnel who provide primary care for patients with such disease, disorders, or complications. The Secretary shall, insofar as practicable, provide for an equitable geographical distribution of centers developed or expanded under this section.

"(b) The Secretary shall evaluate on an annual basis the activities of centers developed or expanded under this section and shall report to the Congress (on or before June 30 of each year) the results of his evaluation.

"(c) There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year ending June 30, 1975, $7,500,000 for fiscal year ending June 30, 1976, and $10,000,000 for fiscal year ending June 30, 1977.

"DIABETES COORDINATING COMMITTEE

"Sec. 436. In order to better coordinate the total National Institutes of Health research activities relating to diabetes mellitus, the Director of the National Institutes of Health shall establish an Inter-Institute Diabetes Mellitus Coordinating Committee. This Committee shall be composed of the Directors (or their designated representatives) of each of the Institutes and divisions involved in diabetes-related research. The Committee will be chaired by the Director of the National Institutes of Health (or his designated representative). Such Committee shall prepare a report as soon after the end of each fiscal year as possible for the Director of the National Institutes of Health detailing the work of the Committee in coordinating the research activities of the National Institutes of Health relating to diabetes mellitus during the preceding year."

And amend the title so as to read: "An Act to require the development of a long-range plan to advance the national attack on diabetes mellitus, and for other purposes."

Mr. HARRY F. BYRD, JR. Mr. President, on behalf of the distinguished senior Senator from Massachusetts (Mr. Kennedy), I move that the Senate disagree to the amendment of the House and request a conference with the House on the disagreeing votes of the two Houses and that the Chair be authorized to appoint conferees.

The motion was agreed to and the Chair appointed Mr. Kennedy, Mr. Williams, Mr. Nelson, Mr. Eagleton, Mr. Cranston, Mr. Hughes, Mr. Pell, Mr. Mondale, Mr. Hathaway, Mr. Schweiker, Mr. Javits, Mr. Dominick, Mr. Beall, Mr. Taft, and Mr. Stafford conferees on the part of the Senate.

NATIONAL CANCER AMENDMENTS OF 1974

Mr. HARRY F. BYRD, JR. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2893.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2893) to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next 3 fiscal years, which was to strike out all after the enacting clause, and insert:

That this Act may be cited as the "National Cancer Amendments of 1974".

Sec. 2. Section 402(b) of the Public Health Service Act is amended—

(1) by striking out "in amounts not to exceed $35,000" in paragraph (1) and inserting in lieu thereof "if the direct costs of such research and training do not exceed $35,000, but only"; and

(2) by striking out "in amounts exceeding $35,000" in paragraph (2) and inserting in lieu thereof "if the direct costs of such research and training exceed $35,000, but only."

Sec. 3. Section 407(b) (4) of the Public

Health Service Act is amended by striking out "all data" and inserting in lieu thereof "information (including information respecting nutrition programs for cancer patients and the relationship between nutrition and cancer)".

SEC. 4. Section 407(b)(7) of the Public Health Service Act is amended by striking out "where appropriate".

SEC. 5. Section 407(b)(9)(A) of the Public Health Service Act is amended by inserting "(including an estimate of the number and type of personnel needed for the National Cancer Program)" after "budget estimate".

SEC. 6. Section 408(a) of the Public Health Service Act is amended by striking out "fifteen".

SEC. 7. Section 409(b) of the Public Health Service Act is amended by striking out "and" before "$40,000,000" and by inserting before the period at the end thereof a comma and the following: "$50,000,000 for the fiscal year ending June 30, 1975, $65,000,000 for the fiscal year ending June 30, 1976, and $85,000,000 for the fiscal year ending June 30, 1977".

SEC. 8. Section 410 of the Public Health Service Act is amended—

(1) by striking out "fifty" in paragraph (1) and inserting in lieu thereof "one hundred";

(2) by striking out "and" at the end of paragraph (7);

(3) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and";

(4) by adding after paragraph (8) the following new paragraph:

"(9) to award grants for new construction as well as alterations and renovations for improvement of basic research laboratory facilities, including those related to biohazard control, as deemed necessary for the National Cancer Program."; and

(5) by inserting "(a)" after "410." and by adding after paragraph (9) the following new subsection: "(b)(1) The Director of the National Cancer Institute may provide and contract for a program to disseminate and interpret, on a current basis, for practitioners and other health professionals, scientists, and the general public new scientific and other information respecting the cause, prevention, diagnosis, and treatment of cancer.

"(2) The Director of the National Cancer Institute shall include in the annual report required by section 410A(b) a report on the progress, activities, and accomplishments of, and expenditures for, the information services of the National Cancer Program."

SEC. 9. Section 410C of the Public Health Service Act is amended by striking out "and" before "$600,000,000" and by inserting before the period at the end thereof a semicolon and the following: "$750,000,000 for the fiscal year ending June 30, 1975; $830,000,000 for the fiscal year ending June 30, 1976; and $985,000,000 for the fiscal year ending June 30, 1977".

SEC. 10. Part G of title IV of the Public Health Service Act is amended by adding at the end the following new section:

"PEER REVIEW OF GRANT APPLICATIONS AND CONTRACT PROJECTS

"SEC. 455. (a) The Secretary, after consultation with the Director of the National Institutes of Health, and, where appropriate, the Director of the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, or the National Institute on Drug Abuse, shall by regulation require appropriate scientific peer review of—

"(1) applications made after the effective date of such regulations for grant under this Act for biomedical and behavioral research; and

"(2) biomedical and behavioral research and development contract projects to be administered after such effective date through an institute established under this title, the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, or the National Institute on Drug Abuse.

"(b) Regulations promulgated under subsection (a) shall to the extent practical, require that the review required by the regulations be conducted—

"(1) in a manner consistent with the system for scientific peer review applicable on the date of the enactment of this section to applications for grants under this Act for biomedical and behavioral research and to biomedical and behavioral research contract projects administered by the institutes referred to in paragraph (2) of subsection (a), and

"(2) by peer review groups performing such review on or before such date.

The members of any peer review group established under such regulations shall be individuals who by virtue of their training or experience are eminently qualified to perform the review functions of the groups and not more than one-fourth of the members of any peer review group established under such regulations shall be officers or employees of the United States."

SEC. 11. Section 301(h) of the Public Health Service Act is amended by striking out "during the fiscal year ending June 30, 1966, and each of the eight succeeding fiscal years".

Mr. HARRY F. BYRD, JR. Mr. President, at the request of the Senator from Massachusetts (Mr. KENNEDY), I move that the Senate disagree to the amendment of the House and request a conference with the House on the disagreeing votes of the two Houses and that the Chair be authorized to appoint conferees.

The motion was agreed to and the Presiding Officer appointed Mr. KENNEDY, Mr. WILLIAMS, Mr. NELSON, Mr. EAGLETON, Mr. CRANSTON, Mr. HUGHES, Mr. PELL, Mr. MONDALE, Mr. HATHAWAY, Mr. SCHWEIKER, Mr. JAVITS, Mr. DOMINICK, Mr. BEALL, Mr. TAFT, and Mr. STAFFORD conferees on the part of the Senate.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. HARRY F. BYRD, JR. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to; and at 5:56 p.m. the Senate took a recess subject to the call of the Chair.

The Senate reassembled at 6:15 p.m., when called to order by the Presiding Officer (Mr. GRIFFIN).

THE EXPORT-IMPORT BANK

Mr. HARRY F. BYRD, JR. Mr. President, I note in the press today that the Export-Import Bank has granted large credits to the Soviet Union. This action was taken despite the fact that the House of Representatives has passed legislation putting restrictions on such credits. The House-passed measure is now before the Senate Committee on Finance. Undoubtedly, the Finance Committee—and the Senate, I feel sure—will add similar restrictions permitting credit to the Soviet Union—hundreds of millions of dollars of tax-subsidized credits.

I regret to see the Export-Import Bank take that action at a time when the House has acted as it has, and the Senate undoubtedly will act the same.

Therefore, Mr. President, I ask the leadership on both sides of the aisle to give the Senator from Virginia the opportunity to express his views before any unanimous-consent agreements are made in connection with the extension of the Export-Import Bank bill which soon will come before the Senate.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 22, 1974, he presented to the President of the United States the enrolled bill (S. 2835) to rename the first Civilian Conservation Corps Center located near Franklin, N.C., and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the concurrent resolution (H. Con. Res. 501) providing for a conditional adjournment of the Congress from May 23, 1974, until May 28, 1974.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene again on May 28 at 12 o'clock noon.

After the two leaders or their designees have been recognized under the standing order, Mr. CLARK will be recognized for not to exceed 15 minutes, after which Mr. ROBERT C. BYRD will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

The Senate will proceed at 2 p.m. to the consideration of S. 2439, a bill to amend the Wild and Scenic Rivers Act of 1968. There is a time limitation for debate thereon of 2 hours, with a limitation on amendment thereto of 1 hour. Yea-and-nay votes undoubtedly will occur.

I think Senators can be assured that no rollcall votes will occur before 3 p.m. on Tuesday, May 28. Other legislative matters on the calendar which are cleared for action may be called up. Conference reports, being privileged matters, may be called up during the day, and yea-and-nay votes can occur thereon.

On Wednesday, May 29, the Senate will proceed at 12 o'clock noon to resume the consideration of S. 2665, a bill to provide for increased participation by the United States in the International Development Association. There is a limitation of 4 hours for the debate thereon, with a limitation on any amendment in the first degree of 1 hour. There is also a time limitation on amendments in the second degree, debatable motions, and appeals. Rollcall votes will begin to run at 4 p.m. on amendments or other matters related thereto, to be followed by a rollcall vote on final passage of the bill.

During the day, conference reports may be called up, as well as other matters on the legislative calendar that have been cleared for action, and yea-and-nay votes can occur thereon.

It is anticipated that there will be rollcall votes daily next week, Tuesday through Friday.

ADJOURNMENT TO TUESDAY, MAY 28, 1974

Mr. HARRY F. BYRD, JR. Mr. President, if there be no further business to come before the Senate, I move, pursuant to the provisions of House Concurrent Resolution 501, as amended, that the Senate stand in adjournment until 12 noon on Tuesday, May 28, 1974.

The motion was agreed to; and at 6:18 p.m. the Senate adjourned until Tuesday, May 28, 1974, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate May 22, 1974:

In the Air Force

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be general

Gen. John C. Meyer, [redacted]FR (major general, regular Air Force) U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. Louis T. Seith, [redacted]FR (major general, regular Air Force) U.S. Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 22, 1974:

Department of State

Joseph W. Twinam, of Tennessee, a Foreign Service officer of class 4, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Bahrain.

Michael Sterner, of New York, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Arab Emirates.

Organization for Economic Cooperation and Development

William C. Turner, of Arizona, to be Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

Department of the Treasury

Frederick L. Webber, of Virginia, to be a Deputy Under Secretary of the Treasury.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Wednesday, May 22, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

From everlasting to everlasting, Thou art God.—Psalms 90: 2.

O God, our Father, in the quiet of this moment be real to us and throughout the hours of this day keep us aware of Thy presence. Living with Thee, may we become good enough to make this a good day with good work well done for the good of our people.

In all the fields of our human endeavors, in all the complicated conditions of our civilization, in all the mad movements for power and wealth which mark our day, help us to remember that Thou art God, that this is Thy world, and that if we are to be delivered from danger or even disaster, it will be only through our loyalty to Thee and our obedience to Thy laws which govern this universe in which we live.

Therefore, we pray Thee, help us to increase our faith in Thee and make us responsive to Thy spirit that right and truth may prevail in us and in the lives of our leaders who control the direction and the destiny of our Republic; for Thine is the kingdom, and the power, and the glory forever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 11864. An act to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling;

H.R. 12670. An act to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes; and

H.R. 14354. An act to amend the National School Lunch Act, to authorize the use of certain funds to purchase agricultural commodities for distribution to schools, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 14354) entitled "An act to amend the National School Lunch Act, to authorize the use of certain funds to purchase agricultural commodities for distribution to schools, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Talmadge, Mr. McGovern, Mr. Allen, Mr. Clark, Mr. Young, Mr. Dole, and Mr. Bellmon to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House with an amendment to a bill of the Senate of the following title:

S. 3398. An act to amend title 38, United States Code, to provide a 10-year delimiting period for the pursuit of educational programs by veterans, wives, and widows.

The message also announced that the Senate had receded from its amendment to a bill of the House of the following title:

H.R. 12920. An act to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1018. An act to create a National Commission on the Olympic Games to review the question of U.S. participation in the Olympic games and to evaluate and formulate recommendations concerning such participation; and

S. 3458. An act to amend the Agriculture and Consumer Protection Act of 1973, the Food Stamp Act of 1964, and for other purposes.

ADJOURNMENT OF CONGRESS OVER MEMORIAL DAY HOLIDAY

Mr. McFALL. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 501) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. Con. Res. 501

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Thursday, May 23, 1974, they stand adjourned until 12 o'clock noon on Tuesday, May 28, 1974, or until 12 o'clock noon on the second day after their respective Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.

Sec. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and the Senate, respectively, to reassemble whenever in their opinion the public interest shall warrant it or whenever the majority leader of the House and the majority leader of the Senate, acting jointly, or the minority leader of the House and the minority leader of the Senate, acting jointly, file a written request with the Clerk of the House and the Secretary of the Senate that the Congress reassemble for the consideration of legislation.

Mr. McFALL (during the reading). I ask unanimous consent that further reading of the concurrent resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to ask the gentleman from California what emergency we are looking at that requires all of this delegated power to certain Members of Congress to call the House and Senate back into session or is that a new ritual we now go through without any particular reason?

Mr. McFALL. Mr. Speaker, if the gentleman will yield, I would give my own opinion. This section is added to every recess resolution that we have from now on in order to take care of any problems that might come up during the time of recess. It has been, I think, the opinion of Members on both sides of the aisle that this kind of authority should be put in all recess resolutions to take care of any emergency. I would not anticipate over the short recess that is called for in this resolution that we would have such an emergency, and I am sure the gentleman from Iowa would not anticipate such a thing, but it is a routine matter that is put in to take care of any eventuality.

Mr. GROSS. I would not expect a session on Saturday, Sunday, or Monday. Of course, that leaves only Friday as an exception. However, I thank the gentleman for his explanation.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO RECEIVE MESSAGES FROM THE SENATE, AND THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ADJOURNMENT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Tuesday, May 28, 1974, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CHANGE IN LEGISLATIVE PROGRAM

Mr. McFALL. Mr. Speaker, I would like to announce that the Community Services Act, H.R. 14449, which has been scheduled for consideration tomorrow, will not be taken up on tomorrow.

JOHN F. GRINER WAS TIRELESS LEADER OF U.S. EMPLOYEES

(Mr. DULSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DULSKI. Mr. Speaker, the American labor movement, and Federal employees in particular, have lost a tireless and beloved leader in the passing of John F. Griner, president emeritus of the American Federation of Government Employees.

For 10 years, until 1972, he led the AFGE in a period of its greatest progress in behalf of its membership—and, indeed, in behalf of all Federal employees.

The mark of the successful employee leader is the rapport he achieves in his representations. In the case of Federal employees, this means rapport with the Congress and various Government agencies. In this area, John Griner excelled.

As chairman of the Committee on Post Office and Civil Service, I had a close personal association with Mr. Griner. My door always was open to him and this was in recognition of the fact that he was a reasonable and respectful leader at the same time that he pressed vigorously his legislative views and beliefs.

We did not always agree, of course. But he respected my legislative responsibility to examine each proposal with care in the overall public interest. Differences of opinion and view are needed to produce the best end result.

John Griner enjoyed a fine relationship with many Members of Congress. Members of my committee expressed their esteem in the memorial resolution adopted unanimously on May 16. The text follows:

RESOLUTION ON THE DEATH OF JOHN F. GRINER

Whereas, John F. Griner did serve with extreme distinction as President of the American Federation of Government Employees from 1962 to 1972; and

Whereas, during this period his leadership resulted in numerous legislative accomplishments designed to improve the lives and working conditions of all Federal employees; and

Whereas, there had developed between the Members of the Post Office and Civil Service Committee and John F. Griner strong bonds of esteem, respect, and affections; and

Whereas, the Committee, both individually and collectively are deeply appreciative of his many fine contributions to its deliberations and to the entire Civil Service: It is hereby

Resolved by the Committee on Post Office and Civil Service in regular session, That it has learned with profound sorrow of the death of John F. Griner and that it extends its deepest sympathy to his family and assciates in the American Federation of Government Employees.

THADDEUS J. DULSKI,
Chairman.
DAVID N. HENDERSON,
Vice Chairman.
H. R. GROSS,
Ranking Minority Member.

Mr. GROSS. Mr. Speaker, I wish to join with my colleagues on the House Post Office and Civil Service Committee and in the House of Representatives in expressing my sense of loss in the death of Mr. John F. Griner, former president of the American Federation of Government Employees.

As a member of the Post Office and Civil Service Committee for more than 25 years, I knew John Griner before he became president of the AFGE as well as during his tenure of office.

Both as a worker in the ranks and as president of his organization, John fought hard for what he believed to be the best interests of the members he served. While we did not always agree in matters of legislation, he was always fair in his representations.

John Griner served the American Federation of Government Employees well and the Nation is better for his having lived and worked among us.

Mr. HENDERSON. Mr. Speaker, John Griner was a unique individual. In my 14 years of congressional service, I have dealt with a great many people who, in the broad sense, could be called "lobbyist" in that they represented a particular point of view and tried to influence that point of view.

Using that definition, John was a "lobbyist," but he was more than that. When he called on me to urge my support of a particular measure, he always understood my position. When I agreed with him, he was appreciative. When I did not, he was understanding. He never sought personal gain or a personal favor. Always his interest was in the rank and file Federal employees who comprised the membership of the American Federation of Government Employees.

In many ways, John was more like the president of a local than your typical picture of a national president. He used to stroll casually into my office unannounced. He placed calls to me himself on the telephone, instead of having his secretary do it for him. He did not hesitate to ask for me to meet him off the House floor when he had a matter he felt should have my prompt attention.

A totally honest, forthright, and dependable man, John never asked for or would he settle for less than he considered to be justly due the hundreds of thousands of people he represented.

John Griner was a man I respected; a man I liked; a man with whom I could always reach a reasonable understanding. The American Federation of Government Employees and the cause of employee associations generally are the poorer for his loss.

I will miss him.

GENERAL LEAVE

Mr. DULSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the passing of John F. Griner.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

POOR SOLUTION TO VETERANS EDUCATION PROBLEMS

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, it is my understanding there will be a request to bring up under unanimous consent a bill providing for a 30-day extension of eligibility for veterans education benefits—it is my intention to object.

This is a shabby solution to a difficult problem. Are we going to continue to play roulette with the lives and futures of the more than 300,000 veterans who will have their benefits cut off May 31?

If a 30-day provision is passed it is very unlikely any veteran will be able to take advantage of the education benefits for summer school. There is no guarantee that he will have the funds to complete his summer school. If he is cut off June 30, he will face a difficult, if not impossible, job market. Many veterans have already indicated to me that they will have to apply for welfare if benefits are not continued. Unemployment among veterans is already scandalously high.

Last week when I raised this issue, I urged that the House approve the 2-year extension provision contained in both the House and Senate veterans benefits packages. I delayed action at the request of the leadership to permit one more try at getting the Senate to accept the House bill as passed. This they have not done.

I say once again, in the absence of any agreement between this body and the other body on the full package, the only fair solution is passage of my 2-year extension bill. Considering the problems that will be generated by a 30-day extension, I don't see how the Congress can continue to play power politics with the futures of these men.

In the event that my bill, H.R. 14464, is not taken up today, I will file a discharge petition at the Speaker's desk and urge my colleagues to sign it. We only have 1 week in which to act. I hope the concern for our Vietnam-era veterans so often expressed by my colleagues here will be demonstrated once more by signing the discharge petition.

DEMOCRATIC CAUCUS FOOLS NO ONE

(Mr. MARTIN of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARTIN of Nebraska. Mr. Speaker, for 15 months the Select Committee on Committees worked hard to produce a plan to reorganize the House committee structure to enable the House to deal more effectively and efficiently with the problems that confront our Nation in this decade, the 1980's and 1990's and beyond.

Regrettably that effort was seriously undercut, probably killed outright, by the action of the Democratic caucus when by secret ballot it voted to send the legislation, House Resolution 988, to a caucus committee.

On reflection, if there is any encouragement to be found in the wake of the action of the Democratic caucus it is that nobody seems to have been fooled a bit by what the caucus did. The details are not known because it was a closed meeting, but the message that the reform package has been scuttled for political expediency came across loud and clear.

Various Members of the House have criticized that action. There has been adverse press comment about this development. Interest groups and individuals have expressed dismay and disgust. And that is just the beginning. There will be more.

Our citizens and our institutions simply will not accept the political machinations as are being attempted by the Democratic caucus.

REDUCING PAPERWORK BURDEN ON SMALL BUSINESS

(Mr. ROBERT W. DANIEL, JR. asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, on Monday I cosponsored a bill designed to reduce the paperwork burden placed on small businesses by the Federal Government. This bill could save small businesses up to $235 million a year in clerical and accounting costs without causing any lost tax revenue.

The bill simply reduces the number of times a year employers must report employee withholding for Federal benefits.

Small businesses are the least able to stand the financial burden placed by Government redtape. Needless paperwork imposed on a business can only result in higher prices for the consumer. Every additional Government form that is required must have another highly paid Government bureaucrat to move it from one file to another.

TERMINATION OF VETERANS EDUCATIONAL BENEFITS

(Mrs. HECKLER of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. HECKLER of Massachusetts. Mr. Speaker, 9 days from today, educational benefits for 300,000 of our Nation's veterans will be terminated—benefits they have earned through service to their country—benefits that in all probability would be continued without question under other circumstances, after any other war.

But these young men and women had the misfortune of serving during the tragic Vietnam conflict. So now they stand to lose their benefits, even though they have not finished school.

They are the victims, I regret to say, of an apathetic Congress, which has allowed the simple extension of their eligibility to be held hostage as the House and Senate maneuver in an effort to force each other into accepting their particular version of other veteran education legislation.

Consumed with policy difference, the Congress has allowed the May 31 termination date to drift closer and closer. Both Houses agree that a 2-year extension is justified—yet it has not been passed.

The Senate yesterday adopted a 30-day extension, so that the program can continue while other differences are being worked out.

The House must pass the extension, S. 3398, immediately. We can delay on this no longer. Our veterans must know if they are going to be able to continue their schooling.

The House already has passed the extension and a higher rate of benefits—twice. This will mean nothing if we allow the benefits to expire in 9 days.

For those who are simply opposed to continuing the program in the name of fiscal conservatism, I would remind them that there is no better investment of this Nation's resources than in the education of its citizens.

If hundreds of thousands of veterans are forced to quit school, many will be added to our already-bloated unemployment rolls. I cannot believe that any Member of Congress feels that welfare payments are a better investment of our resources than the GI bill.

FREEDOM FROM GOVERNMENTAL PERSECUTION

(Mr. RONCALLO of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALLO of New York. Mr. Speaker, I take this time to announce to the membership that when we go into the Committee of the Whole today I will request permission to speak out of order on a matter which affects the relationship of the legislative and executive branches and the right of every citizen to be free from governmental persecution. I respectfully urge my colleagues to remain on the floor, if at all possible.

Mr. Speaker, I ask unanimous consent that when I address the Committee of the Whole I be permitted to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

RELEASE OF CONFIDENTIAL INFORMATION DURING IMPEACHMENT INQUIRY

(Mr. COCHRAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COCHRAN. Mr. Speaker, I know I am only one of many Members of this House who is very disappointed in the continued biased discussion by some of the zealots of the Judiciary Committee of confidential committee evidence obtained in the impeachment inquiry. It is becoming more and more obvious that rather than being a constitutional or legal process, some Members are transforming the impeachment inquiry into a selfish political escapade which brings discredit on the Congress. The people of this great country deserve more responsible conduct.

INDIA'S NUCLEAR POLICY

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, the announcement by the Government of India that it has constructed and exploded a powerful nuclear weapon in its northwest desert area is almost beyond belief.

While this may satisfy the ego of Prime Minister Indira Gandhi and officials of her impoverished government, the staggering costs of this venture will take food from the mouths of the 75 percent of India's children already suffering from malnutrition, and compound the poverty of millions of adult Indians.

Only recently the United States canceled some $2 billion of the debt owed to it by India, but the pending administration budget calls for more than $100 million in foreign aid.

It will be intolerable if Congress approves another dollar for aid to an Indian Government whose priority is nuclear weaponry rather than its starved, poverty-stricken millions.

EXTENSION OF EDUCATIONAL BENEFITS FOR VIETNAM VETERANS

(Mr. WOLFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLFF. Mr. Speaker, a number of Members have this morning spoken to the question concerning the extension of educational benefits for Vietnam veterans. It is important that we realize again that the date of May 31 is the deadline for extension of benefits for some 300,000 veterans.

If we do not act, 300,000 veterans will be denied further educational benefits.

The Senate has passed a 30-day extension. I do not like this 30-day extension, but, by the same token, I think we must act within this time period. Otherwise these veterans will be denied the right to extend their education.

Therefore, Mr. Speaker, I urge the House to give immediate consideration to the 30-day extension.

Mr. PEYSER. Mr. Speaker, will the gentleman yield?

Mr. WOLFF. I yield to the gentleman from New York.

Mr. PEYSER. Mr. Speaker, I would just like to join with the gentleman from New York (Mr. Wolff) and say that the House must take action on this matter to extend educational benefits and other benefits to the Vietnam veterans, who are facing a major problem in this country today.

Mr. WOLFF. Mr. Speaker, I thank the gentleman.

PROPOSED REDUCTION OF SOCIAL SECURITY TAXES

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURKE of Massachusetts. Mr. Speaker, I wish to take this opportunity to inform the Members that I am sending a "Dear Colleague" letter to all those Members of the House who have not cosponsored my bill to reduce social security taxes.

More than 125 Members have already cosponsored this bill, and the Committee on Ways and Means is presently engaged in holding public hearings on the proposed tax reforms.

If we are going to give the working men and women of this Nation any relief whatsoever, the social security tax must be reduced to a realistic figure.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 236]

Arends
Brown, Ohio
Buchanan
Burke, Calif.
Carey, N.Y.
Chappell
Clark
Clawson, Del
Clay
Conyers
Daniel, Dan
Davis, Ga.
Derwinski
Diggs
Drinan
Evans, Colo.
Fish
Ford
Gray
Heinz
Helstoski
Hogan
Holifield
Johnson, Pa.
Jones, Okla.
Kemp
Kluczynski
Litton
Lott
Macdonald
Maraziti
Matsunaga
Morgan
Mosher
Nix
Rangel
Rees
Reid
Rhodes
Riegle
Roncallo, N.Y.
Rooney, N.Y.
Runnels
Shuster
Smith, N.Y.
Stanton, James V.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Teague
Thompson, N.J.
Traxler
Udall
Ullman
Wiggins
Williams
Wyatt

The SPEAKER. On this rollcall 375 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MILITARY PROCUREMENT AUTHORIZATION, 1975

Mr. HÉBERT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 14592) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 14592, with Mr. Rostenkowski in the Chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Monday, May 20, 1974, the Committee had agreed that title I, ending on page 3, line 3 of the bill, would be considered as read, printed in the Record, and open to amendment at any point.

Are there any amendments to title I?

Mr. RONCALLO of New York. Mr. Chairman, I move to strike the requisite number of words.

(By unanimous consent, Mr. Roncallo of New York was allowed to speak out of order and to proceed for 15 additional minutes.)

FREEDOM FROM GOVERNMENTAL PERSECUTION

Mr. RONCALLO of New York. Mr. Chairman, justice has prevailed. I come before my colleagues and speak from the well of the House having been acquitted by a jury of my peers and exonerated of all charges against me. After 3 months of horror I am once again free to do the job for which the fine people of the Third District of New York have elected me. But I can never be free; no Member of Congress can be free; and certainly no private citizen can be free until the prostitution and perversion of the office of the U.S. district attorney for the Eastern District of New York as exemplified by events surrounding my case are driven from our midst.

What I have to say today should be of vital interest to every Member because the procedures followed by the U.S. attorney's office could affect both the relationship between the executive and legislative branches and also the right of every citizen to be free from unjust persecution at the hands of his government.

I am grateful the jury was able to recognize my innocence but I am also fearful and angry—fearful because if as a body we take no action we serve notice to the Department of Justice that it can act with impunity to attack any Member of the Congress for its own political ends no matter which side of the aisle he sits on, and I am angry because I should never have been prosecuted at all.

No one in the U.S. attorney's office ever believed I was guilty of anything. The prosecution, or rather persecution, was born of the political ambitions of the acting U.S. attorney, and his Gestapo tactics have debased the office to which he was appointed.

I would like to review for the Members the illegal actions which have taken place since the beginning of January, but first let me establish a little history which I believe is in order.

After the tragic death last December of the distinguished U.S. attorney for the Eastern District Robert A. Morse, his assistant, 31-year-old Edward John Boyd V assumed the post in an acting capacity. Mr. Boyd V was not recommended for the permanent position, and in a fit of pique he attempted to punish those responsible for his nonselection. He first launched an attack against the chief assistant district attorney of Nassau County, Edward Margolin, whose name had been suggested for the post, and against Margolin's superior, District Attorney William Cahn. Mr. Boyd called Margolin before the Federal grand jury, but filed no charges. The political assassination was effective, however, and Margolin's name was withdrawn.

This is where I came into the picture. Mr. Boyd had been trying to make a case against New York State Assemblyman Joseph Margiotta, who as Republican leader of Nassau County was one of those responsible for not recommending Boyd for the U.S. attorney's post. When Boyd failed to come up with anything against Margiotta, he decided to hold me hostage to his own political ambitions.

The first inkling I had of all this was on January 12 of this year, when reporter Brian Quinn stated on CBS radio news in New York that informed sources had indicated that the Justice Department had initiated an investigation of a number of public officials on Long Island including Cahn, Margiotta, and myself, and that indictments were expected. Nearly a month then went by with still no contact by Mr. Boyd.

On February 7 at the request of the U.S. attorney's office I voluntarily appeared before the grand jury without an attorney to testify as to what I knew about the Cahn-Margiotta case. Instead, however, I was asked seemingly innocuous questions on subjects regarding my own personal activities. I was later requested to return the following week for an informal meeting with Assistant U.S. Attorneys Peter Schlam and Robert Katzberg.

I went as requested, and took my law partner Leonard Weber along because of the antagonistic attitude of the U.S. attorney's office at the grand jury hearing. I have here a deposition by Mr. Weber, testifying as to what transpired at that February 14 meeting, which will prove beyond a shadow of a doubt that there never was a case against me; that I was not the intended victim; and that they would not hesitate to try to ruin me if I would not help advance their political aims.

In brief, 29-year-old Schlam said he did not think I deserved to be prosecuted, but that I would be if I refused to give programed testimony against Cahn and Margiotta. He threatened that the indictment alone would be enough to ruin my political career. Conviction was not his object. His object was political assassination. He refused my request to answer specific questions under oath before the grand jury, saying he had no specifics, but that, and I quote: "You've got to come aboard our ship" and cooperate all the way, or I would be indicted. If I played along there would be no indictment, and I would walk away free. If I did not agree to become a coconspirator in his scheme by the following Wednesday, he would send the indictment forward.

This offer of lack of prosecution and avoidance of embarrassment was an outright form of bribery. The bribe had been offered, but not taken. I refused then, as I would now, to perjure myself and make up a story out of whole cloth. In other words, the prosecutor asked for programed testimony in return for not bringing an indictment against a man he acknowledged to be innocent. This is intimidation in its most blatant form.

As a matter of fact, no information against me had as yet been presented to the grand jury. Schlam did not call witnesses until the following day—after I refused to be bought off.

I consulted an attorney, who asked the prosecutors for a week's delay to finish a pending case. This was refused, effectively denying me the original counsel of my choice. I eventually engaged counsel, but his request for only a few days to read into the case was similarly refused by the U.S. attorney's office.

The deadline of Wednesday came and went, as I had no knowledge of wrongdoing by any person. The next word I heard about my case was 7:30 Thursday morning, February 21. As I was leaving my house to fly to Washington for the session that day, I was greeted by a reporter from a local daily who asked me to comment on the indictment. How could I comment? The indictment had not even been handed down yet.

I did not even know for sure if I would be indicted, let alone know the allegations against me. At the airport I purchased a copy of Newsday, which said the indictment was imminent.

I would like to show everyone a copy of that paper, which was printed some 10 hours before the formal indictment was released by the Justice Department.

I have always been under the impression that grand jury proceedings were inviolate, and that for a U.S. attorney to reveal its actions before an indictment is handed down is a serious criminal offense. The article, quoting "sources close to the investigation," could only have come from a deliberate leak in the U.S. attorney's office, an illegal action which shows at the very least a healthy disrespect for the law and the civil rights of the defendants. This is one of several unethical acts which I plan to lay before the Bar Association Ethics Committee.

In fact, the leak was premature. As it happens, Newsday had been given earlier information that the indictments were to be handed down the previous day and already had set the story in type. Look at this galley proof for Thursday morning screaming that I had already been indicted. The headline reads "Federal Jury Indicts Roncallo and Burke." It was set Wednesday night, but had to be ripped up and replaced by this one, reading "Indictments of Roncallo, Burke Are Expected Soon," when the indictment was not signed in time.

I left for Washington, and my office started getting calls from newspapers and wire services as early as 9:30 a.m.

There was still no word from the U.S. attorney's office or from the Justice Department itself. At noon, I went to the floor, just missing a Washington Star reporter who called from the Justice Department Press Room. He had just been handed a lengthy press release announcing indictments in great detail and including statements from Attorney General Saxbe.

Up to this point, it seems that I was the only one the Justice Department had not seen fit to inform that the indictments had actually been handed down. I was not given the common courtesy which any citizen should have a right to expect.

Instead, I was left hanging, unable to answer the questions of the reporters, not even knowing the specific charges against me. Instead of being told of the indictment, I had to send my staff begging to the Justice Department for the information. The indictment was finally confirmed over the phone, and at 12:45 p.m., nearly an hour after the rest of the world, I received the details from the Department over the telecopier. There can only be one reason for this breach of courtesy: To embarrass me as much as possible by preventing me from giving an immediate statement to the press in my defense. I believe this was a deliberate attempt on the part of the executive to discredit the Congress at every available opportunity.

As further evidence that the indictment was not based on fact, here is what the supposed "victim," William F. Cosulich, told Newsday when the indictment was announced:

> If this indictment is based upon my testimony, I just don't understand it. I'm shocked, I just hope it goes to a speedy trial. These men are innocent. It's incredible that people can be menaced like this.

I appeared for arraignment on March 1 and asked for an immediate trial in order to clear my name, to be able to devote my full energies to representing my constituents in Congress, and to stop this slander at the earliest possible date from preventing the voters of my district from being able to choose their representative next fall on the issues, rather than on this extraneous matter. Assistant U.S. Attorney Schlam told District Court Judge Edward Neaher that the Government would be "ready to proceed to trial as soon as the defense says that it is ready."

On March 11, the date set for pretrial motions, Assistant U.S. Attorney Schlam came into court and had the audacity to ask Judge Neaher to delay the trial for 1 month. This was the same man who earlier had denied my counsel time to study the charges against me. I have here the following day's Newsday report of the proceedings. Judge Neaher's comments are particularly enlightening, and I quote:

> We have a high public official here charged with a serious crime. He must stand for reelection. This makes it reasonable why a speedy trial is desirable. . . . I certainly acted on the understanding that the Government itself was anxious to proceed.

Mr. Schlam had never before voiced any objection to a speedy trial. Why he then chose to delay is no mystery. He did not have a case against me; he never had a case against me; and he never intended that I should be allowed to clear my name so quickly. There is no question that they were trying to push the proceedings as close as possible to the elections. Remember, they were not out to convict a Congressman, just to ruin him.

Twice more, during the trial itself, the U.S. attorney's office tried to drag out the case. First, they made up a story which would have a hard time getting itself sold as a 10-cent pulp novel. Supposedly, Assistant U.S. Attorney Schlam fell ill from an overdose of barbiturates during the course of the trial. Let me read you this description of what I would call a "smeller-drama" from Newsday:

> Federal marshals are guarding assistant U. S. Attorney Peter R. Schlam, the chief prosecutor in the trial of Representative Angelo D. Roncallo, acting U. S. Attorney Edward Boyd said yesterday. The New York Times quoted sources close to the investigation as saying the investigors were proceeding in the belief that someone had drugged the prosecutor. The Times quoted Schlam's mother as saying that the matter has been "very frightening" and "I hope nobody is ever going to get near him again."

There was a twofold purpose in this slander by innuendo. One was to give the impression that I was responsible for a gangland style attack on Schlam. Boyd was actually quoted by the Long Island Press as saying that the overdose was "involuntary." I have written to Attorney General Saxbe, requesting a Washington-based investigation of the whole matter and suggesting that it can easily be cleared up if Mr. Schlam would be willing to submit to a lie detector test.

Of course, no charges were ever filed. However, Boyd V used this as an excuse for a prosecution motion to interrupt the trial for a week so that still another assistant U.S. attorney, Thomas Puccio, could familiarize himself with the case. Fortunately, the motion was denied and Puccio proceeded to show that he was all too familiar with the shenanigans being pulled by his cohorts.

When Mr. Puccio started abusing a character witness, a judge of the second highest court in my State, the New York Times described Judge Neaher's reaction as follows:

> Judge Neaher quickly leaned forward at the bench and shouted to the prosecutor: "Do you want a mistrial? Is that what you're seeking? Then you'd better desist.".

You see, a mistrial is exactly what they wanted. Either I would be left with no verdict and a cloud still hanging over my name, or a new trial would have to take place, extending the proceedings even closer to the elections. Isn't it strange? Usually it is the defendant who seeks the delays, who tries for the mistrials, in the hope of avoiding his inevitable conviction or in the hope of escaping entirely in the confusion. In my case, it was the prosecution that was trying to confuse the matter. Throughout the whole affair I demanded my constitutional right to a speedy trial, something that did not suit the purposes of Messrs. Boyd, Schlam, and Puccio.

The actual conduct of the trial also bears looking into. Six of the seven witnesses testified under immunity for various crimes against the United States. According to press reports, the district attorney is looking into many portions of the trial transcript where the testimony of these witnesses is in direct conflict with statements made before the Nassau County grand jury. Other lapses of proper procedure on the part of the U.S. attorney's office are also evident in the transcript.

In addition to illegally leaking grand jury information to the press, another public statement of Mr. Boyd proved beyond a shadow of a doubt that he had embarked on a political vendetta, not a judicial inquest, and that he was attempting to bring me into public ridicule and contempt regardless of the outcome, rather than seeking that justice be done.

On the day the indictments were handed down, Mr. Boyd made the following statement which I quote from Newsday of February 22:

> I represent 8 million people in this area and if we catch these SOB's clean, I'm going to do my job.

Well, clean I am, but an SOB I am not. That this scurrilous statement should come from an officer of the Department of Justice is even more reprehensible and irresponsible. It tends to exacerbate the already existing troubled relationship between the executive and legislative branches of our Government. When an executive branch functionary, acting in his official capacity, calls a Member of Congress an SOB, it can only be with the express purpose of holding him and the entire Congress up to public ridicule.

A Member of Congress is not an SOB. He is entitled to respect while he serves in that capacity, and like any citizen, he is innocent until proven guilty.

Mr. Boyd has grossly violated the privilege of this Member and of the House by his calumnies, and I believe it is well within the rights of this body to demand an apology.

But let us forget about me for a minute. I then had two codefendants. What right does a man in Mr. Boyd's position have to call any man an SOB? Since he knew he could not win in court, does this give him the right to try his case in the media? In prejudicing constitutional rights of the defendants to a fair trial, Mr. Boyd has opened up still another area of unethical conduct for bar association investigation.

You might be interested to know why Mr. Boyd wanted me to deliver the information against District Attorney Cahn. During the course of my trial, Mr. Boyd, a lifelong Republican, approached the Nassau County Democratic Committee, seeking their nomination to run against Mr. Cahn in November. Of course, he was refused, but this shows what kind of a man he is. Utterly unscrupulous, he would violate his oath of office, initiate and conduct an inquiry with which he had a conflict of interest, sacrifice the political futures of several elected and appointed officials, including this Member, and prostitute the office of U.S. attorney for his own political advantage.

The post-trial statements of jury members, quoted on May 18 in a Newsday article entitled "Jurors: Never a question of conviction," puts the government's conduct of the trial into perspective:

> Thomas Ielpi, 41, a Brooklyn telephone repairman, said, "I was waiting and waiting for them to show me something, anything. But they didn't. I would have to say that some of us were wondering why they were even indicted," he said of Roncallo and Antetomaso.

Indeed, Mr. Chairman, I should not have been indicted. Such an indictment was a blatant violation of Mr. Boyd's oath of office and duty to the people of the United States.

For this reason I here and now call for Mr. Boyd's resignation from any and all offices of public trust which he might hold.

Mr. Chairman, I am today writing to the distinguished chairman of the Committee on the Judiciary calling for an investigation into the statements and actions of Mr. Boyd, Mr. Schlam, Mr. Puccio, and other officials of the U.S. attorney's office. I do not seek any personal gain from this, as I have already been exonerated. I take this action to prevent this situation from ever happening again. If officials of the Justice Department take this as a precedent, they will continue to use threats of political assassination to terrorize Members of Congress in the future. No Member is safe, because you need not have done anything to be vulnerable to indictment.

Even more importantly, it is the little man, the average private citizen, for whom I fear. How can he, completely innocent, enmeshed in a web not of his own making, protect himself? How can he raise the tens of thousands of dollars this has cost me to defend myself? Perhaps we ought to consider reimbursing the innocent defendant for the costs of his defense. Perhaps the accused citizen should have a right to counsel before the grand jury and the right to present evidence to answer the charges of the U.S. attorney.

I therefore request the Committee on the Judiciary or an appropriate joint committee to proceed without delay: First, to investigate the U.S. attorney's office for the eastern district of New York to determine if the constitutional privilege of the House or of this Member has been violated by one or more officers of the United States, to determine what illegal acts may have been committed by them, and to report the committee's findings to the House. Second, I urge the committee to consider appropriate legislation to prevent these Gestapo-like tactics from ever again being used against any citizen of our great country.

In the meantime, I recall the words of my father during my ordeal. He reminded me that he had come to the United States from his native Italy to escape from fascism only to find traces of it here once again. We must keep faith with him and with the very essence of America by insuring that no man can be indicted and, God forbid, sent to jail, at the political whim of a Federal prosecutor.

Mr. Chairman, justice has won out, and the verdict of the jury has enabled me to show the voters of my district that their confidence in me has not been misplaced. I am also very grateful for the opportunity to show that the many courtesies which the Speaker and my colleagues have extended to me throughout my first term in Congress, and especially during this trying ordeal, have been given to one who has never in his life acted in any manner which would bring discredit to this body. But I will not rest, I will not be silent, until every citizen is safe from governmental persecution. Thank you.

Mr. Chairman, under the leave granted me when we were in the House, I include at this point in the RECORD, the following materials:

My letter to Chairman Rodino.

A letter to me from James J. Maune, who has served on a Federal grand jury.

"Behind the News" political analysis column, Massapequa, N.Y., Post, February 21, 1974.

"Dear Friends:" political analysis column, Syosset, N.Y., Tribune, February 28, 1974.

"Behind the News," Massapequa, N.Y., Post, March 14, 1974.

Article, "A Really New Name For U.S. Attorney," Newsday, March 22, 1974.

Article, "Jurors: Never a Question of Conviction," Newsday, May 18, 1974.

The material follows:

Washington, D.C., *May 22, 1974.*

Hon. Peter W. Rodino, Jr.,
Chairman,
House Judiciary Committee,
Washington, D.C.

Dear Mr. Chairman: As I stated on the Floor this afternoon, I respectfully request the Committee to conduct an immediate investigation into the statements and actions of Assistant United States Attorney for the Eastern District of New York, Edward John Boyd 5th, presently serving as Acting U.S. Attorney, Assistant U.S. Attorneys Peter Schlam and Robert Katzberg, and other officials of the U.S. Attorney's office. I believe that such an investigation by the Committee or its staff will show the need for full hearings on the improper and illegal events surrounding the recent trial at which I and my co-defendant were exonerated of any and all wrongdoing.

During the course of its investigation, I would hope that the Committee would proceed with these thoughts in mind: to determine if the Constitutional privilege of the House or of me as a Member has been violated; to determine what illegal acts have been committed by officials of the U.S. Attorney's office; and to report such findings to the House. I would also urge the Committee to consider appropriate legislation to revise the Federal grand jury system so that the improper tactics used in my case will never again be visited upon any citizen.

I am enclosing a copy of the prepared text I used on the Floor and the other documentation to which I made reference. You might also find of interest the enclosed letter from a constituent who served on a grand jury. I am of course happy to cooperate with the Committee in its investigation and to furnish other documentation upon request.

Thank you very much for your courtesy and interest.

Sincerely,

Angelo D. Roncallo,
Member of Congress.

Plainview, N.Y., *May 18, 1974.*

Hon. Angelo D. Roncallo,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman Roncallo: I would first wish to offer my congratulations on your victory in the District Court and express my support for your re-election in November.

I would further wish to express my opinion on the Federal Grand Jury system as I observed the system as a Grand Juror in August, 1971.

I served on a Grand Jury prior to entering Law School, and even as a newcomer to the judicial process I was disturbed by the conduct of the Assistant U.S. Attorneys in presenting criminal cases. Some specific examples are as follows:

The U.S. Attorney would request the recorder to leave this "off the record" and then present a prejudiced discourse on the defendant.

The U.S. Attorney would request that the jurors not question the witness.

The U.S. Attorney would request that Jurors questions be kept "off the record".

Indictments which could not be sustained at law were obtained for use as bargaining "chips" to obtain testimony.

As secretary of the Grand Jury I requested instructions in the event the Jury voted "no true bill" and was told not to worry—it never happens.

At that time I was left with the impression that the U.S. Attorney could get whatever he wanted from the Grand Jury and is therefore left with a great deal of power which he can abuse at his discretion.

I feel that your recent experience would cause your views to be in accord with my observations. I also feel that you now have the motive to stimulate congressional action to place limits on the power of U.S. Attorneys, or at least attempt to create a system of better informed and more independent Grand Juries.

With best wishes

James J. Maune.

[From the Massapequa (N.Y.) Post, February 21, 1974]

Behind the News

(By Ira L. Cahn)

Obviously, the big news this week is the indictment of Congressman Angelo Roncallo, Town Supervisor John Burke, Town Attorney John Conroy and several others. The whole thing staggers the imagination . . . It's too fantastic to believe.

Naturally, this office has spent the major part of our pre-press time tracking down statements, talking to Washington, to Oyster Bay and to Brooklyn, plus trying in vain to reach Acting U.S. Attorney Edward Boyd, etc., etc.

Those who read this column regularly respect the integrity that has been earned over the years. They expect me to investigate study, probe, analyze and THEN report what I have been able to uncover and conclude.

That's exactly what I intend to do. It'll take me a few days to do the digging I have to do, maybe even longer. When I do come up with whatever I find, you'll know that I have made every human effort to get you the facts.

It is in this vein that I suggest to my readers that they take the same attitude in their own thinking and in their conversations with others. Give Angie and the rest of the men caught up in the same web the sort of break you would want if you were hit by a similar set of circumstances.

I have come up with a few odds and ends in the past few hours that I should pass along to you. . . .

There is the very blatant leak from the federal attorney's office. Newsday had the story of the imminent indictments early enough to make Thursday's papers, distributed before the indictments were handed down. This information could only have come from the prosecutor's office. (I don't blame Newsday for using the story—if I had had it, I would have used it.)

Along the same line, the Dept. of Justice had prepared a press release and had distributed it to the media in Washington before Roncallo, Burke or anyone else had been advised they had been indicted. This sort of thing smacks of persecution rather than prosecution!

The way I get the basic story—and it wasn't easy to piece this thing together under the pressure of press time—a consulting engineer by the name of William Cosulich had been doing some work for the Town of Oyster Bay. One day he asked Roncallo to protect him from the numerous requests (?) he was getting for political contributions from all kinds of clubs, committees, fund raisers, etc.

Roncallo, GOP town leader at the time, suggested that one contribution to the town committee would suffice but stressed that no contribution was necessary. Cosulich insisted that he wanted to contribute, but that there is a limit.

He handed Ange a check for $1,000 (already made out to Roncallo). It was immediately endorsed over to the town committee and never even went through Roncallo's bank account.

Well, that's the way I was able to piece together one part of the story. It needs a heck of a lot more checking, of course, but you are entitled to know what I know at this time. . . . More on this whole mess next week.

[From the Syosset (N.Y.) Tribune, Feb. 28, 1974]

Dear Friends:

As you know, our coverage of Town Hall activities is done by a professional writer, Ms Janet Gosnell, who has done an excellent and impartial job of covering both Town and County Board meetings for us for the past few years. Ms Gosnell's coverage of this particular TOB Board meeting appears in this issue.

As to our own feelings in regard to the federal grand jury indictments issued against TOB Supervisor John W. Burke and TOB Attorney John M. Conroy, naturally we were shocked, which we shouldn't have been, when we consider the recent indictments against such a man as Perry Duryea. However, this seems a political "way of life", these days and we are quite sure that, along with Congressman Angelo Roncallo and others so indicated, these matters will be cleared up in due time, according to law. Naturally we believe in the innocence of these fine public servants, and deplore the hurt to them and to their families. Being lawyers, they too must be sure that they will be vindicated. But who can remove the political hurt accomplished by these indictments? In the final analysis our country will suffer on all political levels, when such harrassment reaches the heights it has today. Those who are extremely well equipped to serve us as public servants will stay in or return to the private sector, where they can make much more money. Consequently we will end up with those far less capable attempting to serve us on many political levels.

Our opinion of these proceedings coincides exactly with that of William F. Cosulich of Syosset, head of a Plainview environmental engineering firm that allegedly was forced to kick back five per cent of the money it received in contracts from Oyster Bay Town to the Town Republican treasury. This man, who was portrayed in federal indictments as the principal extortion victim of Oyster Bay Republicans said in an article in a Nassau County daily newspaper, that he was "shocked" by the indictments and believes the defendants are innocent. "John Burke and John Conroy are two of the finest men I know," Cosulich said. "If this (the indictments) is based on my testimony, I just don't understand it. I'm shocked. I just hope that it goes to a speedy trial. These men are innocent. It's incredible that people can be menaced like this." We say "Amen" to this man's honest opinions. And we hope that all who are being so hurt in these unfortunate proceedings, will not be discouraged from serving us as they have done in the past. I'm sure that there are many who read this column who will disagree with me, as there are many who agree. Time alone will tell, on all political levels, who is right . . . who is wrong . . . and who is actually hurting our country most by their actions.

In the meantime, let us all, in spite of these legal diversions, which must be followed to their conclusion, do all we can to serve, on whatever level and in whatever capacity, is ours at present. For in a democracy, we will serve.

That's all for this week. Stay well . . . don't waste a day. And re-read and give careful thought to Kipling"s immortal poem, "IF."

[From the Massapequa (N.Y.) Post,
Mar. 14, 1974]

BEHIND THE NEWS

(By Ira L. Cahn)

It looks like the case against Roncallo and the rest of the town of Oyster Bay indictees is blowing up in the prosecutor's face. There can be no other reason, from what I have been able to learn, for the federal attorney to refuse to go to trial on Monday as scheduled.

The usual procedure in most major trials is for the defense to use delaying tactics of every sort. The longer the delay, the better off is the defense, according to attorneys wise in the ways of such forensic maneuvering. This way, they say, memories get hazy, witnesses get hostile because of the numerous inconveniences, prosecutors lose their initial nerve.

But Roncallo, Burke, Conroy and the others are demanding speedy trials. They want this sword off their necks, they want to get back to the business of government and they don't want this clouding the forthcoming campaigns.

They are screaming they are innocent of any wrong doing and they want their names cleared . . . Certainly that is the least that they can expect.

But not with Edward Boyd V conducting the prosecution. How can a prosecutor claim he's not ready to go to trial? It's unbelievable! If he had enough evidence and good enough witnesses to persuade a grand jury to hand up an indictment, then this evidence and these witnesses should be ready for presentation in a court where everybody and everything can be examined in public.

In refusing to go to trial, the prosecutor is saying one of two things: (1) he really doesn't have a case but he hopes he will be able to dig up some corroborating evidence or some willing witness or (2) he wants to drag this thing out as long as possible, make life miserable for the accused men and their families and destroy their careers with daily "leaks" to the press.

Either way, he looks like a real mumzer.

All this has nothing to do with whether Roncallo and the others are innocent or guilty. Naturally, I am in Angie's corner; I make no bones about it. (In fact, most people I've spoken to—Democrats and Republicans alike—hope that this whole thing works out okay) . . . The main thing involved here is plain, simple justice!

By the time you read this, Federal Judge Edward Neaher may have reached a decision as to whether to allow the trial to be postponed or if he will reject the prosecutor's request . . . I hope he forces it to trial since "justice delayed is justice denied."

A REALLY NEW NAME FOR U.S. ATTORNEY

(By James Bernstein)

David Trager, asked about reports that his name had been submitted for U.S. Attorney for the Eastern District, said last night: "This is very amusing. Let me stop you. I've been getting calls like this all night."

This Trager is a 24-year-old Fordham Law School student. But speculation about who will succeed the late Robert Morse as U.S. Attorney is intense. When state Republican sources said yesterday that a David Trager would get the post, they triggered 10 or 15 calls to the student's Bronx apartment, Trager said.

The calls "came mostly from people who knew me. Some of them were people from law school who thought it must have been me. It was just amusing. It was cute," he said. "My parents' friends thought I was the person" who had been appointed. "They called and said, 'did you know Robert Morse? Are you going to be the one?' "

There is, however, another David Trager. Young Trager said the appointment of David G. Trager, a law professor at Brooklyn Law School, had been "discussed all day" among professors and students at Fordham, where Trager is a senior.

Trager, the professor, who has been an assistant U.S. Attorney for the Eastern District, is the latest potential candidate to succeed Morse, who committed suicide in December, State Sen. John Marchi (R-Staten Island) said yesterday that he had heard Trager's name mentioned as a successor a week ago. "I recall it because it was a name I didn't know," Marchi said.

The choice of a successor has touched off a political squabble among Republicans. The job is being held temporarily by Edward Boyd V of Garden City, But since he took over, Boyd has initiated a series of investigations of Republican office holders and angered party members. The candidacy of Nassau chief assistant district attorney Edward Margolin collapsed when his boss, District Attorney Cahn, and Nassau GOP chairman Joseph Margiotta were reported as targets of a federal investigation. Another potential candidate for the post is Huntington attorney Edward Thompson, Jr., but U.S. Sens. Jacob Javits and James Buckley reportedly feel that he lacks experience.

JURORS: NEVER A QUESTION OF CONVICTION

(By Manny Topol)

Westbury—The overnight delay in reaching a verdict in the trial of Rep. Angelo Roncallo was caused by indecision on the part of some jurors rather than any holdout vote for conviction.

Three votes were taken during the deliberations but not one of the six men and six women ever voted for conviction, jurors said yesterday. The first vote was taken shortly after 9 PM Thursday, at the outset of deliberations, and eight of the jurors immediately voted for acquittal. Four others said they were not that sure and wanted more time. After an hour and a half of discussion, a second vote was taken and 11 voted for acquittal. One of the male jurors said that he wanted time "to sleep on it."

At 9:30 AM yesterday, they all voted to exonerate Roncallo and his codefendant, Frank Antetomaso, of the extortion and conspiracy charges. The total time taken to reach a verdict was two hours and 20 minutes.

One of the jurors said he thought the prosecution presented an exceptionally weak case. Thomas Ielpi, 41, a Brooklyn telephone repairman, said, "I was waiting and waiting for them to show me something. Anything. But they didn't. I would have to say that some of us were wondering why they were even indicted," he said of Roncallo and Antetomaso.

"It looked like the prosecution witnesses became the defense witnesses. I had a very hard time believing them," he said. Ielpi said that many of the jurors thought that the summation by assistant U.S. Attorney Peter Schlam was "brilliant." "It was dynamite," he said. "It really shook everybody up."

Another juror, William J. Reilly, 51, of East Meadow, an operations manager with the Burns International Security Services Corp., said "The evidence was not beyond a reasonable doubt. The government didn't show us that it was." He said that he was one of the four who were undecided at the start of deliberations.

Diane Zaslowsky of Flushing, Queens, said, "The government failed to prove its case. We voted for acquittal because of a lack of evidence."

Mr. HÉBERT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to say to the members of the committee that I have asked for this time in order that I may explain to the Members what I hope will be the procedure we will follow here today. As the Members know, on yesterday we were supposed to have had the entire day to address ourselves to the amendments that are to be offered on this bill.

Unfortunately, the bills considered under suspension of the rules took up all afternoon, and I did not desire to start unless I was able to finish.

Today I have every intention of staying here until the entire bill is disposed of and all amendments are either adopted or rejected. It is in this area that I would like to address myself to the Members of the House.

I believe you all know the pressures that the chairman gets to questions like "How long will you run, how long will you stay, and what hour will you quit?" People tell me they have this and that engagement. I am very sympathetic to the individual needs of the individual Members. However, I have the responsibility of performing a job here, and that job is to see that this bill is properly disposed of. Therefore, I ask that I may have the cooperation of the Members of this House in every way.

Everybody knows the amendments that will be offered because they have been offered every time this bill comes before the House and they have been debated for hours on end. Today they will be offered again and the voices will be the same and the rhetoric will be the same.

The vast majority of the Members know exactly what their ultimate vote will be. I ask those who want to talk and talk and talk to take into consideration the feelings of their colleagues who have other engagements and who do want to get away from here as early as possible, as I do.

Again, I say I will not ask for a time limit on any amendment. Everybody may talk as long as he wants to under the rules of the House. I will stay here until we have finished all the procedures. However, again I urge those who want to talk on ad infinitum to respect the feelings of those Members who have business elsewhere and who have made previous commitments based on the thought that this bill would be passed yesterday. I ask for your cooperation and assure you that you will have my cooperation.

AMENDMENT OFFERED BY MR. LEGGETT

Mr. LEGGETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEGGETT: Page 2, line 14: Delete "$3,539,100,000" and insert in its place, "$3,072,300,000".

Page 2, line 15: Delete "$1,166,800,000" and insert in its place, "$700,000,000."

Mr. LEGGETT. Mr. Chairman, slightly out of order, I would like to say that I want to acknowledge the fact that our distinguished colleague from New York (Mr. RONCALLO), who just made his presentation on the floor, received a standing ovation from the Members present of the House of Representatives.

I believe that bargaining initiated by Federal prosecutors should be brought to a speedy termination.

Mr. Chairman, the amendments that we are going to offer here today are not as voluminous, perhaps, as the Record might indicate. We have a great number of items that could be offered; we could have offered a number of quorum calls when we had the debate on this bill on Monday. We had 4 hours in which to debate it then, but we only took 2 hours and 48 minutes on Monday. Out of that period of time only 17 minutes were consumed by those who generally support the bill but who have objections, perhaps, to 5 percent of the total amount involved.

Our amendments today generally relate to only about 5 percent of this total bill.

Mr. Chairman, I support this bill; I will support it in whatever fashion it comes out of the House. I have supported every defense bill that has come before this House, and I do not think we need to get into all sorts of rhetoric respecting the amendments.

The Appropriations Committee and the other body do get into extensive debate respecting the merits of various and sundry procurement items, such as research and development items, foreign assistance, and military assistance.

There is no reason why this body cannot do the same thing. We could offer similar amendments to the DD–963 program. I am not going to do that. I do not believe there will be an amendment offered to that program, but we are supplying another $475 million which we are appropriating now for that program, and therefore that we are totally authorizing appropriations for the program of a 30-ship program, and not one ship yet has been built. So we are cutting ourselves off from any control whatsoever in that program.

In the LHA program we have no authority on the landing helicopter assault ships that are being built down at Litton. We do not expect those ships to be serviceable for several years. There are five of them involved in all at a $1 billion expenditure.

Then on counterforce there is no amendment. Similarly, with Safeguard, there is no amendment to be offered. The same with site defense, there is no amendment to be offered.

Similarly, I do not intend to offer amendments on any percentage reduction of research and development.

The amendment that I have just offered relates exclusively to the Trident program. The purpose of this amendment is to reduce the 1975 Trident program from two ships to one ship. As I understand it, this will be the only amendment to this title. The amendment reduces the amount of money available for the Trident program from $1,166.8 million to $700 million, a $466 million reduction.

As the Members will recall, this is a 10-ship program. Two years ago the Navy wanted to buy one ship the first year and three ships per year for each of the 3 succeeding years.

The Committee on Appropriations, which examines these programs very closely, did not buy this massive acceleration over the original program, and ordered it slowed down. And what did the Committee on Appropriations say just a month ago? The Committee requested $24.8 million to accelerate the Trident submarine construction from one ship per year as recommended by Congress in fiscal year 1974 to two ships per year, and gave the reasons for that. Now the Navy is coming to us with a request to buy two ships per year for each of the next 4 years. I think we ought to consider a little bit what we are doing. It is the equivalent of buying two aircraft carriers per year. We have never done that. I think that it deserves some attention by the other body and by this House, rather than just a peripheral discussion.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. Brown of California, and by unanimous consent, Mr. Leggett was allowed to proceed for 2 additional minutes.)

Mr. LEGGETT. Mr. Chairman, I thank the gentleman from California for the additional time.

The purpose of this amendment is to reduce the fiscal year 1975 Trident buy from two ships to one. It does so by reducing the amount of money available for the Trident submarine from $1,166.8 million to $700 million, which is last year's $627.8 million one-ship program plus a generous inflation allowance.

As you may recall, this is a 10-ship program. Two years ago the Navy wanted to buy one ship the first year—fiscal year 1974—and three ships per year for each of the 3 succeeding years. The Appropriations Committee, which examines these programs very closely, did not buy this massive acceleration over the original program, and ordered it slowed down. Now the Navy is coming to us with a request to buy two ships per year for each of the next 4 years, plus one ship in the final year, in addition to the one ship we authorized last year. This would have all 10 ships delivered by about 1982, if all goes well.

My amendment will slow the buy to one ship in this, the second year. I believe we should then look forward to a buy of one ship per year over the subsequent 8 years, with acceleration toward the end only in circumstances give us concrete reason to regard it as both feasible and desirable. The SALT agreement will not allow the construction of 10 Tridents before 1980 unless we deactivate some very capable $300 million late Poseidon models.

My amendment does not affect the Trident missile program, nor does it affect research and development on the ship.

In the past, I have introduced amendments to reduce programs because I considered them undesirable or expensive bargaining chips. This is not the case today. I favor the Trident program; in fact, I regard it as possibly our most important program. That is why it must be decelerated.

The first thing to understand is that, no matter how the vote goes on the amendment, the odds are one ship per year is all we are going to get anyway. There are only three private shipyards in the country theoretically capable of producing nuclear submarines. Litton in Mississippi is in such hot water on their current projects, and is suffering from such a radical labor shortage, that nobody seriously considers giving them additional work. Newport News in Virginia is currently building three nuclear aircraft carriers—of which the first is 18 months behind schedule—five nuclear frigates, and five 688-class nuclear-attack submarines; they are so overloaded that, when they had the opportunity last year to bid on four more 688 subs, they submitted an unrealistically high bid, indicating they do not want the work and a SSBN overhaul was recently removed from that yard.

The Navy then turned to Electric Boat in Connecticut, which was building 14 688 subs, and Electric Boat said they could take on the four additional ships only if the Navy understood it would take 6 years to build them, rather than the usual 4. So they are overloaded too. They are talking about expanding their plant, but there is no way they can expand their labor in 1 or 2 years.

In short, our private shipbuilding capability is already stretched beyond all reason. This year they will have over $6 billion worth of work—a 100 percent increase over 2 years ago. We can pass all the legislation in the world, and it would not get those ships built any faster. What it will do is give the Navy the money and take away our practical control over how many ships are built.

But what if the ships could be built at an accelerated rate? We still should not do it.

Let us consider the four reasons usually given for acceleration:

First, it is said it will be cheaper. The Navy claims the stretchout I propose will increase the cost about one-half billion dollars: perhaps 4 percent of the program. This will be true only if the acceleration does not in itself produce cost overruns far in excess of 4 percent. The probability of acceleration-induced overruns is high. The Comptroller General has told our committee the major reasons for cost overruns on procurement are rapid acceleration and concurrency of research and development with procurement. This program has both, in spades.

Last year, you will remember I described the LHA shipbuilding program as one of the worst disasters in the history of American military procurement. I said it was averaging 2 years behind schedule, and the program should be cut. The committee and the House thought otherwise, and today I can report the program is no longer 2 years behind; it is almost 2½ years behind, with massive cost overruns just over the horizon. We can afford failure on the LHA, which is a ship we may not need. We cannot afford it on Trident.

The second reason for accelerating the Trident is its use as a bargaining chip. This argument can be rejected on its face. There are two requirements for a bargaining chip: You must have the capability of building it, and you must be able and willing to bargain it away. We will meet the first requirement by proceeding with research and development, and by demonstrating our capability to build the first ship. But the more we construct before the SALT II treaty is concluded, the less we will have to bargain with. You cannot bargain away ships recently built at a multibillion dollar expense.

We should learn from our disastrous experience with the Safeguard ABM as a bargaining chip. We blew a total of eight billion of the taxpayers' dollars just to achieve a treaty we could have attained without cutting a single piece of metal. Now we're stuck with a $160 million per year system in North Dakota that we will operate simply because it would be too embarrassing to close it down.

The third reason given for accelerating Trident is that our present ships are allegedly wearing out. This is a serious question; submarines do wear out, but not that quickly. If anyone doubts this, consider the fact that until fiscal year 1973 the Navy was proposing a Trident schedule much like that which I propose. Do you think their instant acceleration in fiscal year 1973 stemmed from a sudden discovery that our present ships were wearing out faster than expected? Not likely; they have made no attempt to claim anything of the kind. On the contrary, their claims of submarines wearing out are based entirely on the assumption that submarines wear out after 20 years and the 20-year figure has no particular validity other than the fact that it is a nice round number.

A reasonable consideration of the wear question leads us to the opposite conclusion: It suggests deceleration rather than acceleration. Tridents are going to wear out too, and with the system costing perhaps $13 billion we had better prolong its life as much as we can. We have a new type of steel under development, called HY130. It will last considerably longer than the present steel, and also allow the submarines to dive deeper. It is not ready yet, but presumaby it will be ready in a few years. Every ship we build with current steel will be limited in performance and shorter in life. The more we slow the program at this point, the larger the proportion of the 10 ships we will be able to build with the superior steel.

Moreover, if we charge ahead and buy the ships within 6 years of each other, and if we do not wait for the HY-130 steel, it is obvious that they will all wear out within 6 years of each other. This block obsolescence runs counter to the basic principles of sound military procurement and national security policy.

Fourth, finally, and most importantly, there is the question of the threat to our existing Polaris-Poseidon missile submarines. This is the real reason for the existence of the Trident concept; otherwise, we would simply build more Polaris-Poseidons.

I will discuss the threat in two parts: First, what I call the "Madison Avenue" threat, and then the real threat.

The "Madison Avenue" threat is the Soviet missile submarine program. It is the question of whether their SSBN's and SLBM's are superior or inferior to ours. I call this the "Madison Avenue" threat because it is meaningful only in terms of the public-relations question of "who's No. 1?" Since the missile submarines of one side are incapable of threatening or interfering with the missile submarines of the other side, this question is of no military significance. But since it seems to fascinate so many of us, let us consider it briefly.

Last year's committee report says:

> The Trident submarine with the Trident I missile system, when it enters the fleet in 1978, will then give the United States equivalent of what the Soviets presently have; a deployed 4,000-mile sea-launched ballistic missile. This capability allows the Soviets to target locations in the United States from areas where the U.S. Navy has a diminished ability to detect and track their submarines.

This year's report adds:

> The U.S. Navy has had no new design fleet ballistic missile submarine since 1963. In the meanwhile the Soviets have commissioned at least three classes of new missile submarines. The Soviet Union has a force of over 30 Yankee submarines which are, with their 16-missile launch tubes, comparable to our 31 Poseidon submarines. The Soviets are currently deploying even larger ballistic missile carrying submarines which carry a new missile with a range comparable to the Trident I missile.

From these statements, one might conclude that Soviet missile submarines are more advanced than ours, that they already have a Trident missile while we lag far behind, that their new submarines carry 16 missiles each with 4,000-mile range, and that our submarines, limited by the 2,800-mile range of their missiles, can be detected and tracked by the Soviet Navy.

Every one of these inferences would be wrong.

Regardless of whether the Soviets have introduced 3, 30, or 300 new classes of submarines, they are all a full generation behind our earliest Polaris. They are noisier and their navigation and evasion equipment is primitive in comparison with ours. Moreover, the ships appear to have severe reliability problems, as demonstrated by their very low deployment rate which contrast with our practice of keeping our ships at sea virtually 100 percent of the time except during overhauls.

The Soviet ships with the 4,000-mile missile carry only 12 missiles each, not 16.

Their new missile has a 4,000-mile range, but it also has a small single warhead and low accuracy. Our Poseidon carries 10 warheads plus weight and space for penetration aids, as will Trident I. If we want to give Poseidon a 4,000-mile range, all we have to do is to reduce the load from 10 warheads down to one or two; we will then have the range of the Russian missile, with better accuracy and reliability. Trident I will not be "the equivalent of what the Soviets presently have;" its multiple warhead will make it the equivalent of 10 Soviet missiles, and it will still be more accurate and reliable.

We have chosen to give Poseidon payload rather than range precisely because the Soviets cannot detect and track our submarines; at this time we don't need the added survivability of a 4,000-mile missile.

Now let us consider the real threat. Can the Soviets locate and destroy our missile submarines before they can launch their missiles? Admiral Kaufman and Admiral Smith, who are in charge of the program, say they cannot. So does the Secretary of Defense.

But we must hedge against the possibility of a future threat. So we have designed the Trident to be faster and quieter. But the system's most significant improvement is not in the ship but in the missile. By replacing the 2,800-mile Poseidon with the 4,000-mile Trident I missile, we radically increase the volume of water in which the ship can operate while remaining in range of major Soviet targets, and we radically increase the submarine's ability to evade Soviet countermeasures. Another radical improvement will come with the Trident II missile, which has a 6,000-mile range and can reach many Soviet targets from any port in the United States, or for that matter from Australia.

Here is the problem: At this point, an effective threat to Polaris-Poseidon is so far off we can only guess what form it may take. Therefore, it is entirely possible that the present Trident design will be inappropriate to meet the threat if and when it appears. The longer we wait, the higher the probability that we will be able to buy the right ship rather than the wrong ship.

In the short run, it will be prudent to deploy the 4,000-mile missile with reasonable speed. But this missile can go into our present Poseidon ships. For a while the Navy was reluctant to do this because it would take away one of their main arguments for acceleration of Trident, but congressional pressure has brought them around. They now plan to retrofit Trident I into the Poseidon ships, and this program does indeed destroy whatever case there may have been for Trident acceleration.

Note that my amendment does not affect the Navy's ability to deploy the Trident I missile.

It is true that the 6,000-mile Trident II missile requires the Trident submarine. But this missile will not be available for many years, and thus is not affected by my amendment. Even under a one-ship-per-year program, we will have Trident ships before we have Trident II missiles.

In summary, quicker is not always better. This is a very important system, probably the most important in the entire military establishment. The Navy's accelerated program is like trying to run along a tightrope. We will be safer if we walk.

Mr. PRICE of Texas. Mr. Chairman, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from Texas.

Mr. PRICE of Texas. Mr. Chairman, I thank the gentleman for yielding. I would like to ask the gentleman from California if the gentleman has any figures or information with regard to the increase cost of the construction of one-ship-a-year program, and whether this would give us a viable submarine building program, by reducing what the Navy says it would require to meet our requirements defensively against the Russians.

Mr. LEGGETT. This is a very good question.

One might ask the question: How do we build the second submarine? Where are we going to build it? There are only three yards in the United States today that are currently constructing nuclear ships, and they are the Litton yard, which is now chockablock down in Mississippi—which has 4,000 men below what they need, and there is no way they can build that up, according to the Department of the Navy. They have got now some 18,500 personnel in that yard.

How about the Newport News yard? The Newport News yard in Virginia is currently building three nuclear aircraft carriers at a cost of about $4 billion. They are 18 months behind schedule on one of those. They are building five nuclear frigates at at least a half billion dollars apiece. They are building five 688 class nuclear attack submarines at at least a half billion dollars apiece, outfitted this year, and they made a bid the other day on some 688 quiet submarines at such a high figure that they obviously indicated they do not want to build them. They lost an overhaul job the other day that was transferred out to the west coast because they just could not build that program.

If we are going to build a second simultaneous Trident submarine, we are going to have to go to Electric Boat, the Groton yard in Connecticut. They currently are building 14 688 class submarines at about $7 billion—not all shipyard costs, but that is the total cost of the program.

And they may take on the four 688 class submarines that we authorized in a previous bill but they are overloaded and they are currently building a new plant and it is very questionable whether or not they can build a second submarine simultaneously. So I think if we are looking for places to maybe reduce the Pentagon bill, this is a very important area that I think we can look at. It is substantial. I do not think, as a practical matter, it is going to affect our building program too much because I do not think they can start a new submarine until the next fiscal year.

Of course, as the gentleman knows, under the SALT agreement we are limited to having 710 deployed missiles at sea, and we have 710 missiles, including the 54 Titans that we currently have available, so there is no real need to change that program.

The real question here is how fast do we want to proliferate that 710 missile program. There is no doubt about it that extending the program will cost some money, but on the other hand slowing the program down will make the program better. We have found that when you slow a program down you do not have as much concurrency as you might otherwise have, so that you do save money.

One of the problems with these ships is a very simple one, that is, if we build them all in a very short period of time we will have to replace them in a very short period of time.

The reason for that is simple. Hulls rust. They rust whether or not they are painted every few years or not.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. LEGGETT was allowed to proceed for 5 additional minutes.)

Mr. LEGGETT. What happens when hulls rust is that the hulls pit, and they get thinner. When they get thinner, the submarines cannot dive so deep, and that restricts very substantially the operational capability of our submarines. With the old diesel submarines that did not go so deep, we could keep them in the water for many, many, many years. We now find that 20 or 25 years is kind of the outer limits. We have got some things coming along, one of which is heavy-duty steel thicker than what we call HY 80 steel, which we currently use in our nuclear submarines. I am talking about HY 130 steel. That will give us a very thick hull. We are doing the R. & D. on that today and this perhaps will allow us to keep our submarines for maybe 30, or 40, or 50 years in an operational capability.

But at this time we do not have this steel developed. The Department of the Navy admits that there are lots of R. & D. items that they need to exhaust before we have what we call the perfect submarine.

We have got to get quieter submarines. We have got to get better acoustical capability. We have got to get a better sonar capability; so that the submarines that we have today—the Trident that is on the drawing board up at Electric Boat—are not necessarily the ultimate in design.

When we built the Polaris fleet, we built it quickly but when we were building the Polaris, I can testify from practical experience on the exact same class of ship, we had many times 10,000 change orders difference between the ship constructed on one coast as compared to the ship constructed on the other coast; so that as of today every single one of our 41 Polaris submarines is measurably and substantially different from the other.

The CHAIRMAN. The time of the gentleman from California (Mr. LEGGETT) has expired.

(On request of Mr. BROWN of California, and by unanimous consent, Mr. LEGGETT was allowed to proceed for 1 additional minute.)

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from California (Mr. BROWN).

Mr. BROWN of California. Mr. Chairman, I thank the gentleman for yielding.

I wish to commend the gentleman from California (Mr. LEGGETT) for offering this amendment and more particularly for the statesmanlike attitude which he has taken toward the national defense commitment of this country. I would like to associate myself with the gentleman's remarks. He has stressed his concern that this Nation maintain a strong defense posture. But, as he points out so well, a strong defense posture requires that we get the maximum benefit from every dollar spent for defense. He has consistently used his position on the Armed Services Committee to scrutinize every Pentagon program from the standpoint of how effectively it contributes to the national defense, and to the total national welfare. I believe that his amendment, which would reduce the rate at which we procure additional Trident submarines, would actually insure that we have the most effective possible deterrent force. I support his amendment and urge its adoption.

Mr. LEGGETT. I thank the gentleman from California (Mr. BROWN).

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, would the gentleman be more willing to support this program if we built this at Mare Island?

Mr. LEGGETT. We cannot build it at Mare Island. It is a 42-foot beam and we can hardly get it into San Francisco Bay.

Mr. BENNETT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the weapon we are discussing here at this moment is the most important weapon in our American arsenal. This is so because both those who want this country to be strong and those who want to be strong to preserve world peace can come together on this particular weapon, because it is the greatest deterrent against aggression in our entire arsenal. It makes absolutely certain that no opponent of the United States could wisely and soundly undertake a substantial war against us without realizing that a great penalty would have to be paid. This is so because this particular weapon is one which can hide and people do not know where it is. It has a great range and can go in all areas of the world. It has a great range in the sense that its weapons can go to many places in the world at great distances. It is a quiet submarine. It is a swift submarine. It is a weapon which really gives us the best hope for preserving peace in this world in the immediate future.

Actually there is no substantial opposition to this weapon. Nobody I know of really opposes this weapon. The gentleman who just preceded me does not oppose this weapon. He does not say anything I have now said is not true. All he says is that the rate of production, he thinks, is too fast.

The rate of production as authorized by this Congress when this matter first came before us was three of these weapons per year. That was cut last year to a rate of two a year.

That cut did a number of rather interesting and sad things.

It cost a half-billion plus $50 million to make that cut from three to two a year.

Another thing that it did was to give some heart to some people who do not want our country to be strong and do not want our deterrents to be credible.

Those are two very negative things.

The gentleman has referred to a number of things about this submarine. He has pointed out that submarines get old, as do Congressmen, and some submarines get pitted and some rust away. There are other things that happen to submarines. There are some things, particularly, that happen to the Polaris/Poseidon submarine, although it was the best submarine ever built. It is also the most actively used ship that has ever been built because it has two crews.

It is so perfectly designed it can go without refueling. So it has two entirely separate crews. It goes all the time. Just as in the case of Congressmen, so the Trident submarines and ships get tired, in addition to getting rusty.

Now, there are some other things that happen. Not everybody knows exactly what all these things are, but there are faults which develop in the metal which has nothing to do with rust. There is a lagging at the seams, an opening up where people thought they were perfectly sealed and welded. All these things happen to a ship that gets old.

Suppose we have the two per year that we are asking for. This merely means that when our present submarines will be 20 years of age when these are supplied as substitutes. The gentleman has already said it is dangerous to go beyond that period of time. We have to have something to take the place of these Polaris/Poseidon ships that we now have when they reach 20 years of age.

If we go to one a year, the Polaris Poseidons to be replaced will be 25 years old. This means that not only will they not be used at their best possible functions, but we will be endangering the lives of the young men who are on these ships which have to go to great depths and have great difficulties in what they do.

Now, if we take the advice of the gentleman from California, not only will we lose this $500 million, we will add another $550 million to this program if we adopt the amendment.

Mr. Chairman, the gentleman from California made a wide-ranging statement on shipyards. It is exactly because of the situations he cites that the Seapower Subcommittee will hold more shipyard hearings this session.

I insert in the RECORD at this point a letter dated May 20, 1974, from Admiral Rickover on the nuclear navy:

DEPARTMENT OF THE NAVY,
NAVAL SHIP SYSTEMS COMMAND,
Washington, D.C., May 20, 1974.

Hon. F. EDWARD HÉBERT,
Chairman, Committee on Armed Services, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The purpose of this letter is to respond to your request that I provide my personal and professional views in answer to your questions furnished to me by your staff on 17 May 1974. I understand that you need this information by today for your consideration in relation to issues which may arise during debate on the FY 1975 Military Procurement Authorization Bill, H.R. 14592.

Question: The United States national strategic deterrent includes our nuclear-powered ballistic missile submarines. Many believe this is the least vulunerable arm of our triad of strategic deterrent forces. For the past several years Congress has appropriated funds for the conversion of a total of 31 of our 41 Polaris-firing submarines to be able to fire the Poseidon missile. Last year Congress authorized construction of the first Trident submarine, the first ballistic missile submarine authorized for construction in ten years.

Over the past five years how much has been appropriated in the Shipbuilding and Conversion, Navy (SCN) account for these national strategic deterrent submarines?

Answer: The SCN appropriations for FY 1970–1974 have included $2.5 billion for ballistic missile submarine conversions and construction of the first Trident submarine.

Question: As you well remember, the nuclear submarine program was initiated by the Congress over twenty years ago when it added funds to the Atomic Energy Commission budget for the nuclear power plants for the first two nuclear submarines, the Nautilus and the Seawolf, because the Department of Defense and the Navy would not budget the funds. Congress finally persuaded the Department of Defense to request only nuclear-powered attack submarines subsequent to the fiscal year 1956 shipbuilding program. But, in 1968 the Department of Defense long-range plan presented to the Congress called for the termination of the building program for nuclear attack submarines after fiscal year 1970. The Congress overturned the Department of Defense plan, insisted that they go forward with the design of higher speed attack submarines of the SSN 688 Class, and has subsequently authorized 23 ships of this class.

How much has been appropriated in the SCN account for nuclear attack submarines in the past five years?

Answer: The SCN appropriations for FY 1970–1974 have included $4.2 billion for construction of nuclear attack submarines.

Question: I know that you are intimately familiar with the long fight the Congress had to endure to get the Department of Defense to provide nuclear propulsion for aircraft carriers and for frigates to accompany them. These ships are, of course, the heart of our surface naval striking forces.

How much has been appropriated in the SCN account in the past five years for these ships, and what fraction is this of the SCN funds appropriated in the same period for surface ships for general purpose forces?

Answer: The SCN appropriations for FY 1970–1974 have included $7.6 billion for surface ships for the general purpose forces, of which $2.5 billion, or 33%, was for the construction or conversion of nuclear aircraft carriers and frigates.

Question: The Chief of Naval Operations has stated: "We have evaluated both nuclear and conventionally powered frigates equipped with the AEGIS surface-to-air missile system. A lead nuclear powered ship is estimated to cost $860M while a lead conventionally powered ship would cost $580M, both in FY 1976 dollars escalated . . . I would like to point out that the two ships do not have the same capability."

How do the weapons systems assumed for these two ships compare? How much of the difference in cost is due to nuclear propulsion and how much is due to the difference in weapons systems assumed for the two ships? How does the cost estimated for the lead nuclear frigate with AEGIS compare to the estimated cost of another DLGN 38 Class nuclear frigate to follow the DLGN 42?

Answer: In the comparison you cite, the DLGN (AEGIS) has military characteristics far superior to those of the conventional DG, as well as having all the advantages of nuclear propulsion. This is because the people making the study made the decision—with which I agree—that once the cost of nuclear propulsion is invested in a guided missile ship it should be given anti-submarine warfare (ASW) and anti-air warfare (AAW) weapons systems commensurate with the investment. In this manner the nuclear frigates will have sufficient AAW and ASW capability to support a nuclear carrier with a minimum number of escorts and be better able to defend themselves when assigned to independent missions. After studying eight different configurations the study group selected a weapons suite for the nuclear frigate which compares to that stipulated for the conventional DG as follows:

Two guided missile launchers and magazines vice one, giving the nuclear frigate twice the missile ammunition and twice the launching arms. This is particularly important when you consider that the same missile launchers and magazines are used for AAW missiles, HARPOON surface-to-surface missiles, and anti-submarine rockets (ASROC).

Four slaved illuminators vice two, giving the nuclear frigate a 50% greater rate of missile fire.

A superior sonar giving the nuclear frigate about double the sonar range—a range great enough to warrant using ASROC missiles.

Two LAMPS helicopters vice one, giving the nuclear frigate greater assurance of providing its own helicopter capability.

Unit commander capability for the nuclear frigate which the conventional DG does not have.

Initial nuclear cores which will provide at least 10 years of normal operations vice the conventional DG fuel capacity which is much less than that of the latest conventional frigates now in the Fleet.

In order to keep the size and cost of the conventional DG to a minimum the range has been restricted to a value substantially less than the range derived in the 1967 Supplement on Endurance of the Major Fleet Escort Force Level Study as the range corresponding to a minimum overall cost in a non-nuclear major fleet escort. In this regard it should be borne in mind that all of the calculations in that study were based on a maximum predicted speed for Soviet submarines much less than the speed of the nuclear submarines now in the Soviet fleet. The Supplement on Endurance pointed out that if actual Soviet submarine speeds were higher, "increasing task force speed becomes very advantageous." This would indicate that if the calculations in the Supplement on Endurance were redone today using the actual Soviet submarine speeds we could expect the results to show that the range of conventional escorts yielding minimum overall cost should be even greater than the range advocated by the Supplement on Endurance. To provide this range would, of course, significantly increase the size and acquisition cost of the conventional DG.

The propulsion plant planned for the AEGIS nuclear frigate is the same as that now used in nuclear frigates of the VIRGINIA, DLGN 38, Class. We are now building a prototype of a nuclear core which will provide at least 15 years of normal operation of a nuclear frigate. Cores of this design may well be available by the time the first AEGIS ship is built.

The difference in estimated cost between the lead nuclear and conventional AEGIS ships is $280M. Of this amount about half is due to the difference in weapons systems and about half is due to nuclear propulsion including the initial nuclear fuel. In this regard it should be borne in mind that the cost of buying and delivering oil is not included in the SCN cost of the conventional ship.

The estimated cost of another DLGN 38 Class nuclear frigate to follow the DLGN 42 is $330M in FY 1976 dollars escalated. Since such a ship would have the same nuclear propulsion plant as the DLGN (AEGIS), this cost would include all of the acquisition cost of nuclear power including a ten year supply of nuclear fuel. The additional $530M estimated for a lead DLGN (AEGIS) is due to:

$310M higher cost of the weapons systems of which about $250M are one time costs and include items such as a land based weapons system test site.

$100M ship design cost, of which about $90M are one time costs, most of which is brought about by the change in combat systems.

$35M increased shipbuilder cost due to weapons systems complexity of which about $20M is a one time cost.

$85M increased shipbuilder cost due to the lead DLGN (AEGIS) being compared to the sixth ship of the DLGN 38 Class.

Question: If we continue to build more nuclear powered ships will the Navy be able to attract enough qualified personnel to operate them? Will this put a serious drain on the Navy's ability to get men into other programs requiring high quality personnel? What has been the record since 1970 in this regard?

Answer: When we only had 5 nuclear ships some in the Navy argued that we should not build more because we would not be able to man them and that providing men who could meet the standards of the nuclear power program would interfere with the Navy manning its other technically demanding programs. Today we have 107 nuclear ships, yet the argument continues.

The truth is that we are getting enough people and we can continue to do so. It requires a concerted effort on the part of the recruiters but it can be done.

It should be borne in mind that when a young man enlists into the nuclear field program he does so for that specific purpose. He is attracted to the Navy because he can get nuclear power training. If nuclear power training were not available most of these men would not enlist in the Navy—they would find employment elsewhere. This means that the nucelar power program is *not* drawing talent away from any other Navy program. In fact, the opposite is true. We take into the nuclear program at the recruit level about 5,000 men per year. Because of the demanding nature of our program about half of these 5,000 do not complete their nuclear training. Those who do not qualify for nuclear power are used in the other high quality programs of the Navy.

The record since 1970 bears out the above comments. In the last four years (1970–1973) the Navy enlisted a total of 348,631 recruits. Of that number 141,125 or 40.5% were in the top two mental groups. It is from these groups that the so-called "high quality" programs, such as nuclear power and electronics, are manned. The nuclear program obtained 24,903 of these and 20,912 went into electronics for a total of 45,815. Both programs represent 32.5% of those eligible and the nuclear program represents only 17.6%. Thus, had the need existed, more could have been put into both those programs.

During the past four years the nuclear power program has been able to meet its enlistment requirements and we have every reason to believe we will continue to do so.

We do have a problem in retaining our people after they have completed their 6 year obligation. However, with the aid of the recently passed special bonus pay legislation we feel this situation will be improved.

Question: Is there sufficient shipbuilding capacity to build the nuclear powered warships included in the Navy's present five-year construction program including those in the President's FY 1975 budget request?

Answer: Yes.

The present five-year Navy program for nuclear warships starting in FY 1975 includes the DLGN's 41 and 42 in FY 1975 and FY 1976 respectively, to be followed by a new class of nuclear frigates with the AEGIS weapon system starting in FY 1978 or later; two Trident submarines per year for the next few years; and five SSN 688 Class attack submarines every two years starting with three in FY 1975.

As you know, the Navy is working on the design of a new class of aircraft carriers called the CVX to replace the Forrestal Class of attack carriers. However, the present "design to cost" goals for the CVX stipulated by the Department of Defense would preclude nuclear power for this class of ship.

The Navy is also working on the design of the conventionally powered DG to carry AEGIS. The present program is based on the assumption that carriers of the new CVX Class will not be nuclear powered and that only enough nuclear frigates with AEGIS will be built to complete the escorts required for the four nuclear carriers now authorized, the *Enterprise, Nimitz, Dwight D. Eisenhower*, and *Carl Vinson*.

In the past we have had as many as seven shipyards—two naval and five private—build nuclear warships. All seven built nuclear submarines; three built nuclear frigates; and one, Newport News, has and does build nuclear carriers. At the peak of the nuclear warship building program in the early 1960's fourteen nuclear ships were authorized per year.

However, the decline in the number of nuclear ships authorized each year and the desire to build each one for as little cost as possible, has caused us to concentrate our present nuclear warship construction in two yards, the Electric Boat Division of General Dynamics Corporation in Groton, Connecticut and the Newport News Shipbuilding and Dry Dock Company in Newport News, Virginia which is owned by Tenneco Incorporated, of Houston, Texas.

The Electric Boat shipyard currently has contracts for the construction of nineteen nuclear attack submarines. The yard is proceeding with a major facilities expansion and modernization program. Electric Boat future planning is based on building an average of 1½ TRIDENT submarines and 3 SSN 688 Class submarines per year. However, the new construction facility could accommodate 2 TRIDENT submarines per year in the event Newport News is not a successful bidder in the Trident program.

Newport News construction plans include building three nuclear carriers, four nuclear frigates, and seven nuclear submarines currently under contract, and the two nuclear frigates, DLGN's 41 and 42, included in present contract options. In addition, Mr. J. P. Diesel, President and Chief Executive Officer of Newport News, has repeatedly stated that Newport News plans to submit proposals for construction of additional SSN 688 Class submarines and Trident submarines. He has also stated that if additional aircraft carriers and escorts are included in naval shipbuilding programs, Newport News wants to bid on these ships.

Newport News currently employs about 25,000 people. This represents almost 40% more than were employed by Newport News three years ago. Mr. Diesel has stated that Newport News considers that Newport News can and will build up to and sustain a level of about 30,000 people provided the projected commercial and naval workload will support the need for sustained effort at that level.

A few years ago Newport News was concerned that their naval business would decline, so they decided to expand their yard to handle commercial shipbuilding. This has caused concern that we may not have sufficient capacity remaining to build nuclear ships. However, both Tenneco and Newport News officials have repeatedly assured the Navy that they "will not allow performance of work on non-Navy contracts to interfere with the performance of work necessary to meet Newport News commitments on Navy contracts."

As I testified to your Seapower Subcommittee a few weeks ago, the question of building capacity is a chicken and egg proposition. Our problem is we don't have a firm nuclear shipbuilding program. If we can get a firm long range program we can get any additional capacity we may need to produce it, but you cannot expect shipbuilders and component suppliers to gear up to do a lot of work when they cannot be sure of the future work.

Today the annual investment by electric utilities in nuclear power equipment for central station power plants is far greater than the Navy's annual investment in naval nuclear propulsion plants. Further, whereas ten years ago annual naval shipbuilding contracts exceeded U.S. commercial shipbuilding contracts by a factor of three, today the dollar value of annual *commercial* shipbuilding exceeds the dollar value of annual *naval* shipbuilding contracts. Both of these factors add to the urgency of establishing a firm long range nuclear warship building program so that we are in a good position to compete for the necessary industrial capacity.

I would like to make a specific comment on the importance of retaining three SSN 688 Class submarines in the FY 1975 shipbuilding program. The Navy currently plans to award the shipbuilding contract for these three submarines in January 1975 based on bids to be submitted by Newport News and Electric Boat. Since these are repeat submarines all procurement documentation is available; the successful bidder(s) for these ships will immediately place purchase orders for material. The actual start of construction occurs when the shipbuilder has received sufficient material to permit and sustain an orderly flow of work, normally a year or so after contract award. However, with the extreme increases in lead time currently being experienced in all industries for material procurement, additional time for material may be needed. If these ships are awarded to Newport News, they expect to have both manpower and facilities available to start construction as soon as sufficient material is available, since their last submarine was awarded in the FY 1972 program. If these ships are awarded to Electric Boat, they might be constrained on the first two ships by the availability of shipways due to the eleven ships awarded to them in the FY 1973 and 1974 programs. However, if sufficient material is available before the shipways are available, prefabrication can be started off the shipways. Starting all three ships in FY 1975 will result in the least cost to the Government and the earliest possible deliveries.

Question: Do you consider that additional study is needed before making a decision that the new class of carriers being designed to replace attack carriers of the FORRESTAL Class and the AEGIS escort ships being designed for carrier task forces should be nuclear powered?

Answer: I do not consider additional study is needed before deciding to provide nuclear propulsion for future aircraft carriers and their escorts.

The Joint Committee on Atomic Energy, as well as the Senate and House Armed Services and Appropriations Committees, each have been furnished by the Department of Defense over the years with classified documents on the subject of naval nuclear propulsion which if stacked on top of each other would make a pile over 10 feet high. These documents include memoranda and letters from the Chiefs of Naval Operations, Secretaries of the Navy, Secretaries and Deputy Secretaries of Defense, Directors of Defense Research and Engineering, and other officials including myself, and voluminous analytical studies of the relative cost and effectiveness of nuclear and conventional warships conducted by the Navy and the Department of Defense. Every aspect of the advantages and cost of nuclear surface warships has been exhaustively studied in minute detail by hordes of analysts, civilian and military.

These studies have brought out time and again that a nuclear surface warship has a higher initial investment cost than its conventional counterpart; but that when overall costs are taken into consideration, the nuclear ships are not much more expensive and provide greatly increased military capabilities.

For many years opponents of nuclear propulsion have advocated that the acquisition money be used instead to buy a larger number of cheaper conventional warships. The desire for small, light, cheap weapons systems has been with us for a long time. Experience in wartime, however, indicates that the essential ingredients of a successful seaborne weapons system—reliability and redundancy, speed and endurance, versatility, firepower—are often lacking in such developments. These lessons have been lost on generation after generation of our leaders and must be periodically relearned at potentially enormous cost and loss of life when we are faced with actual wartime situations.

Further, in wartime we can improvise the support ships if we have to. We can take merchant hulls and fill them with machine tools to make tenders. We can take tankers and make them into oilers. We can improvise weapons systems. We cannot create nuclear carriers and frigates overnight.

Central to the opposition to nuclear powered ships has been the precept that we should not go to nuclear power until we can show it is no more expensive than conventional power. But why should we expect to get all the advantages of nuclear power at no additional cost? The cost of all other weapons has gone up as their capabilities have improved. For example, the M–16 rifle costs three times as much as the World War II M–1 cost; a modern machine gun costs nine times more than one from World War II; a C–5 transport plane is over 300 times as expensive as the World War II C–47; the airplanes the Navy flies today cost 20 to 25 times as much as World War II aircraft. Does that mean we should have only four or five planes on our carriers instead of 100?

Even so, the additional cost of nuclear powered warships is minimal when all factors are considered. First, nuclear powered ships are built to higher standards than conventional ships and have proved to be more reliable in the operation of their propulsion plants. These first line ships carry the most modern and complex weapons systems and have increased operational capabilities over their conventional counterparts—all of which naturally contribute to their higher initial cost. In addition, the construction cost of nuclear ships includes nuclear fuel for over ten to thirteen years of operation, whereas the initial cost of a conventional powered ship does not include the cost for oil.

Recently, oil costs have risen dramatically. It now costs close to $25 a barrel to buy and deliver oil to Navy ships. At that rate, it would cost almost $270 million to provide the amount of oil for a conventionally powered carrier equivalent to the nuclear fuel in the NIMITZ. That is almost three times the cost of the nuclear fuel for this ship.

Nuclear and conventional ship costs should be compared on a lifetime basis. For example, compare lifetime costs for a nuclear carrier task group with those of a conventional task group. The nuclear carrier increases the task group cost about two percent. Each nuclear escort increases the overall task group cost one percent, so that four nuclear escorts increase the task group cost four percent. Therefore, the lifetime cost for a complete nuclear task group, consisting of a nuclear carrier and its four nuclear escorts, is six percent greater than that of a conventional carrier accompanied by four conventional escorts.

This is merely the peacetime cost. It does not take into account any of the advantages of nuclear power.

Nuclear powered task forces are far less dependent on logistic support. When logistic supply lines are attacked during a real war the decrease in the requirement for ships' fuel for the strike forces will have a compounding beneficial effect. The surviving fuel transportation and storage facilities can then be concentrated on getting fuel for aircraft and other military vehicles to the forward areas. The escorts that would otherwise be required for the tankers which carry ships' fuel could then be assigned to assuring the safety of other supplies.

Each time a nuclear ship is substituted for a conventional ship in a task group the military capability of the whole force is increased, with the greatest increase realized when the all-nuclear group is achieved. For example, a nuclear carrier with four conventional escorts has twice the range of a conventional carrier with the same four conventional escorts. If two of the escorts are made nuclear the range of the task group is again doubled. When all of the ships are nuclear the group as a whole has essentially unlimited high speed endurance. The studies have also shown that it takes fewer nuclear ships to do the same job as conventional ships.

Two years ago I furnished your Seapower Subcommittee and the Military Applications Subcommittee of the Joint Committee on Atomic Energy a chronological summary of the history of nuclear surface warships over the past quarter century. This chronology was subsequently published in a Joint Committee print entitled "Nuclear Propulsion for Naval Warships, Hearing and Subsequent Inquiry of the Subcommittee on Military Applications of the Joint Committee on Atomic Energy, May 5, 1971–September 30, 1972" (pages 123–277). References to the major studies of this subject are noted in the appropriate places in that chronology.

Lengthy though it is the chronological summary merely scratches the surface of the tremendous amount of effort that has gone into documenting and analyzing the advantages, value and costs of nuclear propulsion in surface warships. In the chronology I barely touched on the extensive analyses of cost and effectiveness and the voluminous documentation of actual examples reported by Fleet Commanders where nuclear powered surface warships have been able to perform important missions in the Atlantic, Pacific, Mediterranean, and Indian Oceans which conventionally powered ships either couldn't do at all or would have had great difficulty doing under war conditions.

The studies that have been made of this issue have cost millions of dollars and countless man-years of effort including that of many high level people. I do not believe that further studies could produce any more facts.

Despite the fact that Congress has repeatedly taken the position that we need to build more nuclear-powered surface warships, after 25 years of studying the issue we have only five nuclear surface ships in operation and seven more under construction. This is a very slow rate of transition to nuclear power for the greatest maritime power in the world—an island nation dependent on the strength of its Navy for its own security.

It should be borne in mind that decisions made today concerning nuclear propulsion for these ships will not have their effect in the Fleet until a decade from now. We would be deluding ourselves if we did not recognize that in the intervening years the Soviets will introduce major improvements in their naval weapons systems. As they continue to try out new technological advances in their fleet we can expect them to incorporate the lessons learned into their new designs. They have demonstrated time and again that they are willing to invest large amounts in new concepts each time they develop one.

We must also bear in mind that there is no way we can match the Soviets in numbers of submarines and surface warships. The only way we have any possibility of our naval striking forces penetrating and countering the Soviet naval threat is for our forces to be of superior quality. If our Navy does not build the kinds of warships that can stand up to the Soviet naval threat then the U.S. will not have a credible capability to conduct overseas military operations by any of the Services in any areas where the Soviets choose to exercise their naval power. In my opinion, in the 1980's and beyond in any area where the Soviets employ their best naval forces we will need all-nuclear carrier task forces to be able to conduct sustained offensive operations.

In a real combat situation against a sophisticated naval threat the enemy would make a determined effort with nuclear submarines and other forces to interrupt our supply lines and sink our replenishment ships. Under such circumstances, the ability of nuclear warships to retire at high speeds from the areas of highest threat in order to replenish combat consumables in areas of lower threat and then return to the strike area at high speed could mean the difference between victory and defeat in the strike area.

The new aircraft carriers and AEGIS escorts are planned as our most capable surface warships to be built. Because these ships will be expensive, regardless of their means of propulsion, they will never be built in large numbers. In a naval war against an enemy employing sophisticated weapons all of these ships would be needed in the areas of highest threat. It is under just such circumstances that the advantages of nuclear propulsion are most sorely needed.

Another consideration is that to have a credible nuclear powered surface warship capability in both the Atlantic and Pacific Fleets it is necessary to build a reasonable number of nuclear warships so that some are available for immediate deployment at all times in both oceans. The Navy presently plans a total of 24 AEGIS ships, and 8 CVX Class carriers will eventually be needed to replace the FORRESTAL Class. These ships would be built over a period of many years. It is my opinion that the Fleet Commanders of the future will consider this to be a minimum number of nuclear warships to supplement those already authorized considering the problems we can easily foresee will be facing them.

I know that with today's budget problems facing the Congress, it is extremely difficult to make major investments for the future. However, if such investments had not been made in the past we might not have survived as long as we have. If the investment for our future needs is not made *now*, there may be no future.

If the problem is that the Nation's financial managers are not willing to provide enough money to insure our *future defense*, then our people must be informed of the stark reality they face. We must not do what we have done so many times in the past; namely, fail to provide adequate defenses using the sugarcoated philosophy that they are not needed, only to soon find ourselves in a war which costs many times the funds "saved." In World War II we got away with it because our Allies took the brunt of the fighting while we rearmed. In Korea we got away with it because we were able to reactivate quickly large amounts of World War II ships and equipment which had just been put in reserve. In the Vietnam war we managed to sustain ourselves by using up a great deal of material, drawing down our reserve stocks, wearing out much equipment, and because our real opponents did not fight us with their first team.

Most people do not realize how badly our naval forces have been allowed to deteriorate by the hiatus in naval ship construction in the 1960's and the reduction in fleet readiness accepted to make funds, material, resources, and personnel available for the Vietnam war.

Historically the United States has relied on the quality of its weapons and the ability to manufacture them in large quantities to win its battles, rather than on large numbers of men. The American people do not appear to be willing to support large numbers of men under arms. Further, the complexity of modern weapons and the rapidity with which major wars can now be started preclude relying on wartime production capacity to furnish our weapons; we must plan on fighting a major war with the weapons we have at its outbreak. I believe we would be following a shortsighted path if we do not provide our first line striking forces with the best weapons our technology can produce.

For the foreseeable future the aircraft carrier will be the principal offensive striking arm of the Navy in a non-nuclear war. No other weapon system under development can replace the long-range, sustained, concentrated firepower of the carrier air wing. Torpedo firing nuclear submarines, cruise missile firing nuclear submarines, nuclear frigates and anti-air and anti-submarine capabilities, all are needed to supplement and augment the capabilities of the nuclear carrier.

The number of overseas air bases available to us is rapidly declining. It must be clearly understood that there is no known alternative to carriers for providing tactical air power beyond the range of provisioned and protected land bases. There is no viable plan for overseas military operations of the Army, Air Force, or Navy that does not depend on the Navy to protect the seaborne flow of supplies, material, and petroleum products necessary to sustain modern military operations. Ninety-six percent of the supplies for Vietnam went by sea. If an opponent is successful in developing weapons that can sink large numbers of our carriers and we are not successful in developing sufficient counterweapons—or if we simply do not build sufficient modern carriers to protect our sealanes—the United States will have to change its national objectives to be consistent with our inability to conduct overseas military operations.

There are those who dismiss as unrealistic the possibility of a direct confrontation between American and Soviet naval power. I think events may well show they are wrong unless we build naval ships which can clearly counter the best Soviet naval forces.

In the 1962 Cuban missile crisis the United States with *superior naval power* and *superior nuclear weapons power* was willing to confront the Soviets with both. But in the last decade the Soviets have achieved at least equal, if not superior, nuclear weapons capability *and* numerically superior naval forces. In addition to their rapidly expanding fleet of heavily armed surface warships, their nuclear submarine fleet is now almost 20% larger than ours, and they are building three times as many nuclear submarines per year as we are. If we also allow them to attain qualitatively superior naval forces why should we assume that they will not confront us with their naval power to obtain their objectives in areas where they consider we will not be willing to risk our own annihilation? Thus, in short, failure on our part to provide naval forces which can stand up to the best naval forces the Soviets develop could lead to our having to give in on all issues for which we are not willing to go to nuclear war.

There are events in a nation's history that, to use Thomas Jefferson's phrase, are like "a fire bell in the night." The recent conflict in the Mid-East was such an event. For the first time, we were in a situation where the Soviet fleet in the Mediterranean outnumbered the United States Sixth Fleet.

Had the Soviet Mediterranean Fleet been ordered to challenge the Sixth Fleet who would have won? From the limited information available to me, I do not think the answer is entirely clear. Would such a question have been seriously asked ten years ago? Perhaps this thought will give you an inkling of the change that has taken place in the balance of naval power over the past decade.

This change underscores the urgent need we, as an island nation, have to build a Navy strong enough to protect our national interests, and our economic and political survival. To me, it is clear that the striking force ships we build for such a Navy must have nuclear power.

Mr. Chairman, I deeply appreciate your courtesy in giving me this opportunity to express my views.

Respectfully,
H. G. RICKOVER.

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the distinguished chairman of the subcommittee has already pointed out that we have sustained an increase in the program cost of over one-half billion dollars as a result of the reduction of the production rate of Trident submarines from three to two per year.

The amendment before us, if passed, would further create a cost increase in the program of another one-half billion dollars, or an increase of about $50 million per ship.

As a second point, the chairman pointed out that submarines do wear out, and that at a Trident production rate of two a year acquisition the older submarines, the first of which were operational in the early 1960's, would be replaced at the end of their design lives of 20 years; but at an acqusition rate of one a year these submarines would be 24 and 25 years old as they are replaced.

If I may inject a personal note, I have a son who is 10 years old and who will be of an appropriate age to serve on these submarines when they become operational, should he choose to join the Navy. I do not want him and other young men in this country and their chiefs and their officers going out in submarines as our first-class deterrent in hulls that are weakened and which are less than desirable to operate in the 1980's.

I urge the House to turn down the amendment so that our action today will not create that condition.

Mr. SIKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that it is very important for the House to consider the fact that there has been virtually no slippage and no cost overruns in connection with the Trident. That is a very remarkable achievement that seldom can be said about an important new weapons system. This has been a well planned, well managed program.

Now we are planning to build two submarines a year. The Russians are building one new nuclear-powered missile-firing submarine a month—one a month. They are building a new submarine which is larger and quieter than anything we have now, not as big as the Trident, but bigger than anything we have now; it is their Delta class submarine. It carries more tubes for launching missiles than their previous submarines. The Russians are developing new, more powerful guided missiles, with ranges greater than those we now have.

They can fire off our coasts at American targets. This gives them an added advantage. We have to fire across land masses to strike meaningful targets.

The Russians are taking full advantage of the concessions they gained in the SALT I talks. We had qualitative superiority; they had quantitative superiority in strategic weapons. Under the terms of SALT I, they can improve their weapons qualitatively, and they are doing so in full measure. This has been clearly substantiated. Day by day they will be gaining an advantage. The time can come when they will have both quantitative and qualitative superiority.

The Trident very likely will be the most effective deterrent in our arsenal. As the distinguished gentleman from Florida (Mr. BENNETT) has stated, it can wait beneath the seas anywhere in the world in times of trouble. That means it will be a constant warning to predator nations which want to start trouble for no targeted first strike can reach submarines hidden by the oceans of the world. The program is going forward in a very satisfactory way, and it is probably the best argument we have for a satisfactory détente with the Russians.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word. I rise in support of the amendment.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. Mr. Chairman, I yield to my colleague from California.

Mr. LEGGETT. Mr. Chairman, I thank the gentleman for yielding. I am a little confused with respect to where we really are going, because the gentleman who just preceded us in the well from the Appropriations Committee put out a report that was unanimous, as I understand it, from the committee just a few months ago.

He stated:

All of these factors seem to mandate a prudent and cautious, but deliberate course in the construction of Trident submarines. There must be a reasonable limit or plateau that should be achieved in spending merely for the sake of "bargaining chips." The Trident submarine construction rate of one per year as directed by Congress appears to be a sufficient demonstration that this country has the national resolve to modernize and maintain our sea-based missile deterrent in a current status technologically, without risking an escalation or renewal of the arms race.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. Mr. Chairman, I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I am glad to state to the distinguished gentleman that the Subcommittee on Defense and the Committee on Appropriations now recognize, as the result of more recent information, the need for the Trident program as proposed in this bill, and we are supporting two Trident submarines per year as carried in the Senate version of the supplemental appropriations bill.

Mr. HÉBERT. Mr. Chairman, I rise in opposition to the amendment.

May I say, to inform the House as to the background and history in the subcommittee hearings on this subject matter, the effort to remove the Trident was unanimously rejected in the committee vote. The lone audible voice raised in favor was from the gentleman from California who has offered the amendment now. Every other voice was loud and clear opposed to him.

Also, to bring this up as to the language mentioned which the gentleman from Florida (Mr. SIKES) is referring to, the House conferees on the supplemental bill this morning met and finished the conference report. The Senate receded, and restored the Trident to the supplemental report. It will be in their conference report when it comes here.

I think the steps which I have described indicate in fact the feeling of this House.

Mr. RANDALL. Mr. Chairman, just one word of addenda before we vote.

The leading authority on this kind of weapon, the Trident, in this country and in the world, is Rear Admiral Rickover. He testified before our Sea Power Committee on which I am privileged to serve as a ranking member, that the Trident is a necessity; not one a year, but two a year, for this reason:

Right now, at this moment, the nuclear-powered submarines of the Russians can move just a short distance out into the North Sea. The tubes of these submarines have a range of 4,000 miles. Think of it—they can hit our eastern shores from their home ports.

On the other hand our country's undersea craft is limited today to a range of 2,500 miles. We should think well before we cast our vote. Remember it will be 1978 before our submarines will have a range equal to the range of 4,000 miles. This amendment should be defeated.

Mr. KING. Mr. Chairman, I am compelled to sound a warning note before this body because of the perilous course ahead of us if we succumb to the many pressures to reduce the Trident submarine building rate. Such a move reflects a reckless disregard of real world happenings and their impact on our national security. Foremost among the pertinent world events of the day are the vigorous Soviet programs which are aimed at eclipsing our strategic systems with their own modern forces.

We have had military and civilian leaders for the Department of Defense describe in detail these developments in Soviet military capability, of major concern to me is the breadth of the ongoing Soviet military effort in strategic missile forces encompassing both land-based and sea-based systems. The scope of this effort is evident from their development programs for four new ICBM's and multiple, independently targetable reentry vehicles—MIRV's. This broad development effort was accompanied by the deployment of a new class of submarines, the Delta, carrying a new missile capable of hitting targets at very long ranges. It is interesting to note that we will not have a comparable range capability until our Trident missile is deployed in 1978. The extensive Soviet shipbuilding and industrial facilities enable them to turn out ships and missiles in large numbers once a production decision is made.

In the face of the continuing massive development and production effort by the Soviets it would be sheer folly for us to reduce further the Trident submarine building program. Building two ships a year represents a very realistic and necessary undertaking—a slowdown to one ship a year would represent a very timid and indecisive approach that would undercut our already tenuous negotiating position in the current strategic arms limitations negotiations.

I submit that our fond hopes for a world peace should not blind us to the reality of the aggressive Soviet improvements in their strategic missile forces. It is imperative that we respond in a positive manner to these developments by supporting the Trident program as presented by the Department of Defense.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. LEGGETT).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during the fiscal year 1975 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, $1,878,397,000;

For the Navy (including the Marine Corps), $3,153,006,000, of which $57,500,000 shall be available only for application to surface naval gunnery (excluding the Close-In Weapon System), including gun fire control systems, gun mounts, unguided and guided ordnance, and fuzing;

For the Air Force, $3,459,760,000; and

For the defense agencies, $510,500,000, of which $25,000,000 is authorized for the activities of the Director of Test and Evaluation Defense.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title II of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

AMENDMENT OFFERED BY MR. PIKE

Mr. PIKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PIKE: Page 4, line 14, after Air Force, strike out "$3,459,760,000 and insert "$2,960,760,000, none of which shall be expended for the B-1 bomber program."

Mr. PIKE. Mr. Chairman, it seems to me that in happier days the President of the United States used to say that the principal cause of inflation was the fact that we were spending huge chunks of money more than we were taking in. I was one of those people who agreed with him.

I think perhaps one of the poorest things that we can do in this Nation is to spend money we do not have for things we do not need. But even worse than spending money we do not have for things we do not need is spending money we do not have for things we do not need and then not getting them.

Mr. Chairman, that is the story of the B-1 bomber. We are spending money we do not have for a project that we do not need, and we are not getting it.

One year ago—it is not even 1 year ago; it was last July 31—we were told on this floor that that plane was going to fly in April of this year. Have you seen anything in the newspapers about that plane flying? That first flight in the course of 10 months had slipped by 7 months. The program has slipped by 15 months. This program has slipped in time, and it has slipped very badly in content. This plane does not do the things which we paid for it to do.

Mr. Chairman, there was a very comprehensive report—I will not say it was an objective report, because it was commissioned by the Air Force—but the Air Force asked a commission to investigate this aircraft and report back on what the plane could do. The commission reported back in November of last year. This is the so-called Bisplinghoff report. They said that the weight of the plane had increased by 19 percent. Its range had decreased by 18 percent. Its takeoff distance had increased by 15 percent, and today it needs 7,500 feet to get it off the ground over a 50-foot obstacle. Its altitude has decreased by 15 percent.

Mr. Chairman, these are not minor changes. In fact, they are so major that they say—and now I am reading from page 6 of this Bisplinghoff report—that what they have to do with it is as follows:

> Redesign of the development aircraft will be significant in order to meet producible and acceptable unit cost of the production versions. . . . These redesign activities will

have a significant impact on both the cost and schedule of the production aircraft.

Mr. Chairman, what has happened to the cost already? In the last year the cost of this program has increased by $3,700,000,000, more than $300 million a month in the increase of the cost on the program.

Mr. Chairman, the cost of the program has gone from $11.276 billion, when we were here 1 year ago, to $15 billion as of today. Essentially, when we get a figure like $15 billion following a figure like $11.276 billion, we know that is just a round number. They do not have the slightest conception today of what this program is going to cost.

In this year's bill we are authorizing one additional research aircraft. That plane 1 year ago was supposed to cost $70 million. Today they tell us that that plane will not cost $70 million; it will cost $150 million, an increase of over 100 percent in 1 year.

Let there be no question that I am in favor of this program and am simply trying to slow it down. I am not in favor of this program.

This is, as I said in the very beginning, something we do not need. We are paying for it with money we do not have, and America would be a much stronger nation if we used the half billion dollars, which my amendment takes out of this bill, for other purposes, either defense purposes or other purposes.

Mr. Chairman, America will be stronger if we kill this program at the present time.

Mr. PRICE of Illinois. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from New York (Mr. PIKE) has stated that he is in opposition to the program. In other words, he wants to eliminate it completely. In furtherance of that objective he has offered this amendment annually, both in the House and in the committee.

The determination of whether or not we need a bomber in the future was not forced upon the Congress by the Department of Defense. The Committees on Armed Services of the Congress, both on the House side and on the Senate side, have indicated their feeling that we need a bomber in the future, and we have been working toward that end for many years.

The B–1 is a very costly bomber. Some of the things that the gentleman from New York mentioned are factual. That is the reason we need research and development. That is the reason we need the funds provided in this bill, so that we can build the most effective and the most efficient bomber we can, at an economical cost, if it is possible to build an economical bomber. I just do not believe that is possible. But we can at least provide the research and development to meet and answer all the technical questions relating to the bomber, and we can try to build it at the most reasonable cost possible.

Mr. Chairman, we are not going to build a cheap bomber, not in today's economic atmosphere. However, the B–1 is considered to be economically possible. The figure is $70 million, as the gentleman mentioned. I could not quarrel with any of the statistics which the gentleman has used.

But the question is: Do we need a bomber in the future? I do not think that anybody can categorically say that we are certain that we need it, but we do not know whether we will need it in 5 years, 10 years, or 20 years. However, if the time comes that we do need it and we do not have it, then we will be completely at the mercy of a potential enemy, and we have found by experience, as far as the B–1 itself and other bombers are concerned, that we cannot build them overnight.

If you do not have them when the firing starts, you will not be able to have them to bring the firing to a quick end. We do not know what the consequences will be if we do not have a bomber when we need it.

It is true that the B–1 is very expensive. In March of 1973 the Air Force reported a total program cost increase of $1.57 billion due solely to the adoption of the escalation factor. We have had many arguments on the escalation factor. I agree with the gentleman from New York that they never used a realistic escalation factor. But escalation does add to the cost of the bomber. About a year ago the Air Force indicated a revised cost study was underway which attempted for the first time to estimate the gap between the research and development and production costs. The results of this study were forwarded to the Congress in October 1973. We are getting all of the information we asked for. We think it is an essential and necessary program and we think it will be an effective deterrent to a possible war in the future.

Mr. ROUSSELOT. Will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

I think the gentleman is making an excellent point which needs to be made. The point is that the purpose of a prototype bomber is to work out the kind of problems that could occur later on in the production of a weapons system and to make sure that these problems do not occur. Obviously when the Air Force finds mistakes, they move to correct them. It is better to do that now than to do it later.

The gentleman from New York wants basically to eliminate the program totally. The gentleman from Illinois has made an excellent case that this is a needed weapons system, and is needed as soon as possible. Now is the time to work the bugs out of the system and not when the bomber is flying.

Mr. PRICE of Illinois. The gentleman from New York mentioned the Bisplinghoff report. This is a report that studied the construction and the whole gamut of the studies involved in the building of this bomber. The Bisplinghoff report does indicate, however, that it can be a very successful and satisfactory bomber. There is nothing in that report that recommends against the building of the bomber. As a matter of fact, it would be just the reverse.

Mr. PRICE of Texas. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to assail a common national enemy with regard to this plane we are talking about, and that is inflation as it adversely affects the defense posture of the United States and the procurement of the Air Force B–1 strategic bomber in particular.

I have a chart before me, if you can see it, which will easily explain the problem.

The B–1 1970 procurement unit cost estimate, including inflation as estimated in 1970 dollars—$35.4 million is 3.6/1000th percent of 1970 gross national product. The current USAF procurement unit cost estimate expressed in 1975 dollars—$40.1 million—is 2.6/1000th percent of estimated 1975 gross national product. This is a 27.8 percent reduction in B–1 procurement unit cost, including inflation and program growth relative to gross national product.

When we compare total program unit cost which includes research, development, test, and evaluation plus procurement, including inflation and program growth on the same basis, the B–1 total program unit cost is 25.5 percent less relative to gross national product. In other words, the current B–1 cost is a smaller share of our economy than it was when the B–1 program started in 1970.

This is also a vivid example of how inflation has increased B–1 cost.

It should be no surprise to anyone who has purchased goods in a grocery store, or a tank of gasoline in today's economy, and compared these prices with 1970 prices for the same items.

I have a chart on the B–1 unit costs comparisons including inflation relative to gross national product that I would be happy to discuss in greater detail with any of my colleagues.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Texas. I yield to the gentleman from California.

Mr. GUBSER. Mr. Chairman, I think the gentleman from Texas is making a very telling and very important point, and with the permission of the gentleman from Texas I would like to put it in a little different way:

Let us just assume that from the inception of the B–1 program that we had agreed to pay for it in beefsteak instead of in dollars. Let us also assume that the price of the beefsteak remained the same. Would not his chart say that today we would be having to pay 28 percent less in beefsteak to pay for the B–1 than when we started out in the program?

Mr. PRICE of Texas. I would assume so.

Mr. Chairman, by all means, let us defy Russia's demand. There are two programs that the Russians have cited in the SALT talks that they want to do away with; one is the Trident submarine, and the other is the B–1 bomber. The Russians think that these two weapons pose the greatest threat to their nation of any of the weaponry that we have. So, by all means let us defy Russia's demand that the B–1 be cancelled as part of the price that the United States must pay for permanent strategic arms limitations—MARV—agreements as reported in Aviation Week and Space Technology magazine of April 15, 1974.

The B–1 program must proceed despite all of the inflation-inspired verbal flak raised against it.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. PIKE. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from New York.

Mr. PIKE. Mr. Chairman, first of all I would like to say that I am absolutely intrigued with the beefsteak argument of the gentleman from California (Mr. Gubser). I would only suggest to the gentleman that if we were going to measure this plane in any meaningful commodity whatsoever that it would have to be ham, and not beefsteak.

I would also like to observe that I am intrigued with the concept that the cost of any plane should go up every year in proportion to the gross national product. I do not really think that the cost of anything we contract for should go up in proportion to the growth of the gross national product. I would hope not, because if they are supposed to then obviously there is no end to inflation at any time ever.

I would like also to correct one statistic that the gentleman from Illinois (Mr. Price) threw out a little casually here when he talked about $70 million. That was last year's figure on plane No. 4. This year's figure is $150 million. This year's bite on this program, which is literally going nowhere, is $499 million.

I would finally like to say that there has been some jocularity here about the same people saying the same things every year. Well, at least I have said the same things every year, whereas the arguments on the other side change each year.

Two years ago our good chairman of the full committee was saying that this program is on cost, and on schedule. And last year the gentleman from Illinois was saying that the program had no problem whatsoever. Then on Monday the gentleman from Illinois said that this is indeed a sick program, and we should admonish the Air Force.

Well, the gentleman is so gentle. I would simply say that admonishing the Air Force by hitting them with half a billion dollars is not going to be very bad, as far as the Air Force paying attention.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the chairman, the gentleman from Louisiana (Mr. Hébert).

Mr. HÉBERT. Mr. Chairman, I thank the gentleman from Wisconsin for yielding to me.

May I say that I think the situation resolves itself into one question: Not how can we afford to have it, but the real question is, can we afford not to have it?

The CHAIRMAN. The time of the gentleman has expired.

Mr. GUBSER. Mr. Chairman, I rise in opposition to the amendment.

Mr. PRICE of Texas. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from Texas.

Mr. PRICE of Texas. I thank the gentleman for yielding.

I should like, in response to Mr. Pike's question awhile ago, to address a question to him. I am just wondering if he is blaming the U.S. Air Force and the people who construct this aircraft for the inflation rate that has eaten up this increase. It has increased, but it is through no fault of theirs, as I see it. It is through the fault of the Government and we here in the Congress, to a degree, have caused this inflation. Why should we, if we are going to have a bomber, as the chairman said we needed, blame inflation costs on the cost of this aircraft that is needed?

Mr. PIKE. Mr. Chairman, will the gentleman from California yield briefly so that I may respond?

Mr. GUBSER. I yield to the gentleman from New York briefly.

Mr. PIKE. I thank the gentleman for yielding.

I should like to say I do not blame the Air Force for the inflation. I do blame the Air Force for the over $1 billion of cost increase that has been caused by change orders. I also blame the Air Force for not telling us the truth today about the rate of inflation, thereby underestimating the future cost. The only reason they are underestimating the future cost is so this Congress will hold still for it.

Mr. PRICE of Texas. If the gentleman will yield, the increase in that cost was brought on by new equipment and asking for the fourth and fifth aircraft. This is the only aircraft that has come out of the research and development program with 3 aircraft, when most of them have used 11 aircraft.

(By unanimous consent, Mr. Gubser was allowed to proceed for 2 additional minutes.)

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from New Jersey.

Mr. HUNT. I thank the gentleman for yielding.

It is very interesting to sit here and listen to someone say that we should fault the Air Force because they did not properly foresee the rate of inflation. Let me just tell the gentleman from New York that every economist in this country, and foreign countries, has underestimated the rate of inflation over the past 4 years, including that very famous economist, Milton Friedman. It behooves me to tell the true facts of the matter. We already have invested $1.7 billion in this program. We have a mockup almost completed. We have a bomber almost ready to fly. I am sure the gentleman from New York knows this. We are progressing with a second prototype now, and we are finally going to get this plane off the ground. It is the first bomber we have built in 20 years that will replace the outmoded B–52. It will fly better, higher, lower, and has much better equipment than any bomber developed. If it were not a good ship, I am sure Pravda would not be interested in it.

Mr. GUBSER. Mr. Chairman, I might say to the Members that I know they are breathlessly waiting to hear what I have to say, and I will not yield further.

(By unanimous consent, at the request of Mr. Pike, Mr. Gubser was allowed to proceed for 2 additional minutes.)

Mr. GUBSER. Mr. Chairman, I hope I do not use all the time allotted to me, but I should like to summarize this argument on the B–1. I think the real basic question that we have to decide here today in our own minds, hearts, and consciences is this: Is this still a dangerous world in which we live? Honest men can have honest differences of opinion on that subject. I might say, the very hard intelligence data which we have been privileged to view, that I happen to believe that the Soviet Union is continuing to develop its warmaking capability, including its offensive capability, at a rate faster than at any other time in its history.

I happen to think if they are doing this—and I am sure they are—they are not doing it just for the pleasure of spending money and denying their people the consumer goods which those rubles would buy. They are doing it because they too consider this a dangerous world.

I think we should do nothing less for the security of this country than maintain the military parity of this country, and I do not believe we are maintaining parity.

Let me list off some of the differences between the capabilities of existing strategic bombers and the B–1.

First of all, we will have with the B–1 much faster reaction. Secondly, we will have an increased resistance to nuclear effects. Thirdly, we will have quicker takeoff and shorter escape times by about 50 percent. We will have much longer range. We will have the ability to penetrate portions of the Soviet Union which the F–111 and the B–52 cannot penetrate. If we were to rely only on the F–111, a plane which I am strongly for, all the Soviet Union would have to do is just move back its silos containing its ICBM's and they would be immune from attack by manned bombers. The B–1 will have a much vaster greater, payload. It will have higher speeds at both high and low altitudes. It will have a reduced infrared signature. It will have a decreased radar cross-section. It will have a vastly increased electronic countermeasure capability.

These are all modern developments which are essential to a good aircraft in this modern technological age. It is not enough in this dangerous world in which we live for the United States of America to go on with its head in the sand, burying itself in a technology which is now 2 decades old, and say that we will not move forward, we will let the Russians move forward by themselves.

It is just that simple. The B–1 is a better plane and it goes further than any aircraft has ever gone before in its capability.

This is a dangerous world. We cannot afford to stand still because the realities of the leadtime tell us that today we will not have the 6 or 8 months or a year to prepare and to grind up our technologic machinery to the point where it can produce. We cannot have that luxury any more. It behooves us to maintain parity and to make this a safer and more secure world. This is one way we can do it, that is by keeping the B–1 program moving.

I compliment the gentleman from New York (Mr. PIKE) for being honest enough not to try to cut the B–1 program in half He is against it. He wants to knock it out. I honor his opinion but I happen to disagree with him. However it would be fatal if we cut this program in half or slowed it down or decreased it and slowed down the effective date of deployment. I do think the gentleman has been honest, but I think he has been honestly wrong. The security of this country requires that we go ahead and move quickly with the development of the B–1 bomber.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I would emphasize that we are in the R. & D. phase of this project and the development requires such a long leadtime that we cannot cut this off right now and expect to develop it later as we please.

I have had very grave reservations about this overall B–1 program. It has been a program with serious problems in the past and I think if we would vote for procurement today I would vote against it. This is not procurement—it is research and development. I think we would be making a very serious error to vote against the research and development of this at this point.

Mr. GUBSER. I thank the gentleman from Alabama.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. PIKE).

RECORDED VOTE

Mr. PIKE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 94, noes 309, not voting 30, as follows:

[Roll No. 237]

AYES—94

Abzug
Addabbo
Aspin
Badillo
Barrett
Bergland
Bingham
Blatnik
Bolling
Brademas
Brasco
Burlison, Mo.
Burton
Carney, Ohio
Chisholm
Cohen
Conyers
Corman
Culver
Dellenback
Dellums
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Foley
Forsythe
Fraser
Green, Pa.
Griffiths
Gude
Harrington
Hawkins
Hechler, W. Va.
Holtzman
Howard
Hungate
Jordan
Kastenmeier
Koch
Kyros
Long, La.
McCloskey
McCormack
McKinney
Metcalfe
Mezvinsky
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Moss
Nedzi
Obey
O'Hara
Owens
Pike
Podell
Pritchard
Rangel
Rees
Reuss
Riegle
Robison, N.Y.
Rodino
Rosenthal
Roybal
Ryan
St Germain
Sarbanes
Schneebeli
Schroeder
Seiberling
Smith, Iowa
Stark
Stokes
Studds
Thompson, N.J.
Tiernan
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Waldie
Whalen
Wolff
Yates
Young, Ga.

NOES—309

Abdnor
Adams
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Baker
Bauman
Beard
Bell
Bennett
Bevill
Biaggi
Biester
Blackburn
Boggs
Boland
Bowen
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Cleveland
Cochran
Collier
Collins, Tex.
Conable
Conlan
Conte
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Fish
Fisher
Flood
Flowers
Flynt
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hays
Hébert
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Karth
Kazen
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
Lott
Lujan
Luken
McClory
McCollister
McDade
McEwen
McFall
McKay
McSpadden
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Michel
Milford
Miller
Mills
Minish
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nichols
O'Brien
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Rarick
Regula
Rinaldo
Roberts
Robinson, Va.
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Scherle
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Vander Jagt
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wydler
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—30

Arends
Bafalis
Carey, N.Y.
Chappell
Clark
Clawson, Del
Clay
Collins, Ill.
Diggs
Ford
Gray
Hansen, Wash.
Helstoski
Johnson, Pa.
Jones, Okla.
Kluczynski
Macdonald
Minshall, Ohio
Morgan
Nix
Reid
Rhodes
Rooney, N.Y.
Runnels
Stubblefield
Symington
Teague
Williams
Winn
Wyatt

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. ABZUG: Page 4, line 18, insert the following new section:

"SEC. 202. No funds authorized to be appropriated pursuant to this title shall be used for any of the following programs designed to build counterforce capabilities:

1. Mark 500 Warhead for Trident (Navy Evador).
2. Improved targeting of Sub-launched Ballistic Missiles.
3. Terminally Guided MARV's.
4. Improved yield on Minuteman III.
5. Increased accuracy on Minuteman III.
6. Increased MIRV's on Minuteman III.
7. Missile Performance Measurement System for Minuteman.
8. New Fixed Based ICBM.

Ms. ABZUG. Mr. Chairman, I am offering this amendment to eliminate authorizations for funding eight programs designed to increase nuclear counterforce capabilities. The funds allocated to these eight programs total a little over $250 million—a small amount by Pentagon standards. But, for the first time in my memory, I find myself totally unconcerned with the financial costs of these proposed military projects. The consequences of approving these programs far transcend matters of dollars and cents; they go to the heart of our survival.

We are confronted today with a rather anomalous situation. We have been geared to judging Defense Department requests by cost-efficiency standards. The costs have been staggering, as we all know, but, except in rare instances, we have been persuaded to pay the price in the name of national security. Today, we are offered a bargain—a mere quarter of a billion dollars to increase our counterforce capabilities and assure our position as No. 1 in the field of nuclear weapons. But, alas, there is a catch—and the catch is that if we accept this proposition, we will commit this country to a policy leading not to peace and national security, but to a nuclear arms race and a greater possibility of a disastrous nuclear war.

The United States continues to lead in numbers and sophistication of nuclear weapons. Secretary of Defense Schlesinger testified last March that, in his opinion, we now enjoy far greater operational counterforce capabilities than do the Soviets. Our present nuclear hardware is capable of reacting to any attack by targeting on enemy cities or military targets, including missile silos. Thus, we are capable right now of the type of "flexible response' that Secretary Schlesinger claims we need. Similarly, we already enjoy the strong bargaining position that many view as essential to obtaining future SALT agreements.

Just as we can direct retaliatory forces against any aggressor, the Soviets enjoy the security of knowing that they would be capable of striking back at any first strike against them. Neither the United States nor the Soviet Union is today capable of destroying the other's deterrent forces by a "first strike". And as long as there is that assurance that one's enemy's retaliatory forces can not be eliminated by a first strike, there is little chance of either side's taking that disastrous first step. This is the essence of our long-standing policy of nuclear deterrence. Our only concern need be ensuring the defense or security of our own retaliatory forces.

Now, however, we are being asked to give our blessings to a new policy—and we are not even given an understandable explanation of why it is necessary. The requested research and development projects would start us on the development of new nuclear hardware, the terminally guided MARV—maneuverable reentry vehicle—for example, which would give the United States almost perfect accuracy and greater yield and enable this country eventually, when these weapons are perfected, to destroy an enemy's retaliatory forces by a first strike.

Are we really naive enough to imagine that, once we embark on this new policy, the Soviets will not hasten to emulate and, if possible, overtake us in this race to blow up the world? And, even if it should take them another 10 or 20 years to catch up with us, what peacekeeping forces will restrain them in the interim? If the Soviets even suspect that the United States is capable of destroying them completely by a first strike, imagine the nervous fingers not daring to wait for that first strike to occur.

Let us not be fooled. The improved accuracy and yield of our nuclear warheads will add not one iota to nuclear deterrence or to national security or to peace. Our only deterrent goal should be to protect our retaliatory forces by insuring their survivability in case of a nuclear attack. But these proposed refinements have nothing to do with insuring this survivability. Just look at the list of projects. Each is geared to offensive strength and capability. How can anyone fail to see the significance of what we are being asked to approve today? There is a lot more involved here than a choice of weapon systems—where we generally end up by abdicating our judgment to that of the so-called experts at the Pentagon. This is a choice of national policy—of foreign policy—of survival of our civilization. Do we really want to abandon our longstanding policy of nuclear deterrence and opt for a new and radical program that may—and probably will—lead us into a nuclear arms race? Do we want to risk a war that will mean the end of civilization? This may sound overly dramatic, but I am not exaggerating one bit the possible consequences of our action today. Our responsibility to ourselves and to our constituents requires each of us to think seriously and to consider these consequences before reaching a decision.

Unfortunately, this will be our one and only chance to vote against these projects. Once approved, they cannot—or will not—be abandoned. On the other hand, if we should vote them down now, we will have the opportunity, I am sure, to consider them again. This is not the first time that we have been asked to approve research and development programs aimed at increasing missile accuracy. In 1971, the Defense Department, in opposing counterforce amendments offered by Senator BUCKLEY stated, and I quote from its position paper at the time.

> It is the position of the United States not to develop a weapons system whose deployment could reasonably be construed by the Soviets as having a first strike capability. Such a deployment might provide an incentive for the Soviets to strike first.

Thus, the issue is not whether these new targeting programs will, in fact, give the United States first strike capability but whether, in the eyes of the Soviets, they may do so.

If we allow this kind of research and development to commence, it means that we will be changing our entire nuclear policy and inviting the risk of a disastrous nuclear war. I do not believe we should allow ourselves to be responsible for that.

Mr. PRICE of Illinois. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, an effective force to deter strategic nuclear attack is not only absolutely essential for the very survival of the United States, it is also the ultimate source of our ability to deter at lower levels. This preeminence has been acknowledged by national policy, past and present.

Deterrence is the primary purpose of our strategic forces. Specifically, our strategic deterrence objectives are:

To deter a direct attack on the United States;

To deter nuclear attacks on our allies;

To exercise a deterrent effect against massive, nonnuclear attacks on our allies;

To inhibit coercion of the United States by nuclear powers; and

To help inhibit coercion of our allies by such powers.

In addition, should deterrence fail, we must be able to respond selectively in a manner which will prevent uncontrolled escalation to a general nuclear war, and which will allow specified targets to be destroyed with a minimum of collateral damage.

To meet these objectives, we maintain a strategic force designed to survive any type of attack and still respond effectively. This force consists of three primary elements—bombers, land-launched intercontinental ballistic missiles—ICBM's, and submarine-launched ballistic missiles—SLBM's.

To maintain the credibility of our deterrent forces and to insure the availability of flexible, selective options, it is essential that we support research and development efforts which provide the opportunity to improve the capabilities of these forces. Three such programs, which have been included in the fiscal year 1975 budget request, call for the development of improved guidance and increased yield for our current Minuteman III missiles and research into terminal guidance technology applicable to future ICBM systems. These programs will enhance deterrence and promote stability for reasons which I will now discuss.

The Soviet Union is engaged in a massive ICBM development program. In the past year, they have tested four new ICBM's, three of which have multiple independently targetable reentry vehicles, or MIRV's, and all of which are designed for increased accuracy. Three of these new ICBM's will provide significant increases in "throw weight," or payload weight which can be delivered at a given distance, over those forces which they will replace. The combined effectiveness of this increased throw weight, improved accuracy, and MIRV capability—unmatched by developments of our own—would be to give the Soviets a clear advantage in counterforce capability over the United States. This fact is recognized by the Soviet Union, and it is recognized by leaders in Western Europe. As a consequence, the credibility of our nuclear deterrent could be questioned, and the Soviets would be able to use their strategic advantage for political leverage in their dealings with the United States and our allies. We can not allow this to happen. For deterrence to work, our capability and our willingness to use that capability must be perceived by world leaders. It must be perceived by potential aggressors to deter them from aggressive acts. It must be perceived by our allies to give them confidence in our strength and resolve. And it must be perceived by the uncommitted nations so that they will feel free to exercise their basic rights to determine their own destiny without interference or dominance by other nations.

The programs which have been proposed to improve the accuracy and increase the yield of our ICBM's will do much to provide a counter to the Soviet program and thus maintain a perceived balance. To achieve a desired level of damage on a given target, several warheads sometimes are allocated to a single target for various reasons, including the degree of weapon accuracy and the hardness of the target. Improving the accuracy of our Minuteman III missiles will tend to reduce the number of warheads required to achieve the desired damage on a target. Thus it will serve to increase the overall effectiveness of our ICBM force. Moreover, the increased accuracy combined with the smaller number of warheads required against a single target will reduce significantly the collateral damage that would occur in a limited response. The more precise delivery of fewer warheads also provides a greater likelihood that such a limited response will be recognized for what it is—a limited response—instead of being mistaken for an all-out attack. This, in turn, increases the credibility of such a limited response and therefore enhances deterrence.

The companion program to increase the yield of the Minuteman III warheads will provide similar benefits to our deterrent posture. Against targets that currently require the allocation of several warheads, an increase in yield would enable fewer warheads to accomplish the desired result. The combination of improved accuracy and increased yield will provide a significant increase in the effectiveness of the individual Minuteman III missiles, particularly against hard military targets. This increased effectiveness together with the selectivity and flexibility provided by these features will be clearly perceived by world leaders, and deterrence will be strengthened.

The technology effort on terminal guidance will provide insight into the feasibility of concepts for highly accurate ICBM delivery. This effort is necessary to allow us the option for development of such systems as a mobile ICBM or other ICBM systems of the future. As a technology investigation, it will also alert us to the degree of effectiveness and the possible limitations of terminal guidance. In the event that the Soviet Union should develop terminal guidance, we would be in a better position to counter that development.

It has been suggested that these programs for improved accuracy and increased yield would be destabilizing and would give the appearance of a first strike intent. This clearly is not the case. Even if the programs I have discussed were carried to the point of deployment in our ICBM's the total U.S. strategic offensive force would not be sufficient to deprive the Soviets of the ability to inflict a high level of damage in retaliation, using surviving elements of their strategic offensive Triad.

The development of improved accuracy and increased yield for Minuteman III does not adversely affect strategic stability. Rather—within the environment of major Soviet advances in accuracy, throw weight, and MIRV capability—it actually enhances stability by virtue of the fact that those missiles which survive an enemy first strike would be more effective and thus further assure our retaliatory capability. Also, it increases our ability to respond in a controlled way, making the likelihood of nuclear response more credible, thereby making deterrence more effective and the initial use of nuclear weapons by a potential aggressor less likely. I urge your support of these programs for ICBM improvements.

Mr. HUNT. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, along with many of our colleagues, I have struggled to appreciate our evolving concepts of nuclear strategic policy. Our policy of massive deterrence has stood us well in the past. Today, with the proliferation of nuclear arms, many seek an alternative to this policy and its consequences if implemented.

Alternatives are available but only if we are demonstrably capable of the precise application of force to selected targets. The credibility of such a policy is enhanced if it can be exercised using our essentially invulnerable sea-based forces.

Defense witnesses have testified that while the accuracy of our current FBM missiles is sufficient for the assured destruction of urban and industrial targets, there is no assurance that the accuracy of these systems will support a more limited application of force. We need to know more precisely the capability of our forces today and the feasibility of improving these and future weapons systems. This will be particularly important when we consider the implications of limiting the size of land- and sea-based strategic forces as well as conditions under which we develop new weapons systems.

The Navy's FBM systems accuracy improvement program has as its objective developing the means to assess, under operational conditions, the accuracy of sea-based missile systems and the feasibility of upgrading the accuracy of present and future systems. I believe the program is timely and that we need to proceed now if we are to have the option of upgrading the accuracy of FBM missiles in the 1980's.

Mr. Chairman, I cannot conscientiously conceive of any one supporting this amendment. By the very wording of the amendment itself, it should be defeated because it says that no funds authorized to be appropriated pursuant to this title shall be used for any of the following programs designed to build counterforce capabilities. In other words, the amendment itself contradicts itself because in essence it says that we are to be deprived of R. & D. capabilities and those improvements because we might use them more accurately in defending our Nation. This is the inference I get from it because it says "counterforce capabilities."

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. HUNT. I yield to the gentleman from Florida.

Mr. SIKES. I thank the gentleman for yielding.

I think it must be agreed that the thrust of the amendment of the gentleman from New York would require that we fight the next war with the weapons of the last war; without regard for the fact that the enemy would be in position to continue to develop modern weapons almost without restriction; a very dangerous prospect for our country.

Mr. HUNT. I thank the gentleman for his contribution.

Mr. RANDALL. Mr. Chairman, will the gentleman yield?

Mr. HUNT. I yield to the gentleman from Missouri.

Mr. RANDALL. I thank the gentleman for yielding.

Are we to go back to the bow and arrow?

Mr. PRICE of Texas. Mr. Chairman, will the gentleman yield?

Mr. HUNT. I yield to the gentleman from Texas.

Mr. PRICE of Texas. I thank the gentleman for yielding.

I might say the facts show that Russia has spent over $30 billion this last year in its budget to build their so-called systems, to destroy the United States. How can anyone prudently watch a country spend $30 billion to try to annihilate this country and say that we are going to stand by and watch them build up their new SSX–19's, SS–11's, and SS–13's and stand here and not build anything? I think it is completely suicidal to suggest such a thing.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. HUNT. I yield to the gentleman from Connecticut.

Mr. GIAIMO. I thank the gentleman for yielding.

I agree with the gentleman insofar as he is opposed to this amendment. I, too, shall oppose this amendment. But in all fairness to the debate here and to what the gentlewoman from New York is trying to say by the use of the word "counterforce," it has a very real meaning in that it does not mean to go back to bows and arrows, or not to develop regular counterforce type weapons, as the gentleman well knows. Counterforce has to do with the question of targeting nuclear weapons, whether they would be against Soviet, or, rather enemy nuclear missiles, or against population centers. It has a very real meaning, and I do not think it should be taken out of context.

Mr. HUNT. I thank the gentleman. I did not take it out of context. I am simply pointing out to the gentleman that the word "counter" means against. According to Webster's Dictionary, the word "counter" is taken in the context of being against, and this amendment is a counterforce deterrent.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEGGETT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, essentially what the amendment would do would be to limit the power of the Pentagon to make expenditures of some $25 million to increase the yield of Minuteman warheads, $32 million for maneuvering reentry vehicles, and $20 million for advanced research on terminal guidance.

One might ask, "Why do we not do that?" Essentially the reason is that the only purpose for developing this new capability is to create what we call small, clean nukes. With these small nukes, what we have in mind doing is taking out hard targets in enemy territory.

The main enemy that we have is the people who were visiting us yesterday and today in the interparliamentary exchange.

What we are interested in taking out with these new capabilities is not the steel factories and things like that. As I have mentioned in my supplemental views, we can take those out with our existing capability. We are going after their missiles. That is the only hard target they have in the Soviet Union that we cannot take out with our existing capability.

Why would we want to take out their missiles? We say to retaliate, so they cannot shoot their missiles back at us. But if they know we are conducting this research and development which we are talking about today, they can only conclude in a few years that we have this capability, so therefore if they see anything coming toward them, if they see us launching anything toward their silos, they have to conclude that we have the capability to take out that silo, and as a result when that particular reentry vehicle approaches the silo it will be empty, because it will already have fired its missile toward the United States.

This is rather complicated talk, I know, for the floor of the Congress, but this was a sufficiently serious matter for the other body's Research and Development Committee to recommend that these items be deleted from their bill. It was restored in the main committee. But the argument is not at all superficial and it is not beside the point. It is a very important thing and probably one of the most escalatory things we can do.

Mr. PRICE of Texas. Mr. Chairman, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from Texas.

Mr. PRICE of Texas. Mr. Chairman, we both know as members of the Research and Development Committee how the Russians have increased their capability and they have built some 8 to 14 new missile silos above and beyond what was in the SALT agreement. Is the gentleman saying it is all right to increase their capability and all right for them to continue their research and development for their missiles but it is not all right for us to do it?

Mr. LEGGETT. Their improvements will do them no good, and these programs will do us no good. Those silos we can see and we can photograph and we can bargain for them to be taken away, but accuracy is something we cannot photograph and we cannot tell whether or not they have it until they have done a little bit of testing. It is something that further precludes any future SALT agreement such as Secretary Kissinger and the President have negotiated in the past.

So the idea is to maintain some of the bargaining chips so that we do not throw them away.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, would not the Russians still have a secondary strike force, even if we were targeting their silos, their submarines and so on?

Mr. LEGGETT. I think under any circumstances they probably would.

Mr. LONG of Maryland. Would it not still be true that the enemy need not panic and throw everything it had at us merely because it thought we were about to fire at the weaponry.

Mr. LEGGETT. Certainly.

Mr. LONG of Maryland. Then what is all the concern about?

Mr. LEGGETT. You are right. These new warheads are nuclear. The United States has adopted the posture that we would just as soon let the other side strike and we will take our damage, and we will have enough capability to make a strike against any opponent which would just not be acceptable to them. With the capability that gives a theoretical first strike capability, where you can substantially knock out the other side, then you can no longer assume that posture which the United States has.

Mr. LONG of Maryland. Mr. Chairman, I move to strike the last word.

Mr. Chairman, if the gentleman will continue this colloquy, cannot the enemy then, if we develop this, move more and more toward the kind of weapons that cannot be hit in a first strike by our weaponry?

Mr. LEGGETT. Exactly. Theoretically, if we make better and more accurate weapons, they are going to be moving their weapons into mobile silos and things like that, so all really we do is escalate and it does not add anything real to our security.

No matter what we do the other side could retaliate. Several years ago when we were talking about the Soviet Union having a first strike at the United States some were saying they could make a fast strike and leave the United States.

I never did believe that. I have always believed we have the had the capability to inflict unacceptable losses on any enemy.

Mr. LONG of Maryland. That is going to continue to be true. Is it not true that either side can always be expected to do its level best to develop the best weaponry to defend itself to hit the other side with maximum efficacy?

Can we be expected to pull our punches on this any more than we can expect the enemy to pull its punches?

Mr. LEGGETT. After you have the ability to blow the other guy's head off, additional punch isn't too useful.

Mr. LONG of Maryland. Can we achieve peace by unilateral action? Does not a real stable situation have to come about through agreement by both sides and not by our just deciding to slow down our development.

Mr. LEGGETT. Exactly. What we are trying to do is reach an international détente, so that we have a balance of power.

In the opinion of many experts, what this does is to act in a destabilizing capacity. It makes détente more difficult to achieve.

Mr. LONG of Maryland. It seems to me the only way to avoid both sides blowing themselves up is by both sides getting together in an international disarmament agreement, not by a unilateral slowdown on our part.

Mr. DELLUMS. Mr. Chairman, I rise in support of the amendment. I wish to associate myself with the gentlewoman from New York. I yield my time to the gentlewoman from New York.

Ms. ABZUG. I would like before we conclude this discussion to emphasize one other point. When we first began developing the MIRV, the Soviet Union did not have any MIRV's. They do have some now. We have some 7,000 to their 1,500 or 1,900 warheads.

I am not a member of the Committee on Armed Services, but I am concerned with the peace of the world.

We do have a superiority that is quite extensive. It seems to me that it is quite ridiculous to suggest that because we are opposed to the development of this new nuclear targeting strategy, we are weakening our present policy of nuclear deterrence. Our deterrent has been based upon a wholly different strategy and that has been the inability of either side to destroy completely the retaliatory forces of the other side.

The purpose of the proposed new strategy—of increasing targeting accuracy—is obviously to strike in a way that will dispose of the enemy's retaliatory forces, making it impossible for the other side to strike back. We do not need that for our defense. We do not need that for bargaining at the SALT talks. We need to make certain that the so-called deterrents do not deter peace, which has been the stated policy of our country, and do not go off the deep end. If we vote for this today, $300 million for R. & D., or $200 million for R. & D., it will only be the beginning of a program that may well prove disastrous.

It is ridiculous to suggest that those who are concerned about the peace of this country and the peace of the world and are therefore opposed to starting a nuclear arms race are somehow unconcerned about maintaining our country's security.

This particular counterforce weaponry is not being developed because we are threatened with anything similar that the Soviet Union possesses. There is nothing "defensive" about these proposed new weapons. They are purely "offensive." And they are being developed because there are those in the Pentagon and elsewhere who want to change the nature of our nuclear capacity. We have managed through our present policy to deter any kind of nuclear threat. We are on the threshold of developing peaceful relations with the Soviet Union and with China and with other nations. This is not the moment to start to beat the drums for new kinds of offensive nuclear weapons for ourselves and for the world.

I urge you to give this matter your very serious consideration. Disapproving these programs will not mean that we will be disarming ourselves. Far from it. I wish to heaven that we were at that stage where we could talk about an international disarmament agreement whereby all parties would settle their disputes peacefully. This is the only ultimate solution for this country and for the world. Some day I hope we will reach that. Until then, however, it is foolhardy to suggest that we will secure peace by making war or by developing better and more sophisticated and more deadly weapons for war.

I do not think that we should look upon this amendment or this discussion as if it were just more foolish talk. It is not. It is serious, gravely serious. A vote for these research and development projects will be the beginning of a new stage of nuclear policy, which we do not have the right to approve without further discussion at the very least.

Mr. HOSMER. Mr. Chairman, will my colleague from California yield?

Mr. DELLUMS. Mr. Chairman, I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, I just want to say to the gentlewoman from New York, the unlogic of her argument is the fact that it is applying bipolar arguments to a multipolar world.

Mr. BINGHAM. Mr. Chairman, I rise in strong support of the amendment of the gentlelady from New York to eliminate the funds for research and development for strategic missle counterforce programs.

The amendment would delete from the bill some $250 million to increase the yield of nuclear warheads, improve their accuracy, and conduct advanced research on warhead terminal guidance. These programs are all designed to increase the capability of our strategic missiles to destroy so-called "hard targets" such as Soviet missile silos. They are the means of implementing a new strategic doctrine announced a few months ago by Secretary of Defense Schlesinger. This new doctrine is supposed to provide the United States with greater flexibility in the potential uses of our strategic nuclear forces by targeting our missiles at protected military targets, as well as at cities, industrial facilities, and troop concentrations.

The implications of this doctrine are staggering, and it should not be put into effect without full understanding of its implications and a broad-scale national debate.

For almost 30 years, the doctrine of "mutually assured destruction," whereby each superpower can destroy the other even after a first strike, has been an effective deterrent to war even when tensions ran high. The United States has concentrated on having the ability to retaliate effectively with our own nuclear weapons even after undergoing a first-strike by the Soviets. This capability was intended to, and did, make nuclear warfare unthinkable. Secretary Schlesinger's new doctrine, and the research needed to implement it in this bill, would reverse this basic policy by making nuclear warfare a realistic possibility through selective nuclear strikes. Nuclear warfare, which was once unthinkable, is now apparently to be considered a feasible option. Mr. Chairman, I cannot support such a radical and dangerous proposal.

Moreover, these new R. & D. programs are completely unnecessary. We already target military facilities and ICBM sites, and we have the capability of aiming our missiles at them with great accuracy. The Center for Defense Information has estimated that the United States has 1,000 intercontinental ballistic missiles with penetration aids and onboard computers for guidance, while the Soviets have no such operational missiles. What possible justification can there be for the proposed refinement and sophistication of our nuclear threat when our present capabilities are already highly sophisticated and superior to the Russians?

This new doctrine and the R. & D. to carry it out will only serve to escalate the strategic arms race by persuading the Russians that the United States intends to develop a first strike capability. At best, the Russians might then logically decide to establish a policy of "launch on warning" whenever their radars detect what they think is a U.S. incoming missile attack, since they would have to believe that our missiles were capable of destroying even their hardest missile silos. At worst, their fears might lead the Russians to develop, and consider using, a first strike capability of their own.

The Department of Defense would apparently have us believe that these new missile developments might be used as another bargaining chip at the SALT talks, and that the United States might trade off these technological improvements in return for comparable reductions by the Soviet Union. I find this arguement is dangerous nonsense, since the Russians could not possibly tell whether or not the United States had, in fact, ceased such research and development or whether the weapons had, in fact, been deployed. Once the Congress has authorized the funds, the Russians will have to assume that we will develop these capabilities and be able to use them at will. The net effect will be to destabilize the current standoff and increase crisis instability by a quantum jump.

Finally, Mr. Chairman, I would point out to my colleagues that the $250 million for these R. & D. programs is only the tip of the iceberg, and, as others have said, this is one iceberg we should not pull out of the water. The implementation of this technology will cost billions of dollars, and once underway will be impossible to stop.

I urge the House to adopt the amendment and reject the terrifying proposition that we have to move closer to nuclear warfare. Of all the amendments expected to be proposed, I believe this one is, from the long-range point of view, the most important.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. Abzug).

RECORDED VOTE

Mr. HÉBERT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 34, noes 370, not voting 29, as follows:

[Roll No. 238]

AYES—34

Abzug
Aspin
Badillo
Barrett
Bingham
Brown, Calif.
Burke, Calif.
Burton
Chisholm
Conyers
Dellums
Drinan
Eckhardt
Edwards, Calif.
Fascell
Fraser
Green, Pa.
Harrington
Hechler, W. Va.
Holtzman
Kastenmeier
Leggett
Mink
Mitchell, Md.
Rees
Rosenthal
Roybal
Schroeder
Seiberling
Stark
Stokes
Studds
Waldie
Young, Ga.

NOES—370

Abdnor
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Hastings
Hays
Hébert
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Koch
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher

Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—29

Alexander
Arends
Carey, N.Y.
Chappell
Clark
Clawson, Del
Clay
Collins, Ill.
Diggs
Ford
Gray
Hanna
Hawkins
Helstoski
Johnson, Pa.
Jones, Okla.
Kluczynski
Kuykendall
Metcalfe
Morgan
Nix
Reid
Rhodes
Rooney, N.Y.
Runnels
Stubblefield
Teague
Williams
Wyatt

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any further amendments to title II? If not, the Clerk will read.

TITLE III—ACTIVE FORCES

SEC. 301. For the fiscal year beginning July 1, 1974, and ending June 30, 1975, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

(1) The Army, 785,000;
(2) The Navy, 540,380;
(3) The Marine Corps, 196,398;
(4) The Air Force, 627,535.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title III may be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

AMENDMENT OFFERED BY MR. DELLUMS

Mr. DELLUMS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELLUMS: On page 5, immediately after line 2, insert the following new sentence: "No funds authorized to be appropriated by this title may be used after June 30, 1975, for the purpose of maintaining more than 1,951,213 active duty personnel, and no funds authorized to be appropriated by this title may be used after June 30, 1975, for the purpose of maintaining more than 293,900 military personnel assigned on a permanent basis outside the United States or its possessions."

Mr. DELLUMS. Mr. Chairman, there are three important aspects to my amendment. First, the amount: I ask that 198,000 troops, close to half of our overseas presence, be returned home. Second, the place: My amendment mandates that these troops all come from overseas. Finally, the effect: By my amendment, final end-strength authorizations are lowered, which means that the men who return from overseas will be demobilized. This insures a substantial savings.

For years, Congress has approved manpower levels—including overseas manpower levels—without even questioning basic rationale for overall levels, or for the various specific commitments on which they are based. The inevitable result of this neglect has been that key policy determinants are now bureaucratic inertia and special interest needs.

Events of the past few years show us that this neglect cannot continue. Our military presence is no longer a tool of foreign policy—instead, policy is more and more determined by the needs of our military presence. My basic point is that our troop commitments were not arrived at by constitutional processes of congressional control; in fact, they represent abdication of control—over to not only the Executive, but to foreign countries as well.

I believe that my colleagues will be surprised, as I was when I began to study this issue seriously, at the sheer extent of our overseas presence, and the lack of any serious justification for the specific levels. I believe this is always the case when a bureaucracy feels that it will never have to account for its actions to an outside group—that is, when the Pentagon feels that the political responsibility of Congress has been abdicated.

Can anyone here seriously argue that substantial reductions could not be made simply by eliminating the waste and inefficiency?

That top-heavy headquarters, wasteful support-to-combat ratios, and disruptive rotation policies could be ended without the slightest loss of combat preparedness?

Can any one here tell me why we have 40,000 troops in South Korea, adding negligible strength to one of the most combat-hardened experienced armies in the world?

How many people here are aware—much less are able to give a rationale—for the 2,000 troops in Bermuda? The 10,000 troops in Spain? The 1,000 troops in Morocco? The 55,000 troops in Japan? And these are just a few examples of our worldwide military presence.

Can any one here maintain that there is a military justification for the high level of troops in Europe?

That we have a credible conventional capability, when we keep such an enormously high number of tactical nuclear warheads stockpiled in Europe?

Just how many days can we expect the NATO conventional forces to hold on—without using nuclear weapons—to the east side of the Rhine against a full-scale Soviet attack?

Are there really any sound political reasons for tying our hands in regard to overseas troops and continuing to allow the Pentagon bureaucracy to live in the style to which it has become accustomed—that is, without too many nosy questions from Congress?

Does the present deadlock at the mutual force reduction talks represent progress?

Is there anything in the legislative history of the Jackson-Nunn amendment that says it should be construed as an excuse for inaction on the troop question? In fact, its legislative history shows just the reverse. Does not our willingness to remove troops unless we receive financial assistance show our awareness of the fact that the present level of troops is not necessary to Europe's survival?

These are the questions we should ask. I have asked them, and I have received no adequate answer. The time for reform has come. The longer we delay, the more damage we will do when we are forced by the realtities to act. I urge my colleagues to assert our congressional responsibilities by passing this amendment.

Mr. FISHER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have heard during the course of this debate reference made to balance of power, and things of that kind. When we are speaking of manpower numbers, we might do well to remind ourselves that during the same period of time that the U.S. military forces have been cut, reduced from 3.6 million down to 2.1 million, the uniformed troops in the Soviet Union have more than doubled. Yet we have people today who come to the floor of the House when we have measures of this kind seeking to further undermine and virtually destroy the effective capacity of our national defense establishment to provide the security that is required for America today.

Mr. Chairman, this same issue was debated last year. The same gentleman who offered it a year ago—practically the same—has offered it again today. It was thoroughly debated a year ago. I see no point in belaboring the issue. Last year on a record vote in support of his amendment he got 67 votes. In opposition to it there were registered 339 votes. Mr. Chairman, I ask for a vote.

AMENDMENT OFFERED BY MR. O'NEILL TO THE AMENDMENT OFFERED BY MR. DELLUMS

Mr. O'NEILL. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. O'NEILL to the amendment offered by Mr. DELLUMS: Strike out "funds authorized to be appropriated by this title may be used after June 30, 1975, for the purpose of maintaining more than 1,951,213 active duty personnel, and no".

Strike out "June 30" the second time it appears therein and insert in lieu thereof "December 31".

Strike out "293,900" and insert in lieu thereof "335,000".

Strike out "assigned on a permanent basis outside the United States or its possessions." and insert in lieu thereof the following: "permanently or temporarily assigned at land bases outside the United States or its possessions. The Secretary of Defense shall determine the appropriate worldwide overseas areas from which the phased reduction of military personnel shall be made."

Mr. O'NEILL. Mr. Chairman, may I in my opening remarks say I rise in strong support of substantially reducing our commitment of land-based troops overseas on foreign soil, and I speak just as any other Member of this Congress, with the same rights on the floor. In other words, I am not representing the leadership; I am representing my thoughts on this matter as a Member of the Congress.

May I say according to the Department of Defense's figures of December 31, 1973, there were 523,000 troops stationed outside of the United States. My amendment differs in three parts from the amendment as offered by the gentleman from California. He would cut the troops overseas 198,000. My amendment cuts them 100,000. His date would be June 30 of 1975; my date would be December 30 of 1975. In other words, his is 1 year, mine is 18 months.

Third, he mandates demobilization while I say that the Secretary of Defense shall have that right. But I do feel that because of the fact that we have a quota at the present time of some 535,000 overseas, that certainly 100,000 men coming back from overseas we should not keep in the Army; that is, unless the voluntary Army that we are now under does not meet the requirements for the number of men that are needed in the armed services.

It cost us last year, as I understand it, about $18 billion for our troops overseas. In the last year we have had an inflation rate of 7½ percent. In the first 3 months of this year we have had an inflation rate of 11 percent. So I anticipate that the cost of our overseas troops next year will be approximately $22 billion. That is $22 billion.

It is interesting. Some people have said that troops overseas mean jobs. It is estimated if we spend $1 billion on troops overseas it means 69,000 jobs in America, but if we spend $1 billion on work, on employment in America, it means 110,000 jobs. So that argument is itself a false argument.

The Department of Defense estimates that to pay for the upkeep and health care and individual related costs, it takes $12,000 for each man we have overseas. If we return 100,000 we will save $1.2 billion.

I sincerely believe, after speaking to numerous military officials around the world and personally having visited their activities and having been recently in Taiwan and Korea and Spain and in various other countries, that a reduction of 100,000 of the land-based troops from foreign soil would not impinge upon the United States as a free and independent nation and would not threaten our fundamental institutions and would not affect the security of the other nations who rest on our defense posture.

My amendment leaves it to the Secretary of Defense to determine the appropriate areas of withdrawal. I am not mandating a cut from any part of the world. That is up to the Secretary himself. This is left completely to the discretion of the Secretary of Defense. I would suspect there are a number of different possibilities available for withdrawing troops and I am sure the chairman of this committee could tell us right now offhand at least three withdrawals that are going to take place, and I believe this will be in the vicinity of better than 25,000.

Then we have the argument: why do we say 100,000 should come back when the Department of Defense is going to move troops back? I say the Department is not moving the men back fast enough and I say we should mandate it as Members of Congress, mandate the Department to bring back 100,000 troops from overseas.

I understand it takes six back-up men for every man who carries a gun. Every military man I have talked to about it has said it is a ridiculous waste. It should be only three or four men at the most. I see no reason whatsoever why we should be expending about $22 billion overseas. We will be keeping faith with our allies around the world. It is my opinion we should immediately invoke this amendment and bring 100,000 of our troops back.

Mr. Chairman, I strongly support substantially reducing our commitment of land-based troops overseas on foreign soil.

According to the Department of Defense figures of December 31, 1973, there were 523,000 troops stationed outside of the United States. Of these 523,000 troops 492,000 are stationed on foreign soil and 31,000 are in U.S. territories and possessions. Of the 492,000 in foreign countries 57,000 are "afloat" leaving a base figure of 435,000 land-based troops stationed on foreign soil. My amendment affects only these 435,000 troops, it does not affect the personnel afloat or the personnel stationed in U.S. territories and possessions. Furthermore the Secretary of Defense would determine the areas from which the reduction would be made.

Immediate financial savings begin from not having to pay the overseas operation and maintenance costs, you save by bringing home large numbers of dependents with the 100,000 troops—average of two per trooper—you save by avoiding the high cost of transportation and logistics supply in foreign countries.

The DOD cost estimate per man for pay, upkeep, health care, and individual related costs is $12,000. Thus, if 100,000 troops were returned from overseas and subsequently demobilized the savings would be $12,000 times 100,000 or $1.2 billion. With the present state of the U.S. economy it does not make any sense to me to continue to waste this money to maintain land-based troops abroad which do not contribute commensurately price-wise to the security of the country where the troops are stationed nor to our own national security. Whatever possibilities may exist for mutual troop reduction, they should not inhibit our efforts in the Congress to unilaterally trim excessive military involvement throughout the world.

I am talking about reduction not withdrawal, I am talking about reassertion of congressional control over our overseas military presence, I am talking about Congress fulfilling its constitutional obligations to determine where and how the taxpayer's money will or will not be spent. For far too long now we in the Congress have routinely approved manpower levels fed to us by officials in the Pentagon. For over 20 years the commitment and level of troops abroad has determined our policy rather than our policy determining the level of U.S. land-based forces stationed in foreign countries.

It is important to note that my amendment leaves it to the Secretary of Defense to determine the appropriate areas of withdrawal. I am not mandating a cut from any one specific area or areas—this is left completely to the discretion of the Secretary of Defense. As you would suspect there are a number of different possibilities available for withdrawing 100,000 land-based troops home.

I sincerely believe, after speaking to numerous military officials around the world and personally viewing their activities, that a reduction of 100,000 of land-based troops on foreign soil will not impinge upon the United States as a free and independent nation, will not threaten our fundamental institutions and values, and will not affect the security of other nations with whom our defense posture rests.

Therefore, in conclusion, I ask my colleagues from both sides of the aisle to vote in support of my amendment to reduce the land-based troops overseas by 100,000. To support this amendment is to support an improved balance of payments for the Nation. To support this amendment is to reassert the rightful and constitutional role of the Congress in the making of foreign policy. The passage of this amendment, in my opinion, will send a twofold signal to the American people, first, the duly elected Members of the U.S. House of Representatives are carefully scrutinizing all executive department requests to insure the constitutional authority of the Congress is not abrogated and secondly to insure that the taxpayers hard earned money is not being wasted on an outdated policy in some foreign country.

Mr. FISHER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Massachusetts (Mr. O'NEILL).

Mr. Chairman, the distinguished majority leader has offered an amendment which on its face has a certain appeal but which upon examination appears to be extremely dangerous. It contains implications which I am confident the gentleman from Massachusetts would not upon reflection want to embrace.

Let us examine what is involved for just a moment. The amendment calls for the withdrawal to the United States of 100,000 military personnel from assignment somewhere overseas. Neither the amendment nor its author identifies the forces that would be affected. That is left to the Secretary of Defense. Therefore we are left to speculate. The gentleman, however, undoubtedly has certain troops in mind since before he offered the amendment he must have deliberated upon which troops could be spared from existing stations without damaging our defense posture.

I am sure the gentleman would not propose a major amendment of this sort by pulling the figures for his proposal out of thin air. With that in mind, we are left to wonder where the gentleman's amendment would strike. Is he speaking of Thailand? If so, our military personnel are and will continue to be in a process of withdrawal. More than half of the 36,000 remaining are scheduled to be brought home this year; so I would assume the gentleman is not aiming his guns at Thailand.

Or is the gentleman drawing a bead on the several thousand Americans stationed in a half dozen different countries who direct our global communications network, including the satellites and other space programs?

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the distinguished Speaker.

Mr. ALBERT. Is it the thrust of these amendments that we are going to spread the cuts wherever we have troops all the way from Central Europe to Japan, or are we going to take them all out of Asia or what? I think we ought to know the implications of taking them out all over the world or out of separate areas. This bothers me.

The proposal before us here would reduce the ground forces we station overseas by 100,000 by December 31, 1975. As of December 31, 1973, our total overseas ground force strength totaled 438,000. The proposal would, therefore, reduce this number by about 22 percent. I am fearful of the implications of such a reduction.

Let us assume, for the sake of argument, that this proposal is approved. How might we implement it? If I understand the situation correctly, we would have three possible ways of doing so: We might execute the entire reduction in Asia and the Western Pacific; or, we might effect the entire cut in Western Europe; or, we could withdraw part of the stipulated number from both areas.

Let us consider the first alternative: Making the entire proposed cut in Asia and the Western Pacific. Our current ground strength in that area is approximately 151,000. The proposed reduction would leave us with approximately 51,000 ground troops for the entire area. We could execute it only by withdrawing all our troops in Asia and reducing our Japanese commitment by 4,000. Such action on our part might further strain our relations with Japan—who is our major ally in the Western Pacific. In addition, it would destabilize the delicate balance now existing in Korea—imperfect, to be sure, but hard-won only by virtue of the United States' steady and visible presence in Northeast Asia over the years. Finally, it would place the United States' own front line of defense back in the mid-Pacific after 30 years of effort to build a strategic crescent of defenses in the western portions of that ocean. I do not see many advantages to this Nation in such a proposal.

On the other hand, might we make the entire cut in Western Europe? We are now authorized a total of 290,000 ground troops there. The reduction of 100,000 now proposed would reduce that commitment by more than a third. I am fearful that such action on our part would seriously affect the negotiations on mutual and balanced force reductions, and that it might eliminate any hopes we might have entertained for reciprocal reductions by the Warsaw Pact. It seems to me that such a policy on our part would be interpreted by both the Soviet Union and the NATO Allies as a massive reversal of U.S. attitude toward Europe and a drastic downgrading of our concern with European security. We have worked hard and long to build up NATO's forces and have succeeded at last in building a well-equipped, competent armed force. It seems to me to be in the national interest of the United States to maintain this force under present circumstances.

Now suppose that we divide the reduction and implementation part of it in Europe and the rest in Asia? That sounds logical, but is it really? If we withdrew half the proposed cut, or 50,000 troops, from Asia and the Western Pacific, we could maintain our crucial commitments to Japan and to South Korea, but we would have to evacuate our important bases in the Philippines and Thailand. Alternately, we might maintain our deployments in Japan, the Philippines, and Thailand, but we would have to eliminate our presence in Korea.

And, meanwhile, our withdrawal of the other half of the stipulated cuts from Western Europe would work as much havoc as withdrawal of the entire amount. It is an inescapable fact that the NATO Allies' extreme sensitivity to the issue of unilateral troop reductions would cause any significant withdrawal on our part to undermine their confidence and resolve in the face of pressures from the East. It could also do serious injury to the MBFR talks to which we have devoted so much effort and perseverance over the years. I trust that we will not seek to force such major changes in policy at this time.

Mr. FISHER. I think the Speaker is talking about something that needs to be talked about, something that needs to be recognized by all the Members.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. FISHER. Just a moment, let me finish.

Or is the gentleman drawing a bead on the several thousand Americans stationed in a half dozen different countries who direct our global communications network, including the satellites and other space programs?

His amendment does not rule that out. Or does the gentleman from Massachusetts have in mind pulling our military forces out of the Philippines? He did not rule it out in his amendment. If so, several thousand who support our vast Pacific naval operations at Subic Bay and elsewhere could, of course, be brought home.

What about Guantanamo Bay in Cuba with 3,000 servicemen? I feel confident the gentleman is not gunning for that billion-dollar plant. But by closing it, 3,000 Americans could be brought home. What a wonderful thing it would be to have them at home.

One might say, "How about Korea?" For some reason, the gentleman from Massachusetts appears unwilling to disturb our commitment in Korea. On a recent trip there he was asked by the press in response to a question, saying as follows:

> When you return to America what recommendations would you make . . . regarding stationing of U.S. troops in Korea?

To which the distinguished majority leader responded:

> Well, at the particular time I am free to report that there is no idea of removing American troops from Korea at this time.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(At the request of Mr. O'NEILL and by unanimous consent Mr. FISHER was allowed to proceed for an additional 2 minutes.)

(At the further request of Mr. DAN DANIEL and by unanimous consent Mr. FISHER was allowed to proceed for an additional 5 minutes.)

Mr. DAN DANIEL. Mr. Chairman, will the gentleman yield?

Mr. FISHER. Let me finish the quotation first. I have been trying for quite a while. I created quite a little disturbance here when I started quoting my friend, the gentleman from Massachusetts, in response to the question of what he wanted to do about the troops in Korea.

The gentleman from Massachusetts is quoted as saying the following:

> Well, at the particular time I'm free to report that there is no idea of removing American troops from Korea at this time.

Therefore, by this process of elimination about all that remains for the gentleman to get his teeth into is NATO.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. FISHER. Very briefly.

Mr. O'NEILL. The gentleman is getting into a very technical matter. Of course, when I made the statement like that, I had been briefed on the subject by everybody. The gentleman knows, and the gentlemen on the committee know what will happen to Korea. I do not think we should be diverted at a time like this. I am amazed that the gentleman brings it up.

Mr. FISHER. Mr. Chairman, let me respond to the gentleman by saying that I did not refer to Korea except to quote what the gentleman said, in the public press.

Mr. O'NEILL. My amendment calls for 18 months at that particular time.

Mr. FISHER. I am talking about the gentleman's quotation about Korea.

Mr. O'NEILL. I am amazed at the gentleman, a member of the Armed Services Committee, getting up and making a statement like that when he knows as well as I do, as chairman, what is going to happen in Korea. That should not be brought up at this particular time.

Mr. FISHER. Let me respond to the gentleman by saying that I am amazed at him now raising any question about the quotation in the paper.

Mr. O'NEILL. Of course, the quotation is correct, but we had 18 months, and the gentleman knows what is going to happen and I know what is going to happen.

Mr. FISHER. I was pleased to know that the distinguished majority leader agrees that I quoted him correctly. I think I was in order in telling what I read in the newspaper. That is all it was, and it created quite a stir around here.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. FISHER. Mr. Chairman, I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I think the comment of the gentleman from Texas in reading that newspaper report about Mr. O'NEILL is very revealing, and it answers the very question raised by our distinguished Speaker a moment ago; because what the gentleman from Texas has just said is that, if we are going to take 100,000 troops from our overseas stations and if we are also going to assure the Koreans that the 38,000 troops over there are not going to be removed, then we cannot remove 100,000 without taking at least 30,000 or 40,000 away from NATO.

So, this O'Neill amendment is basically an amendment that would undercut NATO; is that not correct?

Mr. FISHER. Correct. I am coming to that right now.

By this process of elimination, about all that is left for the gentleman from Massachusetts to get his teeth into is NATO. That alliance has been under attack by the isolationists and critics of our foreign policy as it relates to NATO for a long time. Certainly, beyond any doubt, a unilateral pullback of upwards of 100,000 American troops from Europe at this time without any consultation with our allies in that alliance, without regard to the ongoing sensitive negotiations for mutual troop pullbacks with the Soviets and the Warsaw countries, would in all likelihood spell the doom of NATO.

To argue otherwise is to dispute reality. We can always argue the point that there has been plenty of time, but then they never do anything. And, we all tend to get impatient. But, this is a thing that does not lend itself to rush acts, and I suppose a few years do not matter so much when we are dealing with an alliance, the sole purpose of which is to prevent a global war and advance the cause of peace in this world.

Certainly, we would all like to pull out of Europe, but at what price? Now is not the time. Troop reductions by each member of the alliance is a matter of negotiation, not of arbitrary meat ax whacking by any one member. That is, unless we want to downgrade NATO.

Moreover, for the Congress to order massive troop withdrawals from Europe at this time would play squarely into the hands of the Soviets. As the Members know, the Russians have been insisting that we do this for a long time.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. FISHER. Mr. Chairman, about half of my time has been consumed by others.

(By unanimous consent, Mr. FISHER was allowed to proceed for an additional 3 minutes.)

Mr. FISHER. But, our negotiators have insisted that the Russians and their partners do some reciprocating withdrawal themselves. Some progress in negotiations has been reported, but the Soviets would much rather have it handed to them on a silver platter.

Now, they talk of the money that would be saved by the redeployment of 100,000 troops. The gentleman from Massachusetts—maybe he will correct his remarks when he reads them—said it costs $12,500 per year for each person in uniform overseas, and that this entire amount would be saved if they are brought home.

Mr. Chairman, if they are not going to be discharged when they are brought home, they are still going to cost the $12,500.

Actually, if we have in mind conserving any semblance of an alliance with our allies, the net savings by stationing a man at home rather than abroad would be relatively little. If the Members need details on that, our staff will be glad to accommodate them.

Mr. Chairman, even this would, of course, involve the serious degredation of our military capability because forward deployment is a key in our security posture, and I assume that those who sponsor this amendment have in mind maintaining an airlift capability to support our possible missions, whatever they may be, in lieu of overseas deployment.

To maintain such a sealift and airlift capacity would not only result in additional billions in cost but would also result in more billions for acquisition of such equipment, to say nothing of additional manpower requirements and effort to sustain such capacity. In other words, what I am saying is that whatever is saved, in my opinion, would be more than overcome by costs of additional equipment and manpower; that is, unless we want to disarm and forget about our military posture in this world.

Mr. Chairman, this amendment should be defeated.

The gentleman from Massachusetts, despite his good intentions, is operating on very tenuous grounds in pressing this proposal at this time. This is no time to rock the boat.

Considering the situation as it exists in Europe today, let this matter be fought out inside the NATO Council and negotiated from across the table with the Russians.

The adoption of this amendment, Mr. Chairman, would not be in the interest of national security.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

(On request of Mr. BURKE of Massachusetts and by unanimous consent, Mr. FISHER was allowed to proceed for 3 additional minutes.)

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I will yield to the gentleman for a question.

Mr. BURKE of Massachusetts. Mr. Chairman, I would just like to remind the gentleman that he is talking about the meat ax cut.

Mr. FISHER. Yes.

Mr. BURKE of Massachusetts. Mr. Chairman, the Defense Department has closed all the installations in the Northeast section of this country. They placed the entire North Atlantic Fleet in jeopardy, and they did not exercise 2 minutes thought about it. If this threat worldwide is as bad as the gentleman says, how can we justify the cuts made up here in the Northeast, including the laying off of 35,000 people from their jobs and pulling out of Massachusetts and Rhode Island the naval installations?

Mr. FISHER. Mr. Chairman, if the gentleman can see any relationship between closing some bases in the Northeastern part of the United States and the destruction of NATO, then he is welcome to it.

Mr. PRICE of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Texas. Mr. Chairman, I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in strong opposition to the amendment to the amendment offered by the distinguished majority leader. Over the years, the gentleman (Mr. O'NEILL) has been consistent in his advocacy of a 100,000 land-based overseas troop cut, and those of us who believe such an action would be unwise and counterproductive have been no less consistent in our response: Where will these cuts be made? In times past, the gentleman has further demonstrated his regard for consistency by failing to provide a satisfactory answer each time the amendment has been offered. I must observe that that record remains untarnished today.

Mr. Chairman, the heart of the matter is simply that the arithmetic of U.S. overseas forces makes this amendment thoroughly unrealistic, not to say quixotic. To be successfully implemented, it would require a 65-percent cut in our land-based forces stationed everywhere in the world other than Western Europe. I fully acknowledge and strongly support the phased retrenchment we are now undertaking regarding the perhaps excessive commitments made during the peak of the cold war period. But a 65-percent cut in our presence throughout the world outside of the NATO area would not spell retrenchment; it would signal headlong retreat.

Mr. Chairman, we now have roughly 520,000 troops stationed outside of the United States. As the gentleman has undoubtedly learned from his constituents near the Boston Naval Yard, the 57,000 forces afloat among this number play an indespensible role in protecting our national security, and have therefore been exempted from the amendment. I also doubt whether the gentleman would urge the removal or reduction of the 31,000 forces stationed in various U.S. overseas possessions and territories. So for all practical purposes this amendment targets in on the 432,000 land-based troops deployed on foreign soil.

But nearly two-thirds of those forces—277,000—are located in Western Europe and related areas. I hardly need remind this body that two highly sensitive East-West negotiations are now in progress regarding just that area of the world, and that the governments of three of our major European allies have fallen in the last 6 months. I do not have to point out that the deep economic tensions induced by the energy crisis have worn the ligaments of the NATO alliance dangerously thin. I do not need to elaborate upon the delicate East-West balance of power that undergirds the tenuous but steady movement toward a lasting solution in the Middle East.

All of these things are obvious. All of them point toward maintaining, at least for the present, the status quo in Europe. Perhaps when the new governments have become established and settled, when there is some clear conclusion to the MBFR negotiations, and when a firmer foundation for peace has been layed in the Middle East, the time will come when we can reconsider our force commitment in Europe. But for the present, a substantial unilateral cut would be destabilizing in the extreme.

Mr. Chairman, it is thus clear that the O'Neill amendment is simply not responsible or viable: It would require that we precipitously ship home 100,000 of the 155,000 land-based troops located outside of the NATO area.

But would anyone advocate, for example, the immediate removal of 23,000 of our 36,000 troops stationed in South Korea? Yet that is what this amendment would in effect require. Can it reasonably be concluded that by cutting our force commitment there from 64,000 as recently as 1971 to 13,000 by the end of this year that the halting steps toward rapprochement between the two Koreas would be encouraged?

The situation is little different regarding the other major concentration of our land-based forces in Japan-Okinawa. Can we just uproot 36,000 of the 55,000 troops stationed there and expect no adverse repercussions? For better or worse, we have already successively administered a "dollar shock," a "China shock," and a "soybean shock," to our Japanese ally. The Arabs have now complemented those diplomatic seismic waves with an "oil shock" of their own. While Mr. Tanaka has not yet joined company with Messrs. Trudeau, Heath, and Brandt, the tenure of his government is highly uncertain. In light of the attitude of the Japanese opposition parties toward the United States, it seems to me that the overriding objective of our foreign policy ought to be to bolster rather than hasten the demise of its current government.

Mr. Chairman, it is clear that the national security and foreign policy objectives of this Nation would be ill-served by the unilateral force cuts envisioned in the amendment offered by the gentleman from Massachusetts. There are those, of course, who recognize these considerations but nevertheless urge a cut in order to reduce the defense budget and bolster the U.S. balance of payments.

I do not think the trade-off is warranted. While the debate over the defense budget will never be resolved, the balance of payments argument is, in my view, a tenuous one indeed.

It has been said today that the temporary improvement registered last year will be totally washed away by skyrocketing costs of energy import unless offsetting savings are made elsewhere. But I would remind my colleagues that the negative outflow on the military account last year was $2.8 billion; it was also $2.8 billion in 1971, $2.9 billion in 1966, $2.8 billion in 1960 and $2.8 billion in 1956. In short, balance of payments cost of our overseas military activities has been stable for decades while the overall balance of payments has fluctuated enormously. Therefore, to pretend that the cost of maintaining overseas troops is either the cause or solution to our current problem is the worst kind of sophistry. The amendment of the gentleman from Massachusetts should be defeated soundly, as it has been in the past.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Texas. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I rise in strong support of the statement which was just made by the gentleman from Illinois (Mr. ANDERSON).

Mr. Chairman, I rise to express my opposition to amendments calling for a drastic cut in our troop commitments around the world. As a member of the Foreign Affairs Committee, I have consistently called for certain reductions in our overseas forces. But the proposals before us today go beyond the bounds of good reason. The fact is, we have made, and are making right now, considerable reductions in troop strength overseas. The figures for U.S. troops in foreign territories between the years 1968 and 1973 speak for themselves on this issue. In 1968 we had nearly 1.1 million troops on foreign land. Each year since then the number has declined until it reached 438,000 as of December 31, 1973. This is a dramatic reduction of over half our overseas troop commitments in just 5 years. In my work as ranking minority member of the Asian and Pacific Affairs Subcommittee, I have observed the steady decline of troop commitments in that area of the world.

Insofar as our troops in East Asia are concerned, there have—as everyone knows—been very great reductions since the American role in the Vietnam war began to wind down in 1969. The bulk of the reductions have been from Vietnam itself, but the gradual decrease of U.S. forces from other countries of East Asia should not be overlooked. In early 1969, apart from Vietnam we had approximately 226,000 military personnel stationed in Japan, Okinawa, Korea, Taiwan, and the Philippines. At the beginning of this year the comparable figure was approximately 152,000. This represents the withdrawal of one combat division from Korea, a reduction of about 26,000 personnel from Okinawa and Japan, and the pullout of forces from the Philippines, Taiwan, and Thailand that had been built up to support the fighting in Indochina.

A further reduction of 10,000 military personnel spaces from Thailand was announced last month. It is expected that other adjustments in our military strength in Asia can be made as tensions in that area decrease, and both the major outside powers and the countries of the Pacific basin themselves recognize that an environment of cooperative economic development, growing trade, and the peaceful resolution of disputes, serves the interests of all.

The reductions in U.S. troops that have occurred in Asia since 1969 illustrate, and are based upon, two important principles guiding American relations in that area. One is the doctrine that America will help its allies carry the burden of their regional defense—beyond the protection of our nuclear umbrella—but will not take over the task from them, as we tended too often to do in the past. This is the so-called Nixon doctrine, announced by the President in June 1969 at Guam. It does not mean that our withdrawals will be precipitate, or that we will not not keep our security commitments in Asia, or elsewhere. We still have interests in these areas, and our global involvement and our commitment to peace remain. But our obligations are more likely to take the form of military and security assistance than of Americans serving in, or fighting for, the many friendly and allied nations we support.

The other major principle that has governed the course of our relations with Asia in the recent past has been détente. We have revised the basis of our dealings with the world's most populous country, the People's Republic of China, and have sought to gain our security objectives in Asia through diplomacy and understanding as well as through the forward deployment of military forces to deter aggression. We have not seen an immediate disappearance of tensions, but we have seen them begin to decline.

The most important security problems in Asia have not gone away—there is still a miserable war in Cambodia, fighting continues in Vietnam, and there remains a potentially dangerous confrontation in Korea, to name the most obvious examples—but there is considerable hope that, with a beginning already made, ways short of war can be found to resolve the old tensions and keep disputes from developing into new hostilities.

Some would ask why, the trend running in our favor in Asia, in view of the growing costs of keeping U.S. forces abroad, and of the pressures from this Chamber and elsewhere for withdrawing from our remaining overseas commitments, we should continue to base U.S. troops in Asia and elsewhere.

With further U.S. troop cuts likely, and with no conclusions possible at this point about the ultimate equilibrium of force in Asia, the principle question should rather be the manner of U.S. troop reductions. The gains from détente, in Europe as well as the Pacific, have come because we dealt with our adversaries from positions of considerable strength. Reductions in our overseas force levels are the result, not the cause, of the resolution of tensions.

If the nations of the Pacific that now rely on our security guarantees, backed up by the tangible presence of Americans in uniform, can—from positions of strength—make further progress in establishing a structure of peace in that region, and in securing their own defenses, we can make further reductions in the confidence that they will not be destabilizing. But if we abandon the orderly progress that has characterized our drawdowns up to now, and bring American units back to the United States in response not to regional evolution but to budgetary and emotional pressures, we will seriously risk the gains we have made to date. What impulse would there be for the potential aggressor in Asia—North Korea, for example—to seek a peaceful accommodation when it believes we might upset the balance next month, or next year, by unilateral troop cuts on the Korean peninsula? We have no "MBFR" in Asia, but a similar process may be tacitly at work there.

On the premise that American forces abroad, at this point in history, have great diplomatic and political value beyond their capacity to resist attack and defend specific security commitments, it would be folly to destroy such value by giving in to the pressures of the moment for a hasty, immediate pullout.

Mr. PRICE of Texas. Mr. Chairman, in further discussion on this issue, I would like to remind the Members that it seems very strange to me that, considering those Members who complain about their bases being cut in New England, the votes will show in many instances that these are the same Members who vote against the military requirements for this country.

There is also another fact I would like to bring out. The Members will recall, during the war between Israel and Egypt, when the Russians were having the airborne alert, they were getting ready to put seven airborne divisions into Egypt. And how many troop divisions could we raise and send over there?

Mr. Chairman, when we say we want to cut out the troops, it seems a little ridiculous to me.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Texas. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Chairman, I want to point out to the gentleman that I have supported military expenditures down through the years when they were justified. I am saying that the Department of Defense in this case has not justified the meat-ax cuts that they made up in New England when they moved all of those naval installations out, and when they pulled the entire fleet out and cut out the bases in New England. The entire North Atlantic Fleet was weakened. No one on the House Armed Services Committee spoke about the threat of Soviet Russia. Whether this was a political decision made by some of those in the White House who had compiled an enemy list is not known. However, it is a fact that close to 90 percent of the over 35,000 persons who lost their jobs, came from two States, Massachusetts and Rhode Island. This particular area has the highest unemployment rate in the United States.

Mr. RANDALL. Mr. Chairman, I rise in opposition to the amendment.

(By unanimous consent, Mr. RANDALL was allowed to proceed for 5 additional minutes.)

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. RANDALL) for 10 minutes.

Mr. DAN DANIEL. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from Virginia.

Mr. DAN DANIEL. Mr. Chairman, I wish to associate myself with the remarks which were made by the gentleman from Texas (Mr. FISHER) and I would like to add just one other thought.

Either our overseas military commitments are tied to our foreign policy objectives—or they are not. If there is a direct relationship—and it is generally conceded by a majority in and out of this body—then an examination of these commitments is in order, and a public restatement of our new objectives should be made.

If there is no relationship between foreign policy and overseas troop commitments, then we have need for little more than token forces.

We are indulging in hypocrisy if we assert our authority by mandating arbitrary reductions, while at the same time shirking our responsibilities by placing the decision as to where these cuts are made on someone else.

With this amendment, we are putting the cart before the horse.

Mr. RANDALL. I thank the gentleman from Virginia for his contribution. He is a respected and valued member of the Armed Services Committee.

A few years ago, Mr. Chairman, we had here in the House some Members from the South who delighted to come—and some of them came—into the well to tell a little story about the fisherman sitting on the bank who had a way of talking to the fish. He would say, "Go ahead, little fish, and take that bait; take that hook, it will not hurt you. Just go ahead and take it." The fisherman would laugh and say to himself—"Go ahead, little fish, swallow the bait, there's a hook in there that will tear your throat to pieces."

There's a parallel to the amendment before us today. It looks innocent and it sounds innocent but beneath the bait there is something very evil. The author of the amendment makes it sound mighty good when he says leave it to the Secretary of Defense as to the area from which troops are to be withdrawn. But no matter how we slice it, or no matter how simple it seems as to where the troops are coming from, the big commitment for overseas troops is in NATO. So let us call it the NATO amendment, because that is what it is.

We went around this track last year. It was a little later last year than it is this year. Last year we were debating some things that were going to happen. This year we are debating U.S. policy. Last year we were just debating some things that were not yet firm or fixed. This year our policy is clearly established. Last year there was no Jackson-Nunn. You know what that means. It is the law of the land. Jackson-Nunn is our law. It is our own commitment. Last year there was no mutual bilateral force-reduction conference.

We worked hard to get that conference convened. Now it is in session. A former Secretary of the Army is our Ambassador. I can report to you when we visited Vienna for 2 or 3 days early in March we were encouraged by the evidence that the Russians were not dragging their feet. They have indicated at several different times that they want to cooperate. Then there is a unity among our allies that has never been exhibited before. There is complete harmony among all of our allies. That is the difference between a troop withdrawal amendment last year and this year. The MBFR conference is proceeding with unexpected success.

Now let me take a few moments to read from a report which was rendered under the mandate of the House due to an amendment by the gentleman from New York (Mr. PEYSER) passed in July 1973 which called for submission by April 1 of this year. The two or three concluding paragraphs of the report are a good summary of its findings and conclusions. Let me read a few lines: "A great power does not act capriciously." This is the committee speaking. "We recommend against any reduction of forces in Western Europe," which is what we are talking about—NATO—because of three things. In the first place, we said to our allies that if you will improve your forces in Western Europe, we will improve ours. We have improved ours and they have improved theirs. That is a commitment and a covenant and a promise. We should not welsh on it. We will break our promise if we pass this O'Neill amendment.

The second thing is Jackson-Nunn. We are not talking about a figment of someone's imagination. We are talking about the law of the land: Jackson-Nunn is law. We said in effect that we know you have not been bearing your part of the burden and you should bear more of it. We have a balance of payments deficit, and so we will give you 1 year plus 6 months to relieve us of deficit of balance payments. If you do not do it in that time, that is, 18 months, then by the percentage you have not made it up, say make up 95 percent, then we will pull back that 5 percent of our troops. That is an offer we made. It was made in good faith. It has been accepted.

The Department of Commerce and the Department of Defense and the General Accounting Office have indicated to our committee that our allies will be able to comply with Jackson-Nunn's provisions.

What kind of business is it then to renege on a law which we passed and which was signed into law? That is what we are talking about here today. That is the central issue.

Now, getting back again to the reference to the mutual balanced force reduction, let us not forget we asked for that conference. We worked hard to get it. It started last October. We have been surprised at the cooperation we have received from behind the Iron Curtain. What happens to a thing like this when we simply announce to the world very suddenly that we are going to make a unilateral reduction even when things are going our way?

Then let us not forget we signed an agreement here just about a week or two ago, with Germany. The biggest one that was ever negotiated. They give us concessionary loans. We are having to pay only 2 or 3 percent interest, something like that, less than 3 percent—while the going rate is about 7 percent. Moreover, they bought the largest amount of military equipment of any order that has ever been placed in the history of our relations. It was $2.2. billion. It was a 2-year agreement, with $1.1 billion a year for each of 2 years.

We are on the way to solving the balance-of-payment deficit. Everybody thinks Jackson-Nunn will be complied with.

Well, then what are we going to do? Shall we pull the rug out from under our negotiators in Vienna, and say that we do not mean what we have said; when we asked for the conference. Shall we say now to our allies that Jackson-Nunn means nothing, even though they are complying with their part? Shall we say we do not want them to improve their troops? Actually they are doing a lot of good things. They are building shelters for aircraft and depots for supplies.

I can cite a list of other things that they have done such as Hawk protection for rear echelon depots, so these will not be destroyed by hostile aircraft.

Are we going to unilaterally tell our allies their efforts mean nothing? If we do, believe me, laughter will ring out in the halls of the Kremlin.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I thank the gentleman for yielding. I would like to pose a question to the gentleman from Missouri on something that has not been discussed in the committee. It has to do with our troops assigned to NATO. We have some 300,000 of our troops assigned there, as I understand it.

Mr. Chairman, let me say that in my 10 years of military service I was taught one very important basic principle. That is never deploy troops unless you have sufficient quantities of them to do the job you intend doing.

I think the gentleman in the well and I can both agree that 300,000 troops are not sufficient to do any kind of a job in Europe. Hence, they would appear to be a sacrifice force. There is no way in which we could resupply or support them in a combat role.

But, surely the Russians should know of this also. So I cannot see the logic contained in the gentleman's argument wherein he contends that our forces are a deterrent.

Mr. RANDALL. Mr. Chairman, let me assure the gentleman our NATO forces are much more than a trip wire. They could give a good account of themselves. Oh yes, they are a strong deterrent.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, I thank the gentleman for yielding, and I have asked the gentleman to yield so that I might answer the inquiry of the gentleman from Texas concerning the 300,000 troops that we have serving in NATO.

It is true we do need extra troops, but they are being supplied by other NATO forces. We are not the only people in the NATO agreement.

If we were to examine the entire troop structure of NATO, we would find that there are closer to 720,000 than to 300,000. That is the reason why we have a sufficient force there, and a force which is enough to meet our commitment.

Mr. RANDALL. Of course the answer to the inquiry of the gentleman from Texas is that other NATO forces have contributed their part. They are contributing, their part. Our allies supply the vast majority of the troops, most of the troops in NATO belong to our allies, not ours.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I think the gentleman from Missouri has made a very sound and effective argument. The troops are there because they are needed for world security, and for world peace. But has anyone thought what the cost will be of 300,000 people being turned loose on the unemployment lines? Has anyone thought what that is going to do to this country at this time?

Now, if we need the troops here, that is another thing, but what about the unemployment situation that would arise if these 300,000 troops were placed in the unemployment lines; what about the cost to the Nation, especially in the northeastern part of our country, and elsewhere?

Mr. RANDALL. Mr. Chairman, the gentleman from Florida has made a very strong point, and that is, that the gentleman from Massachusetts has not clearly indicated whether these troops, when they are brought back, will be deactivated or demobilized. Let me say that if the troops are brought back to this country it will require an additional expense of over $1.5 billion to build facilities to house them and another $2.5 billion to pay for enough new airlift to redeploy them to western Europe when the balloon goes up.

The gentleman from Massachusetts has indicated that we will have a savings of $10 million a year, but in comparison to the other costs that are involved it will take 400 years at $10 million a year to make up for the new out-of-pocket costs of $4 billion, made up of $1.2 plus $2.5 billion as shown a moment ago unless he intends to demobilize the troops once they are on U.S. soil.

If we cave in—and that is what this adds up to—if we cave in unilaterally to withdraw troops just about when Jackson-Nunn is beginning to work, just about when our MBFR talks are beginning to show promise, when there are all the indications that something will come out of the MBFR negotiations—Then it will indeed be a tragic day.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. GUBSER, and by unanimous consent, Mr. RANDALL was allowed to proceed for 1 additional minute.)

Mr. RANDALL. You remember the Russian parliamentarians, were here a day or 2 ago. Maybe they have not left our shores—but if we pass this amendment—they are going to leave shaking their heads. They will see that we are not only acting capriciously, but are acting irresponsibly, and acting shortsightedly. Maybe they are going to think of their counterparts as possibly a little weak-minded.

This I say to our Members: If we approve these amendments today, the word will be flashed all across the world. The entire world will be shaking its head. They will say "these amendments defy understanding." Let us not deserve this appraisal by the entire world. Let us not act capriciously or irresponsibly. Let us act like the great power we are. Let us keep our commitments. Let us defeat this amendment.

Mr. GUBSER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I almost wish that I could have made this very brief statement prior to the remarks of the gentleman from Missouri (Mr. RANDALL), but I must make them afterward.

I do hope sincerely that everyone in this Chamber listened intently, because they have just listened to the man who knows more about NATO, in my opinion, than any other person in this Congress. I was privileged year before last to serve on his NATO Subcommittee. As we carried on a gruelling schedule, I was totally amazed at the capacity for work which the gentleman from Missouri has, and the depth, and the thoroughness with which he went into this subject.

It is my personal view that when he entered into consideration of the subject, he had not made up his mind. He made up his mind and came to the views which he presently holds because of the facts which he observed personally.

I was not privileged, due to personal commitments, to serve on that subcommittee this year, but I do want the Members to realize that this man speaks from knowledge and from sincerity.

I only want to make one point in my own behalf. Reference was made to the number of NATO forces committed to the NATO Alliance.

Along the Elbe River where the Warsaw Pact countries stand eyeball-to-eyeball with the NATO countries. The West Germans have 168,000 men stationed as compared to our 72,000, and I am speaking of division strength figures.

So do not get the idea that the United States is carrying this load alone, and do not get the idea that the other members of the NATO Alliance do not realize full well that they must do more, and they are going to do more, and that we will on a gradual basis be able to withdraw our commitment, or at least diminish it, so that they will carry a larger share of the load.

I think existing law insures that.

All I urge of this committee is, please listen to the man who knows what he is talking about because he has been there. He has studied it first-hand. He knows what he is talking about.

I agree with the gentleman from Missouri that it would be a disaster to this country if we were to gut NATO. As much as I love the author of this amendment, I believe the end result would be to gut NATO.

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the attack that we have just heard on the proposition of reducing our NATO forces unilaterally is not properly an attack on this amendment. I am not in favor of substantial unilateral reductions in our NATO forces in Europe for a number of reasons. Yet I am in strong support of the amendment proposed by the gentleman from Massachusetts. The amendment can be put into effect without making any cuts from our forces in Europe.

One might say, Why does the amendment then not specify where the cuts are to come from, why does it give discretion to the Secretary of Defense? But if the amendment were drawn otherwise, if the amendment gave no discretion to the Secretary of Defense, then I am sure those Members who oppose the amendment would be opposing it equally strongly on the ground that it ties the hands of the Secretary of Defense?

There is good reason for giving the Secretary some flexibility here. For example, if some reduction in forces in Europe can be worked out through the MBFR negotiations, that reduction would be part of the 100,000 cut the gentleman from Massachusetts is talking about. However, that need not be the case. The reduction could be made entirely—and as far as I am concerned, unless it is mutual, it should be made entirely—from forces elsewhere in the world.

I would like to call to the attention of the Members a report which has been directed to the Congress from a group of people who know a great deal about this subject. This report, entitled "Military Policy and Budget Priorities," is submitted to us by people who have held high positions in the Department of Defense, including Roswell Gilpatric, former Deputy Secretary of Defense, Townsend Hookes, former Under Secretary of the Air Force, several retired admirals and generals and former Assistant Secretaries, and former officials of the CIA and the National Security Council. This report states flatly:

> A minimal first step Congress could take this year should be withdrawal and demobilization of 125,000 U.S. military personnel stationed in Asia.

And that would be immediately. The proposition put forward by the gentleman from Massachusetts is that 100,000 be withdrawn over a period of 18 months, if I understand him correctly. So this cut could be accomplished readily from forces stationed elsewhere than in Europe.

If reductions can be made on a mutual basis in Europe through the negotiations there, then fine, they can be charged against this cut, but if no initial reductions are achieved, then so far as I am concerned the cut should be made without interfering with NATO.

How long, Mr. Chairman, how long are we going to maintain these tens and tens of thousands of forces in the far western Pacific? Have we not learned our lesson as far as that area of the world is concerned?

Let us accept the O'Neill amendment. Such a cut in overseas forces is long overdue.

Mr. HUNT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman who preceded us in the well, the gentleman from Missouri (Mr. RANDALL) is the most knowledgeable man in this body on NATO today, undoubtedly. I want to add my compliments to those of the gentleman from California (Mr. GUBSER) for the great presentation the gentleman from Missouri (Mr. RANDALL) has made. First he made sure exactly what we need.

By the same token through some prior discussion the gentleman from California made a remark about 2,000 troops being stationed in Bermuda. I do not want to let that thing go as a troop level. We do not have 2,000 troops in Bermuda. The Air Force moved out of there almost 2 years ago. The Navy is in there and with one patrol squadron, stationed 600 miles off the coast of Carolina. They are off that coast flying not P–3C's but flying P–8A's for our protection. We have those men in Bermuda and we are not moving them out of there. They secure our east coast against a possible enemy submarine attack. Surely no one wants to remove that squadron. Our tracking station is also at Bermuda. However, that facility is manned by civilians. I sincerely hope no one tampers with that phase of national security.

Mr. PEYSER. Mr. Chairman, will the gentleman yield?

Mr. HUNT. I yield to the gentleman from New York.

Mr. PEYSER. Mr. Chairman, it was an unusual situation that I was in a little over a year ago when as a nonmember of the Armed Services Committee I offered an amendment on the floor. An amendment calling for a study by the committee as to the impact of troop withdrawals on NATO nations. My amendment was passed by the House by a substantial majority. It seems to me it should be of the utmost importance to the Members of the House to know what this report has to say because this is truly a report of the House of Representatives. As I have said I am not a member of the Armed Services Committee and this report which I am sure many Members have seen was made by men on this committee who studied and who traveled and who talked to the top commanders and who talked to the field commanders and who talked to the NATO forces involved to find out the impact of troop withdrawal. I can tell the Members it is the unanimous conclusion that any withdrawal at this time would be disastrous.

I think that it is of great importance to understand what we are really talking about with the amendment of the majority leader is a 25-percent reduction of troop strength.

I had the occasion at one time in my career as an infantry platoon sergeant to have command of nearly 40 men and seeing that platoon get reduced in strength 25 percent and ultimately 50 percent. I can tell you the effectiveness of that platoon and its capabilities were severely affected, affected to the point that we were barely able to function.

The same thing is true if we try to effect a reduction at this time of our armed services around the world. It is just on a larger scale.

I cannot believe that we in this Congress are about to say to our military forces, "We want you to make a cut. We do not care where you make it. We are not going to tell you where, but make it, cut your strength 25 percent."

Let me say to the Congress, if we do this we are going to be striking a severe blow at the entire defenses of this country. It makes no sense. It achieves nothing, and more importantly it would reduce us as a world power.

The CHAIRMAN pro tempore (Mr. SISK). The time of the gentleman has expired.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN pro tempore (Mr. SISK). Permit the Chair to make the statement that the Chair is going to attempt to be fair in the recognition of Members, recognizing, of course, the members of the committee first as their presence is made known here and trying to alternate back and forth. I want to say that in order to make clear the problem that seems to have arisen.

The gentleman from California is recognized.

Mr. DELLUMS. Mr. Chairman, I rise this second time to try to put into perspective some of the issues that have been raised on the floor since my amendment and the O'Neill amendment to the amendment has been placed before this committee.

First of all, my colleague, the gentleman from Missouri, indicates that to make any unilateral cuts in NATO forces before the Jackson-Nunn offset is completed would be capricious. Perhaps the committee would be interested in knowing that Senator NUNN, primary author of that amendment, offered in the Senate Armed Services Subcommittee an amendment making a unilateral cut of 23,000 support troops in Europe. If he did not think a 23,000 cut was irresponsible and capricious, it seems to me the Members of the House ought to assume some responsibility also.

There have been many—almost hysterical—statements on the floor that our involvement in Europe speaks to the survivability of Europe. How do we handle that question when we also have the Jackson-Nunn amendment which says, "your-money-or-your-life"?

In this argument we are then saying: We are there because we are supposed to maintain the security of Europe, but we are willing to withdraw for a few dollars.

No one on this floor has argued effectively against that.

A second argument has concentrated on the mutual balance-of-forces reduction talks. I would like to make a flat-out statement: The MBFR talks are absolutely deadlocked and we know clearly that position papers have been written on both sides and statements made that we are in diametrically opposite positions and that we may be locked into those discussions for years. We have a responsibility to deal with that problem.

Some Members on the floor have indicated that worldwide cuts are a spurious effort to get us out of Europe only. That is absurd.

First of all, on the question of Korea my distinguished colleague, the gentleman from Illinois, pointed out, "Korea, Korea."

There are 40,000 American troops in South Korea. The mission statement there is to provide ground combat support to the South Korean Army. The South Korean Army has over 600,000 men and women under arms, most of whom are combat-hardened and experienced as a result of their involvement in Vietnam.

The North Koreans, who are ostensibly their big enemy, have less than 60,000 men and women under arms, and they have not fired a shot the last 20 years, other than a few sniper-fired bullets.

If there is any place that the Nixon doctrine will apply, it would be South Korea. They have one of the largest standing armies in the world, almost one-fourth the size of our standing army; in a microscopic nation in relation to ours. Why do we need 40,000 troops to help 600,000 combat experienced troops against 60,000 who have no combat experience?

We hear that there is no place to take troops other than Europe. There are 172,000 troops in the western Pacific. Let us look at the combat divisions, the combat forces that all these logistical and supply troops are there to aid: There are one and a half army divisions, one-half of another division, six air squadrons, and three combat ships. That is less than 30,000 troops, and yet we have almost 130,000 support troops.

We can maintain combat preparedness and yet wipe all the useless, unnecessary and wasteful support and logistical ratio to command troops without violating in any way our defense or harming our preparedness.

Why can we not take some of those troops we have providing logistical support from Japan, Okinawa, Taiwan, Thailand, the Philippine Islands—in all almost 140,000 troops? We certainly can cut troops out.

It seems to me that if we place this amendment, or my amendment, in proper perspective, we certainly have the capacity to take out 100,000 or even more troops without in any way harming any combat preparedness at all.

It seems to me the hysteria that surrounds this floor, where sometimes we speak brilliantly from total ignorance on a whole range of questions, has to stop. If we stop simply glibly, talking about our commitments without giving rational approaches to the issues, we would deal with these critical problems.

Mr. WHITEHURST. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, a lot of words have been spoken here this afternoon, and many aspects of this problem have been discussed. I must confess, however, that I think the root of what most of my colleagues are thinking of is, what is going to happen to the great alliance with our allies in Western Europe. My colleague from New York (Mr. STRATTON) is going to talk about this in greater detail in a moment.

However, just let me mention a few things which have not been touched upon. I heard some people speak today who look upon the American military commitment abroad as a kind of security charity. I wonder how many Members of this body realize that we have $30 billion directly invested in Europe, involving hundreds of thousands of American citizens?

We have been talking about Jackson-Nunn, about offsets. We are not talking this afternoon about taking all of our forces out of Europe, but if we make this cut, the Members can be sure that some of those forces are going to be cut.

Let us talk about one of the particular objections on that, because when we were in Europe in March, we learned that the F-104 is about to be replaced. That is the fighter aircraft a number of our allies have been using. We know the French want to have a French aircraft substituted for it.

I submit to the Members, the French pitch is going to be enormously enhanced if we make a cut, because they will be able to say, "The Americans are not serious about the defense of Western Europe. They are pulling their forces out. Surely, you want a French fighter to replace the one you are using now."

If we lose those contracts, we are talking about nearly a billion dollars a year for the next 8 to 10 years.

How long do we need forces in Europe? Ambassador Don Rumsfeld raised the question. He used a parallel. He said:

> One might well raise the question, how long do we need fire departments? And the answer is until we find a better way of fighting fires, we have to maintain them. Or to fight crime, how long do we need police? Until we find a better way, we need our law enforcement people.

Mr. Chairman, one other word, a word about this fat Army we have abroad and the fact that we have so many logistical and headquarters people. I wonder if the people who have been making these criticisms realize that over the past year we have reduced the headquarters and the logistical personnel in Europe. Those are some of the forces that we have cut back.

We have added four combat battalions, two of them armored, plus two attack helicopter companies, and we have done this without any additions in the overall personnel strength.

Mr. Chairman, one last statement: Before I came to this body, I was an academician rather than a politician. I taught history. And I remember the great watershed times in the history of this Republic.

Nearly 40 years ago there was a Congressman in this body named Bruce Barton. He was here at the time when we were debating whether or not we were going to fortify Guam. It was not very much money, but it was a symbol at that particular time, during the climate of those days in this body. That appropriation was lost.

Congressman Barton was a writer, and he liked slogans. He formed one. It was very popular. He shouted, "Guam, Guam with the wind."

Mr. Chairman, it made beautiful copy, but it did not show any vision.

This afternoon in this well some of the Members call for a cutback of 100,000 or 200,000. That will make great copy back home, but I submit to the Members that it shows no vision.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. WHITEHURST. I yield to the gentleman from Illinois.

Mr. COLLIER. Mr. Chairman, may I very humbly and respectfully suggest that after this long discussion pro and con that there is probably not one Member of the House who has not by this time determined how he will vote on this amendment. Hopefully, we could get to a vote, because I understand there are other amendments. It is just a suggestion that I believe is favored by most of the Members of the House at this point in our deliberations.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I realize the House is becoming a little restless and that Members who are here would like to vote. I shall try not to detain the committee for very long.

I simply want to try to summarize some of the issues that have been presented here so that we will know clearly exactly what we are voting on.

First of all, let us remember that the basic amendment is the one offered by the gentleman from California (Mr. DELLUMS) which would cut 200,000 from our overseas forces. The softening, sweetening amendment to the Dellums amendment is the O'Neill amendment, which would cut only 100,000 and would give us 18 months in which to make these cuts.

Mr. Chairman, the committee is opposed both to the sweetening amendment of the gentleman from Massachusetts, our beloved majority leader, and of course, also to the more devastating amendment of the gentleman from California.

The gentleman from Massachusetts has offered what is really a subtle amendment. This point, I think, has already been made, but I think we ought to recall it before we cast our votes. He said:

> I am not zeroing on NATO. I am suggesting that they can take the troops away from anywhere in the world, and we have 500,000 around the world, so they can take these troops away somewhere else and not hurt NATO at all.

Mr. Chairman, the gentleman from New York (Mr. BINGHAM) said the same thing. He said:

> We do not have to affect our negotiations with the Soviets in Vienna. We can take these troops away from somewhere else.

Well, that just is not true. By the time you take away from the overseas forces the forces afloat, numbering about 57,000 and then take away the forces now on U.S. territories that are also removed from the O'Neill amendment, you come down to 435,000 troops abroad.

Now the distinguished major leader, Mr. O'NEILL, wants to reduce that by 100,000, which gets us down to 335,000. And how many forces do we have today in NATO? 319,000. That means that with the O'Neill reductions there are only 16,000 left.

So if we take all of the 100,000 away from other places than NATO, we have only 16,000 left. That is not enough to supply marines for all the embassies around the world and still man our very vital and complex communications stations around the world, some of which are in Morocco and some of which are in Bermuda and elsewhere.

Then on top of all that, the majority leader himself told the Korean people last fall: "We are not going to take anybody away from Korea."

That is another 38,000 troops. So if the O'Neill amendment is approved, we are going to have to take at least 38,000 away from NATO to get the full 100,000 reduction.

Now, why is this bad? The gentleman from Missouri (Mr. RANDALL) has already indicated to us that we had this whole issue before us last year, and the gentleman from New York (Mr. PEYSER) offered an amendment at that time which the House overwhelmingly accepted and which in effect said, "Let us not go rushing into this. Let us appoint a committee to look into our situation in NATO and report back."

Mr. Chairman, that report has been made. How many Members have read it? I dare say, only a handful. But this is a remarkable document, and it is another star in the crown of the distinguished gentleman from Missouri (Mr. RANDALL).

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. Mr. Chairman, I cannot until I make my point. After that I will be glad to yield to our majority leader.

Mr. Chairman, this report says, after a detailed study of the kind which the gentleman from California (Mr. GUBSER) indicated, that we cannot take these troops away now. Why? For two reasons.

First of all, since we adopted the Peyser amendment, we have set up this policy, as the gentleman from Missouri said, of demanding that our allies come in and help us out. What deadline did we set for them to pick up our balance-of-payments deficit?

April of 1975.

So we ought to at least allow our allies the time to carry out their share of the burden which we put upon them before we tell them we are going to take our troops out.

The second point is that we also have these troops negotiations going on in Vienna; and with all due respect to the gentleman from California (Mr. DELLUMS) I was there, along with our subcommittee. We visited those negotiations and we found that they are some of the most encouraging negotiations we have ever been engaged in.

Of course, both sides have expressed different points of view, but that is only a normal tactic in negotiations. Even the Polish delegate in Vienna admitted the other day that they could very likely get agreement there before the end of the year and, as Leonid Brezhnev promised, the Soviets could begin their withdrawals by 1975.

The CHAIRMAN pro tempore (Mr. SISK). The time of the gentleman from New York (Mr. STRATTON) has expired.

(By unanimous consent, Mr. STRATTON was allowed to proceed for 2 additional minutes.)

Mr. STRATTON. Now, we have been saying all along that we ought to get negotiations going with the Soviets. We have them going. Secretary Resor, who is our negotiator, said that these talks really look as though they could produce results.

So is this House going to pull the rug out from under these negotiations, which are likely to result in the first substantial Soviet troop reduction in Europe, by passing this O'Neill amendment and thereby mandating at least a 38,000 troop reduction in NATO, if not more?

That is the problem that we are confronted with here. We certainly would look like an irresponsible body if, after all these steps have been taken in response to the action we took last year, we now pull the rug out from under those who have tried to respond to our earlier demands.

And what is more, we also, since our last action on this matter have been confronted with a new war in the Middle East. Those NATO troops, believe me, have proved to be a deterrent force against any kind of Soviet aggression in the Middle East. We cannot afford to tamper with them until we get at least a firm disengagement agreement in the Arab-Israeli War. Surely we cannot tell now what is going to happen 18 months from now.

So let not this House of Representatives put ourselves in the position of trying to predict what the future holds.

The great poet A. E. Housman once wrote as follows: "A stranger and afraid in a world I never made."

Let us not have the House of Representatives described, if we should pass this O'Neill amendment, as "certain and serene in a world we've never seen."

Mr. DELLUMS. Will the gentleman yield?

Mr. STRATTON. I yield to the gentleman.

Mr. DELLUMS. I am certain the gentleman in no way wishes to be demagogic, but earlier in his statement he said if we make these cuts it would reduce the Marine Corps to a level where they could not even place guards around the various embassies. Does the gentleman know that we have less than 10,000 Marines serving around the world?

Mr. STRATTON. I certainly do, but there are only 16,000 troops left after the O'Neill amendment and we have more than 6,000 troops serving in communications stations around the world.

Mr. HÉBERT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not want to take up your time and I apologize for rising even at this time because I know I cannot add any new arguments that have not been made. However, I just wanted to complete the record, at the suggestion of the gentleman from Illinois (Mr. ANDERSON) to read you a telegram which I received this morning.

Tracing back the history of this whole situation, you will recall last year when my devoted friend, for whom I have the deepest admiration, our majority leader, acted at that time to reduce our troops overseas, the Fraser amendment was offered which instructed that a study of the situation be made by a special committee. That was the substitute to the O'Neill amendment at that time.

As a result of that action by the House and the responsibility given to the Committee on Armed Services, I named the gentleman from Missouri (Mr. RANDALL) again to chair the committee to NATO. You heard him speak and you heard him speak most eloquently. The words which he so eloquently uttered, fully justify the confidence we placed in him in putting him in charge of this committee.

So this committee, under the direction of the House, did make this trip to Europe and did make this inspection. It has reported back its most comprehensive report to the House of Representatives.

I think this tells you again that this is not the time to reduce our forces. This meat ax approach, if I may use the term—and I never did believe in using an approach to anything of this nature—is spread across an area where we do not know where the cuts ought to come from except that 100,000 men will be cut.

Now, we have heard a discussion of what the gentleman from Massachusetts said about Korea. We have heard a discussion by the gentleman from California and his opinion. We have heard what the Secretary of Defense might do.

So, I rise at this time, with justification, I think, to keep the record straight and read to you the communication sent to me this morning from the one individual in the country who is the one responsible individual in the country to conduct the affairs of this country internationally. I am referring, of course, to your Secretary of State, Dr. Henry Kissinger. He is the man who knows certainly firsthand, what is going on in the world and what is necessary to maintain the peace of the world as far as he can. This morning this telegram came to me from Jerusalem, from Dr. Kissinger, and I read this to you in order to give you the benefit of his views and share with you what he thinks about what we are undertaking.

I share this with you, and I do so with the idea of throwing away all of the oratory and all of the arguments, and to rely on this one paragraph—and hear me well, because this is very specific, very all-inclusive, and very positive.

This is Dr. Kissinger's telegram to me this morning from Jerusalem:

> I would also like to express my disagreement with the amendment proposed by Mr. O'Neill to the Defense Procurement Bill which would direct a 100,000-man reduction in Overseas deployments by December 31, 1975. While I do not deny that it is desirable to reduce manpower levels around the world, I do not believe this is the best method. In Europe the only way is through negotiations with the Soviet Union and its allies which, as you know, are now going on. A unilateral reduction of US troops in Europe would be useful to no one but the Soviets. If to avoid damaging our European posture we were to take the full 100,000 in Asia, we would be forced to remove virtually all of our land-based force from Korea, Japan, Okinawa, Thailand, and the Philippines, leaving us totally dependent upon the 7th Fleet to support our foreign policy interest in the Pacific.

Could I say more, or does anybody else have to say more than Dr. Kissinger?

The CHAIRMAN pro tempore (Mr. SISK). The time of the gentleman has expired.

Mr. BRAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not believe there is a Member on the floor of this House who would not like to see all of our troops brought home if it were feasible to do so.

I want to remind the Members that perhaps we are now in a period, and the longest period, of peace that Europe has ever known. During all of that period of peace we have had American troops in Europe.

There is nothing that succeeds like success. I do not suppose anyone ever heard of a winner in a crap game who asked for new dice.

We are winning. We are having peace in Europe, and we should not change that. Remember that strength in Europe is strength in the Middle East, and also that equally true, weakness in Europe would be a weakness in the Middle East. So before we take steps that we later regret, let us try to keep things going as they are in Europe, and that is peace. Let us not destroy that peace. Unilateral withdrawal of our troops from Europe would elevate all the chance for an agreement with the Soviet Union for a mutual withdrawal of troops.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. BRAY. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Massachusetts, the majority leader. I have no doubt that the gentleman means well, but the effect of the amendment he is offering would inevitably be serious, and could be disastrous.

In my opinion, Mr. Chairman, this amendment is totally irresponsible. As a member of the House Committee on Foreign Affairs, I am deeply concerned over the effects of the amendment, not only on our military policy, but on our foreign policy.

The gentleman from Massachusetts has suggested that this might cut costs, but I think the Members of the Congress must also consider important other consequences.

If this amendment is designed to reduce international tensions, it will fail. Should these cuts be made in Europe, for example, the military and political consequences could be enormous. Whether we like it or not, we still have a crucially important role in Europe. A sudden, major unilateral withdrawal would have major consequences, almost all adverse.

We are in the middle presently of important negotiations with the Soviets to reduce forces in Europe.

A major unilateral reduction by the United States in its forces in Europe now would inevitably end those negotiations, and with no requirement or incentive for a matching reduction by the Soviet Union. The result would be an even larger disparity between United States and Soviet forces in Europe than presently exists.

The gentleman from New York (Mr. BINGHAM) also a member of the Committee on Foreign Affairs, has suggested that the cuts should not be made in Europe. But let us look at the consequences of such a decision. If cuts were taken entirely out of our forces in Asia, as the Secretary of State was just quoted to have said, we would be forced to remove most or all of our land-based forces in Korea, Okinawa, Thailand, and maybe the Philippines, leaving perhaps only the 7th Fleet.

What would be the consequences of such a removal?

The impact would all but destroy the present North-South negotiations in Korea and would certainly end any hope of a negotiated settlement of the conflict in Southeast Asia. Perhaps, most seriously, it would force a fundamental reexamination by the Japanese of their security relationship with us. The outcome of such reexamination is uncertain. It could lead to a rearmed Japan or to a neutralist Japan. In neither case will U.S. interests be served, and there is probably little we would be able to do to shape Japan's decision.

Finally, it must be emphasized that U.S. force levels abroad are not static, but have been declining dramatically since their high point in 1968 of 1,086,000. At the beginning of this year the number abroad was 438,000, for a net reduction of 648,000 over a 6-year period. And the reductions are still continuing. For example, earlier this month another 10,000-man withdrawal was announced from Thailand which is to be completed over the next few months.

It is clear that this administration is as interested as the Congress in reducing the financial and other burdens of our overseas responsibilities. However any reductions must have some relation to the political and military realities of the world in which we live, and to the basic U.S. interests that we are trying to support.

Mr. GIAIMO. Mr. Chairman, I move to strike the last word.

Mr. ROSENTHAL. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from New York.

Mr. ROSENTHAL. Mr. Chairman, the question of U.S. military force levels overseas is again before the House of Representatives. Last year, after a long and complicated debate, the House decided to postpone any decision on the broad question of whether U.S. forces overseas are at the proper level, and therefore, of the subsidiary question of whether U.S. forces in Europe should be reduced or remain at the level of 320,000.

The Subcommittee on Europe, which I have the honor to chair, considered the European aspect of this important question last year in extensive hearings. At that time I supported a "substantial reduction" of these 320,000 troops by which I meant somewhere between 50,000 and 100,000. I was, and still am, convinced that our important stake in the defense of Europe can be maintained and even enhanced by a greater proportional contribution of military manpower by our NATO allies.

I still believe in that basic proposition for the reasons I will summarize below. But I do not want a reduction in our European forces because I accept the concept of linkage between defense and economic issues which has been expressed frequently, and with recent harsh statements, by the administration. I would want, therefore, to disassoicate myself explicitly from the idea that we are supplying troops in Europe in return for trade or monetary concessions given to us already by European countries or which we might try to extract from them in the future.

First. I believe that Europe's defense is in our national interest. The community of beliefs, values and history which we share with Western Europe would be gravely jeopardized if Europe should either fall under hostile control or become so threatened by such control as to render it less independent and less in control of its own destiny than it is today. Let me add immediately, that I believe the threat of such hostile action or control is remote in both military and political terms. But keeping our present close ties with Europe is the best way I know of keeping those possibilities remote.

Second. Europe is on the frontier, I believe, of important political change. Our country, in recent years especially, has become somewhat skeptical of both the possibility of European political union and of its advantage to the United States, should it occur. I believe, therefore, that we should reaffirm our earlier commitment to European growth through economic and political union. We should recall that it was the United States which urged a firm political union of Western European countries. We saw, in our own national interest, the unity of Europe as the only safeguard against future European wars.

Now that this unity is well on its way, we seem to falter. We find that the economic union of Europe has come before its political transformation. We find it distressing to deal with Europe as an economic unit with which we must compete while politically it is still divided on many important issues. Yet as a nation which itself was formed of many disparate elements we should recall our own difficulties in the period of confederation, our own Civil War and the extended process of American unification which bridged those two periods.

Third. In these first two points, I have emphasized what we must understand about Europe. But Europe must also try to understand the United States and why the pressure for reductions of U.S. forces in Europe will not be relieved without a substantial cut in those forces.

We have fought, without success, a disastrous and misconceived war in Southeast Asia. We committed, in the course of that venture, men and money and energy that we needed for urgent tasks at home. It is quite natural therefore that we are still in a process of reconsolidation of our resources. Part of that process is a serious examination of the need for the substantial conventional military forces we have in the United States and overseas. This examination reveals that by every meaningful measure—military manpower as a percentage of total population, percentage of tax revenue committed to defense, and defense costs as a percentage of GNP—the United States is substantially ahead of all of the developed countries of Europe, that is, ahead of all of the NATO countries which are also members of the European community.

I find, therefore, an imbalance in our admitted and accepted role in defending western Europe in our own interest. We are doing more than our share; the European countries are doing less than theirs. Secretary of Defense Schlesinger clearly said this himself in our hearings last year.

In summary, I believe we must do the following:

First, reassure Europe that we will continue to support its political and economic union.

Second, reassure Europe that our manpower reductions there will in no way affect our commitment to the defense of Europe including, of course, its nuclear defense.

Third, for reasons of budgetary costs, balance-of-payments costs, fairness of burden and legitimate retrenchment of the military component in our overall budget, we should substantially reduce our forces overseas, including those in Europe.

I support, therefore, the amendment to reduce our overseas forces by 100,000 men in the hope that part of these reductions will apply in Europe and that all of these reductions will be reflected in reduced end-year strength of our Armed Forces. Rather than nibble away at the forces in Europe, which would tend to undermine European confidence in our commitment there, I would strongly prefer setting a new ceiling of forces in Europe in the area of 250,000 personnel.

Finally, I believe that such a reduction will not destroy European defense plans but will spur the Europeans to organize themselves better in a new defense arrangement in which they can work in much better partnership with us than they do today.

Mr. GIAIMO. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Massachusetts. Many Members are very positive here as to the action they are going to take today, positive in the sense that they are sure that their position is right one way or another. I am not. I do not think that any American can be certain that he is right when it comes to a decision of this kind. But we live in a changing world, and one of the most difficult things for a nation, for a people, and for a government—and for a Congress—to do is to recognize the changes and to adjust accordingly.

In the past our troop commitments overseas made sense. They made much sense since World War II. They preserved the peace for 30 years under the doctrine of containment. But the world has changed significantly since then, and so has the mission of the United States.

When the United States was committed to being a policeman of the world, it made sense to have our troops scattered throughout the world as an American presence. In my opinion, it still makes sense to do so in Europe, because of the very seriousness of the U.S. commitment to Europe.

In my opinion, the basic reason for our troop posture in Europe is not a military one but a political one because of the fear it would create in the minds of our NATO allies as to the realities of America's commitment to Europe and to the security of Europe, and, therefore, to the United States. But containment does not any longer exist as a viable American policy throughout the remainder of the world. Vietnam has proven that. We have thousands of troops—I believe it is 35,000—in Thailand. For what purpose, I submit? For what purpose? To assure the peace in Thailand and Southeast Asia as an American presence with the concomitant American threat to reenter Southeast Asia? I submit to the Members that the American people will not tolerate reentry of the United States into Southeast Asia.

And in Japan, we must ask the same question. And in Korea. At the same time we have seen changes over these last 25 years because of the nuclear age and because the present day reality of nuclear parity and equality. We are still fighting the last world war in my opinion, with the worldwide presence of troops. We must not make the mistake of fighting yesterday's war. Future conflicts will not be fought, I submit, in the manner in which they were fought in World War II. It will not depend upon the presence of American troops strategically located throughout the world, and specifically in the Southeast and the Indian Ocean and in other places.

Obviously and clearly—and I, too, have visited our troops in Europe—our troops in Europe and the NATO force together, in my opinion and in the opinion of many people, are not of sufficient magnitude and force to withstand Russian aggression in Europe.

And we all know what deters the Russians from adventurism in Europe. It is not only the presence of American troops. It is the threat of a nuclear escalation which is the real deterrence. The same concern exists insofar as the future role of Japan is concerned or roles in other parts of the world.

Let me say one thing, and I have the greatest admiration for the military. I respect them. I think they have served this Nation well at all times. But I say to the Members that unless this Congress reduces troop levels overseas we will never get the military to come in here and voluntarily tell us that they no longer need the men in the various places in the world and that they will voluntarily reduce their troops and stations. We know this from past experience and past history.

But I will say this. Reference was made that we will endanger our foreign policy. I submit that a reduction in troop deployment throughout the world is merely going in accordance with the modern, present-day American policy, and for that reason if for no other we should reduce troops throughout the world.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(By unanimous consent, Mr. GIAIMO was allowed to proceed for 2 additional minutes.)

Mr. GIAIMO. Mr. Chairman, now the argument has been made that the majority leader is being irresponsible. The charge has been made that the amendment offered by the gentleman from Massachusetts is not responsible because he does not say where we can find the troops to cut, where the troop cut should be made. I do not believe that is irresponsible. In fact, I think it is the opposite. It is extremely responsible.

We are saying to the administration, to the President and to the Department of Defense: "You know better than we do where you can safely reduce troop numbers. Do so."

We know that we do not want to take 100,000 troops out of Europe at this time, but I submit to the Members that we can find considerable support for reducing forces in Europe without threatening the NATO Alliance. We know we can find troops in Japan and we can find troops in Thailand and we can find troops in many other islands of the Pacific which have no bearing on the real security of the United States. We certainly are not prepositioning U.S. forces overseas for further American involvement in the Far East. I do not vision the United States doing that in the foreseeable future certainly. So it is a responsible amendment. It is leaving the decision as to the troop withdrawal to the Pentagon.

But the amendment does do this. It does say that the Congress and the American people want to see a reduction in our overseas establishment militarywise, that while we have supported our overseas troop presence for 25 years, we recognize this is the end of the policy of containment and it is the beginning of a new foreign policy, a foreign policy which our President himself is trying to develop with the Russians and others. It does not, I submit, depend upon the presence of troops scattered throughout the world.

Mr. ESCH. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the distinguished majority leader, Mr. O'NEILL. This is an area in which I have worked for some time and I congratulate the gentleman for taking the leadership on this amendment. I should stress from the outset that while this amendment cuts 100,000 troops overseas, it does not mandate their deactivation. However, I believe the intent of the majority leader has been made clear; that is, that the Department of Defense will deactivate these troops once they are brought home. That intent should be stressed here today.

Mr. Chairman, it is seldom that we have an opportunity to move toward the achievement of several goals in one amendment. I would submit that this amendment offers us just such an opportunity. With its adoption we can begin to cut the fat out of our military budget and contribute to an improved balance of payments situation, we can take a meaningful step toward the much talked about goal of reordering national priorities, and we can contribute to a worldwide détente, a détente which has the full support of this administration.

Economically, there can be no question as to the desirability of this proposal. We are faced this year with the largest peacetime military budget ever presented to Congress. After World War II, that budget was cut by $89.5 billion, after the Korean war by $36.8 bililon. Yet following our disengagement from Vietnam that budget has been increased by some $14 billion. Manpower costs represent 56 percent of that budget. Costs for overseas troops approach $30 billion annually. Secretaray of Defense Schlesinger himself has indicated there is room for cuts in the manpower area, citing some 20,000 support troops in Europe alone that could be reduced without significant impact on our NATO commitments.

A further economic consideration is that of our balance of payments. Although we did not witness a deficit in the first quarter of this year, the indication is that increasing oil costs will once again put us in a deficit situation. Clearly, a cut in overseas troops will help remedy that situation.

Domestically, this amendment conforms with the much needed reordering of national priorities with which so many have concerned themselves. It has been estimated by the Department of Defense that the average cost of maintaining one uniformed soldier including pay, subsistence and allowances is $12,500. Using these figures the savings under this amendment would approach $1.2 billion annually.

We should, of course, not fool ourselves into thinking that we are transferring this $1.2 billion from the military budget to education, or health services, or environmental control or to any of the myriad of pressing domestic needs. Unfortunately, the Congress never has the opportunity to vote on the budget as a whole and, therefore, determines with one decision what the national priorities are to be. We can only vote one item at a time, each of us trying to be consistent with what we believe those priorities should be. This amendment offers us that opportunity.

This administration has talked a great deal about reordering national priorities, having brought our troops home from Vietnam, it has called for a conversion from a wartime to a peacetime economy. This amendment begins to answer that call.

Strategically, this amendment is fully in line with the policy this administration has embarked upon—a policy of détente and of reduction of the U.S. military presence abroad. The desire for a détente with the east has been at the core of this administration's foreign policy. It has told both the Soviet Union, and the People's Republic of China that in an easing of tension, rests the hope of future peace. Nowhere could the sincerity of this hope be more easily demonstrated than by a reduction of U.S. military presence around the world, as Admiral Moorer, chairman of the Joint Chiefs of Staff, pointed out before the Senate Armed Services Committee last year:

> True detente requires a reduction in the underlying political and economic sources of conflict and an atmosphere free of force and the threat of force.

The administration itself has spoken in terms of troop reduction in putting forth the "Nixon doctrine." As was said in the Department of Defense manpower report for fiscal year 1975:

> We shall furnish military and economic assistance when required in accordance with our treaty commitments, but we shall look to the nation directly threatened to assume the primary responsibility of providing the manpower for our defense.

Or as Mr. Nixon himself has said:

> A more balanced and realistic American role in the world is essential if American commitments are to be sustained over the long pull . . . to insist that other nations play a role is not a retreat from responsibility, it is a sharing of responsibility. This is not a way for America to withdraw from its indispensable role in the world. It is a way, the only way, we can carry out our responsibility.

The approach we are offering in this amendment is a flexible one. It makes no attempt to dictate from where overseas troops must be taken, leaving this decision to the Pentagon. In Asia alone we see the possibility of reducing our troops levels by the 100,000 called for in this amendment. In Japan and the Ryukus Islands we maintain 55,000 troops; in the Philippines, 16,000; in South Korea, 38,000; in Thailand, 36,000; in Taiwan, 6,000.

It has been said today that we are offering a totally irresponsible amendment. Yet is it irresponsible to attempt economies on our defense budget similar to the economies we are requiring of every other agency in the Government? to the contrary. Is it irresponsible to make a positive contribution to our balance of payments? to the contrary.

Is it irresponsible to take a meaningful step toward reordering this Nation's spending priorities? to the contrary.

Is it irresponsible to leave the Pentagon with the flexibility to cut troops where they feel those cuts can best be made? to the contrary.

Is it irresponsible to demonstrate our sincere belief in détente by contributing to that détente? to the contrary.

To all these questions, gentlemen, the answer is no. Today, I am supporting a responsible amendment, one which is flexible in approach, and one which moves toward the attainment of multiple goals. I urge you to join me in this effort.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words.

I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, there is one point of inconsistency here that I would like to explore for just a moment. That is if the proponents of these troop cut amendments are so willing to recognize the wisdom and heed the advice of the Defense Department and the administration in determining where these mandated troop cuts would take place, why are they so unwilling to recognize the wisdom and heed the advice of the Defense Department and the administration when they recommend against these troop cut amendments?

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I thank the gentleman for yielding to me.

The gentleman from Michigan discussed the need of perspective, but nobody in this debate has discussed the number of our troops overseas that have actually been withdrawn. In 1968, over 1 million men were overseas. We now have about 435,000. That is a reduction of almost 650,000.

No one is arguing about the concept of reducing the number of troops overseas. What we should be concerned about is this proposal to cut by 25 percent below the present substantially reduced level in an 18-month period. I think that is totally irresponsible.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Mr. Chairman, I yield to the gentleman from California.

Mr. GUBSER. Mr. Chairman, the gentleman from Michigan in his remarks seemed to imply that Admiral Moorer, as our top military officer, felt there was no contradiction between troop reductions and détente. I quote Secretary Schlesinger:

> There is no contradiction between détente and the maintenance of an appropriate level of military power. The second is essential to the first. If we fail to maintain a worldwide military equilibrium, the hopes for détente will be undermined.

I might say that Admiral Moorer was sitting on Secretary Schlesinger's right when he made that statement, and he made no effort in his testimony, which followed, to contradict the Secretary.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Mr. Chairman, I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, the gentleman from Michigan (Mr. ESCH) said a moment ago that there was nothing inconsistent with supporting the O'Neill amendment and our established foreign policy. Well, obviously one of the key elements of that foreign policy is to try to get an agreement with the Soviets in Vienna for a mutual force reduction of Warsaw Pact forces.

Does the gentleman from Alabama think in any realistic sense that, if the House were to mandate the O'Neill amendment today, which, as I just pointed out, will direct a reduction of at least 40,000 of our forces in NATO, the Russians would ever agree to any measure of reduction at all?

Mr. DICKINSON. I do not, but I will be glad to yield to our distinguished majority leader after one observation.

I was in Korea about a month before the distinguished majority leader. I was briefed at CINCPAC by Admiral Guyler and by the commander in chief of our United Nations forces in Korea, General Stillwell. What the distinguished majority leader inferred earlier was contrary to what I was told while I was there. Every indication I got was that our presence there was in our national interest. I wonder if the gentleman has some secret which he could impart to us?

Mr. O'NEILL. Mr. Chairman, will the gentleman yield to me?

Mr. DICKINSON. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Chairman, regardless of the statement I read, a statement that was carefully gone over by the proper authorities who normally brief us, I agree with everything the gentleman said.

The gentleman from Texas (Mr. FISHER) said that I said the troop forces were going to remain the same, and I would like my remarks to stay at that.

Just let me make this comment to the gentleman from New Jersey (Mr. FRELINGHUYSEN). It is my opinion that we would still be in the Vietnam war if it had not been for the Congress of the United States. It is my idea now that it is the same; we would still have a million troops overseas if it were not for the fact that some of us on the floor have gone into matters like this. If the Members of Congress do not show some feeling and some influence, if they just go on the basis that they want reports of what the Army says or the Defense Department, they would give us exactly the same results with regard to troops which they gave us with regard to Vietnam.

Mr. DICKINSON. Mr. Chairman, let me say in conclusion that I think we have thoroughly discussed and thoroughly exhausted the subject. I certainly hope that we would get on with it and vote now.

Mr. Chairman, this amendment is tied to some arbitrary dollar goal rather than to international security needs.

In relation to Soviet deployments, our commitments are modest.

There is much reference to 319,000 U.S. troops in Europe. Actually, that troop figure for Europe includes those afloat with the 6th Fleet. The actual number of U.S. ground troops in Western Europe committed to the NATO mission is 183,000. U.S. troops make up 10 percent of the ground forces of NATO.

By contrast, Soviet troops make up 50 percent of the Warsaw Pact forces in Central Europe. The Soviets have 430,000 troops in Warsaw Pact countries.

The United States has 4⅓ divisions in Western Europe. The Soviets have 31 divisions in the Warsaw Pact.

The size of our Armed Forces in terms of manpower is small when compared to the Soviets or the Chinese and, therefore, sensible strategy requires forward deployments and superiority in firepower.

The United States has 13 active divisions in its entire Armed Force. The Soviets have 45 divisions on the Chinese border alone.

The Armed Forces provided for in the committee bill are 40,000 fewer than authorized in fiscal year 1974. It is 1.3 million lower than we had in fiscal year 1968 at the peak of the Vietnam war.

The Army has been making, in the last year, the effort Congress has urged for some years to increase its combat strength without increasing total manpower. The Army is going from a 13-division force at the present time, fiscal year 1974, to 14 divisions by the end of fiscal year 1975, with an increase in end strength of only 3,000. Since a U.S. division numbers approximately 18,000 to 20,000 men, you can see that this conversion involves considerable reduction of support spaces. If we make a massive reduction in the Army now, we would take away the flexibility to make these changes and destroy the incentive for better management and for increasing the combat-to-support ratio.

This amendment would determine now our overseas end strength for December 1975, some 20 months away. We would be making a determination on deployments for a time in the future long before we can predict what the requirements at that time would be.

The worst thing about this amendment is that it would signal to both allies and potential enemies that we are suffering fatigue of the spirit and unilaterally pulling back from our position of world leadership. It would remove the incentive that the Soviets have to negotiate with us for reductions in their own troops as well as ours; it would reduce the incentive for our allies to improve their own forces; and it would signal to China and the rest of the world that we would be less prepared to defend our friends in a crisis.

Mr. HAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, probably everything has been said on this subject that can be, but it seems to me that there is one point that I have not heard made, although I have not been here all afternoon. That is, if we want to reduce troops, why do we say troops overseas? Why not offer an amendment which says that we will have 100,000 fewer troops altogether?

And then let the Pentagon decide. If we are going to bring troops home from NATO—and if this amendment passes, we are going to; I do not care what anybody else says—we are going to put them in Fort Bragg, N.C. It is going to cost more to put them in Fort Bragg, N.C., than it is to leave them in Germany. We had better discharge troops in this country instead of doing that.

If somehow or other I were to become President of the United States next week, there is just one thing I am sure I would do, and that is that I would keep Henry Kissinger on as Secretary of State if he would stay there. What we are doing if we pass this amendment is that we are cutting his negotiating ability with the Russians by whatever troops we have to bring home. We are handing them a blank check saying, "No, you do not need to negotiate. The Congress did it for you."

Mr. Chairman, I am for bringing troops home if we can negotiate, but do not let anybody tell us, as I heard the gentleman from our side try to a few minutes ago, that the deterrent is the A-bomb, because nobody in Europe believes that. I do not believe it, and no other Member in this Chamber really believes it, because if we do not have any troops over there and the Russians move, they know, the Europeans know, and we know that we are not going to start an atomic war. Do not let anybody kid us about that.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I will yield briefly.

Mr. O'NEILL. I would suggest that we would not start a war, but during the Israeli-Arab war there was an alert.

Mr. HAYS. There was an alert, but we had troops there, and they knew that if they started anything, we were going to move. What your amendment really does——

Mr. O'NEILL. I am merely asking the gentleman a question.

Mr. HAYS. No; you are not asking a question. You are making a statement.

Mr. O'NEILL. There was an all-out alert.

Mr. HAYS. If we are going to pass the gentleman's amendment, I would just as soon pass an amendment to send a billion dollars and 100,000 troops to the Syrians, and I do not care much for the Syrians, frankly, because that would be just about as impartial as you could get. That would signal to everybody whose side we were on, would it not? Do you think the Syrians would be negotiating? I do not think they would, and everybody knows they would not.

Mr. Chairman, I am saying that if we have to bring troops home from NATO, they are not going to negotiate after a troop withdrawal in Europe. Do not let anybody tell us they are.

I think the only sensible way to approach this matter, if we want to reduce troops, is to say to the Pentagon, "Cut them down and decide where, down at Fort Bragg or wherever." But let us not say we have to bring them home from abroad at a time like this.

Mr. Chairman, I just talked to the foreign minister of one of the NATO countries on Monday of this week. They are debating right now in their parliament what they are going to do about their commitment. He was very candid and told me that. What they do will depend on what we do here today.

Mr. Chairman, if we want to destroy NATO, if we want to force Finlandization on Western Europe—and you know what that term means to the Soviets—this is the way to do it.

What that term means is simply that the word is passed around that the United States does not care any more, and one by one those weak nations in Europe are going to come to terms on whatever conditions they can get with the Soviet Union. The conditions are not going to be good for us.

Mr. Chairman, I can argue with anybody about whether we have too many troops in Thailand or in North Korea. But as I said a year ago, and I repeat for the Members today, I got my fingers burned way back in the early part of 1950 when I voted not to defend Korea any more. It passed by two votes, and within months the North Koreans decided that we had already signaled what we were going to do, and they moved.

I considered that my vote was the vote that could have caused that war, and I lived with it, and I suffered with it. I am not going to vote today to hamstring our people at NATO at the vital time when we are trying to negotiate and when we have the best negotiator in the business working for us. I am not going to vote to pull the rug out from under him, and I hope the other Members will not either.

Mr. MATSUNAGA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, while I realize the debate on the pending amendment has been somewhat lengthly, I am not going to give up my right to speak, after seeking to gain recognition for over an hour. Not being a member of the Committee on Armed Services, I ask my colleagues' indulgence.

Because of the lengthy debate that has gone on, we might be tending at this time to be confused as to what is before us. So let me review the situation briefly: There is the Dellums amendment, which calls for a reduction of 198,000 troops, and then there is an amendment in the nature of a substitute to the Dellums amendment, the O'Neill amendment, which calls for a reduction of American troops on foreign soil by 100,000. The cut proposed by the Dellums amendment may be too severe, but, Mr. Chairman, I think the O'Neill proposal offers a sensible compromise. Much has been said about the amendment's not indicating where the troops are to be cut, where they are to come from, and that this is irresponsible.

There are 2,000 places throughout the world where American troops are stationed on foreign lands. Certainly it is the most responsible approach on the part of our distinguished majority leader to leave it to the experts to decide from where the 100,000 troops are to be reduced.

The statement has been made that if this amendment passes, it would mean a reduction of 25,000 troops from Korea, about 56,000 troops from Japan and Okinawa, and perhaps all the troops from Thailand or the Philippines.

Under the O'Neill amendment, if the Secretary of Defense determines that troops in Asia could be cut without jeopardizing our national security or threatening the world peace, then the Secretary of Defense may do it. If the Secretary of Defense determines that troops could be cut from NATO without jeopardy, he may do it. But the amendment does not provide that troops shall be withdrawn from Europe, notwithstanding contentions of those who appose the amendment. The decision as to where the troops shall be cut is wisely left to the Secretary of Defense.

Certainly our distinguished majority leader would not offer an amendment which will jeopardize our national security or world peace. He is a man of peace; he is a man who stands for national security. Any statement, as was made on this floor during the past hour, that the amendment is an irresponsible move on the part of those who propose it, is, in itself, irresponsible.

Mr. Chairman, the O'Neill amendment, for the edification of those Members who have not read the amendment or heard it read, merely provides that:

> No funds appropriated by Congress may be used after December 31, 1975, for the purpose of maintaining more than 335,000 military personnel permanently or temporarily assigned at land bases outside the United States and its possessions; provided further that the Secretary of Defense shall determine the appropriate worldwide overseas areas from which this phased reduction of 100,000 military personnel will be made.

In the event that the world situation should change, the Congress can immediately act to meet the situation. The world situation changes, as we all know. Today we are at peace; we have no war in Vietnam. Today we are negotiating with the Russians. We have made peace overtures to the People's Republic of China and are in the process of establishing trade and diplomatic relations with that country. In fact, a withdrawal of American troops from Asia will indicate to that one nation in Asia with which we fear we might go to war that we are trying to create a favorable impression, and that we are doing what we say we are going to do—seek every possible means to be at peace with that nation.

By adoption of the O'Neill amendment, we will prove to the peoples of the world that we are, indeed, seekers of world peace.

Furthermore, Mr. Chairman, there are other immediate and more pragmatic benefits to be gained from the O'Neill amendment. Reducing American troops stationed in foreign lands by 100,000 could mean a savings of more than a billion dollars a year. At a time when so many of our desirable and necessary domestic programs in education, housing, aid to the handicapped and needy, are suffering for lack of funds, this substantial amount could certainly be put to better use.

Our Nation's balance of payments, too, could be improved by the adoption of the O'Neill amendment. While it is true that NATO nations are presently required to offset payments imbalances resulting from deployment of U.S. troops in Europe, there is no comparable provision covering the 200,000 troops deployed in other areas of the world.

Mr. Chairman, I urge the adoption of the O'Neill amendment.

Mr. ANDERSON of California. Mr. Chairman, a primary cause of the record inflation we face today is the Federal Government's habit of spending more money than it collects.

And, thus, it is incumbent upon all of us in the Congress to work to reduce Federal spending, except in those areas of critical importance or need, with the goal of achieving a balanced budget.

Due to its size and cost, the Defense Department is the place to start trimming, recognizing, of course, that our Armed Services must be second to none. As the largest single Federal activity, absorbing 30 percent of our budget and 6 percent of our gross national product, the Defense Department can only be justified in terms of national security—a type of insurance policy.

And like an insurance policy, it must be adequate, but not so costly as to price food, shelter and other essentials beyond reach and out of the budget.

Our defense budget—totalling $90 billion—can and should be cut, not to reduce our security capabilities, but rather to get more defense for our money.

Presently, almost one-third of our troops are deployed overseas, which, because of logistics, are more costly to sustain than troops here at home. And, in Europe our nearly 200,000 ground troops—which cost $69,000 per soldier to sustain—are geared to a long, protracted conflict.

Yet, the purpose of our troops is not to defend Europe, but rather to deter aggression by showing the American flag; in effect, the presence of our troops shows any potential aggressor that to start anything in Europe is to pick a fight with America.

Thus, the question we should be asking is "how many troops are sufficient to assure a potential enemy that a strike at Europe is also a strike at America and our nuclear might?"

And, to me, it would be both proper and prudent to reduce the level of our overseas troops. A reduction of less than 25 percent of overseas troop commitments could serve as both a deterrent, and thus preserve our security, and as a money saver—allowing a $1.2 billion savings to the taxpayer.

Mr. Chairman, we can have both security and cut spending—both of which must be accorded the highest priority.

Therefore, I strongly urge my colleagues to join me in voting for the O'Neill amendment.

Mr. FRENZEL. Mr. Chairman, I rise in support of the O'Neill amendment. This amendment which proposes to reduce our forces overseas by 100,000 men by December 31, 1975, is well thought out, and represents a restrained opportunity to cut out excess spending in the military without substantially impairing the strength of our national security.

Manpower expenses constitute over 50 percent of our military costs. Some Department of Defense estimates, after PX's, pensions payments and other manpower related expenses are figured to go as high as 56 percent. Clearly, if we are to make a real effort to cut our budget, to stick within our budget ceiling and President Nixon's budget ceiling, we must cut the defense budget down to a figure proportional to our limited resources, our national security needs, and our total priority values. Reductions of land-based troops overseas is an inflation fighter.

Using the Department of Defense figures which indicate that it takes $12,500 to maintain one uniformed soldier, it has been estimated that this amendment will produce a savings of approximately $1.2 billion. This saving does not count the support costs, civilian employees, dependents, and other benefits to be saved. This figure does not take into account the savings which will be realized in our balance-of-payments deficit which is a factor that has become extremely important given the tremendous increase in foreign oil prices. The Department of Defense itself estimates that, in spite of progress on the Jackson-Nunn amendment, the balance-of-payments deficiencies resulting from European troop commitments alone will be $2.1 billion in fiscal year 1974.

The cost of maintaining troops abroad could be justified if such a commitment was essential to the preservation of our national security. However, there are many areas of the world where we could cut the number of our troops while not risking the credibility of our involvement.

Europe is the area which has received the most attention. When I first came to Congress, I made an extensive study of our ground forces in Europe, and concluded that we could bring back and release 150,000 troops without endangering the nuclear shield which we were providing to Europe through NATO. Intervening events have made the case for these reductions even stronger.

In the last year we have continued to make progress in our policy of détente with Russia. SALT I is signed and SALT II is in progress. Yet despite these tension-relaxing actions our troop commitment in Europe is still 317,000 men—a figure which is well over one-half of our total troop commitment overseas. Many of these troops are stationed in Germany, apparently guarding against an overland invasion from the east. More than anything, they give Russia an excuse to keep her own troops in Central Europe.

We have been told that the Europeans have been paying us a small sum to offset our balance-of-payment deficit. The amount paid by our allies is only a fraction of what it costs to maintain our forces in Europe. I do not like having a "rent-an-army" service for others who can defend themselves and who are paying a substantially smaller portion of their GNP than we are, for their own defense. The French have been the most emphatic in demanding that our troops remain. Yet it was the French who kicked us and NATO out of France, and it is the French who are now using their defense dollars in atmospheric nuclear testing in the South Pacific.

Over 28 years after World War II, the United States still has over 55,000 troops stationed in Japan. But if you read the Department of Defense tables, the figure is only 19,000. The reason for this discrepancy is that the Department of Defense lists the 36,000 troops in the Ryukyuan Islands separately. The Ryukyu Islands have been a part of Japan since the Meiji Restoration of 1871. They were occupied by the United States following World War II and they have been recently returned to Japan. I believe that the 55,000 troops stationed in Japan may be too high.

North Korea and South Korea have indicated they will reunify in the next few years. Yet we continue to have 36,000 men stationed in Korea despite the fact that the South Korean armed forces is among the largest and most modern in the world.

Thus, it is easy to see that there are a number of areas ripe for troop reductions. Moreover, this amendment provides the administration with great flexibility in that the Secretary of Defense does not have to withdraw troops from any particular area. He can pick and choose as he pleases so long as our overseas forces are reduced by 100,000 men by December 31, 1975.

Given the savings this amendment will produce in a time when we must all be concerned with the effects of inflation and the relatively minimal impact this reduction of forces will have on our national security I urge passage of this amendment.

Mr. LEGGETT. Mr. Chairman, it is ridiculously easy to draw up a list of 100,000 military personnel who could be brought home with no adverse effect on national security.

We have about 37,000 Air Force personnel in Thailand. What are they doing there? Our colleague Mr. REID has suggested they are flying "practice" missions with live bombs against live human insurgent targets. If this can be verified, it will, in my view, be grounds for court-martial of all responsible military officials and impeachment of all responsible civilian officials. It is illegal for them to operate in Indochina, and in these days of intercontinental bombers and missiles, we do not need men in Thailand to threaten China. So all of them could come home.

We have 198,000 ground forces in Europe. The Army claims only 40 percent or 79,000, of these men are support forces. Outside authorities such as Col. Edward King estimate true support forces at 70 percent, or 139,000 men. So all we have to do is to reduce the support forces to the number the Army says it already has, and we'll have another 60,000 men on the way home, with dependents.

There is our 100,000 right there. We can easily find more in the 40,000 in Korea, who have long outlived their usefulness.

It is argued that we should not reduce unilaterally because of the effect this would have on the MBFR talks. Mr. Chairman, I am not going to sit still and watch these talks used as a device for preventing reductions. We should not tolerate the administration's strategy of wasting half a decade in negotiations during which unilateral reductions are prohibited, then producing a token 5 or 10 percent reduction, and thereafter prohibiting further reductions as giving away our hard-fought negotiating position.

There is only one way to reduce. Let us first bring home those fat forces from Europe and those missionless forces from Asia, neither of which have any military significance. Let us then make a small further reduction—say, 10,000 men—from Europe, and invite the Soviets to follow suit. If we want savings rather than talk, this is the only way to do it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. O'NEILL) to the amendment offered by the gentleman from California (Mr. DELLUMS).

RECORDED VOTE

Mr. O'NEILL. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 163, noes 240, not voting 30, as follows:

[Roll No. 239]

AYES—163

Abzug
Adams
Addabbo
Anderson, Calif.
Ashley
Aspin
Badillo
Barrett
Bergland
Biester
Bingham
Blatnik
Boland
Bowen
Brademas
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Carney, Ohio
Carter
Chisholm
Conte
Conyers
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Dellenback
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
Dulski
du Pont
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Flynt
Foley
Fraser
Frenzel
Fulton
Gaydos
Giaimo
Ginn
Grasso
Green, Pa.
Gross
Gude
Gunter
Hamilton
Hanley
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Holtzman
Howard
Hungate
Hutchinson
Jones, N.C.
Jordan
Karth
Kastenmeier
Koch
Kyros
Leggett
Lehman
Litton
Lujan
Luken
McClory
McCloskey
McCormack
McKinney
Macdonald
Madden
Madigan
Matsunaga
Mazzoli
Meeds
Melcher
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Mosher
Moss
Natcher
Nedzi
Obey
O'Hara
O'Neill
Owens
Patten
Pike
Podell
Pritchard
Rangel
Rarick
Rees
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rose
Rosenthal
Roush
Roy
Roybal
Ryan
St Germain
Sarbanes
Schneebeli
Schroeder
Seiberling
Skubitz
Smith, Iowa
Snyder
Stanton, James V.
Stark
Stokes
Stuckey
Studds
Symington
Thompson, N.J.
Thone
Tiernan
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Whalen
Whitten
Wolff
Yates
Yatron
Young, Ga.
Zwach

NOES—240

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bevill
Biaggi
Blackburn
Boggs
Bolling
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Corman
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Fish
Fisher
Flood
Flowers
Forsythe
Fountain
Frelinghuysen
Frey
Froehlich
Fuqua
Gettys
Gibbons
Gilman
Gonzalez
Goodling
Gray
Green, Oreg.
Griffiths
Grover
Gubser
Guyer
Haley
Hammerschmidt
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Hastings
Hays
Hébert
Henderson
Hillis
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Tenn.
Kazen
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Landrum
Lent
Long, La.
Long, Md.
Lott
McCollister
McDade
McEwen
McFall
McKay
McSpadden
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Mills
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Murphy, N.Y.
Murtha
Myers
Nelsen
Nichols
O'Brien
Parris
Passman
Patman
Pepper
Perkins
Pettis
Peyser
Pickle
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Regula
Roberts
Robinson, Va.
Roncallo, N.Y.
Rooney, Pa.
Rousselot
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Scherle
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Slack
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thornton
Towell, Nev.
Traxler
Treen
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wydler
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—30

Annunzio
Arends
Carey, N.Y.
Clark
Clawson, Del
Clay
Collins, Ill.
Eckhardt
Ford
Goldwater
Helstoski
Hinshaw
Johnson, Pa.
Jones, Okla.
Kluczynski
Latta
Metcalfe
Morgan
Murphy, Ill.
Nix
Reid
Rhodes
Rooney, N.Y.
Rostenkowski
Runnels
Stubblefield
Teague
Williams
Wyatt
Wylie

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California (Mr. DELLUMS).

The amendment was rejected.

Mr. SIKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me congratulate the House Committee on Armed Services for its effective and important efforts in behalf of the Reserve components. It will be noted that the bill before us provides a floor for Reserve strengths and insures that the Air National Guard shall include a force of not less than 91 flying units. The significance of this action may not be generally known simply because there are many who have not been fully alerted to the threat of reductions in the Reserve components which have been proposed by the policymakers in the Department of Defense.

The need for full strength in the Air National Guard is recognized in most areas of the defense establishment and there is very genuine support for the number of units set forth in today's bill. No cuts were proposed for the Air Reserves. The Air Reserves and the Air Guard were almost the only members of the Reserve components which had an opportunity for service during the war in Southeast Asia. They gave distinguished service and demonstrated what Reserves generally could and would have done to assist in that conflict had they been given an opportunity.

We began this year with strong hopes for new recognition of the place of the Reserves in the total force concept. Now, to the surprise and dismay of friends of the Reserve components, there is a new threat. This is the battle of the "48–K" which would reduce the Army Reserve by 48,000 spaces, along with reductions in the Navy, Air Force, Coast Guard, and Marines, which may total as many as 80,000 spaces.

I am glad that Congress is alert to the problem, has had extensive hearings on the subject, and that the Reserve Officers Association and other organizations have been here with needed information and with key questions and suggestions for dealing with this new threat.

Many of us in Congress believe in the total force concept and we believe it must be followed as a powerful policy. We believe in the citizen-soldier philosophy. And if given the support, the equipment and the training which is required, the Reserves, with the active forces, can and will effectively provide the deterrent to aggression which will keep our Nation safe and secure and at peace.

Now let me tell you why it is so important to maintain strong Reserve forces. A salient fact is being overlooked. In the makeup of the Nation's defense forces, we cannot ignore the increased cost of defense and the shrinking defense budget. These work at cross-purposes with each other. We are spending a lower percentage of the national budget for defense than we have since the early 1960's.

The danger is that so little of the smaller defense dollar now goes to buy weapons and equipment. About 60 percent of our defense dollar is pay for people in and out of uniform. In Russia, pay is less than 35 percent. Very simple arithmetic tells us the Russian forces are getting twice as much equipment for a defense dollar as we do. Long ago we learned to dispense with the dream that ours is better simply because it's American. Some of our equipment is better. Some of it is not as good. The Russians have more equipment that is new and fully modern, and that is a serious matter.

This tells you why the Reserve components offer today's best bargain in defense. The Nation gets more manpower per dollar from its Reserve components. This is not to say we can dispense with the regular forces. But to get the equipment we need, we may have to cut back on the strength of the regulars and increase that of the Reserves. Whatever happens, this is not a time for excessive cuts in the Reserve components. They should be strengthened, not weakened.

As a part of this program, there must be new understanding and acceptance on the part of the Reserves that they are again a vital part of the Nation's defense. Given this goal and this responsibility, they must train as they have never trained before. They must take every step, think and work in every required moment, to be prepared for war. The Reserve forces must not let themselves be thought of as a sanctuary of any sort or to any degree. There will be no place for the "summer soldier" and the "sunshine patriot."

It may be worthy to note that the Russians do not fool around on support of Reserves. The Soviet armed forces are backed up by a reserve system that has no counterpart in the United States. The Soviets have universal military service and that means nearly every able bodied male serves for 2 year. When an individual finishes his universal military service he is "discharged into the reserves." He remains in the first category of reserves until age 35, the second category until age 45, and the third until age 50. In the Soviet Union there are at least 11,000,000 male reservists under 30 who have had military training, and additional millions in the second and third age categories. In substance Soviet active duty military forces are about 1 million larger than their reports indicate and twice as large as ours. Their active duty force is backed by reserves which are proportionately larger.

Obviously this is a time for stronger Reserve components in our forces, with incentives and modern equipment as added insurance for full effectiveness.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I offered a very simple amendment to last year's counterpart of H.R. 14592. The amendment would have placed a limit on the number of commissioned officers in our armed services. Currently Congress limits only the total personnel within each service. This amendment would have set a limit on the number of commissioned officers in all of the services. It would have permitted the Secretary of Defense to distribute this total to the various services in any fashion which he deemed suitable or necessary.

There are several reasons why I offered the amendment. First, it would have saved, depending upon the implementation by the Secretary of Defense, up to $450 million. In a time of great congressional concern—at least my personal concern—with a balanced budget, this savings alone should be significant. If we are going to continue to press forward with vigorous domestic initiatives and reduce our penchant for deficit spending, the military budget must be scrutinized in a reasonable fashion and reduced where possible.

The amendment would have also set a precedent for congressional oversight of the size of our professional officer corps. We have taken action in many areas of the military manpower situation, but we have not yet moved to consider this area. Our obligation to determine essential manpower questions within this body should at least include the number of officers.

However, my purposes were not limited to fiscal responsibility or the oversight obligation. I was, and am, concerned that we may be running into a problem which will seriously affect our abilities to do adequate defense planning.

The size, in relation to our total forces, and unwieldiness of our officer corps has been growing consistently. In the pre-Indochina period, a time of relative peace—1957 to 1963—similar to today's situation, the figure was 12.5 percent. At the height of our involvement in the Indochina war, 11.3 percent of our men serving were officers. In fiscal year 1974, this figure reached 14.3 percent. The projected figure will reach 15.3 percent under this budget.

The military situation in 1975 is obviously far more complex than it was 10 years ago, and our military forces must be prepared to deal with today's situation. Along with our nuclear deterrents and other armaments, we must have a select group of people, highly trained and combat ready. From this, in any prolonged conflict, we can enlarge our forces. In a volunteer army, a select group of officers is all that is needed to protect and even improve our defense posture from a manpower standpoint.

The cut which I might have proposed today is certainly not overwhelming. Any army of less than 2 million men, with a third of a million officers, could clearly stand some scrutiny. Currently there are 295,000, or 15.87 percent, in our armed services. An amendment to cut that number slightly or to hold it would be reasonable.

Some questions may arise as to what kind of an officer corps we may be creating by such an amendment. This problem has been previously dealt with by the committee and the Congress in the Officer Grade Limitations Act. This act limits the size of each grade proportionately to the size of each service's individual officer corps. The cut would then be largely proportional since the upper limit to this act has already been approached in many grades.

During the debate on this issue last year, our distinguished colleague from Alabama (Mr. DICKINSON) stated that one of the problems with this amendment was that the committee did not have an opportunity to adequately study this matter. Yesterday the gentleman from Alabama, for committee, again asked that we not act in this area because the committee will shortly be dealing with legislation which will deal with the problem. The measures which they will be taking up are Department of Defense proposals which will amend the military tenure law, and permit the DOD to phase out selectively certain grades of officers. I approve of and appreciate the efforts of the Stratton subcommittee. There is no guarantee that the committee will be interested in my approach, but the fact that the subject is being considered has persuaded me not to offer my amendment this year.

In not offering my amendment at this time, I am relying on the committee to be more aggressive in supervising our officer corps. I am hopeful that it will carefully consider the matter and present a bill to the House for our consideration.

The amendment reads as follows:

In Title 3 Active Forces add Section 302 immediately following Section 301:

Notwithstanding any provision in Sections 301 or 302, for the fiscal year commencing July 1, 1974 and ending June 30, 1975, the aggregate total strength for active duty commissioned officers in the Army, Navy, Marine Corps and the Air Force combined shall not exceed 260,120.

The CHAIRMAN pro tempore. The Clerk will read.

The Clerk read as follows:

TITLE IV—RESERVE FORCES

SEC. 401. For the fiscal year beginning July 1, 1974, and ending June 30, 1975, the Selected Reserve of each reserve component of the Armed Forces will be programed to attain an average strength of not less than the following:

(1) The Army National Guard of the United States, 408,000;

(2) The Army Reserve, 225,000;

(3) The Naval Reserve, 117,000;

(4) The Marine Corps Reserve, 38,000;

(5) The Air National Guard of the United States, 95,000;

(6) The Air Force Reserve, 51,319;

(7) The Coast Guard Reserve, 11,700.

SEC. 402. The average strength prescribed by section 401 of this title for the Air National Guard of the United States shall include a force of not less than 91 flying units.

SEC. 403. The average strength prescribed by section 401 of this title for the Selected Reserve of any reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units of such individual members are released from active duty during any fiscal year, the average strength for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title IV be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The CHAIRMAN pro tempore. Are there any amendments to title IV? If not, the Clerk will read.

The Clerk read as follows:

TITLE V—CIVILIAN PERSONNEL

Sec. 501. (a) For the fiscal year beginning July 1, 1974, and ending June 30, 1975, the Department of Defense is authorized an end strength for civilian personnel as follows:

(1) The Department of the Army, 358,717;

(2) The Department of the Navy, including the Marine Corps, 323,529;

(3) The Department of the Air Force, 269,709;

(4) Activities and agencies of the Department of Defense (other than the military departments), 75,372.

(b) The end strength for civilian personnel prescribed in subsection (a) of this section for the fiscal year ending June 30, 1975, shall be reduced by 15,000. Such reduction shall be apportioned among the Army, Navy, Air Force, and activities and agencies of the Department of Defense. The Secretary of Defense shall report to Congress within sixty days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the military services and the activities and agencies of the Department of Defense. This report shall include the rationale for each reduction.

(c) In computing the authorized end strength for civilian personnel there shall be included all direct-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether in permanent or temporary positions and whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program, and personnel participating in the worker-trainee opportunity program: *Provided*, That when a function, power, or duty or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment. Whenever the Secretary of the military department concerned or the Secretary of Defense determines that a function, power, or duty or activity will be performed by a support services contract which had been performed by direct-hire civilian personnel employed to perform a military function administered by the Department of Defense or determines that a function, power, or duty or activity that is being performed by a support services contract will be performed by direct-hire civilian personnel employed to perform a military function administered by the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such determination. The Secretary of the military department concerned or the Secretary of Defense shall promptly notify the Congress of any adjustment in the authorized end strength for civilian personnel authorized pursuant to this subsection.

Sec. 502. When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by section 501: *Provided*, That the number of additional personnel authorized to be employed pursuant to the authority of this section shall not exceed 1 per centum of the total number of civilian personnel authorized for the Department of Defense by section 501: *Provided further*, That the Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength pursuant to this authority.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title V be considered as read, printed in the Record, and to open to amendment at any point.

The CHAIRMAN pro tempore. Are there amendments to this section? If not, the Clerk will read.

The Clerk read as follows:

TITLE VI—MILITARY TRAINING STUDENT LOADS

Sec. 601. For the fiscal year beginning July 1, 1974, and ending June 30, 1975, each component of the Armed Forces is authorized an average military training student load as follows:

(1) The Army, 97,638;

(2) The Navy, 71,279;

(3) The Marine Corps, 26,262;

(4) The Air Force, 52,900;

(5) The Army National Guard of the United States, 12,111;

(6) The Army Reserve, 9,673;

(7) The Naval Reserve, 2,536;

(8) The Marine Corps Reserve, 3,903;

(9) The Air National Guard of the United States, 2,359; and

(10) The Air Force Reserve, 1,126.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title VI be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The CHAIRMAN pro tempore. Are there amendments to title VI? If not, the Clerk will read.

The Clerk read as follows:

TITLE VII—GENERAL PROVISIONS

Sec. 701. (a) There are authorized to be appropriated to the Department of Defense for fiscal year 1975 $1,400,000,000 to support Vietnamese military forces on such terms and conditions as the Secretary of Defense may determine, to be administered as one fund and to be obligated only upon issuance of orders by the Secretary of Defense: *Provided*, That as of June 30, 1974, unobligated balances previously authorized for the above purpose are hereby repealed: *And provided further*, That nothing contained in this section shall be construed as authorizing the use of any such funds to support Vietnamese military forces in activities designed to provide military support and assistance to the Government of Cambodia or Laos.

(b) Within thirty days after the end of each quarter the Secretary of Defense shall render to the Committees on Armed Services and Appropriations of the Senate and of the House of Representatives, a report with respect to the obligations incurred during that quarter from appropriations authorized by this section.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title VII be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

AMENDMENT OFFERED BY MR. HUNT

Mr. HUNT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Hunt: Page 10, lines 4 and 12, strike out "Vietnamese" and insert in lieu thereof "Republic of Viet Nam".

Mr. HUNT. Mr. Chairman, this is a very simple amendment. It merely strikes the word "Vietnamese" on page 10, lines 4 and 12. It strikes the word "Vietnamese" and inserts in lieu thereof the words, "Republic of Vietnam."

The reason I do this is that at some later date someone may not get the bright idea to think that we passed a piece of legislation that entitles them to use money contained within this section for use in North Vietnam. The money that is contained within this program, as far as I am concerned and many more in this House, we feel it should be used for South Vietnam.

For that reason and that reason alone, I ask that the committee and the House consider the insertion of the words "Republic of Vietnam" rather than "Vietnamese."

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. HUNT. I yield to the chairman of the committee.

Mr. HÉBERT. Mr. Chairman, this is a technical amendment and we accept the amendment.

Mr. GIAIMO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to inquire of the distinguished chairman of the Armed Services Committee if he can inform the House as to the action which I understand was finalized today in the conference on his supplemental authorization bill, insofar as it relates to the MASF aid to South Vietnam.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield so that I may respond?

Mr. GIAIMO. Mr. Chairman, I yield to the gentleman from Louisiana.

Mr. HÉBERT. Mr. Chairman, the confense Department to the previously apreport—rather than the compromise bill—which would clearly hold the Defense Department to the previously approved $1.126 billion ceiling for military aid to Vietnam for fiscal year 1974 and prevent obligation of $266 million which would have been available if previous year accounts had been corrected. That will carry out the intent of an amendment, sponsored by Senator EDWARD M. KENNEDY, and approved by the Senate.

The amendment itself was stricken from the bill, however, the intent of the amendment will be covered by the report.

Mr. GIAIMO. Is it clearly the understanding of the gentleman from Louisiana, that as a result of the compromise reached in the conference and as a result of the language included in the report, as I understand it, rather than its adopting the amendment of the Senator from Massachusetts, is it clearly understood then that the $1,126,000,000 figure for MASF aid to South Vietnam is the figure agreed upon by the Congress for 1974 fiscal year and the supplemental, and that the question of the $266 million which was in question as to whether or not it was available, has been resolved and that the bookkeeping changes will not result in the Defense Department finding and being able to use the additional $266 million? Is that the understanding?

Mr. HÉBERT. The gentleman is correct.

Mr. GIAIMO. So that the position which the House maintained when it voted on this some weeks ago, $1.126 billion, is in effect, and the Department of Defense cannot come back and say that it can use the $266 million; they will not be able to use that authorization?

Mr. HÉBERT. That is correct. The figure authorized by the House in the supplemental, as it is suggested by the gentleman, is the figure.

Mr. GIAIMO. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. HUNT).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. LEGGETT

Mr. LEGGETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. LEGGETT: On page 10, line 3, delete "$1,400,000,000" and insert in lieu thereof "$900,000,000."

Mr. LEGGETT. Mr. Chairman, members of the committee, having in mind what we have just heard in the colloquy between the gentleman from Connecticut and the chairman of the full committee, this amendment should be relatively easy, because what the chairman has indicated has received his full support in the conference, which he has yet to bring to the floor of this House, is a total amount of $1.126 billion for the current fiscal year for MASF, military assistance service funded for South Vietnam and Laos.

That is the amount that has come before this House time and time again, and we have resoundingly approved that item. Now, in the current amount which is in title VII of this bill, $1.4 billion, there is no money for Laos. Therefore, the $1.4 billion in the bill compares to $1 billion in the conference agreement that the gentleman has just described, because in that agreement about $116 million was for Laos.

The Pentagon had asked originally, not for $1.1 billion; they asked for $2.1 billion for the current fiscal year.

Mr. Chairman, our committee cut that down first to $1.6 billion. On a motion by the gentleman from Missouri (Mr. RANDALL), it was cut down to $1.3 billion. I tried to cut it further on the floor but was unsuccessful last year, and now we finally have the figure near the end of the fiscal year where we are spending $1.1 billion for Southeast Asia, or $1 billion for Vietnam.

Mr. Chairman, I think in order to understand these figures we have to understand that the Pentagon, for the 1975 fiscal year, had asked for $1.6 billion, and the committee thought that was too much. With the approval of the chairman, that amount was cut in the full committee to $1.4 billion, and that is the amount that we are currently reviewing before this House.

That amount has not been justified before our committee. We have had some testimony on airplanes for the Army, for the Air force, et cetera, but the total amount that we have here of $1.4 billion is $100 million more than what our committee approved last year for Vietnam and Laos, to wit, $1.3 billion. It is $400 million more than we have agreed to in conference just a few minutes ago for the current fiscal year. It is $570 million more than the $829 million that the committee mentions as being the actual spending authority, which was actually new money appropriated for expenditure during the fiscal year 1974.

If you take out the $266 million that we have been arguing about in conference, which was money for ammunition advanced to Vietnam in 1972 and 1973, the $1.4 billion amount is $656 million more than the $743 million of really controllable expenditures that we had allowed for Vietnam during the current fiscal year.

What do they do with these funds? I have indicated before that I do not support pulling the plug totally on South Vietnam, but I think we have to exercise some restraint out of this body.

Mr. Chairman, the Senate, in the full Committee on Armed Services, has recommended $900 million for the next fiscal year. That is what our amendment really suggests we do, that we adopt the Senate position of $900 million for the 1975 fiscal year.

Mr. Chairman, this year is going to be a lot like 1973. If we look at some of our supplemental views, we can see that South Vietnamese soldiers killed during the past year were some 11,093. They claim a toll of some 38,858 North Vietnamese and Provisional Revolutionary Government Vietcong-type forces.

If we extrapolate the figures that the Pentagon gave me for the first third of this year, they indicate that the losses are going to be on the order of 10,000 South Vietnamese and about 38,000 North Vietnamese during the year.

The CHAIRMAN pro tempore. The time of the gentleman from California has expired.

(By unanimous consent, Mr. LEGGETT was allowed to proceed for 5 additional minutes.)

Mr. LEGGETT. Mr. Chairman, the Vietcong and North Vietnamese are losing roughly three or four men for every South Vietnamese soldier who meets his demise.

If any Members wonder who is carrying on the aggressive activity out in South Vietnam today, I am frankly of the opinion that nobody knows. We could not rely on half a million American soldiers out there to give us reasonable intelligence as to what was going on there a few years ago. Having no people in the country today, especially out in the field, of any substantial numbers other than a small force at the Embassy, we do not know what is going on.

We do know that General Caldwell, when he came before our committee, was testifying as to what was going on, and he said the following:

> Territorial and population control have changed little over the last year—what changes has been made has been in favor of the Government forces.

Mr. Chairman, if we want this war to go on for 20 years, we can just continue to spend at the rate of about a billion and a half dollars for military aid and about $800 million or $900 million for economic aid. We can be doing that for the next 20 years. I believe what we need to do is to get the situation in hand. We must get out of the "numbers game." We talk about the numbers; we talk about the dollars the American public is going to put up for this bill. That is really the only thing we ought to be concerned about. If we accept this amendment, we are not pulling the plug in any way, shape, or form out from the South Vietnamese forces, because we will continue to pay not only the $900 million we are talking about in this bill, but we will expend $800 million or $900 million in economic aid, we will train something on the order of 25,000 South Vietnamese soldiers in the United States, and we will assist them in probably half a dozen other ways that we are not going to hear itemized.

In addition, in the economic area we have a program called commodity assistance, or Public Law 480. What this program does is this: It sends commodities of various and sundry types to South Vietnam. The figure for that is $183 million next year. The South Vietnamese people do not pay that amount to us; they pay their own government $183 million. The South Vietnamese Government has full authority to use that money for payment to soldiers, payment for uniforms, et cetera. So that if we add that to the committee bill, they would be getting not $1.4 billion, but $1.583 billion, plus about $800 million of economic aid, and it would bring the sum of our commitment to South Vietnam to a figure well over $2 billion.

Mr. Chairman, I think we ought to take a leaf out of the book of the Soviet Union and China. If we look at the pamphlet that was submitted to all of us over the past few days by the South Vietnamese Minister of Information, we will find that he says as follows in the May issue of that pamphlet: "Hanoi has now begun to realize that neither Russia nor China will be willing to help it on a large scale."

I think we should likewise similarly not help South Vietnam on a large scale. It is all in the mind of an individual Member as to what a "large scale" is.

The committee's recommendation of a $1.4 billion ceiling on military aid to Vietnam serves the best interests of neither the United States nor the Vietnamese people. As a result I am offering this amendment to reduce that figure to $900 million. The title as recommended by the committee does some good things:

Tightens up the language by which we require the Department of Defense to report its expenditures of the MASF program. Henceworth, DOD will be required to report actual obligations instead of estimated obligations, giving us for the first time real figures to work with in evaluating our military aid to Vietnam.

It repeals the authorization for any unobligated balances remaining in the MASF account at the end of this fiscal year. This will end the guessing game we have had to play each year as to how much money is left in the MASF account.

It authorizes a ceiling on this year's MASF program of $1.4 billion.

If not a ceiling, I am sure the House-Senate conference will make it such. This is:

The sum of $100 million, or 8 percent more than the committee recommended for South Vietnam and Laos last year—$1.3 billion.

Almost $400 million, or 39 percent more than the $1,009.5 million that the Congress finally approved for Vietnam last year—supplementary bill is still in conference.

The sum of $570.5 million, or 31 percent more than the $829.5 million in new money we made available for military aid to Vietnam last year, in the regular appropriation bill, and

The sum of $656.5 million, or 88 percent more than the Defense Department had available in controllable expenditures last year. As was explained in the letter I and several of my colleagues sent to your offices yesterday, of the $1,009.5 million available for Vietnam military assistance last year, $266 million had to be used to replenish U.S. stocks for ammunition provided to the ARVN in prior years. When this amount was subtracted from the available funds, only $743.5 million was available for obligation for military aid to Vietnam in fiscal year 1974.

As these facts clearly show, there is absolutely no way that the $1.4 billion ceiling can be viewed as anything but a substantial escalation of our military aid to Vietnam; yet, the facts of that conflict are that there has been no escalation of the war. The casualty figures provided to my office show, if anything, a slight decrease in military activity this year:

COMBAT DEATHS

Year	United States	SVN	3d country	Enemy	Total
1963	78	5,665	--------	20,575	26,318
1964	147	7,457	1	16,785	24,390
1965	1,369	11,243	31	35,436	48,079
1966	5,008	11,953	566	55,524	73,051
1967	9,377	12,716	1,105	88,104	111,302
1968	14,589	27,915	979	181,149	224,632
1969	9,414	21,833	866	156,954	189,067
1970	4,221	23,346	704	103,638	131,909
1971	1,381	22,738	526	98,094	122,739
1972	300	39,587	443	131,949	172,279
1973	202	11,093	4	38,858	50,157
1974[1]		10,107	--------	38,514	48,621
Total	46,086	205,653	5,225	965,580	1,222,544

[1] Projection based on KIA rates of 1st 4 mos.

These figures show another interesting trend; VC/NVA casualties continue to bear about the same relationship to ARVN casualties as they have in the past, with the VC/NVA losing three to four men for every ARVN soldier killed. You do not have to be a military genius to conclude from this that the ARVN is still mounting a substantial number of offensive operations. If there was ever any doubt about this, it was dispelled by the testimony of Maj. Gen. William B. Caldwell III. In his testimony before the committee, General Caldwell told us, in language which is repeated virtually verbatim in the committee report, that—

> Territorial and population control have changed little over the last year—*what change has been made has been in favor of the Government forces;* (italic added).

Since the only land changing hands is coming under Saigon's control, it is impossible to believe that the ARVN has not been on the offensive. U.S. military aid is intended to help Vietnam defend itself, not to continue the war as though nothing had happened. Expert testimony shows that the ARVN has been able to mount offensives with the amount of aid they have; therefore, it is obvious that no increase is required for purely defensive purposes.

It should be understood that this is not all the military assistance that the Saigon Government can count on from the United States this year. The President's foreign aid request contains $183 million in funds for the commodity import program. The dollars generated by this program in the past have been used by Saigon for uniforms and construction programs: in other words, to supplement their defense budget. If that $183 million is added to the $1.4 billion recommended by the committee, it will boost our Vietnam military assistance program to $1.583 billion, or very nearly the $1.6 billion requested by the Pentagon. Thus, this bill represents an even larger escalation than appears on its face.

It has been argued that we must provide aid at this level because the Russians and Chinese are supplying Hanoi. True enough, Hanoi's aid does come from the major Communist countries; but how extensive is that aid? Hoang Duc Nha, Minister for Information and Open Arms for South Vietnam, wrote in the May 1 edition of the Vietnam Bulletin that—

> Hanoi has now begun to realize that . . . neither Russia nor China will be willing to help it on a large scale.

Such figures as we possess on aid to Hanoi are classified, but if GVN officials are willing to describe that aid as being not on a large scale, it certainly cannot be very much.

Inevitably, we must ask ourselves exactly what our aid accomplishes. I have cited several times the report we received last year that the amount of gunfire in Vietnam on both sides was directly attributable to the amount of ammunition we supplied to the ARVN. That report was buttressed by acknowledgment by our Embassy in Saigon of a need to "restrain" ARVN ammunition consumption, especially artillery ammunition. Yesterday, confirmation of the relationship between the level of our aid and the level of violence in Vietnam was received from yet another source.

In a front page story in the Washington Post, Phillip McCombs tells of discovering the "strange accommodation" between the VC and the ARVN; if the ARVN does not shoot too much, the VC do not attack. The logical extension of this accommodation is that if we were not giving the ARVN ammunition in excess of their self-defense needs, far fewer VC attacks would be provoked. With a lowered level of activity on the battlefield thus obtained, perhaps a higher level of activity at the conference table might ensue.

In the final analysis, it is not our military aid to Vietnam that will make the difference of their ability to or not to survive. Our former colleague, Melvin Laird, recently stated:

> The South Vietnamese can handle them. They have enough pilots. It is their foot soldiers who are important. If there is no will, it's their own tough luck. We have done everything that we told them we were going to do. That's what Vietnamization is all about. The fighting will continue for 20 years.

Mr. Laird and I have had our differences in the past, but that makes our agreement on this point all the more significant. Dollars do not buy victory—only the Vietnamese will can do that. If we continue as we have, dumping $2.5 billion to $3 billion into Vietnam every year, we can look forward to doing so at least for the next 20 years. Is this a fitting memorial to the Americans who were sent to die in Southeast Asia? I think that if those men could come back to talk to us, they would tell us we have far better things to do with our money than that. The administration has told us that we do not have $250 million this year for programs to serve our own veterans; we propose to reduce our military aid to

Vietnam by twice that amount, and I hope that the House will agree with me that we have other, more pressing needs for that money.

My amendment does not signal an abrogation of our responsibilities to the Vietnamese; rather, it is an acknowledgement of our responsibilities to the American taxpayers. The $900 million ceiling I propose will not leave Vietnam high and dry. It makes available more money than either the $743.5 million in controllable money we allowed last year or the $829.5 million in new money we appropriated for military aid to Vietnam in fiscal year 1974. A $900 million ceiling was unanimously agreed to by the Senate Armed Services Committee just last week; and no one wants to suggest that such men as Senator THURMOND or Senator TOWER would countenance an abrogation of our responsibility to Vietnam. They and I agree that $1.4 billion is simply too much money for this program.

I would like to insert at this point a summary of the Defense budget for fiscal years 1973–75:

DEFENSE BUDGET SUMMARY, FISCAL YEARS 1973-75

[TOA in millions of dollars]

	Fiscal year—			Changes, 1973–75
	1973	1974	1975	
Current prices:				
Baseline U.S. forces	69,769	77,047	83,373	+13,604
MAP	1,120	3,295	1,279	+159
Incremental Southeast Asia costs	5,171	1,599	1,863	−3,308
Subtotal, excluding retirement pay	76,060	81,941	86,515	+10,455
Military retired pay	4,392	5,164	6,014	+1,622
Total TOA, current prices	80,452	87,105	92,529	+12,177

[1] Included in the $1,900,000,000 for Southeast Asia costs in fiscal year 1975 is $1,400,000 for the support of South Vietnamese forces and $463,000,000 for U.S. forces.

This table shows that, in fiscal year 1975, our Southeast Asia costs are $584 million greater than the total MAP budget worldwide. In other words, military aid to Vietnam will cost us 46 percent more than military aid to the rest of the world combined. If our amendment is adopted, Vietnam costs will still be $84 million more than the rest of our military assistance budget; but we will at least have brought these expenditures into some kind of reasonable relationship with the rest of the budget.

Even Mr. Schlesinger has assured us publicly that no cataclysm will follow from this amendment:

> Congress, however, appears headed on a different course. Last month, legislators rebuffed a Pentagon attempt to raise the ceiling on Vietnam aid for the current year above the $1.1 billion level to which it had been originally cut.
>
> Then the Senate Armed Services Committee chopped the new fiscal 1975 request down to $900 million. The House Armed Services Committee had only reduced the $1.6 billion request by $200 million, holding out the prospect of a compromise somewhere in between. But the amendment now pending on the House flood would match the Senate panel's $700 million reduction.
>
> Pentagon critics argue that Saigon's armies have traditionally wasted vast amounts of U.S. ammunition and supplies. They also argue that increasing aid rather than cutting it would signal South Vietnamese President Nguyen Van Thieu to continue indefinitely—at U.S. expense—with military rather than political solutions to his problems.
>
> Schlesinger agreed yesterday that the "real issue" in the current debate is the "signals we are giving to both North and South Vietnam." But he added that the congressional cuts would lead to dangerous interpretations in both capitals.
>
> He claimed the image of "prodigal" wasters of ammunition is "not based on observation but on presupposition," and that Saigon's army has been on "strict rationing" of fuel and ammunition in recent months.
>
> Calling attention to what he describes as "Massive" violations by Hanoi of the Paris cease-fire agreements, Schlesinger argued that the continuing fighting in the south is not a result of "undue aggressiveness on the part of Thieu."
>
> From a purely military or tactical standpoint, Schlesinger conceded under questioning, U.S. national security would not be disadvantaged by what happens now in Vietnam.
>
> "Aside from these intangibles" of a moral commitment for support, he said, "I would not describe South Vietnam or Southeast Asia as an area of the world in which our national interests are high."
>
> But even some congressional critics privately concede that the "intangible, implicit commitments" Schlesinger mentioned will continue to provide Congress with a dual dilemma: What happens if the aid is slashed further and the fighting goes on by both sides to Saigon's disadvantage? How much real defense does a certain level of aid actually buy?
>
> Schlesinger said he was uncertain about what the impact might really be if a $900 million level were approved. He envisioned some morale problems and some "gradual" reductions in Saigon's million-man army and its equipment level.
>
> He said the United States could continue supplying "significant" quantities of consummables such as ammunition, but probably would not be able to continue replacing major equipment on the one-for-one basis permitted by the Paris accords.
>
> Under questioning, Schlesinger expressed the "feeling" that the administration's Watergate problems with Congress had spilled over to some extent onto the Pentagon's Vietnam requests.
>
> "It's plain that in regard to our legislation on the Hill, that present discontents are not particularly helpful to gather up votes necessary to get the bills across.
>
> "Nor," he added, "is there enormous speed over there (at the white House) with regard to processing whatever it is the White House is processing. Their attention is diverted."
>
> Privately, White House officials, including Vice President Ford, have been critical of Schlesinger for his handling of the Pentagon requests which were cut on Capitol Hill.
>
> Schlesinger also sought to correct his own earlier indications that as much as $6 billion extra may have been allowed to remain in the defense budget by the White House to pump up the domestic economy.
>
> He said about $1.5 billion in actual spending was retained, equal to perhaps $2 billion to $3 billion in obligational authority.

Mr. Chairman, it is a reasonable program that I seek. The United States is at peace; Americans should not be called on to pay indefinitely for someone else's war. If we intend to participate in a meaningful peace, we must serve notice that the U.S. Treasury is not a bottomless grab bag for another 20 years of carnage in Vietnam. This reasonable reduction will represent a continuation of the policy of fiscal disengagement from Vietnam that the Congress initiated last year. It is a policy Americans will thank us for pursuing, because they know better than anyone what a drain Vietnam has been on financial resources already ravaged by the worst inflation we have experienced in over two decades. In the name of the American taxpayer, I urge the House to consider our amendment favorably.

We have made no reductions in this bill on the floor today. I think we can reduce this particular item by half a billion dollars, reducing the expenditures to Vietnam by 10 percent, which is a very small amount, based on the amount we are expending in the current fiscal year. We ought to recognize that South Vietnam has reduced its expenditures for its own war, if we can believe the figures from the CONGRESSIONAL RECORD, by about 30 percent in 1974, as compared to 1973, and if they can make a 30-percent reduction, I think this Congress, in the name of the American taxpayer, can likewise make a 10-percent reduction.

SUBSTITUTE AMENDMENT OFFERED BY MR. HÉBERT FOR THE AMENDMENT OFFERED BY MR. LEGGETT

Mr. HÉBERT. Mr. Chairman, I offer a substitute amendment for the amendment.

The Clerk read as follows:

> Substitute amendment offered by Mr. HÉBERT for the amendment offered by Mr. LEGGETT: On page 10, lines 3 and 4, delete "$1,400,000,000" and substitute "$1,126,000,000".

The CHAIRMAN pro tempore. The gentleman is recognized for 5 minutes.

Mr. HÉBERT. Mr. Chairman, I do not want us to have a very extensive debate on this because the amendment I am offering merely brings us to the same position that the House decided we should be in for the last 2 years and what the conferees decided this morning in the same amount that we spent over that period of 2 years, namely, $1.126 billion. That is the ceiling. That is all my substitute does, simply. We do not change our position but merely reaffirm the position of the last 2 years.

That is all I have to say about it.

Mr. MONTGOMERY. Mr. Chairman, I rise in support of the substitute amendment.

I would like to say that I am certainly not an expert on South Vietnam, but I would like to point out to the committee I have been to Vietnam, to Laos, to Cambodia, and Thailand a total of 10 times. I think I do know something about the situation over there. Possibly I have been over there more than any other Member of Congress or any nonservice personnel in this country during the combat time.

I cannot say that if we approve the $1.126 billion offered by the chairman in his substitute for fiscal year 1975 this will keep the North Vietnamese from overrunning and taking South Vietnam. I can say this, though: If we do not approve the substitute amendment and do not give financial aid to South Vietnam, they will not make it; they do not have a chance. The Russians and the Chinese are continuing to give supplies—ammunition, guns, and food—to the North Vietnamese. As long as they continue to do that, we certainly have some type of an obligation to help the South Vietnamese.

We are a lot better off in South Vietnam than we have ever been before, if you will just look back for a few minutes. A couple of years ago we were spending $28 billion a year in South Vietnam; we were spending at one time almost $3 billion a month. One of the nice things now in this country is that no Americans are fighting half way around the world. For several months in South Vietnam we were losing as many as 300 young Americans killed, with thousands being injured.

A Member of the other body said a couple of years ago about South Vietnam:

> When the last 50,000 American servicemen are left in Vietnam the North Vietnamese will sweep in and push the remaining Americans into the sea.

That has not been proven true. We have gotten all of the Americans out of there. The only ones left are 200 Americans working in the American embassy in Saigon in South Vietnam. So the South Vietnamese have held out with our personnel help.

They need funds, and I certainly hope you will support the substitute amendment offered by the chairman.

Mr. MURTHA. Mr. Chairman, I rise to support this amendment. I served 1 year in Vietnam with the 1st Marines. I do not profess to be an expert on the Vietnam war. However, I spent a year on the ground and I was out in the field every day. I saw the results of the criticisms of certain Members of Congress. It was devastating to the war effort. I do not agree that it shortened the war.

What concerns me is that we would now at this date attempt to cut back the money needed in the war when South Vietnam has no control over the determination of the aggression of the North Vietnamese.

We lost 46,000 men in South Vietnam. We had 300,000 wounded we still have 1088 men missing in action. You cannot exercise or eliminate or eradicate that.

Congress sat here in its air-conditioned offices and argued over this while the men who served there were in mud up to their knees and water up to their waists.

You cannot tell me that you can fight a war from over here. The experts in the Department of Defense say that they need the money. Ninety percent of the Members of this Congress have served during our wars, and there is no Member in this Congress who would favor what one Congressman said:

> Well, if they need more money we will appropriate more money. We will send more money over there whenever they need it if the North Vietnamese do attack South Vietnam.

Let me ask the Members this, the Members who fought in the foxholes and in the snows and in the mud of the two World Wars, and in Korea, how many of those Members would have favored waiting, that they would say, "We will wait to get the bullets from Congress when we need them right now, more rations, supplies and ammunition." Not one of the Members would have voted for that idea if somebody had asked them.

Two and one-half million men served in South Vietnam willingly, doing their part, doing their duty. The Congress appropriated the money, and Congress supported their effort.

I certainly support the substitute amendment that has been offered. I think it would be a tremendous mistake if we would stand on this floor and reduce the necessary appropriations to the South Vietnamese.

I believe that a mistake of overestimating means we can save some money, but a mistake in underestimating means that there are men in the foxholes and in the swamps and jungles of South Vietnam who do not have the bullets, the rations, and the supplies that they need to fight off aggression, and then the South Vietnamese have to withdraw. And then what happens? I will tell you what happens. Then the North Vietnamese come in, just like they did in Hue in 1968, they came in and killed the leaders, the professors, the doctors, the lawyers. They came in and they killed them, and they buried them in mass graves. That is what happened, and what could happen. These people happen to be our allies. I believe it would be a serious mistake for this U.S. Congress to reduce its support from an ally, and from men who served side by side with our American fighting men.

I think it is extremely important that we support the substitute amendment offered by the chairman of the Committee on Armed Services, so as to give the South Vietnamese what they need.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from Louisiana.

Mr. HÉBERT. Mr. Chairman, I want to make an explanation to the Members. I am going to move that the Committee rise momentarily so as to receive a message from the Senate, and then I will move that we come back into the Committee of the Whole.

I thank the gentleman for yielding.

Mr. HÉBERT. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SISK, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 14592) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes, had come to no resolution thereof.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

> H.R. 10972. An act to delay for 6 months the taking effect of certain measures to provide additional funds for certain wildlife restoration projects.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill and concurrent resolution of the House of the following titles:

> H.R. 69. An act to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes; and
>
> H. Con. Res. 501. Concurrent resolution providing for a conditional adjournment of the Congress from May 23, 1974, until May 28, 1974.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 13998) entitled "An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Moss, Mr. STENNIS, Mr. CANNON, Mr. GOLDWATER, and Mr. CURTIS to be the conferees on the part of the Senate.

PROVIDING FOR ADJOURNMENT OF CONGRESS FROM MAY 23, 1974, UNTIL MAY 28, 1974, WITH SENATE AMENDMENTS THERETO

The SPEAKER laid before the House the concurrent resolution (H. Con. Res. 501), providing for a conditional adjournment of the Congress from May 23, 1974, until May 28, 1974.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendments, as follows:

> Page 1, line 3, strike out "two Houses adjourn" and insert "House adjourns".
>
> Page 1, line 3, strike out "they" and insert "it".
>
> Page 1, line 4, after "1974," insert "and that when the Senate adjourns on Wednesday, May 22, 1974, it stand adjourned until 12 o'clock noon on Tuesday, May 28, 1974,".
>
> Amend the title so as to read: "Concurrent resolution providing for a conditional adjournment of the two Houses over the Memorial Day Holiday, 1974."

The Senate amendments were concurred in.

The title was amended so as to read: "Concurrent resolution providing for a conditional adjournment of the two Houses over the Memorial Day Holiday, 1974."

A motion to reconsider was laid on the table.

MILITARY PROCUREMENT AUTHORIZATIONS, 1975

Mr. **HÉBERT**. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 14592) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

The **SPEAKER**. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

The **SPEAKER**. The gentleman from California (Mr. SISK) is asked to kindly take the chair pending the arrival of the gentleman from Illinois (Mr. ROSTENKOWSKI).

IN THE COMMITTEE OF THE WHOLE

According the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 14592, with Mr. SISK (Chairman pro tempore) in the chair.

AMENDMENT OFFERED BY MR. LEGGETT TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. HÉBERT FOR THE AMENDMENT OFFERED BY MR. LEGGETT

Mr. **LEGGETT**. Mr. Chairman, I offer an amendment to the substitute amendment for the amendment.

The Clerk read as follows:

> Amendment offered by Mr. LEGGETT to the substitute amendment offered by Mr. HÉBERT for the amendment offered by Mr. LEGGETT: On page 10, strike on line 3 "$1,126,000,000" and substitute "$1,000,000".

PARLIAMENTARY INQUIRY

Mr. **HÉBERT**. Mr. Chairman, a parliamentary inquiry.

The **CHAIRMAN**. The gentleman will state it.

Mr. **HÉBERT**. The gentleman from California has one amendment pending, and I offered a substitute. In a parliamentary procedure, can he offer another amendment to a substitute for his own amendment for consideration?

The **CHAIRMAN** pro tempore (Mr. SISK). The Chair will state the gentleman from Louisiana offered a substitute amendment for the amendment offered by the gentleman from California. The gentleman from California in turn is now offering an amendment to the substitute amendment, which would be in order. The gentleman from California is not attempting to amend his own amendment.

Mr. **LEGGETT**. Mr. Chairman, I am not going to take 5 minutes.

I rise in support of the amendment. I assume that the chairman in offering the substitute amendment indicated that he did not want to escalate the effort of the United States in Vietnam over the next fiscal year above the figure that was agreed to in conference today. When he offered the conference committee the figure of $1.126 billion, what he forgot was that about $116 million of that amount was not for Vietnam for the current fiscal year; that was for Laos. In all good faith, the Laos money is not in this bill for the next fiscal year, and that money ought to come out.

So I think that if we settled on a nice round figure like $1 billion, we would accomplish our objective.

I would just say that I admit maybe there has been some escalation of the cost of living, et cetera, and I am sure that the gentleman from Florida would like to bring that point out, but I would say this: While I do not agree with him in all respects, Graham Martin said in U.S. News & World Report this week, as our Ambassador to the Republic of Vietnam:

> I have said our objective should be to end it leaving a Vietnam economically viable, militarily capable of defending itself with its own manpower, and free to choose its own government and its own leaders. I believe this can be done within the next three years.

If we are going to do this in 3 years, as the Ambassador says, and not leave the Vietnamese high and dry, then we have got to deescalate these figures and not escalate them. If we accept the chairman's substitute without my amendment, then we are escalating 1975 over 1974. If we want to bring it into balance, and then perhaps let a further conference between the House and Senate resolve this, then accept my amendment. Take the Laos money out; keep the matter a level program; and recognize that the amendment that we have to take out some $500 million, as admitted by the committee, had considerable merit, because the gentleman agreed to about three-fourths of what we want to do.

Mr. **GIAIMO**. Mr. Chairman, will the gentleman yield?

Mr. **LEGGETT**. I yield to the gentleman from Connecticut.

Mr. **GIAIMO**. I thank the gentleman for yielding.

Will the gentleman explain whether the $1 billion is money for just Vietnam, or does it include money for Laos?

Mr. **LEGGETT**. No. That would be just money for Vietnam and would not include Laos. That would be exclusive of the economic aid, which is probably going to $8 or $900 million, which is not under the jurisdiction of our committee.

I assume the chairman is going to accept this admendment.

Mr. Chairman, I yield back the remainder of my time.

Mr. **HÉBERT**. Mr. Chairman, I rise in opposition to the amendment and to laugh heartily at the assumption of the gentleman from California that I would accept anything that he offers. I think here we have seen a demonstration of what I have to put up with in the Committee on Armed Services. We are not being capricious here; we are not dealing in numbers; we are dealing with human beings and human lives. To be as capricious as has been demonstrated by the gentleman from California would be shocking to me if I did not know his past performances and know what the record shows in the racing form. But I think it is absolutely shocking to come before this body and be as capricious as he has been here.

I ask that the amendment to the substitute amendment be rejected.

Mr. **GIAIMO**. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have so many amendments pending now that we could well lose sight of what we are trying to do here.

Mr. Chairman, the distinguished chairman of the Armed Services Committee has offered a substitute amendment to keep military assistance aid to South Vietnam to $1.126 billion. That is the figure that some weeks ago we discussed and debated in this House and which was finalized in the fiscal year 1974 authorization bill which was completed in conference by both bodies of the Congress today.

We have an amendment pending to reduce that amount to $900 million, and now we also have this parliamentary situation that we find ourselves in where instead of those amounts it would be $1 billion—still a reduction of $126 million from the figures offered by the gentleman from Louisiana, the chairman of the committee.

I want to stress that what is important here is not so much that we compromise out the dollar amount. What is important here is the principle. This House and this Congress marched up the hill several weeks ago and said that we were going to cease giving a blank check to the Defense Department insofar as military assistance to Vietnam was concerned. We should not now march down that hill.

We sent out a legislative message when we adopted the fiscal year 1974 supplemental authorization bill that the United States was growing tired of military assistance to South Vietnam and that we wanted to reduce it. Many of us who want to reduce it do not say that we should reduce it to zero, because we feel that would be a sellout and would be unwise, but we do have to establish the principle and we do have to send the message to South Vietnam that they should begin to abide by the Paris agreement and work out a political solution to this conflict. The United States is not going to reinvolve itself in Vietnam—God willing. The United States has got to make it clear to South Vietnam that it cannot call upon us for whatever it needs in the way of military assistance. We made that message clear weeks ago.

We apparently and obviously must give

them an additional message, and that is the one of today, that in the coming fiscal year we are going to cut them still more until we can get a political solution to this war and a final termination, and that we can then finally see by yearly reductions a complete termination of military assistance to South Vietnam.

It is not a sellout of an ally. It is signaling to the South Vietnamese to initiate and to abide by the Paris Agreement and to begin to seek a political solution to this war. It is the principle that is important here, not a compromise figure.

In many instances and many times we have compromised a dollar amount, and certainly when we are dealing in billions, $100 million more or less unfortunately, has very frequently been lost on the floor of the House. But it is the principle here which is important; the principle that we reduce by some degree the amounts of money available for military assistance to South Vietnam.

So, Mr. Chairman, I urge the adoption of the amendment offered by the gentleman from California (Mr. LEGGETT).

Mr. ESCH. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Michigan.

Mr. ESCH. Mr. Chairman, I appreciate the gentleman's yielding.

I associate myself with the remarks made by the gentleman from Connecticut.

Mr. Chairman, I rise in support of the amendment to place a ceiling of $900 million on military aid to South Vietnam. The debate today has been put in terms of our commitment to South Vietnam. Let me begin by stressing that we are not advocating an elimination of aid to that country. Quite to the contrary. Under this amendment, aid to South Vietnam would still be some $84 million more than our military assistance programs for the rest of the world, hardly a figure which leaves that country devoid of military assistance.

Yet I would like to remind this body of another commitment; that is our commitment to military disengagement from Southeast Asia. It was expressed in our disapproval of appropriations for further military activities in Cambodia and Laos in 1973. It was again expressed in our insistance on a strictly adhered to ceiling on military aid to South Vietnam in 1974. Let us remember that commitment as we consider this request of $1.4 billion in military aid to South Vietnam for 1975.

It is a request of almost $400 million or 39 percent more than that which we approved for Vietnam last year.

It is $570.5 million or 31 percent more than the committee recommended for South Vietnam and Laos last year.

It is $570.5 million or 31 percent more than the $829.5 million in new money we made available for military aid to Vietnam last year.

In short, this is not a request that reflects a commitment to disengagement, but one which reflects a continuing and indeed increased commitment to a military solution.

In debate over the Defense Department's request for a supplemental appropriation for military aid to South Vietnam in 1974, I stressed the dilemma presented to us by that request in terms of our relationship to Indochina. We are again presented with that same dilemma as we consider this request for increased aid.

This administration has proclaimed a policy of peace in Vietnam. Its efforts in this regard have been substantial, culminating in the cease-fire and the Paris agreement. These achievements provide us with the long hoped for opportunity to change the nature of our involvement in this part of the world, to build, in cooperation with the international community and the Government of Indochina, a secure and lasting peace. Will shipping yet more arms to South Vietnam help strengthen the cease-fire agreement? Will an increase in the weapons of war help build the peace? This vote today then, presents us with a second dilemma, pursuing the peace with a policy of increased military commitment.

Mr. Chairman, we are committed to building the peace in Indochina. I suggest we would best make good on that commitment by adopting this amendment before us today.

Mr. RYAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to take this opportunity to raise a question as to the propriety or appropriateness of the remarks addressed to my colleague, the gentleman from California (Mr. LEGGETT) regarding his capricouisness in entering this debate regarding the amount of money going to Vietnam.

I have known the gentleman for a great many years and I have never known him to be as capricious as the chairman of the committee has implied today. I yield the balance of my time to my colleague, the gentleman from California (Mr. LEGGETT) to reply.

Mr. LEGGETT. I want to thank my colleague from California. I am not going to take the full time. The chairman and I have an understanding when we talk to each other, either on the floor or otherwise.

I would not accuse my chairman of being capricious in reducing the amount of $1.6 billion asked by the Pentagon to $1.4 billion just like that; but he did, and thank God he did.

I would not accuse him of being capricious coming to the floor here today without letting me know that he was going to further reduce the item by another $300 million; but again I say, thank God, Mr. Chairman, that he did. I think he could do better as far as reducing this particular item, and whether it is capricious or well thought out or whatever it is, I think it is a worthwhile way of establishing a new direction in this Congress as to where we are going in Vietnam.

As the gentleman from Connecticut said, the only thing we need to do is make some kind of reduction to indicate that this matter is not going back to our previous figures. I urge support of my amendment to the substitute reducing the total military aid item to Vietnam to a flat $1 billion.

Mr. GAYDOS. Mr. Chairman, I move to strike the last word.

I am not going to take all the time, but I think that it is most important that my colleagues give proper consideration to the remarks made by my colleague, the gentleman from Pennsylvania, who spoke here earlier. Every Member in the House should know his background and the platform from which he spoke. He spoke from personal experience in Vietnam. I think he is the only Member of the House that is a veteran of this conflict, the gentleman from Pennsylvania (Mr. MURTHA). He volunteered his services in Vietnam. He patriotically left his business of 18 years for 4 years active duty in Vietnam where he served as a colonel. He received the Bronze Star, two Purple Hearts, and the Cross of Gallantry in the war, with numerous other campaign ribbons.

I think it is important to know this. His remarks were well framed and indicated a good background and understanding of the situation in Vietnam. I think my colleagues should be apprised of this man's background, because we then can weigh his remarks and give that much more credence and understanding to what he said. I again congratulate my colleague for his most effective and meaningful remarks regarding Vietnam. He knew whereof he spoke. I yield back the balance of my time.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite words.

There are two points I would like to deal with.

First. The committee, that is, the Pentagon—request for military aid to Saigon is justified, in part, thusly:

> Hanoi is conducting a massive military build-up in the south. . . . Since the cease-fire, Hanoi has infiltrated over 70,000 replacement troops, some 400 tanks, 150 long range heavy artillery pieces, 1,000 AAA guns and 150,000–200,000 tons of ammunition and supplies.

But on page 898 of the committee hearings, General Caldwell says:

> In addition to the (deleted) tons of ammunition and supplies they have on hand we believe they have a capacity to stockpile roughly (deleted) tons in South Vietnam.

He then gives a table which lists "Ammunition—[deleted], Supplies—[deleted], Total—[deleted]."

On page 904, Secretary Doolin provides the following information:

> During 1973 we estimate China provided about (deleted) percent of the total economic aid to North Vietnam with the Soviet Union and Eastern European countries contributing the remainder. (Deleted).

On page 905, Pentagon-provided information notes:

> The 1968 estimates of infiltration was (deleted) personnel, the highest of record. This is to be contrasted with our 1973 estimated of (deleted).

Mr. Chairman, I would suspect that the North Vietnamese have a pretty good idea how much ammunition they have stockpiled in South Vietnam. It is also quite probable that the Chinese, the Soviet Union, the Eastern European countries, and any others all know how much aid they give North Vietnam. And I would even venture to guess that the North Vietnamese keep track of their troop movements.

Whose national security is protected by deleting these figures?

Who are we hiding them from?

Could it possibly be that the exact figures on Hanoi's buildup would not appear to be quite so accurate if we could see more of the data on which they are based?

The Judiciary Committee has seen deletions used to cover something other than vital national security. Could something similar possibly be going on here, too?

My second point is that there seems to be a strange correlation between Communist military offensives in Vietnam and the date of votes in Congress affecting aid to Saigon.

Let us start with last October. The Senate foreign aid authorization vote was scheduled for the first week of October. On September 29, Saigon reported a major Communist attack on ARVN forces in Tay Nin Province. The Senate vote came on October 2. The next day, the New York Times reported that ARVN soldiers in the area said that it was Saigon forces who started the fighting by launching an attack against a long established Communist base in Tay Nin.

The next series of congressional votes were those dealing with the proposed supplemental military aid to Thieu, and were slated for floor action in early April. On March 30, Saigon's Minister for Information predicted at a luncheon of the Vietnam Council on Foreign Relations that—

> Today, the North Vietnamese are entering the final stages of their preparation for a generalized offensive to try once again to "liberate the South. . . ."

His information seems to be rather individual, though, because the week before, the Pentagon and the Thai Government signed an agreement by which the United States would begin to reduce our forces in Thailand because, as news reports indicated:

> Both governments are satisfied that the North Vietnamese are planning no major offensive in neighboring Vietnam now that the "dry season" is nearing its end.

Despite Thieu's prediction, the House refused to increase the ceiling in its April 4 vote.

Nevertheless, on April 12, the Saigon-reported offensive began. Saigon announced that its base at Tong Le Chan had fallen during the night to a massive North Vietnamese attack. This offensive was taking place while the Senate was questioning the Pentagon request to add another $266 million in supplemental aid. Then, on April 20, the New York Times reported from Saigon that it is "widely believed the Saigon Government orchestrated the news about the fall of a ranger base called Tong Le Chan—which is reliably reported to have been evacuated in the dead of night—in order to dramatize the North Vietnamese threat." So much for that offensive.

Nevertheless, 2 days later, with the Senate vote scheduled for about a week later, the same South Vietnamese Information Minister told a group of 2,000 administrative cadres gathered in Saigon that the "general Communist offensive has already started." The Senate vote to withhold the extra $266 million came on May 7.

That brings us up to this vote—and surprise, surprise—2 days before the vote is scheduled in the House, Saigon spokesmen report another major offensive at Ben Cat.

Well, I am looking forward to tomorrow or Friday's papers, because we will find out then what really happened.

Finally, I would like to refer, without further comment, to an article in the May 13 Far East Economic Review, a publication which is esteemed as one of the most authoritative and conservative on Southeast Asian affairs. According to the article, which I will submit for the RECORD:

> The current upsurge in fighting is widely thought in South Vietnam to have been 'ordered' by U.S. Ambassador Graham Martin to justify the Administration's demands for increased military assistance to South Vietnam for fiscal aid in 1975. It is even claimed that Martin advised President Thieu to yield up one of Saigon's isolated bases within territory held by the Provisional Revolutionary Government every week to convince the U.S. Congress and the public that North Vietnam had launched offensives.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California (Mr. LEGGETT) to the substitute amendment offered by the gentleman from Louisiana (Mr. HÉBERT) for the amendment offered by the gentleman from California (Mr. LEGGETT).

RECORDED VOTE

Mr. LEGGETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 190, noes 211, not voting 32, as follows:

[Roll No. 240]

AYES—190

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Ashley
Aspin
Badillo
Barrett
Bell
Bergland
Biaggi
Biester
Bingham
Boland
Brademas
Brasco
Brooks
Brown, Calif.
Brown, Mich.
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Carney, Ohio
Chisholm
Cohen
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dellums
Denholm
Diggs
Dingell
Donohue
Drinan
Dulski
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Fascell
Findley
Flynt
Foley
Forsythe
Fraser
Frenzel
Fulton
Gaydos
Giaimo
Gibbons
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanna
Hanrahan
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Holtzman
Horton
Howard
Hungate
Hutchinson
Johnson, Colo.
Jordan
Karth
Kastenmeier
Koch
Kyros
Leggett
Lehman
Litton
Long, Md.
Lujan
Luken
McClory
McCloskey
McCormack
McKinney
Macdonald
Madden
Matsunaga
Mazzoli
Meeds
Melcher
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Mosher
Moss
Nedzi
Obey
O'Hara
O'Neill
Owens
Patten
Perkins
Pickle
Pike
Podell
Preyer
Pritchard
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rosenthal
Roush
Roy
Roybal
Ryan
St Germain
Sarasin
Sarbanes
Schneebeli
Schroeder
Seiberling
Shipley
Shoup
Shuster
Slack
Snyder
Stanton, James V.
Stark
Steele
Stokes
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Thompson, N.J.
Thone
Tiernan
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Whalen
Whitten
Wilson, Charles H., Calif.
Wolff
Wyman
Yates
Yatron
Young, Ga.
Zwach

NOES—211

Abdnor
Alexander
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bevill
Blackburn
Boggs
Bolling
Bowen
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Cleveland
Cochran
Collier
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dennis
Dent
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Evins, Tenn.
Fish
Fisher
Flood
Flowers
Fountain
Frelinghuysen
Frey
Froehlich
Fuqua
Gettys
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gray
Gubser
Hammerschmidt
Hansen, Idaho
Harsha
Hastings
Hays
Hébert
Henderson
Hillis
Hogan
Holifield
Holt
Hosmer
Huber
Hudnut
Hunt
Ichord
Jarman
Johnson, Calif.
Jones, N.C.
Jones, Tenn.
Kazen
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Landrum
Lent
Long, La.
Lott
McCollister
McDade
McEwen
McFall
McKay
McSpadden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Mills
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nichols
O'Brien
Parris
Passman
Patman
Pepper
Pettis
Peyser
Poage
Powell, Ohio
Price, Ill.
Price, Tex.
Quie
Quillen
Reid
Roberts
Robinson, Va.
Robison, N.Y.
Rose
Rousselot
Ruppe
Ruth
Sandman
Satterfield
Scherle
Sebelius
Shriver
Sikes
Sisk
Skubitz
Smith, Iowa
Smith, N.Y.
Spence
Staggers

Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Symms
Talcott
Taylor, Mo.
Thomson, Wis.
Thornton
Towell, Nev.
Treen
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Widnall
Wiggins
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Wydler
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—32

Annunzio
Blatnik
Carey, N.Y.
Clark
Clawson, Del
Clay
Collins, Ill.
du Pont
Eckhardt
Ford
Hansen, Wash.
Helstoski
Hinshaw
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Kluczynski
Latta
Metcalfe
Minshall, Ohio
Morgan
Murphy, Ill.
Nix
Rhodes
Rooney, N.Y.
Rostenkowski
Runnels
Stubblefield
Teague
Williams
Wyatt
Wylie

So the amendment to the substitute amendment for the amendment was rejected.

The CHAIRMAN pro tempore. The question is on the substitute amendment offered by the gentleman from Louisiana (Mr. Hébert) for the amendment offered by the gentleman from California (Mr. Leggett).

The substitute amendment for the amendment was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California (Mr. Leggett), as amended.

The amendment, as amended, was agreed to.

Mr. TIERNAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, despite efforts to expunge it, the political prisoner question in the Republic of Vietnam remains unresolved today. Conflicting accounts of the situation have been issued by a wide variety of people and organizations, including official representatives of the U.S. Government and congressional committees.

GRAHAM MARTIN—U.S. AMBASSADOR TO VIETNAM

We in Congress do not know for certain whether or not the Government of the Republic of Vietnam, acting in the name of democracy and freedom, is imprisoning and torturing South Vietnamese because of their unorthodox or unacceptable political views—and I speak here not of the 5,081 Communist prisoners officially acknowledged and released by the Government of South Vietnam. But rather, I speak of civilian detainees imprisoned for expressing their political beliefs and for urging the establishment of the National Council for National Reconciliation and Concord as provided for in the "Agreement on Ending the War and Restoring Peace to Vietnam," signed by the United States on January 27, 1973.

Political prisoners are being incarcerated and tortured in South Vietnam, we do not know it for certain. We do not know if funds from the U.S. taxpayers are being used to support these totalitarian tactics, nor do we know whether or not the continued funding of Mr. Thieu's government will allow this kind of inhumane governmental repression to continue in the future.

What we do know is that this Congress, in the name of the people of the United States, appropriated $1.126 billion for military aid to the Government of South Vietnam in fiscal year 1974, and that we did it for the establishment of peace, not the incarceration and torture of political prisoners.

Today we will decide the authorized funding for military assistance to Vietnam for fiscal year 1975. Whatever that amount is, I would hope that all of us could make that authorization with a clear conscience, knowing that it will be used to bring peace to Vietnam, and not to support the political repression of the Vietnamese. As of this minute, none of us in this Chamber can claim a clear conscience in this matter, because none of us can say with certainty that there are no political prisoners in South Vietnam.

For several months a number of our colleagues, as well as myself, have been attempting to initiate a General Accounting Office investigation of the political prisoner question in South Vietnam Our efforts, unfortunately, have been fruitless, and that is why I come before you today to ask you to join me in that effort. We have been turned away by the GAO in our past requests because the Department of State, acting in its capacity as official foreign representative of the United States, has concluded that such an investigation would be an infringement upon the sovereignty of South Vietnam. The GAO concurred in that opinion, as did the Government of the Republic of Vietnam.

Mr. Chairman, I do not believe that an investigation by the General Accounting Office would be an infringement upon the sovereignty of Vietnam, and I would hope that an overwhelming majority of the Members of the House agree with this view.

We are not asking that the U.S. Government, or any agency of that Government, infringe upon the sovereignty of South Vietnam. Rather, we are asking for an accounting of the moneys freely and generously given to South Vietnam. We are asking this not because we wish to interfere with the internal operation of Mr. Thieu's government, but because we need to know the truth about the use of these taxpayer money funds.

The Congress and the people you represent have a right to know what is being perpetrated upon the people of South Vietnam in their name, and in the name of democracy. The American people have a right to know the truth because it is their money we are committing to South Vietnam—it is their work and sacrifice which is being offered to the Republic of Vietnam. The Congress has a right to know the truth because as representatives of the people we are charged with a moral responsibility to safeguard the manner in which we authorize the appropriation of funds entrusted to us by the American people. We have a responsibility to them and to ourselves to find out how U.S. funds are being spent and to make future decisions based upon that knowledge. Anything short of that is an abrogation of our responsibility to the citizens of the United States.

The Government of the Republic of Vietnam has refused to allow a thorough investigation of the political prisoner question in Vietnam. It has heretofore refused to allow international humanitarian organizations, such as the International Red Cross; individual parties, such as Bishop Thomas Gumbleton of Detroit and Bishop Guy Belanger of Valleyfield, Quebec, Canada; and U.S. Government investigative agencies, such as the General Accounting Office, to conduct such an inquiry. It is imperative that we approve this amendment so that the question of political prisoners so that Republic of Vietnam might finally be resolved, and so that the Congress and the taxpayer of the United States might know the truth about how U.S. funds are being spent by the Republic of Vietnam.

Mr. Chairman, I had intended to offer an amendment to this bill that would require that the Vietnam Government allow the General Accounting Office to make an investigation with regard to the allegations that have been made with regard to political prisoners being held in South Vietnam. I am making reference not to the 5,000 or more Communist prisoners who were released but with regard to those other men and women being held in jail in South Vietnam at the present time.

The chairman of the committee indicated to me that he will request that the General Accounting Office make such an investigation. Therefore it will not be necessary for me to present that amendment.

Mr. Chairman, my amendment would have read as follows:

An amenlment to H.R. 14592, Title VII, Section 701(a), page 10, line 14. After the word "Laos" insert a colon and add the following:

"*Provided further*, That no funds shall be made available to support Vietnamese military forces until the General Accounting Office is guaranteed the opportunity, by the Government of the Republic of Vietnam, to conduct a thorough and complete investigation into the allegation that United States funds are being used by the Government of the Republic of Vietnam to support the incarceration and torture of political prisoners in the Republic of Vietnam. A preliminary report of the investigation shall be presented to the Congress 9 months after enactment of this Title, and a final report shall be submitted 18 months after enactment of this Title."

AMENDMENT OFFERED BY MR. CARNEY OF OHIO

Mr. CARNEY of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Carney of Ohio: Page 10, between lines 20 and 21, insert the following:

Sec. 702. (a) No funds authorized to be appropriated by this or any other Act may be obligated under a contract entered into by the Department of Defense after the date of the enactment of this Act for procurement of goods which are other than American goods unless, under regulations of the Secretary of Defense and subject to the determinations and exceptions contained in title III of the Act of March 3, 1933, as amended (47 Stat. 1520; 41 U.S.C. 10a, 10b), popularly known as the Buy American Act, there is adequate consideration given to—

(1) the bids or proposals of firms located in labor surplus areas in the United States as designated by the Department of Labor which have offered to furnish American goods;

(2) the bids or proposals of small business firms in the United States which have offered to furnish American goods;

(3) the bids or proposals of all other firms in the United States which have offered to furnish American goods;

(4) the United States balance of payments;

(5) the cost of shipping goods which are other than American goods; and

(6) any duty, tariff, or surcharge which may enter into the cost of using goods which are other than American goods.

(b) For purposes of this section, the term "goods which are other than American goods" means (1) an end product which has not been mined, produced, or manufactured in the United States, or (2) an end product manufactured in the United States but the cost of the components thereof which are not mined, produced, or manufactured in the United States exceeds the cost of components mined, produced, or manufactured in the United States.

Mr. CARNEY of Ohio. Mr. Chairman and Members of the Committee, I will take only about a half a minute.

This amendment, as I understand, is noncontroversial. It is the same amendment as the one I offered last year which was adopted unanimously by a voice vote, and then an almost identical amendment was offered in the other body by Senators THURMOND, SYMINGTON and TOWER. As I say, this language is the same as theirs, and it is introduced to conform with what was enacted last year, so that we may have that same language in this bill.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. CARNEY of Ohio. I yield to the gentleman from Louisiana.

Mr. HÉBERT. Mr. Chairman, I want to say to the gentleman from Ohio that the same language as this amendment was placed in the bill last year, and therefore the amendment offered by the gentleman from Ohio is acceptable on this side.

Mr. BRAY. Mr. Chairman, the language in the amendment, as I understand, is the same as it was last year, and is acceptable to this side.

Mr. CARNEY of Ohio. The language is identical.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Ohio (Mr. CARNEY).

The amendment was agreed to.

Mr. HARRINGTON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as a former member and perhaps somewhat suspect alumni of the Committee on Armed Services, I would like to ask the chairman, or someone else who might be knowledgeable on the subject, as to a matter which has been the subject of concern in the House, but which has not been raised by members of the Committee on Armed Services.

Mr. Chairman, I will be brief, and this will not be an effort to add an amendment to the bill, but just an inquiry. That is the only purpose in my asking for this time.

So, Mr. Chairman, I will ask the chairman of the committee, or anyone else who might be in a position to answer it, whether or not we find ourselves again confronted with the same problem we have had in the past with this authorization which is rather sizable by anyone's definition. Does this bill contain moneys covering unspecified and so-called classified matters, or for unspecified purposes by definition, without these funds being made a matter of investigation by the committee?

Mr. Chairman, I raise this question because about 2 years ago there was around $1 billion of this kind of so-called classified or unspecified money, but even in my efforts within the framework of this committee, and in the privacy of closed sessions, I could not extract an answer to my inquiry.

So I would like to ask any member of the committee, or the chairman, whether they could give me such information.

I hesitate to ask specifically whether the Chairman of the full committee could give me some indication of what proportion, or what dollar amount is contained in this bill for such subjects of classification or specification unknown, inasmuch as this subject has not been broadly discussed or broadly known by the members of the Committee on Armed Services. I would ask whether the chairman, or some member of the committee, could indicate, hopefully in specific dollar terms, what portion or portions of this bill cover such subjects.

Further, I would ask specifically whether or not we are going to be apprised as to whether there are such sums included in this bill—sums that are not subject to the appropriate congressional scrutiny that should be given them at this juncture, especially in view of the track record of certain executive branch agencies over the course of the last year?

Mr HÉBERT. Mr. Chairman, if the gentleman will yield, is the gentleman from Massachusetts referring to CIA money, perhaps?

Mr. HARRINGTON. I have hesitated to use such specificity in asking the question, but in the past there was money in the Air Force budget, at least, that had been placed there for such purposes.

Mr. HÉBERT. In the past there was CIA money. There is no CIA money in this bill.

Mr. HARRINGTON. Is there any money for any of the other so-called security agencies which has not been made the subject of general knowledge to the Committee on Armed Services as a whole?

Mr. HÉBERT. Most certainly there is money in there for security for the armed services.

Mr. HARRINGTON. Could the gentleman give me some indication of the amount of money?

Mr. HÉBERT. No, I could not give it out. It is classified.

Mr. HARRINGTON. Have the committee members as a whole, in executive session, been apprized of the amount of money?

Mr. HÉBERT. Yes.

Mr. HARRINGTON. The entire committee?

Mr. HÉBERT. The entire committee.

Mr. HARRINGTON. Does it represent the senior members on each side?

Mr. HÉBERT. No.

Mr. HARRINGTON. Is there any other money that would run to similar purposes that would not be for "armed services security" that would be in the bill for the same purpose and not generally known to the Congress?

Mr. HÉBERT. No.

Mr. HARRINGTON. I thank the Chairman.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, sensing the mood of the House, I will not offer the following amendment, but I would at least like to share it with the Committee. I was prepared earlier, before realizing the attitude of the House today, to offer the following amendment:

Page 10, title VII, after line 14, insert the following new language:

None of the funds authorized to be appropriated under this title for military assistance to the Republic of Vietnam shall be expended until the President reports to the Congress, in writing, that the government of the Republic of Vietnam is fully providing all its citizens—

(1) freedom of speech;
(2) freedom of the press;
(3) freedom of meeting;
(4) freedom of organization;
(5) freedom of political activity;
(6) freedom of belief;
(7) freedom of movement;
(8) freedom of residence;
(9) freedom of work;
(10) the right to property ownership; and,
(11) the right to free enterprise

as guaranteed by Article XI of the Agreement on Ending the War and Restoring Peace in Vietnam.

Mr. Chairman, this amendment says that if General Thieu is unwilling to extend to his citizens the exact rights guaranteed them under article 11 of the Paris Agreements—which were signed by the United States and by the Saigon government—that we should not give him any funds under this title.

The amendment is based upon provisions of the Indochina Peace Pledge of 1974, a pledge that I have signed along with approximately 30 of my colleagues.

The freedoms and rights guaranteed by the Paris Agreement are one of the key components of the accords, and, in large part, constitute the critical framework of the political settlement envisioned by the signatories.

However, since he signed the Paris agreements—which he did very reluctantly and only after extreme pressures from our Government—General Thieu has completely ignored the rights guaranteed in article 11. Instead, he has:

Prohibited opposition political parties. If proof is needed, cite—article in Chicago Daily News, April 18, 1974; June 9, 1973, Washington Post article; Senate Foreign Relations Committee report on Vietnam and Thailand—1973.

Outlawed neutralism—Proof, CONGRESSIONAL RECORD, May 20, 1974, page 15548.

Severely censored the press—Proof, CONGRESSIONAL RECORD, May 20, 1974, page 15540.

Prevented refugees from returning to their homes or otherwise choosing their place of residence—Proof, CONGRESSIONAL RECORD, May 20, 1974, pages 15555 and 15561.

Prohibited citizens from traveling between zones controlled by Saigon and those controlled by the Provisional Revolutionary Government—Proof, answer by AID official to Senator BROOKE in Senate Appropriations Committee hearings.

Forbidden business transactions between zones—Proof, statement by Diane Jones of American Friends Service Committee.

Held Buddhist monks in jail for religious refusal to serve in the Saigon army—Proof, CONGRESSIONAL RECORD, May 20, 1974, page 15544.

Reneged on land reform—Proof, CONGRESSIONAL RECORD, May 20, 1974, pages 15552 and 15561; New York Times, January 14, 1974.

In addition to denying the rights guaranteed under the Paris agreement. Thieu has gone so far as to prohibit even the distribution of the Paris agreement to citizens under his rule.

Is this the peace with honor that we worked so hard to get? Should the American taxpayer hand over to the Saigon regime millions of dollars just so Thieu can continue his war and so he can ignore the peace agreements.

This amendment attempts to remedy the situation. It says that if Thieu continues to flaunt the Paris agreement—which he signed and which our Government signed—then he will not receive military assistance. If he complies with the agreement—and that would not be so hard—then he would be eligible for military aid. It is as simple as that.

I yield back the balance of my time.

AMENDMENT OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPIN: Page 10, after line 20, insert the following:

SEC. 702. Notwithstanding any other provisions of this Act, the total amount of money authorized to be appropriated under titles I and II of this Act shall not exceed $21,909,820,000. Within 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Speaker of the House and the President of the Senate for referral to the Committee on Armed Services of the House and the Committee on Armed Services of the Senate a report setting forth in detail how the Secretary proposes to apportion the reduction required under this section among various procurement and other programs for which authorizations are provided under such titles I and II. The recommended apportionment shall not take effect for a period of 30 days following the receipt of the report from the Secretary of Defense in order to give Congress an opportunity to revise by law the recommended apportionment.

Mr. ASPIN. Mr. Chairman, the amendment that I am offering here today is not my amendment alone. Others I have talked to had a very similar idea, so I am offering this amendment as part of a broad coalition who are in favor of doing something about defense spending through a ceiling amendment.

Mr. Chairman, I will include the other sponsors of this amendment.

Mr. Chairman, let me explain what this amendment does. It takes last year's level of appropriations and adds 7.4 percent for inflation and makes that the ceiling. The result of doing that is that we would be spending in this budget $733 million less than the committee recommended. But this is a cut only from the committee request. Actually under this amendment defense spending would increase this year over last year. In fact it would increase by about $1.5 billion. So with this amount we are offering here we will be spending more than last year but not as much more as the committee would like.

The second aspect of this amendment, Mr. Chairman, is that it is not a meat-ax approach. It does not leave the apportionment of the reduction totally up to the Defense Department. What happens under this amendment is that the Defense Department has 30 days to recommend places to which adjustments in spending should be made to stay within the ceiling.

The Committee on Armed Services and the Congress will have 30 days in which they can accept that or reject it or amend it. They can do what they want. Congress is not abdicating its responsibility under this amendment.

Mr. Chairman, the arguments for this amendment are economics and consistency. If we are going to have a strong economy in this country we have got to do something about controlling Federal spending, and if we are going to be consistent in controlling Federal spending we have to think of ways to control all Federal spending, even defense. This ceiling amendment I believe is the way to do it.

But now this raises the very fundamental question, Mr. Chairman, which is: Can we find $733 million worth of cuts in the defense budget that the committee is recommending to us today? The committee will tell us no. They say it is a bare bones budget. They say all the fat has been cut out and this is the absolute rock bottom. But I believe the committee could find another $733 million and I believe it for one simple reason; namely, that the Appropriations Committee does it every year.

Every year we go through the authorization process and come in with an authorization bill, and then we go through the appropriation process and come in with an appropriation bill, and every year the appropriation bill amount is lower than the authorization amount by a good bit. Last year it was $1.4 billion less than authorized. Over the last 5 years it has been an average of $1.6 billion less than was authorized.

We are not asking for a cut of $1.4 billion. We are not asking for a cut of $1.6 billion. We are asking for a cut of $733 million.

If the Committee on Appropriations can find $1.4 billion or $1.6 billion, certainly the authorizing committee can find $733 million.

The point is that nobody ever objects to the cuts made by the Committee on Appropriations. Nobody ever gets up and says that the Committee on Appropriations has cut the bone and the muscle. Nobody says that the gentleman from Texas (Mr. MAHON), has cut the bone and the muscle. Nobody says that the gentleman from Florida (Mr. SIKES) has cut the bone and the muscle—no.

The cuts they find, are all right. So if the Committee on Appropriations can find cuts like that, I think we can find them. Nobody ever offers to add on to the appropriations that come before us, so they can find some fat in it, and I think we can cut out some of the fat by doing it on the floor right now.

What we are talking about is a cut of $733 million, that in a budget of $22 billion is only 3.4 percent. In any budget of $22 billion there is 3.4 percent worth of fat. There has got to be. We know it is there. It has been proven time and time again. The Appropriations Committee finds it.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

(By unanimous consent, Mr. ASPIN was allowed to proceed for 1 additional minute.)

Mr. ASPIN. This is an amendment exactly like the amendment passed by the House last year. The only thing that is different is the numbers. The rate of inflation is higher, and the cut that we made is lower. Last year we made a much greater cut by voting for this amendment than we are if we vote for this amendment today.

I think the principle is important, and even though the cut is small I think the principle is important, that we should hold spending to last year's level, plus the rate of inflation.

I urge adoption of the amendment.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from New Jersey.

Mr. HUNT. I notice my colleague, the gentleman from Wisconsin, said he wanted to place some other names in the RECORD supporting this.

I have a clipping that came down from the Newark Evening News, indicating that my colleague addressed a meeting in Newark the other evening in the company of Jane Fonda, and Tom Hayden, in which the gentleman in the well was the recipient of an award as an antiwar Congressman. Are they included in that list that the gentleman put in there?

The CHAIRMAN pro tempore. The time of the gentleman has expired.

(By unanimous consent, Mr. Aspin was allowed to proceed for 1 additional minute.)

Mr. ASPIN. The gentleman from New Jersey knows who the cosponsors of the amendment are.

The cosponsors are the gentleman from California (Mr. John Rousselot) the gentleman from North Carolina (Mr. James Broyhill) the gentleman from Illinois (Mr. Tom Railsback) the gentleman from Vermont (Mr. Richard Mallary) the gentleman from Delaware (Mr. Pierre du Pont) the gentleman from Pennsylvania (Mr. John Dent) the gentleman from Minnesota (Mr. William Frenzel) the gentleman from Wisconsin (Mr. Les Aspin) the gentleman from Pennsylvania (Mr. John Dent) the gentleman from Wisconsin (Mr. Clement Zablocki) the gentleman from Washington (Mr. Mike McCormack) the gentleman from South Dakota (Mr. Frank Denholm) the gentleman from Missouri (Mr. James Symington) the gentleman from Indiana (Mr. John Brademas) the gentleman from New York (Mr. Otis Pike) and the gentleman from Colorado (Mr. Frank Evans).

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield.

Mr. HOSMER. No women?

Mr. GUBSER. Mr. Chairman, I rise in opposition to the Aspin-Rousselot amendment.

Mr. Chairman, I absolutely do not question the sincerity of the gentleman from Wisconsin in attempting to reduce this authorization bill; but he is a member of the committee, as I am. All of these items were brought before us on a line item basis. If it was his desire to cut the total authorization by a certain percentage figure, why did he not offer that percentage cut to each line item?

I think his answer would probably be because, "I want to give the Pentagon, the arm-chair generals in the five-sided building across the river, the option of cutting where they want to cut." That is exactly what the effect of his amendment is.

We are surrendering our legislative prerogative to the Department of Defense by letting them determine the line item cuts that should be made. That is the function of Congress.

I think that this amendment does extreme violence to the committee system. Let us get away from this very unpopular subject called defense, which is unpopular at this moment, and each of you think of our own committee, whatever it may be; the Committee on Public Works, the Committee on Education and Labor, or whatever.

How would the Members like to sit there hour after hour after hour, working very, very hard, going through these items intelligently—on a line item basis; and then have someone come along on the floor of this House and say, "The committee system does not work. We here will set a dollar ceiling of expenditure, and all the work that you did in sorting out these line item matters, thinking about them, deliberating about them, studying them day and night, all of that can go right out the window."

If this amendment passes we do not need an Armed Services Committee. All we need to do is come in here and set a ceiling figure and that would be it. So, what this amendment does is pervert the committee system. I do not think we ought to do that.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. Mr. Chairman, I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I agree wholeheartedly with the gentleman from California. There may be a number of people who will vote for this amendment in the House, but if we analyze the amendment as directed toward an authorization bill, it is, at the very least, an extremely silly amendment because we have the authorization process in this body. We also have the appropriation process. Many other legislative bodies, as a matter of fact, do not have two processes, but have only the appropriation process.

I think this would be, perhaps, an appropriate amendment if directed toward an appropriation bill, but all the authorization committee does under our procedures is to set the limit which the Appropriations Committee cannot exceed. As directed toward an authorization bill, an amendment of this nature is indeed frivolous.

Mr. GUBSER. Mr. Chairman, I certainly agree with the gentleman from Missouri. The authorization is in no way intended to be the final appropriation, because that is the function of the Appropriations Committee operating within the limits which are set by the authorizing committee.

I would like to ask the Members what they think this does to the conferees when they go to sit down with the Senate to iron out the differences between our bills. Last year, had the conferees not abandoned the Aspin amendment then the minimum figure from which the House could negotiate would be the proportionate amount allowed by the Aspin amendment with each title. So what we are imposing upon our House conferees is an arbitrary limit which was not set in the committee and which was not well thought out and was done, if I may be so brash as to say so, simply because it is now popular to vote against military appropriations.

That kind of reckless action happened in the days of Neville Chamberlain before World War II. For God's sake, let us not be guilty of doing it again. Let us follow the normal legislative process, honor the committee system, go through these things line by line, item by item; cut where we need to cut, but let us not do it with a broadside, or a meat ax.

Mr. SIKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the bill is $486 million below the budget. The committee has done a careful job. I am tempted to ask the sponsors and the principal proponents of this amendment to cut defense how they will vote on the inevitable amendments which we can anticipate for very large increases in the HEW appropriations when the Health, Education, and Welfare bill is before the House. Will you seek to cut that bill or will you vote to raise it far above budget requirements?

But that is another question. There is now before us an amendment to cut military procurement by $733 million. It claims to provide for fiscal 1974 levels plus the inflationary increase. The fact is it does not meet the inflationary increase. It does not take care of pay raises and I find nothing in the amendment that would provide for a rollback of wage increases. The amendment simply denies most of the limited modernization which is sought under the bill.

Under this amendment, there are options which would be open. The Secretary of Defense could eliminate the new weapons systems to a very large extent, leaving the field of modernization to the Russians, or the Secretary could cut back on conventional forces which would complete the job of leaving us largely defenseless if there were a sudden attack, or the Secretary could cut deeply into the request for funds to Indochina. This would help to complete the speedy takeover there by the Communists—something they have not been able to do despite an effort which has been going on for a quarter of a century.

Have we forgotten so quickly the lessons learned in the Middle East? Surely, the suddenness and ferocity with which the outbreak of war occurred there has increased the essentiality of adequate defense and firm policies for America.

Have we forgotten the Russians tried to take over in the Middle East when they felt we were too engrossed in our own problems to stand up to them.

Do we not know that the Russians have among their naval shipyards a submarine base with more construction capacity than all of ours combined. They are building full scale aircraft carriers for the first time. They have a new long-range bomber, more fighter aircraft than we and three times as many tanks and armored personnel carriers. They are not playing games.

Do we not realize that the Soviets are embarking on a new multibillion dollar ICBM technology development and deployment program. The SALT talks permitted the Soviets to do this and undoubtedly they have chosen to do so.

I think we have to be certain to realize that America's military might is being overtaken and can soon become inferior. I want this country to be militarily secure. I think it is necessary for our survival.

The amendment which has been offered will turn the tide—against America.

We will cripple the efforts to provide an adequate defense within a budget which already has been severely curtailed. It is too dangerous to risk.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from California, who has waited so patiently.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman's yielding.

I think it was indicated last year by several Members, including myself, who supported the concept of a reasonable increased procurement budget and an increased authorization, that we needed to apply the same principle of a reasonable and rational increase to this defense area of expenditure. As the gentleman in the well suggested, as in the case of HEW appropriations. I want to assure the gentleman that I support the Appropriations Committee efforts to cut that overinflated budget.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this committee has been so responsible and realistic today in considering this bill that I cannot really believe we are going to allow ourselves to be distracted now by what is not only an unrealistic amendment, but really an impractical amendment.

There are basically three reasons why this amendment is improper and ought not to be considered.

First of all, I had the opportunity last night, along with a number of other Members, to participate in the first congressional seminar that I have ever gone to, sponsored by the Library of Congress.

I think we had a larger turnout there than they had had before, according to my understanding, because it was addressed to the subject of inflation. I am not sure, when the three experts got through giving their views about inflation, that I really learned a great deal more than I knew when I went in. But one thing did come out clearly from that meeting, and that was the statement that the minimum rate of inflation at the present time is 11.8 percent; and all the experts agreed that probably before the end of the year it will be up around 14, 15, or 16 percent.

Mr. Chairman, this bill offers only a 7-percent increase; and even if the gentleman from Wisconsin (Mr. ASPIN) had been realistic enough to offer a 12.9-percent increase, the total would have been $23 billion instead of $22.6 billion, as our bill provides.

So if we are going to talk realistically, we must understand exactly what the real rate of inflation is.

The second point is that we cannot intelligently write a defense authorization bill simply by taking the figure that we approved last year. Things are different this year. There are three essential differences, compared to the situation that confronted us a year ago.

The first is that for the first time in 6 or 7 years, if this bill is passed intact, we are going to be building more ships than we are putting in mothballs. For year after year after year now the U.S. fleet has been going down while the Soviet fleet has been going up. At the instigation of our committee, we decided to turn that around this year, and so we put in money to start an increase in the building of American Navy ships.

The second difference is that we have had a war in the Middle East since last June; and from that war we found that some of our own equipment was either not good enough technically or not plentiful enough in terms of quantity.

And so in terms of tanks, antitank weapons, and antiaircraft defenses, we are trying in this bill to incorporate in our own defense establishment the lessons that the Israelis learned at such great expense to them last October.

Third, we have finally begun to realize that we can no longer neglect our military research and development. The Soviets are spending two to three times what we are on R. & D., so we are turning around this year in this bill, in terms of R. & D., and increasing our research and development.

So, in summary, one cannot come in and say that an adequate defense bill can be developed simply by taking the same figure we had last year.

Finally, the third reason why this amendment is not only unrealistic but idiotic is that when we get to conference between the House and Senate on this bill, we are constrained under the rules to deal between the limit set in the Senate bill and the limit set in the House bill on each particular lines item and each particular section.

When we have some broad amendment like this one that says that the Secretary of Defense can make any cuts he wants to, we in the conference committee intelligently conduct our negotiations between the House and the Senate. We were not able to conduct them last year under the Aspin amendment and so that amendment had to be deleted.

Let us not follow that track again. Let us support the budget that the Armed Services Committee has reported out, and if there are to be any cuts, let the Committee on Appropriations make them in the normal course.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, sometimes I get into these debate when perhaps I am out of my field. I hope that is not the case tonight. I have cosponsored this amendment for certain reasons that have, I believe, a significance as to what we have been doing and what we ought to be doing. I do not think any Member in this room has a greater respect and a greater regard for the chairman of this committee, the gentleman from Louisiana (Mr. HÉBERT) than I do.

There comes a time when we must stop and think about where we have been and where we intend to go. As many years as I can remember, every time this legislation comes up and every time the foreign aid bill comes up, we suddenly discover a great bugaboo.

I remember—I think it was the first year I was in Congress—there was a foreign aid bill up and we were worried about submarines off the coast of Florida. All throughout this legislative body's lifetime since 1946 when we started this program and other programs of aid to foreign countries which were occupied we have been led to believe that we had a common enemy.

Speaking from the heart, as a citizen, an ordinary, common, everyday citizen, not a Member of Congress, I find day after day in the discussions that we hear that if we do not do this, then the Soviet Union will do that.

This morning I read in the paper the President approved $180 million worth of Export-Import Bank loans at 2.5 percent. The American banks have individually, without any guarantees except for OPIC, given to them $180 million on a $400 million project to create a chemical plant, which is a war plant in every instance of its operation, and the Soviets are going to put up $40 million.

Somehow I cannot believe in the morning at 10 o'clock that I can read a paper saying that we have to have a détente and friendly relations with the Soviets and then in the afternoon I find that unless we do something to maintain a certain posture against the very people we are giving money to at low rates that we have to pass a $29 billion tax limit increase tomorrow, that we are going to do something to help an enemy.

Mr. Chairman, no nation could make as many mistakes as we make accidentally; there has to be a blueprint somewhere hidden in the archives of this country of ours. Someone has to have a blueprint for disaster.

Mr. Chairman, I understand Mr. HÉBERT's job just as he understands mine in the labor movement. He understands in the Committee on Education and Labor I have to come through with minimum wage laws and black lung laws and things of that kind for the little people. They do not always agree with me there and I do not always agree with them.

However, I think the time has come when we must realize it is not 1946 but, rather, it is 1974. This is a day in our history when this Congress is either going to be a failure or else it will rise above the mediocrity, above talking about things that are not and things that were not and things that will not be.

We have no more to fear from the Russians than they have to fear from us. They do not drive themselves into a frenzy such as we do about a cut of such an insignificant sum, which is something that should have been done years ago.

Mr. Chairman, I know where the troops are overseas. I have traveled all over this world. Most of them, as you know, are not military but they are maintenance troops.

They have to have payrolls there to sustain themselves so that they can create products to send back here and destroy our economy. Unless this Congress starts to realize that we are in a situation of life and death of the democracy, then, believe me, most of you who will be here when I am gone will wake up to a realization of this.

This is not much we are asking; it is not significant probably in the period coming on after we go, but it is significant with regard to what we stand for tonight to say that there must be a limit some day, sometime, and that time is now.

Mr. ROUSSELOT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I have joined with many of my colleagues in sponsoring this amendment to H.R. 14592, the military procurement authorization bill for fiscal year 1975. The amendment calls for an increase of 7.4 percent over last year's total appropriation for military procurement, and research development, test, and evaluation.

The amendment proposes a ceiling of $21,909,820,000, and I wish to repeat again, this is an increase of 7.4 percent over the total amount appropriated for these same functions in fiscal year 1974. The amendment we are proposing would provide a more than adequate compensation for inflation to continue these activities at the same levels as in 1974, although some will claim that it needs to be more.

I would like to remind the members of this House that on December 5, 1973, 386 members voted for the Budget and Impoundment Control Act of 1973, which provides a responsible procedure for just that—budget control.

This amendment to establish a ceiling of $21,909,820,000 for military procurement and R.D.T. & E. for this coming fiscal year, is drafted in the spirit of the budget control act, which was passed overwhelmingly by this House. Let no one in this House tell us that our amendment would cut appropriations for this year; it would, in fact, allow for a substantial increase over last year's appropriations bill.

Last week, I joined with a substantial number of my colleagues in cosponsoring a resolution, House Resolution 1105, and participated in a special order on this resolution, urging immediate consideration of a strong budget control bill. This resolution calls not only for immediate action on the part of the conference committee on the budget control legislation, but also asks for "a strong bill which will mandate an overall spending limit as well as provide the necessary committee structure, staff, and resources by which Congress may review and control expenditures," and more important, control inflation. This amendment being offered today totally fulfills the message and mission of that resolution. During the special order last week, many, including myself, indicated our deep concern about the lack on the part of Congress to express a sense of adequate budget control.

Let me repeat, the amendment we are proposing today sets a ceiling on authorizations for military procurement, title I, and research, development, test and evaluation, title II, and is totally consistent with the provisions in the Budget Control and Impoundment Act of 1973 which we adopted last December.

Recently, in a U.S. News & World Report interview, Secretary of Defense Schlesinger was asked why a total defense budget of nearly $86 billion was necessary at this time. He replied that—

> **(The American people) will have to expect to spend about 6% more on the Department of Defense each and every year just to retain the same general defense posture as in the previous year.**

Mr. Chairman, I infer that the Secretary believes a 6-percent increase over last year's budget is adequate to maintain our same defense capabilities. The bill we are considering today, as reported by the committee, calls for approximately an 11-percent increase over last year's total appropriations, while the amendment we are offering would hold the line at 7.4 percent, which meets the needs of the Defense Department but is not excessive.

Federal deficit spending is the root cause of inflation, and one of the primary reasons is that pressure is put on the Federal Reserve to finance the deficits by increasing the money supply. Figures released by the Federal Reserve Board on May 16 show that the money supply—currency plus demand deposits—has grown at a rate of 6.4 percent over the last year, but the growth over the last 6 months would annualize at a rate of 7.5 percent, and the growth over the last quarter in the money supply would annualize at a dangerously high rate of 10.7 percent.

The argument that this amendment would drastically close down bases across the country and will cut back on personnel is a fallacy. The military and civilian strength figures which are authorized by titles III, IV, and V in this legislation are end strength figures. Almost all the funds to allow for military and civilian defense strength are interpreted into dollars in the defense appropriations bill, and are not a subject of authorization in this legislation. Our amendment applies only to titles I and II, which includes a small amount of authorized funds for personnel, and our amendment would clearly allow the programs authorized in these titles to continue at the same level as in 1974.

In conclusion, there is not a member here in this House that is more concerned than I am that our military strength be maintained. I have spoken many times and argued aggressively for an adequate defense posture, but I sincerely believe that a 7.4-percent increase is more than adequate to allow for the inflation that has occurred since the last approved appropriation, and is a sufficient amount to permit military procurement, and research, development, test, and evaluation to proceed at an appropriate rate. As a matter of fact, most of the time the appropriations committee recommends amounts to be apropriated that are any where from 3 to 10 percent below the amount authorized. Last fiscal year, the authorizing bill that was finally enacted for these functions authorized approximately $21.4 billion, but the appropriation that was enacted was approximately $20.162 billion—plus $238 million in transfer add-on. The amount recommended by the House Appropriations Committee was a little over $20 billion. I have spoken out several times urging that authorization bills be brought more in line with the money that is actually available to be appropriated.

Our amendment provides that the House and Senate Armed Services Committees will share in the decisionmaking with the Defense Department as to exactly where the decrease of $733 million shall be effected, and the whole Congress can oversee the decision and by law revise the apportionment.

If the 386 members of the House of Representatives who correctly voted for the Budget Impoundment Control Act of 1973 on December 5 of last year wish to begin the process of responsibly setting ceiling, this is the time and this is the amendment.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I will yield to the gentleman in just one moment.

Mr. Chairman, last week I joined on this floor with several other Members, my colleague, the gentleman from Florida (Mr. BAFALIS) in a reemphasis of our effort to exercise budget control, right here, right now. A great many of the Members participated in that special order, including some of those who are now saying we cannot cut this recommendation of the committee because it is too much; it is irresponsible.

I would like to refer my colleagues to that statement in the U.S. News & World Report as recently as 2 weeks ago. These are the words of the Secretary of Defense. He suggests a 7.5 percent increase. Let us hold him to his word.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 1 additional minute.)

Mr. ROUSSELOT. We are not asking to meat ax all of these fine weapons systems we are talking about. This is a substantial increase. If we vote for this amendment, we are voting for a responsible increase in an important area of our defense budget: procurement.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman who is always responsible in his approach to budget control.

Mr. GUBSER. I thank the gentleman for yielding.

That is exactly what I wanted to ask about—responsibility. I know the gentleman says this is a responsible amendment, and that he has based the figures that are in the amendment upon sound factual data.

Mr. ROUSSELOT. Including the Secretary of Defense. Who suggested a 7.5-percent figure?

Mr. GUBSER. Would the gentleman tell me where the 7.4 percent figure came from?

Mr. ROUSSELOT. If the gentleman would like to have yielded to me 5 additional minutes, I would be glad to outline the specifics.

Mr. GUBSER. The gentleman would have to have a crystal ball to talk about it.

Mr. ROUSSELOT. The gentleman should know that in the amendment itself it is clearly included, and I should like to read it.

Within a period of 30 calendar days immediately following the day on which such report is submitted to the Speaker of the House and the President of the Senate, the Congress may, by law, revise the apportionment proposed by the Secretary of Defense. So the responsibility comes again to our fine Committees on Armed Services.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. GUBSER, Mr. ROUSSELOT was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. I appreciate my colleague obtaining the extra time.

On page 38 of this report—I am now referring to the report of this committee on this bill H.R. 14592—in the section "Inaccurate Cost Reporting":

> The Department of Defense cost estimates for our weapon system development programs are too often inaccurate. More frequently than is desirable, the Committee had to ask repeated questions to ascertain actual system costs. The Department escalation factors have not and do not represent the state of the economy.
>
> Typical escalation factors have ranged from one to six percent in times when nearly eight percent was more representative.

I repeat 8 percent. Then the committee shows a chart of the different areas: Research and development, procurement, et cetera. If we applied the figure of 7.4 percent—or if the gentleman would rather take the highest figure of 8 percent, that is up to him—I say 8 percent is more near the value than the 11 percent that has been suggested by this particular bill we have before us in title I and title II. By its own report, this committee has said that 8 percent is the high figure for inflationary costs, in its own report. The reason that I have relied on the gentleman from Wisconsin is he is on the committee.

By the way, there are other members of this committee who believe—and I have discussed this with them—that this is a responsible approach to the whole bill. Again, I want to say this amendment is a logical increase in cost; it is not a decrease.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROUSSELOT. My colleague, the gentleman from Louisiana, has been terribly anxious to talk, and I certainly do not want to deny him free speech.

Mr. ADAMS. Mr. Chairman, I rise in support of the amendment. I know the Members wonder why some of us who are not on the Committee on Armed Services enter the debate at all. We have waited until the end of this debate to do so simply because during the whole year we have wrestled with the problem of being told that the amounts to be spent on every program we consider are to be cut. Earlier this year we voted for a ceiling of $267.1 billion on the total budget. The amendment that has been suggested by the gentleman from Wisconsin, and just supported by the gentleman from California, simply says that we will control spending by the Department of Defense by holding it where it was last year, plus a 7.4 percent increase for inflation.

We think this is a responsible amendment, and we will have a very difficult time explaining to our constituents in a year when we are not fighting a war any place in the world, when we have supposedly established détente, when we are now involved with SALT discussions, when we have the Secretary of State settling the war in the Middle East, why is it that we should not take out of the budget ceiling, which we have limited the drastic increase in the budget for the Department of Defense.

I do not blame at all the members of the Armed Services Committee for any of the positions they take. They are advocates for their position. We listen to this every year. They come forward every year. But those of us who must work with the other programs and must take our cuts—and we do—are simply asking that this be applied to this budget also. And if we did not stand up and say something today, then I know all of the others would wonder why we did not care or did not understand.

Mr. ADAMS. Mr. Chairman, as the House of Representatives considers this military procurement authorization legislation for fiscal year 1975, I believe it is incumbent upon us to remember just what age we are living in today. I am concerned that we address the Defense Department problems in the context of the total budget.

The United States is engaged in no major or minor military combat. The Secretary of State, Henry Kissinger, is working daily on a peace settlement in the Middle East. The United States is also involved in the strategic arms limitation talks, to achieve a limit on nuclear arms. While these peace efforts are underway, and the United States is endeavoring to enhance détente between the East and West, it does not seem to me to be a time for Department of Defense—with the aid of the Congress—to be increasing the Defense budget, and thus inflation.

The Pentagon, bolstered by the Nixon administration really is requesting a total of almost $100 billion for defense-related expenditures for the fiscal year beginning July 1, 1974. The Defense Department has tried to make this seem smaller by dividing that amount into: $92.9 billion in budget authority, in addition to $6.2 billion in supplemental funds for the current 1974 fiscal year.

Thus, when looking at the total defense spending figure in conjunction with the rest of the Government's budget, defense amounts to a 30 percent larger slice of the budget pie.

In fact, if you discount the portions of the Federal budget which go for the social security, the highway and the railroad retirement trust funds—funds which the Government cannot spend for anything but those three programs because they come from contributions directly to those funds—the defense budget suddenly shows its true size. That is, 40 percent of the total Federal budget for the military, plus another 19 percent for the costs of past wars—veterans payments and interest on the national debt—for a grand total of 59 percent.

President Nixon continually reminds us that this is the "generation of peace." Yet he requests more money for defense than has ever been spent before either in a period of war or peace. Worse than this penchant for military spending, however, is a continuing reduction and limitation of spending for domestic problems.

I have always believed that the United States should have a strong national defense. Consequently, I have usually supported the Defense authorization and appropriations bills when they have come before the House of Representatives. However, I do not think it is a necessary part of our Nation's defense to be preparing for such contingencies as two simultaneous conventional wars as well as stopping a guerilla war—the so-called "two and a half" war system.

The most dangerous part of the new 1975 Defense budget is the funding proposal for new "counterforce" weapons and strategies. New counterforce weapons would introduce a major new and very dangerous element into the present strategic position between the United States and the Soviet Union. They would be seen as a threat to the entire Soviet land-based missile deterrent and also provide a strong impetus to the false belief that a nuclear war could be won with a "first strike" capability. This could only add to the arms race. I regret that an amendment was not directed toward eliminating the funding specifically for the new "counterforce weapons and strategies," because these are new programs the United States can live without—literally.

In addition to the arguments of budget priorities and our national defense posture, my overriding concern is that the Nixon administration's huge increase in Defense spending will add fuel to the fire of inflation.

The administration argues that over $6 billion in the 1975 Defense budget request is provided to create jobs and thus ease unemployment. However, it apparently takes at least $20,000 to $30,000 worth of Defense spending to create one job. Why not put the $6 billion economy-stimulating money into domestic programs that create more jobs for less money—areas such as education, health, housing, agriculture, and public employment.

To bring the Defense budget back into line with the rest of the programs within the Federal Government, I am supporting the amendment offered today by my colleague, Congressman LES ASPIN, which would place a ceiling on overall Defense spending at the 1974 level and grant a 7.4-percent increase for inflation. Passage of this ceiling will result in a reduction of Defense spending by $733.1 million.

As Congressman ASPIN stated:

> Last year's overall budgetry ceiling of $267.1 billion and the passage last year of the Budget Control Act clearly indicates the House's desire to control rapidly rising federal spending. The budget of the Department of Defense should be treated no differently than that of any other department or

> agency; the Pentagon should live within a budgetary ceiling like everyone else.

I voted for a similar spending ceiling amendment last year when the Defense budget came up on the House floor. I hope that this ceiling amendment will be enacted into law.

I have also supported the amendment to reduce the Pentagon's request for $1.6 billion for military aid to South Vietnam. That request is far above the spending ceiling on Vietnam aid which the Congress enacted into law last year. The House Armed Services Committee cut the Pentagon's request by $200 million, but that is not enough. We should limit military aid to $900 million—the same level which has been approved by the Senate Armed Services Committee.

Another major area in which the Defense budget should be changed significantly is U.S. troop strengths. Presently, the United States is spending about $30 billion a year to maintain its military presence abroad. That amount contributes to a deficit in our balance of payments which we are trying so hard to push into the black.

I have supported the amendment for a major troop cut which would reduce U.S. military spending abroad and which would serve to reduce the burden on the U.S. Treasury for troop strengths which are based on a World War II military posture. I do not support excessive cuts in U.S. troop deployment in countries friendly to the United States that are essential to our security as well as theirs and help maintain stability in Europe and Asia. However, I do believe that the Defense Department must reshape U.S. troop deployment to achieve a smaller, more efficient and more capable armed force, and that a rapid rotating of troops with the consequent reduction in support units and maintenance of dependents should be a first order of business.

There are many other areas in the fiscal year 1975 Defense budget which could be reduced substantially. For an excellent, brief but thorough examination of that budget, I would recommend to all my colleagues the pamphlet recently published entitled "Military Policy and Budget Priorities." The study has been prepared by many defense experts, including: Paul C. Warnke, former Assistant Secretary of Defense—International Security Affairs; Adrian S. Fisher, former Deputy Director, U.S. Arms Control and Disarmament Agency; and Alfred B. Fitt, former Assistant Secretary of Defense—Manpower. They state:

> The Nixon Administration has proposed to Congress the largest peacetime military budget in our history. The Administration juggles its figures to seek to give the impression that the proposed increase over last year is only large enough to cover pay and price increases—about $5 billion. But the truth is that, if all the requests that are really part of the FY 1975 program are counted, the actual increase is about $13 billion. This proposal comes at a time when the Administration is freezing budgets and impounding funds appropriated by the Congress for vital domestic programs.

It is incumbent upon the Congress to scrutinize the 1975 Defense budget carefully, critically and—most important—to act independently on the Pentagon's requests. The country can no longer afford a Congress which nitpicks at the budgets for vital domestic programs while it virtually issues a blank check for Defense spending.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, the thought has suddenly struck me about this so-called increased cost because of inflation, I wonder how many Members of this House are so well off individually financially that for the last 7 years there has not been any consideration given to those Members of this House who live on their salaries even though the cost of living index has risen? Do we have some secret source of wealth or secret source of income? Why is it that every department and every employee we have has been given a cost of living increase for their living expenses, but I did not get one. Fortunately I have only my wife and myself and we have learned to live within our income.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for yielding.

I congratulate the gentleman for his statement. As cosponsor of this amendment I think what the gentleman has said explains my feeling on this subject directly.

Mr. Chairman, I support the Aspin amendment. As indicated in our letter to colleagues, I am a cosponsor of the amendment.

In supporting the general cut in this amendment, I feel obliged to vote against cuts in specific systems unless I am sure the specific system is not needed. The theory of the Aspin amendment is to allow the Department of Defense to determine for itself where it wants to reduce expenses.

It is true that the Defense Department has received a sharply declining share of our annual budget, but it is also true that its share should decline. I am not sure the Aspin amendment itself goes deep enough, but when combined with the O'Neill amendment, the sum is probably as far as we dare go this year.

We want our country to be strong and secure. If we must err, we want to err on the side of safety, rather than risk.

But, we have to hold down our continuing spending if we are ever to slow down galloping inflation. We must make difficult priority decisions in every spending category. We need a vigorous domestic program. Military spending, with due regard to national security, must be reduced.

I believe that the Aspin amendment is modest reduction. Without its adoption, we will either be guilty of misplacing our priorities, or promoting inflation, or both. I urge its adoption.

Mr. NICHOLS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I thank the gentleman for yielding to me.

I am sorry the gentleman from California (Mr. ROUSSELOT) did not yield to me earlier because I think he is playing a little game of apples and oranges with these statistics. The gentleman said his figure was an increase over last year of 7.4 percent. What he did not say, however, was that his increase is over the defense appropriation bill for last year and not over the defense authorization bill. The authorization for last year was $21.3 billion and Mr. ROUSSELOT's figure for this year is $21.9 billion. That is an increase of only 2.4 percent, not 7.4 percent.

The fact of the matter is that we are going through the legislative process. The bill goes from authorization to appropriation. Yet what these people who are offering this amendment are doing is cutting the authorization bill on the basis of figures relevant to the appropriation bill, and I think that fact ought to be made very clear. If this is an honest attempt to try to do what the gentleman says he is doing then the 7.4 percent should have been figured on the $21.3 billion figure and not on the $20.1 billion.

Mr. HÉBERT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, again I have waited until the end to avail myself of the opportunity of summarizing the situation.

It is very interesting to note that the majority of the individuals who spoke for this amendment are individuals who have never sat on the Committee on Armed Services. We have sat for 3 months hearing the testimony and hearing the evidence and we have come to the conclusion that we have. We feel that we are in a position to make these decisions.

I am just wondering if these individuals who are not members of the Committee on Armed Services will pay the same tribute to the committees of which they are all members and bring out a similar resolution when their authorization comes to the floor. I think it would be a very excellent policy to show that kind of consistency.

We hear a great deal about the Congress giving up its prerogatives and letting the executive department run the country. The gentleman from Wisconsin has just been on the committee a few years. It was the Committee on Armed Services which established what we call the 412 requirement which outlined by line item every weapon in the armory of the United States. Every line item is reviewed, every weapon is reviewed, we do not leave to the Department of Defense to decide or the Secretary of Defense to decide. We accept the responsibility of the Congress and exercise it.

Here by this particular motion today we are abandoning that. We just throw out the power of the Congress to control its own destiny and to decide exactly what we are going to do. This proposal is something that just eliminates committee control. It puts a ceiling on. It tells the Committee on Appropriations what it can and cannot do. It tells the authorizing committee what it can and cannot do.

The gentleman who is the chief sponsor of this amendment today sat on the committee and had every opportunity in the world to follow those line items, item by item, and opportunities to offer amendments to cut down on them, and did not.

This is a meat-ax approach and we cannot dress it up in any pretty words. This is a meat-ax approach right across the board. I appeal to the House, do not destroy the committee system. Do not destroy the power of the Congress to control its own destiny and its own future.

Mr. TREEN. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to may colleague, the gentleman from Louisiana.

Mr. TREEN. It seems to me there is only one criterion for determining what we should spend on national defense, and that is need. As the gentleman is pointing out, and I have the privilege of serving on the Committee on Armed Services, we went into these questions on the basis of need and the mission that our Armed Forces have to accomplish in the world.

We might quarrel about what that mission should be, but I do not think we should come on this floor and talk in terms of dollar amounts in last year's budget, plus an inflation factor, or approach it on any other basis than that which is needed to accomplish our mission.

At least this Member of the House, who is also a member of the Committee on Armed Services, does not believe we are spending enough for our mission. Our Navy is almost hopelessly behind our potential adversary. Expert testimony before our committee indicates that the Russians are spending twice what we are on research and development. Yet by this amendment we would slash research and development.

So as one member of the committee, I ask that we approach this on the basis of need for our defense forces. That was the basis on which the members of the Armed Forces Committee approached this problem. I urge that we sustain the committee.

Mr. HÉBERT. I think everybody understands and I urge a vote on this point.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin. I take the well on this particular amendment with some reluctance—mindful of the fact that I voted for a similar proposal last year. But I have come to the firm conclusion that it would be neither wise nor in the national interest to do so again and, therefore, feel an obligation to explain the reasoning for my decision.

In the first place, I interpreted the amendment last year as signaling nothing more than a spending standstill: By allowing for a 4.5-percent inflation adjustment to the fiscal year 1973 appropriation total it was to have maintained real fiscal year 1974 procurement and R. & D. spending at the previous year's level. But in supporting that standstill approach, I did not, nor I am sure did many of my colleagues, anticipate the astronomical rates of inflation we have suffered since last summer. Dr. Burns of the Federal Reserve Board refers to it as two-digit inflation; others have warned that recent price increases are putting us in the Latin American League.

As a result, that 4.5-percent inflation factor was not nearly enough to cover the actual price increases during the past year. No matter how you measure it, fiscal year 1974 price increases amount to two or three times the amount allowed. If you measure from the middle of fiscal year 1973 to the middle of fiscal year 1974, the WPI for manufacturing durable goods—the most revelant index for procurement purposes—rose to 9.3 percent. Alternatively, from the end of fiscal year 1973 to the end of fiscal year 1974 the increase will be 14.1 percent if the trends of the last 4 months continue through June. So rather than effecting a standstill, last year's amendment, had it become law, would have resulted in a substantial decrease in real outlays.

The inflation situation is obviously even more uncertain this year. While all of us hope that the rate of inflation will abate substantially, I would certainly be reluctant to premise national security questions of the highest importance on that assumption. I know my colleagues will find this statistic incredible, but the fact is that the WPI for manufactured durable goods increased at 29 percent annual rate between December of 1973 and April of 1974. Obviously those rates will not continue during the entire course of fiscal year 1975; the U.S. economy would go bankrupt if they did.

But let us face the unpleasant fact that the 7.5 percent inflation factor incorporated into the Aspin amendment will be no more adequate this year than 4.5 percent was last year. The worldwide surge of fuel, metals and raw materials prices that hit the economy last year is now working its way through the manufacturing sector and into the price of finished manufactured goods. And it is precisely these prices increases that DOD will have to absorb during the coming year.

Therefore, let us be very clear: this is not a standstill amendment; it is an amendment which will have the practical effect of substantially reducing the real purchasing power of the Defense Department in the procurement area.

Mr. Chairman, in addition to these difficulties with the precise content of the amendment, I have also developed significant reservations about the basic premise which it embodies. We have indulged in much rhetoric over the past year about restoring the rightful role of Congress in national decisionmaking and have taken some important steps toward that end, such as passage of the war powers bill.

But let me remind my colleagues that the annual defense authorization bill is the best, if not the only, opportunity we have to participate in the formation of our basic national security posture and strategic policy. Every one of the major weapons system authorized in this bill is literally laden with basic policy implications. For example, do we wish to preserve the Triad strategic retaliatory posture, or should that be reduced to a Diad of even to a solely sea-based capability? Will the development of limited counterforce and hard-targeting capabilities provide us with constructive strategic nuclear flexibility or will it appear as a provocative move to the other side, and thereby have a destabilizing effect on the arms race?

Now the plain fact of the matter is that you cannot address these basic policy questions by means of an across-the-board cut in the authorization. Indeed, I fear that if we become too comfortable with the Aspin-type amendment there will be an increasing reluctance to deal with the fundamental policy questions implicit in individual weapons systems; that rather than seizing an opportunity to make policy, we will end up abdicating to the executive branch entirely. Last year, for example, all five amendments addressed to specific weapons systems were heavily defeated and the performance today has been the same.

So, I would remind my colleagues that the defense authorization bill is not merely a chance to save money or to strike a blow at an allegedly "swollen" defense budget: It is more properly an important opportunity to participate in shaping the basic premises of our national security posture and the mix of forces and weapons which will be used to implement them. But to utilize that opportunity effectively and successfully requires the employment of discrimination and selectivity, not a meat ax.

Third, Mr. Chairman, I am also disturbed by the implicit assumption in this amendment that the procurement and R. & D. account should bear the full burden of defense cuts. Certainly, the other side does not view matters that way. In the area of ICBM's alone, they have underway a $30 billion development program which will culminate in the deployment of a whole new generation of launch vehicles during the coming year—the SS-X series. The pace and scope of their efforts have been no less constrained in the area of naval power, to cite another obvious example.

Meanwhile, I would hasten to point out, the share of our own defense budget devoted to procurement, and especially strategic systems, has declined substantially. Prior to the Vietnam buildup in 1964, total procurement and R. & D. spending accounted for about 44 percent of the defense budget. By contrast, last year it was less than 31 percent.

And while we are talking about the inflation factor let me underscore another important point. In 1964, total obligational authority for procurement and R.

& D. amounted to $22 billion. If you add the new authority in this bill to carryovers available to the Department, fiscal year 1975 total obligational authority will amount to $18.2 billion in constant 1964 prices. That is a drop of nearly 18 percent in the procurement purchasing power of the Department over the past decade. Yet it has been precisely during this period when Soviet outlays for military hardware, strategic systems and new technology have climbed dramatically.

I would certainly not advocate, of course, reflexively matching the weapons expenditures of our adversaries on a dollar-for-dollar basis. That would be both a prescription for a perpetual arms race and for ultimate bankruptcy of the national treasury. Nevertheless, I cite these figures to underscore the fact that we have not been increasing, but have been steadily decreasing, real procurement expenditures; that procurement and R. & D. are not the source of rising defense spending totals; and that while we have exercised comparative restraint in this area, the other side has doggedly pressed forward. Taken together, these facts raise questions in my own mind as to whether this bill is the place to reduce the defense budget.

Finally, Mr. Chairman, I question whether the timing of this amendment would be in the best interest of our national security policy. It would now appear that the second stage of the SALT talks will not be as comprehensive as we had hoped, and that an agreement may not be forthcoming as early as we expected. From the reports currently available, it is clear that over the past year the Soviet's have bargained hard and have put our resolve to a very stringent test in the talks at Vienna.

Meanwhile, away from the bargaining table they have relentlessly pressed forward with their own weapons development programs. Last August, they successfully tested their MIRV and would now appear to be in a position to have it fully operational 2 years earlier than was anticipated last year at this time. According to the Pentagon, they will also begin deploying the new SS–X–19 within the next month or two, with the SS–16 to follow shortly thereafter. In the last year the Soviets have also deployed a new class of strategic submarines capable of bearing heavier SLBM payloads, and are set to deploy the Backfire bomber which, in the view of some, has strategic bombing mission capabilities.

While I think it would be rash to interpret these developments as signs of bad faith regarding the SALT talks, they make it clear that the other side is prepared to push forward with a major escalation of the arms race if those talks fail. For that reason I believe it is imperative that we not detract from our own bargaining position in the critical weeks and month ahead; that we not encourage the other side to think that it can forego the road of negotiation with impunity, or that the U.S. Congress will deliver up to it what our negotiators are unwilling to yield at the bargaining table.

Mr. PIKE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the gentleman who preceded me in the well is one of the most articulate speakers in this body, and he has done a superb job.

I would like to address myself to some of the points which have been raised, not only by him, but by some of the other Members.

Mr. Chairman, it was the Secretary of Defense who picked the 7.5 percent inflation rate, and this has been alluded to earlier. It was not the Committee on Armed Services; it was the Secretary of Defense. But the Secretary of Defense said something else, and nobody has mentioned it. The Secretary of Defense has admitted that this Defense budget this year was padded. The Secretary of Defense admitted that the Defense budget this year was padded as a sort of a Defense WPA project.

Mr. Chairman, the Secretary of Defense has backed off from his $6 billion pad that he originally talked about, and now he says it is only a $2 or $3 billion pad.

Is anybody trying to cut $2 or $3 billion out of it? No, $733 million is the figure, when the Secretary of Defense has admitted a $2 or $3 billion pad in new obligation authority in the Defense budget this year.

Mr. Chairman, we have heard a lot about not surrendering our legislative prerogatives. What is this bill? Is this a creature of the Congress? This is the bill that the Department of Defense has sent over here, that the executive branch sent over here, changed by the grand total of 2.2 percent by the Committee on Armed Services. It is 97.8 percent executive branch and 2.2 percent Congress. If the gentleman's amendment passes, what will it be? It will be 3 percent Congress and only 97 percent executive branch. That is what it will be.

Mr. Chairman, are we really surrendering our legislative prerogatives? I submit, honestly, that we surrender our legislative prerogatives a little bit when we let the Pentagon write speeches for us, but nobody complains an awful lot when the Pentagon writes speeches for us.

If we agree with them, they are fine. If they agree with what I want to say, they will write me a speech. Everybody knows that one can get speeches written over there.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. PIKE. I will yield briefly.

Mr. ANDERSON of Illinois. Mr. Chairman, the Pentagon did not write my speech.

Mr. PIKE. I am aware of that, and I do not think the Pentagon ever writes the gentleman's speeches, which is why they are a cut above the average.

Mr. GUBSER. Mr. Chairman, if the gentleman from New York will yield, the Pentagon did not write my speech, nor did the Members of Congress.

Mr. PIKE. Mr. Chairman, I will just say that my speech is on the back of this committee report, so it has not been written yet. I do not know what I am going to say until I hear it.

I want to bring up one other point. We have talked about the inflation rate here, and now Members are making this big fuss, saying that the inflation rate is not enough. When we were talking about the B–1 bomber, all the Pentagon admitted was a 3.3-percent increase in the inflation rate.

And then they say, "Oh, that's wonderful." They want to sell something. They tell us that it is only going to inflate at the rate of 3.3 percent. But if they do not want us to cut anything, they claim that it is going to inflate at 14 percent or maybe 29 percent—who knows?

Mr. Chairman, the only chance that the Congress is going to have to exercise any legislative prerogative is to do something about the amount of money we spend.

My own constituency says: "Cut Government spending."

They said, "First of all, cut Government spending in foreign aid," and I have voted against the foreign aid program. "And after that," they said, "cut it in Defense," and I am trying to cut it, not irresponsibly, but at the inflation rate put out by the Secretary of Defense, in order to try to put just a little bit of congressional prerogative in a budget which was wholly written by the executive branch.

Mr. BRAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not know whether the Members are exactly aware of what they are voting on here, so I will take just a very few moments and read what this amendment says:

> * * * Within 30 days after the date of the enactment of this Act'—that is this authorization bill, meaning after the House acts on it, the Senate acts on it, and we have a conference and the President signs it—within 30 days after that, "the Secretary of Defense shall submit to the Speaker of the House and the President of the Senate for referral to the Committee on Armed Services of the House and the Committee on Armed Services of the Senate a report setting forth in detail how the Secretary proposes to apportion the reduction required under this section among various procurement and other programs for which authorizations are provided under such title I and II.

Let us see what the time frame is. That is very important. Thirty days after this becomes law, after we have acted on it and the Senate has acted on it, and after the House and Senate have had a conference and have finally agreed and we have approved the conference reports and the President then signs the bill, at that point it does not go right to the Committee on Appropriations, which is the way we used to do it. No, it does not. It says that then, within 30 days after the enactment of this act they will send to the Speaker of the House and to the President pro tem of the Senate what the Department of Defense wants us to do.

How long that will take them to go through this whole thing again, I do not know. If we have ever seen an abdication of the right of Congress, to vote for this amendment that would be a perfect example.

Then the amendment says that "the recommended apportionment shall not take effect for a period of 30 days," after all of that has been done, "following the receipt of the report from the Secretary of Defense in order to give Congress an opportunity to revise by law the recommended apportionment."

In that case, if we are able to vote on this appropriation bill by Christmas, we will be doing very well. Imagine such chaos.

Every item within this bill was passed on by the Committee on Armed Services. A great deal requested by the DOD was cut out. In a few instances, items were added, and every member had a right to talk as long as he wanted to. We were months on this bill. Finally a bill did come out.

Mr. Chairman, I am not claiming perfection for the bill, but I am saying it is a better bill than the one the Department of Defense gave to us.

By the time you give 30 days and then give another 30 days and go on and on, imagine the paralysis that will set in if we do not get the bill out until late winter. That is exactly what would happen.

Mr. Chairman, I wish that every Member had taken the time to read carefully the amendment on which we are voting.

Mr. LEGGETT. Mr. Chairman, I rise in support of the amendment.

I yield to the gentleman from Wisconsin (Mr. Aspin).

Mr. ASPIN. I thank the gentleman for yielding.

I would like to talk a little bit about some of the statements that the gentleman from Illinois (Mr. Anderson) raised, because I think they are very, very important.

The first point is about the rate of inflation and what is the right rate of inflation to use—durable goods, consumer prices, or what. The one index of inflation that is important in this area is the Federal purchases of durable goods. Last year that index rose by 6.8 percent. We have added in a little bit here to give them a hedge; 7.4 percent is based on that rate of inflation which comes from the Department of Commerce.

A second point about the rate of inflation is what the Secretary of Defense said about it in the U.S. News & World Report which came out last Monday. I would like to quote him. When he was asked about the increase in the cost of defense he said:

> The first point that should be understood is that every budget for every Government department each year is a record. Unless the American public is willing to tolerate a gradual erosion of our defense capabilities, they will have to expect to spend about 6 percent more on the Defense Department each and every year just to retain the same level of defense posture as in the previous year.

Six percent. And we are giving 7.4 percent. So that is the rate of inflation—7.4 percent.

The gentleman from Illinois said that had the amendment passed last year and had we had only a 4.5-percent rate of inflation, we would have been stuck because inflation was higher. Not so, because the Committee on Appropriations every year cuts this budget by more than that. The authorization bill which passed this floor last year came to $21.4 billion, including the ceiling. The bill that came out of the Committee on Appropriations was $20.2 billion. They cut it by more.

Mr. ANDERSON of Illinois. Will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman.

Mr. ANDERSON of Illinois. I just want to say that my point is simply this. The gentleman refers repeatedly to the statement of the Secretary of Defense of a 6-percent increase in the Defense budget. He is talking about the entire budget, which is made up of 58 percent personnel expenditures.

Mr. ASPIN. Which is higher?

Mr. ANDERSON of Illinois. And you are talking about hardware.

Mr. ASPIN. Personnel is higher.

Mr. ANDERSON of Illinois. That is where the relevancy of the index of the manufactured durable goods comes in. We are talking about hardware.

Mr. ASPIN. If the gentleman will let me state this to him——

Mr. ANDERSON of Illinois. You cannot expect the same thing to apply to different indexes.

Mr. ASPIN. Will the gentleman from California yield me just 1 additional minute to respond to the gentleman from Illinois?

Mr. LEGGETT. I yield to the gentleman.

Mr. ASPIN. The index which is relevant is the Federal purchases of durable goods, which is a 6.8-percent increase. We are giving a 7.4-percent increase. The point is no matter what kind of an increase we give, the Committee on Appropriations is going to cut it by more. You can vote for this cut and do not worry about it. Whatever we do with it here the Committee on Appropriations will cut it and they will cut out the fat. I say they will obviously cut out the fat because nobody objects to the cuts they make. Not one single person gets up on the floor and offers amendments to put things back in. It is not only that it has the support of the Congress, but it has the unanimous support of Congress because not one person objects. Now, if the Appropriations Committee can find those cuts, then the Committee on Armed Services can find those cuts.

Mr. HUNT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Illinois (Mr. Anderson).

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

I do not know what time frame the gentleman from Wisconsin is using when he gives us the 6.8-percent rise in the index of manufactured durable goods.

But the gentleman cannot stand here in the well or any place else in this Capitol and tell the American people that we have any assurances that the rise in the index will be confined to 6.8 percent in fiscal year 1975. That is the whole thing I object to, after the experience that we have had with inflation this past year and since we adopted the amendment last year—and I voted for it—I cannot feel any real faith, security, or assurance in using a flat figure of 7.5 percent as an inflation adjustment factor. If the gentleman can tell me that there will be no greater rise in the index for manufactured and durable goods than 6.8 percent by the time the outlays called for in this bill are made, by the end of 1975, I would vote for the gentleman's amendment, but the gentleman cannot give that kind of an assurance.

Mr. ASPIN. Mr. Chairman, if the gentleman will yield so that I can respond to the statement made by the gentleman from Illinois.

Mr. HUNT. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, the point I am trying to make to the gentleman from Illinois is that we are dealing with a 7.4-percent rate of increase, it may be higher, as the gentleman says, than their expectation, over the year it may be higher—the point is that they are predicting it would be a little lower. So my point is that even if it is a little higher, do not worry about it, the Committee on Appropriations is going to cut the bill more than that anyway.

Mr. BENNETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to make a few remarks on some things not yet brought out; and they deal with the question of responsibility.

Frankly, Mr. Chairman, it seems to me that if we do accept the amendment offered by the gentleman from Wisconsin (Mr. Aspin), we will be simply destroying congressional control.

I think that the Members can test this out in their own minds by asking themselves: Do you think it would be a responsible thing for the House Committee on Armed Services to have put this amendment in this bill before it brought the bill to this floor?

Would the Members think that would have been a responsible thing to do? Because, if you do think that would be a responsible thing to do, which I do not think you could, but if you do, then you are saying that this committee of the Congress cannot come to a conclusion about the logical things to spend money on, and what the particular defense objectives should be, but that instead we should turn it over to the Pentagon to take care of the mistakes that we may make.

Another thing concerning the responsibility of this amendment, if this should really catch on, I would suspect that every committee of the Congress would be expected to come in when they bring their bills in, be it authorization bill or appropriation bill, and then the very last amendment they would put on the bill would be an amendment like this.

This would merely be to say that the administration would control the spending. It would mean that it would destroy the responsibility that each one of us took when we swore to be the best Congressmen we could be. We said we would do our very best to be good Congressmen and we took an oath on that. And by saying that promise we promised not to turn our legislative responsibilities over to the Executive.

Mr. Chairman, I am not going to belabor this much more, except to say that I feel that if this policy is a sound policy then it ought to be applied to every committee of the Congress, legislative committees and appropriation committees, and this ought to be done before they bring legislation to the floor of the House.

But I do not think it is the kind of a policy we should adopt, and I believe it is not a responsible or a reasonable thing to do, because if we do it, then we will be turning over to the administration the decisions about these things, decisions that we ought to make ourselves. That is all I have to say.

Mr. PRICE of Texas. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I thank the Chairman. I will not take all of my time. I am sure all of the Members appreciate that.

Mr. Chairman, I do want to point up the fact that our Committee on Research and Development did meet for 30 days, took these items, item-by-item, and we do not just blindly accept what the Department of Defense and Secretary Schlesinger sends over to us. We look at every one of these items, item-by-item.

I refer the Members to the report on page 4 which showed that in the Army the total reduction reduced in the full committee was $140,279,000. We reduced the Navy and Marine Corps requests by $137,397,000. On the Air Force request, the full committee reduced it by a total of $164,300,000. In the defense agencies we reduced it by $45,200,000, for a total reduction of this committee bill of $487,176,000.

Mr. Chairman, we, the members of the committee, all know that attempts were made in the subcommittee that after we had taken this thing, item-by-item, where, there are those who always get up there and say, "Let us slice 2 percent off of it, or 3 percent." This was turned down unanimously by the subcommittee. Then when the same amendment was brought up before the full committee and there was only a handful of votes, these people would come in and say, "Let us cut this arbitrarily 4 or 5 percent across the board", after we had taken it in a prudent manner and cut it item-by-item and tried to use the best knowledge that the members of the committee had to do this. Then to come to the floor and just say, "Cut it 2 or 3 or 4 percent," I think is a completely irresponsible way of doing business.

Mr. WAGGONNER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the principal author of the amendment (Mr. ASPIN) has placed his amendment in the proper perspective on at least two occasions since offering it. He has said this:

> I think that there is some fat which can be cut out of this authorization.

Thinking and knowing are different matters.

I point out to you that the Committee on Armed Services has had this under their consideration all this year, and they, in their and my opinion, have cut what fat there was out, which should be cut out. Mr. ASPIN has further said:

> I think the Committee on Appropriations will cut it further; that, if it is to be cut further, is the manner which should be used to effect any further reductions.

We cannot relate 1 year to another using an inflation factor. No two economists—I recognize Mr. ASPIN is an economist—agree on economic policy in this country today—relate an inflation factor 1 year as related to another. The reason for that stems from the fact that the Department of Defense uses a 5-year planning cycle, and a program one year might not require the same relative amount of money 2 years in a row.

The thing that is out of perspective here today is that sufficiency of this 7½-percent inflation figure is attributed to the Secretary of Defense. This is the basis, supposedly, of determining what the overall amount of money should be.

My colleague, the gentleman from New York (Mr. PIKE) has attributed this recommendation to the Secretary of Defense. The Secretary of Defense has not and does not recommend what Mr. PIKE says he recommends. Here is a letter addressed to the chairman of the committee from the Secretary, dated yesterday, May 21. Listen to it. This is the basis for his decision. He has not said that there is fat in this armed services authorization, this procurement authorization. Listen to what he said and what he still says:

> THE SECRETARY OF DEFENSE,
> *Washington, D.C., May 21, 1974.*
>
> Hon. F. EDWARD HÉBERT,
> *Chairman, House Armed Services Committee, House of Representatives, Washington, D.C.*
>
> DEAR MR. CHAIRMAN: Some confusion seems to have arisen regarding the possible impact of domestic economic considerations on the formulation of the FY 75 Defense program. I am writing to amplify the record of my response to Chairman Mahon's question on this point when I appeared before the Appropriations Committee on 28 February 1974.
>
> As you know, our Defense program is based on a five-year planning cycle. The program now before the Congress represents a real reduction from the Five-Year Defense Plan current at the time this budget was submitted. This reduction resulted from the recognition of the realities bearing on formulation of the Federal Budget. Any such budget necessarily balances revenue against competing demands for these revenues, and takes account of the impact that the resulting total budget may have on the national economy. Needless to say, I believe that the entire Defense request resulting from this process is wholly justified on its merits and is essential to the maintenance of our national security.
>
> During the course of the formulation of the FY 75 budget there was a time when it appeared that the Defense outlays might be reduced even further below the Five-Year Defense Plan by perhaps as much as $1–1½ billion; that would have been a very unwise decision in my judgment. This possibility was considered in the course of studying various alternatives—a normal budgetary procedure for assessing the impact of total Federal spending on the national economy. It was concluded that such a reduction would seriously impair our national defense capability, and subsequent study resulted in the budget that is now before you.
>
> The most serious misunderstanding regarding the formulation of the FY 75 program arises from the association of an $85 billion outlay figure with the requested TOA of $91.3 billion. In mentioning a figure of $85 billion before Chairman Mahon's Committee, I was referring to outlays, not TOA. The illogical association of $85 billion with the $91.3 billion has led some observers to the erroneous conclusion that $6.3 billion was added to the program in order to stimulate the national economy. Such a conclusion is presumably based on ignorance of the simplest budgetary fundamentals according to which a change of $1 billion in outlays would be associated with changed obligational authority of perhaps $1.5 billion, and this would apply to the entire defense approriation, including O&M, military personnel, etc., as well as the procurement bill. Distortion of this issue interferes with serious and constructive consideration of the Defense budget request.
>
> Fiscal policy is regularly and properly adjusted to macroeconomic conditions in accordance with the Murray Act, so as best to maintain employment, output, and income. This is a normal budgetary procedure that takes place in December when the final assessment of outlays and prospective revenues is made. This is not only consistent with law but is responsible fiscal policy. I do hope that there will be no retrogression in the attempt intelligently to formulate fiscal policy simply because such formulation has the effect of enhancing the national security.
>
> It is my considered judgment that this FY 75 Defense budget is certainly no greater than—and may indeed be less than—that which is necessary to maintain our national security establishment at a level required by the current world situation. There are specific categories in which I might have wished to see larger authorizations and appropriations, but, taking into account all the considerations which bear upon our budget formulation, it is in my view an austere, but prudent, budget for the present time and circumstances.
>
> JAMES R. SCHLESINGER.

Mr. Chairman, the situation is absolutely this. If the gentleman from Wisconsin (Mr. ASPIN) knew what ought to be cut out, he would be trying to cut it out item by item. He would have in committee and he would have today, and we would not, even though he says this is not a meat ax approach, be now considering this meat ax approach. If cuts ought to be made, let the gentleman point out where the cuts ought to be made.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Wisconsin (Mr. ASPIN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ASPIN. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 185, noes 209, not voting 39, as follows:

[Roll No. 241]

AYES—185

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Ashley
Aspin
Badillo
Barrett
Bergland
Biester
Bingham
Blatnik
Boland
Bolling
Brademas
Brasco
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carney, Ohio
Chisholm
Clausen, Don H.
Cleveland
Cohen
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Diggs
Dingell
Donohue
Drinan
Dulski
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Fascell
Findley
Foley
Fraser
Frenzel
Froehlich
Fulton
Gaydos
Giaimo
Gibbons
Grasso
Green, Pa.
Griffiths
Gross
Gude
Gunter
Hamilton
Hanley
Hanna
Harrington
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Holtzman
Howard
Hungate
Johnson, Calif.
Johnson, Colo.
Jordan
Karth
Kastenmeier
Koch
Kyros
Leggett
Lehman
Litton
Long, Md.
Lujan
Luken
McCloskey
McCormack
McDade
McKay
McKinney
Macdonald
Madden
Mallary
Matsunaga
Mayne
Mazzoli
Melcher
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Mosher
Moss
Nedzi
Obey
O'Hara
O'Neill
Owens
Patten
Pike
Pritchard
Quie
Rangel
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Rosenthal
Roush
Rousselot
Roy
Roybal
Ryan
St Germain
Sarasin
Sarbanes
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sisk
Skubitz
Smith, Iowa
Snyder
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Waldie
Whalen
Winn
Wolff
Wydler
Yates
Yatron
Young, Ga.
Zablocki

NOES—209

Abdnor
Alexander
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bevill
Biaggi
Blackburn
Boggs
Bowen
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Cochran
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Evins, Tenn.
Fish
Fisher
Flood
Flowers
Flynt
Forsythe
Fountain
Frelinghuysen
Frey
Fuqua
Gettys
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gray
Green, Oreg.
Grover
Gubser
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hays
Hébert
Henderson
Hicks
Hillis
Hogan
Hollfield
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Ichord
Jarman
Jones, N.C.
Jones, Tenn.
Kazen
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Landrum
Lent
Long, La.
Lott
McClory
McCollister
McEwen
McFall
McSpadden
Madigan
Mahon
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Michel
Milford
Mills
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nichols
O'Brien
Parris
Passman
Patman
Pepper
Perkins
Pettis
Peyser
Pickle
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quillen
Randall
Rarick
Rees
Regula
Roberts
Robinson, Va.
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Ruppe
Ruth
Sandman
Satterfield
Scherle
Shuster
Sikes
Slack
Spence
Stanton, J. William
Steed
Steiger, Ariz.
Stephens
Stratton
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thornton
Treen
Van Deerlin
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zion

NOT VOTING—39

Annunzio
Carey, N.Y.
Clark
Clawson, Del
Clay
Collier
Collins, Ill.
du Pont
Eckhardt
Ford
Hansen, Wash.
Helstoski
Hinshaw
Hutchinson
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Kluczynski
Latta
Meeds
Metcalfe
Minshall, Ohio
Morgan
Murphy, Ill.
Nix
Railsback
Reid
Rhodes
Rooney, N.Y.
Rostenkowski
Runnels
Smith, N.Y.
Staggers
Stubblefield
Teague
Williams
Wyatt
Wylie
Zwach

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. The Clerk will read.

The Clerk read as follows:

TITLE VIII—NUCLEAR NAVY

SEC. 801. It is the policy of the United States of America to modernize the strike forces of the United States Navy by the construction of nuclear powered major combatant vessels and to provide for an adequate industrial base for the research, development, design, construction, operation, and maintenance for such vessels. New construction major combatant vessels for the strike forces of the United States Navy authorized subsequent to the date this Act becomes law shall be nuclear powered, except as provided hereafter.

SEC. 802. DEFINITION.—For the purposes of this title, the following definition shall apply:

Major combatant vessel(s) for the strike forces of the United States Navy shall mean—

(a) combatant submarines for strategic and/or tactical missions;

(b) combatant vessels intended to operate in combat in aircraft carrier task groups (that is, aircraft carriers and the combatants which accompany them);

(c) those combatant vessels designed for independent combat missions where essentially unlimited high speed endurance will be of significant military value.

SEC. 803. The Secretary of Defense shall submit to Congress each calendar year, at the same time the President submits the budget to Congress under section 11 of title 31, United States Code, a written report regarding the application of nuclear propulsion to major combatant vessels for the strike forces of the United States Navy as defined in section 802 of this Act. The report shall identify contract placement dates for their construction. Further, the report shall identify the Department of Defense plans for construction of nuclear powered major combatant vessels for the succeeding five years and certify whether such plans are adequate to provide a modern striking force for the United States Navy and to maintain the necessary industrial base for design and construction of such vessels.

SEC. 804. Neither the Department of Defense nor the Office of Management and Budget, nor any other executive department or agency, nor any employee thereof shall make any request for authorization or appropriation from Congress for construction of any nonnuclear powered major combatant vessels for the strike forces of the United States Navy unless and until the President of the United States has fully advised the Congress that construction of nuclear powered vessels for such purpose is not in the national interest. Such report of the President to the Congress shall include for consideration by Congress an alternate program of nuclear powered ships with appropriate design, cost, and schedule information.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title VIII of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HOSMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Defense procurement authorization bill, H.R. 14592, before us today includes a special provision that all future major combatant warships for the strike forces of the Navy must be nuclear powered. I wholeheartedly support this provision.

We are all aware of the current energy crisis and constantly hear about gasoline shortages and heating oil shortages. We must remember that we are facing these issues now in a peaceful world. This problem can only worsen in the future as the individual demand for energy to help us do our daily chores increases and the world population continues to increase. Our energy resources to meet these demands are finite, it takes hundreds of millions of years for nature to make fossil fuels and man but a few centuries to consume them.

Think about what we would face if our Armed Forces were required to fight for our national interests without adequate fuel. It was once said an army travels on its stomach. Not anymore, all our Armed Forces have insatiable demands for fuel. Our newest weapons systems consume much more fuel than ever before. Our ability to fight a modern war is totally dependent on our ability to get fuel supplies delivered to our combat forces where we need them.

For many of our weapons systems there is no choice but to use fossil fuels. But for our warships we can and should use nuclear propulsion. With the technology developed by the Atomic Energy Commission and in use today in the Navy it is possible to build surface warships and submarines that can operate for 10 years or more before there is any need to refuel. This means we can build into them in peacetime all the fuel they would need to fight an entire war.

Ten years ago, following extensive hearings and a lengthy report by the Joint Committee on Atomic Energy on "Nuclear Propulsion for Naval Surface Vessels," I introduced a bill on the floor of this House which would have required that the aircraft carrier *John F. Kennedy* be nuclear powered. But Secretary McNamara was adamant in his opposition, and the *Kennedy* was hamstrung for life with conventional propulsion.

Remembering that experience, it is particularly gratifying to me today to vote for this authorization bill which will require all future major combatant ships for our strike force—all combatant submarines, aircraft carriers, and their escorts—to be nuclear powered.

Year after year the Armed Services and Appropriations Committees and the Joint Committee on Atomic Energy review extensive testimony showing clearly the need for nuclear powered warships. Year after year, despite all the evidence, the Department of Defense buries its head in the sand and the advantages of nuclear propulsion are ignored. The commander of the task force in the 1962 Cuban crisis, which included the nuclear carrier *Enterprise* and the conventional carrier *Independence* concluded that his experience in *Enterprise* convinced him that the military advantages of nuclear propulsion in surface warships more than outweigh their extra cost. Adm. Chick Hayward said:

> In Washington the often cited advantages of nuclear propulsion seem to get lost in a shuffle of paper. Off Cuba they were real. I think the Cuban crisis made all of us do a lot more thinking about how we will fare in war. On blockade duty our conventional escorts were usually refueled every other day. Protecting that oil supply train under air and submarine attack would have been tough enough right here in our own backyard—in an advanced area the problem will be magnified manyfold. I am certain that the naval commanders facing the problem of large numbers of Soviet nuclear submarines and the missiles and the aircraft of the 1967–87 era will consider that the added cost of nuclear propulsion in combatant ships is a cheap price to help solve the problems facing them.

He said his experience told him that nuclear propulsion offers the Navy tremendous military advantages that will be sorely needed in the years ahead, that to maintain fleets at sea against the hostile forces that are sure to oppose us will require every technical advantage we can possibly master. He said.:

> I do not believe you can weigh victory or defeat on a scale of dollars and cents—yet the margin between victory and defeat in future naval engagements may well depend on the availability of nuclear-powered ships to the fleet commanders of the future.

Since that time the Soviets have embarked on the largest peacetime naval expansion in history. Their naval forces now vastly outnumber ours. Even in nuclear submarines they now outnumber us by 20 percent and they continue to build three times as many annually as we do. The need for nuclear power in our warships is greater than ever.

The commander of the first task force including nuclear ships to go into combat wrote a detailed report on the advantages of nuclear power and its utilization in a combat environment based on his experience with the nuclear carrier *Enterprise* and the nuclear frigate *Bainbridge* when they first entered combat off Vietnam in 1965. He concluded:

> The evolution of the Navy to a progressive program of nuclear power can revolutionize our naval establishment and naval warfare in a more dramatic manner than that realized by the change from sail to steam or from coalburning to oil burning propulsion plants. The future of the U.S. Navy is nuclear power. We must not ignore it.

Incidentally, Adm. James L. Holloway III who has been designated to be our next Chief of Naval Operations was at that time in command of the *Enterprise*. While in command he wrote many letters emphasizing the importance of nuclear propulsion for carrier task forces.

In December 1971 during the India-Pakistan War, a task force, named Task Force 74 consisting of the *Enterprise* and several conventionally powered ships was dispatched to the Indian Ocean. The commanding officer of the *Enterprise* reported:

> The absence of nuclear-powered escorts was sorely felt at the very beginning of the operation, as the first evolution that took place after formation of Task Force 74 was the refueling of all *Enterprise* escorts. Whenever it was tactically desirable to operate at high speed, we had to consider our escort's fuel status and then steamed at slower speeds.

The commanding officer went on to state:

> Even though Task Force 74 was joined by several units of the Soviet Fleet, some of which remained in close proximity to our forces, the nominal speed of our task force was kept at 15 knots. In spite of the increase in vulnerability, this low speed was accepted because of the logistic constraints on the supply of fuel for the other ships in the task force.

The commander in chief of the Pacific Fleet reported:

> The primary lesson re-learned from Task Force 74 operations is the great advantage of nuclear power.

These are not the words of analysts and statisticians isolated in air-conditioned offices. They are the words of the men who must fight with the ships we provide. They are the men who must fight to defend our country. We must not neglect their words.

Mr. Chairman, I urge this body to support to the fullest title VIII Nuclear Navy incorporated in this bill which will make it the policy of the United States that henceforth all new major combatant vessels built for our naval strike forces shall be nuclear powered.

Mr. PRICE of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, I rise in support of H.R. 14592. I particularly want to stress my support for title VIII—Nuclear Navy which will make it "the policy of the United States of America to modernize the strike forces of the U.S. Navy by the construction of nuclear powered major combatant vessels and to provide for an adequate industrial base for the research, development, design, construction, operation, and maintenance for such vessels." This is a policy that has long been advocated by the Joint Committee on Atomic Energy.

As one of the two remaining charter members of the Joint Committee I speak to you as one who has been intimately familiar with all phases of the naval nuclear propulsion program as it has evolved from its inception a quarter century ago.

It seems as yesterday that a then little known naval engineer captain named Hyman George Rickover testified to the Joint Committee about the frustration he faced in getting the Navy bureaucracy to accept the importance of proceeding with construction of the first atomic submarine, the *Nautilus*. The Joint Committee solved that problem. We authorized the funds for the nuclear propulsion plants for the *Nautilus* and later the *Seawolf*, in the Atomic Energy Commission budget. That got the nuclear Navy started, but it has been one continuous fight ever since to keep it going.

The Navy, of course, gave Rickover typical recognition. They gave him a medal for the *Nautilus* stating that it was the outstanding naval development of this century and then passed him over for promotion to rear admiral so they could force him to retire. They have been trying to do that ever since. But Congress had its way and has arranged his last three promotions. A few weeks ago I was delighted to be present in the Oval Office when the President appointed him a full admiral by special act of Congress.

Those of us in Congress who believe in the importance of nuclear propulsion for naval warships have had to fight every inch of the way through the impenetrable thicket of studies cranked out by the Pentagon. The Joint Committee made it a practice to get its information firsthand. We visited the laboratories. We visited the land prototype site where the testing was being done. We held hearings at sea submerged in the *Nautilus* when she was finished. We later held hearings aboard the *Skipjack*, the first of the higher speed, single screw, nuclear submarines. When the *Enterprise* was finished we flew to Guantanamo to participate aboard during her shakedown trials off Cuba in early 1962.

When Secretary McNamara balked at providing nuclear propulsion for the carrier *John F. Kennedy* we held hearings in the fall of 1963 on "Nuclear Propulsion for Naval Surface Vessels." We put out in detail the errors in the Defense Department's analysis. The 1963 Joint Committee report specifically recommended "That the United States adopt the policy of utilizing nuclear propulsion in all future major surface warships." We did not succeed in preventing the Defense Department from making the *Kennedy* dependent on a logistic train of tankers, but I am convinced that our report was instrumental in bringing about the *Nimitz* class nuclear carriers. I well remember handing L. Mendel Rivers a copy of our report. He vowed he would never again vote for a conventional aircraft carrier.

In the early 1960's the Joint Committee and the House and Senate Armed Services and Appropriations Committees engaged in an extensive dialog with the Department of Defense over the issue of nuclear propulsion for surface warships. For those of you who want to review that, the correspondence is published on pages 245 through 318 of the Joint Committee hearing print titled "Naval Nuclear Propulsion Program 1967–68."

The House Armed Services Committee had to resort to mandatory language in the defense authorization bill for several years in order to get a nuclear frigate program established. I remember when the whole fiscal year 1967 Defense Procurement Authorization Act was held up for several months until suitable language on this issue was worked out in conference with the other body.

In the late 1960's the Defense Department planned to stop authorizing any more nuclear submarines. Congress had to step in and demand that we not only build more, but that we proceed with submarines of higher speed and greater quietness.

Three years ago the Department of Defense suddenly terminated plans to build more nuclear frigates and the nuclear CVN 70. They did this after a special subcommittee of the House and Senate Armed Services Committees issued an 800-page hearing record and a report which concluded we should go ahead with the CVN–70.

Senator JACKSON immediately called for hearings of the Military Applications Subcommittee. He and I alternately chaired these hearings and subsequent inquiry. We reviewed the whole subject of nuclear propulsion for naval warships, submarine and surface. In addition to the testimony of the Chairman of the Joint Chiefs of Staff, the Chief of Naval Operations, and Admiral Rickover, we obtained the written comments of the Deputy Secretary of Defense. The record of this investigation is included in the Joint Committee print titled "Hearing and Subsequent Inquiry of the Subcommittee on Military Applications on Nuclear Propulsion for Naval Warships, May 5, 1971–September 30, 1972." That print on pages 123–277 includes a "Chronological Summary of the History of Nuclear Propulsion for Surface Ships" by Admiral Rickover which cites in detail all of the studies that have been made of this subject over the past quarter century. Also on pages 278 to 333 are published 26 items of official correspondence concerning nuclear carriers and nuclear frigates.

Mr. Chairman, the need for nuclear propulsion for major combatant warships for our naval strike forces is completely documented. At the end of my statement I will insert in the RECORD a list of the hearings and reports on the naval nuclear propulsion program that have been published by the Joint Committee on Atomic Energy. These reports in turn cross reference many of the reports on nuclear propulsion issued by other committees. In compiling these reports the Joint Committee has been meticulous in insisting that the Department of Defense furnish the Joint Committee the official record of correspondence in conformance with its responsibility under the Atomic Energy Act to keep the committee "fully and currently informed with respect to all matters within the Department of Defense relating to the development, utilization, or application of atomic energy." The records are published in full with only information which is classified deleted.

The record spans the tours of 12 Secretaries of Defense; 15 Deputy Secretaries of Defense; 12 Directors of Defense Research and Engineering including the former positions of Chairman, Research and Development Board, and Assistant Secretary for Research and Engineering; 8 Assistants to the Secretary of Defense for Atomic Energy including former Chairmen of the Military Liaison Committee; 14 Secretaries of the Navy; 14 Under Secretaries of the Navy; 10 Chiefs of Naval Operations; 12 Vice Chiefs of Naval Operations; 4 Chiefs of Naval Material since the position was established in 1963; and 10 commanders of the Naval Ship Systems Command including the former position of the Chief of the Bureau of Ships.

On the average each of these 111 key officials who have been in the Department of Defense and Navy chain of approval concerning naval nuclear propulsion issues has held his position about 2 years. In any given year about 4 of these positions have had a new incumbent that year. Since I have been involved in this program over this entire span, I probably have a different perspective of the issues than many of these officials. It is something like the difference in perspective of the rider of a horse on a merry-go-round and the observer watching from the side as the riders go by. From my perspective I consider the case for nuclear propulsion for strike force ships has been proven and needs no further study before a decision is made.

The passage of this bill with title VIII—Nuclear Navy is indeed an historic occasion. My only regret is that men like Carl Durham, L. Mendel Rivers, William Bates, Glenard P. Lipscomb and George Andrews whose efforts over many years helped make this event possible are not on the floor of this House to vote for it.

Mr. Chairman, this is my last opportunity to cast a vote in favor of authorization of a nuclear warship. I am overjoyed that that vote will be cast to insure that all future major combatant vessels for the strike forces of the U.S. Navy will be nuclear powered.

The list of hearings and reports on the naval nuclear propulsion program published by the Joint Committee on Atomic Energy follows:

Mar. 28, 1973 and Feb. 8, 1972, hearings: "Naval Nuclear Propulsion Program, 1972–73."

May 5, 1971–Sept. 30, 1972, hearing and subsequent inquiry of the Subcommittee on Military Applications: "Nuclear Propulsion for Naval Warships."

Mar. 10, 1971, hearing: "Naval Nuclear Propulsion Program—1971."

Mar. 19, 20, 1970, hearings: "Naval Nuclear Propulsion Program—1970."

April 23, 1969, hearing: "Naval Nuclear Propulsion Program—1969."

July 25, 1968, hearing: "Nuclear Submarines of Advanced Design," pt. 2.

June 21, 1968, hearing: "Nuclear Submarines of Advanced Design."

Feb. 8, 1968 and Mar. 16, 1967, hearings: "Naval Nuclear Propulsion Program, 1967–68."

Jan. 26, 1966, hearing: "Naval Nuclear Propulsion Program."

June 26, 27, July 23, 1963 and July 1, 1964, hearings: "Loss of the U.S.S. *Thresher*."

December 1963, report: "Nuclear Propulsion for Naval Surface Vessels."

Oct. 30, 31, and Nov. 13, 1963, hearings: "Nuclear Propulsion for Naval Surface Vessels."

Mar. 31 and Apr. 1, 1962, hearings: "Tour of the U.S.S. *Enterprise* and Report on Joint AEC-Naval Reactor Program."

Apr. 9, 1960, hearing: "Naval Reactor Program and Polaris Missile Systems."

Apr. 11 and 15, 1959, hearings: "Review of Naval Reactor Program and Admiral Rickover Award."

Mar. 7 and Apr. 12, 1957, hearings: "Naval Reactor Program and Shippingport Project."

Mr. PRICE of Illinois. Mr. Chairman, I regard title VIII, entitled "Nuclear Navy," as of major importance.

The committee's rationale for inserting this language in the bill is fully justified. I have, as a charter member of the Joint Committee on Atomic Energy and as the ranking majority member of the Armed Services Committee, long watched the Navy's resistance to building nuclear warships, submarine and surface, in spite of the many advantages nuclear propulsion gives to a warship.

I well remember when the Joint Committee decided to fund the nuclear propulsion plants for the *Nautilus* and *Seawolf*, our first two nuclear submarines, through the Atomic Energy Commission budget because the Navy could not see the intrinsic value of nuclear propulsion. I remember the Armed Services Committee taking the initiative to change an oil-fired frigate in the fiscal year 1962 program to the nuclear-powered frigate *Truxtun*.

I remember the Department of Defense arguments against starting the *Los Angeles* class high-speed nuclear attack submarine program—fallacious arguments that the Navy could not afford them and that they were not necessary to combat the Soviet nuclear submarine threat. The Soviet submarine threat is greater today than ever before. In spite of this the Navy this year only asked for three new *Los Angeles* class submarines compared to the five a year building rate Congress has been supporting.

It is only through the initiative and foresight of Congress and the leadership of the Armed Services and Appropriations Committees, and the Joint Committee on Atomic Energy that we are building the nuclear frigates of the *California* and *Virginia* classes. And I am sure many of you remember the terrible fight we had a decade ago to convince the Department of Defense that aircraft carriers should be nuclear powered.

I have been shocked and chagrined to hear that some in the Navy are now considering going back to building diesel submarines and oil-fired aircraft carriers and guided-missile escort ships for carrier task forces. These are ships planned for our naval strike forces and must be able to operate in the areas of highest threat. Such ships may make cheap commands for peacetime naval officers but they would be of very little value in war against an enemy that has the capability to deny our forces their sources and means of delivering propulsion fuel in strike areas. An oil-fired warship out of fuel is of no value whatsoever.

In December 1973 the report of the special subcommittee on the Middle East chaired by my colleague Mr. Stratton concluded that one of the lessons of the October 1973 Arab-Israeli War was that nuclear propulsion has become a must because of the logistic realities. In addition to the danger of a shortage of oil for ships, the rising cost of oil when available has made scrap paper out of past comparative cost estimates for nuclear and conventional power.

In looking at Defense Department and Navy plans for the future, it seems that the U.S. Navy has not learned that lesson. However, there is evidence that the French have learned this fact of operational and economic life very well indeed. The April 9, 1974, edition of the Paris newspaper Le Monde reported on a recent speech by Admiral Marc de Joybert, French Naval Chief of Staff:

> The Chief of naval staff expressed the view that "We are ahead of the directives included in the naval plan adopted three years ago." which provided for both nuclear and conventional equipment for the navy up to 1985. Admiral Joybert recalled that it had been decided to build nuclear strike submarines and nuclear helicopter carriers. "Research and supplies connected with the first nuclear strike submarine are proceeding in such a way that the first vessel will in fact be launched on 1 January 1976. The so-called PH–75 nuclear helicopter carrier represents only a first step. It will be followed by many more. From an as yet undetermined date and with a view to as yet undetermined tonnages and power, it will be necessary to convert the surface fleet to nuclear power as rapidly as possible. Nuclear power makes it unnecessary to refuel surface vessels either at sea or in port."

As long as the Navy bases its modernization decisions in the context of the long-lost days of cheap readily available oil the Navy will continue to make the mistake that they are now making—only very slow progress toward a modern nuclear-powered surface Navy. The Congress must correct that mistake.

I wrote the Secretary of Defense on January 5, 1974, expressing my concern and suggested a review of the planned shipbuilding program with the objective of increasing the number of nuclear warships. The reply dated March 11 contained many platitudes of the type we have been getting from the Navy and the Department of Defense on this subject for years, but no commitment to action. I must say I do not consider the reply responsive to my suggestion. I will insert in the record both my letter of January 5 and the reply of March 11.

Mr. Chairman, I support unequivocally the need for the provisions contained in title VIII of this bill which establishes the policy that future new construction major warships for the strike forces—submarines, aircraft carriers, and carrier escorts—be nuclear powered. These are ships that must be able to operate in the areas of highest threat.

These are ships which must have the enhanced military capabilities provided by nuclear propulsion.

Title VIII does not preclude the Navy building oil-fired sea control ships, patrol frigates, surface effect ships, or other such ships, because these ships are not included in the definition of "major combatant vessels for the strike forces" covered by title VIII.

Mr. Chairman, the Armed Services Committee was unanimous in its support for including title VIII in this bill. I urge the Congress to give its full support to this important legislative action.

Under unanimous consent previously granted I include herewith an exchange of correspondence between myself and Secretary of Defense, James Schlesinger.

Congress of the
United States,
Washington, D.C., January 5, 1974.

Hon. James R. Schlesinger,
Secretary of Defense,
Washington, D.C.

Dear Jim: The increasing severity of our energy problem should, in my view, call for an accelerated effort in the application of nuclear power for the propulsion of naval warships. I fully appreciate your personal efforts in making additions of some nuclear propelled ships to our Navy although I believe recent events call for a sharply increased effort in this vital area of national defense. Accordingly, I suggest that a review of the planned shipbuilding program be made with the objective of increasing the number of nuclear powered warships. We are indeed fortunate that we have the proven technical base to immediately proceed with additional applications of nuclear propulsion. It certainly would be most unfortunate if we didn't take advantage of our position especially since nuclear power provides such positive solutions to our growing and irreversible global petroleum problem.

I want to emphasize that I am not suggesting the initiation of additional studies. From the Committee's detailed involvement in the review of the various studies I can assure you we need no additional effort in this area. Such comprehensive reviews as the Committee's 1963 and 1971–72 hearings and report on nuclear propulsion clearly illustrate the military value and justification of this application of nuclear energy. The growing petroleum problem has just increased the importance of the factors justifying nuclear power especially in the area of foreign access to petroleum supplies. Of course, although secondary to the primary factor of military effectiveness, the increasing costs of petroleum fuels also increase the economic justification of nuclear power.

You can be assured of Congressional support in immediately moving ahead with more naval nuclear propulsion projects. As you know the Congress, through its various Committees of responsibility in the defense area, has led in bringing about nuclear propulsion for our navy.

Sincerely yours,
Melvin Price, *Chairman.*

The Secretary of Defense,
Washington, D.C., March 11, 1974.

Hon. Melvin Price,
Chairman, Joint Committee on Atomic Energy, U.S. House of Representatives,
Washington, D.C.

Dear Mr. Chairman: This is in response to your letter of January 5, 1974, in which you suggested that a review of the Navy's planned shipbuilding program be made with the objective of increasing the number of nucler powered warships.

By mid-1974 our 107 nuclear powered combatants will constitute over one-third of the active warship fleet. These nuclear powered warships include 41 strategic ballistic missile submarines, 61 attack submarines, one aircraft carrier and four fleet air defense guided missile ships—the Navy's first line ships. Additional nuclear powered combatants authorized by Congress are, or soon will be, under construction: the first Trident SSBNs, four 637 Class SSNs, and twenty-three 688 Class SSNs, three nuclear powered aircraft carriers and four guided missile frigates. In addition to the nuclear powered ships in service, under construction, or authorized by Congress, the FY 75 budget request includes funding of two Trident submarines, three high-speed attack submarines, and one guided missile frigate. Delivery of the five nuclear frigates (DLGNs) under construction, together with the cruiser and the two frigates now in the fleet, will give us eight nuclear powered surface combatants which will be adequate to form two all nuclear powered carrier task forces, when none of the ships are in overhaul.

As you know, in FY 72 the Department of Defense continued the DLGN construction program by awarding a contract to the Newport News Shipbuilding and Drydock Company for the construction of DLGN 38 Class Frigates. At that time it was decided to construct three units of this new class while retaining a contract option for two additional units. Recently Congress added to our fiscal year 74 budget request $79 million for advanced procurement of long-lead items for the two additional nuclear ships, DLGNs 41 and 42. We have included DLGN-41 in the FY 75 budget and are protecting the option for procuring the second in FY 76. When the full scope of our current nuclear ship program is considered, we find that the shipbuilders involved have a very large backlog ahead of them.

There are several important factors influencing the selection of nuclear or nonnuclear propulsion systems for a warship. Three of the most significant items are the relative procurement and operating costs, individual ship capability requirements, and overall Navy force level and modernization needs.

To date, the use of nuclear power has been limited to surface ships of 8,000 tons or more. These relatively large ships (frigates and cruisers) with highly capable anti-air and anti-submarine systems, are at the high end of the high-low mix of surface combatant ship types. The high-low mix concepts of balancing overall fleet capability between larger numbers of capable low-cost ships and fewer numbers of highly capable but expensive first-line ships is essential for maintaining our overall combat capabilities.

In spite of the many attractive features of nuclear ships, both their acquisition costs and manning costs tend to be higher than for conventional ships having the same weapon systems. As you are aware, over the past several years there have been extended discussions of the degree to which indirect costs tend to offset these differences. The major increase in the cost of fuel oil since October 1973 has tended to add some weight to this concept. On the other hand, the introduction of significantly more efficient conventional propulsion systems will result in lower acquisition and operating costs for such ships due to reduced manning requirements and reduced engineering plant size. As an additional consideration, the peace-time flexibility of deployments for nuclear ships is constrained by the apprehensive attitude of many countries towards port visits by nuclear ships. In my view, these apprehensions are largely unfounded, but progress in dispelling this barrier to nuclear ship visits has been slow.

Requirements for overall naval combat effectiveness depend in large part on the expected threat. In some ocean areas where our Navy is planned to operate, the threat is expected to be of relatively low intensity and to consist of principally submarine-launched torpedoes and cruise missiles with only small numbers of ship- and aircraft-launched cruise missiles. Requirements for individual ship effectiveness are less demanding in such areas than would be required in higher threat environments, where additional threats from aircraft would be expected. I am sure that you recognize that, in addition to the need for first-line ships capable of operations in high threat areas, there are many important missions that can be effectively carried out by less complex and less expensive ships.

In this decade, we must phase out virtually all of the remaining World War II surface combatants because their deteriorating material condition and declining combat value is making them increasingly inefficient. If we are to procure the large number of ships needed to maintain even current force levels, the bulk of the new ships must be from the "low" side of the "high-low" spectrum. The numerical requirements alone for surface escorts needed to protect military and commercial shipping in open ocean and lower threat areas of the world lead us to the use of less complex ships under present budgetary constraints.

Your personal efforts and the support of the Congress in attaining our present posture in nuclear propulsion in the Navy are very much appreciated. I solicit your continued support of our shipbuilding program and assure you that nuclear propulsion will be actively considered for all future Navy major surface warship building programs.

Sincerely,

JAMES R. SCHLESINGER.

Mr. RARICK. Mr. Chairman, the emotional rhetoric of this debate is directed at the Russian peril, that is, if we reduce our troop strength around the world, we will be inviting Russian takeover in Europe and in the Far East.

The Russian bait is being made an anachronism by our country's own leadership. Every Member here is invited to a reception in the Senate Wing of the Capitol tomorrow afternoon to meet eight members of the Supreme Soviet of the U.S.S.R., which is being hosted by the President of the Senate, the Speaker of the House and the U.S. Group of the Interparliamentary Union.

The morning's paper carried the administration's announcement of a $180 million Export-Import Bank loan to help finance a $400 million foreign investment in the Soviet Union. The announcement advised that the 6 percent interest loan was to supply eight ammonia fertilizer plants—which can be easily converted to gun powder factories, chemical storage facilities, pumping stations, railroad tank cars, and a 1200 mile pipeline in the Soviet Union.

With our leaders playing political footsie with the Soviets and our industrialists and financiers collaborating for a fast buck, it doesn't seem unreasonable to wind down our 29-year role of using our military personnel as mercenary police officers around the world.

I intend to support the O'Neill substitute.

Mr. ARENDS. Mr. Chairman, I am pleased to rise in support of the fiscal year 1975 defense authorization bill and the cause of an adequate defense budget. This is the first budget in a decade which is not required to support American troops in combat, but I want to emphasize that defense preparedness is even more important as the Soviet Union approaches strategic parity with the United States. We in the Congress have a particular duty to make clear to the American people why we must stay militarily strong while at the same time we are pursuing peace and détente.

Détente is and must be based on a balance of military forces between ourselves and our opponents. We cannot fail to see, however, that while the Soviets espouse détente, they continue a substantial momentum in developing military capabilities. I do not see how we can ignore Soviet capabilities in calculating our own defense needs. We must have sufficient defense forces and programs to maintain the military balance and to provide a basis for conducting arms negotiations. The key areas that are of particular concern to us, as Secretary of Defense Schlesinger has pointed out, are the strategic balance, NATO Europe and naval forces.

A steady defense budget which supports adequate levels of readiness and modernization will be essential for maintaining the strategic, NATO-Warsaw Pact and naval balances. We must also recognize the fact that inflation and pay costs for our military and civilian personnel will continue to contribute substantially to the size of the defense budget. This means that the budget will have to go up in current dollars each year just to permit us to stand still or maintain current capabilities. It is clear to me that the administration's Defense requests this year are reasonable ones which barely keep up with inflation. Therefore, I believe we must support defense spending of around the level proposed as essential to maintain the deterrent forces we need.

Let me now develop some of these points in a little more detail.

Turning to the strategic area, we find that not only is the Soviet Union approaching parity in nuclear capabilities with the United States, they are also pursuing a vigorous and varied development program in strategic weapons. If the Soviets deploy these systems and if we took no offsetting action, the Russians could move from strategic inferiority to strategic superiority. They have tested four new ICBM's in the past year, and also developed their first multiple warhead submarine-launched missile. Deployment of all three of their heavier, new ICBM's would give them a substantial increase in ICBM throw-weight. If they exploit this throw-weight margin with MIRV's and high accuracy, the Soviets could achieve a major advantage in counterforce capabilities.

I believe it would be folly to let the Soviets gain a significant edge in this or any other area important to the strategic balance. We must maintain essential equivalence, as Secretary Schlesinger phrases it, between Soviet forces and our own.

We hope to achieve this in SALT II, but I also feel that the R. & D. hedges and modernization programs proposed by the administration are necessary, given the uncertainty about what the Soviets are doing, while we are pursuing a favorable SALT outcome. We would prefer to reduce stratgic forces through negotiations. But we are also prepared to stay level or increase them if necessary. Soviet actions will determine which course we must follow.

While it is, of course, essential to maintain the strategic balance, we must also recognize that in an era of approximate nuclear parity conventional forces are of progressively greater importance. We are particularly concerned about the need to maintain a balance of conventional forces in NATO Europe and at sea.

Western Europe, today and in the foreseeable future, is where we have our most important foreign interest—an area of the world where Soviet forces are deployed most directly against us. Our hope is that the MBFR talks will enable us to maintain the balance in Europe at lower force levels. But here again we must recognize that maintaining NATO conventional forces that are adequate for deterrence and defense is an essential part of the negotiating process. We must face the fact that a strong U.S. force commitment to Europe will be necessary for years to come, even while our allies are doing more. We should reduce those forces only through negotiation, not through belief in the illusory notion that détente no longer demands defense.

We must expect our allies to continue more to the conventional forces defending free Western Europe, and we must also continue our efforts of the last few years to achieve a more equitable distribution of the defense burden in NATO. But I must emphasize, Mr. Chairman that our efforts have already been successful. Allied defense budgets have increased by 40 percent since 1970, while our outlays in the current fiscal year are up only about 2 percent over those of fiscal year 1970. The Germans have recently agreed to offset our NATO costs, and our allies are doing likewise. In fact, our allies contribute most of NATO's ready forces in Europe—90 percent of the ground forces, 80 percent of the ships, and 75 percent of the aircraft. So, it is clear that they are doing more.

The naval area is also important because of our dependence on the sea to support our allies and to maintain our economy. We must have adequate naval forces to maintain a balance because, quite simply, we are a maritime nation dependent on the seas for commerce and for lifelines to our allies. In this area, however, Soviet capabilities and their expanded naval operations around the world have been growing, while our Navy has been getting older and smaller. We have had to substantially reduce the size of our Navy in the last 5 years, from almost 1,000 ships to just over 500, both to eliminate worn-out, older ships and to provide the funds needed for modernization. We have halted the decline and are pursuing the very-much-delayed modernization program. Because of the tremendous budgetary pressure we face, it must be based on the high-low mix concept. This means we will buy only a few high capability-high cost ships such as aircraft carriers, while buying more lower capability-lower cost ships such as the proposed new sea control ship. With this approach we can build a more modern Navy over the next decade—one fully capable of maintaining the balance—and I am confident that the House will support the programs necessary to do so.

The proposed defense budget contains vitally needed funds to support all three of these key balances. I am fully aware that this budget is a substantial one, but by any measure I want to emphasize that it will take less of our national resources than any for more than a decade. The fiscal 1975 budget, in fact, will take less of our GNP than any since 1950. We must, however, face up to the fact that even in an era of peace and détente a large defense budget is still essential. Prices are up substantially. Manpower costs are also much higher than they were a decade ago, primarily because of our national decision to pay our men and women in the volunteer force comparable wages to civilian jobs. The result is that this year's budget, in real terms, is actually less than the one for 1964, the last year before the Vietnam buildup began.

We must accept the fact that in a period of inflation—when we have decided to pay our servicemen a fair wage and while the Soviets are continuing very aggressive increases in their budgets and forces—we must pay the costs if we are to maintain our security. Let me repeat that I support defense spending of about the level proposed by the administration. I believe the American people are willing to spend 6 percent of the Nation's resources to insure the viability and survivability of the remaining 94 percent. Our Nation has always in the past been willing to defend itself and its principles. I do not believe the American people want to do less than that now.

I urge your support for the bill now before you.

Mr. SPENCE. Mr. Chairman, I would like to speak on behalf of the manning level for our Army.

For fiscal year 1975 the Army has requested a military end strength of 785,000, which represents only 3,000 over the fiscal year 1974 force, the smallest Army this Nation has had in two decades. This manpower level is consistent with the current world situation and the fact that the Army is not now committed in combat. We are all hopeful that these conditions will not change and that the process of détente may continue and contribute toward that goal. Unfortunately, we have no assurance that peaceful conditions will always prevail. In our imperfect world the possibility of an unwanted war remains with us and that threat requires a strong and ready Army. In fiscal year 1975 it will also be a smaller Army.

The primary consideration in determining the number of Army divisions required is the threat posed by the Soviet Union and the other Warsaw Pact divisions. General Abrams has testified that approximately 30 U.S. Army divisions would actually be required to control the initial phases of a conventional global war with the Soviet Union. Most of those divisions would be committed to the critical central European sector of NATO. The remaining Army divisions would enable the United States to protect its vital interests in areas other than central Europe and provide a credible strategic reserve. A 30-division force would assure a high probability of accomplishing our national strategy without using nuclear weapons. That force is not attainable, however, in peacetime.

For many years the Army has stated that 16 active divisions were required to provide the capability to meet the strategy within a prudent level of risk. They would provide sufficient Army forces to give us a reasonable prospect, if deterrence fails, of not having to resort to nuclear weapons in the early weeks of a war with the Soviet Union. The pre-Vietnam army, of course, consisted of 16 active divisions. The current Army force of 13 active divisions falls 3 divisions short of the 16 active division objective. The present force of 13 active and 8 Reserve component divisions is a high-risk force. General Abrams has referred to this force as one that leaves "no room for error." In the past, however, the Army has not felt it possible to achieve the larger force within the budget levels approved by the Congress. The Congress has suggested that greater combat forces could and should be achieved in the Army. This gentlemen, is what is new in the Army in fiscal year 1975.

The Army has begun major management initiatives to reduce headquarters and support to improve its capabilities by placing more soldiers in battalions and divisions. Basic and advanced individual training will be conducted at one rather than two Army posts, and Army headquarters in the United States and abroad are to be reduced and in some cases consolidated. These economies will enable the Army to begin to structure a more austere force in fiscal year 1975 with an objective of achieving 16 active divisions by the end of fiscal year 1978. All of this will be accomplished within the requested Army end strength of 785,000.

Of the 16 active divisions, 13 will be structured with 3 brigades and an average of 10 battalions each. The other three divisions initially will have two brigades and six battalions each. The Army will have sufficient forces to respond to minor contingencies, but will rely on its Reserve components to round out or fill up these divisions in the event of a major conflict. This is known as the Army Reserve component affiliation program. Not only are the Reserves expected to augment active divisions, but where possible they will also train with the active divisions. This means improved readiness for and increased reliance on the Army Reserve components. Programs of this type have also been recommended by the Congress. Army forces deployed abroad will not be affected by these programs; they will remain unchanged.

These changes to the Army structure do involve some risk. The heavy reliance on Reserve components will require their timely mobilization in the event of a national emergency. Also, there is the risk of reduced support. The new divisions have been added with almost no increase in support capabilities. There may be a greater degree of risk, however, in 13 fully structured, fully manned, fully supported active Army divisions.

In summary, the 785,000 military end strength requested for fiscal year 1975 will provide a lean, austere Army with more teeth and less tail. It will be at least 13⅓ divisions in fiscal year 1975 with an objective of 16 active divisions by the end of fiscal year 1978, all within an end strength of 785,000. These force improvements and management initiatives are responsive to the recommendations of the Congress. I strongly recommend that the Congress approve the requested end strength of 785,000 for the U.S. Army.

Mr. ADAMS. Mr. Chairman, as the House of Representatives considers this military procurement authorization legislation for fiscal year 1975, I believe it is incumbent upon us to remember just what age we are living in today.

The United States is engaged in no major or minor military combat. The Secretary of State, Henry Kissinger, is working daily on a peace settlement in the Middle East. The United States is also involved in the strategic arms limitation talks, to achieve a limit on nuclear arms. While these peace efforts are underway, and the United States is endeavoring to enhance détente between the East and West, it is hardly the time for the Department of Defense—with the aid of the Congress—to be increasing the Defense budget.

The Pentagon, bolstered by the Nixon administration really is requesting almost $100 billion for defense-related expenditures for the fiscal year beginning July 1, 1974. The Defense Department has tried to make this seem smaller by dividing that amount into: $92.9 billion in budget authority, in addition to $6.2 billion in supplemental funds for the current 1974 fiscal year.

Thus, when looking at the total defense spending figure in conjunction with the rest of the Government's budget, defense amounts to a 30-percent larger slice of the budget pie.

In fact, if you discount the portions of the Federal budget which go for the social security, the highway and the railroad retirement trust funds—funds which the Government cannot spend for anything but those three programs because they come from contributions—the defense budget suddenly shows its true size. That is, 40 percent of the total Federal budget for the military, plus another

19 percent for the costs of past wars—veterans payments and interest on the national debt—for a grand total of 59 percent.

President Nixon continually reminds us that this is the "generation of peace." Yet he requests more money for defense than has ever been spent before either in a period of war or peace. Worse than this penchant for military spending, however, is a continuing reduction and limitation of spending for domestic problems.

I have always believed that the United States should have a strong national defense. Consequently, I have usually supported the Defense authorization and appropriations bill when they have come before the House of Representatives. However, I do not think it is a necessary part of our Nation's defense to be preparing for such contingencies as two simultaneous conventional wars as well as stopping a guerrilla war—the so-called "two and a half" war system.

The most dangerous part of the new 1975 Defense budget is the funding proposal for new "counterforce" weapons and strategies. New counterforce weapons would introduce a major new and very dangerous element into the present strategic position between the United States and the Soviet Union. They would be seen as a threat to the entire Soviet land-based missile deterrent and also provide a strong impetus to the false belief that a nuclear war could be won with a first strike capability. This could only add to the arms race. I regret that an amendment was not directed toward eliminating the funding specifically for the new counterforce weapons and strategies, because there are new programs the United States can live without—literally.

In addition to the arguments of budget priorities and our national defense posture, my overriding concern is that the Nixon administration's huge increase in defense spending will add fuel to the fire of inflation.

The administration argues that over $6 billion in the 1975 Defense budget request is provided to create jobs and thus ease unemployment. However, it apparently takes at least $20,000 to $30,000 worth of defense spending to create one job. Why not put the $6 billion economy-stimulating money into domestic programs that create more jobs for less money—areas such as education, health, housing, agriculture and public employment.

To bring the Defense budget back into line with the rest of the programs within the Federal Government, I am supporting the amendment offered today by my colleague Congressman LES ASPIN, which would place a ceiling on overall defense spending at the 1974 level and grant a 7.4 percent increase for inflation. Passage of this ceiling will result in a reduction of defense spending by $733.1 million.

As Congressman ASPIN has stated:

> Last year's overall budgetary ceiling of $267.1 billion and the passage last year of the Budget Control Act clearly indicates the House's desire to control rapidly rising federal spending. The budget of the Department of Defense should be treated no differently than that of any other department or agency; the Pentagon should live within a budgetary ceiling like everyone else.

I voted for a similar spending ceiling amendment last year when the defense budget came up on the House floor. I hope that this ceiling amendment will be enacted into law.

I have also supported the amendment to reduce the Pentagon's request for $1.6 billion for military aid to South Vietnam. That request is far above the spending ceiling on Vietnam aid which the Congress enacted into law last year. The House Armed Services Committee cut the Pentagon's request by $200 million, but that is not enough. We should limit military aid to $900 million—the same level which has been approved by the Senate Armed Services Committee.

Another major area in which the Defense budget should be changed significantly is U.S. troop strengths. Presently, the United States is spending about $30 billion a year to maintain its military presence abroad. That amount contributes to a deficit in our balance of payments which we are trying so hard to push into the black.

I have supported the amendment for a major troop cut which would reduce U.S. military spending abroad and which would serve to reduce the burden on the U.S. Treasury for troop strengths which are based on a World War II military posture. I do not support execessive cuts in U.S. troop deployment in countries friendly to the United States that are essential to our security as well as theirs and help maintain stability in Europe and Asia. However, I do believe that the Defense Department must reshape U.S. troop deployment to achieve a smaller, more efficient and more capable Armed Force, and that a rapid rotating of troops with the consequent reduction in support units and maintenance of dependents should be a first order of business.

There are many other areas in the fiscal year 1975 defense budget which could be reduced substantially. For an excellent, brief but thorough examination of that budget, I would recommend to all my colleagues the pamphlet recently published entitled "Military Policy and Budget Priorities."

The study has been prepared by many defense experts, including: Paul C. Warnke, former Assistant Secretary of Defense, International Security Affairs; Adrian S. Fisher, former Deputy Director, U.S. Arms Control and Disarmament Agency; and Alfred B. Fitt, former Assistant Secretary of Defense, Manpower. They state:

> The Nixon Administration has proposed to Congress the largest peacetime military budget in our history. The Administration juggles its figures to seek to give the impression that the proposed increase over last year is only large enough to cover pay and price increases—about $5 billion. But the truth is that, if all the requests that are really part of the FY 1975 program are counted, the actual increase is about $13 billion. This proposal comes at a time when the Administration is freezing budgets and impounding funds appropriated by the Congress for vital domestic programs.

It is incumbent upon the Congress to scrutinize the 1975 Defense budget carefully, critically and—most important—to act independently on the Pentagon's requests. The country can no longer afford a Congress which nitpicks at the budgets for vital domestic programs while it virtually issues a blank check for Defense spending.

Mr. DAN DANIEL. Mr. Chairman, I rise in support of H.R. 14592 and want to particularly direct my remarks to title III of the bill—that title relating to active duty personnel.

During general debate yesterday, Mr. Fisher recited the pertinent statistics requested in this bill and I will therefore not duplicate his effort. CLARK FISHER has provided outstanding leadership as chairman of the personnel subcommittee. His guidance and inspiration will certainly be missed.

The all-volunteer concept is still in the experimental stage. In some areas, the services have done a better job than anticipated, while in others, there are many critical questions to be answered. Our problem, as was expected, is in the combat arms area, where we have a shortfall of 12 percent. This program bears careful monitoring, and we have therefore inserted in the CONGRESSIONAL RECORD each month the recruiting experience of the services. There are several subjects which I would like to discuss—primarily the cost of personnel connected with the Defense Department. In fiscal year 1975, personnel and personnel-related costs will represent at a minimum 55 percent of the total defense expenditures. I strongly favor comparability of pay for our service personnel. I am disturbed that funds may not be made available for the weapons of peace.

In 1954, defense outlays were almost $44 billion; in fiscal 1974, $79 billion, approximately. Over a 20-year period, we had an increase of roughly $35 billion. Of this $35 billion increase, Mr. Chairman, it is reported that 93 percent went for pay and operating costs, and only 7 percent for procurement, research and development, and military construction.

For the 10-year period beginning in fiscal 1964, the experience has been even more dramatic. Defense outlays increased $28 billion. Of this increase, 96 percent was for pay and operating costs, while only 4 percent was for procurement, research and development, and military construction.

I make this observation to indicate that there is no validity to the contention of the antimilitarists that we are building a vast arsenal. We are not building up; we are barely keeping up. And I might add that the increase for fiscal year 1975 barely offsets the inflation factor.

In examining costs, we must be careful to put them in perspective. There is no question that pay levels have increased in the Department of Defense, just as they have in all sectors of the U.S. economy. The genesis of recent DOD pay increases is found in legislation passed in 1967, which established the principal of full comparability between Federal Civil Service salaries and those in the private sector. At the same time, a similar measure was passed to cover military pay. Provisions were also enacted for periodic upward adjustment of civilian and military retirement annuities—this was in 1967, well before the all-volunteer force was considered.

In 1971, as a part of the $3 billion so-called project volunteer package, Congress granted a special "catchup" pay increase for junior officers and enlisted personnel. Prior to that time, first-term enlistment personnel had received no increase between 1967 and 1971. As a result, the first-term enlisted member found himself earning less than the Federal minimum wage, and frequently living at the poverty level—and in some cases, actually on welfare. The first-termer was earning about 60 percent of what his nonmilitary friends could earn in the civilian sector. This simply meant that our first-termers, many of them draftees, were bearing far more than their share of the cost of the Nation's defense program. They were being heavily burdened through the maintenance of poverty-level wages. The best that could be said for the situation was that it was disgraceful.

I backed this pay raise in 1971, and I am sure most of the Members who were here at that time did so, as well. But it has and does continue to escalate the cost of our defense structure.

Cost figures do not reflect cost savings brought about by the volunteer force program which are currently estimated to be about $400 to $500 million in fiscal year 1975 and $500 to $600 million in fiscal year 1976 and beyond. Let me illustrate.

The 2-year draft period virtually guaranteed a high rate of turnover in the Army. High turnover is costly, in terms of recruiting and training. It also reduces readiness. A dramatic example of increased efficiency brought about by the volunteer force can be found in the Army's combat arms—the infantry, armor and artillery jobs that represent a significant portion of the Army's total manpower requirements.

In 1971, with the draft operating, the average amount of time on the job after formal training was 21 months, for those who did not reenlist. Today, 90 percent of those going into the combat arms are serving for 3 years or more, and the average amount of time after training is 33 months. This represents a 57-percent increase over 1971. Obviously, the resulting reduction in turnover in the higher level of experienced and combat units contribute to greater preparedness. Moreover, as the direct result of this increase in productive time, the Army's new manpower requirements for the combat arms in 1976 will be reduced between 15,000 and 20,000, a reduction of about 40 percent. This has saved the taxpayer in excess of $100 million in annual training costs.

I cite all these figures to indicate the diversity of the subject, and I am pleased to say the action taken by the Armed Services Committee will save approximately $121 million during fiscal year 1975 on the manpower area alone.

Now, there are those who criticize the numbers that we maintain in our active forces. Just last week, a group of former defense officials did this very thing. Yet, if we look at the record of those same defense officials who are now urging a reduction in our active forces, we will find that they are the same ones who increased the military forces at a faster rate during their time in office than has been done since the time of the Korean War. It gives pause why their actions and their words are so much at variance.

We are moving on uncharted waters, Mr. Chairman. Our troops are not engaged in combat anywhere in the world. We seek a lessening of tensions in many historic trouble areas. We are embarked on an all-volunteer concept experience which is still in the testing stage. We are living day-to-day in a world troubled politically and economically. It is incumbent on us to be prudent in our actions as we work toward the peace in the world which we all seek.

Mr. RHODES. Mr. Chairman, I strongly oppose two of the amendments to H.R. 14592, the military procurement authorization bill. One amendment, proposed by the gentleman from Wisconsin (Mr. ASPIN), would slash $733 million from the defense budget. The other amendment, proposed by the gentleman from Massachusetts (Mr. O'NEILL), would weaken our Armed Forces troop levels abroad.

The fiscal needs of the Department of Defense have been thoroughly studied by the House Armed Services Committee for 3 months. That body has not concluded that the cut proposed by Mr. ASPIN is desirable.

This amendment is unjustified. It would circumvent the appropriations process, and be damaging to our military security.

This authorization bill is not the place to make a straight cut. The Appropriations Committee has had no opportunity to consider this bill and to work its will. A cut of more than $733 million in this authorization is not supported by economic reality.

The percentage of our natural resources going to defense has gone down steadily as a portion of our gross national product. Today it takes only 6 percent. Thus there is no current justification or crucial need to change defense spending to reduce further its percentage of our national resources.

We cannot slash authorizations and expect to have adequate defenses in today's economic climate. I might call to the attention of my colleagues the succinct testimony of Admiral Rickover, who has reminded us that planes on our aircraft carriers today cost 25 times as much as World War II aircraft. "Should we," he asks, "cut the number of planes on our carriers from 100 to 4 or 5 as a cost-cutting move?"

We must face the truth of today's economic life. Straight dollar costs do not really reflect massive increases in defense spending. Taking inflation into account, military expenditures have been relatively statis since 1969.

I urge my colleague to recognize the facts of world relations, the need for a defense second to none, and the realities of our economy. This amendment should be defeated.

I also want to express strong opposition to the amendment by Mr. O'NEILL. The proposal would be detrimental to our relationships with our allies at a time when we need all the friends we can get around the world.

This proposal would offer us unwholesome choices in allocation of what would remain of our overseas forces.

We could make the cutback in Asia. To do so we would have to withdraw all of our supportive forces from all of Asia. This would leave us with no land presence. It would invite resumption of hostilities in Korea where our being there has helped preserve our hard-won peace. The alternative in Asia, withdrawal of large numbers of personnel from Japan, would be unsettling, putting further stress on our relations which already have been strained by the economic crisis.

If we took all of the 100,000 cut from Europe, we would weaken NATO. We have spent many years, and many taxpayer dollars, to establish a balance of conventional forces in Central Europe. Precipitous withdrawal of our forces would be an unkind cut to our NATO allies, whose own defenses are at stake. Since they are offering to pay more of the costs of having our troops there, this amendment seems pointless.

The proposed cut would be most damaging if it is aimed primarily at Europe, as I believe the sponsor from the other body has implied. There are negotiations under way for mutual balanced force reduction. They are making progress. Unilateral withdrawals by the United States most certainly would be detrimental and could possibly cancel these negotiations.

If the 100,000 reduction were split between Europe and Asia, we would have succeeded in simultaneously weakening our relationships with our friends on both sides of the globe. We would also weaken our own defenses, which depend on our alliances and our readiness.

If we cut back on forces overseas, we are going to have to pay for a giant airlift capacity. Mobility is the name of today's defense game—we cannot afford to take days if action is required in hours.

I feel strongly that neither of these amendments are in the best interests of our defense today. This is still a world of unrest and potential peril. We do not note any cutback in the Soviet Union military spending program, and many reports indicate that they have massive commitments to a land army as well as an accelerated program of weaponry development.

Now is not the time to take a meat ax approach. It is no time to indiscriminately slash funds or forces. I am hopeful that both of these amendments will be voted down.

Mr. BROYHILL of North Carolina. Mr. Chairman, I support the amendment offered by Congressman ASPIN to the military procurement authorization bill, H.R. 14592, which sets a spending ceiling for the Department of Defense. I firmly believe it is long past the time for Congress to introduce fiscal responsibility into DOD, and I believe this amendment is a responsible approach to the problem.

This amendment will set a spending ceiling of $21.9 billion for the Defense Department in fiscal year 1975. This is a 7.4-percent increase over last year's DOD appropriations of $20.1 billion, and a reduction of $733.1 million in the authorization recommended for this year by the House Armed Services Committee.

There are three basic reasons why I feel favorable consideration should be given this amendment.

First, in an interview appearing in U.S. News & World Report, Secretary of Defense Schlesinger stated that the Defense Department needs a 6-percent increase in last year's appropriation to keep up with inflation. This amendment permits a 7.4-percent increase for inflation, 1.4 percent more than is needed to retain the same general defense posture as last year.

Second, the Congress has repeatedly reduced the Defense Department budget request. The House Armed Services Committee has already reduced the original request by $487.2 million, and it can be anticipated that the Appropriations Committee will reduce it further. By mandating a specific spending ceiling, the Defense Department will be required to request only those funds which are essential to their operations, procurement, research and development. This will necessarily reduce wasteful spending and require a more thorough study on the part of DOD as to what programs are worthy of being continued and which should be phased out.

Third, U.S. financial resources are finite. We cannot continue to spend dollars we do not have available to spend. My colleagues would agree with me, I am sure, that doing so is unsound business practice. A byproduct of continued increases in defense spending is the reduction of spending in other areas in which the Federal Government is involved. Do we increase defense spending at the expense of the many worthwhile social programs designed to aid our citizens in obtaining a better standard of living? Or do we strike a balance between the two, by providing a sound defense structure to protect our citizens so they may continue striving for a better standard of living?

Mr. Chairman, the Congress must regain its control of the Federal purse strings and it must establish Federal spending priorities. I believe this amendment is both reasonable and responsible, and I urge its adoption.

Mr. ROBISON of New York. Mr. Chairman, although we have had a series of votes on a variety of amendments to the pending bill, I would wish to address these remarks to only one—but certainly a major one—of those amendments. In doing so, I would note that for the second year in a row, I was not able to vote for the Esch troop-reduction amendment, and I want my colleagues to understand why this was so. Last year, and again this year, my colleague and friend from Michigan (Mr. Esch), did the hard work necessary to propose a troop-cut amendment and to solicit support for that proposal from colleagues on both sides of the aisle. It was the intelligence and conscientiousness of Marvin Esch which convinced me last year that a cut in the military manpower ceiling was a necessary response to changing world conditions and domestic priorities; and so I did support the O'Neill-Esch amendment this year because the gentleman from Michigan argued so convincingly that we should—and responsibly can—move to a leaner, tougher military force.

My colleague from Michigan (Mr. Esch) was the prime force behind the Esch-Carter troop reduction amendment to last year's military procurement authorization, and he was likewise pivotal in this year's move to reduce overseas troop strength by 100,000 men. However, the parliamentary situation on both these occasions did not permit the man who so forcefully worked on behalf of these amendments to take the lead in presenting them to us during floor debate, but it should be recognized that our present discussion largely grows out of the considerable effort of the gentleman from Michigan.

Mr. Chairman, we in Congress must exert our constitutional responsibility to raise and support armies in a manner which insures the strongest possible national defense, while properly addressing domestic needs which are equally as important to the health and vitality of the country. Congress is not fulfilling that responsibility if it continues to sanction a full-strength division in South Korea. That nation has a population one-tenth the size of the United States, yet it supports a military force which is almost one-third as large as the total U.S. active-duty strength. While the United States deploys its troops throughout the world, virtually the entire Korean force is committed to the defense of its homeland—a considerable defense, I might add, since the Korean army possesses a 2-to-1 advantage in manpower over the North Korean army.

The same serious scrutiny must be directed at our 36,000-man force in Thailand, a country with a sufficient military force to send a division of its troops to Vietnam during military hostilities there, while maintaining its defense commitments at home.

Gen. Creighton Abrams, Army Chief of Staff, is now in the process of "beating fat into muscle." Like the gentleman from Michigan (Mr. Esch) who did so much on behalf of this amendment, the general wants a leaner, tougher fighting force. That is all that some of us in Congress are asking. General Abrams feels that he can mold the present logistical fat in the Army into three more fighting divisions. We shall consider in future years whether it is in the best interests for the Nation to support an additional three divisions; but the message for us today is clear.

If there is enough fat within the 785,000 manpower ceiling to beat out three more divisions, it would have taken only a little, healthy exercise to reduce overseas troop strength by 100,000 men.

I strongly suggest that we should have done so, Mr. Chairman, so that we can render this useless military fat into domestic manpower programs, and education programs, and programs for the aged—all of which can contribute right now to the personal security of our citizens.

I do not know, of course, that my position in support of this amendment was the right—and responsible—position to take. Since the amendment failed to carry, one supposes that any such doubts are, therefore, academic. Nevertheless, I should think that the votes cast in favor of the O'Neill-Esch initiative do constitute a signal not only to the administration, for it to get on with the mutual troop reduction negotiations with the Soviets, but to the Soviets as well, that the American people will welcome—and honor—a reduction of forces on both sides as soon as such an agreement can be worked out by our respective governments.

Mr. CLEVELAND. Mr. Chairman, I rise in support of the amendment to hold the military procurement authorization for fiscal year 1975 to the current year's level, plus a 7.4 percent increase to compensate for inflation.

While this does not represent a new departure on my part, since I supported a similar bipartisan initiative last year, I think it well to indicate my reasoning.

Many Members, doubtless including some supporters of this amendment, have supported or will support other amendments to reduce specific categorical items in H.R. 14592. I do not question their reasons. I merely do not share them.

I happen to think that this country faces a prolonged period of international tension in which a strong defense establishment—a capability in being backed up by political support in the Congress and the country—is absolutely essential.

I also recognize, however, that this country faces grave economic problems which continue to argue for restraint in other areas. Thus I feel that our military establishment must be made to live within the same sort of constraints over the long pull.

The discipline induced by this approach hopefully will stimulate a greater sense of economy on the part of the military. My experience in 12 years in this body as well as two tours of military service have convinced me that there is indeed an unconscionable amount of waste throughout our military services which can be trimmed without detracting from their real capability to perform their missions.

Therefore, I am joining again in this effort to set a reasonable ceiling, while declining to join in efforts to cut individual programs for weapons systems, support for South Vietnam, or troop strength abroad.

The $21.9 billion ceiling is reasonable, as is the provision of the amendment requiring the Secretary of Defense to strengthen congressional oversight over priorities. It is only by action of this sort, combined with final passage of legislation equipping the Congress to exercise overall budget control, that we can truly get a handle on inflation and restore the stability to the economy on which our domestic prosperity and ability to sustain a sufficient degree of military effort must depend.

Mr. BAUMAN. Mr. Chairman, I have certainly not been alone among the Members of this House in contending that the preoccupation of the Congress and of the public at large with Watergate has obscured from view subjects which are at their roots much more important to the Nation over the long haul. The legislation before us today represents one such area, and I welcome the opportunity to lend my support to H.R. 14592 as the bare minimum we can afford to endorse in order to maintain the Nation's security in an age when that security is under dire threat.

I find it both curious and disconcerting that so little national attention has been given to the fact that the United States is fast becoming a second-rate power. The extraordinary and extravagant efforts on the part of the Soviet Union in the past few years to catch up with the United States militarily, and now to outstrip us entirely in many areas, have gone on largely undeterred by the SALT accords. Meanwhile, we have apparently become content to allow the Soviets to surpass us in several strategic categories, issuing nothing more than a mild protest when they deploy a new and much more powerful generation of ICBM's.

The decline in American military might vis-a-vis the Soviet Union has been accompanied by a dangerous evolution in the goals we have set for ourselves. For a long while following World War II, American military superiority was the acknowledged goal, and this superiority enabled us to hold a "big stick" in reserve while we spoke softly, but firmly, in world affairs. With the advent of the McNamara era at the Defense Department, the idea that military equality, or parity, with the Soviets was enough to deter major conflicts somehow gained credence, and by 1970 this idea had become policy. But in order to achieve some sort of agreement at the Strategic Arms Limitation Talks, we apparently needed a new rationale, which is best termed military sufficiency. Thus, today our policymakers no longer deem it necessary for us to maintain simple equality with the Soviets, as long as we have some strange, vague, overall equality which is deemed sufficient to provide the needed deterrent to war.

The practical result of all of this has been to relegate the United States to either real or potential inferiority to the Soviets in the total number of ICBM's, number of nuclear submarines, missile throw-weight, overall naval strength, and number of warheads aimed in our direction. The threat which this situation poses to our national security should be obvious to all, as should the need for reestablishing American military strength.

As I noted earlier, this authorization bill provides the bare minimum in this category. It will allow us to produce and deploy additional Minuteman III missiles, with their improved yield, accuracy, and response characteristics. It will allow continued progress in the Trident nuclear submarine program, with the first deployment in 1979, and additional production at the rate of two per year. This program is vital if we are to improve the quality of our naval strategic forces.

It will allow the procurement of tracked combat vehicles to replace and update the supply which was depleted during our assistance to Israel during the fighting in the Mideast last fall. It continues the development of the B-1 bomber, which I believe to be essential. Whatever the shortcomings of the B-1, it is important that it be fully developed now. We cannot continue to rely on the B-52, an aircraft which was designed 20 years ago, and hope to possess an effective strategic long-range bomber force. We do not have the luxury of time which would be necessary to develop a new strategic bomber from scratch.

The bill before us continues vital research into ballistic missile defense systems, though at a lower level than I believe to be prudent. For the present we are forced to rely on the theory known as "mutual assured destruction"—MAD—for our security. If we can wipe them out, and they can wipe us out, the theory goes, why build antiballistic missile defenses? But basing our continued existence on the slender thread of mutual assured destruction seems to me to be truly "MAD," since it relies on the theory that all parties involved will be rational enough to avoid a risk of incredible destruction by declining to fire the first shot. But rationality cannot always be relied upon, as a man named Hitler proved with bloody finality only a few decades ago. I, for one, will feel better about our security once we have developed an effective ABM system.

Mr. Chairman, the cries which have been heard in this Chamber today for an arbitrary cut in expenditures in defense procurement are cause for alarm.

Some of the calls for cutting defense spending have come from those whom I particularly respect, and this saddens me. Arbitrary cuts, without careful attention to the effect this would have on a program-by-program basis, could be disastrous to our overall defense posture. I believe that our margin of credible defense is so narrow today that we can ill afford any cuts in what is already a minimum program to maintain an adequate defense of the United States.

I strongly recommend to the Members that they refrain from the natural inclination to cut funds from this bill at a time when it is admittedly important to trim the Federal budget. I, too, am dismayed at the rate at which our budget has grown, and have spoken out on the subject many times in recent months. If the Soviets were moving at less than breakneck speed to outstrip the United States militarily, I might feel more disposed to support cuts in this area. But they are devoting an unimaginable amount of their resources to developing a military force superior to ours, and the consequences should they succeed would be catastrophic. We cannot afford for a moment to let up our development and procurement of weapons systems as long as this threat exists. Arbitrarily, across-the-board cuts in this measure could seriously weaken our military strength in the years to come, and I must oppose any such efforts.

I am proud to note that much of the Army's research, development, testing and evaluation of new weaponry is done in my district, at Aberdeen Proving Ground. This installation, in Harford County, Md., is one of the largest and most important such facilities in the Nation, and is an essential part of the effort to provide our Armed Forces with the most modern, reliable, and effective equipment available anywhere in the world. The men and women at APG perform a vital and ongoing service, and they help insure the value of the action we will take here today.

Performing a similar function for the Navy is the Patuxent Naval Air Test Center, in St. Mary's County, Md. This facility is also within my district, and the servicemen assigned there perform the same function in R.D.T. & E. for the Navy as their counterparts at APG perform the Army.

The money allotted in this authorization bill under title II will support the efforts at Aberdeen and Patuxent, and I heartily endorse it.

Mr. KASTENMEIER. Mr. Chairman, once again, as in so many years passed, we have reached the point where we are about to approve, virtually intact, almost every request for military weapons and manpower sent to us by the Pentagon. While I must concede that there are some good features to this bill, such as the decision to retain certain National Guard units, there are too many glaring deficiencies remaining, in my view, to enable me to support this measure.

I am compelled to ask why, for the first time in our history, we are presented with an increased military budget following the end of a war? Where is the evidence in this bill that we are attempting to reduce the arms race? Where are the results of the détente we have heard so much about? Where is our reduced military involvement in South Vietnam? Why must we tighten our belts in the areas of education, health and housing, but not in military weapons?

Mr. Chairman, it is long past the time when we should begin to treat the military budget in the same manner we treat the budget for our domestic needs. I, for one, am tired of seeing the House, year after year, sanction wasteful spending, perpetuate repressive governments through military weapons, and, in effect, starve domestic programs because of the fat in our defense budget.

Several excellent amendments were offered this afternoon which would have corrected many of these deficiencies. The action on these amendments, however, leaves the bill basically unimproved. Consequently, despite the few good features of this bill, I cannot support it in its present form and will vote against final passage.

Mr. ADDABBO. Mr. Chairman, I will support and vote for the defense procurement bill, but only reluctantly. I had hoped that amendments cutting back the B-1 bomber, the Trident submarine, and making personnel cuts of our overseas Armed Forces, and across-the-board cuts would have passed the House. They did not, but I would hope that the Senate will see fit to make these cuts. The defense program must go on and that is why I will vote for the bill even though I opposed some of the provisions. I am pleased that the funds for Vietnam have been reduced but regret it was not cut futher to $900 million. This Nation spends far too much money on unnecessary defense forces and far too little money on various social programs. We have seen education, veterans, and other programs suffer for lack of money; in New York City a number of remedial programs have had to be curtailed because not enough money has been made available. Yet it seems Congress will vote millions of dollars for unnecessary exotic weapons systems that will most likely be out-dated by the time the procurement is made.

I will make every effort in the appropriation bill for the Defense Department to make further needed cuts.

Mr. BURKE of Florida. Mr. Chairman, it might be interesting during our deliberations on H.R. 14592, if we pause and remember that one of our principal responsibilities is to see to the security of our Nation. All the arguments of those who would like to reduce our military to a point of less than that of the superiority of any of the potential enemies of our country apparently misread the motives of one of the leading military powers in the world, namely, the Soviet Union, for world domination.

What has the Soviet Union done to prove that it is sufficiently dedicated to world peace, that would lead us to think we should let our guard down; militarily or otherwise? The Strategic Arms Limitation Talks certainly can hardly be termed a success in eliminating future use of nuclear weapons. We know that the Soviet Union is building its military—its navy—its air force, its ground forces, and support units at a rapid pace. We also know that many of our naval vessels are reaching the point of obsolescence. In fact we have taken almost 40% out of service for the very reason since 1968. We have reduced our Air Force also because of obsolesence and must rebuild just to keep pace.

Mr. Chairman, a recent study of Soviet nuclear arms strategy published just this week lends strong credence to the fact that the U.S.S.R. maintains a strong and permanent nuclear strike capability in Cuba that could wipe out as much as two-thirds of the United States in the event of a nuclear confrontation. Thus, while some of our colleagues and others in our country talk about détente as if it was a love affair with the Soviet Union, let me state that to presume this is a mistake. Love of course is blind—but then the strategy of the U.S.S.R. for world domination still remains the same.

The strike capability of the Soviets is in the form of ships docked or anchored in Cuban waters. Whether they have land-based nuclear weapons is still uncertain, but even without it the report, which was only issued this week, makes it apparent that Soviet ships, with nuclear warheads are cruising in the waters off Cuba and in the Atlantic and Caribbean. These ships cruise with a range of strike capabilities of from 1,200 to 15,000 miles—capable of striking areas as diversified as New York, Chicago, or Arizona. They are maneuverable because of a system of relief vessels at Cienfuegos, Cuba, and elsewhere on the islands.

I can see nothing that has indicated to me that we should feel safe in today's world of uncertainty if we should reduce our military strength. If the U.S.S.R. would seriously indicate by some action its willingness to do so, then we could sit down and perhaps think of this possibility. To be sure, we have indicated that we no longer intend to be the world's policeman, and I agree we should not. However, let me state that it is my opinion that I think it would be foolish for our country to weaken our military potential during these times of uncertainty.

Mr. Chairman, to presume that the Soviet Union has changed its goals, or to fail to see that it has continually been building up its military potential at a pace faster than ours, is perhaps a beautiful dream, but this can well turn out to be a nightmare unless we wake up before it might be too late. For this reason, Mr. Speaker, I support the passage of H.R. 14592 for appropriations during the fiscal year 1975 for the procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons, and for the other purposes set out in the bill. If there is any nation that is playing the numbers game in military buildup it is the U.S.S.R. When will our need for a strong military to preserve our own security end? Hopefully someday, but the day has not, in my opinion, yet arrived.

Mr. DULSKI. Mr. Chairman, the questions raised by recent defense budget requests go beyond the matter of national security.

Certainly, no loyal American wants to jeopardize the Nation's safety. But the most loyal Americans are beginning to wonder just how many billions of dollars it takes to assure security—or to satisfy the Pentagon. When even former Defense Department officials maintain that $11 billion can be cut with no harmful effects, it is high time to examine the requests more closely.

That $11 billion could be used for alleviating a lot of problems at home. It could be used, for example, to fund some of the programs whose money was impounded, supposedly for the sake of economy and budget balancing.

The cities in my own district, like cities around the country, are in desperate need of Federal assistance. Mayor Stanley M. Makowski of Buffalo, N.Y., posed the question of reordering priorities in a recent letter to me.

At this point, I am inserting his letter, and I urge a thoughtful consideration of its contents:

CITY OF BUFFALO,
OFFICE OF THE MAYOR,
May 10, 1974.

Hon. THADDEUS J. DULSKI,
Washington, D.C.

DEAR MR. CHAIRMAN: I want to join with the other mayors in the nation and strongly support resolutions of the United States Conference of Mayors which, since 1967, has called for a reordering of national priorities. The priorities set by the Nixon Administration in its fiscal year 1975 budget are still grossly misplaced from the perspective of urban areas.

Funding for important federal grant programs remains inadequate. The transition from the old to the New Federalism still fails to relieve the bite of inflation and fails to fill the budgetary gaps created by the elimination or curtailment of categorical programs.

The most alarming feature of the FY 75 budget is that despite the fact that U.S. military involvement in Vietnam has ended, the President advocates an unprecedented increase in military spending—$13.7 billion or 16.4 percent higher than FY 74. Allowing for inflation, the increase in real dollars (or net expansion of military forces) is 9.3 percent.

Astonishing from a city point of view is the admission by the Secretary of Defense that $6.3 billion was added to stimulate the economy and create jobs. Thus, it is obvious that the President prefers military projects over public employment and releasing impounded funds or beefing up urban programs as the way to beat the present recession. From our past experience with unemployment problems, we know that spending through local government is more effective, because it creates more jobs quicker and can be targeted to critical areas of need in terms of services and unemployment.

President Nixon's budget is the first in history to increase military spending after a war. By 1947, the military budget was less than 10 percent of its World War II high; after the Korea conflict military spending fell to 45 percent of its 1952 peak.

This continuing problem of misplaced priorities has prompted leaders of national labor, business education and civic groups to form the Project on Budget Priorities. The Conference of Mayors is a part of this effort. We want to urge the Congress to make appropriations that more properly address the needs of the cities. If fiscal responsibility is to be maintained, cuts should be made in the military budget to free adequate resources for vital domestic needs.

Such cuts are feasible. The Conference of Mayors is advised by a group of former high level officials of the Defense Department who maintain that at least $15 billion in waste and inefficiency can be pared from the military budget while maintaining a high level of defense preparedness.

I would appreciate your help in this endeavor to legislate reductions in military spending. This year mayors are undertaking a concerted effort to pass two major amendments on the military authorization bill which will go to the House floor in early May and then to the Senate soon thereafter. The first will be a dollar ceiling on research and procurement at the level appropriated last year plus inflation. The second will call for deactivation of about 125,000 of the 180,000 troops still stationed in Asia.

It is my sincere hope that you will find it possible to support this reordering of American priorities which I have outlined. As you may know, today the City of Buffalo confronts a critical financial crisis. If national priorities are reordered, Buffalo may receive additional aid from the Federal government which is so desperately needed.

Best personal wishes.
Sincerely yours,
STANLEY M. MAKOWSKI.

Mr. VANIK. Mr. Chairman, in our considerations of defense spending bills, I am often struck with a feeling of going through a futile exercise. Last year, the year before it, and the years before that, we were called on to cast our votes for what amounted to a ratification of committee and Department of Defense requests. This year was no different. We were asked to vote for a bill that was essentially an unchanged Department of Defense statement, modified in only the most minor aspects by the House Armed Services Committee.

It is unfortunate that the Congress does not have opportunity to more fully work its will on defense bills—bills that together consume almost a third of the total Federal budget. Although there are usually a small number of floor amendments offered, they are often either too large and comprehensive, or too small and specific.

Consequently, Members must simply take or leave what the Armed Services Committee has accepted as writ from the Department of Defense. The dependence of the committee on the Department was demonstrated by its committee report on H.R. 14592, parts of which were lifted verbatim from a Department of Defense witness that had appeared before the committee, and then presented to the Congress as official committee viewpoint.

We are too seldom offered alternatives to Department of Defense-armed services programs and legislation—we must either vote for the bills—and be labeled pro-arms race, or against it, risking the label of antimilitary or "weak on defense." There is no middle ground.

Although I do not advocate line-item votes by the Congress on defense spending bills, I do think that some categorical consideration between line-item and overall authorization votes would benefit our country. It could allow us to pare the fat from budgetary budgets, which is undeniably there, while at the same time retain the strength and foundation that we know it must have.

The present method of congressional ratification leaves no room for the Member who has every wish to vote to provide a strong national defense, but also wants defense spending to be considered as part of a whole budget picture.

In the future interest of providing Members with alternative positions to the DOD mandate, I would like to include in the RECORD portions of the May issue of the Defense Monitor, published and researched by the Center for Defense Information in Washington.

Although I do not necessarily subscribe to the views presented in the Monitor, I think that Members can benefit from the alternatives that are presented. They show that there can be more than only a yea or nay position—but existing in between are options that save huge amounts of money that can be used for other important domestic considerations while still maintaining U.S. defense superiority.

Mr. Chairman, the Center for Defense Information is an independent clearinghouse of defense information. It has helped many Members make some sense out of the complicated obfuscation that the Department of Defense presents as argument and defense of their programs. It is headed by a 31-year veteran of the Navy, Adm. Gene R. LaRocque.

The portions of the Defense Monitor follow:

STRATEGIC FORCES

Offensive weaponry at the strategic level includes intercontinental ballistic missiles, bombers, and submarine-launched ballistic missiles. For each of these forces there are expensive follow-on programs underway. Research is underway to develop three new weapons for the strategic arsenal—air and submarine launched cruise missiles and a mobile ICBM. In addition, about $286 million of counterforce programs, designed to increase the hard target kill effectiveness of nuclear warheads, have been requested. These programs have been requested even though the fact is that the U.S. now has 7,940 strategic nuclear warheads to the Soviet Union's 2,600.

Defensive strategic weaponry includes research funding requests for the site defense of ICBM's and advanced ballistic missile defense programs. In spite of the ABM treaty, the Pentagon has requested funds for research on weapon systems that are clearly barred by the agreement.

Analyses of the weapon systems proposed by the Pentagon indicate there are options which will not adversely affect U.S. defense posture.

LAND-BASED ICBM'S

Three hundred million dollars has been requested in the 1975 budget for the last new Minuteman III missiles to replace older Minuteman missiles. The funds would provide for the acquisition of 61 missiles, 40 of which are programmed for operational tests. Also, the Pentagon has requested $136 million to increase the performance characteristics of Minuteman:

[In millions]

Increase warhead yield for Minuteman II	$25
Increase Minuteman accuracy	32
Increase MIRV from 3 to "X" reentry vehicles per missile	19
Develop missile performance measurement system	33
Advanced ICBM technology	37
Total	146

In addition, $349 million has been requested for site hardening such as silo hardening, etc.

Option 1—Maintain current yield and accuracy of Minuteman III by not increasing performance characteristics and cease MIRVing Minuteman. This will avoid the appearance of changes in targeting doctrine to that of first strike. Cessation of the MIRV program could serve as an inducement for Soviet cooperation during SALT II. Savings—$436 million.

Option 2—Maintain current yield and accuracy of Minuteman III by not increasing performance characteristics but continue MIRVing. Justification: Same as Above. Savings—$146 million.

COUNTERFORCE PROGRAMS

Funds have been requested for several other measures to enhance the counterforce capability of the United States. These proposed measures are parts of the Trident the Poseidon and the Advanced Ballistic Missile Re-entry System (ABRES) programs.

[In millions]

Terminal guidance MaRV (maneuverable reentry vehicle) (ABRES)	$20
Advanced ballistic reentry vehicle (ABRES)	5
Evasion MaRV for Minuteman (ABRES)	25
Submarine-launched ballistic missile accuracy (Poseidon)	33
Evasion MaRV (Trident)	57
Total	140

Option 1—Maintain present performance characteristics of Poseidon, Minuteman and Trident missiles. This will reduce the likelihood that sea-based and land-based missiles are being modified to give them first strike capability. Savings—$140 million.

Option 2—Pursue the Trident and Poseidon warhead programs but eliminate the ABRES programs. Sea-based weapons systems are less likely to have the capability and appearance of first strike forces. Savings—$50 million.

CRUISE MISSILE

A total of $125 million is requested for a joint Air Force-Navy cruise missile program. The purpose is to develop an air and sea-launched, air breathing, jet propelled, low flying missile that would attack strategic targets in the Soviet Union and the People's Republic of China.

Option 1—Stop all research and development on the cruise missile. This would preclude the addition of a "primitive" weapon to the strategic arsenal of the United States. Savings—$125 million.

Option 2—Eliminate research and development on a sea-launched cruise missile. The Navy terminated its Regulus cruise missile program in the late 1950's. Continue an Air Force cruise missile which could make the proposed B–1 bomber unnecessary. Savings—$45 million.

B–1 BOMBER

The B–1 would be a supersonic, manned bomber proposed as a follow-on to the B–52 with the purpose of carrying out a nuclear attack against the Soviet Union and the People's Republic of China. The entire FY 1975 request is for a $499 million continuation of research, development, test and evaluation.

Option 1—Cancel the present research and development program and start limited research on a new manned bomber for the 1980's. The B–1 bomber is of questionable design and adds only a slender increment to the deterrent Triad highly disproportional to its cost. Also the cutback would afford a fresh start ($50 million) on a follow-on-aircraft to the still useful B–52 bomber, assuming that a follow-on is necessary. Savings—$449 million.

Option 2—Slow down research and development on the B–1 by not beginning work on air vehicle #4. The Air Force has or is constructing three air vehicles which it is using for test purposes. Testing would be restricted to those aircraft. Savings—$44 million.

TRIDENT

The FY 1975 request for Trident is $2,034 million. Of that figure, $1,167 million is for procurement of Trident submarines and $649 million is for research and development of the Trident I (C–4) missile. The C–4 is being designed for retrofitting into Poseidon submarines as well as the Trident.

Option 1—Continue research on the Trident I (C–4) missile and the Trident submarine. Cease expending funds for the procurement of the nine remaining boats. Production of the first boat would continue as would the research programs. This would accomplish two things. First, the preparation of the Trident C–4 missile for the Poseidon submarine would go on. Secondly, the construction of new Trident submarines will be slowed to allow the consideration of a less-costly ballistic missile submarine (Narwhal) which the Navy has proposed. Savings—$1,167 million.

Option 2—Continue research and development on the Trident I (C–4) missile and the Trident submarine. Procure submarines at the rate of one per year instead of two per year. The Navy has not made a convincing case for an accelerated program of two subs per year. Savings—$600 million.

SITE DEFENSE AND ADVANCED BALLISTIC MISSILE DEFENSE TECHNOLOGY

The Pentagon has requested $251 million research and development funds for the site defense program and the advanced ballistic missile defense technology program. Both of these programs are proposed to provide an ABM system for defense of Minuteman missiles.

Option 1—Maintain the present capabilities of the ABM system. In the debate on the ABM treaty it was argued that it was impossible to build an ABM to counter ICBM's, sea-based missiles and bombers. Only failure of the ABM treaty, which could be percipitated by accelerated research on site defense and advanced ballistic missile defense technology, would afford the opportunity for these improvements to be used. Savings—$251 million.

Option 2—Halt research ($160 million) on site defense and continue advanced ballistic missile defense technology at the requested level. The U.S. could keep its qualitative edge on the Soviet Union in advanced BMD designs and configurations. Savings—$160 million.

General Purpose Forces

As Secretary of Defense Schlesinger has stated, "more than 70 percent of our Defense expenditures is attributable to the general purpose forces and activities related to them." This category can be divided into four parts—manpower levels (troop and civilian), land forces, naval forces and tactical air forces.

The U.S. has more military and civilian manpower than is required for defense of the U.S. and to carry out essential foreign policy commitments. Programs in tactical weaponry can be eliminated or slowed on a selective basis. The following proposed funding options are meant to be indicative and not all-inclusive.

SSN-688

The purpose of the SSN-688 class of submarines is to defend aircraft carriers and other ships and attack Soviet submarines. The request for FY 1975 is $548 million.

Option 1—Build one submarine instead of three requested for in FY 1975. Twenty-three boats have already been funded. The Navy is preparing a design for a smaller and less costly attack submarine. Without adversely affecting U.S. defense posture, the SSN-688 program can be slowed to allow for the design of a more cost-effective submarine. Savings—$400 million.

Option 2—Build two submarines with Fiscal Year 1975 funds. Result: similar to above. Savings—$200 million.

SEA CONTROL SHIP

The purpose of the proposed Sea Control Ship is to control the sea lanes by providing sea-based aircraft for the protection of Navy replenishment groups, amphibious attack groups and merchant convoys. The present request for construction of the ship is $143 million.

Option 1—Defer production of the Sea Control Ship until tests of the purpose by the U.S.S. Guam (LPH) are complete and satisfactory. It is logical to defer production until the proposed ship's purpose is demonstrated as feasible. Savings—$143 million.

Option 2—Halt production of the Sea Control Ship. Modify six of seven LPH's for the sea control mission (the Guam plus five others). The amphibious role intended for the LPH's can be filled by the new, planned class of five assault ships, the LHA's. These changes can be made without the need for another shipbuilding program (Sea Control Ship.) Savings—$143 million, minus modification costs.

AIRBORNE WARNING AND CONTROL SYSTEM (AWACS)

Originally being developed for the role of providing air defense in the U.S. against a Soviet bomber attack, AWACS now would operate in a conventional war environment in Europe. The funding request for FY 1975 is $770 million—$220 million for research and development and $550 million for procurement.

Option 1—Cancel entire program. The fundamental change in purpose is so great that the program should be stopped. Savings—$770 million.

Option 2—Maintain the current level of research of AWACS. This would defer production of the aircraft until research results indicate that AWACS is capable of performing its newly defined purpose and that the cost is warranted. Savings—$550 million.

SAM-D

The SAM-D had the initial purpose of defending against Soviet bombers if they attacked the United States. Now it is to serve as an anti-aircraft missile system for the defense of the U.S. Army in Europe. One hundred and eleven million dollars in research and development funds are requested.

Option 1—Slow the SAM-D program and emphasize research, rather than development. This would allow for redesigning the missile to fulfill its significant change in purpose. Savings—$56 million.

Option 2—Share the expense of SAM-D research with the NATO allies of the U.S. The $56 million funding for a new start on SAM-D could be split between the U.S. and NATO allies. Savings—$28 million.

UTILITY TACTICAL TRANSPORT AIRCRAFT SYSTEM (UTTAS)

The UTTAS would be an Army transport helicopter designed to move troops to the front lines. The FY 1975 request is for research and development funding of $54 million.

Option 1—Cease research on a new class of helicopters. The UH-1, which UTTAS would replace, proved its value during the Vietnam war. The Army has not made a persuasive case to show that the UH-1 is not capable of performing its mission. Savings $54 million.

Option 2—Slow research and development. This would provide increased time to develop a better, more cost-effective follow-on to the UH-1. Savings— $27 million.

MANPOWER (OVERSEAS)

The current Department of Defense troop level stationed outside the United States totals 523,000.

Option 1—Reduce troop levels by 88,000 from mainland Asia and Taiwan and decrease those in Europe by 32,000. This modest reduction of 21 per cent troops overseas will not have a significant impact on U.S. defense posture abroad Savings $1,550 million.

Option 2—Reduce troop levels on mainland Asia and Taiwan by 40,000. Reduce troops stationed in Europe by 10,000. The Pentagon is currently studying a 10,000 troop reduction in Europe. The other cuts would not materially affect U.S. defense posture. Savings $739 million.

MANPOWER (TOTAL)

The anticipated Department of Defense Manpower levels as of June 30, 1975, will be 2,152,000 active duty personnel and 1,027,000 civilians.

Option 1—Reduce troop levels to 2,000,000 officers and men and civilians to 1,000,000. This 6 per cent reduction in ceiling levels is in consonance with a post-Vietnam posture and will not adversely affect national defense posture. Savings $2,278 million.

Option 2—Reduce troop levels to 2,100,000 and civilians to 1,000,000. This 3 per cent reduction will not adversely affect national defense posture. Savings—$1,028 million.

DIEGO GARCIA

The Department of Defense has requested $3.3 million in the FY 1975 budget for expansion of naval and air facilities at Diego Garcia in the Indian Ocean. In addition, the Pentagon has requested $29.0 million in FY 1974 supplemental bill which will be considered by Congress along with the regular 1975 authorization requests.

Option 1—Phasing out the communication facility completely would result in a substantial savings. Major bases already exist in the Philippines and Thailand which can support naval forces in the Pacific and Indian Ocean. The Defense Satellite Communications Program provides a world-wide communications system for the armed forces which should supplement land communications facilities so the new bases do not need to be developed in remote areas such as Diego Garcia. U.S. communications facilities on west coast of Australia could fulfill the communications function. Savings—$36 million.

Option 2—Provide for operation and maintenance and military personnel costs for the existing communications base with no expansion of facilities nor increase in manpower. This would be in compliance with the original agreement with Congress to maintain only an austere communications station in the Indian Ocean. Savings—$33 million.

SOUTHEAST ASIA

The FY 1975 budget requests funds of $1,913 billion for Southeast Asia. Included in this total is $1,450 million for support of South Vietnamese forces and $463 million for U.S. forces based in Thailand. This would represent a sharp increase in support of South Vietnam forces from FY 1974 to FY 1975.

Option 1—Cease aid to Southeast Asia. The U.S. has fulfilled its obligation and continued assistance tends to extend the war. Savings—$1,913 million.

Option 2—Phase down military support to Southeast Asia sharply. If the United States continues to finance Southeast Asian military forces at increasingly higher levels, step by step, the U.S. will continue to increase the dependence of Southeast Asian governments upon the United States. The U.S. will find increasing involvement harder to avoid. Savings—$900 million.

[In millions]

	Saving's option 1	Saving's option 2
Strategic forces:		
Land-based ICBM	$436	$136
Counterforce programs	120	50
Cruise missile	125	45
B-1 bomber	449	44
Trident submarine	1, 167	600
Site defense and advanced ballistic missile defense technology	251	160
General purpose forces:		
SSN-668 (attack submarine)	400	200
Sea control ship	143	143
Airborne warning and control system (AWACS)	770	550
SAM-D (surface-to-air missile)	56	28
UTTAS (helicopter)	54	27
Manpower (overseas)	1,550	739
Manpower (total)	2, 278	1, 028
South East Asia	1, 913	900
Diego Garcia	36	33
Total savings	9, 748	4, 683

Ms. ABZUG. Mr. Chairman, in support of the amendment which would pull back our troops from around the world, I wish to stress two points. My colleagues have already pointed out that the deployment of some half-million troops, with the supplies and support this entails, is an enormous waste of money and provides no real security for the United States. I would further stress that in many instances, these troops actually constitute a threat to our security. In addition, they help to maintain dictatorships and prevent the emergence of any democratic form of government.

In my opinion the greatest threat consists of the troops we maintain in Thailand. We have three major and three smaller air bases there; 50 B-52 bombers, 19 fuel tankers, and 230 combat aircraft.

We also have the U.S. support activities group, a special forces battalion, the U.S. military assistance command, and 2,300 military internal security personnel. A total of 39,000 troops who provide logistics support to Laos and Cambodia. Though token reductions have started, the proposed force left in Thailand would be 27,000 troops. The primary purpose of these remaining troops is the resumption of bombing in South Vietnam if a new offensive occurs—although the Congress has specifically prohibited such bombing without prior congressional approval.

During recent hearings before the Subcommittee on Asian Affairs, many witnesses confirmed that these troops were simply shifted from Vietnam to Thailand after the Paris peace agreements made their presence in Vietnam illegal.

The people of the United States and their Representatives have repeatedly stated that they want no reinvolvement in Asian wars. Both Chambers have emphatically refused to increase aid to the Government of South Vietnam. Yet if that Government faces a threat, our troops are waiting in Thailand to swoop in again to save it. Under the misguided War Powers Act, at least 60 days of such involvement could go on without congressional approval.

Do we really want to go through the agony of Vietnam again? If we do not, we had better pull those troops out of Thailand tomorrow.

Meanwhile, in almost every part of Southeast Asia there are neutralists, neither government nor Communist groups, that would like to attempt an Asian version of democracy. Yet these are not the people our troops are sent to help. Rather, they are poised to protect a small, wealthy, elite ruling class. This hands the Communists a propaganda advantage, and discourages those who advocate the self-determination we preach about.

We are committed by the Paris peace agreements to refrain from interfering in the internal affairs of Vietnam. I submit that the presence next door of 39,000 American troops, or even 27,000 American troops, in addition to millions of dollars in military assistance, influences Vietnamese politics more than any other factor.

If we really intend to abide by the Paris agreements we will insist that the Pentagon pull out all American troops from Thailand.

Mr. DRINAN. Mr. Chairman, when first elected to serve in Congress 4 years ago, I pledged to work for an end to American military involvement in Southeast Asia and for rechanneling funds used to conduct the Vietnamese war into vital domestic areas. My constituents and I looked forward to a "Vietnam peace dividend" to reinvigorate Federal programs in housing, transportation, education, and health care which had been shunted aside due to the high cost of making war upon the Vietnamese.

I regret to say that we have been sorely disappointed. While American military spending in Southeast Asia declined by $20.3 billion between 1969 and 1974, the rest of the Defense Department budget rose by a shocking $24 billion. And now, though Congress calls for fiscal austerity and the President speaks encouragingly of détente, the Defense Department has asked for $99.1 billion for fiscal 1975, an increase of $18.9 billion over the amount appropriated to date for fiscal 1974. Although the Defense Department has tried to understate its proposed budget by submitting a supplemental request along with its basic budget, the proposed military appropriation is the largest in our Nation's history.

Other departments have been asked to pare their budgets down in order to help counteract inflation. Why is the Department of Defense any different? Has the danger posed to the United States by China or the Soviet Union grown during the past year to the extent of justifying such a drastic increase in military spending? On the contrary, tensions have eased between the United States and the other super powers. Even Secretary Schlesinger has admitted that the military budget request was padded to help stimulate the American economy. Residents of our major cities plagued by high unemployment, substandard housing, inadequate mass transportation, poor health services, outmoded educational facilities, and increasing taxes might have difficulty understanding why the Federal Government has less money for them and more for the military.

Mr. Chairman, the bill before us today would authorize $22.64 billion for weapons procurement and development, a 12.2-percent increase over the amount authorized for fiscal 1974. Substantial cuts can be made in three general areas without diminishing our defensive strength.

A. WEAPONS SYSTEMS

Several weapons systems included in the bill should be cut back or phased out. Estimates on completing the B-1 bomber program have risen to nearly $14 billion. This program, already plagued by cost overruns and unexplained delays, will add little or nothing to our present B-52-based bomber strength. We should act now to kill the B-1 project in the development stage before any more of the taxpayers' money is wasted.

I agree with the proposal of my distinguished colleague (Mr. LEGGETT) to reduce the construction of Trident submarines to one per year. This change would save nearly half a billion dollars next year while permitting further testing to insure maximum reliability and cost-efficiency.

B. MILITARY MANPOWER

A second major target of responsible reduction is the area of military manpower. The bill before us sets a ceiling of 2,149,313 active military forces in the United States and overseas. This represents virtually no change from current manpower levels. Pay costs alone in the proposed Defense Department budget are estimated at $47.5 billion for fiscal 1975, about one-half of the entire budget.

Many of the 435,000 land-based military forces in foreign countries could be recalled with no harm to national security and great savings to the American taxpayer. Most of the 222,000 American troops stationed in West Germany, for instance, serve no necessary purpose. These men could hardly repulse an all-out nuclear attack launched against Western Europe, and there is little for them to do in the absence of conflict. Similarly, many of our forces stationed in South Korea and Japan should be withdrawn. I support the bipartisan effort led by the distinguished majority leader to reduce overseas troop strength.

C. MILITARY AID TO SOUTH VIETNAM

My third area of disagreement with the pending bill, Mr. Chairman, lies closest to my heart. In the late 1960's, the American people rose up to demand an end to American involvement in the Vietnamese war. In 1974, though American combat troops have been removed from South Vietnam, the United States still gives hundreds of millions of dollars in military aid to the Thieu government. President Thieu has repeatedly scorned democratic principles by preventing free elections, jailing political opponents, and stifling all dissent. His is a corrupt and ruthless dictatorship, built upon the blood of countless Vietnamese and supported by American dollars.

Far from proposing a reduction or withholding of aid to South Vietnam, the Defense Department has called for a substantial increase in American military assistance to South Vietnam in fiscal 1975. If Congress docilely submits to this irresponsible request to give $1.4 billion in weapons and ammunition to President Thieu, we will be perpetuating tyranny and expressing disdain for the popular mandate to end American involvement in the Vietnamese war.

I am heartened by the tremendous outpouring of support for responsible reductions in defense spending from individual citizens and a variety of national organizations. The imposition of a more restrictive spending ceiling on the Department of Defense has been advocated by the Friends Committee on National Legislation, the Oil, Chemical, and Atomic Workers International Union, Americans for Democratic Action, the United States Conference of Mayors, Environmental Action, the United Presbyterian Church, the National Farmers Union, the United Auto Workers Union, the United Mine Workers Union, and many other groups. Most of these organizations have also endorsed proposals to reduce American military manpower overseas.

Mr. Chairman, if we are serious about fiscal austerity, let us start with the military budget. If we truly want to reorder priorities to meet the crying needs of the American people, let us begin by eliminating wasteful expenditures from the proposal before us. There is much that remains to be done to guarantee all Americans an acceptable standard of living and adequate social services. That fundamental long-range goal will never be achieved unless we begin to exercise responsible control over the military budget.

Ms. ABZUG. Mr. Chairman, I marvel at the effrontery of the Pentagon and the administration in coming back again and again to get more money for President Thieu.

On April 5 the House decisively rejected any increased military aid to the Thieu government. Last week the Senate Armed Services Committee set a ceiling of $900 million on such aid for fiscal year 1975. Earlier the other body rejected an attempt to add $266 million to the fiscal year 1974 budget.

Both bodies reflect their constituents' desire to spend no more tax money in support of a regime that is a disgrace to our country. The American people have repeatedly stated their wish to bring their tax dollars home where they are badly needed. Constituents also continue expressing concern for the prisoners being held by the Thieu regime.

Reports of these prisoners and the conditions under which they are being held have reached the United States from all over the world. Personally, I had an opportunity during last August's recess to talk in Saigon with many Vietnamese and others, including the American Ambassador Graham Martin. Documents I brought back from that trip, confirming prison conditions, can be found in the RECORD for September 13, 1973. I assure you that what I heard made me ashamed that my Government is underwriting such inhumane conditions.

Yet in a campaign reminiscent of "the old Nixon" the administration is trying to counter these reports by impugning the motives and the partiotism of those who ask questions, implying that they are tools of Hanoi. Ambassador Martin even advised the State Department not to give a full and honest answer to Senator Kennedy's questions. Luckily, Dr. Kissinger ignored his advice, but did not in fact answer all questions satisfactorily.

The Ambassador claims that the total prison population of South Vietnam does not exceed 35,000 and that if there are any political prisoners, there could be only a handful. If this is true, why is the United States asked to budget $20 million a year for Saigon's police system? and why are there some 120,000 security personnel and over 600 detention centers in a country the size of an average United States State? And why does the GVN's own budget provide for 400,000 prisoners?

These questions could be cleared up quickly and easily if the Thieu government would permit inspection of its prisons. Requests have been made by the International Red Cross, the Senate Refugee Subcommittee staff, Bishop Thomas Gumbleton of Detroit, representatives of the international press, and Buddhist monks and Catholic priests in South Vietnam. I have just learned that 300 Buddhist monks imprisoned near Saigon are on a hunger strike—but no one can find the truth, for all requests for inspections have been denied. Representatives of the military-minded American Security Council were recently permitted to interview selected prisoners at one jail, but as might be expected, they found nothing to complain about.

As you know, Ambassador Martin will soon be in this country. I have asked him to urge President Thieu to permit me and other Members of Congress, as well as humanitarian and religious groups, to inspect the prisons under conditions established by the International Red Cross.

I have every reason to expect that this request will be granted. In April 1973 President Thieu told a nationwide television audience that anyone was free to visit his prisons. And last August, Ambassador Martin kindly used his good offices to help secure the release of an internationally known attorney and women's leader, Madam Ngo Ba Thanh. I hope that our inspection teams would find less torture and barbarism than has been alleged. I hope that worldwide protests may have had some effect in alleviating conditions.

Meanwhile, there is only one way to make sure that this cruel and repressive dictatorship cannot continue suppressing neutralists. That way is to cut off funds. Therefore I heartily support Mr. LEGGETT's amendment.

Mr. HARRINGTON. Mr. Chairman, I rise in opposition to H.R. 14592, the military procurement authorization bill. Rather than repeat my arguments of previous years against the whole of this legislation, I would rather comment upon actions taken by the House today, as well as upon a number of topic areas included in the bill, some of which were raised in today's debate.

This was, I believe, an unfortunate day for the Congress, and especially for this body. It is unfortunate because we again demonstrate a fundamental unwillingness, as a body, to squarely confront the facts of today's military situation, and the facts of the budgetary resources of the United States. Perhaps most unfortunate, we seem to lack the capability—or the interest—to address the hard philosophical questions attendant with the defense budget debate.

Just moments ago, the House reversed last year's action and defeated, 185 to 209, an amendment offered by my colleague LES ASPIN to cut $733 million from the authorization. I supported this amendment, but to at least a limited extent I must concur with a portion of the judgments of Congressman JOHN ANDERSON of Illinois, who, arguing against the amendment, noted that it was not directed at the particular problem, or the singular question. To some extent, this "ceiling" approach evidences the reticence of this body to focus on the hard questions, and the corresponding willingness to take an easier way out.

I in no way intend my remarks to reflect adversely on the Aspin amendment. Had it passed, it would have cut a portion of the massive fat padding this military budget. It would have been a deserved rebuke to the Pentagon's scornful efforts to use the military budget as some sort of works project administration, adding a few hundreds of million here, a billion there, so as to bolster the civilian economy—even though the evidence is that a Federal dollar spent on military procurement produces far less, in terms of economic activity and jobs, than the same dollar would if put into civilian problems.

But what is lacking in the "ceiling" approach is even the semblance of congressional control over where the cuts are made. We leave this judgment to the Pentagon—whose sense of priorities ought to be a national scandal by now. We have no control over whether the Pentagon cuts out this wasteful aircraft or that redundant missile, or whether they protect these bureaucratic stepchildren and drop instead a genuinely valuable program.

VIETNAM

We managed, not without a struggle, to cut the ceiling on MASF aid to South Vietnam from the committee's recommended $1.4 billion to the same level of this year's aid, $1.126 billion. To be candid, this is not much of an accomplishment, though in these days I suppose one ought to be grateful for small favors. There are, however, a few questions relating to Vietnam we did not pay much heed to as a body today—questions which ought to be of great importance.

For example, we did nothing to prevent the Pentagon from continuing to skirt both the letter and the intent of the Paris peace accords. The accords, those who remember will note, limit U.S. military assistance to South Vietnam to "armaments, munitions, and war materials." As a matter of fact, aid delivered to South Vietnam under MASF—military assistance service funded—has included not only the allowed types of aid, but funds for personnel, operations and maintenance, as well as contract assistance.

During hearings before the Senate Armed Services Committee on June 27 of last year, an administration witness, DOD Assistant General Counsel Mr. Forman, was questioned regarding the definitions of allowable aid. He said:

> The words, "armaments, munitions, and war materials" were taken from the peace agreement signed in January. Those words, as defined by the Department of Defense for the purpose of complying with the peace agreement—the definitions are set forth in the Senate Foreign Relations Committee Report, pages 26 to 27—do not include, as has been earlier stated, the contract services which we are providing to the Vietnamese with civilian personnel. It does not include spare parts on consumables. It does not include subsistence. It does not include petroleum products.

To cap off this remarkably candid statement, Mr. Forman admitted that if the Congress were to hold the Pentagon to the letter and intent of the peace accords, and its own interpretations of the language of the accords:

> We could not provide any of these to the South Vietnamese armed forces even on a piece-for-piece basis, a replacement basis, because they are not defined as armaments, munitions, war materials."

Quite frankly, I have severe doubts that the Committee on Armed Services took a very hard look at this matter.

To touch briefly on another subject, I wonder how much the committee or the House examined the so-called war reserve—the approximately $1 billion worth of munitions that the Pentagon has stockpiled, using appropriations for the last 2 and current fiscal year, for possible use by our Asian "allies"—Korea, South Vietnam, and Thailand. It turns out that there is $490 million in this year's Pentagon budget for the war reserve.

A billion-dollar stockpile of arms is a very large stockpile. What controls does the Congress have over the commitment of these arms to our Asian allies—a commitment which in forseeable circumstances could not only circumvent congressional efforts to limit aid to Indochina and the Far East, but even possibly escape the strictures of the war powers bill, committing us to participation in hostilities. The answer, as far as I can tell, is that Congress knows virtually nothing about this billion-dollar war chest, has virtually no control over its use, and does not seem to care one way or the other.

MINUTEMAN OVERLAND TEST

Let us take a look at another area. You will not find it anywhere in the report of the Armed Services Committee, but scattered here and there is a total of $20.6 million for a program called "giant patriot." Giant patriot is the tag-name given the Air Force program to launch a total of eight Minuteman-II intercontinental ballistic missiles from their operational silos located in the continental United States. The flight of these missiles, four to be launched this winter from Malmstrom Air Force base and four in the winter of 1975, possibly from another base, would carry them over the States of Montana, Idaho, Oregon, and possibly parts of Washington and California. The eventual target of the missiles in Canton in the Phoenix Islands, southwest of the Hawaiian Islands, approximately 5,000 miles downrange.

Taking the $6.3 million we have already committed to giant patriot, we will have spent a total of $26.9 million for this possibly dangerous program that will do nothing to add to the security of our nuclear deterrent, and may in fact affect our deterrent strength adversely.

The Air Force has repeatedly testified as to the proven capabilities of the Minuteman ICBM system. It is widely reported that hundreds of test launches of Minutemans have taken place from the Vandenberg Air Force Base testing facility. In its presentation to Congress this year, the Air Force "briefing book" said that these Vandenberg tests: "have established great confidence that the Minuteman force is highly effective."

If we ask ourselves what is to be gained by the costly and risky operational base launch tests proposed in giant patriot, the answer is, not much. In the Vandenberg tests, the Air Force removes operational missiles from operational silos, and then transport them, and their SAC crews, to Vandenberg, where even the Air Force acknowledges that the launches are conducted with as much realism as possible.

The difference between these tests and the giant patriot variety is that the missiles are not removed from their silos, although naturally the thermonuclear warhead is replaced with a test warhead, and that the missiles are launched over a fairly large land area of the United States with a not-inconceivable possibility of damage and injury to the civilian population.

The additional data obtained through these launches is minimal, and it has been speculated that its only use would be to assist the Air Force in its increasing battle to retain a land-based missile force now that Soviet MIRV developments have begun to make the land-based missile vulnerable. As far as operational reliability is concerned, most of the data gathered by the test could be obtained without overland launch using the electronic test devices developed as part of giant patriot to verify the in-silo performance of electronic systems.

The only other kind of data that might be obtained touches more sensitive areas I do not believe we should proceed into without the fullest of investigation. The overland tests might assist the United States in developing the "counterforce" capability advocated by Secretary Schlesinger. In addition, the tests might be used to demonstrate the feasibility of altering U.S. Minuteman silos to "cold launch" or "pop-up" techniques, which the Soviets already use as a means to increase booster throw-weight without expanding the physical size of a silo. Finally, the data gathered on refurbishment requirements after a Minuteman-II launch from an operational silo might be used as part of a feasibility demonstration of multiple-launch silos—another way to get around the SALT I agreement, which restricts only the number of missiles fired from an individual silo.

Apart from the dubious benefits of this program, there is a real element of risk. The Air Force, naturally, claims to have minimized the risk. Perhaps they are right. On the other hand, we know that even if all goes well the 4,000-pound-plus first stage of the Minuteman missile will fall to the ground from an altitude of 22 miles. And, if all goes well, four 4-by-5-foot engine covers will fall to the ground, from a similar altitude, hopefully somewhere near the intersection of the Idaho, Washington, and Oregon borders. This is if all goes well.

If all does not go well, the missile can be destroyed on ground command from the range safety officer. It can also be destroyed if the monitoring devices in the nosecone indicate the missile is "breaking up." The destruction occurs through the detonation of two shaped charges located at the bottom of the test warhead. These charges are designed to fire along the linear axis of the missile frame, with the primary explosion occurring when the shaped charge detonation triggers the solid fuel in the Minuteman first stage. Command destruction of a Minuteman II, with three stages, produces what can be called a high order detonation. If the missile is destroyed before 102 seconds of flight time have elapsed—102 seconds being the amount of time necessary for the second and third stages to clear the continental United States and land in the Pacific Ocean—then we can reasonably expect that fragments of the missile and explosive propellant will be scattered over a wide area, as before clearing the continental United States the missile reaches an altitude of 78 miles.

Perhaps the chance of a catastrophic failure resulting in human injury is slight, as the Air Force suggests. I cannot say. I do know, however, that there is an appreciable risk—a risk I do not think is worth taking in view of the nominal benefits to be gained from these tests.

One last point on giant patriot: what if the tests fail? Right now, the Soviets do not know whether our Minuteman fleet works or not, but on the basis of the Vandenberg tests and as conservative strategic planners, they have to assume the missiles will function as planned. If we conduct the overland test series and the missiles work as planned, we will show the Russians nothing spectacular, and will not change their strategic doctrine one iota. If, on the other hand, these highly publicized tests, which are flatly impossible to conceal, happen to fail—well, then we have problems. Then we will have weakened the stability of our Minuteman deterrent force, and we may very well change Soviet strategic thinking—in a way hardly to our advantage.

Is it all worth it? I say no. But you will not find anything about Operation Giant Patriot in the Armed Services Committee report on this bill.

All I am trying to say, Mr. Chairman, is that there is something seriously missing in our consideration of the military budget and defense policies. When Secretary Schlesinger first began to advocate major changes in U.S. military policy, he said, as I recall, that he hoped Congress would take the opportunity of the fiscal 1975 defense budget to debate and scrutinize the choices afforded our country in the post-Vietnam era. I do not think we have lived up to that challenge today.

When we consider H.R. 14952 we are talking about more than just another budget component. We are talking about what I view to be the single most important area of governmental activity. We are not doing a good job.

Mr. EDWARDS of California. Mr. Chairman, for many years I have questioned financing the Vietnam war, maintaining our troop levels abroad, and wasteful and unjustified spending by the Defense Department. Now, we have finally ended our military involvement in Vietnam and placed some limits on military procurement, but again we are being asked to authorize huge increases in the defense budget. There are many good reasons for reducing our troop commitments overseas, for placing stricter ceilings on military appropriations, for not funding boondoggles like the Trident submarine and the B–1 bomber. My colleagues have argued these points long and well. Numerous groups representing a wide variety of interest and points of view have joined us in these efforts. There is a better chance than ever before to reorder our priorities by limiting defense spending.

However, the simplest and most eloquent statement of why we should do this is one I read a few days ago in a letter from a constituent:

> Dear Congressman Edwards: I have been trying to picture in my mind just where all of the money could be going now, that was spent on the bombings and the supplying of our troops in the Vietnam conflict.
>
> It is very true that we must have used and wasted such a large quantity of materiel during the time we had our servicemen in Vietnam. I know wars cost money and human life.
>
> Since the Vietnam war has ended for our armed forces, I have not really heard or read a reasonable story of just where this money is now being spent and how it is being used to help our country.
>
> The question on how the money is being spent by our government now is often arising, and I would like to be the one to help answer it in my group. There must be a logical answer to this question, and I would greatly appreciate it if someone would return the answer to me.
>
> Thank you,
>
> Norbert W. Hasson.

Mr. EDWARDS of California. Mr. Chairman, I feel that Mr. Hasson has expressed, for most Americans, the desire to understand why so much is spent for so little when so much more is needed for education, for housing, for health care. Our voting today for these amendments to the military procurement bill will begin to answer his questions as no budget comparisons, cost benefits analysis, or spending descriptions can.

In particular, I would like to call attention to Congresswoman Abzug's amendment to delete $250 million for a "new" nuclear targeting strategy program. In this instance, we are being asked to authorize a relatively small amount for research and development. However, the subject is one about which we have little information. In addition, it carries the potential not only for much greater expenditures in the future, but also for commitment to a radical and dangerous change in our present policy of only deterrent nuclear forces. I fear that before we have had the opportunity or taken the time to consider this proposal carefully, the Defense Department will be asking us to approve construction of a system that reinforces an already difficult nuclear arms race. Both financially and politically we cannot afford this authorization. I urge my colleagues to join me in support of Ms. Abzug's amendment.

Ms. HOLTZMAN. Mr. Chairman, once again I have been compelled to vote against the Department of Defense's annual spending orgy—the fiscal year 1975 authorization for weapons procurement, research and development, and personnel strength for the military. This year's bill authorizes a total of $22.64 billion, which exceeds the fiscal year 1974 amount by 12.2 percent—or $1.5 billion more than is needed to keep pace with the costs of inflation.

This is the largest peacetime weapons procurement budget in history. I am firmly committed to a strong national system. But the overblown authorizations in this bill are unrelated to real, rational defense needs. This bloated budget comes at a time of rampant inflation when taxpayers are already overburdened to a critical point. We are now being asked to fuel the fires of inflation by increased Government spending and to burden the taxpayers even more with wasteful, faulty weapons systems which have been put in the bill primarily to pamper the pet projects of Pentagon officials.

For example, the bill authorizes $499 million for the B–1 manned bomber program. Since 1970 the total for the B–1 has risen by $5.6 billion and the program is still only about half way through the research and development stage. The Department of Defense estimates that an additional $2 billion will be needed in order to complete the research. Our current, operational long-range strategic bomber arsenal is already four times the size of the Soviet Union's. Surely there can be no justification for pouring one-half million dollars into a bomber program whose research phase and cost estimates continue to expand at an unbelievable rate.

The bill authorizes $1.6 billion for the Trident submarine program. The program is enormously expensive and, I believe, unnecessary. It is being undertaken at a time when we already have an overwhelming capacity in nuclear submarines. The program requires that two submarines a year be built. This means that 12 Trident submarines will all become obsolete within 6 years of each other. Even now we are developing a new type of steel which will vastly improve submarine hulls and will assure the prompt obsolescence of our soon-to-be-built submarines.

Moreover, the primary rationale for Trident is to provide a hedge against a possible future Soviet threat. At this point, however, that threat remains undefined, unforeseen, and unexpected. Also, $1.4 billion is authorized for military aid to South Vietnam. This amount represents a major increase in our commitment to Saigon above last year's level. The authorization which this bill provides will serve only to continue and to deepen our former tragic policy in Vietnam at a time when we should be phasing out U.S involvement in Indochina.

An additional $77 million is provided for "counterforce" programs which are designed to increase our capability of striking at Soviet strategic forces and missile installations. This represents a dangerous departure from our longstanding policy of deterrence, because it gives the United States a practical first-strike capability. We cannot afford to forget that the primary objective of nuclear strategy is not to fight nuclear wars, but to avoid them.

Another source of overexpenditure and waste provided in this bill is the commitment for overseas troops. In almost no case has the Pentagon shown the necessity for maintaining such high troop levels. But because Congress has never seriously questioned the rationale for the 492,000 troops scattered all over the world, key policies continue to be determined by special needs and bureaucratic inertia. Pay costs alone for the Department of Defense military and civilian establishment are estimated at $147.5 billion for fiscal year 1975, or over 55 percent of the budget.

The U.S. taxpayer has to pour out over $30 billion annually to maintain bases, troops and facilities abroad. This inflated troop commitment will certainly not insure a concomitant increase in our military effectiveness. It will, on the other hand, contribute significantly to the enormous balance of payments problem which this country now faces. According to the Economic Report of the President—February, 1974—the net negative balance of payments for all fiscal year 1973 military transactions was $2.8 billion. We simply can no longer afford to finance troops to police and babysit all over the globe.

The authorization levels provided in this bill are particularly deplorable in light of the failure of the present administration to review our military budget with the same analytical ruthlessness it uses to analyze—and cut—expenditures for the elderly, for education, and for health care. This inflated defense budget is an insult to the taxpayer who is already forced to make tremendous sacrifices in the domestic sphere.

I am not alone in my opposition to these enormous, unwarranted expenditures. Even the National City Bank, a far-from-radical organization, has stated that the authorizations provided in the bill will serve to kindle the fires of inflation in this country and has deplored the "strongly rising trend in real defense spending" suggested by the funding levels of this bill. In addition, a group of former Department of Defense officials, led by former Assistant Secretary of Defense Paul Warnke, have pointed out feasible reductions totalling $14.9 billion in the over-all $90-plus billion budget.

If we continue to deny large segments of the public the vital services they need to meet minimum living standards, we will not be a strong nation no matter how much money we expend on military hardware. By cutting the fat from this military budget, we could build a stronger nation, less burdened by the enormous taxes which will result from this bill.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Sisk, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 14592) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation of the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes, pursuant to House Resolution 1112, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HÉBERT. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 358, noes 37, not voting 38, as follows:

[Roll No. 242]

AYES—358

Abdnor
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hawkins
Hays
Hébert
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Moss
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nichols
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rarick
Regula
Reuss
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Roush
Rousselot
Roy
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOES—37

Abzug
Badillo
Bingham
Burton
Chisholm
Conyers
Dellums
Diggs
Drinan
Edwards, Calif.
Forsythe
Fraser
Green, Pa.
Hanna
Harrington
Hechler, W. Va.
Holtzman
Kastenmeier
Koch
Mitchell, Md.
Nedzi
Obey
Rangel
Rees
Riegle
Rosenthal
Roybal
Ryan
Schroeder
Seiberling
Stark
Stokes
Studds
Thompson, N.J.
Vanik
Waldie
Young, Ga.

NOT VOTING—38

Annunzio
Carey, N.Y.
Clark
Clawson, Del
Clay
Collier
Collins, Ill.
du Pont
Eckhardt
Ford
Hansen, Wash.
Helstoski
Hinshaw
Hutchinson
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Kluczynski
Latta
Meeds
Metcalfe
Minshall, Ohio
Morgan
Mosher
Murphy, Ill.
Nix
Reid
Rhodes
Rooney, N.Y.
Rostenkowski
Runnels
Smith, N.Y.
Stubblefield
Teague
Williams
Wyatt
Wylie
Zwach

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Annunzio for, with Mr. Helstoski against.

Mr. Rooney of New York for, with Mrs. Collins of Illinois against.

Mr. Teague for, with Mr. Metcalfe against.

Mr. Murphy of Illinois for, with Mr. Clay against.

Mr. Rostenkowski for, with Mr. Eckhardt against.

Until further notice:

Mr. Clark with Mr. Williams.

Mr. Morgan with Mr. Reid.

Mr. Kluczynski with Mr. Del Clawson.

Mr. Jones of Alabama with Mr. Minshall of Ohio.

Mr. Nix with Mr. Mosher.

Mr. Jones of Oklahoma with Mr. Collier.

Mr. Carey of New York with Mr. Wylie.

Mr. Runnels with Mr. du Pont.

Mr. Rhodes with Mr. Zwach.

Mr. Meeds with Mr. Hutchinson.

Mr. Ford with Mr. Johnson of Pennsylvania.

Mrs. Hansen of Washington with Mr. Smith of New York.

Mr. Stubblefield with Mr. Latta.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

GEOTHERMAL ENERGY CONTROL ACT OF 1974

(Mr. QUILLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. QUILLEN. Mr. Speaker, today I am introducing a bill which I feel will have a major impact on our present energy problem. The title of my bill is the Geothermal Energy Control Act of 1974.

This measure would create a commission to grant exclusive franchises for the exploration for the commercial development of geothermal energy and for the right to market any such energy in its natural state.

We in America are just beginning to realize the immense contribution geothermal energy can make to our efforts to become self-sufficient in the energy field. It is my belief that this form of energy will become one of our major energy sources and our Government, I feel, should take the initiative now to control and conserve the development of this national resource. My bill will accomplish this.

The experiences over the past few months have strongly demonstrated the urgent need of finding new energy sources. Energy problems were brought forcefully to the public's attention by the recent Arab embargo of oil sales to the United States. However, the roots of our energy troubles go back to trends in production and consumption of energy. There is a growing gap between the growth rate of consumption and that of production. Despite the fact that the United States has only 6 percent of the world's population, we consume one-third of the world's energy.

Our ever-increasing demand for energy demand for energy necessitates not only increasing production in our present types of energy, but also finding new sources. One of the most exciting possibilities lies in the heat beneath the crust of the Earth. This is one of the world's oldest sources of power, but it is now attracting new interest. Geothermal resources can open up a whole new energy frontier and the potential importance is enormous.

Geothermal energy in the broadest sense is the natural heat of the Earth. Natural underground reservoirs of steam and hot water can be tapped by drilling wells into the ground and harnessing the steam. Geothermal energy can then be used to generate electricity. In fact, we are already producing geothermally-generated electricity on a small scale in the United States today. Direct use of the heat itself can also be a valuable application. This includes the heating and cooling of residential and commercial buildings, as well as uses for farming and for paper and pulp manufacturing.

Other countries have utilized this form of energy for years. At one city in New Zealand, a paper and pulp company uses the hot water from a wet steam field for heating in the industrial processes. In Iceland the hot water from such fields has long been applied to industrial uses and household and district heating. Househeating with hot-well water is being developed on a large scale in several countries, notably Japan, the U.S.S.R., and Hungary. In the United States, househeating from hot wells is being applied on a small scale in Idaho and Oregon.

Interest in this source of energy has quickened in the past few years. Recent explorations have revealed that the resource is larger and more extensive than had been supposed. There is now evidence that reservoirs of steam and hot water are actually widespread in the Earth's crust. The United States, particularly in its western region, has enormous extent of volcanic rocks of recent origin and an abundance of dormant volcanoes, as well as several active ones. The potential geothermal resources appear to be very large.

Geothermal energy has all the advantages. First of all, it is abundant. There are inexhaustible quantities of geothermal energy. Second, it is a clean form of energy; therefore, it is the most acceptable from an environmental viewpoint. Geothermal energy is readily available and it is much cheaper than existing sources.

The Geothermal Energy Control Act would play a significant role in overseeing the development of geothermal energy into a major source of energy within the near future.

According to my bill, the National Geothermal Energy Commission will determine areas, other than the lands included under the leasing authority of the Geothermal Steam Act of 1970, in which the prospects for the extraction of geothermal steam or associated geothermal resources are good enough to warrant expenditure of money for that purpose.

These areas will be divided into tracts and the Commission will then grant licenses to individuals wishing to explore and develop geothermal energy. These licenses will be valid for a period of 99 years.

An individual who has been granted a license to explore for geothermal energy may transfer his license to another person for the commercial development of geothermal steam, or he may also convert geothermal steam to electrical energy and sell it to an already existing utility company.

The Commission will be composed of nine Commissioners who are appointed by the President of the United States and approved by the Senate.

Americans have come to realize that we can no longer take our energy sources for granted. Instead, we must learn to plan and develop the wise use of these resources.

Over the next few years much attention is going to be directed toward geothermal energy, and I sincerely believe that our Government must make every effort to control the development of such a vital resource as geothermal energy promises to be.

THE NEWSMEN'S RIGHT TO PRIVACY ACT

(Mr. KOCH asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. KOCH. Mr. Speaker, the inclusion of freedom of the press among the first amendment guarantees reflects the conviction of the Founding Fathers that the strength of democratic government depends upon the unrestrained diffusion of information. They saw the press as that organ of society with the power and responsibility to scrutinize self-interested sources of information and, out of that scrutiny, make it more likely that the public will ultimately hear the truth. Essential to the role of the press in a free society is the greatest possible accessibility of information to the newsman himself. This explains the critical dependence of the newsman on his sources. The integrity of the press as an alternative to official organs of information is seriously jeopardized if the newsman's freedom to assemble reliable sources is infringed.

Recent years have seen an alarming upsurge of judicial and legislative demands for confidential information in the hands of the press—information which often yields the identity of confidential news sources. Rather than violate promises of secrecy, some reporters have gone to jail. Others are simply not pursuing the leads that would require confidentiality. Still others are discovering that formerly good sources are refusing to provide information. The impact of these subpenas constitutes an indirect, but ominous form of press censorship.

A number of measures have been introduced in this Congress to protect the press from the long arm of the subpena. These proposals give newsmen various degrees of privilege to refuse to disclose confidential sources before courts and legislative bodies. However, we have recently witnessed the use of a means of press intimidation not covered by the measures currently pending. Last year it was reported that the American Telephone & Telegraph Co. had surrendered the records of newsmen's telephone calls in response to a court request. In April of this year it was discovered that the FBI was using Jack Anderson's telephone records to trace the identity of his sources. In view of the essential role of the telephone in news gathering, any disclosure of a newsman's phone records constitutes a severe threat to the confidentiality of sources. It presents a coercive effect on freedom of the press as grave as any disclosure of information in the possession of the newsman himself.

To close this avenue of press intimidation, I am today introducing for the first time, the Newsmen's Right to Privacy Act. This bill, which has 15 cosponsors, provides that the disclosure of information with respect to any member of the news media by a telephone or telegraph company will be lawful only in response to a court order requiring that disclosure. Such an order will follow a court hearing in which the newsman involved will have the right to participate. No order requiring disclosure may be issued unless it is found that disclosure will not reveal or threaten to reveal the identity of any source of information with respect to the newsman.

The only exception will be a finding by a U.S. district court that disclosure will serve a "compelling and overriding national interest." Enforcement will consist of criminal sanctions against companies and company employees who effect unlawful disclosure.

Mr. Speaker, I believe this bill provides a reasonable rule to guide courts in judgments on the validity of phone record subpenas. It recognizes the necessity of confidentiality to press freedom and thus affords confidence to the newsman and his sources that statements made in trust will remain so. At the same time, it recognizes the possibility of an overriding State interest, but places a severe burden on the Government to justify disclosure. It is a solution consistent with the primacy of freedom of the press as a first amendment guarantee. It is, I believe, a 20th century implementation of the wisdom of Tocqueville when he wrote 150 years ago:

> The more I consider the independence of the press in its principal consequences, the more I am convinced that it is the . . . constitutive element of liberty.

The 15 cosponsors are Ms. ABZUG, Mr. BADILLO, Mr. BROWN of California, Mr. DRINAN, Mr. EDWARDS of California, Mr. GOLDWATER, Mr. HARRINGTON, Mr. KEMP, Mr. LEGGETT, Mr. MITCHELL, Mr. PODELL, Mr. ROONEY of Pennsylvania, Mr. VAN DEERLIN, Mr. WON PAT, and Mr. YOUNG of Georgia.

VETERANS ARE WATCHING CONGRESS

(Mr. BINGHAM asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BINGHAM. Mr. Speaker, 285,000 veterans going to school on the GI bill are watching the Congress this week with hope and anxiety. These are the veterans who left military service between 1955 and 1966, when there were no education GI bill benefits available. These men were extended those benefits in 1966, when the Vietnam era GI bill was enacted, and had 8 years in which to use their entitlements.

That 8-year period expires at the end of this month, threatening to leave 285,000 veterans who have not completed their educations or exhausted their entitlements out in the cold. It is ironic that both Houses of Congress have recognized this imminent disaster, have acted to extend for 2 years the period in which these GI bill benefits can be used, but have not yet sent a bill to the President for his signature. The Senate delayed acting on House-passed GI bill amendments which contained this 2-year extension for several months, and finally passed a single 2-year extension last week. The House Veterans' Affairs Committee, angry at this unjustifiable delay, refused to accept the Senate bill, and insisted on sending the bill back to the Senate with all the previously passed House amendments to the bill tacked on and calling for a conference with the Senate.

I cannot approve of these pressure tactics which use these 285,000 veterans as expendable pawns in a bizarre congressional chess game. Time is running out for these men while the House and the Senate jockey for position. Apparently the House Veterans' Affairs Committee hopes to pressure the Senate into acting on the House version of amendments to the GI bill, denying the other body the opportunity to consider its own version of such amendments in detail. In trying to hold the Senate's feet to the fire, the Congress is threatening to throw several hundred thousand veterans into the fire.

Yesterday the Senate passed S. 3398, extending the time limit for using the GI bill benefits for 30 days. This compromise proposal by the Senate deserves speedy action by the House. The Senate Veterans' Committee is beginning markup today and intends to bring a bill to the floor the first week in June. If the House accepts S. 3398 and the 30-day extension it authorizes, education benefits for these 285,000 men can continue uninterrupted while the Congress works on more comprehensive cost-of-living adjustments in benefits levels and other important changes in the weeks ahead. I urge the leadership of the House and of the Veterans' Committee to accept this bill today and end the deplorable brinkmanship game that has threatened the futures of so many men and women who do not deserve such shabby treatment.

LET GOVERNMENT SHARE BURDEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BLACKBURN) is recognized for 5 minutes.

Mr. BLACKBURN. Mr. Speaker, on May 1 I rose to make the following suggestion:

That the Congress give—

> Serious consideration to the proposition that personal income tax exemptions should be increased, and that these exemptions be increased on a retroactive basis in order to reflect the proper ratio of an individual's income vis a vis the rate of inflation which militates against that income in every given year.

As I advised the House at that time, my suggestion was based on the realization of two rather obvious facts of life in America today:

First, our present Federal income tax system is inequitable and imposes undue hardship on the American people in general.

Second, despite the heavy burden to the taxpayers, the deficits and the national debt continue to build, inflation continues to increase, and the wage earner, however he earns it, winds up with less and less control over the money he earns.

In noting these facts on May 1, I offered the following conclusion:

> If the highrollers in the Federal bureaucracy found themselves compelled to live with the same problems which their economic gamesmanship impose upon others in our society, then the Federal Establishment would begin to share the burden felt by the individual taxpayer.

My remarks were received with great favor from my constituents, from many of my colleagues, and from the media. Consequenty, after due deliberation and consultation I have committed my thesis to a bill "to amend the Internal Revenue Code of 1954 to provide for annual adjustments in the amount of personal exemptions to reflect increases in the cost of living."

Mr. Speaker, it is with increasing concern for the unfair burden of frequently inequitable taxation which our citizens continue to bear, and for the continuing lack of restraint on spending on the part of all too many in the legislative and executive branches of government that I submit this bill for most serious consideration by this Congress.

COMMUNISM AND FREEDOM

Mr. BLACKBURN. For any who might accept the propaganda that under communism, individual freedom exists, let me cite but a few statistics from a great volume of statistics and facts created by communism itself during the past half century.

According to our best, yet conservative official figures, 29 East Germans were shot dead trying to escape over or through communism's hideous Berlin Wall between August 1961 and April 1963. Twelve others died from the effects of being shot in their escape attempts. Approximately the same amount of people have died each subsequent year for the past 11 years in similar efforts. That would bring the conservatively estimated total to 451.

From August 1961 until 1972, an additional 30,000 East Germans risked death and injury to make good their escape to freedom in the West.

During the Korean conflict in which too many misguided Americans accepted the Communist line that North Korea was fighting for freedom, an officially estimated 35,000 North Koreans pressed into battle on behalf of communism, defected to South Korea, or the United States or other allied forces of freedom.

As a consequence of the Khrushchev ordered blood bath in Hungary in November 1956, approximately 190,000 Hungarians ranging from old men and women to infants in arms, fled that tragic nation in search of freedom in the West—many here in the United States, under the escapee program conceived by the late Congressman Charles J. Kersten and enacted into law by the Congress of the United States.

ENERGY PRICE EQUALIZATION NEEDED FOR NEW ENGLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 5 minutes.

Mr. CLEVELAND. Mr. Speaker, the entire Nation is suffering the consequences of the energy shortage and resulting higher prices, but an inequitable share of the burden is being borne by residents of New England. On May 16—page 15030—I inserted into the RECORD several excerpts from constituent letters describing the severe hardships they are encountering as a result of sharply increased electric bills. These were accompanied by facts which supported the inequity of the situation in New England.

I have subsequently received copies of resolutions adopted unanimously by the six New England Governors concerning energy price equalization. The purpose of these resolutions is to bring to the attention of appropriate Federal officials the seriousness of the problem and to ask for remedial action. The covering letter succintly describes the intended message:

> The resolutions place a high priority on less costly energy in general and equitable energy prices in particular. It is especially disturbing to us for New England to pay higher prices for energy as it clearly places the region in an economically non-competitive position with other regions of the country. As you know, the citizens of New England did much more than their fair share this past winter when they achieved targets of energy conservation which far exceeded that of any other region. They are now perplexed as to why they are penalized with higher energy costs.

Mr. Speaker, this explains quite well the frustration shared by all residents of New England and their concern that far from being over, the problems are still very much with us and will remain so without action from Congress or the Federal Energy Office. Therefore, I commend to my colleagues the following resolutions adopted by the New England Regional Commission:

NEW ENGLAND REGIONAL COMMISSION RESOLUTION NO. 87

A resolution of the State members of the New England Regional Commission concerning electricity rates in New England

Whereas, the New England Regional Commission has determined that the provision of an adequate supply of reasonably priced electrical energy is essential to the economic development of the region; and

Whereas, recent increases in the price of electricity have caused economic disruption and deep public concern; and

Whereas, the electric utilities in New England are structured on a regional basis for the distribution of electricity throughout the region; and

Whereas, recent increases in electricity rates have adversely impacted the citizens of New England and the regional economy;

Now therefore be it resolved by the State Members of the New England Regional Commission

Section 1. That the importation of less expensive electricity into the region from domestic and Canadian sources should receive priority attention of the region's utilities, the Federal Power Commission, the Federal Energy Office, the Department of State and the State Public Utilities Commissions.

Section 2. That the development of alternatives such as hydroelectric, nuclear and coal fired facilities should likewise receive the priority attention of these organizations as ways to reduce present price inequities caused by the high level of the region's dependence on expensive oil fired electric facilities.

Section 3. That the Federal Energy Office promptly take steps to increase the production of lower priced domestic residual fuel oil and allocate a fair proportion of this product to the region at an equitable price as required by law.

Section 4. That the New England utilities work with state public utility commissions in order to reduce costs wherever possible.

Section 5. That the staff of the Commission promptly evaluate the electric rate problem and prepare additional recommendations for the establishment of equitable price levels for the region's domestic, commercial, business and industrial consumers.

Section 6. Direct that this Resolution be transmitted to the following: the President, the Secretary of State, the New England Congressional Delegation, the Federal Power Commission, the Federal Energy Office, the National Governors' Conference and NEPOOL.

Section 7. Effective Date. This Resolution is effective immediately.

NEW ENGLAND REGIONAL COMMISSION RESOLUTION NO. 88

A resolution of the State members of the New England Regional Commission concerning the reduction of the price of petroleum products in New England

Whereas, the New England Regional Commission has determined that an adequate supply of low-priced petroleum products is essential to the economic development of the Region because it depends upon petroleum fuels for 90% of its total energy supply as compared to the National average of 44%; and

Whereas, current Federal regulations on the control of petroleum prices result in New England receiving a much larger proportion of higher priced petroleum than other regions of the Nation with a consequent strong negative force on the Region's economy; and

Whereas, New England has achieved a higher rate of fuel conservation than the National average; and

Whereas, a higher National achievement rate of petroleum fuel conservation could assist in the reduction of New England's dependence on higher priced foreign petroleum;

Now therefore be it resolved by the State Members of the New England Regional Commission that

Section 1. The State Members adopt the policy that the equalization of the petroleum prices across the Nation is essential for the continued development of the New England economy in accordance with the Emergency Petroleum Allocation Act of 1973 (P.L. 93–159).

Section 2. The State Members call upon all regions of the Nation to improve the achievements of their petroleum fuel conservation programs.

Section 3. The State Members urge the Federal Energy Office to administer the Mandatory Fuel Allocation Program so that petroleum fuel allocations are based on price as well as quantity as required by the Emergency Petroleum Allocation Act and further that the Federal Energy Office take the necessary steps to increase the domestic production of residual fuel oil and insure that New England receives its fair share of the increase in such production.

Section 4. The State Members call upon the Secretary of Defense to make available excess Defense Department fuel storage facilities which are enumerated in a Commission report in order to increase the Region's capacity to store lower priced petroleum products as they become available.

Section 5. The New England Congressional Delegation, the Federal Government, and the public utilities and industry of New England continue to work with the New England States to reduce New England's present heavy dependence on expensive petroleum products in a majority consistent with the protection of environmental quality and public safety.

Section 6. That copies of this Resolution be transmitted to the President, the Secretary of Defense, the New England Congressional Delegation, the Administrator of the Federal Energy Office, the Appalachian Regional Commission, all other Title V Commissions and the National Governors' Conference.

Section 7. Effective Date. This Resolution is effective immediately.

NEW ENGLAND REGIONAL COMMISSION RESOLUTION NO. 91

A resolution concerning energy price equalization

Whereas, in considering issues relating to the price and availability of energy to New England consumers, the Governors of the New England States have determined that a severe price inequality exists between this region and other regions of the country; and

Whereas, such a price inequality is directly contributing to the economic problems of the region by reducing its competitive position in the national economy and by requiring consumers to devote a disproportionate share of their income to paying energy costs; and

Whereas, the New England Regional Commission is actively involved in the development of a regional energy program designed to identify problem areas and develop joint policy among the New England States;

Now therefore be it resolved by the New England Regional Commission that

Section 1. Due to the gravity of the situation, the Federal Energy Office is requested to provide, within a period of thirty days, to the New England Regional Commission and the New England Congressional Delegation a determination of the extent and nature of the energy price differential suffered by the New England region to identify the causes of that differential and to make recommendations for appropriate remedial action.

Section 2. The staff of the Commission is instructed to work closely with the Federal Energy Office in preparing an analysis of the price differential situation and to provide, within thirty days, recommendations for equalizing the price of energy to the region.

Section 3. The New England Congressional Delegation is asked to support the request for an evaluation by the Federal Energy Office and to work with the Commission in preparing a remedial program including, as appropriate, corrective legislation.

Section 4. The Commission directs that this Resolution be transmitted to the following: the President, the New England Congressional Delegation, the Federal Power Commission, the Federal Energy Office, and the National Governors' Conference.

Section 5. Effective Date. This Resolution is effective immediately.

HON. CHESTER E. MERROW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. WYMAN) is recognized for 60 minutes.

Mr. WYMAN. Mr. Speaker, it is with regret and a deep sense of loss that we pause to mark the passing of our former colleague, Representative Chester E. Merrow of Ossippee, N.H.

Chester Merrow devoted his life to public service, first as a teacher and State legislator, setting an example of service respected by all who knew him. In 1943, he began two decades of continuous representation of New Hampshire's First Congressional District in the Congress, and after an unsuccessful bid for the Senate, distinguished himself as a special adviser to the Department of State, a post he held until his retirement in 1968.

A graduate of Colby College with a subsequent master's degree from Teachers College of Columbia University, Chester taught political science and served as dean of Vermont Junior College before entering politics.

While in the House of Representatives, Chester rose to seniority on the House Foreign Affairs Committee, traveling to many parts of the world and becoming active and influential in foreign relations. He served as a delegate to the preliminary conference to UNESCO in London in 1945 and was Congressional Adviser to the first UNESCO Conference in Paris in 1946. He served as chairman of the House Foreign Relations Subcommittee on International Organizations and Movements in 1954–54.

Throughout his career, whether as educator, political scientist, foreign policy advisor, or U.N. organizer, Chester Merrow remained a man of New Hampshire, a man who stood by his convictions, a citizen of undeniable and laudable dedication to public service.

Virginia and I join with his many friends in extending sympathy and best best wishes to his beloved wife, Nellie, to his sister Barbara, to his son Daniel, and their grandchildren of Daniel. A part of New Hampshire has been lost with Chester's unfortunate early passing. He is sorely missed by his loved ones and his many friends.

Mr. CONTE. Mr. Speaker, I would like to thank my distinguished colleague, Mr. WYMAN of New Hampshire, for taking this Special Order to honor the memory of a former Member of this body, Chester A. Merrow.

Chester Merrow could surely be called a New Englander. He attended Colby College in the State of Maine; he taught school in the State of Vermont; and he represented the people of the State of New Hampshire in both the New Hampshire House of Representatives and the U.S. Congress.

Chester Merrow served the residents of the First Congressional District of New Hampshire for 20 years, amassing a record of outstanding service. But, this is not to say he did not represent all of the people of this country, for he did. Most notably, perhaps, with his service as a delegate to the International Conference on Education and Cultural Relations of the United Nations and then with his service as congressional adviser to the First Conference of the United Nations' Educational, Scientific, and Cultural Organization.

So, it may accurately be said that Chester A. Merrow served the people of New England, his country and the global community.

I was proud to serve in the Congress with Chester Merrow and was deeply saddened at his passing earlier this year.

At this time, I wish to express my sincere sympathy to Mrs. Nellie Merrow and their son, Daniel.

Mr. FLYNT. Mr. Speaker, I join with the gentleman from New Hampshire (Mr. WYMAN) and others in expressing my sorrow at the news of the death of our former colleague, the Honorable Chester Earl Merrow. I wish to join in paying tribute to the life, the service, and the memory of one whom we held in the highest esteem and respect.

Chester Merrow was first elected to the House of Representatives in 1942, and he served in the 78th through the 87th Congresses. At the time of his departure from the House to run for the Senate, Mr. Merrow served on the House Committee on Foreign Affairs and was very active in that field during the formative years of the United Nations. On the Foreign Affairs Committee and as a U.S. Representative at various United Nations conferences and functions, he served this Nation with distinction and dedication during a most critical period in the world's history. Following his service in the House, Mr. Merrow continued to utilize his experience and expertise in the field of international relations for the benefit of our country, serving some 5 years as a special adviser for the Department of State.

During his 10 terms in the House of Representatives, Mr. Merrow gave untiringly to his constituents, the State of New Hampshire, and our Nation dedicated and distinguished service. While serving in the House, he earned the highest esteem of all who were privileged to serve with him.

Throughout his more than 3 decades in public life, he exemplified the model of the sincere and conscientious public servant. In his concern and devotion to the American people, he always reflected great credit on the highest traditions of the Congress and this Nation.

Mrs. Flynt joins me in extending to his family and loved ones our condolences and heartfelt sympathy.

Mr. BROOKS. Mr. Speaker, the Honorable Chester Earl Merrow first came to Congress in 1943. It was my privilege to serve with him in this body for almost 10 years. When he left the Congress in 1963, he continued to serve our Nation as special adviser on community relations in the Department of State.

Chester Merrow was a kind and gracious man, dedicated to the Congress and to the people he represented.

He will be missed, not only by his family, but by the people of New Hampshire, and all his friends here in Congress.

GENERAL LEAVE

Mr. MARTIN of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks during the special order taken by Mr. WYMAN in memory of the late Honorable Congressman Chester Merrow.

The SPEAKER pro tempore (Mr. MATSUNAGA). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

OUR CONSERVATION HERITAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. TALCOTT) is recognized for 10 minutes.

Mr. TALCOTT. Mr. Speaker, I recently read a letter which showed rare and moving insight to our conservation problem. This letter was even more remarkable because it was written to the President of the United States nearly 120 years ago. It was addressed to President Franklin Pierce from Chief Sealth of the Duwanish Tribe in the State of Washington, and said:

> The Great Chief in Washington sends word that he wishes to buy our land. How can you buy or sell the sky—the warmth of the land? The idea is strange to us. We do not own the freshness of the air or the sparkle of the water. How can you buy them from us? Every part of this earth is sacred to my people. Every shiny pine needle, every sandy shore, every mist in the dark woods, every clearing and humming insect is holy in the memory and experience of my people.
>
> We know that the white man does not understand our ways. One portion of the land is the same to him as the next, for he is a stranger who comes in the night and takes from the land whatever he needs. The earth is not his brother but his enemy, and his children's birthright is forgotten.
>
> There is no quiet place in the white man's cities. No place to hear the leaves of spring or the rustle of insect wings. But perhaps because I am savage and do not understand, the clatter seems to insult the ears. And what is there to life if a man cannot hear the lovely cry of the whippoorwill or the arguments of frogs around the pond at night.
>
> The whites, too, shall pass—perhaps sooner than other tribes. Continue to contaminate your bed, and you will one night suffocate in your own waste. When the buffalo are all slaughtered, and the wild horses are all tamed, the secret corners of the forest heavy with the scent of many men, and the views of the ripe hills blotted by talking wires. Where is the thicket? Gone. Where is the eagle? Gone. And what is it to say goodbye to the swift and the hunt, the end of living and the beginning of survival.

Now, Mr. Speaker, nearly a century and a quarter later, we look back to Chief Sealth and ask, "Who was the savage? Who had the foresight to see clearly what would become of his beloved land?"

Let us hope that in the future Americans will look back on our generation and say that we had the foresight to take the necessary action to reverse the environmental damage that could destroy us all.

NATIONAL NATURAL RESOURCES TRUST FUND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. REGULA) is recognized for 10 minutes.

Mr. REGULA. Mr. Speaker, today I am introducing legislation to establish a national natural resources trust fund to finance land and water conservation-development activities of all Department of the Interior agencies, and the Forest Service of the Department of Agriculture.

Today we are facing many resource problems: Energy; inadequate recreational opportunities in proximity to urban centers where people and social pressures are the greatest; inadequate water supplies, predominantly in the West; and an environmental crisis affecting wildlife, water, and land and timber. Also a minerals shortage may become real if we do not husband our natural resources.

The Federal Government is a proprietor with approximately one-third of our country's land in its ownership. Most of this land is managed by the Department

of the Interior and the U.S. Forest Service.

The Department of the Interior revenues earned from the use or lease of minerals, fees, concessions, grazing, lands, power, timber, and water will be in excess of its appropriations, exclusive of trust funds, by an estimated $2,665,217,000 in fiscal year 1975. The Forest Service estimates it will receive $458,785,000 from timber sales, grazing, power, recreation, and land use during fiscal year 1975. It is estimated that combined receipts from the Department of the Interior and Forest Service will amount to $6,374,841,000—Interior, $5,916,056,000; Forest Service, $458,785,000—in fiscal year 1975. An additional $3 billion could be realized from increased outercontinental shelf leasing during fiscal year 1975 as a result of intensified energy development efforts. Although these Federal lands and resources are not distributed proportionally throughout the Nation, they belong to all of the people of the United States. I believe that the revenue earned from such lands and resources should be used in a manner that will result in preservation and enhancement of the resource from which it emanated and to the maximum net public benefit.

In past experience, all proceeds collected from the use or lease of Federal lands and resources have not been returned to our lands and resources which is where the receipts came from. During fiscal year 1972 the Bureau of Land Management and the Forest Service, two major revenue earners, collected approximately $900.3 million in receipts from the use or lease of Federal lands and resources which they administered. Of this total about 35 percent was deposited in Treasury general fund accounts; 19 percent was deposited in special fund accounts for distribution to States and their subdivisions; 46 percent was deposited in special Treasury accounts to finance various Federal programs relating to outdoor recreation, public land improvements, and national forest maintenance. A small amount was deposited in a special holding account pending determination of the rights to land and timber of the Tongass National Forest in Alaska.

Eighty-one percent of these proceeds could and should be reinvested in the natural capital investment we hold in trust for ourselves and future generations—our public lands.

My bill would create a natural resources trust fund in the U.S. Treasury, which would, by law, account for receipts held in a fiduciary capacity by the Government for use in carrying out specific Interior and Forest Service land and water conservation-development activities. The fund would be administered by the Secretary of the Interior and moneys from the fund would not be available for spending until appropriated by Congress. Special use funds, such as the land and water conservation fund and reclamation fund would not be repealed by this act but would receive moneys appropriated by Congress from the trust fund.

At present, resource agency budgets are scattered throughout the President's budget. Within each natural resource agency budget, the portion attributable to land and water conservation-development programs is often not identifiable. Under the present structure, natural resource agency programs that are similar, and different programs within an agency, are almost assured of uneven treatment. Upon establishment of a national natural resources trust fund, Congress would be given the opportunity to make choices on expenditures as part of the appropriation process. Expected results of programs could be compared with the proposed costs by using a cost-benefit framework, and would require the President and Congress to consider the full implications of program and relationship between program authorization and appropriations.

Mr. Speaker, under my proposal, money received from the use or lease of our natural resources would be reinvested in our land and water resources which belong to us all.

The text of my bill is as follows:

H.R. 14950

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is established on the books of the Treasury of the United States a trust fund to be known as the National Natural Resources Trust Fund (Hereinafter referred to as the "trust fund"), which shall be administered by the Secretary of the Interior (hereinafter referred to as the "Secretary"). Amounts in the trust fund shall be available, as provided by appropriation Acts, for developing and maintaining the public lands for the purposes and uses which have been authorized by applicable Federal law and to make payments to other special funds, such as the Land and Water Conservation Fund, for the purposes of such funds.

(b) Notwithstanding any other provision of law, there shall be deposited into the trust fund, from time to time, all revenues derived from any use fee, lease, permit, royalty, or other receipt relating to any parcel of the public land.

Sec. 2. (a) It shall be the duty of the Secretary to hold the trust fund, and to report to the Congress not later than the first day of April of each year on the financial condition and the results of the operations of the trust fund during the preceding fiscal year and on its expected condition and operations during each fiscal year thereafter. Such report shall be printed as a House document of the session of the Congress to which the report is made.

(b) It shall be the duty of the Secretary to invest such portion of the trust fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United Sates. For such purpose such obligaions may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the trust fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the Public Debt; except that where such average rate is not a multiple of one-eighth of 1 percent, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest. Advances to the trust fund pursuant to subsection (d) shall not be invested.

(c) Any obligation acquired by the trust fund (except special obligations issued exclusively to the trust fund) may be sold by the Secretary at the market price, and such special obligations may be redeemed at part plus accrued interest.

(d) The interest on, and the proceeds from the sale or redemption of, any obligations held in the trust fund shall be credited to and form a part of the trust fund.

(e) Advances made pursuant to subsection (d) shall be repaid, and interest on such advances shall be paid, to the general fund of the Treasury when the Secretary determines that moneys are available in the trust fund for such purposes. Such interest shall be at rates computed in the same manner as provided in subsection (b)(2) for special obligations and shall be compounded annually.

Sec. 3. For the purposes of this Act, the term "public land" shall include all land owned, leased, or held by the United States, except land administered by the—

(a) Secretary of Defense;

(b) Administrator of the General Service Administration; and

(c) Secretary of Transportation as part of the Federal Aid Highway System.

PROPERTY TAX RELIEF FOR LOW-INCOME ELDERLY HOMEOWNERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Sandman) is recognized for 15 minutes.

Mr. SANDMAN. Mr. Speaker, the most pressing economic problem in the country in 1974 in my judgment is the plight of the older Americans who must live on fixed incomes despite rampant inflation.

The one asset 70 percent of the people over 65 have is now seriously threatened—that asset is ownership of a home.

The threat not only comes from inflation directly, but indirectly through ever-escalating property taxes which are crushing low-income elderly homeowners in New Jersey and all over the Nation.

LOSING THEIR HOMES

The Second Congressional District of New Jersey has one of the highest percentages of people over 65 of any district in the Nation.

Approximately 75,000 of my constituents are over the age of 65. About 70 percent of them own their own homes, and some 15,000 of those homes are owned by persons living on social security with an income of less than $2,000 a year.

Mr. Speaker, things are getting so bad

for these low-income elderly homeowners that in my opinion, many of these homes will be lost for nonpayment of real estate taxes within the next few years.

Why? Simply because the growing property tax burden is so great that older Americans with low, fixed incomes are getting to a point where they cannot afford to pay these property taxes.

TAX RELIEF NEEDED

Clearly, some relief for these overburdened senior citizens is needed. Property taxes in most States are used to cover the costs of educating children in the public school systems, plus the costs of many municipal and State services.

People over 65 have paid their share of the costs of educating America's young people. They paid their share during the years when they most likely had children who benefited from their tax payments.

Surely now that they have retired, now that their own children have completed their schooling and have begun to pay property taxes on their own, these low-income elderly homeowners should be spared the continued burden of paying property taxes. I think so.

If these senior citizens lose their homes for nonpayment of property taxes, Mr. Speaker, the Government will be asked to provide other homes for them. It is therefore in the best interests of not only the elderly affected, but also of all of the taxpayers in the Nation to help these people save their homes.

REIMBURSEMENTS

I am today introducing legislation to provide property tax relief to low-income elderly homeowners through direct reimbursements by the Secretary of the Treasury to the eligible senior citizens.

Simply stated, my bill would provide monthly payments of up to $40—$480 per year maximum—to elderly homeowners whose household income is less than $5,000 per year as reimbursement for their property taxes paid to State and local governments.

Naturally, only one claim per household would be permitted. The Internal Revenue Service would process claims along with the regular annual personal income tax. This will eliminate the need to establish some vast new Federal bureaucracy to administer this plan.

POSITIVE EFFECTS

This proposed legislation, which supporters of it in my district are calling "Older Americans' Tax Savings" or OATS, will have many positive effects on the target group, low-income elderly homeowners.

For example, where total property taxes accrued for a home occupied by eligible senior citizens is $480 per year or less, this program will reimburse the entire amount directly to the homeowner in monthly payments of up to $40.

In my home State of New Jersey, Mr. Speaker, this legislation would benefit virtually every needy elderly homeowner.

Consider the extreme cases, Mr. Speaker. There are nearly 15,000 homes in my district that are owned by elderly people who have incomes of less than $2,000 per year.

The average real estate tax bill in New Jersey is approximately $600 per year. Under State law, one senior citizen in each household is entitled to a tax credit of $160 per year, provided that his total income is less than $5,000 for the year.

In other words, the average net payment by the senior citizens who live in these 15,000 homes is presently about $440, a terrible blow to their budgets which are already below the poverty line. My bill would lift that burden from their shoulders altogether.

THE RIGHT DIRECTION

Mr. Speaker, I do not claim that this Older Americans' Tax Savings legislation is the entire answer to the problems facing our financially troubled senior citizens.

This legislation, for example does not cover the elderly who rent their homes or apartments nor does it cover those older Americans who live with relatives. It does focus attention on the biggest problem group: those over 65 who own their own homes and who face the loss of them as financial pressures build on their limited budgets.

It is estimated that this program will cost roughly $4 billion a year to do the job nationally. That is what we are spending to operate the Environmental Protection Agency this year. I am convinced the goal of saving the homes of our parents, grandparents, and other older Americans is as important in terms of priorities as is the goal of protecting the environment. We must do both.

I have advocated a way to pay for this program, Mr. Speaker. In separate legislation, I intend soon to propose again that the Federal excise tax on alcoholic beverages, which last year took in over $5 billion, should be dedicated to pay for this Older Americans' Tax Savings plan.

In the coming weeks, I am very hopeful that the Ways and Means Committee of the House will see fit to consider this proposal and include it in tax reform legislation. It is sorely needed.

PAYING TRIBUTE TO NATION'S SMALL BUSINESSES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILER. Mr .Speaker, it is with a great deal of pleasure that I join with many in the Congress and across the Nation during the period of May 19–25 in honor of National Small Business Week, 1974.

In prclaiming National Small Business Week, President Nixon said:

> From the earliest days of our history, the trader and the merchant, pushing westward, laid the foundation for what has become the worlds greatest economic achievement.

The U.S. Small Business Administration—SBA—is proud to have been a part of that achievement. Today, 19 out of every 20 firms are considered small business. They provide approximately 35 million jobs and contribute more than $476 billion annually to the gross national product.

Since SBA was created in 1953 with the specific purpose of "aid, counsel, assist, and protect" the interests of small business, the number of small firms has increased from 6 million to nearly 9 million.

During the fiscal year 1973, SBA:

Provided more than $2.2 billion in guaranteed and direct loans to small businesses;

Made 215,000 disaster loans totaling $1.5 billion; and

Funded $141 million to community development programs.

As the president noted in his proclamation:

> The history of America is in large measure the history of independent enterprise.

Having dealt on countless occasions with the small businessmen of southeastern Ohio, I have found a very distinct link between the concern of these people for their particular enterprises and the welfare of the communities they serve and the people with whom they associate. They are concerned people who have historically looked beyond the front door of their businesses to the challenges that face their hometowns. The pride they have taken in making our small businesses so vital to the Nation's economic health is exhibited to an equal degree in the pride they take in their respective towns, their fellow citizens and their country.

SOL MARKS OF THE IMMIGRATION AND NATURALIZATION SERVICE RETIRES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for for 5 minutes.

Mr. EILBERG. Mr. Speaker, Gen. Leonard F. Chapman, Jr., the Commissioner of the Immigration and Naturalization Service, has informed me that Sol Marks. District Director of the New York district of the Immigration and Naturalization Service, will retire on May 24, 1974. He has had a distinguished career with the Service and has made a significant contribution to the immigration field. He began his career in 1935 as a stenographer and went on to become immigration officer where he developed a comprehensive understanding of the immigration and naturalization laws. Sol Marks then became an adjudicator in the central office and for the remainder of his career, he was appointed District Director where his managerial skills led to important changes in the Immigration and Naturalization Service.

Sol Marks developed and utilized new administrative techniques, one of which was to permit 100 hearings to be heard and completed per day in the district. His requirement that total staff meetings be held regularly in a district operation has led not only to a rapid dissemination of information, but to high morale among the employees. He was also responsible during his New York tenure for selecting the first female district investigator and the first female shipboarding inspector.

Other administrative improvements which are credited to him include "group training" for supervisors, a newsletter for employees, and the creation of a position for a district training officer. Monthly meetings with employees of the Immigration and Naturalization Lawyers Association and a Union of Immigration Employees contributed to the smooth operation of his district and the human enforcement of the law.

Sol Marks did not confine his talents to the operation of the district. In his effort to promote an understanding of the immigration law, he lectured at various colleges, before the bar association of the city of New York, the Society of Foreign Consuls of the United Nations, and at the Practicing Law Institute. He has catered to the public's right to know about immigration policies by participating in television discussions especially in connection with the media's interest in widely publicized and often misunderstood immigration cases. He testified before congressional committees and was always an informed witness.

I extend to Sol Marks my best wishes for the future.

At this time I wish to include in the RECORD an article published by Newsday in June of 1971 about Sol Marks when he was appointed district director for the New York office of the Immigration and Naturalization Service:

Sol Lands on His "Moon"

At age 57, Sol Marks is soft-spoken, trim and athletic, and enjoying the fruits of what he terms his own personal climb to the moon. He is the new district director for the New York office of the Immigration and Naturalization Service and it took him 35 years to reach that plateau, which includes a beautiful view of New York harbor. The view from his lower Manhattan office also takes in Ellis Island, where his father landed as an immigrant at the turn of the century, and where Marks received his first assignment when he became an immigrant inspector in 1935.

In government service, there is no guarantee that a man's education, knowledge and experience qualifies him for a position as critical as that of chief of the nation's largest immigration office. But Sol Marks made it without political clout or connections and the 750 immigration employes he now directs are virtually unanimous in their approval of his selection.

Ed Kavazanjian, congressional liaison officer for the National Council of Immigration Officers, put it this way:

"Mr. Marks' appointment was like a breath of fresh air. It proved almost for the first time that there is such a thing as a merit system and it has encouraged the people in the office to feel that good work can be rewarded."

Sol Marks was a Brooklyn boy who had made New York City's all-scholastic basketball team as a product of Alexander Hamilton High School in 1931. He was attending the City College of New York when he decided to take a civil service exam. Sitting, Saturday, on the sundeck of his comfortable home at 566 East Chester St., Long Beach, he reminisced about a young student's problems in the early days of the depression.

"I had finished a couple of years at CCNY and I had seen the headlines and the men on the corners selling apples. There was no money around even to keep me in a free-tuition school, so I decided to reach for the moon. Civil service was the only answer, it seemed, for security. I passed the exam and had no idea where they'd put me. The next thing I knew I was an immigration inspector on Ellis Island."

The job was to take him to many places, but wherever his assignment, Sol Marks always found time to take night courses. In 1950, he received his bachelor of law degree from George Washington University in Washington, where he was working as a special projects officer in the main immigration office.

He spent three years in Burlington, Vt., as assistant regional commissioner for the Northeast area in charge of travel control. And then he was reassigned to New York, climbing for his moon, scaling the ladder until he was appointed assistant district director under Peter Esperdy, who retired last July.

Marks was named director six weeks ago. Competing for the job was Thomas Gibney, the district's other assistant director, who members of the immigration officers union contend had powerful support from several congressmen. Gibney, who had reached the mandatory retirement age of 70, had asked for a waiver to extend his service. It was turned down and Marks received his appointment.

"One of the first things I set out to do," he said, "was improve morale in the department. All these years I've been working there, I had one particular peeve. A man would get a promotion and a file clerk would put it in his basket like any other inter-office memo. It seemed such a cold way of giving a man a piece of good news. I've put in a new system. When an employe gets a promotion, I make it my business to come to his desk and gather his friends and colleagues and say a few words of appreciation for his efforts.

"We've got the kind of guys working for us who may have accumulated 2,000 hours of sick leave. Maybe 300 working days they could have taken off and didn't. Nobody ever seemed to appreciate that kind of service before, and I thought it would be a good idea to at least let these men know we know about their efforts. So we give them a plaque and a certificate. I know it doesn't sound like much, but at least it shows we're on the same team."

Sol Marks had seen a good deal of change in the immigration service since he first started working for it. Mostly, he thinks, for the better. "A hearing officer used to arrest, prosecute, judge and carry out the sentence of deportation for an illegal alien. Now the laws have been changed to give him an eminently fairer trial. Sometimes it would take months for a man to get a hearing. Now it can be a * * *.

"When Robert Kennedy was attorney general, he said one thing about immigration that I hope I never forget. He told the commissioner of immigration to 'show heart as well as muscle.' "

And now District Director Marks, just returned from an hour of tennis and a mile jog, sat on a chaise on his day off. "I know how the astronauts felt when they landed on the moon," he said.

MEMORIAL DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, on May 27, our Nation commemorates Memorial Day. It is a time to pay tribute to those heroic men and women who gave their lives in the service of their country. These men and women made the ultimate sacrifice that this Nation might remain free and strong, and we can never hope to repay the debt which we owe to them and their families. We can, however, express our unending gratitude to those who died for freedom and renew our pledge that we and future generations of Americans will always honor and cherish their memory. The strength and freedom of the democracy which they preserved for us stands as the greatest tribute to their courage and sacrifice.

Mr. Speaker, we do not do justice to the memory of those who died for their country if we do not meet our responsibility to the living—to the millions of veterans who fought selflessly and who deserve our support. As we approach Memorial Day, I take this opportunity to alert my colleagues to the fact that Congress stands on the brink of abdicating its responsibility to hundreds of thousands of these veterans. We have for several months now talked of improving educational opportunities for the Vietnam-era veteran. The House has passed a bill, and the Senate is in the final drafting stages of their measure. One of the things we have been working on is a 2-year extension of the eligibility period for those veterans whose education benefits are due to expire on May 31. These veterans are counting on us. Most of them must register for school this week, and they need the assurance that GI benefits will be forthcoming. We are talking about some 300,000 young veterans to whom we have a responsibility. The Senate and House must get together now and pass the 2-year extension. We can continue to debate and battle for meaningful improvements in the GI bill; I wholeheartedly support the broadest reforms possible. However, we cannot jeopardize the rights and future of those veterans whose benefits are running out in a few days. We must enact the 2-year extension without further delay and then continue to fight for meaningful improvements in the GI bill. This is a responsibility we have to those who served.

THE TELEVISION INTERVIEW—PRIME MINISTER BALTHAZAR VORSTER OF SOUTH AFRICA, BY WILLIAM BUCKLEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, the television interview of Prime Minister Balthazar Vorster, of South Africa, by William Buckley, was widely viewed here in the United States. In this interview, Mr. Vorster manipulated historical fact and contemporary realities in an effort to present South Africa's apartheid policies as beneficial.

The following articles from South Africa and British newspapers, in response to the interview, illustrate with greater accuracy the current realities in South Africa. I would like to insert them in the Record for the thoughtful consideration of my colleagues.

The first article, which appeared in the London Times of April 23, 1974, reflects general dissent from right and left-wing sources in South Africa of Mr. Vorster's statements:

Mr. Vorster Angers Friend and Foe With U.S. Television Denial of Race Discrimination in South Africa

Statements made by Mr. Vorster, the South African Prime Minister, during an American television interview have caused a furor here, two days before the general election, because of their misleading nature.

Mr. Vorster claimed that only communists were banned without trial in the Republic, that they were entitled to be given reasons for their banning and could have the banning orders lifted if they proved they were not communists. This was, he said, "the easiest thing in the world."

He also suggested that pay differences were caused by lack of skills rather than colour discrimination, that there were no disparities in income between whites and blacks and that job reservation regulations did not hinder blacks.

Government opponents here have been angered and astounded by Mr. Vorster's assertions, made during an interview with Mr. William Buckley, the right-wing television interviewer and shown nationally in the United States at the weekend.

Professors of law at Natal and Witwatersrand Universities have pointed out that many people who were clearly not communists have been banned, that reasons for bannings are very seldom given and that in practice it is impossible to have a banning order set aside by the Supreme Court.

Both right and left-wing trade union leaders have contradicted Mr. Vorster's claims regarding labour affairs.

Mr. Gert Beetge, a right-wing union leader, said Mr. Vorster's statements on job reservation conflicted with a cardinal pillar of the Nationalist Party's labour policy, which was that a white worker could not, to his detriment, be replaced by a non-white worker.

The Prime Minister's claim that "in general, employers in South Africa could fire lazy whites and replace them with industrious blacks" caused Mr. Arthur Grobbelaar, a left-wing union leader, to express "stunned surprise at Mr. Vorster's ignorance of labour practices".

The distorted impressions were caused in the interview mostly by what Mr. Vorster failed to say. For example he said that Government legislation outlawed pay discrimination on colour grounds but failed to mention that it specifically does not apply to the Government, provincial or local authorities.

Black doctors and nurses, for instance, are paid far less than their white counterparts for exactly the same work.

Mr. Harry Schwarz, the leader of the opposition United Party, has now challenged Mr. Vorster to make his television claims a reality in South Africa.

"However, he omits to mention that this Act is not applicable to the Central Government itself, to Provincial Administrations and to local authorities—and it is mainly here that serious discrimination in earnings exists and has done for many years.

"There are large gaps in the earnings between White doctors and nurses and their Coloured and African counterparts who have the same training.

"These gaps are also found among people who do skilled artisan and semi-skilled operative work," he said.

Mrs. Helen Suzman, Progressive Party MP for Houghton, agreed that Mr. Vorster did not appear to be conversant with the Industrial Conciliation Act.

"If a lazy White man who is in a closed shop occupation is fired there is not the slightest chance of employing a Black man in his place.

"The Government has also always encouraged the conventional colour bar and this too inhibits the replacement of Whites by Blacks," she said.

An African Bantustan leader denies Mr. Vorster's claim that Africans were satisfied with the land reserved for them in South Africa, in the following Rand Daily Mail article of April 22, 1974:

Mangope Says: I Do Not Agree

Chief Lucas Mangope, Chief Minister of Bophutha-Tswana, disagreed yesterday with information the Prime Minister, Mr. Vorster, gave an American interviewer on television at the weekend.

Mr. Vorster, interviewed by Mr. William Buckley in a programme screened before millions of American televiewers at the weekend, was asked about the 14 per cent of land "reserved" for the homelands.

Mr. Vorster told his interviewer: "It is not a question of it being reserved of them."

Mr. Vorster then told how the African tribes had moved down from the middle of Africa at the time the Whites were moving up from the Cape.

He also told about the passing of the 1936 Land Act.

Mr. Buckley then asked: "Your point is that, historically, that land which is theirs continues to be theirs."

Mr. Vorster told him: "They settled that land; they picked that land. And let me say that, from an agricultural and rainfall point of view, it is the best land in South Africa."

Chief Mangope said last night: "I don't agree that, historically, we are satisfied. In fact the 1936 Land Act dispossessed us of land."

On the point of the land being the best in South Africa, Chief Mangope claimed that all the Homelands shared only 20 per cent of the fertile land of the country.

The General Secretary of the Trade Union Council of South Africa points out in the April 22, 1974, Rand Daily Mail that the Prime Minister's statements on labor practices contradict the actual procedures of the Ministry of Labor:

Vorster "Stuns" Tucsa Chief

The general secretary of the Trade Union Council of South Africa, Mr. Arthur Grobbelaar, said last night he was stunned by some of the assertions made by the Prime Minister, Mr. Vorster, about South Africa's labour policies and practices in his American television interview.

Mr. Grobbelaar was referring to Mr. Vorster's claims that: In general, employers in South Africa could fire lazy Whites and replace them with industrious Blacks and that pay discrimination was based on differences in skills rather than skin colour.

Mr. Gert Beetge, Rightwing trade union leader and a leading light in the Herstigte Nasionale Party, said Mr. Vorster had directly contradicted the National Party's labour policy as set out in its election manifesto.

This policy rested on four pillars, the first and most cardinal one stating: "A White worker may not, to his detriment, be replaced by a Non-White worker."

Mr. Beetge said Mr. Vorster had now "displayed a credibility gap as wide as the Colorado Canyon".

IGNORANCE

Mr. Grobbelaar said Mr. Vorster's statements directly contradicted the practices of the Minister of Labour, Mr. Marais Viljoen, and he was "stunned by the Prime Minister's ignorance".

"The Minister of Labour has consistently stated that no Non-White will ever replace a White as long as there are Whites available for the job," Mr. Grobbelaar said.

On pay discrimination, he said: "The Prime Minister correctly states that the Industrial Conciliation Act outlaws discrimination in earnings.

THIRD ANNIVERSARY OF CONSTITUTION OF REPUBLIC OF SRI LANKA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. Foley) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, today, May 22, marks the third anniversary of the Constitution of the Republic of Sri Lanka which was adopted by its people in 1972. This document declared Sri Lanka a Republic and pledged to advance "the fundamental rights and freedoms of all citizens." When Sri Lanka achieved its independence in 1948 the late Prime Minister S.W.R.D. Bandaranaike stated on that occasion that achieving political freedom for the people had no meaning unless it was accompanied by the larger economic freedoms of freedom from want, poverty, hunger, and disease.

From that moment on, the Government of Sri Lanka has consistently sought to give this economic content to its political independence and instituted a wide variety of remarkable measures in the areas of education, health, and living standards. Much of the success of these programs was possible, because Sri Lanka had enjoyed a comparatively favorable balance of trade, but as is the case with many developing countries, the increasing prices of essential imports has more than outpaced the prices realized from her exports even though vigorous and successful efforts have been instituted to quantitatively increase such exports. Sri Lanka has recently completed successful negotiations with the IBRD and the IMF which decided to extend economic assistance to help that nation continue its growth and development.

It was my personal pleasure to have had the opportunity to visit Sri Lanka and to meet with many of its citizens and government officials and discuss with them problems of great mutual interest. I was then and continue to be deeply impressed by the determination and ability of the citizens and Government of Sri Lanka to continue the record of achievement that country has established in domestic and international affairs.

I take this opportunity to extend my

best wishes to the Government of Sri Lanka on the occasion of the third anniversary of its Republic Day.

EXPORT-IMPORT BANK LOAN TO SOVIET UNION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. GINN) is recognized for 5 minutes.

Mr. GINN. Mr. Speaker, the U.S. Export-Import Bank has approved a $180 million low-interest loan to the Soviet Union as part of a $400 million deal to build a giant fertilizer manufacturing complex in the Soviet Union. This is the largest American loan of its type to the Soviets in our history.

The bank credit will be financed with funds raised by the Export-Import Bank through its resources as a Government agency and using financial resources established initially by Government appropriations. The loan is at a bargain basement rate of 6 percent. As we all know, U.S. banks are now loaning money to their best American commercial customers at 11.5 percent or more.

Mr. Speaker, I have spoken out many times against this kind of loan to the Soviets. I and many of my colleagues have joined in legislation to prohibit the loans. The desperate need of the legislation has been underscored by this latest loan approval. It is so outrageous that it defied comprehension.

At the same time our Nation's farming communities are in the grip of the most severe fertilizer crisis in recent history, the U.S. government is bankrolling fertilizer factories in the Soviet Union.

Some farmers in the First District of Georgia are facing bankruptcy, because they cannot get enough fertilizer to salvage their corn crops. The U.S. Department of Agriculture has told me that it is powerless to help, but now another arm of the U.S. Government is dolling out millions of dollars to build fertilizer factories in the Soviet Union.

Georgia farmers this week are beginning to blow up corn crops in a desperate attempt to plant other crops that do not require nitrogen fertilizer. Some farmers, who have already treated their crops with insecticide, do not even have this option, because the insecticide would kill new plantings. How can I explain to those farmers why we have no resources to help them, but we have $180 million to manufacture fertilizer in Russia.

Mr. Speaker, if we do not stop this loan, every Member of Congress is going to face his own personal impeachment trial at the ballot box the next time he goes before his home State voters. The White House is railroading this loan through at top speed as part of its plan of détente with the Soviets. We may win some kind of phony peace with the Russians, but we will start a war in every rural community in the United States.

We are told that this loan will help ease our own fertilizer crisis, because ultimately we will be able to buy Soviet fertilizer made at the new plants. That argument itself, Mr. Speaker, should be enough to defeat the loan altogether. Surely we learned some kind of lesson about the reliability of foreign resources during the Arab oil embargo. In that instance, the Soviet Union itself urged the Arabs to shut off our oil supplies. Why should we expect the Soviets to guarantee fertilizer supplies?

The fertilizer crisis is a fact, and it has hit or will hit every farming community in America. Farmers last year answered the call of the administration to plant every extra inch of land available to increase production.

Now they find that the Government ignored the fact that there would be no fertilizer to support that planting.

The Government is standing by while farmers may be financially ruined by Government error. There is no money to salvage American farmers struggling to feed other Americans, but there is money to build fertilizer factories in Russia. That is a sorry commentary on our Government.

Legislation is pending now which would block this loan to the Soviets. It must be approved.

STUDENT ASSISTANCE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. O'HARA) is recognized for 5 minutes.

Mr. O'HARA. Mr. Speaker, I have today introduced a bill to make certain amendments to title IV of the Higher Education Act. Title IV of the act deals with student financial assistance, and the Special Subcommittee on Education, of which I am chairman, is currently in the midst of extended hearings on student assistance, with the intention of reporting to this House this year a new title IV, which I hope we can have on the statute books well before the current law expires.

The bill I am today introducing does only one thing. It strikes all the expiration dates on student assistance programs, and extends them for 3 more years. Most of those expiration dates are June 30, 1975. One or two later dates involve residual authority on loan programs which are nonetheless scheduled to expire on June 30, 1975.

I am not introducing this bill, because I believe for one moment that all we are going to have to do in the new title IV is to extend existing law for 3 more years. I think there are going to have to be changes, some of major proportions, some of rather minor substance. I do not know yet, and I hope all of us can keep our judgments under control until the hearings have brought us the mature views of experts and practitioners in this field, what the new title IV should be.

But I have introduced this legislation today in order to preserve the subcommittee's legislative options, and to give us a base on which to construct the real new title IV.

INDIA'S TEST OF A NUCLEAR EXPLOSIVE

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, this weekend India announced that at 10:35 p.m. EDT, on May 17, 1974, a nuclear explosive was tested in northwest India. The device was tested at a burial depth of 100 meters—330 feet. Its yield was approximately 15 kilotons. It was stated that the device produced a crater and released a small amount of radioactivity. According to the announcement of the Indian Government, the test was for the purpose of developing nuclear explosives for peaceful purposes such as mining and earth moving.

Fundamentally, I believe the situation is a setback to our nuclear weapons nonproliferation course and, therefore, an unfortunate one. There is no significant difference between a basic device for peaceful purposes and a basic atomic weapon. The device used was apparently an all-Indian product, the result of India's natural uranium reactor, and its own processing and fabrication activities. The net effect is that a sixth nation must be added to the list of countries with nuclear weapons capability. In my view, this is bound to have an unstabilizing effect in the field of international relations. I do not know what India will do next. Conceivably she could stop at this point and make no more nuclear devices. She certainly could avoid embarking on a program to develop delivery systems. But the effect on other potential weapons' nations will be irreversible. In the face of this unsettling development, we must continue and intensify our efforts to reduce proliferation.

Those who have followed the progress of various nations in the nuclear field cannot be surprised by this technical accomplishment of India. Going back to the 1940's the late Dr. Homi Bhabba, first chairman of the Indian Atomic Energy Commission, started to build up competence in the nuclear field. India has an Atomic Research Center in Trombay, now named the Bhabba Atomic Research Center—BARC—with a staff of nearly 10,000, of which 2,000 are scientists. Three research reactors are located at BARC. India also has its own sources of uranium and thorium, reactor fuel manufacturing plants and chemical reprocessing facilities. The chemical reprocessing plant, which is capable of extracting plutonium from irradiated fuel elements, started operation in 1964.

In addition India has two U.S.-type power reactors which began operation in 1969. A total of four Canadian-type heavy water moderated, natural uranium fueled reactors are also in various phases of startup or construction. These power facilities are subject to International Atomic Energy Agency safeguards inspection to assure that material is not diverted for other purposes.

India has had a 40-thermal megawatt research reactor under operation since the early 1960's. This is the Canada-India reactor—CIRUS—which utilizes natural uranium and heavy water. Such a reactor could produce 6 to 10 kilograms of plutonium per year, depending on its operating schedule. This reactor is not subject to inspection, but the Canadians were assured by the Indians that the reactor would be used only for peaceful purposes. However, use of the material produced by this reactor for the device tested last week would have been consistent with the Indian view that the application under development was a peaceful one. The event means that India has gone ahead and spent the time, money and effort to develop nuclear explosives, and now has the proven ability to produce them.

Here is a tabulation of the significant test dates for the six countries with demonstrated atomic explosive capability.

Significant Dates in Nuclear Weapons Testing—Western Hemisphere Dates

UNITED STATES

First atomic device—July 16, 1945.

First thermonuclear device—October 31, 1952.

U.S.S.R.

First atomic device—October 29, 1949.

First thermonuclear device—August 12, 1953.

UNITED KINGDOM

First atomic device—October 3, 1952.

First thermonuclear device—May 15, 1957.

FRANCE

First atomic device—February 13, 1960.

First thermonuclear device—September 24, 1966.

COMMUNIST CHINA

First atomic device—October 16, 1964.

First thermonuclear device—June 17, 1967.

INDIA

First atomic device—May 17, 1974.

We must continue to strive to obtain adoption of the Non-Proliferation Treaty. India, incidentally, along with a number of countries, is not as yet a signatory. We must also continue our efforts to support such international organizations as the International Atomic Energy Agency in its efforts to audit and inspect nuclear activities to assure that materials are not diverted for nuclear explosives. The United States in connection with its cooperative nuclear power agreement with India has entered into a multilateral agreement with the International Atomic Energy Agency and India which provides for the application of IAEA safeguards to materials, equipment, or devices we supply under our program. Safeguards against diversion of nuclear material for military purposes must be carried out on an international basis. Accordingly our efforts must be strengthened in support of such efforts as IAEA.

I would like to insert in the Record at the close of my statement two brief articles and an editorial from this morning's Washington Post commenting on India's nuclear test:

Nuclear Agency's Safeguard Noted: India Used Own Material, United States Feels

(By Dan Morgan)

U.S. officials expressed strong doubt yesterday that India used fissionable material originating in this country to detonate its first nuclear explosion Friday.

A spokesman for the Atomic Energy Commission said that since 1969 the agency has supplied India with 141,000 kilograms of uranium enriched to 2 to 3 per cent purity, for use in the American-built 400-megawatt electric power reactor in Tarapur, 50 miles north of Bombay.

However, the spokesman said, all the material was supplied under international safeguards that require accountability of the material after it is used.

"We are satisfied that the International Atomic Energy Agency safeguard system has worked," the official said. "We have no reason to believe that the material (used in the explosion) came from the United States."

Government experts said yesterday that it was technically feasible for India to have produced the explosion, which took place in the Great Indian Desert in Rajasthan, from locally mined and locally processed materials.

Asked yesterday if the Soviet Union or some other country had supplied the material, Indian Ambassador T. N. Kaul said "absolutely not." He added:

"We have scrupulously observed our agreements with the U.S. and Canada and produced this entirely indigenously. It is a great tribute to our scientists that we could do so."

State Department spokesman John King said in reference to the entry of India into the five-member nuclear club:

"The U.S. has always been against nuclear proliferation for the adverse impact it will have on world stability."

Ambassador Kaul took issue with this, saying that the explosion was for peaceful purposes and couldn't affect world stability.

However, diplomats here scoffed at India's assertions that the newly unleashed power was solely for industrial mining or similar purposes.

"This is rather pitiful," said one diplomat. "The United States, and the Soviet Union, with far more advanced technology, have had enough trouble using nuclear explosives for peaceful applications."

Some diplomats took the view that the Indian explosion might put pressure on the United States and the Soviet Union to halt their own underground testing program. Many countries such as India resent the fact that the superpowers have gone ahead with refinements of their nuclear explosives while admonishing other nations against "proliferation."

India signed the 1963 partial nuclear test ban treaty, but not the 1968 non-proliferation treaty.

Canada helped India build a 40-megawatt natural uranium research reactor in Trombay in 1960, under bilateral controls prohibiting non-peaceful end uses for the uranium but differences arose over the interpretation of this. India maintains that the explosion was for peaceful purposes.

India has no enrichment plant of its own. But it does have uranium supplies. One by-product of the natural uranium used in reactors such as the one at Trombay is plutonium used in bombs. The plutonium must be separated from other waste products in a complicated process. A facility for such a process exists at Trombay.

Around the World: India Hints of Second A-Blast

Bombay.—Chairman Homi Sethna of India's Atomic Energy Commission said yesterday the country may set off a second nuclear explosion soon if it is felt that more data is required.

Sethna said a complete evaluation of India's first nuclear test in the western Indian desert last Saturday would take six months and there could be more explosions after that.

Sethna denied that India had broken international commitments by exploding the bomb. His denial was in response to criticism voiced by Canadian External Affairs Minister Mitchell Sharp.

Sharp said Canada had cooperated with Indian research into nuclear energy on condition that it be confined to peaceful purposes. He said Canada saw no distinction between nuclear explosions for peaceful and military purposes.

Earlier, Indian Defense Minister Jagjivan Ram said in an interview that India would never use its nuclear capacity for military purposes.

"Our armed forces know this is not for their use," Jagjivan told the Indian Express.

At the United Nations in New York, Secretary General Kurt Waldheim expressed "serious concern" over the Indian nuclear explosion.

India's Nuclear Bomb

India's "peaceful nuclear explosion experiment" is, first of all, the test of a bomb. Not only is there no real distinction between a military and peaceful explosion, but even the United States, with all its time and technology, has yet to find a single feasible peaceful use for nuclear explosives. For India to call its explosion "peaceful" and to abjure all military intent is, in a word, rubbish. It is immaterial that other countries, in going nuclear, have used the same hyperbole. Indian scientists, if not Indian politicians, are too knowledgeable to claim otherwise with a straight face. The fact is that India, which has long had the capability to do so, has now gone nuclear in the political-military sense. It becomes the first country in 10 years—an interval which many had hoped would itself create a permanent barrier against new members—to join the nuclear club.

Its "right" to join is undisputed: it is a sovereign state. Nor can it be faulted for violating the nuclear non-proliferation treaty, which it never accepted. New Delhi did accept the partial test-ban treaty forbidding underground tests which vent and spew fallout across national frontiers, but no such pollution has been reported—so far. Certainly no American or Russian or Briton or Frenchman or Chinese can fairly contend that his country has set an example of nuclear restraint deserving emulation by other states. Nor have the first five members of the nuclear club made the international environment so safe and orderly that no "nth" country could possibly have political reason to make its own bomb.

For all this, the Indian explosion is the height of irresponsibility. Whatever the supposed gains in national pride and governmental prestige and regional political standing, the blast can only further aggravate Pakistan's fears of Indian domination and slow the normalization process that had been unfolding recently in the South Asia subcontinent. In a wider orbit, the Indian test will in effect license and strengthen in various other countries—Japan comes quickly to mind—the internal forces partial to building national nuclear bombs. Many people and many nations have become habituated to the existence of nuclear weapons, but their proliferation is no more safe and acceptable now for having been out of our immediate consciousness in recent years. The United Nations is scheduled to hold a conference next year to review and firm up the non-proliferation treaty The conference and its cause have been dealt a heavy blow.

But the most disturbing aspect of India's "achievement" is that Mrs. Gandhi's government could have chosen to spend on it tens if not hundreds of millions of dollars that could have been so much better spent on the needs of the Indian people. In the light of the immense *and growing* privation spread through India, it is appalling that a symbolic prestige project has taken priority over steps to alleviate mass poverty. India is asking the United States for food and economic aid these days. Americans can hardly avoid asking in turn to what extent their help merely serves to buy India a nuclear bomb.

JOINT CONGRESSIONAL COMMITTEE ON ATOMIC ENERGY ANNOUNCES PLANS FOR A STUDY OF TRANSPORTATION OF NUCLEAR MATERIALS

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD I include herewith a press release announcing formation of a special panel to study the transportation of nuclear materials:

JOINT CONGRESSIONAL COMMITTEE ON ATOMIC ENERGY ANNOUNCES PLANS FOR A STUDY OF TRANSPORTATION OF NUCLEAR MATERIALS

Congressman Mel Price, Chairman of the Joint Congressional Committee on Atomic Energy, announced the selection of a special panel to study the transportation of nuclear materials from the standpoints of nuclear health and safety and the safeguarding of special nuclear material.

Chairman Price, in a speech on the House floor on April 24, which was released along with related documents on April 26, stated his intention to set up such a panel to look into the shipment of radioisotopes, enriched uranium and plutonium, and related activities, and to report to the Committee its findings and recommendations respecting health and safety aspects and the protection of such materials from loss or diversion.

The panel announced by Congressman Price will be composed of the following members:

Mr. John T. Conway (Chairman of the Panel), Executive Assistant to the Chairman of the Board of Consolidated Edison Company. Formerly Special Agent of the FBI and Executive Director of the Joint Committee on Atomic Energy. Mr. Conway is a lawyer and engineer.

Mr. Carmine S. Bellino, formerly Administrative Assistant to J. Edgar Hoover and in charge of the FBI's Accounting Unit. Mr. Bellino is a certified public accountant. He has performed a special survey of the safeguarding of nuclear materials for the AEC.

Dr. K. Z. Morgan, Professor, Nuclear Engineering Department, Georgia Institute of Technology. Formerly Director of Oak Ridge National Laboratory Health Physics Division (1943–72) and Cosmic Ray Physicist.

Mr. John G. Palfrey, Professor of Law at Columbia, formerly Dean, Columbia College, Atomic Energy Commissioner, Fellow Kennedy Institute of Politics at Harvard, and Chairman of the AEC's Advisory Committee on Nuclear Materials Safeguards.

Dr. Theodore B. Taylor, Chairman of International Research and Technology Corporation. Formerly consultant to International Atomic Energy Agency on international safeguards of nuclear materials, Deputy Director, Defense Atomic Support Agency, and staff member of the Los Alamos Scientific Laboratory.

Mr. William Wegner, Deputy Director of Naval Reactors Division of AEC with special responsibilities in regard to nuclear materials.

In announcing the selection of the panel, Congressman Price said:

"I am very pleased that these gentlemen have agreed to undertake this study. They are individuals highly knowledgeable in the various fields involved in the handling of nuclear materials. I am sure the Committee and the public will benefit from their review. I want to thank them publicly for taking on this task."

Congressman Price stated that he has asked the panel to aim to complete its review in 2 or 3 months in order that any unsatisfactory conditions which may be found to exist can be quickly corrected.

MATERNAL AND CHILD HEALTH

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, Dr. Fred Seligman testified last Friday before the House Ways and Means Committee on behalf of the Association of Children and Youth Directors, the Ambulatory Pediatric Association, and the American Public Health Association on national health plan proposals. His testimony which focused on programs for mothers and children was excellent.

For the information of our colleagues, I am appending that testimony:

TESTIMONY OF FRED SELIGMAN, M.D., M.P.H., ON THE SUBJECT OF NATIONAL HEALTH INSURANCE TO THE COMMITTEE ON WAYS AND MEANS

INTRODUCTION

Mr. Chairman and members of the Committee on Ways and Means, I appreciate the opportunity to present to you testimony concerning HR 13870, a bill amending the Social Security Act and establishing a Comprehensive National Health Insurance Program.

I am Fred Seligman, M.D., M.P.H., Director, Division of Comprehensive Health Care, Associate Professor of Pediatrics and Assistant Professor of Psychiatry at the University of Miami School of Medicine, Miami, Florida. I am here as Chairman of the Association of Children and Youth Project Directors. In this capacity I represent the staffs of the sixty-eight Children and Youth Projects throughout the United States and the more than 500,000 children and youth who receive comprehensive health services through these programs. My remarks are also on behalf of the Ambulatory Pediatric Association, a national association of more than 700 professionals primarily from the discipline of Pediatrics. The Ambulatory Pediatric Association is the major pediatric organization in this country that is concerned with medical education and health services to children in the ambulatory or outpatient setting.

My remarks are additionally on behalf of the American Public Health Association, the major national health association in this Nation. This organization has over 25,000 active members from all health disciplines.

BASIC CONCEPTS

Mr. Chairman, the Mills-Kennedy Bill is an excellent Bill. We enthusiastically support its basic concepts. We are very much aware that the more benefits existing in national health legislation, the greater the cost. Nothing is free, especially medical care. Our intent is not to comment on the financing of the Bill other than to note that the health benefits of the Bill are worth the fiscal costs. We wish, instead, to refer to those aspects of the Bill that realistically can be improved by modifications resulting from these hearings.

We are especially pleased with the principles embodied in this Bill in regard to mothers and children. We are pleased with the extensive coverage for mothers and children. We endorse the improvements in this Bill relative to other National Health Plan proposals. However, we caution the House Ways and Means Committee, a Committee that historically has appreciated this Nation's lack of a strong and united voice of concern and advocacy for mothers and especially children, that unless this Committee maintains a specific vigilance for mothers and children, ultimate political compromises in the process of final passage of a National Health Program may be at the expense of needed and cost-beneficial coverage for mothers and children.

NO DEDUCTIBLE OR CO-INSURANCE FOR MATERNAL AND CHILD HEALTH

We are enthusiastic about the Mills-Kennedy Bill because there appears to be no deductible or co-insurance required for preventive health services to pregnant mothers, and for specified preventive and therapeutic services to children. It appears, however, that co-insurance for preventive services for mothers and children will be restored. We wish to go on record as supporting the wisdom of the concept that pre-natal care and family-planning, dental care and vision and hearing examinations for children under the age of 13 years, and well-child care for children under the age of 6 years be provided with no deductibles or co-insurance.

PHYSICIAN EXTENDER SERVICES

I call your attention to section 2051 (w) of the Mills Bill which defines the term "physician extender services". The two specialties unique to mothers and children, namely obstetrics and pediatrics, are not specifically named. As long as the Bill refers to specific specialty practice, we would propose amendments to include obstetrics-gynecology and pediatrics, as well as psychiatry and surgery. This would result in the inclusion of two of the most effective physician extenders to mothers and children, namely the nurse-midwife and the pediatric nurse practitioner.

We would additionally recommend the broadening of the definition of "physician extender services" in 2051(w) to specifically include in addition to a physician's assistant and nurse practitioner, a registered nurse, a public health nurse, a nurse-midwife, a nutritionist, a dietitian, and a social worker.

We propose a doctor of medicine or osteopathy that is an intern, resident or fellow be included in this definition because a physician trainee is, correctly, not included in the definition of a physician. Physician trainees have generally concentrated in secondary and tertiary hospitals because hospitals can be re-imbursed for their services on a reasonable cost basis. Alternatively, there have been few incentives for primary care practitioners to have physician trainees in their offices, because the primary physician cannot legally be re-imbursed for services provided by the trainee, although in fact this frequently is not adhered to. Allowing physician trainees to be physician extenders would encourage and expand primary and ambulatory care training.

VISION AND HEARING EXAMINATIONS

Section 2011(a)(1)(H) includes a covered service "developmental vision care services, as defined in regulations, routine eye and vision examinations, and eyeglasses, for individuals under the age of 13; and "(I) hearing aids and examination therefor, for individuals under the age of 13."

We believe that the intent of these provisions is for meaningful visual and auditory preventive screening of children. The majority of such routine vision and hearing examinations of children under the age of 13 years are performed directly or under the supervision of pediatricians and family physicians. For this reason, we feel that "Part E, Secs. 205 (u) and (v), Definitions of Eye and Vision Examinations, and Hearing Aids and Examinations" require re-definition. We, therefore, suggest that a comprehensive visual system evaluation in children be defined to include assessment of visual and color acuity, ocular neuromotor functioning, and fundoscopic examination performed by a physician or other individual who may legally perform such an examination in the State in which it is performed, or by a physician-extender under his direct supervision. We define a comprehensive auditory screening evaluation in children to include assessment of the tympanic membrane, bone and air conduction and pure tone audiometry at accepted threshold levels, performed by a physician, clinical audiologist, or other individual who may legally perform such an examination in the State in which it is performed, or by a physician-extender under his direct supervision.

FORMULARY

We wish to draw your attention to Section 2047(a) (1) (A). This section defines the National Health Insurance Formulary Committee. Because children have special needs, at least one of the individuals on this Committee should be an expert in pediatric medicine or pediatric pharmacology. We additionally wish to draw your attention to Sec. 2047(2) (A) which refers to the categories of drugs within the National Health Insurance Formulary. We find the suggested therapeutic categories restrictive from a pediatric point of view, perhaps underscoring our belief, that unless such committees have inputs from professionals experienced in dealing with the unique problems of children, such needs tend to be overlooked. Antibiotics are not on the list, and should be. This omission may be an oversight. Antibiotics are not only utilized as therapeutic agents, but also as preventive agents. For example, antibotics are used to treat children with middle ear infections to prevent hearing loss, to treat children with impetigo to prevent glomerulonephritis, to treat children with strep throat to prevent rheumatic fever and sub-acute bacterial endocarditis. We would recommend that as a minimum, antibotic coverage be available to children under age 13 years and as a therapeutic venereal disease agent to all persons, regardless of age.

We would also disagree with the Bill's specific exclusion of phenobarbital as an anti-convulsive agent. While it may be the case that phenobarbital is considered a secondary anti-convulsant in adults, this is not the case in children. Phenobarbital is a valuable anti-convulsant in children and should be covered at least until age 13 years. Repetitive convulsions in children is an accepted cause of mental retardation and such exclusion would increase the intellectual deficits among our Nation's young. We would also recommend drug coverage until age 13 years for certain miscellaneous pharmaceuticals used in the treatment of specific childhood conditions including cystic fibrosis, phenylketonuria, and other enzyme deficiency diseases, parasitic conditions, specific behavior disorders in childhood, childhood depression, specific nutritional deficiencies including iron deficiency, and electrolyte replacement therapy on an ambulatory basis.

In addition, we would recommend the provision of inexpensive mist vaporizers for asthmatic children under age 13 years for the prevention of asthmatic attacks in children from low income families as set forth in Section 2033(b).

ACCESSIBILITY OF HEALTH RESOURCES

A major improvement of the Mills Bill compared to other legislative proposals is its recognition of the basic components of a national health plan; that is, accessibility to and development of available health resources, and removal of financial barriers. We interpret the creation of a Health Resources Development Board for the purpose of assuring "that health services covered under Titles V, XVIII, and XX of the Social Security Act are accessible to every American". We are encouraged by the broad mandate of purpose proposed in the Title IV, Sec. 401(2) amendments to the Public Health Service Act, "to accelerate and broaden current Federal Programs". However, existing Title V legislation relating to major federal programs for mothers and children restricts current Title V Programs from such acceleration unless both Titles IV and XIV as proposed in HR 13870 are modified.

STRENGTHENING CURRENT PROGRAMS

We believe the intent of the Mills Bill is not only to repeal Title XIX of the present Social Security Act and to create a new Title XX, but also, to retain and strengthen current programs and services covered under Titles V and XVIII (programs and services to mothers and children, and the aged, respectively). I wish to compliment the wisdom of this Committee's Chairman in joining with Senator Kennedy in proposing this. On November 16, 1971, I appeared before this same Committee on the subject of National Health Insurance proposals and at that time stated ". . . if in the judgment of this committee, the counsel of our Association be considered wise and visionary, a national health plan should ultimately be phased into and expanded upon a merging of the basic triad of Title V Programs of the current Social Security Act". It appears to us that you have prudently heeded our advice, in that Title XVIII continues with amendments and Title V not only continues, but is relied upon to provide clinical resources to maximize the effectiveness of national health insurance legislation. We believe this philosophical intent is expressed in Section 1416 (c) whereby the National Health Insurance Board may assist in meeting the cost of constructing facilities for the economical delivery of covered services to persons eligible for benefits under Titles V, XVIII or XX.

TITLE V PROGRAM EXPANSION

We are not sure, however, that existing Title V Programs would be eligible for grants under Section 1416(a), whereby the Board is authorized to assist in the establishment, expansion, and operation of specific health organizations. Title V special projects—specifically Children and Youth and Maternity and Infant Care Projects—should continue to develop and expand their resources to serve a larger clientele. This expanded clientele should include the families of mothers and children served by Title V Programs. However, Children and Youth and Maternity and Infant Care Projects, because of their specialized services to mothers and children, do not provide all health service components covered under Title XX.

We propose modifying the language in Section 1416(b) referring to the financing "of planning and developing and enlargement of the scope of (health organization) services or an expansion of its resources to enable it to serve more enrollees or a larger clientele", so that Title V Programs are also eligible for such planning and development grants.

This can be accomplished by adding to Section 1415, Sec. (a) (2) (C) "Title V Special Projects which fulfill project guidelines and which the Board finds sufficient for the primary health care of a substantial population living in the vicinity of the centers,".

MENTAL HEALTH WAIVERS FOR CHILDREN

Lastly, because children do not have resources of their own we recommend for dependent children, (1) the limitation of one hundred days per calendar year for post-hospital extended day services be waived (Section 2011 (b) (1)) and (2) the thirty days of active treatment per calendar year for inpatient psychiatric hospital services, be waived (Section 2011 (b) (3)).

We would also propose a coverage limit waiver for outpatient treatment of mental illness for children under age 13 years. We recognize that psychiatric services are in short supply and costly, and that they cannot yet be provided to all segments of the population. However, families simply cannot afford to purchase extensive mental health services for their children. The result is these children simply go untreated and their mental status deteriorates even further. The result is violent anti-social behavior, drug usage, suicide, and other human and societal wastage in adolescence and adult life. Families cannot cope with their children in these instances. Child abuse is often a result. The price we ultimately pay even includes the tragedy of political assassination at the hands of these unstable adults, who had been mentally ill and psychiatrically neglected as children.

We would also propose consideration to the use of physician extenders to provide mental health services. We leave to other mental health professionals—psychiatrists, psychiatric social workers, psychologists, psychotherapists, among others—further delineation of physician extenders in the mental health field.

NATIONAL HEALTH RECORD SYSTEM

Finally, we recommend the Social Security Administration establish a Nation-wide health record system encouraging all health providers to maintain clinical health records both by family and by Social Security number, this system to be consistent with the accounts that the Social Security Administration establishes for each eligible recipient under the Comprehensive National Health Insurance Bill (Section 2034 (a)).

I would like to express my appreciation to this Committee for the opportunity to present this testimony. The leadership of this Committee has traditionally provided wise direction and support for health and welfare programs particularly for this Nation's mothers and children.

DISTRICT CONVENTION OF AMERICAN LEGION AT BROWNFIELD, TEX., SUPPORTS CONTINUATION OF HOUSE COMMITTEE ON INTERNAL SECURITY AND ADEQUATE FUNDING FOR SELECTIVE SERVICE

(Mr. MAHON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MAHON. Mr. Speaker, during the month of June the House is scheduled to consider the appropriations bill for Housing and Urban Development, Space, Science, Veterans. The bill will contain certain funds for the Selective Service System.

Scheduled for a later time is the so-called Committee Reform Amendments of 1974 measure. In the consideration of that measure the House will be called upon to determine the future of the House Committee on Internal Security, the successor to the House Un-American Activities Committee.

Some time ago at a convention of the American Legion of the congressional district which I have the honor to represent, the Legion convention passed a resolution strongly urging that the House Committee on Internal Security be continued in its present status and that the Selective Service System be continued and strengthened so that it will be in a position to fully carry out its emergency responsibility. I wish to support the position of the American Legion with respect to the aforementioned resolutions.

Bill R. Neel of the Legion's resolutions committee has requested that I make known to the House the views of the American Legion of the 19th Congressional District of Texas as expressed in its district convention and I am pleased to do so. These resolutions are endorsed by Harry Riggs, commander, and Tom Wheeler, adjutant.

GREED FEEDS ON HUNGER

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, during one of the most vicious periods of inflation in our Nation's history—when the food costs are at an alltime high—the administration is doing all it can to keep the price of beef higher than it is.

To halt the slight decrease in the price of beef we have seen lately, the U.S. Department of Agriculture for its surplus foods program bought up 45 million pounds of "grain fed" prime beef at $1 a pound. I did not know the surplus food program trafficked in prime steaks.

The real reason for the purchase was to bolster profits for the beef trust who saw a slight dip in sales reflecting consumer resistance to high prices. The deal was OK'd by Agriculture Secretary Butz. That is the same guy who last year told consumers not to buy beef—use substitutes, he said—if they did not like the price of beef. His main concern was building profits for cattlemen at the expense of a public whose meat diet was already at a minimum, or less.

The big reason—other than price supports—for the high cost of meat, we are told, is the high cost of grain—and that is another story. The reason grain is so high in America is that last year the administration sold hundreds of millions of bushels of grain to Soviet Russia at tax-supported, knock-down prices. We solved Russia's grain problems and created our own.

Now you get the picture. In this case, the long arm of the Nixon administration reaches into everyone's pocket through the kitchen. The price of bagels and pasta are already at a peak, and will go higher. Industry sources predict that bread, the staff of life, will be $1 a loaf in a matter of months. Agriculture Secretary Butz has plans to sell more grain abroad this year, using tax subsidies to make the price right to other countries.

The consumers should know that this kind of thing is done by the administration for special interests, the beef trust, the grain trust, the oil cartels, and a host of others.

Consider this: Secretary Butz refused to ease regulations on the domestic sale of navel oranges from the Southwest. Even the growers wanted to sell more oranges at lower prices. But he objected to fresh fruit at a price everyone could afford, so the oranges not sold at high prices were not sold at all. They were turned into animal feed, or simply destroyed. During peak inflation it is administration policy to price fresh fruit out of the common man's reach.

Other examples: Rice, a staple for the poor, has doubled in price in the last year, but the Government still pays price supports to farmers to keep the prices high.

There is a seemingly endless stream of items, particularly food products, which are manipulated by the Government to keep prices artificially high at a time when the average family can barely manage on its food budget, and when the elderly and the poor live day-to-day on starvation diets. Greed feeds on hunger.

Where milk and milk products are concerned, there were earlier suspicions that administration-granted price increases were somehow tied to a promised $2 million campaign contribution to President Nixon by milk cooperatives. The contributions actually made were illegal, and convictions are now forthcoming in the courts. That earlier suspicion now seems confirmed that a quid pro quo existed between the contributions and the Nixon-ordered increase in the price of milk.

In any event, it was in April of 1972 that Secretary Butz made a speech before a Pennsylvania milk cooperative, and, in return, the cooperative made a $50,000 contribution to Nixon's reelection campaign. This time, special interests were financed by the milk drinkers and cheese eaters of America. Each time a senior citizen bought a bottle of milk or a slice of cheese, he made a contribution to a political campaign.

It seems that common decency alone would call a halt to all this, but it has not. There is a determination on the part of the administration to go one step further in ignoring what ought to be its first concern, the needs of the unfortunate in the land of plenty.

The Department of Agriculture, and Secretary Butz, implementing the political promises of President Nixon, have recommended, and insist, that the surplus food commodities program be terminated as of June 30 of this year. This program has provided food for charitable institutions such as child care centers, orphanages, summer camps for underprivileged children and old-age homes. The school lunch programs and Red Cross receive many millions of dollars worth of food from the USDA under this authorization, as do disaster areas throughout the country.

Think of that. Boosting meat, milk, and grain prices with one hand and with the other hand snatching away food programs in old-age homes, child care centers, orphanages, and other places of comfort for the underprivileged.

Administration indifference touches every part of the economy. The shortcomings are too much to digest at one sitting. So, at another time, I will discuss the tax favoritism of the oil cartels and problems of their godchild, the gasoline and energy industry. Each is part of the other. And then there are such things as the highest interest rates in our history, unemployment, social security, the rail crisis, mass transportation—it goes on and on.

Save a snatch of light here and a breath of air there, the political and domestic record of the Nixon administration has been dismal. Not once has the administration veered from its purpose, to favor the special interests of the few, at the expense of the everyday needs of 200 million ordinary citizens. Like the legendary lemmings driven by a mysterious urge to leap into the sea and self destruction, ignoring all warnings, the Nixon administration seems bent on the same fate.

Here in Congress it is our first duty to prevent the same fate from befalling the Nation as a whole. We must pull together, as we always have, when in our common cause we ignore petty regional and political differences and deal with the enemy, the threat at hand.

Now, the enemy is within, the threat is inflation, lack of confidence in government, shortages, depletion of resources, price gouging, unjust taxes for most and unfair allowances for others. We must deal with these immediate things. We have our eye too much on the horizon and other remote things while our launching platform, good government backed by the confidence of the people, is being eroded and torn apart by suspicion, favoritism, and indifference to the daily needs of the people.

I urge my colleagues to consider the larger issues when we vote on overriding Presidential vetoes, debate questionable special interest proposals sent up by the White House and to think of the public each and every time the bread and butter, everyday issues come before us.

An all-pervasive lack of will to govern effectively on the part of the administration places the full responsibility for the public interest squarely on the shoulders of Congress.

The only honorable thing to do is to accept it, and discharge it.

IMPORTANCE OF COASTAL ZONE MANAGEMENT FOR OCEAN ISLANDS

(Mr. BENITEZ asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BENITEZ. Mr. Speaker, I would like to note that since on an island the distance from cause to effect is so small, islanders often feel the effects of change more quickly and more deeply than most mainlanders.

An islander's immediate vulnerability to change indicates that islands are not, in fact, mainlands in miniature. On the contrary, islands have needs and hence priorities that often differ from those of mainland areas.

On an island, the economy, the culture, and the ecosystem are tied firmly together. Thus, whenever we change one of these elements, we affect the others. For example, change in the minimum wage of an island that is industrializing will touch the prosperity of the people of the island quickly and deeply. Consequently it will affect their cultural attitudes as well as their use of natural resources. Similarly, a change in U.S. defense priorities or in shipping costs can profoundly alter the way of life of many of an island's citizens.

These points are dealt with in a sensitive and thoughtful manner in a recent article by William S. Beller. Beller, who is coordinator of marine affairs with the department of natural resources of Puerto Rico, has worked directly for the Governors of Hawaii and the U.S. Virgin Islands as well as for the Commonwealth of Puerto Rico. Beller himself led a citizens group of Puerto Ricans of all political persuasions to complete a comprehensive report and wide-ranging recommendations entitled "Puerto Rico and the Sea." His article, which I offer for the RECORD, is entitled "Ocean Islands—Considerations for Their Coastal Zone Management" and appears in the inaugural issue of the Coastal Zone Management Journal:

OCEAN ISLANDS—CONSIDERATIONS FOR THEIR COASTAL ZONE MANAGEMENT

(By William S. Beller)

Abstract. For most lands, the state of their ecosystems and the economic status and cultural attitudes of their people form a structure on which rests the quality of life. For citizens of ocean islands, this structure is welded together so tightly that a change in one element is quickly felt by the others. Moreover, because of the limited size and natural resources of ocean islands, these lands tend also to react quickly and sometimes radically to change. This fact can be verified by our noting that acts affecting, say, a reef system, or an island's tax structure, or a shrine, can have immediate and profound effects on the lives of islanders. We see, therefore, that islands are not chips off a mainland but unique entities with their own priorities. With respect to coastal zone management, problems of importance involve shore area planning, development of natural resources, energy management, and water management.

Nature set the stage for a satisfying life for people who live on ocean islands. Yet if they wish to hold on to what nature gave them, they will have to use their coastal areas much more wisely than people who live on continental masses. This extra burden stems from the fragility of ocean islands, made this way by their isolation and small sizes.

Unlike continental islands, ocean islands are not slices off large land masses. Instead, ocean islands were formed by marine mountains emerging from the sea or by submarine volcanoes rising upward on layers of magma, or by coral reefs growing on top of the marine mountains or volcanoes. There is the possibility that some presumed ocean islands did at one time have a land link, which would help explain the presence on them of some mainland organisms. Indigenous forms also evolved on some of the islands, most of which lie in zones hospitable to life—the tropics and subtropics.

Ocean islands may be divided into those that depend mostly on agriculture and fishing for the livelihood of their people, or on commerce and industry. Those that rely on agriculture and fishing are usually the economically poorer islands.

If we define the coastal zone as the area where the influences of the land meeting the sea are strongly felt, then we can say that an ocean island is just about all coastal zone. In some respects, we can regard ocean islands as pure strains of coastal areas that exist on mainlands. Through studies of ocean islands, we can thereby gain insights into the mainland itself (Beller, 1971).

FRAGILITY

The smallness of an ocean island fosters close and critical relationships between its ecosystems and the economic status and cultural heritage of its citizens. Pressure on one of these elements is quickly passed to all. If any become weak, we will probably find that all elements are simultaneously weakened, and the overall ability of the island to resist stress is lessened. There appears no way to plan the use of the shores or lands of an ocean island without recognizing the interrelationships of these elements, nor that seemingly unrelated factors such as tax holidays and energy policies can play basic roles.

We will also probably find that strains on an island such as pollution, marginal industries, and abuse of the culture of its citizens have far more serious effects than on a continental mass. They could destroy the ability of an island and its people to survive.

Yet some islands can withstand high stresses provided they are in line with the strengths of the islands. For instance, where rapid ocean currents pass the shores of an island and then run far out to sea, a large amount of thermal wastes could probably be absorbed without harming the inshore environment. Nearshore sand deposits could probably be mined without hurting an island if they are large in extent and play no significant hydrological role in the island's life cycle. The resistance of an island to stress may be compared to that of a sheet of glass, which can absorb large loads when placed in one direction, but will shatter when the loads are skewed.

Ecological fragility

The most fragile of ocean islands are the small ones. Less fragile are the larger ones, such as Cuba, where there is high diversity in flora and fauna. An accepted ecological principle is that the stability of an ecosystem is proportional to the diversity of its members. If one species fails, there are others to take its place.

An example of a stable ecosystem is illustrated by the experience of the deciduous forests in the Appalachian region of eastern United States, when in the 1930s they suffered the loss of their chestnut trees through a blight. Although the trees were important members of their communities, the forest ecosystems were complex enough for other hardwood trees to move into the gaps, and the forests survived.

We can, indeed, have spartan ecosystems that thrive, one of which was brought to my attention by biologist Raymond Fosberg. He noted that Eskimos have lived in their sparse environment for thousands of years. Fosberg asks, though, what would have happened if one element had disappeared—the seal? There is little doubt that the Eskimo, too, would have vanished.

The work of MacArthur and Wilson (1967) shows that in a rough sense the number of species in island faunas varies as the cube root of the area of the island. Thus, as we go from one island to another one-eighth its size, we will probably find that the number of species are approximately halved. (One of the main exceptions to this formula is the species *homo sapiens*.)

We are far from suggesting that ocean islands have such a tenuous hold on life that the loss of one element in their ecosystems would be fatal. Yet we believe it important to observe that residents of small islands cannot afford to make many ecological errors. Similarly, residents of larger islands cannot afford the errors of mainlanders.

The ecological fragility of an island stems from the fact that (1) the limited diversity of organisms on an island does not give it the protection of ecosystem redundancies; and (2) the influences of major ecosystems are so large and the systems themselves so vulnerable to abuse that their injury or destruction is dire and easy.

We seek to illustrate these points by looking at two important tropical ecosystems, coral reefs and mangroves. In terms of biomass, these are among the most productive systems in the world, yet often undervalued.

Coral Reefs. The coral reefs that fringe many tropical islands help protect the shores from the sea; influence the flow of inshore waters, thereby affecting the deposit of sand, which is needed for forming and maintaining beaches; and act as shelter and commissary for many recreational and commercial fish. It the polyps, whose calcearious skeletons form the major mass and glue of these reefs, are killed, the marine animals once harbored there disappear and often perish. The reefs themselves may then be weakened by the wholesale borings of mollusks, worms and sea urchins. If a storm breaks a reef apart, island shores are opened to the full brunt of the sea.

When a coral reef is injured, nobody can be sure that it will ever recover. In Puerto Rico, some reefs that had been ravished 30 years earlier still showed no sign of live coral. Even when coral rejuvenates itself; its growth is slow; a ten-foot coral head takes between one and two centuries to form (Cheshire, 1970). Unfortunately, there is no other organism that can take the polyps' place to maintain the injured reef or build another, even though there are reef-builders in several families of sponges and in calcareous algae. These algae help convert the reefs to limestone by filling the pores and valleys in the coral (Thomas, 1965).

In the late 1960s, the "crown of thorns" starfish (*Acanthaster planci*) in epidemic numbers began attacking many coral reefs in the Pacific Ocean, and consuming the coral polyps. In Guam, the starfish killed about 90 per cent of the coral along 38 kilometers of shoreline (Cheshire, 1969). These animals also caused severe damage in other islands in Oceania, and on the Great Barrier Reef of Australia. Such destruction on some of the smaller islands would drive away many of the reef fish that the native populations depend upon for protein, and would force the people to live on an inferior diet or flee their homes. Thus, the starfish, a single predator, could destroy an element in an ecosystem whose loss could destroy an island. Man, too, can destroy a reef by simple physical means, by poisoning it with toxic wastes, or by suffocating it with sediments.

Mangroves. In the late 1950s, mangrove trees dominated about three-quarters of the world's coastline in the 50-degree band bisected by the Equator (McGill, 1960). Their influence is much less today, many having yielded to the developers' need for property, and the farmers' need for land for agriculture. Mismanagement of the land and waters adjacent to mangroves have also helped destroy many of the trees.

Curiously enough, mangroves helped seal their own fate through the real estate their land-building activities created on the fringes of the sea. Many of the sediments that seek to flow past the mangroves are stopped by their complex system of air roots, which sprout from the bodies and branches of the trees like the tentacles of octopuses and plunge into the watery ground for nourishment. Eventually, the sediments build up around the roots to form new land with high nutrient value, and the trees march further out to sea.

When mangrove leaves drop into the water, they react with algae and fungi to form the detritus that can be traced up the food chain as far as dolphins, mackerel and flying fish (Odum, 1971). In another ecosystem chain, the roots of the mangroves contribute to the nurturing of many of an island's saltwater fish. The forests made up of mangroves support areas where native and migratory birds dwell, and where tourists, students and scientists alike can visit and learn and enjoy themselves.

Yet the role of mangroves in an island community is probably less understood than that of any other ecological unit of major importance to an island system. Although we know that some reef fish live as fry in mangrove waters, we are not sure how much energy mangroves contribute toward maintaining the health of the coral reefs. Nor do we know what contributions mangroves make toward tempering the climate of an island, nor in protecting birds that may be controlling insect pests, nor in keeping waters clean by filtering-out debris, nor in stabilizing the shore.

We do know that major mangrove forests in several islands are severely threatened. Officials on St. Thomas, U.S. Virgin Islands, contemplated for a long time transforming its last mangrove lagoon into an international airport, and only lack of money stopped the project.

We also know that mangroves are easily lost to drainage projects, dredging, pollution, fill and to radical changes in water-circulation patterns. An exotic predator of mangroves are fast-moving motor boats whose wakes jar and destroy the root ecosystems.

In short, an ocean island has so little ecosystem redundancy, that once an important element is destroyed, the ecosystem will probably die. There are no hardwood trees to take the place of the chestnuts as in the Appalachian forests. We may try turning to science and technology for help, perhaps to devise an element to take the place of mangroves in building up land and feeding marine life. Alas, the ability of man to fashion ways to do this is not as high as many islanders wish it would be.

Economic fragility

Diversity lends stability not only in an ecological system but also in an economic one. Little proof is needed to show that an island that depends for its economic well-being mostly on a single industry will suffer severely if that industry is hurt. Mainland communities also experience "island economics". Citizens of Seattle, Washington, know the shock that hurt many of them in 1971 when the Boeing Company, a major economic artery in the city, was forced to stop work on the supersonic transport. Similarly, when the Humboldt Current, with its swarms of anchovies failed to return to the coastal waters of Peru in the Spring of 1972, the country's fishmeal industry, which accounted for 40 per cent of Peru's foreign exchange, was almost destroyed; and a "quiet panic" gripped Chimbote and smaller ports (Maidenberg, 1972).

On an ocean island, when a major industry is disrupted, the effects are usually much more severe than when it happens on the mainland. This situation stems from the over-specialization and lack of alternative avenues for income that many islands must endure because of their small sizes. We see an extreme example in the island of Nauru, an 8-square-mile member of the Gilbert Islands. When the open-cut mining of phosphates is completed near the close of this century on about four-fifths of Nauru's land, the place will not be habitable and its 3,300 natives will have to move (Trumbill, 1971). Ensuring its specialization, an island such as Nauru dedicates the skills of many of its workers to the island's major industry, and gives special privileges to this industry, which often include the use of prime lands and waters.

Unfortunately, ill-advised concessions of land and other natural resources to entrepreneurs may be some islands' answers to poor or deteriorating economic conditions. What is distressing is that the alternatives of good planning and conservation efforts are often unnecessarily put aside for immediate gain.

Political considerations. Changes in political conditions in the world can spawn new industries on an island and destroy others, sometimes bringing fundamental changes to an island's economy. One of the most poignant examples was the large increase in tourism, and the construction of its associated monuments, that took place in several of the Caribbean Islands when in early 1961 the United States broke relations with Cuba. By the same token, though, these same islands worry what will happen to their tourism, and their economy built up on this industry, when the United States again has diplomatic relations with Cuba and that nation, in turn, tries to regain its tourist industry.

When relations between the United States and Mainland China started becoming friendly toward the end of 1971, officials of Hawaii immediately recognized its significance for their islands. Acting with characteristic initiative, the State set up a workshop-conference called "Doing Business with the People's Republic of China" (Hawaii, 1972a). The islanders saw themselves as important business brokers, endowed with a strategic location and an understanding of the Oriental culture.

There was ample precedent for Hawaii's enthusiasm with the prospects of a China trade. The emergence of Japan as a highly industrialized nation, and the increased trading activity of many of the developing areas in the Pacific Basin, resulted in Hawaii's trade with the nations there increasing by 60 per cent over the three-year period between 1968 and 1971. By far the bulk of this trade was with Japan, which accounted for more than half of it (Hawaii, 1972b).

St. Thomas once had the glitter and grandeur of a great commercial center. Owned by Denmark and cloaked in that country's neutrality, St. Thomas during the eighteenth and nineteenth centuries played a major role in trading activities between the New World and the Old (Knox, 1852). Today, this island must depend on other roles for its sustenance. Islands often cannot steer their own way but must bob in the currents of world politics.

Transportation and commerce. If rairoads go on strike on the mainland, commerce can still be carried by trucks. Islands have no such safety valve. If ocean shipping stops for any reason, industry and the life styles of the people on the affected islands begin to suffer almost immediately. As a result of the dock strike on the West Coast of the United States in 1971, the sugar and pineapple industries of Hawaii had difficulty bringing their products to the mainland. One result was the closing of a sugar refinery, associated unemployment, and the loss of an important selling season (Hawaii, 1971).

Not unexpectedly, when shipping companies raise their freight rates for island commerce there is a profound effect on nearly all island industry. A Caribbean historian asserts that these charges are sometimes made by the shipping companies without consulting island governments, and can significantly exceed increases in the shippers' operating costs (Lewis, 1963). In addition, the advent of new marine technologies such as supertankers, and the commercial maturity of the developing nations act with various degrees of intensity to affect the economic status of ocean islands.

The tourist industry ebbs and flows with changes in airline passenger rates and airline schedules. For example, when the airline fare between Los Angeles and Hawaii was reduced to $85 in 1969, the number of short-term tourists to the islands increased considerably. Then in 1970, when a large number of East Coast tourists took advantage of the low-cost charter rates to Europe, several tourist-dependent islands in the Caribbean suffered. In Puerto Rico, a few hotels closed their doors and were taken over by the government. Some tourist enclaves in St. Thomas also had to close, or change their complexion from hotels to condominiums. On the Grand Bahama Island, the $7.5 million International Hotel shut down early in 1971 after only four months' operation. Helping here was the cessation of direct airline service from Miami to Freeport.

Taxes and special privileges. U.S. income taxes and import duties collected in Puerto Rico and in the U.S. Virgin Islands are kept by these areas for their own use. This benefit gives these islands, and others that receive similar concessions, a powerful way to attract industry. Nowhere is this case better illustrated than in Puerto Rico which, by granting partial or full tax holidays to immigrating firms, was able in less than two decades to change the area from a rural community to an industrialized one. At the same time, the island was able to raise its per capita to the highest in the Caribbean basin. As an island develops its resources, the concessions it is able to give industry in the form of tax relief, coastal locations, and other privileges must decrease to satisfy the enlarged expectations of the citizens.

Even seemingly trivial privileges can be meaningful to an island industry. The $200 duty-free allowance the United States permits its citizens returning from the Virgin Islands is twice the ordinary allowance. There is little doubt that if this figure were reduced, trade in St. Thomas would go down significantly.

Mainland priorities. We cannot speak of the economic fragility of ocean islands without noting that islanders are strongly influenced by mainland values and actions. The influence becomes even stronger when ocean islands have political or other firm bonds with a mainland area. The degree of enlightenment of mainlanders helps determine how an island will fare economically.

We might consider some of the money that the United States spends on its associated islands for defense purposes. Extensive facilities and personnel are in Guam, Eniwetok, and Hawaii. Hawaii's major source of income in 1971 came from U.S. defense expenditures there of $722 million. This figure was about one-third of the State's total earnings from overseas. It was greater than total visitor expenditures in the State, and exceeded thrice the receipts from sugar production (Hawaii, 1972c). Hawaii would have to take extreme measures to maintain its economic stability should the United States Government shift downward its emphasis on defense activities in that island-State.

To illustrate priority differences between island and mainland, consider the importance the United States places on minimum wages for labor. Puerto Rico, which is seeking to enlarge its industrial base, could lose some of its advantage if such minimum wages were insisted upon. Jobs at this time may be as important as a mainland floor under wages. This point was made by Jaime Benitez, Resident Commissioner in Washington for Puerto Rico, who said, "The fundamental problem in Puerto Rico is to work for full employment and to work for the highest wage levels possible that are compatible with that objective." (Suarez, 1972).

The several examples indicate some aspects of the economic fragility of ocean islands. In essence, islands tend to have low economic inertia, responding to every impulse put on them, whether it is new airline fares or new regulations for minimum wages. The result can bring for island citizens a good quality of life, which may accompany a flourishing tourist trade or industrialization; or the opposite if tourism decreases or some of the industrial products no longer find a market.

Cultural fragility

In many important ways, the cultural heritage and present culture of a people determine the ecological and economic status of their lands. To the misfortune of many who live on ocean islands, their culture is the most fragile of ingredients and can be kept strong only with active effort. To the good fortune of islanders, a healthy culture to them is intimate and embracing.

The dominant cultures of most islands usually come from fairly recent imports from mainlands. Islanders then mold these cultures in their own ways, adding their imprints and uniqueness to them. The visible signs of the old and of the changing cultural patterns are seen in ancient streets and structures, battlements and shrines. We certainly must include the environments that helped spawn the cultures: vistas of tall fern in rain forests, stony beaches along mountain streams, lava rock slipped to the shores, unbroken sights of green valleys and mountain slopes. We must also include the languages of the people, their folklore and mythology, their art and unique foods. These cultural factors, which islanders experience continuously, give them a commitment to their land and a strong interest in conserving it.

What happens to the feeling the people of Hawaii have for Diamond Head when condominiums rise to block easy view of it? When a Waikiki is built, and a Condado, which hide the beaches from the citizens, then their personal involvement in their land tends to decrease. When the residents of an island, which has a shortage of cultural symbols to begin with, find that many of these are commercialized or destroyed, then the cultural involvement of the people decreases even further. Some islanders may never digest the sudden cultural changes marked by highway proliferation and supermarkets, motels and quick hamburgers.

When the culture of a people is challenged, their desire for a healthy land is likewise affected. People who believe they have no stake in where they live often believe they have no accountability for what happens there. As a result, the land and its resources can deteriorate without pause.

The U.S. Virgin Islands have gone through a number of traumatic cultural experiences since the seventeenth century when they were settled mostly by the Dutch and English, later by the Danes; and subsequently endured new occupations, slave rebellions, and finally were purchased by the United States from Denmark in 1917 for $25 million. As a result of their history, the attachment of the people to their islands began developing only very recently. To help reinforce this development, the citizens writing a major study of the marine resources of the Virgin Islands (Virgin Islands, 1970) felt obliged to include a chapter outlining the history and cultural background of the people.

An organization called "The Hawaiians" recognizes the strong bonds between the land, the culture of the people who once lived on it, and their set of values. Speaking to a newspaper reporter, a young farmer from the island of Molokai, and a member of the organization, said, "We want the Hawaiian to feel tied to the land again. With the loss of the land, he lost his relationships to the kind of values that made his life stable. We want to return that sense of worth in today's community." (Aarons, 1972).

POLICY CONSIDERATIONS

Ocean islands are not mainlands in miniature any more than a cat is a miniature tiger. Even though the instincts of the animals may be the same, their differences in size and natural power lead to different priorities for each.

The priorities of islands stem, at root, from the fragility of these lands. Therefore, we cannot safely use assumptions based on mainland experiences: (1) islands can be developed the same way as an industrialized mainland, with heavy industry, extraction of mineral resources, and the same services and gadgets of life; (2) island progress requires international airports, extensive highways, automobile access to all places of interest.

When islanders accept on faith such assumptions, they often neglect to formulate policies to meet their unique conditions. Also as a result of such assumptions, mainland agencies that seek to help islands may, instead, be imposing their own values on the residents, to their ultimate distress. For this reason, great care should be taken by mainland and island officials alike to be certain that both are not enthralled by the assets and power of the mainland.

Keeping in mind the fragilities of ocean islands, and the close relationship between all major activities that go on in these areas, we can suggest some policy considerations for the coastal-zone management of ocean islands with respect to shore areas, natural resources, energy, and water management.

Shore areas

Islanders simply cannot afford the ill-use of their land. If they paved with concrete their agricultural lands, their aquifer recharge zone, their ground covers, and let their population spread around the countryside without limit, they would end up with one large metropolitan area. The residents would be fed entirely through imports; receive all their water through desalting plants; strive to protect themselves from periodic flooding by forcing their rivers, if they have them, to flow in concrete channels. They would have created a remarkable urban area and taken away its reason for existing.

The shore area is the most critical area in an ocean island. We use the term "shore area" to mean the area immediately adjacent to the shoreline, a matter of a few hundred yards on both sides; and to draw a distinction between the more embracing term "coastal zone," which on an island could be taken to encompass the entire island. The reasons for the high value of shore areas are much the same as for similar mainland areas except that on an island there is no economical alternative to water ports; and on tropical islands, no recreation facilities as attractive as beaches, few industrial sites more inviting than the coasts, no real estate tracts as desirable or easy to develop as those that slope gradually to the sea.

Despite the pressures on shore areas relatively little planning for their rational use has been done. Where plans do exist, exceptions to them are more often the rule than the rule itself. Opportunist building and *ad hoc* decisions on the part of local governments have often blighted many idyllic shore areas. Yet proper plans and their enforcement would not only help citizens who seek to enjoy the beaches and the views but also those who are trying to develop the areas for tourism, industry and real estate projects.

Specifically, developers would indeed come out ahead if they knew for a certainty what the government would require of them, and in turn, what they could expect from the government in terms of services and concessions. Particularly in this time of tough-environmental laws based upon water usage, and the strong U.S. Federal interest in coastal zone management, which is reflected in the parallel interest of local governments, developers would save time and money if they knew beforehand what they would have to do to satisfy the public interest (Puerto Rico, 1972).

Unless shore area planning is done on a comprehensive and nonexception basis, and resulting regulations enforced, shore area use, as history shows, will be a constant source of worry and irritation to governments and citizens alike. Clearly the best time to do such planning is when there are still choices. When heavy industry begins coming in, and tourism, then a balanced plan might not be as easy to accomplish.

Natural resources

Islanders will have to pay increasingly dearly for production and services that draw upon non-renewable natural resources. This is simply a statement of the law of supply-and-demand applied to these resources. Island residents do not have the easy luxury of going to neighboring areas for sites for industry and power plants, sand for concrete, or fresh water to augment the local supply. The problem thus becomes one of conserving or, where possible, regenerating non-renewable resources, and taking full advantage of the renewable ones.

As a consequence, islanders need to distinguish very carefully between renewable and non-renewable resources; and with the renewable, the meantime to renewability. They will have to know how long a beach takes to come back once its sand has been taken away; how quickly marine life will return to waters made turbid by dredging, or that get occasional shocks of toxics; how long it takes for a strip mine or cleared land to regain effective ground cover; when the well water that was once sweet and plentiful will lose its brackish taste; how long before oysters taken from local waters will again be safe to serve, and the fear of ciguatera poisoning from eating affected fish diminishes.

Another consequence of having a limited supply of natural resources is that the price of an island's goods and services will have to include mounting environmental costs. Eventually, an island economy may not be able to afford to dispose of any of its "waste" products. This finding could call for involving manufacturers in the ultimate fate of their products, which would add further to the environmental costs of doing business.

In essence, for every island project involving the extraction or use of the land's natural resources, islanders are going to have to base their approval on the extent of the depletion of the natural resources, meantime to their renewability, environmental impact, and waste disposal or regeneration of a resource.

Energy management

Many islands and mainlands have an energy policy: to provide all the power needed for industrial and civilian needs. This policy will increase a community's material growth and is probably fine as long as power plants do not begin taking up land needed to serve more essential uses, nor jeopardize the natural environment.

On an island that is industrializing, conflicts in land use arise very quickly. Allowing the unlimited growth of electrical power plants, and the concommitant need for shorelands, can exceed reasonable bounds. For example, the projected need for electrical power in Puerto Rico by the year 2000 would require having the equivalent of a 500-megawatt nuclear power plant every mile and a half of the island's shoreline (Matos, 1971). Clearly such an eventuality should be blunted by a formulated rather than permissive energy policy.

The questions for energy analysis and management on an ocean island involve both producers and users of energy. First, can electrical energy be produced in quantity, economically, without failure, and in environmentally benign ways? Is the transmission of the electricity effective and efficient? Are the receivers of the electricity using it in the most productive fashion? Are designers of industrial equipment, and are architects of buildings and homes considering the social need for cutting down on the use of electricity? Are the initial capital investments that are sometimes needed for a more effective use of electricity outweighed economically by the relatively cheap cost of the energy? What course does an ocean island take that anticipates that a large consumer of electrical energy such as an aluminum smelting plant wishes to locate on the island? The plant could spawn satellite industries of fabricators and assemblers, which could give needed employment to many islanders. Yet the electrical energy needed for a smelting plant is prodigious. To what policy does the island respond?

Islands should encourage the development of new technologies for power generation, ones that do not demand coastal sites, or water coolants. Techniques involving the direct use of solar energy have been suggested as well as ones that could take advantage of the temperature differences in the layers of ocean waters. The latter method, of course, would require an ocean site but would have no thermal wastes. One idea that possibly could be pursued in view of the trade winds that blow over many of the tropical islands is the development of wind turbines. One such turbine has yielded as much as 1.5 megawatts of alternating power for brief periods. This power was fed into an electrical network of a power company. Although the turbine blade failed after 1,100 operating hours, the project, which was funded by the S. Morgan Smith Company of York, Pennsylvania, did demonstrate the large-size machines could be built at a cost nearly competitive with conventional power stations (Savino, 1972).

In devising an energy policy, or any other management policy for ocean islands, officials should seek approaches that ensure the integrity or enhancement of the ecosystems. In other words, in developing an energy source, we should strive for systems that work with the natural processes, and do not unduly distort them. This would mean that if we were to design practicable wind turbines, or economical solar arrays, we should not extract all the energy out of the passing wind, nor shield great land areas from the sun. Nor should we spawn a network of eyesores.

Water management

Because many ocean islands are water short, management of liquid wastes and of water are part of the overall water-management problems. St. Thomas is probably the best example of an arid island that must go to extremes to assure itself of enough water for survival. Over the years, the island has paved acres of mountains for catch-basins; has set up in Charlotte Amalie a dual water system, a salt-water system for flushing toilets and a fresh-water system for drinking; and has collected water in cisterns, which is still the most common way of getting water for much of the population. The island has constructed desalting plants; and St. Croix, is experimenting with recharging ground water with treated liquid wastes. Yet at times, the island has been left with only a two-day supply of water, which requires barging water in from Puerto Rico.

Without a rational water-management plan, islands could proliferate desalting plants, turn their well water brackish, pay high prices for foreign water, and exacerbate the situation by possibly destroying aquifer recharge areas, and not weighing the advantages of recycling waste waters. Water-management plans for arid islands should consider the entire water cycle, from the time rain falls on the island until, after the water's use and reuse, it flows back to the sea. Then, on the basis of current technology, officials could draw up long-range plans, which if updated in step with new needs and technologies, should make water cheaper to the island populations and cut down on the number of water crises.

OVERVIEW

No doubt the highest priority for island governments is to find jobs and shelter for their citizens, and provide services such as electrical, water and waste treatment. To do this, islanders welcome industry, develop their land, entertain visitors—unless the islanders wish to emulate the residents of Niihau, Hawaii, whose 250 citizens choose to follow the ancient Polynesian way of life.

Modern mainlands, however, are the usual models for islanders seeking a higher quality of life. The advantage to them is the intensely good one of being able to select and adapt proven techniques to island circumstances. The danger is the possibility of islanders also acquiring, without adequate analysis, some of the goals, ethics and values useful on mainlands but not necessarily on islands. There appears to be little value in assuming the need to turn an island into a piece of the mainland. In truth, many islands are already what many mainlanders wish their own lands could be.

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AN ABUNDANCE OF SHORTAGES: MINERAL SCARCITY

(Mrs. MINK asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, over the past 2 months the Subcommittee on Mines and Mining, which I chair, has been conducting oversight hearings on the important issues of mineral scarcity and mineral supply policy. My colleague the gentleman from the State of Utah, Representative Wayne Owens, recently delivered a speech on this subject in his home district. He has outlined the problem excellently and has raised some interesting policy suggestions. I am therefore inserting his address in the Record today and hope that interested Members will take note of his thoughts.

AN ABUNDANCE OF SHORTAGES: MINERAL SCARCITY

INTRODUCTION

For the past two years this country has been faced with both chronic and spot fuel shortages. The imposition of the Arab oil embargo in October of 1973 seriously aggravated this energy crunch. As surprising as it may seem, the Federal Government had no contingency plans and very little authority to deal with such conditions.

Energy fuels are of course in the spotlight these days. But we seem to be facing an abundance of shortages in basic raw materials which are vital to our economy. The energy crisis has raised the question of whether the United States is also facing a potential "minerals crisis" in non-fuel mineral materials. And we are reacting to this problem in the same way we responded to the energy fuels shortages: without a national materials supply policy.

GENERAL BACKGROUND

Over 4 billion tons—40,000 pounds per person—of new mineral supplies are needed annually in our economy. Each year United States extractive industries convert mineral resources into mineral raw materials valued at $32 billion. United States mineral processing industries convert mineral raw materials into energy and processed materials valued at over $150 billion. There are over 100 mineral commodities that are required in industry today—42 of the elements appear in the telephone you use daily. We are only beginning to grasp the enormous complexity of the interrelationships between materials supply and the changing requirements of our technological society.

The availability of materials must be considered in two parts: resources and reserves. National resources may be defined as materials potentially recoverable from the earth or seas. Reserves are resources that are economically recoverable with present technology. Although world resources are very large, known reserves of economically extractable ores are relatively small compared to estimates of demand. Reserves are not static and over a period of time have often increased with the application of new technology.

While the United States is endowed with ample reserves for some materials, it also faces serious problems where domestic reserves are inadequate or even completely lacking. For many purposes there are great interchangeabilities among materials. However, in specialized technological applications in which a multiplicity of properties are required, the available materials are much more limited. For example, if we are to achieve substantial breakthroughs in energy, we must have vastly improved temperature resistant materials, yet there are only a very limited number of elements which possess such properties. Additional concern stems from the energy inputs required for mineral processing because approximately one-fourth of all United States energy is used in extracting and fabricating mineral materials. Higher energy prices and energy shortages can significantly impact on mineral processing.

We are encouraging increasing competition in the acquisition of nondomestic mineral raw materials as other industrialized countries also seek reliable sources of reasonably-priced raw materials. Nevertheless, our country still consumes about 33 percent of the world's developed mineral resources even though we have only six percent of the world's population.

Materials demand has been constantly increasing as the result of a growing world population and an ever-increasing per capita consumption. The demand for steel illustrates the point dramatically. In 1900, demand for raw steel was about 38 pounds per capita for a world population estimated at 1.6 billion. Today per capita demand is estimated at 395 pounds, which at the world population of 3.8 billion requires the annual production of 750 million short tons of steel. When future use patterns are projected with consideration of technological and other changes, significant increases in demand for minerals appears inevitable.

IMPORT DEPENDENCE

Although our country is blessed with vast natural resources of many basic raw materials required by industry, our reliance on foreign imports has increased markedly. This growing dependence upon foreign sources of supply coupled with the broadening specter of materials shortages of all kinds has raised serious questions regarding the Nation's basic materials posture. We are now almost completely dependent on foreign sources for 22 of the 74 nonenergy mineral commodities considered essential to a modern industrial society.

In 1973 the estimated United States deficit in the balance of trade for minerals and processed materials of mineral origin was $8 billion. If present trends continue, the United States deficit resulting from mineral imports could approach $100 billion a year. A key variable is that several minerals are available in only a few countries. Four countries control more than 80 percent of the world's copper. Two countries account for more than 70 percent of tin exports. Four countries possess over half the reserves of bauxite.

SPECIFIC MINERALS

Let me give you a few examples:

Imports supply about 87 percent of our aluminum and bauxite manufacturing requirements.

Antimony is a strategic commodity used in the manufacture of ammunition and paint. The U.S. consumes 40 percent of world supplies. Domestic deposits provide only 15 percent of U.S. needs.

Chromium is an indispensable industrial metal and a strategic commodity for defense-related, scientific, medical, and automobile production. Without chromium, no stainless steel could be made. We have not mined chromium since 1962. We consumed 7 million long tons over the last five years.

Columbium is important in metallurgy, electronics, chemical, and nuclear uses. We depend on imports for 100 percent of our supply.

Currently known world copper resources are estimated to last 50 years at current rates of production. The U.S. share of identified world copper ressources is 19 percent.

Fluorine is essential for steel and aluminum metal. The U.S. produces only 20 percent of its present requirements.

Without manganese, no steel could be made at all. The U.S. has no domestic reserves.

We consume almost 30 percent of the noncommunist world's annual production of primary tin. Current domestic production is negligible.

Titanium is used in aerospace production and in the chemical industry. We are dependent almost entirely on foreign sources.

The U.S. produces about nine percent of total world production, but we consume three times our output. Six leading countries produce more than 60 percent of the world's total. U.S. production has not kept up with demand.

These elements and others are absolutely vital to a modern technological economy, yet no long-range plan has been developed by our government to assure their long term availability, and in some cases, even short-term supply.

MINERAL CARTELS?

There is some fear that experimentation with resource diplomacy by the world's commodity-producing countries could follow in the wake of the successful example set by the Arab oil producing states. The U.S. was able to withstand a short-term oil embargo largely motivated by political considerations. But what about a long-term embargo on cobalt, chrome, or nickel? We import less than one-third of our petroleum but close to 100 percent of these vital minerals.

I doubt that the interplay of factors which produced the Arab countries' monopoly power in trade for oil could be duplicated in even a handful of raw materials markets. The diversity of suppliers, the need for continuity of income to low-income producing nations, the ability to postpone some demands, and the possibilities of substitution would appear to make Arab embargo-like actions more difficult and less productive than was the case with petroleum. Nevertheless, Chile, Peru, Zambia, and Zaire have agreed to restrict exports of their copper if the present favorable international price structure threatens to collapse.

MINING IN UTAH

The minerals supply-demand situation requires improvement of domestic productivity in the mining, minerals, metal, mineral reclamation, and energy industries. The state of Utah will play an important role in addressing this need. Mining has always been fundamental to the state's economic well-being. Utah ranks among the five leading states in employment or income derived from the mining and processing of minerals. Most of Utah's mineral production enters national or world markets. Production in 1973 was valued at $644 million, of which copper accounted for approximately 48 percent. Oil, gas, coal, lead, zinc, and gold are just a few of our riches. And the potential mineral resources under Great Salt Lake are reported to be substantial. The entire nation will be depending to a large extent on mining activities in Utah as vital to the mineral scarcities problem.

POLICY SUGGESTIONS

We must manage materials policy more effectively by recognizing the complex interrelationships of the materials-energy-environment system so that laws, executive orders, and administrative practices reinforce policy rather than counteract it. At present, some 50 departments and agencies of the Federal Government have responsibilities in the materials fields. In many instances, the scope of activity is specialized and limited. However, all are ultimately interrelated and there is undoubtedly a need for consolidation of responsibilities and a more comprehensive policy. Development of such a comprehensive policy and creation of a proper mechanism for monitoring and evaluating developments in the materials field are needed now.

On the supply side, one of the proposed solutions is the establishment of an economic stockpile replacing or supplementing the current military stockpile. The existing government stocks of critical materials were established in the early 1950's and were designed to fulfill defense requirements for anticipated five to six year World War II-type conflicts. It is now generally acknowledged we will never face this type of military contingency. Wars of the future are likely to be limited-scale conflicts or all-out nuclear holocausts, neither of which justifies maintenance of a purely military national reserve of critical materials. The basic policy this country should adopt in the face of foreign cartels is the stockpiling principle which should be modified to include economic defense as well as military defense.

Acquisition and disposal of the economic stockpile must be sensitive to the economic cycles which it will both create and respond to. These buffer stocks would serve to act against any interruption of foreign supplies or sudden increases in price due to supply constrictions or sudden demand increases. There is some evidence that Japan, France, and other countries are already in the process of creating economic stockpiles of critical materials.

Minerals supply policy should encourage intensive research to improve through better technology the recovery ratios in the mining and mineral processing stages. For example, we should move toward increased recovery of seabed materials. In addition, we must concentrate our great scientific brain power to develop substitution methods in which plentiful minerals can be used instead of scarce materials in industrial processes. Finally, we must conserve our virgin natural resources and environment by treating waste materials as resources and returning them to use through efficient recycling techniques.

On the demand side, the conservation ethic advocated for energy fuels will in many cases need to be adopted for minerals. A concerted effort by industry to conserve on mineral factor inputs will be essential. Emergency contingency plans for allocations should be formulated before—not after—a potential minerals crisis develops. Americans will have to realize and accept the fact that for certain commodities this country will be forced to assume a minerals diet. If we recognize this problem and take action now, threats to economic growth and environmental degradation will be minimized.

As a general principle, we should rely on market forces as a prime determinant in the production of minerals but at the same time decrease and prevent wherever necessary a dangerous or costly dependence on imports. Self-sufficiency is not attainable in total and may not even be desirable—other countries need our markets, and trade with them is mutually advantageous. But a domestic production capacity enhances our national security and gives us leverage in the international markets.

CONCLUSION

Minerals are as important as energy to industrial society, for directly or indirectly they play an essential part in the production of all the goods we consume. Many experts have recognized for over 25 years that the country could be faced with serious shortages of raw materials needed to feed its industry. But raw materials are remote from people's lives. Basic mining employs only about one percent of American labor. Basic metallic production uses less than three-tenths of one percent of the United States surface area. Most mineral activities are located in sparsely populated geographical areas.

These are the reasons why many citizens and many public leaders do not know how vital raw mineral supplies are to our economy. If this lack of public awareness persists, shortages will not be evident until it is too late to overcome them quickly. We are talking about the physical basis of our industrial society, and we are a have-not nation in many minerals. That is why I have chosen to speak on this subject today, and that is why all of us must become activists in telling the minerals story.

NATIONAL MARITIME DAY

(Mr. BURKE of Massachusetts asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, May 22, 1974, has been designated as National Maritime Day, in honor of the many accomplishments of our maritime industry in the past, and, I know, the future.

I was one of the supporters of the Merchant Marine Act of 1970, which provided an expanded program of Federal construction and operating subsidies for shipowners. This was, and still is, a vital piece of legislation. The shipbuilding industry needs all of the help we in the Federal Government can give it. As the October 1973, report of the Commission of American Shipbuilding indicates, the U.S. commercial shipbuilding industry is not a competitive branch of the world market. I feel that the open seas are just too important to our Nation, both from the point of view of national security and national economy, for us to remain unconcerned about the future of the industry. This Nation deliberately, in administration after administration after World War II, allowed other nations to do the merchant marine job for us.

I, for one, feel that this can no longer go on. We must rededicate ourselves to the improvement of the American shipbuilding industry. For me, representing a coastal shipbuilding district in Massachusetts, there are additional implications to the task of rebuilding our shipbuilding industry. In my many years of representing the 11th Massachusetts District, I have had the opportunity to meet the skilled individuals among the shipbuilding workers of Massachusetts. Their abilities at their craft, and their dedication to the hard work of improving the American shipbuilding industry is commendable. New England, as I have noted many times before, is in the midst of disastrous economic times. My only hope is that we can do something in this Congress to help ease their burden, and to help these workers who have done so much for America is indeed a good start.

So, Mr. Speaker, let us on this National Maritime Day commend those associated with the shipbuilding industry, and let us get on with the work which needs to be done to return American shipbuilding to the status in the world market that is appropriate to the great Nation which this industry represents abroad.

IMPACT AID: WHERE, OH WHERE DID THE TAXPAYER DOLLARS GO?

(Mr. HUBER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HUBER. Mr. Speaker, the controversy surrounding Public Law 874, the school assistance in federally affected areas, commonly referred to as impact aid, has not ended by its extension for 3 additional years through fiscal 1977 by the House this past March 27. In the near future, the House will vote on the House-Senate conference report on elementary and secondary education amendments.

The fact that I was stymied in my attempts to modify this legislation did not stop me from a more searching inquiry into the administrative practices of the Office of Education, HEW, as well as those of the local educational agencies. Some aspects of these practices are disturbing to say the least, because if my apprehensions are correct, we may be faced with a shocker. Many of us recognize that impact aid was a well-conceived program which over the years, because of the liberalizing amendments, became a first-class boondoggle. The disturbing aspect of impact aid administration I would like to acquaint you with deals with actual annual disbursements by the Impact Aid Administrator—U.S. Commissioner of Education, and annual reports by local educational agencies—LEA's—listing impact aid receipts for corresponding years.

My first impression looking at individual fiscal years, comparing disbursements by the Commissioner of Education—HEW/OE—with receipts of LEA's was that the money disbursed by HEW/OE in a given year was in the "pipeline" and would eventually reach LEA's the following fiscal year and that it will so reflect in their annual balances. Apparently this was not the case when I made the following comparison of aggregate disbursements versus receipts over a 4-year period:

TABLE I.—U.S. AGGREGATE IMPACT AID PUBLIC LAW 874 DISBURSEMENTS[1] BY HEW/OE VERSUS RECEIPTS BY LOCAL EDUCATIONAL AGENCIES (LEA'S)

Fiscal	1968	1969	1970	1971	Total
Reported by HEW/OE	$462,686,000	$515,479,000	$491,068,000	$484,353,000	$1,953,586,000
Receipts by LEA's	404,224,000	430,781,000	506,588,000	449,244,000	1,790,855,000
Difference	58,444,000	84,698,000	15,520,000	35,109,000	162,731,000
LEA's receipts in percent of HEW/OE disbursements	87.37	83.69	103.16	92.75	91.67

[1] Includes disbursements under Public Law 874, title I, secs. 2, 3, and 4 only. Aggregate HEW/OE disbursements for 1970 were approximately $491,000,000 instead of $557,000,000 as erroneously reported in table D, 20th, 21st, and 22d Annual Reports of the Commissioner of Education, HEW.

Sources: For HEW/OE disbursements: HEW/OE, "Administration of Public Law 81-874 . . .," 19th through 22d Annual Reports by the Commissioner of Education. For receipts by LEA's: HEW/OE, "Statistics of Local Public School Systems, Finances." Reports for 1967-68, 1968-69, 1969-70 (in print) and 1970-71 (on tape). (National Center for Education Statistics).

Mr. Speaker, the difference between HEW/OE disbursements and LEA's receipts during these 4 fiscal years—1968–71—amounted to about $163 million, or about $40 million plus per year. It appears to me that either the above funds failed to reach LEA's, an unlikely situation since HEW/OE is reportedly in possession of canceled checks, or that LEA's obviously did not report in their annual reports the full amount of funds received from the Impact Aid Administrator. Spot checking individual LEA's throughout the United States, I found that the Board of Education of the State of Hawaii reported as receiving during fiscal 1968 and 1969 about $4.9 million—or 25.8 percent—less than the amount disbursed by the Impact Aid Administrator during the corresponding years. The figures for the Board of Education, Montgomery County, Md., for the corresponding period were $1.7 million—or 13 percent—less; for the Weber County and Granite school districts, Utah, $0.72 million—or 21.5 percent—less; for the Fairfax County School Board, Va., $4.58 million—or 22 percent—less; and for the Bourne school community, Mass., $0.65 million—or 22.3 percent—less.

Even the miniscule, by comparison, school districts around Fort Crowder, Mo., I have referred to in my floor remarks on April 11, claimed receiving about 18 percent less in impact aid funds than reported by the Administrator for fiscal 1968, 1969, and 1970.

Mr. Speaker, these figures prompted me to go into a more detailed statistical analysis of available data over a more extended period of impact aid disbursements by the Administrator of Public Law 874 in order to avoid the pitfall of money in the "pipeline" situation. I have selected 16 school districts in the State of Massachusetts—tables II, III, IIA, and IIIA—for which accurate statistical data were available for fiscal years 1964 through 1970; two school districts in Florida—tables IV, IVA, and IVB—with data for fiscal 1958 through 1972; four school districts in Rhode Island—table V—with data for fiscal 1966 through 1972; and three school districts in Maryland —table VI—with data for fiscal 1966 through 1970. Also included are aggregate data for the State of Missouri—table VIII—for fiscal 1961 through 1972. I would like to emphasize at this point that my choice of these was prompted by the almost perfect agreement of select figures published by the respective State departments of education and the data contained in reports by the U.S. Office of Education for fiscal 1968 and 1969 entitled "Statistics of Local Public Schools—Finances," compiled by the National Center for Educational Statistics.

My tabulation of impact aid disbursements and receipts follows:

TABLE II.—IMPACT AID, PUBLIC LAW 874, MASSACHUSETTS—8 SELECTED SCHOOL DISTRICTS DISBURSEMENTS BY IMPACT AID ADMINISTRATOR VERSUS RECEIPTS BY INDIVIDUAL SCHOOL DISTRICTS

[In dollars; fiscal years ending June 30]

HEW/OE Applic. No.—County and school district	1964	1965	1966	1967	1968	1969	1970	Totals
1022—Norfolk: Town of Brookline School Community:								
Reported by HEW/OE	55, 870	64, 797	59, 490	72, 702	79, 484	84, 691	72, 919	489, 953
Received by Brookline	62, 555	67, 729	63, 930	10, 166	106, 600	44, 474	73, 105	428, 559
1010—Middlesex: Cambridge School Community:								
Reported by HEW/OE	93, 034	88, 478	85, 697	95, 351	100, 093	95, 357	101, 803	659, 813
Received by Cambridge	86, 718	99, 907	87, 278	82, 507	79, 490	117, 139	117, 787	670, 826
0904—Suffolk: Chelsea School Community:								
Reported by HEW/OE	44, 743	38, 124	35, 609	47, 518	58, 686	46, 049	39, 643	310, 554
Received by Chelsea	47, 904	40, 909	35, 192	45, 999	40, 602	24, 471	42, 289	277, 366
1018—Worcester: Fitchburg School Community:								
Reported by HEW/OE	25, 665	13, 943		37, 376	50, 412	38, 797	49, 764	215, 957
Received by Fitchburg	24, 681	15, 524	3, 852		61, 626	36, 733	1, 512	143, 928
1907—Essex: City of Lawrence Public Schools:								
Reported by HEW/OE					64, 819	55, 284	70, 236	190, 339
Received by Lawrence						61, 578	50, 593	112, 171
0816—Norfolk: Randolph School Community:								
Reported by HEW/OE	39, 623	46, 883	46, 402	61, 716	72, 004	51, 619	49, 625	367, 872
Received by Randolph	37, 181	47, 811	7, 486	58, 560	52, 137	47, 587	46, 278	297, 040
2001—Essex: Salem Public Schools:								
Reported by HEW/OE						45, 517	61, 019	106, 536
Received by Salem							34, 137	34, 137
0912—Middlesex: Somerville School Community:								
Reported by HEW/OE	96, 275	98, 570	76, 210	88, 566	100, 591	72, 796	66, 406	599, 414
Received by Somerville		98, 976		76, 950	29, 323	153, 287	6, 728	365, 264
Total, reported by HEW/OE	355, 210	350, 795	303, 408	403, 229	526, 271	490, 110	511, 415	2, 940, 438
8 school districts, received by the school community	259, 039	370, 856	197, 738	274, 182	369, 778	485, 269	372, 429	2, 329, 291

Sources: HEW/OE disbursements—HEW/OE, "Administration of Public Law 81–874 * * *" 14th through 20th annu al reports by the Commissioner of Education. Massachusetts selected school districts—Commonwealth of Massachusetts, "Department of Education Annual Reports * * *" for 1964 through 1970.

TABLE III.—IMPACT AID, PUBLIC LAW 874, MASSACHUSETTS—8 SELECTED SCHOOL DISTRICTS DISBURSEMENTS BY IMPACT AID ADMINISTRATOR VERSUS RECEIPTS BY INDIVIDUAL SCHOOL DISTRICTS

[In dollars; fiscal years ending June 30]

HEW/OE Applic. No.—County and school district	1964	1965	1966	1967	1968	1969	1970	Totals
0015—Barnstable: Bourne school community:								
Reported by HEW/OE	916, 405	1, 069, 049	1, 030, 911	1, 052, 514	1, 366, 984	1, 539, 933	1, 364, 209	8, 340, 005
Received by Bourne	846, 804	1, 037, 809	1, 072, 656	984, 053	970, 577	1, 287, 146	1, 614, 630	7, 813, 675
0812—Berkshire: Pittsfield public school community:								
Reported by HEW/OE	303, 059	287, 589	288, 218	321, 596	406, 053	408, 162	405, 576	2, 420, 253
Received by Pittsfield	326, 913	296, 528	272, 169	326, 056	343, 387	334, 841	375, 331	2, 275, 225
1007—Essex: Lynn school community:								
Reported by HEW/OE	95, 109	55, 412	48, 071	135, 967	226, 538	202, 043	240, 702	1, 003, 842
Received by Lynn	119, 326	71, 837	27, 658	111, 017	117, 948	196, 494	114, 913	759, 193
0010—Hampden: School community of the City of Chicopee:								
Reported by HEW/OE	897, 623	945, 221	1, 018, 566	1, 018, 574	1, 319, 832	1, 383, 017	1, 216, 951	7, 799, 784
Received by Chicopee	702, 718	1, 313, 031	1, 038, 019	1, 011, 248	1, 454, 476	1, 043, 844	1, 324, 595	7, 887, 931
0001—Middlesex: Town of Ayer school community:								
Reported by HEW/OE	606, 296	728, 463	833, 377	993, 465	1, 100, 595	1, 227, 905	1, 046, 472	6, 536, 573
Received by Ayer	535, 071	705, 967	819, 718	888, 892	1, 212, 619	1, 139, 593	1, 097, 031	6, 398, 891
0009—Middlesex: Town of Bedford school community:								
Reported by HEW/OE	183, 445	191, 470	203, 843	230, 747	281, 102	312, 344	273, 211	1, 676, 162
Received by Bedford	192, 932	185, 780	199, 081	219, 694	194, 441	366, 650	205, 937	1, 564, 515
0602—Norfolk: Quincy School Department:								
Reported by HEW/OE	234, 951	269, 929	241, 154	265, 175	321, 303	318, 256	303, 138	1, 953, 906
Received by Quincy	181, 493	240, 506	276, 060	257, 991	67, 644	400, 256	190, 271	1, 614, 221
1508—Suffolk: School community of the city of Boston:								
Reported by HEW/OE	None	None	630, 435	748, 552	816, 694	642, 999	552, 493	3, 391, 173
Received by Boston	None	None	None	627, 832	751, 155	756, 250	590, 340	2, 725, 577
Total, reported by HEW/OE	3, 236, 888	3, 547, 133	4, 294, 575	4, 766, 590	5, 839, 101	6, 034, 659	5, 402, 752	33, 121, 698
8 school districts, received by the school community	2, 905, 257	3, 851, 458	3, 705, 361	4, 426, 783	5, 112, 247	5, 525, 074	5, 513, 048	31, 282, 513

Sources: HEW/OE disbursements, HEW/OE, Administration of Public Law 81–874, 14th through 20th Annual Reports by the Commissioner of Education. Massachusetts selected school districts—Commonwealth of Massachusetts, Department of Education Annual Reports, for 1964 through 1970.

TABLE II-A.—SUMMARY, MASSACHUSETTS—8 SCHOOL DISTRICTS—PUBLIC LAW 874

DISBURSEMENTS BY HEW/OE VERSUS AGGREGATE RECEIPTS BY LEA'S

Fiscal	HEW/OE disbursements	LEA's receipts	Disbursements minus receipts	Cumulative variance
1964	$355,210	$259,039	+$96,171	+$96,171
1965	350,795	370,856	−20,061	+76,110
1966	303,408	197,738	+105,670	+181,780
1967	403,229	274,182	+129,047	+310,827
1968	526,271	369,778	+156,493	+467,320
1969	490,110	485,269	+5,441	+472,761
1970	511,415	372,429	+138,986	+611,747

Source: Based on table II.

TABLE III-A.—SUMMARY, MASSACHUSETTS—8 SCHOOL DISTRICTS—PUBLIC LAW 874

Fiscal	HEW/OE disbursements	LEA's receipts	Disbursements minus receipts	Cumulative variance
1964	$3,236,888	$2,905,257	+$331,631	+$331,631
1965	3,547,133	3,851,458	−304,325	+27,306
1966	4,294,575	3,705,361	+589,214	+616,520
1967	4,766,590	6,426,783	+339,807	+956,327
1968	5,839,101	5,112,247	+726,854	+1,683,181
1969	6,034,659	5,525,074	+509,585	+2,192,766
1970	5,402,752	5,513,048	−110,296	+2,082,470

Source: Based on table III.

TABLE IV.—SUMMARY, FLORIDA—PUBLIC LAW 874

DISBURSEMENTS BY HEW/OE VERSUS AGGREGATE RECEIPTS BY LEA'S

Fiscal	HEW/OE disbursements	LEA's receipts	Disbursements minus receipts	Cumulative variance
1951	$471,089	None	+$471,089	+$471,089
1952	791,406	None	+791,406	+1,262,495
1953	1,156,636	$1,148,772	+7,864	+1,270,359
1954	1,509,102	1,411,125	+97,977	+1,368,336
1955	1,368,370	1,808,332	−439,962	+928,374
1956	1,821,277	1,744,577	+76,700	+1,005,074
1957	2,990,146	2,731,185	+258,961	+1,264,035
1958	3,500,099	3,171,217	+328,882	+1,592,917
1959	4,169,476	3,946,314	+223,162	+1,816,079
1960	4,802,573	4,790,815	+11,758	+1,827,837
1961	5,499,543	5,156,172	+343,371	+2,171,208
1962	6,169,273	6,192,118	−22,845	+2,148,363
1963	7,083,235	7,338,365	−255,130	+1,893,233
1964	9,210,853	8,544,809	+666,044	+2,559,277
1965	10,422,390	9,707,629	+714,761	+3,274,038
1966	13,325,355	12,625,912	+699,443	+3,973,481
1967	14,942,495	14,026,860	+915,635	+4,889,116
1968	16,373,647	13,018,885	+3,354,762	+8,243,878
1969	17,291,828	12,618,596	+4,637,232	+12,917,110
1970	16,809,065	19,416,671	−2,607,606	+10,309,504
1971	16,472,039	14,792,100	+1,679,939	+11,989,443
1972	[1] 17,741,029	20,186,546	−2,445,517	+9,543,926

[1] Estimate.

Sources: HEW/OE disbursements—HEW/OE, Administration of Public Law 81-874 . . . ., 1st through 22d annual reports by the Commissioner of Education Florida aggregate receipts—Biennial Report of the Superintendent of Public Instruction for the State of Florida. Fiscal 1959 through 1968. Annual beginning with fiscal 1969.

TABLE IV-A.—PUBLIC LAW 874, BREVARD COUNTY BOARD OF PUBLIC INSTRUCTION, FLORIDA DISBURSEMENTS BY HEW/OE VERSUS RECEIPTS BY BREVARD COUNTY

Fiscal	HEW/OE disbursements	LEA's receipts	Disbursements minus receipts	Cumulative variance
1958	$453,593	NA		
1959	732,987	$710,397	+$22,590	+$22,590
1960	945,347	943,928	+1,419	+24,009
1961	1,219,494	1,219,054	+440	+24,449
1962	1,445,719	1,379,843	+66,074	+90,523
1963	1,827,389	1,857,037	−29,648	+60,875
1964	2,732,104	2,595,243	+136,861	+197,736
1965	3,268,152	2,728,211	+539,941	+737,677
1966	4,243,099	4,618,695	−375,596	+362,081
1967	4,684,908	4,739,510	−54,602	+307,479
1968	4,513,865	4,353,613	+160,252	+467,731
1969	$4,891,565	$2,993,326	+$1,898,239	+$2,365,970
1970	3,850,033	5,379,557	−1,529,524	+836,446
1971	3,404,371	2,879,283	+525,088	+1,361,534
1972	3,580,814	4,141,037	−560,223	+801,311

TABLE IV B.—OKALOOSA COUNTY BOARD OF PUBLIC INSTRUCTION, FLORIDA

Fiscal	HEW/OE disbursements	LEA's receipts	Disbursements minus receipts	Cumulative variance
1958	$360,756	NA		
1959	395,582	344,001	+51,581	+51,581
1960	543,877	545,891	−2,014	+49,567
1961	645,202	559,330	+85,872	+135,434
1962	690,010	673,744	+16,266	+151,700
1963	725,759	741,238	−15,479	+136,221
1964	1,077,036	985,921	+91,115	+227,336
1965	1,312,231	1,268,987	+43,244	+270,580
1966	1,519,748	1,478,001	+41,747	+312,327
1967	1,667,470	1,602,165	+65,305	+377,632
1968	2,031,276	2,252,813	−221,537	+156,095
1969	2,503,145	2,043,709	+459,436	+615,531
1970	2,391,097	2,263,732	+127,365	+742,896
1971	2,488,448	2,329,650	+158,798	+901,694
1972	2,799,514	3,143,663	−344,149	+557,545

TABLE V.—SUMMARY, RHODE ISLAND—PUBLIC LAW 874 DISBURSEMENTS BY HEW/OE VERSUS AGGREGATE RECEIPTS BY LEA'S

Fiscal	HEW/OE disbursements	State/LEA's receipts	Disbursements minus receipts	Cumulative variance
STATE				
1966	$2,636,136	$2,540,517	+$95,619	+$95,619
1967	2,898,216	2,815,051	+83,165	+178,784
1968	3,442,704	2,316,507	+1,126,197	+1,304,981
1969	3,790,902	3,114,236	+676,666	+1,981,647
1970	3,664,177	3,921,387	−257,210	+1,724,437
1971	4,310,812	3,730 821	+579,991	+2,304,428
1972	[1] 4,296,289	5,670,564	−1,374,275	+930,153
TOWN OF MIDDLETOWN SCHOOL COMMITTEE				
1966	$605,471	$578,623	+$26,848	+$26,848
1967	590,681	603,325	−12,644	+14,204
1968	637,562	619,077	+18,485	+32,689
1969	669,076	608,239	+60,837	+93,526
1970	677,196	742,936	−65,740	+27,786
1971	1,095,403	631,145	+464,258	+492,044
1972	[1] 859,446	1,335,391	−473,945	+18,099
TOWN OF NORTH KINGSTOWN SCHOOL DEPARTMENT				
1966	$607,656	$572,906	+$34,750	+$34,750
1967	691,886	703,086	−11,200	+23,550
1968	809,599	569,632	+239,967	+263,517
1969	934,882	816,843	+118,039	+381,556
1970	930,828	1,085,194	−154,366	+227,190
1971	1,197,000	1,087,892	+109,108	+336,298
1972	[1] 1,297,882	1,523,575	−225,753	+110,545
NEWPORT SCHOOL SYSTEM				
1966	$461,545	$436,128	+$25,417	+$25,417
1967	494,060	510,483	−16,423	+8,994
1968	527,182	None	+527,182	+536,176
1969	601,314	485,177	+116,137	+652,313
1970	618,765	719,935	+101,170	+551,143
1971	606,812	522,604	+84,208	+635,351
1972	[1] 681,208	784,984	−103,776	+531,575
TOWN OF PORTSMOUTH SCHOOL COMMITTEE				
1966	$314,476	$301,770	+$12,706	+$12,706
1967	313,466	312,355	+1,111	+13,817
1968	333,115	260,619	+72,496	+86,313
1969	373,703	374,110	−407	+85,906
1970	350,344	367,074	−16,730	+69,176
1971	421,020	290,902	+130,118	+199,294
1972	[1] 508,337	678,995	−170,618	+28,676

[1] Estimate.

Sources: HEW/OE, administration of Public Law 81-874 . . . . 16th through 22d annual reports by the Commissioner of education Rhode Island Department of Education, 1965-66 through 1971-72], statistical tables, Rhode Island State Department of Education.

TABLE VI.—SUMMARY, MARYLAND—PUBLIC LAW 874 DISBURSEMENTS BY HEW/OE VERSUS AGGREGATE RECEIPTS BY LEA'S

Fiscal	HEW/OE disbursements	State/LEA's receipts	Disbursements minus receipts	Cumulative variance
STATE				
1966	$18,619,428	$16,330,419	+$2,289,009	+$2,289,009
1967	20,509,241	20,263,999	+245,242	+2,534,251
1968	24,366,357	21,898,170	+2,468,187	+5,002,438
1969	28,175,297	24,743,732	+3,431,565	+8,434,003
1970	24,952,172	26,138,259	−1,186,087	+7,247,916
1971	26,212,793	(1)		
BOARD OF EDUCATION OF MONTGOMERY COUNTY				
1966	$5,229,632	$3,868,765	+$1,360,867	+$1,360,867
1967	5,244,678	5,229,632	+15,046	+1,375,913
1968	5,704,065	5,176,497	+527,568	+1,903,481
1969	6,623,009	5,418,861	+1,204,148	+3,107,629
1970	5,708,708	5,215,040	+493,668	+3,601,297
1971	5,598,947	(1)		
BOARD OF EDUCATION OF PRINCE GEORGES COUNTY				
1966	$6,311,047	$5,824,470	+$486,577	+$486,577
1967	6,812,996	6,644,041	+168,955	+655,532
1968	8,595,659	7,577,852	+1,017,807	+1,673,339
1969	10,525,265	10,075,512	+449,753	+2,123,092
1970	8,990,916	8,970,592	+20,324	+2,143,416
1971	9,656,616	(1)		
BOARD OF EDUCATION OF ST. MARY'S COUNTY				
1966	$571,526	$546,512	+$25,014	+$25,014
1967	631,648	606,608	+25,040	+50,054
1968	871,055	950,500	−79,445	−29,391
1969	774,106	530,937	+243,169	+213,778
1970	797,364	989,777	−192,413	+21,365
1971	1,203,040	(1)		

[1] Not available.

Source: HEW/OE, Ajministration of Public Law 81-874 . . . . 16th through 22d Annual Reports; also 98th [through 104] Annual Report of the State Board of Education of Maryland.

TABLE VII.—SUMMARY, MISSOURI—PUBLIC LAW 874

DISBURSEMENTS BY HEW/OE VERSUS AGGREGATE RECEIPTS BY LEA'S

Fiscal	HEW/OE disbursements	LEA's receipts	Disbursements minus receipts	Cumulative variance
1959	$1,867,475	$1,896,723		
1960	2,192,020	NA		
1961	2,436,497	2,498,342	−$61,845	−$61,845
1962	2,724,784	2,870,486	−145,702	−207,547
1963	3,061,965	3,159,187	−97,222	−304,769
1964	3,531,972	3,188,507	+343,465	+38,696
1965	3,724,391	3,392,719	+331,672	+370,368
1966	5,283,975	5,289,255	−5,280	+365,088
1967	7,584,224	5,812,513	+1,771,711	+2,136,799
1968	8,340,712	7,000,804	+1,339,908	+3,476,707
1969	9,399,986	7,736,766	+1,663,220	+5,139,927
1970	8,371,941	7,741,711	+630,230	+5,770,157
1971	8,456,937	9,448,019	−991,082	+4,779,075
1972	[1] 8,111,328	11,237,417	−3,126,089	+1,652,986

[1] Estimate.

Sources: HEW/OE Disbursements—HEW/OE, administration of Public Law 81-874 . . . . 9th through 22d annual reports by the Commissioner of education Missouri aggregate receipts—Reports [109th, fiscal 1959 through 123d, fiscal 1972] of the Public Schools of the State of Missouri, issued by the Commissioner of Education, Jefferson City, Mo.

Mr. Speaker, data contained in the above tables seemingly confirm my apprehension that less than the full amount of impact aid funds disbursed by the Administrator of Public Law 874 is acknowledged by local school districts affected by Federal activities. Since the court cases *Hergenreter* v. *Hayden* (D.C.

Kan. 1968, 295 F. Supp. 251) specifically prohibited State manipulation of Federal "impact area" funds and *Harvey* v. *Town of Sudbury* (1966, 214 N.E. 2d 718.350 Mass. 212) adjudged that Federal funds received or anticipated providing for financial assistance to local educational agencies in areas affected by Federal activities must be taken into consideration in preparing local school committee's budget, we all must ask ourselves the question: Where, oh where did the money go? I am sure that we will have an answer when the General Accounting Office completes its audit of this program, but this may not come before the end of this year. In the meantime the wide open Federal money spigots are funneling taxpayers dollars into LEA's which for some strange reasons do not acknowledge in their annual reports the full amount of funds disbursed by the Commissioner of Education for impact aid purposes.

THE INFLATION RATE

(Mr. ECKHARDT asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ECKHARDT. Mr. Speaker, the news that the inflation rate reached 11.5 percent in the first quarter of 1974 is most distressing. It is unfair to all Americans and cruel and unjust to the millions who live on fixed incomes. The prime interest rate is racing the rate of inflation nose to nose and also stands at 11.5 percent. To ease this financial burden I today introduced a bill to help curb high interest rates and improve the home mortgage situation.

The full text of the bill follows:

H.R. 14943

A bill to increase the actuarial soundness of the Government National Mortgage Association

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. (a) Except as provided in subsection (b) of this section, every person who makes a finance charge for any extension of credit at an annual percentage rate in excess of 8 per centum shall pay an annual interest stabilization fee to the Government National Mortgage Association in an amount equal to 1 per centum of the annual interest charge for each one-tenth percentage point by which the annual percentage rate exceeds 8 per centum. Where the amount financed varies during the year, or the period of repayment is less than a year, the amount of the fee shall be ratably adjusted. Where the period of repayment is more than a year, the fee shall be paid with respect to each year during which there is at any time an unpaid balance outstanding, but need not be paid in advance of receipt of the finance charge.

(b) The provisions of subsection (a) do not apply to any loan meeting all of the following conditions:

(1) the amount of the loan is under $10,000, and

(2) the making of the loan is regulated by an agency of a State under a small loan law or similar statute.

Sec. 2. For the purposes of this Act, the terms "finance charge", and "annual percentage rate" shall be defined as in sections 106 and 107 of the Truth in Lending Act, but shall not be restricted to consumer and agricultural transactions.

Sec. 3. The Government National Mortgage Association shall prescribe such regulations as may be necessary or appropriate to carry out the provisions of this Act.

Sec. 4. Any fees paid pursuant to this Act shall be held by the Government National Mortgage Association in a separate fund, and pursuant to title III of the National Housing Act, as amended, to stabilize and strengthen the national housing market.

PERSONAL EXPLANATION

(Mr. DULSKI asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DULSKI. Mr. Speaker, I was away from Washington, and so missed several votes. I would like the Record to show that had I been present I would have voted as follows:

Tuesday, May 14, Roll No. 219, "yea"; Roll No. 220, "yea."

Wednesday, May 15, Roll No. 222, "yea;" Roll No. 223, "yea;" Roll No. 224, "yea."

Thursday, May 16, Roll No. 226, "no;" Roll No. 227, "yea;" Roll No. 228, "yea."

Monday, May 20, Roll No. 230, "yea."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Helstoski (at the request of Mr. O'Neill), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Martin of North Carolina) to revise and extend their remarks and include extraneous material:)

Mr. Blackburn, for 5 minutes, today.
Mr. Cleveland, for 5 minutes, today.
Mr. Wyman, for 60 minutes, today.
Mr. Hogan, for 10 minutes, today.
Mr. Talcott, for 10 minutes, today.
Mr. Regula, for 10 minutes, today.
Mr. Sandman, for 15 minutes, today.
Mr. Skubitz, for 10 minutes, today.
Mr. Miller, for 5 minutes, today.

(The following Members (at the request of Mr. Seiberling) to revise and extend their remarks and include extraneous material:)

Mr. Eilberg, for 5 miutes, today.
Mr. Gonzalez, for 5 minutes, today.
Mr. Wolff, for 5 minutes, today.
Mr. Diggs, for 5 minutes, today.
Mr. Foley, for 5 minutes, today.
Mr. Ginn, for 5 minutes, today.
Mr. O'Hara, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Price of Illinois, and to include extraneous remarks, in the Committee of the Whole today.

Mr. Benitez, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $731.50.

Mr. Huber, and to include extraneous matter notwithstanding the fact it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $470.25.

Mr. Gross and to include extraneous matter.

Mr. Roncallo of New York and to include extraneous matter in the Committee of the Whole today.

Mr. Bingham to revise and extend his remarks on the Abzug amendment.

Mr. King to revise and extend his remarks immediately prior to the vote on the Leggett amendment.

Mr. Anderson of California, prior to the vote on the O'Neill amendment.

Mr. Leggett, to extend his remarks prior to the vote on the O'Neill amendment.

Mr. Frenzel to revise and extend his remarks prior to vote on O'Neill substitute amendment.

(The following Members (at the request of Mr. Martin of Nebraska) and to include extraneous material:)

Mr. Hanrahan.
Mr. Gubser.
Mr. Price of Texas.
Mr. Martin of Nebraska.
Mr. Broyhill of Virginia.
Mr. Anderson of Illinois in two instances.
Mr. Wyman in two instances.
Mr. Huber in two instances.
Mr. Zwach.
Mr. Schneebeli.
Mr. Derwinski in two instances.
Mr. Gilman.
Mr. Sarasin.
Mr. Parris.
Mr. Veysey.
Mr. Roncallo of New York.
Mr. du Pont in three instances.
Mr. Hogan.
Mr. Ashbrook in two instances.
Mr. Edwards of Alabama.
Mr. Grover.
Mr. Hosmer in three instances.
Mr. Hillis.
Mr. Hudnut.
Mr. Lent.
Mr. Myers.
Mr. Thone.
Mr. Cronin.
Mr. Hunt.
Mr. Frelinghuysen.

(The following Members (at the request of Mr. Seiberling) and to include extraneous material:)

Mr. Evins of Tennessee in two instances.
Mr. Brasco in 12 instances.
Mr. Addabbo in two instances.
Mr. Bolling.
Mrs. Mink.
Mr. James V. Stanton.
Mr. Gonzalez in three instances.
Mr. Rarick in three instances.
Mr. Edwards of California in three instances.

Mr. Stokes.
Mr. Annunzio in six instances.
Mr. Sisk.
Mr. Dent.
Mr. Minish.
Mr. Carney of Ohio in two instances.
Mr. Mills.
Mr. Luken.
Mr. Barrett.
Mr. Gray in three instances.
Mr. Dulski in five instances.
Mr. Vanik in two instances.
Mr. Anderson of California in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1018. An act to create a National Commission on the Olympic Games to review the question of U.S. participation in the Olympic games and to evaluate and formulate recommendations concerning such participation; to the Committee on the Judiciary.

S. 3458. An act to amend the Agriculture and Consumer Protection Act of 1973, the Food Stamp Act of 1964, and for other purposes, to the Committee on Agriculture.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 6541. An act to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina;

H.R. 6542. An act to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina;

H.R. 7087. An act to authorize the Secretary of the Interior to sell reserved mineral interests of the United States in certain land in Missouri to Grace F. Sisler, the record owner of the surface thereof;

H.R. 10284. An act to authorize the Secretary of the Interior to sell certain rights in the State of Florida; and

H.R. 12920. An act to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 6541. An act to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina;

H.R. 6542. An act to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina:

H.R. 7087. An act to authorize the Secretary of the Interior to sell reserved mineral interests of the United States in certain land in Missouri to Grace F. Sisler, the record owner of the surface thereof:

H.R. 10284. An act to authorize the Secretary of the Interior to sell certain rights in the State of Florida.

H.R. 10942. An act to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), as amended, to extend and adapt its provisions to the Convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction and their environment, concluded at the city of Tokyo, March 4, 1972; and

H.R. 12920. An act to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes.

ADJOURNMENT

Mr. SEIBERLING. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 46 minutes p.m.), the House adjourned until tomorrow, Thursday, May 23, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2348. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Education of the Handicapped Act by consolidating the discretionary authorities for projects for handicapped children, and for other purposes; to the Committee on Education and Labor.

2349. A letter from the Secretary of Health, Education, and Welfare, transmitting the seventh annual report of the Rochester Institute of Technology on the establishment and operation of the National Technical Institute for the Deaf, pursuant to section 5(b)(3) of Public Law 89–36 [20 U.S.C. 648]; to the Committee on Education and Labor.

2350. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the intention of the Department of State to consent to a request by the British Government to transfer U.S.-origin spotter tracer ammunition to the Government of Kuwait, pursuant to section 3(a) of the Foreign Military Sales Act, as amended [22 U.S.C. 2753(a)(2)]; to the Committee on Foreign Affairs.

2351. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the intention of the Department of State to consent to a request by the British Government to transfer U.S.-origin machinegun spare parts to the Governments of Kuwait and Jordan, pursuant to section 3(a) of the Foreign Military Sales Act, as amended [22 U.S.C. 2753(a)(2)]; to the Committee on Foreign Affairs.

2352. A letter from the Chairman, Federal Power Commission, transmitting a copy of a publication entitled "Statistics of Publicly Owned Electric Utilities in the United States, 1972"; to the Committee on Interstate and Forign Commerce.

Received From the Comptroller General

2353. A letter from the Comptroller General of the United States, transmitting a report that better methods are needed for canceling orders for materiel no longer required by the Department of Defense; to the Committee on Government Operations.

2354. A letter from the Comptroller General of the United States, transmitting a report on the examination of the financial statements of the National Credit Union Administration for fiscal year 1973; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee on Education and Labor. Senate Joint Resolution 40. Joint resolution to authorize and request the President to call a White House Conference on Library and Information Services in 1976; with amendment (Rept. No. 93–1056). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 12165. A bill to authorize the construction, operation, and maintenance of certain works in the Colorado River Basin to control the salinity of water delivered to users in the United States and Mexico; with amendment (Rept. No. 93–1057). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARCHER:

H.R. 14940. A bill to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income tax withholding and old-age, survivors, and disability insurance purposes, and for other purposes; to the Committee on Ways and Means.

By Mr. BAFALIS:

H.R. 14941. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. BOWEN:

H.R. 14942. A bill to amend the Fair Labor Standards Act of 1938 to provide an exemption from minimum wage and overtime coverage for babysitters; to the Committee on Education and Labor.

By Mr. ECKHARDT:

H.R. 14943. A bill to increase the actuarial soundness of the Government National Mortgage Association; to the Committee on Banking and Currency.

By Mr. FRASER:

H.R. 14944. A bill to provide youth services grants, and for other purposes; to the Committee on Education and Labor.

By Mr. FREY (for himself, Mr. Aspin, and Mr. Rogers):

H.R. 14945. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. HANNA:

H.R. 14946. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

H.R. 14947. A bill to amend title XVIII of the Social Security Act to establish a program of long-term care services within the medicare program, to provide for the creation of community long-term care centers and State long-term care agencies as part of a new administrative structure for the organization and delivery of long-term care services, to provide a significant role for persons eligible for long-term care benefits in the administration of the program, and for other purposes; to the Committee on Ways and Means.

By Mr. McDADE:

H.R. 14948. A bill to amend the Postal Reorganization Act of 1970, title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 14949. A bill relating to withholding by the United States of certain taxes imposed by States, and political subdivisions thereof, in the case of Federal employees; to the Committee on Ways and Means.

By Mr. REGULA:

H.R. 14950. A bill to provide for the more equitable administration of revenues derived from certain Federal lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McFALL:

H.R. 14951. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 2-year period, and for other purposes; to the Committee on Public Works.

By Mr. MARAZITI:

H.R. 14952. A bill to amend chapter 23 of the Internal Revenue Code of 1954 (relating to the Federal Unemployment Tax Act) to provide for the eligibility of school teachers for unemployment insurance under the unemployment insurance program; to the Committee on Ways and Means.

By Mr. QUIE:

H.R. 14953. A bill to amend the Internal Revenue Code of 1954 to allow the deduction of certain expenditures for food and lodging primarily for medical care; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 14954. A bill to create a commission to grant exclusive franchises for the exploration for and the commercial development of geothermal energy and for the right to market any such energy in its natural state, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SCHERLE .

H.R. 14955. A bill to incorporate the U.S. Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. SYMINGTON (for himself, and Mr. Conte):

H.R. 14956. A bill to designate the birthday of Susan B. Anthony as a legal public holiday; to the Committee on the Judiciary.

By Mr. WALSH:

H.R. 14957. A bill to prohibit any person engaged in the business of marketing or distributing natural gas, propane, butane, or electricity, from terminating service to any customer unless prior written notice is given to the local law enforcement and welfare agencies; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITEHURST:

H.R. 14958. A bill to amend title 5, United States Code, to correct inequities in the determination of rates of basic pay in conversions to the General Schedule of employees and positions subject to prevailing rate pay schedules; to the Committee on Post Office and Civil Service.

By Mr. WOLFF:

H.R. 14959. A bill to amend title 38, United States Code, to provide a 10-year delimiting period for the pursuit of educational programs by veterans, wives, and widows; to the Committee on Veterans' Affairs.

By Mr. WYMAN (for himself, and Mr. Chappell):

H.R. 14960. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BLACKBURN:

H.R. 14961. A bill to amend the Internal Revenue Code of 1954 to provide for annual adjustments in the amount of personal exemptions to reflect increases in the cost of living; to the Committee on Ways and Means.

By Mr. CLEVELAND (for himself, Mr. Broyhill of North Carolina, Mr. Wright, Mr. Rees, Mr. Brown of California, Mr. Byron, Mr. Walsh, Mr. Fish, Mr. Hansen of Idaho, Mr. Duncan, Mr. Quie, Mr. Coughlin, Mr. Gude, Mr. Moakley, Mr. Mazzoli, Mr. Froehlich, Mr. Gilman, and Mr. Wyman):

H.R. 14962. A bill to amend title 23 of the United States Code to authorize a grant program for research and development of alternative fuels for motor vehicles, to the Committee on Public Works.

By Mr. CLEVELAND (for himself, Mr. Quie, Mr. Riegle, and Mr. Wyman):

H.R. 14963. A bill to amend section 203 of the Federal Water Pollution Control Act to provide for State certification; to the Committee on Public Works.

Mr. EILBERG:

H.R. 14964. A bill to establish in the State of Pennsylvania the Edgar Allen Poe National Historical Park; to the Committee on Interior and Insular Affairs.

Mr ESCH:

H.R. 14965. A bill to amend the Sugar Act of 1948 to prescribe minimum wages and conditions of employment for farmworkers, and for other purposes; to the Committee on Agriculture.

H.R. 14966. A bill to amend title 38 of the United States Code so as to entitle veterans of World War I and their widows and children to pension on the same basis as veterans of the Spanish-American War and their widows and children, respectively, and to increase pension rates; to the Committee on Veterans' Affairs.

By Mr. FISH:

H.R. 14967. A bill to amend title 18, United States Code, further defining the manner in which a witness in a Federal court or grand jury proceeding may be ordered to provide information after asserting his privilege against self-incrimination; to the Committee on the Judiciary.

By Mr. FLOOD:

H.R. 14968. A bill to establish university coal research laboratories and to establish energy resource fellowships, and for other purposes; to the Committee on Science and Astronautics.

By Mr. HUDNUT:

H.R. 14969. A bill to amend the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to make loans to students in graduate health profession schools the repayment of which will be based on income earned after graduation; to the Committee on Interstate and Foreign Commerce.

By Mr. KUYKENDALL (for himself, Mr. Skubitz, and Mr. Devine):

H.R. 14970. A bill to amend section 410 of the Federal Aviation Act of 1958 to provide financial assistance during the energy crisis to U.S. air carriers engaged in overseas and foreign air transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself, Mr. Cohen, and Mr. Coughlin):

H.R. 14971. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consulation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Mr. Tiernan, Mr. Gilman, Mr. Conte, Mr. Rose, Ms. Schroeder, Mr. Rees, Mr. Froehlich, Ms. Holtzman, Mr. Murphy of New York, Mr. Young of Illinois, Mr. Moakley, and Ms. Chisholm):

H.R. 14972. A bill to establish a Department of Social, Economic, and Natural Resources Planning in the executive branch of the Federal Government; to the Committee on Government Operations.

By Mr. MURPHY of New York:

H.R. 14973. A bill to amend the Public Health Service Act to provide for programs for the diagnosis and treatment of hemophilia; to the Committee on Interstate and Foreign Commerce.

By Mr. O'HARA:

H.R. 14974. A bill to amend the Higher Education Act of 1965, as amended, by extending certain expiration dates, and for other purposes; to the Committee on Education and Labor.

By Mr. PETTIS (for himself and Mr. Brown of California):

H.R. 14975. A bill for the relief of certain students harmed by the insolvency of Riverside University of Riverside, Calif.; to the Committee on the Judiciary.

By Mr. PRICE of Texas:

H.R. 14976. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

By Mr. SANDMAN (for himself and Mr. Maraziti):

H.R. 14977. A bill to provide property tax relief to low-income elderly homeowners through direct reimbursements; to the Committee on Ways and Means.

By Mr. SYMINGTON:

H.R. 14978. A bill to establish an Earth Resources Observation Administration within the Department of the Interior, and for other purposes; to the Committee on Science and Astronautics.

By Mr. TAYLOR of North Carolina (for himself and Ms. Griffiths):

H.R. 14979. A bill to establish a Sewall-Belmont House National Historic Site, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BOB WILSON (for himself, Mr. Esch, Mr. Mollohan, Mr. Wyatt, Mr. Lott, Mr. Beard, Mr. Steele, Mr. Goldwater, Mr. Frey, Mr. Frenzel, Mr. Moorhead of California, Mr. Dominick V. Daniels, Mr. Downing, Mr. Rogers, Mr. Studds, Mr. Flynt, Mr. Coughlin, Mr. McCollister, Mr. Shoup, Mr. Haley, Mr. Brotzman, Mr. Bergland, Mr. Spence, and Mr. Baker):

H.R. 14980. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

By Mr. KOCH (for himself, Ms. Abzug, Mr. Badillo, Mr. Brown of California, Mr. Drinan, Mr. Edwards of California, Mr. Goldwater, Mr. Harrington, Mr. Kemp, Mr. Leggett, Mr. Mitchell of Maryland, Mr. Podell, Mr. Rooney of Pennsylvania, Mr. Van Deerlin, Mr. Won Pat, and Mr. Young of Georgia):

H.R. 14981. A bill to restrict the disclosure of information in the possession of telephone companies or telegraph companies concerning members of the news media; to the Committee on Interstate and Foreign Commerce.

By Mr. MARAZITI:

H.R. 14982. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

By Mr. ROY:

H.R. 14983. A bill to provide for the modification of the project for Tuttle Creek Lake, Big Blue River, Kan.; to the Committee on Public Works.

By Mr. SKUBITZ:

H.R. 14984. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. BROYHILL of Virginia:

H.J. Res. 1025. Joint resolution to authorize the President to proclaim the third week in October of each year as National Screen Printing Week and to proclaim Tuesday of such week as National Screen Printing Day; to the Committee on the Judiciary.

By Mr. COUGHLIN:

H.J. Res. 1026. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning April 20, 1975, as National Volunteer Week; to the Committee on the Judiciary.

By Mr. DULSKI:

H.J. Res. 1027. Joint resolution to designate the third week of September of each year as National Medical Assistants' Week; to the Committee on the Judiciary.

By Mr. ESCH (for himself, Mr. Conlan, Mr. Hechler of West Virginia, Mr. Martin of North Carolina, Mr. Mazzoli, Mrs. Chisholm, Mr. Milford, Mr. Roe, Mr. Symington, and Mr. Winn):

H.J. Res. 1028. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; to the Committe on Armed Services.

By Mr. SYMINGTON (for himself and Mr. Minshall of Ohio):

H.J. Res. 1029. Joint resolution authorizing the President to proclaim the week beginning on the second Monday in November each year as Youth Appreciation Week; to the Committee on the Judiciary.

By Mr. DULSKI:

H. Con. Res. 502. Concurrent resolution expressing the sense of the Congress that the President, acting through the U.S. Ambassador to the United Nations Organization, take such steps as may be necessary to place the question of human rights violations in the Soviet-occupied Ukraine on the agenda of the United Nations Organization; to the Committee on Foreign Affairs.

By Mr. ESCH:

H. Res. 1142. Resolution creating a standing Committee on Small Business in the House of Representatives; to the Committee on Rules.

By Mr. MINISH:

H. Res. 1143. Resolution declaring the sense of the House with respect to a prohibition of extension of credit by the Export-Import Bank of the United States; to the Committee on Banking and Currency.

By Mr. STEELMAN (for himself, Mr. Erlenborn, Mr. Shuster, Mr. Whalen, Mr. Parris, Mr. Brown of Ohio, Mr. Johnson of Colorado, Mr. McCloskey, Mr. Mayne, Mr. Regula, Mr. McKinney, Mr. Thone, Mr. McCollister, Mr. Bell, Mr. Pritchard, Mr. Cleveland, Mr. Horton, Mr. Mitchell of New York, Mr. Eshleman, Mr. Mathias of California, Mr. Shoup, Mr. Cochran, Mr. Quie, Mr. Conte, and Mr. Guyer):

H. Res. 1144. Resolution providing for the consideration of House Resolution 988; to the Committee on Rules.

By Mr. STEELMAN (for himself, Mr. Broomfield, Mr. Young of South Carolina, Mr. Burgener, Mr. Shriver, Mr. Robison of New York, Mr. Sarasin, Mr. Martin of North Carolina, Mr. du Pont, Mr. McEwen, Mr. Madigan, Mr. Hechler of West Virginia, Mr. Gude, Mr. Kemp, Mr. Froehlich, and Ms. Chisholm):

H. Res. 1145. Resolution providing for the consideration of House Resolution 988; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. SULLIVAN:

H.R. 14985. A bill for the relief of Ebinger Electronics, Inc.; to the Committee on Judiciary.

By Mr. BOB WILSON:

H.R. 14986. A bill for the relief of Rear Adm. F. B. Gilkeson of the U.S. Navy; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

FEDERAL AID MEANS MORE FEDERAL CONTROL

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 22, 1974

Mr. HARRY F. BYRD, JR. Mr. President, the Richmond News Leader of Tuesday, May 7, 1974, published a provocative editorial entitled "Federal Aid Means Federal * * *." It deals with the controls which the Federal Government is putting on the States and localities through the Department of Health, Education, and Welfare.

The editorial concludes by stating:

> So it goes. Further proof, if further proof were needed, that federal aid means . . . federal control.

How accurate that editorial is, Mr. President.

The more the States and localities accept Federal funds, the more Federal funds are appropriated to them, the more Federal control goes along with it.

I ask unanimous consent to have this editorial printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Federal Aid Means Federal * * *

Early in the debate about federal aid to education, it became a cliche of the anti-statist argument that "federal aid means federal control." During the past several months, three occurrences relating to education in Virginia have verified the truth of that cliche.

(1) In February, the news columns carried accounts of dismay among officials of the National Collegiate Athletic Association—dismay caused by a provision of Title IX of the Civil Rights Act of 1972. The provision requires that colleges which accept federal aid spend as much money on their athletic programs and facilities for women as they spend for men. Failure to comply could mean a cut-off of federal funds to the transgressing colleges and universities. (In fiscal 1972, the Department of Health, Education, and Welfare—the conduit for federal aid to education—provided $4.1 billion to American colleges and universities.) Walter Byers, the executive director of the NCAA, has informed the NCAA's 775 member institutions that "this regulation will dismantle the structure of intercollegiate athletics in this country. Right now, we do have a crisis." So, as the result of a regulation intended to eradicate "sex discrimination" from the nation's colleges, the federal government possibly will put intercollegiate athletics at many colleges out of business.

(2) As a result of unrest at Handley High School in Winchester during the week of April 15, school authorities in Winchester suspended or expelled 15 students—all of them black. And abracadabra, within 10 days those school authorities found themselves "consulting" with two representatives from HEW. The alleged purpose of the visitation? To determine whether the school authorities had "discriminated" in their suspensions and expulsions. If the HEW representatives detected such discrimination, they will demand corrective action; if corrective action is not initiated, HEW will cut off federal cash to public education in Winchester. This type of remedial—*i.e.*, punitive—procedure is set forth in Title VI of the Civil Rights Act of 1964. Never mind that during the current school year, Handley officials have expelled or suspended 65 white students and 40 black students. The charge is made that because only black students were suspended or expelled in the aftermath of the April unrest, those who run the public schools of Winchester are "discriminating" on the basis of race. If federal cash were not involved, such a charge would be correctly dismissed as merely a mischievous allegation.

(3) And during the past year, both Governors Holton and Godwin have haggled with HEW about "desegregation" of Virginia's public colleges and universities. The Governors have argued that Virginia already is complying with 1964 Civil Rights Act provisions pertaining to higher education. HEW has argued that, well, maybe Virginia is complying and maybe Virginia is not complying, but until HEW decides, Virginia would be well advised—for instance—to increase the numbers of blacks at predominantly white schools, greatly increase the number of whites at predominantly black schools, hire more black teachers at predominantly white schools, etc., and file progress reports with HEW every six months. HEW euphemistically describes its position as "conciliatory." That is about as subtle as a mailed fist. The implied threat that has run through these year-long dealings with HEW is that if Virginia does not knuckle under to HEW's demands, HEW will halt the flow of millions of dollars of federal aid to Virginia public education.

So it goes. Further proof, if further proof were needed, that federal aid means . . federal control.

STATEMENT OF THE GREATER WILMINGTON DEVELOPMENT COUNCIL BEFORE THE CIVIL AERONAUTICS BOARD HEARING SEPTEMBER 25, 1973, CONCERNING THE PETITION OF EASTERN AIRLINES AND ALLEGHENY AIRLINES TO SUSPEND SERVICE AT GREATER WILMINGTON AIRPORT

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. DU PONT. Mr. Speaker, I would like to insert in the RECORD the following excellent statement on the suspension of service at the Greater Wilmington Airport:

STATEMENT OF THE GREATER WILMINGTON DEVELOPMENT COUNCIL BEFORE THE CIVIL AERONAUTICS BOARD HEARING SEPTEMBER 25, 1973, CONCERNING THE PETITION OF EASTERN AIRLINES AND ALLEGHENY AIRLINES TO SUSPEND SERVICE AT GREATER WILMINGTON AIRPORT

The Greater Wilmington Development Council, a bipartisan, not-for-profit, public interest organization whose primary aim is to develop solutions to community problems for the long-range good of its citizens, opposes the petition by Eastern Airlines and Allegheny Airlines to suspend passenger service at the Greater Wilmington Airport. GWDC membership and support comes from hundreds of influential citizens and the leading businesses and industries in the Greater Wilmington Area.

We regard the proposal by the two airlines to have serious negative impact on the interests of the people of the Greater Wilmington region. Based on information in hand, it is difficult to justify such an action when one considers that: (1) the airport is strategically situated in one of the fastest growing regions of the Northeast Corridor, a future major market for air transportation; (2) in excess of 300,000 air trips are made by New Castle County citizens annually, (3) Delaware would be the only State without regularly scheduled trunk airline service; (4) the suspension of these flights will add to the seriously overcrowded conditions at Philadelphia International, both on the ground and in the air; (5) value in use will be diminished of a $6.5 million investment made in the facilities at this airport, about half of which was financed by Federal matching funds; and (6) the CAB denied a similar request in 1966.

We believe that CAB approval of this petition would be an act contrary to the interests and expectations of the many residents of the Greater Wilmington region, Lower Delaware, and the neighboring states of New Jersey and Maryland. There is some evidence of a need to increase flights at Greater Wilmington to better serve the increasing population and support industrial development in the immediate vicinity. We recognize the difficult situation the airline companies face trying to provide each and every community with adequate air service. Therefore, we offer our assistance and cooperation to both airlines in an effort to build a more economically viable passenger flight schedule at Greater Wilmington.

A balanced transportation system is the lifeline of the commerce, industry and tourism of any locality and the loss of passenger air service at the Greater Wilmington Airport would be a serious blow to the future economic well-being of the Greater Wilmington region and the State of Delaware.

DÉTENTE AND THE UNITED STATES

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. PRICE of Texas. Mr. Speaker, détente is being used as a descriptive term to characterize the complex relations between the United States and the Soviet Union. It all began with the President's visit to Moscow in 1972 which was followed by a wave of optimism by Americans. Let us look at this word. Détente is many things to many people, but literally it means a relaxing of tension, implying, of course, that there had been tension in the past. But that is all détente means—nothing more and nothing less. Many have looked at this description of the state of affairs and found it to be a panacea for all our international problems. These same individuals, and indeed, some institutions, worry excessively about press reports that détente is fragile, failing, crumbling, or collapsing. Unfortunately, the definition leaves much unanswered about the totality of the state of affairs it attempts to describe.

Perhaps it is easier to express what the word does not mean or what it will not do rather than what it means or will do. Détente is not a panacea, nor is it an agreement, contract, pact, or obligation in any form between the two superpowers. Détente will not guarantee peace between the United States and the Soviet Union, nor is it a state of affairs which would preclude the need for a modern, well-equipped, and ready military establishment. Détente with the Soviet Union will not provide a basis for agreement between the United States and the Arab nations to arrive at a permanent solution to the oil situation, nor will it necessarily help us negotiate the cease-fire and troop disengagement between the Israeli and Syrian forces—a giant step required to reach a peaceful settlement in the Middle East. Détente does not represent a change in the value system of moral and ethical questions in the Soviet Union, nor does it represent an ideological shift by either side which would diminish the "perpetual conflict" destined to confront the two systems.

The fact of the matter is that the Soviets have not made one change to their Marxist-Leninist ideology even in light of this new era of proclaimed "peaceful coexistence" and, of equal importance, in the face of the Sino-Soviet confrontation. This latter point causes one to ponder how the Soviet Union will feel about détente in a post-Mao era and China with leaders in agreement with the Soviet view of communism. Make no mistake about it, "American capitalistic imperialism" remains the No. 1 enemy of the Soviet Union. Chairman Brezhnev said in June 1972, following President Nixon's visit to the Soviet Union:

> Peaceful coexistence in no way implies the possibility of relaxing the ideological struggle. On the contrary, we must be prepared for this struggle to become more intense and an ever sharper form of confrontation between the two social systems (*Pravda*, June 29, 1972).

The Soviet accommodation with the United States in our desire to ease the tensions should not be considered as a sudden and fundamental change in policy which can be applied with any degree of predictability or consistency. It can only be viewed as a selfish willingness on the part of the Soviet leadership to relax the tensions for specific purposes; namely, to enhance Soviet economy and the Soviet position in world affairs. We cannot link détente to the full spectrum of Soviet policy issues vis-a-vis those of the United States.

To some degree, if we keep in mind its precise definition, détente can be used to describe the relationship between the United States and the Soviet Union, as there has been a relaxation of tension between the two superpowers since 1972. We find, however, that this condition is characterized by a confused and whimsical mixture of accord and discord, depending on the issue.

The hidden danger in using détente, in its broad sense, as a descriptive term lies in the real possibility that many will be lulled into a false sense of security and relax into a sensation of complacency. Such ominous perceptions could cause us to be overly trusting in negotiations and ill-prepared during confrontations. Already some are saying that this era of détente permits us to reduce our national defenses. A breathtaking leap in logic, as now, more than ever, we must have a military establishment second to none. Now that the Soviets have reached nuclear superiority, or at best parity, we simply cannot afford to negotiate from a weak hand.

It is true that the framework required to shape the abstract concept of détente into a viable form was built in Moscow in May 1972. Détente is certainly the initial and, indeed, the essential step forming lasting relationships and we should pursue it. But until détente is underpinned with initiatives in the social, political, commercial, economic, and military areas, we can ill afford to be complacent or at ease with the relationship between the United States and the Soviet Union. Détente alone is insufficient. As we understand its meaning détente is certainly preferable to the tense and strained relationship which existed in the 1950's and 1960's during the height of the cold war. But it is important for us to realize just what détente means, or more importantly, what it does not mean.

S. SGT. WILLIE TERRY RECEIVES RED CROSS AWARD

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. ADDABBO. Mr. Speaker, the American Red Cross has named one of my constituents, S. Sgt. Willie Terry, of Jamaica, N.Y., to receive the Certificate of Merit, highest award of that organization for meritorious action in sustaining another human life.

In a period in our Nation's history when we too often miss reading of accounts of heroism, I believe it is particularly important to bring actions such as these to the attention of my colleagues in the House of Representatives.

At this point in the RECORD, I insert the text of a letter which I received from the American Red Cross, advising me of the award to Staff Sergeant Terry and the event which earned him this recognition:

THE AMERICAN NATIONAL RED CROSS,
Washington, D.C., May 15, 1974.

Hon. JOSEPH P. ADDABBO,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. ADDABBO: Once again I write to call your attention to a meritorious action taken by another one of your constituents. In this instance S/Sgt. Willie Terry, 084-34-6334, 105-10 177th Street, Jamaica, New York 11433, military address Hq. Co. 10th Trans. Bn., Fort Eustis, Virginia 23604, has been named to receive the Red Cross Certificate of Merit. You will recall this is the highest award given by the American National Red Cross to a person who saves or sustains a life by using skills learned in a Red Cross first aid, small craft, or water safety course. Presentation will be made by the Red Cross Field Director at Fort Eustis.

On March 20, 1974 Army Staff Sergeant Terry was nearby when a switchboard operator received a severe electrical shock while operating a field switchboard. Immediately Sergeant Terry, trained in Red Cross advanced first aid, went to assist and began at once to perform mouth-to-mouth resuscitation and other lifesupportive measures to the victim. Sgt. Terry continued the resuscitation efforts approximately 20 minutes until an ambulance arrived and transported the victim to a hospital. Although the victim later succumbed, Sgt. Terry's use of his skills and knowledge sustained the man's life until medical help could be reached.

This meritorious action is another example of the concern of one human being for another who is in distress.

Sincerely,

GEORGE M. ELSEY.

DO SIRICA AND WATERGATE METHODS REALLY HONOR OUR SYSTEM?

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. HUBER. Mr. Speaker, a recent article by Mr. Louis Nizer in the Family Weekly of May 12, 1974, of the Star-News explains the dangers of resorting to extraordinary methods in trying to bring Watergate offenders to justice. Mr. Nizer points out how Judge Sirica used penalties to force people to surrender their rights under the fifth amendment in order to secure evidence and that this is not in keeping with our best traditions. The article follows:

DO SIRICA AND WATERGATE METHODS REALLY HONOR OUR SYSTEM?

(By Louis Nizer)

(NOTE—Louis Nizer is the author and attorney whose latest best seller, "The Implosion Conspiracy," is being produced as a major motion picture by Otto Preminger. When Judge Sirica was recently asked his hobby, he responded, "reading Oliver Wendell Holmes and Louis Nizer." This article is adapted from an address delivered by Mr. Nizer at New York University Law School.)

Of all the people in Watergate who received universal acclamation, Judge Sirica is first. He has been praised by critics at the opposite ends of the spectrum. President Nixon has twice referred to him as that "courageous judge." Senator Ervin, Senator Baker and the other members of the Watergate Committee have heaped adulation upon him. If any editorial in the nation has contained an unkind word about Judge Sirica, I haven't found it.

I, for one, am loath to make the point I am about to make, but I feel it has to be made. The epigram, "The end does not justify the means," has a corollary: "The means does not justify the end." During the McCarty terror, it was easy to detect the impropriety of the means, even if the objective—to stop Communism—was desirable. "You can't," we cried, "pillory people and destroy them by innuendo and hearsay." But when today we enjoy the discomfiture of those who are being accused, we are inclined to overlook the means by which they are exposed.

Judge Sirica's objective has been magnificent—the exposure of the Watergate scandal. But what have been his means?

Five defendants pleaded guilty to burglary. Two others stood trial and were convicted. Sirica told them that they knew more than they had told and he was sentencing them provisionally to 35-40 years. If they cooperated and confessed all, he would reconsider the punishment. After four weeks, one of the defendants cracked and wrote a letter saying he was ready to talk. Thus the objective was achieved.

But do we want judges—despite the result in this case—to use penalties to force people to surrender their right under the Fifth Amendment not to talk? Is this not a form of judicial duress? Is it very different, except in degree and kind, from other forms of duress to obtain confessions, which our Supreme Court has repeatedly condemned?

In one famous case, in which a murderer was forced to confess, giving objective evidence that left no doubt of his guilt, the Supreme Court set aside the conviction and freed him. Justice Douglas wrote the following sentence, which I have always admired for its forthrightness. He said that it was true that some murderers who now go free would be caught if third-degree methods were used to wring confessions from them. But "this is the price we pay for a civilized society." If we resort to duress, sooner or later innocent men are going to be pounded and beaten.

There are many forms of duress. Some are subtle, not merely the rubber pipe applied below the face to leave no marks, but endless questioning that deprives the victim of sleep, and other psychological devices. Once we break down the constitutional guarantees, we set an evil precedent.

Let me give another illustration. Senator Ervin, a constitutional lawyer of standing, and Senator Baker, a very able lawyer, said on television during the hearings, not once but several times, "Ninety percent of this testimony would not be admitted in a court of law because it is hearsay. But this is not a court. We are a Senate committee seeking the truth. So we will accept this evidence."

Just reflect on that a minute. The truth is equated with hearsay evidence. For centuries, legal philosophers have considered hearsay evidence the worst way to get the truth. The reason that hearsay evidence is eliminated from trials is not technical, but because in the scales of evidence it has no weight; it has no probative value. I could convict anyone in this country of any crime through hearsay evidence. You would be helpless. "A" takes the stand. He is a reputable and honest man who always tells the truth. He swears that he met "B," who told him that the defendant said he had stolen the money. You can't cross-examine "A" effectively. "B" is not available to be tested. It is by use of hearsay that tyrants convict those they wish to dispose of, no matter how innocent.

Does purging our political system justify such wrong means? Mind you, the hearsay in the Watergate hearings was not projected merely to 12 jurors, but to 20 million Americans. It was they who were drenched with accusations against individuals, who, guilty or not, had none of the safeguards provided by criminal law.

Let me consider a third proposition. A Senate committee is authorized to take testimony for one purpose only—to formulate legislation. It has no authority to decide the guilt or innocence of any individual. Only a court, which affords a defendant protective privileges, can do so. No other system of law is as zealous in its concern for one who may be deprived of his liberty as ours. Consider some of the safeguards our Constitution provides.

First, there is a presumption of innocence that continues to the last second of the trial. Second, the jury must be unanimous. If one out of the 12 has a doubt, the defendant is free. Third, the defendant can sit quietly by no matter how guilty and say, "You, Mr. District Attorney, must prove me guilty. I am not going to help you." Fourth, the judge charges the jury, "If you believe this man is guilty, you must, nevertheless, not find him so unless you find that he is guilty *beyond a reasonable doubt.*" This is an extraordinary standard.

Justice Black was interviewed shortly before his death and was asked, "In view of the decisions you are handing down here, isn't it almost impossible to convict anybody?" He shocked the reporters by replying, "Of course—that's the purpose. Read the Constitution. The government has immense power—the FBI, police, prosecutors—and unlimited funds. The individual citizen stands alone. The very title of the action is enough to put terror into the heart of a citizen. 'The United States of America against John Jones.' So we have built a cordon of rights around him to balance the situation, to protect the individual against the overwhelming power of the government. That's our purpose, to make things as tough for the prosecutor as we can."

Now, one final word. I, for one, and I hope you, too, are concerned but not discouraged by the revelations that have shocked. It is healthy that they have come out. Only in a democracy could this miracle of exposure have occurred, despite the enormous powers vested at the top. Also, I believe it will result in legislation to control financing of elections, and proper procedures for election processes. This will be a magnificent result.

Ours is a great and noble nation. We must not give vent to despondency or skepticism. There are fine people in government and out of government and in business and out of business, and our great nation couldn't have achieved its eminence in science, business and culture without a healthy core. The surrounding corrupting tissue. will have to be removed.

BIBLE-EVINS TAX BILL FOR SMALL BUSINESS STRONGLY ADVOCATED BY NATIONAL SMALL BUSINESS ORGANIZATIONS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. EVINS of Tennessee. Mr. Speaker, the Small Business Association of New

England and other small business organizations today make an excellent presentation to members of the Select Committee on Small Business and other Members in connection with their projected legislative program for 1974.

The first priority in their recommendations was small business tax reform, and in this connection SBANE, the Independent Business Association of Wisconsin, the Smaller Manufacturers Council of Pittsburgh, Pa., and the Council of Smaller Enterprises of Cleveland, Ohio, endorsed the Bible-Evins Tax Simplification and Reform Act. This bill, H.R. 5222, was introduced by Senator ALAN BIBLE, chairman of the Senate Small Business Committee, and by myself as chairman of the House Small Business Committee.

"The Bible-Evins bill is a must for independent business", the SBANE report declared, and urged early action by the Committee on Ways and Means.

The Bible-Evins bill provides for simplification of tax laws and forms; tax benefits to encourage plowback practices; lower tax rates for small business, particularly new business and the promotion of growth of new and small firms by liberalizing first-year depreciation and increasing permissible accumulations of earnings to increase reserves; among others.

Other recommendations by the small business organizations included:

Proposals to strengthen the small business procurement programs in Federal departments and agencies, assuring small business of an equitable share of Government contract and service awards.

Amendments to the SBA loan assistance program to provide greater flexibility based on current problems and needs of small businessmen—including loan guarantees for both long-term and revolving short-term debt.

The combining of the Service Corps of Retired Executives, SCORE, with Active Corps of Executives, ACE, and directed by SBA.

Encourage growth of minority enterprises in manufacturing to broaden the base of minority participation in the economy.

These are worthwhile proposals which will be considered by our Small Business Committee and, I am sure, by the appropriate legislative committees of the House.

I commend and congratulate the leaders, officials and members of SBANE and its affiliated organizations in its Washington program for their outstanding presentation and their fine work on behalf of small businessmen throughout the Nation.

VETERANS' BENEFITS

HON. STANFORD E. PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. PARRIS. Mr. Speaker, I am frankly appalled by a situation which has developed in the House and Senate and which may well prevent some 300,000 veterans across the Nation from continuing their education after May 31 of this year. In just 9 days' time, GI educational benefits will expire for those thousands of veterans, even though they have not yet completed their education.

On February 19 of this year, the House passed H.R. 12628, which not only extended the eligibility time period for those veterans by 2 years, but also provided a much-needed 13.6 percent increase in educational benefits. I strongly supported that legislation, knowing full well the devastating impact of recent inflation on the current meager allotment granted veterans for educational purposes.

However, in the last 3 months the House and Senate have been unable to resolve their differences over the level of benefit increases, and the May 31 deadline is now perilously close at hand. As a result, the critical issue to which we must devote our immediate attention is the extension of the eligibility time period. It was precisely for this reason that on May 16, I sponsored legislation to extend that time period for 2 years; if enacted, the bill would permit the Congress to work its will concerning the increase in benefits as expeditiously as possible thereafter.

Mr. Speaker, I consider it shameful that 300,000 honored veterans of this Nation do not yet know if they will have the means to be able to register for classes after May 31. The blame for this intolerable situation can only be placed squarely on the Congress. In the strongest terms possible, I urge my colleagues in leadership positions to take action to resolve this matter now.

THE FUTURE OF THE SOUTH—REPRESENTATIVE ANDREW YOUNG

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. MOAKLEY. Mr. Speaker, it is always encouraging to see a Member of Congress who exudes the qualities of faith, sincerity, and universal concern for the American people.

Representative ANDREW YOUNG, of Georgia, provides an excellent example of this kind of legislator. His efforts in the Congress encompass a broad range of issues, a profound concern, and an intense dedication to service for the people of his district and the entire Nation.

I am heartened also by the changes in attitudes that have allowed a man like ANDY YOUNG to be elected to the House of Representatives. He was elected from a district in the Deep South which is 60 percent white, and in which only 3 years before his election he had been jailed for his work in the civil rights movement.

Recently, an article by Ian Menzies appeared in the Boston Globe, praising the work of my friend and colleague, and outlining the social changes which he has been through and worked for. I would like to share this article with my colleagues in the House, and with the American people, by inserting it into the RECORD. The article follows:

NEW BREED FROM THE NEW SOUTH

(By Ian Menzies)

ATLANTA.—Congressman Andrew Young, who is black, a reverend, and from a Georgia district which is 60 percent white, tells the story of how, following an outdoor political meeting, he suddenly found himself face to face with a huge, white, unsmiling red-neck farmer leaning against the open rear door of a light panel truck.

"It was the whole bit," says Young, "right down to the open neck shirt, straw hat and bandana and inside the truck I could see a whole rack of hunting rifles.

"This is it, I thought, the end of the line . . . Well, it comes to everyone, but I stuck out my hand anyway and said who I was.

"That red-neck farmer took my hand and said, 'Boy, I wantcha to know I'm gonna vote for YOU . . . and Lester Maddox.'

"I asked him 'why'; why Young and Maddox, who don't exactly share similar philosophies.

" 'Because,' he said, 'I want more folksy politics.' "

And by "folksy politics," the red-neck farmer didn't mean corn whiskey, promises and banjos, but people who care and understand.

Young, who is slim and boyish and looks more like 32 than 42, cares and understands.

He exudes sincerity, faith in the future, even the black-white future and speaks with the voice of reason which is why undoubtedly in 1972 he was elected the first black congressman from the Deep South since 1898.

Young is the type of man this nation needs, a man who, whether black or white, or any other color, appeals to the universal goodness of men and women; draws out the best, not the worst.

And nowhere is such a man more needed today than in Boston.

That Atlanta can send such a man to Congress speaks well for the South and for the basic truths of the civil rights movement; a greening which exists more in name than fact above the Mason-Dixon line.

Selma was only nine years ago, a March in which Young, chief aide to the late Dr. Martin Luther King, took part.

And Atlanta has looked at Young in distinctly different ways.

In 1969 it jailed him and three years later sent him to Congress, "so Atlanta can't be all bad," says Young laughingly.

Could that happen in Boston?

Young's message, which comes from his ministry as well as himself, is simple and direct; that we all must live together.

"We're beginning to realize," he feels, "that it's not a question of black and white, but good and bad and the good and bad comes in all colors.

"I see a new pluralism. This country is not a melting pot, but a stew with everyone retaining an identity."

Young remains vigorously opposed to black separation while conceding it may have been needed by young blacks to establish identity, but he feels strongly that "there can't be quality education in racial isolation."

He believes, as obviously did the red-neck farmer who endorsed him, that there are far greater issues facing this nation than differences in color and that coalitions are needed to point up these issues, coalitions which he says are coming.

Young, whose credo is the vote, has not been impressed with black voting records in Boston and as a past campaign participant has some knowledge.

He likes to point out that there are now more black elected officials in Mississippi than in any other state in the union, as well as 3000 black elected officials nationwide, which is 152 percent more than five years ago.

> Northern cities such as Boston can learn some lessons in race relations from the South, Atlanta and Congressman Young and that "folksy" rather than confrontation politics may be more effective in producing both coalitions and compromise.

A SALUTE TO SMALL BUSINESS WEEK

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. ANDERSON of Illinois. Mr. Speaker, small business plays an indispensable role in our economic and social life. Small business can be considered a tradition as old as America itself. The early history of our Nation discloses that a great many of our forefathers engaged their talents organizing and developing small businesses. To their unending credit, their efforts created a solid foundation upon which later American enterprises could flourish. To this day, that foundation provides the healthy backbone upon which America's strength and world leadership rests. In this light, it seems most appropriate that we honor the small businesses of our Nation this week.

Unfortunately, too often this traditional view of small business is all we acknowledge. We picture small business as a thing of the past, a freak of sorts among the large modern corporations. The phrase "small business" brings to mind the nostalgic paintings of Norman Rockwell, depicting a quiet, friendly storekeeper whose small shop brings him a respectable but not extravagant livelihood. This nostalgic image of small business also includes a feeling that small business as a viable economic alternative was an option open to our grandfathers and fathers, but not to ourselves.

But this is a misleading notion. A more realistic view shows that small business plays a very vigorous, substantial role in our economy. Let me present some infrequently recognized facts concerning small business.

First. Nineteen out of 20 businesses in our Nation fall under the category of small business.

Second. Small businesses employ 35 million workers or roughly 41 percent of the total civilian work force.

Third. Small business accounts for 37 percent of the GNP equivalent to $467 billion annually.

Clearly, the economic value of small business is sizable and not, as popular mythology contends, relatively unimportant.

Furthermore, the institution of small business constitutes a concrete and practical social form whereby a person can express and assert his individual creativity and talent. The free enterprise system, of which small business is a key component, offers an unlimited arena in which one can pit his individual qualities or courage, determination, and imagination against the unseeming odds of "making it alone." The freedom and opportunity possible in a small business venture cannot be overlooked or undervalued.

I think it encouraging to note that many of the minority persons of our Nation are now engaged in small business. The Census Bureau informs me that, according to their latest statistics there are approximately 321,958 minority owned businesses in the country. I believe minority owned and operated businesses are one of the most constructive rewarding and most of all, realistic channels for the minority community to achieve full participation in the economic and social life of the Nation. I can think of few other instances where the opportunity to "pull oneself up by one's own boot straps" presents itself as compellingly as in a small business undertaking. For these reasons I especially congratulate the small business owned by minority entrepreneurs.

In conclusion, I wish to express to my colleagues the importance of supporting the Committee Reform Amendments of 1974 (H.R. 988) which give the Select Committee on Small Business full recognition and legislative authority. In light of the important and continuing contribution small business makes to every facet of our national life, I believe this reorganizational change is not only just and proper, but wholly necessary.

EULOGY FOR CHARLES F. LYNCH, SR.

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. ADDABBO. Mr. Speaker, the recent passing of Charles F. Lynch, Sr., of Long Beach, N.Y., marked the end of a career of public service and community involvement which will long be remembered by the people of Queens and State of New York area. Charles Lynch served as a member of the Long Beach City Council and was a high official of both the Queens and New York State American Legion for many years.

Charles Lynch was part of a family tradition steeped in politics and public service. His father, the late Patrick Lynch, was Democratic leader of the 23d Assembly District in Brooklyn. His sister, May, served for a number of years as Long Beach deputy city clerk until her death in 1947 and his brother John is a former Brooklyn Democratic chairman.

I had the privilege of knowing Charles and his family for many years. Charles was dedicated to his work as an official of the American Legion Post in Queens working his way to Queens County commander and later State vice commander and treasurer. His work for the Legion and veterans, and his country, covered a 50-year period.

I extend my personal sympathies to the Lynch family and I feel this passing as a deep personal loss. We have been left with a marvelous record of public service and accomplishments in the best meaning of that phrase and the Lynch family reputation continues as a model for all who believe in the principles of Americanism and community service.

CLEAN AIR STANDARDS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. BROWN of California. Mr. Speaker, we have all seen the full-page ads in the national magazines and the major newspapers claiming that clean air standards cannot be met. The solution, according to the ads, is to begin wholesale strip mining in the West and postpone clean air deadlines. The reason given for not meeting the standards is that the technology for desulfurization is not available. The argument is a familiar one, normally used to defend the status quo, and I am tired of hearing it. I am also offended that such a massive expenditure of funds, undoubtedly tax deductible, are being used to propagandize the public and lobby the Congress.

The Washington Post is to be commended for pointing out the flaws in the argument against desulfurization in their editorial of May 19. They noted that one corporation that is well known for claiming that it cannot meet the technological requirements of the Clean Air Act—even though the Japanese have—in the area of auto emissions, has developed workable scrubbers. That corporation is General Motors. Meanwhile the electric power industry claims that scrubbers will not work, yet they have been spending very little on research and development to try to solve the problems they describe in full-page ads.

General Motors is not the only corporation that has developed a workable scrubber system. The Louisville Gas and Electric Co. has operated a scrubber in its Paddy's Run powerplant in Louisville for the past year, and the desulfurization system functions reliably and effectively. In 1972 an interagency task force of the Federal Government began a thorough evaluation of flue gas desulfurization systems. Their final report, issued in 1973, concluded that desulfurization is technologically feasible in the near term. To quote from an article on this subject from Science magazine of April 19, 1974, entitled "High-Sulfur Coal for Generating Electricity":

> Having examined the status of stack gas cleaning in the United States and Japan, the task force concluded that the removal of sulfur oxides from stack gases is technologically feasible in installations of commercial size, and that a large number of the nation's coal-fired steam electric plants can ultimately be fitted with commercially available stack gas cleaning systems. Of many processes considered, four wet-scrubbing systems were rated as sufficiently developed for full-scale commercial application within the next five years.

The technology can, and will be improved. The public health can and must be protected, and if the utilities maintain that this cannot be done by technology available means, then they should be told that nontechnological means must be used. If they were faced with this decision, the technology would rapidly be found. I am disappointed that American industry, which used to be considered the leader in technology in the world, now resorts to claims that they cannot do what others have shown they could do.

The Washington Post editorial follows:

[From the Washington Post, May 19, 1974]

CLEAN AIR AND THE SCRUBBER

The American Electric Power System is currently buying ads in newspapers, including this one, to argue that scrubbers don't work, won't work and can't work. Scrubbers, you remember, are chemical devices to take the sulfur out of the exhaust gases of a power plant burning high-sulfur coal. The reason for removing the sulfur oxides is that they are poisonous and, when they concentrate in the air, they kill people. The American Electric Power System, which is a chain of utilities, knows a lot about scrubbers and warns us emphatically that they are more trouble than they are worth.

That's odd. Just the other day General Motors Corporation announced that the new scrubbers on its big power plant at Parma, Ohio, had been in operation for two months and are working splendidly. There seems to be a considerable discrepancy between American Electric Power's hypothetical disaster and GM's actual experience. American Electric Power says that scrubbers would "emit tons of wet-waste sludge that would confront an ecologist with a disposal nightmare." GM says that it is actually getting an inert waste cake that it can use as land fill. American Electric Power says that scrubbers "require huge amounts of chemicals, usually lime or limestone, which then become saturated with residue." GM's scrubbers cleanse and recycle most of the chemicals. American Electric Power says that scrubbers "suitable for a sizeable coal-fired utility clog the works, and cause prolonged shut-downs." GM's scrubbers are suitable for a sizeable industrial power plant. That's perhaps one-tenth the size of the standard utility generator, but it develops 40 megawatts and the scrubbers are working quite satisfactorily.

The main difference between the two companies' views of scrubbers may conceivably be that GM has been working actively for 10 years on the purification of stack gases. To put it another way, GM told its engineers to build a system that works, while American Electric Power was busy thinking of reasons why it couldn't possibly work. Or to put it still another way, the automobile industry is accustomed to spending heavily on engineering to get what it wants. The electric power industry meanwhile, has been spending considerably less than one percent of its operating revenues on research and development.

The scrubbing process is expensive. Forcing the power companies to take the poison out of their exhaust fumes is going to mean higher power rates for consumers. But the cost is not prohibitive. The present system at GM's Parma plant has a cost equivalent to an additional $10 a ton for coal, which means an increase somewhere in the range of 40 percent. But the scrubbers permit the plant to burn cheaper coal than it otherwise could use. GM engineers note that the Parma system is an experimental prototype, and GM now has a contract with the federal Environmental Protection Agency to find ways to cut the cost. While GM continues to refine the process, American Electric Power continues to argue that it can't be done.

The sudden spate of advertisement no doubt has something to do with the fact that Congress is now revising the Clean Air Act. Some congressmen have permitted themselves to be persuaded that the oil shortage justifies loosening the laws that protect us against sulfur poisoning the air. On the contrary, the shortage justifies increased vigilance and greater emphasis on engineering. The House version of the Clean Air amendments is a dangerous retreat from present health standards. The Senate version, passed this week, is far preferable.

Since it does not like scrubbers, American Electric Power offers two other solutions. One is to desulfurize the coal before it is burned. This process, most specialists believe, lies many years in the future. It seems strange that American Electric Power should reject a technology already in operation at a big GM plant, in favor of an alternative technology that is much more distant and uncertain. The utility's other proposal is, as you perhaps expected, to "release" the low-sulfur coal under federal land in the West. The verb "release" means, of course, to strip-mine. All those citizens who favor massive strip mining of federal land will support American Electric Power. Everyone else will prefer to trust the kind of advanced industrial technology that GM is now developing at its Parma plant.

SMALL BUSINESS WEEK

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. ZWACH. Mr. Speaker, it is a very great pleasure for me to join with my many distinguished colleagues in paying a deserved tribute to small business during this week dedicated to it.

The history of small business is the history of America, it is the story of the growth, the progress, and the dependability of the American people.

From the earliest days of our history, the trader and the merchant, pushing westward, laid the foundation for what has become the world's greatest economic achievement.

I am particularly happy to pay this tribute today, because the legislation establishing the Small Business Administration of our Government, was introduced by my very good friend, the late Senator Ed Thye of Minnesota.

It was created specifically to "aid, counsel, assist, and protect the interests of small business."

Small business today provides 35 million jobs and contributes more than $476 billion annually to the gross national product.

It is the heart and soul of our agriculturally dominated Sixth Congressional District.

The achievements of the Small Business Administration in guaranteeing loans to businesses, in providing help in time of disaster, and in funding badly needed community development programs are legion.

They are a demonstration of the faith and trust of the little people upon which our Nation achieved its greatness.

SUFFOLK COUNTY'S ENERGY CONSERVATION MEASURES

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. GROVER. Mr. Speaker, last week the Regional Marine Resources Council of the Nassau-Suffolk Regional Planning Board held a seminar on energy alternatives. In his opening speech Suffolk County Executive John V. N. Klein stressed the need for strong energy conservation measures. He noted the efforts taken by Suffolk County to deal with last winter's energy crisis, and called for a number of realistic, attainable energy conservation measures at the local level. I submit for the RECORD that very fine speech.

The speech follows:

Good morning ladies and gentlemen. I am pleased to take part in this discussion on energy alternatives and the more efficient use of energy for Long Island.

At the same time I want to extend a cordial welcome to all participants in today's meeting. The Nassau-Suffolk Regional Planning Board's Marine Resources Council is to be commended for arranging a seminar on this all-important subject and I am sure, after looking at the roster of distinguished people who are on the program today, that you will have a meaningful and provocative session.

Up until about a year ago the word energy had no more than the normal meaning in my vocabulary. It was the stuff that propelled me from my bed in the morning and sent me through my day as Suffolk County Executive.

But for the past year, ever since our Federal Government dropped the energy crisis bombshell on us, no subject has been more on my desk and higher on my priority list of problems than this one. In fact, toward the latter part of last year, we were receiving so many calls and letters from residents during the gas and heating oil shortage that I set up a special Energy Crisis Coordinator's Office for citizens requiring energy information or action. And call they have at the rate of 500 a month. I assure you that our Energy Office is going to continue to function indefinitely.

I assure you too that in a County like ours, the fastest growing County in New York State, 86 miles long, with 1,250,000 residents, 680,000 registered motor vehicles, and 11,000 employees, we lost no time in going into action on the subject of energy conservation.

Starting from the inside out we issued a series of energy-conserving directives to all 52 of our departments on a wide variety of matters. We ordered our police to crack down on speeders exceeding the 55 miles per hour limit. We ordered thermostats in all County buildings lowered ordered that hot-water temperature and boiler temperature in all County buildings be cut down at least 10-degrees. We asked that hall and lobby lights be turned off during daylight hours. We asked maintenance men to turn off lights, office by office each night. We directed all department heads to devise County employee carpooling schedules. We currently have 2,200 employees involved in this method of getting to and from work. We also pressed County cars into service for pick-up of employees in the morning and return at night.

We also appealed to our citizens and urged their cooperation on reducing the use of energy and I must say that they have responded beautifully. In fact last September Nassau County Executive Ralph Caso and I issued proclamations establishing a Nassau-Suffolk Energy Conservation Month. And we have never let up on that theme since.

In discussions with our Buildings & Grounds Department we have emphasized the importance of planning, energy-conserving architecture in the future. For example, designing insulation into buildings so as to conserve heat and allow it to be retained and recirculated. Setting up the means of recapturing heat, such as that generated by a data processing operation, so as to heat other parts of the building. Placing lighting controls in a central location so lights can easily be turned off. There is no longer any excuse for constructing buildings whose windows do not open, whose lighting systems are inefficient, or whose workers require the use of air-conditioning in summer for survival.

We have also continually urged energy conservation measures for our citizens in their homes. I have called for a minimum standard to be set for efficiency in home heating installations and a County program of inspection of heating burner efficiency similar to the meter reading programs of the Suffolk County Water Authority.

I have expressed my views, too, to the Public Service Commission and to the Long Island Lighting Company on behalf of our heavily burdened, energy-consuming citizens. The Public Service Commission would do a great public service by requiring state utilities to change their rate structures. Currently the more electricity used, the lower the rates. Thus the biggest users of electricity pay at the lowest rates. In most parts of the country, electric use is about 70 percent industrial and 30 percent residential. Here on Long Island it is divided about 50–50. A change in the rate structure to favor the small user would be a boom to the homeowner. I have also expressed my opposition to the practice of a utility like the Long Island Lighting Company conducting an advertising campaign promoting the sale of electrical energy at a time like this when we have low availability and high costs.

The automobile is one of our big energy bugaboos in Suffolk. Sprawled out over an area of 920 square miles, we are heavily dependent on cars. In fact literally the only means of transportation for 98% of the population of Suffolk County is the automobile. And 83% of our working breadwinners rely solely and exclusively on private automobiles to get to their place of work. Naturally this represents a large chunk of energy use. On a national level vehicles account for 24 percent of energy consumption.

But our need is not for more roads. The answer lies in attractive, efficient commuter transportation on and off Long Island as well as within the bi-county area. Our mass transit should include a mix of commuter buses and trains, as well as large, high-speed ferries. While Suffolk is willing to plan and aid such facilities—for example we pay operating and station maintenance subsidies to the Long Island Railroad and expect to provide $6 million for improving the roadbed in Suffolk—no single municipality has the resources to effect such a sweeping mass transit plan. Massive Federal and state aid is imperative.

Also on the subject of cutting down on auto usage I have recommended that study be given to requiring builders of large residential developments to provide, or arrange for, transportation to local shopping centers, and requiring the builders of shopping centers to consider providing transportation to local communities.

We are constantly alert to energy-conserving methods and alternatives. We are currently watching with great interest studies now going on at Brookhaven National Laboratory on the subject of solar energy. Solar power has the advantage of not using fossil fuels that nature took millions of years to create. While not feasible yet on a large scale, solar power is becoming feasible for providing heating or cooling to individual homes. Even during a cold Long Island winter solar heating seems possible and we are watching technological progress in this development.

More esoteric forms of energy, such as large-scale use of offshore windmills are now being studied by the Grumman Corporation.

Also, construction of Long Island Lighting Company's 800-megawatt nuclear power plant currently is underway in Shoreham and the plant is expected to begin operation in the Spring of 1977. The company has also applied for a permit to build two other nuclear plants. While I am admittedly a layman in terms of the scientific aspects it has become evident to me that the use of atomic energy for power generation, from an environmental standpoint, is significantly less offensive than the continued use of fossil fuels.

One alternative to the energy shortage that neither County Executive Caso nor I will countenance is offshore drilling. I have continually expressed great skepticism that offshore oil drilling could take place without irreparable harm to our ecology, economy and the way of life on Long Island. In fact the Federal Council on Environmental Quality confirmed in a 600-page report recently that oil drilling in waters just south of Long Island would be riskier than in most other areas in the Atlantic Ocean. Mr. Caso and I intend to rally every legal and scientific resource in the bi-county area in a coordinated fight against offshore drilling off our shores.

The battle for the conservation of energy will, in my opinion, go on into the foreseeable future. There is one happy note in our constant struggle to conserve it. Energy conservation is good environmental protection, too. Virtually anything that reduces energy use will result in a reduction ultimately of pollution.

Thank you for permitting me to speak briefly to you on this very important subject this morning. I am sure the exchange of ideas will be of benefit in our endeavor to hold the line on the use of vitally-needed energy and in finding other promising non-pollution sources.

TRIBUTE TO THE LATE CONGRESSMAN CHESTER A. MERROW

HON. WILBUR D. MILLS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. MILLS. Mr. Speaker, it was with profound sadness that we noted the recent passing away of a distinguished former colleague, the Honorable Chester E. Merrow of New Hampshire.

Chester Merrow was originally elected to the 78th Congress, and his distinguished service in this House extended through the 87th Congress. He retired from the House in 1963.

It was my privilege to know and respect Chester Merrow during his 20 years of distinguished service here in the House, both for his intellect and his dedication to this country. He will be long remembered for his many contributions and devoted service to his district, to New Hampshire, and to the Nation.

We all mourn the passing of Chester Merrow, and I join his many friends in the House in expressions of tribute to this highly esteemed from Member from New Hampshire.

NO-FAULT INSURANCE

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. FROEHLICH. Mr. Speaker, I would like to commend to the attention of my colleagues an editorial which appeared in the Friday, May 17 issue of the Star-News on the subject of no-fault insurance. Mr. Kilpatrick makes a compelling case, with which I totally agree, on the need to defeat national no-fault insurance legislation, and allow the states to retain their jurisdiction in this area. The article follows:

THE CHIEF FAULT IN NO-FAULT

The Senate voted 53–42 on May 1 to establish a national system of "no-fault" automobile insurance. In its present form the bill is a bad bill—bad in principle and doubtful on its merits. The House would be well-advised to amend the measure drastically or to kill the bill and start over.

The general idea of no-fault insurance, as most motorists are now aware, is that the system substantially eliminates the concept of personal responsibility for automobile accidents. An injured person collects from his own insurer. In the great bulk of cases, it makes no difference who was at fault. In the view of Utah's Sen. Frank Moss, one of the principal sponsors of the Senate bill, the system treats victims "humanely and fairly." The plan would bring motorists "a more valuable product at lesser cost."

The concept itself may have some merit. There is no denying that a large part of a motorist's liability insurance premiums must be channeled into legal fees. It seems at least plausible that the no-fault system, by eliminating most of this expense, should produce lower premium costs.

Yet it is far from certain that lower costs to the consumer actually would result from the Senate bill. Experts differ. One analysis cited by Senate opponents indicates that consumers in 44 states would experience an increase in costs. This same analysis suggests that truckers, rental vehicle owners, and fleet operators would benefit at the expense of private motorists.

These arguments on the merits may obscure much greater objections. Under the Sentae bill, the state would be virtually compelled to adopt and to administer a single, uniform national system of no-fault insurance. Except in the most serious accidents, involving death or permanent disfigurement, the right to sue would be effectively abolished.

The effect of the Senate bill would be further to destroy the ancient and respectable concept of federalism. This concept, embedded in our Constitution, has two purposes. The first is to prevent the growth of excessive power in the federal government; the second is to permit the states to function as individual laboratories of social and political experiment.

Under the Senate bill, the states would be reduced to mere lackeys of the U.S. Department of Transportation. For all practical purposes their auto insurance laws would be written in Washington.

The experimental work now being done in 21 states would be nullified. Everything would yield to the superior wisdom of the United States Congress.

It is instructive to glance at the several state laws already in operation. Massachusetts has been working for more than three years with an act providing up to $2,000 in benefits to an accident victim. Delaware's law provides up to $10,000 per person. In Florida the figure is $5,000. Maryland says $2,500. New Jersey and Michigan permit unlimited benefits. New York provides $50,000.

The states have widely varying "threshold" provisions, fixing the point below which damage suits are forbidden.

In my own view, at least, this is the way to proceed with so complex and uncertain a program: Let the states experiment. In another four or five years, a body of data should be available on which informed opinion can be based.

It is entirely conceivable that some features of no-fault now being tested in Hawaii, or Nevada, or Colorado, or Georgia, will be found superior to the untested provisions that the Senate bill simultaneously would fasten upon the entire nation.

Suppose the Senate bill proves unworkable or wrong? One is reminded of Cromwell's letter to leaders of the Church of Scotland: "I beseech you, in the bowels of Christ, think it possible you may be mistaken!"

Congress doubtless has power, under the Commerce Clause, to adopt a federal no-fault system that would be federally administered. The power ought not to be invoked.

So long as the states are free to get their own way, error may be confined and success may be emulated. That is the way our structure of government was planned. We ought not needlessly to tear it apart.

ARMED SERVICES AUTHORIZATION

HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. VEYSEY. Mr. Speaker, in the preparation of this bill the committee sought to achieve balance between economy and adequate security. As the milieu of world politics has shifted, so have our national priorities. Spending for human welfare programs has increased proportionately more than defense spending. The percentage of the Federal budget earmarked for defense spending has actually declined from 59.9 percent in 1953 to an estimated 29 percent in 1974. Meanwhile, the Russians have continued to increase their appropriations for military purposes.

Competing forces in the political arena quickly adjust to fill a power vacuum, and if we fail to maintain a strong defense posture we may invite other nations to take advantage of our weaknesses.

We face a crucial challenge to balance the budget in order to restrain the forces of inflation. All Government spending is inflationary but defense spending has not been the primary cause for the huge increases in the Federal budget. During the last 10 years domestic spending has increased almost four times as much as military spending. The need to balance the budget and to control inflation should not be accepted as adequate rationale for undermining our military preparedness.

I was chagrined to learn of the Air Force plan to reduce the number of Air National Guard flying units. The defense duties of 14 of these units will be reassigned to regular Air Force units and the ANG units will be deactivated if the Air Force plan is implemented.

The effect of the deactivation of these units on the total defense effort is amply illustrated by a review of the Ontario, Calif., ANG unit. This group has a complement of 21 F-102 fighters supported by 717 Guard personnel and 220 full-time staff technicians. Their primary responsibility is to fly air-defense missions over the southern California coastal area.

The Air Force plan calls for this unit to be replaced by a pair of F-106 fighters and 101 active-duty personnel to carry out the same defense mission. This would provide less defense at higher cost.

The part-time soldier has been a healthy tradition in American military history, and in every national emergency, the Guardsmen and Reservists have responded patriotically, at great personal sacrifice, to meet the need.

This defense-authorization bill reiterates this confidence in the ANG. The minimum number of ANG flying units is established at 91, thus protecting the role of the ANG. In addition, 24 model A-7D fighters are being authorized exclusively for the use of the ANG. This will give them new equipment comparable to that used by regular Air Force personnel.

Approval of this authorization will mean nationwide that the services of 11,726 highly skilled men will not be lost. In addition, we avoid an adverse effect on morale and on the ANG recruiting program. This authorization is vital to the air-defense system, and I commend the committee for including it in the bill. I am happy to have been able to bring the focus of the thinking of the California congressional delegation to bear on this decision.

In an effort to trim defense spending, the committee reduced the authorization for the Phalanx close-in weapon system by $20 million. I submit that this is an unwise reduction. The Phalanx has the capability to provide Navy vessels with a last-ditch defense against incoming cruise missiles. The Phalanx is currently in the testing and evaluation stage, but we need production of this system at the earliest possible time. There is no substitute defense in sight.

Contrary to some widely publicized comments by some of my colleagues, the Phalanx scored lethal hits in 11 out of 12 firings in shipboard tests against moving targets simulating cruise missiles. The Naval Ordinance Systems Command has indicated satisfaction with the test program and has expressed confidence that the Phalanx system will satisfactorily progress through the final testing and evaluation procedures.

The $32.1 million requested by the Navy for this program will permit the development of the Phalanx to continue on schedule and we are unwise to slow the development. We have not kept pace with the Communist bloc in the building of a fleet; therefore, it is mandatory for us to provide the necessary armament to protect ships at sea as well as the lives of naval personnel.

I urge the House to restore these funds so the testing and evaluation of the Phalanx can continue on schedule.

CHANGE IN THE TAX SCHEDULE WILL SLOW INFLATION

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. PRICE of Texas. Mr. Speaker, as every American consumer knows, inflation is one of the most serious problems we are facing today, in fact, I believe that it is the most pressing matter before the Congress today and we must focus our attention on a new approach to stabilize our economy. I am, therefore, introducing legislation today entitled the "Cost of Living Adjustment Act" which would require among other provisions, that the personal exemption, low-income allowance, standard deduction and the limits of the tax brackets be adjusted each year for the rate of inflation during that year.

Today, a large percentage of the wages paid to American workers are tied to the cost-of-living index. Because of this, as a workers' salary is increased because of inflation, his taxes are also increased because he is pushed into a higher tax bracket. Consequently, he is forced to pay a higher proportion of his income in taxes. Without any increase in his purchasing power, the worker finds himself paying more taxes to Uncle Sam.

This hidden tax allows the Federal Government to increase its tax base without legislation authorizing a tax increase. My legislation would stop this practice and require the Congress to face up to actually voting on a tax increase. Such action, if taken over a period of years, will force Government spending down and act as an automatic brake on inflation.

This legislation would return fiscal responsibility to the Congress as those with new programs for spending large sums of money will, for a change, have to consider where the money will come from. As Congress would undoubtedly have to face up to a responsibility of publicly voting a tax increase to support new programs, new programs would have to be both sound and have broad-based support in the electorate. As one might well imagine, it would be next to impossible to get some of the wasteful spending programs which we have witnessed breeze through Congress in the past under the leadership of the liberal majority in Congress get through after the enactment of my legislation. The Christmas tree-type legislation which promises something for everyone without serious consideration for the source of the funds to pay for the program would come to a grinding halt.

Our existing tax schedule simply does not reflect economic reality in an inflationary situation. The taxpayer should not be subjected to the continued increases in his income tax while his purchasing power is not increased. This legislation would allow our tax schedule to be flexible by adjusting to the constant changes in economic life brought on by inflation.

The obvious inequities of this hidden tax increase has led several countries to introduce adjustments for inflation in their own tax systems. These countries include Chile, Denmark, Brazil and most recently Canada this year. According to this legislation, the adjustments would be made by the Internal Revenue Service in the tax tables and not by the individual taxpayer.

The Congress recently abandoned a system of wage and price controls—a move which I supported wholeheartedly—and must now look for a real solution to the economic situation which we are experiencing. Even the most ardent defenders of wage and price controls have conceded that we must now aim straight at the heart of the disease and stop attempting to cover-up the symptoms. This legislation is the beginning of the road to establish a realistic economic policy. This bill should simultaneously promote equity, accountability and sensible economic policy.

HON. TIM LEE CARTER DELIVERS COMMENCEMENT ADDRESS

HON. JACK EDWARDS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. EDWARDS of Alabama. Mr. Speaker, last weekend our distinguished colleague from Kentucky, Tim Lee Carter, was awarded an honorary doctor of science degree from Union College in Barbourville, Ky. Dr. Carter delivered the commencement address on that occasion to the college's graduating class.

Congressman Carter's thoughtful remarks are worthy of close consideration by every Member of Congress, and I therefore submit the text of his excellent address for inclusion in the Record:

Commencement Address

President Miller, Faculty, Graduates, Guests, Ladies and Gentlemen: It is a deep honor for me to be here today, and I appreciate so much the opportunity to be with you on this important day in your lives.

On this occasion, I have to say that there have been only a few other times in my life when I have felt as honored as I do now. Probably one of those times was when the citizens of our district elected me to represent them in Congress. I knew that there would be times of difficulty, but, basically, I felt good about the challenge and the responsibility.

Abraham Lincoln once served in Congress, and I recall many stories which reflect his own courage and determination in undertaking his responsibilities. In 1846, during a campaign for Congress, Lincoln attended a preaching service of Peter Cartwright's. Cartwright called on all those desiring to go to heaven to stand up. All arose except Lincoln. Then he asked all to rise who did not want to go to hell. Lincoln still remained seated. Cartwright then said, "I am surprised to see Abe Lincoln sitting back there unmoved by these appeals. If Mr. Lincoln does not want to go to heaven and does not want to go to hell, perhaps he will tell us where he does want to go."

Lincoln slowly arose and replied, "I'm going to Congress."

As we all know, not only did he go to Congress and to the Presidency, but he went directly to the heart of great leadership and devotion to duty.

My friends, today the challenge and the responsibility belong to you. If I were to give you a bit of advice about the way you should meet the problems of tomorrow, I would feel confident in repeating Lincoln's own statement: "Let us have faith that right makes might, and in that faith let us to the end dare to do our duty as we understand it."

I believe that if we apply these words to our own lives and always work for that which we believe to be right, a great many conflicts will fall naturally into proper perspective—and solutions will be more readily forthcoming.

As graduates of this fine institution, you must keep in mind that regardless of the careers you choose, there will be no way to avoid problems—some insignificant; some difficult. There is also another certainty—you must move toward a greater recognition and a more realistic understanding of the problems of your fellow human beings.

Our tiny rock in the Universe is becoming smaller—at a rate almost beyond comprehension. The problems of one easily and quickly become the burdens of another. Crises are shared and their effects are far-reaching.

We can never pretend to have all the answers, but we must never pretend with the answers that we do have. We cannot afford to turn our heads from the responsibility of actively seeking creative and appropriate solutions to the conflicts of mankind.

Yes, my friends, troubles surround us. But I ask you, have we forgotten what is right with our nation and our world? Have we become so preoccupied with the negative that the positive is no longer visible?

Our nation and our people have survived and advanced through times of hardship and times of glory. One thing is certain—it all adds up to a truly remarkable heritage. I submit that to cast this aside at this point would be irreparably damaging to the world, as well as to the United States.

Let us not lose sight of what is basically good and right with America.

(1) In World War I, we saved the world for democracy.

(2) In World War II, we saved Europe, and afterward, we helped to rebuild France, Germany, Russia, England, and Japan.

(3) The long arm of Uncle Sam has always been extended to nations in distress—Nicaragua, Chile, Peru, Swaziland, and Bangladesh, to name only a few. Yet, I ask you, how often have other nations offered assistance to us? How many nations even offered so much as a letter of condolence when massive tornado storms recently ravaged the heart of America?

Yes, we have much to be thankful for; and if we examine recent years, we can clearly see the progress that has been made—

(1) an end to our participation in the war in Vietnam,

(2) substantially improved relations with the People's Republic of China,

(3) detente with the Soviet Union,

(4) improvement of conditions in the Middle East,

(5) better social and health programs,

(6) jobs,

(7) hospitals,

(8) vocational schools,

(9) roads and parks,

(10) pure water and sewage treatment systems, and

(11) increases in social security benefits and veterans compensation pension.

I say to you that the time has come to accent the positive and count our many blessings. For far too long we have been flooded with reports about what is wrong with America.

If we do not now build on the positive, we will not witness a strong and stable United States in the years to come. Certainly, the burden of building on the positive and constructing a better tomorrow rests on your shoulders more than ever before. I hope that you will accept the responsibility with determination and sincere dedication.

To those who would attempt to undermine our nation's progress and destroy the many sound principles upon which we have flourished, I would like to respond with lines from *The Prophet*, by Kahlil Gibran.

"Oftentimes have I heard you speak of one who commits a wrong as though he were not one of you, but a stranger unto you and an intruder upon your world.

"But I say that even as the holy and the righteous cannot rise beyond the highest which is in each of you, so the wicked and the weak cannot fall lower than the lowest which is in you also.

"And as a single leaf turns not yellow but with the silent knowledge of the whole tree, so the wrong-doer cannot do wrong without the hidden will of you all.

"Like a procession you walk together toward your God-self.

"You are the way and the wayfarers.

"And when one of you falls down, he falls for those behind him, a caution against the stumbling stone."

To continue, let me add this:

"The murdered is not unaccountable for his own murder.

"And the robbed is not blameless in being robbed.

"The righteous is not innocent of the deeds of the wicked.

"And the white-handed is not clean in the doings of the felon.

"Yea, the guilty is oftentimes the victim of the injured.

"And still more often the condemned is the burden bearer for the guiltless and the unblamed.

"You cannot separate the just from the unjust and the good from the wicked;

"For they stand before the face of the sun even as the black thread and the white are woven together.

"And when the black thread breaks, the weaver shall look into the whole cloth, and he shall examine the loom also".

My friends, these words hold significant meaning for us in these difficult times. With current widespread concern about Watergate and impeachment, I submit that our decisions must be based solely on reason, sound judgment and common sense. Only by such a path can we proceed with justice and fairness.

Your task is clear. Energy, health, world peace, domestic stability—all these areas deserve and need your attention. Do not attempt to single-handedly save the world, but neither sit by the wayside. Choose your avenue of participation, and become involved with all your heart.

If we fail in this effort, we shall succeed in bringing about desolation and decay. But if we succeed in this effort, we shall not fail to bring about a rebirth of spirit and progress in the world.

So, to each to you, the ones who will determine our nation's future, I say—

Good wishes, good wishes,
Your life is your own;
But may it be one
That deeply enriches
The lives of all others,
And not yours alone.

THE IMPEACHMENT DILEMMA

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. GROSS. Mr. Speaker, in all the white heat of publicity concerning the Watergate affair, it is to be expected that emotions would overcome reason in some instances, that evaluations would be made and conclusions not only reached but stated publicly before all the evidence has been heard.

It goes without saying that those of us in Congress who may be called upon to sit in judgment of the President of the United States should do so with open minds, no less so than if we were members of a jury in any court in this land.

In its issue of May 21, 1974, the Wall Street Journal carried a sober and thoughtful editorial on this subject that I commend not only to the members of the House Judiciary Committee, but to all Members of Congress and to every American.

I include it for insertion in the RECORD at this point:

THE IMPEACHMENT DILEMMA

With the impeachment hearings about to go public, we look in vain for a way out of the current national dilemma. In fact, we are left with the gloomy thought that perhaps the best remaining outcome would be if the Rodino staff comes up with an irrefutable case. That would be tough on Mr. Nixon, but at least the nation could in good conscience unite on an obvious course of action.

Admittedly we come to this gloomy conclusion after wrestling with the personal dilemma of what to say at this stage of the proceedings. We are in no mood to defend Richard Nixon as the man who ought to be President of the United States. But neither do we see any good grounds on which to recommend his impeachment. We suspect that we share this dilemma with a good many citizens, including no few of the lawmakers who will eventually decide the President's future.

The conversations in those Oval Office transcripts reveal a pettiness and narrowness about the President and his closest associates. In an odd way it is a testimony to the system; Madison always told us it was designed to work not because of noble men but despite base men. And in a programmatic sense, Mr. Nixon's presidency has been something of a success despite the approach the tapes reveal.

Still, there is such a thing as moral leadership, Teddy Roosevelt's "bully pulpit." This is what Mr. Nixon has sacrificed for once and all. His problem is not simply having allowed a peek into the private recesss of the White House. If the same tapes had been released a year ago, the nation could have concluded that the President came within an ace of really blowing one, but in the end he did the right thing. Instead, the tapes have been released after a year of Watergate speeches that were perhaps accurate in detail but were smotheringly sanctimonious in tone. It is the contrast between the public and the private, between the seamy conversations and the sanctimonious postures, that have robbed Mr. Nixon of both his moral leadership and his remaining defenders.

There are of course political systems where the loss of moral leadership provides ample grounds for removing a chief executive. Our Founding Fathers insisted instead on "high crimes or misdemeanors," and while the meaning of that phrase can be debated, surely it means some offense that is both specific and serious. What's more, the Founding Fathers made impeachment deliberately difficult, fearing that otherwise it might become the instrument of passing passions. So far history seems to have vindicated this fear; the one presidential impeachment has generally been regarded an abuse, and some of the few judicial ones were as well.

Perhaps the Founding Fathers were simply old-fashioned in their fear of passing passions, in their willingness to restrict the democratic principle by forcing it through rigid institutions. Perhaps we should forget such institutions as fixed terms, and simply govern ourselves by submitting all important questions to the Gallup Poll. But the system under which we live has been functioning now for nearly two centuries, longer than any other political system in the world today. Perhaps the Founding Fathers were wise to design institutions that enhanced a stable government.

As we look out over the world today, indeed, it seems to us that stability is a larger problem than ever. In Germany Chancellor Brandt was forced to resign. For the first time in many years Great Britain is ruled by a minority government. France has a new leader with narrower support than ever. In Canada, all of Prime Minister Trudeau's glamour could not save his government. Israel, Iceland and others have unprecedented leadership crises. And of course, in the United States we are apparently witnessing the destruction of the third President in succession.

It seems that the modern environment is an acid that attacks democratic leaders. The pace of life is so fast, societies are so complex, interdependencies are so wide-ranging, communication is so fast, that any problem or dislocation is likely to divide and inflame the public. In such a hectic and impatient age, political leaders cannot build enduring support; they are bound to fall victim to one passing crisis or another.

It would be a mistake to underestimate this air of perpetual crisis. For the inability of democratic governments to govern creates the greatest danger of authoritarianism in the world today. Already the economic success of the Brazilian junta has attracted notice in the many parts of the world where democracy is not taken as self-evidently the form of government most appropriate to human nature. Or as Alexander Solzhenitsyn warned in his famous Nobel lecture, "As seen from the outside, the amplitude of the tossing of Western society is approaching the point beyond which the system becomes unstable and must fall."

The opposite and more fashionable specter of authoritarianism, we know, is the most frequently used argument for impeachment on expansive grounds. This vision sees a rapacious presidency spreading across the political landscape, finally going beyond legitimate instruments of power and into illegitimate ones. Thus the danger of totalitarianism lies in a proliferation of Gordon Liddys, the argument goes, and even if there are no further grounds we must impeach Richard Nixon to bring the presidency back in line.

It is of course entirely healthy to have an uproar about wiretapping, shady money-raising and the rest. It's quite true that Congress, mostly through its own lack of responsibility, has lost ground to the presidency. Yet a daring leap is made from these truths to impeachment, commonly by men who have devoted their lives to handling and celebrating a powerful presidency. In those terms, the argument could scarcely be more profoundly wrong.

It is simply not true, first of all, that the American presidency is exceptionally powerful in comparison with the executives of other democratic governments. The President does of course enjoy the pomp of a head of state, and the protection of a fixed term. It's true that once a Watergate exploded, the heads of most democratic systems would have promptly fallen from office. But would it ever have exploded? In few other systems is a Sam Ervin or Archibald Cox even conceivable. Most executives have far greater control, including day-to-day dominance over their legislative branches. The President of the United States cannot get the school milk program out of the federal budget and we hear talk of the need to curb his overweening power.

More specifically about Watergate, in reading those Oval Office conversations we have anything but the impression of men who dominated the political landscape. Surely they did not talk as if they controlled Congress, or the judiciary, or the press, or even the Justice Department or FBI or CIA. Rather, the total impression was of insecure and frightened men, beseiged by hostile forces, trying to manage the situation by ekeing out marginal advantages.

When we look to the origin of the Watergate crimes, similarly, we see something nearly opposite to an insatiable greed for presidential power. We see an erosion of the normal social controls that allow governments to function, the erosion of the kind of unenforced authority that would keep government officials from massively leaking official papers, or would keep generally virtuous citizens from thronging the streets trying to take control of foreign policy from duly elected leaders. The origins of the "plumbers," and of much of the White House mentality, lie in an ever more desperate attempt to compensate for this erosion, finally and of course all too easily slipping over the border of the illegitimate. And with that blunder, the Nixon administration gave fatal ammunition to those who had long since tried to discredit it, some of whom even long before Watergate talked of impeaching the President.

Thus the Watergate crisis very much blends in our minds with the general crisis of Western governments, and it is this that creates the impeachment dilemma. On the one hand, impeachment would be a victory, and a most disturbing precedent, for those who thronged the streets seeking to overturn an election, and even worse for the acid spirit that corrodes the stability of the democracies. On the other hand, the President has clearly forfeited his moral leadership, and may have committed more specific offenses against nothing less than the administration of justice.

The only refuge we can find is that of due process, that eternal friend of justice and eternal foe of undue passion. It is entirely conceivable that we may have at hand one of those genuinely exceptional cases when the long-slumbering weapon of impeachment should be invoked. But given the spirit of the age, it seems to us that such a conclusion should be resisted until the whole process has run, until the charge has been framed, the evidence presented, the defense heard, and a constitutional debate held on the meaning of the phrase "high crimes and misdemeanors."

Above all, the process should be free of the taint of changing rules in the middle of the game, of impeaching Mr. Nixon on grounds that would not have been applied to his recent predecessors. For if the rules can be changed for Mr. Nixon they can be changed again when his successors meet their own corrosive crises. Larger things hang in the balance, and whether the President goes or stays is less important than insuring that if he is ultimately impeached and convicted the nation understands precisely why.

WORLD TRADE WEEK

HON. HERMAN T. SCHNEEBELI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. SCHNEEBELI. Mr. Speaker, we are in the midst of World Trade Week, which was proclaimed from May 19 through May 25. Therefore, it seems appropriate at this time for the House to take stock of achievements as well as uncompleted tasks in the very important area of international exchange.

In that connection, I place in the RECORD at this point an excellent speech delivered earlier this week before members of the National Press Club by the Honorable Frederick B. Dent, Secretary of Commerce:

ADDRESS BY SECRETARY OF COMMERCE FREDERICK B. DENT

Your invitation coincides with the Presidential proclamation of this as World Trade Week.

This coincidence gives me the opportunity to speak of one of the great successes of the Nixon years as well as of one of today's most pressing national problem.

President Nixon's record in the area of world trade, with its implications for world peace, for our own economic well-being and economic expansion is a major reason I believe the President's leadership is a valuable and positive component of the state of our union today.

Rarely does the world's history produce unique leadership. I believe that despite the turmoil of today, history will identify the current President of the United States as one who has the capacity to shape destiny and who has done so to the eternal benefit of all mankind. The strength he has displayed in the face of the current ordeal is but one measure of the character of this man and the quality of his leadership.

I came to Washington to join the President's Cabinet more than 15 months ago because of my admiration for him and for the accomplishments of his first term in office. My experience in Washington has increased my belief in his extraordinary grasp of world affairs, his understanding of our own economy and of its relationship to the world economy.

Consider the tremendous expansion of our international trade. The 1968 level of $67.3 billion has exploded to the current level of $180 billion . . . Our current rate of exports, $89 billion, is well in excess of the combined exports and imports of 1968.

Noteworthy in this regard also our agricultural exports have gone from $6 billion to an estimated $20 billion this year. This has permitted the unleashing of our agricultural productive capacity, the scaling back of subsidy payments, the reversal of our policy to reduce planted acreage and the costly carrying of surplus commodities at taxpayer expense.

Of course, the turning on of our farm economy has penetrating ramifications in the agricultural machinery, agri-chemical, fertilizer, agricultural transportation, financing and distribution industries.

This revolution in U.S. international trade did not just happen. It was caused by Presidential leadership. Our exporting efforts had been stymied by an overvalued dollar. Investment consequently had been forced offshore. American labor and products were uncompetitive.

To reverse this untimely and unfortunate situation the President early in his first term founded the Council on International Economic Policy headed by Peter Peterson. As you will recall, one of the initial accomplishments of their analysis of our international trade position was the program announced on August 15, 1971 designed to restore American competitiveness in world markets.

The effective, courageous action taken that fateful day involved:

1. An import surcharge averaging 10 percent which remained in effect until the December Smithsonian Agreement.
2. Our gold window was closed, in essence, de-valuing and floating the dollar.
3. Legislative passage of the DISC—Domestic International Sales Corporation—was requested and enactment came three months later.
4. The seven percent investment tax credit was restored to increase United States production to provide for expanded sales both at home and abroad.

The results are clear, as I have already mentioned, and thousands of U.S. jobs have been created. Additionally our more competitive international position is now attracting heavy foreign investment as well.

One of the President's more important initiatives in this regard was to provide the leadership for initiating the multi-lateral trade negotiations which began among GATT members in Tokyo last September.

They have proceeded reasonably well on schedule since then, and it is anticipated that the serious negotiations will begin later this year and continue through 1975.

Our objective is to free up world markets on a fair and equitable basis to provide increased sales opportunities for business, to broaden the choices available to consumers, and to stimulate new jobs both at home and abroad.

Since the beginning of the talks, a new issue has surfaced which we believe should be discussed in a multi-lateral forum for the first time, namely the rights of purchasing nations to access to supplies in foreign markets.

We believe that the enunciation of broad principles on this subject would be a good start and that progress beyond would depend upon the consensus developed in the negotiations.

The continued participation of the United States in these talks is dependent entirely upon successful enactment of the Trade Reform Act of 1973 which passed the House of Representatives last year and is now the pending business before the Senate Finance Committee.

Passage of this legislation is essential, because no President of the United States has had the authority to negotiate internationally in trade matters since 1967 when such authority expired . . . The economic issues involved are clear and the opportunities for American job enhancement are great.

I myself am deeply concerned over what failure to pass this legislation might do to our nation's position as the leader of the free world . . . If we have to withdraw ignominiously from the negotiations because of the President's inability to obtain legislated authority to conclude the negotiations. I am concerned that such a withdrawal might undermine the credibility of our Nation's other international political, military and economic commitments.

It is, in my judgment, one of the most serious issues before the Nation today . . . As we survey the free world in which I am told that only one chief of State in Western Europe today was in office a year ago—Luxemburg—America's leadership is more necessary that ever before . . . We most assuredly run great risks if we allow developments which would undermine our leadership in world affairs on the one hand, and which on the other hand, would give encouragement to those wherever they may be who would be tempted by irresoluteness and instability in the free world.

If this legislation is so important, why does it languish at the moment at least in uncertainty? First of all, I believe that its importance is unappreciated. Few have grasped the implications which its failure to pass would cast upon our position in the world and upon the economic opportunities it presages for all economics.

Secondly, of course, is the issue of the Jackson-Vanik Amendment which has interjected the question of Soviet emigration policy into the President's request for authority to grant Most Favored Nation status to countries now trading with us on a discriminatory basis.

With regard to the emigration issue, let us recognize the tremendous progress which has been made largely because President Nixon's policy has developed a mutuality of interest between our country and the Soviet Union, as well as opening a channel of communication between the leaders of these nations . . . From a rate of 400 per year in 1969, Jewish emigration from the Soviet Union expanded to a rate of 35 thousand last year.

In my judgment, the efforts of those who have surfaced the emigration policy question have also played a part in the figures I have just noted. Yet, it is imperative to recognize that total success of their effort would destroy the leverage presently available to them while simultaneously damaging the communications channel opened by detente.

If, on the other hand, we preserve a mutuality of interest, the opportunity for communication and progress remains.

There are also many who believe that cutting off trade with the Soviets will deny them the benefits of our products . . . Let's face reality. Our Western European and Japanese trading partners all provide the USSR MFN treatment and government related credit. U.S. affiliates in these countries can sell to the USSR to the benefit of stockholders and management. The only losers are the men and women working in U.S. plants who are denied the opportunity to provide the job content of the products.

Internationally we enjoy about 20% of the world's non-agricultural exports. With the Socialist countries our penetration last year was only 4.4% yet I assure you from the experience of 2 trips to a number of these countries that the will to trade with us is there—but it must be on a non-discriminatory basis.

Last year our 2-way trade with the Socialist countries totaled $3.1 billion as compared with our overall trade of $140 billion. More significantly, however, our trade surplus with the East was $1.9 billion as compared with $1.7 billion overall.

The issue of credits for the Socialist countries is also raised. Let's make several points especially clear—credits are granted by all our competitive trading partners of Western Europe and Japan. Secondly, the Soviet credit record is good. Thirdly, the credits issued by the U.S. are small compared with our other Western trading partners. As of last October the official export credits to 3 Eastern European countries by France, Germany, Italy, the U.K. and Japan totaled $8.9 billion compared with $600 million from us. Our credit commitments were relatively small as well.

In discussing East-West trade, let me hasten to do so in the context of full support of our policy of limitation of exports of strategic materials, products and technology as agreed to by the 15 nations that have banned together in the Co-ordinating Committee for this purpose. The licensing of exports of this nature is administered by our Department, and we take this responsibility very seriously.

The President needs the authority to grant MFN status to countries presently not enjoying it because lack of this authority is a major deterent to further expansion of our trade with the Eastern European countries. While economic considerations concern these nations, perhaps the most compelling factor to them is the simple fact that all of our trading partners and competitors in Western Europe and the Orient have granted them MFN. We in turn have granted MFN to all our Western trading partners and yet maintain a discriminatory attitude towards most of the Socialist nations, forcing them to pay tariffs on their exports to this Country at the 1934 level rather than at the subsequently negotiated lower levels paid by those enjoying non-discriminatory status.

One has only to consider that the Socialist countries contain one-third of the world's population to understand the tremendous potential of this market.

Last month, I attended the opening of Stanki, the American machine tool industry exhibit in Moscow. The show lasted nine days and was visited by over a quarter of a million people both from Russia and from all over Eastern Europe.

Sales off the floor exceeded $5 million and anticipated additional sales this year alone should be about $85 million.

This exhibit, in which 83 American firms participated, probably advanced our sales in the machine tool industry by five years and is an indication of the propects for East-West trade.

Incidentally, while I was in Moscow, I attended a luncheon in which the spirit of detente prompted Acting Foreign Trade Minister Kuz'min to invite me to join the Communist Party. I told him, "Thank you, but the Party I belong to in the United States cannot spare me right now."

Since Minister Kuz'min is now visiting in Washington, I suppose I should return his hospitality by inviting him to become a Republican. However, after he is exposed to our vigorous free press for several days, I am not sure that he would regard my invitation as a kindness.

As another aspect of the President's international trade expansion program, he launched a maritime program to rebuild the American Merchant Marine, which at the beginning of this decade was carrying less than 5% of our international trade in American bottoms. The extensive maritime program undertaken by this Administration has resulted in modernization of American shipyards through investment of 150 million private dollars to date, with more to come, the building of the largest order backlog for merchant ships in the Nation's history and the production of the most modern and efficient merchant ships in the entire world.

This program was intended to be a 10-year program and will result in providing the ships necessary to carry a substantial portion of our international trade flow. This progress has been made on the basis of declining construction subsidies as well as reduced operating subsidies. The Administration contends that this program will achieve the necessary goals for the Nation without resorting in addition to the adoption of cargo preference legislation.

President Nixon has described trade as the cement which holds together the building blocks of the structure of peace.

While it would be comforting to think that trade between nations serves as a foolproof barrier to war, history has shown us that trading partners can, indeed, go to war with each other. History, however, has also shown us that trade, fairly and properly conducted, enhances the economies of all nations at the expense of none and thus removes or lessens one incentive to international conflict.

History has also shown that trade opens up the minds of men to the people of other nations and to their ideas thus furthering international understanding and in turn promoting peace.

Historians have made much of the significance of the failure of the United States to join the League of Nations after World War I, undercutting President Wilson's foreign policy objectives.

Should we today undercut President Nixon's commitment to detente by failing to pass the MFN provisions of the Trade Reform Act, in my judgment we run the risk of seriously damaging the policy of detente, a decision which future historians may well compare to the action of the Senate in rejecting the League of Nations Treaty.

Prompt Congressional passage of trade legislation is essential. The authority sought by the President has strong bearing on our leadership of the free world, on the march we are leading towards world peace and on the need to continue the expansion of jobs and business in America . . . It is clear that the Trade Bill is an issue combining our world leadership, peace and jobs for Americans. It must be enacted without further delay.

RUN GOVERNMENT LIKE A BUSINESS?

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. HUBER. Mr. Speaker, recently a friend of mine in Florida, Mr. Vincent McAvoy, forwarded to me an editorial from the Pinellas Times of Clearwater, Fla., dated May 7, 1974. The title was "Business-Like Methods in Government? Spare Us." The editorial was astounding in that it said that government should never make a profit—"Profit in government is a bad thing, a sign of mismanagement." This is astounding, but it is also indicative of the problem we face in the United States today in that so many of our people, newspaper people included, have such a vague understanding of private enterprise that they do not really understand how our economy works. I commend this editorial to the attention of my colleagues as a prime example of economic ignorance.

"BUSINESS-LIKE" METHODS IN GOVERNMENT? SPARE US

This is an election year and it is only a matter of a few weeks until some man who has been successful at selling vacuum cleaners or facial tissue or some other product will announce his candidacy for public office with a proclamation that he wants to run government on a business-like basis.

If he's serious, we'd all be better off if he didn't get the chance.

May the public be protected from the businessman who looks at government as just another business.

In fairness to many successful businessmen who also have been very good public officials, it is possible to be both, just as it is possible to be a successful businessman and a good father.

But the man who tries to run his home as he runs his business is headed for trouble and the same is true of government.

The problem is that the motives of business and government are very different.

The goal in business is to make money, to grow bigger than your competitor. The methods are to do a lot of advertising telling only the good things about business and the product, to adjust prices as often as necessary to ensure a profit and to form advantageous relationships with other businessmen.

In government, the goal is to provide service at the lowest possible cost. Profit in government is a bad thing, a sign of mismanagement.

Dealing exclusively with friends, doing favors for them in exchange for return favors, can be called graft. And to try to sell government with a public relations approach is to invite disaster.

Public service requires that the emphasis be put upon a different set of values. The public official must remember that he is not the boss of the government, he is the servant. The money is not his to spend. He can't wheel and deal the same way he can in his private business.

So spare us the promises of candidates to run governments like they run their businesses. The job of government is to serve the people, not to buy or sell them all for a profit.

SENIOR CITIZENS INTERNS VISIT WASHINGTON

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. HILLIS. Mr. Speaker, the month of May has been set aside as a time to pay tribute to over 21 million Americans. It has been proclaimed as Senior Citizens Month.

I, along with several of my colleagues in the House and Senate, sponsored a group of several senior citizen interns in our Washington offices for a 2 week period in early May.

They have now returned to their respective homes but I believe that they carried back with them a greater understanding of their Government's operation and how it is attempting to respond to the concerns and needs of the elderly. But, most important, they left behind with us a sharper perception of our own responsibilities as legislators in working for all senior citizens.

My interns, Mr. and Mrs. Chester Edwards of Anderson, Ind., have written a report containing their thoughts and experiences while in Washington. It will be distributed and shared with other senior citizens in my Fifth Congressional District.

I would like for my colleagues here in the House to have the benefit of Chester and Verle's thoughts and present their report for the RECORD:

SENIOR CITIZEN INTERNS VISIT WASHINGTON

We consider it a great honor and privilege to have been chosen as Senior Citizen Interns by Congressman Elwood H. (Bud) Hillis. There were 17 this year from 6 states selected by 9 Senators and Representatives, including James Yellig, Official Santa Claus from Santa Claus, Indiana. We all stayed in a hotel near the White House. Each day we took a bus to our work on Capitol Hill, except during the bus strike when we used taxi or walked. We were only mildly inconvenienced by the subway construction project which has many streets torn up.

Washington in the spring is a beautiful sight, with dogwood and azaleas in full bloom. We had a good view of Kennedy Center and Watergate as we landed at Washington National Airport.

I complained to the hotel clerk that my T.V. was unintelligible and he said, "so is everything in Washington." At first it did seem confusing and overwhelming, but with the capable staff in the office of Congressman Hillis most of our questions were answered and the pieces began to fall into place. With Donna Norton as our lovely hostess we found our way through the maze of streets, tunnels and buildings.

We found that the Congressman is faced with what seemed to be insurmountable problems and innumerable bills. It is remarkable how well informed he is about so many subjects and how he always seemed to be so calm and collected. He also keeps in touch with his constituents by weekly visits to the district.

When we visited the Senate on April 30, they were observing "a day of humiliation, fasting and prayer". Senator Hatfield told the Senate he had fashioned his resolution after a proclamation issued by Abraham Lincoln because "the will and mood of the country (today) is not unlike what it was (in 1863). There is despair and little hope for the future in many sections." In spite of a stormy past and a troubled present, with this attitude, we still have hope for the future. There are many capable and dedicated men in Washington who are seeking the right answers and the best solutions to our problems.

TOURS

We visited the White House, Capitol, State Department, Library of Congress and the Singapore and Australian Embassies. We had an opportunity to visit our daughter Fern on the weekend, but had little time or energy to do much additional sightseeing. We were photographed with Vice President Ford and other notables. Verle attended a Republican Women's Dinner where Agricultural Secretary Earl Butz spoke. We took over 100 pictures to record our story.

HEARINGS AND BRIEFINGS

Tom Winebrenner of the Office of the Minority, House of Representatives, explained to us the legislative process. During hearings in the House we were impressed by the girl pages and the speed of the stenographers who recorded the proceedings for the Congressional Record which is published and distributed early the next morning. We were impressed with the consideration given to Senior Citizens. In this session over 100 bills have been submitted dealing with problems of the elderly. H.R. 6175—Research on Aging—passed the House on May 2. It now is subject to reconciliation with a similar Senate bill passed in July 1973.

I. Perspectives on older Americans

This overview was ably covered by Larry Lane, Legislative Representative, National Retired Teachers Association/American Association of Retired Persons. This organization has a constructive program dealing with health plans, housing, taxes, transportation, age discrimination, long-term care, Social Security and other Social Services.

II. Older Americans Act of 1965

This first major step in recognizing the problems of the elderly was given additional impetus by the 1971 White House Conference on Aging and the 1973 Comprehensive Amendments. These matters were reviewed for us by Dr. Clark Tibbetts of the National Clearinghouse on Aging, David Dowd of the Division of Research and Demonstration, Eva Nash of the Office of State and Community Programs and Dick Wilson of the Federal Council on Aging. Specific bills were explained. It was suggested that "those with the greatest need have the least information." The question WHAT IS THE GREATEST NEED? was answered by the participants as follows: Financial Independence, Proper Nutrition, Medical Care, Housing and a feeling of Self Worth. Most want to be an integral part of our society. Less than 7% of the 21 million elderly are immobilized.

III. Housing and the elderly

This was the subject of Helen Holt, Assistant to the Secretary for the Elderly and the Handicapped, Department of Housing and Urban Development. Funds for multiple family low-cost housing provided by Section 235/236 have been frozen. The program has been suspended for further study. Section 23 provides rent subsidies in approved housing to 25% of income, and this is still available. Section 232 provides assistance for long-term nursing home care under specific circumstances.

IV. National health insurance and medicare

This is a live issue at the present time. Glenn Markus, Social Legislation Specialist of the Congressional Research Service, filled us in on progress.

1. The Administration Plan (CHIP) Comprehensive Health Insurance Program, requires participation 25% by employer and 75% by employee through private health insurance companies.
2. Kennedy-Griffin is most comprehensive and most expensive ($70 to $100 billion per year). It is backed by organized labor but Senator Kennedy has moved to a compromise.
3. Kennedy-Mills is the new compromise plan. It does includes long-term care.
4. Long-Ribicoff (S-2513) is backed by many congressmen.

Some feel that the chances for Congressional passage of national health insurance legislation in the near future have been enhanced by compromise proposals.

V. Social Security, SSI and Social Services

This discussion was led by Joan Miller, Former Deputy Assistant Secretary for Welfare Legislation, Department of Health, Education and Welfare. It was held in the beautiful Foreign Affairs Committee Room in the fabulous Rayburn House Office Building.

Social Security was adopted in 1930 to help older people live independently in their homes. Since then there have been many layers of amendments and revisions and it seems time for a complete review and replacement by a National Health Act.

The Office of Economic Opportunity (OEO) was designed to eliminate poverty. Extension is now pending in Congress.

SSI—Supplemental Security Income—is a new program to provide a minimum of $140 per month per person which may be increased. Recipients may still own a home and car, and may have as much as $1500 in savings.

VI. White House briefing

In a room in the White House where the President's legislative bills are hammered out, Vern Loen, Special Assistant to the President for Legislative Affairs, filled us in on the President's policies.

Mr. Loen said, "out of 100 bills passed last year the President vetoed only 10, and only one veto was overridden." He also pointed out that of 2.3 million on the Federal payroll, the President controls only 200,000 employees. The transcripts of the much wanted tapes had just been made public and it was hoped that this may relieve some of the tense impeachment atmosphere.

VII. Political action

Phil Guarino—Director, Senior Citizens Division of the Republican National Committee, in cooperation with AARP/NRTA, attempts to help people who are confused about their rights and privileges.

VIII. Transportation and the elderly

Lynn Sahij spoke for the Office of Transit Planning of the Urban Mass Transportation Administration. Funds are available on an 80–20 basis to municipalities for the purchase of equipment and planning assistance. Twenty seven cities have made studies concerning the need for transportation for the elderly and handicapped.

Pictures were shown of experimental new bus designs which are now being tested in various parts of the country. These include small buses, dial-a-ride, door to door service, kneeling bus, low step, hydraulic lift for wheelchairs, credit card system, school bus utilization, and free vans. One hundred fifty cities have reduced fare plans.

IX. Action

Victor Hruska, Deputy Associate Director of Older Americans Volunteer Programs, provided the following information:

PEACE CORPS is operating in 56 countries. VISTA is the domestic Peace Corps.

These two programs involve a full year of participation and pay a small stipend.

Foster grandparents enables volunteers to work four hours per day at $1.60 per hour which is tax free, to help needy children. Transportation is provided. An excellent film is available through state offices.

R.S.V.P.—retired senior volunteer program enlists retired citizens in a volunteer program of community services. An excellent film is available through state offices. Six hundred programs are in operation involving 84,000 volunteers. These include Meals on Wheels, Mail Distribution, Tutoring, Reconstruction of Historic Airplanes, and teaching skills such as weaving and mechanics.

SCORE—Service Corps of Retired Executives helps small businesses.

ACE—Active Corps of Executives has a similar function. Col. Emanuel Singer, one of our Interns, is involved.

National Center for Voluntary Action, 1785 Massachusetts Ave. N.W. This program is administered by George Romney. The presentation was made by C. F. McNeil and Dr. Helga Roth. This is a clearing house for all volunteer programs, including 43 agencies in the Federal Government, and cooperative organizational groups such as Red Cross, Catholic Charities, etc. Information on various volunteer programs is available on request.

CONCLUSION

We could not possibly learn it all and we could not possibly tell it all, but we will never forget the rich learning experience which has been ours. We appeared on Radio and T.V. programs with Congressman Hillis. When his plane landed at the Anderson Airport we were met by news media and members of the political science class from Anderson College, with Professor Larry Osnes, and also Frank Frier of the Anderson office of Congresman Hillis.

JOINT RESOLUTION TO PROCLAIM THE THIRD WEEK IN OCTOBER OF EACH YEAR A "NATIONAL SCREEN PRINTING WEEK"

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. BROYHILL of Virginia. Mr. Speaker, I am today introducing a joint resolution to authorize the President to proclaim the third week in October of each year as "National Screen Printing Week" and to proclaim Tuesday of such week as "National Screen Printing Day."

Mr. Speaker, screen printing is without doubt the most versatile medium of the graphic arts. It is a leading production process for point-of-purchase advertising, decalcomanias, electronic circuit boards and close-tolerance plates, product identification markings, outdoor advertising, informal sporting and high-fashion garments, specialty advertising, and container decoration. As this list indicates, screen printing goes well beyond the bounds normally associated with commercial printing; indeed, this diverse industry reaches into numerous completely different industries, such as electronic components, transportation of all forms, sports and sporting goods, fashion, retail sales of all types, and many others.

The daily life of each of us here today is touched by screen printing literally hundreds of times: from the dashboards of the cars in which we came here this morning and the highway signs we passed, to the faces of the alarm clocks we set prior to going to sleep. In short, though we all are well acquainted with the screen printer that produces campaign materials, other screen printers also are deeply involved in all aspects of modern American life.

Mr. Speaker, I would also like to mention the character of this industry, and of the countless individuals and individual businesses which comprise it. This industry is, in this year 1974, still a young industry, and is going through a phase of tremendous expansion. In the latest official Federal statistics available, the Department of Commerce reported an annual growth rate for the screen printing industry of 17 percent, and in the years since that study this industry has shown every evidence of equaling or bettering that rate.

As a young and expanding industry, screen printing is comprised primarily of small businesses; the national average of screen printing firms has less than 20 employees. Typically, the owner of such a business started it himself after the Second World War, and though he now has an office with a secretary, he can—and frequently does—do any job in his plant, from mixing inks to operating a press to stacking the finished job. The incidence of family-owned and family-run businesses is particularly high in this industry, and the nature of the many diverse markets for screen printing demands that the screen printer have, and exercise, a great amount of flexibility. I would point out to my distinguished colleagues that these are characteristics often associated with the businessmen of the colonial era, the founders of the present American economy.

Mr. Speaker, I would like briefly to touch on the recognition rendered to the screen printing industry in other parts of the world. Throughout Europe the screen printer is generally recognized as the premier craftsman of all the printing media. In the Far East, the screen printer is considered an artist as well as craftsman, while other printers are considered merely capable technicians. In this country, however, screen printing is just beginning to attain any status or recognition at all. The industry has advanced to the state of a highly developed, highly technological, and highly automated process, but it still tends to be viewed as a poor relation to the other graphic media. To help bring some measure of this long-overdue recognition to the screen printing industry in America, I strongly urge favorable consideration by my colleagues of this resolution which I have proposed today.

WORLD POPULATION CONFERENCE YEAR

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. DENT. Mr. Speaker, as many of my colleagues are aware, this is World Population Conference Year, in which we will seek some answers to the problems that confront us in the realm of population control.

Recently, a constituent of mine who is a member of the U.S. Coalition for Life forwarded to me the following position paper which was prepared for the National Conference of Catholic Bishops. Although I do not necessarily agree with the positions taken in the paper, I do feel their views should be aired. The paper follows:

USCL PLANS STRATEGY FOR POPULATION YEAR

The U.S. Coalition for Life has issued a position paper and a list of recommendations on World Population Conference Year—1974. This position paper was prepared for the November meeting of the National Conference of Catholic Bishops in Washington, D.C. Following is the text of the paper:

(1) Defining Terms—Any statement on the issue of population must be based on clearly defined terminology which leaves no room for possible misinterpretation by the faithful. Verbal abstractions and ambiguous wording should be carefully avoided lest they become a source of confusion and anxiety.

(2) Population Control—(Population control is defined as government prescription of family size supported by procedures to insure compliance.)

Such policies are frequently disguised by such euphemisms as "government family planning" or "population dynamics" or "world population programs." Such programs often appear to be eminently sensible. Yet the words cloak a proposed reality so ugly that the human race is unlikely to accept it on any large scale or for any extended period of time.[1]

Population Control is based on the erroneous belief that the family exists for the State and the family is therefore required to submit in its most intimate life to the collective conscience of public authorities.[2] Population control is a subversion of the order of nature and the entire psychological and moral world which it is bound up with. The nature of the beast is totalitarianism—and though the program be "democratically" applied, it remains totalitarian.

(3) The Mind of the Population-Control Movement—The population-control movement is marked by a number of distinguishable features. The most pronounced of these is a Manichaean philosophy, based on the most ancient of heresies. Human life, particularly new life, is vilified as "people" are moved into the same bracket occupied by plague, famine, pestilence. The newborn is condemned as a threat to peace. And objects, pills, and devices meant to keep him from coming into being are looked upon with love.

Mankind is naught but a unanimous and harmonious antheap and they—the population controllers—are the appointed caretakers dictating who shall live and who shall die, dictating how many people are needed by the State and the genetic quality of that human stock. The population controllers usher in the era of the biocracy—a dictatorship of the test tube. And it may yet be proven to be the harshest of all totalitarian schemes.[3]

(4) The Practical Implications of Population Control—No State or international program of regulating births can be "successful" without first producing the mass mechanized conscience needed to bring people into line with the will of the public authorities. Toward this end, the mass media and the indoctrination of the young are indispensable tools of the trade.

(5) Role of the Mass Media—In contemporary society the mass media can form or deform public opinion. Within the context of population control, the mass media becomes a powerful tool of psychological persuasion. "The problem is to get the individual's consent artificially through depth psychology, since he will not give it of his own free will. But the decision to give consent must appear to be spontaneous."[4]

(6) Indoctrination of the Young—In order to minimize the degree to which the individual conscience conflicts with the conscience of government, new values must be inculcated at an early age—values which will be equal to or greater than those religious, political, or social values previously held by the general population.[5]

". . . Several factors are favorable to the much more rapid acceptance of the demographic-ecologic transformation than the two-generation period required for full public school acceptance of the theory of evolution. . . . Most people hardly know what to believe any more, and many are thirsting for a new substitute for religion. For some, at least, the idea that man is part of a vast and awesome ecosystem which must be cherished, not manhandled, comes closer to being acceptable substitute for the religious dogmas they have discarded than anything else . . .".[6]

(7) Death Technology—Once the populace acknowledges the desires of the State as regards their own reproductive behavior, the means becomes secondary to the end, i.e., the prevention of births after the first or second child by contraception, sterilization, and abortion.

In adopting various population-control measures the State sets into motion something far more important than mere birth-control techniques, for such techniques are worthless unless the people can be motivated to use them. This key ingredient therefore is the permeation at all levels of society of the "new ethic" or "new mentality."

This neo-Malthusian ethic is manifested in an open hostility toward large and even moderate-size families. All manners of sexual deviations are stimulated to promote the belief that sexual relations are primarily for fun and recreation and only occasionally for procreation. Self-control is held up for public ridicule.

When after tedious attempts at contraception fail, the woman is driven by an almost irresistable urge to the abortionist to end an "unwanted pregnancy."[7]

Since couples are required to limit the number of offspring to a minimum, abortion

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Footnotes at end of article.

becomes a tool in genetic engineering to eliminate the defective child in utero. One is reminded that it is a poor plan indeed that admits of no modification.

(8) Mass Medical Experimentation—Under the guise of maternal and child-care programs particularly among clinic patients, retardees or an illiterate population, the population-control movement finds the ideal medium for the massive experimentation programs necessary for the development of new fertility-control techniques. For maximum efficiency and wide application such techniques must be disassociated from the sex act, lend themselves to mass programs and be effective in preventing the birth of a live baby, though not necessarily the prevention of conception. The ideal tool to be developed by the biocracy will be a single shot, an immunization, which will render the patient temporarily or permanently sterile. New techniques of early abortion serve to fill the gap until a successful program of immunization against fertility can be carried out by public authorities. Cost of development and research is shared by drug companies, who reap financial gain, and the government.

(9) Invasion of Privacy—In order to effectively evaluate population-control programs necessitate the collection and evaluation of data of a most intimate nature. Gross violations of civil and constitutional rights of individuals and their families have become, by necessity, the norm in the name of the public good.

(10) Myth of Volunteerism—To be effective, population control must be compulsory. If this were not true, the non-cooperators would quickly outnumber those who "voluntarily" limited their number and the system would prove self-defeating.

LEGITIMATE DEMOGRAPHIC CONCERNS

(1) Historical Perspectives—Concern by government for various demographic trends is an ancient preoccupation.

The kaleidoscope of history supports the proposition that good government and dynamic population growth go hand in hand. Nations with the energy, vitality, and competence to make adjustments and changes in social and economic institutions so that population increases have an expansive effect on the national well-being have spanned the centuries. On the other hand, government presiding over declining populations are buried in history, buried by more vital and vigorous peoples.[8]

If bishops wish to adopt a negative view to population growth, they will have to do so in a historic vacuum. Furthermore, such interests would inevitably conflict with the demographic facts of life in most of the developing nations of Latin America, Asia, and Africa, which are on the verge of great population expansion. How much better to support programs geared to the expectations of a substantial rise in population numbers during the decades ahead, than to turn to programs which are from a scientific point of view simplistic and from a pastoral point of view disastrous.

(2) Positive Programs to Accommodate Population Growth—By encouraging governments to promote the self-sufficient food-production techniques and a modern industrial economy, the Church can contribute to the telescoping of the demographic transition from many centuries to just a few decades.

Government authorities should be assisted in every manner by the world community to expand their efforts on behalf of all the people, in areas in which they possess legitimate authority. There is a wide latitude in this matter.

This concern for the common good should manifest itself in programs related to housing, health care, industrial development, immigration, educational support of culture and moral values, as well as political, social, and economic stability. But most of all, it will manifest itself in support of the most basic of human rights, the basic right to life and support of all families, regardless of size.

(3) Cooperation With International Agencies—If they are to merit the support of the Church, international agencies, like national governments, must base their programs on the intrinsic value of all human life without regard to utilitarian measures. This principle applies to the United Nations and its delegate agencies.

1974 has been declared World Population Year with a conference to be held under the auspices of the United Nations. The bishops will find it necessary to propose a statement on such programs.

In doing so the bishops must recognize that the population-control establishment has fully entrenched itself in the United Nations and its delegate agencies. Therefore, much care should be taken in using the prestige and power of the Church toward ends which will be in harmony with God's laws and uphold the dignity and freedom of man.

Never was there a greater need for the Church to fulfill her prophetic role as a champion of right and truth.

The Church among all institutions, alone possesses the means to bring the entire question of population control into public question. The UN World Population Conference and its related activities offers her the opportunity to do just this. But the hour is late.

Let not the bishops be intimidated from speaking out, by those individuals who possess superior demographic knowledge or a sundry of other academic qualifications, for the essence of the question is not to be found in data banks nor piles of statistical computations. Nor let them be silenced by a false spirit of ecumenism or pluralism. Rather the essence of the population-control question is to be found in but a few basic questions:

(1) What is the nature of man?
(2) What is man's ultimate destiny?
(3) What is the providence of God?
(4) What is the providence of the State?

When you have answered these very basic questions, you will know the road you must travel. And if that road leads to Calvary as it has so many times in the past, let the Church be at the vanguard leading the faithful to the gates of Heaven and not as Ephraim to the slayer.

CONCLUSION

The Coalition respectfully requests that the bishops set aside their statement on World Population Year and Conference-1974 at this time, and in its stead ask that the Bishops' Liaison Committee convene at the earliest possible date, a meeting of laymen representing a broad spectrum of disciplines related to the population question, such as food production, civil and constitutional concerns of population control, immigration, and so forth. Such a meeting of minds of men and women of good will, will be instrumental in assisting the bishops in the preparation of a population policy statement which will merit the confidence of the faithful and will serve as a source of strength in the trying days ahead.

FOOTNOTES

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[1] Honest Love and Human Life, Christopher Derrick. Coward-McCann, Inc., N.Y., 1969, pp. 121–122.

[2] Anthony Zimmerman, S.V.D., S.T.D. Postwar Family Life in Japan As Seen From The Catholic Viewpoint. Pamphlet No. 1, The Family Bureau, Tokyo, 1964, pp. 7–8.

[3] The Technological Society, Jacques Ellul, Translated from the French by John Wilkinson, A. A. Knopf, 1964, p. 432.

[4] Ibid, 409.

[5] A New Role for American Education, May 19, 1970. Published by the Office of Education, Dept. of Health, Education and Welfare, Washington, D.C., p. 5.

[6] "Population Education: A Challenge of the Seventies." Population Bulletin, Vol. ccvi No. 3. Published by the Population Reference Bureau, Washington, D.C.

[7] "How to Get 6,000 Abortions A Day," Anthony Zimmerman, S.V.D., S.T.D., Reign of the Sacred Heart, Dec. 1966, p. 5 (Available from USCL. Reprint No. 116, 50 cents).

[8] "A Criticism of Assumptions and Objectives of the Manila Population Seminar," Anthony Zimmerman, S.V.D., S.T.D., May 9, 1973, Nagoya, Japan, pp. 1–2 (USCL Reprint No. 131, 75 cents).

FINANCING MEDICAL EDUCATION

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. HUDNUT. Mr. Speaker, I am introducing a bill that will facilitate the development of one of our most important resources, the physician. The Association of American Medical Colleges and the Institute of Medicine place the cost of education per medical student in the range of $10,000 to $25,000 per year in 1971. There is no reason to expect that the cost of medical education will not continue to rise. Most of this burden is carried by the Federal Government from 20 percent in 1947 to as high as 55 percent in 1968. At the same time State and local government are contributing proportionately smaller shares, and medical students pay tuition ranging from $700 to $3,500 a year accounting for only 10 to 35 percent of the cost of his education.

Foreign-born physicians accounted for approximately 40 percent of new medical licenses in 1972. The wisdom of depending on other nations to meet our medical need is as questionable as our current dependence on foreign nations for our energy resources. Instead we should be providing opportunity to the great surplus of highly qualified U.S. student applicants. Any attempt to increase the number of U.S. medical graduates will further add to the total costs for their education. But the higher cost is called for if the result is a better quality physician for our society and medical independence for the United States.

Many will argue that the cost of medical education is properly supported primarily by the Federal Government since it contributes so significantly to the general welfare of society. But the medical profession is unique. Medical students represent the best in quality and ability that we can offer and their training is rigorous, but their rewards include a secure financial future unmatched by other professions. Rising costs, the specter of our dependence on other nations for our physicians and the unique nature of the profession lead us to propose an alternative to the financing of medical education.

Dr. David R. Challoner from the Department of Medicine and Biochemistry of the Indiana University School of Medicine has outlined a concept of long-term investment in human resources comparable to other socially desirable long-term erty and equity shares in business activinvestments such as mortgages on propity. This concept will give the medical student the opportunity to invest in his own future and assume a more equitable portion of the cost of his own education.

The income contingent loan utilizes the National Government as a bank for loans to the medical student. These loans would be repaid through annual payments in conjunction with the medical students future income tax. Estimates indicate that the bank would be self-sustaining and recover both principal and interest if it charged the pool of medical student borrowers 0.1 to 0.25 percent of gross adjusted income over 20 to 30 years for each $1,000 borrowed.

Since the repayment burden of an income contingent loan is constant in relation to income, the distortions in geographic and specialty distribution induced by indebted students being forced to seek higher incomes will be alleviated.

The authorization of up to $14,000 per year is high but the cost of education is equally high. The intent is to provide $8,000 in living expenses plus 50 percent of the net cost of medical education as determined by the study by the Institute of Medicine commissioned by the Congress. Since this is a loan program, the cost will eventually be returned to the Federal Government. In addition, this bill provides for the relief of the loan obligation for those students serving in geographic or specialty areas of need.

The establishment of a Medical Opportunity Bank will insure more equal access to medical training for people of all economic backgrounds, restore primary financial responsibility to the student when he can afford to pay, and insure the United States an adequate supply of medical doctors.

As part of my remarks, I am including an article written by Dr. David Challoner entitled, "The Medical Student Pays for His Education: Income Contingent Loans." This article was published in The New England Journal of Medicine on January 17, 1974.

The article follows:

THE MEDICAL STUDENT PAYS FOR HIS EDUCATION: INCOME CONTINGENT LOANS

(David R. Challoner, M.D.)

COST OF MEDICAL EDUCATION AND ITS SOURCES

Like that of everything else, the cost of educating physicians is rising. The cost allocation methodologies are currently being re-evaluated and improved, and new cost figures being developed by both the Institute of Medicine and the Association of American Medical Colleges. The latter's study places the cost per medical student in the range of $16,000 to $26,000 per year.[1] These costs have been variously financed by the student, state and federal governments, and the private sector. The last has not kept proportionate pace with rising costs and now comprises only 3 per cent of the total medical school budget, having been 10 per cent two decades ago.[2] The student is also paying a lesser portion of the medical-school budget through his tuition,* this portion falling from 17 per cent in 1947 to 4 per cent in 1968.[2]

Finally, state and local monies have fallen from 34 to 18 per cent of medical-school budgets whereas federal dollars have risen from 20 to 55 per cent over the period of 1947 to 1968,[2] falling subsequently to 45 per cent in 1971.[3] Thus, the medical schools have become increasingly dependent on the federal dollar for support, but most of this support has been intended to purchase final products such as biomedical research, specialized training and the provision of health care. In this environment it is appropriate to re-evaluate the contribution of the student to his own education.

ECONOMICS OF INVESTMENT IN MEDICAL EDUCATION

Many people will argue that education at all levels should be supported primarily by the federal government from general revenues because education contributes to the general welfare of society. General revenues are derived from a system of progressive taxation, particularly at the federal level, so that the high earners return proportionately more of their income to society. This system should make general support of higher education a non-regressive use of general revenues. Other economists argue just as vigorously, however, that since lower and middle income students do not participate in higher education (and particularly in medical education) in proportion to their number in the total population, general aid actually subsidizes higher income families more than lower and middle income groups. Moreover, especially with higher education, the benefits accrue directly to the student rather than to society as a whole.

The case of medical education may be unique. The quality and ability of the entering students are superb—they are the cream of our society. Their financial rewards in any endeavor are likely to be good, but, once accepted to medical school and barring malfeasance, their social standing, personal esteem and a generous and stable future income are guaranteed. This lifetime income will be at least $1,500,000, assuming no income growth, and more probably $3,000,000 or more when the figures of Fein and Weber[2] are calculated in 1973 dollars. They will work hard, to be sure, but a more secure and predictable investment, educational or financial, is hard to find. It would be difficult to argue that this group would do anywhere near as well in nonmedical endeavors.

For this, the student is being asked to pay tuitions ranging from $1,000 to $3,500 a year, for a total of $4,000 to $14,000. These amounts account for only 15 to 35 per cent of the cost of his education. Thus, it can be argued that assignment of a greater portion of the total educational cost to the student by increasing tuition would be equitable.

WHY CAN'T THE STUDENT PAY MORE?

Given this situation, what prevents the students as the major economic beneficiary of his training from accepting a greater proportion of the cost? (For purposes of discussion, let us consider that these costs might become $10,000 to $15,000 per year, for room, board and increased tuition.) Certainly, this is no deterrent for the very wealthy. For the remainder, current student-loan mechanisms with limited totals ($10,000) and short-term repayments (five to 10 years at most) are patently inadequate.[4] Society has not yet devised a method of long-term investment in human resources, such as education, that is comparable to other socially desirable long-term investments such as mortgages on property and equity shares in business activity. One reason is that, in case of default on personal loans, the lender has no security since, for other very good reasons, indentured servitude or slavery is forbidden. However, the principle of equity has been well developed in corporate investing, where the investors share the risks and benefits, and the pooling of risks is an old insurance principle.

Beginning with Milton Friedman in 1945,[5] economists have suggested mechanisms for the application of these principles to educational loans in an attempt to perfect the market for investment in human resources.[4] In particular Professor Gerald Zaccharias, of the Massachusetts Institute of Technology, has spearheaded the interest of educators in this area[6] Professor Karl Shell, a theoretical economist at the University of Pennsylvania, has been interested in the opportunities in medicine[7 8 9]. The idea was previously raised in this journal in an editorial by Dr. Maurice B. Strauss.[10] Yale and Duke Universities have begun trial programs of deferred tuition to test these concepts primarily at the undergraduate level. These new instruments, if widely developed for medicine, would offer the opportunity for the medical student to invest in his own future in a reasonable fashion and to assume a greater and more equitable portion of the cost of his own education.

INCOME CONTINGENT LOANS

The income contingent loan works as follows. An organization such as a medical school, university or preferably a national governmental agency would organize and finance a bank for loans to the medical student. The bank would recoup these loans through annual payments ideally collected in conjunction with the borrower's future income tax. Instead of contracting for a fixed rate of interest on principal and a fixed repayment schedule, the borrower pledges a percentage of his gross adjusted income for a period of years. Careful preliminary estimates based on physician income projections are that the bank would be self-sustaining and recover both principal and interest if it charged the population of medical student borrowers 0.1 to 0.25 per cent of gross adjusted income annually over 20 to 30 years for each $1,000 borrowed. Thus, if a medical student wished to borrow $5,000 per year for four years he might be obligated to pay (at 0.2 per cent $1,000) 4 per cent of his future gross adjusted income for 20 years. The proportion of the payment that is equivalent to interest is deductible on the borrower's income-tax return. The goals are to achieve a long repayment stream correlated with income. Certain devices could be used to place an upper limit on accumulated payments such as when they reach the equivalent of repaid principal plus a premium rate of interest or some multiple of the original principal (i.e., 150 per cent) at standard interest. At this point the borrower is considered paid up. This precaution protects the higher earner from unlimited or excessive liability but allows the lender to recover some surplus to compensate for the low earners who may never fully repay principal plus interest.

Contingent repayment loans have several advantages over available fixed repayment loans:

(1) As a result of the pooled risk or insurance principle, no borrower would have to worry about a large debt that he could not repay. Thus, his decision for a higher or lower paying future professional activity need not be colored by the specter of a large conventional debt, soon to be repaid. He pays only a set percentage of income. This scheme could have important effects on specialty distribution.

(2) Equal access to training would be guaranteed to people whatever the source and size of their income.

(3) By spreading repayment over 20 to

Footnotes at end of article.

30 years instead of five or 10, the bank would make it feasible for the trainees to borrow larger sums. Current loan programs have time and dollar limits that make loans of the size that we are discussing unavailable.

(4) The financial soundness of the bank and the availability of loans would not be directly affected by the state of the money market if the loans were guaranteed by a governmental agency.

(5) Since payments are based on the borrower's income, there are minimal payments when earnings are low, and the burden of payments thereafter is directly correlated with income.

(6) The financial viability of the bank is maintained by setting the rate at which income is taxed per $1,000 borrowed at a level that will yield payments by the high earners sufficient to compensate for the inability of the low earners to repay their loans fully. The strength of this subsidy can be varied by actuarial technics. Because physician incomes are high and consistent, the cost of this insurance "equity feature" for the borrower can easily be covered in medicine by only a fraction of a percentage increase in the effective interest rate charged high earners over the basic rate at which money is supplied to the bank.

(7) Various subsidy programs for social goals such as debt or interest forgiveness based on location of practice and scholarships for merit or the underprivileged can be integrated with or made supplemental to the bank program.

(8) If future public policy placed limits on physician income, holders of conventional fixed repayment loans would be forced to assume an increased repayment burden in relation to income over that projected at the time of borrowing. In contrast, with income contingent loans, the government must assume any shortfall in returns if physician income projections are lowered by governmental policy—the borrower's repayment burden remains constant.

There are many variations on this theme that accomplish the same goals of a long repayment stream correlated in greater or lesser degree with income.[4-11] For instance, given appropriate government guarantees, a conventional fixed repayment loan could be designed for a 20-year period, but with the fixed payments determined from an actuarial estimate of the income pattern over time of the group. This could or could not have a low income insurance feature designed in at little cost. However, to one degree or another, the advantages of strict income contingency for the individual borrower are lost.

Among the disadvantges of income contingent loan plans in education in general, and in medicine in particular, are their novelty and the large number of dollars that must be supplied in the early years before the bank becomes self-sustaining. The novelty could make their acceptability and therefore marketability difficult. In addition, care must be taken to design the program to minimize adverse selection—i.e., the possibility that the individual student confident of being a higher earner than his peers would not participate.

For many reasons the income contingent loan for medical education deserves further study. Considerations of the increasing costs of medical education and the social inequity of the present extensive subsidy of such a high earning group are being discussed by policy makers.[11] The present federal Administration has gone on record as supporting the principle of greater responsibility by the student for his own education, and medicine is no exception. An internal HEW planning memorandum recently released by Senator Kennedy stated as follows:

> Medical students have not been called upon to pick up a larger share of their educational costs. Rather, their tuitions were maintained on par with those of other university programs despite their higher costs and the very high income potential . . . [Thus] it appears that it would be feasible to shift a greater portion of the cost-sharing to the student . . . Loan repayment could be conditioned on means. The fear of flunking out, becoming disabled, or failing to earn the typically high income might lead low income background students to reject the loan strategy. A loan policy that would gear the rate and amount of repayment to postgraduate income should help remove this inhibition.[12]

FOOTNOTES

[*] An additional cost to the student is foregone income, which is the income that he might otherwise be earning. Though not discussed here, it is a necessary part of the student's consideration of investment medical education. That is the major part of the student's private cost of medical education or the total social cost, but it is not part of the medical-school budget. Foregone income comprises up to 90 percent of the total cost to the student at a public medical school. (Personal communication, Daniel Kanyr, Cost of Education Study, Institute of Medicine, National Academy of Sciences.)

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[4] Johnstone DB: New Patterns for College Lending, New York, Columbia University Press, 1972

[5] Friedman M. Kuznets S: Income from Independent Professional Practice. New York National Bureau of Economic Research, 1945

[6] United States Panel on Educational Innovation: Educational Opportunity Bank: A report to the United States Commissioner of Education, the director of the National Science Foundation, and the special assistant to the President for science and technology, Washington, D.C. Government Printing Office, 1967.

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[9] *Idem:* A new approach to the financing of medical education, Harvard Med. Alumni Bull. 43 (3): 2-4 winter, 1969.

[10] Strauss MB: Financing medical education, N Engl J Med 283:45-46, 1970.

[11] Scientific and Educational Basis for Improving Health: Report of the Panel on Biological and Medical Science of the President's Science Advisory Committee, Washington, DC, Executive Office of the President, Office of Science and Technology, 1972.

[12] Congressional Record—Senate S14479-S14485, July 24, 1973.

PROGRESS IN DESEGREGATION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. RANGEL. Mr. Speaker, in the last week the Brown versus Board of Education directive of desegregation "with all deliberate speed" has been cited in article after article commemorating the 20th anniversary of that significant decision.

All are agreed that desegregation has proceeded slowly since the Supreme Court began the process in 1954. But progress has been made. I urge my colleagues to review the actual statistics on the extent of desegregation since Brown. They are included in the following article from the Sacramento Observer of May 9-15, 1974:

TWENTY YEARS AFTER "BROWN DECISION"

(By the Race and Relations Information Center)

(NOTE.—Twenty years ago, on May 17, 1954, the U.S. Supreme Court ruled against segregated public schools. However, the 20 years since the court's decision in Brown v. Topeka Board of Education have not been 20 years of school desegregation, according to the May issue of "Race Relations Reporter."

(The original rulings in Brown called for compliance "with all deliberate speed." The Reporter notes that defiant white resistance, legal maneuvering, legislative barricades and the question of Southern de jure as opposed to Northern de facto segregation caused delays in school desegregation. And the desegregation movement did not gain impetus until the second decade.

(The Report's May issue summarizes 20 years of school desegregation statistics in the South and nation. The magazine is a publication of Race and Relations Information Center, Nashville, Tenn.

(The Center began in May, 1954, as Southern Education Reporting Service, created by a biracial group of newsmen and educators to provide a factual source of information on school desegregation developments.)

MAY 17, 1954 THE SUPREME COURT HELD "SEPARATE EDUCATIONAL FACILITIES ARE INHERENTLY UNEQUAL"

On this 20th anniversary of the first Brown decision, approximately half of the South's Black students attend predominantly white schools. Less than 10 per cent of the region's total Black enrollment remains in all-Black schools.

Twenty years is a long time and perhaps it has been forgotten that the Supreme Court issued two Brown decisions, each a year apart.

On May 17, 1954, the court held: "Separate educational facilities are inherently unequal." The cases before the court had been filed as class actions, although they came on behalf of individual plaintiffs from five separate school districts: Topeka, Kans.; Clarendon County, S.C.; Prince Edward County, Va.; New Castle County, Del.; and Washington, D.C.

Because of the class nature of these suits and the great variety of local conditions that the court would have to consider, the first opinion called for additional arguments.

On May 31, 1955, the Justices issued the second opinion, remanding the cases to the courts of origin and calling for the lower courts to "require that the defendants make a prompt and reasonable start toward full compliance" with the previous year's ruling. The Supreme Court also called for compliance "With all deliberate speed," a phrase that became a key in the years of controversy following the ruling.

During the first 10 years after Brown, compliance efforts focused almost entirely on the 17 Southern and border states that had required segregation by law.

The percentage of Blacks in the 11 Southern states who attended desegregated schools remained less than one per cent until the 1963-64 school year.

In 1964, the Congress passed the Civil Rights Act forbidding discrimination in education and withholding funds from segregated schools. Through the 1964–65 school year, Southern Education Reporting Service, the predecessor of Race Relations Information Center, was the only source for the region's statistics on school desegregation.

In that school year, the 11 Southern States had 2.25 per cent of its Black students attending schools with whites.

Beginning with 1965–66, the U.S. Department of Health, Education and Welfare, began monitoring school desegregation and 6.1 per cent of the Black students in the South attended desegregated schools.

The pace of desegregation quickened with the 1966–67 school year and 15.9 per cent of the public school Black students attended desegregated schools. The figure doubled two years later, reaching 32 per cent.

Figures were not available for 1969–70, but the federal count in 1970–71, showed almost 86 per cent of the South's Black pupils were in desegregated schools.

The figure showed another sizeable increase in the following school year (1971–72), reaching 90.8 per cent. The latest available figure is for 1972–73, and that figure is 91.3 per cent. A spokesman for the Office of Civil Rights said that estimates indicate the figures will have changed little for this current school year.

The first national statistics on school desegregation became available in the late 1960s. In 1968–69, the nation had 23.4 per cent of its Black students in majority-white schools (50 per cent or more white), as compared to the 18.4 per cent in the South. In 1970–71, the ranking reversed, with the South having a figure of 40.3 per cent Blacks in majority-white schools, and the national figure numbering 33.1 per cent.

The latest figures available, those for 1972–73, show that the public schools in the South have 46.3 per cent of the Black students in predominantly white schools, and the national figure is 36.3 per cent.

Another measure of "20 years of Brown" is an accounting of how many Black students remain in all-Black schools. The first nationwide survey in 1968–69, showed the U.S. had 39.7 per cent in all-Black schools, compared to 68 per cent for the South.

The South had dropped to par with the national figure of 14 per cent in 1970–71, and the South had reduced its all-Black school enrollment to 8.7 per cent of the total Black students the following year, below the 11.2 per cent national figure.

SUPREME COURT CALLED FOR COMPLIANCE "WITH ALL DELIBERATE SPEED"

Statistical tables below show the pace of desegregation for the nation, the 11 southern states, the 6 border states and the District of Columbia, and the 32 Northern and Western states, in terms of Blacks in majority white schools, and Blacks in all-Black schools.

UNITED STATES

[In percent]

	South	Border and District of Columbia	North	West
Blacks in majority white schools:				
1968–69	23.4	18.4	28.4	27.6
1970–71	33.1	40.3	28.7	27.6
1972–73	36.3	46.3	31.8	28.3
Blacks in all-black schools:				
1968–69	39.7	68.0	25.2	12.3
1970–71	14.0	14.4	24.1	11.7
1972–73	11.2	8.7	23.6	10.9

SCHOOL DESEGREGATION 1954–74

[In percent]

Blacks in schools with whites—11 Southern States:	
1954–55	0.001
1955–56	.115
1956–57	.144
1957–58	.151
1958–59	.132
1959–60	.160
1960–61	.162
1961–62	.241
1962–63	.453
1963–64	1.17
1964–65	2.25
1965–66	6.1
1966–67	15.9
1967–68	NA
1968–69	32.0
1969–70	NA
1970–71	85.6
1971–72	90.8
1972–73	91.3
1973–74	NA

A WORLD OUT OF CONTROL?

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. BOLLING. Mr. Speaker, there is a very important message in the following column written by Stephen S. Rosenfeld which appeared in the Washington Post, May 17:

A WORLD OUT OF CONTROL?

(By Stephen S. Rosenfeld)

The state-of-the-world report that Mr. Nixon has issued annually since 1970 is late this year and, Watergate aside, it seems indicative. This is perhaps the most difficult and dismal year to assay the changes in one year since World II.

Indeed, I am sobered, even scared, by the way the world's problems appear to be spinning out of control. I find that various acquaintances share my apprehensions but, out of doubt, modesty or propriety, hesitate to express them. Most politicians, eager to play rainmaker, don't even breathe them. This scares me most of all.

First, by a coincidence—or is it a coincidence?—the Western democracies are all passing through, at the least, a crisis of confidence. In Europe, not to speak of the United States, governments are gasping, and citizens have lost confidence in the basic competence of government. Because of the oil price increases, Europe is speeding rapidly toward economic disaster, and almost no one pays heed.

The West has known many periods of crisis but for those of us whose political consciousness goes back no further than World War II, the current period is unmatched for its aura of rudderlessness and uncertainty.

Then, large and dark economic developments have become, in the last year, much more important to all of us and to our future than the political events in which most political leaderships routinely deal. This is profoundly disorienting.

To avoid nuclear war, to build political detente with Moscow and to ease third-area trouble spots like the Mideast remain vital projects. But even if they are done, resource pressures and "double-digit" inflation ride over political achievements and turn people relentlessly inward upon their own personal privations.

The International Institute for Strategic Studies, an establishment outpost in London, has just pronounced the Arabs' use of the "oil weapon" last October as bestowing "the greatest shock, the most potent sense of a new era, of any event in recent years." But no Western government is seriously preparing to cope with the new era—Beltway traffic is over 60 again.

At the recent United Nations economic session, most third-world states blindly went on parting the old anti-American line, oblivious to the almost certain reality that the Arab (and Iranian) oil price increases will crush them, destroy them, some in just a few months.

Accustomed as we Americans are to high living, we may be less ready than any other nation to absorb the new intelligence that not only is our power in the world eroding—we had begun to deal with that—but our very standard of living cannot be protected from forces beyond our national reach.

Reading last Sunday in The New York Times Magazine that the new world conditions stump our best economists, I felt chilled. It would have been reassuring to learn that, say, when the economists got their heads together and then briefed Henry Kissinger, Humpy Dumpty could somehow be put back together again. But our problems go much deeper than one discipline's insight or one man's prowess.

The implications of the West's political crisis and the world's economic crisis go far beyond the trivial matter of issuing a state-of-the world report.

We Americans, having just cranked ourselves through one major review of our international premises in the last five or so years, must start the process over again. For the Nixon-Kissinger premise of an essentially orderly 19th century kind of world, amenable to intelligent rational manipulation by the United States (and its adversaries and allies), is wobbling badly.

We will find ourselves more concerned, relatively, with new-style economic matters than old-style political ones; with our welfare rather than "peace." Less and less does diplomacy, in the Nixon-Kissinger sense of politicians arranging things between governments, seems an adequate tool in itself for managing our world interests.

Freedom, in the classical Western or Wilsonian sense, is in for even harder times. Americans have long hoped to see, and move sometimes actively tried to promote, a flowering of our values around the world. Not just national egoism but a hard-headed concern for the kind of international environment most favorable to us lay behind this desire. But freedom comes more and more to look like a product of good times, a luxury few can afford.

Finally, the demands on political leadership are going to mount fiercely. As publics get a firmer sense of being on the chute, real recrimination, viciousness and demagoguery become more feasible. We of the West and leaders who will describe our dilemma truly and enlist our best instincts and best resources in tackling it.

I feel strange sounding so alarmed. At home, we have just remodeled the kitchen: many people have in their private lives things which pleasantly divert them. No "critical mass" of public anxiety has yet been formed. But I think the grounds for it are there.

THANK YOU, RUTH BELDON

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. SARASIN. Mr. Speaker, it seems odd that from time to time a U.S Congressman should take to the floor to commend an act of simple decency and common courtesy, but that is what I am doing today.

About a week ago, one of my staff assistants had her wallet lifted in a downtown restaurant. There are many people in the city who know what a disturbing thing that can be, because there are many people who have had the same thing happen to them. She lost keys, credit cards, and the usual contents of a wallet.

A few days later, she received a call from Ms. Ruth Beldon, who found most of the contents of the wallet strewn in an alley and took the time to track down the rightful owner, after having telephoned the credit card companies.

Not only that, she volunteered to return to the same spot later to see if some of the other things could be found. She did this, and recovered additional papers and medical prescriptions. Although the wallet and the money were not recovered, my assistant was relieved to have her credit cards and other documents returned.

I offer my public thanks to this most thoughtful young woman, Ms. Beldon, and extend my hope that as citizens and neighbors, all of us will seek to follow her splendid example.

ANN SAUNDERS WILLIAMS

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mrs. BURKE of California. Mr. Speaker, I would like to call the attention of Congress to the recent passing of a distinguished community citizen in Los Angeles, Mrs. Ann Saunders Williams.

Mrs. Williams was president of Public Relations International, founded by her husband Charles. Their concern handled the public relations for a number of leading organizations and companies, including the Samuel Goldwyn Studios, Atlantic Richfield Corp., Yellow Cab, Western Union, and Kraft Foods.

As a matter of fact, Atlantic Richfield honored Mrs. Williams in 1973 with its first "Wonderful World of Women" Award. She was given the Kappa Chapter Award "in recognition of (her) contributions and interest in the welfare of the sorority and her community."

Numerous contributions were made by her to scholarship funds and other worthwhile community projects in behalf of her clients.

Mrs. Williams came to Los Angeles from Canada and was educated at UCLA and Southwestern Law School. For a number of years she was successfully associated with exclusive Beverly Hills couturiers as a custom design consultant.

She held membership in the National Association of Business and Professional Women's Clubs, the National Council of Negro Women, and the Eta Phi Beta Sorority.

Mrs. Williams was survived by her husband, and two sisters, and brothers, Mrs. Nola Mae Smith, Mrs. Nadine Smalley, and Frank and Jake Saunders.

Mrs. Williams lived an exemplary life of service to her family and community. All who knew her mourned her passing and will recall her many creative activities for many years to come.

BETTY ANN KEEGAN

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. ANDERSON of Illinois. Mr. Speaker, last month the people of the Rockford, Ill. area which I represent, lost to cancer a remarkable woman, State Senator Betty Ann Keegan. Ms. Keegan, a Democrat from a Republican area, was serving her first term as a State senator, having previously served as a delegate to the State's constitutional convention. Despite extreme pain in the last year of her life, she fought on in the general assembly for the issues in which she believed deeply, particularly the equal rights amendment. Senate Minority Leader Cecil Partee observed that—

> It is a tribute to her strength and courage that, even when racked with pain and suffering, she continued to work hard on legislative tasks, and moreover, she never complained about her tragic illness, nor did she seek sympathy from others. She kept her smile and sunny disposition, maintained a stiff upper lip and trusted God's will.

Mr. Speaker, I recently received a letter from a friend who had worked closely with Senator Keegan in the general assembly. To quote from that letter:

> I always found her to be a very warm person, with tremendous capabilities as a legislator. It is, indeed, tragic that she didn't have more time to complete the work she felt called upon to do. Nevertheless, in her short tenure as a State Senator and as a Delegate to the Constitutional Convention, she made many contributions, which will endure for years to come.

Mr. Speaker, I am sure that all the people of 34th District are saddened by the death of Senator Betty Ann Keegan and will deeply miss her as their State senator and friend. At this point in the RECORD, Mr. Speaker, I include the full text of the eulogy of State Senate Minority Leader Partee, and a remembrance from the Chicago Tribune by Rick Soll:

STATEMENT BY SENATOR PARTEE ON THE DEATH OF SENATOR KEEGAN

The State of Illinois and the citizens of the 34th District have lost a fine public servant. My sympathies and prayers are with the family of Betty Ann Keegan. May God comfort them and give them strength in this time of need.

Besides tirelessly and conscientiously looking after the needs of her constituents in the Rockford area, Betty Ann viewed her role in the General Assembly as something more than just a local legislative broker. She considered herself a representative of all the people of Illinois. Hers was not a provincial outlook; rather, she consistently based her actions upon what she thought best for the entire state.

It is a tribute to her strength and courage that, even when racked with pain and suffering, she continued to work hard on legislative tasks. She simply refused to let her illness interfere with her duties as a public official.

Her stubborn determination in the face of a grave physical handicap enabled her to accomplish more than many public officials do when completely healthy. But in order to do so, it often meant reading reports, studying legislation or meeting with staff aides while in a hospital bed.

What is even more remarkable, Betty Ann never complained about her tragic illness, nor did she seek sympathy from others. She kept her smile and sunny disposition, maintained a stiff upper lip and trusted God's will.

I sincerely believe that I am a better person for having known Betty Ann Keegan. She was a woman of pioneer stock who demonstrated, with courage and bravery and strength, why her ancestors on the frontier were able to overcome the hardships and challenge and help settle this great land of ours.

Her character and her admirable record of public service over the years are the twin legacies she leaves behind for all of us to remember and cherish.

SEN. KEEGAN: SOFT WORDS SHOWED HER STRENGTH

May 3, 1973. A soft, slow, Southern-tempered day in the state Capitol. Almost like summer, really.

Had the patrician rules of the Senate allowed, gentlemen in the chamber might have shed their suit coats.

The session began with a great musician's—a great patriot's—testimony to the country he loved. When the Olivet Nazarene College choral group sang George M. Cohan's "Patriotic Fantasy," it brought a calm to the chamber which might not have otherwise found a place in the carpeted, paneled room normally loud with the passions of politics.

The music and the mood set the legislative stage for one of the fine moments in a woman's life; a woman now dead, but loved no more than she was that day.

That woman was Betty Ann Keegan—a Democrat from Rockford elected from a traditionally Republican district who was serving her first term.

She died Tuesday at the age of 54. She had spent her last year in the kind of pain that comes from cancer—pain which would have made many people quit. But she didn't, and that day in May, after the music was done, one of the very important issues in her life was introduced on the floor of the Senate. And if the sincerity and simplicity of Cohan's music struck a patriotic chord, it was followed by an act which fulfilled the promise of the songwriter's words.

The fact that she failed to accomplish her legislative goal that day never detracted from the spirit and resolve she demonstrated until last Tuesday, both in the Senate and in her hospital bed.

The matter before the Senate that day was the Equal Rights Amendment. It had been deadlocked for quite some time in the executive committee. A motion was made to discharge it from the committee so that the full Senate could decide its outcome.

Many arguments were made, pro and con. If the bill was not wrested from committee, it would die there for the next year, so the sanctity of the committee system itself absorbed a great deal of the debate.

It was in the heat of the debate that Sen. Keegan was recognized, and when she had finished her short speech, the eloquence and truth of her words mirrored the brawn and guts of the old songwriter.

She said: "This body ought to stand up and vote yes or no. This subject far overrides the limits of one committee. I encourage all of you to have the gumption and manliness to bring this to the floor."

The Senators on both sides of the issue remained silent for the longest of moments, for what she had said was the real truth of the matter. What she had said transcended politics and referred to the basic courage of men and women to face an issue.

Those words brought the debate to a close and the issue back to where it belonged—to a vote. The measure needed 30 "yes" votes to pass, and failed, 28 to 19.

After the Senate session, she told a reporter that one setback doesn't mean failure. "Everyone must stand up and be counted, she said. "This bill is not only for women. This is the kind of thing that makes better partners of both sexes."

"Running away from an issue never solves anything. And it is not losing or winning that is most important, but whether you have the courage to be heard and keep fighting."

It was one of the days in her life for which she ought to be remembered. It was a day a strong woman asked the best from everyone.

Betty Ann Keegan never rested in her fight to secure legislated rights for women. During a year of insufferable pain she continued to struggle for the bill she felt would insure not only the dignity of women but also the dignity of men.

When she died, her family, understanding her feeling about ERA, asked that she be remembered not by flowers but by a vote for the bill.

Which is a request for life, not death.

THE FIGHT AGAINST CANCER

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the Record, I include my Washington Report entitled "The Fight Against Cancer":

The Fight Against Cancer

In these days when government is under attack from many quarters for not dealing effectively with the problems confronting it, it is timely to note an excellent example of the executive and legislative branches of government working together to achieve new hope and better health for millions of Americans. The Administration and the Congress have both been deeply committed to an expanded attack on cancer. Recently the House of Representatives, with only one dissenting vote, authorized a new extension of the National Cancer Act.

Cancer, the second leading cause of death, will attack one in four Americans now living. In 1974, it will strike more than 655,000 of them, and cause about 355,000 deaths. Beyond the incalculable toll in suffering, cancer produces an economic loss in the U.S. estimated at more than $15 billion annually.

Even though the incidence of new cases of cancer continues to increase, the outlook for the control of cancer is steadily improving. One out of every three cancer victims expects to be alive five years after treatment. One and one-half million Americans who have had cancer are now well, and 218,000 of them will be saved from cancer this year. Overall, the probability of achieving a five-year cure is about 40%.

Although scientists do not expect to find a single cure for more than 100 forms of cancer, they are exploring every promising approach in cancer research, prevention, diagonosis, and treatment. The fight against cancer has accelerated rapidly in recent years. In 1971, the National Cancer Institute appropriations were approximately $235 million. In 1975 they will be about $600 million, and the federal government will pay more than 60% of the total cost of cancer research. In addition, basic research sponsored by the federal government in the full scope of the bio-medical sciences is increasing because clues to advances in cancer may come from research in related fields. Deeply engaged in the anti-cancer effort are educational and non-profit institutions, and the international scientific community (over 19 foreign countries are supported in cancer research by the NCI), including daily communications by Telex line between American and Soviet cancer scientists. These accelerating efforts have produced several noteworthy accomplishments:

TREATMENT

Treatment methods now effectively use combinations of surgery, radiation and drug therapy. As a result, half of those children with acute lymphocytic leukemia, a cancer of the blood, are alive five years after diagnosis. Twenty years ago this disease had caused death in a few months in each case. Radiotherapy for the early stages of Hodgkin's disease, a cancer of the circulatory system, produces a five-year survival rate of more than 90%. Only five years ago it was 68%. There are indications that breast cancer may yield to combination treatment, and adriamycin, an experimental drug, shows promise against several devastating kinds of cancer. In 1972–73, the NCI screened over 78,000 chemicals for effectiveness against cancer.

DETECTION

Progress has been made in the early detection of cancer. X-ray examination and mass screening for breast cancer resulted in a one-third reduction in the death rate over a five-year period, and periodic examination for colon/rectal cancer is extremely valuable in detecting pre-cancerous conditions. Scientists are using immunologic techniques to detect cancer-related chemicals, or "markers" in the blood or urine of persons with cancer.

PREVENTION

Progress in understanding the causes of cancer may lead to its prevention. A stepped-up program to identify cancer-causing chemicals in the environment is underway. Approximately 445 chemicals are now being tested. Although about 110 of the nearly 1,000 known viruses produce cancer in many species of animals, there is no definitive data to prove that viruses cause cancer in human beings. However, scientists are accumulating evidence for some type of association of several viruses with certain types of cancer.

Totally new approaches to cancer control and prevention are emerging. Artificial genes may be used to learn how cancer starts and can be stopped; and enzymes may be identified that appear only in cancer cells, and blocking them would kill the cancer cells while leaving the normal cells unharmed.

FACILITIES

To deliver research results to the people, twelve Comprehensive Cancer Centers are already in operation, and six more will be added by July 1. They assist a network of other institutions to provide the best possible anti-cancer programs.

The control of cancer is an elusive and difficult goal, but each of us can take heart that the federal government is helping to mobilize the best minds in this nation and in the world to prolong life, to ease suffering, and to bring new hope to cancer victims.

THROW THE BOOK AT ILLEGAL OIL PROFITEERS

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. THONE. Mr. Speaker, my weekly letter to news media for the week of May 6–11, expressed my disgust with those who illegally profited from last winter's oil crisis. I declared that the Federal Government ought to try to "throw the book" at such violators.

Many Nebraska farmers have called and written me suggesting that I share with other Members of the House of Representatives my feelings on this matter. Those engaged in agriculture have really been hard hit by the energy situation. Most fertilizer is produced with natural gas; and many farmers have been unable to obtain needed fertilizer at any price. Propane for irrigation and crop-drying has risen 350 percent in price in a year. Farmers are investing heavily to plant crops with no assurance that adequate fuel will be available at harvest time.

The text of my newsletter follows:

Throw the Book at Illegal Oil Profiteers

The federal government should "throw the book" at any and all who illegally profited from the past winter's oil crisis.

Now under investigation are transactions which may have resulted in more than 100 million dollars of illegal profits in gasoline, home heating oil, diesel fuel and propane. John C. Sawhill, who has been nominated to be the new administrator of the Federal Energy Office, revealed this in testimony before the House Government Operations Committee, of which I am a member.

Under the law, violators must roll back their prices, refund overcharges to customers and may be liable to a $2,500 fine for each day they violated legal price ceilings. Testimony before our committee told of violations that seemed clearly intended to break or circumvent the law. Prosecutors should make a concerted effort to exact maximum penalties against those who thus flouted this law.

One of the vicious games that was played resulted from the fact that some oil regulations allowed a markup for each company through which petroleum passed. The energy office has already found about 10½ million dollars in illegal markups that involved transferring ownership of oil without moving the product or transferring ownership using bogus corporations.

When the Arabian boycott was placed on shipping any oil to America last fall, we had a genuine crisis on our hands. We must make sure that the big oil companies didn't profit illegally while the rest of us were sacrificing. For the long pull, we must learn to conserve energy and find new sources for it. But again, we must all work together. We must keep fair prices and not allow any to profit unfairly.

* * * * *

Twice in the past few months I have voted to impose an excess profits tax on the big oil companies. I also voted in favor of rolling back petroleum prices. These were tough decisions for me. But it must be kept in mind we're dealing with a near monopoly in an essential commodity in a time of crisis. It is obvious that we can't encourage production of more energy unless the companies that produce it can make enough profit to encourage new investment. On the other hand, big oil companies have in some instances taken advantage of the American public in the past year. They also have been most uncooperative with the government, in some cases, in providing solid evidence of just what their proven oil reserves are.

One area where rollbacks are certainly needed are in propane prices. Early in 1973, there was some propane shortage. Therefore, federal energy officials allowed a disproportionate share of the total cost of refining crude oil to be charged off to that petroleum converted to propane. Due to this and a relatively mild winter, the propane supply is adequate now. The prices are outrageous, however.

While other petroleum prices in some cases went up as little as 15 percent, propane prices rose as much as 350 percent. This is ridiculous. The federal Energy Office has acted to provide some relief on propane, but not enough. I support legislation that would rollback propane prices to the level of May 15, 1973.

The public will be better served, I believe, if Congress adopts the oil reform measures that have been adopted by the House Ways and Means Committee. The tax-writing committee proposes to phase out the oil depletion allowance that has allowed oil companies tax advantages for petroleum exploration they have done in the past. Ways and Means also proposes a new windfall profits tax on the big oil companies. They would be able to escape part of this tax by investing money in new oil exploration and production. Another change badly needed would alter the present situation that makes it more attractive as far as taxes are concerned for the oil companies to invest abroad instead of at home.

We must also make certain that the big oil companies don't use the energy situation to freeze out competition. FEO Chief Sawhill and I agree that the big oil companies have been taking over too many retail outlets. We must make certain that the bulk of the service station business remains in the hands of the independent operators. As part of his authority under the energy law, Sawhill has refused to allow oil companies to raise rents at this time for their lessees.

During the last several years, I have been working on a variety of measures to improve the long-range energy situation. For example, I introduced a bill to end the tax advantages that exist when new raw materials are used in manufacturing over recycled materials. I hope the Ways and Means Committee will adopt this proposal soon.

I also helped write the legislation now in House-Senate conference committee to consolidate all energy research into one agency, instead of the eleven now duplicating each other.

Most of all, I am thankful that in the height of the energy crisis, I consistently opposed gasoline rationing. Many leaders of the House and Senate were clamoring for rationing beginning in November 1973. If rationing would have been adopted, I'm convinced we would have a severe gasoline shortage right now and from now on. It is obvious that we must put some restrictions on to protect the public in the critical energy situation.

We must, however, solve our problems through our competitive enterprise system. If we get the government too involved, we will not solve our problems but only get ourselves into a bigger mess.

JUDGES AND LAWYERS ASK SUPPORT FOR JUVENILE PROGRAMS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. RANGEL. Mr. Speaker, the National Council of Juvenile Court Judges and the National District Attorneys Association recently sponsored the First National Conference on Juvenile Justice. Representatives of all phases of the juvenile justice process—judges, prosecutors, investigators, social workers, and counselors—attended the conference. They urge that the juvenile court be accorded the support and status befitting an institution so crucial to crime prevention. The resolutions passed by the conference deserves our attention and consideration:

JUDGES AND LAWYERS ASK SUPPORT FOR JUVENILE PROGRAM

The National Council of Juvenile Court Judges and the National District Attorneys Association, united in an effort to coordinate all juvenile justice disciplines into a juvenile justice system, co-sponsored The First National Conference on Juvenile Justice. San Francisco, California, October 7–11, 1973. New Orleans, Louisiana, January 27–31, 1974.

All parties, at the latter Conference, being in accord, the following was unanimously voted, adopted and resolved:

RESOLUTION

Whereas, the Juvenile Court was created more than seventy years ago to rescue children from the criminal process and provide individualized treatment which will result in rehabilitation and correction of misbehavior but those hopes are as yet unrealized largely because of the failure to provide adequate resources and services to the Juvenile Court, and

Whereas, at least fifty percent of all criminal activity is attributed to juveniles and much of the remainder of criminal conduct is committed by adults who once were the subjects of the juvenile process, and

Whereas, the greatest opportunity for crime prevention and rehabilitation of offenders is to treat the offender at the earliest age.

Now, therefore, be it resolved, by the National Council of Juvenile Court Judges, the National District Attorneys Association, and the persons attending the First National Conference on Juvenile Justice—743 registered—at New Orleans January 27–31, 1974:

1. That the Juvenile Court be given the status its responsibility requires in order to elevate the Court from the second rate or step-child category to which it is assigned in some jurisdictions.
2. That the Juvenile Court be furnished adequate support and services to provide effective programs for treatment of juvenile offenders.
3. That the Federal Government give a higher priority to the funding of juvenile programs.

Be it further resolved, that a copy of this Resolution be furnished to: The President of the United States, The Members of the Congress, The Governor of the several states, The Presiding Officer of each House of each State Legislature, and The Chief Justice of each State and Possession.

NATIONAL DISTRICT
ATTORNEYS ASSOCIATION,
Chicago, Ill., May 15, 1974.

Hon. RICHARD M. NIXON,
President of the United States of America.
Washington, D.C.

DEAR PRESIDENT NIXON: The enclosed Resolution reflects the feelings of all 700 persons who recently attended our National Conference on Juvenile Justice in New Orleans, Louisiana. It is interesting to note that this conference included representatives from all disciples of the Juvenile Justice spectrum; Judges, Prosecutors, Investigators, Social Workers and Counselors to mention but a few.

It is the feeling of those attendees, as well as the undersigned, that the Juvenile Justice System has been the "stepchild" of the Criminal Justice System for too long a period of time. Therefore, I transmit this Resolution to you with the hope that you can lend to the intention of the Resolution the facilities of your office to expedite the purposes set forth therein.

Respectfully yours,
JOHN J. O'HARA,
President.

VERSAILLES FIREMEN HONOR SAM CLAY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. GAYDOS. Mr. Speaker, Versailles Volunteer Fire Company No. 1 has singled out for well-deserved public recognition a charter member of the organization who has served his community faithfully for 60 years.

Mr. Samuel Clay was only 18 years of age when he joined the Versailles volunteers and he has seen its transition from a "bucket brigade" to one of the finest equipped firefighting units in southwestern Pennsylvania.

During his membership in the company, Sam Clay held every elected and appointed office, ranging from trustee to fire chief to president. Prior to the modern centralized radio communications and tone-activated alarms of today, the Clay household was the main post for alerting the borough volunteers to fires and other emergencies. The telephone in the Clay home was the link between the situation and the solution. Upon first ring, member of the Clay family would answer then run to activate the fire siren nearby and relay the vital information to volunteers racing to the fire hall.

Every member of the family took their turn at helping to provide protection for the citizens of Versailles. In Mr. Clay's absence, the responsibility of sounding the alarm fell upon his wife or children, regardless of the time of day or night. Later, Mr. Clay's two sons, William and Raymond, became active members of the fire company. They now are "life members" of the organization, each having more than 20 years service. Also, Mr. Clay's late wife and his daughter, Margaret, were active in the fire company's ladies auxiliary.

At the testimonial honoring Sam Clay, the officers and members of the Versailles Volunteer Fire Company declared it would be impossible to put a value on the thousands of hours this gentleman has devoted to serving and protecting the lives and property of friends and neighbors.

Mr. Speaker, I deem it a great privilege to join in the public tribute to Mr. Samuel Clay and to bring his accomplishments to the attention of my colleagues in the Congress of the United States.

FHA STATE FARM FAMILY OF THE YEAR

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. JONES of Tennessee. Mr. Speaker, one of Tennessee's truly outstanding farm families has recently been named Farmers Home Administration Family of the Year for Tennessee. The Billy Griggs family of Kenton, Tenn. has been active in farming, church, and civic work in their community for many years. It came as no surprise to me when I learned that the Griggs family had received the FHA award.

The Humboldt, Tenn., Courier-Chronicle recently featured a story on the Griggs family which I commend to everyone who has known and appreciated their work over the years. It is my privilege to include the text of the article at this time:

GRIGGS FAMILY OF KENTON NAMED FHA STATE FARM FAMILY OF YEAR

The Billy Griggs Family of Kenton, Tennessee, on the Gibson County side, has been named Farmers Home Administration Family of the Year for Tennessee for this year.

The award was presented to the Griggs Thursday at a luncheon and awards banquet held in Nashville. Previously, the Griggs had been named District winners.

The Griggs family is the third family honored in the "FmHA's" State Farm Family of the Year program. The award was established in 1971 for the purpose of honoring families who have demonstrated outstanding progress as farmers and rural citizens. Farming methods, financial progress, family living, property improvement, community leadership, and overcoming adversities are some of the criteria used in making the selection.

This year's winner was selected from among 6 families who earlier had won district titles throughout the state. The Griggs' will now enter in competition with the winners from other states for selection of the national "FmHA" Farm Family of the Year.

The main speaker at the luncheon was Mr. Lucius Dickerson, Assistant Administrator for the Farmers Programs of FHA. The State Director of FHA, Mr. Paul Koger, presided over the meeting. The luncheon was attended by other agency directors including state, local, and federal officials.

The Griggs are a picture of an All-American family. Their modern brick home lies west of Kenton. Both Mr. and Mrs. Griggs are active in their church work, their civic life, and both dedicated to the everyday tasks of making a living for themselves and their family.

They were both born and raised near Mason Hall. She was the former Wilma Jo Hall. Both graduated from Mason Hall High School and both were named valedictorians of their senior class in their respective graduating years.

They were married in 1953. They now have three children, Tommy 16, Timmy 14, and Tracy 7. The boys naturally join dad in the operation of their farm programs.

Both Mr. and Mrs. Griggs grew up on a farm and both were well familiar with farming and the duties and responsibilities.

They now have some 666 acres which is devoted mainly to row crops and the feeding of hogs. 233 of these acres are owned and the remaining 433 are leased.

The Griggs began their "FmHA" operation when they applied for a loan in 1963. This was approved in 1965 with a farm ownership loan. They have since applied to FmHA for two other loans. One in 1965, and the other in 1972 which was a rural housing loan and the one which gave them their beautiful home.

But farming is only one part of their very active lives, as stated before.

They are members of the Bethpage Baptist Church and where Mr. Griggs is a deacon and Sunday School teacher. The two older boys are also presidents of their Sunday School classes.

Mrs. Griggs is the church pianist and a Sunday School teacher.

Mr. Griggs is a member of the Kenton Lions Club and both are active PTA members. He is also an ASCS County Committeeman, a Farm Bureau Member and serves on the SCS Advisory board.

She is a farm bureau vice-chairman, and has been a delegate to the State Farm Bureau and National Farm Bureau Conventions. She is also vice-president of the Tilghman Home Demonstration Club.

In 1965, Mrs. Griggs was chosen the Home Demonstration Club Woman of the Year.

And, the children. . . . yes they are active too. Tommy, an 11th grader, is a member of the Beta Club, FFA, treasurer of the school class and just last week, received his State Farmers Degree from FFA in Knoxville.

Timmy is vice-president of the school band, and serves as Den Chief of the Boy Scouts. Tracy is in the second grade, and lives for the day he can be like his two big brothers, and can take an active part in the farming operation.

So, quite a family and Mr. Griggs sums up the success of their family unit this way. "It is a total family operation. It takes all of us together to make a complete operation." And, while Mr. Griggs is the mainstay of the farming operation, still Mrs. Griggs is right in there. "I can do most all of it if it became necessary." She does keep the books.

"A lot of hard work and determination has brought us to this point," said Mr. Griggs. Farming has turned around the last few years. People used to look down on farmers, but people seem to look up to farmers now," he added.

David Farliess, Assistant Manager of the Gibson County FmHA office stated "The overall family activities, and accomplishments of their farm operation has made them a success. They exemplify what a farm family should be, and FmHA's choice is a perfect one. We congratulate the Griggs family."

BROWN AGAINST BOARD OF EDUCATION

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. EDWARDS of California. Mr. Speaker, 20 years ago this month, the Supreme Court ruled in its landmark decision, Brown against Board of Education, that "separate but equal" public education was unconstitutional. This decision has had far-reaching social impact. Its implications are still being studied, questioned, validated and discussed. But it has also had significant effect on the lives of many individuals.

The following remarks by William B. Gould, a professor of law at Stanford Law School, delivered at a meeting with Chief Justice Earl Warren, describe the influence of Brown against Board of Education upon his life. I believe that my colleagues will find his views and thoughts a significant reflection on the meaning of equality.

The remarks follow:

REMARKS BY WILLIAM B. GOULD, PROFESSOR OF LAW, STANFORD LAW SCHOOL

Twenty years ago this May, the Supreme Court ruled in *Brown* v. *Board of Education* that separate but equal was unconstitutional in public education. This pronouncement was heard round the world—and it was the first definitive answer provided by our government to what the world knew to be the shame of this country, i.e., the caste system which imposed the badge of inferiority upon Negroes throughout the United States.

I recall vividly May 17, 1954 and the reports of it contained in the following day's edition of The New York Times. I was seventeen years old then, a high school senior in a small New Jersey town. At that time I had little knowledge about plaintiff's petition for writ of prohibition lodged with the Supreme Court in 1896 against segregation in public transportation in which petition he "averred that he was seven eights Caucasion and one eighth African blood; that the mixture of colored blood was not discernible in him, and that he was entitled to every right, privilege, and immunity secured to citizens of the United States of the white race; and that upon such theory he took possession of a vacant seat in a coach" reserved to whites.

Although I did not know much about *Plessy* v. *Ferguson* in 1954 I knew full well the low esteem in which black people were held by most white citizens of this country—a point made dramatically by President John F. Kennedy in 1963 when he said: "Who among us would be content to have the color of his skin changed and stand in his [the Negro's] place." I knew from personal experience the truth of what the first Mr. Justice Harlan had said in eloquent dissent in *Plessy*, i.e., that segregation was simply formalization of the master race theory. And I was also well acquainted with the debilitating impact of such attitudes upon the willingness of the oppressed to identify with one another so as to effectively stand up against the oppressor. In this connection it is to be recalled that the plaintiff in *Plessy* v. *Ferguson* predicated part of his prayer for the relief upon the ground that African blood in his veins was "not discernible".

I am extremely proud to be on the same podium with you, Mr. Chief Justice. For there is nothing which was more important in my decision to become a lawyer than that event of May 17, 1954—your opinion in *Brown* v. *Board of Education*. That decision gave me and other blacks the hope and belief that the law could address itself to racial injustices in this country and that I as a lawyer could make some contribution to end the old order against which my parents had struggled. In their day the struggle was against hopeless odds—hopeless because all who possessed African blood were isolated, ridiculed, despised—and thus regarded as unfit for occupations and work that the white man was willing to perform.

Brown changed that. Regardless of the contemporary debate about issues like community control, self determination, and integration, *Brown* was important to all black people because it gave us hope that we would have our day in court—both literally and figuratively. *Brown* turned us as a nation away from the path of South Africa and made the principle of racial equality a respectable one amongst many educated people. It encouraged civil rights advocates to protest through the courts and elsewhere and to fight back against injustice in all forms. It prompted Congress to move on its own initiative and to pass, amongst other important statutes, comprehensive fair employment practices legislation such as Title VII of Civil Rights Act of 1964.

It was May 17, 1954 that set the stage for these developments and others, and it is that decision and the difficult experience with the implementation of its principles—which had been a teacher to the courts charged with the interpretation of Title VII. This is so because *Brown* and its judicial progeny taught us that the past of racial inequality is inseparable from judicial consideration of the present—and that the affirmative dismantling of segregated institutions is a prerequisite to equal opportunity. And so it is in employment cases—where in the past decade independent federal judges appointed for life have struck down segregated seniority lines and discriminatory no transfer policies which held blacks down in less desirable and low level jobs. These same judges have laid siege to hiring preference for the sons of white workers and their friends and relatives where the effect of such preference is to perpetuate an all white work force or job classification.

Brown also opened the way for the very important decision of the Supreme Court of March 1971, *Griggs v. Duke Power*, where the Court, unanimous as it was in 1954, held that discrimination can be found even when there is no intent to discriminate. The Court was able to arrive at this conclusion in Griggs in part because its involvement with the issues in *Brown* and in other civil rights areas had made it clear that blacks as a group were not receiving educational benefits in our country equal to those obtained by whites. From here it was a short step to conclude that employment practices such as written examination, educational qualifications and apprenticeship programs which reflected societal inequities and which were not related and necessary to the job that a black applicant sought, were discriminatory under federal law.

And finally, the experience with *Brown*—especially between 1954 and 1968—made it clear that centuries of racism would not easily disappear and that delay therefore could no longer be tolerated. All of this prompted the Court to say that segregation must be eliminated both "here and now" and "root and branch". The federal courts in dealing with employment cases have learned well from this history—and have therefore not been content to merely slap offenders on the wrist, but at a relatively early stage of the development of the law, have imposed goals and timetables for hiring and promotion of blacks and other minorities when there was no other way to remedy discrimiation, slapped back pay awards upon defendants and, most recently, awarded millions of dollars of punitive damages against those who flagrantly violate the law.

Mr. Chief Justice, I am pleased that you could be with us today to commemorate this historic decision. *Brown* was and is the first step in our journey of a thousand miles. I do not believe that there can be a turning back from the new era of morality ushered in by that decision.

For that reason alone, I and all who believe in equality of the races, pay tribute to you and the *Brown* decision today. For me, Mr. Chief Justice, and people of all colors throughout the world, you are a man for the ages. You have given us the hope that we dared not have previously—the hope that our children will become adults in an age of equality—an age in which fate denied our parents the right to live.

GILMAN SEEKS INCOME TAX EXEMPTION FOR POLICE AND FIRE PENSIONS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. GILMAN, Mr. Speaker, on May 21 I introduced H.R. 14937, which provides for an exemption from the Federal income tax on income from pensions paid to retired police or fire officers, their dependents or survivors.

This measure recognizes that society can never fully repay the great debt we owe the courageous, selfless public servants who protect our lives and property.

All too often, these men perform their duties at risk of their lives. Many do not live to retirement. Their sacrifice and dedication deserve appropriate recognition.

Tragically, the grieving survivors of these men often face severe financial hardships in being limited to the income of firemen or police officer's pensions. The spiraling cost of living has made it extremely difficult to make ends meet on the limited income available from such pensions.

I urge my colleagues to join with me in supporting this legislation as an expression of our gratitude and appreciation for the difficult task being courageously and diligently performed by our police and fire officers.

Mr. Speaker, I insert the full text of this bill in the RECORD:

H.R. 14937

A bill to amend the Internal Revenue Code of 1954 to provide that pensions paid to retired policemen or firemen or their dependents, or to the widows or other survivors of deceased policemen or firemen, shall not be subject to the income tax

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 123 or section 124 by inserting after section 122 the following new section:

"Sec. 123. Pensions paid to retired policemen or firemen or to their dependents or survivors.

"Gross income does not include any amount received as a pension, annuity, or similar benefit to the extent that such pension, annuity, or benefit is based on service which was performed (by an individual who is retired or deceased) as a full-time policeman or other law enforcement officer, or as a full-time fireman, in the employ of a Federal, State, or local government or governmental entity."

(b) The table of sections for such part III is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 123. Pensions paid to retired policemen or firemen or to their dependents or survivors.

"Sec. 124. Cross references to other Acts."

SEC. 2. Section 72(p) of the Internal Revenue Code of 1954 (cross reference relating to annuities) is amended—

(1) by striking out "REFERENCE.—" and inserting in lieu thereof "REFERENCES.—", and

(2) by adding at the end thereof the following:

"For exclusion of pensions, annuities, and other benefits paid to retired policemen or firemen or to their dependents or survivors see section 123."

SEC. 3. The amendments made by this Act shall apply only with respect to taxable years ending after the date of the enactment of this Act.

OBSTACLES TO INTERAGENCY COORDINATION

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. HANNA. Mr. Speaker, I would like to bring to the attention of my colleagues the following excerpt which supports the need for interagency coordination in U.S. international science policy as indicated in H.R. 14242, the International Science and Technology Transfer Act of 1974. This excerpt was taken from "U.S. Scientists Abroad: An Examination of Major Programs for Nongovernmental Scientific Exchange," prepared by the Science Policy Research Division, Congressional Research Service, Library of Congress, for the House Committee on Foreign Affairs:

OBSTACLES TO INTERAGENCY COORDINATION

A number of factors militate against coordinated program planning. One of these is that U.S. international science programs and policies have not been fully recognized as part of either foreign policy or science polthority and is reported to different congressional committees.[493] A third is that some biicy.[492] A second is that while each program has a number of overlapping purposes, each is carried out under its own statutory aulateral agreements provide for funding and program commitments which are rarely brought to the attention of Congress until they are *fait accompli.*[494]

A fourth consideration which must minimize expectations of effective coordination is the unsuccessful history of actual attempts to provide this function. Two agencies have responsibility in the past for coordinating, on a government-wide basis, international science policies and exchange policies. These are the International Committee of the Federal Council for Science and Technology and the Bureau of International Scientific and Technological Affairs, Department of State.

FOOTNOTES

[492] Most U.S. Scientific exchange programs proliferated in response to specific opportunities presented by either diplomacy or science. Only a few were established under explicit congressional mandate. The latter in-

clude, for instance, the international health activities of the National Institutes of Health, authorized by the International Health Act of 1960 (Public Law 86–610); and the exchange programs of NASA and AEC sanctioned by formal intergovernmental agreements, some with congressionally mandated authorities. The Fulbright-Hays program was established under a mandate for advancement of cultural and educational cooperation; NSF and NAS programs were fully established and functioning long before the Congress gave the Foundation an explicit authority to support foreign and international science for their own merits rather than primarily to enhance the domestic science base.

On the need for more explicit legislative statement of international science policy goals, Herman Pollack, director, Bureau of International Scientific and Technological Affairs, has "advocated a 'more adequate statement of national policy and legislative authority for international scientific ventures.'" (U.S. Congress, House, Committee on Science and Astronautics, *Toward a Science Policy for the U.S.: Report,* October 15, 1970, p. 50, citing Pollack's testimony in hearings on National Science Policy.)

Dr. Edward E. David, Jr., as President Nixon's science adviser, suggested ". . . that we need an international science policy just as it has been suggested that we need a national science policy and that can only be enunciated with the aid of the Congress. If such a policy were put forward strongly, I believe it would have a major impact on the agencies of Government, in that they would then see it as part of their mission. I think today, because of the way our programs are structured or not structured, very often the mission agencies do not see their role in international science cooperation as being on a par with their domestic mission." (*A General Review of International Cooperation in Science and Space: Hearings,* op. cit., p. 7.)

[493] Herman Pollack in 1965 summed up the effects of this fragmentation:

". . . The budgets of the various departments and agencies that carry scientific and technical programs are . . . built around the . . . domestic missions . . . They are in the process of putting together an annual or a projected plan over several years . . . in terms of priorities that are developed essentially from their perspective of the domestic considerations. . . . Each of these departments . . . is . . . concerned with its own responsibilities . . . It protects its own budget . . . and there is . . . a mutual diffidence about not getting into the other fellow's territory.

. . . There are opportunities and . . . requirements . . . where it will be desirable for the United States to pursue a scientific relationship . . . that is neither related, per se, . . . to the priorities that have been established . . . for the pursuit of domestic purposes or that do not fit the jurisdictional territories and boundaries that have been established by the nature of the U.S. Government organization . . . Agencies don't feel . . . that they are authorized to spend funds available to them for this kind of activity. [And] it hadn't been anticipated in the development of their budgetary program. They have their own congressional committees to deal with, their own constituencies in the United States to take into account.

. . . If it involves more than one agency, it immediately gives rise to coordination and division of responsibility, and when you get to three or four you have all the complications and problems of committee management. (*Government and Science: Review of the National Science Foundation, Hearing: Vol. 1, 1965,* 89th Cong., 1st sess., 1965, pp. 469–470).

[494] Legislative recognition of this problem was indicated in the passage of Public Law 92–403, August 22, 1972, which required that the Secretary of State transmit to both the Senate Foreign Relations Committee and the House Foreign Affairs Committee copies of all international agreements, other than treaties, entered into by the United States. However, these agreements are to be transmitted after the fact within 60 days after their signing; thus, intensive congressional consideration is likely to occur only in the most unusual circumstances involving severe legislative-executive differences. Also, the sheer number of such agreements militates against their in-depth consideration by the Congress. See the extensive listing of such agreements in: U.S., Congress, Senate, Committee on the Judiciary, Subcommittee on Separation of Powers, *Congressional Oversight of Executive Agreements: Hearings on S 3475,* 82nd Cong., 2nd sess., April and May 1972, 668 pp.

WOMEN'S ATHLETICS: NO SPORTING CHANCE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. FRASER. Mr. Speaker, in 1972, 12-year-old Maria Pepe, just dropped as pitcher from a New Jersey Little League team, said:

> They don't do nothing for girls in Hoboken, only boys.

This year they are doing even less for girls in Hoboken—and boys, for that matter; the conflict over girls in Little League has scuttled teams throughout New Jersey.

During the same 2 years, controversy over women in sports has delayed enforcement of an amendment which bans sex discrimination in educational institutions. On one side are those who are rooting for the rights of women and girls; lined up against them: the National Collegiate Athletic Association and the National Association of College Athletic Directors—an impressive array of college athletic interests.

Women in sports has quickly become the most visible issue in the fight for women's rights, an issue so timely and complex that the Washington Post has published an excellent four part series to cover it. We plan to submit all four over the next several weeks, and begin today with the colorful background article:

NO SPORTING CHANCE

(By Bart Barnes and Nancy Scannell)

The biggest major sports battle of the past year was not on television. It did not take place in a packed stadium before a crowd of screaming fans.

It happened in hundreds of courtrooms, in the offices of principals and coaches, on Little League baseball diamonds and at school board meetings.

Women, in growing numbers, declared war on the tradition that American sport is reserved for men only.

What is happening is a revolution that strikes to the core of American custom and folkways.

Competitive sport has always been considered to be a way to develop boys into men. Girls have been left along the sidelines, cheering the boys on—practicing the supportive role they could expect to play as women.

The sports sex revolution now has the power of law behind it. Currently on the books and being readied for implementation are federal regulations that extend the ban on sex discrimination into the area of competitive sport.

The new regulations could cause a dramatic overhauling of the big-time men's college sports system. At the very least they will lead to a thorough reappraisal of men's athletics.

Beyond that, the awakening of the woman athlete is part of a fundamental change in woman's role in our culture. Nowhere does the conflict between the new and the old attitudes toward women generate more sparks than on the playing field.

In countless studies and surveys advocates of improved sports programs for women and girls have found that sex discrimination in athletics is ubiquitious and ingrained.

Examples:

In Waco, Tex., the public schools operated a $250,000 athletic program for boys in seven sports but spent only $970 on girls' athletics. A study by Women's Equity Action League found that of $1 million in athletic facilities and equipment only tennis balls could be used by girls on a regular basis. Waco schools therefore currently stand to lose up to $1 million in federal funds.

A survey of 60 junior and senior high schools in the State of Washington found not one where the physical education budget for girls was even 50 per cent of that for boys.

An investigation of athletics in the public schools of Ann Arbor, Mich., found nearly 10 times as much money has been spent on boys' athletics as on girls'.

At the University of Maryland, there is an athletic budget of $2,015,000 that includes 100 football scholarships and nine in basketball at a cost of $2,840 apiece. The budget for women's athletics this year is $19,000, or approximately the cost of seven football players for one year.

A coalition of eight women's organizations found that in the public schools of Dallas, girls accounted for only five per cent of the more than 9,000 students between grades eight and 12 participating in inter scholastic sports. Dallas schoolgirls are effectively denied use of nearly $10 million worth of public facilities such as stadiums and field houses, the group said in a formal complaint.

These figures suggest one measure of how the athletic establishment discriminates against women. But women say their problems go beyond money to the attitude that it is somehow unfeminine for a female to demonstrate ability in sports.

This and three subsequent articles will examine how the ferment in athletics has the potential to recast the entire sports picture in America today for men as well as women, from the sandlot to the college stadium.

The articles are based on scores of interviews with athletes, coaches, athletic directors, representatives of national sports organizations, school and government officials, leaders in the women's movement and on research papers and court documents.

They will discuss how implications of what's happening go beyond athletics, for in many ways the sports revolution is a microcosm of the women's movement.

The movement already has surfaced at the elementary school level in protests that textbooks tend to stereotype girls as passive creatures. Boys when they appear in the elementary texts are usually active and competing. Girls tend to be shown in frilly dresses, smiling pleasantly and helping mother around the house.

In hundreds of conflicts from Maine to California, the concept of sports as one of the last bastions of male supremacy is undergoing a sustained attack. Women—and some men—are demanding that their daughters have an opportunity equal to that of their sons to share in the sports programs, facilities and equipment of the nation's public schools.

Women have become jockeys, letter-winning football players, wrestlers and boxers in the last few years. But such accomplishments still are exceptions to a generally rigid rule.

And often they are met with diehard resistance from the male athletic establishment.

The New Jersey Superior Court, in a decision expected to have nationwide impact, ruled this March that girls must be permitted to play Little League baseball along with boys.

Philip DeMarco, a salesman from Middletown, N.J., and chairman of the Save the Little League of New Jersey Committee, said many leagues across the state will simply close this year rather than admit girls.

"The Little League has been a viable organization and a service, especially to boys in this state, and it's going right down the sewer," DeMarco said. "Our rights have been taken away. I will not be part and parcel of this type of operation."

The New Jersey decision grew out of a ruling last November by the State's Civil Rights Commission that barred Little League from discriminating against girls while using public parks and playgrounds.

"The institution of Little League is as American as the hot dog and apple pie," hearing examiner Silvia Pressler said. "There is no reason why that part of Americana should be withheld from girls."

Maria Pepe, a then 12-year-old pitcher in Hoboken, started the battle two years ago. She won a place on a team but was dropped because Little League rules prohibit girls. The National Organization of Women took up her case.

"They don't do nothing for girls in Hoboken, only boys," Maria said at the time.

Three years ago, two high school girls in Connecticut went to court when they were denied places on their school track and swimming teams.

In a 1971 decision, since reversed by a federal court, a state judge held:

"The present generation of our younger male population has not become so decadent that boys will experience a thrill by defeating girls in running contests whether the girls be members of their own team or an adversary team. Athletic competition builds character in our boys. We do not need that kind of character in our girls, the women of tomorrow."

The case was tied up in court for two years; finally, a year ago in January, the Connecticut high school athletic association amended its rules to let girls compete with boys.

But it is at the college level, where vast sums are set aside for recruiting, scholarships, public relations and expensive athletic equipment for men, that the tremors are being felt most keenly. Some in the athletic establishment are bracing for an earthquake. What's at stake is nothing less than the continuation of old-time, big-time college sports.

The regulations in Title 9 of the 1972 Education Amendments are intended by Congress to bar sexual discrimination in a number of areas including athletics. The penalty for violation is the loss of federal funding, a price few school systems or universities could pay.

Proposed guidelines drafted by the Department of Health, Education and Welfare took two years to write, primarily because of the sensitivity of the athletic section. They have been circulated unofficially throughout the athletic establishment although the period for official comment for the record has not yet begun.

One of the more far-reaching and controversial sections provides that recipients of federal aid such as institutions and school systems:

"Shall not discriminate therein on the basis of sex in the selection of sports or levels of competition, provision of equipment or supplies, scheduling of games and practice times, travel and per diem allowance, awarding of athletic scholarships, opportunity to receive coaching and instruction, assignment of coaches and instructors, provision of locker rooms, practice or competitive facilities, provision of medical and training facilities and services, publicity or otherwise."

To Walter Byers, executive director of the National Collegiate Athletic Association, the regulations are ominous indeed. They mean, he says, the "possible doom of intercollegiate sports. It has taken us 60 years to reach our level of amateur sports in this country."

In plain English, Byers and sports directors around the country are afraid the government will force them to spend more money on women's sports and so starve the already hard-pressed men's programs.

Only 10 per cent of the college athletic departments in the United States are able to finance their athletic budget with the income from revenues-producing sports. The other 90 per cent must dip into public money.

At the University of Maryland, athletic director Jim Kehoe calls the proposed guidelines "unfair, unreasonable and impractical." They fail, he says, to recognize the "cold, hard facts of life" in trying to run an athletic program off two moneymaking sports, football and basketball.

And editorial and sports writers in the national media have joined in the outcry.

"After all what are we after, a race of Amazons? Do you want to bring home a companion or a broad that chews tobacco?" said Furman Bisher, sports editor of the Atlanta Journal in a column in the March 9 issue of The Sporting News. "What do you want for the darling daughter, a boudoir or a locker room full of cussing and bruises? A mother for your grandchildren or a hysterectomy? . . . educated their men to handle situations worse than this, then we deserve feminization."

In the Washington Post on April 21, sports columnist William Barry Furlong also launched a scathing attack on women athletes: "The clean hard sexist fact is that there are at least three other things I'm going to examine about a woman—four, on the chance she has a brain—before I even begin to think about her golf swing." At other points in the column, Furlong refers to woman athletes as "grotesqueries."

HEW's Gwen Gregory, the lawyer in charge of drafting the Title 9 guidelines, emphatically denies they are intended to destroy men's sports.

"From the school representatives I've talked to, I certainly think it will have a substantial effect at most schools. I don't think that change spells disaster, however."

A good deal of the reaction so far to Title 9, Gregory says, has been panicky and alarmist, and some of it deliberately distorted. While the guidelines do require that women be given an equal opportunity to participate in sports, she said, they do not require a down-the-middle division of everything including money and scholarships.

What the legislation is aimed at, she said, is eliminating such instances as:

"When a woman's track team organized a meet the year before, and the week before the meet the men's track coach called and said, "We need it (the track) for practices and you have to cancel" and they canceled. That plainly is wrong.

"When a men's hockey team is given expenses and transportation to go to Olympic tryouts and the women wanted to go for figure skating and they wouldn't let them go. Public funds were used to transport the men. When men are transported by airplanes and given a big steak the night before the game and the women are giving bake sales in order to afford a bus to take them and their peanut butter sandwiches in brown bags . . . when locker rooms are available only to the men . . . when swimming pools are available only after 9 p.m. so the women go over then and have to wear their wet suits home in the snow . . . and then they say that women aren't interested in sports. Well, you lose your interest when you're freezing to death in your wet suit."

Indeed, the women's issue extends even to the question of athletic scholarships for women, an extremely controversial issue with important implications. Until a year ago, the associates that govern intercollegiate sports competition for women barred all women on athletic scholarships from competition.

But last year the ban was lifted after 15 women tennis players on athletic scholarships at Florida's Broward Community College and Marymount College filed a lawsuit in federal court.

Still, the number of women getting a college education through an athletic scholarship is only a fraction of the estimated 50,000 males, athletes on whom such schools as Ohio State and Penn State depend to operate their multimillion-dollar sports programs. And it's those programs that may feel the impact of the women's movement most acutely.

PITTSBURGH'S NEWSPAPERS ARE BACK

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. GAYDOS. Mr. Speaker, Pittsburgh's two great newspapers, the morning Post-Gazette and the afternoon Press, are back in circulation after a 46-day strike shutdown which left a very important part of the Nation without adequate news coverage.

I join the people of the Pittsburgh community in welcoming the papers back. To say they were missed is a monumental understatement. TV and radio admittedly was unable to fill the void. The fine papers in neighboring cities such as the McKeesport, Pa., Daily News could not keep full pace with the increased demands upon them.

Our newspapers render a service which we too often fail to appreciate while they are in regular publication. They bring word of community activities. They publish obituaries. They tell of weddings. They keep us informed of the life about us to the point where we more meaningfully can play our part in it.

I realize that some newspapers in our country have been under attack on the grounds of bias in their news reports on Government and for violations of the rights of persons in public life who have met their probing scorn.

But on balance, we are the most fortunate people in the world in having newspapers which are highly informative as well as vigiliant in what they consider the public interest. More than this, we have in our papers the data which is so necessary to us—the information on our schools, our churches, our clubs, our local governments, our sports, and all the other ingredients which make up the compound of American society.

The people of Pittsburgh are well aware of this now—after 46 days without newspapers. Store sales were off. Entertainment programs failed to draw as they would have otherwise. Even the Pittsburgh Pirates got off to a poor attendance start this season at their new Three Rivers Stadium and have slumped very badly on the playing field. Perhaps they have needed the attention of the sports writers. They are getting it now.

I am interested, inasmuch as part of Pittsburgh is in my district, at what the TV and radio news people have said about their inability to fill the big news gap while the papers went unpublished. They tried manfully to do their duty to the public. Some publicized lists of obituaries. Suburban affairs got unprecedented attention. Efforts were made to explain new home rule charters which were on the primary election ballots of Pittsburgh and Allegheny County.

"But we feel strongly that any time there isn't a paper, it is a tragedy for the community," said Bill Aber, KDKA–TV news editor. "There are a lot of things we can't do, like running the classified ads, obits, vital statistics and legal advertising. And we cannot provide the indepth coverage the papers can. The feeling is one of frustration."

Mr. Aber's comment was echoed by others among Pittsburgh broadcasters. And I am certain, too, that he spoke for the people generally. The papers were sorely missed. We are all glad they are back. Indeed, their first post shutdown editions seemed to send a new burst of life through Pittsburgh, a feeling akin to that which comes with quick recovery from a depressive illness.

ON THE NEED FOR BETTER BILINGUAL EDUCATION PROGRAMS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. BIAGGI. Mr. Speaker, several weeks ago, the House General Subcommittee on Education, of which I am a member, held hearings in New York City on the subject of bilingual education. At that time, I testified as to the need for increased funding of these bilingual programs as well as the need to have all ethnic groups be able to fully participate in these important programs.

During the course of the hearings, individuals and organizations serving as spokesmen for various ethnic groups testified on the urgent need to increase funding for bilingual education. One of these organizations was HANAC, the Hellenic-American Neighborhood Activities Committee.

HANAC is a New York City-wide organization created in November of 1972 in response to the needs of the growing Greek-American community in New York City. It is funded by the city to both study the needs and develop services to assist the Greek community.

Mr. Speaker, at this point in the Record, I would like to insert HANAC's testimony at the bilingual hearings. Their analysis of the problems as well as their recommendations for improvements in bilingual educational programs are worthy of my colleagues' consideration. The key to success in this world continues to be guided on a decent education, and a decent education is a fundamental right which all children regardless of their nationality should be able to enjoy.

The testimony follows:

Testimony of HANAC

In December 1973 HANAC completed its study on the needs and problems of the Greek-American community in New York City. A major part of the study focussed on bi-lingual education and English as a second language. Briefly, the study documented that there are approximately 350,000 Greeks in New York City, along with a yearly Greek immigrant influx to the United States of 40,000, most of whom eventually settle in New York. Among these Greeks it would be a conservative estimate to say that 90% have a language problem. This not only is a handicap to the adults, but poses a critical problem in the educational process of their children and the difficulty which their children experience in learning English and maintaining a satisfactory academic level of achievement. Their needs have been largely ignored.

The Greek child's educational problem is intensified when one takes into consideration that he or she has already been educated to some degree in an alphabet and phonetics different from those of the English language and the romance languages. Greek children who master the new alphabet and its phonetics learn to read well, but have difficulty comprehending what they read. This represents special cognitive problems, which we hope to study further. An additional problem facing the teaching of the immigrant Greek child is that the teacher is handicapped in his or her efforts by the lack of appropriate and sufficient educational materials. The result is that makeshift materials are developed to fill the void. If intelligent and significant bi-lingual programs are to be developed it is essential that the necessary books and other learning materials be developed and made available to teachers.

A further need is to recruit Greek bi-lingual teachers who are familiar with the language and culture of the Greek immigrant child. The bi-lingual teacher can offer a sense of security to the child which comes from an understanding and acceptance of his origins. Greater attempts must be made to reach out and involve the immigrant parents in the education of their children.

The question of cultural background is important in assessing the younger child's school adjustment. At the HANAC office, there have been a number of cases where concerned and sometimes outraged mothers came to us to complain that their children have come home from school saying, "I wish I did not have to be Greek." To us, such incidents are symptomatic of the fact that in the cultural and educational patterns in our schools, there are elements which fail to preserve the pride and dignity in each child's feelings towards his own identity and ethnic roots.

HANAC's studies repeatedly uncovered the fact that the Greek immigrant child was not a disciplinary problem in the sense of being disruptive in the classroom. To the contrary, the Greek child was described as being shy, and often withdrawn. It has been suggested that this is a cultural reaction for the Greek child in response to the frustrations he faces in school. It is potentially more damaging to the child than acting-out would be, as it both hampers his educational progress and at the same time does not focus on the fact that he has problems. It is HANAC's point of view that bi-lingual studies, plus auxiliary programs for the child, would act in a therapeutic manner to overcome the psychological problems before they became too serious.

The recent *Lau vs. Nichols* Supreme Court decision points up the discriminatory nature of an educational system which does not provide a bi-lingual program for a non-English-speaking minority. At this time in the New York City public schools 96% of the non-English-speaking Greek children are being denied the full benefits of public education. Based on HANAC's findings and evaluation of present conditions it recommends urgently that immediate steps be taken to correct the present state of affairs. Specifically, HANAC recommends:

1. The establishment of the position of a New York City Coordinator of Greek bi-lingual education. The purpose would be to insure the beginning of a comprehensive city-wide approach to meet the needs of the Greek-speaking child.
2. The exploration of potential funding sources on the federal, state and city levels.
3. The formation of organizations of parents to become involved actively in the education of their children.
4. The institution of an intensive and extensive recruitment of Greek bi-lingual teachers.
5. The development of Greek bi-lingual educational materials.

An area of great concern is that legal requirements may be acting to prevent needed programs from reaching a minority differentiated by language. At present there is not one Title VII bi-lingual program for Greek children in the entire nation. We respectfully submit that more can be done in behalf of the Greek child who presently is being educationally disadvantaged for lack of such programs. Rather than look backward, HANAC would suggest that we begin to formulate the means by which such programs can be instituted in the schools.

In passing, it should not be overlooked that there is a proportionate need for bi-lingual education in the adult community of the Greek-American immigrants as well as among their children.

It would seem to be incumbent upon the Office of Education, Dept. of Health, Education and Welfare to investigate the needs expressed by the Community and then take appropriate action to fulfill those needs. Between the HEW, the local Boards of Education and the Community, it should be-

come apparent that it is possible to work out a program conforming to the law and satisfactory to the Greek-American Community.

In other words, if there is a real need, it should be recognized as such. The Subcommittee surely can revise existing legislation to implement these proposals. We at HANAC put ourselves—our experience and energies—at your disposal, with the fervent hope that an early conclusion may be reached in order to develop better conditions of learning for the children of the Greek Community.

REGRESSIVE RENT MEASURE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. RANGEL. Mr. Speaker, on May 16, the New York State Legislature passed a rent-regulation bill designed to satisfy the demands of a number of conservative Republican assemblymen. The bill ignored many of the provisions of Governor Wilson's proposed, and reasonable, rent control bill.

Vacancy decontrol will continue to afflict the tenants of New York City landlords rule. Albany has failed to provide adequate protection for tenants against rent-gouging and intolerable living conditions. As the following editorial from the New York Times of May 17 indicates, the system approved by the legislature has been shown to be ineffective and inequitable. By not requiring fair and effective rent procedures, the legislature has condoned victimizing of tenants by landlords.

The editorial follows:

[From the New York Times, May 17, 1974]

RUNOUT ON RENTS

In the shambles of the adjournment rush at Albany, the Republican majority in the State Legislature—with clandestine help from Governor Wilson—has undone the sensible rent control bill agreed upon by the Governor, Mayor Beame and a bipartisan coalition of legislators from New York City. In its place, the Legislature has enacted a measure that provides almost no relief from the irresponsible vacancy decontrol law adopted three years ago.

Under the new measure, tenants wanting to move into a vacant apartment will have to accept whatever rent the landlord decides to set; only after they have committed themselves can the tenants file an application with the rent stabilization authorities challenging the figure's fairness. Landlords get better protection than tenants in the yardsticks for determining fairness, and tenants will be further disadvantaged by Albany's scrapping of a proposed "warranty of habitability" that would have compelled landlords to furnish decent maintenance.

The Governor's apparent intention to sign this lopsided measure is particularly inexcusable in the light of the findings of the Temporary State Commission on Living Costs, appointed by his predecessor, Nelson A. Rockefeller, with the primary purpose of reviewing the operation of vacancy decontrol. That commission found that the law had failed to meet the test of equity in its first thirty months. Rents in vacancy decontrolled apartments were up 52 per cent, but there were no overall dividends for tenants on the basis of better service or renovation. On the contrary, the commission reported a 40 per cent drop in spending on improvements.

Governor Wilson can still demonstrate his good faith in seeking a law fair to tenants and owners by vetoing the measure now before him and putting rent control on the agenda of the special session he plans to call.

HUMAN RIGHTS IN CHILE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. FRASER. Mr. Speaker, I would like to insert in the RECORD the preliminary report of the observer mission sent to Chile by the International Commission of Jurists. The mission visited Chile from April 19 to 28. The members of the mission are listed below.

The report contains the following conclusions:

First, ill-treatment, sometimes amounting to severe torture is carried out systematically by some of those responsible for interrogation;

Second, due process is severely lacking in the military trials; and

Third, approximately 10,000 persons are being held as political prisoners—charges are often not filed against them and many are held "incommunicado" for long periods.

Foreign Affairs Subcommittees on Inter-American Affairs and International Organizations and Movements have been holding a series of hearings on the human rights situation in Chile. On May 23 the subcommittees will be hearing from one of the members of the ICJ observer mission—Mr. Covey Oliver, former Assistant Secretary of State for Inter-American Affairs. On June 11 the subcommittees will be hearing from a Department of State spokesman.

I believe these hearings are particularly timely in view of the administration's request to the Congress to provide Chile with nearly $85 million in bilateral U.S. economic assistance, military assistance, and credit sales. For Chile, the administration is requesting $800,000 in military assistance—grants—and $20,500,000 in military sales credit. Congress should, I believe, take a very close look at these requests. A government which is committing repressive acts against its people, as the International Commission of Jurists' report reveals, should not be entitled to American arms. As Members of Congress we run the risk of being accomplices in these repressive acts if these arms become the instruments of oppression.

The reports follow:

PRELIMINARY REPORT OF ICJ MISSION TO CHILE

A three member mission visited Chile from 19 to 28 April 1974 on behalf of the International Commission of Jurists to enquire into the legal situation with regard to human rights.

The delegation was composed of:

Mr. Niall MacDermott, Secretary-General of the ICJ and former Minister of State in the U.K. government.

Professor Covey Oliver, Professor of International Law at the University of Pennsylvania, former US ambassador to Colombia and former Assistant Secretary of State for Inter-American Affairs in the US State Department,

Dr. Kurt Madlener, specialist in Spanish and Latin-American penal law at the Max Planck Institute of International and Comparative Penal Law, Freiburg-im-Breisgau, West Germany.

The delegation met various Ministers, judges, advocates, academic lawyers and others concerned with human rights, including Cardinal Raul Silva Henriques.

In the attached preliminary report the mission expresses the view that present judicial procedures and safeguards do not meet the minimum standards which Chile is bound to observe under Article 3 of the Geneva Conventions, 1949. In particular, they state that ill-treatment, sometimes amounting to severe torture is carried out systematically by some of those responsible for interrogation.

The procedures in political trials before the Military Courts were found to be very summary with the role of the defense lawyer severely restricted. From the decisions of these Courts there is no appeal, even when serious errors of law have occurred.

The mission obtained the impression that the numbers of political prisoners have been substantially reduced in the last three months, but that many arrests are still being made and that most prisoners are held without charges being filed against them. They estimate a total of 10,000 persons in custody in one form or another. Persons are sometimes arrested anonymously by plain clothes men in vehicles without number plates which makes it impossible to tell who has arrested them or where they are being held. Many are held "incommunicado" for long periods.

The mission recommended that an appeal system and other procedural safeguards be introduced and that steps be taken by the Chilean authorities to reduce the risk of ill-treatment of prisoners. In particular the delegation recommended that:

(1) the maximum permitted time for holding a prisoner "incommunicado" should be strictly enforced;

(2) relatives should be informed of the arresting authority and place of detention;

(3) lawyers should have access to their clients at any stage after the initial period of "incommunicado".

These recommendations have been forwarded to the Chilean authorities.

With respect to the situation of foreigners who had to come to Chile as refugees before the military coup and then wished to leave, the mission states that the matter has been substantially resolved in accordance with Chile's obligations under international law.

1. We visited Chile on behalf of the ICJ from 19–28 April 1974 to enquire into the legal situation concerning the protection of human rights. The principal purpose of our mission was to investigate the legal safeguards at present in force in Chile for the protection of persons detained for political and security reasons.

2. We had meetings with the Minister of the Interior, the Minister of Justice, the Members of the Supreme Court, the Council of the College of Advocates, Cardinal Raul Silva Henriques, and a large number of other persons including many practicing lawyers and professors of law with experience of the problems we were enquiring into. We were greatly assisted by the Staff of the Committee of Cooperation for Peace in Chile. This is an interdenominational organization sponsored by the Catholic, Protestant and Jewish communities to provide legal and other assistance to detainees and their families. They have an unparalleled knowledge of the situation with which we were concerned.

3. We will first make a few brief remarks

about the context within which the present legal system is operating.

4. It became increasingly evident to us that Chileans are still deeply and passionately divided by the events leading up to and following the military coup on September 11, 1973, and that it will take some time to heal the wounds of the past, but we hope that the Junta will before long indicate the period of time within which they expect to be able to return the country to civilian rule. It is to us, and we believe to all Chileans, unthinkable that Chile should be numbered among the totalitarian states. It is a country with a deep and long tradition of respect for democratic freedom under the rule of law. An expression of intent to restore democracy with a definite and reasonably short period would, we believe have a stabilizing effect, help the process of healing to which we have referred, and enable a phased restoration of basic human rights.

5. Chile is at present ruled by decree following the proclamation by the Military Junta of a "state of siege" and "state of war". Following these proclamations all normal democratic liberties are suspended, including press freedom, the rights of association and assembly, freedom of speech, trade union rights, the right to strike and freedom of education. No political activity is allowed. The political parties of the former coalition government have been declared illegal and other parties have been suspended. A curfew at night is in force.

6. The explanation given for these and other severe restrictions on traditional freedoms are the need for a temporary period of control in order to reduce the divisions of the past, and to enable the security authorities to overcome the potentially violent forces of opposition which are believed to exist underground and across the national frontiers, with substantial supplies of weapons clandestinely imported under the previous regime.

7. In examining the legal system now in operation we have accepted the hypothesis that an emergency situation prevails in Chile and we have looked to see whether there are those minimum legal safeguards and protections of individuals rights which are to be looked for even in a serious state of emergency. More particularly, our concern has been to ascertain whether, in accordance with Chile's international obligations in time of internal war (under Article 3 of the Geneva Conventions, 1949), there are in force those "judicial guarantees which are recognized as indispensable by civilized people."

8. Our enquiry focussed in particular upon the legal aspects of the arrest and trial of persons suspected of having committed offences for political reasons and the arrest of persons whose preventive or administrative detention is thought necessary on grounds of internal security. No official statistics are published of the number of persons arrested and held in custody for these purposes. We are satisfied that the total has been very greatly reduced in the last three months, perhaps by as much as 50%.

On the other hand, substantial numbers of arrests continue to be made. On the information we have received, the best estimate we can make is that there may now be between 6,000 and 7,000 persons in detention. Of these probably about a third are awaiting trial and the remainder are being detained without charge on security grounds.

The conditions in many places of detention is bad, and we welcome the announcement made while we were in Chile that detainees on Dawson Island will be transferred to the central area of Chile.

9. In addition, at any given moment there may be as many as a further 3,000 people under arrest at any one time who are being held for questioning in military barracks, police stations, or other interrogation centres by one of the four security intelligence authorities of the armed forces (army, navy, air force, and carabineros).

Sometimes these arrests are made anonymously by persons coming in plain clothes in vehicles with no number plates. No one is able to find out who has arrested them, or where they are held. Many are held incommunicado for long periods. Some are later transferred to camps or prisons for detention or for prosecution. Others are released, perhaps to be re-arrested later. It is, we believe, under interrogation at this stage that most of the cases of ill-treatment occur.

We received most convincing evidence to support the declaration of the Catholic Bishops on April 24, 1974, that there are "interrogations with physical and moral pressure".

We believe that the various forms of ill-treatment, sometimes amounting to severe torture, are carried out systematically by some of those responsible for interrogation and not, as many people sought to persuade us, in isolated instances at the time of arrest. Habeas corpus (amparo) and similar remedies have not been effective to deal with these problems.

10. Under the state of war, those accused of offences against internal security are tried before military courts martial called Councils of War. The procedure is very summary, and the role of defence lawyers is severely restricted. In addition, and most seriously, there is no appellate tribunal and the Supreme Court has renounced any power to supervise or review their decisions. This results in a serious lack of uniformity in procedure and sentencing policy. We have received abundant evidence that many serious errors in law and procedure by these military courts have occurred and there is no judicial procedure by which these errors can be remedied.

11. We are of the opinion that the present judicial procedures and safeguards do not meet with Chile's obligations under Article 3 of the Geneva Conventions referred to above. We respectfully put forward the following recommendations to meet what are, we consider, the minimum requirements.

12. We recommend that the military procedures available under the Code of Military Justice in time of peace should be introduced, if necessary by decree law. This would provide an appeal system and other necessary procedural safeguards.

13. To reduce the risk of ill-treatment of suspects under interrogation, we recommend that:

(i) the maximum permitted period of "incommunicado", which we were told by General Bonilla, Minister of the Interior, is three days or up to eight days in exceptional circumstances on the authority of a senior officer, should be strictly enforced;

(ii) relatives should be informed of the arresting authority and place of detention at the time of arrest, or as soon as possible thereafter;

(iii) lawyers should have access to their clients at any stage after the period of "incommunicado", whether they are charged with an offence or not.

14. We are preparing, and propose later to publish, a full report explaining our findings and comments upon the present legal system in Chile.

15. We also enquired into the situation of foreigners in Chile, in particular refugees from other Latin American countries, about which a great deal of international concern was expressed after the coup. We consider that the government has fully met its obligations under the various relevant conventions to which Chile is a party. Nearly all of those wishing to leave have been permitted to do so, whether they sought asylum in foreign embassies, or were resettled with the help of the United Nations' High Commissioner for Refugees, or left on their own by lawful means. Others, perhaps fearing they might be arrested, have left clandestinely. Only two foreigners are known to have been sentenced by military courts, and about twenty others are awaiting trial, of whom half are released on bail. Some hundreds of the original ten thousand or so aliens still remain, and a small number (about 5 or 6 each week) are still coming forward asking to be resettled as refugees.

16. We were in Chile during the week of the notable call for Christian toleration and national unity by Cardinal Raul Silva and the Catholic Bishops of Chile. As this was also the first week of the Air Force trials, some other non-Chilean groups were showing by their presence their interest in human rights and democracy in Chile. In undertaking this mission for the International Commission of Jurists we were motivated by a deep interest in Chile's great people. We leave with hope for their future and the assurance that Chileans today, as always, cherish their finest traditions.

CUBAN INDEPENDENCE DAY

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. ROGERS. Mr. Speaker, this Monday, May 20 was the 72d anniversary of the independence of Cuba which we commemorate in celebration of May 20, 1902, when the Cuban people gained independence from Spain. It is the sad misfortune of the people living in Cuba today that government repression of their individual freedoms remains a vestage of the Castro regime. Only those Cubans living outside Cuba can truly celebrate this independence day while to their great sadness 8.2 million of their countrymen remain shackled by a totalitarian dictator whose regime is economically and politically dependent on the Soviet Union.

Nevertheless, the spirit of independence of the Cuban people remains alive in the hearts of millions who have bravely fled their homeland by planes, boats, rafts and every other conceivable means in order to find a haven free from harsh political and economic sanctions imposed upon their civil liberties by Castro.

I am amazed and concerned over the thinking of some people in the United States during recent months that we lift the 1961 trade and travel embargo of Cuba and reestablish diplomatic relations. This to me is unthinkable as long as Castro continues to repress the freedoms of the Cuban people—as long as Castroite terrorists continue to subvert other countries in South and Central America—and as long as there is a strong possibility that missile-carrying submarines and naval vessels based in Cuba present a threat to the security of the United States. I would hope that the President and the State Department of the United States will not take any action to renew economic and political relations with Cuba until these vestals of tyranny and jeopardy to U.S. security are eliminated.

Mr. Speaker, I would again like to commend the Cuban people for their spirit in fighting for their freedoms in the face of continued repression in their homeland. I would also like to take this opportunity to commend the Cuban Crusade organization on their dedication and service in this cause. Mil gracias amigos.

MARTIN CATTONI AWARD FOR EXCELLENCE

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. ECKHARDT. Mr. Speaker, on May 8, 1974, Thomas E. Wright III, received the Martin Cattoni award for excellence in periodontics at the University of Texas at Houston Dental Branch. The award, designed to recognize both academic and clinical excellence among seniors at the dental school, was established in memory of the outstanding achievements of the former chairman of the Department of Medicine, Dr. Martin Cattoni. Dr. Cattoni also held a professorship of endodontics and periodontics at the dental branch.

Dr. Cattoni's distinguished career, which encompassed practice, teaching, and writing in the field of endodontics and periodontics, reflected Dr. Cattoni's international background and continuing concern with dental care throughout the world.

Born on January 30, 1915, Dr. Cattoni received a Bachelor of Science degree from the University of Asuncion, Paraguay, in 1932 and a doctor of dental surgery from the University of Montevideo, Uruguay, in 1936. He earned a master of science of dentistry from the Northwestern Graduate School in 1949, and was awarded an honorary doctor of science degree from the University of Antiguia, Columbia, in 1953.

In 1952 he became an associate professor of medicine and chairman of the Department of Medicine at the University of Texas at Houston Dental Branch. He also served as a consultant or on the staff of the World Health Organization; the hospital ship, *Hope;* the USAF Hospital at Lackland Air Force Base, San Antonio; the Veterans' Administration Hospital in Houston, Tex.; the U.S. Public Health Service Hospital, Galveston, Tex.; U.S. Army, Fort Hood, Tex.; Texas Children's Hospital; and M. D. Anderson Hospital and Tumor Institute, Houston, Tex.

At the time of his death on July 12, 1973, in Asuncion, Paraguay, the country he represented as Honorary Consul in Houston, Dr. Cattoni was on a lecture tour of South America. He had recently been selected as vice president-elect of the American Association for the Advancement of Science and was serving as chairman of the 1973 session of the American Association for the Advancement of Science. These two honors were only the most recent of a long list of academic and professional honors received from throughout the Americas.

This record of accomplishments and these honors, however, reflect only a part of the man. With it all he was a man with enormous concern for humanity, a man of such contagious enthusiasm that it was reflected in all around him.

It is only now that the pain of losing so good a man, so dear a friend, is begining to be just a bit tempered by the realization of his deep and lasting influence upon students, professors and practitioners of dentistry here and in many lands. This Martin Cattoni Award for Excellence is a fitting memorial, a continuing recognition of his own excellence.

PETER D. REED: PROMINENT AND LOVED CITIZEN OF SAN ANTONIO, TEX.

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. GONZALEZ. Mr. Speaker, the city of San Antonio, Tex., is one of the most historical and cosmopolitan of the New World, not just of our country. It has existed under six different flags of six different sovereignties. Its heritage of culture, language, architecture, music, food is rich and deeply rooted. Its people and inhabitants reflect this diversity and pluralism.

This is why a man named Peter D. Reed evokes and symbolizes this cultural and social heritage. This is why a man named Peter D. Reed would hardly be considered to have been a citizen who was born in Sabinas, Coahuila, Mexico, and coming to San Antonio early in his life was identified, not with the dominant, English-speaking contingency but rather solidly identified with and a part of that singular conglomeration, of Mexican descent and Spanish speaking, that at one time in the city's development constituted a nation within a city, as I have pointed out for years as a significant historical achievement that has little noted or altogether overlooked by historians.

Yes, this great man named Peter D. Reed by his forebears who settled in the northern State of Coahuila in Mexico and helped to develop that area by stimulating its commerce and industry, by talented endeavor, and by hard work. Mr. Reed had to learn English, and even at the terminal point of his career a definite and marked accent could be noted.

But Peter D. Reed did not strangle in the separatism of ethnic isolation and segregation. Rather, he struggled from the beginning, by toiling hard and eventually establishing his own small grocery business in the midst of the harshness of the depression.

It was at this point, and coinciding with my own youth, that Mr. Reed established the Peter D. Reed Red and White Grocery Store on the corner of West Euclid and Camaron Streets, in the neighborhood where I was born. The economic forces of adversity were rampant throughout San Antonio with peculiar ferocious strength. This same location of the Reed enterprise was precisely the site where two previous ventures had floundered and failed. In fact, it was there that I lost my only paying job at the time—15 years of age—with a Mr. Walling who had Walling's Grocery and Butcher Shop. So, a few years later I was one of the first to appreciate the tremendous business acumen and ability of Mr. Reed; for his business flourished and prospered in the midst of hardship. His family also grew and his children, Alice, Marina, Peter, Henry, and Mary Lou became neighbors, playmates, and companions.

But Mr. Reed, being a very enterprising man, began to think in terms of pioneering in the field of manufacturing candles and related products, and while he was carrying on his grocery business began the second by renting a vacant site in an old structure on Medina Street, near the intersection of West Commerce. Soon, he was so successful in his candle manufacturing business that he closed the grocery store and concentrated on his latest venture.

This business grew steadily and dramatically—soon it was a major venture and eventually it has become one of San Antonio's most productive and successful businesses, enriching the community, providing employment through the years to hundreds, and gradually expanding its area of activity and its active trade territory to many miles beyond San Antonio.

Thus, at the age of 82, when the Lord Almighty called Mr. Peter D. Reed on May 1, 1974, to his eternal sleep, one can truly say: Here is a real American, who has enriched his city, raised a very wonderful family successfully, earned the respect and encomiums of his fellow citizens, and left a matchless heritage.

Mr. Peter D. Reed was very shy, withdrawn, and dedicated to his business only, when I persuaded him to join the Pan American Progressive Association by making one of the largest cash contributions to that endeavor in 1947. The Pan American Progressive Association, of which I was one of the founders and the first executive director, has been the only substantial organization made up of business executives, made up of almost 100 percent Mexican-American citizens, to have been formed in the history of San Antonio, dedicated to not only business and commercial progress but social betterment as well.

This seemed to have been the triggering mechanism that exposed Mr. Reed to his fellow citizens and once he was known and recognized for his ability he was called upon time and time again to render service to the community. Because of Peter D. Reed we have inherited the most active Little League baseball and other youth endeavors in that section of the city that most needs this.

Mr. Reed eventually became president of the Pan American Optimist Club, the San Antonio Charro Association—eventually, elected the president emeritus of this organization—he was honored by mayors, judges, Governors, and a host of business and community leaders.

On May 1 last, we in San Antonio lost a great and productive leader. We all miss him but he has left a rich and invaluable heritage of service that will forever memorialize Peter D. Reed.

REV. LEON SULLIVAN OF PHILADELPHIA

HON. WILLIAM A. BARRETT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. BARRETT. Mr. Speaker, one of the Nation's outstanding clergymen and leader of men comes from the great city of Philadelphia. The Reverend Leon Sullivan is one of the most outstanding citizens in the city of Philadelphia. The Reverend Sullivan is the founder and national director of Opportunities Industrialization Centers of America, an organization which he put together to provide self-help for the blacks and other minority groups.

The Wall Street Journal on Friday, May 17, 1974, contained a front page story outlining the great work that the Reverend Sullivan has accomplished since his arrival in Philadelphia in 1950 and his work with the OIC since 1964. I am indeed pleased that the Wall Street Journal has recognized his great work and has seen fit to bring it to the attention of citizens all across the country. Philadelphia is honored to have such an outstanding citizen working within its community. Mr. Speaker, I wish to include within my remarks the text of the Wall Street Journal article on Mr. Sullivan:

LEON SULLIVAN PUSHES JOB TRAINING AS KEY TO BLACKS' SUCCESS

(By Thomas J. Bray)

PHILADELPHIA.—Leon Howard Sullivan leans his six-foot, five-inch frame forward in the pulpit, gazes sternly out over his congregation and launches into his weekly sermon.

"God likes to stir people's nests from time to time." (Scattered amens.) "God stirred America's nest in the '60s during the civil-rights movement." (More amens; his voice rises.) "God stirred President Nixon's nest, and little Mitchells and Deans fell out." (Laughter, "right-ons.") "And God's stirring your nest—because he wants you to stand on your own two feet." (Loud chorus of amens and approval.)

It's an old theme—God helps those who help themselves—but one on which Leon Sullivan is well-qualified to preach. As founder and national director of the Opportunities Industrialization Centers of America, Mr. Sullivan has made a career out of self-help for blacks and other minorities. The OIC program began 10 years ago in an abandoned police station in the North Philadelphia slums and has since grown into a network of more than 100 job-training centers across the nation. Over 150,000 disadvantaged and unskilled workers have been trained and placed in jobs ranging from brickworking to court reporting, and labor experts praise the OIC as one of the most successful and efficient manpower programs going.

AN INFLUENTIAL LEADER

The OIC program has helped make the 51-year-old Mr. Sullivan one of the more influential black leaders in the U.S. "He comes as close as any man to being my idol," says Jesse Jackson, the charismatic Chicago civil-rights leader and onetime aide to Martin Luther King. Politicians of both parties regularly beat a path to Mr. Sullivan's door, and the businessmen who have lent their support read like a Who's Who of American industry. In 1971, Mr. Sullivan became the first black director of General Motors.

The OIC hasn't been Mr. Sullivan's only contribution to the black cause. He was a key—if youthful—organizer of the 1943 equal-rights march on Washington. In the 1950s, as pastor of Philadelphia's Zion Baptist Church—the largest church in Philadelphia, white or black—Mr. Sullivan pioneered the business-boycott techniques later adopted and expanded upon by the civil-rights movement. "It was one of the stellar contributions to the movement," Chicago's Mr. Jackson says.

But it was the OIC program that brought Mr. Sullivan to national attention. He had begun his Philadelphia OIC in early 1964 with less than $750,000, most of it raised privately; Mr. Sullivan mortgaged his own home to help meet start-up costs. The federal government, desperate for new ideas and programs that might help dampen growing inner-city tensions, was quick to embrace the OIC concept, however. Several million dollars in federal funds flowed into OIC coffers in 1965; by 1970, the sum had risen to $13.5 million, and in the current fiscal year, it is expected to reach about $23 million.

A GROWING CHAIN

The result has been a steadily growing chain of job-training centers modeled along the lines of the Philadelphia OIC. But the OICs haven't been without problems. A number of them are little more than shells, floundering for lack of local leadership or suffering from mismanagement. Others have been closed in the wake of revenue sharing, which gives city halls a veto power over financing. Federal cutbacks in manpower spending have also hurt; the OIC, which now is almost entirely financed by the federal government, started this fiscal year expecting to receive $32 million in funds from Washington but has been cut back twice to the current $23 million level. But, as one staffer puts it, "The most impressive thing is that the OIC still exists at all."

In any case, the ups and downs of Mr. Sullivan's operations tell much about minority efforts to implement the gains of the civil-rights movement of the 1960s. Mr. Sullivan's career is also a remarkable story in its own right.

INTEGRATING LUNCHROOMS

That career started in Charleston, W. Va., where Leon Sullivan was born in a dirt alley to a mother who was an elevator operator and a father who was a janitor. He was raised mainly by his grandmother, and it was apparent fairly early that young Leon had brains, ambition and zeal. He was a good student, a good athlete—and a constant pest to white lunchroom owners who tried to deny him service. "I tried to integrate every place that said blacks couldn't enter," he recalls. "I couldn't understand why my people put up with it." Occasionally, he was successful: one establishment served him a Coke after he recited the Declaration of Independence from memory.

Mr. Sullivan won an athletic scholarship to West Virginia State College, and when an injury put an end to his football and basketball career, he worked his way through school in a steel mill. He also picked up a little extra cash as an itinerant preacher. In person, he is soft-spoken, almost shy, but his pulpit style is in the best tradition of fire-and-brimstone Baptist revivalism.

Soon after graduation, Mr. Sullivan encountered a flamboyant Harlem minister (later to be a controversial Congressman), Adam Clayton Powell, who was in West Virginia on a speaking engagement. Mr. Powell, impressed by the youth, invited him to New York, where he helped organize the wartime civil-rights march on Washington and entered prestigious Union Theological Seminary for his doctorate in divinity. For several years, he also served as assistant pastor of Mr. Powell's powerful Abyssinian Baptist Church.

In 1950, Mr. Sullivan came to Philadelphia as pastor of Zion Baptist, which then had a congregation of about 600. (It now is about 6,000.)

"There was a big problem with gangs," Mr. Sullivan recalls, "so I did a lot of youth work, organizing basketball leagues and things like that. But then I began to realize that a big reason for juvenile delinquency was unemployment. So I contacted every large company in Philadelphia—about 300 of them—and asked them to at least give job interviews to some of the kids. I wasn't asking them necessarily to hire all the kids, just to take a look at them. I heard back from 10 companies, and two said they would."

Outraged by the lack of response from the business establishment, Mr. Sullivan called a meeting of Philadelphia's 400 or so black clergy. He emerged with their backing for a massive business boycott. Boycott tactics had been tried before, notably by Harlem's Mr. Powell, but they were usually applied on a limited scale, such as demanding a few jobs as checkout clerks at local stores within the black community.

The Philadelphia boycott was designed to pressure companies on a citywide basis, starting with such vulnerable concerns as bakers and soft-drink bottlers. Blacks constituted about 20% of the city's population, and Mr. Sullivan estimates that at one point the boycotts involved nearly a half-million consumers. "After a while, all you had to do was show your face at a company" and more jobs would become available, he recalls. Between 1959 and 1962, he figures, several thousand jobs were opened up for blacks.

Other observers recall the boycotts as being less successful for the number of jobs they opened up than for the sense of pride and organization they instilled in the black community. Mr. Sullivan shared the spotlight with the boycott's other organizers, but he was clearly the leader. His reputation was solidified when Martin Luther King asked him to go to Atlanta to help organize the boycotts there.

At the same time, however, Mr. Sullivan was moving beyond the protest tactics of the civil-rights movement. "Jobs were becoming available," he says, "but our people couldn't do them."

The result was the OIC. At first, Mr. Sullivan thought the solution lay in mobilizing the savings of the black community to form companies that would train and employ other blacks. "I got the idea from Jesus feeding the 5,000 with loaves and fishes," he says, referring to a Biblical story that emphasizes the Christian concept of sharing. Mr. Sullivan asked members of his congregation to set aside $10 a month for 36 months—the 10–36 Plan, he called it—to form the seed capital for his ventures. More practical heads, however, persuaded Mr. Sullivan to separate the investment and job-training aspects of his program.

From the start, the OIC didn't claim any startling new concepts in training as such. But it was soon apparent to the OIC staff that enrollees needed something more than training in skills. "The transition from unemployed to employed can be a lot for some of these people to grasp," a Philadelphia OIC staffer says. "Our feedback was that many people were losing their jobs not because their technical training wasn't adequate but because of personal problems and attitudes."

A feeder program was quickly established to acquaint the trainees, about half of whom are welfare recipients ranging in age from 21 to 40, with the realities of the largely white workaday world. The students learn such rudiments as how to apply for a job, how to take employment tests, how to accept criticism from their future bosses—and how to make complaints of their own. Punctuality, courtesy and social amenities are stressed; gum chewing and wearing hats indoors are out, good diction is in. One classroom is lined with mirrors to make students aware of their dress and grooming. "Basically," says Lorraine Lockett, an instructor, "we teach them to conform."

The applicants also take refresher courses in basic math, reading and oral communication during the feeder program. When the enrollees are judged ready—usually in two to five weeks—they are sent to the job-training centers. The Philadelphia program, for example, offers 14 courses ranging from key-punch operator to auto mechanic; there are four centers around the city. Close continuing contact with employers and careful follow-up work with trainees have produced a relatively high job-retention rate; more than 50% of the trainees are still on the same job six months later. (And a good many others move on to other jobs, it is believed.)

"That shapes up just as well as most company-run training programs," says a Labor Department official in Philadelphia who monitors the OIC program here. Adds a labor expert with an old-line civil-rights organization: "The OIC may not place its people at the highest level, but it is definitely productive—unlike most government programs that are supposed to deal with the hard-core unemployed." The OIC also says it does the job more cheaply—for about $1,500 a trainee, compared with about $3,500 in most federally financed programs.

For the enrollees, however, there can be financial problems. No stipends are paid in the OIC program, making it difficult for many to attend classes regularly but ensuring that those who do tend to be fairly well motivated. For various reasons, about a third of the enrollees drop out during the feeder program or during actual job training.

At about the same time that Mr. Sullivan was beginning the OIC program in the mid-1960s, he was also forming Zion Investment Association, an investment company in which parishioners provided most of the capital. (This was an outgrowth of his old 10–36 Plan.) ZIA bought some garden apartments, built a new shopping center in North Philadelphia and started several companies that supply parts to the aerospace and automotive industries. Assets now are about $5 million, and ZIA has more than 8,000 stockholders.

But like the OIC, Zion Investment Association has had its share of problems. ZIA has stubbed its toe badly on several investments, notably a garment-manufacturing operation that attempted to double as a job-training program. The aerospace company lost $500,000 last year, and the automotive-parts concern has been hurt, like other auto suppliers, by the energy crisis. Mr. Sullivan got a chilly reception recently when he approached John Bunting, chairman of First Pennsylvania Corp., Philadelphia's biggest bank, to ask for financing for shopping centers in other cities. "I told him we only back successes," says Mr. Bunting, whose bank had nonetheless been a heavy lender to earlier ZIA ventures.

Mr. Sulivan contends that ZIA eventually will turn the corner; one of his priorities is to help ZIA become a self-sustaining, dividend-paying enterprise. "It won't be easy," Mr. Sullivan says, "but it has to succeed so minorities can see that they can manage businesses, too."

Another of his goals is to cajole General Motors, of which he is a director, to assign more dealerships to blacks, promote more blacks to executive positions and train more black mechanics.

And, always, there's Mr. Sullivan's church, which burned down in 1971 but has been rebuilt on a larger, more modern scale, complete with a day-care center, classrooms for adult education and a gym for the basketball league that Mr. Sullivan organized nearly two decades ago.

It is from his modest church salary that Mr. Sullivan receives his only compensation, aside from some lecture and directorship fees; his clothes tend to be wrinkled and a little threadbare. He recently moved to a comfortable but modest home in a predominantly white suburb in order to be closer to the Quaker school that his three children attend. The move drew the predictable hate mail and telephone calls.

Mr. Sullivan continues to put in long hours, and he makes substantial demands on his congregation. At one recent service, offerings were asked separately for the Girl Scouts, and the church mortgage fund, missionary work and the general church fund.

He doesn't plan to let up, either. One ambitious project he is planning: to use the resources and manpower of his church, the OIC and ZIA to rehabilitate large chunks of the black ghetto in Philadelphia.

THE 20TH ANNIVERSARY OF SCHOOL DESEGREGATION DECISION

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. DRINAN. Mr. Speaker, 20 years ago last Friday the Supreme Court held unconstitutional the maintenance of public schools on the basis of race. In ruling that the separate but equal doctrine has no place in the area of public education, a unanimous Court stated:

> Separate educational facilities are inherently unequal. *Brown* v. *Board of Education*, 347 U.S. 483 (1954).

Looking back across those 20 years, we see much that has changed. Since that Monday morning in May, great strides have been made in removing the historic barriers which have prevented black Americans from enjoying the bounty of our land. Full access to public facilities, restaurants, schools, Federal programs, and jobs may no longer be denied to minority citizens. The authority of the State to place its power and prestige behind racial discrimination has been rendered impotent.

Yet the promise of that momentous decision, while fulfilled in part, has not been fully realized. It has, to be sure, removed legal obstacles to equality. It has not eliminated racism. The burdens of bad schools, poor housing, unemployment, and crime still fall disproportionately and unfairly on minorities. Those who have been the victims of past discrimination still suffer the disabilities of racial exclusion through the use of newer, more sophisticated forms of inequality.

That we have not achieved the great goal underlying the Brown decision should not be cause for despair. Rather it should be a call for a broader commitment of time, resources, and spirit to remove, once and for all, the ancient scourge of racism. That is our task; we must finish it; there is no choice.

GREENVILLE NEWS-PIEDMONT EDITORIAL

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. DORN. Mr. Speaker, the Greenville, S.C., News-Piedmont is one of the South's most dynamic, outstanding newspaper organizations, and renders splendid service in keeping our people informed. I am particularly pleased to call to the attention of the Congress and all Americans the following splendid editorial from the News-Piedmont, written by editorial page Editor James H. McKinney, Jr., concerning the role of the press in a democratic society:

CURING ILLS OF THE PRESS

It must be a frightening world in which we live today, much more frightening than most people think it is.

That impression emerges from almost every national or regional convention of almost every conceivable group in America. It was prevalent to a large degree at the recent convention of the American Society of Newspaper Editors in Atlanta. Pessimism and fear played a part in almost every discussion on the agenda.

Despite the fact that the American press is the freest in the world and has exercised that freedom to a greater extent than ever before in recent years, the ASNE Freedom of Information report was a gloomy document. Reading it would lead one to believe that shackles were dangling from almost every editor's arms.

Of course there are some reasons in the form of court cases, governmental actions and pressures of one sort or another which could be regarded as intended to inhibit the press. But the FOI report also touched upon the worst real threat to freedom of the press—growing lack of public confidence in the accuracy and fairness of the media.

That one is a dire threat indeed, because written constitutional guarantees of a free press become meaningless when the public becomes hostile to the news media.

Despite lack of public confidence in the mass media nationally, we have an idea the true situation is not as bad as painted. Furthermore we are certain that the remedy to whatever threat exists to freedom of the press lies in the hands of the media. In many instances the press is its own worst enemy in a battle in which it should be unbeatable—the battle to shape public opinion.

It is ironic that large segments of the news media complain constantly these days about "sinister forces" in government and elsewhere seeking to destroy press freedom. They see special interests as ganging up on newspapers and other elements of the media to prevent them from informing the public.

Many, many news media people are seeking congressional action to protect news personnel's sources of information. There is a growing fear among news people that the courts are out to shackle the press by requiring reporters to testify before grand juries.

These protests obscure and worsen the real problem of the press—the fact that the biggest special interest group of all (the American public) no longer trusts the mass media for reliable information. The fault for that lies not with special interest groups hostile to the press, but with the press itself.

In its zeal to report and to analyze, the American press at the national level often has stepped over the line between reporting and participating in the events of the day. The advent of so-called "advocacy" journalism on the television tube and in many large papers and magazines has robbed the press of its once-cherished role of objective reporter.

We have to get away from this business of "blowing up" the inevitable relatively few errors and foul-ups which occur in our society and its systems. The media has the habit of making one or two misfires in a system look like a complete collapse.

This is not so say such misfires should be covered up or left unreported. They should be reported, but in such a way as to put them in proper context. The good should be reported along with the bad.

The role of objective reporter, buttressed by the expression of opinion in clearly labeled editorials and airing of opposing viewpoints in letters to the editor, made the American newspaper the most trusted purveyor of information in the world not long ago.

The way to restore public confidence in the press is to return to the practice of objectivity and clear separation of fact from opinion.

That can be done only if the editors and publishers of newspapers and heads of broadcast media purge their reportorial organizations of advocacy reporting, undue reliance upon unnamed sources and the tendency to accept the minority negative instead of the majority positive.

CONDEMNS LATEST ACT OF ARAB TERRORISM

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. BIAGGI. Mr. Speaker, the civilized world reeled in shock and outrage last week over the latest deplorable act of Arab terrorism directed at the beleaguered nation of Israel. While all acts of terrorism are to be condemned, this particular act was the most barbaric and senseless of all, the victims of this massacre were innocent schoolchildren, who were hoping to live in a world of peace, but instead fell victim to a world of war and violence.

Equally as tragic was the fact that this event took place in a critical time in the history of the Middle East. Thanks to the untiring efforts of U.S. Secretary of State, Dr. Kissinger, a viable peace seemed imminent, by virtue of a disengagement of forces between Syria and Israel. This act seemed almost to be an attemped sabotage of this noble effort, and it is the hope of the free world that Dr. Kissinger will not abandon his goal of achieving peace in this troubled area.

We must, however, be cautious with the Syrians and Arabs until they can prove to the world they are responsible parties to international agreements. These nations must abandon their policies of terror and violence. They must abide by the dictates of reason, and not force innocent victims to die so that they may get their views across to the world.

In response to this latest terrorist act, I joined with a large number of my colleagues in introducing a resolution condemning the latest Arab terrorist act, and suggesting to the President that he recommend the Ambassador of the United States to the United Nations take appropriate actions before the U.N. Security Council.

This represents but a first step in a commitment we as a nation must make if we are to provide the moral leadership the world so desperately needs at this time. We have seen far too many acts of terrorism in the past, now we must work to prevent future acts. We have no more important mission before us.

Mr. Speaker, at this point in the RECORD, in an effort to illustrate just how frequent these acts of terror have occurred, I would like to insert a chronology of terrorist acts which have taken place since 1970. In light of these staggering figures, the need for strong leadership by the United States in promoting peace in the world should be apparent:

EARLIER ACTS OF TERRORISM

A list follows of major Arab terrorist activities since Feb. 10, 1970, when an attack on an El Al Israel Airlines plane at Munich killed one passenger and wounded eight. An Egyptian and two Jordanians were arrested but they were later set free.

July 22,, 1970—Six Palestinians hijacked an Olympic Airways plane. None was brought to justice.

Sept. 6, 1970—Pan American's, Trans World Airlines and Swissair planes were hijacked by Arabs. All were eventually blown up. None of the terrorists was arrested.

Sept. 6, 1970—A woman terrorist was wounded and her male companion killed in an attempt to hijack an El Al plane. The woman was later released.

July 28, 1971—An attempt to blow up an El Al plane with booby-trapped luggage given to a woman by a male Arab friend did not succeed.

Sept. 20, 1970—A similar attempt to blow up another El Al plane failed.

Nov. 29, 1971—Wasfi Tal, Premier of Jordan, was assassinated by four Palestinian guerrillas while entering his hotel in Cairo. Suspects were taken into custody but no prosecutions have been reported.

Feb. 22, 1972—A Lufthansa airliner was hijacked to Aden where the hijackers were paid $5-million for its release. The hijackers went free.

May 8, 1972—Terrorists hijacked a Belgian Sabena airliner to Lydda, where two men were killed by Israeli security guards. Two women were subsequently sentenced to life imprisonment.

May 30, 1972—Three Japanese gunmen belonging to the Popular Front for the Liberation of Palestine killed 26 persons at Lydda Airport.

August 16, 1972—A booby-trapped tape-recorder exploded in the luggage compartment of an El Al plane, causing slight damage. Two Arabs were released by Italian authorities after a short detention.

Sept. 5, 1972—Members of an Arab guerrilla organization attacked the quarters of Israeli athletes in the Olympic Village in Munich. Eleven members of the Israeli Olympic Team were slain. Five of the terrorists were killed. Three others were later freed

Oct. 29, 1972—A Lufthansa plane was hijacked to Zagreb, Yugoslavia, where it was released after Arab terrorists responsible for the attack on the Israeli athletes at Munich had been set free. The hijackers were never brought to justice.

March 2, 1973—Eight guerrillas invaded the Saudi Arabian Embassy in Khartoum, the Sudan, and killed three diplomats. The terrorists were taken into custody and are reportedly awaiting trial.

April 4, 1973—Two Arabs made an unsuccessful attempt to attack passengers of an El Al plane in Rome. They were arrested but later released and sent to Lebanon.

April 9, 1973—Arab terrorists attempted to attack an Israeli plane at Nicosia, Cyprus. Eight were arrested and sentenced to seven years' imprisonment. They were quietly relased later.

April 27, 1973—an Italian was killed in the Rome office of El Al by a Palestinian Arab who was later placed under psychiatric observation.

July 24, 1973—A Japan Air Lines jumbo jet was hijacked and blown up in Tripoli, Libya. None of the five terrorists was brought to trial.

Aug. 4, 1973—Two Arab terrorists killed five persons and wounded 45 in a machine-gun attack on passengers in the Athens airport lounge. Last week the terrorists were freed by the Greek government and given safe passage to Libya.

Sept. 28, 1973—Three Jewish immigrants from the Soviet Union were taken hostage aboard a train for Vienna. Austrian authorities arrested two Palestinians who were then freed and flown to an Arab country.

Nov. 25, 1973—Three Arabs hijacked a KLM jumbo jet and flew it to Abu Dhabi. There is no record of an arrest by Abu Dhabi authorities.

April 11, 1974—Three Arab guerrillas killed a total of men, women and children in the northern Israeli border town of Qiryat Shemona before dying themselves in the explosion of their dynamite charges while under siege by Israeli security forces.

PUBLIC FINANCING OF CAMPAIGNS

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. HANRAHAN. Mr. Speaker, public financing of campaigns has been a pertinent issue for quite some time. With Congress right around the corner from the campaign trail, this issue is getting bigger and bigger. I believe this article from the Chicago Tribune will be of interest to my colleagues:

A NOT-SO-POPULAR IDEA

In ramming public campaign financing thru the United States Senate, its supporters made much of a Harris poll which was taken last November and showed that 53 per cent of Americans were for public financing, 35 per cent opposed, and 12 per cent undecided.

At the time, public financing was being touted as a cure for the sort of corruption which was being spotlighted because of Watergate; President Nixon's "Saturday Night Massacre" had just shocked the country.

Since then, the American public has had a chance to give the proposal more thought. The results are predictable. The most recent Harris poll on the subject shows that support has fallen to 43 per cent, with 37 per cent opposed and 20 per cent unsure.

The reasons given for the growing opposition to public financing are compelling. People fear that the scheme would add to their tax burden, and they don't like the idea of having their tax money squandered on the kind of things politicians spend campaign money for. As one of those polled put it:

"A candidate ought to feel lucky getting my vote, but to also want my money to pay for his campaign is just carrying it too far."

Those polled in the latest survey were also asked their opinion of a compromise proposal sponsored by Mr. Nixon. It would not permit public financing but would impose strict limitations on private campaign financing, including a $15,000 ceiling on Presidential contributions and a $3,000 top on congressional contributions.

Despite Mr. Nixon's poor rating among the people, this proposal received the support of 57 per cent of those polled, with only 18 per cent against it.

The supporters of public financing are working relentlessly now to get their bill passed by the House. They will be deservedly frustrated by the fact that they can no longer claim the public's support.

PROBLEMS WITH FOOD

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. FRASER. Mr. Speaker, all of us are aware of the mounting world food crisis. A thoughtful editorial in the Washington Star-News of May 15, 1974, speaks to the magnitude of the problem. The editorial points out the important role this country must play if the literally millions of starving men, women, and children around the world are to obtain relief.

The editorial follows:

PROBLEMS WITH FOOD

Many frightening numbers are making the rounds in the perennial effort to get the world's affluent peoples worried about food shortages in the poorer countries. An estimated quarter of a million people have died in the drought-stricken, sub-Sahara belt of Africa. UNICEF is picturing 400 to 500 million children threatened with malnutrition or actual starvation as a result of acute economic problems, compared with the year-in, year-out quota of 10 million suffering kids. An all-encompassing view is that half of the world's 3.7 billion people are always hungry, and no one knows where the food will come from for a population of more than 7 billion at the end of the century.

It is hard to tell whether some of the figures are exaggerated for the purpose of piercing complacency in the more prosperous quarters. But there is no doubt that many signs point to the imminence of food crisis in various parts of the world, besides the already-present calamity in Africa.

Grain reserves are generally low, after the mammoth sales of American stocks to make up for Soviet crop failures and to add to the diets of the newly affluent elsewhere in the Western world. With the disappearance of surpluses, prices have zoomed upward, delighting American farmers but increasing the price of existence for countries that must import basic foods. Complicating the plight of the have-not nations is the simultaneous explosion of oil prices, damaging their ability to increase food production by using more fertilizer, much of which is made from petroleum.

India, most of whose 580 million people already are underfed, is expected to provide a huge example of a losing battle to feed an uncontrollably growing population. There, the once-bright hopes for the green revolution have been overshadowed by the grim arithmetic of a galloping birth rate, domestic inflation and high international prices of food and fuel.

As the country that accounts for 70 percent of the world's grain exports, much of the responsibility for meeting shortages will fall on the United States. A lot is riding on the expectations of large crops this year and in years to come. But the nation has only started to think about how to fulfill its obligations under the new set of circumstances.

The free "Food for Peace" program has atrophied as the surpluses have dwindled. With customers abroad ready to pay high prices for all we can export, on what basis will we serve hungry people who do not have the cash? Will we supply foreign needs at the expense of tightening domestic supplies and aggravating our own inflation?

Secretary of State Kissinger has called for an international approach to the world food crisis and promised a greater American effort in the field. A United Nations-sponsored World Food Conference will be held in Rome in November, and a prime topic will be the possibility of an international food reserve to be drawn on in meeting shortages. Senator Humphrey contributed handsomely to the discussion with his recent call for a "world food action program" in which the United States would play the leading role.

America's performance in meeting the food crisis will be a key to the success of the country's diplomacy in years to come. The nation must be generous in answering whatever demands for relief might arise, even to the point of trimming the over-abundant American diet to more healthful proportions. And long-term solutions must be assiduously sought, to increase food production in the poor countries and bring population growth under reasonable control.

THE CONTINUED INCREASE IN THE COST OF DÉTENTE WITH THE SOVIET UNION

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. RARICK. Mr. Speaker, the Export-Import Bank's approval of a $180 million loan to the Soviet Union to finance a $400 million foreign investment, coming as it does just a month before the President's June summit meeting in Moscow, will be viewed by many observers as another example of the administration's "checkbook détente." It should be seen not only as a direct affront to the American taxpayer, but to this Congress as well.

The feeling of this body was made clear on the subject of the administration's freewheeling trade schemes with the Russians when the Vanik amendment to the trade bill, which would withhold most-favored-nation status from the U.S.S.R. until their oppressive policies changed, was overwhelmingly adopted.

Despite the glowing pronouncements made by William J. Casey, Chairman of the Exim Bank, about the benefits of giving $180 million of taxpayers' money to the Soviets at a low 6-percent interest, I doubt that many Members of this Congress can agree with the President's statement that the deal is a "contribution to the national interest."

I ask that the related news release and newsclipping follow.

[Export-Import Bank Release May 21, 1974]

U.S. EXPORT SALES OF $400 MILLION PLUS ENERGY AND FERTILIZER BENEFITS PROMISED BY EXIMBANK CREDIT OF $800 MILLION TO THE U.S.S.R.

William J. Casey, Chairman of Export-Import Bank of the United States, announced today that the Bank's Directors have authorized a credit of $180 million to the Bank for Foreign Trade of the U.S.S.R. (Vneshtorgbank). This credit will not only assist in the export of $400 million of U.S. goods, but also promises major additional benefits in saving natural gas and bringing needed fertilizer to the United States.

Eximbank will be involved only in financing U.S. exports, but this transaction is part of a program between the Soviet Union and American companies under which superphosphoric acid, which the U.S. has in relative abundance, will be shipped to the Soviet Union and two nitrogen fertilizers (ammonia and urea) which are scarce here plus potash, will come to the U.S. The nitrogen fertilizer will be made with Soviet natural gas.

To manufacture the needed fertilizer here would require a drain on U.S. natural gas reserves in an amount large enough to heat a million U.S. homes a year.

The ammonia and urea imported into the U.S. will have an energy content equivalent to 25.2 million barrels of crude oil per year. For every BTU (British Thermal Unit) of energy used for the phosphates exported, ammonia, urea and potash requiring at least 50 BTU's of energy will be imported by the United States.

Occidental Petroleum or its affiliates plan to invest more than a half billion dollars in the U.S. to construct ships and to expand production facilities to mine and process phosphate rock in Florida. It is estimated that this will create two to three thousand jobs during the construction period until 1979, and 2900 permanent jobs thereafter.

In addition to the sale of at least $400 million in U.S. equipment and supplies, the project should provide substantial balance-of-trade advantages for the U.S. resulting from the trade of commodities. The transaction contemplates that the U.S. would acquire needed fertilizer from abroad not for cash but in return for exporting materials in ample supply here, thus avoiding a net drain on American's trade balance.

The materials purchased from American companies with the assistance of this financing will be used in the construction of ammonia plants, storage facilities, pumping stations, railroad tank cars and a 1200 mile pipeline in the U.S.S.R. Private financing in the amount of another $180 million will be provided by a consortium of U.S. commercial banks headed by Bank of America, without Eximbank's guarantee. The borrower will make a cash down payment of $40 million, which is 10% of the balance of the U.S. costs.

Proceeds of the Eximbank and commercial bank credits will be applied against purchases from U.S. companies by Techmashimport and Promsyrioimport of the U.S.S.R. Some of the possible major suppliers include: Babcock and Wilcox Company, New York, N.Y., Bechtel Corporation, San Francisco, Cal., Chemical Construction Company, New York, N.Y., Chicago Bridge and Iron Company, Oakbrook, Ill., General Electric Company, New York, N.Y., Honeywell, Inc., Minneapolis, Minn., Ingersoll-Rand Company, Woodcliff Lake, N.J., Kaiser Steel Corporation, Oakland, Cal., Occidental Petroleum Corporation, Los Angeles, Cal., Union Carbide Corporation, New York, N.Y., Union Tank Car Company, Chicago, Ill., and Westinghouse Electric Company, Pittsburgh, Pa.

The ammonia and urea plants which will be located at Togliatti and Kuybyshev, and the pipeline which will extend from the plant sites to Odessa, are expected to be completed by December 1978. U.S. exports of superphosphoric acid are expected to commence sometime in 1978. U.S. imports of ammonia, urea and potash will begin at the same time.

The credits are to be repaid in 24 semiannual installments beginning May 20, 1979, with Eximbank's direct credit of $180 million to be repaid out of the last 12 installments. The Soviet bank will pay interest on outstanding balances at an annual rate of 6% which was the rate Eximbank charged on its loans when a Preliminary commitment was issued on this transaction last year. The blended interest rate of Eximbank's loan and the loans extended by the U.S. commercial banks to Vneshtorgbank will be, at present prime rate levels, approximately 7.8% per year. Repayment of Eximbank's credit is to be guaranteed by the government of the Union of Soviet Socialist Republics.

[From the Washington Post, May 22, 1974]

Soviet Loan Approved by Ex-Im Bank

(By Dan Morgan)

The U.S. Export-Import Bank, ending months of delays brought about by fear of congressional disfavor, yesterday approved the largest low-interest government loan to date for American equipment sales to the Soviet Union.

The $180 million bank credit will help finance a $400 million deal to supply eight ammonia fertilizer plants, chemical storage facilities, pumping stations, railroad tank cars and a 1,200-mile pipeline for the Soviet Union.

The action is sure to raise controversy on Capitol Hill, where powerful groups in both houses are seeking to curtail government lending to the Soviet Union.

The bank's board of directors acted yesterday morning after President Nixon intervened personally to break the indecision at the lending facility. Some administration officials confirmed last week that the credit had been held up to avoid antagonizing Congress, which is now considering a measure to extend the bank's charter past its June 30 expiration.

There were some indications from officials that the administration was now satisfied that the project had sufficient support in Congress.

However, there was no explanation for the timing of the board's action. Some had felt the President might wait to announce final approval of the loan until his expected visit to Moscow next month.

In a letter to bank chairman William J. Casey, received Monday, Mr. Nixon said the project would result in balance-of-payments and trade benefits to the United States, would alleviate American fertilizer and energy shortages and would contribute to world food needs.

He added that the credit "makes exactly the kind of contribution to the national interest which I envisioned when I made the determination on Oct. 18, 1972, that it is in the national interest for the Export-Import Bank to finance U.S. exports to the Soviet Union."

A preliminary loan commitment for the highly complex project, which also involves a barter-type exchange of chemical fertilizers between the two countries starting in 1978, was granted by the bank last year.

In the last few weeks, Soviet officials have warned that if the United States did not go through with the promised credits, they would have to look to Western Europe, and Morocco to fulfill Soviet needs.

"It got pretty frantic," a bank spokesman said. "We had nothing but calls from all these (American) people who could lose their contracts (with the Russians) if the loan was not approved."

In Congress, the credit has become embroiled in the administration bill to extend the charter of the bank another four years and expand its lending authority from $20 billion to $30 billion.

Hearings on the bill have been completed in both houses. However, opponents of American eonomic concessions are seeking to block or limit further concessions as the price for approving the bank's charter.

Among them are supporter of amendments to the administration's trade bill which would prohibit any new government credits or non-discriminatory tariff treatment for the Soviet Union unless it permits free emigration. The main concern is for Soviet Jews seeking to move to Israel.

Last year, the bank approved a $153 million loan for purchase of equipment by the Russians for their Kama River truck plant.

The fertilizer deal was sponsored with the support of the administration by the Occidental Petroleum Corp.

However, Occidental's direct involvement will not begin until around 1978, when it will start to trade superphosphoric acid fertilizer produced in this country for nitrogen fertilizer produced in the new Soviet plants built partly with American equipment.

According to this barter arrangement, the Soviet Union will supply 1.5 million metric tons of ammonia, 1 million tons of urea and a million tons of potash in exchange for a million tons of superphosphoric acid refined from Occidental's phosphate holdings in Florida.

Occidental has announced it will spend about half a billion dollars in the mining of the phosphate and in constructing ships to transport the nitrogen fertilizers.

A number of American industries have provisional contracts to help build the fertilizer plants in the natural gas fields around Kuibyshev, on the banks of the Volga River.

A 1,200-mile pipeline from there to the Black Sea port of Odessa will transport the chemicals.

The United States now produces only 40 per cent of its total ammonia and urea needs.

American commercial banks are providing another $180 million in credits, without government guarantee, and the Soviet Union will make a cash down payment of the remaining $40 million.

LEE NELSON RETIRES

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. EDWARDS of California. Mr. Speaker, I would like to take this opportunity to recognize Leland L. Nelson, Sr., on the occasion of his retirement from the International Association of Machinists and Aerospace Workers, District No. 93, San Jose, Calif. Lee has been associated with this organization since 1955, having joined the staff as a kind of second career upon the completion of 19 years service with the Continental Can Co. In both jobs, he earned the respect and friendship of literally hundreds of people from the Santa Clara Valley who had the privilege of working with him.

A native and continuous resident of San Jose, Lee has devoted a great deal of time not only to his work but to community activities. He served for many years as a Cub Scoutmaster and has frequently been a member of his church council. Together with his wife, Louise, he has also been very active in Democratic politics, giving unstintingly of his talents and enrgies to Governor Brown's reelection campaign in 1966, to the Humphrey presidential campaign in 1968, and to all my own campaigns as well as countless others. Over the years he has been a member of many local campaign committees and is as concerned about and interested in good local government as anyone in the Santa Clara Valley. The fairness and understanding which characterize all Lee's activities also made him an excellent choice for the Santa Clara County Selective Service Board on which he is currently serving.

I am sure that Lee's retirement will leave a "hole" at the International Association of Machinists and Aerospace Workers. However, I know that he will continue to be a vital and active participant in local affairs even while he devotes more time to his garden and stamp collection.

INTERNATIONAL TRADE: WE ARE MISSING THE BOAT

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. STOKES. Mr. Speaker, I would like to bring to the attention of my colleagues an excellent article entitled "International Trade: We're Missing the Boat" by Prof. Kenn Rogers that was published in the Cleveland Plain Dealer, May 9, 1974.

Professor Rogers' analysis is perceptive and the article clearly describes the wide gap between goals and performance in the area of international economics trade development by those charged with this responsibility in Ohio, in general, and, especially, in Cleveland.

The emphasis of some groups, such as the Mayor's Advisory Council on International Trade on public relations, is typical of a trend in government which, on the national scene, was instrumental in undermining faith in government. Even high quality, clever public relations efforts are an inadequate substitute for quality, substantive programs and knowledge.

Dr. Rogers, formerly a professor of business administration at Cleveland State University, is currently a professor of psychiatry and organizational psychology at the College of Medicine and Dentistry of New Jersey.

The article is a result of a 6-month survey by Professor Rogers, and I urge my colleagues to read it.

The article follows:

International Trade: We're Missing the Boat

(By Kenn Rogers)

Ohio, and especially Greater Cleveland, is desperately in need of jobs, a problem which undoubtedly will grow in seriousness as repercussions of the energy crisis spread throughout industry. Ohio cannot afford to pass up any opportunity. Unfortunately, the state seems literally to be missing the international trade boat.

Businesses in Greater Cleveland and Ohio are being exhorted to engage in international trade by the Ohio economic development department, Cleveland World Trade Association, Greater Cleveland Growth Association and other official bodies. Simultaneously, and at considerable expense, they are sending trade missions around the globe to advance Ohio's involvement in international trade. Some of our universities, too, are busily engaged in the development of academic programs in world trade.

But these efforts are not being conducted in a way to promise success.

In recent months I conducted a survey of the methods and their underlying rationales used to encourage Ohio, and particularly

Cleveland, firms to engage in international trade. In the course of this research I had a discussion with a leading member of Mayor Perk's Advisory Council on International Trade shortly before the latter left on a propaganda mission to the Far East, including Japan.

The planned sales pitch was stated simply as "Ohio, and particularly Cleveland's, people are superior human beings as evidenced by having produced John Glenn, the first American in orbit." When I somewhat incredulously asked whether this approach might not be less than useful, since interorbital feats seem hardly related to international trade and that, moreover, Asians might possibly consider this boast to contain a racial slur, I was met with a nonplussed smile and a suggestion that I could not be serious—or worse, that something might be wrong with my patriotism.

One indicator of the effectiveness of this approach emerged in an interview with Mr. T. Izuchi, of the Osaka Chamber of Commerce, who recently was quoted to have said: "For reasons unknown, we in Osaka have been less concerned with Ohio, and Cleveland in particular, in relations to trade . . . (I) had known Cleveland only because of the Cleveland Orchestra."

The essence of the interview unmistakeably implied that Cleveland is being ignored as a major market for Japanese investment. I am as proud as anyone of the magnificent Cleveland Orchestra and of John Glenn's accomplishment in orbit. However, it seems rather obvious that these able musicians as well as Glenn as astronaut can do precious little to promote international trade for our industry.

I then extended my inquiry to the Ohio Department of Economic and Community Development. I received a curt reply stating that "Our office is not aware of any survey of methods encouraging northeastern Ohio firms to export their products. We recommend that you contact the executive director of the Greater Cleveland Growth Association since he may know of such a survey." Following the suggestion, I contacted the association and was successively shunted among three executives, none of whom was aware of any such research, nor for that matter the need for it.

Shortly thereafter, I received an official report on International and Interstate Commerce in Ohio. The report stated in its introductory pages that "Certain regions or states in the United States rely more heavily on international exports than does the nation as a whole. Ohio is one of these states in that the industries basic to its economy are more export-oriented relative to the industries basic to the United States. Development in international trade agreements are therefore of considerable significance to the Ohio economy."

Having made this point, the report provides a series of statistical tables and concludes by issuing a warning against pursuing efforts. It states:

"While international exports are significant for economic development and expansion, there are some inherent drawbacks of an economy heavily relying on foreign markets. The economy is made dependent on economic conditions abroad. Changes in these conditions will affect demand from abroad and therefore the economic activity of the economy in question. The greater the concentration of industries and the higher the export-manufacture ratio, the more vulnerable is the economy to instability in comparison to the East-North Central Region and the nation as a whole."

Considering the present domestic energy crisis, this bit of conventional wisdom could, of course, be equally applicable to the domestic business of these firms. One wonders what it is which this official Ohio state department wishes to warn business against. Perhaps a cardinal reality of business has escaped its attention—that business always operates under uncertainty and that this uncertainty represents one of the major reasons for legitimizing business' pursuits of profits.

Experiences of two students enrolled in my course on international trade tend to further enhance the suspicion that the various official organizations concerned with Ohio's exports might be less than well prepared for discharging their assumed responsibilities.

One student, a senior executive of a major Cleveland firm engaged in marketing and manufacturing precision tools, wanted to gather information related to his firm's intention to extend its marketing operation to Europe's Common Market countries. His experience in contact with the relevant Cleveland and Ohio agencies evokes reminiscences of the film Rashomon. In describing some rather exasperating encounters with a number of senior officials of these agencies whose right of existence is to provide information services for firms such as his, he summarized by stating: "Too many different organizations compete in advising Ohio's industry about international trade and their advice tends to be all too often mutually contradictory and, worse, inadequate for the degree of detailed knowledge of markets and products which we and other firms in our industry need to know."

The other student, a middle-level manager of an industrial firm, wanting to obtain information about market conditions related to a popular household appliance in a major Latin-American country, approached the Greater Cleveland Growth Association. He could not get beyond a receptionist who, after listening to his request, "called someone in the office who advised me that my best bet would be to consult publications in Cleveland's public library."

Desirous of improving academic offerings on international trade at Cleveland State University by stressing special area studies important to Cleveland and Ohio industries, I also contacted the Greater Cleveland Growth Association. I was given a barrage of vagaries, more or less covering the globe but lacking the specificity of their importance to the present or potential future.

These experiences, among others, give cause for concern for the usefulness of the various organizations supposed to promote Ohio and Cleveland in international trade. It is impossible to ignore the conclusion that these officials are groping blindly in a maze of fantasy assumptions, rather than working with well-developed programs based on research into successful and unsuccessful trade strategies and the needs and attitudes of potential foreign partners in trade. It was alarming to learn that no one interviewed has sought to know the reasons for lack of success. They uniformly stressed their costly efforts to "put Ohio and Cleveland on the map of international trade." Yet, none of their sales campaigns was based on anything that can remotely be called systematic research designed for a reasonable chance of success.

It is time for Ohio government and industry to decide whether they are serious about promoting international trade; and if so, to engage in the necessary market and attitudinal research based on social and behavioral concepts tested in marketing research which will arm effective officials with essential information.

It is time, in other words, for Ohio and Cleveland to fish or cut bait in the matter of capturing world markets for the abundance of its industrial and agricultural product.

HOUSE OF REPRESENTATIVES—*Thursday, May 23, 1974*

The House met at 12 o'clock noon.

The Chaplain, the Reverend Edward G. Latch, D.D., offered the following prayer:

I have fought a good fight, I have finished my course, I have kept the faith.—II Timothy 4: 7.

O God, our Father, we thank Thee for Thy mercies which are new every morning, fresh every day and for this quiet moment when we may be still and know that Thou art God.

We thank Thee for the coming of another Memorial Day and for the sacred memories of valiant men and women who fought the good fight, who finished their course, and who kept the faith—all in the interest of the welfare of our country.

Give us valiant men and women today who will live and labor for peace, for justice, and for righteousness in our land and in our world. May a new spirit of good will so come to life in our age that wars may cease, peace may come, and cooperation be established among the nations on our planet.

Grant us rest during this weekend and may we return renewed in body, mind, and spirit.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on May 21, 1974, the President approved and signed bills of the House of the following titles:

H.R. 5035. An act to amend Public Law 90–335 (82 Stat. 174) relating to the purchase, sale, and exchange of certain lands on the Spokane Indian Reservation; and

H.R. 5525. An act to declare that certain mineral interests are held by the United States in trust for the Chippewa Cree Tribe of the Rocky Boy's Reservation, Mont.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 2830) entitled "An act to amend the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Kennedy, Mr. Williams, Mr. Nelson, Mr. Eagleton, Mr. Cranston, Mr. Hughes, Mr. Pell, Mr. Mondale, Mr. Hathaway, Mr. Schweiker, Mr. Javits, Mr. Dominick, Mr. Beall, Mr. Taft, and Mr. Stafford, to be conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2893) entitled "An act to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next 3 fiscal years," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Kennedy, Mr. Williams, Mr. Nelson, Mr. Eagleton, Mr. Cranston, Mr. Hughes, Mr. Pell, Mr. Mondale, Mr. Hathaway, Mr. Schweiker, Mr. Javits, Mr. Dominick, Mr. Beall, Mr. Taft, and Mr. Stafford to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2957) entitled "An act relating to the activities of the Overseas Private Investment Corporation," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Sparkman, Mr. Mansfield, Mr. Church, Mr. Symington, Mr. Aiken, Mr. Case, and Mr. Javits to be conferees on the part of the Senate.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS

The SPEAKER laid before the House the following communication from the chairman of the Committee on Public Works; which was read and, together with the accompanying papers, referred to the Committee on Appropriations:

Washington, D.C.,
May 17, 1974.

Hon. Carl Albert,
Speaker of the House of Representatives,
Washington, D.C.

My Dear Mr. Speaker: Pursuant to the provisions of section 201 of Public Law 89–298, the Committee on Public Works of the House of Representatives on May 9, 1974, adopted Committee resolutions authorizing the following water resources development projects:

Port Everglades Harbor, Florida
St. Lucie Inlet, Florida

With kindest personal regards.

Sincerely,

John A. Blatnik,
Chairman, Committee on Public Works.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON AGRICULTURE

The SPEAKER laid before the House the following communication from the chairman of the Committee on Agriculture, which was read and, together with the accompanying papers, referred to the Committee on Appropriations:

Washington, D.C.,
May 22, 1974.

Hon. Carl Albert,
The Speaker, House of Representatives,
Washington, D.C.

Dear Mr. Speaker: Pursuant to the provisions of section 2 of the Watershed Protection and Flood Prevention Act, as amended, the Committee on Agriculture today considered and unanimously approved the following work plans for watershed projects:

PROJECT AND EXECUTIVE COMMUNICATION

Hurricane Creek, Tennessee, 2188, 93rd Congress.

North Fork Nolin River, Kentucky, 2188, 93rd Congress.

Red Boiling Springs, Tennessee, 2188, 93rd Congress.

Upper Castleton River, Vermont, 2188, 93rd Congress.

Attached are Committee resolutions with respect to these projects.

With every good wish, I am,

Sincerely,

W. R. Poage,
Chairman.

ANNUAL REPORT ON THE OPERATION OF THE ALASKA RAILROAD—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I transmit herewith the annual report on the operation of the Alaska Railroad as required by the Alaska Railroad Act of March 12, 1914.

Richard Nixon.

The White House, *May 23, 1974.*

APPOINTMENT OF CONFEREES ON H.R. 14354, AMENDING NATIONAL SCHOOL LUNCH ACT

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 14354) to amend the National School Lunch Act, to authorize the use of certain funds to purchase agricultural commodities for distribution to schools, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and appoints the following conferees: Messrs. Perkins, Meeds, Ford, Hawkins, Mrs. Mink, Mrs. Chisholm, Messrs. Biaggi, Mazzoli, Badillo, Lehman, Andrews of North Carolina, Quie, Bell, Ashbrook, Forsythe, Peyser, Steiger of Wisconsin, and Towell of Nevada.

CONGRESSIONAL REFORM

(Mr. MARTIN of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARTIN of Nebraska. Mr. Speaker, our Congress is a strong legislative body, reportedly the most powerful in the world, yet it does not work well today because the committees have not been changed since 1946. It took more than a year of hard work for the Select Committee on Committees, a bipartisan group of 10 members with broad experience, to work out all the aspects of jurisdictional change required to make the Congress more efficient.

The select committee had to make many hard decisions and they were made always with an eye on the House as an institution and the way it would work. The report was unanimous although, of course, many accommodations were necessary.

The Hansen committee of the Democratic caucus which is reviewing House Resolution 988 is composed of many outspoken critics of real congressional reform, and is only a charade. Their goal is to kill congressional reform and protect their own self-interest and cozy relationship with outside groups.

TWO BILLION DOLLAR GIVEAWAY TO INDIA

(Mr. KETCHUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KETCHUM. Mr. Speaker, recent news reports have borne out my outrage at the $2 billion giveaway to India. No wonder they need U.S. welfare. While our money feeds their people, they have spent their money developing a nuclear bomb

Somehow, that just does not make sense. But that is not all—while this was going on, the administration has seen fit to loan $180 million to the Soviet Union to build fertilizer plants. Now, my colleagues, when interest rates in this country are skyrocketing and we are deeply in debt, I am forced to wonder aloud, "What about us here at home?"

One, why are we loaning money to an unfriendly nation?

And, two, even a 12th grade chemistry student knows that a fertilizer plant, with a little modification, becomes a gunpowder factory.

Remember the scrap metal we sent Japan? I do, and I remember how it came back.

LOW-INTEREST GOVERNMENT LOAN TO SOVIET UNION

(Mr. ROBERT W. DANIEL, JR. asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, it has come to my attention that the U.S. Export-Import Bank has approved the largest low-interest Government loan to date for American equipment sales to the Soviet Union.

How can the United States loan over $180,000,000 at an interest rate of only 6 percent when in Virginia the prevailing interest rate is nearly double that?

On Tuesday, members of the Virginia Home Builders Association, told me that they must now pay up to 15 percent interest on homebuilding loans in my State. While many hard-working Americans are finding it almost impossible to find new homes for their families because of high interest rates, we are taxing these same hard-working people to finance a $400 million deal to supply eight ammonia fertilizer plants, chemical storage facilities, pumping stations, railroad tank cars and a 1,200-mile pipeline for the Soviet Union.

AVIATION CAREER INCENTIVE ACT OF 1974

Mr. STRATTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 12670) to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crewmember duties, and for other purposes, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 7 and 8, strike out "inserting 'enlisted' before 'crew member'" and insert: "striking out 'a crew member' and inserting in lieu thereof 'an enlisted crew member'."

Page 2, strike out all after line 3 over to and including line 21 on page 3 and insert:

"(a)(1) Subject to regulations prescribed by the President, a member of a uniformed service who is entitled to basic pay is also entitled to aviation career incentive pay in the amount set forth in subsection (b) of this section for the frequent and regular performance of operational or proficiency flying duty required by orders.

"(2) Aviation career incentive pay shall be restricted to regular and reserve officers who hold, or are in training leading to, an aeronautical rating or designation and who engage and remain in aviation service on a career basis.

"(3) Under regulations prescribed by the Secretary of Defense, the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, or the Secretary of Commerce and the Secretary of Health, Education, and Welfare with respect to members under their respective jurisdiction, an officer (except a flight surgeon or other medical officer) who is entitled to basis pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is entitled to continuous monthly incentive pay in the amount set forth in subsection (b) of this section that is applicable to him. A flight surgeon or other medical officer who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is not entitled to continuous monthly incentive pay but is entitled to monthly incentive pay in the amounts set forth in subsection (b) of this section for the frequent and regular performance of operational flying duty.

"(4) To be entitled to continuous monthly incentive pay, an officer must perform the prescribed operational flying duties (including flight training but excluding proficiency flying) for 6 of the first 12, and 11 of the first 18, years of his aviation service. However, if an officer performs the prescribed operational flying duties (including flight training but excluding proficiency flying) for at least 9 but less than 11 of the first 18 years of his aviation service, he will be entitled to continuous monthly incentive pay for the first 22 years of his officer service.

"(5) If upon completion of either 12 or 18 years of aviation service it is determined that an officer has failed to perform the minimum prescribed operational flying duty requirements during the prescribed periods of time, his entitlement to continuous monthly incentive pay ceases. If at the completion of 12 years of aviation service entitlement to continuous monthly incentive pay ceases, entitlement to that pay may again commence at the completion of 18 years of aviation service upon completion of the minimum operational flying duty requirements, such pay to continue for a period of time as prescribed in accordance with this section. However, if entitlement to continuous monthly incentive pay ceases in the case of any officer at the completion of either 12 or 18 years of aviation service, such officer remains entitled to monthly incentive pay for the performance of subsequent operational or proficiency flying duties up to the maximum period of time prescribed in accordance with this section.

"(6) For the purposes of this section, the term—"

Page 3, line 22, strike out "(1)" and insert "(A)".

Page 4, lines 3 and 4, strike out "training, that" and insert "training that".

Page 4, line 6, strike out "(2)" and insert "(B)".

Page 5, strike out all after the fifth line following line 18 over to and including line 3 on page 6 and insert: "For the purposes of clauses (1) and (2) of this subsection, the term 'aviation service' means the service performed, under regulations prescribed by the Secretary concerned, by an officer, and the years of aviation service are computed beginning with the effective date of the initial order to perform aviation service."

Page 6, line 7, strike out "the" where it appears the second time.

Page 6, line 16, strike out "grade" and insert: "years of aviation or officer service, as appropriate,".

Page 6, line 16, strike out "He" and insert: "Such member".

Page 7, line 4, strike out "have 12, or 18, years of aviation services" and insert: "have 12 or 18 years of aviation service".

Page 7, line 23, strike out "6, or less" and insert: "6 or less".

Page 8, line 15, strike out "amended" and insert: "added".

Page 8, line 17, strike out "amended" and insert: "added".

Page 8, line 19, strike out "O–7, or above," and insert: "O–7 or above".

Page 8, line 22, strike out "grade prior" and insert: "grade, as appropriate, prior".

Page 8, line 22, strike out all after "1973." over to and including line 3 on page 9.

Page 9, line 6, strike out "service," and insert: "service".

Page 9, line 9, strike out "that" and insert: "as added by this Act, that".

Page 9, line 12, strike out "title with" and insert: "title, as added by this Act, with".

Page 9, line 14, after "flying)." insert: "*However*, under this clause, an officer who is assigned to the pay grade O–7 on the effective date of this Act, or is promoted to the pay grade O–7 during the 36-month period following the effective date of this Act, may not receive more than $160 per month while assigned to that grade."

Page 9, line 15, strike out "However, the" and insert: "The".

Page 9, line 15, after "officer" insert: "who is entitled to compensation under section 206 of title 37, United States Code,".

Page 9, line 17, strike out "title 37, United States Code" and insert: "that title, as added by this Act".

Page 9, after line 17, insert:

"SEC. 5. A yearly report containing such data as necessary to monitor the progress of this bill shall be made by the Department of Defense in cooperation with the Senate and House Armed Services Committees and released publicly."

Page 9, line 18, strike out "5." and insert: "6.".

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. GROSS. Mr. Speaker, reserving the right to object, does this action have the concurrence of the minority?

I see none of the minority members of the Committee on Armed Services on the floor.

Mr. STRATTON. Mr. Speaker, if the gentleman will yield, I will say to the gentleman that this proposed action was unanimously approved by the Committee on Armed Services this morning. I was instructed to request the approval of the House so that the bill could go directly to the White House for signature and thereby avoid a conference.

The Senate has accepted the House bill almost intact. There are a series of technical amendments and two minor amendments which were added to the bill and, therefore, there is no need for a conference.

Mr. GROSS. Mr. Speaker, the gentleman says there are two technical amendments. I know nothing about them. Will the gentleman please explain those to us?

Mr. STRATTON. Mr. Speaker, if the gentleman will yield further, there were, as I have said, a series of technical amendments added by the other body, all designed to conform the language of the bill to that used in title 37, United States Code. In addition, two minor substantive amendments were added which make no significant change in our bill. The first of these corrected what amounted to an error in our bill. The Senate amendment provides that brigadier generals and rear admirals, lower half, cannot receive more than $160 a month flight pay, which is actually their present rate, under the saved-pay provisions of the bill. Our bill had provided for an increase to $165 a month, but that was not really our intention.

The other amendment, which was added on the floor of the Senate, provides that "a yearly report containing such data as necessary to monitor the progress of this bill shall be made by the Department of Defense in cooperation with Senate and House Armed Services committees and released publicly." Our House bill contained requirements for annual reports to be made by the Department of Defense, and those reports, of course, normally would have been public anyway.

So our committee saw no objection to accepting that other Senate amendment.

Mr. GROSS. Mr. Speaker, let me ask the gentleman if there is some urgency with respect to this measure?

Mr. STRATTON. Mr. Speaker, will the gentleman yield further?

Mr. GROSS. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, it has been nearly a year since this entire matter of aviation pay was raised by the action of the House in shutting off aviation pay for certain officers. This legislation is basically an incentive measure, and so if we are going to provide incentives for young men to remain in an aviation career in the armed services, we must have some legislation signed into law as soon as possible that would stabilize the situation and give our service personnel something they can count on and plan on the basis of.

Mr. GROSS. I understand the gentleman is saying that the Committee on Armed Services met this morning and, with a quorum present, approved this procedure?

Mr. STRATTON. That is absolutely correct. And that meeting included the distinguished minority whip, the gentleman from Illinois (Mr. ARENDS), I might say.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

PERMISSION TO HAVE UNTIL MIDNIGHT, FRIDAY, MAY 24, 1974, TO FILE CONFERENCE REPORT ON H.R. 12565, APPROPRIATIONS FOR PROCUREMENT FOR ARMED FORCES, 1974

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that the managers may have until midnight, Friday, May 24, 1974, to file a conference report on H.R. 12565, to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test and evaluation for the Armed Forces, and to authorize construction at certain installations, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 243]

Bevill
Blackburn
Blatnik
Burke, Calif.
Camp
Carey, N.Y.
Cederberg
Chisholm
Clark
Clawson, Del
Clay
Collins, Ill.
Conlan
Conyers
Daniels,
 Dominick V.
Davis, Ga.
de la Garza
Dennis
Diggs
Drinan
Eckhardt
Esch
Evans, Colo.
Flynt
Foley
Gaydos
Goldwater
Gray
Green, Oreg.
Harsha
Hays
Hébert
Helstoski
Hinshaw
Hogan
Holifield
Hutchinson
Jarman
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jordan
Kluczynski
Kuykendall
Latta
McCloskey
Maraziti
Mayne
Meeds
Metcalfe
Mollohan
Morgan
Murphy, N.Y.
Nix
O'Brien
O'Hara
Preyer
Railsback
Reid
Rhodes
Rodino
Rooney, N.Y.
Runnels
Seiberling
Shipley
Skubitz
Steiger, Wis.
Stubblefield
Teague
Williams
Wyatt
Young, Alaska
Young, Ga.
Zablocki

On this rollcall 359 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERSONAL EXPLANATION

Mr. DANIELSON. Mr. Speaker, I was absent on Monday, May 20, 1974, when roll No. 20 was taken on House Resolution 1112, the rule for the consideration of H.R. 14592, the military procurement authorization. Had I been present I would have voted "yea."

PROVIDING A 10-YEAR DELIMITING PERIOD FOR EDUCATIONAL PROGRAMS FOR VETERANS

Mr. DORN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate bill (S. 3398) to amend title 38, United States Code, to provide a 10-year delimiting period for the pursuit of educational programs by veterans, wives, and widows, with a Senate amendment to the House amendments thereto and concur in the Senate amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendment to the House amendments, as follows:

> In lieu of the matter proposed to be inserted by the House engrossed amendment to the text of the bill insert:
>
> "That, notwithstanding any other provision of law, the eight-year delimiting date for pursuit of educational programs under chapter 34 of title 38, United States Code, eligible veterans discharged or released from active duty between January 31, 1955, and September 1, 1966 (except for those veterans whose discharges are subject to the provisions of section 1662(b) of such chapter, or who are pursuing courses of farm cooperative training, apprenticeship or other training on the job, or flight training under such chapter), shall run from July 1, 1966."

Mr. Speaker. Is there objection to the request of the gentleman from South Carolina?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, and I do not plan to object, I take this time to yield to the distinguished chairman of the Committee on Veterans' Affairs to explain his request.

Mr. DORN. Mr. Speaker, the Senate amendment is germane to the bill.

The Members will recall that last February the House acted favorably on a bill to provide a reasonable cost-of-living increase in the various rates of educational allowances for veterans and certain of their dependents in training under the GI bill. That measure also increased from 8 to 10 years the period available to the trainee for his education and training.

In view of the fact that the 8-year period will expire May 31 with respect to about 300,000 veterans who were discharged prior to June 1, 1966, last week the other body passed a bill which proposed merely to authorize a 2-year extension and contained no provision for cost-of-living increases which are so vitally needed. In view of the latter factor, the House amended the bill by inserting the complete text of our originally passed education bill which included the 2-year extension as well as increased rates.

May 21, the Senate gave further consideration to this measure and has now returned it to the House with a substitute amendment which, in effect, merely extends for 30 days the present May 31 expiration date. In explanation of this temporary and emergency measure, the chairman of the Senate Committee on Veterans' Affairs assured his colleagues that the committee is currently giving high priority to a full comprehensive GI educational measure. In fact, on May 22, that committee ordered favorably reported a major education bill. Chairman HARTKE recognizes however that agreement with this body on such a measure will obviously not be reached prior to May 31. The belief was expressed however that agreement can be reached prior to the end of June. I am sure the chairman is speaking in all good faith and will take every reasonable step to assure that if the House acts on the separate temporary extension as proposed in the Senate amendment before us, that House-Senate agreement on the major bill will not be unduly postponed.

In the debate on this bill in the House May 15, there was considerable colloquy among the Members and a unanimous expression of hope that the adverse effects of the present expiration date should be avoided if at all possible.

Although the House on two previous occasions has approved a full 2-year extension, it now appears that our further objective of increased rates may be achieved in the near future and I assure the Members that your committee will make every effort toward that end. Under these circumstances, I recommend concurrence by the House in the Senate amendment to S. 3398.

Mr. HAMMERSCHMIDT. Mr. Speaker, I appreciate the gentleman's explanation and I support the gentleman in his unanimous-consent request.

This action if approved, Mr. Speaker, will put the House in agreement with the other body on a temporary 30-day extension of the 8-year period during which educational benefits must be utilized. Let me assure my colleagues that we have no intention of letting the educational entitlement of the substantial group of veterans separated between 1955 and 1966 expire.

The bill that passed the House on February 19 contains a 2-year extension of the delimiting date. Yesterday the Senate Committee on Veterans' Affairs ordered reported a measure containing a 2-year extension. So Mr. Speaker, there is no disagreement over the 2-year extension.

In order that veterans whose entitlement would expire on May 31 may remain in school beyond that date while other differences in the House and Senate versions of the comprehensive bill are being reconciled, the temporary day extension authorized by the Senate amendment is necessary.

Let me make extremely clear, Mr. Speaker, my position on the comprehensive education bill. I think I also reflect the views of most of my colleagues on the committee. We are dedicated to the 2-year extension of the delimiting date. We are equally dedicated, to the expeditious approval of an increase in monthly payments to veterans, dependents, and survivors participating in the educational benefit programs. Our every action has been motivated by this consideration.

Mr. Speaker, in this connection, I have read with interest the remarks of the gentleman from New York (Mr. WOLFF), that the ranking minority member of the Committee on Veterans' Affairs would support his request "to bring only the 2-year extension up under suspension." I must say to the gentleman that he is in error and I categorically deny any such commitment. In fact, Mr. Speaker, I informed the gentleman from New York that I was committed to an increase in monthly educational allowances at the earliest possible date for the millions of veterans participating in GI bill education and could not in good conscience divorce this important provision from the 2-year extension. Now, Mr. Speaker, I am confident that differences in the major bill can quickly be resolved. I urge the approval of the gentleman's request.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER**. Is there objection to the request of the gentleman from South Carolina?

Mr. **BIAGGI**. Mr. Speaker, further reserving the right to object.

Mr. Speaker, I am gratified that the gentleman is reporting the bill in the manner he did in connection with this bill, but it seems entirely dilatory in nature.

The House and Senate each passed a bill containing a 2-year extension which was included in a total package of benefits. The Senate just last week passed a bill which provided a simple 2-year extension. I have had a bill with this language in the committee for some weeks now dealing with a simple 2-year extension.

We had colloquy on the 15th of May and I was assured by the Representative of the Committee on Veterans' Affairs, the distinguished gentleman from Texas (Mr. OLIN TEAGUE), that the benefits for those veterans would be preserved. Now we say let us provide a 30-day extension. A 30-day extension gives veterans no real comfort or solace that their benefits will continue.

What the chairman has stated this morning is that there is some movement at last. I am gratified for this. Perhaps it took some prodding, the type of prodding I offered; but I would like to ask the chairman several questions.

One, in the absence of substantial movement, in the absence of enactment of the legislation during the ensuing 30 days, what then will be the course of the committee?

Mr. **DORN**. Mr. Speaker, will the gentleman yield?

Mr. **BIAGGI**. I yield to the gentleman.

Mr. **DORN**. Well, we would extend it again for 30 days.

I would like to assure my distinguished colleague, the gentleman from New York, that after consultation and long staff meetings with the committee, I am reasonably assured that this increase in the GI cost-of-living educational benefit will be accomplished before the expiration of the 30 days. The immediate measure before this body now, and I think it is urgent, is to adopt the 30-day extension.

Mr. **BIAGGI**. I would not quarrel with that if I had the confidence that both bodies will move effectively and without further delay. Each day of delay creates a sense of apprehension on the part of the veteran beneficiaries. The veterans of our Nation are concerned. They do not know, they do not have the confidence that the gentleman and I may have in this thing. All they know is that this Congress is not moving. They are waiting for some response and they are disillusioned. They have a right to be disillusioned. Since we acted in the early part of the session there has been a substantial and inordinate amount of delay in achieving further action especially with respect to do extension of veterans' education benefits. There is no reason for this. It has been suggested that if we are not successful in pursuing the objective that we desire, we will then extend it another 30 days. With this I disagree.

This piecemeal approach should be replaced by decisive action on a problem that is confronting both Houses.

I frankly do not agree with the suggestion. I would prefer to suggest that rather than another 30-day extension that we deal exclusively with a 2-year bill. I would like the chairman's comments on that.

Mr. **DORN**. The chairman of the committee would like to say to my distinguished colleague, the gentleman from New York, that I agree with everything he has said on the floor today. It is a fact, that the other body did not act on our original proposal. The vote here was 382 to 0.

By not acting on this measure, it has cost the veterans of this country about $50 million a month.

I can assure the gentleman that members of this committee will continue to do everything humanly possible to reach an agreement. In fact, on yesterday the committee in the other body did report a bill calling for comprehensive increases in the GI benefits. Therefore, I have reasonable assurance that action is imminent and will be taken between the two bodies on the increase in the cost-of-living rates.

I do point out again, and I agree with the gentleman that there has been unnecessary delay over there which has cost the veteran, and we are tired of it on this side of the Capitol Building, but I say that the only alternative now is to accept this amendment and pass the 30-day extension. Then, we will immediately work on the increase, which is urgent.

Mr. **WOLFF**. Mr. Speaker, will the gentleman yield?

Mr. **BIAGGI**. Mr. Speaker, I yield to my colleague from New York.

Mr. **WOLFF**. Mr. Speaker, first let me compliment the gentleman from New York for his tenacity in seeing to it that this problem is brought to the floor and resolved. The problem we are faced with now is one of immediacy, and one that cannot be resolved by attempting to do anything else but pass this 30-day extension.

I would join with the gentleman in opposing a further 30-day extension, however, if the Senate does not bring in its bill. However, I have been assured by the chairman of the Veterans' Affairs Committee of the other body that the committee has already passed out a bill which is substantially the same as ours, and there should be no reason for any further disagreement. Therefore, we will be able to extend to the Vietnam veterans not only the 2-year extension which is necessary for them, but as well the increased benefits to which they are entitled.

Mr. **BIAGGI**. Mr. Speaker, I withdraw my reservation of objection.

Mrs. **HECKLER** of Massachusetts. Mr. Speaker, reserving the right to object, as an emergency, stopgap measure, I want to plead for prompt consideration and passage today of S. 3398, a bill which will extend Vietnam veterans' education benefits for another month while the House and Senate work to compromise their differences.

This action is absolutely critical. It makes no sense to debate how to improve the benefits if we allow them to lapse.

Yet 8 days from today, on May 31, the educational benefits for 300,000 of our Nation's veterans will be terminated, and many will be forced to drop out of school.

The House in two separate votes has agreed that the eligibility period should be extended from 8 to 10 years, and has agreed that the level of benefits should be increased.

Each day we delay causes further anguish for hundreds of thousands of young men and women who have earned these benefits through service to their country.

We must extend the eligibility for another 30 days, and then move ahead rapidly to the real job of expanding and improving the GI bill to bring it closer to par with what World War II veterans received.

These veterans are not asking for special treatment—all they seek is more of the benefits a grateful Nation accorded those who served in World War II. They deserve no less. I am pacified by the temporary extension which we pass today but will not be satisfied or quieted until the full extension and just educational benefits are received by our Vietnam veterans.

Mr. ZWACH. Mr. Speaker, will the gentlewoman yield?

Mrs. HECKLER of Massachusetts. Mr. Speaker, I yield to the gentleman from Minnesota.

Mr. ZWACH. Mr. Speaker, reserving the right to object, I would like to say to this body that it is with extreme reluctance that I find that I must yield to another 30-day delay to get educational benefit payments to the veterans of our country. We passed this long ago, in February. The Senate has delayed and delayed and delayed it. It is now asking us for another 30-day delay. This has gone on too long, and our veterans, indeed, deserve a better response than that from the Congress.

Mr. Speaker, I want to commend the House committee for the work which it has done. Certainly, we will do everything we can to see that the veterans not only get this extension, but also get increased educational benefits at the earliest possible date.

Mr. Speaker, I withdraw my reservation of objection.

Mr. GILMAN. Mr. Speaker, will the gentlewoman yield?

Mrs. HECKLER of Massachusetts. Mr. Speaker, I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the gentlewoman from Massachusetts for yielding me this time.

Mr. Speaker, I rise in support of the committee's proposal for a 30-day emergency extension of veterans' education and rehabilitation benefits. I compliment the distinguished chairman of the House Veterans' Affairs Committee (Mr. Dorn) for his efforts in bringing this measure to the floor and I want to congratulate the gentleman from New York (Mr. Biaggi) for focusing attention on the dire fiscal needs of our veterans.

While this measure is a step in the right direction, we must further address ourselves to fully correcting the deficiencies and disparities in veterans' educational benefits.

The future of more than 300,000 Vietnam veterans is in jeopardy as we consider this measure. Their GI educational benefits are due to expire next week. Unless we act swiftly many deserving veterans will be left without any benefits for education.

How are these men to know whether to enroll in school or not? How are they to know whether any additional checks will be forthcoming?

We must not allow this to happen. These men have selflessly sacrificed several years of their lives in the service of their country when they might have been normally pursuing their education and careers. While our Nation owes them a debt that can never be fully repaid, they ask only for the opportunity to make up for lost time.

As we continue to debate the attributes of longer-term legislation dealing with veterans' benefits, we must first make certain that we do not allow these benefits to lapse while we talk. Accordingly let us take these interim steps to protect these benefits which are important to so many of our veterans.

Mr. Speaker, I urge the Veterans' Affairs Committee to give this measure due expeditious consideration. We can do no less for these men who have given so much.

Mrs. HECKLER of Massachusetts. Mr. Speaker, I yield to the distinguished gentleman from Iowa (Mr. Mayne).

Mr. MAYNE. Mr. Speaker, I thank the distinguished gentleman from Massachusetts for yielding.

I strongly support this emergency extension provided in the measure before us today.

I want to commend the gentleman from South Carolina (Mr. Dorn), the chairman of the committee, and the gentlewoman from Massachusetts (Mrs. Heckler) for their leadership in trying to make sure that our Vietnam veterans are not discriminated against as some of them surely will be if their entitlement is permitted to expire at the end of this month, because Congress has failed to act.

This bill before us today is truly emergency legislation. The Senate has failed to finalize action on a bill comparable to the Veterans' Education and Rehabilitation Amendments of 1974 which passed the House on February 19, 1974. Now it is essential that we approve the 30-day extension of the delimiting date so that education benefits checks will not run out for thousands of veterans at the end of this month.

I also strongly urge members of both the House and Senate Veterans' Affairs Committees to act decisively in working out the remaining differences in veterans' education bills. Such action is urgently needed to allow veterans increases in their education benefits and a 2-year extension of the delimiting date.

Mrs. HECKLER of Massachusetts. Mr. Speaker, I yield to the distinguished gentleman from New York (Mr. Walsh).

Mr. WALSH. Mr. Speaker, I thank the gentlewomen from Massachusetts for yielding.

I would like to join with my distinguished colleagues on the Veterans' Affairs Committee in complimenting the chairman of the Veterans' Affairs Committee for bringing this matter up.

Mr. Speaker, I think we should understand before we leave here today, that the delay and the inaction on the part of the other body means that the veterans of the Vietnam era and those in school at the present time are going to suffer a real hardship because of this delay. I, too, am disturbed that we have to vote for a 30-day extension.

Mr. Speaker, I would also like to call the attention of this body to the fact that there are many, many things that have to be done with the veterans education bill. I would urge the chairman, when we return after this recess, that we get on with the important provisions that the members are working for in this committee to provide the extension of 2 years, similar to what we are doing today, but most of all, to eliminate the hardship that the veterans now face in school with respect to tuition. That is absolutely necessary if we are going to continue to give these kids the education they deserve.

Mr. Speaker, I hope the chairman—and I know he will—will bring the tuition bill to the attention of the entire House very soon.

Mrs. HECKLER of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment to the House amendments was concurred in.

A motion to reconsider was laid on the table.

VETERANS DISABILITY COMPENSATION AND SURVIVOR BENEFITS ACT OF 1974

Mr. DORN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 3072), an act to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes, with a Senate amendment to the House amendment, and concur in the Senate amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendment to the House amendment, as follows:

In lieu of the matter proposed to be inserted by the House engrossed amendment insert:

That this Act may be cited as the "Veterans Disability Compensation and Survivor Benefits Act of 1974".

TITLE I—VETERANS DISABILITY COMPENSATION

Sec. 101. (a) Section 314 of title 38, United States Code, is amended—

(1) by striking out "$28" in subsection (a) and inserting in lieu thereof "$32";

(2) by striking out "$51" in subsection (b) and inserting in lieu thereof "$59";

(3) by striking out "$77" in subsection (c) and inserting in lieu thereof "$89";

(4) by striking out "$106" in subsection (d) and inserting in lieu thereof "$122";

(5) by striking out "$149" in subsection (e) and inserting in lieu thereof "$171";

(6) by striking out "$179" in subsection (f) and inserting in lieu thereof "$211";

(7) by striking out "$212" in subsection (g) and inserting in lieu thereof "$250";

(8) by striking out "$245" in subsection (h) and inserting in lieu thereof "$289";

(9) by striking out "$275" in subsection (i) and inserting in lieu thereof "$325";

(10) by striking out "$495" in subsection (j) and inserting in lieu thereof "$584";

(11) by striking out "$47" and "$616" and "$862" in subsection (k) and inserting in lieu thereof "$52" and "$727" and "$1,017", respectively;

(12) by striking out "$616" in subsection (l) and inserting in lieu thereof "$727";

(13) by striking out "$678" in subsection (m) and inserting in lieu thereof "$800";

(14) by striking out "$770" in subsection (n) and inserting in lieu thereof "$909";

(15) by striking out "$862" in subsections (o) and (p) and inserting in lieu thereof "$1,017";

(16) by striking out "$370" in subsection (r) and inserting in lieu thereof "$437"; and

(17) by striking out "$554" in subsection (s) and inserting in lieu thereof "$654".

(b) The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85–857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 102. Section 315(1) of title 38, United States Code, is amended—

(1) by striking out "$31" in subparagraph (A) and inserting in lieu thereof "$36";

(2) by striking out "$53" in subparagraph (B) and inserting in lieu thereof "$61";

(3) by striking out "$67" in subparagraph (C) and inserting in lieu thereof "$77";

(4) by striking out "$83" and "$15" in subparagraph (D) and inserting in lieu thereof "$95" and "$17", respectively;

(5) by striking out "$21" in subparagraph (E) and inserting in lieu thereof "$24";

(6) by striking out "$36" in subparagraph (F) and inserting in lieu thereof "$41";

(7) by striking out "$53" and "$15' in subparagraph (G) and inserting in lieu thereof "$61" and "$17", respectively;

(8) by striking out "$25" in subparagraph (H) and inserting in lieu thereof "$29"; and

(9) by striking out "$48" in subparagraph (I) and inserting in lieu thereof "$55".

TITLE II—SURVIVORS DEPENDENCY AND INDEMNITY COMPENSATION

SEC. 201. Section 411 of title 38, United States Code, is amended to read as follows:

"(a) Dependency and indemnity compensation shall be paid to a widow, based on the pay grade of her deceased husband, at monthly rates set forth in the following table:

"Pay grade	*Monthly rate*
E–1	$215
E–2	221
E–3	228
E–4	241
E–5	$248
E–6	254
E–7	266
E–8	281
E–9	[1]294
W–1	271
W–2	282
W–3	291
W–4	307
O–1	271
O–2	281
O–3	301
O–4	318
O–5	350
O–6	394
O–7	427
O–8	467
O–9	502
O–10	[2]549

"[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by sec. 402 of this title, the widow's rate shall be $316.

"[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by sec. 402 of this title, the widow's rate shall be $589.

"(b) If there is a widow with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the widow shall be increased by $26 for each such child.

"(c) The monthly rate of dependency and indemnity compensation payable to the widow shall be increased by $64 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.".

SEC. 202. Section 413 of title 38, United States Code, is amended to read as follows:

"Whenever there is no widow of a deceased veteran entitled to dependency and indemnity compensation, dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:

"(1) One child, $108.

"(2) Two children, $156.

"(3) Three children, $201.

"(4) More than three children, $201, plus $40 for each child in excess of three.".

SEC. 203. (a) Subsection (a) of section 414 of title 38, United States Code, is amended by striking out "$55" and inserting in lieu thereof "$64".

(b) Subsection (b) of section 414 of such title is amended by striking out "$92" and inserting in lieu thereof "$108".

(c) Subsection (c) of section 414 of such title is amended by striking out "$47" and inserting in lieu thereof "$55".

SEC. 204. Section 322(b) of title 38, United States Code, is amended to read as follows:

"(b) The monthly rate of death compensation payable to a widow or dependent parent under subsection (a) of this section shall be increased by $64 if the payee is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.".

SEC. 205. Section 337 of title 38, United States Code, is amended by striking "January 31, 1955" and inserting in lieu thereof "December 31, 1946".

SEC. 206. (a) Section 342 of title 38, United States Code, is amended by striking out "equal" and all that follows down through the end thereof and inserting in lieu thereof "those specified in section 322 of this title".

(b) Section 343 of such title is hereby repealed.

(c) The table of sections at the beginning of subchapter V of chapter 11 of title 38, United States Code, is amended by striking out the following:

"343. Conditions under which wartime rates are payable.".

SEC. 207. (a) The Administrator of Veterans' Affairs shall make a detailed study of claims for dependency and indemnity compensation relating to veterans, as defined in section 101(2), title 38, United States Code, who at time of death within six months prior to the date of enactment of this Act were receiving disability compensation from the Veterans' Administration based upon a rating total and permanent in nature.

(b) The report of such study shall include (1) the number of the described cases, (2) the number of cases in which the specified benefit was denied, (3) an analysis of the reasons for each such denial, (4) an analysis of any difficulty which may have been encountered by the claimant in attempting to establish that the death of the veteran concerned was connected with his or her military, naval, or air service in the Armed Forces of the United States, and (5) data regarding the current financial status of the widow, widower, children, and parents in each case of denial.

(c) The report together with such comments and recommendations as the Administrator deems appropriate shall be submitted to the Speaker of the House and the President of the Senate not more than thirty days after the beginning of the Ninety-fourth Congress.

TITLE III—PAYMENT OF BENEFITS TO PERSONS UNDER LEGAL DISABILITY

SEC. 301. (a) Subsection (a) of section 3202 of title 38, United States Code, is amended to read as follows:

"(a) Where it appears to the Administrator that the interest of the beneficiary would be served thereby, payment of benefits under any law administered by the Veterans' Administration may be made directly to the beneficiary or to a relative or some other person for the use and benefit of the beneficiary, regardless of any legal disability on the part of the beneficiary. Where, in the opinion of the Administrator, any fiduciary receiving funds on behalf of a Veterans' Administration beneficiary is acting in such a number of cases as to make it impracticable to conserve properly the estates or to supervise the persons of the beneficiaries, the Administrator may refuse to make future payments in such cases as he may deem proper."

(b) Subsection (c) of section 3202 of title 38, United States Code, is amended by deleting the phrase "guardian, curator, conservator, or other person legally vested with the care of the claimant or his estate", following the word "any" and inserting "fiduciary or other person for the purpose of payment of benefits payable under laws administered by the Veterans' Administration" and by deleting the word "estates" and inserting the word "benefits".

(c) Subsection (e) of section 3202 of title 38, United States Code, is amended by deleting the phrase "guardian, curator, conservator, or person legally vested with the care of the beneficiary or his estate," following the words "hands of a", and inserting in lieu thereof the words "fiduciary appointed by a State court or the Veterans' Administration" and by deleting the phrase "guardian, curator, conservator, or person legally vested with the care of the beneficiary or his estate", following the word "such", and inserting in lieu thereof the word "fiduciary".

(d) Subsections (f) and (g) of section 3202 of title 38, United States Code, are hereby repealed.

SEC. 302. Subsection (a)(4) of section 1701 of title 38, United States Code, is amended to read as follows:

"(4) The term 'guardian' includes a fiduciary legally appointed by a court of competent jurisdiction or any other person who has been appointed by the Administrator under section 3202 of this title to receive payment of benefits for the use and benefit of the eligible person.".

TITLE IV—EFFECTIVE DATES

SEC. 401. The provisions of this Act shall become effective on May 1, 1974, except that title III shall become effective on the first day of the second calendar month following enactment.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, and I do not plan to object, I would like to yield to our distinguished friend, the chairman of the Committee on Veterans' Affairs, and ask him to give us an explanation on his request.

Mr. DORN. Mr. Speaker, the Senate amendment is germane to the bill and the cost of the bill as amended by the Senate represents a relatively modest increase over the cost of the House-passed bill.

The basic objectives of each version of the bill are substantially identical with the exception of very slight increases in the new rates proposed by the Senate for veterans rated 10, 20, and 30 percent disabled. The balance of all disability compensation rates, the additional allowances for dependents payable to service-disabled veterans who are rated 50 percent or more disabled, and the rates of dependency and indemnity compensation for widows and children of deceased veterans whose deaths were from service-connected causes are increased identically in each version.

The Senate amendment includes a new provision providing for the equalization of the rates of death compensation to the survivors of peacetime and wartime service where death occurred before January 1, 1957; thereby eliminating the distinction between the two periods of service. The Senate also proposes to authorize a study to be conducted by the VA, to be submitted to the Congress at the beginning of the 94th Congress, of applications for dependency and indemnity compensation by widows of veterans who had a disability rated total and permanent at the time of death. We have examined these two provisions and find them unobjectionable.

The Senate amendment also includes a proposal submitted by the Veterans' Administration which would authorize the Administrator of Veterans' Affairs to make monetary benefit payments to the beneficiary upon the determination that the interest of the beneficiary would be served thereby, notwithstanding that a fiduciary has been appointed and regardless of any legal disability on the part of the beneficiary.

Finally, the Senate amendment includes a House provision which would extend to certain cases the longstanding presumption of service-connection for wartime veterans to those veterans who served between the end of World War II, December 31, 1946, and before June 25, 1950, the beginning of the Korean conflict period.

Mr. Speaker, this bill deals with benefits to those groups of veterans and their survivors to whom the Nation owes its highest obligation. In view of the increasing economic problems they are all facing, I feel that this legislation is fully justified and should be enacted into law at the earliest possible date. Accordingly, I urge that the House concur in the Senate amendment.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of the gentleman's motion to agree to the Senate amendments to S. 3072 with House amendments thereto.

Both Houses, Mr. Speaker, previously passed this measure in slightly different form. The other body has now embraced provisions that were contained in the House bill only. The motion of the gentleman from South Carolina, the distinguished chairman of our committee, will put the two versions of the measure in agreement, thus clearing the bill for approval by the President.

In substance, the gentleman's motion will increase the rates of monthly compensation payable for service-connected disability in amounts ranging from a minimum 15 percent to a maximum 18 percent instead of from 10.7 to 18 percent.

It will authorize a comrehensive study by the Veterans' Administration of applications for dependency and indemnity compensation by widows of veterans who at the time of their death had a disability rated permanent and total in nature.

It will permit survivors of veterans who died prior to January 1, 1957, to receive the same rate of death compensation, whether or not the death occurred during peacetime or wartime service.

Finally, it will permit the Veterans' Administration to pay a beneficiary who is under legal disability notwithstanding the fact that a fiduciary has been appointed.

Mr. Speaker, the Senate amendments are germane and I will support the gentleman's motion.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mrs. HECKLER of Massachusetts. Mr. Speaker, I rise in support of S. 3072, the Veterans Disability Compensation and Survivors Benefits Act of 1974, which will increase the rates of disability compensation for disabled veterans and the rates of dependency and indemnity compensation for their survivors.

I strongly support the provisions in the bill which provide for a 15 percent increase in disability compensation benefits to veterans who are 50 percent or less disabled and an 18 percent increase to veterans who are between 60 and 100 percent disabled.

Payments to widows and orphans of veterans will be increased across-the-board by 17 percent and the allowance paid for the dependents of veterans rated as 50 percent disabled or more will be advanced by 15 percent.

The rates of compensation were last increased effective August 1, 1972, and the dependency and indemnity compensation has not been increased since January 1, 1972. When the average American wage earner can barely keep up with the current cost-of-living increases, it is almost a sure bet that a disabled veteran receiving compensation based on the same rates as on August of 1972 is barely making ends meet, if at all.

Inflation is hitting the pockets of all Americans—food costs have risen by over 20 percent within the past year, gasoline sells on an average of about 55 cents per gallon, and rents and utilities have skyrocketed—creating a severe financial squeeze for millions of Americans.

The situation is doubly serious for the veteran who has come home to a devastating economic situation, a high rate of unemployment, and inadequate compensation to insure him a decent living standard and the chance for professional advancement.

But what happens when the veteran is disabled—and cannot find employment because of severe service-connected disabilities? As a member of the Veterans' Affairs Committee I have listened to many hours of testimony and have read many letters from disabled veterans and their dependents. Their story is not a happy one.

It is incumbent upon us to support our disabled veterans by making certain that compensation is adequate to meet with increased costs of living. We owe a decent level of financial assistance to the hundreds of thousands of men who fought bravely in Southeast Asia. Now it is our turn to see that these men and their families and widows receive what is necessary to maintain the living standard which they expect and deserve.

The Senate amendment to the House amendment was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the two pieces of legislation just passed by the House.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

INCREASE OF TEMPORARY LIMIT ON PUBLIC DEBT

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1141 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1141

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14832) to provide for a temporary increase in the public debt limit, and all points of order against said bill for failure to comply with the provisions of clause 4, rule XXI, are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Nebraska (Mr. MARTIN) pending which I yield myself such time as I may consume.

Mr. Speaker, I know of no controversy concerning this rule. It is an open rule providing for 2 hours of general debate.

I, therefore, reserve the balance of my time.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from Missouri explained, this resolution provides for an open rule with 2 hours of debate on the bill H.R. 14832, a bill to increase the temporary debt limit.

I approve the rule and urge its adoption.

I know of no opposition to the rule. However, I would like to point out that during the hearings before the Committee on Rules the chairman of the Committee on Ways and Means pointed out that the interest on our national debt in the coming fiscal year would amount to $32 billion. As I figure it, that means during the last minute I have been speaking to you we have just spent, as a nation, approximately $60,000.

Mr. GROSS. Will the gentleman yield?

Mr. MARTIN of Nebraska. I am happy to yield to the gentleman.

Mr. GROSS. I am a little disappointed that the two gentlemen who head the congressional reformation committee did not somehow or other outlaw further debt ceilings among the other things they gave attention to. Is there some reason why you did not outlaw debt ceilings? That would have been greeted with a warm reception by some people.

Mr. MARTIN of Nebraska. I can say to the gentleman from Iowa that according to the original resolution adopted on January 30, 1973, which authorized the establishment of the Select Committee on Committees, we do not have any authority in that resolution to do what the gentleman suggests.

Mr. GROSS. I thank the gentleman for yielding.

Mr. WRIGHT. Mr. Speaker, the bill presently before us would provide yet another increase in the national debt ceiling. It would raise the temporary ceiling to $495 billion, which is $95 billion above the so-called permanent ceiling.

Undoubtedly it is arguable that, in view of the situation presently confronting us, such an increase offers a convenient expedient and at least a temporary palliative to permit us an immediate escape from the strictures of the legally established ceiling. All of this may be well and good for the moment.

But surely nobody would argue that it represents sound long-range policy to yield repeatedly to the siren song of debt. Surely nobody would argue that we are doing anything herein to halt the inexorable upward spiral of inflation. Surely it must be clear that continuing to increase the debt merely fans the flames of inflation.

In 1946 the permanent ceiling on the national debt was established at $275 billion. Since that time, six adjustments have raised the permanent ceiling to $400 billion. A large number of presumably temporary increases have permitted the greater escalation which we have experienced. All of this has been done in a time of relative prosperity when presumably we could have been making some payments on the national debt.

The history of the past 25 years should divest us of any self-delusion that any increase in the national debt ceiling can be accurately described as temporary in the commonly accepted sense of that term.

Expedient, convenient, and comfortable though it may seem, increasing the national debt is the wrong thing to do. While recognizing that such a gesture may appear quixotic to many, I must express my opposition to this practice on the ground of basic principle. I shall not vote for this bill.

THE MENACE OF INFLATION

Undoubtedly the most critical domestic problem confronting the Nation today is inflation—the rapid recent rise in the cost of living. During the first months of 1974, the Consumer Price Index was rising at an annual rate of approximately 11 percent, dipping a heavy hidden hand into the pocket of every American family.

Some among the President's Council of Economic Advisors were taking the view that, if let alone, the disease would run its course and abate. That is fine for a common cold, but no good for pneumonia—and the present rate of inflation is clearly assuming the dimensions of the latter.

Others were sticking doggedly to the discredited snake oil of higher interest rates. And that is like pouring gasoline on the flames. It simply adds an extra layer of cost to every community in the marketplace.

The average rate of interest has inched upward to almost exactly twice the level of 5 short years ago. And every time the interest rate has been allowed to rise, the cost of living has risen with it.

High interest has not discouraged people from going into debt. It has just made it almost impossible for anybody ever to get out of debt. Today a young family trying to buy a $25,000 home must commit itself to pay out approximately $75,000—3 times the value of the property—if it ever is to pay off the mortgage.

THE CONSEQUENCE OF DEBT

Debt itself is the common enemy, and the principal cause of inflation. Individually and collectively—in our private lives and in our governmental life—Americans have been on a credit card binge.

The effect has been to compound the pressures on prices. We are using not just the money in our pockets but money we do not yet have—next month's and next year's income—to bid up today's prices.

Private installment debt—not counting public debt—stands today at $250 billion, 10 times the total of 20 years ago. When you add mortgage debt, the American people will shell out this year a total of $54 billion in interest charges on delayed payments.

Is it any wonder that in many homes there is scarcely enough left over for groceries? And is it any wonder that government—which is no more than a composite reflection of the public—has come to institutionalize and expect an annual increase in the national debt?

The President last year submitted to Congress a proposed budget for fiscal 1974 which called for a $12.7 billion deficit—in other words, for adding that much to the national debt.

Congress reduced the total outgo, principally by cutting about $5 billion from military and foreign aid. In all, the deficit forecast has been diminished by some $8 billion, and it now appears that we will end the fiscal year going only some $4.7 billion in the red.

But that is exactly $4.7 billion too much.

Simply put, the inflationary impact of spending—both public and private—is not mainly in how much we spend. It is in how much we spend that we do not have.

If the Government were to spend $2 billion less than it took in and apply that $2 billion to a reduction in the national debt, as a few of us have repeatedly urged, the effect would be deflationary.

And if the general public were encouraged to pay off $2 billion of its current $150 billion of outstanding installment debt this year instead of adding to it, the combined effect of these two actions would predictably begin to bring prices back down.

Debt is like a narcotic. It eases the pain temporarily, but it is habit forming. As an ever bigger bite comes out for interest, it leaves less for current expenses, thus encouraging the delusive excuse that we must borrow more.

This year the Federal Government is paying $27.8 billion in interest on the national debt. That means, of course, that you and I and the rest of the American taxpayers are paying this much this year as a penalty for having borrowed in previous years.

THE ONE WAY OUT

There is only one way to reverse this self-destructive trend. It will not be easy, because it goes against the grain of established habit. But it is, in my judgment, absolutely necessary if we are to return prices to the world of reality.

First, the Government must commit itself not only to stop creating deficits but to budget a definite amount each year as a payment on the national debt. With enactment of the budget reform act, now passed by both Houses of Congress and awaiting final action in a conference committee, Congress for the first time will have a positive vehicle by which to accomplish that objective.

This bill, which I spoke for and actively supported when it passed the House, provides for the establishment at the beginning of each Congress of a definite expenditure ceiling. If total appropriations should exceed this ceiling, each Government program would be automatically cut by the same percentage—that necessary to bring total spending back down to the established ceiling.

By simply budgeting in a specific amount for debt reduction, Congress finally would be in a position to guarantee some annual progress on this long-deferred and increasingly imperative goal.

Second, Congress also should demonstrate the firm leadership to reinstitute immediately a system of consumer credit regulations similar to those which worked quite effectively during the Korean period—requiring a minimum downpayment of perhaps 30 percent on most durable goods.

The effect of this would be to make it harder for people to get into debt, but easier to get out of debt. In the long run, this would be enormously less costly to the average American family, and infinitely more effective as an anti-inflation device, than continuing to raise interest rates.

Third, if these two things were done, Government then would be in a position to demand, as conscious public policy, that interest rates be systematically reduced—say by one-half a percentage point every 6 months until the prime rate returns to a healthy normal level of not more than 6 percent.

Accomplishing that one objective would save the American people, at our present level of public and private indebtedness, an almost unbelievable $24.4 billion in interest payments.

And releasing that much actual sound money back into the hands of American families—without relying upon the false stimulus of debt—would be a far more effective hedge against recession than a tax cut or further deficit spending.

Right now, we are drifting toward the double danger of both inflation and recession. Either is abhorrent enough. The coexistence of the two in the same economy would be completely intolerable.

There is a way back, I am convinced, to economic health and sanity. It is the road I have outlined above. It is not the path of soporific ease and self-delusion. It may even require some degree of sacrifice on the part of Government and public alike.

But it will be much less painful than the consequences of inaction. And those consequences could be made harsher by every month we delay.

Manifestly, inflation is our gravest immediate domestic problem. Clearly, the way to combat it is not by continuing to increase the national debt.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. BURKE of Massachusetts. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 330, nays 44, not voting 59, as follows:

[Roll No. 244]

YEAS—330

Abzug
Adams
Addabbo
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Carney, Ohio
Carter
Casey, Tex.
Chamberlain
Chappell
Clausen, Don H.
Cleveland
Cochran
Cohen
Collier
Conable
Conte
Corman
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dennis
Derwinski
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gettys
Giaimo
Gibbons
Gilman
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Hansen, Wash.
Hawkins
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kuykendall
Kyros
Landrum
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Luken
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Mazzoli
Melcher
Mezvinsky
Michel
Milford
Mills
Minish
Mink
Minshall, Ohio
Mitchell, N.Y.
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolff
Wydler
Wyman
Yates
Yatron
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

NAYS—44

Anderson, Calif.
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Brinkley
Brown, Calif.
Burgener
Burke, Mass.
Byron
Clancy
Collins, Tex.
Cotter
Crane
Dent
Devine
Gaydos
Ginn
Gross
Hanrahan
Harrington
Harsha
Lagomarsino
Landgrebe
Leggett
Lujan
Madigan
Maraziti
Miller
Mizell
Powell, Ohio
Rarick
Rousselot
Roy
Scherle
Shuster
Snyder
Symms
Taylor, Mo.
Wright
Wylie
Young, Fla.

NOT VOTING—59

Abdnor
Bevill
Blackburn
Camp
Carey, N.Y.
Cederberg
Chisholm
Clark
Clawson, Del
Clay
Collins, Ill.
Conlan
Conyers
Davis, Ga.
de la Garza
Eckhardt
Evans, Colo.
Flynt
Goldwater
Griffiths
Gubser
Hanna
Hastings
Hays
Helstoski
Hinshaw
Hutchinson
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Kluczynski
Latta
McCloskey
Matsunaga
Meeds
Metcalfe
Mitchell, Md.
Mollohan
Morgan
Nelsen
Nix
Patman
Railsback
Reid
Rhodes
Rooney, N.Y.
Runnels
Shipley
Skubitz
Stubblefield
Stuckey
Teague
Thompson, N.J.
Williams
Wilson, Charles H., Calif.
Wyatt
Young, Alaska
Young, Ga.
Zablocki

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Shipley.

Mr. Thompson of New Jersey with Mr. Flynt.

Mr. Carey of New York with Mr. Wyatt.

Mr. Mollohan with Mr. Williams.

Mr. Nix with Mr. Runnels.

Mr. Teague with Mr. Skubitz.

Mr. Reid with Mr. Railsback.

Mr. Helstoski with Mrs. Chisholm.

Mr. Eckhardt with Mr. Hastings.

Mr. Clark with Mr. Young of Georgia.

Mr. Kluczynski with Mr. Conyers.

Mr. Stubblefield with Mr. Cederberg.

Mr. Morgan with Mr. Del Clawson.

Mr. Bevill with Mr. Abdnor.

Mr. Matsunaga with Mr. Clay.

Mr. Stuckey with Mr. Hutchinson.

Mr. Davis of Georgia with Mr. Conlan.

Mr. Mitchell of Maryland with Mrs. Griffiths.

Mr. Jones of Alabama with Mr. Gubser.

Mr. de la Garza with Mr. Blackburn.

Mr. Jones of Oklahoma with Mr. Goldwater.

Mr. Charles H. Wilson of California with Mr. Johnson of Pennsylvania.

Mr. Zablocki with Mr. Camp.

Mr. Hays with Mr. Latta.

Mr. Meeds with Mr. Metcalfe.

Mr. Evans of Colorado with Mr. McCloskey.

Mr. Rhodes with Mr. Patman.

Mr. Hanna with Mr. Nelsen.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14832) to provide for a temporary increase in the public debt limit.

The SPEAKER. The question is on the motion offered by the gentleman from Arkansas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 14832, with Mr. DELANEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Arkansas (Mr. MILLS), will be recognized for 1 hour, and the gentleman from Pennsylvania (Mr. SCHNEEBELI) will be recognized for 1 hour.

The Chair now recognizes the gentleman from Arkansas.

Mr. MILLS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, at the end of June 30 the present limitation on the total outstanding public debt obligation will fall from a temporary level of $475.7 billion to the permanent level of $400 billion. As of June 30 next, the public debt is expected to be approximately $474 billion.

The Treasury Department operating cash balance at that time is projected to be approximately $6 billion.

The administration recently recommended to the Committee on Ways and Means an increase in the temporary debt limit to make a total of $505 billion for the next fiscal year, that is through June 30, 1975. That level of limitation was desired to meet the estimated peak level of public debt expected on May 31, 1975. This estimate includes a provision for the traditional $6 billion operating cash balance, the usual $3 billion allowance for contingencies and an additional $3 billion contingency allowance available if the Federal Government should find it necessary to lend to the Federal Home Loan Bank Board to provide additional reserves to savings institutions in order to stimulate the housing industry, which is not progressing, as all of us know, as we want it to.

Below the peak debt level, the next two highest estimates during the course of the fiscal year occur in March and June with highs in the outstanding debt of $501 billion and $500 billion, respectively. Again both estimates include the $6 billion cash balance and the contingencies.

The latest budget estimates show that the administration now expects a unified budget deficient of $11.4 billion for the fiscal year 1975. That is the year that ends June 30 next. Now, this represents receipts of $294 billion. It also represents outlays of $304.5 billion.

The deficit in Federal funds is now estimated at $20 billion. This is the figure that we use and the budget that we use in arriving at the debt limit needs. Adding to this $20 billion the $6 billion in contingency allowances and $5 billion to meet peak debt needs next year, we find that the estimated need in the debt increase, according to the Treasury is $31 billion. Adjusting this total by the differences between the debt limit and the expected yearend total accounts for the increase of debt limit requested by the administration from $475.7 billion to $505 billion.

The uncertainty in the present outlook has convinced the committee that the most prudent fiscal action it can recommend now is an increase in the debt limit just enough to carry the administration through the remainder of 1974 and enough of 1975 to give it and Congress a chance to examine and act on the public debt limit again. March 31, 1975, is a reasonably early target next year, and the $495 billion debt limit which the committee recommends provides the Treasury Department with a $6 billion operating cash balance in addition to its estimate of its debt needs.

If in the meanwhile it should be determined that this is not enough at any earlier time, Congress will return during the first week of January 1975, and there will be ample opportunity for early action on the debt limit if that would become necessary.

Those Members who may be thinking of providing a smaller increase in the debt limit should be warned that there are dangers in carrying out such a step.

The reasons for caution are that the economy presently is experiencing a most unusual economic policy dilemma. On the one hand, the level of real output as measured by gross national product fell last quarter by 6.3 percent—in seasonally adjusted annual rates—from the last quarter of 1973. Normally, a decline in output causes a decrease in receipts and an increase in those categories of budget outlays that are associated with higher unemployment and related forms of personal economic distress.

On the other hand, prices are rising at historically high rates. The report on the economy's performance in the first quarter that was released last Friday showed revised figures for the rate of price increase, and these were raised from a 10.8 percent annual rate to an 11.5 percent anual rate. Rising prices usually are reflected in higher levels of receipts and higher outlays.

At the present time, it is very difficult to make a confident economic or budget forecast about how these economic crosscurrents will act during the next 9 or 10 months. Too much interaction of these opposing forces could create considerably more economic turbulence than we have experienced recently. The increase in the debt limit that is made available in this bill is based on very cautious projections of the economic performance over the next 9 or 10 months. It is believed that a tight margin has been made available. This is an increase in the public debt limit which is stringent and makes no provision for unbudgeted spending, but, at the same time, it provides sufficient margin for reasonable management of the public debt. Any effort to slice this margin even thinner runs the risk of fiscal danger.

Mr. Chairman, let me say that when I came here as a new Member on January 3, 1939, I never would have expected to live to see the time when a budget would require $304.5 billion of expenditures; or even when Federal revenues would reach the level of approximately $295 billion. I think if anyone would have suggested to me that I would live to see the time when any administration would request a debt limit ceiling of $500 billion, I certainly would not have believed it.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. MILLS. Mr. Chairman, I yield to the distinguished chairman of the Committee on Appropriations.

Mr. MAHON. Mr. Chairman, would the chairman indicate the amount of money that will be borrowed from the trust funds in order to carry on the regular functions of the Government, which is of course not counted in the unified budget deficit? What is that estimated figure for fiscal 1975? Is it about $8½ billion?

Mr. MILLS. Mr. Chairman, I do not have the table before me.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield so that I may reply?

Mr. MILLS. Mr. Chairman, I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, the table on page 3 of the report indicates that the amount of borrowing from the trust funds is $8.5 billion in 1975. That is the current estimate.

Mr. MAHON. Mr. Chairman, if the gentleman will yield further? In borrowing these trust funds, as I understand it and of course as the gentleman from Arkansas understands it, they have to be repaid with interest.

Can the chairman advise the House approximately what interest rate the Federal Government pays when it borrows these unused trust funds for the purpose of carrying on the regular functions of the Government?

Mr. MILLS. It pays the average prevailing rate at the time of the borrowing.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, that translates into slightly over 7.5 percent. I would also point out to the chairman of the Appropriations Committee that for 1974 the borrowing from the trust funds amounted to $14 billion. As I indicated previously, it is expected to be somewhat lower in 1975.

Mr. MILLS. That is due to the increase in the outflow from the social security trust fund.

Mr. MAHON. Mr. Chairman, I want to commend the chairman and the committee for their critical examination of our fiscal situation as it applies to our national debt. It is regrettable that this legislation is required but of course, we must support it because it is necessary.

Mr. MILLS. Mr. Chairman, I appreciate the gentleman's commendation, but I do not think any of us are to be commended—perhaps not condemned, but certainly not to be commended—about the way we are running our fiscal affairs. I am not criticizing my friend from Texas, but I do think all of us have to share in the blame.

Any time we take in $294 billion in a fiscal year and then have to borrow from future generations in order to satisfy the appetite of today's citizenry—or at least what the Congress thinks that appetite is—we run a very serious risk; when we are in periods of almost full employment, as we have been in the past on many occasions, and still cannot live within our revenues; when we cannot live within what they now refer to as the unified budget; when we spend more money than that full employment budget would require.

That is what we are doing, and we are not doing a thing in the world except jumping the rate of inflation from 6 to 12 percent. Nobody knows what it will be next year, but at the rate we are going, it would appear that will be much more next year, in my opinion, than it is this year.

Mr. MILLS. Mr. Chairman, I yield myself 5 additional minutes.

I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Chairman, I would like to point out to the gentleman and distinguished chairman, that from the report the figures indicate that the total debt limit from 1947 to 1954 was $275 billion, and in 1968 it was up to $358 billion, which indicates that over a period of 20 years the debt limit increased by $83 billion. Is that true?

Mr. MILLS. That is correct.

Mr. BURKE of Massachusetts. Then I would like to ask the gentleman further, is it not true that during the past 4½ years, after an $83 billion increase in 20 years, the debt ceiling has increased in 4½ years by $117 billion?

Mr. MILLS. The gentleman is correct. I remember I was a member of the committee and here in Congress, of course, at the end of the war. We thought it would be possible to fix a permanent debt ceiling of $275 billion, and perhaps we could live with that in perpetuity.

It was possible for us to live with that $275 billion ceiling from the time we established it in 1947, I believe it was, up to 1955, which was quite a record. We have not been able to emulate that record in some time.

If the Members will look at this table that my friend, the gentleman from Massachusetts, referred to, on page 2, table 1, the Members will see that since that time on occasions during the same fiscal year we appeared before the House and asked to increase the debt ceiling on as many as three times.

Mr. Chairman, that is all back history. We now have the future to consider.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I will be glad to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I thank the gentleman for yielding. If I have followed the gentleman in this matter, do I understand that the bill increases the present temporary debt limit of $475,700,000,000 to $495 billion, or an increase of $19.3 billion? Is that the purpose of this bill?

Mr. MILLS. To answer the gentleman, actually the bill does increase the figure up to $495 billion. That figure could lead to a little bit of a misunderstanding. I think my friend, the gentleman from Iowa, is the least naive of all of us in understanding the permanent debt. Does the gentleman from Iowa understand that the permanent debt is $400 billion?

Mr. GROSS. Yes.

Mr. MILLS. I would like to ask my friend, the gentleman from Iowa, as brilliant as he is, to explain to me what a temporary debt is, which amounts to $95 billion?

Mr. GROSS. That is precisely what I am trying to get at. The permanent debt is $400 billion, and the bill provides for a temporary increase to $495 billion. Who is kidding whom and why?

Mr. MILLS. Mr. Chairman, my friend, the gentleman from Iowa (Mr. Gross) and his constitutents know, and I and my constituents in Arkansas know that we are just using words. There is no sense in saying, "Here is a temporary debt."

In practice it is a permanent debt of $495 billion, and I wish I could tell my friend when we will begin to reduce it.

Mr. GROSS. Mr. Chairman, if the gentleman will yield further, I wish the gentleman would tell us why the President and Congress go through this charade of considering it a temporary debt and increasing it as such.

Mr. MILLS. Mr. Chairman, there are certain medicines that must be taken, but if we put a little sugar coating on them, they become more palatable. Apparently it is more palatable in this instance to refer to something as being "temporary" rather than "permanent."

The CHAIRMAN. The time of the gentleman from Arkansas (Mr. Mills) has expired.

Mr. MILLS. Mr. Chairman, I yield myself 5 additional minutes.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, the gentleman may have stated this, although I did not hear it, and I tried to follow the gentleman.

Does the gentleman think that this increase will carry the Treasury through fiscal year 1975?

Mr. MILLS. No, it will not, on the basis of the administration's estimates. If the Congress enacts the budget, just as submitted by the President and his estimates are all correct, we will have to come back before the Members next year. I am awfully sorry that my friend, the gentleman from Iowa (Mr. Gross) will not be here at that time. In any event we will have to come back before the Congress some time in February or March since the limit provided here only carries us through March 31, 1975. We will need further action to carry us through the remainder of the fiscal year which ends on June 30, 1975.

Mr. GROSS. Apparently, if we do not have the courage to vote up or down a debt increase for the foreseeable future here today?

Mr. MILLS. No. I am going into that, as to why we did not do it in the committee.

Mr. GROSS. Mr. Chairman, if the gentleman will yield further, I have one more question, and then I will try not to interrupt the gentleman again.

Does the gentleman say that we will have a $31 billion deficit at the end of the 1975 fiscal year? Did I understand the gentleman to say that?

Mr. MILLS. My own judgment is that debt requirements could be more than that.

Mr. GROSS. More than $31 billion?

Mr. MILLS. The gentleman is correct.

Mr. GROSS. This budget of $304 billion——

Mr. MILLS. No, let me clarify that. I am not referring to the deficit alone, but to the combination of contingencies and cash on hand, plus the deficit which could be greater than $31 billion.

Mr. GROSS. Did the gentleman use the figure, then, of $20 billion in relation to the deficit?

Mr. MILLS. Actually we should look at the table that was referred to here in the report.

Mr. GROSS. What page is the gentleman referring to?

Mr. MILLS. The table on page 3 of the report.

If the gentleman will look at, not the January budget estimates, but the current estimate, he will notice that the Federal funds deficit, which is the deficit that affects our debt ceiling, for fiscal year 1974 is $17.5 billion.

Now, if the gentleman will look at 1975, the current estimate there is a $19.9 billion deficit.

However, I call the gentleman's attention to the fact that historically practically all of the administration's estimates have overestimated revenue and underestimated expenditures, with the result that the revised estimates of the deficit have usually been at variance with the original estimate set forth in the budget. So I am not satisfied that the deficit, on these assumptions, is correct.

Mr. GROSS. Mr. Chairman, it is incomprehensible to me, I will say to the gentleman from Arkansas, that the President would send to Congress a record $304 billion budget for the next fiscal year, with a built-in deficit of some $9 billion, when apparently everyone who is knowledgeable concerning Federal fiscal affairs, including the gentleman from Arkansas, tells us the deficit may be double that amount, or even more.

How can this be possible and why is it continued? Why should those responsible be allowed to continue to mislead the public?

Mr. MILLS. Let me explain that. Let us look at it from the point of view of the White House. If the White House knew that we were going to have a downturn in business, do you think it would be advisable for the White House to show corporate profits would be about $10 billion less than they were the year before? I have never known of a budget or a President or anybody at the White House who has ever accentuated the situation by spelling out specifically that there should be a business downturn.

The gentleman knows and I know that there are slackening areas within our economy. New housing starts are way under what they were last year, and they are expected to remain that way. No one I know of in the automobile industry expects us to produce and to sell here in the United States as many automobiles as we produced and sold in 1973.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MILLS. Mr. Chairman, I yield myself 5 additional minutes.

I could go on and on and on and point

out danger spots. On top of all of that we know that there is this rising rate of inflation. Inflation alone has a tremendous bearing on the cost of Government. When you are spending $300 billion and you add to it just a 1-percent increase in rate of inflation, you have added $3 billion to the cost of your Government. Now, if prices are going up 12 percent and you predicate your budget on 5 or 6 percent, how much difference does that make?

All of these are factors that tend to throw budget estimates off, but let me point something else out to the gentleman if I may.

Mr. ULLMAN. Will the gentleman yield?

Mr. MILLS. I yield to the gentleman.

Mr. ULLMAN. An additional factor is—and I am sure my chairman would agree with me—that we made a mistake when we moved from a Federal funding budget to a unified budget concept, which is extremely deceptive. We are using the surpluses in the trust funds to deceive the American people into thinking that we have a balance in our Federal budget. However, in fact the debt relates to Federal funding and does not relate to the unified budget concept.

The President estimates that there will be a $10 billion deficit, but he has nearly $10 billion in there of surpluses in the trust funds that he is using to counter a much larger deficit.

Mr. MILLS. The gentleman agrees with me, and that is not unusual. We should make it clear that when we are relating to total activity, including activity with the Federal Government, we should use the Federal funds budget. I do not have any quarrel with the unified budget concept if we use it properly. I very firmly believe what we should be concerned about here in the Government is what we borrow from the so-called public, from individuals and institutions. We should be less concerned about what we borrow from the trust funds, because in each instance, social security, unemployment compensation, railroad retirement, civil service, the only place they can invest those surpluses of money is in Government securities. You can look at the fact that of this total amount of debt about $131 billion is owed to the trust funds, leaving about $340 billion held either by the Federal Reserve or by the public.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, the gentleman from Arkansas, the distinguished chairman of the Committee on Ways and Means (Mr. MILLS) in his exchange with the gentleman from Iowa (Mr. GROSS) mentioned the increased amount of debt that we will probably be looking at next January, February, or March, over the planned deficit, and I would ask the gentleman from Arkansas what effect will this have on the appropriation bills that will be coming out as, for example, Health, Education, and Welfare, if that should be a half billion dollars or a billion dollars over the budget?

Mr. MILLS. I would make it quite clear, and I think my friend, the gentleman from Illinois, has heard me say so, that this ceiling that we are establishing, we hope it will carry us into March, but it does not make any allowances whatsoever for any increase over the total budgeted amount. The Congress can shift dollars from here to there, but if the Congress adds on dollars then we will probably be back here in December asking for a further increase in the debt ceiling.

Mr. MICHEL. Will the gentleman yield further?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MILLS. Mr. Chairman, I yield myself 2 additional minutes, and I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, will this have any inhibiting effect at all on the actions of the House in trying to hold these figures at the budgeted level? And will the distinguished chairman of the Committee on Ways and Means be willing at that time to point out to the Members of the House exactly what we are up against here by continually voting to increase the amounts in the bills that come out in our appropriation bills?

Mr. MILLS. If the gentleman from Illinois would not think I was just wishfully whistling in the dark, I would be glad to do it.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, the gentleman from Arkansas has said that part of the problem in massive deficit financing at the Federal level comes in part because of borrowing from various trust funds. Is it not also true that when the Treasury has to go to these trust funds to borrow money, that the Treasury pays the current market rate of, say, 7, 8, or 9 percent, and that increases the eventual problem of funding the debt, because it is obviously at a higher level of interest charges?

Mr. MILLS. We do not pay it; all we do is roll it over. When a note comes due then we give somebody the interest and give them another note, and that person continues to hold that note, and we continue to pay interest on it.

Mr. ROUSSELOT. Some day, some place, somebody is going to have to pay for it.

Mr. MILLS. When?

Mr. ROUSSELOT. I suppose our children or the next generation of taxpayers. That is why the Congress is being called on to increase this debt ceiling to accommodate that factor.

Mr. MILLS. If we ever get into a depression we will have a deficit of anywhere from $50 to $75 billion.

Mr. ROUSSELOT. Maybe this is where we ought to stop. Possibly this is the time to send out the message not to increase the deficit, whether we call it temporary or not is evading the real question. I agree with the gentleman from Arkansas that it is not temporary debt; it is permanent.

Mr. MILLS. Do not misunderstand me. It is not only our fault, it is our fault and the fault of the people downtown, together. We are at fault principally because we do not have the qualified people to examine the budget. How many people have they got downtown?

Mr. ROUSSELOT. We do not have the guts to turn down appropriations that are over and above anticipated revenues. And if the gentleman will yield still further, what I was trying to say is that if we would not constantly increase the recommendations of the Committee on Appropriations, we could curb Federal spending right here in this House, we could stop this deficit foolishness right now.

Mr. MILLS. It is a game we play, it always is, and it is not just this administration, but every administration has its own priorities, and priorities are a matter of politics.

If they do not like something, they do not include it in the budget. If they like something, they include it in the budget. Maybe they do not like something that the Congress thinks is very important. So the Congress does not take out what they have included; the Congress just adds, then, in addition, what the Congress thinks is important.

Mr. ROUSSELOT. And at the end of the year we approve substantial supplemental appropriations that only add more to the same problem.

Mr. MILLS. The gentleman, I am sure, knows that at this point we are facing whatever sins we may have committed in the past. Either we do what we are asked to do here today—allow the Treasury to borrow additional money to pay obligations that we have created——

Mr. ROUSSELOT. In the past.

Mr. MILLS. In the past, or the Treasury has to say we cannot pay those obligations. I, frankly, do not know what the situation would be if ever it came to the point that the Secretary of the Treasury would have to say, I cannot pay these obligations. What would happen, I do not know.

Mr. ROUSSELOT. Maybe we ought to send a message today. The Congress by voting "no," could send a message to the American taxpayers that we have had enough of deficit financing. This is a good time to check it.

Mr. MILLS. No, I do not want to run that risk.

Mr. ROUSSELOT. I see.

Yesterday during the debate on amendments to the military procurement authorization bill (H.R. 14592), I made the point that if the 386 Members who voted for the Budget Impoundment Control Act of 1973 last December are truly concerned about budget control, then they must demonstrate that concern now by responsible action to grasp control of budget outlays. As all the Members here today know, we are now awaiting action on the budget control measure by the conference committee.

The budget control legislation that finally comes out of conference will, hopefully, be a strong bill that will mandate overall spending limitations, and will give us the procedures necessary to control inflation. But, just because this bill has not yet come out of conference is no reason why we cannot start practicing, on our own initiative, budgetary limitations.

To date, this House has acted on only

one of the regularly scheduled appropriations bills for fiscal year 1975, and we have acted on a special appropriations bill for energy research for fiscal year 1975. We have recently been advised that the remaining appropriations bills for fiscal year 1975 will be scheduled in rapid succession in June and early July.

I believe that an increase in the debt limitation by $19.3 billion as recommended by the Ways and Means Committee will actually encourage us to overappropriate funds, rather than trim spending for this coming fiscal year.

Federal deficit spending is the root cause of inflation, and one of the primary reasons is that pressure is put on the Federal Reserve to finance the deficits by increasing the money supply. Figures released by the Federal Reserve Board on May 16 show that the money supply—currency plus demand deposits—has grown at a rate of 6.4 percent over the last year, but the growth over the last 6 months would annualize at a rate of 7.5 percent, and the growth over the last quarter in the money supply would annualize at a dangerously high rate of 10.7 percent.

I believe the vote on this bill gives us the opportunity to demonstrate to the Nation that we are willing to take the actions necessary to control inflation. I urge my colleagues to join with me in voting down this legislation.

Mr. FOUNTAIN. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. I thank the gentleman for yielding.

I want to commend the gentleman in the well, the distinguished chairman of the Committee on Ways and Means, for the forthright response to the questions which have been propounded with respect to our fiscal situation and what he anticipates it will be. Some time back we had quite a bit of debate here on the floor of the House, and we passed a Budget Control Act. I understand the Senate has done likewise, and that that legislation is in conference.

The question I should like to ask is this.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MILLS. Mr. Chairman, I yield myself 5 additional minutes.

I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. If we pass a responsible Budget Control Act and live up to it, will that in any way enable us to avoid some of this deficit spending, to which we have alluded?

Mr. MILLS. It will give us an opportunity to plan ahead of time. That is, I think, the failure of our whole situation. We do it piecemeal. We never look at the whole of it. Downtown they look at the whole of it. They submit a budget, but we look at it piecemeal, and we take it up piecemeal.

The Committee on Appropriations operates in 10 or 12 subcommittees. Of course, they come back to the full committee for final approval. There is no coordination, no effort to relate the amount that has been spent with the amount that we in our committee think that we can raise, or that existing law raises. Certainly we need such a budget committee. I have said this publicly. I would want such a committee established. I would want, too, as chairman of the Committee on Ways and Means, to give to that committee this entire responsibility of managing the public debt and fixing the debt ceiling. Let that committee plan its rate of spending; let that committee know what revenues are coming in; let that committee fix that rate of borrowing and the ceiling on the debt. Do it on a permanent basis, and let us stay with it.

The only way in the world to stop people from spending money is to tell them we just have not any more to spend.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Ohio.

Mr. VANIK. I thank the gentleman for yielding.

Will the distinguished chairman relate to the committee the discussion we had in committee concerning the issuance of the Federal debt obligations in denominations which would make it possible for the smallest saver to participate more readily in the Federal debt? At the present time the high-interest notes and bonds are selling at 8⅜ percent. The Treasury bills are much higher. Under present regulations, a person would have to have $10,000 to get a high-interest yield, and it forces the general public into low interest rates, while the banks generally monopolize the higher interest field in the Federal debt.

Mr. MILLS. The gentleman from Ohio, I think, has raised a very important matter, and I appreciate the fact that he raised it in the committee. As a result of the conversations he has had in the committee, and which others have had, the Department of the Treasury made certain commitments, and I recall we put those commitments in the report itself in order to avoid any necessity for legislation.

But let us go back to the history of it just briefly, if I may. In recent years the Treasury Department has increased the minimum denomination of its bills and notes substantially above their previous level of $$1,000. The minimum denomination in which bills have been issued in recent years is $10,000. This step was taken in recognition of what the money market has been buying and the higher cost to the Treasury of issuing smaller bills. Recently the Treasury also issued notes—which are debts with maturities between 1 year and 7 years—in minimum denominations of $5,000. Bonds are still issued in denominations as low as $1,000.

The committee believes—the gentleman is largely responsible, I must say, for our decision—that the present failure to issue smaller denominations in the case of these notes works to the disadvantage of persons with modest savings. These people pay high interest rates when they borrow money but in practice are foreclosed from buying anything but long-term obligations if the shorter term debt is issued only in large denominations.

In view of the unfairness of this to individual savers of modest means, the committee has requested—we have demanded in fact—of the Treasury that it make available issues of notes and bonds in denominations of as low as $1,000, unless of course it is convinced that this will result in a serious dislocation for the various institutions representing the savings market.

Representatives of the Treasury Department said they would follow this request of the committee.

Mr. Chairman, I hope that the bill will be passed.

Mr. BROYHILL of Virginia. Mr Chairman, I yield myself 13 minutes.

Mr. Chairman, I rise in support of H.R. 14832, which would increase the statutory debt ceiling from $457.7 billion to $495 billion from June 30 of this year through March 31 of 1975.

As pointed out by the distinguished chairman of the Committee on Ways and Means, this proposed new ceiling is based on the estimate of the budget deficit provided by the executive branch. Some of us feel that the deficit may be even greater than that which is presently estimated, and it will be greater if the Congress follows its general pattern of authorizing and appropriating funds in excess of those requested by the executive branch.

Now, Mr. Chairman, it has been said that whenever we bring to the floor of the House a bill for an increase in the debt ceiling, that it gives each of our colleagues an opportunity to cast one big vote for economy, even though a colleague may have voted for every appropriation increase and every authorization increase throughout the year. A Member can cast that alleged vote for economy without having to be blamed for cutting any particular project, especially one in his own congressional district.

I realize, of course, Mr. Chairman, that many of our colleagues will do everything they possibly can to cut Federal expenditures, voting for reductions in authorizations and appropriations, and that they do feel sincerely that when we bring up a bill for extending the debt ceiling, it gives them one more opportunity to reduce Federal expenditures.

But that, Mr. Chairman, is somewhat like locking the stable after the horse is gone, because regardless of efforts to cut authorizations and appropriations, the funds have been authorized, and appropriated.

Some of us even have criticized the President for his efforts to cut back on expenditures by vetoing some spending bills and by considering the impoundment of some of the funds which have been appropriated.

But that is history now, Mr. Chairman. We are faced today with an accomplished fact. And the legislation before us simply will enable the Government to pay the bills that will be coming due because of our past actions.

H.R. 14832 does not create any programs, it does not authorize the expenditure of any funds, it does not appropriate any money. It merely permits the Treasury to borrow money to meet obligations which came about because we have been authorizing and appropriating in excess of our receipts.

I realize, Mr. Chairman, that our colleagues resent being told they have to do something. But I submit, Mr. Chairman, that we really have no choice on this matter if we are going to be responsible. If we do not act favorably on this bill or one like it, we are going to have fiscal chaos after June 30 this year. The statutory limit on our borrowing authority will drop abruptly after midnight that day to its permanent ceiling of $400 billion—which would be approximately $75 billion less than the actual level of the debt at that time.

I do not believe I need to recite the entire litany of chaotic conditions which would prevail should the debt subject to limitation exceed the statutory ceiling, even for a brief period of time. But it might be helpful to list a few of the problems that could arise.

The Treasury would have to stop selling United States saving bonds. Securities reaching maturity could not be refunded and would have to be redeemed with cash. The Treasury's cash balance would have to be reduced and other monetary assets and receipts from taxes would have to be used in order to redeem maturing debt securities and to pay the Government's other bills as they came due.

The Secretary of the Treasury has no authority to set priorities on meeting governmental obligations, so they would have to be met on a first-come, first-served basis. When the money ran out, billls could not be paid and our economic stability, as well as the economic credibility of the Government, would be impaired.

H.R. 14832 would resolve that looming potential crisis by increasing the temporary limit on the debt to $495 billion through March 31 of 1975. The administration originally had asked for a limit of $505 billion to cover the rest of the fiscal year.

Frankly, Mr. Chairman, I do not believe our committee could have produced a responsible bill with a tighter ceiling. The Treasury Department has estimated that the debt subject to limitation will rise to $495 billion as of March 31, 1975, without taking into account the customary $3 billion margin for contingencies or the additional $3 billion allowance for Federal home loan bank borrowing.

Clearly, H.R. 14832 does not allow Treasury officials the fiscal leeway they would like, for as long a period as they would prefer. But, I do believe it gives them a debt management climate in which they can live—albeit not too comfortably—until next April. Hopefully by that time, the 94th Congress will have had an opportunity to review the debt situation and take whatever action it deems appropriate and necessary.

As my colleagues know, I have been reluctant at times in the past to support increases in the public debt ceiling. I have not opposed responsible increases, but I have opposed increases which I felt were excessive in amount or duration. I have done so in those instances because the debt limit is one tool which we have—however crude a tool it may be—to encourage fiscal responsibility.

But I also have recognized, and have pointed out on such occasions, that the real responsibility for the public debt lies right here.

Perhaps the most effective fiscal responsibility tool of all is our ability to say "no" to programs of questionable need but of unquestioned high cost.

Fortunately, help is on the way, in the form of the budget control legislation which both Houses of the Congress have passed and which is now awaiting conference action. In the past, we have allowed our legislative budgetary procedure to be fragmented and uncoordinated. We have handled spending authority piecemeal, often bypassing the established appropriations process. We have not related the parts to the whole until it was too late to do anything about it but lament.

The new program, which I hope becomes operational soon, holds great promise. It offers us a chance to do a fiscal "about face"—but only if we exercise true restraint and let the control mechanism really work.

Not until we accept the ultimate responsibility and actually limit the money which the executive can spend, will the public debt really be under control.

In the meantime, Mr. Chairman, we have no other responsible course than to provide the Treasury with the borrowing latitude which it absolutely must have in order to operate efficiently.

Therefore, I urge, Mr. Chairman, that our colleagues do approve this bill today, and approve it overwhelmingly.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. I yield to the gentleman from Tennessee.

Mr. BAKER. Mr. Chairman, I thank the gentleman from Virginia for yielding. Mr. Chairman, I oppose this bill to increase the public debt limit. I recognize we have a $400 billion debt ceiling with temporary increases bringing this to $476 billion by the end of this fiscal year. I also recognize the current level of Government spending means a bigger debt is needed to provide more money.

The problem here is not the level of the debt. The problem here is America is not just drastically increasing the debt, but increasing it to the point where the average American cannot possibly comprehend what has happened to the country's finances. If I ran my own budget on this philosophy of "borrow now, never pay back," I would become a person of absolutely no willpower. I would have no reason to train my children to be frugal because I would have no reason to say "no" to any of their requests.

Most of us have leafed through a Sears & Roebuck catalog. Just exactly how would you explain your own reactions to yourself if you knew you could just borrow to buy anything in the catalog?

If we all had unlimited borrowing capacity and never had to pay back the principal, would we then carefully consider the merits of every charity which asked us for money? If you had such an unlimited source of funds, would you competitively price all goods so you would get the best value for the least money?

This country has to wake up; this Congress has to wake up. We can no longer afford to price ourselves out of existence. We must begin to separate our money problems from politics. This bill authorizes a temporary debt increase of $95 billion on top of the permanent $400 billion. I appeal to my colleagues—stop for a moment and think what this really means. This means that the United States has a debt of almost half a trillion dollars. During the next fiscal year the United States will be paying an estimated $30.5 billion in interest on this amount. This is just plain too much and this bill would be a good place to draw the line.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I thank the gentleman from Virginia for yielding.

Mr. Chairman, I rise in support of H.R. 14832, increasing the debt limit to $495 billion through March 31 of next year.

The task of raising the debt limit is a responsibility none of us can feel comfortable about. But, it is a responsibility we must nevertheless meet if the credit of the Federal Government is to remain intact. As I have said in the past, the time to vote for economy is when the authorization and appropriation bills come before the House, not when obligations have already been incurred pursuant to action taken by the Congress.

Hopefully, we will in the near future have new legislative tools to introduce fiscal discipline into the budgetary deliberations of Congress. Under the present procedures, we focus myopically on the parts of the budget, never looking at the different parts as a cohesive whole. The budget control bill that has now been passed by both Houses and is presently in conference will provide a mechanism for establishing the appropriate level of aggregate Federal expenditures and enable us to fit the component parts of the Federal budget into the aggregate totals.

The budget control bill may be one of the most important pieces of legislation that Congress has ever considered and the progress has been heartening. The need to promptly finish legislative work on the budget control bill is made clear by the current legislation necessitating still another increase in the statutory debt limit.

In developing this bill, the committee recognized that until the budget control bill is enacted, the debt limit provides one of the only tools for imposing some overall fiscal restraint on the administration. Admittedly, it has been a crude tool and far less effective than we would have wished, but it does have a modest salutory impact that we should preserve.

In this spirit, the committee reduced the administration's request for borrowing authority by $10 billion and provided that the extension granted would expire on March 31, rather than go through the entire fiscal year. The projections indicate that early next year, the Treasury will be right up against the debt ceiling with a minimum cash balance and the usual contingency allowance. This is without regard to the $3 billion of borrowing by the Federal Home Loan Bank to support the housing market announced by the President on May 10.

In addition to limiting the administration's latitude, this bill will insure that Congress will again review the entire matter shortly after reconvening next year.

I have always felt, Mr. Chairman, that we should provide needed but not excessive increases in the debt limit required to manage the Nation's fiscal affairs in a responsible way. The amount the committee has provided is the minimum needed to avoid dislocations and disruptions in Government finances that could end up increasing our costs in the long run.

I urge my colleagues to recognize the necessity of acting responsibly on this bill and join me in its support.

Mr. **KEMP**. Mr. Chairman, will the gentleman yield?

Mr. **BROYHILL** of Virginia. I yield to the gentleman from New York.

Mr. **KEMP**. Mr. Chairman, I thank the gentleman for yielding. Mr. Chairman, I rise in opposition to the bill before us and in opposition to the increase in the temporary national public debt limit which it would authorize of $495 billion until March 31, 1975. Believe it or not an increase of $20 billion, and for only 10 months.

I have spoken in this Chamber on numerous occasions on the calamity which we invite by continually participating in the promulgation of disastrous economic policies. I have spoken of the vast increases in the national public debt—the debt borne on the shoulders of each and everyone of us, of our children, and of our grandchildren—of the issuance of more and more paper money without additional productivity to stand behind it, and of the vicious, ever-spiraling upwardly tax-and-spend-and-tax cycle which we seem to be on.

All of this is contributing to the erosion of our economic stability and to double-digit inflation which robs each of us of our purchasing power especially those least able to afford it. Whats more it is a charade, this isn't temporary debt—it's permanent debt and unfair to the American people.

There is, however, another dimension to this debate on our economic condition which is seldom mentioned, yet it is at the very core of the problem. I speak of the clear failure of leadership among elected officials in Washington on this issue.

This failure of leadership on this issue is manifest, and it is corrosive to the faith in the ability of institutions requisite to maintaining economic stability.

I speak of the failure of the President and his administration to submit balanced budgets to the Congress. Of their failure to recommend to the Congress that ineffective programs be either trimmed, revamped, or eliminated. Of their failure to instruct agency heads to cut costs and to get the greatest benefits for the least costs. Of their failure to instruct the Federal Reserve Board to hold down the expansion of the money supply, a principal factor in fueling the fires of inflation. Listen to this, the President wanted to raise this limit to $505 billion. That is right, $505 billion and I predict they will be back in February 1975 asking for more.

I want to speak also of the failure of the Congress and its committees to hold the line on spending. Of their failure to establish a total spending ceiling at the beginning of each session beyond which they will not go and within which they will establish priorities. Of their failure to devise mechanisms to phase out program failures, to say, "No," to funding just because they have been funded before. Of their failure to enact meaningful reforms of the way in which Congress addresses itself to the Federal budget and establishing priorities. The budget control bill now languishing in conference should be our highest priority.

I speak of the failure of both the executive and the Congress to stop increasing the national public debt. The very existence before us today of a bill to increase the public debt for the seventh time in less than 4 years—an increase in that period of nearly 35 percent in the total debt outstanding—attests to this joint failure of leadership.

It is time that elected officials begin paying more attention to the next generation, instead of the next election. It is time that elected officials learn to say, "No," to the never-ending special interests who want the Federal treasury to take care of "their" problems, most often failing to look at the impact of such collective treasury drains on our economic health.

When one considers the facts—inflation projected at 10 to 14 percent for this calendar year, an increase in the debt of 35 percent in 4 years, an issuance of paper money at a rate of 7 to 10 percent—one cannot come to any conclusion other than our financial integrity may collapse and bankruptcy ensue unless leadership is shown by the President and this Congress.

The situation today is so closely analogous to the late 1920's as to be startling. I, for one, want no role in policies which invite a repeat of 1929 and all which followed. The people will most certainly hold fully accountable all those elected officials whose lack of individual courage on economic issues contributed to bringing about such a calamity.

Let us get hold of ourselves and of our economic policies. Let us start building economic strength, instead of courting economic disaster.

We have a chance, today, to start that process.

We can say, "No," to the increase requested in the public debt ceiling. We can say to the administration and to the Congress itself, "You must hold spending down to the level of income. It should rightly be done at the time of appropriation but we must send a message. We are tired of putting a greater burden on the people from whom all Government revenues must ultimately come."

Let us do that. We will not regret it, we must strike a blow for fiscal monetary restraint and discipline.

Mr. **YOUNG** of Illinois. Mr. Chairman, will the gentleman yield?

Mr **BROYHILL** of Virginia. I yield to the gentleman from Illinois.

Mr. **YOUNG** of Illinois. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, we are called upon to vote to increase the present temporary debt limit from $475 billion to $495 billion through March 31, 1975. No change is made in the permanent debt limit of $400 billion. The President has requested an increase in the temporary debt limit to $505 billion through June 30, 1975.

I share the views of the Ways and Means Committee that the majority of the Members of Congress are obligated to extend the debt limit to $495 billion.

It would be utterly irresponsible for the majority of this Congress to refuse to permit this increase, since it was the same majority of this Congress that has continually been authorizing and appropriating the spending of moneys in excess of projected revenues.

In a real sense, Congress has no alternative but to provide for this increase. It is important, however, that in the debate on this bill, we review the fiscal trend of the United States as reflected in the votes of this Congress.

In 1960, our debt limit was $295 billion. In 1965, it had risen to $324 billion. In 1970, it had escalated to $377 billion, and through March 30 of 1975, we will raise it to $495 billion. During the last 10 years, the Congress has approved $130 billion of deficit financing.

This debate also serves to call attention to the public of the deceptiveness of the term "unified budget."

In 1975, we proposed to use trust fund surpluses of $8.5 billion to decrease a $19.9 billion deficit. In 1974, we used $14 billion of trust fund surpluses to decrease a $17.5 billion deficit. The trust funds include social security, unemployment compensation, railroad retirement, and civil service retirement.

While in one sense the U.S. Treasurer is borrowing from certain "pockets" of Federal funds, in a real sense, these borrowed funds are additional "deficit" financing."

To be responsible, the Congress must stop excessive spending. Admittedly, thus far, excessive spending has not forced the United States into bankruptcy. On the other hand, what will be the consequences if Congress continues deficit spending and the rubberband finally breaks? What will happen to this country on the day the U.S. Treasurer says, "I am sorry but I cannot pay the bills that are due?"

Hopefully, the new Budget Control and Impoundment Act to be enacted will cause Congress to be fiscally responsible and set a ceiling on spending which will exceed projected income, or Congress will have the political courage to vote the necessary taxes to pay for all of the spending.

Mr. **ULLMAN**. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts (Mr. BURKE).

Mr. **BURKE** of Massachusetts. Mr. Chairman, when I was 10 years of age, my father told me: "Everything in this life is about as square as an orange. A lot of things are not on the level."

Mr. Chairman, I was attending a Ways and Means Committee meeting the other day when the administration proposal was read, a request to increase the temporary debt ceiling from $475 billion up to $505 billion. It was such a shock to the committee that Members on both sides of the aisle informed the administration on the same day that if that bill came before the Congress, it would be clobbered. They were seeking to increase the debt to $505 billion, one of the most outrageous and brazen requests ever made in the history of this Nation.

Mr. Chairman, they did not need this $505 billion, but with all the publicity in the newspapers covering other subjects, it was a nice time to come in with that request because it got very little publicity in the press throughout the country. A $30 billion request increasing the debt ceiling?

Mr. Chairman, I remember back during the years of 1966 and 1967. If the Members take a look at page 2 in the report, they will see those areas where we used to have to come in here every 3 months to increase the debt ceiling by a few billions of dollars.

During the years of President Truman, President Eisenhower, President Kennedy, and President Johnson, the entire debt ceiling was increased approximately $83 billion. And during the administration of our present President, with this request, if it is granted, the debt is going to be increased $137 billion, which means that this man at the White House is a bigger spender than those four Presidents combined in 20 years.

Mr. Chairman, this is a reckless administration, and I am shocked when I see the Members on the other side of the aisle sitting there very complacent, very complacent, and very happy with this request to increase this debt to $495 billion.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. Yes, I will be happy to yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, the gentleman knows that $29 billion of the increase in this year's budget was attributable to what we voted for in this Congress to increase Federal spending. The gentleman cannot, in good conscience, lay all that blame down the street when we have been a party to this thing, having, frankly, voted for this particular increase ourselves.

Mr. BURKE of Massachusetts. To respond to the gentleman, we spent less than the President requested. Is the gentleman trying to give the impression that the President has lost his power of veto?

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. Mr. Chairman, I have not yielded to the gentleman. I have only a few minutes of time here, and I am not going to let a few Members here encroach upon my time too much.

My good friend over here realizes that the President has the power, and he did not exercise it. My good friend realizes that we appropriated less money than what the President requested. Now, the spending is done at the other end, and there has been no justification by the administration before the Committee on Ways and Means to increase this debt to $495 billion.

Mr. MICHEL. Mr. Chairman, will my friend, the gentleman from Massachusetts, yield?

Mr. BURKE of Massachusetts. No, I will not yield any further.

I have a good bit to say, and——

Mr. MICHEL. The President cannot spend unless the Congress authorizes it.

Mr. BURKE of Massachusetts. That is right.

Mr. MICHEL. All right. Then the gentleman's statement belies his own argument.

Mr. BURKE of Massachusetts. Mr. Chairman, the President has the power to veto, and he does not possess the courage to veto when he finds a bill down there that calls for too much spending. That is his fault.

I would like to put some of the speeches that were made previously in the RECORD. In fact, I think the gentleman who just addressed this House, if I recall correctly, attacked the raising of the debt ceiling.

My good friend, the gentleman from Virginia (Mr. BROYHILL)—and I love him; he and I get along well together—made some great speeches in those days. Let me tell the Members who were not here, they were "corkers." The Members should read them.

In fact, I think almost every Member on this side of the aisle who was in the House in those days came in here and insisted on fiscal responsibility and pointed out this was the only way to control spending.

This is the only vehicle we have. This is the only tool we have. I remember, even during Lyndon Johnson's days, that they came in here with an expenditures control amendment, and I tried to reduce it from $6 billion to $4 billion. I got "clobbered." I was able to get only 140 votes in the House to decrease the spending by $2 billion.

Mr. BROYHILL of Virginia. Mr. Chairman, will my good friend yield to me?

Mr. BURKE of Massachusetts. Yes. I am always happy to yield to the gentleman from Virginia.

Mr. BROYHILL of Virginia. Mr. Chairman, it may be true that my friend, the gentleman from Massachusetts, has caught me with my hands in the cookie jar at times. I will confess that there have been occasions when I have yielded to the temptation to vote for a little higher expenditure than that which was requested by the executive branch, perhaps to benefit the people I represent.

Will the gentleman from Massachusetts make that same confession?

Mr. BURKE of Massachusetts. I doubt it very much.

Mr. Chairman, I am not going to embarrass all my friends on the Republican side and put in all the speeches they delivered in those days. Those were golden days.

I used to sit over here and admire them. There were times when I said:

> There is a Member over there who will not allow a dime to be wasted. He is fighting with all the courage he possesses. He stands up here and speaks against expenditures.

What do we see today? We see the biggest flip-flop in history.

Why, this is $495 billion. This is outrageous.

The testimony of the administration before the Committee on Ways and Means indicates that the debt did not have to go above $491 billion. Why do we give them this cushion, and why do we give them the other $12 billion cushion? We are not just taking a risk of $3 billion here. There is a big, fat cushion in this bill of $12 billion.

I will admit that I am one of the "spenders" in the House. I will admit it, that is right. I voted to support that budget control bill.

But this is the only vehicle we have now, and I say that I, just as every other Member in the House, need to have a little restraint. It is not only I, but the other 434 Members in the House need some restraint.

If the Members are honest and sincere about this, they will vote down the $495 billion ceiling and reduce it to a sensible figure.

Mr. Chairman, I do not want to bring this Government to a grinding halt. I want to be reasonable with the administration. They could very well live with a debt ceiling of $491 billion. If they want to make it $492 billion, all right; that will give them an additional cushion.

But $495 billion? Why, this is outrageous. It is outrageous, and any Member of this House who votes for this $495 billion figure should be ashamed of himself.

There is another thing I would like to remind you of. During 1972 we heard a lot about tax reform. Where are the tax reformers today? Take a look. Where are they? The seats are empty. You do not hear them; they are not around. They are not going to vote, they said, for any debt ceiling bill until a reform bill is passed through this House and signed into law. Today the Chamber is silent. We do not hear anything about tax reform. Where are these reformers who were galloping throughout the country speaking on the campuses of our universities and saying that they would not let this or that happen until a tax reform bill is passed? They are among the missing today.

I say to you that is why I always paid attention to my father when I was 10 years of age when he said that in this life everything is as square as an orange.

I am telling you, putting this bill through for $495 billion is only giving an incentive an encouragement to those in the executive branch to spend money that they do not have to spend.

Mr. ROUSSELOT. Will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman.

Mr. ROUSSELOT. I thank the gentleman for yielding.

Would you describe in a little greater detail this $12 billion cushion that you say is in this bill?

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. I yield the gentleman 2 additional minutes.

Mr. BURKE of Massachusetts. If you take a look at page 2——

Mr. ROUSSELOT. Did I hear the gentleman correctly? A $12 billion cushion?

Mr. BURKE of Massachusetts. Yes, $12 billion. On page 2 of the report it says:

> The Under Secretary of the Treasury in his recent testimony indicated that he expected the outstanding debt on March 31, 1975, to be $501 billion, given a $6 billion cash balance, a $3 billion margin for contingencies and an additional $3 billion allowance for contingencies for possible additional borrowing for the Home Loan Bank Board.

Mr. ROUSSELOT. So the gentleman is saying on the basis of the committee report, in his opinion, there is roughly a $12 billion cushion in this bill?

Mr. BURKE of Massachusetts. If they borrow $3 billion from the Federal Home Loan Bank Board.

Mr. ROUSSELOT. I appreciate the honesty of the gentleman in bringing that important point out. In other words we could properly vote this bill down.

Mr. MILLS. I hesitate to ask the gentleman to interrupt his very factual statement, but will he yield to me?

Mr. BURKE of Massachusetts. I am happy to yield to my good and close friend.

Mr. MILLS. It should be borne in mind when we talk about a $12 billion cushion we are talking about the administration's estimated level of $501 billion on March 31, 1975, and not the $495 billion we provide in this bill.

Mr. PATTEN. Will the gentleman yield?

Mr. BURKE of Massachusetts. I am happy to yield to my friend.

Mr. PATTEN. How much increase is the interest on the Federal debt currently?

Mr. BURKE of Massachusetts. According to the testimony of our distinguished chairman, I believe they expect to pay $32 billion in interest rates next year, and if that takes place and goes on 10 years more, there will be $300 billion added on in the next decade.

Mr. PATTEN. We know the Federal Reserve is buying surplus dollars so that they will not be floating around so that they can maintain the 11-percent prime bank interest rate.

Mr. BURKE of Massachusetts. Well, the Federal Reserve is doing a lot of unusual things today, like the Federal Government.

Mr. PATTEN. The biggest cause of inflation is the raising of the interest rate.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana (Mr. LANDGREBE).

Mr. LANDGREBE. I thank the gentleman from Virginia for yielding to me.

Mr. Chairman, I am not here to speak against just this bill. I am here to speak against a philosophy that has been running rampant through our country for the last 40 years or so.

I would ask the members of the committee to turn to page 12 of the report and take a quick look at the debt limitations as they stood in 1936 compared with 1974. With just a little bit of arithmetic—and I do not want to boggle your minds with any more figures, because you have had too much already—you can see that it took 162 years to arrive at a national debt of $36 billion. That included the First World War, the Civil War, the Mexican War, the Cuban War, and a war on everything else. So in 162 years we arrived at a national debt of $36 billion.

Now, during the good old Roosevelt days it was discovered that we had a pretty good inheritance from our forefathers who cut down the forests, tilled the soil and built the factories—those people who could not even read or write but they could pay their own way.

And with that new theory of borrow, spend, and elect—and reelect—we have continued that irresponsible practice through peace time and war.

Now, I must plead with you, my colleagues, to realize that we were spending $34 billion a year on the Vietnam war, that war is over, however, we are still spending slightly over one bill to help those people to hold the fort. But that $30 billion has all evaporated into these new social programs and Federal agencies that we have developed, programs to train people and to reimburse many able-bodied people for not working when there are jobs in the marketplace waiting for a willing hand. Thousands of those jobs are waiting today.

This country has never had the prosperity it has today, never, never, never, and certainly not in peace time.

There have been some very generous statements made here that we are all to blame for it, and that the President is also to blame. The President's real problem started when he vetoed some big spending bills and began impounding funds hoping to cool our devastating inflation. Many of us hungry boys started worrying about losing those funds and perhaps a few votes and we began to pick on the President—of course, no one suggested impeaching President Nixon for bringing the boys home from the war.

Now we have spent many millions of dollars to bring charges against him for impeachment when we ourselves have not the guts to vote down any big spending bill.

And in the little, old District of Columbia bill through which we gave them their freedom, and they accepted it very graciously and why not, with a $106 million annual gift from Uncle Sam on top of what we have already given them. You can hardly blame them for taking it, that extra payment of only $106 million represents approximately the total annual receipts from 106 truck lines such as mine. Just what we are doling out to these people. They have got 45,000 people on their city payroll already.

Is it not about time that this Congress reversed the thinking of those Harvard eggheads, or whatever it was that got this Nation started on this deficit spending binge and return some fiscal restraints and responsibility to this country?

I did not have an opportunity to go to college, so I did not get to study under any of these great economists. The old-fashioned, tight-fisted real estate operator that I worked for during the depression, and incidentally, he always managed to make a couple of bucks during that depression, and always paid me what he agreed to—preached and preached to me, "always stay on good terms with your billfold."

I came to this Congress with two major concerns in mind. One was to get the war over, and with an honorable settlement, if at all possible, and as soon as possible. The other was to stop this practice that we have been engaging in and which is the greatest threat to the security of this country, the practice of deficit spending. The interest on the national debt has doubled since what seems like only yesterday when I came here, and after 5 years I am only a freshman Member in comparison to those people with 40 years of service, increasing from $14.6 billion to $29.1 billion. Unless this Congress accepts its responsibility soon the interest on our national debt, one decade from now will be $100 billion, with an annual interest rate somewhere between 15 to 20 percent. Unfortunately there is no indication that we desire nor intend to change our habits one iota. Every bill must be inflated, every bill must be escalated by millions and billions. Yes, including the cancer bill. What did we do with the vocational rehabilitation bill this week? We put it back in the form, or worse form, it was when the President vetoed it, and gave us a substitute, stripped out $1 billion and ended up with better care for our crippled and handicapped people, but you great statesmen would not listen to me on that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROYHILL of Virginia. I yield 2 additional minutes to the gentleman from Indiana.

Mr. LANDGREBE. We put that bill back in its original form that it was when the President vetoed it; in fact, it is worse than the original bill—which means we put back in another billion dollars worth of worthless bureaucracy. Of course, nobody in this Congress dare vote against a vocational rehabilitation bill in an election year, except, and I say with humility, yours truly.

This is just an example of the silly things that we do here, day by day.

Mr. Chairman, I plead with the Members of this House to accept their responsibility even in spite of the fact that they receive a lot of mail. Almost the entire education establishment of our country is sold on the idea of borrowing and spending. They become angry at me. They ask me for more millions, but I say to them: Where are we going to get it?

Of course, they used to say, Well, take it out of the military.

Should we just end our military? We have reduced the expenditure of the Vietnam war by over $30 billion, we are pouring into social legislation, education, and health programs, yet we cannot satisfy them. They always demand more and more and more. We are going to have to start doing a little educating ourselves, because we have taken oaths to protect this country—every one of us, the President included. We have taken oaths to protect this country from enemies from without and within. This deficit spending cancer is the greatest threat to the freedom of this country and the future of this country We are headed for absolute chaos if we do not take the reins in our hands, put our feet on the brakes, and get back to responsibility in legislating in these Congressional Halls.

Mr. ULLMAN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I should like to set the record straight on what we are doing here with respect to increasing the debt and the amount of contingencies that we are talking about. There is some misconception that we are talking about $12 billion of contingencies which, of course, is not true. We have a budget sent up by the President that calls for a $20 billion Federal funds deficit. We have a present debt of close to $475 billion, and with a $20 billion deficit, that brings it to $495 billion, with no contingencies. So the figure of $495 billion is the actual increase in indebtedness from the present debt with no contingencies involved.

The President asked for a debt ceiling large enough to allow a $6 billion cash balance and $6 billion for contingencies, including a normal contingency and a housing contingency. We disallowed him those $6 billion in contingency borrowing power. For that reason I think it would be very unwise for this body to lower the amount that we have requested, unless we anticipate the possibility of coming back before the end of the year. I do not think anybody in this body wants to do that.

Let me change my focus just briefly to say that the debt ceiling is not a meaningful control device. We all know that. But it is the only opportunity that we have to stop, look, and listen, to analyze the budget, to analyze our spending and our deficit position so that we can, in fact, implement policies to shift gears. What we are seeing today is a Nation in trouble. We have talked about it time after time in years past. I have heard the oratory of my friend, the gentleman over here, when we had Democratic administrations, and that is understandable. Sometimes we do a little bit of that ourselves, but on this particular subject, not so often.

The Nation has never in its long history faced the dilemma it faces today. Here we are at about a 12 percent prime interest rate, an inflation rate that runs from 10 to 12 percent, and with no hope of turning it around. We have invented a new procedure under this administration where we can go into a recession and still come out of it with increased inflation, and that is what we are seeing today.

And in addition to that we have built-in inflationary factors that are totally uncontrollable at this point. We see an inevitable increase in the price of raw products, in commodities, and in metals. It is here, and there is nothing we can do about it.

I see nothing in the national picture to turn this high inflation around. We are relying almost exclusively on monetary policy to do it. This is a trap we have been in in the past. Here we are with interest rates at 12 percent, with our whole fiscal establishment in disarray. Our institutions are in trouble, because whenever the Government pays 9 percent, as it has been doing, for 6 months bills, how do we expect people to put money in other institutions? How do we expect the money to go into housing? Presently in my area people are paying 9 percent or more for mortgages with prospects for interest rates going only higher.

The one bright spot in this whole horizon is the fact that this House has acted responsibly in passing a budget control bill. The other body has also passed it. I call upon the conferees for both the House and the Senate to move as expeditiously as they possibly can to put the two bills together and bring us back a final bill so that we can enact it into law and start establishing the procedures and start establishing the staff to implement the procedures so that by next year we can have a new tool and a new mechanism built into the procedures of the House so that we can face up to this problem of budgeting. I have been concerned as to the time it is taking the conferees to get ready for this conference. I think it is time to get ahead with the job.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I want to commend the gentleman in the well, who was instrumental in development of the legislative budget control mechanism. One of the finest things this House has done in many, many years was done through the leadership of the gentleman from Oregon.

Mr. ULLMAN. I thank my friend, the gentleman from Pennsylvania who was also a member of that committee and who worked so diligently on it, but I want to say that will be meaningless unless we get it enacted. It is going to be tough to put the staff together and get this worked into the operations of the House. It is something every Member of the House is going to have to work on to make it effective, but in the whole gamut of public affairs this I think is the brightest hope we have of recapturing here in the Congress the power of the purse, and this is where the Constitution intended it to be, so that for the first time in our long history we will have procedures where we will annualize our budget and look at the whole package and fit everything together and establish our own priorities.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Chairman, I join with my distinguished colleague, the gentleman from Pennsylvania, in commending the gentleman in the well for his leadership on the important budget control bill. I support the remarks of the gentleman but I want to point out, and I do not want to differ with my friend, that if we are going to do anything before that control of the budget takes effect, until that day, we will just be spinning our wheels around.

Mr. ULLMAN. Mr. Chairman, I just want to say that again we have no alternative but to vote this bill out. This is a minimum that the country can get by on for the period of time that we are covering in the bill.

I am urging all of my colleagues to move in full support of establishing this congressional budget which, as I said, is the one bright hope that we have.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, I would first like to commend the gentleman from Oregon (Mr. ULLMAN) who preceded me in the well here for making the point that this debt ceiling legislation certainly is no means for controlling Federal spending. It is not the mechanism at all. It does simply raise the caution flag from time to time as to where we are headed.

It does offer a great opportunity for Members to decry spending, deficit financing, borrowing, and interest rates. For some it is a field day.

Normally I would not take the floor, because I think the able members of the Committee on Ways and Means are capable of presenting all sides of their case. They have had difficult times in every administration in making their case; but when a Member gets carried away, as did my good friend, the gentleman from Massachusetts, a few moments ago, I am compelled to ask him, for example, which one of the 13 general appropriation bills in this last Congress has the gentleman opposed and voted against?

Mr. BURKE of Massachusetts. If the gentleman wants to look at the record, he will see where I voted for cuts and if he examines my record in the 16 years I have been in the Congress, he will see that I have voted for cuts totaling over $30 billion. I am not going to take the time now to look through the record and cite them; but I will be happy to get them dug up by one of my legislative staff members to show my good friend and the Members for their edification.

I am merely saying here that I wish the gentleman that is giving this talk here today had said the same things back in 1963, 1964, 1965, 1966, 1967, and 1968.

I think if he examines the record he will find that his speeches were different then than they are today.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MICHEL. Mr. Chairman, I am sure the gentleman is not referring to this Member on the strength of the voting record I have in this House. What I am saying is the gentleman from Massachusetts has not voted against one general appropriation bill in the last Congress and when new authorizations of $29 billion—most of which he supported—is added on how can he stand here in good conscience and say he is going to default the payments on those obligations for which he voted appropriations?

Now, he just cannot do that in good conscience. I have prided myself as being a fisical conservative in this House. The record is here to speak for itself and most Members will attest to it. How many times have I taken the well to speak against amendments increasing our appropriation bills—and on some very popular items in the fields of health, education, agriculture, and the environment.

I have taken a great deal of heat, but what wrankles me most is that those of us who have consistently supported lower figures on appropriations are the same ones who have to cast the responsible vote to raise the debt ceiling lest the Government default on its obligations.

It should be the other way around but as I said its a great day for demagoguery.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. Yes, surely.

Mr. BURKE of Massachusetts. The gentleman knows, he is one of the most experienced Congressmen we have here——

Mr. MICHEL. The gentleman is very kind; I appreciate his comments.

Mr. BURKE of Massachusetts. The gentleman knows I have voted for cut after cut. I have been in here on teller votes and standing votes and rollcall votes voting for one cut after the other; but if he thinks I am going to go along and vote for a bandwagon when it carries a price tag like this, that I am going to be one of those dogs barking at shadows, he does not understand legislation.

I have always voted for cuts where I felt they were right and I will continue to do so.

I admit I voted for some spending bills; but I say this. I need restraints like everybody else and this is what this debt ceiling can do. If we can hold it down, it will restrain all of us; not only the gentleman from Massachusetts, JIM BURKE, but the gentleman from Virginia, JOEL BROYHILL, and a few other spenders around here.

Mr. MICHEL. I appreciate the gentleman's comments. I am sure we could probably find in the record a matching vote to increase for every one of those votes to reduce spending, too.

Of course, the gentleman is going to have a good opportunity next month, particularly when all but three of these general appropriation bills will be on the floor of this House.

The gentleman well knows the pressures that are brought to bear on the Members from around the country, the special interest groups that will make their appeal for increases of what they think is important.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROYHILL of Virginia. I yield the gentleman 1 additional minute.

Mr. MICHEL. I thank the gentleman for his indulgence.

I simply rose to make the point that this is a good field day for making all kinds of wild claims; but I commend the members of the Committee on Ways and Means for taking on the tough task as they have to do every 6 months or so.

My additional concern here is with respect to the temporary nature of the raise of the ceiling as against permanent increase. This temporary mechanism is used, particularly over in the other body, to attach extraneous pieces of legislation. Then the debt ceiling bill is held hostage, more or less, to foisting upon the Congress some piece of legislation which frankly, if the majority were given an opportunity for full debate, would not take. For that reason, I would therefore prefer our taking the permanent route rather than the temporary one.

Mr. BURKE of Massachusetts. If the gentleman would stop getting lost in the wheat fields and wheat deals and a few of those other things, we might be able to discuss this debt.

Mr. MICHEL. Well, I have not been straying from the subject of the debate here, but if the gentleman would like to take a waltz through the wheat fields, as he suggests I have been doing, let me take the occasion to set a few facts straight with respect to some of the erroneous information being peddled these days about the terms of that Soviet wheat sale. Most of this sale was for cash dollars paid directly to our independent grain dealers on the dealers' terms, and I should add that any subsidy involved was provided for in authorizing legislation by this Congress.

The balance of the sale that was not paid in cash was sold through a letter-of-credit system backed by U.S. banks under which our Commodity Credit Corporation charges the Soviets the going rate of interest on the balance due, and the last time I checked in April, that was at 9½ percent, with the payments being up-to-date.

This was a big sale, but not nearly so large as our regular agricultural sales to other countries. During the same 1972–73 period, when this sale was made, our farm exports to Japan were double the value of our exports to Russia, and our farm exports to the European community were three times the value of our exports to Russia. Altogether in 1972–73 we sold some $13 billion worth of farm products overseas, and the U.S.S.R. took $1.2 billion of it.

So, not only did we treat the Soviet Union like any other customer for U.S. goods, selling to them on terms favorable to us, but we also were able to use the dollars generated from that sale and from our other farm exports to offset a very serious U.S. trade deficit in nonagricultural items. We had an agricultural trade surplus of $9.3 billion that wiped out a deficit of $7.6 billion in nonagricultural trade, and had it not been for this, we might very well be faced here today with an even higher request for the debt ceiling.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. DELLENBACK).

Mr. DELLENBACK. Mr. Chairman, I intend to vote "yea" today on H.R. 14832 to provide another "temporary" increase in the public debt limit, this time to $495 billion. I will cast this vote reluctantly, but I will vote "yea," because I think it is the only responsible thing to do. As I see it, we really have no choice. The Treasury must have this authority for additional borrowing to pay debts which the Federal Government has already incurred and made binding commitments to pay.

But before I cast my vote, I want to register once again my strong objections to the kind of deficit spending practices which are the real culprits and which have put us in this position of being virtually forced to pass this legislation.

The word "temporary" is beginning to have a tinge of irony to it when it is attached to "increase in the public debt." Since the last increase in the permanent debt ceiling, which was to $400 billion in 1971, Congress has had to enact temporary increases in the debt ceiling six different times. Including today's bill, it will be seven "temporary" increases in 3 years, with the ceiling going higher and higher each time as Federal spending continues to escalate.

This trend must be reversed by Congress developing long overdue sound and effective budget controls and then proceeding to cut excessive Federal Government spending. Unless we succeed in that goal, our problem is going to grow progressively worse.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield 3 minutes to the gentleman from Vermont (Mr. MALLARY).

Mr. MALLARY. Mr. Chairman, I appreciate the gentleman yielding me the time. I fully recognize the necessity of extending the debt limit. We have to do it in some form.

My distress at this particular time is caused by the fact that we are again raising the temporary debt limit rather than the permanent debt limit. Presumably, the original purpose of providing a limitation on issuable Federal debt was in order to provide some sort of limitation upon total spending. This is certainly no longer a meaningful way of limitation.

I am delighted that we are moving ahead with the legislative processes leading to a budget control and anti-impoundment act. I hope we will pass it in the near future.

The temporary debt has risen since 1969 when it was $7 billion compared to the present recommended $95 billion temporary debt. The word "temporary," as has been pointed out, is clearly fictitious.

The gentleman from Virginia and the gentleman from Oregon have clearly pointed out that we have no choice but to raise the debt limit. They say it is not responsible to do anything other than to vote for this bill because otherwise the Government cannot pay its bills and will collapse fiscally. I think we should ask the question: Why are we asking for a temporary debt limit increase at this time? Why are we not asking for a permanent debt limit increase?

I find there are three reasons. First, a temporary debt limit increase does not provide meaningful control of expenditures. The second reason, of course, is that this bill provides a vehicle for nongermane amendments being offered in the other body. As the gentleman from Illinois clearly pointed out, we are annually or periodically held hostage with this bill and asked to accept nongermane amendments coming back from the Senate. We are told at the last minute that we have no choice but to accept them or permit Government to stop. I remind the Members that probably by June 30 we will be dealing with some kind of nongermane amendments attached to this bill and we will all beat our breasts about this undesirable procedure before we pass them.

The third reason the debt limit remains partly temporary is that this provides a veto-proof bill for additional amendments to be offered. The gentleman from Arkansas said that we continue to have a temporary rather than permanent debt limit increase because it is sugar coating for a bitter pill. I would suggest to the Members that there are rather more serious reasons why we do not change it to a permanent limit. Last year, when we dealt with this matter. I attempted to make the limit permanent with an amendment. I had very little visible support for that particular amendment.

I am personally prepared to vote responsibly for an increase in the debt ceiling when it becomes necessary to keep the Government functioning. I do not however, feel it is responsible for us to continue the fiction of temporary debt limit and provide this legislation as an opportunity for legislative blackmail on a regular basis. Therefore, this time I intend to vote no on the bill in the hope that if it fails, the committee will come back with permanent debt limit increase and not this temporary bill.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. MALLARY. Mr. Chairman, I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, I want to commend the gentleman on the statement he has made. I think he has greatly crystalized one of the most important problems we have. We will be more responsible in running up this huge debt time after time, year after year. I wish to associate myself with the remarks the gentleman has made.

Mr. BROYHILL of Virginia. Mr. Chairman, I have no further requests for time.

Mr. ULLMAN. Mr. Chairman, to close the debate, I yield 5 minutes to the gentleman from California (Mr. Corman).

Mr. CORMAN. Mr. Chairman, I did want to call to the committee's attention the speed with which we have gone into debt. My colleague, Mr. Landgrebe, has done that in part, but I thought the Members might like to look at the deficits in the Federal funds budgets since the end of World War II. Remember that is the Federal spending which affects the debt. Social security and other trust funds are not included in the Federal funds budget.

Looking just at the Federal funds budgets after World War II, first for fiscal year 1947 through fiscal year 1969, that total deficit was $109 billion. That was during all of the reconstruction and foreign aid programs following World War II, the Korean war, and much of the war in Vietnam. Twenty-three years—$109 billion

Mr. Chairman, the budgets from 1970 through 1974, or the Nixon budgets, have had a total deficit of $114.6 billion. Five years—$114.6 billion. We are going into debt much more rapidly under this administration than under the four previous ones.

Mr. Chairman, my colleague from Illinois, Mr. Michel, who serves on the Committee on Appropriations, was chastising us about expenditures and how we increase the President's budget.

Again, pointing out that the appropriations are the principal expenditures that control the debt, we have decreased every year the appropriations requested by the President.

The Appropriations Committee staff has just given me the following report on how substantial those cuts have been:

Reductions in appropriation bills

(Does not include the 2d Suppl. 1974 in conference)

Fiscal year 1974	−$3, 020, 236, 266
Fiscal year 1973	−5, 564, 865, 284
Fiscal year 1972	−2, 211, 242, 087
Fiscal year 1971	−2, 617, 098, 137
Fiscal year 1970	−8, 216, 572, 287

It is true that we have spent more money than the President wanted us to out of the trust funds, but that had nothing to do with the debt ceiling and with the budget deficits. That merely decreased the amount the President can borrow from those trust funds.

Mr. Chairman, I have hopes that the new Budget Control Committee will be able to reduce those deficits. I would hope that we get some recommendations from the executive branch in their budget—that would help us in that respect.

I suggest to the Members that there is an additional way to reduce budget deficits and that is to tax ourselves more. I tell the Members sincerely, I believe we must do that.

First of all, as we know, every expenditure has the support of the majority of this House. It is true that different Members among us vote against different kinds of spending. My economy record went up by over $1 billion yesterday because I voted for several of the amendments that would have cut that much from the defense budget. But, of course, I was on the losing side every time.

Mr. Chairman, I know that the next time we have an education appropriations bill before this Committee, some of my colleagues who were on the winning side yesterday will be casting their economy votes. I hope and expect it will be their turn to lose.

I might point out, while I am on the Federal aid to education, that President Nixon has threatened to veto this year's bill unless the Congress joins him in his effort to deny American schoolchildren their constitutional right. What a foolish way to save money. What a tragic way to exercise Presidential leadership.

As to the status of our tax system, it is a fact that there are substantial amounts of income in this country that go untaxed. If we tax them, we will increase this Nation's revenue, and we will be able to more nearly balance the budget. I suggest to you thát there, in part, lies the answer to the problem.

We ought to cut spending. For instance, revenue sharing. After hearing the siren call from the mayors at home, we added between $5 billion and $6 billion a year to our deficit spending. That is unfortunate.

But we have critical, unmet public needs in this Nation. We are polluting our waters; we are polluting our air; we have no public transportation system in our urban areas. All of these things and more are going to require expenditures of money.

Certainly, we ought to shift our priorities. But I doubt that we are spending more money than we ought to, and I am certain we will not cut spending significantly. I hope we can be honest with ourselves and with our constituents and tell them we must have more revenue. I believe they will agree with that when and if they believe that our priorities are reasonable and in the public interest and that our tax system is fair.

They do not believe that our tax system is fair now and they are right. If people can have $100,000 or $200,000 or $300,000 a year in income and escape Federal taxation, that is not fair. It is not fair to the people who make $10,000 a year and pay $1,600 of it in Federal income and social security taxes.

The Ways and Means Committee is now grappling with tax reform. I hope that out of that bill we can find greater equity among the taxpayers. I hope we can give some relief to the taxpayers who are living on the borderline of poverty. I hope we can tax everybody fairly and at the same time get enough money to meet the reasonable needs of the Federal Government.

Mr. Chairman, in the face of our present fiscal condition, passage of this debt ceiling increase is essential. I urge my colleagues to vote "yes."

Mr. FRENZEL. Mr. Chairman, today we will vote for an extension and increase in our national debt limit. Despite the fact that the committee reduced the requested ceiling from $505 billion to $495 billion, our national debt is now a half a trillion.

If one writes a trillion, it takes 12 zeroes. One half a trillion is only a little less than half our GNP. The interest on that amount in one year is $32 billion.

This Congress has been totally unwilling to match its spending appetite with its income, or with its willingness to raise revenue. Even in good years—and this is not one of our best years—we spend more than we raise.

The lesson is clear. Congress must now use the fiscal tools it possesses, but refuses to employ, to help in the fight against inflation. Fiscal responsibility cannot do the job alone, but it will surely help. Now we have abandoned the inflation fight, and left the Federal Reserve to fight alone. The Federal cannot do it alone.

When the Treasury sells its obligations, it has to outbid other obligations to raise the money necessary to pay our bills. Its operations simply force up the cost of interest even further.

But, since we have danced, we have to pay the piper. I must reluctantly support the debt increase, even though my support of appropriations reductions shows I favor less spending. I believe the only responsible course is to vote for this increase. It is not wholly responsible to vote for all the spending that caused it.

Mr. BIAGGI. Mr. Chairman, once again, I must rise in opposition to increasing the public debt. The Congress shows no fiscal responsibility by continuing to authorize these supposedly temporary increases—temporary increases that over the years become permanent. They are inflationary, reckless, and a hoax on the taxpaying public.

Every American attempts to keep his budget in line. This does not preclude borrowing, but it does preclude amassing more and more debt, year after year. How can we expect each and every American to be fiscally responsible if his Government is hell-bent on running up a debt obligation of almost a half trillion dollars?

This body needs a bit more fiscal fortitude. Now is the time to say "no" to the administration's request for additional increases in the public debt. Unless we stop this continued escalation there will be no incentive to the administration to balance its budget and perhaps even obtain a small surplus. Ah yes, a surplus. What a pleasant sounding word. In this year of shortages, it would be nice to have a surplus somewhere and I can think of no better place than in the Federal budget.

Over the years, I have advocated that the Congress put a ceiling on appropriations at least equal to the amount of revenues expected for a particuar fiscal year. Then all appropriations should be kept within that ceiling. This would permit a stabilization of the public debt and an eventual reduction.

Congress, however, is more content to criticize the administration for its budget deficits, while it continues to appropriate more money than we have tax dollars necessitating periodic increases in the debt limit authorization.

This year, 1974, we are experiencing one of the worst levels of inflation known in this country. Interest rates are at an all-time high. Food, fuel, housing, and other basic items for living are costing more than ever. There is inflation fever rampant in the country. People and businesses are into the "buy now" syndrome fearing that if they wait until next month or next year the price of the product they want will be even higher. All this is fueling a price spiral that shows no sign of abating.

If we continue to escalate the public debt, the only alternative will be to raise taxes. The public is already overburdened with taxes, paying a third of their income to Federal, State, and local governments and getting less services for their money.

Today, Mr. Chairman, we have an opportunity to start breaking the runaway inflation of 1974. Let us restore some sembance of fiscal responsibility to the Federal budget. I urge my colleagues to join me in voting against this bill and holding the line on further escalation of the public debt. I, for one, will not be a party to bankrupting the Federal Treasury.

Mr. ANDERSON of California. Mr. Chairman, if we ever hope to get a handle on the skyrocketing inflation and to curb the ever-increasing cost of living, we must control Federal spending.

But, instead, the Government continues to spend more money than it receives in taxes, thus creating a debt currently totaling more than $475 billion.

And now the administration is asking us to go even further in debt and permit them to increase this debt level to $505 billion. To pay for the interest alone on the current debt, the taxpayer is being asked to chip in $31.5 billion this year.

In other words, due to a wreckless fiscal policy that has let spending get out of hand, about 10 cents of every tax dollar is being used to pay off the interest on this nearly half trillion dollar debt. In addition, the inflation caused by this scheme is robbing each and every person of an ever-increasing portion of their paycheck.

Mr. Chairman, at the end of 1968, our Federal debt was $350.7 billion, and now 5½ years later, after the debt has been increased already by $124.3 billion, the administration is requesting permission to borrow another $30 billion. This would represent a total increase of 44 percent since 1968.

At this point, I would like to insert a chart which shows the kind of spending spree the Federal Government is on and how we got in this situation:

[In billions of dollars]

	Receipts	Expenditures	Surplus/deficit
Fiscal year:			
1969	$187.8	$184.5	+$3.2
1970	193.7	196.6	−2.8
1971	188.4	211.4	−23.0
1972	208.6	231.9	−23.2
1973	232.2	246.5	−14.3
1974	270.0	274.7	−4.7
1975 (estimate)	294.0	305.4	−11.4

Now, Mr. Chairman, this chart makes the situation look better than it actually is, because under "receipts" we consider those moneys collected in trust funds, such as the social security trust fund, the highway trust fund, and the airport and airways development trust fund.

For example, in 1973, we collected $92.2 billion in the various trust funds, but we spent only $81.4 billion from these funds, thus showing a surplus of $10.8 billion. But when this $10.8 billion surplus is thrown in with the $25 billion deficit from general purpose revenues, we show a deficit of only $14.3 billion. Yet, in addition to the $14.3 billion deficit for 1973, we also owe the trust funds $10.8 billion.

And, in total, we owe the various trust funds $142.5 billion.

Inflation is our No. 1 domestic problem. It not only eats away the family budget, it also threatens to make a shambles of our economy.

A balanced Federal budget could help curb inflation, and a balanced budget can be achieved—but only by fiscal restraint and responsibility.

The place to start is by discontinuing this policy of "spend now—pay later," by cutting unnecessary programs, and by refusing to permit an increase in the Federal debt.

The committee wisely rejected the administration request to increase the Federal debt to $505 billion, and instead, authorized an increase from $475 billion to $495 billion—which is still too much.

I urge my colleagues to take the initiative in fiscal restraint by rejecting this proposal which would authorize the administration to spend even more of the taxpayer's money that has not even been collected.

Mr. YOUNG of Florida. Mr. Chairman, I rise to express my strong opposition to H.R. 14832, increasing the temporary debt ceiling from the current $78 billion to $95 billion, and bringing the total combined national debt ceiling to $495 billion.

The taxpayers of this Nation suffer from our relentless inflation. Our senior citizens are forced to live hand-to-mouth as their retirement dollars buy less and less. The budgets of State and local governments soar ever upward in an effort to keep up with Federal spending, and their taxation increases accordingly. The interest alone on our national debt would fund the Department of Health, Education, and Welfare for a full year.

Yet we are being asked today to approve legislation which will worsen our already disastrous inflation, allow even greater Federal overspending, and push our national debt past the $30 billion mark.

We have got to draw the line somewhere. We cannot go on with this ruinous policy of mortgaging our Nation's future for spending which only damages further our current economy. Inflation is the single greatest problem we face today, and Federal overspending and indebtedness is the single greatest cause of inflation. It is a simple equation, unpopular with some, but nevertheless accurate. Slow Federal spending and reduce our indebtedness, and we will slow inflation.

I intend to vote against this bill, as I have voted against all such debt ceiling increases since my election to the House. I urge my colleagues to consider the consequences of the bill and do likewise.

Mr. VANIK. Mr. Chairman, I wish to express my opposition to H.R. 14832, legislation to temporarily increase the public debt ceiling. I am opposed to this bill, because neither the Congress nor the administration has taken any real action to bring the Federal deficit in balance.

From the testimony given to the Ways and Means Committee, the substantial fall-off in Federal revenues occurred in the sector of corporate taxation where the administration's estimate of potential revenues from corporate taxpayers was almost $2.5 billion beyond actual corporate tax payments.

The individual taxpayer, as usual, is doing more than his share. In contrast to corporations, the sector of individual collections was substantially in accord with administration estimates of revenue collections.

Budget deficits are caused by many factors. First, we have suffered from food inflation resulting from the arbitrary and ridiculous policies of Secretary Butz who has put the interests of big corporate farmers ahead of the American people. These policies have focused on export programs encouraged with huge subsidies at the very moment when American agricultural commodities were available at bargain basement prices due to dollar devaluation.

The inflationary spiral that contributed to our deficit is also the result of White House policies which continue to coddle the oil industry. Mr. Simon's policies of arbitrary oil price fixing have increased the value of American oil already discovered—largely through the use of taxpayer subsidies—by almost $38 billion over the past year.

Third, the inflationary spiral is being prodded on by White House concurrence with monetary policies which have permitted interest rates to accelerate beyond all reason. This fact has added to the cost of living, the cost of doing business, and the cost of carrying our immense Federal debt.

Finally, the imbalance between Federal revenues and expenditures has been considerably affected by recent tax policies. These policies have permitted American corporations to enjoy one of the most profitable years in history, while at the same time corporate contributions to the public Treasury have fallen drastically because of the many tax preferences available to these corporations. These preferences include accelerated depreciation, the investment tax credit, depletion allowances, capital gains, and a whole host of special privileges which divert huge amounts of corporate revenue away from the Treasury.

To support such a policy does violence to the desire of the American people for a genuine partnership between individuals and the business community in the support of our Government and in the conduct of our national affairs.

Mr. GROSS. Mr. Chairman, I have listened attentively to the remarks that have been made this afternoon concerning this bill to again increase the Federal debt ceiling.

One fact above all others seems to emerge—that neither Congress nor the executive branch of Government has the courage or the decency to tell the American people that Federal spending is out of control.

To a question of why a President would send to Congress an alltime record spending budget for 1 year of $304 billion, with an admitted deficit of some $9 billion when all the evidence clearly indicated a deficit of more than double that amount, the answer seems to be that the financial facts of life are deliberately withheld from the public.

And to the question of why Congress continues to spend far beyond tax revenues, thus joining in creating huge inflation breeding deficits, the answer seems to be that Congress has its own set of spending priorities.

The end result is that the people of this country can place no credibility in either branch of Government, and the lethal, inevitable result is financial disaster for the Nation.

Mr. Chairman, this bill to increase the fraudulent temporary debt ceiling is but one more resort to gimmickry, both on the part of the President and Congress. It is a temporary shelter behind which the cowardly will hide while passing on to the children of today and the generation to come a terrible burden of debt they can never liquidate by orderly means.

In all conscience we here today should have the courage and the decency to vote down this bill and force a showdown.

Mr. MILLS. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That during the period beginning on the date of the enactment of this Act and ending on March 31, 1975, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act (31 U.S.C. 757b) shall be temporarily increased by $95,000,000,000.

SEC. 2. Effective on the date of the enactment of this Act, the first section of the Act of December 3, 1973, providing for a temporary increase in the public debt limit for a period ending June 30, 1974 (Public Law 93–173), is hereby repealed.

Mr. MILLS (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DELANEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 14832) to provide for a temporary increase in the public debt limit, pursuant to House Resolution 1141, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 191, nays 190, not voting 53, as follows:

[Roll No. 245]

YEAS—191

Addabbo
Albert
Alexander
Anderson, Ill.
Annunzio
Arends
Ashley
Aspin
Barrett
Bell
Bennett
Bergland
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burke, Calif.
Burleson, Tex.
Butler
Carter
Casey, Tex.
Chamberlain
Cohen
Collier
Conable
Conte
Corman
Cotter
Coughlin
Culver
Daniels, Dominick V.
Davis, Ga.
Davis, Wis.
Delaney
Dellenback
Dennis
Derwinski
Donohue
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Fascell
Findley
Fisher
Flood
Foley
Forsythe
Fraser
Frelinghuysen
Frenzel
Fulton
Fuqua
Gettys
Giaimo
Gibbons
Gonzalez
Gray
Green, Pa.
Gubser
Gude
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Wash.
Hawkins
Hébert
Hicks
Holifield
Horton
Hosmer
Jarman
Johnson, Calif.
Jordan
Karth
Kazen
Koch
Lehman
Lent
Long, La.
McClory
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Mahon
Martin, Nebr.
Mathias, Calif.
Matsunaga
Mayne
Melcher
Mezvinsky
Michel
Milford
Mills
Minish
Minshall, Ohio
Moorhead, Pa.
Mosher
Murphy, Ill.
Natcher
Nedzi
Nelsen
O'Brien
O'Hara
O'Neill
Patman
Patten
Perkins
Pettis
Peyser
Pickle
Poage
Preyer
Price, Ill.
Quillen
Railsback
Rangel
Rees
Reuss
Robison, N.Y.
Rodino
Roncallo, N.Y.
Rostenkowski
Roush
Ruppe
St Germain
Schneebeli
Sebelius
Shriver
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Symington
Talcott
Thompson, N.J.
Thomson, Wis.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vander Veen
Vigorito
Waggonner
Walsh
Ware
Whalen
Whitehurst
Widnall
Wiggins
Wilson, Bob
Winn
Wydler
Yates
Young, Ill.
Young, Tex.

NAYS—190

Abzug
Adams
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Badillo
Bafalis
Baker
Bauman
Beard
Bevill
Biaggi
Bowen
Brinkley
Brown, Calif.
Broyhill, N.C.
Burgener
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Byron
Carney, Ohio
Chappell
Clancy
Clark
Clausen, Don H.
Cleveland
Cochran
Collins, Tex.
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, S.C.
Dellums
Denholm
Dent
Devine
Dickinson
Dingell
Dorn
Drinan
Eshleman
Evins, Tenn.
Fish
Flowers
Ford
Fountain
Frey
Froehlich
Gaydos
Gilman
Ginn
Goodling
Green, Oreg.
Gross
Grover
Gunter
Guyer
Haley
Hanrahan
Hansen, Idaho
Harrington
Harsha
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hillis
Hogan
Holt
Holtzman
Howard
Huber
Hudnut
Hungate
Hunt
Ichord
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Kastenmeier
Kemp
Ketchum
King
Kyros
Lagomarsino
Landgrebe
Landrum
Leggett
Litton
Long, Md.
Lott
Lujan
Luken
McCollister
McSpadden
Madigan
Mallary
Mann
Maraziti
Martin, N.C.
Mathis, Ga.
Mazzoli
Miller
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moss
Murphy, N.Y.
Murtha
Myers
Nichols
Owens

Parris
Pike
Podell
Powell, Ohio
Price, Tex.
Pritchard
Quie
Randall
Rarick
Regula
Riegle
Rinaldo
Roberts
Robinson, Va.
Roe
Rogers
Roncalio, Wyo.
Rose
Rosenthal
Rousselot
Roy
Roybal
Ruth
Ryan
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schroeder
Seiberling
Shoup
Shuster
Sikes
Snyder
Spence
Stark
Steele
Steelman
Steiger, Ariz.
Studds
Sullivan
Taylor, Mo.
Taylor, N.C.
Thone
Towell, Nev.
Traxler
Treen
Vander Jagt
Vanik
Veysey
Waldie
Wampler
White
Whitten
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wylie
Wyman
Yatron
Young, Fla.
Young, S.C.
Zion
Zwach

NOT VOTING—53

Abdnor
Blackburn
Camp
Carey, N.Y.
Cederberg
Chisholm
Clawson, Del
Clay
Collins, Ill.
Conlan
Conyers
de la Garza
Diggs
Eckhardt
Evans, Colo.
Flynt
Goldwater
Grasso
Griffiths
Hays
Helstoski
Hinshaw
Hutchinson
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Kluczynski
Kuykendall
Latta
McCloskey
Meeds
Metcalfe
Mollohan
Morgan
Nix
Obey
Passman
Pepper
Reid
Rhodes
Rooney, N.Y.
Rooney, Pa.
Runnels
Shipley
Skubitz
Stubblefield
Symms
Teague
Williams
Wyatt
Young, Alaska
Young, Ga.
Zablocki

The SPEAKER. The Chair announces that he votes "aye."

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney of New York for, with Mr. Shipley against.

Mr. Kluczynski for, with Mr. Flynt against.

Mr. Hays for, with Mr. Runnels against.

Mrs. Griffiths for, with Mrs. Chisholm against.

Mr. Passman for, with Mr. Conyers against.

Mr. Pepper for, with Mr. Del Clawson against.

Mr. Teague for, with Mr. Latta against.

Mr. Helstoski for, with Mr. Hinshaw against.

Mr. Stubblefield for, with Mr. Symms against.

Mr. Jones of Alabama for, with Mr. Camp against.

Mr. Morgan for, with Mr. Abdnor against.

Mr. Rooney of Pennsylvania for, with Mr. Goldwater against.

Mr. Zablocki for, with Mr. Conlan against.

Mr. Rhodes for, with Mr. Obey against.

Mr. Cederberg for, with Mr. de la Garza against.

Mr. Clay for, with Mr. Hutchinson against.

Mr. Nix for, with Mr. Skubitz against.

Mr. Mollohan for, with Mr. Williams against.

Until further notice:

Mr. Eckhardt with Mrs. Collins of Illinois.

Mr. Meeds with Mr. Johnson of Pennsylvania.

Mr. Metcalfe with Mr. Carey of New York.

Mr. Diggs with Mr. Reid.

Mr. Evans of Colorado with Mr. Blackburn.

Mrs. Grasso with Mr. Jones of Oklahoma.

Mr. McCloskey with Mr. Young of Alaska.

Mr. Young of Georgia with Mr. Kuykendall.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BAUMAN. Mr. Speaker, the Chair announced the bill was passed. This Member is under the impression that it is a tie vote, and the bill should be rejected.

The SPEAKER. The Chair voted "aye." The Chair announced that all time had expired. Then the Chair voted "aye" and then announced the vote and that the bill had passed.

GENERAL LEAVE

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 14832) just passed.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

REPRINTING ADDITIONAL COPIES OF "PROCEDURES FOR HANDLING IMPEACHMENT INQUIRY MATERIAL"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 93-1059) on the resolution (H. Res. 1072) authorization for reprinting additional copies for use of the Committee on the Judiciary of the committee print entitled "Procedures for Handling Impeachment Inquiry Material," and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. Res. 1072

Resolved, That there shall be reprinted for use of the House Committee on the Judiciary one thousand additional copies of the committee print entitled "Procedures for Handling Impeachment Inquiry Material".

With the following committee amendment:

Page 1, line 2, in lieu of "one", insert "five".

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPRINTING ADDITIONAL COPIES OF "WORK OF THE IMPEACHMENT INQUIRY STAFF AS OF FEBRUARY 5, 1974"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 93-1060) on the resolution (H. Res. 1073) authorization for reprinting additional copies for use of the Committee on the Judiciary of the committee print entitled "Work of the Impeachment Inquiry Staff as of February 5, 1974," and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. Res. 1073

Resolved, That there shall be reprinted for use of the House Committee on the Judiciary one thousand additional copies of the committee print entitled "Work of the Impeachment Inquiry Staff as of February 5, 1974".

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPRINTING ADDITIONAL COPIES OF "WORK OF THE IMPEACHMENT INQUIRY STAFF AS OF MARCH 1, 1974"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 93-1061) on the resolution (H. Res. 1074) authorization for reprinting additional copies for use of the Committee on the Judiciary of the committee print entitled "Work of the Impeachment Inquiry Staff as of March 1, 1974," and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. Res. 1074

Resolved, That there shall be reprinted for use in the House Committee on the Judiciary two thousand additional copies of the committee print entitled "Work of the Impeachment Inquiry Staff as of March 1, 1974."

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from Iowa.

Mr. GROSS. Was not the previous resolution dated February 5 and for the same purpose?

Mr. BRADEMAS. The gentleman is correct, and the resolution that is presently under consideration is in respect to the committee print that is entitled "Work of the Impeachment Inquiry Staff as of March 1, 1974."

Mr. GROSS. The other one was exactly the same title, was it not?

Mr. BRADEMAS. No. The one previously agreed to, House Resolution 1073, was the result of the work of the impeachment inquiry staff as of February 5, 1974.

Mr. GROSS. Yes; only the date is changed.

Mr. BRADEMAS. If I may respond to the gentleman's request, the subject matter differs in one from the other in view of the fact that work had been completed between February 5 and March 1, 1974.

Mr. GROSS. I see. I thank the gentleman.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF SUMMARIES OF VETERANS LEGISLATION REPORTED IN HOUSE AND SENATE DURING 93D CONGRESS

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 93-1062) on the concurrent resolution (H. Con. Res. 415) authorizing the printing of summaries of veterans legislation reported in the House and Senate during the 93d Congress, and ask for immediate consideration of the concurrent resolution.

The Clerk read the resolution, as follows:

H. CON. RES. 415

Resolved by the House of Representatives (the Senate concurring), That after the conclusion of the Ninety-third Congress there shall be printed for the use of the Committee on Veterans' Affairs of the House of Representatives fifty-six thousand one hundred copies of a publication entitled "Summary of Veterans Legislation Reported, Ninety-third Congress", with an additional forty-four thousand two hundred copies for the use of Members of the House of Representatives.

SEC. 2. After the conclusion of the Ninety-third Congress there shall be printed for the use of the Committee on Veterans' Affairs of the United States twenty thousand copies of a publication similiar to that authorized by the first section of this concurrent resolution, but with emphasis upon matters relating to veterans' affairs considered by the Senate or by the Committee on Veterans' Affairs of the Senate.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF SURGEON GENERAL'S REPORT

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 93-1063) on the Senate concurrent resolution (S. Con. Res. 83) authorizing the printing of additional copies of Senate hearings entitled "Surgeon General's Report by the Scientific Advisory Committee, and ask for immediate consideration of the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 83

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on Commerce one thousand additional copies of its hearings of the Ninety-second Congress, second session, entitled "Surgeon General's Report by the Scientific Advisory Committee on Television and Social Behavior.".

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, I have asked for this time for the purpose of asking the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL) if he will advise us of the program for the rest of the week, of any, and the schedule for next week.

Mr. O'NEILL. Mr. Speaker, will the distinguished minority leader yield?

Mr. ARENDS. I yield to the distinguished majority leader, the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, the program for the House of Representatives for the week of May 27, 1974, is as follows:

Monday is Memorial Day. The House will be in recess.

On Tuesday we will consider H.R. 14449, the Community Services Act, with an open rule and 2 hours of debate, general debate only.

On Wednesday we will consider further H.R. 14449, the Community Services Act with votes on amendments and the bill.

We will then consider H.R. 10337, the Hopi-Navajo land partition, with an open rule, and 1 hour of debate.

On Thursday and the balance of the week, the House will take up H.R. 10265, audits of Federal Reserve Board, with an open rule, and 1 hour of debate.

This will be followed by H.R. 13678, coverage of nonprofit hospitals under NLRB, subject to a rule being granted.

Conference reports may be brought up at any time, and any further program will be announced later.

I am sure that the gentleman is aware that we have passed a resolution that when we adjourn today, the House will stand adjourned until 12 o'clock noon, Tuesday next, May 28, 1974.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule on Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DELAY IN WATER POLLUTION PROGRAM: EPA'S ANSWER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 15 minutes.

Mr. CLEVELAND. Mr. Speaker, the Public Works' Subcommittee on Investigations and Review has recently held hearings on the problems holding up the grant program for construction of municipal wastewater treatment facilities. These hearings brought out the fact that our massive program to clean up the Nation's rivers and streams has been bogged down considerably by bureaucratic redtape including a proliferation of paperwork and in some cases duplication of effort by State and Federal officials A more detailed description of problems brought out by the hearings has already been documented in my remarks for the RECORD of February 13, 1974 (page H794).

At this point, therefore, I would like to allow EPA its chance for rebuttal in the form of a progress report by John R. Quarles, Jr., Deputy Administrator. As Mr. Quarles points out, the Federal Water Pollution Control Act of 1972 is a complex piece of legislation with its magnitude and diversity of statutory directives. However, the complexity of EPA's administrative handling of allocations has even further compounded the problem. Mr. Quarles' report is encouraging inasmuch as it reflects EPA's awareness of the problems and in fact outlines specific areas of particular confusion which are receiving attention. I am confident, therefore, that this willingness to improve the program will carry through and that Congress, particularly our Investigations and Review Subcommittee, will continue its careful evaluation and prodding in order to keep things moving.

I commend to my colleagues the following statement by John Quarles, EPA Deputy Administrator:

WATER POLLUTION CONTROLS 18 MONTHS OF PROGRESS

(Remarks of John R. Quarles, Jr.)

I am happy to have been asked to be the keynote speaker at your Annual Conference. I would like to talk with you this morning about some of the Environmental Protection Agency's experiences in implementing the Federal Water Pollution Control Act of 1972.

At the conclusion of its thirty-nine executive sessions, a Congressional Conference Committee presented EPA and the nation with what must certainly rank as one of the longest, most detailed, and most emphatic pieces of legislation ever written. It took a long time just to read through its 88 pages and 78 sections. It has taken a longer time to understand it, to explain it, and to implement it.

I have spoken on earlier occasions about the difficulties EPA has had in getting the program moving. So have others—most notably the House Public Works Committee and municipal officials who appeared before it at oversight hearings a few weeks ago. Many of the criticisms are deserved. But I would like to suggest that for a moment we look at what we had to deal with, and also at what has been accomplished.

The statute is in some respects excruciatingly explicit. It specifies firm levels of control that must be achieved, and sets mandatory duties for achieving them. Repeatedly, the statute mandates certain steps that must be taken along the way. In a great many cases the specific directives riveted into place by enforceable statutory language do not fit together in a logical manner. In its marathon series of executive sessions the Conference Committee dealt with a jumble of conflicting objectives, and as the summer of 1972 wore thin, many disputes were papered over with statutory language reflecting a compromise which everyone finally agreed to, though sometimes no one really knew how it would work.

Even more overwhelming than certain inconsistencies was the sheer magnitude and diversity of the statutory directives. Everything popping off at once, always with tight deadlines, never allowing adequate time to think, to explain, and to plan.

But my purpose today is not to extend the debate on the difficulties of the statute or is implementation. I have already done my bit at trying to show the benefits that can be achieved from constructive criticism. Today I wish to put this debate into a larger perspective, one which points out the pluses as well as the minuses. On the balance, it has always been clear that the 1972 Water Act would be—and is—the vehicle for a tremendous step forward in this country's effort to achieve clean water. I believe it is important to emphasize something that is in danger of not being fully recognized: that this country *is* achieving enormous progress in implementing this Act. Considering the scope of the transition required, it is truly remarkable how much has been accomplished.

Very early in the game, EPA realized that we would need help in interpreting the law and that participation of those who would be affected would be essential to success in implementing the law. In December 1972, then-Administrator Ruckelshaus established the so-called "Group of Ten," composed of one representative from each of EPA's regions. These men meet regularly with the Administrator and other EPA officials to discuss matters of immediate interest in the areas of planning, construction grants and permits, and to examine the long-range implications of activities undertaken by EPA and the States to implement the law. In addition, smaller task groups have been established, and literally hundreds of meetings have been held to thrash out specific problems.

EPA officials have also met frequently with Senators and Members of Congress and the staffs of the two Public Works Committees, to explain what we are doing, to receive their assessments of whether or not we are following the legislative intent, and to get suggestions on what could be done to improve the implementation of the Act. These consultations still continue.

I want to focus now on some of the individual programs called for by the 1972 Act, to outline a few of the problems we have encountered, but more importantly to state clearly the progress that has been made.

1. Construction grants:

Let me first address the construction grants program. It is on its way to becoming the biggest pubic works program in the country. It has enormous importance to the entire national pollution control effort. And it has been a source of considerable controversy and criticism.

We have been required to resolve an unusually large number of difficulties in implementing the construction grants program authorized by the 1972 Act. The chief ones can be summarized as follows:

(a) Industrial user charges and cost recovery. The statute required that no grant could be made after March 1, 1973 unless the recipient municipality established a user charge system to require that each industrial user pay "its proportionate share" of the costs of operating the waste treatment system. The purpose of this requirement was praiseworthy—to require polluters to pay for the costs of their pollution—both as an incentive to reducing their discharges and to establish economic independence of the municipal waste treatment systems. That worthy objective, however, raised a horrendous potential conflict with existing user charge systems, which are often based on the *ad valorem* property tax structure. After extensive analysis of the legal requirements and the practicalities of administration, we and several of the major municipal sanitary district commissions have developed an approach which we believe will fulfill the statutory purpose, comply with the law, and not unduly upset intelligent existing administrative systems.

(b) Priorities. Another critical part of the foundation for implementing the 1972 Act has been the process of developing a better priority system to assure that the projects of greatest water quality importance will be given first priority for available construction funds. In view of the current Needs Survey of $60 billion, the essential importance of tackling first things first is obvious. This has required enormous effort by EPA and state agencies, and is now substantially completed.

(c) Infiltration inflow. The statute required that no grant could be made after July 1, 1973, if the municipal system was subject to excessive infiltration (which means leakage of ground water into the sewer lines enlarging the total flow that must be handled at the treatment plant). Careful judgment has been required to develop intelligent administrative procedures to accomplish the Congressional goal, without overburdening the administrative structure with unnecessary studies and red tape. We believe we have accomplished this objective in our current regulations promulgated in February.

(d) Mixing of funds. Many projects initiated under the old law have experienced sizable cost overruns which could not be covered within funds available under the old law. This caused major concern over whether the additional Federal funding which is appropriate in such cases could be provided out of funds authorized by the new law. Though EPA initially indicated that this procedure could not be followed, we recently have re-evaluated this issue and have decided to allow this practice. We believe this approach should avoid severe hardship for a sizeable number of municipalities.

(e) Basic ground rules. The entire construction grants program authorized by the 1972 Act, with its many specific statutory requirements, necessitated the development of a completely new set of basic administrative regulations. In the course of this process literally dozens of vital technical, legal, and administrative issues generated by the new statute had to be thrashed out. EPA promulgated interim regulations in February 1973 and, after extensive review and close work with state officials, promulgated final regulations in February of this year. We believe the new regulations have answered nearly all of the hard questions and we now have a foundation for running the construction grants program that will be workable and effective.

(f) Achievements during the transition. Predictably, the transition to the new statute and the new regulations has been difficult. The pace of new obligations has been exceedingly irregular. As a result, it has appeared to some that the construction grants program has bogged down during this interim period. In point of fact, however, the construction grants program has moved ahead with encouraging progress during this time. We have now obligated $1.9 billion under the new law and expect to obligate another billion dollars in the next few months. We must compare this level of obligation to the levels in prior years. For the last three fiscal years prior to enactment of the 1972 Act, total obligations were as follows: $872 million in FY 1972, $1.167 billion in 1971 and $437 million in 1970.

To appreciate these figures in a true perspective, we must also recognize a profound change in the method of obligation. Under the prior law, we often obligated all of the funds for a project before the basic planning was done meaning that actual construction might be several years away. We now do not obligate construction funds until plans and specifications have been completed and approved. Therefore, obligation of funds under the new law is tied closely to construction and more accurately reflects actual progress. As a result of this change-over, obligation figures understate the full level of progress in the program during the transition period.

The actual pace of progress in building municipal treatment works is shown best by outlays. Outlay figures for the last several years show a rising trend:

Fiscal year 1970	$176,377,000
Fiscal year 1971	478,366,000
Fiscal year 1972	413,407,888
Fiscal year 1973	684,400,479

We expect that outlays for the current 1974 fiscal year will be approximately $2 billion, and we project outlays for FY 1975 at approximately $3 billion. These enormous jumps in anticipated outlays reflect vigorous growth in the construction program.

Thus, to the basic question of whether the construction grants program has been slowed by the new statute or has been bogged down by red tape in implementing it, the short answer is "No". Without question, the process of thrashing out new statutory requirements and developing new regulations has held back many individual projects, but on an aggregate nationwide basis the program has moved through the transition period without losing momentum. In fact, it has gained momentum. The Federal waste treatment construction grants program is moving ahead now more vigorously than it ever has in the past.

(g) Payment of reimbursement. The 1972 Act also provides for a form of retroactive construction grant aid through reimbursement for the Federal share of previously constructed projects. Since the January 31 deadline set by Congress for submitting reimbursement applications, EPA has carried out an intensive, high-priority effort to process applications and make payments as rapidly as we possibly can. By the middle of this month, EPA had paid $568 million to more than 2880 communities and had made aggregate grant increases which total $1.1 billion.

Although awarding construction grants is the most visible and most expensive aspect of the Environmental Protection Agency's activities under the Federal Water Pollution Control Act, it is only one of our tasks. There are many others.

2. Planning:

The 1972 Act changed and expanded the statutory requirements for planning. In response, EPA has developed new procedures for total program management planning under section 106, for river basin planning under section 303(e), and for areawide waste treatment management planning under section 208. Every single state has now established an EPA-approved continuous planning process under section 303(e). We are also now receiving a large number of applications for section 208 grants, and two weeks ago the Administrator, Russell Train, announced the award of the first grant for this purpose to Durham, N.C.

3. Revision of water quality standards:

The new statute required that all existing interstate water quality standards be reviewed and, in many cases, revised. It also required that new water quality standards be adopted by the States and approved by EPA for all intrastate waters. This entire effort has now been completed. Moreover, in 1973 and this year, EPA has spent about $5.4 million for contracts and payment to States to collect additional water quality data, in order to make waste load allocations. These allocations are now being completed in nearly all river basins throughout the country for use in drafting permit conditions that will meet water quality requirements.

4. Promulgation of efficient guidelines:

The Act required EPA to promulgate effluent limitations guidelines for specific industrial categories, setting forth best practicable control technology currently available, and best available technology economically achievable. We were also required to promulgate new source standards for at least 27 industrial categories or subcategories, and pretreatment standards. To carry out this mandate, EPA has undertaken the most extensive effort ever made in this country to evaluate the levels of pollution control that can be achieved for specific industries. We have proposed a total of 121 separate standards, covering parts or all of 30 industrial categories, and we have now promulgated standards in twenty-four of those industries. We have also issued detailed documents describing the technology available for pollution control.

5. Permits:

A major component of the 1972 Act is the new National Pollutant Discharge Elimination System. This permit program is moving ahead. Of the 2800 major industrial dischargers in the country, regulatory permits already have been issued to nearly 1,000. Permits also have been issued to about 3,700 additional industrial dischargers. In the municipal facilities area, permits have been issued to about 75 major facilities and 1,725 smaller plants. In addition to these permits already issued, a large number of proposed permits have been drafted and are being processed.

This progress in the issuance of permits has been achieved despite the fact that approval of state programs to issue permits has not gone ahead nearly as fast as everyone had hoped. We have to date approved permit programs in 9 states, and many more are well on the way. New legislation has been enacted in over 30 states to enable those states to qualify for approval of their permit programs and to strengthen the basis for operating future water pollution control efforts.

6. Advanced data processing system:

Under the new Act and all of the requirements it has established, enormous amounts of information will be generated and must be handled efficiently. EPA recently put into effect a computerized information system, known as the General Point Source File, or GPSF. As this data bank is expanded, it will enable EPA and states to track critical information on all point source dischargers.

7. Regulations:

As already indicated, EPA has issued a tremendous number of regulations to implement various parts of the newly expanded and far more sophisticated national water pollution control effort spelled out by the 1972 Act. Much of this material went through numerous drafts, and often it was extremely controversial. Many people in EPA, States, municipalities and elsewhere burned the midnight oil debating and considering these proposed regulations. It has not been easy, and the difficulty in resolving hard issues has often confused or delayed certain actions with the program. But this work was essential to lay the foundation for the new program. I also wish to point out, emphatically, that virtually every regulation that this Agency has promulgated is specifically required by statute, and is not the product of EPA's idle imagination.

During the past 18 months, we all have learned a lesson or two. We appreciate now more fully the need to allow a more lengthy transition period in undertaking these kinds of wrenching changes in established program operations. We also appreciate more deeply the importance of giving discretion to officials at the working level, so that within general guidelines they can make decisions that will most appropriately advance pollution control in a cost-effective manner and in harmony with common sense.

I am privileged to be speaking today to you as a knowledgeable audience of professionals who have committed your lives to water pollution control. I share the frustration you have felt during the uncertainties and some of the delays involved in this transition phase. I know your desire is to get on with the job. That is our desire too, and that is what is happening.

The strict regulatory permits that are being issued in large numbers nail down standards for pollution control that industry must—and will—be required to meet. Expanded research and planning are in full swing. The construction grants program is moving ahead. The entire program is picking up speed. We have reached a milestone on the road to success under the 1972 Federal Water Pollution Control Act. We have virtually completed the shakedown cruise. Though we face difficulties ahead, they are smaller than the difficulties we have overcome.

All of this work comes to bear on the ultimate question—is pollution being abated and is the water getting cleaner? This is what the public wants to know. This will be the final test of our success.

We can be encouraged by scattered indications that our water is becoming less polluted. But let's be honest and acknowledge that any actual improvement in water quality today must be credited to completion of abatement efforts undertaken before the 1972 Act was passed. The hard fact is that abatement programs take time. This may be regrettable, but it is inexorably true. As professionals in the field you and I know that well, though this often is not understood or appreciated by the general public. In a program of this scope it takes a year or two to make the plans and set out the requirements, and then it takes another year or two or three for actual construction or installation. In sum it takes several years before the first visible benefits from a law like the 1972 Water Act can be expected to appear. We should not apologize for these basic facts of life, though we can regret that they are not more widely understood.

The institutions of government are under fire. Public suspicion abounds that government does not produce results. In water pollution we face an immense challenge to get the job done. We need not be in panic, but we must act with an urgent determination to make the system work.

We labor under the handicap that the public has been promised immediate results, and we cannot produce a miracle. We have to go one step at a time. But we are buoyed by confidence that the objective of clean water in this country is an achievable goal. Within the Environmental Protection Agency and within the entire national water pollution control effort, we can feel certain that these past 18 months have been a most productive period. We have rolled up a record of immense achievement, and we have made unmistakable progress toward our goal.

We are going to need to carry on the battle against pollution for years and years ahead. Final victory is not just around the corner. Strong public support throughout the next entire decade will be a prerequisite to real success. Heavy government funding for the construction grants program in particular will be required for the next 10 to 15 years.

We therefore face a long challenge ahead. But we can take confidence and pride in what has been achieved to date. Not only have we developed the ground rules under the new Act, but we have also kept the program moving ahead and gaining momentum all the time. We have established a solid basis to carry forward a program that can deserve the respect and support of the public, a program that will give the taxpayers their money's worth, and a program that will make our water clean.

COMMITTEE REFORM AMENDMENTS AND THE PUBLIC'S RIGHT TO KNOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Kemp) is recognized for 60 minutes.

Mr. KEMP. Mr. Speaker, at a time when the Congress is attempting to reestablish its proper balance of power with the executive, and at a time when reform, openness, freedom of information, and full disclosure are attempting to make their way into the daily workings of the Congress, it is deplorable that the majority party has seen fit to abuse each of those goals by their recent action in burying committee reform.

Mr. Speaker, my distinguished colleague, Mr. Steelman of Texas, and I have requested this special order to bring to the attention of all the Members of the House, and to the public, what we believe has been a breech of the public trust.

On the 9th of May the majority party, on a secret vote, in a secret caucus, sent the committee reform amendments of 1974, embodied in House Resolution 988, to the Hansen committee for further study, thereby sidetracking the fruit of the labor of the Bolling-Martin committee's 14 months of work.

This incredible move, particularly in the face of the Congress low status with the American people, would represent, if it were not for Watergate, one of the most serious breeches of the public trust by the Congress in the past 2 years. Fortunately for the majority party, however, Watergate does exist, and it is therefore counting on that fact to obscure their own astonishing action.

The caucus fiasco has drawn the harsh fire not only of Republicans, but many Democrats who participated in the caucus as well. Further, the duplicitous act did not go unchallenged by either Common Cause or the Americans for Democratic Action. As Common Cause so aptly put it in their recent editorial memorandum:

> The action raises serious doubts about the House Democrat's commitment to raise the prestige of Congress from its current bottom-of-the-barrel status with the public.

I want to include in the Record a letter Mr. Steelman and I received from Chairman George Bush expressing his desire to see brought to the floor of the House for a vote the Committee Reform Amendments of 1974:

Republican National Committee,
May 22, 1974.

Hon. Jack F. Kemp,
Cannon House Office Building,
Washington, D.C.

Dear Jack: Congratulations on your Special Order of May 23 demanding that the Committee Reform Amendments of 1974 be brought to the floor of the House so they can be debated before the American public.

For 14 months the American public has waited for the report of the bipartisan Select Committee on Committees' report on committee reform. During this time, confidence in the overwhelmingly Democratically controlled Congress has declined to just above 20 per cent. Now, in a high-handed manner, the same Democrat leadership that has been in charge during this decline in public confidence attempted to bury the first substantive Congressional reform proposal in 28 years, by means of a secret vote in a closed caucus. This move to keep the merits of the proposal from being debated publicly before the American people belies all the speeches and press statements made by the Democrats who purport to stand for reform, openness, freedom of information, and full disclosure.

It is commendable that you and your Republican colleagues are leading the fight to open up the effort of Congressional reform to the American people. The people have long known who is responsible for the decline of the Legislative branch. Now they are aware that the Republican Party is in the forefront of reestablishing the balance of powers.

Yours very truly,

George Bush.

It should be pointed out that the committee restructuring amendments came out of the hard work of the Select Committee on Committees, a creation originally suggested by Speaker Albert, and supported by then Minority Leader Gerald Ford. The committee was headed by Representative Richard Bolling, Democrat of Missouri and Dave Martin, Republican of Nebraska. Other committee members included Peter Frelinghuysen, Republican of New Jersey; Charles Wiggins, Republican of California; William Steiger, Republican of Wisconsin; C. W. "Bill" Young, Republican of Florida; Robert Stephens, Jr., Democrat of Georgia; John Culver, Democrat of Iowa; Lloyd Meeds, Democrat of Washington; and Paul S. Sarbanes, Democrat of Maryland.

The basis of the recommendations was a draft proposal of our distinguished colleague, the vice chairman of the Select Committee on Committees, Dave Martin of Nebraska.

But this special order was not taken to point up the strengths or shortcomings of the committee reform recommendations as to insist that the recommendations be brought to the floor of the House so that we can consider them, debate them, and vote on them. After all, we have an obligation to see to it that we make our actions visible to the public, so that the public might gain a new insight and respect for the Nation's legislature.

The delaying tactic of the majority, sending the reform recommendations to the Hansen committee, is antithetical to the spirit of reform itself—a spirit on which the majority prides itself. We have seen again the mistakes that flow from secret action which prevents accountability of the people.

To reverse this duplicitous act, those of us participating in this special order enlist the support of our colleagues for House Resolution 1145, which seeks to bring the reform amendments to the floor for debate and a vote:

RESOLUTION

Resolution, That immediately upon the adoption of this resolution the House shall resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 988), a resolution to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the Rules of the House of Representatives. After general debate, which shall be confined to the resolution and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Select Committee on Committees, the resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the resolution for amendment, the Committee shall rise and report the resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

We are grateful for the participation of our colleagues. Moreover, we are hopeful that this is only the first in a series of efforts to encourage the Rules Committee to swiftly vote House Resolution 988 a rule.

DEMOCRATIC CAUCUS BLOCKS COMMITTEE REFORM AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. Steelman) is recognized for 60 minutes.

Mr. STEELMAN. Mr. Speaker, the gentleman from New York (Mr. Kemp) and I have asked for this time in order to give Members the opportunity to speak out against the intolerable delaying tactics of the Democratic Caucus in blocking immediate consideration of the Committee Reform Amendments of 1974. I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the special order taken today.

Mr. Speaker, 2 weeks ago the Democratic Caucus, in a secret vote, postponed the chance for the first internal congressional committee reform in 28 years—reform that the American public has been demanding. Fourteen months of hard work and compromise by a Bi-Partisan Select Committee on Committees had resulted in a document of minimal, but necessary, reforms. In one fell swoop, the Democrat Caucus wiped out these months of effort—putting self-interest and pressure politics before the public good. No wonder the American people have had their confidence in government eroded to an alltime low.

We cannot allow this to stand without an effort to get these reform measures to the floor for an open and public debate. Forty-nine of my colleagues have joined in cosponsoring a resolution to indicate to the Rules Committee that it is in the best interest of this body and the American public to bring this matter into the open and debate its merits on the floor of the House, and I hope we can soon see this much-needed committee reform enacted.

Mr. RHODES. Mr. Speaker, it has been said that nothing is certain in life except change. I would like to modify that statement. Apparently nothing in life is certain but change—unless it is the resistance of the Democrat leadership to it.

It is regrettable—and it will be indefensible before the American people—that the bipartisan, progressive piece of legislation reported out unanimously by the Bolling-Martin committee has been shunted aside. The action taken by the majority caucus on May 9 was, in my judgment, an incredible miscarriage of leadership on the part of the Democrats.

The Bolling-Martin recommendations were brought about through a bipartisan special committee-directed by this Congress to study the committee system, probe weaknesses, and make proposals for constructive change. The five Republicans and five Democrats assigned to this task worked very hard and directed an extensive and thorough review by the bipartisan staff. The recommendations were made only after intensive research and study of just how Congress is functioning and how the committee structure could be changed to operate more effectively.

It is regrettable that shallow, partisan action was taken on this wide—sweeping proposal. Petty politics has brushed aside the opportunity for this Congress to make a historical record of progress. It is little wonder that 70 percent of those questioned in a recent poll said they thought Congress was doing a bad job. The recent example of the Bolling-Martin proposal bears out their estimation.

Change can only be made by those with open minds who are willing to search for better ways. As public servants, we owe those who sent us here that kind of thinking. We owe them our efforts to upgrade Congress and make it more efficient to serve them better.

Jeremy Bentham once wrote:

> It is the greatest good to the greatest number which is the measure of right and wrong.

The Bolling action taken by the Democrats on the Bolling-Martin proposal was wrong.

It is ironic that the majority party, which claims stridently that it is the party of change and progress, should be the perpetrator of this monumental case of reactionary timidity. The American people, I am sure, will recognize that much of their claim to the progressive label is only rhetoric. They have been tried in the breach, and found wanting.

Mr. ARMSTRONG. Mr. Speaker, earlier this month the Democratic Caucus succeeded in dragging Congress back into the nineteenth century.

Let us call a spade a spade. The caucus decided to bury committee reform; a mere 30 percent of the entire membership of this House decided for the other 70 percent that committee reform was not to be debated by this body. What makes this tragically ironic is that many of these same members are attacking the President for his stealth and lack of openness, but see no reason to deal with reform proposals openly.

What is doubly disappointing about the action of the Democratic Caucus is that the reforms proposed by the Bolling-Martin committee are relatively modest.

The report is more noteworthy for what it neglected to do than for what it actually did. The report failed to address itself to the serious problems—such as strict adherence to the rule of germaneness, vote trading, and other essential procedural reforms. As a matter of fact, there are 44 rules of the House, and the select committee was formulated to deal with only two—rules X and XI.

Reform of the other 42 rules is also long overdue, and should be considered by this Congress as well.

But even the modest proposals of the Bolling-Martin committee have been torpedoed by the Democratic Caucus, in secrecy behind closed doors. No one can even tell who favored and who opposed reform. This action wiped out a year of hard work by a distinguished bipartisan committee, and is scarcely representative of the Congress of the United States.

Personally, I feel a number of amendments are necessary, but to have the proposals disposed of by such a high-handed, arrogant process is a throwback to 19th century politics.

If there are defects in the suggested reforms, then the select committee's recommendations should be presented to the full House, amended, and voted upon, with the votes open to public scrutiny and comment.

There have been many years of clamor for fundamental reform of the House, and yet, after a year of work, the whole issue has been swept under the carpet.

This is wrong. It is ill-considered and a blot on the reputation of the House of Representatives.

So I join my colleagues in requesting the Rules Committee act to bring the committee recommendations to the floor. This is the only way to resolve the situation, the right thing to do, both for us, and for those who elected us.

Mr. REGULA. Mr. Speaker, I want to thank my colleagues, Mr. GOLDWATER and Mr. STEELMAN for taking this special order so that those of us who are interested in working toward improvement of the legislative process and reestablishment of the credibility of this body in the eyes of the public can publicly take action in support of our avowed intention to move this body toward open government and procedural efficiency.

I cosponsored this resolution to move the Select Committee on Committee's report regarding congressional reform to the House floor for debate and decision. As we are all aware, the House Democratic Caucus voted 111 to 95 to send the reform proposal to a caucus subcommittee greatly diminishing the possibility of committee overhaul this Congress.

Since the last major committee reorganization shortly after World War II, the problems facing the Nation have changed markedly. The old committee structure simply is not equipped to deal with current needs. For example, as many as 17 different committees have jurisdiction over some aspect of the energy situation. The Bolling-Martin resolution, a product of over 1 year's diligent work, has been strongly endorsed by both House Republicans and the Democratic leadership. The action of the Democrat Caucus is probably one of the greatest setbacks of the 93d Congress. And the dangers and potential delays flowing from that action may work to postpone the valuable congressional budget reform which has recently passed the House of Representatives.

During this time of spiraling inflation and of waning credibility in our governmental institution, the Congress cannot afford—the Nation cannot afford to wait for action. Just as inflation makes the creation of the House passed budget committee vitally important, the need for legislative leadership makes it imperative that Congress "bite the bullet" and reform its committee structure.

The following editorial published on May 20 clearly sets forth the opinion of the Canton Repository, one of the leading papers in the 16th Congressional District of Ohio:

HOUSE CAUCUS DUMPS REFORM

Behind closed doors, the House Democratic Caucus has taken a step that virtually assures the death of proposed congressional commtitee reform this session.

Democrats voted to send the resolution to a subcommittee which means it will be thoroughly gutted or merely left to die on the vine for lack of action.

To be sure this is a controversial proposal with its share of warts along with beauty marks. But it represents a solid effort to bring about needed committee structure reform in the overall attempt to shape a more effective congressional action process.

Labor lobbyists, business interests and some Democrat liberals—who want action postponed until next session when they think their ranks will be swelled and they will have more clout—all opposed the resolution.

Representative RICHARD BOLLING, Democrat of Missouri, headed the bipartisan panel which worked 13 months to draft the committee reorganization plan and called it a badly needed program for an outmoded and inefficient institution.

The plan had the support of many Members of the House who saw it not only as a method for improving the operations of the legislative body, but also as a means of reestablishing public credibility in Congress.

In his response to the Secret Democrat caucus vote, Representative RALPH REGULA, Republican Navarre, said:

"In recent years Congress has made considerable progress toward making its operations more open. I have often called for and worked for "open government." In my mind that means open committee meetings, recorded votes and other ways to assure public scrutiny and participation. The fact that this setback to congressional reform occurred in a closed-door party caucus and by secret ballot demonstrates the lack of commitment for true congressional reform by those present."

Powerful committee chairmen lobbied against the proposal because they did not want to lose jurisdiction over some areas or be limited to serving on a single major committee.

Some criticism was aimed at Representative BOLLING for not proposing changes for the Rules Committee of which he is a member. There is some merit in the position that changes are in order for the Rules Committee because of the way it effectively blocks legislation from the House floor. But this could have been thrashed out when the proposal was presented to the full House for a vote. Amendments could have been attached at that time.

As it now stands, the full House will not even get a chance to vote for or against the proposal.

Is this the way the House is going to proceed with the job of restoring public confidence in the legislative process?

Mr. O'BRIEN. Mr. Speaker, more than a year ago, this body assigned 10 of its Members the task of working out ways to streamline our committee system.

Under the able leadership of Mr. BOLLING and Mr. MARTIN, the committee has done its job—and done a good job, I might add.

Now it looks as if their work was just an exercise in futility. Instead of sending the proposals to the House for consideration, the Democratic Caucus has taken it upon itself to send them to a Review Committee and directed majority members of the Rules Committee to delay action until the review is completed in July.

This is a thinly disguised effort to kill the measure. Not only is the task force stacked with reform opponents but the July deadline is perfectly timed to make action by the House difficult if not impossible this session.

By the time the review is finished, it will be time for the August recess. After that, we will most probably be deeply engaged in finishng other business and by then it will be election time.

Mr. Speaker, I strongly object to these delaying tactics and urge members of the Rules Committee to take up the reform amendments immediately.

It has been 28 years since the committee structure was last overhauled and heaven knows it needs it now. The system is unwieldy and has rendered Congress less able to respond quickly and effectively to national problems.

As a result, our image has fallen to a new low in the public eye and it is no wonder. The source of opposition to committee reform is no secret. The proposed changes would not only reduce the power held by a few committee and subcommittee chairmen but would also break up some cozy relationships between lobbyists and various committee members.

This legislation is important to all of Members of Congress, not just one party. Each of us has a right to expect that at the very least, we will be given a chance to debate its merits on the floor. If it is to be passed or defeated, it should be done in public where the vote of each Member can be recorded and not in a secret caucus meeting.

Mr. BAFALIS. Mr. Speaker, today we hear cries in the Halls of Congress as to the incompetence of the President. Members point authoritatively to national polls which show the President's popularity among citizens at 30 and 35 percent. From this, they determine that the Nation feels the President should be impeached and removed from office.

Interestingly enough, however, these same polls show that only 21 percent of the people in this Nation feel that the Congress is doing a good job—21 percent. Following the same line of logic presented by these Members regarding the President, should this not prove conclusively that the Congress is no longer capable of handling its responsibilities.

It seems, however, that some Members have been able to sweep this logic aside. They feel they can condemn the President from now till doomsday, however, they could never—I repeat, never—ask for any changes from the Congress.

In my mind, it would seem that strong action from the Congress is now necessary to make it more responsive to the needs of Americans everywhere. Since the committee system is the very backbone of our congressional system, it would seem that this is the logical place to begin.

And we did begin there. Early last year, the House authorized a Select Committee on Committees and charged it with the responsibility to completely review the committee system in the House and come up with a comprehensive plan to revamp our committees.

The bipartisan committee, chaired by Mr. BOLLING, of Missouri, did just this.

The Bolling report, as issued to each Member of Congress, was the result of hours of testimony from House Members, academic witnesses and scores of outside interest groups. While it was not without its faults, it presented the first approach to committee reform offered to the House in 28 years. As we know all too well, the past 28 years have resulted in many, many changes in our country and its priorities. We are now trying to resolve the many complex problems facing our country by working through committees that have overlapping jurisdictions, too many important responsibilities to be handled effectively, or simply outmoded responsibilities.

Change is desperately needed and it is my feeling that the vast majority of Members of the House were in strong support of the thrust of the Bolling committee.

However, it did step on several toes. Committee jurisdictions were changed, chairmanships were jeopardized, tenures threatened.

Hopefully, however, Members would be able to place their own feelings aside and act expeditiously on a proposal which would surely benefit the entire Nation. Unfortunately, this was not the case.

As we know, all too well, the House Democratic Caucus voted to have further study done on this tight, well-written report, and bring it back, with additional changes, for review in July.

Not only was the report shelved, it was done on a secret vote. Seemingly, this is against all the principles of a party which professes to be for the people. However, the fact remains that this was the path chosen.

With the possible exception of the Congressional Budget Review Act, there is no other proposal before the House today which is more important for the future of the Congress and the Nation. And, right now, it is pigeonholed in a review committee, which, undoubtedly, will come up with new provisions, provisions which will have the effect of negating the dynamic changes sought by the Bolling committee.

It is my strong hope that the Republicans in the House can join with the Democrats who have voiced approval of the Bolling report and loose this vital legislation from the Review Committee and bring it to the floor for the open consideration it deserves. If my calculations are correct, almost two-thirds of the House Members are in support of this vital proposal.

Action of this type is the only way the Congress is going to be able to start the long road back to winning the approval of the people we are here to represent. And that is what we must remember, we are here to represent our constituents, not to promote or protect our own power. It is an attitude that has prevailed all too long—changes must be made.

I urge my colleagues to join in requesting the Rules Committee to act expeditiously on the Bolling report. The Rules Committee does have the power to loose the report from the Review Committee and this must be done if we are to ever bring the original proposal to the floor for consideration. It is a vital step, one that must be taken before it is too late.

Mr. THONE. Mr. Speaker, secret backroom tactics must not be allowed to kill proposed reforms of the House of Representatives committee system.

House Resolution 988 is the product of 14 months hard work by a very able bipartisan committee, whose chairman was the gentleman from Missouri (Mr. BOLLING) and whose vice chairman was the gentleman from Nebraska (Mr. MARTIN).

This resolution offers the first opportunity to modernize the House of Representatives committee structure in 28 ways. We cannot pass up this opportunity.

If Members oppose any reform of committees, they should have the courage to oppose them openly. If some alterations should be made in the recommendations of the select committee, let us make them openly.

We must have open, public debate on this issue. We must have a record vote on this reform measure.

If these proposed reforms are killed because of a secret vote in a closed party caucus, the American public will not easily forgive this backsliding into old-fashioned bossism. There are those of us in this body who will keep the public reminded if these measures are swept under the rug by secret action in a smoke-filled room.

Surely the majority in this body is aware that Congress has sunken to the lowest public esteem in history. Surely the majority in this body wants to improve—not destroy—the regard in which it is held by the public.

The House of Representatives will not deserve approval of the public unless it engages in open debate and a record vote on proposed committee reforms.

Mr. ANDERSON of Illinois. Mr. Speaker, I am pleased to join in this special order of the gentleman from New York (Mr. KEMP) and the gentleman from Texas (Mr. STEELMAN) on the Committee Reform Amendments of 1974. I think it is most regrettable that we must bring this matter to the floor today under a special order rather than an open rule, for there is no reason in the world, in my opinion, why this body should not today be fully debating and acting on House Resolution 988 as reported by our bipartisan Select Committee on Committees.

It is especially ironic that this reform proposal has been sidetracked by a Democratic caucus rule which was ostensibly designed to open up the House and make it more democratic. Instead, this rule has been twisted and misused for the purpose of killing reform and preventing the free operation of our democratic processes. In short, the democratic caucus, in consigning this reform proposal to the graveyard of a task force study, has made a mockery of the word "democratic."

Mr. Speaker, I do not wish, by my statement today, to condemn all Democrats in this body for the action of the caucus, because the fact is that this reform was reported unanimously by the select committee which is comprised of five Democrats and five Republicans. And furthermore, while 111 House Democrats voted to sidetrack this reform in caucus, another 95 Democrats voted against such action. And, it should further be observed that those 111 do not even constitute a majority of the full Democratic Caucus of 247 Members.

While I do not profess to be an expert on the rules of the House Democratic caucus, it is my understanding that caucus members cannot be bound except by a two-thirds vote, and even then they cannot be bound if they have made a previous commitment to their constituents on a particular issue. I would assume that this applies to the Democratic members of the Rules Committee who the caucus presumed to instruct to take no action pending the further disposition of the resolution in caucus.

There is, therefore, no reason, Mr. Speaker, why this matter could not or should not be acted upon in the Rules Committee next week and brought to the floor under an open rule. If a majority of the House is not interested in moving on this reform, let them so indicate by voting against a rule on a recorded vote, rather than torpedoing this resolution in caucus by secret ballot.

Mr. Speaker, the time has clearly come to end this charade of further studying the committee reform proposal. The select committee did a most thorough job in that respect; as the committee report indicates, the committee interviewed numerous Members and staff personnel, engaged in extensive staff research projects, contracted numerous special studies with consultants, and conducted three sets of hearings over 37 days involving 107 witnesses, filling some 1,765 pages of record. Further study is not what is called for; the time has come to take action. As I mentioned in a previous statement on the caucus action:

> The Democratic caucus cannot deceive the American people with this fancy bit of footwork, because no matter how you look at it, they're doing the anti-reform shuffle—that's two-foot-dragging sidesteps followed by four steps backward.

Mr. Speaker, we have heard a lot of highsounding rhetoric in this Congress, especially from the other side of the aisle, about restoring our system of checks and balances by rejuvenating the Congress, by reasserting our constitutional prerogatives. We have heard a lot of talk about the need to reform our structure and procedures, to modernize and update our archaic ways of doing things. But talk is cheap, Mr. Speaker, and it has not done anything to improve our public approval rating which now stands at 21 percent, even lower than that of the President. We have made some hopeful beginnings in this direction by opening committee meetings more, by enacting war powers legislation, and budget reform procedures, but much remains to be done, not the least of which is restructuring our ancient committee system with its confused and duplicative jurisdictional lines. We also need to improve our oversight responsibilities, and increase minority committee staffing. These things are provided for in House Resolution 988, and it is imperative that we move now on these reforms so that they can be implemented with the beginning of the 94th Congress next January.

In conclusion, Mr. Speaker, no one is arguing that House Resolution 988 is perfect, and there certainly should be opportunity for floor amendments to improve upon it. But, to use a well-worn phrase, "let the House work its will" on this important reform and put an end now to permitting a minority of the Democratic caucus or a handful of antireform task force members to thwart the will of the House. I urge my fair-minded and reform-minded colleagues on both sides of the aisle to join with us today in urging early action on this historic opportunity to put our House in order.

Mr. MATHIAS of California. Mr. Speaker, I strongly disagree with the action taken by the Democratic Caucus to defer action and move to the back burner any future consideration of the comprehensive House committee reform proposal. If that caucus and especially the liberal members of the caucus had any real interest in seeing these reforms approved this year, they would have voted to permit the legislation to be immediately considered by the Members of the House.

The action taken by the Democratic Caucus has the effect of preventing the Committee Reform Amendments of 1974, House Resolution 988, from being brought to the House for consideration until the plan has been restudied by a caucus task force. This means, in effect, that the committee reform bill will probably be killed for the rest of this legislative year because a majority of the leading opponents of the measure serve on that task force.

When the public image of Congress is at an all-time low and there is such a need for congressional reform, I cannot understand why any Member of Congress would intentionally block a well-conceived and urgently needed plan to put the House back in order.

Under the capable bipartisan leadership of Congressman RICHARD BOLLING and Congressman DAVE MARTIN, the Select Committee on Committees has prepared a plan to overhaul the House committee system and procedures. I endorse this reorganization of the House because we need to make every effort to enable the House of Representatives to be more responsive to the needs of the Nation.

Among other things, this plan would provide for a much closer watch by Congress on Federal programs, which we approve and finance and whether or not they are working in the manner designed by the Congress. Basically, the reforms would simplify the committee structure by abolishing some committees and transferring and focusing important areas of jurisdiction to others. The reforms would strengthen committee staffing, improve committee oversight functions, increase the quality of information available to Members of Congress, and provide a continuing study of committee jurisdiction.

The reform package would break the stronghold the Ways and Means Committee holds over vast amounts of legislation. The House Administration Committee would be free from consideration of campaign legislation. That committee has been totally ineffective in reporting campaign reform legislation to the House. Even though in the last year the Senate passed and sent to the House two major bills to limit campaign contributions and spending, the committee is still sitting on both bills.

This reform legislation is one of the most important measures to come before the House this year and I can see no reason why it should not at least be offered for consideration and I urge approval. If the House is to effectively deal with the important issues of inflation, energy, health, foreign affairs, as well as the many other domestic needs, the House committee structure must be improved. The House has not been reorganized since 1946 and I, for one, think the time has come to take the necessary action now, without any further delays.

Mr. WINN. Mr. Speaker, we are besieged daily by numerous calls for reform—reform of everything from taxes to welfare to campaign spending. And although we are progressing well in many of these areas, Congress now has a unique opportunity to make substantial improvements in an area equally as vital as any of these to the health of our Government.

I was extremely disappointed by the recent move by my colleagues on the opposite side of the aisle, which may have killed all hope for effective reform of the committee system of this body—a system that has lain stagnant for some 28 years. That this move was accomplished by means of a secret vote casts even darker doubts upon the opposition party's image as the party of progress and reform.

Congress is in desperate need of committee reform. Our archaic system is no longer effective in dealing with many of today's most pressing problems. Additionally, in the past few years, the imbalance of power between the executive and the legislative branches of our Government has further contributed to the need for sweeping reforms.

Although the report of the Bolling-Martin committee may not have resolved all the problems posed by the issue of committee reform, I feel the issue deserves a more complete discussion of its merits by the full House.

It is imperative in this election year that the public be allowed to see how each Member of this body stands on this issue. But, this cannot be done if delaying tactics such as those we recently witnessed are allowed to continue.

The time for effective reform is long past. Many of the proposed changes are needed. This will not happen, however, until we get House Resolution 988 out from behind the closed doors of secrecy and onto the floor of the House.

Mr. MAYNE. Mr. Speaker, I commend my distinguished colleagues from New York (Mr. KEMP) and from Texas (Mr. STEELMAN) for their initiative in obtaining this special order enabling Members to discuss this regrettable situation, and wish to express my appreciation for their honoring me by their invitation to participate.

After 14 months of hard work and compromise, the bipartisan House Committee on Committees, chaired by the able Congressman from Missouri (Mr. BOLLING), reported House Resolution 988, a resolution to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the House Rules. This resolution contains minimal but necessary reforms. This reform measure is the first chance for internal congressional committee reform in 28 years, and provides several urgently needed reforms long sought by the American public.

I am sure that many others of this House, as well as the public at large, were as dismayed as was I by the action of the Democratic caucus of the House 2 weeks ago, when it, by a single party's secret vote in a closed caucus, attempted to bury this very important reform legislation by recommitting it to one of the Democratic caucus committees. This action indefinitely postponed any consideration of these important reforms by the House. In one fell swoop, the Democratic caucus attempted to wipe out those long months of effort by the Bolling committee. This maneuver is clearly a delaying tactic, cynically designed to kill House Resolution 988, and cannot be considered to be anything but a case of putting self-interest and pressure politics before the public good. This duplicity is doubly dismaying when practiced by a political party which has tried to paint itself as the progressive, reform party of the Congress.

Surely those who purport to fight for freedom of information, open meetings, and full disclosure by others should make every endeavor to pursue the spirit of those reforms themselves.

No matter what their party, those sincerely interested in reforms surely will join in challenging this attempt to bury this important reform legislation and in bringing these reform measures to the House floor for open and public debate, for amendment where appropriate, and for enactment into the House Rules.

The Bolling committee's reform recommendations, embodied in House Resolution 988, offer hope for reform and a resurgence of public confidence in this body. The secret vote in the closed Democratic Caucus cannot help but send public confidence in Congress and in Government to greater lows. We may still curb this deterioration of public confidence by acting quickly to bring the committee reform resolution to the House floor for debate of its merits in the full view of all, and for recording of the position of Members of the House.

It was to this end that I joined yesterday, May 22, in the introduction of House Resolution 1144. This resolution was cosponsored, with its companion House Resolution 1145, by some 40 Members of this House. Immediately upon adoption of this resolution, the House would consider the Bolling committee's reform proposal, House Resolution 988, and would publicly debate its merits. Unlike a motion to discharge House Resolution 1144 would allow amendments to House Resolution 988 to be considered and adopted. I submit that this resolution is entirely reasonable and would urge the House Rules Committee to report House Resolution 1144 without delay so that the House may be allowed to consider, amend, and approve this important committee reform legislation.

The reforms proposed by the Bolling committee include measures designed to streamline the committee system of the House. House Resolution 988 would cut down on the total number of committees and would centralize similar or duplicate responsibilities. It would insure that each Member would be assigned to a major committee with responsibility over legislation and would permit him to serve on only that one major committee. It would eliminate proxy voting by Members in committees and subcommittees, thus encouraging increased attendance at hearings and committee meetings. I have long cosponsored and urged action on resolutions for the establishment of a Committee on Environment, and I am glad the Bolling committee has proposed consolidating jurisdiction over energy and environment, now located in several different committees and subcommittees, into a Committee on Energy and Environment. For several years I have cosponsored resolutions proposing the establishment of a House Committee on the Aging, to give the problems and special needs of the elderly the study and attention they deserve. I regret the Bolling committee did not recommend establishment of such a committee, but I am hopeful this oversight will be remedied by a floor amendment when the committee reform resolution comes before the House.

Any defects in the Bolling committee reform resolution can be remedied by House floor amendments. They in no way justify the Democratic caucus' bottling up this important reform measure. I urge all Members genuinely interested in reforms which will enable Congress to consider and to respond more efficiently to the needs and problems of America today, to join in uncorking the bottle and bringing House Resolution 988 to the House floor for debate and consideration on its merits.

One of the most important reforms proposed by House Resolution 988 is the upgrading of the House Select Committee on Small Business into a standing Committee on Small Business, with full legislative authority over small business matters including legislation related to the Small Business Administration. Early in its proceedings, the Bolling committee had at first considered abolishing the House Select Committee on Small Business and giving its study authority to the Small Business Subcommittee of the House Banking and Currency Committee. Many protests were made by small businesses throughout the United States, especially those members of the National Federation of Independent Businesses who had been alerted to this situation by their association. I am pleased that the Bolling committee was convinced by the arguments presented by these small and independent businessmen and provided in its final report and in the resolution for the establishment of a Committee on Small Business, with full authority over legislation in its field.

Mr. Speaker, it was with great pleasure that I joined with many in Congress and across this Nation this week of May 19 to 25 in honoring National Small Business Week 1974. As President Nixon noted in his proclamation:

> The history of America is in large measure the history of independent enterprise.

Today, 19 out of every 20 American firms are considered small business. They provide approximately 35 million jobs and contribute more than $476 billion annually to the gross national product. America's small and independent enterprises form the very backbone, the sinew, and the fiber of our economy. Their strength and health are vital to the well-being of our economy. Yet on almost every hand the small businessman is being confronted with increasing obstacles, by mounting demands for reports, and for complying with often confusing and sometimes inappropriate and illogical regulations from a multitude of governmental agencies implementing mandates enacted by Congress in the name of consumer protection, pure food and meat, antipollution, safety, and so forth.

I commend the House Select Committee on Small Business for its efforts through years of studies and reports to persuade Federal agencies and the Congress of the need to give a second look at proposed laws and regulations insofar as they may place unconscionable demands upon small businesses and add to harassment of firms to the point of intolerability.

The Small Business Subcommittee of the Banking and Currency Committee has also given recognition to the problems of independent businesses within the restrictions of its limited legislative jurisdiction. But the small businesses of America deserve a far better and improved forum, one which by the Bolling committee's resolution would provide by establishing a standing Committee on Small Business with full legislative authority over small business matters. This important provision would justify House adoption of the Bolling committee's committee reform resolution. America's small and independent businesses demand and deserve no less.

Mr. BROOMFIELD. Mr. Speaker, the actions of the Democratic caucus in stalling a vote on committee reform proposals is a prime example of the kind of tactics that have given Congress its lowest rating ever in the public opinion polls. To subject this reform measure to secret back room shenanigans after 14 months of hard work and a unanimous vote by a bipartisan committee is a devious trick, designed to kill the committee's proposals without the benefit of an open vote.

It is particularly ironic that the party which has tried to pass itself off as the party of reform would take this action. No action could be further from the concept of open government that we seem to be hearing so much about these days.

The issue is no longer as simple as committee reform. Certainly, reasonable Members may disagree over certain portions of the committee's report. But the actions of the Democratic caucus have made overall reform the central issue involved. In these times of rapidly declining public confidence in Congress, or at any time for that matter, is a secret vote any way to handle a reform proposal? It most certainly is not.

The proper way to handle such a measure is to debate it on the floor and vote it up or down on its merits. For some reason, this open, above-board method is distasteful to a majority of the Democratic Members.

Mr. Speaker, I urge the Rules Committee to bring this important piece of legislation to the floor so that it can be debated out in the open, not in some back room. The people of this country deserve the opportunity to observe each and every vote on legislation to reform their legislature. Public opinion of this body will sink to new depths, and justifiably so, if we allow this devious tactic to deny them that privilege.

Mr. RUPPE. Mr. Speaker, I am joining in this special order today to voice my dismay over the recent action taken by the Democratic Caucus to delay debate and enactment of the Bolling report written under the leadership of Congressmen BOLLING and MARTIN.

I need remind no one of the prestige, or should I say, lack thereof, of the Congress in the eyes of the American people these days. This action by the Democratic Caucus can do little to enhance our image.

Few people would argue that our committee structure needs reorganization—jurisdictions overlap and committees consider matters that have no logical connection. As a member of the Interior Committee, I have found it difficult to deal with the immense problem of energy since this matter is spread through so many committees. Besides Interior, the Interstate and Foreign Commerce, Science and Astronautics, Armed Services Committees, and the Joint Committee on Atomic Energy deal in one way or another in this field. This overlapping of jurisdiction makes a centrally directed energy policy very difficult for the Congress to achieve. The Bolling report would in effect situate energy matters within a new Committee on Energy and the Environment. We have seen instances when because of an overriding national problem, the Congress has been able to pull itself together and expedite normally tedious and redundant processes. Unfortunately, these instances are few and far between and only occur under pressure. The Bolling report would insure that Congress could respond effectively in such a manner in its day-to-day workings.

There are other aspects of the report which need, at a bare minimum, to be debated if not enacted. It is important that minority members of committees are assured adequate staffing—something sorely lacking now, unfortunately. Our staffs are forced to cover many more areas than their counterparts on the majority side, and this out of necessity cuts down on their efficiency and their usefulness to members. The elimination of proxy voting will result in a much more responsible action by committee members. No longer would one member be able to collect many votes during committee deliberations while others abdicate their responsibilities.

I do not mean to imply that I am in complete agreement with every part of the Bolling report. But I feel strongly that the House of Representatives needs to reorganize itself, and to be trite, the sooner the better. The House must become more sensitive to the needs and desires of the people. Their needs have changed—our structure should reflect that change. It is imperative that Congress streamline its operation so that it might act in the efficient manner which is so badly needed. It is a sader state of affairs when such a far-reaching proposal which has been studied and worked on so diligently for so long is not given the courtesy of open debate. I would sincerely hope that the Democratic Caucus would reconsider its action and allow us to discuss this much needed change.

Mr. COUGHLIN. Mr. Speaker, I join today with others in calling for a floor vote on House Resolution 988, the Committee Reform Amendments of 1974. The Select Committee on Committees has labored long and hard to produce a committee reorganization proposal which is rational and functional. Every Member has had ample opportunity to study the committee's preliminary and final reports, to comment on them, and to suggest revisions, some of which were subsequently incorporated in this legislation. There is no need to delay action on this crucial modernization of the House committee structure any longer, and I deplore the secret vote of the Democratic caucus to sidetrack this matter by calling for further study of a proposal which is itself the product of extensive hearings and deliberations. The House should be given an opportunity to express itself on the committee reform plan by a floor vote now.

As a Congressman who has written to Select Committee Chairman Richard Bolling on several occasions to lend my support to the panel's objectives and to suggest certain improvements, I am deeply disturbed that this proposal may not come to a vote. It is of overriding importance that the committee system of the House of Representatives be reshaped to make it more responsive to pressing national needs. We can no longer expect to deal intelligently and comprehensively with the issues of 1974 using a committee structure appropriate to the issues of 1946. There was no energy crisis in 1946. The environment was not threatened in 1946 as it is today. Our cities were not clogged with automobiles in 1946 as they are now.

The times have changed dramatically in the last 28 years and, if we are to meet the challenges of the 1970's, we must not shirk our responsibility to adapt our procedures. Failure to do so will only lead to a continuation of the present sluggishness of the House which results from jurisdictional competition among committees, the wasteful overlap and duplication of committee work, and the impossibly heavy workload of a few committees.

As one who has worked since first elected to Congress for enactment of legislation to improve mass transit facilities in and around our metropolitan areas, I can attest to the difficulty of following the work of more than twenty subcommittees involved with transportation legislation. The close relationship between the Banking and Currency Subcommittee on Urban Mass Transit and the Public Works Subcommittee on Transportation with jurisdiction over the highway trust fund, recently tapped for mass transit assistance, illustrates the absurdity of perpetuating not only an obviously cumbersome jurisdictional division but one that sets unnecessary roadblocks in the way of timely consideration of urgently needed legislative remedies. I am gratified that the Committee on Committees has recommended that mass transit matters be shifted to the proposed Public Works and Transportation Committee, thereby giving this issue the strong committee focus which it has long required.

A similar lack of clear committee focus has plagued consideration of legislation dealing with the crucial energy problems which have developed in recent years. The result of the predictions of the House Task Force on Energy, on which I served in the last Congress, concerning impending energy shortages simply resulted in a proliferation of energy-related subcommittees, further confusing questions of jurisdiction and frustrating any hope of grappling meaningfully with the complexities of energy matters effectively and expeditiously.

The same is true of environmental concerns which have been dealt with on an unsatisfactory piecemeal basis for too long. The result has been a critical delay in urgently needed legislation in this vital area. The proposed Energy and Environment Committee would go a long way toward overcoming the crippling deficiencies of our current committee system in the key areas of energy and the environment.

Mr. Speaker, I reiterate my strong feeling that the House must be permitted to vote on proposed committee reform without further delay.

Mr. QUIE. Mr. Speaker, I believe that House consideration of the Select Committee on Committee's Committee Reform Amendments and their substantial adoption by this body would be good for the Nation as well as good for the House. It would be a travesty to allow the select committee's recommendations to be shunted aside and not be considered by the House of Representatives. If this happens, the American public should be made aware of who is responsible for sidetracking this modernization and rationalization of the House committee structure.

I would like to use the opportunity of this special order to explain some of the merits of the select committee's recommendations, giving special regard to the select committee's recommendations pertaining to the Education and Labor Committee.

The manner in which we organize the jurisdictions of the committees influences far more than the internal workings of the House. There is a ripple effect that influences the way the Senate deals with legislation; the way the executive branch organizes and plans and recommends; the way organizations and interest groups relate to Congress; and the way the individual taxpayer is affected by the host of Federal programs.

Last year the OMB was reported to have identified over 100 Federal grant-in-aid programs with appropriations of some $43 billion. Who in this world can begin to understand half that number of programs? How can the Congress organize itself to deal with such a range of programs in a rational and effective way?

We cannot continue to allow several committees to exercise jurisdiction over logically definable and specific areas. We are at the point where no fewer than nine of our 19 standing authorizing committees are involved in the field of education.

It will, if we have not already arrived there, become almost impossible for the Congress or the administration to coordinate Federal policy. Duplication is rampant. A staff paper for the National Commission on Postsecondary Finance identifies 294 Federal programs expending over $8 billion in fiscal year 1972 that relate in some way to postsecondary education alone. Almost 40 different Federal agencies administer these programs. The amazing part is that the Education and Labor Committee has jurisdiction over less than half of these programs. I believe Congress has contributed to the inefficiency in both the legislative and executive agencies. As long as House committees narrow their sights to only a few Federal agencies, and each agency in turn focuses its attention primarily on one committee of the House, we will have an uncoordinated, wasteful, duplicative, ineffective approach to many of our Nation's problems.

With regard to the select committee's recommendation that there be a separate Education and a separate Labor Committee, I am sure the Congress never dreamed of how involved it would become in the field of education when it created our Committee on Education and Labor in 1946. I feel sure this was a marriage of convenience only. Because there was little in the way of Federal education programs prior to 1958, the total number of committees could easily be reduced at the time of the 1946 reorganization by merging education with labor.

Approximately 12 years after that last reorganization, however, things began to change. The committee soon became the focal point for some of the most significant domestic issues of our time. The following public laws represent only the major new areas of legislation we have undertaken since 1958:

National Defense Education Act, Manpower Development and Training Act, Vocational Education Act, Higher Education Act, Elementary and Secondary Education Act, Economic Opportunity

Act, National Foundation on the Arts and Humanities Act, Occupational Safety and Health Act, Older Americans Act.

These are only a few. And what makes the longer list even more impressive in terms of workload is the fact that most of these acts have several titles, often authorizing several Federal programs per title. The workload soon becomes overwhelming because most of these laws expire after 2 to 5 years and require reexamination. Of course, once a bill becomes law, it seems next to impossible to terminate it.

Labor legislation is far less time-consuming and is generally less complicated than many education bills. One reason is that education bills generally deal with granting Federal funds for specific purposes, whereas much of the labor legislation sets regulatory laws. I would judge that only about 30 percent of our committee's total "effort" is devoted to labor legislation. But here, too, other committees now have jurisdiction over some aspects of labor-management relations and other labor-related matters which would seem better coordinated if handled in one committee.

The select committee has also provided for joint, successive, or split consideration by two or more committees and a procedure for resolving competing jurisdictional claims. For instance, it is not practical to incorporate every education-related law and proposal under one committee. Likewise, tax legislation should be kept under the jurisdiction of the Ways and Means Committee, even when it has a major impact on the Federal role in education. However, there should be better mechanisms for the two committees to cooperate in the consideration of legislation, for instance, that is related to tax credits for educational expenses. I believe the education members would have a useful perspective to contribute to the Ways and Means members.

Federal policy would be better coordinated. Most important, however, is the special oversight jurisdiction the select committee has recommended for the proposed Committee on Education. This committee would have special oversight jurisdiction over education and student assistance programs under the jurisdiction of other committees. The wisdom of this recommendation for coordinating Federal education policy in the House and, thus, throughout the Federal Government, is evident. The committee will be the focus for the Federal policy. It will have a beneficial effect in eliminating the duplication of efforts and programs in the House and the executive branch. It will go a long way toward making the Federal response to national educational needs effective and efficient.

My discussion points out but a few beneficial considerations behind the select committee's recommendations. As I stated above, it would be a travesty to allow the select committee's recommendations to be shunted aside and not be considered by the House of Representatives. If this happens, the American public will be made aware of who is responsible for sidetracking this modernization and rationalization of the House committee structure.

Mr. McKINNEY. Mr. Speaker, it is most regrettable that we are partaking in this special order today to urge the Rules Committee to bring House Resolution 988, the Committee Reform Amendments of 1974, to the House floor for consideration. I say it is regrettable because these reforms should never have been sidetracked but should have been scheduled for House debate as a matter of course.

I am not going to indulge in a diatribe against my colleagues who are stalling reform. Rather, it is to convey the sense of frustration and concern over the future of our governmental institutions that I speak.

When I was first elected to Congress a little over 3 years ago, as with many first-termers I arrived in Washington with a sense of mission. I have been disillusioned, yes, but I still have hope. However, I wonder if the American people have any hope left for this governmental institution. The Congress has fallen steadily in public esteem over the past two decades—now hitting an all-time low of 21 percent.

Over the past year constituents have written me, expressing their disillusionment with our system of government; questioning the ability of Congress to govern, to legislate to meet the needs of our Nation and to anticipate and forestall crises. While I would acknowledge that in the past we have failed in many instances, I would also point to the Bolling-Martin committee recommendations as a means of achieving an effective, efficient, responsible, and responsive House of Representatives. Here, I told them, was the spur to reform and a means of bringing Congress into the 1970's and 1980's. The committee recommendations are not perfect. No reform is perfect. But it is a beginning step to inject logic and vitality into a legislative system to enable the House to deal with current problems in an expeditious and coherent fashion. What now do I tell my constituents?

By failing to take this first step toward reform, we are destroying what remaining faith the American public has in this institution.

Are we today so enmeshed with our own self-interest that we would allow the long-range institutional interests of the House to atrophy? Are we so immersed with selfish concerns that we can not function and organize for the best interests of the Nation? Must we continue to hold desperately to our own little feifdoms? Do we not have enough confidence in our individual ability and capacity to grow, lead, and initiate under a new committee organization?

We are faced today with fragmentation of policy decisionmaking and dispersal of authority throughout the various committees of the House. Jurisdiction over large policy areas such as health, energy, transportation, environment, and foreign economic policy has been split among committees, with ensuing jealousies over prerogatives. The proliferation of subcommittees, now totaling 148, attest to our outdated committee system, each committee creating new subcommittees in order to bring an area of interest into their purview. Hence, today it is virtually impossible to achieve a coordinated, effective, comprehensive approach to tackling our problems.

Much has been made of the fact that removing the existing multiplicity of overlapping jurisdictions will eliminate a valuable flexibility from the system. Is it "flexibility" that last year 14 of the 21 House committees held hearings on energy legislation? Is it "flexibility" that subcommittees pop up all over the place as committees maneuver to secure expanding jurisdiction? I do not think "flexibility" is the term to be applied here. Rather, I think chaos is the more suitable term. And the result is a Congress that reacts rather than takes imperative action, ponders rather than produces, agonizes rather than legislates. And, of course, the net result is a belief among our citizens that their elected officials no longer understand their problems or care about their needs.

Many say a "lame duck" Congress should not make the changes it may not have to live with, that the new Congress should initiate changes. I say, hog-wash. We know the problems; we have lived with them on a day-to-day basis. We, the 93d Congress, can best legislate the solutions, so that the 94th Congress can work effectively from the first day of their convening in 1975. The 94th Congress should be a new beginning, spurred by a reform-minded 93d Congress.

Understandably, in a subject area such as this which has such a direct bearing on each Member's role in the House, there are differing viewpoints as to the merits of various parts of the Bolling-Martin committee recommendations. Indeed, this is not legislation in the ordinary sense. But despite differences, it is vital that the resolution be scheduled for debate. Let modifying amendments be offered and let the House membership decide their value. But above all, bring this resolution to the floor so that the House can work its will.

Mr. YOUNG of Florida. Mr. Speaker, it is not a happy occasion when my colleagues and I must use the forum of a special order to plead with the Rules Committee to bring the committee reform amendments to the floor for consideration and a vote.

Nine distinguished colleagues and I labored for a year and a half to develop the first legislative overhaul of the House committee structure in 28 years. We knew the final results would not be popular and that some important toes would be stepped on. We anticipated that the final product approved by the House would differ from our proposal in some degree.

What we did not anticipate, however, was that a partisan caucus, in closed session and by secret ballot, would bury our reform proposal in one of its subcommittees.

In the face of the lowest degree of respect ever accorded the Congress by the American people, in the face of a legislative backlog attributable in part to organizational problems in the House, and in the face of critical new national priorities unrecognized in existing committee structure, the Democratic caucus put the lie to its progressive, reformist image by sabotaging a major effort to clean house in Congress. If the House follows the decision of the caucus, it will remain indefinitely entrenched in the organizational mode of the 1940's and correspondingly unresponsive to the needs of our complex, fast-changing society

Mr. Speaker, I placed my name on House Resolution 988 as a sponsor with all of the other members of the select committee, even though there are some recommendations in the proposal with which I do not agree. I did so as an expression of my strong support for the overall concept of committee reform, and feeling that I could express my reservations when the measure came before the House for consideration. The select committee did not plan to request a closed rule. All we wanted was the free and open consideration, debate, and amendment of a major reform proposal on which we had expended substantial time and effort at the direction of our colleagues. Two hundred and eighty-two Members of the House voted on January 31, 1973, to create the select committee; now some 111 Members of a single party are blocking this substantial majority from considering the results of their mandate.

The very swiftness and secrecy of the burial of House Resolution 988 out of public attention compels concern. The Congress does not need any more negative publicity than it has; we stagger now under the weight of public disaffection and mistrust in Government. Let us hope that we can avoid any further growth in these trends. One way to restore confidence in the Congress and in congressional willingness to enact reforms would be for the House to reform itself. Openly and with input from all concerned, not just the behind-the-scenes special interests.

I urge the Rules Committee to ignore the caucus vote and hold hearings on a rule for House Resolution 988, so that the House can face the 1970's and the American people with a revitalized structure and a renewed determination to be of maximum service to all Americans.

Mr. COCHRAN. Mr. Speaker, for over a year the members of the bipartisan Select Committee on Committees worked to develop reforms which would improve the responsiveness and functional efficiency of the House of Representatives. Recognizing the significance of its undertaking, the select committee opened its hearings and markup sessions to an interested public.

Recently, in a meeting held behind closed doors, the Democratic Party caucus managed in a few short minutes to block the months long reform efforts of the select committee. In an unrecorded ballot, House Democrats voted to deny the entire House membership an opportunity to consider the reform resolution as reported from the committee. By instructing the Rules Committee to defer consideration of the measure, and instead sending the resolution to its own partisan caucus committee, these few members have ironically demonstrated why the reform measures are so necessary.

The Democratic Party, which seems to be continually pushing in Congress to reform every phase of American life, is now unwilling to allow even the discussion of congressional reform on the House floor.

It has been three decades since the House last examined and modified its structure. In recent years this structure has proven sadly unresponsive to the rapidly changing demands placed upon it. The lack of coordination between committees, the increasing incidence of jurisdictional overlap and conflict, and the inequitable distribution of committee responsiblity among Members have sorely limited Congress ability to respond effectively to the public's needs and opinions.

Of course, there are certain objectionable points among the numerous proposals of the select committee. But the proper forum for the consideration of such a vital national issue is the floor of Congress, not the party caucus room.

With its Members daily bombarding the American public with the rhetoric of full discolsure and openness in Government, the House would do well to heed its own words.

I join with other concerned Members of the House in urging the Rules Committe to promptly move House Resolution 988, the Committee Reforms Amendments of 1974, to the floor of the House for open debate and proper consideration.

Mr. ABDNOR. Mr. Speaker, during my tenure as Congressman from South Dakota, I have heard the cries from this very Chamber for honesty in Government. In this past year stirring words of congressional leadership have filled the newspapers and airwaves of this country. The restoration of the power of the legislative has daily provided the atmosphere for our deliberations.

Surely we have witnessed the bankruptcy of cheap rhetoric early this month when by secret vote the Democratic Party caucus blocked consideration of badly needed procedural reforms of this very body. All those voices crying in the wilderness have been revealed to be little more than echoes from campaign promises safely made to home constituents. But like the old saying so aptly describes, "it depends on whose ox is being gored."

The constellation of pressures on this body have taken on a new focus during the past year. Cries of Presidential weakness have only been met with congressional inaction and confusion. Demands for the restoration of the equality of the legislative branch vis-a-vis the executive are juxtaposed on congressional docility and empire building. Honesty and integrity in Government demanded so sanctimoniously by Members of this body have been met only with secrety and duplicity.

Where now are all the Jeremiahs of the first session? This body acted last January to establish a Select Committee on Committees to study the internal structure of the House. At that time Congress commissioned this committee to formulate new procedures to adopt the ponderous mechanisms presently used in our deliberations. They were mandated to restructure this body to better meet the complex demands of modern issues and problems.

The recommendations of this committee soon ran into the foundations of empires of my fellow colleagues. Demand for reform seems only to be discussed in the third person. The present attitude of "They should put their house in order" is a ludicrous prostitution of the reform spirit of this body only a year ago.

We are here today, not to memorialize our contempt, but to again request our colleagues to address the issue of reform honestly. This past year has witnessed sweeping changes in this society and in our Government. On numerous occasions in our history, Congress has seen the need to update its procedures and structures to address a changing environment with changing needs. We pride ourselves for living in a country that accents the peaceful nature of change in this society and in our Government. It has been our history to have honesty serve as the midwife of change, not violence or duplicity. We have before us an opportunity to continue that history. It is my call today not to further prostitute our obligations as representatives and avoid our responsibilities.

Authority and power will not fall to Congress by default, as it abdicated that power over the past dozens of years. It will not accrue to us as the result of our sincerity, for sincerity has no intrinsic value. Our constitutional obligations will be restored only when we assume the responsibility ourself, even at the expense of our personal ambitions and positions. We are not in pursuit of a holy grail. We are not trying to finally construct a governmental utopia. Our sole task is to be continually vigilant in striving for ways to make this body more effective.

GENERAL LEAVE

Mr. STEELMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

IMPEACHMENT OF THE PRESIDENT

The SPEAKER pro tempore (Miss JORDAN). Under a previous order of the House, the gentleman from Kentucky (Mr. CARTER) is recognized for 60 minutes.

Mr. CARTER. Madam Speaker, I personally knew nothing of Watergate or of the activities of those individuals involved. It has been discussed throughout our Nation. Every fireside has seen and heard it day after day after day. We have heard about the tapes. We have read excerpts and replays. No Member of this House, to the best of my knowledge—or of the other body—had anything to do with the tapes or with Watergate.

There is an old political axiom that one should never write or record anything which is political, or which involves another person, a political opponent or even a friend adversely. I think that serious mistakes were made in writing and recording political feelings, impressions and descriptions of actual happenings.

I do not condone the breaking and entering of Watergate; neither do I condone the breaking and entering of the psychiatrist's office in California. However, I would say that if Daniel Ellsberg, who stole the secret Pentagon papers and released them, had done this during the administration of Andrew Jackson, he would have been hung as high as Haman. Instead of that, some people have attempted to make a folk hero of him because he betrayed his trust and his oath of office in so doing.

I remember when President Franklin Roosevelt, years ago, in reference to harsh words said about his dog Fala, replied:

> The leaders have not been content with attacks on me, or my wife, or on my sons. No, not content with that, they now include my little dog, Fala. Well, of course, I don't resent attacks, . . . but Fala *does* resent them . . . I think I have a right to resent, to object to libelous statements about my dog.

Some members of the press—not all of them, but many of them—have gone beyond the bounds of propriety. They have attacked Mrs. Nixon, who, as far as I have been able to determine, is really a moral woman of the highest type.

They have attacked little Julia Eisenhowever who has stood and fought for her father, fielding the most difficult and sometimes insulting questions that have ever been perpetrated in the human mind, and she has never lost her composure.

If the President deserves to be charged with impeachable offenses, this will be brought out by the Judiciary Committee, but until this is done, and unless a conviction is made according to the Constitution and the laws of our land, he is to be considered innocent. But, as yet, I have seen no impeachable offenses come over the horizon.

We can say that he was ill-advised, that he was inept, and that he had a court of inexperienced political neophytes about him. But to say, at the present time, that he is guilty without definitive proof is impossible. Yet we all know that he has been called every vicious, abhorrent name imaginable. Let us bring to a conclusion this part of the discourse which I am making by saying that any man is presumed innocent until proven guilty. If he should resign at this time, it would be taken by many to be an admission of guilt.

Now let us dwell for a little while upon the positive accomplishments of this administration:

First, an end to our participation in the war in Vietnam, and our POW's came home proudly saluting the flag.

Second, substantially improved relations with the People's Republic of China.

Third, détente with the Soviet Union.

Fourth, improvement of conditions in the Middle East.

Fifth, reestablishment of diplomatic relations with Egypt.

Sixth, improvements in social and health programs.

Seventh, jobs.

Eighth, hospitals.

Ninth, vocational schools.

Tenth, pure water and sewage treatment systems.

Eleventh, roads and parks.

Twelfth, significant increases in social security benefits and veteran compensation and pensions.

Further, the little country of Israel, established in 1947, and whose existence was guaranteed by practically every major country in the world, was attacked on the day of atonement, Yom Kippur. We gave assistance to this little country. Without our aid, it would have been destroyed and as a result an oil embargo was enforced by the Arabic countries against the United States. Of course, this precipitated the energy crisis. And I know that all of you remember the long lines in Washington and in its environs in which people waited for gasoline by means of which they could be propelled to and from their work.

I know that many of you traveled, as I did, about the country on the weekends and saw the numbers of people registered at our motels decimated, reduced by at least 90 percent. We saw the wonderful cooperation of the American people. On our Interstate highways, very few cars were seen. Part of this was because of the cooperation of the American people, much of it was caused by the unavailability of gasoline.

Through the efforts of the present administration and our Secretary of State, Mr. Henry Kissinger, the oil embargo was lifted, peaceful relations were established between Egypt and Israel, and peaceful relations are in the process of final agreement between Syria and Israel.

There is no question but that a deep depression would have come to pass within the United States if the oil embargo had been maintained.

I submit that these agreements have resulted in the greatest diplomatic accomplishments since the days of Disraeli, or perhaps in history.

But we never read in the Washington Post or the New York Times of what the administration has really accomplished. All we see in the papers is some article castigating the President of the United States. But let us remember that without these diplomatic maneuvers we at the present time would be in the depth of a depression with hundreds of thousands of people out of work. You and I would not have gasoline to get to our places of work each day.

It is evident that some of the newspapers published in this country have hated Richard Nixon for many, many, many years because he uncovered the conspiracy of Alger Hiss, and because he defeated the darling of the liberals, Helen Gahagan Douglas.

And I see among my own party, the party of Abraham Lincoln, Republicans cowering in their dens, afraid to speak up as to what this administration has accomplished.

We are all cognizant of the fact that Abraham Lincoln too was criticized more bitterly in the press than any man in the history of the United States prior to the present time. He was called a monkey, an ape, a baboon, a country lout, and at the pinnacle of his career he was knocked down by an assassin's bullet. And only then, and after that, was it recognized that the man who said, "Let us have faith that right makes might, and in that faith let us to the end dare to do our duty as we understand it," was our country's greatest American.

I have been in the White House during the present administration and during the previous administration, and I have heard words that would curl the hair and burn the ears of a muleskinner.

Although I am a physician, I have been interested in politics for many, many years, and I have been actively engaged in every election since I was able to cast my vote. And in all of them, each and every one, I have seen things done which should not have been done. And I say to you here today that if you are without sin, then you can cast the first stone. Until the evidence is in, and the Judiciary Committee submits its findings, it behooves each and every Member of this body to withhold his judgment and judge not that you be not judged. For with what judgment you judge, you shall be judged: and with what measure you mete, it shall be measured to you again, full measure pressed down, heaped up and running over.

Members of the Republican Party who work in our system throughout the United States will not look kindly on those of this faith who prejudge.

Republicans should cast aside the cloak of guilt and focus upon what is right with America.

It is said that Mrs. Nixon and her lovely daughters have received gifts from foreign countries. And that these should be made the property of the State. This, I do not deny, but if I recall correctly, one of our former President's wives visited in India and was showered with gifts of all descriptions, and among those gifts was a fine, Arabian gelding. I never heard of any of these gifts being turned over to the Federal Government. And if you use the same measuring stick as you have against Mrs. Nixon and her daughters, then you must admit that those gifts should have become the property of the Federal Government. However, our liberal limousine press never once, to my knowledge, mentioned one word concerning the ownership of this property.

This is just another indication of how the press does not only want to impeach and convict Richard M. Nixon, it is evidence of the fact that they would roast him over a slow fire. And this, I submit, is unfair, unusual, and inhuman treatment.

I pray that strength, stability, and sound judgment will prevail.

Mr. KEMP. Madam Speaker, will the gentleman yield at this point?

Mr. CARTER. I am happy to yield to my friend, the distinguished gentleman from New York.

Mr. KEMP. Madam Speaker, I would like to express my regard for the gentleman and my agreement with the statement he is making here today. The gentleman in the well of this House is known for his integrity and for his conscience. I greatly respect and admire him.

The gentleman is saying something here today with which I fully concur. That is that it ill behooves a Member of Congress to be making a prejudgment on this issue, putting his feet in concrete, as it were, as to what the final constitutional judgment will be, until all the evidence is forthcoming from the investigations that are going on. To do so is to violate the oath of impartiality that we as potential jurors must accept as our role in this process.

Many of us in this legislative body are finding ourselves in a highly charged political climate, the likes of which probably have not been paralleled since the time of Abraham Lincoln and Andrew Johnson. There are many of us on both sides of the aisle today who are, I am sure, deeply concerned about reelection.

I have given a great deal of thought, not only to what the gentleman is saying here today, but as to how, in agreement with my own conscience, I will be making these historic decisions. They must be made on constitutional grounds. I would just emphasize and try to give as a piece of advice to my own colleagues the thought that it makes no sense to be calling for the resignation of the President. Resignation would lead to a great deal of cynicism and doubt in this country as to the ultimate ability of our Constitution, to which we owe our allegiance, to continue to serve as the foundation stone for our process of government and justice.

I would just say to the Members of my own party publicly—and I have said it before—that they should be exhorted to work hard this year, to work harder than they have ever worked before.

Members should emphasize the places where they can agree—as well as also emphasize those areas where they may disagree—with the administration. I am sure the gentleman in the well, for one, has some, and I have some myself.

I believe we should allow—require—our constitutional system to work. If the President is willing to put himself in a situation where he is relying on the Constitution to work, it does not behoove us to either call for his resignation or to use other extra-constitutional means to resolve the issue.

I am proud of this system. I believe it is working, and I know in the final analysis a judicious and expeditious investigation is in the best interests of the President.

This body, the gentleman in the well, and all of us on the floor today, owe our allegiance to the United States of America even before allegiance to our own party.

I appreciate the gentleman's statement, and I want to commend him for taking this time.

It is obvious that this House is moving toward eventual resolution of the pending inquiry into the possible impeachment of the President.

I think it wise, therefore, to pause and reflect upon the responsibilities of a Representative—each and every one of us as individual Members of the House—in the conduct and resolution of this inquiry.

The Committee on the Judiciary is still gathering information deemed by the majority of that committee to be essential to its inquiry. No one now knows, of course, when the committee's investigation will be concluded and when it will begin considering, item by item, the specific weight behind each allegiation of an impeachment offense made against the President.

I support an investigation by the committee and voted for funding such an investigation. I feel that only a full, fair, and speedy investigation will restore the people's confidence in the Office of the Presidency, a confidence necessary to the stability of our form of government.

Until the air is cleared on this issue, our entire machinery of government and society is impeded. That is why I hope the committee's investigation will come to a conclusion at the earliest possible date.

As we move toward settlement of this issue, I think it is important to state what I see to be the nature of our responsibilities.

Our situation in the House is analogous to that of a grand jury in a criminal proceeding within our judicial system. There—and here—the evidence is presented to a body whose sole responsibility it is to determine if the weight of the evidence supports an actual trial. If the House feels that it does, then it accepts the bill of impeachment and the matter then goes to the Senate where the actual trial of impeachment is conducted.

The role of the Senate is like that of a trial jury. It must actually decide guilt or innocence with respect to the specific allegations contained in the bill of impeachment sent to it from the House. Removal from office, by vote of the Senate, does not constitute a conviction, for actual convictions of criminal or civil offenses is a matter for the courts of the land, not the legislative branch of Government. Removal from office, by vote of the Senate, is simply that: Removal from office.

Many responsibilities rest with each Member of the House in his role in voting for or against the bill of impeachment. Transcending all of those responsibilities is the notion of due process—of fair play—and the principle that one is innocent until proved guilty. We owe it to ourselves, to our constituents, to the President, and to posterity not to make prejudgments on impeachment, until all the facts are in. In my opinion, it is as wrong for a Member to make such a prejudgment as it would be for a grand juror to make such a prejudgment before all the facts are in. And, surely, the facts are not all in on the impeachment matter.

It is not only unfair but in derogation of our constitutional responsibilities for Members to act on any basis other than an examination of all the evidence when that evidence comes to us at the conclusion of the committee's inquiry.

We would be abhorred if grand jurors were making up their minds and announcing their decisions and judgments before all the evidence was in during a criminal inquiry. As a matter of fact, under our laws and rules of procedure, such a person would be disqualified from serving further upon the grand jury. It is, I suggest, as wrong for us in the Congress to make up our own minds on impeachment before all the evidence is in as it would be if we were serving on a grand jury.

Mr. CARTER. I am certainly happy to have the gentleman from New York agree with me. I must state that his words were very meaningful and well expressed.

I now yield to the distinguished gentleman from Indiana, (Mr. LANDGREBE).

Mr. LANDGREBE. I thank the gentleman for yielding.

I must say I have a great deal of respect for the gentleman in the well. He is one of the fine men in this Congress.

Does the gentleman remember any talk of impeachment following the announcement of the Nixon doctrine that proved to be so successful in southeast Asia?

Mr. CARTER. I do not recall that I remember any call for impeachment, although at that time I do know certain Members of the House indicated even earlier, before mention was made of Watergate, that they were for impeachment.

Mr. LANDGREBE. Well, the general public was not clamoring for the President's impeachment because of the successful Nixon doctrine. In other words, what I am trying to point out here, Dr. CARTER, is that in my observation certainly no one called for his impeachment on the day that he gave the posthumous awards to families of deceased veterans at the White House.

Mr. CARTER. Absolutely not.

Mr. LANDGREBE. It was really a very difficult chore for that great man. I was there at the time.

The point I am trying to develop here is that the President really did not feel the storm of the impeachment promoters until he had vetoed a couple of big spending bills. The President, of course, began his term in office with a call for and a determination to have a balanced budget even with the war in Vietnam going on. That was his one big mistake, because it was totally impossible to balance the budget with an expenditure of $30 billion a year going on in this war in Vietnam, which he did not start. Anyway, we come down to the situation today.

I want to go back to one point I want to make in this discussion. We have a penalty which can be exacted, and that is impeachment. We have a call being made on the President of the United States. We will have no charge placed against this man nor has he been convicted of any charge. In Indiana we cannot hold anyone, no matter how much evidence there is, unless we place a charge against him in 24 hours or less. He cannot be held if we do not place a charge with 24 hours. We have spent literally millions of dollars trying to find a charge to place against this man that we can really make stick. If there is anything on the horizon to show that or that hints that there is a charge that can be made to stick, it has not even been whispered in the Halls of Congress. Has the gentleman heard one charge that might relate to an impeachment proceeding?

The people say, "On what charge?" And he says, "On any of 40 charges." But he never is specific.

This, again, is the President of the United States, the man that the people of America elected just 1½ years ago with the greatest majority in the history of our country, and in the State of Indiana with a 650,000 vote majority. And the war was not even over yet, the boys were not home yet.

Mr. ROUSSELOT. Madam Speaker, will the gentleman from Indiana allow the gentleman from Kentucky to yield to me so that I can cover one point?

Mr. LANDGREBE. Certainly I will permit the gentleman in the well to yield to the gentleman from California. However, I have not completed all of my remarks as yet.

Mr. ROUSSELOT. Madam Speaker, I appreciate the gentleman from Kentucky and the gentleman from Indiana yielding to me. I want to thank the gentleman from Kentucky for taking this time.

The point has just been raised that a basic precept of our country; namely, that a man is clearly innocent until he is proven guilty, has not been practiced in a very even-handed manner by some of the Members of this House, by the press, or by various public spokesmen. It is incredible to many of us that the so-called champions of civil rights, or those who claim to be the champions of civil rights, especially from the other side of the aisle, are constantly shrieking from the roof top about all kinds of things that they think are wrong about the President's past actions, and yet they cannot produce any real hard evidence. As a matter of fact, these voices of gloom and doom as the gentleman from Indiana (Mr. LANDGREBE) has inicated do not seem too much interested in the President's civil rights, just the allegations. I realize that many members of the Committee on the Judiciary who do believe in civil rights in some cases have withheld making any comments, or judgments, because they want to see the facts and the evidence.

I think the point that the gentleman from Kentucky (Mr. CARTER) makes, and the point the gentleman from Indiana (Mr. LANDGREBE) also outlines is correct, and are ones that have not really been adequately covered by members of the press. These are the same members of the press, who claim to be great champions of civil rights, and who are so quick to place before the public hearsay material on allegations that cannot always be substituated, and make it appear that the President is guilty when the actual hard evidence has not been adequately produced.

So, Madam Speaker, I compliment my colleague, the gentleman from Kentucky (Mr. CARTER) for taking his special order today, and for trying to bring forward some of the positive and constructive things the President has done.

The gentleman has supported, as I have, many of the Presidential vetoes that were clearly called for, because there was a vast over expenditure of funds on the part of the Congress through various appropriation bills and, therefore, we had to sustain those vetoes. For whom? For the taxpayers, for the average citizens of this country, who are so overwhelmed by a congressional imposed tax burden.

So, Madam Speaker, I think the gentleman from Kentucky and the gentleman from Indiana both can be complimented for bringing out the important point that it is a basic precept of our country, and the bulwark of our whole way of life, that a man is clearly innocent until he is proven guilty. Until the evidence is presented in a judicious and fair manner, we in the Congress should not be a party to the howling political lynch mobs or the hearsay that continues to go on and on endlessly. We are hopefully that the press will exercise greater restraint and be more responsible in the way it handles this impeachment matter.

Mr. CARTER. Madam Speaker, I want to thank my distinguished colleague from California (Mr. ROUSSELOT) and to ask the gentleman, if the gentleman would not mind answering, as to whether he does not think that the press sets a double standard for certain people? Is that correct?

Mr. ROUSSELOT. I do not think there is any doubt about the fact that on many of these issues there has been a double standard. Nobody can complain when the press, either editorially or through articles, brings up items that should legitimately be brought to the public's attention, but when they try in the same voice to clearly condemn and convict without hard evidence, then I think that is a double standard.

Mr. CARTER. My point is this: that Mrs. Nixon and Julie have been criticized for gifts which they received, and it was stated in the press that they should turn them back to the Federal Government, probably to the Archives. They may be right legally, but I remember quite well just a few years ago when one of our First Ladies visited India, and at that time was presented with many gifts, all sorts of gifts, including an Arabian gelding, tiger cubs, and so on, but I have never heard of any of those gifts being sent to the Archives or being turned over to the Federal Government. Has the distinguished gentleman from California heard of this?

Mr. ROUSSELOT. No; not to my knowledge.

Mr. CARTER. Is that an example of a double standard?

Mr. ROUSSELOT. It is indeed.

Mr. CARTER. Indeed, instead of any complaint, this was discussed in a praiseworthy way, that these things had been given.

Mr. ROUSSELOT. Another note on gifts and trophies. I am waiting for Jack Anderson to do a column on the annual Washington Press Club golf tournament, and on the gifts and trophies—and where they come from. I can hardly wait. He always goes into the congressional golf tournament with great alacrity to show where those gifts come from. But I think that we should have a full exposure soon about all the gifts that the press gets, in this local golf tournament, and more important where all these gifts originate. I am sure the public will want to have all of those facts.

The standard of "full disclosure" should be applied equally to our good friends in the press who demand "full disclosure" for public officials.

Mr. ARENDS. Madam Speaker, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Illinois.

Mr. ARENDS. I thank the gentleman for yielding.

Madam Speaker, I should like to join my colleague in commending the gentleman for the statement he is making here today, because today he is taking a positive approach to some of the matters that are of grave and important concern to the American people.

The gentleman touched upon one thing that I think about so much; namely, foreign policy and what is happening today in a troubled, upset, and disturbed world. In this instance we see the President of the United States doing what had not been done over a generation past—bringing about peace, peace for this generation and generations yet to follow—the first man who may go down in history as the individual who brought peace to this world for the first time.

To me this is the overriding issue of all issues and the thing which the American people should be paying some attention to. I heartily commend the gentleman again for the position he has taken here today.

Mr. CARTER. I thank the distinguished gentleman from Illinois. I wish to say that what he has said is the truth. Our administration has sought to achieve the peace and has achieved the peace. But yet the press does not praise the administration for what it has done. It fails to do that, and that is the negative instead of the positive approach to accomplishments.

Mr. ARENDS. Let me say I would be delighted to pick up the paper tomorrow morning and see the statement of the gentleman on the front page. That would be delightful.

Mr. CARTER. It would be on page 14, I am sure.

Mr. LANDGREBE. Madam Speaker, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Indiana.

Mr. LANDGREBE. I thank the gentleman for yielding.

I really appreciate the assistance of the gentleman from California in helping to develop in a clearer manner what I was trying to touch upon. We did not have a very lengthy debate today on our great deficit, now approaching half a trillion dollars. This is of concern to people, and even people in government are starting to realize that we are coming to the end of our rope.

I have just a quick question. Does the gentleman feel that the millions that have been spent looking for a charge to place against the President have helped to ease our deficit, or the preoccupation of this Congress over the months with Watergate, in addition, it seems, to the courts carrying on and sending Magruder, and this man and that man to jail for 10 months or 10 years, and people being indicted? And while all of this is happening in the legal processes, this Congress has been preoccupied with it, too. What benefit has it been to the people through that preoccupation; can the gentleman tell me?

Mr. CARTER. Of course, they have been striving to find out if there is an impeachable offense. As I said, they have not found it. I trust they will come to a conclusion and that the Committee on the Judiciary will give us a report on which we can act, basing our judgments on what we think are right, and measuring our judgments carefully.

I trust that we will do that so that we can get along with the business of our country. We have many problems which we need to attack.

Mr. LANDGREBE. In response to the gentleman's invitation to join him, I really did so to make just one point. I could not resist discussing some of these other things. I wish to point out, No. 1, that I have been in the presence of the President a number of times. I have never heard him say even one "damn it." I have never heard a lewd story told at any formal meetings at the White House, formal entertainments. I have always been impressed with the respectability of President Nixon, his wife, and his very lovely daughters and sons-in-law. But this brings me to a point.

When I was first elected to Congress—in fact, when I arrived in Washington—I was amazed at the stacks of mail waiting for me on my desk. Many, many of those pieces of mail included packets of pornographic material that had been delivered through the Postal Service to people in my district.

One was especially vulgar, particularly profane, some of the Swedish true pornography which had been sent to a Boy Scout. Somehow those people had gotten a list of the names and were sending this sort of stuff into the homes. During the first few months and perhaps up to the first year of my service in the Congress I was receiving one such piece of mail a day, or four or five a week, and I sent all those to the Postal Department, except those extremely pornographic and those I sent to the White House, to the attention of the President.

I will ask the gentleman how much of this material he has received in the last few months. But before he answers I would like to tell the gentleman we have not had one piece of such mail sent to my office from the irate people in my district in a year. This is just one of the tiny but important things that has happened to our country during the Nixon administration. However, that was truly dynamite and the Nixon administration got rid of it.

How much of that material has the gentleman had in his mail in the last few months or year?

Mr. CARTER. None that I recall.

I thank the gentleman from Indiana.

GENERAL LEAVE

Mr. MARTIN of North Carolina. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

OUR SYSTEM OF GOVERNMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I would like to call to the attention of my colleagues the remarks made on May 13 over station WMAL by Joseph McCaffrey, our well-known Washington commentator.

Joe McCaffrey has always been factual in editing his remarks with reference to the U.S. Congress and the Members serving in the Congress.

The editorial commentary on our system of government which he delivered on May 13 was, in his usual style, factual, and timely, and it went to the heart of the issue.

It is for these reasons that I call it to the attention of my colleagues. The McCaffrey commentary follows:

COMMENT BY JOSEPH MCCAFFREY

Richard M. Nixon may or may not resign the Presidency.

Although support for him within his own political party erodes more with each passing day, the decision when it is made will have to be made by him.

In the meantime Americans should give thanks to those fifty-five men who put together this system under which we live. This system which is so strong, so resilient that it can survive a politically wounded president.

In 1787 when those men met in Philadelphia, they could not have known the dilemma their country would be in 187 years in the future; in 1974 when faith and trust in the leading principal would be at an all time low.

But, with some strange prescience those fifty-five men crafted a system which would protect the country they loved from grinding to a halt when the man who happened to be at its head had come a cropper.

This July 4th we should devote more than the usual perfunctory bow to those who shaped the constitution. If it hadn't been for their great genius we would be in a very bad way today, if we had survived until today. That we are able to overcome the disaster we now face, and that we have come along so well over the last 187 years is due to those fifty-five men who met in the Federal convention in 1787.

Thank God for the system they brought forth!

It serves us well today.

VETO THREATENED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RANGEL) is recognized for 10 minutes.

Mr. RANGEL. Mr. Speaker, President Nixon yesterday threatened to veto the education bill unless the House-Senate conference committee modifies particular provisions of the Senate-passed version. Mr. Nixon specifically attacked the Senate antibusing amendment. He prefers the House measure, which forbids courts to order busing of children to achieve desegregation beyond the school closest or next closest to their homes and would reopen all busing orders which violate the House prescription. The Senate forbade reopening of past cases and said that courts could ignore the antibusing strictures if they believed black students' constitutional rights were being violated.

Mr. Nixon's most recent attack on busing indicates his continued reliance on the techniques of Watergate politics. He is trying to curry favor with conservatives by an appeal based on emotionalism, not fact. In his statement yesterday, Mr. Nixon referred to "busing to achieve racial balance," and "massive forced busing." His facile, loaded presentation of the issue was designed to arouse the fears and prejudice of Americans. In fact, as Mr. Nixon well knows, "busing to achieve racial balance" is not now, and never has been, the issue. Mr. Nixon used the phrase to raise the totally imaginary specter of massive, forced busing across districts and even States. No court to date has ordered such busing, and no court is likely to. It is a false and misleading issue.

As Senator BROOKE pointed out in his Senate speech against the Gurney amendment, 20 million children ride schoolbuses each day. The Supreme Court ruled in North Carolina State Board of Education against Swann that busing is "an integral part of the public education system." The Court found "no basis for holding that the local school authorities may not be required to employ bus transportation as one tool of desegregation," and stated that "desegregation plans cannot be limited to the walk-in school." Here lies the crux of the issue, which Mr. Nixon's insidious rhetoric so neatly avoids. Will we deny black students their rights under the Constitution? Will the Congress force the Supreme Court to rule once again that courts must be allowed "breadth and flexibility"—Swann— in determining what measures are necessary to achieve constitutionally mandated desegregation?

The fact that I feel compelled to repeat these arguments, familiar to all informed students of desegregation and busing, is an indication of the dangerous nature of Mr. Nixon's attack. Once again, he is trying to undermine progress toward a truly integrated society and equal education for all schoolchildren. He is playing on the groundless fears of the people and the political fears of Members of Congress.

In addition, Mr. Nixon is once again attempting to interfere in the legislative process. He threatens us with the power of the executive branch. But Congress can, and must, resolve this issue independent of Mr. Nixon. The House and Senate conferees must not allow Mr. Nixon's grandstand play for popularity to affect their rational, sensible consideration of the education bill and its amendments.

One branch, at least, must join the Supreme Court in upholding the Constitution. Black students are entitled to constitutional rights. Mr. Nixon's calculated political appeal does not change that fact. It merely indicates once again the President's willingness to use any and all means to achieve his dubious ends.

1,000 PAY TRIBUTE TO DR. JAMES W. REDMOND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, last Saturday evening, May 11, 1974, it was my pleasure to attend a testimonial held in Milton, Mass., in honor of Dr. James Redmond. Dr. Redmond is a well-known and greatly admired doctor in my district; he is also a friend of mine. His dedication to the people of Milton and South Boston should serve as an inspiration to doctors across the land. I would like to insert in the CONGRESSIONAL RECORD at this point an article from the Quincy Patriot Ledger of May 13, 1974, concerning the testimonial held for this fine man:

1,000 PAY TRIBUTE TO DR. REDMOND

MILTON.—About 1,000 persons paid tribute to Dr. James W. Redmond of Milton and South Boston Saturday night.

Dr. Redmond, a pediatrician, practiced from his family home in South Boston for the past 47 years, as did his father before him from 1898 to 1927. The testimonial buffet dance, held in St. Agatha's parish center, was on the occasion of his 74th birthday, which he will celebrate later this month.

PROCLAMATION READ

Selectman Ralph Kent commented it was nice "so many people haven't forgotten one of the grandest men God ever made." Mr. Kent read a proclamation from the town of Milton naming Saturday Dr. James W. Redmond Day.

Rep. Michael Flaherty, D-South Boston, brought the congratulations of the Massachusetts House of Representatives in recognition of the doctor's many years of child care. Rep. Flaherty presented the proclamation which will name the South Boston Health Unit on Dorchester Street the "Dr. James W. Redmond Health Unit."

Councilor Louise Day Hicks said she owes her life to Dr. Redmond and added that although Saturday was Dr. Redmond Day in Milton, every day is Dr. Redmond Day in South Boston.

The naming of the health unit was voted unanimously by the House as a result of Mrs. Hicks' motion to the city council.

Mrs. Ronnie Barrett, mother of nine, summed up the feelings of most when she said if onyone ever finds another Dr. Redmond, send him to South Boston because they need him.

Dr. John Todd, toastmaster, read a telegram from the Boston City Hospital Nurses Alumnae Association commending Dr. Redmond for his constant cooperation and help while on the staff and as pediatrician-in-chief at that hospital. He also read a letter from the Rev. Fr. William Hunter, S.V.D., a family friend stationed in Rome, who sent his good wishes.

FAMILY

Sharing in the tribute were: Mrs. Redmond, the former Helen McLoughlin; their daughter, Miss Mary Louise Redmond of Boston; two sisters, Miss Mary Redmond and Miss Margaret Redmond, both of South Boston; a brother, Paul Redmond, and his family of Southboro. A third sister, Miss Helen Redmond, of New York was unable to attend.

Also in attendance was the Rev. Fr. Robert Hunter, S.V.D., of New York, a long-time family friend as well as clergyman from Milton, Scituate and South Boston, physicians who were associated with Dr. Redmond during his long career. Sisters from St. Margaret's Hospital, where he also served as pediatrician-in-chief and other dignitaries from both communities.

The majority, however, were persons whom Dr. Redmond took care of as children and their children. The children, most with families of their own, listened to anecdotes about the doctor and how much he gave of himself to his chosen career.

A portrait of Dr. Redmond, by Mrs. Mary Jacobs, a Winchester artist, was displayed. It will hang in the South Boston Health Unit which will be dedicated later this month.

The ceremonies concluded with the presentation of a silver Paul Revere bowl from Mayor Kevin White by Mrs. Hicks. Dr. Redmond then greeted his many friends.

HONOLULU POLICE DEPARTMENT SUCCEEDS WITH COMMUNITY RELATIONS EFFORT TO REDUCE YOUTH DELINQUENCY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 5 minutes.

Mr. MATSUNAGA. Mr. Speaker, a recent issue of FBI Law Enforcement Bulletin boasts an article of which I and the people of my State of Hawaii are immensely proud. The story it tells is of a program initiated by the Honolulu Police Community Relations Department which I believe is worthy of emulation by police departments across our land.

One of the major problems confronting law enforcement today, one that has escaped solution in many cities and towns across the United States, is the increasing void of communication between the police and the people they protect. This communication gap has in many cases, been caused by police departments themselves, as modernization and progress in law enforcement techniques have withdrawn police officers from personal contact with the general public.

In Hawaii, a major effort has been made to bridge that widening gap by reaching the youth of the community, and it has been successful. The Honolulu Police Department, through its progressive-thinking chief, Francis A. Keala, and Sgt. Harry Chinn of the Community Relations Department, has developed and conducted a remarkable program of community relations second to none in the Nation. This program has benefited both police and youth, fostered mutual understanding of the duties of the officer and the problems of city youth, and has resulted in substantial decreases in youth arrests where the program has operated.

In my view, the Honolulu Police Department has proven that respect for the law and the law enforcer is not gained by bullets and clubs, but through mutual understanding and communication fostered by enlightened police officers and open-minded administrators.

It is with a great deal of personal pride in a truly commendable organization, the Honolulu Police Department, that I submit this article from the FBI Law Enforcement Bulletin for the RECORD:

LAW AND JUSTICE AWARENESS PROGRAM

(By Sgt. Harry J. Chinn)

Hawaii, the paradise of the Pacific and long considered the utopia of racial equality and harmony, suffers its share of crime and violence. Its capital city of Honolulu is constantly growing as new people arrive every day. Like other cities faced with rapid growth, we have increased problems of insufficient housing, unemployment, welfare, and racial disharmony. The manifestation of these sociological factors in crime and socially aberrant behavior ultimately has an influence on youth.

The Honolulu Police Department has recognized that youth are in turmoil about values and lifestyles, and since they reject many authorities, they may reject or resent even more the authority represented by those who enforce the law. The growing influence of youth permeates every aspect of our culture. The impact of youth on fashion, entertainment, political processes, and morals is inescapable. The course of action is quite apparent. Youth must be made aware of the necessity of the law and its total effect upon their environment. They need to be exposed to the truths and fallacies, not only of the police and the law, but of social and ethnic relations as well.

The Police Community Relations Division and the Model Cities Law and Justice Citizen Task Force agreed that a comprehensive plan for formal education in law and justice was needed to meet this challenge. As a result, the law and justice awareness program was implemented. In September of 1972, the law and justice awareness program, along with the college opportunities program, was recognized nationally as one of the outstanding Model Cities projects by the National Model Cities Directors Association.

The inception of the Model Cities police-community relations program in 1969 included two components: (1) the neighborhood safety community service aide program, and (2) the law and justice awareness program. These projects were established as an attempt to improve police-community relations and to reduce and prevent deviant or delinquent juvenile behavior. The neighborhood safety aide component was terminated in 1972 for several reasons; however, some of the experiences and ideas generated by the project were later utilized in developing an expanded community relations program.

THE PROGRAM

The law and justice awareness program was implemented through the public school system in the Model Neighborhood Areas. The school, as a cultural liaison between our society and our youth, is the best equipped resource to impress upon our youth, and the general public as well, the necessity for a lawful society. The program curriculum is designed to provide a comprehensive program of formal instruction for the three educational levels—elementary, intermediate, and high school.

Some objectives of the program are:

To develop an understanding of society based upon justice, the process by which laws are established, and why laws are necessary.

To develop a positive attitude toward upholding law and to strengthen the relationship between law enforcement and the community.

To provide students an opportunity to ask questions and express their views in a relaxed setting which promotes police-youth interaction.

Although the objectives parallel those of other school programs, the officer-instructor's approach and expectations of students differ considerably. The emphasis is primarily on creating the kind of atmosphere necessary to establish a genuine relationship between the officer-instructor and the student, rather than upon the academic phase of the lessons. The officer-instructor visits parents of all participating students to encourage and facilitate this relationship further. In addition, followup counseling is extended to students with problems that could not be corrected either by the regular school guidance system or by parental direction. Once established, this rapport provides the avenues for the student to reach a level of awareness where he can appreciate the human aspect of the law and those who enforce it. The basic method involves discussions and dramatizations by the students of real-life situations involving citizens and law enforcement officials to sensitize them to the problems inherent in these situations. Students thus come to their own conclusions as to the role of the law in society.

The duration of the course is approximately 40 hours, and the highlights of the curriculum are as follows:

Introduction to the function of law enforcement. Youth discussion of their own losses due to theft, and discussion regarding causes and prevention of theft.

Personal responsibility. Problems of an individual's reputation as affected by friends' deviant activities; dangers of environment and character weakness which lead to negative labeling and trouble with the law.

Regulatory agencies and the law. Discussion of offenses resulting from unethical business and professional practices, as well as violations of municipal codes, such as sanitation regulations.

Meaningful community involvement. Discussion, with case histories and personal experiences of students, of apathy and unwillingness to become socially involved; discussions of heroes who did become involved; volunteer and charity programs.

Understanding the role of the police officer. The police officers' approach to groups, gangs, and individuals; dangers and other factors which affect the police officers' behavior; dramatizations.

The lawmaking process. Anarchism; how laws are estblished in other societies and how they differ from our own.

Understanding the administration of justice process. Mock courtroom situations with discussion of decisions; open discussions for creating new ideas and approaches to solve problems which face the community and the school; how we can help family and friends to understand the functions of law and order.

The learning process is further reinforced with field experiences to coincide with relevant lectures and discussions. Field experiences include tours of the district, family, and circuit courts; the State capitol; and even the military complex at Pearl Harbor. The trip to Pearl Harbor and the U.S.S. Arizona Memorial there is scheduled to focus upon the concept of "meaningful involvement and responsibility." This visit has the effect of dramatizing the point that maintenance of our free society has in the past required, and will in the future require, determined effort and sacrifice.

SPECIAL TECHNIQUES

Special classroom techniques are designed to increase program effectiveness. It is clear that words alone cannot make an individual aware of the problems of the police officer. To create a realistic approach to the problem through education, drama is utilized in the curriculum. The class is divided into three groups, and each group is given an assignment to dramatize a realistic conflict situation. For example, one group is instructed to act out a noisy party affair, another to portray a college student protest demonstration, and the third still another situation. The students are instructed that, during this performance, they will be confronted by the officer-teacher as if he were a patrolman on the beat. They in turn will react to the officer as they have seen adults reacting in similar situations.

During the presentation, emotions sometimes surface and occasionally get out of hand. Hostility toward the officer is unmasked. In such instances, one of the remaining classmates is asked to play the role of the police officer. The students take it from there.

This kind of confrontation through role playing often exposes prejudices and misconceptions to more meaningful examination. In one critique after a dramatization, a student who was known for his resentment toward the police was asked how he felt about the reenacted episode. He answered, "Now I know why the policeman had to use force to carry out his duties." These sessions have truly made it possible for the youth to emphasize with the police officer and understand his problems. The students also enjoy this method of learning by exploring in simulated incidents the problems of living and relating to people.

As a spinoff of this classroom activity, students at one high school have developed a musical drama "Who's Guilty?" The play portrays the problems of law and justice and also provides an opportunity for the students to put their natural singing and dancing talents to positive, creative use. This drama has been performed widely throughout the State of Hawaii and also was performed in Chicago, Ill., at the national Model Cities conference. The play has been filmed by the State department of education and will be used as part of the department's government curriculum.

The experience has had noticeable impact upon the 100 or so young people who have participated in the musical drama. Previously, many were unable to communicate well with other people, and others were considered to be behavior problems. The changes in their ability to relate to others, their improved self-confidence, and their more positive outlook, particularly of the future, have been amazing.

At the conclusion of each class, the students are given the opportunity to evaluate the program in an anonymous manner. The question "What do you feel are the most important ideas gained in the course?" is asked. One student answered, "To try to get along with other people, and policemen, and also to get a better understanding of what's going on in this world. Today there are not too many people who have learned about this. And I hope they could have this course in every school . . . so that the younger students, and the older students would understand and wouldn't get into trouble in the future."

Several events have occurred which have demonstrated the worth of this program. One involved a former law and justice awareness student, then a 9th grader at Nanakuli High School, who was instrumental in the apprehension of two "drug pushers" on the school campus. The student commented, "I learned from the law and justice awareness class to get involved and help keep our community free of drugs."

A total of 4,321 young people from the Model Neighborhood Areas have participated in the program. The most encouragin indication of the programs' success is the marked decline in the juvenile arrest rates in the two neighborhoods where the program operates. Comparing neighborhood statistics for fiscal year 1972–72 with those for 1969–70, which indicate the number of arrests per hundred population in ages 6–17, Waianae-Nanakuli has dropped from second to fifth place in the rate of juvenile crime for neighborhoods on the island. Kalihi-Palama, which was highest in the island's rate of crime in 1969, showed a decline in juvenile arrest of 21.1 percent. It is believed that this program has been a major factor in the decline. Of the students completing the course who had previous arrest records before enrolling in the law and justice awareness class, only 5.3 percent have been arrested again.

Like most new ideas, the program encountered stiff resistance at the outset. School officials and teachers tended to be highly skeptical about changes in the normal academic curriculum. Resistance to the program was strong. Insinuations were even made that the program was a form of propaganda rather than education. Some community members questioned police motives. However, with the aid of key individuals in the community, and the eventual success of the program, we have been able to overcome most negative attitudes. Overall, there has been a positive community response to the program. Many other school districts within the State of Hawaii have requested it for their schools.

EXPANSION OF PROGRAM

The Honolulu Police Department, in September of 1971, expanded the law and justice awareness program to schools, serving approximately 700 students annually, outside of the Model Neighborhood Areas. A unique phase of the expansion was the formation of classes for youngsters, both boys and girls, from the Hawaii Youth Correctional Facility. The results of these special classes have been gratifying in initiating constructive attitudinal changes among these young people.

Patrol beat officers with community relations training are now providing instruction in law and justice awareness classes for students.

Also a part of the expanded program is conflict intervention, which developed out of the experiences of the law and justice awareness program. Through a series of incidents and confrontations, the community relations specialists developed a dialogue with young gang leaders in the Waianae neighborhood concerning the future of youth in the community. As a result of these discussions, pushing of drugs in the schools, auto theft, and vandalism in the neighborhood were greatly decreased. Through increased awareness of their surroundings, positive involvement in community activities developed among many youth gang members.

Ongoing training sessions with community relations officer specialists are conducted during the 3-month rotation of beat officers into the community relations program. In addition to utilization of community relations programs, they are also assigned for purposes of orientation to other agencies and juvenile and adult probation counseling programs.

The officers who have so far participated in the program have responded positively. One of the officers who, proior to involvement in the program, had shown no interest in the community or youth problems, wrote this letter to the parents of youngsters involved in the law and justice summer youth program:

"Since our summer youth program is coming to an end, I just want to take this opportunity to say that it has been a pleasure and a great experience for me to work with your son (daughter).

"At the begining of the program, the kids were a little reluctant to openly express themselves. In time, however, we all got to know one another and the kids learned from the experience as well as me learning from them.

"I hope all that we have shared together will remain with us through the years. Soon, everyone will be going their separate ways, and I will be returning to my regular duty as patrol officer, but I'm sure we won't forget each other. If there is anything I can do for your son (daughter) at any time, please feel free to call on me."

Creation of this change in attitude in the patrol beat officer is, in itself, a major program achievement.

The significant aspect of this concept is the unique training interaction process of rotating beat personnel at the district level. This interaction creates an awareness in the individual officer of community relations objectives. More important, this program provides a practical setting for the police and community to explore and discuss mutual needs and goals.

The law and justice awareness program shows great promise; however, much work still is required to make it a permanent part of police operations. Perhaps, it will open the way for a more enlightened era of police-community relations.

REFORM OF THE COMMITTEE SYSTEM

(Mr. RYAN asked and was given permission to address the House for 2 minutes and to revise and extend his remarks.)

Mr. RYAN. Madam Speaker, I cannot let this opportunity go by as a new Member of the House without responding in kind I think to the types of comments that have been made by my distinguished colleagues on the other side. I think it is somehow symbolic that they have been reduced to the sorry plight of speaking to an almost empty House after everyone else has left.

In the case of the remarks by the gentleman from Texas (Mr. Steelman), he takes great pride in the fact that he seems to be for the reform of the committee system. Of course, that is very easy after the Democrats have had a caucus and by a very narrow vote referred the matter to a committee for further study, and they have already agreed to report it out at a later date. But at this time he says he supports reform. He goes no further. I am sure the comments he made must have been in previous years on the floor because I did not hear him support those kinds of reforms during consideration of the measure itself.

As one of those who voted for it not to come out of the committee, I would like to ask the gentleman if he supports the single committee concept in that report? Is he prepared to support the changing committee jurisdictions when and if the bill comes to the floor? I am sure he will approve the one-third minority staffing for the minority side because of course that is to their advantage. But I wonder about these other specifics. Or is the gentleman taking just an easy demagogic shot at the Democrats in their attempt to create some significant reform on the floor?

Let me go to the remarks of the distinguished gentleman from Kentucky (Mr. Carter), who had the good sense to refer to the great Republican President Abraham Lincoln and the words the gentleman said Lincoln quoted from the Bible: "Judge not that ye be not judged." And the gentleman proceeded to do just that by, among other things, calling a great lady from the State of California, from my State, who had the temerity I suppose one could say to run against the man now President of the United States, a "limousine liberal." I certainly have no limousine, and I think my liberal friends in my own Democratic district would hardly refer to me as their own kind of liberal.

I do want to take exception to that particular comment, because I think she was and still is a very great lady and would have made a great Senator.

I want to say in view of this——

Mr. CARTER. Madam Speaker, will the gentleman yield?

Mr. RYAN. I yield to the gentleman from Kentucky.

Mr. CARTER. Madam Speaker, a point of personal privilege. The gentleman has made some statements and I have a right to reply, according to the rules.

My quote to which the gentleman referred was not attributed to Lincoln, but was taken directly from the Bible, and certainly had no reference to him. Further, I really do not know whether the gentleman is a liberal or a conservative.

I only want to say that certainly I meant nothing derogatory about Mrs. Helen Gahagan Douglas. I am sure she is a fine lady and if hearty sorrow will be a sufficient ransom for offense, I tender it to my friend here. But as far as Mrs. Douglas is concerned, I doubt if she would suggest that she is not a liberal.

I did not mention any party, any Member of any party in a rough manner. I do not do that.

I happen to be one of these people who married a Democrat and I have great respect for my Democratic friends. President Johnson was very kind to me and to my district, and I have never nor will I ever make a disparaging remark on the floor of the House in reference to the late President.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

(By unanimous consent, Mr. Ryan was allowed to proceed for 2 additional minutes.)

The SPEAKER pro tempore. Does the gentleman from California yield to the gentleman from Kentucky?

Mr. RYAN. I would yield, if he wants to finish his comments.

Mr. CARTER. I have no further comment for the Record, unless the gentleman from California wishes to ask me something.

The SPEAKER pro tempore. Does the gentleman from California have a motion?

Mr. RYAN. Madam Speaker, I still have time. I wanted to make a couple of comments in reply to the gentleman from Kentucky.

The SPEAKER pro tempore. The gentleman from California has 1 minute remaining.

Mr. RYAN. I have 1 minute remaining and I would like to take that time and then make a motion.

I would like to point out that some of the comments were made perhaps in earnest, but without sufficient knowledge.

For example, the tiger cubs given to Mrs. Douglas were sent to the Zoological Gardens of the Smithsonian Institution in Washington and so on.

I think the nature of the comments made here have been partisan. They do deserve a reply and that was my attempt.

PETER KIHSS RECEIVES COLUMBIA JOURNALISM ALUMNI ASSOCIATION AWARD

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on May 9, Peter Kihss, a reporter for the New York Times, was honored by the Columbia Journalism Alumni Association. The association gave him one of its awards because "for 40 years he has personified the best traditions of the Graduate School of Journalism and of the profession itself."

I have known Mr. Kihss for many years and long admired his clear, fair, and accurate reporting for the New York Times. Perhaps most telling about Mr. Kihss' character has been his steadfast refusal during the past several years to accept the Columbia Journalism Alumni Association award, because he thought others were more deserving. Mr. Kihss' modesty is particularly striking in relation to his outstanding qualities as a reporter. This year the association was determined to give Mr. Kihss the award and so, did not tell him about it until it was too late for him to refuse the honor.

Peter Kihss is a general assignment reporter on the metropolitan staff of the New York Times where he has worked since 1952. He graduate from the Columbia School of Journalism in 1933 with a Pulitzer traveling scholarship. The Columbia Journalism Alumni Association award is not the first he has received as a reporter. In 1966 he won the Page One Award of the American Newspaper Guild for a story that he wrote on the 1965 blackout in New York City. He also won the Society of Silurians Award for the best editorial achievement in 1953 and 1966, the Chilean Order of Merit in 1950, and a Newspaper Guild commendation in 1955 for his reporting on civil liberties. In 1966, Mr. Kihss received the annual Mike Berger Award of the Columbia Graduate School of Journalism for distinguished local reporting.

I am delighted that Peter Kihss was given this most deserved honor by the Columbia Journalism Alumni Association. And I pay this tribute to him, because I know that many of our colleagues have a great deal of confidence in a story bylined by Peter Kihss.

BLESSINGS OF FREEDOM

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, with Memorial Day approaching, I am constrained to offer a wonderful sermon preached 4 years ago by Rev. Richard D. Ellsworth of Central College Presbyterian Church of Westerville, Ohio.

As a man of God, with clear vision of our national problems, Dick Ellsworth has a rare talent to bring the true message to the people and I am happy to share this fine sermon of May 31, 1970, with my colleagues:

Blessing Too Precious to Lose—"Freedom"

(Preached by the Reverend Richard D. Ellsworth at the Central College Presbyterian Church, Westerville, Ohio on Memorial Day Sunday, May 31, 1970)

Scripture, I Samuel 12:1–15

Text, I Samuel 12:7.

Our text for this morning is lifted from the context of our scripture lesson and is the statement of Samuel when he spoke to Israel saying: "Now therefore stand still, that I may reason with you before the Lord of all the righteous acts of the Lord, which He did to you and to your fathers." (King James Version)

It was a time of great crisis for the nation of Israel. A little over 200 years had passed since the Israelites had established themselves in Palestine. They had found freedom from slavery in Egypt, they had consolidated themselves as a confederation of tribes; but they were now facing some rather tremendous problems—problems which were threats to the freedom which they cherished.

There was a growing threat of the Philistines who had moved in and occupied the land to the west of the Israelites. The Philistines had a good strong foothold along the shores of the Mediterranean.

There was also the constant threat of the enemies who came from the east, attacking first one place and then another. It was just such an attack on the part of the Ammonites which had caused the various tribes of Israel to gather together under the leadership of Saul. But the people knew that even though the Ammonites had been defeated there were still the enemies that would come and threaten the existence of the nation.

Yes, there was the threat from the west, the threat from the east, and there were also internal problems and conflicts.

Freedom was cherished by everyone, but not everyone was willing to work unselfishly to preserve that freedom. All these things put together—the internal turmoil and confusion as well as the pressure of the enemy from the west and the pressure of the enemy in the east—put a great threat upon the freedom which had been given earlier to the Israelites by God.

And now because of the threats, the Israelites in order to maintain their freedom which was so precious to them, demanded a king. They wanted to go from a theocracy—where God ruled through the word given to His people by the prophets—to a monarchy—where there was a king. Other nations had kings. The Israelites wanted a king. They wanted a king who would provide a continuity of leadership; they wanted a king that they could see and around whom they could rally.

It was an opportune time, then, when the Ammonites invaded the land of Palestine and the cry went out for leadership—it was an opportune time for Saul to assume that role. He was chosen. The prophet Samuel put his hand upon him and said, "If a king is what you must have, then this is the man whom God has chosen.'

And the people looked to Saul to preserve and maintain their freedom. The people believed that with a king their troubles would end. He would provide the leadership; he would do all that was necessary to preserve their freedom which they had won even by paying the supreme sacrifice at times. They had endured hardship, they had fought, and they were free. Now they wanted a king to preserve that freedom.

Samuel knew better, however! Samuel had prophesied even before the people had chosen Saul to be king. He had told them that if they demanded a king rather than to accept that rule of God, they would have to pay the price that a king would demand.

Samuel reminded the people of Israel that a king would take their sons and appoint them for himself and for his chariots, and to be his horsemen; and he would appoint captains over thousands and captains over fifties; that he would use the people to get the work done and he would take the fields and the vineyards and demand the best of crops; he would take a tenth of the seed and of the fruit of the vineyard. In other words, there would be taxation and there would be conscription. And so it was.

There had to be. In order for there to be a strong central government there had to be financial support of this. If that is what the people wanted, then God told Samuel not to stand in the way—let the people have the king.

But here was Samuel once again, the king having been chosen in spite of his warning, in spite of the prophecy, here was Samuel once again warning the people.

He said to them in the words of our text, "Now therefore stand still for a moment, that I may reason with you, that I may recite for you some facts you need to know."

"What is the background for your freedom?" asked Samuel, and then he went ahead and answered, "The background for true freedom is God."

Remember your history; remember your heritage, said Samuel. Jacob had migrated to Egypt and there the people of Israel had been subjected to slavery—slave labor in the camps of the Egyptians.

But God had heard their voices and had come down to them. He had supplied them a leader in Moses and Moses had lead the Israelites out from under the bondage of Egypt, across the Red Sea through the barren wilderness until at last, under the leadership of Joshua, they had occupied and secured the Promised Land, the land of Canaan, the land we know today as Palestine.

When there had been enemy uprising against the people, God had raised up a ruler to deliver them. As long as the people put their faith and trust in God and obeyed His commandments, all went well. But when they turned from God and did not follow His guidance and His rulership, which was a rulership of the heart and of the mind and of the soul, then the Israelites lost their freedom.

"Time and time again," reminded Samuel, "You have turned from God; you have forgotten God; you have not followed God's way and God's rule, and things have gone poorly, and you have almost lost your freedom down through the years. Now you have chosen a king! Remember this—it is not the king who is the answer to the problems which face you. He can be useful, but remember that it is still the Lord God who is the center and who is the source of all true freedom. And," added Samuel, "if you will obey the voice of the Lord and not rebel against the commandments of the Lord, then that blessing too precious to lose, that blessing of freedom shall be yours."

Ah, how good it would be at this point to question Samuel for there seems to be a contradiction here. He says as long as there is an allegiance to, a loyalty to, an obedience to God, then there can be freedom.

But is that freedom, Samuel? Is there not a contradiction here? Are you not saying that one has to be a captive before he can be free?

And I wonder if we were able to ask Samuel that question if he might not reply, "Yes, that is true."

In the words of the hymn "Make Me a Captive Lord, Then I Shall Be Free"—this is the heart of freedom.

With some careful thought, perhaps we might come to that same conclusion.

What is freedom? What is this freedom about which we say so much in America? What is this freedom for which men down through the years have yearned and fought and suffered and died?

Freedom is more than just a collection of words. It is more than just an idea.

It is a way of life—a way of life so precious that men have suffered and died. We remember this Sunday morning those who have paid the supreme sacrifice. Many have paid the price in many different fields of battle, not always when a gun and cannon are fired, but sometimes in the courtroom, in the classroom, in the science laboratory the war for freedom is waged.

But this Sunday morning we remember in a particular way those who have been called into the service of our country and who have gone forth to serve in the name of our country. We remember those for whom such names as Verdun, Argonne, Belleau Woods, Chateau-Thierry, Pearl Harbor, Corregidor, Normandy, the Battle of the Bulge, Salerno, Iwo Jima, North Korea, South Vietnam, Cambodia—all have very special meaning.

We remember this day the young men down through the years who responded to the call of this nation. We remember these men and as we do I would suggest in the words of Samuel that we need to stand still for a moment and we need to consider once again what was meant by the word freedom for those who have gone and fought for it. We need to remember this nation and the principles upon which it was established.

Certainly many things have gone wrong; certainly many things are wrong! Certainly there have been times and there are conditions where there is not freedom and equal opportunity. But the particular system of government that has been established here is a system by which and through which freedom can be given and maintained and improved. I know of no other system which has worked as well.

I would suggest that in America today we need to stand still and remember our history. We need to remember that those who have paid the sacrifice paid it for a purpose. We need to remember that to tear down a system which has some faults in it is utterly ridiculous if there is not a better system to replace it.

We need to remember as Samuel reminded the Israelites that there are enemies—from within, yes, that need to be seen clearly—but also enemies from without. We cannot be blind to the Godlessness of communism and to its verbalized intention to destroy America and the freedom that has been purchased and maintained by those who gave themselves so nobly in years gone by.

Stand still and remember the history of this country lest we be guilty of demanding something that will only take away the freedom and put us into slavery.

But I would not leave it on the level of just nationalism, for Samuel did not leave it there; our text will not let us leave it there; a good common sense will not let us leave it there! Samuel reminded the people that true freedom could be achieved only under allegiance to God.

Is this not why the founding fathers established this nation as a nation under God?

I am not suggesting this morning that the role of the church is to evangelize the nation and to make it subservient to the church. I am suggesting to you that the role of the church is to make clear the fact that there has to be allegiance and loyalty before there can be true freedom. Freedom demands discipline; freedom demands a loyalty. And I suggest and submit to you that the only true freedom—the freedom to really be the person that one can become—can only be achieved when one's loyalty is to God.

God has given us a way of life. He has prescribed how man can learn to live with his fellow man. The law is summarized for us in the ten commandments. The first four, tell us of our allegiance to God and when we have that basis of love that God provides, then we are free to live one with another, but within a guided and disciplined way of life.

How often we say that freedom is that condition which enables one to do just as he pleases. But if I do just as I please, if I am to be subject to every whim and fancy and blowing of the wind, then I shall find myself a slave. It is only when I have the discipline to say "no" that I still have the freedom to say "yes." When there is a discipline then one is free. But when there is no discipline, then a person may not be free any longer to say "no" or "yes."

This is true for the individual. It is also true of the life of our nation. We have a pattern given to us within the form of government, a pattern which has worked, not as effectively perhaps as it should have worked, but a pattern which can work when we choose to remain within that pattern. It is a pattern which recognizes God as the motivating factor and force in life. Pehaps it could be summarized best this morning for us in the words of that great and stirring hymn "The Battle Hymn of the Republic." Remember the lines!

"As Christ died to make men holy
Let us live to make men free."

There is a responsibility that comes to you and to me to so live that those who have died for the cause of freedom will not have died in vain—to live with an allegiance to God and a loyalty to this nation established upon the basic principles of freedom—to work so that the freedom we have inherited may be passed on to those who come after us and may be shared fully with all others in this world which God has created.

"As He died to make men holy, truly let us live to make men free."

PARTISAN IMPEACHMENT?

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, a respected businessman in the Nation's Capital, Mr. Oscar R. Strackbein wrote a short paper on impeachment perspectives which I feel should be shared by all readers of the Record.

Impeachment Perspective: Looking in the Mirror of History

(By O. R. Strackbein)

From time to time statistics on crimes committed throughout the country, sometimes classified by cities, States or regions, are given to the public. The trend seems unfortunately to be upward.

However else crime may be classified there seem to be no statistics that classify crimes on a political basis or a religious basis. To be sure, we do have classifications according to race and color. That fact, however, is irrelevant to the question of criminality according to political partisanship. Do Democrats, Republicans or independents commit more crimes per a hundred thousand people? It seems safe to say, we have no idea; and no allegation in any such direction would be tenable.

Why ask the question? What difference does it make?

That the question is not wholly irrelevant may be deduced from the historical fact that so-called political crimes have borne a close correlation to the accidents of political power (the word "accident" being used in the sense of something not being caused by the element under consideration).

Burnings at the stake, committals to dungeons, beheadings, have seemingly always been associated with political or religious accidents of power. Whoever was in power dispensed the sentences. When an overthrow occurred the victims also changed. The question of justice, even though it was the subject of much pious profession, was, as we see it today, a colossal, transparent hypocrisy. Otherwise why was it that it was always the "ins" who meted out "justice", and the "outs" who suffered the punishment?

The two daughters of Henry VIII, Mary and Elizabeth, were caught in a web spun of the strands of religious differences (Catholic and Protestant). It was to be a question of time and the turn of political fortunes that was to determine who was to have whom beheaded. Elizabeth had greatly feared for her own life from her sister. When she (Elizabeth) became queen, however, it was the Catholic head of Mary that was severed by the axe in the Tower. The two sisters had professed much love of each other. Elizabeth wept when Mary lost her head; but, "politics is politics"! It (politics) is still the source of a not inconsiderable degree of bitterness.

In France it was not Bourbons or Capetians who guillotined Bourbons or Capetians. It was the Jacobins (during the Revolution). They also took off the head of Marie Antoinette rather than eat cake. It was not to a Stuart rival that Charles I of England lost his head, but to Parliament over which he had lost control. He could not very well behead Parliament even while he was still in power.

Napoleon did not hate the Duke d'Enghein in person or as such. He feared his political rivalry. Napoleon was in power. The Duke was not. It was the Duke who was executed.

Exceptions to this rule are, of course, found in assassinations; but these do not proceed under the color of administration of justice. The practice of self-righteous justification exhibited by man in his dispensation of "justice" from a seat of power has always been a shuttlecock batted back and forth.

Not only church history, including in particular the post-Reformation era, but the history of the British monarchy, with which as Americans we have some acquaintance, runs over with the shuttlecock of political "justice", alternating with who it was that wielded power. It goes without saying that the outs alternately were justified by outrage over the "inhuman" and cruel acts and atrocities of the ins. To us of today it is quite clear that there was little to choose on this score between this side or that. It was the cruelty of the times that was inflicted indifferently, whether this side or that was in power. Justice was a word to which homage must be rendered.

Unquestionably some progress has been made; but let us not be too self-congratulatory! Our own history, as we read it a century or two or three after the facts, is not without its flaws, for, we after all, were the heirs of our progenitors, and we, too, were products, in our conflicts, in our harmonies and our interests, of emotions and passions. In our earlier history as a nation our conflicts and our alignments, were no less than today in response to what we at that time perceived as our interests. How different is it today?

Why were Hamilton and Jefferson at odds? Did not each believe himself right and the other wrong? They came from diverse backgrounds, but they would hardly have explained their differences on that basis. It would have seemed too shallow! When it came to a very close personal question, Hamilton threw his influence behind Jefferson to give him the presidency when the choice fell to the House of Representatives because of a tie vote in the election of 1800. Why? Hamilton hated Jefferson from partisan motives, but he hated Aaron Burr yet more. The latter in turn had his revenge when he killed Hamilton in a duel.

Burr himself was tried for treason during the Jefferson Administration. John Marshall, Chief Justice of the United States, presided at the trial. He bore a deep hatred, reportedly, of Jefferson. Burr was acquitted. Did Marshall's hatred of Jefferson have a bearing on the outcome?

Andrew Johnson was impeached in 1868. He had been badly beaten at the polls in the Congressional election. The Radical Republicans were overwhelmingly victorious. Had his party prevailed in the house, would he have been impeached?

Do Democrats impeach Democrats? Do Republicans impeach Republicans? Had the 1972 victory of Nixon also swept a majority of Republicans into the House and Senate, would he face impeachment today?

History seems to answer that question unmistakably, the exceptions being assassinations; and, of course, many of these were also politically motivated. They represented direct action rather than self-styled judicial processes.

Is impartiality humanly possible, and therefore justice itself, when the political victor brings the vanquished to trial before the bar of justice controlled by the victor? Political impartiality as a repository of the cause of justice is probably a contradiction in terms.

The duel has been abolished. As an arbiter, it became too obvious to our growing sensibilities, that it was superior marksmanship rather than justice that prevailed. How much better is the accident of the political upperhand? Political rivalry, partisan vehemence and intemperance, popular emotions, centered in a political majority exercising the upper hand, are not the constituents of justice. Quite the opposite.

Is there not a better way of dispensing justice? Will history simply write: In the year 1974 a heavily Democratic Congress impeached a Republican President who had been re-elected in 1972 with all the electoral votes except those of one State and the District of Columbia, as in 1868 a heavily Radical Republican Congress impeached a President who had lost control of the House (much as Charles I had lost control of the House of Commons) as a result of a Congressional election?

Can we move from beheading as a remedy for settling political conflicts, on to impeachment by a partisanly divided body, on to something a little closer to the classical demands of justice, as the centuries pass?

How is progress to be achieved in the refinement of justice if it is not made when the occasion for it arises?

Partisan judgments spit against the very face of justice. Is the fiber of our sense of justice yet so gross that we cannot perceive the mockery of a partisan proceeding (so roundly condemned by history as injudicious) in which the party in power sits in judgment on those in a minority position? No doubt we shall see.

Did our Constitution-makers contemplate that a President might be tried by a Congress of a different political complexion from his? We have had only one experience of the kind and it was very nearly disastrous!

ENERGY COST

(Mrs. HECKLER of Massachusetts asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. HECKLER of Massachusetts. Mr. Speaker, one of the most devastating effects of the energy crisis is the tremendous increase in the cost of electrical power in those regions where utilities are dependent on fossil fuels to run their generators.

The effect has been particularly severe in New England, where the high residual oil prices paid by utilities have been passed through to the consumer by way of the "fuel adjustment clause," a provision of Massachusetts State law which allows an automatic increase in a customer's monthly electric bill to reflect increases in the utility's fuel costs.

For Massachusetts residents, the electric bills now arriving in the mail are simply staggering, and have swallowed up what little remains of many families' monthly income after the other necessities of life are paid for. Cases have been brought to my attention in which families with good incomes cannot pay for food and shelter, and are confronted with a desperate situation.

More and more people are speaking out, pleading for some relief, and as they find their friends and neighbors in the same plight, their voices merge, and organizations coalesce.

One such ad hoc citizen group has been particularly effective in focusing attention on the crisis, the Committee Against Fuel Adjustment, organized and directed by Mrs. Margaret Mack of Attleboro, Mass. During the past months, Mrs. Mack has effectively and eloquently voiced the feeling of frustration and desperation that is felt by tens of thousands of average citizens in our State, and who once again remind the country what I have been saying since I first entered Congress—that New England cannot afford to remain the forgotten stepchild of the big oil companies, left to wither at the very end of their pipelines.

The energy crisis is nothing new for us in Massachusetts, because for years we have endured shortages, exorbitant prices, and the economic handicaps which inevitably result. Every autumn we have been short of heating oil, and we always pay top dollar for what we get. Every autumn, I have risen in this Chamber to once again speak out against this injustice. Since coming to Washington, I have urged the end of the oil import quota, I have voted for a crash program of research into solar energy, and in the last year I have worked and voted for a rollback in oil prices. Yet there is still no relief in sight.

Now, others here in Washington have realized the truth of what I have long said, and the fight is not such a lonely one. I am glad to welcome the Committee Against Fuel Adjustment to the battle for equal treatment for New England, and I am glad to have this opportunity today to read to my colleagues a heartfelt statement by Mrs. Mack, speaking on behalf of tens of thousands of my fellow citizens from Massachusetts:

POSITION STATEMENT OF THE COMMITTEE AGAINST FUEL ADJUSTMENT

(Presented by Margaret T. Mack)

In view of the alleged facts presented by the Oil Industry, that since 1958, they have been predicting the energy crisis and the scarcity of oil, CAFA accuses the oil industry of economic sabotage, and the United States Government for not keeping faith with its own people, by not initiating programs in the search for new energy.

The year is now 1974 or 16 years later, in which we now find our country engulfed in an economic nightmare, affecting the paychecks of the American consumer, not only in regards to fuel and electricity cost, but in all products that are petroleum related. We also find our governmental Federal Energy Office playing the role of an allocater, a position which could have been filled by a grammar school student with an *A* in math.

The realization of what is, and what is to be, has to be established at this point in time, and not another 16 years later. Advocates of Nuclear Power plants point out their success in lowering prices, and the odds against failure. While others point out, the dangers of transportation and the burying of radio active waste from these plants in the ground or sea bed. Others also point out the destructive forces of nature and man, that defy man's ability in safe guarding. The burning of coal for lowering the cost is also mentioned. To burn it more efficiently for cleaner air, and to mine it without ravaging the land, poses a problem, but one that should not prove insoluable.

Natural gas by acceptable exploration takes its place in sharing the burden of energy, but natural gas by atomic bombing in the ground and in the sea bed not only raises questions concerning the Earth's structure, but also the release of radio active materials that is mixed into the gas, which has to be controlled or watered down properly before it is passed on to the consumer. Proposed off shore drilling and refineries in the Northeast no doubt could add more oil to the world's supply. The environmental impact could be debated many times over. Whether or not the oil would be sold in the Northeast is still another question.

The long range estimates of the world's supply of natural resources and the resulting cost to the consumer will always be open to manipulations, by those who control the resources, as evidenced by today's so called oil crisis, and if the depletion of natural resources is inevitable, then we are in the process of stop gap solutions instead of real solutions.

CAFA is not concerned with the phantom figures of how much coal, gas, or oil that is still to be tapped. Time alone will prove the correct figure. What bothers CAFA and the American people is that if oil is in a limited supply whether it be above or below ground, then it would seem more sensible to save this limited supply for petroleum related industries such as plastics and fertilizers, and not to burn it off in areas where another source of energy may be sufficient to carry the burden, such as sun, wind, or water power. Although new programs using these three sources for energy may be labeled as today's follies especially by those who will not directly profit from them, it is imperative that our government recognizes the immediate need for implementation and not rhetoric, in regards to such programs. If our government refuses to pick up this challenge then today's neglect will surely be tomorrow's disaster. If the American people are feeling a strain now, what will the children of tomorrow experience, if we do not begin now to build a better legacy of energy.

CAFA is therefore asking our government to wipe off the dust from past researchs and studies, and to ignore the lobby money that prevents the growth of such programs.

CAFA is also calling upon the American oil industry and their foreign partners to bring immediate economic relief by voluntarily rolling back their oil prices.

CAFA is also calling upon the American oil industry to show their good faith and concern towards the welfare of the American people and their children of tomorrow, by using its lobby money and a percentage of its astronomical profits in the form of a subsidy to further the programs of energy that pertain to the sun, wind, and water.

Only by taking these concerned actions will America prove once again its foresight and ability to point out the road to a better way of life, and only by taking these steps will the American people begin to believe once again in their elected leaders, and the duty that they have sworn to uphold.—Margaret T. Mack, Chairwoman, C.A.F.A., Box 1053, Attleboro, Ma.

PROJECT HOPE: ONE ERA ENDS, ANOTHER BEGINS

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, recently my wife and I received a letter from our good friend Dr. Bill Walsh who is president of Project HOPE.

It was with a certain sense of sadness, on the one hand, that we learned of the retirement of the ship SS *Hope* while, at the same time, it was heartening to learn that Project HOPE will continue on a larger, more permanent scale.

Several years back I joined with our former colleague Ed Edmondson in sponsoring legislation which would have authorized the President to establish a "Great White Fleet" whose goal would be to provide emergency medical aid and assistance to people of other lands in the wake of natural disasters such as earthquakes, floods, epidemic diseases, and famine.

While this proposal was never implemented as a program of the Federal Government, the same concept was the genesis of Project HOPE established by the People-to-People Health Foundation, Inc.

Throughout its 15 years of operation, the SS *Hope* has not only provided first class medical care to individuals in the many countries it has visited, but it has also enjoyed a great measure of success in teaching and training medical personnel of other countries in modern medical techniques.

The phenomenal success of this program is due in no small part to the untiring efforts of its extremely capable administrator, Bill Walsh, and his associates, coupled with the enthusiasm and professionalism of the volunteer staff of physicians, dentists, nurses, and other medical personnel. Public interest and support—both financial and moral—has been generated by local Project HOPE committees which have been established all over the United States.

While the SS *Hope* has been the focal point of the overall activities of Project HOPE, many highly successful and effective land-based establishments such as Schools of Health Science in Brazil, Barbados, Jamaica, and the United States have been permanently instituted by HOPE. By eliminating what was becoming increasingly a financial drain—the continued operation of the SS *Hope*—Project HOPE will be in a position to earmark a larger share of its budget for such permanent facilities.

In addition, services can be better offered to land-locked nations which were previously excluded from sharing in the benefits of HOPE's significant contributions.

So, while the retirement of the SS *Hope* in a sense marks the end of an era, at the same time it signifies the commencement of another era. With the dynamic leadership of Bill Walsh and his dedicated staff, we feel certain that this new phase of HOPE operations will be equally successful in meeting and fulfilling future challenges.

Mr. Speaker, I would like to bring to the attention of our colleagues the letter from Dr. Bill Walsh and a recent editorial from the Key West Citizen:

Project Hope,
Washington, D.C.

Dear Mr. and Mrs. Fascell: For the past fifteen years, one activity of Project HOPE—a dramatic one to be sure—has been the teaching-treatment missions of the hospital ship S.S. HOPE.

In April of 1974, we made a hard decision based on the fact that our Project had in effect outgrown the ship.

For many months before that decision was made, I had the opportunity to visit with HOPE supporters in a variety of cities and found virtually all in sympathy with our aim to concentrate on the further development of land-based operations. The reasons I gave to them can be summarized here:

We found it essential to respond, finally, to the repeated invitations of land-locked nations equally in need of our teaching and training programs. Planning need no longer be restricted to a ten-month, ship-oriented program. Several HOPE medical demonstration units worldwide are now possible. In many developing areas there are hospitals and clinics with a real need for the training of personnel so that these establishments can function and deliver comprehensive health care to their own people.

Operating from a ship has limited the Project to those countries which possessed adequate harbors and docking facilities.

No solution could be found to appreciably lessen the mounting cost of the ship's operation. This was the unfortunate result of inflation compounded by both the rise in fuel costs and particularly, the shortage of fuel in the countries which we serve. We choose to maximize the use under these circumstances of the donated dollar.

Finally, the ship itself—a veteran of thirty-one years' service—deserved a dignified retirement. Spare parts were nonexistent and their fabrication would be costly. After equipment and supplies donated by American industry are removed, she will be turned over to the Navy for their own disposition. The equipment and supplies will be put to good use in our land-based locations.

Project HOPE is indeed very much alive and well and working all over the world. Currently there are Project HOPE Schools of Health Sciences in Maceio, Brazil; Natal, Brazil; Bridgetown, Barbados; and Kingston, Jamaica. Project HOPE has for many years worked in its previously developed teaching centers in Peru, Colombia, and Tunisia. Health education and career training programs continue in Laredo, Texas, and Ganado, Arizona, with a new program scheduled to open in El Paso, Texas, this summer.

The Project HOPE Hospital and School of Health Sciences in Ethiopia will be one of the most extensive programs ever undertaken by the organization. More than one hundred medical, nursing, and allied health personnel will be involved in that education center, and work will be carried out in several locations throughout the African nation. The initial members of the HOPE Ethiopian team are already on station.

Requests for programs from Nigeria, Paraguay, and Iran are currently being studied and the final decisions will be made soon. With the growth of Project HOPE into a major international health organization, more and more teaching centers will be established.

It began with a ship called HOPE and developed into a Project which still bears the name of its most precious gift—HOPE. HOPE continues to welcome the support of concerned individuals and organizations. HOPE continues to offer the best opportunity for participation in an effective, international self-help Project.

Sincere personal regards,
William B. Walsh, M.D.

[From the Key West Citizen, May 7, 1974]

But Its Purpose Lingers

Between 1960 and 1973, the good ship HOPE sailed to 11 countries around the world, spending about 10 months in each where her staff of volunteer physicians, dentists, nurses and other health personnel conducted medical teaching-treatment programs.

In those years, the great white ship became a world-renowned symbol of people helping people.

Recently, Dr. William B. Walsh, who started it all, announced that the HOPE had sailed her last mission. It was a difficult decision, but it was costing $6 million a year to keep the hospital ship afloat.

However, while the S.S. HOPE is gone, Project HOPE will continue. It will now emphasize its less expensive yet more complete land-based medical facilities in foreign countries in order to maximize the use of donated money.

Currently, there are Project HOPE Schools of Health Sciences in Mexico, Brazil, Barbados and Jamaica, as well as the United States. Another, the most extensive yet, is planned to open in Ethiopia this summer. Project HOPE is also involved in programs in Peru, Colombia and Tunisia.

Wherever there is HOPE, there is life.

FOOD PRICES IN THE WASHINGTON AREA

(Mr. GUDE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, once again this month's Consumer Price Index figures have confirmed what I have been saying for more than a year—that food prices are going up faster in the Washington area than in the rest of the country.

While food prices nationally went down 0.7 percent from March to April, Washington's food prices were increasing 0.1 percent.

This confirms the long-term trend illustrated in my testimony before the Senate Consumer Subcommittee on March 1, that increases in food prices are worse here than elsewhere, and that the situation is getting worse.

My own survey comparing prices, in the Baltimore suburbs and Montgomery County showed prices here approximately 3-percent greater than in Baltimore—the same percentage indicated in Bureau of Labor Statistics data for the two cities at the time of my survey. Significantly, in testimony yesterday before a Senate subcommittee investigating the food industry, a Federal Trade Commission economist, Dr. Russell Parker, used the same figure in reference to Washington, stating that area retailers could make a 3-percent reduction in prices and still earn substantial profits.

In his testimony Dr. Parker commented on the oligopolistic market structure in Washington where four firms control more than 70 percent of the market. Despite this testimony and despite published evidence by the FTC on the lack of competition in the Washington area, the FTC continues to refuse to take any substantive action. In a recent letter to me, the Commission secretary, stated:

> There was a general consensus that the Commission had reason to believe that together Safeway and Giant possess an oligopoly position in retail food sales in the Washington area.

Yet no action has been forthcoming.

One approach I have pursued directly with the District of Columbia government is that of opening up the industry here to greater competition by stimulating the entry of new food chains. I have written the mayor and the chairman and vice-chairman of the city council proposing that the District make government-owned land available at low cost to potential new food chain entrants in order to improve the competitive structure of the market here and to provide needed supermarket services to District residents. Such a move, by making the market for the whole area more competitive, will help to lower prices in the suburbs as well as in the District. I am hopeful that the District government will act promptly to make this proposal a reality that would benefit all consumers in the Washington area.

FLOOR STATEMENT ON EXTENSION OF COMPULSORY LICENSING PROVISIONS

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, I am introducing today a bill to extend the compulsory licensing provisions of the Atomic Energy Act. These unique provisions are found in section 153 of the Atomic Energy Act, and will expire on September 1 of this year unless Congress takes action.

Section 153 authorizes the Atomic Energy Commission to declare that a patent which is related to atomic energy is affected with the public interest when licensing of that patent is found to be of primary importance to the policies and purposes of the Atomic Energy Act. Once such a finding has been made, the Commission is thereby licensed to make use of the invention or discovery covered by the patent, and is further authorized to compel the patent holder to license its use by other suitable parties under reasonable terms.

This provision insures the U.S. Government and the American public that they will reap the benefits of major advances in the field of atomic energy. With the urgent needs of this Nation for improved and new sources of energy, this assurance remains of vital importance. On April 18, at my direction, the staff of the Joint Committee on Atomic Energy wrote to the Atomic Energy Commission inquiring what they proposed to do in regard to the approaching expiration of this authority. We still do not know what the Commission's plans are. I understand that they have proposed a bill which is now under review by the Office of Management and Budget.

The time we have left on which to act on this matter is short, Accordingly, I am introducing a bill which would extend the Commission's compulsory licensing authority until September 1, 1979. I would hope that we will also have the Commission's proposal in time to consider it along with this bill. I urge that when the Joint Committee completes its action and issues a report on this matter that the Congress move rapidly to consider and act on the legislation.

UNFRIENDLY SKIES OF PIEDMONT AIRLINES

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, Don Hatfield, the managing editor of the Huntington, W. Va., Advertiser, is an easy-going, even-tempered type of person who has always looked on the sunny side of life. But even Don was hard put to find any silver linings during a recent cloudy experience with Piedmont Airlines. Don related this experience in his column, "A Personal View" which appeared in the May 21 Huntington Advertiser. Even the most hardened traveler will wince after reading the column that follows:

The Ultimate in Flying

(By Don Hatfield)

Anyone who does much flying has had, at one time or another, problems with the airlines. And I've had my share. But a combination of experiences I had last week with Piedmont Airlines boggles the mind.

Can you believe that an airlines official would threaten to cancel a flight it had oversold unless one of the passengers volunteered to drop off? And can you believe this same official would scream that the flight was being canceled "because you people won't cooperate"?

Cooperate? His airline had oversold the flight. Why didn't it "cooperate" by finding another way for one, or more, of the passengers?

It was the final blow of a series of blows, all charged to Piedmont Airlines. I view this not as a particularly humorous subject for a column such as this, but as something that needs to be written about. It's time the public stopped accepting being pushed around. So bear with me, and read on . . .

I arrived at Tri-State Airport Sunday, May 5, in plenty of time for Piedmont flight 916, which was to leave at 1:12 p.m. and take me to Richmond, Va.

However, I was told I had not been confirmed (I had, of course). I could ride the plane as far as Charleston, an airlines representative said, but it would fill up there and I'd have to get off.

So the plane left without me.

For the next two hours one unusually (for this outfit) courteous Piedmont employe and I went over dozens of flight schedules, trying to find a way to get me to Richmond.

But everything was full except an 8:10 p.m. flight to Washington, D.C. I could be confirmed for that, but then I'd have to accept standby status for a 10:10 flight on to Richmond.

Trouble was, I had to be in Richmond, on business, by 6:30 p.m.

Fortunately, Huntington banker Bob Beymer came to the rescue. It so happened his private twin-engine plane was to be flown that afternoon to Myrtle Beach, S.C. Beymer and his pilot were good enough to give me a lift to Richmond.

I thought then my airline problems were over. But the best—or, as it turned out, worst—was yet to come.

I checked two days early to make certain I was confirmed for the return flight. Certainly, Piedmont said, why should I doubt it?

Wednesday, May 8, I arrived at the Richmond airport in plenty of time for Piedmont flight 919, scheduled to leave at 7:12 p.m.

At 6:50 p.m., a Piedmont representative announced that the flight had been delayed, would not arrive until 7:30 p.m., and not depart until 7:40 p.m.

However, about 7:15 or so, it did arrive. And it sat there. By 7:30 I was restless. By 7:45 p.m., I wanted to know what was going on. So did a lot of other people.

Looking anxious, the Piedmont representative apologized, said somehow the airline had oversold the flight by one passenger, and one of us would have to drop off. "I'm calling for a volunteer," he said, trying to smile.

By 7:55, nobody had volunteered. So I asked him what he planned to do.

That's when he screamed. "We're canceling this flight because you people won't cooperate!"

And that's when everybody, including me, became angry. There were shouts, fist pounding, and almost physical violence. Finally, the little man walked to the plane, and apparently someone volunteered to get off (or was removed, for all I know). In any event, another man followed our red-faced Piedmont official, and we were allowed to board—a full hour late.

"I've never seen anything like this," I told the stewardess.

Instead of the usual warm greeting one gets from stewardesses, however, I was told, "You haven't been waiting as long as we have!"

"The hell I haven't," I said.

Looking back, it all seems very funny. But it was not. It was not funny to all the relatives (including my two young sons) anxiously and fearfully waiting in dark airports. It was not funny to all the passengers who had been confirmed, yet threatened because they would not "cooperate." It was not funny to those who missed connections, or who did not get to bed until the wee hours, all because of Piedmont's foulups.

Ironically, a check later showed that the original flight for which I had been confirmed, yet not permitted to board "because it is full-up," arrived in Richmond with two empty seats.

I have heard jokes about Piedmont service for some time. This is no joke. Such a major carrier should not be permitted to get away with such shabby treatment of the public.

If it happens to you, raise heck. Then write your congressman and president of the airlines.

That's what I'm doing.

STRIP MINING BILL INVITES MORE DEVASTATION

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, it is highly unfortunate that the House Interior and Insular Affairs Committee has labored so long and come up with a mouse of a strip-mining control bill. I cannot vote for this woefully weak and watered down bill in its present form. In fact, I have drafted a substitute bill which will phase out strip mining within 6 months in mountainous areas and within 18 months in relatively flat areas, which is being introduced today as H.R. 15000. Copies of H.R. 15000 should be available very soon.

Although I fail to understand how the National Coal Association could possibly label the House committee bill (H.R. 11500) as an abolition bill, and although I usually do not find myself in agreement with the coal and utility lobbies, I must say that I happen to be on the same side when they contend that H.R. 11500 must be defeated. But, of course, the reasons for my position are 180° different from those of the coal and utilities lobbies.

Recently, I read an editorial in the Louisville, Ky., Courier Journal, dated May 18, 1974, which I believe deserves attention.

This editorial reflects the feeling in the coalfields that it is high time that Congress stop listening to the big coal, oil, and utility interests and start standing up for the protection of the land and the people. The editorial from the Louisville, Ky., Courier Journal of May 18, 1974, follows:

The Coal Lobby Is Right: Defeat the Strip-Mine Bill

The U.S. House Interior Committee has labored mightily to bring forth a gnat. That's discouraging news for those who had hoped for strong federal controls to curb the worst abuses of strip mining.

The bill finally approved by the committee this week would produce nothing more than an insect bite on the great body of the coal industry, though the industry is bellowing as though it had received a mortal wound. This is nothing more than an attempt to avert strengthening of the bill on the House floor, or later in conference with the Senate.

The National Coal Association says the bill should be defeated, and for once the industry lobby is right. Unless this legislation is improved dramatically, now that it's out of the hands of a committee in which some of Big Coal's best friends got too much of their way, Kentucky's congressmen should vote against final passage.

Why? The meaningless "interim" standards the bill would apply, prior to full implementation of the federal regulatory program in 1978, would encourage the continued rape and ruin of Appalachian coalfields in the short run. In the long run, the regulatory approach would be so weak and ineffectual that the great corporations now owning and leasing coal in the Western Great Plains would be able to exploit this area on their own terms. Goodbye, Golden West.

A strong bill certainly would discourage the pell-mell development of Great Plains coal, since it is even more difficult to reclaim stripped lands in that arid climate than it is to restore the rolling farmland of Western Kentucky or the hills of Appalachia. A strong bill also would discourage the kind of irresponsible strip mining which is all too often characteristic of operations in the East.

PHASE OUT STRIPPING

So where would we get the coal if strong regulatory legislation were adopted? Would the lights go out, as the industry's swarms of public relations people would have you believe? Would factories close, as the coal barons have regularly predicted? Would we be helpless before the nation's oil-rich Arab tormentors? The answer, simply, is that strip mining is not necessary.

According to an Environmental Policy Center report, based on U.S. Geological Survey and U.S. Bureau of Mines figures, there is 30 times more low-sulfur, deep-mine coal in the national reserve than low-sulfur, strippable coal. The figures are even more compelling when sulfur content is ignored—as the Louisville Gas & Electric Company is proving it can be—because it's possible to remove this pollutant at the generating plant.

Phasing out strip mining over a reasonable period of time while expanding deep mining not only makes environmental sense. It also makes sense economically. A national strategy which anticipates meeting the nation's coal needs primarily from Eastern deep mining operations would mean a dramatic increase in mining employment in Eastern states which need work for Appalachia's jobless.

State and local officials in the East have let themselves be mesmerized by the prospect of coal conversion plants. They seem to believe that continued, uncontrolled stripping is necessary if coal conversion plants are to be built. Yet the EPC report notes, "Numerous coal conversion plants are planned for the West, but there appears to be no interest from the Federal Government or the coal industry to convert the high sulfur coals in the Central states (i.e., Western Kentucky coal) or the bituminous coals in the East (essentially Appalachian) to sulfur-free, synthetic fuels."

Island Creek Coal Company chairman Albert Gore is right in saying that Kentucky is a perfect location for a gasification plant, but what are the realistic prospects? Where is the real coal-conversion industry going to be located? Isn't it going to be, for the most part, on top of those huge Western coalfields, assuming Congress passes a regulatory program sufficiently weak that the energy industry can make the huge financial commitments necessary to open those Great Plains seams up?

WAIT FOR NEXT YEAR

With the development of sulfur-control technology, it is clear that the Western reserves need not be exploited in the way the energy barons seem to want them exploited. Based on heat content, or real energy value, 55 per cent of the total national coal reserve is east of the Mississippi River.

Admittedly it's frustrating to counsel further delay in the federal legislative response to strip mining. The struggle to pass a Senate bill, and to get a House bill out of committee, has been a brutalizing experience for advocates of realistic controls. The tendency on the part of many congressmen who have fought for the public interest is to say, "Half a loaf is better than none." However, with the prospect of electing a more responsive Congress this fall, clearly the better approach is to wait. Barring dramatic improvement of the House bill, this Congress should just leave the issue at the top of its agenda for the next session.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Young of Alaska (at the request of Mr. Arends), for today, on account of official business.

Mr. Flynt (at the request of Mr. O'Neill), for today, on account of official business.

Mr. Helstoski (at the request of Mr. O'Neill), for today, on account of official business.

Mr. Pepper (at the request of Mr. O'Neill), from 2:30 today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Martin of North Carolina) to revise and extend their remarks and include extraneous material:)

Mr. Cleveland, for 15 minutes, today.

Mr. Steelman, for 60 minutes, today.

Mr. Kemp, for 60 minutes, today.

Mr. Carter, for 60 minutes, today.

Mr. Hogan, for 10 minutes, today.

(The following Members (at the request of Mr. Studds) to revise and extend their remarks and include extraneous matter:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Flood, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Rangel, for 10 minutes, today.

Mr. Burke of Massachusetts, for 5 minutes, today.

Mr. Matsunaga, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Madden and to include extraneous matter.

Mr. Wright to extend his remarks during debate on House Resolution 1141.

Mr. Gross to insert his remarks in the Record immediately preceding the passage of H.R. 14832.

(The following Members (at the request of Mr. Martin of North Carolina) and to include extraneous material:)

Mr. Hanrahan.

Mr. Findley.

Mr. Sarasin.

Mr. Brown of Ohio.

Mr. Martin of Nebraska.

Mr. Bauman.

Mr. Horton.

Mr. Michel in six instances.

Mr. Froehlich in two instances.

Mr. Symms.

Mr. Huber in two instances.

Mr. Frenzel in three instances.

Mr. Guyer in two instances.

Mr. Zwach.

Mr. Eshleman.

Mr. Steelman.

Mr. Hudnut.

Mr. Steiger of Wisconsin.

Mr. Dellenback in two instances.

Mr. Fish.

Mr. Ashbrook in two instances.

Mr. Armstrong.

Mr. Spence.

Mr. Cronin.

(The following Members (at the request of Mr. Studds) and to include extraneous material:)

Mr. Biaggi in five instances.

Mr. Rangel in 10 instances.

Mr. Byron in 10 instances.

Mr. Rarick in three instances.

Mr. Gonzalez in three instances.

Mr. Waldie in two instances.

Mr. Traxler.

Mrs. Sullivan.

Mr. Fascell in three instances.

Mr. Pickle in two instances.

Mr. Badillo in three instances.

Mr. Reid.

Mr. Young of Georgia in two instances.

Mrs. Mink in two instances.

Mr. Johnson of California.

Mr. O'Hara.

Mr. Hawkins.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 10972. An act to delay for 6 months the taking effect of certain measures to provide additional funds for certain wildlife restoration projects.

ADJOURNMENT

Mr. RYAN. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. In accordance with House Concurrent Resolution 501, 93d Congress, the Chair declares the House adjourned until 12 o'clock noon on Tuesday, May 28, 1974.

Thereupon (at 3 o'clock and 59 minutes p.m.) pursuant to House Concurrent Resolution 501, the House adjourned until Tuesday, May 28, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2355. A letter from the Secretary of Commerce, transmitting a report on export administration for the fourth quarter of fiscal year 1973, pursuant to 50 U.S.C. App. 2409; to the Committee on Banking and Currency.

2356. A letter from the Commissioner of the District of Columbia, transmitting the 1973 financial and statistical report of the District of Columbia Government; to the Committee on the District of Columbia.

2357. A letter from the Chairman, Interdepartmental Council to Coordinate All Federal Juvenile Delinquency Programs, transmitting the second annual report of the Council, pursuant to section 409 of the Juvenile Delinquency Prevention Act; to the Committee on Education and Labor.

2358. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 74–18, and the justification therefor, that no non-African nation employs or has employed assistance provided to it after December 17, 1973, under the Foreign Assistance Act of 1961, as amended, the Foreign Military Sales Act, or the Agricultural Trade Development and Assistance Act of 1954, in support of its military activities in its African territories, pursuant to section 38 of the Foreign Assistance Act of 1973 (Public Law 93–189); to the Committee on Foreign Affairs.

2359. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize appropriations to the Department of State for contribution to the International Commission of Control and Supervision in Vietnam; to the Committee on Foreign Affairs.

2360. A letter from the Acting Associate Director, National Park Service, U.S. Department of the Interior, transmitting a correction to the letter of the Acting Assistant Secretary of the Interior which submitted a proposed amendment to a concession contract authorizing the continued provision of facilities and services for the public in Grand Teton National Park; to the Committee on Interior and Insular Affairs.

2361. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 216(b)(1) of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

2362. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to provide for automatic cost-of-living increases in supplemental security income benefits; to the Committee on Ways and Means.

RECEIVED FROM THE COMPTROLLER GENERAL

2363. A letter from the Comptroller General of the United States, transmitting a report on problems in managing the development of aircraft engines in the Department of Defense; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FISHER: Committee on Armed Services. House Joint Resolution 876. Joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy one citizen of the Kingdom of Laos (Rept. No. 93–1058). Referred to the Committee of the Whole House on the State of the Union.

Mr. BRADEMAS: Committee on House Administration. House Resolution 1072. Resolution, authorization for reprinting additional copies for use of the Committee on the Judiciary of the committee print entitled "Procedures for Handling Impeachment Inquiry Material"; with amendment (Rept. No. 93–1059). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Resolution 1073. Resolution, authorization for reprinting additional copies for use of the Committee on the Judiciary of the committee print entitled "Work of the Impeachment Inquiry Staff as of February 5, 1974" (Rept. No. 93–1060). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Resolution 1074. Resolution, authorization for reprinting additional copies for use of the Committee on the Judiciary of the committee print entitled "Work of the Impeachment Inquiry Staff as of March 1, 1974" (Rept. No. 93–1061). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 415. Concurrent resolution authorizing the printing of summaries of veterans legislation reported in the House and Senate during the 93d Congress (Rept. No. 93–1062). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. Senate Concurrent Resolution 83. Concurrent resolution authorizing the printing of additional copies of Senate hearings entitled "Surgeon General's Report by the Scientific Advisory Committee on Television and Social Behavior" (Rept. No. 93–1063). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARMSTRONG:

H.R. 14987. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. GROVER, Mrs. BOGGS, Mr. BRASCO, Mr. CLEVELAND, Mr. CONTE, Mr. DERWINSKI, Mr. EILBERG, Mrs. HOLT, Mr. HUNT, Mr. LENT, Mr. MANN, Mr. MELCHER, Mr. PODELL, Mr. ROE, and Mr. YOUNG of Alaska):

H.R. 14988. A bill to authorize the Secretary of the Interior to establish a National Law Enforcement Heroes Memorial within the District of Columbia, and for other purposes; to the Committee on House Administration.

By Mr. CAREY of New York:

H.R. 14989. A bill to amend section 404(b) of the Federal Aviation Act of 1958 to provide that no physically handicapped individual shall be denied air transportation solely because of such physical handicap, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 14990. A bill to require the Secretary of Transportation to investigate and report to the Congress with respect to whether certain railroad facilities and equipment meet Federal safety standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CLANCY:

H.R. 14991. A bill to provide assistance to zoos and aquariums, to establish standards of accreditation for such facilities, and to establish a Federal Zoological and Aquarium Board, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FOLEY (for himself, Mr. BERGLAND, Mr. JONES of Tennessee, and Mr. WAMPLER):

H.R. 14992. A bill to continue domestic food assistance programs, and for other purposes; to the Committee on Agriculture.

By Mr. GUNTER (for himself, Mr. HELSTOSKI, Mr. KEMP, Mr. ROE, Mr. HUNGATE, and Mr. VIGORITO):

H.R. 14993. A bill to prohibit the importation into the United States of meat or meat products from livestock slaughtered or handled in connection with slaughter by other than humane methods; to the Committee on Agriculture.

By Mr. HAMMERSCHMIDT:

H.R. 14994. A bill to prohibit the importation into the United States of any fresh, chilled, or frozen cattle meat during a 180-day period; to the Committee on Ways and Means.

By Mr. HANRAHAN:

H.R. 14995. A bill to amend the Federal Election Campaign Act of 1971 and title 18, United States Code, to reform the Federal election process; to the Committee on House Administration.

H.R. 14996. A bill to amend title 18, United States Code, to make it unlawful for any person holding Federal office to accept or receive any honorarium in excess of $500, and for other purposes; to the Committee on the Judiciary.

By Mr. HARRINGTON (for himself, Mr. CORMAN, Mr. ROY, Mr. CHARLES H. WILSON of California, Mr. ROSENTHAL, Mr. STOKES, and Mr. EDWARDS of California):

H.R. 14997. A bill to amend section 8 of the Clayton Act to prohibit certain corporate management interlocking relationships, and for other purposes; to the Committee on the Judiciary.

By Mr. PRICE of Illinois:

H.R. 14998. A bill to amend the Atomic Energy Act of 1954, as amended, by extending the compulsory licensing provisions until September 1, 1979; to the Joint Committee on Atomic Energy.

By Mr. STEELMAN:

H.R. 14999. A bill to amend the Land and Water Conservation Fund Act of 1965, as amended, to increase the appropriation authorization, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HECHLER of West Virginia:

H.R. 15000. A bill to provide for the orderly phasing out of surface coal mining operations, and to control those underground coal mining practices which adversely affect the quality of the environment, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LUJAN:

H.R. 15001. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 15002. A bill to declare that title to certain lands in the State of New Mexico are held in trust by the United States for the Ramah Band of the Navajo Tribe; to the Committee on Interior and Insular Affairs.

H.R. 15003. A bill to quitclaim any interest of the United States in and to certain real property in Sandoval County, N. Mex., to the record owner of such property; to the Committee on Interior and Insular Affairs.

H.R. 15004. A bill to establish regional Federal Medical Malpractice Boards to reduce the expenses of bringing, and the awards granted in, medical malpractice suits in the United States; to the Committee on the Judiciary.

H.R. 15005. A bill to provide for the creation of the National Fire Acadamy, and for other purposes; to the Committee on Science and Astronautics.

H.R. 15006. A bill to establish a national family health protection program under which the Federal Government, in cooperation with, and acting through, private qualified companies, will make adequate health insurance available to every individual and family in the United States regardless of their income; to the Committee on Ways and Means.

H.R. 15007. A bill to amend the Atomic Energy Community Act of 1955, as amended, to authorize the transfer of certain property at Los Alamos, N. Mex.; to the Joint Committee on Atomic Energy.

By Mr. MACDONALD:

H.R. 15008. A bill to extend the appropriation authorization for reporting of weather modification activities; to the Committee on Interstate and Foreign Commerce.

By Mr. RAILSBACK:

H.R. 15009. A bill to permit nonimmigrant foreign students to be employed during school vacations; to the Committee on the Judiciary.

By Mr. REES:

H.R. 15010. A bill to establish an equitable tax on real property in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mrs. SULLIVAN (for herself, Mr. CLARK, Mr. BIAGGI, and Mr. GROVER):

H.R. 15011. A bill to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years, ending September 7, 1980; to the Committee on Merchant Marine and Fisheries.

By Mr. WALSH:

H.R. 15012. A bill to amend part B of title XI of the Social Security Act to provide a more effective administration of professional standards review of health care services, to expand the professional standards review organization activity to include review of services performed by or in federally operated health care institutions, and to protect the confidentiality of medical records; to the Committee on Ways and Means.

By Mr. ROYBAL (for himself, Mr. STARK, and Mr. WHITE):

H.J. Res. 1030. Joint resolution relating to the publication of economic and social statistics for Spanish-speaking Americans; to the Committee on Post Office and Civil Service.

By Mr. SISK:

H.J. Res. 1031. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; to the Committee on Armed Services.

By Mr. BURKE of Massachusetts:

H. Con. Res. 503. Concurrent resolution expressing the sense of Congress that John Adams should be honored as the Father of the U.S. Marine Corps; to the Committee on Armed Services.

By Mr. HOWARD:

H. Con. Res. 504. Concurrent resolution expressing the sense of the Congress with respect to the imprisonment in the Soviet Union of a Lithuanian seaman who unsuccessfully sought asylum aboard a U.S. Coast Guard ship; to the Committee on Foreign Affairs.

By Mr. FAUNTROY (for himself and Mr. RANGEL):

H. Res. 1146. Resolution to condemn terrorist killings of schoolchildren in Israel; to the Committee on Foreign Affairs.

By Mr. RYAN:

H. Res. 1147. Resolution relative to posting prices of gasoline and diesel products by retail marketers; to the Committee on Interstate and Foreign Commerce.

By Mr. STEELMAN (for himself, Mr. TALCOTT, Mr. COUGHLIN, Mr. BIESTER, Mr. BAFALIS, Mr. MALLARY, Mr. ROBINSON of Virginia, Mr. ESCH, Mr. RIEGLE, and Mr. LENT):

H. Res. 1148. Resolution providing for the consideration of House Resolution 938; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DULSKI (by request):

H.R. 15013. A bill for the relief of Cecelia Helen Tomczyk; to the Committee on the Judiciary.

By Mr. RYAN:

H.R. 15014. A bill for the relief of Viola J. Stewart, Lois Souby, Jane Robertson, and Norma Jean Ridgeway; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 15015. A bill for the relief of Dimitrios Panoutsopoulos, Angeliki Panoutsopoulos, and Georgios Panoutsopoulos; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

438. The SPEAKER presented a petition of Joseph P. Gerardi, Arlington, Va., relative to redress of grievances, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

CONGRESSMAN HAWKINS' FIGHT TO HELP DELINQUENTS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. RANGEL. Mr. Speaker, Congressman GUS HAWKINS, chairman of the Subcommittee on Equal Opportunities of the House Education and Labor Committee, is currently cosponsoring—with Congressman CARL PERKINS—a Juvenile Justice and Delinquency Prevention Act (H.R. 6265). Mr. HAWKINS' leadership in this area has been consistent and farsighted. He believes juvenile delinquents must be helped before they become adult criminals.

The bill reflects Mr. HAWKINS' strong commitment to helping youthful delinquents. It provides Federal support for alternatives to prison and punishment for those young people in our society who, as Mr. HAWKINS has maintained for so long, need noninstitutionalized treatment. I place in the RECORD today an article by Mr. HAWKINS from the Sacramento Observer of May 9–15, 1974, which I urge my colleagues to read:

A NEW LOOK AT JUVENILE JUSTICE

(By Augustus Hawkins)

America's deep concern about juvenile neglect and juvenile delinquency led to the formation, in the late 19th century, of a series of juvenile courts, whose chief aim was to provide special protection to children needing society's care. Eventually, this movement spread throughout the country, and by 1925 all but two states had legislatively created a state juvenile court system.

Today, every state in the Union, has such a system; thus, there are 50 different governmental jurisdictions, not including the Federal system, legally empowered to handle juvenile problems.

Each juvenile court system hoped to go beyond detention and confinement of youthful offenders, and to broaden their system's responsibility to include treatment to offenders. Their intent was to totally reform and improve upon prior systems which were singularly punitive.

Proponents of this new way of providing a fair and just system of rehabilitation for youthful offenders (juvenile delinquents) met with great success; they also experienced dismal failures. Each state system was (and still remains) so different in its approach.

An inherent part of the system necessitated a clear definition of the term "delinquency." No reasonably accepted definition has been developed, which would thus form the basis of a mutual, nationwide guide. Confusion rather than coordination continues to exist.

In some jurisdictions, youngsters who become wards of the state due to parental neglect, end up in juvenile facilities which also house youngsters who have been involved in adult crime.

Some courts handle 16–21 year olds; others handle only youngsters below the age of 18. In some states, if a "delinquent" youngster commits an offense punishable by death or life imprisonment, his case must be remanded to an adult court. A number of states, provide no exclusive rights to the juvenile courts, except in cases of children below the age of criminal capacity.

The officers and specialists within this system also have immense difficulties.

Court dockets are overcrowded, professional staffing has been insufficient in number and quality, investigative and casework supports function poorly because of overloading, treatment services are not available to the court, public and private treatment facilities are often too few in number and restricted as to use.

With current nationwide increase in juvenile violence and crime, there needs to be a fresh approach to this whole sensitive area.

I believe H.R. 6265, a Bill co-sponsored by Congressman Carl Perkins and me, will assist in moving the nation in the direction of a more comprehensive approach to resolving juvenile delinquency.

Costing approximately $1 billion over a four-year period, H.R. 6265 proposes to establish programs and services which will divert juveniles from entering the traditional juvenile justice system.

States will be encouraged, through realistic Federal support, to develop community-based programs designed to create non-institutionalized diagnostic, treatment or rehabilitative services; to work with families, so that a juvenile can remain at home; to provide counseling, work, and recreational services, using youth, volunteer and paraprofessional role-models; to develop foster-care and shelter-care homes, group homes, and halfway houses as alternative facilities to traditional, lockup facilities.

The Bill also establishes a new National Office of Juvenile Delinquency Prevention; this office will provide direction, coordination, and review of all federally assisted juvenile delinquency programs.

Setting national standards and providing resources for upgrading our juvenile justice system, should be a top priority on this country's agenda for its youth.

I believe that H.R. 6265—Juvenile Justice and Delinquency Prevention Act—moves us in this direction.

SMALL BUSINESS WEEK

HON. PAUL W. CRONIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. CRONIN. Mr. Speaker, the Small Business Administration celebrates its 20th anniversary this year, and this week is Small Business Week.

I think this would be an ideal time to acknowledge the many accomplishments of the SBA in its endeavors to preserve and protect the concept of small businesses.

The small businessman is the backbone of our Nation. In recent years it seemed as if the large corporations would dominate our labor market and squeeze out the small businessmen, but through its intensive efforts the SBA has kept alive the dream of many an aspiring individual.

The SBA provides today's small businessman with counseling in many areas and helps insure that he receives a fair share of Government purchases and contracts. It offers a wealth of information concerning advertising, competitive strategy, and selling procedures.

I have long been a staunch advocate of the SBA as it carries out the mandate of Congress, granted in 1953, to encourage, assist, and protect the interests of the small businessman, and to foster the research and development of information that would widen his opportunities.

Mr. Speaker, it is my firm belief that everything possible should be done to aid the small businessman in the pursuit of his dream; for it is yesterday's dream that becomes today's reality. That reality can represent a vast improvement in our Nation's employment and economic picture.

CONGRESSMAN LENT ANNOUNCES QUESTIONNAIRE RESULTS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. LENT. Mr. Speaker, I am in the process of sending a newsletter to all of the residents of the Fourth Congressional District. Included in the newsletter are the results of my recent questionnaire. I insert the text of my newsletter in the RECORD at this point:

CONGRESSMAN NORM LENT REPORTS FROM WASHINGTON

RODINO PANEL TARGET NOW JUNE 30TH FOR IMPEACHMENT REPORT

The House Judiciary Committee has now set June 30th as the latest target date for completion of the investigation and report on possible grounds for impeachment of the President.

The new target date represented a two-month postponement from the original deadline of April 30th set by Committee Chairman Rodino, and seemed to be a product of both White House requests for delays, as well as the Judiciary Committee's own slow pace in acting.

No matter what one's opinion on impeachment of the President (4th C.D. Poll Results appear on Page 2), it now appears likely that the impeachment process will be with us well into this Fall and perhaps longer, barring unforeseen circumstances.

This can only result in delays in acting on other important problems facing the Nation. In my opinion, the country cannot afford this, and the Congress must begin facing up to other pressing problems which cry out for legislative action.

INFLATION, HIGH PRICES, MUST RATE AS PUBLIC ENEMY NO. 1 IN WASHINGTON

Amid the near blanket attention being given the ongoing controversy over Watergate developments, hardly a whisper was heard when the Nation's three years experience with wage and price controls turned into a pumpkin at midnight on April 30th. The Senate engaged in a feeble effort to enact standby controls, but a concentrated lobbying effort by big labor and others killed any chance for passage of back-up controls.

About the only consolation for Nassau County residents in the current inflationary race was the fact that beef had temporarily come down to less than mountaintop prices, but the promise of future gains still faces us.

RECENT LENT VOTES

Yes! on an amendment to increase funding for Nassau Schools under the Elementary and Secondary Education Act.

No! to an amendment to provide additional funding for U.S. Military aid to South Vietnam.

Yes! on a bill to increase Veteran's benefits, including tuition payments, 14%.

No! on a bill to grant an additional $1.5 billion to the International Development Association whose business is to make low-cost loans to foreign nations.

CAMPAIGN REFORM DUE SOON

While nearly everyone in Congress agrees that overhaul of our campaign financing procedures is necessary, there is less than unanimity of what constitutes the ideal solution. The aim is to lessen special interest and big money influence while still allowing the average citizen his Constitutional prerogative of backing the candidate of his choice. The House will soon consider a campaign reform bill, and the Senate has already passed sweeping changes calling for public financing of all Federal campaigns, a solution many contend goes too far with the taxpayer's dollar.

I believe Congress needs to arrive at a compromise that will effectively prohibit unreasonably large contributions while keeping the small contributor, the backbone of most campaigns, in the picture. I will work for an effective bill in the upcoming weeks to see that the abuses of Watergate will never again be repeated in our political system.

BELIEVE IT OR NOT!!

Any consumer would be astonished to learn that gasoline and oil products are the one remaining commodity under price controls, particularly with the recent drastic increases in price at the pump. Nevertheless, gas and oil still come under price controls of the Federal Energy Office and did not end with the April death of the Cost of Living Council.

REP. LENT TAKES AIM AT EAST COAST PRICES

New Yorkers are being victimized by the fact that oil companies can pass through their increased costs of oil from the Mid-East, and the East Coast is being supplied largely with imported oil.

I intend to make an effort on the House Floor, during the upcoming consideration of the Energy Bill, to require oil firms to price gasoline based on an average cost of their oil, rather than taxing the East Coast with the entire burden of high foreign costs, while midwestern areas still enjoy modest gasoline costs. I'd welcome your support on this effort.

QUESTIONNAIRE RESULTS ARE IN: 19,000-PLUS RESPOND TO FOURTH LENT POLL

Our fourth annual questionnaire was a huge success, as over 19,000 of you took the time to fill out and return the poll on some of the major issues of the day. My thanks go out to all of you who responded—you've shown that the notion of citizen apathy with government is overrated. I also appreciated the hundreds of individual letters and notes many of you sent me telling me your thoughts on these and other issues. I only wish I could have answered each of them personally, but the massive response prohibited that.

The questionnaire was just one of many ways I attempt to "stay in touch" with the District and will serve as an invaluable aid to me in determining my vote in the House on these important issues. I hope you won't hesitate to contact my Baldwin District Office at BA 3-1616 if you have any problems with the Federal Government or just want to express your views on an issue. Again, thanks for your cooperation. Your opinion does count!

	Totals		
	Yes	No	Undecided
1. Amnesty—Do you favor some form of amnesty for those who evaded the draft and deserted during the Vietnam War? (Y!—17 percent; y—17 percent; u—5 percent, n—20 percent; N!—41 percent)	34	61	5
2. Campaign financing—Should campaigns for Federal office be financed with tax dollars rather than private contributions? (Y!—23 percent; y—25 percent; u—8 percent; n—16 percent; N!—28 percent)	48	44	8
3. Energy—Do you believe we need a federally administered gasoline rationing program similar to that imposed during World War II? (Y!—3 percent; y—6 percent; u—7 percent; n—32 percent; N!—52 percent)	9	84	7
4. Energy—Do you favor retention of year-round Daylight Savings Time? (Y!—26 percent; y—29 percent; u—7 percent; n—18 percent; N!—20 percent)	55	38	7
5. Energy—Do you favor my bill to provide an all-out Federal effort to develop alternative sources of energy? (Y!—52 percent; y—38 percent; u—5 percent; n—2 percent; N!—3 percent)	90	5	5
6. Death penalty—Do you favor its restoration for the very worst crimes? (Y!—50 percent; y—30 percent; u—4 percent; n—6 percent; N!—10 percent)	80	16	4
7. Impeachment—Which best describes your opinion about impeachment:			
(1) The President should definitely be impeached based on present evidence	30		
(2) You, as my congressman, should weigh the legal evidence and cast your vote based on the facts at hand	40		
(3) The President should definitely not be impeached based on present evidence	30		
8. Impeachment—Do you feel the Congress is spending too much time dealing with impeachment at the expense of other problems? (Y!—36 percent; y—26 percent; u—3 percent; n—14 percent; N!—21 percent)	62	35	3
9. Inflation—Do you favor greater restraint in Federal spending? (Y!—43 percent; y—36 percent; u—8 percent; n—8 percent; N!—5 percent)	79	13	8
10. Inflation—Do you favor extension of wage/price controls beyond their April 30th expiration date? (Y!—21 percent; y—26 percent; u—11 percent; n—18 percent; N!—24 percent)	47	42	11
11. Neighborhood schools—Do you favor my proposed Constitutional amendment to prohibit involuntary busing of school pupils to achieve racial balance? (Y!—59 percent; y—27 percent; u—3 percent; n—4 percent; N!—7 percent)	86	11	3

AN ENDANGERED INDUSTRY: THE SMALL BREWERY

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. LUKEN. Mr. Speaker, I am inserting in the RECORD a letter I have sent to Chairman MILLS of the House Ways and Means Committee regarding important legislation pending before the committee affecting the smaller brewing companies in our country.

The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 22, 1974.

Hon. WILBUR MILLS,
Chairman, House Ways and Means Committee, House of Representatives.

DEAR MR. CHAIRMAN: I am writing in regard to legislation pending before your Committee which would affect the smaller brewing companies in our country. There are less than sixty brewing companies in operation today and the announcements of closings are too frequent.

A number of bills have been introduced which would provide malt beverage excise tax relief to smaller brewing companies (brewers producing less than two million barrels per year). For many reasons, it is important that smaller brewers receive this relief to avoid unemployment of thousands of brewery workers, engineers, machine operators, etc., as well as preventing the larger national breweries from monopolizing.

Cincinnati has a history of producing fine beers. There are two remaining breweries in Cincinnati, which carry on that tradition, which would qualify for reduction of Federal excise tax. Therefore it is of utmost concern to my District that such legislation protecting the smaller breweries be passed.

Mr. Chairman, I would appreciate any action your Committee might take on these measures in an effort to keep alive the small number of operating breweries we have now.

Thank you in advance for your consideration.

Sincerely yours,
THOMAS A. LUKEN,
Member of Congress.

DE ANZA BUILDS A REPUTATION

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. GUBSER. Mr. Speaker, several years ago, a program to help "high risk" minority women return to the classroom was initiated at De Anza College in Cupertino, Calif. This program, known as the women's reentry education program (WREP), has been so successful that it has been duplicated with comparable results at other colleges in the Santa Clara Valley area. Recently, an article about this program appeared in "American Education," issued by the U.S. Department of Education. I believe this article will be of interest to readers of the CONGRESSIONAL RECORD, and am, therefore, submitting it for inclusion at this time:

(By Dru Anderson)

"I went through the fourth grade, that's all," says a middle-aged mother of two, now turned college student. "In my 'old age,'" she smiles, knowing that age was far from taking its toil, "I decided I should have an education."

But this woman knew that she never would have made it without the support of other women who, like herself, are finding their way back to college through a novel enterprise called the Women's Re-Entry Education Program (WREP). Launched five years ago with funding support under Part F, Vocational Education Act of 1965 and Title I of the Higher Education Act, WREP has become one of the more noteworthy offerings of De Anza College in Cupertino, Calfornia, located in the agriculturally fertile but rapidly urbanizing Santa Clara Valley, just south of San Francisco Bay.

The program serves women who, in education's traditional sense, are "high risk." They come from low-income areas marked by a high incidence of unemployment. Most are from minority cultures—predominately Mexican-American, black, and Asian-American—and have had limited schooling. Perhaps for that very reason education figures large in their thinking.

Some of the women have a purely pragmatic interest; they may head up a household or have a disabled husband and are seeking ways to improve their support of their families. Others look upon education as a means of gaining a sense of self-worth. Whatever the attraction, all the women—even the few who had been in college before—felt paralyzed by a fear of college entry requirements. Characteristically they have been out of school for from ten to as many as 40 years, the result being such deep attrition of their confidence that they found it almost impossible to take the first step toward returning to the classroom.

WREP answers their fears by inviting the women into the college environment without regard to high school diplomas, placement examinations, or the nerve-rattling experience of registration lines. Every effort is made to make them feel at ease in the college environment, to make it clear that they are not only welcome but wanted. Almost without exception that approach does wonders to enable the women to deal more realistically with their anxieties and to accept the opinion that low-income and low-educational backgrounds do not dictate low potential.

Enrollments in WREP have averaged 40 women per quarter ever since the program began. Of the 348 women who have entered the De Anza program so far, 47 percent identified themselves as being married and 30 percent divorced, with the others listing themselves as separated, widowed, or single. Financially, 40 percent were on welfare, 37 percent were low income, and 19 percent were of middle-class income. The program stresses academic excellence, and the women have maintained a grade point average well above the "B" level. Teachers, when discussing WREP students, are given to such terms as "terrific students," "highly motivated," "bring maturity and life experiences to the college classroom." Thus far 33 women have earned AA degrees and are in vocational careers, while many others have transferred to four-year colleges, and at least four are in graduate school.

Academic achievements aside, the De Anza staff is struck by the self-confidence and self-esteem the women achieve even after only one quarter in the program. "It's like seeing two different sets of students," says Curtis Baldwin, a sociology teacher who helped put the program together and now coordinates the effort to carry the concept to other colleges and community areas.

A spunky, grey-haired woman, good naturedly calling herself a representative of the "over 60s," illustrates Mr. Baldwin's point. "I never dropped into high school, let alone dropped out," she says. "But here I have a 3.52 grade average. The staff and my friends just wouldn't let me quit. I've learned that I don't need anything but courage."

She tells the story of chiding Mr. Baldwin for using big words that were hard to understand, then one day of thanking him for finally making his language simpler—except he told her that he was still talking the same way. "Why, it took him all semester to convince me I was not a stupid old woman. I finally realized it was I who had changed and that I could learn to understand those two-dollar words."

Another woman who also had failed to finish high school said the idea of returning seemed out of the question. "I felt there was no way I could feel comfortable," she says. "But with women of similar age with similar problems—children and husbands to care for—we could help one another, and after a while the idea of going back seemed less scary." Pausing, she adds softly, "Now we will never be the same. Having gone back to school has made us different people."

WREP's success at De Anza is such that the program has been initiated at several other colleges in the Santa Clara area: West Valley College in Saratoga, Gavilan College at Gilroy, and San Jose City College in urban San Jose. Enrollments amount to some 70 students each at West Valley and Gavilan, with retention rates topping 65 percent. Early indications are that the program at San Jose, which began last fall, is also going well.

In each case, Mr. Baldwin says, "The WREP focus is on support services and on peer counseling and tutoring." There is a one-year curriculum plan for the program, and the women entering each quarter remain together as a group in the WREP "block" of courses. This grouping, it was found, eliminated initial competition with the regular college students and provided opportunity for the women to identify and support one another through, for example, tutoring. The arrangement also provided greater personalization in instruction.

During their first quarter, all students are required to take specially oriented courses in guidance, home economics (consumer education), sociology for women, and basic English and communication skills. Should they have preschool children in De Anza's companion Child Development Center, they are also required to take parent education courses each quarter to support their children's learning experience and to reinforce the idea of cooperation among home, school, and community.

All classes are scheduled between the hours of 9 a.m. and 1 p.m., five days a week, with the Child Development Center coordinated to the same hours. After the first quarter, students are assisted by counselors to select courses outside of the program block as well as within it. What the staff sees as the critical test of the program's effectiveness occurs when the women enter and cope with the regular college classes.

Beatrice Cossey, a mother as well as the full-time director of the De Anza WREP, became involved in the initial development of the program as a vitally interested volunteer from the community. By background a medical technologist, Ms. Cossey feels that the "only way you get things done is to get in the middle of them." She assisted Barbara Adams, who was then a home economics instructor at De Anza, to spread her idea of reaching women in low-income areas with a short course in consumer-homemaking. First offered on an experimental basis in late spring of 1970, the course developed into a broad effort by the college to meet the special needs of disadvantaged adult women.

Creating such a program—bringing adult women to college without regard to the traditional entry mechanism and requirements and doing so in a way that would enable them to stay there through a complex interaction of college departments and community service agencies—was not without its difficulties. Nor was it a simple matter to get such a program accepted once it had been blueprinted. "In many ways," says Richard Wright, Dean of Continuing Education at De Anza, "it was like trying to swim upstream."

Ultimately, however, the program was written, it was accepted, and after vigorously shaking up some college routines in registration, counseling, financial aid, tutoring, and instruction, it was solidly established. "Today," says Dr. Wright, "its need and value are well-recognized by the college administration and faculty."

Because initial exposure to instruction is crucial to the entering woman student, Ms. Cossey says, one of the more touchy processes is the selection of instructors to teach the WREP women. The goal, she says, is to find people who will be flexible with these special students and sympathetic with their needs and problems, but who will nevertheless insist on high academic standards. "Catering to them," Ms. Cossey stresses, "would only reinforce the feelings that they're trying to shed—that they 'can't do it.'"

Tutoring, another supporting pillar of the program, likewise calls for flexibility on the part of the college administration. The 18- and 19-year-old tutors in the college learning center were not available in the evenings when the women usually needed assistance. Also there were barriers and misunderstandings between the age groups. For these reasons peer counseling and tutoring were established and, once again, the concept of the women helping one another came into play. Bea Cossey has come to view such terms as "support services" and "counseling" as being crucial.

One of the major WREP "support services" is its companion State Preschool Child Development Center (CDC) for youngsters of the women students. From the beginning, it was considered vital to a woman's educational progress to have her feel confident that her children were well taken care of while she went to school. Equally important was the consideration that her child receive not merely custodial child care but a learning experience.

Making sure they have one is the responsibility of CDC director Wanda Armstrong, whose talents include a dexterity with hammer and nail. Thanks to her good right arm as well as her training and experience, a good many attractive, as well as educationally useful, materials have been created for the 40 to 60 youngsters attending the center each quarter. Ms. Armstrong and Rose Crowder of the DeAnza home economics faculty, who is in charge of the center's curriculum designed for both youngsters and parents, plan and direct the work of the child development staff, which includes two men as teachers and some of the mothers themselves.

The CDC is where the concept of interdependence of home, school, and family comes to the forefront in the WREP. The philosophy on which the center was founded is termed "community-family guided education," and it was initiated by Thomasyne Lightfoote Wilson, associate professor of elementary education at California State University at San Jose and an educational consultant to the Child Development Center. Dr. Wilson likens her philosophy to the "extended family" concept which prevails among many cultures, including Mexican-American and African, and in which, she explains, they somehow "get it altogether." Community-family guided education, she says, affirms the proposition that everyone is needed and important. "To be sure," she says, "there is a rough hewing out as we rub shoulders, sometimes abrasively. The important thing though is that here we value distinctiveness as opposed to sameness. In working with others, in this spirit, women gain the concept of not giving up; they acquire a sense of 'I can modify the conditions, and if I can't somebody else can.' This opposes the idea of 'It cannot be done.' "

Such a philosophy opens the possibilities and potential of self-direction to WREP women, Dr. Wilson says, with the result that they in turn take on responsibility to do something about conditions around them in the community. She notes that more and more of the WREP women are contributing to their communities by becoming involved in governmental affairs, in churches, and in various social agencies. One WREP woman serves on the school board in her community.

And communities not only receive benefits, they give them. For instance, St. Jude's Episcopal Church, located a few blocks away from the college, has made its Sunday school classrooms available during the week to the Child Development Center. "It's a mutual relationship," says St. Jude's pastor, the Reverend John Buenz. "We're receiving as much as we're giving. It provides us with an outreach to the community, and it's not the church telling people what to do. It's their program and we have the facilities to meet their need."

This functioning example of community-family guided education has led to a pulling together and helping of one another by the WREP students. As one woman put it, "I never realized before that you could love others as much as you could love your family."

The program's focus on women, members of the staff say, inevitably provokes the question of whether it is an exercise in reverse chauvinism. "Not at all," says Bea Cossey. "Nor is it a woman's liberation thing. It is a program geared to community and family." Women who are raising children, she says, need to know what excellence in education consists of, so that they can take community responsibility to see that their children are indeed getting excellence. She adds: "It is consumer education in the broadest sense. It is important for people to understand that we are all 'consumers' not only of goods but of services, which most certainly includes education. They must be made aware of what is available to them and encouraged to take responsibility to insure quality for themselves, their families, and their communities."

WREP is turning out a new breed of such consumers. One such is a woman from a migrant worker family whose mother had never been to school at all. She recalls picking fruit in the area where the suburban Cupertino college now stands.

As she walks along the shaded pathways of the campus she points with pride at the buildings her husband, a construction worker, had worked on. "He says he came to college before I did," she says with a smile, "because he helped build it. And now I'm here, and we're both part of the college—and it's part of both of us."

URBAN HOMESTEADING WORKS

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. BRASCO. Mr. Speaker, there are many things wrong with our cities, and even the most cursory drive through many areas of our inner towns reveals the malaise that afflicts them. Perhaps the most ominous sign to me, as a lifelong big city dweller, is the large number of relatively livable structures which stand abandoned, in spite of the fact that they obviously could be rehabilitated and used by millions of Americans who do not know what decent housing is like.

Today, we are afflicted by a growing housing problem. Interest rates are above the ceiling, and rising. Never before have builders and buyers found it more difficult to obtain mortgage financing for homes. Further, costs of raw materials have risen apace with interest rates and other costs. For example, the cost of construction lumber has risen approximately $2,500 on an average-size house in just the last year. Obviously, there is no easy answer.

However, in times of stress such as these, necessity emerges with some responses we have had under our noses, but have ignored. Such a response is urban homesteading, which is slowly but steadily spreading across the Nation, and which is having a very fine success in East New York.

First of all, let me note the Federal Government has insured a number of dwellings in our cities, and that FHA is finding its hands full of foreclosed properties which it can do nothing with. Yet many of these structures are the very same ones I have referred to as being abandoned but quite usable. The answer, then, is to find some way of making them rehabilitatable and livable again. Urban homesteading is the answer.

Essentially, what it involves is taking an abandoned structure that has been dumped back into the hands or lap of the city, State or Federal agency and giving it for a nominal sum to someone who will rehabilitate it and live in it. In East New York, the East New York Development Corp. has taken the initiative in an area where there are at least 800 FHA foreclosures. Beginning with at least 50 buildings, this local organization has made significant strides in finding people to put their commitment into such homes and live in them. Many houses have already been fixed up and our hopes are high that more will be accomplished. As a long-time resident of East New York, I have a personal commitment to seeing to it that this area and this concept get off the ground successfully.

In many other metropolitan areas of the Nation, this concept is gaining rapid public acceptance and commitment. Many local authorities and civic organizations are coming to believe it to be a viable alternative to simply leaving the buildings abandoned and worthless in every sense of the word. In some areas, such as Wilmington and Chicago, these efforts have borne fruit.

I believe we can and must institutionalize a Federal commitment to this concept.

One such measure is the National Homestead Act, which takes its name from the concept of inner-city urban homesteading, which is what such rehabilitation efforts really amount to. The National Homestead Act, which I have joined in cosponsoring, would make available to low- and middle-income families those single-family homes owned by the Department of Housing and Urban Development for a nominal fee and an agreement to rehabilitate the dwelling. Homesteaders would be eligible for rehabilitation loans under the 312 program administered by HUD.

Most of all, this would act as an impetus to the urban homesteading movement, which desperately needs Federal impetus and example. Today that same impetus and example is missing, and in light of the national scandals breaking around so many HUD housing programs, this commitment would stand in stark and constructive contrast to what has gone before.

Local people are fascinated with this concept. It has shown that with some help and a commitment, inner city neighborhoods can be given a shot in the arm. It also has shown that local people living in the inner city can and will reach out and work hard to make a better home possible for themselves and their families. Already, in a number of communities, people are living better in rehabilitated and once abandoned houses because urban homesteading was found to work. It does not come easily, but it can be done. Now, therefore, in my view, is the time for the Federal Government to come to the aid of organizations like our own East New York Development Corp. and help them to help others.

TRAVELS WITH JANE

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. HUNT. Mr. Speaker, as promised some time ago, I am again today reporting yet another anti-United States appearance by Miss Jane Fonda, her husband Tom Hayden, and a new member of the troupe, Representative Aspin, Democrat of Wisconsin.

My views regarding Miss Fonda and others of her ilk are well-known and a part of of the Record, so I will not comment, only to say that I am somewhat embarassed that this latest tirade took place in my State.

For the Record, I submit the following article from the May 20, 1974, edition of the Philadelphia Bulletin:

Jane Fonda, Tom Hayden Urge United States to Cut Military Aid to Indochina

Newark.—Peace activitists Tom Hayden and Jane Fonda told a dinner here last night that "South Vietnam is a creation of the United States government, and we must pressure Congress to cut back spending" on military assistance to Indochina.

The Haydens and Rep. Les Aspin (D-Wis), an antiwar Congressman, addressed 500 persons at the annual award dinner of N. P. SANE, a peace organization. The three were given awards by SANE.

Jane Fonda and her husband, Tom Hayden, are among several founders of the Indochina Peace Campaign which works in conjunction with SANE and other peace organizations.

TREATY VIOLATION

The actress said the U.S. has violated the 1973 Paris Peace Treaty, and argued that "we (the U.S. Government) chose (South Vietnam's president) Thieu as our ally, we fund 90 percent of the government, we supply the military and air force, and we train the men who run the prisons."

Hayden said American firms supply South Vietnam with prison equipment.

"The United States is continuing the war in South Vietnam and Cambodia. As long as there are three flags in Vietnam, there will be no peace," Ms. Fonda said.

Hayden estimated American military aid to South Vietnam at $2 billion to $3 billion and said this figure was "more than ten times the total American aid to India, Pakistan and Bangladesh."

BILL COMING UP

"The House Armed Services subcommittee has proposed a $1.4-billion bill for aid to South Vietnam that comes before the full house on Tuesday," Rep. Aspin said.

"Our thinking about defense has not been progressive since the 1960s. We need some new ideas. Something that is coming from an entirely new perspective," he added.

Aspin said. "There are two forces that determine our defense budget."

NUCLEAR WARHEADS

"First, there are the strategic forces which comprise 20 percent of the budget." He said military experts asked for one-megaton nuclear warheads to absorb a first attack and launch a counterattack that could "destroy one-fourth of the population and one-half of the industry" of the enemy.

"But political judgments raised the number to 7,100 in case other countries attack simultaneously" and by 1977 nuclear warheads may number 10,000, Aspin said.

"Second," Aspin said, "there are general purpose forces which comprise 80 percent of the budget" and supply weapons for conventional warfare.

Aspin said he wants to cut the military budget across the board, not just aid to the Saigon government.

CONDITIONS AT VA HOSPITALS UNDER FIRE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. BIAGGI. Mr. Speaker, the Veterans' Administration has come under increasing fire in recent months by those critics who feel that the VA is not responsive to all the needs of veterans today. As a result of these outcries, the present Veterans' Administrator, Donald Johnson, has announced his intention to resign, and the President has directed a thorough study of the operations of the VA.

As we approach this critical era in the VA, I would like to bring to the attention of my colleagues a report entitled, "How the VA Is Running Its Hospital." This report was written by Mr. Joel Freedman, a social worker at the VA Hospital in Canandaigua, N.Y. Mr. Freedman has been involved in a year-long commitment to correct some of the more prevalent problems plaguing VA hospitals in this Nation. I recommend that my colleagues take the time to read this report, and I hope that the committee appointed by the President to look into the VA will also have the opportunity to look over this report.

Mr. Speaker, at this point in the Record, I insert Mr. Freedman's article:

How the VA Is Running Its Hospitals

(By Joel Freedman)

"I am ready to leave this place immediately if not sooner. This environment is not one I can tolerate. It leaves me with a feeling of isolation. I feel like I am in an asylum in preparation for the morgue or something.

"In deep earnest I request that I be discharged at once because I can't stand it here any longer."

This is a young Vietnam veteran writing about what it is like to be confined to a locked ward at the Canandaigua Veterans Administration Hospital.

By name and locale, the Veterans Administration Hospital in Canandaigua, New York, spread out on a large bucolic tract in the rolling Finger Lakes countryside, is a pleasant enough place. Canandaigua, one of 170 hospitals in the VA medical network, treats on any one day almost 1000 disabled veterans suffering from various mental disorders or neurological diseases.

One-third of the patients are elderly and infirm and require long term treatment on intermediate medical wards.

During the past year hospital officials have sponsored accelerated publicity in local newspapers, creating the impression than Canandaigua is a place where sick veterans receive high quality care and habilitative services.

AFFRONT TO DECENCY

Actually the conditions under which many disabled veterans at Canandaigua have been forced to live have been so brutal and degrading that the hospital is an affront to basic human decency. On some of the wards the atmosphere is so oppressively gloomy that psychological withdrawal is the only escape from stark reality. Instances of physical maltreatment and malicious teasing of patients by some staff members have been frequent occurrences at the hospital. While regulations prohibit mistreatment, and while a new Director has begun to crack down on brutality, abuse continues at Canandaigua.

Dozens of patients have been crippled needlessly for life as the result of inadequate physical therapy programs and equipment on the wards. Many veterans have developed incurable and permanent contractures (shrinkage of muscles and tendons) because they never received the continuity of neuromuscular exercises necessary to prevent deformities. Bedsores, also preventable, torment many infirm and incontinent patients who live a bed-to-wheelchair-to-bed type of existence.

One of the most dehumanizing aspects of life for the ambulatory patients is the regimented structure which prohibits them from making decisions concerning their own lives. Much of a patient's time is spent waiting in long lines for meals, medications or whatever. Treatment planning conferences frequently exclude patient participation in decisions which affect them. Antiquated buildings, drab living areas and overcrowdedness also make rehabilitation a formidable task.

Tranquilizing drugs, notably the phenothiazines, are over-used to the point that their main function is to control rather than to help the patients. Prolonged use of these psychoactive agents have caused patients to develop marked neurological side effects, including body disequilibrium, distorted facial features and involuntary movements of the lips, tongue, feet and other muscles affecting posture.

Many of the community care homes, used by the hospital for the placement of long-term patients, are grim repositories where veterans are provided only laundry, lodging and meals and sometimes less than that. Veterans have complained of not getting enough to eat and of overcrowded conditions in several of the homes. In far too many homes, recreational therapies and social activities are totally lacking; the veterans do not even know their neighbors and are far removed from the mainstream of the community.

V.A. RESPONDS TO CRITICS

My employment as a social worker at Canandaigua has brought knowledge of inhumane conditions at the facility. Because of their past efforts on behalf of disabled veterans, I wrote a series of letters to Senator Alan Cranston, Chairman of the Veterans' Health Subcommittee, and to New York Congressman Mario Biaggi, which described the existing problems and which recommended specific means to upgrade patient care.

Once my complaints were forwarded to VA Central Headquarters, the VA promised a thorough investigation. Two investigators from Central Office Security Services spent most of the summer of 1973 at the hospital, probing numerous allegations and taking testimony from former and current employees, hospital officials, patients and out-patients. Once the probe was off and running, many employees, including some who used to look the other way when injustices prevailed, began to question and report practices they felt to be detrimental to the best interests of those under treatment.

Back in Washington, Veterans Administrator Donald E. Johnson was blasting at a House Subcommittee Report which charged deplorable conditions in VA hospitals. The House Report, claimed Mr. Johnson, was "deliberately designed to mislead the American people." The Administrator also chided the media for "producing headlines around the country declaring that VA hospital care was deteriorating and dangerous to patients."

He went on to assert that "this is utter nonsense. It is an untruth that is damaging to the morale of our dedicated hospital staffs and to present and prospective veteran-patients."

Last year, in the wake of several critical reports, including a project conducted by a Ralph Nader Task Force, Central Office issued directives to all hospitals and regional centers, asking staff members to refrain from delivering negative information to the news media or making any comments that could be embarrassing to the Veterans Administration.

SCOPE OF THE PROBLEM

Poor conditions in other VA hospitals, which have come to light in the past year, suggest that Canandaigua is a microcosm of the present methods of treating mentally disabled veterans in America. A systematic inquiry into the adequacy of care at the VA Hospital, Chillicothe, Ohio, revealed that patients had been abused and neglected. Deficiencies at the Perry Point, Maryland, VA Hospital resulted in the facility's failure to meet minimal accreditation standards. In testimony before Senator Cranston's subcommittee, the VA admitted that in several of its facilities, doctors were still performing brain operations "to control the behavior" of psychiatric patients.

Canandaigua's Director, Mr. Orden L. Collins, is the facility's first non-psychiatrist superintendent and is the most progressive administrator in the hospital's history. He has begun to improve overall conditions, but the hospital is faced with problems so great that it is difficult for any one administrator to deal with them effectively.

While the majority of employees are well-intentioned and give of themselves beyond their required duties, small factions of employees have run the hospital like a 15th century prison. Patient abuse has been tolerated because of complacency, a "don't rock the boat" attitude and a rigid set of institutional values which create apathy and docility and a widespread belief that it is useless to challenge the status quo.

Many of the problems are not really in Canandaigua but in Washington.

Periodic hiring freezes and budget cuts, which have been clamped on all VA hospitals, have contributed to the deteriorating quality of care in veterans' health facilities.

THE VA SYNDROME

Over the years, a creeping paralysis of bureaucratic inertia has been overcoming the entire Veterans Administration. Decision-making is often left to people who are out of touch with patients' needs and changing patterns of care. There is too much emphasis on public relations gimmickry, too much non-accountability and too many unclear lines of responsibility within the structure of the Veterans Administration.

There is an all powerful system which condones incompetence, encourages mediocrity and stifles creativity and innovation on the part of staff members.

While the investigators rigorously studied conditions at Canandaigua, even going so far as to visit the hospital in the middle of the night, there is also a need for unannounced visits to 810 Vermont Avenue, Washington, D.C. to see what is going on at VA Central Headquarters.

Whatever may be in store for Canandaigua and other VA hospitals, the war heroes of yesterday are being neglected today. Hopefully, meaningful reforms will be effected in the not too distant future. In the meantime the statement made by the young veteran keeps ringing in my mind: "In deep earnest I request that I be discharged at once because I can't stand it here any longer."

NIH APPROPRIATIONS, 1975

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. MINISH. Mr. Speaker, Dr. Sidney Udenfriend, director of the Roche Institute of Molecular Biology and vice-president of Hoffman-LaRoche Inc., Nutley, N.J., recently testified before the HEW Subcommittee of the House Appropriations Committee.

Dr. Udenfriend spoke on the fiscal 1975 budget for the National Institutes of Health, a subject which he is uniquely qualified to address. In addition to his work at Roche, Dr. Udenfriend is adjunct professor of human genetics at Columbia University School of Medicine and a member of the National Academy of Sciences. Until 1968, he was head of the laboratory of clinical biochemistry at the National Heart Institute in Bethesda, Md.

Mr. Speaker, I recommend Dr. Udenfriend's testimony to all my colleagues:

STATEMENT ON 1975 APPROPRIATIONS FOR THE NATIONAL INSTITUTES OF HEALTH

(By Sidney Udenfriend, Ph. D.)

Mr. Flood, members of the Subcommittee, I am grateful for the opportunity to appear before you and present some of my thoughts about support of Biomedical Science and the NIH. I am a member of the American Society of Biological Chemists and appear before you at the request of the officers of the Society. However, I speak to you as an individual, not as a representative of the Society. I also wish to point out that the Institute, of which I am Director, receives no support from the NIH or from any other government source.

In 1950 I joined the staff at NIH as a young investigator. I was privileged to see at close hand the development of two important systems, the NIH Intramural Program at Bethesda and the development of the system of research grants and fellowships that provide NIH funds for support of research for universities and other institutions. I would like to discuss both of these systems which are distinct and yet interdependent.

The NIH Intramural Program at Bethesda, which represents less than 10 percent of the total NIH budget, is a most remarkable center for biomedical research. Since 1950 the NIH has become the major center for training of biomedical investigators in the entire world. From its inception the NIH has taken young people and trained them to become its own leaders. Unlike other institutions NIH was never in a position to hire established investigators. A very large number of the NIH trained people have, in turn, moved on to become leaders of other institutions, medical school, hospitals, and research centers. Intramural NIH scientists and alumni have of course made many outstanding contributions to the biomedical sciences.

The NIH has attracted young people of two different backgrounds, Ph. D.'s who want postdoctoral training and M.D.'s who are interested in biomedical research. The former group are supported by NIH stipends. The latter group are employed as Clinical Associates and Research Associates. Clinical Associates have clinical responsibilities at the Clinical Center as well as research programs. Research Associates devote their time entirely to research.

I would like to point out that delivery of the applications of medical research, whether in the form of contracts or otherwise, requires a large number of skilled clinical investigators. It is very important that the production of highly qualified clinical investigators be continued. Intramural NIH has without a doubt been responsible for a large proportion of such training. It must therefore be encouraged in this role. To do so it will be necessary to encourage senior staff at NIH to stay on. It will also be necessary to make certain that the Clinical Associate and Research Associate Programs are continued.

I address myself to the intramural program because most witnesses who come before you consider the NIH only as a source of extramural grants and contracts. The intramural program has become our most important center for training in the biomedical sciences. I am afraid, however, that as a result of economies and shifting goals its role as a training center is endangered. A training center requires a staff of excellent scientists as well as a high turnover of young scientists to be trained and visiting senior scientists to instill new ideas.

Although many senior scientist have left Bethesda in recent years, it still has an outstanding staff. However, because of the decrease in funds available for visiting scientists, both at the trainee and advanced level, the senior staff finds its role as a training center decreasing. That and the diminution in other services, including even secretarial help and maintenance, is eroding this great center.

The stature of the NIH Intramural Program must be maintained because it is a prerequisite for the vital research grants program of the NIH. The scientific staff which administers these research grants is largely drawn from intramural scientists and also interacts with them in many ways. The Intramural Program sets the scientific tone of the entire Extramural Program and provides it with trained personnel for carrying out grant and contract supported research. Should the Intramural Program in Bethesda be allowed to deteriorate the whole NIH effort will suffer.

Let us now look at the Extramural Program of NIH. For almost 25 years the NIH has provided the bulk of support for biomedical research institutions and their staffs. It has also supported the training of most of our present biomedical scientists. Although the total NIH budget appears to increase year by year the amounts available for non-mission oriented research and for training do not increase and in many areas they have decreased substantially.

Let us first consider the area of training. I believe that scientists may have damaged their case by emphasizing the training aspects of predoctoral and postdoctoral scientists. I consider those young individuals the most important members of a research team. The most sterile scientific setting I can imagine is one composed only of senior scientists and technical assistants. As a head of a laboratory I consider the predoctoral and postdoctoral fellow vital to carrying out successful and imaginative research. The predoctoral fellow is uniquely suited to taking an assignment and exploring it, under supervision, in the depth which can only be achieved by such a scholarly approach. The postdoctoral fellow is one who adds his own expertise and interests to the team effort and thereby leads to new and unexpected findings. Looking over the products of my own research I can safely say that most of it would have never seen the light of day but for the trained and inquisitive eye of the predoctoral or postdoctoral fellows who worked with me. To the extent that these individuals participate in the overall research effort they must be paid. The training they receive in the process is what any young professional obtains while engaged in his professional activities. Cutbacks in fellowship support are not only decreasing the number of trained scientists, they are also diminishing the quantity and quality of the research performed. In simple terms, the money spent on these predoctoral and postdoctoral fellows buys high quality research at a ridiculously low price.

The next point I would like to consider concerns mission oriented versus non-mission oriented research. In the case of the NIH we have recently seen a huge proportion of its funding going to cancer and heart research and much of it diverted to contracts rather than to research projects. A large proportion of the budget is thus earmarked for applying yesterday's knowledge to tomorrow's technology and medical treatment. These are undertakings which are hard to criticize except that they diminish the funds available to basic research. Many of my colleagues have said this, probably in a more elegant fashion, but we do not yet possess the information needed to apply meaningful technology to the cure or prevention of cancer, heart disease, mental disease or to many other chronic illnesses. The disproportionate use of NIH funds for the application of current knowledge should not be allowed to jeopardize the acquisition of essential new scientific findings without which these diseases cannot be conquered.

We should not be faced with an either-or situation. What is at stake is the possible prolongation of our ignorance and the concomitant expenditure of huge sums of money to treat diseases which we might, with new knowledge, prevent. Going back over two decades it is as though the Polio Foundation (March of Dimes) in the late forties had had to choose between funds for setting up the many centers for treating polio victims or for basic research in the biology of viruses. Had such a choice been necessary and had the Polio Foundation been forced to cut its support of basic viral research the country would have paid an enormous price in both expense and suffering. At the time no one knew that the studies of Dr. Enders and his colleagues at Harvard on viral biology would lead directly to the Salk and Sabin vaccines. Fortunately, the Polio Foundation did not make the wrong choice.

Today scientists are working at every frontier of biology, and information is being obtained much more rapidly than in the days of Dr. Enders. However, the chronic illnesses that head today's list of killers and debilitators require far more knowledge for their understanding than do the infectious diseases. We still have much to learn. What's more we cannot even tell people where to look or what to look for. We are fortunate in that we have thus far been able to train many scientists to do the looking. Each with his own peculiar training and thinking breaks new ground. The synthesis of all this work will assuredly lead to new significant developments.

I know that you have been told many times about what our investment in basic research has in the offing. Let me list some of its already recognized ahievements. Before doing so I must point out that biomedical research is a continuum, from the investigator who studies the most esoteric natural phenomena, to the clinical investigators, and then to the qualified technological group that can translate these findings and deliver the diagnosis or therapy to the patient in a professionally acceptable form. In this country, except for surgery and psychoanalysis, the latter requires private enterprise such as diagnostic, pharmaceutical or instrument companies. Encouragement of the interplay between basic and clinical investigation and private technology could speed up the translation process. In any event to measure the effectiveness of our past support of basic research we must also look at the achievements of biomedical industry.

Two major developments have taken place in somewhat different fields. In the field of hypertension most of the significant antihypertensive agents that were introduced in the late fifties were direct outgrowths of the vast amount of NIH supported research in catecholamines. This same research also led to the use of DOPA in Parkinsonism. While we do not yet understand either disease one can safely say that the dollars spent on the biochemistry and physiology of catecholamines have led to drugs which have resulted in great savings in and improvement of life. The savings in hospital costs alone are far greater than the original cost of the basic research.

The science of endocrinology has recently taken a great spurt. Many laboratories have been supported in elucidating the structures of hormones and in their biochemical pathways. This information will lead to many great advances in the future. However, we already have endocrine drugs for treating diseases, for birth control and for diagnosis.

Immunology has also been well-supported by NIH. One day the knowledge gained in this field will answer many questions concerning chronic disease. For the present it has made possible many new vaccines (measles, flu, hepatitis). It has revolutionized the field of diagnostics. Immunoassays have been introduced for measuring blood levels of insulin, other hormones and drugs and even for detecting cancer. With immunoassays we can detect many diseases at an earlier stage and even determine their cause. Diabetes is now known to arise in several different ways, as a result of immunoassay. Control and treatment will surely follow. A large number of diagnostic procedures are now commercially available. All of these have been a direct payoff of the very large investment in basic immunological research.

The argument that we have enough knowledge for the present and that we should now invest mainly in consolidating and applying this knowledge is based on fallacious reasoning. Applications are costly and, unless they are based on firm factual knowledge, can become obsolete with the next experiment. As I pointed out earlier we do not have adequate knowledge of the cause, prevention, or treatment of most chronic diseases. If applied research on these chronic diseases is supported *at the expense* of basic research this will surely delay the acquisition of new information which is needed for continued advances in the prevention and cure of disease. There is no substitute for the type of research which is carried out at centers of excellence by well trained independent professional investigators with the assistance of professional trainees (predoctoral and postdoctoral) and funded by a system that utilizes the peer review mechanism. If we curtail such activities or even make their funding uncertain and variable we shall prolong human suffering and the economic expense of chronic disease. We now have the same type of choice that the Polio Foundation had about 25 years ago. Do we want to learn how to prevent cancer or arthritis or mental disease or do we want to limit ourselves to setting up hundreds of cancer or other chronic disease clinics to diagnose, and care for millions of victims of these diseases each year and treat them with empirical and uncertain therapies. Obviously both approaches are needed, but only basic research offers the hope of eradicating these deadly diseases.

In conclusion, I recommend increases in the budgets of the Institutes for the support of intramural research and for extramural research grants. Fundamental to this recommendation is the need for additional personnel, particularly in the intramural research activities.

HARTMAN SPEAKS BEFORE SUBCOMMITTEE

Hon. PETER H. B. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1974

Mr. FRELINGHUYSEN. Mr. Speaker, the European Subcommittee of the Foreign Affairs Committee, under Mr. ROSENTHAL's direction, has been holding a series of timely hearings on the policy of détente with the Soviet Union. In a recent session, the subcommittee heard Assistant Secretary of State for European Affairs Arthur Hartman and former Ambassador to the Soviet Union Foy Kohler. In a frank and open exchange between the two witnesses and members of the subcommittee, the conceptual basis for détente was clearly brought forth.

The record of this series of hearings will be printed in due course. In the meantime, I think many Members will be interested in having Assistant Secretary Hartman's opening statement immediately available because the subject is of such current interest.

The statement follows:

STATEMENT OF HON. ARTHUR A. HARTMAN

Mr. Chairman, Members of the Subcommittee on Europe: I welcome this opportunity to appear before the subcommitee because I am convinced that it is important for us to understand the circumstances that have led to the beginning of this new period in relationships between the United States and the Soviet Union and to ask ourselves hard questions about the meaning and durability of these relationships that we sum up in the word "detente". I also welcome the opportunity afforded by the Committee to hear the views of experts from outside the Government on these vital matters.

Before I begin discussing detente, let me attempt briefly to define it. Literally, detente means a relaxation of tensions. But it is frequently used as shorthand for a complex process of adjustment. It is not a static condition or a simple standard of conduct. It does not imply "entente."

I

I would like to devote my opening statement to the Administration's concept of detente, turning first to the global setting of US-Soviet relations, then to the Administration's approach to improving these relations, and finally to specific accomplishments that have been achieved and problems that remain.

Since World War II, the crucial issue of US-Soviet relations has been that of war and peace—crucial in these times because of the obvious fact that a nuclear war could mean vast destruction for mankind.

Thus, a central strand in US foreign policy for over twenty years has been the search for agreements and undertakings with the Soviet Union that could reduce the risk of war. In summit meetings and through patient diplomatic negotiations, successive

Administrations have sought to control the arms race and to relieve sources of tension.

At times, significant breakthroughs were achieved. For example, the signing of the limited test ban treaty in 1963—the first major arms control agreement of the nuclear age—ushered in a period of improved East-West relations. But as with the short-lived spirits of Geneva, Camp David and Glassboro, progress in isolated areas did not produce lasting changes in East-West relations.

When this administration took office in 1969, one of its first acts was to undertake a fundamental reassessment of our position in the world and of our relations with the Soviet Union. The assessment began with the premise that we were at the end of an era in foreign policy. The power configuration that had emerged at the end of the Second World War was gone. No single dramatic event had marked the end of what had come to be called the "postwar" era. It had come as a result of cumulative changes. Western Europe and Japan had regained their economic viability and political self-assurance. Newly-formed nations had found identity and self-confidence. Divisions within the Communist world had deepened and were reflected in the divergent policies of the major Communist powers. The overwhelming supremacy of the United States in strategic nuclear weapons had been replaced by a more nearly equal strategic balance with the USSR.

But, despite these changes, Soviet-American relations had remained frozen, a vestige of the cold war period. The differences between us were real and serious. Assertions of good will or transitory changes in climate could not erase the hard realities of ideological opposition, geo-political rivalry and military competition. It seemed essential to the new Administration to concentrate on the substance of the issues dividing us—rather than on the climate of our relationship—in order to move from confrontation to negotiation.

To construct a viable foundation for a new relationship with the Soviet Union, a step-by-step approach was adopted:

First, through concrete progress in relieving specific sources of tension, to clear the way for productive meetings at the highest level;

Then, by utilizing the impetus provided by Summit preparations, to accelerate negotiations on a broad range of bilateral matters engaging the interests of both sides, and

Finally, as our political relations improved, to address the economic aspect of our relationship and to seek the removal of long-standing barriers to expanded trade.

Negotiations on the problem of Berlin—the source of recurrent crises in Europe—began in 1969. So did SALT—the Strategic Arms Limitation Talks. Only in 1971, after substantial progress had been achieved in both these negotiations, did the Administration consider it possible to look toward a Summit meeting between American and Soviet leaders.

II

Even a cursory review of what has been achieved in the last few years, shows, I believe, that there has been a substantial and perhaps fundamental alteration in relations between the United States and the Soviet Union.

In Berlin, the rights of the Western powers have been recognized and affirmed, and the city is not now a point of recurrent tensions and East-West confrontation.

In the Strategic Arms Limitation Talks, we have, for the first time, placed limitations on the most central armament and are now continuing the process of moving the negotiations toward a permanent and even more far-reaching limitation on nuclear armament.

We have agreed on specific measures to prevent incidents at sea between our two navies in the first agreement since World War II between the military services of our two countries. Provocative actions at sea have diminished as a result, and technical experts meet periodically to review our experience with the agreement.

We have concluded agreements providing for joint cooperative endeavors in a number of important fields. Building on the experience of previous cultural, scientific and technical exchanges, these agreements now cover such diverse fields as space, peaceful uses of atomic energy, science and technology, environment, health and medicine, transportation, agriculture and oceanography.

The leaders of our two countries have pledged, in an agreement signed at the 1972 Summit, to govern their conduct in foreign affairs by agreed basic principles. Under this agreement, they undertook an obligation to exercise restraint in their mutual relations, to do their utmost to prevent situations that could lead to military confrontation and to refrain from efforts to obtain unilateral advantages at the expense of the other. Under a separate agreement, signed at the 1973 Summit, we agreed to develop our relations with each other, and with other countries, so as to exclude the outbreak of nuclear war.

The development and expansion of economic ties between the two countries form an integral part of this framework of cooperation. The political momentum developed at the 1972 Summit resulted in a formula to settle the stubborn problem of our lend-lease account which led, in turn, to the extension of Export-Import Bank credits and guarantees needed for sustained trade expansion with the USSR. We have concluded a Maritime Agreement under which forty ports in each country have been opened to prompt access by merchant and research vessels of the other. We have signed a carefully balanced trade agreement designed to take into account the structural asymmetries of trade between a market and a state trading economy. In 1973 we concluded a tax treaty and signed protocols opening commercial offices in our respective countries and establishing a Joint Trade and Economic Council to foster the development of US-Soviet trade.

A few concrete indicators demonstrate, I think, the progress that has been achieved over the last few years in diversifying our relations with the Soviet Union and in expanding contacts and communication between us.

Of the some 105 treaties and other international agreements that have been concluded between the United States and the Soviet Union since diplomatic relations were first established in 1933, fifty-eight have been concluded since the end of January 1969. Forty-one of these agreements were signed in the last two years alone.

Collectively the bilateral cooperative agreements, although not of crucial significance in themselves, have resulted in a substantial two-way flow of ideas, information and individuals between our two countries. Under the eight specialized agreements and the General Agreement on Exchanges, nearly 60 joint working groups, some with numerous sub-projects, have been established to pursue the range of activities foreseen in the agreements. In 1973 the total number of persons traveling back and forth under these agreements rose to over 4,000, an increase of nearly 2,500 over 1971, the last year before the Moscow Summit.

Let me review briefly some of the joint programs that are now underway in such fields as the peaceful uses of atomic energy, protection of the environment, and science and technology—fields that are relevant to all Americans, not simply to the technicians and specialists from both sides who actually plan and implement these projects.

In the field of atomic energy, the resources that the United States and the Soviet Union can commit to nuclear research hold out the promise that bilateral cooperative programs can bring greater results, and bring them sooner, than would be the case were each country to proceed on its own. This week, for example, a US delegation is meeting with counterparts in Moscow to map out the search for a feasible thermonuclear technology that we hope will engage the leading nuclear scientists of both countries for much of the remainder of this century. In another program, a Soviet scientific team is mid-way through an experiment in high energy physics at the National Accelerator Laboratory at Batavia, Illinois, employing that unique facility in conjunction with an apparatus developed in the Soviet Union and shipped to the United States for the purpose of the experiment.

The Agreement on Environmental Protection signed at the 1972 Summit is now in its second full year of implementation. Exchanges of information and experience are developing into genuinely cooperative joint projects in 36 areas, ranging from protection of the urban environment to arctic and subarctic ecosystems. Since both countries have large land, lake, and inland sea areas, a variety of climates, and large urban-industrial concentrations, cooperative programs greatly extend the data base and theoretical framework for environmental research in each country. Techniques acquired through exchanges can often be directly applied to on-going theoretical studies. For example, in work now underway at the Lamont-Daherty Geological Observatory of Columbia University, an earthquake prediction technique is being employed which was developed in the Soviet Union.

Under the Agreement on Science and Technology, signed at the 1972 Summit, we are seeking to move beyond the exchanges of delegations that have taken place during the past 15 years to the development of cooperative projects. Consultations on standards and on patent and licensing procedures and regulations, for example, are of direct interest to many US corporations seeking to do business in the Soviet Union. In this area, Government and private commercial interests are closely interwoven. Many of the participants on our side are representatives of US firms and non-governmental organizations such as the Industrial Research Institute.

III

Clearly a great deal has been accomplished in modifying our relationship with the Soviet Union. But the basic question remains: What are the dimensions of detente as perceived by both sides?

We have consistently sought to make clear that our pursuit of a relaxation of tensions in US-Soviet relations is not based on any newly-discovered compatibility in our domestic systems. It is based on the premise that the two nuclear superpowers must do everything in their power to spare mankind the dangers of a nuclear holocaust. In the world as it is today—not as it has been, and not as we might wish it to be—the United States and the Soviet Union share a responsibility to minimize the danger of accident, miscalculation or misunderstanding; to work out rules of mutual conduct; to recognize the interconnection of our interests; and to enhance communication between us.

At the same time, Secretary Kissinger has emphasized other aspects of our conception of detente. We will oppose the attempt by any nation to achieve a position of predominance, globally or regionally; we will resist any attempt to exploit a policy of detente to weaken our alliances; and we will react if a relaxation of tensions is used as a cover to exacerbate conflicts in international trouble spots. I think that the events in the Middle East last October demonstrated that the last of these principles cannot be disregarded without endangering the entire US-Soviet relationship.

The Soviet Union, too, has made clear its perception of the limits to coexistence. Coexistence for the Soviets does not imply the right of others to seek to weaken what it calls the unity of the socialist camp. It must not be used to erode the ideological base of socialism or to otherwise interfere in its internal affairs. Nor does coexistence suggest to the Soviets any incompatibility between cooperation with the West, on the one hand, and what the Soviets see as the evolution of the class struggle between socialism and capitalism, on the other—particularly in the ideological sphere.

However the dimensions of detente are perceived, both sides, it seems, agree that detente is necessary because of the danger posed by the accumulation of nuclear weapons; that detente is necessary not because we do not have opposing interests in many parts of the world or that our systems are not totally different—but precisely because these conditions do prevail; and that while occasional conflicts of interest will occur, detente makes possible a more rapid settlement and insures a certain restraint. And finally, both sides seem to agree that detente is necessary because there simply is no other rational alternative.

Any appraisal of detente must frankly acknowledge from the outset that fundamental differences exist between us and that we and the Soviets remain adversaries in many ways and in many places. But, at the same time, the present improvement in relations appears to be judged by each side to serve its own national interests, thus providing an incentive for both countries to try to minimize and restrain the consequences of their differences, to persevere in the difficult process of negotiation and to avoid any deliberate return to hostility and confrontation.

IV

Our objective in the years ahead is to make the process of improving US-Soviet relations irreversible. But habits formed on both sides during twenty years of confrontation are not easily set aside.

We recognize, moreover, that there is not a uniform perception in this country, or in any country for that matter, of the meaning of detente. Some argue that cooperation with a country whose domestic system is incompatible in many respects with American traditions and values can only be pursued at the expense of our ideals and moral principles. Others contend that we should take advantage of the Soviet interest in trade and technology to attach political conditions requiring basic changes in Soviet domestic practices.

The Administration, as I have indicated does not agree. We sympathize with the natural tendency of Americans to want others to share the rights and freedoms we value so highly. But if the United States attempts to make increased freedom within the Soviet Union a rigid precondition for improved relations, we will risk obtaining neither—improved relations nor an increased regard in the Soviet Union for human rights. We will, of course, not abandon our ideals in pursuing improved relations with the Soviet Union. But we are convinced that our foreign policy must be aimed principally at influencing the foreign policies of other governments and not their domestic structures.

Secretary Kissinger addressed this issue in his testimony before the Senate Finance Committee on March 7 when he said:

"Since detente is rooted in a recognition of differences—and based on the prevention of disaster—there are sharp limits to what we can insist upon as part of this relationship. We have a right to demand responsible international behavior from the USSR; we did not hesitate to make this clear during the Middle East Crisis. We also have a right to demand that agreements we sign are observed in good faith.

But with respect to basic changes in the Soviet system, the issue is not whether we condone what the USSR does internally; it is whether and to what extent we can risk other objectives—and especially the building of a structure of peace—for these domestic changes . . ."

V

Trade is also an important component of our overall policy of detente with the Soviet Union. We have assumed that trade and commercial relations with the Soviet Union could not flourish if our political relations remained hostile. Thus, only after we had made progress in reducing sources of political tension with the USSR did we undertake explorations in the economic sphere. At the same time, we have preserved controls to prohibit export of items that could directly enhance Soviet military capabilities. But for us to continue to insist on conducting our commercial relations with the USSR on the same basis as during the worst years of the cold war would, in our opinion, deprive the Soviets of an important incentive for improving relations with the United States.

Nor does detente bear any relationship to appeasement. We are not dealing with the Soviet Union from a position of weakness. On the contrary, the preservation of our military strength is a prerequisite for detente, and military strength inferior to none is the only national defense posture which can ever be acceptable to the United States. We cannot expect Soviet leaders to exercise restraint in their relations with us out of good will but only because they respect our strength which is the underpinning of our diplomacy.

We are fully conscious of our responsibility to preserve an environment which enhances stability and encourages further efforts to limit nuclear arms. Our objective in the SALT negotiations is to obtain what we refer to as essential equivalence. In pursuit of this goal, we are prepared to reduce, stay level or if need be increase our level of strategic arms. That level will be influenced by the policies and decisions of the Soviet Union. We are not prepared to bargain away or compromise in any fashion the long-term strategic requirements of our security in seeking detente with the Soviet Union.

Nor can detente be pursued in isolation from our allies. To preserve an international military equilibrium, it is essential to maintain the strength, integrity and steadfastness of our free world alliances. Nowhere is this more important than in Europe. The Berlin Agreement, which we negotiated in concert with our British and French allies, not only constituted an important stepping stone in our own relations with the USSR. It also contributed to a general improvement of the climate in Europe where we and our Allies are now engaged in important multilateral East-West negotiations in the Conference on Security and Cooperation in Europe and on Mutual and Balanced Force Reductions.

As you know, the Conference on Security and Cooperation in Europe, or CSCE as it is called, began in July, 1973. We expect that it will conclude with a high-level meeting in the summer or early fall. Your subcommittee, Mr. Chairman, held extensive hearings on CSCE in April and again in September 1972, when it heard the testimony of my predecessors, Assistant Secretaries Hillenbrand and Stoessel. It remains our belief that nothing will emerge from the conference that could replace the security arrangements embodied in NATO. Rather, the conference should be seen as one element in a much broader and on-going pattern of East-West negotiations that can reduce the risks of confrontation and open the way to more stable relationships in Europe. We hope, in particular, the CSCE can reach an understanding that will lower some of the barriers to the movement of people and information between East and West.

Five years after the Allies proposed mutual and balanced East-West force reductions in Central Europe, preparatory talks opened in Vienna in January 1973. Formal negotiations began in October and are continuing. Both sides are proceeding from the premise that the talks should result in undiminished security for all parties. Specifically, the Allies have proposed numerically larger Eastern than Western reductions in order to reach a common ceiling for overall ground force manpower in which the Warsaw Pact currently enjoys a 150,000 man advantage. The approach put forward by the Eastern side, in contrast, seeks to preserve the existing ratio between the force components of East and West.

At issue in MFBR is each side's perception of the crucial military balance in Central Europe. Thus difficult negotiations lie ahead. The cohesion of the Western Allies has been excellent. Both sides, moreover, are negotiating seriously, and the talks so far have clarified the basic issues at stake. We hope for further progress during the weeks ahead, leading ultimately to a more stable balance at lower force levels along the central front—an area vital to European and international peace.

Both of these important negotiations are concrete examples of our efforts to move from confrontation to negotiation. Both demonstrate that for detente to be meaningful, it must not lead to diminished security for either side.

In the long run, the stability of our relationship with Moscow will depend on the extent to which we both come to perceive the benefits of normalization as real and not illusory. This process is by no means an automatic one, given the deep differences in our ideological and political outlooks. These differences will limit the depth and quality of our communication and will obviously not lead to our mutual communication and will obviously not lead to the intimacy we would expect in relations with close friends and allies. But the changes that have occurred in US-Soviet relations in recent years have encouraged us to believe that we will be able to continue to move away from the rigid hostilities of the past into a new relationship characterized by mutual restraint and a greater degree of stability which is, after all, the goal of detente.

INDIA: DOES DEBT CANCELLATION EQUAL DEBT PREPAYMENT

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. ASHBROOK. Mr. Speaker, in February I wrote to Secretary of State Kissinger requesting information on a widely reported debt cancellation agreement with India. I have received a reply to my queries from Assistant Secretary of State Linwood Holton.

For many years a number of foreign aid programs have been characterized as "loans." India has been a particularly large recipient of these, owing the United States $3 billion in hard currency loans and another $3.3 billion in loans repayable in nonconvertible Indian rupees. It is this latter debt that is being dealt with by our Government and the Government of India. In the words of Assistant Secretary Holton:

> The rupee settlement should not be construed as debt cancellation, but as repayment of an entire debt by India and an accelerated program of grants by the United States to India as provided for in the original legislation.

What is being repayed? The State Department informs me that India would prepay all outstanding loan principal or $3.3 billion equivalent. Of this amount we would give back to India $2.2 billion for "mutually agreed economic development purposes." Thus, a prepayment of India on loans turns into a gift by the United States to India of $2.2 billion. The other $1.1 billion the United States will spend in India for expenses that our country has there. Any interest India owes the United States on these loans seems to have been lost in the shuffle.

The State Department also informs me that "proposed settlement is in the U.S. interest." One of the reasons put forward is that "a resolution of this longstanding irritant will be a major step in building a new relationship with India." It seems that the Indian Government views the repayment of debts owed as an "irritant."

Many foreign loan programs were sold to the Congress and to the American people as a step away from foreign giveaway programs. But this Indian "settlement" shows that this is only a subterfuge to give large sums of money to other countries. Loans are redefined to mean gifts as the American taxpayer picks up the bill.

Also, the words "building a new relationship with India" make me wonder if we are trying to build a new relationship or buy a new relationship. India has provided the Soviet Union with much assistance in its goals in the Indian Ocean area. The Indian Government has also supported a number of Soviet foreign policy moves. The State Department's reaction seems to be to give India more money. Dollar diplomacy—the attempt to buy India—has not worked before. I do not understand why the State Department thinks that it will work now.

I, for one, think that it is time for Government to be honest with the American people. When loans are gifts, they should be classified as such; and when cancellation of a debt is taking place, it should not be called a prepayment.

At this point I include in the RECORD the text of Assistant Secretary of State Linwood Holton's letter to me and the Department of State's description of the "Proposed Indian Rupee Settlement":

DEPARTMENT OF STATE,
Washington, D.C., April 5, 1974.

HON. JOHN M. ASHBROOK,
House of Representatives,
Washington, D.C.

DEAR MR. ASHBROOK: Secretary Kissinger has asked me to reply to your letter dated February 27 regarding your concern about the Indian rupee settlement. I sincerely regret the delay in this reply.

I am enclosing a description of the Agreement on Public Law 480 and Other Funds which we and the Indians signed in New Delhi on February 18 and which has entered into force.

I would like to stress a number of points. The first is that this agreement does not deal with a dollar debt to the United States, but with nonconvertible local currency funds. As the enclosed fact sheet states, our rupee debt claims are wholly separate from India's $3 billion hard currency debt to the United States. The rupee agreement does not affect this dollar debt to us, which India continues to honor faithfully with payments in excess of $130 million annually.

The second point concerns our use of the rupees. The proposed agreement adds no new restrictions or limitations on such use. As the fact sheet notes, existing limitations arise from the original PL–480 sales and loan agreements with India. The rupee debt was specifically not to be convertible or repayable in dollars, but rather to be used for Indian development projects and to cover our own US Government rupee expenditures.

The rupee settlement should not be construed as debt cancellation, but as repayment of an entire debt by India and an accelerated program of grants by the United States to India as provided for in the original legislation. Because of the large claims placed on Indian financial resources by this rupee debt, the United States has accelerated the allocation process by which it has already been applying blocked rupees for development projects in India. Under the agreement the United States retains over $1 billion worth of rupees for US expenditures in India—an amount which should cover foreseeable expenses for the next 20 years—while granting back to the Indians the remaining $2.2 billion worth of rupees for Indian development programs.

This agreement conforms entirely to existing law. Authority for the grant is contained in Section 104 of Public Law 480. In accordance with this section, we transmitted to the Senate and House Agriculture Committees the terms of the agreement for review prior to signing it. Similarly, we transmitted the agreement to the Senate Foreign Relations and House Foreign Affairs Committees as directed by the Foreign Assistance Bill Conference Report. Finally, the Comptroller General reviewed the matter, including the statutory authority for concluding the agreement.

Furthermore, we had closely consulted with the Congress at all stages of our effort to resolve the rupee problem. In late September 1973, Ambassador Moynihan received the proposed agreement with two dozen Congressmen, including the Chairmen and members of the Agriculture, Foreign Affairs/Relations and Appropriations Committees. Since then, we have discussed the agreement with numerous other members.

No debt has been cancelled by Executive Order although direct cancellation has been authorized by Congress for loan programs to private companies which have gone bankrupt. The only cases of government guaranteed debt being cancelled were 1971–72 repayments of loans to the Weitzman Institute of Israel, the cancellation of which was authorized by Congress.

No negotiations concerning cancellation of debt are presently taking place. The US Government is clear in its position that the United States extends credits on the assumption that contracts entered into will be fully honored. The record of the US Government in obtaining payment for contractual loans is in fact a good one, comparing favorably with the record of private business in the United States. In cases where debt servicing problems arise, the United States, while willing to consider each country's special circumstances, negotiate debt rescheduling only if alternative courses of action are clearly less beneficial to US interests. Provision is made in the authorization legislation for each US Government lending program for such rescheduling. On the other hand, debt cancellation, particularly for loans under the Foreign Assistance Act (FAA), is expressly forbidden.

I hope the foregoing information and the enclosed material will be helpful to you.

Sincerely yours,

LINWOOD HOLTON,
Assistant Secretary for Congressional Relations.

Proposed Indian Rupee Settlement

BACKGROUND

We hold two types of financial assets in India: a dollar debt and a rupee debt.

The Indians owe us a dollar debt of about $3 billion from hard currency development loans made by USAID, export loans from ExIm Bank and dollar repayments of agricultural commodity purchases on credit.

The Indians continue to meet scrupulously their debt service obligations on these dollar loans which amount to $130 million annually and will continue at this average level for the next five years.

The Indians also owe us about $3.3 billion equivalent in non-convertible rupees. The proposed settlement deals only with rupees.

These rupee assets consist of about $900 million equivalent in current deposits with India's central bank and $2.4 billion in outstanding principal on rupee loans owed to us and repayable over the next 40 years. With interest, rupees come into our central bank account at over twice the annual rate at which we spend them.

The rupees come largely from PL–480 proceeds pursuant to agreements concluded in the 1960's and from rupee-repayable dollar loans from the 1950's.

The original aid agreements limited the use of our rupee assets, largely to covering US expenses in India and to grants or loans to India for Indian development. In sum, we can not use these rupees outside India and their use inside India is restricted.

THE PROPOSED SETTLEMENT

We have now reached tentative agreement with the Indians on the outlines of a possible settlement.

India would prepay now all outstanding rupee loan principal, bringing US assets to $3.3 billion equivalent.

We would retain $1.1 billion equivalent held primarily in interest-free accounts in India's central bank for our exclusive use in India and Nepal.

We would retain control over our use of these rupees for the full range of purposes and programs we previously funded with rupees (i.e., all USG expenditures in India, including Congressional travel, agricultural market development, agricultural and other scientific research, etc.)

India would pay us $64 million dollars (i.e., hard currency) over the next 10 years, rather than over 40 years as originally contemplated in the PL–480 loan agreements. These would cover obligations to convert Indian rupees for agricultural market development and educational exchange (Sections 104 (b)(1) and (b)(2) of PL–480) and for tourists and foundations (Section 104(j) of PL–480 and the proviso in 104(b) (1) of that Act).

India would also provide other hard currency benefits worth about $50 million.

We would grant the remaining $2.2 billion equivalent to India for mutually agreed economic development purposes e.g., previously USG-aided projects such as agricultural universities, so as to extend for years to come a favorable image of US assistance to popular Indian institutions and programs. None of the grants would relate to military or defense activities.

U.S. INTEREST

The proposed settlement is in the U.S. interest.

The settlement follows the sense of the Government Accounting Office's 1971 Report which stated that "it appears highly unlikely that the U.S. will be able to convert more than a small portion of its total rupee holdings into real resources for its own use."

The settlement gives us access to local currency to pay for U.S. Government expenditures in India in rupees not dollars for about 20 years.

A resolution of this long-standing irritant will be a major step in building a new relationship with India.

LEGISLATIVE AUTHORITY

Authority to grant or loan excess US-owned foreign currencies to foreign governments is contained in Section 104 of the Agricultural Trade Development and Assistance Act of 1954, as amended (PL–480). The proposed grant of rupees provided for in the Agreement with India is authorized under subsection (f) of section 104 which states:

"SEC. 104. Notwithstanding any other provision of law, the President may use or enter into agreements with foreign countries or international organizations to use the foreign currencies, including principal and interest from loan repayments, which accrue in connection wth sales for foreign currencies under this title for one or more of the following purposes:"

"(f) To promote multilateral trade and agricultural and other economic development, under procedures, established by the President, by loans or by use in any other manner which the President may determine to be in the national interest of the United States, particularly to assist programs of recipient countries designed to promote, increase, or improve food production, processing, distribution, or marketing in food-deficit countries friendly to the United States for which purpose the President may utilize to the extent practicable the services of nonprofit voluntary agencies registered with and approved by the Advisory Committee on Voluntary Foreign Aid: Provided, that no such funds may be utilized to promote religious activities."

The agreement is being forwarded for review under the first proviso of section 104 of PL–480, paragraph (3) of which states:

"No agreement or proposal to grant any foreign currencies (except as provided in subsection (c) of this section) or to use (except pursuant to appropriation Act) any principal or interest from loan repayments under this section shall be entered into or carried out until the expiration of thirty days following the date on which such agreement or proposal is transmitted by the President to the Senate Committee on Agriculture and Forestry and to the House Committee on Agriculture, if transmitted while Congress is in session, or sixty days following the date of transmittal if transmitted while Congress is not in session."

The Conference Report on the Foreign Assistance Act included the statement:

"It is the intent of the Committee of Conference, however, that the Administration report on the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, as well as to the Senate and House Agriculture Committees, the terms of any proposed settlement with India, with the right to review, 30 days prior to entering into such settlement."

In addition to following the above procedure, we plan to continue our close consultations with other interested members of Congress.

Authority to release the Indian rupees set aside under section 104(b) (1) of PL-480 for market development in India is contained in that section. The applicable provision reads as follows:

"The Secretary of Agriculture may release such amounts of the foreign currencies to set aside as he determines cannot be effectively used for agricultural market development purposes under this section, except that no release shall be made until the expiration of thirty days following the date on which notice of such proposed release is transmitted by the President to the Senate Committee on Agriculture and Forestry and to the House Committee on Agriculture, if transmitted while Congress is in session, or sixty days following the date of transmittal if transmitted while Congress is not in session."

The release of foreign currencies set aside for market development in India under Section 140(b) (1) of PL–480 is being made since there will remain available sufficient rupees generated under the Foreign Assistance Act for these and other purposes in India for the foreseeable future.

CANCELING THE POST CARDS

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. FRENZEL. Mr. Speaker, the Washington Post last evening ran a thoughtful editorial hailing the House decision to shelve the post card registration bill, and detailing some of its horrors.

The editorial ends with sound advice:

> The House should stand fast against efforts to revive this ill-considered scheme.

The editorial follows:

CANCELING THE POST CARDS

Amid all the sooty Watergate fallout, any sort of proposal to change the mechanics of politics is being portrayed as a cleansing reform—a necessary reaction to scandal and public disillusionment. Thank goodness the House has refused to be stampeded in a wrong direction by this compulsive line of thought in the case of the postcard voter registration bill.

Instead, the House voted, by a narrow margin, to shelve this Senate-passed legislation that envisions registration by mail of citizens everywhere. Such a system, in fact, would be fraught with the danger of a new scandal, not to speak of vast administrative chaos. A new federal bureaucracy would be created to handle it, sending out return postcards by the tons, to supply everyone in the country. Then a person could register simply by filling out a card and dropping it in the mail. But how could voting registrars adequately check against widespread election fraud, in a blizzard of late-arriving postcards? It might be practically impossible in many areas.

Moreover, the system could engender a great deal of voter confusion, for this would be registration only for federal elections, unless a state also chose to adopt it. Hence separate procedures could be in effect for qualifying to vote in federal elections on one hand, and local and state elections on the other. Many postcard registrants might be unpleasantly surprised to find themselves only partially qualified on election day. And apart from the possibility that the whole thing could prove unmanageable, it also would be very costly for the taxpayers—in the range of several hundred million dollars, we expect.

Nor do we think this is the answer to sharply declining voter turnout for elections, which was the main argument of proponents. The depreciation of public interest in voting stems from factors other than the minimal difficulty of registering. If Congress really gets at the roots of corruption in politics, through strong campaign reform legislation, it could very well see a marvelous resurgence of public participation.

Anyway, the modest task of registering, as things stand, seems a small enough requirement of citizenship. And the states do a fairly good job of signing up voters—certainly not so poor as to justify the first federal intrusion into this field. The House should stand fast against efforts to revive this ill-considered scheme.

SPACE AGE BENEFIT FOR ARTIFICIAL LIMBS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. TEAGUE. Mr. Speaker, the Philadelphia Inquirer in the Sunday, May 12, 1974, edition carried a most informative article by Mr. Fraser Kent of the Knight News Service discussing the application of a technique used in the Apollo program to provide a new relay machanism for artificial legs. This is an example among many of the important, direct, and continuing contributions of our national space effort to the quality of our lives. The article follows:

[From the Philadelphia Inquirer, May 12, 1974]

SPACE AGE BENEFIT FOR ARTIFICIAL LIMBS

(By Fraser Kent)

CAPE CANAVERAL, FLA.—A new kind of fitting for artificial legs has been developed at the Kennedy Space Center, using a miniaturized version of the device that releases Saturn rockets at liftoff.

It replaces the bulky and cumbersome straps now used to hold prosthetic limbs in place, according to George A. Van Staden, director of administration at the NASA space center.

However, a limb with the new release mechanism has been fitted to only one patient at the Southern California Rehabilitation Center, "so this is a very preliminary report," he added.

The device originally was designed by NASA engineers to release the Saturn rocket after the control tower's gantry arm swung free and the engines' powerful thrust built up to lift-off.

A finger-sized version has been fitted on to a standard artificial leg. This fits into a pure carbon receptacle that has been inserted into the remaining leg bone. A push button can be depressed to release the leg instantly, Van Staden said.

The pure carbon insert is another NASA development in space research, he said. It is "completely compatible—chemically and physically—with the human body system, so it isn't rejected as a foreign body," he explained.

As such, it may have further applications in bone replacement or reinforcement.

SOCIAL SECURITY BENEFITS TOO SMALL

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. ARMSTRONG. Mr. Speaker, today I am introducing a bill to correct a blatantly unfair provision of the social security law—the earnings limitations imposed on persons receiving social security benefits.

Applying welfare-type concepts of earnings limitations to the social security program makes second-class citizens out of millions of retired Americans. At present, social security benefits are reduced $1 for every $2 earned by a recipient—except for those over age 72.

In my opinion, it is completely unfair to force senior citizens to live on below-average incomes. It is contrary to self-respect and the American tradition of individual initiative.

I base this legislation on three considerations:

First. The present limitation, which reduces social security benefits when the retired person earns in excess of $2,400 per year, forces many senior citizens to live on below-average incomes. In a time of rampant inflation, it is virtually impossible for social security benefits to keep pace. So a lowering spiral of living standards is inevitable for these retired persons.

Second. The present limitation applies only to earned income, not to investment income. So those who are fortunate enough to have accumulated investments in stocks and bonds, savings accounts, rental properties and so on can have unlimited income from these sources. But those who have no such investments are precluded from supplementing their social security with any substantial amounts of earnings.

Third. The principle of an earnings limitation is wrong.

Social security is not and was never intended to be a form of welfare. It has been earned by American workers and their employers who have paid the cost of this program through payroll taxes. In most cases, workers pay far more in taxes during a lifetime of work than they can possibly draw in benefits. To deny them something they have paid for, at least a partial return on their payments, is completely unfair.

Many Americans have no need or wish to work beyond normal retirement age. But millions of others need the extra income and enjoy the activity which part or full-time work provides. Let us stop penalizing these people who deserve better treatment.

THE FUTURE OF PROFESSIONAL FOOTBALL

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. KEMP. Mr. Speaker, there is much talk these days about what is going on in pro football. Several of my colleagues have asked about the new World Football League and invited comments on recent developments in professional football generally.

I have definite views on certain of these developments. They are views based on what I consider to be the interest of the game—the players' best interests, the public's best interest, as well as respect for the game and its future.

First, there is no reason whatever for anyone to criticize efforts to form a second professional football league. New business initiatives and free market competition have been cornerstones of the United States for nearly 200 years.

Nor is there any reason why professional football players should be denied the opportunity to earn higher salaries in a market which includes two rather than one professional football leagues. In the last analysis, no professional football player owes any obligation to remain with his current team beyond the period when his contract expires.

I am, however, concerned with efforts now being made by World Football League clubs to sign players under contract to NFL teams while they still owe 1, 2, or more years of football obligations to their present teams. Similarly, I would be troubled if the NFL used such tactics to raid the WFL in retaliation. As a former professional football player, I know the difficulties such circumstances can create for the players involved, for their teammates, for the coaches of such teams, and for the fans of each team. The game of football is such that each player owes the last ounce of his commitment to his present teammates, his present coaches, and his present team. The fans of professional football expect this. They identify with the players who represent their home teams. I have grave doubts that the fans, the coaches, and the teammates of a professional football player can be guaranteed this type of commitment when he is simultaneously being compensated by teams of other leagues, when he is assisting in the promotion of a competing team and league, and when he is generally undertaking to advance the interest of teams other than that with which he is presently associated.

There is no question as to the availability of NFL players for signing with World Football League teams. NFL contracting procedures are such that large numbers of NFL players will become annually available for signing by WFL teams following the close of each season. In fact the AFL got its start in precisely this manner.

But there is all the difference in the world between the signings of players who had fully completed their contract obligations to their NFL clubs and the signing of players who still owe one or more seasons of loyalty and commitment to their present teams, their present teammates, and to their local fans.

You can imagine the situation which would have been created in Buffalo if, during the period in which I was the quarterback of the AFL Buffalo Bills team, I had publicly announced that I was contractually obligated to play for the NFL New York Giants after I had completed the remaining 2 years of my contract with the Bills; had thereafter appeared on television with Giants owner, Wellington Mara; and had thereafter publicly announced that I would do whatever I could to advance the interests of the New York Giants and the National Football League.

In my opinion, the tactics currently being followed by the World Football League are not necessary for the development of sound football teams. Nor were they necessary for the development of AFL teams which demonstrated that they could hold their own with any NFL team in the midsixties.

Lastly, I am concerned with whether the popular interest in professional football, and the current public respect for professional football and its players, will long survive if any significant numbers of professional football players are placed in a potential conflict-of-interest position with respect to their personal interests and their loyalties to their home teams. "Lameduck" football players already committed to other teams may not be effective members of their current teams.

That is, in a nutshell, where the problem lies. Pro football in the last analysis depends upon the perception that pro football consumers have that the game has integrity, credibility, competition, and stability.

If this equation is ever upset, pro football and all that it means to fans, players, and owners alike could be seriously compromised.

HUDNUT OPPOSES DEBT LIMIT INCREASE

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. HUDNUT. Mr. Speaker, today I will vote against H.R. 14832, which provides a further increase of $17 billion in the national debt ceiling. This brings our total national debt up to the astronomical figure of $495 billion.

In my view we should restrict and vote down requests for increases in the debt limitation. By refusing to authorize such increases Federal spending would have to be brought under control.

As Federal spending rises it creates more inflation, which is reflected in higher prices families must pay for bread, meat, and other necessities of life. Furthermore, I feel every effort should be made to force the Federal Government to live within its income limits just as families and individuals must do. While individuals may accumulate some debts, they must eventually pay them off. No one could live as the Government continues to do—piling debt on top of debt.

ON THE NEED FOR BETTER BILINGUAL EDUCATION, PART II

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. BIAGGI. Mr. Speaker, the need for improved bilingual education program was effectively brought out in recent hearings conducted by the House General Subcommittee on Education, of which I am a member.

Another of the outstanding spokesmen on the subject of bilingual education was Stephen R. Aiello, special assistant to the president of the New York City Board of Education. Mr. Aiello describes in detail a comprehensive report filed by the New York State Board of Regents concerning bilingual education and its needs. It is a most informative report, and should provide my colleagues with some insights into the problems which bilingual education is facing today.

Mr. Speaker, I cannot stress enough the importance of bilingual education to the millions of non-English speaking children of our nations. Many of them hope to share in the great opportunities which this Nation affords its citizens. We should do everything in our power to provide them with these benefits.

Mr. Aiello's remarks follow:

REMARKS OF STEPHEN R. AIELLO

In a position paper entitled, "Bilingual Education, June 1973, the New York State Board of Regents described the plight of the non-English speaking student this way":

"Differences in language and culture effectively exclude approximately 300,000 children from meaningful participation in our educational system. Failure of schools to respond to the educational needs of these children results in academic failure, demonstrated sequentially by low reading scores, high dropout rate, and barriers to entry into meaningful employment." The paper calls for the "total involvement of our educational system" to help the non-English speaker become all that he is capable of becoming.

The Regents point out that a fundamental tenet of bilingual education is that a person living in a society whose language and culture differ from his own must be equipped to participate meaningfully in the mainstream of that society. "It should not be necessary for him to sacrifice his rich native language and culture to achieve such participation."

Of the estimated 300,000 non-English speaking students in the State, the majority speak Spanish and live in the five big cities—New York, Buffalo, Rochester, Syracuse, and Yonkers. However, other language groups in the total include Chinese, Italian, French, German, Arabic, and Portuguese. Furthermore, large numbers of these students also attend schools on Long Island and in several upstate communities.

I testify before you today as an advocate for Bilingual Education for all of the children who need and benefit from these programs; but especially for the Italo-American child whose bilingual needs have been shockingly neglected by the Federal Government.

Italians in the United States constitute numerically, culturally and politically, an important minority group, second only to the Spanish speaking communities (whose number has grown since the recent influx of Spanish speaking persons in New York). Smaller in size than any one of our western states, Italy has contributed a larger number of immigrants to America than any other country in the world with the single exception of Germany.

The Center for Migration Studies reports that approximately 25,000 Italians enter our country every year. A third of all new Italian arrivals settle in New York City. Therefore, it seems reasonable to assume that the number of Italian dominant children who enter New York City schools is approximately 2,000 a year. Since it takes two to three years for a child to learn sufficient English in order to function adequately in a total English program, the number of Italian children who have difficulty with the English language in New York City alone ranges from 5,000 to 6,000. The annual survey of pupils who have difficulty with the English language conducted by the Office of Educational Program Research and Statistics reflects a steady increase of Italian dominant children in the city schools since 1970.

Despite the fact that these Italian dominant children represent the third largest group of children with English difficulty, no Bilingual programs had been available to them in New York City until a year ago. The first Italian Bilingual classes to be instituted in the New York City schools began in February of 1973. These classes were made possible by the allocation of $1 million dollars of tax levy money for Bilingual programs. As a result of these funds, three districts in New York City, namely Districts 11, 20 and 21, introduced Italian Bilingual classes. The Italian Bilingual classes were increased as a result of a greater commitment of tax levy money for bilingual programs during the current school year. Nevertheless, only 603 are serviced out of a total of over 5,000 students.

While the New York City Board of Education is to be commended for their initiative in introducing Italian Bilingual Programs, the Federal Government has shown indifference and even callousness in this area. Even under the $35,130,000 provided by the Bilingual Act (Title VII), there is *no* Italian Bilingual program being funded in the entire United States.

I have been informed by the Office of Bilingual Education of the Board of Education that there will be approximately $60,000,000 provided under Title VII for bilingual education in 1974–75. I strongly urge that a portion of those funds be used to meet the need of Italian speaking students in the public schools. The use of a portion of these funds becomes imperative when one realizes that there is no Italian bilingual program being funded under any other source, such as ESAA, Title I, Title III, State Urban or Chapter 720 of the New York State Laws. The inequity to the Italian population is quite obvious when one considers these facts. A great need exists in the area of Italian bilingual education, not only in terms of teaching personnel but also in the areas of supervision, curriculum development, relevant materials and teacher training at the college level.

Presently five districts have submitted Title VII ESEA Proposals that include Italian programs: they are Districts 11, 20, 21, 30 and 32. I would strongly urge that these proposals be funded. I am not suggesting that we eliminate programs from other groups to benefit this group. I do suggest that more funds be allocated by the Congress to properly meet the needs of all of our Bilingual children.

The Department of Health, Education and Welfare has practiced a blatant discrimination in the past against certain ethnic groups including Italians in the funding of federal bilingual programs. It is my hope that this Committee and the Congress will see to it that this discrimination is ended.

ABUSE OF POWER BY DEMOCRATS

HON. DAVE MARTIN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. MARTIN of Nebraska. Mr. Speaker, I am wondering what those Members who secretly voted against the reform of the House committees were afraid of. Is this display of zeal against the package by those who like to be labeled as "reformers" a truer picture of their real views? Or is not the American public witnessing the abuses of power that have been held in the House by the Democrats for too long, almost 30 years.

The facts are clear, those Democrats who have accumulated power have successfully overwhelmed those other Members who still seek it. They had to use a secret vote to do it, certainly a reckless and dangerous device, but one which is understood by the public at large. The cloud of impeachment may overshadow this issue of House reform today but Members cannot take cover under it in November, I feel sure of that.

The bipartisan select committee had support from the leadership from both sides of the aisle, at the time it was created. It received new support from both sides of the aisle when the House's leadership endorsed the goal of taking the package to the floor so that the House could work its will.

Who has frustrated that will? What is at stake in it for them? Are the so-called Democratic reformers of the past becoming the backroom power brokers of the present? Do they think the American people can be fooled? Apparently so. Do they think that by endorsing only a needed improvement like early organization they can fool the people? Apparently so.

The reform package that the select committee reported was unanimously adopted. It represents the best compromise the committee could report out after study and hard work. The American public wants the Congress to work, for them. They know that when the special interests on both sides are against the reform package, and the people who have too much power are against the reform package that it must represent needed change. I do not think the American people will be fooled.

A PERSONAL REVIEW OF "GREEN THUMB"

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. PICKLE. Mr. Speaker, we are all aware of the program called "Green Thumb" funded under the U.S. Department of Agriculture. This program seeks to find jobs for our senior citizens—for those who might otherwise be cast off as unemployable or even as useless to society but who belie that notion again and again.

Seldom have I seen a more persuasive argument than a letter sent to me recently written by a Green Thumb enrollee in my district, Mrs. Annie Lee Whisenant, of Bastrop, Tex.

The letter speaks for itself, and I would like to reprint it in the RECORD at this time.

TEXAS FARMERS UNION,
GREEN THUMB, INC.,
Waco, Tex., April 15, 1974.

DEAR SIRS: Mr. Phillips of Taylor Texas came by and ask me to write you a few things about myself and family, I will try to out line a few things to you.

I am 64 yrs of age this Sept 16. I enjoy working very much and am so Blessed by God with good Health and energy, I was raised by my dear Grand Mother from age 3 yrs old until age 17. I then went to my Mother and went to work in a laundry in Waco Texas. I worked in the fields from daylight until dark, then fed hogs, calves, cows and chickens and helped with housework at night and we washed our clothes and marketed on Saturdays and cooked all our Sunday foods on Saturdays and we went to church on Sundays and visited our friends and Kinfolks, I am still in that Habit and Raised our children to believe Sunday should be the Holy day and also our 47 Foster Children, these were children of towns we lived in who needed our help. 33 years we have helped any child who needs us and we still have one lovely 21 year old whom we have had with us for 12 years and have helped for 15 years. She doesn't want to leave us and we are letting her live her life as she sees fit to do.

We are happy she hasn't rushed into marriage and she doesn't date just to be dating she wants to be choosey and we welcome her being with us. She has learned the way we live a good life and we don't try to put on Airs and live beyond our means. We don't ask for Welfare Help, we believe its good to FIRST try to do for your selves and don't Ask for help that you can do for yourself.

I crochet "Ponchos" and Pillows, Bedspreads and lots and lots of things I sell and Annas and I piece quilts and tack them and sell them and we also use others Ideas to make money to help out. I do old fashion quilting and Annas makes pot holders and we raise chickens and sell eggs, fryers and we raise Rabbits and we sold 56.00 worth of Fryers this Easter.

We plant a large garden and can food and freeze food. We get wild berries and plums and make jellies and we eat fresh vegetables almost the year around, we enjoy fresh food. We raise chicken fryers and baker hens. We raise fryer rabbits and baker rabbits, lots of good dishes can be made from them. Chicken hens can be cooked so many ways and we raise guineas and geese also. We are now working to get us a calf and hog and cow.

These 2 acres we now own is ours, paid for and our 8 room house is our own also. We paid our first down payment June 23, 1968 and we paid our last payment and received our deeds Dec. 17, 1970. We cleared this like olden day people did theirs, we camped under these trees until we could get us a house built. My children and son-in-law and 2 daughters-in-law and grandbabies helped us and Annas also would come home from school in Austin Saturdays and holidays and help.

We have been blessed with 2 carpenters in our sons and my husband, so our labor on this home cost not a cent, our lumber total house cost us less than $300.00. We got it from jobs and from my only brother who is a big construction contractor in Dallas, Texas. Oh, yes, we did haul it from there, on our pick-up truck. We visited there while we loaded up a load of lumber. Our windows and doors was our greatest cost and we have 16 windows and 9 doors. Our bath tub has a scratch on it but its useable and it was given to us and wash basins and double sinks in our kitchen also. So we have managed to get us a nice home. We have worked hard and long hours to get to where we are now, but I have always worked hard and enjoyed it.

I've been taught, "An idle mind is the devil's playground," so the devil is so busy I sure don't want him to have my mind. I love to see things grow—children, chickens, rabbits, trees, flowers are food. If I get blue and lonely, I can't stay that way long. God gave us weeds to watch grow and trees have a wonderful sound if you stop and listen to them. Flowers change shapes and color and chickens do lots of things to divert your mind. Rabbits also can be a joy to watch.

We have squirrels in our trees. I watch them so many times running from the can we put up and put old pecans and nuts in. They get them and hide them for a rainy day. Sure there are times we all miss our little ones around our feet and chattering little mouths, so I go walking or sit under these lovely trees and crochet or write letters.

I am never Idle until I go to bed at 10:30 p.m. and up at 5:30 a.m. each day. My husband has retired and he works at home building chicken pens and rabbit hutches and fencing pens for our animals and fowls to keep wild animals from getting them. I love my job at the Senior Cafeteria in Bastrop, Texas.

My husband receives so little amount each month. It's not enough for us to keep our selves up and yet help our daughter until she can help herself. And keep us from going on with our project to get enough together we won't ever have to ask for Charity help. We want to do for ourselves. So many more need help so much worse off than we are. They don't know how and haven't the chance to do what we are doing, you have to love and want to do these things to make a go of it.

My job has helped us to pay our debts and get things going for us. We eat and sleep so much better when we don't owe debts. Thanks so very much to Green Thumb and Mrs. Sansom for this job, from the depth of my heart we are grateful. We pray this project will go on for years and years, it's such a wonderful thing for people like us, so we can earn our way instead of asking help.

Sorry my letter has been so long, but Mr. Phillips talked to me and asked if I would write a few of the hobbies and things I do and told him about to you. We are so much happier with our lives today than we were 6 months ago. We are working and paying our own way.

God Bless this Program and every one who works with it to make us older people happy. I appreciate it very much.

"Ask and you shall receive." I asked God for this job and received it and I have not asked for anything more, we don't need anything else. We have God.

Thanks and a long successful future for all.

Sincerely yours,
Mrs. ANNIE LEE (ANN) WHISENANT.

OIL FROM COAL: WE WOULD NOT RUN OUT

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. WALDIE. Mr. Speaker, the June issue of The Progressive contains an excellent article by Mr. Harlan Trott on the controversy over the development of oil from coal and shale. Of particular concern to Mr. Harlan is the influential role which the oil interests have played in the development of alternative sources of fuel and power. Believing the article will be of interest to my colleagues, I ask that it be reprinted in the RECORD.

The article follows:

OIL FROM COAL: WE WOULDN'T RUN OUT

(By Harlan Trott)

There is enough sound technical data on record to suggest the energy crisis is an artificial one, conceived by oil men and brought forth in government default. Some public speculation centers on the suspicion that domestic petroleum reserves generally are much larger than Big Oil cares to admit. Presumably, the majors conceal their true figures on untapped reserves, not altogether to avoid paying higher property taxes, but because it is industry policy—as studies pursuant to Senate Resolution 36 of the Seventy-ninth Congress reveal—to stabilize maximum gasoline prices by perpetually maintaining a hair's-breadth balance between "known" crude supplies and market demand.

But the notion that ours is an artificial energy crisis may be valid for another reason, if what industry and government archives tell us is true. The facts prove that if we were to adopt a national fuels policy based on the highest and best *integrated* use of *all* our natural energy resources—as worked out by pioneering government fuels technologists—we could immediately begin encouraging private investment capital to start making oil from coal cheaper than pumping it from wells.

As one long-stepped in the politics of our Federal synthetic liquid fuels posture, I am concerned but not surprised by the oil industry's silence on this subject, particularly on the idea of making oil from coal.

We keep hearing there are billions of miles of future freeway driving locked up in the vast oil shales of the Western United States—if only, industry spokesmen sigh, we knew how to extract it cheaply enough. The way crude oil prices are shooting up, we are likely any day to back into this promised economic breakthrough that will make shale oil competitive with petroleum—on the industry's terms. Early evidence of such a development came when the Interior Department opened the first bids by the oil companies for the right to exploit oil shale deposits in Federal lands in Colorado. The bids ran to a total of $465 million, whereas the Department had expected a maximum of $50 million. Yet back in President Coolidge's time, government fuels scientists found they could process oil from shale for about seventy cents a barrel.

But vastly more important, these early studies showed bituminous coals also could be processed to produce oils in similar plants at $1.50 to $2 a barrel—without any credit for the sales value of the by-product gas and solid fuel residue. And if the solid smokeless fuel were sold wholesale at raw smoky coal prices, then the oil would cost nothing. You could give the oil away and still make money.

Early Bureau of Mines tests in commercial-scale plants at Rifle, Colorado, proved oil could be made from coal for nothing a barrel when processed in series with a steam-generated electric power plant using its off-peak steam to produce fuel gas, crude oil for cracking into gasoline, smokeless fuel, and liquid chemicals worth more than the cost of the raw coal itself—all in conjunction with its output of electricity.

This encouraging resource discovery prompted Pennsylvania's progressive Gifford Pinchot to warn: "The fuels trust will never permit the shale-oil and oil-from-coal projects to get developed unless they own them." George Otis Smith, Director of the U.S. Geological Survey, explained, "The shales of northwestern Colorado and Utah can produce ten times as much oil as has been removed from wells since the drilling of the first well in 1859. Shale oil will regulate the price of gasoline and assure an unlimited supply of that fuel."

The big oil firms apparently plan to start distilling oil from shale. But they will not touch coal, using the same process, because, in the handwritten words of a Justice Department lawyer: "The world oil cartel fears the *cheap production* of oil from coal might bring about a reduction in price."

But if the prospect of converting coal to oil is financially all that enticing, why has not private enterprise invested in an integrated multi-purpose energy operation of that magnitude? The oil companies and their allies in the government scientific agencies can't be all that powerful in blocking it, can they?

A few informed officials both in Federal scientific agencies and the Department of Justice say, unfortunately, yes. This oil-for-nothing-a-barrel prospect poses such a threat to what oil expert Harvey O'Connor calls *The Empire of Oil*, it may be holding back oil-from-coal development simply because Federal administrators are being misinformed by their "experts" or are themselves deliberately confusing and scaring away private venture capital by giving out wrong information about revolutionary new technological processes.

Professor S. W. Parr of the University of Illinois, one-time president of the American Chemical Society, was *the* fuels chemist of his day. Some fifty years ago Parr explained that distilling coal by low-temperature carbonization—which means removing the rich gas, oils, and chemicals—leaves a solid residue of superior burning properties that is absolutely clean to handle and burn; it is hard enough for metallurgical uses, and ideal for firing the boilers of steam-generated power plants.

Parr and his associates insisted that this way of processing coal would be a stepping stone toward the day when all cheap noncoking coals—enough to meet all the nation's energy needs for 2,000 years—would be gasified, and the oils, chemicals, and rich gas saved.

How promising these prospects are—and how real the obstructions being placed in their way—came into sharp focus one day when I was reporting on the energy crisis caused by the Korean War.

It is Friday, May 12, 1950, cold and rainy around the nation's Capitol. The scene: A hearing room in the old House Office Building. Only a handful of spectators, in dripping raincoats, are on hand to learn of the role the peat bogs of Minnesota can play in helping to meet the country's future energy needs. I have the press table to myself.

Representative Ken Regan of Texas, chairman of the Subcommittee on Mines and Mining, taps his gavel, "Counsel will call the next witness."

An erect, professorial man in his sixties with owlish, nickel-rimmed spectacles begins testifying in a Rocky Mountain drawl:

"My name is Lewis C. Karrick. I am a mining and chemical engineer with thirty years' experience studying the coals, oil shales, peat, and other carbonaceous deposits of the United States and some foreign countries.

"My past work has been largely devoted to conducting researches for the U.S. Bureau of Mines, the Geological Survey, the Navy Department, and for the states of Utah, Colorado, and Ohio, and for eight years director of oil-from-coal research at the University of Utah.

"A number of important new processes were developed which are embraced in patents issued to me for the production of low-cost oils, fuel gases, smokeless fuels, low-cost electric power, and chemical by-products.

"In my opinion the oils obtainable from peat, by distillation with steam, should be recovered by these simple and relatively inexpensive processes. The treatment of peat simultaneously produces valuable fuel gas suited for domestic and industrial uses, and leaves a solid smokeless residue of carbon.

"This carbon residue is a much superior fuel for burning in power plants than raw peat, having two or three times the heating value, and will insure much higher fuel efficiency in power-plant use. Also, this solid carbon would be ideal for conversion into a low-cost fuel known as water gas. This water gas may then be purified and made by the Fischer-Tropsch or other processes into crude oil amounting to several times the twenty to twenty-five gallons of oil per ton which results from distilling the raw peat.

"These processes were designed for use as adjuncts to steam power plants, so as to use the off-peak steam or other steam available for the peat or coal-distilling operations. Thus oil, gas, and a superior solid fuel are made available. These credits will greatly reduce the cost of the power."

Representative WAYNE ASPINALL: "Do I understand you to say it is economically feasible at this time to reduce coal to oil?"

KARRICK: "Yes, sir."

ASPINALL: "Then, why isn't it done?"

KARRICK: "If you get me started on that I may have to use a few bad words."

ASPINALL: "Do you make the same contention that it is economically feasible to reduce oil shales today in competition with other fuels?"

KARRICK: "That is right. I was at Boulder two or three years when that city was the headquarters of the Bureau of Mines work. Utah and Colorado really started this work.

"Although we had to spend the government money on oil shales, we got your Governor Sweet, and Governor Shoup next, to put up state money, also our Governor Bamberger in Utah, and earmarked it for coal. We found those good bituminous coals would distill and give as much oil or more than the average oil shale. It is a better oil.

"Instead of worthless rock left, you have this smokeless fuel which is very much superior to the original coal. It will give from ten to thirty per cent more heating efficiency because there are no losses up the stack. There is no soot. Therefore it transmits more heat, and there is practically no unburned carbon in the ashes, so people would get this fuel at no increased cost. The revenue from it will pay off the mining and the processing.

"Now then, we found, too, in the case of oil shale that you distill it, preferably underground. We worked out the methods to do this when I was in the oil shale work and had the title of oil shale technologist for the Bureau.

"We estimated we could distill the oil shales underground and produce oil for a good deal less than $1 a barrel, or if we used either of the two commercial-scale plants we built at Rifle in 1920–1926, we could make oil for $1.50 to $2 a barrel. Those are the figures and we can prove it now.

"Since then I have directed research at the University of Utah to prove those things, to offset information that is being put out by the Bureau and others to the effect that you can't do it. I have those data here." Bureau of Mines spokesmen disagreed. Instead, they contended:

The process is "merely one of the least efficient and most obsolete."

Instead of oil, the major products are "char" and "tar."

To produce any significant quantity of liquid fuels by coal carbonization would "glut an already saturated solid-fuels market with fantastic quantities of unsaleable char."

If the "tar" is used as a source of gasoline and oil, it requires further processing, and the yield is less than a third that available from other methods now under development by the Bureau of Mines.

Ironically, far from being glutted with smokeless fuels, the country is now pleading with the coal miners—a quarter-century after this bureaucratic putdown of its own tax-supported technology—to accelerate their half-billion-ton yearly output of raw smoky coal.

Alarmed by the waves the Karrick controversy was making in Congress, the Bureau fired off a 5,000-word press release deriding Karrick and all his government-financed works. All this was pretty unsettling to the Bureau's coal staff, some thirty of whom were invited to supper at the Cosmos Club and a private talk by Eugene Ayers, director of the chemical division of Gulf Oil's research company, a scholar, and an outstanding fuels economist as prestigious throughout the profession as was Professor Parr in his time.

Ayers's private coal talk proceeded in all fundamental respects to refute the Bureau's public stance discrediting the discoveries of its pioneer coal scientists. He said, in effect, that the Government was chasing the wrong rabbit by backing a costly and wasteful technology Standard Oil of New Jersey had acquired from I. G. Farben prior to World War II. He said this coal hydrogenation process was not necessary "because of the existence of simple, low temperature carbonization techniques by which moderate yields of tar are accompanied by major yields of char."

Speaking of this cheaper and better method the Bureau was sidetracking, Ayers stressed that oil can be distilled quite simply from coal. He explained that "the tar can be converted to liquid fuels, while the char is an excellent fuel for steam boilers."

While what has come to be called the Karrick process may be regarded as "primitive," Ayers said it was an "interesting process" because the "ratio of national demands for liquid fuel for electric power and other essential coal users is not far away from the ratio of yields from low temperature carbonization and is expected to balance before 1980 because demand for electric energy is growing more rapidly than demand for liquid fuel."

This was how it looked to the chief research chemist of one of the oil majors more than twenty years ago. All the oil in the United States was made out of coal up to the time the first oil well was brought in in 1859. From coal were made lubricating oils, greases, lamp oil, and kerosene. There was then no use for gasoline. Karrick testified:

"We can crack this coal oil into good quality gasoline. It is a better shale oil than that extracted from oil shale itself. It yields as much oil per ton, plus valuable by-products, which makes it cheaper than shale oil. But because the Bureau of Mines does not call it oil—which it is, if shale oil is oil—its development has been blocked.

"I aided in selecting the experimental plants built at Rifle prior to 1926. I was consulting engineer in oil shale, but knew we would make oil out of coal sooner. At that time, the grab for oil was on. It was the time of Teapot Dome, when many people thought that was the last big source of oil in the country. All of a sudden we found ourselves transferred out of the Rocky Mountains to Pittsburgh. The Bureau would not let us work on coal in Colorado or Utah any more.

"Thanks to Senator Reed Smoot, I got Secretary of Commerce Herbert Hoover's help (the Bureau of Mines was in Commerce then). I was made custodian of all the government research data that we had developed up to then on oil from Rocky Mountain coals, and I am still custodian of them.

"At that time George Otis Smith was head of the Geological Survey, and I served under him. He said to me: "You men have proved something more valuable than any other researchers in the Federal Government. We now know we have enough cheap oils in our coals to last forever."

The late E. V. Murphree, president of Standard Oil of New Jersey's development Company, filed a patent on the underground extraction of oil from shale shortly before his death in 1962. Yet the major oil firms still talk about "mining" oil shale just as though they never heard of underground distillation. Why?

The answer, I suspect, lies in the emphasis the Justice Department's chief oil investigator laid on the words "cheap production" in an unsigned note he sent me some twenty years ago explaining "the World Oil Cartel's" opposition to distilling oil from coal. They were appalled at the thought that it is possible to get oil out of shale without any mining cost, or without the expense of disposing of the spent shale.

The process we developed in 1926 is now the basis for a flourishing coal-distilling industry operating under the trade name Rexco in England and Scotland. Neither the technology nor the productive range of its four plants is an spectacular as the multipurpose Karrick approach. Rexco is using gas generated by the process to heat the coal charge in its forty-ton retorts.

In a special supplement of the *Edinburgh Scotsman*, January 14, 1964, an article on the opening of the Comrie plant observed: "The process itself is an American one, having been developed across the Atlantic in the 1920s. It was brought to this country by Coal Research Syndicate, a company which had seen possibilities in developing the American idea.

"Incidentally, the process was not followed up in the United States. Originally it had received encouragement from the U.S. Bureau of Mines and a pilot plant to carbonize coal at low temperature had been built in Colorado. With the discovery of oil in great quantities in the North American continent, however, interest in smokeless fuel waned."

In some ways it struck me that Rexco's conservative management policy was not much different from that expressed by Robert E. Wilson while he was still president of Standard Oil of Indiana.

"Look," he told Karrick after Standard had run tests on two barrels of oil distilled from Hocking Valley coal, "we're not in the coal business . . . we can't put more than $2.50 a barrel on that oil, but your smokeless fuel is worth $5 or $6, so you see it's a coal man's problem, and we can't put a value on your Ohio coal oil above our midcontinent crude."

At the same time that Standard of Indiana was rating oil from Ohio coal on a par with a midcontinent crude, the Universal Oil Products Company—often described as a patent club for the majors—was singing an even more cheerful tune. Universal's distinguished Gustav Egloff, onetime president of the American Institute of Chemists, wrote Karrick: "I am enclosing a complete report on cracking your low temperature coal tar. The motor fuel derived from your low temperature coal tar on a tar acid free basis was a sixty-five per cent benzol equivalent. This is one of the highest grade motor fuels obtainable and in reality is too good for the average present day motor. It would be suitable for blending purposes in a similar manner to benzol.

"Your process of low temperature carbonization of coal tied in with the Dubbs cracking process should provide a handsome profit," Egloff continued. "You have a situation almost ideal in that your process produces:

"1. Smokeless fuel.

"2. A tar suitable for cracking.

"3. Gas for household fuel purposes.

"4. Cracked gasoline which should yield a five cent premium.

"5. Tar acids for flotation purposes.

"6. Cracked coke high in B.T.U. value, ashless and a highgrade smokeless fuel.

"7. Incondensible gas from cracking, having 1,300 B.T.U's per cubic foot."

There seems to be enough data lying around loose in Washington to suggest the energy crisis may be due to something more than natural causes. These data clearly indicate that when we get around to processing shale, it should be distilled underground, first to keep from littering the landscape with mountains of spent shale, and, second, because it is cheaper. The data also indicate that anything shale can do to fill the energy gap, coal can do better.

The appropriate Congressional committees should look into this oil-from-coal question at once with a view to repeating everything Karrick and his co-workers in the Bureau of Mines proved at Rifle, Colorado, prior to 1930, with respect to the highest and best use of our coal and oil shales.

Clearly, it would be foolish to go over all this ground again without heeding the warning voiced by former Senator Paul Douglas in his memoirs, *In the Fullness of Time*. Senator Douglas recalls:

"Once in a while a mountain-state Senator would whisper to me that the oil interests had closed down these government demonstration plants because they did not want new sources of supply to come on the market and thus threaten their control. The idea that the big oil companies could reach out to control alternative sources of fuel and power seemed too fantastic to believe. It is not too fantastic today."

After suffering the crunch of arrogant power the oil interests have brought to bear in the current crisis, the American people can well agree with Senator Douglas that such power is far from fantastic.

VOTE RECORD CORRECTED

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. REID. Mr. Speaker, I wish to correct for the permanent Record my vote on roll No. 240.

While I am recorded as voting "nay" on this vote (the Leggett amendment to reduce military assistance funds for South Vietnam), I should have voted "aye." I voted in error.

My record on this issue, I think, is clear, as I have strongly supported amendments of this character in the past. Indeed, I believe that military assistance to South Vietnam should be sharply reduced.

DO SIRICA AND WATERGATE METHODS REALLY HONOR OUR SYSTEM?

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. MICHEL. Mr. Speaker, in the May 12, 1974, edition of the Washington Sunday Star, an article appeared which had been adapted from an address delivered by the famous author and attorney, Mr. Louis Nizer, at the New York University Law School.

The article, entitled "Do Sirica and Watergate Methods Really Honor Our System?" may have escaped the attention of most of our colleagues and so I ask that it be placed in the Record for their perusal. The text of the article follows:

Do Sirica and Watergate Methods Really Honor Our System?

(By Louis Nizer)

Of all the people in Watergate who received universal acclamation, Judge Sirica is first. He has been praised by critics at the opposite ends of the spectrum. President Nixon has twice referred to him as that "courageous judge." Senator Ervin, Senator Baker and the other members of the Watergate Committee have heaped adulation upon him. If any editorial in the nation has contained an unkind word about Judge Sirica, I haven't found it.

I, for one, am loath to make the point I am about to make, but I feel it has to be made. The epigram, "The end does not justify the means," has a corollary: "The means does not justify the end." During the McCarthy terror, it was easy to detect the impropriety of the means, even if the objective—to stop Communism—was desirable. "You can't," we cried, "pillory people and destroy them by innuendo and hearsay." But when today we enjoy the discomfiture of those who are being accused, we are inclined to overlook the means by which they are exposed.

Judge Sirica's objective has been magnificent—the exposure of the Watergate scandal. But what have been his means?

Five defendants pleaded guilty to burglary. Two others stood trial and were convicted. Sirica told them that they knew more than they had told and he was sentencing them provisionally to 35–40 years. If they cooperated and confessed all, he would reconsider the punishment. After four weeks, one of the defendants cracked and wrote a letter saying he was ready to talk. Thus the objective was achieved.

But do we want judges—despite the result in this case—to use penalties to force people to surrender their right under the Fifth Amendment not to talk? Is this not a form of judicial duress? Is it very different, except in degree and kind, from other forms of duress to obtain confessions, which our Supreme Court has repeatedly condemned?

In one famous case, in which a murderer was forced to confess, giving objective evidence that left no doubt of his guilt, the Supreme Court set aside the conviction and freed him. Justice Douglas wrote the following sentence, which I have always admired for its forthrightness. He said that it was true that some murderers who now go free would be caught if third-degree methods were used to wring confessions from them. But "this is the price we pay for a civilized society." If we resort to duress, sooner or later innocent men are going to be pounded and beaten.

There are many forms of duress. Some are subtle, not merely the rubber pipe applied below the face to leave no marks, but endless questioning that deprives the victim of sleep, and other psychological devices. Once we break down the constitutional guarantees, we set an evil precedent.

Let me give another illustration. Senator Ervin, a constitutional lawyer of standing, and Senator Baker, a very able lawyer, said on television during the hearings, not once but several times, "Ninety percent of this testimony would not be admitted in a court of law because it is hearsay. But this is not a court. We are a Senate committee seeking the truth. So we will accept this evidence."

Just reflect on that a minute. The truth is equated with hearsay evidence. For centuries, legal philosophers have considered hearsay evidence the worst way to get the truth. The reason, that hearsay evidence is eliminated from trials is not technical, but because in the scales of evidence it has no weight; it has no probative value. I could convict anyone in this country of any crime through hearsay evidence. You would be helpless. "A" takes the stand. He is a reputable and honest man who always tells the truth. He swears that he met "B," who told him that the defendant said he had stolen the money. You can't cross-examine "A" effectively. "B" is not available to be tested. It is by use of hearsay that tyrants convict those they wish to dispose of, no matter how innocent.

Does purging our political system justify such wrong means? Mind you, the hearsay in the Watergate hearings was not projected merely to 12 jurors, but to 20 million Americans. It was they who were drenched with accusations against individuals, who, guilty or not, had none of the safeguards provided by criminal law.

Let me consider a third proposition. A Senate committee is authorized to take testimony for one purpose only—to formulate legislation. It has no authority to decide the guilt or innocence of any individual. Only a court, which affords a defendant protective privileges, can do so. No other system of law is as zealous in its concern for one who may be deprived of his liberty as ours. Consider some of the safeguards our Constitution provides.

First, there is a presumption of innocence that continues to the last second of the trial. Second, the jury must be unanimous. If one out of the 12 has a doubt, the defendant is free. Third, the defendant can sit quietly by no matter how guilty and say, "You, Mr. District Attorney, must prove me guilty. I am not going to help you." Fourth, the judge charges the jury, "If you believe this man is guilty, you must, nevertheless, not find him so unless you find that he is guilty *beyond a reasonable doubt*." This is an extraordinary standard.

Justice Black was interviewed shortly before his death and was asked, "In view of the decisions you are handing down here, isn't it almost impossible to convict anybody?" He shocked the reporters by replying, "Of course—that's the purpose. Read the Constitution. The government has immense power—the FBI, police, prosecutors—and unlimited funds. The individual citizen stands alone. The very title of the action is enough to put terror into the heart of a citizen. 'The United States of America against John Jones.' So we have built a cordon of rights around him to balance the situation, to protect the individual against the overwhelming power of the government. That's our purpose, to make things as tough for the prosecutor as we can."

Now, one final word. I, for one, and I hope you, too, are concerned but not discouraged by the revelations that have shocked. It is healthy that they have come out. Only in a democracy could this miracle of exposure have occurred, despite the enormous powers vested at the top. Also, I believe it will result in legislation to control financing of elections and proper procedures for election processes. This will be a magnificent result.

Ours is a great and noble nation. We must not give vent to despondency or skepticism. There are fine people in government and out of government and in business and out of business, and our great nation couldn't have achieved its eminence in science, business and culture without a healthy core. The surrounding corrupting tissue will have to be removed.

SOCIAL SECURITY TAXATION

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. ZWACH. Mr. Speaker, I have always been concerned about the heavy burden that social security tax has placed upon employee and employer alike. The burden in many cases is too great to bear, especially for the low-income brackets. The Federal income tax provides a far more equitable formula.

In a recent column, Sylvia Porter elaborates on the social security taxation schedule and offers a meaningful alternative.

Mr. Speaker, I would like to provide that column for the Record. It follows:

Social Security Taxation

While Washington's vote-hunting politicians mumble about giving us a tax cut to make it easier for us to survive the murderous cost-of-living squeeze, the fact of the matter is that millions of workers earning more than $13,200 a year are facing a certain tax increase in 1975—and so are their employers.

This tax increase will come in the form of another rise in the wage base on which Social Security taxes are paid. This year's record high of $13,200 will rise to another peak of at least $14,100 and it may be more.

The reason the law ties the Social Security tax wage base as well as Social Security payments to changes in the cost of living. The administration estimates that the rise in the Consumer Price Index will come to 7 percent in 1974. That rate of rise would put the wage base at $14,100. If the rate of inflation for the full year is higher, so may be the increase in the wage base. In practical terms, this means:

If you earn $14,100 or more, you'll pay a Social Security tax of $824.85 as against $772.20 this year and $631.80 in 1973.

All of your employers must match that tax of $824.85, so the combined tax on employee and employer will come to $1,649.70, up $386.10 or more than 30 percent in only two years.

If you are self-employed and earn $14,100 or more, your Social Security tax will rise to $1,113.90 in 1975, up from $1,042.80 this year and $864 in 1973.

Remember, this increase is taking place with the Social Security tax rate standing still at 5.8 percent. That rate won't remain there much longer; under the law, it will rise above 6 percent in 1978. And with the wage base going up in automatic leaps, the burden of this form of tax will become heavier and heavier.

For millions of workers in the middle income brackets, the Social Security tax is now almost as large as the federal income tax. For millions of workers in the low-middle-income brackets, the Social Security tax is higher than the federal income tax. For instance, a married man with two children earning $5,000 a year who uses the standard deduction pays about $120 in federal income tax. This same man has $292.50 deducted for Social Security taxes, more than twice as much.

And for millions in the low-income brackets, the Social Security tax is the big load, not the income tax. That married man earning $5,000 a year who has five children owes no federal income tax if he uses the standard deduction. But he'll have $292.50 deducted for Social Security.

As for employers, the load is particularly oppressive on those in industries in which wages are a major operating cost—such as restaurants, resorts, hospitals and health care in general.

And there is no end in sight. It is inconceivable that we, as a nation, would refuse to help our elderly and disabled stay alive. It is inconceivable that younger workers would simply refuse to pay the taxes that finance the benefits.

But again, and with increasing urgency, I say it is time for Congress to take up the entire question of financing some of Social Security's benefits out of the Treasury's general revenues so income taxes would bear more of a share. As recently as 1957, Social Security taxes represented less than 9 percent of all federal taxes we paid. Now they swallow about 25 percent. Isn't there a better formula than this? I think there is.

POLITICS: ANY NUMBER CAN PLAY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. MICHEL. Mr. Speaker, the Philadelphia Inquirer of May 16 commented editorially on the current move among leaders of the majority party concerning their sudden interest in keeping the President in the White House. I recommend this to my colleagues as interesting reading, and as a trenchant commentary on the political scene today. Text of the editorial is as follows:

Politics: Any Number Can Play

We suspect there is an element of truth in the assertion by Democratic National Chairman Robert Strauss that some of the Republicans in Congress calling for President Nixon's resignation are more concerned about their own political hides than anything else.

Facing re-election campaigns this year, they clearly do not relish the prospect of an up-or-down vote on Mr. Nixon's fate. Whatever they do, they're bound to alienate some voters. But neither can they look forward to running in November with Mr. Nixon still in the White House and still under fire for Watergate. His resignation would thus take them off the hook nicely.

That said, however, we are not overwhelmed by Mr. Strauss's praise for the "remarkable restraint" his fellow Democrats have shown in insisting that the President should *not* resign.

We do not doubt that some Democrats so expressing themselves are indeed convinced that resignation would be a decisive influence on the country and would set a bad precedent. But it is just possible that some of the Democrats are motivated less by statesmanship than by the same kind of politics Mr. Strauss assails the Republicans for.

From a strictly partisan standpoint, it is to their advantage to see the Republicans squirm, to keep the issue alive, to keep a beleaguered Richard Nixon in the White House, and to avoid giving Gerald Ford a running start on 1976 by installing him in the Presidency now.

Well before any Republicans were calling for Mr. Nixon's resignation, that cry was sounded by the Democrats themselves—including such notables as House Democratic Leader Thomas P. O'Neill. But now, he says, he's changed his mind. Forgive us, then, if we view with some skepticism that "above the battle" pose the Democrats are striking as they lecture their Republican colleagues.

THE LEGAL SERVICES CONFERENCE REPORT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. HAWKINS. Mr. Speaker, much misinformation has been circulated in the Congress—including being printed in the CONGRESSIONAL RECORD—concerning the net effect of the Legal Services Conference Report on both the original legislation introduced for the administration and the bill as passed by the House on June 21, 1973. A great deal of this misinformation is to support the argument that the conference report "guts" the restrictions found in both the original administration legislation and in the House-passed bill.

I insert in the RECORD three charts prepared by my staff that indicate that such conclusions are essentially erroneous and that in fact the conference report largely still contains in strong form most of the restrictions in both of the other bills.

The insertion is simply made to correct the misinformation.

The charts are as follows:

SCHEDULE OF CONFERENCE ACTIONS ON HOUSE AMENDMENTS TO LEGAL SERVICES LEGISLATION

Amendment	Sponsor	Page	Result
1. 5-year limitation	Green	H5091	−
2. Strikes, boycotts, etc., prohibition; rioting, etc.	Quie	5094	+
3. Prohibition on aid to political parties, etc. pursuant to Act.	Quie	5096	+
4. Prohibition on aid to ballot measures, etc.	Quie	5096	+
5. Elimination of contract back-up centers.	Green	5096	(−)
6. Corporation pay cost and fees when loses.	Green	5102	(−)
7. Local attorney hiring preference.	Perkins	5112	+
8. Sec. 7 intro on Attorneys professional responsibilities—elimination.	Quie	5114	+
9. Education, etc. out of client qualifications.	Quie	5114	+
10. Prohibit all ott-time law practice.	Quie	5115	−
11. Prohibition on legislative representation.	Quie	5115	(−)
12. Off-time political activities.	Quie	5120	+
13. Funding prohibition limitation: 75 percent of firm's time on public interest issues.	Quie	5121	+
14. Two-third's of recipient's board must be attorneys.	Quie	5121	(+)
15. Restrict minors' representation.	Podell-Roberts	5122	((+))
16. Prohibit school desegregation cases.	Mizell	H5125	+
17. Eliminate required expenditure of 10 percent of funds on nonstaff attorney matters.	Green	5127	+
18. 2-year prohibition on private representation.	White	5129	+
19. Anti-abortion amendment.	Hogan-Froehlich.	5129	+
20. Prohibition on selective service cases.	Waggonner	5131	+
21. Prohibit college desegregation cases.	Mizell	5132	−
22. Prohibition on use of non-Federal funds.	Quie	5132	(+)
23. Prohibition on funding indigent Watergate defendants.	Hays	5133	−
24. Eliminate 3-yr. appropriation.	Green	5133	−

Totals:

Total amendments	24
House provision	13
Senate provision	5
House tendency	3
Senate tendency	3

Key:

+ =All or substantially House provision.

− =All or substantially Senate provision.

() =Compromised with inside symbol indicating tendency.

SCHEDULE OF RESTRICTIONS ADDITIONAL TO ORIGINAL ADMINISTRATION PROPOSAL CONTAINED IN CONFERENCE REPORT

PROVISION AND REFERENCE

1. Governors to solicit state bar recommendations for state advisory council appointments, Sec. 1003(f).

2. No political test or qualification to be used in hiring or making grants, 1005(b)(2).

3. Freedom of Information Act to apply to Corporation, 1005(g).

4. Limitation of State or local government funding (to minimize interest conflicts, etc.) 1006(a)(1)(A)(ii).

5. Limitation on class action suits, appeals and *amicus* briefs, 1006(d)(5).

6. Prohibition of corporation identification with political activities, 1006(e)(1).

7. Application of Hatch Act to Corporation employees, 1006(e)(2).

8. On finding of harassment or abuse of process, corporation liable for legal fees, 1006(f).

9. Poorest persons receive preference in assistance, 1007(a)(2)(C).

10. Grants and contracts to ensure most effective and economical delivery of legal assistance, 1007(a)(3).

11. Local attorney hiring preference, 1007(a)(8).

12. Prohibition on persistent incitement of litigation or other violations of Canons or Code, 1007(a)(10).

13. Prohibition on private, fee representation on cases first taken as program attorneys, 1007(a)(10).

14. Limitation and regulation of taking fee-generating cases, 1007(b)(1).

15. Prohibition on school desegregation cases, 1007(b)(7).

16. Prohibition on certain abortion cases, 1007(b)(8).

17. Prohibiiton on selective service cases, 1007(b)(9).

18. Raise recipient board lawyer member requirement from half to 60%, 1007(c).

19. Remove requirement to spend at least 10% of funds on research, etc. activities, (See Sec. 7(g) of Admin. bill).

20. Funds authorized to be appropriated for only three years, Sec. 1010(a).

21. Limitation on use of non-federal funds, 1010(c).

SENATE PROVISIONS MORE RESTRICTIVE THAN HOUSE AND ADOPTED BY CONFERENCE

PROVISION AND REFERENCE: (TO SENATE AMEND.)

1. Use of political test or qualification to hire employees or make grants, 1005 (b)(2).

2. Limitations on class action suits, appeals and *amicus* activities, 1006 (d)(5).

3. Intentional identification of the Corporation with political activities, 1006(e)(1).

4. Employees of Corporation subject to Hatch Act, 1006(e)(2).

5. Consult state governors on establishing client qualifications, 1007(a)(2).

6. Establish guidelines to avoid frivolous appeals, 1007 (a)(7).

LAURA GASKINS INSTALLED AS PRESIDENT OF MINNESOTA SOCIAL SERVICE ASSOCIATION

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. FRASER. Mr. Speaker, several weeks ago, Mrs. Laura Gaskins was installed as the president of the Minnesota Social Service Association—MSSA. Mrs. Gaskins is the third woman and the first black person to serve as president of the Association in its 81-year history.

The Twin Cities Courier reported on this event March 29. The Courier article gives Mrs. Gaskins' background and that newspaper story will be reprinted at the conclusion of my statement. I would simply like to add my congratulations to those Mrs. Gaskins has already received. She will give the MSSA the leadership it needs to achieve its goals.

The article follows:

[From the Twin Cities Courier, Mar. 29, 1974]

WOMAN NAMED ASSOCIATION PRESIDENT

When the 81st Annual Minnesota Welfare Conference meets in session March 31 to April 3 at Hotel Radisson, president-elect Laura Gaskins will be officially installed in office.

Mrs. Gaskins will be formally introduced to the convention at the closing conference session on Wednesday morning, April 3, by Dr. Richard Broeker, president of the Minnesota Social Service Association. The Association is sponsoring the annual conference. She is the third woman and first black person to serve as president in the Association's 81-year history.

The new MSSA president has many "firsts" to her credit, including that of the first black social worker to hold office in the Louisville (Ky.) Association of Social Workers. She was also among the first in her field to work for adoption of black and other minority children by white families. Since then, transracial adoptions have become prevalent in several states, including Minnesota.

A supervisor in the Family Service Division of the Hennepin County Welfare Department, Mrs. Gaskins has continued to emphasize the importance of high quality of delivery of services to families and children. Many of her proposals, particularly concerning training of professional staff to provide post-placement service to families adopting across racial lines, have been recognized nationally by professional organizations.

Mrs. Gaskins received her BA degree in education from Kentucky State College in Frankfort, and continued graduate work at the Atlanta School of Social Work in Atlanta, Ga. Further graduate courses were taken at the University of Minnesota.

She is noted for many outstanding contributions in her field where she conducts workshops, delivers lectures and serves in many official capacities. She has received several awards for outstanding civic organizational and professional work. In addition to her supervisory position in Hennepin County Mrs. Gaskins is a part-time Associate Professor in the Graduate School of Social Work at the University of Minnesota.

LAND USE PLANNING ACT AMENDMENTS

HON. JOHN DELLENBACK

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. DELLENBACK. Mr. Speaker, soon the House will be considering H.R. 10294, the Land Use Planning Act of 1974. This is a very important piece of legislation as it provides States and local governments with a major tool to help them control the growth patterns which have been in part responsible for a depletion of our Nation's energy resources and also for the environmental degradation of much of our land.

The Interior Committee reported this bill by more than a 2-to-1 vote, recommending passage after extensive hearings and very deliberative markup, indicating their strong support for this bill's approach to land use planning.

Some people have expressed fears that passage of this piece of legislation will mean a significant slowdown in development as the States and local governments set up their planning processes. The intent of this bill is to help assure that growth is handled in an orderly and planned manner and not to put up roadblocks to growth. In order to make this clear I plan to introduce an amendment which would express the Congress desire to see States and local governments carry out the processes of this act in a "fair and reasonably uniform and expeditious manner." The amendment will read as follows:

AMENDMENT TO H.R. 10294, AS REPORTED, OFFERED BY MR. DELLENBACK

Page 37, following line 16 add a new subsection (1) to read as follows:

(1) assure that all administrative processes, by the State and by local governments, for the consideration of proposals for development, shall be conducted and decisions shall be arrived at in a fair and reasonably uniform and expeditious manner, and shall include requirements to assure—

(1) the establishment of rules of procedure and practice to promote fair hearings and the disclosure of the precise reasons for decisions based on the record made only at such hearings or upon other public records,

(2) the maintenance of records sufficient to provide complete public information on the policies and procedures governing land use development, and

(3) the establishment of a system designed to

(A) avoid, to the maximum extent feasible, multiple or duplicative hearings by, and/or multiple or duplicative permits from, state and local agencies on a single proposal for developments;

(B) assure that deadlines imposed by such agencies for the preparation and submission of permit applications and related materials are reasonable; and

(C) assure that decisions are rendered by such agencies as promptly as possible consistent with an adequate review of the record.

AIR POLLUTION—A FORM OF MASS MURDER

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. MADDEN. Mr. Speaker, over the years, millions of people living in urban areas have suffered and continue to suffer from flagrant and inexcusable polluted air which pours out of the avalanche of indstrial smoke stacks and fumes exhaust outlets.

It is indeed unfortunate that Federal, State, and municipal governments refuse to take effective action to protect the health of 70 percent of the population of this Nation living in urban areas from this scourge of poisonous air which they daily breathe into their lungs and bloodstreams. Our Federal Government can spend billions of dollars to explore space, visit the moon, and so forth, but it is almost impossible to get the same concentration on protecting the health of approximately three-quarters of the population of this country.

Representing the Calumet region of Indiana for 32 years in Congress, I have at times held high hopes that public opinion and the exposing of this terrible condition by the news media—press, radio, and television—would stimulate our Federal and State Governments to affirmative action toward making a real project out of cleaning the air and preserving the health of many millions of our citizens.

I fully realize that out in the Middle and Far West, and in some of the rural areas of our Nation, this situation of contaminated air and water is not nearly as catastrophic as in our urban areas.

Members of Congress from urban areas have cooperated on legislation to help the rural areas, not only on agricultural production and farm subsidies. For some reason, it is difficult to get the Members from rural areas to come to the aid of millions in our cities in the fight to preserve the health of all segments of our population.

Mr. Speaker, I wish to incorporate with my remarks a letter which I received this morning from Harry P. Garrard of Griffith, Ind., a city located in the great industrial Calumet region of Indiana. I and other Congressmen from urban cities have received thousands of similar letters over the years.

The letter follows:

GRIFFIN, IND.,
May 20, 1974.

Hon. RAY MADDEN,
U.S. House of Representatives, Committee on Rules, Washington, D.C.

DEAR RAY: A few short years ago I wrote you asking for assistance in helping to clear up our water and air pollution problems with American Chemical Service. With your devoted concern over this matter the problem was corrected. Many, many Griffith residents were so appreciative of your help. I made public your many letters to me along with your letters to the American Chemical Service and the State Pollution Board.

Now we in Griffith (along with Merrillville, Highland, Ross Township and Gary, of course) are faced with another Pollution Problem far worse than the one mentioned above.

This is the Air Pollution from the local steel mills.

I have lived at this same residence for 34 years, so I know from which I speak. In most of these 34 years we were never bothered with the steel mill pollution. It has only been in the last five years or so that this situation has become unbearable

Whenever a north or northeast wind prevails we are zonked in with smog so dense it looks like fog. At times this covers all the communities. When approaching this area from the south on I–65 or I–57 in Illinois, one can see this smog line 100 miles away leading them to believe we are having a dust storm.

This condition causes residents to close their homes and keep air conditioners running when the outside temperatures are not warm enough to warrant air conditioning. Needless to say, this does not help the Energy Crisis.

I am sure many complaints have been registered about this situation. I have neglected to complain because I knew the Government was working on the problem. But the situation continues to get worse.

One question keeps popping up in my mind. Why—when people, industries and the Government had very few, if any, thoughts of anti-pollution did we not have this dense choking smog? And now with all concerned, with new modern mills replacing outdated ones and with all the modern anti-pollution systems that are said to have been installed, are we getting so much smog? I cannot seem to arrive at an answer to this

This situation affects many thousands of people with heart and lung conditions and is especially hard on elderly people. It will also have an adverse effect on the health of all the young growing up in this area.

This complaint will be brought before our Town Government also.

Please give our region your help.

Congratulations to you on your recent Primary Nomination. As usual, since I started voting in 1934, I support you, along with 10 members of my family.

Very sincerely,

HARRY P. GARRARD.

REPRESENTATIVE JACK KEMP SALUTES VFW PVT. LEONARD POST, JR., POST NO. 3251, OF CHEEKTOWAGA, N.Y.

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. KEMP. Mr. Speaker, we in western New York are particularly proud of VFW Pvt. Leonard Post, Jr., Post No.

6251, of Cheektowaga, N.Y. The post has been recognized as the No. 1 New York State VFW post in the category of community service, and last year finished ninth in national competition.

This year, under the able leadership of Comdr. John Sienicki, Pvt. Leonard Post, Post No. 6251, is actively on its way to becoming the No. 1 VFW post in community service in the Nation. The post over the years has contributed to many fine charitable causes, and its members unselfishly give of their time to participate in patriotic, civic, and community affairs. The post's "Care Program" entertains the retarded, the mentally ill, the homeless and the aged, and has helped residents at institutions such as the Buffalo State Hospital, West Seneca State School for the Retarded, the Erie County Home, and Infirmary, the Erie County Rehabilitation Center, St. Anthony's Home, and the United Church Homes for the Aged.

The post, which was organized in 1946 has grown from 32 members to more than 1,030 members, each of whom is deeply committed to public service and community participation. The continuing efforts of Pvt. Leonard Post VFW Post of Cheektowaga are appreciated by all western New Yorkers.

I wish to bring to the attention of my colleagues just some of the accomplishments and initiatives undertaken by the post. On behalf of all of western New York, I commend the post for their contributions to the community and thus the country, and wish them well in this year's competition.

"MISSION IMPOSSIBLE"

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. BROWN of California. Mr. Speaker, our colleagues on the Judiciary Committee, in the course of their current investigation, seem to be discovering more and more incredible conversations almost every day now as they listen to the famous tapes. It is almost mind-boggling, when one considers the fact that they are listening only to the tapes which Mr. Nixon has seen fit to release, to imagine what must be on the tapes which he apparently is unwilling to give up under any circumstances.

While contemplating this situation during a recent plane trip from my district in California to Washington, a scenario came into my mind—perhaps some of our colleagues may find it of interest.

We now go to an undisclosed location, where a group of men are listening to a tape recording. The time is late spring of 1972:

The photograph you are looking at shows Larry O'Brien, leader of the forces seeking to overthrow the occupant of the office of the Presidency and to radically change our form of government by electing a different President. O'Brien operates from a secret headquarters deep within the bowels of the Watergate Hotel, shown in the next photograph. We have just learned that O'Brien has acquired a secret weapon, which we suspect is a powerful new political missile, which he will release at the most opportune time. If he succeeds in launching this missile the office of the Presidency will be destroyed.

Your mission, should you decide to accept it, is to penetrate the Watergate Headquarters, locate the secret weapon, and remove or destroy it.

Should you, or any of your Group Of Plumbers, be captured or indicted, the President will, of course, disavow any knowledge of your action. This tape will self-destruct in five seconds; and any other tapes relating to this matter will be erased by a demonic influence, or disappear into thin air, if threatened with subpoena.

WASHINGTON SPOTLIGHT

HON. EDWIN D. ESHLEMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. ESHLEMAN. Mr. Speaker, I will shortly be sending my constituents a newsletter. I am including the contents of that newsletter in the RECORD at this point:

WASHINGTON SPOTLIGHT

(By ED ESHLEMAN)

IMPOUNDMENT MYTH

Impoundment of legislatively approved spending is a means that Presidents have used to keep irresponsible expenditures under control ever since Jefferson's administration. However, to hear and see news media accounts over the last couple of years, you would think that it's only recently that this power has been "abused."

Abused? Some statistics prepared by the Library of Congress on the impoundment policies of the last three Presidents give cause for question.

In terms of the percentage of money impounded out of the total amount of money spent, the present administration has never gone beyond 5.8%. In other words, in any one budget, this administration has never impounded more than 5.8% of the total money it spent.

On the other hand, the Kennedy administration impounded 7.5% of its outlays in 1961 and 6.1% in 1962.

The Johnson administration reached 6.5% in 1966 and 6.7% in 1967.

If impoundment is unsound policy, as many congressmen are now saying, their shouting should have started at least 12 years ago.

PROTECTING PRIVACY

There is some movement underway in Congress to assure the privacy of personal files and information from government snoopers. Action in this area will not come any too soon because the problem of being watched by "Big Brother" may not be so far away.

It has been estimated that the Federal Government now has the capacity to secure about twenty pages on any American simply by feeding his or her Social Security number into its computers.

In a land that stresses individual liberty, that kind of potential for using technology to intrude on the private life of the individual is disturbing to say the least. Congress does seem to be starting to take stock of the situation, and we can only hope that legislative action to protect each of us will not be too little too late.

FOOD STAMP-EDE

In 1961 when the food stamp program got underway, 50,000 people received stamps. In fiscal 1975, 15.8 million will be receiving stamps valued at $7.2 billion. And, not only do we pay for that expansion with more tax dollars, but officials say that the stamps, by adding to the demand for food, may also increase food prices. But what's to be expected when Congress makes the program liberal enough to extend beyond just the deserving needy and reach strikers and students as well?

RADIO REPORT

While my weekly series of radio reports gets pretty wide play in the 16th district, I don't know how many of you get a chance to listen in. In these reports I generally discuss issues of current national concern on items that are of immediate interest in Congress.

Several radio stations carry the series and I thought you might be interested in the broadcast times.

WDAC (Lancaster) 12:30 pm Saturdays.

WGSA (Ephrata) 11:05 am Saturdays.

WCOJ (Coatesville) 6:25 pm Saturdays.

WLAN (Lancaster) on regular news reports.

WHEX (Columbia) Sundays between 7:30 & 8:15 pm.

WPDC (Elizabethtown) 12:25 pm Sundays.

WAHT (Lebanon) 9:35 am Saturdays.

WGAL (Lancaster) on regular news reports.

BUDGET INTEREST

Just to pay the interest on the national debt will cost the taxpayer $26.9 billion this year. That's $50,000 a minute, 60 minutes an hour, 24 hours a day, 365 days a year.

And just in case, with all of the talk about spending billions of dollars, you don't have any concept what a billion really is, I ran across this description the other day: If you take thousand dollar bills and stack them on top of one another as high as the Washington Monument, that would be about one billion dollars.

Maybe we ought to have every Congressman go to the bottom of the Washington Monument and look up before voting on any Federal budget item.

RATINGS RIP-OFF

It has been becoming more and more popular for various groups to issue ratings of congressmen on how they voted on specific issues or along ideological lines. For example, there are ratings to measure each member of congress as a conservative, a liberal, an environmentalist, a national security supporter, and the list goes on and on.

Most all groups that issue these ratings label themselves non-partisan, and, in fact, most of those organizations with long-standing reputations for issuing legislation score-cards have done so without any partisan goal. But as these voting records have become more popular, distorted data is beginning to emerge that is aimed at making political points.

One group, for example, has been criticizing members for "anti-environment" votes based on their score-card, but that score-card included things like a vote against federal aid for abortions as anti-environment.

In other words, just because some rating shows a congressman has voted right or wrong does not mean that the rating has not twisted voting information to arrive at a predetermined political position. The funds for the rating may have come from organized labor, or a special interest group that is more interested in partisanship than public information.

AUTO COST

According to a report done by the Department of Transportation, it costs 13.6 cents to operate a full-size car, 10.8 cents to operate a compact, and 9.4 cents for a subcompact. Those expenses are based on suburban-type driving and include items such as depreciation, maintenance, parts, gas and oil (excluding tax), parking fees, insurance and taxes.

SOME THINGS I'VE BEEN SAYING

ABOUT TAX REFORM

"I could support a $5 billion tax cut if it is accompanied by a responsible $5 billion cut in Federal spending. I could support a $10 billion tax cut if it is accompanied by a responsible $10 billion spending cut. And until someone is willing to show me that they're serious enough about this business to come up with that kind of proposal, I'm going to have to guess they're playing politics."—Radio broadcast—April 27, 1974.

ABOUT IMPEACHMENT

"The Constitution provides that the House of Representatives sits basically as a grand jury in an impeachment proceeding. As we all know, any grand juror or petit juror under our judicial system who already had come to a conclusion as to the guilt or innocence of a defendant would be disqualified immediately. I intend to preserve my vote."—Letter to a constituent—May 14, 1974.

ABOUT JUSTICE

"The Mitchell-Stans verdict shows that indictment does not necessarily mean guilt. It shows that all of the adverse publicity in the world may not add up to a strong legal case in the courtroom. And it shows that no final judgments can be made until all of the facts are in and have been examined and cross-examined."—Newspaper column—May 8, 1974.

ABOUT INTERNATIONAL ECONOMICS

"A longer range prospect with regard to Europe was the one hinted at by the President. If these nations are going to be our competitors—friendly competitors, but competitors nevertheless—then we must take steps to protect our own treasures as best as we can."—Radio broadcast—March 23, 1974.

ABOUT GASOLINE SHORTAGES

"Our national gasoline problem is not over. We remain too dependent on foreign oil. Domestic energy production is not growing fast enough. Our refinery capacity is still short and new construction is progressing slowly. But everything does look better than most of us could have imagined a few short weeks ago, and in this era of too much bad news, partially solving a problem is indeed a welcome break."—Newspaper column—April 10, 1974.

FINANCIAL STATEMENT OF JAMES G. O'HARA

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. O'HARA. Mr. Speaker, the finding of the Joint Committee on Internal Revenue Taxation that the President of the United States substantially underpaid his Federal income taxes for certain years during his Presidency, following the revelation that he has paid no State income taxes on his income, has renewed the interest of many citizens in the sources and amounts of income received by elected public officials and in the amounts of tax paid by them to State and Federal Governments.

I believe that information of this sort ought to be available to constituents concerned about the welfare of their country and the integrity of their Government. Accordingly, Mr. Speaker, it is my intention at this time to make public information with respect to my income during 1973 and taxes paid by me to the Federal Government and to State and local governments.

My principal source of income during 1973 was my congressional salary of $42,500. In addition, I received interest income of $539.29; net rents on real estate held by myself and my wife of $920.04; and income from speaking fees of $5,800. I received no income whatsoever from any law practice or association.

After adjustments arising out of business-related office and travel expenses, and allowances, my adjusted gross income was $48,035. My taxable income, after exemptions for myself, my wife, and our seven children, and itemized deductions of medical expenses, State and local taxes, interest expense, charitable contributions, et cetera, amounted to $32,754.54. Mrs. O'Hara and I paid a Federal income tax of $9,502.77 and a Michigan State income tax of $1,260.82 on 1973 income.

In addition, my wife and I paid real estate taxes in the amount of $1,965.73. We also paid, of course, the usual sales and excise taxes to which all of us are subject.

IMMUNITY—A TWO-EDGED SWORD

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. FISH. Mr. Speaker, yesterday I introduced legislation to amend the Organized Crime Control Act of 1970 to mandate that Federal prosecutors' request for immunity for a prosecutorial witness shall be deemed improper where evidentiary material does not indicate at least a minimum credibility of such a witness.

I supported the passage of the Organized Crime Control Act, which was developed as part of the administration's effort to control organized crime and was aimed at the drug pusher, the criminal underworld, and the violence-prone, radical elements within our society.

Unfortunately, it is becoming increasingly evident that the liberalized use of immunity granted under that act is being used in ways never contemplated by Congress at the time of the enactment of the original legislation.

It now seems clear that overzealous prosecutors are using that liberalized statute against political dissenters, elements within the organized labor movement, and other individuals.

For example, it has lately come to my attention that four union officials of a small furrier's union in my State were convicted recently, largely on the strength of testimony by a chief Government witness who, although admitting to criminal acts, received immunity and got off free.

It is also my information that new evidence in this case, previously overlooked by the prosecution, now indicates this witness may never have passed on alleged payoffs to the men he accused, but pocketed the money himself, and then falsely accused the defendants to cover his tracks.

Mr. Speaker, I feel this tighter control over the granting of immunity is necessary to insure that no one, whether he be a Member of Congress or a private citizen, can be subject to the unfair abuse of the present immunity statute.

SETTLEMENT REFORM OR RETREAT?

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mrs. SULLIVAN. Mr. Speaker, it is gratifying to learn that the Chief Justice of the United States agrees with me on the need for reform of real estate settlement procedures.

We both feel that the homeselling and homebuying public is being needlessly victimized by obsolete and inequitable requirements, fees and commissions that those who sell and buy homes are made to endure in the name of tradition, if not profit.

As I do, Chief Justice Burger thinks that the time is long overdue for overhauling the requirements of real estate settlement transactions in the name of equity and fairness to the consumers of the Nation.

His remarks on this subject, made last Tuesday, May 21, in a welcoming address at the opening session of the American Law Institute in Washington, D.C., come at an opportune time. Within the next several weeks, the Banking and Currency Committee is expected to consider real estate setement reform legislation. Whether the outcome will constitute reform or retreat remains to be seen.

Mr. Speaker, the battle over settlement reform in the House is represented by two bills, H.R. 12066, which I have introduced, and H.R. 9989, introduced by Congressman STEPHENS of Georgia. Mr. STEPHENS has unhesitatingly labeled his bill as reform legislation, but it, in fact, is a giant step backward for the homebuying public.

Far from providing a method to regulate or otherwise reduce the high cost of real estate settlement transactions, the Stephens bill is a disguised effort to eliminate this prospect and keep homesellers and homebuyers behind the eightball manipulated by real estate lawyers, real estate brokers, title insurance companies, lenders and others involved in residential property transactions.

It would do this through a provision that would eliminate the existing authority given in the Emergency Home Finance Act of 1970 to the Department of Housing and Urban Development to regulate real estate setement fees and charges in transactions involving FHA-insured and VA-guaranteed mortgage loans.

It is true that HUD has as yet not exercised this authority, but existence of this authority nevertheless has begun to produce benefits for the homebuying public.

In effect, real estate developers, lawyers, residential mortgage lenders, title insurance companies and others have been placed on notice that settlement transactions for federally insured and guaranteed residential mortgages, one-third of all real estate transactions, could be regulated by a simple administrative decision to do so. This fact, when added to the growing awareness of dishonest, to say nothing of inequitable settlement charges and fees homebuyers and sellers are forced to pay, has prompted significant action by a growing number of State legislatures.

Settlement reform measures have been approved by the Legislatures of New York, Massachusetts, Connecticut, Maryland, and North Carolina during sessions held this year. Similar measures are being considered by the legislatures and by bar associations in a number of other States.

The Stephens bill, far from achieving reform, would eliminate HUD's regulatory authority—the main item that is now motivating State action. To say the least, this is an ironic situation inasmuch as Mr. STEPHENS has often, almost habitually, said over the past 2 years that settlement reform is a subject best left to the States. What he really means is that settlement reform is a subject best left alone—by everybody.

Mr. Speaker, the essential difference between Mr. STEPHENS' bill and the one I have introduced is that in my measure, the authority which has been granted to HUD to regulate FHA and VA residential real estate mortgage loan transactions would be extended to cover virtually all home purchase transactions, conventional as well as those which are federally insured and guaranteed. It is the reverse of the STEPHENS' bill. It is designed to extend consumer protection provisions to at least 95 percent of all residential real estate transactions.

However, I am not now asking that the measure which I have introduced be adopted at this time. I am convinced that the wisest course to follow is to give the States a reasonable opportunity to achieve real estate settlement reform. In this sense I am in agreement with those who advocate State's rights regarding this subject. At an appropriate time during the next year or two the Banking and Currency Committee can evaluate State action and determine what if any additional Federal legislation is needed.

Certainly the Congress has on innumerable occasions found it easy to adopt a wait-and-see approach on many issues. Unlike some other instances, I am convinced that it is imperative to do so now.

Having said that, Mr. Speaker, I insert the portion of Chief Justice Burger's remarks concerning real estate settlement reform to be printed in the RECORD at this point.

EXCERPTS FROM CHIEF JUSTICE BURGER'S REMARKS

Another important area of law that sooner or later touches the lives of almost every American is the purchase of a home. One can hardly imagine an American who does not wish to own his own home. With our tradition of upward mobility a family may repeat this process several times. The Commission on Uniform State Laws has been at work on a Land Transaction Code that would eventually cover many of the complex procedures that are now involved in the purchase of a home.

When I began to practice law the newest associate in the firm was assigned the task of examining titles and closing real estate purchases, and he continued in that role until another new man came along. In that apprenticeship I examined many hundreds of land titles and closed an almost equal number of purchase and financing transactions. The cost at that time ranged from $15 to $30 for the purchase of the typical family home. There is a growing practice of using title insurance either as a substitute for or in addition to the lawyer's title opinion. Today we know that in many states the incidental costs of acquiring a new home, even in the $40,000 category, can run into a very large sum. We know that, in common with others, the operating costs of lawyers have skyrocketed in recent years, but the very cost of the procedure today dictates that we examine the whole business closely.

The point I seek to make is that the basic system of real estate titles and transfers and the related matters concerning financing and purchase of homes cries out for reexamination and simplification. In a country that transfers not only expensive automobiles but multi-million dollar airplanes with a few relatively simple pieces of paper covering liens and all, I believe if American lawyers will put their ingenuity and inventiveness to work on this subject they will be able to devise simpler methods than we now have.

I suggest that it is a very high priority in terms of the public obligations of our profession to press for a comprehensive reexamination of the entire process of land titles and transfers, title insurance, the financing of real estate transactions, closing procedures and, of course, the cost of all these steps. They are unduly complex and therefore unduly expensive today. Here, again, the cost standard should be the reasonable value of the services based on the time required and the degree of responsibility involved.

"MR. MAC"

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. BAUMAN. Mr. Speaker, next Saturday, June 1, the city of Havre de Grace, Md., will honor a very special citizen, a man known to everyone there as "Mr. Mac."

Walter McLhinney is a lifelong resident of Havre de Grace, having been born there on March 5, 1897. Following service in the U.S. Army during World War I, he established McLhinney's News Depot, which has now been a feature of everyday life in the city for more than 51 years.

Mr. Mac and his wife, Agnes, have been married for 50 years, and they have a daughter and two sons who live in Havre de Grace. He is the oldest living life member of the Havre de Grace Knights of Columbus Council No. 2002, having held membership for over 50 years.

Mr. Mac's long history of dedication to community service is particularly impressive. For 24 years, he served in the Havre de Grace city government, as a city councilman for 16 years, and as mayor for 8 years. He was a member of the Hartford County Liquor Control Board until he was elected mayor of the city in 1951.

For 28 years, Walter McLhinney was an active volunteer fireman in the Susquehanna Hose Company, and served the last 9 years as assistant fire chief.

Men like Mr. Mac are the staff of which the greatness of America is made, and I take great pleasure in joining the citizens of Havre de Grace in expressing appreciation and affection for one who has contributed so much of his life for the benefit of his fellow citizens and his community.

SURVEY FINDS BEEF PRICES STILL LOWER

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. HUBER. Mr. Speaker, in these days of shortages, it is always comforting to hear of the price of anything going down. Beef is one item where the price is dropping and the reason is that supplies of beef are good and production is running ahead of last year. As the wholesale price dropped, the American Cattlemen's Association checked to see if the retail prices had begun to fall and they have. This is reassuring news to all that our free enterprise system can and does work when the Federal Government stays out of the picture. The article from the Washington Star-News of May 22, 1974, follows:

SURVEY FINDS BEEF PRICES STILL LOWER

Members of the American Cattlemen's Association (ANCA) are not faring too well economically. The wholesale price of beef has dropped drastically.

And the Cattlemen's Association wants to be sure that if beef is going for so much less wholesale, it better be selling for a lot less at retail.

Last month the ANCA began running its own retail beef price survey of 19 cities, including Washington. They were so pleased with their findings that they conducted the same survey on May 9.

According to Gordon Van Vleck, ANCA president, the second survey was undertaken to see if beef prices had dropped any further. And they have.

For all cities and the five cuts of beef covered, the average decline was 1¢ per pound. This followed an average decline of 24.5¢ between February and April.

In the May survey average prices for all the cuts were down in 10 cities, up in seven cities, and unchanged in two cities. In the April survey, average prices were down in all but one city.

Washington was one of the cities showing a decline since April. It's average price was $1.46.

Portland, Oreg., had the highest average price, $1.61, for the five cuts which are ground beef, round steak, sirloin steak, T-bone steak, chuck roast. Denver had the lowest average price, $1.17.

Beef production is running 6% ahead of a year ago, according to Van Vleck.

City and date	Ground beef	Round steak	Sirloin steak	T-bone steak	Chuck roast	Average, 5 cuts
Washington, D.C.:						
Feb. 11	1.09	1.99	1.82	2.26	1.42	1.72
Apr. 11	.92	1.72	1.79	1.92	1.02	1.47
May 9	.89	1.56	1.79	2.09	.99	1.46

11500 BANANAS ON PIKE'S PEAK

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. HOSMER. Mr. Speaker, H.R. 11500, the bill to make surface coal mining a thing of the past, displays some odd ideas of justice.

For example, its Jones amendment imposes a tax of 1.23 cents per million Btu on all coal mined in the United States. Its ostensible purpose is to raise money to abandon land which was mined and never thereafter put back into a decent condition.

That is a good and noble idea. That land should be reclaimed. The only real question is who should pay for it. Let us see how that would work out under H.R. 11500. Here is an example:

The Washington Irrigation and Development Co. operates a surface mine at Centralia, Wash. It is a new mine. The reclamation work there is good. This company never operated a surface mine any place before. It has no past neglect to account for. Yet, under the Jones amendment, this mine will be taxed—fined is a better word—$645,832 a year on the basis of last year's production. That is what 1.23 cents per million Btu will add up to in its case.

So who pays this $645,000?

The company's coal goes to a power plant whose output is shared by Pacific Power & Light Co., Washington Water Power Co., the city of Seattle, the city of Tacoma, Public Utility District No. 1 of Snohomish County, Pudget Sound Power & Light Co., Public Utility No. 1 of Gray's Harbor County, and Portland General Electric Co.

Thus, the consumers of electricity in a great expanse of the Pacific Northwest will pay for it. They will be taxed more than $645,000 a year to reclaim land in places like Kentucky and West Virginia.

These people did not despoil Appalachia. They should not be singled out to pay for restoring Appalachia. Any obligation to do that is a national one. It should be shared by all the country, not just the users of electricity from utilities burning strip-mined coal in parts of it.

It will be interesting to see how the Senators from Washington explain this discriminating tax to their constituents. One of them will be a conferee if the House approves this oddball bill.

The simple fact is that it can not be explained. H.R. 11500 is as goofy as trying to raise bananas on Pike's Peak. It ought to be replaced by a fair bill which requires that mined land be carefully restored to environmental acceptability.

WATER RESOURCE DEVELOPMENT ESSENTIAL FOR OUR NATION

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. JOHNSON of California. Mr. Speaker, in recent days there has been throughout the Nation discussion about the importance or lack of importance of public works projects, and also the impact upon the environment upon these types of development.

In northern California, which I represent, we have a major public works development program which I am proud to have supported throughout my career here in the House of Representatives. Basically I am convinced that the water resources which we are conserving through these developments are essential to the welfare of northern California. They can and should be used for irrigation, domestic water supply, fish and wildlife enhancement, recreation, flood control and generation of the cleanest electrical power available—hydro.

Serving the great central valleys of California are the McClatchy newspapers. In the past few days the Sacramento Bee has editorialized on three of these projects. These editorials individually and collectively express extremely well the importance of public works projects upon our communities and our State. I would like to share with my colleagues in the House of Representatives these editorials published May 2, May 6, and May 10 in the Sacramento Bee.

The editorials follow:

[From the Sacramento (Calif.) Bee, May 2, 1974]

COURT RULINGS SUBSTANTIATE SOUNDNESS OF NEW MELONES DESPITE COSTLY DELAY

The United States Supreme Court's decision raises a green flag for full speed ahead on the construction of the New Melones Dam on the Stanislaus River.

The decision to uphold the 1973 ruling favorable to the project by the US 9th Circuit Court of Appeal in San Francisco is a welcome one. It substantiates the need for this well planned multipurpose water, power and recreation project. It also gives well deserved and final legal recognition to the sound and thorough environmental planning by the US Army Corps of Engineers for this model undertaking.

It exhausts the long and costly legal effort of the Environmental Defense Fund and the national Sierra Club to block construction of the dam.

Not to be overlooked, however, is the tremendous cost in time and money which has been extracted by this lengthy litigation. The contract for construction of the main dam alone went from $83.2 million to $109.7 million—an increase of $26.5 million—during the 15 months in which the project was idled pending the appeal court review.

This increase is attributable almost wholly to inflationary pressures. It buys nothing new. It adds no benefits. It pays only the high price for the passage of time—$1.76 million per month. There were, of course, other costs to the government in time and money attributable directly to the litigation and the resulting delay in construction.

In the final reckoning, these increased costs are a high price to pay for a suit which was not really concerned with the total environmental considerations of the project.

The avowed purpose of the suit was to block construction of the dam without regard for the unprecedented features for environmental enhancement which have been incorporated into the project.

This sacrifice was to be made for one narrow recreational interest—the preservation of a nine-mile white water run on the upper river, a feature which is to be placed in part on the lower river.

And into this bargain would go all the other benefits of New Melones—water storage, flood control, increased river flows, enough clean hydroelectric power to serve 200,000 persons and recreation features for the annual enjoyment of millions.

There is really no question of the need for this kind of conservation, particularly of the water and power. Future generations of Californians will be grateful for it—even at these prices.

Full speed ahead on New Melones!

[From the Sacramento (Calif.) Bee, May 6, 1974]

AUBURN DAM SHOULD GET CLEAR SAILING

The recent U.S. Supreme Court ruling in favor of the go-ahead of the important New Melones Dam project on the Stanislaus River is the best news beleaguered California water development has had in years.

The near-unanimous decision sets the record straight: The New Melones project was planned on an environmentally sound basis and the suit against it at best was frivolous.

What this portends in the future is that flimsy cases sent up to the high court on such narrow contentions as that which marked the New Melones instance could get nowhere.

This is all to the good for all residents of the great Sacramento and San Joaquin Valleys of California who have derived so many benefits from federal, state, local and private water projects, too numerous to mention.

Specifically, the decision heralds the prospect the Auburn Dam Project underway on the American River can go forward without more harrassment from "all dams-be-damned" environmentalists.

The Auburn project is similar to New Melones. It is designed for widespread benefits of water conservation, clean electricity, flood control and recreation and has had most exhaustive environmental studies.

Yet those who would block dams just for the sake of blocking dams no matter what their merit are attempting to stop Auburn.

Surely the US top court's ruling in New Melones should clear the air and prove single-minded opposition to multipurpose projects is not sufficient nor in the wide public interest.

[From the Sacramento (Calif.) Bee, May 10, 1974]

A COSTLY STORY OF STOP AND GO

The Tehama-Colusa Canal unit of the Central Valleys Project was authorized by Congress 24 years ago but it is still only half completed. Not a single drop of water has been delivered to a parched area of prime agricultural land.

The planned 122-mile system to water the mostly dry-farmed area of the Sacramento Valley's West Side has been the unfortunate victim of stop-and-go funding by Washington and of inflation.

The delay has proved to be poor business, indeed. Construction costs almost have doubled. Instead of earning income if the project had been wrapped up on schedule in 1970, the federal government eventually will have to put up an extra $100 million or more to finish it.

President Richard Nixon's proposed budget for 1974–75 sets aside a bare $2.39 million for the canal. Project supporters are seeking an additional $2.8 million but even the combined amount is considered inadequate.

Any further holdback of appropriations will come at a time when Secretary of Agriculture Earl Butz says "we need more food and fiber." One sure way of getting it is by going ahead with such projects as the Tehama-Colusa Canal.

Studies indicate the canal would triple farm production in its service area. That would be enough to feed 272,000 people a full year at a rate of 2,500 calories daily.

That the canal is no boondoggle is evident, too, in word from the construction engineer, William Hart, that "we could sell all the water we can run through the canal."

Congress couldn't find a better investment than the funds it can vote to assure speedy completion of this worthwhile undertaking.

TRIBUTE TO OUR NATION'S SMALL BUSINESSMEN

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. WOLFF. Mr. Speaker, this week has been set aside to honor the Nation's small businesses. As a former small businessman, it is a privilege for me to join in this justly deserved tribute.

The theme this week is "small business energizes the economy." This is not just a catchy phrase or rhetoric; small business today provides 35 million jobs and contributes more than $476 billion annually to the gross national product. Nineteen out of twenty businesses in the country fall under the category of small business. So anyone who would say that the day of the small businessman in America is gone or that the role of the small businessman has been pre-empted has not looked at the facts.

Since the earliest days of our history, small business has energized the economy. Those early merchants and traders laid the foundation for what was to become the strongest and most prosperous economy in the world. Today's small businessman continues in the tradition of his predecessors. His ability to deal with the energy crisis and the crimp it has put on our economy illustrates the importance of small business to our Nation. Such resiliency is the trademark of our economy and no other sector of our free market system so aptly symbolizes this fortitude.

During the coming months, we will look forward to seeing the growth of our economy in the recovery of the small businessman. For his achievements will signal the recuperation and well-being of economic conditions in the United States.

MORE MONEY FOR OUTDOOR RECREATION

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. STEELMAN. Mr. Speaker, there has been a steadily growing and intensifying concern over the lack of progress we seem to be making in the acquisition and development of park and open space lands across our Nation. At the Federal level, the acquisition backlog of already authorized areas, along with projected new area authorizations, seem to be pulling ahead of the funds available to purchase the needed lands. The demands at the State and local level are of much the same pattern. The Federal Land and Water Conservation Fund was designed in 1964, with subsequent reshaping, to solve this problem, but it has been beset with problems through the decade of its existence. Clearly, some strong measures are needed to get this program back on track.

The following article, written by widely known conservation columnist, Michael Frome, appeared in the April 1974 issue of Field and Stream magazine. I commend it to my colleagues as a vivid revelation as to some of the problems the Land and Water Conservation Fund has encountered through its first decade. This is clearly an area where renewed congressional attention is warranted.

A GIANT STEP BACKWARD

(By Michael Frome)

The Land and Water Conservation Fund Act, adopted by Congress ten years ago, undoubtedly represents one of the decisive pieces of American legislation in the field of natural resources. Few programs have enjoyed such universal public support as has this Fund. It has enabled Federal, state, and local agencies to protect, preserve, and conserve some of the nation's most valuable natural heritage for use and enjoyment by the people.

It grieves me, therefore, to report on its tenth anniversary that the Land and Water Conservation Fund (LWCF) appears to be in serious trouble during a time of continuing critical need. Without a change in course, national parks, recreation areas, seashores, lakeshores, wild and scenic rivers, and historical areas all will suffer.

"We were shocked and disappointed when the administration impounded much of the funds appropriated by Congress in 1973 and by the 1974 budget request—a giant step backward," Representative Roy A Taylor, of North Carolina, told me during a recent interview in Washington. As chairman of the Parks and Recreation Subcommittee of the House Interior Committee (as well as second-ranking member of the full Committee), Representative Taylor has been intimately, and expertly, involved.

In one respect, the news is encouraging: the proposed budget for 1975 provides for spending 300 million dollars from the fund, including 97.5 million dollars for Federal land acquisition. Nevertheless, as Representative Taylor notes, that still leaves a large unobligated sum that could be put to good use in acquiring recently authorized outdoor recreation areas and national parks.

Moreover, conservationists both inside and outside of government fear the effects of the Administration's proposal to divert LWCF monies in order to finance "indoor' types of recreation activities—swimming pools, tennis courts, playgrounds, and the like—not anticipated when the legislation was enacted. Yes, there is a place for such developments, as once provided under the open space program of the Department of Housing and Urban Affairs. But the Administration wiped that one out and has been trying to substitute the LWCF for the job. "These urban-oriented projects hardly lend themselves to the concept of providing high-quality outdoor experiences in a natural setting," Representative Taylor has protested.

The LWCF crisis became evident last year when the Office of Management and Budget (OMB), an all-powerful, faceless bureaucracy appended to the President's office, put the clamp on spending for purchase of recreation lands. Supposedly, this was part of the government effort to fight inflation and balance the budget. In addition, Administration policy makers alleged that resource agencies could not spend available funds fast enough, that they needed time to allow their obligations to catch up with appropriations.

The Administration has stood virtually alone on this position, without the slightest trace of support from anyone in the conservation movement. Receipts from the Fund now total $300 million annually. The money is derived, as stipulated by law, from several sources: sale of surplus Federal property, motorboat fuel taxes, and revenue from sales and leases on the Outer Continental Shelf. This is trust-funded money specifically earmarked—it cannot be applied to balance the budget, or for any other purpose. If not budgeted and appropriated, it must remain in the Fund to be appropriated later.

Of the $300 million total, 60 percent is designed for use by states (and through them by local communities), with the remaining 40 percent for use by three Federal agencies: the National Park Service, the Forest Service, and the Bureau of Sport Fisheries and Wildlife (for endangered-species habitat). Thus far a total of $1.7 billion has been spent for acquisition of lands having key recreation values, approximately $1 billion by the states, and $700 million by the Federal agencies.

According to Dwight Rettie, holding back funds has caused "a major crisis in the park and recreation field." As executive director of the National Recreation and Parks Association, Rettie has his finger on state programs, goals, and needs. Here is how he analyzed the picture several months ago:

"The Interior Department does not consider Land and Water Conservation Funds 'obligated' until a project has completed all levels of review and has been given official Federal approval . . . Our survey shows that an overwhelming majority of the states will have committed all or nearly all of their apportionment by the end of the fiscal year and will have either no funds or a very minimal level of carryover to begin fiscal year 1974. In short, the great majority of the states are being penalized because of unused balances reflected in a bookkeeping procedure. The states being penalized, in fact, are those operating efficient and effective programs." I was intrigued.

I conducted my own survey of the Federal programs. As I learned, the National Park Service in 1973 had available $132,934,000 for purchase of recreation land, but was given an "obligational ceiling" by the Administration of $53,460,000. Could the agency have put a greater amount to good use? In response to my specific question on this point, the Park Service advised that it is geared to operate at a purchasing level of $90 million per year. "Since 1968 we have been successful in spending virtually the full amount for land acquisition from the Land and Water Conservation Fund. The only unobligated carryover in recent years has resulted from fiscal restraints (in other words, impoundments) placed on the appropriation."

Where would this money be spent? Priorities would be given to land acquisition in the Big Cypress, bordering the Florida Everglades, and the Big Thicket in Texas, two critical areas which Congress is expected to authorize in this session; recently established areas such as the Buffalo National River, the Delaware Water Gap, and the Golden Gate National Recreation Area, and, finally older national parks, where private "inholdings" are sprouting into commercial subdivisions and causing serious problems of pollution and limited access.

The Park Service actually could proceed to acquire all inholdings inside park boundaries for $97,557,000 without any additional legislation, but funds have been withheld rather than primed into the pump. Meanwhile, land values are skyrocketing. As Representative Taylor warns:

"It can hardly be a savings to the taxpayer if Federal lands are not managed in a prudent fashion and for the good of all the people. The authorization of parks and recreation areas is meaningless if funds are not available to convert them into reality. It is not fair to the landowners to cloud their titles with authorizations that are not going to be funded. It is not fair to communities to hamper their plans for orderly growth It is not fair to the American people who rely on Congress and the President to protect and preserve our nation's national assets once they are authorized.

"Every delay means the American people will get less land for the same dollars. What is more important, irreversible adverse developments tend to encroach on these lands and to destroy the very values Congress is trying to protect."

The Forest Service has employed LWCF as the cornerstone of an intensive and constructive program to solidify its holdings in wilderness areas, national recreation areas, wild and scenic rivers, and national trails. My files show that five years ago, as of June 21, 1968, the Forest Service had already purchased or contracted for purchase a total of 256,479 acres through the LWCF, with an additional 50,000 acres under option to acquire. Approximately 90 percent were in the Eastern United States, within three hours' driving time of at least one major population center of 50,000 or larger.

From then to March 16, 1973, total acquisition by the Forest Service has risen to 670,872 acres. The agency was geared to spend $50 million per year until the Administration imposed the ceiling. It is hurting already; as the Service advised me: "In all areas where recreation lands are being acquired, prices are escalating and land is rapidly being developed for other purposes."

Rep. Taylor has been an eyewitness to this process in his own Congressional district of western North Carolina, where the Appalachian Trail, the noted "footpath in the wilderness," follows the high crest through the Pisgah and Nantahala National Forests (as well as the Great Smoky Mountains National Park). He has been quoted as saying:

"I have never seen anything like it. Developers are moving in as never before, purchasing large tracts high in the mountains. They are thinking of ski runs and various types of subdivisions. Strong conflicts with the AT are inevitable. We must proceed as rapidly as possible in obtaining rights-of-way."

I wish someone in the Administration had said that. I wish those in high places would demonstrate in deed, as well as word, that conservation and recreation on public lands have been given a high priority. Policy decisions in such issues should not be left to the OMB, an agency divorced from resource husbandry and insulated from public concerns.

It is not yet too late to chart a new course. I may be critical of yesterday's actions, but am hopeful of more positive happenings for tomorrow.

For example, there is now a new and promising Endangered Species Act. To some species, land acquisition is absolutely essential if they are to survive. Unless funds are made available at the right time, in the right place, and in the right amount, critically endangered species are apt to face extinction. For other threatened species, continued existence will remain precarious until new habitat can be acquired and repopulated. As the Bureau of Sport Fisheries and Wildlife advised me, "A delay in funding also means sharply inflated costs, further intrusion and deterioration of endangered-species habitat, and greater stress on already beleaguered species."

Why not make the most of the new Endangered Species Act in a manner that outdoorsmen and all Americans will cheer? Until now the BSFW has made the most of its modest acquisition funds. Now, as the causes and remedies for endangerment become more clearly known, the need for acquisition money is likely to increase. The new legislation also carries the prospect of permitting acquisition of habitat for rare species before they are pointed downhill on that final road to extinction.

There is also considerable promise implicit in the new Nationwide Outdoor Recreation Plan, issued by the Bureau of Outdoor Recreation as a guide to Federal, state, and local governments, and to private interests as well. Some experts have found reasons for criticism, and perhaps rightly so. Nevertheless, I found a lot of good ideas in it.

For example, the Plan advocates special protection for "areas of critical concern," such as coastal zones and estuaries, shorelines and flood plains of rivers, streams, islands, rare and valuable natural areas, and scenic and historic areas. It supports LWCF funding to enlarge the range of state and local projects. It discusses the need to study carrying capacity of natural and scenic areas in order to protect and perpetuate their basic character and recreation quality.

The nationwide plan is detailed in a rather slick publication titled *Outdoor Recreation—A Legacy for America* (available from the Government Printing Office, Washington, D.C. 20402, at $3.45 per copy). In due course, the plan must be presented to Congress for review and acceptance, with or without serious revision or overhaul. All I will say, for the present, is that it deserves close scrutiny. Maybe it needs it, too.

The same should be said for the whole Land and Water Conservation Fund process. Conservationists thought the increase of the Fund to $300 million annually was a landmark victory. Then the victory was lost, at least for awhile, in the backrooms. Government is no better than the people who watch it. And the more watchers at the grassroots, the better it will be.

EXPERIMENTAL NEW TOWNS AROUND THE WORLD

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. WALDIE. Mr. Speaker, a particularly perceptive and interesting article by Mr. Leon B. Sager on experimental new towns appeared in the February issue of PHP-International. Because of the continuing and necessary interest in the history of cities, and the recognized need for the development of new cities in the United States which accommodate both nature and man, I would like to recommend this article to my colleagues.

The article follows:

EXPERIMENTAL NEW TOWNS AROUND THE WORLD

(By Leon B. Sager)

Since the beginning of time nature has presented man with his greatest challenges. He has built his civilization by mastering nature and drawing on its vast resources. But in his devotion to human progress he has often destroyed nature. Lately he has awakened to the realization that nature, too, is essential to his well-being. Contamination of the air and water and other forms of "progress" now threaten the very environment on which he depends for life.

Ours is an age of urbanization and motorization for which older cities are simply not prepared. Higher density and narrow streets have been on a collision course. Pollution alone has reached the stage where in Los Angeles physicians are telling some of their patients to move away. In Tokyo traffic policemen are often required to wear gas masks. Gas masks were also recently ordered for 50,000 workers employed in the petrocnemical plants in the vicinity of Venice, Italy.

Evidence is accumulating that, at least in part, pollution as well as unplanned and excessive urban concentration can be avoided; that it is possible to achieve a healthier environment for living. With the development of technology, transportation, and communication, governments can now guide growth in a more enlightened and beneficial way.

The controlled growth movement started at the turn of the century when Ebenezer Howard laid out the original greenbelt around London. The first satellite new towns were created. Not only has England continued to expand in this direction; the whole Western world has followed and the movement has spread to Asia as well. Spectacular evidence of the shift from conventional urbanization to the planned community is provided by New Delhi and Chandigarh in India, Petaling Jaya, in Malaysia, and the satellite towns surrounding Singapore, in Indonesia.

New communities limit private automobile usage. In its place paths for walking and bicycling as well as public transportation are provided. Many European cities have set up streets exclusively for walkers: for example, Amsterdam, Cologne, Copenhagen, The Hague, Stockholm, and Barcelona. New York City, Philadelphia, Chicago, and Los Angeles are experimenting with the idea, and the movement is growing.

One example of the new towns is Stevenage in Britain. Stevenage is a planned community 30 miles north of London. Six large neighborhoods of 10,000 persons each were built in a semicircle around the town center, and each of them is provided with its own shopping center of four to 12 shops. The main shopping center is reached for the most part by bus, bicycle, or pedestrian walkway. By

1972, more than 18,000 industrial workers were employed in the 400 acres devoted to industry on the west side of town. Of all employed residents of Stevenage, 85 per cent work inside the town.

But even in Britain, which has the longest history of new town building, vast changes have been found necessary. Perhaps the most important change has been in size: Harlow and Stevenage have doubled their original population while Milton Keynes, the most recent new town, is planned for 250,000 residents.

Citizens of satellite cities also require efficient, rapid transit to central cities. The movement to meet this problem coupled with the effort to solve congestion, pollution, discomfort, and loss of time is worldwide. It takes the form of the greatest construction of subways in history, greatly expanded provision of buses including exclusive bus lanes, and a variety of new people-moving devices such as guided-rail lines, monorails, and a dial-a-bus service. Massive efforts are underway to find new solutions by employment of science and technology.

There are many European examples of comprehensive community planning. In Belgrade, for example, the response to central city congestion was to move across the Danube and erect a whole new city on 10,000 acres of agricultural land, of which 40 per cent is in parklands with broad open spaces along the river-front for museums, exhibition halls, and public buildings. Another planned community immediately adjacent to an established city is Esposizione Roma (E. U. R.) which is only 15 to 20 minutes ride by rapid transit from the center of Rome and close to the airport and the Mediterranean. An attractive city of 100,000 has arisen. At the center, an artificial lake is surrounded by promenades and gardens. The subway station opens onto the lake front.

France has designated eight growth centers in a nationwide regional urbanization plan to counter the attraction of Paris. Ten new communities are planned or have been started in less congested parts of the country. Sweden provides an example of metropolitan development that encompasses both the old city and the suburbs. In Stockholm, it has been public policy since the early part of the century to buy property outside its borders in anticipation of long-term growth. A series of small suburbs of 10,000 to 15,000 people, and an occasional main center of 50,000 to 100,000 people were created, all with easy access to Stockholm.

The new town movement is about to come of age in America. Powerful forces—public and private, natural and directed—are converging all over the U.S. The decade of the Seventies will see scores, if not hundreds, of new developments spring up, transforming not just the physical landscape, inside and outside of cities, but the human affairs of millions of Americans as well.

Many of the new cities are being built entirely by private entrepreneurs, among them Columbia, Maryland and Reston, Virginia, both near Washington, D.C. The federal government began sponsoring a movement to aid in the development of new communities and to guide further urban growth in 1968. Legislation under the direction of the Department of Housing and Urban Development provided loan guarantees totaling $250 million, enlarged two years later to $500 million. Individual new communities may apply for loan guarantees as high as $50 million. Fifteen new communities have been approved; 20 more are in the process of final application.

One such community is The Woodlands, Texas, a 17,000 acre forest tract 28 miles north of Houston, Texas. More than one million dollars was invested privately in master planning the new town. One of every four acres will be preserved as open space or developed as recreation areas. Land use, sewage treatment systems, storm drainage, roadways and paths have been designed to assure minimum air, ground and water pollution. Seven villages and a town center are planned, the residential areas to contain 49,000 dwelling units on 6,200 acres. They will provide a mix of income and ethnic groups in both homeowner and rental dwellings. The Woodlands, which anticipates a population of 150,000 people, has received a $50 million loan guarantee.

The sudden worldwide environmental concern is culminating for many in a new interest and involvement in their communities. Life enrichment, if not sheer survival, requires that all individuals learn to give part of their time to social planning. Though, ultimately, this must extend to the region, the state, the nation, and the world, a good place to start is one's own community.

A good example is Santa Barbara, California. Internationally known for its beauty, the city's quality of life has become endangered by a dramatic increase in population, mostly new residents. The expansion rate between 1960 and 1970 was twice that of the state and four times that of the nation. Confronted with the conversion of pleasant orchards and open land to drab unplanned housing and commercial units, Santa Barbara faces the question: Can rapid growth and poorly planned urbanization be stopped?

Fortunately, there is among the citizenry a strong motivated group of capable and concerned individuals willing to devote a large amount of time to civic affairs. Recognizing that the basic problem was land usage, citizen groups developed a movement to create coordinated country and city general plans. Many thousands of citizens belong to such organizations as the Citizens Planning Association, the Committee for Santa Barbara, and the Community Environmental Council, to name a few. Their efforts to control growth are beginning to show results.

Concerned citizens groups have found that even political bodies cannot necessarily be relied upon. Politicians must be persuaded and sometimes threatened with loss of political position to act for the overall community interest. When politicians fail to provide desired legislation, Californians have developed an effective technique, the Initiative. To accomplish their ends, the state legislature and local governments can be forced to put measures the people demand on the ballot. An example is the Coastal Zone Conservation Act, passed in November 1972, to preserve the ocean front from excessive development.

Highly motivated citizens must create planning organizations for both specific objectives and city and regional planning in general. They are almost certain to find many other citizens equally concerned and willing to join with them. All are likely to feel the satisfaction of achievements which they can see before them. This is in contrast with wider efforts over which they have less influence or which take a long time in accomplishment.

Local citizenship groups must enlarge to regional, state and national organizations. An example is the New York State Urban Development Corporation. Empowered to issue one billion dollars of bonds, UDC is engaged in the construction of four new cities as well as the modernization and expansion of over 50 presently existing cities. The basic procedure is to prepare the plans, then engage private industry for the building.

In the United States several national citizen groups have been created, one by a former member of the President's Cabinet. *Common Cause* was developed by John W. Gardner, previously Secretary of the Department of Health, Education, and Welfare. Perhaps equal in status is *Public Citizen, Inc.*, created by the remarkable young consumer advocate, Ralph Nader.

Improving the living environment is no easy task. Inevitably disagreements on goals and methods arise; desired objectives, even after seemingly endless efforts, are not achieved. Similarly difficult is the task of building new towns and cities. But the rewards are great and the countless instances of significant achievement account for the acceleration of the movement worldwide. It is a means by which organized effort can enhance, rather than diminish, the quality of life.

CUBA AND THE SOVIET UNION

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. ASHBROOK. Mr. Speaker, on May 14 the Heritage Foundation sponsored a Capitol Hill seminar dealing with critical problems in Latin America. Particularly interesting was the statement on Cuba by Dr. Leon Goure, director of Soviet studies at the Center for Advanced International Studies at the University of Miami.

Dr. Goure's presentation—which sets forth the great extent Cuba is tied economically, militarily, and politically to the Soviet Union—undercuts the view that a resumption of United States-Cuban relations will significantly shift Cuba's alinement with Moscow.

According to Dr. Goure, the Kremlin is subsidizing the Cuban economy to the tune of $1.5 to $2 million per day. Cuba's total indebtedness to Moscow is now estimated at $5 billion, which Cuba will begin to repay in 1986 over a 25-year period.

The Soviet aid program does not stop here, however. Since Castro seized power, the Soviet Union has provided the Cuban armed forces with some $2.5 to $3 billion in equipment. Most of this was provided free of charge.

In the political arena, Cuba's foreign policy is little more than a carbon copy of the Moscow line. In 1968, Castro endorsed the invasion of Czechoslovakia. In 1973, at a conference of nonalined nations, Castro was a staunch supporter of the Soviet Union and its foreign policy.

Such strong ties make any significant break between Cuba and the Soviet Union highly unlikely. Following is the text of Dr. Goure's May 14 statement.

SOVIET-CUBAN RELATIONS

(By Dr. Leon Goure)

During his visit to Cuba in January-February 1974 Brezhnev hailed Cuba not only as being a constituent part of the world socialist system, but also as becoming increasingly integrated into the "socialist community" led by Moscow. As on a number of previous occasions he again stressed that the Cuban revolution has become "irreversible," and that "revolutionary Cuba has never been and will never be alone," but could count on continuous Soviet support to ensure its interests and safeguard its security. By his visit and in his speeches in January 1974 Brezhnev once more gave the Soviet seal of approval to the Castro regime and its domestic as well as foreign policies, and reflected Soviet satisfaction with the process of Cuba's integration into the Soviet bloc.

Cuba holds a special place in that bloc and over the past 15 years has posed particular problems for the Soviet Union which differ in important respects from those posed for Soviet relations with other friendly communist countries. In particular, Cuba has been a unique test for Soviet ability to support, protect, control and integrate a communist country which is not only geographically remote from the Soviet Union and noncontiguous to other communist states, but which is also on the doorstep of the Soviet Union's main competitor, the United States, and in a region generally believed to be of primary US interest and influence. These peculiarities have made Soviet control over Castro's regime and the integration of Cuba into the Soviet-led communist bloc more complex, difficult and expensive than had been the case with the Eastern European communist states.

Nevertheless, the process of Cuba's integration has been unrelenting and has become accelerated since 1968, so that at the present time Brezhnev can truthfully assert that Cuba has become an integral part of the socialist community, anchored to it by increasingly strong political, economic and security ties. In recent years Cuba's political alignment with the Soviet Union and its support for Moscow's foreign policy have become increasingly consistent and firm. In 1968 Castro endorsed the invasion of Czechoslovakia, and thereafter he has supported the Soviet line in the Middle East, vis-a-vis China and in Latin America. At the September 1973 conference of non-aligned nations Castro proved to be a staunch spokesman for the Soviet Union and its foreign policy.

At the same time, with Soviet prodding, the Castro regime has taken a more orthodox political line in domestic policies, the government has been reorganized to permit a more stable management of Cuba's economy and stronger centralized planning. The role of the Cuban Communist Party has been enhanced and it is now preparing to hold its first congress in 1975. These internal changes were publicly lauded by Brezhnev in January, when he stressed that Cuba now has entered a phase of positive economic and social construction which will be carried out on a "tried and tested socialist basis."

The joint communique issued in February expressed Soviet approval of the work done in improving the organizational structure of the party, in strengthening its role in Cuban society and economic planning and in educating the people in the spirit of orthodox Marxism-Leninism. It also pointed out that this process would be reinforced by increasingly close contacts between the Soviet and Cuban communist parties. The Soviet interest in a strong Cuban Communist Party runs along orthodox Soviet lines, reflects Moscow's efforts to ensure that its influence in Cuba would persist regardless of whether Castro heads the regime or not.

The strongest factor ensuring Soviet influence in and control over Cuba has been and continues to be economic. It is in this area that growing Cuban integration into the Soviet bloc and Cuba's dependence on Soviet support are most clearly reflected. Since Castro came to power Soviet aid has been the mainstay of the Cuban economy and of its development, so that today the major part of Cuba's industry has been built or reequipped with Soviet machinery. Cuba's dependence on the Soviet Union and other communist countries is reflected in its trade. In 1972 Cuba's trade with the Soviet Union amounted to $992.5 million, or 47.9 percent out of Cuba's total foreign trade of an approximate total of $2.1 billion while the share of all communist countries' total Cuban trade amounted to 69.2 percent ($1.451 billion). In 1973 Cuba's volume of trade with the Soviet Union reached some $1.4 billion and in 1974, according to agreements, it is expected to amount to some $1.6 billion.

Since 1960 Soviet exports to Cuba have steadily grown, reaching some $743 million in 1972, or 57.5 percent of Cuba's imports. Cuba is especially dependent on the Soviet Union for oil, with deliveries amounting to nearly 7 million tons per year in 1972 sold at below world market price (a total of 62.9 million tons since 1960), as well as machinery, rolled ferrous metals, non-ferrous metals, fertilizer, lumber, grain and flour and other foods. The Cuban trade program with the Soviet Union is specifically tied to the Soviet Five Year Plan. Because Cuba's sugar production has never reached planned output targets, Cuba's balance of trade with the Soviet Union has been consistently unfavorable to Cuba. At the present time, Cuba's balance of trade deficit with the Soviet Union exceeds $3 billion.

In 1972 Moscow agreed to defer repayments on this deficit until 1986 and granted Cuba a new credit of some $350 million for industrial development, notably for the construction of a new nickel complex to help Cuba's nickel production from 36,000 tons to 90,000 tons by 1980. To achieve this goal Cuba will require eventually an investment of some $600 million. Cuba's total indebtedness to the Soviet Union, including credits, grants, loans and the cost of Soviet advisers and technicians is estimated at $5 billion, which Cuba will begin to repay in 1986 over a 25-year period. It should be noted that this debt would have been even larger had not Moscow subsidized Cuba's sugar prices at above the world market price as well as agreed to pay $5,000 per ton for nickel.

In brief, the Soviet Union subsidizes the Cuban economy at the rate of $1.5–$2 million per day. In addition, Cuba has also an unfavorable balance of trade with other communist countries which furthermore have granted it various credits and loans and provided a substantial number of technicians. Despite the economic burden of supporting Cuba, it is fairly evident that from the Soviet point of view the political and strategic advantages of maintaining a communist Cuba outweigh the economic costs.

In July 1972 Cuba became a full member of the Eastern European Council for Mutual Economic Assistance or CEMA (COMECON). As a result, the 27th CEMA session pointed out that "Cuba will take an active part in the implementation of the comprehensive program of socialist integration" and participate in the economic program of the 9-countries-bloc according to the "international division of socialist labor." Concerning this development Brezhnev noted in his speech in January that Cuba's "cooperation with the fraternal countries keeps growing. . . . All this . . . makes Cuba still stronger, all this facilitates further success of the world socialist system."

As against the communist bloc, Cuba's trade with non-communist developed countries constitutes only 25.1 percent of the total Cuban trade ($526 million). Havana's main trading partners are Japan with a total trade in 1972 of $187.3 million, Canada with $72.37 million, Spain with $65.67 million, Great Britain with $58 million and France with $39.8 million. Cuba's trade with Latin America in 1972 amounted to $9.6 million. The balance of trade in 1972 was favorable to Cuba only in its trade with Japan and Spain.

It should be noted that except for Cuba's international sugar quota of some 2.4 million tons, all the rest of its sugar production is committed to the communist countries in repayment for imports from them. The same is also true of Cuba's nickel export, with the Soviet share showing a sharp increase since the early 1970's. The point is that Cuba is heavily in debt to communist countries, has at present no surpluses to generate significant additional earnings of hard currency, and consequently remains dependent on foreign credits, especially credits from communist countries. Even so, its ability to repay these credits is limited and would be altogether impossible if the Soviet Union had not agreed to defer repayments until 1986. Furthermore, Cuba is heavily dependent on the Soviet Union and other communist countries for critical materials which it cannot obtain elsewhere, especially in view of its lack of foreign exchange. This applies in particular to oil, non-ferrous metals, fertilizer, lumber, wheat and flour.

The Soviet support has been also essential to assure Cuba's security, although the Soviet Union has no formal defense treaty with Cuba. Over the years, the Soviet Union has equipped and reequipped the Cuban armed forces, mostly free of charge, to the tune of some $2.5 to $3 billion. In his speech on January 30 Brezhnev said that "as is known, the Soviet Union is helping Cuba in strengthening her defenses." Cuba is not only militarily one of the strongest countries in Latin America, but remains a potential base for the Soviet armed forces, as is evident from the Soviet effort in 1970 to establish a nuclear submarine base at Cienfuegos, the staging of Soviet long-range reconnaissance aircraft through Cuba, the frequent visits to the island by Soviet naval units and so on.

Although Moscow has generally come out in favor of the recognition of Cuba by the US, such a development would be, in the stated Soviet views, an admission by the US of the irreversibility of communism in Cuba and a forced change in US policy resulting from the increased readiness of Latin America to deal with Castro as a gesture of defiance of and independence from Washington. Thus, while the recognition of Cuba by the US is pictured in advance as a victory for Castro and world communism, and as giving a further impetus to the "anti-imperialist national liberation struggle in Latin America, Soviet spokesmen at the same time take pains to deny that there has been any change in Cuba's attitude to relations with the US or that the resumption of US-Cuban relations would entail such a change.

Essentially, Moscow endorses the Cuban demands that

1. The embargo on trade be lifted as a pre-condition for the initiation of negotiations on the resumption of US-Cuban relations;

2. Guantanamo be returned to Cuba and the US cease all anti-Cuban "subversion," and

3. The negotiations include not only the narrow issue of US-Cuban relations, but as Castro has promised, the issue of the US "imperialist" role and its "criminal" policies in Latin America. The joint statement issued on February 4, 1974, in connection with Brezhnev's visit to Cuba states:

"The Soviet Union resolutely demands an end to the economic and political and other hostile actions taken against socialist Cuba. It reiterates that it considers the demand of the Republic of Cuba for the unconditional removal of the American Guantanamo naval base on its territory as lawful and just, and fully supports this demand."

Moscow has also publicly endorsed Castro's insistence that the Latin American countries form their own association which would exclude the US and his view that the OAS is an instrument of Yankee "imperialism." The Soviet position is that such purely Latin American states organizations can serve as an effective instrument for the region's "anti-imperalist" struggle against the US. Of course, Moscow hopes that a resumption of US-Cuban relations would stampede the majority of the OAS members, who at present oppose the resumption of relations, to follow suit.

While the Soviet Union asserts that the lifting of the embargo on trade with Cuba is in accord with the desire for detente, it must be kept in mind that according to the explicitly stated Soviet interpretation of detente or as Moscow calls it—"peaceful coexistence"—the "anti-imperialist national liberation struggle in the Third World, including Latin America, which is identified as being the "strategic rear" of the US, is specifically excluded from its provisions and rules of inter-state relations. On the contrary, Soviet leaders persist in asserting that detente does not serve to preserve international stability but rather facilitates the upsurge of the revolutionary and national liberation struggle. Soviet spokesmen persist in asserting that Cuba must play an important role in that struggle. Furthermore, it appears from current Soviet assessment of Cuba that the Soviet leaders do not fear that Castro may become another Tito or Sadat, i.e., they believe Soviet-Cuban ties to be sufficiently firm as to make unlikely any significant shift in Cuba's alignment with the Soviet Union as a result of a resumption of US-Cuban relations.

SENIOR CITIZENS AND OUR FLAG

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. SARASIN. Mr. Speaker, last weekend I had the opportunity to present a 13 star Betsy Ross flag to residents of the Cheshire Rehabilitation Convalescent Center in Cheshire, Conn.

The residents of the center gave me a warm welcome which I deeply appreciated. The presentation of the flag had been made at the request of the citizens last winter under the able guidance of the recreation director, Mrs. J. A. Shay. Therefore, when I arrived at the center, I already had the feeling that their individuals were indeed fine and outgoing citizens who love their country.

The owners of the center, Mr. and Mrs. Andrew Barth were most hospitable. I enjoyed the guided tour of this beautiful and well-run facility by its administrator, Andrew Barth, Jr. However, the highlight of my day was when one of the residents, Robert Currie, presented me with a wooden plaque on which he decoupaged his original poem. This gesture, as well as the inspiring poem itself, made me realize how fortunate we are that we do live under the Stars and Stripes. I would like to share with you Mr. Currie's poem, as I think it will reinforce the feeling of patriotism that all of us have:

FLAG DEDICATION

(Written for this occasion by Robert A. Currie, May 1974)

Looking from my window in dawn's early light
I see the new flag, what a glorious sight
As it whips and flutters in the morning breeze,
Its bright stars and stripes among the leafy trees,
Enhancing the scenery one hundred fold,
Uplifts the heart, and gives strong feelings untold;
The beauty enraptures the soul, and you think
That those colors so radiant do strongly link
Your life here on earth to do nobly and good,
Upholding all laws, as true citizens should.
May we, while honoring this new flag today
Be greatly heartened, and uplifted, and pray
That this greatest emblem of our beloved land
May not be in disarray, and we may stand
Before the world, a land of honor and truth
Dedicated to life, liberty and youth,
The pursuit of happiness, and all things good;
All this should be whole heartedly understood.
Let us not be boastful of our many deeds,
But feel proud to belong to a nation that leads.
Remember to salute this noble emblem,
The Stars and Stripes, let there be no dissembling;
Oh: glorious banner of great and noble land
Honored are thou, now, forever may you stand
Fluttering in the breezes,—both high or low
Putting on an excellent, colorful show.
The Stars and Stripes, also, the Red, White, and Blue
Adorned as they are, just need no other hue
We stand or fall as we hear the magic call,
My country, right or wrong, what e'er may befall.

NATIONAL SMALL BUSINESS WEEK

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. YOUNG of Georgia. Mr. Speaker, over 100 years ago, Alexis de Tocqueville wrote of a young America:

> What most astonishes me is not so much the marvelous grandeur of some undertaking as the innumerable multitude of small ones.

These words are especially appropriate this week as the country pays a deserved tribute to America's 8.8 million small business enterprises by observing National Small Business Week.

The independent and innovative spirit which built this Nation is alive and well today in the form of almost 9 million neighborhood markets, stores, and services. This vital sector of our national life is responsible for an annual contribution of over $476 billion to the gross national product and approximately 35 million jobs.

In this age of conglomerates and multinational cartels, it is well to remember that 95 percent of American firms are small businesses. As the Exxons and the ITT's seek and too often receive special favors from government, we cannot forget that the backbone of our prosperity is constituted by the many small businessmen who ask very little and, without legions of lobbyists, often receive far less.

As we confront the great issues of our time, perhaps we in the Congress should remember to "think little," as a poet said. Americans who have sought a free means of achievement to contribute something in their own way deserve more from their Government than just a National Small Business Week.

NAHB RESOLUTION ON EMERGENCY ECONOMIC AND HOUSING POLICY

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. SIKES. Mr. Speaker, the National Association of Home Builders is one of the Nation's better known and more respected organizations. Its membership reaches into every congressional district and into most of the cities of the land.

During the week, many of us in Congress were privileged to meet with members of NAHB from our home districts. The Florida delegation in Congress joined the Florida members of NAHB at a luncheon in the speaker's dining room on Tuesday. During the course of the luncheon, we exchanged viewpoints and we were impressed with the grasp which NAHB members have on the problems of the American economy.

Of particular interest to our delegation was a resolution from the executive and resolutions committees of NAHB entitled "Emergency Economic and Housing Policy." I feel that it should be called to the attention of the membership of Congress and I am glad to submit it for printing in the RECORD:

EMERGENCY ECONOMIC AND HOUSING POLICY

America's economy is in imminent danger. It is distorted, unbalanced, and gripped in a wave of damaging inflation.

In this extraordinarily critical period of combined recession and inflation, we find a lack of fiscal responsibility, high and unnecessary government spending, and unrealistic reliance upon tight money policies.

Such sole reliance upon monetary policy to stem inflation has failed in the past. It is failing now. Inflation is feeding on inflationary expectations. Business loan demand and government deficit borrowing are not restrained. Interest rates rise unchecked to record-breaking and inevitably ruinous levels.

Housing, a major segment of the economy is being disproportionately depressed by the inequities and inequalities of these policies.

To reduce inflation and to restore a healthy, stable economy, all segments of our society must be prepared and willing to accept an equitable share of the measures necessary to accomplish this. We, therefore, urge these immediate actions:

Establishment of a system of priorities of allocation of financial resources, and holding the line on unnecessary government spending—Federal, state, and local alike—which would lead toward balanced budgets.

Institution of a system of credit allocation to create a more equitable flow to those sectors of the economy hardest hit.

Creation of a Capital Issues Committee which would govern, regulate, and moderate the flow of borrowing demands in the market place.

Reinstitution of some form of economic controls to the end that there would be firm monitoring, at least, of wage and price adjustments.

A less restrictive money policy than that now being followed.

Of all the major sectors of the economy hit by the unbridled surge of inflation, housing—singled out by the President as one of those rare areas where the Government must be of assistance—is being throttled the most. As an interim measure, therefore,

> in the battle to contain inflation, we again urge passage of emergency mortgage credit legislation containing more realistic mortgages limits to avoid irreparable damage to this vital element of the economy, damage which can only in turn affect all other elements.

STUDENT BUILDS SOLAR OVEN

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. PICKLE. Mr. Speaker, although he has not yet attempted a quiche or a roast, a young Texan has produced a loaf of solar-baked bread, and he has produced it from an oven he spent 3 weeks building in a junior high industrial arts class.

The message is clear—the age of solar energy is coming and its practical applications are boundless.

The student is 14 year old Robert Defoe of Austin, Tex. His efforts have already won him first place in the Texas State Industrial Arts Fair. I send to him my highest congratulations as well, and I know that the many of us here interested in the prospects of solar energy can join in the praise this young man deserves.

I am pleased the first energy bill recently passed by the House was the landmark solar research and demonstration bill now pending in the Senate. I am pleased to have been a cosponsor of that legislation. And I am pleased to see young Mr. Defoe stepping out on his own in this field.

A recent article in the Austin American-Statesman explains more about Robert Defoe's solar oven, and I would like to reprint it at this time.

> PUPIL EXTRACTS ENERGY, PRIZES BY SOLAR OVEN
>
> A 14-year-old Porter Junior High School student has taken metal, glass, insulation and a little work, put them together, and gotten something free—usable heat from sunlight.
>
> Robert Defoe's project is an award-winning solar oven that heats from 60 degrees Fahrenheit to 350 degrees in 15 minutes using only sunlight.
>
> Temperatures in the oven are regulated by moving the panels in and out. Although those temperatures are not exact, the heat can be approximated—so much that Defoe added another creation to his oven—a loaf of solar-baked bread.
>
> The oven heats up just like a car parked in the sun with rolled-up windows, he explained. "The sunlight goes through the glass," he said, "but the heat is reflected back inside." Because it depends on sun, Defoe has used the oven outside only, but theorizes it might be used by a sunlit window.
>
> Defoe built the oven as a project in his industrial arts class, taught by R. K. Wimberly. "It took about three weeks to build it," he said, using only class time.
>
> After he had completed it and tried it out, he said, he entered it in the regional industrial arts fair. It won first place. Next it was entered in the state arts fair, and again it won first place.
>
> Speaking of Defoe, industrial arts teacher Wimberly said he is "one of the finest kids I've ever taught in my life. They just don't make 'em like that." Wimberly has been teaching industrial arts for 27 years.
>
> Defoe is the son of Mr. and Mrs. Joseph G. Defoe, 3707 Wilson Drive. He is in the eighth grade.

SYRIA ROLLS OUT WELCOME MAT

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. FINDLEY. Mr. Speaker, Wednesday afternoon, May 1, President Hafez Asad of Syria told me—

> You have my mandate to invite Members of the United States Congress—House and Senate—to visit Syria as soon as possible. They will be most welcome.
>
> We want those who are critical as well as those who are friends to come. We feel this is a way to understand each other and our mutual problems.

President Asad made the comments at the conclusion of a 30-minute interview in the reception room of his office in Damascus.

His invitation had significance because official communication between the Governments of the United States and Syria had only recently been resumed after a 7-year break—and then on a limited basis.

Mine was the first visit to Syria by a Member of the U.S. House of Representatives since the June 1967 war. The only occasion when a U.S. Senator entered Syria was several months ago when Senator JAMES ABOUREZK visited Damascus.

I made the visit en route to Aden, and despite the brevity of my stay, had the privilege of a lengthy discussion with the Foreign Minister of Syria, 'Abd al-Halim Khaddam; a meeting with the Syrian Parliament's Foreign Affairs Committee; a tour of the Parliament building; and a luncheon hosted by the committee chairman, Muhammad Adnan Kilami; in addition to the meeting with the President.

The group attending the luncheon included the senior U.S. diplomat in Syria, Thomas J. Scotes, head of the U.S. interest section in the Italian Embassy; Anis Khattab, assistant director of the U.S. desk in the Syria Foreign Office; Wajed Ahdab, personal secretary to Speaker Muhammad ali Halabi of the Syrian Parliament; and these parliamentarians; Dr. Subhi Tahe, Dr. Badr al-Din Khoja, and M. Said Satli.

I traveled the bumpy road from Beirut to Damascus by car the afternoon of April 30, arriving in the Syrian capital at dusk. The ride enabled me to see the Golan Heights for the first time from the Syrian side—and the Syrian perspective, hear the steady thud of aerial bombardment around Mount Hermon, enjoy the spectacular scenery of both Lebanon and Syria, and experience the bureaucracy and paperwork of crossing the border in both directions. The driver of the car, who had crossed the border several times in recent weeks, said the Syrian security officers gave him a noticeably warmer welcome than on previous crossings—doubtless a sign of the new warmth engendered by the shuttles between Damascus and Tel Aviv by U.S. Secretary of State Kissinger which were to commence the following Sunday.

The day also gave me a glimpse of high spirit and optimism in the small U.S. diplomatic staff ably led by Mr. Scotes and several glimpses of the high spirit and optimism of the Syrian people—notably the May Day parade which included impressive groups of Boy Scouts, girls in uniform, bands, and military units.

Although engaged in daily conflict with Israeli forces in the Golan area, the nation impressed me as one expecting an early and fair settlement.

President Asad is a tall, thickset man with a warm, gentle manner. He is very soft-spoken.

At the outset of my interview, I told him that I appreciated his willingness to meet with me on such short notice for several reasons—the military problems with Israel undoubtedly put heavy demands on his time, and the fact of military support to Israel by the U.S. Congress must be a source of great pain and bitterness. At no point was there even the slightest touch of harshness, sarcasm, or resentment in his remarks.

I opened the discussion by declaring that good relations between the United States and Syria can be established and sustained only if Syrian policies are understood and supported broadly in the Congress and throughout America.

Two factors, I added, recently caused U.S. citizens to be aware of the Middle East, including Syria. One was the oil embargo which hit home in the form of a gasoline shortage and long lines at gas stations. The other was the alert of U.S. forces during the October war, which raised the very unwelcome possibility in the minds of many that the United States might become directly involved in the fighting. Both factors made improved relations with Syria important.

I said that misconceptions about Syria are still widely held in the United States, including Congress. Many of my colleagues regard Syria as hostile to the United States and unwelcome to American visitors. I said:

> When a Foreign Affairs subcommittee last December discussed a trip to the Middle East, several Congressmen expressed doubt that they would be welcome in Damascus.
>
> Visitors must be made to feel welcome, even in the absence of formal diplomatic relations.
>
> President Nixon and Secretary Kissinger can only do so much in establishing foreign policy. Broad understanding and support in the Congress is essential. If it is absent, Congress may not support what Mr. Nixon and Dr. Kissinger propose. In fact, Congress has the capacity to oppose and prevent policy the Administration wants.
>
> In discussions with the Foreign Affairs Committee of the Syrian Parliament, I learned that there is no disagreement between you and the Parliament over foreign policy. That is not the case in Washington. Differences often occur and deadlocks sometimes develop.
>
> **That is why the broadest possible exchange of visitors—officials, educators, students and private citizens—is essential.**
>
> May I suggest some ways to establish a

> foundation for enduring goodwill? Syria should establish scholarships, exchange professors, induce Congressmen and Senators to visit Syria and learn firsthand of your country and its problems.
>
> Seek out those who are prominent in U.S. public life—especially those who aspire to the presidency. Make it appealing for them to visit Syria.
>
> You have an excellent spokesman in Washington, Special Representative Sabah Kabbani. But you need dozens of Kabbanis.

President Asad replied:

> As soon as the Foreign Office called, I immediately said I would see you. I am glad to be with you. You are welcome.
>
> We are bitter about the guns and ammunition you provide to Israel, and why not? But bitterness is not hostility. In fact, we have very warm feelings about the American people. Despite the war, the Syrian people like Americans and have for years.
>
> Perhaps we have made some mistakes. Perhaps we should have better public relations. I agree with what you say and recommend, and we can now start to do better.

I assured President Asad:

> The American people have a sense of justice and fair play. All they need is information and understanding. At present many of them see Middle East problems as viewed from Israel.

He responded,

> Come back again. Your visit this time is too short. Your next visit will be welcome.

My discussion with Foreign Minister Khaddam lasted over an hour. I presented to him the same basic points as I did later to President Asad.

The Foreign Minister, young, nattily dressed, and soft spoken—presented a thorough review of Syrian-Israeli relations since World War II.

He told me that he personally has a warm feeling for Americans. Most Syrians share that feeling. Americans must realize that Syria is fighting to recover its own territory. In that fight, Syria faces guns and ammunition supplied by the United States.

I told him that in one way the Arabs are their own worst enemies. They need to project a better public image in the United States. More Arab spokesmen need to come to the United States to explain their views on the Middle East problem.

When I left Syria for Beirut and Aden that afternoon, I felt privileged to have met some truly good friends of the American people.

PRESIDENT AGAIN REGISTERS OPPOSITION TO BUSING AND CALLS FOR REFORM OF IMPACT AID

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. HUBER. Mr. Speaker, very shortly we in the House will be faced with the prospect of a conference on extending the Elementary and Secondary Education Act. The President recently called attention to two objectionable items in the legislation as it now stands. The first, of course, is the matter of forced busing. The Senate amendment, as we all know, is too weak and the President concurred in this. The second item he mentioned is reform of impact aid. Some of the Members may recall that even the mild reform I attempted on the floor was voted down. I invite the Members to note the material I presented yesterday, which is found on page 16202 providing additional evidence of strange gaps in the reporting of the disbursement and receipt of funds in this program. I was pleased to see the President raise these matters and I commend the article from the Washington Star-News of May 22, 1974, to the attention of my colleagues. The news story follows:

> NIXON RENEWS ANTIBUSING PUSH
>
> (By John Mathews)
>
> President Nixon today renewed his support for tough anti-busing limits already passed by the House but rejected by the Senate.
>
> "The experience of the past five years across America shows that we can dismantle dual school systems without resorting to massive forced busing," Nixon said.
>
> In a statement, the President stopped short of saying he would veto the federal education bill if it does not contain stringent limits on federal court powers to order desegregation plans with bussing.
>
> If the bill includes some of the milder Senate-approved restrictions he previously has opposed, the President said he would veto it.
>
> "The Senate, far from cutting bureaucratic red tape, would create 16 new bureaucratic structures, prohibit decentralization of decision-making and add cumbersome, time-consuming and restrictive administrative procedures," Nixon said.
>
> Last week, the Senate—by one vote—rejected House busing limits that would restrict busing to the school next closest to a child's home and allow the re-opening of existing court orders requiring more extensive busing.
>
> Instead, the Senate approved—also by one vote—a compromise worked out by Republican leader Hugh Scott of Pennsylvania and the Majority Leader Mike Mansfield of Montana.
>
> The compromise omits the re-opener clause and restricts busing to the next closest school, but it would allow courts to order more extensive busing if it is needed to guarantee constitutional rights of minority children.
>
> Busing foes voted for the compromise, but they say it will not stop court-ordered busing.
>
> Conferees from the Senate and House will meet early next month to try to resolve differences between the two versions of the bill.
>
> Nixon today also said the $25 billion Senate bill, which received final approval on an 81–5 vote Monday, does not go as far as the House bill in merging education programs. Neither measure, he said, deals with the complete reform of the politically popular impact aid program.

CARL T. DURHAM

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1974

Mr. PREYER. Mr. Speaker, the life that Carl Durham led was the personification of what every man seeks to achieve for both himself, his family, and his society. Every man needs to have a secure sense of accomplishment in life: a feeling that he has done something personally to remedy some of the many ills of the world. Carl Durham was a man who could have said with great satisfaction that he had many accomplishments to his credit—not in a boastful statement, but a statement of pride—but it would not have been his way to say it of himself. He was wise enough to know that a man should never be overcontented with what he or his society has.

Mr. Durham was not a "spectacular politician." He was not one of those who went in for the "press the flesh" and "kiss the babies" type of political campaigning. Rather he was a simple, dedicated man who went about his profession in an honest way. Carl Durham was the epitome of honesty. In his entire 22 years in public service there was never once a hint of scandal connected with him or his office. He was a man of very high character and dignity. The people of his North Carolina district trusted him to the utmost and that is perhaps the best claim to fame that a man may have. The residents of his area of North Carolina knew beyond any question that when it came to politics he would do what he saw as being the right thing to do and not the convenient thing to do or the popular thing to do. His term of 22 years in office points out that most of the people of his district believed in him and in his power to make decisions that affected them both directly and indirectly. He was a man to be listened to and trusted when he spoke.

Carl Durham was a worker in Congress. He was a leader. Even though the part of North Carolina that was served by Mr. Durham was one of the, if not the most, demanding areas of the State, Mr. Durham served it with grace and dignity. He did not spread his energy and ability all over the place. Rather he chose to concentrate on major areas that concerned him personally. He was twice chairman of the Joint Atomic Energy Committee, serving on the committee from the time it was first set up, and he worked to keep atomic energy and its power and use in the hands of civilians.

He considered this to be his most important contribution while he served in the Halls of Congress. He worked for the development of atomic energy and its use for peaceful purposes. His accomplishment, then, was to further the attempts of those who tried to make the world a safe place for those of all nations to live. The Bible has a verse which says "Blessed are the peacemakers," and this would seem to apply to Mr. Durham and his attempts to promote peace and also to promote the exchange of information between the various nations of the world. Also in the long list of his accomplishments was his reformation of the U.S. Army court-martial system. His attempts were to bring it into line with those used by the civilian court authorities. Prior to Mr. Durham's reformation the court had no counsel for the defendant. Mr. Durham reformed the court so that a counsel for the defendant was named. The right of appeal was also established as well as the right to have an enlisted man on the jury if he so desires. Thus the Constitution of the United States was strengthened by the presence of Mr. Durham in the U.S. Congress.

To put this in its final analysis it could be said that Mr. Durham was not a man who promised those whom he served the sky. He simply did for them what he believed was the right and proper thing to do and, in most cases, his constituents agreed with the decisions he made. Carl Durham was not a flashy politician. His was a simple style of life. But Mr. Durham made a contribution to world peace and individual liberty in a very real and in a very distinct way. It is very hard, if not impossible, to measure the success of one man or the failure of one man. But a simple look at the duties and actions of Mr. Durham should serve to convince everyone that here was a man who loved his country, dedicated a major part of his life to its service, served it with grace and integrity, graced the Congress of the United States with dignity, and made several lasting contributions that still affect both the United States and the rest of the world in which we live. Mr. Durham lived a full and useful life. The record he left in Congress was one of remarkable achievements.

In 1959 Durham announced that he was retiring to "enjoy himself," and in view of all that he had stood for and accomplished in Congress, it was a well-deserved retirement, indeed.

North Carolina can be proud to call him one of her own, as can the United States, for Carl Durham was a man who had the ability to transcend State boundaries and to reach out to all society.

THE HARD ROAD TO WORLD ORDER—PART I

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. BINGHAM. Mr. Speaker, in the world today, there are many devastating reminders of the current lack of effective international cooperation. The need for such cooperation is frighteningly apparent, but little progress seems to be made in achieving it.

In the April issue of Foreign Affairs, Richard N. Gardner, Henry L. Moses Professor of Law and International Organization at Columbia University, has made a stimulating and profound analysis of the need for some form of world order and of the difficulties in the way of achieving it, and has proposed some concrete steps toward achieving the goal. He argues that there is now good reason for "cautious optimism."

I include herewith the first of five parts of Professor Gardner's article:

THE HARD ROAD TO WORLD ORDER

(By Richard N. Gardner)

"It was the best of times, it was the worst of times." What Dickens wrote of the last quarter of the 18th century fits the present period all too well. The quest for a world structure that secures peace, advances human rights and provides the conditions for economic progress—for what is loosely called world order—has never seemed more frustrating but at the same time strangely hopeful.

Certainly the gap has never loomed larger between the objectives and the capacities of the international organizations that were supposed to get mankind on the road to world order. We are witnessing an outbreak of shortsighted nationalism that seems oblivious to the economic, political and moral implications of interdependence. Yet never has there been such widespread recognition by the world's intellectual leadership of the necessity for cooperation and planning on a truly global basis, beyond country, beyond region, especially beyond social system. Never has there been such an extraordinary growth in the constructive potential of transnational private organizations—not just multinational corporations but international associations of every kind in which like-minded persons around the world weave effective patterns of global action. And never have we seen such an impressive array of ongoing negotiations aimed at the cooperative management of global problems. To familiar phrases like the "population explosion" and the "communications explosion" we should now add the "negotiation" explosion.

What is "worst" about our times for those who wish for rapid progress toward world order is clear enough. The United Nations is very far from being able to discharge the responsibilities assigned by its Charter for the maintenance of international peace and security. The willingness of U.N. members to risk their sort-term interests for the good of the community seems at the level of the frontier town in *High Noon*, where the citizens abandoned their lawman as soon as the outlaw was released from jail. If a clear and unambiguous case of aggression came before the Security Council or General Assembly today, there would be little confidence that a majority of members would treat it as such or come to the aid of the victim. The Charter concept of collective security is obviously dead; even for consent-type "peacekeeping," little progress has been made in devising agreed constitutional and financial arrangements. Nor are the world's principal economic forums in much better shape. In contrast to the accomplishments of happier days, nobody now takes a major issue to ECOSOC, UNCTAD, GATT, IMF or OECD[1] with much hope for a constructive result. Even the European Community threatens to unravel under current economic and political pressures.

In this unhappy state of affairs, few people retain much confidence in the more ambitious strategies for world order that had wide backing a generation ago—"world federalism," "charter review," and "world peace through world law." The consensus on basic values and willingness to entrust vital interests to community judgment clearly do not exist. One need only picture a world constitutional convention including Messrs. Nixon, Brezhnev, Mao, Brandt, Pompidou, Castro, Perón, and Qaddafi, not to mention Mmes. Golda Meir and Indira Gandhi. What rules or procedures for world government could they agree on?

The same considerations suggest the doubtful utility of holding a Charter review conference. To amend the U.N. Charter requires the approval of two-thirds of the membership, including all of the five Permanent Members. If one examines carefully the attitude of U.N. members to specific proposals, one quickly discovers that the most likely consequence of wholesale revision of the Charter would be to diminish rather than enhance the strength of the organization. As in the case of the U.S. Constitution, we are more likely to make progres by pressing the existing instrument to the outer limits of its potentialities through creative use, seeking amendments only on carefully selected matters where they seem both necessary and capable of adoption by the constitutionally required majority.

Just as world federalism and charter review now seem bankrupt of possibilities, so does the old-fashioned idea of achieving "world peace through world law" by means of a greatly strengthened International Court of Justice. The members of the United Nations seem less willing than ever to entrust vital interests for decision to the 15 men at The Hague, as may be seen from the very few countries that are willing to accept the Court's compulsory jurisdiction without crippling reservations. In the two cases now before the Court—one involving the "cod war" between Iceland and the United Kingdom, the other the French nuclear tests in the Pacific—the "defendant" countries, Iceland and France, have even refused to appear. In part, this reluctance to accept the Court's jurisdiction reflects lack of confidence in the competence and independence of some of its judges, but even if all of them had the intellectual and moral qualities of Solon of Athens the deeper problem would still remain. Nations are reluctant to risk adverse judgments at the hands of third parties they cannot control; moreover, they are reluctant to commit themselves to have their controversies decided according to rules of international law that may be of doubtful legitimacy, incapable of alteration as circumstances change, and uncertain of general enforcement.

If instant world government, Charter review, and a greatly strengthened International Court do not provide the answers, what hope for progress is there? The answer will not satisfy those who seek simple solutions to complex problems, but it comes down essentially to this: The hope for the foreseeable future lies, not in building up a few ambitious central institutions of universal membership and general jurisdiction as was envisaged at the end of the last war, but rather in the much more decentralized, disorderly and pragmatic process of inventing or adapting institutions of limited jurisdiction and selected membership to deal with specific problems on a case-by-case basis, as the necessity for cooperation is perceived by the relevant nations. Such institutions of limited jurisdiction will have a better chance of doing what must be done to make a "rule of law" possible among nations—providing methods for changing the law and enforcing it as changed and developing the perception of common interests that is the prerequisite for successful coöperation.

In short, the "house of world order" will have to be built from the bottom up rather than from the top down. It will look like a great "booming, buzzing confusion," to use William James' famous description of reality, but an end run around national sovereignty, eroding it piece by piece, will accomplish much more than the old-fashioned frontal assault. Of course, for political as well as administrative reasons, some of these specialized arrangements should be brought into an appropriate relationship with the central institutions of the U.N. system, but the main thing is that the essential functions be performed.

The question is whether this more modest approach can do the job. Can it really bring mankind into the twenty-first century with reasonable prospects for peace, welfare and human dignity? The argument thus far suggests it better had, for there seems to be no alternative. But the evidence also suggests some grounds for cautious optimism.

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[1] Respectively, to give their full names, the Economic and Social Council, the United Nations Conference on Trade and Development, the General Agreement on Tariffs and Trade, the International Monetary Fund, and the Organization for Economic Co-operation and Development.

LAND-USE PLANNING ACT

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. SYMMS. Mr. Speaker, in the near future, my colleagues will be asked to consider H.R. 10294, the Land-Use Planning Act. This bill passed the House Interior Committee with substantial criticism. The House Rules Committee last month refused to move this bill to the floor for consideration, protesting that field hearings had been insufficient. More recently, following 3 additional days of hearings here in Washington, D.C., the Land-Use Planning Act squeezed through Rules on a margin of one vote, reversing what I had felt to be an excellent decision.

By now, it should be clear to my colleagues that efforts within the Congress to resolve the questions of Federal involvement in land-use planning have not been enlightening so much as they have been an exercise in ramrodding through an explosive legislative package. We lack sufficient input from across the country. We have failed to avail this Congress of the experiences in those few States which already have legislative plans in effect. In those hearings which followed the defeat of the rule last month, 55 of our 72 witnesses testified against passage of a land-use bill in this Congress. Nearly every dissenting witness based arguments largely on the lack of opportunity across the country for input into this landmark legislation. They begged for field hearings, but that plea is being ignored by this Congress.

I urge my colleagues to read again the dissenting views of members of the House Interior Committee, which I shall place in the RECORD at the conclusion of my remarks. While my own personal views opposing any form of Federal land-use legislation are well known, I believe that even those members who favor some form of Federal involvement are well advised to withhold their support of H.R. 10294 for the time being.

This Congress must give consideration and full hearing to the views and experiences of our States and the people who hold such a grave stake in the direction of land-use planning in America.

The text of the dissenting views contained in House Report No. 93–798 follows:

DISSENTING VIEWS

In his message to Congress on September 17, 1973, President Nixon stated that "land use control is perhaps the most pressing environmental issue before the nation," and on January 30, 1974, the President called passage of national land use policy legislation a "high priority" of his administration. Mr. Nixon is probably correct in referring to this bill as one of the most important before the Congress—regrettably for all of the wrong reasons.

Its importance stems from the fact that the use of land is basic to almost every type of human activity. From farming and timber supplies to homesites in urban and suburban areas, from the space a worker occupies in the factory or office building to the production of energy—everything man does requires land in one way or another.

The dangers arise, because, as we are beginning to realize in the case of air and water pollution laws, the effects of such laws go far beyond cleaning the air and water. Similarly, land-use regulatory legislation goes far beyond finding better ways to use land.

Because the authority to control land use rests with the States and their subdivisions, and because the right to own and use property is an integral part of that bundle of rights that make the term "individual liberty" meaningful in this country, the Land Use Planning Act of 1973 will have a truly momentous impact on the freedom of action of State and local governments and on our liberties.

Few people would probably disagree with the intent of H.R. 10294—to encourage and assist the States to plan for the wise and balanced use of its land resources. However, we believe that the actual provisions of this measure bear little relation to its professed intent.

The sponsors of H.R. 10294 claim that it encourages and assists the States to shoulder their responsibilities for land-use planning. In fact, it goes far beyond encouragement and assistance. Title I of the bill contains line-after-line of requirements the States must meet before the Secretary of Interior can judge their plan "adequate."

The requirements of Title I, in effect, establish a national land-use policy to be imposed upon the States under threat not only of withdrawing Federal funds for land-use planning, but also the threat of other economic sanctions. It is a fiction to speak of encouraging and assisting the States with a bill that is filled with criteria, guidelines, and suggestions for defining an "adequate" comprehensive land use planning process. In addition, should the sanctions amendment of the gentleman from Arizona (Rep. Udall) be adopted, the States would then be threatened with economic clubs should they not comply with the bill's requirements.

Importance

In order to understand the importance of this proposal, one must understand that the legislation before us is merely the first step on the road toward more public control over the use of private property. Whatever the final disposition of this legislation, the most vocal elements on the issue of land use are calling for more public control over private property.

One force being heard is the Task Force on Land Use and Urban Growth which issued its report "The Use of Land" to the Council on Environmental Quality last year.

In its report to the Council, the Task Force included several recommendations relating to property rights. The report recommended *an end to the landowner's traditionally presumed right to develop his property regardless of environmental and social costs* (a right presently restricted by local zoning laws). The right to property, according to the report, should not include the right to develop it and tough restrictions should be placed on the use of privately owned land. It added that restrictions will be little more than delaying actions if the courts do not uphold them as reasonable measures to protect the public interest.

The report also stated that landowners *should be required to bear the restrictions without compensation by government*—that the courts should interpret the "taking clause" of the Fifth Amendment to the Constitution to mean that property must be physically taken before compensation is considered. Simply stated, this means that any governmental restriction placed on the use of privately owned land should be upheld by the courts as a valid exercise of the police powers and, therefore, noncompensable. For example, if a community desires open space in a particular area and the land in question is privately owned, the landowner should bear the cost of the open space and not the community.

The Task Force report also stated that the courts should presume that any change in the physical environment is likely to have adverse consequences that are difficult to foresee, and that those desiring the change should be required to describe the effects of the change.

The report stated that the Supreme Court should "re-examine its earlier precedents that seem to require a balancing of public interest against land value loss in every case, and declare that when protection of natural, cultural or esthetic resources or the assurances of orderly development are involved, a *mere loss* in land value will never be justification for invalidating the regulation of land use."

It is against this background that H.R. 10294 requires that states designate and control land and land uses which are of more than local concern or which are of critical concern. The control and regulation of these areas, as designated by the state, could, in some cases, entail restriction of use of private land to the point that no use or no economic use would be allowed. This would, of course, diminish the market value of the property in question.

The trend is, we believe, clearly toward more public control over the use of private property—a sort of social contract, if you will, inherent in the purchase of land. If we are to move in this direction, as the Task Force report and others suggest, it is essential that the people be fully informed with balanced accurate information in order to bring about a moderate evolution in public policy in the area of land use that balances economic, social, and environmental considerations, that achieves public goals, and that allows for the maintenance of a healthy private property institution which constitutes the cornerstone of our liberties and our system of government.

The right to property and the value of property ownership consist mainly of the right to develop it. Thus the Land Use Planning Act and its Senate companion affect the traditional meaning of private property beyond abstract arguments over the use, nonuse, and misuse of land. The true ramifications of this measure go to the essence of our free enterprise system and individual liberties

Property rights/State police powers

H.R. 10294 is keyed to the exercise of the police powers of the various States to implement the provisions of the State land-use planning process. Traditionally, diminution of use of private property occasioned by a State's exercise of its police powers for the general welfare—as in the case of zoning—has been treated by the courts as not giving rise to a right to compensation on the part of the landowner. Although one use may be prohibited, the owner can utilize the land in another manner so as to attempt to justify his investment.

H.R. 10294 gives rise to a novel situation—in which two important provisions of the bill play roles. One is the definition of "areas of critical environmental concern," and the other is the requirement that the State have authority to regulate the use of land in such areas, as well as in other areas if the proposed use is inconsistent with the land-use plan. The Senate bill (S. 268) requires that the States be able to prohibit the use of such land. The term "areas of critical environmental concern" carries the connotation that no use is allowed in such areas. Moreover, the definition of these areas is openended so that any type land area could be so designated.

The proposal, however, does not specify that the State in prohibiting the use of land in certain areas should utilize its powers of eminent domain—with compensation to the owners. It is conceivable that a State lacking adequate funds for compensation might proceed (to avoid sanctions should they be adopted) to implement the provisions in the bill which may require a partial or total denial of use for the land owner under its police powers—its zoning powers. This tactic would circumvent the issue of compensation, because zoning is not normally a compensable land use control mechanism. It would place upon the property owner the burden of instituting an inverse condemnation proceeding in order to gain a judgment that the State's action was an invalid exercise of its police powers requiring just compensation.

The whole point of the "taking" clause is to prevent the government from confiscating the property rights of the individual. It places the government in the same status as any stranger to the property, and after all, government consists of a great many strangers. It is a prohibition against theft by government in a sense comparable to innumerable other laws that prohibit theft by any of its citizens.

Certainly, over the years the courts have upheld as legal many laws which deprive owners of valuable property rights. Still the "taking" clause has tended to prevent the outright confiscation of property and many zoning and other regulatory laws have been invalidated.

There is no doubt but that it costs more money to buy property than to take it, and this obvious fact has been a cause of concern to those who believe that government can use property more wisely than its private owner. The recent report distributed by the Task Force on Land Use and Urban Growth expressed concern that the taking clause would make excessively expensive the land use policies they would like adopted and consider in the public interest. They propose that more land be restricted for open space and for other purposes they deem desirable and find the taking clause to be a serious obstacle to these objectives. In like manner, this Bill should present the same concerns since the government is mandating that some properties will be undevelopable and will have to be retained in their present state. Yet the Bill cavalierly states that the owner's rights have not been diminished nor is there any Federal money for compensating him. Thus, the state is under the mandate to prohibit development and presumably must bear the cost unless we are to reconsider the Fifth Amendment and rule that henceforth development rights for private property rest with the community, rather than with the property owners.

The inevitable result of increasing the number and amount of controls on land use is to terminate the freedom of the individual to acquire and own property—in all likelihood, the freedom considered most important by most of the people. Nor is it fair that the burden for providing the presumed welfare of others should be borne by the owners of only those properties used for public purposes. The accident of ownership and location would select those persons in society to carry the burden of paying for benefits that will accrue to others. It amounts to a rather crude way of redistributing wealth on a most unfair and irrational basis.

In addition, if private land is to be taken without compensation, there will be no limitation upon its acquisition. Thus, for whatever reason the state or Federal government should deem appropriate, if there is no cost involved, they can restrict its use thereby removing a great deal of land from development or production to the detriment of business, employment, industry, agriculture, housing, etc. America, the land of parks and open space, would also be America, the land of worse housing and higher rents. When the government must pay for the land which it in effect condemns, its insatiable appetite is curbed, thereby creating a more appropriate and equitable allocation of our resources.

Obviously, the incentive for owners and developers to own and use land for productive purposes would also be destroyed. Why own land or contemplate using it if it is subject to confiscation at the whim of government? Or, if one does own land zoned for certain purposes, he should rush to use it before the law is changed. Such actions will result in a more chaotic market.

Notwithstanding the taking problems, the designation of particular uses for land will effectively remove that land from the marketplace. Historically, the marketplace has defined the highest and best use for a particular piece of land; H.R. 10294 undermines this tradition and consequently stifles private ownership.

EFFECT OF H.R. 10294 UPON OUR QUALITY OF LIFE

Air, water, and land are integral parts of man's existence. It is becoming increasingly clear, especially in light of our current energy shortfall, that our laws designed to prevent air and water pollution may be damaging our total environment because their substantial social and economic side-effects were ignored when these measures were drafted.

The dangers inherent in H.R. 10294 are even greater. It places the physical environment in the dominant position in the land use decision-making process. The proposal is lopsided in its concern for the physical environment while almost ignoring the needs of our citizens for economic development, for meeting our energy demands, for developing our natural resources, for feeding our people, and for housing.

H.R. 10294 even goes so far as to require the states to draw up their land use plans so as to implement the dictates of the Environmental Protection Agency relative to transportation control plans, indirect sources, and non-degradation.

If the federal government is to indirectly tell the States what their land use plans are to be, those requirements should at least provide for a balance between differing land uses, values, and needs. We do not believe that H.R. 10294 provides for such a balance.

The State in drawing up its statewide plan and the Department of the Interior in formulating national land use policies is each given a number of factors to consider. Most of these relate to preserving the physical environment such as insuring the protection of the quality of the environment, encouraging the preservation of ecosystems, protecting open space for public use or appreciation, etc. Very little is said about giving consideration to the economic and social implications which will follow such decisions. This basic underlying problem is further complicated by the whole problem of what land use planning is or should be.

Land use planning generally implies an orderly, rational arrangement of or for the use of land for the present or the future directed or controlled by detached experts in planning. The assumption is that there is something measurable about planning or that there are some standards which are to be followed. However, this assumption is exceedingly difficult to substantiate and few of even its most ardent proponents make the effort. Is there some precise measurement available to determine the "best" use of some or all of the land, of whether a certain parcel is better suited for trees, lagoons, recreation, or the housing of persons? By now, after fifty years of zoning experience in this country, it should be clear that there are respectable, distinguished and knowledgeable planners who would disagree about any or all of a particular set of possible uses for a particular piece of land. Planning is unquestionably highly subjective, lacking those standards and measurements that are the requisites of a scientific discipline. Accordingly what goes under the name of planning is an opinion by someone who has studied and is learned in the creation, growth, and development of cities. The country's zoning experience raises serious doubts that such training and knowledge provide any special insights either in evaluating the present or in predicting the future.

Planners confront serious problems in fulfilling their responsibilities. Theory and education alone cannot substitute for the actual experience of making practical decisions and being euphoric about or suffering through their consequences. Unfortunately, in lieu of hard information, planners in most instances have to rely on their own experience and background including, whether conscious or unconscious, their political, social, and economic biases. Thus, although the biases of the planners selected to work at the state and national levels to draw up the land use plans will more than likely reflect the environmental orientation of this Bill, the drafters have largely overlooked the economic and social aspects of the environment which are of more concern to more persons.

This last statement is perhaps most dramatically illustrated by the recent events in our own country. When this Bill was being drafted, great concern was being voiced by well-known groups about the deterioration of the physical environment. In response at the national level, the National Environmental Policy Act was enacted, strict pollution regulations were set out by the Environmental Protection Agency which will result in great hardships for those of our citizens who live in areas which are dependent on the car for transportation.

In California, the electorate passed a coastal conservation act which recently was the basis for blocking the construction of two nuclear facilities that would provide a substantial portion of the future electrical needs for Southern California. Bluffs, water-carved canyons and some marine life have been saved, if the decision is not overturned, but thousands of barrels of oil will have to be burned annually—if it is available, that is—to obtain the same amount of energy, a solution scarcely compatible with clean air objectives. Alternatively, these nuclear reactors will have to be located at another site, a costly delay which will delay construction for many years. Once again, there will be a confrontation with environmentalists, since almost anywhere such construction takes place, it will have to be at what some group of persons somewhere will feel to be the expense of nature, wildlife, scenic view, or unusual terrain, etc. These are all commendable objectives. However, they do not remotely compare in any society's priorities to employment, business, and health, all of which may be seriously threatened if only the physical environment is considered in making land use decisions. What conceivably can be more important than providing sufficient food, clothing, and shelter for human beings?

THE EFFECT OF H.R. 10294 ON CONTROL AND REGULATION OF LAND USE

The effect of H.R. 10294 is to begin a gradual movement of planning and regulation from the local to the state level. The notion that land use within an entire state can be successfully planned should be one repugnant to the intelligence. In most states, hundreds of thousands of square miles are involved, and a state agency is bound to have less knowledge and information about individual parcels than one at the local level. Countless decisions would be made without adequate information. Just evaluating potential uses and demands for a fraction of a mile within a metropolitan area may cost thousands of dollars and many hours and might still leave many uncertainties.

In addition, it is questionable whether this Bill is designed merely to encourage and enable the States to adopt land use regulations. Each state in order to qualify for Federal grants is to establish a comprehensive land use planning process and to develop explicit substantive policies to guide land use. However, whether a particular state is eligible for the Federal grants involved is determined by the Department of the Interior pursuant to guidelines and regulations to be set out by them. Thus, by retaining the power of the purse, the Federal government has in effect reserved the power to direct and affect the state planning process and its implementation. This is, of course, directly antithetical to our traditional concept that the responsibility for land use decisions should rest at the local level.

What is wrong with land use control at the state or Federal level? The whole philosophy behind putting this responsibility at the local level is that those at the local level are more knowledgeable and more interested in the fate of the land in their area than those who are located at a greater distance. Who has more interest in how a particular area is developed and who is better able to make the decisions regarding that development than the persons who actually live there? Rather than have planners from the state or Federal agency dictate from without what the future of a certain area will be, the persons actually involved have made the decision whether their locality, recognizing the advantages and disadvantages, should have a narrow economic base or whether a particular lagoon should be used for recreation, bird watching, or housing. To remove these decisions to the state or Federal level precludes taking into consideration the special problems, wishes, and concerns of the persons who know the area best—the local citizens and their elected officials.

Summary

Although this legislation does not call for national land use policies per se, it does exert very strong federal controls over how this country will develop its urban, suburban, and rural lands. We believe that federal advice on these matters will inevitably evolve into federal dictates. Once the Congress opens the door by conditioning the receipt of federal dollars upon submission of "adequate" state land use plans, we believe that the Constitutional responsibility and guarantee to the states that they deal with their own internal affairs will be but a fiction in this most critical area—the use of land.

The proponents of this legislation argue that changing land use requirements and public needs necessitate changes in present land use decisionmaking procedures and institutions; and that to avoid shaping the nation's future by incremental, ad hoc decisionmaking on the uses to which land resources are to be dedicated, there must be guidance by wise planning and management at all levels of government.

Some proponents believe that "the land use planning and management institutions of the past have left a legacy of uncoordinated, haphazard, and inefficient land use patterns. We contend that while our land use patterns, to be sure, are not perfect and do not conform to the planner's rulebook, they may be one price of democratic government.

We believe that this proposal will eventually result in the demise of private property rights and increase federal encroachment on state sovereignty.

Senators Hansen, Fannin, and Bartlett state in their minority views on S. 268 that it "would effectively preempt state and local rights to plan and regulate land uses. It would shift the traditional responsibilities from the local and state governments to the federal government." They believe that the critical issue in the revolution of land use planning is how far the use of property can be restricted without compensating the property owner for diminution of value; or in other words, when does a restriction become a taking?

Those Senators who led the fight against this legislation in both the committee and on the floor conclude their remarks by saying: ". . . we are not prepared to agree with those who believe that only 'Washington' possesses brainpower and capability to cure the ills of our nation. We have long relied on our states for purpose and strength and we will continue to believe our system of government works best when local prerogatives are preserved." We concur.

Sam Steiger.
Steve Symms.
John N. Happy Camp.
Don Young.
Harold Runnels.
David Towell.
Bob Bauman.
William M. Ketchum.

PENNY SHORTAGE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. MICHEL. Mr. Speaker, the penny shortage is currently being felt in many parts of the country, including Haddad's Supermarket in Peoria, Ill., despite the fact that the U.S. Mint turns out some 35 million pennies a day.

My colleagues might be interested in how some merchants are dealing with this problem, as described in the following article from the National Observer, week ending May 25, 1974:

We Are Hiding 30 Billion Pennies

At Haddad's Supermarket in Peoria, Ill., your change might be rounded off to the nearest nickel, which means you might get a cent or two more—or less—than what's due you.

And at a Burger King in Birmingham, Ala., you can get a dollar bill and a soft drink for every 100 pennies you bring in.

These are just a couple of ways that retailers are scrambling for pennies or simply doing without because of spot shortages of pennies across the land. Banking officials generally suspect that the coins are being hoarded by consumers who see copper prices rising and hear rumors that the Government is about to begin making pennies out of aluminum.

PENNIES APLENTY

There are pennies aplenty, say Government officials, and some were said to be considering a nationwide get-out-the-pennies campaign.

About 30 billion pennies are throught to be lying in dresser drawers, piggy banks, and pickle jars around the nation according to Mary T. Brooks, director of the Bureau of the Mint. The Mint turns out some 35 million pennies a day, and it now costs the Government about a penny to make a penny, using stockpiled copper that cost 75 cents a pound, Mrs. Brooks told The Observer. Yet even if copper prices rose to $1.50 a pound, she says, it would take 240,000 pennies to yield enough copper to realize a profit—after smelting expenses—of $100. And it would be illegal. A person convicted of melting the coins for their content faces a five-year prison sentence and a $10,000 fine.

SPECULATORS BLAMED

Though the Mint's daily penny output has doubled in the past year, penny shortages continue. "There is a critical shortage for financial institutions and especially for retailers," says Mike Schor, assistant vice president of Exchange Security Bank in Birmingham. "We (the bank) have an obligation to accommodate our business (retail) customers," he says, but the Federal Reserve Bank has reduced the supply. "And we've had businessmen asking us for pennies who we've never seen before."

A spokesman for the Federal Reserve Bank in Birmingham confirmed that it had begun rationing pennies to commercial banks, attributing the shortage to speculators and hoarders.

Supermarket-industry spokesmen said last week that some chains might give scrip instead of pennies in change.

Some merchants have begun substituting gum sticks, matchbooks, or other penny items for pennies in change. But one of the most successful strategies so far for prying out pennies is Fred Haddad's. He manages his family's supermarket in Peoria. As soon as he posted a sign saying customers' change might be rounded off to the nearest nickel, meaning customers might come up a couple cents short, the pennies started pouring in by the hundreds. Haddad weighs them and buys them, figuring a pound of pennies is 146 pennies.

THE AMERICAN "HARVEST"

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. HOGAN. Mr. Speaker, on May 15, the House was honored to have Rev. R. Joseph Dooley, the president of the International Conference of Police Chaplains, offer the opening prayer.

I recently read an article by Reverend Dooley which I recommend to all of our colleagues. I would like to insert the article in the Record at this point:

The American "Harvest"

(By Rev. R. Joseph Dooley, President, The International Conference of Police Chaplains)

As America initiates its preparations for the bi-centennial celebration of its birth as a Nation, Watergate (which includes the original break-in and all its ramifications now hanging over the national political scene like an ominous cloud) should just about fill out the political history of our 200 years.

It will be interesting to see what the historians and political analysts have to say about this period of history from the vantage point of 10, 15 or 20 years. Right now, nothing has stirred the American people to such unity of reaction for many a day.

Hopefully, the present situation will cause some real soul searching on the part of all of us. Shouldn't we all question how we as a nation got to the position where graft, cheating, fraud, abuse of power, moral corruption and injustice became the 'accepted' hallmark of national leadership?

It almost appears that we have come full-circle in our near 200 year history.

Offering the apathy of the American people, as consent and acceptance, we are reaping a 'harvest' of the crop that we have sown.

Whatever happened to guilt? One of the most distressing signs of contemporary times is the denial of guilt. Guilt has practically disappeared from our culture. How many times have you, as police officers, witnessed this—either on the street or in the courtroom? Psychology, sociology and legalities are sweeping guilt away.

The popular leaning is away from notions of guilt and morality. Disease and treatment have been the watchwords of the day and little is said about selfishness and guilt. And certainly no one talks about sin.

Psychology tells people "we're no longer penitents, but patients," and sociology says that the environment, not the person, is responsible for behavior. Even in the Church, we no longer have penance—we have "sensitivity" sessions. You go sometimes to a psychoanalyst—not to have your sins forgiven, but to have them explained away.

To show how legalities are being used to excuse moral guilt recently there was a union-management battle over a cashier caught taking money from the cash register.

For three months the union fought the dismissal of the cashier, on the grounds that management did not tell her it was wrong to steal. Finally, to avert a strike, management agreed to re-instate the cashier and pay her three months back pay.

Now she knows that it is wrong to steal!

A law enforcement officer's badge is a symbol of public trust. There is no substitute for high principles!

Compromise, personal feelings, animosities and prejudices have no place in police service. Free handouts, cut-rate prices, gratuities, and preferential treatment are luxuries an officer can no longer accept if he or she is to keep his professional dignity. Absolute integrity is the only answer!

During 1974, let us make certain that the ethics which our work reflects; the ethics which we have pledged to uphold; and the ethics in which we believe are one and the same—the ethics of good police service. Then we can say that we, in law enforcement, have tried to make the best possible contribution to the American "Harvest."

A TRIBUTE TO RT. REV. MARIO J. PONSIGLIONE, PASTOR OF ST. THERESA OF THE INFANT JESUS CHURCH

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. BIAGGI. Mr. Speaker, it is my pleasure to join with thousands of my friends and neighbors in the Bronx who have and will pay tribute to the Right Reverend Mario J. Ponsiglione, who is retiring after almost 50 years of dedicated service to our Lord. It is only fitting that as Father Ponsiglione reaches this final milestone in his long and illustrious career, that his many friends and parishioners take time to acknowledge numerous accomplishments of this fine man and spiritual leader.

Father Ponsiglione, although born in Naples, Italy, always considered the Bronx to be home, for it was here that he spent the majority of his years. He was schooled at the Bronx's finest schools including Fordham Prep and University. Ironically, Father Ponsiglione had originally intended to become a doctor, but was dissuaded, and then chose the priesthood for his vocation, a decision which thousands of Bronxites are most grateful for and a decision which Father Ponsiglione himself considered to be the most important he had to make.

After serving our Nation with distinction in World War I, Father Ponsiglione obtained his bachelors of arts degree and began his study for the priesthood. A mere 4 years later, in 1925, he took the sacred vows for the priesthood in the Eternal City of Rome. His first mass was a moving experience, celebrated at a crude stone altar in the ancient catacombs of Saint Domitilla under the city of Rome.

Upon his return to the United States, he was assigned as curate to the Church of Our Lady of Loretto in Manhattan where he served for 2 years. Shortly thereafter, and at an unusually young age, he was appointed pastor of the Church of St. Rita in Staten Island, where he spent 9 fruitful years. It was here that he acquired the pastoral experience and maturity which were to be invaluable assets to him in the years ahead. Two more pastorates, at the Church of the Holy Family in New York, and the Church of Our Lady of Mt. Carmel in Yonkers deepened his pastoral wisdoms and skills.

The date May 3, 1946, might not signify much to many people but to those of us in the Bronx, it represented a very important date, for this was when Father Ponsiglione received from His Eminence Francis Cardinal Spellman the appointment as pastor of the Church of St. Theresa of the Infant Jesus.

He immediately plunged into his new job with the same verve and dedication which had marked his previous pastoral positions. He immediately turned his attention to the most urgent problem that the young parish was facing, namely providing the children of the parish with a Christian education. He skillfully raised the funds and acquired the workers which in less than 10 years made this dream a reality. Despite a series of uncontrollable adversities, on September 12, 1955, the new school was officially opened to the delight of the parishioners. As a result of this achievement and others. Father Ponsiglione was awarded the distinguished honor of being named Domestic Prelate in the Household of His Holiness, Pope Pius XII.

Not content to rest on his laurels, the new Right Reverend Ponsiglione continued his work on behalf of St. Theresa's Church. In rapid succession, a new convent for the teaching sisters, a new rectory, and a complete renovation of the church were accomplished under his expert guidance.

Yet being a pastor of a congregation as large as St. Theresa's in the 1960's meant a great deal more than fund raising and making external improvements. The 1960's represented one of the most dramatic eras in the history of the Catholic Church. The most significant developments were the major revisions in the centuries old customs of celebrating masses. These changes mandated in the first session of the Vatican Council were profound, as they affected the most basic part of the mass, the sacred liturgy. Father Ponsiglione seized the opportunity and made the transition from Latin to English masses, as well as the more confusing changes, easy for his parishioners. Soon thereafter, the members of St. Theresa's Church were participating as fully in the "new masses" as they had in the old.

Unfortunately, Father Ponsiglione's tenure as pastor was not without its tragic moments. On February 7, 1965, a spectacular fire gutted the entire St. Theresa's Church to which Father Ponsiglione had dedicated so much of his life. Despair and anguish filled the hearts of the parishioners. Strong leadership and determination were needed and expertly provided by their pastor. Through hard work and a great deal of community effort, the church was soon restored into the important house of worship it once was. Father Ponsiglione had been committed to restoring the former beauty of the church and today the beautiful Church of St. Theresa of the Infant Jesus stands as a living tribute to Father Ponsiglione.

To be a spiritual leader of the caliber of Father Ponsiglione, one must have the personal characteristics which inspire others. Father Ponsiglione possesses these qualities and more. His love of his fellow man, his patience and understanding, his deep personal sympathy for all in need of help, and his sense of involvement with the community, has endeared him an eternal place in the hearts of the thousands who have come in contact with him.

Father Ponsiglione through the years has blended a sense of tradition with a keen knowledge of the needs of the present. He recognizes that the role of a priest in today's world requires far more than merely celebrating masses. He seeks to transmit the word of God to all, not just those who attend church. The love of God which he transcended to his servants in the priesthood, is an active love. It requires the personal strength and unyielding faith in men which has made Father Ponsiglione such an outstanding and beloved priest.

Mr. Speaker, there are many more words and praises which could be dedicated to Father Ponsiglione, yet he for one would feel uncomfortable receiving them. Actions do speak louder than words, and it would be far more appropriate if we were to carry on our lives in the same tradition of Christian love and brotherhood which characterized the life of this great servant of God, Father Mario Ponsiglione.

I would like to close with a tribute paid to Father Ponsiglione by a parishioner, and which is shared by all of us who know Father Ponsiglione:

> May God reward his family who have given him to us. May God continue to bless his brother-priests with the guidance and comradeship which he provided. May God continue to bless us, his unworthy flock, with the grace of his presence in our midst. Grant it O Lord, we humbly pray.

THE THREAT TO MARINE MAMMALS

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. YOUNG of Georgia. Mr. Speaker, this morning's edition of the Washington

Post carries an excellent article by Mr. Lewis Regenstein, who is executive vice president of the Fund for Animals and, more importantly, a native of Atlanta, Ga.

"The Threat to Marine Mammals" should be a matter of serious concern to every one of my colleagues and, with permission, I insert the article as follows:

THE THREAT TO MARINE MAMMALS

A recently-enacted U.S. law, designed to protect whales, seals, dolphins, porpoises, sea otters, polar bears, sea lions, walrus, manatees, and dugongs, is in serious danger of being dismantled; and conservationists are now involved in a major struggle to prevent the Marine Mammal Protection Act of 1972 from being crippled beyond repair.

The Marine Mammal Protection Act provides, with a few exceptions, for a general moratorium on the "taking" (killing, capture, wounding, harassing) by U.S. citizens of almost all species of ocean mammals. It also prohibits the import into the U.S. of any furs or other products from these creatures, thus removing much of the economic incentive for other nations to kill them.

However, one of the major flaws in the Marine Mammal Protection Act is that it gives the Secretaries of Commerce and Interior wide discretion to issue individual permits for the taking of sea mammals; and under certain conditions, they can even lift the moratorium completely and allow the resumption of commercial exploitation on any and all of these species.

A major threat to the law is posed by the Fouke (fur) Company, of Greenville, South Carolina, the only large American processor of sealskins.

Fouke is now pressuring the Commerce Department to lift the moratorium on foreign seal imports to allow it to bring in up to 70 thousand sealskins from South Africa each year for the next 10 years. The South African seal kill takes place from June to October, when tens of thousands of baby seals are clubbed on the head, and then stabbed to death with stiletto knives. The baby seals are then slit down the front and the pelt is peeled off.

The law makes it unmistakeably clear that its intention is to put a halt to U.S. involvement in the killing of baby seals. Section 102 of the Act states unequivocally that "it is unlawful to import into the United States any marine mammal if such mammal was nursing at the time of taking, or less than eight months old, whichever occurs later."

Nevertheless, the Commerce Department now seems to be moving towards granting Fouke's current request to abolish the "moratorium" for 10 years on the import of South African cape seals, even though many of these seals are nursing when they are killed. The Commerce Department's National Oceanic and Atmospheric Administration (NOAA) and its agency, the National Marine Fisheries Service (NMFS), have already prepared a biased and totally unnecessary draft Environmental Impact Statement (EIS) on the effect of allowing the import of these sealskins. (However, the statement, curiously, does not point out the ecological dangers of killing off vast numbers of seals each year. This is not surprising in light of the fact that the EIS was drafted largely by several NMFS biologists, who are or have been involved in running NMFS' own seal kill in Alaska, which netted the U.S. Government a profit of $1.8 million in 1973.

Another complicating factor is that much of the seal kill takes place in South-West Africa (Namibia), which the United States, the United Nations, and the International Court of Justice consider South Africa to be illegally occupying in violation of international law. This makes it even more difficult for the Secretary of Commerce Frederick Dent, to endorse and approve the South African seal hunt, as the law requires if the moratorium is to be lifted.

In addition to Fouke's permit application, attacks on the Marine Mammal Protection Act are being made from other quarters as well. The state of Alaska is attempting to have the moratorium lifted for that state (which contains most of the resident sea mammals found in the U.S.) to allow the resumption of commercial and "sport" killing of whales, seals, and sea lions (now under the jurisdication of the Commerce Department) and sea otters, walrus, and even polar bears (now under Interior Department authority).

And the U.S. tuna industry is pushing Commerce to allow it to continue killing over one hundred thousand dolphins (or "porpoises") each year.

If the above applications are granted, it will be the beginning of the end of the law's effectiveness; and the door will be opened to removing protection to additonal vulnerable species, such as whales and sea otters, which are of interest to commercial exploiters and other vested interests. At the present time, the decision as to if and when to lift the moratorium for most of the species involved is being made by two Commerce Department officials; Dr. Robert M. White, Administrator of NOAA, and Robert W. Schoning, Director of NMFS. Their decision could well determine, the fate of several hundred species of wildlife, whose survival may ultimately hinge on whether or not the Marine Mammal Protection Act remains intact.

SEATBELT-INTERLOCK NIGHTMARE

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. COLLINS of Texas. Mr. Speaker, I wonder how many of my colleagues have had a nightmare experience with the buzzer system. Whoever dreamed up this plan must have visualized it in his padded cell at the asylum.

There have been instances where the system works. But to those of you who have experienced the frustration of its confused electronics, I give my warmest sympathy.

We must pass a law making this equipment optional. If a person wants it, let him have it. But for those of us, who still admire the American tradition of freedom of choice, let us not have this starter seatbelt gismo forced onto our automobiles.

I read an interesting reprint in the May 10, 1974, issue of National Review. This is from the manual and is an exact excerpt from the "Seat Belt System Owner's Guide."

THAT SEATBELT IGNITION/INTERLOCK SYSTEM

A safety system designed to reduce injuries and save lives. Mandatory on all 1974 cars. (Unless air bag equipped.)

1. Get in your car.

2. Fasten your lap/shoulder harness.

A. If you have a front seat passenger, his seatbelts must be fastened also, or the car will not start.

B. If you have a package, handbag, briefcase, etc., weighing 25 lbs. or more, and have space only in the front seat, place the object on the front seat, and *then* buckle the passenger-side belt.

C. If you have a dog weighing 25 lbs. or more occupying the passenger seat buckle the passenger-side belt *before* attempting to start car.

D. If the passenger-side belt is already buckled when you add the package, dog, or passenger, unbuckle, then rebuckle the belt before attempting to start car.

3. Start your car.

A. If your car won't start, try unbuckling and rebuckling your belt (and your passenger's) to be sure the buckle was fully fastened.

B. If that fails, turn the ignition key to "ON," then get out of your car and raise the hood. Press the bypass switch mounted on the fire wall to "START." Close the hood, get back in your car, buckle up, and turn your ignition all the way in normal starting.

C. If your car stalls, *do not turn the ignition to* "OFF" position. That way you can keep trying to start your car as often as necessary without leaving the car.

D. If you accidently turn the ignition key to "OFF," turn it back to "ON," unbuckle, get out of the car, open the hood, press the bypass switch again for another "free" start. (Incidentally, if the bypass switch is taped down, the action will be detected in the switch and canceled.)

4. Drive your car.

A. If your dog is on the floor when you begin driving the car, and then jumps on the seat and the passenger-side belt is unbuckled, a buzzer will sound. Stop the car and buckle the belt.

B. In a somewhat rare situation when driving over a very rough road, you may be bounced about in your seat. Should your engine be stopped, remain buckled in your seat and restart your car. A "bounce-time" delay (designed primarily to allow you to straighten your clothing after buckling up) also allows a restart in this situation.

SOLAR HEAT

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. McCORMACK. Mr. Speaker, when my Subcommittee on Energy began consideration of legisation to encourage use of solar energy for heating and cooling of homes and other buildings, one of our first activities was to visit the home of Dr. and Mrs. Harry Thomason, in District Heights, Md. This home is primarily heated by solar energy, which means that the Thomasons' use of other fuels for home heating has been cut by more than three-quarters.

Mr. Speaker, Dr. Thomason has demonstrated that one individual can construct a solar heated home with simple, inexpensive materials. His solar home has been operating well for several years.

Dr. Thomason and other expert witnesses before my subcommittee testified that the technology for combined solar heating and cooling is now at hand. In fact 10 years from now, one out of every 10 new homes built in this country can be partially heated and cooled using solar energy. Moreover, if 15 years from today, only 5 percent of our homes and buildings receive 80 percent of their energy for heating and air-conditioning from solar energy, this will represent a savings of fuel equivalent to about 600,000 barrels of oil per day. At $10 a barrel, this would constitute a savings of $6 million a day or about $2 billion a year for the people of this Nation.

But none of this will be possible unless we begin immediately—with a program to demonstrate the technological and economic feasibility of solar heating and cooling—so that government, the utility manufacturing industry, the building construction industry, and the mortgage industry all organize their planning to include processes conducive to the development of solar heating and cooling on a significant scale. Research and development is no longer needed for this step forward.

On February 13, the House of Representatives passed H. R. 11864, the Solar Heating and Cooling Demonstration Act of 1974 which was unanimously reported by the House Science and Astronautics Committee. The chairman of the committee, OLIN E. TEAGUE of Texas, provided dynamic leadership in assuring the overwhelming majority by which the bill passed.

In addition, on April 30 the House passed energy research appropriations bill, H.R. 14434. This legislation included appropriations for our Solar Heating and Cooling Demonstration Act which, having passed the House, is now awaiting Senate action. I am hopeful that the other body will act in the very near future both to pass this legislation as well as the necessary appropriations for it.

Much of the credit for our success is due to the inspiration of Harry Thomason and his demonstration solar home. Now, an article describing the Thomason home has appeared in the May Reader's Digest.

In order that Members of both Houses of Congress may know in detail about how solar heating actually works, I include this article, "A House that Runs on the Sun," in the RECORD at this point:

A HOUSE THAT RUNS ON THE SUN

(By Blake Clark)

If you had a house like Harry Thomason's, you would feel a lot easier about the fuel shortage. A four-bedroom rambler with full basement and a small indoor swimming pool, in District Heights, Md.—a suburb of Washington—it is heated chiefly by solar energy. Harnessing the sun cuts Thomason's use of other fuels by more than three fourths.

A joint report by experts at the National Science Foundation and NASA says that we have all the technology we need to heat and cool houses by solar energy. But costs of the sophisticated materials are high, and general use will come only when costs come down or fuel prices go even higher.

Thomason built his first house and heating system 15 years ago, utilizing simple, inexpensive items, all assembled on the spot. Savings on oil paid for the solar equipment in seven years, so for the past eight years most of the heat has been a gift, pollution-free, from the sun. He has constructed three solar-heated houses in all. Two are rented, and have paid for themselves.

How did he do it? A patent attorney and engineer, Thomason had been fascinated by the age-old dream of capturing power from the sun—which radiates more energy in one second than man has used since the beginning of civilization.

In 1956, during a hot, sunny afternoon at his wife's home in North Carolina, a sudden thunderstorm blew up. As he dashed into a barn for shelter, drops of warm water dribbling off the rusty sheet-metal roof pelted his bare head. Like lightning from a cloud came the concept: a dark-colored metal roof is a heat collector. Just run water down its sun-baked surface into a container, he told himself, and you've captured solar energy.

When the sun reappeared, Thomason held a thermometer under the hot metal roof. *Ping!* It broke as the mercury passed 140 degrees.

Thomason, at 35, was supporting his wife and five children with a full-time job in the U.S. Patent Office, going to law school five nights a week, and in the summer building houses to rent. Patent Office employes aren't permitted to apply for a patent, and he wanted one. So he eventually quit his job, became a patent adviser at the Pentagon, and spent evenings and weekends building a house to be heated by solar energy. Everyone in the family, even the six-year-old twins, pitched in.

To collect the sun's heat, he fashioned a roof of corrugated aluminum, facing south and a little west—insulated underneath, painted black to absorb the sun's rays, and covered with plastic and glass to keep the heat in. In the basement he set a 1600-gallon tank and, next to it, a small pump to send water from the tank up to a pipe running the length of the roof ridge. Perforations along the pipe let the water flow down the sun-warmed roof to a gutter. From the gutter, the heated water traveled back to the tank. Harry then surrounded the tank with three truckloads of fist-size rocks, to absorb its heat. Next, he installed a small blower to send air around the warm rocks and on through ducts into the house's various rooms. Finally, he added an auxiliary furnace to back up the solar heater when necessary.

On a sunny October day in 1959, the Thomasons moved in. The next two months were moderately cloudy and chilly, but all their heat came from the sun. Not until December 21, in the middle of the night, did the auxiliary furnace kick on for the first time. It ran 15 minutes, using one quart of oil. The next night, it ran 30 minutes.

Thomason's application for a patent on the heat collector was still pending. On the day appointed for the patent examiner, his boss and the chief building inspector of Prince George's County to come see the system, the weather was so cloudy that Thomason wanted to postpone the meeting. He couldn't. So, while the three officials watched, he turned on the water. It went onto the roof at 70 degrees—and seconds later came down eight degrees hotter. Even the inventor was surprised that his heat trap proved so efficient on such a day.

"Shake the thermometer and try it again," commanded the inspector. The measurement was confirmed.

Through that entire winter, which brought near-zero temperatures and 25 inches of snow, the auxiliary heating system registered only 31 hours of operation, using 31 gallons of oil. Thomason's total fuel bill for the winter (oil then cost 15 cents a gallon) was $4.65. In the two houses built since—with a smaller solar collector, and single glass cover—the sun has provided about 75 percent of the heat.

During the following summer, Thomason adapted his system to air conditioning. Instead of running water over the south roof during the day, he ran it over the north roof at night, after the surface had cooled. That lowered the temperature of the water in the tank and cooled the surrounding stones. The blower then sent chilled air through the house. When he built his second house, in 1960, he substituted an electric compressor for the roof-top cooling method, to cool the tank and store up cold even on hot nights—the hours that involve the least energy drain. In his third house, he incorporated a dehumidification system for even greater comfort.

Maintenance? Thomason's system has proved reasonably trouble-free, repair costs running about the same as for ordinary oil heating systems. A few panes of glass, broken by stones or high winds, have had to be replaced. A water leak, on the first solar-heat collector, was fixed by substituting a corrugated aluminum of a slightly different pattern. And when the plastic cover started deteriorating, Thomason removed it, leaving just the glass cover. Maintenance of these solar houses is simplified by the fact that virtually evertyhing used is "off the shelf": ordinary window glass, and corrugated barn-type roofing; fiber glass insulation; a plain steel tank, a 1/6-horsepower blower, standard thermostatic control unit; stones from the field.

Until the beginning of the energy crunch, few people took notice of Thomason's achievement. This is no longer true. Harvard physicist William A. Shurcliff has pronounced his system "irritatingly simple and strikingly successful." Chairman Mike McCormack and other members of the House subcommittee on energy visited Thomason's house one snowy day in 1973 and found it a comfortable 72 degrees, with no dependence on auxiliary fuel. McCormack and 187 cosponsors introduced a bill calling for a $50-million outlay over the next five years to provide for further research and the eventual development of solar heating and cooling units for mass commercial use. The bill has passed in the House and is pending in the Senate.

Figuring costs over the life of a house, Thomason says his system is cheaper than oil or electricity. He estimates that, at present prices, it adds about $2000 to the construction cost of a four-bedroom house. But, in a climate like that of Washington, D.C., it reduces energy cost by some $200 per year compared with oil, or $400 a year compared with electricity. (His current heating-and-cooling bill, in house No. 3, is about $10 a month.) At this rate, the system is paid for in at most ten years. Rising fuel costs will speed the payoff date.

Can solar heating ease the fuel shortage? Arthur D. Little, Inc., the think tank and consulting firm, reckons that if solar energy provided one percent of the nation's energy needs by 1983, approximately 100 million barrels of oil per year would be conserved. The National Association of Home Builders estimates that we will construct 1.6 million new houses in the United States in 1974. If ten percent were to obtain three fourths of their heat from the sun, we would save the equivalent of 180 million gallons of oil a year on them alone.

Not everybody would want a solar-heated house. In some areas—the Washington and Oregon coastline, for example, where the weather is frequently cloudy—solar heating might not be an economy. Because Thomason's system requires a south-facing roof with a tilt of 10 to 20 degrees more than the latitude of the house, and basement space for tons of stones, conversion of existing houses to his system is likely to be impractical. Otherwise, builders and architects in many parts of the country can erect a successful solar-heated dwelling.

Harry Thomason's solar-home design will not unhinge the pincers of the energy crunch. It may not become the Model T of the solar-home industry. But it is a bright little light at the end of a long, dark tunnel.

PERPETUAL MOTION HANDICAPS

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, Wednesday's New York Times carried a column by the perceptive and intelligent observer of current events James Reston.

His observations are in my view worth careful consideration by all Members. The spectacle of the U.S. Secretary of State shuttling back and forth in but one part of the world distresses me greatly.

No matter how laudable and important is the effort to achieve a disengagement on the Golan Heights there are increasing stresses and strains elsewhere to which proper attention is not being paid and I would hope Dr. Kissinger will return immediately to attend to those matters more fully.

The article follows:

Perpetual Motion Handicaps

(By James Reston)

In the last three weeks, while Secretary of State Kissinger has been trying to arrange a cease-fire between Syria and Israel, India has set off a nuclear explosion, France has elected a new president, West Germany has a new chancellor, and some kind of political transition or upheaval is going on in China.

These are merely the symbols of new forces, new alignments,, and powerful new personalities moving in the world, and while it is easy to admire Kissinger's achievements in the Middle East, the result of his restless diplomacy is that he unavoidably neglects other critical developments.

The control of nuclear arms, the avoidance of war between China and the Soviet Union, the battle against inflation, hunger, and soaring raw materials prices, and the stability and unity of new governments in Europe and the rest of the Free World all rank along with peace in the Middle East as the principal questions of world politics today. And in all of them, Washington has a critical role to play.

Washington cannot play that role, however, under present circumstances. President Nixon is determined to give the impression that he is running the government, but obviously he is trying to save his political life.

Meanwhile, operating the government here depends on members of the Cabinet and the civil service. And the reorganization and revival of confidence at the Department of State depends on Kissinger, who took over there last Sept. 22.

Since then, he has been out of the country 3 days in October, 11 in November, 14 in December, 10 in January, 14 in February, 5 in March, and forgetting time out for a honeymoon in Mexico, he has been away since late April and all of May, and will probably have to spend most of June in Europe and Moscow, preparing for the President's visit to the Soviet Union in the last week of next month.

Kissinger hasn't had time to organize the State Department to deal with all these critical worldwide developments while he's away in the Middle East; he delegates authority grudgingly to acting Secretary of State Rush; and he's not available to testify in Congress on vital legislation such as the defense appropriations and the foreign assistance bills.

This does not mean that he's out of touch on his shuttle plane between Damascus and Tel Aviv. The art of communication has advanced since Dulles was flying around the world. He gets between 5 and 10 messages from the State Department every day—and between 15 and 20 from other departments on pressing matters. And he can get back from his flying communications center within hours, but this is a substitute and not an answer.

The strength of the Kissinger system in the Middle East is its weakness elsewhere. Where he concentrates—whether on Chou En-lai in China, on Brezhnev in the Soviet Union, on Sadat or Faisal or President Hafez Assad of Syria, on the political leaders in Israel or the political leaders here on Capitol Hill—he has a remarkable gift of persuasion.

But strong as he is, physically and mentally, he cannot deal effectively with all this by himself, without organizing his department, unless he can invent the 48-hour day. The way things are going, he is trying to do everything.

He can't go on doing all these things together. Maybe his new wife will have to tell him. Somebody is going to have to get him off that merry-go-round and bring him home to deal with the whole world as Secretary of State.

WHY I OPPOSE ABORTION

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. HOGAN. Mr. Speaker, recently, the chief resident for obstetrics and gynecology at Boston City Hospital was indicted for causing the death of a 24-week old fetus.

A frequent pro-life author, David Brudnoy, published an article in Human Events on May 18 which discusses the Boston tragedy. I wish to have the article inserted in the Record at this point and I commend it to the attention of our colleagues:

Why I Oppose Abortion

(By David Brudnoy)

During the past few weeks we have been confronted in Boston by startling revelations of fetal manslaughter and what is technically called "grave robbing." First brought to light over the Easter weekend, the disclosure may well serve to help turn the tide of public opinion against the contemporary abortion rage.

Dr. Kenneth Edelin, chief resident for obstetrics and gynecology at Boston City Hospital, stands indicted for causing the death—actual procedure of the act of killing as yet unpublished—of a 24-week-old fetus, called a "viable baby boy," by the prosecutor District Attorney Garrett H. Byrne. Rumors have circulated, unfounded as yet, that the manner of death was live dissection.

In addition to the Edelin indictment, four other physicians, all currently or formerly with Boston City Hospital, have been charged with violating an old Massachusetts law forbidding the carrying away of human bodies or remains for dissection purposes: in this instance, for medical research on fetal tissue, research the purpose of which is surely benign, however bizarre the means.

As is well known, the so-called "strict constructionist" Supreme Court now under the near-domination of Nixon appointees ruled a year ago that states could not legislate against abortions in the first several months of pregnancy.

This has led states such as Massachusetts to rush headlong into a wholesale traffic in legal abortions. Not content to let New York serve as abortion capital of the nation, the Bay State abortion lobby has been vying of late for that honor.

There are few issues so horrifying to those who respect human life, and few so exciting and conducive to outright viciousness in the minds of those who put the alleged convenience of the mother ahead of the rights of the unborn child in its fetal state, as abortion. Part and parcel of contemporary radical-chic is the cry: "It's a woman's right to do as she wishes with her body," as if the fetus were of no other nature than, say, a hangnail or a tonsil.

Moreover, liberals tend strongly to join their radical friends in favoring some variant of an abortion-on-demand position, and conservatives divide into the familiar libertarian and traditionalist camps on this issue. Increasingly, however, some libertarian conservatives have come to see feticide (or, more fashionably, abortion) as violative of just those individuals rights about which libertarians constantly speak in such glowing terms.

In Boston, Dr. Mildred Jefferson, a professor of surgery and an avowed "individualist," argues persuasively that the rights of the fetus do not in fact violate the legitimate rights of the woman who temporarily carries the fetus within her. WBUR-FM radio talk show host Douglas W. Cooper, another libertarian-conservative, makes a similar case so successfully that he long ago convinced me (previously a pro-abortion advocate) of his position.

The argument has not abated since the Supreme Court ruling. In fact, it has grown more intense. Those who champion abortion must stand adamant in their insistence that a fetus is not a human being. They must, that is, deny the building evidence within the biological sciences that all sorts of human functions have their inception in the earliest weeks of gestation. They must blind themselves both to fact and to considerations of humanity. If, that is, they wish to convince the general civilian population of their position.

Thus far, the pro-feticide lobby has been quite successful. Those who oppose abortions are considered fanatics—"right-wing reactionaries" is a favorite epithet—and our insistence that fetuses are human beings is pooh-poohed constantly.

If one believes that it is all right to abort fetuses at will, it is likewise all right to assume that the aborted "thing" is not human. That is the logic, for want of a better word, employed by the abortion proponents.

But once one admits that a fetus can emerge alive from the abortion procedure—and this happens with alarming regularity—must it not also be admitted that the fetus is a human being? To the abortion lobby the answer, obviously, is no.

The abortionists and their supporters make an absolute distinction between fetal life and infantile life, and manifest a (to me) amazing tender-mindedness about little children who are allowed to come to term while simultaneously denying to fetuses any of that compassion. Somehow, seven to nine months in the womb makes the fetus a human being, but less than seven months makes the fetus merely an object, to be dealt with as one would with one's appendix.

The question arises: how does one properly decide the cut-off point between humanity and thing-ness? At the moment, those pushing for abortion on demand seem content to leave it at the Supreme Court's addled decision (26 weeks or less and the fetus can be aborted with no fuss from the law; 27 weeks and after, and the states can legislate as they wish); they insist on aborting as many fetuses as they can get their hands on.

But in accepting that cut-off point, if it is not wholly tactical and something which in due course they will tidy up by pushing for an extension of the gestation period in which abortions are legal, are they not admitting that, say, a seven-month-old fetus is quite likely to become viable if aborted at that stage?

And once they have acknowledged that a fetus is a human life *sometime* before its full nine-month gestation period, where does their case for abortion go?

It goes, no pun intended, to seed. They

would of course be happier if they could perfect their abortion devices so that *no* fetus emerged live from the operation. There would then be no messy problems to confront, given the Supreme Court's carte blanche for legalized killing of fetuses. But even medical science, supposedly devoted to *preserving* life, not to destroying life, has yet to work out a sure-fire way to obliterate every fetus's life while he is being aborted.

And so we return to Dr. Edelin and his colleagues—Doctors Leon Sabath, Leonard Berman, David Charles and Agneta Philipson—who must now find some way to justify what they are doing. Dr. Edelin will face a rather tough go of it should he be brought before a jury of his peers: The incontrovertible evidence is that the fetus in question was born live and that Dr. Edelin snuffed out that life in some manner.

Doctors Sabath, Berman, Charles and Philipson may get out of it by pleading that the obscure Massachusetts law really doesn't apply to medical researchers fiddling with fetal tissue. And they will likely have an easier time of it than will Dr. Edelin.

Yet however gruesome and saddening are the incidents, they do focus attention on the mass killing of hundreds of thousands of human beings under cover of law, that Supreme Court ruling which will likely go down in history as this tribunal's most infamous decision in modern times.

The problem for those who oppose this type of mass killing is compounded by the matter raised earlier, the division in conservative ranks. However reasonable the traditionalist-conservative position on abortion, it cannot carry the day against the liberal-radical alliance without the additional support of libertarians and disaffected liberals.

Passivity plays into the hands of the pro-abortionists: many people oppose abortion but do nothing about it, whereas the feticide lobby is constantly at work stressing the "humaneness" of abortion, insisting upon the woman's alleged rights to do anything she pleases with her body, even including destroying other human beings temporarily residing within her body.

Somehow, the liberal, however uneasy he may be about what he can easily learn about the proliferation of abortions even in the twilight zone between automatic death to an aborted fetus and possible viability after abortion, feels "liberation" and modernity require assent to the feticide position.

So it is as well with many, probably most, of the libertarians within conservatism. The same unwillingness to accept the clear-cut evidence of biology infusing the liberal mind on this matter, occasions in the libertarian an obduracy masquerading as respect for individual rights.

I would insist to my libertarian-conservative brethren that abortion is a special case, not easily absorbed into the general case for individual freedom. Quite simply put it is this: As all libertarians insist, one has no right to initiate aggressive behavior against innocents; fetuses, even though they must (at present) develop for some months in another person's womb, are the most innocent of all human beings, having committed no acts whatsoever except living; therefore, to kill a fetus is to commit precisely the most unjustified form of killing.

It is this that must be brought home to the libertarians within our ranks, else they will, in their enthusiasm for a maximization of the realm of individual decision-making, commit the absolutist error and refuse to make the critical distinction that separates feticide from other forms of activities which libertarians (such as this writer) believe an individual should be free to commit—on himself or herself.

The Boston incidents bring these issues immediately to the fore. They direct attention to the difficulty of creating some arbitrary cut-off point before which one can slaughter innocent fetuses: the Edelin case involves, and this deserves stress, a fetus born live, then subsequently killed. Dr. Edelin is charged with manslaughter, technically not "murder," but to the layman a form of murder nonetheless.

To bring more people around to the pro-life position, publicity must be given to the Boston scandals. Encouragement also must go to those congressmen supporting various proposed constitutional amendments forbidding abortions. Sen. James Buckley (C.-R. N.Y.), Rep. Lawrence Hogan (R.-Md.) and others are currently championing amendments along this line, and they will surely work for them more vigorously if they know that their constituents are willing to fight for such a change.

At bottom, the issue boils down to this: Is a fetus a human being or is he not? If he is a human being at any stage along the way from implantation to emergence from the womb, then biology insists that he is a human being from the earliest point, however odd or "non-human" he looks.

It is a national disgrace, this legal tolerance of the murder of innocents. There are Right to Life chapters in many cities and states and they need the support of citizens outraged at this situation. Publicists such as Arizona Right to Life officer Dexter Duggan, a libertarian and another of those who in recent years have helped inform this once pro-abortion writer of the error of his ways, work diligently to make information available to the general public.

The push will not be easy, nor is it assured of victory. Although the Supreme Court could in future rule contrary to its 1973 decision, this is unlikely so long as the present court sits. The ruling was seven to two, and it is unlikely that either Richard Nixon or any likely liberal successor will be appointing anti-abortion justices to the Supreme Court.

The amendment process is difficult and long in most cases. The concurrence of three-fourths of the states, following upon either initiative from several state legislatures or a two-thirds vote of Congress, is necessary for passage of any constitutional amendment.

The issue is still in doubt. Opinion polls indicate that the nation is at present nearly evenly divided on the matter. Much more educational work is needed, and there are pro-life groups and individuals everywhere doing it. What has surfaced in Boston in the past weeks is likely to generate more support for the anti-abortion position.

BIG MEDIA

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. MICHEL. Mr. Speaker, we are all familiar with the terms, "big government", "big business" and "big labor." An editorial from the May 20, 1974, edition of the Peoria Journal Star discusses some of the problems confronting "big media" and I include the text of the editorial in the Record:

Big Media Is Trapped

The big newspapers that swept into the "resignation" camp after the transcripts came out were welcomed with open arms by the TV newscasters—and rightly so.

But their falling like a row of dominoes rather completes a scenario which has yet to be presented to the American people—and may be presented with devastating effect one day.

It is as simple as this.

Big Media has blindly got itself into a position as dangerous as that which the Democratic party perceived and wisely backed away from.

It isn't a happy long-term spot.

In the light of the whole chain of events, capped by these "resignation" pitches, Big Media stands at the point where if anything DOES happen to Richard Nixon, Big media is going to loom as a larger threat in the public mind than Big Business or Big Government ever did.

If Nixon is somehow removed, now, and becomes the first President in the history of the Republic to be cast out in good health, without assassination, in mid-term, Big Media will get the credit.

Some people will be angry. Some people will cheer—for a while. But almost all will feel that Big Media took charge of this country during this period.

This will be due partly to the Democrats coming out against resignation and partly to the full-tilt slavering of Big Media over irrelevant and prejudicial tid-bits of information, capped by the blitz of "resignation" editorials.

If the President is impeached, it will look as if Big Media chivvied the Democrats and frightened some Republicans into doing it. Only some spectacular and decisive piece of incriminating evidence (for which apparently all and sundry are still desperately searching) can make impeachment appear otherwise.

With a President tumbled from office in that fashion, suddenly Big Government and Big Business, alike, would shrink drastically in their apparent size, power and menace.

Alone in the monster field would stand Big Media, the biggest giant of all, and every little man would seem a pygmy alongside it—including Presidents.

At that point, of course, Big Media inherits the "hot seat" formerly occupied by Big Government and Big Business alternately.

What we need to understand is that Big Media did not and could not manipulate this affair, and does not have the capacity some think they have to manipulate such a future problem, either.

It was the frame of reference, not network gimmickry, that permitted some of the activities of the past year and more. The blossoming of an attitude of basic distrust of too much power is the real thing that placed Richard Nixon in a spot where he could not do anything right.

Big Media may have a chance to find out how that goes. For once the whole focus of this kind of power centers there—nothing THEY do can be "right." When everything is interpreted to suit hatred and that fear, you cannot win.

If the big TV networks try to simply silence revealations of how they handled Watergate, they will find that "covering up" only makes matters worse.

You'd think they would learn that from Watergate, but the selectivity of news and of words in which they now describe it shows otherwise.

STATEMENT OF FINANCIAL INTERESTS

HON. PAUL W. CRONIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. CRONIN. Mr. Speaker, the strength of democracy lies with the people's confidence in their government, and I firmly believe that toward this end elected officials must maintain the highest standards of honesty and integrity. One way for the American people to evaluate and judge the openness and honesty of the Congressmen they elect is through the public disclosure of every official's sources of income. At this point, I would like to disclose such information for the constituents of the Fifth Congressional District of Massachusetts by making it part of the public record of Congress.

STATEMENT OF FINANCIAL INTERESTS

Income: My 1973 income was derived totally from my congressional salary and $1,200 from honoraria. I had no other sources of income.

Personal Holdings: I own a 1970 Buick Le Sabre with a present market value of $1,800; a 1972 Buick Riviera, with a value of $3,100 and a note of $2,807.75; and a 1964 Beech Baron aircraft with a value of $35,000 and a note of $28,333.21.

Business Affiliations: I do not serve as a director, officer, owner, or partner of any business entity.

I would also like to have included in the RECORD a copy of the form on file with the Committee on Standards of Official Conduct.

The form follows:

PART A: U.S. HOUSE OF REPRESENTATIVES

STATEMENT OF CERTAIN FINANCIAL INTERESTS AND ASSOCIATIONS AS OF DATE OF FILING AND CERTAIN OTHER FINANCIAL DATA, COVERING CALENDAR YEAR 1973

Committee on Standards of Official Conduct

Member's named, Paul W. Cronin.
District, 5.
State, Massachusetts.

Part A: (See instructions and text of House Rule XLIV on reverse side).

The interest of a spouse or any other party, *if constructively controlled* by the person reporting, shall be considered to be the same as the interest of the person reporting.

1. List the name, instrument of ownership, and any position of management held in any business entity doing a substantial business with the Federal Government or subject to Federal regulatory agencies in which the ownership *is in excess of $5,080 fair market value as of the date of filing*, or from which income of *$1,000 or more* was derived during the preceding calendar year. Do not list any time or demand deposit in a financial institution or any debt instrument having a fixed yield unless it is convertible to an equity instrument.

Business entity, Instrument of ownership, Position of Management, Member has no ownership position in any business entity doing substantial business with the Federal government or subject to Federal regulatory agencies.

2. List the name, address and type of practice of any *professional* organization in which the person reporting, or his spouse, is an officer, director, or partner, or serves in any advisory capacity, from which income of $1,000 or more was derived during the preceding calendar year: Member and his spouse derived no income from a professional organization.

3. List the *source* of each of the following items received during the preceding calendar year:

(a) Any income from a *single* source for services rendered (other than from the U.S. Government) exceeding $5,000 and not reported in section 2 above: None.

(b) Any capital gain from a single source exceeding $5,000, other than from the sale of residence occupied by the person reporting. (As reportable to IRS): None.

(c) Reimbursement for expenditures (other than from the U.S. Government) exceeding $1,000 in each instance· None.

(d) Source of honoraria *aggregating* $300 or more from a single source (*Name the original source, not a speakers' bureau*): None.

4. List each creditor to whom the person reporting was indebted for a period of 90 consecutive days or more in the preceding calendar year in an aggregate amount in excess of $10,000 *excluding* any indebtedness specifically secured by the pledge of assets of the person reporting of appropriate value: Member reporting was contingently liable for indebtedness secured by real estate held in trust created as of January 3, 1973.

Campaign moneys are not to be taken into account in this report.

NEWINGTON, CONN., FIFE AND DRUM CORPS AND COLOR GUARDS WINS ALL-AMERICAN CHAMPION HONORS

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. COTTER. Mr. Speaker, I was very pleased to learn that the Newington Fife and Drum Corps and Color Guard, from the town of Newington, Conn., in my district, has won the National All-American Championship for Fife and Drum Corps held at Myrtle Beach, S.C., in early May. Groups from many such corps throughout the country competed in the 3 day convention. Newington's practice paid off, as the group won the majority of awards presented at the championship competition.

In addition to the national championship, the entire Newington Fife and Drum Corps won the convention's music award. Numerous individual awards were also garnered in the musical categories. Kathy Malloy took first place in the individual fifing contest; Karen Hanse, Nancy Lovell, and Denise Imbert were second, third, and fourth place finishers, respectively, in the same contest. Newington's Erin Barry and Sandy Baranski finished in the top position in duet competition; while the Corps' quartet of Robin Gallagher, Erin Barry, Sandy Baranski, and Kathy Malloy copped first place also.

Newington's Color Guard was equally successful in its field of competition. In competition against some very good drill teams, the Newington squad took the championship in fancy drill. Joann Yannas completed the Color Guard's honors by winning third place in the Individual Flag competition.

The young people of the Newington Fife and Drum Corps and Color Guard should be very proud of their fine achievements. They have demonstrated a winning combination of talent, practice and dedication. The Corps members deserve recognition, not only for these achievements, but also for the hardwork they put into raising funds for the 5-day trip to the national competition. For over a year they worked at raising the needed money, and they succeeded on their own.

I am sure the Corps members would want me to mention their sponsor and instructors. The sponsor of the Newington Corps is their town's Park and Recreation Department. The Corps' director is Mrs. William Addis and their instructors include Patricia DeSilva, James Plaut, and William Addis. The department and these people deserve credit for their role in this successful competition.

I am sure all my fellow colleagues will join me in saluting the young people from Newington Fife and Drum Corps and Color Guard on their very successful year.

RAIL SERVICE FOR THUMB AREA

HON. J. ROBERT TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. TRAXLER. Mr. Speaker, rail service for the Saginaw Valley-Thumb area of Michigan was the subject of hearings held in Saginaw, Mich., last week by the Interstate Commerce Commission under the authority of the Regional Rail Reorganization Act of 1973.

I testified on behalf of the many people of the Eighth District who have expressed their concern to me about the possible loss of rail service to many rural communities. The Department of Transportation has designated as "potentially excess" over 300 miles of track in Huron, Sanilac, Tuscola, Lapeer, Bay, and Saginaw counties—nearly 60 percent of the total existing lines. If all of these lines were permitted to be abandoned under the final system plan, many communities would suffer irreparable economic damage.

In my statement, I point out that the DOT plan has come under heavy criticism by many citizens' groups and also by the Rail Services Planning Office of the ICC. The DOT analysis was simplistic, and ignored the economic and social impact that such wholesale abandonments might have upon the affected communities. I urged the U.S. Railway Association to reject the methodologies of the DOT report and to consider the recommendations of the Rail Services Planning Office's May 2, 1974, report.

Mr. Speaker, since this rail reorganization plan affects 17 States in the Northeast, many other congressional districts are facing the same prospects as Michigan's Eighth District. For that reason, I include my testimony at this point in the RECORD:

STATEMENT OF HON. BOB TRAXLER

My name is Bob Traxler, and I am the United States Congressman from the Eighth District of Michigan. I welcome this opportunity to speak on behalf of the people of the Saginaw Valley-Thumb area on the vital issue of continued rail service in this region.

On February 1, 1974, the Secretary of Transportation issued a plan which would permit the abandonment of over 300 miles, or nearly 60%, of the railroad lines in the Eighth District of Michigan. As the elected representative of the people of this area, I totally oppose the amputation of these rail lines which are so vital to the economy of this region.

I pledge to use the full resources of my office to prevent any rail service cutbacks that would adversely affect jobs and the economic well-being of the people of this area. I intend to keep in close touch with members of the Rail Services Planning Office and the United States Railway Association throughout the planning process, so that their Preliminary and Final System Plans will reflect more rational and equitable treatment of the rail service needs of the people of the Saginaw Valley-Thumb area.

The DOT Report, which was prepared hastily, used over-simplified profit-per-mile formulas to designate "excess" lines. These formulas ignored the mandate of Congress to consider the economic impact of proposed cutbacks on the areas served. In an effort to save certain railroads from bankruptcy, the DOT would plunge entire communities into bankruptcy. Furthermore, the assumptions, criteria, data, and methods used in the DOT analysis have come under heavy attack by a variety of citizen's groups and railroad experts, including the Rail Services Planning Office of the Interstate Commerce Commission. One thing is clear: the people of this area will not permit this ill-conceived plan to be foisted upon them by Washington. Rather than perform major surgery upon our railroads, we need to strengthen and improve this vital part of our national transportation system. A modernized railroad system is essential to ensure employment, provide for economic growth, conserve scarce energy resources, and protect our environment.

As a Member of the United States Congress, I charge that the Secretary of Transportation has violated the mandate given him in the Regional Rail Reorganization Act of 1973. In Section 206(a) of that Act, Congress stated that any plan for railroad reorganization should have among its goals:

Creation of a rail system "adequate to meet the rail transportation needs and service requirements of the region;"

The preservation of "existing patterns of service by railroads" and the use of modes of transportation which require "the smallest amount of scarce energy resources;"

The attainment and maintenance of environmental standards; and

"The minimization of job losses and associated increases in unemployment and community benefit costs in areas in the region presently served by rail service."

Despite these clear criteria, the Secretary conceded that his recommendations which would permit abandoning all of these rail lines were based upon simple statistical formulas and ignored these other statutory goals. I call upon the Railway Association to reject the Secretary's methods and consider the mandate of the Congress as it frames the Preliminary and Final Systems Plans this year.

In addition, the DOT plan has included the designation as "potentially excess" the rail lines of several solvent, profitable railroads in this area. Nowhere in the Rail Reorganization Act does Congress intend that profitable lines of profitable railroads be allowed to be abandoned. The Secretary's proposal clearly exceeds the authorization of the statute.

Fortunately, the Transportation Department's proposal was only the first step in a lengthier, more comprehensive planning process set up by Congress in the Act. The DOT Report, along with criticisms of that report by the I.C.C. and the public, will be forwarded to the United States Railway Association, a non-profit public corporation which will frame the ultimate plan later this year. Congress has reserved the right to approve the final plan before it takes effect. Hopefully, as this planning process goes forward, cooler heads will prevail, and the final plan will strengthen and improve our rail system, not butcher it.

An important factor that Congress built into the process was a provision for significant citizen input. If there was one thing I learned while campaigning for Congress, it is that people are tired of government directing their lives. They want to participate in the decision-making that åffects them so much. To the surprise of many government officials, the public interest and participation in this railroad issue has been overwhelming. Hearings were originally held in Detroit in March, and over two hundred witnesses offered testimony. Many others have sent in written statements and letters voicing their opinions. Today's hearings in Saginaw, and the ones to follow in Grand Rapids, Traverse City, and Marquette offer another opportunity to the many people who want their voices heard to speak out on this issue.

Because the public response to this issue has been so overwhelming, it is clear that more time is needed for public comment. More time is also needed for the government planners to analyze the data in order to put together an intelligent and fair system plan. Therefore, I am announcing today that I am co-sponsoring legislation in the House of Representatives to extend the period for public comment on the Preliminary System Plan, to be issued on October 29, 1974, from two months to five months. This added time is necessary in light of the complexity of the subject, the public response to the hearings held on the initial DOT report, and the economical and ecological impact on the communities and industries of this region.

Unfortunately, one group that has been strangely silent during these hearings have been the railroads themselves. The C & O Railroad, for example, is a solvent railroad. Its lines servicing Huron, Tuscola, and Sanilac counties in the Thumb have been apparently over-all profitable. The DOT plan would permit abandoning almost all of these lines, cutting off many communities from rail service altogether. Yet, as of this date, we have not heard from the C & O Railroad. Do they favor or oppose this plan? I call upon the railroads affected by the DOT proposals to state publicly, and not behind closed doors in Washington, their views on continued rail service in this area. I challenge these railroads to make their positions known.

The Interstate Commerce Commission recently issued a report analyzing the Transportation Department's plan. The May 2, 1974, Report severely criticized the DOT plan, stating that its conclusions were based upon questionable assumptions, criteria, data, and methods. My own investigation confirms these criticisms. The DOT plan began with the assumption that the way to construct an efficient, profitable railroad system was merely to eliminate all currently "unprofitable" lines. This assumption ignores the fact that after such wholesale amputation of rail lines, what is left may not even be a "system" at all. Rather, it seems evident that we need to examine why profits are low on certain lines. It may be that, rather than a lack of demand for rail services, the low use of such lines is due to the poor quality of service, including shortages of rail cars when needed, deteriorating facilities, and poor management. In many areas of the Thumb, for example, we have ample evidence that many, many more tons of goods would have been shipped on railroads last year *if there had been enough railroad cars available.*

The Department of Transportation plan applied a simple profit-and-loss test to each mile of track in the region, rather than considering such segments as part of an overall transportation system in a given area. Thus, the DOT criteria for determining the economic viability of many rural lines ignores the greater question of the economic viability of the geographical region if the lines were to be abandoned. The DOT Report assumes that any industry or community which loses rail service can easily and automatically switch to other modes of transportation. This simply is not true. There is evidence of a shortage of trucking capacity in certain areas. In some parts of the Thumb, there are no class A roads that could bear the additional truck traffic. Local communities simply could not afford to build new roads. Moreover, even when switching to truck transportation would be technically possible, the additional costs would cut the competitive advantgae of many producers, forcing some of them out of business.

Apart from the assumptions and criteria used, the DOT study also based its conclusions on questionable data. "Excess" lines were designated on the basis of 1972 carload origin and destination data supplied by the railroads. The use of a single year's data alone failed to take into account historical trends and future projections of demand for rail service. Moreover, it was found that billing points, rather than actual origin and termination points, were used. This caused inaccuracies and distortions in the data. Finally, there has been some evidence that 1972 data is particularly unreliable because that year was quite atypical.

I maintain that the only acceptable means of determining branch line viability is a detailed cost and revenue analysis, taking into account not only what is actually transported on a specific line, but what *could* be transported on a well-maintained and efficiently operated railroad. Data should be collected not only from the railroads themselves, but from actual and potential users as well.

Beyond the use of faulty data, the DOT also used a questionable formula for applying the data. The profitability of branch lines was evaluated using a formula created by R. L. Banks Associates. The Banks formula, however, is a theoretical one, and the Banks Report itself cautions that the results "cannot be fully endorsed as buttressed on sound statistical theory."

The overall application of these hastily drawn, questionable techniques resulted in a plan that could cause the wholesale abandonment of over 300 miles of rail line, or nearly 60% of the total trackage, in the Eighth Congressional District. This shabby analysis should not be allowed to result in the implementation of such a wholesale cutback of rail services.

As the May 2 Report of the Rail Services Planning Office says, the Secretary of Transportation's analysis ignores the overall economic implications on the communities which would be affected by these rail service cutbacks. The results in this region would be disastrous. The May 2 Report states that—

"The direct impact of the DOT's proposal will be an increase in the cost of doing business at locations along deficit branch lines. Higher freight rates on potentially excess branch lines will have to be absorbed by local manufacturers and their employees or passed on to consumers, . . . In agricultural areas, farmers may absorb the higher freight rates, capitalized value of farm land may decline, and prices of farm products may increase."

The minimum impact of the DOT proposal on the Thumb area, then, could be that higher transportation costs would result in higher prices for everyone involved, including the consumer.

But we have evidence that the impact would even be more severe than that. In the hearings that took place in Detroit in March, there was testimony that the lack of rail service would put some producers at such a competitive disadvantage that they could no longer compete in national markets with their products. Some concerns would have to close, throwing hundreds of working people out of jobs and plunging many small communities into near bankruptcy. These results cannot be tolerated; nor are they allowed by the mandate of Congress in the Rail Reorganization Act.

In the Saginaw Valley-Thumb area, for example, rail service to 44 communities, in which 52 individual bean elevators are located, could be terminated under the DOT plan. Since nearly one third of the navy bean production of this area is now moved to domestic markets in bulk hopper railroad cars, the effects of abandoning these rail lines would be devastating. These fifty-two elevators would not have the opportunity to bid on shipments to the major canning points in the U.S. Customers of these producers have made the capital expenditures to convert their receiving lines over to bulk deliveries. Secondary trucking to points that are still slated to have rail service would be an additional expense that would probably result in a lower quality product at greatly increased prices.

In addition to beans, this region produces a significant sugar crop. Yet, in the C & O line running through the Thumb countries is abandoned, the Michigan Sugar Company plant at Croswell would probably have to close, according to testimony at the Detroit hearings. Likewise, a firm producing mobile homes in Marlette would probably have to cease operations because the I-beams needed to construct the larger mobile homes could not be brought in by truck. Over 425 employees in this community of 1700 would be thrown out of work.

This plan could be an economic disaster to the Eighth District. The people, and their elected representatives, will not accept any plan resulting in massive abandonment of rail service while ignoring the social, economic, and environmental costs of such an action.

One thing should be clear from these hearings. The people of the Eighth District want more and better rail service, not less of it. In a time of environmental and energy crises, railroads can provide the answer to many of our transportation problems. Railroads are four times more efficient than trucks in the use of energy. Exhaust emissions per net ton mile of freight moved are 3.76 for trucks and 1.03 for railroads. Railroad lines can be constructed 100 times cheaper per mile than highways, and such lines are more efficient users of land, occupying about seven percent as much land as highway rights-of-way. It is evident that our national transportation system of the future should and will include significant amounts of rail transportation. We need to improve, strengthen, and modernize rail facilities. I urge the I.C.C. and the United States Railway Association to follow the mandate of Congress in fashioning a plan that will produce an improved, efficient rail system that will service the needs of all regions of the country, including the Eighth District of Michigan. I pledge to make continued railroad service one of my top priorities and will keep close to the planning process to ensure that the needs of the people of this area are met by any reorganization plans. Thank you.

PUBLIC ATTITUDE ON IMPEACHMENT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. HARRINGTON. Mr. Speaker, a constituent recently wrote me, briefly summarizing with his own feelings what millions feel about the impeachment of President Nixon and the recently released "Watergate tapes."

I would like to insert the text of this letter in the RECORD at this time for the attention of my colleagues. It should remind them more strongly than my words alone of the seriousness of the situation as our constituents see it.

The text follows:

Representative MICHAEL HARRINGTON,
Washington, D.C.:

Have been listening to WGBH reading Nixon's tape transcription all weekend, and am nauseated.

Impeach the (expletive deleted).

DISTRICT 15, USWA, HONORS I. W. ABEL

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. GAYDOS. Mr. Speaker, I. W. Abel, international president of the United Steelworkers of America and one of our Nation's most respected citizens, was honored recently at a testimonial dinner sponsored by the Legislative Committee of District 15, USWA.

District 15 comprises approximately 70,000 steelworkers in southwest Pennsylvania and is led by another outstanding figure in the Nation's labor movement, Mr. Joseph Odorcich, district director. The organization cited Mr. Abel for his dedication and leadership in securing legislation to better the lives of America's 1.4 million steelworkers and other members of the country's labor force.

Among the major pieces of legislation credited to Mr. Abel's personal efforts were the Occupational Safety and Health Act, the Civil Rights and Clean Air Acts and one of the most important bills to come out of Congress in many years, one which effects everyone who works for a living, the Federal reinsurance and protection of an individual's pension rights and benefits.

Nearly 1,000 people attended District 15's testimonial dinner to this quiet, dignified but "no-nonsense" leader steelworkers have come to know as "Abe." Included were a number of prominent personalities outside the labor field: Gov. Milton Shapp of Pennsylvania; our esteemed colleague in the House, the Hon. THOMAS E. MORGAN, and the chairman of the Allegheny County Board of Commissioners, Leonard C. Staisey.

It is common knowledge that Mr. Abel's ties with labor are deep rooted. His father was a blacksmith; relatives on his mother's side of the family worked in the coal mines of Wales. After graduation from high school, Mr. Abel, himself, began learning a trade at the American Sheet and Tin Mill Works in Canton. Ohio.

Steelworkers know that to be good, steel must be tempered. The same is true of their leaders. Mr. Abel was "tempered" during the depression of the 1930's. He lost one job but was fortunate to find another—firing kilns in a brickyard for 16 cents an hour, 12 hours a day, 7 days a week. That experience taught him that a strong labor movement was imperative if working men and women were to have any measure of dignity and security in their jobs and their lives.

Mr. Abel's union career began in 1936 when he helped organize Local 1123 at the Timken Roller Bearing Co. He served as an officer of the local for many years, including the presidency, and still retains his membership there. In 1937 the late Philip Murray appointed him to a staff position with the USWA and in 1942 Mr. Murray selected him to head the newly created District 27, USWA, in Ohio. Ten years later, Mr. Abel was the unanimous choice for secretary-treasurer of the International and in 1965 he climaxed his career by being elected president of the International, the office he now holds.

The accolades accorded Mr. Abel for his labor leadership are matched by those presented him for humanitarian efforts in other fields. He has unselfishly given of his time and talent to many civic affairs and functions. He has served on numerous public, private and governmental boards and commissions. Two presidents, President Johnson and President Nixon, have named him to special task forces set up to serve the Nation.

Honorary doctor degrees have been bestowed on him by educational institutions; the National Council of Senior Citizens have recognized his contributions on their behalf and the State of Israel has praised his "exemplary leadership." In 1966 he was the only labor official to address the first International Conference on Urban Transportation in Pittsburgh and is believed to be the first labor leader to address the National Governors' Conference, when he appeared before them in Los Angeles.

Mr. Speaker, despite these impressive credentials and accomplishments, I. W. Abel likes nothing better than a shirt-sleeved session with his rank-and-file steelworkers. He has never lost the common touch.

THE DOD SUBVERTS CULEBRA AGREEMENT

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. BADILLO. Mr. Speaker, I was very distressed to read in the Washington Post this morning that, once again, the Department of Defense has attempted to abrogate an agreement reached with the Commonwealth of Puerto Rico whereby the activities conducted at the Atlantic Fleet Weapons Range on the island of Culebra were to be transferred to two uninhabited island, Desecheo and Monito.

For a number of years the people of Culebra and the Commonwealth government have attempted to negotiate with DOD officials over the removal of the Navy training activity and the cessation of the naval and aerial bombardment of the island. Throughout almost the entire period of negotiation there has been great reluctance and outright opposition by the military to any transfer of its training functions. Finally, in January 1971, an agreement was reached between the Secretary of the Navy, officials of the Puerto Rican government and the citizens of Culebra. This accord—the Culebra agreement—terminated an 18-month-long cold war which was continually marked by intimidation, deceit, and indifference on the part of the Navy and Defense Departments. Nevertheless, the Culebra agreement was almost universally interpreted as a commitment on the part of the Navy to find suitable alternatives to the Culebra test facility and to end its firing and training operations on and about the island.

On April 1, 1971, then Secretary of Defense Laird announced the start of a new DOD study aimed at relocating the range after June 1975. There was a clear implication that the Defense Secretary had concluded from an earlier study of the situation, and in consultation with the President and others, that the Navy could and should transfer its training operations away from Culebra by June 1975 and that he would be making a final decision at the end of the year as to exactly where such naval training activities would be transferred. However, in late December 1972, in a clearly political move taken after the incumbent administration in Puerto Rico had been defeated, Mr. Laird reversed his earlier decision and recommended to the Congress that the Navy retain its Culebra training targets and indicated that the Navy would not further study the matter until the early 1980's.

Fortunately, Mr. Laird's successor—Elliot Richardson—took a more enlightened and reasonable attitude on the Culebra issue and reassessed the DOD's position. In May 1973 Mr. Richardson reported to the House and Senate Armed Services Committees that he had decided "it would be in the long-range interest of the various parties to move the current Navy training activities by July 1, 1975 from the Culebra complex . . . to the uninhabited islands of Desecheo and Monito.

This determination was greeted with encouragement and hope by the Commonwealth of Puerto Rico, the people of Culebra and by many others who had endeavored to have the Navy cease its bombing of an area inhabited by over 800 American citizens and which had suffered serious economic and ecological consequences of the continued naval presence. It was assumed that the DOD would abide by and fully honor this commitment.

However, we now learn that the Deputy Secretary of Defense has unilaterally decided to suspend the negotiations conducted pursuant to Mr. Richardson's report and subsequent legislative actions. This ill-conceived and unconscionable move can only be interpreted as another attempt to negate the commitment of the Defense Department and to thwart the will of the Congress.

Mr. Speaker, this state of affairs cannot be tolerated and the Defense Department must understand that it cannot simply dismiss or ignore obligations which it has undertaken. The DOD is not an entity unto itself and it must abide by the agreements to which it is a party and which have been affirmed by this body.

I have expressed by very deep personal concern over this whole issue to Secretary Schlesinger and insert, herewith, for inclusion in the RECORD, a copy of my letter to him. I am also inserting the article from this morning's Washington Post:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 23, 1974.

Hon. JAMES R. SCHLESINGER,
Secretary of Defense, Department of Defense, Washington, D.C.

DEAR MR. SECRETARY: I am writing to express my deep, personal consternation and concern over reports that negotiations between the Department of the Navy and the Commonwealth of Puerto Rico concerning the relocation of the Atlantic Fleet Weapons Range from the Island of Culebra to other sites have broken down. I am especially troubled because of reports that these negotiations were unilaterally suspended by your deputy, Mr. Clements.

Just over one year ago your predecessor clearly stated that:

"I have decided it would be in the *long-range* interest of the various parties to move the current Navy training activities by July 1, 1975 from the Culebra complex east of Puerto Rico to the uninhabited islands of Desecheo and Monito. . . ." (Italics added.)

Now, it would seem, Mr. Clements has taken upon himself the responsibility to negate this commitment. This ill-conceived move was apparently made because of certain considerations in connection with the forthcoming international conference on the Law of the Sea. However, whatever implications the transfer of the Navy training activities from Culebra to Desecheo and Monito may have on this parley were fully considered by Mr. Richardson and, presumably, other appropriate DoD officials. Thus there can just be no justification for Mr. Clements or anyone else in the DoD to renege on the promise made to the people and government of Puerto Rico and to thwart the clear intent of the Congress that such Navy training and testing activities should be transferred.

For over 37 years Culebra has been subjected to continued naval and aerial bombardment and the explosion of various types of mines, missiles and other armaments. Not only have the 850 residents of this island been in constant fear of their lives and property but they have suffered economically from the continued Naval presence. Further, these activities have posed a continual threat to the island's environment and to its unique and, in some cases, incomparable ecological features.

Mr. Clements appears to be preoccupied with the potential affect of the transfer on our international relations, at least as they may pertain to the issue of territorial waters. I submit that he would be better concerned with the affect his action has had on inter-American relations. As I've previously observed, the attitude displayed by our government toward the whole Culebra issue has seriously exacerbated already existing tensions in our hemispheric relations. Developing peoples in the Americas, as well as many island and mainland Puerto Ricans, see this as an issue of colonialism. The ineptitude which has marked much of the DoD's dealing with the matter has made Culebra a clear symbol of this administration's basic indifference toward the needs and aspirations of Spanish-speaking people, both American citizens and in our sister republic in the Western Hemisphere.

In light of the above I urge in the strongest possible terms that you take prompt and affirmative steps to honor the commitment previously made by the DoD and to permit the negotiations with the Commonwealth of Puerto Rico to proceed without further interruption or delay.

Your cooperation and assistance will be appreciated and I will look forward to your response shortly.

Sincerely,

HERMAN BADILLO,
Member of Congress.

NAVY SHELLING TURTLES—CULEBRA TALKS HALTED BY UNITED STATES?

(By George C. Wilson)

The tortuous negotiations between the Navy and Puerto Rico over the American shelling of the island of Culebra have broken down again—this time by order of the Pentagon.

Following this latest setback, the lawyer for the Puerto Rican government here said he may file suit under the Endangered Species Act of 1973 to force the Navy to stop using Culebra for target practice.

"Unfortunately," said Richard D. Copaken, counsel to the municipality of Culebra and special counsel to the Commonwealth of Puerto Rico, "there is no federal law to protect the people of Puerto Rico from the Navy shelling of the island—but there is a law to protect the endangered species there, like the hawksbill turtle which nests on the beaches of Culebra."

Copaken said his Puerto Rico clients are considering trying to stop the Navy under that act if the Navy does not carry out plans to transfer its shelling to two other uninhabited islands.

"We're serious," he said, "No one appreciates how strong that law is. And the Navy shelling certainly endangers the turtles that come under the Endangered Species Act. "

Chairman Henry M. Jackson (D-Wash.) of the Senate Interior Committee also is upset about the breakdown in Navy negotiations with Culebra. He has protested the Pentagon's suspension of negotiations in letters to William P. Clements Jr., deputy secretary of defense and Kenneth Rush, deputy secretary of state.

Jackson wrote them that former Secretary of Defense Elliot L. Richardson on May 24, 1973, had ordered the Navy to map plans to move its gunnery range from Culebra to the islands of Desecho and Monito off the west coast of Puerto Rico by July 1, 1975. Congress put $12 million for the move in the Pentagon's fiscal 1974 budget.

"Given the strong desires of the people of Puerto Rico, the clearly expressed will of the Congress and the repeated commitments of the government of the United States to cease operations on Culebra, any impediment to the transfer must be viewed as a matter of grave concern," Jackson wrote Clements in asking why negotiations have been broken off by the Navy.

Clements ordered the Culebra negotiations suspended on May 8. The reason, a Pentagon official said last night, is to examine what impact the planned move would have on the American negotiating position at the Law of the Sea conference opening in Caracas next month.

At that conference, called by the United Nations, participants will discuss the advisability of moving territorial waters out to 12 miles instead of the three miles the United States recognizes for itself and other coastal countries.

But, if 12 miles does become the standard distance, the United States wants the right of "transit" through that widened belt. The Pentagon official said putting a firing range in the straits off Puerto Rico might look provocative to the developing countries of the world as they weigh the American plea for right of transit.

The impact of a move from Culebra to the uninhabited islands on the Law of the Sea conference will be evaluated by under secretaries of the various government departments between now and May 31 when a report on the question is due, according to the Pentagon.

Copaken rejected the argument that the Navy's moving from Culebra to Desecho and Monito would have any impact on the U.S. position regarding a 12-mile limit.

Former Defense Secretary Richardson, Copaken said, fully considered that question before directing the Navy to prepare to move off Culebra.

Besides that, the lawyer asserted, the straits between the islands are so wide that an international corridor would remain even if 12-mile territorial limits are agreed upon.

Negotiations between the Navy and Gov. Rafael Hernandez-Colon of Puerto Rico over Culebra appeared to be going well until now.

In March the governor wrote then-Navy Secretary John W. Warner that it was his "firm decision" that "the best alternative is that all naval gunfire support training and air-to-ground weapons training be transferred" from Culebra to the uninhabited islands.

Copaken claimed that even though the Navy is firing so called "puff rounds" rather than live ammunition in its gunnery practice, the shells fired off Culebra endanger people and wildlife—including the hawksbill turtle.

RESCUE IN ADEN

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. FINDLEY. Mr. Speaker, just 3 weeks ago, I was pacing the terrace waiting for the phone to ring at Guest House No. 2 overlooking the harbor at Aden, the capital of the People's Democratic Republic of Yemen.

The call would be the signal that Salim Rubay'i Ali, President of the Republic, was ready to receive me. It would be the final interview of my 3-day stay in Aden, the last and most important chance I would have to plead for the release of Ed Franklin of Nebo, Ill., my constituent who had been a prisoner there for the last 16 months, serving a 5-year sentence on a spy charge.

At 6 a.m. the next day, I would board a flight to Beirut, there to connect with flights that would return me to Washington in time for legislative business Tuesday on the floor of the U.S. House of Representatives.

At that moment, Congress seemed far away, and chances for Franklin's immediate release almost as remote.

I had come to Aden expressly to plead his case. I was convinced he was not a spy. Although I had never before met him, I had known his family for years and learned from them the mixup that put him in prison.

In fact, Ed would never have been in Aden at all except for canceled airline flights. Returning from Ethiopia to his teaching post in Kuwait, he was rerouted through Aden. During a delay caused by cancellation of his departing flight, he pursued his hobby taking photos near the harbor. Not realizing local restrictions, he photographed a prohibited area.

Kept in an interrogation center for months, he was finally brought to trial, found guilty by a jury and sentenced after more than 10 months of captivity.

Franklin was a creature of circumstance. The government was then just emerging from a period of internal disorder. After 130 years of rule by British governors and local sheiks, a long revolution culminated in the establishment, in 1967, of a republic. A coup d'etat in 1969 moved the regime to the left.

The closing of the Suez Canal—lifeblood of Aden—and removal of the big British military base eliminated 15,000 local jobs and deepened tension and anxiety. When Franklin arrived, the government still had internal security problems and was plagued along its borders by subversion promoted by banished sheiks. Clearly, the regime was still edgy and in Franklin's case overreacted.

The atmosphere in Aden has now improved. The government looks forward to an early reopening of the canal. Except for sporadic battles along the border with Saudi Arabia—for which Aden blames both the Saudis and the United States—the government has established firm control of its territory.

It has begun to tackle the massive problem of illiteracy—unofficially estimated at 95 percent—and economic stagnation. Unlike most Arab States, it has no known mineral reserves. Rainfall is less than 3 inches a year.

Its great harbor had only three ships at anchor the day I was there, and the shops along the broad main avenue were dingy, many of them closed—with hardly a customer in sight.

Had Franklin snapped his picture that Saturday instead of 16 months earlier, chances are he would have gotten off with a rebuke and a fine. As it was, he still had 44 months to serve. His family's and my appeals for clemency had so far had no effect.

I had been there 3 days. The schedule of interviews in his behalf for which I had journeyed a third of the way around the world was nearly at an end.

Remaining were the interview with the President scheduled at 7 p.m., then a dinner hosted by Foreign Minister Mohammad Motie at 8 p.m.

Behind me were eventful but, insofar as Franklin was concerned, inconclusive days. These included: a 4-hour discussion with Abdallah al-Khamiri, Minister of State for Cabinet Affairs, who had been selected to deal with me by the Presidential Council, which consists of the President, the Prime Minister, and the Secretary General of the National Front; a 3-hour discussion with Foreign Minister Motie, whom I had first met 3 weeks earlier in New Yok where he was attending United Nations deliberations; and interviews on two separate days with Franklin.

My schedule also included a view of Aden at play. Along with 25,000 others, I had been a spectator at a football game in which the national soccer football team defeated Iraq 2 to 0. I had also visited the National Military Museum, where my guide, Fareeda Daair, who next year will begin to study pharmacy, showed me U.S. military equipment captured in skirmishes along the Saudi border and reported proudly that in the Republic women have rights equal with men.

My year-long effort to secure Franklin's release for the most part had been lonely. Because our Government has no diplomatic relations with Aden, the State Department could do nothing directly. Its best channel was the British Embassy in Aden. I had asked a friend in the Egyptian Government to seek President Sadat's intervention. The request was made. I had asked a friend in the Soviet Government, which has provided aid to South Yemen, to express interest in Franklin. The Franklin family sent a request to President Ali for executive clemency. There was no response to any of these initiatives.

In December, I telephoned Aden's ambassador to the United Nations, Abdallah Ashtal, to ask if I could go personally to Aden and make a plea for Franklin's release. A message came back 2 weeks later that I would be welcome. At the time I had hoped to be in the Middle East on a Foreign Affairs Committee trip, but due to the fuel crisis the trip was canceled.

Then came word from the British Foreign Office that the Yemen authorities would not take up the Franklin case until I arrived in Aden. Plainly, for whatever reason, the government wanted me to come. In March, I flew to New York for a meeting with Ambassador Ashtal. I was assured that if I went to Aden I could see Franklin, also the Prime Minister, and possibly the President. However, the Ambassador urged that I delay my trip until I could meet Foreign Minister Motie when he was in New York for an April United Nations meeting. Would my trip help Franklin? The only response by the Ambassador was that my visit would be welcome.

I returned to New York several weeks later to meet the Foreign Minister. The meeting with Motie was further proof that Aden's is a young man's government. Ashtal is 32, Motie 28, al-Khamiri 34, President Ali 40.

Although cordial, Motie gave me no encouragement that Franklin would be released.

He said:

> While you are in Aden you will have the opportunity to discuss the Franklin case.

He said that before leaving Aden he had inquired and learned that Franklin was in good health, that he had recently been visited by the Red Cross and that he was receiving preferential treatment:

> You will be able to see him. You will be able to talk with authorities about him.

Should I make hotel reservations? No, the government will make the reservations. So it was settled. I would arrive in Aden early in the morning of Thursday, May 2, and leave early Sunday morning, May 5.

I would travel alone, the first Congressman—House or Senate—to visit Aden since the Republic was established in 1967 and the first U.S. official to visit there since diplomatic relations were severed in 1969. Although an exciting prospect, it was not without foreboding. The government was regarded by the State Department as the most radical of the Arab States. It had been the scene in recent years of a revolution, then a counter-coup d'etat. It seemed to have close relations with no other government. It was óften described as the Cuba of the Arab world. I could find no one who had had personal interviews with any of the leading personalities of the government. How would I be received? Would I be stuck in a hotel most of the time and come home with little to show for an arduous trip?

Indeed, would I get out? After all, the government had sentenced Franklin to 5 years on what seemed to me a flimsy charge. When I discussed my trip with Alfred L. Atherton, Jr., Assistant Secretary of State for Near East and South Asia Affairs, I asked, "If they lock me up, what will you do first?" He smiled and said, "Look for another Congressman to come get you out."

But, there was no turning back. I was about the only one who might be able to help Franklin. The Aden Government would do nothing about clemency until I arrived. And, taking the larger view, perhaps this was an opportunity to help open the door to better relations with a vital but little-known part of the world.

Two years ago, I must admit, I did not know there was one Yemen, much less two. I had been in Egypt and while there visited Suez City and the banks of the canal, but I did not notice that Aden controlled the south approach to the Suez Canal as effectively as Egypt controlled the North.

With the opening of the canal in prospect, good relations with Aden could be important to U.S. interests in the Indian Ocean. Secretary of State Kissinger's negotiations had kept the Soviets from controlling the canal from the North. But if the Soviets, already present with aid missions and military advisers, succeeded in dominating the Aden Government, they could effectively control traffic through the canal by controlling the straits leading to the Red Sea on the South. In addition to having the only large deepwater harbor in that area, South Yemen owns the island in the center of the straits. It was obvious that the United States needed good relations with Aden for purposes beyond the release of Franklin.

Although House Foreign Affairs Committee members rarely travel alone on Government trips, Chairman THOMAS E. MORGAN recognized the exceptional nature of this mission and approved it.

I began my preparations. My objective was goodwill. I knew from talking with Ashtal and Motie that Secretary Kissinger was held in high esteem in Aden. Only days before my scheduled departure, the Secretary was to leave for shuttle-negotiations in the Middle East. Although I doubted that he could possibly give even a passing moment to my trip, I stated my desire to have a letter I could take with me. Three days before I left, it arrived:

> DEAR PAUL: Prior to your departure for Aden, I would like to take the opportunity to wish you success in your efforts to gain the release of your constituent jailed in Aden, Thomas Edward Franklin. As you know, we have not had diplomatic relations with Aden since 1969, and no American diplomatic or consular officers are stationed there. This, of course, has made it very difficult to deal with protection and welfare/whereabouts cases resulting from American travel to the People's Democratic Republic of Yemen.
>
> I welcome your humanitarian mission. I know that you are making it in the spirit of your longstanding interest in promoting Arab-American understanding, an interest which I very much share. As you know, we have for some time been working actively to achieve a just and durable peace in the Middle East. We have no illusions about the difficulties involved, but we are encouraged by the achievement of Egyptian-Israeli disengagement and the fact that talks are under way aimed at Syrian-Israeli disengagement. Should the occasion arise, you may wish to inform those officials whom you meet of our continuing commitment to work for an equitable and lasting Middle East peace and of our desire to strengthen our ties with the Arab world.
>
> Best regards,
>
> HENRY A. KISSINGER.

The day before, I had received another boost, a letter from Secretary Atherton, responding to my direct question about the United States' desire for diplomatic relations with Aden:

> DEAR MR. FINDLEY: I would like to confirm what I said to you this morning in response to your question about the U.S. position on diplomatic relations. Basically, we do not feel that the existence of differences in national ideologies or political structure, or divergent views on many international issues should necessarily pose an obstacle to our having diplomatic relations with a given country. Generally, we favor having diplomatic relations as a means of conducting normal communications and business with foreign countries. As you know, the People's Democratic Republic of Yemen (at the time the People's Republic of Southern Yemen) broke diplomatic relations with the United States in October of 1969. Both before and since that time our policy has been to work for friendly relations with all countries of the Middle East. As a matter of policy, we are prepared to reestablish diplomatic relations with countries which have broken relations with us when such countries wish to do so.
>
> Sincerely,
>
> ALFRED L. ATHERTON, Jr.,
> *Assistant Secretary for Near Eastern and South Asian Affairs.*

Although directed to me, not to the Aden Govenment, these letters would, I felt, convince any officials I met that the United States wanted to establish normal relations. I was especially pleased with Secretary Kissinger's comment:

> You may wish to inform those officials whom you meet of our continuing commitment to work for an equitable and lasting Middle East peace and of our desire to strengthen our ties with the Arab world.

In my bag of goodwill items, this letter was the most important.

At the suggestion of an Egyptian friend, I secured three scholarships to present to South Yemen students, one each from Illinois College in Jacksonville, Sangamon State University in Springfield, and the Southern Illinois University Dental School in Alton.

I telephoned Ashtal to let him know in advance about the letters and the scholarships. He said he felt they would be well-received. I said I would like to present the Kissinger letter directly to the Presidential Council. He responded by saying he would cable Aden with information about the letter and my desire to see the President.

I also located, and had specially bound, two copies of Carl Sandburg's "Prairie Years," Lincoln's biography, printed in Arabic. And, I took two small busts of Lincoln. Abraham Lincoln is my most important constituent. I was hopeful he would be well known even in Aden.

Armed with letters, scholarships and other gifts, and with high hopes, at 8:30 the night of May 2, I climbed aboard the plane in Beirut which would take me to Aden.

To my surprise, one of the first to board the plane was Foreign Minister Motie. He beamed and after takeoff came and sat with me for dinner. He was cordial and said with enthusiasm he really hoped I would like Aden. I told him of the Kissinger letter and he expressed great interest.

He asked about the type of industry in my district. He wondered about the possibility or receiving help in drilling for oil. He said the BP refinery in Aden is the best in the Middle East. He said he felt economic and commercial cooperation could help pave the way to diplomatic relations. I said I was sure public law prohibits most kinds of aid unless diplomatic relations exist. He said he had heard that Algeria, with whom the United States had no relations, nevertheless has received aid. I said I would check on that.

He was interested to know that in my overnight stay in Damascus, I had talked with President Asad of Syria. What did I think about relations with Cuba? I said I was optimistic that relations would soon be opened despite a recent negative statement by Secretary Kissinger. Motie said Kissinger had just been quoted positively on the Cuba question while he was in Geneva.

I mentioned my efforts to prevent publicity about my trip and my embarrassment when a reporter in Damascus asked about my trip to Aden. He shrugged. Before we arrived in Aden, he gave me his home and office phone numbers. That was reassuring. I felt I would have a friend in the country.

To my surprise and pleasure, I was met by a delegation consisting of al-Khamiri Saleh Abdulla, Chief of Protocol, Ahmed

Salem, Administrative Director of the Foreign Office, and Mahmoud Medhe, who at 31 had just recently been named governor of the Republic's National Bank.

The whole group had stayed up until 2 a.m. to meet the plane—another reassuring sign of welcome.

Al-Khamiri, Abdulla, and Medhe rode with me from the airport. When the car stopped after driving several miles through deserted streets and up a steep hill, I had further reason for reassurance. I was to be the guest of the Government—not stuck off in a hotel room. I was to occupy a guest house. An Impala Chevrolet with driver was to be available and delicious full-course meals were to be served whenever I wished. A refrigerator was well stocked with an assortment of beverages. A large living room overlooking the harbor was to be the main center for conferences. My bedroom and a small adjoining private living room were air-conditioned. Ceiling fans kept the rest of the space comfortable. Could a visiting chief of state be received with greater hospitality?

Al-Khamiri said the Presidential Council had designated him to discuss all matters with me and that he would report the discussions to the council. He said he would see me at 11 a.m. By then it was nearly 4 a.m.

Sleep that night, as the remaining three nights, was anything but long and deep. I had breakfast alone about 9 a.m.

With the exception of the final dinner Saturday night, all meals were served in the guest house. It was a large, rambling, comfortable building which years ago was the residence of the British air commander. It had four bedrooms with servant quarters behind and below. A tree-shaded terrace looked over the great harbor. Even in the heat of the day—spring is 100° and humid—it was pleasant. In the daytime, blackbirds kept up a noisy chatter, but in the evening only the rustle of the leaves broke the silence.

I admired the view of the harbor and the large terrace. A TV set was in the living room. I later learned that a local station broadcast during evening hours only.

At 10 a.m. Abdulla, who had slept in an adjoining bedroom, brought me a typed sheet, "Proposed Programme for the Visit":

> Thursday, February 5, 1974:
> 11:00 a.m.—Meeting with Minister of State for Premier Council.
> 1:30 p.m.—Lunch.
> 7:00 p.m.—Visit to the prisoner.
> 8:00 p.m.—Dinner.
> Friday, March 5, 1974:
> 10:30 a.m.—Visit to the Military Museum.
> 5:00 p.m.—Sight-seeing.
> 8:00 p.m.—Dinner party given by the Minister for Foreign Affairs.
> Saturday, April 5, 1974:
> 10:30 a.m.—Meeting with Minister of Foreign Affairs.
> 7:00 p.m.—Meeting with H. E. The President.
> Sunday, May 5, 1974:
> 5:00 a.m.—Arrival at Airport for departure.

I noted with great satisfaction that I would have the privilege of meeting with the President the eve of my departure, thus assured the opportunity to request Franklin's release directly of the man able to grant it.

Examining the program, it was obvious that the President, the Foreign Minister, and al-Khamiri would be the personages with whom I would deal. I decided to present my Lincoln books in Arabic to the President and al-Khamiri, and the Lincoln busts to the President and Motie. I wished I had three of each item instead of just two.

Waiting for al-Khamiri, I wrote this inscription in the flyleaf of the book I would present to the President:

> With appreciation for his (the President's) hospitality and compassion on the occasion of my visit to Aden, I present this special edition of the biography of my most famous constituent, Abraham Lincoln, who did so much to give reality and substance to the idealism which inspired the revolution in America.

When al-Khamiri arrived at 11 a.m., he was accompanied by Medhe. Unlike the night before when they were casually dressed, this time each wore a western business suit. Medhe, a graduate of the London School of Economics, was to be interpreter in each of my principal interviews. Although al-Khamiri and Motie understood English very well, each felt more at ease using Arabic. Thus, my words were not translated. When I met with the President, Medhe translated my words, as well as the President's. Only when I was with the President did a shorthand reporter take notes. Fortunately, however, the slow pace of discussion caused by translation enabled me to take notes myself.

Al-Khamiri began by saying he was surprised when I got off the plane the night before. He expected a Congressman to be old and perhaps feeble.

Then he described the Saudi Arabia Government as "unlike any other in the world—backward." By supporting it, he said the United States prolongs its backward character. He said Britain brought about some good changes in Kuwait, but Saudi Arabia stays the same. The United States has not influenced the Saudis for the better.

He said the U.S. military equipment in the hands of the Saudis has damaged the image of the United States. Because of this there is open anti-American feeling in Aden.

I asked what specific complaints against the United States he would make. He replied that Secretary of State Rogers, while visiting San'a, North Yemen, made a speech several years ago in which he forecast that the Aden regime would not last 2 years. He said spokesmen for a nation like the United States should be more careful. I replied I had not heard of it, but that it was significant that Rogers was gone, but the Aden Government remained.

He said the U.S. Secretary of Defense had made some "unfortunate" statements about the Perim Islands, located in the straits leading to the Red Sea. These statements supported an Israeli position.

I said I was unaware of this, too, and asked if South Yemen supports the doctrine of innocent passage for such straits. He said Aden does observe the doctrine and permits all ships to pass through the straits.

He said 3 months earlier five vessels of the U.S. 7th Fleet came within the 12-mile territorial limits of Socotra. This, too, was news to me, and I told him it supports my argument that Aden and Washington should have greater communication.

He said under the previous Aden Government, a U.S. military attaché had interfered in the uprising of March 1968.

I said it was important that Washington and the Congress know whenever such incidents occur. He replied:

> If other incidents occur, I will notify you by telephone, telex or cable.

I said, "I will be your personal Ambassador in Washington."

I handed him a set of statements I have made over the past few years on Middle East policy. I said it reminded me of the man who gave his son a book on penguins for Christmas. Later he asked how he liked the book, and the boy replied, "I learned more about penguins than I wanted to know." I said he would probably learn more of my views than he wanted to know.

He laughed and said that if I was not too tired he would explain the internal policies of the government. He said their problems were caused in part by friends who did not understand:

> Our people are sensitive to western influence and bases. Aden wishes to avoid all international conflicts. We wish good relations with all. After independence we began to search for our life blood. Our economy was weak. Resources were limited and means primitive. Only a small parcel of the land was growing cotton.
>
> Most of the business activity was in the hands of seven companies which were the agents of foreign parent companies. In industry, there was little worth mentioning except the BP Refinery which, because of the low level of bunkering business in the harbor, was operating at only one-third capacity. Reduction was the policy of the British company.
>
> The Aden government had to take economic measures. It nationalized the seven principal trading companies. Not that it wished to nationalize. Rather, there was no other alternative at that time. Reforms were made in agriculture and trading. The situation after independence was very difficult. Disease, poverty, illiteracy at about 95 percent. The country had a huge deficit in trade.
>
> Two incidents hit the economy hard. Closing of the British military base eliminated 10,000 jobs for local people. Closing of the Suez Canal cost another 5,000 jobs.
>
> Britain has refused to pay financial assistance it had promised at the time of independence. All this made difficulty for the government, but policies were followed that had Yemen origin. Yemen was determined to have its own modern experience, and the government was and is ready to establish diplomatic relations based on mutual respect.
>
> The Democratic Republic had external questions and problems to answer. Either it had to join the Arab alliance or be isolated. It stayed out of the Arab alliance at first. It tried to avoid links with any international bloc. It made policy decisions on the merits of each particular case. It has not permitted any foreign government to establish a military base on its territory. It believes in the right of self-determination and therefore supports the Palestinian cause. It feels that the people of Oman should have the right of self-determination. It has given political and

moral support to the people of Oman, and material support, too, within our limited means.

He said the government is making an attack on illiteracy and has recently decreed that a year hence no person can work for the government who is illiterate. And another decree requires everyone within 5 years to become literate.

I mentioned the Lincoln heritage, which is a part of my district, and said Abraham Lincoln's compassion for human rights and his revolutionary spirit had much in common with the ideals al-Khamiri had expressed. I then summarized my case for Franklin's release.

Al-Khamiri, Medhe, and Abdulla joined me for lunch—vegetable soup, cold lobster, chicken, papaya, melon. After a brief rest, I attended the soccer-football game. The audience of about 25,000 was almost entirely male. I had an excellent center seat in a section reserved for government officials, such as the Foreign Minister, who also attended. Abdulla proved to be not only the Republic's chief protocol officer, but surely its chief football cheerleader as well. When the second and clinching goal was made, he seemed to bound at least 10 feet in the air.

I was impressed with the effectiveness of the powerful Aden trainer in resetting dislocated hips. Three such injuries occurred and—despite obvious pain during the resetting process—in each case the player was quickly back on his feet.

At 7:15 that first night, I received clearance to visit Franklin. Having traveled a third of the way around the world for the visit, I put on a suit, clean shirt, and tie for the occasion. I had never met him before. I wondered how he would react, what he would say, how he would look after 16 months of confinement.

I asked Abdulla how long it would take to drive to the prison. He said:

> He's not in the prison. He's in a flat.

I assumed that, for the purpose of my visit, he had been transferred to a nearby point. Or perhaps, I thought, was it to keep me from seeing the prison environment? It was near dusk, and we drove the short distance from the guest house to the flat in about 5 minutes. Abdulla and I were in the Impala. We followed a Volkswagen police escort.

Franklin was quartered in an apartment on the second floor of a small building—a fairly modern one. About four guards were in conversation on a small balcony as we walked up. Franklin was in the living room, standing by a couch. He said:

> I presume you are Congressman FINDLEY.

I smiled. It was like Dr. Livingston in darkest Africa, complete with salutation. He was very thin, almost gaunt. His trousers were at least six sizes too big, but his clothing was neat, his hair neatly combed, his face cleanly shaved and, surprisingly he was heavily tanned.

I said I had come part way around the world for this moment and hoped he was in good health. He replied he had been in good health for the most part, although he had lost about 30 pounds. Two days earlier, for the first time in 16 months, he had looked into a mirror and he acknowledged that he was shocked at what he saw. The tan, he explained, resulted from daily exercise out-of-doors. It made him look healthy.

He said he had been transferred to the flat 2 days ago and did not like the change. In the flat he was kept locked in a small bedroom and only permitted out twice a day to visit the bathroom.

I handed him a box of food items his family had put together for me to deliver. His face, which had been surprisingly free of emotion until then, fell:

> I guess this means I am not going home with you.

I responded that I did not know. I had not given up hope but frankly, I told him, I had received an estimate from several sources before I left that I could not expect him to return with me. But I said I was being given great hospitality and I believed my visit would result in a substantial reduction in sentence. I told him I felt sure he would be released within a few months after my departure.

He was dejected and said:

> I've seen a different kind of hospitality here. Twice before I was told I would be leaving soon, but nothing happened. When I was transferred to this flat, I had no time to gather up my things. My camera is at the prison, and other things. My Bible. I've been reading the Bible each day—not a great deal, but some each day.

I told him many people had been praying for him. He said:

> I knew at once about the prayers, even before I got word from home. I could feel it.

I said:

> While I fear I will be unable to take you with me when I leave, I am confident you will be free soon. I can't know how I would feel if I were in your circumstances, but I want you to think about the influence you can possibly exert on U.S.-Arab relations. I wouldn't blame you if you speak resentfully and with outrage about your imprisonment, but where you can do so I hope you will be generous and affirmative.

He replied:

> I've thought a lot about that. I've thought about picketing the Aden mission at the United Nations in New York, but I've had other thoughts too. I like the Arab world. I have not been physically abused here. Some policies bothered me. I am not permitted to have a pen and paper. I like to write. I once wrote poetry on a sack, but then my pencil was discovered and taken from me. But I like the Arab world. I want to come back. Maybe someday when the American embassy is reopened here in Aden, I could even get a job here.
>
> I am not a spy, and the government here knows it. I've lost a lot of time. This has cost my family a lot of money. They're not rich. I think Aden owes me at least $10,000 for time lost. When I get out, I won't have a job. The teaching job at Kuwait was my first job after graduating from Illinois State University at the age of thirty. I'm thirty-four. Getting a job won't be easy.

During this time, we were left alone. Of course, I realized the room may have been bugged, but the chatter of guards just beyond our door was noisy, and this made me feel our conversation was private. Abdulla had asked me if 30 minutes would be enough.

After 40 minutes, I rose to leave. I asked if there was anything specific I could request that would make life easier. He said most of all he would like pen and paper to use. I assured him I would make the request. I said that I did not believe I would be informed until Saturday night as to clemency or reduction in sentence and, therefore, I might not see him again until after he was released. He said:

> I can wait. I'm used to disappointments. I would suggest that you take what they tell you with a grain of salt. I say that from my own experience. Thanks for coming.

Back, in a cloud of dust, to the guest house and to a quiet dinner with Abdulla.

Later that evening, I decided to present one of the Lincoln books to al-Khamiri, whom I had come to admire. I had been impressed with the thoughts he had expressed to me earlier in the day. In the flyleaf I wrote:

> To my good friend Abdallah al-Khamiri, Minister of State for Cabinet Affairs for the People's Democratic Republic of Yemen, whom I have known but twenty-four hours and yet who I have confidence has within him the same spark of compassion and idealism for human rights and dignity that inspired Abraham Lincoln. With high hopes for the success of the government in which he provides prominent leadership. With warm regards, Paul Findley, your new ambassador in Washington.

Friday, a Moslem holiday, was light from the standpoint of official business but eventful nevertheless. In the morning, Abdulla took me to the National Military Museum. Built recently and still not complete, it depicts the progression of events from British protectorate to republic. In one of the halls I visited were displayed captured military equipment, most of it of U.S. manufacture—mortars, grenades, and heavier pieces, also several photographs showing U.S. equipment and supplies carrying the U.S. handshake symbol. It was impressive evidence that U.S. military gear may have figured prominently in border conflicts with Saudi Arabia.

My tour guide was Fareeda Daair, 18, a graduate of secondary school, who was spending a postgraduate year working for the government as a guide. A year's government service is a requirement of young people who wish higher education. Fareeda said she will study pharmacy. After the tour, I was invited to the museum director's office for a soft drink and an opportunity to "write my impressions" in the guest book.

Fareeda was an enthusiastic guide and expressed pride in her country.

After the tour, I handed al-Khamiri the Lincoln book. I asked him if I would be able to take Franklin when I left. He said:

> Personally, I hope so, but that is out of my hands. I have reported fully to the Presidential Council what you said about Franklin and other questions, and you will have the government's decision when you meet the President Saturday night.

We drove for an hour along shorelines. Then back for a lunch and rest during the greatest heat of the day. Abdulla asked if I would like to see Franklin again. I said I would indeed and he said this would be arranged sometime Saturday afternoon. He explained that the Foreign Minister had called to say circumstances required that he postpone until Saturday night the dinner he had scheduled for me that night. That meant Saturday would indeed be a busy day—a visit to Franklin, interview with the President, then a dinner hosted by the Foreign Minister.

As events occurred, I tried to read each in terms of Franklin's release. I could find no clear hint of what was ahead. Was the dinner date shifted to give me a nice sendoff even though empty-handed?

Abdulla surprised my by asking if I would like to invite guests for dinner Friday night. I asked that the British Minister, William Buckley, who had been especially kind to Franklin, and his wife be invited. I had wanted to thank him for his kindness and also to ask for suggestions on how I should approach the Foreign Minister and the President. This would be a fine opportunity. They readily accepted.

Before their arrival, I had the pleasure of a tennis game with three officers in the foreign ministry. Although I was on the losing end, it was great fun. Once when a tennis ball bounded over the wall into the street, an empty quart-size oil container came bounding back. I took this as a rebuke to the tennis ball instead of an anti-American expression.

Then a tour of the great ancient water tanks and adjoining museum. My guide was a young man who wishes to study chemical engineering. The water collection system, built perhaps a thousand years ago, could easily become a major tourist attraction. We drove to a couple of beach clubs near Aden, and I decided that during the winter months when weather is uniformly spring-like, Aden could become a tourist area much like Miami Beach.

The dinner proved to be a treat for the Buckleys, as well as myself. It was their first visit to a government guest house.

After dinner that evening, Abdulla left us alone on the terrace where we talked frankly and freely about Franklin, his prospects for release, what further could be done in his behalf, the problems of the Aden Government, and ways to improve Aden's relations with the United States. Buckley believed that my chances of actually taking Franklin with me were slim indeed. But he did believe my visit would cause the government to reduce the sentence substantially.

He had taken a personal interest in Franklin and was impressed with his deep religious faith. He said he knew it had helped to sustain him. He felt this had a lot to do with his family and boyhood community. He asked, "His home is in what is often called the Bible belt, isn't it?" It is indeed.

He said he hoped that during the remainder of Franklin's confinement the government would permit him occasionally to take the prisoner out for a drive or a visit to his home. The Buckleys departed about 11 p.m. As they drove down the winding road to the city, I was more convinced than ever that I would return home alone, but impressed also with the humanity of the men in the British foreign service.

Saturday I was up early and received word from Adbulla that the Foreign Minister would come to the guest house for the interview. That was the Minister's preference, he said. The news was a disappointment. I had hoped to see some of the government spaces, including a chance to meet Abdulla's bride of 5 months, who was first secretary to the Foreign Minister.

At 10:40 a.m., Foreign Minister Motie and Medhe arrived. This time they were in matching tunics and trousers—no business suits and ties. Motie explained:

> This is what we wear when it's hot.

I had written an outline of points I wished to make and started by presenting the Lincoln bust, and copies of the letters from Kissinger and Atherton. I said these letters, to me, say clearly that the United States wants to establish diplomatic relations with Aden. Kissinger is only one part of the U.S. Government, however. He and the President can do in foreign policy only as much as the Congress will support. Aden should do a better job of informing the Congress and the American people about its problems and complaints, I told the Foreign Minister. Until talking with al-Khamiri the day before, I was totally unaware of most of the complaints Aden has had about U.S. policies.

I said diplomatic relations would be a good start and hopefully open ways the United States through both public and private institutions, can help Aden master its problems and strengthen its economy.

I also said that release of Franklin could help. Because of Franklin's experience, the U.S. State Department was warning tourists against visiting Aden. An act of compassion would help change this and bring tourist dollars.

Motie said he was glad I had come to Aden, but he hoped that Franklin's release was not the primary reason for my visit. That comment was sobering, but I reaffirmed that Franklin was my primary reason for coming. I added that being there, I wanted to learn as much as possible so as to create as much goodwill as I could for South Yemen in the United States.

He talked at length about diplomatic relations. He said it was necessary to view the question in context of the whole Arab world. The reason for severance was the Israeli attack on the Beirut airport. Without U.S. support, he said, the attack could not have occurred. Nor could the Israeli occupation of Arab lands and denial of Palestinian rights to their lands. He said Palestinians are not against the Jews. Instead, they want only a democratic Palestine state where they can live where each will have the same full rights as others.

Motie repeated al-Khamiri's charge that in 1968 a U.S. military attaché had a hand in resisting an attempted change in the Aden Government. This led to a feeling of the people against America. Regarding border fighting, he said he believed camps were organized with the support of the United States:

> We have information and proof that the American Embassy in San'a supports the subversive acts against Democratic Yemen. You have seen the military equipment in the museum. Still, we're not against diplomatic relations with the U.S. We favor diplomatic relations with all governments which respect our sovereignty.

He said Saudi Arabia gives support and encouragement to all ex-sultans and ex-sheiks:

> Why would Saudi want U.S. equipment except to use against the Republic?
>
> While the past is not good, he said, the present looks better. We are looking ahead. We have diplomatic ties with Britain. We hope the U.S. changes its attitude.

He said economic, trade, and cultural relations would help toward establishing diplomatic relations in the future:

> This approach is not new. Much the same has occurred or is occurring between the U.S. and Algeria, Syria, and Egypt.

He said some say Aden is closer to the Soviet Union and China:

> That is true. They have given us assistance, instead of supporting subversive acts against our government.

Before any kind of diplomatic representation can be established, he cautioned, the United States must first cease support of any antirevolutionary movement:

> Our people are fully mobilized against such U.S. policies, and it is not easy or possible to change their attitudes quickly. A beginning can occur when the U.S. stops giving any kind of assistance for subversions and starts promoting economic relations.

I repeated my understanding that no U.S. concessional sales or grants can occur in advance of diplomatic relations. He again mentioned Algeria, and I said I would gladly cable Washington to try to clarify whether Algeria is now getting economic assistance in any form. He said:

> Cables are all right, but it will be more effective for you to go back and talk.

I told him the United States naturally needs oil from Saudi Arabia and is in no position to control what the Saudis do with arms the United States has sold.

He said the question of changed diplomatic relations would need to be cleared through the people's supreme council, the party central committee, and the political bureau of the central committee. These elements would consider steps the United States has taken to justify a change:

> The change would have to be apparent in the actions and messages of American officials. It would take a period of a few months for the change to be apparent, but Aden would know when it happened. We know what San'a is doing. We know what is being said in San'a. We know what elements in Saudi Arabia are doing. We would feel a change in policy over a period of time, once U.S. support of subversion stops.

He said this is the first change that must occur as a pre-condition to improved relations—an end to support of subversion over a period of time:

> Second is the need for something positive between friends, not so much as between governments. Some help in our problems in health, education, agriculture, agricultural equipment, some wheat. Our people would feel aid in this form tangible, physical proof of friendship. They could see something before their eyes of a friendly nature—instead

> of seeing only the exhibits of the U.S. military equipment as you have seen in the museum.
>
> Maybe elements in Aden would object to a change in relations. We must put something before them they can see. Then we can start convincing them. In our view, this would, in time, lead to diplomatic relations.

He said Syria and Egypt had felt a a change in American policy before diplomatic relations were resumed. Now the United States and Aden have nothing, neither diplomatic, cultural nor economic relations.

If a speedup in improved relations is to occur, he felt there must be something visible, concrete.

He asked for my comments on what he had said, together with any suggestions I wished to make.

Although I had neither instruction nor authority from our Government, I pointed out that both Egypt and Syria had found it possible to establish official communication well in advance of formal diplomatic relations. Over the years I had met socially and for policy discussions with the Egyptian representative long before full relations were reestablished. Before stopping in Syria on the way to Aden, I had met with the Syrian representative in Washington.

Why not establish similar missions between Aden and Washington? The United States could function through an interests section of an established embassy, such as the British. Aden could function as an interests section of another Arab Embassy. Another possible form would be a consular office in each capital, a form which is not considered to be diplomatic relations in the formal sense, but would make possible regular communication. Another possibility would be the exchange of trade missions.

He said he would study my proposal, and the study might take a period of time. Meanwhile, it would be desirable to have some form of aid.

I told him that on my return I would explore what forms of aid are possible in the absence of diplomatic relations. I knew, for example, that throughout the period when the United States had no diplomatic relations with Egypt, our Navy nevertheless kept operating a medical research center in Cairo. He nodded his awareness of this. I said private foundations like Ford and Rockefeller, university scholarships and endowments are often a source of assistance. As a small token of this, I cited the three scholarships I brought with me.

He responded:

> First we'll have to feel a change on subversion, then we will need a second step—some aid, perhaps for health, in the form of wheat, agricultural equipment.

I said I would get facts and explore possibilities. Did he wish me to communicate through Ambassador Ashtal in New York? Yes, "but if on some things you think it better to write directly, then do so, but keep Ashtal informed."

He concluded by saying:

> On our part, the fact that you have been invited here, that you are received as our guest shows goodwill. When you can return again, you will be most welcome. And I hope next time your family can come too. I hope you will excuse any deficiencies. Any faults in our hospitality will have to be excused.

He said he had recently spent part of a day in Washington, and before that had visited a Yemen settlement in a Chicago suburb and another settlement in San Francisco. I rebuked him for not calling me when he was in Washington, and he promised next time to call.

We returned briefly to the form of new relations. I suggested trade missions be established in each capital, and these offices could facilitate cultural exchange. I noted that ping pong had helped to open relations with China. Perhaps football, known in the United States as soccer, could help. I told him that Quincy College in my district recently had the national championship soccer team. Perhaps that team could visit Aden, and vice versa.

He said:

> We have no objections to informal practical arrangements, and added, it would be satisfactory for representatives of the U.S. government to meet with Ashtal in New York, and agreeable also for Ashtal to meet in Washington with U.S. officials on an informal basis.

It was then well past lunchtime and the Foreign Minister left, stating that he would be present when I saw the President that evening.

I said I hoped the decision of the President would be to release Franklin to me, and Motie rejoined:

> I hope you will be able to come through for us in Washington.

I had done no shopping, but had previously told Abdulla of things I wanted to find: a gambia, a traditional Yemen cased dagger; a sample of luban wood from which frankincense is made; a sample of distinctive Yemen coffee called yaffa; a sample of local textiles; a small Yemen flag; cigarettes for my wife; and photographs of local scenes. Abdulla made careful note of these and mid-afternoon Saturday was the time for shopping. The heat was intense, and frankly my mind was not on shopping. The shops we visited had little to offer, and I returned to the guest house empty handed.

With the final visit with Franklin, the interview with the President and the dinner still ahead—souvenirs seemed unimportant.

To my amazement, I was greeted in the guest house by all the items I had requested—all gift-wrapped and from the President. Also included was a large water pipe. The gambia was handsome in a beautiful presentation case, the sheath intricate silver and the handle studded with gold. In the case was a printed card presenting it "with the compliments of the President."

Were these gifts to take the place of Franklin, or were they a harbinger of success? I dared not believe the latter. In fact, I was by then absolutely sure I would leave the next morning alone. After all, only a few hours remained before takeoff time.

But the message of the gifts was plain—goodwill from Aden to Washington.

The second visit to Franklin was more relaxed than the first. He accepted the paper and pens I brought with the comment, "I hope I won't need them except tonight." I told him I was confident he would not leave with me, but judging by the royal treatment I was receiving, I was convinced he would be released soon after I left.

I put on what I will always call my President Ali suit, a dark blue. I wanted to look serious, dignified, if that was possible. The appointment was for 7 p.m. Judging by the few experiences I had had meeting with heads of state, punctuality was vital. So, I paced the terrace, trying to keep from wilting my last white shirt, going over in my mind the outline of points I wanted to make.

Finally at 7:15 p.m. the phone rang, and Abdulla and I ran to the car. Swiftly he drove down the hairpin turns to the bottom of the hill and into the heavily guarded compound where the President lived and had his offices, past two barriers which had to be lifted, down a long winding road and then to the spacious entrance. I was ushered into a long beautiful reception hall, covered with blue flowered carpet, gold drapes down three sides, and part of the fourth side—open air. Two long rows of ceiling fans whirred overhead. In the center of this vast hall was a group of gold upholstered sofas and chairs.

By the time I reached the furniture, President Ali, the Foreign Minister and the interpreter, Medhe, were walking through the same door I had entered. I needed no introduction. I had seen his picture many places around Aden, but frankly they did not do him justice. He is a tall well-built man of forty, black hair with a touch of gray, dark skin. He has a dignified bearing, and is soft-spoken. Except for a brief whispered consultation with Motie on one occasion, he and I did all the talking. I asked if he minded if I took notes. He did not. I opened my note pad with my list of points to be made on one side, and blank paper on the other. A male stenographer took shorthand notes in Arabic between us. Medhe translated all comments. The President spoke only in Arabic.

I thanked him for his hospitality, for the gifts I had received, and then launched into the first part of my presentation. First, the Lincoln book and bust, then the scholarships, then the originals of the letters from Kissinger and Atherton.

I said the letters presented informally the desire of the United States to reestablish diplomatic relations. I explained the importance of communications so the Congress can understand Aden's policies and problems. I said the President of the United States and the Secretary of State are limited in foreign policy to whatever the Congress will support.

The President then spoke at length. He said Aden is the "shining example" of the Republic:

> Other areas are quite different. The people are much poorer. I am therefore surprised, considering all the problems, including poverty, that beset my country, that other problems are created for my country from outside. Possibly some of our acts and steps have made neighbors hostile.

> All policies in my government are aimed at dealing with the extreme poverty we find among our people. There is no high income. What we have done is to redistribute part of the income of those who are better off to those who are so poor, to the poverty stricken.

I interjected that such a redistribution is not unknown in the United States. Redistribution of some income to poverty-stricken people is accomplished through the graduated income tax.

He said it was nice to hear that this was not new. Still, he said, Aden's resources and, therefore, its accomplishments were not up to other Arab countries.

He said:

> I can find no justification for direct interference in internal affairs of my country from the outside. I have no objection to diplomatic relations with those who respect our sovereignty and integrity. But in Yemen the people are sensitive about interference. Any attempt, any interference results in a very natural reaction. As is known to all, in past years, Yemen suffered under two regimes, both equally bad. Under the new regime, the people have recently begun to feel freedom, and they are sensitive to any attempts to limit freedom.
>
> Even if the people would seem to succumb to such limitation, it would be only temporary.

He added:

> Despite what I have said, I am quick to respond with steps which are equitable, so long as the steps are taken between equals dealing as equals. As soon as the people see dealings built on mutual respect, there will certainly be a new feeling.
>
> Now, the belief is held by the people of my country that all suffering, all damage caused by subversives is the work of the U.S. government. There is much hostility to the U.S. government. They believe all subversive acts are due to U.S. support of the subversion. All military equipment we capture is U.S. equipment, and this makes the people feel the U.S. is behind the attack.
>
> We have tried to look for a justification for the policy of subversion we believe the U.S. carries forward. Was the military equipment sold without the prior intention that it be used against Yemen? The U.S. could have advised Saudi Arabia that the equipment was not to be used against Yemen. But it did not.
>
> I know that your visit does not mean that the acts of subversion will stop immediately. Subversion undoubtedly will continue. We know they will continue for some time. I know of a recent meeting that occurred in Saudi Arabia on this subject, and from news of this meeting we look for hostilities to continue for some time.
>
> Even last month I visited a military post in the Fourth Gouvernate, shortly after hostilities inside the border. After the attacks, our soldiers gave me presents—U.S. military equipment which had been captured there less than a month ago. It is stacked outside this building if you wish to see it.
>
> I do not believe the individual citizens of America would wish to support aggression against us. Instead of hurting us, considering our poverty, they would surely wish to give us assistance.

I interjected that this information was not known in the United States. In fact, I doubted that many people in our Government knew the facts. I said this underscored the importance of diplomatic relations, better communications so that this sort of injury would be stopped. He nodded agreement.

He said:

> Ours is a small country. I am putting a question to you as a friend to Arabs. We have less than two million people. This is a poor country. Is it your view that the U.S. wishes to interfere in minute internal affairs of other countries like ours?

I said that my view was that support of subversion was wrong, and that I would do my best on my return to get facts about U.S. support clarified and any subversive support stopped. I said I would also explore all possibilities for aid with and without diplomatic relations. I said I would encourage the U.S. Government to make a specific proposal to establish a trade mission, U.S. interest section, or consular office.

He responded that he favored relations between the United States and Yemen, but they must relate to grievances now perceived by his people. Aden does not wish to be isolated from the United States, and he believed that a role could be played by Ambassador Ashtal in reaching common solutions.

He said—quite plainly winding up the interview—that he thanked me for the gifts. He said he was sure the students who use the scholarships will contribute to better relations.

At this point, I was ready to launch into an appeal for Franklin's release, feeling this would be my last chance.

It was not needed. He said simply:

> Regarding the prisoner. As soon as I heard of your interest in him, I saw to it that he received preferential treatment. I have carefully considered your request and your desire that he be released, and I have decided to grant your request. When you want him, you may have him.

As I listened to the translation of these words, I could scarcely believe my ears. I blurted out:

> Do you mean that he can return to the United States with me when I leave tomorrow morning?

Through the Arabic came back the answer:

> If that is your wish.

He said something more, but I cannot recall the exact words. I was not at this point focusing very well. It was some sort of a greeting to people in Congress who "understand our needs." He encouraged the exchange of official visitors.

I had one final request. I said:

> Mr. President, I am overwhelmed with joy at your generosity. This is a great act of compassion which I know will be appreciated by many people in the United States. I have observed the request of Ambassador Ashtal not to publicize this trip in any way. But I feel it would contribute to better relations and the elimination of the policies to which you rightly object if I could discuss fully the experiences I have had here. I will not do so unless you give me your permission. May I describe fully to the Congress and to the American people the experiences I have had here?

He answered:

> You may, as you wish.

At Guest House No. 1—formerly the British governor's residence—where the Foreign Minister hosted the final dinner, it was several minutes before I could express myself and tell the guests, including Buckley, what happened. During the meal, I received a message that Franklin by then had been transferred to my quarters and had received the news.

I excused myself early in order to join Franklin, but not before the Foreign Minister presented me with a unique gift—a Yemen lobster beautifully mounted for display on a wall. The other guests followed me to see Franklin. Buckley, who had been his link with the outside world, was there to share the rejoicing. The others, Abdulla, al-Khamiri, Medhe had never met him. As they took turns introducing themselves, shaking hands and wishing him well, this struck me as an exceptional gesture of goodwill to a man their government an hour earlier had held in prison for espionage.

My friend, al-Khamiri, touched me deeply by bringing me that night a lovely oil painting of a desert scene near Aden, product of a famous local artist of years ago. I carried it and the lobster carefully by hand every inch of the way back to Washington. The Presidential gifts fit in the suitcase. And to cap the hospitality, al-Khamiri, Abdulla, and Medhe were at the airport at 5 a.m. to see us off. So was Buckley.

Luckily the 6 a.m. morning flight had an empty seat for Franklin. Or was it luck? Had my hosts, who seemed to delight in suspense, planned ahead with a reservation?

Either way, it was a storybook ending to a week as exciting as I expect ever to experience.

Franklin was free. Nothing had been required in return. My appearance in Aden proved to be the only condition that had to be met to secure his release.

Why? I am convinced the main reason was the decision by the government to probe ever so cautiously for better relations with the United States.

Ed Franklin and I provided the opportunity for the probe.

THE CLAMOR FOR RESIGNATION

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. HANRAHAN. Mr. Speaker, since we are all a very important part of the impeachment process and since this issue becomes more and more pertinent every day, I wish to insert the following articles for the benefit and interest of my colleagues:

THE CLAMOR FOR RESIGNATION

> The clamor for President Nixon's resignation is growing, notably among conservative Republicans shocked with the tape transcript revelations and convinced that he cannot govern successfully through the remaining years of his term.
>
> We don't doubt that the nation would heave a massive sigh of relief if Mr. Nixon complied with the suggestions, and certain obvious gains would surely result. For one thing, it would be possible for his successor, Vice President Ford, to devote adequate attention to vital affairs that have had short shrift while the White House has been immersed in Watergate. And needless to say,

a lot of Republican candidates would face November election day with a lot more confidence.

But the President is entirely credible (for once, at least) when he vows that under no circumstances will he take the option of resigning.

As he well knows, as a private citizen he would promptly lose the immunities he enjoyed as President, and would become liable for arrest and trial on whatever criminal charegs might arise out of the Watergate and other investigations.

Conceivably he might try for a deal to win immunity from prosecution in exchange for his resignation. But that would require the courts to finesse their lawful duty in a manner that might violate the Constitution.

Still another possibility that has been mentioned is that the President would somehow utilize provisions of the 25th Amendment to declare himself out of commission until the impeachment issue is resolved, retaining his title but permitting the vice president to take over the reins of government as acting President. But this, too, is hardly in the character of Mr. Nixon.

The straighest, clearest road remains the impeachment process, which is now under way. While it is a dim-lit course in terms of precedent, its authorization and procedures are spelled out in the Constitution, and it affords the most effective way of reaching a legal determination of the President's fitness to go on serving.

The House of Representatives, which holds the impeachment power, is the body in most intimate touch with the electorate and its views. The Senate, which would try the President if the House impeaches, consists in the main of men of intelligence and moral responsibility. If two-thirds of the Senate voted the President guilty, it would be possible to bring criminal charges against him, but such vindictiveness seems unlikely. If the Senate failed to convict, the law would uphold the President's right to serve out his term. If the impeachment process runs its course, the ordeal will be cruel on the nation and on the President. But justice is seldom less than a stern master to serve, and this nation has many times met agonizing tests of spirit, and survived them.

[From the Washington Post, May 10, 1974]

The Perils of Presidential Resignation

(By William S. White)

Those who are joining in the rising clamor that the President should simply resign forthwith, thereby saving everybody a lot of pain and trouble, are proposing the worst possible resolution to one of the gravest issues in our history.

"Let's get it over with" has an appealing ring; the only trouble is that it is dangerously simplistic. In the first place, everybody knows that in the current circumstances "resignation" is an euphemism for morally firing the President. In the second place, ugly as indeed are the White House transcripts dealing with Watergate, there is at this point a respectable doubt as to whether Mr. Nixon has committed impeachable offenses as distinguished from acts that were shockingly bad in themselves.

But there is a third point that dwarfs all others, and it is this, offered in ABC form: The United States has something called a Constitution. This Constitution stipulates that in one place and one alone a President of the United States be rightly tried for such as high crimes and misdemeanors and there cleared or convicted.

This place, of course, is the Congress of the United States. The somber search for truth and justice must begin in the House, which must first determine whether to impeach (indict) the President. The somber search for truth and justice must then, in the event of an impeachment, go to the Senate, whose members would try the President as jurors presided over by the Chief Justice of the United States, Warren Burger.

This is the high and the true way to try this case. "Resignation" would avoid or evade the true way. If the President has not in fact committed an impeachable offense—and it must be remembered that we do not yet know the answer to that crucial question—"resignation" would become the most massive injustice we ever knew.

If, on the other hand, the President has in fact committed an impeachable offense, "resignation" would defraud justice and cheat the right and proper demands of history that this affair be explored with due process, and due process alone, to its very end .

The politicians can do what they like; the "media" can do what they like. For my part, I am not about to put my private judgments, hunches or feelings above the magnificent constitutional processes of this nation. Nor am I about to remain silent while others demand the easy way out. It seems to me that they have not thought through the possible consequences of a "resignation" that would in common truth be a booting out of a President of the United States.

It is an inescapable fact that any ouster of this particular President, even if accomplished in the most scrupulous of due process, would have the effect of overturning an immense popular mandate given to that President less than two years ago.

Millions of Americans are going to believe that he was unfairly hounded from office if he leaves it, no matter how. Bitter divisions we don't need in this country—and most poignantly we don't need them if the President is compelled to leave office by whatever method. Let us therefore rely upon the constitutional method and only on the consttiutional method to hold divisiveness to its minimum. "Hurry up" are words that don't belong anywhere in this tragic business.

IMPEACHMENT: POLITICAL OR CRIMINAL PROCESS?

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. BROWN of California. Mr. Speaker, all of us have heard, and many of us have participated in, the extensive debate over the past few months as to what exactly are the correct legal procedures that must be followed in the course of the current impeachment proceedings. During these discussions we have many times seen individuals on both sides of the issue accuse their opponents of "playing politics" with the impeachment issue.

John Roche makes some interesting observations on this subject in the most recent issue of the AFL–CIO News. I will insert the article, Mr. Roche's "A Word Edgewise" column from the May 18 issue of the News, in the RECORD at this time, for those of our colleagues who might want to consider what I believe is an uncommon interpretation of what impeachment is all about.

The article follows:

A Word Edgewise: Impeachment Battle Shapes Up as a Public Opinion Contest

(By John P. Roche)

A number of Democrats have criticized President Nixon for his active defense against impeachment. On the other side of the battlefield, Republican spokesmen have attacked the President's critics for unfairly influencing the jury; that is, in this context, putting pressure on the House and Senate. Actually, both sets of complaints are off the mark.

Impeachment and conviction constitute political punishment for political sins. What is developing is in no sense a criminal process. Conviction by the Senate, even for treason (which, of course, is not at issue now), can only result in deprivation of office and the right to hold office. The Constitution explicitly states that conviction does not bar separate legal action; impeachment does not constitute jeopardy.

What this adds up to is a contest for public opinion. In our original system, where senators were chosen by state legislatures, impeachment and conviction were in the hands of separate constituencies. The theory was that if the House, popularly elected, and the Senate by a two-thirds vote agreed, it would be an indication of massive national consensus.

This is still valid despite the popular election of senators. In essence, this clumsy technique was the ancestor of recall, the system used in some states which makes it possible for the electorate, in a special referendum, to deprive a governor or other state official of office.

Once you eliminate the fiction that impeachment is a state trial conducted with the full protection the Constitution requires in a criminal action, you realize that both sides are free to influence the House, the Senate and, ultimately, the American people. (Perhaps, given some of the activities that have surfaced, it is necessary to note that the line is drawn this side of bribing senators!) If, for instance, Mr. Nixon uses half an hour on television defending himself, equal time should be granted the prosecution. Moreover, the whole affair should be televised so the real jurors, the people, can make up their minds and notify their elected representatives and senators.

In reply to this view, some will argue that such a spectacle undermines the standing of some mysterious entity called the "Presidency." This, I submit, is part of the problem: Mr. Nixon obviously believed that there was some sort of halo that went with the job. For two years I sat in an office three minutes away from President Johnson and had ample opportunity to discover whether there were some magic rays in the Oval Office that turned a man into an institution. I can report authoritatively there are not.

The "Presidency," in short, rises or falls with the behavior of its occupant. The fact that Calvin Coolidge did virtually nothing (except sleep) for five years did not destroy the "Presidency." Every President starts from square one. The fact that Franklin D. Roosevelt successfully seized various industries was no help to Harry Truman when, in 1952, he took over steel. And the decision against Truman in the Youngstown Case established no firm precedent for the future. It was a ticket good for one day on one plane. Various presidents have let Congress walk all over them; others have reclaimed lost turf and added to it.

What the Constitution did was establish a legislature, an executive and a Supreme Court, and then turn them loose to carve out their jurisdictions. The battle has now been raging for almost two centuries.

Congress, infuriated at the Supreme Court, has on one occasion specifically curbed the latter's jurisdiction. This did not destroy "The Judiciary" any more than the court's declaration that basic New Deal legislation was unconstitutional destroyed "The Legislature."

We do not, in other words, live in a political universe populated by Platonic forms or essences; we live in one where nine judges, 100 senators, 435 representatives and one president—all human beings—compete for political power, which is defined as the support of a majority of the American people.

Thus when Congress invokes its ultimate political weapon against the chief executive, it is launching a campaign for the support of the population. The President has the right to fight back with every legitimate technique at his disposal. All in all, it's going to be a noisy summer, but noise is essential background music for the exercise of democratic government.

VETERANS' EDUCATIONAL BENEFITS BILL STALLED

HON. DAVID W. DENNIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. DENNIS. Mr. Speaker, May 31 marks the expiration date for GI educational assistance benefits for approximately 300,000 veterans. I have requested this time today to bring to the attention of my colleagues an unfortunate deadlock between the House and Senate involving the extension of veterans educational assistance, and to discuss the actions taken which have resulted in the present stalemate.

On February 19 of this year the House unanimously passed H.R. 12628, highlighted by a 13.6-percent increase in the educational assistance allowance. A second important feature of the bill was a provision for a 2-year extension of eligibility under the program. Under present law all training must be completed within an 8-year period following separation from service. H.R. 12628 extended the existing 8-year delimiting period to 10 years.

The House-passed bill was subsequently referred to the Senate Veterans' Affairs Committee on February 21, where it languished for over 3 months only to be rejected in favor of S. 3398, a bill providing for a straight 2-year extension without any increase in the educational assistance allowance. The Senate passed S. 3398 on May 13 and forwarded it to the House, where we thereupon took the Senate bill and so amended it as to insert the language of the original House bill in lieu of the Senate text, thereby reaffirming our commitment to provide increased assistance to veterans faced with rising education costs.

We are now embroiled in a dispute with the Senate over the issue of payments, which I feel confident will ultimately be resolved. But in the meantime, those thousands of veterans whose benefits are scheduled to expire on May 31 have been placed in jeopardy and will be totally without financial assistance pending the resolution of this controversy.

The real, and in my judgment only, issue here is not whether the House or Senate will prevail, but whether the veterans' education program will continue uninterrupted. And to this end, I find it unconscionable that the fate of these men and women, for whom I have a deep and abiding respect, should be held hostage to the interchamber disputes of this Congress, and I respectfully urge the Senate to respond favorably to the House position and to forward the bill to the President for enactment.

Meantime, impending this action, I am very glad that the House, as of today, has pased a bill which will no doubt also be passed by the Senate, extending the period of eligibility under present benefits for an additional 30 days, or until June 30, 1974. It is important that before that date permanent legislation should be enacted and one would hope at the House figures.

HON. JAMES A. ROGERS' TRIBUTE TO DR. BENJAMIN MAYS

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. DORN. Mr. Speaker, Hon. James A. Rogers, member and former chairman of the South Carolina State College Board of Trustees and editor of the Florence Morning News, paid special tribute to Dr. Benjamin E. Mays on the occasion of Dr. Mays' receiving his 34th honorary degree from Lander College of Greenwood, S.C.

Mr. Speaker, I commend to the attention of our colleagues the following introduction and tribute to Dr. Mays.

Introduction And Tribute

(By James Rogers)

The problem I face in introducing Dr. Benjamin E. Mays is the temptation to preempt his role as speaker for this occasion and address myself to the times in which he has lived and how mightily and effectually he has worked to gain public acceptance of new concepts of excellence and dignity across the entire human equation.

Indeed, one feels compelled to range more widely than the mere citation of his biographical data—though taken alone they tell a story of such rare achievements that few anywhere having humble or even auspicious beginnings can lay claim to.

On the occasion when to his 33 honorary doctorates awarded him by institutions in this country and abroad has been added a 34th by Lander College, it would seem less than appropriate not to give greater depth and scope than can be drawn from saying that he was graduated from the high school department of South Carolina State College, is an honor graduate of Bates College, Lewiston, Maine; holds Master of Arts and Doctor of Philosophy degrees from the University of Chicago; has distinguished himself in the fields of education and religion since the early 1920's; was for 29 years President of Morehouse College of Atlanta, Georgia, now President Emeritus; has authored seven books, and chapters and sections in 15 more, also many articles for national and international journals; and is the recipient of more than 100 awards and honors for distinguished service.

I speak as one who has never known him at close range. Until this day, the only time our paths have crossed has been by long distance telephone when I, then chairman of the Board of Trustees for South Carolina State College in Orangeburg, sought his advice when we were seeking a president for that institution—a call which I have no reason to believe he remembers. But knowledge of a man is not limited to face-to-face encounters. In that nonvisual sense, my acquaintance with him covers a time span of long duration, and at a distance, I have come to know and admire him as a towering figure whose influence has helped to make tht South of today something radically different from euphemistic New South of an earlier culture.

As the title of his autobiography indicates, he was "Born to Rebel,"—not as a violent revolutionary, but as one whose sensitivity to injustice placed him in the vanguard of the black encounter long before the civil rights movement began to generate midway this 20th Century.

His odyssey has been from the eighth child of a Negro cotton farmer who had been born into slavery, through a struggle to obtain an education and learn how to become and remain a man of pride, dignity and integrity in a society whose mores were rigidly shaped by a segregationist tradition with all its disciplinary restrictions, and into the clearer light of today when he walks among the tallest and freest of men.

In the introduction of "Born to Rebel," Dr. Samuel DuBoise Cook, professor of political science at Duke University, speaks of Dr. Mays in terms of "strength of character, gifts of mind, vision, ability to grow and courage to change, creative restlessness and zest for life, stubborn moral courage, prophetic imagination, deep commitment to social justice, boundless energy and eagerness to tackle new tasks, devotion to academic excellence, capacity for independent thought and critical judgment, single-minded commitment to the most precious and enduring values of the human enterprise, and life-long romance with the world of higher possibilities." That, I believe, sums it up.

Today, Dr. Mays must sense that his life has come full circle. Many years ago he left from here the son of a slave-born cotton farmer in search of an education, and, to use his own words, on a quest for recognition first as a human being, and only incidentally as a Negro. This he has realized and much, much more. His achievements in religion, higher education, writing, speaking, public life, and in the struggle for social justice would bring credit to any man. Considering the environment of his childhood and formative years, they are both astonishing and incredible.

Today he has returned to the place of his beginning—here to be honored as one of the country's truly distinguished and exceptional men.

Ladies and gentlemen, I am honored and humbled to present Dr. Benjamin E. Mays.

SMALL BUSINESS WEEK

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. BROWN of Ohio. Mr. Speaker, during this Small Business Week, I would like to commend the small and independent business community of our Nation and especially those of the Seventh Ohio District, which I have the privilege of representing. Independent business employs over 50 percent of the work force in the United States and accounts for more than 40 percent of our gross national product. The small business community is a large and vital part of our economy.

The National Federation of Independent Business, with more than 373,000 members nationwide, has 15,000 members in Ohio and more than 800 members in the Seventh Congressional District. The small business community in the Seventh District provides jobs for 6,000 people and contributes in excess of $71 million to the prosperity of the district.

All of the residents of not only the Seventh District, but also Ohio and the country, are indebted to the small businessmen who play such a vital role in our economy and assume positions of leadership in our cities and towns. America needs small business enterprise and I am pleased to salute this segment of our economy during Small Business Week.

LEASING POLICIES OF FEDERAL COAL LANDS

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. RONCALIO of Wyoming. Mr. Speaker, occasionally a bit of wisdom is recited that merits attention of all. I feel this way about a recent statement of David H. Olson of Casper, Wyo., delivered before a recent hearing regarding the rate of growth in my State of Wyoming and regarding leasing policies of Federal coal lands. This article, and the one to follow, are must reading for anyone who still cares about America and what is happening to it these days in the West.

The articles follow:

Wyoming Coal

(By David H. Olson)

Most of the projections for future consumption of Wyoming coal are based on the assumption that electric utilities will continue to increase their production at a compound rate of growth of 6–7% per year. If this continues we will double production in 12 years and quadruple production in 24 years, using a 6% compound rate. It is my contention that this is absurd, when our population only grows at a 1% rate. Why should we increase per capita consumption at a time when we are already wasting electric power on a massive scale?

If we could slow down the rate of growth so that electric power and population grow at the same rate, we would greatly reduce the demand for coal. By so doing we could prevent the boom type growth we are seeing in Rock Springs and Gillette.

We are told by the electric power industry that our survival and the quality of our lives depend upon the production of more and more electric power. There is a direct correlation throughout the world between rapid industrial growth and the breakdown of family life, increase in crime, and the use of drugs and alcohol. Utility spokesmen assume that luxury connotes quality. I would remind them in the words of Gibson that "luxury comes in the door as a guest and stays to become the master". The escape from physical drudgery has degenerated into contempt for physical work. Senator Hansen could testify as to how difficult it is to hire ranch hands. He could also tell you that ranch work is a better quality life than living in Washington.

It is widely assumed by people in the investment business that growth in gross national product leads to growth in net profits. This assumption is false. From 1966 through 1972 the gross national product increased 57% but corporate profits increased only 6%. Much of the growth in profits in 1973 was canceled out by inflation.

The typical annual report of an electric utility speaks glowingly of their past and future growth. The grim fact is that the average electric utility stock is selling under its low for each year since 1960.

This brings me to my next conclusion. The electric utility industry will find it very difficult to finance the growth they have projected. Spending on plant in 1965 was $4 billion dollars. In 1972 it was $14 billion—a 20% annual rate of gain. Capital expenditures are projected to total $90 billion during the next five years. $22 billion of this must come from the sale of common and preferred stock. Who will want to buy these stocks with a yield of 7 to 8% which matches the rate of inflation? Who will believe that a stock will go up in value when recent history shows the reverse? $36 billion of this capital must come from the sale of bonds.

The interest rate on AA bonds is about 8¾%. The return on net plant in 1972 was 6.4%. Only a fool would borrow money at 8¾% and invest it at 6.4%, but this is what inflation and blind confidence in growth has forced the utility industry to do. There is a strong possibility that government subsidies will be proposed. If this happens it will lead to government ownership eventually. Government inefficiency would make the total cost of power even greater.

If we are to avoid a government takeover of the utility industry we must do the following:

1. Slow the growth of electric power production to the same rate as our population growth.
2. Grant rate increases so that the public will be reluctant to waste power and the industry can maintain its financial health.
3. Penalize wasteful users of power by imposing a surcharge on excessive usage.

We should realize there have been countless highly civilized societies developed before electricity was used. There was plenty of employment for all able bodied people. The consumption of electric power per capita in 1940 was very much smaller than it is now and yet there is no evidence that the present American society is more civilized or happier than it was then. Nor are European people less civilized than Americans because they consume only half as much electricity per capita.

In closing, I would urge this subcommittee to recommend a go slow approach in leasing federal coal lands. Give us in Wyoming time to plan for the influx of miners into this state that values its way of life so highly. I would ask you Senators to recall the days when most Americans lived on farms and in small towns. The divorce rate was low and so were taxes. Hard work and saving for the future were virtues. Above all, personal integrity was strived for and those who achieved it were held in esteem. It is difficult to build character in a race of people who live lives of physical ease and mental stress.

It is time we listen again to some of the ancient philosophers such as Homer who said, "He is always a slave who cannot live on little."

[From the Washington Post]

Federal Coal-Leasing Policies Faulted

(By Tim O'Brien)

A private study group charged yesterday that federal coal-leasing policies have encouraged corporate speculators to keep thousands of acres of coal-bearing lands unproductive "until industry decides its profits will justify development."

In a report released by the nonprofit Council on Economic Priorities, it was disclosed that 70 per cent of the leases in seven Western states are controlled by 15 corporations, including five oil companies.

The large corporate leaseholders, the report said, "speculate the most," holding public coal unmined until prices go up. Only 11 per cent of the 474 leases examined by the study group were under active production, and 321 leases "have never produced a single ton of coal."

"The largest lease-holders speculate the most. While 89 per cent of all leases are inactive, 93 per cent of the leases held by the top 15 are not producing coal," the council said." . . . Five of those major lease-holders—El Paso Natural Gas, Westmoreland Resources, Shell Oil Co., Sun Oil and Richard Bass—have never produced a ton of coal from their leases."

The Council on Economic Priorities, which is supported by foundation grants and income on its publications, said a "gaping loophole in the law" allows leases to avoid actual coal production.

The loophole, the study said, allows the Interior Department to waive the production requirement in favor of the leaseholder's paying a year of advance rent. "But since the rents are so low," said James Cannon, author of the report, "this really puts no burden on the company and is not an incentive to actually dig coal."

The report said the Interior Department "has not planned or even considered the environmental, social, cultural or economic effects of its leasing practices."

Criticizing Interior's long-range planning, the study said public lease terms are adjusted every 20 years and only then can royalty rate increases or environmental safeguards be inserted as conditions of leasing. "Even after these long adjustment intervals, Interior has failed to consistently raise royalty rates to meet current standards, and it has neglected to insert an important environmental safeguard clause in 58 of the 85 leases which have come up for adjustment," the study said.

Moreover, the council's report said Interior has never canceled a coal lease because of violations of lease terms and "the costs of that failure have been transferred to the future."

The study examined 463 federal and 11 Indian-land coal leases in New Mexico, Arizona, North Dakota, Wyoming, Utah, Colorado, and Montana. The two laws controlling lease policy on these lands—the Mineral Leasing Act of 1920 and the Omnibus Tribal Leasing Act of 1938—do not require resource-use or land-use planning nor have the "strength to compel Interior to implement their directives for orderly development . . . at a fair market value," the report concluded.

"No pretense may be made that the public has ever received fair market value for its coal," the study said. "Every lease has been issued at industry's request rather than as a result of Interior determination that there was a market demand for coal . . . 247 of the 474 leases have been issued by the department at competitive lease sales, but 171 of those were granted without competition since one or no bidders appeared.

"The average winning bid at these 171 lease sales was only $2.87 an acre. Another 210 leases were granted by the preference-right method, which returns no revenue to the lessor besides the $10 filing charge.

Lease-holders have paid a total of only $3.5 million in rent for public land leases and $2.2 million in rent for Indian land leases. Royalty rates on public coal have also been low," the report said.

THIRTY-TWO YEARS IN CONGRESS

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. FISHER. Mr. Speaker, on the evening of May 17, it was my honor and privilege to address a large audience on the occasion of the annual Kerr County Chamber of Commerce banquet. My discussion included pending impeachment hearings and brief references to the regimes of the six Presidents under whom I have served while serving in the Congress.

Under leave to extend my remarks, I include a copy of that address. It follows:

REMARKS BY O. C. FISHER

First, let me express my appreciation for this privilege, which I very highly esteem. The people of Kerr County have honored me today far beyond my deserts, for which I am everlastingly grateful.

During my 32 years in Washington Kerr Country has always been one of my favorite places in the district. Here, in the heartland of the Teaxs hills, drawing upon the heritage of proud and stable pioneers, your devotion to the American way of life is enduring and is second to none in the entire Nation. I salute Kerr County and I salute its people. In my book you are among the very best.

As has been pointed out, my tenure in the Congress has spanned a little more than 3 historic decades, during which 6 different Presidents have occupied the White House. Three wars have been fought, much tragedy has been suffered, and we have witnessed moon landings, the advent of television, and many other magnificent scientific and technological breakthroughs.

IMPEACHMENT THREAT

And now, on the eve of my departure, it appears likely that the House of Representatives will be called upon, for the second time in American history, to vote on Articles of Impeachment against the President of the United States. That will indeed be an awesome decision, the outcome of which could shake the Nation to its foundations and pose grave consequences for us abroad.

It goes without saying that this historic decision transcends partisanship. It will call for exercise of the highest attributes of statesmanship on the part of the Membership. In that spirit and as God gives me light I shall undertake to perform my responsibility as imposed by the Constitution.

Under our system sustainable impeachment clearly contemplates proof, beyond any reasonable doubt, of the commission of a serious crime. Thus far, in my opinion, that required quantum of proof has not been revealed. I shall, of course, reserve final judgment until the Judiciary committee has concluded its hearings and makes its report.

It is disturbing to me that, according to the press, some 12 or 15 members of the House Judiciary Committee long ago indicated support of impeachment charges, yet they serve as jurors who are supposed to be fair and impartial in considering evidence that is presented during the course of the hearings. In fact, it is well known in Congress that some of these members would have been expected to vote for impeachment of the President before they ever heard of Watergate.

Incidentally, it may be of interest to you to learn that, according to the press, a total of 55 different counts have been filed, and the committee has already indicated that all but 5 of the charges have been dropped from serious consideration. This serves to illustrate the mass of emotionalism which prompted hasty and ill-considered charges.

For myself I am still one of those who believes intensely in the presumption of innocence as applied to any accused person.

Let me add this, that I think it would be a serious mistake for the President to resign, while under fire and with the charges against him in a state of limbo. And I am convinced he will not resign.

POWER OF THE MEDIA

One lesson I think we can learn from the Watergate melee and its aftermath is the tremendous power of the news media in the molding of public opinion. This can be good, or it can be bad. It all depends.

In all fairness, we do know, and I think it is generally recognized, that some segments of the media have been absolutely merciless in their harassment of the President. Even most of the syndicated cartoonists have used some power of the poisoned pen in repeatedly depicting the President as a common criminal, or something worse.

In any event, I think it behooves all of us to keep our cool and maintain open minds until all the evidence has been processed and evaluated.

SIX PRESIDENTS

There are any number of inviting topics for public discussion on an occasion such as this. But since you have so magnanimously related this event to my retirement from Congress, I thought it might be appropriate and of some public interest for me to briefly refer to the various Presidents under whom I have served while in Washington. We know that heads of State and their administrations are always better judged in the perspective of history, and I shall strive to be factual and objective.

Franklin D. Roosevelt was in the White House when I was sworn in back in 1943. The war was then at its peak, and I think history recognizes FDR as a wartime President who performed well in his relationships with Winston Churchill and other allied heads of State, although his treatment of De Gaulle, then in exile, could have been improved upon.

Roosevelt did provide strong wartime leadership.

On the domestic front he left much to be desired. Elected on an economy platform, he promptly scrapped that design and proceeded to inaugurate social reforms and many new programs, many of them unrelated to relief measures for the unemployed.

Favored by a rubber-stamp Congress, FDR pushed through pet measures spawned by the New Deal, including the National Recovery Administration (ARA)—which the Supreme Court held to be unconstitutional. That triggered the President's attempt to have more men added to the 9-member Supreme Court, the celebrated court-packing scheme. The Senate blocked that effort, but vacancies soon occurred which were filled by dedicated New Dealers.

The Roosevelt years witnessed the surfacing of the socialist-minded and the liberals, many of whom were taken into the government and left their mark. As a practical politician, FDR capitalized on the depression to court favor with America's blacks. With Eleanor's help vast numbers of Negroes were enticed to leave the Republican party, and most of them have been aboard the Democratic bandwagon ever since.

Incidentally, speaking of the depression, I think history confirms the fact that Herbert Hoover had absolutely nothing to do with bringing on the depression, although he got much blame for it. It was world-wide and would have happened regardless of who was in the White House. Hoover was a man of great compassion. As a patriot and a statesman he was preeminent.

Few people know that President Hoover never accepted pay for his services while in the White House. His monthly salary checks were all returned to the treasury.

I recall the last time I ever saw President Roosevelt. It was on the 1st day of March, 1945, when he addressed a joint session of the Congress to report on the Yalta conference. He sat in a wheelchair and his failing health was quite noticeable. The American press had been critical about some reported concessions, and FDR gave his personal assurance that we could trust Stalin and that all was well. Stalin had agreed that there would be post-war free elections in all the Russian-occupied Balkan states—elections that have not yet been held, 30 years later.

Some 6 weeks later Roosevelt was dead.

HARRY TRUMAN

Then came Harry Truman of Missouri, a product of the Pendergast machine, who had gained some prominence as a United States Senator and Vice President. I would say, from my viewpoint, Truman will rate fairly high in history, due largely to three or four major historic actions. He ended World War II by ordering use of the atomic bomb, after first calling in vain for Japanese surrender. He provided aid for the Greeks against Yugoslav-based guerrillas; he approved the Marshall Plan, and he directed the Russians to observe their commitment and withdraw troops from Iran.

Like Roosevelt, on the domestic front Truman left much to be desired, in my own judgment. Like Roosevelt, he was strongly beholden to Labor leaders, vetoed the Taft-Hartley Act and the Hobbs Act at the behest of Bill Green and Phil Murray, and he allowed Phil Murray to have a hand in the drafting of his veto of a tax bill—which inspired a famous Senate speech by Senator Barkley.

Near the end of his regime Truman was so pro-labor that he stubbornly refused to invoke the Taft-Hartley Act to stop a costly and long-drawn-out steel strike. Finally when the situation became intolerable, instead of invoking the law to halt the strike Truman ordered the government to take over the steel plants—an action which was promptly held unconstitutional by the Supreme Court.

To Truman's credit, however, was his forthright move in asking and obtaining from Congress authority to take over the railroads and the railroad unions to prevent a Nationwide disaster strike. But with passage of the new law, the unions called off the strike, a settlement was reached, and there followed a happy reconciliation between the President and the unions.

At the time Truman left office his popularity rating was registered lower than is President Nixon's at this time. Indeed, I recall there were demands for Truman's impeachment, but they were not taken seriously. Then, as now, some people thought we should get rid of an umpopular President a lot like we would get rid of an unpopular football coach. But the system does not work that way.

DWIGHT D. EISENHOWER

Then came Dwight Eisenhower, a national hero, who for 8 years served the Nation well. He was not a crusader, and he came along at a time when the people were ready for some tranquility at the White House. He soon brought the Korean war to an end, and he bolstered our alignments against Communist threats, both at home and abroad.

Ike was economy-minded, and the budget was balanced on at least two occasions, as I recall, during his regime. He followed policies of restraint, good will, and conciliation in coping with racial and labor problems, and his policies were remarkably successful.

Of the 5 Presidents who preceded Nixon, Eisenhower was the only one who did not kowtow to labor leaders. Ike treated them fairly, but he was tough and forthright when the occasion required it. For example, on the night before the Landrum-Griffin Act was voted upon and approved in the House, the President went on a national TV hookup to urge support of the legislation to deal with secondary boycotts and other needed reforms. The unions, with no valid reason, fought that bill bitterly, but Ike took the issue to the American people, and he got the job done.

The State of Texas owes a special debt of gratitude to Eisenhower because he signed a bill which confirmed the title of Texas in its tidelands. So important was that issue, both Governor Alan Shivers and Attorney General Price Daniel bolted the Democratic party to favor Eisenhower in his campaign against Adlai Stevenson for President. Under the tidelands law Texas schools will reap billions of dollars in benefits from oil leases on offshore lands.

Incidentally, it was my honor and privilege to be named by the Speaker as one of two members to represent the House of Representatives at the Eisenhower funeral at Abilene, Kansas.

JOHN F. KENNEDY

That brings us to John Kennedy, a splendid New England gentleman whom I knew quite well. In fact, I was on the old Labor committee when during the 80th Congress hearings were held which produced the Taft-Hartley Act. On that committee at the time were two freshmen, both destined to become better known at later dates—John Kennedy and Richard Nixon. It happened that I joined with Nixon in supporting Taft-Hartley, while Kennedy opposed it.

The Kennedy days were too limited for us to form very much of an appraisal. Had he listened more to his father and less to his brother Robert, I personally think he would have been better off.

In terms of history he faltered, I think, after the CIA, with Administration knowledge, had helped plan and direct that abortive invasion of Cuba. Had there been air support at the critical time, military experts believe the Castro regime would have fallen, and there would have been a different ball game.

To his credit, however, John Kennedy's ultimatum to the Soviets to turn their Cuba-bound missile-laden ships around and head for home, was an act of courage and greatness.

As you know, the Kennedys were extremely pro-labor, pro-minority blocs, pro-liberal, and were socialistically oriented. They were crusaders and, whether intended or not, history reveals they fomented a great deal of turmoil and unrest throughout the country.

LYNDON B. JOHNSON

I am not going to say much about Lyndon Johnson because he is well known to all of you and hardly enough time has elapsed for history to evaluate some of his programs and policies.

As you know, LBJ was a dynamic leader, determined to forge a favorable image on the national scene. In terms of history perhaps his greatest achievement was his direction of the war against the Communist aggressors in Vietnam. Although militarily inept at times, he never relented. History may be critical of his failure to heed more of the military advice from the Joint Chiefs of Staff.

On the domestic front, in the name of Great Society Johnson initiated many new welfare and social programs, the mounting costs of which, since that time, have imposed a rather heavy burden upon American taxpayers. That can be considered good, or otherwise—depending on the way you look at it.

Personally, I took a dim view of most of the Great Society ventures and voted against them. Maybe that makes of me an old fogey, but that was the way I saw it—and still see it.

A multitude of civil rights and welfare measures, some of them ill-considered and counter-productive, sailed through the Congress, particularly during the notorious rubber-stamp 89th Congress.

RICHARD NIXON

Following Johnson came Richard Nixon the present incumbent. Whether you agree or disagree on the issue of impeachment, it is true that under Nixon the harbor of Haiphong was mined, massive military supply lines of the enemy were interdicted in the Hanoi area, and as a result a military victory was achieved. Our prisoners of war were released and a half million troops were returned home.

I thought Mr. Nixon did right well in helping bring the October 1973 Mid-East war to a halt, with some hope for a permanent settlement. This achievement may rate a high place in history.

Not to be overlooked, Nixon's 4 appointments to fill vacancies on the Supreme Court changed the complexion of that tribunal, for which I think history will give him some high marks.

Only the future can appraise the dialogue President Nixon established with the Chinese and the Soviets.

CONCLUSION

Now, in conclusion, to sort of shift gears for a moment, let us remember that while there is a lot that is wrong with America today, there is nothing that cannot be cured if a majority of our citizens make up their minds to act together and follow the right course. A people that can conquer outer space and land men on the moon, has the potential to accomplish almost anything. Let us proceed with pride in our heritage and faith in our system. By maintaining a military strength second to none, we can maintain peace. Surely we have the ingenuity and resources to find acceptable solutions for our domestic problems, however difficult they may appear to be.

Despite cries of doomsayers, our Nation is not falling apart. It is strong and viable. Our strength lies in the people, their dedication, and their capacity to perform—even in the face of adversity. I have unyielding faith in the people.

We are indebted to the early Chinese for many things, not the least of which was an attitude toward life which recognized an interdependence and balance beginning with the individual and carrying through to encompass the world.

I will leave you, therefore, with the Chinese proverb which so beautifully states that philosophy:

"When there is righteousness in the heart, there is beauty in the character; when there is beauty in the character, there is harmony in the home and strength in the Nation; when there is strength in the Nation there will be peace in the world."

A PICNIC IN RUSSIA

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. LEHMAN. Mr. Speaker, earlier this month, 10 south Floridians joined a group of 70 Russian Jews to celebrate the Lag Baomer spring festival with a picnic near Moscow.

The entire group was subject to harassment and intimidation by Soviet police.

The attitude of the Soviet Union toward its Jews is well known. Their attitude toward American tourists comes as a shock.

Dr. Lawrence Brant of North Miami Beach was a member of the group and he has written a very disturbing account of this event. His story follows:

THE PICNIC

There is nothing more peaceful and pleasant than a picnic in the country in May. Especially one with plenty of children along with their parents to celebrate the Jewish spring festival of Lag Baomer.

This thought occurred to us when a group of Florida dentists and our wives were invited to such a picnic while visiting abroad. The one fact we neglected to seriously consider was that we were in the Soviet Union.

On May 6th, 1974, a group of one hundred dentists and their wives from the Broward County Dental Association of Florida departed Miami for a Soviet-American Dental Conference in Moscow and Leningrad. Ten of us, Dr. Lawrence and Shirley Brant, Dr. Michael and Lois Krop, Dr. Robert and Diane Blank, Dr. Charles and Sandy Friedman and Dr. Clifford and Harlene Marks, are all interested in Soviet Jewry. We had been given names of Jewish families to visit by the South Florida Conference on Soviet Jewry.

These families are "refuseniks", Jewish Soviet citizens who have applied to the Soviet Government for visas to emigrate to Israel and had their applications refused. Some have been waiting as long as five years. Most are highly educated people who cannot live as Jews, because of the Communist policy of restriction on religious freedom and expression. Almost all have lost their jobs when they applied for visas. Many live in poverty. Some exist mainly by support from Jewish sponsors outside of the Soviet Union. They all are very courageous people who have endured much mental and physical suffering to gain religious freedom; something most Americans take for granted.

Every Citizen of the USSR must carry identification papers.

One heading, Nationally, asks for the republic of the Soviet Union in which he is born. If he is born in Ukraine, he is Ukrainian. If he is born in Latvia, he is Latvian, and so on. However, no matter in which Soviet republic a Jew is born, he is always marked as a Hebrew. A Jew is virtually a second class citizen. He has no republic. He is often discriminated against. If he is classified as a Hebrew, then Israel should be his homeland. There is a Soviet policy in existence since 1966, allowing for reunification of families of all citizens, including Jews. These people want to return to Israel.

In Moscow we first contacted Vladmir Slepak who is a leader of the "refuseniks." Some of us visited his small, overcrowded apartment in which he shares his kitchen and bath with another couple. On meeting Vladmir we were immediately overcome by his quiet strength and sensitivity even though his long ordeal has taken its toll. Although Maria, his wife, cannot speak English, her enthusiastic and warm hospitality won us over at once. She produced a table of simple foods and wine that you could not turn down. Alexander, their twenty-two year old son, is intelligent and strong and has hope for the future. Their other son Leonid, was the first Jewish boy from Moscow to be publicly Bar Mitzvahed in twenty-six years. How could any Bar Mitzvah be more meaningful? His large inquisitive eyes hid the uncertainty that must be inside him. This close family give each other strength. The Slepaks make you genuinely feel that just the simple visit of people from free countries gives them the courage to go on.

Vladmir spoke to us at length about the Jewish community in Moscow and the situation of those 150 families who have been denied exit visas. He was one of eight Jewish "refuseniks" who met with Senator Edward Kennedy in April 1974. There are over 100,000 Jews in the Soviet Union still waiting for approval of visa applications.

We then learned of the yearly Lag Baomer picnic that was planned for the next day, Friday, May 10th. It was to be just an outing in the country where the "refusenik" families could spend a few hours together celebrating a Jewish festival. There would be no demonstrations, no signs, no shouting of protests.

The next morning we met at the Slepak

apartment. Here we met twenty-seven year old biochemist, Alexander Goldfarb, and his wife Vala. Alex's enthusiasm, intelligence and boldness were very apparent. He pointed out a nearby car with two men in it. They were KGB secret police agents. Their presence was taken as a matter of course as was the accepted fact that their apartments were "bugged" with listening devices.

We then went as a group on the Moscow subway to the outlying district. Here we met with another contingent of about 75 Moscow Jews. We all jammed on to a large two-car public bus along with other Russians. The KGB agents were obviously present.

After riding about ten minutes, several jeep-like vehicles stopped the bus. Six uniformed police boarded and demanded to see our passports. They quickly looked at one passport and ordered that all Americans get off the bus. Immediately Slepak responded that all the Jews would get off with the ten Americans. Once off the bus, the Russian Jews kept us in the middle of the group. The police grabbed us and demanded to see our passports several times. At this point, Slepak and the others decided that we should have our picnic at the nearest convenient field.

By now we were surrounded by about thirty police and KGB agents. The police shouted that we were in a restricted military zone. To this Goldfarb informed us and them that we were safely within the forty kilometer area of Moscow where tourists are permitted to venture. Then the Jews formed a wedge and pushed through the police line. This action was repeated several times.

As this strange entourage walked along the country road in front of the farm houses, Lois Krop stopped to take a picture of a Russian woman and her daughter on the front porch of their simple house. A policeman burst forth and snatched the small camera from her hand. He vainly tried to open it and take the film out. Two of the Jewish men immediately wrestled the camera away from the policeman and returned it to Lois. This takes "chutzpah," courage. We Americans were amazed.

As we turned down the narrow dirt road off the highway, Alex Goldfarb said to me in his near-perfect English, "Do you hear what that mother is shouting to her children? 'Stay away from the Jews. They will kill you.'" Another woman hollered out, "Hitler should have killed all the Jews."

After a few minutes on the muddy road we came to a field with a small river on one side. I said to Goldfarb, "Are we allowed to go on to this field?" To this he philosophied, "In the Soviet Union all the land is owned by the people. Aren't we the people?" We trudged onward.

From out of nowhere a farmer's bulldozer quickly dug a trench across the field in front of us. At the end of the field he turned around and repeated this action several times. The Jews looked at the furrows as if to say "Isn't our life one obstacle after another?" Without comment we climbed over the muddy ditches to the field ahead.

By this time our group was being escorted by at least a hundred policemen, KGB agents, and brave local militia who unnoticed, turned up in their distinctive red arm bands. Up on the hillside many army trucks were seen with uniformed men in them. Across the river two motorcycles with sidecars stopped behind the trees where six soldiers stood guard.

All at once the significance of the situation hit us ten naive American tourists. We were astounded, appalled, outraged and somewhat frightened at what we saw around us.

The Jews matter of factly started their picnic. Out came the plastic table cloths and the old bedspreads. From their baskets and bags they produced a variety of picnic foods. From hard boiled eggs to pickled mushrooms. From cold meat to honey cake. There were plenty of Jewish mothers to make sure you had more than enough to eat.

The men and women brought forth wine and toasted us, each other, and Israel. One old "Zayde" (grandfather) pridefully insisted that we drink his homemade schnapps with him.

The teenage boys and men set up stick goals and started a soccer game. They played with great enthusiasm. The young girls talked and gossiped with each other. The small children found toys and happily enjoyed playing in the field. In spite of the belittling intrusions around them it was a treat for these people to get together for a happy occasion, to demonstrate their love for their religion, and to gain courage from each other's presence. They acted oblivious to the authorities around them. They were breaking no Soviet laws and seemed to know just how far they dared go. They had seen this situation many times.

The police insults continued as a rather large and obvious KGB woman agent and her medal bedecked husband appeared with a blanket and sat with our group. She turned up the volume of her portable radio very loud. They were looking for a provocation, but the Jews ignored them.

KGB agents with cameras and a Sony video tape recorder came within five feet of the gathering and took point blank pictures over and over again. Other agents walked within the crowd.

The rest of our police protection—for us or for the local people, we don't know which—stayed back from a hundred to several hundred feet.

We Americans were amazed at their desire to show their solidarity. Everyone made us feel part of them. We talked in English and broken English. Some of us remembered the Yiddish that our Russian grandparents spoke to converse with the older people. Little groups materialized with an interpreter in each one and we had a chance to answer and ask many questions.

A campfire was built. One of the young people brought out a guitar and all felt the togetherness as we sang Hebrew Israeli songs. Most of them try to learn some Hebrew on their own for the day when they will be free Jews in Israel.

After about two hours the Russian sky darkened and a drizzle started. The rain seemed to be expected as the women magically pulled umbrellas from their bags. The plastic tablecloths were cleared and raised up as protection from the rain. Meanwhile, the police and KGB agents looked glumly on in their dripping grey raincoats and water soaked hats.

In an hour the remaining food was gathered and all the trash was carefully picked up. We all started walking back to the main road through mud filled fields and gulleys. No one seemed to mind the wet, mud caked shoes and trousers and the wet clothing. A small victory was won. The Jews lifted up their heads a little higher. We ten American tourists had tears in our eyes. Our Russian guard followed behind.

We waited at the side of the highway for the public buses. We boarded them in tens and twenties as the crowded vehicles allowed. In my bus the Jews sang Israeli songs while their Russian countrymen silently looked on. It was a great feeling. Their pride was showing.

At the subway terminal the Jews said goodbye to each other. The men as well as the women kissed each other and shouted "Shalom" as they departed.

We returned with the Slepaks and the Goldfarbs and a few following KGB agents. We talked quietly with them on the ride back to Moscow. When we left our new friends, we warmly embraced them and thanked them for the lesson in courage they taught us this day. None of us will ever forget it.

We learned from the Russian Jews what had prompted them to emigrate. Most had been raised with no religion in their homes. It had been felt in order to get ahead assimilation and a good Russian education was the best policy for them to follow. In the early 1950's Russian Jews learned that this was not the answer when a group of Jewish doctors were purged, supposedly for trying to poison children and political leaders. The pogrom was back, but in a different form.

One would have thought that the government wanted the Jews to assimilate with the closing of all Hebrew schools and all but one synagogue. However, complete assimilation was impossible as long as the word Hebrew is written on the identification papers as the nationality of every Soviet Jew. This identification labels every Jew who applies for a job, or an apartment or to enter the University as a second-class citizen.

This was the background that served as a basis for thousands of Soviet Jews to decide to emigrate when they learned of the Six Day War in Israel. They realized that if the country of their birth considered their nationality to be Hebrew then the Hebrew Homeland, Israel, was the one place in the world where they belonged.

Why hasn't the government given these people visas? The official answers are vague. The "refuseniks" feel that they are being held up as an example. Their continued hard life and harassment puts fear into other Soviet Jews who might want to emigrate. If emigration were easy for the Jews, might not all dissatisfied Russians say "Let me out, too"?

We felt so moved by our experience at the picnic that we called the United Press International office in Moscow. The Slepaks had assured us that their only hope for survival was the support of the free world. When we had expressed our concern for their safety if the press were notified, they told us, "We are no longer 'The Jews of Silence.'" We spoke to UPI Correspondent Barry James. He too felt our experience was important and listened to our story. That night Barry came to our hotel with David Levy of NBC and we recorded our impressions of the day. A Russian Jew told us the next day that they heard about the picnic on Radio Free Europe and mind you—thanked us for being so brave. Thank God for the American and world free press that can tell this story about injustices and garner world opinion to right these wrongs.

We told the story to some of our Christian friends on our tour. Most felt intrigued and moved by our experience. A few wished that they had joined us. Some said we were very brave to do such a thing in Russia. I feel not much courage is needed if you have an American passport and don't break any Soviet laws, especially now with the Soviet-American détente solidifying. Moscow and Leningrad are showplaces of the USSR. You may learn about the country, but you won't learn about the people unless you go out on your own and talk to the Russian people on an individual basis.

I will always remember these people; especially the younger ones. The teenagers are old enough to understand that their whole lives lie ahead of them. I have seen their faces before in pictures of children in the 1930's in Hitler's Germany.

We didn't remember them then. We lost them. Can we afford not to remember these children?

All people with a feeling for humanity must help these people to be free. The Russian leaders *are* sensitive to world opinion. The Soviet government wants to trade with the United States. This is the time to encourage the Soviets to understand the most basic principles of humanity and brotherhood and allow free emigration. We should only trade with them if these basic principles are upheld.

I feel that many American citizens should try to go to the Soviet Union. Visit these people. Show them that you are with them. Our support gives them the courage to go on.

WHO IS THE ENEMY?

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. RARICK. Mr. Speaker, the environment of our Nation's Capital continues to be one of Alice in Wonderland.

Yesterday, while the Congress was voting an authorization of $22.6 billion for military procurement to bolster our national defense—reportedly with Soviet legislators watching from the gallery of the House Chamber—the administration announced approval of a $400 million fertilizer deal with the Soviet Union, which included a $180 million credit extension by the U.S. Export-Import Bank at 6-percent interest.

Today all Members of the House and Senate are invited to an official reception for eight members of the Supreme Soviet of the U.S.S.R., to be held in the Senate wing of the U.S. Capitol.

In the morning paper, the Secretary of the Treasury, Mr. Simon, announces that President Nixon's June trip to Moscow is for the purpose of entering into a joint Soviet-United States economic partnership. According to the announcement, the American taxpayers will put up the dollars, American industry and technology will provide the know-how, the Soviets will supply the raw material and—everyone will be happy?

Additionally, the morning paper carries an announcement from Commerce Secretary Frederick Dent, indicating that the Russian Yack-40 aircraft, designed for small feeder lines or executive-type sales will be marketed in the United States. Mr. Dent further suggests the possibility of two-way aircraft trade.

In March of this year, Dow Jones confirmed that the Soviets were planning on placing one of their subcompact automobiles: such as the Lada, the Zaz, the Moskvich, or the Volga on the U.S. market.

Americans may wonder why the need for such extensive military armaments for national defense. Where is the enemy? Who are we defending our people from?

The items follow:

[From the Washington Post, May 23, 1974]

UNITED STATES, SOVIETS TO SIGN ACCORD ON JOINT ECONOMIC PROJECTS

(By Dan Morgan)

The United States and the Soviet Union are aiming to sign a new, long-term agreement for cooperating on large-scale joint economic projects when President Nixon goes to Moscow next month. Treasury Secretary William E. Simon announced yesterday.

In describing the proposed agreement, a U.S. official said its purpose will be to "see how what we produce can fit into their development plans over five-year periods and longer, and vice versa."

U.S. officials believe that American companies can play a major role in future Soviet development of natural resources such as chrome, nickel and other minerals. However, because the Soviet Union traditionally has been secretive about its long-term planning, these possibilities have been limited.

In discussing the proposal yesterday, officials mentioned as a possible example of cooperation the construction of American aluminum smelting operations in areas of the Soviet Union where the large quantities of electricity needed are much cheaper than here.

"The aim is to match big projects which are mutually beneficial," said one official.

The proposal was the latest effort by the Nixon administration to maintain the momentum of its policy of detente through trade.

It was announced by Simon following a two-day meeting in Washington of the U.S.-U.S.S.R. Commercial Commission, which was established last year.

At a press conference, Simon said that the United States was still determined to obtain legislation giving Moscow nondiscriminatory tariff treatment for goods sold here.

He said that the United States was also determined to continue to make Export-Import Bank credits available to the Soviet Union when necessary to assist American exporters.

On Tuesday, the bank announced a loan of $180 million, to be matched by American commercial banks, to finance the sale of fertilizer factory equipment to the Soviet Union. Yesterday, with Soviet acting Foreign Trade Minister Mikhail R. Kuzmin at his side, Simon said: "There are great economic benefits from the Russian trade."

President Nixon's signing of a generalized long-term economic agreement in Moscow in June would only partly offset Soviet disappointment over its failure to obtain "most-favored nation" tariff status from the U.S. Congress.

In October, 1972, the two countries signed a detailed trade and economic agreement covering tariffs, marketing, business contacts and other matters. However, it has never formally gone into effect because the United States has not provided the Soviet Union with the "most-favored-nation" status.

In a communique issued yesterday, the joint Soviet-American commission said that if "favorable conditions obtained," the estimated $2 billion to $3 billion trade volume foreseen earlier for the 1973 to 1975 period would be surpassed.

Trade between the two countries came to about $1.5 billion last year.

Commerce Secretary Frederick B. Dent said yesterday that American firms have found a possible market for the Soviet produced Yakovlev-40 three-engine short-range transport plane. Officials said that the commission had agreed on the need for an "airworthiness agreement" which would enable aircraft made in the Soviet Union to be sold here.

[From the Washington Star-News, May 21, 1974]

SOVIETS RIGHT AT HOME

(By Joy Billington)

The first Soviet parliamentarians to visit Washington as an official delegation since 1933, when diplomatic relations were established, flooded the State Department's diplomatic reception rooms last night with a burst of Russian.

There were no toasts, and just two speeches, but the eight members of the Supreme Soviet seemed supremely at home.

The vodka was American, but most of the Russians—including 13 aides and a large group from the Soviet embassy here seemed to prefer scotch or gin.

The hosts were Deputy Secretary of State Kenneth Rush and various members of Congress. ———, vice chairman of the U.S. delegation of the international Interparliamentary Union, said the Soviet delegation was returning a visit by American Legislators to the Soviet Union of several years ago.

——— and ——— will give a luncheon for the Soviet visitors today.

The visit was described by most State Department officials as substantive and important in terms of detente and trade.

The Soviet legislators, who are accompanied by a number of TV cameramen, arrived here Sunday night.

Yesterday, they met with members of the Senate Foreign Relations Committee and the Senate Finance Committee.

Tomorrow, ——— said, the group will be watching from the galleries when the Defense Authorization Bill comes up for vote in the House.

Mrs. Z. P. Pukhova, the only woman delegate, described herself as a mother first, a working woman second (she runs a textile factory) and a member of the Presidium.

The whole Supreme Soviet is "in favor of disarmament", she said. "And we are in a position to use all our material means for the improvement of life rather than the destruction of life. . ."

Standing in for Secretary of State Henry Kissinger, Rush welcomed the Russians.

Replying, the head of the Soviet delegation, B. N. Ponomarev, (a member of the communist Party Politburo and chairman of the Foreign Relations Committee of the Soviet House of Nationalities) invited a U.S. interparliamentary visit next year and said that "until now" the development of relations "took place on a government level and through summit meetings. Now we are filling the gap which existed between our two countries.

JOINT COMMUNIQUE ON THE FOURTH SESSION OF THE UNITED STATES-U.S.S.R. COMMERCIAL COMMISSION

The U.S.-U.S.S.R. Commercial Commission established during the summit meeting in May 1972 today concluded its Fourth Session. The session, which took place in Washington, D.C., on May 21–May 22 was, in accordance with the established procedure, chaired by William E. Simon, U.S. Secretary of the Treasury and Chairman of the U.S. Section of the Commission. The Soviet delegation was led by the Acting Minister of Foreign Trade of the U.S.S.R., Mikhail R. Kuzmin.

Other U.S. members of the Commission taking part in the Fourth Session were Secretary of Commerce Frederick B. Dent, Deputy Chairman; Under Secretary of the Treasury Jack F. Bennett; Assistant Secretary of State for Economic and Business Affairs-Designate Thomas O. Enders; Deputy Legal Adviser of the Department of State George H. Aldrich, Counsel; and Acting Deputy Assistant Secretary of Commerce for East-West Trade Lewis W. Bowden, Executive Secretary, Ambassador William D. Eberle, the President's Special Trade Representative, and Helmut Sonnenfeldt, Counselor of the Department of State, also participated in the talks.

Members of the Soviet Delegation participating in the discussions in addition to Mr. Kuzmin included A. N. Manzhulo, Deputy Minister of Foreign Trade; V. S. Alkhimov, Deputy Minister of Foreign Trade; V. B. Spandaryan, Member of the GOSPLON; S. A. Mkrtumov, Commercial Minister, Soviet Trade Representation, Washington, D.C.; V. N. Sushkov, Director of General Administration, Ministry of Foreign Trade; N. C. Nikitkin, Deputy Chairman of the Bank for Foreign Trade; N. V. Zinoviev, Chief of the Department for Trade with the Countries of America, Ministry of Foreign Trade; G. S. Burguchev, Chief of the Legal and Treaties Department, Ministry of Foreign Trade; and R. G. Gorbunov, Executive Secretary of the Soviet Section of the Commission.

The Joint Commission session included two plenary meetings and several working group meetings, which took place in a friendly and constructive atmosphere. There was a comprehensive exchange of views on the development of American-Soviet trade and economic relations. The Parties noted with satisfaction further progress in the development of these relations since the Third Session of the Commission held in Moscow in October 1973.

The Commission agreed on the desirability of expanding and further developing long-term economic industrial and technical cooperation and discussed means of facilitating such cooperation, including the creation of favorable conditions for business activities, and the exchange of economic and financial data. With these objectives in mind, the Commission recommended to the two Governments the conclusion of a long-term agreement to facilitate economic, industrial and technical cooperation.

It was noted that in 1973, U.S.-U.S.S.R. trade amounted to almost $1.5 billion. The Commission anticipated that bilateral trade would again this year exceed the 1 billion dollar level. This trade volume, if favorable conditions obtained, would permit the countries to surpass the total of 2-3 billion dollars for the three years 1973-75 foreseen by President Nixon and General Secretary Brezhnev in June of last year.

The Commission received reports and exchanged views on the current status of a number of long-term cooperation projects under negotiation between U.S. firms and Soviet foreign trade organizations, including projects in the fields of fertilizer production, exploration for natural gas and oil, timber products, machine building facilities and products of power-consuming industries. In many cases these projects would be carried out on a self-liquidating basis.

The U.S. Section reported that in accordance with its commitment made at the last session of the Joint Commission, the Department of Commerce had referred the Soviet interest in power-consuming production facilities, including aluminum, ferromanganese and ferro-chromium, and chemicals, to appropriate industry trade associations and directly to potentially interested U.S. companies. The Soviet Section provided the U.S. Delegation additional data on several of the projects for transmittal to U.S. firms.

To facilitate trade and cooperation in the field of civil aviation, the two Parties agreed upon the desirability of concluding a Bilateral Airworthiness Agreement.

To aid in the growth of two-way trade, agreement was reached with regard to the appropriate expansion of commercial representation at the present time, and on the need to facilitate suitable office, housing, and working conditions.

The Commission noted that the recent commitment by the U.S. Export-Import Bank to furnish credit for the exporting of U.S. equipment, materials and services for the construction in Moscow of the International Center for Commerce will add to the facilities available to meet the growing need of U.S. and other foreign companies and banks to open offices in Moscow. At present, seventeen (17) U.S. companies and banks have already been authorized to open offices in Moscow.

Both sides agreed to facilitate trade missions and to support participation of their nationals, companies and economic organizations in trade fairs and exhibitions organized in the other country.

The U.S. Section reaffirmed the U.S. Administration's determination to obtain legislation that would provide authority for nondiscriminatory tariff treatment for the U.S.S.R., as called for under the U.S.-U.S.S.R. Trade Agreement of 1972, and would continue the availability of U.S. Export-Import Bank financing on a non-discriminatory basis when needed to assist U.S. exporters on their sales to the U.S.S.R.

At the final plenary session, the Commission heard a report on the progress of the U.S.-U.S.S.R. Trade and Economic Council from the two Co-Chairmen: Donald M. Kendall and V. S. Alkhimov. The Council, whose principal task is the promotion of trade and economic cooperation between the U.S. and the U.S.S.R., was established pursuant to the U.S.-U.S.S.R. protocol signed at the Washington summit meeting in June of 1973.

The Commission expressed satisfaction with the results of the Fourth Session, considering the discussions a further major step in the constructive development of solid, long-term, mutually advantageous trade relations. It agreed to convene the next (Fifth) session in Moscow in 1975.

The Soviet delegation members expressed their appreciation for the hospitality extended to them by their American hosts during the delegation's stay in the U.S.

COMMENTS BY SECRETARY DENT: AIR WORTHINESS AGREEMENT

In order for aircraft to be operated in the United States, they have to be certified that their construction has been accomplished under specified conditions. The air worthiness Agreement reflects the successful conclusion of the examination of the procedures and processes under which such construction takes place. And in essence, is a prelude to certification.

The purpose is to enable aircraft produced under conditions such as they have to be sold in the United States. As a case in example, there is a manufacturer what is known as a Yack-40. The Yack-40 is an aircraft designed for small feeder lines, or else, executive-type sales. American firms have found a possible market for it and in order to have it sold in this country it has to be covered under the Air Worthiness Agreement. In addition, of course, there is the involvement of two-way trade in aircraft as a possibility.

This is Air Worthiness Agreements which relate solely to the sale of aircraft and has nothing to do with the commercial licensing of commercial flights.

SUPPORT BUILDING FOR RETENTION OF HOUSE COMMITTEE ON INTERNAL SECURITY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. ASHBROOK. Mr. Speaker, few will deny that the latest tragic episode in the case of Patricia Hearst and the terroristic activities of the Symbionese Liberation Army—SLA, if repeated in other areas, would be a matter vitally related to the internal security of the United States.

Few will contest the fact that the penetration of high governmental circles by Communist agents—the recent revelations regarding Willy Brandt's key Communist adviser and Mr. Brandt's ensuing resignation is an excellent example—bears directly on the internal security issue.

Few realistic citizens will argue that the combination of newly developed terroristic techniques coupled with the presence in the United States of subversive and radical individuals and groups inclined to use such techniques should not be given a high internal security priority.

Yet, ironically, for the first time in Congress a recommendation in the House has been proposed to abolish the committee which, with its predecessor, has dealt with the above-mentioned and similar issues for almost 30 years—the House Committee on Internal Security—HCIS.

Fortunately, concerned individuals and organizations have, for the last several months been going on record as supporting the continuance of HCIS in its present form. Various sources in the United States, knowledgeable and with more than a passing interest in the internal security field, have voiced opposition to effectively crippling internal security investigations as is presently called for by House Resolution 988.

A sampling of public support for HCIS indicates definite concern on the part of responsible individuals and organizations for the future of the committee. For instance, William Randolph Hearst, editor-in-chief of the Hearst Newspapers and the uncle of Patricia Hearst, made an observation that is worth repeating:

> It makes no difference to its foes in Congress that the committee (HCIS) is acclaimed by our law enforcement officials everywhere as an invaluable source of continually updated information on radical groups of all descriptions, left and right alike. The committee must go.

Editor Hearst is, of course, referring to HCIS investigations of subversive and violence-prone groups which seek to establish themselves nationally, thus making them a matter of concern for law enforcement groups throughout the country. Local police, in some cases, need not wait for radical and extremist elements to set up shop in their locality but are forewarned, through HCIS publications, of the nature and techniques of potential troublemakers who seek a base in various States and localities. The high mobility of some agitators, turning up in city after city to foment discord, makes it imperative for police officials everywhere to be alert as to the identities and techniques of traveling extremists.

Other members of the press such as syndicated columnists Bill Buckley, Victor Riesel, Alice Widener and others have felt compelled to defend the existence of the committee in their columns. The Chicago Tribune, in an April 14, 1974, editorial, labeled the move to eliminate HCIS "A Sneak Attack."

Public statements by veterans' groups illustrate their apprehension regarding HCIS. The American Legion, through its National Commander Robert E. L. Eaton, summarized the Legion's position thus:

> The American Legion has long supported the work of the Committee on Internal Security. We believe this standing Committee of the House has rendered valuable service to the Congress and to the Nation.

The Veterans of Foreign Wars 1973 National Resolution No. 102, still in effect, stated in part:

> Our Commander-in-Chief commends the painstaking effort of the great majority of the House Committee on Internal Security for its fair-minded and comprehensive efforts to enhance our internal security without any valid witchhunting charges being brought against them.

The Catholic War Veterans, long a supporter of HCIS, stated in a letter to Chairman Richard Ichord:

> We urge you to continue your efforts to see that work of the Committee is not hindered or reduced.

Other veterans' groups expressing a similar theme include the Fleet Reserve Association, the Non-Commissioned Officers Association of the United States, the National Association of Uniformed Services, and the Air Force Sergeants Association. I consider these endorsements of the work of HCIS a significant indication of the sentiments of veterans' groups whose members number in the several millions.

More recently, at its annual 3-day seminar in Washington this month, Leadership Foundation, Inc., a coordinating vehicle for women's groups throughout the country, issued an alert on H.R. 988 and its recommendations regarding HCIS. The future of HCIS was obviously of sufficient concern to the foundation to necessitate alerting women's groups whose members number in the millions.

I realize that the above-mentioned expressions of support for HCIS cannot be taken as a fair cross-section of the many segments of American citizenry. I would be willing to wager, however, that if the past accomplishments of HCIS were judged in the light of the present serious situation in the internal security area today, citizens would follow the example of Members of the House in the past who have voted to approve the yearly appropriations of HCIS by very comfortable margins.

Finally, it must be stated that, in the House of Representatives, there is no suitable replacement for a standing committee, the highest unit in the House committee structure. In the case of HCIS and its precedessor, a standing committee for nearly 30 years, the chairman and his colleagues are free to conduct the vital business of the committee without interference from other Members not familiar with its work, as in the case of a subcommittee. The chairman of a standing committee is free to request suitable funds for the committee's work and in return must justify such requests. HCIS members are not required to vote on issues outside the internal security area as would be required if HCIS were to become a subcommittee of another committee.

In the final analysis, the basic question is: Is the internal security situation in the United States today serious enough to warrant the continued existence of an independent, compact, standing committee, zeroing in, without hindrance, on issues such as SLA, political kidnapings, terrorism in various forms in the United States implemented by subversive individuals and groups and other issues related to the internal security field.

I believe the overwhelming majority of concerned Americans would agree with me that there is a definite, urgent, compelling need for the continuance of the House Committee on Internal Secuity with consideration given to broadening and expanding its present area of jurisdiction.

DR. BENJAMIN E. MAYS HONORED

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1974

Mr. DORN. Mr. Speaker, Dr. Benjamin E. Mays returned to his home county of Greenwood recently to receive from Lander College, his 34th honorary degree from institutions of higher learning at home and abroad. Dr. Mays was honored following the installation of Dr. Larry Jackson as the 10th president of Lander College.

Greenwood County has produced no more illustrious son than Dr. Mays, who was, I am proud to say, born only a short distance from where I now live. From a humble tenant-farm beginning, he became one of the world's most renowned and distinguished educators. Dr. Mays, a superb orator and gentlemen, has been an ambassador of culture, good will, brotherhood and understanding throughout the world.

Mr. Speaker, may I commend the board of trustees of the South Carolina State College system for this honor bestowed upon Dr. Mays. The entire Lander community was thrilled on this historic occasion. Mrs. Dorn and I were delighted that the board of trustees could attend the dinner at our home honoring Dr. Mays.

Mr. Speaker, Dr. Mays delivered a superb address to a special luncheon following the ceremony and received standing ovations from the audience. We commend to the attention of the Congress and the people of our country Dr. Mays' outstanding address:

[From the Index (S.C.) Journal, Apr. 2, 1974]

Texts of March 30 Address by Dr. Benjamin Mays

(By Dr. Benjamin Mays)

Dr. Benjamin E. Mays of Atlanta received the Doctor of Humanities Degree from Lander College on Saturday.

He was the main speaker at a luncheon at the American Legion Building following the ceremony at the Barksdale Education Center on the Lander campus where Dr. Larry A. Jackson was installed as the tenth president of Lander College.

Following is the text of the address by Dr. Mays, which drew standing ovations from the luncheon audience:

You honor me today more than my mind can imagine, more than my will can determine, and more that my heart can feel. When I consider what the Black-White relations were like in our County and in the South seven decades ago, I can only say "What hath God wrought?" No man in my early years here in the County could have dreamed that I, a Black man or any Black man would ever receive your most prestigious degree: Doctor of humane letters. Do not misunderstand me—please! Do not think I am boasting, do not think I am bragging. It is not my nature to do that, I am trying to drive home a point. Despite the struggles, the hardships, the high mountains that I had to climb, the deep valleys that I had to raise, the thorny paths I had to travel, the stifling racial prejudice I had to endure, despite these things, life has been kind to me.

You honor me today with my 34th honorary degree. 32 from the United States and two from Africa, 22 from White institutions and 12 from Black institutions, from the South, East and West. They have been conferred by small prestigious colleges like Morehouse, Berea, and South Carolina State and large distinguished institutions like Howard in Washington, Emory in Atlanta, Harvard in Cambridge, and New York University. More than 125 awards hang on the walls of my family room. But believe me when I tell you that no honor, no award, no degree means quite as much to me as the honor you have conferred upon me today. To be recognized by my home county, a few miles from Phoenix, where I had my most terrifying early experience; to be recognized for what I have tried to be and for what I have tried to do; and to be recognized for the bridges of understanding I have tried to build to cement closer ties between Blacks and Whites in this Country and in the World is a good feeling.

If I am anything, have done any thing, have helped anybody, I owe it to God, to my parents and to the people. The people have driven me on. The people started this in my home. Illiterate people, yes, but intelligent. Mother and father never attended school a day in their lives. Father was nine years old when the Civil War ended and mother was three. With the exception of one brother who finished high school and one year in college, my sisters and brothers were at best fourth grade scholars. But Susie, my oldest sister, had a good mind and when I entered school at six, she had already taught me how to count, I knew my alphabet, and I could read and write. Being the only one entering the Brick House School that November morning who could do these things, the teacher marvelled, gave me great praise and spread the news at Church, the second Sunday in November in the year 1900. From that day on, I was a marked boy. I felt that I was somebody and I had to live up to expectations. The people were beginning to drive me on.

The next episode was electrifying. It was Children Day, the second Sunday in June at Big Mount Zion, less than a mile from Epworth. I was eight or nine years old. On Children Day those who wished to do so, learned a piece and recited it. I had committed to memory the beatitudes in Matthew 5. When I finished, the house went wild. Old men stamped their feet, women waved their handkerchiefs and young people applauded. I got a standing ovation. The people prophesied and predicted that I would be something worthwhile in life. The minister said I was going to be a preacher. Though a mere lad, so many people predicted great things for me that I began to believe what they said. I felt that I was different from the others and that I could not let the people down. Those untrained, poor, struggling wage hands, share croppers, renters, and a few land owners, had laid down the gauntlet and I felt that I had to pick it up. I felt then and I feel now that I cannot let those people down, though most of them died many years ago.

So eager was I to learn, that it was a joy to walk the seven miles round trip from our home on Bill Mays' place, to the Brick House School, named for a White farmer who lived in a big brick house; the school was a one-room wooden building. When I had to miss school a day, I cried. Family prayers, the Brick House School, and Big Mount Zion were my buckle and shield. The Pastor James J. Marshall, persuaded father to let me come to his school at McCormick. I went there for two years—the same old story as at the Brick House School—after four months, back home on the farm—to plow, knock cotton stalks, scatter guano, pull fodder, and pick cotton. I soon saw that McCormick wasn't it. I begged my father to let me go to Orangeburg to attend State College. The first two years there, the same old story—four months and back to the farm. This continued until I was nineteen. Then I decided to disobey my father. I wouldn't return to the farm. At twenty-two, I finished high school as valedictorian of the class. All during the years in high school I saw the people at Zion waving their handkerchiefs, clapping their hands and stomping their feet—wishing me well. The people were driving me on. I could not let the people down.

For college, I had to seek a Northern climate. The doors of the University of South Carolina, and all other White schools in the South were closed to me with locks of steel. I had been told that I and my people were an inferior breed. I didn't believe it. But I didn't know. I had to find out for myself. My teachers at State College told me I would do well anywhere. As I left South Carolina for Bates College in Lewiston, Maine, I knew that the people of Mt. Zion and State College were expecting me to do well. The people were driving me on.

A new World at Bates. The weather was cold, 44 below zero at one time, but the people's hearts were warm. Four Blacks among 600 or more Whites. I had to make good. All eyes were upon me—this Negro boy from Epworth, South Carolina. The eyes of the people at Mt. Zion and State College were upon me. I had no choice but to do well. At Bates, I won first place in a sophomore Declamation Contest, competed in junior and senior oratorical contests, and participated in intercollegiate debating. My classmates elected me their Class Day orator. I graduated with honors and afterward I was elected to membership in Phi Beta Kappa and Delta Sigma Rho. I knew then that God had not made me inferior. I had competed with the Yankee and had done better than most of them.

My professors were kind to me. My math teacher wanted to intercede for me to do graduate work in mathematics at the University of Chicago. My philosophy teacher offered to get me a fellowship in philosophy at the University of Chicago. My teacher in religion wanted me to study at Newton Theological Seminary in Newton, Massachusetts. But Newton was closed to Blacks in 1920. I chose the University of Chicago, graduating with the M.A. and Ph.D degrees. Now the eyes of the people at the Brick House School, Big Mount Zion, South Carolina State, Bates College and the University of Chicago were fastened upon me. I could not let them down. The people the people, the people have driven me on. I have written books, chapters in many books and hundreds of articles. I have served as a social worker in Tampa, Florida, as National Student Secretary of the YMCA, researcher, teacher at S. Carolina State, Morehouse and Howard, and President of Morehouse.

To get an education, I did many things: janitorial work—on campus and in buildings, cleaning outside toilets on a college campus when there was no plumbing, student helper in a library, dish washer in restaurants, painter and pullman porter. I have travelled a bit in North America, Europe, Asia and Africa. I return today to Greenwood County, where I was born seven decades plus ago. I have come to give an account of my stewardship, and to thank you for conferring upon me your honorary degree—Doctor of Humane Letters. I close with the words of that great Black poet, Paul Lawrence Dunbar:

> "Mere human strength may stand ill fortunes frown
> So I prevailed, for human strength is mine;
> But from the awful throes of great renown
> Naught can protect me save a strength divine.
> Help me, O Lord, in this my trembling cause.
> I scorn men's curses, but I dread applause."

SENATE—*Tuesday, May 28, 1974*

The Senate met at 12 o'clock noon and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, who has watched over this Nation in times past, be to us now our guard and guide. May the memory of Memorial Day linger with us to inspire our actions, undergird our deliberations, and encourage our sacrifices for a refined, morally renewed and spiritually strong America. Direct us by Thy spirit in all we do here, further all our undertakings and lead us in the ways of righteousness for the sake of this Nation and the advancement of Thy kingdom.

We pray in the Redeemer's name. Amen.

REPORT OF THE ALASKA RAILROAD—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States transmitting the annual report on the operation of the Alaska Railroad, which was received on May 23, 1974, during the adjournment of the Senate under the order of May 22, 1974, which with its accompanying report was referred to the Committee on Commerce. The message is as follows:

To the Congress of the United States:

I transmit herewith the annual report on the operation of the Alaska Railroad as required by the Alaska Railroad Act of March 12, 1914.

RICHARD NIXON.

THE WHITE HOUSE, *May 23, 1974.*

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, May 22, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination on the Executive Calendar will be stated.

U.S. TAX COURT

The second assistant legislative clerk read the nomination of Theodore Tannenwald, Jr., of New York, to be a judge of the U.S. Tax Court for a term expiring 15 years after he takes office.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

REPORT FROM THE COUNCIL OF ECONOMIC ADVISERS—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate a message from the President of the United States transmitting a report from the Council of Economic Advisers. The message reads as follows:

To the Congress of the United States:

I submit herewith a report from the Council of Economic Advisers on the condition of the American economy and on policies for dealing with some of its problems. I believe that this report will help the Congress and the country to put in better perspective the flood of economic events and news that engulfs and confuses us.

In my message on the State of the Union, on January 30, 1974, after referring to the economic consequences of the energy shortage, I said:

"We expect, therefore, that during the early part of this year output will rise little if at all, unemployment will rise somewhat and inflation will be high. Our objective, however, is to turn this situation around so that later in the year output will be rising more rapidly, while unemployment will stop rising and will then decline, and the rate of inflation will slow."

As events turned out, total production declined about 1½ percent in the first quarter of the year because the gasoline shortage hurt automobile sales and production more than expected. Unemployment rose a little from its low of last October before the oil embargo began. The inflation rate was indeed high.

But by now we can see signs of the improvements that policy has been aiming to achieve. Industrial production increased in April for the first time in five months. The rise in the cost of living in April was only about half as large as in the previous three months, and retail food prices declined. The unemployment rate has not risen since January but declined a little in March and April.

Although the recent events are not conclusive they tend to strengthen the expectation that in the remainder of this year output will be rising more rapidly, prices will be rising much less rapidly and the unemployment rate, while it will probably rise further, will not reach a very high point before it recedes.

These results which we all want will not, however, be achieved without strong and responsible policy actions. There is special danger that the decline of the inflation rate will be small and soon reversed if we do not firmly resist temptations to new inflationary policy.

I would like to acknowledge the recent cooperation of the congressional leadership in one important area of economic policy. As a result of an exchange of letters between me and the majority and minority leaders of the Senate, economic officials of the Administration have been meeting with the bipartisan leadership of both Houses to consider the problem of shortages. The outcome of these discussions has been agreement on the establishment of a temporary commission representing the executive branch, the legislative branch and the private sector to examine the possibilities of critical shortages and propose improved methods of foreseeing or averting them.

In the same spirit of working together I call the attention of the Congress to some of the policy implications of the Council's report.

1. Too much government spending is the spark that most often sets off inflationary explosions. As a minimum we must avoid exceeding the expenditures for next year proposed in the budget. We must work together to cut where we safely can. We must so discipline our present decisions that they do not commit us to excessive spending in the future.

2. We must avoid the temptation of tax reduction without expenditure reduction.

3. The proposals I submitted in April 1973 for improving the unemployment compensation system, and the further steps which I recommended in February 1974, should be promptly enacted. To try to keep the economy permanently pumped up to achieve an arbitrarily-selected full-employment goal would be inflationary and self-defeating. To fail to provide the best unemployment compensation system we can is inexcusable.

4. While the immediate energy crisis has passed we must not be lulled into complacency on that subject. There is urgent need for legislative actions now which will improve the possibility of having the least-cost, secure energy in the future. These actions include:

a) Deregulation of natural gas.

b) Establishment of standards governing strip-mining of coal.

c) Authority for the Secretary of the Interior to license deep-water ports.

d) Deferral of deadlines for meeting secondary air quality standards that impede the use of coal.

e) Steps to accelerate site approval for energy facilities.

f) Establishment of the proposed Energy Research and Development Administration with an adequate budget.

5. The future of inflation and employment in the United States depends in part on the further development of open and secure economic relations with the rest of the world. I hope that Congress will pass a trade bill enabling the U.S. to negotiate for that without forcing us to turn our back on a part of the world that is economically and politically important.

This is not a complete list of legislative proposals affecting the economy. I have said nothing about health insurance, or tax reform, or workmen's compensation or dozens of other relevant matters. Obviously, there is much for all of us to do. There is so much to do that we cannot afford to waste time arguing about whether our problems are greater or smaller than our blessings. If we concentrate on working together on the problems we shall be better off, both for the solutions reached and for the working together.

RICHARD NIXON.

THE WHITE HOUSE, *May 28, 1974.*

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that the message from the President of the United States transmitting a report from the Council of Economic Advisers on economic developments and policies received by the Senate today together with the accompanying report be jointly referred to the Committee on Commerce, the Committee on Interior and Insular Affairs, the Committee on Finance, and the Committee on Public Works.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the following Calendar Order Nos. 834, 835, 837, 840, 841, 842, 843, 844, 845, 846, 847, 849, 851, and 852.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CERTAIN LAND HELD IN TRUST FOR CHEYENNE-ARAPAHO TRIBES OF OKLAHOMA

The bill (S. 521) to declare that certain land of the United States is held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all right, title, and interest of the United States in and to the following described land, and improvements thereon, are hereby declared to be held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma;

Beginning at the southwest corner of lot 2 in the northwest quarter of section 7, township 19 north, range 15 west of the Indian meridian, Dewey County, State of Oklahoma, thence east 20 rods, thence north 40 rods, thence west 20 rods to the west line of said lot 2, thence south 40 rods to the place of beginning, containing 5 acres, more or less.

SEC. 2. This conveyance is subject to existing rights-of-way for waterlines, electric transmission lines, roads, and railroads.

SEC. 3. The Indian Claims Commission is directed to determine, in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

INDIAN CLAIMS COMMISSION AUTHORIZATIONS, 1975

The Senate proceeded to consider bill (S. 3007) to authorize appropriations for the Indian Claims Commission for fiscal year 1975 which had been reported from the Committee on Interior and Insular Affairs with amendments in line 3, after the word "appropriated", insert "not to exceed $1,450,000"; in line 5, after the word "year", strike out "1975, such sums as may be necessary to continue the program of the Indian Claims Commission" and insert "1975."; and, after line 7, insert a new section, as follows:

SEC. 2. The first sentence of the last paragraph in section 2 of the Act of August 13, 1946 (60 Stat. 1050; 25 U.S.C. 70a) is hereby amended by striking the semicolon and the word "the" after the words "section 250 of title 28" and inserting in lieu thereof a colon and the following: *Provided,* That expenditures for food, rations, or provisions shall not be deemed payments on the claim. The".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is authorized to be appropriated not to exceed $1,450,000 to cary out the provisions of the Indian Claims Commission Act (25 U.S.C. 70), during fiscal year 1975.

SEC. 2. The first sentence of the last paragraph in section 2 of the Act of August 13, 1946 (60 Stat. 1050; 25 U.S.C. 70a) is hereby amended by striking the semicolon and the word "the" after the words "section 250 of the title 28" and inserting in lieu thereof a colon and the following: *Provided,* That expenditures for food, rations, or provisions shall not be deemed payments on the claim. The".

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF SECURITIES EXCHANGE ACT OF 1934

The Senate proceeded to consider the bill (S. 2519) to amend the Securities Exchange Act of 1934 to facilitate the development of a national market system, to provide for regulation of securities information processors, to remove unnecessary burdens on competition, to strengthen and improve the Securities and Exchange Commission's oversight of self-regulatory organizations, and for other purposes which had been reported from the Committee on Banking, Housing and Urban Affairs with an amendment to stirke out all after the enacting clause and insert:

That this Act may be cited as the "National Securities Market System Act of 1974".

SECTION 1. Section 2 of the Securities Exchange Act of 1934 (15 U.S.C. 78b) is amended by striking the word "and" immediately before the phrase "to impose requirements necessary to make such regulation and control reasonably complete and effective," and by adding the following immediately after that phrase: "and to remove impediments to and perfect the mechanism of a national market system for securities,".

SEC. 2. Section 3(a)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(3)) is amended to read as follows:

"(3) The term 'member' when used with respect to a self-regulatory organization means any person who agrees to be regulated by a self-regulatory organization and with respect to whom the self-regulatory organization undertakes to enforce compliance with its rules and with the provisions of this title, any amendment thereto, and any rule or regulation made or to be made thereunder."

SEC. 3. Section 3(a)(21) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(21)) is amended to read as follows:

"(21) The term 'person associated with a member' means a person who is associated with a broker or dealer which is a member of a self-regulatory organization "

SEC. 4. Section (3)(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended by adding at the end thereof the following new paragraphs:

"(22) The term 'securities information processor' means any person engaged in the business of (A) collecting, processing, or preparing for distribution or publication, or assisting, participating in, or coordinating the distribution or publication of information with respect to transactions in, quotations for, or indications of interest to purchase or sell any security, or (B) distributing or publishing (whether by means of a ticker tape, a communications network, a terminal display device, or otherwise) on a current and continuing basis information with respect to such transactions, quotations, or indications of interest. The term 'securities information processor' does not include the publisher of any bona fide newspaper, news magazine, or business or financial publication of general and regular circulation, any common carrier subject to the jurisdiction of the Federal Communications Commission or a State commission as defined in section 3(f) of the Communications Act of 1934, any national securities exchange, or any registered securities association.

"(23) The term 'self-regulatory organization' means a national securities exchange or a registered securities association."

SEC. 5. Section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f) is amended to read as follows:

"NATIONAL SECURITIES EXCHANGES

"SEC. 6. (a) Any exchange may be registered with the Commission as a national securities exchange under the terms and conditions hereinafter provided in this section, by filing with the Commission a registration statement in such form as the Commission may prescribe, setting forth the following information, and accompanied by the following documents:

"(1) Copies of its constitution, articles of incorporation, bylaws, or rules or instruments corresponding to the foregoing, whatever the name, and its stated policies and practices relating to its organization, membership, rules of conduct, procedures, financial condition, methods of trading, and similar matters, which are hereinafter collectively referred to in this title as the 'rules of the exchange'; and

"(2) Such other information and documents as the Commission, by rule, may prescribe as necessary or appropriate in the public interest or for the protection of investors. Such registration shall not be construed as a waiver by such exchange or any member thereof of any constitutional right or of any right to contest the validity of any rule or regulation under this title.

"(b) An exchange shall not be registered as a national securities exchange unless it appears to the Commission that—

"(1) such exchange is so organized and is of such a character as to be able to comply with and to enforce compliance by its members with the provisions of this title, the rules and regulations thereunder, and the rules of the exchange, and to carry out the purposes of this title;

"(2) the rules of the exchange assure a fair representation of its members in the adoption of the rules of the exchange and amendments thereto, the selection of its officers and directors, and in all other phases of the administration of its affairs;

"(3) the rules of the exchange provide for the equitable allocation of dues, fees, and other charges among its members and other persons utilizing its facilities to defray reasonable expenses;

"(4) the rules of the exchange are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of commissions or other charges, to foster cooperation and coordination with other exchanges, registered securities associations, registered securities information processors, and other persons engaged in regulating, clearing, settling, transferring, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a national market system, and, in general, to protect investors and the public interest; and are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers, to fix minimum profits, to regulate matters not related to the purposes of this title or the administration of the exchange, or to impose any burden on competition not necessary or appropriate in furtherance of the purposes of this title;

"(5) the rules of the exchange provide that its members and persons associated with its members shall be appropriately disciplined for violation of any provision of this title, the rules or regulations thereunder, or the rules of the exchange, by expulsion, suspension, limitation of activities, functions, and operations, fine, censure, being suspended or barred from being associated with a member, or any other fitting penalty; and

"(6) the rules of the exchange provide a fair and orderly procedure with respect to the disciplining of members and persons associated with members, the denial of membership to any person seeking membership therein, the barring of any person from becoming associated with a member thereof, and the prohibition or limitation of any person with respect to requested access to services offered by the exchange or a member thereof. In any proceeding to determine whether, any member or other person shall be disciplined, such rules shall require that specific charges be brought; that such member or person shall be notified of, and be given an opportunity to defend against, such charges; that a record shall be kept; and that the determination shall include—

"(A) a statement setting forth any act or practice in which such member or other person many be found to have engaged, or which such member or other person may be found to have omitted;

"(B) a statement setting forth the specific provision of this title, or rule or regulation thereunder, or rule of the exchange of which any such act or practice, or omission to act, is deemed to be in violation;

"(C) a statement whether the act or practice prohibited by such provision or rule or regulation, or the omission of any act required thereby is deemed to constitute conduct inconsistent with just and equitable principles of trade; and

"(D) a statement setting forth the penalty imposed.

In any proceeding to determine whether any person shall be denied membership or whether any person shall be barred from becoming associated with a member or prohibited or limited with respect to requested access to services offered by the exchange or a member thereof, such rules shall, as a minimum, provide that such person shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial, bar, or prohibition or limitation under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which any denial, bar, or prohibition or limitation is based.

"(c) The Commission shall, upon the filing of an application for registration as a national securities exchange pursuant to subsection (a), publish notice of the filing and afford interested persons a reasonable opportunity for comment. Within ninety days of such filing, the Commission shall—

"(1) by order grant such registration if the Commission finds that the requirements of this section are satisfied and such registration is consistent with the purposes of this title, or

"(2) institute further proceedings to determine whether the application should be denied. After appropriate notice and opportunity for hearing, the Commission shall by order grant such registration unless it finds that a requirement of this section is not satisfied or that such registration would be inconsistent with the purposes of this title, in which case the Commission shall by order deny such registration. The Commission shall conclude its further proceedings and issue an order granting or denying the application within one hundred and eighty days of the filing of the application unless the Commission finds good cause to extend such period and publishes its reasons for so finding.

"(d) An exchange may, upon appropriate application in accordance with the rules and regulations of the Commission, and upon such terms as the Commission may deem necessary or appropriate in the public interest or for the protection of investors, withdraw its registration."

SEC. 6. Section 11(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78k(b)) is amended to read as follows:

"(b) When not in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest and for the protection of investors, to assure the maintenance of fair and orderly markets, or to remove impediments to and perfect the mechanism of a national market system, the rules of a national securities exchange may permit (1) a member to be registered as an odd-lot dealer and as such to buy and sell for his own account so far as may be reasonably necessary to carry on such odd-lot transactions, and (2) a member to be reigstered as a specialist. Under the rules and regulations of the Commission a specialist may be permitted to act as a dealer or limited to acting as a dealer. It shall be unlawful for a specialist or an official of the exchange to disclose information in regard to orders placed with such specialist which is not available to all members of the exchange, to any person other than an official of the exchange, a representative of the Commission, or a specialist who may be acting for such specialist: *Provided, however,* That the Commission, by rule, may require or permit disclosure of any limited price order placed with a specialist to such other specialists, such dealers, such brokers, and such other persons in such manner and under such conditions as it deems necessary or appropriate in the public interest and for the protection of investors, to maintain fair and orderly markets, or to remove impediments to and perfect the mechanism of a national market system. It shall also be unlawful for a specialist acting as a broker to effect on the exchange any transaction except upon a market or limited price order."

SEC. 7. The Securities Exchange Act of 1934 is amended by inserting after section 11 (15 U.S.C. 78k) the following new section:

"SECURITIES INFORMATION PROCESSORS; NATIONAL MARKET SYSTEM

"SEC. 11A. (a) Except as otherwise provided in this subsection, it shall be unlawful for any person, unless registered in accordance with this section (or exempted from the definition of 'securities information processor' in section 3(a) (22) of this title), to make use of the mails or any means or instrumentality of interstate commerce to perform, directly or indirectly, the functions of a securities information processor with respect to any security. The Commission, by rule or by order, upon its own motion or upon application, may conditionally or unconditionally exempt any securities information processor or class of securities information processors or any security or class of securities from any provision of this section or of any rule or regulation prescribed under this section, if the Commission finds that such exemption is in the public interest and consistent with the protection of investors and the purposes of this section, including the maintenance of fair and orderly markets in securities and the removal of impediments to and perfection of the mechanism of a national market system: *Provided, however,* That any securities information processor engaged exclusively in distributing or publishing information with respect to transactions in, quotations for, or indications of interest to purchase or sell securities obtained from a registered securities information processor, national securities exchange, or registered securities association shall be exempt from the registration requirement of this section unless and until the Commission, by rule, finds that such registration is necessary or appropriate in the public interest, for the protection of investors, or for the achievement of the purposes of this section.

"(b) Any securities information processor may be registered for the purposes of this section by filing with the Commission a registration statement which shall contain the address of its principal office or offices, the securities and markets for which it is then acting and for which it proposes to act as a securities information processor, and such other information and documents as the Commission, by rule, may prescribe with regard to performance capability, standards and procedures for the collection, processing, distribution, and publication of information with respect to quotations for, indications of interest to purchase or sell, and transactions in securities, personnel qualifications, financial condition, and other matters the Commission may consider germane to the provisions of this title, the rules and regulations thereunder, or the purposes of this section.

"(c) The Commission shall, upon the filing of an application for registration pursuant to subsection (b), publish notice of the filing and afford interested persons a reasonable opportunity for comment. Within ninety days of such filing, the Commission shall—

"(1) by order grant such registration if the Commission finds that such securities information processor is so organized and possesses such operational capacity as to assure the prompt, accurate, and reliable performance of its functions as a securities information processor, to comply with the provisions of this title and the rules and regulations thereunder, and to carry out its functions in a manner consistent with the purposes of this section, or

"(2) institute further proceedings to determine whether the application should be denied. After appropriate notice and opportunity for hearing, the Commission shall by order grant such registration unless it finds that the organization or operational capacity of the securities information processor is such that the processor is unable to assure the prompt, accurate, and reliable performance of its functions as a securities information processor, to comply with the provisions of this title and the rules and regulations thereunder, or to carry out its functions in a manner consistent with the purposes of this section, in which case the Commission shall by order deny such registration. The Commission shall conclude such further proceedings and issue an order granting or denying the application within one hundred and eighty days of the filing of the application unless the Commission finds good cause to extend such period and publishes its reasons for so finding.

"(d) A securities information processor registered under this section may, upon such terms and conditions as the Commission may deem necessary or appropriate in the public interest or for the protection of investors, withdraw from registration by filing a written notice of withdrawal with the Commission. If the Commission finds that any registrant or person for whom an application for registration is pending is no longer in existence or has ceased to do business in the capacity specified in the registration statement, the Commission shall by order cancel or deny the registration.

"(e) The Commission may, by order, censure or place limitations upon the activities, functions, or operations of any registered securities information processor or suspend for a period not exceeding twelve months or revoke the registration of any such processor if the Commission finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or revocation is in the public interest or necessary for the protection of investors and that such securities information processor has violated or is unable to comply with any provision of this title or any rule or regulation thereunder or has willfully engaged in any other activity inconsistent with the purposes of this title.

"(f) No national securities exchange, registered securities association, or registered securities information processor shall make use of the mails or any means or instrumentality of interstate commerce to collect, process, distribute, publish, or prepare for distribution or publication any information with respect to quotations for, indications of interest to purchase or sell, or transactions in any security or to assist, participate in, or coordinate the distribution or publication of such information in contravention of such rules and regulations as the Commission shall prescribe as necessary or appropriate in the public interest or for the protection of investors to prevent the use or publication of fradulent, deceptive, or manipulative information with respect to quotation, indications of interest, and transactions, to facilitate the prompt, accurate, and reliable collection, processing, distribution, and publication of informative quotations, indications of interest, and reports of transactions, to remove impediments to and perfect the mechanism of a national market system, and to assure the maintenance of fair and orderly markets.

"(g) No person shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in any security for his own account or for the account of any other person in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors to assure the prompt and accurate reporting of transactions.

"(h) The Commission shall prescribe such rules and regulations as it deems necessary or appropriate in the public interest or for the protection of investors (1) to assure that all brokers and dealers and, subject to such limitations as the Commission may, by rule, impose as necessary or appropriate for the protection of investors and the maintenance of fair and orderly markets, all other persons have access on reasonable and nondiscriminatory terms to quotations for and reports of transactions in securities; (2) to specify the methods and manner in which information with respect to quotations for and transactions in securities is distributed and published by national securities exchanges, registered securities associations, and registered securities information processors and the form and content of such information; (3) to assure that any system utilized by any broker or dealer to transmit or direct orders for the purchase or sale of securities to a facility for execution operates in a manner consistent with the development and operation of a national market system; and (4) to provide for the fair and reasonable allocation among national securities exchanges, registered securities associations, and brokers and dealers subject to paragraph (8) of section 15(b) of this title of the costs associated with the collection, processing, distribution, and publication of information with respect to quotations for and transactions in securities, and the development and operation of a national market system.

"(i) If any registered securities information processor prohibits or limits any person in respect of requested access to services offered, directly or indirectly, by such processor, the registered securities information processor shall promptly file a notice thereof with the Commission. Any such prohibition or limitation shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after notice of such action has been filed with the Commission and received by such aggrieved person, or within such longer period as the Commission may determine. Application to the Commission for review, or the institution of review by the Commission on its own motion, of any such prohibition or limitation imposed on a person in respect of a service such person was then receiving shall not operate as a stay of such prohibition or limitation pending completion of the review proceeding, unless the Commission otherwise orders after notice and opportunity for the presentation of views on the question of a stay (which presentation may consist solely of affidavits). The Commission shall for appropriate cases establish an expedited procedure for consideration and determination of the question of a stay. In any proceeding to review any such prohibition or limitation, if the Commission, after notice and opportunity for hearing, determines that such prohibition or limitation is consistent with the provisions of this title and the rules and regulations thereunder, that such person has not been discriminated against unfairly, and that no burden has been imposed on competition not necessary or appropriate in furtherance of the purposes of this title, the Commission shall, by order, dismiss the proceeding. In the absence of such a determination, the Commission shall, by order, set aside the prohibition or limitation and require the securities information processor to permit such person the requested access to services offered by the securities information processor.

"(j) The Commission may prescribe such rules and regulations as it deems necessary or appropriate in the public interest or for the protection of investors to regulate transactions effected on a national securities exchange by any person other than a member of such exchange) without the services of another person acting as broker, or by any broker (other than a member of such exchange) through a member of such exchange. In making rules under this subsection, the Commission may specify the authority of a national securities exchange to impose limitations upon such transactions and to establish and enforce standards and requirements to be satisfied by any person permitted to effect such transactions.

"(k) If in its opinion the public interest and the protection of investors so require, the Commission is authorized summarily to suspend trading in any security (other than an exempted security) for a period not exceeding ten days, or with the approval of the President, summarily to suspend all trading on any national securities exchange or effected by means of any system operated or regulated by a registered securities association or registered securities information processor for a period not exceeding ninety days. No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security in which trading is so suspended.

"(l) The Commission, having due regard for the public interest, the protection of investors, the need to remove impediments to and perfect the mechanism of a national market system, and the impact on competition shall take such steps as are within its power to assure that brokers, dealers, exchanges, securities associations, and securities information processors, are subject to equal regulations if and to the extent that such persons are similarly situated in terms of the purposes of such regulations.

"(m)(1) If the Commission finds, after notice and opportunity for hearing and such consideration as it deems necessary or appropriate of conditions arising after the rules of national securities exchanges fixing rates of commission have been eliminated, that as a result of transactions in securities registered pursuant to section 12(b) of this title effected otherwise than on a national securities exchange the fairness or orderliness of the markets for such securities has been or is likely to be affected in a manner contrary to the public interest or the protection of investors, the Commission, in accordance with its powers under this title, shall prescribe such rules and regulations as it deems necessary or appropriate in the public interest or for the protection of investors to restore or maintain the fairness and orderliness of the markets for such securities. In addition to its other powers under this title, the Commission is authorized, in prescribing rules and regulations under this subsection, to prohibit brokers and dealers from effecting transactions in such securities otherwise than on a national securities exchange, if it makes the findings herein above specified and further finds tha no rule of any national securities exchange unreasonably impairs the ability of any dealer to solicit or effect transactions in such securities for his own account or unreasonably restricts competition among dealers in such securities or between dealers which are specialists in such securities and dealers which are not specialists in such securities. The Commission may conditionally or unconditionally exempt any security or transaction or any class of securities or transactions from any such prohibition if the Commission deems such exemption consistent with the public interest and the protection of investors.

"(2) For the purposes of paragraph (1) of this subsection the ability of any dealer to solicit or effect transactions in securities for his own account shall not be deemed to be unreasonably impaired by any rule of an exchange fairly and reasonably prescribing the sequence in which orders brought to the exchange must be executed or which has been adopted in accordance with rules promulgated by the Commission under this title.

"(3) No rule promulgated pursuant to the authorization in the second sentence of paragraph (1) of this subsection shall become effective until the rules of national securities exchanges fixing rates of commission have been eliminated or remain in effect after the Commission has determined that a national market system for securities has been established or April 30, 1978, whichever is earlier: *Provided, however*, That until a national market system has been established, the Commission may extend the effectiveness of any such rule beyond April 30, 1978, for periods of up to one year, if it finds that each such extension is necessary or appropriate in the public interest or for the protection of investors and reports its reasons for so finding to the Congress not less than sixty days before any such extension begins.

"(4) Nothing in this subsection shall be construed to impair the Commission's powers or to modify the Commission's responsibilities under any other provision of this title."

Sec. 8. Section 12(f) of the Securities Exchange Act of 1934 (15 U.S.C. 781(f)) is amended as follows:

(1) Paragraph (1) thereof is amended to read as follows:

"(1) Notwithstanding the foregoing provisions of this section, any national securities exchange, subject to the terms and conditions hereinafter set forth—

"(A) may continue unlisted trading privileges to which a security had been admitted on such exchange prior to the effective date of subsection (g)(1) of section 12 of this title;

"(B) upon application to and approval of such application by the Commission, may extend unlisted trading privileges to any security duly listed and registered on any other national securities exchange; and

"(C) upon application to and approval of such application by the Commission, may extend unlisted trading privileges to any security registered under section 12 of this title or which would be required to be so registered except for the exemption from registration provided in subsection (g)(2)(B) or subsection (g)(2)(G) of that section. If an extension of unlisted trading privileges to a security was originally based upon its listing and registration on another national securities exchange, such privileges shall continue in effect only so long as such security shall remain listed and registered on any other national securities exchange."

(2) Paragraph (2) thereof is amended to read as follows:

"(2) No application pursuant to this subsection shall be approved unless the Commission finds, after notice and opportunity for the presentation of views, that the extension of unlisted trading privileges pursuant to such application is necessary or appropriate in the public interest or for the protection of investors. In considering an application for the extension of unlisted trading privileges to a security not listed and registered on a national securities exchange, the Commission shall, among other matters, take account of the public trading activity in such security, the character of such trading, the impact of such extension on the existing markets for such security and on competition, and the desirability of removing impediments to and the progress that has been made toward the development of a national market system."

Sec. 9. Section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 781) is amended by adding at the end thereof the following new subsection:

"(j) The Commission is authorized, if in its opinion such action is necessary or appropriate for the protection of investors, by order to deny, to suspend the effective date of, to suspend for a period not exceeding twelve months, or to withdraw the registration of a security if the Commission finds, on the record after notice and opportunity for hearing, that the issuer of such security has failed to comply with any provision of this title or of the rules and regulations thereunder."

Sec. 10. Paragraph (1) of section 15(a), paragraphs (8) and (10) of section 15(b), and paragraphs (1) and (2) of section 15(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78o (a), (b), and (c), respectively) are amended by striking out the phrase "otherwise than on a national securities exchange" and by inserting in lieu thereof the phrase "otherwise than on a national securities exchange of which it is a member".

Sec. 11. Section 15(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(c)) is amended by striking out subsection (5) and inserting in lieu thereof the following new paragraph:

"(5) No dealer shall make use of the mails or of any means or instrumentality of interstate commerce to hold himself out (by entering quotations in an interdealer communications system or otherwise) as being willing to buy and sell any security for his own account on a continuous basis or to effect for his own account any transaction in or to induce the purchase or sale for his own account of any security in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest and for the protection of investors, to insure the maintenance of a fair and orderly market in such security, or to remove impediments to and perfect the mechanism of a national market system. The Commission, by rule, may require or permit the disclosure of any limited price order placed with such a dealer to such specialists, such other dealers, such brokers, and such other persons in such manner and under such conditions as it deems necessary or appropriate in the public interest and for the protection of investors, to maintain fair and orderly markets, or to remove impediments to and perfect the mechanism of a national market system."

Sec. 12. Section 15A(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3(a)) is amended to read as follows:

"Sec. 15A. (a) Any association of brokers or dealers may be registered with the Commission as a national securities association pursuant to subsecton (b), or as an affiliated securities association pursuant to subsection (d), under the terms and conditions hereinafter provided in this section, by filing with the Commission a registration statement in such form as the Commission may prescribe, setting forth the following information, and accompanied by the following documents:

"(1) Copies of its constitution, articles of incorporation, bylaws, or rules or instruments corresponding to the foregoing, whatever the name, and its stated policies and practices relating to its organization, membership, rules of conduct, procedures, financial condition, methods of trading by members, and similar matters, which are hereinafter collectively referred to in this title as the 'rules of the association'; and

"(2) Such other information and documents as the Commission, by rule, may prescribe as necessary or appropriate in the public interest or for the protection of investors.

Such registration shall not be construed as a waiver by such association or any member thereof of any constitutional right or of any right to contest the validity of any rule or regulation under ths title."

Sec. 13. Section 15A(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78oV3(b)) is amended as follows:

(1) Paragraph (2) thereof is amended to read as follows:

"(2) such association is so organized and is of such a character as to be able to comply with and to enforce compliance by its members with the provisions of this title, the rules and regulations thereunder, and the rules of the association, and to carry out the purposes of this title."

(2) Paragraph (7) thereof is amended to read as follows:

"(7) the rules of the association provide for the equitable allocation of dues, fees, and other charges among its members and other persons utilizing its facilities to defray reasonable expenses."

(3) Paragraph (8) therof is amended to read as follows:

"(8) the rules of the association are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of commissions or other charges, to foster cooperation and coordination with other registered securities associations, national securities exchanges, registered securities information processors and other persons engaged in regulating, clearing, settling, transferring, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest; and are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers, to fix minimum profits, to impose any schedule of prices, to impose any schedule or fix minimum rates of commissions, allowances, discounts, or other charges, to regulate matters not related to the purposes of this title or the administration of the association, or to impose any burden on competition not necessary or appropriate in furtherance of the purposes of this title."

(4) Paragraph (9) thereof is amended to read as follows:

"(9) the rules of the association provide that its members and persons associated with its members shall be appropriately disciplined for violation of any provision of this title, the rules or regulations thereunder, or the rules of the association, by expulsion, suspension, limitation of activities, functions, and operations, fine, censure, being suspended or barred from being associated with a member, or any other fitting penalty."

(5) Paragraph (10) thereof is amended to read as follows:

"(10) the rules of the association provide a fair and orderly procedure with respect to the disciplining of members and persons associated with members, the denial of membership to any broker or dealer seeking membership therein, the barring of any person from becoming associated with a member thereof, and the prohibition or limitation of any person with respect to requested access to services offered by the association or a member thereof. In any proceeding to determine whether any member or other person shall be disciplined, such rules shall require that specific charges be brought; that such member or person shall be notified of, and be given an opportunity to defend against, such charges; that a record shall be kept; and that the determination shall include—

"(A) a statement setting forth any act or practice in which such member or other person may be found to have engaged, or which such member or other person may be found to have omitted;

"(B) a statement setting forth the specific provision of this title, or rule or regulation thereunder, or rule of the association of which any such act or practice, or omission to act, is deemed to be in violation;

"(C) a statement whether the act or practice prohibited by such provision or rule or regulation, or the omission of any act required thereby is deemed to constitute conduct inconsistent with just and equitable principles of trade; and

"(D) a statement setting forth the penalty imposed.

In any proceeding to determine whether any broker or dealer shall be denied membership or whether any person shall be barred from becoming associated with a member or prohibited or limited with respect to requested access to services offered by the association or a member thereof, such rules shall, as a minimum, provide that such broker or dealer or person shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial, bar, or prohibition or limitation under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which any denial, bar, or prohibition or limitation is based."

Sec. 14 Section 15A(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3(e)) is amended to read as follows:

"(e) The Commission shall, upon the filing of an application for registration as a national or affiliated securities association pursuant to subsection (a), publish notice of the filing and afford interested persons a reasonable opportunity for comment. Within ninety days of such filing, the Commission shall—

"(1) by order grant such registration if the Commission finds that the requirements of this section are satisfied and such registration is consistent with the purposes of this title, or

"(2) institute further proceedings to determine whether the application should be denied. After appropriate notice and opportunity for hearing, the Commission shall by order grant such registration unless it finds that a requirement of this section is not satisfied or that such registration would be inconsistent with the purposes of this title, in which case the Commission shall by order deny such registration. The Commission shall conclude its further proceedings and issue an order granting or denying the application within one hundred and eighty days of the filing of the application unless the Commission finds good cause to extend such period and publishes its reasons for so finding."

Sec. 15. Section 15A of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3) is amended by striking out subsections (g), (h), (j), (k), (l), and (n) thereof and redesignating subsections (i) and (m) thereof as subsections (g) and (h), respectively.

Sec. 16. Section 17(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78q(a)) is amended to read as follows:

"(a) Every national securities exchange, every member thereof, every broker or dealer who transacts a business in securities through the medium of any such member, every registered securities association, every broker or dealer registered pursuant to section 15 of this title, and every registered securities information processor, shall make, keep, and preserve for such periods, such accounts, correspondence, memoranda, papers, books, and other records and furnish such copies thereof and make such reports, as the Commission by its rules and regulations may prescribe as necessary or appropriate in the public interest or for the protection of investors. All accounts, correspondence, memoranda, papers, books, and other records of such persons shall be subject at any time or from time to time to such reasonable periodic, special, or other examinations by examiners or other representatives of the Commission as the Commission may deem necessary or appropriate in the public interest or for the protection of investors."

Sec. 17. Section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 78q) is amended by adding at the end thereof the following new subsection:

"(c) With respect to any person who is a member of more than one self-regulatory organization, the Commission shall, by rule or regulation, as it deems necessary or appropriate in the public interest and for the protection of investors to foster cooperation and coordination among self-regulatory organizations with respect to the regulation of brokers and dealers, or to remove impediments to and foster the development of a national market system, allocate among such self-regulatory organizations responsibility to examine such person for compliance with applicable provisions of this title, the rules and regulations thereunder, and the rules of the self-regulatory organizations of which it is a member, to receive regulatory reports, and to carry out other specified regulatory functions with respect to such person. In allocating such responsibility, the Commission shall take into consideration the regulatory capability and procedures of the self-regulatory organizations, availability of staff, convenience of location, and such other factors as the Commission may consider germane to the protection of investors, cooperation and coordination among self-regulatory organizations, or the development of a national market system.

Sec. 18. Section 19 of the Securities Exchange Act of 1934 (15 U.S.C. 78s) is amended to read as follows:

"COMMISSION OVERSIGHT OF SELF-REGULATORY ORGANIZATIONS

"Sec. 19. (a) The Commission is authorized, if in its opinion such action is necessary or appropriate in the public interest and for the protection of investors or to carry out the purposes of this title—

"(1) by order to suspend for a period not exceeding twelve months, to withdraw the registration of a self-regulatory organization, or to censure or impose limitations upon the activities, functions, and operations of any such organization if the Commission finds, on the record after notice and opportunity for hearing, that such organization (A) has violated or is unable to comply with any provision of this title or of the rules and regulations thereunder, (B) without reasonable justification or excuse has failed to enforce compliance with any such provision or with its own rules by a member thereof, a person associated with a member, or, in the case of a national securities exchange, by an issuer of a security registered thereon, and, in the case of a registered securities association, by an issuer of a security for which quotations are published by means of any system which the association operates or regulates, or (C) has engaged in any other activity tending to defeat the purposes of this title;

"(2) by order to suspend for a period not exceeding twelve months or to expel from a self-regulatory organization any member thereof, or to suspend for a period not exceeding twelve months or to bar any person from being associated with a member thereof, if the Commission finds, on the record after notice and opportunity for hearings, that such member or person (A) has willfully violated any provision of this title or of the rules and regulations thereunder, or has effected any transaction for any other person who, he has reason to believe, was violating with respect to such transaction anv provision of this title or of the rules and regulations thereunder, or (B) has willfully violated any provision of the Securities Act of 1933, as amended, or of the rules and regulations thereunder, or has effected any transaction for any other person who, he had reason to believe, was violating with respect to such transaction any provision of such Act or of the rules and regulations thereunder; and

"(3) by order to remove from office or censure any officer or director of a self-regulatory organization who, the Commission finds, on the record after notice and opportunity for hearing, has willfully (A) violated any provision of this title or of the rules and regulations thereunder, (B) failed to enforce compliance with any such provision or with the rules of the self-regulatory organization, or (C) abused his authority.

"(b) The Commission, as it deems necessary or appropriate in the public interest and for the protection of investors, to insure fair and orderly dealing in securities, to insure the fair administration of self-regulatory organizations, to conform the rules of self-regulatory organizations to applicable registration requirements for such organizations, to remove burdens on competition not necessary or appropriate in furtherance of the purposes of this title, or to remove impediments to and perfect the mechanisms of a national market system, may, by rule, abrogate, alter, or supplement the rules of any self-regulatory organization, in the following manner:

"(1) The Commission shall publish in the Federal Register any such proposed rule together with a statement of its reasons for proposing to abrogate, alter, or supplement the rules of a self-regulatory organization in the manner specified.

"(2) The Commission shall give interested persons an opportunity for the oral presentation of data, views, or arguments, in addition to an opportunity to make written submissions with respect to any such proposed rule. A transcript shall be kept of any oral presentations.

"(3) The Commission shall publish with any rule adopted pursuant to this subsection a full statement of its reasons for abrogating, altering, or supplementing the rules of a self-regulatory organization in the manner provided, including its conclusions as to any disputed facts or other data.

"(4) Except as provided in paragraphs (1) through (3) of this subsection, rulemaking under this subsection shall be in accordance with the procedures specified in section 553 of title 5, United States Code, for rulemaking not on the record. Nothing in this subsection shall be construed to impair or limit the Commission's power to make, or to modify or alter the procedures the Commission may follow in making rules and regulations pursuant to any other authority under this title.

"(c) (1) Each self-regulatory organization shall file with the Commission, in accordance with such rules as the Commission may prescribe, copies of any proposed change in, addition to, or deletion from the rules of such organization accompanied by a concise general statement of the basis and purpose of such proposed change, addition, or deletion. No such proposed change, addition, or deletion shall take effect except in accordance with the provisions of this subsection.

"(2) The Commission shall, upon the filing of a proposed change in, addition to, or deletion from the rules of a self-regulatory organization, publish notice of such proposal together with the organization's statement of basis and purpose and shall afford interested persons a reasonable opportunity for comment on the proposed change, addition, or deletion. The Commission shall make available for public inspection copies of any correspondence between the Commission or its staff and any interested person relating to the proposed change, addition, or deletion. Within twenty-one days of the filing of such proposed change, addition, or deletion, or within such longer period up to sixty days of such filing as the Commission may designate, if it finds such longer period to be appropriate and publishes its reasons for so finding, the Commission shall—

"(A) publish a rule approving such change, addition, or deletion and declaring it effective if the Commission finds that the rules of the self-regulatory organization as so changed would satisfy the registration requirements for such organization and would be consistent with the purposes of this title, or

"(B) institute further proceedings, including providing interested persons an opportunity for oral presentation of views, data, or arguments, to determine whether the proposed change, addition, or deletion should be disapproved, in whole or in part. Within one hundred and fifty days of the filing of the proposed change, addition, or deletion, the Commission shall conclude such further proceedings and shall publish a rule either approving such proposed change, addition, or deletion and declaring it effective or disapproving such proposed change, addition, or deletion if it finds that the rules of the self-regulatory organization as so changed would not satisfy the registration requirements for such organization or would be inconsistent with the purposes of this title, except that the Commission may extend the period for such further proceedings if it finds good cause therefor and publishes its reasons for so finding.

"(3) The Commission, by rule or regulation or by order, upon its own motion, or upon application setting forth the reasons therefor, may conditionally or unconditionally accelerate the effectiveness of and waive the public procedure with respect to any proposed change in, addition to, or deletion from the rules of a self-regulatory organization or any class or classes of such proposed changes, additions, or deletions if it appears to the Commission that such accelerated effectiveness and absence of public procedure are in the public interest and are not inconsistent with the purposes of this subsection.

"(4) Except as provided in paragraphs (1) through (3) of this subsection, action by the Commission under this subsection shall be in accordance with the procedures specified in section 553 of title 5, United States Code, for rulemaking not on the record.

"(d) If any self-regulatory organization takes any final disciplinary action against any member thereof or any person associated with a member, or denies admission to any person seeking membership therein, or bars any person from becoming associated with a member thereof, or prohibits or limits any person in respect of requested access to services offered by such organization or any member thereof, the self-regulatory organization shall promptly file a notice thereof with the Commission. The notice shall be in such form and contain such information as the Commission, by rule, may prescribe as necessary or appropriate in the public interest or for the protection of investors, and shall be available for public inspection. Any such disciplinary action, denial, bar, or prohibition or limitation by a self-regulatory organization shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after notice of such action has been filed with the Commission and received by such aggrieved person, or within such longer period as the Commission may determine. Application to the Commission for review, or the institution of review by the Commission on its own motion, shall not operate as a stay of such action, unless the Commission otherwise orders, after notice and opportunity for the presentation of views on the question of a stay (which presentation may consist solely of affidavits). The Commission shall establish for appropriate cases an expedited procedure for consideration and determination of the question of a stay.

"(e) (1) In a proceeding to review disciplinary action taken by a self-regulatory organization against a member or a person associated with a member, after notice and opportunity for hearing and upon consideration of the record before the self-regulatory organization and such other matters as the Commission may deem material—

"(A) if the Commission finds that such member or such person has engaged in such acts or practices, or has omitted such acts, as the self-regulatory organization has found him to have engaged in or to have omitted, that such acts or practices, or omissions to act, are in violation of such provisions of this title, or such rules adopted thereunder, or such rules of the self-regulatory organization as have been designated in the determination of the self-regulatory organization, and that such provisions or rules have been applied in a manner consistent with the purposes of this title, the Commission shall, by order, so declare and affirm the action taken by the self-regulatory organization or, if appropriate, modify the sanctions or penalties in accordance with paragraph (2) of this subsection, or remand to the self-regulatory organization for further proceedings; or

"(B) if the Commission does not find that such member or such person has engaged in such acts or practices, or has omitted such acts, as the self-regulatory organization has found him to have engaged in or to have omitted, or if the Commission finds that such acts or practices are not prohibited by the designated provisions of this title, or the rules adopted thereunder, or the rules of the self-regulatory organization, or that such provisions or rules have not been applied in a manner consistent with the purposes of this title, the Commission shall, by order, set aside the action of the self-regulatory organization or remand to such organization for further proceedings.

"(2) The Commission, having due regard for the public interest, the protection of investors, and its responsibility to remove any burden on competition not necessary or appropriate in furtherance of the purposes of this title, if it finds that any disciplinary action taken by a self-regulatory organization against a member or a person associated with a member is neither necessary nor appropriate or is excessive or oppressive, may cancel or reduce such action or require the remission of any penalty associated therewith.

"(f) In any proceeding to review the denial of membership in a self-regulatory organization, the barring of any person from becoming associated with a member thereof, or the prohibition or limitation of any person with respect to requested access to services offered by the self-regulatory organization or any member thereof, if the Commission, after notice and opportunity for hearing and upon consideration of the record before the self-regulatory organization and such other matters as it may deem material, determines that the specific grounds on which such denial, bar, or prohibition or limitation is based exist in fact, that such denial, bar, or prohibition or limitation is consistent with the rules of the self-regulatory organization, that such rules have not been applied in a manner inconsistent with the purposes of this title or so as to discriminate unfairly against such applicant or person, and that such denial, bar, or prohibition or limitation does not impose any burden on competition not necessary or appropriate in furtherance of the purposes of this title, it shall, by order, dismiss the proceeding. In the absence of such a determination, the Commission shall, by order, set aside the action of the self-regulatory organization and require it to admit the applicant to membership therein, to permit such person to become associated with a member or to permit such person the requested access to services offered by the self-regulatory organization or member thereof."

SEC. 19. Section 21(f) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(f)) is amended to read as follows:

"(f) Upon application of the Commission the district courts of the United States, the United States District Court for the District of Columbia, and the United States courts of any territory or other place subject to the jurisdiction of the United States, shall also have jurisdiction to issue writs of mandamus or injunctions commanding any person to comply with the provisions of this title and the rules and regulations thereunder or any order of the Commission made in pursuance thereof or with any undertaking contained in a registration statement as provided in subsection (d) of section 15 of this title, or commanding a self-regulatory organization to enforce compliance by its members or persons associated with its members with the provisions of this title, the rules and regulations thereunder, and the rules of such organization."

SEC. 20. Section 23 of the Securities Exchange Act of 1934 (15 U.S.C. 78w) is amended to read as follows:

"RULES AND REGULATIONS; ANNUAL REPORTS

"SEC. 23. (a) The Commission and the Board of Governors of the Federal Reserve System shall each have power to make such rules and regulations as may be necessary for the execution of the functions vested in them by this title, and may for such purpose classify issuers, securities exchanges, securities information processors, and other persons or matters within their respective jurisdictions. No provision of this title imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule or regulation of the Commission or the Board of Governors of the Federal Reserve System, notwithstanding that such rule or regulation may, after such act or omission, be amended or rescinded or be determined by judicial or other authority to be invalid for any reason. The Commission shall, in making rules and regulations pursuant to any authority under this title, consider among other matters, the impact any such proposed rule or regulation would have on competition. The Commission shall not promulgate any such rule or regulation which would impose a burden on competition not necessary or appropriate in furtherance of the purposes of this title. The Commission shall include in the notice of any such proposed rule or regulation and in the statement of basis and purpose published upon the adoption of any such rule or regulation, a full explanation of the reasons for the Commission's determination that any burden on competition imposed by such rule or regulation is necessary or appropriate in furtherance of the purposes of this title. In making rules and regulations pursuant to any authority under this title, the Commission shall make available for public inspection copies of any correspondence between the Commission or its staff and any interested person relating to the proposed rule or regulation.

"(b) The Commission and the Board of Governors of the Federal Reserve System, respectively, shall include in their annual reports to Congress such information, data, and recommendations for further legislation as they may deem advisable with regard to matters within their respective jurisdictions under this title. The Commission shall also include in its annual report to the Congress for each fiscal year (1) a summary of the Commission's oversight activities with respect to the self-regulatory organizations, including a description of any examination of any such organization, any material recommendation presented to any such organization for changes in its organization, character, or rules, and any action by any such organization with respect to any such Commission recommendation; (2) a statement and analysis of the expenses of each self-regulatory organization in connection with the performance of its responsibilities under this title, for which purpose data pertaining to such expenses shall be made available by such organization to the Commission at its request; (3) information, data, and recommendations with respect to the development of a national market system, including a summary of the regulatory activities, operational capabilities, financial resources, and plans of the self-regulatory organizations and registered securities information processors related thereto; (4) the steps taken by the Commission to assure that brokers, dealers, exchanges, securities associations, and securities information processors are subject to equal regulations in accordance with section 11A(1) of this title; and (5) information concerning the number of requests for exemptions from provisions of this title received, the number granted, and the basis upon which any such exemption was granted."

SEC. 21. Section 25 of the Securities Exchange Act of 1934 (15 U.S.C. 78y) is amended to read as follows:

"COURT REVIEW OF ORDERS AND RULES

"SEC. 25. (a) (1) A person aggrieved by a final order of the Commission entered pursuant to this title may obtain review of the order in the United States court of appeals for the circuit in which he resides or has his principal place of business, or for the District of Columbia Circuit, by filing in such court, within sixty days after the entry of the order, a written petition praying that the order be modified or set aside in whole or in part.

"(2) A copy of the petition shall be transmitted forthwith by the clerk of the court to a member of the Commission or an officer designated by the Commission for that purpose. Thereupon, the Commission shall file in the court the record on which the order complained of is entered, as provided in section 2112 of title 28, United States Code, and the Federal Rules of Appellate Procedure.

"(3) On the filing of the petition the court has jurisdiction, which becomes exclusive on the filing of the record, to affirm, modify, and enforce or set aside the order in whole or in part.

"(4) The findings of the Commission as to the facts, if supported by substantial evidence, are conclusive.

"(5) If either party applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that the additional evidence is material and that there was reasonable ground for failure to adduce it before the Commission, the court may order the additional evidence to be taken before the Commission in whatever manner and on whatever conditions the court considers appropriate. The Commission may modify its findings as to the facts and modify or set aside its original order by reason of the additional evidence so taken, and it shall file in the court any such modified or new findings or order.

"(b) (1) A person adversely affected by a rule promulgated by the Commission pursuant to section 6, 11, 11A, 15(c) (5), 15A, or 19 of this title may obtain review of the rule in the United States court of appeals for the circuit in which he resides or has his principal place of business or for the District of Columbia Circuit, by filing in such court, within sixty days after the promulgation of the rule, a written petition praying that the rule be set aside or remanded to the Commission for further consideration.

"(2) A copy of the petition shall be transmitted forthwith by the clerk of the court to a member of the Commission or an officer for that purpose. Thereupon, the Commission shall file in the court the rule under review, all data, views, and arguments of interested persons and advisory committees received or considered by the Commission in connection with the Commission's adoption of the rule, and any other materials prescribed by the court.

"(3) On the filing of the petition, the court has jurisdiction, which becomes exclusive on the filing of the materials set forth in paragraph (2) of this subsection, to affirm, enforce, or set aside the rule or to remand the rule to the Commission for further consideration.

"(4) The findings of the Commission as to the facts stated by the Commission to have prompted, in whole or in part, the adoption of the rule, if supported by substantial evidence, are conclusive. The court shall affirm and enforce the rule unless the Commission's action in promulgating the rule is found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law; contrary to constitutional right, power, privilege or immunity; in excess of statutory jurisdiction, authority or limitations, or short of statutory right; or without observance of procedure required by law.

"(5) If proceedings have been instituted under this subsection in two or more courts of appeals with respect to the same rule, the Commission shall file the materials set forth in paragraph (2) of this subsection in that court in which a proceeding was first instituted. The other courts shall thereupon transfer all such proceedings to the court in which the materials have been filed. For the convenience of the parties in the interest of justice that court may thereafter transfer all the proceedings to any other court of appeals.

"(c) (1) No objection to any order or rule of the Commission, for which review is sought under this section, may be considered by the court unless it was urged before the Commission or there was reasonable ground for failure to do so.

"(2) The filing of a petition under this section shall not operate as a stay of the Commission's order or rule. Until the court's jurisdiction becomes exclusive, the Commission may stay its order or rule pending judicial review, if it finds that justice so requires. After the filing of a petition under this section, the court, pursuant to any conditions it may find appropriate to require, and to the extent necessary to prevent irreparable injury, may issue all necessary and appropriate process to stay the order or rule or to preserve status or rights pending its review; but no such process may be issued by the court unless: (A) the Commission has denied a stay or failed to grant requested relief; (B) a reasonable period has expired since the filing of an application for a stay without a decision by the Commission; or (C) there was reasonable ground for failure to apply to the Commission.

"(d) When the same rule or order is the subject of one or more petitions for review filed under this section and an action for enforcement filed in a district court of the United States under section 21 of this title, that court in which the petition or the action is first filed has jurisdiction with respect to the rule or the order to the exclusion of any other court, and thereupon all such proceedings shall be transferred to that court; but, for the convenience of the parties in the interest of justice, that court may thereafter transfer all the proceedings to any other court of appeals or district court of the United States, whether or not a petition for review or an action for enforcement was originally filed in the transferee court. The scope of review by a district court under this section is the same as by a court of appeals under this section."

Sec. 22. Section 28(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(b)) is amended to read as follows:

"(b) Nothing in this title shall be construed to modify existing law (1) with regard to the binding effect on any member of any action taken by the authorities of such exchange to settle disputes between its members, or (2) with regard to the binding effect of such action on any person who has agreed to be bound thereby."

Sec. 23. Paragraphs (3) and (4) of section 1(b) of the Act of August 20, 1962 (15 U.S.C. 78d–1(b)), are amended to read as follows:

"(3) suspends or withdraws any registration, or censures or imposes any limitation upon the activities, functions, and operations of a self-regulatory organization, or suspends or expels a member of any such organization, or suspends or bars any person from being associated with any member of any such officer or director of any such organization, pursuant to section 19(a) of the Securities Exchange Act of 1934, (4) suspends trading in a security pursuant to section 11A(k) of the Securities Exchange Act of 1934, or (5) disapproves any proposed change in, addition to, or deletion from the rules of a self-regulatory organization pursuant to section 19(c) of the Securities Exchange Act of 1934,".

Sec. 24. Section 9(c) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78iii (c)) is amended to read as follows:

"(c) Inspections.—The self-regulatory organization of which a member of SIPC is a member shall inspect or examine such member for compliance with applicable financial responsibility rules, except that if a member of SIPC is a member of more than one self-regulatory organization, the Commission, pursuant to section 17(c) of the 1934 Act, shall designate one of such self-regulatory organizations to inspect or examine such member for compliance with applicable financial responsibility rules."

Sec. 25. This Act shall become effective on the date of its enactment except that sections 6(b), 11A, and 15A(b) of the Securities Exchange Act of 1934 (as amended by this Act) shall become effective 180 days after the date of enactment. The Commission shall, upon the effectiveness of such sections, suspend the registration of any national securities exchange or registered securities association or impose appropriate limitations on the activities, functions, and operations of any such exchange or association, if it finds, after appropriate notice and opportunity for hearing, that the organization, character, or rules thereof do not conform to the requirements of such sections as amended by this Act, and any such suspension or limitation shall remain in effect until the Commission issues an order declaring that such exchange or association conforms to such requirements, except that the Commission may grant one extension of not more than sixty days, upon application by a self-regulatory organization or upon its own motion, if the Commission finds good cause for such extension and publishes its reasons therefor.

Mr. WILLIAMS. Mr. President, the bill we have before us for final consideration today is the third bill growing out of the subcommittee's securities industry study. The previous bills dealt with issues related to brokerage commission rates, institutional membership on national securities exchanges, and the processing of securities transactions. This bill, S. 2519, is broader in scope and embodies most of the remaining recommendations of the subcommittee's final report concerning the development and oversight of a national market system for securities and the strengthening and rationalization of self-regulation in the securities industry. If enacted, it would accomplish much needed reforms in the basic regulatory processes for the securities industry. At the same time, it would establish the foundation for a true national market system. Not since 1938 when the Maloney Act established the NASD, has the Congress undertaken such an extensive reevaluation of self-regulation and the SEC's general regulatory powers.

Fundamental changes have occurred over the past 40 years in the manner in which securities are traded. Most obvious are the role played in the securities markets by institutional investors and the capabilities and availability of communications and data processing equipment. Yet, despite these changes, the securities markets continue to operate by and large as they did when the Securities Exchange Act of 1934 was adopted.

The principal stock exchanges and the majority of established securities firms appear to have resisted modernization and have been unable or unwilling to respond promptly to radically altered economic and technological conditions. The 1968–70 paperwork and financial problem of the industry is one example. The delay in the development of a composite tape and composite quotation system is another. Overall, misallocations of capital, widespread inefficiency, and potentially harmful fragmentation of trading markets have resulted from deficiencies and anomalies in the present regulatory framework.

The subcommittee's comprehensive study identified a number of causes for the securities industry's languor in the face of great change and great opportunity: Price fixing with respect to commission rates, artificial restrictions on market making activities, unjustified barriers to access to markets and market makers, opposition to market integration from powerful vested interests, monopoly control of essential mechanisms for dissemination of market information, and the absence of effective control of market developments and operations by the Securities and Exchange Commission.

Whatever the causes of past inaction, however, unless the securities industry can develop a new sense of confidence and vigor and the SEC can shape a new market system adequate to the needs of investors in this country and around the world, there is a very real danger that the future capital requirements of Americon business will not be met and that an independent securities industry as it has come to be understood since 1933, will cease to exist.

Recently the SEC has taken actions in several areas which will contribute to a more efficient and responsive securities industry and more orderly, liquid, and fair securities markets. And progressive forces within the industry have begun to assert themselves, thus affirming the continuing vitality of self-regulation.

Nevertheless, it is clear that new legislation is necessary in order to assure investors—both in this country and abroad—that our securities markets will remain vigorous and efficient in the years ahead.

In terms of overall market structure, there has been no long-range legislative planning since 1934. As the subcommittee's study revealed, however, economic and technological developments have, for the first time, made a truly national market system possible. The bill before us today reflects a congressional recognition of the feasibility and desirability of creating such a system.

S. 2519 would lay the foundation for a new and more competitive market system, vesting in the SEC power to eliminate all unnecessary burdens on competition while at the same time assigning to that agency the responsibility to pursue the goal of centralized trading of securities in the interest of both efficiency and investor protection.

In general terms, S. 2519 is intended to clarify and enhance the authority of the SEC to take all necessary steps to bring such a national market system into existence. The bill approaches the problem of encouraging the development and implementation of a national market system from the point of view of preserving the competing markets for securities that have developed, breaking down all barriers to competition that do not serve a valid regulatory purpose, and encouraging maximum reliance on communications and data processing equipment consistent with justifiable costs.

Because of the unique system of self-regulation in the securities industry, the principal markets for securities are also the principal regulators of the activities of broker-dealers using those markets. Meaningful reform of this country's securities trading mechanisms will, therefore, be impossible unless there is also a reform of the method and manner by which the self-regulatory organizations operate and in the way that the SEC oversees the performance of their regulatory responsibilities.

Accordingly, S. 2519 would significantly amend the provisions of the Exchange Act dealing with the powers of the self-regulatory organizations and the oversight authority of the SEC with respect to these organizations. Self-regulation should be preserved in the securities industry, but the self-regulatory organizations must display a greater responsiveness to their statutory obligations and to the need to coordinate their functions and activities.

In the new regulatory environment created by this bill, self-regulation would be continued, but the SEC would be expected to play a much larger role than it has in the past—a larger role in insuring that there is no gap between self-regulatory performance and regulatory need and in providing leadership for the development of a more coherent and rational regulatory structure to correspond to and to police effectively the new national market system. This is achieved in the bill principally by clarifying self-regulatory rights and responsibilities, and redefining the lines of responsibility between the SEC and the self-regulatory organizations. Thus, the bill would galvanize governmental and quasi-governmental agencies for reform and creative innovation in the public interest.

One last point, Mr. President.

The securities markets of the United States are indispensable to the growth and health of this country's and the world's economy. In order to raise the enormous sums of investment capital that will be needed in the years ahead and to assure that that capital is properly allocated among competing uses, these markets must continue to operate fairly and efficiently. The increasing tempo and magnitude of the changes that are occurring in our domestic and international economy make it clear that the securities markets are due to be tested as never before. Unless these markets adapt and respond to the demands placed upon them, there is a danger that America will lose ground as an international financial center and that the economic, financial, and commercial interests of the Nation will suffer.

The rapid attainment of a national market system as envisaged by this bill is important, therefore, not simply to provide greater investor protection and bolster sagging investor confidence but also to assure that the country maintains a strong, effective, and efficient capital raising and capital allocating system in the years ahead.

Mr. President, S. 2519 is an important step in assuring that the securities markets and the regulation of the securities industry remain strong and capable of fostering the basic goals of the Exchange Act under any and all conditions. I urge prompt passage of this bill as it has been reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the Securities Exchange Act of 1934 to facilitate the development of a national market system, to provide for regulation of securities information processors, to remove unnecessary burdens on competition, to strengthen and improve self-regulation and the Securities and Exchange Commission's oversight of the self-regulatory organizations, and for other purposes."

AUTHORIZATION OF ADDITIONAL APPROPRIATIONS TO THE SMITHSONIAN INSTITUTION

The Senate proceeded to consider the bill (S. 2137) to amend the act of October 15, 1966 (80 Stat. 953, 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act which had been reported from the Committee on Rules and Administration with an amendment to strike out all after the enacting clause and insert:

That section 2(a)(4) of the National Museum Act of 1966 (20 U.S.C. 65a) is amended by inserting immediately before the semicolon the following: ", with emphasis on museum conservation and the development of a national institute for museum conservation".

SEC. 2 Section 2(b) of such Act is amended to read as follows:

"(b) There are authorized to be appropriated to the Smithsonian Institution such sums as may be necessary to carry out the purposes of this Act: *Provided*, That no more than $1,000,000 shall be appropriated annually through fiscal year 1977, of which no less than $200,000 annually shall be allocated and used to carry out the purposes of section 2(a)(4) of this Act.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed

AUTHORIZATION FOR PRINTING HEARINGS AND FINAL REPORT OF THE SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES

The concurrent resolution (S. Con. Res. 86) authorizing the printing of additional copies of the hearings and final report of the Senate Select Committee on Presidential Campaign Activities was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the authorization (pursuant to S. Con. Res. 29, Ninety-third Congress, agreed to June 28, 1973) for the Senate Select Committee on Presidential Campaign Activities to have printed for its use five thousand additional copies of its hearings on illegal, improper, or unethical activities during the Presidential election of 1972 be extended through the duration of its existence as a select committee.

SEC. 2. There shall be printed for the use of the Senate Select Committee on Presidential Campaign Activities six thousand additional copies of its final report to the Senate.

GRATUITY TO LILLIAN G. McCOY

The resolution (S. Res. 330) to pay a gratuity to Lillian G. McCoy was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate to Lillian G. McCoy, widow of Victor J. McCoy, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO EDITH A. RYAN

The resolution (S. Res. 331) to pay a gratuity to Edith A. Ryan was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Edith A. Ryan, widow of Payson H. Ryan, an employee of the Senate at the time of his death, a sum equal to three months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO LENORE A. YOUNG

The resolution (S. Res. 332) to pay a gratuity to Lenore A. Young was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Lenore A. Young, mother of Marilyn J. Young, an employee of the Senate at the time of her death, a sum equal to six months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

AUTHORIZATION OF EXPENDITURES BY THE COMMITTEE ON APPROPRIATIONS

The resolution (S. Res. 321) authorizing expenditures by the Committee on Appropriations was considered and agreed to, as follows:

Resolved, That the Committee on Appropriations is authorized to expend from the contingent fund of the Senate, during the Ninety-third Congress, $75,000, in addition to the amounts, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946, and in Senate Resolution 116, Ninety-third Congress, agreed to May 21, 1973.

The title was amended so as to read: "Resolution authorizing additional expenditures by the Committee on Appropriations for routine purposes.".

INCREASE IN SUMS ALLOTTED TO THE SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES

The Senate proceeded to consider the resolution (S. Res. 328), to increase by $200,000, the sums allotted to the Senate Select Committee on Presidential Campaign Activities which had been reported from the Committee on Rules and Administration with amendments on page 1, in line 3, after the word "follows:", strike out "'The"; at the beginning of line 4, insert "Sec. 6. The"; and in line 5, after the word "period", strike out "specified in section 5 of the resolution as amended", and insert "of its existence"; so as to make the resolution read:

Resolved, That section 6 of S. Res. 60, which was adopted February 7, 1973, is hereby amended to read as follows:

"SEC. 6. The expenses of the select committee during the full period of its existence shall not exceed $2,000,000, of which amount not to exceed $70,000 shall be available for the procurement of the services of individual consultants or organizations thereof. Such expenses shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the select committee.".

Mr. HUGH SCOTT. Mr. President, reserving the right to object to the consideration of the resolution—and I will not object—there is no objection on this side of the aisle to this resolution, but it is a matter of such importance that I think the RECORD should note this is the authorizing resolution to increase by $200,000 the sums allotted to the Select Committee on Presidential Campaign Activities otherwise known as the Watergate Committee.

The extension from June 30 having been approved and the necessary funds also being approved, I should like to have it noted that this is the unanimous action of the Senate.

Mr. ROBERT C. BYRD. I should like

the record to show that I am opposed to the adoption of this resolution.

Mr. HUGH SCOTT. Then, of course, I withdraw my statement regarding the unanimous action of the Senate. I did not know the Senator had personal reasons, but I am sure they are personal to the Senator rather than as the assistant majority leader.

Mr. ROBERT C. BYRD. Yes, that is correct.

Mr. HUGH SCOTT. So that we have the record straight now.

The amendments were agreed to.

The resolution, as amended, was agreed to.

NATIONAL MEDAL TO HONOR J. EDGAR HOOVER

The bill (H.R. 1817) to provide for the striking of national medals to honor the late J. Edgar Hoover was considered, ordered to a third reading, read the third time, and passed.

HARPERS FERRY NATIONAL MONUMENT

The Senate proceeded to consider the bill (S. 605) to amend the act of June 30, 1944, an act "To provide for the establishment of the Harpers Ferry National Monument," and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, line 4, after the word "numbered", strike out "385–40,000B and dated September 1974," and insert "385–40,000D and dated April 1974,"; in line 9, after the word "exceed", strike out "one thousand and six hundred", and insert "two thousand acres:"; on page 3, at the beginning of line 2, strike out "as amended (16 U.S.C. 450bb),"; in the same line, after the word "is", strike out "further"; and in line 6, after the word "this", strike out "Act,'" and insert "Act, but not to exceed $1,300,000 for land acquisition."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 1 of the Act of June 30, 1944 (58 Stat. 645) an Act "To provide for the establishment of the Harpers Ferry National Monument" is amended to read as follows: "That, in order to carry out the purposes of this Act, the Secretary of the Interior is authorized to acquire lands or interests in lands, by donation, purchase with donated or appropriated funds, or exchange, within the boundaries as generally depicted on the drawing entitled 'Boundary Map, Harpers Ferry National Historical Park', numbered 385–40,000D and dated April 1974, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior: Provided, The Secretary may make minor revisions in the boundary from time to time, but the total acreage shall not exceed two thousand acres: *Provided further,* That nothing herein shall be deemed to authorize the acquisition without consent of the owner of a fee simple interest in lands within the boundaries in which a less than fee interest has previously been acquired by the Secretary of the Interior."

SEC. 2. Section 3 of the Act of June 30, 1944 (supra), is amended by striking the word "and" at the end of paragraph (1) thereof; by substituting "; and" for the period at the end of paragraph (2); and by adding the following new paragraph (3):

"(3) Provide, directly or by contract, an interpretive shuttle transportation service within, between, and among lands acquired for the purpose of this Act for such times and upon such terms as in his judgment will best accomplish the purposes of this Act."

SEC. 3. Section 4 of the Act of June 30, 1944 (supra), is amended to read as follows:

"SEC. 4. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, but not to exceed $1,300,000 for land acquisition."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SENATOR RANDOLPH GRATIFIED AT SENATE PASSAGE OF BILL FOR HARPERS FERRY NATIONAL HISTORICAL PARK EXPANSION AND DEVELOPMENT; TRACES PARK'S 30 YEAR HISTORY

Mr. RANDOLPH. Mr. President, I am gratified that another significant step is being taken in the unique history of the Harpers Ferry National Historical Park when the Senate passed S. 605, a measure which will provide for the expansion and continued development of the park. This bill, which I introduced with the cosponsorship of my able colleague Senator ROBERT C. BYRD, is urgently needed in order to preserve the characteristics of the park and to better accommodate the increasing number of tourists attracted to beautiful and historic Harpers Ferry, located in the eastern panhandle of West Virginia.

During the past Memorial Day weekend, 19,000 tourists visited the Harpers Ferry Park—an increase of 1,200 persons over the same period last year. Traffic congestion during the weekend affirms the necessity for the interpretive shuttle system and the tenfold increase in parking facilities. These improvements are provided in the bill passed by the Senate.

Three decades ago President Franklin Roosevelt signed the measure I sponsored to designate Harpers Ferry as a national historical monument.

It was my privilege to testify on May 9 before the Subcommittee on Parks and Recreation in behalf of this bill. I recall the words of the knowledgeable chairman, Senator ALAN BIBLE, as he outlined his support that morning:

> We have great parks and wonderful scenery out in the states that Senator Hansen and I are privileged to serve. But we do not have the people that you have here. So I like to bring the parks to the people, because the people that are park-oriented and go out in the great outdoors are better and richer for the experience.

This belief was reiterated by the effective ranking minority member, Senator HANSEN. Their strong commitment to bring parks to the people in all areas of our Nation was confirmed by unanimous Senate approval yesterday of our Harpers Ferry legislation. It is my genuine hope that the House of Representatives will give prompt passage to approve this bill.

Mr. President, I ask unanimous consent to print my remarks on S. 605 before the Subcommittee on Parks and Recreation of the Senate Interior Committee in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

SENATOR RANDOLPH SUPPORTS HARPERS FERRY NATIONAL HISTORICAL PARK EXPANSION AND DEVELOPMENT TO MEET THE PARK'S GROWING NEEDS

(Remarks of Senator Jennings Randolph)

Mr. Chairman, I am gratified to testify in behalf of the bill S. 605 which I introduced on January 29, with the cosponsorship of my able colleague Senator Robert C. Byrd. I thank you, Mr. Chairman, for your cooperation and the assistance of the subcommittee staff in preparing for this hearing. It is my earnest hope that we can all agree on the need for the type of development which is provided in this measure.

The Harpers Ferry National Historical Park, situated at the junction of the Shenandoah and Potomac Rivers in the Eastern Panhandle of West Virginia, is located primarily in the small town of Harpers Ferry. It extends into part of Washington County, Maryland, and also borders on the Commonwealth of Virginia. Harpers Ferry will be the first town to be restored, in large part, as it was in the Civil War period.

Next month will mark three decades since President Roosevelt signed the measure which I sponsored to designate Harpers Ferry as a National Historical Monument. In 1963, it was my privilege to author legislation, in which Senator Byrd joined, expanding the Park and renaming the Harpers Ferry National Historical Park. My involvement, however, has been much more than that of a legislator. To me, as well as to many others, Harpers Ferry is a "living" park. Harpers Ferry, like many places in West Virginia, possesses a distinctive charm and natural beauty. This storied town, nestled in the Blue Ridge Mountains, tells a story—in fact—many stories.

Last month, early on a Saturday morning, I strolled through Harpers Ferry Park. I could feel the pulse of the town's history: George Washington's entrepreneurship activities; Thomas Jefferson's memorable visit; the increased commercial activity in the early 19th century due to the development of the Chesapeake and Ohio Canal and the Baltimore and Ohio Railroad; John Brown's Raid; and the Civil War battles, including the Valley Campaigns of Stonewall Jackson—a son of West Virginia; General Robert E. Lee visited Harpers Ferry many times as did President Lincoln.

It is this combination of Harpers Ferry's luring beauty and historical appeal that is the basis for the National Park Service estimate of almost 30% increase in tourist visits in the next seven years.

The current limited area and layout of the Park and the increasing number of visitors confirm the urgency for affirmative action on S. 605 to authorize additional acquisition of land and construction of an interpretive shuttle system at the Park.

This measure, as introduced, contains a ceiling of 1600 acres for the Park, but I now find this figure is inadequate to handle the planned expansion as outlined in the bill. I am now presenting a more realistic park boundary ceiling of 2000 acres, an increase over the present boundary of approximately 630 acres. This additional acreage would provide ample space for visitor parking and a satisfactory route for the interpretive shuttle system. Also included in the expansion would be additional facilities such as a visitor's center, hiking trails, and lunch and rest areas. Restoration of the town's buildings is progressing well—but we must have improved facilities not only to educate visitors to Harpers Ferry's vital history but also to enable them to view the beauty of the town and area from the surrounding majestic hills.

One major problem which exists in the Park is traffic. The narrow streets and confining space in the historic area are often filled with automobiles and buses. The parking on the sides of the street and the traffic interfere substantially with visitors' enjoyment of the historic setting and what should be the Park's peaceful atmosphere. Trying to find a parking space, particularly on weekends, is exceedingly difficult and it creates hazards to the safety of visitors, particularly young children, walking and touring in the town. The National Park Service has mentioned a possible ten-fold increase in parking capacity—from 400 to 4000 automobiles.

There are several modes of transportation which are viable alternatives for an effective shuttle system, not only for transporting visitors from parking lots to the Park but also throughout the entire Harpers Ferry Park area for descriptive tours.

Utilization of the B&O Railroad tracks, which run parallel to the Potomac and Shenandoah Rivers and meet at their junction, should be reviewed by the National Park Service as a possible part of the interpretive shuttle system. Trains have performed a key role in Harpers Ferry for over one hundred years. The tracks transcend both sides of the Park and the sections to be added to the boundary. Perhaps a refurbished Civil War locomotive could serve such a purpose.

I understand that there are at least 6 interpretive shuttle systems in operation by the National Park Service. When I recently saw the team of horses pulling the Park Service maintenance wagon in Harpers Ferry, I thought: Why not have horses provide the in-park transportation for visitors? The interpretive shuttle system at the Lyndon B. Johnson National Historic Site at the Johnson ranch in Texas has a horse-drawn system. This would be most appropriate and feasible for Harpers Ferry. Harpers Ferry enthusiasts might not be able to ride into town on horseback but this would be close to it! It is my understanding, however, that all of the interpretive shuttle systems are automated except for that Site.

Some type of interpretive shuttle system is urgently needed at the Park. A modern system would allow tourists to fully appreciate Harpers Ferry without needless noise and traffic congestion. Visitors would have a chance to see more of a park with such a system.

The expansion and the complementary facilities must be in keeping with the historic and natural beauty which has made Harpers Ferry such a vital park of the National Park System. The inclusion of land bordering the Shenandoah and Potomac Rivers will help meet the needs of the Park. The thin strip of land bordering the Potomac—the old Federal canal area—has great historical significance as it provided water source power to the late 18th century National Armory. It is a beautiful location for lunch and rest areas.

The Maryland Heights section of the Park, across the Potomac in the State of Maryland, will increasingly become a more active part of the Park. A walking bridge—to be constructed perhaps by the local Job Corps Center across the Potomac near the junction of the two rivers—could better tie the two sections together.

Mr. Chairman, I have referred to the Harpers Ferry National Historical Park as a "living" park. Interpreters in mid-19th century period clothing explain to the visitors the town's history, what happened there, why and how the town contributed to our country's heritage. Also a mechanical "telesonic" advice provides taped messages of historic information at five locations.

But the true "living" park is much more than this. For the first time last summer the National Park Service conducted a day camp at Harpers Ferry for mentally and physically handicapped children. This program was a success and the camp is being held again this Summer. As Chairman of the Subcommittee on the Handicapped, I am intensely aware of the therapeutic benefits for such young people to have the opportunity to see and enjoy a place like Harpers Ferry Park. The Youth Conservation Corps is a progressive summer program at Harpers Ferry. The young men of the Job Corps Center have provided vital assistance in the restoration program of the Park.

Mr. Chairman, I stress that the success of these programs can be attributed in considerable part to the work and leadership of Martin Conway, Superintendent of the Harpers Ferry National Historical Park.

Superintendent Conway has been at Harpers Ferry for almost two years and since that time he has truly made the Park "come alive" in many ways. I submit for the record copies of my letter to the Director of the National Park Service regarding Mr. Conway's excellent work, and the Director's reply.

Later this week Superintendent Conway travels to Hawaii to receive an award for his distinguished service from the George Washington Country Region of the Discover American Travel Organizations, Inc. This region includes five States and the District of Columbia. I congratulate him on this honor.

I also am grateful for the valuable counsel and assistance of National Park Service officials who have worked on this legislation with our staff. The National Park Service's recent outline for the expansion of the Park is realistic and feasible and it is compatible with the provisions of S. 605. I appreciate the skillful, sensitive, enthusiastic and earnest manner in which the Park Service personnel have approached the preservation of Harpers Ferry National Historical Park.

To have shared in the progress of the Harpers Ferry Park for more than 30 years has been rewarding. It has not been an easy process. There have been many delays and obstacles. It is my strong hope that the improvements I have outlined will be brought into being for needed improvements to Harpers Ferry which uses its proud past as a basis for its future—a future dedicated not only to teaching our American heritage but also providing a place that citizens, young and old, can enjoy.

DECEMBER 10, 1973.

Hon. RONALD H. WALKER,
Director, National Park Service, Department of the Interior, Washington, D.C.

DEAR MR. WALKER: The Harpers Ferry National Historical Park has given our Nation a community of great historical interest as well as scenic beauty. Fifty-five different buildings have been restored by the Harpers Ferry National Historical Park.

Martin Conway, Park Supervisor, has been at Harpers Ferry since August 1972. Since that time vacant historical buildings have been utilized as they were during the Civil War—the general store, model musket factory, drug store, the blacksmith shop, and others.

Martin Conway has made the Park "come alive" with the unique "Living History Program" which is being developed in Harpers Ferry. Interpreters in period clothing explain to visitors and tourists how the town contributed to our country's heritage. It is a delightful as well as an educational place to visit.

Martin Conway, in my judgment, is an excellent and enthusiastic supervisor. The local people in Harpers Ferry have advised me of the liveliness that Mr. Conway has brought to Harpers Ferry. Those who have had an opportunity to visit Harpers Ferry are grateful for Mr. Conway's efforts and ingenuity.

With best wishes, I am

Truly,

JENNINGS RANDOLPH.

NATIONAL PARK SERVICE,
Washington, D.C., December 27, 1973.

Hon. JENNINGS RANDOLPH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR RANDOLPH: Thank you for your letter complimenting Mr. Martin Conway, Superintendent, Harpers Ferry National Historical Park, for his dedicated and excellent work at the park.

It is always a pleasure to hear from Members of the Congress of the fine work done by so many of the employees. We are making every attempt to provide the park visitor with a quality experience in each area of the National Park System.

I am sending a copy of our correspondence to the Assistant Director of Interpretation so that he can pass your kind remarks on to Mr. Conway. These letters will also be made a part of his personnel file.

I hope you and your family will have many more opportunities to visit Harpers Ferry National Historical Park.

Sincerely yours,

RONALD H. WALKER,
Director.

CONVEYANCE OF CERTAIN LANDS FOR THE ABSENTEE SHAWNEE TRIBE OF INDIANS, OKLAHOMA

The bill (S. 3358) to authorize the conveyance of certain lands to the U.S. in trust for the Absentee Shawnee Tribe of Indians of Oklahoma was announced as next in order.

Mr. HUGH SCOTT. Mr. President, I notice that this is for an absentee tribe. I sincerely hope that does not apply to this body. I have no objection.

[Laughter.]

The bill was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the duly authorized tribal officials of the Absentee Shawnee Tribe of Indians of Oklahoma are hereby authorized to convey to the United States in trust for the Absentee Shawnee Tribe of Indians of Oklahoma the following described lands and the improvements thereon, subject to all valid existing rights, and the United States will accept such conveyance when approved by the Secretary of the Interior:

All that part of the northeast quarter southwest quarter section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, described as: Beginning at a point 1,320 feet south and 726 feet west of the northeast corner of said northeast quarter southwest quarter; thence north 220.44 feet;

thence west 594 feet to the point of intersection with the west line of said northeast quarter southwest quarter;

thence north along the west line a distance of 439.56 feet to the midpoint of the west line of said northeast quarter southwest quarter;

thence east a distance of 17 feet to the intersection of the west right-of-way line of Oklahoma State Highway Numbered 18;

thence northeasterly along said west right-of-way line a distance of 493 feet;

thence east 1,485 feet to the west right-of-way line of Atchinson, Topeka, and Santa Fe Railroad right-of-way;

thence southwesterly along said west right-of-way line a distance of 1,223 feet to a point in the south line of said northeast quarter southwest quarter; said point being 129 feet west of the southeast corner of said northeast quarter southwest quarter;

thence west along the south line of said northeast quarter southwest quarter a distance of 597 feet to the point of beginning; containing 33.23 acres, more or less.

CONVEYANCE OF CERTAIN LANDS FOR THE CITIZEN BAND OF POTAWATOMI INDIANS, OKLAHOMA

The bill (S. 3359) to authorize the conveyance of certain lands to the United States in trust for the Citizen Band of Potawatomi Indians of Oklahoma was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the duly elected officials of the Citizen Band of Potawatomi Indians of Oklahoma are hereby authorized to convey to the United States in trust for the Citizen Band of Potawatomi Indians of Oklahoma the following described lands and the improvements thereon, subject to all valid existing rights, and the United States will accept such conveyance when approved by the Secretary of the Interior:

Tract Numbered 1

The northeast quarter northeast quarter, southeast quarter northeast quarter, southwest quarter northeast quarter section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, containing 120,000 acres, more or less.

Tract Numbered 2

That part of the northwest quarter southeast quarter section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, described as: Beginning at the southwest corner of said northwest quarter southeast quarter; thence east 1,320 feet; thence north 1,320 feet; thence west 1,320 feet to the center of said section; thence south 167 feet; thence east 183 feet to the intersection with the west line of the Atchison, Topeka, and Santa Fe Railroad right-of-way; thence southwesterly along the west right-of-way line a distance of 856 feet to the intersection with a point in the west line of the northwest quarter southeast quarter, said point being 983 feet south of the center of section 31; thence south along the west line of the northwest quarter southeast quarter, a distance of 337 feet, to the point of beginning; containing 38.29 acres, more or less.

Tract Numbered 3

That part of the southeast quarter northwest quarter section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, described as: Beginning at the northeast corner of said southeast quarter northwest quarter; thence south 1,320 feet to the center of said section 31; thence west along the south line of said southeast quarter northwest quarter, a distance of 1,255.4 feet to the intersection with the centerline of Oklahoma State Highway Numbered 18; thence northwesterly along the centerline of the highway a distance of 660.58 feet to a point on the south line of the northwest quarter southeast quarter northwest quarter; thence east 38 feet to the intersection with the east right-of-way line of Oklahoma State Highway Numbered 18; thence northwesterly along the east right-of-way line to a point in the north line of said southeast quarter northwest quarter, said point being 58 feet east of the northwest corner of said southeast quarter northwest quarter; thence east a distance of 1,262 feet to the point of beginning; containing 38.63 acres, more or less.

Tract Numbered 4

That part of the northeast quarter southwest quarter section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, described as: Beginning at the northeast corner of said northeast quarter southwest quarter, said point being the center of section 31; thence south 167 feet; thence west 1,302 feet to the intersection with the west line of the right-of-way of Oklahoma State Highway Numbered 18; thence northeasterly along the west right-of-way line a distance of 167 feet to the north line of said northeast quarter southwest quarter; thence east along said north line a distance of 1,297.4 feet to the point of beginning; containing 4.678 acres, more or less.

Tract Numbered 5

That part of the northeast quarter southwest quarter section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, described as: Beginning at the southeast corner of said northeast quarter southwest quarter; thence north along the east line of said northeast quarter southwest quarter a distance of 337 feet to the intersection with the west right-of-way line of the Atchison, Topeka, and Santa Fe Railroad right-of-way; thence southwesterly along said west right-of-way line a distance of 367 feet to the intersection with the south line of said northeast quarter southwest quarter; thence east along the south line a distance of 129 feet to the point of beginning; containing .498 acres, more or less.

Tract Number 6

The reserved mineral deposits, including the right to prospect for and remove the same, in and under lands described as the south half of lot 2 (southwest quarter northwest quarter), and that part of the southwest quarter southeast quarter northwest quarter lying west of the centerline of Oklahoma State Highway Numbered 18 and adjacent to the south half of said lot 2, all in section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, containing 19.87 acres, more or less, which lands were previously conveyed to Pottawatomie County, Oklahoma, by quitclaim deed dated December 17, 1959, pursuant to the Act of June 4, 1953 (67 Stat. 71; 25 U.S.C. 293a), said deed appearing of record in Pottawatomie County, Oklahoma, in deed book 174 at page 367 of the land records of said County.

Tract Number 7

That part of lot 1 (northwest quarter of northwest quarter) and north half of lot 2 (north half of southwest quarter of northwest quarter) and the part of the north half of the southeast quarter of the northwest quarter lying west of the east right-of-way line of Oklahoma State Highway Numbered 18, all in section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, containing 57.99 acres, more or less, subject to the right of the Absentee Shawnee Tribe of Indians of Oklahoma, the Sac and Fox Tribe of Indians of Oklahoma, the Kickapoo Tribe of Indians of Oklahoma, and the Iowa Tribe of Indians of Oklahoma to use the Pottawatomi community house that may be constructed and maintained thereon.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania (Mr. Hugh Scott) is now recognized.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to without amendment the concurrent resolution (S. Con. Res. 83) authorizing the printing of additional copies of Senate hearings entitled "Surgeon General's Report by the Scientific Advisory Committee on Television and Social Behavior."

The message also announced that the House had agreed to the amendment of the Senate to the amendment of the House to the bill (S. 3072) to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes.

The message further announced that the House had agreed to the amendment of the Senate to the amendments of the House to the bill (S. 3398 to amend title 38, United States Code, to provide a 10-year delimiting period for the pursuit of educational programs by veterans, wives, and widows.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 14354) to amend the National School Lunch Act, to authorize the use of certain funds to purchase agricultural commodities for distribution to schools, and for other purposes; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Perkins, Mr. Meeds, Mr. Ford, Mr. Hawkins, Mrs. Mink, Mrs. Chisholm, Mr. Biaggi, Mr. Mazzoli, Mr. Badillo, Mr. Lehman, Mr. Andrews of North Carolina, Mr. Quie, Mr. Bell, Mr. Ashbrook, Mr. Forsythe, Mr. Peyser, Mr. Steiger of Wisconsin, and Mr. Towell of Nevada were appointed managers of the conference on the part of the House.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H.R. 12670) entitled "An Act to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties," and for other purposes.

The message also announced that the House had passed the following bills in which it requests the concurrence of the Senate:

H.R. 14592. An act to authorize appropriations during the fiscal year 1975 for procurement of aircaft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes; and

H.R. 14832. An act to provide for a temporary increase in the public debt limit.

The message further announced that

the House had agreed to the concurrent resolution (H. Con. Res. 415) authorizing the printing of summaries of veterans' legislation reported in the House and Senate during the 93d Congress, in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 10972) to delay for 6 months the taking effect of certain measures to provide additional funds for certain wildlife restoration projects.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. METCALF).

HOUSE BILL REFERRED

The following House bill was read twice by its title and referred as indicated:

H.R. 14832. An act to provide for a temporary increase in the public debt limit; to the Committee on Finance.

CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 415) authorizing the printing of summaries of veterans' legislation reported in the House and Senate during the 93d Congress was referred to the Committee on Rules and Administration.

ORDER TO HOLD H.R. 14592 AT THE DESK

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that H.R. 14592 be held at the desk awaiting a report of the Committee on Armed Services on a companion Senate bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries, and he announced that on May 21, 1974, the President had approved and signed the bill (S. 3304) to authorize the Secretary of State or such officer as he may designate to conclude an agreement with the People's Republic of China for indemnification for any loss or damage to objects in the "Exhibition of the Archeological Finds of the People's Republic of China" while in the possession of the Government of the United States; on May 22, 1974, the President had approved and signed the bill (S. 3062) entitled the "Disaster Relief Act Amendments of 1974"; and on May 24, 1974, the President had approved and signed the bill (S. 514) to amend the act of June 27, 1960 (74 Stat. 220), relating to the preservation of historical and archeological data.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. ROBERT C. BYRD) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

SENATOR MANSFIELD'S INTERVIEW WITH THE NEW PRESIDENT OF FRANCE

Mr. HUGH SCOTT. Mr. President, I note that our distinguished majority leader, the Senator from Montana (Mr. MANSFIELD), has had a lengthy interview with the new President of France, Valery Giscard d'Estaing. While I have not had a chance to talk to the distinguished majority leader yet, I think this is a good time to note that with very few exceptions, the majority and minority in Congress are pretty much of one mind regarding the foreign policy of the United States.

As to Europe, the views of the distinguished majority leader are well known concerning the withdrawal of forces, which represents a position further than that which I would take. But on the broad questions of cooperation with France, with the Common Market, with our allies and associates, and on the broad questions of détente with the Socialist countries of Europe, we are pretty generally in agreement.

Whether I am engaged in a conversation with the President of Romania, Mr. Ceausescu, or Senator MANSFIELD is engaged in a conversation with the President of France, I think the country can feel entirely safe in the understanding that neither of us would seek to create unnecessarily any problems in the course of the administration of our foreign policy.

I think this is a very good thing. It does not apply to many countries. In many countries, if a member of the majority were to talk to foreign leaders outside of his country or if members of a minority were to do so, there would be widespread concern as to whether those issues would be carried back within the country and become bitterly fought contentions, leading to confrontations and dissention. This is not true in our country.

I am very proud of the distinguished majority leader for his conduct in these matters, and I am very proud of the Senate of the United States, in the way we approach foreign policy considerations.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I am glad to yield.

Mr. ROBERT C. BYRD. Mr. President, I share the viewpoint that has been expressed so eloquently and ably by the distinguished Republican leader. I know that Mr. MANSFIELD will be most appreciative of the minority leader's comments, and I also wish to express my gratitude.

Mr. HUGH SCOTT. I thank the distinguished assistant majority leader.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Iowa (Mr. CLARK) is recognized for not to exceed 15 minutes.

THE AMERICAN ECONOMY

Mr. CLARK. Mr. President, the American economy is a shambles—unprecedented inflation, unprecedented interest rates, and an unprecedented lack of people's confidence in the ability of Government to do something about it.

The statistics released just 10 days ago put it in cold, stark terms. In the first 3 months of this year, prices rose at an annual rate of 11½ percent, the worst for any 3-month period since the Korean war. At the same time, the gross national product dropped at an annual rate of more than 6 percent, the worst since 1958—a year of recession. As a result, this country has the worst of both worlds: Inflation and recession.

There is not a person in this country not already familiar with the sad facts of inflation. It now costs $1.10 to buy what a dollar would buy just 12 months ago, $1.15 to buy what a dollar would buy 2 years ago, and $1.34 to buy what a dollar could buy when President Nixon took office just over 5 years ago.

The rate of inflation in the United States over the last year is the worst it has been since the years immediately after World War II. The buying power of most Americans has fallen, many have seen their savings disappear as they struggle to keep up with the cost of living, and savings accounts do not even earn enough to maintain their value, much less appreciate in value. Double-digit inflation has arrived and some people fear that it is here to stay, in spite of the President's assurances to the contrary of last Saturday.

In fact, it may be here to stay if we continue to rely on the policies outlined by the President in his talk on the state of the economy.

He promised to control inflation with a policy that will cause more unemployment. In the current situation, this will not work.

It will only make matters worse and mislead the public that constructive action is being taken when, in fact, it is not.

There have been many explanations for this rapid increase in prices. At one time or another, people have blamed excessive Government spending, the Federal Reserve Board, exports, imports, interest rates, organized labor, big business, the energy crisis, pollution control requirements, Watergate, the weather, wage and price controls, taxes, Congress, the President, or just the Government in general.

Undoubtedly, there is some truth to many of these assertions. And just as there is no single cause of this inflation, there is no single cure. There are, instead, a number of causes and a number of steps which should be taken to begin to restore price stability in this country.

However, we must also recognize our limitations in this effort. Some of the causes of inflation are beyond the control of Congress. A failure to realize this may create false expectations and intensify, rather than moderate the inflationary pressures. Many of the administration's counterproductive attempts to control inflation are an example of something Congress could not control.

The actions of OPEC—Organization of Petroleum Exporting Countries—nations with regard to oil exports and oil prices represent another example, and they did more to inflate prices in the United States during the last 6 months than any other single development. Given this particular problem, some inflation was inevitable. The traditional anti-inflation tools of monetary and fiscal policy had little or no effect on it. If there were an appropriate policy instrument, it was in the realm of international diplomacy rather than domestic economic policy. This does not mean that there should not have been some domestic economic policy response. To the contrary, decisive action was, and still is called for. But we must recognize that the goal of this action must be to moderate inflation, not to prevent it—because some inflation is unavoidable.

Another example of an uncontrollable factor is the weather. Unfavorable conditions have contributed to a world food shortage which, in turn, has caused dramatic increases in food prices.

For all of its power, the U.S. Government has not yet found a way to control the weather.

It is important to remember that changes in economic conditions do not happen overnight. If all the forces behind inflation were controllable, and if Congress were to enact the ideal package of economic legislation today, the rate of inflation at the end of the year would still be too high. It takes time for inflation to die. There are always lags in the response of the economy to changes in economic policy. No one can push a button today and get the required results instantaneously.

None of this is meant to be an excuse for inaction on inflation. Rather, it demonstrates the necessity of acting now—where action is appropriate. Because there will be an inevitable delay in the response of the economy to policy measures, there must be rapid action to minimize the time it takes before inflation is brought under control. The recognition that not all the causes of inflation are controllable argues not for inaction, but for positive steps to limit the effects of uncontrollable inflation; and it emphasizes the urgency of controlling those aspects of inflation which are controllable.

AN ANTI-INFLATION PROGRAM

The Senate will have the opportunity to take a positive step to control inflation this week when the combination tax cut, tax reform measure that a number of us are sponsoring comes to the floor.

This package of tax legislation will help to reduce the hardships caused by recent price increases as well as reduce the pressure for further inflation. However, this is only one of eight steps which should be taken to reduce the rate of price increases.

In my judgment, these eight steps will help control inflation and ease its burden on the American consumer. The first four—reduce Federal spending in certain areas, cut personal income taxes and enact offsetting tax reforms, rollback and control oil prices, and increase production, especially of agricultural products—are short-run measures. Their efforts would be noticeable within a fairly short period of time. The other four measures—establishing a grain reserve, passage and implementation of the Congressional Budget Act of 1974, new trade-reform legislation, and the development of additional energy supplies—are longer-run measures. They will do much to bring about price stability, but it will be a while before their effects are felt.

THE CAUSES

To understand the reasons these eight steps are appropriate, especially the unconventional proposal to cut taxes during a period of inflation, it is necessary to look at the recent and current inflation—and its causes. This examination reveals that the usual causes of inflation—excessive domestic demand, Federal deficits, overstimulative fiscal and monetary policy—actually had very little to do with the inflation of 1973 and the continued inflation of 1974.

The three major causes of price increases in 1973—until the actions of the OPEC nations raised the price of oil—were the devaluation of the dollar, a worldwide economic boom, and a disastrous year for agricultural production. In the past 8 months, these factors continued to make themselves felt but they were overshadowed by the rapid rise in energy prices as the primary inflationary force. A less important, but still significant factor, has been the improper application of wage and price controls.

Let us take a closer look at agriculture and inflation. Approximately two-thirds of the increase in wholesale prices between November 1972 and August 1973 was due to increases in the price of agricultural products. Devaluation of the dollar—a devaluation that went farther than necessary—alone was responsible for 14 to 20 percent of the increase in wholesale prices during this period. The bulk of the remaining increase in agricultural prices can be attributed to an imbalance between world supply and demand for food.

World demand for food has generally been growing at a rate of 4 percent annually and certainly grew at least that much during both 1972 and 1973, especially since the economies of the major developed countries of the world also were growing rapidly during this period—at an average annual rate of 7 percent. However, the world food supply has not kept pace. The 1972 world grain crop was 4 percent below the 1971 level, and in 1973 it only matched the 1971 level.

At 1971 prices, supply was at least 8 percent below demand in 1973. Due to a variety of circumstances, most of the price reaction to this shortage occurred between November 1972 and August 1973. Given the inelasticity of the demand for food, this 8-percent shortage led to at least a 40-percent increase in the price of grain.

Higher grain prices in turn contributed to the increase in livestock prices and other prices. By the time the effects of devaluation, growing demand for food, and reduced food production had worked their way through the economy, they accounted for about two-thirds of the increase in wholesale prices during this period.

It is interesting to compare this with the price increases from November 1970 to August 1971. This was the original inflation that led to the imposition of wage and price controls in August 1971. A recent study by William Nordhaus and John Shoven indicates that only one-fourth of the increase in prices in this period was due to higher agricultural prices while increased labor costs accounted for approximately half of the inflation. Clearly the causes of the two periods of inflation were different—as were the appropriate remedies.

The earlier period of inflation was much more of a "cost-push" inflation than the current one. Wage and price controls were much more appropriate then than now with the commodity dominated inflation of the past 18 months.

It also can be argued that higher unemployment would have helped reduce inflation in 1971. However, in 1973, higher unemployment would have had little impact on prices.

And this still is true for 1974, since the causes of inflation are much the same as last year. So, restrictive monetary and fiscal policy is not the proper way of bringing prices under control.

Most of the inflation of 1973 was due to circumstances beyond anyone's control, but that does not mean that the country's economic policy is blameless. There were serious mistakes which aggravated an already serious situation. Nordhaus and Shoven estimate that a significant part of the increase in wholesale prices can be attributed to poor policy: Poor management of wage and price controls, overdevaluation and poor agricultural policies.

Monetary and fiscal policy and deficit spending—the traditional villains in a time of inflation—had almost no inflationary impact in 1973 and Congress did not spend the Nation into inflation. Rather, it was poor execution of economic policy by the administration that resulted in nearly all the avoidable inflation in 1973.

CONTROLS

Wage and price controls, which had some restraining effect on prices in 1971 and 1972, actually accelerated the inflationary process last year. The relaxation of controls early that year was premature. But if phase III was a mistake, the reimposition of a freeze last June was a disaster.

By then, the major inflationary pressure came from the prices of basic commodities and there is not a great deal of economic discretion in these markets. They are not like steel and automobile manufacturing where mild distortions of prices and wages will not cause serious problems in the shortrun. It was in these heavy industries that phases I and II had their greatest impact. But the freeze in the summer of 1973 affected a sector of the economy in which artificially low prices can and did lead to chaos. Slim profit margins disappeared and so did production and producers. Baby chicks were slaughtered, fertilizer and lumber were exported and reimported at uncontrolled prices. Cattle were withheld from the market. The effects of the price freeze are still being felt in livestock markets and throughout the meat industry.

The second freeze was counterproductive because it was used in a situation which was much different from the one in 1971—something the administration failed to realize. And similarly, the use of restrictive monetary and fiscal policy will be equally counterproductive today. Such a policy will not only raise the unemployment rate and fail to control prices; but it will create the illusion that we are doing something to control inflation when, in fact, we are not.

Before concluding any examination of the causes of inflation, it is important to look at the new element which entered the picture in the fall of 1973—the price of energy, especially oil. The OPEC oil embargo caused shortages, which drove prices up.

This was essentially beyond the control of this Government. However, not all of the increases in oil prices have been due to increases in the price of imported oil or even increases in the price of crude oil—domestic and foreign. If there had been a dollar for dollar passthrough of increases in crude oil prices, the price of refined oil products would have increased by approximately 40 percent in the past year. However, they rose by 127 percent.

Oil prices have been and will continue to be a source of inflation. But it is important to remember that like all inflation, some of this is controllable and some is not.

One thing is certain: if we are to control inflation, we must know what kind of inflation we are facing.

It is clear that we now have a complex, unconventional inflation on our hands. Simplistic, conventional responses that call for more unemployment, higher taxes and higher interest rates are worse than useless. They may well make matters worse.

With this background, it is easier to understand why the eight responses to inflation are important, and why they will help control the rate of price increases in this country.

REDUCE FEDERAL SPENDING

The first item on the list is a reduction of Federal spending in certain areas. Conventional wisdom dictates that one of the best anti-inflationary moves is a cut in Government spending. Under the current circumstances, such a cut is called for, if it is done in the proper places.

It is always necessary to prevent unnecessary government spending; but, in an inflationary period such as this, it is especially important that Congress exercise its responsibilities in this respect.

The administration has said that almost three-fourths of its budget for the coming year is uncontrollable. I am not convinced of this. But, even if it is true, there still are 81 billion controllable dollars in the budget, and the military budget is a prime candidate for reduction. Secretary Schlesinger has admitted that more than $1 billion of this is for "pump priming." Recently, several individuals who once held high positions in the Defense Department, testified in favor of an $11 billion cut in the military budget. Perhaps that would be asking too much, but significant cuts can and should be made.

I have no doubt that Congress can make a contribution to controlling inflation by reducing the administration's budget request. However, we cannot rely too heavily upon this, simply because fiscal policy has not contributed significantly to inflation in the past year.

Nevertheless, some reduction in spending is desirable, especially if it alleviates fears that the next proposal, a tax cut, would be inflationary.

TAX CUT-TAX REFORM

A tax cut is an unconventional response to inflation. Conventional wisdom holds that a tax increase is the proper response. But this is not a conventional inflation. A cut in personal income taxes is urgently needed to offset some of the effects of recent price increases. Since this is not an excess demand inflation, it will not make the inflation worse, especially if the tax cut is accompanied by the tax reforms and cuts in spending. In fact, under these circumstances it should help to reduce the rate of inflation.

In the past year, price increases have crippled the buying power of most wage earners. To make up for this decline in their standard of living, many workers will be seeking large increases in wage rates this year and this may well lead to even more inflation.

But a tax cut would increase the buying power of most Americans without generating such inflationary pressures. Our tax bill will cut personal income taxes by $6.6 billion in 1974. It will give taxpayers the option of taking either a $190 tax credit or an $825 personal exemption for themselves and each dependent. It also will include a work bonus proposal to give low-income workers with children a refundable tax credit.

As a matter of economic justice, this tax cut is clearly required to make amends for the hardship inflation has imposed upon millions of Americans.

It is necessary to help prevent a serious recession in 1974. And given the current economic situation, a tax cut, by moderating wage demands, appears much more likely to moderate inflation than to intensify it.

If a tax cut is carried out worker's wage demands can be lowered proportionately. Otherwise we must expect cost of living increases at the very least.

The anti-inflationary impact of the tax cut will be increased if it is accompanied by the tax reform measures that are part of the tax package I hope the Senate will approve next week. Our proposed reforms will generate new revenues of $4 billion in 1974 and $7 billion in 1978. In addition to offsetting the revenue loss of the tax cut, and preserving the antirecession aspect of the tax cut in the current year, these reforms will help insure that every American pays his or her fair share of taxes.

OIL PRICES

The third item on my anti-inflation list is to rollback and control oil prices. We cannot control the price that the OPEC nations charge, but we can control the prices of domestic crude as well as the price markups on refined oil products. There is a great deal of evidence which indicates that domestic crude oil prices are higher than they need to be to stimulate additional exploration and production. Rolling back the price of old oil to $4 or $4.50 a barrel and new oil to $8 would bring oil prices down while still providing adequate profits and incentives for production.

Additionally, I must reluctantly admit that controls are needed on the margins charged by the oil companies. Refined petroleum prices have increased three times as much as required to cover the increased cost of crude oil. Every major oil company has reported huge increases in profits recently. At a time when most Americans are making sacrifices due to the energy shortage, it is inexcusable for a few giant corporations to add to these problems by milking every possible penny from the public.

Smaller profit margins would still provide all the profit and incentive required to maintain and increase production. This pricing behavior by the oil industry has made continued and stricter price controls on oil products necessary.

INCREASE PRODUCTION

The last of the four short-run measures on my list is to increase production in the United States, especially agricultural production. The best solution to price increases caused by shortages is, obviously, to eliminate the shortages by producing more. Since so much of our inflation has been due to demand-supply relationships in agriculture, increased agricultural production is essential. There is every indication that American farmers are responding admirably to this challenge. In fact, I am somewhat concerned that increased production will push grain prices too low in view of the tremendous increase in farm costs over the past year. Some people are warning farmers not to overplant in order to keep prices up. It is difficult to reconcile this advice with the obvious need for food throughout the world.

A preferable alternative to restricting production would be to increase target prices so that they once again cover costs of production as they did when the farm bill was passed last August.

Now that I have briefly discussed the four items which would help to reduce inflation in the near future—cut Government spending in some areas, reduce personal income taxes with tax reforms to offset the revenue loss, rollback and control oil prices, and increase food production—I would like to turn to four steps which should be taken now, because they will help reduce the cost of living in years to come.

LONG-TERM ACTION

The last item on my short run list—food production—leads directly to the first item on my long run list—a grain reserve. The establishment of a grain reserve by the U.S. Government would do much to prevent inflation, stabilize prices, and assure adequate food supplies. A system of reserves, with the proper provisions concerning the purchase and sale of grain would benefit both farmers and consumers. The availability of reserves would keep prices from skyrocketing when production falls below demand as in the past year. On the other hand, in times of surplus the Government would keep prices from falling too low by purchasing grain for reserve. Such a system will work only if there are safeguards against the Government's using the surplus to continually depress prices.

My own proposal—the Food Bank Act—contains such provisions. Over a period of several years, the grain reserve system established in this bill would mean better average profits for farmers and better buys for consumers, because it brings a degree of badly needed stability to agriculture.

The experience of the past year demonstrates the need for a grain reserve to protect both consumers and farmers. Last year's grain shortages led to high grain prices which, in turn, caused high food prices. Consumers suffered, but in the short run farmers benefited. However, soon the inevitable began to happen. Livestock producers were hurt by high feed prices and consumer reaction to high meat prices. The high prices of 1973 encouraged many farmers to purchase more land, equipment, and supplies in preparation for the coming year. As they did, the prices paid by farmers escalated. In the past few months grain prices have fallen in anticipation of record harvests this year, and many farmers face the possibility of selling their grain for prices below the cost of production. They would be much better off if there had been a grain reserve to keep prices from rising so much last year and to prevent them from falling too low this year.

Agriculture is a unique industry. It is characterized by instability which prices up one year and incomes down the next. A grain reserve is needed to bring it some stability and help restrain the forces of inflation.

The next item is enactment of the Congressional Budget Act of 1974 or the Budget Reform Act. This measure has passed both the House and the Senate and now is being considered by a conference committee. The differences between the two versions should be resolved soon and then final passage can follow quickly. This will help establish congressional control over the budget, restore fiscal responsibility, and restrain the forces of inflation. The act requires Congress to compare expenditures against available revenues, and to make explicit decisions about total spending, total revenues, and anticipated surpluses or deficits. This should enable Congress to provide a budget which is better adapted to national priorities, as well as better able to deal with the needs of economic stabilization—maintaining full employment and price stability.

The third longrun measure to help control the cost of living is increased international trade. Barriers to free trade currently cost the American consumer more than $10 billion annually. By passing a good trade reform bill, Congress can save consumers billions of dollars in years to come as well as help to create millions of new jobs and the accompanying increases in personal income generated by the added employment.

The last item on my list is the development of additional supplies of energy. Although I am not convinced that Project Independence is desirable or feasible—certainly not before 1980—we should make every effort to insure that we have an adequate supply of energy.

This is an undertaking which will require a concerted effort by Government and business. Probably the most important contribution the Federal Government can make is to provide funds for energy research. I hope that Congress will make the necessary funds available. If it does not, the price of energy may continue to drive the cost of living up and up.

These four longrun measures—a grain reserve, the Congressional Budget Act, a trade reform bill and development of energy sources—complete my list of anti-inflationary measures. It is not an exhaustive list. There are many other steps which are necessary in the continuing battle to control inflation, but these eight are especially important.

Some aspects of the current inflation are beyond the control of our Government, and it will take a while to bring noticeable results where results are possible. But this is no excuse for inaction. It is a reason for rapid action—to control what can be controlled and to reduce the burden of inflation where it can be reduced. I believe these eight items will do just that. And this week the Senate can take the first step by passing tax-cut tax-reform legislation.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from West Virginia (Mr. Robert C. Byrd) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I yield such time as he may desire from my 15 minutes to the distinguished senior Senator from Virginia (Mr. Harry F. Byrd, Jr.).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Virginia is recognized.

Mr. HARRY F. BYRD, JR. I thank the distinguished Senator from West Virginia (Mr. Robert C. Byrd) for yielding.

REQUEST FOR NOTIFICATION BEFORE UNANIMOUS-CONSENT AGREEMENTS ARE ENTERED INTO IN RE INCREASES IN THE LIMIT OF THE NATIONAL DEBT

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the Record show I am requesting the leadership on both sides of the aisle, if they would, to consult with the Senator from Virginia before any unanimous-consent agreements are made in regard to legislation increasing the statutory limit on the national debt.

Mr. ROBERT C. BYRD. Mr. President, the Senator has that assurance on my part and I will relay this request to the distinguished majority leader.

Mr. HARRY F. BYRD, JR. I thank the distinguished Senator. The legislation is not yet before the Senate; it has not even come before the Committee on Finance. But it is a piece of legislation many of us have a keen interest in.

I just wanted to obtain the assurance that a time limitation would not be agreed to without the Senator from Virginia being notified.

I thank the Senator from West Virginia, and I yield back the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, I yield such time as he may desire to the distinguished Senator from Vermont (Mr. Stafford).

(The remarks Senator Stafford made at this point on the submission of an amendment to S. 3035, the Unified Transportation Assistance Act, are printed in the Routine Morning Business section of the Record under Submission of Amendments.)

ORDER OF BUSINESS

Mr. HARRY F. BYRD, JR. Mr. President, I appreciate the fact that the distinguished Senator from West Virginia yielded to me, and I yield back the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, if I have any time left, I am glad to yield such portion of that time as he may desire to the distinguished Senator from Virginia (Mr. Harry F. Byrd, Jr.).

THE SO-CALLED DÉTENTE WITH THE SOVIET UNION

Mr. HARRY F. BYRD, JR. Mr. President, the Bristol Herald-Courier of May 22, 1974, published an editorial captioned "Seeking a Balance." It impressed the Senator from Virginia as being a very thoughtful editorial concerning national defense. It seems obvious to me that the Herald-Courier has not been taken in, so to speak, by the move toward détente with the Soviet Union. It recognizes that the Soviet Union has not changed its overall position.

The editor of the Bristol Herald-Courier is Jim Baxley. I think it is well to call the editorial to the attention of my colleagues in the Senate, and I ask unanimous consent that it be inserted at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Our Opinion: Seeking a Balance

(By Jim Baxley)

The so-called detente with the Soviet Union has brought much publicized trade agreements, cultural exchanges and disarmament talks between the two superpowers. This has tended to obscure the fact that the unremitting drive for world domination by the Communist world has not really lessened in any fundamental way at all. Behind the window dressing of international agreement lies the hard fact that the USSR continues what knowledgeable authorities have called the most massive arms buildup in the history of the world.

The most widespread concern has centered around the Soviet Union's rapid expansion of land-based missile strength and her development of a new missile submarine. The USSR is thought to have approximately 1,500 Intercontinental Ballistic Missiles of the SS–9 type, capable of carrying payloads several times greater than the U.S. Minuteman missile. These are backed up by some 900 smaller missiles and around 500 sea-launched missiles. And the USSR is building 8 to 10 Polaris-type nuclear-powered subs each year.

U.S. strategic striking force stands at 1,054 land-based missiles, including 54 of the high payload Titans. The new Minuteman III missile has multiple warheads capable of being independently targeted. This multiple independently targetable reentry vehicle (MIRV) capability at the moment makes up for the larger number of Soviet missiles. But the USSR is testing MIRV warheads. If she catches up with the U.S. in multiple warhead technology, a massive missile gap in favor of the Soviet Union could quickly open up. The U.S. Navy, with 41 nuclear submarines carrying 656 missiles, presently is thought to have an edge. But it will quickly be lost as the USSR's nuclear sub construction program continues.

While proceeding with its missile buildup, the Soviet Union is pushing ahead with development and testing of a new supersonic swing-wing bomber called the "Backfire." In light of this fact, it is imperative that the U.S. proceed expeditiously with the development of its own B–1 bomber as a replacement for the aging and obsolete B–52's which have, for so long, been the workhorses of the Strategic Air Command. In connection with the B–1 program, Secretary of the Air Force John L. McLucas has said he considers "development of the B–1 bomber to be crucial to our overall national security interests. We need the B–1 to assure that we can maintain an effective bomber force in the 1980's so that we maintain essential equivalence with Soviet strategic forces."

Militarily, the U.S. is at the point of decision in all three critical areas of national defense—the manned bomber, sea-launched missiles and land-based missiles. The world's other superpower is moving ahead in all three areas regardless of disarmament talks. Whether we like it or not, the U.S. will either keep pace or face a time when this nation will not even have the blueprints, let alone the hardware, to match Soviet military strength.

These are some of the reasons why the administration and Defense Department officials have recommended a record level of defense spending. Added to the cost of sophisticated new weapons are other factors which contribute nothing to the nation's military preparedness. One of these nonproductive factors that has upped the number of dollars required is, of course, inflation. Another is higher salaries for military personnel. Ten years ago, 43 per cent of the dollars in the defense budget went for payroll. Today, the figure is 55 per cent.

The defense budget, vital as it is, faces some rough going in Congress. This is an election year. Inflation is the number one public concern and great publicity has been given to the fact that the nation is not in a shooting war and that relations with Russia and Communist China have improved. There will be pressure to expand various domestic aid and welfare programs at the expense of the defense budget. But, in the long run, which will do more to secure the future of a free and independent United States? This is something the American people will have to ask themselves as the debate over the defense budget versus domestic programs flares out from the halls of Congress in coming months.

U.S. News & World Report has pointed out that while the USSR has matched and exceeded the U.S. in number of land and sea missiles, it is thought that U.S. weapons in this category are superior in technical quality. In addition, U.S. military men believe "U.S. killer submarines, fighter planes and warships can out-perform their Soviet counterparts." The point is that no one wants to find out, because not many people would be around to assess the results anyway. Given the temper of the Communist world, there can be no doubt that the risk of finding out will be held at the lowest level so long as the U.S. does have technical superiority and weapons in all strategic categories that are at least equal to those of the USSR. This margin of military safety will take hard work and many dollars. Despite what our political leaders or most of us as individuals would like the world to be, there is no avoiding the fact of what it really is. The progress of detente depends upon adequate U.S. military strength. Nothing else can be expected to keep the leaders of the Communist world in a mood for talk and trade.

So, we ought to spend whatever we need to spend for defense, balancing that against those other needs which the nation has. Hopefully, the Congress will find that proper balance, insuring that we are not endangered by Soviet military strength while, at the same time, working to solve those other grievous problems which beset us.

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 5 minutes.

ORDER FOR ADJOURNMENT TO 11:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 11:30 a.m. tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF RECOGNITION OF SENATOR MANSFIELD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the distinguished majority leader be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the majority leader is recognized on tomorrow, I be recognized for not to exceed 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS PRIOR TO 12 NOON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following my order on tomorrow, if there be any remaining time prior to 12 o'clock noon, it be utilized for routine morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). Without objection, it is so ordered.

CONTROL OF TIME ON S. 2439

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time on S. 2439, the wild rivers bill, be under the control of the distinguished Republican leader (Mr. HUGH SCOTT) on the one side and the majority whip (Mr. ROBERT C. BYRD) on the other side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that votes on the bill S. 2439 and amendments thereto, or other matters related thereto, if rollcall votes are ordered thereon, not occur before the hour of 4 o'clock p.m. today.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. BURDICK) laid before the Senate the following letters, which were referred as indicated:

Report of Secretary of Agriculture

A letter from the Under Secretary of Agriculture, transmitting, pursuant to law, a report of the Secretary, complying with section 25 of the Animal Welfare Act of 1970 (with an accompanying report). Referred to the Committee on Commerce.

Loan to South Mississippi Electric Power Association of Hattiesburg, Miss.

A letter from the Administrator, Rural Electrification Administration, reporting pursuant to Senate Report No. 497, a loan guarantee had been approved to South Mississippi Electric Power Association of Hattiesburg, Miss. (with an accompanying paper). Referred to the Committee on Appropriations.

Report on Final Determination in Indian Claim Case

A letter from the Chairman, Indian Claims Commission, reporting, pursuant to law, on its final determination with respect to docket No. 124–H, the Miami Tribe and Nation, versus plaintiff, the United States of America, defendant (with accompanying papers). Referred to the Committee on Appropriations.

Report of Secretary of Transportation

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on the implementation of the national transportation policy recommendations, dated May 1974 (with an accompanying report). Referred to the Committee on Commerce.

Financial and Statistical Report of the District of Columbia

A letter from the Commissioner, District of Columbia, transmitting, pursuant to law, the

1973 financial and statistical report of the District of Columbia government (with an accompanying report). Referred to the Committee on the District of Columbia.

Proposed Legislation by Department of State

A letter from the Assistant Secretary for Congressional Relations, transmitting a draft of proposed legislation to authorize appropriations to the Department of State for contribution to the International Commission of Control and Supervision in Vietnam (with accompanying papers). Referred to the Committee on Foreign Relations.

Reports of Comptroller General

A letter from the Comptroller of the United States, transmitting, pursuant to law, a report entitled "Better Methods Needed for Canceling Orders for Materiel No Longer Required," Department of Defense, dated May 21, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Audit of Payments From Special Bank Account to Lockheed Aircraft Corp. for the C-5A Aircraft Program During the Quarter Ended March 31, 1974," dated May 10, 1974 (with an accompanying report. Referred to the Committee on Government Operations.

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Examination of Financial Statements of the National Credit Union Administration for the Fiscal Year Ended June 30, 1973, Limited by Restrictions on Access to Credit Union Examination Records," dated May 21, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report entitled "DOD's Requirement for Air-Conditioning Military Family Housing in Hawaii Is Unnecessary," Department of Defense, dated May 20, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

Proposed Contract With FWC Corp., San Jose, Calif.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a copy of a proposed contract with FMC Corp., San Jose, Calif., for a research project entitled "Development of a Minor/Bolter System" (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

Proposed Contract With Ingersoll-Rand Research, Inc., Princeton, N.J.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a copy of a proposed contract with Ingersoll-Rand Research, Inc., Princeton, N.J., for a research project entitled "Development of a Minor/Bolter System" (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

Proposed Contract With Jeffrey Mining Machinery Co., Columbus, Ohio

A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Jeffrey Mining Machinery Co., Columbus, Ohio, for a research project entitled "Development of a Miner/Bolter System" (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

Proposed Contract With Joy Manufacturing Co., Pittsburgh, Pa.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a copy of a proposed contract with Joy Manufacturing Co., Pittsburgh Pa., for a research project entitled "Development of a Miner/Bolter System" (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

Proposed Contract With the Bendix Corp., Denver, Colo.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a copy of a proposed contract with the Bendix Corp., Denver, Colo., for a research project entitled "Development of a Miner/Bolter System" (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

Proposed Contract With Talley-Frac Corp., Mesa, Ariz.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a copy of a proposed contract with Talley-Frac Corp., Mesa, Ariz., for a research project entitled "Chemical Explosive Fracturing Field Demonstration" (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

Proposed Contract With Petroleum Technology Corp., Redmond, Wash.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a copy of a proposed contract with Petroleum Technology Corp., Redmond, Wash., (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

Proposed Legislation by Department of Health, Education, and Welfare

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend titles VII and VIII of the Public Health Service Act, and for other purposes (with an accompanying paper). Referred to the Committee on Labor and Public Welfare.

Report of Rochester Institute of Technology

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, the annual report of the Rochester Institute of Technology, concerning the establishment and operation of the National Technical Institute for the Deaf (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of May 22, 1974, the following reports of committees were submitted on May 23, 1974:

By Mr. BARTLETT, from the Committee on Interior and Insular Affairs, without amendment:

S. 3358. A bill to authorize the conveyance of certain lands to the United States in trust for the Absentee Shawnee Tribe of Indians of Oklahoma (Rept. No. 93-876); and

S. 3359. A bill to authorize the conveyance of certain lands to the United States in trust for the Citizen Band of Potawatomi Indians of Oklahoma (Rept. No. 93-877).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 424. A bill to provide for the management, protection, and development of the national resource lands, and for other purposes (S. Rept. No. 93-873).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 605. A bill to amend the Act of June 30, 1944, an act "To provide for the establishment of the Harpers Ferry National Monument", and for other purposes (Rept. No. 93-874).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

H.R. 11546. An act to authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes (Rept. No. 93-875).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. METCALF, from the Committee on Interior and Insular Affairs; without amendment:

S. 3301. A bill to amend the act of October 27, 1972 (Public Law 92-578) (Rept. No. 93-878).

By Mr. METCALF, from the Committee on Interior and Insular Affairs, with amendments:

S. 2661. A bill to amend the Land and Water Conservation Fund Act of 1965 so as to authorize the development of indoor recreation facilities in certain areas (Rept. No. 93-879).

By Mr. LONG, from the Committee on Commerce, without amendment:

H.R. 11223. A bill to authorize amendment of contracts relating to the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the Territory of Guam (Rept. No. 93-881).

H.R. 12925. A bill to amend the act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce (Rept. No. 93-882).

By Mr. RIBICOFF, from the Committee on Government Operations, with amendments:

S. 707. A bill to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes (together with supplemental views) (Rept. No. 93-883).

CONSUMER PROTECTION AGENCY ACT

Mr. RIBICOFF. Mr. President, from the Committee on Government Operations, I submit a report on S. 707, to establish a Council of Consumer Advisers in the Executive Office of the President, and for other purposes.

I ask unanimous consent that the bill, as reported, be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

That this Act may be cited as the "Consumer Protection Agency Act".

STATEMENT OF FUNCTIONS

Sec. 2. The Congress hereby finds that—

(1) Federal agencies administer many laws, programs, and activities which substantially affect the health, safety, welfare, and other interests of consumers.

(2) Federal agencies often fail to consider adequately the interests of consumers, in part because consumers lack effective representation before such agencies.

(3) Each year, as a result of this lack of effective representation before Federal agencies and courts, consumers suffer personal injury, economic harm, and other adverse consequences in the course of acquiring and using goods and services available in the marketplace.

(4) A governmental organization to represent the interests of consumers before Federal agencies and courts could help the agencies in the exercise of their stautory responsibilities in a manner consistent with the public interest and with effective and responsive government.

(5) A new independent Federal agency should therefore be established for the purpose of representing and with the authority to represent the interests of consumers before Federal agencies and courts and for related purposes.

DECLARATION OF PURPOSE

SEC. 3. The Congress hereby declares that—

(1) It is the purpose of this Act to protect and promote the interests of the people of the United States as consumers of goods and services which are made available to them through commerce or which affect commerce by establishing an independent Consumer Protection Agency.

(2) It is the purpose of the Consumer Protection Agency to represent the interests of consumers before Federal agencies and courts, receive and transmit consumer complaints, develop and disseminate information of interest to consumers, and perform other functions to protect and promote the interests of consumers. The authority of such Agency to carry out this purpose shall not be construed to supersede, supplant, or replace the jurisdiction, functions, or powers of any other agency to discharge its own statutory responsibilities according to law.

(3) It is the purpose of this Act to promote protection of consumers with respect to the—

(A) safety, quality, purity, potency, healthfulness, durability, performance, repairability, effectiveness, dependability, availability, and cost of any real or personal property or tangible or intangible goods, services, or credit;

(B) preservation of consumer choice and a competitive market;

(C) preventive of unfair or deceptive trade practices;

(D) maintenance of truthfulness and fairness in the advertising, promotion, and sale by a producer, distributor, lender, retailer, or other supplier of such property, goods, services, and credit;

(E) furnishing of full, accurate, and clear instructions, warnings, and other information by any such supplier concerning such property, goods, services, and credit; and

(F) protection of the legal rights and remedies of consumers.

(4) To achieve the foregoing purposes, this Act should be so interpreted by the executive branch and the courts as to give effect to the intent of Congress to protect and promote the interests of consumers.

DEFINITIONS

SEC. 4. As used in this Act, unless the context otherwise requires—

(1) "Administrator" means the Administrator of the Consumer Protection Agency;

(2) "Agency" means the Consumer Protection Agency;

(3) "agency action" includes the whole or part of an agency rule, order, license, sanction, relief, or the equivalent or the denial thereof, or failure to act;

(4) "agency activity" means any agency process, or any phase thereof, conducted pursuant to any authority or responsibility under law, whether such process is formal or informal;

(5) "agency proceeding" means agency "rulemaking", "adjudication", or "licensing", as defined in section 551 of title 5, United States Code;

(6) "commerce" means commerce among or between the several States and commerce with foreign nations;

(7) "consumer" means any individual who uses, purchases, acquires, attempts to purchase or acquire, or is offered or furnished any real or personal property, tangible or intangible goods, services, or credit for personal, family, or household purposes;

(8) "Federal agency" or "agency" means "agency" as defined in section 551 of title 5, United States Code. The term shall include the United States Postal Service and any wholly owned Government corporation and, unless otherwise expressly provided by law, any Federal agency established after the date of enactment of this Act, but shall not include the Consumer Protection Agency;

(9) "Federal court" means any court of the United States, including the Supreme Court of the United States, any United States court of appeals, any United States district court established under chapter 5 of title 28, United States Code, the District Court of Guam, the District Court of the Virgin Islands, and the United States Court of Claims;

(10) "individual" means a human being;

(11) "interest of consumers" means any health, safety, or economic concern of consumers involving real or personal property, tangible or intangible goods, services, or credit, or the advertising or other description thereof, which is or may become the subject of any business, trade, commercial, or marketplace offer or transaction affecting commerce, or which may be related to any term or condition of such offer or transaction. Such offer or transaction need not involve the payment or promise of a consideration;

(12) "participation" includes any form of submission;

(13) "person" includes any individual, corporation, partnership, firm, association, institution, or public or private organization other than a Federal agency;

(14) "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Canal Zone, Guam, American Samoa, and the Trust Territory of the Pacific Islands; and

(15) "submission" means participation through the presentation or communication of relevant evidence, documents, arguments, or other information.

CONSUMER PROTECTION AGENCY

SEC. 5. (a) There is hereby established an independent nonregulatory agency of the United States to be known as the Consumer Protection Agency.

(b) (1) The Agency shall be directed and administered by an Administrator. The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, for a term coterminous with the term of the President, not to exceed four years. The nominee shall be an individual who, by reason of training, experience, and attainments, is especially qualified to represent independently the interests of consumers. On the expiration of his term, the Administrator shall continue in office until he is reappointed or his successor is appointed and qualifies. The Administrator may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

(2) All authorities, duties, and functions granted to the Administrator by this Act shall be exercised in accordance with the provisions of this section.

(c) (1) The functions and powers of the Agency shall be vested in the Administrator.

(2) The Administrator may from time to time delegate such of his functions as he deems appropriate.

(3) The Administrator shall exercise all executive and administrative functions of the Agency, including (A) the appointment and supervision of personnel employed by the Agency, (B) the distribution of business among such personnel and among administrative units of the Agency, and (C) the use and expenditure of funds.

(d) There shall be in the Agency a Deputy Administrator who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Administrator shall perform such functions and duties and exercise such powers as the Administrator may prescribe and shall be Acting Administrator during the absence or disability of, or in the event of a vacancy in the office of, the Administrator.

(e) There shall be in the Agency a General Counsel who shall be appointed by the Administrator. He shall, subject to the supervision and direction of the Administrator, be the chief legal officer of the Agency and shall perform such functions and duties as the Administrator may prescribe.

(f) The Administrator is authorized to appoint within the Agency not to exceed five Assistant Administrators.

(g) No officer or employee of the Agency, while serving in such position, may engage in any business, vocation, other employment, or have any other interests, inconsistent with his official responsibilities.

FUNCTIONS OF ADMINISTRATOR

SEC. 6. (a) The functions of the Administrator shall be to—

(1) represent the interests of consumers before Federal agencies and Federal courts in accordance with this Act;

(2) receive and transmit complaints from consumers in accordance with section 10 of this Act;

(3) conduct, support, and assist research and other information-gathering activities related to the interests of consumers in accordance with section 11 of this Act;

(4) disseminate to the public information of concern to consumers consistent with section 12 of this Act;

(5) publish, in language readily understandable by consumers, a consumer register which shall set forth the time, place, and subject matters of actions by Congress, Federal agencies, and Federal courts, and other information useful to consumers;

(6) encourage private enterprise in the promotion and protection of the interests of consumers;

(7) encourage the application and use of new technology, including patents and inventions, for the promotion and protection of the interests of consumers;

(8) encourage the adoption and expansion of effective consumer education programs;

(9) inform the appropriate committees and Members of Congress of the activities of the Agency and testify, when asked or on his own initiative, before the committees of Congress on matters affecting the interests of consumers;

(10) encourage meaningful participation by consumers in the activities of the Agency;

(11) encourage the development of informal dispute settlement procedures involving consumers: *Provided*, That the Administrator shall not intervene or participate in any agency or judicial proceeding or activity directly concerning a labor dispute involving wages or working conditions affecting health or safety; and

(12) perform such other related activities as he deems necessary for the effective fulfillment of his duties and functions.

(b) The Administrator shall prepare and submit simultaneously to the Congress and the President, not later than April 1 of each year beginning April 1, 1976, an annual report, which shall include—

(1) the activities of the Agency, including its representation of the interests of consumers before Federal agencies and Federal courts;

(2) the major Federal agency actions and Federal court decisions affecting the interests of consumers;

(3) the assistance given the Agency by other Federal agencies in carrying out the purposes of this Act;

(4) the performance of Federal agencies and the adequacy of their resources in enforcing consumer protection laws and in otherwise protecting the interests of consumers, and the prospective results of alternative consumer protection programs;

(5) the appropriation by Congress for the Agency, the distribution of appropriated funds for the current fiscal year, and a general estimate of the resource requirements of the Agency for each of the next three fiscal years; and

(6) the extent of participation by consumers and the effectiveness of representation of consumers before Federal agencies, together with recommendations for new legislation, new budget authority for the Agency, and administrative actions to deal with problems discussed in the report, to protect and represent the interests of consumers more effectively, and to carry out the purposes of this Act.

(c)(1) Whenever the Administrator submits any budget estimate or request to the President or the Office of Management and Budget, he shall concurrently transmit a copy of that estimate or request to the Congress.

(2) Whenever the Administrator submits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, he shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require nor shall require the Administrator to submit his legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

REPRESENTATION OF CONSUMER INTERESTS BEFORE FEDERAL AGENCIES

SEC. 7. (a) Whenever the Administrator determines that the result of any Federal agency proceeding which is subject to the provisions of section 553, 554, 556, or 557 of title 5, United States Code, relating to administrative procedure, or which involves a hearing pursuant to the administrative procedural requirements of any other statute, regulation, or practice, or which is conducted on the record after opportunity for an agency hearing, or with public notice and opportunity for comment, may substantially affect the interests of consumers, he may intervene as of right as a party or otherwise participate for the purpose of representing the interests of consumers in such proceeding. The Administrator shall comply with agency statutes and rules of procedure of general applicability governing (1) intervention or participation in such proceeding and (2) the conduct of such proceeding. In any such proceeding, the Administrator shall refrain from intervening as a party, unless he determines that such intervention is necessary to represent adequately an interest of consumers. The intervention of the Administrator in any such proceeding shall not affect the obligation of the Federal agency conducting such proceeding to assure procedural fairness to all parties thereto.

(b) With respect to any Federal agency proceeding not covered by subsection (a) of this section, or any other Federal agency activity, which the Administrator determines may substantially affect the interest of consumers, the Administrator may participate by presenting written or oral submissions, and the Federal agency shall give full consideration to such submissions of the Administrator. Such submissions shall be presented in an orderly manner and without causing undue delay. Such submissions need not be simultaneous with those of any other person.

(c) Each Federal agency shall review its rules of procedure of general applicability, and, after consultation with the Administrator, issue any additional rules which may be necessary to provide for the Administrator's orderly intervention or participation in accordance with this section, in its proceedings and activities which may substantially affect the interest of consumers. Such additional rules shall be published in proposed and final form in the Federal Register.

(d) Whenever the Administrator determines that it would be in the interest of consumers to do so, he may request or petition any Federal agency to initiate a proceeding or activity or to take such other action as may be within the authority of such agency. If such agency fails so to act in any civil matter, it shall promptly notify the Administrator in writing of the reasons therefor and such notice shall be a matter of public record.

(e) In any Federal agency proceeding or activity in which he is intervening or participating, the Administrator is authorized to request the Federal agency to issue such orders as are appropriate under the agency's rules of practice and procedure consistent with subsection (c) of this section with respect to the summoning of witnesses, copying of documents, papers, and records, production of books and papers, and submission of information in writing. Such Federal agency shall issue such orders unless it reasonably determines that any such order requested is not relevant to the matter at issue, would be unnecessarily burdensome to the person specified, or would unduly interfere with such Federal agency's discharge of its own statutory responsibilities.

(f) The Administrator is authorized to represent an interest of consumers which is presented to him for his consideration upon petition in writing by a substantial number of persons or by any organization which includes a substantial number of persons. The Administrator shall notify the principal sponsors of any such petition within a reasonable time after receipt of any such petition of the action taken or intended to be taken by him with respect to the interest of consumers presented in such petition. If the Administrator declines or is unable to represent such interest, he shall notify such sponsors and shall state his reasons therefor.

JUDICIAL REVIEW

SEC. 8. (a) The Administrator shall have standing to obtain, in the manner prescribed by law, judicial review of any Federal agency action reviewable under law. The Administrator may intervene as of right as a party or otherwise participate in any civil proceeding in a Federal court which involves the review or enforcement of a Federal agency action if he determines that such action substantially affects the interests of consumers and he intervened or participated in the Federal agency proceeding or activity out of which such court proceeding arises; or where he did so intervene or participate, unless the court determines that intervention or participation under this subparagraph would adversely affect the interests of justice.

(b) Before instituting a proceeding in a Federal court to obtain review of any Federal agency action where he did not intervene or participate in the agency proceeding or activity out of which such action arose, the Administrator shall file, in the manner prescribed by law, a petition before such agency for rehearing or reconsideration if a petition for rehearing or reconsideration is authorized by law of any person. Such agency shall act upon such petition within 60 days, except where otherwise expressly provided by statute.

(c) The participation of the Administrator in a proceeding for judicial review of a Federal agency action shall not alter or affect the scope of review otherwise applicable to such agency action.

NOTICE

SEC. 9. (a) Each Federal agency considering any action which may substantially affect an interest of consumers shall, upon request by the Administrator, notify him of any proceeding or activity at such time as public notice is given.

(b) Each Federal Agency considering any action which may substantially affect an interest of consumers shall, upon specific request by the Administrator, promptly provide him—

(1) a brief status report which shall contain a statement of the subject at issue and a summary of proposed measures concerning such subject; and

(2) such other relevant notice and information, the provision of which would not be unreasonably burdensome to the agency and which would facilitate the Administrator's timely and effective participation under section 7 of this title.

(c) Nothing in this section shall affect the authority or obligations of the Administrator or any Federal agency under section 11 (c) of this Act.

CONSUMER COMPLAINTS

SEC. 10. (a) Whenever the Administrator receives from any person any signed complaint or other information which discloses—

(1) an apparent violation of law, agency rule or order, or a judgment, decree, or order of a State or Federal court relating to an interest of consumers; or

(2) a commercial, trade, or other practice which is detrimental to an interest of consumers;

he shall, unless he determines that such complaint or information is frivolous, promptly transmit such complaint or information to any Federal, State, or local agency which has the authority to enforce any relevant law or to take appropriate action. Federal agencies shall keep the Administrator informed to the greatest practicable extent of any action which they are taking on complaints transmitted by the Administrator pursuant to this section.

(b) The Agency shall promptly notify producers, distributors, retailers, lenders, or suppliers of goods and services of all complaints of any significance concerning them received or developed under this section unless the Administrator determines that to do so is likely to prejudice or impede an action, investigation, or prosecution concerning an alleged violation of law.

(c) The Agency shall maintain a public document room containing, for public inspection and copying (without charge or at a reasonable charge, not to exceed cost), an up-to-date listing of all signed consumer complaints of any significance which the Agency has received, arranged in meaningful and useful categories, together with annotations of actions taken in response thereto. Unless the Administrator, for good cause, determines not to make any specific complaint available, complaints listed shall be made available for public inspection and copying: *Provided*, That—

(1) the party complained against has had a reasonable time to comment on such complaint and such comment, when received, is displayed together with the complaint;

(2) the agency to which the complaint has been referred has had a reasonable time to notify the Administrator what action, if any, it intends to take with respect to the complaint;

(3) if the complainant requests that his identity be protected, his complaint shall not be maintained for public inspection and copying.

INFORMATION GATHERING

SEC. 11. (a) The Administrator is authorized to conduct, support, and assist research, studies, plans, investigations, conferences, demonstration projects, and surveys concerning the interests of consumers.

(b)(1) In exercising the authority under subsection (a) of this section, the Administrator is authorized, to the extent required to protect the health or safety of consumers or to discover consumer fraud or other unconscionable conduct detrimental to an interest of consumers, to obtain data by requiring any person engaged in a trade, business, or industry which substantially affects interstate commerce and whose activities he determines may substantially affect an interest of consumers, by general or specific order setting forth with particularity the consumer interest involved and the purposes for which the information is sought, to file with him a report or answers in writing to specific questions concerning such activities and other related information. Nothing in this paragraph shall be construed to authorize the inspection or copying of documents, papers, books, or records, or to compel the attendance of any person. Nor shall anything in this subsection require the disclosure of information which would violate any relationship privileged according to law. Any such reports or answers shall be made under oath, or otherwise as the Administrator may prescribe, and shall be filed with him within such reasonable period as he may prescribe. Any district court of the United States within the jurisdiction of which such person is found, or has his principal place of business, shall issue an order, on conditions and with such apportionment of costs as it deems just, requiring compliance with a valid order of the Administrator, upon petition by the Administrator or on a motion to quash, upon the Administrator's carrying the burden of proving in court that such order is for information that substantially affects the health or safety of consumers or is necessary in the discovery of consumer fraud or other unconscionable conduct detrimental to an interest of consumers, and is relevant to the purposes for which the information is sought, unless the person to whom the interrogatory is addressed shows that answering such interrogatory will be unnecessarily or excessively burdensome. Where applicable, chapter 35 of title 44, United States Code, shall govern requests for reports under this subsection in the manner in which independent Federal regulatory agencies are subject to its provisions.

(2) The Administrator shall not exercise the authority under paragraph (1) of this subsection if the information sought (A) is available as a matter of public record; (B) can be obtained from another Federal agency pursuant to subsection (c) of this section; or (C) is for use in connection with his intervention in any pending agency proceeding against the person to whom the interrogatory is addressed.

(c) Upon written request by the Administrator, each Federal agency is authorized and directed to allow access to all documents, papers, and records in its possession which the Administrator deems necessary for the performance of his functions and to furnish at cost copies of specified documents, papers, and records. Notwithstanding this subsection, a Federal agency may deny the Administrator access to and copies of—

(1) information classified in the interest of national defense or national security by an individual authorized to classify such information under the terms of Executive Order 10501 of November 5, 1953, and Executive Order 11652 of March 10, 1972, or any orders amending or superseding such orders, and restricted data whose dissemination is controlled pursuant to the Atomic Energy Act (42 U.S.C. 2011 et seq.);

(2) policy and prosecutorial recommendations by agency personnel intended for internal agency use only;

(3) information concerning routine executive and administrative functions that are not otherwise a matter of public record;

(4) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;

(5) information which such agency is expressly prohibited by law from disclosing to another Federal agency;

(6) information contained in or related to examination, operation, or condition reports concerning any individual financial institution prepared by, on behalf of, or for the use of an agency responsible for regulation or supervision of financial institutions, or any other information relating to the financial transactions of individual customers of such financial institutions; and

(7) trade secrets and commercial or financial information described in subsection (b) (4) of section 552 of title 5, United States Code—

(A) obtained prior to the effective date of this Act by a Federal agency, if the agency had agreed to treat and has treated such information as privileged or confidential and states in writing to the Administrator that, taking into account the nature of the assurances given, the character of the information requested, and the stated purpose for which access is sought, to permit such access would constitute a breach of faith by the agency; or

(B) obtained subsequent to the effective date of this Act by a Federal agency, if such agency has agreed in writing as a condition of receipt to treat such information as privileged or confidential, on the basis of his reasonable determination set forth in writing that such information was not obtainable without such an agreement and that failure to obtain such information would seriously impair the carrying out of the agency's program, and access to which is likely to cause substantial competitive injury to the person who provided the information.

Before granting the Administrator access to any such trade secrets and commercial or financial information, the agency shall notify the person who provided such information of its intention to do so and the reasons therefor, and shall afford such person a reasonable opportunity, not to exceed 10 days, to comment or seek injunctive relief. Where access to information is denied to the Administrator by a Federal agency pursuant to this paragraph, the head of the agency and the Administrator shall seek to find a means of providing the information in such other form, or under such conditions, as will meet the agency's objections.

(d) Consistent with the provisions of section 7213 of title 26, United States Code, nothing in this Act shall be construed as providing for or authorizing any Federal agency to divulge or to make known in any manner whatever to the Administrator the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed solely in any income return, or to permit any Federal income tax return filed pursuant to the provisions of title 26, United States Code, or copy thereof, or any book containing any abstracts or particulars thereof, to be seen or examined by the Administrator.

INFORMATION DISCLOSURE

SEC. 12. (a) The Administrator is authorized, subject to the provisions of this section, to disclose to the public or any member thereof so much of the information subject to his control as he determines appropriate to carry out the purposes of this Act.

(b) The Administrator or any officer or employee of the Agency shall not disclose any information which has been obtained from a Federal agency or as a result of access to its records where such agency has specified that such information is exempted from disclosure under section 552 of title 5, United States Code, or any other applicable Federal statute, and should not be disclosed. If such agency has specified that information is exempted from required disclosure, but that it may be disclosed in accordance with a particular form or manner of disclosure which such agency has prescribed, the Administrator shall follow such form and manner.

(c) The Administrator or any officer or employee of the Agency shall not disclose any trade secret or other confidential business information described by section 1905 of title 18, United States Code, which it obtained other than pursuant to section 11(c) of this Act, except that such information may be disclosed (1) to the public only if the Administrator determines it necessary to protect health or safety; and (2) in a manner designed to preserve confidentiality, to duly authorized committees of the Congress, to courts and Federal agencies in representing the interests of consumers, and to other officers and employees of the Agency or other Federal officials concerned with the subject matter in issue.

(d) In the release of information to the public, the Administrator shall take all reasonable measures to assure that such information is accurate and not misleading or incomplete. If such information is inaccurate, misleading, or incomplete, the Administrator shall promptly issue a retraction, take such other reasonable action to correct any error, or release significant additional information which is likely to affect the accuracy or completeness of information previously released. Where the release of information is likely to cause substantial injury to the reputation or goodwill of a person or company, or its products or services, the Administrator shall notify such person or company of the information to be released and afford an opportunity for comment or injunctive relief, unless immediate release is necessary to protect the health or safety of the public.

(e) In the release of information which discloses names of products or services, the Administrator shall—

(1) make clear that all products of a competitive nature have not been compared, if such is the case;

(2) make clear that there is no intent or purpose to rate products compared over those not compared or to imply that those compared are superior or preferable in quality to those not compared; and

(3) not indicate expressly that one product is a better buy than any other product.

(f) In any suit against the Administrator to obtain information pursuant to the provisions of section 552 of title 5, United States Code, where the sole basis for the refusal to produce the information is that another Federal agency has specified that the documents not be disclosed in accordance with the provisions of subsection (b) of this section, the other Federal agency shall be submitted as the defendant, and the Administrator shall thereafter have no duty to defend such suit.

ADMINISTRATION

SEC. 13. (a) The Administrator is authorized, in carrying out his functions under this Act, to—

(1) determine the qualifications of, appoint, assign the duties of, and fix the compensation of, in accordance with civil service and classification laws, such officers and employees, including attorneys, as are necessary to perform the functions vested in him;

(2) employ experts, expert witnesses, and consultants in accordance with section 3109 of title 5, United States Code, and to compensate such persons at rates not in excess of the maximum daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each day they are so employed;

(3) appoint advisory committees composed of such private citizens and officials of Federal, State, and local governments as he deems desirable to advise him, and to compensate such persons, other than those employed by the Federal Government, at rates not in excess of the maximum daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each day they are

engaged in the actual performance of their duties as members of a committee and to pay such persons travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5, United States Code: *Provided,* That all meetings of such committees shall be open to the public and interested persons shall be permitted to attend, appear before, or file statements with any advisory committee, subject to such reasonable rules or regulations as the Administrator may prescribe;

(4) promulgate such rules, regulations, and procedures as may be necessary to carry out the functions vested in him and to delegate authority for the performance of any such function only to any officer or employee under his direction and supervision;

(5) utilize, with their consent, the services, personnel, and facilities of Federal, State, regional, local, and private agencies and instrumentalities, with or without reimbursement therefor, and to transfer funds made available under this Act to Federal, State, regional, local, and private agencies and instrumentalities as reimbursement for utilization of such services, personnel, and facilities;

(6) accept voluntary and uncompensated services, except where such services involve administrative proceedings, investigations, or enforcement powers, notwithstanding the provisions of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665);

(7) adopt an official seal, which shall be judicially noticed. The provisions of section 709 of title 18, United States Code, shall apply to the use of the seal, after its adoption and publication in the Federal Register, except as authorized under rules or regulations issued by the Administrator;

(8) establish such regional offices as the Administrator determines to be necessary to serve the interests of consumers;

(9) conduct conferences and hearings and otherwise secure data and expressions of opinion;

(10) accept unconditional gifts or donations of services, money or property, real, personal, or mixed, tangible or intangible, except that the acceptance of donations of services shall be subject to the provisions of paragraph (6) of this section;

(11) without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5), enter into contracts, leases, cooperative agreements, or other transactions with any public agency or instrumentality or with any person;

(12) designate representatives to serve or assist on such committees as he may determine to be necessary to maintain effective liaison with Federal agencies and with State and local agencies carrying out programs and activities related to the interests of consumers; and

(13) perform such other administrative activities as may be necessary for the effective fulfillment of his duties and functions.

(b) The Administrator of General Services is authorized and directed to furnish the Administrator with such offices throughout the United States as are necessary to the proper execution of the purposes of the Agency, together with such equipment, supplies, and services as are necessary, to the same extent as the Administrator of General Services is authorized to furnish to any other Federal agency.

GENERAL

SEC. 14. (a) Nothing in this Act shall be construed to prohibit the Administrator from communicating with Federal, State, and local agencies and courts at any time and in any manner consistent with the law.

(b) Nothing in this Act shall be construed to limit the discretion of any Federal agency or court, within its authority, to grant the Administrator additional participation in any proceeding or activity, to the extent that such additional participation may not be as of right, or to provide additional notice to the Administrator concerning any agency proceeding or activity.

(c) Appearances by the Agency under this Act shall be in its own name and shall be made by qualified representatives pursuant to subsection (d) of this section.

(d) Except as otherwise provided in this subsection, the Administrator shall be represented by attorneys designated by him. The Department of Justice shall represent the Administrator in all court proceedings authorized by this Act or otherwise, except that in any case in which the Administrator seeks to challenge an agency action or any part thereof by intervention or by invoking judicial review, or in which the Department of Justice is representing or may represent a department, agency, officer or employee of the United States whose interests conflict with those of the Administrator, then the Administrator may be represented by attorneys he designates for such purpose. Unless the Attorney General notifies the Administrator within a reasonable time that he will represent the Administrator, such representation may be made by attorneys designated by the Administrator. In all litigation in the Supreme Court of the United States, the Solicitor General shall represent the Administrator; except that in any case in which the Solicitor General is representing a department, agency, officer, or employee of the United States whose interests conflict with those of the Administrator, then the Administrator may be represented by attorneys he designates for such purpose. In any court proceeding in which the Department of Justice or the Solicitor General is representing the Administrator, the Attorney General or the Solicitor General, as appropriate, shall consult with the Administrator concerning the most effective means of representing the interest of consumers in such proceedings. Upon the written request of the Administrator, the Attorney General or the Solicitor General shall advise the court of any substantial policy disagreements with the Administrator concerning the interest of consumers.

(e)(1) No act or omission by the Administrator or any Federal agency relating to the Administrator's authority under sections 7, 9, 10, 11, and 12 of this Act shall affect the validity of any agency action or be subject to judicial review: Provided, That

(A) the Administrator may obtain judicial review to enforce his authority under sections 7, 9, and 11 of this Act: Provided, That he may obtain judicial review of the Federal agency determination under section 7(e) of this Act only after final agency action and only to the extent that such determination affected the validity of such action;

(B) a party to any agency proceeding or a participant in any agency activity in which the Administrator intervened or participated may, where judicial review of the final agency action is otherwise accorded by law, obtain judicial review following such final agency action on the ground that the Administrator's intervention or participation resulted in prejudicial error to such party or participant based on the record viewed as a whole; and

(C) any person who is substantially and adversely affected by the Administrator's action pursuant to section 7(e), 11(b), or 12 of this Act may obtain judicial review, unless the court determines that such judicial review would be detrimental to the interests of justice.

(2) For the purposes of this subsection, a determination by the Administrator that the result of any agency proceeding or activity may substantially affect the interests of consumers or that his intervention in any proceeding is necessary to represent adequately the interests of consumers shall be deemed not to be a final agency action.

(f) In exercising the authority of section 6(a) (2), (4), (5), 7(f), 10, 11, and 12 of this Act, the Administrator shall act in accordance with rules designed to assure fairness to affected persons, issued as soon as practicable after the effective date of this Act pursuant to section 553 of title 5, United States Code (notwithstanding the exception therein for procedural rules).

(g) Whenever the Administrator intervenes or seeks review under the provisions of section 7(a) or 8(a) of this Act, he shall explicitly and concisely set forth in a public statement the interest of consumers which he is representing. He shall also, to the extent practicable, set forth any other substantial interest of consumers which he is not representing.

(h) It is the sense of the Congress that small business enterprises should have their varied needs considered by all levels of government in the implementation of the procedures provided for throughout this Act.

(i)(1) In order to carry out the policy stated in subsection (h), the Small Business Administration (A) shall to the maximum extent possible provide small business enterprises with full information concerning the provision of the procedures provided for throughout this Act which particularly affect such enterprises, and the activities of the various departments and agencies under such provisions, and (B) shall, as part of its annual report, provide to the Congress a summary of the actions taken under this Act which have particularly affected such enterprises.

(2) To the extent feasible, the Administrator shall seek the views of small business in connection with establishing the agency's priorities, as well as rules and regulations which will be promulgated for the purpose of implementing this Act.

(3) In administering the programs provided for in this Act, the Administrator shall respond in an expeditious manner to the views, requests, and other filings by small business enterprises.

(4) In implementing this Act, the Administrator shall insofar as practicable, treat all businesses, large or small, in an equitable fashion; due consideration shall be given to the unique problems of small businesses so as not to discriminate or cause unnecessary hardship in the administration or implementation of the provisions of this Act.

TRANSFER OF CONSUMER PRODUCT INFORMATION COORDINATING CENTER

SEC. 15. (a) All officers, employees, assets, liabilities, contracts, property and records as are determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with the functions of the Consumer Product Information Coordinating Center in the General Services Administration are transferred to the Agency and all functions of the Administrator of General Services administered through the Consumer Product Information Coordinating Center are transferred to the Agency.

(b)(1) Except as provided in paragraph (2) of this subsection, personnel engaged in functions transferred under this section shall be transferred in accordance with applicable laws and regulations relating to transfer of functions

(2) The transfer of personnel pursuant to subsection (a) of this subsection shall be without reduction in classification or compensation for one year after such transfer.

PUBLIC PARTICIPATION

SEC. 16. (a) After reviewing its statutory authority and rules of procedure, relevant agency and judicial decisions, and other relevant provisions of law, each Federal agency shall issue appropriate interpretations, guidelines, standards, or criteria, and rules of procedure, to the extent that such rules are appropriate and are not already in effect, relating to the rights of individuals who may be affected by agency action to—

(1) petition the agency for action;

(2) receive notice of agency proceedings;

(3) file official complaints (if appropriate) with the agency;

(4) obtain information from the agency; and

(5) participate in agency proceedings for the purpose of representing their interests. Such interpretations, guidelines, standards, criteria, and rules of procedure shall be published in proposed and final form in the Federal Register.

(b) Each Federal agency shall take all reasonable measures to reduce or waive, where appropriate, procedural requirements for individuals for whom such requirements would be financially burdensome, or which would impede or prevent effective participation in agency proceedings.

(c) Any rules of procedure issued by any Federal agency pursuant to this section shall be published in a form and disseminated in a manner designed to inform and able to be understood by the general public.

SAVINGS PROVISIONS AND EXEMPTIONS

SEC. 17. (a) Nothing in this Act shall be construed to affect the duty of the Administrator of General Services to represent the interests of the Federal Government as a consumer pursuant to section 201(a)(4) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(a)(4)).

(b) Nothing in this Act shall be construed to relieve any Federal agency of any responsibility to protect and promote the interests of consumers.

(c) Nothing in this Act shall be construed to limit the right of any consumer or group or class of consumers to initiate, intervene in, or otherwise participate in any Federal agency or court proceeding or activity, nor to require any petition or notification to the Administrator as a condition precedent to the exercise of such right, nor to relieve any Federal agency or court of any obligation, or affect its discretion, to permit intervention or participation by a consumer or group or class of consumers in any proceeding or activity.

(d) This Act shall not apply to the Central Intelligence Agency, the Federal Bureau of Investigation, or the National Security Agency, or the national security or intelligence functions of the Department of Defense (including the Departments of the Army, Navy, and Air Force).

(e) This Act shall not apply to any agency action in the Federal Communications Commission with respect to the renewal of any radio or television broadcasting license.

COMPENSATION

SEC. 18. (a) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(59) Administrator, Consumer Protection Agency."

(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(97) Deputy Administrator, Consumer Protection Agency."

(c) Section 5316 of title 5, United States Code is amended by adding at the end thereof the following new paragraphs:

"(132) General Counsel, Consumer Protection Agency.

"(133) Assistant Administrators, Consumer Protection Agency (5)."

SEPARABILITY

SEC. 19. If any provision of this Act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality and effectiveness of the remainder of this Act and the applicability thereof to any persons and circumstances shall not be affected thereby.

AUTHORIZATION OF APPROPRIATIONS

SEC. 20. There are authorized to be appropriated to carry out the provisions of this Act not to exceed $15,000,000 for the fiscal year ending June 30, 1975, not to exceed $20,000,000 for the fiscal year ending June 30, 1976, and not to exceed $25,000,000 for the fiscal year ending June 30, 1977. Any subsequent legislation to authorize appropriations under this Act for the fiscal year beginning on July 1, 1977, shall be referred in the Senate to the Committee on Government Operations and to the Senate Committee on Commerce.

EVALUATION BY THE COMPTROLLER GENERAL

SEC. 21(a) The Comptroller General of the United States shall audit, review, and evaluate, the implementation of the provisions of this Act by the Consumer Protection Agency.

(b) Not less than thirty months nor more than thirty-six months after the effective date of this Act, the Comptroller General shall prepare and submit to the Congress a report on his audit conducted pursuant to subsection (a), which shall contain, but not be limited to, the following:

(1) an evaluation of the effectiveness of consumer representation activities;

(2) an evaluation of the effect of such agency activities on the efficiency, effectiveness, and procedural fairness of affected Federal agencies in carrying out their assigned functions and duties;

(3) recommendations concerning any legislation he deems necessary, and the reasons therefor, for improving the implementation of the objectives of this Act as set forth in section 3.

(c) Copies of the report shall be furnished to the Administrator of the Consumer Protection Agency, the Chairmen of the Senate Committees on Commerce and on Government Operations, and the Chairman of the Committee on Government Operations of the House of Representatives.

EFFECTIVE DATE

SEC. 22. (a) Except as provided in subsection (b) of this section, this Act shall take effect when the Administrator first takes office, or on such earlier date as the President may prescribe, but no later than 90 calendar days after the date of enactment of this Act. The Administrator may not intervene or otherwise participate as a matter of right in any Federal agency or Federal court proceeding which is pending on the effective date of this Act if argument has concluded or the record has been closed and all that remains before completion of such agency or court proceeding is the rendering or issuance of a decision or the promulgation of a final order or rule by such agency or court.

(b) Any of the officers provided for in this Act may be appointed in the manner provided for in this Act at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office at the rates provided for in this Act.

Amend the title so as to read: "A bill to establish an independent Consumer Protection Agency to protect and serve the interests of consumers, and for other purposes."

(d) Restrictions and prohibitions under this Act applicable to the use or public dissemination of information by the Agency shall apply with equal force and effect to the General Accounting Office in carrying out its functions under this section.

ORDER TO PRINT MINORITY VIEWS ON S. 707 AS PART 2 OF THE COMMITTEE REPORT

Mr. ERVIN. Mr. President, the report of the Committee on Government Operations on S. 707, the Consumer Protection Agency Act, will be filed today. The report, which I have examined in half galley, is very voluminous and I am advised that it will run to approximately 60 pages in printed form.

The minority views, which I shall file on behalf of myself, Senator ALLEN and others, and which I consider equally important, will be buried in the rear of the report unless printed separately.

Accordingly, I ask unanimous consent that the minority views be printed separately as part 2 of the report.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR THE COMMITTEE ON GOVERNMENT OPERATIONS TO HAVE UNTIL MIDNIGHT FRIDAY TO FILE MINORITY VIEWS ON S. 707

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Government Operations have until midnight Friday to file minority views on S. 707. It was understood that the bill and the committee report would be filed today.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT OF THE SENATE SMALL BUSINESS COMMITTEE ON THE FEDERAL PAPERWORK BURDEN, PART I: SMALL SECURITIES BROKER-DEALERS REQUIREMENTS AND PART II: SMALL BROADCASTER REQUIREMENTS—(REPT. NO. 93–880)

Mr. McINTYRE. Mr. President, I submit on behalf of the chairman of the Select Committee on Small Business (Mr. BIBLE) a two-part report entitled "The Federal Paperwork Burden, Part I: Small Securities Broker-Dealers Requirements and Part II: Small Broadcaster Requirements." I ask unanimous consent that the report be printed together with individual statements of the Senator from Florida (Mr. GURNEY) and the Senator from Delaware (Mr. ROTH).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McINTYRE. Mr. President, this report is based on a series of hearings held last year in these two areas by the Senate Small Business Committee's Subcommittee on Government Regulation, which I serve as chairman. It continues the documentation of burdensome and duplicative Federal paperwork and reporting requirements on small businesses begun in 1972 by way of investigations and hearings by the subcommittee. By these means, we hope to find ways to alleviate this paperwork burden—a goal that is essential if small entrepreneurs are to remain viable in our Nation's economy.

Part I of this report concerning small broker-dealers was based on the subcommittee's hearings in July 1973. Our attention was called to this area because of many letters of complaint received in my office and, I have learned, in other Senators' offices, from small broker-dealers who told us they are finding it difficult to compete with large brokerage firms who can afford the necessary staff and have the capital needed to do the excess paperwork required by governmental edict to conduct their operations.

Independent broker-dealers play a unique and essential role in our economy. Historically, they have engaged in the marketing of securities to individual small investors. They provide local and regional securities facilities in many areas of the country not served by the large New York City firms. They raise capital for small businessmen who, because of their size, are often ignored by the Wall Street giants.

The plight of small brokers today is the result of nearly 40 years' regulation by the Securities and Exchange Commission and self-regulatory organizations, which has resulted in certain overlapping and duplicative reporting requirements which have come into existence. This regulation imposes an unnecessary burden on the small broker-dealer who is subject to it. This was brought out very clearly in our hearings by witnesses representing small broker-dealers, the Independent Broker-Dealers Trade Association, National Association of Securities Dealers, and the Securities and Exchange Commission. Our small broker-dealer witnesses gave example after example of their difficulties in trying to solve this paperwork problem.

In an effort to meet the growing criticism of duplicative and excessive paperwork required of broker-dealers, the Securities and Exchange Commission in September 1972, appointed an Advisory Committee on Broker-Dealer Reports and Registration Requirements to study the problem. The Advisory Committee found that "present regulatory reports submitted by broker-dealers require duplication of efforts by firms and regulators" and made two recommendations relating primarily to duplication of reports:

First. In each area subject to regulation a broker-dealer should report to a single regulatory body.

Second. There should be developed a single key regulatory report incorporating uniform definitions and reporting periods. Inherent in the format of this report should be the layering concept whereby higher increments of detail are required as the complexity of a broker-dealer's operations increases.

The SEC is now considering the recommendations of this Advisory Committee report.

The report I am submitting today makes committee recommendations which I believe deserve thoughtful consideration by the Congress and the Securities and Exchange Commission. Summarized, they are:

First. Enactment of legislation expressing the sense of the Congress that the national interest is served by preserving the small broker-dealer; and that this legislation should direct the SEC to establish a Joint Committee on Small Broker-Dealers for the purpose of determining a standard classification which will establish a definition of the small broker-dealer on an industrywide basis. This Joint Committee would develop common policies on the role and function of the small broker-dealer in the securities industry and would include representatives from both private and public regulatory agencies, both major and regional stock exchanges, and substantial representation from small broker-dealers themselves.

Second. Urging the SEC to set a definite timetable for the completion of its task of developing a uniform reporting system which was recommended by the SEC staff task force.

Third. Recommending that the SEC's proposed establishment of a standing Report Coordinating Group should include at least one member representative of the small broker-dealer's point of view.

Fourth. Recommending that the SEC, within its current organizational structure, establish the position of small broker-dealer liaison officer, to function both as advisor and ombudsman, and accurately reflecting the views and interests of the thousands of small securities dealers throughout the country.

Obviously, it will take the combined efforts of all segments of the securities industry and the Congress to meet this problem.

I am pleased that the Senate has already acted affirmatively by adopting Senate Resolution 173 which I had introduced last year. This resolution directs the Securities and Exchange Commission to review its rules and regulations to consider whether such are placing undue requirements on small broker-dealers which might endanger their position in the securities markets of the United States. It is my understanding that the SEC has begun implementing the intent of this resolution.

Mr. President, I would also like to call to the attention of my colleagues part II of the committee report, entitled "Small Broadcaster Requirements." This part of the report is based on hearings held by my Subcommittee on Government Regulation in February of 1973.

Small market broadcasters provide a vital public service to thousands of small communities throughout the Nation. These broadcasters offer diverse programing to meet the needs and interests of their audience area. Yet, these same broadcasters are inundated with the same amount of paperwork as major market stations plus many unnecessary and obsolete rules and regulations.

These small stations are really small businesses with limited personnel and financial resources. Members of the staffs of these stations perform dual functions. They provide vital information on weather, news, topical discussions, and entertainment for their communities. Any time which is devoted to cumbersome and needless Government paperwork detracts from the time these people need to operate their stations in the public interest.

The witnesses from the small broadcasting stations who appeared at the subcommittee's hearings were unanimous in their views that many of them will be forced out of the industry unless they are given some relief from what they feel are onerous regulations.

About 40 percent of the small market television stations (97 out of 247) reported a loss in fiscal year 1971. Much of this loss can be attributed to the costs of complying with FCC reporting requirements. FCC rules and paperwork requirements are the same for both large and small stations. But a large station can more easily spread the costs of staff, technical, legal, and accounting assistance necessary to comply with FCC regulations than can a small station with a limited staff and, most importantly, limited revenues.

The FCC's community ascertainment program, according to witnesses at our hearings, is one of the most exacting parts of the license renewal application, involving face-to-face interviews by station management personnel with a broad variety of the public in their market areas. In addition to such interviews, management is also required to conduct individual sessions with local public figures such as elected public officials, clergy, educators, prominent members of minority groups, etc. The results then have to be tabulated and analyzed. I think we can agree that the program in itself is commendable in that the broadcasters are made aware of the programing needs of their communities. To the small broadcaster, however, the additional burdens of time, money and manpower required of them to complete this task are insupportable.

Other areas of concern brought to the subcommittee's attention are the FCC's proposed regulation regarding licensees' public information files, the present FCC licensing period of 3 years, and FCC's reregulation program. The committee's report detailing its findings and recommendations in these areas will be of interest to Senators and others concerned in keeping these small market broadcasters viable in our small communities.

Some months after our small broadcaster hearings last year, I introduced Senate Resolution 83 directing the Federal Communications Commission to revise, examine, and delete, if necessary, obsolete and redundant reporting requirements which burdened the entire broadcasting industry, and the Commission is directed to give special attention to the problems of small market licensees. This resolution is still pending in the Commerce Committee.

Mr. President, I commend this two-part report to all Senators with the hope that the conclusions, findings, and recommendations reached therein by the committee with respect to small broker-dealers and small market broadcasters, will be a guide and a spur to our continued efforts to keep secure their roles as an important part of our economy.

I ask unanimous consent that a synopsis of part I and part II of the report's findings and the committee's recommendations be printed in the Record at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

Part I: Small Securities Broker-Dealers Requirements

FINDINGS

1. Small securities broker-dealers suffer from inadvertent and occasionally intended discrimination by Federal and self-regulatory agencies; this is engendered by their insensitivity to the special nature of the small dealer in securities.

2. The public and private agencies charged with regulation of the securities industry have failed even to go so far as to establish the official definition of a small broker-dealer.

3. The failure of recognition has been manifested by a growing number of regulatory paperwork requirements which are a particular burden to small broker-dealers, who are severely limited in the clerical and accounting resources needed to service this burden.

4. Many of the paperwork requirements imposed on small broker-dealers have little bearing to firms of their size and scope of operation.

5. The disappearance of small dealers would have an adverse effect on the many communities served by firms of this nature, in particullar through depriving small businesses of their prime source of financing, and by driving additional small investors from the market. Further, a serious decline in the number of small firms would substantially reduce the quality of competition in the securities brokerage industry throughout the United States.

6. Federal and private agencies charged with regulation of the securities brokerage industry, encouraged by the actions of the Senate, have made a start towards reducing unnecessary and duplicative reporting requirements and towards rationalizing those remaining ones so as to minimize the inconvenience of servicing them.

COMMITTEE RECOMMENDATIONS

(1) Congress should consider enactment of legislation expressing its sense that the national interest is served by preserving the small broker-dealer, and that it should be possible for him to perform his vital role with minimal unnecessary regulatory interference. This legislation should direct the Securities and Exchange Commission to establish a Joint Committee on Small Broker-Dealers for the purpose of determining a standard classification which will establish a definition of the small broker on an industry-wide basis. The Joint Committee would also develop common policies regarding the role and functions of the small broker-dealer in the securities industry. This Joint Committee should be as broadly representative as possible, and should include representatives from both private and public regulatory agencies, major and regional stock exchanges, and substantial representation from small broker-dealers themselves.

2. While the committee commends the Securities and Exchange Commission for taking an interest in the subject, the progress of the Commission has been painfully slow by any standard. In contemplating this slow progress, one cannot but question the true resolve of the Commission in seeking earnestly to relieve the paperwork burden for the small broker-dealer at the earliest possible time. In September 1972 the first step was taken with the appointment of an SEC Advisory Committee on Broker-Dealer Reports and Registration Requirements. That Commission's report was submitted in December 1972 to an SEC Staff Task Force, which in turn received comments from interested agencies and self-regulatory bodies. The Staff Task Force has, in turn, recommended that a new body be set up, the Report Coordinating Group. The Task Force made other recommendations as well, including the development and implementation of a key regulatory report incorporating uniform definitions and reporting periods, but with a markedly passive attitude, the Group is the only recommendation on which positive action has been taken to date. And even then the Group has been a long time in formation. Although the SEC press release of January 24, 1974, promised that the Group would be named by the Commission "in the near future," the Commission is only now getting around to announcing its choice. The Committee is disturbed at the slow rate of progress being made by the Commission and urges the Commission to set a definite timetable for the completion of its task of developing a uniform reporting system.

(3) In regard to the recent announcement of the Securities and Exchange Commission of its intent to establish a standing Report Coordinating Group in the near future, the committee strongly recommends that this group should include a member representative of the small broker-dealer's point of view.

(4) The Securities and Exchange Commission, within its current organizational structure, should establish the position of Small Broker-Dealer Liaison Officer. The officer would function both as advisor and ombudsman, accurately reflecting the views and interests of the thousands of small securities dealers throughout the country. The Liaison Officer should be provided with whatever staff is sufficient to allow him to carry out his duties.

PART II: SMALL BROADCASTER REQUIREMENTS

FINDINGS

1. Small broadcasters are in precarious condition due to persistent operating losses of a large percentage of this segment of the communications industry. The hearings reveal that the burden of paperwork requirements imposed by the Federal Communications Commission has substantially contributed to the situation through the disproportionately large expenditure of staff work time, legal and managerial assistance, and material supplies such as duplicating and postage which is required of small broadcasters.

2. The committee further finds that many of the paperwork requirements of the Federal Communications Commission, devised with the larger broadcast licensee in mind, are particularly burdensome to the small broadcasters, due to the fact that the latter lack the extensive staff and secretarial resources needed to discharge the reporting burden. In addition, the Federal Communications Commission criteria for community ascertainment programs are largely inapplicable to the conditions of the markets in which most small broadcasters operate.

3. The continued and accelerated decline of small market broadcasting licensees would have a detrimental effect on the quality of life in the many communities served by this segment of the broadcasting industry. Therefore, the committee finds that in the national interest and in the more direct interest of the communities served, the viability of small broadcasters should be encouraged by removing, so far as possible, unnecessary, inapplicable and redundant paperwork requirements imposed by the Federal Government.

COMMITTEE RECOMMENDATIONS

A. Legislation

In view of the findings determined by the committee, the following action by Congress is recommended.

1. The Senate Committee on Commerce should begin proceedings designed to bring Senate Resolution 83, described above, to the floor for consideration and passage as soon as possible.

2. The Congress should consider enactment of legislation directing the Federal Communications Commission to extend the current license term for broadcasters from the current three years to five years.

B. Federal Communications Commission

Based on the hearings, the committee recommends that the Federal Communications Commission undertake the following actions.

1. The Federal Communications Commission should consider the establishment of an Advisory Committee on Small Market Broadcasters. The first purpose of this group would be to state more precisely the criteria by which small broadcasters and small broadcast markets are defined, thus eliminating some of the present confusion. The ultimate purpose of the group should be to provide a permanent representation for the concerns of the small broadcaster within the Commission. In recognition of this function, the Advisory Committee should include strong representation from small broadcasters, as well as members from the industry as a whole and from the Commission itself.

2. The committee recommends that the F.C.C. develop and adopt a shortened broadcast license renewal form which fits the criteria developed by the Advisory Committee on Small Market Broadcasters. This form should require only such information as is absolutely necessary to the Commission's mandated purpose of regulation.

3. The committee recommends that the F.C.C. develop regulations whereby on meeting certain criteria, small broadcasters could complete a simplified version of the Community Ascertainment Programs. Such criteria might include a statistical determination of commonality of age, interest, ethnic origin or the like within the community as well as the station's past performance in the Community Ascertainment area. Small broadcasters located in communities of a certain size might be allowed to submit the simplified forms upon proof of the absence of any inquiry or protest on behalf of any community organizations or perhaps upon presentation of written statements of designated community leaders. The committee recommends that the F.C.C. thoroughly investigate these types of possibilities in an attempt to enhance the manner in which the licensee serves the community and at the same time allows the community to impact the programming of the various licensees without any undue paperwork burden.

REFERRAL OF H.R. 11541

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Committee on Commerce reports H.R. 11541, to amend the National Wildlife Refuge System Administration Act of 1966, the bill be referred to the Committee on Public Works for a period of 7 calendar days, and if at the end of such period the Committee on Public Works has not reported the bill, that that committee be considered as having been discharged from further consideration of the bill, and the bill be placed on the calendar.

I understand that this request has been cleared on all sides. I ask my distinguished senior colleague, who is the chairman of the committee, whether that is correct.

Mr. RANDOLPH. That is correct.

Mr. GRIFFIN. Mr. President, reserving the right to object—and I shall not object—as I understand the request, it refers to when the Committee on Commerce reports the bill. There is no particular time so far as the Commerce Committee is concerned.

Mr. ROBERT C. BYRD. That the bill be referred to the Committee on Public Works for a period of 7 calendar days, and if at the end of such period the Committee on Public Works has not reported the bill, that that committee—I see. When the Committee on Commerce reports the bill, the bill then be referred to the Committee on Public Works.

Mr. GRIFFIN. So the Commerce Committee is under no time restriction.

Mr. ROBERT C. BYRD. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. INOUYE:

S. 3532. A bill for the relief of Marlene Valerie Carter. Referred to the Committee on the Judiciary.

S. 3533. A bill to amend section 1002 of title 38, United States Code, to authorize the burial in a national cemetery of the parents of certain members of the Armed Forces who die in active service. Referred to the Committee on Veterans' Affairs.

S. 3534. A bill to amend section 214 of the Internal Revenue Code of 1954 to provide a deduction for household and dependent care services necessary for education. Referred to the Committee on Finance.

S. 3535. A bill to amend the Internal Revenue Code of 1954 to increase the estate tax exemption from $60,000 to $100,000. Referred to the Committee on Finance.

By Mr. KENNEDY (for himself and Mr. Brooke):

S. 3536. A bill to establish the Nantucket Sound Islands Trust in the Commonwealth of Massachusetts, to declare certain national policies essential to the preservation and conservation of the lands and waters in the trust area, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. HATFIELD (for himself and Mr. Packwood):

S. 3537. A bill to modify Section 204 of the Flood Control Act of 1965 (79 Stat. 1085). Referred to the Committee on Public Works.

By Mr. CHURCH (by request):

S. 3538. A bill to authorize the Secretary of State to prescribe the fee for execution of an application for a passport and to continue to transfer to the U.S. Postal Service the execution fee for each application accepted by that Service. Referred to the Committee on Foreign Relations.

By Mr. PACKWOOD:

S. 3539. A bill to improve the quality of unshelled filberts and shelled filberts for marketing in the United States. Referred to the Committee on Agriculture and Forestry.

By Mr. HATHAWAY:

S. 3540. A bill to amend section 552 of title 5 of the United States Code to clarify certain exemptions from its disclosure requirements, to provide guidelines and limitations for the classification of information, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. MATHIAS (for himself, Mr. Beall, Mr. Bennett, Mr. Dole, Mr. Haskell, Mr. Humphrey, Mr. Javits, Mr. McIntyre, Mr. Stevens, Mr. Stevenson, and Mr. Thurmond):

S. 3541. A bill to prevent the estate tax law from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower valuation and recapture of unpaid tax with interest in appropriate circumstances. Referred to the Committee on Finance.

By Mr. HATFIELD (for himself and Mr. Packwood):

Senate Joint Resolution 211. A joint resolution to waive the requirements of section 13(c)(1)(A) of the Fair Labor Standards Act of 1938 relating to child labor in agriculture under certain circumstances, and for other purposes. Referred to the Committee on Labor and Public Welfare.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. INOUYE:

S. 3533. A bill to amend section 1002 of title 38, United States Code, to authorize the burial in a national cemetery of the parents of certain members of the Armed Forces who die in active service. Referred to the Committee on Veterans' Affairs.

Mr. INOUYE. Mr. President, the United States has established national cemeteries around the world to honor those who have defended our Nation. The spouse and children of these veterans have been permitted to join their sponsors in their final resting places. Unfortunately, I have found that these provisions often do not include those who were closest to the veterans.

I have been acquainted with several situations in which the veteran was an only child who died in the service of his country. Quite often, the bereaved parents wish to lie at rest near the body of their child. The present regulations do not permit these parents to be granted their final wish.

I am now introducing a bill to amend that section of the United States Code on veterans benefits to authorize the burial in a national cemetery of the parents of a veteran who is an only child, in such cases where the veteran died while serving on active duty, provided that his death precedes the death of his parents. I hope my colleagues will assist me in fulfilling this last wish of the parents of some of our veterans by supporting this bill.

By Mr. INOUYE:

S. 3534. A bill to amend section 214 of the Internal Revenue Code of 1954 to provide a deduction for household and dependent care services necessary for education. Referred to the Committee on Finance.

Mr. INOUYE. Mr. President, the Internal Revenue Code provides a tax deduction for certain taxpayers to cover the expenses of household and dependent care services which are necessary to enable the taxpayer to be gainfully employed. This provision of the law applies to those married couples who file a joint return and who are both gainfully employed on a full-time basis, or one spouse is physically or mentally unable to care for himself.

This provision of the law was primarily a relief provision for the benefit of those families where the income of both parents is essential for the maintenance of minimum living standards.

Many married students are presently struggling to maintain minimum standards of living for themselves and their families. In addition to the rising costs of living which are faced by all peopie, these students must meet the rising cost of tuition. Most of these students are able to work only on a part-time basis without their employment having a seriously detrimental effect on their education. These students have incomes which are usually quite low, yet they are faced with higher expenses than an average citizen.

The time has come to aid these struggling students meet the financial demands of raising a family. It is time to extend this tax deduction for expenses relating to household and dependent care services which are necessary for gainful employment to include a deduction for those expenses which are necessary for the pursuit of learning. I am, therefore, introducing a bill to amend section 214 or the Internal Revenue Code to carry out this purpose.

By Mr. INOUYE:

S. 3535. A bill to amend the Internal Revenue Code of 1954 to increase the estate tax exemption from $60,000 to $100,000. Referred to the Committee on Finance.

Mr. INOUYE. Mr. President, in 1954 when the Members of Congress formulated the present Internal Revenue Code, an exemption of $60,000 was provided for the determination of estate taxes.

At that time, this was a generous sum which did much to enable the widow to live comfortably for some time. However, our economy continues to grow and to inflate. From March 1954 to March 1974, inflation has amounted to 77.8 percent. It has severely undercut the insurance value of this exemption.

I am, therefore, introducing this bill, to amend the Internal Revenue Code of 1954, to increase the exemption for estate taxes from $60,000 to $100,000. I hope my colleagues will join me in amending this law to provide the same degree of relief as was originally intended.

By Mr. KENNEDY (for himself and Mr. Brooke):

S. 3536. A bill to establish the Nantucket Sound Islands Trust in the Commonwealth of Massachusetts, to declare certain national policies essential to the preservation and conservation of the lands and waters in the trust area, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

NANTUCKET SOUND ISLANDS TRUST

Mr. KENNEDY. Mr. President, I am introducing today with Mr. Brooke, legislation to establish the Nantucket Sound Islands Trust. The bill we introduce today reflects major changes over previous bills which I have introduced to protect the Nantucket Sound Islands.

On April 11, 1972, I introduced Nantucket Sound Islands Trust legislation to provide a basis for discussion among island residents as to what tools the Federal Government could make available to them so that they could prevent the kind of overdevelopment that has plagued so much of the beautiful, unique areas of the east coast.

Since April of 1972, there has been an enormous amount of discussion among island residents and local elected officials on how best to preserve the unique qualities of their islands. On July 27, 1972, and again on May 31, 1973, I introduced revised versions of the legislation incorporating many of the suggestions of island residents and asking that the effort continue to refine and perfect legislation which would best meet the residents needs.

Two events in 1973 made it clear that major revisions were required in the Nantucket Sound Islands Trust legislation:

First, the introduction of a bill in the State legislature to provide for land use planning on Martha's Vineyard.

Second, public hearings by the Senate Interior Subcommittee on the islands demonstrated that broad public support of the trust concept depended on a more effective role for the local commissions in the preservation of the islands.

The legislation we introduce today accomplishes both coordination with the State legislation in the planning and preservation efforts on Martha's Vineyard and makes it absolutely clear that the commissions made up of local residents have the strongest voice in all decisions affecting the preservation of the natural resources of these islands.

One concrete illustration of the shift in responsibility from the Secretary to the locally controlled commissions is in the bill's treatment of the island trust maps. These maps are integral parts of the bill's protective mechanisms, and must accompany the bill at enactment just as they—or their counterpart—do for all Federal, State, and local conservation legislation. They must accompany the bill because otherwise the Congress, and the people of the islands, cannot know which areas are being protected by which provisions of the bill. It would be unfair to island property owners and residents alike to be left with this uncertainty, when it is unnecessary to do so by having the maps accompany the bill.

In the initial versions of the trust bill, changes in the maps could only be made by the Secretary of the Interior. Many island people saw this as a veto power held by the Secretary over a critical aspect of trust management, and strongly objected. Consequently, in response to the suggestions we received on this point, we have made two important revisions in the manner by which changes to the map can be made. First, changes of a minor nature, attributable to technical or clerical errors, can be made at any time up to 6 months after a commission first meets, so long as the selectmen of the town in which the changes are to be made concur. Second, changes of a major nature can be made by a commission, but only after an affirmative vote on the proposed changes by a town meeting, and with the concurrence of the Governor and the Secretary. If either the Governor or the Secretary oppose the proposed changes, then the commission can make them effective despite the opposition by a two-thirds vote. This procedure for making major changes recognizes the role of town meetings as to these changes, and also insures the locally controlled commissions have the final voice.

In the preparation of the maps to accompany the bill, the Congress cannot fully delegate its ultimate responsibility for them. The principal noncongressional voice for them should, where possible, be the elected town officials familiar with mapping issues, primarily the selectmen and the members of planning boards. This procedure has worked very well for Nantucket, and it can work equally well for the other towns in trust area. We want to stress the importance we attach to both organized advisory groups and individuals alike participating in the final map preparation process, with the town officials, through preparation and submission of proposed maps of all or any part of the trust area.

Mr. President, over the period of the last year, Senator BROOKE and I have worked closely to shape this legislation so that it will reflect the concerns of island residents as expressed during the public hearings. The countless hours of work and the enormously helpful ability and commitment of Senator BROOKE and his staff to develop legislation to preserve and protect the Nantucket Sound Islands by providing the necessary tools to local residents is reflected in the bill we cosponsor today.

I would like to insert in the RECORD at this point, the memorandum circulated by Senator BROOKE, Congressman STUDDS, and myself several weeks ago outlining the substantial revisions reflected in this legislation, as well as the full text of the bill.

There being no objection, the memorandum and bill were ordered to be printed in the RECORD, as follows:

MEMORANDUM

To Residents of Nantucket Sound Islands.
From Senator EDWARD W. BROOKE, SENATOR EDWARD M. KENNEDY, and Congressman GERRY E. STUDDS.

Over the last several months, since public hearings on Martha's Vineyard and Nantucket, we have been working closely together to develop legislation which would protect the Nantucket Sound Islands from unwanted development in a manner which balances the desires of island residents for maximum local control with the need for a federal and state role in partnership with local government. During this time we have received hundreds of useful suggestions from islanders on how federal legislation might establish this unique partnership to preserve and protect the Nantucket Sound Islands.

We believe that the amendments we suggest today complement the far-reaching state and local efforts to control unplanned development and protect the natural resources of these islands. And we believe that federal, state, and local government working together in this manner can provide a framework for an effective program of protection and preservation.

These proposals for amendments to the federal legislation are being circulated in a spirit of cooperation; and we look forward once again to the comments and suggestions of island residents.

Because islanders have demonstrated their commitment to protecting the future of these islands through endless hours of review and study of both state and federal legislation; we have been able to develop amendments which we believe will provide island residents with the tools necessary to design a planning and preservation program. We look forward to hearing the views of island residents prior to the introduction of federal legislation in the House of Representatives and the Senate. The following is a narrative summary of our proposed amendments.

The Martha's Vineyard Commission for the purposes of the federal bill would be the same Commission established by state legislation providing for one-half of the membership of the Commission elected in an island-wide vote. Nine members would be elected at large, with no less than one from each town.

The proposed amendments for federal legislation would include revision of land classifications into Open Lands, Resource Management Lands, and Town Lands. During the period from introduction of revised federal legislation and prior to final action in either the Senate or the House, a series of open, public discussions on proposed boundary lines for these classifications will be held on the islands. The boundary lines arrived at as a result of these open meetings will be incorporated into maps which will become part of the legislation at enactment. The proposed amendments would also include a provision that after enactment, boundary lines could be changed by the Commission, the Governor, and the Secretary.

In the event of disagreement, the Commission by a two-thirds vote may change the boundary. No boundary change may be made until after a public hearing is held.

Under the proposed amendments, the Secretary of Interior would be prohibited from acquiring any land or interests in land without the prior approval of the Commission by majority vote. Any member of a Commission may recommend an area for acquisition and call for a vote on the recommendation. If a majority vote approved the acquisition, the Secretary would be responsible for acquiring the land or interest under the procedures and protections existing under federal law. Immediately after completing an acquisition, the Secretary would be required to transfer half ownership to the Commission.

All regulations for planning and preservation within Resource Management Lands would be developed by the Commission in accordance with guidelines including existing land and use and intensity of land use in the area, water quality and quantity, soil conditions, roadway utilization and visual and topographical conditions. The conformity of regulations with these guidelines would be determined by the Secretary and the Governor.

The Secretary may recommend that certain acquired lands within the Open Land classification which are jointly owned by the Secretary and the Commission may be set aside for public recreation uses. All such recommendations must be approved by the Commission.

Since lands designated Open Lands would include the most fragile resources of the islands, any proposal for a change in use of these lands must be approved by both the Commission and the Secretary.

We suggest that within the total authorization of $25 million for acquisition and development costs certain amounts be specifically authorized for the following:

$300,000 for the development of the shellfish industry.

$500,000 for studies including water quality and quantity, soil conditions, environmental hazards.

$1,000,000 for development of the resident home site plans by the Secretary of Housing and Urban Development.

Again, we would like to say that we offer these suggested amendments to island residents with the hope that they will respond once again with any additional suggestions; and we look forward to working closely with island residents over the next several weeks to refine and perfect legislation which will assure the future protection of these unique islands against overdevelopment.

S. 3536

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS AND STATEMENTS OF POLICY

SECTION 1. The Congress finds and declares—

(a) that the Nantucket Sound Islands in the Commonwealth of Massachusetts, known generally as the Islands of Nantucket, Tuckernuck, Muskeget, Martha's Vineyard, Noman's Land, and the group of islands known collectively as the Elizabeth Islands, possess unique natural, scenic, ecological, scientific, cultural, historic, and other values;

(b) that there is a national interest in preserving and conserving these unique values for the present and future well-being of the Nation and for present and future generations;

(c) that in some portions of the Nantucket Sound Islands these unique values are being irretrievably damaged and lost through ill-planned development, and that such development threatens heretofore successful local government and private voluntary preservation and conservation efforts;

(d) that the present State, regional and local powers and authorities for controlling land and water uses are inadequate to preserve and conserve the unique values of the said Islands;

(e) that the key to more effective preservation and conservation of the unique values of the Nantucket Sound Islands is a program encouraging coordinated action by Federal and State governments to assist local governments, in partnership with private individuals, groups, organizations, and associations, to administer sound acquisition and management policies regulating ill-planned development;

(f) that such a program can protect the natural character and cultural and historic heritage of the Nantucket Sound Islands consistent with maintenance of sound local economies and private property values, thus preserving and conserving their unique values; and

(g) that because expanded access to the said Islands would seriously impair their unique values and be in contravention to the purposes of this Act, it shall be national policy that no bridge, causeway, tunnel, or other direct vehicular access be constructed from the mainland to the Islands.

NANTUCKET SOUND ISLANDS TRUST

SEC. 2. (a) In order to provide for the preservation and conservation in the national interest of the unique natural, scenic, ecological, scientific, cultural, historic, and other values of the Nantucket Sound Islands, there is established in the Commonwealth of Massachusetts the Nantucket Sound Islands Trust (hereinafter referred to as the "trust"), comprising the area described in section 4 herein.

(b) Guidelines contained in this Act shall be the basis for programs and policies to preserve and conserve the unique values of the Trust area, and when such programs and policies have been adopted by the Islands Trust Commissions as hereinafter provided, they shall be administered by those commissions. Such policies and programs shall protect the unique values of the Trust area through land use controls designed to encourage wise and prudent stewardship of land and water resources consistent with maintenance of sound local economies.

NANTUCKET SOUND ISLANDS TRUST COMMISSIONS

SEC. 3. (a) There are hereby established the Nantucket Trust Commission, the Martha's Vineyard Trust Commission, and the Elizabeth Islands Trust Commission, to be known collectively as the Nantucket Sound Islands Trust Commissions (hereinafter referred to as the "commissions").

(b) Nantucket Trust Commission. The Nantucket Trust Commission shall have the responsibilities as established herein over the lands and waters in Nantucket County, and shall be composed of seven members serving three-year staggered terms which shall commence on the first Monday in April. Members shall be selected as follows:

(1) a member appointed by the Secretary of the Interior (hereinafter referred to as the "Secretary";

(2) a member appointed by the Governor of the Commonwealth of Massachusetts (hereinafter referred to as the "Governor");

(3) two members appointed by the Board of Selectmen of the Town of Nantucket within two weeks after the annual town meeting, one of whom shall be a seasonal resident property owner;

(4) two members who shall be qualified voters of the town and shall be elected at the annual election which is a part of the annual town meeting; and

(5) a member appointed by the Nantucket Planning Board within two weeks after the annual town meeting, who shall be a qualified voter of said town.

Not more than one member of the commission may serve stimultaneously in any elective town or county office.

(c) Martha's Vineyard Trust Commission. The Martha's Vineyard Trust Commission shall have the responsibilities as established herein over the lands and waters in Dukes County, excepting the Elizabeth Islands, and shall be composed of twenty-two members serving two-year staggered terms which shall commence on January first of each year. Members shall be selected as follows:

(1) a member appointed by the Secretary;

(2) a member appointed by the Governor;

(3) a member appointed by the Board of Selectmen of each town on Martha's Vineyard who may be a selectman, a member of a planning board, or of any other municipal agency board, department, or office of that town;

(4) a member appointed by the Dukes County Commissioners, who may or may not be a Dukes County Commissioner;

(5) nine members elected at-large in an island-wide election, with not less than one member nor more than two members to be elected from any one town on Martha's Vineyard; elections held subsequent to the initial election of members shall be held concurrent with the bi-annual elections for State and county offices;

(6) four members whose principal residence is not on Martha's Vineyard but who pay taxes on property owned by them on Martha's Vineyard, two of such members to be appointed by the Secretary and two by the Governor: *provided*, that such members shall have voice but no vote in deciding matters before the commission. Only the members selected under paragraphs (3) and (4) of this subsection may hold elective town or county office during their terms of office as commission member.

In the event that the laws of the Commonwealth of Massachusetts either before or after enactment of this Act provide for a new regional agency with planning or regulatory responsibilities for all or a part of trust lands and waters on Martha's Vineyard, such agency will, upon a majority vote of its members, serve as the Martha's Vineyard Commission herein established.

(d) Elizabeth Islands Trust Commission. The Elizabeth Islands Trust Commission shall have the responsibilities as established herein over the lands and waters of the Elizabeth Islands, and shall be composed of seven members serving three-year staggered terms which shall commence on the first Monday in April. Members shall be selected as follows:

(1) a member appointed by the Secretary;

(2) a member appointed by the Governor;

(3) a member elected at the annual election which is a part of the annual town meeting;

(4) two members appointed by the board of selectmen to represent the island of Cuttyhunk, one of whom shall be a permanent resident of Cuttyhunk and one of whom shall be a seasonal resident of Cuttyhunk; and

(5) two members appointed by the board of selectmen to represent the other islands in the Elizabeth Islands, one of whom shall be a permanent resident of one of such other islands, and one of whom shall be a seasonal resident of one of such other islands.

(e) GENERAL PROVISIONS APPLICABLE TO COMMISSIONS.

(1) Each commission shall have a chairman. The chairmen of the commissions shall each be elected by the membership thereof for a term of not to exceed two years. Any vacancy in the commissions shall be filled in the same manner in which the original selection was made, except that interim appointments may be made by the remaining members of the commission.

(2) All members of the commission shall be paid at the rate of $50 per diem when actually serving. The Secretary is authorized to pay the expenses reasonably incurred by the commissions in carrying out their responsibilities under this Act on the presentation of vouchers signed by the chairmen.

(3) The commissions shall publish and make available to the Secretary and to the public an annual report reviewing matters relating to the trust, including acquisition of lands, progress toward accomplishment of the purposes of this Act, and administration, and shall make such recommendations thereto as they deem appropriate to the Secretary, Governor, and the towns.

(4) The commissions may employ such permanent or part-time professional, clerical, or other personnel as they find are required and may engage such other professional services as they may reasonably require. Each commission shall have an office and a mailing address at a central location in the area of its jurisdiction, and such office shall be where its ordinary business is conducted and its maps and records kept.

(5) The commissions shall each have the authority to appoint commission advisory committees in their own discretion. Each commission shall designate three members to serve on a coordinating committee with members of the other commissions to treat matters of common concern.

(6) At its first meeting each commission shall adopt bylaws and rules of procedure, which may include dates of meetings, public distribution of information relating to commission activites, dsclosure of ownershp interest in trust lands by commission members, and any other matters normal to the operation of such bodies and consistent with the purposes of this Act. The commissions shall comply with the provisions of the Massachusetts Open Meetings Law, and they shall be deemed to be "boards" within the meaning of said law.

In exercising their management and administrative responsibilities under this Act the commissions shall not adopt regulations which are less restrictive than regulations in force and effect in the Commonwealth of Massachusetts or the respective towns within the trust area.

SEC. 4. (a) The area comprising the trust shall encompass the following lands and waters in the Commonwealth of Massachusetts:

(1) Nantucket Island, and the island to westward called variously Smith's Island or Esther Island;

(2) Tuckernuck Island;

(3) Muskeget Island;

(4) Martha's Vineyard Island, and various islands appurtenant to it;

(5) Noman's Land Island;

(6) the Elizabeth Islands, including but not limited to the islands of Cuttyhunk, Non-

amasset, Naushon, Pasque, Nashawena, Uncatena, Penikese, and the Weeppeckets; and

(7) any other lands and waters in Nantucket County and Dukes County in the Commonwealth of Massachusetts.

(b) The area included in the trust may be changed only by an amendment to this Act, and only after petition therefor by the commissions with the concurrence of—

(1) the town or towns affected expressed by vote of a town meeting or meetings;

(2) the Governor; and

(3) the Secretary.

(c) Noman's Land—The lands and waters of Noman's Land Island are hereby declared part of the National Wildlife Refuge System and the Secretary is directed to prepare and execute forthwith the necessary documentation to give effect to such declaration. The Secretary and the Secretary of Defense shall, within twelve months after the date of enactment of this act, survey Noman's Land Island and the surrounding waters for unexplored military ordnance and render such ordnance, wherever it may be found, harmless; and thereafter, Noman's Land Island shall be administered pursuant to the National Wildlife Refuge System Administration Act (16 U.S.C. 668dd).

CLASSIFICATION OF TRUST LANDS

SEC. 5. (a) Lands and waters within the trust area shall all be assigned to the classifications established in subsection (b) of this section. Upon the date of enactment of this Act, such lands and waters shall be assigned to classifications as set forth in section 6 and section 17 of this Act.

(b) CLASSIFICATIONS OF TRUST LANDS—

(1) Class A: Open lands. Lands and waters so classified shall remain forever free of improvements, as defined hereinafter, of any kind except as provided herein. If improvements exist on any lands so classified on the date of enactment of this Act, then there shall be permitted a right of use and occupancy to the legal or beneficial owner or owners thereof, or their successors or assigns, for so long as such successors or assigns are members of the same family or families as the legal or beneficial owner or owners. If, however, the legal or beneficial owner or owners seek to sell or otherwise convey the improvement with or without the land thereunder to others than legal or beneficial owners or members of the same family or families as the legal or beneficial owner or owners, then the commissions and the Secretary shall have an exclusive option to purchase said improvement with or without the land thereunder at full and fair market value, which shall be promptly determined, and such option shall exist for sixty days after such determination. If such option is exercised, then the improvement may be moved or removed; if such option is not exercised, then the sale or other conveyance may proceed in the ordinary course.

For the purposes of this paragraph, family shall mean siblings of a legal or beneficial owner or owners, lineal descendants natural or adopted, or relatives by marriage. Any change in access to and/or use of lands classified as Class A: Open Lands must first be approved by the commissions and the Secretary, except that uses shall be in a manner not less restrictive than permitted by general purpose local ordinances, bylaws, and regulations from time to time in effect. Owners of improvements may make necessary repairs, and may make replacements or extensions thereto which shall not alter the basic character of the lands, with the approval of the commissions and the applicable local government agency.

(2) Class B: Resource management lands. Lands and waters so classified shall not be developed beyond their present intensity of use, except as provided in this paragraph. Owners of such lands, or of improvements thereon, or of both, may transfer, sell, assign, or demise such land or improvements, or both. Reasonable replacement and extension of improvements shall be permitted, under regulations issued by the commissions. Development on lands so classified beyond their present intensity of use shall be permitted only under regulations consistent with the following guidelines:

(i) The overall intensity must take into account the capability of the land for such development, which shall include consideration of existing land use, intensity of uses in the immediate vicinity, areawide water quality and quantity, soil conditions, roadway utilization, and visual and topographic conditions.

(ii) The overall intensity guideline shall not be translated into uniform lot sizes and applied to the land so classified, but shall be applied with flexibility to encourage sound land use planning respecting the varying natural values of the different geographical areas of lands; and

(iii) The area upon which intensity is calculated shall not include bodies of water or wetlands classified as such under Massachusetts Wetlands Protection Act (131 M.G.L. 40).

Regulations consistent with these guidelines shall be issued by each commission within 3 months, and shall become effective only after a public hearing or hearings thereon to be held within 30 days of issuance and after approval by the Governor and the Secretary. After such regulations have become effective, the provisions of section 16 herein as they apply to the lands covered by the regulations shall no longer apply; and construction of improvements on such lands shall thereafter be permitted so long as the appropriate commission has issued a permit therefor indicating satisfaction of the conditions of this paragraph.

(3) Class C: Town lands. Lands and waters so classified shall remain under the jurisdiction of the town in which located for purposes of planning and zoning ordinances and other land use regulations: *Provided*, That such planning and zoning ordinances and other land use regulations shall be reviewed and commented upon by the commissions and the Secretary as to consistency with the purposes of this Act prior to the adoption of such ordinances or regulations or amendments thereto: *And provided further*, That the commissions may review and comment upon variances proposed to be granted pursuant to any local zoning ordinance.

ASSIGNMENT OF TRUST LANDS

SEC. 6. (a) Assignment of lands and waters within the trust area to the classifications established by section 5 of this Act shall be as depicted on official Nantucket County and Dukes County Nantucket Sound Island Trust maps on file and available for public inspection in—

(1) the offices of the Selectmen of the towns within the trust area;

(2) the offices of the commissions;

(3) the offices of the Massachusetts Secretary of Communities and Development; and

(4) the offices of the National Park Service, Department of the Interior.

(b) Changes to the maps indicating changes in such assignments to classifications shall be made after the date of enactment of this Act as follows—

(1) minor corrective adjustments in the location of boundary lines due to technical or clerical errors may be made within one hundred eighty days after the first official meeting of a commission by vote of such commission and with the concurrence of the board of selectmen of the town affected;

(2) other changes in the location of boundary lines between classifications may be made by a commission acting pursuant to an affirmative vote thereon by a town meeting or meetings of the town or towns affected, with the concurrence of the Governor and the Secretary: *provided* that should either the Governor or the Secretary, or both, not concur, then such change shall become effective upon a subsequent two-thirds vote by the commission; *and provided further* that no vote upon a proposed change shall be made at a town meeting until after a public hearing on such change has been held.

(c) Any changes to the maps changing the location of boundary lines between classifications shall be recorded on the official maps within seven days after such changes become effective, by the officials responsible for posting said maps.

ACQUISITION OF LANDS

SEC. 7. (a) GENERAL AUTHORITY—

(1) Within the area of the trust, the Secretary is authorized to acquire lands and waters and interests therein at fair market value for the purpose of this Act (i) by donation or transfer from any Federal agency, (ii) by purchase with donated or appropriated funds or transfer funds, or (iii) by exchange; *provided*, that after the date of enactment of this Act, the Secretary may not purchase any lands or waters or interests therein without being authorized to do so by the majority affirmative vote thereon by the commission within whose jurisdiction the lands or waters or interests therein are located. In exercising his authority to acquire property under the terms of this Act, the Secretary shall conform to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act (42 U.S.C. 4601). Any voting member of a commission may recommend an area for purchase, and at a regular meeting of the commission shall be able to obtain a record vote on such recommendation.

(2) Any lands or waters or interests therein, owned by the Commonwealth of Massachusetts or any political subdivision thereof, may be acquired only by donation. Notwithstanding any other provision of law and property owned by the United States of America on the date of enactment of this Act, located within the trust area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out this Act pursuant to its provisions.

(3) In exercising authority to acquire property under the terms of this Act, the Commissions and the Secretary shall give immediate and special consideration to any offer made by an owner or owners of unimproved Class A: Open Lands or Class B: Resource Management Lands within the trust area to sell such lands to the Secretary. An owner or owners may notify the Commission and the Secretary that the continued ownership of those lands would result in hardship to such owner or owners, and the Commissions shall immediately consider such evidence; and the Secretary shall, within six months following the majority affirmative vote thereon by the appropriate commission, and subject to the then current availability of funds, purchase the lands offered at the fair market value prior to April 11, 1972.

(4) In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-Federal property located within such area and upon the majority affirmative vote of the appropriate commission, may convey to the grantor of such property, any federally owned property held as in trust by the commission and the Secretary within such area. The properties so exchanged shall be approximately equal in fair value: *Provided*, That the Secretary may accept cash from or pay cash to the grantor in such an exchange in order to equalize the values of the properties exchanged.

(b) TRANSFER TO COMMISSIONS—

(1) Upon acquisition by him of any lands or waters or interests therein, the Secretary shall concurrently or as soon as is practicable

thereafter transfer without consideration an undivided one-half interest in such acquisition to the commission within whose jurisdiction the lands or waters or interests therein are located.

(2) Thereafter, such lands or waters or interests shall be held jointly by the appropriate commission and the Secretary as in a public trust.

(3) The lands or waters or interests therein so held as in trust shall be administered as described in this Act, and the Secretary and the commissions may exchange any such lands or interests so held as in trust pursuant to the provisions of this section.

(c) TAXATION—

(1) Nothing in this Act shall be construed to exempt any real property or interest therein held by the commissions and the Secretary under this Act from taxation by the Commonwealth of Massachusetts or any political subdivision thereof to the same extent, according to its value, as other real property is taxed.

(2) Nothing contained in this Act shall be construed as prohibiting any governmental jurisdiction in the Commonwealth of Massachusetts from assessing taxes upon any interest in real estate retained under the provisions of this Act to the nonexempt owner or owners of such interest, nor from establishing and collecting fees in lieu of taxes upon any nongovernmental use of lands acquired pursuant to this Act.

LIMITATIONS AND DEFINITIONS

SEC. 8. (a) Not later than one hundred and eighty days after the enactment of this Act, the commissions and the Secretary shall notify an owner or owners of Class B: Resource Management Lands, other than property designated for fee acquisition, of the minimum regulations on use and development of such property under which such property may be retained in a manner compatible with the purpose for which the trust was established. If the owner or owners of any such lands agree to the use and development of the property in accordance with such regulations, the Secretary may not acquire, without the consent of such owner or owners, such property or interests therein for so long as the property affected is used in accordance with such regulations, unless the commissions determine that such property, or any part thereof, is needed for other purposes as described in this Act. Such lands shall be included in the area upon which intensity is calculated for purposes of section 5(b)(2) herein.

(b) With respect to that property which the Secretary is authorized by the commissions to acquire without the consent of the owner under the terms of this Act, the Secretary shall initiate no proceedings therefor until after he has made every reasonable effort to acquire such property or interest therein by negotiation and purchase at the fair market value prior to April 11, 1972. The certificate of the determination by the Secretary or his designated representative (which may be the commissions) that there has been compliance with the provisions of this paragraph shall be prima facie evidence of such compliance; *provided*, that nothing in this Act shall be construed to prohibit the use of eminent domain as a means of acquiring a clear and marketable title, free of any and all encumbrances.

(c) The commissions and the Secretary shall furnish to any interested person requesting the same a certificate indicating, with respect to any property which the Secretary has been prohibited from acquiring without the consent of the owner in accordance with the provisions of this Act, that such authority is prohibited and the reasons therefor.

(d) Definitions. As used in this Act, the term "improvement" means a detached, residential one-family dwelling, construction of which was begun before April 11, 1972, or such a dwelling for which a certificate of need was voted pursuant to section 16(a) herein, together with—

(1) so much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the commissions and the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling and land for noncommercial residential or agriculutral purposes, and

(2) any structures accessory to the dwelling which are situated on such land. The amount of the land subject to such designation in Class A: Open Lands and Class B: Resource Management Lands shall in every case be at least three acres in area, or all of such lesser acreage as may be held in the same ownership as the dwelling. In making such designations, the commissions and the Secretary shall take into account the manner of noncommercial residential use in which the dwelling and land have customarily been enjoyed: *Provided*, That the commissions and the Secretary may exclude from the land so designated any beach lands, together with so much of the land adjoining such beach lands, as they may deem necessay for public access thereto. It they make such exclusion, an appropriate buffer zone shall be provided between any dwelling and the public access or beach.

(e) As used in this Act, the terms "development" and "developed" shall mean the construction of an improvement.

(f) Should a commercial use in existence prior to April 1, 1972, be included as part of such a dwelling, it shall be considered a nonconforming use.

(g) The commissions shall establish regulations consistent with the purposes of this Act governing the status of boathouses, camps, piers, and other nonresidential structures.

EROSION CONTROL AND POLLUTION

SEC. 9. (a) The commissions, together with the Secretary, the Governor, and the Secretary of the Army, shall cooperate in a study and shall formulate plans for beach and shoreline erosion control and restoration projects on the Nantucket Sound Islands, especially in those areas most immediately threatened. Any protective works, including water resource developments and navigation improvements, for such control undertaken by the Department of the Army shall be carried out only in accordance with a plan that is mutually acceptable to the commissions, the Governor, and the Secretary, and is consistent with both the purposes of this Act and the purposes of existing statutes dealing with water and related resource development.

(b) The Commissions together with the Governor and the Secretary shall undertake a program of dune and headland erosion control, beginning with those dunes and headlands most immediately threatened and in need thereof. Such dune and headland erosion may be that caused by natural wind and water action, by motor vehicle passage, or by other factors, and such programs may have the purposes of restoring past and present damage and of preventing further damage.

(c) The commissions, together with the Governor and the Secretary, shall cooperate with the appropriate Federal, State, and local agencies to provide safeguards against pollution of the waters in and around trust lands. Such safeguards shall include an immediate survey of the quality of ground water conditions in all or any part of the area of the trust, and the necessary funds therefor may be drawn from the appropriations authorized by section 20 herein.

BEACHES

SEC. 10. (a) All beach lands within the trust area, with the exception of beach lands classified as Class C: Town Lands, shall be classified as Class A: Open Lands notwithstanding that such beach lands may be classified as Class B: Resource Management Lands by other provisions of this Act.

(b) As used in this Act, the term "beach lands" shall mean the wet and dry sand area lying between the mean low water line and the base of the headlands or the visible line of upland vegetation, whichever shall be closer to the mean low water line, and shall include dunes, rock beaches, wetlands, marshes and estuarine areas adjoining tidal waters.

(c) There is herewith established a nonvehicular right of passage—

(1) in Class A: Open Lands, at the high water line of sufficient width for a person to pass and repass; and

(2) in Class C: Town Lands, at the high water line of sufficient width for a person to pass and repass, but only in those specified areas which each commission shall, within six months after its first meeting, establish as right of passage beach lands.

The rights of owners of residential improvements on beach lands as of April 11, 1972, shall be respected; and the commissions shall not permit the right of passage created in paragraphs (1) and (2) of this subsection where such right would interfere with the use and enjoyment of such improvements by the owners thereof.

(d) Upon agreement therefor by the commissions and the Secretary, the Secretary may acquire in any manner authorized by this Act lands and waters and interests therein in the trust area for the purposes of—

(1) establishing public beaches open to public use and enjoyment; and

(2) establishing access to such beaches. Such public beaches may or may not be enlargements of existing public beaches, but in any case shall to as great an extent as possible be located so as to be consistent with the conservation and preservation purposes of this Act. Access to such public beaches shall respect the rights of private property owners in the immediate vicinity, and shall be designed to protect the natural features of the land. The commissions shall establish limitations on the number of vehicles to be parked at public beach areas. Within twelve months after its first meeting, the Martha's Vineyard Commission shall designate two new public beaches on the southern or southwestern shoreline of Martha's Vineyard; neither of such new areas shall, however, be enlargements of existing beaches open to public use.

(e) Six months after the first meeting of each commission, motor vehicles, open fires, and camping shall be prohibited from beach lands within the area of its jurisdiction: *Provided*, That each commission may designate beach land areas open to such uses, and shall adopt regulations specifying the conditions of use within six months after its first meeting: and provided further that until such regulations are adopted use of beach lands shall be as determined by existing state and local laws.

(f) The commissions shall, within 30 days, develop plans for protection and litter prevention on beach areas. These plans will be implemented by funds as provided in Section 20 of this Act.

ADMINISTRATIVE PROVISIONS

SEC. 11.(a) As to the responsibilities assigned to the Secretary by this Act, the same shall be administered in accordance with the provisions of this Act and the Act of August 25, 1916 (16 U.S.C. 1 et seq.), as amended and supplemented, except that the Secretary may utilize any other statutory authority available to him for the conservation, preservation and management of natural resources to the extent he finds such authority will further the purposes of this Act.

(b) The Secretary is authorized to provide technical assistance to the commissions and the towns and regional governmental entities, and to provide the same to private organizations and associations, for the purpose of establishing sound land use planning and zoning bylaws and other ordinances and regulations to carry out the purposes of this Act. Such assistance may include payments for professional services.

TRANSPORTATION AND GENERAL USES

SEC. 12. (a) The commissions, together with the Governor and the Secretary, shall make an immediate survey of public and private water and air access to lands in the trust area, including that by the Woods Hole, Martha's Vineyard, and Nantucket Steamship Authority, and by other public and private water and air carriers, and shall make such recommendations to the appropriate body or bodies for legislative or administrative action as they deem consistent with the preservation and conservation purposes of this Act. Such recommendations shall include specific measures to limit the number of motor vehicles and passengers such carriers might otherwise transport to the Nantucket Sound Islands. Thereafter, regular and frequent surveys of such access shall be conducted, and such recommendations shall be made as are deemed appropriate to maintain the unique values of lands and waters in the trust area. Such recommendations may include intra-island transportation programs and policies.

(b) No development or plan for the convenience of visitors to trust lands or waters shall be undertaken which would be incompatible with the preservation and conservation of the unique values thereof: *Provided*, That the commissions, the Governor, and the Secretary may jointly provide for the public enjoyment and understanding of the values of the Nantucket Sound Islands by establishing such public transportation systems, trails, bicycle paths, observation points, and exhibits, and by providing such services as they may deem desirable for such public enjoyment and understanding, consistent with the preservation and conservation of such values.

(c) In any such provision for public enjoyment or understanding, the commissions the Governor, and the Secretary shall not unreasonably diminish for its owners or occupants the value or enjoyment of any improved property within the trust lands.

PRIVATE NONPROFIT ORGANIZATIONS

SEC. 13. (a) In order to encourage and provide an opportunity for the establishment of natural and scenic preserves by voluntary private action of owners of lands and waters in the trust area, and notwithstanding any provision in this Act or in any other provision of law, the authority established by this Act to acquire lands or interests therein without the consent of the owner shall be suspended when—

(i) lands or waters or interests therein which are designated as being presently or from time to time needed to carry out the purposes of this Act are irrevocably in the ownership of private nonprofit conservation, preservation, historic, or other organizations or associations, and the restrictions against the development of such lands meet the standards referred to herein; or

(ii) lands or waters or interests therein which are designated as being presently or from time to time needed to carry out the purposes of this Act are, to the satisfaction of the commissions, the Governor, and the Secretary and within twenty-four months after enactment of this Act, irrevocably committed to be sold, donated, demised, or otherwise transferred to such organizations or associations.

(b) Section 19 of this Act shall be suspended with respect to those lands and waters and interests to which subsection (a) of this section applies; and section 10 of this Act shall be similarly suspended whenever in the judgment of the commissions its applicability will contravene the purposes of this Act or any provision of law of the Commonwealth of Massachusetts.

(c) The provisions of this section shall be applied only to those organizations and associations which are determined to be bona fide and general purpose.

(d) All of the provisions of this Act, except sections 1, 2 and 3, shall be suspended with respect to any lands, waters or interests therein so long as such lands, waters, or interests therein are within twenty-four months of the enactment of this Act irrevocably subject to a conservation restriction created, approved, and recorded under section 31 through 33 of chapter 184 of the General Laws of Massachusetts, which forbids, or in the judgment of the commissions, and the Secretary as evidenced by their written approval of such restriction, substantially limits all or a majority of the land uses referred to in clauses (a) through (g) of the first paragraph of said section 31. Such conservation restriction shall be irrevocable unless notice of the intention to revoke is given to the commissions and the Secretary not less than 12 months prior to the proposed effective date of the revocation or unless the lands, waters, or interests therein are in whole or in part made subject to a taking by eminent domain.

COMPENSABLE LAND USE REGULATIONS

SEC. 14. The Secretary, after consultation with the commissions and the Governor and within six months after the date of enactment of this Act, shall issue proposed compensable land use regulations applicable to the trust, and after due notice shall cause public hearings to be held on such regulations. Thereafter, he shall issue compensable land use regulations applicable to the trust which shall—

(a) establish the manner in which the fair market value of lands or waters affected by the classifications established in sections 5 (b)(1) and 5(b)(2) and by the right of passage in section 10(c) shall be calculated where such classifications have caused a decrease in such value, and where the provisions of section 7(a)(3), 8(a), or 13(a) do not apply and

(b) set forth the manner by which an owner or owners may pursue a right of action in any court of competent jurisdiction.

NEW EMPLOYMENT OPPORTUNITIES

SEC. 15. (a) The commissions are authorized and directed to examine the lands and waters and other resources of the trust area forthwith for the purposes of identifying and developing new employment opportunities of any kind for residents of the trust area appropriate to the purposes of this Act.

(b) As part of such examination, the commissions shall survey the lands and waters of the trust area for opportunities to experiment with and to encourage the development of acquaculture of all kinds, including but not limited to fish and shellfish and other associated activities.

(c) As soon as practicable but in no case later than six months after the date of enactment of this Act, each commission shall prepare a plan for the development of new employment opportunities which shall be adopted or amended only after public hearings have been held on the proposed plan or amendment. Such plan shall include—

(1) an identification of industries which should be established or enlarged to provide employment opportunities and of any training or retraining or public employment programs which should be established to further the goal of a sound local economy and the other purposes of this Act; and

(2) a schedule of specific activities to be undertaken to implement the goals included in the plan.

(d) The Secretary of the Interior, the Secretary of Commerce, and the Secretary of Labor are hereby authorized and directed to cooperate with the commissions in the implementation of the plans adopted in accordance with subsection (c) and in their other activities pursuant to the provisions of this section, and to provide technical assistance at the request of a commission, and are authorized to make available to the commissions for the purposes of this Act any funds appropriated to their respective departments under the authority of this or any other law without restriction.

(e) Any other provision of law to the contrary notwithstanding, the Nantucket Trust Commission, the Martha's Vineyard Trust Commission, and the Elizabeth Islands Trust Commission are hereby declared to be eligible applicants for any grant program administered by the Department of the Interior, the Department of Commerce, or the Department of Labor, for which applicants other than states are eligible; and the commissions may either carry out the activities under such grants themselves or arrange for activities under such grants to be carried out by other entities in the trust area.

(f) The commissions shall to as great an extent as possible in the development of any regulations pursuant to this Act encourage the maintenance and commencement of agricultural uses of lands within the trust area.

FREEZE DATE

SEC. 16. (a) Beginning on April 11, 1972, no construction of any improvement, whether for residential, commercial, industrial, or any other purpose, shall be permitted to commence on any lands classified herein as Class A: Open Lands. Construction of improvements shall be permitted on any lands classified as Class C: Town Lands, only upon the granting of specific approval therefor by the board of selectmen of the particular town, after a showing of the need therefor. Construction of improvements shall be permitted on any lands classified as Class B: Resource Management Lands, only upon the granting of specific approval therefor by the board of selectmen of the particular town, after a showing of the need therefor. Approvals granted by a vote of board of selectmen pursuant to a finding of need therefor and pursuant to a statement of justification therefore, shall subsequently be deemed valid by the commissions, the Governor, and the Secretary.

(b) In the case of any hardship caused by the provisions of subsection (a) of this section, the commissions and the Secretary shall, on the basis of rules and regulations issued by the commissions and the Secretary, make a valuation thereof and shall award fair recompense to any individual for whom hardship is demonstrated.

INDIAN COMMON LANDS

SEC. 17. (a) The Martha's Vineyard Commission is directed to establish forthwith an orderly program for determining the precise extent of Indian Common Lands on Martha's Vineyard. The program shall include a survey or surveys, and such other research or field work as may be necessary to establish the boundaries of the Common Lands belonging to the Wampanoag Tribe of Indians and known generally as the Cranberry Bogs, the Clay Cliffs, and Herring Creek. The commission is further directed to determine the location, boundaries, and owners of record title of the monuments and burial grounds of the Wampanoag Tribe of Indians on Martha's Vineyard. Funds to carry out the program may be drawn from those authorized to be appropriated by section 20.

(b) Upon completion of the program described in subsection (a) of this section, lands determined to be Indian Common Lands shall be acknowledged as an Indian reservation owned by the Wampanoag Tribe of Indians, pursuant to confirmed Indian title and entitled to the full protection of Federal laws pertaining to Indian lands; *Provided,* that the provisions of section 5(b)(2) of this Act shall apply to such Indian reservation land, subject however to the sole administration and control of the Wampanoag Tribal Council of Gay Head. Lands determined to be Indian monuments or burial grounds which are found to be in private ownership shall be classified as Class A: Open Lands, and such lands found to be in public ownership shall be transferred to the ownership of the Wampanoag Tribe of Indians and classified as Class A: Open Lands.

(c) Nothing contained in this Act shall be construed to prejudice or limit any claims which the Wampanoag Tribe of Indians, or any member of that tribe, may have for past violations of their rights as Indians, including but not limited to claims arising under the Indian Tribe & Intercourse Act (25 U.S.C. 177).

RESIDENT HOMESITES

SEC. 18. (a) Upon petition therefor by any town, acting pursuant to a vote of a town meeting, the appropriate commission shall, with the advice and assistance of the Governor and the Secretary and the Secretary of Housing and Urban Development, prepare a resident home site plan.

(b) A resident home site plan shall—

(1) state the reasons for the establishment of the plan;

(2) delineate the land area or land areas in the town intended to be utilized for carrying out the plan;

(3) define the criteria by which town residents may avail themselves of the plan;

(4) project the total number of sites envisioned by the plan; and

(5) establish the fair purchase value of such sites for qualified residents.

(c) Upon approval of a resident homesite plan by the appropriate town, and by the Governor and the Secretary, the Secretary is authorized to acquire for fair market value the land area or land areas specified in the plan by any manner authorized by this Act. The Secretary and the appropriate commission shall thereafter make resident homesites available for sale to qualified residents at the fair purchase value established in the plan. The difference between the fair market value and the fair purchase value shall be borne by the Secretary out of funds appropriated pursuant to section 20 of this Act.

(d) Any resident homesite sold under the authority of this section shall be subject to a right of first refusal in the Secretary and the appropriate commission.

(e) For the purposes of this section, the term "qualified residents" shall mean year-round residents who qualify for the plan under criteria established by the appropriate commission; and the terms "fair market value" and "fair purchase value" shall be determined by the criteria set forth by the appropriate commission.

HUNTING AND FISHING

SEC. 19. Hunting, fishing and trapping on lands and waters within the trust area shall be permitted in accordance with the applicable laws of towns in the trust area, the Commonwealth of Massachusetts, and the United States, except that the commissions, the Governor, and the Secretary may designate zones where, and establish periods when, no hunting, no fishing, and no trapping shall be permitted for reasons of public health, public safety, fish or wildlife management, administration, or public use and enjoyment. Except in emergencies, any regulations prescribing any such restrictions shall be issued only after consultation with the appropriate agency of said Commonwealth and any political subdivision thereof which has jurisdiction over such activities.

APPROPRIATIONS

SEC. 20. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act; not to exceed, however, $20,000,000 for the acquisition of lands and interests therein, and not to exceed $5,000,000 for development, both in April 1972 prices, for the first three years of the operation of the trust, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indices applicable to the types of construction involved herein: *Provided,* That there shall, within the total amounts authorized to be appropriated, be made available $300,000 for the development of the shellfish industry pursuant to section 15 of this Act, $500,000 for studies conducted pursuant to section 9(c) of this Act, $1,000,000 for Resident Home Site programs pursuant to section 18 of this Act, and $100,000 for the implementation of plans to protect and provide litter prevention for all beach areas.

SEVERABILITY CLAUSE

SEC. 21. The provisions of this Act are hereby declared to be severable, and if any of its provisions are held to be invalid by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.

Mr. KENNEDY. Mr. President, the legislation which we introduce today is the product of the work of the citizens of the Nantucket Sound Islands. From the time that the concept for an islands trust was proposed, it has been the residents of these islands which have directed and molded the substantially revised legislation which we submit. I cannot think of another example which so strikingly illustrates the development of legislation which is the direct result of citizen input and ideas.

We expect to continue to work with the residents of Martha's Vineyard, Nantucket, and the Elizabeth Islands to perfect this bill. And we will over the next several weeks be working directly with the local selectmen and planning boards to assure that every resident has the opportunity to submit data which will be crucial in the preparation of the maps.

All of us will continue to work together to insure that this Federal legislation is coordinated fully with the legislation as finally acted on by the State legislature and to insure that the bill as perfectly as possible reflects the desires of local residents. It is clear today that today we have made the major step to accomplish both of those goals.

Mr. BROOKE. Mr. President, I am pleased to introduce together with Senator KENNEDY a bill to preserve and protect the beautiful, historic Nantucket Sound Islands. This bill is the product of years of effort to arrive at a means of protecting these lovely islands in a manner consistent with the rights of local citizens to govern themselves.

Senator KENNEDY, Congressman GERRY STUDDS, and I have worked very closely with Gov. Francis Sargent, the local State representatives and, most importantly, the island residents in devising legislation which balances the desires of island residents for local control with the evident need of State and Federal participation. Governor Sargent and State Representative Terrance McCarthy played a particularly significant role with the introduction of a Land-Use Planning Act for the island of Martha's Vineyard. This not only opened the door for more meaningful citizen participation in the planning of the island's future, but it became the catalyst for the previously elusive unique partnership under which the island residents could best pursue the preservation and protection of their island. I am hopeful that similar State legislation will be considered for Nantucket and the Elizabeth Islands.

The bill we introduce today reflects this unique partnership between the Federal, State, and local governments. Its basic intent is to afford islanders the needed tools with which to develop and implement a sound planning and preservation program. In contrast to previous legislative efforts, major responsibility in both the development and the implementation of these programs lie with the local citizenry. In short, this bill help islanders help themselves.

Clearly then this bill is not so much a remedy as it is a challenge. And it is a challenge to which I am confident the people of Martha's Vineyard, Nantucket, and the Elizabeth Islands will rise. It is because of their endless hours of effort that Senator KENNEDY and I can introduce this bill today and it will be because of their dedication and enthusiasm that this bill will achieve its goal.

In the weeks and months ahead, we expect further comments on this bill as we continue our efforts to bring forth the best possible legislation. And we will be working closely with the local selectmen and planning boards in assuring citizen input into the important formulation of the classification maps.

But I believe the bill we are introducing today sets forth the format by which we can best insure the Nantucket Sound Islands preservation and protection from the unchecked development which threatens so many of our Nation's scenic and historic places. I look forward to its early enactment.

By Mr. CHURCH (by request):

S. 3538. A bill to authorize the Secretary of State to prescribe the fee for execution of an application for a passport and to continue to transfer to the U.S. Postal Service the execution fee for each application accepted by that Service. Referred to the Committee on Foreign Relations.

Mr. CHURCH. Mr. President, by request, I introduce for appropriate reference a bill to amend section 1 of the act of June 4, 1920, as amended (22 U.S.C. 214), to authorize the Secretary of State to prescribe the fee for execution of an application for a passport and to continue to transfer to the U.S. Postal Service the execution fee for each application accepted by that Service.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated May 15, 1974.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 3538

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 1 of the Act of June 4, 1920, as amended (22 USC 214) is amended to read as follows:

"There shall be collected and paid into the Treasury of the United States quarterly a fee of $10 for each passport issued and a fee in an amount prescribed by the Secretary of State by regulation for executing each application for a passport: *Provided,* That nothing herein contained shall be construed to limit the right of the Secretary of State by regulation to authorize State officials to collect and retain the execution fee or to transfer to the Postal Service the execution fee for each application accepted by that Service. No passport fee shall be collected from an officer or employee of the United States proceeding abroad in the discharge of official duties, or from members of his immediate family; from an American seaman who requires a passport in connection with his duties aboard an American flagvessel; or from a widow, child, parent, brother, or sister of a deceased member of the Armed Forces proceeding abroad to visit the grave of such member. No execution fee shall be collected for an application made before a Federal official by a person excused from payment of the passport fee under this section."

DEPARTMENT OF STATE,
Washington, D.C., May 15, 1974.

Hon. GERALD R. FORD,
President, U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft bill to amend Section 1 of the Act of June 4, 1920, as amended (22 U.S.C. 214). This provision of law establishes the fees for the execution of a passport application and for the issuance of a passport. It also permits the Secretary of State to authorize State officials to collect and retain the execution fee or to transfer to the Postal Service the execution fee for each application accepted by that Service. The provision temporarily authorizing transfer of the execution fee to the Postal Service was added by P.L. 92–14 of May 14, 1971, and was extended to June 30, 1974, by a provision of the State Department's appropriations authorization legislation. The enclosed draft bill would make this authorization permanent and would, in addition, authorize the Secretary of State to prescribe the fee to be collected for the execution of a passport application. The $10 fee for each passport issued would remain unchanged.

Since the institution, in July 1970, of a test program for the acceptance of passport applications at first-class post offices, the program has been expanded from some 19 to 850 post offices in over 600 cities. In fiscal year 1973 post offices accepted and transmitted for processing to Department of State facilities over 800,000 passport applications. This represents some 30% of all passport applications made during FY 1973.

However, the latest cost surveys conducted by the Postal Service indicated that the execution fee of $2 is inadequate to cover the cost to the Service of performing this function. Although we have no precise information with respect to the cost to clerks of court and other state officials accepting passport applications, it is questionable that the $2 fee in effect since 1956 adequately compensates those officials for the performance of this service. Moreover, as salaries and other costs continue to rise, it is difficult to estimate what these costs will be in the future. In the case of the Postal Service, periodic contract negotiations with Postal Service unions and cost-of-living increases contribute to the unpredictability of such costs.

The execution fee is designed to pay for the service of receiving the application, administering the oath and submitting the application to the processing agency of the Department of State. It is charged whether or not a passport is issued. Because it is a separate fee, it is readily identifiable for retention by officials, other than those of the Department of State and the federal courts, who are authorized to accept applications.

We strongly believe we should make every effort to insure that a fee designed to compensate for the performance of a service does so, adequately and promptly. However, it is virtually impossible to achieve this if the amount of the execution fee is set by statute. We propose, therefore, to authorize the Secretary of State to prescribe the execution fee as he does with respect to other fees for consular services (22 U.S.C. 811a; 22 U.S.C. 1201; E.O. 10718, June 27, 1957; 22 C.F.R. 22.1). We contemplate that the Department of State, in consultation with the Postal Service and clerks of court, would annually review the execution fee to insure that it adequately and fairly covers the cost of providing this service to the public. To avoid the problems encountered when, prior to 1968, the fee for execution of an application before a federal official was $1 and before a state official $2, the execution fee prescribed by the Secretary of State would be a uniform one applicable to applications executed before state officials as well as all others authorized to accept passport applications.

In view of the importance of this legislation to the passport program, we urge early and favorable consideration of the draft bill.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this proposed legislation.

Respectfully,

LINWOOD HOLTON,
Assistant Secretary for Congressional Relations.

By Mr. PACKWOOD:

S. 3539. A bill to improve the quality of unshelled filberts and shelled filberts for marketing in the United States. Referred to the Committee on Agriculture and Forestry.

Mr. PACKWOOD. Mr. President, I am today introducing legislation which adds "filberts" to section 8e of the Agricultural Marketing Agreement Act of 1937. I am hopeful that passage of this legislation will afford this Nation's filbert growers the opportunity to compete with foreign exporters, and specifically those from Turkey. I should stress competition—open competition—for this bill does not, in any way, shape or form give domestic filbert growers an advantage. It does not subsidize their operations; it merely restores the foundations of fair competition by putting the domestic filbert producer on an even basis with foreign growers. It restores equity to a situation that has over the years become intolerable to domestic growers and could ultimately prove their ruination.

The inclusion of filberts with oranges, onions, walnuts, and dates, which are already specified in section 8e, simply means the just-named commodities, whether grown domestically or on foreign soil, are subject to the same quality standards. In other words, filberts grown in Turkey bound for the United States must pass the same requirements currently established for the domestic filbert industry.

Without enactment of this legislation, a high quality U.S. crop will continue to run the danger of being diluted by now inferior Turkish exports. Complaints have ranged from the finding of jute hairs in sacks of the imported nuts to rat tracings discovered in some shipments and the sale of lots close to 3 years old. Mr. President, we do not allow that kind of negligence on the domestic filbert front, and we should not tolerate the presence of such filth in the importation of a foreign crop either. To allow this to continue, as I have stated, increasingly jeopardizes the domestic harvest. Ironically, it is a danger that brings pressure at a particularly promising time, and thus to the filbert grower it is a precipitious time as well.

The future appears promising, because since 1970 production of filberts in Oregon and Washington—and this respectively accounts for 90 percent and 10 percent of the Nation's entire crop—has averaged 11,000 tons annually. For the past 10 years, U.S. production averaged approximately 9,200 tons annually. Obviously, production has fluctuated, but thanks to improved management practices this highly specialized segment of the Pacific Northwest's agricultural economy is expanding. Of course, this holds promise for the 2,000 growers involved in production and also the substantial number of people active in processing. Credit for this meticulous buildup in U.S. consumption as well as an only relatively slight increase in price deservedly rests with domestic growers and their exercise of quality control. This progress, plodding at times, is threatened by infested batches of nuts, swelling the domestic market. For, as I reported, American production has increased, but when compared to total world production it represents less than 3½ percent of the sum. The vast bulk of global output belongs to Turkey. Their production is about 20 times that of domestic producers, and they have supplied an average of about 5,000 tons annually to the United States for the past 10 years on the in-shell basis. That figure represents less than 2.5 percent of the total Turkish crop but represents an almost 33-percent inundation of the total U.S. market.

This legislation is not concerned with the statistics in themselves, however large, but rather with the quality of this enormous quantity. And, as I previously stated it is the quality of imported filberts from Turkey that has been highly questioned.

The domestic filbert industry, having gone to great expense in building a **mar-**

ket for their product, suffers when food manufacturers, understandably wary of an import's reputation, look to other more reliable varieties of nut-meats to include in their products. Thus the filbert market is threatened by the importation of kernels that do not meet high standards and are purchased on the basis of price alone. There is no substantial reason for filberts imported from Turkey to not be subject to the same quality tests which we require of domestic filbert producers.

The argument quite literally in a nutshell is plain and simple. It is compelling. Domestic growers are required to maintain quality standards; they do so gladly with consumer interests in mind. Surely, these standards should be applicable to all.

The U.S. Government is not being fair to the domestic filbert producer. Growers are right in their plea for equitable treatment. I echo their demand.

Mr. President, at this time I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3539

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended by inserting after "oranges, onions, walnuts, dates," the following: "filberts,".

By Mr. MATHIAS (for himself, Mr. BEALL, Mr. BENNETT, Mr. DOLE, Mr. HASKELL, Mr. HUMPHREY, Mr. JAVITS, Mr. McINTYRE, Mr. STEVENS, Mr. STEVENSON, and Mr. THURMOND):

S. 3541. A bill to prevent the estate tax law from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposs, at its value for its existing use, and to provide for the revocation of such lower valuation and recapture of unpaid tax with interest in appropriate circumstances. Referred to the Committee on Finance.

SAVING FARMLAND AND HISTORIC SITES

Mr. MATHIAS. Mr. President, wise land use has become a central focus for those who care deeply about environmental quality. The Senate has passed and the House is now considering strong measures designed to foster a more rational land use policy. While I support these efforts to improve our regulatory mechanisms. I most strongly urge Congress to examine not only how the States and counties have managed their land, but also what impact Federal laws have on land use. The starting point for such an examination should be the Federal Tax Code. In this regard, I firmly believe that the Federal estate tax actually compels the elimination of many thousands of acres of agricultural land annually throughout the United States. If Senators are committed to halting unplanned, urban sprawl, then a serious effort to revamp the estate tax laws is in order.

Existing estate tax laws require valuation of farmland, woodland, and open space at its market value for estate tax purposes. This means that when a farmer dies, his land—that may be assessed at $500 an acre for agricultural purposes—will automatically be increased to a commercial market value of $2,000 to $3,000 or more per acre, if the land is close enough to a metropolitan area to be affected by speculative values. The farmers' heirs are forced to sell off the property to pay the taxes, even though they may wish to keep the land in agricultural production.

The very same problem exists for historical properties. This at a time when it is the stated Federal purpose through the National Register of Historic Places and other programs to preserve such valuable landmarks. Historic houses in cities, for instance, are destroyed because of appraisals for Federal estate tax purposes on the lot's value for high rise apartments.

The following, entirely realistic example, illustrates the impact of the estate tax on farmland, woodland, open space, or historical property: Farmer Jones, a widower, dies, leaving his estate equally to his two sons, who wish to continue living on and farming the land. Farmer Jones' estate consists of his farm—300 acres—and farm equipment and other personal property valued at $50,000. Used as a farm, the land is worth $500 an acre. If the Federal estate tax were based on an assessment for that use, Jones' estate would be valued at $200,000 and the tax payable would be $32,700—a very large sum for the Joneses, but one which the family might be able to pay and still retain at least most of the farm. However, the farm is within 25 miles of a large city, and speculators and developers have driven up the current price of land in farmer Jones' area to $2,000 per acre. Such prices, of course, assume conversion of the land to nonfarm use—a conversion which the Jones boys have no desire to see happen. Nonetheless, the Internal Revenue Service under existing law assesses the farm at $2,000 an acre. The result is a valuation of Jones' estate at $650,000, and a Federal tax payable of $117,200.

Obviously, the family is compelled to sell the farm, probably to a speculator or developer, in order to pay the tax. The result is federally compelled destruction of farmland and open space in a critical environmental area on the border of a metropolitan region, and the acceleration of urban or suburban sprawl with no thought for proper land-use planning. If farmer Jones' house is a historic one, the result is the federally compelled destruction of a historic house, or at least of its surroundings—the very thing the Federal Government is supposedly trying to prevent through its National Register and other programs. And the result for the individual family is the gross injustice of being forced off their farm and being compelled to pay an estate tax amounting to a confiscatory 89 percent of the value of what the estate is worth to them for the purpose to which they wish to put it.

On December 18, 1973, I introduced S. 2822, which was designed to remedy the problem which I have just described. I was heartened by the support which that measure received. I introduce today, with 10 other Senators, a new bill which further refines the approach embodied in S. 2822. It provides that should a farmer's family wish to continue the farming operation they would have the option of having the decedent's interest in farmland, woodland, or open space determined by its fair market value, as at present, or by its value as farmland, woodland, or open space.

In order to qualify for this option, the property must have been devoted to one of these above-named uses for a period of 5 years preceding the death of the decedent. Obviously, qualifying for and electing to take the lower valuation will result in a significant tax saving and for so long as the land remains as qualified farmland, woodland, or open space, the tax saving will continue. But should any of the land be converted to a non-qualifying use or zoning be requested by the owner to permit a nonqualifying use, the tax saving will be recaptured by the Government. If all the land is converted or requested rezoned, then the entire tax saving will be recaptured by the Government. If only a portion of the land is involved, then only a portion of the tax savings will be owing to the Government. Determinations as to the extent of recapture in individual cases will be made in the same fashion as such determinations are made for capital gains.

Historic property will be treated in a similar fashion. If the property is listed on the National Register of Historic Places then an election can be made to value the property at its value for historical purposes and not at its market value. The tax saving will continue for so long as the property remains on the National Register. If the property is delisted the tax will fall due.

Should the heirs make a bona fide sale of the property or a portion thereof the tax savings may or may not be partially or totally recaptured depending on the sale price. If the price is below or equal to the low valuation in the original estate then there will be no recapture. If the sale price is equal to or greater than the fair market valuation then there is total recapture of the tax savings. Sale prices falling between the high and low valuations in the original estate will result in partial recapture. In such a case, the tax due at the time of the sale shall be that part of the tax saving which is proportional to the gain realized on the sale. For this purpose, the gain realized shall be expressed as a fraction, the numerator of which is the amount by which the actual sale price exceeded the land's original valuation as farmland and the denominator of which is the amount by which the fair market value of the land exceeded its value as farmland at the time of the original valuation. In no case, however, shall this fraction exceed the value 1.

In all cases where recapture takes place, interest on the tax saving is also due. Such interest is at 6 percent running from the filing date when the election of the lower valuation takes place. The tax saving and the interest thereon constitute a lien on the property and can be discharged at any time by payment in full.

At a time of world food shortages and environmental destruction it is critical that we structure our tax laws to encourage good husbandry, agricultural and conservation practices. This measure offers hope of preserving not only our valuable farmland and the farming way of life, but our heritage as well. I am afraid that America is an increasingly rootless society and therefor it has never been more important to safeguard the landmarks of our past. These landmarks nourish the human spirit in countless ways.

There is a strong incentive for compliance in this bill. It affords no tax relief to the undeserving. The fairness of this proposal is clear. It has been recognized in other forms throughout our country. I hope we can act now to solve this problem.

Mr. President, I ask unanimous consent that a number of articles detailing the scope and severity of this problem be included in the RECORD at this point. The first article is by David A. Adelman in the New York Times of May 14, 1972. The second appeared in the Wall Street Journal of May 15, 1974, and was written by Gail Bronson. The third article is by Michael Burns and appeared in the Baltimore Sun of May 19, 1974. The fourth article was written by Isaac Rehert for the Baltimore Sun of February 19, 1974. The final article is by Steven Norwitz and is from the Baltimore News American. I also ask unanimous consent that the bill be printed immediately following these articles in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 14, 1972]

ESTATE TAXES DRIVE FARMERS OFF LAND

(By David A. Andelman)

Thousands of American farmers are being driven off their lands—forced to sell their farms to real estate speculators, some of them say, because of the method used by the Internal Revenue Service to assess inheritance taxes.

Such taxes are assessed on what the land could be sold for, rather than what it is worth as farmland. Thus, many people who have inherited farms have had to sell them to developers simply to pay the taxes.

As a result, the revenue service is being termed partly responsible for destroying a segment of American agriculture and, at the same time, accelerating the spread of the suburbs to the rural areas of the United States.

Over the last decade, the value of agricultural lands in wide sections of the nation within easy access to metropolitan areas has skyrocketed as land speculators have bought up every available piece of property. The value of this land for agriculture, however, has largely remained constant or has declined.

The Internal Revenue Service insists on assessing all agricultural land at the "price at which property would change hands between a willing buyer and a willing seller."

The result has been that farmers holding property whose value for development is five to 10 times its agricultural worth have been forced to sell their property to the waiting speculators simply to pay their inheritance taxes, which run as high as 25 per cent. Children who would have remained on the land are being forced off.

Most of this pressure has been focused on the spreading areas on the fringes of the suburbs where metropolitan America is pushing out to meet rural America—areas such as the farther reaches of Suffolk County, L.I.; suburban Phoenix, Ariz.; the extreme northwestern part of Cook County in Illinois, and the Sierra Foothills region of California.

"Once farmland is given to the speculators, that's the final step as far as agriculture is concerned," said James E. Cross, a farmer in semirural Cutchogue, L.I. "You're taking land that took 25,000 years to develop, an amazing land that is rich and fertile, and overnight you bring in bulldozers and sock houses on it. We all pay for it in the long run."

Another Cutchogue farmer, John Wickham, cited the situation of a neighbor with a 60-acre farm in one of the best potato-producing areas in the United States.

The neighbor, who had asked not to be identified by name, inherited the farm from his mother two years ago upon her death. The farm was worth about $800 an acre if used for agriculture. But the revenue service valued it at $3,500 an acre, which Mr. Wickham noted "is the fair development value," and the tax alone came to about $1,200 an acre.

CALLS SALE "FORCED"

"This means that this chap is a very good farmer," he added, "but he had to take out a tremendous mortgage to pay the inheritance taxes, a mortgage with 9 or 10 per cent interest, and he simply can't pay it off—not with today's price of potatoes. So he has to sell it. In actuality, they [the Federal Government] forced its sale, very simply."

In Barrington, Ill., Xaver Schmid, a 72-year-old farmer who is worried about the problem that will arise when he dies, cited the case of a 90-year-old neighbor who died and left a 500-acre farm to his wife.

"They haven't sold the farm yet," Mr. Schmid said, "as the estate is still in probate. But his wife is nearly 90, and when she dies taxes will be levied all over again and the sons will have to sell the farm for sure to pay taxes."

That the situation became most acute very recently is largely attributable to the newly developing pattern of change in suburban America.

GROWTH ON FAR FRINGE

The 1970 census revealed that the fastest growing segment of the United States was the suburbs and the fastest shrinking was the rural areas. But of even greater significance was the evidence that the fastest growing segment of the suburban population was in the so-called "exurban areas"—those counties on the far fringe of the suburbs, between suburbs and countryside.

It is here that the real estate speculators are most busily at work and where the pressures on the remaining farmers are the strongest.

There are no statistics to show how many farms are going to speculators. Many are quietly sold but continue to be farmed for several years, even decades, under "lease-back" arrangements, until the land becomes so valuable that the speculator finally moves in and puts a halt to the farming.

NEED FOR LEGISLATION SEEN

A spokesman for the Internal Revenue Service, Edward Work, said, "We've been aware of the problem really for several years and, of course, what it boils down to is that under the law we have no alternative but to set the tax on the value the land sells for rather than on the value the property would be used for.

"It would take legislation to change the practice."

The legislation on which the current revenue service practices are based dates to the Revenue Code of 1916, Section 203.1 of which says that property must be valued at its fair market value. A service spokesman said, "It has been applied consistently since that date."

There have been numerous attempts at reform. Representative Graham Purcell of Texas, sixth-ranking Democrat on the House Agriculture Committee, has introduced each year for the last four years a bill providing for a change of the valuation criteria.

At last count, there were six bills before the House Ways and Means Committee and one in the Senate, all waiting for action that their sponsors generally believe will probably never come.

"Each year they get buried in the hearings on general tax reform," Mr. Purcell said in a recent interview. "Ways and Means just happens to like the extra revenue the law pulls in the way it stands."

The extent of the problem and the concern it has aroused in agricultural America is indicated by the search for methods to circumvent the revenue regulations.

In the Dade County area surrounding Miami, almost all farms have by now been incorporated. The corporate farmer is able each year to transfer a small amount of stock—up to $3,000 apiece is tax-exempt under gift tax statutes—to his children as gifts, easing the final impact of inheritance taxes when he dies.

A few states, including New Jersey, California and Maryland, have either set up or given serious consideration to establishing agricultural land use districts. They require farmland under regulation to remain in farming for a certain period of years, usually at least 10, or indefinitely. But in many areas, the revenue service has not chosen to recognize these districts for estate tax purposes.

ACCEPTED BY GOVERNMENT

In California, the Land Conservation Act of 1965 enables a farmer to contract with the county government not to put farmland up for sale for at least 10 years, enabling the state to assess the land at agricultural rates. And, state officials said, the Federal Government has accepted the state assessments for Federal purposes.

But a new and more recent law may change this. It provides that if not enough of this restricted land is sold in an area, the county assessor may use the income of the land as a means of determining its value for assessment purposes.

Joseph A. Janelli, governmental affairs specialist of the California Farm Bureau Federation, is concerned that "the I.R.S. just might say this new law is a temporary expedient and we do not have the right to do it this way."

ARRANGEMENTS ARE URGED

Mr. York, the revenue service spokesman, said "there is a possibility" that an agricultural land use district "could affect the valuation—in effect discounting the valuation in some situations." But he said, even so, the value would never reach the agricultural value.

So, the California federation has begun to advise members to make their proper arrangements well in advance of death—giving land or corporate shares in land to their children over the years to take advantage of the gift tax exemption.

"All this is fine," said Mr. Wickham, the Long Island farmer. "But I can't do this. I need cash loans on my property each year in order to operate. If I go to a bank and say I've given shares to my children, that I don't have clear title, they'll throw me right out."

Dean F. Tuthill, a professor of agricultural economics at the University of Maryland, said that there were only a handful of states that had been able to figure out any method of easing the burden of estate taxes for their farmers.

COAST LAW CITED

Most special agricultural taxing districts set up to help farmers are applied only to local property taxes and not to federally administered estate taxes.

Professor Tuthill cited, as one attempt to ease Federal taxes, California's statute, which he said was a prototype for other methods of "preventing intensive development of farmland," including a bill in Maryland last year that would have allowed farmers to sell their development rights to the local county, farming it themselves but paying considerably lower taxes.

Systems such as this or one newly instituted in Suffolk County, L.I.—where the county plans to purchase, at the start, some 3,000 acres of prime farmland at speculative prices from the farmers, then lease it back to the owners—are other solutions proposed by agricultural economists in place of changes in the revenue law.

"There are so few ways open to preserve this valuable resource," Mr. Wickham concluded. "If the I.R.S. continues to follow this policy, it will put all agriculture out of business on Long Island within a generation. And who knows what will happen everywhere else in this country?"

[From the Wall Street Journal, May 15, 1974]

THE 251-YEAR-OLD MANSION PROVIDES FEELING OF "ROOTS" BUT DOMINATES THEIR LIVES

(By Gail Bronson)

SHIRLEY PLANTATION, Va.—To walk inside the venerable brick mansion here with its paneled rooms and its oil portraits of long-dead ancestors, is to enter into the measured pace of the 18th Century.

It is easy, in the shadowy half-light of a fading afternoon, to envision a style of life two centuries removed from the busy world outside—to imagine squires with powdered wigs gathered around the Chippendale dining table, drinking sherry from graceful crystal glasses. Thomas Jefferson dined at Shirley. Robert E. Lee's mother was born here.

But C. Hill Carter, the 20th Century owner of Shirley, is not a squire, and he doesn't have a powdered wig. He has a crew cut, and should you visit his 251-year-old mansion 25 miles east of Richmond in the Virginia tidewater country, you may find him in paint-spattered shoes and baggy overalls, touching up an outbuilding. He often does such work himself—to save money.

Nor do Mr. Carter, his wife, Helle (rhymes with Nellie), and their three children dine very often at that splendid table of polished mahogany on the main floor. They usually eat at a picnic-type table in the basement, seated on folding chairs beneath the bare pipes that service their 1910 sink. They eat in the basement because they want to maintain the main floor in all its 18th Century elegance, full of valuable antique furniture and American art.

RUINOUS TAXES

That is the commitment that has shaped the lives of Hill and Helle Carter—a commitment to maintain and preserve an 18th Century mansion on a 20th Century income. More than that, they are committed, despite rising expenses and the threat of ruinous taxes, to pass Shirley on to their children and their children's children. They intend to keep Shirley in the Carter family, where it has remained for nine generations.

"In our society nobody has any roots," Mr. Carter drawls. "Everybody's mobile. When people come here and tell me how lucky I am to own Shirley, I'm right proud. We're determined to stay and keep these things."

Plenty of folks come to see Shirley. To help offset expenses, Mr. Carter opened Shirley to tourists some years back, posting a billboard near Williamsburg and distributing brochures locally. Last year, more than 10,000 people visited the plantation, often getting a guided tour by Mr. Carter himself, who clearly relishes the opportunity to take time off from endless odd jobs around the plantation to recall his family history and the glories of the past.

The white porticoed mansion dates back to 1723, but Shirley Plantation itself is even older. It was founded in 1613, only six years after the colonists arrived at Jamestown. While the land belonged to tobacco farmer Edward Hill, the Shirley mansion wasn't built until his daughter Elizabeth married John Carter, the son of a giant in colonial Virginia, William Robert (King) Carter.

RANDOLPHS, LEES, AND BYRDS

Contemporaries called him King because he owned a huge chunk of what is now the state of Virginia. King Carter amassed his wealth by deeding defaulted land to himself as land agent for Lord Fairfax and England. He lived quite comfortably on another plantation, cultivating tobacco with the help of 1,000 slaves. Over the years, his descendants intermarried with such leading Virginia families as the Randolphs, Lees and Byrds.

By comparison, King Carter's ninth-generation descendant has come down in the world—although, on paper at least, Hill Carter is a wealthy man.

"I reckon I'm worth $1.5 million," he mutters bashfully. "But I still feel like I'm scrambling to pay the grocery bills." Despite his assets, Hill Carter barely nets $15,000 a year, mainly from his tourist trade and some land he rents to a gravel company. To convert his assets to spendable cash he'd have to do the one thing he is committed not to do: sell Shirley Plantation.

The problem of maintaining a large estate isn't unique to the Carters. Many families find the financial burden too much or the way of life unappealing: usually, they sell their property for development or for some sort of institutional or foundation use. In Britain, the National Trust accepts country estates from owners who provide endowments to maintain the property in perpetuity for public access. In return the family may live there rent-free. The National Trust for Historical Preservation in the United States accepts property gifts with endowments, and Colonial Williamsburg buys land for the tourist trade. But Hill Carter wouldn't consider passing Shirley out of strict family control.

As a result, Hill and Helle struggle hard to keep Shirley both livable for the family and attractive to tourist. For Hill, life is a

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walls that need spackling and plumbing that needs fixing; currently, he's trying to complete some formal gardens around the house and build a driveway to the main highway. Helle opened a gift shop last year in one of the outbuildings and also hopes to start a small restaurant operation in another building.

Shirley Plantation mirrors much of Southern history in its evolution from tobacco plantation to wheat farms to the homestead that Hill Carter inherited. "My grandfather was wounded at Chancellorsville and was forced to quit working around 1884," says Hill, "so my dad started farming when he was 16. He never got an education, and financial things weren't easy for him. He spent all his time farming just to feed his family through the Depression."

Hill inherited the estate in 1952 through an elaborate plan to keep Shirley in the family; soon, the farmland was leased to others, a gravel mining company had leased several hundred other acres, and the Carters were seeking to build up tourist traffic to the house itself. "When other people are out on Sunday drives, I'm showing people around the house," says Hill.

Still, life at Shirley has its compensations. Hill and Helle enjoy sitting out back watching the historic James River roll by; many evenings are spent entertaining friends in Shirley's stately and ornate dining and drawing rooms. Though the family usually eats in the basement, the children, Charles, 11, Randy, 10, and Harriet, 9, are allowed the run of the house and property. "I don't want to turn this place into just a museum," says Helle.

Whether Hill Carter will succeed in his ambition to keep Shirley intact for his children—and whether they will want to stay at Shirley—is open to question. Hill figures the inheritance tax alone on Shirley would be about $650,000 at present rates.

But Hill and Helle figure it's worth the effort. "If money was the only thing in the world, I'd leave," says Hill. "But it's not. Most of the important things in the world can't be bought and sold," Helle adds. "It's gratifying when people come and appreciate this as part of their heritage."

[From the Baltimore Sun, May 19, 1974]

DISAPPEARING FARMS

(By Michael K. Burns)

In the years of agricultural abundance, not so long ago, United States farm policy was aimed at moving land out of production. That policy did not seem to work so well then but its effects are being felt today when the nation is realizing it might be better off with more farms and farmers.

Rising prices at the supermarket reflect the world's demand for more food. And the environmental movement has inculcated a reverence for open space and a revulsion against the devastation of suburban sprawl. Expansion of the domestic farm system seems to answer these non-farmer needs of society.

Forces are at work to create a coalition between the farmer and the environmentalist to preserve farmland as a privately held public heritage. But the alliance is still in the formative stage. Farmers distrust the conservationist who would freeze the value of his land under land-use laws, and chafe at his efforts to restrict uses of chemical and pesticides. Conservationists and consumers are wary of the producers of ever-more-expensive food and the owners of large spreads of high-priced rural real estate.

Land speculators have perhaps been the key element in the forging of the common interest. Population pressures and the evergrowing highway system created new fortunes for property holders who stood in the path of progress. Farmers did not create the boom, but they were quick to appreciate its possibilities for a windfall. A glut of reckless, shotgun speculation in farms throughout the state followed. And those farmers who sold out made it even harder for their neighbors to resist.

Some 2.7 million acres in the state, or 40 per cent of the land, are in farm production. By one estimate, that amount will dwindle to 1 million acres by the year 2000. Recognizing this undesirable trend, the Maryland Senate last year ordered the Secretary of Agriculture, Y. D. Hance, to make a study of means to preserve farmland. Mr. Hance appointed an 18-member commission with Frank L. Bentz, Jr., University of Maryland vice president for agricultural affairs, as chairman.

The commission has set as a goal the preservation of 2.5 million acres of agricultural land. Members are uncertain how fast farmland will be eaten up in the future; one subcommittee suggests 35,000 acres a year, another 62,000 acres. But they seem to agree that speculation, or investment, is a greater factor than the immediate demand for housing or commercial development. "Agricultural and commercial forest land acreage will decrease more than three times as much as urban-related land commitments will increase" by 2000, the group said in an interim report. ome of that land will be granted a temporary reprieve, as speculators rent it to farmers, but its fate is sealed. This despite the fact that there will be 50 per cent more people living on an acre of Maryland in 26 years than there are today.

As a commission subcommittee noted, preserving agricultural land can only be based in part on the actual demands of future population growth. Unrelated economic factors influence a number of individual decisions to give up farming and to take advantage of the speculator's offer. Farm prices are expected to increase and provide a return of about 15 per cent on capital (exclusive of land), the commission reported. But a shortage of labor, heavy indebtedness and taxes may encourage all but the dedicated to give up.

Farm prices have shot up all over the state with little relationship to productivity and food prices. Farms that sold for $200 an acre in Frederick county 15 years ago are now worth $30,000 an acre by the new shopping mall. Even residential lots, minus sewer and water, are selling at $4,500 an acre.

In Anne Arundel county, developers are paying $3,000 an acre for average farmland as they leapfrog over sewer-connection bans in Montgomery and Prince Georges counties.

Partially influenced by the expanding Black & Decker power-tool plant, land in the Hampstead area of Carroll county is selling for an unheard of $7,000 an acre. "A couple of years ago, $1,000 was high for land in this area," recalled Paul R. Albaugh, a dairy farmer. "Now, I don't know of any land sold that's going to other farmers . . . they can't afford it."

"I don't think you can talk to a farmer who hasn't lost ground over the last five years," said Carroll Leister, whose grandfather bought the land he farms today. The small parcels of land a farmer rents for $15 to $20 an acre are sold off each year as land values rise, he explains. "The by-pass is going through 25 acres of our land and that will bring more houses," Mr. Leister said. "I guess in five years after the road is built we'll be out of here."

Developers and farmers covet the same type of land, Mr. Leister added. "That's the thing that hurts: they're buying good flat, cleared land, not the woods or the hilly areas," he said. According to the state, more than 20 per cent of Maryland's "prime" farmland has been lost to urban use.

The commission headed by Dr. Bentz is to make final recommendations on legislation to Mr. Hance next month. So far, the group has explored several possibilities which have been discussed at a series of hearings in the state. The revision of federal estate taxes and state inheritance tax is one promising idea. Senator Charles McC. Mathias Jr., (R., Md.) and Representative Goodloe E. Byron (R., 6th) have introduced bills to change the estate tax, so that heirs are taxed on the agricultural value of farmland instead of on "fair market value." The lower valuation would make it easier for heirs to pay the taxes without selling the farm; if they did or if they developed the land, they would be subject to a retroactive higher levy. The chairman of the Maryland Environmental Trust and the Maryland Historical Trust support the measure as a valuable open-space tool.

The loss of farmland due to the estate tax valuation has not been extensive. Many heirs are all too willing to sell and farmers do the same thing to create their retirement annuity. But it does help to keep farms in the hands of those families who want to continue at it, and they are becoming more rare. Herbert and John Wisner of Mt. Zion worked their father's farm since they were children, but had to form a corporation to save the land with a mortgage when it was inherited as an estate. "They should have done something to help the farmer in a situation like this," Herbert Wisner said.

Other plans considered by the agricultural land preservation commission include variations on programs in New York and New Jersey. New York permits farmers to create agricultural districts with powers to prohibit certain local ordinances that interfere with farming, to bar the use of public funds for utilities installation and to receive favorable tax assessment treatment.

The New Jersey plan, which is only a proposal made to the governor, calls for each municipality to set aside a certain percentage of prime farmland for preservation. A state tax on real-estate transfers would pay farmers for the loss of their development rights by having the land use frozen in preserves. Under the New Jersey plan, farmland owners could claim their development-right payment today, or wait on the chance that their rights will appreciate in the future. Speculation could continue in these rights or easements and investors could become richer. But the public would not be the poorer.

Maryland was the first state to pass a preferential farm property tax assessment law, taxing farmland at a lower rate than residential or commercial property. Economists claim the law has helped to keep land in production, though the evidence is tenuous. There is a tax recapture provision penalty if the use is charged, but that is a weak restraint against development.

This year the legislature enacted a law permitting farmers to give the development rights to the state. In exchange for freezing the use of his land in farming, the owner would reduce his local property taxes and reduce the value of his estate for federal taxes upon his death. Without any purchase agreement, however, its chances of success are slim.

From this mix of interests, and of economic incentives, the attrition of farms and farmers may be stemmed. The benefits of open space will be shared by all. Phillip Alampi, New Jersey's agriculture secretary, recently explained how self-interest can work constructively in this field. "Farmers have a selfish interest in preserving open space," he said. "Without it, they will go out of business. Urban and suburban people have a selfish interest in preserving open space. Without it, they may exist, but they will not live."

[From the Baltimore Sun, Feb. 19, 1974]

Endangered Label on East Coast Farms

(By Isaac Rehert)

The East Coast farmer has been changing to a rare and endangered species just when a crowded congested society has come to need him most.

For decades, while built-up concrete areas have been growing around big cities like warts, farmers, caught in the crunch of fast-rising costs and shrinking profits, have been abandoning agriculture.

The old-timers are carrying on, expanding and consolidating their holding, but with the increased capitalization, it becomes almost impossible for a youngster to break in unless he inherits. And increased valuation of land for development purposes is a continuing temptation to the farmer simply to sell his holdings for the building of supermarkets and retire from the field.

As if crowding by urban areas, skyrocketing capitalization and the cost-price squeeze were not enough, certain government tax policies have also tended to pressure farmers into getting out; and now, land-use legislation, one version of which has already been introduced into the Maryland General Assembly, has farmers worried. They fear that by legislative fiat, their equity, their security, their retirement bank account that they keep deposited in land, may be wiped out.

The extinction of the East Coast farmer, like the extermination of other rare and endangered breeds, is more a problem for the public than it is for the breed. Quite aside from the production of food (which for the first time in memory is becoming increasingly critical), quite apart from nostalgia for "old time rural values" and a way of life that keeps looking better the further we pass from it, farms—at least green open spaces—are essential to ecology, to keeping a balanced environment, to maintaining an esthetic harmony.

Whereas in other areas real estate taxes are based on the highest market value of land—which usually would be its speculative value for development—in Maryland, farm land is taxed as farm land—which means lower rates, commensurate with its lower earning ability when used for growing crops.

But the federal government has not seen fit to follow a similar practice. There are no federal real estate taxes, but there is a federal estate inheritance tax, and the Internal Revenue Service insists on assessing all agriculture land at the "price at which property would change hands between a willing buyer and a willing seller."

Any land within easy access to metropolitan areas can attract numerous willing buyers eager to acquire all they can for speculative purposes. The result has been that in some areas, land values have skyrocketed to five to ten times what they would be for agricultural land.

And so, when parents die and their children inherit the land, they find themselves billed for a federal inheritance tax—which may run as high as 25 per cent—that is so high they are forced to sell the land to speculators in order to pay it.

In one instance, land that was worth $800 an acre for agricultural purposes was valued by the IRS at $3,500 an acre, which was its "fair development value." The tax alone came to about $1,200 an acre, and the farmer had no choice but to sell it for development in order to pay. In fact, the federal tax laws had simply forced the farmer off the farm and the land out of farm production.

It is not merely IRS administrative policy but explicit legislation that says that property must be valued at its fair market value, and so it will take new legislation to make a change.

This year, Senator Charles McC. Mathias, Jr. (R., Md.) introduced a bill that would change the practice, bringing it into line with that used in Maryland and other states, so that the IRS, in considering the value of land for tax purposes, would use its value as an actual earning resource rather than its market value.

In a Senate statement, Mr. Mathias pointed out that without such legislation, everytime a farm passed to an heir, the heir would be paying most or all of the income he could earn from his farm land just to pay the taxes. The situation is impossible, and "the effect of this (IRS) policy is to force many farm families to sell their farms in order to pay the estate tax—regardless of their attachment to the land or to the occupation of farming. And the result of such forced sales is, in the end, a grave and immeasurable cost to the community."

His bill includes safeguards that prevent land held by speculators from qualifying at the lower rate of tax, namely that the property must have been used as farm, wood or open scenic land for at least five years prior to and must continue to be used that way for five years after the estate tax return is filed.

One of the interesting developments in the farm land picture is that because of the world-wide food shortage and the energy and fertilizer shortages, farm commodities have been increasing in value so rapidly that with next year's harvest the value of farm land may nearly equal its value for development.

From the public's point of view, at least one aspect of the situation has become perfectly clear. Despite the name "agribusiness," farms are not merely business; they are a natural and esthetic resource of the entire community, and the East Coast farmer, who is their steward, as a rare and endangered species, needs some help to be saved.

[From the Baltimore News American]

FEDERAL TAX GRAB COUNTERED: STATE ACTS TO SAVE FARMS

(By Steven Norwitz)

In upper Harford County, John Brown (not his real name) tills a 650-acre farm he'd like to turn over to his children when he dies.

But farmer Brown estimates that when he passes on, his family will face a federal estate (inheritance) tax of $400,000.

As a result, the Brown family will be forced to do what the Johnson family did with their 100-acre farm in Havre de Grace a few years back—sell it to developers.

The federal estate inheritance tax, which often amounts to a third of the development value of a farmer's land, is one reason why Maryland loses an estimated 35,000 acres of farmland a year to development, according to the state Department of Agriculture.

In 1969, the latest year for which figures are available, 44 per cent of Maryland's land areas, or about three million acres, was devoted to agricultural use.

It is projected that the amount of farmland in the state will drop to 2.4 million acres, or 38 per cent of the state's land area, by 1986.

To help slow the trend, the Maryland legislature this year passed a bill designed to aid the farming family that wants to pass its farm down from one generation to the next.

For farmers who agree to permanently turn over the development rights of their land to the state, the bill provides that the farms would be assessed at their agricultural value, about $600 an acre, instead of potential development value, now ranging from $2,000 to $3,000 an acre.

The aim is to significantly cut the federal estate tax on the property, enabling the family to keep the land for its agricultural use.

"This would help people who have had farms that have been in the family for generations and want them to be kept in the family," says T. Allan Stradley, president of the Maryland Farm Bureau.

The state, meanwhile, would preserve some of its open spaces and maintain a $425 million a year industry.

While the bill is considered a good concept, its effective implementation hinges on two unknowns.

"First," says state Sen. James Clark, Jr., D-Howard, a co-sponsor of the bill, "we're not absolutely certain the IRS (Internal Revenue Service) will recognize this."

The federal government does its own assessing of property when calculating the estate inheritance tax.

"Second," Clark adds, "if you give up the development rights to your property and the property all around you is turned into subdivisions, the plan won't work."

If these roadblocks are worked out, however, Clark feels "there are a good many people who will go for it." Clark himself would be one of them.

The senator runs a 500-acre farm on Rt. 108 across the road from Columbia. "The estate tax on this would definitely cause us to lose the land," he says.

"But I wouldn't hesitate a minute (to give up the development rights to the property) if I was assured I wouldn't have development all around me. Agriculture is all we've ever done; that's all we want to do."

While many farmers will be leery of giving away the huge profit potential of their property, Sen. William S. James, D-Harford, cosponsor of the bill and president of the Maryland Senate, says the bill is "just a start" in the state's effort to preserve its agricultural land.

Eventually, James notes, Maryland may adopt a plan similar to one in New Jersey which authorizes the state to purchase outright the development rights to a farmer's land.

"The New Jersey green acres program," James says, "has permanently preserved one million acres (of its 1.4 million acres of farmland) by this approach."

This summer a state Commission on the Preservation of Agricultural Land is to offer sweeping recommendations on steps the state should take to accomplish this purpose.

S. 3541

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2031 of the Internal Revenue Code of 1954 (relating to definition of gross estate) is amended by adding at the end thereof the following new subsection:

"(c) ALTERNATE VALUATION OF CERTAIN REAL PROPERTY.—

"(1) IN GENERAL.—If the executor of an estate so elects, the value of any qualified real property included in the estate shall be determined by its value for the use under which it qualifies, under paragraph (2), as qualified real property.

"(2) DEFINITION OF QUALIFIED REAL PROPERTY.—For purposes of this subsection, the term 'qualified real property' means real property substantially all of which is, and, for the 60 months preceding the date of death of the decedent, has been devoted to—

"(A) farming (including the production of agricultural commodities and the raising of livestock),

"(B) woodland (including land used for the commercial production of trees and land used for scenic and recreational purposes),

"(C) open space, or

"(D) any use, provided that the property is listed on the National Register of Historic Places, either separately or as part of a district so listed.

Such real property shall include residential buildings and related improvements occupied on a regular basis by the owner or lessee of such property or by persons employed by such owner or lessee for the purpose of operating or maintaining the real property and improvements described in this paragraph (2), and roads, buildings and other structures and improvements functionally related to the uses listed in this paragraph (2).

"(3) ELECTION REQUIREMENTS.—An election under this subsection shall be filed with the Secretary or his delegate at such time and in such form and manner as he may prescribe and shall contain, in addition to any other matter, the name, address, and taxpayer identification number of the person or persons to whom any interest in the property passes under the terms of the decedent's will or by operation of law.

"(4) DEFINITION OF OWNER.—For purposes of this subsection, the term 'owner' means those persons identified in paragraph (3).

"(5) REVOCATION OF ELECTION UPON CONVERSION, OR REMOVAL FROM NATIONAL REGISTER.—Upon the occurrence of an event described in paragraph (6), there shall be imposed on the owner a tax equal to:

"(A) The excess of—

"(i) the estate tax computed in accordance with section 2001 with respect to the decedent's taxable estate based on a valuation of the decedent's gross estate made as if the election provided in paragraph (1) had not been made with respect to such portion of the real property as is subject to an event described in paragraph (6), over

"(ii) the estate tax computed in accordance with section 2001 with respect to the decedent's taxable estate but based on a valuation of decedent's gross estate made after taking into account the election provided in paragraph (1) with respect to such real property; plus

"(B) Interest on such amount at 6 percent running from the filing date prescribed in section 6075 with respect to the return from the decedent's estate (taking into account any extension of time granted pursuant to law for the filing of the return).

"(6) EVENTS CAUSING REVOCATION OF ELECTION.—The tax described in paragraph (5) shall be imposed upon the occurrence of any of the following events:

"(A) The conversion by the owner of the real property with respect to which the election provided in paragraph (1) was made, or any portion thereof, to a use other than one or more of the qualified uses described in paragraph (2); or

"(B) The rezoning of such property to permit a use other than one or more of the qualified uses described in paragraph (2), if such rezoning occurs at the request of the owner; or

"(C) If such property qualified for the election only pursuant to paragraph (2)(d), removal of such property from the National Register of Historic Places.

"(7) REVOCATION OF ELECTION UPON SALE.—If the owner sells an interest in real property with respect to which the election provided in paragraph (1) was made, there shall be imposed on such owner a tax equal to:

"(A) The excess of—

"(i) the estate tax computed in accordance with section 2001 with respect to the decedent's taxable estate based on a valuation of the decedent's gross estate made as if (a) the election provided in paragraph (1) had not been made, or (b) such real property had been valued at an amount equal to the price for which the property is sold, whichever valuation is lower, over

"(ii) the estate tax computed in accordance with section 2001 with respect to the decedent's taxable estate but based on a valuation of decedent's gross estate made after taking into account the election provided in paragraph (1) with respect to such real property; plus

"(A) Interest computed as provided in paragraph (5)(B).

"(8) DUTY TO FILE RETURN.—Prior to or upon the occurrence of an event described in paragraph (6) or a sale described in paragraph (7), the owner subject to the tax imposed by paragraph (5) or paragraph (7) shall file a return with respect to such tax. Such return shall be made within thirty (30) days after the end of the calendar quarter in which such event occurs.

"(9) LIEN TO SECURE TAX.—If the executor of an estate makes the election provided by paragraph (1), there shall be a lien on the real property with respect to which such election was made in the amount of the tax saving realized by the estate by virtue of such election. Such lien shall be extinguished upon payment of all taxes which become due pursuant to paragraph (5) or paragraph (7) or at such time at which the possibility that any such taxes shall become due terminates, whichever time is later.".

(b) Section 1014(a) of such Code (relating to basis of property acquired from a decedent) is amended by inserting before the period at the end thereof a comma and the following: "or, in the case of an election under section 2131(c) (relating to alternate valuation of certain real property), the value thereof as determined under such section for the applicable valuation date, including any increased value on which a tax is paid as required by paragraphs (5) or (7) of that subsection."

(c) The amendments made by this Act shall apply with respect to the estates of decedents dying after the date of enactment of this Act.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 3198

At the request of Mr. CLARK, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 3198, to amend title XVIII of the Social Security Act to require skilled nursing facilities under the medicare program and the medicaid program to provide medical social services.

S. 2784

At the request of Mr. ROBERT C. BYRD, for Mr. HARTKE, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 2784, to amend title 38, United States Code, to increase the vocational rehabilitation subsistence allowance, education assistance allowances, and the special training allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish a veterans' education loan program for veterans eligible for benefits under chapter 34 of such title; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans' Employment Service and by providing for an action plan for the employment of disabled and Vietnam era veterans; to make improvements in the educational assistance program; to recodify and expand veterans' reemployment rights; to make improvements in the administration of educational benefits; and for other purposes.

S. 3079

At the request of Mr. THURMOND, the Senator from Idaho (Mr. MCCLURE) was added as a cosponsor of S. 3079, to designate November 11 as Veterans Day and to make such day a legal public holiday.

S. 3173

At the request of Mr. INOUYE, the Senator from Washington (Mr. MAGNUSON) was added as a cosponsor of S. 3173, a bill to amend the Intercoastal Shipping Act of 1933.

S. 3258

At the request of Mr. HUGH SCOTT, the Senator from Oklahoma (Mr. BARTLETT) was added as a cosponsor of S. 3258, a bill to provide for displaying for public view at the Arlington National Cemetery the names of certain deceased veterans.

SENATE JOINT RESOLUTION 189

At the request of Mr. HARRY F. BYRD, JR., the Senator from North Carolina (Mr. HELMS), the Senator from Illinois (Mr. PERCY), and the Senator from Florida (Mr. GURNEY) were added as cosponsors of Senate Joint Resolution 189, to restore posthumously full citizenship rights to Gen. Robert E. Lee.

UNIFIED TRANSPORTATION ASSISTANCE ACT OF 1954—AMENDMENT

AMENDMENT NO. 1354

(Referred jointly to the Committees on Banking, Housing and Urban Affairs; Finance; and Public Works.)

Mr. STAFFORD. Mr. President, I submit an amendment intended to be proposed by me to S. 3035, the Unified Transportation Assistance Act of 1974, which I introduced on behalf of the Administration on February 21, 1974.

When I introduced S. 3035, I noted that I had some reservations about certain provisions of the bill as they dealt with rural States, like my State of Vermont.

Since that time, I have discussed those reservations with Transportation Secretary Claude S. Brinegar. In addition, the Transportation Subcommittee of the Public Works Committee has held some hearings on the UTAP bill. As a result, the amendment I am introducing, which has been developed by the Federal Highway Administrator, has been designed to ease some of my reservations and those of other Members concerned with rural America.

The first part of the amendment would alter the language of section 103(e), which appears on page 3 of the bill as printed. The new language would assure continuation of the minimum grant of one-half of 1 percent, 0.5 percent, of urban system funds available to each State.

I recognized the need for such an amendment when I introduced S. 3035, and the requirement for such a change was further developed during hearings. I am pleased the administration has suggested that change in its proposal.

Another change would set a minimum grant of one-quarter of 1 percent, 0.25 percent, for each State when the enlarged and unified urban transportation program comes into being in fiscal year 1978.

An even more significant portion of this amendment is the addition of a new title IV to the bill. The new title would incorporate a new National Rural and Small Urban Transportation Assistance program in the bill, beginning in fiscal year 1978.

Specifically, the language would combine the primary and secondary highway authorization with a new rural transportation assistance effort that would provide special help for safety, bridge replacement and rural bus programs.

The new effort would carry an annual allocation of $1.4 billion, an increase of $300,000 annually over the sum now authorized for the primary and secondary road programs. By unifying and expanding the allocation in this manner, greater flexibility would be provided for the rural transportation effort.

There remain other requirements to guarantee appropriate Federal response to the transportation needs of rural America, and I am confident we shall meet these requirements during our deliberations on this legislation.

The amendment I offer today is a start in that direction, and I request unanimous consent that the text of the amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1354

On page 3, beginning on line 7, strike all through line 10, and insert in lieu thereof the following:

"(e) Paragraph (6) of section 104(b), title 23, United States Code, is amended (1) by substituting the term "urbanized areas" for the term "urban areas" wherever that term appears in the first sentence, and (2) by adding the following at the end thereof:

" 'Notwithstanding the provisions of subsection (c) of this section, a State whose apportionment under this paragraph does not exceed the minimum apportionment provided by the previous sentence may transfer any portion of that amount to an apportionment made under paragraph 1, 2, or 3 of this subsection. However, any such funds allocated to any urbanized area of 400,000 population or more under section 150 of this title may not be so transferred without the approval of the local officials of such urbanized area.' "

On page 27, following line 16, insert the following new subsection (b) and reletter the subsequent subsections accordingly:

"(b) Paragraph (6) of section 102(b), title 23, United States Code, is amended by substituting the term 'one-quarter' for the term 'one-half' in the second sentence."

On page 42, following line 2, add a new title IV as follows:

1. At the end of the bill, add a new title IV to read as follows:

"Title IV—Amendments to title 23, United States Code: Rural and Small Urban Transportation Assistance.

"FINDINGS

"SEC. 401. The Congress finds that the needs of citizens living in rural and small urban areas require—

"(1) the continued improvement and development of roads and public transportation systems;

"(2) the correction of safety hazards on roads which are not included on the Federal-aid highway systems; and

"(3) the reconstruction and improvement of highways not on Federal-aid systems in order to carry freight and agricultural commodities formerly carried by abandoned rail branch lanes.

"AUTHORIZATIONS

"Sec. 402. (a) For the purpose of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated for the fiscal year ending June 30, 1977—

"(1) For forest highways, out of the Highway Trust Fund, $34,000,000.

"(2) For public lands highways, out of the Highway Trust Fund, $16,000,000.

"(3) For carrying out section 215(a) of title 23, United States Code—

"(A) For the Virgin Islands, not to exceed $5,000,000.

"(B) For Guam, not to exceed $2,000,000.

"(C) For American Samoa, not to exceed $1,000,000.

"Sums authorized by this paragraph shall be available for obligation at the beginning of the fiscal year for which authorized in the same manner and to the same extent as if such sums were apportioned under chapter 1 of title 23, United States Code.

"(4) For the rural transportation assistance program authorized by section 154 of title 23, United States Code, $100,000,000.

"(b) For the Federal-aid primary system in rural areas, for the Federal-aid secondary system in rural areas, and for the rural transportation assistance program authorized by section 154 of title 23, United States Code, $1,400,000,000 for each of the fiscal years ending June 30, 1978, June 30, 1979, and June 30, 1980. Not less than 15 percent nor more than 35 percent of the amounts authorized by this paragraph which are apportioned to a State shall be available to that State for projects on the Federal-aid secondary system. Not less than 10 percent nor more than 20 percent of the amounts authorized by this paragraph which are apportioned to a State shall be available to that State for projects authorized under the rural transportation assistance program.

"RURAL TRANSPORTATION

"Sec. 403. Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section—

'Sec. 154. Rural Transportation Assistance Program.

'(a) In order to assist in the development and improvement of surface transportation systems in rural and small urban areas, the Secretary may approve as a project under this title the construction of public roads not on any Federal-aid system, including projects to correct safety hazards and to replace deficient bridges, the development of parking facilities to serve bus and other public transportation passengers, the purchase of buses used in public transportation service, and the construction of facilities required to maintain buses used in public transportation service. In approving projects under this section, the Secretary shall require that such projects be afforded priority based upon transportation requirements as determined through a statewide transportation planning process. Except to the extent determined inconsistent by the Secretary, such projects shall be subject to the provisions of this title applicable to projects on the Federal-aid secondary system and the Federal share payable on account of any project shall be determined in accordance with section 120(a) of this title.

'(b) Not later than July 1, 1977, the Secretary shall issue regulations to administer the provisions of this section relating to assistance for rural public transportation service. In issuing such regulations, the Secretary shall take into account the results of the Rural Highway Public Transportation Demonstration program authorized by section 147 of the Federal-Aid Highway Act of 1973. Upon the issuance of these regulations the Secretary is authorized, if he finds it to be in the public interest, to approve as a project under this section the payment of operating expenses incurred as a result of providing public transportation service on highways in rural and small urban areas. To the extent that Federal funds are utilized to pay such operating expenses, such funds shall be supplementary to and not a substitution for the average amount of State and local government funds expended on the operation of public transportation service for the two Federal fiscal years preceding the fiscal year for which the project is intended.

'(C) For the purposes of this section, the term "public road" means any road under the jurisdiction of and maintained by a public authority and opened to public travel.' "

2. Title I of the bill is amended by amending paragraphs (2) and (3) of section 106(a) (respecting authorizations for fiscal year 1977) to read as follows:

"(2) For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, $730,000,000 for the fiscal year ending June 30, 1977.

"(3) For the Federal-aid secondary system in rural areas, out of the Highway Trust Fund, $425,000,000 for the fiscal year ending June 30, 1977."

STANDBY ENERGY EMERGENCY AUTHORITIES ACT—AMENDMENT

AMENDMENT NO. 1355

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS (for himself, Mr. Ervin, and Mr. Javits) submitted an amendment intended to be proposed by them jointely to the bill (S. 3267) to provide standby emergency authority to assure that the essential energy needs of the United States are met, and for other purposes.

AMENDMENT NO. 1357

(Ordered to be printed and to lie on the table.)

Mr. McINTYRE submitted an amendment intended to be proposed by him to the bill (S. 3267), supra.

FREEDOM OF INFORMATION ACT—AMENDMENT

AMENDMENT NO. 1356

(Ordered to be printed and to lie on the table.)

Mr. MUSKIE (for himself, Mr. Ervin, Mr. Javits, Mr. Symington, Mr. Hart, Mr. Chiles, Mr. Humphrey, Mr. McGovern, Mr. Gravel, Mr. Clark, Mr. Tunney, Mr. Metcalf, Mr. Mondale, Mr. Ribicoff, Mr. Mathias, Mr. Hathaway, Mr. Percy, and Mr. Burdick) submitted an amendment intended to be proposed by them jointly to the bill (S. 2543) to amend the Freedom of Information Act.

Mr. MUSKIE. Mr. President, the Freedom of Information Act provides that agencies are permitted to withhold from the public classified information relating to national defense or foreign policy (exemption 1). The amendment I submit today to S. 2543 would in no way alter that protection for sensitive military or diplomatic data. It would only provide that suits contesting the propriety of agency claims under the first exemption would be handled by Federal judges in the same way as cases challenging the validity of claims under the eight other permissive exemptions from the act's disclosure standards.

The purpose of the deletion I propose is to preserve for judges the freedom to conduct complete de novo review of Freedom of Information Act cases in which information is withheld by agencies under the claim that it falls within exemption 1 of the act, permitting withholding for material "specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy"—that is, classified information. The language of section (b) (4) (B) (ii) would, if left in the statute, give a special status to exemption 1 material, unlike that accorded any other claimed Government secrets. The subsection would substitute for de novo judicial review of the Government's case for withholding (with the burden on the Government to sustain its action) an arrangement shifting that burden to a judge to decide whether or not the contested secrecy compiled with the undefined "reasonableness" standard.

If an agency head certified that classified material being withheld is properly classified, the judge—even after in camera examination—may only reject such certification by finding the withholding to be "without a reasonable basis" under the criteria of the Executive order authorizing Government-wide classification practices. There is no definition in the bill or the accompanying report of what such a reasonable basis would be.

I believe there is no reason to require the courts to accord such special status to cases involving classified secrets, as opposed to other types of sensitive information the Government seeks to withhold. The standard of full de novo review should be the same in all Freedom of Information Act cases.

Mr. President, I ask unanimous consent that a detailed memorandum further explaining the provisions of S. 2543 and my objections to subsection (b) (4) (B) (ii) be included in the Record at this point.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

BACKGROUND

On January 22, 1973, in *Environmental Protection Agency* v. *Patsy Mink*, the Supreme Court held that the Freedom of Information Act was so worded as to bar *in camera* judicial examination of documents which officials certified were exempt from disclosure as being "specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy." (The first of the nine permissive exemptions in the Act.) "We do not believe," Justice White held for the six-member majority, "that Exemption 1 permits compelled disclosure of documents . . . classified pursuant to this Executive Order. Nor does the Exemption permit *in camera* inspection of such documents to sift out so-called 'non-secret components.' Obviously, this test was not the only alternative available. But Congress chose to follow the Executive's determination in these matters and that choice must be honored."

Later, in his opinion, Justice White added: "Congress could certainly have provided that the Executive Branch adopt new procedures or it could have established its own procedures—subject only to whatever limitations Executive privilege may be held to impose upon such congressional ordering." In his concurring opinion Justice Stewart held that Congress "has built into the Freedom of Information Act an exemption that provides no means to question an Executive decision to stamp a document 'secret,' however cynical, myopic, or even corrupt that decision might have been."

Responding to this decision—and the effect it had of denying Representative Mink and her co-plaintiffs access to classified information dealing with the controversy over the nuclear tests in the Aleutians—Senator Muskie and Representative Moorhead jointly introduced legislation which would have *required* in camera inspection of documents claimed to be exempt from disclosure under any of documents claimed to be exempt from disclosure under any of the nine exemptions. In the case of Exemption 1 claims, the original bill would have had judges, after in camera examination, "determine if such records, or any part thereof, cannot be disclosed because such disclosure would be harmful to the national defense or foreign policy of the United States." The thrust of this proposal, and of all the considerable dissatisfaction with the *Mink* ruling, was the conviction that someone other than the classifiers themselves—*i.e.*, judges—must look behind the fact of classification to weigh its validity.

In the version of the bill passed by the House the *requirement* for in camera inspection became specific permission ("*may* examine the contents of any agency records in camera to determine whether such records or any part thereof shall be withheld under any of the exemptions set forth in subsection (b)."). Additionally, the language of the first exemption was changed by the insertion of the underlined words to make the Act not apply to matters: "(1) *authorized under criteria established by an* Executive order to be kept secret in the interest of the national defense or foreign policy."

The sponsors of the House bill (approved 383–8 on March 14, 1974) felt they had accomplished their purpose of overruling the *Mink* decision. John Moss, who sponsored the original FOI Act, said on the floor, "Two amendments to the Act included in this bill are aimed at increasing the authority of the courts to engage in a full review of agency action with respect to information classified by the Department of Defense, the Department of State, and other agencies under Executive order authority . . . *It is the intent of the committee that the Federal courts be free to employ whatever means they find necessary to discharge their responsibility.* This was also the intent in 1966 when Congress acted, but these two amendments contained in the bill before you today make it crystal clear." (Emphasis added.)

Provisions of S. 2543

As reported out of the Subcommittee on Administrative Practices and Procedures, S. 2543 was substantially parallel to the House provisions to permit in camera review without telling judges how to conduct such review nor, in any detail, what weight to accord Executive Branch testimony as to the legitimacy of a classification. "In such a case," the Subcommittee version of the bill said, "the court shall consider the case de novo, *with such in camera examination of the requested records as it finds appropriate* to determine whether such records or any part thereof may be withheld under any of the exemptions set forth in subsection (b) of this section, and the burden is on the agency to sustain its action." (Emphasis added.)

Additionally, S. 2543, as reported by both Subcommittee and Committee, amends Exemption 1 by adding the underlined words so that it reads: "(1) specifically required by an Executive order *or statute* to be kept secret in the interest of national defense or foreign policy *and are in fact covered by such order or statute.*" Even if the wording is different from the House bill in detail, the purpose of S. 2543, before amendment in full Committee, was obviously identical to the purpose of the House authors—to overrule *Mink* and leave the courts free to conduct in camera scrutiny of classified material, if judges found such examination necessary to their rendering a decision on the validity of the exemption claim.

Indeed, the draft report language in the Committee Print on S. 2543 of January 15, 1974, said, "By expressly providing for in camera inspection regardless of the exemption invoked by the government, S. 2543 would make clear the congressional intent—implied but not expressed in the original FOIA—as to the availability of in camera examination in all FOIA cases. *This examination would apply not just to the labeling but to the substance of the records involved.*" (P. 16, emphasis added.) Later (p. 28), the draft report added, "It is essential . . . to the proper workings of the Freedom of Information Act that any executive branch review, itself, be reviewable outside the executive branch. And the courts—when necessary, using special masters or expert consultants of their own choosing to help in such sophisticated determinations—are the only forums now available in which such review can properly be conducted."

While there is no indication in the full Committee report (No. 93–854 of May 16, 1974) of any roll-call or other vote in Committee changing the Subcommittee draft, S. 2543 as unanimously approved is a clean bill with an entire new subsection, 4(B) (ii), which would radically change the circumstances under which in camera review of classified material could be conducted. The new language in Exemption (1) is retained and the draft report language from page 28 now appears on page 31, but the effect of the new subsection is to foreclose de novo review of Exemption 1 cases and to introduce a new and special standard for court consideration of classified material.

When Exemption 1 is asserted, the bill provides, "a court may review the contested document in camera if it is unable to resolve the matter on the basis of affidavits and other information submitted by the parties. In conjunction with its in camera examination, the court may consider further argument, or an ex parte showing by the Government, in explanation of the withholding. If there has been filed in the record an affidavit by the head of the agency certifying that he has personally examined the documents withheld and has determined after such examination that they should be withheld under the criteria established by a statute or Executive order . . ., the court shall sustain such withholding unless, following its in camera examination, it finds the withholding is *without a reasonable basis* under such criteria." (Emphasis added.) The report on S. 2543 is frank to admit that these sentences scrap the premise that classified material can be treated like other records claimed to be exempt from disclosure. On page 16, the report says:

"This standard of review *does not allow the court to substitute its judgment for that of the agency*—as under a de novo review—but neither does it require the court to defer to the discretion of the agency, even if it finds the determination not arbitrary or capricious. Only if the court finds the withholding to be without a reasonable basis under the applicable Executive order or statute may it order the documents released." (Emphasis added.)

In short, before conducting an in camera examination of classified material, judges may weigh opposing arguments. Once they proceed to the in camera scrutiny, however, the Government gets special permission to make an ex parte showing in its own behalf. And if, for example, the head of the Export-Import Bank, where 13 officials now have classification authority or of the United States Information Agency (where 387 officials have original classification authority) or of any of the 23 other government agencies or 11 designated offices in the Executive Office of the President is willing personally to vouch for the propriety of a secrecy marking, judges may only overrule that voucher on the basis of an undefined reasonableness standard.

Objections to section 4(B) (ii) of S. 2543

1. The provisions of 4(B) (ii) are so weighted in favor of classification markings as to make it almost impossible for judges, even after conducting in camera review, to overrule any secrecy stamp the government wishes to keep in place. When a plaintiff seeks classified material, he is automatically at a disadvantage in arguing his case in that he cannot know the contents of the records he seeks and cannot show affirmatively that the public might benefit from their disclosure. In the FOIA generally, the burden of proof to sustain withholding is put on the government, but in dealing with classified material, the requester may have no effective way to dispute a government assertion: "It's secret, because it's secret." Thus, it is important for judges to use all the resources they can summon to judge the delicate matter of secrecy. S. 2543 would oblige them to give extra weight to official sources and, by inference, make it harder for them to employ outside experts, if such could be found.

2. This heavy presumption given official testimony perpetuates the almost mythical status of classified information as a category of secret exempt from the regular provisions of the FOIA. Review, the report makes clear, would not be de novo in Exemption 1 cases; it would be a special animal, as though documents marked Secret by the General Services Administration were automatically entitled to different consideration than those claimed to be "geological and geophysical information and data" by the Federal Power Commission (Exemption 9) or "trade secrets" by the Patent Office (Exemption 4).

3. It is inappropriate—if not obnoxious—to provide judges such detailed instructions on how to conduct their inquiry in a case before them. One wonders how the authors of 4(B) (ii) would react to statutory stipulations on the evidence admissible in a closed hearing on an accused juvenile delinquent or to such a weighting of the scales in favor of the government in an anti-trust proceeding. One also wonders at the apparent contempt shown for Federal judges in so narrowly demarcating the bounds of their conduct in cases which might conceivably deal with information on codes used in the Civil War—a subject area still treated as classified.

Recommendation

Section 4(B)(ii) should be struck from S. 2543. Without it, judges will be able—though not required—to conduct whatever in camera review of classified documents they may find necessary to determining the propriety of a classification marking. They will be able to accord—and it should be assumed that faced with such a delicate task, they will accord—whatever weight is fitting to government arguments in favor of continued secrecy. But they will also be able, should they wish, to seek and give credence to the impartial counsel of qualified outsiders, not plaintiffs or defendants, to help them with their task. They will, in short, be able to behave like judges.

U.S. PARTICIPATION IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION—AMENDMENT

AMENDMENT NO. 1358

(Ordered to be printed and to lie on the table.)

Mr. DOMINICK. Mr. President, I am today submitting for printing an amendment Senator McClure and I intend to offer to S. 2665, a bill to provide for increased participation by the United States in the International Development Association. The amendment addresses the right of our citizens to own gold.

In the way of a brief background, on April 4, 1973, Senator McClure offered an amendment to the Par Value Modification Act which stipulated that U.S. citizens could no longer be prevented from purchasing, selling, or owning gold. This amendment passed by a vote of 68 to 23. The gold ownership provision was amended in the House by the Banking and Currency Committee which struck the Senate specified enacting date of December 31, 1973 and substituted language which left it up to the President as to when gold ownership could go into effect.

An amendment offered on the floor of the House to restore the Senate language with a definite effective date failed on a tie vote. The conferees chose to accept the House language. The President subsequently signed the measure into law Public Law 93-110—thus restoring the right to own gold at a future unspecified time.

Shortly after this, the Senate again showed its desire to allow citizens to own and hold gold when I offered an amendment to S. 1141, the bicentennial coinage bill. My amendment again called for a specific date as to when gold ownership would be allowed. This amendment passed. When the House and the Senate met in conference on the coinage bill, the gold provision enactment date was once again stricken. Thus, on two separate actions the Senate has voted its overwhelming support of private gold ownership.

The amendment Senator McClure and I will offer to S. 2665 will amend the Par Value Act—Public Law 93-110—and allow citizens to own and hold gold as of September 1, 1974. The amendment is a simple one. It amends section 3(c) of Public Law 93-110 by deleting all of such subsection and inserting in its place:

> The provisions of this section pertaining to gold shall take effect September 1, 1974.

Our amendment will restore a right taken away from the American people almost 40 years ago. In 1934, President Roosevelt ordered all Americans holding gold to turn it in to the Treasury. This was clearly an expropriation of private property, and it is time for this act to be completely corrected. As you may know, the Secretary of the Treasury, William Simon, has recently voiced his support for the general proposition of allowing Americans the right to own and hold gold. I am hoping that in dealing with this amendment we can finish the job started last year.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 1326

At the request of Mr. Ribicoff, the Senator from Vermont (Mr. Aiken), the Senator from Indiana (Mr. Bayh), the Senator from New Jersey (Mr. Case), the Senator from Iowa (Mr. Clark), the Senator from Michigan (Mr. Hart), the Senator from Minnesota (Mr. Humphrey), the Senator from Washington (Mr. Jackson), the Senator from Massachusetts (Mr. Kennedy), the Senator from New Hampshire (Mr. McIntyre), the Senator from Minnesota (Mr. Mondale), the Senator from Rhode Island (Mr. Pastore), the Senator from New Jersey (Mr. Williams), the Senator from Ohio (Mr. Metzenbaum), the Senator from California (Mr. Tunney), the Senator from Wisconsin (Mr. Proxmire), the Senator from Wisconsin (Mr. Nelson), the Senator from Utah (Mr. Moss), and the Senator from Iowa (Mr. Hughes) were added as cosponsors of amendment No. 1326, to repeal the oil depletion allowance effective January 1, 1974, intended to be proposed to the bill (H.R. 8217, to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1972.

NOTICE OF HEARINGS

Mr. NELSON. Mr. President, I wish to announce that the Subcommittee on Monopoly of the Senate Small Business Committee will resume its hearings on over-the-counter drugs on June 4 and 5 in room 1202 of the Dirksen Senate Office Building beginning each day at 10 a.m.

These hearings will deal with antacids. Witnesses will be announced later.

SECRECY IN GOVERNMENT—RECONFIRMATION OF HEARINGS

Mr. MUSKIE. Mr. President, because of some confusion over the dates and location of the hearings on secrecy in Government and the national security classification system, I wish to confirm that the Subcommittee on Intergovernmental Relations, Committee on Government Operations, has scheduled the following hearings all in room 3302 of the Dirksen Senate Office Building, and witnesses for this week and for June 10:

WEDNESDAY, MAY 29, 10 A.M.

The Honorable William D. Hathaway, U.S. Senator from Maine, sponsor of 2451.

The Honorable James B. Rhoads, Archivist of the United States; acting chairman, Interagency Classification Review Committee—Accompanied by William L. Brown, Executive Director, I.C.R.C.

John S. Warner, General Counsel, Central Intelligence Agency.

THURSDAY, MAY 30, 9:30 A.M.

The Honorable William S. Moorhead, chairman, House Subcommittee on Foreign Operations and Government Information; Sponsor of H.R. 12004 (S. 3399).

Robert Dixon, Assistant Attorney General, Office of Legal Counsel, Department of Justice.

Ambassador Carol C. Laise, Assistant Secretary, Department of State.

FRIDAY, MAY 31, 10 A.M.

The Honorable Mike Gravel, U.S. Senator from Alaska; sponsor of S. 1726.

The Honorable Gaylord Nelson, U.S. Senator from Wisconsin; Sponsor of S. 2738.

David O. Cooke, Deputy Assistant Secretary (Administration), Department of Defense.

MONDAY, JUNE 10, 10 A.M.

Dr. Edward Teller, nuclear physicist, Lawrence Livermore Laboratory.

Dr. John S. Foster, Jr., physicist; vice president, Energy Research and Development, TRW; Director, Defense Research and Engineering, Department of Defense, 1965-1973.

Charles L. Marshall, Director, Division of Classification, U.S. Atomic Energy Commission.

Anyone wishing further information about the hearings should contact Mrs. Lucinda T. Dennis, chief clerk of the subcommittee, at 225-4718.

CONDUCT OF CAMPAIGNS WITHIN THE DISTRICT OF COLUMBIA

Mr. MATHIAS. Mr. President, I wish to announce on behalf of the District of Columbia Committee that hearings will be held on S. 3264, to regulate the conduct of campaigns within the District of Columbia, on Thursday, June 6, 1974, at 9:30 a.m. in room 6226 of the Dirksen Office Building.

Persons wishing to submit statements on this legislation should contact either Robert O. Harris or Colbert I. King at the committee offices prior to June 3, 1974.

ADDITIONAL STATEMENTS

WHAT'S RIGHT WITH AMERICA—WHAT'S RIGHT WITH THE FEDERAL GOVERNMENT

Mr. NELSON. Mr. President, my colleague from Wisconsin (Mr. Proxmire) has been delivering a series of speeches in the Senate entitled "What's Right With America—What's Right With the Federal Government" which has attracted considerable attention.

In a period when citizens are rightly concerned over the level of morality in government, the strength of the basic fabric of the society, and the quality of the most revered institutions in our political system, it is also a good thing to examine the way in which many of our governmental institutions have progressed and have provided a better life for millions of Americans.

Recently the Los Angeles Times commented on the speeches in an editorial entitled "Proxmire: Now for the Good News." After pointing out that the Senator from Wisconsin (Mr. PROXMIRE) has more often than not cast "a cold eye and a critical scorn" on many areas of government waste and inefficiency, the editorial concludes that:

> It is useful, indeed necessary, to be reminded of such accomplishments in dark times like these when cynicism about the performance of government seems to stand so high. There are a lot of things right about government. Proxmire is performing no less a service in identifying them than in identifying things that have gone wrong.

Mr. President, I ask unanimous consent that the editorial from the May 9, 1974 edition of the Los Angeles Times along with an article from the May 8 Los Angeles Times entitled "Proxmire Accentuates What's Positive in U.S." be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, May 9, 1974]

PROXMIRE: NOW FOR THE GOOD NEWS

In April alone Sen. William Proxmire (D-Wis.) cast a cold eye and his critical scorn on, among other things, military officers who have enlisted servants assigned to them, excessive government spending on public works projects, the Pentagon's budget, the Renegotiation Board, a possible federal income tax cut, and the President's Council on Physical Fitness and Sports.

It was a fairly routine performance for a man who has made a reputation as the Senate's chief critic of government performance.

Lately, however, Proxmire has been playing a different role. In frequent Senate speeches he has been telling his colleagues that there are a lot of things that he finds good, and even admirable, in the government—programs that work, bureaucracies that function effectively, policies that are sound and in the national interest.

This is not, we think, a new Proxmire determined to be upbeat in an effort to shed the image of a negative critic. Rather, it seems consistent that the active critic should identify, along with the bad, those accomplishments too often ignored because they are so obvious.

What Proxmire has been saying is that there are a lot of things right with the government, that whatever moral failings may be exhibited by men in high places, whatever waste and shoddy thinking may characterize the implementation of some programs, a great many achievements have been registered and much progress has been made toward a more just and secure society. Environmental degradation has been halted, the Social Security system benefits millions of persons, civil rights have been immeasurably advanced, the Defense Department performs its mission well, if expensively, better health care is being encouraged. Government, in short, is doing much to fulfill its essential purpose of promoting the general welfare.

It is useful, indeed necessary, to be reminded of such accomplishments in dark times like these, when cynicism about the performance of government seems to stand so high. There are a lot of things right about government. Proxmire is performing no less a service in identifying them than in identifying things that have gone wrong.

[From the Los Angeles Times, May 8, 1974]

PROXMIRE ACCENTUATES WHAT'S POSITIVE IN THE UNITED STATES

(By Rudy Abramson)

WASHINGTON.—Sen. William Proxmire (D-Wis.) has always been the kind of guy who marched to his own drummer.

It did not surprise anybody when he started jogging the five miles to his office. Nor did people think much of it when he showed up with his head swathed in bandages as the result of a hair transplant. Nor when he dissuaded armed robbers by telling them he was dying of cancer.

But Washington was not prepared when Proxmire—scourge of the military-industrial complex, guardian of the public purse, critic of the establishment—stood up in the Senate and profusely praised the Pentagon.

Apparently stunned, the Defense Department has not uttered a word in reply.

Proxmire is off the reservation again. Just when it seemed everybody could agree that Washington was in a (expletive deleted) mess, the senator has, in the last few weeks, started a series of speeches entitled, "What's Right With the Federal Government."

So far, he has covered the Defense Department, civil rights, women's rights, health, Social Security and the news media. He has aides at work on productivity, foreign policy, intelligence and agriculture.

When he began the project, one of his helpers suggested he could cover everything that was right with the whole federal establishment in one brief speech.

But, typical of Proxmire, he is pressing ahead with the same determination that brought the supersonic transport and badgered the Pentagon into taking away many of its admirals' and generals' enlisted servants.

Now, one aide said, it appears his practice of rising right after the morning prayer and delivering the good news will continue "until he's satisfied or we run out of issues."

The response has been very favorable, judging by the mail. Vice President Ford's office has asked for copies of the speeches; and Sen. Robert P. Griffin (R-Mich.), the assistant minority leader, told the Senate: "It is good for the institution of Congress, and I believe it is good for the soul of the nation . . ."

It took two speeches of about 15 minutes each to deal with the Pentagon. The first dealt with equipment, and the senator even threw in a good word for the C-5A transport plane, which he once attacked with regularity because of its cost and technical flaws. He spoke of the importance of multiple warheads, over-the-horizon radar and atomic submarines.

"I can only conclude," he said, "that no other department of government can show as much improvement in basic capability nor claim such a dramatic increase in effectiveness."

A few days later, speaking on Pentagon management, he said that "judging by the past 15 years, the Department of Defense has faced and solved more management problems with greater success than any business in the world."

Proxmire found a lot of good things to say about the news media, a target of criticism earlier for what he considered unfairness to President Nixon in its Watergate reporting.

"Throughout all of human history, events not only tended to creep up on people, but the reporting of those events lacked the standards of accuracy, objectivity, balance and comprehensiveness that virtually every reporter in every city room and television and radio station is held today. What I am saying is that, for the first time in this nation's history, we have a professional and more competent press."

That sent reporters scurrying to see whether the senator faced reelection this fall. Their suspicions were crushed when they found his term runs until 1976.

Proxmire cautioned in discussing the environment that much remained to be done, but here, too, he found the situation much improved over what it had been when he entered the Senate in 1957.

He mentioned the Willamette River in Oregon, severely polluted for decades. "Just last fall," he said, "chinook salmon ascended the Willamette to spawn.

"There are problems remaining," he said, "and we must not minimize them. But we have indeed made great strides in dealing with a situation which just 10 years ago seemed beyond our control."

The senator acknowledged at the outset of his project that it all might seem a little strange.

But he explained that he was tired of doom and gloom.

"People are beginning to feel that something is terribly wrong," he said. "Watergate, with all the word implies, has become a focal point for our national anxieties.

"Lest we in Congress start to preen our feathers at these sorry estimates of the executive branch's performance, let us remind ourselves that over the past year, public approval of congressional efforts has plummeted by 17% . . .

"It would be foolish to try to change this cloud-drenched landscape into a rosy sunset. Pollyanna would probably strike out at a similar task. On the other hand, it is just as dangerous to lose our national will by underestimating our virtues as it is to lull ourselves in a collective nirvana by making light of our serious problems."

He was deadly serious. He always is.

BERRY AND BEAN PICKING IN OREGON

Mr. PACKWOOD. Mr. President, once again, Congress in its wisdom as perpetrated upon the American public—and upon the citizens of Oregon in particular, another restrictive and unrealistic prohibition. In our zealous effort to attack forced and strenuous child labor, we have eliminated one of the primary work expirences for children in my State of Oregon—strawberry and bean picking.

I dare say few Oregonians have not had the back-to-nature experience of berry picking. It has had the varied purposes of filling in summer afternoons, providing extra spending money, and offering a truly social event for thousands and thousands of young Oregonians.

At the time this provision came before the Senate, I consulted with interested groups, and heard no opposition to the prohibition against children under 12 working in agriculture, so long as 12- and 13-year-olds could still be employed. It now appears that we have ignored the interests of those we were trying to protect—those young people who enjoy and want to work, in safe farm jobs—especially in berry and bean picking.

But rather than attempting to express the feelings of young Oregonians toward this traditional summertime activity, let me, Mr. President, include for the Record just a few of the dozens of protests I have received on Congress decision to outlaw any work in agriculture by children under age 12. I ask unanimous consent that several of these letters be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Dear Sir: Will you let people under 12 pick berry. I want to pick berry to get money to go on vacation. I am 11 and I never been on a vacation before. I think you should make it that if a kid want to pick them he or she can. But if he or she does not want to pick berry then they should not.

Cindy Funk.

Dear Sen. Packwood: I would like to pick berrys this year. I am 11 years old and I like to work and earn money and when you don't have any thing to do we could be having fun picking berrys. We could also work and be earning money for lots of reasons. But what I am trying to say is let us pick berrys.

Sincerely,

Gina Yaconett.

May 22, 1974.

Dear Sen. Packwood: I have been wondering if you know how many people under twelve that have to earn money for things like summer camps, schoolclothes, fairs, Expo 74, and many other things. I have to earn some money for camp and its too late to earn it. So please think it over.

Sincerely yours,

Elaine Hoover.

Dear Sir: I think it is unfair for us the 11 year olds on down that we can't pick berries this year because of the new law. I need to pick berries because I am in 4–H and I have to buy a lot of things for my horse like saddle blankets, horse shoes, water buckets, feed bucket, hay bags and a mane and tail comb.

I also have to get money for the 4–H county fair. Last year I won one blue ribbon and two red ribbons because I picked berries to go. Now I can not pick because of that law.

Another reason why I need to pick berries is because I need clothes for school and for shoes. Plus I need to pick berries to pay my depths that is about 40 dollars. So you see why I need to pick berries. So please don't let that new law go through.

Yours Truly,

Tammy Earls.

Portland, Oreg.,
May 21, 1974.

U.S. Senator Robert Packwood,
Senate Building,
Washington, D.C.

Dear Senator Packwood: I am writing to you concerning the new law #93259. (Minimum wage and child labor law). I am 14, I have a job, I make $1.50 an hour working at an art gallery owned by some people that I know in my church. I work hard from 4:00 to 6:00 after school lifting boxes, washing cars, mowing lawns, sweeping floors picking up litter, mopping floors, etc, etc. . . . I feel that I am paid well. I am saving my money for college as well as some of my scouting activities, such as a Leadership training course in New Mexico, the up coming 1975 World Scout Jamboree in Norway, and of course money for campouts, outings, etc. . . .

I am graduating this year from Fernwood grade school and am planning to attend Grand High School next year. I know a lot of people at school that found good jobs and are in the same boat as I am. If this law goes into effect there would be no one who would pay my friends and me that much money. It's just too much money to be expected!

Sincerely Yours,

Craig Pond.

P.S. Could you please help us.

May 23, 1974.

Dear Senator Packwood: Why did they pass the law that kids under 12 can't pick berrys or beans? I think it's a dumb law because I've been picking berrys since I was four. And I have been buying my clothes since first grade. Now I can't because of the law. I wish they could change the law so I could pick berrys and other kids too.

Sincerely Yours,

Janine Blake.

P.S.—Please write back.

Gaston, Oreg., *May 22, 1974.*

Hon. Bob Packwood,
Senate, Washington, D.C.

To the Honorable Bob Packwood: I am writing because of the law that says we can't work this summer. It keeps us out of trouble and that's how we earn money to get our school clothes and our spending money. My little sister and I wanted to pick berries. We will not be able to work. So my little sister and I won't get to pick berries because we are only seven and eleven.

Sincerely,

Jackie Lee Jones.

Dear Mr. Packwood: I am 7 years old and I can't go berry picking because of this law. My mother was planning to take me berry picking becuse we can't afford a baby sitter.

Please try to change this law.

Doug P. Wilson.

Mr. PACKWOOD. Mr. President, the joint resolution Senator Hatfield and I are today introducing for the Senate's consideration will remedy this situation without in any way giving aid or encouragement to repressive child labor in agriculture or any other industry. Our resolution will simply recognize, by permitting a waiver by the Secretary of Labor, a traditional practice of berry and bean picking by children in Oregon and other areas of the country similarly affected by Public Law 93–259.

Mr. President, I must say that I have not had one favorable comment on this decision by Congress to prohibit what is certainly one of the safest and most rewarding activities among children in Oregon. To deny them the right to earn a few dollars, gain valuable work experience, and have fun in the process, is something I do not believe a majority of this body intended to do.

BUSING: IS IT WORTH THE RIDE?

Mr. TALMADGE. Mr. President, there appeared in the May 24 edition of the Washington Post an editorial column by William Raspberry, in which he poses a question about the educational or social value of forced school busing.

Said Mr. Raspberry:

> It seems to me that the time, effort and money spent on busing could be better used for other things. Like better schools, for instance.

I could not agree more with that point of view, and deeply regret that the Senate has failed to act to date on effective legislation against forced busing, an ill-advised practice which puts more of a premium on the long-distance transportation of school children simply to obtain an artificial racial balance than on quality education, for both black and white children alike.

I bring Mr. Raspberry's column to the attention of the Senate and ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Busing: Is It Worth the Ride?

(By William Raspberry)

A middle-class black child, after years in a segregated school, finds himself in a class with middle-class white students, and he is pleasantly surprised to learn that he is just as smart as they. The boost to his ego is tremendous. If only we could give all black children the ego-boosting opportunity to attend school with whites, so they could see that there really is no difference.

In a small Northern town, with only a tiny handful of black families, children of those black families naturally develop the attitudes, speech patterns and lifestyles of the white majority, and they may also be indistinguishable academically.

It doesn't seem to matter much if the black children come from a lower socioeconomic background than most of their schoolmates. The leavening process still seems to work. If only we could generalize their situation and expose all black children and all poor children, to this sort of leavening process.

A few dozen children from the black slums are bussed into a solidly middle-class, mostly white school and—lo and behold!—the test scores of the receiving school turn out to be about what they were before. If only we could make the bigots understand that their white children are not damaged academically by busing.

These are the practical models behind much of the push for school integration, 20 years after *Brown*, and they are as misleading and receptive as their concomitant theoretical underpinnings: that black children cannot be properly educated in all-black or predominantly black schoolrooms and that forcing children of different races into the same schools will automatically teach them to get along together.

To take the models in order: It is increasingly likely that middle-class blacks will live in integrated neighborhoods in which case assignment to neighborhood schools would serve the integrationist's purposes. But the intractable big-city educational program is how to educate the children of the slums. And whatever else happens to these children when they are bussed en mass to middle-class white schools, ego enhancement is not a part of it. More likely, they will have their self-doubts confirmed.

In the case of the Northern small town, the operative factor is the white/black (or middle class/lower class) ratio. If there are enough of them, and few enough of you, then you will become like them through the simple process of osmosis.

It's like having only four or five English speakers in a French-speaking school. Of course they'll learn French. But the more of them there are, the more likely they are to form their own English-speaking associations. Some of them will learn a lot of French, because they want to and the opportunity is there. Some will learn very little French, because they won't have to. And some will resist learning any French at all, and will bring heavy pressure on their English-speaking schoolmates not to learn any French either—particularly if the teachers imply that French is better. ("Man, why don't you stop acting French, and be yourself.") It would still be worthwhile to provide the opportunity to learn French for those who wanted it, or whose parents wanted it for them.

As to the benign effect of busing on the receiving school, that is true for so long as the bussed students remain a distinct minority. But the more relevant question is not whether the middle-class children are hurt but whether the lower-class children are helped. For if they aren't, then the whole busing thing is pointless.

So am I calling for a return to separate but equal? Not for a minute. And in spite of the pessimistic assessments of the 20 years since the Supreme Court held public school segregation unconstitutional, the truth is that most of America has accepted *Brown*. Most Americans seem to agree that it is wrong to segregate children on the basis of color.

But that is not to say that most Americans, white or black, believe that *integration*—racial balance—is of overriding importance. It is one thing to contend, as Linda Brown's parents contended in the Kansas courts in 1951, that a child should be permitted to attend his neighborhood school—even if the school is mostly white and the child is black. That is the argument of desegregation, and the Supreme Court bought it in 1954.

It is another thing to contend that a child may not be permitted to attend his neighborhood school if both he and the school are black, that he is entitled to white schoolmates, no matter where they live. That is the argument of integration, and more and more people are rejecting it.

On May 15, the U.S. Senate—the "responsible" body in the Congress—failed by a single vote to pass a strong antibusing amendment.

Granted the popularity of the antibusing sentiment doesn't make it right. But if you're going to push a clearly unpopular program, you ought to be damned sure that the struggle and the risk of losing are worth it.

In the absence of any persuasive evidence that racial balancing is worth the effort in terms of increased educational or social opportunity for the children, or even any evidence that it helps children get along together better, it seems to me that the time, effort and money spent on busing could be better used for other things.

Like better schools, for instance.

WORLD FOOD CONFERENCE

Mr. KENNEDY. Mr. President, the spectre of widespread food shortages casts a dark shadow of famine across many areas of the world today. For the first time in decades, the world came perilously close last year to running out of food, and the prospects for the coming decades offer little room for optimism if something is not done soon.

It is with this imperative in mind that the international community has now begun to prepare itself for a conference that will be every bit as crucial to the survival of man as conferences on disarmament or weapons control—the World Food Conference, scheduled for November in Rome.

Food is the most fundamental commodity to sustain human life—more so than oil, or gas, or other energy commodities that so occupy our attention today. Obviously, the threat of world shortages in food is menacing—not only to the physical and mental health of the people involved, but also to the social and economic order of individual countries and entire regions of the world, including our own.

We have the choice today of uncontrolled competition for scarce resources, or cooperating in new ways for their more equitable distribution. As so often in the past, American voluntary agencies have been in the forefront in offering constructive proposals, in marshaling support and drawing attention to ways that America can better meet its humanitarian obligations. This is particularly so in programs for meeting the world's growing food crisis.

This month Church World Service and Lutheran World Relief have issued an important statement offering cogent recommendations for the U.S. delegation to the World Food Conference, and recently His Eminence, Terence Cardinal Cooke, spoke on the crisis of world hunger. In addition, this past week the American Jewish Committee adopted a statement on "The Poorest Among Us" at their 68th annual meeting in New York.

Mr. President, I commend the voluntary agencies for their important contributions to this area of public concern, and I would like to share with my colleagues the text of these three statements.

I ask unanimous consent that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHURCH WORLD SERVICE AND LUTHERAN WORLD RELIEF RECOMMENDATIONS FOR THE U.S. DELEGATION TO THE WORLD FOOD CONFERENCE

MAY 1974.

I. OVERALL CONSIDERATIONS AND CONCERNS

A. *A framework of Responsible International Interdependence.*

1. We urge the U.S. delegation to participate in World Food Conference (WFC) discussions fully within the context of the new international economic order which the Special Session declared its united determination to work to implement.

2. While the U.S. Government has expressed reservations about certain features of that new order, it should make clear its full support of "equity, sovereign equality, interdependence, common interest and cooperation among all States."

3. Recognizing the dependence of the U.S. on other nations for certain basic raw materials and their dependence on the U.S. for manufactured goods and services, we urge the creative and careful use of the resources of our finite planet in mutual interdependence.

4. This approach should result in U.S. support for measures increasingly multilateral in character.

5. In the context of global interdependence, actions taken at the WFC to increase agricultural production, strengthen world food security, and adjust trade policies should be regarded as in the interests not only of the food-deficit countries, but of the U.S. and other developed countries as well.

a. The removal of the international instability caused by widespread hunger, malnutrition, disease, unemployment, and other forms of human misery and the bridging of the widening gap between rich and poor nations will contribute substantially to a more stable, peaceful, and just world for all of its members.

B. *A Response to the World Food Crisis Which Expresses the Shared Concern of all Member U.N. Countries for an Adequate Diet for all People.*

1. We recommend that at the WFC the world community be challenged to make specific commitments such as the following:

a. For major food-exporting *developed* countries, a pledge of ten percent of their annual agricultural exports for humanitarian uses in the developing world.

1. For the U.S., this involves a doubling of current Food for Peace efforts, an action we believe both possible and imperative. An increased response of this magnitude would be commensurate with reduced good availabilities at manageable prices in the LDCs.

b. For other *developed* countries, a comparable input of funds in funds, material and/or technical assistance should be encouraged to be made available for the same purposes.

1. Such funds could be used in the LDCs through U.N. administrative mechanisms for food purchase, agricultural assistance, and/or the managing, storing, and distributing costs of food available from other sources.

c. Food-exporting *developing* countries should be encouraged to participate by making food available on grant or concessional terms to LDCs in need for purchases; LDCs could use funds from their own budgets or from (b) above to acquire food in this fashion.

d. Food-importing *developing* countries should be encouraged to contribute in-kind services in the management and distribution of the food received, as well as other meaningful assistance.

1. As a corollary of the policy recommended in Section II.A.5 below, we urge that immediate steps be taken to alleviate the burden of massive debt service among the LDCs, provided that the LDC funds thereby available be used by each LDC government for purposes of agricultural and economic development.

e. In short, there is real as well as symbolic value in having countries, whatever the state of their economic development, share in an interrelated response to the world food crisis.

C. *A Focus on the Needs of the Poorest Countries, and on the Poorest Persons within each Country.*

1. Such places and persons, to whose needs we attest, are the focus of the Foreign Assistance Act of 1973 and of efforts by Church World Service and Lutheran World Relief and other voluntary organizations.

2. Governments should be encouraged, amid the conflicting demands on their limited resources, to make a special commitment

on behalf of persons most in need and least able to fend for themselves.

3. Assistance agreed upon at the World Food Conference should, to the extent consonant with LDC government priorities, be used to enhance their abilities to meet the needs of poor persons.

D. *Recognition and Encouragement of Voluntary Agency Contributions to World Food Needs.*

1. The U.S. delegation should urge the World Food Conference as a whole, in addition to stimulating greater support for bilateral and multilateral measures, to take into account the proven and potentially expandable efforts of voluntary agencies of all countries in such areas as:

a. Relief and development activities among the poor at the village level, where the roots of poverty exist.

b. Administering food aid programs, agricultural and economic development projects, and nutrition and health education efforts.

c. Providing technical assistance and training in needed skills for local persons.

d. Piloting new approaches and model schemes prior to larger scale replication by others.

e. Providing support and encouragement for counterpart agencies to become significant partners with their governments in support of human development.

f. Broadening the response of the international community to human need.

2. While the WFC is a meeting of governments, it should also articulate the humanitarian concerns of peoples for each other, a concern expressed in the Western tradition of actions by private citizens through their voluntary agencies.

3. Since intergovernmental discussions in general and the early planning for the WFC in particular have focused on the solutions of problems by governmental means, explicit attempts are needed to draw nongovernmental resources into WFC discussions.

a. Because of the significant involvement of American voluntary agencies in combatting hunger, the U.S. delegation in particular needs to be a strong advocate of the voluntary agency roles in helping to solve the world food crisis.

b. The U.S. delegation should ensure that the WFC specifically encourages the active cooperation with voluntary agencies of U.N. units such as FAO, the World Food Program, UNDP, and others.

1. While generally good cooperation already exists and while specific measures are already being taken to enhance these relationships, some additional modifications of existing U.N. agency procedures may help to facilitate increased cooperation.

2. CWS and LWR are prepared to consider administering, in selected situations, food aid projects utilizing food received from the world Food Program rather than from the U.S. government.

a. We would welcome discussions well in advance of November to allow for the working out of appropriate guidelines and arrangements to enable the announcement of specific projects at the Conference itself

4. All of the above notwithstanding, we believe that voluntary agencies cannot and should not become the major channel of governmental assistance in relief and development.

E. *Multifaceted Solutions to be Proposed and Supported by the U.S.*

1. Given the complex causes of food scarcity and the variety of solutions needed, we urge that multiple approaches be advocated and supported by the U.S. delegations.

2. Increased food aid, urgent as it is, is only one of a number of measures which deserve U.S. support.

a. We believe, as noted above, that sizeable increases in American food assistance are imperative, optimally matched by increases from other large food producing countries. As food assistance becomes an increasingly shared endeavor, we are not opposed to its ceasing to be America's distinctive contribution to world hunger.

b. Given the deepening predicament of many food deficit countries, we believe that a significant increase in our donation program is imperative, along with a significant increase in concessional sales of food for those countries with limited ability to pay full prices.

3. While immediate measures to combat critical food shortages are urgent, these should not deflect attention from medium and longer term solutions to world food problems.

a. Aid to agricultural development in both material (such as seeds, tools, and fertilizer) and technical assistance (such as expertise in animal husbandry and marketing) is critically needed, as is expanded nutrition education.

b. Given the massive increase in agricultural research needed to solve LDC agricultural problems, we urge that a more active role in providing technical assistance by the agricultural attachès in U.S. Missions and by the American based staffs of the U.S. Department of Agriculture and State universities be explored.

4. Since agricultural poverty has systemic as well as immediate roots, measures to bring about basic structural changes in LDC societies should be encouraged along lines they find appropriate.

a. Revised patterns of land ownership, enhanced availability of capital, and other measures to further economic justice are all likely to have positive impacts on agricultural productivity.

5. We urge that the thinking of the other 1974 U.N. Conferences be brought to bear on the issues being considered by the World Food Conference, since responsible family planning, responsible use of the seas, and responsible food and environmental policies are interrelated.

6. Recognizing that many of the Conference recommendations will draw on U.N. agencies for implementation and require international support, the U.S. should pledge substantially increased resources to the United Nations system.

a. We commend the U.S. government for its current support of intergovernmental agencies such as UNICEF, FAO, WFP, and UNDP, and view increased support as a means of advancing the welfare of the whole family of man.

F. *A Non-Political Approach to World Food Needs.*

1. We believe that all persons have a right to food which fulfills a basic human need.

2. We believe that the long-term interest of the U.S. will best be served by showing a concern for the hungry regardless of their race, color, creed, or political persuasion.

a. Similarly, countries in which food shortages exist should not deny food to any segment of their population by reason of any of those factors.

3. Realizing that food policies cannot be immediately extricated from political considerations, the U.S. government should support the establishment by the WFC of a mechanism to orchestrate more effectively food availability with food need.

a. Countries whose needs remain neglected through bilateral assistance should become increasingly the focus of multilateral concern.

II. PARTICULAR AGENDA ITEMS

A. *Increasing LDC Food Production.*

1. We believe this deserves priority attention because it enables LDC's to develop an increasing measure of self-sufficiency in food and to improve the economic and social condition of their citizens, particularly the agrarian poor.

a. An adequate diet for all persons within each country is basically each country's responsibility, to be met to the fullest extent possible by and from local production and commercial imports, supplemented where and as necessary by outside assistance.

2. We believe that an essential corollary to increased production in the LDCs is greater effectiveness and efficiency for their small farmers in financing resource acquisition (seed, fertilizer, tools, etc.) and in marketing their products (through transport, sales, etc.)

a. We believe that cooperatives (e.g., for production, marketing, and transport) can offer an effective form of assistance toward this end.

3. We urge that care be exercised to avoid in LDCs the excessive energy consumption patterns of U.S. agriculture.

4. We urge policies and assistance designed to increase the efficiency of small-scale farming.

a. Our experience has suggested that intermediate technology (such as improved tools, windmills, and animal-drawn plows) is generally more serviceable than more complex techniques geared to increasingly short oil products.

5. Recognizing that the sale of food, even at concessional terms, can create massive debt, every effort should be made so that debtor nation status shall not in and of itself be an economic deterrent to development. (Cf. I.B.1.d.1 above.)

B. *Strengthening World Food Security.*

1. On the basis of extensive experience, we support an expanded program of food aid: for emergency relief as needed, but primarily for development purposes.

a. We do so realizing that the great bulk of America's agricultural exports need to and should continue to move through normal commercial marketing channels.

2. We support the idea of an international network of national food reserves along the lines formulated by the Director General of FAO.

a. Since food production and availability is a complex matter which does not respond overnight to new situations of need, we urge that the U.S. government support national and international planning processes which allow for multi-year agricultural projections and food assistance commitments.

b. Given imponderable factors which make predictions of food availabilities at best somewhat uncertain, we urge that conservative rather than overly optimistic projections be used in WFC and U.S. government planning to allow a safe margin between anticipated crop yields and human needs.

3. We support a national food reserve which would enhance our country's ability to respond to international needs.

4. While the U.S. should not and cannot singlehandedly feed the world, it should, in our view, commit itself to the use of our abundant resources to increase systematically our own agricultural production against the spectre of mounting world famine.

a. In addition to the continued utilization of all arable land, the U.S. should explore the possibility of encouraging the planting in the U.S. of those crops of maximum nutritional value and of greatest utility to the hungry people of the world.

III. SPECIFIC ACTION STEPS

A. We urge the U.S. delegation, in preliminary discussions with other countries, to lay the groundwork for specific action steps to be announced at the Conference and implemented at once.

B. We, for our part, are taking a number of concrete steps.

1. We pledge our continued involvement as a vehicle for the movement of food from public and/or private sources from the U.S. to LDCs and for providing agricultural and other forms of development assistance at the grass roots level.

2. Pursuing their suggestions to the First Preparatory Committee, we are exploring with the Sudan and Brazil governments projects in increased food production, using multilateral, bilateral, and private resources under their coordination.

3. We are actively publicizing the issues of the Conference among the people we represent, and sense a growing expectation of and support for generous and imaginative leadership on the part of the U.S. delegation.

a. We are actively communicating these views to the U.S. Congress to encourage legislative branch support for the U.S. delegation's initiatives.

4. We will actively participate in the final two meetings of the Preparatory Committee and at the Conference itself with an eye to exercising a constructive influence in discussions with delegations on these issues.

5. We pledge ourselves to work for the implementation in this country of the appropriate conclusions of the WFC.

STATEMENT OF HIS EMINENCE, TERRENCE CARDINAL COOKE, ON THE CRISIS OF WORLD HUNGER, APRIL 26, 1974

Over the past several months, news report has followed news report concerning the ever-worsening situation of famine and critical human need in many of the developing nations of the world. A disastrous combination of circumstances, some natural and some man-made, have brought the grim specter of starvation to literally millions of our brothers and sisters in God's human family.

The areas under the shadow of this mounting holocaust of hunger stretch around the earth. There are almost a billion people in the forty or so poorest nations of the world which are the hardest hit. This belt of agricultural disaster touches the six nations of the Sahil, Ethiopia, India, Kenya, Pakistan, Sri Lanka, the Sudan, Uganda and Zaire.

The most ominous note of all is that this spiral of starvation is even now accelerating rapidly, and, as Secretary General Kurt Waldheim of the United Nations said recently, "the fate of millions of people may well depend, within the next few months, on what is done or not done *now*." Drought, combined with the soaring prices of food and fertilizer, have reduced food resources to an amazingly low levels in these countries. The need for financial assistance, for food and fertilizer has never been greater than it is today among these poverished people.

The truth is that both food and fertilizer are available in the United States and the other food-exporting nations to a degree that could solve the present problem of hunger for these many millions of God's children—and it could be done without undue hardship, simply through that use of moderation in consumption which is the mark of a healthy society and the tradition of our Judeo-Christian culture. Not only charity but justice demands that it must be done by a sharing of resources with our brothers and sisters in such dire need.

I urge the responsible officials of our nation, both in the Administration and the Congress, to give immediate attention to this critical problem, and to the need for an overall program of human development which could prevent such calamities in the future.

As a nation which is so richly blessed by God, we must not allow our preoccupation with our fiscal or political problems at home to cause us to turn our backs on a growing tragedy of world-wide magnitude which we can avert with such a small sacrifice in food and fertilizer supplies. I know that the people of the United States will not fail in their own tradition of generous response to the poor and hungry in this catastrophic situation.

THE AMERICAN JEWISH COMMITTEE,
NEW YORK HILTON HOTEL,
May 15–19, 1974.

STATEMENT ON THE POOREST AMONG US

The American Jewish Committee has long been concerned with the plight of 25 million poor Americans, those who subsist on income below federal minimum living standards. They include the 9 million people on public assistance (or whom only a small percentage are employable), the under-employed, and the fully employed who earn less than these federal standards. A majority of this group is white, but it includes a disproportionate number of Blacks and persons from other minority groups. Included also are poor Jews, particularly many elderly living on inadequate social security.

We believe that the existence of poverty in an affluent society is morally indefensible, breeds hostility and community tension, and alienates one group from another. The best bulwark against poverty, we contend, is a prosperous nation that provides work opportunity for all, and adequate financial aid to those who cannot work. Therefore, we call for a program of social insurance that will incorporate financial safeguards, health insurance for all, and a social security program that will ultimately make the existence of a public welfare system unnecessary. Until such time, the present welfare system must be revised and improved.

But our efforts to eliminate the blight of poverty and malnutrition in America must not lead us to neglect our obligations abroad. The spectre starvation is haunting large parts of the world today. Hundreds of millions of the world's people are undernourished. India, Pakistan, Bangladesh and scores of other nations in South Asia, Africa and Latin America face widespread famine. Thousands have already died in drought-ridden sub-Sahara Africa. U.N. Secretary-General Waldheim has warned that "peoples and countries could disappear from the face of the map" in West Africa if the world does not help with immediate relief and long-range efforts to make the region self-supporting.

The high cost of oil, created by the oil-producing countries, is wrecking the economies of the poorest countries. And because petroleum or natural gas is needed for fertilizer production, oil and gas shortages in poor countries are spelling starvation. It has been estimated that if just one quarter of the natural gas that is now wasted in the Persian Gulf fields was diverted into a fertilizer industry on the spot, the world's entire current demand for nitrogen fertilizer could be met.

We must also recognize that, in our finite world where resources are limited, the family of man must bring birth rates into reasonable balance with the lowered death rates that have been achieved. Many governments see the need to guide national policy toward this objective. We urge that the United States, working in consort with other governments and international organizations, give family planning at home and abroad the highest priority and adequate funding.

The American Jewish Committee is strongly committed to the search for economic and social justice everywhere. It sees the need to reduce the widening gaps between rich and poor states. This must be a concern of Jews, Christians, Moslems and Hindus; of blacks, browns, and whites. As the world becomes smaller, and nations closer, we become increasingly aware of the interdependence of one with the other. The affluent and developed nations cannot remain untouched by the poverty and famine in the less advantaged nations. This means not only immediate famine aid, but development of productive economies in the poor states. The highest degree of charity, said Maimonides, is not only to give food but also to assist a poor person to find a job or business opportunity, in short, to put him "where he can dispense with other people's aid." That must be our goal.

Therefore, we urge our own members and Americans everywhere—in unions, business, civic and religious groups—to contribute to the famine relief efforts of the member agencies of the American Council of Voluntary Agencies for Foreign Service.

And, despite the unfortunate vote of the House of Representatives in January, we hope that Congress will ultimately support the Administration's recommendation for a $1.5 billion U.S. contribution spread over four years to the International Development Association. We urge all affluent nations—developed and developing alike—to join in the United Nations for similar efforts to aid the poor. This is the least we can do to help meet the needs of 800 million people in the developing countries who are living on only 30 cents a day.

IMPLEMENTATION OF PUBLIC ANNOUNCEMENT REQUIREMENTS FOR ARCHITECT AND ENGINEERING SERVICES

Mr. PERCY. Mr. President, I have taken a continuing interest in the manner in which the civil and defense department agencies have implemented requirements for public announcement of all architecture-engineer—A–E—services. This requirement is contained in Public Law 92–582, which was passed in the last Congress, establishing in law procedures under which civil agencies procure A–E services. The requirement was written into law in the House, at my suggestion. I have taken a great deal of interest in the degree to which it has been implemented, because I believe that public announcement is one of the surest ways by which we can guarantee that the selection of architects and engineers for public projects is not limited to a close clique.

I have from time to time asked the General Accounting Office to monitor implementation of the so-called Percy public announcement requirement. The last report I received from the GAO was July 6, 1973. I asked for a report again on February 18, 1974, and on May 9th received a response from the GAO, which I ask unanimous consent be printed in the RECORD, with related correspondence, at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Mr. President, the latest GAO report indicates that the General Services Administration has published regulations applying to all civil agency procurement and that these become formally effective on January 14, 1974.

These regulations require that all A–E requirements be published in the Commerce Business Daily when the A–E fee is expected to exceed $10,000. When the fee is expected to be $10,000 or less, publication in the Commerce Business Daily is optional; however, if it is not published in the Commerce Business Daily the AE–requirement must be announced in at least one daily newspaper circulated in the local area and publicly displayed at the procurement office.

Mr. President, I am pleased that the responsible departments and agencies have apparently implemented this public announcement requirement. I am, however, continually interested in having reports from the field about the actual effectiveness of the new public announcement system.

EXHIBIT 1

U.S. SENATE,
Washington, D.C., May 23, 1974.

Mr. F. J. SHAFER,
Director, Logistics and Communications Division, U.S. General Accounting Office, Washington, D.C.

DEAR MR. SHAFER: Thank you for your May 9th response to my letter of February 18th, reporting on implementation by the General Services Administration and the Department of Defense of the requirement of P.L. 92–582 that all requirements for architect-engineer (A–E) services be publicly announced.

I am pleased with your report that this implementation of requirement, which was written into the bill at my request, appears to be satisfactory, in line with previous recommendations of the GAO and with good public practice. I am also pleased that the Department of Defense has very substantially complied with these requirements, even though Public Law 92–582 does not apply to the Department of Defense.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

U.S. GENERAL ACCOUNTING OFFICE,
Washington, D.C., May 9, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate.

DEAR SENATOR PERCY: Your letter of February 18, 1974, asked that we provide information on the amendment to the Federal Procurement Regulations implementing Public Law 92–582 which established policies and procedures for governmental procurement of architect-engineer services. You also expressed interest in the degree to which civil agencies and the Department of Defense have complied with the public announcement provisions of the law since our July 6, 1973, report to you.

We mentioned in the July 6 report that the General Services Administration published a temporary amendment to the Federal Procurement Regulations on March 29, 1973, and that the target date for the formal amendment was December 1973. The formal amendment was published in the Federal Register on December 6, 1973, and became effective on January 14, 1974.

The amendment provides that all requirements for architect-engineer (A–E) services be publicly announced. The method for announcing them varies according to the estimated fee for the required services.

When the A–E fee is expected to exceed $10,000, the requirements must be publicized in the Commerce Business Daily. The announcement must be published far enough in advance of the due date to enable A–E firms to prepare and submit qualification and performance data to the procurement office. When the fee is expected to be $10,000 or less, publication in the Commerce Business Daily is optional. When the estimated fee is $10,000 or less and the agency does not advertise in the Commerce Business Daily, the requirements must be announced in at least one daily newspaper circulated in the local area and publicly displayed at the procurement office.

Each announcement must briefly state the project location; scope of required services; and, where applicable, construction cost limitation, type of contract proposed, and estimated start and completion dates. The announcement also requests firms to furnish Form 251 (U.S. Government Architect-Engineer Questionnaire), if one is not already on file, and advises that, following evaluation, three or more firms considered to be the most highly qualified will be chosen for interview.

DOD REGULATION

As we said in our July 6 report, the provisions of Public Law 92–582 do not apply to the Department of Defense. However, the Department amended the Armed Services Procurement Regulation (sec. I, part 10) to provide for similar public announcement of A–E requirements. The amendment was issued on May 15, 1973, through Defense Procurement Circular Number 109. The specific public announcement provisions parallel those of the Federal Procurement Regulations very closely.

COMPLIANCE WITH PUBLIC LAW 92–582

With regard to your interest in the degree to which civil agencies and the Department of Defense have complied with the public announcement provisions of Public Law 92–582, we are now reviewing their procedures in response to several congressional requests and public interest. We are not only examining the extent to which the General Services Administration and the Department of Defense have complied with the public announcement requirement of Public Law 92–582 but also the extent of the requirement's effectiveness in increasing competition, as intended by the Congress. Instead of issuing a series of individual reports in response to the numerous congressional requests received on this subject, we have arranged with the other requesters to issue a single report. We will send you a copy of this report when it is issued later this year.

Sincerely yours,

F. J. SHAFER, *Director.*

FEBRUARY 18, 1974.

Hon. ELMER B. STAATS,
Comptroller General of the United States, General Accounting Office, Washington, D.C.

DEAR MR. COMPTROLLER GENERAL: I am writing with regard to the implementation of Public Law 92–582, an Act passed by Congress on October 27, 1972, which amended the Federal Property and Administrative Services Act of 1949, establishing procedures for governmental procurement of architect-engineer services.

Section 902 of the Act requires that the government publicly announce all requirements for architectural and engineering services. As you know, this requirement was included in the law at my suggestion, and I have a continuing interest in insuring its proper implementation.

In your July 6, 1973, response to my letter of October 18, 1972, inquiring about the implementation of the law, you stated that a proposed revision of the Federal Procurement Regulations was being circulated for comments and that by December, 1973, a final release of the regulations would be made. I would like to know what final form these regulations have actually taken and any other relevant information about steps taken concerning A–E requirements. I am interested in the degree to which both civil agencies and DOD have complied with the public announcement provisions of Public Law 92–582 since our last communication.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

WOMEN'S RIGHTS

Mr. CLARK. Mr. President, during the past several years, more and more people have become aware of the social and economic inequities facing women in this country.

Job discrimination, for example, is easily documented. Women generally find themselves at the low end of the pay scale in most industries. Department of Commerce statistics for 1972 reveal that 89 percent of full-time women workers earn less than $10,000 a year, while only 49 percent of their male counterparts earn that sum. By contrast, only 1.7 percent of American females employees working full time earn more than $15,000 annually, while 20 percent of the men earn that amount or more.

Indeed, the average woman worker earns about three-fifths of what a man does, even when both work full time, year around.

For women there are many other inequities in the areas of insurance, social security, credit, child care, pensions and tax benefits, to name a few. Legislation already has been proposed to correct sex discrimination in some of these areas, but much more needs to be done.

One area which has received little attention until recently is the gross disparity in terms of money and facilities for men's and women's athletics.

The Washington Post recently published a series of four articles documenting and analyzing the athletic establishment's discrimination against women. The articles by reporters Nancy Scannell and Bart Barnes, entitled "The Girls In The Locker Room," describe in great detail the problems of female athletes in a country where men traditionally are the champions and women are the cheerleaders.

The Scannell/Barnes series tells how women today, "in growing numbers, have declared war on the tradition that American sport is reserved for men only. What is happening is a revolution that strikes to the core of American custom and folkways."

The article made a number of compelling points:

The city of Waco, Tex., spends $250,000 a year in an ambitious program for boys in seven sports, and $970 annually on girls' tennis. While these figures probably are more lopsided than in many cities, there are huge differences in the amount spent on men's and women's athletics in most school systems and universities.

When the boys' team at Madison High School in Fairfax County, Va., wins a championship, it is customary to honor them at an awards banquet. When a girls' basketball team won a divisional championship last year, recalls one team member, they climbed on a bus and went to an ice cream parlor.

If a member of the women's track team at Ohio State University pulls a muscle, she has to go eight blocks back to the dormitory to apply heat to it, then come back to the arena, because there are no locker rooms for women in the arena.

Title IX of the 1972 Federal aid to education amendments, which bars discrimination on the basis of sex in educational institutions that receive Federal aid, could have an enormous effect on the discrimination currently practiced in many colleges and universities with regard to women's athletics. I am convinced that title IX, if properly administered and enforced, will mean that women athletes will at last get their fair share of sports money and facilities.

Mr. President, I ask unanimous consent to have the four Washington Post articles printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

NO SPORTING CHANCE

(By Bart Barnes and Nancy Scannell)

The biggest major sports battle of the past year was not on television. It did not take place in a packed stadium before a crowd of screaming fans.

It happened in hundreds of courtrooms, in the offices of principals and coaches, on Little League baseball diamonds and at school board meetings.

Women, in growing numbers, declared war on the tradition that American sport is reserved for men only.

What is happening is a revolution that strikes to the core of American custom and folkways.

Competitive sport has always been considered to be a way to develop boys into men. Girls have been left along the sidelines, cheering the boys on—practicing the supportive role they could expect to play as women.

The sports sex revolution now has the power of law behind it. Currently on the books and being readied for implementation are federal regulations that extend the ban on sex discrimination into the area of competitive sport.

The new regulations could cause a dramatic overhauling of the big-time men's college sports system. At the very least they will lead to a thorough reappraisal of men's athletics.

Beyond that, the awakening of the woman athlete is part of a fundamental change in women's role in our culture. Nowhere does the conflict between the new and the old attitudes toward women generate more sparks than on the playing field.

In countless stuides and surveys advocates of improved sports programs for women and girls have found that sex discrimination in athletics is ubiquitous and ingrained.

In Waco, Tex., the public schools operated a $250,000 athletic program for boys in seven sports but spent only $970 on girls' athletics. A study by Women's Equity Action League found that of $1 million in athletic facilities and equipment only tennis balls could be used by girls on a regular basis. Waco schools therefore currently stand to lose up to $1 million in federal funds.

A survey of 60 junior and senior high schools in the State of Washington found not one where the physical education budget for girls was even 50 per cent of that for boys.

An investigation of athletics in the public schools of Ann Arbor, Mich., found nearly 10 times as much money has been spent on boys' athletics as on girls'.

At the University of Maryland, there is an athletic budget of $2,015,000 that includes 100 football scholarships and nine in basketball at a cost of $2,840 apiece. The budget for women's athletics this year is $19,000, or approximately the cost of seven football players for one year.

A coalition of eight women's organizations found that in the public schools of Dallas, girls accounted for only five per cent of the more than 9,000 students between grades eight and 12 participating in interscholastic sports. Dallas schoolgirls are effectively denied use of nearly $10 million worth of public facilities such as stadiums and field houses, the group said in a formal complaint.

These figures suggest one measure of how the athletic establishment discriminates against women. But women say their problems go beyond money to the attitude that it is somehow unfeminine for a female to demonstrate ability in sports.

This and three subsequent articles will examine how the ferment in athletics has the potential to recast the entire sports picture in America today for men as well as women, from the sandlot to the college stadium.

The articles are based on scores of interviews with athletes, coaches, athletic directors, representatives of national sports organizations, school and government officials, leaders in the women's movement and on research papers and court documents.

They will discuss implications of what's happening go beyond athletics, for in many ways the sports revolution is a microcosm of the women's movement.

The movement already has surfaced at the elementary school level in protests that textbooks tend to stereotype girls as passive creatures. Boys when they appear in the elementary texts are usually active and competing. Girls tend to be shown in frilly dresses, smiling pleasantly and helping mother around the house.

In hundreds of conflicts from Maine to California, the concept of sports as one of the last bastions of male supremacy is undergoing a sustained attack. Women—and some men—are demanding that their daughters have an opportunity equal to that of their sons to share in the sports programs, facilities and equipment of the nation's public schools.

Women have become jockeys, letter-winning football players, wrestlers and boxers in the last few years. But such accomplishments still are exceptions to a generally rigid rule.

And often they are met with diehard resistance from the male athletic establishment.

The New Jersey Superior Court, in a decision expected to have nationwide impact, ruled this March that girls must be permitted to play Little League baseball along with the boys.

Philip DeMarco, a salesman from Middletown, N.J., and chairman of the Save the Little League of New Jersey Committee, said many leagues across the state will simply close this year rather than admit girls.

"The Little League has been a viable organization and a service, especially to boys in this state, and it's going right down the sewer," DeMarco said. "Our rights have been taken away. I will not be part and parcel of this type of operation."

The New Jersey decision grew out of a ruling last November by the State's Civil Rights Commission that barred Little League from discriminating against girls while using public parks and playgrounds.

"The institution of Little League is as American as the hot dog and apple pie," hearing examiner Silvia Pressler said. "There is no reason why that part of Americana should be withheld from girls."

Maria Pepe, a then 12-year-old pitcher in Hoboken, started the battle two years ago. She won a place on a team but was dropped because Little League rules prohibit girls. The National Organization of Women took up her case.

"They don't do nothing for girls in Hoboken, only boys," Maria said at the time.

Three years ago, two high school girls in Connecticut went to court when they were denied places on their school track and swimming teams.

In a 1971 decision, since reversed by a federal court, a state judge held:

"The present generation of our younger male population has not become so decadent that boys will experience a thrill by defeating girls in running contests whether the girls be members of their own team or an adversary team. Athletic competition builds character in our boys. We do not need that kind of character in our girls, the women of tomorrow."

The case was tied up in court for two years; finally, a year ago in January, the Connecticut high school athletic association amended its rules to let girls compete with boys.

But it is at the college level, where vast sums are set aside for recruiting, scholarships, public relations and expensive athletic equipment for men, that the tremors are being felt most keenly. Some in the athletic establishment are bracing for an earthquake. What's at stake is nothing less than the continuation of old-time, big-time college sports.

The regulations in Title 9 of the 1972 Education Amendments are intended by Congress to bar sexual discrimination in a number of areas including athletics. The penalty for violation is the loss of federal funding, a price few school systems or universities could pay.

Proposed guidelines drafted by the Department of Health, Education and Welfare took two years to write, primarily because of the sensitivity of the athletic section. They have been circulated unofficially throughout the athletic establishment although the period for official comment for the record has not yet begun.

One of the more far-reaching and controversial sections provides that recipients of federal aid such as institutions and school systems.:

"Shall not discriminate therein on the basis of sex in the selection of sports or levels of competition, provision of equipment or supplies, scheduling of games and practice times, travel and per diem allowance, awarding of athletic scholarships, opportunity to receive coaching and instruction, assignment of coaches and instructors, provision of locker rooms, practice or competitive facilities, provision of medical and training facilities and services publicity or otherwise."

To Walter Byers, executive director of the National Collegiate Athletic Association, the regulations are ominous indeed. They mean, he says, the "possible doom of intercollegiate sports. It has taken us 60 years to reach our level of amateur sports in this country."

In plain English, Byers and sports directors around the country are afraid the government will force them to spend more money on women's sports and so starve the already hard-pressed men's programs.

Only 10 percent of the college athletic departments in the United States are able to finance their athletic budget with the income from revenue-producing sports. The other 90 percent must dip into public money.

At the University of Maryland, athletic director Jim Kehoe calls the proposed guidelines "unfair, unreasonable and impractical." They fail, he says, to recognize the "cold, hard facts of life" in trying to run an athletic program off two moneymaking sports, football and basketball.

And editorial and sports writers in the national media have joined in the outcry.

"After all what are we after, a race of Amazons? Do you want to bring home companion or a broad that chews tobacco?" said Furman Bisher, sports editor of the Atlanta Journal in a column in the March 9 issue of The Sporting News. "What do you want for the darling daughter, a boudoir or a locker room full of cussing and bruises? A mother for your grandchildren or a hysterectomy? . . . educated their men to handle situations worse than this, then we deserve feminization."

In the Washington Post on April 21, sports columnist William Barry Furlong also launched a scathing attack on women athletes: "The clean hard sexist fact is that there are at least three other things I'm going to examine about a woman—four, on the chance she has a brain—before I even begin to think about her golf swing." At other points in the column, Furlong refers to women athletes as "grotesqueries."

HEW's Gwen Gregory, the lawyer in charge of drafting the Title 9 guidelines, emphatically denies they are intended to destroy men's sports.

"From the school representatives I've talked to, I certainly think it will have a substantial effect at most schools. I don't think that change spells disaster, however."

A good deal of the reaction so far to Title 9, Gregory says, has been panicky and alarmist, and some of it deliberately distorted. While the guidelines do require that women be given an equal opportunity to participate in sports, she said, they do not require a down-the-middle division of everything including money and scholarships.

What the legislation is aimed at, she said, is eliminating such instances as:

"When a woman's track team organized a meet the year before, and the week before the meet the men's track coach called and said, "We need it (the track) for practices and you have to cancel" and they canceled. That plainly is wrong.

"When a men's hockey team is given expenses and transportation to go to Olympic tryouts and the women wanted to go for figure skating and they wouldn't let them go. Public funds were used to transport the men. When men are transported by airplanes and given a big steak the night before the game and the women are giving bake sales in order to afford a bus to take them and their peanut butter sandwiches in brown bags . . . when locker rooms are available only to the men . . . when swimming pools are available only after 9 p.m. so the women go over then and have to wear their wet suits home in the snow . . . and then they say that women aren't interested in sports. Well, you lose your interest when you're freezing to death in your wet suit."

Indeed, the women's issue extends even to the question of athletic scholarships for women, an extremely controversial issue with important implications. Until a year ago, the associates that govern intercollegiate sports competition for women barred all women on athletic scholarships from competition.

But last year the ban was lifted after 15 women tennis players on athletic scholarships at Florida's Broward Community College and Marymount College filed a lawsuit in federal court.

Still, the number of women getting a college education through an athletic scholarship is only a fraction of the estimated 50,000 males, athletes on whom schools as Ohio State and Penn State depend to operate their multimillion-dollar sports programs. And it's those programs that may feel the impact of the women's movement most acutely.

$250,000 FOR BOYS, $970 FOR GIRLS

(By Bart Barnes)

WACO, TEX.—About 100 miles south of Dallas in the central Texas plains, the city of Waco has become symbolic in the past year as a case study of discrimination against the female athlete.

It was against the public schools of Waco that one of the first, and probably the most well-known and well-documented, complaints of sex discrimination in athletics was filed under Title 9 of the 1972 federal aid to education amendments.

The complaint was filed by the Texas division of the Women's Equity Action League, which found that Waco schools virtually cut girls off from competitive athletics. Waco spends $250,000 a year in an ambitious program for boys in seven sports, and $970 annually on girls' tennis.

Waco school superintendent Avery Downing concedes the accuracy of the WEAL findings.

They are the result, he says, of a deeply held Texas tradition that values athletic competition, football in particular, not only as a builder of men but also as a source of civic pride and boosterism.

"In the eyes of parents and businessmen," says school board member and psychologist Clifford Knape, athletics "represents a sort of pride and status in the community . . . competition with other districts."

"We had a period back in the 1920s when Waco (High School) was the terror of Texas football."

But it was a quarter-century ago that Waco won its last state championship and there is real pressure now, says Knape "to return to the days of glory. That sounds kind of corny but the people who call you up about the athletic program aren't kidding."

As far as the question of competitive sports for girls is concerned, Knape observes, "It's not part of our culture in Waco."

TWO SCHOOLS OF THOUGHT ON TITLE 9

(By Nancy Scannell and Bart Barnes)

COLUMBUS, OHIO.—Ohio State University's mommoth football stadium evocative of Rome's Colosseum, dominates the campus in concrete expression of a culture that values few things more highly than athletic excellence.

Columbus restaurants serve cocktail napkins bearing sketches and schedules of Buckeye teams.

The corridors of St. John Arena, a giant field house, are lined with countless trophies, plaques, ribbons and pictures of athletes whose feats down the decades have made the school's name familiar to everyone with even a casual interest in sports.

The pictures on the napkins and the walls are all of men. The stadium and the field house were built for men. Two out of every five OSU underclassmen are women.

With an athletic budget this year of $6 million, Ohio State runs one of the largest athletic programs in the United States. Despite a budding interest in women's sports—women will receive athletic awards this year for the first time—sport at Ohio State is men's business.

This year the OSU women's sports program will get only $37,000. That is six 10ths of one per cent of the $6 million. Little as it is, OSU women athletes are rolling in money compared to five years ago, when their share was $3,000. Next year women's sports here will be budgeted at $85,000.

Phyllis J. Bailey, the director of women's athletics at Ohio State and a veteran of 18 years in the school's athletic department, has seen far-reaching changes in her time. Her athletes still face a score of vexing problems, however, and Bailey still is pressing.

But she's also realistic enough to recognize that under the current setup—in which the moneymaking sports pay for all the others—virtually everything she does get will come from the men's football program.

In a very real sense women's athletics—indeed all athletics at Ohio State—is beholden to football, which in Bailey's view "has gone beyond Oho State." It has gone beyond Ohio State in the sense that football controls Ohio State's athletic program, instead of the reverse, Bailey said. And it has gone beyond Ohio State in the sense that in the absence of nationwide reform, Ohio State as a single institution is powerless to do anything about it.

So vital is the football program to Ohio State athletics that the entire women's athletic program for next year could be paid for out of the $86,000 Ohio State gets for football radio rights and there would be $1,000 change.

"I'm not fool enough to believe I'll ever see the day when women draw 86,000 at Ohio Stadium to watch a football game," Bailey said. "I don't want a women's football team. But it seems fair to me to request the same facilities, scheduling and coaching for the women's tennis team as the men's tennis team has."

According to figures supplied by athletic director J. Edward Weaver, more than half of the entire $6,046,000 sports budget comes from football gate receipts of $3,080,000. In addition, Ohio State's share of Big 10 football television revenue is $151,000.

The next highest gate is basketball, which nets Ohio State $124,000. Television income for basketball is $50,000, less than a third of football's. From radio broadcasts of its basketball games, Ohio State gets $4,000—one 20th of what it gets for football broadcasts.

From the other 16 men's varsity sports the total income is $35,000, $25,000 of it from ice hockey.

Weaver expects to net a $682,000 profit on his athletic program this year, which he says will be invested in facilities to be shared equally by the men and women.

To support this effort, Ohio State recruits and maintains 207 athletes on scholarships worth a total of $454,000. They range from 103 football scholarships valued at $256,000 down to one each for volleyball and fencing.

Women, who constitute 39 per cent of the 36,271 undergraduates at Ohio State, received no athletic scholarships although roughly 200 compete in varsity sports. This was the first year women were eligible for athletic scholarships under intercollegiate rules.

Nevertheless, compared to other large universities, the women's athletic program at Ohio State has made real progress.

Officials appear confident they can comply with Title 9 of the 1972 federal aid to education amendments, which bars discrimination on the basis of sex in college athletic programs.

"There isn't a single reason for Title 9 to scare me," said athletic director Weaver. "There isn't a single thing about it that we can't accomplish and that we haven't been trying to accomplish . . . anybody who tries to fight this thing is going against the grain of society."

Bailey does not entirely share Weaver's attitude. There is much at Ohio State, she says, that needs correcting.

For one thing, the woman's swimming team only gets use of the pool between 6:30 and 9 a.m. and again at dinnertime.

"There has to be some sort of reassignment of locker rooms," Bailey said.

"The women's track team works out in St. John Arena. Now if a gal has a pulled muscle she's supposed to apply heat on it. She has to do this in the dormitory and then run eight blocks back to the arena and she gets cold and sweaty. Then she has to run back to the dorm because there are no locker rooms for women in the arena."

While officials at Ohio State appear confident they can deal with the new federal requirements, some others are not so sure.

Many institutions, still smarting from what they feel were unevenly enforced laws requiring equality for women in faculty hiring and promotions, fear unequal applications of Title 9.

Penn State University has one of the more ambitious sports programs for women. It has a more liberal philosophy than most schools towards women's sports, perhaps due to an extensive program of research into the sociological, psychological and physiological aspects of sports for women and men.

But Robert J. Scannell, dean of Penn State's College of Health, Physical Education and Recreation, said he's worried about what may lie ahead.

"I'm scared to death of Title 9. I'm scared in terms of the type of things I can see. . . . Now you get some of your hard-driving investigators in here and they come in after a day of looking at the budgets and our athletic program because some gal has brought a complaint—and that's all you need to start an investigation—they're in here pounding on the desk as they're prone to do.

"The emergence of women's sports in terms of the economy couldn't have come at a worse time. The absolute worst time."

Scannell (no relation to the reporter) says candidly that his sports program is big business, dependent entirely on the success of the football team.

"The only sport that makes what it spends is football. Everything else is carried at a loss," he said.

Penn State cleared $373,000 in television revenues for its sports contests this year, most of it from football.

"The only thing that we're able to sell right now is football and basketball," Scannell said. "Everything else that's carried on national television is carried at a loss on the football package. When they force ABC-TV to carry national wrestling championships, that is done by negotiating down the cost of the package, not up."

Scannell, who oversees a $3.6 million athletic program (14 men's sports, 11 women's) that includes $40,000 for women's athletics, expects to operate at a profit this year.

But it was television revenue and a trip to the Orange Bowl that kept Scannell's program in the black. He expects the university to get $580,000 for its trip to the Orange Bowl last Jan. 1 (less expenses of $300,000).

Any application of Title 9 that would force a cutback in the football program would be met with strong resistance by Scannell. And he doubts it will ever happen.

"I foresee the law that makes us do that as killing the goose that laid the golden egg. The football budget is very carefully played, like a violin. It's like having a factory where you have seven product lines, six of which you're carrying because they're good for society and one of which makes money.

"So you look at it in terms of running that one line to produce the six public service lines. If you cut back on that, you cut back on the ability to put out the other six lines."

Despite Scannell's hope that no one would apply the Title 9 regulations in such a way as to disrupt the football program others think that may happen.

"This is going to shake up the big schools . . . it may level off the men's programs," said Ross Merrick of the American Association of Health, Physical Education and Recreation, an affiliate of the National Education Association.

"Those schools that are professionally in the entertainment business are going to be hit harder than the smaller schools," said Merrick, who endorses Title 9.

"If the Big 10 schools are going to continue the way they are, they are going to have to scale down the boys' program. The girls will have to get a slice of the pie."

The possibilities raised by Merrick are the fears behind a highly organized campaign against the Title 9 proposed guidelines.

Leading the attack is the National Collegiate Athletic Association, the governing body for intercollegiate athletics for 775 colleges, or virtually all institutions with any varsity athletic programs.

NCAA member institutions have an estimated 172,000 men and 31,000 women competing in intercollegiate athletics. Its clout comes from its ability to set rules for recruiting and awarding of scholarships and standards of eligibility. It can pretty much say who can play and who can't. It can punish violators by suspending them from competition, in the case of a Penn State or Ohio State a mortal blow to an institution's athletic program.

It is from large universities such as these, the smaller colleges and from a cut of the television income that NCAA gets its annual operating budget of about $1.6 million.

The Association for Intercollegiate Athletics for Women operates on a budget of about $37,500 in dues from its 503 members.

Because it owes its very existence to preservation of the status quo in intercollegiate athletics, NCAA feels it has much at stake in the outcome of Title 9.

In a memorandum to its member institutions, the NCAA charged that the proposed guidelines, if enacted as now written, would be "frequently disruptive, often destructive and surely counterproductive." It urged the members to protest to HEW.

John Winkin of Maine's Colby College, the president of the 1,100-member National Association of Collegiate Directors of Athletics, asked all members to write their congressmen requesting that athletics be exempted from Title 9 provisions.

Winkin also wrote President Nixon urging him, as a sports fan, "not to let your administration wreck intercollegiate athletics."

Tom Hanson, an NCAA spokesman, argues that Congress never intended for Title 9 to apply to athletics.

Furthermore, Hanson said, the law "only says you can't discriminate. It doesn't say equal opportunity shall be provided."

Gwen Gregory, the HEW lawyer in charge of drafting the guidelines, says Hanson's interpretation of the law is wrong. The guidelines will require equal opportunity for for women, she said.

The NCAA, Gregory said, is "determined to sabotage Title 9 . . . they're throwing in red herrings, asking us to be arbitrary."

While the proposed regulation will not require dollar-for-dollar spending for men's and women's programs, Gregory said, the women's programs—in most cases—will have to be upgraded. This generally will mean more money.

"The primary issues that the NCAA seems to be concerned about are not resolved at this point—one of them being the revenue-producing sports such as football," she said. "We do understand that at many schools, football and sometimes basketball supports the entire athletic program.

"The unfortunate thing, though, is that in many cases (they) support only the men's athletic programs. It may very well be that we'll come up with—and we are trying to—a manner in which these revenue-producing sports can use the revenue to the extent that they need it. But the remainder would have to be nondiscriminatorily used."

Other requirements of the guidelines as they now stand, Gregory said, include coed physical education classes and allowing girls to try out for boys' teams if there is no girls' team for a comparable sport and no possibility of forming one because of a lack of interest.

(Girls field hockey or lacrosse, for example, might be considered a comparable sport to boys' football thus, precluding the girl from trying out for the football team. But a girl who wants to play baseball or softball where there is no girls' team and one can't be formed, may try out for the boys' softball or baseball team.)

Lee Morrison, president-elect of the Association for Intercollegiate Athletics for Women, the women's counterpart to NCAA, says the proposed regulations may prod universities into taking a closer look at the whole of men's sports.

"What I would like to come out of all of this is to retract the men's program to some extent," said Morrison, who also is women's athletic director at Madison College in Harrisonburg, Va. "Everything you read says this whole athletic picture has gotten out of hand."

"I would hope that they'll get back to giving both men and the women an opportunity to play."

Morrison said she also believes other reforms are needed. "There's an awful lot of discrimination going on between what they call, the major and minor sports and that's not against the law.

"If you can get behind the scenes on any major university campus and talk with the cross-country guys who eat at McDonald's and scrounge for what they have, there's a tremendous amount of discrimination there. And this is one of our weaknesses. If they cut out those programs (to divert money elsewhere), then they're going to blame it on us (women). That disturbs me."

THE FINANCIAL BIND

(By Nancy Scannell and Bart Barnes)

Things have gotten a lot better for girl and women athletes in the Washington area over the past few years. That is to say the female athlete here is a little less far behind than she used to be in relation to the male athlete.

It is not to say she is getting anything like a fair deal.

In virtually every institution and school system the female athlete lags far behind her male counterpart. She has fewer sports to participate in and inferior equipment and coaching. However well she does, she gets less recognition.

For female athletes here—as elsewhere—the price of excellence often is insults and slights that reinforce the prevailing attitude that sport, serious sport, is for men and boys.

The limited acceptance of girls in some areas of athletics has not broken down the traditional barriers.

Fifteen-year-old Hania Richmond went out for the Groveton High School soccer team this spring, made the squad and was elected cocaptain. A few weeks later she was unceremoniously dropped. School officials cited the Virginia High School League policy that girls may not play contact sports with boys.

Such strictures are common and troublesome, but the real bind for female athletes is financial. The numbers vary from school to school and jurisdiction to jurisdiction, but the bottom line nearly everywhere is that, at athletic budget time, girls are considered to be worth less than boys. (Comparisons are difficult to draw because athletic budgets are financed from a variety of sources such as gate receipts, boosters clubs and tax dollars.)

A recent study of the Fairfax County school system showed about nine dollars is spent on boys' athletics for every dollar that goes to the girls. That figure is by no means unusual for the area or for the nation.

Madison High School is an illustration of the way things are. When boys' teams at Madison win a championship, it is customary to honor them at an awards banquet. When a girls' basketball team won a divisional championship last year, recalls one team member, "We climbed on a bus and went to Giffords." Giffords is an ice cream parlor.

To pay for their program the girls at Madison do such things as operate a laundry service, picking up and delivering towels for students in physical education classes.

Members of the girls softball team at Madison and their parents and coaches often have had to cut the grass and line out the fields themselves.

"We have worked until the wee hours of the morning," said Gloria Milburn, who is in charge of girls' athletics there. "We have personally mowed and raked a good portion of the field."

"There have been a number of times Gloria and I, in our spare periods or after school, have lined the girls' softball fields only to go out and find we had no lines left . . . because the boys had used our lines for their games," said Pat Dean, Madison's basketball coach.

Part of the problem at Madison and many schools throughout the area is that people just don't take girls' sports seriously.

Dean recalled this reaction of the boys' athletic director when a trophy arrived at the school for the girls' basketball team:

"He brought me in our trophy and said 'What the hell is this? Who ordered it?' I just said 'We earned it at the regional tournament.' "

In recent years Madison girls' basketball teams have won their way to six of nine district tournaments. At the end of each year their recognition was a mimeographed standings sheet.

At nearby West Springfield High School, boys' sports events and pep rallies for them are announced over the public address system. One day Shirley Duncan, who directs the girls' athletic program at West Springfield, got tired of waiting for it to occur to somebody that her regional champion girls' basketball team deserved to be included. So she walked into the principal's office and broadcast the announcement herself.

Girls athletic director Billie Reynolds at another Fairfax High School, Robinson, heard through the grapevine that there was to be a pep rally for all school teams. But no one had said anything to her about it. "I had to go in and ask to be in it. The football coach, the cross country coach, were automatically included."

William Savage, who directs the county's athletic program, says efforts are underway to upgrade girls sports.

Savage agreed there are such problems as the nonmaintenance of the girls' softball diamond at Madison. His groundskeeping staff is mall, he said, and he has to get the baseball fields ready first because the baseball season begins before softball.

In Alexandria, a study commission on the status of women found that "of all facets of school life, athletics is the one where girls most often have to take a back seat.

"Less money is spent on sports for girls and girls receive less encouragement to compete seriously . . . In athletics, it seems that a great deal of money is being spent to benefit a relatively small number of students."

The report cited specifically the football program at Alexandria's T. C. Williams High School, which cost a total of $12,335 last year. The most expensive sport for girls at the school was gymnastics at $2,140. In all, $31,162 was spent on the boys' athletic program, compared to $6,360 on girls' athletics.

Adding in the budget of George Washington and Hammond High Schools, which have only freshmen and sophomores, Alexandria spends $95,632—counting coaches' stipends—on a boys' athletic program that includes 12 competitive sports. For girls the sports budget is $25,560 for a six-sport program. Eight head coaches and 49 assistant coaches work with boys' teams; there are six head coaches and eight assistants for the girls.

William Blair, head of athletics for Alexandria public schools, says there has been a surge of interest in girls' sports and that he for one thinks that's good. Doug Poretz, spokesman for the school system, said the city is planning to make a special appropriation of $74,000 this year to improve both girls' and the so-called "minority" sports. In the past each has gotten short shrift.

This egalitarian concern would have been welcomed two years ago by Chris Strider, a recent graduate of T. C. Williams, who ran into roadblock after roadblock when she and more than 50 other females tried to start a girls' crew team.

At first the girls were told there were no locker rooms at the boat house. They said they'd change in the bathroom. Then they were told they were too frail, they might drop the shells. Finally, when they persisted, they were told they could form a team to compete in the fall. In the fall there is no competition.

An all-girl crew team since has been formed at T. C. Williams.

Girls have integrated crew teams at neighboring Arlington's Washington-Lee High School, where there are five girl coxswains on the 73-member crew squad.

Arlington also offers girls sports in gymnastics, outdoor track and swimming and it is likely that next year the program will be expanded to basketball, softball and coed golf, said Bob Gill, county athletic director. Spending ratios at each of the county's three high schools this year run at $18,000 for boys' sports to $3,000 for girls.

In testimony before Arlington County's Commission on the Status of Women, Barbara Reinwald, girls' athletic director at Washington-Lee, said that for the girls' varsity sports (including crew) at her school, there are only three coaches, while each of the nine boys' varsity and junior varsity sports had a coach.

Five years ago District of Columbia public schools offered only one interscholastic sports activity for girls, an annual archery tournament. City schools now offer varsity athletic programs for girls in volleyball, basketball, track and field and softball. In addition, city schools have coed teams in swimming, tennis, and golf.

Vinna C. Freeman, director of girls' athletics, said interest in girls' sports now is at an all-time high despite numerous obstacles and handicaps. The girls on a softball team at Cardozo High School had all their gloves stolen twice, Freeman said, but they raised money and kept buying more.

At virtually every senior and junior high school in the city, Freeman said, there is increasing pressure to put girls' sports on a par with the programs in 10 sports available to boys. The demand for coaches has grown so, Freeman said, "that I don't have enough women who are trained."

One indication of the relative value the system attaches to the two programs is the salary differential between coaches of girls' teams—as little as $250 and no more than $750—and the coaches of boys' teams: $1,000.

One of the more advanced interscholastic sports programs for girls in this area is in Montgomery County, where at the high school level 1,709 girls are participating in eight variety sports. The county also is the target of the first formal complaint of sex discrimination in local public school athletics.

The complaint was filed under Title 9 of the federal aid to education amendments of 1972, which prohibits discrimination on the basis of sex in a number of areas, including athletics, at any institution or system receiving federal funds. The penalty is loss of federal fundings.

In Montgomery within the last few years a number of noncontact sports such as tennis, track and golf have been made coed, reflecting an area trend.

Bethesda-Chevy Chase High School's track team is one such integrated squad. Coach Kerry Ward said girls first joined the team two years ago. Ward says he has developed some powerful girl runners, capable in some instances of beating boys, which some in the athletic establishment have difficulty living with.

"As long as the girls were just mascots, that was okay," Ward said. "But when they started winning . . . that can be a threat to the whole tradition of jockdom."

Generally the girls on Ward's team compete against other girls, but they did go to a meet last year in Annapolis where they ran against eight boys and beat four of them.

Prince George's County schools, until two years ago offered no interscholastic sports competition at all for girls. Under pressure from women's groups, the school board authorized a program for girls in the fall of 1972 in three sports, basketball, track and volleyball. But the program still is far behind the 10 varsity sports available to boys and spending on girls sports is about one-third of that for the boys.

Jill Greenberg, head of the education committee of the Prince George's Women's Political Caucus, thinks the county could be headed for real trouble if it fails to comply with Title 9.

"We could get into the same kind of hassle we got into with school integration," Greenberg said. She was referring to a massive crosscounty busing program begun in the Prince George's public schools last year under orders from a federal judge.

"What we are working for is to think of physical education in terms of a person's right; learning to take care of your body. In a very real sense the girls have been deprived. They almost need more funds to acquire the skills they need . . . it's amost compensatory education."

Vincent C. Holochwost, director of athletics of Prince George's schools, says that because of the new Title 9 regulations, as far as he's concerned, there will be no additions on the boys' athletic program until the girls have caught up.

In the two years that girls in the Prince George's public school system have had organized interscholastic competition, Holochwost said, some small steps forward have been taken.

High Point High School's girls' basketball team won a county championship this year, for example, but the initial reaction of many of the male students to a first-rate girls team was surprise.

"I talked to some of the boy students. They said, 'Hey, they're good. They really know how to play basketball,'" said Virginia Honey, girls' basketball coach at High Point.

On Feb. 25, when the High Point girls beat DuVal High School for the regional championship, the High Point cheerleaders and pompom girls and a number of students and administrators turned out to support the team. Later the girls' championship team was honored at an awards banquet just as High Point's championship football team had been in the fall.

Vicky Robinson, a High Point junior, has been on the team for two years and is the second highest scorer with an average of 14 points a game. She says she has nothing in particular to prove in playing and does it "only because it's fun and it's something to do after school."

At the college level, athletics for women in this area range from an ambitious basketball program at Federal City College to a struggling effort at Georgetown University, where women's team are barely allowed in the gym.

Natalie Paramskas is director of women's athletics at Georgetown. During the winter she runs intercollegiate competition for women in basketball, volleyball and gymnastics.

She gets to use the gym from 7:30 to 9:30 on Tuesday and Thursday nights. During that time she tries to run practices for all three sports simultaneously.

When there's a game scheduled that causes problems, Paramskas said, "If we have a volleyball game, the women's basketball team can't practice."

The women's basketball team at Federal City College is developing national recognition through participation in championship tournaments across the country. At FCC, it's the women's basketball team and not the men's that commands recognition. Accordingly, the women's basketball budget is $22,630 and the men's, $15,841.

Of Federal City's total budget of $104,626 for five men's sports and two women's, the women get almost 25 per cent, or $23,630.

At the University of Maryland's College Park campus, which, with 34,000 students is the largest educational institution in this area, Dorothy McKnight, coordinator of women's athletics, has seen a lot happen in 10 years.

A decade ago, when she came to College Park, McKnight said, "We had teams but nobody even knew we existed. We drove our own cars to the games and collected money from the players to pay for the gas. The girls made their own uniforms. It was a very minimal program."

Three years ago the athletic department agreed to support a women's program and now Maryland has varsity athletics for women in field hockey, tennis, swimming and basketball. Lacrosse and volleyball are being added.

Still the budget for women athletes at Maryland is only a fraction of what the men get, $30,000 in next year's athletic budget of $2,091,000.

Nevertheless, McKnight says she's generally satisfied with the progress her women's program has made, although "We need and can use more money."

In principle at least her boss, athletic director Jim Kehoe, is behind her.

"While I support philosophically the principle of equality, as a practical matter it just won't work," Kehoe said "This department wholly endorses a comprehensive women's athletic program but that does not include athletic scholarships or equal sharing of revenue."

AN "UNFEMININE" STIGMA

(By Nancy Scannell and Bart Barnes)

Excellence in sport has been regarded as an exclusively masculine virtue through nearly all of recorded time.

From the beginning of the Olympic Games in 776 B. C. women were not allowed on the playing fields even as spectators (with the exception of the priestesses of the earth-mother Demeter, hallower of the grounds).

So important were those contests to the Greeks that winners became national heroes, demigods whose praises were sung by musicians and immortalized by poets. Their splendid grace and form are known to us because they were rendered in marble by the greatest sculptors of the time.

The American sports ethic descends directly from that Greek tradition. While our sports are somewhat less savage—the loser of an Olympic wrestling match usually was maimed and often was killed—they are nearly as sexist.

For the most part American women, from girlhood on, have been discouraged if not barred outright from participation in the major sports. If they persist in developing their athletic abilities they commonly are stigmatized as "unfeminine" and "overly aggressive." In a word, mannish.

If and when a story about a woman athlete appears on an American sports page it is as likely to dwell upon her looks as on the quality of her performance.

A recent Associated Press dispatch about tennis player Chris Evert described her game as being "as fresh as her mint-green dress." One can be certain no such simile would occur to a writer seeking to illuminate the ability of her fiance Jimmy Connors, also a noted player.

It is an innocuous example of the difficulty sportswriters—virtually all of whom are men—have in writing straightforwardly about women athletes. Their accounts tend either to patronize or to ridicule.

They simply reflect the prevailing attitudes of our culture, which tends to view athletic competition not so much as games as a dramatic version of the ultimate struggle. "Losing is like death," was the way Redskins' football coach George Allen once put it. He was in tune with the times, old and new.

The Olympics began as a spin-off of combat drill. Skills, strength and endurance needed in war were developed in such contests as javelin throwing, long-distance running and weight lifting.

The warlike origins of many sports is evident from the terminology used in the sports pages. In The Washington Post on the weekend after Thanksgiving last year, for example, North Carolina State "methodically crushed" Wake Forest, Brown "shellacked" Columbia, Maryland "flattened" Tulane and the Capital Bullets "took the Knicks apart."

The Western view of athletics as a vital ingredient in building character and manliness was epitomized by the remark of the Duke of Wellington that "The Battle of Waterloo was won on the playing fields of Eton," and in the tradition of muscular Christianity espoused by New England schoolmaster Endicott Peabody.

Women now are challenging the idea that the benefits of athletic competition lie chiefly in the development of such virtues as manliness.

"What athletics can do for a man, it can do for a woman," says Lee Morrison, president of the Association for Intercollegiate Athletics for Women and women's athletic director at Madison College in Harrisonburg, Va.

"It can give her the opportunity to cope with success and failure. It can give her the opportunity to enhance her own self-concept, to know more about what she's like as a person."

The presidential Citizens Advisory Council on the Status of Women found that in the United States athletics is "the area where discrimination (against women) is most pervasive and most readily apparent."

In a 1973 study the council said, "Short-changing of girls in physical education and sports deprives them of the opportunity to establish lifetime habits of exercise which lead to a high level of continuing good health in adult life.

"The opportunity for achievement in sports, scholarships and other recognition of ability in sports and for developing a competitive spirit within a framework of team cooperation should be available to girls."

Currently in the final stages of drafting at the Department of Health, Education and Welfare is a set of guidelines barring discrimination on the basis of sex in athletics. The guidelines, based on the education amendments of 1972, would deny federal funds to any institution, organization or school system that discriminates against women in sports in the availability of scholarships and coaching or use of facilities and equipment. Federal funds are vital to nearly every American school, public or private.

To many educators and advocates of upgrading athletics for women, the guidelines are seen as the beginning of a trend that will dramatically alter the structure of sports in America.

At its lowest level, the growing assertiveness of women in sports touches the raw nerve of sexual identity and challenges age-old stereotypes of femininity and masculinity.

Diana Okon, named best girl athlete last year at Fairfax County's Madison High, said she was teased about the title so much that she wasn't sure she wanted the honor at all.

"The boys said, 'Show me your muscle. Why don't you try to pick me up?' when I won the award. They think you're a tomboy . . . You can't really feel that proud of something people are always cutting down. You almost wish you weren't getting it."

Pat Hines of Potomac, Md., a swimmer on an athletic scholarship at the University of Miami in Florida, said her mother, like the mothers of many of her teammates, had qualms about her swimming in serious competition.

"Make sure the people know you're feminine," Pat recalls her mother saying.

"I think," the young swimmer added, "all women are afraid their daughters are going to be accused of being something less than a woman . . . (with people) saying she's more like a man."

Over the years the attitude that sports was inappropriate for women has been reinforced by a body of medical opinion, much of it now discredited or challenged.

Testifying in a New Jersey lawsuit on the admission of girls to competition in Little League baseball, league vice president Creighton J. Hale argued that baseball competition would be unsafe for girls.

He based his opinion on, among other things, a study of cadavers or elderly male and female Japanese, which showed that the bones of the females broke more easily than those of males. From this, Hale concluded that girls between the ages of 8 and 12 would have bones which were more susceptible to fracture than those of boys.

Hale's testimony was disputed by Dr. Joseph Torg, a specialist in pediatric orthopedics and an assistant professor of orthopedic surgery at Temple University. Attempting to extrapolate from data concerning dead bones of adults to conclusions regarding bones of living children, Dr. Torg testified, was the equivalent to trying "to extrapolate a study done on oranges to cantaloupes."

Dr. Torg also disputed what Hale had contended was a "substantial body of medical opinion" to the effect that a blow to the female breast—like being hit with a baseball—could cause cancer.

Olympic skier Suzy Chaffee said she had been discouraged from competition at Denver University by the head ski coach who told her "it was bad for the ovaries."

Chaffee chose to ignore that advice and pursued her interest in skiing independently. In 1968, she was chosen captain of the U.S. Women's Olympic ski team.

"There seems to be no reason to restrict the physical activity of women because of the reproductive organs and no need for concern about the later effects of sports competition on pregnancy, labor and later health," said Dr. Thomas E. Shaffer of Columbus, Ohio, a nationally recognized authority on the medical aspects of competitive sports.

Gradually that view is gaining acceptance. Already, at a very small but growing number of colleges, women athletes are pursuing the same rigorous training programs as the men—and, in fact, are being recruited and offered athletic scholarships.

It is the issue of athletic scholarships for women, perhaps more than anything else, that has sparked controversy. It has also proved to be deeply divisive among groups and individuals concerned with upgrading women's roles in sports.

Those opposing scholarships see recruiting and excessive pressures to produce a winning team as inevitable horrors resulting from scholarships.

Those supporting scholarships contend that if they are available for men, basic fairness dictates they be available for women, too.

Phyllis Bailey, women's athletic director at Ohio State, says she basically is not opposed to scholarships for women ". . . if the talent is good enough. Just because a woman's talent happens to be in sports skills, people shouldn't say, "Too bad for you, sister.' "

"We're very concerned. We want our program to be educationally sound. We dont want to get into buying talent," says Della Durant, director of women's athletics at Penn State University.

"We don't want to get into boxing or a girl into participation on a team for a given length of time. If she comes to this university and sees the many advantages and activities she could participate in, we don't want her to feel she has to participate on a team."

Florida's University of Miami is one school where athletic scholarships are available for women.

Doug Hartman, who coaches the women's swimming team there, has seven swimmers on scholarship for the first time this year.

"The best ones work out with the men," Hartman said. "They go 10,000 yards a day for three hours a day five days a week and then they go out there on Saturday and Sunday afternoons. We offer a kid a chance at swimming and swimming nationally." Hartman's team is ranked No. 2 in the nation.

Olympic swimmer Jenny Bartz is one of the athletes on scholarship at Miami.

"Sure there's pressure with scholarships. Pressure to swim and swim well because of what they're giving you," she said.

At Miami, athletic scholarships for women cover tuition only, $2,500. Over four years, that does not begin to approach the costs of recruiting and supporting a male athlete at any of the big-name sports schools. That can run as high as $30,000, according to Marjorie Blaufarb of the American Association of Health, Physical Education and Recreation.

One reason for the disparity is economics. At the big-name institutions, men's sports are a way of raising money and keeping the alumni happy (and contributing), plus building a national reputation through media exposure. To a lesser extent, men's sports at the college level are frquently a training ground for the pros, where the real money is.

Social attitudes may be changing, but women's sports have not yet reached the point where they can command the media attention and raise the money that men's sports draw.

Just this month, UCLA basketball superstar Bill Walton signed a five-year contract estimated at several million dollars with the Portland Trail Blazers. By contrast, tennis player Billie Jean King became the first woman athlete to break the $100,000 mark in 1971. Last year, Margaret Court surged ahead with winnings of $180,000, the highest ever.

In professional golf, the top-ranking men players usually can expect winnings of more than $100,000 a year. For women, the top figure is about $40,000, although last month's Dinah Shore Winner's Circle tournament, the highest-paying women's golf tourney ever, may change the women's average. Winner Jo Ann Prentice's earnings in that contest were $32,000 of the total purse of $200,000.

Both the Dinah Shore tournament and the tennis matches of Billie Jean King have received nationwide television exposure, an indication at least that women are getting a foot in the media door.

They made progress, too, at the 1972 Munich Olympics, where women's sports events received extensive television coverage. Donna de Varona, a gold medal double winner in swimming in the 1964 Olympics, became the first woman to do live television commentary on the Games.

There were other improvements, too, said Fairfax County's Melissa Belote, who brought home three gold medals from Munich. "The girls on the team actually had a better deal than the boys," said the Lee High School junior. "We had only one girl to a room and each of us had our own portable kitchen, which didn't happen for the boys."

Belote's description of the treatment of women athletes in 1972 contrasts with de Varona's remembrances of 1964, when the women were treated more like second-class citizens.

De Varona recalled that the women had inferior lodging and ate their meals at coffee shops and hamburger stands while the men stayed at plush hotels and ate steak.

It's unclear precisely where the movement for women's athletics will lead but most predictions are that, over the years, the effects will be profound.

The emergence of the female athlete is a challenge to deeply imbedded values and traditions. It appears certain that some will erode under the pressure.

One possible casualty may be the "win-at-all-costs" mentality that dominates many men's sports. Large-scale participation by women may have the effect of humanizing sports, particularly at the big-time college level.

As things stand now, the pressures to win are intense. "We are at the mercy of winning and losing," said University of Maryland athletic director Jim Kehoe, explaining that he has to compete for the spectator dollar with the Redskins, the Bullets, the Baltimore Orioles and any other sports team or event in the area.

Making a crucial basket against North Carolina or beating Alabama in football will be reflected in cash flow at the gate and in television and radio income, Kehoe said.

So heavy are the pressures at Maryland and elsewhere that many athletes simply give up their scholarship and quit college.

A survey by The Washington Post last fall showed that of 27 athletes recruited on football scholarships in the fall of 1969 only 17 were still at Maryland four years later.

"They promised such a good education when I was being recruited," said Sam Martin, who gave up his scholarship and left in the summer of 1971.

"They said the emphasis was on studies first and then football.

"But the first day we arrived at school we had a meeting and it was all turned around. He (former coach Roy Lester) said family was first, football second and studies were the least important."

In a research paper on the origin of the "winning is the only thing" mentality of football in particular, Penn State sociologist Allen Sach traced it to the last quarter of the 19th century. This was a period in American history when the "robber barons" were building the giant corporations that dominate the business world.

"For individuals amassing great fortunes in the cutthroat competition of the latter 19th century, sport probably reflected the same acquisitive values that permeated the rest of their lives," Sach said. "Survival of the fittest, fierce competition and an intense desire to win at any cost became the major themes of their work as well as their play."

"The whole system needs to be reevaluated," said Dorothy V. Harris, director of Women in Sport at Penn State's Sport Research Institute.

"It should be our job to see that all human beings who desire to participate in sports have an avenue to pursue it . . . I'm just as concerned about the boy who gets cut from the system as the girls who have almost no opportunity.

"The thing that prostitutes sports is, all the educational values get traded off for the business values and that goes right to collegiate sports and the NCAA," Harris continued. "They're big business so you can't argue educational values because you've already sold, traded them off for business values . . . Those rich old men, buying and selling and wheeling and dealing and they don't care what happens to the individual."

The most significant change to come from the athletic revolution, however, may be one of attitudes. Many women's groups see a parallel in what's going on in sports now with the civil rights movement over the past 20 years.

The Title 9 law barring sex discrimination is word-for-word the law barring discrimination on the basis of race, with the word "sex" substituted for "race." (Title 9, however, applies only to educational institutions.)

It is also worth noting that in the civil rights movement, athletics has been and remains one of the areas where there has been the greatest progress and acceptance for blacks.

Just as the civil rights movement brought dramatic changes in the way blacks perceived themselves and society, many women feel similar results may evolve from the upgrading of women's sports.

"There are few countries where we have encouraged our girls to be as sedentary as we have in the United States," said Phyllis Z. Boring, a Rutgers University professor and a member of the New Jersey Women's Equity Action League. I don't see where it becomes unfeminine to stay in decent condition."

What Boring and others are looking for is a general social attitude that it is more—not less—feminine for a woman to develop her skills, in sports and everything else, to their fullest potential.

Gradually, grudgingly, that view is becoming accepted.

FERTILIZER AND PETROCHEMICAL SHORTAGES AND THEIR IMPACT ON AGRICULTURE

Mr. TALMADGE. Mr. President, the Federal Government, in just the last 2 years has called almost 50 million acres of cropland back into production. Last year, at about this time, when Secretary Butz asked farmers to plant every available acre of wheat, feed grains, soybeans, and cotton, he did so without any preconsultation with the fertilizer industry to determine whether enough fertilizer would be available to apply to all those additional acres.

He also failed to consult with the petrochemical industry and those companies that supply herbicides, pesticides, and insecticides to determine the adequacy of supply of those materials which are so essential in the production of food and fiber in this Nation.

The same was true as it relates to the added fuel and energy requirements of agriculture and its transportation needs.

While the Federal mandatory fuel allocation system that was established earlier this year helped thwart a major crisis in meeting the fuel and energy needs of American agriculture, no similar development has occurred to help ease the fertilizer crisis.

The burden of allocating the short supplies of these products has fallen entirely on the manufacturer and local dealer or outlet.

While this voluntary allocation system has helped to some extent in insuring equitable distribution of these essential plant materials among some local dealers, many other local fertilizer dealers and their farmer customers today find themselves either without any fertilizer—especially nitrogen—or very little.

Mr. President, this past weekend, a members of my office staff and a member of our Senate Committee on Agriculture and Forestry staff visited the corn production areas of southeastern Georgia. While there, they met with both farmers and local fertilizer dealers regarding the availability of nitrogen fertilizer supplies in that region.

What they found, I am sad to report, is not very encouraging. First, most local fertilizer dealers are getting this year only a limited percentage of what manufacturers supplied them last year, with nitrogen supplies for spring use being cut the most.

Second, in that most local dealers have been selling these limited supplied to their regular customers on a first-come first-serve basis, many farmers have not been able to obtain any nitrogen at all to date, or very little. And, as indicated earlier, more acres have been planted this year than last, in response to Secretary Butz' request.

Georgia corn farmers who now find themselves without nitrogen fertilizer—which they must have to side-dress their corn following planting, but before it grows beyond the knee-high stage—already have made substantial financial investments in their crop. And all of those investments will be lost if they fail to get the nitrogen they require for their corn within the next 10 to 20 days.

Unlike most midwestern corn farmers, Georgia farmers cannot apply nitrogen in the fall or prior to planting their corn. This is due to the higher risk of losing most of it through soil leaching which occurs most regularly in the South where it is warmer year round.

Mr. President, I would like to further point out that most of the farmers now suffering from nitrogen fertilizer shortages in Georgia suffered the total loss of their crops last year due to flooding and heavy rains.

If these farmers—many of them who are small operators—lose their corn again this year, they will very likely be forced into bankruptcy.

They already are in debt up to the limit both with their local banks, fertilizer dealers, and other suppliers.

Also, we must remember that these farmers have not benefited from the higher prices paid this past year for corn because they had little or none to sell. In other words, the future of many farmers and their lenders are involved in this crisis.

On Monday of last week, Georgia Commissioner of Agriculture Tommy Irwin held a meeting in Atlanta to discuss this situation with fertilizer manufacturers and suppliers servicing the Georgia market. Staff representatives from my office and the Senate Committee on Agriculture and Forestry attended.

Among the matters discussed at this meeting were the possibility of diverting or borrowing nitrogen supplies from some of the later growing areas of the northern states to those where the corn is up to 3 weeks early in the South. This would then permit those supplies now scheduled to arrive in the growing areas during the month of June to be shifted or returned to the northern areas in ample time for application in those regions.

Last Thursday, I received word of a superb gesture by the Goldkist Cooperative that will do much to alleviate the critical shortage of fertilizer in Georgia.

Mr. R. A. Waller of Goldkist in Atlanta has announced that he has purchased fertilizer at excessively high prices which he plans to sell in southeast Georgia at regular prices.

The fertilizer will be moving into the shortage areas within 10 days, and it will be sufficient to fertilize 15,000 acres of corn.

Mr. Waller reports to me, quote:

> We are continuing to work on the problem.

Mr. President, I would like to take this opportunity to commend the farm supply cooperatives which play such an important role in supplying the farmers of Georgia and elsewhere with fertilizer and other essential farm inputs.

Goldkist, which is one of the largest farm cooperatives in the Nation, is the top supplier of fertilizer in the State of Georgia.

The fertilizer sales of this cooperative in Georgia represent about 25 percent of the total market in the State, with sales in some regions of the State reaching as high as 60 percent.

Goldkist, this past fertilizer year, put all of their local outlets on an allocation basis and required each outlet to allocate among their farmer members on the same basis.

This has insured that each member has been treated equally. Goldkist also has imported substantial amounts of fertilizer this past year for which it has had to pay prices much higher than U.S. produced material. Rather than pass those higher prices onto their farmer members, Goldkist has absorbed those higher costs and is charging the same price for such material as is being charged for domestically produced material.

Also discussed at Commissioner Irvin's meeting was the withdrawal of earlier committed supplies to the Georgia market by some major suppliers such as Chevron Oil. The Chevron Oil Co., W. R. Grace & Co., and Phillips Oil Co., traditionally have supplied the Georgia market with fertilizer supplies.

Within the last year, Phillips and W. R. Grace have completely withdrawn from the Georgia market. Chevron is now trying to pull out. Some of the local fertilizer dealers in south Georgia have informed me that commitments made by Chevron for the delivery of fertilizer this year—particularly nitrogen—are not being kept.

I intend to do what I can to see that they are kept—and immediately.

Georgia now has few fertilizer manufacturing plants operating either in the State or nearby. Georgia is very dependent upon supplies from outside the State. And, while two of its major plants—Columbia Nitrogen of Augusta, and Kaiser in Savannah—have plans and funds committed to expand production of nitrogen fertilizer materials, both companies are now stymied from moving forward on these plans due to the policy paralysis of the Federal Government regarding the supply and allocation of natural gas for such purposes.

Natural gas is an essential feedstock in the production of nitrogen fertilizers. Unless and until the Federal Power Commission advises Congress as to what authorities it now has or needs to give fertilizer production the priority it requires to obtain needed gas supplies, no new or expanded plants are likely to be constructed.

If the United States can make the kinds of commitments it has just made recently to expand fertilizer production in Russia, it should be able to resolve any policy problems in this country that are now preventing American fertilizer manufacturers from expanding their capacity.

Mr. President, the Senate Committee on Agriculture and Forestry, of which I serve as chairman, has been involved in this problem of fertilizer supply since last fall, when we led the fight to get the fertilizer industry removed from Government price controls. As you know, after many meetings and long discussions on this subject, the fertilizer industry was removed from those controls on October 25, 1973.

In return for such decontrol, the industry made certain price and supply commitments with respect to serving the U.S. market. These commitments involved some voluntary constraint on exports which the industry has kept.

Exports of U.S. fertilizer supplies since decontrol of the industry have dropped appreciably while imports of foreign produced material have risen appreciably.

On the matter of holding the line on price increases, the industry's record is not as good.

Between October and January, U.S. manufacturers' prices for fertilizer supplies skyrocketed.

In fact, prices increased so much that our committee joined the Cost of Living Council in urging actions to constrain the industry from any further increases. And, on January of this year, the industry committed itself to no further price increases through June 30, 1974.

Next month, before these commitments expire, our committee will be meeting with both industry officials and with the executive branch's Interagency Task Force on Fertilizer to discuss supply and price commitments regarding next year's fertilizer situation. We also hope to examine ways by which a more equitable distribution of fertilizer supplies might be handled next year, since all indications point to as short—if not shorter—fertilizer supply situation next year than was experienced this year.

While I intend to continue to do all I can to increase the available supply of nitrogen fertilizer in the State of Georgia over the next couple of weeks, I also am examining ways and means to help those farmers who fail to get the fertilizer they need this year to make a crop.

I have asked the staff of the Committee on Agriculture and Forestry to examine the disaster payment features of the Agriculture and Consumer Protection Act of 1973 to determine the applicability of those provisions on crop losses due to fertilizer shortages.

I then intend to ask Secretary Butz to implement those provisions to assist farmers so affected, whether they be in Georgia or any other part of the country.

In addition, I will be urging the Farmers' Home Administration to do everything it can to assist such farmers in refinancing their debts or lending them sufficient amounts to tide them over or to shift into other crops where such options exist.

I already have asked the U.S. Department of Agriculture to cooperate with the committee in permitting all local ASCS offices in Georgia to conduct a survey for the committee on fertilizer sales versus commitments to sell fertilizer this year.

This survey should tell us how well or how poorly the matter of distribution of fertilizer was handled this year. Such information will be very valuable for us to have next month, when we meet with industry and Government officials regarding next year's situation.

In addition, at my initiation, ASCS offices in hard-hit southeast Georgia are now conducting an intensive survey of how much acreage is still in need of nitrogen. This is being conducted on a county-by-county basis. The results of this are to be delivered to me today.

Also, I and other members of our committee will continue our efforts to help expand the production of these essential plant nutrients in the future.

Although our committee has no jurisdiction over the Federal Power Commission or its regulation of natural gas supplies, we will continue to urge other committees of the Congress having such jurisdiction to push for early resolution of the policy problems that seem to be standing in the way of getting more natural gas committed to the production of nitrogenous fertilizers.

Mr. President, in closing, I want to call attention to yet another "supply crisis" that I believe is now lurking just over the horizon—namely shortages in herbicides, pesticides, insecticides and agricultural spray oils. All of these products are dependent upon the availability of petrochemicals which in turn are derived from petroleum.

Somewhere between 75 and 85 percent of petrochemical production is part of an integrated oil company refining operation with only a small percentage of that production being made available on the open market.

Agricultural spray oils will probably be in increasingly short supply because more of these oils are being diverted into lubricants.

In short, the oil companies in their drive for higher and higher profits are increasingly ignoring their responsibilities in maintaining a reliable and continued supply of the petrochemicals that are so essential as feedstocks or intermediates in the production of agricultural herbicides and pesticides.

The companies that produce these finished agricultural chemicals or solutions have no other source for these petrochemical feedstocks. And unless these oil companies immediately reassess and reestablish the previous production levels of these essential chemical stocks, major shortages in a number of agricultural chemicals can soon be expected to develop, which in turn will translate quickly into great losses of crops and yields all over the Nation.

Mr. President, no country in the world can match the American farmers in efficiency when it comes to producing food and fiber. But to produce at those efficient levels, the American farmer needs the fertilizer, the fuels and energy and the agricultural chemical he must use to control weeds, pests and the insects which would otherwise threaten his production.

If American consumers want to continue to be the best fed people on this Earth, then they must be willing to not only pay a reasonable price for their food and fiber, but must insist that the farmers who produce these products get what they need to produce them.

It has been said that it requires nine calories of hydrocarbon energy to produce one calorie of food energy in our highly mechanized food system.

Beyond the immediate concerns about fertilizer and petrochemical shortages, it seems to me that it is incumbent on us to do the planning and research now to determine how we can find substitutes for many of the petroleum products which farmers have come to rely on.

The President has made a large energy research commitment in the field of nuclear energy and that is fine. But for the continuation of an abundant food supply at reasonable prices to consumers, research in such areas as coal gasification and the reuse of animal and human wastes could be extremely useful.

Further, it is time for us to begin a broad commitment toward more sensible and less wasteful management of all of our renewable resources. Therefore, I intend to initiate, later this year, a series of informal conferences between the staff of the Committee on Agriculture and Forestry and experts in these fields so that we can come forward next year with a series of suggested legislative and policy solutions.

Our food, fiber and natural resource assets are basic in our national life and economy.

Too many of our attempted solutions in these areas have been handled on a crisis, or ad hoc basis. It is high time for us to do some bold rethinking and planning so that we can do a better job of husbandry at all levels.

THE UNITED STATES AND THE EUROPEAN ECONOMIC COMMUNITY

Mr. PACKWOOD. Mr. President, recently I had occasion to review a speech delivered at the National Press Club by the United Kingdom's Secretary of State for Foreign and Commonwealth Affairs, the Right Honorable James Callaghan, M.P.

I will ask unanimous consent that the text of Mr. Callaghan's speech be printed in the RECORD because I believe it contains several salient and valuable points to be considered by each of us.

Mr. Callaghan has very ably discussed several points of concern that his government holds with respect to future relations between the United States and the European Economic Community.

The theme of his remarks is the need for consultation, coordination, and cooperation—the 3 C's, as he calls them—between the United States and the EEC. As he rightly points out, by recognizing areas of commonality of interest and adhering to the 3 C's,

> The United States and Europe possess tremendous strength and influence.

In particular, Mr. Callaghan stresses the need for—

> . . . a positive attitude of mind and an openness in our relations with each other. More than anything, our relationship must be based on an unshakable bedrock of common understanding and sympathy that will withstand any temporary differences.

Mr. Callaghan's remarks are a timely reminder of the complexities of the problems we face in common with our allies and trading partners. It would be well worth a few moments of our time to consider the points he makes in his speech. They could prove quite valuable as a guide for future actions on our part.

I ask unanimous consent that the text of Mr. Callaghan's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, THE RIGHT HONORABLE JAMES CALLAGHAN MP, AT THE NATIONAL PRESS CLUB, WASHINGTON, D.C., MAY 21, 1974

The events of the last few months have uncovered some significant facts about world relationships which were always present but have not hitherto been clearly recognised.

Countries which possess raw materials, minerals and primary products have discovered their real strength and bargaining power for the first time.

What is more they have become aware that they can use this bargaining power for political ends as well as for the improvement of their standard of life.

On the other hand the advanced economies of the West despite their technological supremacy and skilled work forces have had their eyes opened to the basic weakness revealed by their dependence for their resources on other countries.

These facts are now resulting in a turnabout in world attitudes and it is a blessing that they have taken place in a period of detente between the United States and the USSR and were not super-imposed on the tensions of the cold war.

The main need now is to assess the consequences of this shift of power, which is different in kind from what has happened before. And we must make sure that the consequences of the shift are clear to all those who wield the power.

If we fail to understand the risks or grasp the possibilities the consequences to the world could be disastrous.

We are still in the first phase of the transition.

That is to say inflation is taking place at an unprecedented rate and on a world-wide scale.

Countries are running up high balance of payments deficits and will find increasing difficulty in financing them.

Already in their statistical accounts they are dividing oil deficits from the non-oil deficits and regard it as a virtue if they can overcome their non-oil deficits whilst leaving their oil deficits to be financed sometime, somehow in the future.

And financed they must be if we are to avoid a world recession.

Unless we act quickly, the world may find itself driven to the next phase in which the worst hit countries will be compelled to introduce restrictions on imports.

Already we are seeing signs of this. From here the world would beat a retreat into general protectionism with a serious slowing down in world trade.

After that would emerge a serious threat to the advanced economies of the West and, in the worst case, the developing countries would be unable to provide sufficient food for their growing populations, especially in the sub-continent of Asia.

None of this is inevitable. We can still avoid it.

But there is not much time left.

I should like to discuss some proposals a little later but before doing so I have two propositions to put to you.

The first is that these problems are so vast and affect so many countries that they will be overcome only if they are attacked as part of a world wide strategy.

Regional solutions will have their part to play but they do not measure up to the scale of the world's needs. As a beginning of a global approach what better way to start than with a transatlantic partnership between the United States and Europe that has already contributed so much to world security and stability. Europe and the United States must consult, coordinate and cooperate with each other.

Consult—as soon as a problem of common concern starts to emerge.

Coordinate—to prepare jointly our preferred solutions.

Cooperate—to put forward our agreed solutions in other forums.

We shall need the 3 Cs—consultation, coordination and cooperation at all levels—political, economic and defence—for between them the United States and Europe possess tremendous strength and influence.

If we do not work together or if we pull in opposite directions these problems will not be solved.

To make such a call for consultation, coordination and cooperation is to send a shiver of alarm running down the backs of some people.

There have been two schools of thought in Europe. Some have said that the Americans are too powerful; that they would undermine Europe's independence.

Therefore it has been said that Europe must construct its own policies first and only after that should it discuss them with the United States.

Britain has not been alone in not accepting this.

It was noteworthy that Chancellor Helmut Schmidt in his first speech in the Federal Republic of Germany underlined the importance that he attaches to partnership with the United States.

But there are some who still have to be convinced that this is where their best interests lie. Relationships between Europe and the United States must go further and deeper than conversations at periodic intervals between the Community as a whole and yourselves.

There is no need for Europe to feel that consultation, coordination and cooperation with the United States will lead to Europe's being engulfed by the power of your country.

Of course there are problems. We are concerned about the power of multi-national corporations to influence our domestic investment levels and employment prospects. So are you. After all, the phrase "exporting jobs" was coined in the United States about the multi-nationals' activities.

So we have a common interest in working out the appropriate rules that should control their behaviour.

Again, although we in Britain expect to be self supporting in energy by 1980—and perhaps even exporting some oil—it is the fact that by comparison with you the countries of Europe are resource hungry.

Despite this handicap the technology of Europe and its managerial and other skills are vital for world development.

This is widely recognised in the rest of the world, for example by the USSR, the Arab states, the sub-continent of India, and Africa.

All of them recognise the value of marrying European technology with their resources or their needs.

It is well known that Britain does not accept that relations with the United States should be carried on solely at Community level.

The exchanges between all countries in Europe and the United States will continue to be bilateral as well as at Community level.

Indeed sometimes problems may be identified in the first place as a result of bilateral discussions and may be worked on before Community repercussions are fully clear.

Naturally the Community as a whole will have a close interest in these matters, for although the economies of the countries of Europe are at different stages of development nevertheless they have much in common.

I do not underrate the difficulties of future relationships between Europe and the United States but those who have charge of their destinies have had wide experience of world problems and I believe will see the need for close partnership in the difficult times ahead of us.

So I speak with hope about the future of European/American relations and with a determination to work to ensure that we are both pulling in the same direction.

That is the best way to apply the maximum leverage to some of the world's problems.

I recognize that we Europeans must conduct our own relationships in a way which does not cause difficulties for the United States.

It is not possible to try to set down our mode of consultation in written formulae.

This cannot be done. What is needed is a positive attitude of mind and an openness in our relations with each other.

Above all our relationship must be based on an unshakeable bedrock of common understanding and sympathy that will withstand any temporary differences.

It goes without saying that this consultation, cooperation, and coordination must be a two way business. Reciprocity is the key, and Europe must expect and does expect that the United States will equally feel an obligation to exercise the three Cs. This has not always been the case in the past.

It is this approach that will underlie the political aspects of British renegotiation with the European Community in the months ahead, whilst we recognise that we have a responsibility to the Community in these matters.

Let us list seven of the problems we face—problems where we must consult, coordinate and cooperate.

There is the overriding need for peace in the Middle East.

Then there is the problem thrown up by high oil prices and the supply of oil.

There is our failure to overcome galloping inflation.

We have no satisfactory system for pricing or supplying raw materials and commodities.

We have not adjusted ourselves to the changing money flows between the countries of the world.

Nor have we come to grips with the plight of the people living in developing countries which have neither adequate raw materials nor commodities, nor sufficient technology.

Finally, neither the European Security Conference, nor the MBFR talks have yet achieved success.

Indeed, in all this list, I fear we can claim that only the problems of the Middle East and of our relations with the USSR are being tackled on a systematic and possibly hopeful basis.

We in Britain applaud and support wholeheartedly the efforts of Dr. Kissinger to bring about disengagement between Israel and her Arab neighbours, as the first step toward a permanent settlement.

This remarkable man deserves our full support for his unceasing efforts, and he has already achieved more than anyone in the last 26 years.

After three increasingly bloody wars there are signs of a new realism among those most closely involved.

In Israel there is a growing recognition that she cannot live by military right alone.

Among Israel's Arab neighbors there is a willingness to recognize the nature of Israel's dilemma accompanied by a recognition of Israel's right to exist in security.

The time may be approaching when this security can be provided by means of international agreement and guarantees.

And of course the problem of the future of the Palestinians must be solved at the same time.

This is perhaps the most difficult of all and Dr. Kissinger is right to attack the problems one by one.

However even in the Palestinian case a solution is not impossible which would express the Palestinian personality in the Middle East.

Looking beyond this problem, the European Community has been told by the Arab States that it is their desire to improve cooperation with Europe.

The European Community is ready to embark on such a dialogue while recognising the importance of not complicating the peace-making process which Dr. Kissinger is engaged in.

I do not think that it will do so if the agenda is agreed beforehand and the subjects for discussion are properly worked out.

Another major area in which systematic work continues is in the field of security. Western Europe depends upon the Alliance for its security. The Eastern European countries take the same view of the Warsaw Pact as I was interested to read in the statement put out following the April meeting of Warsaw Pact countries.

The member states should now reaffirm their belief in the NATO Alliance as a means of defense and of détente. Meanwhile we cannot but take note of the fact that the military capability of the Warsaw Pact continues to increase absolutely and relative to the strength of NATO. Britain remains fully committed to the North Atlantic Alliance and we attach major importance to our contribution to it and to the Alliance as the framework within which that contribution is made. It is because we have the security of an effective and efficient alliance that we enter with confidence into the various discussions to improve prospects of peace and cooperation between East and West.

My Government is now conducting a review of our defence commitments and capabilities during which there will be full consultation with our allies wherever their interests are involved. NATO is the linchpin of our national security and remains the first charge on resources that are available for defence. But it is only fair to add that we wish to ensure that the burden we bear in support of the Common NATO interests is not out of line with that of our major European allies. And I emphasise that it is our strongly held view that there is a need for a substantial United States military presence in Europe for political and military reasons.

Against this background we wish to see real progress during the second stage of the CSCE talks in Geneva. I have made clear to the Soviet Union that if real progress is made in this Conference we shall be agreeable to a third stage of the Conference conducted at the highest level thought appropriate.

Moreover we would lend our support to ongoing arrangements to maintain the momentum of a successful Conference in the years ahead. I must add that it is not yet clear that there will be a successful outcome to the Second Stage although there is still time to ensure it. There is no intention on our part to interfere in the internal affairs of the USSR but I am sure that it is known that opinion in Europe attaches great importance to practical measures to promote greater trust and improved cooperation.

Human contacts, the reuniting of families, the wider and freer flow of information are all issues by which ordinary people in Europe will judge the success of the Conference. We shall work for that success.

In Vienna where the Alliance and the Warsaw Pact countries are discussing levels of forces and armaments in Central Europe our aim is to secure undiminished security for all at lower levels of manpower and expenditure. The subject is complex and negotiations are bound to be difficult. At the end of the discussions everyone must feel as safe as he did at the beginning. The prize is great indeed for there is not a single government involved which could not find a hundred uses for the resources that would be released if only we can reach agreement to reduce our present expenditure on arms.

We are watching closely the progress that the United States and the Soviet Union are making in the SALT 2 talks. We recognise that the problems in the latest round of talks are more intractable than those in the first round. But it is no less necessary that these problems should be overcome.

With a strong alliance, an outward looking European Community and good Atlantic relations we shall be in a good position to attack the other problems that I listed.

The energy crisis found the countries of the industralized West faced with balance of payment deficits vastly exceeding anything hitherto imaginable.

Likewise the developing countries have seen their careful plans knocked awry in a few short months. We welcomed the decision of the United Nations to devote a Special Session of the General Assembly to the problems of raw materials and development. At the end of the discussion the nations concerned emerged with a consensus which was not unanimity. Nevertheless a start has been made and the world has been alerted to the problems.

So far it has not been possible to answer the question as to whether the condition of absolute shortage of certain commodities is temporary or whether it is going to continue. But whatever the answer, the world needs to devise some practical machinery. For example the recent proposal for a World Fertiliser Bank is an imaginative concept that could be taken up and turned to practical action within a short period of time. It could help save millions from starvation.

The funds that are required to deal with the world's present emergencies have not so far been forthcoming despite the generous offers made by Iran and others at the Special Assembly.

I wonder more and more whether the existing institutions that serve the world were devised for a pattern of world trade and finance that has now become outmoded.

I have tremendous regard for institutions such as the IMF, the World Bank, the GATT and UNCTAD. They have done a yeoman task, but all of them except UNCTAD were devised in the immediate post World War II era. We need to give thought as to whether they can be reshaped to face the new world or whether indeed new world institutions are needed, operating within the ambit of the United Nations to cope with the new problems.

In all our discussions it is vital that we avoid an atmosphere of confrontation between consumers and producers. Any machinery that is built must pay regard to this. Whatever the future evolution of oil prices, what has taken place already has created a new distribution of funds, a new order of magnitude in the flow of international finance, and a new problem of monetary management and recycling.

If I may express a personal view it is that monetary management and recycling will not be sufficient to take care of these new tidal waves. More will be needed. But it seems to me that the institutions that will channel the flows of money in appropriate directions, particularly to the poorest developing countries, should be different from and independent of any new machinery that might be proposed to handle such matters as the price of oil or of other commodities, if agreement on such matters becomes likely.

We attach very great importance to the success of the next round of multilateral trade negotiations. In the present uncertain circumstances, failure in this next round would accentuate the already visible trend towards economic nationalism and protectionism with a consequent danger to the stability of the world economy and hence to political stability. The oil crisis has already accentuated the trend towards protectionism. The world needs to reverse this and work for solutions through international discussion and negotiation.

It is now eight months since the current round of negotiations was launched in Tokyo last September and preparatory work for the negotiations has been going on in Geneva since then. But it is unrealistic if we do not recognise that nothing of substance can take place until the United States Administration is able to join in as a result of being given negotiating authority from the Congress. We must all work to fulfill the aims which were laid down in Tokyo of completing negotiations by the end of 1975. That conference took place before the oil crisis hit us but the principles they laid down for the negotiations are as true now as they were then. The principles are those of mutual advantage, mutual commitment and overall reciprocity.

Does anyone deny that the events of last Autumn have made the objectives of these negotiations even more important than they were at Tokyo? Let me remind you what they are:

The reduction of trade obstacles caused by tariff and non-tariff barriers and the securing of additional benefits for the trade of developing countries. I appeal to the United States to join in these discussions as quickly as you can. If the world is unable to proceed with these negotiations because you are not there it will be a serious blow to all of us.

As regards the energy crisis, we are cooperating fully in the work of the Coordinating Group, established by the Washington Conference, to devise means to tackle many of the financial and economic problems now facing us. We are seeking a new long term system of international cooperation, and we in Britain pledge our full support for this enterprise.

Our objective is not just crisis management but a new long term system of international cooperation. The nations of the European Community will want the Community itself to play a part and there are areas in which Community cooperation will be beneficial.

We look for cooperation on a wider basis than that of the participants at the Washington Conference. For it is only in the wider sense that we can establish lasting and orderly framework for the international energy market which will respond to the legitimate interest of all producers, industrialised consumers and developing countries alike. In this area we hope that members of the EEC will be able to make a positive contribution. Time is short, very short.

I end as I began. The watchwords for the United States and Europe are Consult, Coordinate, Cooperate. Unless we do so the prospects for the world's peoples are sombre.

But although the problems we face are entirely new they are not beyond the world's capacity to solve, if we have the wisdom and the energy to work together.

INDOCHINA POLICY QUESTIONS: A STATEMENT FROM THE DEPARTMENT OF STATE

Mr. KENNEDY. Mr. President, in response to a letter of Macrh 13 I addressed to Secretary of State Henry A. Kissinger, submitting a series of 12 recommendations contained in a study mission report submitted to the Subcommittee on Refugees, I have received the text of a point-by-point response from the Department of State.

I wish to draw the attention of Senators to the Department's reply because I believe it raises troubling questions over our Government's policy toward Indochina. It is clear from the tone and the substance of the Department's statement that this administration has allowed our Indochina diplomacy to become bogged down in a cycle of recrimination and violence—which prevents new initiatives needed to strengthen the ceasefire agreement and undermines meaningful progress toward a political settlement.

The policy of negotiation, accommodation, and détente—so notable and praiseworthy in our approach to other areas of the world—is absent today in Vietnam.

The Department of State apparently is content with the excuse that "just as it takes two to wage war, it takes two parties to make peace." With that simplistic homily as our guide, no progress toward a resolution of conflict in the Middle East would be evident today, and no further progress toward peace can be made in Indochina.

Mr. President, the 12 recommendations I submitted to the Department for comment were contained in a Refugee Subcommittee study mission report, entitled "Relief and Rehabilitation of War Victims in Indochina: One Year After the Ceasefire."

Among other things, the Department's response to the recommendation on the problem of political prisoners, the Department of State said that it "cannot agree with the study mission's assertion that 'the record is clear that political prisoners exist in South Vietnam'."

Once again the administration has solved a problem by denying that it exists. The Department's assertion that there are no political prisoners in South Vietnam defies not only the findings of the study mission in the field, but also those of responsible international humanitarian organizations. It also contradicts the Department's previous communications to the subcommittee.

Regarding the Department's response to the recommendation that a special study be made on U.S. bombing and military practices in Indochina, I am pleased that the Department "agrees in principle." I am also pleased to learn that studies on some aspects of our military activities have already been conducted by the Department of Defense. Surely, one of the most important and painful lessons we must learn from our Indochina experience relates to our military practices, especially the devastating impact of bombing. I would hope that the Department could release the studies already made, and that the administration will pursue additional studies along the lines recommended in the subcommittee report.

Mr. President, I would like to commend the Department's report on new humanitarian programs to assist orphans and other war victims in need throughout Indochina. I hope further progress will be made over the coming year, and I pledge my complete support for the relief and rehabilitation programs outlined in the Department's statement.

Mr. President, I ask unanimous consent that the letter and statement I received from the Department of State commenting on the Refugee Subcommittee's study mission recommendations, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Department of State,
Washington, D.C., May 17, 1974.
Hon. Edward M. Kennedy,
Chairman, Subcommittee on Refugees, Committee on the Judiciary, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: As you will recall, Secretary Kissinger in his letter to you of March 25 stated that we would forward to you the Department's comments on the recommendations of the Subcomittee's Study Mission to Indochina. These comments are enclosed.

If I can be of further assistance, please let me know.

Sincerely yours,
Linwood Holton,
Assistant Secretary for Congressional Relations.

Enclosure:

Comments on Subcommittee's Study Mission Recommendations

(1) *"Study on bombing.*—The Secretary of State, the Secretary of Defense, and other officials in the executive branch should seriously consider a survey of American military practices in Indochina along the lines of the Strategic Bombing Survey undertaken in Europe and Asia following World War II. In light of the airwar's devastating impact upon civilians and civilian facilities, and the sharp controversy over the military effectiveness and political purposes of the airwar and other military practices, such a survey for Indochina by a broad spectrum of appropriate experts from both government and the private sector could provide a useful basis for future American military, diplomatic, and humanitarian policies and actions."

The Department of State agrees in principle that it could be useful to undertake a broad "survey" of past U.S. military operations in Indochina. The Department of Defense and the individual Services have already conducted numerous studies of particular aspects of our military activities in the countries of Indochina. Unlike the situation at the end of World War II, however, we have no access to large areas that would be critical to such a study, particularly the parts of North Viet-Nam and Laos that were bombed in the campaign to halt North Vietnamese infiltration of men and supplies into the South and to convince Hanoi it could not prevail by force. Access to parts of South Viet-Nam and Cambodia is also limited at present by continuing combat operations in those countries.

Furthermore, such studies in the past have relied heavily upon data and information, either captured during and subsequent to the conflict or provided by officials of the Government and Armed Forces of the former enemy. It is unlikely that either of these essential ingredients for a more meaningful detailed study will, for the foreseeable future, be available to historians who might conduct any such official survey.

(2) *"Diplomatic conference on Geneva Conventions.*—A Diplomatic Conference on Additional Protocols to the Geneva Conventions of 1949 opens in Geneva in late February 1974. On the agenda are two draft protocols concerning prisoners of war, the protection of non-combatants, the protection and relief of war victims, weaponry and other matters. The experience of recent conflicts—especially the Indochina War, which so heavily and tragically involved the United States—makes it incumbent upon the President that he instruct the American delegation to maximize its efforts in behalf of meaningful changes in the Conventions of 1949, and to support continuing efforts by the International Committee of the Red Cross and others in pressing for restraints on "conventional" and other weaponry not covered by the agenda of the Conference. The present conflict of views on these matters between the Departments of State and Defense must be resolved for an effective American contribution at the Conference."

The United States Delegation to the Diplomatic Conference went to Geneva prepared to work for improved implementation of the existing Geneva Conventions and to establish new rules of humanitarian law, including improved procedures for the accounting for the missing and dead in armed conflict. Unfortunately, the Conference became bogged down on procedural questions and on the issue of the applicability of the draft protocols in so-called "wars of national liberation." As a result of extended debate on these matters, little progress was made on such matters as prisoners of war, protection of civilians, accounting for the missing and other substantive issues.

The International Committee of the Red Cross plans to convene a meeting of government experts this June in Lucerne to study the question of weapons which are indiscriminate in their effects or which cause unnecessary suffering, in which an American delegation from the State and Defense Departments will participate. We are presently examining with the Department of Defense the weapons that may be involved. We shall wish to study the results of the meeting of government experts before determining the position of the United States Government.

(3) *"New policy and diplomacy toward Indochina.*—The President must finally break with the patterns and failures of the past and chart a new beginning in our relations with Indochina. We must further change the character of our involvement in the area, embark on new policies, and practice some lessons of the past. First, in line with Congressional directives in 1973, the Administration must finally shed its obsession with weapons deliveries and give top priority to humanitarian and people concerns in our allocation of aid to Indochina.

"Second, new efforts, as outlined below, are also needed on the diplomatic front. The lingering and bloody war in Cambodia deserves better of our diplomacy. The breakdown of the cease-fire agreement in Viet-Nam demands more than a threat of new bombing. The fragile peace in Laos requires our more active support, as well as more rapid changes in the character and purpose of our presence in Vientiane. And the deadlock in our relations with Hanoi must be broken."

The Department of State agrees that new policies must constantly be evolved to cope with new realities and to further the national interest of the United States, consistent with the principles which are fundamental to our society. We are aware, however, that successful policy formulation does not usually depend solely on unilateral action; the actions and policies of other parties to a particular situation must necessarily influence our own approach. In Indochina we must recognize that many of the patterns which produced our policies have not changed as substantially as we would have liked. In Viet-Nam, for example, we are forced to consider the fact that North Viet-Nam remains the aggressor. Very large North Vietnamese forces remain in the South and continue to exert heavy pressure on the South Vietnamese Government and people. Prudence and realism require us to be aware of the existence of that situation in our policy reviews. We would welcome policy shifts in Hanoi which would ease the tension and thus permit us to review policy in the light of a new situation.

The Administration does not have an "obsession" with weapons deliveries in Viet-Nam. The Administration does recognize, however, that the Government of the Republic of Viet-Nam, in the face of unrelenting attack, needs the means to protect itself. We believe that denying such assistance would not contribute to peace but would inevitably lead to the greater use of force by North Viet-Nam. We believe that the demonstration of continued South Vietnamese abilities for self-defense will eventually bring the North Vietnamese authorities to the realization that political accommodation is preferable to endless violence.

Specific programs of humanitarian assistance receive high priority in our planning for Viet-Nam. We would note, however, that the development of the South Vietnamese economy toward self-sufficiency will have a major effect in meeting humanitarian aims. Unemployment and underemployment are significant problems which affect refugees and non-refugees alike. Low wages and high costs cause hardship for the entire population. Many of our assistance programs are designed to provide the stimulus necessary to correct these large economic distortions which cause suffering for all segments of the society.

Thanks to the cessation of fighting in Laos the Administration is giving top priority to humanitarian and people concerns. From a high of $375 million, U.S. military assistance has dropped to $89.6 million in FY 74. For FY 75, the Administration is requesting $90 million, a slight increase which reflects largely the rise in cost of petroleum products, increased delivery costs and some pipeline items. On the other hand, at least one-third of the aid budget is directly devoted to humanitarian and "people" concerns and the balance is devoted to stabilization, support and development activities which are a prerequisite for the well-being of the entire population. A total of $40.6 million currently is budgeted for FY 1974 for economic assistance and $56.0 million is requested for FY 1975. PL–480 food for Lao refugees in the estimated amounts of $3.5 million and $2.5 million are additive to those figures.

In Cambodia, because of the continued heavy fighting resulting from the refusal of the Khmer Communists to accept a cease-fire and enter into negotiations, the military aid program has continued at a high level of $325 million so far for FY 74 and will have to remain at least at that level in FY 75, unless a cease-fire, which is our aim, is achieved. Refugee relief assistance for Cambodia has increased from $1.2 million in FY 73 to $13.4 million in FY 74, and $20 million is being requested for FY 75. To counter the sharp drop in domestic production of rice, some 111,000mt of PL–480 rice had to be imported in FY 73, and for FY 74 the total will rise to some 265,000mt. Agency for International Development (AID) is raising the number of direct hire personnel dealing with refugees from one to six. These people will supplement the work currently being carried out by Voluntary Agencies.

The suggestion that new efforts on the diplomatic front are needed on the part of the Administration to settle the Cambodian War is one of which the Administration has always been fully conscious. Regrettably, just as it takes two to wage war, it takes two parties to make a peace. In Cambodia, the Government of the Khmer Republic has offered a unilateral cease-fire and negotiations with anyone, anywhere and at any time but has been rebuffed since the Paris Agreement of 1973. Despite those offers the Khmer Communists have increased the intensity of their attacks and have repeatedly rejected, in public and in private, all efforts by ourselves and the Khmer government to achieve a peaceful settlement. In Laos, it is recognized that the U.S. has steadfastly supported the efforts of the Prime Minister, Prince Souvanna Phouma, to achieve a lasting peace. It is now our policy to continue to support, together with all other parties, the efforts of the new Provisional Government of National Union to maintain a lasting peace, to resettle and rehabilitate the many displaced Lao and to begin the serious development of the nation.

(4) *"Internationalizing aid—International Red Cross.*—To the maximum degree practicable, our government should finally pursue the internationalization of relief and rehabilitation needs in Indochina through United Nations agencies and other channels. In this connection, our government should finally give its strong support to the Indochina Operational Group (IOG) of the International Red Cross. The IOG is currently the only international humanitarian agency with representatives or communication in all the war affected areas of Indochina. The IOG's demonstrated expertise and effectiveness deserves a special emergency contribution of $10 to $15 million for immediate humanitarian purposes in Indochina."

The U.S. Government made a $2,000,000 grant in FY 1974 in support of the operations of the International Committee of the Red Cross in Indochina (ICRC). We plan to make an additional grant at the request of the ICRC in FY 1975 and we will seriously consider any future funding requests advanced by the ICRC. The ICRC has currently raised about half of its $33 million target for the program in Indochina being funded by donations from both governments and National Red Cross organizations. We oppose a larger USG donation at this time for two reasons:

1. A larger USG donation to the total planned would almost certainly reduce the pressure on the ICRC to successfully pursue donations from other potential donors, thus diluting the international character of the ICRC program.

2. We question the ability of the ICRC to mount and sustain a program of the size they are planning. More specifically we are seriously concerned that the quality of the persons available to manage the program would suffer from a too rapid expansion and, hence, the quality of the program itself would suffer.

UNICEF is expanding its programs in the countries of Indochina, and we have encouraged this interest. While we have not yet received a firm proposal, we anticipate making a grant to UNICEF for activities in South Viet-Nam, Cambodia and Laos.

As indicated in an earlier response, the World Health Organization has had meaningful programs in Laos, Cambodia, and Viet-Nam which supplement and do not overlap with activities supported by the United States. We have encouraged that organization to play an even more important role, particularly in the malaria control program, and we at the same time would phase out our remaining activities in that field.

Our discussions with the Indochina countries have stressed the desirability of establishing plans and priorities for programs and projects which require assistance so that other donor countries and organizations can fit their assistance efforts into the host country requirements.

Additional information was provided the Subcommittee by Mr. **Robert H. Nooter**, A.I.D.'s Assistant Administrator of the Bureau for Supporting Assistance, in a statement subsequent to the Subcommittee's August 1, 1973, hearing.

(5) *"Needs of orphans and children.*—The special needs of orphans and other children disadvantaged by the war have a long record of neglect on the part of the governments in Indochina and the U.S. Mission in Saigon, Vientiane and Phnom Penh. Given this record of neglect and the documented needs among millions of children in the war-affected areas, our government should make every effort to increase the priority of concern over children—in both our assistance to the area and in our representations to the governments in Saigon, Vientiane and Phnom Penh. In the case of South Viet-Nam, the Department of State and the Agency for International Development must finally cut redtape and expeditiously implement its new program to aid the process of adoption of orphans by American citizens, and to upgrade support for child welfare and health programs. The outline of the new program was recently communicated to the Subcommittee. Meeting the urgent needs of the orphaned, the lame, and all disadvantaged children in Viet-Nam is long-overdue. Special emphasis in the adoption process should be placed on American-fathered children. It is unconscionable to delay this effort in behalf of children in need."

Child welfare programs mounted by each of the governments of Indochina are tailored to the realities of the individual country. Accordingly, the programs supported by the U.S. Government are different in each of the three countries and are presented below as discrete undertakings, which, indeed, they are.

South Viet-Nam

Agency for International Development's (AID) new $7.5 million program, previously reported to you, is progressing as designed to improve the welfare of Vietnamese children disadvantaged by the war, particularly orphans. The program provides almost $5.5 million for the participation of U.S. voluntary agencies in assisting an estimated 160,000 disadvantaged children, including 17,000 children in orphanages. The program is making improvements in child nutrition and in the management and physical condition of orphanages and child care centers and in the processing of orphans for intercountry adoptions as well as improved health services for malnourished, diseased and handicapped children.

The priority target is being accomplished, namely, providing immediate assistance to orphans and other institutionalized children requiring food, clothing, shelter and medical care. Also, action has been initiated to provide services which strengthen the family unit by developing alternatives to child abandonment through the expansion of home nursery and day care center programs and foster home care. The program activities are:

Orphanage support and improvement.—Food and clothing allowances, health care, equipment, improvement of facilities and staff training. ($1,736,000, with $1,355,000 for voluntary agencies and $381,000 for the Ministry of Social Welfare)

International adoption.—American agencies expanding and improving intercountry adoption programs and related welfare activities. ($470,000, all for voluntary agencies)

Pediatric clinics.—Medical care for disadvantaged children with priority to those pre-adoption cases requiring special medical attention. ($340,000, all for voluntary agencies)

Day care centers.—Equipment, food and staff training for existing day care centers and support in the development of new centers. ($1,428,000, with $1,180,000 for voluntary agencies and $248,000 for the Ministry of Social Welfare)

Home nursery care.—Day nursery services for infants. ($760,000, all for voluntary agencies)

Nutrition centers.—Expansion of existing nutrition centers and creation of additional centers for seriously malnourished children. ($630,000, all for voluntary agencies)

Handicapped children.—Improved custodial care and therapy. ($178,000, with $140,000 for voluntary agencies and $38,000 for the Ministry of Social Welfare)

Foster care.—Foster home care services for children as an alternative to their abandonment, institutionalization or adoption. ($570,000, all for voluntary agencies)

Prevention of infant abandonment. Counseling service to emotionally distraught expectant mothers who might abandon their children. ($44,000, with $25,000 for voluntary agencies and $19,000 for the Ministry of Social Welfare)

Civilian widows assistance.—Support: vocational training and small-scale capital assistance to widowed mothers. ($76,000, all for the Ministry of Social Welfare)

Training.—Pediatric and nutrition training to midwives and other medical personnel, child welfare service training to Ministry of Social Welfare employees. ($552,000, with $324,000 for the Ministry of Health and $228,000 for the Ministry of Social Welfare)

Laos

The Agency for International Development (AID) assistance which can be categorized as "humanitarian" contributes either directly or indirectly to the well-being of children, including orphans. The humanitarian part of the AID program is involved in the resettlement of refugees, the development of health and education facilities and the provision of food, other relief supplies and medical care.

PL–480 Title II food assistance (both direct to the Royal Lao Government and through Catholic Relief Service) is aimed at meeting a portion of the emergency food needs of refugees and disaster victims, including children.

The primary voluntary agencies operating in Laos concentrate on medical assistance (personnel, services and commodities) and provision of food assistance (CRS), with emphasis on assisting refugees and meeting other emergency needs.

Through World Vision, Inc., private donors support up to 2,000 school children each year, most of whom are orphans or children of disabled war veterans.

The Asian Christian Service (ACS) concentrates on refugee relief activities, but has expanded its work to include activities in rehabilitation, reconstruction and development as well. ACS children-oriented programs include the distribution of about 25 tons of dehydrated milk supplements (provided by Switzerland and Holland) per year.

Cambodia

The needs of orphans and children are being met as part of the emergency refugee relief programs being conducted with Agency for International Development (AID) grant support by the voluntary agencies (CRS, WVRO, CARE and the ICRC) in Cambodia. These programs are currently being expanded at a rapid rate and are being directed primarily toward assuring that the emergency shelter, food and medical needs of all refugees are being provided and only secondarily toward improving the care of especially vulnerable groups such as orphans and children. However, a beginning has been made by WVRO (in the establishment of a children's nutrition center near Phnom Penh) and by CRS (in the assistance now being provided two orphanages), and we anticipate that more care will be devoted to orphans and children as the emergency circumstances permit.

(6) *"Refugee resettlement in South Viet-Nam.*—To help normalize civilian life and avoid a festering refugee problem, as experienced in the Middle East and elsewhere, our government should strongly encourage and support—at the highest levels of the Saigon government—the *voluntary* resettlement of refugees in *secure* areas or their "return to village" in any area of South Viet-Nam where their native village is located. The cease-fire agreement provides for "freedom of movement", including the return of refugees to hamlets and villages now controlled by the PRG. Our government should strongly discourage and withdraw any support from programs using the refugees as pawns and "trojan horses" to expand Saigon's control in contested areas of the countryside. The strategic and forced movement of people—a key element in pacification—should play no role in American policy and programs in South Viet-Nam."

The U.S. Government has supported and continues to strongly encourage and support—at the highest levels of Viet-Nam's government—the voluntary resettlement and return-to-village of South Viet-Nam's refugees. As evidence of this, the U.S. Government played a major role in helping the Government of Viet-Nam return nearly 355,000 refugees (most of them generated during the 1972 NVA offensive) to their home areas and resettle an additional 214,000 refugees to secure areas during 1973. These individuals receive food and housing allowances and a wide variety of community development benefits to help them restore their lives and once again become productive citizens. The U.S. Government certainly supports the principle of "freedom of movement" stated in the cease-fire agreement and has communicated this support to the Government of Viet-Nam. To our knowledge, no group of refugees has ever requested permission or assistance from the Government of Viet-Nam to move to "PRG" areas. Some, of course, may have returned to their homes in areas now controlled by the PRG. The decision is an individual one, as is the movement. The overwhelming majority of refugees displaced from areas taken over by the North Vietnamese or Viet Cong do not wish to return to those areas. Hundreds of thousands of these refugees have volunteered for resettlement programs in Government of Viet-Nam territory in preference to returning to their old lands where these are under NVA or VC control. Several different sites are ordinarily offered for resettlement, and in most cases refugee leaders have a hand in the selection or approval of a site. Self-resettlement benefits of VN$100,000 to 150,000 are often provided to those who do not wish to accept the sites offered, and families then leave camps to live in a place of their choice. Neither the U.S. Government nor the Government of Viet-Nam condone forced relocation of people. Additional information on resettlement was provided to the Subcommittee in a letter dated July 31, 1973, from former AID Administrator, John A. Hannah.

(7) *"Physical rehabilitation.* — Tens of thousands of amputees, paraplegics, blind persons, deaf persons, and others with serious physical limitations resulting from the war, languish unattended in many parts of Indochina. Virtually no physical rehabilitation programs exist in Cambodia. The situation in Laos is little better. And in South Vietnam, despite documented needs and years of good intentions on the part of the Thieu Government and the U. S. Mission in Saigon, the situation among the physically disabled remains one of appalling neglect. The continued lack of meaningful progress in providing prosthetic devices for the lame civilians of South Vietnam is fast becoming a scandal of distressing proportions—especially when measured against the expeditious American delivery of weapons and materials of war. The time is long overdue for new initiatives and a greater measure of official concern in this important area of rehabilitation."

As in the response to recommendation Number 5, the status of the physical rehabilitation programs in each of the three countries varies with the nature and gravity of the individual country circumstance. The programs supported by the USG in each of the countries accordingly are different and may be outlined as follows:

South Viet-Nam

While there remain a significant number of Vietnamese disabled who have not yet received definite rehabilitative care, the GVN medical rehabilitation program, with USAID assistance, has continued to expand and to improve its efficiency. Dr. Howard Rusk, of the World Rehabilitation Fund, recently said of this program: "Viet-Nam's program for the construction of Prosthetic Devices has grown to become the largest of any program of this type in the world. The pilot project initiated for the Rehabilitation of the Blind has had enormous success and is comparable to some of the best programs in the United States, using methods developed at the Catholic Guide for all the blind in the state of Massachusetts."

In 1966, the total output of Prosthetic Devices by the National Rehabilitation Institute was 1,615, with an additional output of 691 braces and 383 repairs. In 1973, the total production of prosthetic devices was 7,756 with 2,061 braces produced and 4,679 repairs. The NRI's capability is being further expanded at the present time by the addition of ten new satellite rehabilitation units being constructed at selected province hospital sites. These units, scheduled for completion by the end of FY 1974, will more than double the present annual output of prosthetic/orthotic devices and repair services. Of equal importance, the province hospital satellite units will provide the mechanism for more effectively extending rehabilitation services to rural populations who found the previous central rehabilitation locations to be relatively inaccessible. By the end of CY 1974, when the ten additional hospital units reach full capacity, it is expected that total production of the NRI system, including prosthetic/orthotic devices and repairs, may reach 36,000 per year.

Recognizing that there still remains a backlog of disabled people requiring specialized treatment and rehabilitative care, the Mission is currently re-examining the entire GVN medical rehabilitation program to determine the feasibility of expanding USG assistance to this area still more if the overall level of funding being sought from the Congress in FY 1975 is made available.

Cambodia

As noted under the response to Recommendation 5, virtually the full attention of the voluntary agencies now working in Cambodia under A.I.D. grants has been devoted to assuring that the emergency shelter, food, and medical needs of refugees is being provided and little, or no, attention has been devoted to more sophisticated treatment requirements. We anticipate that physical rehabilitation programs will be evolved and put into practice by the voluntary agencies but only after other more immediate priority programs—such as intensified care for orphans and children—are attended to. This is based on two considerations: 1) The number of persons permanently disabled by war wounds to date is still relatively small; and 2) The large number of refugees must be afforded a higher priority of attention.

Laos

U.S. support for physical rehabilitation programs in Laos has been largely in conjunction with other bilateral and multilateral assistance. In addition to official assistance (A.I.D. and D.O.D.), many U.S. personnel have provided informal assistance in support of Lao physical rehabilitation programs. The primary institution is the Orthopedic Center in Vientiane. It has been funded and operated by the Directorate of Veterans' Affairs with assistance from UNDP (two technical advisors) and USG–DOD (USAID–R.O.), with approximately $80,000 a year in medical supplies and commodities. It is staffed by Forces Armee Royale (military) personnel. Present capacity is 50 amputees per month, the majority being military with about ten percent being civilian.

The International Red Cross is assisting the RLG in establishing a second orthopedic center at Savannakhet. WHO has provided a training course for physiotherapists.

(8) *"Defusing the bombs in the countryside.*—By conservative estimate, there are some 300 million to 600 million pounds of undetonated explosives strewn today throughout the Vietnamese countryside—unexploded mines, booby-traps, and bombs. Little or no effort has been made to launch a systematic program of ordnance removal. In fact, the official view expressed to the Subcommittee is that 'the clearing of ordnance, according to preliminary reports, has so far

not been a major problem.' Yet, hospital admission statistics tell a different story, as Vietnamese civilians continue to lose life and limb to mines and booby-traps in the field. America clearly has a responsibility to help support and fund a program to defuse these mines and bombs, many of which we left behind. To date, our government has given this responsibility little thought, and even less action."

The Chief of the Army of the Republic of Viet-Nam (ARVN) Logistics submitted a report on exploded ordnance, and also our four Consulate Generals have thoroughly reviewed the situation in their areas. During 1973 there were no known incidents in Region 2 as of October 1, few if any in Region 4, and three in Region 3. In Region 1 the statistics are not available except for the most affected province of Quang Tri, which reported that eight had been killed and thirty-five wounded by unexploded ordnance between February and October 1973.

The Government of Viet-Nam (GVN) normally follows standardized ordnance clearing procedures in refugee areas, having military units conduct preliminary clearing operations before the people arrive. Such operations are thorough at housing sites and along roads, although of necessity, less so over the hundreds of thousands of hectares of farmland. Later, if farmers uncover ordnance, they report it to the local authorities, who have National Police, regional forces or popular forces dispose of it. However, if a great deal of ordnance is found or large explosive devices are involved, local authorities then contact district and province chiefs, who may request ARVN forces in the vicinity to handle the disposal.

The GVN does not maintain regular reports on the clearance of unexploded ordnance, the number uncovered and disposed of, the number of troops involved, or the number of injuries and deaths resulting from explosions. The disposal of unexploded ordnance is regarded by the GVN as one of the many normal tasks it undertakes in the return of refugees to their original village or resettlement sites and, therefore, special and separate reports are not kept. Moreover, there is often no way of knowing whether unexploded ordnance predates the January, 1973, agreements or was subsequently planted by North Vietnamese Army/Viet Cong (NVA/VC) forces. The ARVN is equipped for ordnance disposal so no United States assistance has been requested for current ordnance clearing operations and none is expected to be requested.

The continuing problems of deaths and injuries in some refugee resettlement areas arises from the present campaign of NVA/VC forces to harrass these areas by planting of mines, indiscriminate mortar attacks, and the use of long-rang rockets. Recently the Republic of Viet-Nam delegation to the Two Party Joint Military Commission proposed cessation of the use of these weapons which result only in indiscriminate killing and maiming of innocent civilians and children. The proposal was immediately rejected by the Communist side. Additional information was provided the Subcommittee by Mr. Robert H. Nooter, Assistant Administrator of A.I.D.'s Bureau for Supporting Assistance subsequent to the Subcommittee's hearing on August 1, 1973, and in a letter dated February 13, 1974, from Mr. Matthew J. Harvey, A.I.D.'s Assistant Administrator for Legislative Affairs.

(9) *"Prisons and political prisoners in South Viet-Nam.*—The record is clear that political prisoners exist in South Viet-Nam. And the record is also clear that the Thieu government has been thwarting a resolution of the prisoners' plight. But the complicity of our own government in the abuse of justice and fairplay is also clear. And this should outrage the conscience of all Americans. Americans should yield to no one in condemning the cruelty to civilians by the PRG and its allies. But what they do cannot relieve our responsibility to help minimize and remedy the hardship and distress of civilians, including political prisoners, in South Viet-Nam.

"(a) In line with the letter and spirit of a 1973 congressional directive, the President should rapidly phase-out all American sponsored or supported public safety oriented programs in South Viet-Nam, Laos, and Cambodia—and immediately divert unexpended funds for such purposes to meet humanitarian needs among orphans and other victims of the war.

"(b) The United States should make immediate and strong diplomatic representations to the Thieu government in behalf of the humane and just treatment of all civilians detained for political reasons. Among other things, the United States should firmly counsel the Thieu government to invite a full inspection of prison facilities under the auspices of the International Committee of the Red Cross, and to provide for the orderly due process and/or release of those detainees not covered by the repatriation and return provisions in the prisoner protocol of the ceasefire agreement.

"(c) The United States should make diplomatic representations—through various channels and in cooperation with other governments concerned over the future of South Viet-Nam—to further encourage and facilitate negotiations between the Thieu government and the PRG, as provided for in the cease-fire agreements, for the repatriation and return of those political prisoners on both sides covered by the agreement."

The Department of State cannot agree with the Study Mission's assertion that "the record is clear that political prisoners exist in South Viet-Nam."

One of the principal sources of confusion in this highly complex matter is the definition of the term "political prisoner." We interpret this term, as applied to South Viet-Nam, to refer to individuals of non-communist, non-violent persuasion who are imprisoned only for expressing their criticism of the Government. We note in this regard that the Government of Viet-Nam's (GVN) stated policy does not permit the arrest of anyone for mere political dissent. However, when an act of political dissent is coupled with actions that violate public order or threaten national security the responsible person or groups of persons are subject to detention.

We also do not agree with the Study Mission's statement that the South Vietnamese Government has blocked resolution of the civilian prisoner's plight. While progress in resolving this issue has been slow, a review of the record clearly shows that the performance of the Vietnamese Government has been markedly better than that of the Communist side. For example, we note that on the basis of the initial lists exchanged by the parties following the cease-fire, the GVN has now turned over 5,081 civilian prisoners to the "PRG" (Viet Cong) in return for only 637 of its own civilian personnel. In other words the GVN released almost eight Communist prisoners for every one of its personnel received from the Viet Cong.

The GVN's willingness to accept this unfavorable exchange ratio, in spite of the Viet Cong's continued refusal to provide an accounting for the published list of names of some 70,000 Government officials and private civilians kidnapped or otherwise detained by the Communists during the course of the war, appears to us as a compelling indication of its interest in resolving the civilian prisoner problem. We would also note, that GVN authorities have offered to release to the Viet Cong any remaining civilian prisoners identified by the Viet Cong as Communist cadre. In addition to those released to the Viet Cong, since the beginning of 1973, the South Vietnamese Government has granted amnesty to approximately 9,100 civilian prisoners.

What has been the performance of the Viet Cong? As noted above they have consistently refused to release or give an accounting of the many thousands of South Vietnamese civilians they have abducted or otherwise detained during the war. Furthermore, unlike the GVN, the Communists have also refused to provide any information about the number or location of their civilian detention camps, the conditions of the camps or the number of prisoners held therein. Also on several occasions during the first phase of the prisoner exchanges the Viet Cong sparked demonstrations at the release sites which led to the interruption of the exchanges for several months.

In sum, it seems evident to us that the primary responsibility for the "abuse of justice and fairplay" with regard to civilian prisoners rests squarely with the Communist side. The Study Mission's contention that the U.S. is an accomplice in thwarting a resolution of the civilian prisoner issue is unfounded. Since the ceasefire the U.S. has consistently encouraged the two South Vietnamese parties towards an early resolution of this matter in accordance with Article 8(c) of the Agreement. As an outside power our ability to influence events in this sensitive area is clearly limited, but we will continue to do what we reasonably can to secure the humane treatment and prompt release of prisoners of both sides. We have on a number of occasions since the cease-fire conveyed to the GVN our great interest in the humane treatment of prisoners, civilian and military alike. In this regard we note that the International Committee of the Red Cross (ICRC) continues to conduct visits to GVN military POW camps as it has since 1966. (In notable contrast to the attitude of the GVN, the Communists have never permitted ICRC visits to their prison camps.)

We would add that the extensive evidence available to us simply does not sustain the highly publicized charges that civilian prisoners are subjected to widespread, systematic mistreatment in the jails of the Republic of Viet-Nam. No one claims that abuse of prisoners has never occurred in the GVN prison system; nor for that matter, could such a claim be made for penal institutions in the United States and many other countries. Certainly, this claim could not be made for North Vietnamese and Viet Cong penal institutions. considering the passions aroused over two decades of war in Viet-Nam it would be remarkable if some incidents did not occur. However, based on our past advisory experiences and the current observations of our Embassy in Saigon, it is clearly evident that most published reports about abuses are highly exaggerated.

With reference to the Study Mission's recommendation in subsection (a), we are presently terminating U.S. public safety programs in South Viet-Nam, Laos and Cambodia as required by recent legislation. These programs will be ended well before the legislative deadline of August 17, 1974.

We are enclosing for the Subcommittee's information a copy of a comprehensive survey of the civilian prisoner population in South Vietnamese jails prepared by the U.S. Embassy in Saigon.

(10) *"Emergency Relief Needs in Cambodia.*—In the absence of a ceasefire agreement for Cambodia, and in light of the massive toll of civilian casualties and refugees from continuing war, the emergency humanitarian needs of war victims must be a matter of very urgent concern to our own government and all involved. Despite belated efforts to meet these needs, conditions among war victims continue to deteriorate. Food and shelter and medicine are still in short supply. Private voluntary agencies and the Indochina Operational Group of the Red Cross provide

the most effective mechanism for additional relief efforts. It is imperative that the United States generously support, in cash and kind, the emergency relief programs of these agencies."

* * * * *

A number of emergency relief programs were initiated in FY 1973 to begin to cope with the problems noted in the recommendation. These are being expanded at a rapid rate utilizing the services of a number of U.S. and International Voluntary Agencies. Also the U.S. Government is strongly supporting the operations of the Resettlement and Development Foundation (RD) which is the agency designated by the GKR to manage refugee resettlement.

As an indication of the extent of the U.S. Government's concerns, when the GKR requested assistance in managing its growing refugee program, we:

1. Airshipped six and surface-shipped four Packaged Disaster Hospitals for use in the areas with the greatest numbers of refugees. (Two of these hospitals are still being held in reserve for emergency deployment.)
2. Funded grants to the Catholic Relief Services (CRS), the World Vision Relief Organization (WVRO) and the Indochina Operations group (IOG) for the establishment and operation of four of the ten hospitals.
3. Funded additional grants to CRS, WVRO, CARE, and the IOG to enable them to supply emergency food, shelter and in-camp medical care to refugees and to begin a refugee resettlement program. Including the $1,175,000, of FY 1973 grants, we will by the end of FY 1974, have provided $6,517,000 to the Voluntary Agencies (including the Cambodian portion of the IOG program). An additional $8,058,000 is also being granted this FY to the RDF and to cover direct hire costs related to refugees.
4. We are requesting $20,010,000 in FY 1975 for our refugee program of relief and resettlement.

(11) "*Relief and rehabilitation in Laos.*—In support of the cease fire agreement for Laos and the continuing progress anticipated in forming a government of national union, the United States should move more rapidly in changing the character, personnel and purpose of our presence in Vientiane. Moreover, in light of the enormous humanitarian and reconstruction needs among the people of Laos, the United States should strongly encourage expanding programs of relief and rehabilitation in all parts of the country, and generously contribute to these programs. In this connection, a special effort should be made to encourage and expand the work of voluntary agencies, the Indochina Operational Group of the Red Cross, UNICEF, and other appropriate international channels."

Recognizing that the rapidly evolving post-cease-fire environment in Laos is creating a situation whose parameters are quite different from those of the wartime era, the USAID is currently redirecting its economic and humanitarian assistance efforts. Programs are being shifted from emergency wartime objectives to longer term post-war humanitarian, reconstruction and development oriented activities, some of which already have been noted favorably by the Lao Patriotic Front (LPF). With the Provisional Government of National Union (PGNU) now formed, U.S. aid will be given to and through the PGNU. The future thrust, extent and degree of country-wide coverage of U.S. aid will be determined in conjunction with officials of the PGNU.

Although the U.S. is continuing to encourage the participation of voluntary agencies in rehabilitation and relief efforts, most organizations appear to prefer to wait until sometime after the formation of the new government before making any commitments. With the formation of the PGNU, the atmosphere for their future involvement should be greatly enhanced. Because of both budgetary and manpower limitations however, it is doubtful that voluntary agencies will assume a major share of current U.S. humanitarian activities. The Indochina Operations Group (IOG) of the International Committee of the Red Cross, of course, is currently operating in Laos as well as in the other Indochina countries, although the current program in Laos is not related entirely to refugee assistance. In Laos, the IOG has provided some medical supplies and equipment to the LPF. Although we certainly support the expansion of IOG, as well as other donors' relief and rehabilitation efforts in Laos, it is important that any expansion not outstrip their ability to maintain the quality of their operations.

(12) "*Relations with Hanoi—Relief and rehabilitation in North Vietnam.*—In the context of recognized understandings between Washington and Hanoi, and of continuing efforts to implement the ceasefire agreement and protocols for Vietnam, the United States should take new initiatives to break the apparent diplomatic deadlock with North Vietnam. Such activity is needed to help chart a new beginning in our relations with Indochina—and could usefully serve many ends, including the following:

(a) An accounting of Americans missing in action;

(b) An accounting of American and other journalists missing in Cambodia;

(c) A ceasefire agreement for Cambodia;

(d) A de-escalation of military conflict in South Vietnam, and a new emphasis on the political framework and objectives of the ceasefire agreement for Vietnam;

(e) A renewal of negotiations on American contributions to the reconstruction of North Vietnam—primarily humanitarian assistance for medical facilities and housing and general rehabilitation needs;

(f) A beginning toward the normalizing of relations between Washington and Hanoi, as expressed by Secretary of State Kissinger on January 24, 1973: "And therefore it is our firm intention in our relationship to the Democratic Republic of Viet-Nam to move from hostility to normalization to conciliation and cooperation. And we believe that under conditions of peace we can contribute throughout Indochina to a realization of the humane aspirations of all the people of Indochina. And we will, in that spirit, perform our traditional role of helping people realize these aspirations in peace."

U.S. relations with the Democratic Republic of Vietnam (DRV), including prospects for a U.S.-financed reconstruction program for that country, have been treated in Secretary Kissinger's letter of March 25 to Senator Kennedy. As the Secretary noted in his letter, our relations with the DRV depend to a large extent on Hanoi's observance of the January 27, 1973, Cease-fire Agreement. We have made it clear to the North Vietnamese that we stand ready to proceed with steps towards normalization of relations once Hanoi provides evidence of its intention to comply seriously with the Agreement's provisions. We have emphasized this position on a number of occasions both publicly and privately at the various levels of contact that been uniformly rebuffed by Hanoi.

In light of the DRV's persistent failure to observe the cease-fire provisions, our options for new initiatives toward Hanoi are limited. Furthermore, it is our belief that new U.S. initiatives to remove the obstacles towards a more normal relationship with North Viet-Nam cannot be one-sided if they are to have a reasonable chance of success. They should be based on some indication that the DRV is genuinely interested in helping to establish the conditions of peace in Indochina necessary for such a relationship to develop. In this regard it is sobering to note that several Government of Viet-Nam initiatives during the past year, designed to break the diplomatic impasse with the communists, have been uniformly rebuffed by Hanoi.

Nonetheless we have not abandoned hope of eventually moving towards a better relationship with North Viet-Nam. Through our various channels of communication with Hanoi, we will continue to seek means for developing a more fruitful dialogue with the North Vietnamese leadership. However, we will also continue to impress upon the North Vietnamese the fundamental importance we attach to compliance with the Cease-fire Agreement as the primary condition for the normalization of relations with us.

WORLD TRADE WEEK

Mr. **INOUYE.** Mr. President, World Trade Week, which we are observing, calls attention to the importance of world trade in the economic and cultural life of the United States. There are more benefits to international commerce than dollars and cents, however. As an island, my own State of Hawaii has always been aware of this fact and points proudly to its heritage of a rich mixture of cultures and languages.

Let me give you an example. The export of U.S. books represent less than 1 percent of total U.S. exports. The balance-of-payments picture in this category has always been favorable, however, and more importantly, books have an intrinsic value which goes far beyond the status of a commodity. Books, which purvey the sum of mankind's knowledge and experience, have changed the world.

When a student in another country uses an American textbook, he is exposed not only to the information it contains but also to our languages and, in most instances, to our outlook—for even a highly technical book reflects to some degree the national philosophy of its author. Thus when a Filipino, Japanese, or Korean university student learns biology from a U.S. text, he is also learning, through the examples cited, about certain aspects of American life.

Many countries recognize the importance of books as a reflection of a nation and strongly support the export of their intellectual products. In this country we traditionally observe the process of free enterprise and leave it to the authors and publishers to promote their products abroad. This does not mean, however, that we should neglect to recognize and give credit to an export which fosters information, knowledge, and understanding among nations. Hawaii salutes World Trade Week.

WHITE HOUSE ACTION ON COMPUTER FILES

Mr. **PERCY.** Mr. President, I wish to call attention to an article in the New York Times on action by the White House in notifying 3,000 persons whose names and personal information are maintained in White House computerized personnel files. According to the New York Times of Thursday, May 16, the White House took the unusual and noteworthy step of informing each of the persons about whom information is being held of the fact that information is maintained about them, and invited each person to review that information. This is an exemplary procedure, which should be more usually followed by all organizations that maintain information about people. Mr. President, I ask unanimous consent that the article referred to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHITE HOUSE FILES HOLD DATA ON 3,000 IN TOP U.S. JOBS

WASHINGTON, May 15.—Some 3,000 top-level Government employes have been advised that their names and other vital statistics—including ethnic background and political affiliations—are filed in a White House computer.

The names of another 3,000 persons who have applied for top Government jobs are also in the computer, and they have also been notified, according to Samuel Schulhof, deputy special assistance to the President.

The letter states:

"Due to the current concern over Government data collection, I am writing to formally notify you of the computerized information kept by the White House personnel office on all full-time noncareer employes in the Federal Government. This information is kept as an incidental administrative action necessary for carrying out the constitutional and statutory functions of the Presidency.

"The computerized data are maintained for statistical reasons. Information is listed about your position, mailing and legal addresses, age, educational and work background, and, when available your ethnic and political background."

The letter was signed by David J. Wimer, special assistant to the President.

Mr. Schulhof said the two types of files had long enabled the White House to keep track of Presidential political appointees and potential candiates for top jobs, adding that putting the information on the computer makes them more useful.

Mr. Wimer's letter invites those whose names are in the computer to review the information—most of it usually supplied by them originally—to make sure it is accurate.

MAN OF THE SOUTH AWARD

Mr. TALMADGE. Mr. President, every year a man is selected by Dixie Business magazine to receive its Man of the South Award.

The individuals chosen for this honor have made significant and substantial contributions to the well-being and progress of the people of the South.

I am proud to salute Mr. William H. Barnhardt, of Charlotte, N.C., as 1973's Man of the South, the 28th time the honor has been bestowed.

Editor Hubert Lee, of Atlanta, announced the award in Dixie Business, and I ask that his announcement, Mr. Barnhardt's biography in Who's Who in America, and an editorial from the Charlotte Observer be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BARNHARDT IS HONORED AS "MAN OF SOUTH"

William H. Barnhardt of Charlotte, brother of the man for whom the John J. Barnhardt Boy Scout Camp in Stanly County was named, has been honored as the 28th "Man of the South" by the editors of Dixie Business.

He is president of Barnhardt Bros. Co. in Charlotte, and is a director of 20 corporations.

Hubert F. Lee, for 45 years editor of Dixie Business, said Mr. Barnhardt is a fine example of the free enterprise system helping build a better South and nation.

Buildings named for him include Barnhardt, Queens College, Charlotte; Barnhardt Building, Charlotte; Barnhardt-Dowd Chapel, Camp Elliott, Old Fort; Barnhardt Bible Center, Fayetteville; Barnhardt Dispensary, Belgian-Congo; and Barnhardt Prayer Chapel, Weeping Willow AME Zion Church, Charlotte.

His awards include the Silver Beaver and the Silver Antelope from the Boy Scouts of America and the W. D. Boyce Award "for Distinguished Service to Scouting."

WILLIAM H. BARNHARDT: MAN OF THE SOUTH FOR 1973

(By Hubert F. Lee)

The Charlotte Observer for September 30, 1954, had an editorial: "It's Still The Land Of Opportunity."

Any young man, groping his way through those bewildering months just after graduation from college, who fears that opportunity circumscribed in this modern age, should read the article in the September Issue of Modern Textiles about William H. Barnhardt of Charlotte.

The young graduate will find there that far from being circumscribed, opportunity in America is broader today than it ever has been. His ancestors had to find their chance only in an unexplored continent. The modern youth has before him an unexplored field of science and invention as broad as the world. We have only penetrated the fringes of that field.

It offers incalculable opportunity to those with the curiosity to inquire about its possibilities and the daring to try the unknown paths.

Mr. Barnhardt, as this article shows, had both. Beginning as a farm boy in Mecklenburg County, he went to State College, then got into Textiles, where he soon perceived that cotton and wool and silk were only the frontier of this industry.

Artificial fibers, he was convinced, offered the great future for it.

Although these fibers were crude and experimental in the 1920s when he started in business, he was sure they could be developed and kept his mind open to any new processes. If they were not perfect, he began hunting ways to perfect them. Within a decade they began to be accepted. War shortages transformed the progress into a boom, and postwar expansion made them no longer substitutes but products that could stand on their own.

And Mr. Barnhardt, who as a young college graduate looking into the future dared its uncertainties, has become the busiest man in textiles, with so many interests that you wonder how one man can keep up with all of them.

This is still the land of opportunity, because its people are free to invent, to experiment, to venture.

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William H. Barnhardt, was featured in a three page "Coverstory" in the September 1954 issue of Modern Textiles by editor Robert E. Ellsworth, "Busiest Man in Textiles:"

"There is an old truism that if you want to get something done give it to a busy man.

"And one of the busiest lumber-jacks in the textile forest—is William H. Barnhardt of Charlotte who heads up multifarious enterprises in and out of the textile industry.

"Barnhardt, who is a man of great faith in ideas, people and God, sums up his outlook on his life and times with a philosophical:

"Trouble is fun.

"Textile troubles have been fun for Barnhardt for more than 30 years, during which he has shared in the learning to dye acetate and the newer fibers, taking the population out of wool bathing suits, modernizing the shoe lace and a host of other things which were too difficult for the ordinary man to cope with."

Bill was born on a farm near Harrisonburg, N.C. February 3, 1903, the 13th child of Eliza McClellan and John Addison Barnhardt.

He helped with the chores . . . caring for the horses, mules, cows, pigs . . . worked in the garden and fields, enjoying it all.

With his brothers, he hunted, fished and trapped rabbits, which brought five cents apiece.

Bill rode horseback three and a half miles to school and graduated at 16.

He graduated in 1923 from North Carolina State College of School of Textiles with a G.E. degree, the year J. Spender Love founded Burlington. His school annual predicted: "Bill has taken to textiles as his calling. He likes it, and works hard at it, and a man of his calibre will make a good executive some day. A good pal, a good man, a future executive."

John T. Caldwell, Chancellor of N.C. State University at Raleigh wrote:

"Dear Hubert Lee:

"You're a wide-awake, generous editor and citizen. Bill Barnhardt is indeed a fine person, loyal to his principles and the ethic of work.

We are proud he is an N.C. State Univeristy alumnus."

His father, who had a general store, invested his savings in several cotton mills owned by a good friend, J. W. Cannon, of Concord, N.C. which became the Cannon Mills.

At N.C. State, Bill was president of the Textile Society, managed the track team the year it won the state championship and spent a lot of time in YMCA activities.

He had two jobs awaiting him when he graduated—a sales job at $5,000 and a job in a Cannon Mill dyehouse at $13 a week.

Bill took the $13 a week job at Cannon Plant No. 6 in Concord and after a year learning his trade he advanced to manager of the Hobarton Mill Dyehouse.

Mary Snead Boger in her Charlotte 23 (c. 72) wrote:

Because of Bill's experience in dyeing, John Dabbs, in charge of DuPont dyestuff sales in the South hired the young man and sent him up to Penn's Grove, New Jersey, for a sales training course. It was here that Bill Barnhardt first came into contact with manmade fibers acetate especially, and he was fascinated with the prospect, although these fibers were extremely difficult to dye.

Exciting new fibers were one thing Bill encountered. Another was the most fabulous salesman in the business, the late Todd Misenheimer, who offered him a job in his high-powered sales organization. For awhile, Bill refused, more or less fulfilling a dream he had for working with DuPont. But when Misenheimer landed the Celanese account and offered Bill a job as the yarn salesman, he accepted, realizing with that uncanny intuition that synthetic yarn was on the threshold of revolutionizing the textile industry.

After four long years of hard work Bill now knew he could do it. He was on the way with the manmade fibers, and he was ambitious.

Going into business for himself was his aim and when he found an account, the time was ripe. Bill had met Percy Adamson, a gifted developer of novelty fibers. Adamson wanted him to handle the Adamson account in the southern states. On April 1, 1930 William H. Barnhardt jointed his older brother, Charles, in forming—Barnhardt Brothers, Charlotte. After the death of Charles Barnhardt in 1938, Bill continued the business alone until 1945 when he incorporated it into Barnhardt Bros. Co.

Adamson had developed a revolutionary new elastic . . . to be known as "Lastex" . . . and it was Bill Barnhardt who realized the enormous potential of the yarn in men's hosiery.

He sold Interwoven Stocking Company on the idea of "Lastex" in the top of men's hose and gone forever were the ugly, unwieldy garters.

Women of the world are beholden to Barndardt and Adamson for getting them out of droopy woolen bathing suits. . . .

Carl Jantzen, bathing suit manufacturer, was sold the idea of using Lastex by Barnhardt while in a plane over New York while a guest of Al Kluge, head of Artistic Company.

The use of Lastex in foundation garments did away with corsets.

With Herman Epstein's Double Resist-Dyed Acetate and Barnhardt's selling they eliminated silk from men's hose decorations.

Some years ago Bill invested in 6,000 acres of land.

That land now includes Foxcroft, Cotswold, Barclay Downs, Randolph Park and Providence Plantation.

Bill and his associates own Carolina Industrial Park.

Bill is one of the great salesmen in modern times.

Bill is a real Man of Achievement.

He is a wonderful Christian layman and a symbol of man's goodness to man.

He is a fine example of the whole Barnhardt family in North Carolina.

All of Bill's life "The lines have fallen in pleasant places . . ."

His greatest achievement was when he married Miss Margaret McLaughlin, October 8, 1927, in Pennsylvania.

She was a school teacher he met while training for DuPont.

They have four children—William McLaughlin, has 3 children; Nancy B. (Mrs. William D.) Thomas, has 4 children, Charles F., has 3 children and John David, has 4 children.

Bill's three sons are associated in business with him, making Bill Barnhardt the envy of all fathers.

Members of Myers Park Church are proud of the Barnhardt family.

I phoned Dr. James E. Forgartie, pastor, who was excited that another elder of Myers Park had been named "Man of the South," the first being David Ovens, in 1951.

The Church Bulletin the next Sunday had an item: "Hearty Congratulations to William H. Barnhardt, who has been named 'Man of the South' for 1973."

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The Mecklenburg Presbyterian

Congratulations to William H. Barnhardt, Charlotte, North Carolina, textile manufacturer and long time Elder in the Myers Park Presbyterian Church, who has been named "Man Of The South" for 1974 by the Editors of the *Dixie Business*,

". . . You could not have found a greater or a finer man for 28th 'Man of the South' and I doubt if you'll find anyone in the Southeast who will doubt the wisdom of selecting Bill for this honor.

"Shakespeare once said, 'And God so put together the elements with such sweet essence that he said,

'This is a Man.'

"Instead of talking about Julius Caesar, he could very well have been speaking of Bill Barnhardt." wrote S. P. Gaskin, SE Regional Director of the Boy Scouts of America."

POLITICS BEFORE CHILDREN?

Mr. KENNEDY. Mr. President, during the debate and final passage last year of the foreign assistance authorization for Indochina reconstruction assistance, the Congress made clear its intent that the first priority of American aid to Indochina should be humanitarian—to heal the wounds of war and to help bring a transition in the character and purpose of our aid program to that area.

The Senate also made clear that American aid should be channeled, to the maximum extent practicable, through international humanitarian and voluntary agencies to all civilians disadvantaged by a decade of war.

Mr. President, I doubt that there is any Member of Congress who wants America's humanitarian assistance to be used as a political tool. I doubt that there are many who do not agree that the problems of orphans and children in Indochina, whether in South or North Vietnam, or Laos or Cambodia, are not deserving of our humanitarian concern. Americans have never allowed borders to separate or diminish their humanitarian concern over the needs of innocent civilians caught in the crunch of war or its aftermath.

It is for this reason, Mr. President, that I wish to express my profound dismay over the apparent decision by this administration to block a modest proposal by the United Nation's Children's Fund to use funds for humanitarian programs for children throughout all of Indochina, including North Vietnam. I believe this decision is a misreading of the intention of Congress and a failure to understand the humanitarian concern of the American people.

As a recent editorial in the New York Times phrased it:

> The American people—should be disappointed that their Government could stoop to put politics ahead of the welfare of children anywhere.

Mr. President, I agree wholeheartedly. And I ask unanimous consent that the text of this editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the New York Times, May 25, 1974]

Politics Before Children

Citing Washington's "deep disappointment" in the alleged failure of Vietnamese Communists to show a genuine commitment to peace, the United States Government has insisted that the United Nations Children's Fund not use American money to help finance new programs for child aid in North Vietnam and Communist-held areas of the South. It is the American people who should be disappointed that their Government could stoop to put politics ahead of the welfare of children anywhere.

UNICEF has a long and honorable record of scrupulously nonpolitical assistance to children in more than 100 countries, including compassionate aid to both sides during the Nigerian civil war. It has supported child aid programs in South Vietnam since 1956 and has earmarked $11.2 million for the South in the disputed new program that encompasses all of Indochina.

The United States Government, on the contrary, has a shameful history of neglect for child welfare in Vietnam, even in the South. It was only after the most intensive prodding from Congress and private citizens that the Administration agreed recently to step up its contribution to the South's war-destitute children—including thousands of illegitimate offspring of United States servicemen—to a meager $7.2 million.

Fortunately, UNICEF has adequate resources and resolve to go ahead with its plan to help primary schools in North Vietnam and child health services in Communist-held areas of the South without official American support. Individual Americans can help by contributing directly to UNICEF's humanitarian effort.

SPEECH OF REV. DR. DOCHERTY, BETHESDA, MD.

Mr. MATHIAS. Mr. President, on May 15, at the invitation of the president, Jessie Hilderbrand, I had the pleasure of attending a ceremony that marked the opening of a new headquarters office for the Metropolitan Federal Savings and Loan Association in Bethesda, Md. On that occasion, presided over by Walter Green, the chairman of the board, the Reverend Lr. George M. Docherty, of the New York Avenue Presbyterian Church in Washington, delivered some remarks that were most particularly appropriate and moving. I ask unanimous consent that the speech that the Reverend Dr. Docherty gave us that day be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Speech of the Reverend Dr. George M. Docherty

In the Old Testament, in the Book of Ezra, we read of an occasion that seems to me to be appropriate to this Ceremony. The Exiles of Israel returned to their devastated homeland after many years of captivity in Babylon. In the rebuilding of the nation, it was left to Nehemiah to remind the people that first among the priorities must be the construction of a new temple.

Here is the moving description of the Laying of the Corner-Stone of the New Temple as found in Ezra, Chapter three, verses 10–13, (New English Bible):

"When the builders had laid the foundation of the temple of the Lord, ... All the people raised a great shout of praise to the Lord because the foundation of the house of the Lord had been laid. But many of the priests and Levites and heads of families who were old enough to have seen the former house, wept and wailed aloud . . . while many others shouted for joy at the top of their voice."

There might seem little analogy between the building of a Temple of Worship and the construction of a place of business—especially a place whose business is, to use a broad term, 'Banking'. The Temple is a place of worship; a Bank is a place of worldly business. A Temple is for worship of God; a Bank is for the creation of habits of saving and accumulation of material wealth. The Temple is the vehicle of Grace; a Bank is the place for fair returns, with interest, for investment.

Yet, to separate these two diverse purposes is both to take away from religion its worldly witness and to deprive the bank of its moral responsibilities.

All this is symbolized in such a ceremony of the Corner-Stone Laying.

If this particular stone were not laid, the building would not collapse. It is not a key stone in the building sense. It is, however, a key stone in a deeper moral and spiritual sense. This cornerstone box symbolizes more than stone and lime, and indeed dollars and mortgages. It symbolizes service. The dreams and the foresight and the dedication of those who conceived of this institution, worked for its success, took the risks of financial failure. Today we see another chapter opened in a story of high venture and adventure in the Building and Mortgage business. This box, literally, is symbolic of those who long before their allotted span died in their efforts to sustain and maintain a good and healthy business enterprise.

And by the same token, unless those who succeed are aware of this moral responsibility to the community, as custodians of people's wealth, this enterprise will crumble even though the physical building remain.

In the end, this must be a building with its own sanctities. The sanctity of truth and honesty, the sanctity of a good public morality and mature responsibility in all their dealings. Falling short of that, there is little hope for either this or any other business in the land to endure.

This occasion, like that of the laying of the Temple Foundation Stone, is an occasion for both weeping and cheering. Those of you, not least my dear Jessie Hilderbrand, must feel both joy and sadness on this occasion. Sadness that many colleagues were not spared to see this day; joy that the future, with all its uncertainties, lies before you, beckoning this Company to even greater expansion, in the knowledge that you are serving the best interests of the community by providing the means whereby a man may build a home, a worthy castle for the upbringing of the family, and the basic security of knowing that savings are both a trust of the Community, and ultimately a Trust of God.

Let us Pray:

Eternal God, who has set men in communities that through the sharing of efforts and hopes, a worthy city of man's dwelling may be built. We call upon you as our fathers did before us, to bless our enterprises, to see beyond the building of stone and mortar to the structure of a community of integrity and trust.

We pray for the Board of this Company and all who have to do with the right ordering of the affairs of this institution. Grant them strength in their labors and ever the vision of a City whose builder and maker is God.

We recall with thanksgiving those who through the years have served this institution. Some have left us for other fields of labor; some have gone to that service still to be completed that is hid with the mystery of life and death.

On this joyous day, let not fear of the future stifle the adventuring spirit, nor regrets of the past stall our strength.

Let us accept this occasion, as it must ever be, every day in every heart—a day of new beginnings and deeper commitment to service to the Community built on respect and integrity and public trust.

Benediction.

THE NEED FOR CAREFUL STUDY OF CHANGES IN THE CAPITAL GAINS TAX

Mr. **PERCY**. Mr. President, in light of the controversy over the effect of the capital gains tax and the several proposals which have been made to modify it, I urge that we thoroughly consider proposed changes in the tax before taking any final action. These proposals cover the gamut from a total repeal of the 50 percent capital gains exclusion to greatly increasing it. In either case, any substantitive modifications will have very major economic effects.

The House Ways and Means Committee is now drafting tax reform proposals, with a bill scheduled for completion by June. I urge that the Senate also give full study to these proposals before acting to change existing law.

I ask unanimous consent that an article from the May 4 issue of Business Week, which reviews the ongoing debate in this area, be printed in the RECORD. It is my hope that knowledgeable persons who have facts and judgments that will help in our decisionmaking process will communicate their views to the appropriate committees of the House and Senate as well as directly to those of us deeply concerned about the impact the various capital gains proposals will have on our economy and its institutions.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CAPITOL'S PLANS FOR CAPITAL GAINS

The treatment of capital gains has long been a sore point in U.S. tax policy debates. Some tax reformers have been after capital gains as an escape hatch for upper-bracket taxpayers. Others have pushed for gentler treatment as a way of spurring U.S. investment, which they see falling behind other industrialized nations.

This week, the House Ways & Means Committee started drafting a long-promised tax package with all options open—including 27 subject areas. None will have more impact than what is done with capital gains. A possible solution to the dilemma of how to satisfy both camps on that issue appeared to start out with considerable support. That would be to tighten the "minimum tax" the wealthy must pay after taking advantage of all "preferences," including capital gains, and at the same time scale down the taxes on investments that have been held for a number of years.

A major rationale for declining rates is simply a recognition that much of the "gain" in a long-held asset is mere inflation rather than true gain. Today, a security (or other capital asset such as a farm or small business) held more than six months qualifies for long-term capital gains treatment. That means that half the increase in value is excluded from taxation, with the rest taxed at the taxpayer's regular rate. The rate is the same whether it is held seven months or seven years.

The first $50,000 of gains is taxed at a maximum of 25%, no matter how high a person's tax bracket. Eliminating that ceiling and taxing at regular rates up to 35% (half the top bracket of 70%) is a likely change.

Not everyone would trade lighter capital gains treatment for stiffer minimum taxes. "I certainly don't favor reducing the capital gains tax," says Representative Charles A. Vanik (D-Ohio). "You don't spur investment by easing them anyway."

DECLINING SCALE

Chairman Wilbur Mills (D-Ark.), however, is a leading proponent of a declining scale for capital gains taxes. He would probably extend the holding period to qualify for long-term capital gains tax treatment from six months to a year, then gradually phase down the tax over 15 or 20 years.

How far Congress will get this year in tax revision is still a big question. Mills is aiming for completion of a bill by the end of June. But in that time, not much "reform" is possible. It is unlikely, for instance, that the committee will tackle taxation of capital gains at death. That would probably have to be treated as part of an over-all review of estate and gift taxes.

But many liberals would balk at scaling down capital gains taxes without also taxing gains at death, an idea proposed by President Kennedy in 1963. They would prefer to stall the whole issue until next year in the hope that a heavily Democratic Congress would give the whole tax code an overhaul.

What to do in the capital gains area looms as the toughest problem for the committee. One idea is a sliding scale proposed by Senator Lloyd Bentsen (D-Tex.), a member of the Senate Finance Committee. Bentsen wants to get individuals back into the stock market and to give them a fairer break against institutions—which, he notes, enjoy a tax subsidy of more than $3-billion in their market activities. One measure Bentsen proposes is to reduce the amount of capital gains subject to taxation by 2% a year, until 80% is excluded for an asset held 16 years or more. Under such a system, a taxpayer in the 50% bracket with a $10,000 capital gain, for example, would pay $2,500 tax after one year, as he does today. But if he held it 16 years, he would pay only $1,000.

UNLOCKING ASSETS

A major argument for a sliding scale, other than recognizing the inflation factor, is that it would "unlock" highly appreciated assets people now hesitate to sell because they would face a crushing capital gains tax. The New York Stock Exchange argues that a sliding scale would be a "strong impetus" for investors to free up cash for new investments. A 1966 study estimated that there was $233-billion worth of unrealized capital gains in securities alone, and that 90% of them had been held more than seven years.

The NYSE commissioned an Oliver Quayle poll of how investors would react to reduced capital gains rates and concluded that enough stock would have been cashed in 1972 to yield $1.7-billion in federal revenues. Some economists are skeptical of such a projection, however, pointing out that many factors other than taxes go into decisions to buy or sell. And the lower rates could mean less revenue over the long run, though the Treasury Dept. will not estimate how much.

While Wall Street likes the sliding scale, the proposal to extend the holding period to a year drives brokers up the wall. It would cost the Treasury $450-million a year in revenues, they say, and they point out that the vast majority of short-term transactions is actually completed in three months.

GAINS ON LOSSES

While the committee is dealing with capital gains, it will also get into the problem of capital losses. "We need to encourage investors to take their losses and reinvest their remaining capital," says Bentsen. His proposal for increasing from $1,000 to $4,000 the annual deduction a taxpayer can take on capital losses will certainly be pushed in Ways & Means. The $1,000 limit was set in 1942. Some rough estimates indicate this would cost the Treasury several hundred million dollars.

Whatever else Congress does, a tighter minimum tax is the starting point on almost everyone's agenda. And since 85% of the "preference income" is the excluded half of capital gains, such gains are bound to get hit harder. The minimum tax was born in the tax reform act Congress passed in 1969, but its imperfections are widely acknowledged. In 1972, there were 402 people with incomes of more than $100,000 who paid no federal income tax and thousands of others in high brackets who paid little tax.

NUCLEAR SAFEGUARDS AND REORGANIZING THE ATOMIC ENERGY COMMISSION

Mr. **RIBICOFF**. Mr. President, tomorrow the Government Operations Committee marks up S. 2744, the Energy Reorganization Act of 1974, reorganizing the Atomic Energy Commission—AEC—into an Energy, Research, and Development Administration—ERDA, and a Nuclear Safety and Licensing Commission—NSLC.

One of the key issues is reorganizing the Atomic Energy Commission in such a way that nuclear power technology can be developed safely and that the explosive and highly toxic fuels used in this technology can be prevented, at all costs, from falling into the wrong hands.

The bill, as it has emerged from the Subcommittee on Reorganization, Research, and International Organizations, contains several new provisions that will enable the new Nuclear Safety and Licensing Commission to operate effectively in licensing, inspecting, and securing the burgeoning nuclear power industry. Meeting that challenge will be no easy task for the fledging independent regulatory commission. Current projections of industry growth are for the current 42 reactors producing 6 percent of the Nation's electricity to proliferate into 1,000 reactors generating 60 percent of our electricity by the year 2000. During that period, our investment in nuclear powerplants will have grown from $20 billion to $1 trillion. Furthermore, plutonium to fuel the reactors will be generated by the reactors themselves at a rate of 600,000 pounds annually in the year 2000 for the United States—and 2.2 million pounds a year for the world at large. This presents security problems of enormous scope, because it is conceded by the AEC that 44 pounds of plutonium in the hands of skilled terrorists could result in an atomic bomb that poses a "creditable threat." Other experts say only half that amount is needed for fashioning such a bomb.

Thus, the task awaiting the new Nuclear Safety and Licensing Commission is not for the likes of a typical regulatory commission. It will have to be an extraordinary agency simply to keep pace with the industry, much less regulate it effectively and, above all, safely.

The bill, as reported by the subcommittee, contains several provisions which I, as chairman, offered to guarantee that the new commission will have the organizational strength to withstand its awesome responsibilities.

BUREAU OF NUCLEAR MATERIALS SECURITY

Perhaps the most important—in terms of safeguarding the day-to-day functions of the industry against threats, thefts, and sabotage in an era of mounting terrorism—is the establishment of a Bureau of Nuclear Materials Security under the leadership of a strong director who reports directly to the commission.

The bureau will draw together into a single coordinated unit all the safeguards functions which are now fragmented throughout the present regulatory division of the AEC. Its responsibilities will include safeguarding explosive nuclear materials in storage, in transit, and in use, and also preparing contingency plans in the event of an attempted or actual theft or blackmail situation. The director of the bureau will conduct a 1-year study and report to the commissioner and to the Congress on which of these responsibilities should be assumed by a security force within the bureau and which should be left to the industry.

The need for such a reorganization of the regulatory safeguards responsibilities of the AEC became clear during my subcommittee inquiry into the operation.

On March 12, Dr. Theodore B. Taylor, an eminent theoretical physicist and former designer of atomic bombs at Los Alamos, testified that present AEC safeguards were incomplete and that thefts of nuclear materials and the fashioning of terrorist atomic bombs were now possible.

The next day we heard the testimony of responsible AEC officials who reassured the subcommittee that the commission's safeguarding of industrial nuclear materials was being upgraded and that the newest regulations were adequate to protect them from theft and sabotage.

But the criticism of the present safeguards system, both from outside and inside the AEC persisted, and questions remained as to its adequacy. These questions soon were put to rest when I learned of the existience of an internal AEC report, prepared for the Director of Licensing by a team of four outside consultants and one AEC official, on the state of nuclear safeguards in the AEC—licensed industry. I obtained the report from the AEC and released it on Aprli 28.

The report found existing safeguards, even under the new regulations, to be "entirely inadequate" to meet the threat of theft of explosive nuclear materials and their subsequent manufacture into bombs.

The report declared:

> The factors involved in preventing the illegal acquisition of special nuclear material and the subsequent manufacture of nuclear weapons have received a great deal less attention than those associated with power plant accidents. The relevant regulations are far less stringent and we feel they are entirely inadequate to meet the threat.
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> The study group found that uncertainties in present materials accounting systems "make it impossible to say that an explosive mass has not been diverted." Furthermore, the study found that—
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> The time delay in the inventory system is long enough to allow a skilled diverter to have constructed an explosive device before the system can reach a conclusion that a diversion has taken place.
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> The study group cited three major factors as increasing the danger of nuclear theft:
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> The widespread and increasing dissemination of information on how to make homemade bombs;
>
> Increasing numbers of people with varying psychological attitudes who have worked in the nuclear industry and are experienced in processing weapons-grade materials;
>
> The Patricia Hearst kidnaping, which if not firmly met, "may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history."

On May 2, the Washington Post took note of the dangerous safeguards situation in an editorial which supported the proposed Bureau of Nuclear Materials Security as an effective means for dealing with the problem. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE BASEMENT NUCLEAR BOMB

The age of the homemade "basement" nuclear bomb is upon us. The necessary materials can be stolen from nuclear power plants, the necessary skills are widely available in the civilian economy, and the necessary information can be gotten from the public library. This means that nuclear weapons no longer need be the monopoly of a handful of national governments, as is assumed by past formal efforts to control the spread of nuclear arms. Small groups of determined individuals—terrorists—could acquire their own bombs.

A few specialists have been worried about this prospect for years. A three-piece New Yorker profile about one of them, physicist Theodore B. Taylor, brought the issue to wide public attention last December. Finally aroused by this and other pressures, the AEC responded by strengthening its "safeguard" regulations and by commissioning five experts (including one from the AEC itself) to make an internal study. Their report, a devastating document terming the AEC's *strengthened* regulations "entirely inadequate," was released over strong AEC objections the other day by Sen. Abraham Ribicoff (D.-Conn.). His executive reorganization subcommittee has been studying whether the agency is organized properly to handle its quite different development and regulatory functions.

The problem seems to be this: Out of a belief that there was no point to keeping the information classified if the Russians had it, a great deal of information useful to a basement bomb builder has entered public circulation. Meanwhile, the AEC and the atomic power industry, eager to promote the peaceful uses of atomic energy, have concentrated on the safety of power plants and not on the possibilities for illicit bombs. So it is, says the new AEC study, that 15 men, including as few as three "insiders," could steal enough nuclear material for a bomb and make one. The educational level, organizational capacity and political intensity of some of the Arab terrorists suggests to the authors of the study one way this might come about.

Not everyone who has studied this problem thinks it can be solved without an actual terrorist threat or blast. It is apparent, however, that the problem is every bit as urgent as Taylor and the authors of the AEC study believe. Fortuitously, one of the study's recommendations, for a special federal nuclear protection and transportation service, has been precisely anticipated in the AEC reorganization proposal now being pushed by Sen. Ribicoff. Another recommendation is for better intelligence on terrorist groups, to be obtained by infiltration and other operational and organizational means. It would seem essential, too, to review the policy of declassifying weapons literature—unless the horse has already been completely stolen from this particular barn. And various technical steps can be taken.

In our gathering national drive to develop new sources of energy, there may be a strong temptation to overlook a problem so grim and exotic as a terrorist's basement bomb. But this would seem to be woefully shortsighted. "If we are some day to confidently rely on nuclear power as a main source of our electricity," says Sen. Ribicoff, "we must begin now to make the handling and transportation of nuclear materials airtight and foolproof. Otherwise we will be held hostage by the very technology that is supposed to give us self-sufficiency and prosperity."

Mr. RIBICOFF. Mr. President, over the Memorial Day weekend, the Washington Post carried a two-part, page 1 series by Thomas O'Toole on the scope of the problem. The articles report the results of still another secret AEC study in which two young physicists, with only their Ph. D.'s for experience, were asked to design an atomic bomb and to predict its yield, using only a small computer and an unclassified library for assistance. In 6 months they completed their design, which was checked out by the AEC and found to come within 10 percent of their predicted yield if it had been detonated.

This AEC report confirms the testimony of Dr. Taylor before the subcommittee on the relative ease of making a bomb if the needed nuclear material is available to skilled, determined individuals. Not only did AEC witnesses challenge Dr. Taylor's testimony, but interestingly, they did not acknowledge that such a study already had been conducted when I asked them if they would undertake one at Dr. Taylor's suggestion.

I wonder, then, if the AEC was purposely concealing information, or whether it was a bizarre case of the left hand not knowing what the right hand was doing.

The Washington Post series also documents the worldwide rise in terrorism and describes the safeguards employed in the AEC's weapon program which are lacking in its regulation of the nuclear power industry. Especially vulnerable are the transportation links between nuclear fuel facilities and the materials accounting systems within the facilities themselves. The Post also reports that the AEC's Safeguards Advisory Committee has not met since 1971 and that an AEC regulatory safeguards unit was disbanded after its Director, Dr. Charles Thorton, spoke out forcefully for stiffer safeguards.

These reports substantiate my own subcommittee findings, as does this observation toward the end of the second article:

> The fear among some experts is that the AEC will move slowly and somewhat reluctantly to strengthen its safeguards. Some experts worry that the AEC might feel that stronger safeguards would inhibit the growth of nuclear power, by focusing too many spotlights on its hazards.

I ask unanimous consent that the complete Washington Post series be printed in the RECORD at the conclusion of my remarks. I also ask unanimous consent that an article from the New Republic of May 25, 1974, "Homemade Nukes," by Peter J. Ognibene, be inserted at that point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

REORGANIZATION NEEDED

Mr. RIBICOFF. Mr. President I have concluded that the AEC's foot dragging on industrial safeguards can be attributed to the nature of the present bureaucratic organization within its regulatory division.

At present, 99 safeguards personnel are combined with 1,012 safety and environmental personnel in the regulations, licensing, and inspection directorates. They report to the Director of Regulation, who, in turn, reports to the Commission. There are 7,439 employees in the AEC.

The AEC prefers that the new Bureau of Nuclear Materials Security be limited to a policy-advisory function, making it possible for the new Commission to keep safeguards functions and personnel where they are—dispersed through the regulatory organization, rather than centralized in the new Bureau.

The net effect of continuing this organizational approach would be to perpetuate the present poorly coordinated, low-visibility system for safeguarding weapons-grade commercial nuclear materials against theft and sabotage at the very time when the planned proliferation of these materials requires a well-coordinated, high-visibility approach.

Dr. Taylor, and other critics outside and inside the AEC, insist that a strong centralized safeguards unit, with direct access to the Commission, is the only way that an effective system for securing commercial nuclear materials against theft and sabotage can be achieved. Such a unit would have the prestige and clout to design an effective, economically feasible safeguards system for the nuclear industry. Dr. Taylor has sent me a letter stating his views on the new Bureau. I ask unanimous consent that it appear at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL RESEARCH
AND TECHNOLOGY CORP.,
Arlington, Va., April 22, 1974.
Senator ABRAHAM RIBICOFF,
Chairman, Subcommittee on Reorganization, Research, and International Organizations,
U.S. Senate,
Washington, D.C.

DEAR SENATOR RIBICOFF: On reading the April 10, 1974 amendment of S. 2744 to establish an Energy Research and Development Administration (ERDA) and a Nuclear Safety and Licensing Commission (NSLC), I find that I strongly endorse certain amended provisions of the bill, especially those related to the NSLC. Since these are directly relevant to concerns that I expressed concerning risks of theft of nuclear materials from components of the nuclear power industry, in my testimony before the Senate Subcommittee on Reorganization, Research, and International Organizations on March 12, 1974, I would like to outline briefly my reasons for endorsing them.

I especially endorse the establishment of a Bureau of Nuclear Materials Security within the NSLC. In contrast to the present situation, where attention on nuclear material safeguards functions is fragmented between the standards-setting, licensing, and inspection functions of the AEC's regulatory staff, consolidation of these functions within a single entity would help assure the development of a coherent national safeguards system with the high priority that it deserves. The risks of nuclear theft or sabotage of nuclear facilities that would result in serious damage to the general public are of a very different nature from those associated with the safety of nuclear facilities, since they involve purposeful illegal acts by individuals, rather than malfunctions of equipment or human errors. As such, they require special attention of a sort that is not likely to be given to matters of operational safety and environmental impact of normal operations.

A second reason for endorsing provisions of the bill is that it would make it easier for the Commission to attract the kinds of highly experienced and creative people it will need to carry out its very difficult and important functions than if responsibility for formulating new nuclear material safeguards policies and regulatory sandards, implementing them, and overseeing or participating in relevant research and development is broken up between separate parts of the Commission. If these responsibilities were broken up into separate organizational entities, I believe it is likely that these individuals concerned only with the licensing and inspection procedures would tend to become bureaucratic "paper pushers" and negotiators, and rapidly lose the kind of technical competence and creative enthusiasm that is needed to assure that the regulatory process becomes a *joint* effort between the government and the nuclear industry toward a common goal of achieving a high level of security for nuclear materials.

Finally, centralizing nuclear safeguards activties within a single Bureau will, in my view, help guarantee that important feedback between experience in the licensing and inspection operations and the setting of new physical security standards will be rapid and effective. It will also help assure that safeguards R&D projects sponsored by the Commission are directly responsive to needs that are exhibited by operating experience with safeguards procedures.

I would be very happy to meet with you or any appropriate members of your staff to discuss these or any other provisions of S. 2744 on which you believe I may be able to help shed some light.

Sincerely yours,

THEODORE TAYLOR.

Mr. RIBICOFF. Mr. President, the industry now tends to regard safeguards as an overhead cost, and resists AEC efforts to require the posting of additional armed guards and the installation of electronic detection devices in the absence of meaningful AEC assurances that these added safeguards will make enough of a difference to justify the higher cost.

The present regulatory organization is particularly susceptible to downgrading safeguards, because the combination of safeguards, safety and environmental personnel allows for tradeoffs and compromises, especially in the licensing process. This problem was highlighted in the Rosenbaum safeguards report.

Safeguards considerations, namely, how nuclear materials are handled, stored and transported in all phases of the fuel cycle—are distinct from the closely related considerations of reactor safety and environmental protection. Thus, all of the Commission's safeguards activities can be, and should be, centralized in the new bureau, while the safety and environmental activities should continue to be combined in the regulatory directorates under a director of safety.

Similarly, safety research is a distinct function within the new Commission, and this is reflected in the establishment of a new Office of Nuclear Safety Research in the NSLC. The research office, provided in another amendment of mine now in the bill, gives the regulators of nuclear power their first inhouse research capability to confirm the safety of the facilities they license. At present, they have to rely on the development side of AEC to do the research. The director of safety research would undertake research in both the reactor safety and materials safeguards areas, at the request of the directors of the two other divisions, of the Commission itself and at his own initiative.

Thus, the new Nuclear Safety and Licensing Commission would have three basic, coequal divisions: safety, safeguards, and research. Each would complement and serve as a check on the other. The director of each should have equal access to the Commission, allowing a freer exchange of views and ordering of priorities.

ORGANIZATIONAL AMENDMENT

To facilitate this organizational structure, I will offer an amendment providing that the director of each division be a level IV position. This high executive pay level is justified by the awesome responsibilities each will have in the regulation of the rapidly expanding and potentially dangerous nuclear power industry. Each licensed reactor site has the fallout potential in the event of a major accident of many Hiroshima bombs. The fuel for these plants, if diverted, can be converted into atomic bombs or deadly dispersal devices capable of killing thousands and causing billions in property damage.

The chairman of the NSLC remains at the level II position now held by the AEC Chairman, and the members of the commission continue to be compensated at level III.

The new Bureau of Nuclear Materials Security will develop a Federal safeguards system that, first, will keep pace with the increasing volume of commercial nuclear materials—the AEC predicts that after 1980 there will be more commercial plutonium than Government plutonium, including weapons, and second, can relieve the nuclear industry of safeguards responsibilities that are beyond the industry's means to provide.

It should be noted that while the job of safeguarding commercial nuclear materials is enormously important, the job itself is manageable and well within the bounds of available technology. There are now 568 AEC licensed facilities which are authorized to possess a total of 1,041,000 pounds of explosive plutonium and enriched uranium. But 99.8 percent of the authorized weapons-grade material is located in 97 facilities. Of these, 27 were fuel facilities where theft is considered a problem, because the nuclear materials are in a form that can be easily handled. The remaining 68 facilities are reactor sites where the fuel is highly radioactive, making theft unlikely. Furthermore, of the 27 fuel facilities, only 19 are listed by the AEC as major facilities. Thus, the present commercial safeguards efforts against theft can be focused on less than 20 major facilities, and this figure is expected to grow by only another 20 by the 21st century.

The weakest link in the commercial nuclear fuel cycle is the transportation of "trigger quantities" of explosive materials—4.4 pounds of plutonium, 11 pounds of enriched uranium—from one facility to another. In the year ending March 31, there were 455 such shipments—mostly in conventional trucks without armed guards. Two armed guards were required with each shipment beginning in March. But the number of shipments each year will climb into the thousands over the next two decades, and tighter security will be needed to prevent thefts by terrorist groups.

Still, the armored truck technology is now at hand in the transportation of weapons parts and assembled bombs by the AEC, just as there is now a sophisticated alarm and detection system in the facilities producing these weapons.

The fact that these technologies are now available—but not yet in place—in the commercial sector is scandalous. The fact that commercial facilities and shipments are not as well guarded as weapons facilities and shipments is equally scandalous.

A high-level Bureau of Nuclear Materials Security in a reorganized Nuclear Safety and Licensing Commission can bring a swift remedy to the problem. We cannot afford to leave the problem to the vagaries of the present AEC bureaucratic structure any longer.

EXHIBIT 1

[From the New Republic, May 25, 1974]

HOMEMADE NUKES

(By Peter J. Ognibene)

The atomic bomb that leveled Hiroshima contained 132 pounds of uranium-235. By coincidence, 132 pounds of U-235 "disappeared" from a nuclear fuel plant in Apollo, Pennsylvania, over a period of several years. The Atomic Energy Commission launched an investigation costing five million dollars but ultimately concluded that the nuclear material had simply been "lost" in processing or through shoddy inventory and accounting practices. To put it another way, AEC had no idea what had happened.

Nuclear physics has made such giant leaps since 1945 that a crude nuclear weapon can now be fashioned with about 37 pounds of uranium or 13 pounds of plutonium. With so many "atomic secrets" published in the open scientific literature, several thousand people in this country are probably capable of building such a bomb if they could get hold of the requisite metals. Incredibly, there are few safeguards to prevent fissionable material from being stolen during the manufacturing process or while in transit.

On April 30 Sen. Abraham Ribicoff (D, Conn.) made public the unclassified portion of the "special safeguards study" conducted for AEC by a panel of scientific and security experts. Its findings are cause for concern. For instance loose inventory and accounting practices in nuclear processing and storage facilities "make it impossible to say that an explosive mass has not been diverted." A prevalent form of theft in other industries involves concealing the diversion of stolen material by falsifying inventory or accounting records; so it is conceivable that one or more employees at a nuclear plant might be able to steal small quantities of plutonium over a long enough period of time to build a bomb. As the report notes: "The time delay in the inventory system is long enough to allow a skilled diverter to have constructed an explosive device before the system can reach a conclusion that diversion has taken place."

There is also the danger of an outright hijacking. A recent General Accounting Office report found serious flaws in the transportation of nuclear material. GAO noted that one shipment was tied down on an open flatbed truck that had no alarm system or two-way radio. Moreover the driver was given no specific route to follow. Had the truck been stolen AEC would not have known when or where to begin looking for it. Although AEC now requires armed guards to accompany shipments of "special nuclear material" (uranium or plutonium of weapons grade), one transportation company told the special study panel that it licensed its guards to carry firearms only in its home state. Most states require private guards to be licensed for firearms, but the logistical problem of getting every guard licensed in every state is so overwhelming that the company simply sends its guards across state lines and gambles that guns will never be needed. Because of the legal complications should unlicensed guards use their firearms, some "companies have instructed their guards not to use their weapons to stop theft of special nuclear material, but only in defense of their lives."

About 600 private organizations are authorized to possess special nuclear material (SNM); 95 of them hold more than 11 pounds of SNM and are thus required to conform to AEC procedures for protecting it. Yet the special study panel has shown that these inventory, accounting and security practices are inadequate. Sen. Ribicoff would remedy the inadequacy by creating a bureau of nuclear materials safety within a reorganized AEC. (He has introduced his measure as an amendment to S2744, the Energy Reorganization Act of 1974). AEC currently estimates that the annual requirement for SNM for weapons and power plants will exceed two million pounds by 1980. With the advent of "fast breeder" reactors, AEC anticipates domestic production will increase another tenfold by the end of the century.

No fissionable material has so far been stolen, but that may be because no one has tried. The study panel believes that "international terrorist organizations, particularly those of the Arabs, probably have the ability to infiltrate highly trained teams of 10 to 15 men into this country without detection." The panel's suggested first line of defense against this putative threat is "timely and in-depth intelligence" through "electronic and other means of surveillance" and "most important . . . [the] infiltration of the groups themselves." When "the groups" and the "credible threat" they are said to present have not been identified, there is no justification for such measures. Of more practical and immediate value would be inventory and accounting procedures designed to detect and prevent diversion of uranium and plutonium from processing plants and transporting vehicles. In addition the federal government ought not foist the burden of protecting nuclear shipments on private transportation companies; that responsibility should be borne by the government itself.

[From the Washington Post, May 25, 1974]

FEAR OF NUCLEAR THEFT STIRS EXPERTS, AEC—I

(By Thomas O'Toole)

When an atomic weapon travels by train in the United States, it moves in a gray metal car whose two-ton steel top is locked into place by massive bolts. If the same weapon rides on the road, it travels in a truck whose wheels can be locked and whose armor-plated sides can only be pierced by bazooka shells.

The reasoning for such tight security is obvious, but not so obvious is the fact that the Atomic Energy Commission is thinking seriously of ordering the same precautions when shipping nuclear materials, not just the finished weapons.

Such deep concern is rooted in some deep fears that the worldwide growth of atomic energy might be accompanied by attempts at atomic theft, either by organized criminals, terrorists or even governments. The results of nuclear theft are not easy to contemplate, involving as they do the almost unspeakable threats of billion-dollar ransoms and downtown nuclear explosions in the world's cities.

"The human casualties and property damage that could be caused by nuclear explosions vary widely," is the way it's put by Theodore B. Taylor, a onetime designer of nuclear weapons and now a crusader for tighter nuclear safeguards, "but even a nuclear explosion 100 times smaller than the one that destroyed Hiroshima could have a terrible impact on society."

Taylor calculates that impact. A nuclear blast so small that weapons experts might describe it as a "fizzle" might be enough to kill 100,000 people watching a football game. The fallout alone from a "fizzle" blast in the open could kill another 5,000, while the same explosion set off beneath Manhattan's World

Trade Center could topple both buildings and kill as many as 200,000 people.

"Fizzle" blasts worry people like Taylor the most, because that's the kind of bomb atomic thieves are most likely to build. Nobody thinks thieves can build a hydrogen bomb. But a number of people (Taylor included) are convinced that sophisticated thieves could put together a bomb with the same destructive force as the 13-kiloton explosion that leveled Hiroshima.

A growing number of weapons experts think that "basement" nuclear bombs are real possibilities. Taylor says that everything the bomber needs, to know is buried in the stacks of the nation's public libraries. He says the most concise explanation of the theory of making a bomb is in the Encyclopedia Americana, written by the onetime research director for the Pentagon.

"Every educated person already knows the single most essential fact about how to make nuclear explosives, namely that they work," Taylor said in a book he co-authored for the Ford Foundation's Energy Policy Project. "Also, every country including India has successfully tested a nuclear weapon on their first attempt. That's important."

The Atomic Energy Commission is not as concerned as Taylor is about basement bombers, but no longer does it consign them to the pages of science fiction. This is the way the threat is assessed by Edward B. Giller, assistant general manager for military applications:

"If you're a bomb designer like Ted (Taylor) who's worked in a big bomb factory for 10 years, then it's easy. It's not easy, but if I lost 20 kilograms (44 pounds) of plutonium last night to a big gang and they were in fact members of a gang identified by the FBI as terrorists, it's conceivable they could put something together without blowing themselves up . . . It would probably be a pretty clumsy thing, something you'd have to put in a truck but they'd have a credible threat."

The AEC ran a test on itself a few years ago just to find out how easy bomb making had become. It quietly hired two young physicists with no more experience than their Ph.D. degrees, gave them access to a small computer and an unclassified library, then told them to design a nuclear weapon and predict its yield.

The two physicists had a finished weapon in six months. Their predicted yield came within 10 per cent of what their weapon would have produced had it been fired. They now work in the weapons program of Los Alamos Scientific Laboratory, where Taylor spent 10 years.

About four months ago, AEC Director of Licensing John O'Leary asked an AEC study group to investigate the possibility of nuclear theft. Don't study it to death, O'Leary told them, just take six or eight weeks and see if there's anything to it. Make sure it's not a crackpot scheme.

The study group included an MIT physics professor, a weapons designer at Sandia-Laboratory and William Sullivan, onetime assistant to the FBI Director and former director of the Office of National Narcotics Intelligence. Here's what they concluded:

"There is widespread and increasing dissemination of precise and accurate instructions on how to make a nuclear weapon in your basement . . . There is also a slow but continuing movement of personnel into and out of the areas of weapons design and manufacture . . . We believe these factors necessitate an immediate and far-reaching change in the way we conduct our safeguards programs."

What triggered the study group's deepest fears was the rapid rise in worldwide terrorism and the sudden spurt of political kidnappers, which it concluded "may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history."

There are now 50 known terrorist groups operating around the world, most of them well-financed and well-armed. There are five active terrorist organizations in North America, five in Latin America, five in Europe and ten in the Middle East. Their names are household words. Black September, Al Fatah, Tupamaros, the Japanese Red Army, the Ulster Freedom Fighters, the IRA.

In the six years ending Dec. 31, 1973, there were 422 known terrorist incidents that ended in 226 deaths. Fifty-nine of the 422 incidents ended in at least one death.

More important, terrorism is on the rise. There were 50 incidents in 1969, 74 in 1972 and 120 last year. The size of the force and the size of the ransom has also increased. There were 4.6 terrorists per incident in 1970, 8.7 in 1972. Terrorists reaped $11 million in ransom in 1972, $13.3 million in 1973.

Despite their great leap upward, terrorists have yet to threaten nuclear theft. There have been some disquieting incidents, like the threat by a 14-year-old physics student to blow up Orlando, Fla., unless he was given $1 million. He sent in a sketch of his nuclear weapon, precise in its detail.

Not long ago, a man hijacked an airplane and threatened to dive-bomb the Oak Ridge National Laboratory. The most serious threat took place in Austria, where terrorists poisoned a railroad car with radioactive iodine. The car was taken out of service and the Austrian Federal Railroad Administration offered a $5,200 reward (highest in its history) for information about the radiation terrorists.

The attack with radioactive iodine points up two things about nuclear theft. First, the terrorists were thinking about the public's fear of radiation. Second they had access to radioactive materials. It's true that radioactive iodine is no nuclear bomb, but it's not sold in the corner drugstore, either.

Outside of the James Bond movie "Thunderball," nobody has ever threatened the United States with the theft of a nuclear weapon, although it admits to two threats "of a similar kind" in the last month.

The United States goes to unusual lengths to prevent the loss of an atomic weapon, but nevertheless it has lost a few. Four fell out of a B–52 over Palomares in Spain, while another four dropped out of another B–52 over Greenland. All eight were recovered.

Not so with a bomb dropped out of a plane over South Carolina some years ago. It's still missing, presumably buried in a South Carolina swamp. A Navy fighter-bomber reportedly missed the carrier deck once and sank to the bottom of the Pacific, its nuclear bomb aboard. It's still there.

Outside of weapons in stockpile, the United States has over 40,000 atomic weapons scattered around the world. Most are in the United States, but about 7,000 are in Europe and a smaller number are in the Far East.

The number of countries where American nuclear weapons are located is small, the number having shrunk when President Kennedy discovered that nuclear missiles were unlocked and relatively unguarded in Turkey and Italy about the time of the Cuban missile crisis.

Where and how weapons are stored is a secret, but they're all kept in underground vaults. The vaults are guarded in roughly the same way the gold is guarded at Fort Knox. Electronic locks and cryptographic codes are used to close and open doors leading to the vaults.

How many weapons are moved each year is a secret. They are believed to move one at a time, some by air, others by train, some by truck. The train is a full train, even though only one car contains a weapon. Each car on the train has armed guards.

The truck that carries atomic weapons travels in convoy. There is an armed car ahead of it, an armed van just behind it and a third armed car five miles to the rear. The truck itself is secret. It can be made immobile if attacked and is built to resist penetration. It would take hours for a full squad of men armed with bazookas to get inside the truck, and by then electronic signals would have sounded the alarm that the truck was under attack.

Suppose an attack succeeds and a terrorist group steals a weapon. Can they arm it and fire it? Nobody really knows the answer to that, since there are so many electronic barriers built into the bomb. It might take them months to figure a way to trigger the bomb.

"They probably have to tear the whole thing apart and put it back together again," the AEC's Edward Giller said. "In effect, they would have to rewire the whole mechanism."

The Atomic Energy Commission worries less about a bomb being stolen than it does about the nuclear materials used in the making of a bomb. Three metals can be made into a bomb, plutonium and two isotopes of uranium. One is uranium-233, the other uranium-235.

Just how much plutonium and uranium are needed to make a bomb is a secret, but it's a lot less than it used to be. The first atomic bomb that was detonated in the New Mexico desert contained about 60 pounds of plutonium. The bomb dropped on Hiroshima contained 132 pounds of uranium. Ted Taylor has described both bombs as "stupid," mostly meaning they were overweight.

Nobody can buy plutonium or uranium on the open market. Plutonium doesn't even occur in nature. It's made by man, as a by-product of fissioning uranium in nuclear power plants. Natural uranium cannot be used to make bombs either. A bomb maker needs uranium that is at least 90 per cent Uranium-235, which is only made in uranium enrichment plants.

There is a uranium enrichment plant in France, another in England, a third in China and several in the Soviet Union. A pilot enrichment plant is operating in the Netherlands, producing low-enriched uranium for atomic power plants.

Three enrichment plants are in the United States, one at Oak Ridge, a second at Paducah, Ky., and a third at Portsmouth, Ohio. The one at Portsmouth makes uranium fully enriched with U-235.

Time was when fully enriched uranium was used only to make bombs. No longer. It is the fuel for the Navy's 107 nuclear-powered ships and the fuel for a new type of power plant called the High Temperature Gas Cooled Reactor, which operates at twice the temperatures of ordinary nuclear power plants.

Only one of these plants is in existence today, being operated at Fort St. Vrain, Colo. Ten are on order in the United States alone. Japan is building one, and West Germany plans to build one. West German Energy Minister Horst Ehmke believes it is the power plant of the future.

Nobody would want to steal the uranium or the plutonium that is inside a submarine reactor or a nuclear power plant, for the same reason that nobody would want to steal it when it came out of the reactor or the power plant. It's too radioactive, lethally so. It would have to be stolen and then handled by remote control, then put through an exhaustive chemical reprocess to get the radiation out.

On the other hand, the metal that comes out of the enrichment plant, that goes into the fabrication plant where it's made into fuel elements and even the metal that's shipped to the submarine or the power plant before it's installed is invaluable.

Not only to the terrorist, either. Uranium and plutonium in their pure form are worth more than their weight in gold. Uranium is worth about $6,000 a pound. Back in the

1950s, a ring of thieves stole some uranium fuel elements from the Bradwell power plant in Britain and even employed a "fence" to sell them. They were caught before a sale could be made.

Just how much uranium and plutonium exist in their pure form in the United States today is a secret, but the numbers are large and growing. One estimate is that almost 2 million pounds of both metals are in storage at AEC plants around the country. That figure is expected to grow to at least 3 million pounds by 1980.

The uranium and plutonium that's stored at AEC plants is believed pretty safe. What worries the worriers and keeps security men awake at night are the shipments that must be made, almost all of them covering long distances.

"There's no question transportation is our weakest link," the AEC's Ed Giller says. "If a terrorist is going to make an attempt, that's where he'll make it."

The AEC ships uranium from its enrichment plants to its reactors at Hanford, Wash., and Savannah River in Georgia. Plutonium is shipped out of Hanford and Savannah River to the fabrication plant at Rocky Flats, Colo. Rocky Flats ships to the weapons plants in Pantex, Texas and Burlington, Iowa.

That's only for weapons shipments, whose size and number are secret. There are also shipments on the civilian side, though they're not as large and don't often contain the pure metal the way weapons shipments do.

In the year ending March 31, 1974, the AEC counted 455 shipments of what it calls "special nuclear materials" by its civilian licensees. Special nuclear materials are quantities of plutonium and fully enriched uranium that are in excess of what the AEC calls "trigger quantities."

The trigger quantity for plutonium is two kilograms, 4.4. pounds. The trigger quantity for fully enriched uranium is five kilograms, which is 11 pounds. The trigger quantity is not enough to make a bomb. At least four times the trigger quantity is understood to be enough for a bomb, though the exact quantity is secret.

There are 26 plants in the U.S. licensed by the AEC to handle and ship plutonium and fully enriched uranium. The largest number of shipments are made by five plants scattered across the country.

A plant owned by Kerr McGee in Cimarron, Okla., makes plutonium fuel pins for a new test facility in Richland, Wash. A factory outside Pittsburgh also ships fuel pins to Richland. Together, the two plants handle and ship close to 2,000 pounds of plutonium in a year.

Fully enriched uranium is coming into the power plant at Fort St. Vrain, Colo. from a factory in San Diego. The largest uranium handlers in the country are the factories making fuel for the Navy's 102 atomic submarines. These are United Nuclear in New Haven and Babcock & Wilcox in Lynchburg, Va., which together handle thousands of pounds of weapons-grade uranium every year.

The plutonium and uranium that are shipped from these plants go out under armed guard, either in armored cars or in trucks escorted by armed guards in a second car. They follow pre-planned routes, so if they're hijacked rescue squads know where to look.

While uranium and plutonium on the move is the big worry of the AEC, there is still a lot of concern about the same materials disappearing from the factory itself. An armed attack on a factory is unlikely, but a theft from the inside is not so unlikely.

Plutonium and uranium disappear in large enough quantities every year for the AEC to investigate each disappearance. The AEC calls the disappearances a "MUF," for material unaccounted for. The AEC loses as much as 100 pounds of uranium and 60 pounds of plutonium every year, enough to make more than 10 atomic bombs.

Most times, the MUF is due to poor inventory measures, bad weights, lost scrap—carelessness, in other words. But each time a MUF takes place, diversion is suspected. An investigation is begun. Plants are closed down. Sometimes fines are levied.

The most celebrated MUF took place back in the 1960s in the Apollo, Pa., plant of NUMEC. The factory had just taken a big order to process and fabricate 2,200 pounds of fully enriched uranium for Westinghouse Astro-Nuclear, which was making the fuel for the nuclear-powered rocket.

In the fall of 1965, NUMEC was told to make an inventory of its uranium. It came up short by 207 pounds, worth at that time over $1 million. It was also enough to make several large bombs. For a while, China and Israel were both under suspicion as the possible thieves.

The AEC closed down the plant and began to look for the missing uranium. It found some in the air filters, about 12 pounds in the 730 filters that kept uranium from blowing out the smokestacks. It found another 14 pounds in a burial pit in a mountaintop eight miles away. It cost the factory $100,000 to dig up the burial pit looking for the missing metal.

At the end of the search 148 pounds of uranium was still missing, NUMEC was forced to pay the AEC $834,000 for the missing metal. Diversion was still suspected, so the AEC interviewed every employee in the plant and every one of its past employes. The AEC concluded there was "no evidence" of diversion, but there are still a few people there who suspect China and Israel.

[From the Washington Post, May 26, 1974]

AEC Seeking To Cut Peril of Atom Theft—II

(By Thomas O'Toole)

John O'Leary, Director of Licensing, Atomic Energy Commission: "I think we have to bring this possibility of your being incinerated by a diverted or stolen nuclear bomb down to a level of risk comparable to . . . being struck by lightning."

Nobody knows what the risk of incineration from nuclear theft is, but it isn't as small as being hit by lightning.

Whatever the risk, Jack O'Leary says, it's too high. Maybe it's something like 100,000 to 1, he says, but that's too high. The chance of being killed by an atomic bomb exploded by terrorists, extortionists or blackmailers, O'Leary says, should be in the realm of unthinkability.

O'Leary is the AEC official who commissioned a study of the threat of nuclear theft about four months ago. The study was done by five men—three physicists, a weapons designer and the onetime assistant (William Sullivan) to FBI Director Edgar Hoover. Their conclusions were that the United States is not spending enough money and effort to prevent nuclear theft.

"It is our strong feeling," the study team wrote, "that the point of view adopted, the amount of effort expended and the level of safety achieved in keeping special nuclear material out of the hands of unauthorized people is entirely out of proportion to the danger to the public. . . ."

Special nuclear material is plutonium, uranium-233 and uranium-235. The wrong hands could take the right amounts of any of these three metals and make an atomic bomb. The right amounts aren't all that much. Twenty pounds of plutonium or 50 pounds of uranium might be enough to make a bomb.

Few people worry about the outright theft of an atomic bomb. The United States has more than 40,000 atomic bombs around the world, but they're in underground vaults at heavily guarded military bases. When they are moved they travel in special aircraft, trains and trucks, all of them under armed guard.

Even if a bomb were stolen, it would take an incredible effort to set it off. Intricate electronic locks are built into every atomic weapon, meaning that bomb thieves would have to take the weapon apart and put it back together again to set it off.

More and more people worry about the theft of plutonium and uranium that the thieves could use to make a bomb themselves. Where would they steal it? An atomic power plant burning low-enriched uranium (not good enough for bombs) makes enough byproduct plutonium in a year for two bombs. There is enough pure and fully-enriched (93 per cent U–235) uranium being shipped around the United States for submarine and power-plant fuel for another 10 bombs a year.

The growth of nuclear power will multiply the threat. The 55 atomic power plants operating in the United States will grow to 150 by 1980 and as many as 1,000 by the end of the century. There are 90 nuclear power plants abroad, a number expected to grow to more than 200 by 1980 and to 1,400 by the year 2,000.

As many as 10 per cent of these plants are expected to be of a relatively new class of plants known as the High Temperature Gas Cooled Reactors. They operate at twice the temperatures of conventional nuclear plants, meaning they make twice as much heat and twice as much electricity as conventional plants from the same amount of uranium. How do they do this? By burning fully enriched uranium, the same metal used in nuclear bombs.

All nuclear power plants make plutonium as a byproduct, some more than others. The fast-breeder power plants built or being built in the Soviet Union, France, Britain and the United States make more plutonium than they burn uranium, which is the purpose of the breeder plant.

Whatever the type of plant, plutonium will gather in mounting quantities the world over. The United States will have accumulated almost 900 tons of plutonium by 1990, Europe and Japan more than 900 tons. At the end of the century, the United States, Europe and Japan will be generating plutonium at the rate of 1,200 tons a year. That's enough for 200,000 bombs.

There are two things that can be done with all this plutonium—store it or use it. If the world stores it, that means expensive garbage dumps that can be counted on to keep the plutonium safely for 24,000 years. An anticipated worldwide shortage of uranium at less than $20 a pound is enough to act against storing it.

Most experts assume atomic power will be running on what they call a "plutonium recycle" economy, meaning that the plutonium will be recovered and used as fuel itself.

That means another 15 to 20 factories in the United States alone to process the plutonium into fuel elements, making theft from one that much easier. It also means several shipments of plutonium around the country every day, again raising the risk of plutonium theft. Thieves might choose to steal plutonium for money alone. They could get as much for plutonium as they get today for pure heroin.

The first line of defense against nuclear theft is the risk thieves run when they steal bomb material. The form thieves are likely to find it in is radioactive. The AEC ships fuel elements in heavy casks just to protect the handlers.

How secure are the casks? Trucks carrying nuclear fuel cores have rolled off hillsides, killing the drivers but not cracking the cores. Cyclinders of uranium hexafluoride have fallen off trains and under their wheels without breaking open.

Next, the thieves run a terrific risk when they attempt to build a bomb. Four men have died in the United States putting bomb components together in what weapons experts call the "criticality" experiment, a test the thieves must do if their weapon is to work.

"This is an experiment that's called 'twisting the lion's tail'" said Edward B. Giller, AEC assistant general manager for military applications. "You can get bit."

Another risk comes from the high explosive that must be wrapped in a perfect sphere around the plutonium or uranium to squeeze it into a critical mass. The people handling the explosive as they build the trigger must be expert at their craft, not just knowledgeable.

"You can melt dynamite and you can machine it," Giller said, "but if you don't do it right you have a very good chance that your basement will blow up with your house."

The second line of defense against nuclear theft is the physical safeguards built to protect the plutonium and uranium at the factory and on the road. The AEC spends $50 million a year safe-guarding its material, a figure that's bound to grow in the years just ahead.

"We need to spend money on this; this isn't some two-bit problem," said the AEC's Robert Minogue, one of the nation's leading experts on safeguards. "This is a serious problem and it needs a serious effort."

There are 26 factories in the United States licensed to handle plutonium and uranium. Some are modern and well-protected. Others are not. The United Nuclear plant that makes fully enriched submarine fuel (ideal for weapons) consists of several buildings in a rundown neighborhood of New Haven, one or two as rundown as the neighborhood. A chain-link and barbed-wire fence runs around the plant, except where the walls border the sidewalk.

"It's bad," states Ralph G. Page, chief of the AEC's Materials and Plant Protection Branch. "It is not good, not good."

Bad as it is, the AEC let United Nuclear get off this year without upgrading its protection. The reason is that United Nuclear is closing its New Haven plant in September to move to a new factory in Mottville, several miles from New Haven.

The "upgrading" was ordered by the AEC this year for all 24 plants. The cost of the new protective measures ranges from $500,000 to $2 million per plant, includes things like putting in outdoor searchlights, higher fences and more guards.

The biggest single expense ordered by the AEC for the factories is an intrusion alarm system. Estimates run as high as $400,000 for each factory, as much as $10 for each foot of fence. The alarms aren't tied to the fence and they're not the conventional "ringing" alarms that most people identify with burglar systems.

They include infrared devices to detect warm bodies at night. There are magnetic detectors to sound out weapons, seismic listening devices that can hear the fall of feet, pressure detectors that pick up any force being exerted on the fence.

The AEC is almost as concerned about the people on the inside of the factory. It has developed and begun to use a super Geiger counter that looks like one of those electronic portals now in use at airports to check passengers. This new device can detect pieces of plutonium or uranium as small as one gram, whether it's being carried out in a person's clothes or inside his body.

One reason the AEC installed these doors is that security people remember how many well-known physicists walked out of Los Alamos Scientific Laboratory during the war with uranium souvenirs. They had to send the FBI after many of them, just to get the uranium back.

The Achilles heel in all this is not the factory, it's the truck or train that carries the uranium and plutonium away from the factory. New regulations put in this year require shipments to be accompanied by a driver and a guard, both of them armed. They're required either to drive an armored car or to be followed by an armed escort car.

The truck driver must follow a pre-planned route, so that rescue teams would know where to look if the truck is attacked. The driver uses a radiotelephone to call in regularly along his route.

There are shortcomings to all these plans. The AEC would like to scrap the radiotelephone, mostly because the lines are often busy. It would like to install in the trucks radios with a cleared frequency, right into central communication centers that keep track by computer of all the nuclear trucks on the road. Eventually, the AEC would like its own communications satellite hovering above the earth, watching and listening to its trucks.

What the AEC would also like is an unclassified version of the secret truck that hauls nuclear weapons. If the truck were attacked, the driver could stop the truck and freeze the engine by pushing a button. Another push and two of the wheels might blow off, rendering the truck immobile.

Even measures like these don't satisfy the safeguards experts. Some think the shipments of nuclear metals should be shrunk, so that only one-fourth of the "trigger quantity" for uranium and plutonium travel at any one time.

Others think the 10 or so chemical reprocessing plants planned for the United States should be built alongside the 26 fuel fabrication plants already doing business, so there will be no need to ship metals from one to the other.

One of the most extreme solutions to the safeguards problem would be to "poison" the uranium and plutonium whenever it leaves the factory. Poison it with excess radioactivity, making it that much more hazardous for the thief to steal it. Almost bizarre, this solution is under serious study at the AEC right now.

The trouble with all these schemes is that they add expense to the already skyrocketing cost of doing business in the nuclear power industry. The poison idea is also dangerous, introducing a large hazard to the people handling the nuclear material and to the public if there's an accident.

Nonetheless, new changes in nuclear safeguards will have to be made, if safeguards are to make incineration from nuclear theft a risk comparable to being hit by lightning.

The fear among some experts is that the AEC will move slowly and somewhat reluctantly to strengthen its safeguards. Some experts worry that the AEC might feel that stronger safeguards would inhibit the growth of nuclear power, by focusing too many spotlights on its hazards.

The AEC can boast that its safeguards have worked so far, but its track record is far from spotless. The agency still does not have an overall chief in charge of safeguards. It had one, Delmar Crowson, but forced him out a few years ago.

His deputy, Charles Thornton, was shunted to the side not long ago because he wanted stiffer safeguards. Thornton wanted armed guards even on shipments of natural uranium, which cannot be used to make weapons, but which conceivably could produce plutonium if it were used as fuel in a secret reactant.

The AEC set up an outside watchdog committee on safeguards seven years ago. The committee's job was to advise the AEC and it met at least twice a year until 1971. It has not met since—some feel because the AEC believes the committee might embarrass it. The AEC has a different explanation.

"There's a representative of Consolidated Edison and a representative of Westinghouse Electric on that committee," explains L. Manning Muntzing, AEC director of regulation and a man to whom the committee reports. "I've taken the position that until the committee is reconstituted and that conflict of interest is removed, I will not use that committee."

One member of the committee who does not serve private industry claims that the two members Muntzing is talking about are the toughest members of the committee. They're former FBI men and one-time executive assistants to the Joint Committee on Atomic Energy in Congress, men who "really understand the troubles we'll have if safeguards don't work."

There is a single statistic that safeguards experts often quote in assessing the threat of nuclear theft. Between 1 million and 2 million men have already been trained by the United States in the handling, moving and operation of nuclear weapons.

A HISTORIC ERA ENDS

Mr. HUGH SCOTT. Mr. President, over the last decade and a half the University of Virginia has undergone a renaissance of thought and tradition due to the brilliant leadership of its president, Dr. Edgar F. Shannon, Jr.

During these 15 years, Dr. Shannon's leadership and guidance have served as a suitable and solid foundation for the school's continued academic and philosophic growth. So, although his retirement as President represents a great loss to the school, his contributions to the university life will continue on the faculty as he pursues his romance with the literature of the motherland.

As an alumnus of the University of Virginia Law School, I join in wishing luck to Dr. Shannon and I ask that an outstanding editorial from the Charlottesville Daily Progess be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From The Daily Progress, Charlottesville, (Va.) May 19, 1974]

At the University: A Historic Era Ends

An era comes to a close at the University today.

Dr. Edgar F. Shannon Jr., retiring president, presides over his final commencement at Mr. Jefferson's school.

It would be impossible in a few paragraphs—or even a few volumes—to describe adequately the changes that have swept the institution during the epoch that began when Dr. Shannon was installed in 1959.

The period saw the University become a coeducational school, the opening of its doors to black undergraduate students, and brushes with the unrest that swept the campuses of the nation during the sixties and early seventies. It also saw deep changes in the relationship of the students to the institution, marked changes in dress and traditions, and major expansions of the University's physical facilities.

It was, in short, a period of unparalleled challenges. Dr. Shannon converted it into a period of equally unparalleled opportunity for advancement and progress, opportunities that he seized with imagination and superlative leadership.

Through all of the trauma of the period, Dr. Shannon never lost sight of the main challenge, that of maintaining the highest possible standards of educational excellence for the students of Virginia and elsewhere who came to the University for instruction.

In this, as in all other aspects of his tenure, his success will be remembered as long as there is a University of Virginia.

Writing in 1967, Dr. Shannon quoted Prof. Henry Steele Commager in spelling out what a University ought to be:

"The University is, by now, firmly established as the focal point not only of American culture and education, but of American life. It is, next to government itself, the chief servant of society, the chief instrument of social change. It occupies something of the symbolic role of both church and state in the Old World, but it fills a role that neither church nor state can effectively fill; it is the source of inspiration, the powerhouse, and the clearing house of ideas."

This would at least partially summarize the theme of the Shannon years at the University.

We join the University, the academic community, and his many friends in Central Virginia in wishing him good luck and Godspeed in his future endeavors.

He has contributed significantly to the proud heritage that is The University, to the ever evolving philosopohy of academic methodology, and—most important of all—to excellence in the education of thousands of young Americans.

YES, RENEE, NEWSPAPERS ARE IMPORTANT

Mr. PROXMIRE. Mr. President, the other day the mail brought me a latter-day example of the famous letter to Virginia O'Hanlon by Francis P. Church, an editorial writer of the New York Sun. That letter, which has lived since September 21, 1897, began: "Yes, Virginia, there is a Santa Claus."

Randall P. Howell, editor of the Daily Item, Port Chester, N.Y., received a letter from a fellow editor, Renee Lehman of the 3A News of Rye, N.Y.

Eight-year-old Renee told Howell that despite the lack of interest on the part of her classmates, she was not going to quit the news business. But, she did want to know from a professional how an editor gets response.

Howell's answer may not open with such a memorable line as did Church's answer to Virginia, but his definition of a free press, I think, should get some attention. And, Howell's advice to Renee regarding perseverance is worthwhile, too.

Mr. President, I ask unanimous consent that Renee's letter and editor Howell's answer be reprinted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FROM AN EDITOR . . .

DEAR EDITOR,

I am eight years of age, and I am also an editor. But you have a harder job than I do. I am the editor of my class newspaper called "3A NEWS."

I have a problem. And because you are an editor, I need you to help me solve this problem.

Our first newspaper was a success, but in the next issue only my assistant and I wrote the stories and everything else. My teacher said that I should either do the newspaper myself, or just quit.

I decided not to quit.

I just don't want to write everything and I sent you this letter because I don't know what to do. I want to ask your advice on what to do about this.

When you first started your job as an editor, you must have had some trouble. Well, that happened to me. Nobody will write ANYTHING in my class.

We are fortunate to have a newpaper, still. Everybody says, "I'm going to write something for the newspaper sooner or later." They never get a chance to do it, or just decide to give up.

I love to write, and everybody says that I write such good stories and should print them in our newspaper. But why should I put them in our newspaper, when they won't put anything in it themselves?

I just love having a newspaper and I can spell and write very well.

I would love to have your opinion on all these matters and you should thank Andrea for typing up this letter to you. I will thank you kindly, if you answer my questions.

I hope you enjoyed my letter and here is a riddle: Why is a pencil like a riddle? Answer—It is no good without its point.

Yours truly,

RENEE LEHMAN,
Editor, 3A NEWS 13 Eve Lane, Rye.

. . . TO AN EDITOR

DEAR RENEE,

You are not going to find any easy solutions to your problem. It seems to me that you are beginning to encounter situations that will, no doubt, confront you in one way or the other throughout your lifetime.

Do not dismay, however. That is no indictment of your classmates or the people you will know and work with in the years ahead. In fact, it is just the kind of thing that makes it all worthwhile.

To live and work together we cannot lose faith in the people around us. One must never forget, Renee, that they, too, have hopes and dreams, obligations and responsibilities. While these may differ from our own, that does not make other people the lesser for it. Contrary to what many might believe, it makes for a much healthier and more exciting world in which to live.

I admire your spirit and determination to continue with your newspaper. That, in itself, is an awesome decision to make and you, having made it, must be prepared to face that challenge.

Take heart that you are fortunate enough to have a newspaper. But that, Renee, is not enough. You must learn all you can about a newspaper and what it represents.

I think you will find that a newspaper stands for much more than you, as a young editor, and your classmates ever dreamed. As you become more knowledgeable about newspapers you must begin to share that knowledge with your classmates.

Hopefully, they will then begin to share some of your enthusiasm for a very special kind of right called freedom of the press. Freedom of the press is so much more than an empty phrase. It is as much a part of our life as breath itself. Without it, Renee, you and your classmates would be denied the basic tools you will need to build a better life for yourselves.

Freedom of the press encompasses, among other things, the right to print the truth no matter how bad or good it is; the right to know the truth so that you and I are better able to live up to our obligations as citizens; the right to exercise free choice in what you choose to read the right to have your opinion heard and read by others and the right to know theirs; the rights to inform and be informed at home, at work, in the marketplace and the playground; the right to hear and read both sides of an issue and make up your own mind of your own free will; the right to shed light on those things that may jeopardize our other freedoms and the right to pursue ideas and works that are for the common good.

These, Renee, are some of your rights under freedom of the press. It is an exciting and unique freedom, and certainly not without responsibility. But more than that, it is also a privilege—a privilege that must not be abused or misused. It must be protected at all cost and strengthened at every opportunity. It is the strongest only when it is understood.

Therefore, Renee, understanding is one of the most important factors for you to consider. And, once you have done your homework as an editor, you will be much better equipped to encourage your classmates to become a part of something that you may not now fully understand.

Perhaps when your classmates begin to understand and appreciate the value of having a newspaper, they then may begin to believe in and respond to your desires as an editor.

A newspaper is hard work, but rewarding work. And once your classmates know, as you do, that something as desirable as a newspaper takes a great deal of unselfish contribution from everyone, they may live up to that responsibility in ways that could surprise even you.

Your classmates must become a part of the newspaper, but by the same token the newspaper must represent a part of the lives of your classmates. They, in this instance, are not only reporters, but probably represent a majority of your readers.

You have a unique opportunity in this regard, If more editors and reporters respected and understood their readers—they in turn would be much better reporters and editors and would have much better newspapers.

One final thought, Renee—do not be afraid of disappointment for it is not unique to editors. It is part of life and we can learn to understand a great deal from it. Instead consider your problems—no matter how difficult—as opportunities to work toward solutions.

Sincerely,

RANDALL P. HOWELL,
Editor, The Daily Item
Port Chester.

ROLAND E. STORZ—WE CAN ALWAYS BE PROUD OF THE SELFLESS CONTRIBUTION HE MADE FOR THE LOVE OF HIS COUNTRY

Mr. McINTYRE. Mr. President, we are at that period of the year when we pay special honor to the Nation's war dead.

I have just attended a memorial service for Lt. Col. Ronald E. Storz, a Portsmouth, N.H., native whose remains were interred at Arlington National Cemetery on Friday, May 10.

Colonel Storz died on April 23, 1970, in a North Vietnamese prison.

His wartime record was a distinguished one: 18 years of service in the Air Force, several outstanding awards including the Purple Heart and the Air Service Medal, each accompanied by one oak leaf cluster.

Following the disappearance of his aircraft during a visual reconnaissance mission on April 28, 1965, Colonel Storz was imprisoned in the POW facility known as Alcatraz in Hanoi, North Vietnam. His courage and faith during that prolonged period, including months of solitary confinement, served as a source of strength and inspiration to his fellow prisoners.

At the signing of the peace agreement in Paris on January 27, 1973, the Government of North Vietnam presented us with a list of names of U.S. servicemen who died during captivity and Colonel Storz was listed as having died on April 23, 1970, almost 5 years to the day after his capture.

I have had an opportunity over the last few years to meet several times with his wife, Mrs. Sandra Storz, when she came to Washington to plead with officials here to do everything in their power to bring the prisoners home, find the missing in action, and identify those who died in captivity. I know her to be a strong and dedicated woman, and to her and her two children, Mark Christopher and Monica Lisa, go my deepest sympathy.

For them, and for so many Americans who lost loved ones in the Vietnam war, no words can ease the sadness. But Colonel Storz' wife and children know how he has earned the quiet and profound respect of all Americans, and in their sadness they can always be proud of the selfless contribution he made for love of his country.

I found the memorial services at Arlington Cemetery conducted by Rev. M. Gayland Pool of Fort Worth, Tex., a deeply moving experience even though I never knew Colonel Storz. Still, I do not feel any of us could offer an epitaph.

Perhaps the most fitting epitaph comes from a fellow prisoner of war, Capt. Howard Rutledge, who wrote of his days with Ron Storz in a book entitled "In the Presence of Mine Enemies." Captain Rutledge writes:

> I remember Alcatraz as a time of loneliness and misery, constant harassment, torture, and interrogation; but I don't remember one of the Alcatraz Gang ever losing faith in God or his country.
>
> Alcatraz is the source of my saddest memory of all my POW experiences. Eleven of us went in. Only ten came back. Ron Storz, the sensitive, young Air Force Captain, was not really well upon arrival at Alcatraz; but in spite of physical weakness, he was a real leader. His message by example was "unity over self." An able, aggressive communicator, Ron loved to tap out messages with the broom. He was an Episcopalian and a sensitive Christian brother. One day in 1969 he swept through that compound a message that was perhaps the most effective sermon I have ever heard. "Seek God here. This is where you'll find Him."
>
> Like all of us he was probably wrestling with his increasing anxiety to get out of that miserable place and into the light again. But when freedom didn't come, he reminded us all plainly to quit sulking and get down to the important business of seeking God now, rather than waiting for some better time or place.
>
> One day Ron swept a very different kind of message. With his broom he tapped, "God, hear my cries." We all knew Ron was very ill. He was getting weaker and his weight had dropped from around 175 pounds to just over 100. He was quite emaciated, and even the enemy was growing aware of his plight. One day Frenchy, our interrogator, approached Ron in our corridor and told him he would have to move to the larger interrogation room and out of the tiny cell.
>
> Ron argued loudy to stay with his friends. All he wanted was a roommate. After months of solitary confinement, he needed to talk to someone. The enemy had permitted Ron no letters from home and now even though they knew his mental and physical strengths were depreciating rapidly they would not give him a roommate. They tried to separate Ron from the rest of us, but Ron would not go.
>
> Finally, Frenchy had to explain that in a few short hours his friends would be leaving Alcatraz and that he would have to remain. The Vietnamese were not hard on Ron that night. They did not make him move. All of us had heard it. Frenchy said tonight we would be moving out. After almost two years in Alcatraz, we would be leaving. That night we moved, one at a time, into a waiting truck, past Ron in his lonely cell. It was one of the hardest moments of my life as a POW. The worst part of being a prisoner is the helplessness to reach out and lift up another man in need. We couldn't even say good-bye. They had the burp guns. They had the power.
>
> War is like that for both sides. I'm sure the enemy had families who bled and died. I'm sure the enemy cried when loved ones went away and did not return. I'm sure they, too, were tempted to give way to anger and hatred. But revenge is God's business. Anger and hatred can destroy us all. When it's over, we must try to forget and to forgive.
>
> We never stopped praying for Ron and his family, but we knew we would probably never see him again until that day God chose to reunite the Alcatraz Gang in another world free from such pain and sorrow.

ENERGY CONSERVATION

Mr. PERCY. Mr. President, I am somewhat concerned that we may too quickly conclude as a Nation that the "energy crisis is over" and therefore revert to many of our old practices, habits and customs that have brought us to the level of being a Nation of "squanderers" when it comes to energy usage. Obviously, there are many energy needs that must be met and that are not subject to much if any reduction. But there are many ways in which we can conserve energy. It is easier many times to conserve rather than to develop new sources. Considering the very high cost of imported oil, our balance-of-payments expenses now and in future years are going to dramatically increase and conserving energy can help bring us close to being at least more energy self-sufficient than we would be otherwise.

During the height of our energy conservation consciousness, we were able to make significant reductions in our rate of consumption. Everyone who participated in this effort deserves commendation.

The members of my own U.S. Senate office staff began a voluntary conservation program, entirely self-generated, in an effort to conserve energy in their homes, cars, and offices. An "energy task force" within the staff compiled and distributed a list of energy conservation techniques as a check list that anyone could follow. They hoped to demonstrate between now and year-end that measurable amounts of both energy and money could be saved by individual efforts.

They initiated on their own this list of consideration measures and pledged to adhere to them and asked that I participate with them, which I was pleased to do.

Following is a listing of the energy conservation measures that they proposed:

PERCY STAFF TIPS FOR ENERGY CONSERVATION FOR HOMEOWNERS AND APARTMENT DWELLERS

(1) Set thermostats down to about 68–70 degrees in the daytime (lower if nobody is home) and 65–67 degrees at night.

(2) Cover (whenever possible and feasible) outside of windows with clear plastic if there are no storm windows.

(3) Check to see if there is adequate insulation on the attic floor.

(4) Keep furniture away from registers or heating ducts; don't heat unused rooms.

(5) Prevent drafts from open windows, and close fireplace damper when not in use.

(6) Turn down temperature on hot water heater, and avoid excessive use of hot water.

(7) Keep freezer packed to capacity.

(8) Refrain from opening refrigerator unless necessary.

(9) Make sure you have a full load before running dishwasher, washing machine, or clothes dryer.

(10) Avoid using such items as electric blankets, electric clocks, can openers, mixers, frying pans, hair dryers, rollers, and shavers.

(11) Have all leaking hot water faucets fixed immediately.

(12) Close and seal all openings into the attic from occupied space.

(13) Do not use self-cleaning device in oven.

(14) Ask landlord or resident manager to turn the heat down. (One Percy staff member got the manager to turn down the heat in all 250 apartment units in his complex).

(15) Open curtains in the daytime and close them at night.

(16) Wash dishes and clothes in cold or lukewarm water whenever possible.

(17) Turn off lights when not needed and use electrictial appliance wisely.

(18) If TV has "instant-on-off" feature, leave TV unplugged when not in use.

IN THE OFFICE

(1) Practice and encourage conservation among co-workers. Use many of the same techniques as at home.

(2) Keep radiator off or on low and wear a sweater.

(3) Turn off lights whenever you leave the office.

(4) Turn off electric typewriters and office equipment when not in use.

(5) Use wind-up clocks instead of electric.

(6) Ask superintendent to turn down the heat in the building after working hours.

(7) Ask superintendent to take out every third fluorescent light bulb.

IN THE CAR

(1) Reduce speed on the highway to 50 or 60 mph at all times.

(2) Drive smoothly and avoid quick starts and stops.

(3) Avoid idling engine for more than 3 minutes when waiting.

(4) When engine is cold, drive slowly for the first mile instead of idling or racing the engine.

(5) Keep engine tuned and tires properly inflated. Use radial tires if possible.

(6) Plan ahead to combine short trips for shopping, medical appointments, etc.

(7) If you have more than one car use the one that consumes the least amount of energy.

(8) Eliminate unncessary weight. Empty the trunk and storage compartments of such items as excess tires, chains, tools and equipment.

(9) Remove unnecessary attachments such

as hanging luggage, ski racks, and bicycle racks.

(10) Travel during off-peak traffic times and use routes with a minimum number of traffic lights and stop signs.

(11) Avoid using air conditioner.

GOING TO WORK

(1) Use public transportation or car pools whenever possible.

(2) Walk or ride a bicycle whenever possible.

SHOPPING

(1) Ask stores to carry energy-efficient products.

(2) Tell local stores to stock up on recycled products.

(3) Avoid purchases of products wrapped in wasteful packaging.

(4) Inform a company about items that wear out quickly.

VACATION AND RECREATION

(1) Don't leave lights on in motel rooms.

(2) If you own a motorboat, use it less frequently.

(3) Walk instead of using a golf cart.

(4) Cut down on the use of snowmobiles.

IN THE COMMUNITY

(1) Organize public meetings and open forums with local industry leaders, members of Chambers of Commerce, public officials.

(2) Find out what industries are doing to replace older equipment with more energy efficient equipment.

(3) Lobby for better designed schools, new office and public buildings which utilize energy more efficiently.

(4) Be alert to over cooling or over heating in theaters, stores, restaurants and other public places.

(5) Urge reduction of excess lighting of buildings and monuments in your community.

Mr. President, new data and information now require, however, additional comments on some of these items. For instance, the Senate has rejected overwhelmingly an amendment to increase the speed limit on interstate highways to 60 miles per hour, thus retaining for now the 55-mile per hour limit. Therefore, the reference to 60 miles per hour should be reduced to 55 in the checklist that my office released.

ELECTRICAL APPLIANCES

The task force's zeal to avoid the use of electrical appliances should have been researched more carefully and also should now be modified in the light of factual material. For instance, I have been a long-time user of electric shavers, though I also occasionally use a safety razor. It would appear at first glance that an electric shaver would require more energy than a safety razor. But a safety razor requires hot water, which consumes energy. Further, extensive tests have shown how minute an amount of electrical energy is used by an electric razor. For instnce, in a test using a Sunbeam electric razor 4 minutes a day, 365 days a year, less energy was used than is required to heat 2 gallons of water from 60° Fahrenheit to 140° Fahrenheit.

Research has shown that "eliminating a product just because it uses eectricity is not energy conservation if it leads to more consumption of energy to get the same job done." For instance, our staff originally thought that eliminating the use of an electric frying pan would conserve energy, but subsequently learned that an electric frying pan is actually more energy efficient than using a stovetop burner.

Mr. President, I hope that we will continue to be conscious as a people and as a nation of the necessity of developing energy conservation measures. Doing so is good discipline for us, and as I pointed out on the floor of the Senate last week, keeping our 55-mile per hour speed limit will not only conserve 73 million barrels of oil per year in America but will also save between 8,000 and 10,000 lives on the basis of national safety records established since the new speed limits were put into effect. We must be vigilant in our efforts but also must be careful not to delude ourselves or perhaps take positions until such time as adequate research has been done and facts are available. Such studies are now being made on the effect of year-round daylight saving time, which I suspect did not result in the benefits that were originally anticipated.

THE CONFLICT OF INTEREST OF MR. HENRY KEARNS—JUSTICE DEPARTMENT SHOULD ACT

Mr. PROXMIRE. Mr. President, when Mr. Henry Kearns was nominated to head the Export-Import Bank early in the Nixon administration I fought the nomination because Mr. Kearns retained 100,000 shares of stock in a Thailand firm named Siam-Kraft which had been started with Export-Import Bank funds. He got the shares for nothing as a finders fee. I opposed him because that was the worst conflict of interest I had seen in my entire service in the Senate.

Further, while Mr. Kearns was head of the Eximbank, Siam-Kraft was allowed to extend the time to pay back its loans for an inordinately long period, from 1976 to 1993. Additional special arrangements were made for them.

This was defended by Mr. Kearns on grounds that his stock was in a blind trust and that his deputy handled all matters in connection with Siam-Kraft.

NEW REVELATIONS

But there are now some very new revelations. While he was head of the Ex-Im Bank Mr. Kearns made a number of very favorable arrangements with the Japanese firm Mitsui. He was involved in some 37 loan guarantees in which Mitsui was involved. Then, Mitsui bought the 100,000 originally worthless shares of Siam-Kraft stock Mr. Kearns owned for $5 a share.

At that time the shares were selling on one Asian market for $1.75. Others claim that the shares were worth much less—10 cents a share or less because Siam-Kraft was in great difficulty.

Mr. Kearns therefore, got $500,000 for 100,000 shares of stock which he originally got for a finders fee and which were enhanced in value by loans and favors from the Export-Import Bank which he headed. Further, the stock was bought by a firm which had gotten many loans and favors from the Eximbank while Mr. Kearns headed it.

Certainly this was wrong ethically. Absolutely wrong. And it may have been legally wrong as well.

Now further information has surfaced about this entire matter. Shirley Scheibla has written about it extensively in Barron's for May 20, 1974.

I ask unanimous consent that the article entitled "Co-Prosperity Sphere", "How Eximbank's Kearns, Japan's Mitsui Did Business Together" be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr PROXMIRE. I am therefore calling on Attorney General Saxbe and the Justice Department to move decisively on this obvious conflict of interest case of Henry Kearns.

I brought this matter to the attention of the GAO some time ago. They have asked to be relieved of responsibility because the Justice Department was involved. But it is time the Justice Department moved. It should be settled once and for all.

EXHIBIT 1

CO-PROSPERITY SPHERE? HOW EXIMBANK'S KEARNS, JAPAN'S MITSUI DID BUSINESS TOGETHER

(By Shirley Scheibla)

WASHINGTON.—Back in 1969, Henry Kearns balked at selling his shares in Siam Kraft Paper Co. (a pulp and paper mill in Thailand), to win Senate approval of his nomination for president and chairman of the U.S. Export-Import Bank (Eximbank), which helps finance, at below-market interest rates, the sale of domestic goods and services abroad. However, in order to still the qualms of some lawmakers over his heading the agency, which had a $14 million loan outstanding to Siam Kraft obtained by him, Mr. Kearns put his 100,000 shares in a blind trust.

Thanks to that compromise, Mr. Kearns today is nearly $500,000 richer. Last year, Mitsui of Japan, which benefited substantially while Mr. Kearns headed the agency, bought the Siam Kraft shares from the trust for half-a-million dollars, perhaps 10 times as much as it was worth in 1969.

CHARGES MISREPRESENTATION

Now Siam Kraft is suing Mr. Kearns for fraud in his dealings with it before he went to Eximbank. The company charges, in part, that he obtained his shares in Siam Kraft, as well as Eximbank financing, through misrepresentation. Mr. Kearns denies the charges.

Court papers indicate that Siam Kraft was kept afloat through difficult times largely because Eximbank, in an unusual move, agreed to stretch out its loan to 1993. While Mr. Kearns headed Eximbank at the time, he did not participate in the rescheduling decision.

The story of Mr. Kearns and Siam Kraft dates back to 1962, when, as head of Kearns International Business Development Corp., he promoted the idea of such an enterprise in talks with officials of the Kingdom of Thailand. Subsequently, Parsons & Whittemore Inc. (P&W) won a contract from the Agency for International Development to prepare an investment survey on the feasibility for a pulp and paper mill in Thailand.

According to court papers, the survey led to a project proposal by P&W justifying Mr. Kearns' earlier view that such a project would be feasible, profitable and useful to the Thai economy. The documents further disclose that, "based upon the Project Proposal and as the promoter of the project, defendant Henry Kearns, acting through American Capital, a company controlled by Kearns and affiliated or associated with Kearns International, assumed full responsibility for the formation of the plaintiff." Thai Paper Industries Co. Ltd. was formed on July 8, 1965, and three months later Siam Kraft was incorporated as its successor. Siam Kraft proceeded to sign a contract with Parsons & Whittemore to build and operate a plant.

AUTHORIZED LOAN

The following June, thanks to Kearns' efforts, Eximbank authorized a loan of $14 million to Siam Kraft, which was signed on September 26, 1966. For his efforts in its behalf, Siam Kraft gave Mr. Kearns 100,000 shares of stock. (The company has two million common shares outstanding.)

When Mr. Kearns was seeking Senate confirmation of his nomination to head Eximbank, some Senators suggested that he sell his Siam Kraft stock to eliminate any possible conflict of interest. Mr. Kearns, however, told the Senate Banking and Currency Committee on February 13, 1969, that although he had made a determined effort to sell shares "to a rather broad range of prospective buyers," he couldn't make a sale because the company was not yet in operation.

In contrast, when Kearns testified before the Inouye Subcommittee of the Senate Appropriations Committee on May 8, 1973, he said: "When I was up for confirmation, the committee suggested that I sell all of my stock in Siam Kraft and in another Thai company. The Siam Kraft stock was not salable because the plant was not in operation, and to have offered 100,000 shares on the market at that time would have done irreparable damage to the company. I was asked by the other stockholders not to offer it for sale."

During Mr. Kearns' confirmation hearing back in 1969, Senator William W. Proxmire (D., Wis.) told him, "I know you have made a valiant effort to sell your stock. I am convinced that you have. You have gone to all the logical people who would have any interest in buying. It would be a terrible sacrifice if you were required to sell it."

IN A BLIND TRUST

At the 1969 hearing, however, Senator Proxmire declared, "I'm just wondering if we're not stretching the conflict of interest provisions or principles in permitting this kind of an arrangement to go ahead.

"It's hard for me to really see how this effectively protects the public interest where you do have a very clear degree of authority over the people who, in turn, are going to determine whether or not this loan is repaid on time and so forth." (As noted earlier, the loan enjoyed one of the longest stretchouts in Eximbank history—to 1993.)

Mr. Kearns replied, "Senator Proxmire, I have done everything I can. If what I have done is not satisfactory, then obviously I can't serve in this position."

In lieu of selling, Mr. Kearns placed his Siam Kraft shares in a blind trust with Bank of America and disqualified himself from participating in any Eximbank decisions concerning Siam Kraft. He did not, however, disqualify himself from participating in Eximbank board decisions involving Mitsui of Japan. At the Senate Appropriations Subcommittee hearing on May 8, 1973, he testified that he had just received word that his Siam Kraft stock had been sold to Mitsui & Co. for par value of $5 a share, which yielded him the half-million dollars.

DATE OF PURCHASE UNKNOWN

Barron's has been unable to determine the exact date Mitsui made the purchase, or whether the latter had any connection with the impending court action. What is clear, however, is that Parsons & Whittemore, claiming various contractual violations by Siam Kraft, filed suit on May 1, 1973, in Thailand, Siam Kraft subsequently countersued. John E. Corette, III, general counsel of Eximbank said the agency knew the suit was going to be filed six months earlier.

During the 1973 Appropriations hearing, the subcommittee chairman, Senator Daniel K. Inouye (D., Hawaii), told Mr. Kearns that at the time Mitsui bought the stock for $5 a share, it was traded on the Bangkok stock exchange at approximately $1.75.

Mr. Kearns retorted: "Well, in the first place I don't think the Bangkok exchange is a stock exchange in terms that you or I would consider a stock exchange. It is operated by one man for his own benefit, and I don't think it has much credence."

In December 1970, so Siam Kraft told a Thailand court, the value of the shares was only about five or 10 baht (20 baht=$1). While the company's financial condition had improved somewhat by 1973, it still had substantial problems, as is made clear in the court cases pending in Bangkok, New York and Washington.

In any event, Mitsui, which bought the stock at $5, benefited handsomely from Eximbank actions while Mr. Kearns headed the agency. Consider what happened in 1972. Mitsui Trading Co. had ordered two McDonnell Douglas DC10 jetliners, planning to sell them to All-Nippon Airways. But the Japanese government failed to authorized All-Nippon to put the DC10s into service, thus leaving Mitsui without a market for the planes it had contracted to buy.

Then Eximbank came along and said it would lend $18 million to a group of Japanese banks, including Mitsui Bank. The funds, in turn, were to be lent to Laker Airways Ltd., a British charter line, to cover 45 percent of the cost of the two DC10s, about $40 million. Laker then bought the jets, thus relieving Mitsui Trading Co. of its obligation to take delivery. Whether this transaction was in the U.S. interest is questionable. Laker now plans to undercut fares of hard-pressed American carriers like Pan American World Airways and TWA by offering to fly passengers from New York to London on its Skytrain for $117.

As noted earlier, Mr. Kearns did not disqualify himself from participating in Eximbank's board decision involving Mitsui while he headed the agency. During his tenure, Eximbank made 37 separate decisions for guarantees of loans by commercial banks to Mitsui for a grand total of $33.5 million.

MITSUI'S ROLE

In addition, on July 16, 1972, Eximbank announced direct loans of $110,897,000 at 6 percent to two Japanese power companies to help finance the sale of $246,438,000 of U.S. equipment for nuclear plants. While Eximbank's announcement failed to say so, Mitsui arranged meetings here and in Japan concerning the loans, participated in the negotiations at Eximbank with the principals of the Japanese utilities and is transporting the equipment. Mitsui's role was explained by Roland Fridell, manager of the International Sales division of General Electric, which is supplying the nuclear systems.

In his Senate testimony last year, Mr. Kearns said that Mitsui got a good deal when it bought his stock in another Thai company, an experience which "may have had something to do with their decision" to buy his Siam Kraft stock. To win confirmation of his appointment to Eximbank in 1969, Mr. Kearns sold Mitsui his interest in Firestone Tyre & Rubber Co. of Thailand, which had repaid an Eximbank loan the previous year. "The dividends on those shares since that time have been more than the total price that they paid for the shares. The company paid dividends of some 100 percent on the par value every year, so I would imagine that Mitsui would think rather kindly on my shares that they purchased," Mr. Kearns told the Senate Subcommittee.

WOULD HAVE FACED BANKRUPTCY

Be that as it may, Siam Kraft would have faced bankruptcy—and Mr. Kearns' stock would have become worthless—without Eximbank's rescheduling of the company's loan after he took over the agency's helm. The $14 million loan originally was to be repaid in 12 equal semiannual instalments beginning December 1, 1970, with 6 percent interest payable every six months from the time of disbursement.

However, in 1970, without public announcement, Eximbank, rescheduled the loan to call for 40 semiannual instalments beginning December 1, 1973 (that is the only payment Siam Kraft has made so far), with the final instalment due June 1, 1933. Interest payments due on December 1, 1970, through December 1, 1972, were capitalized and added to the principal of the debt, increasing it from $14 million to $16 million. The rescheduling agreement restricts payment of dividends and requires, repayment if net income in any year exceeds 12 percent of paid-in equity.

In cooperation with Eximbank, the Overseas Private Investment Corp. (OPIC) took over the $4,075,000 in loans to Siam Kraft which OPIC's predecessor agency had guaranteed the previous year. The lenders included Connecticut General Life Insurance Co., First National Bank of St. Paul, General Electric Pension Trust and National Shawmut Bank of Boston.

Under a 1969 agreement with the four, Siam Kraft was to have a grace period and start repayments in 1976 with completion in 1981. But, following the pattern set by Eximbank, OPIC in 1970 agreed to pay the commercial lenders out of its reserves within the time originally scheduled and give Siam Kraft until 1933 to finish reimbursing OPIC. Whether Siam Kraft is now current in its interest payments to OPIC (according to Steve Franklin, OPIC attorney) is now in dispute.

The legal action began on May 9, 1973, when three companies wholly owned by Parsons & Whittemore sued Siam Kraft in Bangkok to collect promissory notes. P&W alleged they were due as part of an agreement for P&W to withdraw from Siam Kraft.

The following month, Siam Kraft answered by counter-claiming that the agreement under which the notes were due was obtained through fraud. The counter-claim indicated that the feasibility study financed by the U.S. government said the venture would show profits of $1.4 million in the first year and increase each year thereafter to yield a total profit of $46 million in 11 years. Instead, Siam Kraft suffered a loss of $4.6 million.

CHEAP IMPORTS

According to its counter-claim, much equipment lay idle, including a half-million-dollar machine for making bags to hold cement. Money for payment of labor and raw materials was squandered. The plant had to be closed for 196 days because of lack of funds for raw materials and spare parts, and Siam Kraft had to ask Eximbank for non-payment of interest, the company told the court. It added that the value of its shares dropped as low as five or 10 baht.

P&W denies the drop in the value of the shares, citing the Mitsui purchase at a high price. It also said the plant could produce paper as guaranteed, but that because of Siam Kraft's failure to get Thailand to raise import duties on paper, cheap imports were flooding the market.

Mr. Kearns was not named as a party in the Bangkok suit, but he was named in identical suits which Siam Kraft filed simultaneously in New York City and Washington last September against him, P&W and Samuel Efron. Mr. Kearns resigned from Eximbank the following month. Mr. Efron, who formerly held the posts of executive vice president of P&W and director of Siam Kraft, now is a member of the Washington law firm of Arent, Fox, Kintner, Plotkin & Kahn.

Siam Kraft has asked for a jury trial, and the parties now are arguing over which tribunal should have jurisdiction. In its complaint filed with the U.S. District Court for the Southern District of New York, Siam Kraft charged that the contract for the mill was obtained "through fraud and misrepresentation committed by defendants, P&W, Kearns and Efron." The complaint added: "Material representations of defendants . . . were false and were known to the said defendants to be false, and made by them to deceive plaintiff to enter into the contract."

TARIFF PROTECTION

The document charged Mr. Kearns individually with these alleged misrepresentations: "(a) Statements made to Plaintiff concerning the degree of tariff protection the Government of Thailand was willing to extend the products of Plaintiff. In making these representations, defendant Kearns failed to disclose that he had entered into an agreement on behalf of plaintiff with the Thai Board of Investment whereby Plaintiff would not sell its products at more than 23% above the landed cost of like imported items.

"(b) Defendant Kearns recommended the employment of Mr. William A. Robinson as an independent consultant for the project without disclosing that Robinson had formerly been employed by or associated with P&W. In making this recommendation, defendant Kearns falsely represented that Robinson had the recommendation of the Export-Import Bank of the United States.

"(c) Defendant Kearns urged the Plaintiff's Board of Directors to accept the Contract and to authorize its signature on behalf of Plaintiff. Despite the fact that the Contract contained many provisions detrimental to the Plaintiff, including the deletion of approximately $3,000,000 of equipment that the Thai directors anticipated would be supplied, defendant Kearns stated to the Thai directors that the Contract contained changes from the earlier 1965 contract only in ways beneficial to the Plaintiff."

"CONCEALED VIOLATIONS"

The complaint also charges: "Defendants Kearns and Efron actively concealed from Plaintiff the aforesaid violations of law and Defendants likewise failed to reveal said violations as required by the affirmative duty of disclosure owed Plaintiff. Plaintiff became aware of said violations only after ousting Management from operating control of the enterprise in December 1970."

While detailed arguments have not yet been heard in the cases, the defendants deny all charges. They have admitted, however, that Mr. Kearns participated, to some extent, in the formation and financing of Siam Kraft and that he received common stock as a consideration for his efforts.

P&W told the New York court that the case should be dismissed, since identical action is pending in Washington, and claims are sub judice (awaiting judicial determination) in Thailand. P&W added that the statute of limitations bars action and that agreements of 1965, 1966 and 1970 call for mandatory arbitration.

MAJORITY SHAREHOLDERS

Court papers indicate that the majority shareholders of Siam Kraft now are the Crown Property Office and Siam Cement Co., both of Thailand. The P&W companies—Parsons & Whittemore South East Asia Corp., Downingtown Service Corp. and Parsons & Whittemore Management Corp.—previously owned 449,057 shares received as part payment for their services in establishing and managing the plant. A dispute involving the agreement under which the shares of the three P&W companies were transferred to Thai ownership (Crown Property and Siam Cement) led to the first court case which P&W filed in Bangkok. As a major creditor of Siam Kraft, Eximbank approved of this stock transfer. It did not, however, approve the sale of Mr. Kearns' shares to Mitsui.

Now, according to Eximbank's Mr. Corette, Siam Kraft is operating at full capacity and at a profit, though he won't disclose how much. He added, however, that Eximbank turned down a Siam Kraft proposition for a new loan for a major expansion after three Eximbank officials visited the plant last November. Mr. Corette explained that Eximbank believes Siam Kraft's financial structure is not strong enough for it to incur substantial amounts of additional debt.

Since it would be improper for Eximbank officials to comment on pending courts cases, Barron's posed a theoretical question to Mr. Corette: What would happen if Eximbank found that a loan had been obtained through fraud or misrepresentation? He replied, "Eximbank would have a case in court." Asked by Barron's to give his side of the story, Henry Kearns declined to comment.

GOVERNMENT SECRECY

Mr. MUSKIE. Mr. President, in opening the present series of hearings by the Subcommittee on Intergovernmental Relations into Government secrecy and the security classification system, I spoke of the need for thorough review of and ongoing challenge to the system which now makes it easier to hide material from Congress and the people than to make public that information which we all need to fulfill our responsibilities as legislators and as concerned citizens of an open society. Two distinguished former public servants, McGeorge Bundy and Prof. Arthur M. Schlesinger, Jr., who served with distinction in the Kennedy and Johnson administrations, testified at those hearings last week and urged Congress to make a fresh commitment of its energies and resources to the job of informing itself and the public. Their thoughtful testimony was of great value to the subcommittee, and since I believe it will interest and enlighten other Members of the Senate, I ask unanimous consent that their opening statements be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF MCGEORGE BUNDY

MAY 22, 1974.

Mr. Chairman: It is a privilege to respond to your invitation to appear before the Senate Subcommittee on Intergovernmental Relations to take part in its hearings on secrecy in government. The subject is of critical importance, because it lies at the intersection between the national imperatives of safety and freedom. Your Committee is planning to focus specifically on pending legislation relating to information classification practices, but in your invitation, Mr. Chairman, you have asked me to reflect more generally "on the advantages and disadvantages of secrecy in a democracy." You have asked me in particular to explore the once conventional supposition that in these matters the President should have great discretion and be burdened with as little Congressional and outside interference as possible. You have asked me to consider whether the standards set for secrecy during World War II and the cold war remain applicable, and whether there are new standards which might be developed and defined. Finally, you have asked me to examine the suggestion frequently made that the practice of secrecy becomes an addiction of those in high office, tending to deafen them to dissenting opinions voiced by those who lack access to secret information and used to exclude dissenters from crucial policy debates. These questions are broad and deep. Each of us who has been closely engaged in these matters, either as a student or as a participant, could comment on each at a length which would be wearisome and probably unhelpful. I believe that it may be more helpful to your Committee if I confine my opening statement to the expression of a few relatively strong and general convictions, leaving the development of the discussion in the hands of the Subcommittee, so that my further remarks may be responsive to your own present concerns.

The first and most important proposition I can offer is that secrecy in a democracy can never be better than a necessary evil. Ours is an open society, and our foreign policies can never succeed for long if they lack public understanding. There is no virtue in secrecy for its own sake, and much danger. Therefore I find it good to be able to report that compared to the whole range of the information pertinent to public judgment on foreign and defense policy, the amount which truly needs to be kept secret in the national interest is extraordinarily small.

When I went to Washington in 1961 to work for President Kennedy, I had been a professional student of American foreign policy for fifteen years, working for most of that time, on most subjects, without access to currently classified documents. I then received all kinds of clearances and before long I was charged with responsibility for insuring an adequate flow of national security information to the President. With the exceptions I am about to list, this new flow of information was distinguished from what I had known as a private citizen mainly by the inferior quality of its English and the parochial character of its argumentation. It never occurred to me, then or in any of the years following, that access to highly classified information gave me a significantly better grip on the broad issues of national policy than was accessible to attentive friends who had remained in private life. In the deepest sense, therefore, and again with specific exceptions, I believe that it is and has been a myth that because of access to classified documents the White House or the State Department or anyone else in the Government "knows best."

The men and women I respected most in the Executive Branch were not beguiled by the false notion that access to documents with fancy stamps on them gave them a unique wisdom. That is a wholly sophomoric attitude, except where it is used as a deliberate means of defending bureaucratic turf—in which case it should be resisted by the White House, by other agencies, by Congress, and by the public.

Yet there are indeed some real secrets. They are of varying importance and their justifications vary. Before I can turn to your other basic questions, let me list them briefly.

First and most obviously, it is right and necessary that such defense information as the details of military contingency planning and the design of nuclear weapons systems should be secret. It is obvious that if a potential adversary knows just exactly how we propose to defend our strategic forces and just how we would plan to use them if the worst should happen, his task of maintaining deterrent strategic strength can be greatly simplified while ours is greatly complicated. I was briefed repeatedly on these matters while I was in Government. It seemed to me proper that their details should be completely secret, and nothing that I learned gave me any major advantage over students in private life in considering the policy questions of the strategic arms race in the Sixties—except perhaps in the measure that briefings of this sort do tend to intensify one's conviction that a strategic nuclear war would be incomparably the worst failure of statesmanship in all history—leaving World War I and II as models of civilized restraint by all sides.

A second class of necessary secrets relates to current diplomatic negotiations. It is obvious this week, for example, that it is undesirable for the rest of us to press the Secretary of State for a detailed exposition of all that he has heard and said in his current mission to the Middle East.

The third general class of real secrets has related to covert activity abroad. Here we have an area in which it is plain that the national mood has changed dramatically. In World War II it seemed self-evident that a limited amount of such clandestine activity was essential. OSS agents working behind enemy lines were entitled to heavy protection. And in the early years of the cold war it was widely agreed, although not much debated, that it was wrong and dangerous to leave the field of international political warfare to Stalinist communists.

Thus we were drawn, in a measure, into fighting fire with fire, and it is not surprising, in retrospect, that as the dangers of the cold war seemed to recede, the national consensus in favor of resisting Stalinism was modified by a growing concern for building bridges and strengthening the prospect of peaceful coexistence. The underlying balance of opinion shifted, and the practice of secret support for democratic but anti-communist intellectuals and others was exposed and discontinued. I do not believe secret activity of this kind is now in tune with national sentiment and I therefore believe it should not exist.

A special and more occasional kind of covert activity was the sort which reached its highest success in the early missions of the U–2 and its low point of failure at the Bay of Pigs. These were operations whose basic justification, once again, lay in the assumption of an adversary relationship close to a condition of war. The U–2 was able to provide the Eisenhower Administration with extraordinarily important intelligence information with respect to the balance of strategic forces. The support for the Cuban brigade was conceived as an appropriate element in the American commitment to resist the extension of totalitarian communism in the Western Hemisphere. In each case the decision for secrecy was essentially derivative from the basic decision to authorize the operations at all—the first an overflight in obvious violation of international law as generally understood, the second a heavy engagement in the planning, support, and guidance of an exile group intent on the forcible overthrow of a government with which we were formally at peace.

Covert operations on the scale of the U–2 and the Bay of Pigs have not been repeated, so far as I know, except in the context of the war in Southeast Asia. My own belief is that such operations, since they involve a conscious decision to engage in acts regarded as hostile under international law, should be governed by the Congress through its share of the war power rather than through the regulation of secrecy as such.

A fourth class of real secrets relates to the covert collection of intelligence. The most glamorous but not the most important of these activities are those of agents operating secretly against targets in foreign countries. A much larger and more expensive class of secret intelligence relates to the use of advanced methods of interception and analysis to learn about foreign countries from their electronic transmissions of all sorts. Still another class of important information comes from the use of space vehicles. This effort is now very large, in economic terms perhaps too large. It may be right to restrict it, but it would be wrong to end it, and I believe it is both necessary and desirable that most of what is done here should be done under strict secrecy. If others know exactly what we learn and how, whether by agents, by electronics, or by space intelligence, they are presented with an almost automatic opportunity to cut off or limit our access to that kind of information.

The fifth class of secret information available inside the Government, and legitimately denied to those outside, falls in the class of material whose capacity for international embarrassment outweighs its value for enlightenment. Let me offer a simple but illuminating example: In my time the State Department's briefing papers for visits from foreign dignitaries characteristically included reasonably candid descriptions of the great man, his principal associates, and sometimes their spouses, together with comments on both public and private lives. While occasionally one might question the necessity for some of this information, the line between the relevant analysis of character and the frivolous dissemination of gossip is as hard to draw in diplomacy as it is anywhere else, and experienced political leaders usually put a high premium on extensive and accurate advance information on important persons with whom they are about to conduct business. Yet it is obvious that the conduct of American diplomacy—whether by the President or by the State Department—would not be assisted if all such candid assessments were unclassified. And this is only a particularly striking and clear-cut example of the general requirement for protection of a great mass of diplomatic communication which is more sensitive because it is written to and from American officials than because of its specific content.

The sixth and final class of legitimate secrets relates to the process by which a President makes a decision. The President has an unchallengeable right to keep this process private—though he is not necessarily wise to do so. There is no way in the world that the Congress can write a law that will prevent a President from making his decisions in extreme secrecy if that is what he wants to do. Of course sooner or later a decision that has consequences will be revealed by those consequences—President Kennedy's private decision on the Cuban Missile Crisis was promptly revealed by both speeches and events, and President Nixon's decision to bomb Cambodia in 1969 was revealed within weeks by the New York Times—though no one paid much attention. Usually, though not always, the time span between a major Presidential decision and its public appearance is short.

But if the President wants to keep his own process of choice private, he has the means to do so, and the only consequence of a legislative effort to enforce a wider formal process is that when the President feels like it he will use some other process. This has been the fate of the National Security Council at critical moments ever since its inception, and especially in the last ten years under two naturally secretive Presidents. The nation desperately needs an open Presidency, but the only way we can get it is for the President himself to want it that way. We should not be misled by the fact that it has been possible to force extraordinary revelations in the Watergate case by obtaining tapes and their transcripts. It seems to me an obvious and desirable consequence of the devastating self-inflicted wound of these tapes that it will be a long time before any occupant of the White House will make a habit of taping himself again. Another consequence, more pertinent to your current deliberations, is that if you require the President to list classified documents relating to his current decision-making, he will find a way to respond which does not tell you what he may be going to do—and I believe he will be within his basic constitutional rights if he does so. In previous hearings before your Committee the right of the President to receive confidential counsel has been repeatedly recognized by such distinguished and determined opponents of unnecessary secrecy as Senator Ervin and Congressman Moorhead. I think it may be important not to frame any statutory systems of classified information in such a way that a President may be driven to conduct his own most important business outside the system.

But outside this area of his right to design his own decision-making process, and the closely related right of privacy in negotiation, I see no need to accord the President any special primacy with respect to access to or control over secret information. It is entirely true that he has a necessarily primary role in foreign affairs and in defense, but it does not follow at all that he should have an unfettered right to decide what is and is not secret. It is no accident that the greatest of our war Presidents was also the most open. Abraham Lincoln insisted on making his own decisions in his own way, and he consulted as many or as few as he pleased. But in the main he got along without other secrets. Moreover my own belief, which I have developed at length elsewhere, is that secretiveness is the enemy of real strength in the Presidency.

The listing of these six categories of materials that can have a legitimate claim on secrecy may give the impression that all this information really does constitute a mass of material such that without it neither Congress nor the public can play its part in our democratic process. Yet I repeat that most of this material is unnecessary to the reaching of reasonable judgments on international affairs, and I would emphasize that insofar as these legitimate secrets do relate to matters where Congress and the public have a democratic need to know, there are plenty of ways and means available to Congress for the production of the relevant information. Let me take these six classes one by one and suggest how they can be handled without serious compromise of necessary secrecy or undue damage to the democratic process.

Let me begin with covert operations. As I have said, I think the basic Congressional power to control large-scale actions of this sort should be exercised through the War Powers Resolution—which may perhaps need amendment to ensure that it does cover such activities. Other covert intelligence activities need some supervision, and excesses will need to be crushed from time to time, but this I believe is necessarily the task for a very small, trusted, and discreet group of legislators.

Let me turn next to military matters—again keeping short of open conflict, which is covered by the War Powers Resolution. I have said that no one needs to know the details of weapons design or of contingency war plans in order to have an informed opinion on the great issues of the strategic arms race. That is true, but it is true only if there is not a governmental monopoly of knowledge, within our society, about the basic character of such weapons and plans. We do not need to know how to make a Poseidon warhead, or even what its exact explosive power may be. We do need to know its approximate capabilities, and we need to know in general terms what role our submarine missiles play in our strategic detterent. We also need ways of knowing, at approximately the same level of sophistication, what other nuclear powers have and do not have, although we do *not* need to know exactly how that information is obtained.

I submit that there is no necessary obstacle to our having this kind of information or to our having confidence that we have it. Indeed I believe that many interested private citizens have it today, even though they never see a classified document. The habit of public discussion which was especially fostered by Robert McNamara in the early 1960s did not lapse entirely after his departure, and it has lately been revived in a serious and refreshing way by Secretary Schlesinger. Moreover even without these special and highly commendable efforts there would be generally adequate opportunity for public understanding because of several fortunate facts. Strategic weapons are subject to open authorization and appropriations. Basic estimates of Soviet and other positions are made and reviewed in more than one part of the Executive Branch and shared with Senators and Congressmen of widely differing views. Highly competent and well-informed private bodies, like the International Institute of Strategic Studies in London, address both the facts and the issues of the subject in a sustained and serious way which is an important safeguard against undetected deception by the Executive.

Yet it would be wrong to conclude that the present situation in this field is as good as it should be. Two things are wrong with it—both of them pertinent to your inquiry. First, there can be no doubt that the general public still does regard nuclear weapons as something apart, so that it wants to trust the President and the Defense Department to deal with them. Although the material relevant to major decision-making is usually accessible to diligent outsiders, there is a clear imbalance of persuasiveness in favor of any President and any Pentagon which derives precisely from the fact that in this most dangerous and difficult subject it is much more restful to trust the duly constituted authorities than to examine the complex issues for oneself. Thus in the energetic debate on the ABM, in the first Nixon Administration, there was a heavy imbalance on the side of the Administration, and its assertions about the capabilities of ABM systems, whether our own or others, were given a weight well beyond their technical validity.

I think there are two good answers to difficulties of this kind. Both of them apply to most of the six kinds of secrets I have described. The first is that the Congress, through its Armed Services Committees, has the right, the power, and the duty to inform itself just as fully as its own sense of need suggests, on the basic capabilities and relevance of any and every weapons system, in being or in contemplation. The classification system will not stand up against the powers of the Committees if those powers are resolutely employed. And the kind of information that is needed, though much of it is currently stamped in fancy ways, has very little if anything to do with the few real secrets that not even the Armed Services Committee needs or wants to know.

Thus one sovereign remedy for the imbalance of "we know best" is to use the powers of the Congress to insist that "we know too." When the business at hand is military, that means pressure from the Committees on which the military depends, and it also means the development of a well-informed staff with all the necessary access to arcane data—a staff like those which now serve the Joint Committee on Atomic Energy and the Joint Committee on Internal Revenue Taxation.

This remedy which the Armed Services Committees have against the Pentagon is one which other Committees and Subcommittees have against other Departments. The weakest performance in this respect, in recent years, has been that of the Senate Foreign Relations Committee. This weakness has not been all its own fault; the Executive Branch, especially in the first Nixon Administration, wanted very little legislation of importance from the Committee, and the Committee's bargaining power was diminished accordingly. But we now face a period in which the Executive Branch, unless it is to accept a position of permanent impotence in fields as big as foreign economic policy, will need lots of action from this and other Committees. They can and should insist on getting full information in return. Moreover it takes knowledge to extract knowledge, and too often the Committees and Subcommittees have not known what questions to ask. But these are difficulties which can be remedied by appointing—and clearing—qualified staffs, as some of the bills before you suggest.

There is always danger, of course, that a Committee or Subcommittee may become the uncritical ally of the very agency it is supposed to be watching. I know no sovereign remedy against this danger. In the nature of things there will be times when what one man calls "cooperative statesmanship" another will call "supine surrender." Moreover excessive tilts in the balance of power have not always favored the Executive—Congressional powers too can be abused.

To help guard against the danger of weakness or co-option in a specific Committee, I believe the best course for the Congress would be to follow the path charted by former Senator John Cooper and enlist in its own service the capabilities of the Central Intelligence Agency. I think the Congress, through a considerable number of Committees, and on demand from any significant minority, should have the same power to commission intelligence estimates as the President and his subordinates. I do not think the best way to get this information is simply for the Congress to share in the intelligence estimates now prepared for the Executive Branch. These estimates—especially when they are not routine—often relate to the legitimate private internal decision-making process of the Executive Branch. Thus, for example, it would be quite natural for a President preparing for a visit to Moscow to ask the CIA for its assessment of Soviet reactions to a number of possible American proposals or complaints. To put its answers in the hands of Congressmen would be to risk compromise of the President's diplomacy, and a President faced with that prospect would probably ask his questions orally—or even not ask them at all.

But this danger disappears, or is at least greatly reduced, when the questions asked are questions from Congressmen themselves. Responses to such questions need not embarrass the Executive Branch in any unacceptable way. The CIA has a well deserved and scrupulously defended reputation for integrity in its assessments and care in its use of uncertain data. It also has plenty of experience in presenting its assessments in ways that do not compromise either its sources of information of the policy options of the Executive Branch.

There would be important substantive value in such CIA-supplied estimates and assessments in a wide variety of subjects—military, political, economic, and even cultural. The information will not be infallible, and as I have suggested it will not always startle the Congressman whose staff has had time to study the "open sources" with care. But in a few critical matters like strategic strength the American intelligence community is the world's leading primary source of data, and in many other fields it competes with the best available elsewhere. The Congress as a whole would be greatly reinforced by easy access to this major source of responsible and wide-ranging information on the rest of the world.

But the greatest advantage of access to this information is that it could provide a powerful and often a decisive answer to the simple appeal to authority. Under this proposal the CIA will not be giving the Congress exactly the same documents it gives the President or the Secretary of State, but it will not be giving either party assessments that are inconsistent with what it gives the other. Even aside from the risk of discovery, the Agency's estimative process simply does not work that way, and the pride of its estimators would not permit such contradictions. Thus as long as the appropriate Committees and Subcommittees have the wit to ask the relevant questions, they have it in their power to destroy forever the hobgoblin of an Executive monopoly on inside information about the rest of the world.

This prospect for an expanded role for the CIA leads me to address directly one of the questions in your letter of invitation, and to say that I believe the standards for secrecy derived from World War II and the cold war do *not* remain applicable today. In those periods the presumption of military and intelligence officers was in favor of limiting all kinds of information to those with a "need to know," and the term was usually defined in terms of rank or function *within* the Executive Branch. The CIA was never as rigid as the Pentagon, and it has always had a healthy interest in enlarging its readership. Still it has had a natural tendency to think of the President as its first reader and the cold war as its first subject. We are now entering a period in which the Presidency must in its own interest open out to other offices and to the Congress, and if the cold war is not really over, it is certainly no longer the central and defining element of world politics.

Therefore anything which tends to widen both the range of attention and the readership of the government's best information agency is desirable. Opening the CIA to the Congress should do both.

Indeed my personal view is that all these matters would come into better focus if the name—though not the initials—of the CIA were changed to Central Information Agency. For its real business is information, and intelligence is only part of that. As its covert activities properly contract, and as the problems on which the American Government needs good world-wide information increase, I think the CIA has an extraordinary opportunity to transmute itself—with help from the Congress—into a great national *informational* resource.

The kind of access to the CIA which I am recommending would provide an effective answer to our interest in minimizing the costs to informed debate of two other kinds of legitimate secrets—those obtained by covert intelligence, and those which are best kept private because they represent the unvarnished views of our own officials or of foreigners who speak to our government in confidence. In my experience the CIA has traditionally had ready access both to covert intelligence and to all but the most sensitive diplomatic traffic. It has learned how to incorporate information from such sources into analyses which do not themselves require heavy protection. A process of regular communication between the Congress and the CIA with respect to questions raised by Senators and Representatives would give powerful incentives for the further development of this skill. The ordinary report would not refer directly to sensitive intelligence or to dangerously candid cables, but the reader would know that the report had been prepared by an institution with access to both kinds of information.

It is obvious that these proposals rest upon confidence in the capability and skill of the analytical processes of the CIA. It is also obvious that these processes could be gravely weakened if other parts of the Executive Branch were to engage in a systematic withholding of important information out of mistrust of the CIA itself. There have been distressing reports that just this kind of mistrust may have been at work in recent years. Therefore, it would be critical to the success of this proposal that Congress should employ its own political power to protect the access of CIA analysts to relevant information gathered by other agencies. Presidents and Secretaries of State who are engaged in sensitive diplomatic negotiations may well insist, at least for brief periods of time, that their diplomatic conversations not be shared with their intelligence analysts. But these exceptions should be few in number and limited in time if the common interest in accurate analysis is to be served. In my own experience, it nearly always proved possible to protect the privacy of particularly sensitive diplomatic exchanges by sharing them with selected senior intelligence officers who then assumed the responsibility of insuring that their implications were absorbed into the estimating process as a whole.

The role I am suggesting for the CIA, in short, is one of serving as a membrane through which things which are properly secret can be honestly reflected in analyses which are not. In this sense the Agency can become a means by which the ordinary dangers of the classification system are reversed. Ordinarily the existence of a single piece of top secret information can impose this classification on every document in which it is mentioned, thus creating a chain reaction in which cautious officials spread the classification epidemically to every new document with any relation to the old one. But a systematic process of informing the Congress could have the reverse effect: officials with an interest in maximizing the flow of information could and would find ways of transmuting what is important about legitimately secret information into a form which is not dangerous. I know from my own experience that this process is entirely practicable in the vast majority of cases. What has been lacking in the intelligence community is the incentive to apply it. This incentive the Congress has in its power to supply.

This general process, moreover, can and should be applied by others in the Executive Branch from the President on down. It is in the President's own interest not only to maximize the flow of information to the public, but also to make full use of his own unequalled powers of drawing attention to that information. It is not an accident that there has been little concern about excessive secrecy when the Presidency itself has been open—as it was in most Administrations before 1964. And what is true of the President is also true of the effective Cabinet Officer. Our most successful Cabinet Officers have invariably recognized—in principle if not always in practice—that a critically important part of their responsibility is to hold themselves accountable and responsive to Congressional inquiry. It is worth remembering that in June of 1951 Secretary Acheson spent almost eight solid days before a joint Senate Committee investigating the relief of MacArthur.

My conviction, in summary, is that legitimate secrets, while important, are relatively few; that where they relate to the exercise of the war power, the role of the Congress can be best played through its share of that power; that Congressional Committees should be aggressive in resisting blanket claims of secrecy, and should equip themselves, mainly through their staffs, to share in all the secrets they need to know; that the Congress as a whole should establish its own procedures for sustained and systematic use of the estimating capabilities of the Central Intelligence Agency; that a President is entitled to privacy in his decision-making and his diplomatic negotiations but that in general the long-run power and effectiveness of a President are undermined by secretiveness; and that in any case, and even without the changes I have suggested, it is childish to assume that the Executive Branch "knows best" merely because of its preferred access to classified information.

You have not asked me in these comments for a detailed assessment of the legislation now before you. My summary view is that while its purposes are excellent, its particular provisions deserve careful review to guard against the danger that they may produce unintended results. On balance my own judgment is that the vast mass of currently classified documents deserves more to be ignored than codified, and that affirmative measures for encouraging the flow of information are probably more likely to help us than formal indices of classified documents or even review committees of Congressional leaders. I do not think that the key to effective democratic process lies in the pursuit of particular existing documents so much as in the creation of a set of procedures within which the power of the Congress is used to encourage all those forces inside the Executive Branch which themselves stand to gain from openness—from the President himself on down.

STATEMENT BY ARTHUR SCHLESINGER, JR.

MAY 23, 1974.

I am happy to have the opportunity to discuss with this Subcommittee the difficult questions bound up in the theory and practice of executive secrecy. My professional concerns as an historian and my government service as an intelligence officer during the Second World War and as Special Assistant to President Kennedy twenty years after have exposed me to both sides of this inordinately complicated problem.

You are concentrating this week, I take it, on the classification practices employed by the executive branch in the name of protecting the national security. I have no doubt that secrecy has an essential role in the operations of government. In a number of areas related to foreign policy and the national defense the executive branch has a reasonable case for withholding things—for a time, at least—from the public and even, on occasion, from Congress. Let me offer a quick list: information relating to ongoing diplomatic negotiation; to intelligence collection; to military plans, movements and weaponry; and information that might compromise foreign governments or American friends or agents in foreign lands.

Through our history the responsibility for keeping such matters secret was freely conceded to the executive branch. And through most of that history the executive met that responsibility in a reasonable way. It avoided any major disasters through the breach of security and at the same time avoided the creation of an elaborate security system in which secrecy became an end in itself. It kept a rough balance, in your chairman's words, "between a society that is open and one that is dangerously exposed." Had the executive preserved this rough balance in our own time there would have been no need for these hearings. But the construction after the Second World War of a massive system of official secrecy has tempted the executive branch to abuse the power so long and freely conceded to it and has resulted in the denial to Congress and the people of much information that should not have been kept secret.

It is important to remember that this elaborate secrecy system of our own day is relatively new. It is not an American tradition. President Polk's observation in a message to Congress in 1846—"I am fully aware of the strong and correct public feeling which exists throughout the country against secrecy of any kind in the administration of government"—expresses our historic attitude. The secrecy system is an aberration of the last thirty years. The republic got along pretty well for most of its history without a religion of secrecy. No doubt the methods used in those more relaxed times seem casual and haphazard by the uptight standards of our own day. But perhaps this apparent casualness was a recognition of the fact that secrecy is only one of the objectives a government must pursue and that the exaltation of secrecy over other objectives may harm the very national security the secrecy system is alleged to protect.

The time when the claims of executive secrecy are most compelling is obviously when the life of the nation itself is at stake. It may be of interest to this Subcommittee to recall what our government did about secrecy during the crises of our history that most gravely threatened the survival of our nation. Our greatest national emergency was unquestionably the Civil War. Not only was the very existence of the nation challenged more desperately than ever before or since, but the challenge took the form of domestic rebellion, of a "brothers' war," and therefore exposed the government more urgently than ever before or since to the menace of penetration and subversion. In no national emergency has our government ever been so vulnerable to espionage and sabotage.

Yet, as one examines the history of the Civil War, the striking thing is that it was fought without an elaborate secrecy system. Lincoln's government, it is true, suspended habeas corpus, intercepted the mail, suppressed newspapers and so on. There was wide concern about Copperheads and spies. But there was Sedition Act nor Espionage Act, no apparatus of official secrecy, not even a formal system of security classification. I have never heard anyone claim that the Union lost a battle because of the laxness of the provisions for security.

The next greatest crisis in our history was the Second World War. By this time we had passed an Espionage Act (1917) and had finally set up—though not until 1921—a peacetime system of security classification. Concern over security was great, and the expansion of the secrecy system made it greater. But there were still limits to what Presidents were prepared to do, or thought themselves empowered to do, in the name of national security. At the most dangerous moments of the war, it never occurred to Franklin Roosevelt, any more than it had occurred to Abraham Lincoln eighty years before, that he had the right to create a secret White House posse and authorize it to break the laws and the Constitution. Nor is there any reason to suppose that violations of secrecy caused major disasters. The most spectacular case—when the Chicago Tribune published the Japanese naval disposition at the time of the Battle of Midway, thereby showing we had deciphered the Japanese code—might well have damaged the naval effort in the Pacific. But, as we know now, the Japanese turned out not to be faithful readers of the Tribune and missed the story.

The paradox is that at no time since 1945 has the republic been in a state of clear and present danger comparable to the Civil War or to the Second World War; yet in this recent period what began as a legitimate concern for security has grown into a towering and devouring obsession with secrecy. I do not deny the reality nor underestimate the threat of the Cold War. But it is absurd to suggest that the life of the nation has been at stake in the last thirty years in the same direct and immediate sense that it was at stake in 1861–65 or 1941–45. Nonetheless, the last thirty years have seen an executive hunger for secrecy far exceeding anything in the days when the nation was fighting for its very life. Instead of one of a number of objectives of a free state under stress, secrecy has come almost to be the supreme end to which all else must be subordinated. The notion has spread about, moreover, that keeping things secret is an inherent, absolute and exclusive presidential right and that presidential decisions in this area are final, beyond review or appeal. We have established a cult of secrecy that, like other cults, has come in time to demand human sacrifice.

It is this development, of course, that explains and justifies the inquiry by this Subcommittee. Secrecy, as I have said, has its role in the operations of government; but unreasonable secrecy exacts too high a price and in the end endangers the national security it is supposed to preserve. Getting the secrecy system under control has become a national necessity. It would be nice to think that the executive branch could do this itself. But for a generation it has proved itself incapable of doing so. Some Presidents—like President Kennedy—have tried to restrain the secrecy orgy. But they did not try hard enough to overcome the resistance of the national security bureaucracy. For that bureaucracy has a vested interest in secrecy, and bureaucratic momentum, especially in connection with a question so swathed in patriotic emotion, is hard to rein in. The instinct of bureaucracy, as the great German sociologist Max Weber pointed out long ago, is "to increase the superiority of the professionally informed by keeping their knowledge and intentions secret." Because the secrecy system is controlled by those on whom it bestows prestige and protection, it has long since overridden its legitimate objectives. In certain areas it remains an indisputable necessity. But in our own time the religion of secrecy, as practiced in the executive branch, has become an all-purpose means by which the American Presidency dissembles its purposes, buries its mistakes, manipulates its citizens and maximizes its power.

The idea that keeping things secret is an absolute and exclusive presidential prerogative is neither morally nor constitutionally defensible. Justice Potter Stewart stated the principle in his opinion in the Pentagon Papers case. "Secrecy can best be preserved," he said, "only when credibility is truly maintained." This proposition arms the executive government's right to protect secrecy essential to the discharge of continuing responsibilities in international relations and national defense. It also implies that such control of information is not an unconditional right of Presidents. In exchange for the power to preserve secrecy, the executive branch must accept the obligation to maintain credibility. This tacit contract imposes on the executive branch the negative obligation to make sure that only information demonstrably vital to national security is withheld. It also imposes the affirmative obligation to speak truth to the people and supply Congress the information necessary to informed and responsible debate.

The Stewart principle of a balance between secrecy and credibility accurately reflects our historical practice. When the executive government has maintained credibility, when it has provided Congress and the people with information necessary to wise decision, when, in short, the nation trusts the President, Congress and the people have broadly acquiesced in an executive desire to keep certain things secret. But when executive claims to secrecy seem unreasonable, when the executive government appears to have violated its part of the implied contract and withheld information that should be disclosed, a corrective process has been set in motion in order to restore the balance. This began as early as the Presidency of George Washington. Its characteristic form is collaboration between disgusted public officials, sometimes elected, sometimes appointed, and the press. Thus in 1795 Washington laid before the Senate in secret session the text of a treaty John Jay had just negotiated with Great Britain. Senator Stevens Thomson Mason of Virginia thought that the people had a right to know about the terms of the treaty and sent a copy to the Philadelphia Aurora, which promptly published it. Senator Benjamin Tappan of Ohio did the same thing when President Tyler tried to push a treaty annexing Texas through the Senate in secret session in 1844, sending the text to the New York Evening Post; in this case, publicity led to the treaty's defeat. In 1848, when the Senate was debating in secret the Treaty of Guadalupe Hidalgo, ending the war with Mexico, the New York Herald published the text; to this day no one knows who in the Senate or the State Department passed it along.

I mention these instances to show that the Pentagon Papers had plenty of precedents. Indeed, the disclosure of the Pentagon Papers, a set of documents of exclusively historical interest, obviously was of far less consequence than the disclosure of the text of treaties still to be ratified. But the Presidents in those earlier cases did not fly into a panic and instruct subordinates to trample on the laws and the Constitution in order to stop the leaks. Nor did any harm result to national security, any more than any harm has resulted from the disclosure of the Pentagon Papers. All these actions were simply exemplifications of the Stewart principle: patriotic men, confronted by what they deem the gross abuse of executive secrecy, may very well decide to go public. Any one making this decision does so, it need not be said, at his own risk. If the nation decides he has behaved irresponsibly, he must pay a penalty. But this has been historically the rough-and-ready way by which we have tried to combat the excesses of official secrecy and reestablish the balance between closed and open government.

Yet this form of the corrective process is manifestly risky, messy and unpredictable. Nor is it well designed to cope with the bureaucratic monster that has grown up in the last thirty years. Surely there must be some less nervewrecking way of controlling the secrecy system, restoring the balance between secrecy and disclosure and getting the American democracy back into working equilibrium. The way to do this, it seems to me, given the by now ample and irrefutable demonstration that the Presidency cannot be trusted to run a rational secrecy system, is for Congress to establish the criteria for and control of such a system by statute.

There can be no constitutional question of the power of Congress so to act. Former Chief Justice Warren said on December 13 last, "Whatever secrecy is to be permitted concerning governmental records in the highest as well as in the lower echelons should be fixed by law." Former Justice Goldberg told the House Government Information Subcommittee in 1972, "I have no doubts that Congress is authorized to enact such legislation," and Justice White made the same point in the *Mink* decision. Indeed, Congress did exactly this when it passed the Atomic Energy Act and established a statutory classification system for the Atomic Energy Commission.

Such congressional intervention is not only legally permissible, but it would obviously establish the foreign policy of the executive government on a firmer and stronger basis. The presidential effort to monopolize the foreign policy of the United States is self-defeating even from the President's own viewpoint. As the most experienced and sagacious American diplomat of this century, Averell Harriman, told the Senate Separation of Powers Subcommittee three years ago, "No foreign policy will stick unless the American people are behind it. And unless Congress understands it the American people aren't going to understand it." This is true for foreign policy in general; it is truest of all when foreign policy involves the risk of war. For the war-making authority not only rests on express and complex interdependence of constitutional powers but requires for its exercise the widest and deepest basis of popular consent.

It must be observed in addition that, when the Presidency seeks to make foreign policy behind closed doors, it deprives itself of the benefit that divergent perspectives and candid debate may bring to the formulation of policy. I don't mean to imply that Congress is always wiser than the President—no one who remembers the congressional record in foreign affairs in the 1930s could claim that—but I have no question that policy is improved most of the time when the policymakers have to defend their ideas against outsiders. As Senator Mathias has well said, "The more a President sits surrounded only by his own views and those of his personal advisers, the more he lives in a house of mirrors in which all views and ideas tend to reflect and reinforce his own." Presidents may find it inconvenient and irritating to share responsibility and information with Congress. But in the long run it is good for them as well as for Congress and the people.

I must add in all frankness that the position of Congress in making a fuss about secrecy would be stronger if the Senate and the House were to take steps to clean out the pockets of unnecessary secrecy remaining in their own operations. In this connection I want to congratulate the Senate Foreign Relations Committee for the initiative it has taken in publishing the series of executive session transcripts relating to basic foreign policy decisions in the years 1947–1950. This series is of immense value to historians and, if continued and brought closer to our own time, could be of immense value to all citizens concerned with the evolution and design of our foreign policy.

I understand that there is presently under consideration in the Office of the Secretary of the Senate a proposal for the establishment of a Senate Historical Office. Such an office would be charged with the responsibility of reviewing material now locked up in transcripts of committee hearings held in executive session. It could then recommend to the Senate the immediate publication of the more important hearings, the transfer of less important hearings to the National Archives where they could be consulted by scholars and, in the few cases where this might be necessary, the closure of genuinely sensitive material for another few years. The creation of such an office would be of benefit, I am sure, not only to historians and concerned citizens but to the Senate itself. One reason why scholars write of public policy so much in terms of the executive branch is that the executive branch, for all its defects in this area, still, on the whole, opens up its confidential papers before the Senate does. I have no doubt that a Senate Historical Office, properly mandated and staffed, would contribute significantly to better public understanding of the role of the Senate in our national policy. It would, in addition, place the Senate in a much stronger position when it complains about executive secrecy. I am not sure of the exact status of this proposal, but I commend it warmly to your sympathetic consideration.

The question remains as to the form congressional intervention into the problem of executive secrecy might best take. I have examined the ideas embodied in S. 3393, S. 1520, S. 2451, S. 1726 and H.R. 12004. The matter is difficult, and I am frank to say that I do not see any foolproof mechanical solution. It may be that some of the procedures prescribed in the bills would help. But I would raise questions about their efficacy. A Registrar of National Defense and Foreign Policy Information located in the White House is not likely to defy a President who has a mania about secrecy. A Joint Committee on Government Secrecy is all too likely to become an instrument rather than a critic of executive secrecy. We know all too well the sweetheart relationships that so often grow up between the executive and a privileged group in the Congress. I can easily see such a body reinforcing rather than restraining the Presidency in this field. It was not too long ago, indeed, when members of Congress were condemning the Presidency every week for not keeping things secret enough. A newspaper publishing a document pronounced sacrosanct by the Joint Committee as well as by the executive might well be running greater risks before the courts, for example, than if it published a document classified only by the executive. A truly independent Classification Review Commission, as proposed in the bill introduced by Congressman Moorhead in December, might serve as a more reliable check on the executive penchant for secrecy; but, if such a Commission fell under presidential domination, it could add one more sanction to the secrecy system.

I may well be wrong in my doubts about the the proposed structural reforms, and I am open to persuasion. My own present idea of a classification statute would be along the following lines:

A preamble stating the purpose of reducing the amount of classified material to the absolute minimum necessary to protect the national defense and foreign policy of the United States and affirming that the government's authority to keep things secret must be balanced against the people's interest in the democratic control of foreign policy;

Careful definitions of the type of information qualifying for classification: information relating to active national defense, to active diplomatic negotiations and plans, to intelligence collection and to active relations with foreign states;

Affirmative obligations laid on the executive to disclose certain types of information, especially regarding the commitment of American troops to combat and any promises to foreign states or groups likely to result in such commitment, with penalties in case of violation;

Penalties for the use of the secrecy system to conceal incompetence, inefficiency, corruption or wrongdoing;

An express restriction of the Espionage Act to espionage—the clandestine delivery of state secrets to foreign nations—and the prohibition of its application if classified information is divulged to the American people;

The declassification of all documents over ten years old, with some form of appellate procedure so that the executive branch, if it could give good reasons for holding back specific documents or categories, could make a case to a review board;

Provision for judicial review of classification decisions, including clear assignment to the courts of the authority to go behind the stamp and, after *in camera* inspection, decide on the reasonableness of the classification.

While I think that a statute along these lines might clarify congressional intentions and provide a basis for action in cases when the secrecy system is abused, I do not pretend that it reaches the heart of the problem. The heart of the problem, in my judgment, is beyond statutory or structural solution. It lies in the domain of politics and education. Presidents obsessed with secrecy will be able to pervert or evade almost any restrictions or machinery. If we wish to have open government, we must elect Presidents who genuinely believe in open government, and we must elect members of Congress who will support them in that belief and not go on, as members of Congress have gone on for so many years, about security risks in the executive branch. And we must have a public opinion sufficiently enlightened and realistic to understand that, while secrecy does have a role in the operations of government, when, like Aaron's serpent, it swallows up the executive obligation to consult with Congress and the people in the formulation of policy, it can grievously damage the system of comity and accountability upon which our freedom depends.

VETERANS OF FOREIGN WARS PAPER ON SEAPOWER

Mr. THURMOND. Mr. President, Col. F. P. Jones, director of national security and foreign affairs for the Veterans of Foreign Wars of the United States issued May 22, 1974 a position paper entitled, "A U.S. Navy Second to One."

This paper is succinct and informative. It goes directly to the issue of how American seapower is threatened by a growing Russian fleet.

Mr. President, I ask unanimous consent that this be printed in the RECORD at the conclusion of my remarks.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

NATIONAL SECURITY AND
FOREIGN AFFAIRS,
May 22, 1974.

To: National Officers, National Council of Administration, Past Commanders-in-Chief, Department Commanders, Department Adjutants, and V.F.W. publications.

From: F. P. Jones, Col., USA (Ret.), Director, National Security and Foreign Affairs.

A U. S. NAVY SECOND TO ONE

"The Soviet Union's capability to deny us the sea lanes, which is their job, is greater than our capability to keep the sea lanes open, which is our job."

"ELMO R. ZUMWALT, Jr.
"Admiral, USN,
"Chief of Naval Operations."

1a. Recently, Admiral Zumwalt expanded upon the above quotation by wryly recalling that "Tom Moorer (his predecessor as CNO and now Chairman, JCS) and I have brought about the destruction of more American tonnage than any enemy Admiral in history." (Forced to make hard budgetary choices, the U.S. Navy has fallen from a recent high of 976 to a low of 508 ships. The name of this force-fed game is to free dollars for needed fleet modernization.)

b. The outgoing Chief of Naval Operations spoke in measured, professional, and take-it-or-leave-it terms:

(1) Citing Britain's respected measurement of seapower, *Jane's Fighting Ships*, Admiral Zumwalt indicated his awareness that the Soviet Navy is the world's largest by almost any criteria and, as such, has passed the U.S. Navy in many aspects of seapower—a fact not yet fully comprehended at home. It is well understood abroad.

(2) During the last decade, 1962–1972, U.S. and Soviet naval ship construction tells its own irrevocable story:

Type ship	*USSR*	*U.S.*
Mine warfare	140	---
Minor combatant	420	17
Auxiliaries	42	37
Amphibious	80	51
Submarine (ballistic)	32	32
Submarine (cruise)	51	0
Submarine (attack)	54	43
Submarine total	137	75
Major surface combatant	92	83
Grand total	911	263

(The above figures refute a recent civilian defense study—which alleges that the Soviet Fleet is "aging." Would that the U.S. Navy is "aging" in a like manner!)

(3) In 1965, the Soviet Navy spent about 7000 "ship days" per year away from coastal waters cruising the Mediterranean, the Atlantic, the Pacific, the Caribbean, and the Indian Ocean. By the end of 1973, this figure had climbed more than six-fold to well over 40,000 "ship days." This move from a coastal support force to a deep water navy has been one of the quiet strategic revolutions of our era.

2. The need for an American Navy second to none gains even sharper focus when we consider the stark facts, recently given prominence by Senate Majority Leader Mike Mansfield, that the United States is in clear danger of becoming an international "have-not nation." According to this respected lawmaker, the United States depends on overseas sources for the following;

	Percent
Chromium, cobalt, manganese and tin	100
Bauxite	84
Nickel	92

Mercury	82
Tungsten	56
Zinc	50
Iron ore	29
Lead	19
Oil	15
Copper	8

Open sea lanes, in war and peace are central to our safety, our prosperity, and our hard-won standard of living.

3. Yet, some would assert, defense spending is at an all time high. Our domestic needs are not being met. Well, if domestic needs are not being met, it is not, as Senator John L. McClellan has pointed out, because scarce dollars have been devoted to defense.

While it is true that defense costs have gone up 84% ($45.9 to $84.6 billion) over the past decade, during this same period:

Federal aid to education has gone up 462%, from $1.3 billion to $7.6 billion.

Welfare has risen 365% from $3.1 billion to $14.5 billion.

Social Security and other retirement and disability programs up 283%, from $19.6 billion to $75.1 billion.

Health services, including Medicare and Medicade, up 4,418%, from $496 million to $22.4 billion.

4. Returning to the fourth floor of the Pentagon and Admiral Zumwalt's professional assessment, the next five or so years will tell the story. If Congress fully funds the CNO's naval modernization program; if the Soviets find it in their interest not to challenge militarily-enfeebled U.S. Navy during our period of maximum maritime hazard; and if the American people support the critically needed naval ship building program, we may just, by the early 1980's, have a Navy about equal to that of the Soviet Union. We were extremely lucky, as Admiral Zumwalt stated, that the Soviet Navy did not expose our weakness during the October, 1973 Arab-Israeli "Yom Kippur" War, "they would have cleaned our britches in the Eastern Mediterranean."

5. Perhaps, as some have suggested, Americans have lost the urge to be pre-eminent militarily. Maybe so; maybe not. The somber warning of the outgoing Chief of Naval Operations could and should start a rational dialogue over our national goals and perceptions. Certainly there is no doubt as to where the V.F.W. would stand in such a re-appraisal, Chief Ray Soden laid it on the line last August: "we must again regain that position where our beloved country fears nothing on this earth, and only God above."

Cordially in comradeship,

F. P. JONES,
Colonel, USA (Retired),
Director, National Security and Foreign Affairs.

THE LEGISLATIVE HISTORY OF THE PASSAMAQUODDY TIDAL POWER AND THE DICKEY-LINCOLN HYDROELECTRIC POWER PRODUCTS

Mr. MUSKIE. Mr. President, the proposed Dickey-Lincoln School hydroelectric power project in northern Maine has a long and controversial history in the Congress. I wonder, however, how many of my colleagues realize that the history of the project goes back as far as 1919 when an engineer by the name of Dexter Cooper first proposed to generate electric power from the tidal flows of the Passamaquoddy Bay.

Because of the renewed interest which has been expressed in both the Passamaquoddy tidal power project and the Dickey-Lincoln School hydroelectric project, I have asked the Library of Congress to prepare a summary of the legislative history of these two interrelated projects.

Mr. President, I ask unanimous consent that this history be printed in the RECORD.

There being no objection, the history was ordered to be printed in the RECORD, as follows:

HISTORY OF THE DICKEY-LINCOLN POWER PROJECT

(Prepared by the Congressional Research Service of the Library of Congress)

ISSUE

In 1965 Congress authorized construction of a multi-purpose hydroelectric power project on the Upper St. John River in Maine to consist of Dickey Dam and Lincoln School Dam. Only limited appropriations were made for the project. Intense controversy developed on issues of public power in New England and the economic feasibility of the project itself. Interest in the project never died; with the recent energy shortages efforts have been made to revive the project.

PASSAMAQUODDY TIDAL POWER PROJECT

The history of Dickey-Lincoln begins as early as 1919, with the proposal to generate electric power from tidal flows of Passamaquoddy and Cobscook Bays, arms of the Bay of Fundy at the Maine and New Brunswick border. The Bay of Fundy has some of the strongest tides in the world. Tidal range of Passamaquoddy Bay averages 18 feet and can be as much as 27 feet. The primary proponent of a Passamaquoddy project for many years was an American engineer, Dexter Cooper. His 1919 proposal called for the use of dams and sluiceways to make Passamaquoddy Bay a high pool to hold the high tide, and Cobscook Bay a low pool which would drain at low tide. Power would be generated by flow between the two pools. By 1926, Cooper had obtained charters from both Maine and Canada and a preliminary permit from the Federal Power Commission. The Canadian charter, however, was conditional upon finding that fisheries of the area would not be damaged. Because of subsequent concern for fisheries, the Canadian permit was not renewed. Proposals for an all American project were turned down by the Public Works Administration in 1934 and the Department of the Interior in 1935.

Franklin Roosevelt was a friend of Cooper's and was quite interested in the project. In 1935, under the Emergency Relief Act of that year, President Roosevelt allotted $7 million to the Army Corps of Engineers to begin construction of a single pool project using Cobscook Bay. No further funds were appropriated, however, and work was abandoned.

A 1941 Federal Power Commission report found that an all-American project could not compete with conventional hydroelectric projects. This report suggested that an international project might merit study.

PASSAMAQUODDY—SAINT JOHN

Interest in Passamaquoddy continued and in 1956, Congress enacted Public Law 84-401 calling for an International Joint Commission study of an international Passamaquoddy project. Subsequently, both the U.S. and Canadian governments requested the I.J.C. to conduct such a study; the report on the study was submitted in April of 1961.

A very important factor for electric utility industries is to be able to match power production with varying demand over time. Tidal power is at a disadvantage here because not only can it not be controlled to match peak demands, but it does not provide a steady base load. By using a two pool arrangement, tidal power can be produced throughout the tidal cycle but there will still be variance which will not be matchable to daily demand cycles because the tidal cycle is about 25 hours long. Also tidal ranges vary with the seasons.

Consequently, the I.J.C. study sought means to make Passamaquoddy power more useful by matching it with an auxiliary power source. Possibilities considered were conventional river hydroelectric facilities, steam electric generation and pumped storage. Of the various combinations considered the most economically feasible proved to be the tidal project, together with conventional hydroelectric. The hydroelectric site chosen was Rankin Rapids, in Northern Maine, on the Upper St. John River just below the confluence of the Allagash River. Because highly valued fishing and boating areas of the Allagash would be flooded by a Rankin Rapids dam an alternative of two dams, one at Big Rapids upstream and one at Lincoln School downstream, was identified but the Rankin Rapids site was recommended. The I.J.C. study found that the combination of tidal power at Passamaquoddy and river hydroelectric power at Rankin Rapids would be economically feasible by U.S. criteria but not by Canadian criteria. The reason for this is that as a U.S. project the funding would be federal and valued at a relatively low interest rate (2½ percent at that time) while the Canadian half of the project would be provincial with funds borrowed from the Federal Government at a relatively high interest rate (4⅛ percent). Consequently, the I.C.C. did not recommend the project. The report noted further that although the combined project might be economically feasible if built entirely by the U.S., it would essentially be a case of an uneconomic tidal project being carried by an economically feasible conventional hydroelectric project.

President Kennedy, however, requested that the Department of the Interior review the I.J.C. study and in July of 1963, Interior submitted a report which found both the tidal project and the hydroelectric project feasible, and recommended the combined project. The conventional hydroelectric facilities were to be Dickey Dam just above the confluence of the Allagash and Lincoln School dam downstream so as to avoid flooding the Allagash.

The tidalpower facilities were to contain much larger generating capacity than previously studied and use reversible generators (allowing pumped storage) so that the project could be used for peaking rather than base power. Detailed material on this proposal was submitted in August of 1964 and hearings were held on legislation (S 2573, 88th Congress) to authorize the project.

DICKEY-LINCOLN SCHOOL

In July of 1965, however, Interior submitted a new report ("Conservation of the Natural Resources of New England—House Doc. No. 236, 89th Congress) which found that the Passamaquoddy tidal power project was no longer feasible on its own and recommended that the Dickey-Lincoln project be built and that further study should be made of the Passamaquoddy project. The reason for the less favorable economic analysis was that the market value for power in New England was set at a lower value because of large efficient thermal plants which had been developed in the last couple years. Also, the interest rate for benefit-cost calculations had increased from 3 to 3⅛ percent.

The Dickey-Lincoln project was incorporated into pending omnibus water resources legislation and enacted into law. A total of $1.9 million, enough to complete about half of preconstruction planning, was appropriated for fiscal years 1966 and 1967 but no further funds were appropriated.

LEGISLATIVE ACTION

Dickey-Lincoln has inspired strong debate every time it has come before Congress. The central issuue of the controversy seems to be that of having a federal power project in New England, where there are none and where electric rates are generally among the highest in the Nation. There has been a strong pattern of Senate support and House opposition to the project.

AUTHORIZATION

Dickey-Lincoln was authorized by the Flood Control Act of 1965 (P.L. 89–298, S. 2300, Section 204). The House Public Works Committee retained Dickey-Lincoln by a vote of 18 to 15. On the House floor the project was deleted by a roll call vote of 207 to 185. The project was retained in the conference report through which was approved by both Houses.

FISCAL YEAR 1966 APPROPRIATION

Funds to initiate preconstruction planning for Dickey-Lincoln ($800,000) were included in supplemental appropriations for fiscal 1966 (P.L. 89–309, H.R. 11588). Inclusion of Dickey-Lincoln brought no action until House approval of the conference report when a motion to concur with inclusion of the funds passed by a narrow 166 to 162 roll call.

FISCAL YEAR 1967 APPROPRIATION

An additional $1,100,000 for preconstruction planning of Dickey-Lincoln was included in the fiscal 1967 public works appropriation (P.L. 89–689, H.R. 17787). The House Appropriations Committee reported and the House passed only $800,000 of the budgeted $1,200,000 for Dickey-Lincoln. The Senate Appropriations Committee reported and the Senate passed the full $1,200,000. The conference report compromised at $1,100,000.

FISCAL YEAR 1968 APPROPRIATION

The fiscal 1968 public works appropriation as enacted did not contain any funds for Dickey-Lincoln (P.L. 90–147, H.R. 11641). The budget request for Dickey-Lincoln was $1,676,000 which the House Appropriations Committee reported. These funds were deleted by amendment on the floor through (139–113 teller, 233–169 roll call). The Senate passed the bill with the full amount for Dickey-Lincoln. In conference it was agreed to propose a floor amendment in the House to provide a compromise of $875,000. This amendment failed by a 162–236 roll call. By voice vote the Senate insisted on providing $875,000, but acceptance failed in the House (118–264 roll call) and finally by voice vote the Senate accepted the bill without funds for Dickey-Lincoln.

FISCAL YEAR 1969 APPROPRIATION

For fiscal 1969 funds were again omitted for Dickey-Lincoln by the public works appropriations (P.L. 90–479, H.R. 17903). The budget request was $1,276,000 and the House Appropriations Committee recommended $671,000 but this was deleted by amendment on the House floor (118–88 teller 265–132 record). The Senate included the full $1,276,000, but the House prevailed in conference.

FISCAL YEARS 1970 AND 1971 APPROPRIATIONS

For the third and fourth times Dickey-Lincoln received no funding in the fiscal 1970 and 1971 public works appropriations (P.L. 91–144, H.R. 14159 and P.L. 91–439, H.R. 18127). Both times the budget request of $807,000 was passed by the Senate but was excluded by the House and was dropped in conference.

FISCAL YEAR 1972 APPROPRIATION

Fiscal 1972 public works appropriations (P.L. 92–134, H.R. 10090) once more excluded Dickey-Lincoln. There was no budget request for Dickey-Lincoln for fiscal 1972, but both appropriations committees recommended funds for restudy of the project. The proposed restudy was to determine the feasibility of building Dickey-Lincoln to serve the power needs of Maine only. The House Committee recommended $100,000 for restudy but this was deleted by floor amendment (199–181 recorded teller). The Senate Appropriations Committee recommended $800,000 for restudy. This was passed by the Senate but dropped in conference.

FISCAL YEAR 1973 APPROPRIATION

For fiscal 1973, there was no budget request for Dickey-Lincoln, but the Senate Appropriations Committee recommended and the Senate passed $800,000. The House, however, did not include funds for the project and once again it was dropped in conference (P.L. 92–405, H.R. 15586).

FISCAL YEAR 1974 APPROPRIATION

There was again no budget request for Dickey-Lincoln for fiscal 1974, but the public works appropriation (P.L. 93–97, H.R. 8947) did include $50,000 for a survey investigation of the St. John River Basin, Maine. This was the provision recommended by the House Appropriations Committee and passed by the House. The Senate had passed $800,000 to continue planning on Dickey-Lincoln but the House provisions were retained in conference.

The funded survey investigation is by authority of a House Public Works Committee Resolution of December 2, 1971, to review previous reports on the St. John River Basin with respect to serving the needs of Maine only, and a Senate Public Works Committee Resolution of January 27, 1972 to review the report on Passamaquoddy—St. John of July 12, 1965 (Conserving the Natural Resources of New England) to determine if any modifications are warranted. Investigations were begun with the fiscal 1974 appropriations to meet the directives of both resolutions but generally restricted to the needs of Maine.

CURRENT STATUS

The current status of Dickey-Lincoln then has two avenues. The first is the survey investigation of the St. John Basin. The fiscal 1975 budget includes $35,000 to continue this study, which would take roughly four or five years to complete. The result could be a proposal very similar to Dickey-Lincoln or one quite different or possibly no favorable recommendation at all.

The second avenue is Dickey-Lincoln itself, which is an active authorized project. Preconstruction planning is roughly half completed though an environmental impact statement and various updating might have to be done before construction could begin.

The fiscal 1975 budget does not include funds for Dickey-Lincoln but interest in the project seems much stronger than it has been for several years and supposedly some of the large electric utilities which have fought the project so vigorously are dropping their opposition.

SENATOR ROBERT C. BYRD ON "FACE THE NATION"

Mr. ROBERT C. BYRD. Mr. President, on Sunday, May 26, I was interviewed on Face The Nation, a production of CBS News. The panelists were George Herman and Lesley Stahl, both of CBS, and Sal Micciche of the Boston Globe.

I ask unanimous consent that the transcript of the program be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

FACE THE NATION

Guest: Sen. ROBERT C. BYRD, Democrat, of West Virginia, Senate Majority Whip.

HERMAN. Senator Byrd, you played an important role in obtaining reinforced pledges of independence for the Special Prosecutor when the confirmation of the Attorney General was before the Judiciary Committee. Now that independence has been threatened on behalf of the President. Is there anything more that the Judiciary Committee and the Senate can do, besides the note and the resolution, which seem rather ineffectual?

Sen. BYRD. Nothing at the moment. I don't think anything is required. Mr. Jaworski knows that if he wants hearings he can get them. The District Court upheld Mr. Jaworski's hands and knocked down the argument by Mr. St. Clair; Mr. Jaworski is on the winning side thus far. I see nothing at the moment necessary for the Judiciary Committee to do.

HERMAN. Do you have any powers, though, if it should be a problem?

Sen. BYRD. If at any time there is a necessity for a hearing, the Judiciary Committee would conduct such, and this, I think, would provide the proper forum for Mr. Jaworski to state his case to the American people which is very important.

ANNOUNCER. From CBS News, Washington, a spontaneous and unrehearsed news interview on Face the Nation, with the Senate Majority Whip, Senator Robert Byrd, Democrat of West Virginia. Senator Byrd will be questioned by CBS News Correspondent Lesley Stahl, Sal Micciche of the Boston Globe, and CBS News Correspondent George Herman.

HERMAN. Senator Byrd, the confirmation of Mr. Saxbe as Attorney General was conditional, originally, on the idea that the independence of the Special Prosecutor would be insured. And he made that agreement; the President made that agreement; it was published in the Federal Register. But now Mr. Saxbe has been confirmed. If the White House now changes its mind and says it does wish to limit him, what can you do? Mr. Saxbe's already confirmed.

Sen. BYRD. Mr. Saxbe gave his assurances under oath that he would support the independence of the Special Prosecutor, and thus far I've seen nothing to indicate that he has gone back on his assurances to the committee.

MICCICHE. Senator Byrd, this past weekend, in the reaffirmation of the Senate Judiciary Committee's understanding of the powers granted to Mr. Jaworski, a second paragraph in that resolution was deleted. That paragraph condemned the President for his arbitrary action in denying Mr. Jaworski the material that he had subpoenaed. Why was that deleted, and should it not have been included to further strengthen Mr. Jaworski's powers?

Senate BYRD. I don't think it would have strengthened Mr. Jaworski's powers at all. It had no bearing upon his powers. It's a matter for the courts to decide, as to whether or not the President has acted arbitrarily in rejecting the request of the Special Prosecutor.

STAHL. Senator Byrd, earlier this week, U.S. District Judge Gehard Gesell ruled that President Nixon cannot invoke executive privilege in order to keep subpoenaed documents from the Ellsberg break-in trial, and the judge said that if the President persists in refusing these documents, he may be deliberately aborting this case. Do you feel that the President is doing this in order to get his aides off?

Senator BYRD. It would amount to a form of executive clemency if he were to persist in this direction; and actually, it wouldn't be the court dropping the case, it would be the President dropping the case. The President has stated repeatedly that this matter should be gotten out of the way and gotten behind us, and that those who are guilty should be prosecuted and those who are innocent should be cleared. Now this is a good opportunity for him to live up to what he has requested. If he denies this evidence, he is denying the court—and he is denying the defense—an opportunity to decide the case one way or the other.

Stahl. Is this a case of obstruction of justice?

Senator Byrd. It could very well be interpreted in that way.

Stahl. And therefore an article of impeachment?

Senator Byrd. Well, it could be, but I suppose the court could also hold the President in contempt.

Herman. Senator, just let me go back—

Senator Byrd. I would hope that the President would respond to Judge Gesell's request that he provide to him an answer, which would indicate that the President fully understands what he's doing.

Stahl. Does the President have any constitutional right to withhold evidence from a trial—do you think?

Senator Byrd. I don't think he does in this particular instance.

Micciche. Senator, on Jaworski's powers, that was fortified by federal regulation, incorporated into the Justice Department regulations. Does not his assertion now, as a legal argument, that Jaworski has no right to bring him to court, contravene that regulation, which specified a complete independence to be limited only by his consultation with certain congressional leaders?

Senator Byrd. The guidelines were printed in the Federal Register; they have the force of law. In addition, Acting Attorney General Robert Bork assured the Judiciary Committee and the American people, as did the Special Prosecutor—he having been told by General Haig that be would have complete independence—that the President, before he took any action whatsoever to limit that independence or the jurisdiction of the Special Prosecutor, would consult with eight leaders in the Congress. Now, as the court said, the court was not aware that the President had taken any such action. This, therefore, means that the President, through his personal lawyer, has—in secret oral discussions, in camera—gone back on his pledge that the Special Prosecutor's independence would not be limited without the President's first consulting with eight leaders of the Congress and getting their approval, or getting a consensus of them which would indicate that they were in accord with the President's actions.

So, in effect, this is an attempt to—to do something in secret which, according to public pronouncements, would not be done. And I think it's a violation of the promises to the American people.

Micciche. Well, beyond the violations of the promises to the people, is it not a violation of law, since the Justice Department regulation does have the force of law?

Senatory Byrd. It has the effect of law.

Herman. Well, then, what is the recourse? That's my question. Should the recourse come from the Senate and the Judiciary Committee, which extracted the pledge in the first place, or should it be pursued through the courts? Or if the President has broken his pledge to the people and the law what was spelled out in these regulations, what recourse is there?

Senator Byrd. The recourse is being followed. When Judge Sirica rejected this claim and said that it was a nullity, then that ended the matter as far as the District Court is concerned. Now the President has taken action to proceed to the Appeals Court, but Mr. Jaworski is leapfrogging the Appeals Court and going directly to the Supreme Court.

Herman. I understand. But what you're saying, then, is that it is out of the hands of the Senate now, and is in the hands of the courts.

Senator Byrd. At this particular time that is true, and that is where it ought to be.

Micciche. Senator, do you feel that the reaffirmation by the committee and subsequently by Attorney General Saxbe and Mr. Bork as to the powers of Mr. Jaworski establishes a stronger case for Mr. Jaworski before the Supreme Court as signifying the intention of all parties at the time his powers were granted, as to the scope and full independence of those powers?

Senator Byrd. Well, I don't think there is any question as to the full independence of the Special Prosecutor. This full independence has been enunciated to the American people even by the President himself in his October 26, 1973, news conference, when he said that the Special Prosecutor would be independent and that he, the President, would fully cooperate with the Special Prosecutor. Now, Mr. St. Clair has a perfect right to raise a defense on behalf of a client; but this particular defense was waived by all of those, including the President, who gave the Special Prosecutor assurance that he would have complete independence and that his jurisdiction would not be limited without first consulting—the President's first consulting with eight congressional leaders and getting their consensus which would have to be in accord with the President's action.

Herman. How do you weigh the importance or the weight of this, Senator? It sounds fairly—the way you've put it, it sounds fairly serious—he has violated his pledges to the people, he has violated the law. Is this something which is going to have considerable impact on the impeachment process, or is it just another trivial technical detail?

Senator Byrd. Well, it will run its course, and, of course, the Supreme Court presumably will speak to this, and I would hope that the Supreme Court's decision would be final. I can't see how the Supreme Court could rule against Mr. Jaworski, because I think he is acting fully within the giudelines which were laid down for him, which do have the effect of law.

Herman. I understand that, but my question basically is—is to the political impact of this series of actions by the President in violating, as you've put it, his pledges and the law. Do you think that has hurt him seriously, or is it too technical a problem?

Senator Byrd. Well, I think it has hurt some. I think it is getting through to the people. I think that what we're seeing here is defiance up and down the line. We have seen defiance of the House committee as it carries out a constitutional duty; we have seen defiance of the Special Prosecutor, who was appointed by the administration, and who was given complete independence. And by the way, when the Special Prosecutor is defied, the President really is defying a federal grand jury in the ultimate, because the Special Prosecutor is going to use his evidence to go before a special grand jury—a federal grand jury—and present facts which may lead to indictments.

Now, a federal grand jury is not made up of members of Congress or biased members of the press. It is made up of private citizens who come from all walks of life and who have no political axes to grind. So really, the President is not just defying the Special Prosecutor; he is also defying the judicial process, and making it a nullity.

Stahl. And if he continues to defy and then goes on even to defy the Supreme Court, is the only recourse the impeachment proceeding, which will take several months at least?

Senator Byrd. Well, I would hope he would not defy the Supreme Court of the United States if that court renders a definitive decision, and I don't believe he will. If he does, then that, in my judgment, would constitute a failure to live up to his constitutional oath to faithfully see that the laws are executed.

Stahl. And the only recourse, then, is the impeachment proceeding—is that correct?

Senator Byrd. Well, that proceeding is underway at this time.

Stahl. And what do you see as the timetable—in the Senate?

Senator Byrd. From indications at the present time, the House timetable seems to continually slip—and this is no reflection on the House. But as of now, it looks as though the House will not vote before the end of August.

Micciche. Senator, in that connection, that timetable of the House will then reflect in a delay of action by the Senate if that should become necessary.

Senator Byrd. Yes.

Micciche. There are certain procedures that were listed by the House Judiciary Committee when they began its inquiry, and among them is the Senate trial process. And according to procedures set down by Thomas Jefferson and then carried out by precedents, a trial, once commenced in the Senate, can be carried over to a succeeding Congress.

Senator Byrd. In my judgment, it can.

Micciche. It can—you do agree with that.

Senator Byrd. I certainly do.

Micciche. So that there is no time limit, then, on an impeachment proceeding expiring with the end of Congress?

Senator Byrd. Let me say, in the latest precedent, which was the Judge Louderback case, that would appear to uphold my position—to wit, that once the trial begins in the Senate, the fact that there is a new Congress would not mean that the trial would have to start over. After all, the Supreme Court of the United States has held that the Senate is a continuing body. It has two-thirds of its members who are holdovers at all times, which really represents a constitutional two-thirds—enough senators to acquit or to convict.

Herman. How about the House though? It is not. Where does it become necessary to start all over again in the House? If the committee for example were to complete its work before election, would they have to start whole new hearings in the new Judiciary Committee?

Senator Byrd. I would imagine that a good case could be made that if the House did not complete its impeachment inquiry and go to a final impeachment vote, a good case could be made for a complete start-over in the House, but this would not be true in the Senate.

Herman. Can a case be made for the administration now being in the process of attempting to achieve that by stalling?

Senator Byrd. Well, I would imagine that the White House hopes—I think its strategy is delay up and down the line, hoping that the mood of the House of Representatives will change, the mood of the country will change, and of course when one is in trouble, I think that's a pretty good rule to follow by a defense lawyer—delay, delay, and delay, hope that something good will happen.

Stahl. Senator, it's recently been reported that the President feels that you and the other members of the Democratic leadership are responsible for stopping the momentum, the call for his resignation from his own party and from conservative newspapers. Senator, did the Democratic leadership do that, at least in part, because it really would be better for the Democrats to have Mr. Nixon in office through this election than to have Vice President Ford in office mending the wounds of the Republican Party?

Senator Byrd. No, the Democratic leadership did not do that for that reason. As a matter of fact, this was not planned, it was not staged, it was not orchestrated.

STAHL. But you all three did it at the same time?

Senator BYRD. That's right, and that was entirely coincidental. I did not state to Mr. Mansfield that I planned to make a speech until five minutes before I made the speech. I had had no contact with him prior to that; I had had no contact with Mr. Albert; I had had no contact with Mr. Strauss. Now the cynics have the right to speculate also, but I made this speech because I felt that it is unfair to the President for public clamor—for this President or any President to be forced to resign because of public clamor. Now, if he wants to resign, that's his business. If he is guilty, he ought to resign, and there may come a point in time when—because of events, because of circumstances, because of the House articles, whatever they may be—it may be appropriate to consider resignation. That's his judgment, not mine. My point is that no President should be forced to resign because of public clamor when no formal charge has even been made to the House, and the House of Representatives, which has the sole responsibility of impeachment, has had no opportunity whatsoever yet to vote on any formal charge. I think this would do great injury to the constitutional process.

MICCICHE. Senator, somewhat apart from resignation, should the House vote to impeach, do you think the President should take a leave of absence, as would be permitted under the 25th Amendment—pending the outcome of the trial?

Senator BYRD. I do not agree with that. If the President takes a leave of absence under the 25th Amendment, the country is leaderless. Mr. Ford would still not be President.

MICCIHE. He would be Acting President.

Senator BYRD. He would only be Acting President, he would not be President, and we can't afford to have a leaderless country, even though at the present time, the leadership is very weak.

HERMAN. Well, since Sal has opened that door, let me step through one further step. You said on Meet the Press on March 3, that "as of this day, in my judgment, there would not be a two-thirds vote in the Senate to impeach." How do you estimate the sentiment in the Senate now—has it changed?

Senator BYRD. No man living knows what the vote count would be. I think first we have to wait and see what the House articles of impeachment are, if the House impeaches.

HERMAN. In a sense, you knew what the vote count was well enough on March 3 to say you did not think there would be two-thirds?

Senator BYRD. I did not know what the vote count was. At that time it was my impression that the mathematics of the situation were such that a two-thirds vote could not be gotten.

HERMAN. Is your impression still the same?

Senator BYRD. I think that the situation has probably hardened in view of the convictions that have occurred, in view of the secret report that was sent to the House by the federal grand jury, and in view of the stonewalling that the President and his lawyer have been exhibiting all the way down the line with the House Judiciary Committee, the Special Prosecutor, and the courts—I think that the situation has hardened, but this is not to say that senators have made up their minds. They first have to see what the articles of impeachment are. They first have to see what the President is charged with.

STAHL. Well, is anyone in the Senate making preparations for the trial at this time?

Senator BYRD. The Senate impeachment rules are there. They have been there since President Johnson, Andrew Johnson, was impeached, and they are sufficient, I should think. Now the Senate may want to supplement those rules. A search of the precedents is under way.

STAHL. For example, could you call the President himself to testify?

Senator BYRD. Oh, yes.

STAHL. You could?

Senator BYRD. Oh, yes, yes, the President can be subpoenaed, he can appear, or his counsel can appear on his behalf. If neither he nor his counsel appears, the trial goes ahead anyway.

MICCICHE. Senator, do you believe that the denial of evidence to the House Judiciary Committee constitutes an impeachable offense?

Senator BYRD. The House Judiciary Committee is performing one of the highest of all constitutional functions. It is an express constitutional mandate, and I think that when the President denies information to the House committee, as it attempts to carry out its functions—and I'm talking about relevant information—I'm sure that the House Judiciary Committee is only interested in relevant information—the President is denying to that committee information that it needs in order to carry out an appropriate constitutional function. In so doing, I think that he could be said to be obstructing justice. Now, if a President can do this, then he can turn off a House impeachment investigation at any time simply by refusing to cooperate with the committee. I think the American people are entitled to have the President act in—here we have a law and order President, a law and order President, who refuses to give the House committee information which it is entitled to under the Constitution. We have a law and order President who refuses to give to the Special Prosecutor, who was appointed by the administration, information that may be needed for a federal grand jury made up of private citizens to determine whether or not a crime has been committed. Here we have a law and order President who says that subpoenas must be answered by everyone else but himself—and who has said time and time again, that we ought to prosecute the guilty and clear the innocent. Well, now in order to do that, he should cooperate with Judge Gesell and turn over the information that those two defendants, Ehrlichman and Colson, are requesting.

MICCICHE. Senator, on the business of impeachment, would you personally as a member of the Senate vote to convict the President for impeachment for the reason that he failed to supply the House Judiciary Committee with information it deemed necessary and relevant for its inquiry?

Senator BYRD. Well, let me say it this way, I don't think that the House Judiciary Committee should get suckered into the strategy of dealing with this whole situation purely on the basis of contempt. I think the President and his lawyer would like to have that happen, but I think the committee is proceeding in a judicious and cool and calm and objective way to get information which deals with possible crimes having been committed. Now——

MICCICHE. Carrying this one step further, should the Senate subpoena the President for information during the trial and he refuses in the same fashion that he has with the House Judiciary Committee, do you believe as an individual senator that that is sufficient grounds for conviction?

Senator BYRD. I think if the President did that, he would do it at his peril. I'm not going to pre-judge the President. I am not going to say how I will vote, and I think it will be up to every Senator to construe the Constitution as he best sees it.

HERMAN. Your own committee, the Judiciary Committee, had former Attorney General Richard Kleindienst before it. Mr. Kleindienst withheld information, did not give proper information which was in his possession. He has since pleaded guilty to a misdemeanor. Is this enough for the kind of thing that he did before your committee? Is this the proper punishment? Has justice taken its course fully?

Senator BYRD. I don't know what cooperation he may have given in exchange for this minor plea. My gut feeling is that these top officials are getting off pretty leniently, and this includes Mr. Agnew. At first I was of a different opinion with respect to Mr. Agnew, but I've come around to the viewpoint that they are getting off—that the courts are being too lenient with them. I have always said that courts should not be lenient with criminals. It doesn't make any difference whether they are the most private, lowliest citizens or whether they are the highest officials.

HERMAN. Is this the responsibility of the court or are these suggestions coming from the federal prosecutor, a branch of the executive part of the government?

Senator BYRD. I don't know what's in the background. As I say, I don't know what cooperation Mr. Kleindienst may have given, and this could be an extenuating factor.

STAHL. Senator, in the impeachment proceedings, do you think that the President should be held accountable for the actions of his aides, especially those aides who were never confirmed by the Senate?

Senator BYRD. No, not for those aides. He himself has——

STAHL. I mean White House aides.

Senator BYRD. He himself has said that he should be held responsible for the actions of his aides. We ought to take him at his word. Certainly he has some responsibility in the supervision of his aides.

STAHL. And their actions—he could be held responsible in terms of articles of impeachment?

Senator BYRD. Well, according to James Madison, he could, but this would be a matter of construction. I haven't completed my research of this. I happen to believe that the construction of the impeachment clause is a little bit broader than does the President and his personal lawyer. They hold to the most narrow construction which means that the President can only be impeached for the commission of crimes while he is conducting his official business, and that they must be statutory offenses or indictable crimes.

STAHL. Do you believe he could be impeached if one of his aides did commit a crime?

Senator BYRD. No, no, I didn't say that.

STAHL. Well, do you?

Senator BYRD. No. Not that in itself.

HERMAN. Do you think a majority of the Senate holds to your opinion that impeachment does not require an indictable crime?

Senator BYRD. I have no way of knowing how the majority of the Senate would feel, but unless there is at least a slightly broader construction, then no President, no President, could be reached for a betrayal of the public trust, or gross neglect of duty, or violation of a constitutional oath, and I think that public officials should be held to a higher standard than the average citizen.

MICCICHE. Senator, do you think the President should be going to the Soviet Union in the midst of this impeachment?

Senator BYRD. I would like to have seen the timing a little different, but I'm afraid that the matter has now developed so far that the President maybe can't change the time. He says he is going.

MICCICHE. Are you concerned with any desperation diplomacy?

Senator BYRD. No, I'm not. I don't think that this President or any President would jeopardize the security of the United States in order to benefit himself domestically.

STAHL. Senator, do you think President Nixon can survive this?

Senator Byrd. I think he can if he's innocent.

Herman. Is the Senate, is the Congress of the United States paralyzed during all this, as the President says, wallowing in Watergate?

Senator Byrd. The Congress is not paralyzed.

Herman. Are we getting adequate service?

Senator Byrd. The Senate has a great performance, a great record. There are evidences that certain parts of the executive branch are paralyzed.

Herman. But you feel that the Congress is giving the country adequate service in this time?

Senator Byrd. The Congress is, particularly the Senate, and that's all I can speak for.

Herman. You have no feelings about the House one way or the other? You've seen its—

Senator Byrd. I think the House is doing a good job.

Herman. How about the busing bill? Will we get a busing bill compromise?

Senator Byrd. I don't know. I would favor anti-busing legislation, but I don't know what the compromise will amount to.

Herman. Thank you very much, Senator Byrd, for being with us today on Face the Nation.

Announcer. Today on Face the Nation, the Senate Majority Whip Senator Robert Byrd, Democrat of West Virginia, was interviewed by CBS News Correspondent Lesley Stahl, Sal Micciche of the Boston Globe, and CBS News Correspondent George Herman. Next week another prominent figure in the news will Face the Nation.

STEEL INDUSTRY LEADS IN LABOR-MANAGEMENT PRODUCTIVITY COUNCILS

Mr. PERCY. Mr. President, I wish to call the attention of Senators to an important development in labor/management cooperation in the steel industry. In its most recent labor contract, the parties provided in a special memorandum for improved industry/union cooperation to achieve productivity increases, linked with assurances of job security for workers. This latest agreement builds on the earlier one concluded by the steel industry in 1971. An important element of the new memorandum of understanding is its new emphasis on employment security. An underlying obstacle to increased productivity has been the fear that greater productivity will result in job losses.

In my judgment this labor-management agreement that has successfully brought stability to the industry has helped regain for the American steel industry a very large volume of business that would otherwise have been lost to foreign competition.

The new agreement indicates clearly that the objective of these committees—which are to be established in every steel plant in the Nation—is to cooperate in achieving significantly higher productivity trends than in the past and to meet the challenge posed by foreign competitors. The job of the committees is to advise management concerning ways and means of improving productivity by recommending ways to stimulate productivity growth in each plant. Matters under discussion may include maximizing use of production facilities, reducing equipment breakdowns and delays, improving quality, reducing rework and eliminating waste, boosting morale and improving safety.

Mr. President, I commend top management of the steel industry and the steelworkers union under the exceptionally able leadership of I. W. Abel, for their efforts to make plantwide productivity committees work, and to give them even greater emphasis. This is critically important particularly now in the steel industry which is in a situation of strained capacity where productivity improvement is critically important for the Nation's well-being, in order to reduce the costs of materials and thereby help moderate inflation. I ask unanimous consent that the Memorandum of Understanding on Employment Security and Plant Productivity Matters be printed in the Record.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

Appendix E: Memorandum of Understanding on Employment Security and Plant Productivity Matters

A. EMPLOYMENT SECURITY AND PLANT PRODUCTIVITY

The parties recognize that for their joint benefit, increases in wages and benefits should be consistent with the long term prosperity and efficiency of the steel industry.

The parties are concerned that the future for the industry in terms of employment security and return on substantial capital expenditures will rest heavily upon the ability of the parties to work cooperatively to achieve significantly higher productivity trends than have occurred in the recent past. The parties are acutely aware of the impact upon the industry and its employees of the sizable penetration of the domestic steel market by foreign producers. The parties have joined their efforts in seeking relief from the problem of massive importation of foreign steel manufactured in low-wage countries. Thus, it is incumbent upon the parties to work cooperatively to meet the challenge posed by principal foreign competitors in recent years. It is also important that the parties cooperate in promoting the use of American made steel.

In order to implement this expression of purpose, a joint advisory Committee on Employment Security and Plant Productivity shall be established at each plant. The Union representation on this Committee shall be two members of the Union in addition to the Local Union President and the Chairman of the Grievance Committee. The Union members shall be certified to plant management by the Union and a corresponding number of Company members shall be certified to the Union. The Company and Union members of the Committee shall meet at mutually agreeable times, but no less than once each month. The function of the Committee shall be to advise with plant management concerning ways and means of improving productivity and developing recommendations for stimulating its growth so as to promote the purpose of the parties as set forth above and also promote orderly and peaceful relations with the employees, to achieve uninterrupted operations in the plants, to promote the use of domestic steel and to achieve the desired prosperity and progress of the Company and its employees.

The General Superintendent or the Local Union President may from time to time suggest to the Committee areas of special concern consistent with the purposes of this Committee and the provisions of this Agreement. The functioning of this Committee shall not affect the existing rights of either party under any other provision of this Agreement.

If either the Company or Union members of the Committee believe that the Committee is not functioning in accordance with the intent and purpose of the parties as set forth above, they may communicate the problem to appropriate headquarters representatives of the Company ond the International Union for evaluation.

B. EMPLOYMENT SECURITY AND PLANT PRODUCTIVITY COMMITTEES

I. Policy statement

A. The objective of the Employment Security and Plant Productivity Committees established as provided in the Agreement is to work cooperatively to achieve significantly higher productivity trends than have occurred in the past and to meet the challenge posed by principal foreign competitors in recent years. The Committee shall be concerned with the related matters of productivity and employment security.

B. The Committees are joint, cooperative ventures in which both company and union representatives share in the mutual concern and obligations to improve the productivity of domestic steel making so as to provide employment security and assure continued Company growth. Accordingly, both parties should approach the Committees' meetings and discussions with a positive and constructive attitude toward improving productivity through practical and mutually beneficial means. Meetings of the Committees should be conducted within this framework of common interest and the contractual directive to work cooperatively. The duty for affirmatively advancing the objectives and practical purposes of the Committees rests on both sides under the Agreement.

C. The Committees are advisory, charged with the function at plant level to advise with Management concerning ways and means of improving productivity and developing recommendations for stimulating its growth. This advisory role can best be accomplished if both sides' representatives approach their responsibilities positively and cooperatively. Plant representatives should endeavor to identify those problems adversely affecting their performance and address themselves to the solution of those problems in order of priority. Solutions should be sought which will advance the objectives set forth herein and be consistent with the Agreement.

D. The Committees are free to discuss and consider any matters reasonably related to the common objective of improving productivity. Such matters may include, among others, maximizing use of production time and facilities; reducing equipment breakdowns and delays; improving quality; reducing need for reprocessing products; elim inating waste of materials, supplies and equipment; reducing excessive overtime; boosting employee morale; improving safety experience; and focusing employee awareness on the problems of productivity and those posed by the threat of foreign competition. All matters coming within the purview of the Committees should be pursued in a logical and practical manner with the aim of seeking tangible and significant improvement consistent with the contractual rights, benefits and protections of the employees and the Company.

II. Industry-Union employment security and plant productivity committee

A. It shall be the responsibility of the Industry-Union Employment Security and Plant Productivity Committee to review matters relating to improving productivity and advice with the plant Committees. The Industry-Union Committee shall meet at mutually agreeable times.

B. The Industry-Union Committee is authorized to convene meetings on an industry, company or regional basis for the purpose of:

(1) Assuring continuity in accomplishing objectives.

(2) Reviewing matters of administration.

(3) Disseminating information relative to improving productivity.

(4) Reporting outstanding plant achievements on productivity.

III. Plant employment security and plant productivity committees

A. Union representation on plant Committees shall be as set forth in the Agreement.

B. The designated Union Staff Representative shall advise and consult with the local union members of the plant Committees. When the local union members deem it appropriate, the Staff Representative shall be permitted to attend the monthly meeting of the plant Committees as an observer for the purpose of being informed as to particular matters discussed at such meetings.

C. The plant Committees shall meet at mutually agreeable times, but no less than once each month. Prior to any such meeting either party may submit in advance an agenda of matters to be discussed at such meeting.

D. The functioning of the plant Committees shall not affect the existing rights of either party under any other provision of the Agreement. It should be understood that these Committees cannot be used by either party separately, or by the parties jointly, to circumvent or abrogate rights established under the Agreement.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, I urge the speedy ratification of the Genocide Convention. Modern technology with its improved lines of communication and transportation has decreased the size of today's world. This makes it impossible for any nation to shrink from its responsibility to uphold international law without jeopardizing the promotion of human rights and world peace.

The words of President Kennedy in submitting three related human rights treaties are most appropriate:

> The day-to-day unfolding of events makes it ever clearer that our own welfare is interrelated with the rights and freedoms assured the peoples of other nations.

We must rekindle the spirit of justice and reaffirm our respect for the feelings of mankind that we established in our Declaration of Independence. We must ratify the Genocide Convention.

IDAHO'S DAIRYMEN THREATENED

Mr. CHURCH. Mr. President, the dairy men in Idaho have suffered staggering costs over the last year and the picture for the forthcoming year is grim indeed.

Recently, in an effort to dramatize their plight, dairymen in my State slaughtered dozens of prime dairy cows. Other Idahoans, long a part of the dairy industry in the State, have finally called it quits. Forcing these men, young and old, out of the dairy business will have a tremendous economic impact on our State. In 1972, the latest figures available, beef cattle and milk made up almost 45 percent of all cash farm receipts—a total of more than $356 million.

In order to alleviate the problems that continue to plague the dairy industry in my State, I have called upon the Secretary of Agriculture to make sure that the FHA operating loan program is fully funded and that the emergency livestock feed grain program, which was instituted last summer as the result of a serious drought in northern Idaho, is continued throughout that year. I made this request in the firm belief that unless assistance of every possible nature is provided, many more dairymen in Idaho will have to close their barn doors.

Not only have dairymen suffered market disruptions and high production costs for hay and feed grains, but the administration pursues a policy of allowing the importation of millions of pounds of foreign milk products into this country. Over the last year, the Nixon administration has lifted import quotas on cheese, nonfat dry milk and butter and butter oils. It would appear to me that the increase in imports would discourage production here at home and make this country more dependent upon the volatile prices of dairy products now found in foreign markets.

I recently received a copy of a letter which Mr. and Mrs. Leslie Bennett of Buhl, Idaho, sent to President Nixon. The Bennett letter illustrates the frustration felt by dairymen throughout the State. I ask unanimous consent that their letter appear at the end of my remarks because it is indicative of other letters I have received.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CHURCH. Once again, I call upon the President and Secretary of Agriculture Butz to make every effort to utilize existing Government programs to help the dairymen of Idaho.

EXHIBIT 1

May 2, 1974.

President NIXON,
White House,
Washington, D.C.

DEAR PRESIDENT NIXON: We are writing to protest the recent action of the federal government allowing 100 million pounds of cheese and 150 million pounds of non-fat dry milk to enter the United States. This massive importation occurred in January through March. It led to a decline in the cheese market; and, as a result, the price paid to dairyman for milk dropped.

The cost of producing milk has shot up 100 per cent in the past year. The cost of feed has almost doubled; alfalfa is expected to reach an all-time high this summer. Costs of fuel and fertilizer have also doubled. Quoting from "Successful Farming," April 1974, "Money received for 1 lb. of milk (in April) bought only 1.45 lbs. of feed—down from 1.73 in 1972 and the *least* since 1965." Can you understand why we, as dairymen, were dismayed when our milk prices *dropped* this month?

Dairy farmers are consumers, too. But everything has risen in price; not just the cost of milk and other food. So don't bother to send us a letter explaining how this massive importation will help the country. Just explain to us why the American dairyman isn't entitled to a decent profit (or any profit) like any other business.

Sincerely,

LESLIE BENNETT.

WE LOVED HIM MADLY

Mr. MATHIAS. Mr. President, in the early 1920's, an obscure band in Washington gained something of a reputation, because its leader had enough foresight to take out the largest advertisement in the telephone book, thereby significantly increasing the number of jobs he got for his men. The band, named the Washingtonians, broke up and a corps of sidemen went with their leader up north toward New York. By then, the leader, Edward Kennedy Ellington, had already acquired the nickname "Duke."

It is part of the genius of America that men and women from every kind of circumstance can achieve fame and honor, and more importantly, contribute in unique and unexpected ways to the realization of ourselves as a nation in history. In the cultural sphere, we gradually came to realize what those in other countries had found out much earlier, that jazz was a valuable and quintessentially American contribution to the musical arts of the world. The melting pot had worked a magical alchemy with rhythms and tonalities from Africa, Spain, France and the Caribbean, and this had been grafted upon the mainstream of European musical development to create an entirely new art form—part written, part improvised, part formal structure, part individual brilliance; part head, part soul. In the rapid development of this art, we have seen technical accomplishments which have literally made new instruments of the trumpet, trombone, saxophone and string bass and which, once achieved by jazzmen, are now the standard capability of every accomplished instrumentalist, classical or not.

Compositionally, jazz has caught up to the development of the European tradition structurally and tonally, yet at the same time has completed a cyclical movement of its own—from the free-form, cooperative improvisations of New Orleans tailgate bands through the big-band arrangements and other highly structured experiments of recent decades and now into a new era of free-form group improvisation where tempo, time signature, and harmonic structure can be shifted in an instant.

Duke Ellington has come all the way. It is as if a classical musician were born in the era of plainsong, began composing in the time of Bach, and continued a career through the ages of Beethoven, Mahler, Stravinsky and Webern, and died in the era of Stockhausen. This does a disservice to the complexities of Ellington's music already evident in the days of the Cotton Club orchestra and to his own instrumental abilities, for although the Duke was frequently characterized as a man who "plays the piano, but his real instrument is his orchestra," he was no mean instrumentalist on his own, as is evident in many of the small group recordings we have as part of his legacy.

In addition to his greatness in these formal categories, however, any consideration of Ellington must note the source of his genius—the ability to take the same 12 notes available to all and make something new and very much his own. One orchestrator commented this about the quiet instrumental trio which introduces "Mood Indigo:" You can have 100 strings and a symphony orchestra in some Hollywood score and every arranger can hear it once and say exactly what is happening. Ellington puts three instruments together and nobody knows what it is.

Finally, I might add that the Ellington genius was of a special character that nurtured the growth of the giant talents of others. Showcase pieces such as "Concerto for Cootie," "Jack the Bear," "Cottontail", and "Jeep's Blues" brought forth the work of great jazzmen such as Cootie Williams, Jimmy Blanton, Ben Webster, and Johnny Hodges in ways that they rarely were able to do out on their own, away from the Ellington band. A special note must be made of Billy Strayhorn, whose writing talent was so congruent with Ellington's through the years that arguments still exist among critics as to who actually wrote this or that song.

With the musical talent, Ellington combined a fortunate ability as a showman. Without pandering to his audience, he rose from the Cotton Club stage to concert halls in Europe and Japan and the White House. A favorite phrase, "We love you madly," was applied to all his audiences equally. He brought the music with him, from the "jungle rhythms" era into experiments with longer and longer forms, until he came to maintain that his music was not jazz but "music that is written to fit the people who do the playing." It was just one of the ways in which he grew beyond category.

Walter Lippman once reminded us that the United States is but an experiment, and that it is nowhere engraved in stone that the experiment is destined to succeed. But, when a nation has produced such men as Duke Ellington, who can say that it has failed?

Mr. President, I request unanimous consent that an article by Ernest B. Furguson which appeared in the Baltimore Sun be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Duke Ellington

(By Ernest B. Ferguson)

Washington.—Without communicating directly, a lot of us middle-aged and old did the same thing Friday night. It was the only thing to do. We got out the old scratchy Ellington records and sat something to drink by the chair and had our own memorial services. Listening, things came back that did not appear in the obituaries.

The obituaries said the obvious things. Duke Ellington was a great composer, to many the greatest American composer of all, in any idiom. He was urbane, witty, sophisticated, elegant, dignified, and all the other adjectives that go with his name. They are obvious because true. There was more to him than that though.

"Transblucency" is a tone poem he ripped off to go on the back of a record of something else, back when 10-inch 78's were standard. It is a wordless, soaring three minutes in which the soprano Kay Davis implies something about blues and light.

For me, it reminds of a winter night in the armory at Danville, Virginia, when that was a favorite breaking point for bands on the road, thus blessed by more one-night stands than any other town of that size could ever hope to experience. When a black band played, like Erskin Hawkins or Count Basie or Joe Liggins, only blacks could dance on the armory floor, and whites sat in the balcony to spectate. When a white band played, like Jimmy Dorsey or Stan Kenton or Glen Gray, whites danced but blacks could not spectate at all.

Looking down, so close that if I fell through the balcony railing I would have crashed into Sonney Greer's magnificent sequined drums, I tried but failed to hear "Transblucency" the first time they played it. The speaker was out. I called down to Oscar Pettiford, who played bass, and told him. "We just played that," he said, but I said please, so he told Ellington. And Ellington looked up and said the next number was especially for the gentleman in the balcony.

Infinitesimal, yes. But at 16, when one is only an apprentice gentleman, to be called a gentleman by Duke Ellington is memorable. If he was condescending, I was unaware of it. I thought then and now that being called a gentleman by him was like being called a hustler by Pepper Martin, or a good writer by Price Day.

"Such Sweet Thunder" is from his "Shakespearan Suite," and it brings back a night in Baltimore, roughly 15 years ago. The band rocked through it and Johnny Hodges caressed "In a Sentimental Mood" as even then he had been doing regularly for more than 20 years. Afterward a group of Johns Hopkins students asked Ellington to go with them to a campus hangout called the Blue Jay, where they had been conducting sit-ins against the proprietor's segregation policy.

Ellington did. He went in, took a booth, and waited for service. The proprietor announced he was closed for the night, more than an hour before normal closing time. Ellington thanked him and left smiling. No harsh words. The proprietor was on record as refusing to serve a prominent American on the flimsy excuse that in addition to being smarter, more gracious, more talented, more famous and more wealthy than the average, he also had darker skin.

He never raised his voice about such matters, because he never had to. His conduct, even aside from his music, was a statement that mooted the oratory of his younger and angrier brothers. And his work, over more than half a century, was an eloquent epic of black consciousness.

He traveled back and back to Africa, and to such pestholes as the Lorton reformatory outside Washington. He celebrated Harlem repeatedly in his songs. He called others "Black, Brown and Beige," and "Liberian Suite" and "Creole Rhapsody"—but if you start naming them, you never finish.

Those of us who sat up listening Friday night include many who for decades never willingly let an Ellington performance take place in their absence, and others who never heard him in person. Either way, they remember him for his flawless taste, for his effortless pride. He was a superlative American.

SUNSHINE BILL

Mr. CHILES. Mr. President, the Senate Subcommittee on Reorganization, Research, and International Organization of the Government Operations Committee began 2 days of hearings May 21 on S. 260, the "Federal Government in the Sunshine Bill" which I introduced last year. This bill would require that all meetings of Federal agencies and congressional committees be open to the public with only certain limited exceptions.

S. 260 would let the light of day shine in on governmental proceedings which should never have been secret to begin with. The events of the past several months, in my view, have shown the consequences of secrecy in Government, and they should give the Congress the incentive to overwhelmingly approve this legislation.

The second witness to testify on the opening day of hearings on the sunshine bill was Senator Dick Clark from Iowa, one of the original sponsors of S. 260.

Mr. President, I ask that Senator Clark's testimony be printed in the Record. It is an excellent statement of the need for this bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Senator Dick Clark on S. 260

I appreciate the opportunity to join you today to lend my support to S. 260, the "Federal Government in the Sunshine Bill." Your leadership, Mr. Chairman, in introducing this legislation and arranging for these hearings is well known, and I can only hope that our efforts lead to the rapid adoption of S. 260. It certainly is one of the most important bills that this Congress will consider.

As you know, recent public opinion polls have revealed that only 20 to 30 percent of the nation's people approve of the way Congress is doing its job. Surely this widespread disenchantment with the Congress is caused in large part by the veil of secrecy that surrounds so much of its work. Secrecy necessarily breeds suspicion, and people justifiably resent being shut out from committee deliberations where vital decisions are made that affect their welfare and their pocketbooks.

If we really are a government of the people, then the process of government should be open to the people who send us to represent them in Washington. That's why I was one of the original co-sponsors of S. 260 when it was introduced last year. And with all that has happened in the past months to further erode confidence in government, the need for this bill is even more urgent today than it was when the bill was introduced.

When I worked as an administrative assistant in the House of Representatives in the 1960's and early 1970's, I was very much aware of people's distrust of the secrecy which had characterized House proceedings for decades. In 1973, the House reversed this practice and opened almost 80 percent of its "mark-up" sessions to the public. And since then, the House has proved that openness works. While opponents of the new rule said it would interfere with House business, a Common Cause survey of House Committee practices last year showed that at least as much work was done in 1973 as in the last comparable session, and it was done in public view.

It is high time that the Senate—and the federal agencies—followed that example. The closed-door tradition in Congress and the Executive is totally alien to the spirit of democracy. It is a tradition that breeds distrust, ignorance, and apathy—qualities that are becoming all too pervasive as the nation approaches its 200th birthday.

S. 260 would require that all meetings of federal agencies and Congressional committees be open to the public—with only certain limited exceptions. It would, as the bill's nickname implies, let the sun shine in on deliberations which should never have been closed off in the first place. It would insure that Congressmen and Senators are fully accountable to their constituents at all stages of the legislative process, increasing public interest and public respect for the legislative process and for Congress as a whole.

The bill also would give the public an equal chance to influence legislation—an advantage which today is mainly held by lobbyists and special interest groups that are able to closely follow the work of Congress.

As for the executive branch, open meetings would be an effective tool to help guarantee that the federal agencies always protect the public welfare.

The bill does permit Congressional committees and federal agencies to close any session to the public if national security, personnel, or other sensitive matters were to be discussed. But it would take a majority vote to close the session—the exact reverse of current Senate practice which dictates that all sessions are closed unless a majority of the committee votes to open them.

Mr. Chairman, over the last few months, everyone in this country has become aware of the awesome and frightening impact of governmental secrecy. A truly democratic government should have nothing to hide from the people. Indeed, the more open a government is the more likely it will be honest and effective.

In this country, the people have a right to expect nothing less than that—absolute honesty and absolute openness. And the passage of S. 260 would be a significant step toward that goal.

Mr. CHILES. Mr. President, I would also like to insert into the Record a copy of the testimony offered before the Subcommittee on Executive Reorganization during its hearings on the Federal Government in the sunshine bill, S. 260, by Mr. Lou Harris, of Lou Harris Associates, this morning.

Mr. Harris maintains that—

> The people of this country have an aching, yearning desire to see their federal government open up and welcome the participation of the public as perhaps never before in our history.

I believe his statement is an excellent one and I highly recommend that my colleagues in the Senate read it. I ask unanimous consent that it be printed at this point in my remarks.

There being no objection, the statement was ordered to be printed in the Record, as follows:

TESTIMONY OF LOUIS HARRIS ON MAY 22, 1974

Mr. Chairman, let me say at the outset that it is a privilege to be invited here this morning to testify on S. 260, your bill to provide that meetings of government agencies and of Congressional committees shall be open to the public—the Sunshine proposal, as you have appropriately named it.

However, I must immediately state what I can and cannot comment on with any degree of competence. I am neither a legislative authority nor a student of federal government practices of disclosure. Thus, I am not able to comment with any weight on the specific provisions of your proposed legislation, other than as they might enhance or further deteriorate public opinion in its confidence levels toward government and the political process.

I have read with interest the varying and often conflicting views of some of our outstanding authorities on disclosure rules and practices. As a layman, it seems to me that you have added to the new version of the bill a good many exemptions and protections to take care of most contingencies which might justify closed hearings at the federal level. I should emphasize at the outset that one major fall-out from the Watergate trauma in this country has been a newfound and profound respect for the rights and privacy of individuals and of groups to pursue their widely differing views and convictions. The right to be different, the right to be private, the right to be protected against undue federal intrusion into the lives of the people has never burned as vigorously as it does today.

By the same token, the people of this country have an aching, yearning desire to see their federal government open up and welcome the participation of the public as perhaps never before in our history. The basic proposition that "a lot of problems connected with government could be solved, if there were not so much secrecy on the part of government officials" meets with thumping 71–79% agreement from the people themselves.

I note that many of the critics of this legislation believe that the fundamental issue at stake is: How much inefficiency can the Federal establishment endure by opening up the decision-making process of government vs. how much does the normally efficient running of a tightly confined Federal decision-making process have to be opened up to satisfy the public demand to know what is really going on. I would suggest that the American people thoroughly disagree with this kind of formulation of the issue. At this point in our history, the people are roundly fed up with what they feel is incompetence, inefficiency, corruption, lack of real public interest, and just plain lack of decency in the governing circles of this country. And, most of all, people are firmly wedded to the notion that if the Federal Government were opened up, rather than gross inefficiencies and lack of candor resulting, to the contrary, an opening up of the Federal decision-making process would indeed lead to wiser, sounder, more creative, and better decisions.

As one who has spent the past 27 years of his life in the active pursuit of studying public attitudes and public behavior, I by no means subscribe to the notion that the people are always right either in their instincts or in their opinions or in their assessment of any particular situation. But I would say that in the past few years, almost without exception, the public has been leagues ahead of its leadership—far more astute, far more farsighted than most of the elective and appointive public officials at the Federal level.

Some basic and fundamental changes are taking place in our country and, if those vested with public responsibility don't begin to recognize those changes, then I can guarantee, Mr. Chairman, that the people themselves are going to make some wholesale changes in their selection of leaders.

Recently we surveyed a cross-section of the American people and the results are well worth pondering, for they say much, I believe, about where the public is and what the problem of this subcommittee is this day. First, it will come as no surprise to find out that, compared with 10 years ago, 60% of the public think that government leadership at the federal level in the country is worse now than it was then. Only a meager 8% think it is better now, and 28% feel it is about the same.

By a lopsided 76–18%, three in every four adults feel that "too many government leaders are just out for their own personal and financial gain". There is a powerful suspicion, right or wrong, that people elected or appointed to high places in the Federal establishment are using their power for their own rather than the country's benefit. This in turn leads most people to conclude that a substantial amount of monitoring by the citizenry of those vested with responsibilities of running government is very much in order these days. The people are willing to give pitifully little in the way of blank checks to their leaders these days. It can be automatically assumed that any effort to defend a lack of full disclosure to the public on the grounds of either elitism—that only people with superior knowledge, training, insight, and experience are fit to judge the major issues facing the country—or on the grounds of endangering the national security which all too often has turned out in the public's mind to be a cover-up of ineptitude or chicanery or worse, or on the grounds that open disclosure will lock people into fixed positions which will prevent the art of informal interchange and compromise to work—all are likely to fall on very deaf public ears these days.

Another key finding from our recent survey shows that, by an overwhelming 78–17%, most people agree with the statement that "the trouble with most government leaders is that they think people will believe them when they make promises". This is worth analyzing further. The fact is that not only have people in this country but also in most of the western world come to believe that most politicians make false promises, but, more important, that these promises are more likely than not to not be worth receiving, even if public officials make good on them. This is particularly true in the case of special legislation designed to serve the special pleadings of different segments. Traditionally, our political process has been based on the assumption that if a man running for office can divide up the electrorate into enough segments, find out how to appeal to each key segment in terms of what he can do for that segment, make all the segments add up to 51% on election day, he will win election or reelection.

I say to you today, Mr. Chairman, that this kind of easy promise politics is fading fast in American life. The people neither believe the promises nor they feel that when the promises are fulfilled they are worth it. Rather, they are becoming increasingly convinced that they will have to pay for those promises four, five, or six times over even if they are delivered on. What it means is that there is a growing sense of community in this country, a sense that what benefits the community will suffice to benefit the individual, that there just is almost no way left through which any individual person or group can be made the beneficiary of government services which all of the citizens do not share in.

This is partly reflected in the 76–14% majority nationwide which feel that "most government leaders are more interested in playing smart politics rather than in sharing in the same genuine idealism the people have". Much has been said and written about the strain in the American people not to pass up a good deal or a good chance to make it big, even if others do not make it in the process. Indeed, I find the American people have been libeled with such propositions. The recent outpouring of the public to restrain the consumption of gasoline and other forms of energy during the energy crunch is ample testimony to this sense of community. And, despite high skepticism about the way government and industry handled the energy situation, I might report that the people are still ready to respond with sacrifice and putting the public interest above individual gain if called upon by national leadership on the energy question again in the future.

What irritates the public almost more than anything these days is found in the 72–18% majority who feel that "most government leaders are afraid to treat the public as adults and tell them the hard truth about inflation, energy, and other subjects". The American people simply no longer have a 12-year-old mentality, no longer want to be treated as children, no longer want papa to tell them papa knows best, no longer want to be told they will be taken care of, no longer want to be bought by the handout, no longer want to be treated as porkchoppers at the public trough, and no longer want to be taken for granted. They feel they are reasonably well-informed, more importantly are capable of getting the full measure of bad news, and are more willing to join in the process of solving their own problems. They simply will no longer trust the sweeping shibboleth, the glowing and uplifting promise, and no longer think there are easy answers to their problems or those of the world. Basically, by 89–6%, they agree with the late President Kennedy's exhortation that government leaders "should ask people not what their country can do for them, but what they can do for their country".

Along with the era of the easy promise, so, too, the era of doting on the public's fears is coming to an end. The politics which so often have told people they can achieve heaven on earth or the politics which told them there was a mortal enemy from within or from without whom they were being protected from are rapidly passing from dominance in this country.

Let me give you some specifics on this. Only 36% of the public think "most public officials today are dedicated to helping the country rather than being out for themselves". However, a much larger 86% think it is entirely possible to have public officials who maintain just those standards. That is a gap of fully 50% of the public. Only 34% of the public think that "most public officials really care what happens to all the people", but a much larger 88% think that it is possible for the country to find such public officials—a gap of no less than 54%. Only 24% think that "in the federal government the good of the country is placed above special interests", but a much higher 85% think it possible to achieve such a condition—a gap of 61 points. Only 17% think that "the best people are attracted to public life", while 80% think it is still possible to do that—a gap of 63 points. Only 13% believe that "corruption and pay-offs almost never take place in federal government", while 65% think it is possible to have a federal establishment free from such vagaries—a gap of no less than 52 points.

There are two lessons to be drawn from this evidence. First, the public is solidly convinced that the federal government has reached new lows in moral and effective operation. The second, and much the more important, is that people have not lost faith or become cynical about the governing process.

It is true that 86% of the people feel that "sometimes politics and government seem so complicated that a person can't really understand what's going on". Yet, by the same token, you cannot produce a majority to either of the following two propositions: first, "in most cases, on important matters, high government officials should decide what ought to be done, because they are the ones who really know what is going on", rejected by 47–42%; or second, "to make government work better, the right men should be put in control and allowed to run things with the help of the best experts", also rejected by 48–40%.

To the contrary, by an overwhelming 86–8%, the people of this country believe that "people should take action through citizens groups to improve the quality of life in this country"—and that means action impacting on all levels of government, including the federal government. Mr. Chairman, to put it in the vernacular, in the plainest language I can command, the American people today desperately not only want to be cut into the action of how to govern themselves; they have made up their minds to insist that this be the case. It is my prediction now that, in the latter part of the 1970's, you are going to see the most massive outpouring of citizen involvement this nation or the entire world has ever seen before.

Those people running the Federal establishment now have the chance either to anticipate this outpouring and to accommodate to it, or to try to outfox it, end-run around it—or to studiedly avoid it, if you think that will work. My own judgment is that if you do not meet it, anticipate it, and welcome it, then there will be a whole set of other people sitting up there in your seats of power before very long. It is no happenstance that less than a third of the American people can express any degree of high confidence in any branch of the Federal Government today.

Now what has all of this to do with the central issue you have invited me to testify to here today. It has much to do with it. For certainly one threshold requirement is to throw open the doors of the government decision-making process, let the people observe in fact how it operates, and, indeed, to invite the people in to help make the decisions. And, as I understand it, that is what your Sunshine Proposal is all about.

Of course, the act of greater disclosure, a greater opening up by itself, is not necessarily going to solve the problems of how to achieve more responsive and more effective government. But, without such opening up, without making a determined effort to allow people to know really how the federal establishment is pondering its imminent decisions, I can assure you, Mr. Chairman, that there will be little this government can do which will have the initial confidence of the people today. I am saying that the public has finally placed a precondition on the operating rules for the Federal Government in this country that it not withhold the hard facts nor the uncertainties nor the differences which might exist at the top of government over how to solve or attack problems.

The minimum which can result from such an opening up is that the people might have a far greater understanding of just how tough some of these problems—such as inflation or energy, ecology or consumerism, government spending or taxation, or a whole host of other problems—are to solve. It is also just possible that the people themselves can add some new and creative dimensions to the solution of some of them. For it is entirely possible that suddenly public servants who have been trained to always believe that the people want to *get* something out of government are willing to *give* the government, to *give* the community something. This phenomenon is not confined to this country alone. In Britain, on the eve of the elections there, we found a majority of the people willing to raise taxes on their own hard-pressed incomes, if this was the way to put a dent into rising prices and if this was a way to help the less fortunate, the elderly, and other groups whose incomes were lagging.

Fundamental to your bill, it seems to me, are two implicit assumptions, which ought to be kept clearly in mind throughout your considerations. First, that the people of this country are not as apathetic and uninterested as most leaders think they are. In turn, this means that people actively want to know what is going on, and will not be shocked to hear the facts nor the range of options open to this society to approach key problems of government. Second, the people are now firmly wedded to the notion of a new pluralism, under which the tolerance for differing opinions has never been higher. Unless they are assured that government believes in this pluralism, they are going to be suspicious that the federal establishment is conspiring to deprive them of their rights rather than to enhance them.

These two preconditions are the bedrock for any and all reasonable measures which will open up government decision-making for all to see, hear, and to comprehend. So, Mr. Chairman, the business you are about is indeed very pertinent to the mood, the temper, and the urgent desires of the American people. As with them, I cannot say you have drafted the best bill, nor that you have put all the reasonable protections and exemptions into a rule of full disclosure. But the thrust is in the right direction, the purposes sound right. If you can move this government measurably closer to the day when people at least feel that all of you here making decisions are genuinely honest and on the level, that the public good really means something, that there is and can be a genuine community of interest in this country, then you will have made a major contribution toward restoring confidence in government. And that would be a key achievement, indeed.

REVENUE SHARING

Mr. THURMOND. Mr. President, on May 21, 1974, the General Assembly of the State of South Carolina adopted a concurrent resolution commending the effectiveness of the Federal revenue sharing program and memorializing the Congress of the United States to continue that program.

The resolution noted that the Federal revenue sharing program has been one of the most effective enacted by Congress in recent years because of its recognition that local government can, in most cases, best assess and solve local government problems.

The resolution further commended the Federal revenue sharing program for producing numerous worthwhile improvements in government service and facilities, for enabling local government to more actively plan for future improvements and for offering visible evidence that Federal tax money does flow back to the sources from which it came.

Mr. President, on behalf of myself and the junior Senator from South Carolina (Mr. Hollings) I ask unanimous consent that this concurrent resolution be printed in the Record and that it be referred to the appropriate committee for consideration.

There being no objection, the concurrent resolution was ordered to be printed in the Record, as follows:

A Concurrent Resolution To Memorialize the Congress of the United States To Continue the Federal Revenue Sharing Program and Commend the Effectiveness of That Program

Whereas, the Federal revenue sharing program has been one of the most effective programs enacted by the Congress in recent years because of its recognition that local government can, in most cases, best assess and solve local government problems; and

Whereas, Federal revenue sharing has resulted in numerous worthwhile improvements in government service and facilities; and

Whereas, the program enables local government to more accurately plan for future improvements; and

Whereas, the program has resulted in improvements in the often strained relationship between State and Federal Governments because it offers visible evidence that Federal tax money does flow back to the sources from which it came; and

Whereas, any reduction or abolition of this program would be a backward step which would be most discouraging to State, county and municipal governments and would do grave damage to programs inaugurated pursuant to and funded by Federal revenue sharing. Now, therefore, be it

Resolved by the Senate, the House of Representatives concurring: That the Congress of the United States be and hereby is memorialized to continue and, if possible, expand the Revenue sharing program which has contributed most effectively to the solution of local government problems, and be it further

Resolved that a copy of this resolution be forwarded to the Vice President, the Speaker of the House of Representatives and each member of the South Carolina Congressional Delegation in Washington, D.C.

EFFORTS FOR ERA

Mr. MOSS. Mr. President, many States are still fighting to ratify the equal rights amendment—ERA. While we in the Senate have seen the need for this amendment, many of the State legislators apparently have not. In my own State, efforts to date for ERA have not been successful. It is clear, however, that women continue to suffer inequality, even today, in many areas of our modern society. One in which this is particularly evident is the area of professional and personal finance. Women are usually met by patronizing attitudes, discrimination in lending practices, and the traditional lack of confidence in a woman's ability to manage money.

Discrimination against women in this and other areas must and can be stopped. The Burroughs Clearing House publication recently carried an article covering the outstanding efforts of a Salt Lake City bank—Tracy Collins Bank & Trust, to end these inequalities. Under the direction of a remarkable assistant vice president, Vee Carlisle, the bank prepares and operates policies and programs that assist women customers to break through financial discrimination and career barriers.

Mr. President, we must do everything in our power to eradicate discrimination against women now. Because of the trail blazing work of Vee Carlisle and the Tracy Collins Bank & Trust, I ask unanimous consent that the article entitled "Vee Carlisle: Business Women's Banker" by Norman E. Douglas be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VEE CARLISLE: BUSINESS WOMEN'S BANKER

(By Norman E. Douglas)

If Salt Lake City's Tracy-Collins Bank and Trust is to succeed in its bid to bring equality to women in affairs financial, it won't be the result of a patronizing attitude toward lady customers, or of tokenism. But it well may be credited to the efforts of a tall, attractive woman banker working under senior management policies that recognize the business potential of women customers. Her name is Vee Carlisle, an assistant vice president, and she's some kind of woman.

The policies include one of the first public statements against discrimination in lending practices. And one result has been the creation of a Women's Division in the bank that, among other things, seeks to help women become businesswomen.

If the Women's Division is unique—so is the bank. Its name combines that of its founder with that of an office boy who rose to president in 43 years with the institution that began as a mortgage company in 1884. The founder, Russel Lord Tracy, probably gave little thought to a banking career during the first half of his life. Born in mid-Ohio, a respiratory illness forced him westward, by degree, until he finally located in Cheyenne, Wyoming. There he served as a military storekeeper and Indian interpreter, jobs that were to take him with General Phil Sheridan to explore the possibilities of developing Yellowstone Park. And this expedition introduced him to the west.

A growing enthusiasm for the land in the area led him to begin dealing in mortgages which he sold to eastern institutions from an office in Cheyenne. Semi-annual mortgage buying trips to Salt Lake City became so successful that in 1902 he moved his headquarters to the Utah state capital and incorporated the Tracy Loan and Trust Company. Even before incorporation, he was joined by James W. Collins who served as an office boy while Tracy helped him finish his education.

When the bank was sold to a group headed by Gilbert L. Shelton in 1969, it had grown to a $42 million institution. Thanks to aggressive expansion, resources of the 10-office bank now stand at $134 million.

Soon after new management took up the reins, Vee Carlisle was employed as an executive secretary with the holding company, Tracy Bancorp. But the bank had other plans for her experience and, in February 1971 she was named to head the bank's support of the Salt Lake County Welcome Wagon, duties that were to lead to officer status and direction of the Women's Division the following December.

A native of Salt Lake City, Vee has always been involved with people and the politics necessary to help people. She first joined the U.S. Foreign Service in 1950, serving for two years as the Ambassador's secretary in Manila. She was then transferred to Rome where she served under Ambassador Ellsworth Bunker and Clare Booth Luce. And it just may be that observing Mrs. Luce's difficulties in gaining recognition in a job traditionally reserved for men that made Vee particularly sensitive to barriers created for women in the business world.

An illness in her family brought Vee back to Salt Lake City. But not for long. Soon she was back with the State Department, this time serving under Ambassador George Renchard in Bermuda. Another family illness brought an end to this tour of duty, and she returned home to begin a series of tasks with state and county governments. She was first secretary to the appropriations committee of the State Senate. Then she worked for a Salt Lake County Commissioner, followed by a stint with the Utah State Department of Development Services.

In July, 1971, Vee was appointed by the governor to fill a vacancy in the Utah House of Representatives. After completing the unexpired term, she ran—and was narrowly defeated—in her bid for election to the house seat. But she found the experience exhilarating and has already announced her intention to again seek reelection. She has been active on the party level, too, and is finishing her fifth year as vice chairman of the County Democratic Party.

But back to her work at the bank. Where initially the bank agreed to support the Welcome Wagon program in five geographic areas, so successful has been the effort that the bank now underwrites costs in 15 areas in both Salt Lake and Davis counties.

The Welcome Wagon experience showed Vee just what services were most in demand by newcomers. And from this information she has developed a kit of materials that complements a newcomer service now offered at Tracy Collins. "Women's services have been broadened to consumer services," explained Ms. Carlisle. "We found that it is the wife who has trouble with locating a home, choosing schools, determining election districts, contacting physicians and dentists, and finding the countless services necessary to settling in.

"And becoming involved with women reinforced management's concern over the equality of services to women," she continued. "Banks have been guilty of creating barriers to women seeking financial independence. So now, I believe, the thrust of the Women's Division is in destroying this traditional lack of confidence in a woman's ability to manage money."

To this end, the bank published a statement of intent in handling loan applications. The policy, in part, attests: "Our Women's Division is helping businesswomen establish business credit . . . and granting loans to women for commercial, home improvement and other purposes on their own recognizance when such women have maintained good credit ratings, and when they have the capacity to repay the money they have borrowed." To help women gain a good credit rating status, the bank is encouraging women to establish and maintain their own accounts.

The statement further instructs Tracy-Collins lending officers to grant credit on the character, capacity and capital of the applicant—and not on the basis of whether the borrower is a man or woman. In practice, a lending officer is able to consider a wife's income and employment record fully when developing an application. A woman can obtain a loan in her own name if her financial situation merits it.

And to further equip career-minded women, the bank is holding money management seminars in cooperation with the College of Business at the University of Utah. The series began with basic lectures in "Practical Finance" over a 10-week period in January, 1972. Topics included economics, budgeting, retail credit, stocks and bonds, estate planning, insurance, and property investment.

Subsequent seminars have explored small business development and management techniques for the small-business woman. The most recent, "Master Your Money Matters," was a revised course in practical finance. All have been oversubscribed.

Much of the bank's marketing efforts are being aimed at woman customers, and a good share of the advertising budget is spent in promoting the activities of the Women's Division. A newsletter from the bank responds to each Welcome Wagon call. It briefly describes bank services and includes a map showing locations of branches, along with enclosures of general interest to the prospective customer.

In addition to shepherding Welcome Wagon sponsorship and newcomer assistance, the Consumer Services department (which Vee also heads) has become the source of all consumer information, the origin of personal banking services, the coordinator of money management courses, the service bureau for Master Charge accounts, and a speaker's bureau.

"What I've become, I suppose," Vee opined, "is an ombudsman in many relations between customers and the bank. And, happily, I'm receiving more and more calls from women seeking business advice.

"I'm in total agreement with the findings of the National Commission on Consumer Credit, she offered. "Women have just not been judged on the same basis as men when it comes to credit. And what's more, banks that continue to hold to archiac conceptions about women as managers will continue to miss out on good business customers."

Banks should take the lead in urging state legislators to break down laws that discriminate against women in contractual obligations, she believes, and then take a look inward to assess whether they are discriminating against women employees—especially in the area of salaries.

In Vee Carlisle, professional women and homemakers have an experienced spokeswoman. Her memberships include the city's Chamber of Commerce, Common Cause, Salt Lake Business and Professional Womens Club, the League of Utah Consumers, the National and Utah (she's president) Orders of Women Legislators, Utah Historical Society, Utah Heritage Foundation, and the Salt Lake County Bicentennial Committee. In Vee Carlisle, the bank has an effective head of its consumer services department—an activity that is swelling its ranks of customers.

IMPROVING THE QUALITY OF CARE IN NURSING HOMES THROUGH THE USE OF NURSE PRACTITIONERS

Mr. CHURCH. Mr. President, 2 years ago I called the attention of the Senate to the work of Mrs. Kay Ortman and Mrs. Jane Curtis, nurse practitioners trained in a pilot program at Stanford University and serving the needs of patients in Cambridge and Council, Idaho, where physicians are in short supply. At the same time I learned from Dr. Alfred Popma of my State of the particular suitability of the nurse practitioner idea to improving the quality of care for patients in nursing homes.

Nursing homes, like small towns in rural areas generally, have trouble attracting physicians. There are many reasons for this. Physicians often feel that their time is better spent with the younger members of society in whom they can see rapid and positive improvement. Many say they get too depressed in nursing homes. Often nursing homes are located far from their office or hospital. To make matters worse there is the uncertainty of payment under medicare and medicaid, long haunted by excessive redtape and constantly changing rules of eligibility.

Given these facts and the general lack of emphasis on geriatrics in schools of medicine, it should be no surprise when the General Accounting Office reports so often that contrary to Federal regulations physicians have not visited nursing homes with the required regularity.

It should be no surprise that the absence of the physician places an intolerable burden on the nursing staff. The registered nurses who work in nursing homes today are required to spend more and more of their time with administration and supervisory activities leaving untrained nurses aides to provide the bulk of the medical and nursing care in today's 23,000 nursing homes.

To my mind these problems require immediate redress. For this reason I introduced S. 2052 last year which would provide funds for the training of nurse practitioners who could work with physicians making regularly scheduled visits to patients in nursing homes, performing physical examinations, ordering laboratory procedures and looking for impending problems.

Mr. President, an article in the April 21, 1974 edition of the Idaho Statesman emphasizes the positive experience at the Midland Manor Nursing Home in Nampa, Idaho, since they received the services of Dick Ernest, a nurse practitioner. This article adds additional support to my arguments as to the desirability of the use of nurse practitioners to improve the quality of care in nursing homes and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Idaho Statesman, Apr. 21, 1974]

NURSE PRACTITIONER GETS HEAD START ON PROBLEMS

NAMPA.—"Nellie" couldn't bend over in wheelchair to see if her ankles were excessively swollen. But they felt as though they were.

"I'll just pull my robe up high enough so he can see them when he comes today," she decided while guiding her chair down to the hall to answer the breakfast call.

"John was puzzled over his bluish finger nails. "Well, maybe there is nothing unusually wrong, but . . . I'll just mention them to him when he comes today."

Residents and patients at Midland Manor Nursing Home in Nampa look forward to the weekly calls by Dick Ernest, nurse practitioner, who conscientiously looks for "impending problems" by noting swollen ankles, runny noses, blue finger nails and neck vein distentions, among other symptoms.

"We try to keep abreast of such signs with weekly visits so we can get a head start on handling problems," Ernest said during a recent interview. "We may be able to avert hospitalization of the patient, save extensive medical bills and even save lives."

Now employed as nurse practitioner at Nampa Medical Center, 619 Canyon, Ernest has entered this field that was initiated in Idaho in 1970 after Mrs. Kay Ortman, Cambridge, and Mrs. Jane Curtis, Council, trained in the pilot program at Stanford University Medical Center, Palo Alto, Calif. Both women worked under the supervision of the late Dr. John A. Edwards, Council physician, to expedite medical service to a greater number of people in areas that attract few or no doctors.

From working as a hospital orderly Ernest yielded to the urge to go into the nursing profession. He completed his training for a bachelor of science degree in nursing in 1970 at Walla Walla College, College Place, Wash.

After working two years as an epidemiologist in the Southwestern District Health Department, Caldwell, Ernest said he "realized I did not have enough training. I wanted more independence, more involvement, more rsponsibility than was required for bedside nursing."

In the fall of 1972 he enrolled for the nine-month course for family health nurse practioners at Montana State University, Bozeman.

Training was mapped in four distinct, progressive phases. "The first step we reviewed anatomy, physiology, laboratory methods, nutrition, body development, history of illnesses and how to do physical examinations," Ernest recalled.

Applying the training in a clinic setting was the second step, wherein the trainees worked through the emergency rooms at two hospitals in Great Falls, an airforce base, and were under the supervision of two urologists, Dr. John Stone and Dr. Hugh Anderson.

Phase three aimed to place the trainee with a preceptor, "hopefully one's future employer." At this juncture Ernest served three months with Watkins and Bockenstette (Idaho Urology Clinic), Nampa, adhering to the concept that "one learns by doing."

"During the third month of this learning by doing, we applied the techniques and knowledge in an actual office setting under supervision of the two physicians," Ernest noted. "We also did lab work, the office X-rays, made house calls, and saw some nursing home patients."

Finally, the practioner must receive certification in one's area of practice. Ernest was certified in September of 1973 following his presentation of procedure policies, his training background, and his guidelines for practice. Reviewing the request were the Idaho State Board of Medicine and the State Board of Nursing.

NASA PROGRAM FOR WOMEN AND MINORITIES

Mr. MOSS. Mr. President, as we move forward in this great Nation of ours to provide increased economic opportunities for women and minorities, as chairman of the Aeronautical and Space Sciences Committee, I would like to mention the efforts of NASA in this area. NASA's prior record has not been exemplary.

NASA now has launched a fellowship program to facilitate the entrance of women and members of minority groups into engineering and space science careers. NASA is constantly trying to increase minority hiring in the field of aerospace both by providing jobs and training personnel. Through this new fellowship program consisting of a stipend of $2,500 for academic expenses and summer employment at NASA installations, participants will be qualified for opportunities otherwise unavailable.

Mr. President, so that all may be adequately informed about this program, I ask unanimous consent that the release titled "NASA Launches College Program for Minorities and Women" be printed in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

NASA LAUNCHES COLLEGE PROGRAM FOR MINORITIES AND WOMEN

NASA has launched the National Aerospace Fellowship Program, a pilot project, to encourage women and members of minority groups to seek careers in engineering and certain scientific fields.

NASA has completed agreements with seven colleges and universities to award 20 aerospace fellowships to students in their junior or senior year who are in the top third of their class and who have shown a potential for space related science or engineering and have expressed an interest in these fields of study.

Officials of the space agency emphasized that this is the initial year of the program, and if successful, they hope to see it expanded during the next academic year.

According to Dr. Dudley McConnell, NASA's Assistant Administrator for Equal Opportunity Programs, "We are trying a number of things to increase the flow of minorities and women into aerospace fields. This program is new and exciting and as we work out the kinks it may change during the year, but the goal of the program is clear. NASA will also continue to increase the number of minorities and women in cooperative work-study programs and NASA is providing a range of options to attract and encourage outstanding minorities and women into technical areas."

Students who achieve outstanding records in this program and who demonstrate potential and interest in aerospace technology fields will be offered positions with NASA at the time of their graduation if appropriate job vacancies exist.

Participating schools and the number of fellowships are: Howard University, Washington, D.C.; 4; Goucher College, Towson, Maryland, 2; Bennett College, Greensboro, North Carolina, 2; Morehouse College, Atlanta, Georgia, 2; Spelman College, Atlanta, Georgia, 2; New Mexico Highlands University, Las Vegas, New Mexico, 4; Southeastern State College, Durant, Oklahoma, 4.

Each student will receive $2,500 for the academic year to cover tuition, fees, books, supplies and other education related costs. In addition, recipients of the fellowship will be invited to work at NASA installations of their choice during the summer. They will be reimbursed at the prevailing rate for Federal summer intern participants, which is currently approximately $600 per month.

The students will report to selected NASA installations when the summer recess period begins at their respective schools. Four NASA centers have been selected by the students to provide them with summer experiences. Nine students elected to work at Goddard Space Flight Center, Greenbelt, Maryland, this summer. Five will work at the Ames Research Center at Mountain View, Califorvia, four have chosen the Lyndon B. Johnson Space Center in Houston, and two will spend their summer at the Langley Research at Hampton, Virginia.

AWARD TO MONTGOMERY COUNTY MD., POLICE DEPARTMENT

Mr. MATHIAS. Mr. President, the police department of Montgomery County, Md., just outside Washington, has been selected to receive a most distinguished honor—the J. Edgar Hoover Memorial Award. Those of us who live in Montgovery County—and indeed, all Marylanders and all who live and work in the Washington area—can attest to the excellent qualifications and performance of the members of the Montgomery County Police Department.

Mr. Leo Paulin, in "The Paulin Letter" of May 15, 1974, has reported on the selection of the department for the Hoover Award. I ask unanimous consent that Mr. Paulin's report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

WELL DESERVED

The Montgomery County Police Department is the recipient of another most distinguished honor. It has been selected to receive the J. Edgar Hoover Memorial Award.

Nominations for the award, which are made from a twenty-five state area East of the Mississippi, were reviewed by a panel of judges comprised of three members who have had extensive experience in law enforcement on a national, state and local scale. Recipients of the award were selected by the judges based on questionnaires completed by local law enforcement agencies. Primary emphasis in the selection process was given to achievements by local law enforcement agencies during the past calendar year.

In making its selection the panel of judges consisting of Mr. C. D. DeLoach, former Deputy Director of the FBI; Mr. George A. Murphy, past president of the International Association of Chiefs of Police and presently executive secretary of the New York State Association of Chiefs of Police; and Mr. Ferris E. Lucas, executive director, National Sheriffs' Association, cited the Montgomery County Department of Police for ". . . its emphasis on in-service, college and professional training programs; an extensive community affairs program; and creation of several new programs and projects to provide more effective protection for the public including a Tactical Section, School Safety program and the reorganization of the Detective Section."

Montgomery County was one of eighty law enforcement agencies selected from the more than three thousand entries.

Congratulations are in order to Police Superintendent Col. K. W. Watkins and his staff. The Montgomery County Police Department is among the most efficient and scandal-free of any such group in the country.

PAPER TITAN: THE PEACEFUL USE OF SPACE

Mr. MOSS. Mr. President, Mr. Jon C. Coopersmith has been a student at the Capitol Page School during this past year while he was employed by the U.S. Senate. Mr. Coopersmith, like the other pages, has carried on his academic work at the same time he has performed his duties as assigned by the Sergeant at Arms. The thing that I wanted to draw attention to is that Mr. Coopersmith has not only made an excellent scholastic record, but that he has distinguished himself by being chosen to deliver a paper at the 1974 Middle Atlantic Regional Student Conference of the American Institute of Aeronautics and Astronautics.

The program was held at Catholic University in Washington, D.C., on April 19 and 20 of this year. The participating schools were Catholic University of America, Drexel University, Pennsylvania State University, U.S. Naval Academy, University of Delaware, University of Maryland, University of Virginia, and West Virginia University. Many excellent papers were delivered by students from these fine institutions. It seems rather a strange contrast to note that one of the papers came from the Capitol Page School. I think this indicates the excellence of the work done by Mr. Coopersmith. Mr. President, I ask unanimous consent that the paper by Jon Coopersmith entitled "Paper Titan: The Peaceful Use of Space" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PAPER TITAN: THE PEACEFUL USE OF SPACE

(By Jon Coopersmith)

For the last several years, Americans—and especially Washingtonians—have been living with the comforting knowledge that death is just around the continent, a scant thirty minutes away. For those who disliked the concept of a surprise attack and its resultant one nation atomic funeral pyre, there was always the strategic doctrine known as Mutual Assured Destruction or MAD. Basically stated, it says that if they nuke us, we'll nuke them one better. While some have proclaimed this as a prime example of the oneness of mankind (that is, we all die equally), others have called MAD what it is—mad as far as the survival of civilization is concerned.

MAD is now being replaced by the doctrine of selective retaliation which, instead of achieving Armageddon in one big bang, achieves it in several stages. Both of these doctrines would have been impossible without the ICBM and the miniaturized nuclear weapon. Both were developed by scientists and engineers who thought development of these "ultimate weapons" would bring about peace. But politico-military factors intervened as extensive secrecy and missile gaps developed. Today, space programs are still nationalistic and fairly secret—the outgrowth of history. Only now is this changing.

Today, the United States has 1,054 ICBMs, 656 SLBMs, 321 long range bombers, and several thousand other nuclear weapon systems scattered throughout the world. The Soviet Union has 1,550 ICBMs, 580 SLBMs, 140 long range bombers, and a varied assortment of short and medium range missiles. In addition, China, Britain, and France have strategic nuclear forces.

The missile race is another arms race like the dreadnought buildup of the early 20th Century. Today, however, the stakes are higher—the very survival of man. Consequently, disarmament and atomic power control plans and talks have been with us since the late 1940s. To date, there are nuclear weapon-free zones in South America and Antarctica, a limited nuclear test ban treaty, Pugwash, and SALT I.

Now, a qualitative arms race involving MIRVs (Multiple Independent Reentry Vehicles), MaRVs (Maneuverable Reentry Vehicles) and larger ICBMs threaten the negotiations of SALT II. Another costly arms race seems inevitable unless "a conceptual breakthrough" is achieved.

Paper Titan is that breakthrough. Our ICBM force contains 1000 Minutemen and 54 Titan IIs, the same rocket used as the booster for Project Gemini. If it is fully adopted by our country, we would give the United Nations these Titan IIs and a Skylab space station for their peaceful use and benefit by all mankind. The implications of this project are world-wide in scope, affecting everything from disarmament talks to the current drought-induced famine in Africa. Its technical, scientific, economic, and politico-military impacts are considerable.

TECHNICAL

The technical aspects of Paper Titan present several problems, none unresolvable. There are three hardware elements, Titan, Gemini, and Skylab, and the astronauts to be considered.

A typical mission would be as follows:

The two man Gemini would be launched by the Titan II to rendezvous and dock with the Skylab. Following its successful docking, the one man cargo Gemini would be launched. After its rendezvous and dock, its cargo would be transferred to the Skylab and the mission would then last 180 days or more. At the end of the mission, the cargo Gemini would be loaded, cast off from the Skylab, de-orbit, and land, followed shortly by the two man ship. While these two spacecraft are being overhauled for another trip, the second pair of Geminis would be launched.

The Titan IIs would have to be manrated by adding safety systems necessary for manned space flight and interface for the Gemini. They would have to be transported from their silos out to the Kennedy Space Center.

The Titan II payload would be one of two modified Gemini B space capsule variations. The first type would be a two man spacecraft and the second a one man spacecraft with a larger cargo capacity return. Four spacecraft—two of each type—would be the minimum needed for Paper Titan.

The Gemini itself would be a modified version of the Gemini B. In a study done for NASA[1] McDonnell Douglas proposed two possibilities for such a modified Gemini. One would use the 1960s technology of the Gemini B with minimum modifications. This Mini-Mod configuration would be low in cost development and not exceedingly complex.

Its second proposal was for a spacecraft using the latest advanced subsystems (ASM). Development would be longer and costlier and the complexity of operation increased.

For Paper Titan, either version could be used, but a third version would be more desirable. It would be a simplified automated Gemini (SAG) that would have most of its operations handled either automatically or by ground control. This would decrease its onboard operational complexity, increase development costs, but cut down on the time and training needed to pilot it. This is important because it would allow for one man to pilot the SAG and for the qualifications to be less demanding, therefore giving more people a chance to fly to the Skylab.

Whatever version is picked, it will be designed for a dry landing, probably by a parawing and skids. This would save many millions of dollars in recovery fleet costs. Since there will be no contact with corrosive salt water, the Geminis will be easier to refurnish for another flight.

The third hardware element is Skylab II. Built as a backup for the first Skylab, it would be launched by a surplus Saturn V.

Drawing on the experience of the three manned Skylab missions, modifications can be made and experiments upgraded and changed. The major problem will be in docking the two Gemini to the space station. As the Gemini B is unable to dock with the Skylab Mutliple Docking Adaptor (MDA), a new system must be devised. Two options immediately present themselves.

One would be to include a tunnel through the rear of the Gemini crew module extending back to the cargo module where a docking port would be installed. The entire Gemini would be pressurized and not just the crew module.

Its advantages are:

(1) a shirtsleeve environment is maintained, facilitating transfer of equipment into and from the Skylab.

(2) the Skylab would not have to undergo major changes as they would be built into the Gemini.

(3) more pressurized cargo space is available.

Its disadvantages are:

(1) the integrity of the heat shield would be violated.

(2) docking would have to be done remotely.

(3) in addition, the crew module might have to be extended in order for the astronauts to have room to enter the tunnel.

The other option would not be a hard dock situation. Instead, the Gemini would maneuver to within a few meters of the MDA where an astronaut would EVA (extravehicular activity) to the Skylab and connect the flexible power cable and safety lines between the two spacecrafts. The astronauts would then enter through an MDA airlock.

Its advantages are:

(1) the Gemini heatshield integrity would remain intact.

(2) the entire Gemini would not have to be pressurized.

(3) the astronauts would gain valuable EVA experience.

Its disadvantages are:

(1) the docking ports of the MDA would have to be redesigned and flexible power lines provided for the Gemini spacecraft.

(2) the loosely connected Gemini may interfere with Skylab maneuvering.

(3) equipment and transfer to the Skylab would be complicated by the short voyage through space.

The first option would be more desirable.

One of the problems that may occur would be the lack of room aboard the Geminis for equipment and data returning to earth.

A simple solution would consist of putting the cargo in a frame with a parachute attached, surround it in an ablative foam cocoon, and deorbit by retrorocket. After atmospheric reentry, the remaining foam would be shed and the parachute opened. Recovery, depending on the carrier size, would be by airplane or dry land. This automatic payload recovery technique will afford the chance for rapid recovery of film and other data.

In case of an emergency requiring the evacuation of the Skylab astronauts and, for one reason or another, the Geminis are inoperative, the Apollo-Saturn IB rescue ferry that was kept ready in the vent of a similar emergency on the first Skylab series could be used.

The astronauts would be from two groups: astronauts-scientists and scientist-astronauts. In order to put as many of the latter category in the Skylab, the Gemini controls should be as simple as possible. It should be possible for two scientist-astronauts to pilot the two man Gemini, but an astronaut-scientist would have to pilot the one man spaceship. In order to make full use of available facilities, their training would take place in the U.S.

In short, there are no major technical problems that would bar Paper Titan.

SCIENTIFIC

The scientific gain from Paper Titan should be more bountiful than the first Skylab series. Improvements in existing experiments and the addition of new experiments from scientists throughout the world will add to our wealth of knowledge. The longer duration stays will also mean more data.

ECONOMIC

The economic effects are short-range and long-range in nature. In the short-range, the economic effects will largely benefit the United States because most of the work will be done in this country.

Long-range effects are worldwide but will depend on how the information that will be acquired is used. As the current American energy shortage, the 17 nation African famine, and the sixth special session of the UN will testify, the world faces immediate and long-lasting shortages of food, raw minerals, and energy. These finite resources must be used rationally on a worldwide basis in order to conserve them for future generations..

The earth resources package could be used to prepare a world resources map, including current fishing and farming areas. An early warning system for crop failures could be an outgrowth of this. With information on the entire world's food production, the impact of shortages could be lessened. In addition, both farming and fishing methods could be improved by the information interchange and real time data from the project.

POLITICO-MILITARY

The politico-military effects can be divided into two areas, inside and outside the UN.

Outside the UN, Soviet-American relations will be the primary beneficiary. SALT II would be given an impetus forward. Because the U.S. voluntarily renounced five percent of its ICBM force, the USSR hopefully will be forced by world opinion to do the same. From this token piece of disarmament, it is a large, but feasible, step to the partial quantitative disarmament advocated by Senator Henry Jackson (D. Wash.)[2] and Herbert York.[3] Then, the volatile topic of qualitative disarmament could be entered into with more confidence as the overkill factor of both nations is reduced.

Inside the UN, the effects would be most dramatic. The creation of a truly international space effort would revitalize public interest in both the UN and space exploration. The costs of Paper Titan will be in the regular budget which will let every nation contribute to it.

The project will also renew interest in the UN armed forces, provided for in its charter. The use of impartial real time observation of military movements throughout the world would be invaluable in keeping an uneasy world peaceful.

CONCLUSION

Paper Titan is a technically feasible political conception designed to slow down and, if possible, stop and reverse the nuclear arms race, increase interest in space exploration, and revitalize the United Nations. Its economic, military, and scientific fallout are considerable and would benefit the entire world. It has been said that science has no boundaries, that it and its resultant technologies are the common property of mankind. Are we willing to prove it?

FOOTNOTES

[1] Report H321, 21 August 1969, Big G Final Report, Logistic Spacecraft System Evolving from Gemini, Subsystems Analysis, Contract No. NAS 9-8851.

[2] Jackson, Henry M., "Salt: An Analysis and a Proposal", *Congressional Record*, December 4, 1973, vol. 119, pt. XXX, pp. 39426-39428.

[3] York, Herbert, "Mutual Assured Destruction (MAD): A Dialogue About Death", *Center Report*, October, 1973, Volume VI, No. 4, pp. 3-6.

DEPARTMENT OF DEFENSE ANNUAL REPORT ON INDEPENDENT RESEARCH AND DEVELOPMENT

Mr. McINTYRE. Mr. President, section 203, paragraph (c) of Public Law 91-441 requires the Department of Defense to submit an annual report to the Congress on independent research and development—I.R. & D.—and bid and proposal—B. & P.—costs. This report has been received and I ask unanimous consent to have the following documents printed in the Record at the conclusion of my remarks:

First. The language of section 203, Public Law 91-441.

Second. Copy of letter of transmittal dated March 14, 1974, from the Assistant Secretary of Defense for Installations and Logistics, and the report for calendar year 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McINTYRE. Mr. President, this is the fourth year of reporting and it covers the third full year of implementation since section 203 was enacted.

The Armed Services Committee Report No. 93-385, pages 102 to 104, dated September 6, 1973, accompanying the military procurement authorization bill for fiscal year 1974, contained specific comments on the I.R. & D. and B. & P. program. The conclusions contained in the committee report reads as follows:

> The committee concludes that substantial and satisfactory progress has been made during the past year in further implementing the provisions of Section 203. While there is general satisfaction to date in the Department of Defense and in industry, additional time is needed to complete the implementing actions and acquire more experience as a basis for any changes which may be indicated as necessary to existing law. The General Accounting Office is in agreement with the need for additional time, and has expressed its intention to continue with the examination of this subject."
>
> The committee intends to follow these actions closely and consider the requirement for any possible further legislative actions in conjunction with the review of the fiscal year 1975 authorization request."

On September 17, 1973, the General Accounting Office wrote to the Secretary of Defense and stated the issues relating to I.R. & D. and B. & P. costs which had been reported to the Armed Services Committee in April 1973, as reflected in the Committee Report No. 93-385. This letter also requested comments by the Department of Defense. The letter was answered by DOD letter dated December 20, 1973, and a copy of that letter was sent to the Armed Services Committee by separate letter of the same date.

I ask unanimous consent to have copies of these letters printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. McINTYRE. Mr. President, during the debate on the fiscal year 1974 military procurement authorization bill, my distinguished colleague, the senior Senator from Wisconsin introduced an amendment which, if adopted, would have reduced the amount of funds authorized for the expenses of I.R. & D., B. & P. and other technical expenses, OTE, by 50 percent. This was debated and the amendment was withdrawn with the understanding that I would join with my good friend from Wisconsin in requesting the General Accounting Office to conduct an intensive study of this matter. These discussions appear on pages 31180 through 31183 of the CONGRESSIONAL RECORD for September 24, 1973.

Pursuant to that agreement, by letter dated October 8, 1973, signed jointly by my distinguished colleague in his capacity as chairman, Subcommittee on Priorities and Economy in Government, and by myself as chairman, Research and Development Subcommittee, the Comptroller General was requested to conduct a comprehensive review of this subject, including providing answers to 22 specific questions. The letter also requested a report by April 1, 1974 which would include comments and recommendations including alternatives, for appropriate changes to section 203, Public Law 91–441, and consider the viewpoint of industry and the Department of Defense, and the recommendations contained in the report of the Commission on Government Procurement.

The Comptroller General responded by letter dated October 25, 1973, welcoming the request contained in the letter of October 8, 1973, but stating that extensive field work would be required which would permit only an interim report to be made by April 1, 1974.

On January 8, 1974, the Comptroller General advised by letter of the progress made and stated his specific plans for proceeding with the investigation.

On January 24, 1974, a letter was sent to the Comptroller General signed both by the Senator from Wisconsin and myself which took exception to his plan and strongly urged that as much as possible of the requested study be completed by April 1, 1974.

On February 20, 1974, the Comptroller General responded by letter that the GAO approach had not been reduced, and that some information requested would be reported in time for the fiscal year 1975 authorization and appropriation cycle, while the remainder would come later.

GAO report B–164912 dated May 1, 1974 covered the results of the continued examination of contractors' I.R. & D., updated the implementation of section 203, Public Law 91–441, and addressed extending its provisions on a Government-wide basis.

I ask unanimous consent to have copies of the letters of October 8 and 25, 1973, January 8, 24, February 20, 1974, and the GAO report dated May 1, 1974 be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. McINTYRE. Mr. President, the actions represented by these exchanges of correspondence and the GAO report provide a complete chronology of what has transpired thus far in the pursuit of a practicable and equitable formula for this program.

Mr. President, at this time I would like to summarize and address the significance of the financial data reported by the Department of Defense for 1973. For this purpose, I will use the term I.R. & D. to include the combination of I.R. & D., B. & P., and OTE. Payments to contractors for I.R. & D., as reported a year ago, totaled $738 million for calendar year 1972, and the Department of Defense estimated at that time that the amount for 1973 would approximate that for 1972.

The revised amount for 1972 is $735 million, which is essentially the same as the $738 million estimated last year. In gross terms, the estimate for 1973, covering the same 83 contracts as in 1972, amounts to $819. The amounts for 1972 and 1973 also include $37 million and $32 million respectively for OTE. This is an apparent increase of $84 million over 1972, but is not a real increase insofar as payments by the Government are concerned. As I will now explain, actual payments to contractors from Defense appropriations, on a comparative basis, amount to $721.2 million for 1972 and $728 million for 1973. This small increase of $6.8 million over 1972 amounts to less than 1 percent, and is far below the rate of inflation experienced during the year. Therefore, in real dollar value, the amount estimated for 1973 is lower than that reported for 1972.

Now to explain the adjustments required to make the amounts comparable for the 2 years, the $735 million reported for 1972 includes $13.8 million paid by foreign governments incidental to their purchases of military equipment from the United States. The $819 million for 1973 includes $36 million for this, which is $22.2 million more than for 1972. The 1972 total includes less payments than in 1973 for burdening, which is a term describing contractor engineering overhead costs which are included in the cost of items procured by the Government. This comes about as a result of the phasing-in of a revision to the armed services procurement regulations during 1973.

This change required I.R. & D. to be burdened with overhead costs to more precisely reflect I.R. & D. costs, and in 1973, for the first time, it caused $55 million more of burden to be included in I.R. & D. costs than in 1972. It should be understood that neither defense contract costs nor I.R. & D. costs increased. In previous years these overhead costs would have been included in other overhead allocated to Government contracts, usually as part of engineering burden, and would have been paid by the Government in that manner. This accounts for $55 million of the apparent increase in 1973. Combining these two increases accounts for $77.2 million of the $84 million increase, the remaining $6.8 million being the actual net increase in payments by the Government.

This is rather complicated and technical, Mr. President, but it is an area of widespread interest in the Congress as well as in industry, so it is necessary to spell out all the details.

In conclusion, Mr. President, while the total amount of funds spent by the Department of Defense for I.R. & D. during 1973 is about the same as for 1972 on the same basis, and the Department has estimated about the same amount for 1974, it still is a very large amount of money. The General Accounting Office, in their report of May 1, 1974, stated that they plan to submit the findings and recommendations which we have requested in time for congressional consideration of the fiscal year 1976 authorization bill. That information is essential as a basis for congressional determinations regarding any legislative action which may be required on the subject of I.R. & D.

I will follow this matter closely, with my good friend from Wisconsin, and will report findings and make recommendations for legislative change as appropriate in conjunction with the fiscal year 1976 military procurement authorization bill.

EXHIBIT 1

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., March 14, 1974.

Hon. GERALD R. FORD,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The Secretary of Defense has requested that I prepare and submit to you the report of Independent Research and Development and Bid and Proposal costs required under Section 203, Paragraph (c) of the 1971 Department of Defense Appropriation Authorization Act (PL 91–441). This Section requires the submittal of an annual report to the Congress on or before March 15th each year setting forth—

"(1) those companies with which negotiations were held pursuant to subsection (a) (1) of this Section prior to or during the preceding fiscal year of the Federal Government, together with the results of those negotiations;

"(2) the latest available Defense Contract Audit Agency statistics, estimated to the extent necessary, on the Independent Research and Development or Bid and Proposal payments made to major Defense contractors, whether or not covered by subsection (a) (1) of this Section during the preceding calendar year; and

"(3) the manner of his compliance with the provisions of this Section, and any major policy changes proposed to be made by the Department of Defense in the administration of its contractors' Independent Research and Development and Bid and Proposal programs."

The report is in three parts corresponding to the three items quoted above. Parts I and II were compiled from detailed data pertaining to individual companies. This detailed company information is very sensitive and is not included in the report; however, it will be made available for review.

Sincerely,

ARTHUR I. MENDOLIA,
Assistant Secretary of Defense, Installations and Logistics.

REPORT TO THE CONGRESS ON INDEPENDENT RESEARCH AND DEVELOPMENT COSTS AND BID AND PROPOSALS COSTS

PART I

Companies with which negotiations were held pursuant to Section 203 prior to or during the preceding fiscal year of the Federal Government and the results of those negotiations.

In accordance with the above requirement the attached Schedule A provides data pertaining to the negotiations conducted in the Government's fiscal year 1973.

SCHEDULE A.—I.R. & D./B. & P. REPORT, PT. 1—NEGOTIATIONS COMPLETED IN FISCAL YEAR 1973 AND RESULTS OF THOSE NEGOTIATIONS

[Dollars in thousands, add 000]

Contractors' fiscal year	Number of companies	Total program dollars proposed by contractors			Total advance agreement ceiling dollars, negotiated by DOD			Estimated DOD share of ceiling dollars, negotiated		
		I.R. & D.	B. & P.	Total	I.R. & D.	B. & P.	Total	I.R. & D.	B. & P.	Total
1972	21	$311,981	$151,932	$463,913	$221,807	$124,756	$335,763	$72,625	$86,039	$158,664
1973	34	547,235	258,692	805,927	395,332	219,526	614,858	249,355	165,673	415,028
1974	4	68,158	27,933	96,091	58,044	24,493	82,537	46,996	21,394	68,390

PART II

Latest available Defense Contract Audit Agency statistics, estimated to the extent necessary, on the Independent Research and Development (IR&D) or Bid and Proposal (B&P) payments made to major defense contractors, whether or not covered by Subsection (a) (1) of this Section [203, PL 91–441] during the preceding calendar year.

The statistics required are provided in the attached DCAA report. The report shows total IR&D and total B&P costs incurred by the contractors reviewed, the amount accepted or recognized by the Department of Defense and the DOD share. In addition, total sales of the contractors are shown along with the portion representing DOD sales.

The amount listed on Page 1 under the column heading "Amount Accepted by Govt." represents the sum of the ceilings negotiated with individual contractors as well as the sum of amounts recognized for other contractors who had no advance agreements. These accepted amounts are not the costs reimbursed by the DOD but are the amounts that the DOD recognizes for allocation to all the contractors' business. The DOD portion is shown under the column headed "DOD share."

On pages 2 and 3 of the report the totals shown on page 1 are broken down to show, respectively, the portions applicable to contractors for which advance agreements were not required.

A complete explanation of the information contained in the report is provided in the foreword which precedes Page 1. You will note that the criteria for selecting major defense contractors is identical to that in last year's report, but the number of contractors meeting the criteria has increased slightly from last year (83 versus 77).

We would like to call attention to the foreword appearing in the DCAA report which explains the basis for the costs data reported. The discussions of the increase caused by burdening ($55 million in 1973) and the amount allocable to foreign military sales ($36 million in 1973 versus $13.8 million in 1972) are particularly significant when comparing 1972 and 1973 costs to the DOD. To make these figures comparable it is necessary to reduce the 1973 costs to eliminate both the $55 million increase in burden and the increased amounts charged to foreign military sales in 1973 over that charged in 1972. When these adjustments are made the 1972 and 1973 costs to the DOD compare as follows:

PART II

	1972 DOD share (in millions)	1973 DOD share (in millions)
I.R. & D.	$392	$412
B. & P.	306	298
Total	698	710

This increase of $12 million is proportional to the increase in DoD sales for 1973. Thus the ratio of IR&D/B&P costs to DoD sales is virtually the same in 1973 as it was in 1972.

It will be noted that data for both 1972 and 1973 are furnished. It has been the practice to update data previously furnished because latest year figures include significant amounts of estimated information. The 1972 figures presented here have had most of the estimated data replaced with actual data. The report furnished next year will similarly update the 1973 data furnished herewith.

PART III

The manner of his compliance with the provisions of this section, and any major policy changes proposed to be made by the Department of Defense in the administration of its contractors' Independent Research and Development and Bid and Proposal Programs.

Since the last report was submitted to the Congress in March 1973, we have published two documents providing guidance to our field personnel. The first of these, Attachment 1, is a memorandum dated 19 March 1973 and provides guidelines for determining potential military relevancy of IR&D projects. The second document, Attachment 2, is a memorandum dated 18 April 1973 that provides guidance on a number of different subjects related to the negotiation of advance agreements for IR&D and B&P.

At this time we do not contemplate making any major changes in the policies we are now following with respect to IR&D and B&P costs.

MEMORANDUM FOR IR & D TECHNICAL EVALUATION GROUP

OFFICE OF THE DIRECTOR OF DEFENSE,
RESEARCH AND ENGINEERING,
Washington, D.C., March 13, 1973.

Subject: Equitable Treatment of Contractors Relative to Potential Military Relationship (PMR) Determination

It has been recognized for some time that the meaning and intent of the law with regard to potential military relevancy is not as clear as we would like it to be. However, we must adopt and apply a consistent policy so that all contractors will be treated equitably in the PMR determination.

The point has been raised, and confirmed by the GAO in a report about to be released (GAO Report No. B-167034) that a further step needs to be taken to provide contractors with equal and consistent treatment under the law. To take such a step, I am requesting that each Military Department apply the guidelines set forth in Enclosure 1.

Application of this approach—originally tested by the Air Force—should bring about a more consistent determination of the PMR for the varied technologies represented in IR & D projects. Those projects not adaptable to screening in accordance with the guidelines will have to be dealt with on a case-by-case basis.

ELLIOTT B. HARWOOD,
Chairman.

GUIDELINES FOR DETERMINATION OF THE POTENTIAL RELATIONSHIP OF IR & D PROJECTS TO MILITARY FUNCTIONS OR OPERATIONS

I. THE REQUIREMENT

Section 203 of the DOD Military Procurement Authorization Act of 1971 (PL 91–441) requires that IR & D payments by the DOD be made only for work which has a "potential relationship to a military function or operation". Obviously if "potential relationship" is taken in its broadest sense, almost any R & D effort could qualify, since military functions and operations involve (at least incidentally) almost every aspect of human life. It seems clear that Congress intended to eliminate DOD payment for those IR & D efforts whose relationship to military functions or operations is remote or incidental.

These guidelines define the degree to which a "potential relationship" must exist to be considered within the intent of the law.

II. CRITERIA

The criteria to be used for determining whether a project has a sufficient potential relationship are shown in this chart:

(a) Is the DOD precluded, by law or otherwise, from funding such R. & D.?	(b) What is the nature of the military requirement for the end product?	(c) What will be the application of the end product?	(d) Is another government agency responsible for this field of R. & D.?	Conclusion: Is the I.R. & D. project potentially relevant?
Yes.				No.
No.	Urgent.			Yes.
	None. (Not used by military.)			No.
	Routine.	Primarily military.		Yes.
		Primarily nonmilitary, but with substantial military application.	Yes.	No.
			No.	Yes.
		Only incidental military application.		No.

The following is a discussion of the four basic considerations in determining the potential relationship:

a. If the DOD is precluded by law, policy, or otherwise from directly funding research and development in a given area, then IR&D in that area will not be considered relevant to the DOD; i.e., chemical or biological weapons research could be stopped by law.

b. The nature of the military requirement for the end product of the R&D effort, and of the requirement for R&D in that field must be considered. The "end product" is that class of products that would directly result from this R&D effort is carried forward to a conclusion. Thus, for research (such as aerodynamics), a wide class of end products should be considered (all aircraft); whereas for a development project (for a specific wing, for instance), only the specific item to be developed can be considered. If there is an urgent requirement for the end product, the IR&D project must be considered relevant automatically. If there is no military requirement for the end product, the IR&D project must be considered not relevant automatically. If there is a requirement for the end product, but it is not an urgent one (i.e., routine), further analysis of the project will be necessary, including review by the other Military Departments.

c. The degree of the applicability of the product to the DOD must be considered. If it is principally military, the project is definitely relevant. If the product has no urgent requirement and the application is primarily non-military, the effort must be considered not relevant; for example, consumer items such as typewriters, beds and sheets, and general research such as cancer research, should not be considered relevant. Finally, if the product has balance between non-military and military application, one more factor must be considered.

d. Does another government agency have responsibility for such R&D? If another agency is responsible for research and development in the project area, the project must be considered not relevant.

III. PROCEDURE

Prior to the beginning of its company fiscal year, each contractor shall furnish to the IR&D Technical Evaluation Group member (from the Military Department which conducts his technical evaluation), a brief description of each IR&D project planned for that year. The Military Department responsible for that company's IR&D technical evaluation will review its programs, and identify those projects which do not appear to have potential relationships to military functions or operations, using the criteria described above. Each of the other two Military Departments will then review those identified projects to determine whether they have a potential relationship to any of their military functions or operations. A project deemed relevant by any one of the Military Departments will be considered relevant by the DOD. A list of projects not considered to be potentially relevant by any of the Military Departments will be provided to the negotiator. The negotiator/auditor will then ensure that reimbursement will not be made for these projects.

If the information provided by the contractor is insufficient to determine the relevance of a project, or if a reasonable doubt exists as to the relevancy of the project, or if the project represents an inseparable mix of tasks that are both relevant and not relevant, the project will be categorized as not relevant. The contractor should then be given an opportunity to provide additional information and to separate the relevant tasks from those that are not relevant in order to achieve a more accurate PMR determination.

1 March 1973

DIRECTOR OF DEFENSE RESEARCH
AND ENGINEERING,
Washington, D.C., April 18, 1973.

Memorandum for the Assistant Secretaries of the Military Departments (Installations & Logistics); Assistant Secretaries of the Military Departments (Research and Development); Director, DSA

Subject: Guidance for Technical Evaluation and Negotiation of Independent Research and Development (IR&D)/Bid and Proposal (B&P) Advance Agreements

The following guidance is to be used in the negotiation of IR&D/B&P advance agreements.

1. All elements involved in the evaluation and negotiation process shall continually search for and give increased emphasis and consideration to the IR&D programs of those companies with projects whose objectives and execution overtly (a) seek out techniques that lead to reduction in the acquisition and support costs of defense systems and equipment, and (b) explore and provide solutions aimed at solving critical deficiencies existing in our military capability.

2. It is essential that uniform values be used in negotiating advance agreements to ensure that all contractors are treated equitably regardless of which Military Department, including DSA, is responsible for conducting the negotiation. The four Departmental Central Offices (see DPC No. 83) shall meet together from time to time to (a) exchange views and information necessary to achieve equitable treatment of contractors, and (b) identify major issues to be submitted to the IR&D Technical Evaluation Group or the IR&D Policy Council for resolution. In addition, each Departmental Central Office shall to the extent practicable assign representatives to attend and participate in prenegotiation and negotiation meetings conducted by the other offices.

3. The results of the technical quality evaluation of a contractor's IR&D program shall have a meaningful and traceable effect on the negotiated ceiling. The effect shall be demonstrable.

4. Three-year advance agreements, with provision for adjustment when appropriate to the second and third year, shall be used to the extent practicable.

5. In negotiating IR&D and B&P ceilings, inflationary and deflationary economic factors shall be given the same consideration as is given to any other cost in a contract price negotiation.

6. A technical representative with the evaluation of the company concerned shall participate to the extent practicable in the prenegotiation meetings during which negotiation objectives are established by the negotiating team.

7. Departmental Central Office negotiators shall have primary responsibility for reviewing each contractor's B&P projects and making the final determination of their potential relationship to military functions or operations. Those proposals solicited by DOD activities and those unsolicited proposals that resulted in DOD contracts shall be considered "potentially related." The relevancy of all other B&P projects shall be determined on a case-by-case basis.

Since IR&D and B&P ceilings are interchangeable, potential relationship determination for each non-DOD B&P project shall be made on the same basis as for the IR&D determination. Therefore, the determination for the B&P effort shall be premised on the relationship of the technical effort to a military function or operation rather than to which customer the proposal is submitted. Negotiators shall obtain the comments and recommendations of cognizant ACOs and auditors, and, when appropriate, may refer a specific proposal project to the responsible IR&D Technical Evaluation Group representative for a recommendation.

Generally, determinations of relevancy cannot be made until the end of the fiscal year. However, to the extent that contractors can identify B&P projects at the time advance agreement negotiations take place, such determinations shall be made at that time. In any event, determinations shall be completed as soon after the end of each contractor's fiscal year as possible.

8. The costs of IR&D or B&P projects determined not to be potentially related may be included in the ceilings negotiated provided this procedure does not result in the allocation of costs to DOD contracts that exceed the total of all the related costs. See ASPR 15–205.3(d)(2)(A)(v) and 15–205.35 (a)(1)(E).

It is expected that each Military Department and DSA will be prepared to report to the IR&D Policy Council in October 1973 on (1) its experience in negotiating IR&D/B&P advance agreements in accordance with this guidance, (2) the problems that have been encountered and (3) the nature of additional guidance that might be beneficial.

JOHN S. FOSTER, Jr.,
Director of Defense Research and Engineering.
HUGH MCCULLOUGH,
Acting Assistant Secretary of Defense.
(Installations and Logistics)

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS INCURRED BY MAJOR DEFENSE CONTRACTORS IN THE YEARS 1972 AND 1973

FOREWORD

This summary report presents the latest available Defense Contract Audit Agency (DCAA) statistics, estimated to the extent necessary, on the independent research and development (IR&D) and bid and proposal (B&P) payments made to major defense contractors. The statistical data are submitted for inclusion in the annual report to be submitted by the Secretary of Defense to the Congress on or before 15 March 1974, in accordance with paragraph (c), Section 203, Public Law 91–441. The data set forth in this statistical summary report are similar in nature to the information previously furnished to the Office of the Assistant Secretary of Defense (Installations and Logistics) (OASD (I&L)), for contractor fiscal years 1971 and 1972.

The summary on page 1 is an overall presentation of IR&D and B&P costs incurred by 83 major defense contractors during their fiscal years 1972 and 1973, amounts accepted by the Government, and the Department of Defense (DOD) share of amounts so accepted. The column "Amount Accepted by the Government" contains amounts considered allowable and allocable to all contractor work performed—Government and commercial. The DOD share of the costs accepted each year is the contractor's actual allocation of such costs to DOD work. In addition, this summary shows related sales achieved by the 83 contractors, comprising 182 reporting divisions and/or operating groups.

The defense contractors represented in this summary are those who had an annual auditable volume of costs incurred of $15 million or more as of 31 December 1973, and other contractors who, although not meeting this auditable volume criterion, required 4,000 or more man-hours of DCAA's direct audit effort per year. Contractors specifically excluded from this summary are construction companies; educational institutions; foreign contractors and overseas operations of U.S. contractors; insurance companies; marine transport contractors; and military medicare contractors. These contracting activities incurred nominal or no IR&D and B&P costs. Effective this year, Government-owned-contractor-operated (GOCO) plants and major laboratories meeting the above-mentioned reporting requirements have been added to this report. The data for these contractors, however, had very little impact on the overall totals except for one nonprofit center (major laboratory). Details in support of the summary are contained in a separate statistical report, designated "For Official Use Only," copies of which are available through OASD(I&L) or DCAA.

DCAA obtained the IR&D and B&P cost and sales data from contractors' records, but such data do not necessarily represent audited amounts. Included in the costs shown are amounts accepted by the Government in overhead negotiations and through advance agreements. Where actual cost and sales data were not available, as in the case of calendar year contractors who had not completed the closing of their books for 1973, DCAA auditors obtained reasonable estimates. It should be noted that the contractor sales shown do not necessarily equal total contractor sales, but rather the sales of the individual contractor divisions and/or operating groups that are listed in DCAA's detailed supporting report.

Defense Procurement Circular 90, dated 1 September 1971, revised the cost principles applicable to IR&D and B&P (Armed Services Procurement Regulation, Section XV, Part 2, Paragraphs 15–205.3 and 15–205.35). The principles, subsequently incorporated by ASPR Revision 11, dated 28 April 1972, required that IR&D and B&P costs include an allocation of all applicable indirect costs except general and administrative (G&A) expense. This requirement was to be effective for all contracts entered into at the beginning of the first fiscal year of the contractor which started on or after 1 January 1972. However, to reduce the impact of the changes, extension of the effective date to permit phased implementation of accounting changes could be granted, but not beyond the beginning of the contractor's fiscal year following 30 June 1972. Included in the 1973 DOD share of IR&D and B&P costs of $787 million is an amount of $55 million representing burden applied to such costs for the first time as a result of this revised requirement. However, the $55 million of burden now charged to IR&D and B&P does not necessarily represent an increase in total costs absorbed by DOD contracts since, under prior practices, this burden would have been allocated to all participating DOD contracts. Further, as a charge to IR&D and B&P, the total to be allocated to Government contracts would now be through a G&A allocation base applicable to all benefiting profit centers or the entire company. Previously, these same amounts would very likely have been allocated to the Government through the engineering burden rates. In light of the nature of Government flexibly priced contracts, a lesser portion would probably be allocated through the G&A expense rather than engineering overhead. Therefore, although it appears that IR&D and B&P costs were increased by the additional $55 million of burden, this practice of burdening might produce a decrease in DOD's total participation in contractors' costs.

Included in the date on page 1 are the sales to foreign governments placed through DOD contracts and reimbursed to DOD by such foreign governments in the amounts of $435.1 million and $961.7 million for 1972 and 1973, respectively, as well as the applicable IR&D and B&P costs allocable to these sales in the amounts of $13.8 million and $36.0 million for 1972 and 1973, respectively.

The summary on Page 2 indicates the extent of advance agreements in effect during either one or both years. The summary on Page 3 shows costs not subject to advance agreements.

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS INCURRED AND SALES ACHIEVED BY MAJOR DEFENSE CONTRACTORS—FOR CONTRACTOR FISCAL YEARS 1972 AND 1973

[Dollars in millions]

	1972			1973		
	Costs incurred	Amount accepted by Government	DOD share	Costs incurred	Amount accepted by Government	DOD share
Independent research and development (I.R. & D.)	$936	$725	$392	$1, 052	$809	$441
Bid and proposal (B. & P.)	469	433	306	526	488	346
Total I.R. & D. and B. & P. costs	(A) 1, 405	(A) 1, 158	(A) 698	1, 578	1, 297	787
Sales—total Government and commercial	30, 577			34, 507		
Sales—total DOD	19, 117			20, 941		

A—In the prior report, the corporate I.R. & D. data of 1 major contractor had been inadvertently omitted for 1972 in the amounts of $175,000,000 incurred and $112,000,000 accepted. However the impact on the DOD share was nominal, $2,000,000.

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS INCURRED BY MAJOR DEFENSE CONTRACTORS—FOR CONTRACTOR FISCAL YEARS 1972 AND 1973, WITH ADVANCE AGREEMENTS

	1972 (in millions)				1973 (in millions)			
	Costs incurred	Amount accepted by Government	DOD share	Number of contractor divisions	Costs incurred	Amount accepted by Government	DOD share	Number of contractor divisions
Independent research and development (I.R. & D.)	$910	$701	$383	135	$1,020	$780	$428	134
Bid and proposal (B. & P.)	447	412	295	135	501	464	332	137
Total I.R. & D. and B. & P. costs	(A) 1, 357	(A) 1, 113	(A) 678		1, 521	1, 244	760	

A—In the prior report, the corporate I.R. & D. data of 1 major contractor had been inadvertently omitted for 1972 in the amounts of $175,000,000 incurred and $112,000,000 accepted. However, the impact on the DOD share was nominal, $2,000,000.

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID PROPOSAL COSTS INCURRED BY MAJOR DEFENSE CONTRACTORS—FOR CONTRACTOR FISCAL YEARS 1972 AND 1973, WITHOUT ADVANCE AGREEMENTS

	1972 (in millions)				1973 (In millions)			
	Costs incurred	Amount accepted by Government	DOD share	Number of contractor divisions	Cost incurred	Amount accepted by Government	DOD share	Number of contractor divisions
Independent research and development (I.R. & D.)	$26	$24	$9	47	$32	$29	$13	48
Bid and proposal (B. & P.)	22	21	11	47	25	24	14	45
Total I.R. & D. and B. & P. costs	48	45	20		57	53	27	

EXHIBIT 2

U.S. GENERAL ACCOUNTING OFFICE,
Washington, D.C., September 17, 1974.

The Honorable SECRETARY OF DEFENSE,
Washington, D.C.

DEAR MR. SECRETARY: In April 1973 we reported to the Senate Committee on Armed Services on the effect of section 203 of Public Law 91–441 on payments by DOD for contractors' independent research and development (IR&D) and bid and proposal (B&P) costs (B–167034, Apr. 16, 1073). That report identified issues relating to IR&D and B&P costs which we were planning to examine further.

One such issue was described as:

"* * * Concerns expressed by representatives of smaller companies not required to enter into advance agreements about the inequity of applying DOD's formula approach to determine the reasonableness of their IR&D and B&P expenditures. They feel that the formula approach, which is based on recent sales and IR&D and B&P costs incurred, is inadequate for young, fast-growing companies. They contend that their right to appeal for an advance agreement is too burdensome and costly.* * *."

DOD instituted the formula approach by issuing Defense Procurement Circular (DPC) 90 on September 1, 1971. We therefore made a survey to identify problems of small contractors in complying with DPC 90. We concluded that DOD can minimize potential problems by (1) emphasizing to small contractors that compliance with DPC 90 (now incorporated in the Armed Services Procurement Regulation (ASPR), sections 15–205.3 and 15–205.35) is required and may be necessary to avoid disallowance of otherwise legitimate IR&D and B&P costs, (2) making it clear to contractors and contracting officers which DOD representative should negotiate advance agreements with small contractors, and (3) advising the appropriate DOD contracting officers of the criteria to be used in negotiating advance agreements and allowing equitable cost recovery.

BACKGROUND

DPC 90 revised ASPR sections 15–205.3 and 15–205.35 applicable to B&P and IR&D costs principles. According to DPC 90, contractors need to classify, allocate, and otherwise account for IR&D and B&P costs so they may be readily isolated and identified. Any revisions required in contractors' accounting practices to provide future costs data in the form needed were to be effective for the contractors' first fiscal year starting on or after January 1, 1972.

DPC 90 requires that DOD negotiate advance agreements establishing dollar ceilings for those companies receiving more than $2 million in IR&D and B&P payments from DOD during the proceding fiscal year. For contractors not required to negotiate advance agreements, allowable costs are to be established by formula, either on a companywide basis or by profit centers. The formula limits allowable costs for the current year to 120 percent of the average annual costs for the 2 highest of the preceding 3 years.

DPC 90 states, however, that, at the discretion of the contracting officer, an advance agreement may be negotiated when the contractor can demonstrate that the formula would produce a clearly inequitable cost recovery.

ASPR 15–107, "Advance Understandings on Particular Cost Items," allows either the procuring contracting officer (PCO) or the administrative contracting officer (ACO) to negotiate advance agreements covering IR&D and B&P costs. The PCO generally negotiates advance agreements affecting only one contract or class of contracts from a single buying office; the ACO negotiates all other advance agreements, and the results are binding on all military departments.

We requested the IR&D and B&P project officer for the Defense Contract Administration Services (DCAS) to ask each DCAS region to report the number of small contractors that had initiated requests for advance agreements. Only three contractors, two in San Francisco and one in Baltimore, had initiated such requests; only one had signed a negotiated advance agreement with a DCAS contracting officer.

We discussed DPC 90 implementation with 13 other small contractors in the San Francisco; Boston; New York; and Washington, D.C., areas. Of these, only one had signed an advance agreement, which was negotiated directly with the contracting officer of the contractor's major Government customer and not with the contracting officer at the local DCAS region.

SMALL CONTRACTORS' PROBLEMS WITH DPC 90

Need to emphasize importance of accurate IR&D and B&P records

Because each of the three small contractors that requested an advance agreement from DCAS had not recorded its IR&D and B&P costs in accordance with DPC 90 definitions, its case for DOD funding support was weakened.

For example, contractor A's June 1973 request stated its "* * * problem stems from an erroneous interpretation of DPC 90 exempting organizations of [contractor A's] size from its provisions. * * * In connection with a recent proposal audit, this error was brought to our attention, as was the fact that [the contractor] must comply to DPC 90."

This contractor is currently attempting to reconstruct historical evidence to satisfy DPC 90 requirements.

In reply to a Defense Contract Audit Agency (DCAA) request for prior years' actual costs, contractor B advised:

"* * * that FYE 1/31/73 costs were available. However, these costs for prior years were not segregated and he would therefore not furnish the data."

This contractor said that it would be possible to identify these costs but that developing the information would be difficult and time consuming. DCAA auditors and DCAS price analysts believed that the contractor:

"* * * should be required to submit all auditable data needed to develop allowable IR&D costs by use of the formula method. Only in this manner can a determination be made that a clearly inequitable cost recovery might result."

Contractor B said also that, on its next attempt to negotiate an advance agreement, it would show that the DPC 90 formula was not necessarily inequitable but was inappropriate. It explained that, since it could not break out prior costs to DCAA's satisfaction, it should be treated as a new company without cost history. This would mean the 120-percent historical cost formula could not be applied and an advance agreement could resolve the supposed inequity.

In the case of contractor C, the ACO decided that analyses were needed because the contractor had not classified or sometimes even recorded IR&D and B&P costs in accordance with DPC 90 definitions for the first 2 of the prior 3 years.

The price analysis report stated:

"Prior to December 1971, IR&D and B&P labor were not identified in [contractor C's] accounting records. Therefore, recorded costs for this period are not considered as providing a reasonable base in the formula."

According to the report, this contractor's recorded costs produced a formula limitation of $64,310 for fiscal year 1973, whereas the contractor's estimated costs for the same period yielded a ceiling of $126,149. The conclusion of the report was that:

"* * * the formula produces an inequitable cost recovery * * * and that the granting of some relief of the form of an advance agreement is warranted."

Although other small contractors intend to request DCAS for advance agreements, they have expressed concern about the equity of the Government's determination of IR&D and B&P cost ceilings when historical costs are not recorded by DPC 90 standards. They realized too late that DPC 90 applies to them and are now concerned that the DCAA auditors, somehow, may question legitimate costs and recommend lower overhead rates.

Conclusion

DOD needs to inform small contractors that accurate IR&D and B&P cost records are necessary for either (1) an equitable application of the DPC 90 cost-recovery formula (since the formula is based on historical averages) or (2) an equitable application of DPC 90 provisions for an exception to the formula, i.e., a negotiated advance agreement (since the contractor must demonstrate that the formula results in a clearly inequitable cost recovery ceiling).

Need to clarify who should negotiate advance agreements

DOD guidance is not clear who small contractors should see to negotiate advance agreements. DCAS representatives said that, because DPC 90 does not provide otherwise, the contractors should follow ASPR 15–107 and negotiate with the ACOs, particularly if the agreement is to be honored throughout DOD. However, some small contractors believe they are permitted to negotiate directly with a major buying agency through a PCO. This raises a question as to the extent such an agreement will be honored.

Only two small contractors have successfully negotiated advance agreements, one with a buying agency and the other with the local DCAS. Other small contractors have indicated that, if possible, they plan to negotiate with their major Government customer rather than with DCAS.

Conclusion

DOD needs to provide guidance to contractors and contracting officers as to when a PCO, rather than an ACO, is the appropriate officer to negotiate advance agreements with small contractors.

Contracting officers need guidance for making equitable determinations

ASPR does not provide criteria to assist the contracting officer in deciding whether (1) a small contractor has adequately demonstrated that the formula results in inequitable cost-recovery amounts or (2) some other approach would result in an equitable basis for an advance agreement.

Contractor C's situation best illustrates this point. The contracting officer agreed that the formula resulted in an inequitable cost ceiling. However, different assumptions, and therefore different estimates, led the two parties to disagree on what would be an equitable ceiling. This contractor finally signed an advance agreement at an amount the contracting officer termed as his final offer. At this point the contractor had lost any leverage for negotiation. Its only alternative would have been to accept the lesser formula amount, already acknowledged to be inequitable.

Conclusion

DOD needs to provide additional guidance to its contracting officers as to what criteria they should use in allowing cost recovery to small contractors. These contractors fear that it will be determined in most cases that they are not properly recording costs within the intent of DPC 90 and that this will cause a part of legitimate costs to be disallowed and, consequently, overhead rates to be reduced.

RECOMMENDATION

We recommend that you clarify the intent of DPC 90 (ASPR 15–205.3 and 15–205.35) so that:

Small contractors will be aware that the provisions are applicable to them and that the accuracy of their IR&D and B&P cost records affects the recoverable ceiling computed either by formula or by exception to the formula.

Small contractors and contracting officers will know when an advance agreement may be negotiated with the PCO and the extent that it will be recognized throughout DOD.

Contracting officers will have guidance for negotiating equitable IR&D and B&P cost-recovery ceilings with small contractors.

We are sending copies of this report to the Director, Office of Management and Budget; the Director of Defense Research and Engineering; the Assistant Secretary of Defense (Installations and Logistics); the Director, Defense Supply Agency; the Secretaries of the Army, Navy, and Air Force; and the Chairmen of the House and Senate Committees on Government Operations, on Appropriations, and on Armed Services.

We shall appreciate receiving your comments on these matters. If additional information is desired, Mr. Harold H. Rubin, Deputy Director, may be contacted on code 129, extension 4325.

Sincerely yours,

R. W. GUTMANN,
Director.

OFFICE OF THE ASSISTANT,
SECRETARY OF DEFENSE,
Washington, D.C., December 20, 1973.

Hon. JOHN C. STENNIS,
Chairman, Committee on Armed Services, U.S. Senate.

DEAR MR. CHAIRMAN: On September 17, 1973, the United States General Accounting Office forwarded to you a copy of its letter report concerning an examination into the effect of Section 203, Public Law 91–441 on payments by DOD for contractors' independent research and development (IR&D) and bid and proposal (B&P) costs (B–167034).

A copy of the Department of Defense comments on this report is attached for your information.

Sincerely,

JACK R. NORWOOD,
(*For*) *Deputy Comptroller for Audit Reports.*

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., December 20, 1973.

Mr. R. W. GUTMANN,
Director, Procurement and Systems Acquisition Division, U.S. General Accounting Office, Washington, D. C.

DEAR MR. GUTMANN: This is in reply to your letter report of September 17, 1973 to the Secretary of Defense concerning payments to small contractors for Independent Research and Development (IR&D) and Bid and Proposal (B&P) costs (OSD Case No. 3609–A).

The report recommends that the Department of Defense (DOD) clarify the intent of Defense Procurement Circular (DPC) No. 90 (now incorporated in the Armed Services Procurement Regulation (ASPR)), which provides revised guidance on the recovery of IR&D and B&P costs so that:

(1) Small contractors will be aware that the provisions are applicable to them,

(2) Small contractors and contracting officers will know when an advance agreement may be negotiated by the purchasing contracting officer, and

(3) Contracting officers will have guidance for negotiating equitable IR&D and B&P cost ceilings.

As to the first recommendation, we try to ensure that the contractors with whom we do business are aware of the policies and regulations which govern DOD contracting. DOD procurement regulations are widely circulated with over 36,000 copies of the ASPR being distributed. In addition, various commercial publications such as the Commerce Clearing House provide their customers with these regulations.

Before DOD promulgated this new policy on IR&D and B&P, it was transmitted in draft form to a number of industry associations and other government agencies for comment. Thus, we believe there has been sufficient dissemination of this policy, and further dissemination does not seem warranted. Also, as a practical matter, it would not provide any assurance that every potential contractor would be reached.

As to the second recommendation, we do not believe the problem to be significant. The regulation states that either a purchasing contracting officer or an administrative contracting officer may negotiate advance agreements. Which one should negotiate the agreement is a matter of judgment to be made at the time an advance agreement is requested.

As to the third recommendation, we believe the guidance provided in DPC #90, when issued, was adequate. For your information, we have quoted below the pertinent part of this guidance.

"Application of the formula to determine reasonableness of costs requires the use of historical information. Such information may not be readily available or may not have been accumulated in accordance with the definitions and procedures contained in the new cost principles. Therefore, analyses may be necessary to provide a basis for the resolution of problems encountered in implementing the new cost principles. Such analyses should give consideration to factors such as (a) differences in definitions between the old and new ASPR cost principles, and (b) differences between the prior practices of contractors regarding indirect cost allocations and the burdening requirements of the new cost principles."

As a general observation, your review covered only a very few small contractors, and thus may not be representative of any widespread problem. In this regard, the Defense Supply Agency, which through the Defense Contract Administration Services administers a high proportion of defense contracts awarded to small contractors, has stated, "The problems reported by the GAO have not surfaced to our contracting offices that administer contracts with small business to the extent indicated in their report."

Notwithstanding the foregoing, we recognize that problems can arise from time to time concerning both an awareness of the ASPR policy on IR&D and its application to smaller contractors whose business is either rapidly increasing or decreasing. Recognition has been given to this latter problem by providing in ASPR for the negotiation of advance agreements where the formula approach would give inequitable results. Thus, we do not believe any further change is called for at this time. Rather, it is our view that the solution to these isolated problems must be worked out on a case-by-case basis. The information provided in the report has been forwarded to the Defense Supply Agency and it will assist us in watching for the problems you have identified. In addition, we have discussed this matter with senior procurement management officials of all of the Services to alert them to this potential problem area.

Sincerely,

HUGH E. WITT,
Deputy Assistant Secretary of Defense.

EXHIBIT 3

OCTOBER 8, 1973.

Hon. ELMER B. STAATS,
Comptroller General of the United States, General Accounting Office, Washington, D.C.

DEAR MR. STAATS: During the Senate debate on the Fiscal Year 1974 Military Procurement bill, Senator William Proxmire introduced an amendment which, if adopted, would have reduced Independent Research and Development (IR&D) and Bid and Proposal (B&P) funds by 50 percent. The amendment was withdrawn by Senator Proxmire pursuant to his agreement with me, as Chairman of the Research and Development Subcommittee, to request GAO to conduct an in-depth investigation of the underlying assumptions and the overall justification of the IR&D program, as well as into the implementation of the current provisions of law and Department of Defense regulations. The discussion of this subject appears on pages 31181–31183 of the September 24, 1973 Congressional Record.

The subject of IR&D has been one of continuing interest, and the sustained high level of expenditures is not consistent with the recent trend of Department of Defense purchases from the Procurement and Research, Development, Test and Evaluation appropriations. A primary objective is to establish a better balance between these elements, and to insure that due consideration is given to sound business and accounting practices but consistent with the best interests of the government.

The attached questions reflect the results of a joint review and discussion conducted by Senator Proxmire's staff, Armed Services Committee staff, and representatives of your office. These questions should be answered in conjunction with the review of the IR&D program requested by the Committee letter of October 4, 1973. For the purpose of this study, the term IR&D will be inclusive of B&P.

The review should be comprehensive and result in a report which should provide comments and recommendations for appropriate changes to the language of Section 203, P.L. 91–441. The report should consider the experience gained both before and after enactment of Section 203, and reflect the viewpoint of industry, the Department of Defense, other governmental agencies, and the General Accounting Office. Specific consideration should be given to the recommendations contained in the report of the Commission on Government Procurement and to the comments of the Department of Defense on that report. The report also should include alternative recommendations so that the Committee will have a choice of actions which may be adopted. The report should be submitted by April 1, 1974, so that the Subcommittee may consider it during the review of the Fiscal Year 1975 budget.

Sincerely,

THOMAS J. MCINTYRE,
Chairman, Research and Development Subcommittee.

WILLIAM PROXMIRE,
Chairman, Subcommittee on Priorities and Economy in Government.

MILITARY PROCUREMENT BILL

1. The DCAA audits of IR&D costs show that the ratio of IR&D costs to defense sales increased from 2.73% in 1946 to 3.33% in 1972. What accounts for this increase? What is the rationale to support a high level of contractor IR&D expenditures even in the face of declining defense sales?

2. Reconcile the apparent inconsistencies in the figures for IR&D expenses from 1968 to 1972 between your April 16, 1973, report, reports by the DCAA, and the figures given by DOD to the Senate Armed Services Committee as printed in the committee report of September 6, 1973.

3. In its report to Congress, the DOD includes an amount for "other technical effort (OTE)" in its IR&D figures. What are the audit substantiated amounts for OTE for the years 1968 to the present? Why are these amounts not included in the DCAA audit report? Do the same rules apply for OTE as for IR&D and Bid and Proposal Costs?

4. The DCAA audit report of IR&D covers only those defense contractors with "an annual auditable volume of costs incurred of

$15 million or more and other contractors who, although not meeting the auditable volume criteria, required 4,000 or more manhours of DCAA's direct audit effort per year." What does the term "auditable volume" of costs incurred mean? What is the difference between auditable volume of costs and total defense sales (including both prime contracts and defense subcontracts)? What is your estimate of total IR&D *including* contractors that do not meet the criteria of $15 million of annual auditable costs incurred and 4,000 manhours of defense audit effort?

5. The IR&D figures reported to Congress are based on a DCAA statistical report covering 77 defense contractors. The top 77 defense contractors account for only 69% of defense prime contracts. How much additional IR&D costs are reimbursed by the DOD to divisions, contractors, and subcontractors not covered in the DCAA report?

6. What is the total in-house cost of administering the IR&D program—include the cost of reviewing contractor proposals, DOD negotiation teams, technical review efforts, administration of disputes, etc.? What are the comparable costs for AEC?

7. What problems are encountered by DOD and AEC contracting officers and technical or project personnel in evaluating and negotiating IR&D proposals?

8. Does DOD pay contractors' costs for:

(a) research and development projects primarily of a promotional nature, such as projects directed toward the development of new business or projects connected with proposals for new business;

(b) studies or projects which are undertaken, in whole or in part, for other customers; and

(c) projects which represent unwarranted duplication of other research and development work sponsored by the DOD.

Cite examples if any such costs are paid.

9. Do Bid and Proposal costs paid by the DOD include negotiating and promotional costs or the cost of salesmen, representatives or agents who do not provide technical services in connection with bids or proposals?

10. Public Law 91–441, section 203, provides that appropriated funds may not be spent for IR&D unless the Secretary of Defense determines that the IR&D has potential military value. However, it appears that the DOD does not technically review IR&D proposals in cases where it is charged less than $2 million a year. What is your evaluation of the adequacy of the DOD's technical review of such programs? Of the $700 million in IR&D expenses in 1972, how much goes to contractors under the $2 million ceiling? What is the Comptroller General's opinion of the legality of IR&D payments made in the absence of any technical review as to potential military value? Would it be feasible to lower the technical review threshold below $2 million?

11. With respect to IR&D proposals where the DOD is expected to pay in excess of $2 million per year, evaluate the adequacy of the contractors supporting data both with respect to estimated cost and technical justification? Since negotiated advance agreements on IR&D are of necessity sole source negotiations, do contractor submissions comply with the requirements of the Truth-in-Negotiations Act—that is does the contractor have to provide detailed cost or pricing data in support of his estimates and certify as to their accuracy, currentness and completeness? If not, why not?

12. For each of the years 1968 through 1972, identify what specific developments have been made by each of the top 25 defense contractors with respect to amount of IR&D received. For these same top 25 defense contractors identify each IR&D project in excess of $25,000 per year and indicate the potential military benefit rationale used by the DOD in accepting the project. Identify what patent applications have been made and what patents issued during this period to these top 25 contractors as a result of IR&D programs that have been subsidized by the DOD. Identify what income each company received from these patents or from prior patents developed under IR&D and determine whether or not this income has been credited to the DOD in proportion to its financial support of the project.

13. Does the DOD receive detailed technical reports or other technical data regarding technology developed under IR&D programs so that this information is considered in the development of weapons programs?

14. Does the DOD conduct reviews to evaluate the results of IR&D efforts by its contractors? What do such reviews, if any, show?

15. Apparently IR&D amounts are accepted (if under $2 million a year) or negotiated (if over $2 million a year) based primarily on historical rates of expenditures. Moreover, the DOD pays the most IR&D to the largest defense contractors. What safeguards are in effect to offset the competitive advantage this gives large, established firms in relation to new firms trying to enter defense business—and particularly small firms? What safeguards are in effect to prevent defense contractors from exploiting inventions developed primarily at public expense under IR&D in competition with other firms for non-defense business? Should safeguards be established in each of the aforementioned instances if they are not now in effect?

16. Since the DOD accepts IR&D as a general overhead cost and the AEC instead reimburses only IR&D costs, which are shown to be of direct or indirect benefit to specific contracts, and since both agencies are involved extensively in research and development work, what, if any, differences exist in the nature of the work or the circumstances under which it is performed that would justify the continued acceptance of IR&D costs by the DOD?

17. What is the practicability of completely eliminating Department of Defense payments to contractors for IR&D and B&P as allowable costs under Department of Defense contracts?

18. Same as previous question, except establishing a separate program in each of the RDT&E appropriations for IR&D and B&P with an amount of funds to be distributed directly, by contract or grant, to industry. This distribution could be based upon such factors as the experience of negotiating teams, including technical review panels, and the same criteria presently used under the existing procedures.

19. What is the practicability of a combination of the present system, with an established dollar ceiling substantially lower than the $700 million level, and a separate, directly financed program as described under the previous question?

20. What is the practicability of the continuation of the present system but based upon a dollar ceiling which is reduced 10 percent each year with an equal increase in the directly financed program described under question 18 above?

21. What is the practicability as well as the desirability of establishing a separate ceiling for IR&D as distinguished from B&P if the decision is made to establish a total ceiling in law?

22. What is the practicability as well as the desirability of establishing an independent government agency which will be responsible for the IR&D program on a government-wide basis, as opposed to the present separate agency basis?

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., October 25, 1973.

Hon. THOMAS J. MCINTYRE,
Chairman, Subcommittee on Research and Development, Committee on Armed Services, U.S. Senate.

DEAR MR. CHAIRMAN: Your letter of October 8, 1973 requested that we undertake a comprehensive study of the Independent Research and Development (IR&D) program and that we submit comments and recommendations for appropriate changes to Section 203, Public Law 91–441.

As stated in our report of April 16, 1973, to the Chairman, Senate Armed Services Committee, we recommended that changes in this law be deferred pending further study, We, therefore, welcome your request. We intend to consider not only the specific questions attached to your request but other matters which we hope will lead to an informative report to assist the Congress in resolving this issue.

Some of the questions included in the attachment will require extensive field work. Consequently, we do not expect to be able to submit a complete report by April 1, 1974, as requested. However, we plan to furnish an interim report by that date and every effort will be made to complete our study in time to submit a full report for use in the following year"s authorization and appropriation cycle.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United Sattes.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., January 8, 1974.

Hon. THOMAS J. MCINTYRE,
Chairman, Subcommittee on Research and Development, Committee on Armed Services, U.S. Senate.

DEAR MR. CHAIRMAN: Your letter of October 8, 1973, requested that we conduct a comprehensive review of the independent research and development (IR&D) program. We were asked to consider the overall justification of the program, as well as the implementation of the law by the Department of Defense, and to include alternative recommendations in our report so that the Committee will have a choice of actions.

On October 25, 1973, we informed you that the 22 questions attached to your letter required extensive field work and that we could furnish only an interim report by April 1, 1974.

This letter is in the nature of a progress report. While we have begun initial field work, we have continued to give considerable thought to this entire matter and how we can best contribute to future congressional review. As you know, the Commission on Government Procurement, on which I served, studied the subject and endorsed the policy of allowing such costs under proper controls but urged that uniform policies be applied Government-wide. The executive branch is still considering these recommendations.

In the light of our further consideration, we have concluded that we should avoid an expenditure of substantial staff time on interrogations that may not cast new light on the issues. We believe that it would be wise to proceed slowly with the purpose of determining what values IR&D expenditures are intended to accomplish and what the record shows as to actual accomplishment. Based on this conclusion, we believe that the most fruitful use of our limited staff resources during the next several months will be as follows:

1. The Senate Armed Services Committee, by letter from the Chairman dated October

4, 1973, requested that we continue our review of IR&D. In response, we will prepare a report updating DOD's implementation of the statutory requirements, including actions taken on the recommendations in our April 1973 report. We also expect to bring in the comments of Federal agencies on the desirability and practicability of extending DOD's IR&D policies, including relevancy, on a uniform basis Government-wide, as was requested by the Committee. We intend to release this report to the Congress in time for the fiscal year 1975 authorization and appropriation cycle.

2. In this report, we will also respond to those questions posed in your letter which are subject to quick factual determination. We believe that certain questions, such as 1 through 5, can be handled in this manner.

3. We believe that the desirability and feasibility of separate identification and control of bid and proposal expense deserves early consideration and reporting, and we will plan to proceed with this analysis.

4. We believe that the long-standing concern over the rationale for the difference between AEC and DOD policies (question 16), would benefit from a factual analysis of the IR&D actually supported by each agency—in order to discover the extent to which the policies and the objcetives, are similar. We have begun this comparative analysis and plan to report our findings to you, separately, at an early date.

5. This leaves for consideration the remaining questions which are of a more judgmental character and which are concerned with the purposes and values of independent research and independent development undertakings reimbursed by Federal funds. Here we propose the following approach:

(a) Initially, we will prepare, on a pilot basis, detailed analysis of specific uses of IR&D payments for the years 1968 to 1972 in four companies, along the lines of your question No. 12. In addition, we will interview company officials concerned to ascertain how they make decisions on these IR&D programs and the degree of management attention given to them during their execution. We will try to trace these programs back to the DOD agencies concerned to ascertain how they participated initially in the formulation of the IR&D programs and the extent of their subsequent oversight and evaluation. We will, of course, determine the extent to which the Government reimbursed these programs and the extent to which the companies applied their own funds. We will endeavor to assess the present and prospective values to the Government.

(b) We will discuss findings from the above with you and your staff before planning any additional reviews which are required for a thorough understanding of the rationale and the functioning of the IR&D program. We would hope that these reviews might result in the formulation of an audit program which can be applied by the agencies themselves in the future. We will also seek to answer the question of whether there are better methods of obtaining these benefits—such as through line-item contracting, level-of-effort contracting, or other reimbursement techniques.

We believe that the above approach to this very complex matter will yield more useful data for your use than an attempt to respond to each of the 22 questions as phrased. We will keep you informed as our work progresses.

Sincerely yours,

Elmer B. Staats,
Comptroller General of the United States.

Congress of the United States,
January 24, 1974.

Hon. Elmer B. Staats,
Comptroller General of the United States,
Washington, D.C.

Dear Elmer: Thank you for your letter of January 8, 1974, concerning the request we initiated for an in-depth investigation of the underlying assumptions and the overall justification of the Defense Department's Independent Research and Development Program. The 22 specific questions which we asked you to answer in the course of GAO's investigation were intended to focus on areas that have not been given adequate review. In effect, we have asked for a comprehensive program evaluation of the independent research and development program.

Your January 8 letter proposes a narrower approach. You would up-date the Defense Department's implementation of the statutory requirements and respond to the questions we asked if they "are subject to factual determination." You also state "that it would be wise to proceed slowly with the purpose of determining what values IRED expenditures are intended to accomplish and what the record shows as to actual accomplishment."

Your alternate approach appears to us to represent a change in thinking since your letter of October 25, 1973. In that letter you pointed out that because of the extensive field work required by the request you did not expect to be able to submit a complete report by April 1, 1974. However, in your October 25 letter you said: "We intend to consider not only the specific questions attached to your request, but other matters which we hope will lead to an informative report to assist the Congress in resolving this issue." That statement indicated the study would be expanded, not cut back.

We do not believe our original request should be narrowed down in any way. We, therefore, strongly urge that there be direct responses to each of the 22 questions, and that as much as possible of the study be completed by April 1.

You may recall that the questions listed in our letter of October 8, 1973, were the result of considerable effort on our part and several lengthy conferences by our staffs. Each of the questions was discussed in great detail and some were modified at the request of your staff.

More than four months have elapsed since we made our request. We understand that meetings between our staffs to discuss the status of the inquiry scheduled for January 24 and January 31 have been postponed at the request of Mr. Rubin of your staff and that the meetings have not yet been rescheduled. Apparently there has not been sufficient progress in the performance of the study to justify a meeting at the present time.

We are also somewhat concerned over the press reports about the study. The current issue of Aviation Week and Space Technology contains a discussion of the GAO study, including quotes attributed to GAO officials. Among other things, the magazine says "Next development will be a conference between GAO officials and the staffs of the two subcommittees to narrow parameters of the study. . . . ." The magazine story goes on to quote GAO as saying that the massive amount of information asked by the subcommittees "would take years to develop. . . . Perhaps some of the questions could never be adequately answered." A copy of the article is enclosed.

As we mentioned above, we do not agree that the scope of the study should be narrowed at all. Moreover, although it is true that our letter to you formally requesting the study was placed in the Congressional Record, the conduct of the study itself, preliminary findings, and other matters under GAO's consideration should be considered confidential until we have had an opportunity to review the report.

We recognize that there is substantial interest on the part of industry and the Department of Defense to continue the IR&D program. It is true, of course, that you do not have an unlimited staff. But we believe that there would be less total effort expended in the long run if all of us faced up to the real problem of IR&D, conducted a thorough review, and developed specific recommendations.

Sincerely,

William Proxmire,
Chairman, Subcommittee on Priorities and Economy in Government.
Thomas J. McIntyre,
Chairman, Subcommittee on Research and Development.

Comptroller General of the
United States,
Washington, D.C., February 20, 1974.

Hon. Thomas J. McIntyre,
Chairman, Subcommittee on Research and Development, Committee on Armed Services, U.S. Senate.

Dear Mr. Chairman: Your letter of January 24, 1974, written jointly with the Honorable William Proxmire, expressed the opinion that my letter of January 8, 1974, proposes a narrower approach to the review of independent research and development (IR&D) than indicated in my letter of October 25, 1973.

Our approach has not been reduced. We plan to make sufficient studies to respond to the 22 questions enclosed with your letter, but the questions may not be answered precisely as phrased.

Questions 1 through 6 and 8 through 10 are basically factual in nature. We have asked the Department of Defense (DOD), National Aeronautics and Space Administration, and Atomic Energy Commission (AEC), as well as other principal agencies, for their input and we anticipate that we will present their data and our evaluation in our report to the Chairman, Senate Committee on Armed Services. This report will be released to the Congress in time for the fiscal year 1975 authorization and appropriation cycle.

Questions 7, 13, and 14 involve data we have requested DOD to furnish so that verification can be made to the extent considered necessary. We have been advised that this information will be furnished shortly, and we expect to respond to these questions in our overall report on IR&D which we plan to complete in time for the 1976 authorization and appropriation cycle.

Questions 11 and 12 require extensive field work in order to develop necessary information. Our pilot studies at 4 of the top 25 defense contractors, which started in October, are designed to determine what information is available and the most feasible method of obtaining such information. We expect to discuss our planned approach with your staff in March 1974. We will respond to these questions as fully as feasible in our overall report.

With respect to question 16, we are making a comparative analysis of the difference between AEC and DOD policies and practices. We plan to report our findings either separately or in the overall report.

Questions 15 and 17 through 22 raise judgmental issues not susceptible to audit. We will comment on them as may be appropriate when the review is completed.

Your request stated that our report should reflect the viewpoint of industry, DOD, and other governmental agencies. Accordingly, our preliminary findings cannot be treated as confidential. We expect, however, to discuss our planned reports with your staff before they are finalized.

We hope that this letter clarifies our approach in this study.

Sincerely yours,

Elmer B. Staats,
Comptroller General of the United States.

Comptroller General
of the United States,
Washington, D.C., February 20, 1974.

Hon. William Proxmire,
Chairman, Subcommittee on Priorities and Economy in Government, Joint Economic Committee, Congress of the United States.

Dear Mr. Proxmire: Your letter of January 24, 1974, written jointly with the Honorable Thomas J. McIntyre, expressed the opinion that my letter of January 8, 1974, proposes a narrower approach to the review of independent research and development (IR&D) than indicated in my letter of October 25, 1973.

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We hope that this letter clarifies our approach in this study.

Sincerely yours,

Elmer B. Staats,
Comptroller General of the United States.

[Report to the Committee on Armed Services, U.S. Senate]

Department Of Defense's Implementation of Section 203, Public Law 91-441, Involving Contractors' Independent Research and Development

(By The Comptroller General of the United States)

Comptroller General of the
United States,
Washington, D.C.

Hon. John C. Stennis,
Chairman, Committee on Armed Services, U.S. Senate.

Dear Mr. Chairman: In your letter of October 4, 1973 (app. I), you asked us to continue our examination of contractors' independent research and development (IR&D), including followup on the recommendations in the report to you of April 16, 1973 (Payments for Independent Research and Development and Bid and Proposal Costs, B-167034).

We subsequently received a letter from the Chairman, Research and Development Subcommittee, Senate Committee on Armed Services, and the Chairman, Subcommittee on Priorities and Economy in Government, Joint Economic Committee, requesting a comprehensive review of the IR&D program. This review is in process and we plan to submit reports of our findings and recommendations to the Congress in time for the fiscal year 1976 authorization and appropriation and appropriation cycle.

This report basically updates the implementation of section 203 of Public Law 91-441, by the Department of Defense (DOD), including actions taken on recommendations in our April 1973 report. This report also summarizes the comments of Federal agencies on the desirability and practicability of extending DOD's IR&D policies to these agencies on a uniform basis Government-wide.

IMPLEMENTATION OF SECTION 203

Section 203 requires, among other things, that DOD (1) not pay contractors for IR&D or bid and proposal (B&P) costs unless the work has a potential relationship to a military function or operation, (2) negotiate advance agreements to establish dollar ceilings with all companies that received more than $2 million of IR&D or B&P payments from DOD in the preceding year, and (3) base the IR&D portion of the agreements on company plans that are technically evaluated by DOD before or during the fiscal year covered by the agreements.

Our April 16, 1973, report made seven recommendations to the Secretary of Defense to improve the implementation of these portions of section 203. During the first half of calendar year 1973, DOD issued a series of memorandums which provided new guidance to the services. The guidance included actions in all the areas covered by our recommendations, as follows:

To bring about more consistent determination of potential military relationsihps, all services were directed to use the Air Force method. Although this guidance is presently in force, DOD advised us in February 1974 that new criteria for determining relevancy were being considered.

DOD recognized the desirability of negotiating advance agreements before cost incurrence or early in the contractor's fiscal year and of seeking alternatives to solve the problems of untimely negotiations. The services were instructed to negotiate 3-year advance agreements to the extent practicable.

Negotiators were directed to meet and exchange views toward achieving uniform values to be used in negotiating advance agreements to insure that all contractors are treated equitably. Major unsolved issues are to be submitted to DOD's Technical Evaluation Group or the IR&D Policy Council for resolution.

Results of the technical quality evaluation of contractors' IR&D are to have a meaningful and traceable effect on the negotiated ceiling. The effect should be demonstrable. Each service is to use its own procedure as long as the desired effect is achieved.

DOD encouraged the practice of maintaining negotiation files which show the rationale and effect of factors considered in establishing the ceiling.

DOD eliminated a practice that violated its own regulations; i.e., negotiators requiring contractors to cost share by spending more than the program ceiling.

As part of DOD's guidance to insure that all contractors are treated equitably, after-the-fact relevancy reviews are to be conducted as soon as reasonably possible after the close of the contractor's fiscal year.

The new guidance, if properly implemented, should improve the services' administration of IR&D and B&P programs. However, not enough time has elapsed since this guidance was issued for it to be sufficiently implemented to enable us to evaluate its effectiveness. DOD's IR&D Policy Council is considering DOD's policies and procedures and the need for further changes.

As you suggested, we asked DOD and industry associations (Council of Defense and Space Industry Associations (CODSIA)) for their opinions and recommendations. DOD believes that elevating the relevancy requirement to a Government-wide relevance test would be in the best interests of the Government. Industry officials, represented by CODSIA, also support a broader relevance test.

CODSIA believes that section 203 and DOD's implementation has repressed IR&D and B&P effort. It also believes that data indicating cost growth is misleading in that there has not been an increase in manpower expended. CODSIA states that it is costly and time consuming to prepare program brochures, go through technical evaluations and relevancy reviews, and conduct negotiations of advance agreements. It contends that B&P expenses, most of which are beyond its control, cannot be realistically subjected to the constraints of section 203.

See appendixes II and III for copies of DOD's and CODSIA's letters.

NEED FOR A UNIFORM GOVERNMENT-WIDE POLICY

You also asked us to obtain the positions of Federal agencies having research and development programs on extending DOD's IR&D policy to these agencies on a uniform basis Government-wide. We did so, principally through correspondence. We contacted DOD; the National Aeronautics and Space Administration; the Atomic Energy Commission; the Department of Transportation; the Department of Commerce; the Department of Health, Education, and Welfare; the Department of Housing and Urban Development; and the Environmental Protection Agency. We will be glad to provide you with copies of their comments if desired.

There is no unanimity among Federal agency officials on the need for a uniform Government-wide policy on IR&D and B&P nor on whether that policy should be an extension of the DOD policy. Some agencies do not look upon IR&D as a major procurement problem warranting special treatment. These agencies consider it a matter affecting only the defense/space/system-oriented agencies.

We concur with the recommnedation of the Commission on Government Procurement that IR&D and B&P receive uniform treatment, Government-wide, with exceptions to be treated by an Office of Federal Procurement Policy.

A requirement that IR&D be relevant to each individual agency's needs is looked upon by some agencies as cumbersome to administer. Industry spokesmen also oppose such a requirement. If there must be relevancy, a requirement that the projects meet a Government need would be more acceptable to most agencies.

The Commission recommended that only contractor cost centers with more than 50 percent cost-type contracts be subject to an agency relevancy requirement. We do not agree but believe that all allowable projects should have a potential relationship to an agency function or operation in the agency head's opinion.

An executive agency task group is still studying the Commission's recommendations to arrive at a position on establishing a Government-wide policy on IR&D and B&P.

OTHER MATTERS

Small, fast-growing companies

In September 1973 we reported to DOD that a few small companies had received what they considered to be inequitable treatment in negotiations with DOD. Other small companies were expecting to encounter similar difficulties in the near future but hesitated to air them prematurely. We could not locate a significant number of instances when the reported situation had occurred.

DOD took the position that its regulations provide an adequate alternative to the formula approach, including provision for analyses to be used where small companies have not maintained adequate historical records. Also DOD does not believe it is a major problem but has alerted its procurement officials to the possibility of the situation arising. We plan to monitor the area.

IR&D data banks

We also performed work concerning DOD's IR&D data banks. Our report to the Congress in 1970 (Allowances for Independent Research and Development Costs in Negotiated Contracts—Issues and Alternatives, B–164912, Feb. 16, 1970), suggested that information on contractors' IR&D programs be recorded in a data bank to assist Government scientists and engineering in selecting research projects. DOD subsequently established such a data bank at the Defense Documentation Center (DDC). It is still in a trial period, which will end July 1, 1975.

The Army also has an IR&D data bank at its Missile Command in Huntsville, Alabama. The Command established this data bank in 1970 to satisfy the needs of its own scientists and engineers.

In August 1973 we informed the Secretary of Defense of the results of our study of the two banks. We concluded that there was duplication of data, limited use of banks' outputs, and low participation by contractors in providing input.

DOD expects that eventually no more than one IR&D data bank will be required, but the decision as to which bank it will be will not be made until after trial period for the DDC bank. Meanwhile DOD plans to continue improving both banks. It is conceivable that neither bank will prove to be desirable and economically possible to retain, but DOD does not believe this will be the decision.

We will be glad to provide you with copies of these reports to DOD.

CONCLUSIONS

Our work since our last report to you indicates that DOD is trying, through issuing new guidance, to improve the services' administration of IR&D and B&P. The effectiveness of its actions depends upon the implementation of the guidance by the services. Not enough time has elapsed for full implementation; consequently, we have not yet evaluated the effectiveness of DOD's action.

Concerning the need to revise section 203, the relevancy requirement continues to be the major area of criticism by industry and DOD. Industry would like to see the relevancy test dropped completely, but if there must be a test, industry would prefer that it be applied to the national interest rather than strictly to DOD. DOD also believes that a Government-wide test would be in the Government's best interests.

We have reported in the past that the relevancy requirement of the law is not clear as to criteria and intent. However, we doubt that it would be an improvement to revise the law to provide that IR&D and B&P for which DOD pays the costs be relevant to interests of the Federal Government. In our opinion, the relevancy requirement is only one aspect of the entire question of how contractors' IR&D and B&P programs should be treated by the Government.

An interagency task group, headed by a DOD official, is studying the recommendations on IR&D and B&P of the Commission on Government Procurement, including the recommendation for a Government-wide policy. We believe that any action on this matter should be deferred until the task group's study has been completed and the executive branch position is finalized.

Due to time limitations, we did not obtain formal comments from the Secretary of Defense or other agency heads on this report. However, we discussed it with DOD officials.

As your office agreed, we are sending copies of the report to the Chairman of the House and Senate Committees on Appropriations and Government Operations and the House Committee on Armed Services. Also, as agreed, we are sending copies to the Director, Office of Management and Budget; the Secretary of Defense; the Director of Defense Research and Engineering; the Secretaries of the Army, Navy, and Air Force; the Secretary of Commerce; the Secretary of Health, Education, and Welfare; the Secretary of Housing and Urban Development; the Secretary of Transportation; the Chairman, Atomic Energy Commission; the Administrator, National Aeronautics and Space Administration; the Administrator, Environmental Protection Agency; and the Executive Secretary, CODSIA.

We plan no further distribution unless you agree or publicly announce the contents.

We responded to your question regarding the development of major weapon systems under competitive cost-type contracts on March 15, 1974. We expect to report to you on the other items in your letter within 1 month.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

APPENDIX I

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., October 4, 1973.

Hon. ELMER B. STAATS,
Comptroller General of the United States, General Accounting Office, Washington, D.C.

DEAR MR. STAATS: The committee has completed and published its report (93–385) on the fiscal year 1974 procurement authorization bill.

There are a number of items in the report which involve actions to be taken by the General Accounting Office. Information on each of these items follows:

1. *Independent Research and Development.*

Page 104 of the subject report states,

"While there is general satisfaction to date in the Department of Defense and in industry, additional time is needed to complete the implementing actions and acquire more experience as a basis for any changes which may be indicated as necessary to existing law. The General Accounting Office is in agreement with the need for additional time, and has expressed its intention to continue with the examination of this subject.

"The committee intends to follow these actions closely and consider the requirement for any possible further legislative actions in conjunction with the review of the fiscal year 1975 authorization request."

Request that the General Accounting Office conduct this further investigation including follow-up on the recommendations contained in your report B–167034, dated April 16, 1973. The opinions and recommendations of both the Department of Defense and appropriate industry associations should be obtained and reflected in your report. Discussions should be held with other governmental agencies such as the Department of Transportation, Atomic Energy Commission, and the National Aeronautics and Space Administration, all of whom have substantial research and development programs to determine the desirability and practicability of extending the independent research and development policy to include their organizations on a uniform basis with the Department of Defense. The investigation of this subject also should include consideration of the possibility of broadening the definition and application of relevancy to include all Federal agencies while at the same time extending the IR&D provisions as represented in the applicable Military Procurement Authorization Acts to these various agencies. The results of these discussions together with appropriate recommendations also should be included in your report.

2. *Incremental Programing of RDT&E*

Pages 112–115 of the subject report cover this subject and set forth a consolidated and current policy statement, including definitions which resulted from the coordinated efforts of the committee staff, the Department of Defense, and the General Accounting Office. In fact, as the report states, the revised incremental programing policy was worked out to the mutual satisfaction of the committee and the Department of Defense. In accordance with the committee report, you are requested to continue with your review of the implementation of this policy as a follow-on to your earlier efforts as reported in General Accounting Office reports B–167034 of April 18, 1973, and May 15, 1973. Your study should include a reexamination of the Trident weapon system and such other major weapon systems which would represent an equitable sampling of the programs of each of the military departments. The extent to which first-tier subcontractors are being addressed should be made a matter of specific treatment since this is a new significant item covered under the revised policy. Comments should be submitted on the results of your findings together with any recommendations which you may deem appropriate.

3. *Major Weapon Systems Developed Under Competitive Cost Reimbursement Type Contracts*

This subject is covered on pages 115 and 116 of the committee report which includes an expression of the concern of the committee that there may be a need for the Department of Defense to examine the criteria, policy, and procedures contained in the Armed Services Procurement Regulations and other directives to insure that the source selection process is being uniformly applied and that the interests of all parties involved including the government are equitably considered and fully protected. The report requests that the

Department of Defense conduct such an examination and advise the committee what if any changes should be made as a result of the committee's views. As indicated in the report, the General Accounting Office is requested to participate in this review and submit its independent findings and recommendations to the committee.

4. *Use of Special Termination Costs Clause on Certain Research and Development Contracts*

On pages 118 and 119 of the committee report the committee explains the use of the special termination costs clause on research and development contracts and encourages the use of this clause to a greater extent by all of the military departments. The General Accounting Office is requested to examine the use of this clause to the extent that it has been included in recent contracts and obtain the opinions of the various industry associations and the Department of Defense on the wider application of this clause in future Department of Defense contracts. Comments with appropriate recommendations will be submitted to the committee.

Informal meetings have been held between the committee staff and the representatives of your agency to discuss each of the items contained in this letter. In order for your reports to be useful to the committee in its consideration of the fiscal year 1975 military procurement authorization request, such reports should be submitted by March 1, 1974.

Sincerely,

JOHN C. STENNIS, *Chairman.*

APPENDIX II

DIRECTOR OF DEFENSE RESEARCH
AND ENGINEERING,
Washington, D.C., February 12, 1974.

MR. HAROLD H. RUBIN,
Deputy Director (Technology Advancement), General Accounting Office, Washington, D.C.

DEAR MR. RUBIN: This letter forwards DOD's response to the questions raised in your letter of 6 November 1973 concerning independent research and development (IR&D). The responses have been coordinated within the Department through the IR&D Policy Council composed of Assistant Secretaries of R&D and I&L from OSD, the Army, Navy and Air Force. Representatives from AEC and NASA act as observers to the Policy Council and, although they may differ with our response in some places, they did participate with us in developing this response.

Our response represents current DOD policy which has evolved through nearly continuous study over the past 15 years. However, during the development of this response, certain issues arose which seem worthy of further examination during this spring and summer. Accordingly, through the use of various resources, we are exploring in greater depth these issues. They include: a reexamination of the benefits of IR&D both to the contractor and to the Government; an analysis of possible additional improvements to the process of evaluation, negotiation and utilization of IR&D and finally an examination of other alternatives for accomplishing the objectives of IR&D.

Based both on my industrial and my government experience, I am a strong supporter of IR&D. I am convinced that the United States' technology base needs the fresh, unfettered independent research that IR&D provides. In this light, each of the examinations mentioned in the previous paragraph is seeking to maximize the return on our investment in IR&D.

As we complete our future studies, they will be available to the Congress and the GAO. I believe you may find them useful in your continuing studies on IR&D. If you have any questions regarding our responses to your questions or on our future studies, please call me or any member of my staff.

Sincerely,

ROBERT E. COFFIN,
for MALCOLM R. CURRIE.

APPENDIX II

February 8, 1974.

DOD RESPONSE TO GAO LETTER OF 6 NOV. 1973

Question A—"The actions taken and your comments on our seven recommendations relating to DOD's administration of contractor's IR&D and B&P programs summarized on pages 36 and 37 of our report dated April 16, 1973."

Answer—Our letter of 1 August 1973 responded to the recommendations of the GAO report referenced in this question (Report B–167034, OSD Case 3609). We have only the following additional comments to add at this time:

Re the determination of potential military relevance.

The DOD Technical Evaluation Group for IR&D has considered alternate PMR criteria proposed by Industry and the Services. A draft of new criteria for PWR determination to replace those of the 13 March ODDRE memo has evolved. The IR&D Policy Council will review this study to determine whether further policy guidance is required. This action will be taken during the first half of 1974.

Re uniform negotiation procedures.

By the joint DDRE/ASD (I&L) memorandum of 18 April 1973, the Military Departments' central offices and the DSA/CAS central office were requested to exchange views and information in an endeavor to find a basis for uniform treatment of contractors. The IR&D Policy Council will consider the efforts to date to determine whether and what policy guidance may be required.

Re quantification of technical quality of IR&D programs for the purpose of uniformly recognizing technical quality in negotiated ceilings—

The above referenced 18 April 1973 memorandum also provided guidance for the achievement of this recommendation. The results of this guidance have not yet been assessed or reviewed by the Policy Council. This will be done and the need for further action will be determined.

Re elimination of cost sharing from the first dollar.

This has been resolved and all Government negotiators have eliminated the practice.

Question B—"Your comments on the recommendations contained in the report of the Commission on Government Procurement."

Answer—The DOD has not yet adopted a position on the COGP recommendation B–10 or on the two dissenting positions. We, therefore, are able to provide only limited comments.

Both the majority recommendation and the first dissent are based on present procedures and differ primarily as to amount of control to be exercised by the Government.

The majority position would provide the IR&D/B&P costs of any contractor cost center with 50% or more fixed price Government and commercial sales would be allowed without regard as to amount. Our analysis of this, based on 1972 costs, indicates that over $100 million would be added to DOD costs if this were adopted. The recommendation further states that the DOD formula would be used to negotiate ceilings for the few remaining contractors. This would add still more cost to DOD contracts. We do not believe such a policy is acceptable to the Congress and we are not prepared to absorb those additional costs.

In the case of dissent number 1, the recommendation appears to provide for continuation of present procedures except that the Government would be given the right to examine non-Government work in contractors' plants. We understand the rationale for this additional requirement, but we are very concerned about the size of the workload that might be generated. Our major contractors may have hundreds of non-Government contracts that would be subject to review by DOD technical personnel, and we simply do not have the manpower resources to devote to the examination of these contracts.

Both the majority recommendation and the first dissent include the current requirement for relevancy; that is, relevant to a agency's mission or operations. We believe in conjunction with NASA, that the requirement for relevancy to an agency mission or operation is an illogical and largely unproductive control which could, in some instances, operate to the detriment of the overall, best interests of the Government. We further believe that agency relevancy would prove unworkable in the context of a Government-wide policy and procedure. DOD supports a Government-wide relevancy requirement.

Dissent No. 2 provides some ideas worth investigating more deeply for possible innovative approaches to handling IR&D and B&P. These will be further studied during this year.

Question C—"Current Status of the Study and Recommendations of the IR&D Policy Council."

Answer—Recommendations under consideration by the IR&D Policy Council are not presently defined. The new Council, which first met in October 1973 will be considering in its future meetings current IR&D policies and procedures and the need for changes. Among the topics for Council attention will be any recommendations offered by the ad hoc working group reconstituted by Dr. Currie in October 1973. An updated report will be available where review is completed by the Policy Council.

[See GAO note.]

Question E—"Your comments on the requirements of section 203, Public Law 91–441, based on another year's experience, and your recommendations, if any, of actions required by the Congress to improve implementation."

Answer—Based on our additional year of experience, we have no suggestions for changing the statute. We do believe, however, that elevating the relevancy requirement to a Government-wide relevancy test is in the best interests of the Government.

As far as our implementation of the current policy, we will be studying the conversion of the memorandum guidance into more permanent type of document. As part of this conversion, the effectiveness of the guidance will be considered and any lessons learned will be used to improve the PMR determinations.

GAO note: Question D and questions F through S and DOD's answers have been deleted as not being pertinent to the report.

APPENDIX III

COUNCIL OF DEFENSE AND SPACE
INDUSTRY ASSOCIATIONS (CODSIA),
Washington, D.C., February 11, 1974.

HAROLD H. RUBIN,
Deputy Director, U.S. General Accounting Office, Procurement and Systems Acquisition Division, Technology Advancement, Washington, D.C.

DEAR MR. RUBIN: This is in response to your letter of January 10, 1974, requesting the views of the Council of Defense and Space Industry Associations (CODSIA) concerning various aspects of Independent Research & Development (IR&D) and Bid and Proposal (B&P) costs. To give full significance to our comments, you are respectfully reminded that CODSIA is a voluntary council of seven industry trade associations whose members have common interest in the defense and space fields. CODSIA member associations represent virtually all of the major defense and space contractors as well as many smaller firms engaged in both prime and subcontracting including the supply of components, parts and services. Over one thousand small, medium and large companies, located in all areas of the nation, are represented by CODSIA's current member associations. Most of these companies, although contributing significantly to defense and space efforts, are primarily commercially oriented. Thus, you may be assured that our comments fairly reflect industry's views on IR&D and B&P.

BROADER RELEVANCY DEFINITION

If there is to be an "application of relevancy" (presumably this refers to a statutory requirement similar to the "potential relationship to a military function or operation"), it should encompass the total interests of the U.S. Government, not limited to the mission of an individual agency. We believe very strongly that this broader definition would promote the best interests of the nation, whether applied only by DOD or by other Federal agencies as well. This would be consistent with interests expressed by Congress in defense/aerospace contractors' diversification into other (non-military) areas of national concern, such as energy, pollution, health, and housing.

Conversely, application by each agency of a relevancy test limited solely to its functions or operations would be prejudicial to the national interest. Government contractors are being repeatedly asked, both privately and publicly, what reasonably can be done to enable them individually and collectively to participate more fully in stimulating, broadening and applying national technology and thereby assist in improving the deteriorating balance of payments, in encouraging diversification of government contractors, and in supporting other high priority national social and economic objectives. Certainly, basing allowance of contractors' IR&D on any individual agency's needs to the exclusion of other government and national interests cannot reasonable be expected to motivate contractors to address the multiple government needs.

We would be remiss if we did not again point out that prices paid for goods and services procured by all commercial customers and Federal agencies, not just those which have substantial R&D programs, must reflect a portion of the suppliers' IR&D and B&P costs. Extension of the IR&D policy to additional agencies with anything other than a broad requirement for potential relationship to total U.S. Government interests would create a chaotic situation.

In considering this matter of the acceptance of IR&D expense based on the relationship of those efforts to particular agencies' interests, it should be recognized that the Government obtains the benefits flowing from a contractor's total IR&D program while participating in only a share of the costs. For example, the recently published DOD report summarizing the statistics from 77 major contractors showed that in 1972 DOD obtained access to $776 million of IR&D work while accepting only $400 million as its share of the costs.

BROADER APPLICATION OF DOD POLICY

You invited our comments on the desirability and practicability of extending the IR&D policy to other Federal agencies having substantial R&D programs, on a uniform basis with DOD.

It is our firm conviction that present statutory and regulatory limitations imposed on suppliers under DOD contracts and subcontracts are detrimental to the national interest. Extending the current DOD restrictions to other agencies, therefore, would be equally undesirable. However, if there must be special restrictions, as for example, cost ceilings as well as the test for potential relationship, we then reaffirm our position in favor of a common policy for all Government agencies, provided it is equitable and practical. In such case, broader application of the DOD policy would be acceptable. It is our understanding that your current comprehensive examination of IR&D and B&P includes consideration of alternative policies, and we plan to provide our inputs on alternative approaches later during the course of your study.

TRACING OF IR&D BENEFITS

You solicited our comments on the benefits of IR&D and whether any such benefits can be quantified and convincingly presented to the Congress.

Industry is now in the process of developing information and examples of the several types of benefits flowing from IR&D, which may help secure a wider understanding of this fundamental and vital subject. Upon completion of this effort, it is industry's intent to present this information to you.

The complexity of the task of tracing the contributions of R&D to operational systems or hardware fielded operationally many years later is not widely understood. Perhaps the best documented study of this nature is DOD's Project Hindsight which required 40 professional man-years over a calendar period of 2½ years beginning in 1964 to study 20 systems. Significantly, in the words of the Study Director, Dr. Chalmers W. Sherwin:

"It is not the great breakthrough, but rather the cumulative, synergistic effect of some 40-odd innovations which make the radical improvement. Each of the innovations, taken by itself, would produce little or no improvement."

IR&D is that effort which a contractor undertakes at his own discretion for the purpose of maintaining and enhancing technical competence to serve future customer requirements. It is the fundamental source of new ideas, new products or techniques which enable a contractor to provide improved products or services to meet customer demands. Prudent company management must tailor its research and development program in accordance with such factors as the competitive environment, its chosen fields of technical expertise, the most productive use of its resources, and the relevance of the program to the objectives of the company and its customers. In this process, company management must have the freedom to choose the fields of endeavor and to terminate projects or initiate new projects when judgment deems such action appropriate. The most successful breakthroughs in technology are usually evolutionary and only through the continued efforts of many programs in many companies can the nation be assured of realizing a sufficient number of breakthroughs that will enable it to maintain technical superiority.

IR&D in this respect is thus quite different from funded effort. Under funded programs the technological building blocks have usually been established, frequently as a result of IR&D efforts, and a particular goal has been identified. The funded effort is much narrower in scope because each project is aimed at a specific task. Thus, funded effort and independent effort are complementary to each other. There is a need for each.

In our view, an underlying benefit of the IR&D program is the reduction of risk to the government. For example, industry rarely has been successful in attracting contract R&D funding from DOD laboratories to support new "breakthrough" devices or emerging technologies without some prior homework establishing feasibility. After all, Government laboratory managers want to succeed, too, and it is natural for them to favor projects which have demonstrated reasonable probability of success.

Similarly, proposals for large engineering development and production programs must include considerable proof by the contractor that major technical risks have been identified and reduced to a practical minimum. Such proof will include error analysis under simulated mission profiles, environmental studies, and sometimes the construction and flight test of hardware, all before the government commitment to the program has been made. In our opinion, this kind of forward projection is responsible for the technical superiority this nation has achieved over the rest of the world.

IMPLEMENTATION OF SECTION 203

The third and last matter on which you requested comment was in regard to DOD's implementation of Section 203 of the current law. In view of the more extensive GAO study now underway, we have chosen to limit our comments to the following problem areas:

Reduction in Actual Effort.—We continue to be concerned with the arbitrary reductions of contractors proposed IR&D/B&P program costs recoverable under government contracts, reported to you in our letter of November 21, 1973 on the same subject. In commenting on this aspect, GAO Report B–167034, Payments for IR&D and B&P Costs, dated April 16, 1973, stated that industry views in this respect could not be supported at the time of the GAO study. Nevertheless, industry is still of the view that arbitrary negotiation objectives continue to erode the actual technical effort available to apply to IR&D and therefore seriously impact contractor's and the industry's long term ability to provide needed technology to DOD and other government agencies. In this respect, we urge that the GAO reexamine this matter as a part of its current studies.

Further, with regard to B&P specifically, the government has a powerful and direct influence on B&P costs through its procurement policies. For example, industry's experience has been that more and more recent solicitations are calling for a variety of program management plans (configuration, reliability, maintainability, quality, etc.) to be included in the proposals. Thus plans are often identified in terms of Data Item Descriptions and might more properly be required as post-award contract data items. Usually, the plans submitted with the proposal are considered as drafts with revisions only required after award. The net result is the shifting of what would be a contract expense to a B&P expense. Frequently, proposals often also require the submission of one or more appendices. Therefore, a contractor is not in sole control of the amount of B&P effort required to be responsive to the Government's competitive procurement objectives. Congress and the Government should understand that there is a major inconsistency between ceilings on B&P effort and the Congressionally mandated policy of competitive procurement.

The data submitted by DOD with report to IR&D and B&P costs incurred by major contractors indicated approximately a 10% growth for 1972 over the 1971 costs. However, that cost increase resulted from mandatory expansion of definitions, mandatory changes in contractor cost accounting systems, and inflation—not from an increase in manpower expended on IR&D/B&P. Senator McIntyre, Chairman, Research and Development Committee, Senate Armed Services Committee, also discussed this aspect in his report to the Senate on May 8, 1973 (see Congressional Record of May 8, 1973, pages S–8582 and S–8583).

We believe that the erosion discussed above is continuing and for this reason, we are working on an up-date of the chart appended to our CODSIA letter of November 21, 1972. Upon completion, the results of this current survey will be submitted to the GAO.

Recommendation: Reports by DoD and the GAO to Congress should show trends in technical effort, as well as cost, and should include explanations of the factors causing changes in both costs and levels of effort.

Recovery by Smaller Contractors—The regulations provide that those contractors whose IR&D/B&P programs do not exceed the two million dollar threshold, and hence, are not subject to mandatory advance agreements, will be reimbursed on a formula basis. This provision recognizes that it is not financially prudent to impose on the contractor or DoD, the administrative burden of negotiating advance agreements within the criteria of the present ASPR at this relatively low level of expenditure. However, it has been the practice of some of the implementing personnel in the field to require these contractors to submit data pertaining to potential military relationship. As this data is not readily available, or considered available, the contractors are subjected to losses based upon unilateral determinations.

These regulations also provide that a contractor under this two million dollar threshold may seek a negotiated ceiling in lieu of the formula, recognizing that many small companies in a period of rapid growth would be prejudiced by the formula allowance. However, no implementing instructions have been issued defining the criteria for negotiation under these circumstances or identifying the DoD official responsible for the negotiation. The GAO report and recommendations to DoD (Office Letter B–167034 dated September 17, 1973) do not solve these problems as they basically endorse the application of the present ASPR which requires historical detail not customarily kept by small businesses. In this regard, perhaps GAO should also examine the total practicability of the statute.

It is recognized that these problems may involve a relatively small number of companies, and represent only a small portion of the total IR&D dollars. However, we are sure that many elements of Congress have a keen interest in the small enterprising, technological companies as important contributors to the American economy.

Recommendation: Appropriate changes should be made in the statute and regulations.

IR&D VERSUS B&P

There is another matter that concerns us in connection with the several current Government activities related to IR&D and B&P costs—namely, the too-frequent practice of lumping B&P into IR&D and considering them as one and the same for all purposes. Doing so causes confusion and misunderstanding and frequently results in failure to view each type of effort in its own distinct perspective.

IR&D and B&P are similar in that both are vital to maintaining technological capability and adequate competition within our private enterprise system, and both are normal costs of doing business which must be reflected in the prices of goods and services sold to all customers, commercial as well as government.

However, IR&D and B&P are not identical. In particular, they are quite distinct as to their purposes and, as previously noted, as to the extent of contractors' control over the timing and the amounts of effort to be expended.

IR&D and B&P complement each other and both complement other key elements in the Government's procurement policies and practices.

We hope that the differences between IR&D and B&P, as well as their similarities, and their complementary aspects will be accorded appropriate consideration in the current Governmental studies.

In closing, we wish to express our appreciation for the opportunity to provide these comments as the consensus of the opinions expressed by the member associations of CODSIA. We trust that they will receive due consideration in the course of your review and, as has been your custom, will be appended to your final report to the Chairman of the Senate Armed Services Committee.

Sincerely,

J. A. Caffiaux,
Staff Vice President, Electronic Industries Assn.
Joseph M. Lyle,
President, National Security Industrial Assn.
Karl G. Harr, Jr.,
President, Aerospace Industries Assn.
John C. Beckett,
WEMA.
Edwin M. Hood,
President, Shipbuilders Council of America
Francis P. Rooney,
Manager, Defense Liaison Department, Motor Vehicle Manufacturers Assn.

RECESS UNTIL 1:55 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now stand in recess until the hour of 1:55 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senate will now stand in recess until 1:55 p.m. today.

At 12:43 p.m. the Senate took a recess until 1:55 p.m. today.

The Senate reassembled at 1:55 p.m., when called to order by the Presiding Officer (Mr. Allen).

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

AMENDMENT OF THE WILD AND SCENIC RIVERS ACT OF 1968

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 800, S. 2439, and that the time thereon not begin running until 2 p.m.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

> A bill (S. 2439) to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the national wild and scenic rivers system.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill.

Mr. ERVIN. Mr. President, I ask unanimous consent that Bill Pursley and Clinton Kelly of my staff be accorded the privilege of the floor during the debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HASKELL. Mr. President, I ask unanimous consent that Steven Quarles of the staff of the Committee on Interior and Insular Affairs and Jerry Verkler, Staff Director of the Committee on Interior and Insular Affairs, have the privilege of the floor during the debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HASKELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Helms). Without objection, it is so ordered.

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that a member of my staff, James Roberts, be accorded the privilege of the floor during the consideration of the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield the time under my control to the distinguished Senator from Colorado (Mr. Haskell), who is managing the bill.

Mr. HASKELL. Mr. President, I yield to the distinguished Senator from Montana (Mr. Metcalf).

Mr. GRIFFIN. Mr. President, if the Senator from Montana will yield to me for one-half minute, I want to indicate that the time under the control of the minority leader or his designee will be under the control of the distinguished Senator from Wyoming (Mr. Hansen).

Mr. METCALF. Mr. President, S. 2439 is a bill to designate a segment of the New River in North Carolina and Virginia for study for possible inclusion in the National Wild and Scenic Rivers System. This bill was reported unanimously by the Senator Interior Committee on May 9, 1974.

Analogous to the national park and the wilderness systems and others the wild and scenic river system is a national resource and a belated recognition that in today's urban and industrial America our few remaining free flowing and national streams are assets to be cherished and preserved.

The committee recognizes that the decision on any particular river—whether, first, to study it, or, later, to designate it a wild and scenic river—is not only a national issue, but a local and regional issue. Often, as in the case of the New River, the Senators from the region do not sit on the committee and, although they can testify during the hearings, they cannot participate in the committee's final deliberations on the proposed legislation. Neither the Senators from Virginia or North Carolina in the affected areas are members of the committee. Therefore, the most critical moment in the progress of the wild and scenic rivers legislation may take place in the Senate when the bill is taken up on the floor.

At this point, the affected Senators can more effectively present whatever alternative futures they may have for the river. The committee fully expects that the Senators from the region will be heard today.

Nevertheless, I would like to emphasize that the Interior and Insular Affairs Committee, in unanimously reporting S. 2439, found the New River to be eminently worthy of study. The New River—the second oldest river in the world—clearly possesses, in abundance, the biological, recreational, scenic, and historic attributes which we look for in designating a river for study. Seldom have we considered a better candidate for study.

An alternative use has been proposed for a portion of the segment of the New River proposed for study. Pending before the FPC for the past 9 years has been a proposal by the Appalachian Power Co. for a combination conventional and pumped storage hydroelectric facility. The facility, requiring two impoundments, would, according to Appalachian, generate 385 million kilowatt-hours of electricity per year to be sold in Virginia and States to the west. The FPC administrative law judge has recommended licensing of the facility on three separate occasions, most recently on January 23, 1974.

Opposition to the facility, as expressed in testimony in the hearing on S. 2439, is based in part on the damage to the wild and scenic nature of the river. The impounded water would cover 40,000 acres of land, would eliminate 44 miles of the river and 212 miles of tributary creeks, would, at certain times, leave large stretches of mud flats, and would reduce much of the flora and fauna. Perhaps the most vehement opposition came from the people of the region whose families have lived there for generations. Estimates of the number of residents which would be displaced by the facility vary from 3,000 to 5,000. For 1973, the estimated value of the raw agricultural products from the North Carolina lands to be inundated amounts to $8.5 million.

In regard to the proposed hydroelectric power facility, I would like to reiterate a number of points made in the committee report.

Mr. President, I am a long-time proponent of hydroelectric power. I believe that hydroelectric power is the cleanest and the best power available. Hydroelectric power is the kind of power we should promote, all other things being equal.

My administrative assistant, a few years ago, and I wrote a book about overcharges on electric utilities and advocated hydroelectric power. We still do. But we still do only in the course of developing other kinds of power and in the course of a reconsideration of the understanding of what we are doing to the environment and to the wild rivers bill.

The committee and I, in particular, share the concern expressed by the Secretary of the Interior in a letter to Senator HELMS of April 4, 1974. In that letter, the Secretary strongly urged the enactment of S. 2439 and said:

> I share your belief that the development of adequate energy supplies is a critical national priority; but I believe as you do, that we must weigh carefully the environmental impacts of such development. I am not convinced at this time, without benefit of further study, that it would be in the interest of sound resource management to forego 40,000 acres of land and 70 miles of heretofore free-flowing river for the sake of pumped storage peaking capacity which exceeds projected demand.

So when I say that I share the concerns expressed by the Secretary of the Interior when he wrote the present Presiding Officer now in the chair, the distinguished Senator from North Carolina (Mr. HELMS), on April 4, 1974, that—

> I share your belief that the development of adequate energy supplies is a critical national priority.

I believe as you do, Mr. President, and I say that in two terms, that we must weigh carefully the environment impact of such development.

The Blue Ridge hydroelectric project also proposed prior to the enactment of the Wild and Scenic Rivers Act and the formulation of a national policy of preserving certain rivers in their free-flowing state. Therefore, virtually no attention was given in the FPC impact statement for the Blue Ridge project to the recreational or historic benefits of a free-flowing river. Instead, the statement implied that the only recreational benefits to be found would be those contributed by the project. As the Environmental Protection Agency noted in its comments on the environmental impact statement:

> Even if mechanisms are fully implemented to mitigate the [other] possible detriments cited above, it can be effectively argued that the Blue Ridge project may still entail major adverse impacts on the environment in that it would eliminate a major environmental resource of marked scenic, and recreational and biological value, the upper New River, and replace it with a flatwater expanse having questionable biological productivity.
>
> The fundamental effect of a reservoir project is to replace a flowing stream with a flatwater expanse. Thus, a basic issue which must be addressed is the comparison of the relative scarcity and value of the two environmental resources, stream and reservoir.
>
> Our appreciation of these trends leads us to believe that broad water expanses suitable for recreation will become progressively less scarce as time passes. On the other hand, high quality natural rivers of which we possess a limited number, are becoming relatively less abundant and more valuable. . . . We believe the possibility of preserving this outstanding river reach by developing alternative generating facilities and/or an alternative pumped storage site in an area where the destruction of natural values would be less significant merits serious further study.

Mr. President, free-flowing rivers are becoming more and more scarce. The flat impoundments are becoming more and more prevalent. As we go into a more and more developmental industrial and urban civilization, we are taking over more free-flowing rivers, not only in this area but in Montana, and California, and in every other part of the United States, impounding them or using them for industrial uses and some of those sources. So we have decided in Congress that a free-flowing wild river is a national resource and a national asset that we must preserve.

In summary, Mr. President, the committee voted unanimously to recommend to the Senate that the approximately 70-mile segment of the New River be studied as a potential component of the Wild and Scenic Rivers System. The committee and I, in particular, firmly believe that a maximum delay of 2 years to complete a study of the New River's potential as a wild and scenic river, after an already lengthy delay of 9 years to study the potential for a pumped storage hydroelectric facility of dubious value, is wise to insure that the best use of the river for this and succeeding generations is chosen.

On behalf of the chairman of the Interior Committee and the Public Lands Subcommittee, I will offer an amendment to limit the study period to 2 years from enactment of S. 2439. This should quiet any fears that this bill would, in any way, "lock up" the river forever.

Mr. President, the Committee on Interior and Insular Affairs unanimously urges enactment of S. 2439.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. METCALF. I yield.

Mr. ERVIN. I just want to tell my friend, the distinguished Senator from Montana, that the authors of the bill are in favor of the amendment he will offer.

Mr. METCALF. I thank the Senator.

Mr. President, I send the amendment to the desk at this time, if this is the appropriate time to offer an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read, as follows:

> On page 2, line 6, after the period and before the quotation mark, insert the following sentence:
>
> "The recommendations of the President to the Congress, and the study preceding such recommendations, required by section (4), concerning the river designated by this clause (28), shall be made on or before two years from the date of enactment of this clause (28)."

Mr. METCALF. Mr. President, this amendment is offered on behalf of the entire committee.

I yield back the remainder of my time.

Mr. HASKELL. Mr. President, I yield to the distinguished Senator from Wyoming.

Mr. HANSEN. Mr. President, I ask unanimous consent that the following individuals be given the privilege of the floor during the debate and voting on S. 2439: Harrison Loesch and Maureen Finnerty of the Interior Committee staff, and Brent Kunz of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HASKELL. Mr. President, as the distinguished Senator from Montana has stated, this bill was introduced by the distinguished Senators of North Carolina on September 19, 1973. On April 5, 1974, the Public Lands Subcommittee of the Committee on Interior and Insular Affairs unanimously reported the bill to the full committee. On May 2, 1974, the Interior Committee, by voice vote, unanimously adopted the bill and reported it favorably to the Senate.

Following are a few salient points as to why I, as chairman of the Public Lands Subcommittee and a member of the Interior Committee, favor the bill:

First, we are talking about the second oldest river in the world. It has the greatest biological diversity of any river in the United States.

Without question, the river qualifies as a wild and scenic river. Persons living in the area for generations have testified in favor of the bill—very movingly, I may say, because they will be displaced from their land and their ancestors' land if this study does not go forward and, eventually, the study does not result in declaration of this stretch of the river as a wild and scenic river.

The opposition, as the distinguished Senator from Montana has said, comes from a power project located in an adjoining State. This power project would back up and take about four-sixths of the river, inundated completely. It would take 44 miles of the river; it would take 212 miles of tributaries; it would take 40,000 acres.

The question is this: In the Interior Committee, I—and I am sure the others—recognize that we do not have the expertise with which to judge whether or not the power project should go forward or the river should go forward as a wild and scenic river. But I submit, Mr. President, that in the sweep of history, we should take a brief moment to at least study the matter; and the distinguished Senator from Montana has offered an amendment to limit the study to 2 years. We must study what is in the best interests of the United States, whether to preserve this unique segment of the river or whether we should have a hydroelectric project. Incidentally, the hydroelectric project is a pumped storage project, which I think now is regarded as somewhat inefficient.

But I do not pass on that. I merely ask that my colleagues vote in favor of this bill, introduced by the distinguished Senator from North Carolina (Mr. Helms), who now occupies the chair of the Presiding Officer, so that a study may be made and a national policy decision can go forward.

I support the limitation of the study period to 2 years. If the distinguished Senators from Virginia acquiesce in the limitation of 2 years, as provided in the amendment offered by Senator Metcalf, I would ask for a vote on that amendment.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. HASKELL. I yield.

Mr. WILLIAM L. SCOTT. I have spoken with the senior Senator from Virginia, and neither of us objects to this amendment. We do not feel that it in any way will solve the problem involved here. If anything, it is helpful to limit the study to 2 years, rather than to have no limitation at all upon the time of the study. So I have no intention of opposing the amendment.

However, I do want to speak very strongly, as strongly as I can, in opposition to the bill, even though the amendment is adopted.

Mr. HASKELL. I understand the Senator's position.

Under these circumstances, Mr. President, I ask that the amendment sent to the desk by the distinguished Senator from Montana be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. HASKELL. Mr. President, this is all I have to say, unless some questions come up.

It is my pleasure to yield to the distinguished Senator from North Carolina.

Mr. ERVIN. Mr. President, today the Senate of the United States has an opportunity to preserve for future generations an important part of our country's natural heritage. I refer to the vote scheduled for today on S. 2439, a bill which designates a portion of the New River in North Carolina and Virginia as a potential component of the National Wild and Scenic Rivers System.

This legislation was reported favorably by the Committee on Interior and Insular Affairs on May 2, 1974. It was the subject of a legislative hearing on February 7, 1974, by the Subcommittee on Public Lands at which time many North Carolinians and Virginians came to Washington to plead for congressional action to save this beautiful river. This bill, sponsored by Senator Helms and myself—and introduced by Congressman Mizell in the other body—has the support of the U.S. Department of Interior, the Governor of North Carolina, the North Carolina Department of Natural and Economic Resources, the North Carolina General Assembly, the boards of commissioners in the two North Carolina counties directly affected, and many conservation and environmental organizations.

One of these organizations is the Conservation Council of Virginia, Inc. I ask unanimous consent to have printed in the Record a letter written to the distinguished junior Senator from Virginia (Mr. William L. Scott) dated May 25, 1974.

There being no objection, the letter was ordered to be printed in the Record, as follows:

May 25, 1974.

Hon. William L. Scott,
Senate Office Building, Washington, D.C.

Dear Sir: The Conservation Council of Virginia, one of Virginia's major statewide conservation organizations consisting of 47 affiliating groups, unanimously approved the enclosed resolution supporting S. 2439, a bill authorizing and directing study of a section of the New River for potential inclusion in the Wild and Scenic Rivers System, at its May 19 meeting in Williamsburg.

The Council believes that adequate study to determine Wild and Scenic Rivers potential must be done prior to making any final decision on the Blue Ridge Project.

We urge that you give support to Senators Helms' and Ervin's bill, S. 2439.

Thank you.

Yours truly,

Joan C. Skeppstrom,
Secretary.

Mr. ERVIN. Mr. President, I also ask unanimous consent to have printed in the Record a copy of the resolution adopted by the Conservation Council of Virginia, Inc.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Conservation Council of Virginia Resolution on Blue Ridge Project, New River, Va.

Whereas, the New River in Virginia and North Carolina is the oldest river in the United States of America and second oldest in the world, and

Whereas, the New River is one of the very few naturally free-flowing, unpolluted rivers in the East, and

Whereas, the proposed Appalachian Power Company's Modified Blue Ridge Project would flood over 40,000 acres of fertile farmland and forested hillsides in rural Virginia and would flood over 40 miles of natural free-flowing streams, and

Whereas, S. 2439, introduced by Senators Helms and Ervin would authorize and direct a study of this New River section for potential inclusion in the Wild and Scenic Rivers System, and

Whereas, S. 2439 would halt the Blue Ridge Project while the Wild and Scenic Rivers study is underway, and

Whereas, the Interior and Insular Affairs Committee of the Senate has reported S. 2439 favorably for action by the full Senate, Therefore,

Be it Resolved, that the Conservation Council of Virginia does transmit this resolution to and urge the support of Virginia Senators Byrd and Scott for S. 2439.

Mr. ERVIN. Mr. President, in addition to these governmental bodies and conservation and environmental groups which ask for the passage of the bill, and the preservation of the New River, I would like to add that the preservation of the New River in its natural, free-flowing state has the determined support of thousands and thousands of Americans who have come to cherish this historic and beautiful river.

The New River, Mr. President, is truly one of the precious treasures of our natural heritage. Geologists tell us that it is the oldest river in the United States and the second oldest river in the world—second only to the Nile. It has been flowing for over a million years. It was named the New River by Peter Jefferson, the father of Thomas Jefferson, who discovered the river while surveying southwestern Virginia and northwestern North Carolina in the 1700's

Botanists have confirmed what generations of New River valley residents have always known—that the vegetation along the banks of the New is great in variety and unspeakable in beauty. Northern evergreens and pines grow magnificently amidst flowering shrubs and trees of the South. Some 68 species of fish have been identified in the New River and 11 of these species are thought to be rare and endangered. I can assure Members of the Senate that the river and its valleys compose one of the most perfect and beautiful pieces of Almighty God's handiwork on Earth.

The river and its valleys have been home for generations of American families deeply rooted in this land. They have nurtured its soil, enjoyed its bounty, and respected its beauty. One observer has noted:

> It is one of those rare places where the names on the mailboxes can be matched with

> those on the decaying gravestones. It is a living, breathing history of everyday life, a continuous, unbroken thread of culture and heritage that stretches through more than 200 years of American history.

Those families who have lived on the New River for generation after generation know its treasures best and are therefore the most determined of all at this time to secure it from destruction.

Mr. President, my office has been flooded with letters, petitions, pictures, and photographs over the past year with the same message—save the New River. Schoolchildren have composed poems about the New River and newspaper columnists have taken to print, again, with the same message—save the New River. Young people who have just begun to enjoy fishing and canoeing on the New are just as concerned about its preservation as are their parents who have known its pleasures throughout their lives.

S. 2439 is necessary for the preservation of the New River because of a pending license application before the Federal Power Commission to construct a hydroelectric project on the New River. An FPC administrative law judge recommended licensing of the project on January 23, 1974. Almost certain to receive Commission approval in the very near future, this project would absolutely destroy the New River as we know it today. There is much controversy as to the necessity and efficiency of the type of power project proposed to be built on the New. The application is for a pumped storage hydroelectric facility which is criticized by some scientists and energy experts as an inefficient method of producing electricity. Some of these experts maintain that the Blue Ridge project as presently conceived will be obsolete before it can be built and begin operation. I am not an expert in the technology of producing electric power and, therefore, must leave the resolution of this particular controversy to others. But one thing is certain, Mr. President. Whether this project be technologically sound or not, its completion will destroy the New River. And, Mr. President, with respect to the New River and the joy it brings to those who know it, I do qualify as an expert. I am an expert as to its beauty because, like most other fellow travelers on this Earth, I have learned to appreciate the handiwork of Almighty God. We can rebuild buildings and cities and power plants if they become obsolete, but we can never rebuild nor match the perfect beauty of nature which God has given us. There may be confusion of facts and controversy over technology as to the Blue Ridge project itself, but as to the fate of the New River there can be no argument. Unless S. 2439 is enacted to protect the New from this project it will be lost forever.

Although many knowledgeable persons have expressed strong criticism of the Commission's consideration of this application—in which criticism I have frequently joined—the justification of enacting S. 2439 does not depend upon finding fault with the Federal Power Commission's actions. Designation of the New River as a potential component of the National Wild and Scenic Rivers System is justified because it is a river with characterisics which the Congress in 1968 decided to protect for future generations of Americans by enacting the Wild and Scenic Rivers Act (82 Stat. 906, 16 U.S.C. 1271) quite apart from the authority given to the Federal Power Commission by Congress.

In enacting the Wild and Scenic Rivers Act of 1968, Congress declared:

> . . . the established national policy of dam and other construction at appropriate sections of the rivers of the United States needs to be complemented by a policy that would preserve other selected rivers or sections thereof in their free-flowing condition to protect the water quality of such rivers and to fulfill other vital national conservation purposes. (16 U.S.C. 1271). The Congress decided that rivers with . . . outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural or other similar values, shall be preserved . . . for the benefit and enjoyment of present and future generations. (16 U.S.C. 1271).

Mr. President, no American with eyes to see the glorious beauty of the New River, with ears to hear the precious sounds of nature which echo along its banks, and with a heart to love the wonders of our good Earth could fail to conclude that the New River is exactly what the Congress intended to preserve by enactment of the Wild and Scenic Rivers Act.

After studying the testimony taken by the Subcommittee on Public Lands, pictures and maps and other evidence concerning the New River, the Committee on Interior and Insular Affairs concluded that the New River is—

> . . . worthy of study for possible inclusion in the national wild and scenic river system. (Report No. 93-831, page 4).

It is particularly important, Mr. President, that the committee's report makes detailed reference to the proceedings pending before the Federal Power Commission involving the New River. While the committee of course did not attempt to substitute its judgment for that of the FPC, the committee report correctly points out that:

> . . . the Commission lacks competence to judge the potential of a river for wild and scenic river status. For example, virtually no attention was given in the FPC (environmental) impact statement for the Blue Ridge Project to the recreational or historic benefits of a free-flowing river. (Report No. 93-831, page 5.)

Mr. President, I want to emphasize that S. 2439 does not attempt to make the New River a component of the Wild and Scenic Rivers System without appropriate study by the Department of the Interior.

This bill merely designates a portion of this river as a "potential addition" to the system. Under the 1968 act, a river so designated is studied by either the Bureau of Outdoor Recreation of the Department of the Interior or the Forest Service of the Department of Agriculture to determine its suitability for inclusion in the system. When completed, the study is submitted to Congress which must enact further legislation should it wish to designate the river as a component of the wild and scenic rivers system. In its report on S. 2439, the Committee on Interior and Insular Affairs recommends that the study be completed no later than 2 years from the enactment of S. 2439.

The Senate has just adopted an amendment providing for a study within 2 years after enactment of the bill as one of the provisions of this act.

Assuming that this period of time permits the study to be properly concluded, I fully support the committee's recommendation. During this period of study, the 1968 act wisely provides certain protections for the river aimed at maintaining the river in its existing state. Among these protections set forth very explicitly in the statute is a prohibiton against the licensing of any dam or other water project under the Federal Power Act on or directly affecting the designated river.

The Wild and Scenic Rivers Act classifies rivers in the system as "wild river areas," "scenic river areas," and "recreational river areas." These categories of rivers are described in the 1968 statute. If a river is ultimately included in the wild and scenic rivers system it is classified, designated, and administered according to these categories. The administration of rivers in the system by the Interior Department varies according to a river's classification. The regulations and restrictions which are developed to preserve a wild river area are not the same as those which apply to a scenic river area or to a recreational river area.

Those persons who have studied this matter believe that the New would most probably be classified as a scenic or recreational river. According to the Interior Committee's report, in the case of recreational and scenic river categories—

> . . . most traditional uses—roads, bridges, residences, farming, grazing, timber harvesting, hunting and fishing, and various commercial activities—may be allowed. Even the most restrictive management category—that of "wild" river—limits development activities less than is done in areas under the Wilderness Act.

This is important in understanding the impact of inclusion of a river in the wild and scenic rivers system.

In summary, Mr. President, I urge the Senate to implement the policy Congress established in 1968 to protect America's wild and scenic rivers by adopting S. 2439 to save the New River—a river which certainly qualifies for inclusion in the wild and scenic rivers system. In so doing, the Senate will be preserving for future generations of Americans the enjoyment of a very special part of this good earth. I share with other Americans anxiety about our energy problems and do not dispute the necessity of balancing the Nation's energy needs with conservation concerns. In the case of the New River, however, I must confess dismay as to how there could be doubt about the choice which should be made. I do not believe it is a close question. If America sacrifices the majesty and beauty of a river such as the New, it will be denying its own birthright to the handiwork of Almighty God.

The people who know and love New

River sometimes write poetry about the New River. I received one from a little boy who lives in Sparta, N.C., dated May 16. He wrote:

> The matter of a dam has come up. We, the students of Sparta Elementary School, wouldn't want to see a big dam put on our beautiful river in the heart of the Blue Ridge Mountains. We would be ever so grateful if you could stop it. The dam would run people out of their homes. For generations people have enjoyed the natural beauty of this river. I hope that S. 2439 will be passed for the sake of all fisherman.

And I certainly hope for that also because when I announced that I would not be a candidate for reelection this fall, and I was asked what I was going to do, I said "I am going fishing." Since that time I have received three good rods, and I want to go over to the New River and try my luck at fishing. I am looking forward to that.

I got interested in the New River as a result of the efforts of one of the closest friends I ever had, a schoolmate of mine, Lloyd Crouse, who was born and lived on the New River and who did so much during his lifetime for the stocking of the streams in North Carolina with fish and who did so much for wildlife.

To continue with this letter:

> Great fishing is found at New River. I hope my plea is heard. I would hate to see a dam put on the New River. The people truly love this river. I am a boy, 12 years old, who lives within 5 miles of this river. The people of North Carolina have enjoyed picnics at the river for decades. Other students are writing to other senators. I wanted to write to you because I know that you get things done.

I hope that proves to be true, I venture to say.

> I know you are the finest Democrat I ever heard of.

I am inclined to think that this boy was brought up in the right political climate.

> This is what I want.
>
> Senator Sam—stop the dam.

And I appeal to the Senate to help Senator SAM stop the dam.

This is not the only child from this area that I have heard from. Here is a petition to the Senate from the students of Sparta Elementary School, who live in the county seat of a county which would be virtually inundated as far as the river and the river bottomland and the fertile land are concerned if this hydroelectric plant should be built.

This petition reads:

> Most people say children should be seen but not heard. We want to be heard. We think the dam on New River should not be built. Sure it will help the energy crisis, but it will ruin the homes of people and animals.
>
> We love our river!
>
> We love our country!

I ask unanimous consent that the signatures on the petition be printed at this point in the body of the RECORD so that we may have proof for the future that these children think that the Senate ought to aid in the preservation of the handiwork of Almighty God for their benefit and for the benefit of all other Americans.

There being no objection, the signatures were ordered to be printed in the RECORD, as follows:

PETITION

Most people say children should be seen but not heard. We want to be heard. We think the dam on New River should not be built. Sure it will help the energy crisis, but it will ruin the homes of people and animals. We love our river! We love our country!

SPARTA ELEMENTARY SCHOOL, GRADES 6, 5, 4, AND 3

Chairmen, Tim Billings and Brant Burgess.

Secretary, Marsha Magoner and Tom Caudill.

Kim Sheets, Roger Wood, Randy Bennett, Robin Patton, Janet Hart, Susie Williams, Beliva Caudill, Monroe Gambrell, Steve Wilson, and Felicia Joines.

Darlene Bare, Eddie Hart, Mark Fender, Leonard Absher, Tina Sidden, Beverly Upchurch, Mark Ketchum, Tina Thatcher, and Margaret Hamm.

Margaret Brinegar, Annie Wood, Jimmy Phipps, Mary Wyatt, Teresa Nunley, Mark Caudle, Doug Murphy, Mark Harris, and Lynnie Crouse.

David Lyon, Nathan Bryan, Carol Bare, Nancy Billings, Patricia Andrews, Sharon Henry, Bill Edwards, Margie Sheets, Ricky McGrady, and Karla Caudill.

Tony Miller, Linda Fender, Frank Edwards, Danny Wyatt, Jim Sardar, Donald Reeves, Danny Murray, Barbara Talman, James Halsey, Loyd Toliver, and Barry Bickerstaff.

Dawn Caddell, Steve Finney, Dwaynna Murphy, Stewart Royall, Mark Dozier, Sandy Murphy, Mike Anderson, L. M. McCall, Debbie Edwards, Vickie McGrady.

Stella Mahan, Donna Farmer, Betty Crouse, Donna Reeves, Christine Murray, Teresa Smithers, Teresa Rector, Chris Cox, Tommy Billings, Greg Bryan.

James Books, Gloria Caudell, Bobby Edwards, Joey Irwin, Jamie Finny, Greg Irwin, Arvie Perry, Jonathan Brewer, Jeff Wyear, Mike Edwards, Pearl Lyman.

Greg Wright, Bracky Bickerstaff, Erwin Bennett, Greg Wooten, Joyce Roork, Mark Richardson, Melvin Bryan, Terry Brooks, Lorinda Seward, Lori Edwards, Barbara Jones, Debbie Combs, Lisa Wyatt, Audrey Osborne.

Karen Crouse, Michael Henry, Robert Williams, Roger Phipps, Gilly Sturgill, Debbie Sprinkle, Beth Osborne, Vicky Davis, Varan Walker, David Sexton.

Gary Woodel, Michael Dawson, Franklin Hash, Greg Douglas, Mickie Royall, Ellen Brinegar, Matt Dixon, Lesa Perry, Gail Hamm, Debra Perry.

Kenneth Shepherd, Robert Perry, Greg Cornett, Julian Young, Buddy Locklean, Tim James, Tammy Caudill, Cathy Royall, Susan Wooten, Linda Caudill.

Kim McKnight, Maria Vollmer, Terri Boger, Jeff Miller, Angie Hampton, Sara Edwards, Roberta Blanton, Freda Wagoner, Lisa Roupe, Jane Huft.

Michael Cleary, Bobby Maxley, Mason Mullis, Jeff C., Lisa Roark, Betty Locklear, Barbara Lovelace, Aundra Kandy, Mike Hamm, Carlos Bare, Randy Duncan, Lowell Lowe.

Vickie Williams, Daniel Dunsan, David Sparks, Kenneth Simpson, Marty Caudill, Frankie Andrews, Derrick Murphy, Jimmy McClure, Ritchie Cornette, Allen Reed.

Mike Caudill, Greg Bedsoul, Dale Hampton, Donna Jones, Sandy Crouse, Johnny Shelsu, Gail Cox, Becky Edwards, Becky Boyer.

Garalee Weigand, Lois Brooks, Tammy Billings, Susie Setzer, Sandra Edwards, Sara Brown, Juanita Wyatt, Cheryl Reeves, Janie Jones, Timmy Fowler.

Eric Blevins, Joey Vollmer, Craig Decker, Tammy Blevins, Pam Osborne, Jeff Parsons, Paula Wagoner, Doug Lucas, Brian Wagoner, Susan Caudell.

Bretta Billings, Sally Scott, Lisa Cox, Tammy W., Pamela Upchurch, Rita Irwin, Robin Hampton, Ricky Hanson, Donald Melton.

Tamarah Powell, Kerry Miller, Debbie Bottomley, Chris Sturgill, Aaron Finney, Allan Atwood, John Edwards, Keith Caudill, Chris Henry, Mitzi Maxley.

Shelby Smith, April Holcomb, Stevie Rutherford, Dwayne Billings, Mike Miller, John Beard Richardson, Robert Clay Petty, Mary Jane Phipps, Ginny Lou Wingate, Jim Choate.

Greg Weeten, Tammy Bennett, Robin Scott, Alton Duncan, Sandra Smith, Susan Young, Chris Kelley, Lori Brooks, Celia Castevens, Diana Blevins.

Janee Johnson, Mike Edwey, Louise Perry, Allen Church, Gerald Bryan, Audrey Siddin, Allen Lawread, Lisa Wooten, Harold Bryan, Timmy Jones.

Brad Maines, Deborah Calhoun, Michael Caudill, Rita Osborne, James McMeans, Johnny Andrews.

Shawn Andrews, Tracy Nichols, Dale Higgins, Frank Duncan, Randy Crouse, Chris Shepherd, Kimberly Hopson, Sam Huff, Larry Dowell, Stacey Reeves.

Penny Reeves, Mike Miles, David Wyatt, Daniel Richardson, Steve Moore, Steven Hoppers, Alan Crouse, Shannon Brooks, Bobby Dawson, David Dillon.

Terry Maines, Stephanie Parsons, Cindy Barrier, Johnny Caudle, Lisa Maxley, Mitra Heravi, Janna Hendrix, Michael Sparks, Doug Dozier, Joan Sheets, Cecil Evans, Kathy Anders, Dennis Murray, Judy Williams, Don Mabe.

Mr. ERVIN. Mr. President, I also have a letter from Elizabeth J. Cox, of Independence, Va., dated May 3, 1974. She has lived on this river all her life, in Grayson County. She is 86 years old, and she asks for the preservation of the river, not so much for herself, she says, as for her children and grandchildren and future generations of Americans.

I ask unanimous consent that her letter be printed in full at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

INDEPENDENCE, VA., *May 3, 1974*.

DEAR SENATOR ERVIN: I wish to express my appreciation to you for your courageous effort to place our beautiful river where it cannot be touched by industry such as dams and otherwise.

I am 86 years old; have lived in Grayson County for 53 years; occupy the ancestral home of my late husband, Kyle T. Cox. I live here on four hundred acres which my husband's family has owned for generations. We have worked hard through depressions; through crops good and bad; through debt and other disaster to hold our home. Should the Appalachian Power Company build its dams it would take our house (which would be 50 feet under water), and about all of our land. I realize that my age would make that very hard for me, but my chief objection is it would not only rob my descendants of what is justly theirs, but it would destroy the natural resources of this magnificent country. If you have not visited here, I now invite you and Mrs. Ervin to come to my house as guests, and there are friends of yours who would like to take you boating on our beautiful river when it is placed in the Scenic Rivers of the United States of America.

This comes from the bottom of my heart to you, an honest and able Senator, and again my thanks.

Gratefully yours,

MRS. ELIZABETH J. COX.

Mr. ERVIN. Mr. President, I also ask

unanimous consent that a letter from Col. Joseph H. Beasley, of the U.S. Military Academy at West Point, who is familiar with this river and urges passage of the bill, be printed at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
U.S. MILITARY ACADEMY,
West Point, N.Y., May 23, 1974.

Hon. SAM J. ERVIN, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ERVIN: As one of your North Carolina constituents, I wish to write and thank you for your efforts to preserve the New River as a part of the nation's scenic rivers system. I know that you will be doing all that you can to secure passage of S. 2439 by the full Senate.

Every summer I visit my sister and her husband, who live along the New River; and I am always impressed by the beauty of such an unspoiled area, as well as the fact that there still remains one clear and unpolluted river for us to enjoy and appreciate. Few such areas of natural beauty are left, and I appreciate your efforts to preserve this one. I want my three boys to be able to enjoy the area, as I have.

I appreciate your tenacity and grace as you have been on stage center in past months, and certainly wish you well in retirement.

Sincerely.

JOSEPH H. BEASLEY,
Colonel, Assistant Professor, Department of History.

Mr. ERVIN. Mr. President, now I have a poem a little longer than the one that said, "Senator Sam—stop the dam." This is called New River:

NEW RIVER

(By Thomas B. Fowler)

CHORUS

New River, New River,
  You've been rolling through these hills for so long,
New River, New River,
  Why don't you sing us your song,
You know all the secrets of the mountains,
  You have been many times down to the sea,
You have been the little rain drops from heaven,
  That have fallen on our land and kept it free,

Chorus.

God made you in all His glory,
  He gave you to the land of the sky,
May He keep you rolling on forever,
  Through these valleys and hills, high and wide,

Chorus.

There is a company that wants to take you,
  And claim you for its very own,
It has no love for its neighbors,
  Or it would leave you alone,

Chorus.

There is a man away up in Washington,
  He claims he knows where you are,
But you say he is only a stranger,
  And has only heard of you from afar,

Chorus.

Why not tell all the demagogues and judges,
  That you just want to be left alone,
So you can roll on forever,
  And forever sing us your song,

Chorus.

You have guarded these mountains forever,
  You have watched them both day and night,
We pray that God will now protect you,
  From this senseless and merciless plight,

I also join in the prayer of this little poem. I have a number of other items I should like to call to the attention of the Senate, but I shall at this time simply urge that everybody answer the little poem entitled "Senator Sam—Stop the Dam," written by this small child.

Mr. HASKELL. Mr. President, I yield 10 minutes to the distinguished junior Senator from North Carolina.

The ACTING PRESIDENT pro tempore. The junior Senator from North Carolina is recognized for 10 minutes.

Mr. HELMS. I thank the distinguished Acting President pro tempore for relieving me from presiding over the Senate so that I may participate in this debate.

Mr. President, I ask unanimous consent that a member of my staff, Dr. James Lucier, be granted the privilege of the floor during the debate on this bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from North Carolina yield for a similar request?

Mr. HELMS. I am delighted to yield to my good friend.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that Mr. George Shanks, a member of my staff, be granted the privilege of the floor during the present debate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. Mr. President, listening to my distinguished senior colleague from North Carolina read the poetic letters he has received reminded me that I should have brought with me some of the letters that have come to me. I confess that I have received no poetry, but I am trying to decide how a schoolboy trying to write a poem with my name in it would proceed. Senator ERVIN recited the words of the little boy who wrote, "Senator Sam—stop that dam. I suppose that the only rhyme the little boy could write to me would be, "Senator Jess, stop that mess."

Mr. President, there is very little that I can say about S. 2439 that has not already been said in the very fine, objective report submitted from the Interior Committee by the distinguished Senator from Colorado (Mr. HASKELL) on behalf of this bill. I urge my colleagues to read it carefully because it represents, as it were, an outside judgment on the merits of this as a potential component of the Wild and Scenic Rivers System.

We North Carolinians are a bit inclined to brag about the New River. There is nothing else like it in the eastern United States. It entered modern history when it was discovered by Peter Jefferson, and named the New River; but it is actually the oldest river in the world, save only the Nile. It was in prehistoric times the headwaters of a gigantic river, the Teays, which flowed through the midwest to the gulf and drained half the continent. All but the section now known as the New was obliterated by the glaciers of the ice age.

Today the New River remains as a geological rarity, one of the few unpolluted, free-flowing rivers in the East. For millions of years it has remained such. It is only modern civilization that threatens it now. In North Carolina we are firmly convinced that the Wild and Scenic Rivers Act was passed by Congress just to provide such protection for future generations. There has seldom been such an issue on which the elected officials of North Carolina at local, State, and Federal levels, both Republican and Democratic, have had such unanimity.

That is why we are so pleased with and grateful for the fine reception given this proposal by the distinguished members of the Interior and Insular Affairs Committee, particularly by the Subcommittee on Public Lands chaired by Mr. HASKELL. I commend them on their close attention and careful study. Their judgment, as I said, is an independent judgment, and confirms the judgment of the people of North Carolina.

It is the overwhelming view of the people of North Carolina, particularly those who dwell in the affected region and are most intimately familiar with the New River itself, that it should be designated as a potential component of the Wild and Scenic Rivers System. It is not an easy thing for the fiercely independent people of the Blue Ridge to favor a higher level of Federal control over the use of lands which they have known and loved for generations. But they have seen that rich and powerful out-of-State interests are eagerly trying to destroy the New River's pristine state and are exploiting the power of Federal agencies to help them attain their own ends. Only the Wild and Scenic Rivers System can protect them from broader manifestations of Federal power.

It is ironic that the proposed project that would destroy the New River has a projected life of only 50 years—the flash of a swallow's tail in a sunbeam, when compared to the eons, literally eons, of the New River's existence up to now. And it is an insignificant moment to those families who have dwelled on these lands for generations. It is in settled communities such as these that the deep roots of society have meaning and private property becomes something more than a title to be exploited. Property becomes a trust for the future generations and its mere economic value is least in the scale of priorities. The inclusion of the New River in the Wild and Scenic Rivers System will help these citizens to preserve their trust, and their values.

Mr. President, I point out that the interest of the Federal Power Commission in this project has been rather narrowly concentrated on the production of electric power itself. The studies which the FPC has made are based on old concepts of resource management. This country has done a lot of rethinking about how to handle the power crisis and to balance out all of our economic and social needs.

The pumped-storage concept of supplying peaking power has been shown to be an uneconomic concept when considered in the overall context. Steam-generating plants will be used to pump water up to the higher reservoir at night so that it can flow down through the water turbines during the day when the peak demand is highest. But there is no such thing as perpetual motion. It will take three units of power to generate every two units produced by the pumped-storage facility.

Moreover, it will add considerably to the air pollution problem because the steam generation will be done in old-fashioned plants without the pollution control facilities that would be required if new steam plants were built for peaking power.

It is highly significant that this project has a planned drop of yearly output of nearly two-thirds over 20 years, from 5.5 to 2.75 million megawatt hours. The reason for this is that the reservoir will silt up at a rapid rate, leaving no room for the quantities of water needed for economical generation.

Mr. President, I believe that it was the review of these facts that induced the Department of the Interior to take another look at this project. On April 1, 1974, I wrote to Secretary Rogers Morton.

I ask unanimous consent that that letter be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record. as follows:

April 1, 1974.

Hon. Rogers C. B. Morton,
Secretary of the Interior, Department of the Interior Building, Washington, D.C.

Dear Mr. Secretary: It is my understanding that Governor James Holshouser recently met with you to discuss the problem of the New River. Like Governor Holshouser, and every major official in North Carolina, I am opposed to development of the New River.

As you know, I am the sponsor of S. 2439, a bill to designate a segment of the New River, mainly in North Carolina, as a potential component of the National Wild and Scenic Rivers System. The purpose of this bill is to study which segments, if not all, of the New River meet the criteria of the National Wild and Scenic Rivers System.

The New River is a unique and unspoiled waterway threatened by the over-reaching development of the Blue Ridge Project. Although energy is high on this Nation's priorities, the proposed Blue Ridge Project is a pumped storage plan that would actually use more energy for pumping than it would produce; its economic rationale is that it would provide extra peak capacity—a short-sighted concept of energy management. I myself think that energy should be among the highest of our Nation's priorities; but in the competing interests, I think that a strong environmental concern outweighs a dubious marginal energy benefit.

I am writing to you to enquire whether the Interior Department has reassessed its views about S. 2439. The mark-up for this bill will occur on April 5, and I would appreciate it if you could reply before that date.

Sincerely,

Jesse Helms.

Mr. HELMS. Mr. President, Secretary Morton replied on April 4. I ask unanimous consent that his reply be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of the Interior,
Washington, D.C., April 4, 1974.

Hon. Jesse Helms,
U.S. Senate,
Washington, D.C.

Dear Senator Helms: Thank you for your letter of April 1, concerning S. 2439, pending legislation to designate a segment of the New River, North Carolina and Virginia, as a potential component of the National Wild and Scenic Rivers System.

As you are no doubt aware, the Department had earlier recommended that action on S. 2439 be deferred pending our preparation of a comprehensive list of rivers to be studied. In light of the Committee's decision to proceed shortly with consideration of S. 2439, I welcome this opportunity to comment further.

It is apparent that the citizens of North Carolina are deeply concerned about the New River, and anxious that a study be made to determine whether any or all of that River might be designated as a component of the National Wild and Scenic Rivers System. In addition to the strong interest expressed by you, Senator Ervin, and Representative Mizell, Governor Holshouser and the State legislature have urged that the New River be protected. Because of this intense interest, I recommended to Governor Holshouser that he proceed, in cooperation with the State legislature, if necessary, to develop an application for designation of the New River as a component of the National System in accordance with Section 2(a) (ii) of the Wild and Scenic Rivers Act. Notwithstanding the Governor's agreement to proceed in this manner, it now appears that this option has been foreclosed by the imminence of a decision to license the Blue Ridge Project.

I share your belief that the development of adequate energy supplies is a critical national priority; but I believe as you do, that we must weigh carefully the environmental impacts of such development. I am not convinced at this time, without benefit of further study, that it would be in the interest of sound resource management to forego 40,000 acres of land and 70 miles of heretofore free-flowing river for the sake of pumped storage peaking capacity which exceeds projected demand.

Accordingly, the Department recommends enactment of S–2439, but suggests amendments which would limit the period of study to two years from the date of enactment and which would extend the scope of the study to include that reach of the New River lying within West Virginia. The Department is prepared to conduct such a study, should it be authorized, within two years' time.

An early recommendation would assure proper consideration of the New River's potential as a component of the National System without delaying unduly the Blue Ridge license proceeding which began in 1965.

Sincerely yours,

Rogers C. B. Morton,
Secretary of the Interior.

Mr. HELMS. Mr. President, I do not believe that the FPC has fully considered the alternatives to a pumped storage project. In this connection, an article appeared in the Winston-Salem Journal and Sentinel last Sunday which discusses a number of such alternatives which were not mentioned in the FPC's environmental review, and I ask unanimous consent that this article, by the distinguished North Carolina newspaperman, Mr. Charles Osolin, be printed in the Record at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. HELMS. As I have said on another occasion, many Americans—and I am one of them—feel that the influence of our Federal Government has become so pervasive that citizens of a locality or a State are no longer able to control their destiny. Decisions which vitally affect their lives and which have profound local consequences are being made at the national level by some agency of the Federal Govenment with little or no sensitivity to the consequences that these decisions produce on a local scale.

Now the citizens of Ashe and Alleghany Counties of North Carolina are faced with the fact that such a decision by a Federal agency may rob them of their dignity and property. And the State, and indeed, the Nation, will be robbed of a priceless natural resource. If this bill is passed, this effort by one agency of the Federal Government, an agency with narrow interests, will be superseded by the power of another arm of the Federal Government in a less pernicious form, a form which, by law, will be more attuned to the broad interests of the Nation and with the thinking of the people who will be most affected. I personally think it would be better if the Federal Government were not involved at all; but under the circumstances, this is the only way to preserve something that North Carolinians cherish. I urge my colleagues to join Senator Ervin and me in supporting this bill.

Mr. President, during the consideration of this bill in committee, attention was given to the problems which inclusion of certain sections of the North Fork and of the tributary streams might cause to the industrial base of Ashe County. The most serious difficulties might impact specifically upon the Sprague Electric Co., depending upon the final outcome of the Department of the Interior's study. The committee concluded that these problems would best be studied within the context of that study, and I concur. But I suggest to the Department that the final classification of the mile or so of the river adjacent to Sprague pay particular attention to the economic needs of the region. So far as I know, the Sprague plant is nonpolluting, and contributes a $5 million annual payroll to the area. The exclusion of this small segment as a result of the study would not in any way be a detriment to the inclusion of the segments specified in the bill.

Mr. President, there are a number of other documents which pertain to this issue, and which I ask unanimous consent to be printed in the Record. They include the following:

First. A letter from Gov. James E. Holshouser, Jr., to the Secretary of the Federal Power Commission, setting forth the position of the State of North Carolina.

Second. Two editorials from the Twin City Sentinel, Winston-Salem, the most recent in the Sentinel's long-standing campaign to save the New River.

Third. An article from the Sunday Journal and Sentinel by Mr. Charles Osolin, which ably sets forth the feelings of the Blue Ridge people toward their land and culture.

Fourth. A letter from John R. Quarles, Jr., Deputy Administrator to Mr. John N. Nassikas, Chairman of the Federal Power Commission, of the Environmental Protection Agency, setting forth the objections of EPA to the project, and enclosing EPA's comments on the FPC environmental impact statement on the Blue Ridge project.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

STATE OF NORTH CAROLINA,
Raleigh, N.C., July 11, 1973.

Mr. KENNETH F. PLUMB,
Secretary, Federal Power Commission,
Washington, D.C.

DEAR MR. PLUMB: This will notify you that Mr. Millard Rich, of the North Carolina Attorney General's staff, will be present at the hearing on Project No. 2317—Virginia and North Carolina, Appalachian Power Company, scheduled for July 18 in Washington. Mr. Rich will be prepared to cross-examine witnesses on various aspects of the subject matter of the final environmental impact statement.

In the past, North Carolina has expressed concern over low-flow augmentation and associated drawdowns in water level built into this project. It is my understanding that low-flow augmentation has been eliminated from Blue Ridge. This reduces to a minimum water level fluctuations, particularly in the upper reservoir, and answers to a great extent one of North Carolina's original concerns.

Despite this, I remain deeply concerned over the social implications of this project. It appears to me that the citizens of Ashe and Alleghany Counties will bear an inordinate proportion of the negative impacts of this project and will share only distantly in its benefits. It is not at all clear to me that the recreation benefits of the project will compensate the citizens of this area for the loss of land and disruption of way of life they will suffer. For these and other reasons, I regretfully conclude that I must withdraw any support for this project previously expressed by the State of North Carolina.

Sincerely,

JAMES E. HOLSHOUSER, JR.

[From the Twin City Sentinel, Apr. 5, 1974]

OF TIMING AND THE RIVER

Now, only time is working against the people who favor keeping the New River of northwestern North Carolina in its wild and beautiful natural state. The Federal Power Commission once again appears poised to grant a license for the controversial Blue Ridge power project that would flood thousands of acres of prime farmland, drive hundreds of Ashe and Alleghany County residents from their homes and drown a whole way of life in the scenic valley of the New forever.

Meanwhile, key support for legislation that could lead to preserving the river has been recruited in the Senate and from the Interior Department. The prospects for both sides in the controversy seem to change from one day to the next; at the moment, the pro-river forces are optimistic, but the FPC listens to its own drummers, and timing is crucial.

It is ironic that even as elective bodies in Raleigh and Washington—the General Assembly and both houses of Congress—work feverishly on legislation to save the New River or at least to delay its impending destruction, an administrative agency is racing to take the long dispute out of the hands of the people's representatives and to end it with a wholly unsatisfactory administrative licensing procedure.

Perhaps the difficulty of saving the New lies in the difference of approach between the opposing forces. Opponents of the project most recently have been working diligently through slow and winding legislative channels to have the New included or at least studied for inclusion in the National Wild and Scenic Rivers System.

By contrast, power project forces have been proceeding in a more or less straight line through the FPC. The project has been delayed, true, but the delays have generally taken the form of repetitions or variations of FPC procedures.

The sum of all these factors represents an everyday fact of life for environmentalists and other citizen advocacy groups: Once a project, however ill-advised, gets rolling, it is extremely difficult to derail it.

We strongly feel that the sheer momentum of the Blue Ridge power project should not nullify legitimate legislative deliberations on the fate of the New River. Regardless of the relative merits of the project or of river preservation, the FPC is not elected by the people. It should not be permitted, by default or quirk of timing, to make what amount to legislative decisions that are by right reserved to the people's representatives.

There should be no question of a "race" between the FPC and the slow-moving scenic river legislation. Now that the New River issue is before Congress, Congress should decide it, even if judicial intervention is needed to grant the time to make the decision.

[From the Twin City Sentinel, May 4, 1974]

ROLLIN' ALONG

Legislation to preserve the scenic New River is at last rollin' along again in Washington. The Senate Interior Committee this week approved a bill to have the river studied for inclusion in the National Wild and Scenic Rivers System.

The committee's unanimous approval of the idea of saving the New marks the passing of an important hurdle for the preservation measure. More important, it provides reassuring evidence for environmentalists that their long years of effort in behalf of this embattled river have not been in vain, that the end of the struggle may at last be in sight, and that end may be a victory for them.

The Senate committee vote is only a step, however important. House committee action of a similar measure is now expected, and then the bill must be debated on the House and Senate floors. If the actions of both houses can be reconciled, and if a measure is signed into law, only then can the actual process of saving the river begin in earnest, with an Interior Department study of its scenic and recreational value.

But for many years, it seemed as if the giant Blue Ridge power project proposed for the valley of the New would grind its inexorable way into operation without benefit of independent study by the federal agency best qualified to rule on the merits of leaving the river as it is.

The study specified by this legislation should be made in simple fairness and common sense. The Federal Power Commission, which has approved the project, ought not to be the final judge of the river's value. Such judgments are outside the limits of this agency's interest and expertise. If, moreover, there is a reasonable prospect that the river is a more important resource for the region and the nation in its present state than the power project would be, then that prospect must be explored.

It is certain that once the Blue Ridge project floods the New River Valley and its whole way of life out of existence it will be too late then to go back and consider saving the river. That alternative must be carefully examined now, while there is still a river to save. We hope the full House and Senate agree.

A STORY: BLUE RIDGE, THE FPC AND "THE WALTONS"

(By Charles Osolin)

WASHINGTON.—If every member of the Federal Power Commission could somehow be forced to watch a recent episode of the popular television series, "The Waltons," then the chances for an FPC ruling against the Blue Ridge power project might not be quite so bleak.

Throughout the long and convoluted history of the Blue Ridge case, neither Appalachian Power Co., the FPC staff nor the presiding administrative law judge has really seemed to grasp what construction of the project would mean to the thousands of people in the New River valley who would be forced to leave the homes and farms that they and their ancestors have lived in and worked on for generations.

Those feelings—expressed emotionally by Sidney Gambill and other residents of Ashe and Alleghany counties during a public meeting in Jefferson two weeks ago—were dramatized in a poignant, low-key episode of "The Waltons" early this year entitled "The Heritage."

The story, in case you missed it, is about an attempt by a slick land developer from Richmond to buy up Walton's mountain for $30,000 and turn it into a health resort, complete with a fancy hotel, mineral springs, clean air and mountain scenery. Caught in the financial squeeze brought on by the Depression, the Waltons—whose farm in Virginia's Blue Ridge Mountains bears a close geographic and physical resemblance to many of the older homes in the Blue Ridge project area—find the financial security tempting, and are seriously considering the offer.

But then the developer hits them with the bad news. Their weatherbeaten house would spoil the view from the hotel, and the rich tenants might object to the smell—the livestock's smell, he hastens to add. What's more, the visitors might be distracted by the voices of the children. He wants to move the family to a spot away from the resort, raze the house, and turn the area into a parking lot and garage.

Sound familiar?

The Waltons, as might be expected, balk at having to move from their family home—especially John-Boy, who was against the idea of selling the mountain in the first place.

"I always thought of the mountain as a part of us, like a heritage," he says. "Our whole history is tied up with it . . . the ancestral home is there . . . all of our dead resting up there in the graveyard."

Grandpa Walton also has trouble getting used to the idea. After tending the gravestone of his father, he looks out across the family land and muses:

"This is fought-for land. Oh, the battles this land has seen. Flood, fire, diphtheria, whooping cough, loneliness, hard times. But we endured on this land. And we owe it all to the Waltons resting here."

Despite his attachment to the land, Grandpa tells John he'd be a fool not to take the offer. So do some of the locals, who like the "prosperity" the resort would bring to their community. "I say it's progress," insists one, "and you can't hold back the wheels of progress."

But John-Boy, who's getting ready to go off to college, has the last word. In a climactic discussion with John and Olivia at the bedside of their sleeping children, he tells what it would mean to Jim-Bob and Elizabeth to be yanked suddenly from their family home:

"The rest of us have had it all our lives," he says. "We've got a history here that's made us what we are. We've got memories that are so firmly planted that we'll never forget them. Every breath we've ever taken still whispers somewhere in this house. As long as I live, Mama, I will never forget the scent of coffee and bacon drifting up the stairs on a cold winter's morning or the sounds of your footsteps at night, Daddy, walking home through a new crusted snow. I have stood under the kitchen window and listened to the sounds of this family drifting out in the evening air, everybody talking all at once, nobody listening but all of it together and the talk so marvelous it should be put to music.

"I have lain in bed while the rest of you are asleep and listened to the train crossing the trestle at Rockfish and the loneliness of that sound will haunt the rest of my life. I will remember the wind in the crab apple trees, the scream of the wood saw, the creak of the porch swing, your footsteps in the hallway, the children's voices chasing lightning bugs, but most of all the sound of this house to me is something that will last forever — that moment before we go to sleep and we are safe and we are together and we say goodnight. What kind of Waltons would these two be if they have that taken away from them? They ought to have their way, too."

They do have their way, of course, because John had a choice, and he chose to stay. The people of the New River valley will have no such choice, if the Blue Ridge project, is licensed. Either they'll sell, or their property will be condemned by the federal government.

There are a few people in the project area who favor the project because it represents progress and prosperity. For those who must face the prospect of giving up their homes, however, progress is presumably something they, like the characters in "The Waltons," would just as soon do without.

ENVIRONMENT PROTECTION AGENCY,
Washington, D.C., November 30, 1973.

MR. JOHN N. NASSIKAS,
Chairman, Federal Power Commission,
Washington, D.C.

DEAR MR. NASSIKAS: On April 9, 1973, EPA filed comments with the FPC on the draft environmental impact statement for the Blue Ridge Project. We found that the draft statement contained insufficient information for us to evaluate adequately the environmental effects of the project. The information needed was described in our detailed comments.

Subsequently and in accordance with Section 309 of the Clean Air Act of 1970, we have reviewed the final environmental impact statement for this project dated June, 1973. In general, we found that the final statement did not fully meet our needs for substantial additional information on environmental effects as requested in our comments. For that reason, there remain potential environmental consequences which we cannot evaluate. However, we are in a position to form some definite conclusions regarding certain specific features of the Blue Ridge Project, and we feel that these conclusions will be pertinent to the Commission's consideration of this licensing action.

In particular, we find that certain significant adverse environmental effects may result from this project, and thus we have strong reservations concerning its acceptability from an environmental standpoint. Some of the effects discussed below cannot be mitigated by changes in the project design and implementation. However, a basic environmental concern, the commitment of a high quality free-flowing stream to impoundment, would be an unavoidable consequence of proceeding with the proposal.

Effects of the project as proposed include possible adverse impacts on reservoir water quality resulting from inadequate regulation of shore development, the possibility of stimulation of unwise use of flood plains downstream from the project and the likelihood of stream channel erosion and adverse impacts on stream biota due to extreme fluctuations in river flow caused by reservoir releases. In our opinion, however, these possible effects could be partially or completely avoided by adopting appropriate precautions prior to reservoir construction.

An unavoidable adverse effect of the project is the elimination of a free-flowing river reach which has excellent water quality and is of high value for recreation and other human uses. As the activities of EPA and of other agencies tend, with passing time, to increase the supply of readily accessible, high quality flat-water expanses suitable for recreation, the outstanding flowing water resources will become progressively more scarce and valuable. In this regard the upper New River is even now highly valued by a numerous and diverse public, as witness the roster of intervenors in the FPC proceedings. Our concern to preserve high quality waters and their associated environments for the use of future generations encourages us to favor the continued availability of these valuable areas in their natural condition and to approach an irretrievable commitment of such resources with extreme caution. We suggest that the possibility of preserving this outstanding river reach by developing alternative generating facilities and/or an alternative pumped storage site merits serious further study.

With respect to the air quality aspects of the Blue Ridge Project, insufficient information exists in the final statement for EPA to concur with the FPC staff conclusion that the proposed action will result in less air pollution than the next most-economical alternative. Such a conclusion would have to be drawn from a much more complete analysis of alternative methods of generating the required peaking power, over both the short and long terms. The project will allow maintenance of or an increase in the utilization of existing coal fired plants, which will continue to have significant emissions even if State air implementation plans are met. An alternative of installing new generating capacity which must meet more stringent new source performance standards and utilizing an older unit for peaking capacity might well result in less air pollution and overall fuel consumption than the mode of power generation which encompasses the proposed pumped storage facility.

We are most appreciative of this opportunity to provide our views for consideration by the Presiding Administrative Law Judge. Detailed comments have been prepared for enclosure with this letter which set forth our reasoning and outline needed precautionary measures in somewhat greater detail.

Sincerely yours,

JOHN R. QUARLES, Jr.,
Deputy Administrator.

DETAILED COMMENTS ON FINAL ENVIRONMENTAL IMPACT STATEMENT FOR BLUE RIDGE HYDROELECTRIC PROJECT FEDERAL POWER COMMISSION—PROJECT NO. 2317

(Prepared by the Environmental Protection Agency in accord with Section 309 of the Clean Air Act of 1970)

I. FLOOD CONTROL STORAGE BENEFITS

In reformulating the project to eliminate water quality storage, the flood control storage was increased from 160,000 to 346,000 acre-feet (an increase of 186,000 acre-feet). This was done despite the fact that the lesser amount appears already to provide enough storage to control 72% of the damages of a flood of 3500 years recurrence time (FEIS, pp. 35 and 47). The utility of the additional storage is not convincingly documented in the final statement despite its incremental costs of 2000 acres, 37 homes and $1.7 million (to alleviate damages estimated (1967) at approximately $658,000).

II. ADVERSE EFFECTS WHICH COULD BE AVOIDED

If, after full consideration of all factors, it is considered necessary for the Blue Ridge Project to proceed at its proposed site, the project could and should be modified to avoid several adverse environmental impacts implicit in the present proposal. EPA's recommended modifications are as follows:

1. Adverse Effects From Private Development of Recreational Facilities. Although the applicant is required to acquire control of the immediate shoreline of the proposed reservoirs, the potential of such control to insure optimal recreational development compatible with environmental protection will evidently not be utilized. Unrestricted private development of recreational and second homes along the shoreline and of commercial facilities to service recreational use of the reservoirs have the potential to degrade the scenic value of the reservoirs and to lead to water contamination from on-site sewage disposal. This is especially true since it is known that soil and slope characteristics may, in some areas, be unsuitable for such sewage disposal (FEIS, p. 362).

It is vital in any such project to coordinate local land use plans and zoning ordinances with the recreational development plans of the applicant, as overseen by the FPC, and of the States. The ultimate control by the FPC through the applicant's actions in acquiring and administering project lands could be used to reinforce State and local implementation of a previously agreed-on comprehensive recreational development plan for the reservoir area.

Should the Commission determine that Blue Ridge is to proceed, we recommend specifically that a comprehensive recreational development plan be drawn up, which incorporates the proposed State parks, the facilities to be provided by the applicant and those private residential and commercial developments compatible with optimum recreational use of the reservoirs. In our opinion, such a plan should be based on an adequate environmental inventory, and thus its preparation will require professional assistance. The applicant should assist the States and affected municipalities in financing the necessary work. The plan should regulate shoreline use as stipulated in the comments of the Department of Interior (FEIS, p. 314), provide for use-zoning of the reservoir shore and incorporate cluster development as advocated by the FPC staff (FEIS, p. 45). Where practicable, it should also incorporate the restrictions on reservoir use necessary to avoid objectionable noise or other degradation of the reservoir and surrounding environment (FEIS, p. 52).

In addition, commitments should be secured from the affected governmental units to implement the recreational plan. To the extent that such commitments cannot be secured, easements or fee ownership should be secured by the applicant adequate to preclude violation of the basic provisions of the plan.

Regional development goals, including proposed industrial development and population trends, and the manner of provision of necessary municipal services, should be fully integrated with this plan. The proposed highway relocations should also be incorporated into the plan as they will both affect and be affected by many essential features of the regional development patterns and the recreational use of the Blue Ridge reservoirs.

2. Flood-plain Development. Flood control should be considered as part of a comprehensive flood damage prevention program which also incorporates regulation of flood-plain use. In particular, prior to provision of structural flood control measures, commitments should be secured from affected counties and municipalities to institute flood-plain zoning and to participate in the Federal Flood Insurance Program.. Unwise development of the flood plains may lead to increased flood damage despite the decreased flood stages as regulated by the proposed project. Such commitments should be secured from all affected local governmental units as far downstream as the Bluestone reservoir. These commitments should be obtained prior to construction, and the incorporation of flood control storage in the project can be made contingent on acquisition of commitments to flood-plain zoning.

This will provide an incentive for the affected local governments to participate in the overall program, and may also help alleviate further the need for the additional 186,000 acre feet of flood control storage discussed above.

3. Downstream Erosion. The State of Virginia has pointed out that hydroelectric generating releases from the lower reservoir will exceed the bank-full channel capacity, resulting in increased erosion of banks and channel bottom (FEIS, p. 372). The widely fluctuating flows below the project could be a hazard to recreationists, adversely affect the natural qualities of the stream, and have unspecified and potentially adverse effects on aquatic and terrestrial biota. We recommend that the peak flows be regulated so as not to depart so drastically from the natural flow regime. Fluctuations should not exceed those which can be demonstrated to be compatible with channel stability and the protection and propagation of an abundant and balanced population of indigenous aquatic life. Documentation of the effects of proposed fluctuations should be available prior to finalizing license conditions.

III. UNAVOIDABLE ADVERSE EFFECTS: INUNDATION OF THE UPPER NEW RIVER

Even if mechanisms are fully implemented to mitigate the possible detriments cited above, it can be effectively argued that the Blue Ridge project may still entail major adverse impacts on the environment in that it would eliminate a major environmental resource of marked scenic, and recreational and biological value, the upper New River, and replace it with a flatwater expanse having questionable biological productivity.

The fundamental effect of a reservoir project is to replace a flowing stream with a flatwater expanse. Thus, a basic issue which must be addressed is the comparison of the relative scarcity and value of the two environmental resources, stream and reservoir. This is a topic in which EPA has a vital interest because it is intimately related to our own mandate under the Federal Water Pollution Control Act to protect and enhance water quality and provide for a range of associated uses such as recreation and the propagation of aquatic life. Resources committed to maintaining and enhancing water quality are motivated by the values perceived in such uses; in turn these values are very much affected by their relative availability, abundance or scarcity.

EPA's mandate encompasses not only clean-up of waters that have been polluted but maintenance of existing waters of high quality and biological productivity. Furthermore, we note that over a period of time, and partly due to our own pollution control activities, the inventory of good quality flatwater expanses is expected to increase. In addition to widespread availability of multipurpose reservoirs, most large metropolitan areas immediately adjoin extensive flatwater areas—estuaries, broad rivers, or lakes. Although existing pollution restricts the range of water uses in those waters immediately adjacent to the major population centers, it is a primary goal of EPA's (and the States') regulatory activities to make such areas suitable for many diverse uses contributing to human welfare. Thus these immediately accessible flatwater areas will be available for a wide variety of recreational pursuits. Bringing new recreational opportunities to the people, rather than accelerating development of recreational facilities in remote areas, has been a major goal of this Administration, and is even more pertinent in view of the current fuel shortages.

Our appreciation of these trends leads us to believe that broad water expanses suitable for recreation will become progressively less scarce as time passes. On the other hand, high quality natural rivers, of which we possess a limited number, are becoming relatively less abundant and more valuable. On this point, the State of North Carolina has emphasized in its comments the unique value of the upper New River and the lack of uniqueness of the reservoir which would take its place. Other comments have made the same point, and these have not been rebutted by the FPC staff. We believe the possibility of preserving this outstanding river reach by developing alternative generating facilities and/or an alternative pumped storage site in an area where the destruction of natural values would be less significant merits serious further study.

IV. AIR POLLUTION

The final impact statement has not adequately demonstrated that the proposed project would result in less air pollution than the next most-economical alternative. In particular, we question the conclusion that, over the lifetime of the project, a power generation system utilizing pumped storage capacity at Blue Ridge would emit less air pollution than an alternative scheme with incremental coal-fired base load capacity. Our reasoning is as follows:

First, it appears that the air emissions were not calculated directly. The cost of the fuel burned in alternative schemes was compared and used as a surrogate for a direct estimate of SO_2 or particulate emissions. However, different generating stations in the system probably pay widely different amounts for fuel. Since the fuels they burn also have widely different sulfur content, this should proportionately affect their SO_2 emissions. In general, one expects sulfur content to be inversely related to fuel cost, depending on location, so that a system's expense will not properly reflect SO_2 emissions. For example, a generating scheme which minimizes fuel cost will tend to maximize SO_2 emissions.

Second, it appears that no account was taken of the fact that new generating stations must meet stringent new source performance standards whereas existing units may continue to operate subject to much less stringent requirements under the State air implementation plans. As the Blue Ridge project could require the utility to operate existing power units more of the time, air quality could be adversely affected. The alternative, of course, would have them operate older units less of the time and use an additional baseload or cycling unit for peaking power.

[From the Winston-Salem, N.C., Journal and Sentinel, Jan. 6, 1974]

BLUE RIDGE PROJECT—TALL STACKS, TALL TALES?

(By Charles Osolin)

WASHINGTON.—Donald C. Cook, chairman of the giant New York conglomerate that wants to build the Blue Ridge power project in North Carolina and Virginia, has been talking out of both sides of his mouth on the subject of air pollution.

Late last month, Cook and his American Electric Power Co. lawyers took sharp issue with the Environmental Protection Agency for suggesting that the Blue Ridge project might cause more air pollution than an alternate source of electricity.

On the contrary, the company told the Federal Power Commission, all of its coal-burning steam-electric plants (which would provide pumping power for the electricity-hungry Blue Ridge project) will meet state emission limitations which are just as strict or stricter than the federal standards that would be applied to a new coal-fired plant—the most economical alternative to Blue Ridge.

But at the very time that the company's claims about the relative cleanliness of Blue Ridge were being prepared, AEP launched an expensive advertising and public relations campaign aimed at gutting those same federal emission standards. Unless the EPA's "totally unrealistic and unreasonable" standards are relaxed, Cook told the Charleston, W. Va., Chamber of Commerce on Dec. 11, the company will either have to burn only low-sulfur coal from the Western United States, or shut down its plants.

On the one hand, in other words, Cook is insisting that the Blue Ridge project—which would destroy most of the clean, free-flowing Upper New River to provide "peaking" power for the Midwest—would not cause increased air pollution because all AEP plants will meet state emission-control standards; while on the other hand, he is asking the federal government to scuttle its emission limitations—on which the state standards are based—so that the AEP plants can burn high-sulfur coal and add to pollution throughout a seven-state area. If AEP's campaign succeeds one of the company's basic arguments in favor of Blue Ridge—the project's cleanliness compared to a new steam-electric plant—would be left utterly without foundation.

The current publicity campaign, carried out through public appearances by company officials and full-page ads in major newspapers and magazines, reflects AEP's notorious penchant for trying to roll back the environmental gains of the past few years—instead of spending its money developing new techniques to clean up air pollution. Although it was ranked dead last by the Council on Economic Priorities in research and development of pollution-control technology, AEP boasts of being a "pioneer" in the use of tall smokestacks to "disperse gaseous emissions widely in the atmosphere so that ground level concentrations would not be harmful to human health or property."

Using national concern over the energy shortage as a club, AEP is proposing changes in federal emission standards which are aimed at allowing the company to burn readily available high-sulfur Eastern coal without having to pay the price of installing stack-gas cleaning equipment to prevent the sulfur from being discharged into the atmosphere. AEP wants EPA regulations modified so that sulfur oxide pollution is measured at ground level—"where people, animals and plants live and grow"—instead of at the tops of the chimneys where they are released.

"The gases (from the tall stacks) are dissipated high in the atmosphere," Cook told the Charleston businessmen, "dispersed over a wide area, and come down finally in harmless traces."

But are the "traces" that eventually drift to earth miles from the power plants really that "harmless"? The staff of the EPA's Philadelphia regional office, which prepared the original EPA review of the Blue Ridge project, doesn't seem to think so.

In its discussion of the Blue Ridge project's air pollution potentials, the EPA staff charged that AEP's reliance on tall stacks to disperse emissions "means that AEP plants may make significant contributions to 'background' (pollution) levels over large areas. These contributions are difficult to identify and measure," the engineers said. "Background levels which cannot be attributed to specific sources are frequently a major part of the air pollution problem nonetheless."

The EPA experts also warned that sulfur-dioxide emissions from the AEP's stacks "contribute to other air pollution-related problems only now beginning to be recognized"—including the formation of toxic sulfur particles in the air, and acid rainfall which can pollute streams, lakes and reservoirs. "Tall stacks emitting large quantities of SO-2 are especially bad offenders in this context," said the EPA staff.

All of these references to the harmful environmental effects of AEP's "dispersion" techniques were deleted from the official version of the EPA review—after the power company applied pressure on politically-sensitive EPA higherups. To anyone concerned about the quality of the nation's air and water, however, the staff's findings should be a persuasive argument against serious consideration, much less acceptance, of the AEP's proposed "solution" to the energy crisis.

Cook concluded his speech in Charleston by attacking "irresponsible environmentalists" and asking, "Is it fair to take food from the mouths of the people and give them a better view of the mountain?" An appropriate response to Cook's question: "Can the people eat if they can't breathe?"

. . . AND NOW THE EPA

Critics of the Blue Ridge Power project have suspected all along that the proposed hydroelectric dams would be far more ruinous to the majestic New River valley than the Appalachian Power Co. and its apologists have made it appear.

Now the Environmental Protection Agency is saying precisely that.

Unlike the Federal Power Commission's impact statement, which was put together under duress, the EPA assessment makes it utterly plain that the benefits of this project do not outweigh the disadvantages. Among the many supposed benefits was the FPC's suggestion that the pumped-storage project envisioned by Appalachian would cause less air pollution than other types of power generating plants.

The EPA disputes this in so convincing a fashion that one is tempted to conclude that the power commission's entire impact statement was made up out of whole cloth.

Reasonable men possibly could disagree over the conclusions contained in the EPA report, but surely they cannot agree, if they are reasonable, to license the project until these things are settled with finality.

Nonetheless the FPC is expected shortly to approve the licensing, regardless of the many arguments raised against it. This is why the fight has now shifted to Congress, where Rep. Wilmer Mizell, Sen. Jesse Helms and others are attempting to delay the project, with the additional hope that the government can be persuaded to preserve the New River as part of America's wild and scenic rivers system.

But the power company has allies too, in Congress and out—so many in fact that it would be premature and unduly sanguine to predict that reason will somehow ultimately prevail.

EXHIBIT 1

FPC OVERLOOKED ALTERNATIVES TO BLUE RIDGE

(By Charles Osolin)

In evaluating the environmental effects of the proposed Blue Ridge project, the staff of the Federal Power Commission was required by law to "study, develop and describe appropriate alternatives" to the project before recommending construction.

Despite this clear legal obligation the FPC staff ignored at least two excellent alternatives to Blue Ridge in the 520-page environmental impact statement issued last June. In addition, the staff dismissed a third alternative as insufficiently developed to merit consideration, despite the fact that early models of this so-called "exotic" power source are now being considered for installation by electric companies in New England.

The FPC staff's failure to acknowledge the feasibility of three potential alternatives to the Blue Ridge project points up the inadequacy of the FPC's hurried environmental review of the project last year. It also buttresses the argument that a thorough, unbiased study of the project should be undertaken by an independent agency—such as the U.S. Interior Department—before the FPC is allowed to grant Appalachian Power Co.'s request for a construction license.

Just such a study would be authorized by a bill to be voted on by the U.S. Senate this Tuesday, which would designate the New River in North Carolina and Virginia—the site of the proposed project—as a "potential component" of the National Wild and Scenic Rivers System.

The FPC staff's main argument in recommending licensing of the Blue Ridge project was that it would provide a relatively cheap, nonpolluting source of peaking power for use during periods of high consumption of electricity. The power would be generated primarily by releasing water from the upper lake of the twin-dam project into its lower lake, then pumping the same water back into the upper lake during offpeak hours. The pumping process would consume about three kilowatt-hours of electricity for every two kilowatt hours generated by the project.

The staff briefly described other sources of peaking power in the environmental statement—including such traditional sources as coal- and oil-burning steam-electric plants and gas turbine-driven generators—but said the alternatives would all cost more to operate and cause more pollution than the Blue Ridge project.

Nowhere in its statement, however, did the FPC staff mention the possibility of providing the needed power with a series of combined-cycle gas turbine plants, such as those now being installed by the Consolidated Edison Co. of New York. Combined-cycle units are more efficient than either conventional gas turbine or steam-electric plants, because they are able to capture much of the excess heat created by such plants, convert it to steam, and use the steam to generate additional electricity. Thus combined-cycle units are cheaper to operate, use less fuel per kilowatt-hour, and cause substantially less thermal pollution than the alternatives rejected by the FPC. And because they can be rapidly brought from standby status to their maximum generating capacity, they are ideal sources of peaking and emergency power.

Another technologically advanced source of peaking power which was overlooked by the FPC staff is the use of giant flywheels to store electricity generated during low demand periods and release it at a moment's notice when power consumption goes up. The lead article in the December 1973 edition of "Scientific American" discusses the relative merits of pumped storage and flywheel storage for providing peaking power and concludes that flywheels would be cheaper, more efficient, much more environmentally acceptable—since a flywheel generating plant would take up only a fraction of the space needed for a pumped-storage project such as Blue Ridge—and much quicker to build and bring on line.

The article, written by Richard F. and Stephen F. Post, points out that "pumped storage is relatively inefficient, takes up a lot of land and requires years of planning and site preparation. Flywheel storage offers all the desirable characteristics," say the authors, "and we believe it can achieve them at lower capital cost than is required for the pumped storage plants now under construction."

A third alternate source of peaking power, dismissed as "exotic" and "unrealistic" by the FPC staff, is fuel cells. Fuel cells are similar to batteries, but instead of being self-contained, they are continuously resupplied with the chemicals which react to produce low-voltage electricity. They are quiet, highly efficient, and operate at low temperatures. Fuel cells are already in use by the U.S. military and in the space program, and research on their use as a source of peaking electric power in conjunction with existing steam-electric and nuclear plants has been underway since the mid-1960s. Like flywheels, fuel cell powerplants would take up little space and could be located close to the area they serve, reducing the cost and power loss associated with high-voltage transmission lines.

If the Senate pays attention to what Sens. Sam Ervin and Jesse Helms have to say about the Blue Ridge project next Tuesday, the answer will almost certainly be a resounding "No!"

Mr. HELMS. Mr. President, last week I wrote to the Secretary of Interior, as to whether S. 2439 as reported by the committee, was still acceptable to the Department. This morning the Secretary responded, and I think that it is indicative of the strong interest which the Department has in this bill. Even if this body had not passed the amendment offered by the distinguished Senator from Montana (Mr. METCALF) today, the Department restated its intention to complete the proposed study in 2 years.

Mr. President, I ask unanimous consent that my letter and the letter to me from Secretary Morton, dated May 28, 1974, be printed in the RECORD at this point in my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., May 22,1974.

Hon. ROGERS C. B. MORTON,
Secretary of the Interior, Department of the Interior Building, Washington, D.C.

DEAR MR. SECRETARY: On April 4, 1974, you wrote to me concerning my bill, S. 2439, to designate a segment of the New River as a potential component of the Wild and Scenic Rivers Systems, recommending enactment by Congress.

As you know, this bill has been reported out of the Interior Committee and is scheduled for floor action on May 28. I would appreciate it if you would inform me whether the bill as reported conforms to the Interior Department's interests, and that you would recommend enactment of the Committee's bill.

Sincerely,

JESSE HELMS.

U.S. DEPARTMENT
OF THE INTERIOR,
Washington, D.C., May 28, 1974.

Hon. JESSE HELMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HELMS: Thank you for your letter of May 22 in which you inquire whether S. 2439 as reported by the Committee on Interior and Insular Affairs on May 9 (Report No. 93-831) conforms to the position stated in my letter of April 4, and whether I would recommend that it be enacted by the Senate.

I respond in the affirmative to both questions. The Committee evidently shares my belief that the segment of the New River identified in your bill warrants study as a potential unit of the National Wild and Scenic Rivers System, and I am pleased that it has acted promptly to report this legislation. The study authorized by this amendment to the Wild and Scenic Rivers Act will assist the Congress in later deciding whether to preserve this segment of the New River in its present free-flowing state, or whether to allow impoundment and substantial modification of the river basin. So important a decision, which might entail the irreversible commitment of a significant natural asset, should be made after a thorough evaluation of all available options.

You will recall that I had suggested an amendment to S. 2439 which would limit the study period. Notwithstanding the Committee's decision to report S. 2439 without amendment, I restate our intention to complete the study, if authorized, within two years from the date of enactment. Prompt action by the Department would be consistent with section 5(b) of the Wild and Scenic Rivers Act, which requires that priority be given "to those rivers with respect to which there is the greatest likelihood of developments which, if undertaken, would render them unsuitable for inclusion in the national wild and scenic rivers system".

The New River is clearly worthy of consideration as a potential addition to the National Wild and Scenic Rivers System. I recommend enactment of S. 2439 as reported by the Committee on Interior and Insular Affairs.

Sincerely yours,
Rogers C. B. Morton,
Secretary of the Interior.

Mr. ERVIN. Mr. President, will the Senator yield me a moment?

Mr. HELMS. I gladly yield to my distinguished senior colleague.

Mr. ERVIN. I want to ask the Senator a question. The Senator read a part of a letter from the Secretary of the Interior, but did he put the entire letter in the Record?

Mr. HELMS. I did indeed, I would say to the Senator.

The ACTING PRESIDENT pro tempore. The Senator's time has expired. Who yields the time?

Mr. HARRY F. BYRD, JR. Mr. President, will whoever controls the time in opposition yield me 15 or 20 minutes?

Mr. HANSEN. Mr. President, I yield such time as he may require to the senior Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I am opposed to the passage of S. 2439. Since I have been a consistent supporter of responsible environmental legislation, I want to state briefly my thinking on this bill.

I do not like to get into a controversy with my close friends and neighbors, the Senators from North Carolina. But S. 2439 quite clearly affects Virginia and a Virginia project; namely, the licensing, construction, and very existence of the Blue Ridge project.

HISTORY OF THE LEGISLATION AND THE BLUE RIDGE PROJECT

The Blue Ridge project is a two-dam, combination pumped-storage, hydroelectric generation facility to be located on the New River in Grayson County, Va.

Over two-thirds of the land involved is in Virginia. Both of the dams, power generation units, and pumping stations and all of the electric transmission facilities lie in Virginia. One-third of the land, however, lies in North Carolina and it is this fact which has caused the Senators from North Carolina to employ this legislation in an effort to block further consideration of the project.

This is the second time the Senate has considered this type of legislation. On January 22, 1974, during consideration of S. 2798, the Water Resources Development Act, the Senators from North Carolina attempted to kill the Blue Ridge project by amending that bill to provide for an extended, unfunded study of the New River by the U.S. Army Corps of Engineers.

That amendment was wisely rejected by the Senate in a rollcall vote of 31 to 51.

I say "wisely rejected", for this is a matter which has been under active consideration by the Federal Power Commission since 1965, when the application for project licensing was submitted. The Federal Power Commission is the independent regulatory agency with the congressional grant of authority to issue licenses to non-Federal hydroelectric facilities, upon conditions including the finding by the Commission that the project will be "best adapted to a comprehensive plan for improving a waterway for the use or benefit of interstate commerce, for the improvement and utilization of water power development, and for other beneficial public uses, including recreational development."

In the 9 years this matter has been before the FPC, 95 witnesses have appeared.

Over 7,400 pages of testimony have been taken.

Almost 300 exhibits have been presented.

The project has been modified and enlarged at the insistence of the Department of the Interior. The entire proceeding was reopened to allow for full compliance with the National Environmental Policy Act of 1969, which was enacted during the long course of the project's study by the Commission.

The Federal Power Commission has not yet made its final decision on the application for licensing of this project. That decision is imminent, however. It appears to me to be most unwise for the Congress to step in at this point and block the FPC from rendering its decision.

It would be a dangerous precedent and ill conceived at a time when the need for additional, clean, renewable energy resources is so great. I shall say more of that in a moment.

POSITION OF THE COMMONWEALTH OF VIRGINIA

I have indicated that this dispute involves two States: Virginia and North Carolina. As far as Virginia is concerned, the Governor of the Commonwealth is opposed to this legislation.

On February 14, 1974, the Honorable Mills E. Godwin, Jr., wrote to Senator Floyd K. Haskell, chairman of the Public Lands Subcommittee, to express "the firm opposition of the Commonwealth of Virginia to the passage of S. 2439."

In that letter, Governor Godwin noted that the actual purpose of the legislation was to kill the Blue Ridge project. The Governor further noted that the Blue Ridge project was primarily a Virginia project, from which the Commonwealth would receive numerous and significant benefits. Since only passing mention is made in the committee report of this important expression of the official position of Virginia, I ask unanimous consent that the letter of February 14, 1974, be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Commonwealth of Virginia,
Richmond, Va., February 14, 1974.

Hon. Floyd K. Haskell,
Chairman, Public Lands Subcommittee, Senate Interior and Insular Affairs Committee, Dirksen Senate Office Building, Washington, D.C.

Dear Senator Haskell: This letter is in reference to S. 2439 which is presently before the Subcommittee on Public Lands of the Senate Committee on Interior and Insular Affairs. The stated purpose of S. 2439 is to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the National Wild and Scenic Rivers System. I am convinced that the segment of the New River designated in S. 2439 does not meet the legal requirements of the Wild and Scenic Rivers Act of 1968. This letter is intended to express to the Subcommittee the firm opposition of the Commonwealth of Virginia to the passage of S. 2439. The reasons for such opposition are set forth below.

While the explicit purpose of S. 2439 is to designate a segment of the New River as a potential component of the National Wild and Scenic Rivers System, the actual purpose is to divest the Federal Power Commission of jurisdiction to license the Blue Ridge Project proposed to be constructed by the Appalachian Power Company on that segment of the New River. The Blue Ridge Project, as proposed, is a two-dam, 1,800,000 kilowatt hydroelectric and pumped storage project to be located on the New River in Virginia with reservoirs extending into North Carolina. This project will be primarily a Virginia project in that both dams, both powerhouses, all transmission facilities, and two-thirds of the reservoirs are to be located within the Commonwealth. This Project is designed to provide needed electric generating capacity for the Appalachian Power Company system which serves the western half of Virginia.

The application for a license to construct the Blue Ridge Project has been pending before the Federal Power Commission since 1965. During the course of this extended and exhaustive licensing proceeding, the Project has been modified several times. The Commonwealth intervened in this proceeding in 1967 to express to the Commission its views on the proposed Project, and has continued to participate in the proceeding to this date. The concerns which engendered the Commonwealth's opposition to the Project, as modified in 1968, have largely been satisfied during the most recent phase of the proceeding. For this reason, the Commonwealth has urged that the Commission expeditiously license the Project and, on January 23, 1974, the Commission's Administrative Law Judge recommended that the license for the Project be issued.

The support of the Commonwealth for the Blue Ridge Project is premised upon the numerous and significant benefits that she will receive from that Project. The Project will provide for flood control benefits to residences, commercial establishments, and lands adjacent to the entire stretch of the New River within the Commonwealth. The Project will augment flows in the New River, thereby providing an enhanced and more reliable water supply for that portion of the Commonwealth. The reservoirs of the Project will provide for significant recreational benefits that will complement hereby upland recreational facilities. Moreover, the Project will produce 1,800,000 kilowatts of absolutely essential electrical energy, and will generate that energy in an environmentally acceptable manner. The Blue Ridge Project will help to insure that a reliable and continuous supply of electric energy will be available to the citizens of the Commonwealth.

For the foregoing reasons, the State of Virginia strongly urges that S. 2439 be rejected. I would appreciate very much indeed if, upon the completion of your subcommittee's deliberations, you would kindly transmit to me and the Attorney General of Virginia, the Honorable Andrew P. Miller, copies of your recommendations to the Committee on Interior and Insular Affairs. Thanking you for your consideration of this matter which is of critical importance to the Commonwealth, I remain

Sincerely,
Mills E. Godwin, Jr.

Mr. HARRY F. BYRD, JR. The Governor of Virginia was compelled to correspond on this subject again in a letter to the Secretary of the Interior, dated May 21, 1974. In that correspondence, protest was made of the reversal of the Department's position without prior consultation with the Commonwealth of Virginia.

I believe this is significant on two points: First, that the Department would attempt to reverse its position on the legislation after testifying before the Interior Committee against the bill and after extended appearances before the FPC in favor of the project—without even so much as an informal contact with the State primarily involved in the matter—a most unusual course of action for the Department of the Interior to take.

Governor Godwin's letter is telling in another respect—he notes that the project and, indeed, the New River, has been studied exhaustively. Further study now would only be duplicative, a waste of resources and time and would result only in another delay of the final determination of the central question at issue: whether or not to license the Blue Ridge project.

Mr. President, Governor Godwin's letter of May 21, 1974 to the Honorable Rogers C. B. Morton, Secretary of the Interior, is such a provocative one and covers so thoroughly the problem at issue that I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMONWEALTH OF VIRGINIA,
Richmond, Va., May 21, 1974.

Re S. 2439.

Hon. ROGERS C. B. MORTON,
Secretary of the Interior,
Washington, D.C.

DEAR SECRETARY MORTON: This letter is in reference to S. 2439 which is presently before the Senate. The stated purpose of S. 2439 is to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the National Wild and Scenic River System. I am convinced that the segment of the New River designated in S. 2439 does not meet the legal requirements of the Wild and Scenic Rivers Act of 1968. This letter is intended to express the firm opposition of the Commonwealth of Virginia to the passage of S. 2439. The reasons for such opposition are set forth below.

While the explicit purpose of S. 2439 is to designate a segment of the New River as a potential component of the National Wild and Scenic Rivers System, the actual purpose is to divest the Federal Power Commission of jurisdiction to license the Blue Ridge Project proposed to be constructed by the Appalachian Power Company on that segment of the New River. The Blue Ridge Project, as proposed, is a two-dam, 1,800,000 kilowatt hydroelectric and pumped storage project to be located on the New River in Virginia with reservoirs extending into North Carolina. This project will be primarily a Virginia project in that both dams, both powerhouses, all transmission facilities, and two-thirds of the reservoirs are to be located within the Commonwealth. This Project is designed to provide needed electric generating capacity for the American Electric Power System, which serves not only Virginia but the East-Central United States.

The support of the Commonwealth for the Blue Ridge Project is premised upon the numerous and significant benefits that she will receive from that Project. The Project will provide for flood control benefits to residences, commercial establishments and lands adjacent to the entire stretch of the New River within the Commonwealth. The Project will augment flows in the New River, thereby providing an enhanced and more reliable water supply for that portion of the Commonwealth. The reservoirs of the Project will provide for significant recreational benefits that will complement nearby upland recreational facilities. Moreover, the Project will produce 1,800,000 kilowatts of absolutely essential electrical energy, and will generate that energy in an environmentally acceptable manner. The Blue Ridge Project will help to ensure that a reliable and continuous supply of electric energy will be available to the citizens of the Commonwealth and other states.

The application for a license to construct the Blue Ridge Project has been pending before the Federal Power Commission since 1965. The Commonwealth intervened in this proceeding in 1967 to express to the Commission its views and support of the proposed Project, and has continued to participate in the proceeding to this date.

During the course of this extended and exhaustive licensing proceeding, the Project has been modified several times. The most drastic modification occurred in 1968 at the insistence of the Department of the Interior, which was then, and still is, a party to that licensing proceeding. Such governmental intervention, coupled with indecision and conflicting policy within the federal bureaucracy, has resulted in unconscionable delays in the process of governmental decision-making.

In view of this background, including the Department's support for the Project before the Senate as late as February, 1974, I am confident that you can appreciate my great dismay when I learned that by letter to Senator Helms of North Carolina dated April 4, 1974, you reversed the Department's position and urged enactment of S. 2439. This dramatic reversal of position was taken without any contact with the Governor of the Commonwealth of Virginia—the state in which the Blue Ridge Project is located and in which most of the main stem New River included in S. 2439 is located. Furthermore, neither S. 2439 nor its companion Bill in the House is sponsored by any member of the Virginia Congressional delegation.

It is my understanding that S. 2439 contemplates at least a two-year study of the New River, a period of time which you have stated will not result in "delaying unduly the Blue Ridge license (sic) proceeding." Let me point out that the New River has been the subject of a number of studies in recent years. In June, 1971, the federal and state multi-agency Kanawha River Basin Comprehensive Study was completed and filed with the Congress. This Study involved a consideration of all aspects of that portion of the New River which is included in S. 2439. Also, many studies of the River have been made in the context of the Federal Power Commission proceeding. For example, Interior made a study of recreation values in that reach of river with and without the Blue Ridge Project. The fish and wildlife and recreation agencies of Virginia and North Carolina have also studied the River, as has FPC's staff and the Corps of Engineers. Representatives from North Carolina have presented testimony setting forth their view of the River's existing values. All of these studies and testimonies are included in the extensive evidentiary record which is presently before the Federal Power Commission. The Congress is not in possession of all of these facts. In my judgment, the Federal Power Commission is in an immeasurably better position than is the Congress to evaluate the merits of the Blue Ridge Project. The Commission is, after all, the expert agency to which Congress has committed such tasks.

In view of Interior's close relationship to the Blue Ridge Project, the status of the Department as a party to Federal Power Commission hearings on the matter, and expressions of support voiced to the Senate Interior Committee as recent as February, 1974, I trust that you will reconsider the most recent position you have taken and modify it in a manner that reflects the intense concern of Virginia on this vital matter.

Sincerely,

MILLS E. GODWIN, Jr.,
Governor.

Mr. HARRY F. BYRD, JR. The Governor has presented Virginia's official opposition to S. 2439. But in opposing this bill he is not alone—the local people of Southwest Virginia—even many opposed to the Blue Ridge project—are opposed to wild and scenic river designation for this portion of the New River. Although the committee report is silent on this point, the feelings of the local people have been made known to them.

On February 12, 1974, a delegation of citizens from Grayson County, Va., visited my office and presented copies of petitions—containing over 1,000 signatures—which had been delivered to Senator HASKELL as chairman of the Public Lands Subcommittee. The petitions expressed clearly the opposition of the local people to any inclusion of the New River in the Wild and Scenic Rivers Act of 1968.

Mr. WILLIAM L. SCOTT. Mr. President, will my colleague yield at that point?

Mr. HARRY F. BYRD, JR. I am glad to yield to my colleague from Virginia.

Mr. WILLIAM L. SCOTT. I should like to point out to the Senate that the 1970 population of Grayson County was 15,493 people. Did I understand the Senator correctly to say that more than 1,000 of this 15,000 population petitioned the committee against the bill?

Mr. HARRY F. BYRD, JR. My colleague from Virginia is correct. The petitions contain 1,027 signatures.

Mr. WILLIAM L. SCOTT. That is 1 out of every 15 people living in the county. I would call that significant opposition to the bill. My office has received many letters and petitions. I just asked one member of my staff to check on this matter and understand we have received 50 letters and telegrams just in the past week in opposition to the bill, with only three in favor of the measure.

I heard the distinguished senior Senator from North Carolina (Mr. ERVIN) referring to letters he received from Virginians. I think that what the Senator has said does indicate that the people in Grayson County where the project will be constructed are in favor of the project but opposed to the bill. Does my colleague agree with me on that?

Mr. HARRY F. BYRD, JR. Yes; I thoroughly agree with my colleague from Virginia. I think he states the case well. He is correct in his assertion that the large majority of people in the area of Grayson County oppose the legislation now before the Senate.

In that same connection, more recently, last week, the Grayson Business Development Association sent me a communication and it circulated new petitions asking for opposition to S. 2439 as communicated on May 22, 1974, by its secretary, Charles S. Cassell, and the response to that call has been overwhelmingly in opposition to the pending legislation.

As I said at the beginning of my remarks, I have consistently supported responsible environmental legislation. But I cannot and I shall not support a bill such as this where the local people are overwhelmingly opposed to its enactment.

I ask unanimous consent that the letters of February 12, 1974, from Mr. Robert L. Williams and the Honorable L. Gwyn Parsons and of May 22, 1974, from Mr. Charles S. Vassell be inserted in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEBRUARY 12, 1974.

Hon. SENATOR HARRY F. BYRD, Jr.

DEAR SENATOR BYRD: We are hand delivering to you a copy of petitions circulated in Grayson County for people to sign that are opposed to the inclusion of the New River in Virginia under Senate Bill 2439 which would place the New River under study for inclusion in the Wild and Scenic Rivers Act.

Feeling is running pretty high against this action. This petition explains the depth of opposition. We urge you in behalf of ourselves and the 1,027 signers to do all in your power to defeat this bill and above all exempt the New River in Virginia from the effects of this action.

In order to show the depth of feeling, we are attaching copy of the petition to the Grayson County Board of Supervisors February 11, 1974 for the same purpose and signed by 773 citizens.

Sincerely yours,

ROBERT L. WILLIAMS,
L. GWYN PARSONS.

GRAYSON BUSINESS DEVELOPMENT ASSOCIATION,
Independence, Va., May 22, 1974

Hon. HARRY F. BYRD,
U.S. Senate, Senate Office Building,
Washington, D.C.

DEAR SENATOR BYRD: Our Association has recently circulated petitions in this area opposing the passage of Bill S-2439 to include New River under the Wild & Scenic Rivers Act.

We have in our possession petitions containing over one thousand names and increasing daily.

We also sponsored a notice in the Galax Gazette (copy enclosed) asking for endorsements against the passage of this Bill, to which we have had good response and continue to receive them daily.

We wish to express our thanks to you for your continued interest, and will be glad to furnish you any of the above material that you feel would be beneficial.

With kind regards.

Sincerely,

CHARLES S. CASSELL,
Secretary.

NEED FOR THIS ENERGY RESOURCE

Mr. HARRY F. BYRD, JR. Mr. President, I mentioned earlier that the Blue Ridge project—if approved by the FPC will provide valuable additional energy resources. Our Nation is still in the grip of a serious energy shortage. To be sure, its presence has seemed to fade with the end of a mild winter and with the heat and vacation activity of the summer not yet upon us.

But we are a long way from ending our dependence upon unreliable foreign sources of petroleum. We must develop our domestic capabilities to end this dependence. And while we must do so quickly, we must do so responsibly.

The Blue Ridge project employs one of the most responsible types of energy generation. It generates hydroelectric power, a renewable resource. And it uses a design which combines conventional hydroelectric generation with pumped storage, to meet most effectively the instant demands our society has come to make upon the electric generation industry. During peak demand periods of the day, our total electrical generating system must have the capacity to expand by as much as 15 to 20 percent. Pumped storage hydroelectric projects meet this type of power demand with minimal polluting effects to our air and none to our water.

Construction of the Blue Ridge project will provide critically needed electrical energy to consumers in Virginia, West Virginia, Ohio, Kentucky, Indiana, Tennessee, and Michigan. In addition, the Blue Ridge project will allow the electric companies of North Carolina to continue to purchase available electricity during peak demand periods as they have regularly done for a considerable time.

Another factor I find compelling about this matter is that the Blue Ridge project is a private undertaking. Its cost—now estimated at nearly $430 million—will be borne by private enterprise, not the taxpayer.

I do not feel Federal interference with private enterprise is warranted in this situation, nor do I believe the people of southwest Virginia want Federal control imposed on private property.

I have indicated the local opposition to this legislation. I want it understood that that opposition is not synonymous with support of the Blue Ridge project. While approval of the project would mean a dramatic boost to the economy of Grayson County and southwest Virginia, there are those who clearly do not like the idea of having their lands inundated. That type of opposition is quite understandable. But S. 2439 would prescribe a designation of this portion of the New River as a wild and scenic river and would invite Federal domination of private property. It would permit extensive condemnation. It would severely control land use and economic growth. And in so doing, it would be ignoring and overriding the will of the local people and even the will of their Commonwealth in favor of the policies and practices of the Federal bureaucracy.

As I have said before, the local people are opposed to this and I shall oppose it.

INAPPROPRIATENESS OF WILD AND SCENIC RIVER DESIGNATION

This bill calls for yet another study of the New River. The Public Lands Subcommittee received testimony, however, to indicate how fruitless this would be. It was noted that in June 1971, the seven volume, multiagency Kanawha River Basin comprehensive study, including the New River, was completed. That was 3 years ago.

The Federal Power Commission has studied this specific matter for over 9 years. The Department of the Interior has studied the recreational values of this portion of the New River, both with and without the Blue Ridge project. The U.S. Army Corps of Engineers has also studied the River.

In addition, the fish and wildlife and recreation agencies of both Virginia and North Carolina have studied the New River.

As Governor Godwin noted in his May 21, 1974 letter to Secretary Morton—

> All of these studies and testimonies are included in the extensive evidentiary record which is presently before the Federal Power Commission. The Congress is not in possession of all of these facts. In my judgment, the Federal Power Commission is in an immeasurably better position than is the Congress to evaluate the merits of the Blue Ridge Project. The Commission is, after all, the expert agency to which Congress has committed such tasks.

I certainly am in thorough agreement with Governor Godwin on that, that the Federal Power Commission which has been studying this matter for 9 years and which is charged with this responsibility by Congress is in a far better position to evaluate the merits of the Blue Ridge project than is Congress.

As I stated in January when we last debated this matter, I do not prejudge the case of the Blue Ridge project. Nor do I argue in favor of the project. I believe—in view of the voluminous record before the FPC and the scant record compiled by the Interior Committee—that to do so would be inappropriate.

The task of deciding on the merits whether the Blue Ridge project should be licensed belongs to the Federal Power Commission. To intervene by this type of congressional action does violence to the spirit of the Wild and Scenic Rivers Act of 1968 and it abuses the very system of expert review which the Congress has established.

I urge my colleagues to defeat this measure.

The PRESIDING OFFICER (Mr. MCCLURE). Who yields time?

Mr. HANSEN. Mr. President, I yield whatever time the distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT) may require.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WILLIAM L. SCOTT. I thank the the Senator for yielding. First, I should like to compliment the senior Senator from Virginia for the excellent presentation he has made in opposition to this bill and the position that the Federal Power Commission ought to make the decision as to whether or not this hydroelectric power plant should be constructed.

Mr. President, I regret very much opposing a bill sponsored by the distinguished Senators from North Carolina, two close personal friends of mine. However, the intention of S. 2439 is to block construction of a hydroelectric power project on the New River in Grayson County, Va., and I join the senior Senator from Virginia (Mr. HARRY F. BYRD, JR.) in urging the Senate to reject this proposal. This is a private power project of the Appalachian Power Co. designed to provide much-needed clean energy with private capital and without cost to the Government. Application for a license to construct the project was first made to the Federal Power Commission in 1965. Exhaustive hearings have been held, with 7,400 pages of testimony taken. The State of North Carolina has been a party to the proceedings. In a letter, appearing on pages 80, 81, and 82 of the subcommittee hearings, the chairman of the Commission states the reasons for his opposition to the bill and urges that the Commission be permitted to decide the case. Mr. President, I ask unanimous consent that the letter be printed in its entirety at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL POWER COMMISSION,
Washington, D.C., February 19, 1974.

HON. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Commission has not been asked to comment on S. 2439 (Helms), a bill to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the National Wild and Scenic Rivers System. Inasmuch as the bill vitally affects functions delegated to the Commission, we offer our comments.

S. 2439 would amend subsection (a) of section 5 of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) by providing that a segment of the New River in North Carolina and Virginia be designated as a potential component of the National Wild and Scenic Rivers System. Section 5 of the Wild and Scenic Rivers Act would preclude the FPC from licensing a hydroelectric project, pending outcome of the study. In the particular case of the New River, this would preclude the Commission from licensing the Blue Ridge Hydroelectric Pumped Storage Project.

On February 26, 1965, the Appalachian Power Company filed an application with the Federal Power Commission for the Blue Ridge Hydroelectric Pumped Storage Project, FPC Project No. 2317. Hearings were held on many days between May 23, 1967 and July 22, 1969. On October 1, 1969, the Administrative Law Judge issued his Initial Decision approving the application. On February 2, 1970, the Commission heard oral argument. Thereafter, the Commission remanded the proceeding to the Administrative Law Judge for further hearing on compliance with the National Environmental Policy Act. Ten days of additional hearings were held. On June 21, 1971, the Administrative Law Judge issued a supplemental decision recommending Commission approval of the project.

The proceedings were again reopened by Commission order. The Commission's latest action on the Blue Ridge Project was its order dated November 2, 1972, "Reopening the Proceeding and Requiring Further Procedures to Implement the National Environmental Policy Act." The decision to reopen the proceedings were based on the October 10, 1972 decision of the United States Supreme Court denying the Commission's petition for a writ of certiorari to review the decision of the Court of Appeals in *Greene County Planning Board* v. *F.P.C.*, 445 F. 2d 412 (1972), certiorari denied, *F.P.C.* v. *Greene County Planning Board*, 409 U.S. 849 (1972). The *Greene County* decision concerns this Commission's procedures with respect to the implementation of the National Environmental Policy Act. It requires inclusion in the hearing record of a staff environmental impact statement.

On July 24 and 25, 1973, a further hearing was held, and the staff's environmental impact statement was subjected to cross-examination. After submission of further briefs, the Presiding Administrative Law Judge issued an additional supplemental initial decision on January 23, 1974, recommending issuance of a license which included 55 separate requirements as terms and conditions of license. Under the Commission's rules, briefs on exceptions and briefs opposing exceptions to the initial decision may be submitted to the Commission. In the eight years that the Appalachian Power Company's application has been before the Commission, testimony over 7,400 pages has been taken from 95 witnesses and almost 300 exhibits have been presented.

The Commission is opposed to the enactment of this bill. In *Scenic Hudson Preservation Conference* v. *Federal Power Commission*, 453 F. 2d 463, 467 (1971), and in *First Iowa Hydro-Electric Cooperative* v. *Federal Power Commission*, 328 U.S. 152, 180–182 (1946), the courts in interpreting §§ 4(e) and 10(a) of the Federal Power Act held that the Commission, in evaluating a license application, has the primary responsibility for determining whether the project embodies a comprehensive plan for improving the waterway.

In *First Iowa* the Supreme Court discussed the passage of the Federal Water Power Act (Part I of the Federal Power Act) and said (at pp. 180–181):

"* * * It was the outgrowth of a widely supported effort of the conservationists to secure enactment of a complete scheme of national regulation which would promote the comprehensive development of the water resources of the Nation, insofar as it was within the reach of the federal power to do so, instead of the piecemeal, restrictive, negative approach of the River and Harbor Acts and other federal laws previously enacted.

"It was a major undertaking involving a major change of national policy. That it was the intention of Congress to secure a comprehensive development of national resources and not merely to prevent obstructions to navigation is apparent from the provisions of the Act, the statutory scheme of which has been several times reviewed and approved by the courts."

In view of the extensive time and effort expended by the Commission staff, the Applicant, and interested parties on the Blue Ridge application, the Commission believes that it should be permitted to decide the case. We therefore oppose enactment of S. 2439.

The Office of Management and Budget advises that it has no objection to the submission of the report.

Sincerely,

JOHN N. NASSIKAS,
Chairman.

Mr. WILLIAM L. SCOTT. Mr. President, New River runs through three States, consisting of only 21 miles in North Carolina. Only 5 miles of the main stem of the New River are actually in North Carolina, and the remainder is in the north and south forks of the river. But there are 145 miles of this river in Virginia and approximately 22 miles of river length in West Virginia, for a total length of 254 miles, according to the Library of Congress and the Army Corps of Engineers. There are already two manmade lakes on it, Bluestone and Claytor, but even after construction of the Blue Ridge project, there will remain approximately 150 miles of free-flowing water before the New joins the Gauley to form the Kanawha in West Virginia. Therefore, it is easy to see that Virginia and West Virginia, with 233 miles of this stream, has a far greater interest than the State of North Carolina.

Mr. ERVIN. Mr. President, will the Senator yield for a question?

Mr. WILLIAM L. SCOTT. I yield.

Mr. ERVIN. Why do they not build a hydroelectric dam down somewhere on that stretch of the river?

Mr. WILLIAM L. SCOTT. I do not understand the Senator.

Mr. ERVIN. Why do they not build a hydroelectric dam on the stretch of the river, down below Claytor Lake?

Mr. WILLIAM L. SCOTT. There is a dam, I say to the distinguished Senator. Bluestone Dam is down in the area to which the Senator refers.

Mr. ERVIN. That is comparatively small. They have all that water down there. Why do they not build a hydroelectric development down there, instead of up in the mountains?

Mr. WILLIAM L. SCOTT. I respond to the distinguished Senator by saying that this is a private project to be built by a private power company. It is not a Government project. We have no right to tell the power company where to place a dam. However, in order for them to construct a dam, they do have to go to the Federal Power Commission to obtain a license. They went to the Federal Power Commission 9 years ago, in an effort to obtain that license; and, as has been mentioned, there have been extensive hearings with regard to that before the Federal Power Commission.

Mr. ERVIN. Mr. President, will the Senator yield for an additional question?

Mr. WILLIAM L. SCOTT. I am glad to yield.

Mr. ERVIN. This bill will only provide for a study, a study that will have to be completed in 2 years. Since the New River has been there for millions of years, and since it has been 9 or 10 years since the Federal Power Commission started to study this project, what is the harm in having the study made, which might result in saving the river for all time and for all people in America?

Mr. WILLIAM L. SCOTT. Mr. President, we are not fooling anyone by this amendment for a 2-year study. The distinguished Senator from North Carolina well knows that earlier this year, he did offer an amendment that provided for a study but did not authorize the appropriation of any funds. The Senator has said, "Sam, kill that dam." That is what the distinguished Senator is attempting to do, and I do not think he will back away from that statement.

Mr. ERVIN. All this bill provides is a study by the Interior Department. After that study is made, even if they favor preserving the river, under the terms of the bill, they would have to come back to Congress. Since the Appalachian Power Co. has been fiddling with the Federal Power Commission for 9 years, I do not see why it is going to hurt to fiddle for 2 more. It might result, in fact, in saving the river for the people of the United States, instead of giving it to the Appalachian Power Co.

Mr. WILLIAM L. SCOTT. I appreciate the distinguished Senator's comments.

The study has been going on for 9 years because the State of North Carolina entered an appearance, the State of West Virginia entered an appearance, the State of Virginia entered an appearance, and various individuals and groups have entered appearances. There have been numerous time-consuming studies on this matter. But the administrative law judge of the Federal Power Commission has recommended three times that the license be granted.

Congress has created the Federal Power Commission and given it authority to hold hearings and license private power companies to construct hydroelectric power projects. For 9 years the power commission has attempted to hear everyone desiring to be heard. Ninety-five witnesses have appeared; almost 300 exhibits have been filed. On January 23 of this year, the day after the Senate rejected a prior effort to bar the construction of this project, the administrative law judge for the third time ruled in favor of granting the license. On page 21 of his opinion, the hearing officer summarized the benefits of this project in this manner:

> 7. The project will provide desirable public benefits in terms of reliable power supply, flood control, low flow regulation, recreational development, fishing opportunities in the project reservoirs and downstream, and potential water supply.

He adds:

> 8. The project will complement and enhance existing and planned recreational and scenic areas in the vicinity of the project.

Let me add that all this is without expense to the taxpayer. It seems unreasonable, Mr. President, for Congress to create an agency—and it did create the Federal Power Commission—give it authority to hear evidence and determine whether a project should be constructed, and when a decision is made, to take the individual case away from the jurisdiction of the administrative agency.

The Senate apparently agreed with this view on January 22 of this year because an amendment offered by the Senators from North Carolina to this year's water resources bill, S. 2798, to accomplish the same purpose, was rejected by a rollcall vote of 51 to 31. The amendment had previously been brought before the Public Works Committee by the senior Senator from North Carolina but was not made a part of the water resources bill. Mr. President, I realize the political leadership in North Carolina opposes this project but their counterparts in Virginia favor it, and it is primarily a Virginia project. About two-thirds of the reservoir surface area will be located within Virginia, as well as the projects two dams, powerhouses, and associated transmission facilities. Virginia and North Carolina share a common boundary for many miles and there are a number of projects with reservoirs in Virginia that benefit the people of North Carolina as well as Virginia. I understand this is true of the Philppot Dam and also true of the Kerr Dam in which most of reservoir area is located within the State of Virginia. Both Virginia and North Carolina have entered appearances before the Federal Power Commission. The Governor of Virginia has even raised the question of whether New River meets the legal requirements of the Wild and Scenic Rivers Act of 1968. I ask unanimous consent, Mr. President, that his letter of May 21, 1974, to the Secretary of the Interior be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMONWEALTH OF VIRGINIA,
OFFICE OF THE GOVERNOR,
May 21, 1974.

Re S. 2439.
Hon. ROGERS C. B. MORTON,
Secretary of the Interior
Washington, D.C.

DEAR SECRETARY MORTON: This letter is in reference to S. 2439 which is presently before the Senate. The stated purpose of S. 2439 is to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the National Wild and Scenic Rivers System. I am convinced that the segment of the New River designated in S. 2439 does not meet the legal requirements of the Wild and Scenic River Act of 1968. This letter is intended to express the firm opposition of the Commonwealth of Virginia to the passage of S. 2439. The reasons for such opposition are set forth below.

While the explicit purpose of S. 2439 is to designate a segment of the New River as a potential component of the National Wild and Scenic Rivers System, the actual purpose is to divest the Federal Power Commission of jurisdiction to license the Blue Ridge Project proposed to be construed by the Appalachian Power Company on that segment of the New River. The Blue Ridge Project, as proposed, is a two-dam, 1,800,000 kilowatt hydroelectric and pumped storage project to be located on the New River in Virginia with reservoirs extending into North Carolina. This project will be primarily a Virginia project in that both dams, both powerhouses, all transmission facilties, and two-thirds of the reservoirs are to be located within the Commonwealth. This Project is designed to provide needed electric generating capacity for the American Electric Power System, which serves not only Virginia but the East-Central United States.

The support of the Commonwealth for the Blue Ridge Project is premised upon the numerous and significant benefits that she will receive from that Project. The Project will provide for flood control benefits to residences, commercial establishments and lands adjacent to the entire stretch of the New River within the Commonwealth. The Project will augment flows in the New River, thereby providing an enhanced and more reliable water supply for that portion of the Commonwealth. The reservoirs of the Project will provide for significant recreational benefits that will complement nearby upland recreational facilities. Moreover, the Project will produce 1,800,000 kilowatts of absolutely essential electrical energy, and will generate that energy in an environmentally acceptable manner. The Blue Ridge Project will help to ensure that a reliable and continuous supply of electric energy will be available to the citizens of the Commonwealth and other states.

The application for a license to construct the Blue Ridge Project has been pending before the Federal Power Commission since 1965. The Commonwealth intervened in this proceeding in 1967 to express to the Commission its views and support of the proposed Project, and has continued to participate in the proceeding to this date.

During the course of this extended and exhaustive licensing proceeding, the Project has been modified several times. The most drastic modification occurred in 1968 at the insistence of the Department of the Interior, which was then, and still is, a party to that licensing proceeding. Such governmental intervention, coupled with indecision and conflicting policy within the federal bureaucracy, has resulted in unconscionable delays in the process of governmental decision-making.

In view of this background, including the Department's support for the Project before the Senate as late as February, 1974, I am confident that you can appreciate my great dismay when I learned that by letter to Senator Helms of North Carolina dated April 4, 1974, you reversed the Department's position and urged enactment of S. 2439. This dramatic reversal of position was taken without any contact with the Governor of the Commonwealth of Virginia—the state in which the Blue Ridge Project is located and in which most of the main stem New River included in S. 2439 is located. Furthermore, neither S. 2439 nor its companion Bill in the House is sponsored by any member of the Virginia Congressional delegation.

It is my understanding that S. 2439 contemplates at least a two-year study of the New River, a period of time which you have stated will not result in "delaying unduly the Blue Ridge license [sic] proceeding." Let me point out that the New River has been the subject of a number of studies in recent years. In June, 1971, the federal and state multi-agency Kanawha River Basin Comprehensive Study was completed and filed with the Congress. This Study involved a consideration of all aspects of that portion of the New River which is included in S. 2439. Also, many studies of the River have been made in the context of the Federal Power Commission proceeding. For example, Interior made a study of recreation values in that reach of river with and without the Blue Ridge Project. The fish and wildlife and recreation agencies of Virginia and North Carolina have also studied the River, as has FPC's staff and the Corps of Engineers. Representatives from North Carolina have presented testimony setting forth their view of the River's existing values. All of these studies and testimonies are included in the extensive evidentiary record which is presently before the Federal Power Commission. The Congress is not in possession of all of these facts. In my judgment, the Federal Power Commission is in an immeasurably better position than is the Congress to evaluate the merits of the Blue Ridge Project. The Commission is, after all, the expert agency to which Congress has committed such tasks.

In view of Interior's close relationship to the Blue Ridge Project, the status of the Department as a party to Federal Power Commission hearings on the matter, and expressions of support voiced to the Senate Interior Committee as recent as February, 1974, I trust that you will reconsider the most recent position you have taken and modify it in a manner that reflects the intense concern of Virginia on this vital matter.

Sincerely,
MILLS E. GODWIN, Jr.,
Governor.

Mr. WILLIAM L. SCOTT. Mr. President, the letter is a strong endorsement of the project, and I would like to read for the benefit of my colleagues some portions of the letter. On the first page, the Governor states:

> The stated purpose of S. 2439 is to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the National Wild and Scenic Rivers System. I am con-

vinced that the segment of the New River designated in S. 2439 does not meet the legal requirements of the Wild and Scenic Rivers Act of 1968. This letter is intended to express the firm opposition of the Commonwealth of Virginia to the passage of S. 2439. The reasons for such opposition are set forth below.

While the letter will be in the RECORD in its entirety, I do wish to read a paragraph on page 2 which states:

> The support of the Commonwealth for the Blue Ridge Project is premised upon the numerous and significant benefits that she will receive from that Project. The Project will provide for flood control benefits to residences, commercial establishments and lands adjacent to the entire stretch of the New River within the Commonwealth. The Project will augment flows in the New River thereby providing an enhanced and more reliable water supply for that portion of the Commonwealth. The reservoirs of the Project will provide for significant recreational benefits that will complement nearby upland recreational facilities. Moreover the Project will produce 1,800,000 kilowatts of absolutely essential electrical energy, and will generate that energy in an environmentally acceptable matter. The Blue Ridge Project will help to ensure that a reliable and continuous supply of electric energy will be available to the citizens of the Commonwealth and other states.

Then, I would like to read the concluding paragraph which states:

> Let me point out that the New River has been the subject of a number of studies in recent years. In June, 1971, the federal and state multi-agency Kanawha River Basin Comprehensive Study was completed and filed with the Congress. This Study involved a consideration of all aspects of that portion of the New River which is included in S. 2439. Also, many studies of the River have been made in the context of the Federal Power Commission proceeding. For example, Interior made a study of recreation values in that reach of river with and without the Blue Ridge Project. The fish and wildlife and recreation agencies of Virginia and North Carolina have also studied the River, as has FPC's staff and the Corps of Engineers. Representatives from North Carolina have presented testimony setting forth their view of the River's existing values. All of these studies and testimonies are included in the extensive evidentiary record which is presently before the Federal Power Commission. The Congress is not in possession of all of these facts. In my judgment, the Federal Power Commission is in an immeasurably better position than is the Congress to evaluate the merits of the Blue Ridge Project. The Commission is, after all, the expert agency to which Congress has committed such tasks.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. WILLIAM L. SCOTT. I am glad to yield to my colleague.

Mr. HARRY F. BYRD, JR. My colleague from Virginia has made a splendid presentation. He has developed many important facts about this legislation.

I think one aspect of it needs to be emphasized again. I am speaking now of the figures which my colleague from Virginia developed which show that of the New River running through three States only 21 miles are in North Carolina, while 145 miles are in Virginia and approximately 88 miles of the river's length are in West Virginia. It is significant, I think, and I hope the Senate will bear in mind that the length of this river running through these three States, 145 miles are in Virginia and only 21 miles are in North Carolina. I believe the Senator said only 5 miles of the river itself are in North Carolina. What would the other 16 miles be?

Mr. WILLIAM L. SCOTT. That would be the North Fork and the South Fork, making a total of 21 miles. We did check with the Library of Congress with regard to these figures. We checked with the Corps of Engineers and the first figure we received was that there were only 5 miles of the main stem in North Carolina. Later we received figures that varied slightly; but figures that are agreed on by Colonel Rush of the Corps of Engineers and the Library of Congress do indicate that 21 miles of the New River are within North Carolina compared with 145 miles in Virginia and 88 miles in West Virginia. Even if we take the more liberal figures, this is primarily a Virginia river and North Carolina has considerably less than either of the other affected States, actually only a small fraction of the total.

Mr. HARRY F. BYRD, JR. I thank the Senator. In concluding I would like to emphasize that which my colleague from Virginia has emphasized also. Neither Senator from Virginia is asking the Senate to approve the Blue Ridge project. The only thing we are asking is to permit the Federal Power Commission, which held extensive hearings on this matter, and which has 7,000 pages of testimony to make the final decision, rather than to have the decision made on the floor of the Senate.

Mr. WILLIAM L. SCOTT. I appreciate the comments of the distinguished Senator from Virginia.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. WILLIAM L. SCOTT. I yield to the Senator from North Carolina.

Mr. ERVIN. I understand the Senator from Virginia a little differently. He is asking the Senate not to permit the Interior Department to study this river to determine if it should be in the Wild and Scenic Rivers Act.

Mr. WILLIAM L. SCOTT. My statement is to the effect that we have had many studies of this river and this is a matter to be determined under existing law by the Federal Power Commission.

Let me add, however, that the Federal Power Commission has consulted with and obtained the views of various governmental agencies. In my opinion, it has complied with the law.

Mr. ERVIN. Mr. President, I would say that section 1278, title 16, of the United States Code—which was enacted after the Federal Power Commission was established—plainly gives priority to wild and scenic considerations over power development——

Mr. WILLIAM L. SCOTT. Mr. President, if the Senator will suspend for just a moment, I ask for the yeas and nays on final passage of the bill. I think a sufficient number of Senators are present.

The PRESIDING OFFICER. The yeas and nays are requested. There is a sufficient second.

The yeas and nays were ordered.

Mr. WILLIAM L. SCOTT. I apologize to the Senator for interrupting, but I did want to get the yeas and nays ordered.

Mr. ERVIN. Perhaps I was interrupting the Senator, but I wanted to point out to the Senator that with respect to Congress having given jurisdiction to the Federal Power Commission to pass on power projects, subsequently Congress passed the Wild and Scenic Rivers Act and gave the Department of the Interior the power to designate rivers as part of the Wild and Scenic River System. It determined that the Federal Power Commission cannot authorize or license the building of power projects which would affect the wild or scenic rivers hereafter included. So evidently Congress thought that wild and scenic rivers were more important than power development.

Mr. WILLIAM L. SCOTT. I have not raised the question of the authority of Congress to pass this bill other than to read from the letter of the Governor of Virginia, in which he says he has doubts about the legality of the New River being included within the Wild and Scenic Rivers Act. It is my recollection that the act says Congress shall not include a river over the objection of the Governor of the State involved. We are talking about a Virginia river.

I would ask my distinguished colleague to withhold further questions until I have finished my presentation. Then I shall be glad to enter into a colloquy with him on the merits of the bill.

Mr. President, it is not reasonable to make this project a political football to see which State has the greater political muscle. Neither Virginia Senator is asking the Senate to approve the project. We are merely asking that you leave the decision of whether a private utility company can construct a hydroelectric dam with private capital to the Federal Power Commission. That is what the Commission was created to do. We do feel, however, that a State with only 21 miles of a 254-mile stream has a far less interest in a project than the adjoining States of Virginia and West Virginia with the remainder of the river and that the views of the State of Virginia of where the project is to be constructed should not be ignored. The defeat of this proposal and a favorable decision by the Federal Power Commission will provide new clean energy without cost to the Government at a time when the American people are concerned about both energy and our environment. Therefore, I join the Governor of Virginia and the senior Senator from our State, in urging that this bill be rejected.

The PRESIDING OFFICER. Who yields time?

Mr. HELMS. Mr. President, will the Senator yield?

Mr. HASKELL. I yield.

Mr. President, how much time do the proponents of the bill have?

The PRESIDING OFFICER. The Chair is not certain, but I believe the Senator has 16 minutes remaining.

Mr. HELMS. I will need 2 minutes.

Mr. HASKELL. I yield 2 minutes to the Senator from North Carolina.

Mr. HELMS. Mr. President, I want to

join with the Senator from Virginia in asserting that certainly there is no personal conflict between the Senators from Virginia and the Senators from North Carolina, but I would point out that North Carolina is not the only State that supports the inclusion of the New River in the Wild and Scenic Rivers System. The West Virginia Senate on March 7 passed a resolution urging Congress to include the New River as part of the Wild and Scenic Rivers System.

Mr. President, I ask unanimous consent that an article from the Beckley, W. Va., Post-Herald, and an editorial from the same paper be printed in the RECORD at this point in my remarks.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Beckley (W. Va.) Post-Herald and Register, Apr. 14, 1974]

SENATE WANTS NEW RIVER IN SCENIC WATER SYSTEM

CHARLESTON, W. VA.—The West Virginia Senate passed Thursday a resolution requesting Congress to include the New River as part of the National Wild and Scenic Rivers Systems.

Opponents to the resolution argued it was an attempt to kill the proposed Blue Ridge power project proposed by the American Electric Power Company on the Virginia-North Carolina border.

Sen. Carl E. Gainer, D-Nicholas, said designation of the river under the federal act would prevent the Federal Power Commission from licensing the $432 million twin-dam project.

Sen. Orton Jones, R-Roanoke, described to his colleagues a raft trip he had taken on the river last year and urged that the Senate not "to allow this river to become contaminated by the whims of man."

Sen. J. C. Dillon, D-Summers, agreed with Jones saying thousands now enjoy the beauty and grandeur of the river and urging it be preserved so "millions might enjoy it."

Adopted by a voice vote the resolution in part states:

"The New River which rises in the highlands of North Carolina, crosses the state of Virginia and terminates at its confluence with the Gauley River in West Virginia is one of the longest and most scenic rivers in the eastern United States and . . . The New River has escaped much of the pollution that has all but destroyed most of the nation's rivers and should be preserved for posterity."

The resolution was sponsored by Sens. Pat Hamilton, D-Fayette and Robert Nelson, D-Cabell.

BULLY FOR SENATORS HAMILTON, NELSON

There was an important action taken by the West Virginia Senate on March 7 that ought to be pursued.

On that day a resolution introduced by Senators Pat Hamilton (D-Fayette) and Robert Nelson (D-Cabell) was passed by the Senate requesting Congress to include New River in the National Wild and Scenic Rivers Systems.

This Newspaper enthusiastically endorses that resolution and urges that it be supported and passed.

The river is somewhat unique in many ways. It is said to be the oldest river in North America. It has spectacular gorges that make it a scenic wonder in places where it has not been abused. It certainly ought to be protected and cherished.

The resolution by the Sente said:

"The New River which rises in the highlands of North Carolina, crosses the State of Virginia and terminates at its confluence with the Gauley River in West Virginia is one of the longest and most scenic rivers in the eastern United States and . . . The New River has escaped much of the pollution that has all but destroyed most of the nation's rivers and should be preserved for posterity."

We'll drink (New River water) to that.

Mr. HELMS. Mr. President, I thank the distinguished Senator from Colorado for yielding to me.

The PRESIDING OFFICER. Who yields time?

Mr. HASKELL. Mr. President, I suggest the absence of a quorum, with the time to be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BELLMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered——

Mr. WILLIAM L. SCOTT. Mr. President, reserving the right to object—and, of course, I shall not object—I would ask the distinguished Senator whether he proposes to offer an amendment.

Mr. BELLMON. That is my intention.

Mr. WILLIAM L. SCOTT. Mr. President, I would ask a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator object to the suspension of the proceedings under the quorum call? There is a quorum call in progress.

Mr. WILLIAM L. SCOTT. Mr. President, I withdraw my reservation.

The PRESIDING OFFICER. Without objection, further proceedings under the quorum call will be dispensed with.

The Senator from Oklahoma.

Mr. WILLIAM L. SCOTT. Mr. President, will the distinguished Senator yield?

Mr. BELLMON. I yield for a question.

The PRESIDING OFFICER. Who yields time?

Mr. HASKELL. Mr. President, I yield 2 minutes to the distinguished Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. WILLIAM L. SCOTT. Mr President, I would ask the distinguished Senator if he proposes to offer an amendment.

Mr. BELLMON. That is my intention.

Mr. WILLIAM L. SCOTT. Mr. President, what is the parliamentary situation insofar as time is concerned? Is it contemplated that there will be a vote at 4 o'clock on final passage of the bill?

The PRESIDING OFFICER. The order was that there would be no rollcall votes before the hour of 4 o'clock.

Mr. WILLIAM L. SCOTT. Then, it can be afterwards?

The PRESIDING OFFICER. The Senator is correct.

Mr. WILLIAM L. SCOTT. I thank the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BELLMON. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment as follows:

On page 2, line 7, insert the following:

(1) strike Section 2

(2) (29) that portion of the Illinois River, in the State of Oklahoma, beginning at the upper limits of the Tenkiller Lake, thence upstream to the Arkansas State Line.

(3) insert "old" Section 2

Mr. BELLMON. Mr. President, the purpose of this amendment is to authorize a study of a section of the Illinois River in the State of Oklahoma, which has long been recognized as one of the most popular scenic and recreational streams in the Midwest. The river annually draws thousands of visitors from all parts of the country who enjoy swimming, boating, fishing, floating, and camping along the river's banks.

There is great concern that commercial development along the river may soon deface the river's beauty and deny access to the river to the thousands whose lives have been enriched by the outdoor recreational opportunities it provides.

The study which this amendment calls for would provide information Congress will need to decide whether or not this river truly encompasses the attributes to make it suitable for inclusion in the Wild and Scenic Rivers System.

It is my understanding that the adoption of this amendment will in no way interfere with the development which is at present taking place along the river. That action could come only after the study has been completed and would depend upon later actions by Congress. Therefore, it seems entirely appropriate that a study of the Illinois be authorized so that future decisions as to the status of the river can be made based upon a careful evaluation of all the facts relating to the river's highest use.

Mr. President, I might add that my colleague from Oklahoma (Mr. BARTLETT) and I wrote to the Department of the Interior some time ago, asking that the Department make a study of the river. We had a response from the Bureau of Recreation, I believe, in the latter part of 1973, saying that such a study was contemplated and possibly could be made.

The purpose of my amendment to S. 2439 is to move that study ahead. The reason for doing so is that at present a very substantial commercial development is underway. It is conceivable that if we delay too long in proceeding, the major scenic values of the river may be permanently defaced.

Mr. HASKELL. Mr. President, I shall have to oppose the distinguished Senator's amendment on the ground that hearings have not been held on this subject, whereas hearings have been held on S. 2439. However, if the distinguished Senator from Oklahoma will offer his amendment to the origianl bill as an amendment, I assure him that hearings will be held prior to the July recess, at a time when we are holding hearings on other bills involving the same subject.

Mr. BELLMON. Mr. President, I am very much pleased and reassured by the statement of the distinguished Senator from Colorado. It is my understanding that hearings are planned for the near future.

Mr. HASKELL. Hearings are planned for the latter part of June. They involve a number of bills asking for studies of many scenic rivers. Therefore, the Senator's request would be scheduled as a part of those hearings.

Mr. BELLMON. Mr. President, on that basis, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The bill is open to further amendment.

Mr. ERVIN. Mr. President, my friend from Virginia speaks of an amendment which my colleague from North Carolina and I offered to the water resources bill. It was substantially different from S. 2439 and was offered as an amendment to the bill and was not in the bill that had been reported by the Public Works Committee. S. 2439 has been reported unanimously by the Committee on Interior and Insular Affairs after full hearings on the subject.

Since my friend from Virginia has spoken so much about the Federal Power Commission, I should like to read a portion of section 1278 of title XVI, United States Code, which deals with wild and scenic rivers:

> (a) The Federal Power Commission shall not license the construction of any dam, water conduit, reservoir, powerhouse, transmission line, or other project works under the Federal Power Act, as amended, on or directly affecting any river which is designated in section 1274 of this title as a component of the National Wild and Scenic River System.

Mr. President, this provision clearly shows that Congress has given the Department of the Interior the authority to make studies and determine whether a river should be included in the wild and scenic rivers system with priority over power development. It is quite natural that that should be done, because the Power Commission was established many years prior to the time when Congress recognized that wild and scenic rivers were disappearing from this country.

If the bill is not passed, the New River is ruined forever. There is no way we could ever get another New River. If the bill is passed and the Department of the Interior finds it is not proper to include the New River portion designated in the bill under the act, then they could go ahead with the power development. If they hold that it is proper to include it, and if that view is affirmed by Congress, then the Appalachian Power Co. can get some coal from southwest Virginia and generate as much power as it wants to generate.

Unless S. 2439 is passed, we can never get back the New River; it will be gone forever.

I am a great believer in free enterprise and private enterprise. It would increase free enterprise if the Appalachian Power Co. were to generate its power by coal from the States of Virginia and West Virginia. So let us at least have the opportunity to study whether the New River should be included or should not be. Let us not dam the New River. I use the word "dam" in the sense of ruining the New River from now until the last notes of Gabriel's horn tremble into silence, because we cannot use the New River after it has been dammed.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. ERVIN. I do not know how much time I have remaining.

Mr. WILLIAM L. SCOTT. I merely wish to inquire concerning the question raised by the distinguished Senator.

On page 11 of the administrative law judge's decision of January 23, 1974, he said:

> The record is clear that the Blue Ridge Project will permit electric generation by the AEP system with less air and thermal pollution than the system would otherwise generate with any other feasible alternative.

Mr. ERVIN. Mr. President, I do not think the Senate of the United States ought to listen to the findings of a Federal justice of the peace.

Mr. WILLIAM L. SCOTT. Well, a Federal "justice of the peace," heard 7,400 pages of testimony. I think that is worthy of a little consideration.

Mr. ERVIN. He was probably a little confused if he heard that much testimony.

Mr. MONDALE. Mr. President, will the distinguished Senator from Colorado yield?

Mr. HASKELL. Mr. President, I yield 3 minutes to the distinguished Senator from Minnesota.

DEATH OF STEWART ALSOP

Mr. MONDALE. Mr. President, this past Sunday, the noted author, Stewart Alsop, died of leukemia. I take this occasion to add my comments concerning this remarkable American. In a moving obituary published in this week's Newsweek, written by the Bureau Chief, Mr. Mel Elfin, he concludes:

> As he had vowed he would, Stew Alsop did not go gentle into the night. The way he died kept faith with the way he had lived—proudly, fully, wisely, lovingly. He did us honor by having been our friend.

I know of no newsman whose judgment, whose ability, whose honesty, whose love for this country exceeded that of Stewart Alsop. Few have done more for their Nation, few have felt more deeply about freedom and justice, few have commented more consistently and more wisely over more years to the American people about the condition of American life than Stewart Alsop. He was a giant. But more than that, in a personal sense, he was a friend of mine and Joan's, and he was a friend of hundreds of citizens of this city and of this country.

At a time when it is so easy to be overwhelmed by cynicism and despair, I think it is well to note that Stewart Alsop's career and life stand as an example of what one person can do to help illuminate our times, to help understand them——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HASKELL. I yield the Senator 1 additional minute.

Mr. MONDALE. And to help elevate our sights in this country.

I shall miss him greatly. My regrets and condolences go to his lovely wife and children and to his remaining brother, Joseph.

Mr. President, I ask unanimous consent to have printed in the Record at this point the obituary to which I have referred published this week in Newsweek magazine, an excerpt from his best-selling book "The Center" published in the Washington Post, an editorial on Stewart Alsop published in the Washington Post, and a remarkable and moving obituary written by his close friend Kenneth Crawford, published in Monday's Washington Post.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Newsweek Magazine, June 3, 1974]

Stewart Alsop, 1914–1974

(By Mel Elfin)

A dying man needs to die, as a sleepy man needs to sleep, and there comes a time when it is wrong, as well as useless, to resist.

—Stewart Alsop, "Stay of Execution"

There seemed, for so long, no limit to Stew Alsop's will to resist. All through a debilitating, wasting illness, Stew lived so gracefully, so courageously and so productively that sometimes it was hard to believe him a man under sentence of early death. This week, however, 34 months after that summer day when he climbed to the top of a small trash pile at his country home and found himself "gasping like a fish on a beach," Alsop's stay of execution was abrogated. At 60, in a hospital bed at the National Institutes of Health in Washington, he finally succumbed to a by-product of a mysterious leukemia that his doctors could neither adequately diagnose nor treat.

For more than five years, Stew Alsop filled this page with reportage and commentary that was insightful, influential, often brilliant and almost always the envy of those of us in Washington journalism who lacked both his contacts and his clarity of thought. To Stew, the tight little world of political Washington was "The Center" (a title he used for a 1968 best seller on the Capital) and after a quarter century in this city as editor, reporter and columnist, he knew, was respected by and had access to almost every major figure of our era.

Henry Kissinger, on a diplomatic mission to Moscow in 1972, took along Stew's medical records so that they could be analyzed by Soviet doctors. And during his first stay at NIH, Richard Nixon himself called to ask the question that has echoed around "The Center" for more than two years: "How's Stew?"

The answer, until a final erosive siege at the hospital, was that Stew was doing very well, indeed. Whatever toll it may have taken physically, Stew's illness seemed to enhance his already great professional talents. His final columns, notably those on Watergate and the Presidency, pecked out in an office that had almost the entire city of Washington for an appropriate backdrop, were among the most remarkable of his career. Out of a pair of columns on his puzzling illness (which Stew was initially reluctant to run because "nobody would be interested") grew his last book, "Stay of Execution," a memoir, clinical report and poetic essay on approaching death.

Even when rumpled in thought over his typewriter, laughing in a basso-profundo voice at the latest political joke or padding about the Newsweek bureau in an ancient pair of bedroom slippers, Stew projected an aristocratic mien. His erect bearing combined with a wonderfully ruddy complexion to make him look as if he had always just come in from grouse shooting on the moors.

With Roosevelts (including two Presidents) as kin on his mother's side and a distinguished lineage stretching back seven generations almost to the Mayflower on his father's, Stew was the very model of the Connecticut Yankee gentleman. Raised in a sprawling white-clapboard farmhouse in Avon, a beautiful New England village near Hartford, Stew received the very model of a Connecticut gentleman's education—first Groton, where his head was stuffed with English literature, English history and English manners, then Yale, class of '36.

Stew rarely raised his voice or lowered his guard in public. He was respectful of his elders, gracious with his colleagues, considerate of children, loyal to friends, and at all times manifested a pre-liberation attitude of courtesy toward women. Even when his body was corroded with pain, Stew would struggle to his feet when a woman entered the room.

Like other members of the Wasp elite (whose decline he viewed with the same clinical detachment as he did his own approaching death), Stew took a semischolarly interest in his forebears. Yet far from being afflicted with a "Mayflower complex," Stew was amused that, along with the poets and politicians, his ancestors included a murderer and an indentured servant and that the family name probably was derived from "ale shop."

In his own generation, Stew remained steadfastly loyal to the family and family name (he was privately annoyed when anyone persisted in mispronouncing it "Al-sop" instead of "All-sop"). He deeply loved his sister and two brothers and although he could argue politics long into the night with Joseph, four years his senior, Stew would vigorously defend him outside the family circle. So satisfying did he find the "sense of being part of a continuum" that he had six children of his own and often said he would have liked to have had more.

It was the family connection that drew Stew into journalism in the first place. After four years of war service with the British Army in Africa and later with the OSS (in 1944 he parachuted behind German lines in France), during which he won several medals and a beautiful British bride, Patricia Hankey, Stew accepted what he felt was brother Joe's "eccentric invitation" to join him in producing his syndicated column. In 1958, Stew left Joe to become national-affairs editor and later Washington editor of The Saturday Evening Post. Then, in July 1968, he joined Newsweek as a Washington columnist.

As a stylist, Stew favored the simple declarative sentences he learned at Groton. But he gave to the political lexicon such memorable phrases as "hawks and doves," "egghead," "Irish Mafia," "eyeball to eyeball" and "Masada complex," a description of Israeli foreign policy that drew the personal, albeit grandmotherly, wrath of Golda Meir upon him at a Blair House luncheon last year.

As did many journalists of his generation, Stew started out with vaguely New Deal sympathies but moved progressively back toward the political middle as he grew older. Personally, he was closely attuned to sophisticated politicians like Nelson Rockefeller and John Kennedy; still, he long harbored a grudging admiration for Richard Nixon as one of the shrewdest operators of his time—until Watergate.

To the end, Stew considered himself a reporter first and a pundit second. He abhorred writing columns on the basis of cerebration alone, and nothing frustrated him more about his illness than the long, enforced absences from "The Center" of which he was such a vital part.

As he had vowed he would, Stew Alsop did not go gentle into the night. The way he died kept faith with the way he had lived—proudly, fully, wisely, lovingly. He did us honor by having been our friend.

"A Reassuring Place"

(From "The Center: People and Power in Political Washington," by Stewart Alsop:)

Anyone who has lived in Washington for a good many years can recall, out of the jumbled attic of memory, a few scenes that are still real and vivid after the passage of the years. I remember, for example, a dinner party in the spring of 1950 at my brother Joseph Alsop's Georgetown house. Dean Rusk, who was then the youthful Assistant Secretary of State for the Far East, was there. So was the Secretary of the Army, Frank Pace. So was George Kennan, the chief of State's Policy Planning. . . .

It was a pleasant evening, and a relaxed party—the Berlin blockade had ended, and Sen. Joe McCarthy had not yet become the Washington obsession he later became. The men were chatting over the brandy and cigars when Dean Rusk was called to the telephone. He returned gray-faced, and although the evening was still young, he said hasty goodbyes. . . .

. . . That was the evening that brought the first news of the North Korean attack on South Korea. In a properly written novel or movie script, somebody would have said something modeled on Lord Grey's famous curtain line: "The lights are going out all over Europe." Instead, everybody just muttered. But an adequate if wordless comment was made a few days later by George Kennan. At another party he was seen doing a little jig. The decision had just been made to commit American forces to the defense of South Korea. The jig was an expression of Kennan's delight. He was, and is, anything but a war hawk, but he knew better than most how steep a price the West would have to pay in time if the United States failed to meet Joseph Stalin's carefully calculated challenge in Korea.

Another small scene, which occurred not long after, and which was in some ways a direct sequel of the first (for Joe McCarthy was a product of the guilt and frustrations of the Korean War), frightened me more than it should have, as I can see in retrospect. It occurred on the floor of the Senate, during one of the debates that followed the McCarthy charge that there were large but constantly shifting numbers of Communists operating in the State Department. McCarthy, with much advance beating of drums, presented his "evidence," in a long speech late in the evening. . . .

About halfway through the performance, Sen. Herbert Lehman recognized one of McCarthy's "cases" and knew it was false. He rose, reminded the Senate of McCarthy's promise to let any senator examine the evidence, and as he spoke he walked down the aisle and stood in front of McCarthy, with his hand out. The two men stared at each other, and McCarthy giggled his strange, rather terrifying little giggle. Lehman looked around the crowded Senate, obviously appealing for support. Not a man rose.

"Go back to your seat old man," McCarthy growled at Lehman. The words do not appear in the Congressional Record, but they were clearly audible in the press gallery. Once more, Lehman looked all around the chamber, appealing for support. He was met with silence and lowered eyes. . . .

"There goes the end of the republic," I muttered to my wife, whom I had smuggled into the press gallery to see the show. It was a poor imitation of Lord Grey, but it did not seem exaggerated at the time. For at the time this triumph of the worst senator who has ever sat in the Senate over one of the best seemed a decisive moment. . . .

I was wrong, of course. McCarthy got his richly deserved comeuppance. . . . This suggests another reason why I like Washington. . . .

An elaborate, rather pointless, but curiously memorable tale which the late Frank Kent, a great newspaperman, used to tell, serves to suggest why. The story, which Kent claimed was true, was about an ancient and long since retired Maryland judge, who came to Baltimore once a year to see the sights and enjoy terrapin Maryland at the Baltimore Club. . . .

One day the current judge found it difficult to concentrate, because his aged colleague kept striding up and down, declaiming, "They're gaining on us, they're gaining on us all the time." At length, overcome by curiosity, the chief judge asked the obvious question: "Sir, you do me the honor to share my quarters. Do you mind telling me who is gaining on us?"

"Why goddammit, Chief Judge," replied the ancient jurist, "the sons-of-bitches are gaining on us, of course. I counted twenty-six of them on Charles Street this morning."

In Washington the sons-of-bitches always seem to be gaining on us. Native yahoos or foreign enemies always seem to be on the verge of triumph. But the sons-of-bitches never quite catch up—which is why Washington comes to seem, in the long run, a reassuring place to live.

Stewart Alsop

Stewart Alsop's execution by leukemia at the age of 60 could be delayed no longer, not even by doctors at the National Institutes of Health. Refusing a blindfold, he watched death's approach for more than two years. He reported its encroachment as he reported national and world affairs—with wit and wisdom, sensitivity and understanding. Contemporary letters offer no more courageous chronicle than one of the last things he wrote, his book "Stay of Execution, a sort of memoir." In it, he looked forward reluctantly to the end of his road and backward happily to landmarks along the way of a good life.

Mr. Alsop was an extraordinary journalist. No ideological tag quite fitted him. He was neither conservative nor radical in any conventional sense. His views of affairs was his own, unique and persuasive. His facility with words—the elegant phrase, the right literary quotation, the apt historical phrase—was part of it, but not all of it. His special gift was a degree of common sense uncommon in the market place of political ideas. His articles for The Saturday Evening Post and, later, his columns for Newsweek won approval all across the ideological spectrum. Readers of conflicting persuasions sensed that he was a writer unencumbered by immutable prejudice, capable of looking the facts and the public men who acted upon them squarely in the eye. His opinions were fresh but not quirky, different but not for the sake of difference.

As scores of posthumous biographies of writers attest, it is usually better not to know too much about the private lives of authors one admires. The men behind the words too often prove to be neurotic, unpleasant or inordinately vain. Mr. Alsop was the ultimate exception to this rule. He was a gentleman not because he was the scion of a sturdy old Connecticut family, a graduate of Groton and Yale and possessor of a distinguished war record, but because he was truly a gentle man. He cherished his family and his friends and was cherished by them. He insisted upon regarding his own earlier life, especially his World War II service in the British and American armies, part of it behind enemy lines in German-occupied France, as something of a lark. His reaction to recent American history was far more serious.

In the last chapter of his book he wrote:

"At the beginning . . . I described that trapped and desperate feeling that came over me after I had been told that I would die quite soon. [Later], when I felt so sick, I felt rather sure that I would die quite soon, and perhaps very soon, within the next day or so. I did not at all welcome the prospect, but it filled me with no sense of panic . . . Why the difference?

"Perhaps the state of the nation had something—a little something—to do with the difference. For weeks now I have been haunted and depressed by a sense that the American system, in which I have always believed in an unquestioning sort of way, the way a boy believes in his family, is really falling apart; by a sense that we are a failed nation, a failed people. And Watergate is surely a peculiarly depressing way to say farewell to our greatness. It is a whimper—a sleazy little whimper, a grubby little whimper—rather than a bang.

"The thought has occurred to me quite often in recent weeks that this is a good time to bow out. No doubt it was the state of Alsop, far more than the state of the nation, that caused this thought to occur to me so often."

It was like Stewart Alsop to blame his dire forebodings on his own condition more than the country's. His tendency was optimistic, as indicated elsewhere on this page today by a fragment from an earlier book about Washington, "The Center," which was written when the state of Alsop was sturdier. But he was always realistic and tough-minded and his worries about the state of the nation, as his recent columns showed, were constant, not reflections of the ups and downs of his health. He was concerned for the future of his children and for everybody's else's children. He was concerned, in other words, for the future of his country—for he was profoundly a patriot, though not in the mindless, love-it-or-leave-it way that passes for patriotism. His love of country was in no way weakened by amusement at the way it worked, or impatience with its faults, or anguish over its failures. Stewart Alsop was a man who believed in facing up to things, including his own death. And so he died as he had lived—gallantly.

[From the Washington Post, May 27, 1974]

STEWART ALSOP, NOTED AUTHOR, EDITOR AND COLUMNIST DIES

(By Kenneth Crawford)

Stewart Alsop, who died yesterday at 60, had been one of the most respected members of the Washington press corps for the past quarter-century.

His interpretations of national and international affairs were original, distinctive and unpredictable. None of the categorical labels fastened upon most of his contemporaries—"liberal," "conservative," "internationalist," "isolationist," "hawk" or "dove"—ever quite fitted him.

Following his discharge from the armed services in 1945, Mr. Alsop joined his brother, Joseph, and together they wrote a widely syndicated Washington column entitled "Matter of Fact." Their collaboration endured for 13 years, producing in addition to their newspaper columns many magazine articles, several journalistic prizes and frequent full-length articles. The partnership was dissolved in 1958 and Joseph alone carried on the column.

Preferring magazine writing to newspaper syndication, Stewart joined the Saturday Evening Post as national affairs editor. Later he became the Post's Washington editor, contributing a one-page commentary for every issue and frequent full-length articles.

He joined Newsweek six months before The Saturday Evening Post suspended publication in 1968. His page soon became one of Newsweek's most read and quoted features.

Mr. Alsop thought of himself as a reporter, primarily. His writing was never rewriting from previously published material. The continuity of his access to leaders and insiders, through Republican and Democratic administrations alike, was uninterrupted. He was liked even by those who disliked what he wrote. By his own account, he outraged conservatives and liberals by turn and felt that this was his function as an analytical reporter.

He traveled extensively both in this country and abroad, interviewing at one time or another most of the great decision-makers of his time.

In the 1972 presidential campaign, he maintained communication with all the candidates and with such influential non-candidates as Sen. Edward Kennedy and Henry Kissinger. In the preconvention months, he sampled conditions and opinion in urban ghettos and even in the havens of draft dodgers and deserters in Canada. He also reported on travels to Britain, France, Egypt, Israel, Czechoslovakia and Vietnam.

An article he once wrote about President John F. Kennedy's thinking in a crisis situation had the benefit of editing by the President himself. From President Franklin D. Roosevelt, his distant blood relation, through President Richard Nixon, Mr. Alsop enjoyed more or less friendly relations with the White House. However, politicians at one point accused the Alsop brothers of peddling "gloom and doom."

Although he eschewed literary pretensions, he was an inventive writer and phrasemaker. He was the first to use such shortcut political descriptive terms as "hawk" and "dove," "egg-head," "Irish Mafia" and "eyeball-to-eyeball." He was effective with the sparse prose required by journalistic space limitations.

Mr. Alsop was born on the 640-acre Alsop family tobacco and dairy farm at Avon, Conn., the third of four children, the eldest Joseph, the Washington columnist, the second Corinne now Mrs. Percy Chubb of Chester, N.J., and the youngest John, of Avon, Conn., an insurance executive and unsuccessful Republican candidate for governor of Connecticut in 1962.

Asthmatic as a child, Stewart was tutored by his mother and by Agnes Guthrie, a Scottish governess who was a fixture in the Alsop household for more than 50 years, until he was nine years old. He then attended Kingswood School in Hartford until ready for Groton, where he spent five years preparing for Yale.

In later years, Mr. Alsop recalled his "sentence" at Groton ruefully but gratefully. He said it had been perfect training for his later stint in the British army. It accustomed him, he explained, to a barracks-room atmosphere, strict discipline and bad food. Like his brother, Joseph, before him he was an editor of "The Grotonian," a school publication. He and Joseph later twitted their brother, John, for becoming editor-in-chief, which they said, was like being a collaborator in a prison camp.

Yale for Stewart represented a break with family traditions, which designated Harvard as the inevitable college choice. Both his brothers followed the footsteps of forbears several generations back to the Harvard Yard.

Mr. Alsop's career at Yale was relatively uneventful until his senior year, when we won a literary prize—$110 awarded in $10 bills. A party he gave to celebrate this achievement and to divest himself of some of the prize money was raided by campus police, who might have been placated by Mr. Alsop's explanations except that one of his exuberant guests walloped one of the guardians of campus tranquility.

Called in by the dean, Mr. Alsop confessed his responsibility for the party and asked whether he was to be "expulsed." As Mr. Alsop recalled the conversation years later, the dean exploded, "Expulsed? What kind of usage is that for the winner of a literary prize? You are expelled—e-x-p-e-l-l-e-d." Yale relented, however, after reviewing Mr. Alsop's academic record and graduated him with his class in 1936.

He then joined his cousin, Theodore Roosevelt III, son of President Theodore Roosevelt and brother of Alice Roosevelt Longworth, at Doubleday, working as a book editor. But in 1941, with the war coming on, Mr. Alsop enlisted in the Navy, where he served one day before medical examiners decided that his asthma disqualified him. Later drafted, he was told that asthma and high blood pressure would make him acceptable for limited service only.

He then decided to try the British army and made application at the Washington Embassy. He confessed that he had been rejected by American services. After looking over his credentials, the British officers who interviewed him asked: "Can you see properly?" Mr. Alsop said he could and that was enough. He shipped out from Halifax with a contingent of fellow recruits early in 1942 for service in the 60th King's Royal Rifle Corps. After a period of training, he was commissioned a lieutenant and given command of a machine gun platoon.

He saw action in North Africa and Italy, winning a British Mention in Dispatches for distinguished service. Then, armed with a chit from his cousin Theodore, at that time a general in the Army, he flew to Algiers with the intention of transferring to American service. There, he was told that the Army had no field openings at the moment except for Methodist chaplains and veterinarians. Being neither of these, he reported back to the British.

They shifted him to the Strategic Air Service, where he was trained as a paratrooper. By that time, the American O.S.S., Gen. William Donovan's cloak-and-dagger service, was looking for French-speaking soldiers to maintain liaison with the Maquis in France. Mr. Alsop was parachuted into France late in 1944 and operated with a French underground unit behind German lines for three months, winning a Croix de Guerre with palm and a citation signed by Gen. Charles de Gaulle.

On one of his last missions for the O.S.S., he guided a truck transport to an American supply depot in the field to pick up gasoline and other necessities for his Maquis band on Royan Island. Reporting to an American officer, he clicked his heels, snapped a British palm-forward salute and announced: "Lieutenant (pronounced leftenant) Alsop reporting, sir." Unaccustomed to his American uniform, Mr. Alsop was wearing his rifleman's barge upside down and his lieutenant's bars wrong way too.

The supply officer was sometime being convinced that Mr. Alsop was not one of the German commandos rumored to be masquerading in American uniforms bent on the assassination of Gen. Dwight D. Eisenhower.

Between his service in Italy and in France, Mr. Alsop had married Patricia Hankey, daughter of a British naval officer, whom he had met at a party for British servicemen at Allerton Castle, the seat of Lord Mowbray and Stourton, premier baron of the realm. It almost didn't happen. When Mr. Alsop, who had been invited to Allerton along with several regimental comrades, introduced himself, his host muttered: "Good God. You sound like an American. We have a rule here: no motor cars, no Americans."

But the rule was broken and Miss Hankey was there. She was at the time, unbeknownst to Mr. Alsop, an employee of the British Special Operations Executive, the agency that conducted secret warfare in France in cooperation with the O.S.S. and the Maquis.

Returning from the war, Mr. Alsop decided upon a career in journalism after first considering the Foreign Service.

His book, "The Center," published by Harper and Row, was a national bestseller. Before that he was coauthor with Thomas Braden, a comrade-in-arms both in the 60th and the O.S.S., now a Washington columnist on "Sub Rosa," an account of clandestine operations in the war, and coauthor with his brother, Joseph, of "We Accuse" and "The Reporter's Trade," the latter a compilation of their newspaper columns.

His last book was "Stay of Execution," a moving and fascinating account of the strange illness that struck him down.

One of Mr. Alsop's most popular articles for the Saturday Evening Post was a wry examination of the Alsop-Roosevelt family tree, inspired by the family portraits that surrounded him in his boyhood. His maternal grandmother was a sister of President Theodore Roosevelt. President James Monroe also graced the Roosevelt geneaology. Mr. Alsop called the Roosevelts, who were rich in eccentrics as well as notables, his "gaudier ancestors."

The Alsop side included a member of the Continental Congress but he lost his chance for immortality by refusing to sign the Declaration of Independence. Indeed, he sat out the Revolutionary War.

Generally, Mr. Alsop wrote, his paternal ancestors were prosperous but relatively undistinguished. They established themselves in Middletown, Conn., when it was the state's leading port and largest city. The rum trade, a major source of income to the city and to five generations of Alsops, lost out when ships got too big to navigate the Connecticut River Narrows.

The original family house is now the art gallery of Wesleyan University. The Alsop farm at Avon is 20 miles from Middletown and nine miles from Hartford.

Mr. Alsop's father dismissed many members of the Roosevelt family, ancestral and contemporary, as "crazy jacks." But he admired Theodore whom he joined in the Bull Moose breakaway from the Republican Party in 1912. He was not so sure that Franklin D. Roosevelt didn't belong in the crazy-jack category and chided his sons in Washington for their approval of F.D.R.

The senior Alsop served in both branches of the Connecticut legislature and aspired to the governorship but the 1912 defection stood in his way. In private life he was president of a large insurance company as well as his own farm manager.

In his Post article Mr. Alsop devoted some attention to an ancestor who murdered a Harvard professor to whom he owed money. The professor was stuffed into a furnace where false teeth resistant to fire provided the corpus delecti. The author said the dining room furniture he still used had been handed down by the murderer for whom it was elaborately carved in the Canary Islands.

In addition to his wife, of the home, 3520 Springland La. NW, and his two brothers and his sister, Mr. Alsop is survived by six children.

They are Joseph Wright Alsop (the sixth bearer of that name), of Los Angeles, Ian Alsop and Elizabeth Mahony, both of New York City, Stewart J. O. Alsop, a student at Occidental College in Los Angeles, and Richard Nicholas and Andrew Christian Alsop, both living at home and attending Sheridan School in Washington.

In a statement President Nixon praised Mr. Alsop for "vigorous independence of mind, a dedicated and fearless pursuit of the truth, an uncommon devotion to the nation's welfare and a consistency that on all matters—no matter how controversial—that good will and decency should prevail."

In mourning Mr. Alsop's death as a "sad loss," the President cited the courage that was "the hallmark of his final struggle against death," and said his writings will remain a journalistic standard for years.

Services will be held at 10:30 a.m. Wednesday at St. John's Episcopal Church at Lafayette Square in Washington. Mr. Alsop will be buried in Indian Hill Cemetery in Middletown, Conn.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, the Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes immediately following the remarks of the distinguished majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 11:15 A.M. TOMORROW

Mr. ROBERT C. BYRD. I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 11:15 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE WILD AND SCENIC RIVERS ACT OF 1968

The Senate continued with the consideration of the bill (S. 2439) to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the national wild and scenic rivers system.

Mr. HASKELL. Mr. President, to summarize, a great deal has been said about this bill and a great deal has been said about a previous Senate vote in which the Senator from North Carolina sought to accomplish somewhat the same purpose. I voted against the Senator's amendment at that time. However, now, having heard testimony in the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs, I feel wholeheartedly that we should have a study of this matter.

Briefly, two studies have been mentioned. Some people have been led to believe that one or the other of these studies is the best evidence. However, I would point out that one was a river basin study, which did not zero in on whether this particular portion of this river should be a wild and scenic river, and the second was the FPC study, which only touched peripherally on the problem.

In view of the fact that if we do not have this study, in all probability that river will be irretrievably lost, it is my personal recommendation to my colleagues that we do study this matter—that we zero in on the problem—bearing in mind that the time period is 2 years.

Mr. President, unless someone else has something to say, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, will the Senator withhold that, and yield me 30 seconds?

Mr. HASKELL. I yield.

The PRESIDING OFFICER. Who yields time?

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield me some time?

Mr. HANSEN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. There is remaining 15 minutes to the Senator from Wyoming, and 2 minutes to the Senator from Colorado.

Mr. HANSEN. I yield 5 minutes to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the Senator's yielding. I want to spend this 5 minutes in summarizing by opposition to the measure before the Senate.

To me, S. 2439 constitutes a misuse of National Wild and Scenic Rivers legislation. Its purpose is to block a badly needed power project—Appalachian Power Co.'s Blue Ridge hydroelectric and pumped storage project.

Blue Ridge is a Virginia project. Both dams, both power houses, all transmission facilities and two-thirds of the reservoir surface areas will be located in Virginia.

Virginia wants and needs Blue Ridge. It wants the vast recreation and fishing benefits which the project will provide. It needs the project's flood control storage which will protect a presently unprotected 150 mile stretch of the New River in Virginia. The construction payroll and greatly increased tax base resulting from this $430 million investment by private enterprise will substantially enhance the economic well being of the residents of the area. The project's reservoirs will result in economic diversification for the region. But most important, at a time when the Nation is facing a long-term energy shortage Blue Ridge will provide much needed generating capacity to maintain the adequacy and reliability of electric power supply not only in Virginia but throughout the East Central United States.

S. 2439 would, in effect, place a moratorium on the development of 39 miles of main stem New River in Virginia.

We had some discussion about the extent of this river in North Carolina. Only 5 miles of main stem New River plus the north and south forks are located in North Carolina.

The New River included in S. 2439 cannot possibly be characterized as "primitive". Its existing recreation and fishing values are extremely limited—$47,600 and $70,000, respectively, according to a 1966 study by the Department of the Interior—and, according to FPC staff's environmental impact statement, it is not a particularly biologically productive river. Its qualifications, even for study, under the wild and scenic rivers program are, therefore, extremely questionable.

After more than 9 years of exhaustive proceedings during which everyone has been permitted to have his say, the Federal Power Commission is about to render a decision on the merits of Blue Ridge. FPC's decision will be based upon a comprehensive evidentiary record covering all aspects of the project: power, recreation, flood control values, social and environmental impact; and the full range of alternatives to Blue Ridge—including the preservation of the river in its existing state. A very substantial amount of time and money has already been invested in this proceeding.

The Appalachian Power Co., incidentally, estimates that it has already incurred expenses of over $16 million to date.

The Congress does not have all of these facts before it. We, therefore, urge that FPC be permitted to reach a decision on the merits of Blue Ridge. If the decision is favorable, the north and south forks above the project reservoirs can still be studied for possible inclusion in the Wild and Scenic Rivers System as originally urged by Interior in its testimony on S. 2439. If the decision is unfavorable, then S. 2439 can be reconsidered by the Congress.

Mr. President, I urge that Congress defeat this measure. I would say that the people of Virginia should have a major say as to what happens with regard to its river, and that the administrative agency created by Congress to study and determine whether or not a hydroelectric project should be licensed is the proper place to make this decision, not on the floors of Congress in a single individual case.

The PRESIDING OFFICER. Who yields time?

Mr. HASKELL. Mr. President, unless the distinguished Senators from North Carolina, either of them, have anything further to say, I am prepared to yield back the remainder of my time. I ask the distinguished Senator from Wyoming whether he would be prepared to yield back the remainder of his time.

Mr. HANSEN. Mr. President, I am prepared to yield back the remainder of my time unless there is someone who wishes to be recognized who has not so indicated to me.

I yield back the remainder of my time.

Mr. HASKELL. I yield back the remainder of my time.

The PRESIDING OFFICER. (Mr. McClure). All time has now been yielded back.

The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MUSKIE (when his name was called). On this vote I have a pair with the distinguished Senator from Minnesota (Mr. Humphrey). If he were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr BAYH (after having voted in the negative). On this vote I have a pair with the distinguished Senator from South Dakota (Mr. McGovern). If he were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. Bible), the Senator from Delaware (Mr. Biden), the Senator from Nevada (Mr. Cannon), the Senator from California (Mr. Cranston), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from Kentucky (Mr. Huddleston), the Senator from Minnesota (Mr. Humphrey), the Senator from Massachusetts (Mr. Kennedy), the Senator from Montana (Mr. Mansfield), the Senator from Arkansas (Mr. McClellan), the Senator from South Dakota (Mr. McGovern), the Senator from Rhode Island (Mr. Pell), the Senator from Alabama (Mr. Sparkman), and the Senator from California (Mr. Tunney), are necessarily absent.

I also announce that the Senator from South Dakota (Mr. Abourezk) is absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. Bible), the Senator from Delaware (Mr. Biden), the Senator from California (Mr. Tunney), the Senator from South Dakota (Mr. Abourezk), the Senator from Rhode Island (Mr. Pell), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from Kentucky (Mr. Cook), the Senator from Kansas (Mr. Dole), the Senator from Hawaii (Mr. Fong), the Senator from Florida (Mr. Gurney), and the Senator from New York (Mr. Javits), are necessarily absent.

I also announce that the Senator from Arizona (Mr. Fannin) and the Senator from Arizona (Mr. Goldwater) are absent on official business.

I further announce that the Senator from Nebraska (Mr. Hruska) is absent attending a funeral.

The result was announced—yeas 49, nays 19, as follows:

[No. 216 Leg.]

YEAS—49

Aiken
Allen
Bartlett
Beall
Bellmon
Bentsen
Brooke
Byrd, Robert C.
Case
Chiles
Church
Clark
Domenici
Ervin
Hart
Haskell
Hatfield
Helms
Hollings
Hughes
Inouye
Jackson
Johnston
Long
Magnuson
Mathias
McGee
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Nelson
Nunn
Packwood
Pastore
Pearson
Percy
Proxmire
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevenson
Symington
Talmadge
Weicker
Williams

NAYS—19

Baker
Burdick
Byrd, Harry F., Jr.
Cotton
Curtis
Dominick
Griffin
Hansen
Hathaway
McClure
McIntyre
Randolph
Scott, William L.
Stennis
Stevens
Taft
Thurmond
Tower
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—2

Bayh, against.
Muskie, against.

NOT VOTING—30

Abourezk
Bennett
Bible
Biden
Brock
Buckley
Cannon
Cook
Cranston
Dole
Eagleton
Eastland
Fannin
Fong
Fulbright
Goldwater
Gravel
Gurney
Hartke
Hruska
Huddleston
Humphrey
Javits
Kennedy
Mansfield
McClellan
McGovern
Pell
Sparkman
Tunney

So the bill, S. 2439, was passed, as follows:

S. 2439

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 5 of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) is amended by adding at the end thereof the following:

"(28) New, North Carolina and Virginia: From the headwaters of the North Fork of the New at latitude 36 degrees 22 minutes north, longitude 81 degress 41 minutes west near Tamatuck, Watauga County, North Carolina, and the headwaters of the South Fork of the New at latitude 36 degrees 12 minutes north, longitude 81 degrees 41 minutes west near Boone, Watauga County, North Carolina, through the counties of Ashe and Alleghany of North Carolina and into Grayson County, Virginia, to a point on the main New River near Galax, Virginia, at latitude 36 degrees 40 minutes north, longitude 80 degrees 58 minutes west.

The recommendations of the President to the Congress, and the study preceding such recommendations, required by section (4), concerning the river designated by this clause (28), shall be made on or before two years from the date of enactment of this clause (28).".

Sec. 2. The provisions of section 7 of the Wild and Scenic Rivers Act shall be applicable to that segment of the New River designated in section 1 of this Act, except that the time period of such provisions shall be deemed to relate to the date of enactment of this Act insofar as such provisions are applicable to the designated segment.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HASKELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, for the information of the Senate, there will be no more rollcall votes this afternoon.

Tomorrow, at 12 o'clock, the Senate will resume consideration of the so-called IDA bill, dealing with the International Development Association. There will be no rollcall votes on that bill or on amendments thereto or on other matters related thereto until 4 p.m., at which time any rollcall votes which have been ordered prior to that hour presumably will begin.

Conference reports, being privileged matters, may be called up at any time, of course. Yea-and-nay votes can occur thereon.

Other matters on the calendar which may have been cleared for action may also be called up.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a resumption of the period for routine morning business, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY

Mr. HANSEN. Mr. President, on April 26, 1974, the distinguished junior Senator from Oklahoma (Mr. BARTLETT) presented a paper on energy before the World Energy Conference at the Americana Hotel in New York City. Because I think his observations and conclusions are very sound and deserving of wide circulation, and hopefully will stimulate discussion in order that Congress may take action as will insure better answers and responses to the problems of energy, I ask unanimous consent that the speech by the Senator from Oklahoma may be printed in the Record. I also ask unanimous consent to have printed in the RECORD an editorial from the Washington Star-News dated Sunday, May 26, 1974, entitled, "Oil Price Rollback," which includes a considerable amount of the text of the speech by the Senator from Oklahoma before the World Energy Conference.

There being no objection, the speech and the editorial were ordered to be printed in the RECORD, as follows:

A CALL FOR ENERGY DEBATE

(By Senator Dewey F. Bartlett)

The development of a national energy policy is one of this Nation's greatest needs. Despite the many headlines and hearings, little progress has been made toward the adoption of a cohesive energy policy.

The time has come for Congress to identify our energy goals and to establish policies calculated to achieve these goals. Constructive debate, both in Congress and through the media, is a worthwhile part of this process. No amount of finger-pointing or scapegoat hunting is going to contribute to the solution to our present plight. We should look to the past for information, not blame. There is plenty of blame to share between both the public and private sectors, but that is water over the dam.

Through the process of constructive debate, it should be possible to find substantial common ground among those who appear to have opposing viewpoints.

For example, few responsible people would disagree with the premise that the underlying cause of the energy crisis is the fact that the United States is not self-sufficient in energy. We do not have the domestic producing and refining capability to meet our essential energy needs. Though there may be disagreement on how we got that way, the existence of the problem is not subject to serious debate.

Likewise, there is no serious disagreement with the concept that we should establish energy self-sufficiency as a major national goal with highest priority. Whether the arguments for self-sufficiency turn on questions of national security, economics, pride, or a desire for comfort may not be material, for they all lead to the same inescapable conclusion.

Assuming there is a consensus on the goal of attaining the capability for self-sufficiency, it is relatively clear that the goal can only be achieved in two ways; namely by reducing demands for energy, or increasing supplies of energy. Obviously, some combination of the two is likely. Recent actions on the part of the American people demonstrate that demand can be reduced. But, unless we assume that Americans are prepared to turn back the calendar by several decades and accept a lower standard of living, it is apparent that significant increases in domestic energy supplies are absolutely necessary.

There may be disagreement on the specific definition of self-sufficiency or whether the self-sufficiency goal can be achieved by 1980, or 1985, or within any other specific time frame. But, we all must agree that unless policies are adopted soon to move toward the goal, its realization can only be delayed.

Before proceeding to discuss any of the areas of disagreement among the central participants in an energy debate, one further point of apparent agreement should be noted: That in the near to intermediate term, increasing domestic supplies of oil and gas are essential if we are to have any real hope of achieving the self-sufficiency goal. Regardless of the relative merits, economic or otherwise, of coal, nuclear power, solar energy or other alternative forms, our success as a nation in becoming independent of foreign energy sources will depend on our ability to find and produce new oil and gas reserves here at home.

Thus, a cornerstone of any national energy policy, at least for the next 10 years or so, should be a national commitment to do whatever is reasonably required to bring about the exploration, discovery and production of new oil and gas reserves.

Assuming substantial agreement on the points I have made so far, it is likely that at about this point, consensus disappears and the need for real debate is established. Although many energy-related issues are subject to debate, and, hopefully, will be debated in the national media in the months to come, nowhere are respective points of view further apart than on the question of a national pricing policy for oil and gas.

The sharply differing views of Senator Henry M. Jackson and myself on the issue of pricing perhaps best illustrate the differences of philosophy. In brief, Senator Jackson, the distinguished Senator from Washington, favors a restrictive and extensive system of price controls on oil and gas. I believe that free market prices for both of these commodities are essential if we are to find and produce substantial quantities of oil and gas.

The unequivocal result of 20 years of direct and indirect price controls on natural gas and oil was low profits, which caused a decline in drilling and reserves, independent producers going out of business, major oil companies going overseas, and insufficient domestic energy supplies. It made possible high prices for foreign oil and an Arab embargo—and most importantly—it helped cause present shortages.

Those who favor a system of price controls seemingly make two assumptions, both of which are highly questionable: First, that Congress or an administrative agency have the capability of fixing prices that are adequate to encourage investment, reward risk, and protect the consumer; and second, that price controls somehow come to grips with our fundamental energy problems. The dismal failure of recent wage and price controls attest to the weakness of the first assumption. The market place is still the only valid regulator of prices. Every consumer would be delighted if it were possible to issue regulatory fiats setting prices of low levels and still insure adequate supplies. But, such results have never been achieved, and never will be.

The fallacy in the second assumption is equally clear. Supply is the real problem and while it can be validly argued that price floors can help assure supply, no logical basis exists for asserting that price ceilings do anything but restrict supply. Ironically, price ceilings usually have a dual detrimental effect, that of increasing demand and reducing supply at the same time. If by some magic formula, we can cut prices by ⅓ or ½ and still assure adequate supplies, why not do so on beef, or wheat, or lumber, or coal, or a thousand other commodities? The answer is obvious, it can't be done. It is not in the consumer's interest.

I like Senator Russell Long's story on prices—it illustrates the plight of the oil industry.

A customer at a grocery asks, "How much are your eggs?"

"Ninety-nine cents per dozen," is the reply.

"Down the road, they are asking seventy-five cents per dozen," states the customer.

"Why didn't you buy them?" questions the manager.

"He does not have any."

"Well," says the manager, "If I were out, I could afford to ask only fifty cents per dozen."

Senator Jackson has favored rolled back controlled prices and mandatory allocation and rationing of shortages while others in the Senate, including myself, recognize that a free market price will increase production, dampen demand, and will hasten the development of alternate sources of energy—it will clear the market by providing a supply sufficient to balanced demand. Both sides favor conservation of our energy supplies, but recognize that conservation alone will not solve our problems.

During the past three years of hearings on the energy crisis, Senator Jackson, with the exception of his short-lived support of the "Stripper-well" amendment to maintain marginally economic production, did not make any specific recommendation to increase short and mid-term domestic supplies of oil and natural gas by price incentives, or otherwise.

This was in spite of the overwhelming testimony before his committee that direct and indirect control of the price of natural gas and oil played a dominant role in the shortfall of domestic energy we are now experiencing.

If dialogue, debate and hearings are to have any value, Congress must pay attention to what is being said. On Saturday, February 2, 1974, there was unanimity of opinion from several well-known economists, who before Senator Jackson's Interior and Insular Affairs Committee, testified against rolling back domestic crude oil prices. Dr. John H. Lichtblau, Executive Director of the Petroleum Industry Research Foundation, New York, New York, Dr. Thomas Stauffer, Research Associate, Center for Middle Eastern Studies, Harvard University, Warren Davis, Chief of Economis, Gulf Oil Corporation, Washington, D.C., John Emerson, Energy Economist, Chase Manhattan Bank, New York, New York, and by telegram, Dr. C. Jackson Grayson, Jr., School of Business Administration, Southern Methodist University, Dallas, Texas, and former head of the Price Commission, all testified as economists. For example, Dr. C. Jackson Grayson, of Southern Methodist University, former head of the Price Commission, wrote the committee:

"In my opinion, the energy pricing issue is far too complex to be handled in pending legislation without considerable additional investigation. The consequence of moving too quickly without sufficient background information on such a measure could place this nation in greater international jeopardy by inhibiting rapid movement toward domestic energy self-sufficiency."

A series of economists subsequently agreed with Grayson's statement.

If the consumer would have enjoyed all the benefits from the crude oil price rollback proposed by Senator Jackson on the 29% of domestic production that is now uncontrolled, from $9.51 to $5.25 per barrel, he would have realized an immediate savings of only approximately 2.0¢ per gallon at the pump and have had the probable assurance of continued shortages and further reliance on higher cost crude oil from foreign countries that would more than offset this savings.

The majority of Congress went along with the Jackson proposal at the time, but fortunately, for the consumers of America and the world, President Nixon vetoed the Emergency Energy Act that included the Jackson scheme. Nixon realized that the crude oil price rollback provision would be counterproductive to the goal of increasing energy supplies.

Senator Jackson has said he will introduce an amendment to his new Emergency Energy Bill, or some other legislation, which probably will require mandatory price controls on crude oil and petroleum products, and a price rollback on crude oil.

The Commerce Committee has finished hearings on its Consumer Energy Act which provides price controls and rollbacks for oil and oil products.

The hard-working Interior and Insular Affairs Committee, during 1973, spent most of its time discussing and reporting bills authored by Chairman Jackson which do nothing to increase short and mid-term supplies of energy, and sometimes even aggravate the energy supply problem.

Mandatory price controls would eliminate that small element of free market—the Administration's pricing system for new and released crude oil and the stripper well amendment—that has greatly helped boost domestic activity to increase energy supplies. The result would be sharply reduced future drilling programs and a delay in the development of alternate fuel sources—such as oil from shale and gasification of coal.

Despite numerous warnings by experts before Congress over the past years, the Arab nations have made the only statement about energy that Congress and the public has believed and understood—but, Senator Jackson and the majority of Congress prefer to ignore it.

Senator Jackson has been saying it's fine for our citizens to continue paying approximately $10.00 per bbl to foreign nations for increasing amounts of crude oil, but that our citizens should only be permitted to pay other U.S. citizens $5.25 per bbl for domestic crude, which amounts to about half the price paid to foreign countries. This hampers our efforts to increase our domestic energy supplies.

Controlling and reducing domestic prices of oil and natural gas will again encourage the exportation of our domestic drilling activity to other countries; again further our dependence on high-cost, unreliable Arab oil; again delay our becoming self-sufficient in energy; and jeopardize our independence in determining foreign policy in the Middle East.

Price controls and rollbacks have considerable political appeal, at least in their initial stages. But, when supply runs short, shortages persist, inequities become apparent, capital flees and our security is threatened, even the fleeting political advantage disappears. In the long run, it is the consumer who pays the price for controls and more importantly for items in short supply.

Let us recognize one basic and unalterable fact: that no matter how appealing price controls may seem, they can do nothing but aggravate our number one energy problem—Inadequate Supply.

[From the Washington Star-News, May 26, 1974]

Oil-Price Rollback: Senator Jackson's Shortsighted Ploy

(By Senator Dewey F. Bartlett)

The development of a national energy policy is one of this nation's greatest needs. Despite the many headlines and hearings, little progress has been made.

The time has come for Congress to identify our energy goals and to establish policies calculated to achieve these goals. Constructive debate, both in Congress and through the media, is a worthwhile part of this process. No amount of finger-pointing or scapegoat-hunting is going to contribute to the solution to our present plight. We should look to the past for information, not blame. There is plenty of blame to share between both the public and private sectors, but that is water over the dam.

Through the process of constructive debate, it should be possible to find substantial common ground among those who appear to have opposing viewpoints.

For example, few responsible people would disagree with the premise that the underlying cause of the energy crisis is the fact that the United States is not self-sufficient in energy. We do not have the domestic producing and refining capability to meet our essential energy needs. Though there may be disagreement on how we got that way, the existence of the problem is not subject to serious debate.

Likewise, there is no serious disagreement with the concept that we should establish energy self-sufficiency as a major national goal with highest priority. Whether the arguments for self-sufficiency turn on questions of national security, economics, pride, or a desire for comfort may not be material, for they all lead to the same inescapable conclusion.

Assuming there is a consensus on the goal of attaining the capability for self-sufficiency, it is relatively clear that the goal can only be achieved in two ways; namely, by reducing demands for energy, or increasing supplies of energy. Obviously, some combination of the two is likely. Recent actions on the part of the American people demonstrate that demand can be reduced. But, unless we assume that Americans are prepared to turn back the calendar by several decades and accept a lower standard of living, it is apparent that significant increases in domestic energy supplies are absolutely necessary.

There may be disagreement on the specific definition of self-sufficiency or whether the self-sufficiency goal can be achieved by 1980, or 1985, or within any other specific time frame. But, we all must agree that unless policies are adopted soon to move toward the goal, its realization can only be delayed.

Before proceeding to discuss any of the areas of disagreement among the central participants in an energy debate, one further point of apparent agreement should be noted: That in the near to intermediate term, increasing domestic supplies of oil and gas are essential if we are to have any real hope of achieving the self-sufficiency goal. Regardless of the relative merits, economic or otherwise, of coal, nuclear power, solar energy or other alternative forms, our success as a nation in becoming independent of foreign energy sources will depend on our ability to find and produce new oil and gas reserves here at home.

Thus, a cornerstone of any national energy policy, at least for the next 10 years or so, should be a national commitment to do whatever is reasonably required to bring about the exploration, discovery and production of new oil and gas reserves.

Assuming substantial agreement on the points I have made so far, it is likely that at about this point, consensus disappears and the need for real debate is established. Although many energy-related issues are subject to debate, and, hopefully, will be debated in the national media in the months to come, nowhere are respective points of view further apart than on the question of a national pricing policy for oil and gas.

The sharply differing views of Sen. Henry M. Jackson and myself on the issue of pricing perhaps best illustrate the differences of philosophy. In brief, Sen. Jackson, the distinguished senator from Washington, favors a restrictive and extensive system of price controls on oil and gas. I believe that free market prices for both of these commodities are essential if we are to find and produce substantial quantities of oil and gas.

The unequivocal result of 20 years of direct and indirect price controls on natural gas and oil was low profits, which caused a decline in drilling and reserves, independent producers going out of business, major oil companies going overseas, and insufficient domestic energy supplies. It made possible high prices for foreign oil and an Arab embargo—and most importantly—it helped cause present shortages.

Those who favor a system of price controls seemingly make two assumptions, both of which are highly questionable. First, that Congress or an administrative agency have the capability of fixing prices that are adequate to encourage investment, reward risk, and protect the consumer; And second, that price controls somehow come to grips with our fundamental energy problems. The dismal failure of recent wage and price controls attests to the weakness of the first assumption. The marketplace is still the only valid regulator of prices. Every consumer would be delighted if it were possible to issue regulatory fiats setting prices at low levels and still insure adequate supplies. But such results have never been achieved, and never will be.

The fallacy in the second assumption is equally clear. Supply is the real problem, and while it can be validly argued that price floors can help assure supply, no logical basis exists for asserting that price *ceilings* do anything but restrict supply. Ironically, price ceilings usually have a dual detrimental effect, that of increasing demand and reducing supply at the same time. If by some magic formula, we can cut prices by one third or one half and still assure adequate supplies, why not do so on beef, or wheat, or lumber, or coal, or a thousand other commodities? The answer is obvious, it can't be done. It is not in the consumer's interest.

I like Sen. Russell Long's story on prices—it illustrates the plight of the oil industry.

A customer at a grocery asks, "How much are your eggs?"

"Ninety-nine cents a dozen," is the reply.

"Down the road, they are asking 75 cents a dozen," states the customer.

"Why didn't you buy them?" questions the manager.

"He does not have any."

"Well," says the manager, "if I were out, I could afford to ask only 50 cents a dozen."

Sen. Jackson has favored rolled-back, controlled prices and mandatory allocation and rationing of shortages. But others in the Senate, including myself, recognize that a free market price will increase production, dampen demand, and will hasten the development of alternate sources of energy—it will clear the market by providing a supply sufficient to balance demand. Both sides favor conservation of our energy supplies, but recognize that conservation alone will not solve our problems.

During the past three years of hearings on the energy crisis, Sen. Jackson, with the exception of his short-lived support of the "stripper-well" amendment to maintain marginally economic production, did not make any specific recommendation to increase short and mid-term domestic supplies of oil and natural gas by price incentives, or otherwise. This was in spite of overwhelming testimony before his committee that direct and indirect control of the price of natural gas and oil played a dominant role in the shortfall of domestic energy we are now experiencing. For example, Dr. C. Jackson Grayson of Southern Methodist University, former head of the Price Commission, wrote the committee:

"In my opinion, the energy pricing issue is far too complex to be handled in pending legislation without considering additional investigation. The consequences of moving too quickly without sufficient background information on such a measure could place this nation in greater international jeopardy by inhibiting rapid movement toward domestic energy self-sufficiency."

A series of economists subsequently agreed with Grayson's statement.

If the consumer would have enjoyed all the benefits from the crude-oil price rollback proposed last winter by Sen. Jackson on the 29 percent of domestic production that is now uncontrolled, from $9.51 to $5.25 a barrel, he would have realized immediately the modest savings of approximately 2 cents a gallon at the pump, but would have had the probability of continued shortages and further reliance on higher-cost crude oil from foreign countries that would more than offset this saving.

The majority of Congress went along with the Jackson proposal at the time, but fortunately for the consumers of America and the world, President Nixon vetoed the Emergency Energy Act that included the Jackson scheme. Nixon realized that the crude-oil price rollback provision would be counterproductive to the goal of increasing energy supplies.

Sen. Jackson has said he will introduce an amendment to his new emergency energy bill, or to some other legislation, which probably will require mandatory price controls on crude oil and petroleum products, and a price rollback on crude oil.

Mandatory price controls would eliminate that small element of free market—the administration's pricing system for new and released crude oil and the stripper-well amendment—that has greatly helped boost domestic activity to increase energy supplies. The result would be sharply reduced future drilling programs and a delay in the development of alternate fuel sources—such as oil from shale and gasification of coal.

Despite numerous warnings by experts before Congress over the past years, the Arab nations, with their embargo, made the only statement about energy that Congress and the public have believed and understood—but, Sen. Jackson and the majority of Congress still prefer to ignore it.

Sen. Jackson has been saying, in effect, that it's fine for our citizens to continue paying approximately $10 a barrel to foreign nations for increasing amounts of crude oil, but that our citizens should only be permitted to pay other U.S. citizens $5.25 a barrel for domestic crude, which amounts to about half the price paid to foreign countries. This hampers our efforts to increase our domestic energy supplies.

Controlling and reducing domestic prices of oil and natural gas will again encourage the exportation of our domestic drilling activity to other countries; again further our dependence on high-cost, unreliable Arab oil; again delay our becoming self-sufficient in energy; and jeopardize our independence in determining foreign policy in the Middle East.

Price controls and rollbacks have considerable political appeal at least in their initial stages. But, when supply runs short, shortages persist, inequities become apparent, capital flees and our security is threatened, even the fleeting political advantage disappears. In the long run, it is the consumer who pays the price for controls and more importantly for items in short supply.

Let us recognize one basic and unalterable fact: That no matter how appealing price controls may seem, they can do nothing but aggravate our number one energy problem—inadequate supply.

Mr. HANSEN. Mr. President, I think that more and more Americans are beginning to realize that the problem of adequate energy for this country is not nearly as simplistic as some people earlier may have believed it to be. I think we are having second thoughts about the wisdom of taking punitive action against the oil industry.

Certainly, it is not hard to stimulate a lot of emotion these days, if with the pressure of inflation upon all of us, as is the case, we happen to be encouraged to believe there are scapegoats among us who are worthy objects of our scorn and our contempt. I dare say it is in this context that some of the news media have seized upon the oil industry as an object worthy of scorn and hatred and have pursued with relentless determination their apparent goal of trying to bring the entire industry into disrepute.

Many people in business throughout America today, I believe, feel they can stand back, that this argument does not concern them, that the proposals that are being made for tax treatment for the oil industry are no more than the industry deserves, and that they can stand aside with little or no personal involvement indicated.

I would say only to my distinguished colleagues that I think such a conclusion is very short-sighted indeed. This country, with its standard of living highest of any country in the world, the envy of the world, the miracle of the highest production in the world, is the one country with enough clout to be able to send its emissary to any part of the world and make certain he will be received and that any proposal he makes will be given considerable attention. If anyone believes that those facts have nothing to do with energy in this country then there is, indeed, reason for him to take a closer look and make a more incisive examination about what makes this country really tick.

The reason we live so well, the reason we have accomplished so much, the reason we have such great influence worldwide are all due to the capacity of Americans to produce. These things are due to the private enterprise system, and one of the most significant forces behind our capacity to produce has been the adequacy of our energy supply.

So, for two reasons I think Americans today, businessmen today, ought to take note of the fact that what is being proposed to be done with the oil companies is highly important: First, many of these proposals will not add to the self-sufficiency of America, energywise, but rather will certainly bring about a diminution in the production of domestic energy supplies and increase our reliance on foreign sources of supply. They will not lower prices for Americans. Even more important is the fact that if American businessmen, and, indeed, all Americans stand aside and think it is perfectly all right to launch an all-out, wide-scale attack on free enterprise, on the profit motive, as such, believing that we will not permanently cripple America in so doing, I say all we are doing is displaying a lack of knowledge and an unawareness of the lessons of history.

The system is not perfect. Everyone knows that. I cannot quote precisely what Churchill said but to the best of my recollection it was: The trouble with capitalism, with free enterprise, the profit motive, is that the great benefits it pours out are distributed unequally. And he went on to say that the trouble with socialism is that the pain, misery, and deprivation it brings about are distributed unevenly.

The point I want to bring out is that despite the fact that the system is not perfect, we do have the best system I know of to stimulate every citizen to make the best contribution he can make to a better and more powerful America. I hope we shall always be able to stimulate such contribution. If we are able to do that it will be because we have been wise enough to keep those things that have made America strong and great, and not to cast them aside because the system is not perfect. As I said, it is a system that stimulates individuals to do their best, to make the most of themselves and to see that through their collective efforts America is a great Nation. And America is a great Nation.

I am tired and weary of people who do nothing better than find fault with the system and seize every opportunity to generate hatred and say this country is not good. They say, "Look at your situation compared with the situation of someone else." Their time would be better employed if they said, "Look around you and see if in any other part of the world people live as well as you do; and while your present state may not be perfect, show me a country where there is greater opportunity for mobility and also for everyone to move up the social ladder."

This is the message that I think more Americans ought to be giving. It is a message that I think some of the press ought to be willing occasionally to take a little time in espousing. All too often, it seems to me, some have operated consistent with a concept that if you want to have advertising, you have to have circulation, and if you want to have circulation, you have to have bad news—you have to have dramatic stories—those things which make news because they are not typical. That is the way some of the press has operated all too often, and I think it is time some of these members of the press decide there just could be some role they could discharge along the line of optimism and still be true to the principles of journalism, in seeing that more people understood some of the good things about America, some of the good things about profits, some of the good things about free enterprise.

They might call attention also to the fact that while it is easy to disparage the

American dollars that are invested in foreign countries in searching for and production of oil over there, perhaps we had better be asking ourselves if we would be better off today if the Russians or the Japanese or any other foreign country owned a major share of Aramco.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRIFFIN. Mr. President, may I be recognized?

The PRESIDING OFFICER. The Senator from Michigan.

Mr. GRIFFIN. I yield to the Senator from Wyoming.

Mr. HANSEN. I think those are important things that need to be understood.

We were in trouble last winter although not as badly as many people had predicted—some people said we had to have rationing, that we would not get through the winter without it and that there would be sheer chaos. We did not ration, and Mr. Simon, as Energy Director, charted a course that got us through without rationing. I think those strident voices against the oil industry are not being heeded so much today because so many things they were saying were dead wrong.

I do think that what the Senator from Oklahoma (Mr. Bartlett) has said is important. It is important that Americans understand that we had better take a close look at what constitutional government means to all people. We had better understand more clearly that while perhaps we are not loved everywhere, we are respected throughout the world. Whether they like us or not, we are respected because we are that kind of country. I think we need to understand those facts.

I think we need to understand that there is one way to stimulate people to do as much, each in his own way, as he can—and that is through the free enterprise, private-capital economic system that has characterized most of American industrial activity for 200 years.

I think people will find the speech of the Senator from Oklahoma inspiring. They will find it reflects deep study and understanding of a very complicated problem. I am certain that if they take the time to read it, as I am sure they will, they will have profited by that experience.

EDWARD KENNEDY "DUKE" ELLINGTON

Mr. TOWER. Mr. President, I think I would be remiss if I did not note today the passing of one of the towering figures of American music. Edward Kennedy Ellington, better known as "Duke" Ellington, contributed mightily to the increasing sophistication of American musical tastes, to the transformation of modern American music.

Quoting from an account by Joel Dreyfuss on the Ellington funeral in the Washington Post:

> Although he mistrusted the word "jazz," said jazz historian Stanley Dance in his eulogy, "he defined it as freedom . . . right up to the end he was a creative force."

That reminds me of a comment that the great composer Claude Debussy made when he said discipline is to be found in freedom, and not in decayed formulas which are no value to the weak.

In Ellington's music we find the highest and perhaps the most disciplined expression of that art form. And once we find in it freedom, sometimes even abandon.

Further quoting from Mr. Dreyfuss' account:

> He was a natural aristocrat who never lost his tie to the masses, Dance continued, describing Ellington's most famous selections as "part of the fabric of the 20th century."

As a former disc jockey myself, as a great aficionado of modern jazz, I for one, along with millions of others, will miss this man. To even match the age of 75 seems to defy the passage of time, because he was to so many of us a timeless figure.

And to quote the final prayer of Father Norman O'Connor, a priest who is an expert in the field of jazz:

> Duke, beautiful Duke. We loved you madly and we will love you all the days of our years, today, tomorrow, and forever.

Mr. President, I ask unanimous consent that the full article by Joel Dreyfuss on the Ellington funeral which appeared in the Washington Post be placed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

Duke: "Today, Tomorrow, Forever"

(By Joel Dreyfuss)

New York.—They gave the Duke the kind of send-off yesterday that he would have appreciated—with a lot of class, some of his music and many of the people touched with his genius during his 75 years.

Thousands crowded into the huge Cathedral of St. John the Divine on Manhattan's Upper West Side for the funeral of Edward Kennedy Ellington, one of America's most important composers and jazz musicians.

Outside, thousands more stood patiently in the chilled streets, under gray, threatening skies, to pay their respects, listen to the music, or to ogle the celebrities.

Inside the solemn gothic splendor of the church many of the stars and ordinary people who had counted the Duke as a friend participated in an hour-and-a-half ceremony that included traditional music as well as some of Ellington's most famous compositions.

"Although he mistrusted the word 'jazz,'" said jazz historian Stanley Dance in his eulogy, "he defined it as freedom . . . right up to the end he was a creative force.

"When people asked him when he would retire, he replied, 'Retire to what?'

"He was a natural aristocrat who never lost his tie to the masses," Dance continued, describing Ellington's most famous selections as "part of the fabric of the 20th century.

"Duke Ellington never lost faith in his country," Dance concluded. "He served it well. His music will go on serving it for years to come."

For many in the crowd of old and young, black and white, the most touching moments occurred when Ella Fitzgerald, accompanied by Billy Taylor and the trio, sang Ellington's "In My Solitude" at a slow, slow tempo that drew out the sadness of one of his most famous ballads.

Miss Fitzgerald concluded with the hymn, "Just a Closer Walk With Thee," and when the last notes of the song had faded into the dark vaulted recesses of the cathedral, the eyes of many in the crowd glistened with tears.

The day began with a half-mile-long procession of automobiles from an East Side funeral parlor, through Harlem, where Ellington played his first job after leaving his native Washington, D.C., to the West Side church. The caravan of 23 limousines and flower cars included Ellington's sister Ruth, his son Mercer, and others including band leaders Count Basie and Buddy Rich; singer Pearl Bailey and White House Special Assistant Stanley Scott, who came as President Nixon's representative; French composer Michel Legrand and singers Joe Williams and Al Hibbler.

The route of the procession had been changed several times since it was first announced so the few people along the route seemed surprised at the long line of black limousines and their police escort.

Along 7th Avenue, once Harlem's choice address, small knots of men and women stood in the faded and grimy streets and looked solemnly at the procession. Some of the men learned from policemen on the corners whose funeral it was and removed their hats or caps in respect.

Harlem had changed somewhat since the Duke's heyday. The Theresa Hotel, in whose barber shop musicians often congregated in earlier days, had been renovated into an office building with a sterile glass front.

The marquee of the Apollo Theater, where Ellington and his band often appeared, now featured two police action films and promised a rhythm 'n' blues concert later in the week.

A Harlemite cautioned a curious reporter against entering the Club Baby Grand, once a prestigious night club which featured first rate entertainment. "It's just a joint now," he warned. But at a different point in the route he pointed out a bit of history. An elderly woman who watched the whole procession from her apartment window said she had once danced to Ellington's music at the Cotton Club.

Of course, the procession went nowhere near the sight of that long-extinct club, which hired Ellington's band in 1928 after an audition and launched him on a career that never faltered.

Inside the church, a number of musicians paid tribute in the way they knew best: Joe Williams, Brock Peters, Mary Lou Williams, and one member of Ellington's band, Ray Nance, who played his boss's "Come Sunday" on the violin.

In the final prayer, Father Norman O'Connor, a priest also known as an expert in the jazz field, said:

"Duke, beautiful Duke. We loved you madly and we will love you all the days of our years, today, tomorrow, and forever."

The PRESIDING OFFICER. What is the will of the Senate?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE JOINT RESOLUTION 189, TO CONFER CITIZENSHIP ON GEN. ROBERT E. LEE

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the distinguished senior Senator from Illinois (Mr. PERCY) be added as a cosponsor of Senate Joint Resolution No. 189 concerning Gen. Robert E. Lee.

The PRESIDING OFFICER (Mr. HELMS). Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I might add, in this connection, that I was so pleased to learn just today that Senator PERCY's grandfather, Mr. C. B. Percy, was a member of the personal staff of General Lee during the War Between the States.

I think it is most appropriate that the Senator from Illinois (Mr. PERCY) be a cosponsor of this resolution.

I have been requested also by the distinguished Senator from Florida (Mr. GURNEY); and I ask unanimous consent, to have his name added as a cosponsor of the joint resolution, Senate Joint Resolution 189.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, earlier today I had obtained unanimous consent to include the name of the distinguished occupant of the chair, the present Presiding Officer, the Senator from North Carolina (Mr. HELMS), as a cosponsor.

Mr. PERCY. Mr. President, will the distinguished Senator from Virginia yield for a moment?

Mr. HARRY F. BYRD, JR. Mr. President, I yield to the distinguished senior Senator from Illinois.

Mr. PERCY. Mr. President, I thank the distinguished Senator from Virginia. I am highly honored to be a cosponsor of the joint resolution which the Senator from Virginia has submitted and which is now pending before the Committee on the Judiciary. Senate Joint Resolution 189 is cosponsored also by the junior Senator from Virginia (Mr. WILLIAM L. SCOTT), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. HUMPHREY), and I believe by the distinguished Senator from North Carolina (Mr. HELMS), who is also deeply interested in this matter.

My own personal interest in this subject, and that of my family, goes back for a long time.

My father told me many times of the remarkable career of his father on the staff of Gen. Robert E. Lee. My grandfather subsequently became a professor of astronomy and mathematics at William and Mary College.

During the course of his lifetime, he met and came to know Rev. J. William Jones, the distinguished author of a biography of Gen. Robert E. Lee. The Reverend Mr. Jones had been intimately acquainted with Gen. Robert E. Lee during his lifetime, and this closeness was evident in his book, which was published in 1874, just exactly 100 years ago. A copy of this book, which recounts personal reminiscences of General Lee, was presented to my grandfather by the author.

Shortly after my father's death, I was very proud to have this book presented to me by my mother on my birthday. My distinguished friend from Virginia knows that although I was born in Pensacola, Fla. and my family's roots lie in Alabama and in Mississippi, I was raised and have spent most of my life in the North. I am very proud, however, of my southern heritage.

I am also very proud indeed of the tremendous contribution Gen. Robert E. Lee made to this country and the conviction with which he carried out his life's work. As I understand it, it would have been his own deep and sincere wish to have had his citizenship restored, and I shall do everything in my power to restore posthumously full rights and citizenship to Robert E. Lee.

I commend my friend, the senior Senator from Virginia, for once again undertaking what he believes to be right for this country and certainly right for the family of one of our greatest and most distinguished Americans. Although one might say his part of the country was on the other side of the fence for a while, the entire Nation nonetheless respected the principles by which General Lee lived, and standards of decency and integrity that were always his personal code.

I trust that we shall act on this matter with dispatch. I think that it would be a fine undertaking for the U.S. Senate, and I shall certainly contact my distinguished colleagues on the Judiciary Committee to see that this matter can be moved forward.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. ROBERT C. BYRD. Mr. President, if I may be recognized, I yield my time to the distinguished senior Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. HARRY F. BYRD, JR. I thank the distinguished Senator from West Virginia.

I thank the Senator from Illinois for his comments. I think it is most appropriate that, representing as he does, the great State of Illinois, the home of Abraham Lincoln, he should be a cosponsor of the joint resolution.

It is my strong feeling that the two greatest men of that tragic era in our Nation's history were President Abraham Lincoln and Gen. Robert E. Lee. They were antagonists. They took different views of the great problem which divided our Nation. However, both were men of great courage and strong convictions, dedication, and sincerity.

While I do not know from researching this project just what would have been the view of Abraham Lincoln on this subject, I do know the position of Gen. Ulysses S. Grant, the victorious general, who recommended that Congress grant Gen. Robert E. Lee full citizenship.

I am so pleased to learn of the able Senator from Illinois' close connection, through his grandfather, with General Lee, and of his close connection through his grandfather with the State of Virginia. I had not been aware that his grandfather had been a professor at the college of William and Mary, in Virginia.

We in Virginia have always been proud of the senior Senator from Illinois. We are even more pleased to know that he has this close connection with our State through the College of William and Mary.

Mr. PERCY. Mr. President, will the Senator yield for a comment?

Mr. HARRY F. BYRD, JR. Mr. President, I yield to the Senator from Illinois.

Mr. PERCY. Mr. President, several years ago I took my wife and children on a short vacation trip to Jamestown. While in Virginia, we visited William and Mary College, where I was very proud to see hanging a portrait of one of our ancestors.

We went into the library to look up the history of our ancestor, because I knew that one of my forebears had been a governor of Jamestown at that time, and, I was running for Governor of Illinois. I read aloud to my children, from some reference works that the famine which occurred during the first winter at Jamestown and which caused the death of many citizens was not entirely attributable to the administration of Governor Percy. That was certainly the last time in my political campaign that I referred to the administration of any Governor Percy, and the fact that I lost that election has, I hope, no correlation with the administration of my forebears.

On a serious note, I feel that the efforts which Gen. Robert E. Lee strongly sought to make throughout the remainder of his lifetime after the war to heal the wounds of the War Between the States were most sincere and honorable. General Lee applied to the President of the United States for a pardon and for the restoration of all rights of citizenship.

I also know that this request was endorsed by Gen. Ulysses S. Grant, but, unfortunately, General Lee's full citizenship was not restored to him subsequent to his request for lack of an accompanying oath of allegiance. An oath of allegiance, however, was discovered subsequently, and General Lee did, on October 2, 1865, swear allegiance to the Union and to the Constitution of the United States.

It would seem only fitting and proper that we now take this new factor into account, and pay tribute in this most appropriate way to the character, patriotism, courage, and selfless devotion to principle of Gen. Robert E. Lee.

Once again I commend my distinguished colleague for his initiative in this regard.

Mr. HARRY F. BYRD, JR. I thank the Senator from Illinois very much.

MEMORIAL DAY ADDRESS BY VICE PRESIDENT GERALD R. FORD AT ARLINGTON NATIONAL CEMETERY

Mr. HARRY F. BYRD, JR. Mr. President, the Vice President of the United States yesterday delivered the Memorial Day address at Arlington National Cemetery. His address was a splendid one. It was stirring. It was the type of address that the men who have fought and died for our Nation deserve.

During Vice President FORD's address yesterday, he mentioned the town of

Harrisonburg in Virginia, pointing out to his listeners that over in the Shenandoah Valley, in the center of the town of Harrisonburg, could be found a monument to those who fell in the First World War. It is a seated female figure representing Liberty, her head bowed in mourning for her dead.

I have seen that monument many times, and I am pleased that the Vice President included it in his remarks yesterday.

I ask unanimous consent that the remarks by the distinguished Vice President of the United States, Mr. Gerald R. Ford, be printed in the Record at this point.

There being no objection, the address was ordered to be printed in the Record, as follows:

Memorial Day Address by Vice President Gerald R. Ford, Arlington National Cemetery, May 27, 1974

I regard it as the highest privilege I have had since becoming Vice President to represent President Nixon and a grateful nation in paying tribute today to America's honored dead.

In my own lifetime more than 600,000 American fighting men and women have died in four wars.

Let us give thanks to God that none are dying in battle today. Let us work and let us pray without ceasing that the last flag-draped coffin has come home from combat.

We have gathered here in the season of growth and life, surrounded by silent markers, to renew Abraham Lincoln's resolve that these departed comrades and loved ones shall not have died in vain.

They died that we might live—but so have warriors from the dawn of time. They died for their country—but so did the enemies they fought.

There is something more, something special, something sacred to American hearts about this supreme sacrifice.

It is hard to put into words, so I have borrowed some.

Over in the Shenandoah Valley, in the center of the town of Harrisonburg, you will find a monument to those who fell in the First World War. It is a seated female figure representing Liberty, her head bowed in mourning for her dead.

Around the base of the statue, and above the names of the young Virginians who gave their lives in that long-ago conflict, are inscribed these words:

"They tasted death in youth, that Liberty might grow old."

For almost 200 years, from Concord Bridge to the Mekong Delta, young Americans have died that liberty might grow old on this continent, and around the world.

In the Memorial Day or Decoration Day programs of my childhood, we were told that the doughboys who fell in Flanders and France had made the world safe for democracy. Within 20 years, freedom and democracy were again in dire peril. So my generation waged a war to end wars. Ten days from now marks the 30th Anniversary of the D-Day invasion under General Eisenhower, the beginning of the end of World War II.

Since American GIs clawed their way across the Normandy beaches and U.S. Marines crawled up Iwo Jima's blazing mountainsides, we have had three decades without a general worldwide war. But there have been many regional outbreaks of fierce fighting and in two places, Korea and Vietnam, our country has been deeply involved and we have suffered heavy casualties.

There are not many statues in town squares to the heroes of Korea and Southeast Asia. There are not many plaques in public places listing the names of the hometown boys who didn't come home. There are not many schools and streets around America named for them, for these were not popular wars and the spirit of patriotism seemed an ebbing tide as they continued.

Yet I believe, and you by your being here show you believe, that these dead of Vietnam and Korea did not die in vain, no more than all their comrades who have gone before.

Liberty is still alive, thanks to them.

We cannot thank them with our words, nor return them to us with our tears.

What we can do is remember, as we do today, and in some states on other days—the particular day doesn't matter much since our remembering should be every day.

We can remember not only that they died, but *why* they died. We can remember the torch of liberty they passed and hold it high until our turn comes. We can remember our departed comrades-in-arms by thinking of the living who have borne the battle, and their widows and their orphans.

From this hallowed place, I call upon my countrymen to honor and to help the living veterans of Vietnam, who have known few parades, few bands, few cheers. Honor and help not alone with government money and medical care, important as such veterans benefits are—but with genuine recognition in the community, with rewarding work, and with the neighborly helping hand that has always been the hallmark of American character.

The Americans who served in the longest war of our history in Southeast Asia and the South China Sea were no less brave, their suffering was no less real than those of Valley Forge and Gettysburg. Their gallantry and devotion to duty match that of the Argonne or Guadalcanal or the Yalu River. Let us be proud of them.

Only historians whom we will never read can measure whether the sacrifices of millions of Americans, living and dead, during the 20th Century on behalf of freedom for other peoples as well as themselves, indeed made possible a new era of peace among nations. I hope and believe this will be history's verdict.

But even if peace on a global basis eludes our generation's best efforts, may the dead we honor today be remembered by future Americans as having "tasted death in youth, that liberty might grow old" in this, our own sweet land of liberty.

And let us also remember them fondly, as the poet Alfred Edward Housman did in these lines:

"They carry back bright to the Coiner the mintage of man,

"The lads who will die in their glory and never grow old."

Mr. HARRY F. BYRD, JR. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. HARRY F. BYRD, JR. Mr. President, tomorrow the Senate will vote as to whether again to replenish the coffers of the soft loan window of the World Bank; namely, the International Development Association. The legislation which is pending before the Senate and which will be voted on tomorrow would appropriate another $1.5 billion to the World Bank, which, in turn, will be loaned to underdeveloped nations.

Mr. President, this is an additional foreign aid program, over and above the $10 billion already in the budget for foreign aid.

Under this program, the United States will be borrowing money at 8 to 9 percent interest. The rate was 9 percent the early part of May, and it is more than 8 percent right now. As I say, we will be borrowing money at 8 to 9 percent interest and turning that money over to the World Bank, which in turn will lend that money to underdeveloped countries at 1 percent interest.

Then what do those countries do? They, in turn, lend the money to citizens of their nations at anywhere from 12 percent to 20 percent.

I submit, Mr. President, that this is not the time for the United States to go into an additional spending program. It is not the time to appropriate an additional $1.5 billion to the World Bank.

The United States has done a great deal in the way of foreign aid. It has voted more than $160 billion in foreign aid in the last 25 years. We have attempted to buy friendship. But I think we have fewer friends in the world today than we have ever had.

I might say, in regard to the soft loan window of the World Bank, namely, the International Development Association, that 40 percent of all of those funds have gone to one country: India.

Now let us look at what India did just this past week. India exploded a nuclear device. We might as well call it a nuclear bomb. That country has developed a nuclear technique, and is now the sixth or seventh country to have nuclear capacity.

The United States deplores that development. In a few minutes I shall put in the Record some editorials presenting what I think is the attitude of the country as a whole. While the United States was supplying India with vast sums of money, she was taking her own funds to develop a nuclear weapon.

I think this proliferation of nuclear arms represents a danger for the world. I regret to see India do that, and I particularly regret that it was made possible because of the tremendous amount of foreign aid that the United States has given to that nation. That is an additional reason, to my mind, to vote against the $1.5 billion appropriation to the World Bank tomorrow.

Mr. President, I ask unanimous consent to have printed in the Record at this point an editorial published in the Washington Post entitled "India's Nuclear Bomb," dated May 21, 1974; an editorial from the Newport News Daily Press of May 21, 1974, entitled "New Nuclear Danger"; an article written by the able and talented columnist Henry J. Taylor, entitled "On the U.S. Gravy Train"; and an editorial published in the Richmond Times-Dispatch of May 23, 1974, entitled "India's Blast."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 21, 1974]

INDIA'S NUCLEAR BOMB

India's "peaceful nuclear explosion experiment" is, first of all, the test of a bomb. Not only is there no real distinction between a military and peaceful explosion, but even the United States with all its time and technology, has yet to find a single feasible peaceful use for nuclear explosives. For India to call its explosion "peaceful" and to abjure all military intent is, in a word, rubbish. It is immaterial that other countries, in going nuclear, have used the same hyperbole. Indian scientists, if not Indian politicians, are too knowledgeable to claim otherwise with a straight face. The fact is that India, which has long had the capability to do so, has now gone nuclear in the political-military sense. It becomes the first country in 10 years—an interval which many had hoped would itself create a permanent barrier against new members—to join the nuclear club.

Its "right" to join is undisputed: it is a sovereign state. Nor can it be faulted for violating the nuclear non-proliferation treaty, which it never accepted. New Delhi did accept the partial test-ban treaty forbidding underground tests which vent and spew fallout across national frontiers, but no such pollution has been reported—so far. Certainly no American or Russian or Briton or Frenchman or Chinese can fairly contend that his country has set an example of nuclear restraint deserving emulation by other states. Nor have the first five members of the nuclear club made the international environment so safe and orderly that no "nth" country could possibly have political reason to make its own bomb.

For all this, the Indian explosion is the height of irresponsibility. Whatever the supposed gains in national pride and governmental prestige and regional political standing, the blast can only further aggravate Pakistan's fears of Indian domination and slow the normalization process that had been unfolding recently in the South Asia subcontinent. In a wider orbit, the Indian test will in effect license and strengthen in various other countries—Japan comes quickly to mind—the internal forces partial to building national nuclear bombs. Many people and many nations have become habituated to the existence of nuclear weapons, but their proliferation is no more safe and acceptable now for having been out of our immediate consciousness in recent years. The United Nations is scheduled to hold a conference next year to review and firm up the non-proliferation treaty. The conference and its cause have been dealt a heavy blow.

But the most disturbing aspect of India's "achievement" is that Mrs. Gandhi's government could have chosen to spend on it tens if not hundreds of millions of dollars that could have been so much better spent on the needs of the Indian people. In the light of the immense *and growing* privation spread through India, it is appalling that a symbolic prestige project has taken priority over steps to alleviate mass poverty. India is asking the United States for food and economic aid these days. Americans can hardly avoid asking in turn to what extent their help merely serves to buy India a nuclear bomb.

[From the Newport News Daily Press, May 21, 1974]

NEW NUCLEAR DANGER

India has detonated a nuclear device, and no doubt now feels as big psychologically as it is geographically.

This is about all that can be said for the occurrence. India is the first new nation to enter the nuclear club in a number of years, and this no doubt will create new problems.

The United States has deplored the expansion of nuclear capability, while the Russians—lately friends of the Indians—emphasized the capability will be used for peaceful purposes. The Indians tried to calm the world with a statement to the same effect.

But the fact remains that India now has the capability of producing nuclear weapons, and must intend to do so. Otherwise, the time, energy and resources used in the project make little sense. Despite all our testing, we have discovered only limited areas where nuclear explosions are useful in peaceful projects, where the Indians contend they will use their new ability.

Indian possession of nuclear arms would create an entirely new situation around and in the Indian Ocean. Pakistan already is disturbed, and well it might be considering the continuing dispute with India over Kashmir and their recent war over Bangladesh. Just where Pakistan will turn is important to the future of that area of the world.

In the long run, a nuclear-armed India could even jeopardize American plans to counter Russian incursions into the Indian Ocean. It is unlikely either would threaten nuclear war, but the possibility now exists.

It is doubly discouraging the U.S. to see the Indians expend such resources in this manner. Just recently, the Indians insisted that about $10 billion in loans the U.S. had made to the country, mainly to keep Indians from starving, be wiped out. In other words, while they were using our money to prevent starvation, they were using their own to develop nuclear weapons capability.

American taxpayers, now beset by difficulties caused largely by the generosity of our government, certainly would have preferred that India feed its people before feeding its ego.

India is not the only country that possesses the ability to create nuclear weapons in a relatively short time. Two nations in the Middle East do, and one of them may already have the facilities and materials on hand. At least one country in Africa, and several Pacific nations are in the possible group. While not all of them will be anxious to emulate India, one cannot predict with confidence that some will not. And the wider the spread of nuclear weapons, the greater the danger to mankind.

ON THE U.S. GRAVY TRAIN

(By Henry J. Taylor)

The United Nations' pitch for increased aid to "underdeveloped countries" is like Coney Island's Magic Maze: plenty of ways in but no way out.

When our public pays the freight, it has a right to see the bills.

The United States has done more for the world and asked less than any nation in history. That's another reason why we can be proud we are Americans.

After World War I, the Hoover Relief Commission fed 10 million starving Russians a day—a day. Since 1954, the United States has spent more than $12 billion in just our "Food for Peace" program alone to feed hungry nations. But another billion people have appeared on earth, and there are now more hungry people than when America's program began.

Our postwar foreign aid—free to the world—has totaled more than $200 billion. This approaches half of our entire national debt.

For example, we spent about $25,000 in economic aid for every man, woman and child in South Vietnam. We have given $8 billion to India alone since 1951. We have given more U.S. taxpayers' funds to India ($10 billion) than we spent on the Marshall Plan which saved Western Europe.

We have poured $10 billion into Latin America—free. And, meanwhile, more Latin-American money has fled Latin America to safer havens than the $10 billion the U.S. taxpayers have poured in.

On the surface, UN Secretary General Kurt Waldheim makes a good case. But he omits more than he reveals.

The U.S. outpouring only starts with our UN dues. On Dec. 9, 1972, the General Assembly at long last agreed to let the United States reduce its annual dues from 31.5 per cent of the total paid by all countries to 25 per cent.

But why we should pay 25 per cent is ridiculous. The rationale is the establishment of each country's dues on the highly doubtful basis of "ability to pay."

We pay 40 per cent of the UN's planning fund administered by Waldheim. We pay 70 per cent of the cost of the UN emergency forces, as on Cyprus, in the Sinai, etc. We pay special UN agencies $55 million a year. We pay $141 million annually to international organizations, most of them UN affiliated.

The United Nations Relief and Works Agency's heaviest expense is supporting 1.5 million Arab evictees (the Palestine refugees) in camps. This has been going on for 25 years. Of the UNRWA's $60 million annual budget we pay $23 million—nearly 40 per cent. We pay 25 per cent of the International Labor Organization's entire budget. And we pay every last penny of most UN special research projects.

Next, the UN has 135 member countries. Of these, the UN itself defines 98 so-called nations as "underdeveloped countries." This puts them on the U.S. gravy train.

Seventy-seven have fewer people than does New York City. Many have fewer than Wichita, Kan. And on a single day the UN voted to admit 13 such "nations."

With each member having a vote that weighs as heavily as that of the United States, the UN members cash in on this officially by designating 98 for the handouts.

Nor have many countries that somehow struck it rich substantially helped their own poor. For example, the Libyan people's per-capita income usually averaged about $40 per year. Seeing this, the United States has given Libya $234.5 million in economic aid.

Today oil-rich Libya is walking on money. Per-capita income has soared to $3,000 a year—one of the highest in the world. But, still, precious little reaches the poor.

We must give to the world not according to our desires but according to our powers. And somebody should promptly tell the demanding countries that we're in a bind and it's no longer easy come, easy go in the United States.

The sooner able U.S. Ambassador to the UN John A. Scali makes that crystal clear to the demanding countries, the better.

[From the Richmond Times-Dispatch, May 23, 1974]

INDIA'S BLAST

The United States was first to test a nuclear bomb—in a New Mexico desert in 1945—and is the only nation to use it against another, although many persons believe President Truman's decision to drop the bomb on two Japanese cities significantly shortened World War II. But as early as 1946, the U.S. proposed that nuclear power be placed under an international authority and developed exclusively for peaceful uses, with no nation possessing nuclear weapons. The Soviet Union, which was interested in acquiring the instrument of awesome power for its own ends, blocked that proposal. And so the race to join the "nuclear club" to boost national egos was on.

The club now has six members—the U.S., U.S.S.R., Great Britain, France, Red China, and—as of last Saturday—India. India's decision to explode a nuclear device was all the more regrettable because it marked the first addition to the club in 10 years. China had been the last. Treaties and aroused concern over atomic destruction and fallout had kindled hope over the past decade that nations were beginning to control the testing and spread of this potential menace to civilization. All but France and China had ceased atmosphere testing. In 1970, the Nuclear Nonproliferation Treaty came into force with the intent of ensuring that fissionable materials would not be diverted from peaceful uses to manufacture of weapons in nations not possessing the big bomb.

India's explosion was underground; moreover, she never signed the nonproliferation treaty. Since India is a sovereign state, there is no question of her legal right to set off as many bombs as she desires. But Prime Minister Indira Gandhi's contention that India's bomb is uniquely peaceful smacks of hypocrisy. An A-bomb is an A-bomb. A high Canadian official, expressing dismay at the use India has made of Canada's aid, observed acidly that "peaceful" application of nuclear energy "does not extend to explosions."

Furthermore, India's decision to go nuclear at this time raises questions about the New Delhi government's sense of responsibility. The decision pressures and tempts other nations in the region to become nuclear powers for their own protection or to satisfy their own nationalistic pride. Japan is a noteworthy example. The Japanese are more technologically advanced than India and may well be asking themselves, "If India has the bomb, why not us?" If Japan did go nuclear, many old Asian hostilities might be revived, including that between China and Japan. The chances of a nuclear war would be multiplied.

But perhaps the height of irresponsibility is that millions of dollars are being spent on a nuclear blast at a time forecasts are routinely made that millions of Indians will soon starve because of crop failures caused by drought and shortages of petroleum and fertilizers. When India appeals to the moral sensibilities of other nations in seeking food and economic aid to relieve massive human distress, it is reasonable to ask if Mrs. Gandhi's own policy toward the suffering masses is, "let them eat nuclear dust."

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 11:15 a.m. tomorrow.

After the two leaders or their designees have been recognized under the standing order, the Senator from Montana (Mr. MANSFIELD) will be recognized for not to exceed 15 minutes, after which the Senator from Wisconsin (Mr. PROXMIRE) will be recognized for not to exceed 15 minutes, after which the Senator from West Virginia (Mr. ROBERT C. BYRD) will be recognized for not to exceed 10 minutes, at the conclusion of which there will be a period for the transaction of routine morning business until the hour of 12 o'clock noon. I ask unanimous consent that statements therein be limited to 3 minutes each.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. ROBERT C. BYRD. At the hour of 12 o'clock noon the Senate will resume the consideration of S. 2665, a bill to provide for increased participation of the United States in the International Development Association. There is a time limitation agreement on the bill and on amendments and matters related thereto. Rollcall votes, if ordered—and there will undoubtedly be a rollcall vote on passage of that bill—will not begin until the hour of 4 o'clock p.m.

During the day, conference reports may be called up, as can other matters on the calendar that may have been cleared for action by that time.

ADJOURNMENT UNTIL 11:15 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand adjourned until the hour of 11:15 a.m. tomorrow.

The motion was agreed to, and at 4:58 p.m. the Senate adjourned until tomorrow, Wednesday, May 29, 1974, at 11:15 a.m.

NOMINATIONS

Executive nominations received by the Senate May 28, 1974:

DEPARTMENT OF STATE

Pierre R. Graham, of Illinois, a Foreign Service Officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Upper Volta.

Robert A. Stevenson, of New York, a Foreign Service Officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malawi.

Seymour Weiss, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of the Bahamas.

THE JUDICIARY

Juan R. Torruella del Valle, of Puerto Rico, to be U.S. district judge for the district of Puerto Rico vice Hiram R. Cancio, resigned.

Donald S. Voorhees, of Washington, to be U.S. district judge for the western district of Washington vice William T. Beeks, retired.

DEPARTMENT OF LABOR

Betty Southard Murphy, of Virginia, to be Administrator of the Wage and Hour Division, Department of Labor, vice Horace E. Menasco, resigned.

IN THE AIR FORCE

The following officer to be placed on the Retired List in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Duward L. Crow, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Marion L. Boswell, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

IN THE AIR FORCE

The following named officers for promotion in the U.S. Air Force, under the appropriate provisions of chapter 839, title 10, United States Code, as amended.

LINE OF THE AIR FORCE

Major to lieutenant colonel

Abbott, Wilfred K., [redacted].
Ackerlund, Walter E., [redacted].
Ackerman, Carl A., [redacted].
Ackerson, Robert D., [redacted].
Ackroyd, Robert A., [redacted].
Adam, Wallace B., [redacted].
Adams, Charles G., [redacted].
Adams, James O., [redacted].
Adams, Jimmie V., [redacted].
Adams, John H., [redacted].
Adams, Lynn D., [redacted].
Adelsperger, Russel W., [redacted].
Agnello, Anthony M., [redacted].
Ahearn, Joesph A., [redacted].
Aiello, Charles F., [redacted].
Albright, Daniel E., [redacted].
Aldred, William M., Jr., [redacted].
Aldrich, James L., [redacted].
Aldridge, Donald O., [redacted].
Alfsen, Thomas C., [redacted].
Allee, Richard K., [redacted].
Allen, Gerald L., [redacted].
Allen, Robert D., [redacted].
Alley, Clinton D., [redacted].
Alley, Eugene R., [redacted].
Ambs, Phillip H., [redacted].
Amer, Robert L., [redacted].
Ames, Richard K., [redacted].
Amtmann, Neal H. R., [redacted].
Anaclerio, Michael, [redacted].
Anderson, Gene H., [redacted].
Anderson, George G., [redacted].
Anderson, James R., [redacted].
Anderson, Joseph C., [redacted].
Anderson, Richard N., [redacted].
Anderson, Wilbur E., [redacted].
Andrews, William R., [redacted].
Anelli, John W., [redacted].
Angel, Marion M., [redacted].
Angell, David R., [redacted].
Anzalone, Samuel L., [redacted].
Appelle, Walter W., Jr., [redacted].
Arbaugh, Edward D., [redacted].
Archie, Charles E., [redacted].
Ardern, William E., [redacted].
Argumedo, Bobby J., [redacted].
Armstrong, Henry W., [redacted].
Armstrong, Michael R., [redacted].
Arner, Harold L., [redacted].
Arnett, Ronald E., [redacted].
Arrowood, William D., [redacted].
Ashy, Joseph W., [redacted].
Asturino, Loring R., [redacted].
Atwell, Glen D., [redacted].
Austin, Harold D., [redacted].
Austin, James T., [redacted].
Avent, Edward W., III, [redacted].
Babineau, Alphee A., [redacted].
Babos, Sandor, [redacted].
Baca, Cres C., [redacted].
Bach, Shirley J., [redacted].
Bache, Alexander D., [redacted].
Bachmann, Richard E., [redacted].
Bacs, John, [redacted].
Baggiano, Anthony L., [redacted].
Bailey, Charles H., [redacted].
Bailey, William D., Jr., [redacted].
Bailor, Ronald O., [redacted].
Baker, Cecil R., [redacted].
Baker, Ronald C., [redacted].
Baldwin, Virgil L., [redacted].
Ball, Harold R., Jr., [redacted].
Ballance, Robert O., Jr., [redacted].
Banks, Jimmy E., [redacted].
Bannach, Robert J., [redacted].
Barlow, Charles R., Jr., [redacted].
Barnes, George W., [redacted].
Barnes, Walter J., [redacted].
Barnhart, William C., [redacted].
Barnheiser, Bruce L., [redacted].
Barry, Edward P., Jr., [redacted].
Bartholomew, Frank C., [redacted].
Bartlett, Leslie J., [redacted].
Bartley, Loren E., [redacted].
Bartos, John E., [redacted].
Bass, Jesse J., Jr., [redacted].
Bassett, Wayne R., [redacted].
Bath, William J., [redacted].

Baumgartner, Thomas H., [redacted].
Beard, John R., [redacted].
Beasley, Larry P., [redacted].
Becker, Kenneth R., [redacted].
Beers, Larry D., [redacted].
Bell, James R., [redacted].
Belson, Cletus A. [redacted].
Belt, Charles D., [redacted].
Belt, Robert K., Jr., [redacted].
Bender, Walter W., [redacted].
Bennett, Harry E., Jr., [redacted].
Bennett, Richard L., [redacted].
Bennett, Richard D., [redacted].
Benoit, George L., [redacted].
Benshoof, William B., [redacted].
Bentley, David M., [redacted].
Berg, Johnny L., [redacted].
Berg, Robert M., [redacted].
Berganini, David F., [redacted].
Berkey, John W., [redacted].
Bernado, Robert F., [redacted].
Berned, Ronald E., [redacted].
Berry, Alan B., [redacted].
Berry, John K. D., [redacted].
Berry, Stanley D., [redacted].
Berta, Michael A., [redacted].
Beyea, Richard S., Jr., [redacted].
Biancur, Andrew W., [redacted].
Bibb, Kenneth C., [redacted].
Bicher, William N., [redacted].
Biggs, James L., [redacted].
Biggs, Samuel S., [redacted].
Biliunas, Roman, [redacted].
Binder, John [redacted].
Birkholz, John C., Jr., [redacted].
Bishop, Henry J., [redacted].
Bishop, Roger H., [redacted].
Bissey, Robert O., [redacted].
Bitner, Ludie W., [redacted].
Bjornson, Donald P., [redacted].
Black, Cornelius J., [redacted].
Black, Harrison E., Jr., [redacted].
Black, Walter D., III, [redacted].
Blackwell, Nathan C., [redacted].
Blagg, Harold D., [redacted].
Blake, Gary R., [redacted].
Blake, John C. [redacted].
Blake, Roy G., [redacted].
Bland, William J. [redacted].
Blanks, Clifton D. [redacted].
Blinn, Donald E., [redacted].
Bloom, Gordon E., [redacted].
Bloss, Stephen R., [redacted].
Blount, James C., [redacted].
Bock, Robert W., [redacted].
Bodington, Mountford E., [redacted].
Bohart, Donald O., [redacted].
Bohine, Stanley A., [redacted].
Bolen, Clyde T., Jr., [redacted].
Boles, Samuel J., Jr., [redacted].
Bolinger, James F., [redacted].
Bollenbach, Merle E., [redacted].
Bollert, Dale W. [redacted].
Bolton, Malcolm F., Jr., [redacted].
Bonham, Arthur E., [redacted].
Bonner, Albert A., III, [redacted].
Boone, Daniel W., [redacted].
Boone, Roy H., [redacted].
Bopp, Delwin K., [redacted].
Borden, Andew G., Jr., [redacted].
Borts, Robert A. [redacted].
Boschian, Remo A., [redacted].
Bossier, Malcom D., Jr., [redacted].
Boucher, Raymond E., [redacted].
Bowen, Danny M., [redacted].
Bowen, Royce D., [redacted].
Bowen, Thomas G., [redacted].
Bowers, Robert N., [redacted].
Bowie, Donald A. [redacted].
Bowles, Oscar E., [redacted].
Bowman, Emerson W., [redacted].
Bowman, Larry L., [redacted].
Bowman, Wilfred R. [redacted].
Bowman, William R., [redacted].
Boyd, Charles G., [redacted].
Boyett, Joseph E., Jr., [redacted].
Brace, Richard C., [redacted].
Bracken, William C., [redacted].
Braden, Courtland R., [redacted].
Bradley, Frederic W., Jr., [redacted].
Bradley, James D., [redacted].
Bradley, John B., [redacted].
Bradley, Olin H., [redacted].
Bradley, Vaynus D., [redacted].
Brady, Ronald L., [redacted].
Braman, Ellis J., [redacted].
Branch, Christopher I., [redacted].
Brandt, Paul E., [redacted].
Braun, Moodie E., Jr., [redacted].
Brauner, Henry P., [redacted].
Braunschweig, Ernie D., [redacted].
Brenholdt, James P., [redacted].
Bretzer, Robert E., [redacted].
Bridwell, Rossor E., Jr., [redacted].
Bright, John E. [redacted].
Bringhurst, Frederick R., Jr., [redacted].
Briscoe, Thomas R., [redacted].
Britt, John R., [redacted].
Broadway, Joe E., Jr., [redacted].
Brock, Alton C., [redacted].
Brodak, John W., [redacted].
Brodeur, Richard H., [redacted].
Brollier, Grant E., [redacted].
Bronnenberg, Gerald E., [redacted].
Brooks, Phillip F. [redacted].
Brotnov, Kenneth W. [redacted].
Brown, Benjamin C., [redacted].
Brown, Charles W. [redacted].
Brown, Donald R., [redacted].
Brown, Eldon P., [redacted].
Brown, Harry W., [redacted].
Brown, Lloyd W., Jr., [redacted].
Brown, Richard S., Jr., [redacted].
Brown, William M., [redacted].
Browne, Everett W., [redacted].
Broyles, Gene T., [redacted].
Brubaker, Howard J., [redacted].
Brumfield, Tom W., Jr., [redacted].
Brune, Peter L. [redacted].
Bryan, Hayes R., [redacted].
Bryant, Jackie D. [redacted].
Buchanan, Frank A., [redacted].
Buchart, Carlton E., [redacted].
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Bugge, John E. [redacted].
Bujalski, Jack P., [redacted].
Bulin, George V., Jr., [redacted].
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Bumgardner, Mark L., [redacted].
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Geist, Thomas J., [redacted].
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Outlaw, Ted E. [redacted].
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Ozgo, Thomas W., [redacted].
Page, Aaron [redacted].
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Serex, Henry M., [redacted].
Sestak, John J., Jr., [redacted].
Seto, Richard S., [redacted].
Shadron, Charles F., [redacted].
Shaffer, Lewis F., [redacted].
Shahan, Larry E., [redacted].
Shane, Douglas F., [redacted].
Sharp, Lawrence F. [redacted].
Sharples, Russell E., [redacted].
Shaw, Christopher C., Jr., [redacted].
Shearer, William A., Jr., [redacted].
Sheets, Gary D., [redacted].
Sheffield, Harry A., [redacted].
Shellenberger, Robert T., Jr. [redacted].
Sherrill, Gene A., [redacted].
Shields, Floyd M., [redacted].
Shields, Phillip W., [redacted].
Shiffert, John B., [redacted].
Shoemaker, James A., [redacted].
Shores, Quincy C., [redacted].
Short, Ernest L., Jr. [redacted].
Showalter, Larry A., [redacted].
Shumway, Elwyn D., [redacted].
Sidwell, Edward N., [redacted].
Siebers, Jerome D., [redacted].
Sigler, James H., [redacted].
Signet, Paul A. [redacted].
Silcott, Gary L., [redacted].
Simenson, Thomas D., [redacted].
Simmonds, Darrell D., [redacted].
Simons, Charles B., [redacted].
Simpson, Jackson S., [redacted].
Sims, Ernest P., [redacted].
Sims, William R., [redacted].
Sinclair, Jerry L., [redacted].
Sincoski, Charles, [redacted].
Singleton, Paul L., [redacted].
Sires, Ralph M., [redacted].
Sirgo, George L. Jr., [redacted].
Sissell, Clarence D., [redacted].
Skipper, Thomas A., III, [redacted].
Skoglund, Rodney A., [redacted].
Skojec, Paul J., [redacted].
Skovgaard, Richard A., [redacted].
Slafkosky, Alexander R., [redacted].
Slater, Stanley A., [redacted].
Sleeper, Edward B., [redacted].
Sloan, George M., [redacted].
Smiley, James A., [redacted].
Smith, Bernard W., [redacted].
Smith, Carl M., [redacted].
Smith, Charles S., [redacted].
Smith, Donald E., [redacted].
Smith, Earl C., [redacted].
Smith, Eric E., [redacted].
Smith, Frank M., [redacted].
Smith, Joseph P., Jr., [redacted].
Smith, Larry L., [redacted].
Smith, Merlyn D., [redacted].
Smith, Quentin C., [redacted].
Smith, Richard D., [redacted].
Smith, Robert L., [redacted].
Smith, Roger C., [redacted].
Smith Roger J., [redacted].
Smith, Weston T., [redacted].
Smither, Chester P., Jr., [redacted].
Smulczenski, Lawrence A., [redacted].
Smullen, Harold C., II. [redacted].
Snead, John R., [redacted].
Snead, Jonathan H., [redacted].
Sneeder, William H., [redacted].
Snide, James A., [redacted].
Snipes, Conway G., [redacted].
Snowberger, Lee A., [redacted].
Snyder, Earl J., [redacted].
Soesbe, Donald K., [redacted].
Solomon, Edward C., [redacted].
Soltis, Ronald B., [redacted].
Somma, Salvatore F., [redacted].
Soper, W. J., [redacted]
Sorensen, Neal G., [redacted].
Sorensen, Norman M., [redacted].
Sorensen, Roger A., [redacted].
Souder, David L., [redacted].
Spacy, William L., [redacted].
Spear, Thomas E., [redacted].
Spearman, Jack L., [redacted].
Spink, William A., [redacted].
Spivey, Lonnie R., [redacted].
Spotts, Maynard E., [redacted].
Sprague, Nelson J., [redacted].
Spray, Ronald G., [redacted].
Springer, James A., [redacted].
Springob, Thomas J. [redacted].
Spurlin, Harold O., [redacted].
Stack, Philip J., [redacted].
Stallkamp, Roger W., [redacted].
Stallworth, Willett R., [redacted].
Stanford, Edwin L., [redacted].
Stapleton, Joseph K., [redacted].
Stebbins, Charles F., [redacted].
Steerman, Vernon L., [redacted].
Steinharter, Kenneth V., [redacted].
Stejskal, David L., [redacted].
Stell, John R., [redacted].
Stephen, Edward H., [redacted].
Stephens, Glen, [redacted].
Stephens, Larry G., [redacted].
Stephenson, Anthony R., [redacted].
Stevens, George R., [redacted].
Stevenson, Richard A., [redacted].
Stewart, Glen F., [redacted].
Stewart, Glenn L., [redacted].
Stewart, James R., [redacted].
Stewart, John B., [redacted].
Stigler, Otis S., [redacted].
Stiles, Roger E., [redacted].
Stocker, Henry, [redacted].
Stolzenburg, William T., [redacted].
Stoner, Richard L., [redacted].
Storch, Henry C., [redacted].
Storey, Thomas G., [redacted].
Storr, Richard C., [redacted].
Strayer, Daniel E., [redacted].
Street, Gerald W., [redacted].
Strickland, Donald B., [redacted].
Strobel, Jack W., [redacted].
Stroud, Raleigh E., [redacted].
Stroup, Floyd B., [redacted].
Strout, Robert P., [redacted].
Stuart, Robert G., [redacted].
Stuck, John G., Jr., [redacted].
Stuck, Monte L., [redacted].
Stuebe, Thomas L., [redacted].
Stuntz, Jose E., [redacted].
Sullivan, Cornelius J., [redacted].
Summerhill, Edward W., [redacted].
Summers, Charles E., [redacted].
Surico, Joseph C., [redacted].
Sutherland, Alexander C. [redacted].
Sutherland, Larry W., [redacted].
Svoboda, Robert J., [redacted].
Swain, Whitmel B. [redacted].
Sweeney, James P., [redacted].
Sykes, Teddie E., [redacted].
Sykes, William G., [redacted].
Sylvester, Samuel F., [redacted].
Syracusa, Anthony S., [redacted].
Szewc, Joseph A., [redacted].
Tabor, Charles I., [redacted].
Tait, James L., Jr., [redacted].
Takahashi, Richard T., [redacted].
Tarr, Alfred E., [redacted].
Tarsoly, John B., [redacted].
Tawater, David L., [redacted].
Taylor, Daniel A., Jr., [redacted].
Taylor, Henry J., [redacted].
Taylor, John H., [redacted].
Taylor, Kenneth G., [redacted].
Taylor, Vyrle J., [redacted].
Teeter, Harold A., [redacted].
Temperley, Russell E., [redacted].
Terrano, Santo J., [redacted].
Testas, Leon J., Jr., [redacted].
Teuton, Ottis F., Jr., [redacted].
Tew, Lewis L., [redacted].
Thaanum, Thomas R., [redacted].
Tharp, Rowland L., Jr., [redacted].
Thigpen, Larry E., [redacted].
Thomas, Donald C., Jr., [redacted].
Thomas, John K., [redacted].
Thomas, Kenneth W., [redacted].
Thomas, William D., [redacted].
Thompson, Clarence G., [redacted].
Thompson, Robert M., [redacted].
Thorpe, Edwin H., Jr., [redacted].
Thurston, John R., [redacted].
Thweatt, Luther E., [redacted].
Timberlake, E. J., III, [redacted].
Timm, Gerald E., [redacted].
Timmer, Don R., [redacted].
Todd, Dean G. [redacted].
Todd, Lewis F. [redacted].
Tokarz, Richard A., [redacted].
Tokash, Frederick E., [redacted].
Tompkins, Richard J., [redacted].
Toney, Stanley C., [redacted].
Tonge, James M., [redacted].
Toniolli, Johnnie S., [redacted].
Tonnell, Gerald H., [redacted].
Topp, Wayne R., [redacted].
Torchia, David F., [redacted].
Torraca, Louis A., Jr., [redacted].
Towle, Robert W., Jr., [redacted].
Townsend, Willard F., [redacted].
Trabun, Samuel J., [redacted].
Trainor, Peter B., Jr., [redacted].
Trautman, Konrad W., [redacted].
Trecartin, William, [redacted].
Tri, Harvey L., [redacted].
Tronier, Ronald R., [redacted].
Trott, Clifford R., [redacted].
Tucker, Raymond G., [redacted].
Tulintseff, Nick G., [redacted].
Turner, Andrew E., Jr., [redacted].
Tussing, Frank R., [redacted].
Tygett, Herbert C., [redacted].
Ullrich, Dale R., [redacted].
Underwood, Cecil E., [redacted].
Uno, Peter K., [redacted].
Unterman, Carl M., [redacted].
Usui, Edwin S., [redacted].
Utt, Ross J., [redacted]
Utterback, Donald A., [redacted].
Vandrew, Woodrow L., [redacted].
Vaninwegen, Earl S., [redacted].
Vannest, David F., [redacted].
Varnum, James W., [redacted].
Vaughan, David E., [redacted].
Vaughan, Gerard G. [redacted].
Venable, John C., [redacted].
Viccellio, Henry, Jr., [redacted].
Vickery, Charles A., [redacted].
Villanis, Stanley E., [redacted].
Vincent, Oakley G., [redacted].
Vine, Norman R., [redacted].

Vinson, Billy J., [redacted].
Vinzant, Vernon V., [redacted].
Vogel, Frank C., Jr., [redacted].
Voland, Paul M., [redacted].
Volz, David E., [redacted].
Vonbargen, Gerald C., [redacted].
Voshell, Robert N., [redacted].
Voss, John H., [redacted].
Vreeland, Russell E., Jr., [redacted].
Wade, James R., [redacted].
Wagner, David L., [redacted].
Wagnon, Bobby D., [redacted].
Waldman, Henry W., [redacted].
Waldron, Kirk T., [redacted].
Waldrop, Thomas L., [redacted].
Walker, Donald N., [redacted].
Walker, John S., [redacted].
Walker, Roy A., [redacted].
Walker, William O., [redacted].
Wallis, William N., [redacted].
Walsh, Denis L., [redacted].
Walters, Edward M., [redacted].
Walters, John R., [redacted].
Ward, Clarence D., [redacted].
Ward, Johnny M., [redacted].
Waters, Albert L., [redacted].
Watkins, Church, Jr., [redacted].
Watrous, David S., [redacted].
Watts, Clarence F., [redacted].
Weatherby, Jerry R., [redacted].
Weatherson, James G., [redacted].
Webb, Walter E., III, [redacted].
Weeks, Calvin G., [redacted].
Weeks, David L., [redacted].
Weihe, David A., [redacted].
Weihl, Clinton G., [redacted].
Wellman, Larry N., [redacted].
Wells, John L., [redacted].
Wempe, Robert W., [redacted].
Wenaas, Gordon J., [redacted].
Wendorf, Charles J., [redacted].
Wenstrand, Arlo P., [redacted].
Wertz, Donald L., [redacted].
Wescott, Gary R., [redacted].
West, Dale G., [redacted].
Westergaard, Frederick C., [redacted].
Wettlin, Joseph, [redacted].
Whisner, Richard L., [redacted].
White, James W. Jr., [redacted].
White, John H., Jr., [redacted].
White, Joseph W. II, [redacted].
White, Leslie M., [redacted].
Whiteside, Don M., [redacted].
Whitford, James D., [redacted].
Whitmire, Jack N., [redacted].
Whitney, Edgar R., [redacted].
Whitney, Willis O., [redacted].
Wicker, Charles E., [redacted].
Wiede, Jim T., [redacted].
Wiegers, Francis A., [redacted].
Wilcox, Donald H., [redacted].
Wilda, Robert W., [redacted].
Wilde, David M., [redacted].
Wilhelm, Charles F., [redacted].
Wilkinson, Hollis D., [redacted].
Wilkinson, Kenneth D., [redacted].
Wilkinson, Robert E., [redacted].
Wilkinson, Thomas J., [redacted].
Williams, Billy G., [redacted].
Williams, Clyde S., Jr., [redacted].
Williams, Howard K., [redacted].
Williams, James L. Jr., [redacted].
Williams, Jerry F., [redacted].
Williams, Joe A., [redacted].
Williams, Lindsey J., [redacted].
Williams, Thomas N., [redacted].
Williams, William A., [redacted].
Williams, William T. IV, [redacted].
Williamson, Larry G., [redacted].
Williamson, Robert D., [redacted].
Willingham, Larry D., [redacted].
Willis, Frank E., [redacted].
Wilson, Frederic W., [redacted].
Wilson, Harold F., [redacted].
Wilson, James L., [redacted].
Wilson, James W., [redacted].
Wilson, John B., [redacted].
Wilson, John M., Jr., [redacted].
Wilson, Robert J., III, [redacted].
Wilson, Thomas E., [redacted].
Wilson, William C., [redacted].
Wingo, Gerald V., [redacted].
Winkler, Larry D., [redacted].
Winks, Guy C., [redacted].
Winters, Charles P., [redacted].
Wise, Glenn E., [redacted].
Wise, Robert J., [redacted].
Wiseman, Jerry F., [redacted].
Wisser, Murrill R., [redacted].
Witherspoon, Ralph P., [redacted].
Wohlfeil, Gordon L., [redacted].
Wolff, William A., [redacted].
Womack, Bond M., Jr., [redacted].
Woner, James M., [redacted].
Wood, Charles M., [redacted].
Wood, Larry W., [redacted].
Wood, Marinda J. C., [redacted].
Woods, Franklin L., [redacted].
Woods, Harold D., [redacted].
Woods, James C., [redacted].
Woodson, Sidney B., [redacted].
Woolard, Henry H., Jr., [redacted].
Worden, Stephen F., [redacted].
Wright, Francis M., Jr., [redacted].
Wright, Ivan C., [redacted].
Wright, Larry D., [redacted].
Wright, Leonard L., [redacted].
Wright, Thomas T., [redacted].
Wycoff, William J., [redacted].
Yancey, William S., [redacted].
Yarr, Daniel J., [redacted].
York, Guy P., [redacted].
Yorks, Robert A., [redacted].
Yoshinaka, Jimmy, [redacted].
Young, Gerald O., [redacted].
Young, Glenn W., [redacted].
Young, Joe F., [redacted].
Young, Joe H., [redacted].
Youngblood, James H., [redacted].
Yowell, Robert J., [redacted].
Zalmanis, Andris, [redacted].
Zaner, Howard W., [redacted].
Zeberlein, James W., [redacted].
Ziegler, Allen A., [redacted].
Zimmer, James W., [redacted].
Zimmerlee, Joseph R., [redacted].
Zimmerman, George V., Jr., [redacted].
Zirkle, William S., [redacted].

CHAPLAINS

Acerra, Angelo T., [redacted].
Basford, Paul J., Jr., [redacted].
Buice, Willie E., [redacted].
Carleton, Rhon V., [redacted].
Clarahan, Michael R., [redacted].
Crosby, George K., [redacted].
Eisemann, Richard G., [redacted].
Getts, Harland R., [redacted].
Greene, Richard H., [redacted].
Hill, Raymond J., [redacted].
Jones, Billy J., [redacted].
Kucharski, Richard J., [redacted].
Landman, Nathan M., [redacted].
Lantz, Robert B., [redacted].
Martin, John J., [redacted].
McCann, John L., P., [redacted].
McManus, Thomas, [redacted].
McNicholas, Edward J., [redacted].
Minton, Dean L., [redacted].
Pike, Paul H., [redacted].
Schreiter, Daniel A., [redacted].
Schuelein, Virgil L., [redacted].
Smith, Joel R., [redacted].
Sorce, John J., Jr., [redacted].
Sullivan, Joseph T., [redacted].
Thompson, Kenneth R., [redacted].
Truitt, John G., Jr., [redacted].
Utley, Vernard T., [redacted].
Walsh, Francis J., [redacted].

NURSE CORPS

Anderson, Darlene A., [redacted].
Baker, Lois J., [redacted].
Bareford, Betsy J., [redacted].
Benton, Olga W., [redacted].
Bobko, Stephen E., [redacted].
Bolitho, Joann H., [redacted].
Boone, Reba, [redacted].
Boyd, Mary R., [redacted].
Brinkmann, Joanne M., [redacted].
Chalifour, Mary L., [redacted].
Childs, Dixie K., [redacted].
Cleveland, Shirley L., [redacted].
Connolly, Janet M., [redacted].
Cox, Mildred J., [redacted].
Curtis, Jeanne L., [redacted].
Donnelly, Grace E., [redacted].
Doriski, Helen, [redacted].
Downey, Gertrude A., [redacted].
Dudley, Mary L., [redacted].
Ellis, Helen V., [redacted].
Ellsworth, Patricia A., [redacted].
Ford, Joan D., [redacted].
Gabbert, Bettye J., [redacted].
Googe, Marjorie C., [redacted].
Grant, Phyllis E., [redacted].
Haga, Phyllis A., [redacted].
Hamberger, Ann M., [redacted].
Hansen, William P., [redacted].
Hargrave, David R., [redacted].
Hause, Helen E., [redacted].
Havens, Mary L., [redacted].
Heiser, Sharon O., [redacted].
Holt, Maurita E., [redacted].
Hopkins, Edna M., [redacted].
Johnson, Marilyn T., [redacted].
Jorgensen, Marilyn J., [redacted].
Keene, Ruby, [redacted].
Kernan, Ellen M. B., [redacted].
Kuhl, Shirley A., [redacted].
Makauskas, Loretta A., [redacted].
Merrill, Sylvia A., [redacted].
Miller, Frances R., [redacted].
Modrak, Donna M., [redacted].
Moss, Dorothy E., [redacted].
Mullin, Margaret M., [redacted].
Neal, Alice M., [redacted].
Nicholson, Estella J., [redacted].
Patton, Patricia C., [redacted].
Prusko, Joan R., [redacted].
Raber, Nina R., [redacted].
Remmes, Elizabeth J., [redacted].
Ross, Betsy L., [redacted].
Sanders, Barbara I., [redacted].
Santacroce, Anthony F., [redacted].
Shalenko, Paul C., [redacted].
Sidisin, Ruth K., [redacted].
Strachan, Shirley A., [redacted].
Sumner, Joan A., [redacted].
Tegen, Gerald C., [redacted].
Thomas, Mary M., [redacted].
Torquati, Ida J., [redacted].
Uldrich, Ruth H., [redacted].
Walsh, Claire, [redacted].
Wilson, Eleanor M., [redacted].

MEDICAL SERVICE CORPS

Archie, Julius C., [redacted].
Brown, Raymond A., [redacted].
Butterworth, Bernal G., [redacted].
Clemons, Keith, [redacted].
Crunkilton, Allen L., [redacted].
Dey, Doyle D., [redacted].
Good, Donald S., [redacted].
Hermann, Kenneth G., [redacted].
Holley, Robert C., [redacted].
Jobe, George W., [redacted].
King, James M., [redacted].
Middleton, Richard V., [redacted].
Parker, Robert W., [redacted].
Smith, Robert D., [redacted].
Suiter, Robert W., [redacted].
Thrasher, Lewis J., [redacted].
Wassmund, James A., [redacted].
Wilhelm, Bruce D., [redacted].
Willging, James B., [redacted].

VETERINARY CORPS

Brooks, Frank T., [redacted].
Butts, Donald W., [redacted].
Caraway, Bobby L., [redacted].
Erickson, Howard H., [redacted].
Imes, George D., Jr., [redacted].
Jackson, Wesley E., [redacted].
Jones, Sidney R., [redacted].

Mattsson, Joel L., [redacted].
Wolfle, Thomas L., [redacted].

BIOMEDICAL SCIENCE CORPS

Bailey, Ronald B., [redacted].
Barrett, Quentin T., [redacted].
Bassett, Bruce E. [redacted].
Bayer, Johan E., [redacted].
Coleman, Frederick E., III, [redacted].
Fallon, Paul F., [redacted].
Furtado, Victor C., [redacted].
Hodges, James T. [redacted].
Humerickhouse, Marlan J., [redacted].
Johnson, Arthur L., [redacted].
Johnston, Lloyd W., [redacted].
Knight, John F., [redacted].
Kush, George S., [redacted].
Maio, Domenic A., [redacted].
Seager, Brent C., [redacted].
Sinclair, Richard D., [redacted].
Smead, Phillip E., [redacted].
Smith, Roy K., [redacted].
Sparks, George P., [redacted].
Spence, Kenneth J., [redacted].
Titzel, Gene E., [redacted].
Williams, Carlton R., [redacted].

CONFIRMATION—MAY 28, 1974

Executive nominations confirmed by the Senate May 28, 1974:

U.S. TAX COURT

Theodore Tannenwald, Jr., of New York, to be a judge of the U.S. Tax Court for a term expiring 15 years after he takes office.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Tuesday, May 28, 1974*

The House met at 12 o'clock noon.

Archbishop Karekin Sarkissian, Catholicossal Prelate, Armenian Apostolic Church of America, offered the following prayer:

Almighty and Everlasting God, we, assembled here in this House of Representatives, beseech Thee to grant us Thy heavenly wisdom and courage to administer to the people for Thy glory and the happiness of all men according to Thy loving kindness and fatherly care.

On this particular day, the 28th of May, we recall that most justly deserved independence of Armenia proclaimed in 1918. We give thanks to Thee for having preserved this first Christian nation after the Turkish massacre of one and a half million Armenians in 1915 aimed at the genocide of the entire Armenian nation. We gratefully recognize that today a new era of renaissance has dawned upon the Armenian people all over the world and particularly here in the United States of America.

We implore justice for this nation. Fulfill, O Lord, their aspirations for freedom. Grant them the day when they may serve Thee in their own motherland which is denied to them today by the Turkish authorities. Preserve and keep their land from the cultivation of the poisonous opium which causes moral degradation in many lands, but more particularly here in the United States of America.

We beseech Thee, O Heavenly Father, to grant this great Nation of America ever-increasing prosperity and continuous peace and growth in all realms of human life—spiritual, moral, cultural, and social. Keep strong in the hearts of all of us Americans the spirit of freedom and justice for our Nation. For the freedom of America is a shining light for the freedom of all the nations of the world. In such freedom for all nations we have the real source of peace and justice for the whole world for ever and ever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on May 24, 1974, the President approved and signed bills of the House of the following titles:

H.R. 3418. An act to amend section 505 of title 10, United States Code, to establish uniform original enlistment qualifications for male and female persons; and

H.R. 6574. An act to amend title 38, United States Code, to increase the maximum amount of servicemen's group life insurance to $20,000, to provide full-time coverage thereunder for certain members of the Reserves and National Guard, to authorize the conversion of such insurance to veterans' group life insurance, to authorize allotments from the pay of members of the National Guard of the United States for group life insurance premiums, and for other purposes.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives, together with a summons:

WASHINGTON, D.C., *May 22, 1974.*

Hon. CARL ALBERT,
Speaker, House of Representatives.

DEAR SIR: On this date I have been served a Summons and Complaint by the United States Marshal that was issued by the U.S. District Court for the Eastern District of Virginia, Newport News Division. This summons and complaint is in connection with The National Citizens' Committee for Fairness to the President, Michael Arthur Rorer, Solon E. Paul, Harry E. New, et al., v. The United States House of Representatives, and The United States Senate, Civil Action No. 74–54–NN.

The Summons states that an answer to the Complaint is required within sixty days after service.

The Summons and Complaint in question are herewith attached, and the matter is presented for such action as the House in its wisdom may see fit to take.

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

SUMMONS IN A CIVIL ACTION

[In the U.S. District Court for the Eastern District of Virginia, Newport News Division, civil action file No. 74–54–NN]

National Citizens' Committee for Fairness to the President, Michael Arthur Rorer, Solon E. Paul, Harry E. New, et al., Complainants, Plaintiff v. The United States Senate, The United States House of Representatives, et al., Respondents, Defendant.

To the above named Defendants: You are hereby summoned and required to serve upon Michael Arthur Rorer, Vice-President, the Constitutional Rights Committee, plaintiff's attorney, whose address is U.S. Post Office Box 6174, Newport News, Va. 23606, an answer to the complaint which is herewith served upon you, within 60 days after service of this summons upon you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the complaint.

W. Farley Powers, Jr., *Clerk of Court.*
Virginia Thomas Clendinin, *Deputy Clerk.*
Date: May 13, 1974.

ARCHBISHOP KAREKIN SARKISSIAN

(Mr. DERWINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERWINSKI. Mr. Speaker, I would like to call to the attention of the Members the invocation this afternoon by His Grace, Archbishop Karekin Sarkissian, prelate of the Armenian Apostolic Church of America.

Archbishop Sarkissian assumed this post in September of 1973. His Grace has a firmly established reputation as a scholar, teacher, author, theologian, and administrator. In addition to his present duties as prelate of the Armenian Apostolic Church of America, he continues to serve as a member of the central and executive committees of the World Council of Churches.

It is a privilege to have Archbishop Sarkissian with us today.

WON'T SOMEONE SAY A KIND WORD FOR THE VICTIMS OF THE SLA?

(Mr. SIKES asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SIKES. Mr. Speaker, glowing tributes have been paid during funeral services and elsewhere to members of the SLA who were killed in a shoot-out with the police. There is obviously in progress an effort to impart some special significance and a measure of hero worship to the movement. What should be stated is that the members of the SLA are criminals in every sense of the word. They have killed, robbed, and kidnaped innocent people. Those who were killed had a chance to surrender but chose to fight it out with the police. They were heels, not heroes.

Equally improper is the criticism of the police, particularly by area pastors and by some publications. The police took precautions to protect others in the neighborhood; the criminals could have given up at any time; they could have left the burning house in safety simply by calling to the police that they were ready to surrender. There are indications that DeFreeze, who, undoubtedly, was demented, killed those who had survived the earlier shooting and then shot himself before the house was completely burned.

Won't someone say a kind word for the victims of SLA?

PERSONAL ANNOUNCEMENT

(Mr. DU PONT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DU PONT. Mr. Speaker, on Wednesday evening, May 22, I left Washington at 6 p.m. to join the Vice President of the United States in Delaware. I missed three votes, on rollcalls No. 240, 241, and 242.

Had I been present I would have voted "aye" on rollcall No. 240, reducing funds for use in Southeast Asia by $500 million; "aye" on rollcall No. 241, reducing R. & D. funds by $733 million; and "aye" on rollcall No. 242, final passage of the bill.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 246]

Alexander
Anderson, Calif.
Andrews, N.C.
Arends
Ashley
Aspin
Badillo
Beard
Bell
Biaggi
Blatnik
Bowen
Brasco
Breaux
Breckinridge
Brinkley
Broomfield
Broyhill, N.C.
Buchanan
Burke, Calif.
Burton
Camp
Carey, N.Y.
Chisholm
Clark
Cleveland
Collier
Conlan
Conyers
Cotter
Coughlin
Cronin
Culver
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Dellums
Dent
Diggs
Dingell
Donohue
Dorn
Dulski
Eckhardt
Eshleman
Findley
Foley
Fraser
Gibbons
Goldwater
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gubser
Gunter
Hammerschmidt
Hanley
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hébert
Helstoski
Hillis
Hinshaw
Holifield
Holtzman
Howard
Huber
Hudnut
Hutchinson
Johnson, Colo.
Jones, Tenn.
Jordan
Karth
Ketchum
Kyros
Landgrebe
Landrum
Litton
Long, La.
Luken
McCloskey
McKinney
McSpadden
Macdonald
Maraziti
Martin, Nebr.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Metcalfe
Michel
Mills
Mink
Mizell
Moorhead, Calif.
Nichols
O'Brien
O'Neill
Parris
Patten
Pepper
Pettis
Peyser
Podell
Randall
Rangel
Reid
Roberts
Robison, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roy
Roybal
Ryan
Shoup
Sisk
Smith, Iowa
Stanton, James V.
Steele
Steelman
Steiger, Ariz.
Stephens
Stubblefield
Thompson, N.J.
Thone
Thornton
Tiernan
Treen
Ullman
Vander Jagt
Veysey
Waldie
Walsh
Ware
Wilson, Bob
Wilson, Charles, Tex.
Wolff
Wydler
Wyman
Yatron
Young, Ill.
Young, S.C.

The SPEAKER. On this rollcall 284 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REPORT OF COUNCIL OF ECONOMIC ADVISERS ON THE CONDITION OF THE AMERICAN ECONOMY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-304)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

To the Congress of the United States:

I submit herewith a report from the Council of Economic Advisers on the condition of the American economy and on policies for dealing with some of its problems. I believe that this report will help the Congress and the country to put in better perspective the flood of economic events and news that engulfs and confuses us.

In my message on the State of the Union, on January 30, 1974, after referring to the economic consequences of the energy shortage, I said:

> We expect, therefore, that during the early part of this year output will rise little if at all, unemployment will rise somewhat and inflation will be high. Our objective, however, is to turn this situation around so that later in the year output will be rising more rapidly, while unemployment will stop rising and will then decline, and the rate of inflation will slow.

As events turned out, total production declined about 1½ percent in the first quarter of the year because the gasoline shortage hurt automobile sales and production more than expected. Unemployment rose a little from its low of last October before the oil embargo began. The inflation rate was indeed high.

But by now we can see signs of the improvements that policy has been aiming to achieve. Industrial production increased in April for the first time in five months. The rise in the cost of living in April was only about half as large as in the previous three months, and retail food prices declined. The unemployment rate has not risen since January but declined a little in March and April.

Although the recent events are not conclusive they tend to strengthen the expectation that in the remainder of this year output will be rising more rapidly, prices will be rising much less rapidly and the unemployment rate, while it will probably rise further, will not reach a very high point before it recedes.

These results which we all want will not, however, be achieved without strong and responsible policy actions. There is special danger that the decline of the inflation rate will be small and soon reversed if we do not firmly resist temptations to new inflationary policy.

I would like to acknowledge the recent cooperation of the Congressional leadership in one important area of economic policy. As a result of an exchange of letters between me and the Majority and Minority Leaders of the Senate, economic officials of the Administration have been meeting with the bipartisan leadership of both Houses to consider the problem of shortages. The outcome of these discussions has been agreement on the establishment of a temporary commission representing the Executive Branch, the Legislative Branch and the private sector to examine the possibilities of critical shortages and propose improved methods of foreseeing or averting them.

In the same spirit of working together I call the attention of the Congress to some of the policy implications of the Council's report.

1. Too much government spending is the spark that most often sets off inflationary explosions. As a minimum we must avoid exceeding the expenditures for next year proposed in the Budget. We must work together to cut where we safely can. We must so discipline our present decisions that they do not commit us to excessive spending in the future.

2. We must avoid the temptation of tax reduction without expenditure reduction.

3. The proposals I submitted in April 1973 for improving the unemployment compensation system, and the further steps which I recommended in February 1974, should be promptly enacted. To try to keep the economy permanently pumped up to achieve an arbitrarily-selected full-employment goal would be inflationary and self-defeating. To fail to provide the best unemployment compensation system we can is inexcusable.

4. While the immediate energy crisis has passed we must not be lulled into complacency on that subject. There is urgent need for legislative actions now which will improve the possibility of having the least-cost, secure energy in the future. These actions include:

a) Deregulation of natural gas.
b) Establishment of standards governing strip-mining of coal.
c) Authority for the Secretary of the Interior to license deep-water ports.
d) Deferral of deadlines for meeting secondary air quality standards that impede the use of coal.
e) Steps to accelerate site approval for energy facilities.
f) Establishment of the proposed Energy Research and Development Administration with an adequate budget.

5. The future of inflation and employment in the United States depends in part on the further development of open and secure economic relations with the rest of the world. I hope that Congress will pass a trade bill enabling the U.S. to negotiate for that without forcing us to turn our back on a part of the world that is economically and politically important.

This is not a complete list of legislative proposals affecting the economy. I have said nothing about health insurance, or tax reform, or workmen's compensation or dozens of other relevant matters. Obviously, there is much for all of us to do. There is so much to do that we cannot afford to waste time arguing about whether our problems are greater or smaller than our blessings. If we concentrate on working together on the problems we shall be better off, both for the solutions reached and for the working together.

RICHARD NIXON.

THE WHITE HOUSE, *May 28, 1974.*

COMMUNITY SERVICES ACT OF 1974

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 1140 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1140

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14449) to provide for the moblization of community development and assistance services and to establish a Community Action Administration in the Department of Health, Education, and Welfare to administer such programs. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be read for amendment by titles instead of by sections, and all points of order against sections 216, 634, 1202, and 1306 of said substitute for failure to comply with the provisions of clause 4, rule XXI, are hereby waived. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Illinois is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield the usual 30 minutes for the minority to the distinguished gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume. Mr. Speaker, House Resolution 1140 provides for an open rule with 2 hours of general debate on H.R. 14449, the Community Services Act of 1974.

House Resolution 1140 provides that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment.

House Resolution 1140 also provides that the substitute shall be read for amendment by titles instead of by sections and all points or order against sections 216, 634, 1202, and 1306 of the substitute for failure to comply with the provisions of clause 4, rule XXI of the Rules of the House of Representatives—prohibiting appropriations in a legislative bill—are waived.

H.R. 14449 provides for the continuation of programs presently authorized under the Economic Opportunity Act of 1964, including the Community Action program. The bill establishes a Community Action Administration in the Department of Health, Education, and Welfare to administer these programs.

H.R. 14449 authorizes to be appropriated such sums as may be necessary for fiscal years 1975, 1976, and 1977, except that $330 million is authorized for local initiation programs under section 121 for fiscal year 1975, $50 million is authorized to be appropriated for incentive grants under section 145 for fiscal year 1975, separate authorizations of $500 million, $525 million, and $550 million for fiscal years 1975, 1976, and 1977 respectively are provided for Head Start; and $60 million for each fiscal year is authorized for Followthrough.

Mr. Speaker, I urge the adoption of House Resolution 1140 in order that we may discuss and debate H.R. 14449.

Mr. ANDERSON of Illinois. Mr. Speaker, the gentleman from Illinois (Mr. MURPHY) my distinguished colleague on the Committee on Rules, I think, has correctly described the provisions of House Resolution 1140 which would make in order under an open rule 2 hours of general debate on the Community Action Act of 1974.

I would add that the reason for the waiver in the rule is the necessity of waiving points of order against sections 216, 634, 1202, and 1306 for failure to comply with clause 4, rule XXI. That is the clause in the House rules which prohibits appropriations on a legislative bill. In the sections referred to, they either provide for setting up revolving funds or for the transfer of funds from the old Agency to the new Agency which would be created under the legislation. Hence, the granting of the request for waiver of points of order against these particular sections of the bill.

Mr. Speaker, let me just very briefly further add that while the bill itself, H.R. 14449, is an extremely lengthly bill and contains literally scores of provisions, as I read it, it seems in large part to provide legislative ratification of actions that have already been taken. By that statement, I refer to the fact that between 1966 and 1973 almost a score of OEO programs have been spun off to old line agencies. I refer to such programs under the program as the Job Corps, the Headstart, Comprehensive and Health Services, and so forth. Those have been accomplished by executive authority. All this legislation would do would be to provide statutory sanction for those transfers.

I should, of course, hasten to add that it does transfer a number of small service programs that do remain in OEO and other agencies. As I read the legislation, only three of them would actually go to the Community Action Administration: Small rural loan program, an emergency school program that has lapsed, and finally, the senior service and opportunity program.

A key point is, it seems to me, that the proposed administration if established under this legislation, as it would do, would not really even faintly resemble OEO in its heyday. It would have basically only responsibility for funding community agencies through the local initiative grant program; continuing research and demonstration projects; and of course administering the three in-house service programs I described just a moment ago.

Of course, it would also have residual authority to continue a legal services program if the independent legal services corporation bill is not signed into law.

I repeat that the great bulk of OEO oriented generated service programs in such fields as manpower, education, health, alcohol and drug abuse, economic development and so forth, would continue to function under the old line agencies to which these programs have already been transferred. It is primarily involved in this regard of the Departments of Health, Education, and Welfare, Labor, and Commerce.

Mr. Speaker, I would conclude by mentioning the fact that members of the Committee on Education and Labor who appeared before the Rules Committee, some in total opposition to the legislation and some in opposition to certain specific sections of the bill, had indicated that some very important amendments would be offered. The ranking Republican on the committee, the gentleman from Minnesota (Mr. QUIE) would, rather than establishing a distinct community action administration as the bill would do, an administration within HEW with a director confirmed by the Senate and responsible directly to the Secretary of the Cabinet Department, instead offer an amendment that would give the Secretary discretionary authority to determine how the transferred community action program will be administered within the department.

Mr. Speaker, he has also indicated to our committee that he would delete that section of the bill; namely, section 602, that gives transferred OEO employees job protection. It prevents them or prohibits them from being bumped from their present positions and transferred to the new administration.

Finally, he has indicated that he would offer an amendment that would prohibit the Secretary of Health, Education, and Welfare from delegating administrative responsibilities given him under the act to the regional offices that are now functioning and operating under this program.

Other amendments will apparently be offered dealing with Legal Services programs, and also, I believe, substituting a block grant approach for the approach taken in the committee bill.

I know of no opposition to the granting of this open rule, Mr. Speaker, and I have no further requests for time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. Mr. Speaker, I am pleased to yield to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Do I understand correctly that this bill would call for a 3-year authorization of approximately $3,760 million?

Mr. ANDERSON of Illinois. Yes. The cost for fiscal year 1975 would be $1,199,500,000. The cost for fiscal year 1976 would be $1,259,500,000, and for 1977, the cost estimate is $1,300,500,000. I believe that adds up to approximately the figure the gentleman suggested.

Mr. GROSS. If the gentleman will yield further, did any of the proponents of this bill, when they appeared before the Rules Committee, indicate where in heaven's name they are going to get this kind of money for this welfare program, this wet-nursing of millions in this country? Did anyone suggest where it is proposed to get this money and what this is going to do to the debt limit?

Mr. ANDERSON of Illinois. Mr. Speaker, in answer to the question of the distinguished gentleman from Iowa, I do not recall any specific testimony before the Committee on Rules dealing with the fiscal impact of this other than the general suggestion that the funds would come from the Treasury. I know of nothing else.

Mr. GROSS. I say to the gentleman from Illinois that it is going to be interesting when we get to the general debate, to hear the proponents of the bill defend it from a cost standpoint and to hear where they propose to get the money and how much longer they propose to continue the drive for further increases in the debt ceiling.

Mr. Speaker, there will be other questions, in view of the statement of the chairman of the Federal Reserve Board on Sunday in an address, incidentally, to Illinois College, in which he said in effect that "This country is in dire peril from the standpoint of inflation and the mismanagement of its fiscal affairs."

I am going to be very much interested in hearing what the proponents of this legislation on both sides of the aisle are going to say in order to justify what is here proposed by way of spending another $3,760,000,000 on welfare in this country.

Mr. ANDERSON of Illinois. Mr. Speaker, knowing the gentleman's feelings on this point, I am sure that he will be here on the floor and have an opportunity under the open rule that the committee has granted to ask the appropriate questions. I would merely state for the record that I have just been furnished with the addition, and I believe the correct figure of the 3-year authorization is $3,759,500,000.

Mr. GROSS. Mr. Speaker, that does not miss $3,760 million by very much, does it?

Mr. ANDERSON of Illinois. The gentleman is quite accurate in his statement.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's yielding.

I will ask the gentleman this: Was the Committee on Rules aware of the study that was prepared by the State Charter Revision Commission for New York City, which "has concluded that the $40 million Community Action Program"—I am now quoting from the New York Times—"a major antipoverty effort largely has failed to achieve its objectives because of ineffective structure and management"?

That is a quotation taken from that report.

Was that study brought to the attention of the Committee on Rules?

Mr. ANDERSON of Illinois. Mr. Speaker, in response to the question asked by the gentleman from California (Mr. Rousselot), I do not think that specific study was mentioned. We did have witnesses who appeared in opposition to the bill, and they did state the general rationale which the gentleman has just mentioned concerning inefficient management of the program.

Mr. ROUSSELOT. Mr. Speaker, if the gentleman will yield further, there is another thing that bothered me very much about this report on the study that was done in New York, and I will now quote again from the New York State report:

> Communty Action inevitably came to represent a separate constituency and a competing institution for the delivery of services to the poor.

And then it added this note, quoting from the report done in New York:

> Ethnic and racial dissensions had plagued the program, disrupting the democratic process of electing leaders from among the poor.

Mr. Speaker, that is somewhat disturbing, because the one thing we have been told about these poverty programs is that they have always gone out of their way to prevent dissension as it related to ethnic backgrounds, and yet this report which has evidently come forward recently shows that exactly the opposite has been true.

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for his contribution.

I have no further requests for time.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous queston on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HAWKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14449) to provide for the mobilization of community development and assistance services and to establish a Community Action Administration in the Department of Health, Education, and Welfare to administer such programs.

The SPEAKER. The question is on the motion offered by the gentleman from California.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14449) with Mr. White in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California (Mr. Hawkins) will be recognized for 1 hour, and the gentleman from Minnesota (Mr. Quie) will be recognized for 1 hour.

The Chair recognizes the gentleman from California.

Mr. HAWKINS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the pending legislation before us today is the Community Services Act of 1974, H.R. 14449.

This bill is the product of hundreds of hours of hearings, debate, and negotiations. Fifteen days of hearings were held by the Subcommittee on Equal Opportunities, which I chair, on various legislative proposals to continue the programs authorized by the Economic Opportunity Act. The appropriation authority for this legislation expires on June 30, little more than a month away.

On April 30, the Education and Labor Committee reported H.R. 14449, the result of a painstaking compromise effort. This bill was approved by a vote of 27 to 8, with 8 members of the minority in support. I would like at this point to insert a section-by-section analysis of the bill:

SECTION-BY-SECTION ANALYSIS

Short title: The first section of this legislation provides that it may be cited as the "Community Services Act of 1974".

Section 2. Statement of purpose: This section sets forth the statement of purpose (1) to establish within the Department of Health, Education, and Welfare the Community Action Administration, and (2) to eliminate poverty by providing opportunity for education and training, work and decent living conditions. This section further states the sense of Congress that it is desirable to employ the resources of the private sector of the economy to further the policy of this act.

TITLE I—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

Section 101. Statement of Purpose: This section states the basic purpose of community action agencies to stimulate a better focusing of all available resources upon the goal of enabling low-income individuals and families to attain the skills, knowledge, and motivations and secure the opportunities needed to become self-sufficient. Specific purposes are (1) strengthening the capabilities of communities to plan and coordinate assistance related to the elimination of poverty, so that such assistance can be made more responsible to the local needs and conditions; (2) improving the organization, efficiency, and effectiveness of services related to helping the poor to overcome particular problems in a way which considers and supports their progress in overcoming related problems; (3) increasing use of new types of services and innovative approaches to develop increasingly effective methods to attack the causes of poverty; (4) developing the maximum feasible participation of residents of the areas and members of the groups served so as to obtain the full potential for self-advancement and to assure the full meaning and wide utilization of such projects; and (5) securing a more active role for business, labor, and professional groups to provide among other things increased employment opportunities as well as to secure the participation of public officials, private religious, charitable, and neighborhood organizations and individual citizens. This section further states the purpose of the title and policy of the Office of Economic Opportunity to enable rural poor to avoid migration to urban areas through providing them with basic education, health care, vocational training, and employment opportunities.

Part A—Community Action Agencies and Programs

SEC. 111. Designation of community action agencies; community action programs.—Subsection (a) of this section designates a community action agency as a State or political subdivision of a State or a combination of such subdivisions, or a public or private nonprofit agency or organization designated by a State or political subdivision or combination of subdivisions. Each community action agency must have the power to contract with both public and private nonprofit agencies and be designated as such an agency by the Director. Such subsection designates a community action program as one which is community based and operated and includes or is designated to include projects which provide a range of services having measurable and potential impact on the causes of poverty and which have been developed and organized to carry out the purposes of this title and which conform to other criteria that the Director may prescribe.

Subsection (b) of this section provides that components of a community action program may be administered by the community action agency where consistent with efficient management or by other agencies. They may be projects eligible for assistance under this title, or projects assisted from other public or private sources; and they may be designed either to meet local needs or pursuant to eligibility standards of Federal or State programs providing assistance to a particular kind of activity which will help in meeting those needs.

Subsection (c) of this section defines "community" for which a community action agency is designated to carry on a community action program as a city, county, multicity, multicounty, or other governmental unit, an Indian reservation, or neighborhood or other area, regardless of political boundaries, which provides an organizational base and possesses the commonality of interest needed for an efficient and effective program.

Subsection (d) of this section provides that where a community action agency has failed to submit satisfactory plans for a program and neither the State nor any political subdivision is willing to be designated as a community action agency or to designate a public or private nonprofit agency for the Director to designate as the community action agency for the community, the Director may provide financial assistance to a public or private nonprofit agency (as a community action agency) other than one designated in subsection (a).

Subsection (e) of this section provides that no political subdivision of a State shall be included in the community action program of a State or of any political subdivision, or combinations thereof, if its governing officials do not wish such inclusion. The political subdivision and any public or private nonprofit agency it designates shall be eligible for designation as a community action agency on the same basis as other political subdivisions or their designees.

Subsection (f) of this section provides that for the purpose of this title, tribal governments of an Indian reservation are to be deemed political subdivisions of a State.

SEC. 112. Community action agencies and boards.—Subsection (a) of this section requires that each community action agency which is a State or political subdivision of a State shall administer its program through a "community action board" meeting the requirements of subsection (b). Each community action agency which is a public or private nonprofit agency or organization designated by a State or political subdivision or combination of subdivisions or is an agency designated under 111(d) must have a "community action governing board" meeting the requirements of subsection (b).

Subsection (b) of this section requires that a community action board, limited to not more than 51 members, be composed of (1) one-third public officials, including the chief elected official or officials or their representatives, unless the number of officials reasonably available for such service is less than one-third; (2) at least one-third persons democratically chosen to represent the poor of the area served; and (3) the remainder representatives of other major groups or interests in the community. Such subsection also limits the time of service on the board of persons other than public officials or their representatives to not more than 3 years at one stretch or more than 6 years total on the board.

Subsection (c) of this section provides that where a community action agency places responsibility for policy determinations and administration of programs carried on in a particular area of the community, or places substantial reliance on the recommendations of such an agency in making policy determinations, the board of that agency must meet the requirements of subsection (b).

Subsection (d) of this section requires that the Director promulgate rules relating to notice of meetings, quorums (which must be 50 percent of the members) and other procedures to assure boards to which subsection (b) applies to provide continuing and effective means for securing broad community involvement, such as assuring that all elements on such boards are afforded opportunities to participate in decisions. Such subsection also permits the boards to appoint executive committees to transact business.

Subsection (e) of this section specifies that "community action governing boards" must have the power to select persons for senior staff positions, determine major personnel, fiscal and program policies, approve overall programs, establish priorities and assure compliance with conditions of this title. Such subsection does not specify the powers to be delegated to "community action boards" when the State or political subdivision itself has been designated as the community action agency.

SEC. 113. Specific powers and functions of community action agencies.—Subsection (a) of this section requires that a community action agency have funds contributed from private or local public sources and from any Federal or State assistance programs under which the agency could act as a grantee, contractor, or sponsor of projects properly included in a community action program. Such subsection also requires that a community action agency be able to transfer funds and delegate powers, including, where it would further program objectives, transfers, or delegations to component projects.

Subsection (b) of this section requires that a community action agency have the functions of (1) planning and evaluating the program to determine the causes of poverty, determining the effectiveness of services being provided and establishing priorities among services as needed for the most efficient use of resources; (2) encouraging related poverty agencies to plan, secure, and administer assistance on a common or cooperative basis by providing planning or technical assistance to such related agencies and generally cooperating with community action agencies and officials to improve existing efforts; (3) starting projects responsive to needs which are not otherwise being met, with emphasis on central or common services that a variety of programs can draw on and developing new services and approaches that can be incorporated into other programs and filling gaps pending their revision; (4) establishing procedures whereby poor and other area residents can influence the character of and participate in the implementation of programs affecting their interests, providing support to enable the poor and neighborhood groups to obtain assistance from public and private sources; and (5) joining and encouraging labor, business and other private groups and organizations to undertake activities supporting community action programs resulting in the additional use of private resources, as for example in developing employment opportunities.

SEC. 114. Administrative standards.—Subsection (a) of this section requires that as far as reasonably possible standards of organization, management, and administration will assure that program activities are conducted in a manner consistent with the purpose of this title and provide assistance free of any taint or partisan political bias or personal or family favoritism. Such subsection requires each community action agency to allow reasonable public access to information. Such subsection requires agencies to regulate employee salaries and benefits to insure that only competent persons are hired and that advancement is by impartial procedure, to guard against financial conflicts of interests, and to prohibit any employment in performance of his duty from participating in any direct action which is against the law.

Subsection (b) of this section requires the Director to issue regulations to implement subsection (a). Such subsection authorizes the Director to establish simplified requirements for smaller or rural agencies, providing that such regulations do not affect the applicability of regulations relating to conflict of interest, partisan political activities or participation in direct action. Such subsection also requires the Director to consult with the heads of other Government agencies to insure consistency in the regulations he may prescribe.

Section 115. Housing Development and Services Organizations: This section encourages the establishment of housing development and service organizations to focus on the housing needs of low-income families and individuals. The section provides that such organizations may be nonprofit housing development corporations, but prohibits such organizations from insuring mortgages or duplicating long-term financing programs now administered by specialized housing agencies.

Part B—Financial assistance to community action programs and related activities

SEC. 121. General Provisions for Financial Assistance: (a) This subsection authorizes the Director to provide financial assistance to community action agencies to assist them in developing community action programs. The Director may also provide financial assistance to other public or private nonprofit agencies to aid them in planning for the establishment of a community action agency.

Subsection (b) authorizes the Director to directly fund through public or private nonprofit agencies limited purpose programs where there is no community action agency designated or where the designated community action agency approves such direct funding.

Subsection (c) requires the Director to assure that reasonable efforts are made by applicants to obtain the views of local officials and agencies in the community and to resolve issues of cooperation and duplication prior to the submission of such application.

Subsection (d) requires community action agencies to develop a systematic approach to utilization of funds under this subpart including coordination with relevant public and private resources and with other relevant programs. The Director shall assure the participation of other Federal agencies in support of development of plans.

Subsection (e) stipulates that each application for financial assistance shall be reviewed on its merits rather than binding national priorities.

Sec. 122. Special programs and assistance.—Subsection (a) of this section requires the Director to develop and carry on special programs to stimulate or deal with critical needs or problems of the poor. Such authority is to be used where the Director determines that the objectives sought could not be achieved through the use of authorities under section 121. Such authority is to be used in respect to programs which involve activities which can be incorporated into or coordinated with community action programs, involve new combinations of resources or new or innovative approaches, and are structured in a way that will promote the purpose of this title. The Director is authorized to provide financial assistance to public or private nonprofit agencies to carry on such special programs in such a manner that will encourage wherever feasible the inclusion of such projects in community action programs so as to minimize duplication and promote efficiency and otherwise secure the greatest possible impact in promoting family and individual self-sufficiency. Programs under this section shall include—

(1) A "Legal Services" program to provide legal services to persons unable to afford the services of a private attorney, together with legal research and information in furtherance of the cause of justice among poor persons. Such projects shall be carried on in a way that assures maintenance of the lawyer-client relationship. Further, the Director shall assure that the principal local bar associations in the area are given an opportunity to submit comments and recommendations on the proposal before it is approved or funded. Provides further that members, and immediate family, of the Armed Forces are eligible for legal services in cases of extreme hardship.

(2) A program known as "Community Food and Nutrition program" designed to provide on a temporary basis basic foodstuffs and services through community action agencies or local public or private nonprofit agencies. This assistance may supplement assistance of other Federal programs.

(3) A program entitled "Environmental Action" under which low-income persons will be paid for working on projects combating pollution and improving the environment. Projects may include clean-up and sanitation activities, reclamation and rehabilitation of eroded or ecologically damaged areas, conservation and beautification activities, the restoration and maintenance of the environment and the improvement of the quality of life in urban and rural areas.

(4) A "Rural Housing Development and Rehabilitation" program to assist low-income families in rural areas to construct and acquire ownership of adequate housing, to rehabilitate or repair existing substandard units and to otherwise assist low-income families in obtaining standard housing. Financial assistance may be provided to rural housing development corporations in rural areas to be used for such purposes as administrative expenses, revolving development funds, nonrevolving land, development and construction write-downs, rehabilitation or repair of substandard housing, and loans to low-income families. Loans may be used for the purchase of new housing units, the repair, rehabilitation and purchase of existing units, and to supplement existing Federal loan programs in order that low-income families may benefit from them. The repayment period shall not exceed 33 years. No loans may bear an interest rate of less than 1 percent except that if the Director, having examined the family income of the applicant, the projected housing costs of the applicant, and other factors he deems appropriate, may waive the interest in whole or in part for such periods of time as he may establish where he determines that the applicant would otherwise be unable to participate in this program. No such waiver may, however, be granted if the adjusted family income, as determined by the Farmers Home Administration, is in excess of $3,700 per annum. Where a waiver is provided the applicant must be required to commit at least 20 percent of his adjusted family income toward the mortgage debt service and other housing costs. Family incomes are required to be recertified annually and monthly payments adjusted accordingly.

(5) A program entitled "Senior Opportunities and Services" to identify and meet the needs of poor persons above the age of sixty in employment and volunteer services, referral, creation of additional services and programs to remedy gaps, use of public services, recreational and service centers to meet the needs of the older poor and assure them greater self-sufficiency.

Section 123. Resident Employment: This section requires maximum employment opportunity, including opportunity for occupational training and career advancement for residents of the area and members of groups served by programs under this part. The Director shall also encourage employment of persons aged 55 and older.

Section 124. Neighborhood Centers: This section authorizes the Director to encourage the development of neighborhood centers to promote effectiveness of needed services and to promote maximum participation of neighborhood residents in planning, policymaking, administration and operation.

Sec. 125. Allotment of funds; limitations on assistance.—This section is the general provision governing allotment of community action funds among the several States. It provides that of the sums allocated for assistance under sections 121, and 122(a), and which are not subject to any other provision governing allotment or distribution, the Director shall allot not more than 2 percent among Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs and shall also reserve not more than 20 percent of those sums for allotment in accordance with such criteria and procedures as may be prescribed. The Director shall allot the remainder among the States in accordance with the latest available data, so that equal proportions are distributed on the basis of (1) the relative number of public assistance recipients in each State as compared to all States, (2) the average number of unemployed persons in each State as compared to all States, and (3) the relative numbers of related children living with families below the poverty level in each State as compared with all other States using 1970 Bureau of the Census criteria, except that no State shall be reduced by more than ½ percent of the total national allotment received in fiscal year 1974.

The Director may reallot that part of a State's allotment which he determines will not be needed, at such dates as he may fix, in proportion to the original allotments with appropriate adjustments to assure that an amount so made available to a State in excess of its needs is similarly reallotted. Authorizes the Director to provide for the separate allotment of funds for any special program under section 122(a). Such an allotment may be made in accordance with the criteria in subsection (a) or may be made in accordance with other criteria which will assure an equitable distribution of funds reflecting the relative incidence in each State of the needs or problems at which the program is directed, with the exception that not more than 12½ percent of the funds for any program may be used in any one State. Unless otherwise provided in this part, this section would require that financial assistance extended to any agency under sections 121 and 122(a) shall not exceed 80 percent of the cost of the assisted program or activity for the period ending June 30, 1975, 70 percent for the period ending June 30, 1976, and 60 percent thereafter. However, the Director may approve assistance in excess of such percentages if he determines that such action is required to further the purposes of this title. The non-Federal share may be met on a statewide rather than individual CAA basis. Non-Federal contributions may be in cash or in kind, including but not limited to plant equipment, or services, but at least one-half of the required non-Federal contribution must be in cash. No program shall be approved for assistance under sections 121, and 122(a) unless the services provided will be in addition to, and not in substitution for, services previously provided without Federal assistance, and the funds or other resources devoted to programs designed to meet the needs of the poor in the community will not be diminished in order to provide for the non-Federal contribution required for receiving such assistance. These requirements may be waived in situations where they would result in unnecessary hardship or otherwise be inconsistent with the purposes of this legislation.

Section 126. Design and Planning Assistance Programs: This section authorizes financial assistance for programs conducted by community-based design and planning organizations for technical assistance, architectural and related services relating to housing, neighborhood facilities, transportation and other aspects of community planning and development.

Section 127. Youth Recreation and Sports Programs: This section provides disadvantaged youth with recreation and physical fitness instruction and exposure to college and university campuses and other recreational facilities.

Subsection (b) requires that 90 percent of the youth be from families with incomes below the poverty level.

Subsection (c) authorizes the Secretary to make grants or contracts with organizations of colleges and universities, or other such qualified nonprofit organizations with appropriate facilities to provide adequate recreational services to the youths.

The Federal contributions cannot exceed 80 percent of the program costs.

Section 128. Consumer Action and Cooperative programs: This section authorizes financial assistance for the development and conduct of consumer action and advocacy and cooperative programs designed to assist low-income persons with respect to consumer rights, procedures, grievances, views and concerns.

Part C—Supplemental programs and activities

Section 131. Technical Assistance and Training: This section permits the Director to provide directly or through grants or other arrangements, technical asistance to communities in developing, conducting, and administering community action programs and training for specialized or other personnel which is needed in connection with those programs or which otherwise pertains to the purpose of the title. The section also permits the Director, upon request of any agency receiving financial aid, to assign personnel to that agency, for periods not to exceed 2 years, to assist and advise it in the performance of functions related to the assisted activity.

Section 132. State Agency Assistance: This section permits the Director to provide financial assistance to designated State agencies, to provide technical assistance to communities in developing and carrying out community action programs; to assist in coordinating State activities related to this title; to advise and assist the Director in providing the participation of States and State agencies in programs under this title; and to advise and assist the Director and the heads of other Federal agencies in identifying problems posed by Federal statutory or administrative requirements that impede coordination of the programs related to this title at State level and in developing methods for overcoming those problems. In extending assistance to State agencies the Director shall give preference to programs or activities which are administered or coordinated, or which have been developed with the assistance of agencies designated pursuant to this section. This section provides further that the Director shall terminate assistance if he finds that the State agency is not observing any requirement of this act, or any regulation, rule or guideline promulgated by the Director.

Section 133. Special Assistance: This section authorizes the Director to provide financial assistance for projects designed to serve low-income groups not effectively served by other programs under this part with special consideration for such programs for older persons.

Part D—General and technical provisions

Section 141. Rural Areas: Subsection (a) of this section requires that the Director take necessary steps to further the extension of benefits to residents of rural areas such as the development of special programs responsive to particular needs of rural areas, the development of pilot and demonstration activities focused upon the problems of rural poverty, including a more effective use of human and natural resources of rural America to slow the migration from rural bases because of lack of economic opportunity, the provisions of technical assistance so as to provide a priority to rural communities and to aid in securing assistance under Federal programs which are related to rural areas, and the development of special or simple procedures, forms, guidelines, model components, and model programs for use in rural areas.

Subsection (b) of this section requires the Director to achieve an equitable distribution of assistance between urban and rural areas within States taking into consideration the relative numbers in States of low-inome families, particularly with children, unemployed persons receiving public or private welfare, school dropouts, adults with less than an eighth-grade education, and persons rejected for military service.

Subsection (c) of this section permits the Director to provide financial assistance in rural areas to public or private agencies for any project for which assistance to community action agencies is authorized if it is not feasible within a reasonable period of time to establish a community action agency.

Subsection (d) of this section requires the Director to encourage the development of programs for the interchange of personnel, for the undertaking of common or related projects and other methods of cooperation between urban and rural communities, with particular emphasis on fostering cooperation in situations where it may contribute to new employment opportunities, and between larger urban communities with concentrations of low-income persons and families and rural areas in which substantial numbers of those persons and families have recently resided.

Section 142. Submission of Plans to Governors: This section provides that no assistance may be extended under this title to any agency or organization to carry out any program project or other activity within a State unless a plan for such assistance has been submitted to the Governor of the State and has not been disapproved by the Governor within 30 days of the submission, or if so disapproved has been reconsidered by the Director and found by him to be fully consistent with the provisions and in furtherance of the purposes of this title. This requirement does not apply to assistance extended to institutions of higher education.

Section 143. Fiscal Responsibility and Audit:

Subsection (a) of this section prohibits the release of funds to any agency receiving financial assistance under this part until it has submitted a statement certifying that the assisted agency and its delegate agencies or subcontractors for performance of any major portion of the assisted program have established an accounting system with internal controls adequate to safeguard their assets, check the accuracy and reliability of the accounting data, promote operating efficiency, and encourage compliance with prescribed management policies and fiscal responsibility and accounting requirements. The required statement may be furnished by a certified public accountant, a duly licensed public accountant or, in case of a public agency, the appropriate public financial officer.

Subsection (b) requires the Director to make or cause to be made a preliminary audit to review the adequacy of the accounting system and internal controls established pursuant to subsection (a). The Director shall determine promptly after completion of the survey whether the findings and conclusions show whether the accounting systems and internal controls meet the standards and, if not, whether to suspend the assistance. If assistance is suspended, the assisted agency will be given not more than 6 months within which to establish a satisfactory system, and if it fails to do so within 6 months, the Director shall terminate the assistance.

Subsection (c) provides that the Director must make or have made at least annually an audit of each grant or contract of assistance under this title. Promptly after completion, he shall determine whether any costs of expenditures incurred will be disallowed. The Director may seek recovery of any sums disallowed by appropriate means, including court action or a commensurate increase in the required non-Federal share of the costs of any grant or contract with the same agency or organization which is then in effect or which is entered into within 12 months after the date of disallowance.

Subsection (d) requires the Director to take the actions necessary to carry out the provisions of this section, including action to assure that the rate of expenditure of any agency receiving financial assistance does not exceed the rate contemplated under its approved program, and to promote the continuity and coordination of all projects or components of community action programs receiving financial assistance under this title.

Section 144. Special Limitations: This section prescribes special limitations to apply to programs under this title. They are as follows:

(1) Financial assistance extended may include funds for a reasonable allowance for attendance at meetings of any community action agency governing board, neighborhood council, or committee to assure the maximum feasible participation of members of the groups and residents of the area served, and to provide reimbursements of actual expenses connected with those meetings. However, allowance may not be paid to any individual who is a Federal, State, or local government employee, or an employee of a community action agency, or for payment to any person for attendance at more than two meetings a month.

(2) No employee engaged in carrying out community action program activities may be compensated from funds so provided at a rate in excess of $15,000 per annum. Any amount paid to such an employee in excess of $15,000 per annum shall not be included in determining whether the non-Federal share requirements have been complied with. However, the Director may provide for exceptions in cases where, because of the need for specialized or professional skills or prevailing local wage levels, application of this restriction would greatly impair program effectiveness or otherwise be inconsistent with the purposes sought to be achieved.

(3) The section prohibits any officer or employee of the Community Action Administration from serving as a member of a board, council, or committee of any agency serving as grantee, contractor, or delegate agency in connection with a program receiving financial assistance under this title. However, this prohibition does not extend to a board, council, or committee which does not have any authority or powers in connection with a program assisted under this title.

(4) In projects or activities in the field of family planning, services must be made available to all low-income individuals who are eligible for such assistance under criteria established by the grantee and who desire such information, assistance, and supplies. However, no individual may be provided with any information, medical supervision, or supplies which that individual indicates is inconsistent with his or her moral, philosophical or religious beliefs, and no individual will be provided with any medical supervision or supplies unless he or she has voluntarily requested such medical supervision or supplies. In no case shall the use of family planning services assisted under this part be a prerequisite to the receipt of services from or participation in any other programs under this act.

(5) No financial assistance may be extended under this title to provide general aid to elementary or secondary education in any school or school system. This limitation, however, does not prohibit the provision of special, remedial, and other noncurricular educational assistance.

(6) In extending assistance under this title the Director shall give special consideration to programs which make a maximum use of existing schools, community centers, settlement houses, and other facilities during times they are not in use for their primary purpose.

(7) No financial assistance may be extended in any case in which the Director determines that the cost for administering programs under this title exceeds 15 percent of the total costs.

(8) The Director shall assure that community action funds are distributed on an equitable basis in any community so that all segments of the low-income population are being served.

Section 145. Incentive Grants: Provides funds for incentive grants to community action agencies or public or private nonprofit agencies for new programs or to supplement existing programs. Funds for this purpose will be on a 50/50 matching basis; local and State matching shares to be in cash, newly obligated.

TITLE II—SPECIAL PROGRAMS TO COMBAT POVERTY IN RURAL AREAS

Part A—Rural Loan Programs

Section 211. Statement of Purpose: This section states that it is the purpose of the part to meet some of the special problems of low-income rural families by establishing a program of loans.

Section 212. Loans to Families: This section contains the basic authority for the Director to make grants and loans to low-income rural families.

Grants can be made under this section to low-income rural families where in the Director's judgment such grants have a reasonable possibility of effecting a permanent increase in the family income by assisting or permitting them to do one of the following things:

(1) Acquire or improve real property or reduce encumbrances or erect improvements thereon.

(2) Operate or improve the operation of farms, not larger than family sized, including but not limited to the purchase of feed seed, fertilizer, livestock, poultry, and equipment.

(3) Participate in cooperative associations and/or finance non-agricultural enterprises which will enable such families to supplement their income.

The maximum grant which may be made under this provision to any family is $1,500.

The Director is also authorized to make loans to low-income rural families to finance nonagricultural enterprises which will enable such families to supplement their income. The aggregate amount which may be loaned to a family under this provision is $3,500. These loans will have a maximum maturity of 15 years.

It should be noted that grants under this section can be made only if the family is not qualified to obtain such funds by loan under other Federal programs.

Section 213. Cooperative Association. The section authorizes the Director to make loans to local cooperative associations furnishing essential processing, purchasing, or marketing services, supplies, or families predominantly to low-income rural families.

Section 214. Limitations on Assistance: No financial or other assistance may be provided under this part unless it will materially further the purposes of this part, and, in the case of assistance provided for family farm development cooperations and cooperative associations, the applicant is fulfilling or will fulfill a need for services, facilities, or activities which is not otherwise being met.

Section 215. Loan Terms and Conditions: Loans made under this part will have such terms and conditions as the Director will determine. However, there must be a reasonable assurance of repayment of the loan; credit must not otherwise be available on reasonable terms from private sources or other Federal, State, or local programs; the amount of the loan, together with other funds available, must be adequate to assure completion of the project or achievement of the purposes for which the loan is made; the loan must bear interest at a rate not less than a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes, the loan must be repayable within not more than 30 years if it is a loan to a cooperative association. It is also provided that none of the assistance under this part can be provided to or in connection with any corporation or cooperative organization for the production of agricultural commodities or for manufacturing purposes.

Section 216. Revolving Fund:

Subsection (a).—This section authorizes the establishment of a revolving fund to enable the Director to carry out the lending and guarantee functions authorized under this part. The capital of the fund will consist of such amounts as may be advanced to it by the Director from funds appropriated pursuant to this legislation and will remain available until expended.

Subsection (b).—The Director is required to pay into miscellaneous receipts of the Treasury at the close of each fiscal year interest on the capital of the fund at a rate determined by the Secretary of the Treasury. In fixing such rates the Secretary of the Treasury shall take into consideration the average market yield on outstanding Treasury obligations of comparable maturity.

Subsection (c).—When any capital in the fund is determined by the Director to be in excess of current needs, it shall be credited to the appropriation from which advanced where it shall be held for future advances in accordance with the terms of such appropriation.

Subsection (d).—Receipts from any lending and guarantee operations under this legislation, except operations under Title III carried on by the Small Business Administration, will be credited to the fund. The fund will be available for the payment of all expenditures of the Director for loans, participations, and guarantees authorized under this part.

Part B—Assistance for Migrant and Other Seasonally Employed Farmworkers and Their Families

Section 221. Statement of Purpose: This section states the purpose of the part is to assist migrant and seasonal farmworkers and their families to improve their living conditions and develop skills.

Section 222. Financial Assistance: The Secretary of Labor is authorized to provide financial assistance to programs which may (1) meet the immediate needs of migrant and seasonal farmworkers and their families; (2) promote increased community acceptance of these workers and their families; provide opportunities for education and training through available Government employment or training programs.

Section 223. Limitations on Assistance: This section requires applicant to maintain prior level of effort in similar activities, and requires the Secretary of Labor to assure coordination of this program with other programs or activities providing assistance to the persons and groups served.

Section 224. Technical Assistance, Training, and Evaluation: This section authorizes the Secretary of Labor to provide technical assistance or training of personnel to implement the purposes of this part.

TITLE III—EMPLOYMENT AND INVESTMENT INCENTIVES

Section 301. Statement of Purpose: It is the purpose of this title to assist in the establishment, preservation and strengthening of small business concerns and to improve the managerial skills employed in such enterprises, with special attention to small business concerns located in urban or rural areas with high proportion of unemployed or low-income individuals or owned by low-income individuals; and to mobilize private as well as public managerial skills and resources.

Section 302. Loans, Participations, and Guaranties: This section authorizes the Administrator of the Small Business Administration to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than 15 years, to any small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632)) and regulations issued thereunder or to any qualified person seeking to establish such a concern, when he determines that such loans will assist in carrying out the purposes of this part, with particular emphasis on employment of the long-term unemployed. No such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $50,000. The Administrator of the Small Business Administration may defer payments on the principal of such loans for a grace period and use such other methods as he deems necessary and appropriate to assure the successful establishment and operation of such concern. The Administrator of the Small Business Administration may, in his discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Administrator of the Small Business Administration. The Administrator of the Small Business Administration shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns.

Subsection (b) confers the powers under section 602 to the Administrator of the Small Business Administration to carry out programs in this title.

Subsection (c) requires the Administrator of the Small Business Administration to provide for continuing evaluation of programs under this section.

Section 303. Loan Terms and Conditions: This section provides that loans made pursuant to section 302, including immediate participations in and guarantees of such loans must have such terms and conditions as the Director shall determine subject to the six limitations—

(a) there is reasonable assurance of repayment of the loan;

(b) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

(c) the amount of the loan, together with other funds available is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes. The rate of interest on loans made in redevelopment areas designated under the Area Redevelopment Act (42 U.S.C. 2501 et seq.) shall not exceed the rate currently applicable to new loans made under section 6 of that act (42 U.S.C. 2505); and

(e) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guarantees.

Section 304. Distribution of Financial Assistance: This section requires that the Administrator of the Small Business Administration assure that in any fiscal year at least 50 percent of the loans are granted small business concerns located in urban areas having high concentration of unemployed or low-income individuals or to such concerns owned by low-income individuals. The Director and the SBA are to jointly define the meaning of "low income" as it applies to owners of small business concerns. Such definition need not correspond with the definition of "low income" as used elsewhere in this legislation.

Section 305. Limitation on Financial Assistance: This section prohibits financial assistance which would be used in relocating business establishments from one area to another where such relocation would result in an increase in unemployment in the area of original location.

Section 306. Technical Assistance and Management Training: Subsection (a) authorizes the Administrator of the Small Business Administration to provide financial assistance to public or private agencies for projects to provide technical and management assistance to individuals and enterprises eligible for assistance, with special attention to small businesses located in urban areas of high-poverty concentration and small businesses owned by low-income individuals.

Subsection (b) authorizes financial assistance for projects including planning, research, feasibility studies and market research, identification and development of new business opportunities, and stimulation of new private capital resources, the furnishing of centralized services, the establishment and strengthening of business services agencies, including trade associations and cooperatives, encouragement of placement subcontracts by major businesses with small business concerns located in high-poverty concentration urban areas, including the furnishing of incentives and assistance to train and upgrade potential subcontractors and the furnishing of business counseling, management training, legal and other related services with special emphasis upon management training programs using the resources of the business community, including the development of management training opportunities in existing businesses.

Subsection (c) requires that the Secretary of Commerce give preference to projects promoting the ownership, participation in ownership, or management of small business concerns by residents of urban areas with high concentration of unemployed or low-income individuals, and to projects planned and carried out with a participation of local businessmen.

Subsection (d) requires that, to the extent feasible, services be provided in a location easily accessible to the individuals and small businesses served.

Subsection (e) requires that the Secretary of Commerce take steps to assure that contracts, subcontracts, and deposits are placed in such a way as to further the purposes of title III.

Subsection (f) requires that the Secretary of Commerce provide continuing program evaluation and that the results of such evaluation be published in the annual report of that Director.

Subsection (f) authorizes the President to transfer any of the functions under this section to the Secretary of Commerce.

Subsection (g) requires the Administrator of the Small Business Administration to provide independent and continuing evaluations of programs under this section.

Section 307. Government Contracts: This section directs the Administrator of the Small Business Administration, in coordination and cooperation with the heads of other Federal departments and agencies, to assure that contracts, subcontracts and deposits aided by Federal funds are placed to further the purposes of this title.

TITLE IV—WORK EXPERIENCE, TRAINING, AND DAY CARE PROGRAMS

Part A—Work experience and training programs

Section 411. Statement of Purpose: The purpose of this part is to expand the opportunities for constructive work experience and other needed training available for persons who are unable to support or care for themselves or their families.

Section 412. Transfer of Funds: This section authorizes the Director to transfer funds to make payments under section 1115 of the Social Security Act, and to reimburse the Secretary of Labor for activities described in the Comprehensive Employment and Training Act.

Section 413. Limitations on Work Experience and Training Programs:

Subsection (a) of this section provides that provisions of paragraphs (1) to (6) of section 409 of the Social Security Act, unless otherwise inconsistent, will be applicable with respect to programs assisted under part A of this title.

Subsection (b) limits participation of individuals in work experience and training programs to 36 months.

Subsection (c) limits allocation of funds for this part for any one State to 12½ percent. It also provides that no more than 80 percent of the costs of projects or activities under section 412 may be paid from funds appropriated or allocated for this part.

Section 414. Transition: This section provides for joint evaluation and approval of training and work experience aspect of each project or program by the Secretary of Health, Education, and Welfare and the Secretary of Labor. With the concurrence of the Secretary of Labor, the Secretary of Health, Education, and Welfare may renew existing projects and programs or develop or provide new projects or programs to accomplish the purposes of this part and of the Comprehensive Employment and Training Act of 1973 and may develop and provide other work experience and training programs which the Secretary of Labor is unable to provide after being given reasonable notice and opportunity to do so.

Part B—Day care projects

Section 421. Statement of Purpose: The purpose of this part is to provide day care for children to enable parents or relatives of such children to obtain basic education, vocational training, or gainful employment.

Section 422. Financial Assistance for Day Care Projects: This section authorizes the Director to provide up to 90 percent of the costs of planning, conducting, administering and evaluating day care projects. Non-Federal contributions may be in cash or in kind. Assistance may be provided to employers, labor unions, or to joint employer-union organizations. The Director may require a family which is not low-income to make payments for day care services provided under this program. The Director may provide technical assistance or training for the initiation or effective operation of programs under this part. The Director is directed to coordinate programs under his jurisdiction and other programs under the Department of Health, Education, and Welfare which provide day care and to develop a common set of program standards and regulations. The Director shall designate an agency or independent public or private organization to conduct a thorough evaluation of projects funded under this subpart to determine the extent to which the day care provided increased the employment of the parents and relatives served; up to 100 percent of the costs of such study may be paid by the Director.

TITLE V—EVALUATION, RESEARCH AND DEMONSTRATION

Part A—Evaluation

Section 511. Comprehensive Evaluation of Programs: This section provides for the continuing evaluation of programs authorized under this legislation and related acts. The Director is authorized to make arrangements for independent evaluations of poverty programs or projects and is required to publish standards for evaluation of program effectiveness. The Director may require community action agencies to provide independent evaluations.

Section 512. Cooperation of Other Agencies: Federal agencies administering programs related to this legislation are required to cooperate with the Director in the conduct of evaluations and to provide the Director with statistical data and program reports on program operations and effectiveness.

Section 513. Consultation: This section requires the Director to obtain the opinions of program participants and to consult with State agencies to provide for jointly sponsored evaluation studies.

Section 514. Publication of Evaluation Results: This section requires the Director to publish summaries of evaluations within 60 days of completion of evaluations; to assure that evaluations, studies, data, and so forth become property of the United States; and to summarize the results of evaluation studies in the annual report required by section 609.

Section 515. Evaluation by Other Administering Agencies: The heads of agencies administering programs authorized by this legislation are required to conduct evaluations to the same extent and in the same manner as the Director. The Director may conduct independent evaluations with respect to such programs.

Part B—Research and Demonstration Projects

Section 521. Assistance for Projects: Subsection (a) of this section permits the Director to contract or provide financial assistance for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this legislation. The Director may also contract or provide financial assistance for research pertaining to the purposes of this legislation.

Under subsection (b), the Director is required to establish an overall plan to govern the approval of pilot and demonstration projects and the use of all research authority under this title. The plan must set forth specific objectives to be achieved and priorities among such objectives. In formulating the plan the Director must consult with other Federal agencies for the purpose of minimizing duplication or determining if results of activities under this section may be incorporated into one or more programs for which those agencies are responsible. A description of the activities under this section must be submitted in the annual report required by section 609 or in a separate report.

Subsection (c) provides that no more than 15 percent of the funds appropriated or allocated to this title in any fiscal year shall be used for pilot or demonstration projects or research projects authorized by this section.

Subsection (d) requires approval of demonstration project by the community action agency or governing body within 30 days of submission of the project plan. If disapproved, the Director may reconsider the plan.

Subsection (e) authorizes the Director to carry out demonstration projects related to elderly persons, rural poverty, prevention or rehabilitation of narcotic addicts or which encourages participation of private organizations.

Subsection (f) authorizes the Director to conduct research and demonstration projects for more effective use of human and natural resources and to slow the migration from rural areas due to lack of economic opportunity. Such projects may be jointly operated with other federally assisted programs.

TITLE VI—ADMINISTRATION AND COORDINATION

Part A—Administration

Section 601. Establishment of Community Action Administration: This Section establishes the Community Action Administration under the Secretary of Health, Education, and Welfare. The Director of the Administration shall be appointed by the President and confirmed by the Senate.

Section 602. Authority of the Director: This section authorizes the Director to appoint personnel, employ experts and consultants or organizations; appoint advisory committees; reimburse heads of other Federal agencies for performance of any of the provisions of this act and delegate any of his functions under this act; utilize the services and facilities of Federal and State or local agencies without reimbursement; accept money or property in the name of the administration; accept voluntary and uncompensated services; allocate, or transfer funds to other Federal agencies, funds available under this act; disseminate information to public agencies, private organizations and the general public; adopt an official seal; collect or compromise all obligations held by him; to dispose of property acquired in connection with loans and guarantees made under title II and title III; expend funds for printing and binding, rent of buildings and repair or improvement of space or buildings; establish policies, standards, rules and regulations, and so forth and make such payments necessary or appropriate to carry out the provisions of this legislation.

Section 603. Political Activities: This section prohibits the use of program funds to influence the outcome of any Federal election or voter registration activity or to pay any officer or employee of the administration who engages in his official capacity in such activity. Program funds shall not be used to identify the program with any partisan or nonpartisan political activity or voter registration activity. Community Action Agencies are deemed to be State or local agencies for purposes of chapter 15 of title 5 of the United States Code, and any agency receiving assistance under this act shall be deemed a State or local agency for purposes of clauses (1) and (2) of section 1502(a) of such title.

Section 604. Appeals, Notice and Hearing: This section provides for appeal, notice and hearing procedures in the event that an application for a community action agency has been rejected or financial assistance may be terminated because of failure to comply with applicable terms and conditions.

Section 605. Advisory Councils: This section establishes a National Advisory Council on Community Services and a National Voluntary Service Advisory Council to advise the Director with respect to policy matters and make recommendations on the operation of programs under this legislation.

Section 606. Announcement of Research or Demonstration Contracts: This section requires public announcement within 30 days of research or demonstration projects and publication within 30 days of the results of such activities.

Section 607. Labor Standards: This section provides that all laborers and mechanics employed by contractors or subcontractors in the construction, alteration or repair of projects, buildings and works assisted under this legislation will be paid not less than prevailing wages on similar construction activity as determined by the Secretary of Labor in accordance with the Davis-Bacon Act.

Section 608. Audit: This section requires contractors, subcontractors or grantees to keep records to facilitate an effective audit and provides the Director with access to such records for 3 years after completion of project.

Section 609. Reports: This section requires the Director to submit a report within 120 days after the end of each fiscal year on the activities of the Administration and on those programs authorized by this legislation but administered by other Federal agencies.

Section 610. Programs for the Elderly Poor: This section directs the Director to conduct investigations, review programs, initiate interagency liaison, and make recommendations with regard to the special problems of the elderly poor.

Section 611. Comparability of Wages: This section requires that persons employed in programs under title I be compensated at a comparable rate to that paid to persons performing similar services in the area where the program is carried out. The Director is required to provide a list of all such persons who receive an annual salary of $10,000 or more and is restricted from paying more than 20 percent above such individual's previous salary rate.

Section 612. Limitation on Benefits for Those Voluntarily Poor: This section stipulates that individuals whose poverty results from refusal to seek or accept employment shall not be eligible for benefits under this legislation on account of poverty.

Section 613. Joint Funding: This section provides for a single Federal agency to administer a program and a single local share to be established in the event that funds are advanced for a single project by more than one Federal agency.

Section 614. Prohibition of Federal Control: This section prohibits direction, supervision or control over the curriculum, personnel, and so forth of any education institution or school system.

Section 615. Limitation with Respect to Certain Unlawful Activities: This section prohibits individuals employed under this act from engaging in any unlawful demonstration, rioting or civil disturbance.

Section 616. Transfer of Funds: This section authorizes the Director to transfer up to 20 percent of the appropriation for any program to carry out any other program or activity under this legislation.

Section 617. Limitations on Federal Administrative Expenses for Any Fiscal Year: This section restricts the total administrative expenses under the act to 10 percent of the total amount authorized to be appropriated for that year.

Section 618. Private Enterprise Participation: This section authorizes the Director to utilize the resources of private enterprise to the maximum feasible extent in programs under this legislation.

Section 619. Advance Funding: This section authorizes funds to be appropriated in the year preceding the fiscal year for which they are to be obligated.

Section 620. Poverty Line: This section provides that every agency administering programs authorized by the act which utilize the poverty line as a criterion of eligibility shall revise the poverty line at annual or shorter levels and that such revisions shall reflect changes in the Consumer Price Index.

Section 621. Notice and Hearing Procedures for Suspension and Termination of Financial Assistance: This section provides for termination of payments under contract or grant due to failure to comply with terms and conditions of such contract or grant.

Section 622. Duration of Program: This section authorizes the programs under this legislation for fiscal year 1975 and the 3 succeeding fiscal years.

Section 623. Distribution of Benefits Between Rural and Urban Areas: This section requires equitable distribution of benefits and services under this legislation between residents of rural and urban areas.

Part B—Coordination

Section 631. Responsibilites of the Drector: This section requires that the Director undertake special studies of coordination problems, consult with interested agencies and groups and to prepare a 5-year national poverty plan.

Section 632. Cooperation of Federal Agencies: This section requires that Federal agencies administering programs which are related to this legislation shall cooperate with the Director and Council, assist in carrying out the provisions of this legislation and supply such data as may be requested by the Director and the Council.

Section 633. Combinations Among Protests and Programs: This section requires that the Director ensure that programs which are conducted under this act supplement one another, are conducted in collaboration with community action programs, and maintain a continuing review of this section.

Section 634. Information Center: This section provides that the Director establish an information center, publish and maintain a catalogue of programs in furtherance of this legislation and promptly distribute appropriate information to State and local agencies.

Section 635. Special Responsibilities; Training Programs: This section stipulates that the Director, the Secretary of Labor, and the heads of all other departments and agencies concerned are responsible for the coordination and implementation of programs and activities which train persons to improve or restore their employability; further describes the responsibilities of the Secretary of Labor.

TITLE VII—HEADSTART-FOLLOW THROUGH

Section 701. Short Title: This section provides that this title be cited as the "Head Start-Follow Through Act".

Section 702. Statement of Purpose: This section provides for the extension of authorization of appropriations of funds for Head Start and Follow Through.

Part A—Program authority and requirements

Section 711. Authorization of Head Start Program: This section authorizes the Secretary of HEW to provide financial assistance to eligible agencies which provide comprehensive health, educational, and other social services and which provide for the direct participation of parents.

Section 712. Authorization of Appropriations: This section authorizes an appropriation level of $500 million for fiscal year 1975, $525 million for fiscal year 1976 and $550 million for fiscal year 1977.

Section 713. Allotment of Funds; Limitation on Assistance: This section establishes limitation on funds available to territories; establishes discretionary fund of the Secretary; allots funds to States on the basis of number of poor children; limits assistance to 20 percent of approved costs; provides that services must be in addition to comparable available Federal services; that 10 percent of program participants must be handicapped; and requires equitable distribution of services between rural and urban areas.

Section 714. Designation of Grantees: This section designates grantees as those public and private agencies which are determined by the Secretary to be capable of meeting the purposes of this act. Defines community as one in which there is a suitable organization base and a commonality of interests.

Section 715. Required Powers and Functions of Head Start Agencies: This section defines powers and functions of Head Start Agencies; authorizes them to receive and administer Head Start funds under the provisions of this part; provides for parental and community involvement in the conduct of programs and technical assistance and training.

Section 716. Submission of Plans to Governors: This section provides for submission of program plans to Governors for prior approval and, if disapproved, for reconsideration by the Secretary.

Section 717. Administrative Requirements and Standards: This section establishes requirements for the standards of organization, management and administration which will ensure the purposes of this part; limits program administration and development costs to 15 percent of total program costs; requires the publication of rules and regulations which are to be promulgated by the Secretary.

Section 718. Poverty Line: This section provides for the establishment of an appropriate poverty level by the Secretary.

Section 719. Appeals, Notice and Hearing: This section provides for timely notice of appeals by agencies whose request for funding has been denied; adequate notice prior to termination of funding and a full and fair hearing prior to the termination of funding.

Section 720. Records and Audit: This section requires the maintenance of adequate financial records by delegate agencies and their accessibility by Government auditors.

Section 721. Technical Assistance and Training: This section authorizes the Secretary to provide technical assistance and training.

Section 722. Research and Demonstration Programs: This section authorizes the Secretary to contract or to provide financial assistance to public or private agencies for pilot or demonstration programs; to establish guidelines for their approval.

Section 723. Announcement of Research or Demonstration Contracts: This section directs the Secretary to make public announcements of information concerning research and demonstration contracts within 30 days.

Section 724. Evaluation: This section requires that the Secretary provide for the continuing evaluation of programs conducted under this part; to publish standards of evaluation and authorizes him to require delegate agencies to conduct independent evaluations.

Section 725. Definitions: This section defines terms.

Section 726. Labor Standards: This section provides that wages and salaries of laborers and mechanics shall be in accordance with Davis-Bacon Act.

Section 727. Comparability of Wages: This section requires the Secretary to ensure that salaries are not in excess of prevailing rates of compensation in communities for comparable responsibilities.

Section 728. Nondiscrimination Provisions: This section prohibits discrimination.

Section 729. Limitation With Respect to Certain Unlawful Activities: This section prohibits participation of Headstart employees with respect to certain unlawful activities.

Section 730. Political Activities: This section provides that agency which is responsible for planning, developing, and coordinating Headstart programs shall be regarded as a State or local agency; prohibits political activities from partisan political activities and voter registration.

Section 730. Political Actiivties: This section provides for advance funding to afford adequate notice of funding available under this part.

Part B—Follow Through Projects

Section 751. Grantees, Nature of Projects: This section authorizes the Secretary to provide financial assistance to appropriate agencies, organizations, and educational institutions in order that they may conduct Follow Through programs which will serve primarily children from low income families who were previously enrolled in Headstart and are currently enrolled in kindergarten and primary grades. Further provides that projects must provide comprehensive services which, in the judgment of the Secretary, will aid the continued development of these children.

Section 752. Authorization of Appropriations: This section authorizes $60 million for FY 1975 and each of the next two fiscal years. Limits Federal assistance to 80 percent of approved program costs with a waiver provision; requires that project services supplement, not serve as a substitute for existing services.

Section 753. Research and Demonstration, Evaluation, and Technical Assistance Activities: This section authorizes the Secretary, by contract or grant to provide for pilot or demonstration programs, program evaluation and technical assistance and training in furtherance of the purposes of this part.

Section 754. Advance Funding: This section provides for advance funding in order to afford adequate notice of funding available under this part.

Section 755. General Provisions: This section generally provides that grantees should make maximum employment opportunities available to parents of program participants and to community residents; provides for adequate notice and fair hearings prior to suspension of grants.

TITLE VIII—NATIVE AMERICANS

Section 801: This section would provide that this title may be cited as the "Native American Program Extension Act of 1974".

Section 802. Statement of Purpose: This section provides that the purpose of this title is to promote the goal of enabling American Indians and Alaskan Natives to become fully self-sufficient.

Section 803. Financial Assistance for Native American Projects: This section authorizes the Secretary of Health, Education, and Welfare to provide financial assistance to public and nonprofit private agencies for projects pertaining to the purposes of this title. Federal assistance would be equal to 80 percent of the cost of an assisted project, unless a higher percentage was authorized by the Secretary. Federal assistance could not be used to replace programs previously funded without Federal assistance, except as authorized by the Secretary.

Section 812. Technical Assistance and Training: This section authorizes the Secretary to provide technical assistance and training in connection with the provision of financial assistance under this title.

Section 813. Research and Demonstration Projects: This section authorizes the Secretary to support pilot, demonstration, and research projects pertaining to the purposes of this title.

Section 814. Announcement of Research or Demonstration Contracts: This section requires the public announcement of information relating to research and demonstration projects, except in certain circumstances.

Section 815. Submission of Plans to State and Local Officials: This section requires that the governing body of an Indian reservation or Alaskan Native village must be given the opportunity to disapprove any project under section 811 or pilot or demonstration project under section 813 to be carried out on the reservation or in the village. The bill would require that State and local officials be notified of any project under section 811 or pilot or demonstration project under section 813 to be carried out in their jurisdictions, other than on an Indian reservation or in an Alaskan Native village.

Section 816. Records and Audit: This section authorizes the Secretary to prescribe record-keeping requirements for agencies receiving assistance under this part and would provide for access to the records and books of any such agency.

Section 817. Appeals, Notice, and Hearing: This section imposes notice and hearing requirements in connection with the suspension or termination of assistance, or the denial of refunding, under section 811.

Section 818. Evaluation: This section requires the Secretary to provide for the continuing evaluation of projects assisted under this part.

Section 819. Labor Standards. This section makes the Davis-Bacon Act applicable to construction activities assisted under this part.

Section 820. Criminal Provisions: This section prescribes criminal penalties for embezzlement, theft, fraud, and bribery related to projects assisted under this part.

Section 821. Delegation of Authority: This section authorizes the Secretary to delegate his duties and authorities under this part to other Federal agencies.

Section 822. Definitions: This section contains definitions of terms used in this part.

Section 833. Authorization of Appropriations: This section authorizes the appropriation of such sums as are necessary to carry out this part for fiscal year 1975.

TITLE IX—COMPREHENSIVE HEALTH SERVICES

Section 901. Comprehensive Health Services: This section directs the Secretary of HEW to establish a Comprehensive Health Services program which would develop health services in those areas of poverty in which existing health services are inadequate; assure that these services are available to, responsive to and involve low income persons; subject to certain financial conditions. This section also provides for programs to assist public and private agencies in the training of personnel for the delivery of health services to the poor.

TITLE X—HUMAN SERVICES POLICY RESEARCH

Section 1001. Short Title: This section provides that this title may be cited as the "Human Services Policy Research Act of 1974."

Section 1002. Statement of Purpose: This section provides that the purpose of this act is to stimulate the better focusing of public and private resources upon the goal of enabling low income persons to become self-sufficient.

Section 1011. Research and Pilot Programs: This section authorizes the Secretary of HEW to provide financial assistance to public and private agencies for the conduct of research, evaluation, pilot or demonstration programs in furtherance of the purposes of this act; to establish guidelines for project approval; requires that pilot or demonstration projects be subject to the approval of State and local officials.

Section 1012. Consultation: This sesction authorizes the Secretary, in conducting evaluations under the act, to involve program participants, when possible to provide for joint evaluations with State and local officials and to consult with Federal officials in related activities.

Section 1013. Announcement of Research, Demonstration and Evaluation Contracts: This section requires public announcements of information relating to grants and contracts and establishes conditions within 30 days, provides that results are property of Federal Government, and for publication of summaries of related activities.

Section 1014. Nondiscrimination Provisions: This section prohibits discrimination.

Section 1015. Prohibition of Federal Control: This section prohibits Federal control over the activities academic program of educational institutions.

Section 1016. Definitions: This section defines terms.

Section 1017. Authorization of Appropriations: This section authorizes such sums as may be necessary for fiscal year 1975 and the following 2 years.

TITLE XI—COMMUNITY ECONOMIC DEVELOPMENT

Section 1100. Short Title: This section provides that this title may be cited as the "Community Economic Development Act of 1974".

Section 1101. Congressional Findings and Statement of Purpose: This section finds that substantial numbers of minority group members and low-income whites have been denied access to the economic and social mainstream of American life; calls for the establishment of direct and indirect financial assistance to develop the total economic and social well-being of low-income communities, to provide technical and managerial assistance, and to provide financial assistance to community development corporations and cooperatives.

Part A—Minority business assistance

Section 1111. Definitions: This section defines terms used in this title.

Section 1112. Technical and Management Assistance: This section authorizes the Secretary of Commerce to provide financial assistance to individuals, partnerships, corporations, and other entities, and to States and subdivisions of States to (1) assist them to provide management and technical assistance to minority business enterprises and (2) to assist in developing community support for minority business enterprises.

Part B—Community Economic Development

Section 1121. Congressional Statement of Purpose: This section states that the purpose of this part is to encourage special urban and rural programs of economic and social improvement.

Section 1122. Statement of Purpose: This section states that the purpose of this part is to establish special programs of assistance to private locally initiated community corporations and related nonprofit agencies which are directed to the solution of critical problems existing in particular communities or neighborhoods, are of sufficient size, scope and duration to have an appreciable impact in such communities, neighborhoods and rural areas and have the prospect of continuing such an impact after termination of financial assistance under this part.

Section 1123. Establishment of Programs: This section authorizes the Director to provide financial assistance to community development corporations and to cooperatives and other nonprofit agencies for the costs of programs under this part. Programs may include economic and business development programs, community development and housing activities, manpower training programs assisted under this part are to contribute on an equitable basis between urban and rural areas to the elimination of poverty and the establishment of permanent economic and social benefits in such areas.

Section 1124. Financial Assistance Requirements—Regulations; Conditions:

Subsection (a) of this section provides requirements for funding projects under this subpart. These requirements are: (1) that the community development corporation is responsive to residents of the area under guidelines established by the Director; (2) projects and related facilities will be located in the area served; (3) will promote the development of entrepreneurial and management skills and ownership by residents of the area served; (4) projects will be planned and carried out with maximum participation of local businessmen and financial institutions; (5) the program will be appropriately coordinated with local planning under this act and the Demonstration Cities and Metropolitan Development Act of 1966 and other relevant planning of the areas served; (6) no participant will be employed in projects involving political parties or facilities used for sectarian instruction or place of worship; (7) will not result in displacement of employed workers or result in substitution of Federal for other funds; (8) will establish appropriate rates of pay for work-training and education; (9) will contribute to the occupational development of individual participants; (10) will give preference to low-income residents of areas served in filling jobs and training opportunities; and (11) training programs shall be designed to provide skills which are in demand in communities, neighborhoods or rural areas other than those for which programs are established under this part.

Subsection (b) stipulates that establishments shall not be shifted from one location to another if that shift results in higher unemployment in the original area.

Subsection (c) states that financial assistance for related purposes under this act to the area served by a special impact program shall not be reduced in order to substitute funds authorized by this part.

Section 1125. Application of Other Federal Resources:

Subsection (a) permits community development corporations to use funds granted under this part as private paid-in capital for small business investment company and local development corporation programs of the Small Business Administration. This subsection also provides that the Small Business Administration prescribe regulations to insure that its programs assist community development corporations.

Subsection (b) designated areas selected for assistance as "redevelopment areas" within the meaning of section 401 of the Public Works and Economic Development Act of 1965. This subsection also provides that the Secretary of Commerce prescribe regulations to insure that its programs assist community development corporations.

Subsection (c) requires the Secretary of Housing and Urban Development to assure that community development corporations qualify as sponsors under the Housing and Urban Development Act of 1968 and the National Housing Act of 1949; to assure that land for housing and business location is available under the Housing Act of 1949; and that funds are available under section 701(b) of the Housing Act of 1954.

Subsection (d) provides that the Director shall take steps to assure that contracts and deposits by the Federal Government are placed in such a way as to further the purposes of this part.

Subsection (e) requires that the Director make an annual report on all Federal agency programs which are relevant to the purposes of this part.

Subsection (f) requires the Secretary to coordinate with heads of other Federal agencies to assure that Federal contracts further the purposes of this part.

Subsection (g) requires the Secretary to submit to Congress a detailed report on Federal programs relevant to the purposes of this part, including recommendations for more effective utilization of Federal programs.

Section 1126. Federal Share of Program Costs: This section provides up to 90 percent of the cost of programs pursuant to this part. Non-Federal contributions may be in cash or in kind.

Subpart I—Rural Program

Section 1127. Congressional Statement of Purpose: This section states that it is the purpose of this subpart to support self-help programs in rural areas with substantial numbers of low-income persons as a supplement to other Federal programs.

Section 1128. Financial Assistance—Low-Income Rural Families; Amount:

Subsection (a) of this section authorizes the Secretary to provide financial assistance including loans to low-income rural families to effect a permanent increase in the families' incomes or improvement in living or housing conditions. Such loans will have a maximum maturity of 15 years for not more than $3,500.

Subsection (b) provides financial assistance to local cooperative associations in rural areas for establishing and operating cooperative programs.

Section 1129. Limitation on Assistance: This section establishes conditions for financial assistance including number of low-income members in cooperative association receiving assistance, provision for adequate technical assistance, applicant is fulfilling need not already met. Funds under this subpart shall not be used to substitute funds for related purposes under this legislation.

Subpart II—Support Programs

Section 1130. Training and Technical Assistance: This section authorizes the Secretary to provide technical assistance to community development corporations and both urban and rural cooperatives, and training for employees of community development corporations and employees and members of urban and rural cooperatives.

Section 1131. Development Loan Fund: This section authorizes the Secretary to make or guarantee loans for business, housing and community development projects. Loans may not be made unless there is a reasonable assurance of repayment, the loan is not otherwise available, the amount of the loan is adequate to assure completion of the project. All loans shall be at a rate of interest to be determined by the Secretary of the Treasury, though the Director may set a lower rate for the first 5 years of indebtedness. All loans are repayable within 30 years.

This section also establishes a development loan fund to carry out the lending and guarantee functions under this subpart.

Section 1132. Evaluation and Research; Report to Congress: This section requires each program to provide for a thorough evaluation of the effectiveness of the program in achieving its purposes. The Director shall conduct research to suggest new programs and policies to achieve the purposes of this part, and shall report to Congress within 90 days of enactment.

Part C—Administration

Section 1141. Appointment of Assistant Secretary of Commerce: This section calls for the creation of the position of Assistant Secretary of Commerce to administer this legislation who shall be appointed by the President with the advice and consent of the Senate.

Section 1142. Transfer of Personnel: This section provides that personnel administering Title VII of the Economic Opportunity Act of 1964 shall be transferred to the Department of Commerce.

Section 1143. Regulations: This section authorizes the Secretary to issue appropriate regulations relating to the purposes of this legislation.

Section 1144. Appeals, Notice and Hearings: This section provides procedures for hearings in the event financial assistance under Part B of this title is suspended or terminated.

Section 1145. Records and Audit: This section requires recipients of assistance under this legislation to maintain adequate records and provide the Secretary and the Comptroller General access to such records.

Section 1146. Congressional Review: This section provides for a joint study by the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor regarding the appropriate administrative agency for programs under this title and the extent to which programs meet the Nation's needs for community economic development. Such study shall be completed within one year after enactment.

Part D—Authorization of Appropriations

Section 1156. Authorization of Appropriations: This section authorizes such sums as may be necessary for carrying out programs under Part A and Part B of this legislation for the fiscal years 1975, 1976, and 1977.

TITLE XII—AUTHORIZATION OF APPROPRIATIONS

Section 1201. Authorization of Appropriations: Except where otherwise indicated, this section authorizes such sums as may be necessary for fiscal year 1975 and the two succeeding years, except that there is authorized for local initiative (section 121) $330,000,000 for fiscal year 1975, and $50,000,000 for incentive grants (section 145) for fiscal year 1975.

Section 1202. Availability of Funds: This section provides that funds appropriated to carry out any program under this legislation shall remain available until expended.

TITLE XIII—GENERAL PROVISIONS

Section 1301. Definitions: This section defines terms—"Financial assistance," "Director," "State," "lower living standard budget," "poor" and "low income" persons.

Section 1302. Nondiscrimination: This section prohibits discrimination in any program assisted under this legislation.

Section 1303. Guidelines: This section provides that rules, regulations, guidelines, etc.

shall be published in the Federal Register at least 30 days prior to effective date.

Section 1304. Criminal Provisions: This section establishes criminal penalties for willful mishandling of funds, property or assets under this legislation and bribery.

Section 1305. Withholding Certain Federal Taxes by Antipoverty Agencies: This section provides for the withholding of certain Federal taxes by antipoverty agencies and the means by which the Director shall ensure such payments are made by agencies.

Section 1306. Repeal of Economic Opportunity Act of 1964: This section repeals the Economic Opportunity Act of 1964 and provides for successor responsibilities.

Section 1307. Effective Date: This section establishes effective date of this legislation as date of enactment.

Mr. Chairman, H.R. 14449 provides for a continuation of the Federal poverty effort through new authorizing legislation and a new administrative structure. The Economic Opportunity Act of 1964 is repealed, the Office of Economic Opportunity eliminated, and a new structure within the Department of Health, Education, and Welfare, a Community Action Administration, is created to administer the community action program and other service programs and to provide an innovative, evaluative, and coordinative approach to the Federal poverty effort.

In brief, the bill maintains most of the programs and provisions of the Economic Opportunity Act with these major changes:

The bill changes the level of Federal support for community action programs to 80 percent for fiscal year 1975, 70 percent for fiscal year 1976, and 60 percent for fiscal 1977. The present Federal support level is 80 percent. In order to alleviate the hardship which may be felt by some communities, the non-Federal share may be met on a statewide rather than individual CAA basis.

It establishes a new incentive grant program designed to encourage community action agencies to secure new local dollars.

The allotments formula for community action programs is modified to reflect the Orshansky poverty index as determined by 1970 census data.

It transfers the authority for the Head Start, Follow Through, Native Americans, Comprehensive Health Services programs to the Department of Health, Education, and Welfare.

It transfers the community economic development program to the Department of Commerce.

The migrant programs are transferred to the Department of Labor.

The bill provides authority in the Department of Health, Education, and Welfare for the human services policy research program.

It should be noted that five of the administration's proposals for authorizing programs are contained in this legislation: Head Start, Follow Through, Native Americans, community economic development, and human services policy research. These programs, which enjoy broad support among the public and within the administration, would be lost if this authorizing legislation is not enacted before the June 30 deadline.

It is no secret that I would have preferred, and the chairman of the Education and Labor Committee would have preferred, a simple extension of the Economic Opportunity Act and its administrative agency—the Office of Economic Opportunity. However, it became evident that with the administration's expressed opposition to continuing the agency and the community action program, it would be necessary to modify that desire and reach a position which could receive the bipartisan support necessary for enactment.

Discussions with committee members disclosed that the opposition to continuation of OEO was with the symbolism of the agency itself, and not with the community action program. As a result, the Subcommittee on Equal Opportunities developed a proposal with the agreement of its minority members to merge the OEO programs and the ACTION agency into a new independent agency within the Office of the President. The subcommittee further agreed to reduce, over the period of the authorization, the Federal share for community action.

These changes, however, were not sufficient to gain bipartisan acceptance within the full committee; so that a new proposal, one which placed the administration of community action and the remaining OEO programs in the Department of Health, Education, and Welfare, was introduced and approved by the Education and Labor Committee on April 30.

Although there was agreement among the committee members to transfer these programs to HEW, there was honest disagreement about the form which this transfer should take. The ranking minority member believed, and opposed the final committee approval of the bill on this point, that the programs would be merely transferred to the Secretary of HEW giving him the option to disperse the programs throughout the agency.

In placing the administration of these programs in HEW, the committee felt it imperative to assure continuity, visibility and accountability for the transferred programs. Although the dollar amount for Community Action is small compared with many HEW programs, it is involved in expenditures for poverty-related programs in more than 10 different agencies and departments, and should be provided with the administrative structure to coordinate and impact on these other programs.

The administration's position on OEO and Community Action during the past few years indicates that allowing the programs to scatter within the HEW bureaucracy will bring the rapid demise of the Federal poverty program and advocacy for the poor within the Federal Government.

The committee bill provides for the transfer of OEO employees to the new Community Action Administration in HEW without loss of salary, rank or other benefits, including the right to representation and existing collective-bargaining agreements. This provision merely seeks to clarify the employees' rights under this transfer of function to HEW and does not provide any special privileges not enjoyed by HEW employees.

Although the Community Action program is not a job program per se, one aspect of the controversy over its continuation which has, for the most part, been overlooked, is its favorable employment impact. Aside from the many thousands of jobs which have been generated through manpower programs administered by local Community Action agencies, some 185,000 individuals have benefited from direct employment by Community Action agencies and OEO programs.

Even the Emergency Employment Act, which at its height was funded at $2.5 billion, never generated over 180,000 jobs. The estimated number of jobs in public service employment through current Federal manpower programs is less than 200,000. Of the 185,000 individuals employed by OEO programs, more than half were poor and on welfare before their employment. It appears to me that we are taking one step forward and two steps backward if we eliminate these jobs.

The administration's outspoken opposition to the Office of Economic Opportunity and its programs is a fairly recent phenomenon. Even as he was vetoing the Economic Opportunity Act Amendment in December 1971, President Nixon outlined his goals for OEO as the "primary research and development arm of the Nation's and the Government's on-going effort to diminish and eventually eliminate poverty in the United States" and praising "its special role as incubator and tester of ideas and pioneer for social programs."

As late as September 1972, the then-Director of OEO, Mr. Sanchez, stated before the House Appropriations Committee that—

> The Maturation process of Community Action Agencies is beginning to show and to pay dividends.

What happened between September 1972 and January 1973 when the President came out with a zero budget request?

The old controversies over Community Action have largely been resolved. Community Action agencies now enjoy good relations with city halls and businesses, churches and civic organizations. Ninety-seven community action agencies are run by the local governments at the present time.

In many communities, community action agencies are the only delivery systems for services to the poor, and their programs are uniquely tailored to the needs of the local community.

The CAA's have been highly successful in mobilizing other Federal and non-Federal resources. Between 1968 and 1972, 591 CAA's surveyed in an OEO study mobilized $1.3 billion in public and private resources in addition to the community action funds received from OEO.

CAA's have also been a unique and highly effective training ground for leadership in government, business, and community service.

Without CAA's such outstanding programs as fuel conservation, nutrition for the elderly, transportation services to the elderly and in outlying rural areas, rehabilitation of housing, food co-ops and other services uniquely tailored to the local community would be lost.

In proposing the elimination of the Office of Economic Opportunity and the community action program, President Nixon asserted that local communities could pick up these programs if they so desired. Many communities are attempting to pick up program costs, but in no instance where money for continuing community action agencies has been appropriated could programs and services be maintained at current operating levels. In the words of John Gunther, speaking in behalf of the U.S. Conference of Mayors:

> In many instances these anti-poverty funds are the extra element which permits our cities to put together many other existing programs funded by the Federal government or the local government with state help. To give up this small additional funding which serves as "glue money" would threaten a whole series of other programs.

Little more than a month before the expiration date for all OEO programs only 13 States have appropriated any money to take over OEO programs on the local level.

Revenue sharing is not the answer, either. Little general revenue-sharing money has gone for social service programs—a pitiful 3 percent nationwide—and there is no indication that revenue sharing can fill the vacuum if Federal poverty funds are withdrawn. The loss will be felt most severely in rural communities where community action agencies often are the only agency reaching the rural poor.

The support for continuing Federal support for poverty programs which I have received in the last few months has been representative of all sections of the country and all shades of political persuasion. Mayors from Chicago to Los Angeles to Galax, Va., have written urging extension of these programs. I have received letters from 26 Governors including Governor Wallace of Alabama and Governor Waller of Mississippi in support of categorical funding for community action. I know that my colleagues have received many more indications of support from public officials. The League of Cities, U.S. Conference of Mayors, National Governor's Conference, National Association of County Officials, League of Women Voters, AFL–CIO, United Auto Workers, and other major unions and countless civic organizations throughout the country are all in support of continuation of these programs.

I urge my colleagues to seize this opportunity to reaffirm the commitment made by this Congress and our Nation almost a decade ago.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. HAWKINS. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

My understanding is that the cumulative figure on this program is anywhere from 20 to 25 million since 1965; is that about right?

Mr. HAWKINS. That is, roughly, about right, yes.

Mr. ROUSSELOT. In the gentleman's opinion—and I know he has been very dedicated to try to see this program continue—how much poverty would he say has been eliminated by this program specifically, and where?

Mr. HAWKINS. The number of persons in poverty at the beginning of this program was in excess of 36 million. As a matter of fact, it was probably closer to 37 million and over. The number in poverty today is possibly 26 million, so in effect over the period in which this program has been operating, about 11 million persons have been lifted out of poverty.

I hasten to say that I do not, obviously, mean that this program alone has been responsible for this. Other programs, obviously, have had some impact. The national economic policy has had some impact. I am quite sure that the Federal effort in the war has had some impact, but I think it would also be true to say that no one can say that this program has not had some tangible impact on the lifting of 11 million persons out of poverty.

Mr. ROUSSELOT. Does the gentleman mean lifting them from a certain income level to another income level?

Mr. HAWKINS. The poverty level, as it is defined.

Mr. ROUSSELOT. When we are talking about the poverty level, are we talking about annual income?

Mr. HAWKINS. We are talking about the poverty level as enunciated by the Office of Management and Budget, and that is based on an income basis.

Mr. ROUSSELOT. It is primarily income?

Mr. HAWKINS. It is primarily income; yes, sir.

Mr. ROUSSELOT. The gentleman believes that this program has contributed to these 11 million people moving away from the poverty level income; is that the point—or has contributed to it?

Mr. HAWKINS. I certainly think that that is a logical conclusion any reasonable person would draw.

Mr. ROUSSELOT. I thank the gentleman.

Mr. QUIE. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Chairman, I support this bill.

It is the purpose of H.R. 14449, as the distinguished and able gentleman from California (Mr. HAWKINS), the chairman of the subcommittee, has said, to provide for the continuation of those programs currently authorized under the Economic Opportunity Act of 1964. The bill would house OEO' major program—that is, the approximately 900 local Community Action Agencies—in a special Community Action Administration in the Department of Health, Education, and Welfare. Community Economic Development programs would go to the Department of Commerce.

H.R. 14449 represents the third OEO bill that the Education and Labor Committee has written in 1974. It is here today—reported by the committee, by a vote of 27 to 8. The move to save the Federal support for Community Action Agencies has the backing of 48 of the Nation's 50 Governors, as well as the backing of a very long list of city officials and community leaders of all political persuasions. If the local community action agencies across this country will survive, H.R. 14449 is plainly needed.

In my own State of Wisconsin last year, 3.6 million Federal dollars were invested in local initiative community action programs. With that seed money, Wisconsin CAA's were able to raise an additional $20 million to combat poverty. That is a mighty good return on a modest investment. More important, this money has kept countless families off the welfare rolls. But Wisconsin CAP leaders tell me it will be impossible to raise that kind of money—and to attract that kind of assistance from churches and other agencies—if they are given no Federal money, however modest.

In Winnebago County in my congressional district, only 14.6 percent of the families who are poor by official definition are now receiving public welfare funds; 85.4 percent of the poor do not.

In Fond du Lac County the figure is even more impressive; 9.1 percent of the poor receive welfare funds. The other 90 percent of the poor go to great lengths to avoid taking welfare, but they do need the support and services of the community action agencies.

Mr. Chairman, during the committee's hearings in February of this year, I asked OEO Director Alvin Arnett what would happen to the community action agencies if we do not supply Federal assistance this year. Mr. Arnett replied he expected that few could survive.

The community action agencies were the U.S. Government's first experiment with the idea that citizen participation in local decisionmaking was needed to combat problems. This particular experiment has succeeded remarkably.

Today numerous agencies—Federal, State, and private agencies—approach the community action agencies in my congressional district to request help in involving citizens in their own programs. It seems to me it would be foolish to abandon a program that has been successful in involving hundreds of thousands of citizens at the local level.

The bill we are considering today represents a compromise in the true sense of the word. It was put together by both Republicans and Democrats. It was put together by Members who, recognizing political limitations, nonetheless feel a fundamental commitment to preserving basic programs that help the poor. The bill eliminates a symbol that has become controversial and it gives a permanent home to programs through which people are well served.

There is some disagreement within the Education and Labor Committee over the creation of a new agency, the Community Action Administration, in HEW. I think it is important to recognize—as Senator BOB DOLE of Kansas has said:

> It is the independence of CAP's which has enabled them to cut through bureaucratic redtape and deliver a variety of grassroots programs tailored to the specific needs of each community.

Senator DOLE continued:

> The agency must have sufficient autonomy to sustain its programs in their current form.

I believe Senator DOLE's point is a crucial one. The size of HEW makes it incumbent on us to require a special status for community action. Without such special status, the future of these programs is surely in danger.

Through the years, we have watched the growth of Community Action programs. We have seen them move from past controversy and confrontation to a strong record of cooperation and contribution.

The ADVOCAP program in my own congressional district is a dependable source of services to people in need. I have come to count on it to provide instant help on a routine basis. Despite the difficult and challenging casework I often present to it, the agency always comes through with flying colors. I think the bill before us today is a recognition on the part of many former critics that the feelings I hold for the agencies in my district are now reflected in other parts of this country as well. Community Action has come of age.

When one reviews the problems of OEO and, more specifically, the CAP agencies, it is easy to conclude why there was much controversy in the early years. Some of the initial programs and leaders failed to follow up their good intentions and rhetoric with actual performance. Those heading the program seemed to be running so fast, promising so much, and trying to be so many things to so many people, it is not surprising they fell short of many marks they attempted to hit. Today there is little rhetoric, the money is very tight and, instead of running, agencies are walking. But instead of missing the mark, they are moving deliberately, and they are hitting the bull's-eye of poverty consistently.

I urge my colleagues to resist viewing this program in terms of 1965, 1967 or 1969, with all of the charges and countercharges that were commonplace in those days. Those issues are no longer present and relevant. I ask you to look at this bill in terms of 1974 and at the advice of people who were attacking it on a regular basis throughout the early years. The mayors and Governors are the very people who are fighting hard today to preserve these programs. If they, along with business leaders, local chambers of commerce, and other community leaders are now supporting the extension of these programs, something has changed to justify this new support. I believe there has been positive change and I ask each of you to think about the change and about what Community Action Agencies have come to mean to this country.

Let me list briefly some of the unique advantages of the Community Action Agencies, and why they should be sustained and should continue to play a role.

First, they have succeeded in gaining genuine citizen participation. They begin from the premise of working from the bottom up rather than from the top down. This has proven successful. The old, traditional pattern for helping the poor started with an elite group of experts who sat around and decided what was best for "them." "They," that is the people involved, were seldom consulted. That is not true with Community Action, and it is an important reason why those Agencies should be sustained.

Second, it is a program of local emphasis and local independence—one that is almost entirely developed, operated and run at the local level, and one that is based on what is needed in that community.

Each of us would become frustrated if we tried, even within our own congressional districts, to better handle the problems in Sheboygan, Fond du Lac, and Oshkosh; yet within these communities there are people who have a deep commitment to that task, and Community Action has been an important part of this effort.

Third, they possess the advantage of flexibility in crisis. Community Action Agencies more than any other Federal agency with which I am familiar have a strong capacity to respond in times of crisis. They are less bound to bureaucratic rules and regulations that make it so difficult for old-line agencies to respond with specific remedies to emergency needs.

I might mention the experience we had in Oshkosh and Fond du Lac when tornadoes struck just after Easter. One of the first agencies to respond to the urgent needs of the people was the local ADVOCAP program serving Winnebago and Fond du Lac counties. They were far and away ahead of SBA, FHA, and other Federal agencies. This unique capacity for flexibility in crisis is part of the makeup of community action.

Fourth, they have the advantage of filling the gaps. Let me offer a personal view; I know of no other agency, no other set of agencies at a local level, who do such a good job in filling individual needs of a temporary nature. I believe it explains why so few in Fond du Lac and Winnebago counties resort to welfare. Community Action is the one agency to which I turn for help when people say—

> I do not want to be on welfare. I do not want to be a burden to the taxpayer. Where do I go to get assistance and help and to get questions answered?

It is to Community Action we turn to get the kinds of assistance—to "fill in the gaps" so often left unfilled by State and Federal programs and agencies; 84.6 percent of the people who have incomes beneath the poverty level in Wisconsin are not on welfare. In county after county in Wisconsin it is Community Action that has helped to build that record.

Finally, I think it is well to understand that the Community Action Agency receives only a very small part of its money from the Federal Government. Seed money represents only about $1 out of every $5 the agencies in Wisconsin spend for administrative, planning, and programatic efforts. The other $4 come primarily from private, Federal, local, and State grants allocated for specific projects where Community Action Agencies have shown a need.

Some have said that there has been a waste of money across the country. Yes, I would be the first to admit that problems have developed in some Community Action Agencies, and I think the Committee on Education and Labor has been mindful of that. But let me also suggest that one of the hidden aspects of this program is its ability, in community after community—and I refer specifically to my own district—to lift people out of poverty. Community Action offers a wide opportunity for career leadership. The record on this score has been spectacular.

One woman in Fond du Lac County had been unemployed for 20 months before starting at ADVOCAP as a clerk-trainee. Her starting pay was $1.60 per hour, or $259.80 per month. Through on-the-job training, she acquired skills which made her promotable within the agency. She now is employed by a business firm as a secretary at a monthly salary of $310.

A man from a farm family with an annual income of $2,700, which was then $1,300 below the poverty level established by OEO, started as an Outreach worker at $1.70 per hour, or $276.25 per month. During his employment at ADVOCAP, he earned his high school diploma through GED and then earned sufficient promotions within the agency so that by the time he left he was family coordinator for the Headstart program. In private industry he now earns $830 per month.

The list of individuals who have been assisted through Community Action Agencies could go on and on. I believe the bill is an important part of the U.S. Government's commitment to citizen participation, and I urge the committee to support it overwhelmingly.

Mr. HAWKINS. Mr. Chairman, I yield 5 minutes to the chairman of the Committee on Education and Labor, the gentleman from Kentucky (Mr. PERKINS).

The CHAIRMAN. The gentleman from Kentucky (Mr. PERKINS) is recognized for 7 minutes.

Mr. PERKINS. Mr. Chairman, the bill before us today, H.R. 14449, the Community Services Act of 1974 represents, to my way of thinking, a substantial compromise among the Members on both sides of the aisle. I feel that we have brought to the House legislation that deserves the overwhelming support of the membership.

The basic purpose of this legislation is to provide legislative authority for the continuation of those programs that have been operating under the Economic Opportunity Act of 1964. Many of these programs are very familiar to the Members of this House: Head Start, Follow Through, comprehensive health services, programs to help Indians and migrants, as well as the principal program of community action. The bill establishes a Community Action Administration under the Secretary of Health, Education and Welfare with a Director appointed by the President and confirmed by the Senate. The Director is authorized to continue coordinating and evaluating Federal programs as well as administering new innovative programs to help combat the problems of poverty in the United States.

For the community action program the bill authorizes $330 million for fiscal year 1975 and such sums as may be necessary for each of the 2 succeeding years. In conjunction with the local innovative programs there is a new program for incentive grants. It is intended that this incentive program provide a dollar for dollar match where a State or local entity adds new funds to community action programs. There is authorized to be appropriated an additional $50 million for this program.

Currently the community action program is financed on an 80–20 Federal, non-Federal matching basis. This level of funding is continued for fiscal year 1975 and then the Federal share is reduced by 10 percent a year for each of the next 2 years. The formula for distributing these community action funds is modified to reflect the Orshansky poverty index. The remaining portions of the bill are for the most part proposals sent up by the administration for the continuation of authorizations that would expire July 1 if the Congress failed to take this action.

The Secretary of Health, Education, and Welfare is authorized to conduct the Headstart program. This title was added recognizing the delegation that has taken place over the past 4 or 5 years and the title contains an authorization of appropriations of $500 million for fiscal year 1975, $525 million for fiscal year 1976 and $550 million for fiscal year 1977. This is in line with the current expenditure level for the Headstart programs. Similarly, the Follow Through program is authorized to be conducted by the Secretary of Health, Education, and Welfare and $60 million is provided for each of the next 3 fiscal years.

H.R. 14449 also transfers to the Secretary of Health, Education, and Welfare and authorizes for 3 years the Native Americans program and the human services policy research program. Both of these authorities are implicitly contained in the Economic Opportunity Act but with its repeal the administration felt it necessary to authorize the continuation of these programs. The Secretary of Commerce is authorized to conduct a program known as community economic development. This was formerly title VII of the Economic Opportunity Act. The programs operated under part B of title III of the Economic Opportunity Act dealing with assistance to migrant workers and their families have been transferred to the Department of Labor. It is anticipated that this authority will be used to expand the national programs of the Department dealing with migrant labor.

A SUMMARY OF THE MAJOR PROVISIONS OF THE BILL

The Community Services Act of 1974 provides for the continuation of programs presently authorized under the Economic Opportunity Act of 1964, as amended, including the Community Action program, and establishes a Community Action Administration in the Department of Health, Education, and Welfare to administer these programs. The bill authorizes to be appropriated such sums as may be necessary for fiscal years 1975, 1976, and 1977, except that $330,000,000 is authorized to be appropriated for local initiative programs under section 121 fiscal year 1975; $50,000,000 is authorized to be appropriated for incentive grants under section 145 for fiscal year 1975; separate authorizations of $500,000,000, $525,000,000, and $550,000,000 for fiscal years 1975, 1976, and 1977, respectively, are provided for Head Start; and $60,000,000 for each fiscal year is authorized for Follow Through.

In addition, the bill:

Repeals the Economic Opportunity Act of 1964, as amended.

Changes the level of Federal support for Community Action programs to 80 percent for fiscal 1975, 70 percent for fiscal 1976 and 60 percent for fiscal 1977. Allows the local share to be met on a statewide basis.

Establishes a new incentive grant program designed to encourage Community Action agencies to secure new local dollars.

Modifies the allotment formula for Community Action programs to reflect the Orshansky poverty index as determined by the 1970 Census.

Transfers the authority for the Head Start program to the Department of Health, Education, and Welfare, and authorizes the program for 3 years.

Transfers the authority for the Follow Through program to the Department of Health, Education, and Welfare, and authorizes the program for 3 years.

Provides authority in the Department of Health, Education, and Welfare for the Native American program.

Provides authority for the Human Services Policy Research Act in the Deportment of Health, Education, and Welfare for 3 years.

Transfers the community economic development program to the Department of Commerce and authorizes the program for 3 years.

Transfers the comprehensive health services program to the Department of Health, Education, and Welfare.

Transfers the Migrant programs under part B of title II to the Department of Labor.

COMMITTEE ACTION

In February 1973 the Equal Opportunities Subcommittee began hearings on various legislative proposals to continue the Economic Opportunity Act of 1964. A total of 15 days of hearings were held both in Washington and throughout the country. On April 9, the subcommittee ordered reported to the full committee H.R. 14094. On April 30, the full committee ordered reported to the House H.R. 14449 with an amendment by a vote of 27 to 8.

COST ESTIMATE

[In thousands of dollars]

Program	Fiscal year—		
	1975	1976	1977
Local initiative	330,000	330,000	330,000
Incentive grants	50,000	50,000	50,000
Legal services	71,500	90,000	100,000
Community food and nutrition	25,000	30,000	30,000
Senior opportunities and services	10,500	10,500	10,500
Migrant programs	56,000	60,000	60,000
Youth recreation and sports program	3,000	5,000	5,000
Head Start	500,000	525,000	550,000
Follow Through	60,000	60,000	60,000
Native American program	32,000	37,000	43,000
Human services policy research	22,000	22,000	22,000
Community economic development	40,000	40,000	40,000
Total	1,199,500	1,259,500	1,300,550

Mr. QUIE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this legislation which is before us is compromise legislation. As the Members have heard, it would continue the present program for another year for Community Action, with 80 percent Federal funding and the remaining 20 percent in cash or in kind coming from the local areas.

That is exactly the way the program has been operating for some time.

The reason why the committee adopted that continuation of 80 percent Federal funding was evidently due to the feeling that it would be difficult to change the method of funding since this legislation probably will not be signed into law, if it does get signed into law, before the end of the fiscal year. And then there is a very slight reduction provided in Federal funding next year down to 70 percent, and for the year after, to 60 percent Federal funding.

Mr. Chairman, for myself, I say personally that I feel this is too high a percentage for Federal funding. I would like to have seen the Federal Government's percentage of funding of the Community Action Agency's program reduced at a much more rapid rate than that. In fact, I would like to have seen the Federal Government's portion funded only at 50 percent during the first year in which we extend it. However, having talked to my colleagues, I find that a large number of the Members want to continue Federal funding of Community Action Agencies, and therefore, it appears that this is about all the reduction, as far as Federal funding is concerned, that would be acceptable to this body. Whether we have read the intent of the body right or not, it is hard to tell.

However, I concurred in the Committee with that change in the program for Community Action Agencies, even though it is not much of a change from the way it has been operating in the past.

A great deal of the bill has to do with

programs that we all would like to see continued: The Headstart program probably more than anything else.

The other programs as well have had a good history and, hopefully, they will be improved later on.

Mr. Chairman, this is virtually an extension of the present programs, which would be transferred over to the Department of Health, Education, and Welfare. Of course, Headstart has been operated by the Department through its Office of Child Development for a long time, and rather than being authorized through the Office of Economic Opportunity, with a letter of transfer to the Department of Health, Education, and Welfare, and assigned to the Office of Child Development, this would be calling for direct authorization for administration by the Department of Health, Education, and Welfare.

The other programs will be talked of only, I believe, as a means of supporting Community Action Agencies.

The agencies themselves are the ones that are controversial. It is true that the Office of Economic Opportunity defunded a number of community action agencies that were extremely disruptive in their communities and had been using their funds, let us say, to put it mildly, in an unauthorized way. I believe there are 986 of them remaining, some of them doing a good job in the Congressional districts of my colleagues. Therefore the proposal is to keep them going.

There is a provision for a continuation of legal services as it has been operating for all of these years in the legislation before us. Personally I would not like to see legal services continue in that way. I like the Legal Services Corporation and, in fact, supported the conference report on legal services. I thought it was a good compromise worked out and hope eventually that it will be signed into law and that is the way legal services will operate rather than the authorization which continues in this legislation.

As to the other parts of the community action agencies, I understand the gentleman from Wisconsin (Mr. STEIGER) will propose the senior opportunities services which the subcommittee transferred over to the administration on aging and which somehow or other got lost as the bill moved from the subcommittee to the full committee—I understand the gentleman will offer an amendment to move that over to the administration on aging. Hopefully that amendment will prevail.

There are three areas in which I am basically opposed to this legislation. One is that it transfers the Office of Economic Opportunity to the Community Action Agency administration within the Department of HEW.

The CHAIRMAN. The time of the gentleman has expired.

Mr. QUIE. Mr. Chairman, I yield myself 5 additional minutes.

As I indicated, the transfer in block, in effect, over to the Department of HEW with a Community Action Agency Administration and a Director appointed by the President and confirmed by the Senate. This, it seems to me, is just plain OEO picked up from the Office of the President and located in the Department of HEW with very little direction over it by the Secretary of HEW.

It seems to me that there is some merit to continuing Federal funding of community agencies, but that we should not dictate in the legislation how it is to be handled administratively by HEW. Our concern is over the Community Action Agencies in the communities we represent and not over the Federal Establishment and how that is administered. For that reason I would like to see us just transferring authority over to HEW and let them place it administratively within the Department where they feel it could be run most effectively. If they want to divide up portions of it in order to reduce the administrative burden to HEW, that is their business. If they want to put it in any part of HEW that they feel would be best, that ought to be their business and it ought not to be up to us to dictate that kind of administrative decision.

I realize that the rehabilitation agency and the Administration on Aging were areas where we did dictate administration of the program within HEW, but both of them were after we saw those two programs operate and were not satisfied with the way the administration operated them.

I cannot imagine anybody being upset with the way HEW administers what is known as OEO, as objectionable as that agency has been.

What it seems to me all Members should be concerned about, as I said before, is whether that $330 million proposed to be authorized for appropriation gets out to the local Community Action Agencies for their local initiative programs.

The other portion is the bill in section 602(1) mandates the transfer of all OEO employees over to HEW and therefore to the new Community Action Administration. Here again, if we do transfer the direction over to HEW, undoubtedly many of those personnel will not be needed and they could have a reduction in force.

Also it mandates the transfer over there of the representation and the collective bargaining agreements. HEW has their own collective bargaining agreement. There has been an executive order to handle such transfers. It seems to me that this transfer ought to operate under the executive order in the same manner as a transfer of function procedure would operate for all other Federal personnel, rather than mandating the transfer of all the employees and the collective bargaining agreements that they must operate under in the new agency. It is contrary both to established Federal procedures and to what obtains in private industry outside of the Government, as well, under the authority of a decision of the U.S. Supreme Court in the Burns International Security Service case.

Third, I would like to see us change the legislation so that the community action program is not administered through regional offices. The way it has been now is that the amount of money that is appropriated is allocated to the 10 regional offices, and the 10 regional offices make determinations in the region, and every community action agency must go hat in hand to the regional office that is not answerable to anybody except supposedly OEO itself.

I have been dissatisfied with the way the regional offices have operated under the previous administration and under this administration. So I would like to see them remove the regional offices as an intervening layer of bureaucracy. Actually, I would like to see all of the Federal money administered through the States but my amendment does not do that. There was disagreement in the committee, and the legislation does carry the provision that if all the community action agencies within a State agree to it that the money then could be administered through the States, and that they do not have to compete with the other States for the money, and the administrative determinations can be made by the State.

I will have an amendment to the effect that the State's share of the $15 million that now goes to the regional offices would be transferred to the State when the authority to approve programs is delegated to it, so that they will have the money to administer the program if the community action agencies agree to such a delegation. If they do not agree to it within a State then it seems to me the program is small enough that it could be administered out of Washington rather than being administered out of a regional office.

So those are some of the amendments I will be proposing, all of which I am making a part of this record, together with a brief explanation.

PROPOSED AMENDMENTS TO H.R. 14449

Mr. Chairman, I include the amendments to H.R. 14449, which I have referred earlier for the information of the Members:

AMENDMENT TO H.R. 14449 OFFERED BY MR. QUIE

Page 176, beginning in line 5, strike out everything after "programs" through the period in line 8 and insert in lieu thereof: "The purpose of this Act is, first of all, to authorize certain programs to be administered by the Secretary of Health, Education, and Welfare (hereafter referred to as the 'Secretary')."

EXPLANATION

These amendments, to be offered *en bloc*, strike out section 601 of the bill which sets up a separate Community Action Administration within HEW, headed by a Director—and instead leaves the authority contained in the first six titles of the bill in the hands of the Secretary of Health, Education, and Welfare. Accordingly, these amendments cover section 2 of the bill and the first six titles, and title XIII, and merely conform the entire bill to that action. Most of the amendments replace references to the "Director" with references to the "Secretary".

The first such conforming amendment is to section 2 of the bill—the statement of purpose—on page 176, to eliminate the reference to establishing a Community Action Administration as one purpose of the Act and replace it with a reference to authorizing certain programs to be conducted by the Secretary.

AMENDMENTS TO H.R. 14449 OFFERED BY MR. QUIE

Title I of the bill is amended as follows:

(1) Page 179, line 2, strike out "Administration" and insert in lieu thereof "Congress"; and

(2) By striking out "Director" in the following instances and inserting in lieu thereof "Secretary"—

Page 180, lines 6 and 20; page 181, lines 13 and 14 and line 21; page 182, lines 11 and 25; page 183, line 15; page 184, line 19; page 185, lines 1 and 18; page 187, line 3; page 191, line 19; page 192, line 4; page 193, line 12; page 194, line 19; page 195, lines 6, 13, and 23; page 196, lines 5, 11, 20, and 22; page 198, lines 7, 12, 14, and 23; page 199, lines 4, 7, and 11; page 200, lines 4 and 7; page 202, line 6; page 203, lines 12 and 15; page 203, line 23; page 204, line 2; page 205, line 1; page 206, lines 9, 10, and 15; page 207, lines 8, 11, and 12, and 17; page 208, lines 2 and 17; page 209, line 3; page 210, line 20; page 211, lines 9, 18, and 21; page 213, line 2; page 214, lines 3, 10, 16, and 24; page 215, lines 3, 10, 16, and 24; page 216, lines 3, 4, 16, and 21; page 217, lines 4 and 22; page 218, lines 12, 18, and 21; page 219, line 17; page 220, lines 4, 12, 20, and 25; page 221, lines 8, 9, 15, and 21; page 223, lines 3 and 12; page 224, lines 4, and 11; page 225, lines 6, 11, 16, and 17 (but only the hyphenated word), and line 21; page 226, lines 4, 10, and 15; page 227, line 5.

AMENDMENT TO H.R. 14449 OFFERED BY MR. QUIE

Title II is amended by striking out "Director" and inserting in lieu thereof "Secretary" in the following instances—

Page 228, lines 2, and 24; page 229, lines 5, and 14; page 230, line 5; page 231, lines 9 11, and 21; page 232, line 3.

AMENDMENT TO H.R. 14449 OFFERED BY MR. QUIE

Title III is amended by striking out "Director" and inserting in lieu thereof "Secretary" in the following instances—

Page 236, line 4; page 238, lines 4, and 10.

AMENDMENT TO H.R. 14449 OFFERED BY MR. QUIE

Title IV is amended by striking out "Director" and inserting in lieu thereof "Secretary" in the following instances—

Page 242, line 20; page 244, line 13; page 246, lines 2, and 23; page 247, lines 4, 8, and 18; page 248, lines 3, 12, and 13.

AMENDMENT TO H.R. 14449 OFFERED BY MR. QUIE

Title V is amended by striking out "Director" and inserting in lieu thereof "Secretary" in the following instances—

Page 248, line 23; page 249, line 6, 10, 16, and 22; page 250, lines 1, 7, 10, 14, 18, and 22; page 251, line 6, 7, 12, 20, and 24; page 252, line 7; page 253, lines 4, 6, and 14.

AMENDMENT TO H.R. 14449 OFFERED BY MR. QUIE

Title VI is amended as follows:

(1) Page 254, strike out lines 4 and 5, and strike out section 601 (lines 6 through 17) and renumber the remaining sections accordingly;

(2) Page 254, line 24; page 255, line 7; page 256, line 23, strike out "Administration" and insert in lieu thereof "Department of Health, Education, and Welfare";

(3) Page 257, strike out lines 15 and 16, and renumber the remaining paragraphs accordingly;

(4) Strike out "Director" and insert in lieu thereof "Secretary" in the following instances—

Page 254, lines 18, and 20; page 256, line 10; page 258, line 11; page 260, line 17; page 261, lines 12, and 18; page 262, lines 19, and 22; page 263, line 17; page 265, lines 6, 13, 20, and 25; page 266, line 13; page 267, lines 2, 10, and 25; page 268, line 19; page 269, line 3; page 270, line 24; page 271, lines 1, 13, and 19; page 272, line 23; page 273, lines 2, 16, and 23; page 274, line 5; page 275, lines 9, and 16; page 276, lines 4, and 15; page 277, lines 5, 10, 13, 17, and 25; page 278, lines 9, 15, and 16; and

(5) Page 266, line 3, strike out "the Administration during such year" and insert in lieu thereof "the Department of Health, Education, and Welfare during such year with respect to programs authorized by this Act".

AMENDMENT TO H.R. 14449 OFFERED BY MR. QUIE

Title XIII is amended as follows:

(1) By striking out "Director" and inserting in lieu thereof "Secretary" in the following instances—

Page 346, lines 9, and 24; page 347, line 3; page 350, line 2.

(2) Page 349, lines 14 and 15, strike out "Director of the Administration" and insert in lieu thereof "Secretary of Health, Education, and Welfare".

(3) Page 350, lines 7 and 8, strike out "Administration and the Director thereof" and insert in lieu thereof "Department of Health, Education, and Welfare and the Secretary thereof".

AMENDMENT TO H.R. 14449 OFFERED BY MR. QUIE

Page 183, line 5, strike out the period and insert in lieu thereof:

"; *Provided, however,* that when such delegated functions include the authority to approve programs within such State the Director shall make available to the State, in addition to an amount not less than the amount made available to such State for State agency assistance under section 132 in the previous fiscal year, an amount in each fiscal year equal to such State's share (as determined by the formula set forth in the second sentence of section 125(a)) of the aggregate amount made available during the fiscal year ending June 30, 1974, for the operation of regional offices of the Office of Economic Opportunity."

Explanation: This amends section 111(g) of the bill which permits the Director (or the Secretary if the bill has been so amended) to delegate to a State such of his functions under title I—community action programs—as he deems appropriate, providing that all of the community actions within the State approve the proposed delegation.

The amendment provides that when such a delegation includes the approval of programs, then that State which has the approval authority should receive an amount equal to its fair share of funds utilized during fiscal 1974 for running the regional offices of OEO.

AMENDMENT TO H.R. 14449 OFFERED BY MR. QUIE

Page 205, beginning in line 18, strike out everything following "census" through the period in line 8 of page 206, and insert in lieu thereof: "except that for the fiscal year ending June 30, 1975, no State shall receive less than an amount equal to the amount of the allotment such State received under section 225(a) of the Economic Opportunity Act for the fiscal year ending June 30, 1974."

Explanation: The effect of the Committee bill language is that the formula—which uses as one of three factors the same factor as approved by the House in H.R. 69—would be many years taking effect. Meanwhile, we would be stuck with the present OEO formula which uses as one of the three factors "the relative number of related children living with families with income of less than $1,000 . . .". The amendment instead inserts a 100% "hold harmless" clause for fiscal 1975, insuring that no State receives less than the allocation it received from OEO in 1974.

AMENDMENT TO H.R. 14449 OFFERED BY MR. QUIE

Page 273, after line 26, insert:

"TERMINATION OF CERTAIN REGIONAL OFFICE FUNCTIONS

"SEC. 624. Within one year from the date of enactment of this Act, the Director shall cease all operations in regional offices relating to the approval of or the provision of financial assistance to community action programs authorized under title I of this Act, and shall conduct such operations directly or in accordance with section 111(g)."

Explanation: This amendment would terminate regional office responsibility for community action programs after one year, requiring the Washington office to assume such responsibility directly, or through the States in accordance with section 111(g). It eliminates one year of Federal bureaucracy.

AMENDMENT TO H.R. 14449 OFFERED BY MR. QUIE

Page 254, line 22, after "appoint" insert "and assign under transfer of function authorities", and on page 255, strike out everything after "Code" in line 2 through line 10 and insert in lieu thereof a semicolon.

Explanation: This amendment to section 602(1) strikes out a proviso relating to the transfer of OEO employees which gives them more far-reaching rights than other Federal employees in a transfer of function procedure, including the automatic transfer of the right to representation and existing collective bargaining agreements (a matter decided on a case-to-case basis through machinery established by Executive Order). The entire matter of the treatment of employees in a transfer of function situation is now under review by the Post Office and Civil Service Committee.

The amendment adds clarifying language which assures that OEO employees will be subject to the same procedures and protections as apply to all other Federal employees under existing transfer of function authorities pursuant to Civil Service laws and regulations.

AMENDMENT TO H.R. 14449 OFFERED BY MR. QUIE

Page 349, line 10, strike out "personnel,".

Explanation: This is a conforming amendment made necessary by the amendment to section 602(1), and will be offered with it en bloc.

Mr. BAKER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Thirty-two Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred and three Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. QUIE. Mr. Chairman, I yield back the remainder of my time.

Mr. HAWKINS. I yield 2 minutes to the gentleman from **Washington** (Mr. MEEDS).

Mr. MEEDS. Mr. Chairman, I take this time to clear up what perhaps may be some problems in the bill. I first want to clear up any possible confusion with regard to the implementation of the fee schedule for children attending Headstart classes as was provided for in the Economic Opportunity Act of 1964. Congress directed in Public Law 93-202 that any such implementation of a fee schedule would be deferred until July 1, 1975. This was done to give the committee time to go into oversight hearings on reasonable family contributions within the next year.

The legislation we are considering today repeals the Family Act and its amendments. I want to make it amply clear that the committee in drafting the present language on Headstart purposely omitted any reference to the fee schedule with the intention that none would be adopted prior to further congressional action.

Would the chairman of the committee agree with me on that interpretation?

Mr. HAWKINS. Yes; I do. The Subcommittee on Equal Opportunities, together with its counterpart in the other body, will be conducting hearings, and until that time no change in the present fee schedule situation will be made.

Mr. MEEDS. Mr. Chairman, if the chairman of the committee will give me an additional 2 minutes, perhaps I could touch on one other point.

Mr. HAWKINS. I yield an additional 2 minutes to the gentleman from Washington.

Mr. MEEDS. Mr. Chairman, section 811(a) provides:

> The Secretary is authorized to provide financial assistance to public and nonprofit private agencies, including but not limited to, governing bodies of Indian tribes, Alaskan Native villages and regional corporations established by the Alaska Native Claims Settlement Act, for projects pertaining to the purposes of the Act.

I want to make it clear again that it is the full intent of the Congress that the funds under section 811 which are native American program funds are to be spent for Indian people. However, there are some Indian programs which are, in some instances, supplying needs to people other than Indians. They are doing so with funds received from a number of sources, one of which would be section 811 funds. It should be clear that they can proceed in these combination programs without being subject to having their section 811 funds taken from them or not being able to have the funds even though the other funds which they are receiving extended for non-Indian programs. But by the same token, it should be clear that the Office of Native American Program funds, section 811 funds, shall be spent for the benefit of Indian people.

To give an example, we have a health program in the Seattle area in which probably 90 percent of the recipients are native Americans, but the board is composed of again mostly native Americans but some others, and some other services are provided for other than native Americans. The native American funds are combined with other HEW funds. It should be clear that this kind of program can continue under the language of section 811. Would the gentleman agree with me on that interpretation?

Mr. HAWKINS. Yes; I agree with the gentleman from Washington.

Mr. QUIE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I will speak just a few minutes on this matter.

I want to share with each of you the experience in the 16th Congressional District of Ohio with community action services.

First, the community action services program has served as a community ombudsman in providing help to many of the poor people who have benefited from this program. It has been a community action agency providing access for the poor to many other programs that are of great service to them and to those who do not have the sophistication necessary to use other community services both public and private.

Second, we have not experienced politicization of the agency. The agency in the 16th district has remained free from political activities, and has accomplished the objectives that were envisioned by the creators of the Office of Economic Opportunity. This is not to say that there have not been problems, but in the past year the agency has been working very well in meeting its objectives.

Third, it was interesting to me to receive a letter from the Ohio Water Well Contractors and Equipment Association strongly supporting this bill and stating in their letter that the impoverished portion of rural Ohio has received great benefits from the action of these agencies. This is an area that is overlooked in many instances as we discuss only the big city problems, not fully realizing that in the Appalachia area of Ohio and similar rural areas where they need assistance in developing self help programs, that the Office of Economic Opportunity has worked quite well in providing the kind of services that will improve the quality of life in these areas.

Fourth, the community action program in the 16th district has recruited many volunteers thereby substantially enhancing the assistance provided to the poor at no additional cost to the taxpayer. This program of volunteer action has an added benefit of creating community awareness of the problems of the poor and thereby developing local permanent solutions.

Mr. SKUBITZ. Mr. Chairman, I rise in support of the Community Services Act as it has come out of committee, and I am very concerned that additional amendments will tend to muddy the water and confuse the basic question at hand.

Mr. Chairman, there are three very active and worthwhile Community Action agencies in my congressional district of Kansas. I have seen firsthand many of the valuable services provided by SEK-CAP in Girard, MID-CAP in El Dorado, and ECKAN in Ottawa, whose offices are not in my district but which serves many of the counties which are in my district. I have seen the Community Action agencies in southeast Kansas—SEK-CAP—operate many programs for the elderly and disadvantaged in a satisfactory manner, such as the only rural transportation system available in my rural area, the work it has done with Headstart parents in the area of consumer education classes, canning clubs and assisting handicapped children; its accomplishments with children in the Headstart program and many other programs. I have seen, with the uncertainty of funding to support these worthwhile things, a necessity for turning to the Older Americans Act at the local and State levels for resource. This promises to interrupt, if not in some cases eliminate, some of the services which have been provided by the CAP, and will probably cost more. The point I make here with respect to that question is: The Congress has already passed at least two pieces of legislation giving to State and local governments broad powers in the management of programs. There is presently much confusion and much to be learned about how efficient and economical these new programs can be. I consider it folly for us to pump more legislation into programs of this kind until we have had time to see exactly how effective they can be. In other words, we know that local Community Action agencies have done much good work, in spite of early-day growing pains, as they have been constituted with the structure that Congress gave them.

I am afraid it would be premature for us to destroy a workable system for helping people, and replace it with a new system that is yet untried and is already showing indications of straining to accomplish the same things Community Action agencies have at the local levels, utilizing direct Federal assistance. I, myself, in the early days was very skeptical of the Community Action agencies, three of which are represented in my district. I now believe their competence is demonstrated and their credibility expanded among my constituents to the point we cannot abandon what we know does work to a system we cannot yet be sure of.

I am now convinced that it has been the autonomy of the Community Action agencies which has enabled it to cut through bureaucratic red tape and design programs to fit the local scene. I believe that Community Action agencies through their representation of one-third publicly elected officials, one-third community organizations, and one-third poor people, constitute the best opportunity of any new federalism. I want to point out that local public-elected officials already have and have had since the Green amendment of 1967, the capability of working with Community Action agencies and exercising great control over their activities in their respective political jurisdictions. That they have not done so, is not the fault of Community Action agencies or our legislation. I feel strongly that we should not retreat at this crucial time of high inflation, from programs such as these who are helping people to help themselves, and enable them at the local level to design programs to do so—all this at the lowest possible administrative cost. I, therefore, urge my colleagues to join me in support of House bill 14449 as it is

now constituted until we have an opportunity to decide whether or not other ways can be utilized for funding programs locally. It is my understanding that the total budget proposed in this act amounts to $330 million, which is up less than $2 million over what it has been for the past 3 to 4 years. I am told this amounts to less money than we utilized and was spent last year by the Air Force for flight pay of officers who did not even fly.

I believe the retention of a national office, with some guarantee of autonomy at that level, coupled with a regional funding mechanism to channel the money to these local citizen groups is our safest, most economical posture in view of what I have said.

Miss JORDAN. Mr. Chairman, the Community Services Act of 1974 would enable the Federal Government to continue to assist local Community Action agencies in two vitally important forms. First, the bill insures resource allocation decisions will continue to be made at the local level by citizens elected to represent their neighborhoods. Second, the bill maintains the Office of Economic Opportunity as an independent advocate at the national level by transferring OEO to the Department of Health, Education, and Welfare as a distinct Community Action Administration. Local autonomy and independence at the national level have been hallmarks of the community action program since its inception. The bill before us today guarantees these proven approaches will endure. Through the 15 days of hearings the Subcommittee on Equal Opportunities held in Washington, D.C., and throughout the country, the progress of individuals assisted by OEO programs was documented. The community action program in Houston, as in other cities both large and small, has meant more to the community than the monetary assistance proferred.

Community action means jobs. Since 1971 the manpower section of the Harris County Community Action Association has referred 8,000 persons yearly to jobs. 5,000 yearly have been placed.

Community action means help for children and youth. HCCA serves 1,635 Headstart children annually in 36 centers located throughout the poverty neighborhoods of Houston. Services for troubled youth provides counseling for 550 predelinquent and delinquent youth quarterly.

Community action means assistance for elderly. Free noon meals are provided to approximately 600 senior citizens at nine sites in Houston.

Community action is mobilizing the community. The recreation project consists of organized groups of all ages involved in activities they design. Social service referrals provide target area residents with referral and placement followup services to all social service agencies in Harris County. Educational classes are offered in adult education, youth tutoring, English, homemaking skills, and other self-improvement areas. Neighborhood councils at the neighborhood level are involved in project development activities. Summer special food service programs provided by HCCAA in the past several years as part of Houston's summer recreation program, serve approximately 5,000 youths daily at 70 recreation sites. Alcoholism programs provide comprehensive services to poverty level alcoholics, and community education about alcoholism.

The goal of the community action program is to reduce poverty. Residents of the area to be served determine for themselves the programs and projects which will be funded. They know what the needs are. They know how best to meet them. And they know long before the Federal auditor when a program is not achieving its goals. They know these things because they live poverty—a recalcitrant poverty not easily dispeled—a poverty which cries out for direct community action—a poverty which not only envelops its prisoners with hunger, disease, unemployment, and hopelessness, but which also plagues upon the spirit. Local community action agencies cannot be expected to overcome all against overwhelming odds, but they are rendered more capable of action with the strong support of the Congress. H.R. 14449 represents the type of support which community action agencies deserve.

Mr. BELL. Mr. Chairman, I ask my colleagues to join me in supporting this bill, H.R. 14449, the Community Services Act of 1974.

The Subcommittee on Equal Opportunities held hearings for over a year on various legislative proposals concerning the Economic Opportunity Act of 1964. After much consultation and careful deliberation, the subcommittee reported out a measure that was only slightly amended in full committee. Such is the bill before us today.

This measure, H.R. 14449, is a direct congressional response to the demands and wishes of State and local governments and agencies throughout the country. The bill continues programs that are currently authorized under the Economic Opportunity Act of 1964, as amended. The majority of programs, with the exception of the migrant programs and the Community Economic Development program, are transferred from the Office of Economic Opportunity to the Department of Health, Education, and Welfare.

Perhaps the most widely publicized of the programs to be continued under this new measure is the Community Action program under title I. Under this title, State and local agencies through the help of the Federal Government are encouraged to continue those programs designed to reduce poverty and the effects of poverty in their community. These programs respond to the unique needs of the local community and of the poor in specific geographic locations. Not only do these programs provide services to the poor, but also they provide employment for many individuals previously on the welfare roll.

A new Community Action Administration is proposed in H.R. 14449 to administer these programs. This new administration would be under the Secretary of Health, Education, and Welfare with a director to be appointed by the President and confirmed by the Senate. The new administration would administer the community action program and other related programs, and it would also coordinate and evaluate other Federal programs in this area, as well as initiate new programs.

An important provision in this bill relating to the Community Action program is the new Incentive Grant program that would encourage the Community Action agencies to secure new local dollars. This is a very important aspect of the bill, because it promises Federal support to those communities that take the initiative in solving their local problems.

Other important community service programs to be continued by H.R. 14449 include: Headstart, Follow-Through, the Native American program, the Human Services Policy Research Act, and the Senior Opportunities and Services program.

During the hearings on the possible extension of the Economic Opportunity Act of 1964, the majority of witnesses emphasized the need for Federal leadership and direction in the area of aid to the economically disadvantaged. I believe that this legislation, the Community Services Act of 1974, is in answer to this need, and would again urge my colleagues to support the bill, H.R. 14449.

Mr. BINGHAM. Mr. Chairman, I rise in support of H.R. 14449, the Community Services Act of 1974, and strongly urge that the House approve this measure without any amendment which would weaken its essential purpose—to preserve the innovative community action programs. As adamant as I am in my opposition to the 2-year administration effort to eliminate OEO, I recognize that we who strongly support the work of community action programs must compromise with its opponents in order to save this vital force against poverty.

In H.R. 14449, the House Education and Labor Committee has, in my opinion, tried valiantly to fashion a legislative solution members of both parties can accept. The bill provides for a 3-year continuation of programs first created under the Economic Opportunity Act of 1964, some of which have already been transferred to old-line agencies administratively. Headstart, Follow-Through, Native Americans, Comprehensive Health Services, and the Human Services Policy Research program have already been transferred to and are now administered by HEW. The migrant programs under part B of title II have already been merged into the Department of Labor and the Community Economic Development program is to be included within the Department of Commerce. The remaining programs would also be transferred to HEW but as part of a new Community Action Administration. Its director would be appointed by the President and confirmed by the Senate, and he would be responsible directly to the Secretary. In addition, the Secretary of Health, Education, and Welfare would be prohibited from delegating any of the functions of the director to any other officer not responsible to the director. Among his other duties, such as initiating innovative programs, the director would also be responsible for taking an active role in coordinating and evaluating programs administered by other Federal agencies.

The new Community Action Administration is the heart of H.R. 14449. In this manner the committee has tried to satisfy the desire of the opposition to bring Community Action programs under the authority of an established Cabinet-level department, while maintaining a degree of independence and flexibility which makes CAP's so unique and relevant to the communities they serve. The new CAA would administer many programs in addition to CAP's. Legal Services—until the new Legal Services Corporation is established, community food and nutrition, environmental action, senior opportunities and services, youth recreation and sports, consumer action and cooperative programs, technical assistance and training, work experience and training programs, and day care projects.

In an effort to meet another objection of CAP opponents, the committee agreed to reduce the level of Federal support for community action programs from 80 to 60 percent and allow the local share to be met on a statewide basis as an alternative to meeting it on a local basis only. This three-step reduction in the Federal share would be mitigated in hardship areas by providing the director with discretionary authority in this regard.

To insure that the transfer of programs now in OEO is made with as little disruption as possible and to preserve the talent, knowledge of local conditions, and enthusiasm of present OEO employees, H.R. 14449 mandates that OEO employees be transferred to the new CAA without loss of salary, rank, or other benefits.

While I will mourn the death of OEO, and the transfer of many of its former programs to long-established agencies in HEW and other departments, I am enthusiastic and hopeful about the new Community Action Administration and I urge each of my colleagues to accept the independent and flexible organization which has been recommended by the Education and Labor Committee. The administration makes no secret about wanting Community Action organizations to die. The quickest way to accomplish this goal is to give the Secretary of Health, Education, and Welfare the authority to transfer CAA programs to other areas of his Department, and to fire any or all former OEO employees. Some committee members estimate that this would result in an end of CAP's within a year, "guidelined" to death by unsympathetic HEW bureaucrats at the direction of the White House.

The Bronx Maternity Health Guidance Center in my congressional district is but one example of this kind of "adminicide." Originally established under an OEO grant, it was transferred in September 1973 to HEW by Howard Phillips, the controversial Director appointed by the President to dismantle OEO. The Bronx Maternity Health Guidance Center depends principally on the talents of paraprofessionals drawn from the community and trained to provide health education and referral services. It is a highly innovative program dealing with one of the most critical problems facing the poor: family planning and care. These paraprofessionals or "health externs" at the Guidance Center were recruited from the principal minority groups which make up New York City's poor, and trained by Albert Einstein College of Medicine for 12 to 15 months. During that time they learned about the entire social service and health system in the Bronx and visited courtrooms, hospital emergency rooms, welfare agencies and clinics, emerging from the program as knowledgeable health paraprofessionals dedicated to patient advocacy. They fill an essential gap in the Bronx health delivery system, which is far too complex and impersonal for the average inner-city resident to deal with. The family problems which face the poor: High infant mortality, child abuse, unwanted pregnancies, venereal disease, and marital and sexual maladjustment have not been effectively met by conventional medicine or conventional sociology. Why? Because the professionals recognize that society's investment in their training is so great that they cannot reasonably direct their attention to medically mundane issues such as sex and family education, and comprehensive social problem referral. The professionals in public health deal with crisis situations and have neither the time nor the resources to deal with outreach or preventive measures. The externs do. They seek out the patient and provide the services and advice he or she needs under the direction of health professionals. Any patient who requires conventional care is referred to a clinic or hospital and assisted in making the arrangements. The health externs work with sex education classes at schools and youth groups, and participate in screening activities at local health fairs.

The program has been a great success in the Bronx and the services it provides are considered in many ways to be more relevant and personal to the needs of the community than those provided by conventional facilities. This valuable program is now to expire under direction of its new administering agency, the Public Health Service—a part of HEW—because PHS guidelines require a more professional orientation than provided by the Guidance Center. There is no room in the PHS for the kind of paraprofessional outreach-referral orientation developed under the OEO grant. As Dr. Ernst Jaffe, acting dean of Albert Einstein College of Medicine, noted in a letter to the Grant Appeals Board:

> It was never the intention of the Bronx Maternity Health Guidance Center Program to provide comprehensive medical and social services in its centers. The externs are trained to make referrals to social agencies in the community and to the social service staff of the various hospitals.

The program is designed "to facilitate maximum utilization of existing resources in the community." Instead of working with the Guidance Center to reach an accommodation in order to keep the center from losing its Federal funds, the Public Health Service with their established professional oriented guidelines has decided to terminate the grant as of September 30.

This is only one example of what has happened to a multitude of valuable innovative programs developed under OEO auspices with the advice and participation of members of local poverty target areas across the country. The programs which have been or are being transferred to old-line agencies we cannot aid, but we can assist those which will be included within the new Community Action Administration if we insure their continued independence and precious flexibility in response to community needs. I ask my colleagues to reflect on what the consequences will be if we once again close off poor people's access to the decisionmaking process in regard to Government services which are so vital to the quality of their life.

For 10 years, through Community Action programs all over the nation, poor people have had a say for the first time in determining social service priorities and their delivery. Members of impoverished communities these CAP programs serve have been trained and employed to use their knowledge of local conditions to help better the plight of their neighbors. In New York City CAP's employ 2,500 workers who would otherwise be on welfare or some other form of public assistance. Instead these people are working to help raise the standard of living in their communities. The CAP agencies in NYC provide a multitude of services including neighborhood youth employment, training programs of all types, drug education and rehabilitation, housing, adult education—with an emphasis on literacy and parent instruction; immunizations and health outreach services, youth development—including youth training in caring for younger children and youth business apprenticeship programs; community economic development—aimed at establishment of new consumer institutions for the poor and creation of enterprises to be owned and operated by the poor; and comprehensive services and outreach to the elderly. In other words, the New York City Community Action program which embodies a network of 26 community corporations and over 250 delegate agencies provides a broad spectrum of services and activities to more than 200,000 poor people with significant input on the policy level by the consumers of these services.

The administration would like to see this input ended. Putting Government back under the control of the people does not mean the people themselves, but their elected State and local officials. It is a hard fact of life that poor people do not vote frequently in State and local elections in as great a percentage as members of middle and upperclass communities. There are many reasons for this, including the very real feeling among the poor that their vote on the State and local level does not count for much. There is much truth in this, as witnessed by the way most State and local communities are using revenue sharing funds which the administration has said would provide money for social services previously provided under now terminated Federal categorical grant programs. Revenue sharing money in large part has not gone for such services, but instead has been used for programs of concern to the middle and upper classes—the voting constituency of State and local elected officials. Translated, this has meant more money for police, fire departments, retirement of public debt, and lowering of property taxes. The poor are the losers in the governmental decentralization plan envisioned by the administration. It is folly to think that State and local officials will eventually fund CAP programs from general and community development revenue sharing funds as the administration proposes.

While some State and local officials are singing the praises of CAP programs now, including some former celebrated opponents like Gov. George Wallace, it is clear that in time they will have to yield to the desires of their supporters and use scarce Federal funds for other programs.

What can we expect the poor to do when they find out that participation in the delivery of services to their community is a thing of the past, and they are once again confronted by an impersonal, complex, middle-class bureaucracy? How will those people who have been employed over many years in OEO programs and trained to provide highly specialized public service feel when they cannot find a job and have to go back on public assistance? One frightening answer is suggested by Major R. Owens, deputy administrator, Human Resources Administration, city of New York street warfare, such as in Northern Ireland, between the haves and the havenots. Major Owens points out that it is no accident that New York City has not had a riot since the Community Action programs went into operation.

I plead with my colleagues to heed Major Owens' warning and vote for passage of H.R. 14449, and reject any amendment which seeks to weaken the independence and flexibility of Community Action programs.

Mr. KEMP. Mr. Chairman, I believe it is time for the Congress to maintain a commitment to the poor through a more effective social services delivery system than the one proposed in the bill now before us, H.R. 14449, the proposed Community Services Act.

At the time of the reading of the bill for amendments tomorrow, I will offer an amendment to change the mode of the grants making structure of this program.

The specific text of the amendment which I will offer tomorrow is as follows:

Page 179, beginning with line 15, strike out everything through line 6 on page 180 and insert in lieu thereof the following:

"SEC. 111. (a) A community action agency shall be—

"(1) a State;

"(2) a unit of general local government which has a population of fifty thousand or more persons on the basis of the most satisfactory current data available to the Director; or

"(3) any combination of units of general local government which are contiguous to each other (or are within the same area of the State) and which have an aggregate population of fifty thousand or more persons on the basis of the most satisfactory current data available to the Secretary. A State shall not qualify as the community action agency for any geographical area within the jurisdiction of a unit or combination of units described in paragraphs (2) and (3) unless such unit or combination of units has not submitted an approvable application for funding for a community action program under this title. The Director shall set appropriate dates for the submission of such applications during each fiscal year. A community action agency designated pursuant to this title may carry out part or all of its programs through arrangements with other public or private nonprofit agencies or organizations."

Page 180, beginning in line 23, strike out everything after the comma through "agencies" in line 1 on page 181, and insert in lieu thereof "or by other appropriate agencies with which the community action agency has made arrangements".

Page 182, beginning after "determines" in line 1, strike out everything through line 11 and insert in lieu thereof:

"(1) that neither the State nor any unit of general local government (or combinations of such units) eligible to be a community action agency under subsection (a) is willing to be designated as the community action agency for such community, or (2) that the community action agency serving such community has failed, after having a reasonable opportunity to do so, to submit approvable application for a community action program which meets the criteria for approval set forth in this title, or to carry out such a program in accordance with the requirements of this title, and no other community action agency eligible to serve such community is willing to be designated as the community action agency for such community.".

Page 183, beginning in line 11, strike out everything after the period through line 16 and insert in lieu thereof: "Each public or private nonprofit agency or organization with which a community action agency, or the Director, make arrangements with under section 111, and such arrangements include responsibility for planning, developing, and coordinating community-wide antipoverty programs, shall have a governing board which meets the requirements of subsection (b)."

Mr. Chairman, what will the amendment do?

It is designed to get the administration of Community Action grants more effectively out of the control of the Washington bureaucracy and out of the hands of organizations not responsible to and accountable to the public.

It is designed to shift that control to those levels of Government closest to the people and their daily problems—State and local government. And, as control shifts, so too does responsibility for decisionmaking, thus significantly enhancing the accountability of elected officials for the conduct of these programs.

It is designed to maximize the dollar effectiveness by ending the Washington bureaucracy's failure to develop a mechanism for phasing out failure. I will assure my colleagues that if we shift this program to the State and local level, and a particular grantee thereafter does not make good on its promises, the people will change it. They will not be misled into giving in to the, "Just give us 1 more year, and we'll make things work," argument to which the bureaucrats too often have succumbed—year after year after year.

In 1967, the gentlewoman from Oregon (Mrs. GREEN) offered an amendment to the Economic Opportunity Act which required the community action agencies to be State or local governments, or public or nonprofit private agencies or organizations designated by such governments. This was an important step, one recognized by its enactment. This past year alone, 106 community action agencies became a part of local government.

The Green amendment left very wide discretion, however, for the OEO Director to step in and designate private agencies to run the Community Action programs.

The amendment which I will offer tomorrow goes one more important, logical step beyond that of the 1967 Green amendment. It requires that a Community Action agency be a State, a unit of general local government having a population of 50,000 or more persons, or a combination of smaller units of general local government having an aggregate population of 50,000 of more. They, in turn, may make whatever arrangements they feel necessary and appropriate with other public or private nonprofit agencies to actually run part or all of their programs. But, the important thing is this: They cannot surrender the basic responsibility for the administration of the program as they can under existing law.

One other thing should also be made clear about units of government which are eligible—that is that if you have an eligible unit or combination of units of general local government which have filed an approvable application, they must get the funds for their area. The State cannot step in and take over their programs, unless they have failed to apply or have failed to run a program which meets the requirements of the act. This is the same as in the Comprehensive Employment and Training Act already passed by the Congress.

Also, under the amendment which I will offer, the Director can still step in and run a Community Action program through a public or nonprofit private agency when a unit of general local government will not file an application, or where it will not run its program in accordance with the requirements of the act. But, he must first assure that the State or another eligible unit of general local government will not assume these responsibilities. This is crucial, for what the amendment provides is a well-balanced, realistic approach to decentralization of the authority contained in this act with respect to community action agencies. The Director can step in only as the last resort—something which keeps the pressure on State and local governments to continue to deliver social services to the poor—instead of stepping in at the beginning as under present law.

The amendment builds into the act a concept of public responsibility for Community Action programs. It is in some respects a block-grant approach. It should save millions of dollars in unnecessary Federal administrative costs for these programs, thus conserving funds for use for programs for the poor authorized under the proposed act. Eliminating the middleman will help free programs of abuses which have too often characterized them. Very simply Community Action bloc grants keep more money in each State than H.R. 14449, as reported, would, for it eliminates all the vast salary and overhead costs at the Federal level.

I will offer this amendment at the appropriate point in our proceedings tomorrow, and will urge its adoption.

But, why am I offering it?

Mr. Chairman, I arrived at a decision

to offer this amendment after a searching examination of the present program.

A careful examination of the 10-year history of the Economic Opportunity Act—EOA—shows a disparity—often substantial—between what the framers of the act had hoped for and what has actually been accomplished—a disparity between promise and performance.

OEO DID NOT MEET OBJECTIVES OF ITS FRAMERS

All one really has to do is to sit down with the legislative history—the testimony of proponents and the remarks of advocates in the Congress—on one hand, and the many analyses of program accomplishments on the other, and one can easily see that OEO has not had a wide range of program accomplishments.

When some programs have worked and others have not worked under any act, the Congress ought to review carefully both what worked and what did not work—with an eye toward only continuing successful programs. To fund programs which have been unsuccessful is counterproductive; it creates disincentives to success.

The credibility of the Congress as a responsive institution rests on its reflection of the realities with which we, as a nation, must come to grips in the reordering of priorities.

To the degree that the Congress authorizes or funds programs which the people know are less than effective and do not really merit further support with tax dollars, that credibility is eroded.

If the House should pass the bill now before us, as reported by the Committee on Education and Labor, there is much danger of adding weight to the peoples' opinion that the Congress has not been able to institute devices to recognize and reward successful programs by the discontinuance of unsuccessful ones.

It is common knowledge among the vast majority of the people that once Government funds a program, it keeps funding it, whether it works or not.

That Government programing usually fails to develop a mechanism for phasing out failure is generally known. Yet, this phenomenon is what we should be talking about when we discuss these measures.

We owe it to our taxpayers, to ourselves, but most importantly to the intended beneficiaries of these programs, to continue to support only those programs which work.

Such a determination has not been made in the bill now before us, for all the prior programs carried forward with additional authorizations, for additional years, and for additional millions of tax dollars.

It is a matter of record that I opposed the reporting from the Committee on Education and Labor—on which I serve—of the bill in the form before us.

I did not because I oppose the intent of measures to alleviate poverty, but rather because the most effective ways in which to alleviate poverty are not contained in this bill.

WHAT OUGHT WE TO HAVE LEARNED?

It is, therefore, a reasonable question to inquire of me, "What would you do differently?"

I accept that question, for to answer it points the way toward a program which is workable. What is before us is an opportunity for this House to work such a will.

PREMISES AND GOALS FOR ANY NEW PROGRAM

If the Federal Government intends to remain permanently involved in the funding of antipoverty measures, those measures ought to rest upon certain premises with certain goals in mind.

There are limits upon what Government can do. Washington is not the fount of all wisdom—under any administration.

When the bureaucracy and the people differ on what is best for the people, the people are most often right.

The central notion of personal responsibility for personal acts and conditions must be rearticulated through any new legislation in the subject area. There is a profound need for a system of incentives to be incorporated in all such legislation, displacing thereby the many disincentives generated through the past 40 years of Federal social engineering. Our people's traditional respect for work and for those who do work must be rebuilt.

The once-central concept of representative government—that elected officials ought to be held accountable for the expenditure of taxpayers' dollars—has a 20th century corollary, to wit: Administrators of programs ought to be held fully accountable to the public through those specific, elected officials responsible for their appointment.

The responsibilities and functions of the Federal Government in this regard must be redefined, and subsequently reassigned, to those levels of government most capable of dealing accountably with the responsibility or function.

PROGRAMS MUST NOT FRUSTRATE POLICIES

Programs must not frustrate policies. Policies—what ought to be done—and commonly frustrated by programs—how to do it. The standard procedure for the past 40 years has been the implementation of new programs in the social field—no matter how novel or how vast—without testing the workability of the solution proposed and mandated.

Billions have been spent on programs which have either not worked, or have not worked as well as originally perceived, or have generated counter or additional problems.

Both in the private sector and in the physical sciences—even within the public sector—an idea—a proposed solution to a problem—is first tested before massive, uniform implementation is commenced. Simple as it may seem, it is a matter of prudence. But prudence requires patience, and patience is not always the hallmark of the electoral process.

The major focal point for Federal policymakers in this area ought to be the research, demonstration, and evaluation of possible solutions to the poverty problems—focusing thereby on what programs ought to be continued, what programs ought to be discontinued, and what programs ought to be initiated or revised.

CLASS CONSCIOUSNESS SHOULD NOT BE ENCOURAGED

Programs should not be structured in such a way as to encourage class—economic, political, social—interests, to the exclusion of the general, common, and public good.

The funding of any particular interest—as a special interest over and against the general interest—tends, in itself, to promote the very class consciousness which is deplored in a free society. These efforts generate divisiveness at the very time when the mandate to Government is to bring cohesion and national unity to our people.

The politicization of almost every segment of our society is a logical consequence of the funding of interests which promote class consciousness and which seek to engage everyone in a particular segment of our society in direct political action. The attitude becomes, "If we don't get 'ours,' someone else will."

The virtually complete politicization of society invariably leads to internal chaos, for virtually everyone then abandons regard for the public, common good.

WHAT CONSTITUTES THE POVERTY POPULATION

In working with the "poverty population," we are not working—in the main—with a fixed, stable set of people. The premise for the EOA and OEO—to represent the interests of the poor—was one which asserted the notion that the poor were an established, immutable class in our society.

It is not a matter of philosophy, but one of fact, that such a notion is wrong. Only 39 percent of those in the total poverty population in the United States remain there for 3 consecutive years The poverty population is, in reality, a very fluid population, with some coming in for 1 year, and others going out.

An OEO internal study, entitled "A Report on the Dynamic Nature of Poverty," concluded this.

This report was prepared from 3 years of research by the Survey Research Center, University of Michigan, under contract with OEO. The report can be summarized as follows:

> While poverty has not been eliminated—it declined from 39 million in 1959 to 24 million by 1969—its nature has changed radically.
>
> Many of the antipoverty policies of the sixties must be rethought and restructured to fight poverty in the seventies.
>
> Of the total poor in 1967, only 58 percent were still poor in 1969. About one-fifth had become near-poor, and another one-fifth had moved out to nonpoor.
>
> Nearly all of the nonpoor in 1967 were still nonpoor in 1969—95.2 percent.
>
> Only 39 percent of all household heads who were associated with poverty for at least one year were poor for three consecutive years.
>
> A greater portion of the poor are moving out of poverty than entering.
>
> The hardcore poor represent only a small—39 percent—of the total poverty population—10.26 million of 24.0 million.
>
> A large proportion of the household heads who were poor for three consecutive years were elderly—about 44 percent of the total hardcore poor.
>
> About 36 percent of the total hardcore poor are nonwhite.
>
> Hardcore poverty among the whites is centered among the elderly, but for nonwhites, it is among those under 65.
>
> Family size has a direct bearing upon the poverty population, particularly for nonwhite households. Forty percent of the white hardcore poor households were comprised of only 1 member, while only 15 percent of the nonwhite households had 1 member.
>
> A large proportion of the hardcore poor are

in broken homes. About 37 percent of the total were widowed; about 17 percent were separated or divorced.

About 60 percent of the household heads between the ages of 22 and 64 had 8 or fewer years of schooling, and only 17 percent were high school graduates.

Of all the hardcore poor household heads who were in the labor force in 1969, 63 percent worked in unskilled, farming, or miscellaneous occupations.

The work experience profile of the hardcore poor is indicative of severe employment problems. It is also evident that low quality jobs along with weak labor force adhesion go hand in hand among the hardcore poor.

Nearly two-thirds of all the male household heads among the hardcore poor worked more than 40 weeks in 1969, but only 8 percent of the female heads did.

The incoming poor is comprised more each year of the female heads and elderly heads, but it is not true that the elderly and female heads were the only groups entering poverty in the late sixties.

Between 1959 and 1969, most of the decline in the poverty population—the escape from poverty—occurred among male headed families.

The outgoing poor is somewhat younger than the incoming. This is especially true for whites who escaped poverty, but not so for nonwhites.

Thirty-two percent of the outgoing poor had a high school education, compared to 20 percent for the incoming poor. Those with a significant amount of education have a greater chance of leaving poverty, but higher education is not a prerequisite for the escape from poverty.

Getting out of poverty is associated with a movement toward *better* jobs—from unskilled laborers, farmers, etc., to blue collar craftsmen and operatives to white collar.

What, Mr. Chairman, might be reasonably concluded from this important report? Several things, each important.

Jobs are an answer, if not the answer, in solving the poverty problem.

The concentration of Government effort ought to be most heavily upon the hardcore poverty population—10.26 million people or thereabout.

If present trends alone continue, poverty will be reduced, unless some redefinition pushes it statistically upward again.

WE SHOULD ATTACK THE LONG-TERM CAUSES OF POVERTY

Most of OEO's existing statutory mandates are antithetical to the very, time-proved methods of getting people most effectively out of poverty.

These programs rest upon the assumptions that government-fostered income redistribution is the most effective means of alleviating poverty; that poverty is more an economic condition than an economic reflection of attitudinal-motivational problems; that poverty ought to be addressed by palliative programs, rather than allowing poverty to remain one of those human conditions one within would try hard to get out of; that work-fare type jobs are demeaning and not to be preferred to social assistance; and that, in short, welfare is a right.

OEO programs rejected outright the marketplace—the best means yet devised by man and his governments to get people out of poverty.

OEO programs often rejected the use of the traditional institutions of Government and the private sector. The very use of the Community Action concept—the creation and use of a private or quasi-public structure cutting across the traditional lines and responsibilities of State and local governments—made that mechanism of limited value from the outset.

Coupled with the way in which many CAA's scared away resource mobilization from the private sector and volunteer agencies, these programs were often self-defeating.

EQUALITY OF OPPORTUNITY SHOULD BE SOUGHT

The ultimate goal of OEO was to obtain equality of economic status among all persons, not to achieve an equality of liberty through which economic opportunity becomes accessible equally to all.

The search for absolute economic equality is one through which individual incentive and motivation is destroyed on one hand and through which dependency on Government subsidy is created on the other. Men can be equally free without being economically uniform, but they cannot be uniform and be free.

The role of antipoverty programs ought to be to foster equality of opportunity, not equality of economic condition, through which equal opportunities would be fostered in such ways that each person can achieve whatever status, or income, or education, or decency, or dignity, or training, or work—or whatever—one felt impelled to do by his own free choice.

ADVOCACY WITH PUBLIC FUNDS QUESTIONED

OEO has improperly been involved in the advocacy of certain ideological, philosophical, and political points of view, an involvement underwritten with tax dollars. It is not inherently wrong for those who wish the poor to have a greater voice in the affairs of the Nation to engage in advocacy. But, it is wrong for the Federal Treasury to underwrite that involvement.

In the words of the noted liberal jurist, Judge Learned Hand, the Federal Treasury must stand "neutral" in the expounding of ideological, philosophical, political, and partisan points of view. Many legal scholars regard such fundings as an actual denial of the constitutional rights of those whose attitudes—in agreement or in disagreement—are not given similar support. And, of no small importance, the funding of direct action by poor people from the Treasury has given them a voice out of balance in the marketplace of ideas with the aspirations of other people who have no such subsidization of their actions—nor should they.

The answer, of course, does not lie in subsidizations of all points of view or all people. It lies in the subsidization of no persons to engage in such actions.

A NEW FORMULA ON WHAT CONSTITUTES POVERTY IS NEEDED

We must come to grips with what constitutes poverty.

As the noted social commentator, Irving Kristol, has observed:

> If one defines the poverty line as that which places one-fifth of the nation below it, then one-fifth of the nation will always be below the poverty line.

In other words, the mere definition locks the results into place. No matter how much better things get for those in poverty, a Government definition of poverty keeps them within it—or at least it keeps one out of every five people within it.

We should insist that standards be used which more adequately reflect the necessities of food, clothing, shelter, and medical care, with variables to account for urban-rural differences, capacities to produce nonincome goods, et cetera, also included.

I realize that formulas used today take these matters into consideration, but it seems that every time the percentage of people within the poverty population noticeably declines—that is, it looks like a lot of people are getting out of poverty—the formulas are revised upwardly. This should stop.

NEW STUDY OF NEW YORK CAA'S CONCLUDES THEY HAVE LARGELY FAILED IN MEETING THEIR OBJECTIVES

All the points which I have made today were brought home most graphically by a New York Times article in the Sunday, May 26, edition. That article reports on an extensive study prepared for the State Charter Revision Commission for New York City.

The report concludes that the Community Action program largely has failed to achieve its objectives because of ineffective structure and management.

Because it bears so directly on our debate here today, I include the full text of this informative article:

State Study Says Bad Direction Impedes Antipoverty Effort Here

A study prepared for the temporary State Charter Revision Commission for New York City has concluded that the $40-million Community Action program, a major antipoverty effort, largely has failed to achieve its objectives because of ineffective structure and management.

The study, the latest of a series dealing with aspects of municipal government, was made public yesterday by State Senator Roy M. Goodman, Republican-Liberal of Manhattan and chairman of the commission. He said that the study was intended to stimulate discussion of the problem of combatting poverty but that the conclusions did not necessarily reflect the views of the commission.

Community Action, financed primarily with Federal funds through the Office of Economic Opportunity, attempted to help the poor to help themselves by decentralizing policy control to neighborhood boards and operation units.

THREE HUNDRED THIRTY-THREE AGENCIES FINANCED

The work has been carried out by 26 community corporations in various disadvantaged neighborhoods, supervised by the Council Against Poverty through its administrative arm, the Community Development Agency. In, all 331 independent "delegate agencies" have received money through the program to work with the poor.

The effort faces an uncertain future because the Nixon Administration has phased out the Office of Economic Opportunity and local officials are not sure about the extent to which revenue-sharing money expected to begin flowon July 1 will permit continuance of the program.

The commission's report, prepared by its staff under the direction of Forrest Broman, said the main shortcoming of the program was the fact its agencies were separated intentionally from existing municipal-service agencies.

"Community Action inevitably came to represent a separate constituency and a competing institution for the delivery of services to the poor," the report said. It added that "ethnic and racial dissensions had plagued the program, disrupting the democratic process of electing leaders from among the poor.

PROBLEM EXISTS ELSEWHERE

The report noted that New York was not the only large city where antipoverty programs had been "prevented from developing as strong and effective institutions."

To aid decentralization, the report recommends that district boundaries not be drawn "on explicit racial or ethnic grounds" and the elections for Community Action posts be conducted by disinterested agencies or, if possible, as part of regular state and municipal elections to assure maximum voter participation.

Mr. Chairman, these observations and recommendations are offered in a spirit of trying to maximize the effectiveness of Federal antipoverty dollars and trying to get decisionmaking onto the level closest to the people. That cannot be done when we subsidize failure, create disincentives to success, and rely upon an elitist, arrogant, and removed bureaucracy in Washington.

I would prefer to see all the factors which I have enumerated in my remarks this afternoon embodied in the legislation before us. I could prepare and offer the most carefully drawn of amendments to accomplish that, but I know they would not be accepted by the majority, because they disagree with the approach which would be embodied in those amendments.

The amendment which I offer tomorrow is a step in the right direction. I realize that it is open to the charge that it does not go far enough, and for some, I suppose, that is true. But the amendment continues in the process begun by this body in 1967 through adoption of the Green amendment. It is, I believe, worthy of the support of all the Members.

Mr. McCLORY. Mr. Chairman, I rise in strong support of the 3-year extension of Project Follow Through contained in title VII, part B, of this legislation. Under this bill, Follow Through will be constituted as a separate authority within the Department of Health, Education, and Welfare; and the program will have an authorization of $60 million per year through fiscal year 1977. Working in tandem with Project Head Start, Follow Through can continue as one of the Federal Government's most effective programs in the national effort to achieve equal educational opportunity.

Mr. Chairman, although I recognize that the administration does not support the extension of the Follow Through program, the Congress has yet to receive any justification to support HEW's recommendation to terminate this program. In fact, all the findings made by the Committee on Education and Labor support the conclusion that Follow Through has been one of the most effective educational programs ever supported by the Federal Government.

Mr. Chairman, I have personally observed the benefits that Project Follow Through has brought to the disadvantaged schoolchildren in this society. The Carman School program in Waukegan, Ill., has been acclaimed as one of the most successful Follow Through projects in the Nation.

Five years ago, many disadvantaged students in the Waukegan area were not learning very much. Reading scores were low and parents were without any real hope. Today, with the help of a successful Follow Through program, these same children are benefiting from a greatly enhanced education experience at the Carman School. Tests now put these students on a par with their peers throughout the school district, and parents are actively involved in school activities with their children.

In brief, Mr. Chairman, I have seen how the commitment of the people of Waukegan in my district, supported by the financial and technical assistance that Follow Through has provided, made the American promise of equal educational opportunity a reality for the highly motivated youth at Carman School.

Mr. Chairman, the Follow Through program has been adequately tested both at Carman School in my district and at schools around the Nation. The program has been very successful in achieving its worthy goals. I urge my colleagues to continue their strong support of Follow Through both today and in the future, so that this program can remain at the forefront of the national effort to attain equal educational opportunity for all of America's schoolchildren.

Mr. HAWKINS. Mr. Chairman, I have no further requests for time.

Mr. QUIE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read by title the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Community Services Act of 1974".

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STATEMENT OF PURPOSE

SEC. 2. (a) This Act provides for community service programs, together with appropriate powers and responsibilities designed to assist in the development and coordination of such programs. The purpose of this Act is, first of all, to establish within the Department of Health, Education, and Welfare the Community Action Administration (hereinafter referred to as the "Administration"). Second, the purpose is to eliminate the poverty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity. It is the purpose of this Act to strengthen, supplement, and coordinate efforts in furtherance of these policies.

(b) It is the sense of the Congress that it is highly desirable to employ the resources of the private sector of the economy of the United States and of State and local governments in all such efforts to further the policy of this Act.

TITLE I—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

STATEMENT OF PURPOSE

SEC. 101. (a) This part provides for community action agencies and programs, prescribes the structure and describes the functions of community action agencies and authorizes financial assistance to community action programs and related projects and activities. Its basic purpose is to stimulate a better focusing of all available local, State, private, and Federal resources upon the goal of enabling low-income families, and low-income individuals of all ages, in rural and urban areas to attain the skills, knowledge, and motivations and secure the opportunities needed for them to become fully self-sufficient. Its specific purposes are to promote, as methods of achieving a better focusing of resources on the goal of individual and family self-sufficiency—

(1) the strengthening of community capabilities for planning and coordinating Federal, State, and other assistance related to the elimination of poverty, so that this assistance, through the efforts of local officials, organizations, and interested and affected citizens, can be made more responsive to local needs and conditions.

(2) the better organization of a range of services related to the needs of the poor, so that these services may be made more effective and efficient in helping families and individuals to overcome particular problems in a way that takes account of, and supports their progress in overcoming, related problems;

(3) the greater use, subject to adequate evaluation, of new types of services and innovative approaches in attacking causes of poverty, so as to develop increasingly effective methods of employing available resources;

(4) the development and implementation of all programs and projects designed to serve the poor or low-income areas with the maximum feasible participation of residents of the areas and members of the groups served, so as to best stimulate and take full advantage of capabilities for self-advancement and assure that those programs and projects are otherwise meaningful to and widely utilized by their intended beneficiaries; and

(5) the broadening of the resource base of programs directed to the elimination of poverty, so as to secure, in addition to the services and assistance of public officials, private religious, charitable, and neighborhood organizations, and individual citizens, a more active role for business, labor, and professional groups able to provide employment opportunities or otherwise influence the quantity and quality of services of concern to the poor.

(b) It is further declared to be the purpose of this part and the policy of the Administration to provide for basic education, health care, vocational training, and employment opportunities in rural America to enable the poor living in rural areas to remain in such areas and become self-sufficient therein. It shall not be the purpose of this title or the policy of the Administration to encourage the rural poor to migrate to urban areas, inasmuch as it is the finding of Congress that continuation of such migration is frequently not in the best interests of the poor and tends to further congest the already overcrowded slums and ghettos of our Nation's cities.

PART A—COMMUNITY ACTION AGENCIES AND PROGRAMS

DESIGNATION OF COMMUNITY ACTION AGENCIES: COMMUNITY ACTION PROGRAMS

SEC. 111. (a) A community action agency shall be a State or political subdivision of a State (having elected or duly appointed governing officials), or a combination of such political subdivisions, or a public or private nonprofit agency or organization which has been designated by a State or such a political subdivision or combination of such subdivisions, which—

(1) has the power and authority and will perform the functions set forth in section 113, including the power to enter into contracts with public and private nonprofit agencies and organizations to assist in fulfilling the purposes of this title, and

(2) is determined to be capable of planning, conducting, administering, and evaluating a community action program and is currently designated as a community action agency by the Director.

A community action program is a community based and operated program—

(1) which includes or is designed to include a sufficient number of projects or components to provide, in sum, a range of services and activities having a measurable and potentially major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem;

(2) which has been developed and which organizes and combines its component projects and activities, in a manner appropriate to carry out all the purposes of this part; and

(3) which conforms to such other supplementary criteria as the Director may prescribe consistent with the purposes and provisions of this title.

(b) Components of a community action program may be administered by the community action agency, where consistent with sound and efficient management and applicable law, or by other agencies. They may be projects eligible for assistance under this part, or projects assisted from other public or private sources; and they may be either specially designed to meet local needs, or designed pursuant to the eligibility standards of a State or Federal program providing assistance to a particular kind of activity which will help in meeting those needs.

(c) For the purpose of this title, a community may be a city, county, multicity, or multicounty unit, an Indian reservation, or a neighborhood or other area (irrespective of boundaries or political subdivisions) which provides a suitable organizational base and possesses the commonality of interest needed for a community action program. The Director shall consult with the heads of other Federal agencies responsible for programs relating to work and training programs, physical and economic development housing, education, health, and other community services to encourage the establishment of coterminous or complementary boundaries for planning purposes among those programs and community action programs assisted under this title.

(d) The Director may designate and provide financial assistance to a public or private nonprofit agency as a community action agency in lieu of a community action agency designated under subsection (a) for activities of the kind described in this part where he determines (1) that the community action agency serving the community has failed, after having a reasonable opportunity to do so, to submit a satisfactory plan for a community action program which meets the criteria for approval set forth in this title, or to carry out such plan in a satisfactory manner, or (2) that neither the State nor any qualified political subdivision or combination of such subdivision is willing to be designated as the community action agency for such community or to designate a public or private nonprofit agency or organization to be so designated by the Director.

(e) No political subdivision of a State shall be included in the community action program of a community action agency designated under subsection (a) if the elected or duly appointed governing officials of such political subdivision do not wish to be so included. Such political subdivision, and any public or private nonprofit organization or agency designated by it, shall be eligible for designation as a community action agency on the same basis as other political subdivisions and their designees.

(f) For the purposes of this title, a tribal government of an Indian reservation shall be deemed to be a political subdivision of a State.

(g) In carrying out his responsibilities under this part the Director may delegate to a State, in accordance with criteria and guidelines established by him, such functions as he deems appropriate, except that no such delegation shall take place unless all the community action agencies within such State formally indicate their approval of such proposed delegation.

COMMUNITY ACTION AGENCIES AND BOARDS

SEC. 112. (a) Each community action agency which is a State or a political subdivision of a State or a combination of political subdivisions, shall administer its program through a community action board which shall meet the requirements of subsection (b). Each community action agency which is a public or private nonprofit agency or organization designated by a State or political subdivision of a State, or combination of political subdivisions, or is an agency designated by the Director under section 111(d), shall have a governing board which shall meet the requirements of subsection (b).

(b) Each board to which this subsection applies shall consist of not more than fifty-one members and shall be so constituted that (1) one-third of the members of the board are elected public officials, or their representatives, except that if the number of elected officials reasonably available and willing to serve is less than one-third of the membership of the board, membership on the board of appointive public officials may be counted in meeting such one-third requirement, (2) at least one-third of the members are persons chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area served, and (3) the remainder of the members are officials or members of business, industry, labor, religious, welfare, education, or other major groups and interests in the community. Each member of the board selected to represent a specific geographic area within a community must reside in the area he represents. No person selected under clause (2) or (3) of this subsection as a member of a board shall serve on such board for more than five consecutive years, or more than a total of ten years.

(c) Where a community action agency places responsibility for major policy determinations with respect to the character, funding, extent, and administration of and budgeting for programs to be carried on in a particular geographic area within the community in a subsidiary board, council, or similar agency, such board, council, or agency shall be broadly representative of such area, subject to regulations of the Director which assure adequate opportunity for membership of elected public officials on such board, council, or agency. Each community action agency shall be encouraged to make use of neighborhood-based organizations composed of residents of the area or members of the groups served to assist such agency in the planning, conduct, and evaluation of components of the community action program.

(d) (1) The Director shall promulgate such standards or rules relating to the scheduling and notice of meetings, quorums (which shall be not less than 50 per centum of the total membership), procedures, establishment of committees, and similar matters as he may deem necessary to assure that boards which are subject to subsection (b) provide a continuing and effective mechanism for securing broad, community involvement in programs assisted under this title and that all groups or elements represented on those boards have a full and fair opportunity to participate in decisions affecting those programs. Such standards or rules shall not preclude any such board from appointing an executive committee or similar group, which fairly reflects the composition of the board, to transact the board's business between its meetings. The quorum requirements for any such committee or group, which shall not be less than 50 percent of the membership, shall be established by the board.

(2) the Director shall require community action agencies to establish procedures under which community agencies and representative groups of the poor which feel themselves inadequately represented on the community action board or governing board may petition for adequate representation.

(e) The powers of every community action agency governing board shall include the power to appoint persons to senior staff positions, to determine major personnel, fiscal and program policies, to approve overall program plans and priorities, and to assure compliance with conditions of and approve proposals for financial assistance under this part.

(f) Each community action board referred to in the first sentence of subsection (a) shall—

(1) have a full opportunity to participate in the development and implementation of all programs and projects designed to serve the poor or low-income areas with maximum feasible participation of residents of the areas and members of the group served, so as to best stimulate and take full advantage of capabilities for self-advancement and assure that those programs and projects are otherwise meaningful to and widely utilized by their intended beneficiaries;

(2) have at least one-third of its members chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area served;

(3) be so established and organized that the poor and residents of the area concerned will be enabled to influence the character of programs affecting their interests and regularly participate in the planning and implementation of those programs; and

(4) be a continuing and effective mechanism for securing broad community involvement in the programs assisted under this title.

(g) The Director shall insure that no election or other democratic selection procedure conducted pursuant to clause (2) of subsection (b), or pursuant to clause (2) of subsection (f), shall be held on a Sabbath Day which is observed as a day of rest and worship by residents in the area served.

SPECIFIC POWERS AND FUNCTIONS OF COMMUNITY ACTION AGENCIES

SEC. 113. (a) In order to carry out its overall responsibility for planning, coordinating, evaluating, and administering a community action program, a community action agency must have authority under its charter or applicable law to receive and administer funds under this part, funds and contributions from private or local public sources which may be used in support of a community action program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit agency (as the case may be) organized in accordance with this title could act as grantee, contractor, or sponsor of projcts appropriate for inclusion in a community action program. A community action agency must also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. This power to transfer funds and delegate powers must include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

(b) In exercising its powers and carrying out its overall responsibility for a community action program, a community action agency shall have, subject to the purposes of this title, at least the following functions:

(1) planning systematically for and evaluating the program, including actions to develop information as to the problems and causes of poverty in the community, determine how much and how effectively assistance is being provided to deal with those problems and causes, and establish priorities among projects, activities and areas as needed for the best and most efficient use of resources.

(2) Encouraging agencies engaged in activities related to the community action program to plan for, secure and administer assistance available under this part or from other sources on a common or cooperative basis; providing planning or technical assistance to those agencies; and generally, in cooperation with community agencies and officials, undertaking actions to improve existing efforts to attack poverty, such as improving day-to-day communication, closing service gaps, focusing resources on the most needy, and providing additional opportunities to low-income individuals for regular employment or participation in the programs or activities for which those community agencies and officials are responsible.

(3) Initiating and sponsoring projects responsive to needs of the poor which are not otherwise being met, with particular emphasis on providing central or common services that can be drawn upon by a variety of related programs, developing new approaches or new types of services that can be incorporated into other programs, and filling gaps pending the expansion or modification of those programs.

(4) Establishing effective procedures by which the poor and area residents concerned will be enabled to influence the character of programs affecting their interests providing for their regular participation in the implementation of those programs, and providing technical and other support needed to enable the poor and neighborhood groups to secure on their own behalf available assistance from public and private sources.

(5) Joining with and encouraging business, labor, and other private groups and organizations to undertake, together with public officials and agencies, activities in support of the community action program which will result in the additional use of private resources and capabilities, with a view to such things as developing new employment opportunities, stimulating investment that will have a measurable impact in reducing poverty among residents of areas of concentrated poverty, and providing methods by which residents of those areas can work with private groups, firms, and institutions in seeking solutions to problems of common concern.

ADMINISTRATIVE STANDARDS

SEC. 114. (a) Each community action agency shall observe, and shall (as appropriate) require or encourage other agencies participating in a community action program to observe, standards of organization, management and administration which will assure, so far as reasonably possible, that all program activities are conducted in a manner consistent with the purposes of this title and the objective of providing assistance effectively, efficiently, and free of any taint of partisan political bias or personal or family favoritism. Each community action agency shall establish or adopt rules to carry out this section, which shall include rules to assure full staff accountability in matters governed by law, regulations, or agency policy. Each community action agency shall also provide for reasonable public access to information, including but not limited to public hearings at the request of appropriate community groups and reasonable public access to books and records of the agency or other agencies engaged in program activities or operations involving the use of authority or funds for which it is responsible. And each community action agency shall adopt for itself and other agencies using funds or exercising authority for which it is responsible, rules designed to establish specific standards governing salaries, salary increases, travel and per diem allowances, and other employee benefits; to assure that only persons capable of discharging their duties with competence and integrity are employed and that employees are promoted or advanced under impartial procedures calculated to improve agency performance and effectiveness; to guard against personal or financial conflicts of interests; and to define employee duties of advocacy on behalf of the poor in an appropriate manner which will in any case preclude employees from participating, in connection with the performance of their duties, in any form of picketing, protest, or other direct action which is in violation of law.

(b) The Director shall prescribe rules or regulations to supplement subsection (a), which shall be binding on all agencies carrying on community action program activities with financial assistance under this title. He may, where appropriate, establish special or simplified requirements for smaller agencies or agencies operating in rural areas. These special requirements shall not, however, affect the applicability of rules governing conflicts of interest, use of position or authority for partisan or nonpartisan political purposes or participation in direct action, regardless of customary practices or rules among agencies in the community. The Director shall consult with the heads of other Federal agencies responsible for programs providing assistance to activities which may be included in community action programs for the purpose of securing maximum consistency between rules or regulations prescribed or followed by those agencies and those prescribed under this section.

HOUSING DEVELOPMENT AND SERVICES ORGANIZATIONS

SEC. 115. Each community action agency shall encourage the establishment of housing development and services organizations designed to focus on the housing needs of low-income families and individuals. Such organizations shall provide the technical, administrative, and financial assistance which is required to help low-income families and individuals more effectively to utilize existing programs, and which is required to enable nonprofit, cooperative, and public sponsors more effectively to take advantage of existing Federal, State, and local mortgage insurance and housing assistance programs. Where appropriate, such organizations may be nonprofit housing development corporations. Such corporations may themselves become sponsors of housing under existing programs of specialized housing agencies, but under no circumstances shall such corporations insure mortgages or duplicate the long-term capital financing functions of programs now administered by the specialized housing agencies. Housing development and service organizations shall coordinate their efforts with other community action agency efforts so that any programs undertaken under authority of this section shall be closely related to other community action programs.

PART B—FINANCIAL ASSISTANCE TO COMMUNITY ACTION PROGRAMS AND RELATED ACTIVITIES

GENERAL PROVISIONS FOR FINANCIAL ASSISTANCE

SEC. 121. (a) The Director may provide financial assistance to community action agencies for the planning conduct, administration, and evaluation of community action programs and components. Those components may involve, without limitation, other activities and supporting facilities designed to assist participants including the elderly poor—

(1) to secure and retain meaningful employment;

(2) to attain an adequate education;

(3) to make better use of available income;

(4) to provide and maintain adequate housing and a suitable living environment;

(5) To undertake family planning, consistent with personal and family goals, religious and moral convictions;

(6) to obtain services for the prevention of narcotics addiction, alcoholism, and the rehabilitation of narcotic addicts and alcoholics;

(7) to obtain emergency assistance through loans or grants to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and employment-related assistance;

(8) to remove obstacles and solve personal and family problems which block the achievement of self-sufficiency;

(9) to achieve greater participation in the affairs of the community; and

(10) to make more frequent and effective use of other programs related to the purposes of this Act.

He may also provide financial assistance to other public or private nonprofit agencies to aid them in planning for the establishment of a community action agency.

(b) If the Director determines that a limited purpose project or program involving activities otherwise eligible under this section is needed to serve needs of low-income families and individuals in a community and no community action agency has been designated for that community pursuant to section 111, or where a community action agency gives its approval for such a program to be funded directly through a public or private nonprofit agency or organization, he may extend financial assistance for that project or program to a public or private nonprofit agency which he finds is capable of carrying out the project in an efficient and effective manner consistent with the purpose of this title.

(c) The Director shall prescribe necessary rules or regulations governing applications for assistance under this section to assure that every reasonable effort is made by each applicant to secure the views of local public officials and agencies in the community having a direct or substantial interest in the application and to resolve all issues of cooperation and possible duplication prior to its submission.

(d) The Director shall require, as a condition of assistance, that each community action agency has adopted a systematic approach to the achievement of the purposes of this title and to the utilization of funds provided under this part. Such systematic approach shall encompass a planning and implementation process which seeks to identify the problems and causes of poverty in the community, seeks to mobilize and coordinate relevant public and private resources, establishes program priorities, links program components with one another and with other relevant programs, and provides for evaluation. The Director may, however, extend the time for such requirement to take into account the length of time a program has been in operation. He shall also take necessary steps to assure the participation of other Federal agencies in support of the development and implementation of plans under this subsection.

(e) In order to promote local responsibility and initiative, the Director shall not establish binding national priorities on funds authorized by this section, but he shall review each application for financial assistance on its merits. Before extending financial assistance to a new community action agency under this section, and in determining the amount of and conditions on which such assistance shall be extended, the Director shall consider the extent and nature of poverty in the community and the probable capacity of the agency to carry out an effective program. In reviewing or supplementing financial assistance to a previously existing community action agency, he shall consider the progress made in carrying on programs by such agency.

SPECIAL PROGRAMS AND ASSISTANCE

Sec. 122. (a) In order to stimulate actions to meet or deal with particularly critical needs or problems of the poor which are common to a number of communities, the Director may develop and carry on special programs under this section. This authority shall be used only where the Director determines that the objectives sought could not be effectively achieved through the use of authorities under section 121, including assistance to components or projects based on models developed and promulgated by him. It shall also be used only with respect to programs which (A) involve activities which can be incorporated into or be closely coordinated with community action programs, (B) involve significant new combinations of resources or new and innovative approaches, or (C) are structured in a way that will, within the limits of the type of assistance or activities contemplated, most fully and effectively promote the purposes of this part. Subject to such conditions as may be appropriate to assure effective and efficient administration, the Director may provide financial assistance to public or private nonprofit agencies to carry on local projects initiated under such special programs; but he shall do so in a manner that will encourage, wherever feasible, the inclusion of the assisted projects in community action programs, with a view to minimizing possible duplication and promoting efficiencies in the use of common facilities and services, better assisting persons or families having a variety of needs, and otherwise securing from the funds committed the greatest possible impact in promoting family and individual self-sufficiency. Programs under this section shall include those described in the following paragraphs.

(1) A "Legal Services" program to further the cause of justice among persons living in poverty by mobilizing the assistance of lawyers and legal institutions and by providing legal advice, legal representation, legal counseling, education in legal matters, and other appropriate legal services. Projects involving legal advice and representation shall be carried on in a way that assures maintenance of a lawyer-client relationship consistent with the best standards of the legal profession. The Director shall make arrangements under which the State bar association and the principal local bar associations in the community to be served by any proposed project authorized by this paragraph shall be consulted and afforded an adequate opportunity to submit, to the Director, comments and recommendations on the proposed project before such project is approved or funded, and to submit, to the Director comments and recommendations on the operations to such project, if approved and funded. No funds or personnel made available for such program (whether conducted pursuant to this section or any other section in this part) shall be utilized for the defense of any person indicted (or proceeded against by information) for the commission of a crime, except in extraordinary circumstances where, after consultation with the court having jurisdiction, the Director has determined that adequate legal assistance will not be available for an indigent defendant unless such services are made available. Members of the Armed Forces, and members of their immediate families, shall be eligible to obtain legal services under such programs in cases of extreme hardship (determined in accordance with regulations of the Director issued after consultation with the Secretary of Defense: *Provided*, That nothing in this sentence shall be so construed as to require the Director to expand or enlarge existing programs or to initiate new programs in order to carry out the provisions of this sentence unless and until the Secretary of Defense assumes the cost of such services and has reached agreement with the Director on reimbursement for all such additional costs as may be incurred in carrying out the provisions of this sentence.

(2) A program to be known as "Community Food and Nutrition Program" designed to provide on an emergency basis, directly or by delegation of authority pursuant to the provisions of title VI of this Act, financial assistance for the provision of such supplies and services, nutritional foodstuffs, and related services, as may be necessary to counteract conditions of starvation or malnutrition among the poor. Such assistance may be provided by way of supplement to such other assistance as may be extended under the provisions of other Federal programs, and may be used to extend and broaden such programs to serve economically disadvantaged individuals and families where such services are not now provided and without regard to the requirements of such laws for local or State administration or financial participation. In extending such assistance, the Director may make grants to community action agencies or local public or private nonprofit organizations or agencies to carry out the purposes of this paragraph. The Director is authorized to carry out the functions under this paragraph through the Secretary of Agriculture in a manner that will insure the availability of such supplies and services, nutritional foodstuffs, and related services through a community action agency where feasible, or other agencies or organizations if no such agency exists or is able to administer programs to provide such foodstuffs, services, and supplies to needy individuals and families.

(3) An "Environmental Action" program through which low-income persons will be paid for work (which would not otherwise be performed) on projects designed to combat pollution or to improve the environment. Projects may include, without limitation: cleanup and sanitation activities, including solid waste removal; reclamation and rehabilitation of eroded or ecologically damaged areas, including areas affected by strip mining; conservation and beautification activities, including tree planting and recreation area development; the restoration and maintenance of environment; and the improvement of the quality of life in urban and rural areas.

(4) A program to be known as "Rural Housing Development and Rehabilitation" designed to assist low-income families in rural areas to construct and acquire ownership of adequate housing, to rehabilitate or repair existing substandard units in such areas, and to otherwise assist families in obtaining standard housing. Financial assistance under this paragraph shall be provided to nonprofit rural housing development corporations and cooperatives serving areas which are defined by the Farmers Home Administration as rural areas, and shall be used for, but not limited to, such purposes as administrative expenses; revolving development funds; nonrevolving land, land development and construction write-downs; rehabilitation or repair of substandard housing; and loans to low-income families. In the construction, rehabilitation, and repair of housing for low-income families under this paragraph, the services of persons enrolled in Mainstream programs may be utilized. Loans under this paragraph may be used for, but limited to, such purposes as the purchase of new housing units, the repair, rehabilitation and purchase of existing units, and to supplement existing Federal loan programs in order that low-income families may benefit from them. The repayment period of such loans shall not exceed thirty-three years. No loans under this paragraph shall bear an interest rate of less than 1 per centum per annum, but if the Director, after having examined the family income of the applicant, the projected housing costs of the applicant, and such other factors as he deems appropriate, determines that the applicant would otherwise be unable to participate in this program, he may waive the interest in whole or in part and for such periods of time as he may establish except that (1) no such waiver may be granted to an applicant whose adjusted family income (as defined by the Farmers Home Administration) is in excess of $3,700 per annum and (2) any applicant for whom such a waiver is provided shall be required to commit at least 20 per centum of his adjusted family income toward the mortgage debt service and other housing costs. Family incomes shall be recertified annually, and monthly payments for all loans under this paragraph adjusted accordingly.

(5) A program to be known as "Senior Opportunities and Services" designed to identify and meet the needs of older, poor persons above the age of sixty in one or more of the following areas: development and provision of new employment and volunteer services; effective referral to existing health, welfare, employment, housing, legal, consumer, transportation, education, and recreational and other services; stimulation and creation of additional services and programs to remedy gaps and deficiencies in presently existing services and programs; modification of existing procedures, eligibility requirements and program structures to facilitate the greater use of, and participation in, public services by the older poor; development of all-season recreation and service centers controlled by older persons themselves, and such other activities and services as the Director may determine are necessary or specially appropriate to meet the needs of the older poor and to assure them greater self-sufficiency. In administering this program the Director shall utilize to the maximum extent feasible the services of the Administration of Aging.

RESIDENT EMPLOYMENT

Sec. 123. In the conduct of all component programs under this title, residents of the area and members of the groups served shall be provided maximum employment opportunity, including opportunity for further occupational training and career advancement. The Director shall encourage the employment of persons fifty-five years and older as regular, part-time and short-term staff in component programs.

NEIGHBORHOOD CENTERS

Sec. 124. The Director shall encourage the development of neighborhood centers, designed to promote the effectiveness of needed services in such fields as health, education, manpower, consumer protection, child and economic development, housing, legal, recreation, and social services, and so organized (through a corporate or other appropriate framework) as to promote maximum participation of neighborhood residents in center planning, policymaking, administration, and operation. In addition to providing such services as may not otherwise be conveniently or readily available, such centers shall be responsive to such neighborhood needs, such as counseling, referral, follow-through, and community development activities, as may be necessary or appropriate to best assure a system under which existing programs are extended to the most disadvantaged, or linked to one another, are responsible and relevant to the range of community, family, and individual problems and are fully adapted to neighborhood needs and conditions.

ALLOTMENT OF FUNDS: LIMITATIONS ON ASSISTANCE

SEC. 125. (a) Of the sums which are appropriated or allocated for assistance in the development and implementation of community action programs pursuant to section 121, and for special program projects referred to in section 122(a), and which are not subject to any other provision governing allotment or distribution, the Director shall allot not more than 2 per centum among Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands, according to their respective needs. He shall also reserve not more than 20 per centum of those sums for allotment in accordance with such criteria and procedures as he may prescribe. The remainder shall be allotted among the States, in accordance with the latest available data, so that equal proportions are distributed on the basis of (1) the relative number of public assistance recipients in each State as compared to all States, (2) the average number of unemployed persons in each State as compared to all States, and (3) the relative number of related children living with families below the poverty level in each State as compared with all other States. For the purposes of this section the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census except that the per centum figure used to determine the allotment under this clause for any State shall not be reduced by more than half a per centum of the per centum of the total allotments to all States under this clause, which equals the per centum of the total allotments to all States received by such State for the fiscal year ending June 30, 1974, under section 225(a) of the Economic Opportunity Act. Retention of such per centum for such State in any fiscal year in which such per centum otherwise would be reduced by more than half a per centum shall be achieved by proportionately reducing the per centums of the remaining States, but with such adjustments as may be necessary to prevent the per centums of such remaining States from being thereby reduced by more than half a per centum of the per centums of such remaining States for the fiscal year ending June 30, 1974, under section 225(a) of such Act. That part of any State's allotment which the Director determines will not be needed may be reallotted at such dates during the fiscal year as the Director may fix, in proportion to the original allotments, but with appropriate adjustments to assure that any amount so made available to any State in excess of its needs is similarly reallotted among the other States.

(b) The Director may provide for the separate allotment of funds for any special program referred to in section 122(a). This allotment may be made in accordance with the criteria prescribed in subsection (a), or it may be made in accordance with other criteria which he determines will assure an equitable distribution of funds reflecting the relative incidence in each State of the needs or problems at which the program is directed, except that in no event may more than 12½ per centum of the funds for any one program be used in any one State.

(c) Unless otherwise provided in this title, financial assistance extended to a community action agency or other agency pursuant to sections 121 and 122(a), for the period ending June 30, 1975, shall not exceed 80 per centum of the approved cost of the assisted programs or activities. For the succeeding period ending June 30, 1976, such financial assistance shall not exceed 70 per centum of such costs and thereafter shall not exceed 60 per centum of such costs. However, the Director may approve assistance in excess of such percentages if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this title. The Director shall not require non-Federal contributions in excess of 20 per centum in fiscal year 1975, 30 per centum in fiscal year 1976, and 40 per centum in fiscal year 1977 of the approved cost of programs or activities assisted under this Act. In addition, for the periods ending June 30, 1976, and June 30, 1977, the Director may approve assistance in excess of such percentages upon evidence that the aggregate of all non-Federal contributions by agencies within a State for grants made pursuant to sections 121 and 122(a) as a percentage of the aggregate of all funds granted to such agencies in such State pursuant to such sections meets the percentage requirements of this subsection. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services.

(d) No program shall be approved for assistance under sections 121 and 122(a) unless the Director satisfies himself (1) that the services to be provided under such program will be in addition to, and not in substitution for, services previously provided without Federal assistance, and (2) that funds or other resources devoted to programs designed to meet the needs of the poor within the community will not be diminished in order to provide any contributions required under subsection (c). The requirement imposed by the preceding sentence shall be subject to such regulations as the Director may adopt and promulgate establishing objective criteria for determinations covering situations where a strict application of that requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes sought to be achieved.

DESIGN AND PLANNING ASSISTANCE PROGRAMS

SEC. 126. (a) The Director shall make grants or enter into contracts to provide financial assistance for the operating expenses of programs conducted by community-based design and planning organizations to provide technical assistance and professional architectural and related services relating to housing, neighborhood facilities, transportation and other aspects of community planning and development to persons and community organizations or groups not otherwise able to afford such assistance. Such programs shall be conducted with maximum use of the voluntary services of professional and community personnel. In providing assistance under this section, the Director shall afford priority to persons in urban or rural poverty areas with substandard housing, substandard public service facilities, and generally blighted conditions. Design and planning services to be provided by such organization shall include—

(1) comprehensive community or area planning and development;

(2) specific projects for the priority planning and development needs of the community; and

(3) educational programs directed to local residents emphasizing their role in the planning and development process in the community.

(b) No assistance may be provided under this section unless such design and planning organization—

(1) is a nonprofit organization located in the neighborhood or area to be served with a majority of the governing body of such organization comprised of residents of that neighborhood or area;

(2) has as a primary function the goal of bringing about, through the involvement of the appropriate community action agency or otherwise, maximum possible participation of local residents, especially low-income residents, in the planning and decisionmaking regarding the development of their community; and

(3) will carry out its design and planning services principally through the voluntary participation of professional and community personnel (including, where available, VISTA volunteers).

(c) Design and planning organizations receiving assistance under this section shall not subcontract with any profitmaking organization or pay fees for architectural professional services.

YOUTH RECREATION AND SPORTS PROGRAM

SEC. 127. (a) In order to provide to disadvantaged youth recreation and physical fitness instruction and competition with high-quality facilities and supervision and related educational and counseling services (including instruction concerning study practices, career opportunities, job responsibilities, health and nutrition, and drug abuse education) through regular association with college instructors and athletes and exposure to college and university campuses and other recreational facilities, the Director shall make grants or enter into contracts for conduct of an annual youth recreation and sports program concentrated in the summer months and with continued activities throughout the year, so as to offer disadvantaged youth living in areas of rural and urban poverty an opportunity to receive such recreation and educational instruction, information, and services and to participate in such physical fitness programs and sports competitions.

(b) No assistance may be provided under this section unless satisfactory assurances are received that (1) not less than 90 per centum of the youths participating in each program to be assisted under this section are from families with incomes below the poverty level as determined by the Director, and that such participating youths and other neighborhood residents through the involvement of the appropriate community action agency or otherwise, will have maximum participation in program planning and operation and (2) all significant segments of the low-income population of the community to be served will be served on an equitable basis in terms of participating youths and instructional and other support personnel.

(c) Programs under this section shall be administered by the Director through grants or contracts with any qualified organization of colleges and universities or such other qualified nonprofit organizations active in the field with access to appropriate recreational facilities as the Director shall determine in accordance with regulations which he shall prescribe. Each such grant or contract and subcontract with participating institutions of higher education or other qualified organizations active in the field shall contain provisions to assure that the program to be assisted will provide a non-Federal contribution (in cash or in kind) of no less than 20 per centum of the direct costs necessary to carry out the program. Each such grant, contract, or subcontract shall include provisions for—

(1) providing opportunities for disadvantaged youth to engage in competitive sports and receive sports skills and physical fitness instruction and education in good health and nutrition practices;

(2) providing such youth with instruction and information regarding study practices, career opportunities, job responsibilities, and drug abuse;

(3) carrying out continuing related activities throughout the year;

(4) meeting the requirements of subsection (b) of this section;

(5) enabling the contractor and institutions of higher education or other qualified organizations active in the field located conveniently to such areas of poverty and the students and personnel of such institutions or organizations active in the field to participate more fully in the community life and in solutions of community problems; and

(6) serving metropolitan centers of the United States and rural areas, within the limits of program resources.

CONSUMER ACTION AND COOPERATIVE PROGRAMS

SEC. 128. (a) The Director shall make grants or enter into contracts to provide financial assistance for the development, technical assistance to and conduct of consumer action and advocacy and cooperative programs, credit resources development programs, and consumer protection and education programs designed to demonstrate various techniques and models and to carry out projects to assist and provide technical assistance to low-income persons to try to improve the quality, improve the delivery, and lower the price of goods and services, to obtain, without undue delay or burden, financial credit at reasonable cost, and to develop means of enforcing consumer rights, developing consumer grievance procedures and presenting consumer grievances, submitting consumer views and concerns for protection against unfair, deceptive, or discriminatory trade and commercial practices and educating low-income persons with respect to such rights, procedures, grievances, views and concern.

(b) No assistance may be provided under this section unless the grantee or contracting organization or agency is a nonprofit organization and has as a primary function the goal of bringing about, through the involvement of the appropriate community action agency or otherwise, maximum possible participation of low-income persons in the project.

PART C—SUPPLEMENT PROGRAMS AND ACTIVITIES

TECHNICAL ASSISTANCE AND TRAINING

SEC. 131. The Director may provide, directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering programs under this part, and (2) training for specialized or other personnel which is needed in connection with those programs or which otherwise pertains to the purposes of this title. Upon request of an agency receiving financial assistance under this title, the Director may make special assignments of personnel to the agency to assist and advise it in the performance of functions related to the assisted activity; but no such special assignment shall be for a period of more than two years in the case of any agency.

STATE AGENCY ASSISTANCE

SEC. 132. (a) The Director may provide financial assistance to State agencies designated in accordance with State law, to enable those agencies—

(1) to provide technical assistance to communities and local agencies in developing and carrying out programs under this title;

(2) to assist in coordinating State activities related to this title;

(3) to advise and assist the Director in developing procedures and programs to promote the participation of States and State agencies in programs under this title; and

(4) to advise and assist the Director and the heads of other Federal agencies, in identifying problems posed by Federal statutory or administrative requirements that operate to impede State level coordination of programs related to this title, and in developing methods or recommendations for overcoming those problems.

(b) In any grants or contracts with State agencies, the Director shall give preference to programs or activities which are administered or coordinated by the agencies designated pursuant to subsection (a), or which have been developed and will be carried on with the assistance of those agencies.

(c) In order to promote coordination in the use of funds under this Act and funds provided or granted by State agencies, the Director may enter into agreements with States or State agencies pursuant to which they will act as agents of the United States for purposes of providing financial assistance to community action agencies or other local agencies in connection with specific projects or programs involving the common or joint use of State funds and funds under this title.

(d) If any member of a board to which section 112(b) is applicable files an allegation with the Director that an agency receiving assistance under this section is not observing any requirement of this Act, or any regulation, rule, or guideline promulgated by the Director under this Act, the Director shall promptly investigate such allegation and shall consider it; and, if after such investigation and consideration he finds reasonable cause to believe that the allegations are true, he shall hold a hearing, upon the conclusion of which he shall notify all interested persons of his findings. If he finds that the allegations are true, and that, after being afforded a reasonable opportunity to do so, the agency has failed to make appropriate corrections, he shall forthwith terminate further assistance under this part to such agency until he has received assurances satisfactory to him that further violations will not occur.

SPECIAL ASSISTANCE

SEC. 133. The Director may provide financial assistance for projects conducted by public or private nonprofit agencies which are designed to serve groups of low-income individuals who are not being effectively served by other programs under this title. In administering this section, the Director shall give special consideration to programs designed to assist older persons and other low-income individuals who do not reside in low-income areas and who are not being effectively served by other programs under this title.

PART D—GENERAL AND TECHNICAL PROVISIONS

RURAL AREAS

SEC. 141. (a) In exercising authority under this title, the Director shall take necessary steps to further the extension of benefits to residents of rural areas, consistent with the extent and severity of poverty among rural residents, and to encourage high levels of managerial and technical competence in programs undertaken in rural areas. These steps shall include, to the maximum extent practicable, (1) the development under section 122(a) of programs particularly responsive to special needs of rural areas; (2) the establishment, pursuant to section 521, of a program of research and pilot project activities specifically focused upon the problems of rural poverty; (3) the provision of technical assistance so as to afford a priority of agencies in rural communities and to aid those agencies, through such arrangements as may be appropriate, in securing assistance under Federal programs which are related to this title but which are not generally utilized in rural areas; and (4) the development of special or simplified procedures, forms, guidelines, model components, and model programs for use in rural areas.

(b) The Director shall establish criteria designed to achieve an equitable distribution of assistance under this Act within the States between urban and rural areas. In developing such criteria, he shall consider the relative number in the States or areas therein of: (1) low-income families, particularly those with children; (2) unemployed persons; (3) persons receiving cash or other assistance on a needs basis from public agencies or private organizations; (4) school dropouts; (5) adults with less than an eighth-grade education; (6) persons rejected for military service; and (7) poor persons living in urban places compared to the number living in rural places as determined by the latest reports of the Bureau of the Census.

(c) Notwithstanding any other provision of this title, the Director is authorized to provide finanacial assistance in rural areas to public or private nonprofit agencies for any project for which assistance to community action agencies is authorized, if he determines that it is not feasible to establish a community action agency within a reasonable period of time. The assistance so granted shall be subject to such conditions as the Director deems appropriate to promote adherence to the purposes of this Act and the early establishment of a community action agency in the area.

(d) The Director shall encourage the development of programs for the interchange of personnel, for the undertaking of common or related projects, and other methods of cooperation between urban and rural communities, with particular emphasis on fostering cooperation in situations where it may contribute to new employment opportunities and between larger urban communities with concentrations of low-income persons and families and rural areas in which substantial numbers of those persons and families have recently resided.

SUBMISSION OF PLANS TO GOVERNORS

SEC. 142. In carrying out the provisions of this title, no contract, agreement, grant, loan, or other assistance shall be made with, or provided to, any State or local public agency or any private institution or organization for the purpose of carrying out any program, project, or other activity within a State unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by the Governor within thirty days of such submission, or, if so disapproved, has been reconsidered by the Director and found by him to be fully consistent with the provisions and in furtherance of the purposes of this title. Funds to cover the costs of the proposed contract, agreement, grant, loan, or other assistance shall be obligated from the appropriation which is current at the time the plan is submitted to the Governor. This section shall not, however, apply to contracts, agreements, grants, loans, or other assistance to any institution of higher education in existence on the date of the approval of this Act.

FISCAL RESPONSIBILITY AND AUDIT

SEC. 143. (a) No funds shall be released to any agency receiving financial assistance under this title until it has submitted to the Director a statement certifying that the assisted agency and its delegate agencies (or subcontractors for performance of any major portion of the assisted program) have established an accounting system with internal controls adequate to safeguard their assets, check the accuracy and reliability of the accounting data, promote operating efficiency and encourage compliance with prescribed management policies and such additional fiscal responsibility and accounting requirements as the Director may establish. The statement may be furnished by a certified public accountant, a duly licensed public accountant or, in the case of a public agency, the appropriate public financial officer who accepts responsibility for providing required financial services to that agency.

(b) Within three months after the effective date of a grant to or contract of assistance with an organization or agency, the Director shall make or cause to be made a preliminary audit survey to review and evaluate the adequacy of the accounting system and internal controls established thereunder to meet the standards set forth in the statement referred to in subsection (a). Promptly after the completion of the survey, the Director shall determine on the basis of findings and conclusions resulting from the survey whether the accounting systems and internal controls meet those standards and, if not, whether to suspend the grant or contract. In the event of suspension, the assisted agency shall be given not more than six months within which to establish the necessary system and controls, and, in the event of failure to do so within such time period, the assistance shall be terminated by the Director.

(c) At least once annually the Director shall make or cause to be made an audit of each grant or contract of assistance under this title. Promptly after the completion of such audit, he shall determine on the basis of resulting findings and conclusions whether any of the costs of expenditures incurred shall be disallowed. In the event of disallowance, the Director may seek recovery of the sums involved by appropriate means, including court action or a commensurate increase in the required non-Federal share of the costs of any grant or contract with the same agency or organization which is then in effect or which is entered into within twelve months after the date of disallowance.

(d) The Director shall establish such other requirements and take such actions as he may deem necessary and appropriate to carry out the provisions of this section and to insure fiscal responsibility and accountability, and the effective and efficient handling of funds in connection with programs assisted under this title. These requirements and actions shall include (1) necessary action to assure that the rate of expenditure of any agency receiving financial assistance does not exceed the rate contemplated under its approved program; and (2) appropriate requirements to promote the continuity and coordination of all projects or components of programs receiving financial assistance under this title, including provision for the periodic reprograming and supplemention of assistance previously provided.

SPECIAL LIMITATIONS

SEC. 144. The following special limitations shall apply, as indicated, to programs under this title.

(1) Financial assistance under this title may include funds to provide a reasonable allowance for attendance at meetings of any community action agency governing board, neighborhood council or committee, as appropriate to assure and encourage the maximum feasible participation of members of groups and residents of areas served in accordance with the purposes of this title, and to provide reimbursement of actual expenses connected with those meetings; but those funds (or matching non-Federal funds) may not be used to pay allowances in the case of any individual who is a Federal, State, or local government employee, or an employee of a community action agency, or for payment of an allowance to any individual for attendance at more than two meetings a month.

(2) The Director shall issue necessary rules or regulations to assure that no employee engaged in carrying out community action program activities receiving financial assistance under this title is compensated from funds so provided at a rate in excess of $15,000 per annum, and that any amount paid to such an employee at a rate in excess of $15,000 per annum shall not be considered in determining whether the non-Federal contributions requirements of section 125(c) have been complied with; the Director may, however, provide in those rules or regulations for exceptions covering cases (particularly in large metropolitan areas) where, because of the need for specialized or professional skills or prevailing local salary levels, application of the foregoing restriction would greatly impair program effectiveness or otherwise be inconsistent with the purposes sought to be achieved.

(3) No officer or employee of the Agency shall serve as member of a board, council, or committee of any agency serving as grantee, contractor, or delegate agency in connection with a program receiving financial assistance under this title; but this shall not prohibit an officer or employee from serving on a board, council, or committee which does not have any authority or powers in connection with a program assisted under this title.

(4) In granting financial assistance for projects or activities in the field of family planning, the Director shall assure that family planning services, including the dissemination of family planning information and medical assistance and supplies, are made available to all low-income individuals who meet the criteria for eligibility for assistance under this title which have been established by the assisted agency and who desire such information, assistance, or supplies. The Director shall require, in connection with any such financial assistance, that—

(A) no individual will be provided with any information, medical supervision, or supplies which that individual indicates are inconsistent with his or her moral, philosophical, or religious beliefs; and

(B) no individual will be provided with any medical supervision or supplies unless he or she has voluntarily requested such medical supervision or supplies.

The use of family planning services assisted under this title shall not be a prerequisite to the receipts of services from or participation in any other programs under this Act.

(5) No financial assistance shall be extended under this title to provide general aid to elementary or secondary education in any school or school system; but this shall not prohibit the provision of special, remedial, and other noncurricular educational assistance.

(6) In extending assistance under this title the Director shall give special consideration to programs which make maximum use of existing schools, community centers, settlement houses, and other facilities during times they are not in use for their primary purpose.

(7) No financial assistance shall be extended under this title in any case in which the Director determines that the costs of developing and administering all of the programs assisted under this Act carried on by or under the supervision of any community action agency exceed 15 per centum of the total costs, including non-Federal contributions to such costs, of such programs. The Director, after consultation with the Director of the Bureau of the Budget, shall establish by regulation, criteria for determining (i) the costs of developing and administering such programs, and (ii) the total costs of such programs. In any case in which the Director determines that the cost of administering such programs does not exceed 15 per centum of such total costs but is, in his judgment, excessive, he shall forthwith require such community action agency to take such steps prescribed by him as will eliminate such excessive administrative cost, including the sharing by one or more such community action agencies of a common director and other administrative personnel. The Director may waive the limitation prescribed by this paragraph for specific periods of time not to exceed six months whenever he determines that such a waiver is necessary in order to carry out the purposes of this title.

(8) Consistent with the provisions of this Act, the Director shall assure that financial assistance under this title will be distributed on an equitable basis in any community and within any State so that all significant segments of the low-income population are being served.

INCENTIVE GRANTS

SEC. 145. (a) The Director may provide financial assistance from funds appropriated to carry out this section to community action agencies or public or private nonprofit agencies designated under section 111 for programs authorized under this title, and to State economic opportunity offices for programs and activities authorized under section 132(a). Financial assistance extended to a community action agency or other agency pursuant to this section may be used for new programs or to supplement existing programs and shall not exceed 50 per centum of the cost of such new or supplemental programs.

(b) Matching local and State funds supplied under this section shall be in cash and shall represent State and local initiatives newly obligated within the previous year to the purposes of the grant-supported activity; and no program shall be approved for assistance under this section unless the Director satisfies himself (1) that the activities to be carried out under such program will be in addition to, and not in substitution for, activities previously carried on without Federal assistance, (2) that funds or other resources devoted to programs designed to meet the needs of the poor within the community, area, or State will not be diminished in order to provide the contributions required under this section. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may adopt and promulgate establishing objective criteria for determinations covering situations where a strict application of that requirement would result in unnecessary hardship or otherwise be inconsistent with the purpose sought to be achieved.

Mr. HAWKINS (during the reading). Mr. Chairman, I ask unanimous consent that all of title I through line 18, page 227, be considered as read, printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. QUIE. Mr. Chairman, reserving the right to object, is it the purpose of the gentleman from California that then the Committee will rise?

Mr. HAWKINS. Mr. Chairman, I will make a second motion that the Committee do rise.

Mr. QUIE. And then the situation will be that when we return to this legislation tomorrow, it will be that any amendment to title I will be in order? Is that correct?

The CHAIRMAN. That is correct.

Mr. QUIE. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAWKINS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WHITE Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 14449) to provide for the mobilization of community development and assistance services and to establish a Community Action Administration in the Department of Health, Education, and Welfare to administer such programs, had come to no resolution thereon.

GENERAL LEAVE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the bill under consideration.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mr. GROSS. Mr. Speaker, on the quorum call that was vacated this afternoon, I was present and recorded my presence. I asked that the RECORD so state.

TRIBUTE TO STEWART ALSOP

(Mr. MOORHEAD of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I rise to advise the House of the death of one of America's most renowned authors and columnists—Stewart Alsop.

His writing on national and international affairs was always thoughtful and incisive. I think he reached the zenith of this power as a columnist with his weekly column in Newsweek which I always turned to first upon picking up that magazine.

As an author and columnist Stewart Alsop was noted for his intellectual courage.

Courage was probably his outstanding characteristic whether in wartime or in facing death as he described in "Stay of Execution."

America has lost an inspiring citizen.

To his wife and children I extend my deepest sympathy.

I ask unanimous consent to include the article on Stewart Alsop in yesterday's Washington Post.

[From The Washington Post, May 27, 1974]

STEWART ALSOP, NOTED AUTHOR, EDITOR AND COLUMNIST, DIES

(By Kenneth Crawford)

Stewart Alsop, who died yesterday at 60, had been one of the most respected members of the Washington press corps for the past quarter-century.

His intepretations of national and international affairs were original, distinctive and unpredictable. None of the categorical labels fastened upon most of his contemporaries—"liberal," "conservative," internationalist," "isolationist," "hawk" or "dove"—ever quite fitted him.

Folowing his discharge from the armed services in 1945, Mr. Alsop joined his brother, Joseph, and together they wrote a widely syndicated Washington column entitled "Matter of Fact." Their collaboration endured for 13 years, producing in addition to their newspaper columns many magazine articles, several journalistic prizes and frequent full-length articles. The partnership was dissolved in 1958 and Joseph alone carried on the column.

Preferring magazine writing to newspaper syndication, Stewart joined the Saturday Evening Post as national affairs editor. Later he became the Post's Washington editor, contributing a one-page commentary for every issue and frequent full-length articles.

He joined Newsweek six months before The Saturday Evening Post suspended publication in 1968. His page soon became one of Newsweeks's most read and quoted features.

Mr. Alsop thought of himself as a reporter, primarily. His writing was never rewriting from previously published material. The continuity of his access to leaders and insiders, through Republican and Democratic administrations alike, was uninterrupted. He was liked even by those who disliked what he wrote. By his own account, he outraged conservatives and liberals by turn and felt that this was his function as an analytical reporter.

He traveled extensively both in this country and abroad, interviewing at one time or another most of the great decision-makers of his time.

In the 1972 presidential campaign, he maintained communication with all the candidates and with such influential non-candidates as Sen. Edward Kennedy and Henry Kissinger. In the preconvention months, he sampled conditions and opinion in urban ghettos and even in the havens of draft dodgers and deserters in Canada. He also reported on travels to Britain, France, Egypt, Israel, Czechoslovakia and Vietnam.

An article he once wrote about President John F. Kennedy's thinking in a crisis situation had the benefit of editing by the President himself. From President Franklin D. Roosevelt, his distant blood relation, through President Richard Nixon, Mr. Alsop enjoyed more or less friendly relations with the White House. However, politicians at one point accused the Alsop brothers of peddling "gloom and doom."

Although he eschewed literary pretentions, he was an inventive writer and phrasemaker. He was first to use such shortcut political descriptive terms as "hawk" and "dove," "egghead," "Irish Mafia" and "eyeball-to-eyeball." He was effective with the spare prose required by journalistic space limitations.

Mr. Alsop was born on the 640-acre Alsop family tobacco and dairy farm at Avon, Conn., the third of four children, the eldest Joseph, the Washington columnist, the second Corinne now Mrs. Percy Chubb of Chester, N.J., and the youngest John, of Avon, Conn., an insurance executive and unsuccessful Republican candidate for governor of Connecticut in 1962.

Asthmatic as a child, Stewart was tutored by his mother and by Agnes Guthrie, a Scottish governess who was a fixture in the Alsop household for more than 50 years, until he was nine years old. He then attended Kingswood School in Hartford until ready for Groton, where he spent five years preparing for Yale.

In later years, Mr. Alsop recalled his "sentence" at Groton ruefully but gratefully. He said it had been perfect training for his later stint in the British army. It accustomed him, he explained, to a barracks-room atmosphere, strict discipline and bad food. Like his brother, Joseph, before him he was an editor of "The Grotonian," a school publication. He and Joseph later twitted their brother, John, for becoming editor-in-chief, which they said, was like being a collaborator in a prison camp.

Yale for Stewart represented a break with family traditions, which designated Harvard as the inevitable college choice. Both his brothers followed the footsteps of forebears several generations back to the Harvard Yard.

Mr. Alsop's career at Yale was relatively uneventful until his senior year, when he won a literary prize—$110 awarded in $10 bills. A party he gave to celebrate this achievement and to divest himself of some of the prize money was raided by campus police, who might have been placated by Mr. Alsop's explanations except that one of his exuberant guests walloped one of the guardians of campus tranquility.

Called in by the dean, Mr. Alsop confessed his responsibility for the party and asked whether he was to be "expulsed." As Mr. Alsop recalled the conversation years later, the dean exploded, "Expulsed? What kind of usage is that for the winner of a literary prize? You are expelled—e-x-p-e-l-l-e-d." Yale relented, however, after reviewing Mr. Alsops' academic record and graduated him with his class in 1936.

He then joined his cousin, Theodore Roosevelt III, son of President Theodore Roosevelt and brother of Alice Roosevelt Longworth, at Doubleday, working as a book editor. But in 1941, with the war coming on, Mr. Alsop enlisted in the Navy, where he served one day before medical examiners decided that his asthma disqualified him. Later drafted, he was told that asthma and high blood pressure would make him acceptable for limited service only.

He then decided to try the British army and made application at the Washington Embassy. He confessed that he had been rejected by American services. After looking over his credentials, the British officers who interviewed him asked: "Can you see properly?" Mr. Alsop said he could and that was enough. He shipped out from Halifax with a contingent of fellow recruits early in 1942 for service in the 60th King's Royal Rifle Corps. After a period of training, he was commissioned a lieutenant and given command of a machine gun platoon.

He saw action in North Africa and Italy, winning a British Mention in Dispatches for distinguished service. Then, armed with a chit from his cousin Theodore, at that time a general in the Army, he flew to Algiers with the intention of transferring to American service. There, he was told that the Army had no field openings at the moment except for Methodist chaplains and veterinarians. Being neither of these, he reported back to the British.

They shifted him to the Strategic Air Service, where he was trained as a paratrooper. By that time the American O.S.S., Gen. William Donovan's cloak-and-dagger service, was looking for French-speaking soldiers to maintain liaison with the Maquis in France. Mr. Alsop was parachuted into France late in 1944 and operated with a French underground unit behind German lines for three months, winning a Croix of Guerre with palm and a citation signed by Gen. Charles de Gaulle.

On one of his last missions for the O.S.S., he guided a truck transport to an American supply depot in the field to pick up gasoline and other necessities for his Maquis band on Royan Island. Reporting to an American officer, he clicked his heels, snapped a British palm-forward salute and announced: "Lieutenant (pronounced leftenant) Alsop reporting, sir." Unaccustomed to his American uniform, Mr. Alsop was wearing his rifleman's badge upside down and his lieutenant's bars wrong way to.

The supply officer was some time being convinced that Mr. Alsop was not one of the German commandos rumored to be masquerading in American uniforms bent on the assassination of Gen. Dwight D. Eisenhower.

Between his service in Italy and in France, Mr. Alsop had married Patricia Hankey, daughter of a British naval officer, whom he had met at a party for British servicemen at Allerton Castle, the seat of Lord Mowbray and Stourton, premier baron of the realm. It almost didn't happen. When Mr. Alsop, who had been invited to Allerton along with several regimental comrades, introduced himself, his host muttered: "Good God. You sound like an American. We have a rule here: no motor cars, no Americans."

But the rule was broken and Miss Hankey was there. She was at the time, unbeknownst to Mr. Alsop, an employee of the British Special Operations Executive, the agency that conducted secret warfare in France in cooperation with the O.S.S. and the Maquis.

Returning from the war, Mr. Alsop decided upon a career in journalism after first considering the Foreign Service.

His book, "The Center," published by Harper and Row, was a national best-seller. Before that he was coauthor with Thomas Braden, a comrade-in-arms both in the 60th and the O.S.S., now a Washington columnist on "Sub Rosa," an account of clandestine operations in the war, and coauthor with his brother, Joseph, of "We Accuse" and "The Reporter's Trade," the latter a compilation of their newspaper columns.

His last book was "Stay of Execution," a moving and fascinating account of the strange illness that struck him down.

One of Mr. Alsop's most popular articles for the Saturday Evening Post was a wry examination of the Alsop-Roosevelt family tree, inspired by the family portraits that surrounded him in his boyhood. His maternal grandmother was a sister of President Theodore Roosevelt. President James Monroe also graced the Roosevelts, geneaology. Mr. Alsop called the Roosevelts, who were rich in eccentrics as well as notables, his "gaudier ancestors."

The Alsop side included a member of the Continental Congress but he lost his chance for immortality by refusing to sign the Declaration of Independence. Indeed, he sat out the Revolutionary War.

Generally, Mr. Alsop wrote, his paternal ancestors were prosperous but relatively undistinguished. They established themselves in Middletown, Conn., when it was the state's leading port and largest city. The rum trade, a major source of income to the city and to five generations of Alsops, lost out when ships got too big to navigate the Connecticut River Narrows.

The original family house is now the art gallery of Wesleyan University. The Alsop farm at Avon is 20 miles from Middletown and nine miles from Hartford.

Mr. Alsop's father dismissed many members of the Roosevelt family, ancestral and contemporary, as "crazy jacks." But he admired Theodore, whom he joined in the Bull Moose breakaway from the Republican Party in 1912. He was not so sure that Franklin D. Roosevelt didn't belong in the crazy-jack category and chided his sons in Washington for their approval of F.D.R.

The senior Alsop served in both branches of the Connecticut legislature and aspired to the governorship but the 1912 defection stood in his way. In private life, he was president of a large insurance company as well as his own farm manager.

In his Post article, Mr. Alsop devoted some attention to an ancestor who murdered a Harvard professor to whom he owed money. The professor was stuffed into a furnace where false teeth resistant to fire provided the corpus delecti. The author said the dining room furniture he still used had been handed down by the murderer, for whom it was elaborately carved in the Canary Islands.

In addition to his wife, of the home, 3520 Springland La. NW, and his two brothers and his sister, Mr. Alsop is survived by six children.

They are Joseph Wright Alsop (the sixth bearer of that name), of Los Angeles, Ian Alsop and Elizabeth Mahoney, both of New York City, Stewart J. O. Alsop, a student at Occidental College in Los Angeles, and Richard Nicholas and Andrew Christian Alsop, both living at home and attending Sheridan School in Washington.

In a statement President Nixon praised Mr. Alsop for "vigorous independence of mind, a dedicated and fearless pursuit of the truth, an uncommon devotion to the nation's welfare and a consistency that on all matters—no matter how controversial—that good will and decency should prevail."

In mourning Mr. Alsop's death as a "sad loss," the President cited the courage that was "the hallmark of his final struggle against death," and said his writings will remain a journalistic standard for years.

Services will be held at 10:30 a.m. Wednesday at St. John's Episcopal Church at Lafayette Square in Washington. Mr. Alsop will be buried in Indian Hill Cemetery in Middletown, Conn.

AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT

(Mr. WON PAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WON PAT. Mr. Speaker, today I am introducing a bill which authorizes an amendment to section 2(f) of the Public Health Service Act (42 U.S.C. 201(f)) so as to include the Territory of Guam in the definition of a "State" includes all American areas, including the 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands. Only Guam is left out.

Guam's exclusion from this important section of our national health laws was not intentional in the strict sense of the word When the PBS Act was first enacted by Congress in 1944, Guam was then in the hands of Japanese occupiers. Consequently, the territory was deleted from the original definition of a State, although our sister territory, the Virgin Islands, and the Commonwealth of Puerto Rico were so defined for the purposes of receiving benefits.

Although the PBS Act has been continuously amended since 1944, to include new and farther-reaching programs of great merit, and although Guam has benefited from many of the programs, the original definition of a "State" continues to exclude our fellow Americans in Guam, and thus pose a continued and needless threat that future PBS programs will not extend to the territory.

I was notified by officials of the Health Service Corps that the territory was ineligible to participate in this program which sends medical personnel to areas that are critically short of skilled doctors and nurses. Thankfully, Congressman PAUL ROGERS, chairman of the Subcommittee on Public Health and Environment, recognized the need for Guam to participate in the Health Service Corps and was successful in amending that program in the closing days of the 92d Congress.

With that action, Guam was then eligible to participate in the full range of PBS programs. Or so we thought. Several months ago, a member of my staff was told by officials of the Bureau of Health Resources Development that doctors applying for Federal student loan grant forgiveness would be turned down if they practiced in Guam—this despite the fact that the program was designed to encourage doctors to practice in so-called "medically short" areas. Although Guam is recognized by the Department of Health, Education, and Welfare as a "medically short" area, the program of partial repayment of educational loans for practice in a shortage area would not apply to Guam as the program used the original definition of a "State" as it now appears in 42 U.S.C. 201(f) we were told.

Following numerous telephone calls to other PBS officials, I was informed that the loan forgiveness program does embrace Guam in its coverage and that the original interpretation of the law was in error.

Naturally, we are pleased that the mistake has been rectified. I sincerely fear, however, that other officials, well-meaning but unfamiliar with the law, can and will make similar mistakes in the future—mistakes that could be costly to the well-being of the residents of Guam, and, mistakes which might result once again in the territory's being needlessly deprived of medical services from which other Americans are benefiting.

The quality and the quantity of medical care in Guam is a matter of constant concern to many of our people. At present, Guam has many fine physicians practicing in the territory. However, there also exists a critical shortage of skilled doctors and nurses to meet our total needs. This is a problem which will persist for years to come to the lasting detriment of future generations of Guamanians unless we can encourage other medical personnel to come to Guam by taking full advantage of benefits such as the loan forgiveness program.

For this reason, and to insure that Guam will not once again find itself left out of yet another PBS program, either through a legislative accident or careless staff work in the agency, I urge my colleagues to support the bill I have introduced today.

THE MASSACRE OF THE INNOCENTS

(Mr. KOCH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. KOCH. Mr. Speaker, on April 19 of this year, a man shot through the head in a Roman Catholic suburb of Belfast became the 1,000th victim of Catholic and Protestant terrorist violence that has gripped Northern Ireland since the summer of 1969. The toll includes 700 civilians, the youngest of them aged 5 months, the oldest 91. Of the 700, 47 were aged 60 or over, 20 were children 13 or under. The massacre of the innocents has spread to the Republic of Ireland to the south where, on May 17, 23 men, women and infants were killed by three car bombs strategically placed in Dublin during the Friday evening rush hour.

Much has been written of the political and religious issues which have provoked the violence in Ireland. What needs to be discussed is the far more basic issue of the morality of this kind of violence per se, apart from the merits of the ends motivating it. Mr. Speaker, I am absolutely convinced that no political or religious argument could justify this kind of indiscriminate murder of innocent civilians. No reasonable moral calculation can support the slaughter of children. It is vicious violence of this nature which defines the notion of extremism. It is perpetrated by those who have sacrificed every vestige of moral sensitivity to the demands of their own fanaticism.

I hesitate to draw parallels between distinct international situations. However, I think I can safely generalize about indiscriminate terrorism wherever it is practiced. In my mind, there is no distinction between the madness that provokes Protestant and Catholic terrorists in Ireland, and that which drove Arab terrorists to the slaying of 20 children at Maalot in Israel. The same moral obtuseness runs across the political or religious divisions separating these groups.

There is one extremely instructive difference between the facts of Irish and Arab terrorism. The governments of the Irish Republic and Northern Ireland have pursued the active policies against terrorism that the Arab governments have consistently resisted. In the North, these policies drew bitter opposition. Before it was toppled by the Protestant-led general strike, the Protestant-Catholic coalition government of Brian Faulkner in the North worked closely with British troops in anti-terrorist activities. In addition, the Republic of Ireland, led by President Erskine Childers, is cooperating with the British Army in sealing Northern Ireland's border against movement by either Protestant or Catholic extremists. Following the fall of the Faulkner government, it is difficult to predict what the future will bring. However, as long as the past policies against terrorism are resolutely continued, there remains hope for an end to the bloodshed. Whatever hope may persist for an end to Arab terrorism certainly cannot be credited to the governments of the Arab world. Their indifference to the obscene violence committed by their own citizens represents nothing less than collusion. I trust that history will condemn the Arab governments by the same measure that it will acclaim the governments of Brian Faulkner and Erskine Childers.

GET BACK ON THE TRACK

(Mr. MELCHER asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. MELCHER. Mr. Speaker, what this country needs is not a good 5-cent cigar as Vice President Thomas Riley Marshall remarked to the Senate clerk after listening to long-winded oratory about the country's needs back in 1920. This is our 198th year since the Declaration and what this country needs now is a resolute determination to get our country firmly on the track by promptly and rapidly resolving the Watergate and related messes.

THE NATION SUFFERS

We have runaway inflation which costs citizens their bread, health, and retirement opportunities, an unbalanced budget that costs $32 billion each year just for interest, a deteriorating economy, spotty unemployment, deteriorating Federal programs, and crumbling trust of our Government both at home and abroad.

At the heart of all this is an executive branch of the Government that has been ripped apart by resignations, firings, indictments, and the unresolved question of White House responsibility for possible illegal acts or coverup that obstructs justice.

As a consequence the executive branch is not functioning with any direction or effectiveness. Decisions are postponed. Normal governmental processes stall. Efficient government will not move until Watergate is settled. We cannot afford continued inaction on the economy and paralysis of effective governmental policies at home and abroad. Action for the Nation's ills are needed now.

For this reason I strongly urge the House of Representatives to promptly schedule a showdown on the impeachment issue. We should set a day certain, no later than July 4 to bring to the House floor the question of to impeach, or, not to impeach, the President.

The endless delays on this issue that can be contrived by lawyers, using the courts, are not of constitutional making. The issue of Watergate as it affects the President and impeachment can under the Constitution only be debated by the House, and tried by the Senate, not determined or resolved by the courts.

To delay while lawyers dally or quibble for court interpretations further strains the country's needs and wearies the patience of America.

The time has come to put an end to the uncertainties that are paralyzing our country and undermining the well-being of all of its citizens—young and old. We must not let the continued delays postpone action beyond July 4.

That is time enough for the Judiciary Committee to report a summation of the evidence along with a report of those instances of defiance of subpena for materials relevant to the inquiry and to make recommendations to the House. Otherwise defense attorney delays can string out too long.

Because of the urgency to the Nation, we need to get the matter behind us and start America moving again.

It is time, no later than July 4, to bring the Watergate mess to the House floor. The end to the constitutional question of impeachment will be debated there and the vote taken on whether the President should be tried or the charges dropped.

THE SUGAR ACT

(Mr. FORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FORD. Mr. Speaker, this body will soon be considering H.R. 14747—legislation to extend the Sugar Act. When we begin consideration of this bill, I will be joined by several Members from both sides of the aisle in offering amendments to improve the parts of the act which affect agricultural workers. The intent of our amendments is to provide basic and minimal protection for more than 100,000 workers who are employed in a Government-protected, Government-subsidized and Government-controlled industry, but who are still living in poverty.

At the outset of my remarks I would like to say that the Agriculture Committee made a serious attempt to deal with the inequities which have resulted from the Sugar Act when they considered this legislation in committee. I would like to commend the distinguished chairman, Mr. POAGE, and the members of the committee for the progress they have made in this regard.

However, the committee did not go far enough. It failed to balance the immense benefits provided to the sugar-growing corporations and other growers in the industry with adequate protections for the workers. It stopped long before it met even the most basic needs of the sugar field workers, and as a result, the committee left big loopholes in the labor provisions of the act.

The amendments which we will offer were proposed in committee, and we did relatively well. These amendments were only narrowly defeated, and I think the considerable support which they received bespeaks the fact that they are a moderate and fair approach to a legitimate and serious problem.

At this point I would like to thank the many members of the Agriculture Committee who did support these amendments, and let them know that we will welcome their continued support when the amendments are offered on the floor.

Mr. Speaker, I find it somewhat incredible that we must spend so much time debating these amendments which merely provide basic protections for workers as fair and equitable wage determination procedures, accident insurance, piece-rate pay protection and remedies against illegal acts of the employed. It is astounding that these basic protections are opposed by an industry which is aided by the tax dollars of American working men and women in the amount of one-half billion dollars a year—the sugar corporations which benefit from so many Government actions, including import controls, guaranteed prices, subsidies and crop insurance. But unfortunately, that is the case.

In contrast to these powerful corporations which receive so much Federal aid authorized by the Sugar Act, let us look at the sugarworker—who receives nothing under the present law. Sugar field workers are among the poorest of poor. They live at barely a subsistence level. They are underprivileged, discriminated against, exploited, and abused. They have no union and are unlikely to have any in the near future. They desperately need the kind of protection which only the Federal Government can provide.

Since 1934, sugar legislation has contained special labor provisions. Minimum wages for workers have been required and child labor was prohibited. But under the hostile administration of the U.S. Department of Agriculture's Sugar Division, and under the steady, antagonistic lobbying of the powerful sugar industry, these protections have been minimized and often undercut.

Witnesses testifying before the Agriculture Committee in February charged that in Louisiana sugarworkers are bound to the plantation by debt just as they were a hundred years ago. Some 15,000 field workers there work with sophisticated, complicated machinery for annual incomes of less than $3,000 a year.

Further testimony indicated that thousands of migrants labor from sunup to sunset for poverty earnings in many sugar beet producing areas, and typically, when the work has been completed, these hard-working people leave the areas in the same conditions of poverty as when they arrived.

In Florida, sugar producers are permitted to offer a wage so low that U.S. workers will neither cultivate nor harvest the cane in the swamps. The producers need not raise the wage until they attract sufficient American workers. Instead, the Federal Government helps them import tens of thousands of foreign workers who are willing to work at the lower rates.

The sad fact is that the majority of the Nation's more than 100,000 sugar field workers earn so little annually that many would be eligible for welfare payments if the Sugar Act did not exist. This is true even though they work hard in a Government-protected industry.

The low earnings and poverty-like conditions under which they live have an adverse effect on the sugar workers' health. For example, a Tulane University medical survey of a sample of Louisiana sugar worker families referred to in testimony before the committee showed that "of 37 adults, only 2 were found to be medically normal and only 8 were not in need of medical care."

Although children were somewhat more healthy, "only 16 out of 70 were completely healthy." The survey's most devastating finding was "the high incidence of gross development and mental retardation" among the children—due to inadequate diets and other poverty factors.

Much testimony before the committee also raised significant questions concerning the administration of the act by USDA and alleged bias against the workers by USDA. The wage determinations are based on nebulous factors. A worker's grievance against a grower is judged, according to USDA regulations, by a committee composed of local sugargrowers.

In 1971, the Department attempted to deprive sugarworkers of a 10-cents-an-hour wage increase. It attempted to use the then existing wage-price freeze as the excuse for this unwarranted action—even though both the administration and Congress specifically exempted low-wage workers and agricultural commodities from the freeze.

This issue finally had to be taken into court and, of course, the courts upset the USDA effort. In fact, the courts have consistently ruled against and admonished the Department for its administration of the act's labor provisions.

Mr. Speaker, from the evidence I have seen, it appears that the U.S. Department of Agriculture has been a willing accomplice of the sugargrowers to keep worker protection provisions down to the absolute minimum necessary to prevent Congress from terminating the Sugar Act. The USDA has helped to keep these workers in poverty-stricken peonage, and it has attempted to evade court decisions aimed at improving the workers' welfare.

In view of these conditions and in anticipation of House action on Sugar Act legislation this year, several of my distinguished colleagues—Mr. THOMPSON, Mr. O'HARA, Mr. CLAY, Mr. LEHMAN, and Mr. BROWN of California—and I introduced H.R. 12988 on February 21, the equitable benefits amendments. This was a comprehensive and far-ranging bill concerning the wages, housing, use of aliens, job discharges and discrimination, medical and health insurance, grievance machinery, and accounting and audits in the sugar industry.

While the Ad Hoc Subcommittee on the Sugar Act of the Agriculture Committee was considering its legislation, my staff, some of the key supporters of H.R. 12988, and I discussed the labor-protection provisions with members and staff of the Agriculture Committee. We sharply scaled down the provisions of H.R. 12988 in the hopes of reaching agreement, but neither the Ad Hoc Subcommittee on the Sugar Act nor the Agriculture Committee would accept some of the most necessary provisions. It is for this reason that we have found it necessary to pursue this on the House floor.

We intend to offer four amendments.

The first amendment concerns the procedure to determine the minimum wage rate for sugar field workers. It actually has three parts.

In H.R. 14747, the committee has made the growers' ability to pay into a major factor for determining the workers' wage rates. But there is no assurance whatsoever in the bill that the data used is accurate. In fact, for Louisiana, the USDA currently depends upon stale data from the growers' 1969–71 crop and it does not plan to make a new sample until 1975.

The present "sample" consists of information from an inadequate 6.9 percent of the growers. But worst of all, the data is the material proffered by growers. There is no independent verification of the growers' information even though these producers have an obvious interest in showing a maximum costs of production and a minimum incomes.

A part of our wage amendments will, therefore, require that the Department use statistically valid samples which are independently verified in determining the growers' ability to pay. Mr. Speaker, we consider such a requirement to be only fair and reasonable.

In addition, the standards which H.R. 14747 would require the Secretary to use in determining the minimum wages are absolutely slanted in the growers' favor. They are "cost of living, the prices of sugar and by-products, income from sugar beets and sugar cane, the cost of production and the sporadic and seasonal nature of the work."

Three out of these five standards—income from sugar beets and sugar cane, cost of production and prices of sugar and by-products—involve the employer's ability to pay. There are insufficient standards concerning the workers' costs and ability to live to balance these grower-oriented standards.

We, therefore, propose in the wage amendment to add two more standards which the Secretary must consider when he determines the minimum wages. They are the percentage increase of productivity during the immediately preceding year and the extra cost made necessary by the workers' need to travel and live away from home to work in sugar production.

Productivity is considered an important factor throughout the American economy in determining wages and should be in this industry too. Workers should be allowed to benefit from the increased productivity which they help to create and which certainly benefits their employers.

Travel and living away from home in cultivating and harvesting sugar involves extra costs to workers and their families. This cost should be recognized in wage determinations in exactly the same way as the growers' cost of production is currently recognized in H.R. 14747.

A third change in the wage determination procedure of H.R. 14747 is the need to clarify and make more specific the wage determination standards which are already in the bill. This clarification would improve the integrity of the administrative process. It is absolutely essential in view of the USDA's past hostility to the workers and its lack of impartiality and justice in administering the existing labor requirements.

Therefore, instead of simply stating "cost of living" as a factor which the Secretary of Agriculture must consider, the amendment would specify "the percentage increase or decrease in the cost of living as reported by the Consumer Price Index during the immediately preceding 12 months." Instead of "the income from sugar beets and sugarcane" and the "cost of production," the amendment would specify that these factors be considered particularly "for each producing area."

Those, Mr. Speaker, are the three parts of our most important amendment—the one concerning the wage determination procedure.

INSURANCE

Our second amendment would provide on-the-job accident insurance for the sugar field workers. Although sugar field laborers are among the poorest workers in our economy, most have no insurance protection against injuries, disabilities or death caused by work-related injuries. Only two States, Colorado and Hawaii, now provide workmen's compensation coverage and Minnesota will do so shortly. In the other States, sugar field workers are excluded.

Our amendment would require accident insurance, but would limit it to accidents which occur while the employee is at work for the producer. As a result, the insurance cost will be extremely small—only a small fraction of one percent of payroll.

PIECE RATE PROTECTION

Our third amendment concerns piece rate pay protection. The USDA currently requires producers in Florida who employ sugar field workers at piece rates to pay them at least the hourly minimum wage determined by the Secretary—7 CFR 863, 28(a)(5). The Fair Labor Standards Act also requires that piece rate workers be guaranteed the specified hourly minimums. These requirements are necessary to assure that the piece rate method of payment is truly an incentive system instead of a means of undercutting the hourly minimum wage.

Astoundingly, the USDA does not require the Florida procedure in any other producing area. I am informed that the Florida requirement exists because of the insistence of the governments of the Caribbean countries which supply the alien workers for the Florida sugar cane production. The U.S. Deparment of Agriculture absolutely refuses to extend the same protection to U.S. workers in other areas of sugar harvest.

In other words, our own Government will provide benefits to foreign nationals which it will not provide to its own citizens. And foreign governments show greater concern for the protection of their nationals who work on sugar than our Government does for its citizens who do the same work.

This, Mr. Speaker is a shameful situation. Our amendment would do away with this injustice and lack of care about the welfare of American workers by requiring exactly the same piece rate regulations for other sugar producing areas as the USDA now requires in Florida.

WORKERS' REMEDY

Our fourth and final amendment would provide a remedy against illegal producer actions and close another serious loophole in H.R. 13747. The bill prohibits producers from "discharging and in any other way discriminating against any employee" because he sought to enforce his rights under the act.

It also prohibits producers from charging or permitting to be charged unreasonable costs for furnishing to any employee those items or services customarily furnished.

It provides penalties which the Secretary may exact from producers for violations, but the worker is not compensated for the losses he has suffered as a result of the illegal actions. The worker apparently does not even get the amount of his original loss.

In all fairness, the worker should be compensated. The amendment therefore provides, instead of the penalty exacted by the Secretary, a remedy for the worker in the form of an amount equal to the workers' loss and an equal amount as liquidated damages. This remedy can be sought only after the Secretary has decided a case in the worker's favor.

BALANCE EQUITIES

These worker benefit amendments, Mr. Speaker, are reasonable, just and essential. They are hardly far-reaching or unusual in the labor-management relations of our time.

These amendments are aimed at benefitting workers. But they will also aid the Sugar Act. For they will help balance the equities of the act. They will make the act fairer to all in the industry. And they will help answer the skepticism and criticism which many Americans now express about the act.

Mr. Speaker, it is no secret that many of our colleagues from cities, suburban, and nonsugar rural areas have serious doubts about the need for the Sugar Act when sugar prices and profits are at an all-time high. Many have doubts about the need to aid the huge corporations and conglomerates in this industry.

These doubts will certainly be sharply augmented if sugar field workers are left to desperate poverty and unfair administration of their rights by H.R. 14747. The success or failure of the workers benefit amendments on the House floor will indicate whether the Sugar Act is to be legislation which will protect all parts of the sugar industry—the poor as well as the rich, the weak as well as the strong. The progress of these amendments will indicate to many whether the Sugar Act is beneficial enough to a sufficient number of Americans to be worth extending.

GOVERNOR REAGAN OPPOSES FEDERAL LAND USE BILL

The SPEAKER. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 5 minutes.

Mr. BAUMAN. Mr. Speaker, the House will soon be taking up the Land Use Planning Act, H.R. 10294, and I am afraid that a great many of those who will be voting on this bill are not fully aware of the undesirable consequences of implementing this plan.

One who is thoroughly aware of both the need to allow for wise and careful use of our natural resources, and of the right and wrong ways for the Government to approach this need, is the Governor of California, Ronald Reagan. I received a letter from Governor Reagan today concerning the land use bill, and I would like to share his views with the Members.

The Governor also offered a critique of the bill to the gentleman from Arizona (Mr. UDALL) who is its principal author. In that letter, Mr. Reagan states that while wise land use policy is desirable.

> This process can best be accomplished by allowing the States and localities to determine and solve their own land use and environmental issues.

H.R. 10294 would introduce Federal authority where it does not belong, Governor Reagan contends, and he concludes that—

> It is essential to the best interests of the Nation that the responsibilities for balancing environmental, social, and economic objectives be maintained at the State and local levels.

I heartily agree, and I join with Governor Reagan in urging the Members to oppose H.R. 10294. At this point, I insert in the RECORD the text of Governor Reagan's letters to me and to the gentleman from Arizona (Mr. UDALL):

STATE OF CALIFORNIA,
GOVERNOR'S OFFICE,
Sacramento, Calif., May 22, 1974.

Hon. ROBERT E. BAUMAN,
Member of Congress,
Longworth House Office Building,
Washington, D.C.

DEAR BOB: I am writing to express California's concern over legislation currently before the Congress regarding a federal land use policy. It is our view that there is a need for federal, state, and local governments to specify environmental, social, and economic objectives and to coordinate their efforts toward accomplishment of those objectives. The focus of responsibility for the development of land use decisions rests with the state and local governments, not the federal government.

It has been our experience in the past that narrowly constructed guidelines developed by federal agency administrators are not equally applicable throughout the nation. We feel this would be the case with a federal land use policy. Such a policy would be administratively unfeasible and would pose a serious threat to the constitutionally guaranteed right of private property ownership.

In his State of the Union Message to Congress last January, President Nixon referred to the national land use legislation and stated: "This legislation would reaffirm that the basic responsibility for land use decisions rests with the states and localities, and would provide funds to encourage them to meet their responsibility." We support this approach and urge you to support it as well. HR 10294 does not serve this objective.

Recognizing these concerns, we have sent the enclosed letter to Congressman Udall, the author of HR 10294, explaining our position on the federal land use legislation. We believe it is essential to the best interests of the nation that the responsibilities for balancing environmental, social, and economic objectives be maintained at the state and local levels. I, therefore, urge you to oppose HR 10294.

Sincerely,

RONALD REAGAN,
Governor.

STATE OF CALIFORNIA,
GOVERNOR'S OFFICE,
Sacramento, Calif., April 24, 1974.

Mr. MORRIS K. UDALL,
Subcommittee on the Environment, Committee on Interior and Insular Affairs, House of Representatives, Washington, D.C.

DEAR MR. UDALL: California recognizes the need for the nation and each state and locality to develop a land use policy so that land—our most valuable resource—is used wisely. State and local agencies must develop balanced environmental, economic and social objectives in order to meet this responsibility. This process can best be accomplished by allowing the states and localities to determine and solve their own land use and environmental issues.

In attempting to accomplish environmental goals, federal agency administrators frequently issue guidelines and regulations which attempt to meet national as well as state objectives. Often the effect of this action is that a "functional feudalist", concerned with only one issue, dictates the land use objectives of states and localities. A federally mandated "guideline" on land use that might apply to a non-urban state may not apply to a complex state like California that has highly urbanized as well as non-urban, resource-oriented areas.

In California we are taking steps to develop a mechanism which will provide for the establishment of statewide environmental, social and economic objectives. This mechanism is attainable at the state level by coordination of functional planning, resolution of local jurisdictional conflicts while preserving local authority, and respect for private property rights.

The federal government should recognize California's leadership in this field and work to insure that state and local as well as national environmental goals are balanced with economic and social goals. In referring to the pending national land use legislation in his State of the Union speech in January of this year, President Nixon stated: "This legislation would reaffirm that the basic responsibility for land use decisions rests with state and localities, and would provide funds to encourage them to meet their responsibility."

HR 10294 does not meet this objective. We believe that the states and localities must develop a balanced approach to land use needs and must maintain a process in order to conserve limited resources. We believe it is impossible to centralize land use decision making at the federal level without: (1) establishing an arbitrary bureaucratic machinery that would almost guarantee administrative chaos, or (2) seriously infringing on the constitutionally guaranteed concept of private ownership of property. It appears to us that the legislative approach contained in these measures would inevitably raise such constitutional issues.

A year ago, in outlining principles to be used on guidelines for land use legislation in California, I stated that California would be pleased to implement sound legislation, but HR 10294 as written does not meet California's criteria. While we appreciate the interest in establishing a federal land use policy, such a policy should not require federal infringement in an area of responsibility reserved to the states and localities.

Sincerely,

RONALD REAGAN,
Governor.

LETTER TO THE SECURITIES AND EXCHANGE COMMISSION REQUESTING INVESTIGATION

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, my staff has been conducting an ongoing study of corporate reporting to the Securities and Exchange Commission. In this connection, I have directed a letter requesting a complete and thorough investigation by the Securities and Exchange Commission into what might constitute questionable trading by some of the senior officials of the Pennzoil Corp., immediately prior to the public announcement of the divestiture plan by Pennzoil of the United Gas Pipeline Corp.

Since I sent the following letter to the SEC it has come to my attention that there is some confusion as to the amount of stock purchased during the 3-month period—but no confusion as to what might constitute questionable trading.

Apparently, the stock was purchased indirectly by the four principals through the Choctaw Corp., an investment company which is owned jointly by the Liedtkes, Coleman, Bovaird, and others. The form 4 report appears to indicate that each of the four principals individually acquired approximately 125,000 shares. However, the question has been raised as to whether the stock was bought by the Choctaw Corp. and each of the principals reported the common acquisitions by the investment company individually therefore, making the purchases appear larger.

If the latter case is true, the four principals bought approximately 125,000 shares of Pennzoil stock worth about $4–$5 million—not 492,000 shares worth about $14 million.

The letter to the Chairman of the Securities and Exchange Commission and his response in which he indicates an investigation is underway are as follows:

MAY 23, 1974.

Hon. RAY GARRETT, Jr.,
Chairman, Securities and Exchange Commission, Washington, D.C.

DEAR MR. CHAIRMAN: It has come to my attention by information developed by my staff that there is an apparent gross violation of SEC regulations on insider trading by some officers and board members of the Pennzoil Oil Company prior to their recent action to spin-off its major subsidiary, the United Gas Pipeline Company in a complicated stock scheme that appears to be extremely advantageous to the stockholders at Pennzoil.

As you know, Section 10b of the SEC Act of 1934 and Rule 10b–5 thereunder prohibits corporate officers from trading in the company's stock based on inside information that is not available to other investors.

From an examination of SEC Form 4 Statement of Changes in Beneficial Ownership of Securities, my staff found that in a three month period between December, 1973 and February, 1974 just prior to the March 14, 1974 public announcement of the spin-off by the Pennzoil Board of Directors—the Chairman of the Board, the President, and two Members of the Board of Pennzoil purchased approximately half a million shares of Pennzoil stock, worth close to $14 million.

J. Hugh Liedtke—Chairman of the Board and Chief Executive Officer—126,089 shares purchased.

William C. Liedtke, Jr.—President—126,020 shares purchased.

George L. Coleman—Director—125,000 shares purchased.

William J. Bovaird—Director—115,000 shares purchased.

These officers reported no trading in March or April of 1974 after the decision was publicly announced. Also, there was little or no trading reported in the remainder of 1973.

It was only while the United Gas sale was being devised that these officers were making their huge purchases.

This is indeed a complicated stock scheme which could have wide ranging implications not only for the stockholders of Pennzoil and United but also for the consumers of natural gas that are serviced by the United Pipeline.

As you know, there are a number of theories about the impact of the scheme. A Federal Power Commission investigator has characterized this scheme as a potential "disaster" and a "systematic corporated raid." The complicated deal appears to be a good deal for Penzoil stockholders in that this weak subsidiary is being spun off after being drained of virtually all of its capital. The FPC is already investigating the effect of the deal of consumers of natural gas who may be paying higher prices because of the weakened financial position of the pipeline company.

It is my hope that the SEC will make an immediate and thorough investigation of not only this apparent violation of the SEC insider trading regulations, but also the basic integrity of the Registration Statement filed by Pennzoil on April 2, 1974.

Other questions have been raised in this case: The S–1 Registration Statement was cleared in record time by the SEC in one day (filed on April 2, 1974 and cleared on April 3, 1974). Is this the usual procedure and do you feel that the investing public is being adequately protected by this less than vigorous analysis?

As you may know, a principal in this case, Mr. William Liedtke, the President of Pennzoil, was the Southwest Coordinator for the Finance Committee for the Committee to Reelect the President and was directly involved in the delivery of $700,000 in cash to Washington in a Pennzoil plane in order to avoid the disclosure deadline in April of 1972. Under these circumstances, can you assure me that there were no improper contacts made by the White House or others in the Administration in an effort to affect the SEC clearance of this deal?

Do you routinely check the trading statements of corporate officers when they file a scheme such as this? If not, why not?

I appreciate any assistance which you could provide in this matter.

Sincerely yours,

CHARLES A. VANIK,
Member of Congress.

SECURITIES AND
EXCHANGE COMMISSION,
Washington, D.C., May 28, 1974.

Hon. CHARLES A. VANIK,
House of Representatives,
Washington, D.C.

DEAR MR. VANIK: In your letter of May 23, 1974, you express the hope that this agency will make an immediate and thorough investigation to determine whether insider trading violations have occurred in connection with the recent spin-off by Pennzoil Oil Company of its subsidiary United Gas Pipeline Company. You also express the hope that any such investigation would extend to the basic integrity of the registration statement filed by United Gas for the spin-off transaction.

The Commission has directed its staff to conduct an inquiry with respect to whether violations of the securities laws have occurred because of insider trading by Pennzoil's officers and directors. With respect to the United Gas registration statement, the Commission has no reason to believe at this time that the disclosure in such document is either inaccurate or inadequate.

With respect to the purchases of securities by the four Pennzoil officers and directors referred to in your letter, the following information may be helpful to you. The Form 4 ownership reports you mention reflect purchases of approximately 125,000 shares of Pennzoil common stock in which the four cited officers and directors hold an indirect beneficial interest. Such shares were purchased by Choctaw Corporation, an investment company, in which such four persons own interests. Thus, virtually all of their purchases from December 1973 through February 1974 should be aggregated rather than computed individually. Enclosed for your information are copies of Forms 4 filed by Messrs. Hugh Liedtke, William Liedtke, Coleman and Bovaird for the months of December 1973, January 1974 and February 1974.

Despite the fact that the resulting amount is roughly one-quarter the amount indicated in your letter, such fact, of course, in no way alters the basic issue of whether there was trading on the basis of non-public material information. This is a question which the staff will examine.

With respect to the question of registration under the Securities Act of 1933, we believe that the following comments may be helpful. The transaction involved a distribution of United Gas Pipeline stock to stockholders of Pennzoil. No payment was required of them nor did the transaction require their consent. Under the circumstances, counsel for the company was of the opinion that registration was not required but the staff disagreed and so advised counsel. He thereafter advised the staff that a registration statement covering shares to be issued in the spin-off would be prepared and filed either on Monday or Tuesday, April 1 or April 2, 1974. On April 2, 1974, a registration statement on Form S-1 was filed by Gas Pipeline Company for the spin-off. The prospectus comprises principally information from reports previously filed with the Commission by United Gas and Pennzoil. And its principal effect was to bring the previously filed and public information together in one document and to subject that information to the liability provisions of the Securities Act of 1933 so as to provide additional protection for public investors. It was thereafter possible to accord expedited review to this filing and that also served to minimize trading market problems. Comments were therefore furnished to counsel on April 3, 1974, and with the understanding that suggested changes would be made in the final prospectus, the registration statement was declared effective on that date by the staff pursuant to delegated authority.

With regard to your question about improper Administration or White House contacts, no member of the Commission or the staff was contacted by the White House or others in the Administration in an effort to effect the clearance of the registration statement or otherwise with regard to this matter.

Finally, you ask whether we routinely check the "trading statements" of corporate officers in connection with processing a disclosure filing. It is the staff's practice to review other documents filed with the Commission in connection with processing a registration statement under the Securities Act when there appears to be a reason for doing so. The staff informs me that the ownership reports of Pennzoil's corporate officers were not examined because this was not then regarded as a necessary step in reviewing the registration statement of United Gas Pipeline Company under the circumstances referred to above.

Please let me know if you have any further questions with respect to this matter.

Sincerely,

Ray Garrett, Jr.,
Chairman.

FORM 4—STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES (SECURITIES BOUGHT, SOLD, OR OTHERWISE ACQUIRED OR DISPOSED OF)

HUGH J. LIEDTKE

1. Name and business address of reporting person: Liedtke, J. Hugh, 900 Southwest Tower, Houston, Tex. 77002.
2. State of incorporation: Delaware.
3. If an amendment give date of statement amended: None.
4. Name of Company: Pennzoil Co.
5. IRS or SS identifying number of reporting person: [redacted].
6. Relationships of reporting person to company: Chairman of the board and chief executive officer.

STATEMENT FOR CALENDAR MONTH, DECEMBER 1973; DATE OF LAST PREVIOUS STATEMENT, JUNE 5, 1973; RECEIVED AT SEC, JAN. 9, 1974

Title of securities	Date of transaction	Amount of securities acquired	Amount of securities disposed of	Character of transaction reported	Purchase or sale price per share or other unit	Amount owned at end of month	Nature of ownership of securities owned at end of month
Common stock	Dec. 27, 1973		4,900	Gifts		[1] 132,804	Direct.[1]
Do	Dec. 21, 1973	[2] 12,800		Open market	26		
Do	do	[2] 2,500		do	24¾		
Do	do	[2] 7,500		do	25		
Do	Dec. 24, 1973	[2] 500		do	26	[2] 383,300	Indirect.[2]

[1] Includes 2,679 shares held in the employees stock purchase plan.

[2] Choctaw Corp., an investment company, owns 383,300 shares. J. Hugh Liedtke owns an interest in Choctaw.

STATEMENT FOR CALENDAR MONTH, JANUARY 1974; DATE OF LAST PREVIOUS STATEMENT, JAN. 7, 1974; RECEIVED AT SEC, FEB. 11, 1974

Title of securities	Date of transaction	Amount of securities acquired	Amount of securities disposed of	Character of transaction reported	Purchase or sale price per share or other unit	Amount owned at end of month	Nature of ownership of securities owned at end of month
Common stock						[2] 132,804	Direct.[2]
Do	Jan. 3, 1974	400		Open market	27¾		
Do	do	3,100		do	28		
Do	Jan. 4, 1974	4,700		do	27⅝		
Do	do	100		do	27¾		
Do	do	1,200		do	27⅞		
Do	do	3,100		do	28		
Do	do	1,100		do	28⅛		
Do	do	12,000		do	28¼		
Do	do	2,000		do	28⅜		
Do	Jan. 7, 1974	2,300		do	28		
Do	do	3,500		do	28⅛		
Do	do	1,300		do	28¼		
Do	Jan. 8, 1974	100		do	28¼		
Do	do	400		do	28¾		
Do	do	13,200		do	28⅞		
Do	do	4,700		do	29		
Do	do	2,000		do	29⅛		
Do	do	5,500		do	29¼		
Do	Jan. 9, 1974	1,000		do	26¾		
Do	do	1,000		do	27		
Do	do	5,000		do	27½		
Do	do	900		do	27⅞		
Do	do	2,000		do	28		
Do	do	9,700		do	28½		
Do	do	1,800		do	28⅛		
Do	do	500		do	28¼		
Do	do	5,000		do	28⅝		
Do	Jan. 10, 1974	500		do	25¼		
Do	do	500		do	25½		
Do	do	400		do	25⅝		
Do	do	600		do	25¾		
Do	do	500		do	25⅞		
Do	do	2,000		do	26	[1] 475,400	Indirect.[1]

[1] Choctaw Corp., an investment company, owns 475,400 shares. J. Hugh Liedtke owns an interest in Choctaw.

[2] Includes 2,679 shares held in the employees stock purchase plan.

STATEMENT FOR CALENDAR MONTH, FEBRUARY 1974; DATE OF LAST PREVIOUS STATEMENT, FEB. 4, 1974, RECEIVED AT SEC, MAR. 12, 1974

Title of securities	Date of transaction	Amount of securities acquired	Amount of securities disposed of	Character of transaction reported	Purchase or sale price per share or other unit	Amount owned at end of month	Nature of ownership of securities owned at end of month
Common stock	[1] 1973	[1] 1,089		Purchase	23.333	[2] 133,893	Direct.[2]
Do	Feb. 4, 1974	[3] 500		Open market	24½		
Do	do	[3] 1,900		do	24¾		
Do	do	[3] 1,600		do	25		

STATEMENT FOR CALENDAR MONTH, FEBRUARY 1974; DATE OF LAST PREVIOUS STATEMENT, FEB. 4, 1974, RECEIVED AT SEC, MAR. 12, 1974—Continued

Title of securities	Date of transaction	Amount of securities acquired	Amount of securities disposed of	Character of transaction reported	Purchase or sale price per share or other unit	Amount owned at end of month	Nature of ownership of securities owned at end of month
Do	Feb. 11, 1974	[3] 500		do	24¼		
Do	do	[3] 500		do	24½		
Do	Feb. 12, 1974	[3] 500		do	24		
Do	Feb. 19, 1974	[3] 500		do	25⅝		
Do	do	[3] 1,200		do	25¾		
Do	do	[3] 700		do	25⅞		
Do	do	[3] 700		do	26		
Do	Feb. 20, 1974	[3] 1,000		do	26	[3] 485,000	Indirect.[3]

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[1] Purchased in 1973 through the employees stock purchase plan and held in trust.

[2] Includes 3,768 shares purchased through the employees stock purchase plan and held in trust.

[3] Owned by Choctaw Corp., an investment company. J. Hugh Liedtke owns an interest in Choctaw

FORM 4—STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES (SECURITIES BOUGHT, SOLD, OR OTHERWISE ACQUIRED OR DISPOSED OF)

WILLIAM C. LIEDTKE, JR.

1. Name and business address of reporting person: Liedtke, Jr, William C., 900 Southwest Tower, Houston, Tex. 77002.
2. State of incorporation: Delaware.
3. If an amendment give date of statement amended: None.
4. Name of company: Pennzoil Co.
5. IRS cr SS identifying number of reporting person [redacted].
6. Relationships of reporting person to company: President.
7. Date of last previous statement: March 7, 1973.

STATEMENT FOR CALENDAR MONTH, DECEMBER 1973; DATE OF LAST PREVIOUS STATEMENT, MAR. 7, 1973; RECEIVED AT SEC, JAN. 9, 1974

Title of securities	Date of transaction	Amount of securities acquired	Amount of securities disposed of	Character of transaction reported	Purchase or sale price per share or other unit	Amount owned at end of month	Nature of ownership of securities owned at end of month
Common stock	Dec. 26, 1973		400	Gift		[1] 160,923	Direct.[1]
Do	Dec. 21, 1973	[2] 12,800		Open market	26		
Do	do	[2] 2,500		do	24¾		
Do	do	[2] 7,500		do	25		
Do	Dec. 24, 1973	[2] 500		do	26	[2] 383,300	Indirect.[2]

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[1] Includes 2,573 shares held in trust through the employees stock purchase plan. Excludes 1,100 shares owned by Mrs. Liedtke. In addition, trusts for the benefit of the Liedtke children own 4,200 shares.

[2] Choctaw Corp., an investment company, owns 383,300 shares. Mr. Liedtke owns an interest in Choctaw.

STATEMENT FOR CALENDAR MONTH, JANUARY 1974; DATE OF PREVIOUS LAST STATEMENT, JAN. 7, 1974; RECEIVED AT SEC, FEB. 11, 1974

Title of securities	Date of transaction	Amount of securities acquired[1]	Amount of securities disposed of	Character of transaction reported	Purchase or sale price per share or other unit	Amount owned at end of month	Nature of ownership of securities owned at end of month
Common stock						[2] 160,923	Direct.
Do	Jan. 3, 1974	400		Open market	27¾		
Do	do	3,100		do	28		
Do	Jan. 4, 1974	4,700		do	27⅝		
Do	do	100		do	27¾		
Do	do	1,200		do	27⅞		
Do	do	3,100		do	28		
Do	do	1,100		do	28⅛		
Do	do	12,000		do	28¼		
Do	do	2,000		do	28⅜		
Do	Jan. 7, 1974	2,300		do	28		
Do	do	3,500		do	28⅛		
Do	do	1,300		do	28¼		
Do	Jan. 8, 1974	100		do	28¼		
Do	do	400		do	28¾		
Do	do	13,200		do	28⅞		
Do	do	4,700		do	29		
Do	do	2,000		do	29⅛		
Do	do	5,500		do	29¼		
Do	Jan. 9, 1974	1,000		do	26¾		
Do	do	1,000		do	27		
Do	do	5,000		do	27½		
Do	do	900		do	27⅞		
Do	do	2,000		do	28		
Do	do	9,700		do	28½		
Do	do	1,800		do	28⅛		
Do	do	500		do	28¼		
Do	do	5,000		do	28⅝		
Do	Jan. 10, 1974	500		do	25¼		
Do	do	500		do	25½		
Do	do	400		do	25⅝		
Do	do	600		do	25¾		
Do	do	500		do	25⅞		
Do	do	2,000		do	26	[1] 475,400	Indirect.

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[1] Choctaw Corp., an investment company, owns 475,400 shares. Mr. Liedtke owns an interest in Choctaw.

[2] Includes 2,573 shares held in trust through the employees stock purchase plan. Excludes 1,100 shares owned by Mrs. Liedtke. In addition, trusts for the benefit of the Liedtke children own 4,200 shares.

STATEMENT FOR CALENDAR MONTH, FEBRUARY 1974; DATE OF LAST PREVIOUS STATEMENT, FEB. 4, 1974; RECEIVED AT SEC, MAR. 12, 1974

Title of securities	Date of transaction	Amount of securities acquired	Amount of securities disposed of	Character of transaction reported	Purchase or sale price per share or other unit (average)	Amount owned at end of month	Nature of ownership of securities owned at end of month
Common stock	[1] 1973	[1] 1,020		Purchase	23.331	[2] 164,516	Direct.[2]
Do	Feb. 4, 1974	[3] 500		Open market	24½		
Do	do	[3] 1,900		do	24¾		

STATEMENT FOR CALENDAR MONTH, FEBRUARY 1974; DATE OF LAST PREVIOUS STATEMENT, FEB. 4, 1974, RECEIVED AT SEC, MAR. 12, 1974—Continued

Title of securities	Date of transaction	Amount of securities acquired	Amount of securities disposed of	Character of transaction reported	Purchase or sale price per share or other unit	Amount owned at end of month	Nature of ownership of securities owned at end of month
Common stock	Feb. 4, 1974	[3] 1,600		Open market	25		
Do	Feb. 11, 1974	[3] 500		do	24¼		
Do	do	[3] 500		do	24½		
Do	Feb. 12, 1974	[3] 500		do	24		
Do	Feb. 19, 1974	[3] 500		do	25⅝		
Do	do	[3] 1,200		do	25¾		
Do	do	[3] 700		do	25⅞		
Do	do	[3] 700		do	26		
Do	Feb. 20, 1974	[3] 1,000		do	26	[3] 485,000	Indirect.[3]

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[1] Purchased during 1973 through the employees stock purchase plan and held in trust.

[2] Includes 3,593 shares purchased through the employees stock purchase plan and held in trust. Excludes 1,100 shares owned by Mrs. Liedtke; in addition, trusts for the benefit of the Liedtke children own 4,200 shares.

[3] Owned by Choctaw Corp., an investment company. William C. Liedtke, Jr. owns an interest in Choctaw.

STATEMENT FOR CALENDAR MONTH, FEBRUARY 1974; DATE OF LAST PREVIOUS STATEMENT, MAR. 6, 1974; RECEIVED AT SEC, MAR. 11, 1974

Title of securities	Date of transaction	Amount of securities acquired	Amount of securities disposed of	Character of transaction reported	Purchase or sale price per share or other unit (average)	Amount owned at end of month	Nature of ownership of securities owned at end of month
Common stock	1973	[1] 1,020		Purchase	23.331	[2] 161,943	Direct.[2]
Do	Feb. 4, 1974	[3] 500		Open market	24½		
Do	do	[3] 1,900		do	24¾		
Do	do	[3] 1,600		do	25		
Do	Feb. 11, 1974	[3] 500		do	24¼		
Do	do	[3] 500		do	24½		
Do	Feb. 12, 1974	[3] 500		do	24		
Do	Feb. 19, 1974	[3] 500		do	25⅝		
Do	do	[3] 1,200		do	25¾		
Do	do	[3] 700		do	25⅞		
Do	do	[3] 700		do	26		
Do	Feb. 20, 1974	[3] 1,000		do	26	[3] 485,000	Indirect.[3]

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[1] Purchased during 1973 through the employees stock purchase plan and held in trust.

[2] Includes 3,593 shares purchased through the employees stock purchase plan and held in trust. Excludes 1,100 shares owned by Mrs. Liedtke; in addition, trusts for the benefit of the Liedtke children own 4,200 shares.

[3] Owned by Choctaw Corp., an investment company. William C. Liedtke, Jr., owns an interest in Choctaw.

IMPEACHMENT PROCEEDINGS

The SPEAKER. Under a previous order of the House the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, the question of the possible impeachment of the President of the United States is the most serious question facing the Nation.

At this time I enter into the RECORD a resolution passed by the City Council of Philadelphia concerning this matter:

RESOLUTION

Memorializing the United States House of Representatives to initiate and expedite impeachment proceedings against the President of the United States.

Whereas, Richard M. Nixon has taken the oath of office of the President of the United States to uphold and protect the Constitution and laws of the United States; and

Whereas, A determination should be made to decide if substantial evidence exists that he has violated his oath of office to uphold and protect the Constitution and laws of the United States; therefore

Resolved, By the Council of the City of Philadelphia, That the United States House of Representatives is hereby memorialized to initiate and expedite impeachment proceedings against President Richard M. Nixon.

Resolved, That certified copies of this Resolution be forwarded to each member of the Philadelphia congressional delegation, the Chairman of the House Judiciary Committee, and United States Senators Hugh Scott and Richard Schweiker.

JUNE 2, 1946, A GREAT DAY IN ITALIAN HISTORY

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, Sunday, June 2, marks a stirring event in the rich history of Italy. For on that day in 1946, the great Italian people gave a resounding vote of confidence for political democracy.

The beautiful land of Italy, washed by the blue waves of the Mediterranean and cradled within the Alps, has boasted of an advanced civilization for thousands upon thousands of years. It may be truly said that Italy constitutes a mosaic of human history. She is the font of Western culture—her legal system is a model for the West, her language is the tongue of music, and her Renaissance stands as one of man's greatest achievements. Yet throughout her glorious history, few more stirring events have occurred than the day, 28 years ago, when the Italian people chose a republican form of government.

Let us recall those early postwar years. In the devastation and destruction of World War II, Italy had suffered more heavily than any Western nation except Germany. During the war, her civilian population had endured privations and suffering even more severe than the German citizens, and in addition, they had suffered more than two decades of oppressive Fascist rule.

In the immediate aftermath of war, the most urgent political problem facing Italy was the need to establish a framework for effective democratic government. The task was a difficult one because of the multiplicity of political parties and because of disagreement over whether the monarchy would be abandoned or retained.

In a nationwide referendum, held on June 2, 1946, the Italian people elected delegates to a constituent assembly to draw up a new constitution. In the same referendum the Italians were called upon to decide whether to keep the monarchy or turn to a republic with a president. By a margin of 2 million votes the Italian people voted for a republican form of government, an outstanding victory for political democracy.

Eleven days after the referendum, King Umberto II left Italy. In July the new Italian Government was established, based on the first free elections since 1921. In December 1947, the Constituent Assembly completed the framing of the new Italian Constitution, and on January 1, 1948, that historic document came into force.

The way had been paved for the momentous task of rebuilding Italy. With the aid of the Marshall plan, the determined and ingenious Italian people launched upon a great period of economic, political, and social progress. In addition to outstanding postwar achievements on the domestic scene, Italy also placed herself in the vanguard of European integration. Moreover, in the North Atlantic Treaty Organization, Italy has been and continues to be a stalwart and loyal Western ally.

Thus, Mr. Speaker, we commemorate June 2, 1946, a proud day in Italian history, and, indeed, in the entire history of man's eternal striving for freedom. On this glad occasion, may I extend warmest best wishes to the people of that great Republic, to their distinguished Ambassador here in Washington, His Excellency Egidio Ortona, and to our many friends of Italian descent in my own 11th District of Illinois, throughout the United States, and all over the world. May the people of Italy continue their important contributions to the culture of the West, to the vitality of democracy, and to democracy's precious ideals.

AMENDMENT TO THE COMMUNITY SERVICES ACT. H.R. 14449

The SPEAKER. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER), is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, at the appropriate time, I intend to offer an amendment to section 610 of H.R. 14449 which would authorize the Director of the Community Services Agency to undertake a study of the interrelationship of Federal benefit programs for the elderly. The study would be carried out in cooperation with the Federal Council on Aging.

Mr. Speaker, one of the most vexing problems I have witnessed since I came to Congress involves the interaction of Government programs intended to aid the elderly poor. I refer to the negative impact that an increase in benefits from one program may have on an older person's eligibility for benefits from another.

Many of the elderly poor now find that they are on a treadmill. No sooner do they receive increased cash benefits from one source—social security, for example—than they are faced with the prospect of a rent increase in public housing or a cut in veterans pensions or the loss of eligibility for food stamps. In part, these problems arise because programs for the elderly are operated by a vast array of Government agencies, each with their own regulations and legislative authorizations.

Clearly, a comprehensive review of these programs is needed in an effort to bring about greater uniformity and consistency in program standards. Section 610 of H.R. 14449 now authorizes the Director of the Community Services Agency to "initiate and maintain interagency liaison with all other appropriate Federal agencies to achieve a coordinated national approach to the needs of the elderly poor." Section 610 also authorizes the CSA Director "to carry out investigations and studies which would assist the elderly poor to achieve self-sufficiency." It would seem, then, that the initiation of a study of the interrelationship of Federal benefit programs, as authorized in our amendment, represents a logical extension of the authority already provided the Director of the Community Services Agency in section 610 of this act.

The language of the amendment is as follows:

AMENDMENT TO H.R. 14449, AS REPORTED

OFFERED BY MR. FRASER

Page 266, line 10, insert "(a)" immediately after "Sec. 610.".

Page 267, immediately after line 8, insert the following new subsection:

(b) The Director shall initiate and carry out, in cooperation with the Federal Council on the Aging, a study to carry out the purposes of section 205(g) of the Older Americans Act of 1965 (87 Stat. 34). Such study shall review the interrelationships of benefit programs for the elderly operated by Federal, State, and local government agencies, and shall develop measures for bringing about greater uniformity of eligibility standards, and for eliminating the negative impact which the standards of one program may have on another program.

MEMORANDUM FOR SENATORS AND MEMBER ON MIA'S

The SPEAKER. Under a previous order of the House, the gentleman from Mississippi (Mr. MONTGOMERY) is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, of continuing concern to me is the plight of our servicemen still missing in action in Southeast Asia. The events of yesterday when we honored our war dead reminded me very forcefully that we must do everything within our power to determine if these men are still alive. I, among others, have expressed concern over recent actions of the Department of Defense in reclassifying some MIA as presumed KIA. I would like to share with my colleagues the following information sheet from DOD concerning this action:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., May 20, 1974.

MEMORANDUM FOR SENATORS AND MEMBERS OF THE HOUSE OF REPRESENTATIVES

The issue of those Americans who remain unaccounted for in Southeast Asia is a matter of continuing concern to you and your constituents. We in the Department of Defense share this concern and are taking every action possible to account for these men and in the meantime provide assistance to their families.

Recent correspondence has indicated an increated interest regarding Service reviews of the status of our servicemen who are missing. In view of this I want to assure you that the Secretaries of the Military Departments are conducting these reviews in strict accordance with existing law. Title 37, United States Code, contains the provisions under which the appropriate Secretary effects reviews of the cases of his missing members. The final decree entered in *McDonald v. McLucas* (*73 Civ. 3190*) requires that the Secretaries afford specific rights to certain family members of missing servicemen in connection with reviews of their cases under Sections 555 and 556 of Title 37. These rights, including that of a hearing, are afforded those next of kin currently receiving governmental financial benefits. Although not required by the decree, the Secretaries of the Military Departments are also offering these rights to the primary next of kin in those instances where no next of kin are currently receiving financial benefits. Two fact sheets are attached, one which discusses the recent court decree in more detail and one which addresses status changes.

It must be emphasized that our military departments have never abandoned the next of kin or, in any fashion, reduced the level of support and assistance provided family members throughout the course of the conflict. For example, full pay and allowances remain in effect and are distributed according to the missing member's request or as modified by family need; dependents continue to have access to all military facilities and services; full-time casualty assistance officers remain assigned to each family; and extra benefits, such as space available air travel authority, remain in effect.

You may be assured that we intend to continue to press the other side for fulfillment of their obligations under Article 8(b) of the Paris Agreement and that the fullest possible accounting of our missing men remains our unalterable goal.

I hope you will find this information helpful. If you wish to forward copies of this memorandum with its enclosures to your constituents who express their interest and concern, we will be glad to make them available to your office.

JOHN M. MAURY.

FACT SHEET—MCDONALD V. MCLUCAS (73 CIV. 3190) (42LW2445 3-5-74)

MAY 9, 1974.

The suit was filed on 20 July 1973, in the US District Court for the Southern District of New York, as a class action against the Secretaries of the Military Departments. Plaintiffs are five next of kin of MIA servicemen and are represented by Dermot G. Foley, Esq., who is the brother of an Air Force MIA. The thrust of this action attacked the constitutionality of Title 37, USC, Sections 555, 556 which govern review of and changes to the status of missing servicemen.

As a result of the Temporary Restraining Order handed down by the court on 6 August 1973, Secretarial reviews could only be conducted in those cases where the primary next of kin requested the appropriate Secretary in writing that he not delay action based on information in his possession.

A three-judge panel heard the case in New York on 23 October 1973, and filed their opinion on 13 February 1974. In this opinion, the court concluded that status reviews of missing servicemen were being conducted in a constitutionally defective manner, and held that "minimum" standards of procedural due process must be accorded to the affected parties at all future reviews. Specifically, the court's final decree, which was entered on 11 March 1974, enjoined the defendants from conducting any such status reviews unless next of kin currently receiving governmental financial benefits that could be terminated by a status review are given notice of a status review; afforded a reasonable opportunity to attend a hearing, with a lawyer if they so choose; reasonable access to the information upon which the status review will be based; and permission to present any information which they consider relevant to the proceeding. Further, the decree states that these rights need only be afforded to those next of kin, currently receiving governmental financial benefits which could be terminated by a status review, who demand it after notice.

It is significant to note that with respect to status changes family members listed in the TRO were identified as "primary next of kin." This delineation of family relationship is one of lineage and derives from applicable Service directives which govern posthumous estate settlement to the designated beneficiaries of members. The final decree, on the other hand, identifies required family involvement as only those next of kin "currently receiving governmental financial benefits."

Although in most cases primary next of kin are also currently receiving governmental financial benefits, there are instances where no next of kin are currently in receipt of such benefits. These are predominantly cases wherein parents of a single serviceman are non-dependent and are the primary next of kin. Although not required by the decree, the Secretaries of the Military Departments are offering the rights listed therein to the primary next of kin in those instances where no next of kin are currently receiving governmental financial benefits.

Fact Sheet—Status Determinations

Under Public Law (sections 551–558, Title 37, United States Code), the Secretaries of the Military Departments are given responsibility for the determination of and changes to the "missing status" of their members. Section 551(2) defines "missing status" as the status of a member of a uniformed service who is officially carried or determined to be absent in a status of (a) missing; (b) missing in action; (c) interned in a foreign country; (d) captured, beleaguered, or besieged by a hostile force; or (e) detained in a foreign country against his will. To assist him, each Secretary calls upon professionals within his organization who conduct an exhaustive study, based on all available information, of each individual case.

In making status determinations, two possibilities exist besides the option of retaining the individual in a missing status. In those cases where information is received which conclusively establishes that the member is dead a report of death will be issued. A finding of death is made when circumstances are such that the missing individual cannot reasonably be presumed to be living. The law requires the Secretaries to effect a full review of each missing case no later than one year after the individual is declared missing. Based on available information, a decision is then made to declare the individual deceased or to continue him in a missing status. Subsequent reviews are made as the circumstances warrant.

During the conflict, men were placed in a missing status following the incident when insufficient evidence was available to warrant a captured status. Some men survived particularly severe incidents and became prisoners of war. Other men were known to have been alive and uninjured on the ground, communicating the approach of enemy troops, and subsequently have gone unacknowledged by the other side. Still other men whose fate remains unknown were lost through circumstances totally unknown to us. Many of our missing men were retained in a missing status because of confidence that our men held captive, when released, would be able to provide some information about other men, and the belief that any agreement reached to end the war would include provisions for the exchange of information about the missing.

Our returnees provided information which allowed resolution of the cases of fewer than 100 servicemen and indicated that many others apparently did not enter the known captivity environment. In some instances, then, an individual can be reasonably presumed to be dead in view of the circumstances of the incident and the further information received from the captivity environment. Additionally, none of the lists of U.S. servicemen previously provided by the other side contained the names of all of the men of whom we believe the enemy had knowledge.

Under the law, a missing serviceman is presumed to be deceased when a careful, individual review of all available information concerning his case by the Secretary and his experts reveals that the serviceman can no longer be presumed to be living. This review includes consideration of whatever evidence is available that the man did or could have survived the incident, the extent to which all available sources of information have been explored and the likelihood of the existence and receipt of additional information. In cases such as losses over water or in remote jungle areas, we feel that the likelihood of knowledge of the fate of these men by the other side is not great. We recognize that in some cases, even complete cooperation from the other side and exhaustive search on our part will fail to uncover any new evidence regarding the specific incident in which a man was lost. In these cases, just as in others, final determinations of status must still be made in accordance with the law.

Change in status is not unalterably tied to the inspection of combat sites or to the recovery of remains nor does it negate the necessity for the other side to comply with Article 8(b) of the Paris agreement. The article details clearly the obligations of the parties for arrangements for the location and repatriation of the remains of the dead as well as the exchange of information about the missing. Because the circumstances of loss together with the amount and substance of additional information vary considerably among the cases of our missing servicemen, the only procedure for uniform administration of the existing law in consideration of change in status is that of an exhaustive, individual professional review, as has been done in the past and as is being accomplished now in each of the Services.

PANAMA CANAL: AFL–CIO APPROVES MAJOR MODERNIZATION OF EXISTING CANAL

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Flood), is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, over a period of years many civic, fraternal, labor, patriotic, professional and other organizations have adopted resolutions urging the expenditure of Federal funds for the major modernization of the Panama Canal. The most recent such action is a resolution by the AFL–CIO national convention in 1974 and its approval by its executive council.

This resolution recognizes the increase in size of vessels and the necessity for a set of larger locks in a program for the major modernization of the existing canal. It calls for resumption of work on the third locks project that was suspended in 1942 because of more urgent war needs.

Legislation for such modernization is now pending in both House and Senate; S. 2330, introduced by Senator Thurmond and H.R. 1517 by myself. These bills are identical.

Mr. Speaker, in connection with these measures I would stress that the program provided enables the maximum utilization of all work so far accomplished on the Panama Canal, that it will provide the best operational canal practicable of achievement at least cost, that it will retain the fresh water barrier between the oceans thus avoiding marine biological dangers involved in constructing a salt water channel between the oceans, that it will revitalize the Isthmus with tremendous benefits to Panama, and that it can be done under existing treaty provisions.

In order to make the indicated AFL–CIO action available to the Congress and the Nation at large, I quote it as part of my remarks along with the texts of the indicated measures.

Panama Canal

Resolution No. 67—By Industrial Union Department.

Whereas, The efficient maintenance, operation, sanitation, utilization and defense of the Panama Canal are of overriding importance to the American people, since a majority of ships transiting the canal carry cargo and passengers originating or terminating in American ports and it is a vital artery for U.S. defense, and

Whereas, The utilization of the Panama Canal is now increasingly limited by the failure to implement the Third Locks project set forth in the report of the Panama Canal dated February 24, 1939, and authorized by the act of August 11, 1939, and

Whereas, The increase in the size of ships transiting the Canal has resulted in navigational problems which can assume serious proportions unless the Canal is modernized, and

Whereas, Many of the operations of the Panama Canal Company, of the Panama Zone Government and of the military installations are carried out by many thousands of American and Panamanian citizens, all of whom have the status of federal employes. Without doubt the completion of the Third Locks project will be a great improvement to international commerce and provide for the job security and safer working conditions of federal employes; therefore, be it

Resolved: The AFL–CIO pledges every effort to effectuate legislation authorizing the expenditure of federal funds to contine work on the Third Locks project of the Panama Canal.

H.R. 1517

A bill to provide for the increase of capacity and the improvement of operations of the Panama Canal, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Panama Canal Modernization Act".

Sec. 2. (a) The Governor of the Canal Zone, under the supervision of the Secretary of the Army, is authorized and directed to prosecute the work necessary to increase the capacity and improve the operations of the Panama Canal through the adaptation of the Third Locks project set forth in the report of the Governor of the Panama Canal, dated February 24, 1939 (House Document Numbered 210, Seventy-sixth Congress), and authorized to be undertaken by the Act of August 11, 1939 (53 Stat. 1409; Public Numbered 391, Seventy-sixth Congress), with usable lock dimensions of one hundred and forty feet by one thousand two hundred feet by not less than forty-five feet, and including the following: elimination of the Pedro Miguel Locks, and consolidation of all Pacific locks near Agua Dulce in new lock structures to correspond with the locks capacity at Gatun, raise the summit water level to its optimum height of approximately ninety-two feet, and provide a summit-level lake anchorage at the Pacific end of the canal, together with such appurtenant structures, works, and facilities, and enlargements or improvements of existing channels, structures, works, and facilities, as may be deemed necessary, at an estimated total cost not to exceed $950,000,000, which is hereby authorized to be appropriated for this purpose: *Provided, however,* That the initial appropriation for the fiscal year 1974 shall not exceed $45,000,000.

(b) The provisions of the second sentence and the second paragraph of the Act of August 11, 1939 (53 Stat. 1409; Public Numbered 391, Seventy-sixth Congress), shall apply with respect to the work authorized by subsection (a) of this section. As used in such Act, the terms "Governor of the Panama Canal", "Secretary of War", and "Panama Railroad Company" shall be held and considered to refer to the "Governor of the Canal Zone", "Secretary of the Army", and "Panama Canal Company", respectively, for the purposes of this Act.

(c) In carrying out the purposes of this Act, the Governor of the Canal Zone may act and exercise his authority as President of the Panama Canal Company and may utilize the services and facilities of that company.

SEC. 3. (a) There is hereby established a board, to be known as the "Panama Canal Advisory and Inspection Board" (hereinafter referred to as the "Board").

(b) The Board shall be composed of five members who are citizens of the United States of America. Members of the Board shall be appointed by the President, by and with the advice and consent of the Senate, as follows:

(1) one member from private life, experienced and skilled in private business (including engineering);

(2) two members from private life, experienced and skilled in the science of engineering;

(3) one member who is a commissioned officer of the Corps of Engineers, United States Army (retired); and

(4) one member who is a commissioned officer of the line, United States Navy (retired).

(c) The President shall designate as Chairman of the Board one of the members experienced and skilled in the science of engineering.

(d) The President shall fill each vacancy on the Board in the same manner as the original appointment.

(e) The Board shall cease to exist on that date designated by the President as the date on which its work under this Act is completed.

(f) The Chairman of the Board shall be paid basic pay at the rate provided for level II of the Executive Schedule in section 5313 of title 5, United States Code. The other members of the Board appointed from private life shall be paid basic pay at a per annum rate which is $500 less than the rate of basic pay of the Chairman. The members of the Board who are retired officers of the United States Army and the United States Navy each shall be paid at a rate of basic pay which, when added to his pay as a retired officer, will establish his total rate of pay from the United States at a per annum rate which is $500 less than the rate of basic pay of the Chairman.

(g) The Board shall appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, a Secretary and such other personnel as may be necessary to carry out its functions and activities and shall fix their rates of basic pay in accordance with chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates. The Secretary and other personnel of the Board shall serve at the pleasure of the Board.

SEC. 4. (a) The Board is authorized and directed to study and review all plans and designs for the Third Locks project referred to in section 2(a) of this Act, to make on-the-site studies and inspections of the Third Locks project, and to obtain current information on all phases of planning and construction with respect to such project. The Governor of the Canal Zone shall furnish and make available to the Board at all times current information with respect to such plans, designs, and construction. No construction work shall be commenced at any stage of the Third Locks project unless the plans and designs for such work, and all changes and modifications of such plans and designs, have been submitted by the Governor of the Canal Zone to, and have had the prior approval of, the Board. The Board shall report promptly to the Governor of the Canal Zone the results of its studies and reviews of all plans and designs, including changes and modifications thereof, which have been submitted to the Board by the Governor of the Canal Zone, together with its approval or disapproval thereof, or its recommendations for changes or modifications thereof, and its reasons therefor.

(b) The Board shall submit to the President and to the Congress an annual report covering its activities and functions under this Act and the progress of the work on the Third Locks project and may submit in its discretion, interim reports to the President and to the Congress with respect to these matters.

SEC. 5. For the purpose of conducting all studies, reviews, inquiries, and investigations deemed necessary by the Board in carrying out its functions and activities under this Act, the Board is authorized to utilize any official reports, documents, data, and papers in the possession of the United States Government and its officials; and the Board is given power to designate and authorize any member, or other personnel, of the Board, to administer oaths and affirmations, subpena witnesses, take evidence, procure information and data, and require the production of any books, papers, or other documents and records which the Board may deem relevant or material to the performance of the functions and activities of the Board. Such attendance of witnesses, and the production of documentary evidence, may be required from any place in the United States, or any territory, or any other area under the control or jurisdiction of the United States, including the Canal Zone.

SEC. 6. In carrying out its functions and activities under this Act, the Board is authorized to obtain the services of experts and consultants or organizations thereof in accordance with section 3109 of title 5, United States Code, at rates not in excess of $200 per diem.

SEC. 7. Upon request of the Board, the head of any department, agency, or establishment in the executive branch of the Federal Government is authorized to detail, on a reimbursable or nonreimbursable basis, for such period or periods as may be agreed upon by the Board and the head of the department, agency, or establishment concerned, any of the personnel of such department, agency, or establishment to assist the Board in carrying out its functions and activities under this Act.

SEC. 8. The Board may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

SEC. 9. The Administrator of General Services or the President of the Panama Canal Company, or both, shall provide, on a reimbursable basis, such administrative support services for the Board as the Board may request.

SEC. 10. The Board may make expenditures for travel and subsistence expenses of members and personnel of the Board in accordance with chapter 57 of title 5, United States Code, for rent of quarters at the seat of government and in the Canal Zone, and for such printing and binding as the Board deems necessary to carry out effectively its functions and activities under this Act.

SEC. 11. All expenses of the Board shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the Chairman of the Board or by such other member or employee of the Board as the Chairman may designate.

SEC. 12. There are hereby authorized to be appropriated to the Board each fiscal year such sums as may be necessary to carry out its functions and activities under this Act.

SEC. 13. Any provision of the Act of August 11, 1939 (54 Stat. 1409; Public Numbered 391, Seventy-sixth Congress), or of any other statute, inconsistent with any provision of this Act is superseded, for the purposes of this Act, to the extent of such inconsistency.

LEGISLATION TO IMPROVE OVERSIGHT CAPABILITY

The SPEAKER. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 10 minutes.

Mr. OWENS. Mr. Speaker, today I am introducing legislation to implement a statement of purpose that Congress enacted in the Legislative Reorganization Act of 1970: to improve the oversight capabilities of both Houses of Congress.

One of the most significant developments in the history of American Government is the changing role of the executive branch. After freeing themselves from the oppressive rule of an English King, the framers of the Constitution were understandably reluctant to create a new government in which the executive was supreme. The intervening 200 years have seen a marked growth in executive power, with the executive branch expanding to hundreds of Federal agencies. These agencies, although created by Congress, are primarily responsible to the President. The specialists in each department advise the President in the formulation of his programs and policies, and they help him draft the important proposals which are sent to Congress for consideration. This growth in executive responsibility in turn increases the congressional responsibility to fulfill the legislative function of oversight and review.

We do not have adequate machinery for effective legislative oversight. Hearings before standing committees give us scattered oversight over the powers of the executive departments. But standing committees emphasize legislation over review. In addition, we can create special investigating committees whose function is solely oversight and review. We also have the General Accounting Office, the investigatory arm of Congress which sometimes includes policy review with its financial audit of a program.

But this is not enough. This type of review is haphazard and incomplete. It is not systematic and it is not thorough. My bill will create a vehicle for that systematic review.

Too often after the legislative creation of a program, Congress shifts its attention to other matters, allowing the new program to lapse into disrepair through lack of maintenance. Too often we try to remedy the program's deficiencies by creating another agency without repealing or amending the original program, thereby causing wasteful duplication of function. It is not enough to review the new program every 3 years. Our oversight responsibility begins the day after enactment.

Too often we feel overwhelmed by the growing size and complexity of the Federal agencies. All of us have seen the figures which show, for example, that the Defense Department employs more people to prepare its own budget than Congress does to review the entire budget. In addition, we have all felt the frustration of knowing that the only people who can provide us with expert information on a particular program work within the program itself. My bill will help alleviate this problem by developing agency experts not possessed by agency self-interest.

We cannot review the myriad policy decisions which are made every day in hundreds of agency offices. But as Representative Melvin Laird stated in 1965 before the Joint Committee on the Organization of Congress:

> We all can cite example after example of Executive abuse of intent of Congress in carrying out and administering programs.

My bill would create within each standing committee of Congress, with the exception of the appropriations committees and the House Rules Committee, a regular staff whose only function would be to assist the committee in its oversight responsibility through "the analysis, appraisal, and evaluation of the application, administration, execution, and effectiveness of the laws enacted by the Congress."

The staff is permanent. The executive agencies will be subjected to constant legislative scrutiny. Committee review will be the rule, not the exception. Agency heads and spokesmen will be held accountable, not just in times of trauma or crisis, but as a routine.

The oversight staff of each committee will consist of six professional and three clerical personnel. Committee members will hear expert agency advice from someone who is not employed by that agency. The staff will be able to determine whether a certain agency is meeting policy objectives and to suggest reforms for existing programs. Finally, working in a legislative and not an administrative environment, the staff will report from the perspective of congressional intent rather than agency interpretation, and their recommendations will take into account committee requirements and pending legislation.

Some Members may appreciate the need for increased congressional oversight but may wonder if we do not already have the existing apparatus which could be altered or modified to assume this function. The fact is, the machinery does not exist. Congress made note of this in the Legislative Reorganization Act of 1970, which incidentally was passed 50 years after the creation of the GAO. The issue goes beyond patching the weaknesses of existing structures. Through its constant proximity to the committee, the oversight staff would be uniquely qualified to review the administration of program and policy in light of congressional intent.

A section-by-section description of the bill will reveal other strengths.

I have already covered much of section I in the foregoing remarks. The section states that a "separate" committee oversight staff shall be maintained "in addition to any of its regular staff otherwise authorized by law or other resolution of a House of Congress."

Section 2 insures that the multiyear programs and projects will be examined on a regular basis. The section provides that each extended project shall be reviewed annually and that a report on the effectiveness of those programs shall be made to the Congress.

Section 3 establishes a standing committee on the Executive Office to extend legislative review over White House policies which have previously escaped the oversight responsibilities of Congress. Over the past few years, several officials connected with the President have assumed the responsibility and power, but not the requirement for accountability, of Cabinet secretaries. Surely, if our legislative and oversight functions are to be complete, the Congress must follow the policymaking power as it shifts from agency to White House.

All proposed legislation relating to authorization of appropriations for Executive Office operations shall be referred to this committee. The new committee will also have the powers delegated to existing standing committees, including the power to issue subpenas.

Section 4 provides that each committee at the end of each Congress shall present "a summary of proposed oversight priorities for the succeeding Congress," from which an oversight agenda listing program review priorities will emerge at the beginning of the new Congress. Committee members would be able to structure and plan their preparatory work around specific dates. The oversight staff would have a long-range timetable during which each agency within a committee's jurisdiction would be the subject of a regular period of review.

Section 5 gives Congress as a national legislature and the individual members as district representatives the opportunity to better serve constituents. Under this section, the GAO shall have the duty to categorize and tabulate the Members' requests for casework assistance. The purpose of this section is "to permit an overall assessment regarding the pattern of problems that are affecting persons seeking the assistance of Members of Congress."

Through this section, the GAO will be able to supply us with information none of us are capable of gathering. When we act upon an individual constituent's request, we treat the problem as a unique case. By categorizing and tabulating the requests, the GAO will be able to detect a pattern of complaints against one agency which may indicate problems with a program. The GAO may then advise Congress of possible remedies.

Congress needs a defined and continuing mechanism for administrative agency oversight. This bill will provide the tools. This bill will allow us to reclaim our proper share of authority over national policy by reviewing the correlation of the policy's implementation to congressional intent. By strengthening our oversight function, we will also strengthen our legislative function. Before Members of Congress can take a responsible position on what we should do, we must have an accurate and complete account of what we already have done.

Here, reprinted, is a copy of this bill:

H.R. 15020

OVERSIGHT STAFF

SECTION 1. Each standing legislative committee of either House of Congress, except the appropriations and rules committees of the House of Representatives, and the appropriations committee of the Senate, shall maintain, in addition to any of its regular staff otherwise authorized by law or other resolution of a House of the Congress, a separate staff for the purposes of assisting such committee in the analysis, appraisal, and evaluation of the application, administration, execution, and effectiveness of the laws enacted by the Congress. Such staff shall consist of no less than six professional and three clerical assistants. The members of such staff shall be appointed on a permanent basis, without regard to political affiliation, and solely on the basis of fitness to perform the duties of their respective positions. The staff shall make such investigations, and conduct such hearings, both in the District of Columbia, and elsewhere in the United States, as directed by the Chairman, or majority vote of the committee, in order to assist the committee in its oversight functions.

REVIEW OF MULTIYEAR AUTHORIZATIONS

SEC. 2. Each program or project for which money is authorized by law to be appropriated for three years or more shall be reviewed annually by the legislative committee which has jurisdiction over the subject matter of such program or project, or shall be reviewed by the General Accounting Office at the direction of such committee, and it shall be the duty of such committee to report to the House from which its members are drawn its conclusions as to the effectiveness of such program or project, and any recommendations such committee may have as to such program or project, not less frequently than annually.

STANDING COMMITTEE ON THE EXECUTIVE OFFICE

SEC. 3. At the beginning of the session of each odd-numbered year, there shall be elected by each House a Standing Committee on the Executive Office, one of whose members shall be elected by that House as chairman of that Committee. The Standing Committee so elected by each House shall have the duty to oversee the functions of the White House and related executive office agencies, including the Office of Management and Budget, particularly with respect to any policymaking functions usually performed by heads of departments but formally or informally transferred to officials over whom the Standing Committee has oversight jurisdiction. The Standing Committee so elected by each House shall have the authority to issue subpenas in the course of its functions, and to each such committee shall be referred all legislation, messages, petitions, memorials, and other matters proposed in the House from which the members of such committee are drawn and relating to authorization of appropriations for such executive office agencies.

OVERSIGHT AGENDA

SEC. 4. On or before November 30 of each even-numbered year, each of the standing committees of the House shall submit to the Speaker and the minority leader a summary of its proposed oversight priorities for the succeeding Congress. On the basis of these summaries and after consultation with the chairmen of the various standing committees and with representatives of the General Accounting Office and the Congressional Research Service, the leadership shall present to the House no later than January 20 of the succeeding year, in the form of a House resolution, an oversight agenda which shall include a list of the program review priorities for each standing committee, and which may specify the date or dates by which each such committee must complete its oversight activities and report its findings and recommendations to the House.

GAO CASEWORK ASSISTANCE

SEC. 5. The General Accounting Office, in consultation with the appropriate committees of the Senate and the House of Representatives, shall have the duty to establish procedures whereby individual Members of the Senate and of the House of Representatives may categorize constituents and other requests for Member assistance in the nature of casework, so that this information may be tabulated, by automatic data processing or otherwise, in order to permit an overall assessment regarding the pattern of problems that are affecting persons seeking the assistance of Members of Congress in the area of casework. The General Accounting Office shall submit quarterly reports to the Senate and the House of Representatives containing the tabulated data and an analysis of such pattern, and any recommendations the General Accounting Office may have on general solutions to problems which frequently occur.

(b) It shall be the duty of the General Accounting Office to provide technical and general assistance to each Member of either House of Congress in the performance of such casework as that Member may refer to such Office.

EFFECT ON HOUSE AND SENATE RULEMAKING POWER

SEC. 6. The provisions of this Act, except section 5, are enacted by the Congress—

(1) insofar as applicable to the Senate, as an exercise of the rulemaking power of the Senate and, to the extent so applicable, those sections are deemed a part of the Standing Rules of the Senate, superseding other individual rules of the Senate only to the extent that those sections are inconsistent with those other individual Senate rules, subject to and with full recognition of the power of the Senate to enact or change any rule of the Senate at any time in its exercise of its constitutional right to determine the rules of its proceedings; and

(2) insofar as applicable to the House of Representatives, as an exercise of the rulemaking power of the House of Representatives, subject to and with full recognition of the power of the House of Representatives to enact or change any rule of the House at any time in its exercise of its constitutional right to determine the rules of its proceedings.

THE NEED TO EXPAND THE FORESTRY INCENTIVES PROGRAM

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the Congress took a major step forward when it authorized a forestry incentives program as a means of assuring an adequate supply of wood for future generations. As you know, the program authorizes the Federal Government to share the costs incurred in planting trees and applying cultural treatments in the small forests of private, nonindustrial owners.

The Federal Government authorized an expenditure of $10 million to initiate the program and carry it through the remainder of fiscal 1974. The response to the amendment of the availability of funds has been one of overwhelming endorsement. Accordingly, a budget item of $25 million has been recommended to the Congress for fiscal 1975. It will probably be the first time ever that a new program in its first year of operation is to be funded to the limit of the statutory authorization. It already is apparent that the program is too small to meet the need which is being demonstrated.

Let me tell you how the program is being received. It was launched in March of this year. I had the pleasure of being at the first incentives planting in Florida. Since then, public response in Florida and in many other States has been most encouraging.

Requests for assistance have been so numerous that nine States already have obligated their entire allotments for this year. Twenty-eight States have spent more than 60 percent of their allotment although the program is barely 2 months old.

The forestry incentives program for small landowners also has stimulated some very important supporting efforts by others.

For example, the State of Mississippi has enacted a parallel forest resources program under which the State will share planting costs with private landowners. The State program is expected to be about $1 million annually. This sum is nearly twice as much as the Federal allotment to Mississippi landowners.

In a related move, a lumber company has offered to pay the owners of small forests an annual rental based upon the productive capacity of the soil. These leases enable small owners to pay their taxes and other incidental expenses while they wait for the trees to grow to harvestable size. The leasing program has another important aspect in that the trees increase in quality and value while they are growing in size.

Several forest industries are helping their smaller neighbors by making equipment and labor available at cost. These offers are especially important at this time because new equipment is difficult to acquire under the 54-week delay involved in filling some factory orders. One company announced at a meeting of Forest Farmers in Daytona Beach, Fla., recently that it would help its neighbors plant 100,000 acres annually for the next decade. That is a significant goal.

With this kind of cooperation, the future becomes much brighter, provided the Federal Government continues to do its part. That part simply means to increase the authorization for funds and to expand the availablity of the incentives program to more landowners.

Therefore, I am introducing an amendment to the forestry incentives program that would increase the Federal authorization to $50 million annually from the present $25 million. I also recommend that the acreage limitation under which small landowners can participate be increased to 1,000 acres per owner from the present 500-acre level. This adjustment is necessary in order to extend assistance to some of the unusual ownership patterns in Missouri, Wyoming, and a few other States. It also is important because there are many deserving landowners who own more than 500 acres and who should not be denied the right to participate in the program.

WILLIAM J. HULL

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PERKINS. Mr. Speaker, the long-range prospects for economic prosperity in this country depend to a large degree upon the use we make of our water resources.

I am delighted that so much attention is presently being paid to this important subject, much of it by people who have only recently awakened to its importance.

We have in Washington a valiant fighter for the wise management and development of our water resources—one whose record goes back over a period of many years. He is William J. Hull, a man known favorably and well by many Members of this House as special counsel to the Water Resources Congress, president of the National Waterways Conference, and legislative adviser to the Ohio Valley Improvement Association.

Because today is his 62d birthday, I take this occasion to pay tribute to him and the fine work he has done on behalf of my State and the rest of the Nation over the years.

Bill Hull, born May 28, 1912, in Hicksville, Ohio, is Washington vice president of Ashland Oil Co., which has headquarters in my congressional district. He is a graduate of Phillips Academy and Yale University, and is a member of Phi Beta Kappa and Delta Sigma Rho, honorary fraternities.

He is an honorable member of the bars of Kentucky, Ohio, and the District of Columbia.

His scholarship in the field of water resources is attested by coauthorship with his son, Robert W. Hull, of "The Origin and Development of the Waterways Policy of the United States" in 1967. I wish Bill Hull well on his birthday, and hope that he is around to make his unique contributions to the Congress and the country for many years to come.

PASSING OF THOMAS R. HAY

(Mr. RONCALLO of New York asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RONCALLO of New York. Mr. Speaker, Long Island has lost a distinguished member of its community with the passing of Thomas R. Hay, a historian and electrical engineer, who died Sunday in Glen Cove Community Hospital. Hay, a Locust Valley resident since 1941, edited and wrote for various electrical engineering trade magazines. However, his daughter, Edith Hay Wyckoff, publisher of the weekly Locust Valley Leader, said:

> History was the whole thing. He just did the engineering to put food on the table.

A specialist on the South's role in the Civil War, Hay wrote a number of books on Southern generals, including James Longstreet and John Bell Hood. He was working on a biography of Gen. John Bankhead Magruder when he died. Hay contributed to various historical journals and encyclopedias and had a 1,000-volume historical research library in his home.

While we mourn his passing and share the grief and loss of his family, we are heartened by the fact that his works will remain among us long after we are all gone.

WHAT FOOD CAN POOR BUY?

(Mr. BURKE of Massachusetts asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, I take this opportunity to bring to the attention of the Members a column that appeared in today's newspapers throughout the Nation written by the nationally known columnist Sylvia Porter about the high cost of food and "What Food Can Poor Buy?" I have filed a bill this year which will help the poor and middle-income people of this Nation. The legislation authorizes the Secretary of Agriculture to supply free seeds upon request to the people of the United States and encourage home gardening. This bill will only cost the Federal Government $6 million a year and can produce up to $380 million in fresh garden vegetables. The Subcommittee on Agriculture heard the bill 2 weeks ago, under the chairmanship of Congressman Joseph Vigorito, of Pennsylvania.

I hope the full committee will report out my little old seed bill and demonstrate the concern of Congress on the serious problem of rising prices and future shortages in food. I include for the Record the news column:

What Food Can Poor Buy?

(By Sylvia Porter)

How far can the millions of poor in America trade down in food—in an era of galloping "staple inflation"? While you may be spending the national "average" of only 16 percent of your after-tax income on food, what about the family already spending 30 to 50 percent of its income on food and facing quantum jumps in the prices of those high-protein basics at the bottom of the food ladder? What's below the bottom?

In the past year, according to latest official figures, the cost of food at home has risen almost 20 percent. But in the same period, the average price of a five-pound bag of flour has soared 60 percent; a three-pound can of shortening has jumped 64 percent; a 10-pound bag of potatoes, 60 percent; bread, 34 percent; a pound of dried beans, 182 percent; a pound of rice, 103 percent; a half-gallon of milk, 27 percent; a dozen large eggs, 29 percent; a pound of turkey, 35 percent; ½ pound of cheese, 30 percent. And so it goes.

As meat prices skyrocketed in 1973, millions traded down from steaks to stew, hamburger, fish and chicken; from stew and hamburger to milk, cheese, rice and beans.

But by so doing, we intensified an already powerful price rise among "bottom rung" basics. Bean prices were rising before our demands spurted because of production cutbacks by farmers discouraged by low bean prices in previous years.

The price of rice took off in response to enormous exports last year and a huge gift of rice to South Vietnam to use as currency in exchange for money to support its army.

Increases in prices of milk, turkey and eggs are tied to increases in the costs of feed grains.

As a result, a pound of dried beans is becoming almost as expensive as a pound of hamburger and, reports one food processor, it's now more costly to produce a can of chili and beans than it is to produce a can of chili and beef!

And that's only part of the staple inflation tale, for prices also have been soaring for other key protein substitutes—dried milk, lentils, split peas, spaghetti and macaroni. (Somewhat surprisingly, though, the Bureau of Labor Statistics does not price these items for its monthly reports.)

Where does the low-income family—which has been leaning more and more heavily on spaghetti, beans, cheese, rice and the like—turn now?

Among the few items left to trade down to is peanut butter. But peanut butter costs an average of more than 75 cents a pound at latest official reporting date, hardly a bargain anymore. Another is tuna fish. But tuna fish is also up 19 percent from a year ago and is moving rapidly out of the bargain category.

Our Secretary of Agriculture's memorable advice a while back to "eat less" is fine for the overweight, overfed middle-income American—and indeed, in 1973, our national per capita food consumption dropped 2 percent while our consumption of meat fell sharply for the first time in decades (7 percent). Welcome as this may be for our overfed, it's hardly practical advice for the family already on a grossly inadequate diet, already buying at the bottom of the food ladder—and facing along with the rest of us inescapable increases in the costs of clothing, shelter, transportation, other absolute necessities.

The diets of most of the one in five Americans who now qualify for food stamps are widely considered nutritionally deficient. Where does this family turn—except to more malnutrition or more help via food stamps?

Still to come, I suppose, is the money-saving advice: "Eat dog food." However, pet food sales are zooming, and in low-income areas sales are now far exceeding the amounts which could be consumed by their animal populations. By one recent estimate, one-third of the dog and cat food being bought in ghettoes is consumed by people. And, notes a report on food price changes by the Senate Select Committee on Nutrition and Human Needs, advertising by pet food manufacturers has appeared to be "more and more directed at possible human consumers."

RAIN OVER SOUTHEAST ASIA

(Mr. GUDE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, the admission by the U.S. Government that it had spent $21.6 million trying to create rain over part of Southeast Asia between 1967 and 1972 raises questions for which the Pentagon should provide answers and explanations.

Repeated attempts in the past several years to obtain the facts from Defense Department officials have met only with denials that such activity ever took place. Now, previously classified testimony reveals that this project was going on even while the Secretary of Defense was testifying before Congress that it did not exist. Secretary Laird, in testifying on April 18, 1972, before the Senate Foreign Relations Committee said:

> We have never engaged in that type of activity over North Vietnam.

In a January 28 letter, former Secretary Laird corrected his testimony by saying he had never approved rainmaking over North Vietnam but had "just been informed that such activities were conducted over North Vietnam in 1967 and again in 1968."

This project has to rank as one of the most useless ever conceived by the Government. Not only did the ill-conceived rainmaking effort accomplish nothing except to wash $21.6 million down the drain, it was undertaken with no thought as to the very dangerous situations which could evolve from such a policy.

Geophysical warfare is still at a relatively primitive stage. The technology is rapidly expanding, however, and beyond making rain there are the possibilities of prolonging droughts, redirecting storms and hurricanes, and setting off earthquakes with small nuclear devices. Indeed, permanently changing the world's climate by tampering with the polar ice cap is no longer in the realm of science fiction.

The Government's action makes it clear that no effective restraints exist to prevent our military from engaging in disasters like this and makes it more imperative than ever to reach international agreement on weather modification activities.

H.R. 10337, NAVAJO-HOPI BILL

(Mr. MEEDS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MEEDS. Mr. Speaker, tomorrow the House will take under consideration the bill, H.R. 10337, providing for the resolution of a longstanding land dispute between the Navajo and Hopi Indian Tribes in the State of Arizona.

The Rules Committee has reported House Resolution 1095 providing for a 2-hour open rule.

When the House takes up the legislation, I intend to offer an amendment to the bill in the nature of a substitute. Several of my colleagues have indicated their support for the approach my substitute takes in resolving this very difficult matter.

This dispute is a very sensitive, volatile problem and there is no easy solution. I think it is safe to say that any outside, imposed solution, which may eventually become necessary, will be very difficult to implement and administer and may well contribute to the local ill will.

My substitute seeks to avoid this possibility by giving the tribes a last chance to arrive at a mutual settlement of the dispute.

Mr. Speaker, I include the text of my substitute be printed in the Record and I urge my colleagues to review its provisions and give it their most serious consideration.

An Amendment in the Nature of a Substitute to H.R. 10337, as Reported, Offered by Mr. Meeds

1. Strike all after the enacting clause, and insert in lieu thereof the following:

That, (a) within thirty days after enactment of this Act, the chief judge of the United States District Court for the District of Columbia shall appoint a Navajo-Hopi Board of Arbitration (hereinafter in this Act referred to as the "Board") which shall provide for the settlement and determination of the relative rights and interests of the Navajo and Hopi Indian Tribes (hereinafter in this Act referred to as the "parties") in and to lands, including surface and subsurface right, lying within the joint use area of the Hopi Reservation established by the Executive Order of December 16, 1882, as determined in the case of *Healing* v. *Jones*, (210 F. Supp. 125, D. Ariz. 1962; aff'd U.S. 758, 1963) (hereinafter in this Act referred to as the Healing case); and the rights and interests of the Hopi Tribes or Hopi individuals in and to lands, including surface and subsurface rights, lying within the Navajo Reservation created by the Act entitled "An Act to define the exterior boundaries of the Navajo Indian Reservation in Arizona, and for other purposes," approved June 14, 1934 (48 Stat. 960). The Board shall be composed of the three members, one of which such chief judge shall designate as Chairman. No member appointed to such Board shall have any interest, direct or indirect, in the settlement of the interests and rights set out in this subsection. Such chief judge shall promptly appoint a Board member to fill any vacancy which may occur in the Board's membership.

(b) Members of the Board shall receive compensation in the daily equivalent of the rate provided for grade GS-18 of the General Schedule in section 5332 of title 5 of the United States Code, for each day they are engaged in the business of the Board, and shall be allowed travel expenses, including per diem allowance, as authorized by section 5702 of title 5 of the United States Code, in connection with their services for the Board.

(c) In carrying out its responsibilities under the provisions of this Act, the Board is authorized to—

(1) make such rules and regulations as it deems necessary, not inconsistent with this Act, and

(2) request from any department, agency, or independent instrumentality of the Federal Government any information, personnel, services, or materials it deems necessary to carry out its functions; and each such department, agency, or instrumentality is authorized to cooperate with the Board and to comply with such requests to the extent permitted by law, on a reimbursable or nonreimbursable basis.

(d) All Board members shall attend the negotiation sessions provided for in section 2(c) except in the case of illness or other extenuating circumstances. Any formal action or determination of the Board shall require the agreement of a majority of the Board members.

(e) The existence of the Board and the negotiating teams established under section 2 shall terminate when the Board has filed a final report as provided in sections 3 and 4, but in no event later than the end of the one-year period beginning on the date of enactment of this Act.

(f) The Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") shall appoint a liaison representative to the Board who shall attend negotiating sessions and facilitate the provision of information and assistance requested by the Board from the Department of the Interior.

(g) There is authorized to be appropriated not to exceed $500,000 for the expenses of the Board, such amount to be available in the fiscal year in which it is appropriated and in the following fiscal year.

SEC. 2. (a) Within the twenty-day period after appointment of the Board, the Board shall, in writing, contact the tribal councils of the Hopi and Navajo Tribes requesting the appointment by each such council of a negotiating team representing each tribe. Each such team shall be composed of an odd number of members (not exceeding seven), to be certified by appropriate resolution of the respective tribal council. Notwithstanding any other provision of law, the negotiating teams, when appointed and certified, shall have full authority to bind the respective tribes with respect to any matter within the scope of this Act. Each tribal council shall promptly fill any vacancy occurring on its negotiating team.

(b) In the event either or both of the parties fail to appoint and certify a negotiating team under subsection (a) within thirty days after the Board contacts the tribal council under such subsection, the provisions of section 4(a) shall become operative.

(c) Within fifteen days after formal certification of both teams to the Board, the Board shall schedule the first sessions of negotiations at Flagstaff, Arizona. Thereafter, negotiating sessions, conducted under guidelines established by this Act, shall be scheduled at Flagstaff, Arizona, or at any other place by agreement of the Board and the negotiating teams, as long as at least one session is held biweekly.

(d) In the event that either or both negotiating teams fail to attend two consecutive sessions or, in the opinion of the Board, either fails to negotiate in good faith, or an impasse in the negotiations is reached, the provisions of section 4(a) shall become operative.

(e) In the event of a disagreement within a negotiating team, the majority of the team shall prevail and act on behalf of the team unless the resolution of the tribal council certifying the team specifically provides otherwise.

SEC. 3 (a) If, within one hundred and eighty days after the first session scheduled by the Board under section 2(c) of this Act, the parties reach agreement on the settlement of the rights and interests of the parties, such agreement shall be reduced to writing, signed by the members of the negotiating teams and the members of the Board, and notarized. The Board shall submit such agreement to the Attorney General of the United States who shall, forthwith, advise the Board only on the constitutionality and legality of any or all provisions of such agreement. The Board shall have limited discretion to modify such agreement to conform to the advice of the Attorney General and to make technical changes. The Board shall provide the negotiating teams with copies of such modified agreement for their approval and signatures as above. If the teams approve and sign the modified agreement, the Board shall transmit it, together with a report thereon, to the Speaker of the House of Representatives and to the President of the Senate. The Board shall provide copies to the Attorney General and the Secretary, each of whom shall provide a report thereon to the Interior and Insular Affairs Committees of the Senate and the House of Representatives.

(b) If, within sixty days (excluding days on which either the House of Representatives or the Senate is not in session because of an adjournment for more than three calendar days to a day certain) after submission of such agreement and report to the Congress, neither the Senate or House of Representatives passes a resolution disapproving such agreement, it shall have the force and effect of law and shall be conclusive and binding upon the Navajo and Hopi Tribes and upon all other persons as to the rights and interests in lands or interests in lands which are determined and settled by said agreement.

SEC. 4. (a) If the negotiating teams fail to reach agreement within one hundred and eighty days after the date of the first session scheduled by the Board under section 2(c), or if one or both of the parties is in default under the provisions of section 2(b) or 2(c), the Board shall, within 60 days thereafter, devise a plan of settlement which shall be most reasonable and equitable in light of the law and circumstances and consistent with the guidelines set forth in section 6 of this Act: *Provided*, That the Board, in its final determination, may weight the default of either party pursuant to section 2(b) and 2(d). The Board shall then follow the procedures set out for agreements in section 3 of this Act; *Provided*, That such plan shall not be submitted to the parties for their approval.

(b) For the purpose of facilitating a negotiated settlement pursuant to section 3 or a settlement devised pursuant to subsection (a) of this section, the Board is authorized—

(1) notwithstanding the provisions of section 2 of the Act of May 25, 1918 (40 Stat. 570; 25 U.S.C. 211), to enter into an agreement with the Secretary to purchase or otherwise acquire lands for the benefit of either party from funds authorized by this Act; from the funds of either party; or funds under any other authority of law. Such lands shall be taken in trust by the United States for the benefit of the party for whom they are purchased;

(2) to enter into an agreement with the Secretary for the development of a land restoration and reclamation program for lands lying within the joint use areas of the 1882 Executive Order Reservation:

(3) to enter into an agreement with the Secretary for the development of a program for removal and resettlement pursuant to the provisions of sections 7 and 8 of this Act;

(4) in the event the subsurface interests underlying lands within the 1882 joint use area are maintained in joint, undivided ownership, to make temporary adjustments in the division of income from such subsurface interest or to otherwise temporarily to allocate the use of the interest of either or both parties to such subsurface income; and

(5) to make provision for a limited tenure and use, and for a phased removal of members of one party from lands which may be partitioned to the other party; *Provided*, That such limited tenure and use and phased removal shall be for a period not to exceed eight years from the date of final settlement.

(c) The authorizations contained in subsection (b) hereof shall be discretionary with the Board and shall not be construed to represent any directive of the Congress.

SEC. 5. For the purpose of section 3, the parties may make any provision in such agreement which is not inconsistent with existing law. No such agreement nor any provision in it shall be deemed to be a taking by the United States of private property compensable under the fifth amendment to the Constitution of the United States.

SEC. 6. For the purposes of a settlement under section 4 of this Act, the Board and the Attorney General shall be guided by the following:

(1) The Hopi Tribe and the Navajo Tribe, under the decision of the Healing case, have a joint, undivided, and equal interest in and to all of the 1882 joint use area.

(2) Any division or partition of the joint use area which results in a less than equal share to one party shall be fully and finally compensable to such party by the other party or out of appropriations hereinafter provided or both, except that any such compensation from the appropriation provided

shall not prejudice the right of the compensated party to share equitably in the remaining portion of such appropriation unless imposed as a sanction pursuant to section 2(b) or 2(d) of this Act.

(3) The rights and interests of the Hopi Tribe in and to the exclusive Hopi Reservation defined in the Healing case shall not be reduced or limited in any manner.

(4) Undue social, economic, and cultural disruption shall be avoided insofar as reasonably practicable.

(5) Subject to the provisions of paragraph (2) of this section, funds appropriated under this Act shall be expended in such manner as will be most beneficial, in terms of long-term social and economic development, to members of both Navajo and Hopi Tribes living within the exterior boundaries of the Reservation established by the Executive Order of December 16, 1882.

(6) In any division of the surface rights to the 1882 joint use area, reasonable provision shall be made for the use and right of access to identified religious shrines of either party on the portion allocated to the other party, and for the reasonable availability of and access to water, firewood, and grazing resources such as to render the surface use of both parties viable.

(7) Any claim the Hopi Tribe may have against the Navajo Tribe for an accounting of all sums collected by the Navajo Tribe since September 28, 1962, as trader license fees or commissions, lease rentals or proceeds, or other similar charges for doing business on, or the use of, lands within the Executive Order Reservation of December 16, 1882, is for a one-half share in such sums. The settlement may provide for satisfaction of such claims or for adjudication of such claims, in which case the Hopi Tribe is authorized to commence an action against the Navajo Tribe in the United States District Court for the District of Arizona with any interest on an award by such court to be at the rate of 6 per centum per annum.

(8) Pursuant to the first section of the Act of June 14, 1934 (48 Stat. 960), provision shall be made for the partition and allocation of lands and interests in lands to the Hopi Tribe or Hopi individuals in the so-called Moencopi Area of the 1934 Navajo Reservation, which such provision shall take into consideration the—

(A) number of Hopi residing within such area on June 14, 1934;

(B) number of direct descendants of such Hopis residing in such area on the effective date of this Act;

(C) existing Hopi-Navajo dwelling patterns in such area;

(D) access to and availability of firewood, water, and grazing resources;

(E) necessity of a corridor to the major portion of the Hopi Reservation; and

(F) contiguity and unity of lands partitioned to the Hopi Tribe or individuals. Any lands apportioned to the Hopi Tribe or individuals shall be considered a part of the Hopi Reservation and administered by the Hopi Tribe.

Sec. 7. Any settlement accomplished under section 3 or 4 of this Act which necessitates the resettlement of members of one party from lands apportioned to the other party shall provide for—

(1) the availability of lands for resettlement;

(2) a reasonable period of time for resettlement to avoid undue social, economic, and cultural disruption;

(3) funds for rehabilitation of individuals or family units subject to resettlement;

(4) expenses of resettlement; and

(5) purchase of nonmovable improvements of individuals subject to resettlement.

Sec. 8. For the purposes of section 7—

(1) The United States shall purchase from the head of each Navajo or Hopi household, who is required to resettle pursuant to the provisions of any settlement under section 3 or 4 of this Act, the habitation and other improvements owned by him on the area from which he is required to move. The purchase price shall be the fair market value of such habitation and improvements.

(2) In addition to payments made pursuant to paragraph (1) of this section, the Secretary shall—

(A) reimburse each head of a household, whose family is moved pursuant to any settlement under section 3 or 4 of this Act, for his actual reasonable moving expenses as if he were a displaced person under section 202 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894);

"(B) pay to each head of a household, whose family is moved pursuant to any settlement under section 3 or 4 of this Act, an amount which, when added to the fair market value of the habitation and improvements purchased under paragraph (1) of this section, equals the reasonable cost of a decent, safe, and sanitary replacement dwelling adequate to accommodate such displaced household: *Provided*, That the additional payment authorized by this subparagraph (B) shall not exceed $15,000 for a household of three or less and not more than $20,000 for a household of four or more: *Provided further*, That the additional payment authorized by this subparagraph shall be made only to a displaced person who purchases and occupies such replacement dwelling not later than the end of the two-year period beginning on the date on which he receives from the Secretary final payment for the habitation and improvements purchased under paragraph (1) of this section, or on which he moves from such habitation, whichever is the later date. Nothing in this paragraph shall require a displaced person to occupy a dwelling with a higher degree of safety and sanitation than he desires.

(3) In implementing paragraphs (2)(A) and (B) of this section, the Secretary shall establish standards consistent with those established in the implementation of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

(4) The Secretary is authorized to dispose of dwellings and other improvements acquired pursuant to this section in such manner as he sees fit, including resale of such improvements to members of the tribe exercising jurisdiction over the area at prices no higher than their acquisition costs. Proceeds from such sales shall be deposited in the United States Treasury as miscellaneous receipts.

Sec. 9. Any lands or interests in lands partitioned or purchased as in-lieu lands hereunder shall be taken by the United States in trust for the tribe to which such lands are partitioned or for which such lands are purchased and shall become a part of the reservation of such tribe.

Sec. 10. In the event the subsurface rights to lands partitioned under the provisions of this Act are left in joint ownership, such interests shall be administered by the Secretary on a joint-use basis with any development thereof being subject to the consent of both parties. Costs of such development shall be shared by both parties and the net income derived from such development shall be distributed by the Secretary to the parties on the basis of any percentage formula agreed upon or set in the settlement.

Sec. 11. Notwithstanding any other provision of this Act, the Secretary is authorized to allot in severalty to individual Paiute Indians, not now members of the Navajo Indian Tribe, who are located within the area described in the Act of June 14, 1934, and who were located within said area or are direct descendants of Paiute Indians who were located within said area on the date of such Act, land in quantities as specified in the Act of February 8, 1887 (24 Stat. 388), and patents shall be issued to them for such lands in the manner and with the restrictions as provided in sections 1, 5, and 6 of that Act.

Sec. 12. Subsequent to the partition of the surface of any land by a settlement reached or determined under authority of section 3 or 4 of this Act, the Navajo Tribe shall pay to the Hopi Tribe, from the date of such partition, fair rental value as determined by the Secretary for all Navajo Indian use of lands partitioned to the Hopi Tribe and the Hopi Tribe shall pay to the Navajo Tribe, from the date of such partition, fair rental value as determined by the Secretary for all Hopi Indian use of lands partitioned to the Navajo Tribe.

Sec. 13. Either party may institute any original, ancillary, or supplementary actions against the other party as may be necessary or desirable to insure quiet and peaceful enjoyment of the reservation lands of said party and the members thereof and fully to accomplish the objects and purposes of any settlement reached under section 3 or 4 of this Act. Such actions may be commenced in the United States District Court for the District of Arizona by either of said parties against the other, acting through the Chairman of the respective tribal councils, for and on behalf of the tribes, including all villages, clans, and individual members thereof.

Sec. 14. The United States shall not be an indispensable party to any action or actions commenced under authority of this Act and any judgment or judgments shall not be regarded as a claim or claims against the United States.

Sec. 15. All applicable provisions and final remedies provided for by the Federal Rules of Civil Procedure and all other remedies and processes available for enforcement and collection of judgments in the district courts of the United States may be used in the enforcement of judgments obtained pursuant to the provisions of this Act.

Sec. 16. (a) For the purposes of carrying out the provisions of section 4(b) of this Act, there is hereby authorized to be appropriated a sum not to exceed $20,000,000. The Secretary may use such sums to make a loan or loans to either or both parties, to be used by such party or parties pursuant to an agreement of settlement reached pursuant to section 3 of this Act, or pursuant to a settlement devised under section 4 of this Act.

(b) Any loan or loans made pursuant to subsection (a) of tihs section shall be repaid to the United States by the party to whom the funds are loaned, and they shall not bear interest. The loan shall be repaid from the borrowing party's annual share of earnings from the subsurface rights within the 1882 joint use area, unless otherwise determined by the Secretary: *Provided*, That the minimum amount to be repaid each year shall be $500,000 for each such loan.

Sec. 17. For the purpose of carrying out the provisions of section 8 and for the purpose of any compensation which may become payable pursuant to the provisions of section 6 of this Act, there is hereby authorized to be appropriated not to exceed $30,000,000.

2. Strike all of the title of H.R. 10337 and insert in lieu, the following:

"To provide for the mediation and arbitration of the conflicting interests of the Navajo and Hopi Indian Tribes in and to lands lying within the joint use area of the Hopi Reservation established by the Executive Order of December 16, 1882, and to lands lying within the Navajo Reservation created by the Act of June 14, 1934, and for other purposes."

CONFERENCE REPORT ON H.R. 12565, APPROPRIATIONS FOR PROCUREMENT FOR ARMED FORCES, 1974

Mr. HÉBERT (pursuant to an order of the House on Thursday, May 23) filed the following conference report and statement on the bill (H.R. 12565) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test and evaluation for the Armed Forces, and to authorize construction at certain installations, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 93-1064)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 12565) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test, and evaluation for the Armed Forces, and to authorize construction at certain installations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE I—PROCUREMENT

SEC. 101. In addition to the funds authorized to be appropriated under Public Law 93-155 there is hereby authorized to be appropriated during fiscal year 1974 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons authorized by law, in amounts as follows:

Aircraft

For aircraft: for the Army, $15,000,000; for the Navy and the Marine Corps, $201,200,000; for the Air Force, $187,800,000.

Missiles

For missiles: for the Army, $76,600,000; for the Navy, $17,000,000; for the Marine Corps, $22,300,000; for the Air Force, $39,000,00.

Naval Vessels

For naval vessels: for the Navy, $24,800,000.

Tracked Combat Vehicles

For tracked combat vehicles: For the Army, $63,400,000.

Other Weapons

For other weapons: For the Army, $8,200,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. In addition to the funds authorized to be appropriated under Public Law 93-155, there is hereby authorized to be appropriated during the fiscal year 1974, for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army $35,898,000;

For the Navy (including the Marine Corps), $38,528,000,

For the Air Force $29,466,000, and

For the Defense agencies, $5,991,000.

TITLE III—MILITARY CONSTRUCTION

SEC. 301. In addition to the funds authorized to be appropriated under Public Law 93-166, there is hereby authorized to be appropriated during the fiscal year 1974, for use by the Secretary of Defense, or his designee, for military family housing, for operating expenses and maintenance of real property in support of military family housing, an amount not to exceed $3,866,000.

SEC. 302. Authorizations contained in this title shall be subject to the authorizations and limitations of the Military Construction Authorization Act, 1974 (Public Law 93-166), in the same manner as if such authorizations had been included in that Act.

TITLE IV—GENERAL PROVISIONS

Sec. 401. No volunteer for enlistment into the Armed Forces shall be denied enlistment solely because of his not having a high school diploma.

Sec. 402. This Act may be cited as the "Department of Defense Supplemental Appropriation Authorization Act, 1974".

And the Senate agree to the same.

F. EDW. HÉBERT,
MELVIN PRICE,
O. C. FISHER,
CHARLES E. BENNETT,
SAMUEL S. STRATTON,
WILLIAM G. BRAY,
L. C. ARENDS,
BOB WILSON,
CHARLES GUBSER,
Managers on the Part of the House.

JOHN C. STENNIS,
STUART SYMINGTON,
HENRY M. JACKSON,
HOWARD W. CANNON,
STROM THURMOND,
JOHN TOWER,
PETER H. DOMINICK,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H.R. 12565, an act to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test, and evaluation for the Armed Forces, and to authorize construction at certain installations, and for other purposes, submit the following joint statement to the House and to the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

GENERAL BACKGROUND

The Administration's Fiscal Year 1974 supplemental request requiring authorization for appropriations for the Department of Defense requested new authorizations of $1,257,455,000. The amount approved by the House on April 4, 1974, was $1,142,049,000. The amount approved by the Senate on May 6, 1974, was $415,474,000 in the form of a total authorization for appropriations plus an additional transfer authority of $155.8 million under which incremental defense costs related to the Middle East War would be funded from the $2.2 billion provided as "emergency security assistance for Israel" already provided. The net difference between the two bills was $726,575,000. The resolution of differences by the House and Senate conference results in a new total of $769,049,000. Therefore, the new total in the bill is $373,000,000 less than the House figure of $1,142,049,000, and $353,575,000 higher than the Senate figure of $415,474,000.

Set out below are selected major items in controversy and their resolution:

TITLE I—PROCUREMENT

Aircraft—Army

Support Equipment—Flight Simulators

The House bill contained an authorization of $7.0 million for three UH-IN helicopter flight simulators for the Army.

The Senate deleted the request in its entirety.

The Senate pointed out that the justification presented by the Army did not show sufficient urgency to warrant this request being approved on a supplemental basis.

The House recedes.

Aircraft—Navy

P-3C (Patrol) ASW Aircraft

The House authorized $49.6 million for the procurement of six P-3C ASW aircraft for the Navy.

The Senate deleted the request in its entirety.

The House conferees' position was that the P-3C displayed its superior ability as a flexible counter force to an increased Soviet submarine threat as recently as the Arab-Israeli hostilities. The urgent need for an all P-3C maritime patrol force has been clearly demonstrated. The additional six aircraft requested in the supplemental will permit the transition of a Pacific Fleet patrol squadron of P-3Cs approximately one year earlier than without the supplemental.

The Senate recedes from its position and accepts the House authorization of $49.6 million.

KC-130R Tanker Aircraft

The House authorized $39.0 million for the procurement of six KC-130 tanker aircraft for the use of the Marine Corps.

The Senate deleted the request in its entirety on the grounds that the request to accelerate modernization was not deemed urgent. The House conferees' argument was that the modernization of the Reserves was urgently needed and is dependent upon the approval of new procurement of KC-130R aircraft for the use by the Regular Forces, so that six KC-130F aircraft may be assigned to the Reserve Forces in early FY-1976. Any further postponement in obtaining the new aircraft will cause an equal lag in providing the Reserve Force with the KC-130F and the attendant aerial refueling capability.

The Senate recedes from its position and accepts the House authorization of $39.0 million.

Aircraft modifications

The Department of the Navy had requested $33.3 million for aircraft modifications. The House approved the request. The Senate had reduced the request to $23.5 million. The reduction of $9.8 million included $6 million to modify A-6E aircraft with an interim CONDOR missile capability and $3.8 million for standard arm avionics installations.

The House conferees emphasized that the recent conflict in the Middle East clearly demonstrated the need for going forward immediately with the modifications requested by the Navy.

The Senate recedes.

Spares and repair parts in KC-130 spares

In view of the action taken by the conferees to go forward with the KC-130 tanker procurement, the Senate conferees agreed to recede and approve the $1.7 million previously deleted by the Senate for KC-130 spares.

Support equipment

The Navy request for $18 million for simulators for aviation training was denied by the Senate. After considerable discussion concerning the requirement for modernizing existing aviation simulation training equipment, the House conferees reluctantly receded and accepted the Senate action.

Air Force aircraft—simulators A–7D and F–111F

The Senate had denied funding to the Air Force in the amount of $13.1 million for these simulators insisting that the Air Force request did not reflect sufficient urgency to warrant approval in a supplemental.

The House conferees were unable to dissuade the Senate from this position, therefore the House receded.

Modification of in-service aircraft

The Department of Defense requested $145.9 million for modification of in-service aircraft. This amount was approved in its entirety by the House.

The Senate reduced this amount to $72.6 million, eliminating $40 million for the C–141 stretch program; $18.5 million from the Civil Reserve Air Fleet; and $14.1 million for flight simulator modifications.

After considerable discussion, the House conferees agreed to recede and accept the Senate reduction of $18.5 million for the CRAF program, and $14.1 million for flight simulator modifications, while the Senate agreed to recede from its position on the C–141 stretch program with an amendment authorizing $31 million for this program.

Aircraft spares

The Department of the Air Force had requested $153.5 million for aircraft spares, including $108.9 million for C–5A/C–141 spares, and $14.6 million for general modification spares. The Senate reduced this authorization from $153.5 million to $37.3 million, which included $7.3 million for general modification spares. After considerable discussion, the House conferees reluctantly receded and accepted the Senate figure of $37.3 million.

Other production charges

The Department had requested $101 million for this purpose, including $6.8 million for ECM simulators, $4.5 million for the TALSS (Tactical Advanced Locator Strike System), $75 million for ECM pods, and $14.7 million for alternate mission equipment. The House approved this departmental request in its entirety, while the Senate approved only $12.7 million of the alternate mission equipment request.

The House receded from its position on all the programs with the exception of the alternate mission equipment program, which was approved at the level requested by the Department of Defense of $14.7 million.

Missiles—Army

The Department had requested $65.2 million for TOW anti-tank missiles. The House approved $57.4 for this purpose, while the Senate had approved a figure of $47.1 million.

The Senate receded from its position and accepted the House figure.

Missiles—Navy

The Department of the Navy had requested $11.6 million for the procurement of the SHRIKE missile, the AGM–45A. The House approved the request in its entirety.

The Senate had denied this request.

The House conferees receded.

Missiles—Air Force

The Department of the Air Force requested a total of $16.5 million for expendable tactical drones and related spares and repair parts. The House approved this departmental request.

The Senate had denied the request except for $400,000 for spares and repair parts.

The Senate recedes.

Naval vessels

Trident Long Leadtime Procurement

The Department of the Navy had requested $24.8 million for the procurement of long leadtime items for the FY 1975 Trident program. The $24.8 million is necessary to procure items such as turbines, turbine generator sets, other engine room components, and hull steel for the second and third Trident submarines. Funds to procure these items were authorized in the FY–1974 Department of Defense Authorization Act, but not appropriated by the Congress. In denying funding for these long leadtime items, the Senate appropriations report stated: "In approving this reduction, the Committee in no way desires to detract from those long leadtime items whose procurement is necessary for the timely production of submarines two through four. The Committee therefore directs that the Department of Defense review the rate of production that would result from the reduction of $240 million and seek additional funds in a supplemental request if necessary."

The procurement of these long leadtime components are necessary to permit timely construction of these submarines and to reduce the delivery schedule risk for ships two and three which are requested in the FY–1975 budget.

After considerable discussion, the Senate conferees reluctantly receded.

Tracked combat vehicles—Army

M60A1—Tanks

The Department of the Army had requested an authorization for the procurement of 133 tanks in the amount of $47.4 million. This request was approved by the House.

The Senate approved the procurement of 96 tanks in the amount of $34.9 million, a net reduction of 37 tanks and $12.5 million.

The House conferees persuaded the Senate conferees that the total authorization requested by the Army was urgently required to continue the modernization of United States Army tank inventories.

The Senate recedes.

Personnel carriers

The Department of the Army had requested $44.3 million for the procurement of 923 M–113A1 armored personnel carriers. The House approved this request in its entirety.

The Senate denied this request in its entirety, emphasizing its view that the Army inventory position in respect to this vehicle was adequate.

The House conferees recede.

M125A1 mortar carrier

The Department of the Army had requested authorization for the procurement of 105 of these vehicles, a cut of $5.9 million. The House had approved this request in its entirety, while the Senate had denied this request.

The Senate conferees maintained that the Army has an adequate inventory of this item and did not consider this item of sufficient priority for inclusion in a supplemental funding request.

The House conferees recede.

TITLE II—R.D.T. & E.

The National Security Agency had requested authorization in the amount of $975,000 for a classified project of an urgent nature. The House had approved this request, while the Senate had denied it.

The Senate recedes.

TITLE III—MILITARY CONSTRUCTION

The Department of the Navy had requested an authorization of $29 million for the expansion of facilities at Diego Garcia. The additional facilities at Diego Garcia were to provide logistic support to sustain limited deployment of military forces of the United States in the Indian Ocean. This request was approved by the House by a vote of 255 to 94. The Senate had denied this request, stating that the expansion of these facilities required a complete review of United States policy in the Indian Ocean area.

The Senate conferees also emphasized their objection to the project's inclusion in a supplemental authorization request. The House conferees, with the understanding and assurance that this project would be given careful consideration by the Senate in the military construction bill for FY–1975, reluctantly recede and accept the Senate recommendation to deny the authorization request at this time. The action taken by the conferees is without prejudice to the merits of the project.

Language differences

In addition to the money differences between the House and Senate versions of H.R. 12565, there were four substantive language differences. The language differences were resolved as follows:

1. Section 102 of the Senate bill would have required the transfer of Military Assistance Program funds in the amount of $155.8 million to military procurement accounts to defray the increased cost of new equipment to be procured as a result of the transfer of military equipment to Israel. The House bill contained no similar provision.

The House conferees argued that the new equipment procured by the Departments to replace equipment transferred to Israel was in almost every instance qualitatively superior to that transferred to Israel and justified the additional expenditures of departmental funds. It should be pointed out that the action of the conferees should not be construed as establishing a policy of requiring the Department of Defense appropriation accounts to absorb the incremental cost of transactions involving grants or sales of equipment to other countries.

The Senate conferees receded from their position and the provision was deleted from the bill.

2. Section 103 of the House bill authorized construction of military facilities at Diego Garcia in the amount of $29 million. As previously indicated, the Senate had no similar provision; therefore, in view of the action taken by the conferees to defer this construction request until the FY–1975 Military Construction authorization request, this provision was deleted from the bill until the consideration of the FY 1975 Military Construction request.

3. Section 401 of the Senate bill contained a provision prohibiting the utilization of any unobligated funds available in the Military Assistance Program for Southeast Asia after the date of enactment of the bill. This section was included by the Senate to hold the Department of Defense to the previously approved $1.126 billion ceiling for military aid to South Vietnam for FY 1974 and to prevent the obligation of $266 million which would have been available if the reported obligations for FY 1974 had been adjusted.

The House/Senate conferees agreed that no accounting change would be permitted by the Department involving the $266 million in question and wished to emphasize their agreement that the accounting procedures observed by the Department in respect to the utilization of FY–1974 MASF funds would remain unchanged.

It cannot be emphasized on the part of the conferees too strongly that the statutory ceiling of $1.126 billion enacted in FY 1974 remains unaltered and shall not be circumvented by accounting adjustments.

The House conferees also pointed out that the limitation of the Senate amendment, while not possibly so intended, could also be interpreted as applying to U.S. forces in that geographic area.

In view of these understandings, the conferees agreed that the language of Section 401 was not necessary, and the question was moot.

The Senate recedes.

4. Section 401 of the House bill provided that "No volunteer for enlistment into the Armed Forces shall be denied enlistment solely because of his not having a high school diploma."

The purpose of the House language was to insure that the military departments did not deny original enlistment solely because a potential recruit was not a high school graduate, particularly when the enlistment was needed to meet established requirements for new accessions to the Armed Forces. The conferees agree that this provision does not give preference to non-high school graduates for enlistment into the Armed Forces. Further, it should not be construed to prevent the Secretaries of the various military departments from using educational levels as an indicator of qualifications for personnel management and for the screening of personnel acquisition in each service. The conferees intend that the highest qualified personnel available shall be taken into the armed services and fully qualified non-high school graduates should not be denied enlistment simply because of arbitrary quotas placed on high school graduates.

The Senate recedes.

F. Edw. Hébert,
Melvin Price,
O. C. Fisher,
Samuel S. Stratton,
Charles E. Bennett,
William G. Bray,
L. C. Arends,
Bob Wilson,
Charles Gubser,
Managers on the Part of the House.
John C. Stennis,
Stuart Symington,
Henry M. Jackson,
Howard W. Cannon,
Strom Thurmond,
John Tower,
Peter H. Dominick,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Pepper (at the request of Mr. O'Neill), for today, on account of official business.

Mr. Helstoski (at the request of Mr. O'Neill), for today, and the balance of the week on account of official business.

Mr. Ketchum (at the request of Mr. Rhodes), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unainmous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Patman, for 30 minutes, on May 29, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mrs. Holt) to revise and extend their remarks and include extraneous material:)

Mr. Bauman, for 5 minutes, today.

(The following Members (at the request of Mr. Mezvinsky) to revise and extend their remarks and include extraneous material:)

Mr. Vanik, for 15 minutes, today.
Mr. Eilberg, for 5 minutes, today.
Mr. Annunzio, for 5 minutes, today.
Mr. Fraser, for 5 minutes, today.
Mr. Montgomery, for 5 minutes, today.
Mr. Flood, for 5 minutes, today.
Mr. Owens, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Quie to include extraneous remarks during general debate.

Mr. Rousselot to revise and extend his remarks and include extraneous matter in the Extensions of Remarks today.

(The following Members (at the request of Mrs. Holt) and to include extraneous material:)

Mr. Goldwater in two instances.
Mr. Bauman in three instances.
Mr. Miller in four instances.
Mr. McClory in two instances.
Mr. Sarasin.
Mr. Froehlich.
Mr. Derwinski in two instances.

(The following Members (at the request of Mr. Mezvinsky) and to include extraneous matter:)

Mr. Rangel in 10 instances.
Mr. Seiberling in 10 instances.
Mr. Vanik.
Mr. Young of Texas.
Mr. Conyers.
Mr. Bingham in 10 instances.
Mr. Podell.
Mr. Murtha.
Mr. Hungate in two instances.
Mr. Danielson in two instances.
Mr. Eilberg.
Mr. Carey of New York.

ADJOURNMENT

Mr. MEZVINSKY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 53 minutes p.m.), the House adjourned until Wednesday, May 29, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2364. A letter from the President of the United States, transmitting a proposed budget amendment for fiscal year 1975 for the Department of Health, Education, and Welfare (H. Doc. No. 93-302); to the Committee on Appropriations and ordered to be printed.

2365. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 74-20 to provide additional security supporting assistance funds for activities relating to clearance of the Suez Canal in fiscal year 1974, pursuant to sections 614 (a), 653(a), and 634(d) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2394(d); and the finding and determination to permit the sale to Egypt of tobacco valued at not more than $10 million under title I of Public Law 480, pursuant to sections 103 (d)(3), 103(d)(4), and 410, as amended (7 U.S.C. 1703(d)); to the Committee on Agriculture.

2366. A letter from the Acting Secretary, Department of Agriculture, transmitting a draft of proposed legislation to amend the Food Stamp Act of 1964, as amended, and for other purposes; to the Committee on Agriculture.

2367. A letter from the Assistant Secretary of Defense, transmitting a report of the estimated value, by country, of support furnished from military functions appropriations for Vietnamese and other Free World Forces in Vietnam and support of local forces in Laos, pursuant to section 737(b) of Public Law 93-238; to the Committee on Appropriations.

2368. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a summary of the Corporation's 1973 operations and notification of a delay in submitting the full text of the 1973 annual report, pursuant to 12 U.S.C. 1827(a); to the Committee on Banking and Currency.

2369. A letter from the Secretary of Health Education and Welfare, transmitting the second annual report on Headstart services to handicapped children pursuant to the Economic Opportunity Act of 1964, as amended (sec. 3(b)(2), Public Law 92-424); to the Committee on Education and Labor.

2370. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to Public Law 92-403; to the Committee on Foreign Affairs.

2371. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed grant agreement with the University of Minnesota for a research project entitled "Mineral Beneficiation Studies on Minnesota Copper-Nickel Deposits from the Duluth Gabbro"; to the Committee on Interior and Insular Affairs.

2372. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Physics International Co., San Leandro, Calif., for a research project entitled "Open Pit Mine Tests of High Velocity Projectiles"; to the Committee on Interior and Insular Affairs.

2373. A letter from the Secretary of Commerce, transmitting a report entitled "The Effects of Pollution Abatement on International Trade", pursuant to section 6 of Public Law 92-500; to the Committee on Public Works.

2374. A letter from the Administrator of General Services, transmitting a prospectus of proposed building alterations at the GSA Depot, Dayton, Ohio, pursuant to 40 U.S.C. 606; to the Committee on Public Works.

2375. A letter from the Administrator of General Services, transmitting a revised prospectus for alterations to the U.S. Customhouse at 610 South Canal Street, Chicago, Ill., pursuant to 40 U.S.C. 606; to the Committee on Public Works.

2376. A letter from the Administrator of General Services, transmitting a revised prospectus for alterations to the Federal Center, Fort Worth, Tex., pursuant to 40 U.S.C. 606; to the Committee on Public Works.

Received From the Comptroller General

2377. A letter from the Comptroller General of the United States, transmitting a report of the audit of the Federal Deposit Insurance Corporation for the year ended June 30, 1973 (limited by agency restriction on access to bank examination records) (H. Doc. No. 93-303); to the Committee on Government Operations and ordered to be printed.

2378. A letter from the Comptroller General of the United States, transmitting a report of the shortcomings in the Environmental Protection Agency's efforts to protect man and the environment from the effects of harmful pesticides; to the Committeee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on May 23, 1974, the following report was filed on May 24, 1974*]

Mr. HÉBERT: Committee of conference. Conference report on H.R. 12565. (Rept. No. 93-1064). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARCHER (for himself, Mr. Burgener, Mr. Clancy, Mr. Collins of Texas, Mr. Conable, Mr. Duncan, Mr. Hosmer, Mr. Huber, Mr. Kemp, Mr. Burleson of Texas, and Mr. Waggonner):

H.R. 15016. A bill to amend the Internal Revenue Code of 1954 to provide a limited exclusion of capital gains realized by taxpayers other than corporations on securities; to the Committee on Ways and Means.

By Mr. BROWN of California (for himself and Mr. Conte):

H.R. 15017. A bill to amend the Internal Revenue Code of 1954 to provide that advertising of alcoholic beverages is not a deductible expense; to the Committee on Ways and Means.

By Mr. BURLISON of Missouri:

H.R. 15018. A bill to extend for 1 year the time for entering into a contract under section 106 of the Water Resources Development Act of 1974; to the Committee on Public Works.

By Mrs. GRIFFITHS (for herself, Mr. Corman, Mr. Brasco, Mr. Brown of California, Mrs. Collins of Illinois, Mr. Stark and Mr. Traxler):

H.R. 15019. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. OWENS:

H.R. 15020. A bill to improve the oversight capabilities of the House of Representatives and the Senate and for other purposes; to the Committee on Rules.

By Mr. PATMAN (for himself, Mr. Camp, Mr. Chappell, Mr. Edwards of California, Mr. Gonzalez, Mr. Sarbanes, and Mr. Stark):

H.R. 15021. A bill to amend title 38 of the United States Code so as to entitle veterans of the Mexican border period and of World War I and their widows and children to pension on the same basis as veterans of the Spanish-American War and their widows and children, respectively, and to increase pension rates; to the Committee on Veterans' Affairs.

By Mr. QUIE (for himself, Mr. Conable, Mr. Esch, Mr. Forsythe, Mr. Hansen of Idaho, Mr. Horton, Mr. Kemp, Mr. Mallary, Mr. Mazzoli, Mr. McKay, Mr. Peyser, Mr. Podell, Mr. Sarbanes, Mr. Tiernan, Mr. Whitehurst, Mr. Won Pat, and Mr. Young of Illinois);

H.R. 15022. A bill to encourage and assist States and localities to develop, demonstrate, and evaluate means of improving the utilization and effectiveness of human services through integrated planning, management, and delivery of those services in order to achieve the objectives of personal independence and individual and family economic self-sufficiency; to the Committee on Education and Labor.

By Mr. RARICK:

H.R. 15023. A bill to amend title II of the Social Security Act to eliminate the 5-month waiting period for disability insurance benefits in cases of terminal illness; to the Commitee on Ways and Means.

By Mr. ROUSH (for himself, Mr. Burke of Massachusetts, Mr. Dellums, Mr. Drinan, Mr. Hechler of West Virginia, Mr. Myers, and Mr. Roe):

HR. 15024. A bill to amend the Internal Revenue Code of 1954 to allow the rapid depreciation of expenditures to rehabilitate low-income rental housing incurred after December 31, 1974; to the Committee on Ways and Means.

By Mr. SIKES:

H.R. 15025. A bill to amend the Agricultural Act of 1970 to increase the amount authorized to be appropriated for the forestry incentive program administered under title X of such act and to increase the size of a tract which may be affected by such program; to the Committee on Agriculture.

By Mr. STUDDS (for himself, Mr. Adams, Mr. Alexander, Mr. Aspin, Mr. Bergland, Mr. Biaggi, Mr. Bolling, Mr Brinkley, Mr. Robert W. Daniel, Jr., Mr. Dellums, Mr. Dorn, Mr. Foley, Mr. Fountain, Mr. Grover, Mr. Hechler of West Virginia, Mr. Hicks, Mr. Huber, Mr. Kemp, Mr. Litton, Mr. Lott, Mr Luken, Mr. McKay, Mr. Mann, Mr. Mills, and Mrs. Mink):

H.R. 15026. A bill to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. STUDDS (for himself, Mr. Mitchell of New York, Mr. Mizell, Mr. Murphy of New York, Mr. Murtha, Mr. Owens, Mr. Patten, Mr. Pepper, Mr. Preyer, Mr. Rangel, Mr. Rogers, Mr. Roncallo of New York, Mr. St Germain, Mrs. Schroeder, Mr. Sikes, Mr. Sisk, Mr. James V. Stanton, Mr. Steele, Mr. Stephens, Mr. Stokes, Mr. Vander Veen, Mr. Walsh, Mr. Yates, and Mr. Fish):

H.R. 15027. A bill to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes; to the Committee on Merchant Marine and Fisheries

By Mr. THOMSON of Wisconsin:

H.R. 15028. A bill to amend title 38 of the United States Code so as to provide that monthly social security benefit payments and annuity and pension payments under the Railroad Retirement Act of 1937 shall not be included as income for the purpose of determining eligibility for a veteran's or widow's pension; to the Committee on Veterans' Affairs.

By Mr. WON PAT:

H.R. 15029. A bill to amend the Public Health Service Act to revise the definition of the term "State" to authorize the inclusion of Guam in the programs authorized by that act; to the Committee on Interstate and Foreign Commerce.

By Mr. ROONEY of New York:

H. Res. 1149. Resolution to condemn terrorist killings of schoolchildren in Israel; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials, were presented and referred as follows:

486. By the SPEAKER: Memorial of the Legislature of the State of Oklahoma, relative to the exoneration of Dr. Samuel A. Mudd of any complicity in the assassination of President Abraham Lincoln; to the Committee on the Judiciary.

487. Also, memorial of the Legislature of the State of South Carolina, relative to the Federal revenue sharing program; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COHEN:

H.R. 15030. A bill for the relief of Fisheries Communications, Inc.; to the Committee on the Judiciary.

By Mr. HOGAN:

H.R. 15031. A bill for the relief of Eugene Leland Memorial Hospital; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

THE POOREST AMONG US

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. RANGEL. Mr. Speaker, the American Jewish Committee held its 68th annual meeting last week in New York. The committee passed unanimously a statement concerning world poverty which I insert in the Record for my colleagues' attention. It is an eloquent plea for the elimination of poverty worldwide. Americans must join other nations in this fight and help create a world community committed to eradicating hunger and want.

The statement follows:

Statement on the Poorest Among Us

The American Jewish Committee has long been concerned with the plight of 25 million poor Americans, those who subsist on incomes below federal minimum living standards. They include the 9 million people on public assistance (of whom only a small percentage are employable), the under-employed, and the fully employed who earn less than these federal standards. A majority of this group is white, but it includes a disproportionate number of Blacks and persons from other minority groups. Included also are poor Jews, particularly many elderly living in inadequate social security.

We believe that the existence of poverty in an affluent society is morally indefensible, breeds hostility and community tension, and alienates one group from another. The best bulwark against poverty, we contend, is a prosperous nation that provides work opportunity for all, and adequate financial aid to those who cannot work. Therefore, we call for a program of social insurance that will incorporate financial safeguards, health insurance for all, and a social security program that will ultimately make the existence of a public welfare system unnecessary. Until such time, the present welfare system must be revised and improved.

But our efforts to eliminate the blight of poverty and malnutrition in America must not lead us to neglect our obligations abroad. The spectre of starvation is haunting large parts of the world today. Hundreds of millions of the world's peoples are undernourished. India, Pakistan, Bangladesh and scores of other nations in South Asia, Africa and Latin America face widespread famine. Thousands have already died in drought-ridden sub-Sahara Africa. U.N. Secretary-General Waldheim has warned that "peoples and countries could disappear from the face of the map" in West Africa if the world does not help with immediate relief and long-range efforts to make the region self-supporting.

The high cost of oil, created by the oil-producing countries, is wrecking the economies of the poorest countries. And because petroleum or natural gas is needed for fertilizer production, oil and gas shortages in poor countries are spelling starvation. It has been estimated that if just one quarter of the natural gas that is now wasted in the Persian Gulf fields was diverted into a fertilizer industry on the spot, the world's entire current demand for nitrogen fertilizer could be met.

We must also recognize that, in our finite world where resources are limited, the family of man must one day, and hopefully fairly soon, bring birth rates into reasonable balance with the lowered death rates that have been achieved. Many governments see the need to guide national policy toward this objective.

The American Jewish Committee is strongly committed to the search for economic and social justice everywhere. It sees the need to reduce the widening gaps between rich and poor states. This must be a concern of Jews, Christians, Moslems and Hindus; of blacks, browns and whites. As the world becomes smaller, and nations closer, we become increasingly aware of the interdependence of one with the other. The affluent and developed nations cannot remain untouched by the poverty and famine in the less advantaged nations. This means not only immediate famine aid, but development of productive economies in the poor states. The highest degree of charity, said Maimonides, is not only to give food but also to assist a poor person to find a job or business opportunity, in short, to put him "where he can dispense with other people's aid." That must be our goal.

Therefore, we urge our own members and Americans everywhere—in unions, business, civic and religious groups—to contribute to the famine relief efforts of the member agencies of the American Council of Voluntary Agencies for Foreign Service.

And, despite the unfortunate vote of the House of Representatives in January, we hope that Congress will ultimately support the Administration's recommendation for a $1.5 billion U.S. contribution spread over four years to the International Development Association. We urge all affluent nations—developed and developing alike—to join in the United Nations for similar efforts to aid the poor. This is the least we can do to help meet the needs of 800 million people in the developing countries who are living on only 30 cents a day.

LOWER SPEED LIMIT IS WORKING

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. DERWINSKI. Mr. Speaker, even though Congress has been negligent in producing practical legislation to aid the long-term energy needs, I believe that we acted in a responsible manner by passing the 55-miles-per-hour speed.

Therefore, I was especially pleased to note that Paul Coffman, editor of Proviso Star Sentinel in Melrose Park, Ill., reported in his column of Wednesday, May 22, the benefits of the effects of the 55-miles-per-hour speed limit.

The article follows:

Lower Speed Limit Is Working

(By Paul D. Coffman)

Last Thursday and Friday, I joined about fifty editors and publishers from around the state in attendance at the 17th annual Illinois Editors' Traffic Safety Seminar in Champaign, Illinois.

In making the trip I traveled primarily on the Tri-State tollway and Interstate 57. Since I had traveled the same route to attend the Illinois Press Association meeting earlier this year and found few adhering to the 55-mile speed limit, I anticipated the same would again be true.

It was a pleasant surprise, however, when I settled down to the 55-mile-per-hour speed at which I usually travel, to find that only about three out of every ten cars and trucks were traveling at a higher rate of speed than I.

Upon arriving at the seminar, I noted that Dwight E. Pitman, superintendent of the Illinois State Police, was one of our panel speakers on Friday morning. His topic was "Illinois' New Energy-Saving 55 mph Speed Limits, a Status Report."

Mr. Pitman told us about the number of complaints he had received concerning trucks exceeding the posted speed limit and how the trucks used citizen band radios to inform each other as to the whereabouts of the police on the interstate highways. He also went into detail outlining how the state police coped with the situation and overcame the handicap by going to citizen band radios themselves.

Mr. Pitman said it is too early to ascertain the life saving effect (as well as the lower fuel consumption) the 55 mph speed limit will have over a long period of time, but so far he is very gratified with the results in both instances.

With the lifting of the Arab oil embargo and the presence of a more adequate supply of gasoline, he admits it is harder to enforce the lower speed limit, but feels confident that it is worth the effort.

We heartily agree with his way of thinking and are 100% in favor of keeping the lower speed limit in effect indefinitely. Whether the public wants to believe it or not, there is a definite fuel shortage and it will continue to increase as the years go by unless we are able to develop other sources of supply.

It doesn't take much longer to get where we want to go at a lower rate of speed and as surprising as it may seem to some of us, we may find our lives numbered among those 28% who are being saved by driving a little slower.

NERVE GAS: EDITORIAL COMMENT

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. OWENS. Mr. Speaker, one of the major daily newspapers in Utah, the Deseret News, ran an editorial on May 18 asking the question, "Do we need nerve gas?" The opinion expressed is most important, since the newspaper covers the district which is the major stockpiler and testing center for chemical nerve agents—the Tooele Army Depot and the Dugway Proving Ground. I recommend it to my colleagues as a further indication that chemical warfare is becoming increasingly understood as an outdated weapon system which the Congress allows to continue through annual appropriations.

The article follows:

Do We Need Nerve Gas?

Utahans, perhaps more than residents of any other state, should be alert to the dangers of chemical and biological warfare, particularly nerve gas.

That is because of the deaths of 6,000 sheep during open-air nerve gas testing in 1969 in the Tooele desert.

Yet even in Utah, public concern over the dangers of nerve gas seems to be at a low ebb, even in the face of introduction of a bill by Rep. Wayne Owens in the House to prohibit expenditure of public funds for transportation of chemical nerve agents to or from military installations in the U.S.

That is a bill that needs consideration in view of the growing capacity of nerve gases to kill. It has been estimated, for example, that a one-quart bottle of the nerve gas agent, VX, contains several million lethal doses and costs about $5 to produce. Today, 20,000 tons of nerve gas are stored in U.S. Army munitions depots.

But there's room for wondering if chemical weapons are needed at all.

For one thing, they contribute little if anything to military capabilities. If almost 8,000 U.S. warheads, thousands of tactical nuclear weapons, massive firepower, and a worldwide navy including 15 aircraft carriers aren't deterrent enough, it's doubtful if chemical weapons add anything.

Furthermore, if our nuclear capability and enormous conventional power eliminate the need for biological munitions, why do we need chemical weapons with similar characteristics?

The U.S. already has explicitly rejected the first use of nerve gas in combat, and the advantages of chemical warfare are said to accrue almost entirely to the aggressor.

Indeed, since the U.S. has renounced the weapons of germ warfare, shouldn't we also start cutting back cn the weapons of chemical warfare?

HOSPITAL SPONSORS RURAL FACILITY

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. MURTHA. Mr. Speaker, I am introducing for the RECORD an article published in Hospitals, the journal of the American Hospital Association, written by Theodore R. Baranik, administrator of the Mercy Hospital in Johnstown, Pa., dealing with the establishment of a satellite medical clinic in Bolivar, Pa. I was instrumental in helping to develop this concept and, I believe, it may represent the solution to the problem of how to provide adequate medical services in both the rural and ghetto areas of the Nation. I commend it to my colleagues for their consideration:

Hospital Sponsors Rural Facility

Provision of adequate medical services in rural and ghetto areas is a problem that continually confronts health care officials throughout the United States. Some educators say that there is a dearth of physicians in the country and that the problem is not one of inadequate supply but rather one of maldistribution. Unfortunately, efforts to obtain physicians in areas in which they are in short supply have not proved successful, and rural and ghetto residents continue to be denied access to the vehicles through which they can obtain adequate health care. Huge sums of money have been spent by the government to alleviate this situation. All efforts have been costly and, in many cases, ineffective.

This paper will demonstrate how a not-for-profit community hospital in south central Pennsylvania uniquely approached the physician shortage in a rural community without asking for state or federal subsidization. Mercy Hospital of Johnstown, located in a city of approximately 43,000 persons, decided to become involved in this problem after having been approached by a citizens' group from Bolivar, a small rural community some 23 miles west of the city.

Bolivar and its contiguous rural areas, including a widely scattered population of 10,000 persons, initially had attempted to independently solve its medical needs with community involvement. Realizing the need for an adequate facility that should attract physicians, approximately 13 years ago a not-for-profit organization called the Community Medical Society was formed and charged with the responsibility of obtaining funds and volunteer labor to construct an adequate clinic building, which contained four examination rooms, a physician's office, a clerical area, and a large reception-waiting room. In the basement level, a two-car garage also was constructed for the physician's use. This brick building was was most attractive and, at least initially, attracted a physician, who worked at the clinic for approximately six months. Another physician was obtained shortly thereafter, and he stayed for about two years, until he was drafted into the armed services. Other physicians followed and remained a short while. For the past five years, however, the community had had no physician and the clinic was vacant. A study revealed that those physicians who had located in Bolivar had been kept extremely busy. They all had been well liked and respected. Their collection rate on billings was very good. They would not, however, remain for any length of time in solo private practice in this rural area.

INACCESSIBLE MEDICAL CARE

After investigating the situation thoroughly, Mercy Hospital representatives determined that Bolivar and its surrounding area contained approximately 10,000 persons. On the periphery of this general area, there were only two physicians who were actively practicing medicine and both were grossly overworked. With the acceptable figure nationally of one physician for every 500 potential patients, we quickly decided that the need for at least one, if not two, physicians existed in this area. Now the problem was to "sell" the board of directors of Mercy Hospital on this concept.

In discussions with the Board, the hospital administrator and members of the medical affairs committee of the board, who had been doing the ground work on this project, explained the satellite clinic concept. They stated that contacts previously had been made with representatives of the county medical society and with representatives of at least one other local hospital by persons representing the Bolivar group. When contacted, each organization had indicated an interest but it appeared that none of the organizations could provide an immediate solution to the medical care problem of the Bolivar area although there was apparent need.

It then was indicated to the board that the administrator was interested in attempting to provide primary medical care for the Bolivar area, and he suggested that the hospital could extend its outpatient services by establishing a satellite clinic in that community. The administrator asked for approval to contract with one or more physicians who might be interested in working with the hospital in providing primary care, whether they be on salary, fee-for-service, a guaranteed income situation, or a combination of these three methods. It was emphasized that the immediate problem of course, would be one of obtaining the physicians to staff the satellite clinic.

The board of directors of Mercy Hospital accepted this challenge. They committed themselves to expanding the hospital's outpatient services in such a way as to provide rural medical care for the community of Bolivar and surrounding municipalities. The hospital administrator was authorized to obtain the services of one or more physicians, as the need developed, and to hire ancillary personnel to staff the clinic. A recruitment program then was initiated.

After considerable work, efforts to determine interest on the part of one or more physicians to provide care at the satellite clinic proved to be successful.

In a relatively short period of time, a young physician, just completing an internship, indicated an interest in this type of practice. After discussion with the medical affairs committee of the board of directors, a contract was completed with this physician. Hospital representatives then met with the officers of the Community Medical Society and arranged to lease the clinic building, which was available. Within a relatively short time, the basic problems had been resolved, and arrangements then were completed to supply the ancillary help for the clinic.

The Community Medical Society membership had indicated, throughout discussion, their support of the efforts of Mercy Hospital to supply medical care for their community. Prior to the opening of the clinic a public meeting was called by the board of directors of the Community Medical Society at which time members of the board of directors of Mercy Hospital, administrative representatives and key personnel, the new physician and his wife, and the clinic staff were introduced to the community. The response was excellent. Approximately 150 persons from the area attended this meeting in the local fire hall, at which time they were introduced to the persons who were responsible for opening the satellite clinic.

The clinic opened in November 1972, staffed by one physician, an RN, and an LPN. Office hours were held in the afternoon and early evening, Monday through Wednesday, and on Friday. The clinic was open Saturday from 11 a.m. until 2 p.m., and was closed on Thursday and Sunday. A steady influx of patients soon indicated that the services of a second physician were greatly needed. Fortunately, another physician had indicated an interest and within two months after the clinic had opened, a second physician and a parttime clerical person were added to the clinic staff.

One advantage that Mercy Hospital had in establishing the satellite clinic was that the hospital would act as a backup for provision of emergency services when the clinic was not in operation. All patients coming to the clinic would be instructed that in the event of an emergency they either could call or go to the emergency department at Mercy Hospital, Johnstown, which is staffed by full-time physicians on a 24-hour per day, seven days per week basis. This arrangement provides clinic physicians with a considerable amount of free time at night and on weekends.

After being in operation for approximately six months, the clinic now is self-supporting. The ancillary personnel at the clinic, residents of the Bolivar area, are included on the hospital payroll, and they receive comparable salaries and fringe benefits. The hospital does all billing for clinic services and provides all drugs and other supplies used in the clinic operation. The liability insurance of the hospital has been extended to cover the clinic and its personnel with the fire and extended coverage being provided by the Community Medical Center, which owns the clinic building.

PHYSICIANS SUPERVISE

At present, between 30 and 45 patients are seen at the clinic daily, with the average being approximately 35 patients. The physician's assistant concept was not utilized in the clinic operation initially. Discussions now are being held with Hahnemann Medical College, Philadelphia in this regard. However, if physician's assistants are utilized, they will be under physician supervision at all times. Nursing personnel perform basic nursing functions with all diagnosis and treatment being prescribed on the written orders of a physician. Patients who are seen at the clinic and then are determined to be in need of laboratory or x-ray services, which are not performed at the clinic, are so informed by the physician. The patient then has the option of choosing the hospital at which he would like to have these services done. Where indicated, blood samples are drawn and transported to Mercy Hospital with reports being available within 24 hours.

If the patient has to be admitted to a hospital, he decides where he wishes to be admitted. It should be noted that the physicians working at the clinic at this time, have obtained privileges only at Mercy Hospital of Johnstown. However, should the patients wish to be admitted to another hospital, they have this choice and their records are referred to the hospital and/or physician whom they designate.

In consultation with clinic personnel, it had been determined that the need exists in this area for a well-baby clinic and/or a child health conference. As a result, in conjunction with the Pennsylvania Department of Health, a child health conference has been established at the clinic. It meets every other Tuesday from 8 a.m. until noon, prior to the clinic office hours. This conference had been set up at no cost to the hospital.

Other immediate needs in the area are centered around inadequate dental care. Because there is no dentist in the community, it is not unusual to examine a youth in his middle teens who has never been to a dentist. Discussions now are taking place with a group of dentists who have indicated an interest in a part-time practice in Bolivar. If these talks prove fruitful, plans will be completed to renovate the basement of the clinic to provide a dental office.

COMMUNITY INVOLVEMENT

Mercy Hospital of Johnstown determined that the need exists for improved medical care in rural communities surrounding this city. A commitment by the Mercy Hospital board of directors provided rural medical care through establishment of a satellite clinic. Started as an experimental project with no state or federal funding, the clinic has become self-supporting after six months of operation. Community involvement is necessary in projects such as this if they are to become successful. Community leaders must display their interest in obtaining needed medical services, and they then must exhibit their active support and determination that such a facility will become and continue to be self-supporting.

Consultation with the county medical society is advisable before such a clinic is established. In some instances, the county society may indicate its willingness to obtain one or more physicians to provide rural medical care. If this is the case, it is highly advisable to have the county society establish such a vehicle for provision of services, with local hospitals cooperating and acting as a backup in such a venture.

Start-up costs in establishing a satellite clinic should be kept at a minimum. A full-time clinic administrator is not justified in a relatively small satellite clinic. In most cases, it would not be advisable for a hospital to initially construct an expensive building, or to purchase, at great cost, a clinic facility. There is nothing wrong with inexpensively renovating an old building for a clinic facility if an appropriate structure is not available. It is the quality of care that will be purveyed which is important, not the construction of an esthetic monument for this purpose.

In discussing financial arrangements with prospective physicians, the hospital representatives should be flexible and fair. Provision of needed medical services rather than a profit motive must be the underlying factor in establishing the satellite clinic. Any ethical arrangement agreed upon by the two parties should be given consideration. All facets should clearly be spelled out in the contract.

We at Mercy Hospital realize that the physicians whom we presently have working with us at the Bolivar Clinic undoubtedly will not stay indefinitely. Some eventually may wish to specialize, and/or go into a private practice in an urban setting. Hence, constant efforts must be made by the hopsital to obtain additional qualified physicians for staffing the satellite clinic.

Establishment of satellite clinics by hospitals immediately makes available all resources housed in the institution, including physicians, specialists, and specialty equipment. The hospital emergency department is as far away as the telephone when the clinic is closed, and in this situation, only a 25-minute ride from Bolivar. This means that the physicians have adequate amounts of available free time with the emergency department as their permanent backup. All clinic records remain the property of the hospital, thus ensuring completeness and continuity.

Another advantage in establishing a satellite clinic is that the physician may or may not choose to settle permanently in the community in which the satellite clinic is located. (A fact of life today is that many physicians' wives will not settle in rural communities.) In our situation, both physicians involved in the clinic commune a total of approximately 60 miles daily to and from their homes.

With clinic hours scheduled only in the afternoon, early evening, and Saturday, one of the physicians stops daily at the hospital to make rounds of any patients who have been admitted on his service. Physicians also have free time available in the morning to assist surgeons in the operating room, or to become involved in other income-producing ventures, such as insurance or school physicals.

Extension of hospital services through the establishment of satellite clinics in rural communities is a unique way of providing rural medical care. Mercy Hospital of Johnstown has demonstrated that such clinics can be developed in a rural setting in a relatively short time without state or federal grants and funding. Thus the hospital has a sense of accomplishment not only by providing quality medical care at its base in an urban setting but also by meeting the health needs of rural communities through the satellite clinic concept.

BENEFITS FOR DISABLED VETERANS

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. GUYER. Mr. Speaker, I applaud my colleagues for passage of legislation which will certainly be welcomed by our Nation's fine veterans.

I was proud to have cosponsored the bill which will provide cost-of-living increases in rates of disability compensation for disabled veterans and increases in rates of dependency and indemnity compensation for their survivors. With the constantly spiralling inflation, these increases are essential.

Increases which will be retroactive to May 1, 1974, will include 15 percent for disabled veterans and 17 percent for widows and children of veterans who have died as a result of service-connected causes.

Other legislation passed Thursday should be especially good news to veterans of the Vietnam era, who are trying to complete their education under the GI bill. By passing a 30-day extension in which veterans may complete training, we gave thousands of veterans the opportunity to enroll in summer school. .

If we had not passed this bill, some veterans eligibility would have expired May 31. What we must strive for now is a just cost-of-living rate increase under the veteran's education program for those veterans already enrolled in school.

NATIONAL POLICE CONFERENCE ENDORSES ANTICRIME BILL

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. CONYERS. Mr. Speaker, another organization familiar with the problems of community crime prevention at the grassroots level has recognized the need for meaningful Federal assistance.

The National Police Conference on PAL and Youth Activities, a well-known national police community service organization, has gone on record in support of the Community Anticrime Assistance Act, H.R. 9175, which I introduced last session. The bill was subsequently introduced, with innovative additions, on the Senate side by the distinguished Senator from New York, Mr. Javits, and cosponsored by the distinguished Senator from New Jersey, Mr. Williams.

A number of House Members have introduced companion bills. The Judiciary Subcommittee on Crime, which I chair, has held four hearings on this legislation, and further testimony is anticipated.

I introduce into the Record at this point a copy of the conference's news release:

NATIONAL POLICE CONFERENCE ENDORSES ANTI-CRIME BILL

Cleveland, Ohio.—The National Police Conference on PAL and Youth Activities today endorsed the Community Anti-Crime Assistance Act of 1974, co-sponsored by Sen. Jacob Javits (R-N.Y.) and Sen. Harrison Williams (D-N.J.).

The National Police Conference encompasses Police Athletic League and youth chapters from coast to coast, with a total of over 3 million youngsters reached in major U.S. cities.

National Chairman, Frederick J. Stauffer of Cleveland, stated, "The anti-crime bill of Senators Javits and Williams represents one of the most enlightened approaches to crime deterrence ever conceived in the United States. The National Police Conference, which is dedicated to the deterrence of juvenile delinquency and street crime, views the proposed anti-crime bill as the best long-range solution to the problem of increasing crime in the cities."

Continued Stauffer, "Conventional crime-fighting methods have proven to be indecisive or have failed completely. This bill seems to present a viable alternative."

The anti-crime bill calls for an initial funding of $50 million and would provide for grants to cities and public agencies for recruiting and training community relations officers, citizen patrols, police aides and for programs that would encourage the reporting of crimes, the marking of personal property, and the improving of police procedures in making arrests.

The National Police Conference and its local PAL chapters have been endorsed universally by both police departments and juvenile court authorities from coast to coast as the best juvenile delinquency prevention program ever created.

Concluded Stauffer, "Whereas it is not the policy of local Police Athletic League chapters to take sides on any political issue, the National Police Conference can do so and urgently requests citizens to write their elected representatives in the House and Senate asking that this bill be supported."

THE TALK OF THE TOWN

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. HUNGATE. Mr. Speaker, the May 20, 1974, issue of the New Yorker magazine contains an interesting analysis from various national leaders concerning the edited transcripts made public by President Nixon. An excerpt follows:

THE TALK OF THE TOWN

Last week, people were reading the edited transcripts of the tape recordings made by President Nixon. We asked a number of them to tell us their reactions.

Alfred M. Landon, former governor of Kansas; Republican candidate for President, 1936:

The House Judiciary Committee started its hearings today, and I welcome their prompt attention to the question of the impeachment of the President. As far as my personal opinion of the transcripts is concerned, the most important point is that in all the tapes the conversations were apparently about the options that were open in dealing with the public-relations aspects and about how to avoid further disclosures. There is a complete absence of any positive and forceful policy by the President to clean out down to the bone, an absence of any concern to bring the malefactors to justice. The responsibility of the Republican Party in this situation is the same as the responsibility of the Democrat Party, or any other political party, for that matter. It's not a partisan question, and, so far, in the proceedings of the Judiciary Committee, while there has been some evidence of partisanship, on the whole partisanship has been most satisfactorily absent. The proceedings have to be carried out in a most thorough way.

William Scranton, former Republican governor of Pennsylvania:

I am just very, very sad. It bothers me that people in the country would get the impression that people in government all talk and behave this way. Even the language. But chiefly the amorality. I have not seen anything like it in my experience of politics. In any brass-tacks, gutsy conference in business or education or politics that I have been involved with, there may have been some im-morality, but rarely amorality. In the whole two-thirds of the transcripts that I have read there is rarely a consideration of morality. The priorities of a person in public office should be first the people he or she represents, then the party, then the administration of the office he or she holds, and then the individual. Here the priorities are reversed. The individual is first, next the office, next the party, and last the people. It makes me very sad.

William G. Milliken, Republican governor of Michigan:

I fail to find in those transcripts the overwhelming proof of the President's innocence that we were promised. In the best light, all that can be said is that the transcripts of the tapes contain many ambiguities. Leaving aside the question of the President's guilt or innocence, the transcripts of the tapes can only have a depressing effect on those who read them. We search in vain for any discussion of what is good public policy. We search in vain for the kind of moral tone that is needed to restore public confidence in government and our political system. We search in vain for any discussion of how the true facts of Watergate and related abuses of power can be uncovered and brought to public light. But, in fairness to the President, it should be emphasized that these transcripts are but excerpts from the Presidency. Obviously, any final accounting of his Presidency needs to be considered in the context of the overall record of his Administration in domestic and foreign affairs. But the fact is that these transcripts could serve as a frightening model of political cynicism and pragmatism carried to the ultimate extreme. It is a distasteful brew of suspicion, distrust, and cynicism unworthy of any public official.

David W. Hirst, historian; associate editor of the papers of Woodrow Wilson:

I have no doubt that Wilson would have been horrified by the whole episode. It's a far, far cry from the kind of integrity that he stood for. Wilson could be petty and vindictive, and he had personality defects and so on, but nothing in his career was remotely comparable to the amorality and apparent criminality that are displayed in the Nixon transcripts. Wilson was acutely aware of the dangers of unstable government in a time of crisis. During the 1916 campaign, Wilson proposed in a letter that if the Republican candidate, Charles Evans Hughes, were to win the election, Wilson would immediately appoint him Secretary of State. Both Wilson and his Vice-President would then resign, assuring Hughes of a quick succession to the Presidency. But I am at a loss to find anything with which to compare Nixon's approach to the office.

Russell Kirk, historian:

Did President Nixon deliberately obstruct justice in the Watergate affair? That is the legitimate concern of Congress in the matter of the tapes. As far as I can judge from a reading of the transcripts, he did not. So the tapes do not supply grounds for impeachment. Did he participate in an attempt to cover up details of the Watergate folly? It seems to me that he did so, in the sense that he did not wish to have the public scandal grow even bigger. But in comparable circumstances any President of the United States would have attempted to hush up the matter so far as possible—with the possible exceptions of Presidents Washington and Hoover, and I have my doubts even about Hoover. President Kennedy, for instance, refrained from offering any public explanation of the American government's involvement in the overthrow of President Diem, in Vietnam. Much of the public was not aware of that involvement until the Pentagon Papers were published.

Doubtless, President Kennedy was vexed that the action against Diem had been accomplished by his subordinates, and just so, doubtless, President Nixon regretted the zeal of his subordinates at Watergate. But the transcripts do not reveal any positive obstruction of justice by him in the attempted coverup. As for the expletives in the transcripts, I am not so shocked as some of my journalistic colleagues profess to be. It has been by experience that a good many people holding elective office sometimes say "hell" and "damn" in private conversations. I have found that even members of the Washington press corps sometimes use expletives. So on a few occasions did President Washington, while President Lincoln was a famous teller of dirty stories. If we begin impeaching Presidents because they curse occasionally, perhaps the likeliest candidate for 1976 is Mrs. Margaret Chase Smith.

William E. Leuchtenburg, historian, Columbia University; author of books about Franklin Roosevelt and the New Deal:

In 1933, Roosevelt set up something called the National Emergency Council, and stenographic records of its meetings were kept. The council was basically a way of bypassing the Cabinet, although a few Cabinet members were among the dozen or fifteen men who came to the meetings. There is some pretty hard-nosed discussion—for example, about Huey Long and the distribution of patronage. At one point, Roosevelt says, "Don't put anybody in and don't keep anybody that is working for Huey Long or his crowd! That is a hundred per cent!" Roosevelt comes off as a tough guy, but it is all within a programmatic context. That's what's missing in the Nixon conversations, quite apart from the fact that they're talking about the commission of very serious crimes, such as subornation of perjury and obstruction of justice. For the first twenty-four hours after Nixon's speech, I was inclined to feel that people were huffing and puffing a little too much about this. After all, people don't sit around talking about their credos, and if you tape any sort of conversation in everyday life, it probably won't be very edifying. That amount of grace ought to be accorded to Nixon. But after reading the transcripts and thinking about them for a few days, I no longer feel so generous. It sounds kind of Pecksniffian to talk about morality, but this sounds more like transcripts of that gangsters' meeting in Apalachin a few years ago than the conversation of a man in the office that was held by Theodore Roosevelt, Woodrow Wilson, and Franklin Roosevelt. There was always a crassness about Nixon, going back to his attack on Helen Gahagan Douglas as the "pink lady" and the way he used the Communist issue again Jerry Voorhis and Adlai Stevenson. Yet nothing prepared me for this. There is such a quality of moral emptiness. That remark of Dean's—Nixon has been talking about using police agencies against his so-called enemies, and Dean says, "What an exciting prospect!" I can't think of any kind of historical parallel for that, thank God.

Eugene Genovese, historian, University of Rochester:

It's a busy time in the academic year, and I have a weak stomach, but I have read the transcripts. One of the things that sadden me is that I haven't any doubt that this is the way things are done in governments—this ruthlessness, this consciencelessness. But that doesn't mean I take the matter lightly. I feel cynical about the expressions of outrage now being heard, but, on the other hand, I myself am outraged. The real problem is not just that they got caught, that they were slobs, but that they failed to show that minimal respect for the decency and sensibility of the American people which sets liimts to the ruthlessness, and even dirtiness, that may be intrinsic to ruling a world power. While the President may be taking the rap for what many of his predecessors have also done, it's possible that the carelessness and excesses of his Administration may lead to greater vigilance and concern, which will minimize the dirty side of government, at least for a while. One thing I would hope to see coming out of this, though I'm not optimistic about it, would be a curbing of political police powers in the country. I'm afraid that the concentration on impeachment may very well push these considerations, which in my view are more important, aside. I would rather have Nixon stay in office and have the F.B.I., the C.I.A., and the Law Enforcement Assistance Administration subjected to close public scrutiny than have Nixon impeached without a serious investigation of at least the illegal acts of the political police. Those that are legal are bad enough.

C. Vann Woodward, historian, Yale University:

Apart from the criminality that occurred, and the grounds for impeachment, which seem to be implicit in what was said, what the transcripts added, for me, was a moral dimension—a sort of sliminess, a low-grade quality of mind, the prevalence of which I had suspected and which has now been amply confirmed. These transcripts are something quite new in history. There is nothing I can compare them to. Normally, we must depend on diaries, memoirs, letters, official records. It's possible that U. S. Grant talked this way in private, but I doubt it. It's possible that Harding talked this way, but, again, I doubt it. I think it will mean a kind of history we haven't had before, a kind that may be unique for the future as well as for the past.

These transcripts have evidently been laundered, but what's there is appalling. It fills me with a kind of horror.

Arthur Schlesinger, Jr., historian, City University of New York; special assistant to President Kennedy:

What struck me first was the squalor of the Nixon White House. Nixon was always proud of his historic firsts, and this beats all his predecessors in sleaziness. One hears a lot of realistic talk about people and circumstances around any politician, although I don't think it is usually done with such banality. When political problems came up in Kennedy's time, you would have a tough, realistic examination—a lot of swearing and so forth—but I can't imagine Kennedy's toughest advisers trying to cover up crimes. In the case of the Nixon crowd, the substance of the predicament seems irrelevant to the solution of the predicament. I don't thing that you can separate the tone from what they were talking about. They were so infatuated with the ability of the President to get away with anything that it didn't occur to them to look where they were going, or to discuss substance. There was a mood of Presidential invincibility.

Lewis Mumford, historian and philosopher:

By trying to conceal the ugly facts about his conduct, he has completely exposed himself. He has committed moral suicide in public.

SENATOR BROOKE'S FIGHT AGAINST SEPARATISM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. RANGEL. Mr. Speaker, on the floor of the Senate on Wednesday, May 15, Senator Edward Brooke eloquently and movingly presented the case for integration and against divisive, regressive, unconstitutional legislation. Senator Brooke attacked the antibusing amendments to the education bill as antidesegregation amendments. His leadership in the fight against these amendments is an example of deep commitment to a cause and a role. Senator BROOKE believes in integration, and he believes in his duty as a public servant to uphold the Constitution and preserve national unity in the face of appeals to emotionalism and separatism.

Senator BROOKE's stand against antibusing measures is a courageous one considering the degree of misunderstanding and strong sentiment in the country concerning this issue. His actions last week, and his May 15 statement, serve as a reminder to all Members of Congress that laws must not merely reflect public opinion, but educate it, and that public servants owe allegiance not merely to voters but also to the Constitution and to the traditional American ideal of justice for all.

I urge Members of Congress to read in their entirety Senator BROOKE's remarks of May 15. His statement not only reflects his own profound convictions, it challenges us all to stand up for our own moral beliefs.

TENTH REUNION OF THE VICTORIA HIGH SCHOOL CLASS OF 1964, VICTORIA, TEX.

HON. JOHN YOUNG

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. YOUNG of Texas. Mr. Speaker, I would like to take a moment of this distinguished body's time to commend a group of young people from the 1964 graduating class of Victoria High School, Victoria, Tex. On this date 10 years ago they received their high school diplomas. They are going to commemorate that occasion on July 4th weekend to recall those fond days. I want to commend them, because they are taking the time to spend an evening to remember something very important in their lives.

I am sure they will all be thankful for the education that they received in a free society that allows them to choose the path they wish to follow through life.

Scores of young men and women from that 1964 graduating class served this country during the height of the Vietnam conflict. Two young men, Leroy McCann and George Purdue, gave their lives for this country during that terrible war. Another young man, Mickey Costello, is still listed as missing in action. The 361 remaining graduates, I know, will remember those missing classmates and their supreme sacrifice.

I am proud to note that 88 of that class have remained in my 14th Congressional District and their jobs range from engineers, lawyers, bankers, laborers, preachers, housewives, and morticians. They are all upstanding citizens and of those that have moved to other States I commend them all to you.

They have spent over a year in preparation for the reunion and will gather together from as far away as Saudi Arabia, California, Nevada, Washington, D.C., Washington, Arizona, Arkansas, Maryland, and Louisiana.

More than half of that class will gather in July for their reunion and I commend them for commemorating a small but most important portion of their heritage.

The names of the 1964 graduating class of Victoria High School follow:

LIST OF VICTORIA HIGH SCHOOL 1964 GRADUATING CLASS

Abernathey, Diane, Olkek, Jan, Anders, Linda, Anderson, Nevin, Arambula, Raul, Arambula, Viola, Arnold, Larry, Asbeck, Phyllis, Balfanz, Charles, Barefield, Ora Lee, Barnard, Gene, Barr, Sandra, Barrera, Alex, Batts, Bobby, Bauman, Patricia, Beatty, James, Beck, John Berger, Royce, Bernal, Joe, Blake, Roger, Blanchett, Les, Blazek, Virginia, Board, Kathy, Boehm, David, Boehm Leslie, Bohannon, Yvonne, Bonar, Diannia, Bournias, Nick, Boyd, James, and Brandt, Patricia.

Brown, Diana, Brown, Nancy, Buckelew, Bonnie, Buentello, Armando, Butler, Glenna, Butler, Sheila, Cabozos, Gladys, Caldwell, Suzy, Calhoun, Mike, Camacho, Alice, Carr, Bill, Carsner, Marie, Carrille, Brenda, Cavazos, John, Chadbourne, Lynn, Chamberlain, George, Cheverton, Nancy, Clark, Larry, Clark, Thomas, Cline, Mary, Coles, Patty Collins, Evelyn, Correll, Mike, Cortez, Viola, Cortinas, Rudy, Costella, Mickey, Craigen, Wayne, Crain, Bebe, Crass, Jack, and Creager, Edmund.

Crick, Gary, Curiel, Adriann, Davis, Barbara, Davis, Ann, Dawson, Ann, de la Garza, Doris, de la Garza, John, Delgado, Cornelio, Delgado, Steve, Densman, Artis, DeYoung, Charles, Diedrich, Bob, Dobbins, Robert, Dossey, Linda, Dunsethr, Michael, Edwards, Clydia, Elder, Julie, Elkins, Maxine, Erwin, Peggy, Everett, Vickie, Felger, Carol, Figuerova, Tony, Fimbel, Mike, Finley, Martha, Fleming, Fred, Flores, David, Flores, Raymond, Flores, Richard, Forman, Dessie, Fox, Nelson, Frankum, Jeanette, Fry, Melinda, Gamez, Ramona, Gandt, Barbara, Garcia, Carmen, and Garcia, Loy.

Garcia, Gloria, Garcia, Jasper, Garcia, Linda, Garcia, Bernal, Garcia, Nancy, Gardner, Pam, Garza, Stephanie, Garza, Ofelia, Garza, Raymond, Gaubatz, Jimmy, Garrett, Ruth, Gerhold, Bruce, Gilbert, Pat, Gillespie, Thomas, Gisler, Glenn, Goldsum, Marie, Gomez, Ben, Gomez, Joe, Gomez, Michael, Gomez, Ramona, Gonzales, Andrew, Gonzales, Anna Marie, Gonzales, Blas, Gonzales, Margo, Gonzales, Theresa, Gonzalez, Joel, Grant, Raymond, and Graves, Linda.

Greeson, Martha, Gregory, Larna, Gutierrez, Julia Anne, Haeber, Richard, Hajek, Louis, Hale, Brenda, Haley, Patsy, Hansen, Carol, Hansen, Sandra, Hartenberger, Jerilyn, Harvery, Frances, Haschke, Linda, Hanselka, Randy, Hartman, Bobby, Hartzell, John, Harvey, Gene, Harvey, Dennis, Hathaway, William, Haynes, Robert, Hedrick, Kenneth, Heibel, Beverly, Hempel, Lola, Hendy, Joyce, Hill, Linda, Hernandez, Eva, Hindman, Susan, Hobby, Cheryl, Hobbs, Patsy, Hogarth, Heather, Hohf, Jill, and Horelka, George.

Horton, James, Howard, Carol, Howard, Johnny, Hrncir, J. G., Huckman, Johnny, Inscore, Johnny, Iraggi, Robert, Jamison, Sharon, Jenkins, Cathy, Johnson, Edith, Johnson, Howard, Johnston, Malcolm, Jones, Norman, Kandis, Jimmy, Kellogg, Susan, Kelley, Mary Ann, Kennedy, Barry, Kindrick, William, King, Ronnie, Kirchner, Gilbert, Klotz, Lynda, Kneblick, Linda, Kneip, James, Knight, Georgia, Koliba, Ronnie, Krause, Lenwood, Krebs, Hank, Kremling, Wayne, Kruse, Jeannette, Lange, Michael, and Langenberg, Chria.

Lara, Frank, Lassmann, Donna, Lawrence, Russell, Leger, Danny, LeJune, Bonnie, Leita, Dennis, Lemke, Kenneth, Lerma Nick, Lesikar, Irene, Lesikar, James, Lopez, Rose, Lord, Carolyn, Lord, Sandra, Lorenz, Carol, Lowe, Bobby, Lowe, Thomas, Lowther, Don, Luster, Carl, McCann, Leroy, McCleary, Don, McClanahan, Joan, McCormick, Sammy, McCracken, Bobby, McGregor, Marlyne, McKey, Nola, McKinney, Robert, McWherter, Ronnie, Madden, Ted, Marshall, John, Martin, Danner, Martinez, Elida, and Matlock, Drew.

Matthews, Bill, Mayo, Danny, Maze, Cora, Meyer, Grace, Michna, Mary Ann, Miller, Chuck, Miller, Joan, Miller, Dell, Minatre, Gerald, Mitchell, Carol, Moeller, David, Montag, Joe, Moore, James, Nelson Linda J., Nelson, Tom, Norris, Joyce, Obermiller, Delores, Ortiz, Beatrice, Padilla, Fidel, Padron, Rose, Pair, Diann, Pantel, Curtis, Pavlica, Sherry, Pena, Donie, Penewitt, Nancy, Perdue, George, Perez, Lucinda, Perez, Jeronimo, and Petru, Roxie.

Petty, Julia, Pierson, Mike, Placker, Alton, Ponder, Clark, Poole, Mona, Post, Dian, Prewitt, Carroll, Price, Robert, Pullin, Linda, Purcell, Ann, Quimby, Martha, Quimby, Walter, Quintanilla, Rafael, Rackard, Carolyn, Ralls, Nancy, Ramierz, Norma, Romas, Frank, Ramos, Mary Alice, Ramseur, Ricky, Ray, Joel, Reid, Ruby, Reinhardt, James, Reyna, Virginia, Reynolds, Beth, Riggs, Ray, Roberts, Candy, Roberts, Gloria, Robinson, Ruth, Robison, Gary, Robles, Lupe, Rodriquez, Jody, Rogers, Wanda, Rojas, Rogue, and Ross Lee.

Rossi, Sylvan, Rothwell, Richard, Rouse, Martha, Ruiz, Delia, Ruiz, Patricia, Ruiz, Ted, Rux, Barry, Sanchez, Adela, Sanchez, Lucy, Sanchez, Manuela, Sanchez, Shirley, Sanders, Kyle, Stanford, Sherrie, Schmeltzer, Janet, Schmeltzer, Paul, Schumann, Edward, Scott, Cheryl, Shelton, Jean, Sherman, LaJuana, Short, Thomas, Shroyer, Clifford, Slade, Sondra, Smajstrla, Judy, Smith, Erlene, Smith, Fred, Smith, Sue, Spann, Leonard, and Spinks, Anita.

Staff, Charlotte, Stanford, Carry, Stephens, Joel, Stoker, Bobby, Stoltzman, Marlys, Stormont, John, Straight, Vicky, Streate, Merlin, Strelczyk, Dennis, Strother, Barbara, Summers, Anna, Summers, Buddy, Surratt, Laura, Swoboda, Judy, Taylor, Francine, Taylor, Thomas, Terry, Donna, Theus, Pat, Thompson, Brock, Thompson, Mary, Thompson, Mona, Timme, Richard, Tipton, Linda, Trapp, Joseph, Trenck, Bobby, Trevino, Mary, Trilline, Esther, Tristan, Ella, Tucker, Allyson, Tunchez, Tom, Turner, Hugh, Tyler, Larry, and Urban, Cheri.

Urban, Joyce, Urbano, Lee, Uresti, Leo, Vargas, Maria, Verret, Richard, Vickers, Andrew, Vickers, Barbara, Villafranca, Glorida, Villareal, Ruby, Villareal, Yalanda, Voigt, Richard, Volkmer, Patsy, Voss, Carroll, Wacker, Wanda, Wagner, Patricia, Walthall, Richard, Weaver, Mark, Weaver, Mary, Welch, Dottie, Wells, Rita, Wells, Tom, Wiggins, Relda, Wilke, Fritz, Williams, Charles, Williams, Larry, Williams, Ronnie, Willmon, Joye, Wilsford, Donald, Wilson, Priscilla, Winters, Doug, and Woods, Sharold.

Worsham, Gail, Yarbrough, Sarah, Yariger, Anne, York, Diane, Young, Donna, Young, Sue, Zarate, Abe, Zepeda, Mary Ann, Zirjacks, Chi, and Zorn, Frances.

DON SIEBERT OF BROWNSBURG, IND., GUIDE, ASKS: "COULD IMPEACHMENT DESTROY OUR COUNTRY?"

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. BRAY. Mr. Speaker, the following article, written by Mr. Don Siebert of the Brownsburg, Ind., Guide, and appearing in that paper on May 22, 1974, is pertinent to a major issue concerning many Americans.

The article follows:

COULD IMPEACHMENT DESTROY OUR COUNTRY?

(By Don Siebert)

With every passing day, the leering specter of the impeachment of President Richard M. Nixon looms larger as the howling chorus of his enemies and even members of his own party grow louder. Even as I write this, the Judiciary Committee of the U.S. House of Representatives has begun its investigation of evidence and charges that could lead to the President's impeachment.

If he is brought to trial, Nixon will be only the second President in almost 200 years of American history to face this terrible physical, mental, and spiritual ordeal.

Only one President in our history has ever been forced to endure the awful, brutal punishment that is part and parcel of an impeachment. Only one Chief Executive was ever forced to summon up the moral courage needed to maintain his sanity and self-respect during an impeachment, to survive as an individual. That man was Andrew Johnson, who became President after Lincoln was assassinated in 1865.

Johnson was tried in 1868 in one of the most bitter and heart-breaking trials in history. Impeachment was finally averted by a single vote. But Johnson completed his term as President and even won re-election later as Senator from Tennessee.

But not even Johnson ever felt the brutalizing attacks or took the awesome punishment that has already been meted out to Richard Nixon for more than a year by those who hate and despise him and by others who honestly feel he should be removed from office.

Members of both political parties, much of the daily press, and both commentators and comedians on national television have never ceased to attack the President. Nothing has ever happened before like the constant barrage of hate, innuendo, ridicule, unproven charges, and vilification that has poured out almost hourly over the TV channels and daily in influential newspapers. Nothing like the nonstop, obsessive drive to make Nixon a non-person has ever been known in the history of man.

Not even President Lyndon Johnson was subjected to such a vicious, prolonged, deliberate, and well-planned attack that only a modern news media could mount. Men have found they have the power to destroy an individual—even the President—and they have a compulsive desire to use this power that they cannot control.

Whether the President is guilty of any "high crimes," as the U.S. Constitution specifies, or whether he is innocent hardly seems to matter anymore. After long months of listening to arguments by both sides, I find that I, too, am very weary and disgusted by the continuing struggle. Perhaps I have become numb. Perhaps it is no longer very important to me. I honestly don't know. And I am convinced that a great number of people have the same feeling.

But forgotten in the fire, fulmination, and fury of the long and terrible attack is the fact that no one has been able to prove that Nixon was involved in Watergate—or even knew about it. This is true despite the fact that millions of dollars of our money have been spent and many lives and careers have been tarnished or ruined during that unmemorable investigation. Even Senator Sam Ervin has finally admitted publicly that his Watergate committee found no evidence to justfy the impeachment of Richard Nixon.

Yet, despite the long attack on the President, he still has millions of loyal supporters. Frankly I find that amazing. Some of these supporters claim that the attack on Nixon began a long time ago, back in the 1940's when he was instrumental in nailing Communist Alger Hiss to the wall despite the many influential people high in government who tried to protect Hiss. Some supporters say his enemies never forgave Nixon for that.

But whatever sparked the current attack on Nixon, his detractors and enemies have not let the failure called Watergate discourage them. They have simply found other charges, however far-fetched, to hurl at him.

At any rate, the long fight to get rid of Nixon has begun to have one very different result which liberals, among others, claim they never wanted to see happen in America. It has polarized much of the country, one of the worst things that can happen to the United States, we have been told repeatedly by the news media.

Yet from all the weary arguments, endless charges, countercharges, innuendos, and ridicule, one fact stands out above all the confusing mess. The President has proven to be far tougher, far more durable than his enemies had counted on. They have failed, so far at least, to break the man. He is still there. He still administers the nation from the Oval Room of the White House despite all the pressures.

How President Nixon has managed to endure will probably be a topic for historians to argue about for decades to come. But whether there will be any decades to come for the United States of America—at least as we know it today—is arguable now.

Perhaps in their intense hatred for the President, his enemies have forgotten that America is the people, not the government. Perhaps they have forgotten that the government at best is only a very imperfect representation of the people. Or perhaps his enemies no longer care. Perhaps they are willing to burn down the house if that will destroy Nixon.

It is entirely possible that this great nation may not survive the awesome stresses and strains that the long battle against Nixon has already wrought. It could eventually destroy us. Certainly an impeachment would greatly magnify that danger. Lesser struggles brought down mighty Rome in the end.

PRIVACY ALERT: SEVENFOLD GROWTH FORECAST FOR REMOTE TERMINALS

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. GOLDWATER. Mr. Speaker, integrity of individualized information can best be assured if appropriate confidentiality and security protections are introduced concurrent with advances in technology.

We who call for restoring rights of personal privacy are not against technical progress. Rather, we believe the strongest improvements in our society through science and technology can be made by coupling them with societal and humanistic objectives. The privacy legislation I have sponsored is designed to restore the balance between the citizen and his personal characteristics and information users and their legitimate requirements. Future developments must not come into being without appropriate investigation into their potential impact. This is technology preassessment in the social impact area.

Computer-telecommunications technology is rapidly developing new capabilities and potentials. One significant article appeared recently in Computerworld describing a projected increase in the number of remote data terminals from 700,000 units in 1972 to 4.7 million in 1982, a sevenfold increase. The use of remote inquiry is, of course, greatly expanding as many branch offices of organizations become capable of entering a communications network to input or extract data. The fact that interrogation of the contents of many thousands of automated data processing systems by remote devices is expected to exceed 4 million units means a possible dissemination of personal information never before practical or even contemplated.

The commercial exploitation of remote terminals is a very positive step, but to let all the sensitive data contained in these systems flow to a vast number of access points requires strong control. Only on rare occasions in the past have these controls paralleled new technological applications.

Mr. Speaker, I include the Computerworld article of May 22, 1974, at this point for review by my colleagues and others interested in this important subject.

SEVENFOLD GROWTH FORECAST FOR REMOTE TERMINALS

(By Molly Upton)

NEW YORK.—The remote data terminal market will undergo a seven-fold growth by 1982, resulting in a $6 billion annual business, according to a report from Frost & Sullivan, Inc.

During the next 10 years, over seven million units will be shipped with a value exceeding $39 billion, the report predicted.

Because of demands for greater intelligence in terminals, prices are expected to rise, despite new technologies and greater production volumes.

Although the market will grow sharply, there will be fewer manufacturers in the field. "The requirements to stay in business will even be strenuous for the largest manufacturers," the report cautioned.

The installed base of remote terminals will grow from 700,000 units in 1972 to 1.3 million in 1975 and 4.7 million in 1982, for a sevenfold increase.

Estimated at $3.6 billion in 1973, the installed base will be valued at $6.2 billion in 1975 and $24.4 billion by 1982, Frost & Sullivan said.

Factory shipments for the overall field of remote terminals is expected to jump from 223,000 units or $1.9 billion in 1973 to 417,000 units or $2.4 billion in 1975, and then 1.2 million units or $6.56 billion in 1982, according to the report.

The category of magnetic storage devices, with a 10-year growth rate of 15 to 20 times, is expected to grow faster than any other segment.

The intelligent terminals will grow 12-fold; remote data stations and interactive displays, nine-fold; special function, eight-fold; low-cost data entry, sixfold; and audio response and interactive keyboard, five-fold, the report predicted.

HURRICANE MARKET

Ranked in terms of value of factory shipments in 1982, the forecast shows intelligent terminals (or interactive data stations) to be the leader, with a volume worth $1.8 billion in 1982. The market will be "turbulent though dynamic throughout the Seventies," the report commented, noting the forecast is conservative.

The interactive display segment is second largest, with shipments worth $1.6 billion in 1982. "New designs and the entry of new manufacturers will keep this market in a turmoil for the next few years. The commitment to serve this market will be high, but the rewards could be great," the market research firm said.

Third is the area of interactive keyboards, with a total of $1.07 billion in 1982. The report noted that with mainframe manufacturers controlling this market, new entry will be almost impossible.

Furthermore, the "trend toward capturing data at the source will curtail the growth of this type of terminal," Frost & Sullivan said.

"RISKS HIGH"

The "special function" market is expected to grow to around $825 million in 1982. "These terminals require high investment designs for specific applications, where the risks are great and competition severe," the report noted.

Sixth in terms of value of shipments in 1972 is the magnetic storage sector, which should grow from $27 million in 1973 to $190 million in 1982.

NEW DESIGNS BY 1975

The report predicted that "technology advances, especially LSI/MSI circuitry, will impact terminal design for a new round of terminals by the end of 1975.

"The major failure of independent data terminal manufacturers will primarily be caused by lack of understanding of marketing techniques for selling to the end user and the limited skills and resources available for system engineering and product integration," the report said.

WATERGATE: AN UNHAPPY ANNIVERSARY

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. HUNGATE. Mr. Speaker, as one to whom the Washington Post has been cited as an authority by friends on both sides of the aisle, I would call their attention to this recent editorial:

WATERGATE: AN UNHAPPY ANNIVERSARY

The Presdent has an odd way of celebrating Watergate anniversaries. Yesterday marked the passage of one full year since Mr. Nixon issued his compendious statement of May 22, 1973, promising to make available all revelant information on the complex of scandals that go by the name of Watergate. He chose to commemorate the occasion by informing the House Judiciary Committee, which is conducting impeachment hearings and which has—if anything—a larger and stronger claim on relevant evidence than the other bodies of inquiry do, that he would decline to produce any further Watergate tapes requested or subpoenaed by it. The full story of Watergate and of his own involvement in it, Mr. Nixon advised the committee, reposes in the White House materials already in the committee's hands.

In more ways than one, that is an interesting assertion. It not only confirms that the President is prepared to defy the committee's requests for material it deems necessary to conducting its inquiry. It also confirms that there is no better documentary case for Mr. Nixon to make concerning his own role in the coverup than that which can be made (if it can) from the highly incriminating documents and tapes now in the committee's possesson. May 22, 1974, was a bleak day for those who still held out hope that somewhere, somehow, the President could come forward with persuasive exculpatory evidence. Apparently there is none.

Although we believe that Mr. Nixon's outright defiance of Congress in this matter is as unconstitutional as it is unwise, it does occur to us that he has a point in his assertion that more than enough is now known for the committee to act—never mind that it isn't the point he was seeking to make. For the plain fact is that both the magnitude of the shocks and revelations of the past year and the complicated legal disputes the President has promoted and prolonged with Congress and the courts have combined to distract people from what they already know. They have given the whole sorry affair the aspect of a continuing, if not interminable, Grade B thriller, as distinct from the aspect of a body of confirmed information which is, in itself, more than sufficient to require a public response. The question, in other words, is not so much "what is going to happen next?" or "what will we learn about tomorrow?" but, rather, "what do we already know?"

Think about it: we know plenty.

We know that the President's best defense throughout—and it is a terrible defense—is that he so mismanaged the conduct of his office that he was unaware that his aides were authorizing common burglaries, were forging State Department cables, were perjuring themselves before federal prosecutors and grand juries, were paying blackmail money to criminals to buy silence about the White House's own involvement in their crimes, were systematically seeking to politicize and pervert the allegedly apolitical agencies of government (the CIA, the IRS, the FBI, among others) for the sake of wreaking personal vengeance on institutions and individuals they considered enemies.

We know that the President on the eve of the sentencing of the originally convicted Watergate conspirators, learned that their trial had been skewed by perjured testimony and failed to so inform the judge.

We know that the President has repeatedly and systemically misled the American public in his statements "from the heart" on this matter, telling them things he knew to be untrue.

We know that six of his former aides have been sentenced to terms in federal penitentiaries.

We know that his appointees have conspired to destroy evidence in criminal cases.

We know that the man he twice selected to be his (and our) Vice President has been convicted of a felony, forced to resign office and disbarred from the practice of law.

We know that the President—a great scourge of "welfare cheating"—was found to be almost half a million dollars light on his federal income tax.

We know that indictments are now outstanding and trials awaited for his closest White House associates and one-time most powerful deputies for a series of alleged criminal acts. We know that he has, while claiming all the protections and safeguards accorded an ordinary citizen in trouble with the law, simultaneously and shamelessly utilized the great and unique powers of the presidency not only to argue his own case (falsely) but to protect himself from scrutiny by the Congress or the courts. He declines to honor subpoenas. He fires the Special Prosecutor he has promised to give full rein when that Prosecutor appears to be getting warm. And now he tells us, in the course of telling the House Judiciary Committee, that he is only doing these recalcitrant things to protect "future" presidents. We think the evidence is overwhelming that he is, on the contrary, trying only to protect this one.

Presumably the members of the House Judiciary Committee and those legislators outside the committee who have authorized its inquiry will seek some further action on the materials Mr. Nixon has now declined to furnish. And presumably, too, his defiance of the committee will be added to the list of Constitution-bending offenses for which he, as President, is responsible. But we would hope that the committee would not permit itself to be drawn into a prolonged and diverting dispute over the production of this evidence to the exclusion of its responsibility to continue and conclude its inquiry as quickly and carefully as possible. The American people know plenty—and the members of the Judiciary Committee know even more. A variety of charges against Mr. Agnew were never fully adjudicated because he preferred that they not be, and the same may be true of certain of the charges against Mr. Nixon because he too has now indicated that he will not risk orderly and complete adjudication in a single body that is empowered to consider his case—namely, the United States Congress. Mr. Agnew copped a plea. Mr. Nixon is merely refusing, in the name of his office—or what remains of it—to let the full information come to light.

People have been, in our view, exceptionally patient so far, and that is especially true of the legislators themselves. And they have also been exceptionally judicious and restrained. But it seems to us that by this latest act of evasion and contempt, the President has released everyone from the injunction against drawing inferences from his refusal to produce subpoenaed evidence. And if he will not cooperate—so be it: the House will have to proceed without him on the basis of what it now knows.

ANOTHER NEWSWORTHY BLACK PAPER

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. RANGEL. Mr. Speaker, a major route to influence in the affairs of this Nation is through the press. I am always pleased, therefore, when individuals interested in black issues establish a newspaper. The Grass Roots News, published in Washington, deserves recognition and praise for its coverage of black activities and achievements. No other paper performs this valuable service.

I insert in the RECORD a few examples of Grass Roots News articles which reflect the paper's purpose and value to the Washington community and concerned civil rights advocates everywhere.

ENERGY CRISIS CRUCIAL TO BLACKS

The energy crisis has created critical shortages of materials vital to American manufacturers in general, and Black manufacturers in particular. Even more distressing is that it has increased the failure rate of black businesses at a time when they were beginning to reach their full potential. Many of these firms have government contracts, and have been looking forward to the time when they could compete in the mainstream on an equal basis with other majority manufacturers. The energy crisis has slowed, and in too many cases, halted progress.

The National Association of Black Manufacturers, Inc. recently conducted a survey of its members in order to determine the scope of the problem, and to gain insights on what specifically should be done to assist our members during this difficult period.

The response to our questionnaire revealed that the energy crisis had engendered the following:

critical material shortages caused prices to increase 10–50% (fuel shortages curtail pickups and deliveries)

forced layoffs of personnel

caused a drop in gross receipts and ultimately reduced profits

halted plans for expansion

inhibited ability to compete for new business

seriously hampered ability to repay loans

Our member companies span the broad spectrum of industry. Those companies who are dependent on petroleum by-products (i.e., plastics and solvents) are suffering to a greater extent. One of our companies designs and manufacturers machines to produce anything from lollipops to mattress pads. So you see the problems are many and varied.

Delivery delays has been one of the primary concerns of our companies, because the lack of critical materials means either delay in completing contract commitments or the inability to complete them at all. This is devastating to minority companies, who are usually operating on inadequate working capital and a very limited profit margin.

The minority businessman is caught between the rock and the hard place.

ONE GIANT STEP FOR MANKIND—BACKWARDS

Among the bills that became law in California on January 1 of this year was Senate Bill 1199. It allows teachers to be graduated and receive credentials again without the ability to teach reading. For many years educators and interested parents fought to get requirements in reading as a prerequisite for teaching regardless of subject. Now we have moved back into the "dark ages" again. It would be idealistic and nice of social studies teachers could teach that subject without reading. This is not the case.

To think that the time will be soon when all high school teachers will face classes where every pupil is able to read at grade level is not only wishful thinking, but sheer folly, in spite of the claims of Right to Read to have every child reading at leaving school by 1980. This is not a dream; it is a nightmare! At the present rate of improvement and implementation of reading programs the best I can see is another 30 years. This sounds quite pessimistic, but until the colleges prepare all teachers, regardless of subject of interest, in the know-how to disseminate the tools of learning, at least the skill of reading, to every child at least by the third grade.

Right to Read, Operation Reading, Project Literacy, Reading is Fundamental are just fantasies. Until the colleges prepare teachers to teach every child regardless of ethnic background, environmental circumstances, or financial and social status we will continue to have the reading problem. When teachers learn to teach human beings across the board without bias, much of the problem will be eliminated.

One further omission by the colleges has been to admit the error of telling parents not to teach their children anything. While educators somehow wish these children would come with some ability, I have yet to find an educator who would openly admit that the colleges made an error in the mandate "Don't teach your child anything; leave it to the school—let us do it our way". And "our way" has been a failure. Our way has been to put the blame on the student rather than the teacher or the method, which are synonymous. If the method fails, the teacher fails. If the teacher fails, the method fails.

If a student does not learn to read, the teacher has not taught reading, regardless of the antics and motions he may have gone through. Nothing is ever taught until something has been learned.

In this day, when 25% of the youngsters are coming out of school non reading, I don't know what educators are thinking about in giving out one more piece of paper: A license to kill—because as sure as the youngster goes through the school system and fails to learn to read, teachers kill him. They may not bury him, but they kill within the limits of his self confidence, the ability to learn and the ability to earn an adequate living. They also kill within him the ability to pursue the right to liberty, justice, and happiness, through the written word. One giant step backwards—maybe! One colossal step backwards—a definite yes!

Sometime ago there was an article that said that teacher training and other in-put factors played second fiddle to the home environment for children. This article made it sound like a big deal. Parents have always been important and always will be, and this is as it should be. The very idea of schools telling parents to keep hands off; psychiatrists telling them not to discipline their children, etc., are bad enough, but when they end up non reading and the schools blame the parents, or when they wind up in Juvenile Court and the psychiatrist blames the parents, we reach the ridiculous. And now I am blaming the parents for listening to both the schools and the psychiatrists!

It is unfortunate that parents swallowed the hogwash of not teaching youngsters the letters and sounds, and misunderstood that when schools said not to teach them anything, they didn't mean it literally. They wanted children to know how to tie their shoelaces and blow their noses and go to the restroom, but they complained when the youngster came to school and the parents hadn't taught him anything.

In our permissive society the youngster is allowed the extravagance of thinking that the world belongs to him and him only, and anything he wants to do is all right. This possibly works for four or five years as the child is in his own private kingdom. But upon his first venture into the classroom he may find himself confronted with 20 to 30 other individuals with the same idea! The end result is total chaos for them and the brand new idealistic teacher, who is fresh out of college, with little understanding of human behavior, let alone how to cope with such totally spoiled brats. Then all the schools and psychiatrists can think of is that the parents should have done something.

Parents need to know that too much permissiveness creates an anatomy of crime and suicide. Why talk about suicide potential in a 5 year old when he is taught early that he can do anything he wants to and when he discovers that what he wants to do infringes upon other people's rights and he has not been taught that other people have rights, he winds up in the psychiatrist's office feeling a sense of rejection from the whole world.

A little more discipline and a lot more of the right teaching, particularly with regard to respecting other persons as individuals, might have prevented a lot of self rejection that just might possibly put a few psychiatrists out of business—or would it? Maybe they could spend their time really helping people who need it rather than listening to the prattle of spoiled individuals. It's about time educators began teaching parents that they should help children learn not only the three R's, but the fourth one, as well—Rights.

Every child should learn right from wrong, the right way to treat people, respect of others rights—just the good old fashioned sense of morality in order that they may know right from wrong. Yes, parents are important—or they should be—and it is high time we get back to the fact that parents could and should do most of the teaching during the first seven years of a child's life. The school, the teacher, and the outside world should play second fiddle to proper parental guidance.

PUBLISHER'S STATEMENT

True, Black is beautiful, and black people are beautiful. But how do we beautiful black people succeed in the system now running the country? For fuller involvement and a firmer position in the system, it takes a good education, economic control, and political participation.

Blacks need education to prepare us so we're ready as the doors continue to open wider. Blacks need to control the dollars spent satisfying our needs and desires so we can deal with economic power. Blacks need to get involved in politics so we can become a part of shaping our future.

As blacks, we can no longer be content with getting a slice of the pie, no matter how delicious. We must demand full partnership in making, baking and cutting that pie. First that means placing more emphasis on our education and our schools—vocational education and professional education.

Second that means concentrating on controlling our buying power. (In 1973 the total spending power of American blacks was well over 50 billion dollars). How can we reap more rewards after exhibiting this amount of spending power.

Thirdly, it means the private sector must give blacks greater employment opportunities, including the channel to move up in the company. We need to continue to take a look at positions at the center level and be concerned about the proportion of blacks who have moved up the mobility ladder and into higher echelon positions. Corporate management must also continue to seek blacks out as suppliers of goods and services, as well as sub-contractors.

It all starts at the ballot box. Every black American over 18 years of age should already be registered to vote, and now making plans to go to the polls on May 7th. Vote Republican, Democratic, or Independent. Just vote. Organize a committee of one to see that you get out to vote.

NIXONOMICS: 11½ PERCENT INTEREST RATE—11½ PERCENT INFLATION EQUALS TIME TO MOVE IN NEW DIRECTION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. BINGHAM. Mr. Speaker, in the light of recently released statistics, the administration's report card on the economy has to be amended to reflect the true impact of Nixonomics: A prime interest rate of at least 11½ percent and an inflationary price surge for the first quarter of 1974 of exactly the same figure: 11½ percent.

Every indication I have says that, insofar as big business is concerned, things are rosy: After-tax profits climbed 20 percent during the first quarter of this year over a year ago and pretax earnings rose by 10 percent during the same period. At the same time, insofar, as the American consumer is concerned, he is clearly worse off than he was a year ago or than he was on January 1 of this year. How many more months must we suffer double-digit price surges, percentage point increases in lending rates, a decline in housing starts, and fewer and fewer consumers able to make ends meet?

The President has abandoned the country's economic future to chance. I, for one, do not believe that the throw of the dice is the best way to run the American economy. In April of this year, I introduced legislation proposing a fresh approach to dealing with our runaway economy. I believe we must move in another direction quickly before it is too late.

To those of my colleagues and other readers of the RECORD who may still doubt the need to reexamine our present economic policy, I commend the two articles which follow from the May 20 edition of the Wall Street Journal:

"REAL" GNP FELL 6.3 PERCENT IN FIRST PERIOD ON ANNUAL BASIS

WASHINGTON.—The first quarter economic downturn and inflationary surge were both worse than originally indicated, the latest government figures show.

And one apparent bright spot in the period—a 12% jump in corporate profits—was solely the result of price increases on inventories. Profits on current production declined.

Revised figures on the "real" gross national product, which is expressed in 1958 dollars to strip away the effects of inflation, show the total output of U.S. goods and services dropped at a staggering 6.3% seasonally adjusted annual rate instead of the 5.8% estimated a month ago, the Commerce Department said. Price increases ran at a huge 11.5% annual rate instead of the initially reported 10.8%.

OVERALL GNP RISE REVISED

The department revised the rise in the overall GNP to $14.7 billion, or at a 4.5% annual pace, from $14.3 billion, or 4.4%. This puts the first quarter economic output at a $1.352 trillion annual rate.

But all of the small upward revision resulted from prices rising faster than reported earlier. The 11.5% price increase, as measured by the GNP price index, was the worst since the Korean war price spiral produced a 13% rate in the first period of 1951. The slump in "real" GNP was the largest since a 9.2% plunge in the first period of 1958, a recession year.

The department said after-tax corporate profits in the first period climbed to an adjusted annual rate of $80.2 billion from $71.6 billion in the fourth quarter, when earnings edged up only 0.1%. The figure was 20% above the $66.9 billion rate of the March quarter in 1973. Pretax earnings in the first quarter rose 10% to a $140.1 billion annual rate from $127.5 billion in the fourth quarter.

BUSINESS INVENTORIES

In more normal periods, the sharp profit increase would suggest a robust economic performance. But, government analysts quickly note, the first quarter figures were inflated by hefty markups in the values of business inventories. The first-quarter markup in inventories was $31.2 billion, double the $15.5 billion adjustment of the previous quarter, and it reflects the soaring wholesale prices of the first three months of the year.

Profits arising from current production dropped $3 billion, or 2.7%, to an adjusted annual rate of $108.9 billion before taxes.

The profit picture was bleak for most industries last quarter, the department indicated. Sharply higher earnings of petroleum refiners, aided by soaring oil prices, and of financial institutions, helped by record interest rates, were more than offset by lower earnings in other industries, particularly auto makers, utilities and communications concerns.

Dividend payments rose to a $29.5 billion annual rate from $29 billion in the fourth quarter and $26.9 billion in the 1973 period. Retained earnings, at a $50.7 billion annual rate, were up from the previous quarter's $42.6 billion and the year-earlier's $40 billion.

RECORD PRIME RATE OF 11 PERCENT IS EXPECTED TO BE ESTABLISHED INDUSTRYWIDE TODAY

A record 11½% prime interest rate on bank loans to large corporations is expected to become industry-wide today.

First National Bank of Chicago, the nation's ninth largest bank in terms of deposits, could hurdle even the 11½% level and raise its prime to 11¾%, based on a formula it uses to help set its base lending fee. That fee is scheduled to be reviewed this morning. First of Chicago posted an 11.40% prime last Monday. The prime rate is the minimum interest fee banks charge on loans to their most credit-worthy large corporate customers.

The 11½% prime spread rapidly Friday after First National City Bank, New York's largest, announced an increase from the 11¼% level it initiated only one week earlier.

The jump reflected continued demand for bank credit, and higher weekly average money-market interest rates.

Some two dozen leading banks followed Citibank in raising their prime rates to 11½%. Among them were Chase Manhattan Bank, Chemical Bank, Bankers Trust Co. and Franklin National Bank, all in New York; Bank of America, the nation's largest, and Wells Fargo Bank in San Francisco; Security Pacific National Bank in Los Angeles; Mellon Bank in Pittsburgh; First National Bank in Boston and National Bank of Detroit.

The increase is the 11th general rise in the banking industry's base lending fee since mid-March.

The Federal Reserve Bank of New York said Friday commercial and industrial loans at the 12 major New York banks rose an estimated $90 million for the week ended last Wednesday. That corrected a previous report that business loans were up $399 million in the week. The Fed explained that one major bank had made a large error in reporting loans on its books.

The news that loan demand was more moderate than originally reported triggered some money-market activity. Treasury bills, which sold off when the original figures were released, recovered a portion of their losses, dealers said. But the recovery was short-lived.

The 13-week bill closed on some dealers' sheets unchanged at 7.94% bid. The companion 26-week bill ended at 8.22% bid, up from 8.18%.

JUDGE JACK A. LIPARI OF THE MAHONING COUNTY COURT, OHIO, IS HONORED AT TESTIMONIAL

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. CARNEY of Ohio. Mr. Speaker, on Sunday, May 19, 1974, Mahoning County Judge Jack A. Lipari was honored by his many friends in the Youngstown, Ohio area.

In addition to a testimonial dinner and dance at Our Lady of Mt. Carmel hall, the program included a special Mass, in which the priest chanted petitions and read passages from the Old and New Testaments containing spiritual guidance and advice for judges.

During the testimonial dinner, Dr. Raffaele Gesini, representative of Egidio Ortona, Italian Ambassador to the United States, presented Judge Lipari the Commander of the Order of Merit of the Republic of Italy Award for the judge's contribution to and promotion of the Italian culture and heritage.

Participants in the affair included: Ohio Supreme Court Justice Frank D. Celebreze, Ohio Transportation Director J. Philip Richley, Youngstown Mayor Jack C. Hunter, Rev. Joseph Iati, pastor of Our Lady of Mt. Carmel Church, Rev. Frank Timar, Very Rev. Anselm J. Viano, and Italian Consul Dr. Mario Anziano.

Mr. Ralph R. Ranalli was chairman of the testimonial dinner committee. He was assisted by Anthony J. Tucci, Anthony C. Pannunzio, Rocco J. Manginellia, John Trimboli, and Pasquale Leone.

Mr. Speaker, I wish to express my sincere congratulations to Judge Lipari and his lovely wife, Antoinette, on receiving this award. I am proud to be counted among Judge and Mrs. Lipari's many friends.

I insert portions of the Mass said for Judge Lipari in the RECORD at this time:

PRAYER

O Lord God Almighty, You give us all the good things of this world. You gave judges to your people of old to govern them. Today we honor one of our judges—Jack Lipari. As he is knighted with merit by our Motherland—you send your Holy Spirit upon him to guide him with wisdom. We make our prayer through the merits of Jesus Christ our Lord who live with you forever and ever. Amen.

FIRST READING

Reading From The Book Of Exodus—Advice to Judges.—"You shall not repeat a false report. Do not join wicked in putting your hand, as an unjust witness, upon anyone. Neither shall you allege the example of the many as an excuse for doing wrong, nor shall you, when testifying in a lawsuit, side with the many in perverting justice. You shall not favor a poor man in his lawsuit.

"When you come upon your enemy's ox and ass going astray, see to it that it is returned to him. When you notice the ass of one who hates you lying prostrate under his burden, by no means desert him; help him, rather, to raise it up. "You shall not deny one of your needy fellow men his rights in his lawsuit. You shall keep away from anything dishonest. The innocent and the just you shall not put to death, nor shall you acquit the guilty. Never take a bribe, for a bribe blinds even the most clear-sighted and twists the words even of the just. You shall not oppress an alien; you well know how it feels to be an alien, since you were once aliens yourselves in the land of Egypt.

SECOND READING

Reading from St. Paul's second letter to Timothy—Chapter 4—Verses 1-9.—And so I solemnly urge you before God and before Jesus Christ—who will some day judge the living and the dead when he appears to set up his kingdom—to preach the Word of God urgently at all times, whenever you get the chance, in season and out, when it is convenient and when it is not. Correct and rebuke your people when they need it, encourage them to do it right, and all the time be feeding them patiently with God's Word. For there is going to come a time when people won't listen to the truth, but will go around looking for teachers who will tell them just what they want to hear. They won't listen to what the Bible says but will Blithely follow their own misguided ideas. Stand steady, and don't be afraid of suffering for the Lord. Bring others to Christ. Leave nothing undone that you ought to do. I say this because I won't be around to help you very much longer. My time has almost run out. Very soon now I will be on my way to heaven. I have fought long and hard for my Lord, and through it all I have kept true to him. And now the time has come for me to stop fighting and rest. In heaven a crown is waiting for me which the Lord, the righteous Judge, will give me on that great day of his return. And not just to me, but to all those whose lives show that they are eagerly looking forward to his coming back again.

GOSPEL: JN. 14:23-29

A reading from the holy gospel according to John.

People: Glory to you, Lord.

Jesus said to his disciples: "Anyone who loves me will be true to my word, and my Father will love him; we will come to him and make our dwelling place with him always. He who does not love me does not keep my words. Yet the word you hear is not mine; it comes from the Father who sent me. This much have I told you while I was still with you; the Paraclete, the Holy Spirit whom the Father will send in my name, will instruct you in everything, and remind you of all that I told you. 'Peace' is my farewell to you, my peace is my gift to you; I do not give it to you as the world gives peace. Do not be distressed or fearful. You have heard me say, 'I go away for a while, and I come back to you.' If you truly loved me you would rejoice to have me go to the Father, for the Father is greater than I. I tell you this now before it takes place, so that when it takes place you may believe.— This is the Gospel of the Lord.

People: Praise to you, Lord Jesus Christ.

PETITIONS CHANTED BY PRIEST

Lord God—giver of Leaders to your People send your Holy Spirit upon us as we pray: That Judge Lipari may continue to serve you and your people with honesty, wisdom and sincerity—we pray to the Lord.

That the people he serves will truly appreciate his services—we pray to the Lord. That your Holy Spirit will guide all leaders in Government with honesty and wisdom—we pray to the Lord.

That you will bless all here gathered with peace, health and prosperity—we pray to the Lord. That you will permit our deceased Loved ones to take our prayers to your altar on high as they share your eternity—we pray to the Lord.

For all our intentions (Pause)—we pray to the Lord.

CEREMONY

My dear friends—we are gathered together to honor a man who has been outstanding in his service to his people.

By your presence here you attest to this man's honor and worthiness.

Now I ask you Judge Lipari and you Annette, his co-sharer in Love and Life, to come forth. (Pause) Judge Genuflects—Wife stand by—

Do you Judge Lipari accept the honor about to be bestowed upon you.

Do you Lady Annette agree to the Knighthood of Your Spouse, and to his worthiness.

Then I charge you to continue in your dedicated and tolerant sharing spirit of Love.

Do you in all humility deem yourself worthy of this honor?

Will you pledge yourself to a full hearted—dedicated service to your people.

Then may the Holy Spirit of God descend upon you as I knight You—into the order of Commandatore de Merito—May the Almighty Steer you with wisdom so that you may be a true Knight of freely bestowed kindnesses.

Arise—Sir Knight and accept the medal of honor to be bestowed upon you by the Republic of Italy.

AMBASSADOR

Do you reverend Father agree that this honor should be bestowed upon Judge Lipari? Then as the Representative of the Republic of Italy and the Italian Ambassador Egidio Ortona. I, Raffaele Gesini, vested with this authority pin you with this medal of honor.

I congratulate you Annette as Lady Lipari and ask you to continue supporting your husband in his dedicated Service to humanity. I charge you people who are present in testimonial to this knight to continue your support and cooperation. To give of yourselves freely in service to the betterment of your kindred and I charge you to excel as citizens of this God blessed Land of America.

POST COMMUNION

Lord Triune God—creator of the universe and all its Life. We thank you for the Blessings of this day; the honor of Judge Lipari; and the love of my people. Bless us all as we each travel the journey of life you have set our feet upon. You who live forever and ever.

HEALTH EXPERT TESTIFIES ABOUT HEALTH EFFECTS OF AIR POLLUTION

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. BROWN of California. Mr. Speaker, my own views on air pollution legislation have been presented to this body frequently. I have attempted to stress the importance of the adverse health effects of air pollution, and the need for the Congress to protect the public health. A noted health expert recently gave an excellent statement to the Subcommittee on Environmental Pollution of the U.S. Senate Committee on Public Works. Because this body continues to debate the need to amend the Clean Air Act, frequently without benefit or reference to the health aspects of the problem, I believe this testimony should be made available to the entire Congress. For this reason I insert the statement of Bertram W. Carnow, M.D., into the RECORD at this time.

The statement follows:

STATEMENT OF BERTRAM W. CARNOW, M.D.

My name is Bertram W. Carnow, M.D., of Chicago. While I am speaking today on behalf of the National Clean Air Coalition and the American Public Health Association, I hold a number of other affiliations and positions which may interest the Subcommittee. I am Professor and Director of Occupational and Environmental Medicine at the University of Illinois School of Public Health and also hold a Professorship at the University of Illinois Lincoln School of Medicine, Department of Preventive Medicine and Community Health. I serve as Director of the Environmental Health Research Center of the State of Illinois Institute of Environmental Quality and am environmental consultant to the Governor of Illinois. Additionally, I am Chairman of the American Public Health Association Energy Task Force which will shortly publish a major study entitled, "Health and Safety Effects of Energy Systems" and Chairman of the National Academy of Sciences Panel on Sulfur Dioxide which will shortly report formally to this Subcommittee. At the local level, I have been Medical Director of the Chicago Lung Association since 1967, a chest consultant at the Union Health Services since 1957 and attending physician and chest consultant at the Michael Reese and University of Illinois Hospitals.

I am a Fellow in the American Public Health Association, a Fellow in the Royal Society of Health, a Fellow in American College of Chest Physicians, and a member of numerous medical and scientific organizations.

The National Clean Air Coalition and the American Public Health Association have asked me to represent them here today to provide some comments on the Clean Air Act from a physician's viewpoint. I will share with you some of my concerns based on 15 years of observing and treating humans suffering from the effects of air pollutants and 10 years of epidemiologic study of air pollution's impact on health.

My concerns about the impact of air pollutants on health must been seen as part of a total concern for public health in view of what is occurring in regard to the diseases afflicting Americans, particularly cardiovascular diseases, bronchitis and emphysema and lung cancer. The major killer, cardiovascular disease, particularly coronary artery disease, now kills 60 percent of all Americans. Bronchitis and emphysema disable millions and are responsible as a primary and secondary cause for some 100,000 deaths each year. Lung cancer has increased to the point where it kills more American males than all other cancers combined. These are all noninfectious diseases, have multiple causes, insidious onset and very long incubation period. What is most frustrating to clinicians is that when they appear they are irreversible, in a majority of cases, and very little can be done for those who suffer from them. I note this in relation to air pollution because studies carried out by our group at the University of Illinois, by the Federal EPA, and by others strongly suggest that air pollution is an important factor in all of these diseases.

In view of the nature of the onset and irreversibility of these diseases, it becomes critical to define the major causitive agents in order to practice primary prevention. And this represents one of my major concerns in regard to air pollutants.

A few comments about health effects assessment and its use as a basis for standards-setting are now in order. Air pollution standards, like other health standards, reflect social, economic and political decisions. Too often, however, standards are viewed as levels which protect the health of all people. This, of course, is just not true. The environment is essentially hostile, and humans, as biological organisms with varying degrees of resistance and adaptive capacity, are in a continuous struggle with it. Any factor in the environment which increases its hostility or anything lowering the resistance of humans decreases adaptability. When one views the health effects of air pollutants on humans in the context of this struggle, it becomes obvious that in a heterogeneous population of 200 million people with varying ability to adapt, for example those with genetic defects, asthma, allergies, heart disease, and lung disease, there can be no well defined threshold or safe level. Our studies and those of others strongly indicate that at every level of air pollution, someone's health is affected adversely, and someone may die.

Human adaptive capacity is limited by many factors in addition to those noted, including developmental defects, personal habits, physical and mental stress and living conditions. The latter includes poor housing, medical care and nutrition. All of these are environmental stressors which tend to diminish adaptive capacity of humans. A detailed listing of these factors is attached as Appendix 1.

Those populations at high risk because of limited ability to adapt have not been well defined, and the pollution levels at which various groups may be endangered have not, in most cases been adequately quantitated. While some, like cardiacs and asthmatics, are well known, others like those with sickle cell anemia or alpha anti-trypsin deficiency are just now being recognized. It is therefore critical to consider both the numbers and kinds of people at high risk at different pollution levels and the pollution levels themselves, if we are to make decisions in regard to the impact of environmental stresses on human health.

Two other important and related questions which have not been adequately dealt with and must be answered relate to the concept of total body burden and synergism. While most of the standards have been based upon epidemiologic data, in some cases, serious consideration has been given to setting standards based on data obtained in studies of normal populations exposed to single pollutants. Drawing conclusions from these data can be hazardous, since, in life, humans are exposed to many sources of the same pollutants. For example carbon monoxide may enter the blood stream via cigarette smoke, automobile exhaust, industrial and energy sources. Lead is another case in point. As an automobile pollutant, it may be inhaled from the air and ingested with street dirt. In addition, many other potential sources exist such as ingestion from toothpaste tubes, leaded paint, cheap pottery, and so on. It is critical to understand that it doesn't matter what the source; the total burden faced by the body represents the environmental stress. Additionally, multiple pollutants such as sulfur dioxide, nitrogen dioxide, ozone, and cigarette smoke, to name a few, all impact on a single target organ, the lung. Thus, consideration of standards based on a single source of a single pollutant may not adequately safeguard human health. This is particularly true when one considers that 70 million Americans smoke significant numbers of cigarettes, and are therefore at high risk when exposed to these pollutants.

Another important point to keep in mind when considering the safety of standards relates to the concept of synergism, that is, two materials which have a greater than additive effect when acting together. In regard to lungs, for example, sulfur dioxide and ozone have been found to act synergistically, affecting the lungs much more adversely when both are present than when they are presented singly in equivalent amounts. In relation to the severe problem imposed by the growing rates of lung cancer deaths, synergistic effects should also be of considerable concern. Studies which we have carried out suggest that for every microgram of benzo-(a) pyrene, a carcinogen present in the air, and used in this case as a marker since other carcinogens are also present, per thousand cubic meter of air, there appears to be a 5% increase in lung cancer deaths. It is our estimate that a 60% reduction in urban air pollution might result in a 20% reduction in lung cancer. The carcinogenic effect of asbestos and cigarettes and radioactive materials and cigarettes are well known. It would also appear that air pollutants and cigarettes may act synergistically, causing this dread disease. For these reasons, pure physiological studies should not become institutionalized as a clean air standard; such standards will not likely protect the health of our heterogeneous population of 2 hundred million people exposed to multiple environmental insults. The Clean Air Act, of course, recognizes the principles of synergism, of multiple sources, and the need for considering total body burden. Federal standards most often do not. Congress should strive to assure that these principles are continually recognized. Moreover, Congress should foster the viewpoint that clean air standards are the minimum protective measures for public health.

Rather than a standard-by-standard appraisal of the existing EPA regulations, it might be more useful to direct the Subcommittee's attention to four significant health hazards which have not been considered in the current standards. These include respirable particulates (those less than 5 microns in size), air borne carcinogens, toxic metals and derivatives of sulfur dioxide, namely acid sulfates and sulfuric acid aerosols. Ambient air quality standards do not exist for any of these materials despite the fact that there is strong scientific evidence that they jeopardize human health. The air pollution-lung cancer study noted above and studies examining SO_2, sulfates, and acid aerosols, moreover, find correlation between variations of levels of these pollutants and of mortality and morbidity rates. I recognize that some of the analytical and monitoring equipment is not fully developed. However, in some areas, particulate sizing and monitoring of many air borne carcinogens such as benzo(a)pyrene and trace metals can and should be measured so that better quantitative assessment of their health impact can be made, even though it appears that development of standards are some years away. Since they are recognized at least qualitatively as hazardous materials, strict control of fuel sources and combustion methods must be maintained in the interim. Mass conversion to high sulfur coal for urban energy production without stringent control procedures will unquestionably result in increased illness, disability, and death among urban dwellers, particularly those with heart and lung disease. I urge the Senate to maintain the language of the Senate Emergency Energy legislation passed on Tuesday. It is much preferable to the House version.

I should like now to turn to another area of concern, namely the nature of pollution control procedures. There appears to be a trend toward adopting high stacks and directed plumes (intermediate control strategies) as a major pollution control strategy. It has been suggested that the use of this method of dispersion during non-inversion periods represents a reasonable method for disposing of SO_2 and particulate air pollutants, particularly the former. There is mounting evidence to suggest that this would be a very poor strategy.

Acid sulfates and sulfuric acid are more toxic than sulfur dioxide itself. They are formed in large quantities in the air from emitted So_2. Recent evidence suggests that high stacks lead to the formation of stable clouds of these toxic substances. Thus, rather than diffusing and dissipating these materials, this strategy may actually increase the stable concentrations of these more harmful pollutants and, indeed, may affect much larger populations than those in the urban areas where the pollutants are developed. There appears to be good evidence that large cloud masses of these agents are present over the Northastern United States, so that even those in rural areas are now being exposed to significant levels of toxic SO_2 derivatives. This effect may prevail even though SO_2 levels near the ground are decreasing. This phenomenon may be true with toxic materials, also.

A substance like lead, for example, which is immutable and does not disappear, is also emitted from the stacks, and while it may be diffused, it ultimately reaches the ground and remains there. In addition, where a significant number of these stacks are present in a relatively small area, the result is one of blowing dirty air from one place to another.

Considerations of technical feasibility and reliability aside, the high stack, directed plume strategy is best labeled as an epidemiological gamble. At stake, of course, is human disease and death. I therefore suggest that federal dollars might be better allocated toward elimination of these pollutants by other devices, the use of cleaner fuels, more complete combustion methods, and the exploration of new methods for producing clean energy.

Another area of concern from the medical viewpoint is the adequacy of the health care delivery system to deal with increased patient demand during periods of high pollution. Studies by our group in Chicago, over the past 8 years, have suggested significant increases in cardiac and respiratory disease and death on days when sulfur dioxide is elevated. During a 1969 high pollution episode, hospitalization of bronchitics was markedly increased, when compared to either before or after the episode. The need for planning for such occurrences is clear. Communities must promulgate plans for emergency care during pollution crises. This planning should include, perhaps, medical surveillance of certain groups at high risk such as cardiacs, bronchitics and asthmatics, newborns and very young infants. I feel that Congress and the Environmental Protection Agency may be well directed to investigate this area in detail from the national perspective.

I have dealt at great lengths with the importance of defining those populations at high risk. Qualitative definition of those at risk will permit physicians to caution those patients regarding levels of activity during high pollution periods and counsel them on the advisibility of living in highly polluted areas. For other reasons also, it is critical to make an assessment of those at high risk, since the only way that decisions can be made regarding safe levels will be to develop dose-response relationships and establish the numbers at risk at each level of pollution. Models which have been developed by our group will shortly appear as a Ford Foundation/American Public Health Association Energy Report, soon to be released. I am concerned that studies attempting to find those at high risk and quantitating the level of risk have not been assigned high priority by the Federal Environmental Protection Agency. If this is true, it would be most unfortunate, and I would urge that it receive the emphasis that most of us in the field believe it should have.

Finally, I urge the Subcommittee to advocate full funding for the Clean Air Act and especially for the implementation of the State Plans sometime hence. I must also emphasize that this funding should provide for ample multidisciplinary training in both air pollution epidemiology and control technology.

My written statement is now concluded. Thank you for permitting me to appear before you. I shall be happy to answer any questions you may have.

APPENDIX 1 FROM "HEALTH AND SAFETY EFFECTS OF ENERGY SYSTEMS" A DRAFT REPORT OF THE AMERICAN PUBLIC HEALTH ASSOCIATION

Factors which Decrease the Host's Resistance to Environment Stressors:

GENETIC DEFECTS

*Hypercholesterolemia.
*Diabetes with atherosclerosis.
Asthma.
Cystic fibrosis.
*Alpha anti-trypsin deficiency.
Cystic disease of the lungs.
Hypogammaglobulinema.
*Tetralogy of Fallot.
*Atrial or ventricular wall defects.
*Valvular defects.
Sickle Cell Anemia.
Glucose-6-phosphate dehydrogenase disorder.
Allergic predispositions.

DEVELOPMENTAL DEFECTS

Cor pulmonale (secondary to chronic obstructive pulmonary disease).

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*No data but might be expected to be at high risk.

Hypertension with left ventricular disease.
Coronary insufficiency (*with or without angina).
Rheumatic heart disease.
*Congestive heart failure (secondary to atherosclerotic heart disease).
Chronic bronchitis.
Emphysema.
*Kyphoscoliosis.
Advanced (active or inactive) tuberculosis, histoplasmosis.
Bronchiectasis.

PERSONAL HABITS

Cigarette smoking.
*Heavy exertion.

PHYSICAL CONDITION

Aging or debilitation.
*Premature or newborn state.
Preschool ages.
*Obesity.

LIVING CONDITIONS

Overcrowding.
Malnutrition.
Excessive cold.

WHAT TO A SLAVE IS THE FOURTH OF JULY?

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. RANGEL. Mr. Speaker, as we move toward the Bicentennial year and the great national birthday celebration we in the minority communities continue to feel a certain sense of irony that great sums have been appropriated and are being spent to celebrate 200 years of American history at a time when the minority citizens, who in the most part have been left out of the mainstream of that history, are still suffering the type of economic and social deprivation that makes obscene great expenditures for self-congratulation at the expense of moneys that could be going to social programs.

It is because of this bitter irony that I have consistently opposed the authorizations for appropriations for Bicentennial activities.

The Afro-American Bicentennial Corporation located here in Washington, D.C. has been attempting to influence Bicentennial planning in a more positive direction. Under leadership of Vincent and Bob DeForrest the Afro-American Bicentennial Corporation has been lobbying for more meaningful Bicentennial projects, projects which will leave a legacy of which we can be proud in the next hundred years of our existence.

I was pleased to see that the Amsterdam News in its issue of Saturday, May 11, 1974, paid editorial tribute to the Afro-American Bicentennial Corporation in an editorial entitled, "Food For Thought." I place it in the RECORD for the information of my colleagues:

FOOD FOR THOUGHT

The Afro-American Bicentennial Corporation in Washington, D.C., is taking a hard line approach to America's Bicentennial Corporation.

For example, the organization has posed a question: "How were certain groups (Indians, Mexican-Americans, Blacks, women, Asians, etc.) rendered invisible in the historic, narrative and cultural symbols of the American majority? How does our view of history have to change when the stories of these people are told?"

Continuing on this hard line of approach to the Centennial, the organization quotes the famous words of Frederick Douglass on his views concerning America's celebration of the fourth of July when he said:

"What to the American Slave is your Fourth of July? I answer, a day that reveals to him more than all other days of the year, the gross injustice and cruelty to which he is the constant victim. To him your celebration is a sham; your boasted liberty an unholy license; your national greatness, your sounds of rejoicing are empty and heartless; your denunciation of tyrants, brass-fronted impudence; your shouts of liberty and equality, hollow mockery; your prayers and hymns, your sermons and thanksgivings, with all your religious parade and solemnity, are to him mere bombast, fraud, deception, impiety, and hypocrisy—a thin veil to cover up crimes which would disgrace a nation of savages."

The Afro-American Bicentennial Corporation sees the Bicentennial as a way of focusing this nation's attention on the still unmet economical, political and social needs of the nation's poor Black and Brown citizens and on the contributions which Afro-Americans have made to the nation's heritage.

Unless and until someone comes along with a better idea, we wholeheartedly recommend this one to the National Bicentennial Corporation.

The celebration of this event will consume a lot of time and cost a lot of money.

Such an idea will see to it that this time and money are not wasted.

A PUBLISHER'S VIEWS ON VOTER APATHY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. GAYDOS. Mr. Speaker, the publisher of one of Pennsylvania's finest daily newspapers, Mr. Thomas D. Mansfield of The Daily News in McKeesport, discussed in a recent editorial the growing apathy on the part of many Americans to exercise their right to vote in public elections.

Describing this as "incredible, in a republic where a person's vote should be regarded as a precious gem," Mr. Mansfield observed this indifference has resulted in Federal, State and local governments that no longer respond to people. Too many Americans, he wrote, are ignoring what has become fact: that their attitude toward voting has led to government for public officials instead of government for people.

Mr. Speaker, I am inserting Mr. Mansfield's editorial into the RECORD for the attention of my colleagues in the Congress of the United States. I know they will find his views on voter apathy informative as well as interesting.

VOTER APATHY ELECTION DAY LAMENT

(By Thomas D. Mansfield)

Those of you who keep an eye on the political advertisements, read the posters on utility poles and glance at the card that was handed you on a downtown street or at a mill gate are aware tomorrow is primary election day.

And some who have been stirred by interest in one candidate or another will be going to the polls.

Indeed, many Mon-Yough area residents never miss out on an opportunity to cast a ballot. Unfortunately, these good folks are too few in number.

I was prompted to write this column by a recent news story wherein the "experts" again are predicting a slim turnout of voters tomorrow—not only in this area, but across the country wherever elections are being held.

These so-called experts do their thing twice a year—once in the Spring, once in the Fall. But it seems each year they advance a different reason as to why many, many Americans aren't going to vote.

More recently, for example, those supposedly in the know, and apparently more knowledgeable than I, suggest that "voter distrust"—stemming, of course, from Watergate—is the chief reason why many people are going to stay away from the polls tomorrow.

To some degree, they may be right. But why haven't they fallen back on their predictions of previous years? Then, they forecast poor voter response for such reasons as: (1) the candidates haven't turned them on; (2) the weather is going to keep people at home; (3) there is apathy because no solid issues have been raised in the campaign. I'm sure you can recall others.

This year, the experts have fallen back on Watergate.

But, really, is it Watergate that has failed to prime the voters this year? Was it the absence of "issues" in a previous year?

Isn't it just possible the experts aren't placing the blame where it really lies? On people. You and me.

Certainly, a Pete Flaherty-Herbert Denenberg race for a U.S. Senate nomination should turn people on. It's a pairing that should bring Democrats out in large numbers tomorrow. But will it?

There are other races, notably for state House nominations, that should have folks champing at the bit to go to the polls. And there's a controversial home rule question in Allegheny County that should stir people up. But will it?

Frankly, it seems to me that too many people have an "I don't give a darn" attitude about elections. It's not an issue, nor the lack of one, that fails to get them moving to the polls on election day. They just don't want to be bothered.

As I see it, on this day before election, perhaps all of us should keep in mind that the fruits of our indifference are in full bloom in Washington, in Harrisburg and in state capitals all over the country. Yes, and in the Mon-Yough area, too, on every level of government.

Our indifference has given birth to federal, state and local governments that no longer are responsive to the people. And we have only ourselves to blame.

That indifference has led to our being lulled to sleep, and while we are dozing, government has chipped away at our rights and at our pocketbooks. It's taking more and more, and giving us less in return.

But, can we really blame the politicians for our dilemma? To be honest, if I were a public official today I might be tempted to sit with a smug look on my face.

After all, many officeholders make it to the general election by being nominated in the Spring by a minority of his or her party's voters. Once over the primary "hump", that officeholder can be elected with ease in the Fall if his party enjoys a hefty registration margin, as is often the case.

Sad to say, this is happening all over America today. Not because of Watergate, nor because of rain, nor because there aren't any issues. But because of apathy.

Too many Americans apparently are not shamed by the fact their neighbors are voting, and they aren't. Too many Americans aren't heeding the pleas of their children to get out and vote. And too many Americans are ignoring what has become fact: that their attitude about voting has led to government for public officials instead of government for the people.

Incredibly, in a republic where a person's vote should be regarded as a precious gem, people just aren't getting turned on.

Personally, I feel sorry for the candidate who walks the streets and pounds on doors soliciting votes. The way I see it, he doesn't have much of a chance these days, mainly because too many people just don't seem to care enough to go out and vote.

Is it any wonder the politicians are smiling?

LETTER TO THE SECURITIES AND EXCHANGE COMMISSION REQUESTING INVESTIGATION

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. VANIK. Mr. Speaker, the following copies of form 4 reports to the SEC of two board members are referred to in my special order in the body of today's RECORD:

FORM 4—STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

STATEMENT FOR CALENDAR MONTH, DECEMBER, 1973; DATE OF LAST PREVIOUS STATEMENT, JANUARY 1973; RECEIVED AT SEC, FEB. 25, 1974

1. Name and business address of reporting person: Bovaird, William J., president, the Bovaird Supply Co., P.O. Box 2590, Tulsa, Okla. 74102.
2. State of incorporation: Delaware.
3. If an amendment give date of statement amended: None.
4. Name of Company: Pennzoil Co.
5. IRS or SS identifying number of reporting person: [redacted]
6. Relationships of reporting person to company: Director.

Title of securities	Date of transaction	Amount of securities acquired	Amount of securities disposed of	Character of transaction reported	Purchase or sale price per share or other unit	Amount owned at end of month	Nature of ownership of securities owned at end of month
Common stock	Dec. 21, 1973	12,800		Open market	26		Indirect holdings of Choctaw Corp., an investment company of which the Bovaird Supply Co. owns 7.53 percent.
Do	do	2,500		do	24¾		Do.
Do	do	7,500		do	25		Do.
Do	do	500		do	26	383,300	Do.

STATEMENT FOR CALENDAR MONTH, JANUARY 1974; DATE OF LAST PREVIOUS STATEMENT, DECEMBER 1973; RECEIVED AT SEC, FEB. 25, 1974

Title of securities	Date of transaction	Amount of securities acquired	Amount of securities disposed of	Character of transaction reported	Purchase or sale price per share or other unit	Amount owned at end of month	Nature of ownership of securities owned at end of month
Common stock	Jan. 3, 1974	400		Open market	27¾		Indirect. Holdings of Choctaw Corp an investment company of which the Bovaird Supply Co. owns 7.53 percent.
Do	do	3,100		do	28		Do.
Do	Jan. 4, 1974	4,700		do	27⅝		Do.
Do	do	100		do	27¾		Do.
Do	do	1,200		do	27⅞		Do.
Do	do	3,100		do	28		Do.
Do	do	1,100		do	28⅛		Do.
Do	do	12,000		do	28¼		Do.
Do	do	2,000		do	28⅜		Do.
Do	Jan. 7, 1974	2,300		do	28		Do.
Do	do	3,500		do	28⅛		Do.
Do	do	1,300		do	28¼		Do.
Do	Jan. 8, 1974	100		do	28¼		Do.
Do	do	400		do	28¾		Do.
Do	do	13,200		do	28⅞		Do.
Do	do	4,700		do	29		Do.
Do	do	2,000		do	29⅛		Do.
Do	do	5,500		do	29¼		Do.
Do	Jan. 9, 1974	1,000		do	26¾		Do.
Do	do	1,000		do	27		Do.
Do	do	5,000		do	27½		Do.
Do	do	900		do	27⅞		Do.
Do	do	2,000		do	28		Do.
Do	do	9,700		do	28½		Do.
Do	do	1,800		do	28⅛		Do.
Do	do	500		do	28¼		Do.
Do	do	5,000		do	28⅝		Do.
Do	Jan. 10, 1974	500		do	25¼		Do.
Do	do	500		do	25½		Do.
Do	do	400		do	25⅝		Do.
Do	do	600		do	25¾		Do.
Do	do	500		do	25⅞		Do.
Do	do	2,000		do	26	475,400	Do.

FORM 4—STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES (SECURITIES BOUGHT, SOLD, OR OTHERWISE ACQUIRED OR DISPOSED OF)

1. Name and business address of reporting person: Coleman, George L., P.O. Box 709, Palm Beach, Fla. 33480.
2. State of incorporation: Delaware.
3. If an amendment give date of statement amended: None.
4. Name of company: Pennzoil Co.
5. IRS or SS identifying number of reporting person: [redacted].
6. Relationships of reporting person to company: Director.
7. Date of last previous statement: Feb. 11, 1974.

STATEMENT FOR CALENDAR MONTH—DECEMBER 1973 AND JANUARY AND FEBRUARY 1974; DATE OF LAST PREVIOUS STATEMENT, FEB. 11, 1974; RECEIVED AT SEC, MAR. 5, 1974

Title of securities	Date of transaction	Amount of securities acquired or disposed of	Nature of ownership of securities acquired or disposed of	Character of transaction reported	Purchase or sale price per share or other unit	Amount owned at end of month	Nature of ownership of securities owned at end of month
Common stock						44,387	Direct.
Do						4,480	Indirect.[1]
Do						35,000	Do.[2]
Do						485,000	Do.[3]
Do						699	Do.[4]
Do						5,440	Do.[5]
5¼ percent convertible subordinated debentures (per annum).						$11,000	Do.[3]
Do						$5,000	Do.[4]
Common stock	Dec. 21, 1973	12,800	Indirect	Open market	26.00		
Do	do	2,500	do	do	24.75		
Do	do	7,500	do	do	25.00		
Do	Dec. 24, 1973	500	do	do	26.00	383,300	Do.
Do	Jan. 3, 1974	400	do	do	27.75		
Do	do	3,100	do	do	28.00		
Do	Jan. 4, 1974	4,700	do	do	27.625		
Do	do	100	do	do	27.75		
Do	do	1,200	do	do	27.875		
Do	do	3,100	do	do	28.00		
Do	do	1,100	do	do	28.125		
Do	do	12,000	do	do	28.25		
Do	do	2,000	do	do	28.375		
Do	Jan. 7, 1974	2,300	do	do	28.00		
Do	do	3,500	do	do	28.125		
Do	do	1,300	do	do	28.25		
Do	Jan. 8, 1974	100	do	do	28.25		
Do	do	400	do	do	28.75		
Do	do	13,200	do	do	28.875		
Do	do	4,700	do	do	29.00		
Do	do	2,000	do	do	29.125		
Do	do	5,500	do	do	29.25		
Do	Jan. 9, 1974	1,000	do	do	26.75		
Do	do	1,000	do	do	27.00		
Do	do	5,000	do	do	27.50		
Do	do	900	do	do	27.875		
Do	do	2,000	do	do	28.00		
Do	do	9,700	do	do	28.50		
Do	do	1,800	do	do	28,125		
Do	do	500	do	do	28.25		
Do	do	5,000	do	do	28.625		
Do	Jan. 10, 1974	500	do	do	25.25		
Do	do	500	do	do	25.50		
Do	do	400	do	do	25.625		
Do	do	600	do	do	25.75		
Do	do	500	do	do	25.875		
Do	do	2,000	do	do	26.00	475,400	Do.
Do	Feb. 4, 1974	500	do	do	24.50		
Do	do	1,500	do	do	24.75		
Do	do	1,600	do	do	25.00		
Do	do	400	do	do	24.75		
Do	Feb. 11, 1974	500	do	do	24.25		
Do	do	500	do	do	24.50		
Do	Feb. 12, 1974	500	do	do	24.00		
Do	Feb. 19, 1974	500	do	do	25.625		
Do	do	1,200	do	do	25.75		
Do	do	700	do	do	25.875		
Do	do	700	do	do	26.00		
Do	Feb. 20, 1974	1,000	do	do	26.00	485,000	Do.

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[1] Shares owned by my wife, Dawn L. Coleman.

[2] Shares owned by a trust of which I am trustee and my mother and 3 adult children are beneficiaries.

[3] Shares owned by Choctaw Corp., an investment company in which I own a 7.4 percent interest.

[4] Shares held in my wife's name as custodian for my 3 grandchildren under the Universal Gifts to Minors Act.

[5] Shares owned by my mother, Mrs. Jessie E. Coleman, who is now residing in my household.

SILVER SACERDOTAL JUBILEE HONORING VERY REVEREND THEODORE J. SEGINAK, O.S.B., OF YOUNGSTOWN, OHIO

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. CARNEY of Ohio. Mr. Speaker, on Sunday, May 19, 1974, I had the pleasure of attending the Silver Sacerdotal Jubilee honoring the Very Reverend Theodore J. Seginak, O.S.B., on the 25th anniversary of his ordination to the holy priesthood. Father Seginak is pastor of St. John's Roman Catholic Church of the Byzantine Rite in Youngstown, Ohio.

As a Benedictine, Father Seginak enjoys the privilege of serving in both the Latin Rite and the Byzantine Rite, and is not under the jurisdiction of any bishop except the Holy Father in Rome. During his many years as a priest and missionary, he has helped many people find spiritual fulfillment. The name "Theodore" means "gift from God," and the name "Seginak" means "poor guy." So, Father Seginak is a poor guy who is a gift from God. He has brought the love and peace of God to everyone with whom he has come in contract.

It is indeed a privilege for me to extend my sincere congratulations and best wishes to this good and decent man. We are most fortunate to have him as a member of our community.

Mr. Speaker, I insert excerpts from Father Seginak's silver jubilee program in the RECORD at this time:

SILVER SACERDOTAL JUBILEE HONORING VERY REVEREND THEODORE J. SEGINAK, O.S.B., ON HIS 25TH ANNIVERSARY OF ORDINATION TO THE HOLY PRIESTHOOD, 1949–74, SUNDAY, MAY 19, 1974, MAHONING COUNTRY CLUB, GIRARD, OHIO

LITURGICAL PROGRAM—DIVINE LITURGY OF THANKSGIVING

Celebrant

Very Reverend Theodore Seginak, O.S.B.

Cocelebrants

Rev. Monsignor Michael Hrebin, V.F.
Rev. Monsignor Sylvester Hladky, V.F.
Very Reverend Method A. Royko, O.S.B.

VERY REVEREND THEODORE SEGINAK, O.S.B.

"You have not chosen me but I have chosen you." These are the words of our Divine Savior, and so it was, God who possesses divine wisdom beyond human comprehension, chose the Very Rev. Theodore Joseph Seginak, O.S.B. to follow him, first as a Benedictine Monk at St. Procopius Monastery, Lisle, Illinois. This Monastery was chosen of all the Benedictine Monasteries by Pope Pius XI to work for Church Unity—to promote in a most positive way an understanding between the Byzantine Rite and the Latin Rite. Father Seginak had the privilege of studying at the Catholic University of America in Washington, D.C.

By the grace and goodness of God, the Very Rev. Theodore J. Seginak, O.S.B. was ordained to the holy priesthood on May 8, 1949 at St. Mary's Church in Whiting, Indiana, by the Most Rev. Bishop Daniel Evancho, D.D. together with Rev. Msgr. Michael Hrebin and the late Very Reverend Paul Vasko.

The first assignments given to the newly ordained was to conduct Holy Missions throughout the United States and helping in different Catholic parishes of the Byzantine and Latin Rite—he helped in any last minute emergencies.

Theodore Joseph Seginak was born in Gary, Indiana on March 5, 1921, son of the late John Seginak and Martha Seginak, (nee

Martha Gersak). Father Seginak's mother, sister Suzanne and brother Emil of Silver Spring, Maryland, sisters Marie and Martha at Camp Hill, Pennsylvania and Bethesda, Maryland respectively. Brothers John of Washington, D.C. and Stephen of West Point, New York.

As an infant, Father Seginak and his family moved to Nesquehoning, Pa., the Switzerland of Pa., nestled between two mountains. His hometown was next to Lansford, Pa., the home of the famous Dorsey brothers. It was in this conducive atmosphere and environment that Father Seginak began to think in terms of a higher state of life to be a priest and a missionary, being close to God and nature as he climbed the mountains and passed through the beautiful forests. He attended the Sacred Heart Parochial School and belonged to St. Mary's Church.

During his early years in the Holy Priesthood, Father Seginak was Assistant at St. Michael's Cathedral in Passaic, N.J. His last assignment before being appointed Superior of the Benedictine Fathers at Holy Trinity Monastery, was at St. Nicholas Church, McKeesport, Pa., in 1953. In 1955 the Monastery received its right of autonomy, granting the community members to hold an election for their first Major Superior with Jurisdiction comparable to that of a Bishop. On September 7, 1955, the Very Rev. Theodore J. Seginak, O.S.B. was elected the first Major Superior. Prior to this the Benedictine Community had two appointed Priors—the first was Father Claude Viktora, O.S.B. of the Latin Rite and then Father Method A. Royko, O.S.B. of the Byzantine Rite.

In Catholic Church history, the Benedictine Monks played an important part in the conversion of most of Europe. History refers to their work as the "Benedictine Centuries." Many of the Popes were Benedictines and many Benedictines were Canonized Saints. The Pope issued an Encyclical Letter pertaining to St. Benedict—Father of Europe. The Benedictine Fathers have the special privilege of giving a special blessing to the sick with either the Relic of the True Cross or with the famous Benedictine Medal.

As a Benedictine, Father Seginak enjoys the privilege of Bi-Ritualism—to serve in the Latin Rite as well as the Byzantine Rite. He is under the Jurisdiction of the Holy Father as an exempt religious—not under the Jurisdiction of a Bishop. He could be "loaned out" to work for any Catholic Bishop in the United States with permission of his rightful Superior.

Father Seginak studied at St. Procopius Monastery, Lisle, Illinois (now Illinois Benedictine). During the summer months, he studied at the Catholic University of America in Washington, D. C. and was invited to many universities and abbeys to celebrate mass in the Byzantine Rite. Among them were the following: St. Vincent's Arch Abbey, Latrobe, Pa. (1st Benedictine Monastery in the United States). The Holy Name Cathedral in Chicago, Illinois and Notre Dame University in Indiana and many other places throughout the United States and Europe.

Father Seginak had the great privilege and honor during his tenure of office as a Major Superior to meet with the following Holy Fathers: Pius XII, Pope John and Pope Paul. He attended the congresses which were attended by all Benedictine Superiors throughout the whole world. They all meet at San Anselmo in Rome every two years for the last 20 years.

Father Seginak initiated the summer camp for boys at the Holy Trinity Monastery in Butler, Pa., and continues to operate a boys camp here at St. John's Parish for boys (7–15) in Ohio and Pa. Recently Father Seginak has been elected Senior Consultant and has been appointed to act in the capacity of Public Relations for Holy Trinity Monastery. During his 19 years as a superior of Holy Trinity he was very active and instrumental in the role of Public Relations, that is in making friends and contacts for the monastery.

Father Seginak enjoys being with people of all ages—the market place or hospitals—they love and enjoy his gift from God, his play on words. He makes a sentence out of his own name. Seginak means the poor guy, Theodore means gift from God—so the poor guy is a gift from God. With his God-given gift, he puts joy into the hearts of the downtrodden. He is a real humanitarian and has been asked many times by many people, especially doctors and nurses to write a book on humor.

Our sincerest congratulations are expressed on behalf of the spiritual family of St. John's Parish, family and friends on this joyous and spiritually beautiful occasion of 25 years of faithful service in the Holy Priesthood. May God grant Father Seginak many more spiritually fruitful and happy years!

BANQUET PROGRAM

Invocation, Rev. John Pohorlak.

DINNER

Master of Ceremonies, Mr. Peter Prokop.
Liberty High School Girl's Ensemble.
Remarks, Mrs. Roberta Bundy.
Remarks, Mr. Eric Anderson.
Remarks, Mr. Stephen Shirilla.
Remarks, Mr. Bob Hope.
Remarks, Mr. Dan Casanta.
Remarks, Dr. Michael Kulick.
Remarks, Congressman Charles J. Carney.
Remarks, Rev. Monsignor Michael Hrebin, V.F.
Remarks, Rev. Monsignor Sylvester Hladky, V.F.
Address, Very Rev. Method A. Rovko, O.S.B., Superior of Holy Trinity Monastery.
Response, Very Rev. Theodore J. Seginak, O.S.B., Jubilarian.
Benediction, Rev. George Petro.
Music by—Olympians.
"God Grant You Many Happy Years!"

OBJECTS TO "LYNCH MOB HYSTERIA"

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. DERWINSKI. Mr. Speaker, most Members, I believe, would agree that we work in a somewhat artificial atmosphere here in Washington and that it is healthy to heed the observations and commentary from leading citizens at the grass roots level.

One of Illinois' most distinguished public servants is Carl L. Klein, former assistant secretary of interior in Illinois and a former Illinois State legislator who is now practicing law in Oak Lawn, Ill. His letter to the editor, carried in the Sunday, May 19 issue of the Star-Tribune publications discusses the impeachment issue.

The article follows:

OBJECTS TO "LYNCH MOB HYSTERIA"

(By Carl L. Klein)

The impeachment of the President or other officer is based on the Constitutional provision in Article II Section 4 as follows:

"The President . . . shall be removed from office on Impeachment for and conviction of treason, bribery or other high crimes and misdemeanors."

This statement thus imports an action of at least quasi-criminal nature. The document known as a Bill of Impeachment is therefore akin to a bill of indictment by a grand jury. The action cannot be governed only by these few words. A trial, any trial, even an impeachment trial, must be protected by all the safeguards that the American system of Jurisprudence provides.

The Fifth amendment provides for protection against self-incrimination and the Supreme court has set forth standards as to confessions and admissions in a number of significant cases so that you and I are protected in the event of a potential arrest. It also provides for protection against deprivation of life, liberty or property without due process of law.

The subpoenas issued by the House Judicial committee (like unto a grand jury subpoena) asks the potential accused to furnish the evidence against himself—and to give all the details of his defense before there is even an indictment. Such an action directed against any lesser citizen would result in a dismissal of the charge.

The Sixth amendment to the Constitution provides that all citizens have the right to a trial by an impartial jury. You and I have seen the quotations of many congressmen and senators who have already indicated their stand on one side or the other. It is obvious that there will be no impartial jury in this matter.

John Doar, the committee counsel, has said that there are only allegations to date; Nicholas Von Hoffman has written "One senses the decision has been made and that some time in the next year or so, if not sooner, Nixon will be impeached (and) convicted . . . We're going to do it although nobody will quite know why."

It is a time for soul-searching. Have we proceeded and are we proceeding within not only the total framework of the Constitution but also within the terms of American jurisprudence and fair play? Are we threatening the very foundations of our constitutional forms of government by using popular opinion polls for our guidelines?

And to those who call for resignation, ours is a Constitutional government with set terms. I object to the attempts to turn our Constitutional form of government into a form of plebiscitory or parliamentary government instead. Are we to allow our elected officials to serve at the whim of public opinion polls? Will any President after 1976 be able to survive a bad press or a bad guess?

The stakes in our future are tremendous; the actions taken cannot be hasty or ill-advised; there must be impartial factfinding and decision, full consideration of all consequences on our economy and our foreign relations.

There must not be any lynch mob hysteria, which seemed to me to pervade Washington during my last visit; there must not be actions of vengeance based on personal, political or philosophical differences. There must not be actions for advancement by politically-ambitious men.

Finally, it is my opinion that the tapes are not proper evidence, having been secured directly or indirectly from the accused; that only the testimony of third parties should be considered in the impeachment proceedings; and, that the excessive preoccupation with the stupid acts of a few men with whom I had disagreed in the past, is not of sufficient important nature to justify impeachment proceedings which may rock our entire Constitutional structure, processes and freedom.

THE CENSUS BUREAU'S NEGLECT OF THE SPANISH SPEAKING

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. BADILLO. Mr. Speaker, in order to insure that minorities are afforded the opportunity to equally and fully participate in all aspects of American life and to share whatever benefits may be available an an equal basis with other citizens, it is imperative that we have complete and accurate data on the status of minority communities. Precise and current information is essential if we are to take meaningful action to cope with problems of poverty, poor education and housing, disease, unemployment, and deprivation. It is particularly incumbent upon the Federal Government to take an active and affirmative role in identifying the urgent and special needs of the Nation's minorities, such as those facing the approximately 15 million Spanish-speaking citizens.

During much of the time I have been in the House I have devoted considerable effort in attempting to secure accurate and up-to-date data on those factors which have a direct bearing on the status and progress of the Spanish-speaking community. Unfortunately I have not been able to rely on most of the material furnished by the Bureau of the Census because its data is neither realistic nor accurate and I have long maintained that the Bureau seriously undercounted Puerto Ricans, Mexican Americans, Cubans, and other Spanish-speaking people in this country.

This situation is particularly tragic as a great importance is given to census data—especially in apportioning governmental assistance at all levels—and Census Bureau statistics serve as the benchmark for some 10 years in certain instances. Because of the serious shortcomings in the manner in which the Census Bureau information on the Spanish speaking was collected, cataloged, and reported, the Spanish-speaking community has been penalized because it has failed to receive the proportional share of assistance and programs to which it has been entitled.

Following the release of the 1970 enumeration and related data the Census Bureau blindly maintained that the Spanish speaking had not been undercounted, even in spite of proof to the contrary submitted by groups such as the National Puerto Rican Forum and the Mexican-American Population Commission of California. At long last, however, the claims that the Spanish speaking have not been properly reported have been supported by a comprehensive report issued by the U.S. Commission on Civil Rights. In this 112-page report—entitled "Counting the Forgotten"—the Commission declared that ". . . the Bureau's procedures have been insensitive to the Spanish-speaking background population"; that ". . . the Bureau's efforts to enumerate persons of Spanish-speaking background . . . were not well thought out and, as a result, were inadequate"; that ". . . the Bureau's severe underemployment of persons of Spanish-speaking background contributed to its inability to enumerate effectively persons of Spanish-speaking background and, finally ". . . that there is strong evidence that the Spanish-speaking background population was substantially undercounted."

Space prohibits the inclusion of the entire well-written and timely report in the Record. However, I believe it is important that we carefully review and consider the Commission's findings and recommendations and I insert them herewith for the Record. In view of this report I trust the Census Bureau will now move promptly and effectively to correct its past mistakes and take action to provide more definitive and precise information on Spanish-speaking Americans.

The findings and recommendations follow:

Findings

1. Current and accurate demographic, social, and economic statistics on persons of Spanish speaking background are needed by Federal agencies, State and local governments, private organizations, and individuals for a variety of purposes including the protection of voting rights, the administration of Federal and other public social programs, and the assurance of equal employment opportunity.

2. The Bureau's attention to data collection relating to persons of Spanish speaking background has come late in its history.

a. Blacks have been enumerated since the first census in 1790.

b. Until the 1970 census, the Bureau used no uniform measure which would enable a nationwide estimate of the total population of persons of Spanish speaking background.

3. In 1970, the Bureau made five measures of the Spanish speaking background population.

a. Four of these, surname, language, birth or parentage, and heritage, while providing important data about that population, are correlated only indirectly with membership in that group.

b. The fifth measure, Spanish origin self-identification, is the preferred method but was asked only of 5 percent of the United States population.

4. In determining data collection techniques for the 1970 census, the Bureau did not pay sufficient attention to the methodology necessary to obtain an accurate count of persons of Spanish speaking background.

a. No effort was made to include persons of Spanish speaking background on advisory committees used in conjunction with the preparation of the 1970 census, and no advisory committee was convened to provide assistance on the count of Spanish speaking background persons.

b. Mailing lists for the 1970 census were drawn up from commercial mailing lists of such persons as property tax payers and, therefore, would be unlikely to have included all households of Spanish speaking background.

c. The Bureau made only a meager effort to hire bilingual enumerators; and, thus, there was an insufficient number used during the 1970 census.

d. The Bureau hired an insufficient number of bilingual community education specialists.

e. A sample bilingual or Spanish questionnaire was not mailed to individuals in all areas of high Spanish speaking concentration.

5. The census data on persons of Spanish origin were not released until almost 2 years after data on the total and the black population were released by the Bureau.

6. Press releases announcing the 1970 Spanish speaking background population totals were confusing, failing to make clear the Bureau's esoteric usage of such terms as "birth and parentage," "Spanish language," "Spanish heritage," and "Spanish origin."

7. Evidence that the data finally published undercounts the Spanish speaking background population comes from a variety of sources including independent studies, the Bureau's undercount of the black population, and informed opinions held by some demographers.

a. The Bureau of the Census, itself, has not made an estimate of the undercount of persons of Spanish speaking background, even in selected jurisdictions with high concentrations of members of that group.

b. The Bureau states that the necessary data for estimating the undercount, including vital statistics and immigration/emigration data, are unavailable; but it has not used its influence as the major Federal data collection agency to ensure that such data will be gathered in the future.

c. The Bureau has not made use of the myriad data available on a local basis for estimating the approximate size of the undercount.

8. Although the Bureau is beginning to take steps to make its procedures more sensitive to persons of Spanish-speaking background, its employment practices evidence an underutilization of persons of Spanish speaking background; and this impedes its efforts to ensure that its programs are attentive to the needs of this group.

a. The affirmative action plan of SESA—83 percent of SESA's employees work for the Bureau of the Census—totally disregards the President's Sixteen Point Program as it flagrantly disregards the Civil Service Commission's directive to include action items specifically applicable to that program.

b. SESA's affirmative action plan contains no goals and timetables for the remedy of this underutilization.

c. Despite encouragement from the Civil Service Commission, SESA has not made sufficient use of selective certification procedures in order to hire the bilingual staff necessary for communication with the minority community.

RECOMMENDATIONS

1. The Bureau should familiarize itself with Federal, State, and local government and private needs for demographic, social, and economic statistics on persons of Spanish speaking background.

a. The Bureau should ensure that persons of Spanish speaking background are represented on all advisory committees.

b. The Bureau should establish an advisory committee composed of representatives of a wide variety of Spanish speaking organizations with an interest in using census data.

c. The Bureau should request the assistance of OMB in obtaining information about the need for Spanish speaking background statistics.

2. The Bureau should take steps to ensure that all aspects of its program, including questionnaire design and data collection, tabulation, and publication, are responsive to the needs of the Spanish speaking background population.

3. The Bureau should include the "Spanish origin" question on all questionnaires in the 1980 census.

a. The question should be asked for each member of the household.

b. Separate identification should be made of Mexican Americans, Puerto Ricans, Cubans, Central and South Americans, and other persons of Spanish speaking background.

c. The Bureau should continue to collect data on birth or parentage, surname, and language as characteristics of this population group.

4. The Bureau of the Census should conduct a study to determine the best procedures to ensure total coverage of the Spanish speaking background population in the 1980 census.

a. It should review its procedures for obtaining lists of addresses and use conventional enumeration, if necessary, to ensure coverage of housing units which may not have been listed on address registers.

b. The Bureau should make a special effort to hire bilingual enumerators for the 1980 census and use them for followup and for door-to-door enumeration in areas in which address lists are not complete.

c. The Bureau should inrease its community education program for the 1980 census, ensuring that the program reaches every city of 10,000 or more persons, 5 percent or more of whom are of Spanish speaking background.

d. In addition to the English questionnaire, a bilingual or Spanish questionnaire should automatically be forwarded to every household in census tracts in which 5 percent or more of the population is of Spanish speaking background.

e. The Bureau should conduct a field study in cities such as Bridgeport, Connecticut, and San Antonio, Texas, to perfect its techniques for reaching the Spanish speaking background population.

5. Data on persons of Spanish speaking background collected in the 1980 census should be released simultaneously with the population totals by race.

6. All releases of Spanish origin data should specifically identify what the data are and how they may appropriately be used, clarifying such terms as "birth or parentage," "Spanish language," "heritage," and "origin."

7. The Bureau immediately should begin to develop techniques for measuring a census undercount of persons of Spanish speaking background.

a. It should make known its needs for independent data on Puerto Ricans, Mexican Americans, Cubans, and other persons of Spanish speaking background to the Office of Management and Budget; the Department of Health, Education, and Welfare; and other Federal agencies with statistical responsibilities.

b. It should attempt to estimate the undercount in the 1970 census in selected cities.

8. The Bureau should increase significantly its employment of persons of Spanish speaking background in each of its units of operation.

a. It should conduct an analysis of the underrepresentation of persons of Spanish background in each of its units of operation.

b. It should revise the SESA affirmative action plan to include meaningful action items to increase the employment of persons of Spanish speaking background.

c. It should set goals and timetables for increasing its employment of persons of Spanish speaking background with special attention given to policymaking positions.

d. The Bureau should hire bilingual staff for positions which require communication with the Spanish speaking community.

THE HARD ROAD TO WORLD ORDER—SECOND SECTION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. BINGHAM. Mr. Speaker, I insert herewith the second section of Professor Gardner's article in the April issue of Foreign Affairs, entitled "The Hard Road to World Order." In this section, Professor Gardner describes 10 areas where international "institution-building" is now going on.

The information follows:

THE HARD ROAD TO WORLD ORDER—SECOND SECTION

The hopeful aspect of the present situation is that even as nations resist appeals for "world government" and "the surrender of sovereignty," technological, economic and political interests are forcing them to establish more and more far-reaching arrangements to manage their mutual interdependence. It is instructive to ponder the institutional implications of the negotiations to which nations were already committed before the "energy crisis" preempted international attention in the fall of 1973. Although some of these tasks of institution-building may be complicated or postponed by the energy problem, all are now continuing fixtures on the diplomatic agenda:

1. The non-Communist nations are embarked on a long-term negotiation for the reform of *the international monetary system*, aimed at developing a new system of reserves and settlements to replace the dollar standard and at improving the balance-of-payments adjustment process. The accomplishment of these objectives would almost surely require a revitalization of the International Monetary Fund, which would have unprecedented powers to create new international reserves and to influence national decisions on exchange rates and on domestic monetary and fiscal policies. Such a strengthened IMF might be given power to back its decision by meaningful multilateral sanctions, such as uniform surcharges on the exports of uncooperative surplus countries and the withholding of multilateral and bilateral credits and reserve facilities from recalcitrant deficit countries.

2. Roughly the same wide group of nations is launched on a parallel effort to rewrite the ground rules for the conduct of *international trade*. Among other things, we will be seeking new rules in the General Agreement on Tariffs and Trade to cover a whole range of hitherto unregulated nontariff barriers. These will subject countries to an unprecedented degree of international surveillance over up to now sacronsanct "domestic" policies, such as farm price supports, subsidies, and government procurement practices that have transnational effects. New standards are also envisaged to regulate protectionist measures to cope with "market disruption" from imports. To make these new rules of the game meaningful, GATT arrangements for consultation, conciliation and enforcement of its decisions will have to be greatly improved. Moreover, as will be discussed, the energy and food crises have stimulated a new concern about access to raw materials and a clear need for new ground rules on export controls.

3. The trend in recent years has been toward a steady increase in the resources of the *multilateral development and technical assistance* agencies, in contrast to static or declining bilateral efforts. This should enhance the authority of the World Bank, the regional development banks and the U.N. Development Program over the economic policies of rich and poor nations. By the end of this decade, a portion of aid funds may be channeled to international agencies from sources independent of national decision-making—many have proposed some form of "link" between monetary reserve creation and development aid and some arrangement for the payment to international agencies of fees from the exploitation of seabed mineral resources.

4. The next few years should see a continued strengthening of the new globe and regional agencies charged with protecting the world's *environment*. In addition to comprehensive monitoring of the earth's air, water and soil and of the effects of pollutants on human health, we can look forward to new procedures to implement the principle of State responsibility for national actions that have transnational environmental consequences, probably including some kind of "international environmental impact statement" procedure by which at least some nations agree to have certain kinds of environmental decisions reviewed by independent scientific authorities. At the same time, international agencies will be given broader powers to promulgate and revise standards limiting air and ocean pollution.

5. We are entering a wholly new phase of international concern and international action on *the population problem*, dramatized by the holding this year of the first World Popular Conference to take place at the political level. By the end of this decade, a majority of nations are likely to have explicit population policies, many of them designed to achieve zero population growth by a specific target date. These national policies and targets will be established and implemented in most cases with the help of international agencies. Under their auspices, several billions of dollars in national and international resources will be mobilized in fulfillment of a basic human rights objective already proclaimed by the United Nations in General Assembly Resolution 2542 (XXIV)—that every family in the world should be given "the knowledge and means necessary to determine freely and responsibly the number and spacing of their children."

6. Belatedly, a World Food Conference has been scheduled to deal with the long-neglected problem of assuring sufficient *food supplies* for the world's rapidly growing population. As reserves of food and arable land dwindle under the impact of crop failures and disappointing fish harvests, there is mounting concern about "world food security." The Conference is likely to result in efforts to expand agricultural productivity, assure the maintenance of adequate food reserves, and food aid.

7. In the 1974 Law of the Sea Conference and beyond—in what may be several years of very difficult negotiations—there should eventually emerge a new international regime governing *the world's oceans*. New law is, all agree, urgently needed on such crucial matters as the territorial sea, passage through international straits, fisheries, the exploitation of the mineral resources of the seabed, the regulation of marine pollution, and the conduct of scientific research. To make these new rules of law meaningful, there will have to be tough provisions to assure compliance as well as to provide for the compulsory settlement of disputes. The regulatory responsibilities of the new oceans agency are likely to exceed those of any existing international organization.

8. As the INTELSAT conference has foreshadowed, and in accordance with responsibilities already lodged in principle in the International Telecommunication Union (ITU) and the United Nations, new rules and institutions will almost certainly be created to regulate emerging *communication technologies*, notably direct broadcasting from satellites. While providing some safe-

guards against the unwanted intrusion of foreign broadcasts, these arrangements will aim to maximize the potential for using satellite communications to promote trade and economic development as well as world culture and understanding. Ways will very likely be found to give the United Nations and other international agencies access to this new technology for both operational and informational purposes. The ITU and other agencies will probably be given new powers to allocate radio frequencies and satellite parking orbits among users.

All these are cases where negotiations are already underway or scheduled for the near future. In addition, one could add two other items that have already been, one might have said, negotiated to death over the years; nontheless they are so absolutely critical that progress simply must be made—and nations must come to know this.

9. At some point in the years ahead the world will move beyound U.S.-Soviet agreement on strategic weapons, and NATO-Warsaw Pact agreement on some measure of force reduction, to a truly multilateral set of negotiations (comparable to the nonproliferation treaty) designed to limit *conventional weapons*. It seems inevitable that the United Nations and perhaps regional bodies will be given new responsibilities for the administration of these arms control and disarmament measures, including means of verification and enforcement.

10. And finally, despite the constitutional impasse over U.N. *peacekeeping*, there will in practice be increasing resort to U.N. forces to contain local conflicts. The arguments over authorization, financing and operational control will be resolved on a case-by-case basis where the interests of key countries converge, as they have already in the launching of the United Nations Emergency Force in the Middle East. With the United States, the Soviet Union and China each behaving "more like a country and less like a cause," some principles for mutual noninterference in the internal affairs of other countries are likely to be worked out, either bilaterally or under U.N. auspices. A corollary of such agreements will be international peacekeeping arrangements to patrol borders, supervise elections and verify compliance with nonintervention norms.

Does this list read like a decalogue, more convincing as a statement of what nations *ought* to do in the pursuit of their enlightened self-interest than as a prediction of what they actually *will* do? Let the reader who has this impression go back over the ten items. Admittedly, there is not a one of these specialized negotiations that could not be wrecked and brought to nothing by the same forces of shortsighted nationalism that has crippled the central institutions of the United Nations. But is it not a totally hardheaded prediction that we shall see very substantial changes in the great majority of these areas by the end of the decade?

The reason is simple: for most, perhaps eventually all, of the subjects, failure is simply not an acceptable alternative to decisive coalitions of nations. Felt necessity is often not strong enough to commend assent to general principles with unpredictable applications; but it can lead to agreement on specific measures and regulations.

In short, the case-by-case approach can produce some remarkable concessions of "sovereignty" that could not be achieved on an across-the-board basis. The Soviet Union, China and the United States may be unable to agree on the general rules that should cover U.N. peacekeeping in all unspecified future contingencies, but they may well agree on a U.N. peacekeeping force to secure a permanent Middle East settlement that is otherwise satisfactory to them. The same three countries are unlikely to accept the compulsory jurisdiction of the International Court of Justice over all disputes to which they might be parties, but they may very well agree upon effective third-party machinery for compulsory settlement of disputes on the specific subjects dealt with in a new Law of the Sea agreement—where they recognize compelling national interests in getting other nations as well as themselves to comply with the rules. Thus, while we will not see "world government" in the old-fashioned sense of a single all-embracing global authority, key elements of planetary planning and planetary management will come about on those very specific problems where the facts of interdependence force nations, in their enlightened self-interest, to abandon unilateral decision-making in favor of multilateral processes.

THE CRIMINAL JUSTICE SYSTEM AND THE NEED FOR REFORM

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. OWENS. Mr. Speaker, in August 1968, the Republican candidate for President told the American people:

> Time is running out for the merchants of crime and corruption in American society. The wave of crime is not going to be the wave of the future in the United States of America. We shall reestablish freedom from fear in America.

In that same speech, Richard Nixon also assured us that the crime rate could be reduced dramatically by appointing a new Attorney General.

Today—6 years and five Attorneys General later—crime continues to threaten every section of this country, and no one can truly say that there is "freedom from fear in America."

But to blame the present administration for our inability to cope with America's crime problem makes no more sense than Mr. Nixon's attempt to single out a Democratic Attorney General and a Democratic administration.

The fact is that public officials at all levels of government—Democrats and Republicans alike—must share the failure of government to insure relative peace and security for its citizens.

And no amount of rhetoric, or counter-rhetoric, will reduce our disgraceful crime rate—a crime rate which is far higher than in many other industrialized countries of the world.

THE COST OF CRIME

The cost of crime to the people of our country is staggering. Crime costs our Nation between $20 to $25 billion every year, and some have estimated that those costs are even higher.

In my own State, the statistics tell an equally alarming story. Since 1968, the rate of violent crime has increased by over 50 percent in Utah. And more than 2 out of 100 Utah citizens were victims of some type of crime in 1972.

In Salt Lake and Tooele Counties, serious felonies such as homicide, rape, aggravated assault, burglar, and robbery increased 74 percent between 1967 and 1971—just 4 short years.

And according to a recent study sponsored by the Law Enforcement Assistance Administration, we know that these frightening statistics do not even tell the entire story. For that study showed that most crimes are not even reported by the victim and thus never enter into the statistical picture. Actual crimes are generally two to three times as high as reported crimes in Chicago, Detroit, Los Angeles, and New York; while in Philadelphia it is five times higher.

Beyond the cold statistics, we know what crime means in human terms. Sundown often brings fear to our cities' streets; and once peaceful, rural areas are now beginning to experience this fear. Crime means the failure of small businesses due to thefts and armed robberies. It means the breakdown of long-established neighborhoods. It means that many Americans avoid parks and recreation areas because they fear assaults and muggings. And most distressing of all, if you look behind the crime statistics, you will find that millions of Americans now fear and distrust their fellow citizens.

I have introduced legislation to aid and compensate the victims of crime, and I have sponsored and voted for legislation to compensate the dependents of policemen and firemen killed or disabled in the line of duty. But as important as this legislation is, it only deals with the symptoms of the problem and not the problem itself.

DRUGS AND ORGANIZED CRIME

There is much to be done if we are to succeed in reducing our spiraling crime rate. To begin with, we must continue to strengthen our efforts to stop the traffic in heroin and other dangerous drugs on our streets.

The number of crimes committed by heroin addicts in search of money to support their deadly habit is incredible. According to recent studies, the best estimates indicate that in urban areas about 35 percent of persons arrested for property crimes are narcotics users.

The drug traffic in this country could not exist without the active support and financing of organized crime. But the impact of organized crime on our society extends far beyond the traffic in narcotics.

If we are to eliminate organized crime—and the violence and corruption it breeds—Federal law enforcement authorities must play a central role.

In 1971, the Federal Government was spending approximately $68 million on investigations and prosecutions of organized crime cases. That figure has now risen. In its 1971 report, the National Urban Coalition recommended an increase in outlays for Federal activities against organized crime to $125 million in 1976. But that figure should be even higher today if the Federal Government is to cope with this major aspect of the crime problem.

STATE AND LOCAL LAW ENFORCEMENT

While the Federal Government is uniquely suited to lead the attack against narcotics pushers and organized crime, it would be a serious mistake to assume that reducing our crime rate is primarily the responsibility of the Federal Government.

We must recognize that most of the crime plaguing this country falls within the jurisdiction of State and local governments. Consequently, the primary responsibility for law enforcement and the maintenance of an effective criminal justice system rests with those State and local governments. That is the way it should be. Americans do not want a national police force, nor do they want a Federal responsibility for all law enforcement.

But it has been evident for some time now that our State and local governments need help in their effort to reduce crime. Many local police are inadequately trained and underpaid; State and local courts are increasingly unable to effectively and efficiently deal with their staggering backlog of criminal cases; and the corrections programs in most States have failed to rehabilitate offenders.

We know that more professional and better paid law enforcement personnel, an efficient and well-run judicial system, and corrections programs which rehabilitate offenders rather than teach crime are the keys to substantially reducing crime.

We also know that simply pouring money into one part of a criminal justice system while neglecting other parts of that system will, in the long run, prove ineffective in reducing crime.

The world's best police force will be hamstrung in reducing crime if there are interminable delays in bringing a defendant to trial; and a judicial system operating at maximum efficiency will be meaningless if those convicted in the courts are placed in prisons which produce only hardened criminals.

In 1973, the Utah State Law Enforcement Planning Agency (ULEPA) concluded that we can no longer afford "to plan and fund token projects that affect only part of the criminal justice system."

But Utah—and almost every other State—cannot accomplish comprehensive reform of an entire criminal justice system alone. Our States and local governments, faced with a variety of difficult problems, need substantial financial assistance to achieve this reform, and the Federal Government can provide such assistance.

Passage of the Omnibus Crime Control and Safe Streets Act of 1968 recognized this principle of Federal help. But under that legislation, funds have been distributed on a piecemeal basis; and there has been a notable failure to encourage the type of comprehensive reform of a State's criminal justice system which proponents of this legislation anticipate.

That is why I believe the Federal Government can make its most significant contribution to the fight against crime by encouraging and financing this type of vital reform.

THE MODEL CRIMINAL JUSTICE SYSTEM ACT

And that is why on April 10, 1974, I introduced legislation known as the "Model Criminal Justice System Act" to accomplish this goal.

This legislation reflects the consensus of many experts that we need a bold new program of Federal financial assistance to combat crime—a program which offers substantial assistance as an incentive for comprehensive reform of a State's entire criminal justice system.

My legislation is designed to establish model and experimental programs in several States. It establishes flexible standards for reform of each part of a State's criminal justice system. States interested in participating under this program will, with Federal financial assistance, develop and submit plans designed to meet the standards contained in the bill. And those States whose plans are selected can immediately begin to implement their plans.

This measure contains a comprehensive program for reform with emphasis on law enforcement, the criminal courts, and corrections. For those States, selected under this program, the Federal Government will pay 75 percent of the costs of implementing some reforms and 90 percent of the cost of implementing others.

The most crucial parts of this measure are the standards it establishes for measuring the acceptability of a State's plan for reform. These standards are derived from the recommendations of various commissions and other groups which have carefully examined the problem of crime in America, such as the President's Commission on Law Enforcement and Administration of Justice and various State crime commissions and planning agencies. For example, many of the recommendations of the Utah State Law Enforcement Planning Agency's most recent State plan are embodied in these standards.

LAW ENFORCEMENT REFORMS

The standards on law enforcement are generally designed to improve the recruitment and training of law enforcement officers, and to ensure that these officers—most of whom are now badly underpaid—are fairly compensated for their difficult and demanding work.

While salaries of the Nation's police have increased since 1967, they are still inadequate. That is why an important standard in this bill would require increases in compensation which are appropriate for a professional, in accordance with the size of the community for law enforcement personnel and the cost of living in that community.

Because of their present inadequate level of pay, many policemen in Utah and throughout the country are forced to "moonlight" with other jobs in order to support their families. If we want full-time professional, and well-trained policemen who can concentrate on their law enforcement duties, we must pay a decent wage for such demanding work.

COURT SYSTEM REFORMS

The second broad category of standards under this bill is aimed at improving the fairness and efficiency of the criminal court system. To accomplish the expeditious disposition of crimial cases in those States participating under this program, the bill requires that a State and its localities take whatever steps necessary—such as increasing the number of judges and court personnel and appointing professional court administrators—to ensure that the trial of all criminal cases will be commenced no later than 60 days from the date of a defendant's arrest or the initiation of a prosecution.

Chief Justice Burger, recognizing the link between increasing crime and court delays, has also recommended a 60-day limit for the commencement of all criminal trials. When asked whether delay has been a major factor underlying the rise of crime over the last decade, the Chief Justice responded:

> I cannot think of any judicial factor more important than delay and uncertainty. It's always difficult to assign priorities in this sort of thing, but I know of none I can think of more important than the absence of the sure knowledge that a criminal act will be followed by a speedy trial and punishment.
>
> And that's why I have said that if we could have every criminal trial ready to be presented within 60 days after the arrest or the charge, I think you'd see a very, very sharp drop in the crime rate. It would surely put an end to the large number of crimes committed by men out on bail waiting six months to 18 months to be brought to trial.

CORRECTIONS SYSTEM REFORMS

Finally, the legislation I have introduced calls for basic reforms in the area of corrections. Almost all authorities agree that the weakest link in the criminal justice system is what passes for a program of corrections in most States. There are a variety of reforms which are needed. To begin with, most corrections programs do not have the capacity for dealing flexibly with a broad rank of offenders. We can no longer tolerate a corrections system that allows petty offenders and juveniles to live and learn with hardened criminals.

For the incorrigible offender who poses a clear danger to society, maximum security prisons are necessary. But it makes no sense to build an entire prison system designed to serve only the most hardened criminals and thereby forcing other classes of inmates to adapt to such an institution.

The importance of properly classifying offenders was underlined by the disturbing finding of the President's Crime Commission "that approximately one-fourth of the 400,000 children detained in 1965—for a variety of causes but including truancy, smoking, and running away from home—were held in adult jails and lockups, often with hardened criminals."

Utah, like other States, lacks proper facilities for dealing with juvenile offenders. According to the ULEPA report:

> Adequate juvenile detention facilities are inaccessible on a statewide geographical basis. There are only six approved detention facilities in the State. The majority of counties in the State do not have adequate facilities, and children are often placed in jails . . . The result is that children are placed in detention inappropriately.

As the President's Commission and others have emphasized, a variety of penal institutions and programs are required to meet the special needs of various types of offenders. In particular, the development of community-based correctional facilities—designed to avoid the use of far-removed and isolated institutions—is considered an extremely valuable rehabilitation tool.

In the final analysis, excellent law

enforcement and an efficient court system will do little to reduce the crime rate as long as the prevailing problems in the area of corrections remain unsolved. That is why a vital part of the bill I have introduced requires reforms designed to solve each of these problems faced by so many States.

CONCLUSION

These standards—and the other standards in the bill concerned with law enforcement and the criminal court system—are not novel ideas. They represent the concensus of the best thinking of those who have worked in and studied the system of criminal justice as it exists in this country today.

Indeed, it is depressing that 7 years after the report of the President's Commission on Law Enforcement and Administration of Justice, so many of that Commission's recommendations have either been ignored or only partially implemented.

That Commission—and the commissions and studies that came before it—told us a very simple truth: Crime can be reduced, but only if we are willing to invest in excellent law enforcement, an efficient court system, and a flexible corrections program with the skilled people necessary to offer meaningful treatment and rehabilitation.

Unfortunately, it is very difficult to dramatize the importance of such reforms and to mobilize public opinion on this issue. When an Attica or some other prison riots, there is a temporary call for prison reform. But once the riot is over and forgotten, the demands for reform disappear.

We can no longer afford to ignore the relationship between a rising crime rate and an outmoded, inefficient criminal justice system.

We can no longer continue to act as if a rising crime rate is a fact of life for the years ahead.

Justice Felix Frankfurter reminded us some years ago:

> There is no inevitability in history except as men make it.

With the type of comprehensive reform outlined in the bill I have introduced, I am convinced we can turn that crime rate around—and make our society a more decent and safe place for us and our children.

SYLVIA RAMIREZ HONORED BY LOS ANGELES TV STATION

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. DANIELSON. Mr. Speaker, Sylvia Ramirez, a resident of my congressional district, has long been active in community affairs. She has been successful in all of her civic endeavors, but her most outstanding achievement is the SEEK (Students for Educational Enrichment and Knowledge) program.

Ms. Ramirez founded the SEEK program in 1970 in order to provide talented and gifted children with the opportunity to develop their intellectual abilities and academic potentials through courses not available to them in their regular school curriculums. The SEEK program began with 98 children, all of whom were from Montebello. In 4 years, the program has expanded to include approximately 800 children from the East Los Angeles College District and has become a component of community services at East Los Angeles College. Titled the "Talent Development Program," it consists of 10-week enrichment courses taught by college professors 1 day a week for one and a half hours.

Ms. Ramirez describes the "Talent Development Program" as "an evolutionary concept in progressive education for the illustrious child." She believes it will continue to be successful and will grow. It is her hope that the program will some day be used as a guiding model for every community college throughout the Nation.

Recently, Sylvia Ramirez' outstanding accomplishments in the SEEK program were recognized by the ABC–Channel 7 television show "Girl in My Life." Ms. Ramirez was selected to participate in the show, which recognizes exceptional women who have made significant contributions toward improving the lives of those around them, for her outstanding work, and consistent dedication to SEEK.

The "Girl in My Life" program honoring Ms. Ramirez was aired on Channel 7 on Tuesday, May 21. I would like to congratulate her on receiving this honor, and to thank her for all she has done for her community and for the field of education.

KAREN MORRISON OF ST. CHARLES NAMED MISS U.S.A.

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. McCLORY. Mr. Speaker, it is with great pride that I congratulate today Miss U.S.A.—Karen Jean Morrison of the 13th Congressional District of Illinois. Miss Morrison was awarded the title of Miss U.S.A. May 18 during the 23d annual Miss U.S.A. Pageant at the new Niagara Falls International Convention Center, Niagara Falls, N.Y. Karen is the daughter of Mr. and Mrs. Rex Morrison of 71 North 12th Street, St. Charles, Ill.

Miss Morrison was selected Miss Illinois on April 14 in Decatur, Ill.—in competition with 58 other contestants—which allowed her the opportunity to compete for the title of Miss U.S.A. Karen has recently returned to St. Charles where she will spend a few weeks of relaxation with family and friends before departing to New York City where she will prepare for representing the United States in the Miss Universe Pageant on July 20 in Manila.

Mr. Speaker, the costume Miss Morrison wore during the nationally televised finals last Saturday night represented the American flag in honor of Dr. Bernard Cigrand of Aurora, Ill., who organized the first Flag Day of observance in Chicago in 1895. This annual June 14 observance was later declared a national holiday by President Woodrow Wilson.

Miss U.S.A. is a lifelong resident of St. Charles, Ill. She attended Lincoln Elementary School, graduated from St. Charles High School in 1972, attended Wisconsin State University at Whitewater, Wis., and is presently attending Elgin Community College as a business administration major.

Mr. Speaker, I know how proud her parents—Mr. and Mrs. Rex Morrison—and her younger sister, Linda, a junior at St. Charles High School, must be. The people of the 13th Congressional District and the State of Illinois share that pride with the Morrison family.

THE RAINMAKERS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. FRASER. Mr. Speaker, I would like to commend to the attention of my colleagues an editorial that appeared in the Monday, May 27 issue of the Washington Post on the military use of weather modification. I concur with the Post's view that this country should take the lead in developing international institutions to control weather modification. Our colleague from Maryland (Mr. GUDE) and I have introduced legislation (H. Res. 329) to put the House on record as favoring an international agreement prohibiting research experimentation, or the use of weather modification activities as a weapon of war. The House Foreign Affairs Subcommittee on International Organizations and Movements is planning to hold hearings on this resolution within the next few weeks. The Post editorial follows:

[From the Washington Post, May 27, 1974]

THE RAINMAKERS

The Defense Department has now admitted that from 1967 to 1972 the 7th Air Force conducted a top secret rainmaking program over North and South Vietnam, Laos and Cambodia. All told, 2,602 "cloud-seeding" sorties were flown from Thailand, using the publicly known technique of inducing or accelerating rainfall from dropping burning containers of silver or lead iodine on clouds. The objective was to slow the movement of enemy troops and supplies by drenching the roads, particularly the Ho Chi Minh Trail. The operation was stopped two days after The New York Times, on July 5, 1972, published an article about it.

The best guess—by Deputy Assistant Secretary of Defense Dennis J. Doolin—is that this $21.6 million huffing and puffing in the air added perhaps two inches of rain to the normal monsoon rainfall. There is no way of telling what military effect this might have had. Nor can one predict the effect of this revelation on the reputation of Melvin R. Laird, who as Secretary of Defense denied in an open hearing that there was such an operation, and who now, as a private citizen, corrected his statement in a letter to Sen. J. W. Fulbright (D-Ark.). But such speculations should not distract us from contemplating the horror or, at any rate, the potential horror such operations might unleash.

The science and technology of "cloud-seeding" and other means of changing the weather are in their infancy. Their promise for good is obviously immense. Timely rains might make deserts bloom. But the potential of evil as an instrument of war is frightening. As a good many scientists have testified before Sen. Claiborne Pell's Subcommittee on Oceans and International Environment, we cannot permit man's erratic quarrels to endanger future generations and, indeed, the future of the earth. "We have only one atmosphere on this planet and it may be more deadly than Russian roulette to play with it before we know what we may produce," said one of the scientists, Gerner A. Baum, who represents this country on a United Nations panel on meteorological studies.

The trouble is that when we disturb the balance of nature, the line between good and evil soon disappears. As a hypothetical example, Mr. Baum cited hurricanes. It may eventually become possible for man to eliminate this nuisance and danger. But hurricanes also serve to transport large amounts of converted solar energy from tropical latitudes to polar latitudes. This transfer is essential if the earth is to have a reasonably stable climate, because the amount of energy the sun imparts in the tropics will always be greater than that it imparts in high latitudes. If the hurricanes are eliminated, there is no telling what nature might do to adjust or what would happen in the complex atmosphere-ocean system that now sustains life. It could be, said Mr. Baum, "a deadly gamble."

There are other gambles. They cannot be taken, as Gordon J. F. MacDonald of the Council on Environmental Quality has testified, without "proper and public research and management." As the Federation of Ameri-Scientists wrote President Nixon more than a year ago, when our rainmaking in Southeast Asia was only rumored, "the use of weather modification as a weapon of war is an opening wedge to the use of climate modification, the inducement of earthquakes, and other still more terrible methods. We see geophysical warfare as a 'Pandora's box' to which the seemingly inoffensive weather modification may be the disastrous key."

We therefore commend both Sen. Pell for insisting on public disclosure of this secret operation and Secretary of Defense James R. Schlesinger for coming clean. And we hope that as a logical next step this country will now take the lead in developing international controls over weather manipulation, much as we have taken the lead in banning biological warfare and nuclear testing in the atmosphere. There must be limitations on man's destructive capabilities.

DISASTER RELIEF ACT AMENDMENTS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. STOKES. Mr. Speaker, I would like to commend my colleagues for their decision to pass the conference report on Disaster Relief Act Amendments, S. 3062. This legislation is greatly needed by those portions of Ohio which now need Federal assistance to help them rebuild in the wake of the severe tornado damage inflicted upon them in early April.

Of particular concern to me has been the rebuilding of two excellent institutions of higher education: Wilberforce University and Central State University. These two predominantly black institutions are located in Wilberforce, Ohio, near the urban center of Dayton. Central State is a 4-year, public, coeducational university with more than 2,000 full-time students, while Wilberforce is a private, 4-year, coeducational university with more than 1,000 full-time students. Central State is located on a 60-acre campus with more than 40 buildings. Wilberforce is located on more than 100 acres with more than 15 buildings.

After contacting the presidents of both universities, the Secretary of the Department of Housing and Urban Development, as well as a number of my distinguished colleagues in Congress, and others, I was able to make an early determination of both the extent of the damage and of the desirability of making certain changes in the existing Federal law relating to disaster assistance. I am very pleased that the Congress has passed what has now become Public Law 93-288.

As I have said to many of my colleagues, extending assistance to Central State, and now also to Wilberforce, is a wise and farsighted decision as well as educationally and humanitarianly justified in the short run. These institutions have played and will not continue to play an important role in the educational development of black students as well as of all the citizens of Ohio.

LOAN FOR SOVIET FERTILIZER PROJECT SMELLS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. ASHBROOK. Mr. Speaker, on May 21 William Casey, Chairman of the U.S. Export-Import Bank, announced that the Bank's Directors had authorized a $180 million low-interest loan to help finance a fertilizer manufacturing complex in the Soviet Union. This decision can only be described as outrageous.

Farmers in my 17th Congressional District and throughout the Nation have suffered a serious fertilizer shortage this spring. Many fertilizer manufacturers placed their long-term customers on partial allocation. Some farmers even had their supplies cut off completely.

The fertilizer that has been available has sold at incredibly high prices. The price of ammonia, for example, a common nitrogen fertilizer, jumped from $60 a ton last October to as high as $120 a ton. It has been estimated that U.S. farmers may pay 40 percent more for fertilizer this year than they did in 1973.

High prices and shortages are by no means a short-term problem. Demand for fertilizer is continuing to run far ahead of production capacity.

Faced with this serious situation, what is the response of our Government? The U.S. taxpayer-subsidized Export-Import Bank makes a $180 million loan to the Soviets for a fertilizer manufacturing complex in the Soviet Union. This is ridiculous. If an agency of the U.S. Government is to subsidize any fertilizer plant, it should be right here in America, not the Soviet Union.

And can anyone believe the terms of this deal? The interest on the loan will be only 6 percent—about half the prime commercial lending rate in the United States. The American taxpayer who is subsidizing this loan has been taken to the cleaners again.

THE 200-MILE LIMIT

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. MOAKLEY. Mr. Speaker, in a recent issue, the Patriot-Ledger of Quincy, Mass., ran a persuasive editorial regarding the proposed extension of our territorial waters to a 200-mile limit. This editorial states the options well, and points to the necessity for extended territorial waters if we are to protect our coastal resources from decimation at the hands of modern foreign fleets. Our precious offshore resources must be preserved from overfishing if we are to continue to utilize these most important and valuable waters. The editorial follows:

PROTECTING THE FISH

In the past, The Patriot Ledger has opposed efforts to unilaterally extend United States fisheries jurisdiction beyond the present 12-mile zone.

However, we believe in order to protect declining Northeast Atlantic fish stocks and promote orderly and regulated fishing consistent with conservation of this valuable marine resource, national action is now required.

We therefore support, with one reservation, the bills filed in the Congress by Sen. Warren G. Magnuson, D-Wash., (S. 1988) and Rep. Gerry E. Studds, D-Cohasset (H. 8665), the "Interim Fisheries Zone Extension and Management Act," which would extend U.S. fisheries jurisdiction to 200 miles offshore. But instead of having the 200-mile fishery zone apply to the whole U.S. coast, it should be limited to those areas where the problems are, in the Northeast and Northwest.

At hearings on the Senate bill held last week in Boston before the Senate Commerce Committee, Massachusetts members of Congress, state officials and fishing interests stressed the points that protection of dwindling coastal fish stocks is urgent and imperative; that large, modern foreign fishing vessels are systematically depleting the most valuable food fish; that international agreements have been inadequate in conserving fish stocks and are inadequately and unevenly enforced; and that the best way of protecting valuable species from virtual extinction is by extending American jurisdiction to cover the prime fighting areas.

The State Department and other federal agencies have opposed such action, as has The Patriot Ledger, not because of lack of sympathy for New England fishermen, but because of broader international considerations.

Next month, in Caracas, Venezuela, the third international Law of the Sea Conference is scheduled to begin. This United Nations conference will deal with matters of extreme importance to nations of the world; the goal is to avoid impending anarchy over uses of the ocean and its living and mineral resources.

Without such agreement, it is feared, the oceans could become a battleground for competing claims over their uses and their resources. As powerful nations in previous centuries laid claim to land territories in creating colonial empires, so the oceans could become prey to national claims, to the detriment of other nations.

The rational way out of this maritime encroachment is a global, accepted uniform limit to offshore national sovereignty with most of the oceans and their resources reserved as the common heritage of mankind under international management. This means coastal states would have to waive national claims to sovereignty over adjacent waters beyond a specified limit, as well as to underwater resources.

The U.S., like most maritime nations, has conflicting interests.

On the one hand, there are the marine resources, including fish, offshore oil and gas, and deepsea minerals, as well as national security considerations, which tempt nations to extend their offshore jurisdictions.

On the other hand, there is a matter of freedom of navigation and of marine scientific research. Shipping and naval considerations call for the narrowest possible territorial seas, and for insistence upon freedom of navigation through international straights and waterways.

The basic United States position, therefore, at the Law of the Sea Conference includes a maximum breadth of 12 miles for the territorial sea (which would be an extension of the present three-mile U.S. territorial sea under the old "Cannon Shot Rule" of 1737); free transit through and over straits used for international navigation; international standards and controls to protect the marine environment from pollution; an agreement on freedom of marine scientific research; and reservation of deep seabed resources to an international authority which would manage and regulate exploration and exploitation.

By and large, the U.S. position is admirably idealistic and self-denying, for the U.S. has the technological prowess to exploit deepsea resources, and the military power to extend its coastal jurisdiction even beyond the continental shelf. But if every nation did so, there would be little of the oceans for international use, and the U.S. would be in trouble elsewhere in the world where it had maritime interests. So the United States has opposed unilateral claims by other nations to 200-mile territorial waters and/or exclusive economic rights, including fishing.

The U.S. government also has opposed efforts, such as the Studds-Magnuson bills, to extend our fishing jurisdiction to 200 miles. If this were done, the administration has argued it would jeopardize international efforts to restrain other coastal states' claims, would amount to recognition of existing 200-mile claims, and would tend to promote a universal 200-mile limit—which would give coastal states control over about 70 per cent of the world's total ocean territory and almost all maritime wealth.

Yet what in fact is happening is the development of an international consensus on a coastal state economic zone out to 200 miles, which may become about the same thing as a 200-mile zone. The U.S. draft treaty provides for exclusive coastal state jurisdiction over marine resources (excluding fisheries), tempered by international standards, within a "coastal seabed economic area." The extent of this area is to be thrashed out at the conference, but most coastal nations favor 200 miles.

Instead of a 200-mile fisheries zone, the U.S. has proposed a "species approach," and has begged New England to be patient while an international agreement to this effect is being worked out.

The species approach is based on the premise that "coastal state rights should depend upon the biological characteristics, including migratory habits, of the different species of fish involved and should not be exercised in a zone of fixed mileage off the coast."

Under this approach, coastal stocks (such as cod, haddock, flounder) would be under the jurisdiction of the coastal state—this could be beyond a 200-mile limit!—and coastal states also would regulate and have preferential rights to anadromous fish (those which ascend rivers for breeding, such as salmon), throughout their migratory range. Tuna and other highly migratory oceanic species would be regulated by international organizations.

If a species approach were negotiated, New England could wind up with greater American control over its most valuable fish than under a 200-mile-limit. A species approach is no less 'protectionist" than a preferential fishing zone.

But the hangups are, "if" and "when," as well as the more problematic matter of enforcement under a species approach. A territorial definition has the virtue of having a distinct cut-off line; a species approach does not. And under territorial regulation, it is possible to impose quotas and regulations on fishing operations for various species. Highly migratory fish, such as tuna, would be under international control in both the government position and the Magnuson-Studds bill.

Out of this, several points may be drawn:

1. There is an urgency to the Northeast fishing problem that must be promptly met. International agreements may take years to negotiate. The Magnuson-Studds legislation would meet that immediate need, but is not intended as a permanent claim. It would go out of existence when Law of the Sea provisions go into effect.

2. The 200-mile fishing jurisdiction would be no more protectionist in concept than the U.S. government's proposed species approach and would be simpler to enforce. Foreign fishermen in both cases would share in the catch.

3. While we favor a narrow territorial sea and a narrow zone of national economic jurisdiction beyond that, most coastal nations favor a 200-mile economic zone. If this is to be the norm for oil, gas and mineral exploitation, a 200-mile fisheries conservation zone is not incompatible and should not jeopardize international negotiations.

4. The international impact can be limited by emphasizing the U.S. action as necessary to conserve valuable species and by limiting the 200-mile jurisdiction to those areas in which overfishing is depleting important species.

Limiting the 200-mile zone to the most threatened fishing grounds off the Northeast and Northeast Coasts, perhaps above a certain latitude, would demonstrate American concern for conservation, rather than territorial expansion, and it would avoid potential jurisdictional problems with Cuba and Mexico, Canada should be invited to help work out problems of mutual interest.

ARMENIAN INDEPENDENCE DAY

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. CAREY of New York. Mr. Speaker, today May 28, American of Armenian descent celebrate a very important event—the 56th anniversary of their independence.

The courageous people of Armenia have spent more than 600 years in search of liberty, suffering under their oppressors but never giving up hope that one day freedom would be theirs. And for 2 brief years, freedom for Armenia was a reality. It was, however, quickly ended when Russia and Turkey partitioned the fledgling Republic of Armenia.

The gallant Armenians are still committed to efforts to restore liberty to their country. Despite incalculable hardships, they have kept alive the hope that one day soon their brothers and sisters will be free once again.

On April 24, we marked a great tragedy in the history of this country—the death of 1 million Armenians who died in a massacre attempting to gain liberty, and the banishment of 500,000 Armenians who were driven from their homeland in an effort to rid the land of all those who strove for liberty.

May 28, however, should be a day on which we lift our heads once again and renew the bond that all men share who savor freedom. It should also be a day on which we reaffirm our commitment to all those people who struggle under the domination of others.

May the time not be too far in the future when we can celebrate a lasting independence for Armenia and the achievement of freedom for all those who have never given up hope for a brighter future.

COMMUNITY ACTION: A RECORD OF SERVICE TO THE ATLANTA AREA

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. YOUNG of Georgia. Mr. Speaker, as the House considers the Community Services Act, I would like to acquaint Members with the outstanding record of service to the Atlanta area by Economic Opportunity Atlanta, EOA, a community action agency in my district.

EOA directly employs 430 people, but more importantly, it reaches many thousands of people.

The agency is very much oriented to participation by poor people in decisions which affect their communities. Last year, 33,000 residents of such communities voted in the EOA neighborhood elections. It is generally acknowledged that the turnout of poor voters led to passage of the referendum to build the Atlanta area's new mass transportation system—MARTA, a $1.4 billion project which benefits all of the people, rich and poor, in the area.

At the heart of the EOA program is its system of neighborhood service centers. Some 20,000 people utilized the centers last year—people with serious problems thus receiving immediate attention in their own communities.

EOA also coordinates numerous programs, in cooperation with many other agencies. Some of these are:

Job training and placement benefiting 4,000 people last year.

Head Start, which is serving 800 youngsters at any given time.

Rodent control which has resulted in

a substantial decline in the incidence of rat bites.

Atlanta's super summer, which last year provided 13,000 jobs for young people in the public and private sectors, served lunch to 12,000 youngsters, and involved 100,000 kids in recreational programs.

The revised manpower and job program. EOA is working with the city of Atlanta to make sure that disadvantaged people get their fair share of the training and placement assistance.

Health services, such as extending the services of Grady Memorial Hospital into neighborhoods and helping to arrange for resources for volunteer health clinics. The highly regarded South Side Comprehensive Health Service Center in Atlanta is a spinoff program from EOA.

These are examples of the constructive changes and services made possible by programs in which EOA is involved. In my judgment, the agency's budget of $2.9 billion is a wise and prudent investment.

Equal Opportunity Atlanta, and the Office of Economic Opportunity at the Federal level, certainly deserve significant credit for helping to reduce the rate of poverty in the Atlanta area. In the decade of the 1960's, the rate of the decline of poverty in metropolitan Atlanta was three times greater than in the average urban community in the Nation. The rate of poverty in the area, now estimated at 12 to 13 percent of the population, is now below the national average.

These kinds of results, Mr. Speaker, are ample justification for continuing community action programs and extending services to the poor.

STEWART ALSOP

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. SARASIN. Mr. Speaker, it is with deep sympathy that I rise to address this chamber on the passing of a great American and a truly great human being, Stewart Alsop.

Mr. Alsop's career as a man of words was distinguished by his ability to view and report on national and world affairs with wit and understanding, wisdom and sensitivity.

His work was never tainted by personal prejudice or his own beliefs regardless of the actions on which he was reporting. He was always concerned for the future of his country, which he loved so very deeply.

I wish to offer my personal sorrow and prayers to his family, and Mr. Speaker, ask that my colleagues pause for a moment in their hectic schedule to meditate on the accomplishments of this man.

I wish to enclose at this time the editorial printed yesterday in the Washington Post which sums up my feelings:

STEWART ALSOP

Stewart Alsop's execution by leukemia at the age of 60 could be delayed no longer, not even by doctors at the National Institutes of Health. Refusing a blindfold, he watched death's approach for more than two years. He reported its encroachment as he reported national and world affairs—with wit and wisdom, sensitivity and understanding. Contemporary letters offer no more courageous chronicle than one of the last things he wrote, his book "Stay of Execution, a sort of memoir." In it, he looked forward reluctantly to the end of his road and backward happily to landmarks along the way of a good life.

Mr. Alsop was an extraordinary journalist. No ideological tag quite fitted him. He was neither conservative nor radical in any conventional sense. His view of affairs was his own, unique and persuasive. His facility with words—the elegant phrase, the right literary quotation, the apt historical reference—was part of it, but not all of it. His special gift was a degree of common sense uncommon in the market place of political ideas. His articles for The Saturday Evening Post and, later, his columns for Newsweek won approval all across the ideological spectrum. Readers of conflicting persuasions sensed that he was a writer unencumbered by immutable prejudice, capable of looking the facts and the public men who acted upon them squarely in the eye. His opinions were fresh but not quirky, different but not for the sake of difference.

As scores of posthumous biographies of writers attest, it is usually better not to know too much about the private lives of authors one admires. The men behind the words too often prove to be neurotic, unpleasant or inordinately vain. Mr. Alsop was the ultimate exception to this rule. He was a gentleman not because he was the scion of a sturdy old Connecticut family, a graduate of Groton and Yale and possessor of a distinguished war record, but because he was truly a gentle man. He cherished his family and his friends and was cherished by them. He insisted upon regarding his own earlier life, especially his World War II service in the British and American armies, part of it behind enemy lines in German-occupied France, as something of a lark. His reaction to recent American history was far more serious.

In the last chapter of his book he wrote:

At the beginning . . . I described that trapped and desperate feeling that came over me after I had been told that I would die quite soon. [Later], when I felt so sick, I felt rather sure that I would die quite soon, and perhaps very soon, within the next day or so. I did not at all welcome the prospect, but it filled me with no sense of panic . . . Why the difference?

Perhaps the state of the nation had something—a little something—to do with the difference. For weeks now I have been haunted and depressed by a sense that the American system, in which I have always believed in an unquestioning sort of way, the way a boy believes in his family, is really falling apart; by a sense that we are a failed nation, a failed people. And Watergate is surely a peculiarly depressing way to say farewell to our greatness. It is a whimper—a sleazy little whimper, a grubby little whimper—rather than a bang.

The thought has occurred to me quite often in recent weeks that this is a good time to bow out. No doubt it was the state of Alsop, far more than the state of the nation, that caused this thought to occur to me so often.

It was like Stewart Alsop to blame his dire forebodings on his own condition more than the country's. His tendency was optimistic, as indicated elsewhere on this page today by a fragment from an earlier book about Washington, "The Center," which was written when the state of Alsop was sturdier. But he was always realistic and tough-minded and his worries about the state of the nation, as his recent columns showed, were constant, not reflections of the ups and downs of his health. He was concerned for the future of his children and for everybody else's children. He was concerned, in other words, for the future of his country—for he was profoundly a patriot, though not in the mindless, love-it-or-leave-it way that passes for patriotism. His love of country was in no way weakened by amusement at the way it worked, or impatience with its faults, or anguish over its failures. Stewart Alsop was a man who believed in facing up to things, including his own death. And so he died as he had lived—gallantly.

A LOOK AT THE PROBLEMS OF SMALL CITIES

HON. ROBERT B. (BOB) MATHIAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. MATHIAS of California. Mr. Speaker, today I want to share with my colleagues a letter I recently received from Dolph Frisius, city manager of Woodlake, Calif. Woodlake is a small city in my congressional district which, like many other small cities throughout the Nation, has experienced and continues to experience a number of problems. In his letter, Mr. Frisius discusses some of the major problem areas facing our small California towns. For example, he wrote:

> Small cities have the same type of problems as the larger cities and less financial capacity to solve those problems. Why should these small cities once again be relegated to a position of second class citizenship? Why shouldn't the small cities of America be given at least the same benefits as the large cities?

Mr. Frisius has written an excellent letter in which he discusses the impact of inflation on small cities, the effects of frozen revenues due to State laws, the impact of increased costs due to State laws, grantsmanship, and the financial problems facing small cities.

I commend this letter to the attention of all Members of Congress:

CITY OF WOODLAKE,
Woodlake, Calif., April 30, 1974.

Congressman ROBERT MATHIAS,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MATHIAS: Thank you for meeting with Don Kemp, City Manager of Exeter, and myself recently. In the meeting, we discussed the financial problems of small cities, which are compounding because of a series of outside forces over which we have no control.

At the conclusion of our meeting, you requested an outline of these forces which particularly affect the small cities. Accordingly, the following outline highlights most of the reasons for the current dilemma of small cities in California:

1. INFLATION

The impact of inflation on the small city cannot easily be overstated. Smaller cities generally provide only the basic, necessary services. Since these services cannot be cut out, or even significantly reduced, small cities must increase revenue to offset the added burden of inflation.

2. FROZEN REVENUES DUE TO STATE LAWS

The California State Legislature has virtually frozen the sources of revenue for all California cities. The smaller cities are dependent on state subventions for most of the revenue pie, and these subventions are tied directly to the economy. In a declining economy, these sources of revenue decline proportionately.

Yet the demand for local government services does not decline during an economic slowdown. On the contrary demand for services often increases during a slowdown.

3. INCREASED COST DUE TO STATE LAWS

The California State Legislature has passed many laws in the past three or four years which *mandate* higher costs to California cities. Yet, the state does not provide increased revenue to pay for these costs.

The law which froze property taxes, SB90, stipulates that the State will provide the revenue to cities to meet the cost of any state mandated program. However, it hasn't worked that way. Since passage of SB90, most state laws mandating increased costs to cities contain a "disclaimer clause", disclaiming the obligation of the state under SB90 to provide the money—"for this particular bill".

This is obviously unjust. The state obligates itself to pay for increased costs it mandates on the cities, yet denies that the obligation exists for most mandated programs.

4. GRANTSMANSHIP

Large cities have always had a clear and distinct advantage over smaller cities in applying for state and federal grants. The reason for this is simply that the large cities can afford the staff required to go through the extensive requirements for these grants, while the small cities cannot. The result of the grantsmanships game is that large cities receive the overwhelming majority of grant funds from the state and federal governments.

SUMMARY OF CITY FINANCIAL PROBLEMS

In summary, cities across the nation are being squeezed between the pincer's of rising costs and declining revenues in the trend of a possible inflation-recession situation that faces the nation. As the main providers of domestic public services, cities will be called on to increase their expenditures greatly to meet the problem of a recession. Yet the revenues available to cities will decline as the demands increase. Moreover, California cities face the additional dilemma of a state law which effectively freezes their capacity to increase revenues.

Small cities face most of the same problems faced by the large metropolitan cities. The numbers are different but proportions are about the same. Yet the big cities have historically had a very significant advantage in obtaining state and federal grants.

COMMUNITY DEVELOPMENT LAW

The cities of this nation are being called on to provide an increasing number of services, including an emphasis on social services. The enactment of the General Revenue Sharing Act of 1972 has been the dramatic and welcome expression by the Congress and the Administration of the new emphasis on bringing more government to the city level.

We believe that this emphasis is an important and highly beneficial one, for we sincerely believe that it will result in a more responsive government because the people have more direct and immediate access to their city councilmen than to the state or federal officials.

The financial problems faced by this nation's cities are very real. Although cities are now receiving general revenue sharing funds, this benefit has been offset by the cessation of the block grants since January 1973. The loss of the block grants has meant the death of many highly important water, sewer and development projects. These large projects cannot be financed solely from local revenue of most cities. This is especially true of smaller rural cities, which don't have sufficient tax base.

We understand that three bills are being considered in Washington, D.C., all dealing with community development entitlement programs. These three bills are for the purpose of assisting cities with the financing of community development projects. Therefore, any of the three bills would be of great assistance to cities in financing large projects. All three bills have many outstanding features.

However, there is one major problem. All of the bills provide an "automatic entitlement" feature in which all of the cities automatically receive funds for community development . . . *except* cities under 50,000 in population. We strongly believe that this exclusion is unjust. Once again the large cities are given a tremendous advantage over small cities, even though the large cities already had a strong advantage in obtaining federal funds in the past.

Small cities have the same type of problems as the larger cities, and less financial capacity to solve those problems. Why should these small cities once again be relegated to a position of second class citizenship? Why shouldn't the small cities of America be given at least the same benefits as the large cities?

Much of the crime, racial disturbance, pollution, drug abuse and other serious problems found in large cities is a byproduct of dense population . . . too many people squeezed into a confined space. Therefore, why not change our national priorities to place "decentralization" as one of the highest goals?

The community development act which ultimately becomes law should give small towns and cities at *least* equal treatment. The law should *not* exclude small cities under 50,000 in population from automatic entitlement for those funds. The small cities should not be placed in the position of having to compete with other small towns for so-called "discretionary funds".

Block grants should be made directly to units of general purpose local government without regard to population size. Please support us by requesting that the community development act be modified to eliminate the clause which excludes cities under 50,000 population from automatic entitlement.

Thank you for your concern for the problems faced by the small cities, particularly in rural America. We believe that the quality of life can be improved through a policy of decentralization in which small cities are provided with their proportionate share of federal development funds.

Your support on this important matter will be greatly appreciated.

Very truly yours,

DOLPH FRISIUS,
City Manager.

MRS. EUGENIE FORDE

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. DE LUGO. Mr. Speaker, I wish to bring to the attention of my colleagues the following profile of Mrs. Eugenie Forde, a lady who has spent a life of loving commitment as nurse, midwife, mother, and community leader.

In a 50-year career, Mrs. Forde has assisted in over 4,500 births in the Virgin Islands. After studying at the municipal hospital's training school in St. Thomas, she began to practice nursing in 1920 when the majority of births occurred in the home. She walked miles and waited hours to welcome the newborn into the light.

As modern medical discoveries influenced theories and techniques of childbirth, Mrs. Forde grew with her profession. She continued her studies at Johns Hopkins Hospital in Baltimore, Freedmen's Hospital in Washington, and Columbia University in New York. These years of experience and education were rewarded in 1953 when Mrs. Forde was named supervisor of the obstetrical ward of the newly constructed Knud Hansen Memorial Hospital. The increased space and staff provided by this new facility brought most expectant mothers into the hospital to give birth. Mrs. Forde remained at this position until her retirement in 1970.

To complement this career, Eugenie Forde maintained an active role in such community organizations as the Catholic Daughters of America, the Friends of Denmark, and the Women's League. Her civic and professional contributions were acknowledged with the following awards: "Woman of the Year" by the Business and Professional Women's Club, and "Nurse of the Year" by the Women's League.

As if this public activity was not enough to dominate her time, Eugenie also raised a family of 4, and is now the proud grandmother of 13.

Mrs. Forde is a truly extraordinary woman whose inexhaustible humanity has touched the hearts of her fellow Virgin Islanders. I would like to add my most sincere thank you for the talent, energy, and love she has given so freely to our community.

A detailed profile of Mrs. Forde from the May 12 issue of the Virgin Islands Post follows:

[From the Virgin Islands Post, May 12, 1974]

MRS. EUGENIE FORDE

(By Judith Ottley Hoston)

The story of Mrs. Eugenie Forde can be summarized in just a few words . . . a loving mother and nurse, who taught, counseled and pioneered with kind-hearted concern for the people she served.

At the time when Mrs. Forde became interested in the nurse-midwifery training program, in 1917, the Municipal Hospital was not quite as modern as the Knud-Hansen Memorial Hospital is today. Except for the mothers who had complications, a great many women at that time had their babies delivered in the home.

This is where Mrs. Forde stepped in. She recalls that many times she was called upon to go into the rural areas to deliver babies, the roads were as narrow as paths, allowing travel on horseback or donkey.

The lack of electricity on the island made it increasingly difficult for home deliveries. It was danger to do a delivery by candlelight or lamp. The light from the kerosene lamp or candle was the only means of illumination available for the procedure. In the town area, house calls were made by car or on foot.

The hardships of midwifery were seldom weighed by Mrs. Forde in these early times. The joys experienced by welcoming the newborn into this world far surpassed the hardships or inconveniences experienced while on some delivery calls. Mrs. Forde remembers many a time she would have to go without meals for twelve or more hours while waiting for a newborn arrival. "At one time I did not lay my head on a bed for 72 hours" she recalled.

4,500 babies, now adults, including this writer, have Mrs. Forde to thank for their safe journey into this world. Many of these babies have grown up to become doctors, lawyers, nurses, businessmen, senators and teachers.

Experience alone did not make Mrs. Forde such an excellent nurse. She graduated from the highest grade in the Catholic Night School. At that time she received merit for being first in the class and for good behavior. Mrs. Forde taught fourth grade at the Catholic School for a year before beginning her formal training in nursing. In November of 1917, she entered the Municipal Hospital's training school in St. Thomas, for three years. She received basic nurses training, then practiced as a graduate nurse until February 1921. In 1948 Mrs. Forde attended a post graduate course for Nurse Midwives at Maryland County offered by Johns Hopkins Hospital in Baltimore, and she later obtained training at Freedmans Hospital under Howard University in Washington, D.C. For the purpose of keeping up with modern trends she attended another course at Columbia in New York, oriented around nurse midwifery.

In 1953 Knud Hansen Memorial Hospital was built. Its modern labor and delivery rooms, made it possible for all patients to be treated at the hospital. Shortly after Mrs. Forde was named nurse-midwife supervisor of the obstetrical unit. She served in this position for 17 years. Her objective was not only to meet the total needs of the mothers and infants she nursed, but to help to comfort and console the members of the families.

When it came to the delivering of a baby and the caring of a mother, Mrs. Forde explains, "the best of care was given to all patients alike, regardless of race, color and social status."

Mrs. Forde thinks nursing was her call to duty. She regards the field of nursing as a dignified, philantropic profession. The nursing profession awarded her that sense of satisfaction that comes from being able to help your fellow man in every way. "If I had to live my life all over again, I would become a nurse midwife again," declared Mrs. Forde. There were times of despair but Mrs. Forde was never discouraged to the point of regret. Religion has always played a great job in her life and throughout her career, in moments of despair, she received great comfort from the "higher power."

Mrs. Forde loves to travel. She has traveled extensively to the neighboring Carribbean islands. As a child, with a strong religious background, Mrs. Forde always wished to see the land where the Savior walked. Today she is thankful that her prayers as a child were answered. In 1972, Mrs. Forde visited many places in Europe, including Italy, France, Spain, Portugal and Israel.

Mrs. Forde has been a very active and involved woman throughout her years, even though nursing took up the majority of her time. She joined every society within her church. Today she is still active in the Catholic Daughters of America, and the Friends of Denmark.

Mrs. Forde has also been an active member of the Women's League which at one time honored her as "Nurse of The Year". For two consecutive years, she was honored as Woman of The Year by The Business and Professional Women's Club of which she is still a member.

Mrs. Forde's husband died many years ago. She has four children and 13 grandchildren.

Mrs. Forde was retired from midwifery profession in 1970. Today the facilities are more advanced and Public Health Services and Clinics made midwifery somewhat outmoded. Nevertheless, Mrs. Forde looks at it as a continuing experience comparable to no other profession. She encourages young people in high school, boys as well as girls, to go into this humanitarian profession of nursing and health care.

Mrs. Forde feels the profession as a whole has not changed much. There are still very well trained nurses who enjoy helping people and don't mind the hard work. "I have had people from the U.S. and Europe, who have been treated at the local hospital and comment on the remarkable care they have received," she notes.

VENEZUELA AMENDMENT

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. GUNTER. Mr. Speaker, in connection with the amendment to be offered when the U.S. Sugar Act is considered on the floor early in the coming month, which amendment would suspend a sugar quota for Venezuela until such time as that country's oil pricing policies return to a responsible economic level, it is important that the thrust of the amendment be considered in terms of the broader global economic situation confronting the United States and the necessity to formulate a clear economic response and policy by the United States.

The overall perspective that guides the authors of the amendment and our objectives are authoritatively set forth in an accompanying article by renowned economist Eliot Janeway in a manner which we believe best describes the purposes and hoped for effects of the amendment if adopted.

Because I believe Mr. Janeway's views are worthy of the attention and careful thought of my colleagues, I include at this point the full text of an article by Mr. Janeway as it appeared in the Sacramento Bee of Sunday, February 10, 1974, under the heading, "Agripower: Potent U.S. Weapon for Oil Showdown."

[From the Sacramento Bee, Feb. 10, 1974]

AGRIPOWER: POTENT U.S. WEAPON FOR OIL SHOWDOWN

(By Eliot Janeway)

"The Year of Europe" was the slogan Secretary Of State Henry Kissinger proclaimed as a promise of peace and prosperity to America in 1973. Instead, 1973 turned out to be a year of isolation for America. Now 1974 looms as a year threatening disaster for the world.

This threat can be averted if—but only if—Washington moves quickly and effectively to get her own back from her former clients overseas. It is not blind nationalism to recognize that what's good for the American economy is best for the world for international stability is impossible so long as America remains off balance in her international dealings.

RESOURCES "WASTED"

The danger is not of a worldwide depression precipitated by a fuel shortage. The oil scare was never anything but a cover for the price push, and the risk of depression will remain even though the oil will flow. The problem lies in America's refusal to recognize that she is wasting her own resources internationally, instead of bargaining with them. Her failure to bring her distinctive sources of economic strength to the trading table is preventing a solution.

Economic geography has been immeasurably more bountiful to America than to the Arab world, and America has done immeasurably more with it here at home. The facts of economic geography stand as a warning to the Arab petro-politicians that playing America as a "pitiful, helpless giant" is tricky politics and bad business.

WORLD'S AGRIPOWER

America's commanding position as the world's sole agripower offers her a golden opportunity to emerge again as a decisive, international force for peace and prosperity.

The world protein revolution depends on our production of foods and feeds. It is too far advanced to be stopped. But its acceleration has been supported by the bargain basis on which American food products have been available.

Now the revaluation of world oil prices is inviting a counter-revaluation of American farm prices. This will not slow down the world protein revolution. But it will bring an overdue correction in America's terms of trade with all her customers. It will also reassert her economic bargaining power and remind the world how powerful a political weapon this is.

NO OTHER SOURCE

Months before the Yom Kippur war triggered the oil revaluation, the Saudis were offering to key their allocations of oil to the premium price commanded by US rice. There is no other source, and even last summer they were unable to buy as much as they needed.

More than incidentally, the Arab petropowers admit to being at least as dependent on America's proprietary technology as they are on her agripower.

The revolution responsible for the ferment racking the Arab world is also increasing Arab demand in the world's sold-out meat markets at a whirlwind pace: Here, as is not the case with oil, the shortage is real; and as is the case with rice at one end of the supply spectrum and technology at the other, America is the sole supplier of last resort.

NO HOLY WAR

Anyone still laboring under the misimpression that the oil price push is a holy war will do well to remember that the Arab outfits exploiting the oil crisis do no fighting, and that the Arab outfits doing the fighting are food have-nots as well as oil have-nots. But both sides of the class division in the Arab world stand in equally urgent need of American food products—whether beef for the rich or rice for the poor—and the technology that supports it.

Any who doubt the potency of the technological leverage America can bring to bear on the petropowers will do well to ponder the meaning of the offer from the Venezuelans to cut back their new selling prices in return for price concessions on the American products and services their oil industry needs. After all, the Venezuelans were the organizers of the oil producers' union.

PRICE BARGAINING

A retaliatory U.S. export-price increase would be the effective response. If combined with a parallel one for the proprietary agritechnology Venezuela is so hungry for, the price-bargaining between the petropowers and all their customers would take a dramatic and reassuring new turn back toward the stability the world economy needs if it is to be spared a depression.

Suggestions that Russia would take up any slack left by an American resolve to bargain with food for fuel reflect the popular disposition to see giants across the bargaining table from America and a pygmy in the mirror. Russia herself is trying to support her protein diet without a corn belt, and no one can. Thanks again to providence, America is the only power in the world to have been endorsed with one.

WHEAT NOT ENOUGH

Wheat alone would not furnish a protein diet to Russia's human population—even if she had the transportation to move it; and wheat will not support her animal population. How then could she supply the Mideast? And any such effort would invite China to take advantage of the offbalance position Russia is determined to avoid.

Speaking of China, the proof of America's agri-power potency is implicit in Peking's purchases in the Chicago farm-futures markets, and in the commitments she has been making to buy agri-power potential in the form of high-powered fertilizer plants which only U.S. agribusiness can provide.

At the peak of last summer's food-price panic, China made a big buy of Canadian wheat. She has been taking a third of the Australian crop. Now her buying has just bid the American market up to still new highs, because neither Canada nor the rest of the world combined can come close to meeting her needs.

REALISTIC CHINA

China has been showing herself to be the most resolute and realistic customer in the world for the proprietary products of American agripower, asking no political favors and counting herself lucky to pay her money, accrue the going rate of interest and get her deliveries.

The rest of the communist world, the Arab world and Japan have no choice but to follow (Japan particularly, now that the threat of polluted waters is endangering her historic fish diet).

Washington has been content to let American agricultural exports subsidize a cheap diet abroad. It has been permissive in tolerating the resultant inflation at home. It is still relying on cut-price exports to fight the farm depression it inherited; and it has yet to awaken to the opportunity to cash in on the farm boom, which is only beginning to grow. Washington's naive acceptance of the prevailing economic wisdom led it to be caught napping by the spectacle of a farm boom coinciding with a financial bust-up.

A counter-revaluation of American food-export prices will be a bargain for everyone if it keeps supplies flowing internationally and brings into play a counter-force against the strangling power-play of the petro-politicians.

TRUST FUND

The technique to employ is the familiar one of the trust fund, which has been used for years to finance our highways, social security and railroad retirement. Last summer I presented a proposal to the International Finance Subcommittee of the Senate Finance Committee aimed at adapting and extending the institution of the trust fund as a surcharge on exports of proprietary American farm products and other proprietary raw materials.

The questioning prompted by my proposal revealed a keen and constructive interest in implementing it. Expressive of this, Sens. Jacob Javits and Adlai Stevenson III have sponsored legislation (which I endorse) earmarking the proceeds of the export surcharge for school-lunch and other welfare programs inescapably being shortchanged as the result of inflation and especially by the intense inflation in foods.

TIME IS RIGHT

The timing of an American push to check the oil gougers could not be better: food prices are poised on the verge of another takeoff. Item: the Italians, drained of dollars by the oil outrage, nevertheless bid the latest California tuna auction up by a breathtaking 25 percent. A Pax Agricola carrying the proprietary brand of the Eagle will be immeasurably more long-lived and more fruitful than the late Pax Americana was at its most generous.

COMMUNITY SERVICES ACT OF 1974

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. RANGEL. Mr. Speaker, the importance of H.R. 14449, the Community Services Act of 1974, to the American people can be weighed by the type of support it has generated across racial lines, economic lines and class lines. By placing the following letters in the CONGRESSIONAL RECORD, I hope my colleagues will see for themselves the broadbased support for H.R. 14449 and understand the importance of this legislation:

THE AMERICAN INSTITUTE OF
ARCHITECTS,
May 22, 1974.

DEAR REPRESENTATIVE: On behalf of the American Institute of Architects, I wish to express our support for Section 126 of H.R. 14449, the Community Services Act of 1974.

The Institute, the national society for the architectural profession representing 24,000 licensed architects, has a deep public interest and professional concern for community development assistance programs. Responsible community development can only be ensured through total community involvement in the development process. Yet total involvement necessitates organizations that are responsive to and comprised of the community residents they serve. Programs lacking these elements are superficial and in the long run prove to be insensitive, unresponsive, and unproductive.

Our support for Section 126, Design and Planning Assistance Programs, is based on our belief that citizens must have access to design and planning assistance just as they now have access to legal services and health care. This assistance can serve to help them understand the terms and processes of community development, as well as to help translate their needs and desires into working plans for that development. With these services available, communities have the opportunity to make constructive input into the physical/environmental development of their neighborhoods. This input results in plans which can be implemented and are responsive to the needs of the community.

Under the authorization of Section 221 of the Economic Opportunity Act of 1964, the Office of Economic Opportunity granted research and demonstration funds to several existing community-based architectural and planning workshops known as Community Design Centers. These centers, of which there are currently 75 now operating in 60 cities across the country, provide free design and planning technical assistance to indigent communities.

Staffed by architects, landscape architects, planners, engineers, other design professionals, and VISTA graduate architects and planners, the centers work on projects varying from minor renovation work on individual dwelling units to the development of comprehensive planning documents for the future growth of neighborhoods. This unique combination of technical assistance—social planning—and community organization has become the hallmark of the Community Design Center movement. They have succeeded in beginning to answer the cries so desperately voiced from the community.

The OEO funding of the three design and planning centers was a clear success, as an OEO evaluation report on the combined project "Community Design Centers/What We Have Learned", March 1971, states:

"They have done an effective job of helping community groups bring about changes in public plans and policies. They have aided the poor in producing those changes by constructive rather than destructive methods, by negotiating rather than rioting. They are beginning to show that they can help community groups develop to the point where they become their own advocates and planners."

Aside from the OEO funding of the three centers, no other satisfactory source of funds has been found to provide design and planning services to the poor. Without any national funding, the centers across the country have had to rely on the sporadic support of local foundations and private contributions.

In the past, a few local centers have been able to obtain Department of Housing and Urban Development (Section 701) Comprehensive Planning grants through their regional or state planning authority and also some contracts with the Model Cities program. But too often, these funds have been bogged down by local bureaucracies and redtape, thus severely hampering the performance of the centers. In addition, the HUD 701 and Model Cities programs provide funds only for specific projects and do not represent a source of daily operational revenue. This limits the abilities of the centers to respond to other issues and needs arising in the community.

Financial assistance was authorized by Section 226 of the Economic Opportunity Act Amendments of 1972, and was intended to provide community-based design and planning organizations with the continuing source of basic operating and overhead funds that they critically need.

We believe the continuation of the design and planning assistance authorization, as provided in Section 126 of H.R. 14449, is urgently needed to assure the continued existence of the community design centers, and we urge your support of this provision.

Sincerely,

ARCHIBALD C. ROGERS,
FAIA President.

THE CITY OF NEW YORK,
WASHINGTON OFFICE,
Washington, D.C., May 22, 1974.

MEMORANDUM

To: The New York City Congressional Delegation.

From: Bruce Kirschenbaum.

Subject: City's Position on H.R. 14449.

During the past sseveral months, Mayor Beame has reiterated the City's strong support for continuation of Community Action programs. H.R. 14449, due to be voted upon this week, would accomplish the goal of continuing these important programs.

New York City receives approximately $20 million annually in federal anti-poverty funds from OEO and contributes a like amount in local funds. If the necessary authorizing legislation is not enacted before June 30, 1974, the following will happen:

1. The City's Council Against Poverty, the Community Action Agency in New York City, will not have sufficient funds to complete its program year which ends on September 30, 1974, nor will it be able to continue into its next program year.

2. Approximately 2,500 employees will be out of work on July 1st.

3. Over 100,000 poor people will have direct services eliminated on July 1st.

4. A majority of Neighborhood Youth Corps enrollees will have no place at which to report or work, even though Summer Youth money is available.

5. Disruption of a network of 26 community corporations and over 250 delegate agencies which provide a broad spectrum of services and activities.

It is therefore crucial that Congress continue these programs in a viable and effective manner, such as contained in H.R. 14449.

Therefore, the City would appreciate your support of H.R. 14449 without amendment.

Washington, D.C., May 17, 1974.

DEAR REPRESENTATIVE: Although we have reservations about certain provisions of H.R. 14449, the community action legislation reported by the Education and Labor Committee, it represents a responsible effort to deal with difficult issues. On behalf of the UAW, I urge most strongly that you support H.R. 14449, as reported, and oppose all weakening amendments.

The UAW has consistently supported our nation's anti-poverty program since it was first enacted. We would have preferred legislation simply to extend the Economic Opportunity Act, retaining a separate anti-poverty agency and maintaining the 80–20 matching arrangement and other aspects of the program. But modifications have had to be made in order to reach a compromise which would command sufficient support to be enacted into law. H.R. 14449 is such a compromise. In our judgment, it deserves your strong support.

Your consideration of the UAW position on this important and needed legislation will be appreciated.

Sincerely,

JACK BEIDLER,
Legislative Director.

KELLY STREET BLOCK ASSOCIATION,
Bronx, N.Y., May 22, 1974.

Congressman CHARLES RANGEL,
Washington, D.C.

DEAR SIR: The Kelly Street Block Association, is asking your full support for the continuation of the community action programs.

We beseech you to do all in your power to help the thousands of us who will be crippled by the discontinuation of O.E.O. Model Cities, and all Community Action Programs that have become a vital and necessary part of our communities.

We thank you in advance.

Staff of Kelly St. Block Association.

NORTH DAKOTA FARMERS UNION REQUESTS LIMITATION ON CONSTRUCTION ACTIVITIES OF THE BUREAU OF RECLAMATION'S GARRISON DIVERSION UNIT

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. VANIK. Mr. Speaker, the administration has requested an additional $10,555,000 for work on the Bureau of Reclamation's Garrison Diversion Unit in fiscal year 1975.

The most serious questions have been raised about this project. Continuation of the project may result in an environmental disaster throughout much of North Dakota. The Canadian Government is most seriously concerned that the project will downgrade the quality of water flowing into Canada; the Canadians have asked, as strongly as possible, that the project be suspended. Completion of the project may actually hurt more small farmers than it can help. The project is a heavy consumer of energy. In addition, Congressman REUSS, chairman of the Subcommittee on Conservation and Natural Resources, has just received a GAO report that indicates extremely heavy and unauthorized cost increases in the project.

I hope, Mr. Speaker, that the Congress will order that new starts on this project be delayed until these serious cost/benefit and environmental questions can be answered.

I would like to enter in the RECORD at this point a news release from the North Dakota Farmers Union of May 3, 1974, in which the union calls for limiting construction activities to those presently underway until the numerous questions surrounding the project have been answered:

NEWS RELEASE

JAMESTOWN.—The North Dakota Farmers Union has requested that construction activities of the Garrison Diversion Project be limited to those presently underway and that the Bureau of Reclamation change its land acquisition policies.

North Dakota Farmers Union President E. W. Smith made the request to Bureau of Reclamation Commissioner G. G. Stamm following a special meeting of the farm organization's board of directors on April 30th.

In a resolution adopted by the North Dakota Farmers Union board, the farm organization's directors requested the "monies appropriated for the Garrison Diversion Project be used to complete construction activities presently underway and that no new land be opened for canals and so forth until the air is cleared of doubt as to the probability of its completion."

Smith said that the North Dakota Farmers Union board felt that "it is not reasonable to begin construction work on the next reaches when the future of the project is in doubt. The burdens facing land owners in replacing land and the effect on their farm operations should be adequate reason to limit construction activities to previously opened land."

Smith said the North Dakota Farmers Union Board of Directors further requested in the resolution that "no further land acquisition be made unless the Bureau of Reclamation both locates and provides comparable replacement land for the affected farmers, because of the high cost of replacing land and the difficulty of securing replacement land. Farmers who have lost land due to previous land acquisition should be given the same consideration by the Bureau of Reclamation."

The North Dakota Farmers Union President stated, "Farmers unable to replace land taken by the Bureau find themselves in a very difficult problem with the Internal Revenue Service and it will cost them a tremendous amount of money. The Bureau should also locate and secure replacement land for these individuals."

In addition to the request to the Bureau of Reclamation, Smith outlined the land replacement problems to the state's Congressional delegation, urging their assistance for farmers caught in the problems of replacing land acquired by the Bureau.

"RAMPANT INFLATION THREATENS FOUNDATIONS OF SOCIETY": BURNS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. FINDLEY. Mr. Speaker, the Chairman of the Board of Governors of the Federal Reserve System, Arthur Burns, has warned of "the debilitating effects of inflation on the Nation," stating that—

> If long continued, inflation at anything like the present rate would threaten the very foundations of our society.

Dr. Burns made this statement at the commencement exercises at Illinois College last Sunday. His talk was sobering, especially in view of the tendency of others within Government to minimize the dangers of inflation to our economy and our Nation. All citizens in private and public life should read and heed his warning. For that reason, I am placing the text of his statement in today's RECORD:

THE MENACE OF INFLATION

(By Arthur F. Burns)

It is a pleasure to be with you today here in the heartland of America. As graduates of this College, you are launching your careers at a challenging but troubled time. Confidence in established institutions, particularly in our government, is at a low ebb. And hopes for the future of our economy have been shaken by the debilitating effects of inflation on the nation's businesses, workers, and consumers.

Inflation is not a new problem for the United States, nor is it confined to our country. Inflationary forces are now rampant in every major industrial nation of the world. Inflation is raging also in the less developed countries, and apparently in socialist countries as well as in those that practice free enterprise.

The gravity of our current inflationary problem can hardly be overestimated. Except for a brief period at the end of World War II, prices in the United States have of late been rising faster than in any other peacetime period of our history. If past experience is any guide, the future of our country is in jeopardy. No country that I know of has been able to maintain widespread economic prosperity once inflation got out of hand. And the unhappy consequences are by no means solely of an economic character. If long continued, inflation at anything like the present rate would threaten the very foundations of our society.

I want to discuss briefly with you today the sources of our inflationary problem, the havoc being wrought in the economy, and the steps that must be taken to regain general price stability and thus strengthen confidence in our nation's future.

A large part of the recent upsurge in prices has been due to special factors. In most years, economic trends of individual nations tend to diverge. But during 1973 a business-cycle boom occurred simultaneously in the United States and in every other major industrial country. With production rising rapidly across the world, prices of labor, materials, and finished products were bid up everywhere.

To make matters worse, disappointing crop harvests in a number of countries in 1972 forced a sharp run-up in the prices of food last year. The manipulation of petroleum supplies and prices by oil-exporting countries gave another dramatic push to the general price level last autumn and early this year. The influence of these factors is still being felt in consumer markets.

Recently, our price level has also reacted strongly to the removal of wage and price controls—a painful, but essential adjustment in the return to free markets.

These special factors, however, do not account for all of our inflation. For many years, our economy and that of other nations has had a serious underlying bias toward inflation which has simply been magnified by the special influences that I have mentioned.

Ironically, the roots of that bias lie chiefly in the rising aspirations of people everywhere. We are a nation in a hurry for more and more of what we consider the good things of life. I do not question that yearning. Properly directed, it can be a powerful force for human betterment. Difficulties arise, however, when people in general seek to reach their goals by means of short cuts; and that is what has happened.

Of late, individuals have come to depend less and less on their own initiative, and more on government, to achieve their economic objectives. The public nowadays expects that government to maintain prosperous economic conditions, to limit such declines in employment as may occasionally occur, to ease the burden of job loss or illness or retirement, to sustain the incomes of farmers, homebuilders, and so on. These are laudable objectives, and we and other nations have moved a considerable distance toward their realization. Unfortunately, in the process of doing so, governmental budgets have gotten out of control, wages and prices have become less responsive to the discipline of market forces, and inflation has emerged as the most dangerous economic ailment of our time.

The awesome imbalance of the Federal budget is probably the contributory factor to inflation that you have heard the most about. In the past five years, total Federal expenditures have increased about 50 per cent. In that time span, the cumulative budget deficit of the Federal government, including government-sponsored enterprises, has totaled more than $100 billion. In financing this deficit, and also in meeting huge demands for credit by businesses and consumers, tremenedous pressures have been placed on our credit mechanisms and the supply of money has grown at a rate inconsistent with price stability.

I am sure that each of you in this graduating class is aware of some of the troublesome consequences of inflation. The prices of virtually everything you buy have been rising and are still going up. For the typical American worker, the increase in weekly earnings during the past year, while sizable in dollars, has been wiped out by inflation. In fact, the real weekly take-home pay of the average worker is now below what it was a year ago. Moreover, the real value of accumulated savings deposits has also declined, and the pressure of rising prices on family budgets has led to a worrisome increase in delinquency rates on home mortgages and consumer loans.

Many consumers have responded to these developments by postponing or cancelling plans for buying homes, autos, and other big-ticket items. Sales of new autos began to decline in the spring of 1973, and so too did sales of furniture and appliances, mobile homes, and newly built dwellings. The weakness in consumer markets, largely engendered by inflation, slowed our economic growth rate last year some months before the effects of the oil shortage began to be felt.

Actually, the sales of some of our nation's leading business firms have been on the wane for a year or more. Their costs, meanwhile, have continued to soar with increasing wage rates and sharply rising prices of materials.

The effect on business profits was ignored for a time because accountants typically reckon the value of inventories—and also the value of machinery and equipment used up in production—at original cost, rather than at current inflated prices. These accounting practices create an illusory element in profits—an element that is not available for distribution to stockholders in view of the need to replace inventories, plant, and equipment at appreciably higher prices. Worse still, the illusory part of profits is subject to the income tax, thus aggravating the deterioration in profits. This result is especially unfortunate because of the shortage of industrial capacity that now exists in key sectors of our economy—particularly in the basic materials area.

By early this year, a confrontation with economic reality could no longer be put off. Major business corporations found that the volume of investible funds generated internally was not increasing fast enough to finance the rising costs of new plant and equipment, or of the materials and supplies needed to rebuild inventories. Businesses began to scramble for borrowed funds at commercial banks and in the public markets for money and capital. Our financial markets have therefore come under severe strain. Interest rates have risen sharply; savings flows have been diverted from mortgage lending institutions; security dealers have experienced losses; prices of common stocks have declined; the liquidity of some enterprises has been called into question; and tensions of a financial nature have spilled over into international markets.

Concerned as we all are about the economic consequences of inflation, there is even greater reason for concern about the impact on our social and political institutions. We must not risk the social stresses that persistent inflation breeds. Because of its capricious effects on the income and wealth of a nation's families and businesses, inflation inevitably causes disillusionment and discontent. It robs millions of citizens who in their desire to be self-reliant have set aside funds for the education of their children or their own retirement, and it hits many of the poor and elderly especially hard.

In recent weeks, governments have fallen in several major countries, in part because the citizens of those countries had lost confidence in the ability of their leaders to cope with the problem of inflation. Among our own people, the distortions and injustices wrought by inflation have contributed materially to distrust of government officials and of government policies, and even to some loss of confidence in our free enterprise system. Discontent bred by inflation can provoke profoundly disturbing social and political change, as the history of other nations teaches. I do not believe I exaggerate in saying that the ultimate consequence of inflation could well be a significant decline of economic and political freedom for the American people.

There are those who believe that the struggle to curb inflation will not succeed and who conclude that it would be better to adjust to inflation rather than to fight it. On this view, contractual payments of all sorts—wages, salaries, social security benefits, interest on bank loans and deposits, and so on—should be written with escalator clauses so as to minimize the distortions and injustices that inflation normally causes.

This is a well-meaning proposal, but it is neither sound nor practical. For one thing, there are hundreds of billions of dollars of outstanding contracts—on mortgages, public and private bonds, insurance policies, and the like—that as a practical matter could not be renegotiated. Even with regard to new undertakings, the obstacles to achieving satisfactory escalator arrangements in our free and complex economy, where people differ so much in financial sophistication, seem insuperable. More important still, by making it easier for many people to live with inflation, escalator arrangements would gravely weaken the discipline that is needed to conduct business and government affairs prudently and efficiently. Universal escalation, I am therefore convinced, is an illusory and dangerous quest. The responsible course is to fight inflation with all the energy we can muster and with all the weapons at our command.

One essential ingredient in this struggle is continued resistance to swift growth in money and credit. The Federal Reserve System, I assure you, is firmly committed to this task. We intend to encourage sufficient growth in supplies of money and credit to finance orderly economic expansion. But we are not going to be a willing party to the accommodation of rampant inflation.

As this year's experience has again indicated, a serious effort to moderate the growth of money and credit during a period of burgeoning credit demand results in higher interest rates—particularly on short-term loans. Troublesome though this rise in interest rates may be, it must for a time be tolerated. For, if monetary policy sought to prevent a rise in interest rates when credit demands were booming, money and credit would expand explosively, with devastating effects on the price level. Any such policy would in the end be futile, even as far as interest rates are concerned, because these rates would soon reflect the rise in the price level and therefore go up all the more. We must not let that happen.

But I cannot emphasize too strongly that monetary policy alone cannot solve our stubborn inflationary problem.

We must work simultaneously at lessening the powerful underlying bias toward inflation that stems from excessive total demands on our limited resources. This means, among other things, that the Federal budget has to be handled more responsibly than it has been in the past.

Incredible though it may seem, the Congress has been operating over the years without any semblance of a rational budget plan. The committees that consider spending operate independently of the committees that consider taxes, and appropriations themselves are treated in more than a dozen different bills annually. All of this means that the Federal budget never really gets considered as a whole—a fact which helps explain why it is so often in deficit.

Fortunately, after many years of advocacy by concerned citizens and legislators, this glaring deficiency in the Congressional budget process is about to be remedied. Bills that would integrate spending and taxing decisions have passed both the House and the Senate. This is a most encouraging development, and we may confidently expect final action soon by the Congress on this landmark legislation.

Procedural changes, however, will mean little unless the political will exists to exploit the changes fully. And this can happen only if the American people understand better the nature of the inflation we have been experiencing and demand appropriate action by their elected representatives.

As you leave this hall today, I urge you to give continuing thought and study to the problem of inflation. If it persists, it will affect your personal lives profoundly. Where possible, I urge you to assume a leadership role in getting people everywhere interested in understanding inflation and in doing something about it. In the great "town hall" tradition of America, much can be accomplished if people organize themselves—in their offices, trade unions, factories, social clubs, and churches—to probe beneath the superficial explanations of inflation that are the gossip of everyday life. Productivity councils in local communities and enterprises, established for the purpose of improving efficiency and cutting costs, can be directly helpful in restraining inflation.

While I am on the subject of what individuals can do to be helpful, let me note the need for rediscovery of the art of careful budgeting of family expenditures. In some of our businesses, price competition has atrophied as a mode of economic behavior, in part because many of our families no longer exercise much discipline in their spending. We have become a nation of impulse shoppers, of gadget buyers. We give less thought than we should to choosing among the thousands of commodities and services available in our markets. And many of us no longer practice comparative price shopping—not even for big-ticket items. Careful spending habits are not only in the best interest of every family; they could contribute powerfully to a new emphasis on price competition in consumer markets.

I do not expect that the path back to reasonable price stability can be traveled quickly. Indeed, our government will need to make numerous steps to reduce the inflationary bias of our economy besides those I have emphasized. The forces of competition in labor and product markets need to be strengthened—perhaps by establishing wage and price review boards to minimize abuses of economic power, certainly through more vigorous enforcement of the anti-trust laws, besides elimination of barriers to entry in skilled occupations, reduction of barriers to imports from abroad, and modification of minimum wage laws to improve job opportunities for teenagers. Impediments to increased production that still remain in farming, construction work, and other industries need to be removed. And greater incentives should be provided for enlarging our capacity to produce industrial materials, energy, and other products in short supply.

But if inflation cannot be ended quickly, neither can it be eliminated without cost. Some industries will inevitably operate for a time at lower rates of production than they would prefer. Government cannot—and should not—try to compensate fully for all such occurrences. Such a policy would involve negating with one hand what was being attempted with the other.

But government does have a proper ameliorative role to play in areas, such as housing, where the incidence of credit restraint has been disproportionately heavy. The special burden that has fallen on homebuilding should be lightened, as is the intent of the housing aids which the Administration recently announced. And my personal judgment is that it would be advisable, too, for government to be prepared, if need be, to expand the roster of public-service jobs. This particular means of easing especially troublesome situations of unemployment will not add permanently to governmental costs. And in any event, it would conflict much less with basic anti-inflation objectives than would the conventional alternative of general monetary or fiscal stimulus. A cut in personal income taxes, for instance, would serve to perpetuate budget deficits. Not only that, it might prove of little aid to the particular industries or localities that are now experiencing economic difficulty. Much the same would be true of a monetary policy that permitted rapid growth of money and credit. There is no justification for such fateful steps at this time.

In concluding, I would simply repeat my central message: there is no easy way out of the inflationary morass into which we have allowed ourselves to sink through negligence and imperfect vision. But I am confident that we will succeed if the American people become more alert to the challenge. I hope that the members of this graduating class will join with other citizens across the country in a great national crusade to put an end to inflation and restore the conditions essential to a stable prosperity—a prosperity whose benefits can be enjoyed by all our people. This objective is within our means and is essential to our nation's future.

BAR ASSOCIATION VIEW ON ABORTION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. RANGEL. Mr. Speaker, I place in today's Record a letter to Senator Birch Bayh, chairman of the Subcommittee on Constitutional Amendments of the Senate Judiciary Committee, from Orville H. Schell, Jr., president of the New York Bar Association, concerning the Senate Joint Resolutions on Abortion. I agree with Mr. Schell that the Supreme Court decision affirming women's right to an abortion should be allowed to stand.

Mr. Schell's letter indicates that numerous members of the legal profession believe the abortion decision has had positive effects. It should be useful to my colleagues as a reflection of public opinion on this question.

The letter follows:

The Association of the Bar,
of the City of New York,
New York, May 15, 1974.

Hon. Birch E. Bayh, Jr.,
Chairman, the Subcommittee on Constitutional Amendments of the Senate Judiciary Committee, Russell Senate Building, Washington, D.C.

Dear Senator Bayh: I am writing with reference to the hearings on abortion, and particularly with reference to the Hearings on Senate Joint Resolutions 119 and 130, now being conducted by you. We believe the provisions of the above-mentioned resolutions are unwise and should be disapproved.

Senate Joint Resolutions 119 and 130 would abrogate the decision of the Supreme Court of the United States in *Roe* v. *Wade*, 410 U.S. 113 (1973) asserting the right of women to abortion. We think this decision is correct and should not be disturbed.

Data released by the Health Services Administration of New York City, as well as other areas, giving statistics on the time elapsed since *Roe v. Wade, supra,* was decided January 22, 1973, show the significant favorable impact this decision has had on maternal and infant mortality and morbidity. There is now an important alternative to women for whom childbirth would be a high risk—the very young, women who have had many previous pregnancies, women who are nearing menopause and women with medical handicaps, as well as for those women whose offspring risk death in infancy.

This data also shows a concomitant increase in maternal and child health with fewer out-of-wedlock births. In New York, enrollment in public maternity shelters has fallen off considerably. The number of children being placed for foster care or abandoned by their mothers has declined markedly.

Since legalization of abortion, there has been an unprecedented decline in the number of women hospitalized due to "botched" abortion. Prior to legalization of abortion, hospitals admitted thousands of women annually with complications resulting from incomplete abortion begun outside the hospital in abortion mills with no safeguards of supervised medical conditions. In New York City, alone, hospitals and clinics have provided care to more than half a million women over the last three years.

In California, prior to the institution of legal abortion, the major, single cause of maternal deaths was illegal abortion.

Legalized abortion makes a procedure which studies show would have taken place anyway, safer, less expensive and open. A disproportionate number of those who obtained abortion prior to its legalization were white and affluent.

The net result of a constitutional amendment which would outlaw abortion without regard to stage of pregnancy and other interest would be inconsistent with the rights protected by the Due Process and Equal Protection clauses of the 14th Amendment.

Historically, the fetus was not considered a person under the common law in both the tort law and the criminal law. As to the status of a fetus under the Constitution, Federal and State courts have overwhelmingly rejected the suggestion that the unborn child is entitled, under the 14th Amendment, to equal protection and due process. (*Byrn* v. *N.Y.C. Health and Hospitals Corp.,* 31 N.Y. 2d 194, 335 N.Y.S. 2d 390, 286 N.E. 2d 887.)

We believe that the moral strictness of a segment of society should not be imposed on the whole of society. Anti-abortion laws would have that effect.

Overall, in view of the positive health results prevailing in communities since legalized abortion and the constitutional guarantees of privacy and liberty, we see no reason to turn the clock back and force women to bear children they do not want.

The views expressed in this letter result from a careful study by the Association's Committee on Sex and Law. We trust you will make them available to the distinguished members of your Subcommittee.

Respectfully yours,
Orville H. Schell, Jr.

COMMUNITY DEVELOPMENT BLOCK GRANTS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. FRASER. Mr. Speaker, in a letter to the chairman of the House Banking and Currency Committee, Mr. Patman, a bipartisan group of 44 House Members has indicated concern about the new community development funding formula authorized in title I of H.R. 14490, the Housing and Urban Development Act of 1974.

This legislation, now being marked up by the Banking Committee, establishes a new program of community development block grants starting in 1975 to replace existing HUD categorical programs such as urban renewal, model cities, open space, and water and sewer grants. Direct funding is provided on a formula basis to certain urban counties, central cities and all cities over 50,000.

Communities that have been funded for community development at a rate higher than their formula allocation—calculated on the basis of population, poverty, and overcrowding—are protected in part against a cut in Federal aid during the first 3 years of the new program through a "hold harmless" provision. During the second 3 years, however, their funding level is phased down to their formula allocation.

While the new title I block grant will mean fewer Federal restrictions and greater flexibility in program development, the title I funding system, we feel, will result in serious inequities. The formula allocation will be a boon to those cities that are not currently using Federal community development assistance. But the formula will mean a sharp decrease in funding for more than 100 cities now actively involved in urban renewal and/or model cities programs.

In a letter to Chairman Patman, we urge the Banking Committee to take the necessary steps to protect communities against these major funding cuts.

A copy of the letter follows:

MAY 22, 1974.

Hon. WRIGHT PATMAN,
House Banking and Currency Committee,
Washington, D.C.

DEAR MR. CHAIRMAN: We want to indicate our serious concern about the community development funding formula authorized in Title I of H.R. 14490.

Under H.R. 14490, many cities will experience a steady decrease in federal community development support after the new Title I block grant program is implemented. More than 80 cities, in fact, may find that their annual community development funding level has been cut in half by the sixth year of the new program.

In effect, this legislation is telling many cities, particularly those actively involved in urban renewal and/or model cities programs, that they must start cutting back local rebuilding efforts. It is difficult for us to justify this reduction in federal support during a time when so many of these cities are battling to maintain a healthy urban environment for their residents.

We urge the Banking and Currency Committee to take the steps necessary to prevent this major loss in community development program capacity, by strengthening the "hold harmless" protection provided in Title I of H.R. 14490.

Sincerely,

Brock Adams, John A. Blatnik, William Clay, Silvio O. Conte, John Conyers, Jr., Ronald V. Dellums, Charles Diggs, Thaddeus J. Dulski, Joshua Eilberg, Hamilton Fish, Jr., Donald M. Fraser, Robert Giaimo, Sam Gibbons, Bo Ginn, Ella Grasso, William J. Green, Michael Harrington, Orval Hansen, Frank Horton, Peter N. Kyros, Thomas Luken, and Parren J. Mitchell.

Edward J. Patten, Richardson Preyer, Melvin Price, Ogden R. Reid, Donald Riegle, Peter W. Rodino, Jr., William Roy, Ronald A. Sarasin, Paul S. Sarbanes, Patricia Schroeder, John F. Seiberling, Garner Shriver, Gerry E. Studds, Frank Thompson, Jr., Robert Tiernan, Bob Traxler, Morris Udall, Al Ullman, Jerome R. Waldie, Charles W. Whalen, Jr., G. William Whitehurst, and Andrew Young.

"A LAW ISN'T ENOUGH" BY CHARLES A. VANIK

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. BRADEMAS. Mr. Speaker, the March/April edition of Hearing and Speech News, published by the National Association of Hearing and Speech Agencies, contains an illuminating article on the difficulties of the Federal program to rehabilitate the handicapped under the Nixon administration.

The article, "A Law Isn't Enough" was written by our distinguished colleague from Ohio, the Honorable CHARLES A. VANIK. My colleagues are all aware of Mr. VANIK's strong support of programs for the handicapped as a member of the Ways and Means Committee, and this article is further evidence of the leading advocacy role for the handicapped adopted by the gentleman from Ohio since he came to Congress, 20 years ago.

Mr. Speaker, Congressman VANIK effectively describes many of the difficulties, since the current administration came to office in 1969, of the 54-year-old vocational rehabilitation program for the handicapped.

Mr. Speaker, the article to which I have referred follows:

A LAW ISN'T ENOUGH

(By Hon. CHARLES A. VANIK)

(EDITOR'S NOTE.—The Rehabilitation Act of 1973, signed into law on September 26, 1973, contains five major sections.

1. The first section provides for continuation of the basic vocational rehabilitation services designed to aid handicapped persons "prepare for and engage in gainful employment to the extent of their capabilities."

2. This is a fairly standard research and training section in which funds are provided for developing better methods of training.

3. This section provides for "special federal responsibilities." Included in this are grants and contracts to assist in the construction and initial staffing of rehab facilities and the establishment of special programs for deaf-blind youths and adults and for others with special difficulties.

4. This program and project evaluation is designed to determine which programs and approaches are helpful, and which should be dropped in favor of new programs.

5. The final section—the one which Representative Vanik believes has the most potential if vigorously used—deals with Civil Service employment of the handicapped, further effort for removal of architectural and transportation barriers for the handicapped, fair employment of the handicapped by government contractors, and nondiscrimination against the handicapped by federal grantees. In short, this is the Civil Rights section of the bill and is designed to make it easier for the handicapped to obtain justice.)

Although many people are aware of the difficulties encountered in passage of the vocational rehabilitation bill, a detailed history can be important to an understanding of the problems that supporters of vocational rehabilitation will encounter in the future. Many people know that the bill was vetoed once by President Nixon, but fewer realize that the President vetoed the measure *twice*, despite overwhelming support in both houses of Congress. Closer examination shows that the federal government has pursued an undeclared policy of neglect that is apparently designed to eliminate federal vocational rehabilitation programs completely. The proposed alternative is a vendor system that would require the handicapped to identify their own needs and seek out services. Federally alloted money would be used to pay the bills.

In late 1970 Congress passed legislation to extend the Vocational Rehabilitation Act through June 30, 1972. Although the beginning of Administration neglect was apparent in the Department of Health, Education, and Welfare's and the Office of Management and Budget's lack of recommendations or reaction in response to Congressional deliberations, President Nixon did sign the bill into law on December 31, 1970. That Presidential signature was to be the last positive response to the needs of the physically handicapped for almost three years.

In May of 1971 Congressional consideration of new extending legislation began. Since previous authority ran until June of 1972, the Select Education Subcommittee of the House Education and Labor Committee did not start hearings until January of 1972. At those hearings, in spite of requests by the subcommittee, proposals by the Administration—needed as a gauge of the Administration's position—were not forthcoming. Testimony by Administration representatives, however, was basically favorable and certainly gave no hint of the fate the legislation eventually would meet. Administration proposals still had not been received when the bill was reported out of committee in late February.

On March 20 the bill was passed in the House of Representatives, 327–0. A popular mandate if there ever was one!

The House-passed bill was considered by the Senate. Despite several more months of available time, Administration proposals still were not presented. On September 26 the Senate bill passed, 70–0, making the vote in both houses unanimous.

Despite this overwhelming Congressional support for the Vocational Rehabilitation Act, the President vetoed the measure October 27. As soon as the bill was vetoed and the override attempt failed, the Select Education Subcommittee and its Chairman, John Brademas, attempted to solicit from the Administration specific objections to the bill so that the committee could make alterations to ensure enactment. These efforts met with little Administration cooperation.

Committee consideration of a second vocational rehabilitation bill encountered the same Administration reluctance. Administration witnesses would not object categorically to the proposals and provided little help. The colloquy between subcommittee Chairman Brademas and Administration witnesses from the Department of Health, Education, and Welfare brought home the futility of attempts to move ahead by cooperating with the Administration.

Mr. BRADEMAS. But Mr. Kurzman [Asst. Secy. for Legislation, DHEW], let me ask you this question. You said that the Administration enthusiastically supports this program. I must say I found it very difficult, as chairman of this subcommittee, to get anything but rather generalized responses on the part of the Administration of their objections to the legislation that Congress unanimously approved.

Why is it so difficult for you to tell us what you want?

Mr. KURZMAN. I don't think it is so difficult at all, Mr. Chairman. We tried to get through to the Congress on this.

Mr. BRADEMAS. Do you have a bill you could give us today?

Mr. KURZMAN. As soon as the Senate approves the nomination of our Secretary, and we are in a position to present legislation to the Congress, we will be happy to send our bill up. At this point I am testifying on our position as to last year's bill and as to why the President vetoed it. I think our responses are specific.

Mr. BRADEMAS. The HEW Secretary-designate, Mr. Weinberger, was the Director of the Office of Management and Budget, wasn't he, at the time of the veto?

Mr. KURZMAN. That is correct.

Mr. BRADEMAS. I assume he knew about the bill, did he not?

Mr. KURZMAN. I assume so.

Mr. BRADEMAS. Well, this is February. We want to work. We want to move. Now, where is your bill?

Mr. KURZMAN. As soon, as I said, Mr. Chairman, as the Senate sees fit to confirm Mr. Weinberger's nomination as Secretary, the department will be in a position to send up its bill.

Despite attempts to solicit Administration cooperation in construction of a second vocation rehabilitation bill that could reasonably satisfy both sides, the President vetoed the measure a second time on March 27, 1973. The President was again ignoring overwhelming Congressional support for the bill. The measure had passed the Senate, 86–2; it passed the House on an unrecorded voice vote. An attempt by the Senate to override the Presidential veto in early April failed to gather the necessary two-thirds margin. The vote was 60–36.

Legislative consideration of a third vocational rehabilitation bill proceeded very quickly. Since committee members had gone over identical ground twice before, the bills were soon reported to the House and Senate. Votes in both chambers were again overwhelmingly positive, although not quite unanimous this time. On September 26, after two Presidential votoes and protracted Administration inaction and noncooperation the President, perhaps finally aware of the program's tremendous popular support, signed the Vocational Rehabilitation Act into law.

But the national sigh of relief turned out to be premature, since implementation of the law is proceeding at only a snail's pace. Under the law, interim regulations were to have been published within 90 days: by December 25, 1973. But they did not appear in the Federal Register until January 3, 1974. To me, this is an indication that the Administration policy of inaction and bureaucratic inertia is still in effect. We can get Cost of Living Council and Energy Office regulations out overnight, but there seems to be little push to get the ball moving on behalf of the handicapped.

Congressional oversight hearings by the House select subcommittee in late November of 1973, over two full months after enactment of Public Law 93-112, showed further that the Administration's vocational rehabilitation policy had not changed. Attempts by Chairman Brademas to extract precise information on dates that the interim regulations would be available generally elicited incomplete answers. Congressman Brademas went so far as to chastise the Administration witnesses by saying:

"[I] would be less than candid if [I] did not observe that another purpose of the hearing is to educate some of the members of the Executive branch who may be new to their responsibilities of the means by which laws are to be made and administered under the American constitutional system of government. That intent has been and will continue to be to provide a learning experience so that members of the Executive branch will understand that our Constitution assigns to Congress the responsibility for the passage of legislation and to the Executive branch the responsibility for administering that legislation in accord with the intent of the Congress."

I followed up on Chairman Brademas efforts. In a further attempt to ensure federal agency compliance with the regulations of the Vocational Rehabilitation Act, I sent letters to 35 federal departments—the Social Security Administration, the Department of Defense, and the Rehabilitation Services Administration, among others—asking them to inform me of how they intended to implement, in particular, title V of the law, which forbids discrimination against the handicapped in employment policies and which requires that the handicapped be given an opportunity to participate in federally supported programs. The 35 letters, mailed October 30, resulted in only 24 responses by mid-January. Content of the replies was as disappointing as their scarcity.

While most of the agencies professed a "firm commitment" to employment of the handicapped, no agency was able to cite specific plans to meet the mandate of Public Law 93–112. All of the agencies were waiting for Administration guidelines in the form of a directive from the Civil Service Commission. The agency replies indicated variously that guidelines were expected by December 26, by December 28, by the end of the year, or on January 1. Inquiries at the Civil Service Commission revealed that their proposed guidelines would not be ready on any of these dates. And indeed, it was January 11 before anything came from the Civil Service Commission to Congressional offices. This sequence of events provides more testimony about the unfortunate bureaucratic difference between the concept and practice of vocational rehabilitation.

It is very clear that as supporters of vocational rehabilitation we cannot afford to drop our guard now that the bill is finally public law. The delayed arrival of the interim regulations indicates that we must give effort to ensuring that the final regulations are established properly and on time. Administration witnesses at the November oversight hearings could not estimate when these would be ready.

Federal agency compliance with Civil Service Commission guidelines is due March 20. It is important that we monitor that compliance as well as the Civil Service Commission review and approval process that will follow.

And of course we all know that Federal Register regulations are just the first step. In many ways these regulations are like bureaucratic "New Year's Resolutions." A nice list may not mean anything. Will the field programs actually be funded, or will there be more impounding of funds even though the courts have consistently struck down agency impoundments? Will the strong legislative language on nondiscrimination and program participation actually be enforced, or will it molder in the law books, unused and forgotten.

In matters of nondiscrimination in Civil Service hiring, equal structural access to public buildings, and participation in federally funded programs, what happens to the handicapped is .in large part—perhaps totally—up to those of us who are qualified to use the new provisions and who are interested in their use. In view of the history of the vocational rehabilitation program and the reluctant bureaucratic response, the only way we can be sure that the new measures will be used successfully is by constant nagging—by inquiries to the agencies involved and by complaints about noncompliance to federal enforcement offices and Congressional committees.

The type of nondiscrimination provisions now in the law are not self-administering. The benefit of these provisions will not be gleaned automatically or even always, easily. There will be no federal bureaucrat knocking on the door to say that the education or manpower programs that once excluded the handicapped. The handicapped and those interested in helping the handicapped will have to go out and demand their rights under the new law.

In the meantime, while regulations are still being developed, letters of inquiry and concern can do much to indicate our expectations. Write to Caspar W. Weinberger, Secretary of Health, Education, and Welfare; James Burress, Acting Commissioner, Rehabilitation Services Administration; and James S. Dwight Jr., Administrator, Social and Rehabilitative Service. Diligent oversight on the part of Congress and the American public is essential to assuring national commitment to vocational rehabilitation.

KEEPING AN EYE ON UNCLE SAM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. RANGEL. Mr. Speaker, it appears that even though the United Nations has imposed sanctions against South Africa, the United States continues to consider South Africa a legitimate member of the world community. Such a policy is an affront to black Americans who have been betrayed by a government who is willing to ignore the morally reprehensible system of apartheid for short-term economic or even longer term military gain.

Black concern over a current U.S. policy appeared in the Amsterdam News of Saturday, May 11, 1974, in an article by H. Carl McCall which I place in the RECORD at this time for the attention of my colleagues:

KEEPING AN EYE ON UNCLE SAM

(By H. Carl McCall)

Last week, newspapers and television had a field day pouring over the transcripts of the barroom conversations held in the Oval Office between President Nixon and his aides. Dell Publications and Bantam Books burned up their presses to get the material into the hands of the reading public, although the New York Times already ran the whole series.

In those transcripts, there's a lot of talk about "national security." It is now obvious, from the President's own released-and-approved words that "national security" is an umbrella thrown over anything the administration wants to hide from the electorate.

AN INSIDE PEEP

Which brings us to a revealing article in The Washington Post a couple of weeks ago. The Washington Post has a proud history of pulling the lid off the administration's Watergate secrets. Now an article by Ted Szulc, former Post correspondent in Portugal and currently a free-lance writer, gives us a peep at how Uncle Sam is playing his hand with regard to the freedom and independence of our brothers and sisters in mother Africa.

Quite simply, the United States sees the recent takeover of the Portuguese government by the military junta as a threat to its own self-interests. It remains to be seen how the junta will actually come to terms with the spirit of liberation and independence in Angola, Mozambique and Portuguese Guinea. But, at least, there's a hopeful new potential with the overthrow of the former oppressive and racist dictatorship.

U.S. READY TO HELP

As the junta was taking over in Lisbon, Portugal, the racist Nationalist Party of South Africa, headed by John Vorster, was returned to power by the all-white voters with an increased majority in the Assembly. And, as Mr. Szulc points out, the United States stands ready and waiting to support that white-supremacy, apartheid government.

The United States fears that the strengthening of Black power in Angola and Mozambique poses a threat to the stability of South Africa. Such a threat endangers the sea lanes around the Cape and to the Indian Ocean. Says Mr. Szulc, "Among the fears is that lack of access to southern Africa may deprive the U.S. and NATO countries of raw materials, ranging from uranium and other strategic metals to gold." To add to United States fears, the Soviet Union and China have long supported Black rebel efforts in Mozambique. With a shift in Black power, it's quite clear which countries would be rated highest on the list of friends.

SECRET PLANS

Mr. Szulc says that a year ago the United States and NATO started drawing up "secret contingency plans for air and naval defense of South Africa." The plans went to the drawing board when it appeared that Black rebels were gaining strength in Mozambique.

Specifically, in June, 1973, NATO's Defense Planning Committee told the Atlantic Supreme Allied Commander, based in Norfolk, Va., to develop plans for an allied air-naval task force to stand ready and waiting to defend South Africa should the need arise.

MILITARY AID

In addition, the United States has been providing "non-lethal" military equipment to Portugal, like jeeps, radio systems, spotter planes and defoliants. If defoliants are "non-lethal," the plants haven't heard about it yet!

Mr. Szulc also points out that the United States "has trained Portuguese officers in counter-insurgency at the jungle warfare

Army school at Ft. Gulick in the Panama Canal Zone and helped in training Portuguese pilots at bases in West Germany."

So, you see, those are the kinds of things covered-up by the President's pious phrase "national security." When one reads the President's transcripts and notes the little racial slurs and innuendos, it's quite clear that the President and his Pentagon would do anything in their power to uphold and support South Africa's racist government.

Ads urging volunteers to sign up for military service say, "The new navy wants to join you." And military spokesmen say the volunteer military may turn out to be 25 per cent Black.

We need to know how that "new navy" is being used. And if it's used to maintain and support the oppression of our brothers and sisters in Africa, we sure don't want to join it!

THE DEFENSE BUDGET

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mrs. SCHROEDER. Mr. Speaker, the Christian Science Monitor, in an editorial, recently expressed the view that the United States should not go on indefinitely as it has over the last 30 years automatically giving the Pentagon more or less everything it seeks. It calls for some serious rethinking of American military posture, which could lead to more security, not less. And it points out that since World War II, Congress—in a default of will and responsibility—has fallen into the habit of voting almost anything the Pentagon wants.

Mr. Speaker, I would like to share with my colleagues this call for a reasoned and careful reappraisal of our defense needs. The editorial follows:

[From the Christian Science Monitor, May 20, 1974]

THE DEFENSE BUDGET

As surely as the swallows return to Capistrano (so far) the defense debate becomes acute in Washintgon in the month of May. The new military budget year begins on July first, only six weeks away. Congress has not yet completed the budget for the new defense year. It is the moment for the annual argument over how much military strength the United States needs to reach its annual climax. It is at climax now.

Symptomatic in the flow of a single day's news are two news items from opposite sides of the argument. Adm. Elmo R. Zumwalt Jr., about to retire from the U.S. Navy's highest professional post, Chief of Naval Operations, contends that the Soviet Navy has now reached the ability to break the U.S. Navy's control of the sea-lanes of the world.

From the opposite side of the argument Paul C. Warnke, an Assistant Secretary of Defense in the Johnson administration, contends that the proposed new budget of $85.8 billion "involves waste, continuance of unwise past programs, and unsound efforts at pump priming."

As always in the annual defense debate the basic question is how much money for what purpose, and the issue is not really drawn clearly between the Zumwalts and the Warnkes. Admiral Zumwalt is not really saying that the Soviet Navy is more powerful than the American. He is saying that in his professional opinion the U.S. has lost the ability to control all the major sea-lanes of the world. It did have that power. The rise of Soviet sea power has turned at least some of the sea-lanes of the world into no-man's water. In case of a nonnuclear surface war the U.S. and Soviet navies would have to fight for control of individual sea-lanes.

But then, how likely is a nonnuclear surface sea war between the U.S. and the Soviets—or with anyone else for that matter?

Mr. Warnke has several good points in his argument that the proposed defense budget is too high. It is indeed loaded with nonmilitary items some of which are more concealed than others. Economic pump priming is involved. So too is the subsidization of companies (often aircraft) which would probably go bankrupt without Pentagon support. President Eisenhower spoke out against the "military-industrial complex."

How much of the defense budget actually goes for support of shaky and noneconomic companies, and how much is just plain economic pump priming, and how much is actually for foreign policy purposes (Vietnam) rather than true American "defense" purposes?

The truth of the matter is that because of the "cold war" Congress has fallen into the habit, ever since World War II, of voting almost anything the Pentagon wants. It is the only budget which usually sails through Congress each year more or less untouched. It is the great sacred cow of these times. Other departments have fallen into the habit of loading as much of their projects onto the defense budget as possible. For example, the State Department couldn't get a penny out of Congress just now for Vietnam. Actually this year even the Pentagon can't get as much as the White House wants for that purpose, but it can still get something.

The result is that for the first time in American history the U.S. has not reduced its military budget and its military posture substantially after a major war (although it is down in percentage of GNP). The present military budget is about the same as that for the last year of World War II (in dollars). The military strength of the U.S. is still far above anything maintained by this country in previous between-wars times. World War II ended nearly 30 years ago. The U.S. has maintained the largest, strongest, and most expensive military position in the world over that length of time.

Obviously, there isn't time between now and July first to reappraise all the assumptions which lie beyond this military posture. The proposed budget will have to be approved more or less as it stands. There is no practical alternative.

But over the next year or two there really should be a serious rethinking of the American military posture. If the world truly is on the threshold of a generation of peace—does the U.S. need 16 Army and Marine Corps divisions, 39 tactical air wings, 508 naval vessels, and 506 strategic bombers? Is it vital that the U.S. Navy have control of all the major sea-lanes of the world? Should foreign policy and domestic economic ends be sought through the defense budget?

These are not easy questions to answer. We are not sure of any one of the answers. Neither the U.S. Government nor the U.S. people have really taken time out since the outbreak of the Korean war to think deeply into these questions. Conceivably, a serious rethinking would end in a conclusion that the U.S. needs more, not less, military power than it has. Yet, the thinking should be done, thoroughly. The U.S. should not go on indefinitely as it has over the last 30 years automatically giving the Pentagon more or less everything it seeks. It's time to question more carefully and thoughtfully.

BINARY CHEMICAL WEAPONS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. FRASER. Mr. Speaker, several of our colleagues are waging an effective and needed campaign to eliminate from the fiscal 1975 defense appropriation, moneys earmarked for procurement of the binary chemical weapons system.

The gentleman from Utah (Mr. OWENS) delivered a persuasive statement May 21 before the House Defense Appropriations Subcommittee on this subject. Previously, Mr. OWENS appeared before the House Foreign Affairs Subcommittee on National Security Policy and Scientific Developments chaired by the gentleman from Wisconsin (Mr. ZABLOCKI) and I had an opportunity to hear and question him.

Mr. Speaker, I am convinced that the binary program is the wrong program at the wrong time being pursued for the wrong reasons. Testimony before committees with jurisdiction over this matter has been very useful in pointing this out. Mr. OWEN's statement is an excellent example of this testimony. I insert the statement following these remarks:

STATEMENT OF REPRESENTATIVE WAYNE OWENS

I am very pleased to have the opportunity to appear before you today. I have been interested in the issue of our chemical warfare policies for many months, and have come to realize that the objectives of the Congress with regard to support of particular policies are probably most affected by the appropriations process.

There are other forums where the policy implications of Congressional and Executive decisions can be best examined. The House Foreign Affairs Subcommittee on National Security Policy, for example, just last week concluded five days of hearings on H. Res. 679, which I introduced along with 45 cosponsors, calling for a comprehensive review of U.S. chemical warfare policies.

The hearings provided a review of the national security implications of our chemical warfare policies, including a thorough examination of the proposed new binary nerve gas system—which, although it has the small initial investment of $5.8 million in the FY '75 budget, will end up costing an estimated $1 to $2 billion to replace our current stockpile.

I would hope that the information accumulated in those hearings would be studied and taken into account in your evaluation of that portion of the budget related to chemical warfare activities. Chemical warfare needs to be examined not just as a weapon system, but in terms of its international imlications, and the effects our policy is having on the current negotiations at Geneva. With coordinated efforts of both committees examining this matter, the Congress can best make a decision on whether it is wise to proceed with an entirely new system of chemical warfare.

I am in favor of a delay in the approval of the Army's request for $5.8 million dollars to begin the necessary first stages of what will become a more than $200 million initial procurement program of binary chemical munitions to add about a 20% increment to our current chemical warfare stockpile.

I am fully aware of the arguments which

the Army has presented on the necessity for having this $5.8 million approved in this year's request. Nowhere in these arguments have I heard any really convincing statements that the national security would be threatened if the proposed procurement program should be delayed. At the recent Foreign Affairs hearings DoD witnesses admitted that the money might not even be spent this year should some change take place in the current Executive policy as a result of the reevaluation of U.S. chemical warfare policy now underway. This type of logic escapes me entirely. If there is a possibility that a definite decision to spend the money has not really been made, for whatever reason, then it seems irrational to me to put in the request just in case they might need the money. This type of fiscal planning is what bloats appropriations unnecessarily. If approved by the Congress, this type of planning almost forces a program to continue. It seems to me that a requested budget item should be supported by a full and complete evaluation including testing before a definite expenditure is requested. Yet, the Army has indicated that there was some possibility that the money would not even be spent. The statement was made in other hearings, for example, that a definite decision to initiate procurement has not been made. There is no doubt that the money is in the request for funds—if the decision has not been made to begin procurement because of incomplete testing or other factors, then it seems difficult to understand why the money has been requested. It is my opinion that this money should not be approved this year.

The reason for my position has been presented to the Congress in the Record a number of times. It is also important to note, however, that most of the witnesses testifying on this problem before the Subcommittee of the House Foreign Affairs Committee were in agreement that Congressional approval of this funding request at this time would be interpreted by the world as meaning that Congress supports a position of modernization and expansion of U.S. chemical warfare stockpiles at the very time that the U.S. has also stated at Geneva that we are seriously interested in proposals to gain control over the prohibition of stockpiling and production of chemical weapons. This seems to me and to these experts to be irresponsible foreign policy. In fact, on the last day of the Foreign Affairs Committee hearings, it was terribly and embarrassingly obvious that the Department of State has not yet reached agreement within that Department as to just what this Nation's chemical warfare policies should be with regard to negotiations at Geneva. There appears to be serious disagreement between the Department at the Secretary's level and the Director of the Arms Control and Disarmament Agency. I suspect that this disagreement is fostered in part by Department of Defense positions, or lack of definite position, on this same issue.

I believe that this disagreement within U.S. Executive policy-making groups is sufficient justification in itself to warrant postponement of Congressional approval for the initiation of procurement of the binary chemical weapons system. When we add to this disagreement the obfuscation produced by Army discussions on this issue, I believe that there is little question about the position which Congress should take on this issue. Certainly, the reactions with regard to the potential impact on current arms control negotiations have not been adequately studied. Witnesses before the Foreign Affairs Subcommittee such as Dr. Baxter, an eminently known scholar in the field of international law, and Dr. Price, the ex-president of the American Chemical Society, a highly knowledgeable and professional chemist, both presented very logical arguments to point out that an assessment of the probable effect of procurement of the binary system is not as clear and unequivocable as some Executive agency witnesses would have us believe. Other Executive agency witnesses agree with the private witnesses.

I must add also that despite their effort to justify a policy of chemical warfare deterrence as a necessary posture to counter a chemical warfare threat from other Nations, the Department of Defense does not present a very convincing case. The urgency for procuring the binary system as presented by DoD witnesses at the Foreign Affairs Committee hearings certainly was not well described. There was some indication that current stocks of munitions were not as adequate as might be desired, but the logistics problems associated with this problem were not discussed in any way so as to support the procurement of the binary as being the only method of solving this problem. There are many tons of nerve agent in bulk containers. These bulk agents could be transferred to munitions of conventional types in a real emergency.

I personally do not know what sort of emergency situation could be visualized wherein the enemy would wait until we either moved more munitions overseas from domestic sites or during which our forces could resist a strong chemical attack and survive without resorting to nuclear weapons. Much of the logic of the DoD seems to be based upon some sort of situation in which the chemical attack would be made in a modest or gentlemanly fashion which would permit us to retaliate in a limited fashion with chemical weapons, reach a stalemate, and then go on to some other type of warfare. I believe that any enemy desperate enough to launch a chemical attack will do so only with an overwhelming attack which would require immediate nuclear retaliation or a total loss by our forces on the battlefield. Certainly the DoD briefings emphasize a Soviet capability to use chemical weapons on such a large scale if they do so at all.

This type of desperate situation leads me to the next point of concern which I would like to discuss. In addition to the obvious and serious differences of opinion about our chemical warfare disarmament policies which exist in the Executive branch, the Department of Defense was quite openly frank during the Foreign Affairs Subcommittee hearings in pointing out that there is a serious disparity between the chemical defensive capabilities of the Soviet Union forces and those of the United States. When the equipment is compared, the U.S. seems to come out behind. What is particularly serious about this difference is that it seems to be most readily apparent in the abilities of the operating forces. That is, the Soviet forces seem to train intensively with good equipment available to all soldiers, while I gather from what I have heard in the testimony, our forces are not similarly equipped or trained.

There are a number of reasons why this disparity may be present. It is certainly not due to a lack of Congressional support of programs for research, development and test of defensive equipment. It may be due in part to a belief on the part of our field commanders that the chemical warfare threat is not as potent as described here in Washington; this could lead in turn to a lack of enthusiasm to inculcate the chemical warfare defensive discipline that is necessary for adequate defense, or it could mean that we simply have not funded the procurement of adequate quantities of defensive equipment so that all of our forces are equipped with the necessary gear—as a part of their regular equipment, not stored in some warehouse for contingency planning—so that our forces can operate with confidence with this equipment.

If it is a lack of conviction on the part of the operating forces of the seriousness of the threat, then the corrective action is one of education and indoctrination. If, however, the disparity is one of inadequate procurement then the necessary corrective action is equally obvious. On the basis of what I have learned, it appears that the problem is in large part due to a failure to translate the results of research, development, test, and evaluation of defensive equipment into standardization and procurement of sufficient quantities to fully equip each and every one of the men in our forces.

I suggest, therefore, that we have an opportunity at this time to correct a serious and acknowledged deficiency in the chemical defensive posture of our forces by recommending that the funds requested for the beginning of the procurement of the binary munition be used instead to purchase such additional quantities of defensive chemical warfare equipment as are required to correct the quantitative deficiencies which have been acknowledged by our armed forces representatives during various testimonies before the Congress. This improved defensive posture is needed regardless of any decision which may be made at Geneva—and in fact, should enhance our negotiations posture.

We could thus accomplish two objectives. We could require the Executive Branch to come forward with an agreed upon analysis of the overall foreign policy implications of the proposed procurement of the binary chemical warfare munition before funds are approved for this purpose (and in the meantime produce an atmosphere more conducive to disarmament negotiations at Geneva). We could also direct our Armed Forces to immediately correct the currently inadequate chemical defensive posture of our forces. As noted by other public statements by expert witnesses, a strong defensive posture is a strong deterrent to the use of chemical warfare agents. I have already expressed these sentiments to the Secretary of Defense by letter. I offer a copy of this letter for inclusion in the record of the hearings. I am also offering a letter for the record of the hearings which I received from a well known former Advanced Research Projects Agency employee who offers a number of ideas about new techniques of chemical defense which seem to warrant investigation.

Finally, I believe that these proposals which I am offering will emphasize to the Executive that the Congress has no intention of continuing to support an offensive chemical warfare program aimed at modernization and expansion of our stockpiles until all aspects of the current internal disagreements in chemical arms control policies, including the difficulties associated with the ratification of the Geneva Protocol in the Senate and the need to maintain CW stockpiles at all, have been fully resolved and explained in a manner satisfactory to the Congress.

THE CASE FOR A FEDERAL OIL AND GAS CORPORATION—NO. 36

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. HARRINGTON. Mr. Speaker, opponents of the Federal Oil and Gas Corporation charge that FOGC would destroy the very element it is supposed to bring to the oil industry—competition.

Speaking to the American Society of Newspaper Editors, W. T. Slick, Jr., senior vice president of Exxon USA, charged that the Corporation would ultimately destroy competition in the energy industries. Mr. Slick was quoted as saying in the Pecos Enterprise:

> Backers of the Consumer Energy Act insist they don't intend to kill private enterprise, yet they are proposing, as an integral part of the Act, the establishment of a potential replacement—to be known as the Federal Oil and Gas Corporation.

As an executive in one of the world's most powerful energy industries, Mr. Slick surely is aware of the anticompetative nature of the oil industries. Several studies have pointed out that the role played by the major oil companies in oil and other related industries hardly encourages competition.

As a new element in the energy industry, the Federal Oil and Gas Corporation—a publicly owned Corporation—would compete with the major oil companies, and would restore competative influences in a field where they are sorely needed.

In further criticism of the Federal Oil and Gas Corporation, Mr. Slick said:

> Lacking operating and technical experience—to say nothing of the motive to make a profit—the new government company could hardly develop production as rapidly as private operators who otherwise would be developing the same leases.

Private companies, however, have not proved themselves to be responsible developers or marketers. While consumer gasoline use dropped during the energy crisis this winter, prices reached alltime highs and the major oil companies reported astronomic profits.

The consumer deserves to have a representative in the energy industry. Research and development of alternate sources of energy must begin now, and a Federal Oil and Gas Corporation could make important inroads and encourage private development.

One of the most important features of the proposed Federal Oil and Gas Corporation, however, is that it would act as a standard for evaluating major oil company production and profits. It would neither destroy free enterprise in the industry nor limit American energy production. The Federal Oil and Gas Corporation would merely add competition to the industry and lend perspective to major oil company profits.

VIABILITY AND ABORTION

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. LANDGREBE. Mr. Speaker, in the September 1970 issue of California Medicine, the official journal of the California Medical Association, there appeared an editorial favoring abortion entitled "A New Ethic for Medicine and Society." The editorial contained the following paragraph:

> The process of eroding the old ethic and substituting the new has already begun. It may be seen most clearly in changing attitudes toward human abortion. In defiance of the long held Western ethic of intrinsic and equal value for every human life regardless of its stage, condition or status, abortion is becoming accepted by society as moral, right and even necessary. It is worth noting that this shift in public attitude has affected the churches, the laws and public policy rather than the reverse. Since the old ethic has not yet been fully displaced it has been necessary to separate the idea of abortion from the idea of killing, which continues to be socially abhorrent. The result has been a curious avoidance of the scientific fact, which everyone really knows, that human life begins at conception and is continuous whether intra- or extra-uterine until death. The very considerable semantic gymnastics which are required to rationalize abortion as anything but taking a human life would be ludicrous if they were not often put forth under socially impeccable auspices. It is suggested that this schizophrenic sort of subterfuge is necessary because while a new ethic is being accepted the old one has not yet been rejected.

Semanic gymnastics are not the only characteristic of the proabortionist arguments; convoluted logic is their major characteristic, as evidenced by the 1973 decision of the Supreme Court Roe against Wade. Dr. John T. Noonan, professor of law at the University of California, pointed out that—

> The Court declares that if those trained in medicine, philosophy, and theology are unable to arrive at a consensus as to when life begins, then "the judiciary is not in a position to speculate as to the answer" Wade, p. 44). Incompetence in the area is avowed.
>
> Three pages later, Justice Blackmun describes the abortion statute of Texas as "adopting one theory of life" and rejects that theory as a ground for regulating abortion. Is this the Judiciary "speculating as to the answer" or is it not? How can Texas—and the other states with comparable statutes—be wrong in protecting fetal life against arbitrary extinction unless the majority of the Court knows better when life begins? . . .
>
> Beneath the avowal of incompetence is a commitment to a particular theology or theory of human life. Life is an interest worthy of state protection when it acquires the characteristic of "viability" or "the capability of meaningful life outside the mother's womb." At this point, state protection has both logical and biological justification." (Wade, p. 48). At this point, in short, life has characteristics that other humans may recognize. At this point, functionally, the Justice says human life begins.

The situation existing in the *Wade* decision and ever since is that a confessedly incompetent Court has made a decision overturning a century of legislation protecting the right of the unborn child to life.

This, unfortunately, is not the only absurdity in the Court's *Wade* decision. The criterion of human life, according to Justice Blackmun, who says he does not know, is viability, the "capability of meaningful life outside the mother's womb." It is imperative that this judicial speculation as to the beginning of life be given closer examination. Webster's Seventh New Collegiate Dictionary defines viable as "1: capable of living; esp.: born alive with such form and development of organs as to be normally capable of living; 2: capable of growing or developing; . . . 3: workable." Now obviously the third meaning is irrelevant to this discussion, and so we eliminate it without further ado. Let us consider the second meaning first.

An unborn child can be considered viable according to the second meaning, for it is quite obvious that it is capable of growing or developing. Thus the unborn child passes the test of viability in the second meaning. But does it pass the test of viability in the first sense "capable of living?" Since the unborn child is actually alive, it is capable of living. But the first meaning does not stop with "capable of living"; it proceeds to give a special meaning: "born alive with such form and development of organs as to be normally capable of living."

First, I would like to point out that any child born with a defect is not "normally capable of living," and thus is not viable under this definition. The argument that such children should be killed has often been made, particularly by the ancient Greeks, who were not influenced by Christianity. More important, however, is the absurdity of this test of viability. For obvious reasons an unborn child cannot pass the test of viability if the test entails being born in a certain condition. Isn't the test of viability in this sense a bit like testing air for its solidity, and upon finding it to be rather insubstantial, declaring it not to be air? A test of an unborn child that requires it to be born is nonsense.

There is another absurdity in the test of viability. The abortionists assert that the unborn child flunks the test of viability, that is, that it is not capable of living. However, the child is already living. So the abortionists recommend a procedure which makes the child nonviable: they kill it. If the child were indeed not capable of living, the procedure recommended for achieving its death would not be needed. The child would be already dead, or would in the normal course of events die.

That it is not and does not proves that it is indeed viable. The test of viability is merely a subterfuge, a rationalization, for the actions the abortionists are determined to perform anyway. The test is an absurdity. But one should always ask the purpose of nonsense, and not stop at exposing the nonsense. The purpose of this bit of nonsense about viability is becoming increasingly clear: by it the abortionists hope to justify their practice of homicide.

Justice Blackmun in the Wade decision gave his own definition of "viability," a definition quite similar to the one given by Webster which we have discussed above; "born alive with such form and development of organs as to be normally capable of living." Justice Blackmun's definition, "capability of meaningful life outside the mother's womb," is so vague that it is nearly meaningless, in addition to being absurd as a test for unborn children. Yet the Justice offers his definition as the basis for determining when the law shall take effect, when a person comes under the protection of a law. What is the meaning of meaningful?

I suggest that meaningful is not a word which conveys any understandable content in this context. Like the word "social," it is a corrupting word. Justice becomes social justice, life becomes meaningful life. Social justice and meaningful life replace justice and life. By this substitution we are supposed to conclude that social justice is somehow different from and superior to justice, and that meaningful life is somehow different from and superior to life. How they differ, and how they are superior, we are not told. That is anybody's guess. And that is why such words, when accepted as formulas for political or jurisprudential action, are so dangerous: anybody may plug any content they wish into such a phrase as meaningful life. In the hands of the government, such a criterion for deciding who shall live and who shall die, who is protected by the law and who is not, is perhaps the most dangerous of all situations. The editorial in California Medicine to which I referred earlier began with these words:

> The Traditional Western Ethic has always placed great emphasis on the intrinsic worth and equal value of every human life regardless of its stage or condition. This ethic has had the blessing of the Judeo-Christian heritage and has been the basis for most of our laws and much of our social policy. The reverence for each and every human life has also been a keystone of Western medicine and is the ethic which has caused physicians to try to preserve, protect, repair, prolong and enhance every human life which comes under their surveillance. This traditional ethic is still clearly dominant, but there is much to suggest that it is being eroded at its core and may eventually even be abandoned. This of course will produce profound changes in Western medicine and in Western society.
>
> What is not yet so clearly perceived is that in order to bring this about hard choices will have to be made with respect to what is to be preserved and strengthened and what is not, and that this will of necessity violate and ultimately destroy the traditional Western ethic with all that this portends. It will become necessary and acceptable to place relative rather than absolute values in such things as human lives, the use of scarce resources and the various elements which are to make up the quality of life or of living which is to be sought. This is quite distinctly at variance with the Judeo-Christian ethic and carries serious philosophical, social, and economic and political implications for Western society and perhaps for world society.

Our civilization is being challenged at its very heart by the demand for liberalized abortion. The distinction between guilt and innocence has been replaced by the distinction between viable and nonviable, meaning and meaningless. Social justice is replacing justice; meaningful life is replacing life. We are jettisoning the rule of presumed innocence, in favor of the rule of presumed nonviability, a substitution that must result in the hideous slaughter of the innocent so characteristic of modern and ancient totalitarian regimes. Under the rule of law a man's life, property, and liberty could be taken legally only if guilt were established beyond reasonable doubt in a court of law. But the Supreme Court in the abortion decisions abandoned the rule of law and substituted the rule of personal whim. The Court has declared that certain classes of people, women and physicians, have the right to kill members of another class, unborn children. No evidence of the guilt of the victim need be presented for this extrajudicial killing to occur, no confrontation of witnesses required, no trial by one's peers permitted.

If private individuals may engage in such activities, the Government has recognized a standard of justice other than guilt or innocence. It is this new standard of justice that will overcome the standard of guilt or innocence, or be itself overcome. No legal system can long survive which accepts two conflicting standards. Where the categories of guilt and innocence are discarded, then one can be certain that the innocent will suffer. That is why the Court's abortion decisions are so revolutionary; they undermine the foundations of our legal system, and herald the end of our civilization. It is of the greatest importance that Congress act to overturn the Court's decision now.

SOVIETS LOBBY FOR DÉTENTE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. RARICK. Mr. Speaker, many Americans have grown callous toward the high-pressure lobbying carried on in their Nation's Capital. But last week's lobby operation by a Soviet pressure group must go down in history as a first.

Like all other foreign lobbyists, the Communists from Russia were looking for special interest treatment, which like most other operations in our foreign policy, means dollars from the paychecks of the American people.

A related news clipping follows:

[From the Washington Star-News, May 24, 1974]

SOVIETS LOBBY FOR DÉTENTE

(By Oswald Johnston)

A high-ranking Soviet delegation has wound up an unprecedented lobbying operation on behalf of the Nixon administration's detente and trade policies with a flood of goodwill rhetoric but with, apparently, few congressional minds changed.

The visitors, billed as an eight-man delegation of Soviet parliamentarians, was headed by Boris N. Ponomarev, a Politburo alternate member and an adept official ideologist. They included representatives of Pravda, Izvestia, Tass and Literaturnaya Gazeta. Most were trusted Communist Party Central Committee members.

The visit itself was billed as a demonstration of detente in action.

Nevertheless, congressional managers of trade bill amendments demanding Jewish emigration rights as the price for trade and credit benefits professed to see the visit as a last-ditch lobbying campaign on the eve of President Nixon's hoped-for Moscow summit next month.

The Soviet delegation met with President Nixon yesterday and, during a 20-minute session alone with Nixon, Ponomarev gave the President a personal message from Soviet leader Leonid I. Brezhnev. The White House is keeping the message secret, indicating a possible connection with the summit.

The White House has not provided any firm information about the trip yet, and Nixon has been urged by some members of Congress to put off the visit until the impeachment proceedings are completed.

But deputy press secretary Gerald L. Warren said he saw no reason to think the President would be in a weak negotiating position if he meets Brezhnev while the House impeachment proceedings are still under way.

Members of the Soviet delegation's target committees—foreign relations and finance in the Senate, foreign affairs and finance in the House—were less apt to brand the visit an administration plot. But, as one House staff aide observed, nobody had any doubt the Soviets would take advantage of a chance to lobby against the Jackson Amendment at this time.

In addition to Ponomarev, a key Communist party official since 1936, the main persuaders on the delegation were the three leading ideologists and publicists with the group: Zamyatin, a veteran diplomat who is now director general of Tass, the Soviet news agency, and who accompanied Brezhnev to Washington at last June's summit; Lev N. Tolkunov, chief editor of Izvestia; and Georgiy A. Zhukov, special political correspondent for Pravda.

Zhukov especially, congressional sources reported, tended to put a polemical cast on his declarations, at one point warning in obvious reference to Sen. Henry M. Jackson, D-Wash., and his supporters that "the dangerous momentum of the cold war is still with us" raising the "ghosts of past fears with their mystical threats."

CONGRESSIONAL REFORM IS IMPERATIVE

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. OWENS. Mr. Speaker, as a junior Congressman from Utah and a member of the House Judiciary Committee, I have been in a unique position over the past 2 years to observe the steady erosion of public confidence and trust in government. I am not only speaking of the tragic affair which has become known as Watergate, but the dismal and disheartening ability of Congress to reform itself.

We are at what the historians will observe as a turning point in the constitutional government of this great country. Watergate, as painful as it is, has marked this point in our history and demonstrated that the American people wish to find the truth about their country so that they can correct deficiencies. Congress, however, has yet to live up to the American people's ethic when it comes to its own reform. Congressional reform is just as important as "clearing up Watergate" in the executive branch of Government. We must bring Congress role in the Government of this country back to its historical perspective, and return the public's confidence and trust in their Government.

OPEN LEGISLATIVE PROCEDURES

One of the most critic[illegible] areas for reform is opening up the operations of Congress to public scrutiny. Nothing can better facilitate the return of the public's confidence and trust in its Government than an open Congress where business is conducted in full view and not behind closed doors labeled "executive session." In fact, opening the Government agencies to the public as well as congressional committees would be a tremendous step in the right direction.

In an open Congress, procedures could be developed to insure that congressional committee meetings concerning matters which legitimately relate to national security or the internal management of a committee would remain closed. Any committee meeting which would reflect adversely on the character or reputation of an individual or may divulge matters required to be kept confidential could also be closed to the public under the appropriate safeguards. I have cosponsored legislation in this area, and I believe that it should be first in priority for any meaningful congressional reform.

OPEN FINANCIAL DISCLOSURE

Another top priority is legislation which would require disclosure of financial interests by Members of Congress and employees of Congress. Financial information could be contained in annual reports which would be filed with the Comptroller General and made available for public inspection. Full disclosure of the amounts and sources of income, value of assets held, and substantial business transactions would certainly improve the image of Members of Congress and promote public confidence in the legislative branch of Government. I have done this the last 2 years on a voluntary basis, but only a small minority make this disclosure.

BUDGET REFORM

There is a compelling need for Congress to reassume full control over the purse which has slowly slipped out of congressional hands. Serious erosion of Congress constitutional role in this area has been accomplished by consistent escalation of Executive influence over budget and fiscal policies, and the imbalance of power if allowed to continue threatens a most basic part of our Constitution. Both the House and the Senate have passed similar versions of a budget reform bill to replace the chaotic, fragmented congressional procedures now used to consider the budget.

First, a procedure would be established whereby the President must notify Congress whenever he impounds funds which have already been appropriated. Congress would either approve the President's decision or require the President to cease such action if congressional power over spending is to be maintained.

Second, a division within the legislative branch which is comparable to the Office of Management and Budget would be established with an adequate number of expert personnel responsible only to Congress. This Congressional Budget Office would significantly help Congress exercise responsible oversight of the executive branch of government with respect to the preparation and administration of the budget, the raising of revenue, the expenditures of moneys, the preparation and presentation of legislative proposals concerning the same, and the implementation of legislative programs enacted by Congress. In addition, such a division could undertake other responsibilities Congress finds necessary or desirable to maintain the independence and constitutional prerogatives of the legislative branch.

Third, the proposal would establish budget committees in both houses to set spending targets and force Congress to reconcile national outgo with income before voting on the separate appropriations bills. The appropriations committees must base their many separate budget decisions on this comprehensive consideration of budget priorities by the budget committees.

This strong system to bring Federal spending under control will soon be forged into law. For the first time Congress will operate with a comprehensive picture of revenues coming in and expenditures going out.

COMMITTEE REFORM

Committee realinement is long overdue. Since the last major realinement in the House in 1946, committee jurisdictions and the problems Congress should be addressing have shifted. In vital areas such as energy, environment, and transportation, jurisdiction is fractured among numerous committees and subcommittees. This has resulted in misplaced priorities, proliferation of conflicting programs, or in some cases, legislative stalemate. In other areas such as health, action has been stalled due to excessive committee workload.

A select House committee headed by Congressman RICHARD BOLLING has conducted a thorough review of committee jurisdictions and has suggested recommendations to eliminate overlap. Unfortunately, this proposal has been delayed by Members of the House who guard longstanding positions of power. The response to the Bolling report is a perfect example of the difficulties Congress faces in reforming itself. I hope that Members will recognize the need to bring the congressional framework up to a modern level and implement some meaningful committee reform this year.

Opening Congress operations to the public, disclosure of financial interests of employees and Members of Congress, budget reform, and committee reform are some of the most important areas for congressional reform. They require immediate attention. However, reform does not and cannot stop with these four areas. Many others require serious and thoughtful consideration by Congress to improve its image and return the public's confidence and trust in their legislative branch of Government.

While a complete list of the needed areas of congressional reform would be lengthy and extensive, I would like to make a partial list of those other areas which I believe are important, and where reform legislation has already been proposed either by myself or other Members of Congress.

SENIORITY

First, one of the traditions which must be overcome to strengthen Congress is the rigid adherence to the seniority system. Most drafting work of legislation occurs in the various committees of both Houses. This is a crucial stage in the legislative process, and chairmen of committees have great power in determining the final outcome. A Member's responsibilities on a committee and his access to committee staff assistance is currently determined primarily by length of service, not by measure of ability. I suggest that committee chairmen and the ranking minority committee members be elected by secret ballot in the party caucuses. Both the committee chairmen and committee members would know that leadership had been decided on merit, not on longevity. I also suggest that committee chairmen give up their position at the age of 65.

OVERSIGHT

Second, Congress not only has the responsibility of writing the laws of the land, but it must also see that the executive branch carries them out. Through oversight, Congress is supposed to determine whether Federal programs are administered in a manner which satisfies the intention of Congress. However, the most Congress has done about oversight is to overlook it as an obligation.

I have introduced legislation to review the impact of legislative actions. My proposals would establish legislative review subcommittees within each standing committee of Congress to conduct continual oversight functions. Separate committee staff would be employed to concentrate solely on legislative oversight and review. Oversight priorities would be set, programs evaluated, and reforms recommended. Implementation of these proposals would help satisfy the critical need for legislative oversight.

POLICY RESEARCH

Third, Congress is not equipped to perform the necessary research and analysis required for presentation of a legislative program similar to the President's. Most of the significant legislation which goes through the legislative process is initially researched and proposed by the executive branch. Congress must reverse this trend if it is ever to become a coequal branch of Government. I have therefore proposed legislation to provide policy committees for the two major parties in both Houses with the expert staff and resources so that Congress can exhibit some initiative and introduce fresh ideas in our lawmaking process. This will bolster the leadership's access to expert advice and eliminate Congress passive role in continually accepting and ratifying executive branch proposals.

CONGRESSIONAL OMBUDSMAN

Fourth, an Office of Congressional Ombudsman should be created to investigate actions and operations of the various agencies of the U.S. Government. Such a congressional ombudsman would be responsible only to Congress, much like the Congressional Research Service and the Government Accounting Office. He would, principally, do constituent case work at the request of Members of Congress, with the help of a staff trained in the different casework areas; that is, social security, veterans, and military. Because staff members would become expert in the law, regulations, and procedures in a given area, they could move more effectively than a caseworker in an individual congressional office.

COMMUNICATIONS AND COMPUTERS

Fifth, an Office of Congressional Communications should be established to maintain a video-tape library of important public interest broadcasts, provide closed-circuit telecasts of committee proceedings, arrange for each Member of Congress to view such documents in his own office, and further modernize the communications information services available to the Congress.

In addition, Congress should utilize modern computer technology as a research device. Information retrieval systems should be programed to include the status of legislation, congressional schedules, and background materials on issues of national concern, with a computer terminal in every Congressman's office.

CITIZENS' COMMITTEE

Finally, a citizens' committee to study Congress in order to assist in an appraisal of itself as an institution would be essential to encourage positive public interest in making changes in Congress at a time when there is strong public sentiment favoring reform.

CONCLUSION

We have in Congress an organization with structures and procedures that were designed to solve problems which no longer exist. The current lack of public confidence in Government performance must motivate Congress to undertake some critical self-analysis and to follow through with effective reforms. Congress must have the tools to deal with today's complex problems and to uphold its part of the balance between the executive, legislative, and judicial branches.

Reform in all of these areas and many others would improve the image of Congress and help return the public's confidence and trust to their legislative branch of Government. It is imperative that Congress undertake a major exercise in self-improvement. Congress must regain the policymaking authority which it has increasingly abdicated to the executive branch. I will work for improvement and continue to suggest reforms in an attempt to transform Congress into an effective, up-to-date institution.

SOCIAL SECURITY—THE GREAT RIPOFF—NO. 3

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. CRANE. Mr. Speaker, in part three of a series concerning social security, reporter Warren Shore of Chicago Today points out that the majority of today's younger workers will not become aware of the inequities of the system until their middle years. He writes,

> By then, it will be too late.

The questions they should be asking right now, states Mr. Shore, include:

> Why should the cost of protection during my healthiest years (22 to 45) come to more than $50,000?
>
> Why should that bill be going up every year when the protection I'm promised is going down?
>
> Why should my wife (in the case of a male worker who dies or becomes disabled) be faced with government-imposed alternatives that are so bad she might not be able to claim her benefits?

Mr. Shore concludes that,

> The real answer is that Social Security is not insurance at all. In spite of federal publications describing Social Security's "benefits" or "contributions" or the existence of a special insurance trust fund, the system is emphatically unlike insurance.

What social security officials euphemistically call a "contribution" is, states Mr. Shore,

> A $100 to $120 a month worker/employer payroll tax which if unpaid would result in federal prosecution. If you're covered by the system, you can't get out.

Warren Shore has spent many months examining the social security system, how it works, and how it affects those who are dependent upon it.

Chicago Today is performing an important public service in bringing this material to the attention of the American people. I wish to share this series with my colleagues and today am inserting part three, which appeared in Chicago Today of May 1, 1974 in the RECORD. The previous parts of this series have already been inserted into the RECORD and the subsequent parts will be placed into the RECORD at a later time.

THE VICTIMS OF SOCIAL SECURITY •

(By Warren Shore)

(NOTE.—Is Social Security a ripoff for young people? Reporter Warren Shore has spent months examining the federal law, talking to recipients, representatives in the field, and insurance experts. He went so far as to set up a special computer program from which many of the startling figures in this series are based. In fairness Chicago Today next week will make space available to the Social Security Administration to respond with its side of the story.)

For most of today's young wage earners the real inequities of the Social Security system won't become clear until their middle years. By then it will be too late.

The questions they should be asking right now include:

Why should the cost of protection during my healthiest years [22 to 45] come to more than $50,000?

Why should that bill be going up every year when the protection I'm promised is going down?

Why should my wife [in the case of a male worker who dies or becomes disabled] be faced with government-imposed alternatives that are so bad she might not be able to claim her benefits?

The real answer to all these questions is that Social Security is not insurance at all. In spite of federal publications describing Social Security's "benefits" or "contributions" or the existence of a special insurance "trust fund," the system is emphatically unlike insurance.

What the Social Security Administration calls a contribution is, in fact, a $100 to $120-a-month worker/employer payroll tax which if unpaid would result in federal prosecution. If you're "covered" by the system, you can't get out.

As for the trust fund, it's simply a myth. More about that in another installment.

While the middle, child-raising years are the time when most couples need the greatest protection, it's also the time when Social Security can be the cruelest.

Mrs. Marion Poteka found out the hard way. When her husband, Joseph, died recenty of a heart attack at age 39, Mrs. Poteka was left with the couple's two sons, mortgage payments and some hard decisions.

"When Joe died," she recalls, "I was in a fog for a few weeks. But when I came home from the Social Security office, I was sick all over again."

The family benefit check, Mrs. Poteka learned, was not computed on the insurance value of what Mr. Poteka paid in taxes or even the family's need. It's based on the "average contribution" Joseph Poteka made to Social Security during his entire working career.

The difference is critical. Poteka was earning more than $14,000 a year when he died, but there were many leaner years before that.

The "average" for all those years came to slightly more than $6,600, which meant that the total family benefit check, for Mrs. Poteka and her two sons (ages 10 and 8), would be $435 a month.

"That would have helped a lot," Mrs. Poteka said, "but then the man explained that I couldn't get it."

What the Social Security representative explained was the system's incredible "earnings test." Because Mrs. Poteka is making $145 a week as a food store checkout clerk, the family benefit check must be "reduced," he said.

What he should have said was that the benefit would be all but destroyed. The law says that a widow cannot receive full benefits if she earns more than $2,400 a year. That's $200 a month.

Thus, because Mrs. Poteka earns $7,540 a year as a checkout clerk [now the family's only source of income], her $435-a-month benefit is "reduced" to $220.

"I couldn't believe it when he told me," Mrs. Poteka recalled. "Joe and I were both working to make ends meet. Now this man tells me I'll have to quit my job and live on $435 a month—or keep my job and lose over $300 a month in benefits. What kind of choice is that?"

Mrs. Poteka, like a lot of others, chose to keep working and take the tiny benefit "so maybe I can get ahead on the job and keep us above water," but she still says bitterly, "Joe's Social Security money was wasted."

In fact, the choice Marion Poteka faced was worse than she knew—and even more cruel. Had she "retired" to take the full $435 she would have lost valuable years on the job needed to qualify for Social Security retirement benefits.

By law, she will collect the family benefit [even the reduced amount] only as long as she has a child under 18 [22 if in college]. That's less than 13 years for Mrs. Poteka. She will get nothing more until she turns 62—a 12-year gap.

Mrs. Poteka [and everyone else born after 1929] needs to work at least 10 years to qualify for retirement benefits. Even a fraction less than the full amount means she gets nothing on retirement.

Thus, if she had chosen to stop working to collect her full death benefit she might have lost her chance at collecting any retirement money at all.

At last count almost 40 per cent of American widows drawing Social Security benefits get a reduced amount because they earn more than $1,680 a year.

For those young workers entering the job market now, the deal is even worse. Rising Social Security taxes mean they will have paid more than $20,000 [and their employers a like amount] by the time they reach the age when Joe Poteka died.

Those they leave behind then will have the same choices as Marion Poteka. Benefit increases are tied to the cost of living and by law will rise only the same as the Social Security tax increases.

Since a widow can only collect death benefits while she has children under 22, the value of Social Security for a stable family shrinks every month.

This is because the money needed to pay for monthly death benefits grows less as the youngest child in a family approaches 22. Yet Social Security taxes for the family will grow every year.

FISCAL YEAR 1975 APPROPRIATIONS AND THE BINARY NERVE GAS SYSTEM

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. OWENS. Mr. Speaker, during the past several months I have provided a number of statements for the RECORD which were intended to inform the Members of the House about actions which I and a number of other Members have been taking to secure an examination of U.S. chemical warfare policies. Although these efforts have been relatively modest in comparison with several other legislative programs of concern to the Congress, I do believe that there has been some success in bringing congressional attention to bear on an issue which could lead to increasingly complex problems if not resolved at this time.

If I may, I would like to summarize very briefly for the benefit of all the Members, the events which have led us to the crucial point we now face in our considerations of the Department of Defense fiscal year 1975 appropriations bill.

Last summer, the U.S. Army proposed to transfer toxic nerve agents from the Rocky Mountain Arsenal to another storage site for destruction. One of the proposed sites was the Tooele Storage Depot in my district. A number of Representatives joined me in questioning the advisability of such a transfer. We also were disturbed to note that a task which had been thought to have been well underway had not even been started. I introduced legislation at that time, H.R. 9745 and other bills, and was joined by a number of cosponsors on this legislation, which was intended to prevent the transfer of these chemical agents and avoid any danger to the residents of towns through which such deteriorating munitions would have been transported. Hearings were held on these bills before Subcommittee No. 1 of the House Armed Services Committee in October 1973. During these public hearings, the Army reversed its position, decided that the toxic nerve agent munitions could be destroyed on site and that the bulk agent was surplus to our national security requirements and could also be destroyed on site. I believe that my legislation and the public examination of these bills in hearings were directly instrumental in accelerating the U.S. Army decision to dispose of these materials on site.

During this same period, I learned that the Army was planning to begin the procurement of a new series of nerve agent munitions—the binary chemical weapons system which has now been discussed quite thoroughly in the RECORD and in the public media—see for example, CONGRESSIONAL RECORD "Binary Nerve Gas," Extensions of Remarks, March 20, 1974. Of more interest to the Members is the fact that this procurement is intended for immediate initiation—the sum of 5.8 million dollars is included in the fiscal year 1975 Department of Defense appropriations bill. This relatively small sum will eventually lead to a minimum expenditure of about $200 million for the conversion of about 20 percent of our CW munitions stockpile to the binary artillery shell.

Normally, the modernization of a weapons system is considered to be a fairly routine development as technological capabilities evolve. In the case of the binary munition, however, I believe that we are in a unique position in history. At this precise moment, this country is engaged in arms control negotiations at Geneva which have not been proceeding as well as could be expected. In past years, we have been relatively successful at these negotiations and this country was instrumental in securing the acceptance by the United Nations of a Convention on the Prohibition of the Use of Biological Weapons. It had been the hope of the participants at the Geneva Conferences that a similar convention could be secured for the control of chemical weapons. At the same time, we have been struggling to secure the ratification in the Senate of an older treaty on the prohibition of the use of both biological and chemical weapons—the Geneva Protocol of 1925. The desire of the President to establish an understanding that herbicides and riot control agents should be excluded from the U.S. ratification of this protocol has produced such serious disagreement between the Senate Foreign Relations Committee and the President that the protocol has been stalled in the Senate for more than 3 years. Further, there were many indications that if the U.S. Army were to proceed with their plans for the procurement of the binary chemical system, the current Geneva negotiations on chemical arms control would be essentially negated. Since I wished to have more details on these problems made publicly available, I asked the Congressional Research Service to prepare a summary report so that all Members might have this information; that report contains details which I do not wish to repeat at this time. See Congressional Research Service Report "Chemical and Biological Warfare: Issues and Developments During 1973," December 18, 1973. James M. McCullough, Specialist in Life Sciences. CRS Report 74-21SP.

As you will note in that report, the Biological Convention, also submitted to the Senate Foreign Relations Committee for ratification, has received no action; I understand that this delay has been caused by the failure of the President to respond to a letter from that committee on the problems associated with ratification of the Geneva protocol.

All of these events led me to believe that the Congress had reached the stage where once again a public evaluation of the problem was necessary. I believed that we were at a crucial point in our determinations on this issue. I introduced additional legislation, along with 45 cosponsors, calling for a comprehensive review of U.S. chemical warfare policies. The House Foreign Affairs Subcommittee on National Security Policy has just concluded 5 days of hearings on House Resolution 679 during which CW policies were examined in detail. I urge every Member to examine the report of these hearings just as soon as it is available. The hearings provided a review of the national security implications of our chemical warfare policies, including a thorough examination of the proposed new binary nerve gas system. More recently, I and several other Representatives, addressed this same issue before the Defense Subcommittee of the House Appropriations Committee during which we asked that the committee consider a delay of approval for initiating procurement of the binary chemical weapon. My justification for this position may be outlined briefly as follows, although all of the Members are certainly aware that this is a very complex issue.

In the first place, I have not insisted that the United States unilaterally disarm itself of its current chemical warfare stockpiles before the U.S.S.R. or any other nation agrees to a similar disarmament procedure, although I have expressed my doubts that a stockpile of chemical munitions is actually an effective deterrent to the use of chemical munitions by another aggressive nation. It is the fact that there is no current CW arms control agreement that does concern me a great deal in this matter. The Soviet Union is not required to reduce its CW stockpiles or production any more than is the United States or any other nation in the world because there is no international agreement on this CW issue. The Soviets have ratified the Geneva protocol of 1925, however, in which they are joined by some 100 other nations, in declaring that they will not initiate the use of chemical weapons in war—although most of these nations have reserved the right to retaliate if chemical munitions are used against them.

The United States is one of the few nations which has not ratified this protocol. This deficiency makes us particularly suspect in any of our actions in the chemical warfare issue, and we must be alert to this problem. This is a major reason why the decision by the Army to begin producing new CW weapons is so critical. The protocol has nothing to do with either Soviet or United States considerations of development, production, or stockpiling. In fact, then, the presence or absence of proof regarding past Soviet stockpiling of chemical weapons really is not an issue in my comments on our proposed production of binary weapons.

As I have pointed out on several occasions, according to the information provided in open testimony by the Joint Chiefs of Staff, this Nation now possesses stockpiles of CW munitions or nerve agent in bulk quantities which are essentially adequate to meet the deterrent policies enunciated by the President. As I have also stated, I was very impressed with the careful security and storage precautions taken at Tooele Storage Depot to protect the public health from the danger from these stockpiles.

It was this impression that strengthened my opinion that the safety aspects of the binary munition are not sufficiently imperative at this time to justify their immediate production for a restructuring of the CW stockpile. This aspect of the binary would obviously be important if a final decision still indicated that adoption of the binary is absolutely essential to the national security; a decision which has not been clearly enunciated in any of the hearings thus far. I have only indicated my concern about potential dangers to public health from current CW stocks when proposals were made to transport deteriorating munitions and excess stocks on common carriers through towns rather than destroy these munitions on site.

I have said that we need a full and public examination of our CW policies. I fail to see the logic of maintaining a stockpile as a deterrent to the use of chemical weapons by another nation when we possess an enormous nuclear retaliatory capability; we do need a more effective CW defensive capability to operate in a toxic environment than we apparently now have. I have expressed my concern about this latter problem in public hearings and in a specific letter to the Secretary of Defense outlining my recommendations for remedial actions.

I have been troubled by what is an obvious inconsistency in the record between announced U.S. policy of negotiations on an arms control policy and the U.S. Army's proposals to restructure our chemical munitions stockpiles. The public hearings thus far have demonstrated that, even within the executive branch, there is disagreement as to the potential impact of this Army proposal. The evidence of this disagreement on U.S. negotiations at Geneva and the potential effect of the proposed procurement of the binary is further support for the justification for delay of procurement of the binary weapon.

It is my opinion, and this is an opinion shared by the cosponsors of my legislation and by many witnesses in the recent hearings on CW policies, that the CW arms race must be slowed, and if at all possible, eliminated. We must take this problem seriously. Our Nation began the examination of this issue in 1969. The issue continues to this day. We are apparently at a stalemate position with regard to chemical weapon parity; to disturb this parity at this critical time could well destroy attempts at negotiation and set off a new arms race. This seems to me not to be in the best interest of our Nation or world peace. We are strong enough militarily, indeed we have the moral strength and obligation, to make the first real gesture toward CW arms control.

I have suggested that we delay the adoption of the binary chemical system and devote the talents of our best and most highly placed policymakers to our negotiations on both CW and nuclear arms control. We do not jeopardize the status quo of current CW capability by delaying the binary chemical munition; it delivers the same nerve agent we currently have in our stockpile. We do not give any technological edge by delaying further engineering and testing of the binary—we have been working on and proof testing the system for almost 20 years. We may encourage not only CW arms but discourage other nations from embarking on their own increased production of CW weapons if we, as world leaders, indicate our willingness to take more time to discuss this issue before committing our resources to further CW weapons construction. I have urged that we strengthen our effort on maintaining and developing our defensive posture since this posture is an effective deterrent in itself.

I agree wholeheartedly with the point that any CW arms control agreement can be meaningful only if all parties to the agreement abide by its limitations. If we can first, secure ratification of the Geneva protocol; second, prepare a proposal which can become the subject of negotiations at Geneva with regard to controls over the development and stockpiling of chemical agents; and third, reach an understanding on verification of compliance with such a treaty, we will have achieved gigantic strides towards lessening one more subject of world tension.

In summary, then, what I have asked for is a delay in development and production of the binary munition until the Congress, responsible under our constitutional system of self-government, is given an opportunity to give direction to our national policies with regard to chemical warfare. I have simply asked for a more rational approach to this problem and the opportunities for open public debate on our CW policies. The recent hearings before the Armed Services Committee, the House Foreign Affairs Subcommittee, and the House Appropriations Committee have provided these opportunities. I hope that my proposals will save the Nation millions of dollars and contribute to a lessening of world tension. The Congress has an opportunity in its consideration of the current Defense appropriations bill to make a momentous decision regarding the course of action which this country will follow in its chemical warfare programs. The reports of the hearings held in the past 6–8 months provide a wealth of background information on which to make this decision. I urge all the Members to become familiar with these data and to make an informed decision with regard to the proposals in the DOD appropriations bill. I will be happy to provide any help I can to any Member who desires more information on this subject.

A FULL EMPLOYMENT ECONOMY

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. BADILLO. Mr. Speaker, in many of my talks before college, business, labor, and academic groups I focus attention on the pernicious unemployment crisis which has beset this country for the past 5 years and the manner in which it is not only undermining the economy but also seriously exacerbating a number of economic and social problems confronting the Nation. I note that the goals of the Employment Act of 1946 have never been achieved and that the objective of full employment—defined as some type of work for every man and woman seeking a job—has never been actively sought.

Aside from the fact that the private sector has demonstrated its continuing inability to generate sufficient employment opportunities for all persons looking for work, I am convinced that there is no real desire to reduce the level of unemployment. Much of this can be attributed to the preoccupation of most economists and planners with the findings of Prof. A. W. Phillips—known as the Phillips Curve—who claimed that unemployment rates below 2½ percent would cause wages to rise faster than productivity and would presumably be accompanied by rising prices. What many fail to realize is that we have been in a period of both high levels of unemployment and rising prices simultaneously. These "experts" also tend to ignore the many unfilled needs in the public sector which could be met by significantly expanded employment by government at all levels or the economic benefits which would flow from affording people the opportunity to pay part or all of their own way in lieu of continued dependence on public institutions. Inherent in much of this negative attitude toward the concept of full employment is a not-so-subtle discrimination toward the Nation's minorities, the disadvantaged, the dispossessed, the "have nots" of our society.

Recently a well-written and very perceptive argument in support of the full employment concept appeared in America magazine. As the author, Harold X. Connolly, has aptly noted:

The development of a full employment policy and budget has been thwarted on economic, political and ideological grounds.

Observing that unemployment "affects only a minority of people directly," including blacks, Puerto Ricans, Chicanos, and others which may be economically dispensable according to some economists, Mr. Connolly quite accurately declares that—

> Faced with a . . . choice between inflation and unemployment, the sage politician and the secure employee will both opt for minimal inflation and an "acceptable" level of unemployment.

Contrary to the meaningless rhetoric and vacuous claims of the White House and the Labor Department I do not see the unemployment crisis improving and I believe that we must give careful consideration to what Mr. Connolly has written. I insert his article, from the May 11 America, in the Record and commend it to our colleagues' attention:

WHY NOT ACTUAL FULL EMPLOYMENT?

(By Harold X. Connolly)

On March 2, 68,417 applicants appeared for a New York City civil service examination to fill 100 current vacancies in the Sanitation Department and a projected 6,000 more during the next four years. In his State of the Union message, President Nixon stated unequivocally: "There will be no recession in the United States of America"—a sentiment reiterated in subsequent press conferences. The Bureau of Labor Statistics reported an unemployment rate of 5.2 percent for the first two months of 1974, up sharply from the 4.8 percent of last December. A recent study by the Joint Center for Political Studies listed 93 Congressional districts in which poverty would be a primary issue in the fall elections. An estimated 250,000 workers have lost their jobs due to the energy [choose one] a) problem, b) crisis, c) crunch, d) squeeze. On March 1 and 2, the National Conference on Public Service Employment and the Urban Center of Columbia University sponsored a conference and workshop on full employment policy. The connective tissue binding these vignettes together is, of course, employment or its opposite, unemployment.

Occasional Congressional pronouncements, tax and investment incentives and training programs have never coalesced to form a comprehensive, systematic national policy designed to accomplish, or even approximate, full employment in the United States. In anticipatory anxiety about a postwar recession or worse, Congress considered full employment legislation between 1944 and 1946, at which time it passed and President Truman signed the Employment Act of 1946.

Its declared policy required the federal government "to use all practicable means consistent with its needs and obligations and other essential considerations of national policy . . . to coordinate and utilize all its plans, functions and resources for the purpose of creating and maintaining in a manner calculated to foster and promote free enterprise and the general welfare, conditions under which there will be afforded useful employment opportunities . . . for those able, willing and seeking to work, and to promote maximum employment, production and purchasing power."

Quite clearly, this was not a full employment policy but a vague, qualified statement—what Robert Lekachman has termed a "pious aspiration." It differed significantly from earlier draft legislation, which had stated that "all Americans able to work and seeking work have the *right* to useful, remunerative, regular and full-time employment."

Between 1946 and 1961, the federal government relied upon built-in fiscal stabilizers and Federal Reserve monetary and credit policy to support employment levels. The Kennedy-Johnson era added manpower training and retraining programs to the government repertoire of employment policies. Spurred by a number of acts (Area Redevelopment Act of 1961, Manpower Development and Training Act of 1962, Vocational Education Act of 1963, Economic Opportunity Act of 1964) implemented through such programs as Job Corps, Neighborhood Youth Corps, On the Job Training, Concentrated Employment Program, assisted by a foreign military adventure, the government succeeded in 1965 in reducing the annual unemployment level below 5 percent for the first time since 1957. War industry, space programs, the military draft, antipoverty programs continued this "boom" through 1969, but unemployment again exceeded 5 percent in 1970.

The employment record of the United States over the past 25 years clearly indicates the incapacity of American private industry and existing governmental employment and manpower programs to provide gainful work for all able and willing Americans. Except in times of war, the unemployment level has generally remained sticky above the 5 percent level. The United States, according to Leonard Woodcock, remains "the only industrialized country in the non-Communist world which deliberately has a policy of no full employment."

The development of a full employment policy and budget has been thwarted on economic, political and ideological grounds. Orthodox economists have generally adopted an either-or position that logically limits the available options. In its simplest form, they have asked the American people to decide which economic poison they wanted, less inflation or unemployment. Given the posing of such a joyous option, it seems scarcely surprising that economics remains known as the "dismal science." In other words, traditional economics links decreasing unemployment with rising inflation, and low inflation with rising unemployment. The classic expression of this economic law is found in what is called the Phillips curve.

The symbiotic, antagonistic relationship between the rates of inflation and unemployment has suffered significant stress during the recent past, with soaring inflation joined uncustomarily by rising unemployment. This has led to the coining of a new economic term, "stagflation," that is, a combination of economic stagnation and inflation, or what might more conventionally be called a recession, at least as President Nixon himself has defined the word.

It is eminently clear that over the years the federal government has accepted and acted upon the assumed dichotomous relationship between price stability and full employment by allowing unemployment to remain well above full employment levels, while generally restricting inflationary pressures. While economic theory might buttress such policy decisions, it seems probable that much of the rationale for adopting such a plan flowed from politics and not economics.

Unemployment, at worst (even during the Depression), affects only a minority of people directly. Furthermore, unemployment is unevenly distributed demographically and geographically. Among its primary victims are such "no account" groups as blacks, Puerto Ricans, Chicanos, American Indians, recent immigrants, women, the elderly—all dispensable, at least economically. In addition, individual members of these groups—often poor, uneducated, non-English speaking, ignored—have not always participated extensively in the political process through voting, and consequently have not achieved political power and influence commensurate with their numbers and need. Thus, unemployment may be viewed as a minority issue; if 5.2 percent of the civilian labor force is unemployed, 94.8 percent is employed. Contrariwise, inflation is a majority concern; it affects the unemployed, to be sure, but it also affects the employed masses.

Thus faced with a solemn choice between inflation and unemployment, the sage politician and the secure employee will both opt for minimal inflation and an "acceptable" level of unemployment.

Ideologically, the commitment to a free enterprise system and the stigma connotatively associated with public employment programs have combined to thwart the implementation of a full employment program based on the only feasible approach—public service jobs.

Recently, however, economists (Robert Lekachman, Eleanor Gilpatrick, Thomas Vietorisz, for example) have seriously questioned the viability of the Phillips curve and offered alternative models that do not demand such severe tradeoffs. Furthermore, job creation is indeed a majority issue; it would reduce fierce divisive competition for limited job opportunities among racial, ethnic and sex groupings; with a reduced surplus labor pool, it would place workers in a more favorable position vis-a-vis management; it would reduce welfare rolls, poverty, criminal environment, while expanding ambiance, the general welfare, personal productivity, options and worth and the gross national product. Finally, since the private sector cannot provide full employment and since there are numerous unmet needs in the nation, ideology cannot legitimately be raised to defend a non-full-employment economy.

President Johnson's National Commission on Technology, Automation and Economic Progress urged a policy of permanent public job creation for the sake of both the public work to be done and the people eager to do it whom the private sector could not employ. The Emergency Employment Act of 1971 and the Comprehensive Manpower and Training Act of December, 1973, accepted this concept only marginally, viewing public service employment as "transitional" and appropriating grossly insufficient funds to cope with the problem.

President Nixon's proposed budget continues this minimal approach, with proposed manpower programs absorbing but one percent of the total budget. If the money were distributed on the basis of a modest $7,000 per public service job, it would reduce unemployment only about 10 percent. A marginal subsistence wage of $5,000 would leave 86 percent of the unemployed still in that category.

What is needed, then, is a genuine war against poverty and unemployment; a wartime mentality that commits all resources to victory, and castigates those not offering full support as slackers or even worse; a comprehensive program complete with adequate financing. What is needed is a combined WPA–PWA–CCC–NYA program. At their peak, these New Deal programs employed 4,000,000 workers in a vast variety of tasks. While many a hole may have been dug and refilled and many a shovel leaned upon, these agencies constructed such diverse structures as the Triborough Bridge, Bonneville Dam and Mount Hood's Timberline Lodge. They employed scholars and artists to collect and catalog historical records, enliven public buildings with murals and mosaics and offer live professional performances of theater and music throughout the nation.

Despite obvious technological advances since the 1930's, many of the problems confronting contemporary America are amenable to labor-intensive amelioration, if not solution. The removal of trash from city streets and abandoned automobiles from the nation's roadways; the construction of adequate housing for all persons; the upgrading of roadbeds to permit high-speed rail transportation; the increase in supportive services to allow libraries and museums to maintain longer hours; the provision of better health care and educational services through paraprofessional personnel; these and innumerable other large and small projects could absorb most of the nation's unemployed and improve the total human and physical environment.

Travelers have often commented on the greater civility of London compared to New York City or any major urban center in the United States. London's level of municipal housekeeping results, not from managerial magic, but from a substantially larger staff than that employed by New York City. The London underground, for example, employs twice as many maintenance and station-operating personnel per passenger as does the New York subway system. Not unexpectedly, stations are cleaner and breakdowns less frequent in London.

Similarly, one of the great horticultural landmarks in the United States is the New York Botanical Gardens, which includes a huge turn-of-the-century glass conservatory. Every year, hundreds of the building's 17,000 panes of glass crack and need to be replaced. Where once 20 of the finest gardeners in the country labored, the Botanical Gardens can now afford a staff of only three to five. Multiply the difficulties and opportunities of this one major institution by several thousand across the land, and one can begin to understand the possibilities for this kind of public service employment.

What is suggested, therefore, is the creation of what Frank Reissman has called a "human services society" keyed to people's needs, a society in which "the right to employment opportunities is guaranteed to everyone able and willing to work," as Congressman Augustus Hawkins' proposed full employment legislation states. A nation and economy that have developed more diversified methods to consume fossil energy must now prove themselves committed to the creative utilization of human energies and potentials. A politics and an economy geared to a scarcity of jobs, goods and amenities would yield to those of planned abundance and ambiance. Given existence and anticipated shortages of raw materials and inevitable inflationary pressures, some of the benefits accruing from a full employment policy would be in less tangible but nonetheless real terms.

The cost of such a comprehensive plan need not be excessive or bankrupting in a country with an anticipated federal budget in excess of $300 billion, a military budget of nearly $90 billion and a significant source of potential revenue from a reorganized and genuinely progressive tax structure. A war on poverty that seeks anything less than full employment would be a cruel hoax, a Band-Aid in place of radical surgery.

NUMBER OF TAX LOSS FARMING MILLIONAIRES IS INCREASING

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1974

Mr. VANIK. Mr. Speaker, in the 1969 Tax Reform Act, the Congress attempted to close the tax loss farming loophole. Apparently we failed—and a new effort must be made to close this tax loophole.

The Treasury Department's "Individual Statistics of Income" for 1971 clearly show that the American millionaire continues to do a very good business by means of very poor farming.

For the 1971 tax year, under the provisions of the 1969 Tax Reform Act, only 35 American millionaries made $2,022,000 from farming. But for that same year, 102 millionaires managed to lose $13,675,000 for an average loss of $134,068 on their farming operations.

In 1969, during the last year of the old tax loss farming law, 136 millionaires lost an average of $66,448 from farming. The 1971 tax advantage for these people was more than twice that of 1969, the final year preceding the alleged closing of the loophole.

Moreover, the 1971 figure of 102 millionaires losing an average of $134,068 is even greater than the 1970 figure of 94 millionaires losing an average of $128,149.

These millionaire farmers—who would seem to be losing their shirts—are not really farmers or ranchers. In fact, many of them probably never get west of the Hudson River. Yet in a sense they are farmers—tax farmers, who through manipulations of the tax code, harvest a bountiful crop of dollars from the Treasury and the rest of the Nation's taxpayers. Several years ago, a Wall Street Journal writer parodied these "farmers" using the song, "The Old Cowhand From the Rio Grande."

I'm a rich cowhand of the Wall Street brand;
And I save on tax, to beat the band.
Oh, I take big deductions the law allows
And I never even have to see my cows.
Yippie-yi-yo-ki-yay.

It is estimated that the total tax advantage going to urban "tax loss farmers" is running at about $860 million per year.

How does one "lose" hundreds of thousands of dollars in farming and still survive. The secret lies in accounting or the creation of "paper losses."

In an effort to save the farmer the labor and extra work of the bookkeeping chores involved in keeping track of inventories and using the accrual method of accounting, farmers are permitted to deduct most expenses in the year in which they occurred—and are taxed on the income from a crop or an animal in a later year, when that produce is sold.

The importance of the special rules can be seen from the following example. A taxpayer sells $1,000 worth of a product which cost him $800 to produce. The $1,000 in farm income can be treated as capital gains, while the $800 is deducted against ordinary income. In other words, the sale is taxed at capital gains rates, about 25 percent, while the cost is deductible at the taxpayer's marginal tax rate—up to 50 percent and even more. If the taxpayer in this example is in the 50-percent bracket, his tax saving is $400 on the deduction of the costs. If the product he sold is taxed at the 25-percent capital gains rate, his tax is $250. This means a net reduction in taxes of $150—despite the fact that actually, economically, a $200 gain was realized.

Unfortunately, the 1969 Tax Reform Act—while billed as having closed much of this loophole—failed to stop the growing use of tax loss farming by millionaires.

There are two major problems with the use of tax loss farming gimmicks. First, of course, it is an advantage available mostly to the rich and allows them to reduce their taxes, thus destroying efforts to provide a progressive and just tax system.

Second, these tax inequities spawn the phenomenon of agri-business which effectively drives up the cost of land and grossly distorts the agricultural market. While the real farmer is most immediately victimized by these inequities, the American consumer is not far behind.

In his recent book, "The American Food Scandal," William Robbins writes of tax loss farming:

> An ingenious device is being used to bring still more money into the takeover of farmland. It is one that clearly results now in increased corporate control, with side effects that are likely to cause severe dislocations and higher consumer costs in the years ahead.
>
> The trick is a tax gimmick that is used by promoters who buy, or contract to buy, large assemblages from independent farmers. The promoters form syndicates and print prospectuses that they then mail to professional men, such as high income doctors and dentists. . . Oddly, the chief attractions offered are the losses that the prospective investors can be promised.

The statistics of income clearly show that these farming losses not only still mean huge tax savings to wealthy individuals, but the tax savings have been increasing since the 1969 Tax Reform Act was enacted.

The tax loss farming loophole remains a deceptive, unjust aspect of our tax code which only makes the rich richer while exploiting the real farmer and, in turn, the consumer. Robbins writes of the tax loss farmer:

> In terms of the consumer's interest, what they have achieved is an enormous increase in the costs of farming that translates into extra billions of dollars that Americans must pay for their food.

The loophole remains wide open, and thorough tax reform in this regard is needed more than ever.

I am introducing legislation today which would lower the amount of allowable deductions which may be taken by a taxpayer engaged in the business of farming. Under my amendment, the total deductions which could be claimed cannot exceed the sum of the gross income derived from the business of farming for the taxable year and, in the case of an individual, the higher of either $15,000 or the amount of a series of special deductions designed to protect real farmers from hardship losses caused by drought and casualties.

Under present law, limitations on tax loss farming are only imposed on individuals with more than $50,000 in nonfarm income and $25,000 in farm losses. Under my proposal, all individuals are

covered, regardless of the amount of nonfarm income. In addition, the amount of tax loss which is permissible under my proposal is reduced from $25,000 to $15,000.

I am hopeful that the House Ways and Means Committee will be able to accept this amendment as part of its present tax reform deliberations.